

May 8, 2009

# Consolidated Financial Results for Fiscal Year 2008 (ended March 31, 2009)

Yamatake Corporation



**Automation can make people happy!**

# Contents

## Briefing: Financial Results for FY2008 (ended March 31, 2009)

- |          |   |             |
|----------|---|-------------|
| <b>1</b> | <b>Financial Results for FY2008 (ended March 31, 2009)</b>  | <b>P.3</b>  |
| <b>2</b> | <b>Radical Improvement of the azbil Group's Business Structure &amp; Business Plan for FY2009 (ending March 31, 2010)</b> | <b>P.13</b> |
| <b>3</b> | <b>FY2008 Dividends &amp; FY2009 Dividends Forecast</b>   | <b>p.20</b> |

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.



# **Financial Results for FY2008** **(ended March 31, 2009)**

## FY2008 Operating Results

- Owing to the sudden deterioration in the business environment from the third quarter onwards, sales were 236.2 billion yen, down 5.0% on the previous fiscal year.
- Despite the effect of the fall in sales, as a result of cost-cutting measures and strengthening of the profit structure, an operating income of 17.8 billion yen was recorded, down only 12.9% on the previous fiscal year.

	FY2007	FY2008						
	(Apr.07-Mar.08)	(Apr.08-Mar.09)						
	Actual (A)	Actual (B)	Difference		BOY Plan (C)	Difference	Revised Plan(D)	Difference
			(B)-(A)	%	(May.9.2008)	(B)-(C)	(Feb.3.2009)	(B)-(D)
Consoli. Sales	248.6 bil.	236.2 bil.	(12.4) bil.	(5.0) %	253.0 bil.	(16.8) bil.	237.0 bil.	(0.8) bil.
Operating income	20.5 bil.	17.8 bil.	(2.7) bil.	(12.9) %	21.1 bil.	(3.3) bil.	16.5 bil.	1.3 bil.
% to Net sales	8.2 %	7.6 %			8.3 %		7.0 %	
Ordinary income	20.4 bil.	17.2 bil.	(3.2) bil.	(15.9) %	20.8 bil.	(3.6) bil.	16.0 bil.	1.2 bil.
Net income	10.7 bil.	9.5 bil.	(1.2) bil.	(11.1) %	12.2 bil.	(2.7) bil.	8.3 bil.	1.2 bil.

# Sales & Operating Income by Business Segment

- In spite of the sudden economic downturn, the BA business performance has remained robust. However, the AA business performance has been impacted by the freeze and cutbacks on capital investment.

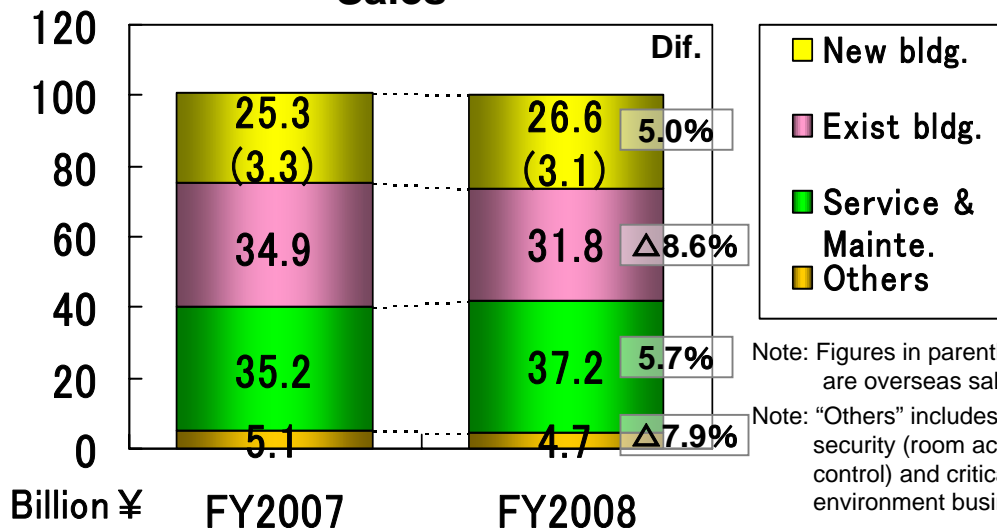
	FY2007 (Apr.07-Mar.08)	FY2008 (Apr.08-Mar.09)						
	Actual (A)	Actual (B)	Difference		BOY Plan (C) (May.9.2008)	Difference (B)-(C)	Revised Plan (D) (Feb.3.2009)	Difference (B)-(D)
			(B)-(A)	%				
BA Sales	100.5 bil.	100.4 bil.	(0.1) bil.	(0.1) %	103.0 bil.	(2.6) bil.	100.2 bil.	0.2 bil.
Operating income	11.8 bil.	13.1 bil.	1.3 bil.	11.2 %	12.7 bil.	0.4 bil.	12.4 bil.	0.7 bil.
% to Net sales	11.7 %	13.0 %			12.3 %		12.4 %	
AA Sales	105.4 bil.	93.6 bil.	(11.8) bil.	(11.2) %	106.0 bil.	(12.4) bil.	94.3 bil.	(0.7) bil.
Operating income	8.9 bil.	5.0 bil.	(4.0) bil.	(44.4) %	8.2 bil.	(3.2) bil.	4.3 bil.	0.7 bil.
% to Net sales	8.5 %	5.3 %			7.7 %		4.6 %	
LA Sales	36.5 bil.	35.9 bil.	(0.5) bil.	(1.5) %	37.7 bil.	(1.8) bil.	36.0 bil.	(0.1) bil.
Operating income	(0.3) bil.	(0.2) bil.	0.1 bil.	—	0.1 bil.	(0.2) bil.	(0.2) bil.	0.0 bil.
% to Net sales	(0.8) %	(0.4) %			0.1 %		(0.4) %	
Others Sales	8.4 bil.	7.9 bil.	(0.5) bil.	(5.9) %	8.5 bil.	(0.6) bil.	8.0 bil.	0.0 bil.
Operating income	0.1 bil.	(0.1) bil.	(0.1) bil.	—	0.1 bil.	(0.1) bil.	(0.1) bil.	0.0 bil.
% to Net sales	1.0 %	(0.7) %			1.1 %		(0.6) %	

# Building Automation Business

- The BA business achieved sales of 100.4 billion yen, on a par with the previous fiscal year's results. Spurred by an improvement in profits for the business in new buildings, an operating income of 13.1 billion yen was recorded, an increase of 11.2% over the previous fiscal year.

	FY2007 (Apr.07-Mar.08)			FY2008 (Apr.08-Mar.09)			Difference	
	1H	2H	Total year (A)	1H	2H	Total year (B)	(B)-(A)	%
Sales	43.3 bil.	57.2 bil.	100.5 bil.	41.9 bil.	58.4 bil.	100.4 bil.	(0.1) bil.	(0.1) %
Operating income	3.2 bil.	8.6 bil.	11.8 bil.	3.3 bil.	9.7 bil.	13.1 bil.	1.3 bil.	11.2 %
<i>% to Net sales</i>	7.3 %	15.0 %	11.7 %	7.9 %	16.7 %	13.0 %		
Orders	61.1 bil.	41.0 bil.	102.1 bil.	63.5 bil.	34.8 bil.	98.3 bil.	(3.9) bil.	(3.8) %

## Sales



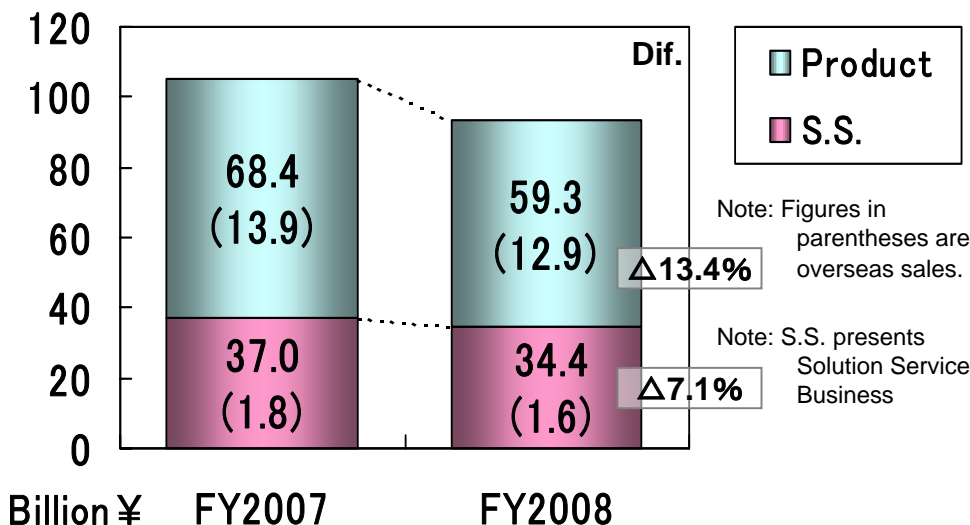
- Job completions for large-scale production facilities and commercial building redevelopment projects meant that the business in new buildings expanded.
- Although there was continuing strong demand for reducing environmental load (CO<sub>2</sub> emissions), the business in existing buildings suffered a fall in sales due to the rush of projects in the previous fiscal year by the change in the subsidy system. However, the service business saw sales growth, reflecting an increase in the number of contracts.
- The security (room access control) business included in the Others segment did suffer a lull due to large projects in the previous fiscal year, but actual demand remained firm.

# Advanced Automation Business

- The AA business was impacted by the sudden freeze and cutbacks on capital investment; sales were 93.6 billion yen, a decrease of 11.2% on the previous fiscal year. Although the effect of the fall in sales was significant, progress was made with strengthening the business structure through reforms and reducing costs, and as a result operating income was 5.0 billion yen, down 44.4% on the previous fiscal year.

	FY2007 (Apr.07-Mar.08)			FY2008 (Apr.08-Mar.09)			Difference	
	1H	2H	Total year(A)	1H	2H	Total year(B)	(B)-(A)	%
<b>Sales</b>	49.5 bil.	55.9 bil.	105.4 bil.	47.4 bil.	46.3 bil.	93.6 bil.	(11.8) bil.	(11.2) %
<b>Operating income</b>	4.1 bil.	4.8 bil.	8.9 bil.	3.4 bil.	1.6 bil.	5.0 bil.	(4.0) bil.	(44.4) %
<i>% to Net sales</i>	8.3 %	8.6 %	8.5 %	7.2 %	3.4 %	5.3 %		
<b>Orders</b>	52.8 bil.	50.1 bil.	102.9 bil.	52.6 bil.	39.9 bil.	92.5 bil.	(10.4) bil.	(10.1) %

## Sales



- In Japan, there was a sharp fall in investment seen in the electronic component, semiconductor manufacturing equipment, machine tool and automobile industries. Also, in the materials industries, such as chemicals and steel, an increasing number of companies put off new investments. This resulted in a fall in sales for both the product and solution service businesses.
- Overseas, performance was affected by the strong yen and, apart from China and a few other Asian countries, sales fell.

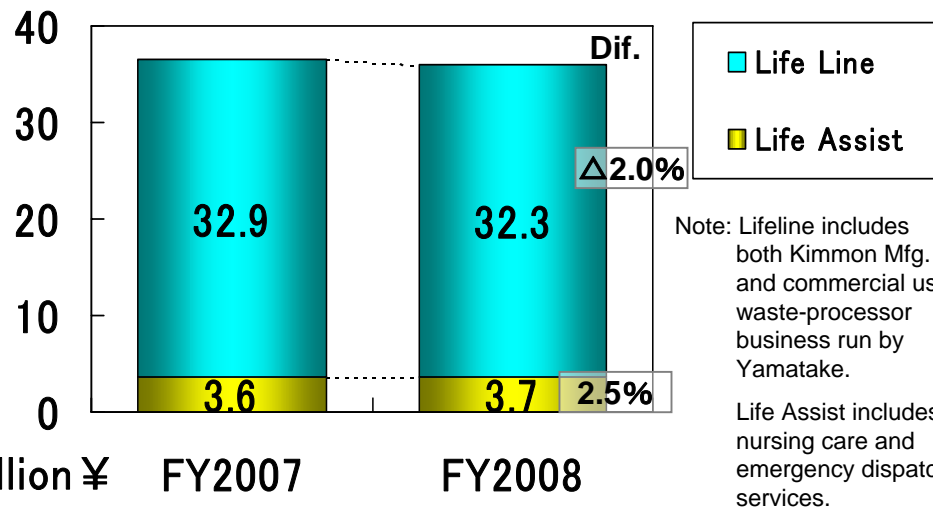
# Life Automation Business

- Sales for the LA business were 35.9 billion yen, a slight decrease of 1.5% on the previous fiscal year. However, progress has been made with strengthening the profit structure and, despite a doubling of the costs associated with goodwill depreciation,\* operating loss was 0.2 billion yen, representing a continued improvement.

\* The financial costs associated with goodwill depreciation after Kimmon Mfg. became a wholly owned subsidiary is approximately 1.3 billion yen per annum, an increase of 0.6 billion yen over the previous fiscal year.

	FY2007 (Apr.07-Mar.08)			FY2008 (Apr.08-Mar.09)			Difference	
	1H	2H	Total year(A)	1H	2H	Total year(B)	(B)-(A)	%
Sales	18.5 bil.	18.0 bil.	36.5 bil.	18.7 bil.	17.3 bil.	35.9 bil.	(0.5) bil.	(1.5) %
Operating income	(0.2) bil.	(0.1) bil.	(0.3) bil.	(0.1) bil.	(0.1) bil.	(0.2) bil.	0.1 bil.	-
% to Net sales	(1.2) %	(0.4) %	(0.8) %	(0.5) %	(0.4) %	(0.4) %		
Orders	19.0 bil.	17.6 bil.	36.6 bil.	19.4 bil.	16.5 bil.	35.9 bil.	(0.7) bil.	(1.8) %

## Sales



- Kimmon Mfg.– a company that plays a central role in the Lifeline field – experienced a weakening in the recovery of demand for both town gas and LP gas meters as a result of the economic downturn. There was also a fall in sales of regulators and other gas-related equipment for factories. Nevertheless, since Kimmon Mfg. was made a wholly owned subsidiary steady progress has been made with reinforcing the business infrastructure and improving the profit structure.
- Profitability has also been improved in nursing care services, residential air-conditioning and other environment-related fields that make up the LA business.



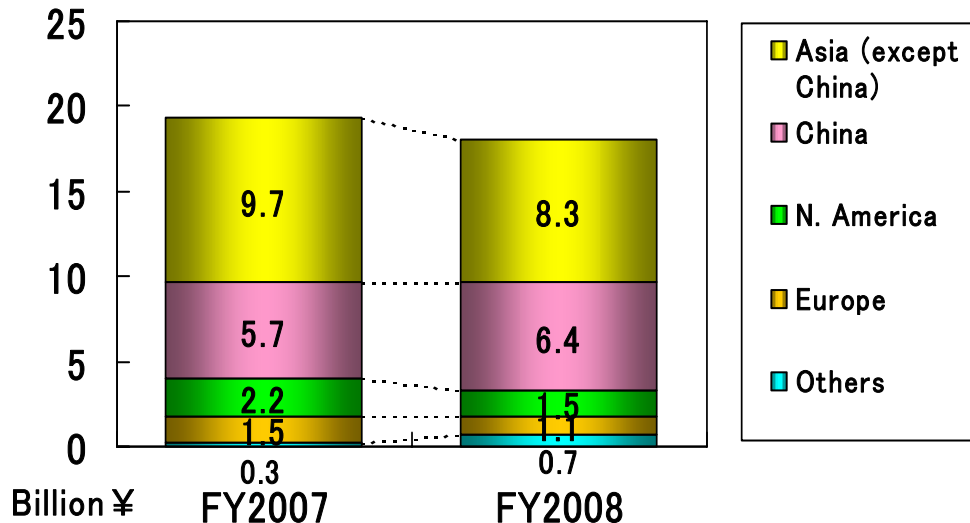
# International Business (Overseas Sales)

- While some business growth was recorded in China and a few other countries, as a result of the abrupt cooling of the world economy and the strong yen overall sales were 18.0 billion yen, a decrease of 6.9% on the previous fiscal year.

	FY2007 (Apr.07-Mar.08)			FY2008 (Apr.08-Mar.09)			Difference	
	1H	2H	Total year(A)	1H	2H	Total year(A)	(B)-(A)	%
Sales	9.4 bil.	10.0 bil.	19.4 bil.	9.1 bil.	9.0 bil.	18.0 bil.	(1.3) bil.	(6.9) %

## Sales

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



- Business grew in China. Increasing sales offset the impact of the strong yen.
- Performance varied from country to country in the Asian region, which had been relatively robust. The region as a whole recorded a fall in sales.
- In North America and Europe sales decreased as a result of the strong yen and the deterioration in national economies.

Note: Above international business (overseas sales) figures include only the sales of overseas affiliates and direct exports; indirect exports are excluded

## Consolidated Balance Sheets

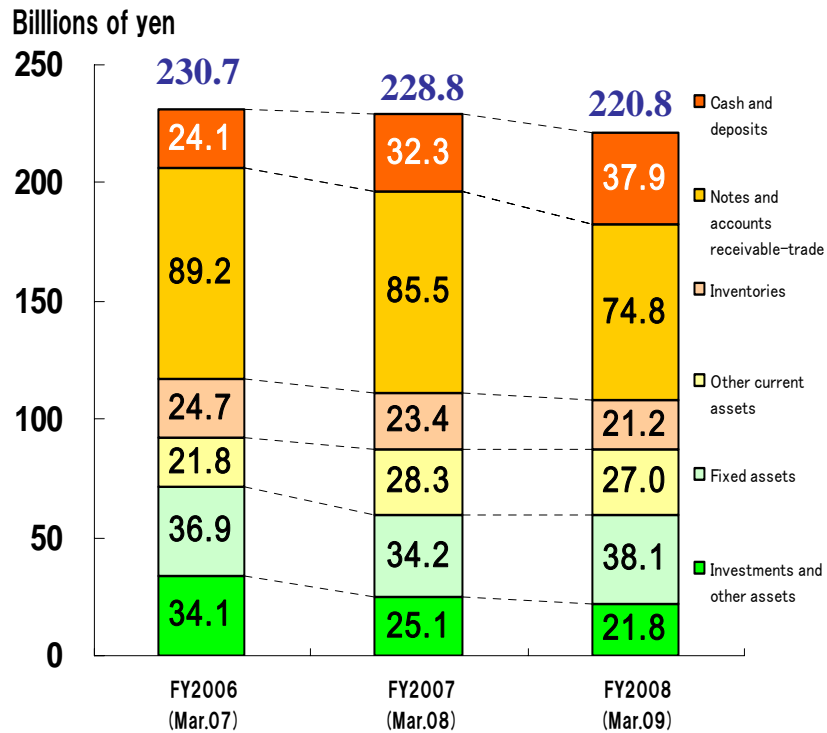
- Total assets were down 8 billion yen, a decrease of 3.5%, from the previous fiscal year ; this is attributed to the decrease in notes & accounts receivable-trade and inventories.
- Capital surplus rose by 4.6 billion yen with the new shares issued when Kimmon Mfg. became a wholly owned subsidiary.
- 1 million treasury stock, worth 2.0 billion yen, were repurchased.

(Billions of yen)

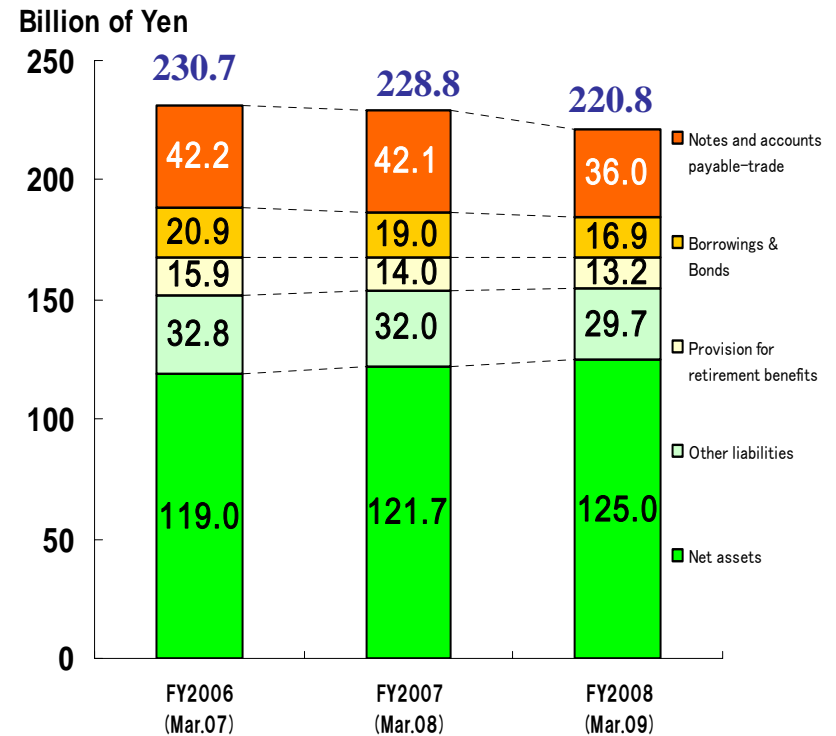
	A FY2007 (Mar.08)	B FY2008 (Mar.09)	B-A Dif.		A FY2007 (Mar.08)	B FY2008 (Mar.09)	B-A Dif.
<b>Current assets</b>	<b>169.6</b>	<b>161.0</b>	<b>(8.6)</b>	<b>Current liabilities</b>	<b>87.1</b>	<b>78.7</b>	<b>(8.3)</b>
<b>Cash and deposits</b>	<b>32.3</b>	<b>37.9</b>	<b>5.5</b>	Notes and accounts payable-trade	<b>42.1</b>	<b>36.0</b>	<b>(6.2)</b>
Notes and accounts receivable-trade	<b>85.5</b>	<b>74.8</b>	<b>(10.7)</b>	<b>S.T. loans &amp; Bonds payable</b>	<b>14.4</b>	<b>14.7</b>	<b>0.2</b>
<b>Inventories</b>	<b>23.4</b>	<b>21.2</b>	<b>(2.2)</b>	<b>Others</b>	<b>30.5</b>	<b>28.1</b>	<b>(2.4)</b>
<b>Others</b>	<b>28.3</b>	<b>27.0</b>	<b>(1.3)</b>	<b>Noncurrent liabilities</b>	<b>20.1</b>	<b>17.1</b>	<b>(2.9)</b>
<b>Fixed assets</b>	<b>59.3</b>	<b>59.9</b>	<b>0.6</b>	<b>L.T. loans &amp; Bonds payable</b>	<b>4.5</b>	<b>2.2</b>	<b>(2.3)</b>
<b>Net P.P.E</b>	<b>29.3</b>	<b>29.8</b>	<b>0.5</b>	<b>Provision for retirement benefits</b>	<b>14.0</b>	<b>13.2</b>	<b>(0.8)</b>
<b>Intangible fixed assets</b>	<b>4.9</b>	<b>8.3</b>	<b>3.4</b>	<b>Others</b>	<b>1.5</b>	<b>1.6</b>	<b>0.1</b>
<b>Investment and others</b>	<b>25.1</b>	<b>21.8</b>	<b>(3.3)</b>	<b>Total liabilities</b>	<b>107.1</b>	<b>95.9</b>	<b>(11.3)</b>
				<b>Shareholders' equity</b>	<b>116.2</b>	<b>123.8</b>	<b>7.6</b>
				<b>-Capital stock</b>	<b>10.5</b>	<b>10.5</b>	<b>-</b>
				<b>-Capital surplus</b>	<b>12.6</b>	<b>17.2</b>	<b>4.6</b>
				<b>-Retained earnings</b>	<b>93.7</b>	<b>98.7</b>	<b>5.0</b>
				<b>-Treasury stock</b>	<b>(0.7)</b>	<b>(2.6)</b>	<b>(2.0)</b>
				<b>Valuation and translation adjustments</b>	<b>4.2</b>	<b>(0.2)</b>	<b>(4.4)</b>
				<b>-Valuation difference on available-for-sale securities</b>	<b>3.9</b>	<b>0.9</b>	<b>(3.0)</b>
				<b>-Deferred gains or losses on hedges</b>	<b>0.0</b>	<b>-</b>	<b>(0.0)</b>
				<b>-Foreign currency translation adjustment</b>	<b>0.3</b>	<b>(1.1)</b>	<b>(1.4)</b>
				<b>Minority interests</b>	<b>1.4</b>	<b>1.4</b>	<b>0.1</b>
				<b>Total net assets</b>	<b>121.7</b>	<b>125.0</b>	<b>3.3</b>
<b>Total Assets</b>	<b>228.8</b>	<b>220.8</b>	<b>(8.0)</b>	<b>Total liabilities and</b>			
				<b>Total net assets</b>	<b>228.8</b>	<b>220.8</b>	<b>(8.0)</b>

# Trend of Balance Sheets

## Current of Assets

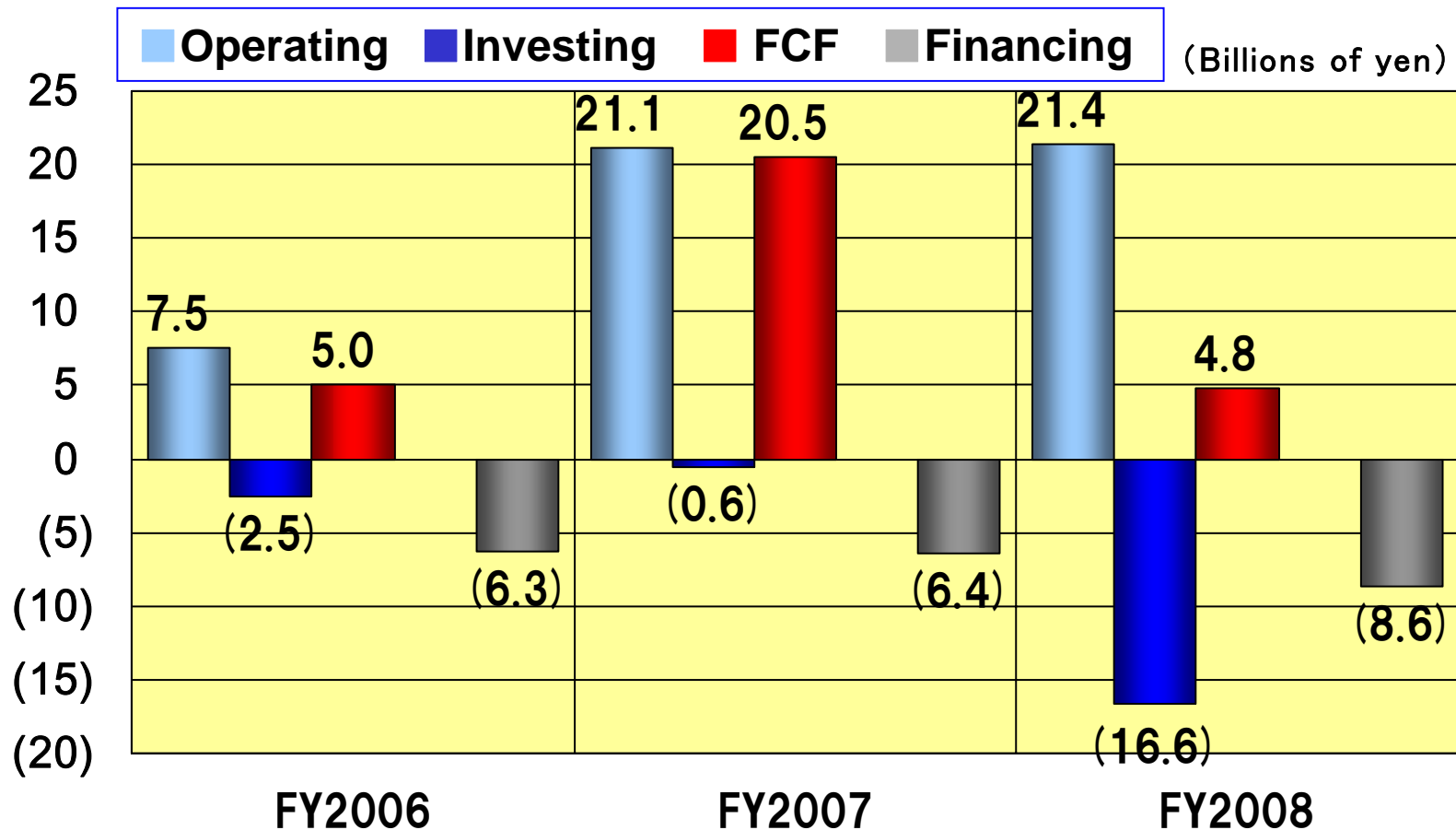


## Current of Liabilities & Net assets



# Consolidated Cash Flow

- A high level of CF from operating activities was maintained with the decrease in notes & account payable-trade and inventories, despite a fall in income before income taxes.
- CF from investing activities was minus due to the completion of construction of the Advanced Technology Laboratory and the acquisition of short-term investment securities. However, FCF of 4.8 billion yen was recorded.
- In CF from financing activities, out flow increased by 2.1 billion yen from the previous fiscal year due to the repurchasing of treasury stock, worth 2.0 billion yen, in November 2008, as well as an increase in dividends payment.



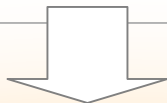


## **Radical Improvement of the azbil Group's Business Structure & Business Plan for FY2009 (ending March 31, 2010)**

# Three Core Businesses and Changes in the Economic Environment

## Features of the azbil Group's business portfolio:

- There are three core businesses: BA, AA & LA.
- The three businesses serve different markets, all making use of technologies, products and services related to automation.
- The three businesses are operated in different economic cycles, thus they don't have economic influence at the same time.



The management's objective is to ensure the sustainable development of the azbil Group by taking advantage of this portfolio – which combines the three core businesses, each serving a different type of market – and by making progress with the development of new human-centered automation businesses.

## ■ Building Automation Business (BA)

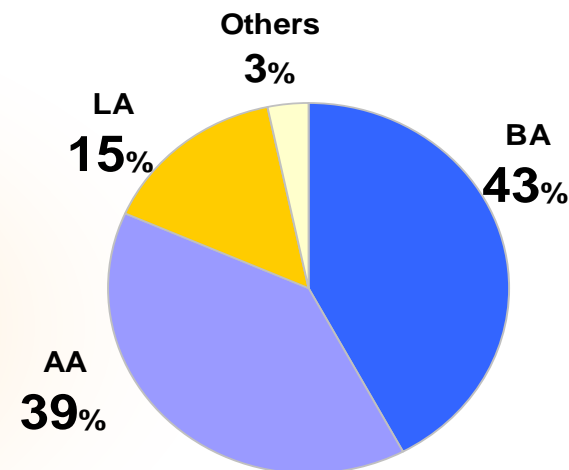
Drawing on its unrivalled expertise and experience in the domestic market, BA is a business tailored to the lifecycle of buildings, covering from design and construction to maintenance.

## ■ Advanced Automation Business (AA)

AA is a solution-providing business based on close customer contact on site. It serves a wide range of diversified markets, from the materials industries, such as petroleum and chemicals, to processing & assembly lines for semiconductors and automobiles.

## ■ Life Automation Business (LA)

LA applies automation to the lifeline, residential, nursing care and health support fields.



FY2008 sales breakdown for each segment

- From FY2007 to FY2009, the period designated for “**firmly establishing the foundation**” for attaining the Group’s mission, reforms have been and continue to be steadily implemented.

- Group-wide relocation & integration of sales offices
  - ▶ Improving operational efficiency and synergy promotion through resource concentration within the azbil Group.
  - ▶ Improving cost efficiency through consolidation of offices.
- Relocating manufacturing functions, including Kimmon Mfg.
  - ▶ Production of electromagnetic flowmeters at the Kyoto factory.
  - ▶ Consolidation of Kimmon Mfg.’s production sites.
  - ▶ Establishment of continuous lean production.



Kyoto factory boasts the one of the largest flowmeter calibration facilities in Asia.

- Developing products with high customer value and bringing them rapidly to market
  - ▶ Integrating development and engineering functions within Fujisawa Technology Center.
  - ▶ Consolidating experiment facilities within the Advanced Technology Laboratory, and improving research operation efficiency.

Industrial Ventilation Control Laboratory



Thermal Environment Experiment Facility

Flow Test Equipment for Development Flowmeters (Experiments can be done using a variety of fluids)



# Radical Improvement of the azbil Group's Business Structure

- **With the even more challenging business conditions expected in FY2009, further impetus will be given to reforms, creating opportunities for further improving the business**



## **Make efforts to ensure optimum allocation of management resources, for maximum efficiency and added value.**

(Implement rotation of 300 employees within the Group, of which 200 employees shift to new service department as explained below. )

### **■ Integration of service functions and strengthening lifecycle business**

- ◆ Merge the service departments that are the strength of BA & AA businesses and reinforce the workforce.
- ◆ Strengthen capabilities for providing solutions to issues faced by customers on site, drawing on a high level of expertise.
- ◆ Expand business into the social infrastructure (environment, energy) field.

### **■ Enhancement of productivity**

- ◆ Restructure and consolidate production frameworks and enhance ability to cope with changes in manufacturing output and customer needs.
- ◆ Enhance operational efficiency in all production, sales, and staff departments, and generate added value.



## **Place emphasis on environment-related markets**

- ◆ Advantage of Yamatake's expertise, experience and track record in the domestic market is used for refurbishing and servicing buildings to conserve energy, such as ESCO business.
- ◆ The wide-ranging product lineup, covering from buildings to factories and critical environments, will be further expanded.



## **Expand in new markets -Yamatake Takes Majority Stake in U.S. based BioVigilant Systems-**

- ◆ Developing new business field with Instantaneous Microbial Detection Technology.



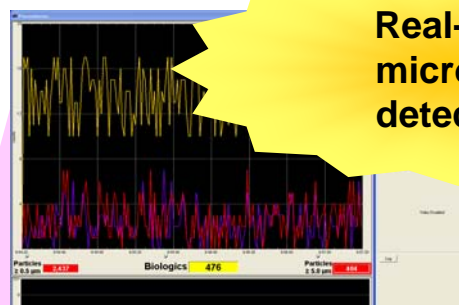
Yamatake Takes Majority Stake in U.S. based BioVigilant Systems  
**Expansion of Business Domain Starting  
 Toward life-science Market**



Leaping Ahead from Yamatake's 100 Years  
 Human-centered Automation

- Yamatake acquired BioVigilant Systems, Inc (Arizona, USA), a provider of instantaneous microbial detection technology, and has joined the azbil Group.
- With the Instantaneous Microbial Detection system as a strategic product, Yamatake attempts to expand the business range in the life science market, such as pharmaceutical and biotechnology industries, which is expected to continue to grow globally. And the new business range will be accelerated by merging with Yamatake's products and technologies.

**Instantaneous Microbial Detection System**



**Real-time  
 microbial  
 detection**

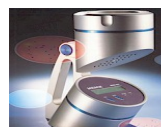
**Industry-first**

- To instantaneously detect and count micro-biologics.
- Aim for sales of over 2.0 billion yen in three years.

**Start detection**

**【Traditional method】**

**Cultivation Method**



Pick up samples



Take out culture media



Incubate



Count number of colonies visually

**End  
 detection**

**Duration for detection: one to seven days**

# FY2009 Consolidated Operating Plan

- As the final year of the medium-term plan designated for “firmly establishing the foundation,” which was implemented in FY2007, the Group will strive to thoroughly strengthen the profit structure, and promote business structure and business operation. Profits will be made through these initiatives although in FY2009 the business climate is expected to be challenging.

	FY2008	FY2009				
	( Apr.08-Mar.09)	( Apr.09-Mar.10)				
	Total year act. (A)	1H Plan	2H Plan	Total year Plan(B)	Difference	
					(B)-(A)	%
Sales	236.2 bil.	98.5 bil.	119.0 bil.	217.5 bil.	(18.7) bil.	(7.9) %
Operating income	17.8 bil.	2.5 bil.	9.0 bil.	11.5 bil.	(6.3) bil.	(35.5) %
% to Net sales	7.6 %	2.5 %	7.6 %	5.3 %		
Ordinary income	17.2 bil.	2.4 bil.	8.9 bil.	11.3 bil.	(5.9) bil.	(34.2) %
Net income	9.5 bil.	0.5 bil.	5.5 bil.	6.0 bil.	(3.5) bil.	(37.0) %

# FY2008 Operating Plan by Segment

- The BA business will suffer a fall in sales mainly due to the decrease in new large-scale redevelopment projects; however, supported by increased service business sales etc., operating income of 11.0 billion yen will be attained.
- With the continuous challenging business environment from second quarter of FY2008, the AA business will be unable to avoid a fall in sales, but profitability will be secured by implementing further measures to strengthen the business and profit structure.
- The economic downturn will impact demand for the meters made by Kimmon Mfg. and reduce sales for the LA business; however, improvement of the profit structure, which showed progress in FY2008, will be continued and intensified.

	FY2008 ( Apr.08-Mar.09 )		FY2009 ( Apr.09-Mar.10 )				
	Total year act. (A)	1H Plan	2H Plan	Total year Plan(B)	Difference		
					(B)-(A)	%	
<b>BA</b> Sales	100.4 bil.	41.0 bil.	56.0 bil.	97.0 bil.	(3.4) bil.	(3.4) %	
Operating income	13.1 bil.	2.8 bil.	8.2 bil.	11.0 bil.	(2.1) bil.	(15.9) %	
% to Net sales	13.0 %	6.8 %	14.6 %	11.3 %			
<b>AA</b> Sales	93.6 bil.	38.0 bil.	45.0 bil.	83.0 bil.	(10.6) bil.	(11.4) %	
Operating income	5.0 bil.	(0.5) bil.	0.8 bil.	0.3 bil.	(4.7) bil.	(94.0) %	
% to Net sales	5.3 %	(1.3) %	1.8 %	0.4 %			
<b>LA</b> Sales	35.9 bil.	18.5 bil.	16.5 bil.	35.0 bil.	(0.9) bil.	(2.6) %	
Operating income	(0.2) bil.	0.3 bil.	0.0 bil.	0.3 bil.	0.5 bil.	—	
% to Net sales	(0.4) %	1.6 %	0.0 %	0.9 %			
<b>Others</b> Sales	7.9 bil.	2.0 bil.	2.5 bil.	4.5 bil.	(3.4) bil.	(43.2) %	
Operating income	(0.1) bil.	0.0 bil.	0.0 bil.	0.0 bil.	0.1 bil.	—	
% to Net sales	(0.7) %	0.0 %	0.0 %	0.0 %			



**FY2008 (ended March 31, 2009) Dividends**  
**FY2009 (ending March 31, 2010) Dividends Forecast**

## FY2008 Dividends

- The annual dividends is planned to be 62 yen per share for the fiscal year 2008 ended March 31, 2009, as announced.

FY2008	(Interim)	(Year-end) Planned	(Annual)
	<b>31</b> yen	<b>31</b> yen	<b>62</b> yen
	+		=

- Placing great importance on the profit sharing with shareholders, Yamatake issues the dividends of 62 yen per share, as announced at the beginning of May, 2008.

## FY2009 Dividends Forecast

- Challenging business environment is expected to put downward pressure on profits, Yamatake will aim to maintain the dividend level, issuing an annual dividends of 62 yen per share for FY2009.

**FY2009**  
(Forecast)

(Interim)

(Year-end)

(Annual)

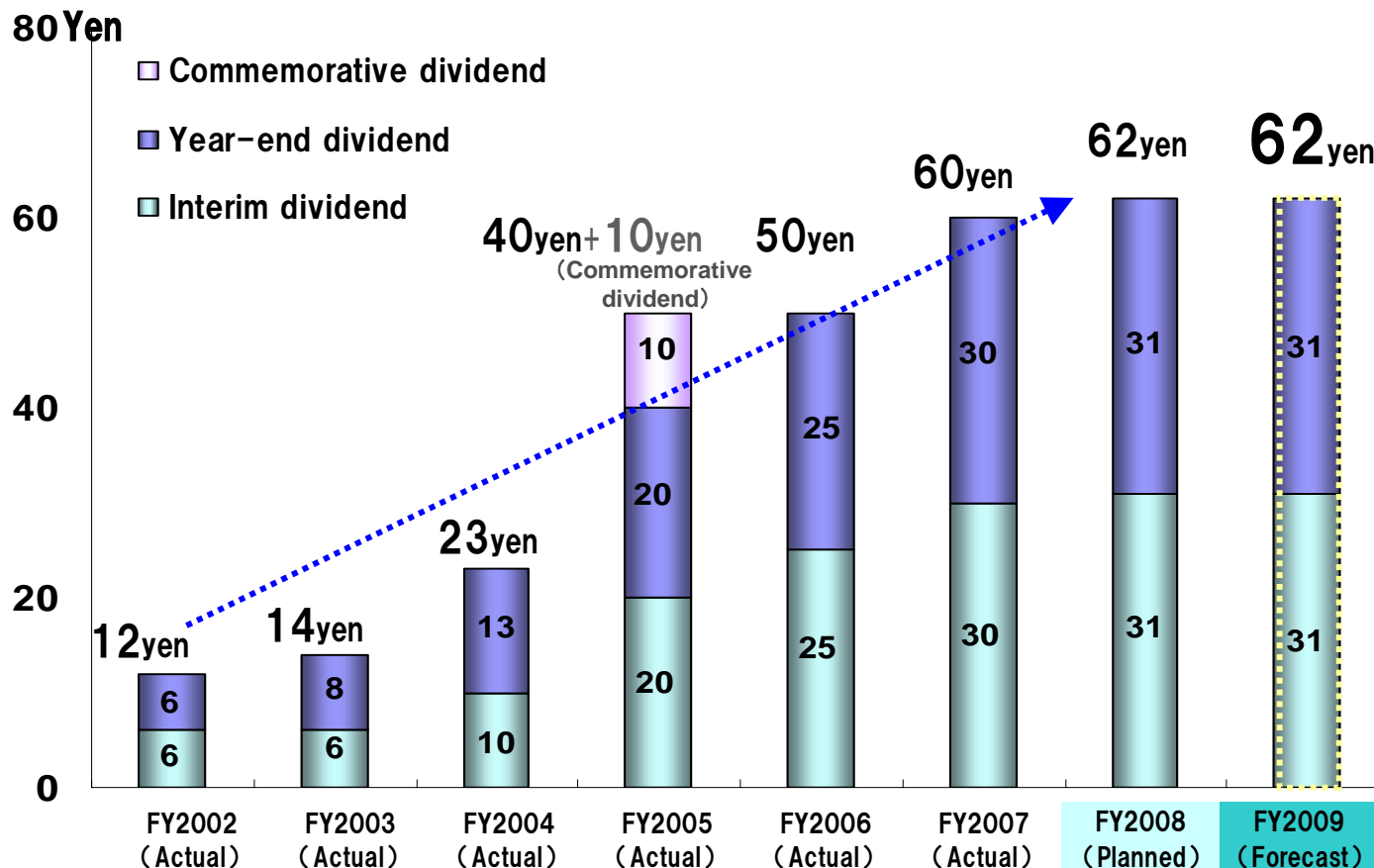
$$31 \text{ yen} + 31 \text{ yen} = 62 \text{ yen}$$

- The dividends are decided by comprehensively taking into account such factors as consolidated performance, levels of ROE and DOE\*, and retained earnings to strengthen business structure and develop future businesses.
- Despite the challenging business environment, Yamatake will maintain profit sharing with its shareholders, on which we have strived to improve until now.
- This would result in an expected DOE of 3.6% and payout ratio at a level of 76.3%.

\* ROE: Return on equity ratio, DOE: Dividends on equity ratio

# Dividends per Share

- Since FY2003 the Group has continuously striven to raise the dividend level and actively implements profit sharing with its shareholders.



	FY2002 (Actual)	FY2003 (Actual)	FY2004 (Actual)	FY2005 (Actual)	FY2006 (Actual)	FY2007 (Actual)	FY2008 (Planned)	FY2009 (Forecast)
Annual dividends	12 yen	14 yen	23 yen	50 yen	50 yen	60 yen	62 yen	62 yen
Dividends on equity ratio	0.9 %	1.1 %	1.7 %	3.5 %	3.2 %	3.7 %	3.7 %	3.6 %
Payout ratio	16.6 %	31.8 %	45.6 %	37.6 %	34.6 %	41.2 %	48.5 %	76.3 %

# Supplementary Matters

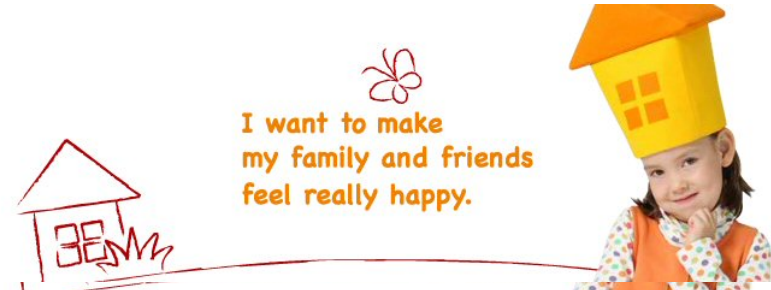


# Capital Investments, Depreciation and R&D cost

	FY2007 ( Apr.07-Mar.08 )	FY2008 ( Apr.08-Mar.09 )		FY2009 ( Apr.09-Mar.10 )			
	Actual (A)	Actual (B)	Difference(B)-(A)	%	Plan (C)	Difference(C)-(B)	%
<b>●Capital investments</b>							
Yamatake	3.7 bil.	5.4 bil.	1.7 bil.	45.1 %	3.0 bil.	(2.4) bil.	(44.0) %
Consoli. Sub.	0.8 bil.	1.1 bil.	0.3 bil.	32.8 %	1.0 bil.	(0.1) bil.	(5.2) %
Total	4.5 bil.	6.4 bil.	1.9 bil.	42.9 %	4.0 bil.	(2.4) bil.	37.6 %
<b>●Depreciation</b>							
Yamatake	2.8 bil.	3.1 bil.	0.3 bil.	11.9 %	3.7 bil.	0.6 bil.	18.6 %
Consoli. Sub.	1.6 bil.	1.4 bil.	(0.2) bil.	(13.5) %	1.3 bil.	(0.1) bil.	(5.9) %
Total	4.4 bil.	4.5 bil.	0.1 bil.	2.6 %	5.0 bil.	0.5 bil.	11.0 %
<b>●Research &amp; development cost</b>							
	9.8 bil.	9.6 bil.	(0.2) bil.	(2.1) %	9.5 bil.	(0.1) bil.	(1.4) %
% to Net sales	4.0 %	4.1 %			4.4 %		



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



**Yamatake Corporation**