

August 6, 2009

Consolidated Financial Results

for the First Quarter of Fiscal Year 2009 ending March 31, 2010
(April 1, 2009 to June 30, 2009)

Yamatake Corporation

* These projections 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.

* Figures are rounded off



Automation can make people happy!

Key Features of First Quarter Financial Results

- As a result of the economic downturn that started last fall and the freeze and cutbacks in capital investment, sales fell to 39.2 billion yen, a decrease of 9.4 billion yen or 19.4% on the same period last year.
- Whereas the impact on the Building Automation (BA) and Life Automation (LA) businesses was relatively small, the Advanced Automation (AA) business was profoundly affected by the decrease in domestic capital investment and the downturn in overseas economies.
- Although there was a significant impact from the fall in sales, owing to efforts to enhance the business structure and curb expenditure, operating loss was kept to 2.6 billion yen (an operating loss of 0.1 billion yen was recorded for the same period last year).
 - ▶ Sales for the azbil Group tend to be concentrated in the second quarter and fourth quarter accounting periods. This means that profits in the first quarter and third quarter accounting periods are typically lower than those in the other two quarters.

Note: For historical data on sales and profits for each quarter over the past 3 years, refer to page 11.

Forecast of Consolidated Financial Results

- The financial results forecast is unchanged from that announced on May 8, 2009.

First Quarter of Consolidated Financial Results

<Quarterly>

(Billions of yen)

	FY2008				FY2009		
	1 Q	2 Q	3 Q	4 Q	1 Q	Year on Year	
						Change	% Change
Orders	76.0	62.7	47.3	45.7	66.5	(9.5)	(12.5) %
Net sales	48.6	62.8	47.5	77.2	39.2	(9.4)	(19.4) %
Gross profit	17.1	23.7	17.5	28.4	13.0	(4.1)	(23.9) %
Gross profit margin	35.2 %	37.7 %	36.7 %	36.8 %	33.2 %	(2.0)	
Operating income	(0.1)	6.7	(0.0)	11.2	(2.6)	(2.5)	—
OP margin	(0.2) %	10.7 %	(0.0) %	14.5 %	(6.6) %	(6.4)	
Ordinary income	0.2	6.5	(0.3)	10.9	(2.5)	(2.6)	—
Income before income taxes and minority interests	0.1	6.2	(0.3)	10.5	(2.6)	(2.7)	—
Net income	(0.2)	3.6	(0.4)	6.6	(2.0)	(1.7)	—

Note: Sales for the azbil Group tend to be concentrated in the second quarter and fourth quarter accounting periods, while fixed costs continue throughout the year. This means that profits in the first quarter and third quarter accounting periods are typically lower than those in the other two quarters.

Building Automation (BA) Business

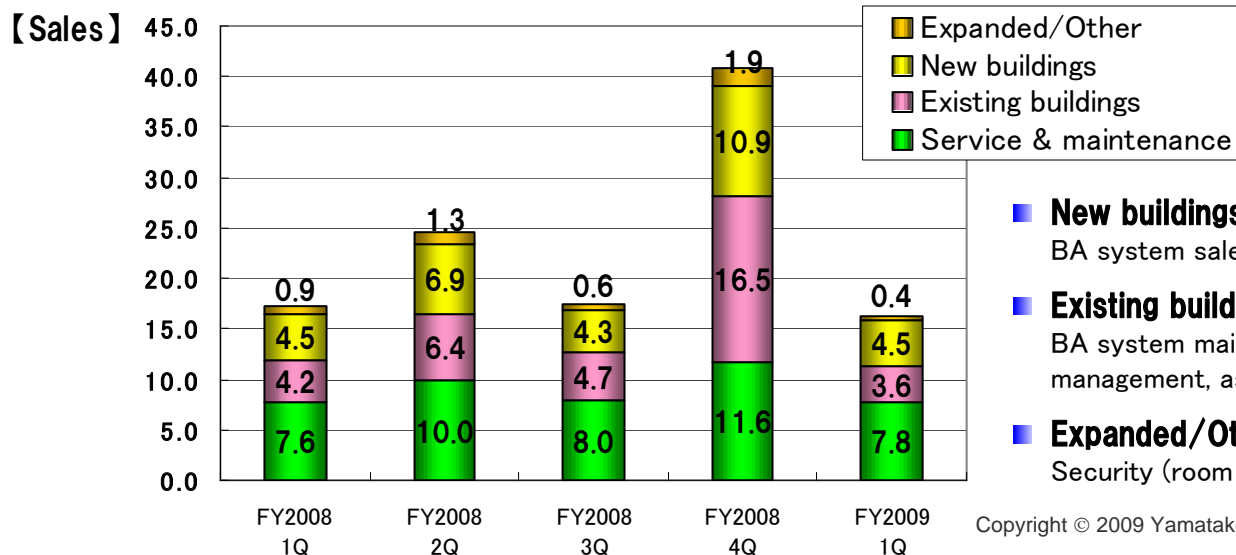
- Orders remained healthy. Although sales for the domestic new building and service businesses continued to be robust, overall sales slightly decreased due to postponing of projects in the markets for existing buildings and security, as well as a decrease in the new building business overseas.
- The increase in operating loss is explained not only by the fall in sales but also by such factors as staff reallocation within the azbil Group to the service business – a move aimed at expanding the service business in future. From the current consolidated accounting period, a U.S. venture company was acquired as a consolidated subsidiary for expanding into a new business domain.

<Quarterly>

(Billions of yen)

	FY2008				FY2009		
	1 Q	2 Q	3 Q	4 Q	1 Q	Year on Year	
						Change	% Change
Orders	39.3	24.2	17.6	17.2	39.9	0.6	1.5 %
Net sales	17.3	24.6	17.5	40.9	※ 16.3	(1.0)	(6.1) %
OP income	(0.1)	3.5	0.4	9.3	※ (0.9)	(0.8)	-
OP margin	(0.8) %	14.1 %	2.5 %	22.7 %	(5.5) %	(4.7)	-

※ By application of percentage-of-completion method to contracts in progress, sales increased by 151 million yen and operating income increased by 39 million yen.



Advanced Automation (AA) Business

- In virtually all industries, domestic capital investment fell significantly and overseas market contracted. This resulted in a significant fall in sales.
- As regards profits, the negative impact of the fall in sales was mitigated by initiatives to reduce fixed costs through a large-scale reallocation of human resources within the azbil Group, and concerted efforts to cut expenditure.

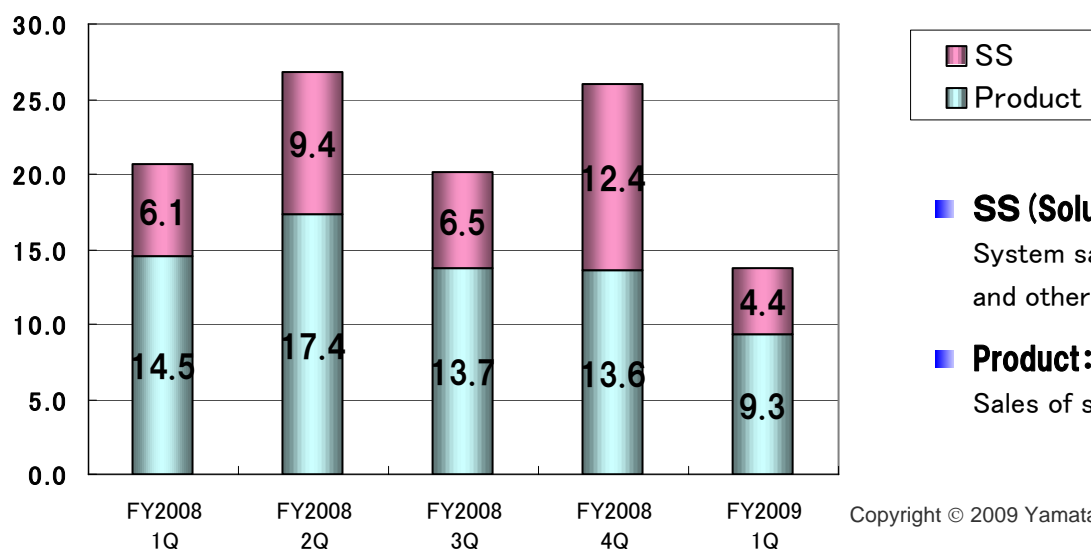
<Quarterly>

(Billions of yen)

	FY2008				FY2009		
	1 Q	2 Q	3 Q	4 Q	1 Q	Year on Year	
						Change	% Change
Orders	24.9	27.8	20.3	19.6	15.5	(9.4)	(37.6) %
Net sales	20.6	26.8	20.2	26.1	※13.7	(6.9)	(33.7) %
OP income	0.1	3.3	(0.2)	1.7	※(1.7)	(1.8)	-
OP margin	0.7 %	12.2 %	(0.9) %	6.7 %	(12.4) %	(13.1)	-

※ By application of percentage-of-completion method to contracts in progress, sales increased by 5 million yen and operating income increased by 2 million yen.

【Sales】



■ SS (Solution/Service) :

System sales and the provision of maintenance and other services

■ Product:

Sales of sensors, valves, etc.

Life Automation (LA) Business

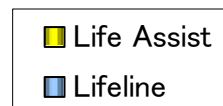
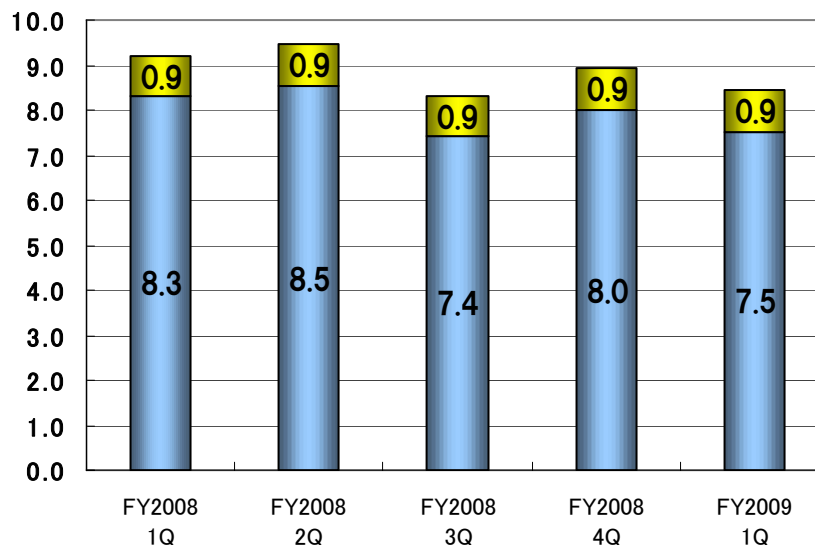
- The faltering economy impacted replacement demand for gas meters and sales of industrial gas equipment: as a result, sales for the LA business as a whole fell by 8.3% on the same period last year.
- Despite the fall in sales, initiatives to improve profitability bore fruit, turning operating loss into profit.

<Quarterly>

(Billions of yen)

	FY2008				FY2009		
	1 Q	2 Q	3 Q	4 Q	1 Q	Year on Year	
						Change	% Change
Orders	10.1	9.3	8.2	8.3	9.5	(0.6)	(5.7) %
Net sales	9.2	9.5	8.3	8.9	8.4	(0.8)	(8.3) %
OP income	(0.0)	(0.0)	(0.2)	0.1	0.1	0.1	-
OP margin	(0.4) %	(0.5) %	(2.1) %	1.1 %	0.7 %	1.1	-

【Sales】



■ Life Assist:

Nursing care, emergency dispatch service, etc.

■ Lifeline:

Sales of meters (gas, water, etc.) by Kimmon Manufacturing; Yamatake's environmental recycling business, etc.

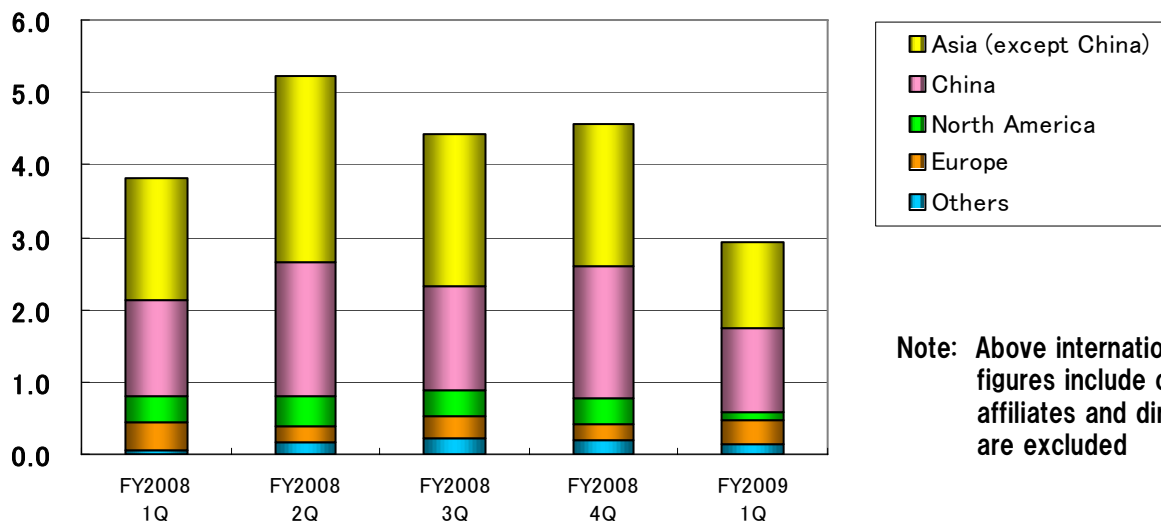
- As a result of the global economic recession and the high value of the yen, sales in yen terms fell by 23.1% compared to the same period last year.

<Quarterly>

(Billions of yen)

	FY2008				FY2009		
	1 Q	2 Q	3 Q	4 Q	1 Q	Year on Year	
						Change	% Change
Asia (except China)	1.7	2.6	2.1	2.0	1.2	(0.5)	(28.9) %
China	1.3	1.8	1.4	1.8	1.2	(0.1)	(11.4) %
North America	0.4	0.4	0.4	0.4	0.1	(0.3)	(70.9) %
Europe	0.4	0.2	0.3	0.2	0.3	(0.1)	(13.3) %
Others	0.1	0.2	0.2	0.2	0.1	0.1	93.3 %
Total	3.8	5.2	4.4	4.6	2.9	(0.9)	(23.1) %

【Sales】



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

Balance Sheets

(Billions of yen)

	FY2008		FY2009	Change (B) - (A)		FY2008		FY2009	Change (B) - (A)
	1Q	(A) 4Q	(B) 1Q			1Q	(A) 4Q	(B) 1Q	
Current assets	156.1	161.0	143.8	(17.1)	Liabilities	96.6	95.9	82.8	(13.1)
Cash & deposits	32.2	37.9	42.7	4.8	Current liabilities	76.3	78.7	65.7	(13.0)
Notes & accounts receivable	68.5	74.8	55.0	(19.8)	Notes & accounts payable	39.0	36.0	28.9	(7.0)
Inventories	27.3	21.2	24.5	3.2	Short-term loans & Bonds	14.5	14.7	14.6	(0.1)
Others	28.1	27.0	21.6	(5.4)	Others	22.8	28.1	22.3	(5.8)
Fixed assets	64.5	59.9	61.9	2.0	Noncurrent liabilities	20.2	17.1	17.0	(0.1)
Property, plant & equipment	29.2	29.8	29.5	(0.4)	Long-term loans & Bonds	4.4	2.2	2.2	(0.0)
Intangible assets	9.1	8.3	9.0	0.7	Others	15.8	14.9	14.8	(0.1)
Investments & other assets	26.2	21.8	23.5	1.7					
					Net assets	124.0	125.0	122.9	(2.0)
					Shareholders' equity	118.3	123.8	119.5	(4.3)
					Capital stock	10.5	10.5	10.5	-
					Capital surplus	17.2	17.2	17.2	-
					Retained earnings	91.2	98.7	94.4	(4.3)
					Treasury stock	(0.7)	(2.6)	(2.6)	(0.0)
					Adjustments for valuation, foreign currency translation	4.4	(0.2)	1.9	2.2
					Minority interests	1.3	1.4	1.5	0.1
Total assets	220.6	220.8	205.7	(15.2)	Total liabilities & net assets	220.6	220.8	205.7	(15.2)

Case Flows

(Billions of yen)

	FY2008				FY2009		
	1 Q	2 Q	3 Q	4 Q	1 Q	Year on Year	
						Change	% Change
Cash flows from operating activities	4.8	5.9	(3.7)	14.3	2.8	(2.0)	(41.9)%
Cash flows from investing activities	(2.0)	(8.2)	(4.3)	(2.2)	1.3	3.3	-
Cash flows from financing activities	(2.3)	(0.8)	(4.5)	(1.1)	(2.8)	(0.5)	-
Net increase (decrease) in cash and cash equivalents	(0.0)	(2.8)	(12.6)	10.5	1.6	1.6	-
Cash and cash equivalents at end of period	49.2	46.5	33.8	44.3	45.9	(3.3)	(6.6)%

Forecast of Consolidated Financial Results

- The forecast of consolidated financial results for the current accounting period is unchanged from the previous forecast announced on May 8, 2009.
- There are signs of recovery in certain markets, but capital investment as a whole is weak and the business environment continues to be uncertain. The Group will be cautiously monitoring future developments in the business environment.
- Aiming to improve its performance, the Group will continue to engage in concerted efforts to curb expenditure and measures to strengthen the business structure.

(Billions of yen)

	FY2008				FY2009			
	1 Q Actual	2 Q Actual	1 H Actual	Full year Actual	1 Q Actual	2 Q	1 H Forecast 2009/5/8	Full year Forecast 2009/5/8
Net Sales	48.6	62.8	111.5	236.2	39.2		98.5	217.5
Operating income	(0.1)	6.7	6.7	17.8	(2.6)		2.5	11.5
Ordinary income	0.2	6.5	6.6	17.2	(2.5)		2.4	11.3
Net income	(0.2)	3.6	3.3	9.5	(2.0)		0.5	6.0

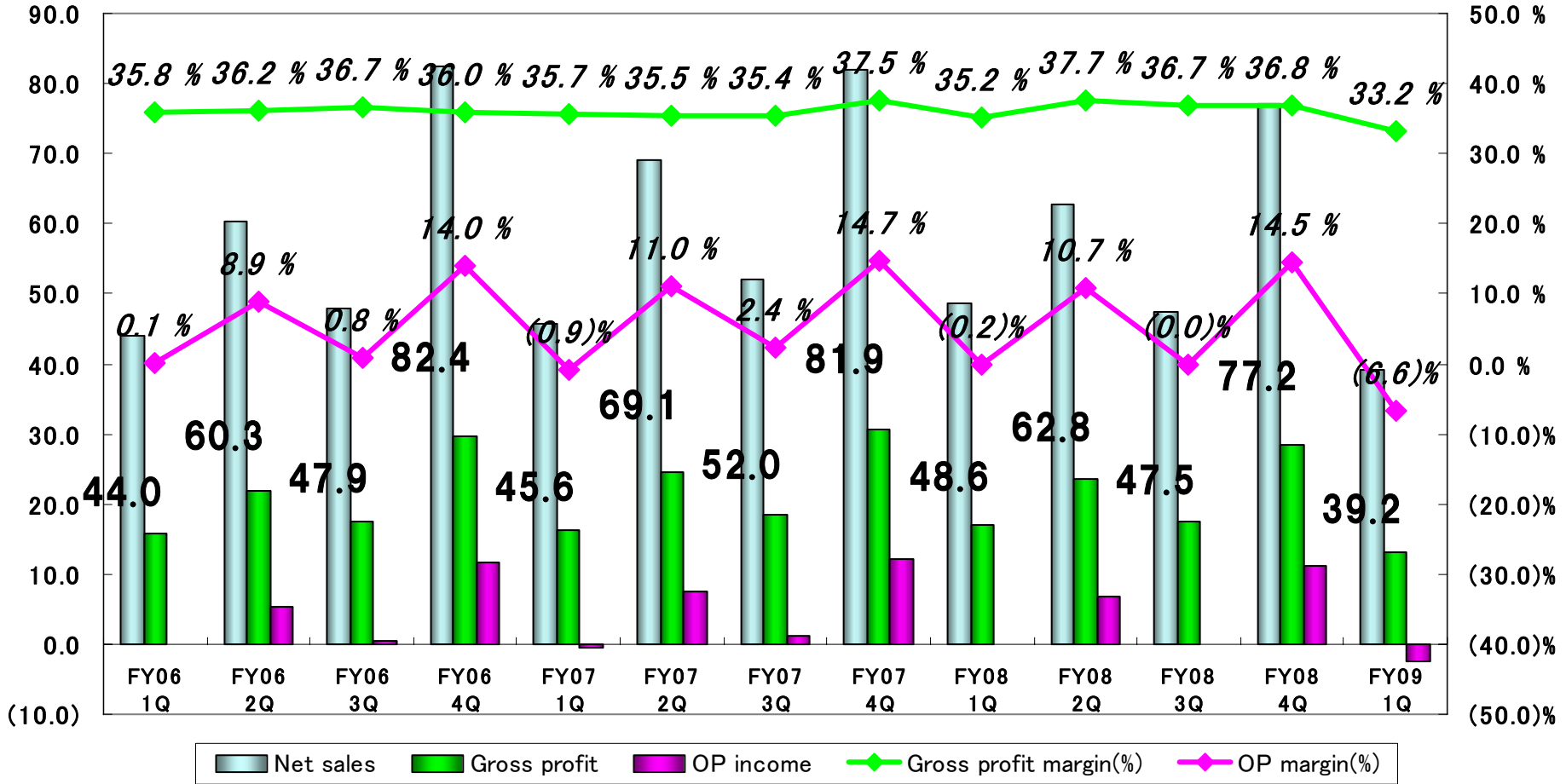
[Reference] Net sales, Profit and Profit Margin



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

<Quarterly>

(Billions of yen)



※ Sales for the azbil Group tend to be concentrated in the second quarter and fourth quarter accounting periods, while fixed costs continue throughout the year. This means that profits in the first quarter and third quarter accounting periods are typically lower than those in the other two quarters.



I want to make buildings
that are more comfortable
and also kind to the environment.

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



I want to build factories
that are safe and enable workers to
work energetically and enthusiastically.



I want to make
my family and friends
feel really happy.