

# Consolidated Financial Results for Fiscal Year 2007 (ending March 31, 2008)



May 9, 2008

**Yamatake Corporation**

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Current plans, targets, etc. discussed in this document that are not based on historical fact are projections of future performance. They are based on management's assumptions, intent and expectations in light of the information currently available to it, and therefore these statements are not guarantees of future performance.

Due to various factors, actual results may differ from these projections.

\* Figures are rounded off.

# Core Business Structure

Concentrating on human-centered automation, the Yamatake Group has three core businesses: **Building Automation (BA)**, which specializes in automation for buildings; **Advanced Automation (AA)**, which focuses on automation for plants and factories; and **Life Automation (LA)**, which applies automation technologies to life and living.

While all three businesses are closely connected with society and the individual, their markets have significantly different characteristics. Nevertheless, combining these businesses and promoting synergies will support the long-term growth of the Yamatake Group.



## ■ Building Automation Business (BA)

Yamatake develops and manufactures an extensive range of building automation products; from building automation systems and security systems through to application software, controllers, valves and sensors; thus realizing high functionality and quality. These products and services are provided through an integrated framework, ranging from instrumentation design to sales, engineering, maintenance, energy-saving solutions and facility operation and management. We also apply original environmental technologies to create business and production spaces where people can work efficiently and in comfort, while contributing to reducing the environmental impact.

## ■ Advanced Automation Business (AA)

Yamatake solves issues in a broad array of industries, ranging from oil refining, chemical, iron and steel, pulp and paper to automobiles, electrical/electronic, semiconductor, and foods and beverages, through the provision of products, solutions, instrumentation/engineering and maintenance service to support optimal operation of the customers' facilities throughout their lifecycle. We develop advanced measurement and control technologies to enable people involved in production to develop their own skills in safety, thus creating new value through collaboration with our customers.

## ■ Life Automation Business (LA)

Yamatake contributes to "people's active lives" through the use of measurement, control and metering technologies developed over many years in the building and industrial markets and also through our attentive, personal service. These are applied to gas, water and other lifelines, to the residential environment, and to nursing care and health support.



## **Financial Results for FY2007**

**(ending March 31, 2008)**

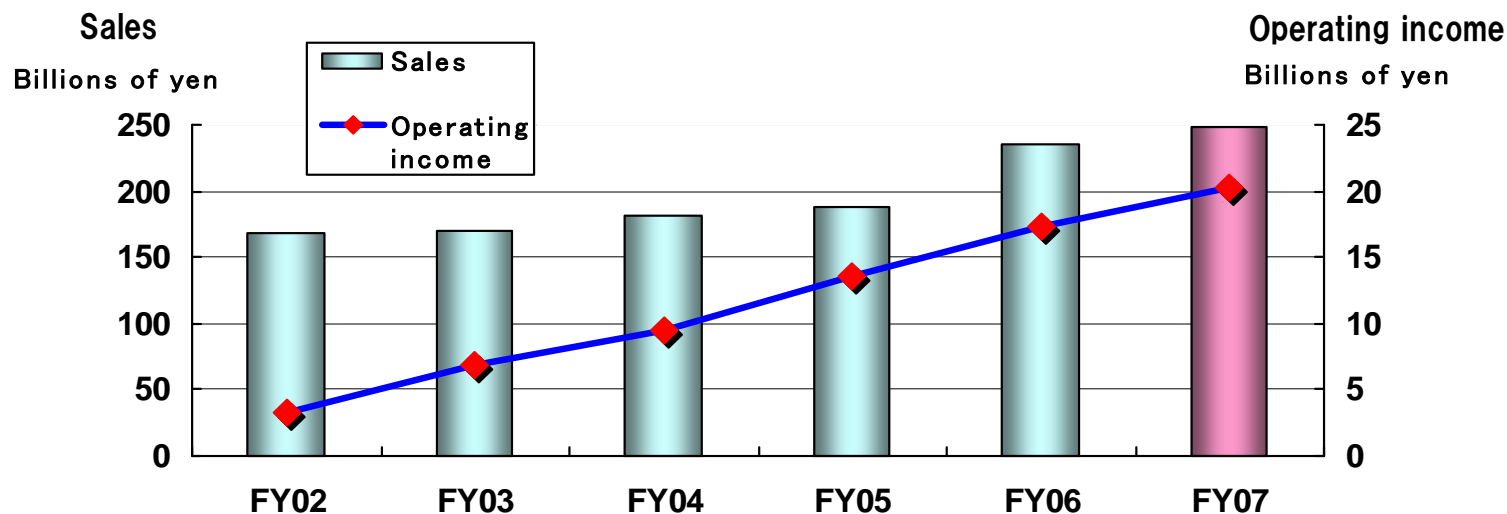
# Summary of Consolidated Results



Both sales and profits increased in FY2007 for the 5th consecutive year. Operating income exceeded 20 billion yen for the first time in Yamatake's history.

(Billions of yen)

	FY2002 (Mar.2003)	FY2003 (Mar.2004)	FY2004 (Mar.2005)	FY2005 (Mar.2006)	FY2006 (Mar.2007)	FY2007 (Mar.2008)
Consoli. Sales	168.0 bil.	170.0 bil.	180.8 bil.	188.3 bil.	234.6 bil.	248.6 bil.
Operating income	3.3 bil.	6.8 bil.	9.4 bil.	13.5 bil.	17.3 bil.	20.5 bil.
% to Net sales	2.0 %	4.0 %	5.3 %	7.2 %	7.4 %	8.2 %
Recurring income	3.3 bil.	6.8 bil.	9.5 bil.	13.9 bil.	17.9 bil.	20.4 bil.
Income before Taxes	11.2 bil.	6.5 bil.	5.8 bil.	15.7 bil.	17.9 bil.	19.5 bil.
Net income	5.3 bil.	3.2 bil.	3.7 bil.	9.8 bil.	10.6 bil.	10.7 bil.



# FY2007 Operating Results



- Overall, the results evidence solid growth in sales and operating income.
  - Sales were 248.6 billion yen, up 14 billion yen on the previous year, an increase of 6.0%.
  - Operating income was 20.5 billion yen, up 3.2 billion yen on the previous year, a substantial increase of 18.3%. To cope with a difficult business environment, including the rapid rise in the cost of raw materials, the business structure was strengthened.
  - Net income was 10.7 billion yen. An extraordinary loss was charged for infrastructure improvement, etc. (See next page)

(Billions of yen)

	FY2006 ( Mar. 2007 )	FY2007 ( Mar. 2008 )								
	Actual (A)	Actual (B)	Difference		BOY Plan ( C ) (May.10.2007)	Difference		Revised Plan(D) (Nov.8.2007)	Difference	
			(B)-(A)	%		(B)-(C)	%		(B)-(D)	%
Consoli. Sales	234.6 bil.	248.6 bil.	14.0 bil.	6.0 %	244.0 bil.	4.6 bil.	1.9 %	248.5 bil.	0.1 bil.	0.0 %
Operating income	17.3 bil.	20.5 bil.	3.2 bil.	18.3 %	20.0 bil.	0.5 bil.	2.4 %	20.3 bil.	0.2 bil.	0.9 %
% to Net sales	7.4 %	8.2 %			8.2 %			8.2 %		
Recurring income	17.9 bil.	20.4 bil.	2.5 bil.	14.3 %	19.6 bil.	0.8 bil.	4.1 %	20.3 bil.	0.1 bil.	0.5 %
Income before Taxes	17.9 bil.	19.5 bil.	1.7 bil.	9.4 %	19.3 bil.	0.2 bil.	1.2 %	20.3 bil.	(0.8) bil.	(3.7) %
Net income	10.6 bil.	10.7 bil.	0.1 bil.	0.6 %	12.0 bil.	(1.3) bil.	(10.8) %	11.4 bil.	(0.7) bil.	(6.1) %

# FY2007 Non operating Income & Expenses and Extraordinary Profit & Loss Comparison



- Yamatake posted an extraordinary profit on the sale of a former factory site and other fixed assets.
- Yamatake posted an asset-impairment loss equivalent to the loss in market value of goodwill, investments and other assets due to a significant fall in the market value of shares in Kimmon Manufacturing Co., Ltd. Yamatake has also posted an extraordinary loss on the impairment of Kimmon Mfg.'s business fixed assets with a view to improving profitability.

(Billions of Yen)

	FY2006 (Mar. 2007)		FY2007 (Mar. 2008)	
	Actual (A)	Actual (B)	Difference	
			(B)-(A)	%
Operating income	17.3 bil.	20.5 bil.	3.2 bil.	18.3 %
Non-op. income	1.1 bil.	0.9 bil.	(0.2) bil.	(16.4) %
Non-op. expenses	0.6 bil.	1.0 bil.	0.4 bil.	78.2 %
Recurring income	17.9 bil.	20.4 bil.	2.5 bil.	14.3 %
Extra. profit	0.6 bil.	3.1 bil.	2.5 bil.	393.7 %
Extra. loss	0.6 bil.	4.0 bil.	3.3 bil.	529.6 %
Income before Taxes	17.9 bil.	19.5 bil.	1.7 bil.	9.4 %
Income taxes and minority interest	7.2 bil.	8.8 bil.	1.6 bil.	22.5 %
Net income	10.6 bil.	10.7 bil.	0.1 bil.	0.6 %

# Sales & Operating Income by Business Segment



- Sales increased for both BA and AA businesses, each topping the 100 billion yen mark.

(Billions of yen)

	FY2006	FY2007								
	(Mar. 2007)	(Mar. 2008)								
	Actual (A)	Actual (B)	Difference		BOY Plan (C)	Difference		Revised Plan(D)	Difference	
			(B)-(A)	%	(May.10.2007)	(B)-(C)	%	(Nov.8.2007)	(B)-(D)	%
BA Sales	89.0 bil.	100.5 bil.	11.5 bil.	13.0 %	95.0 bil.	5.5 bil.	5.8 %	99.8 bil.	0.7 bil.	0.7 %
Operating income	8.5 bil.	11.8 bil.	3.3 bil.	38.9 %	10.0 bil.	1.8 bil.	17.5 %	10.7 bil.	1.1 bil.	9.8 %
% to Net sales	9.5 %	11.7 %			10.5 %			10.7 %		
AA Sales	99.7 bil.	105.4 bil.	5.7 bil.	5.7 %	106.5 bil.	(1.1) bil.	(1.0) %	105.5 bil.	(0.1) bil.	(0.1) %
Operating income	9.1 bil.	8.9 bil.	(0.1) bil.	(1.6) %	10.0 bil.	(1.1) bil.	(10.7) %	9.6 bil.	(0.7) bil.	(7.0) %
% to Net sales	9.1 %	8.5 %			9.4 %			9.1 %		
LA Sales	36.8 bil.	36.5 bil.	(0.3) bil.	(0.9) %	36.5 bil.	(0.0) bil.	(0.1) %	35.8 bil.	0.7 bil.	1.8 %
Operating income	(0.5) bil.	(0.3) bil.	0.2 bil.	—	(0.1) bil.	(0.2) bil.	—	(0.2) bil.	(0.1) bil.	—
% to Net sales	(1.4) %	(0.8) %			(0.3) %			(0.6) %		
Others Sales	11.1 bil.	8.4 bil.	(2.7) bil.	(24.4) %	9.1 bil.	(0.7) bil.	(7.6) %	8.8 bil.	(0.4) bil.	(4.4) %
Operating income	0.4 bil.	0.1 bil.	(0.3) bil.	(76.5) %	0.1 bil.	(0.1) bil.	(41.0) %	0.2 bil.	(0.1) bil.	(58.7) %
% to Net sales	3.2 %	1.0 %			1.5 %			2.3 %		



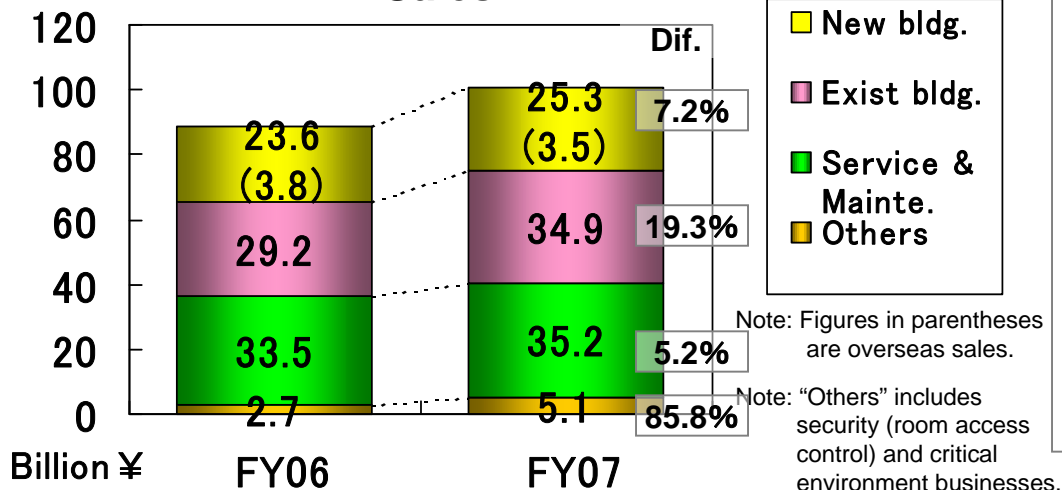
# Building Automation Business

- The BA business succeeded in taking advantage of opportunities afforded by the favorable market environment, achieving results that even exceeded the targets which were revised upwards at the end of the first half. Sales were 100.5 billion yen (up 11.5 billion yen or 13.0% on the previous year), and operating income was 11.8 billion yen (up 3.3 billion yen or 38.9% on the previous year).

(Billions of yen)

	FY2006 (Mar.2007)			FY2007 (Mar.2008)			Difference	
	1H	2H	Total year(A)	1H	2H	Total year(B)	(B)-(A)	%
Sales	36.5 bil.	52.5 bil.	89.0 bil.	43.3 bil.	57.2 bil.	100.5 bil.	11.5 bil.	13.0 %
Operating income	1.6 bil.	6.8 bil.	8.5 bil.	3.2 bil.	8.6 bil.	11.8 bil.	3.3 bil.	38.9 %
% to Net sales	4.4 %	13.0 %	9.5 %	7.3 %	15.0 %	11.7 %		
Orders	55.9 bil.	38.7 bil.	94.7 bil.	61.1 bil.	41.0 bil.	102.1 bil.	7.5 bil.	7.9 %
Order backlog	48.7 bil.	34.9 bil.		52.7 bil.	36.6 bil.		1.6 bil.	4.7 %

## Sales



- With brisk investment in new building construction continuing domestically as a result of redevelopment projects centered in the Tokyo metropolitan area, sales were significantly higher than the previous year.
- Against a background of heightened requirements for CO<sub>2</sub> (environmental load) reductions and stricter regulations, healthy business expansion was achieved in the markets for existing buildings and service & maintenance. Large-scale buildings contributed to a significant increase in Yamatake's ESCO business.
- Sales grew for the security (room access control) business, included in Others, as a result of expanded demand from financial institutions and large-scale jobs.

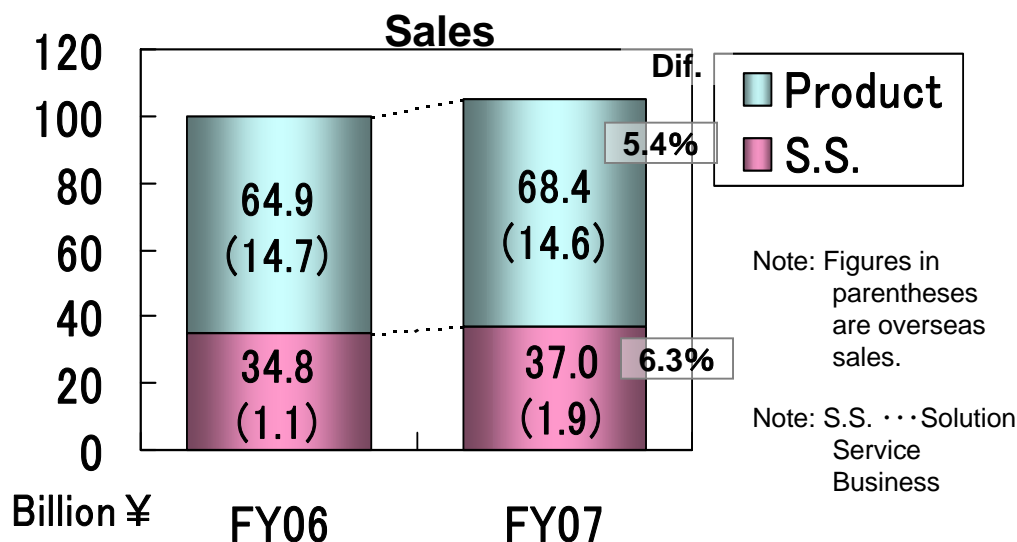
# Advanced Automation Business



- The AA business faced the challenge of slowing domestic capital investment, yet recorded sales of 105.4 billion yen (up 5.7 billion yen or 5.7% on the previous year). However, steep rises in the cost of raw materials meant that operating income was 8.9 billion yen (down 100 million yen or 1.6% on the previous year).

(Billions of yen)

	FY2006 (Mar.2007)			FY2007 (Mar.2008)			Difference	
	1H	2H	Total year(A)	1H	2H	Total year(B)	(B)-(A)	%
Sales	45.0 bil.	54.7 bil.	99.7 bil.	49.5 bil.	55.9 bil.	105.4 bil.	5.7 bil.	5.7 %
Operating income	3.8 bil.	5.2 bil.	9.1 bil.	4.1 bil.	4.8 bil.	8.9 bil.	(0.1) bil.	(1.6) %
<i>% to Net sales</i>	8.5 %	9.5 %	9.1 %	8.3 %	8.6 %	8.5 %		
Orders	49.4 bil.	52.2 bil.	101.6 bil.	52.8 bil.	50.1 bil.	102.9 bil.	1.3 bil.	1.3 %
Order backlog	30.7 bil.	28.2 bil.		31.5 bil.	25.6 bil.		(2.5) bil.	(9.0) %



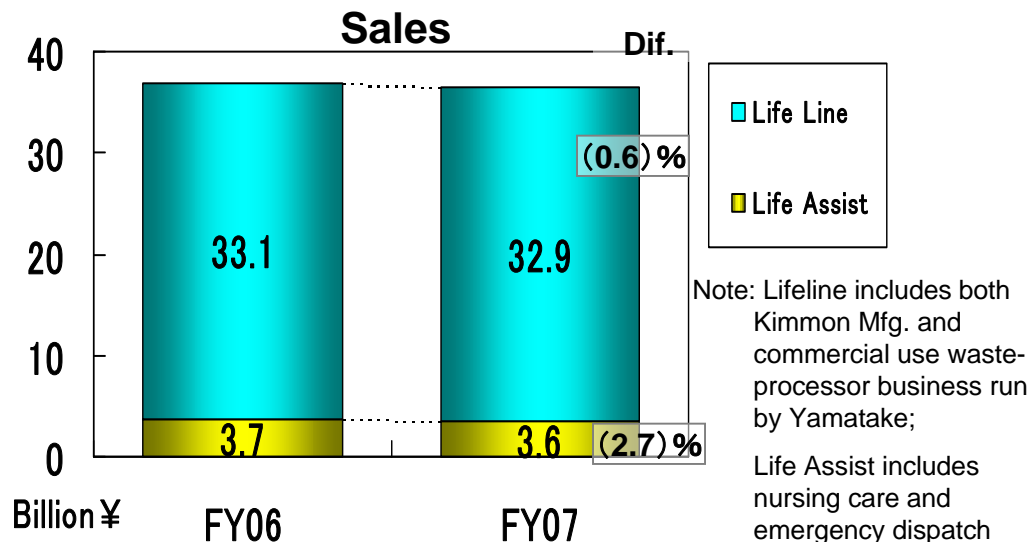
- Although previously limited to the semiconductor market, a slowdown in domestic capital investment spread to several other markets.
- New manufacturing facilities for expanded production of flowmeters were built at Kimmon Mfg.'s Kyoto factory. Also, manufacturing facilities at the Shonan factory were upgraded for next generation, advanced-performance products.
- A sales subsidiary was consolidated in FY2006 2H.

# Life Automation Business

- Faced with a severe business environment, the LA business was unable to avoid a fall in operating results: sales were 36.5 billion yen (down 300 million yen or 0.9% on the previous year). However, measures implemented to enhance profitability proved effective, and operating income saw an improvement, with the deficit falling to 300 million yen (down 200 million yen on the previous year).

(Billions of yen)

	FY2006 (Mar.2007)			FY2007 (Mar.2008)			Difference	
	1H	2H	Total year(A)	1H	2H	Total year(B)	(B)-(A)	%
<b>Sales</b>	18.6 bil.	18.2 bil.	36.8 bil.	18.5 bil.	18.0 bil.	36.5 bil.	(0.3) bil.	(0.9) %
<b>Operating income</b>	(0.3) bil.	(0.2) bil.	(0.5) bil.	(0.2) bil.	(0.1) bil.	(0.3) bil.	0.2 bil.	—
<i>% to Net sales</i>	(1.5) %	(1.3) %	(1.4) %	(1.2) %	(0.4) %	(0.8) %		
<b>Orders</b>	19.3 bil.	17.8 bil.	37.0 bil.	19.0 bil.	17.6 bil.	36.6 bil.	(0.5) bil.	(1.2) %
<b>Order backlog</b>	1.5 bil.	1.1 bil.		1.6 bil.	1.2 bil.		0.1 bil.	11.2 %



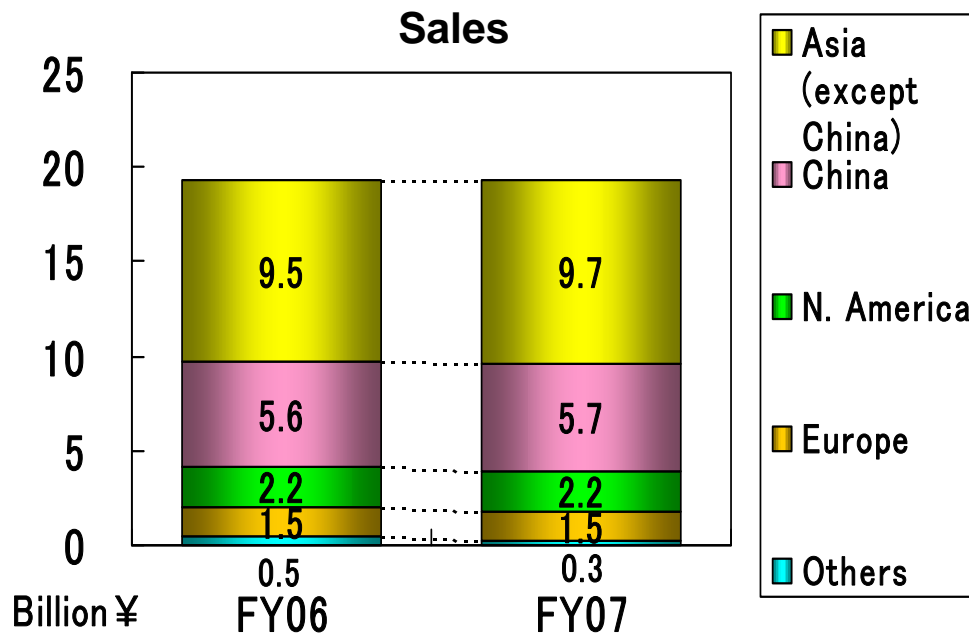
- Kimmon Mfg. saw growth in its LP gas equipment business, but sales fell from 32.2 billion yen in FY2006 to 32.0 billion yen in FY2007 as a result of the cyclical drop-off in demand for town gas meters.
- As a result of enhancing profit structure in the various fields that comprise the LA business – including Kimmon Mfg.’s business infrastructure development, which was achieved with the cooperation of the Yamatake Group – LA operating income has improved.

# International Business (Overseas Sales)

- Despite the growth in sales by overseas affiliates of products and systems for the industrial market, international business sales were 19.4 billion yen (up just 100 million yen or 0.6% on the previous year). This reflects the fall in direct exports for the BA and AA businesses.

(Billions of yen)

	FY2006 (Mar.2007)	FY2007 (Mar.2008)	Difference	
	Total year(A)	Total year(B)	(B)-(A)	%
Sales	19.3 bil.	19.4 bil.	0.1 bil.	0.6 %



- BA Business**  
Sales fell as a result of a slowdown in Japanese companies' investments in China and because the term coincided with a shift in the placement of orders by Japanese companies, which now favor local construction and distribution companies.
- AA Business**  
With the completion of the large-scale projects of FY2006, located in China and the Middle East, direct exports were down and sales fell accordingly. Nevertheless, sales by overseas affiliates grew in China, a priority market, and elsewhere in the Asian region.

Note: Beginning with this financial statement, the above international business (overseas sales) figures include only the sales of overseas affiliates and direct exports; indirect exports are excluded.

Note: International business (overseas sales) figures are included within the sales of BA, AA and LA businesses.

# Consolidated Balance sheets

- Total assets were 228.8 billion yen, virtually unchanged from the previous year.
- Investments and other assets fell by 9 billion yen because of a fall in the value of available-for-sale securities, and an asset-impairment loss resulting from the fall in the market value of shares in Kimmon Mfg.

(Billions of yen)

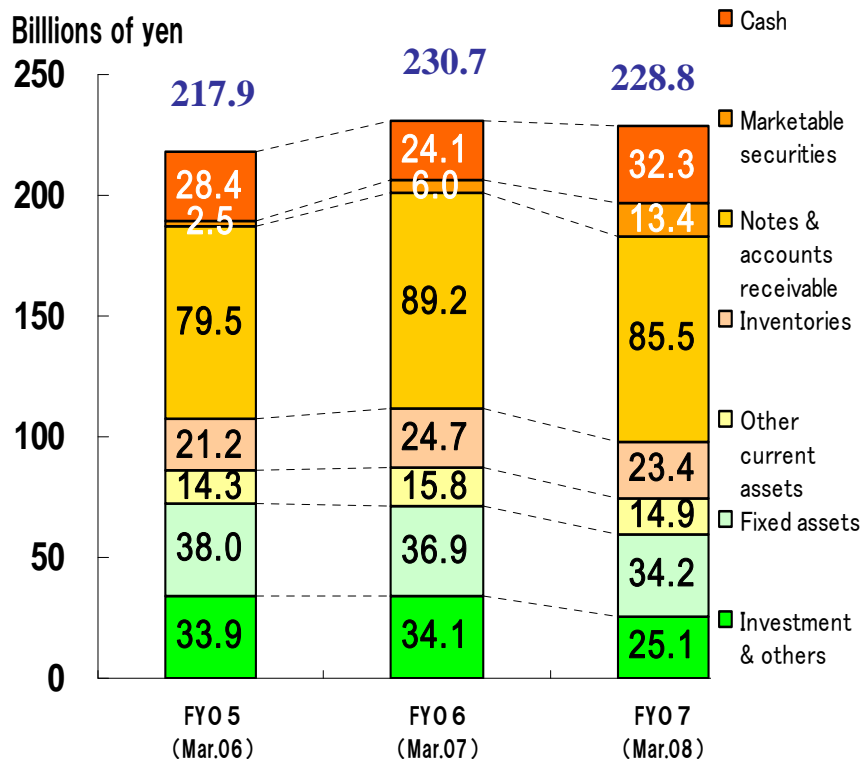
	A FY06 (Mar.2007)	B FY07 (Mar.2008)	B - A Dif.		A FY06 (Mar.2007)	B FY07 (Mar.2008)	B - A Dif.
<b>Current assets</b>	159.7	169.6	9.9	<b>Current liabilities</b>	87.0	87.1	0.1
Cash	24.1	32.3	8.3	Notes & accounts payable	42.2	42.1	(0.1)
Notes & accounts receivable	89.2	85.5	(3.7)	S.T. Borrowings & Bonds	14.3	14.4	0.2
Marketable securities	6.0	13.4	7.4	Others	30.5	30.5	0.0
Inventories	24.7	23.4	(1.3)				
Others	15.8	14.9	(0.9)				
<b>Fixed assets</b>	71.0	59.3	(11.7)	<b>Long-term liabilities</b>	24.7	20.1	(4.7)
Net P.P.E	30.7	29.3	(1.3)	L.T. debt & Bonds	6.6	4.5	(2.0)
Intangible fixed assets	6.2	4.9	(1.3)	Employees' retirement benefits	15.9	14.0	(1.9)
Investment & others	34.1	25.1	(9.0)	Others	2.3	1.5	(0.8)
				<b>Total liabilities</b>	111.7	107.1	(4.6)
				<b>Shareholders' equity</b>	110.2	116.2	6.0
				-Common stock	10.5	10.5	0.0
				-Capital surplus	12.6	12.6	0.0
				-Retained earnings	87.0	93.7	6.7
				-Treasury stock	(0.0)	(0.7)	(0.7)
				Adjustments for valuation, foreign currency transaction & others	7.7	4.2	(3.5)
				-Unrealized gain on available- for sale-securities	7.5	3.9	(3.6)
				-Loss on deferred hedge	(0.0)	0.0	0.0
				-Foreign currency transaction adjustments	0.2	0.3	0.1
				<b>Minority interests</b>	1.1	1.4	0.3
				<b>Total net assets</b>	119.0	121.7	2.8
<b>Total Assets</b>	230.7	228.8	(1.8)	<b>Total liabilities &amp; Total net asset</b>	230.7	228.8	(1.8)

Cash & Cash Equivalents      35.2      49.3      14.1

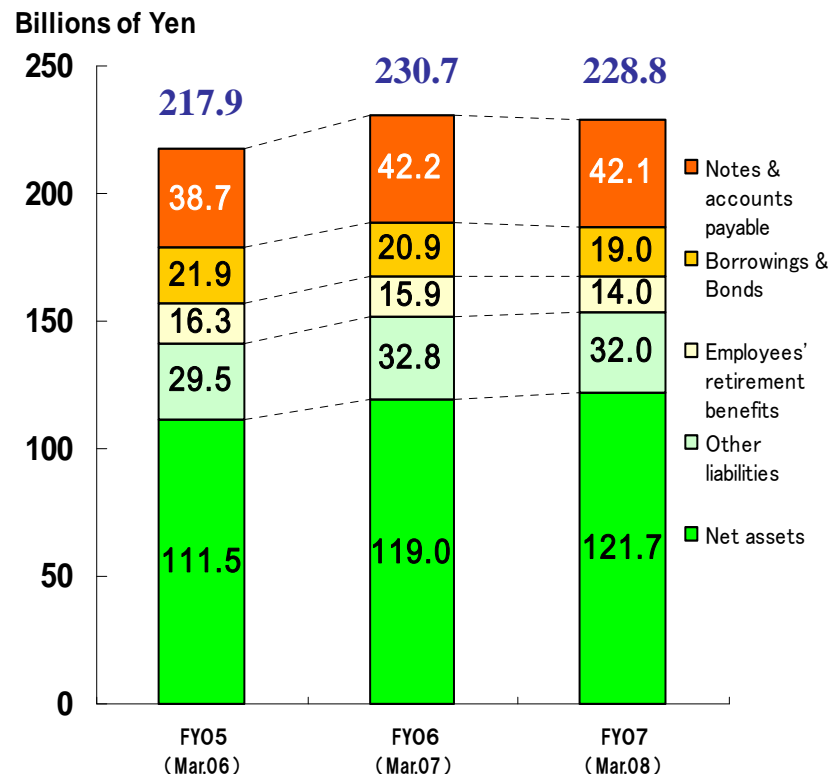
# Trend of Balance sheets (FY2005–FY2007)



## Current of Assets



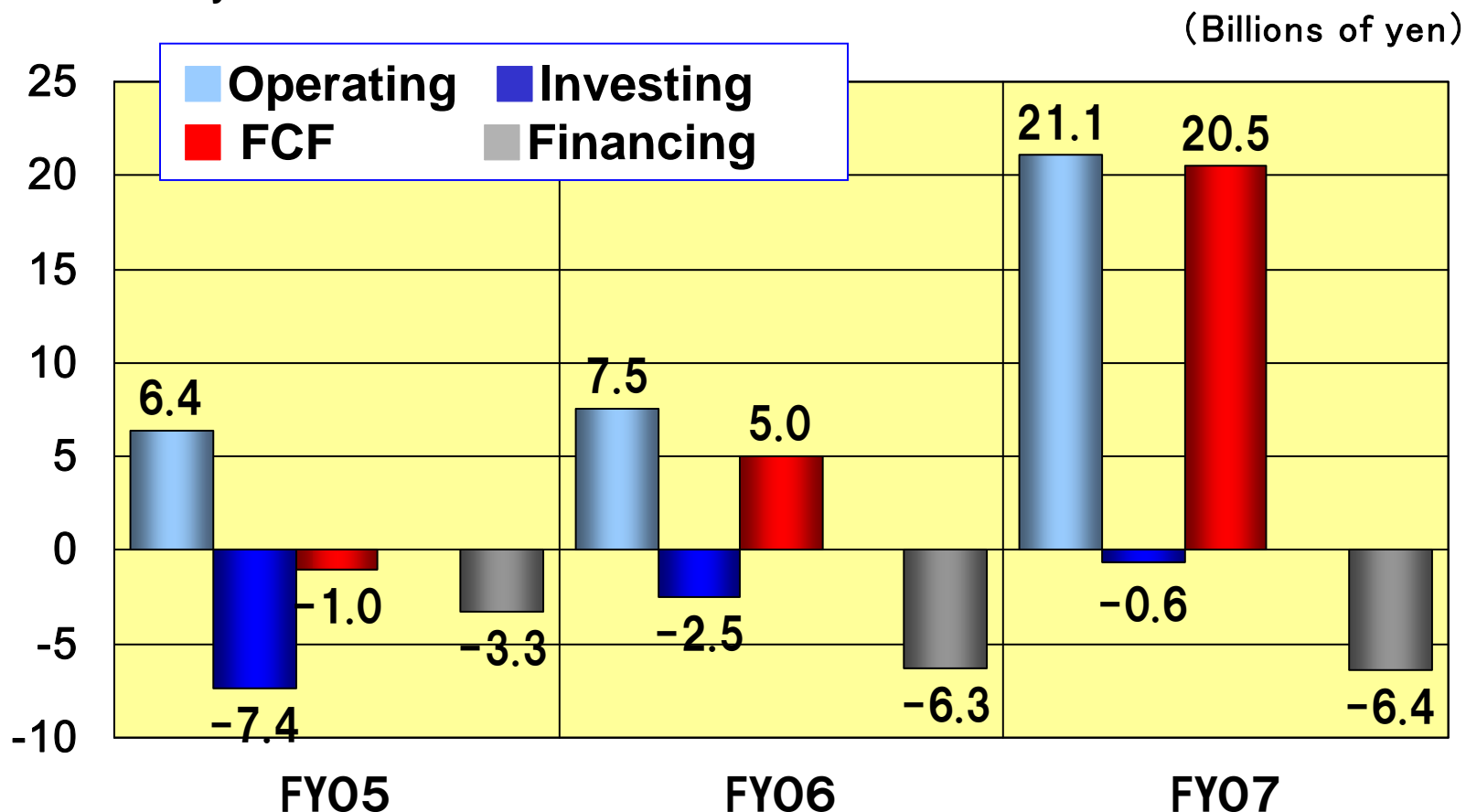
## Current of liabilities & Net assets



# Consolidated Cash Flow



- Despite an increase in sales from the previous year, owing to falls in accounts receivable and inventory assets, cash flow from operating activities increased substantially.
- Cash flow from investing activities fell only slightly as a result of the sale of a former factory site and other fixed assets.





## **Business Plan for FY2008**

**(ending March 31, 2009)**



# FY2008 Consolidated Operating Plan

- In the 2nd year of the Medium-Term (3-Year) Plan, intended for “firmly establishing the foundation” of the Group, Yamatake will implement infrastructure improvement for its businesses and frameworks. Although a difficult business environment is predicted – with slowing domestic capital investment, steep rises in the cost of raw materials, and exchange rate fluctuations – Yamatake will aim to increase both sales and income.
  - Sales will be 253.0 billion yen, up 4.4 billion yen on the previous year, an increase of 1.8%.
  - Operating income will be 21.1 billion yen, up 600 million yen on the previous year, an increase of 3.0%.
  - Net income will be 12.2 billion yen, up 1.5 billion yen on the previous year, an increase of 13.9%.

(Billions of yen)

	FY2007	FY2008				
	(Mar. 2008)	(Mar.2009)				
	Total year act. (A)	1H est.	2H est.	Total year est. (B)	Difference	
					(B)-(A)	%
<b>Sales</b>	<b>248.6</b> bil.	<b>113.5</b> bil.	<b>139.5</b> bil.	<b>253.0</b> bil.	<b>4.4</b> bil.	<b>1.8</b> %
<b>Operating income</b>	<b>20.5</b> bil.	<b>6.6</b> bil.	<b>14.5</b> bil.	<b>21.1</b> bil.	<b>0.6</b> bil.	<b>3.0</b> %
<i>% to Net sales</i>	<b>8.2</b> %	<b>5.8</b> %	<b>10.4</b> %	<b>8.3</b> %		
<b>Recurring income</b>	<b>20.4</b> bil.	<b>6.5</b> bil.	<b>14.3</b> bil.	<b>20.8</b> bil.	<b>0.4</b> bil.	<b>1.9</b> %
<b>Income before Taxes</b>	<b>19.5</b> bil.	<b>6.3</b> bil.	<b>13.7</b> bil.	<b>20.0</b> bil.	<b>0.5</b> bil.	<b>2.4</b> %
<b>Net income</b>	<b>10.7</b> bil.	<b>3.6</b> bil.	<b>8.6</b> bil.	<b>12.2</b> bil.	<b>1.5</b> bil.	<b>13.9</b> %

# FY2008 Operating Plan by Segment



● **Continued growth in sales and income is forecast for the BA business. Strengthened profitability in the AA business will serve to minimize the effect of worsening market conditions.**

- **BA business:** Despite an apparent lull in large-scale redevelopment projects in the Tokyo metropolitan area, it is predicted that demand in the market as a whole, including both new and existing buildings, will be maintained at a high level. The BA sales target is 103.0 billion yen (up 2.5 billion yen or 2.4% on the previous year), while the operating income target is 12.7 billion yen (up 900 million yen or 8.1% on the previous year).
- **AA business:** It is expected that, with the effect of suppressed domestic capital investment, business conditions will be very challenging. Helping to counter this, however, are fields in which continued robust investment is predicted – for safe, stable operations, primarily in existing facilities, for example – and also overseas business will be strengthened. Consequently, the AA sales target is set at about the same level as FY2007: 106.0 billion yen (up 600 million yen or 0.5% on the previous year). Operating income will be maintained at 8.2 billion yen (down 700 million yen or 8.1% on the previous year) by carrying through with various measures to improve profitability.
- **LA business:** Kimmon Mfg. is expected to continue facing a severe business environment, but this situation will improve with a recovery in demand for its town gas equipment. Further improvements will come from the reinforcement of business infrastructure through management integration following the conversion of Kimmon Mfg. into a wholly owned subsidiary. Thus, the sales target for the LA business as a whole is 37.7 billion yen (up 1.2 billion yen or 3.4% on the previous year), while the operating income target is 100 million yen\* (up 300 million yen on the previous year).

\*After deducting the amortization of goodwill(Yamatake estimate) following the conversion of Kimmon Mfg. into a wholly owned subsidiary.

(Billions of yen)

	FY2007	FY2008					
	(Mar. 2008)	(Mar. 2009)					
	Total year act. (A)	1H est.	2H est.	Total year est. (B)	Difference		
					(B)-(A)	%	
<b>BA</b> Sales	100.5 bil.	42.5 bil.	60.5 bil.	103.0 bil.	2.5 bil.	2.4 %	
Operating income	11.8 bil.	3.4 bil.	9.3 bil.	12.7 bil.	0.9 bil.	8.1 %	
% to Net sales	11.7 %	8.0 %	15.4 %	12.3 %			
<b>AA</b> Sales	105.4 bil.	49.0 bil.	57.0 bil.	106.0 bil.	0.6 bil.	0.5 %	
Operating income	8.9 bil.	3.2 bil.	5.0 bil.	8.2 bil.	(0.7) bil.	(8.1) %	
% to Net sales	8.5 %	6.5 %	8.8 %	7.7 %			
<b>LA</b> Sales	36.5 bil.	18.8 bil.	18.9 bil.	37.7 bil.	1.2 bil.	3.4 %	
Operating income	(0.3) bil.	(0.1) bil.	0.1 bil.	0.1 bil.	0.3 bil.	—	
% to Net sales	(0.8) %	(0.3) %	0.6 %	0.1 %			
<b>Others</b> Sales	8.4 bil.	4.2 bil.	4.3 bil.	8.5 bil.	0.1 bil.	1.1 %	
Operating income	0.1 bil.	0.0 bil.	0.1 bil.	0.1 bil.	0.0 bil.	8.9 %	
% to Net sales	1.0 %	0.5 %	1.6 %	1.1 %			

For “firmly establishing the foundation” of the Yamatake Group  
Carrying through with Measures for the Reinforcement of  
Kimmon Mfg.’s Business Infrastructure & Profitability



New impetus will be given to measures (Jump-up Plan) for reinforcing Kimmon Mfg.’s business infrastructure and profitability through management integration following its conversion into a wholly owned subsidiary.

April 2008

FY2007

Conversion of Kimmon Mfg. into  
a wholly owned subsidiary

FY2008~

● Reorganization of production base

- Manufacture of electromagnetic flowmeters at Kyoto factory

● Full utilization and optimum assignment of Group’s human resources

● More efficient use of assets and cost reduction

● Cooperation in sales activities

● Acceleration of joint development of technologies and products

● Reorganization of production base

- Consolidation of Sendai factory with Aomori factory
- Consolidation of Iwase factory with Shirakawa factory

● Reforming business offices

- Enhanced efficiency of staffing, equipment, operations

● Expansion of construction business

- Kimmon-Yamatake collaboration, efficient use of Group’s human resources

- Complementary supply of products, provision of wide-ranging solutions based on collaboration, etc.

- Battery-powered electromagnetic flowmeters, etc.



**FY2007 (ending March 31, 2008) Dividend**

**FY2008 (ending March 31, 2009) Dividend Forecast**

# FY2007 Dividend & FY2008 Dividend Forecast

- As currently planned, in FY2008 the annual dividend per share will be increased to 62 yen. This would represent the 6th consecutive year in which the normal dividend has been increased.

Normal dividend to be increased for 6th consecutive year

**FY2007**  
(planned)

$$\begin{matrix} \text{(Intertim)} & & \text{(Year-end)} & & \text{(Annual)} \\ \mathbf{30} \text{ yen} & + & \mathbf{30} \text{ yen} & = & \mathbf{60} \text{ yen} \end{matrix}$$

**FY2008**  
(forecast)

$$\begin{matrix} \text{(Interrim)} & & \text{(Year-end)} & & \text{(Annual)} \\ \mathbf{31} \text{ yen} & + & \mathbf{31} \text{ yen} & = & \mathbf{62} \text{ yen} \end{matrix}$$

	FY2002 (Actual)	FY2003 (Actual)	FY2004 (Actual)	FY2005 (Actual)	FY2006 (Actual)	FY2007 (Planned)	FY2008 (Forecast)
Dividend per share	12 yen	14 yen	23 yen	50 yen	50 yen	60 yen	62 yen
Normal dividend	12 yen	14 yen	23 yen	40 yen	50 yen	60 yen	62 yen
Commemorative dividend	—	—	—	10 円	—	—	—
Dividend on Equity ratio	0.9%	1.1%	1.7%	3.5% ※1	3.2%	3.7%	3.6%
Dividend payout ratio	16.6%	31.8%	45.6%	37.6% ※2	34.6%	41.2%	38.0%

\* Dividend on equity ratio : Dividends ÷ Average total shareholders' equity  
 ※ 1: Normal dividend of 2.7% + commemorative dividend of ¥10 (0.6%)  
 ※ 2: Normal dividend of 30.0% + commemorative dividend of ¥10 (7.6%)

\* Payout ratio : Cash dividends ÷ Net income

To realize safety, comfort and fulfillment in people's lives, and contribute to the global environment through "human-centered automation."



## Yamatake Corporation





## **Supplementary Matters**

For “firmly establishing the foundation” of the Yamatake Group



Enhancing Product Power with Original Technologies and New Products



## Lineup of products that realize human-centered automation

Creating efficient office & production spaces, and contributing to reduced environmental load

- **U-Opt: Optimum control system for realizing energy savings in utility equipment** U-Opt enables highly accurate thermal load predictions to be made. To do this it acquires from the EMS database information on energy loads based on historical results and outside air conditions; it also acquires weather updates. This information is fed into a simulation model built for the installed utility equipment to enable highly accurate load predictions to be made. According to preliminary simulations for summer operations, it has achieved a 4~7% cut in CO<sub>2</sub> emissions.
- **Actival™: Motorized control valve equipped for flow measurement and control** Contributes to reducing environmental load with (a) energy management using flow measurement and (b) energy saving using flow control to achieve reduced power consumption for delivery and improved heat source efficiency. 
- **Savic-net FX: Monitoring system for ultra large-scale building complexes** Offering a maximum 150,000 control points, FX enables consolidated monitoring for ultra large-scale buildings and complexes. By rationalizing utility management and enhancing operational efficiency, FX contributes to urban renewal and the development of vibrant, flourishing cities.
- **At Light™: Ballast for fluorescent light with dimmer control** Offering significant electricity savings (reducing power consumption by up to 40%) with a 4-step dimmer this product also has a long service life, thus helping to save on resources, and has minimal effect on sensitive electronic equipment thanks to its low noise emission. 

- **Building-Support™: ASP building equipment management information support tool** This is a tool for the unified Web-based management of building equipment maintenance data (schedules, troubleshooting, handover information) and equipment repair history data. It enhances the efficiency of daily maintenance work, generating and implementing appropriate maintenance management plans.
- **Valstaff: Valve diagnostic tool** Gathers information on the status of control valves in the field, enhancing the efficiency of control valve maintenance operations. By performing a variety of condition management diagnostics and transmitting the data, Valstaff makes it possible to implement decision support. 
- **CMQ-V: Digital mass flow controller using Micro Flow sensor** Designed for use with thin film deposition (sputtering) equipment for the production of quartz oscillators and lenses, this series offers gas flow control with high precision and repeatability, as well as high resistance to high-frequency noise. Ensuring gas injection rate control with high long-term repeatability, it is able to contribute to stable quality and improved yields in a customer's manufacturing operations 

Realizing a safe production environment where people can realize their full potential



For “firmly establishing the foundation” of the Yamatake Group  
**Reallocation of Manufacturing Functions**  
– Integrating & Reorganizing Production Bases



**Creating a new work style**

(Business operation reform)

- **Enhancing productivity and problem-solving capabilities by structuring and making transparent business operations, and implementing matrix operation for the entire Yamatake Group.**

**Reallocation of manufacturing functions**

**Assuring the ability, costing and speed to respond to customer demands by switching to a production system organized by technology, by product, and by function.**

● **Isehara Factory**

**As the mother factory for controllers and sensors, Isehara features an integrated production line (consolidating component & PCB manufacturing functions).**

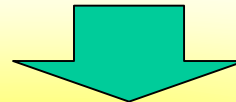
Note: Fujisawa has been converted from a factory to a development center that brings together research, product development and engineering functions.

● **Shonan Factory**

**As the mother factory for transmitters, valves and field instruments, Shonan works in cooperation with Yamatake’s factory in Dalian, China.**

● **Delivery Centers**

**Reducing transport costs and delivery management costs, as well as enhancing operational efficiency by integrating operations**



**Further enhancements to integrated production lines  
(Improving inter-Group crossover operations, sharing information)  
Second phase of production restructuring, including Kimmon Mfg.**

# Other Figures for Reference



	FY2006 (Mar.2007)	Actual(B)	FY2007 (Mar.2008)		FY2008 (Mar.2009)
	Actual(A)		Difference(B)-(A)	%	Plan
<b>●Capital investments</b>					
Yamatake	4.3 bil.	3.7 bil.	(0.6) bil.	(14.6) %	6.0 bil.
Consoli. Sub.	0.9 bil.	0.8 bil.	(0.2) bil.	(16.3) %	1.2 bil.
<b>Total</b>	<b>5.3 bil.</b>	<b>4.5 bil.</b>	<b>(0.8) bil.</b>	<b>(14.9) %</b>	<b>7.2 bil.</b>
<b>●Depreciation</b>					
Yamatake	2.3 bil.	2.8 bil.	0.5 bil.	23.3 %	3.0 bil.
Consoli. Sub.	1.6 bil.	1.6 bil.	(0.0) bil.	(1.5) %	1.7 bil.
<b>Total</b>	<b>3.9 bil.</b>	<b>4.4 bil.</b>	<b>0.5 bil.</b>	<b>20.8 %</b>	<b>4.7 bil.</b>
<b>●Research &amp; development cost</b>	<b>8.8 bil.</b>	<b>9.8 bil.</b>	<b>1.1 bil.</b>	<b>12.2 %</b>	<b>10.5 bil.</b>
<i>% to Net sales</i>	<i>3.7 %</i>	<i>4.0 %</i>			<i>4.2 %</i>
<b>●Employees</b>					
Yamatake	6,193	6,328	135	2.2 %	6,520
Domest. Consoli. Sub.	2,766	2,701	(65)	(2.3) %	2,730
<b>Total</b>	<b>8,959</b>	<b>9,029</b>	<b>70</b>	<b>0.8 %</b>	<b>9,250</b>