

Consolidated Financial Results

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



BA

Building Automation



AA

Advanced Automation



LA

Life Automation

October 30, 2009

Yamatake Corporation

Key Features of Second Quarter Financial Results

- Although signs of recovery are evident in certain markets, overall the economic downturn that began last fall and the resulting freeze/cutbacks in capital investment have continued. As a result, sales of 93.5 billion yen were recorded, a decrease of 16.2% on the same period last year.
- The Advanced Automation (AA) business was affected by depressed capital investment, both domestically and overseas, suffering a considerable decline in both sales and profits compared to the same period last year. However, the results for the Building Automation (BA) and Life Automation (LA) businesses, which differ in terms of market environment, remained robust despite some impact from the economic downturn.
- Despite concerted efforts to strengthen the business structure and to reduce expenditure, the impact of the fall in sales was considerable; as a result operating income was 1.5 billion yen, a decrease of 77.6% on the same period last year.

Business Plan for Consolidated Financial Results

- The forecast for the second half is virtually unchanged from that in the initial plan. Thus, sales for the fiscal year are expected to be 212.0 billion yen, a decrease of 2.5% compared with the initial plan, and operating income is forecast to be 10.6 billion yen, a decrease of 7.8% compared with the initial plan.

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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.

FY2009 2nd Quarter Financial Results

- With severe business conditions prevailing since last fall, sales of 93.5 billion yen were posted, a decrease of 16.2% on the same period last year.
- Despite concerted efforts to implement reforms aimed at curbing expenditure and strengthening the sales base, the fall in sales brought operating income to 1.5 billion yen, down 77.6% on the same period last year.

(Billions of yen)

	FY2008	FY2009						《Reference》
	1 H Actual (A) (2008.11.7)	1 H Actual (B) (2009.10.30)	Difference		1 H Initial plan (C) (2009.5.8)	Difference		1 H Revised plan (2009.10.1)
			(B) - (A)	% Change		(B) - (C)	% Change	
Orders	138.7	118.0	(20.7)	(14.9) %	-	-	-	-
Net sales	111.5	93.5	(18.0)	(16.2) %	98.5	(5.0)	(5.1) %	93.5
Operating income	6.7	1.5	(5.2)	(77.6) %	2.5	(1.0)	(40.5) %	1.7
<i>OP margin</i>	6.0%	1.6%	(4.4)		2.5%	(0.9)		1.8%
Ordinary income	6.6	1.4	(5.2)	(78.6) %	2.4	(1.0)	(40.9) %	1.8
Net income/loss	3.3	(0.2)	(3.5)	-	0.5	(0.7)	-	(0.2)

FY2009 2nd Quarter Non-operating Income/Expenses and Extraordinary Income/Loss

- An extraordinary loss of 0.7 billion yen was recorded, including a loss on valuation of investment securities.

(Billions of yen)

	FY2008	FY2009		
	1 H Actual (A) (2008.11.7)	1 H Actual (B) (2009.10.30)	Difference	
			(B) - (A)	% Change
Operating income	6.7	1.5	(5.2)	(77.6) %
<i>Non-operating income</i>	0.6	0.5	(0.0)	(1.4) %
<i>Non-operating expenses</i>	0.6	0.6	0.0	5.5 %
Ordinary income	6.6	1.4	(5.2)	(78.6) %
<i>Extraordinary income</i>	0.0	0.0	(0.0)	(82.9) %
<i>Extraordinary loss</i>	0.3	0.7	0.3	103.3 %
<i>Income taxes</i>	3.0	0.9	(2.0)	(68.3) %
Net income/loss	3.3	(0.2)	(3.5)	-
<u>※Income before income taxes and minority interests</u>	<u>6.3</u>	<u>0.7</u>	<u>(5.6)</u>	<u>(88.3) %</u>

FY2009 2nd Quarter

Orders, Sales & Operating Income by Business Segment

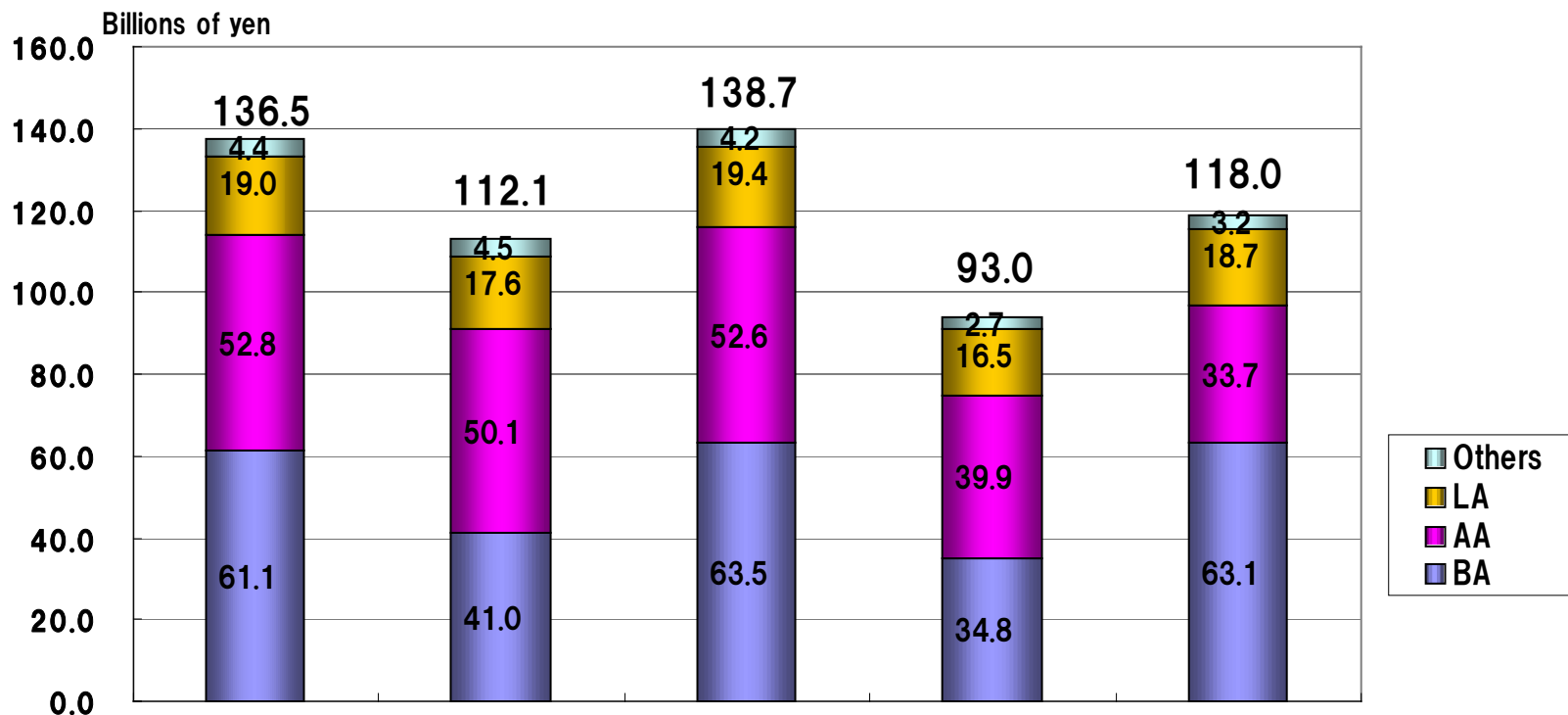
- As a result of the economic downturn affecting the markets for new and existing buildings, BA business sales were 40.0 billion yen, down 4.6% on the same period last year, and operating income was 2.0 billion yen, down 39.6% on the same period last year.
- Owing to the continued freeze/cutbacks in capital investment, AA business sales were 34.3 billion yen, down 27.5% on the same period last year, and an operating loss of 0.7 billion yen was recorded.
- Sales for the LA business were 17.8 billion yen, down 4.8% on the same period last year. However, with the improvement in profitability achieved by Kimmon Manufacturing and in the Life Assist field, operating income was 0.3 billion yen (an operating loss of 0.1 billion yen was recorded for the same period last year).

(Billions of yen)

		FY2008	FY2009					
		1 H	1 H	Difference		1 H	Difference	
		Actual (A) (2008.11.7)	Actual (B) (2009.10.30)	(B) - (A)	% Change	Initial plan (C) (2009.5.8)	(B) - (C)	% Change
B A	Orders	63.5	63.1	(0.4)	(0.6)%	—	—	—
	Net sales	41.9	40.0	(1.9)	(4.6)%	41.0	(1.0)	(2.5)%
	Operating income	3.3	2.0	(1.3)	(39.6)%	2.8	(0.8)	(28.2)%
	<i>OP margin</i>	7.9%	5.0%	(2.9)		6.8%	(1.8)	
A A	Orders	52.6	33.7	(19.0)	(36.0)%	—	—	—
	Net sales	47.4	34.3	(13.0)	(27.5)%	38.0	(3.7)	(9.6)%
	Operating income	3.4	(0.7)	(4.1)	—	(0.5)	(0.2)	—
	<i>OP margin</i>	7.2%	(2.1)%	(9.3)		(1.3)%	(0.8)	
L A	Orders	19.4	18.7	(0.7)	(3.4)%	—	—	—
	Net sales	18.7	17.8	(0.9)	(4.8)%	18.5	(0.7)	(4.0)%
	Operating income	(0.1)	0.3	0.4	—	0.3	(0.0)	(6.2)%
	<i>OP margin</i>	(0.5)%	1.6%	2.0		1.6%	(0.0)	
Others	Orders	4.2	3.2	(1.0)	(24.4)%	—	—	—
	Net sales	4.2	2.1	(2.0)	(49.2)%	2.0	0.1	5.7%
	Operating income	(0.0)	(0.1)	(0.1)	—	0.0	(0.1)	—
	<i>OP margin</i>	(0.0)%	(4.2)%	(4.1)		0.0%	(4.2)	

※ Each segment amounts include inter-company transaction.

【Reference】FY2007 to 2009 Orders by Business Segment

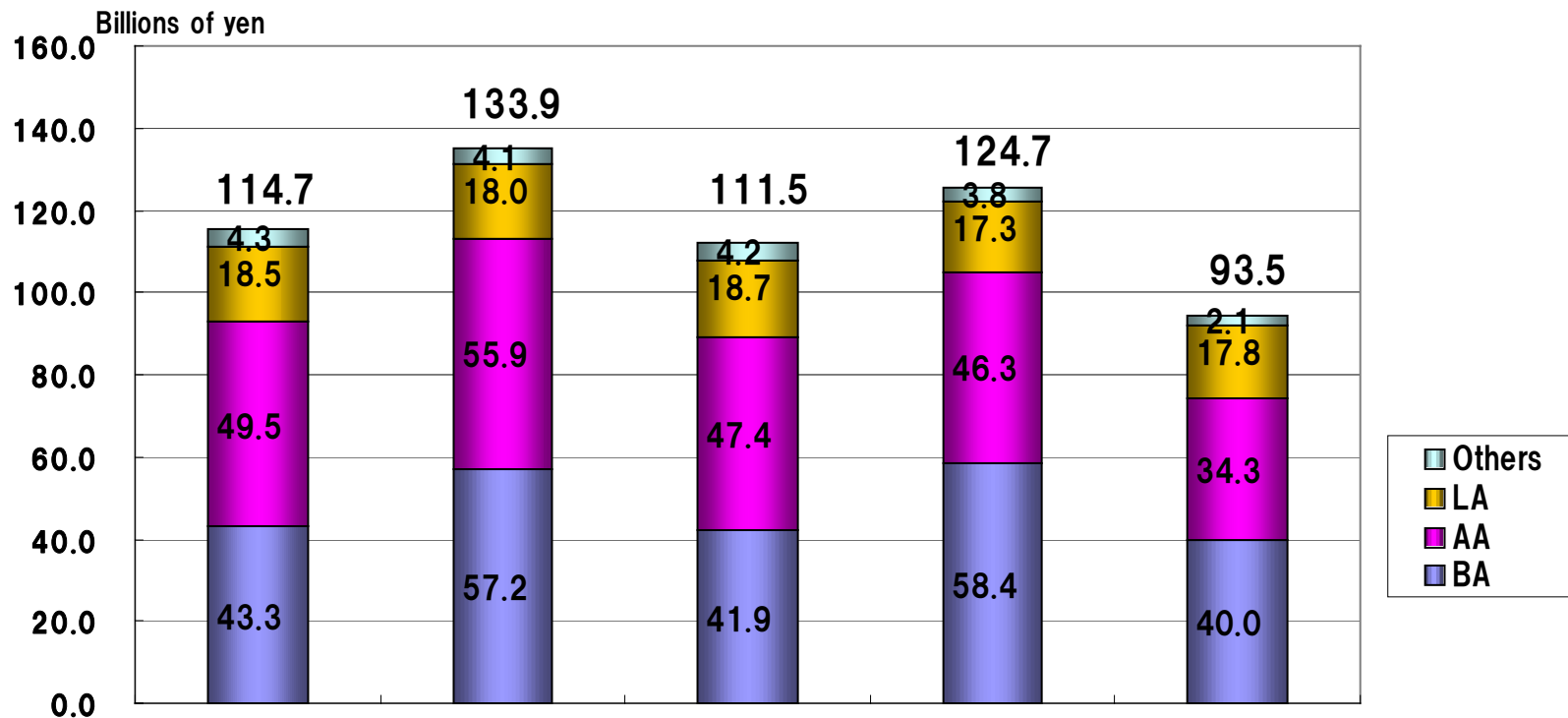


	FY2007 1H	FY2007 2H	FY2008 1H	FY2008 2H	FY2009 1H
BA	61.1	41.0	63.5	34.8	63.1
AA	52.8	50.1	52.6	39.9	33.7
LA	19.0	17.6	19.4	16.5	18.7
Others	4.4	4.5	4.2	2.7	3.2
Total	136.5	112.1	138.7	93.0	118.0

(Billions of yen)

※ Each segment amounts include inter-company transaction.

【Reference】FY2007 to 2009 Sales by Business Segment

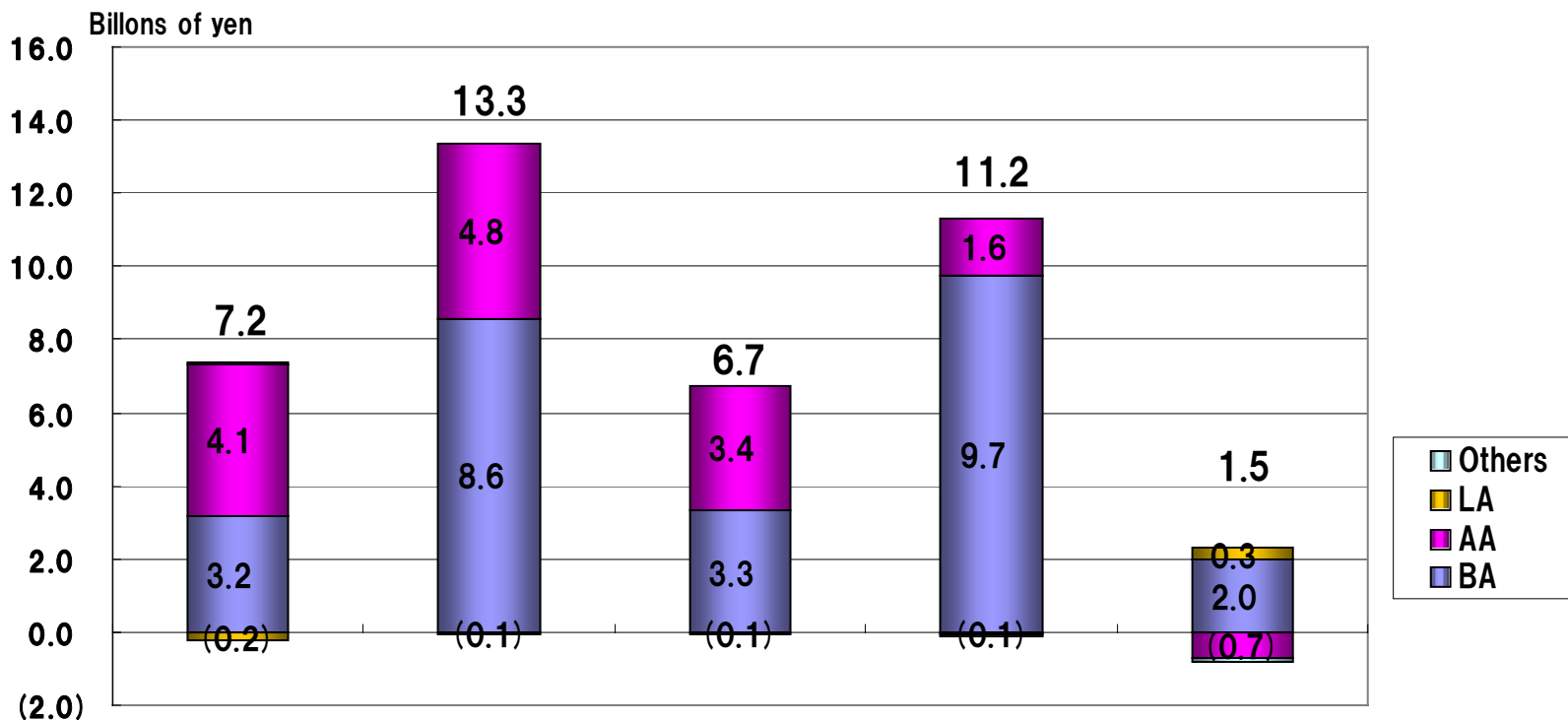


	FY2007 1H	FY2007 2H	FY2008 1H	FY2008 2H	FY2009 1H
BA	43.3	57.2	41.9	58.4	40.0
AA	49.5	55.9	47.4	46.3	34.3
LA	18.5	18.0	18.7	17.3	17.8
Others	4.3	4.1	4.2	3.8	2.1
Total	114.7	133.9	111.5	124.7	93.5

(Billions of yen)

※ Each segment amounts include inter-company transaction.

【Reference】FY2007 to 2009 Operating Income by Business Segment



	FY2007 1H	FY2007 2H	FY2008 1H	FY2008 2H	FY2009 1H
BA	3.2	8.6	3.3	9.7	2.0
AA	4.1	4.8	3.4	1.6	(0.7)
LA	(0.2)	(0.1)	(0.1)	(0.1)	0.3
Others	0.1	(0.0)	(0.0)	(0.1)	(0.1)
Total	7.2	13.3	6.7	11.2	1.5

(Billions of yen)

※ Each segment amounts include inter-company transaction.

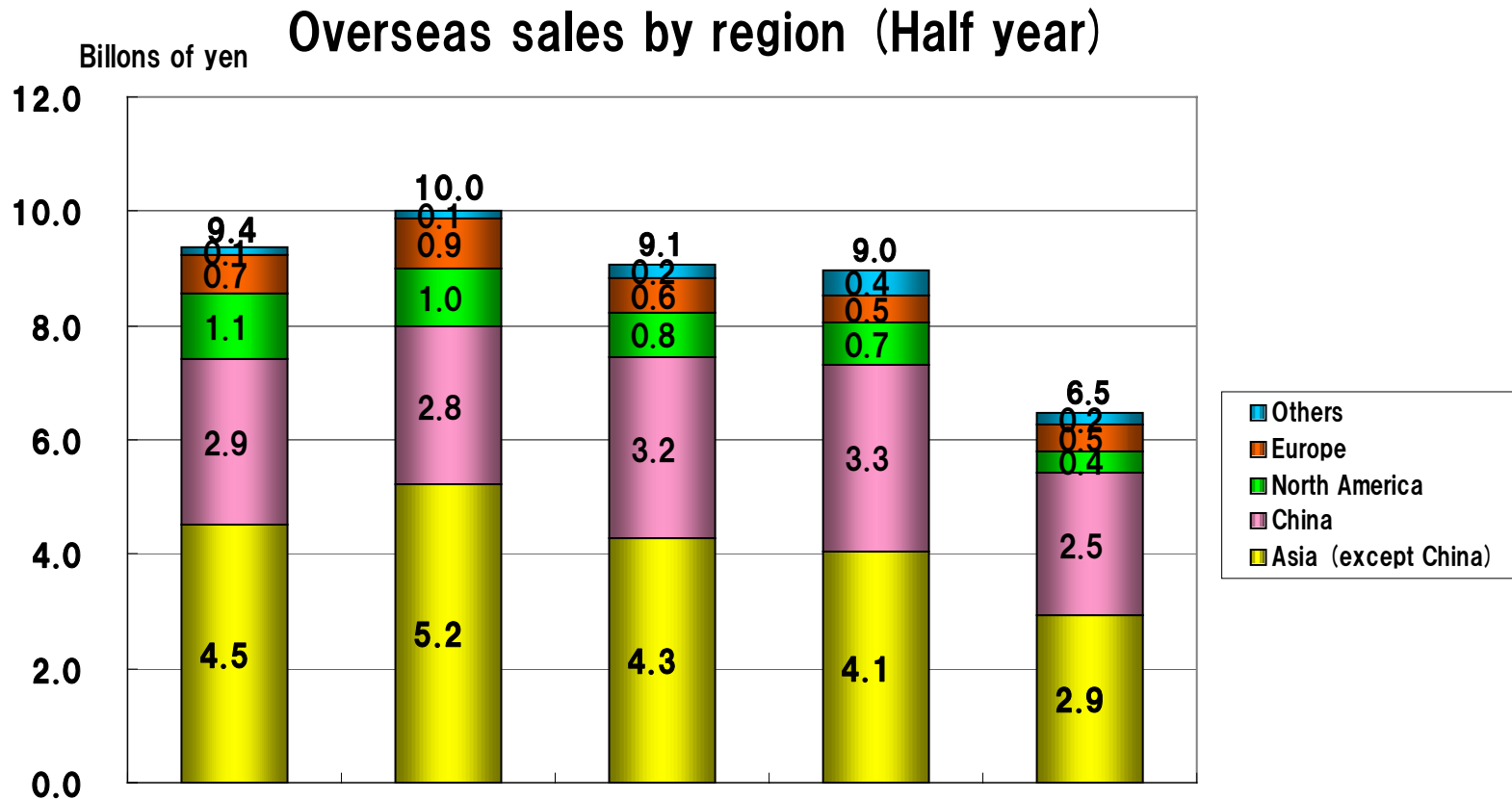
- Owing to the global economic recession and the appreciation of the yen, overseas sales were 6.5 billion yen, down 28.5% on the same period last year.

(Billions of yen)

	FY2008	FY2009		
	1 H Actual (A) (2008.11.7)	1 H Actual (B) (2009.10.30)	Difference	
			(B) - (A)	% Change
Asia (except China)	4.3	2.9	(1.3)	(31.1) %
China	3.2	2.5	(0.7)	(21.7) %
North America	0.8	0.4	(0.4)	(50.9) %
Europe	0.6	0.5	(0.2)	(24.5) %
Others	0.2	0.2	(0.0)	(8.2) %
Total	9.1	6.5	(2.6)	(28.5) %

※ International business (overseas sales) figures include only the sales of overseas affiliates and direct exports; indirect exports are excluded.

【Reference】FY2007 to 2009
International Business (Overseas Sales)



Reference : Average Exchange Rate

	FY2007 1H	FY2007 2H	FY2008 1H	FY2008 2H	FY2009 1H
Yen-1USD	120.15	※ 117.86	104.90	※ 103.49	95.60
Yen-1Euro	159.69	※ 161.31	160.61	※ 152.65	127.44

※ Yearly

※ Yearly

※ International business (overseas sales) figures include only the sales of overseas affiliates and direct exports; indirect exports are excluded.

FY2009 2nd Quarter Consolidated Balance Sheets

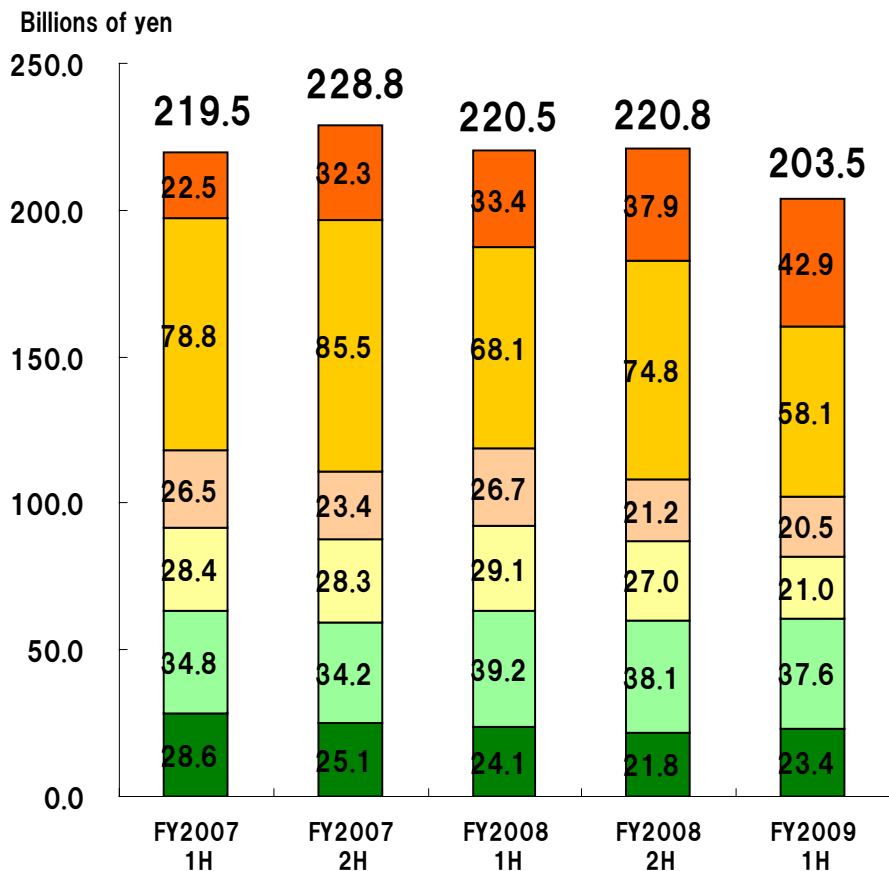
- Owing mainly to the fall in accounts receivable, total assets stood at 203.5 billion yen, down 7.9% compared to the end of last year.

(Billions of yen)

	FY2008		FY2009	Difference (B) - (A)		FY2008		FY2009	Difference (B) - (A)
	1H Sep.08	(A) 2H Mar.09	(B) 1H Sep.09			1H Sep.08	(A) 2H Mar.09	(B) 1H Sep.09	
Current assets	157.3	161.0	142.6	(18.4)	Liabilities	94.0	95.9	78.6	(17.3)
Cash & deposits	33.4	37.9	42.9	5.1	Current liabilities	75.4	78.7	62.4	(16.4)
Notes & accounts receivable - trade	68.1	74.8	58.1	(16.7)	Notes & accounts payable - trade	36.2	36.0	26.7	(9.3)
Inventories	26.7	21.2	20.5	(0.7)	Short-term loans & Bonds	14.7	14.7	14.5	(0.2)
Others	29.1	27.0	21.0	(6.0)	Others	24.4	28.1	21.2	(6.9)
Noncurrent assets	63.2	59.9	60.9	1.0	Noncurrent liabilities	18.6	17.1	16.2	(0.9)
Property, plant & equipment	30.3	29.8	28.9	(0.9)	Long-term loans & Bonds	3.5	2.2	1.4	(0.8)
Intangible assets	8.9	8.3	8.6	0.3	Others	15.2	14.9	14.8	(0.1)
Investments & other assets	24.1	21.8	23.4	1.6					
					Net assets	126.5	125.0	124.9	(0.1)
					Shareholders' equity	121.8	123.8	121.3	(2.5)
					Capital stock	10.5	10.5	10.5	-
					Capital surplus	17.2	17.2	17.2	-
					Retained earnings	94.8	98.7	96.2	(2.5)
					Treasury stock	(0.7)	(2.6)	(2.6)	(0.0)
					Adjustments for valuation, foreign currency	3.2	(0.2)	2.1	2.4
					Minority interests	1.4	1.4	1.5	0.1
Total assets	220.5	220.8	203.5	(17.3)	Total liabilities & net assets	220.5	220.8	203.5	(17.3)

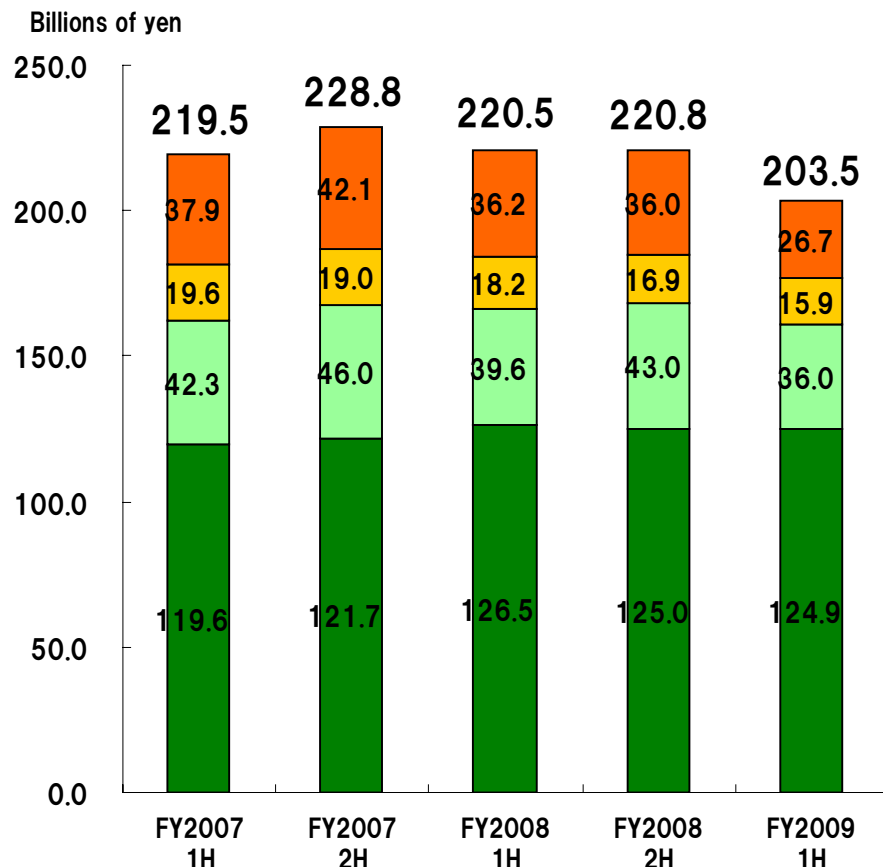
【Reference】FY2007 to 2009 Consolidated Balance Sheets

Assets



- Cash and deposits
- Notes and accounts receivable-trade
- Inventories
- Other current assets
- Noncurrent assets
- Investments and other assets

Liabilities & Net assets



- Notes and accounts payable-trade
- Loans and Bonds
- Other liabilities
- Net assets

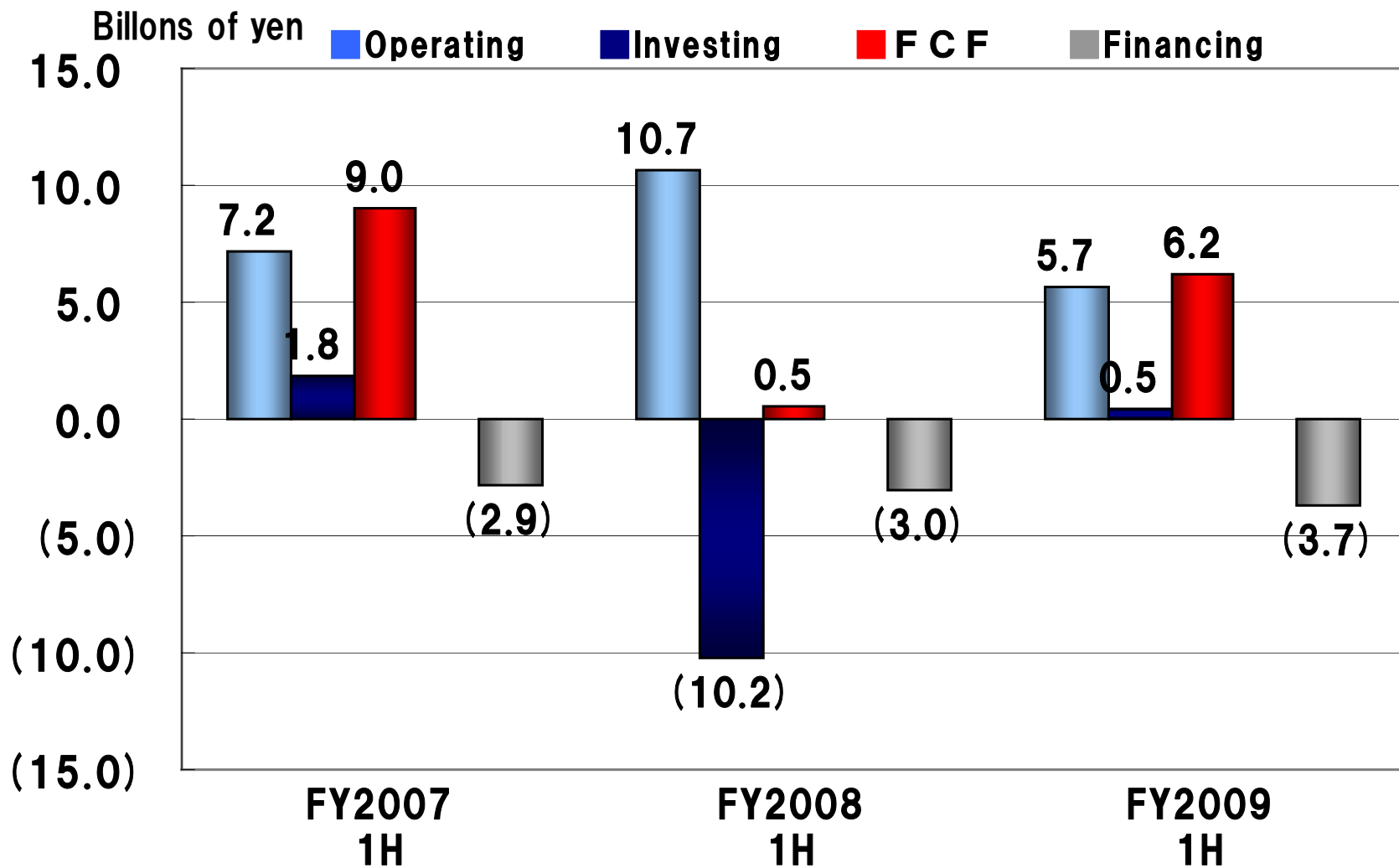
FY2009 2nd Quarter Consolidated Cash Flows

- Net cash provided by operating activities decreased compared to the same period last year, mainly due to the impact of a decrease in income before income taxes and minority interests.
- Net cash provided by investing activities grew compared to the same period last year, reflecting the impact of an increase in sales of short-term investment securities and a decrease in purchase of property, plant and equipment.
- Cash and cash equivalents were almost unchanged from the same period last year.

(Billions of yen)

	FY2008	FY2009		
	1 H Actual (A) (2008.11.7)	1 H Actual (B) (2009.10.30)	Difference	
			(B) - (A)	% Change
Cash flows from operating activities	10.7	5.7	(5.0)	(46.8) %
Cash flows from investing activities	(10.2)	0.5	10.7	-
Free cash flows	0.5	6.2	5.6	-
Cash flows from financing activities	(3.0)	(3.7)	(0.7)	-
Net increase (decrease) in cash and cash equivalents	(2.8)	2.7	5.5	-
Cash and cash equivalents at end of period	46.5	47.1	0.6	1.4 %

【Reference】FY2007 to 2009 Consolidated Cash Flows



Business Plan for FY2009

Business Plan for Consolidated Financial Results

- Despite some impact from the decline in sales and profits in the first half, performance in the second half is expected to be very close to that in the initial plan.
- While continuing to make resolute efforts to strengthen the business structure, striving to secure the planned profit level, the current Medium-Term Plan will be completed, thus firmly establishing the foundation for attaining the Group's mission.

(Billions of yen)

	FY2008	FY2009					
	Full year Actual (A) (2009.5.8)	Full year Revised plan (B) (2009.10.30)	Difference		Full year Initial plan (C) (2009.5.8)	Difference	
			(B) - (A)	% Change		(B) - (C)	% Change
Net sales	236.2	212.0	(24.2)	(10.2)%	217.5	(5.5)	(2.5)%
Operating income	17.8	10.6	(7.2)	(40.6)%	11.5	(0.9)	(7.8)%
<i>OP margin</i>	7.6 %	5.0 %	(2.6)		5.3 %	(0.3)	
Ordinary income	17.2	10.5	(6.7)	(38.8)%	11.3	(0.8)	(7.1)%
Net income	9.5	5.5	(4.0)	(42.3)%	6.0	(0.5)	(8.3)%

Business Plan for FY2009 by Segment

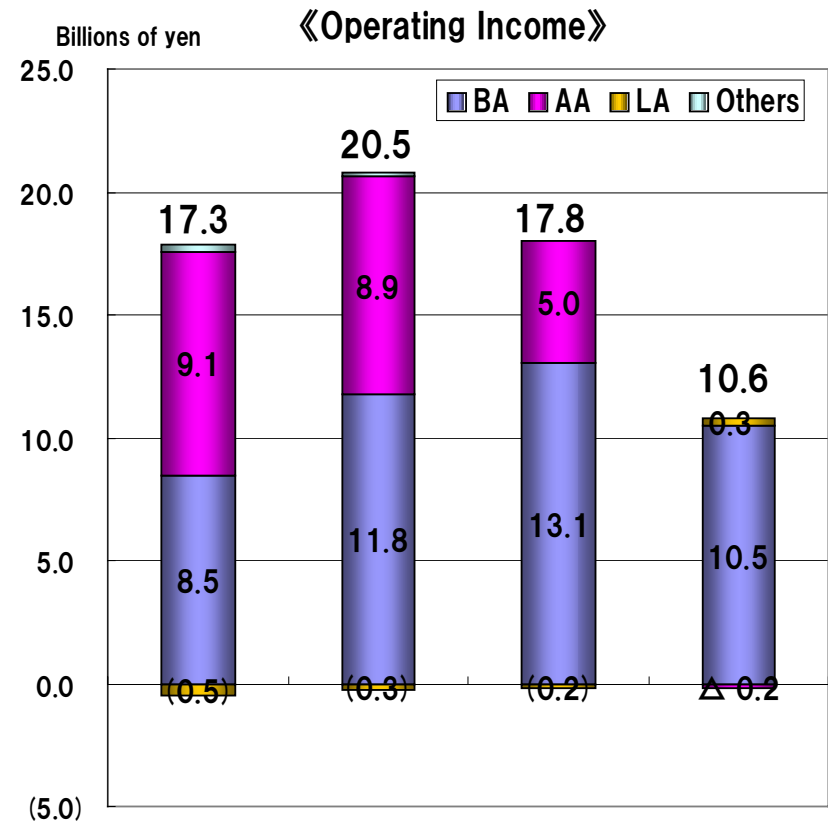
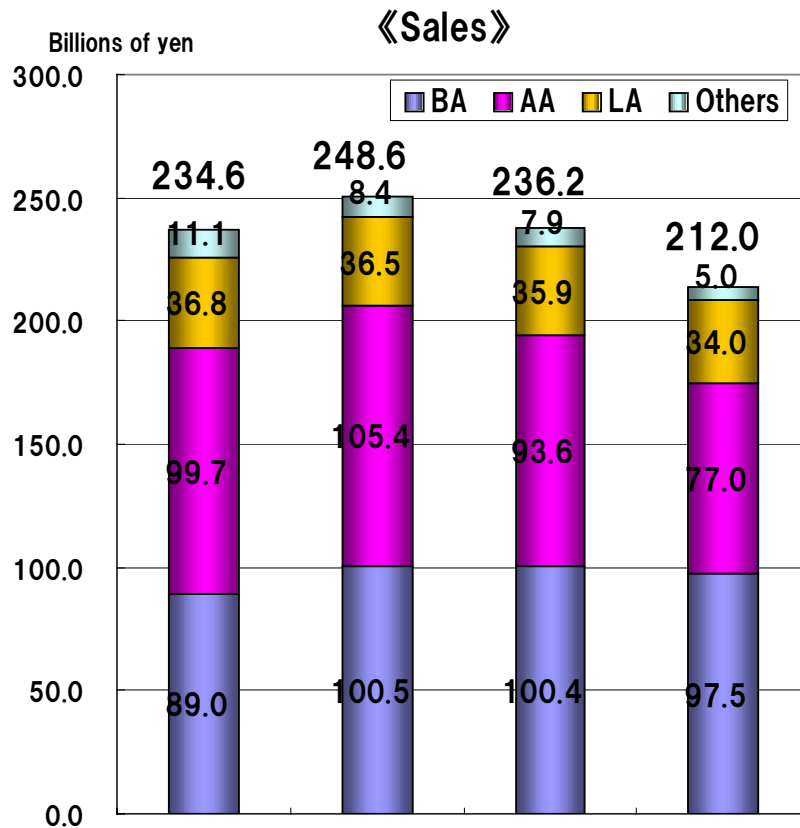
- The BA business will suffer a decline in sales compared to the previous year. This is because of such factors as the decrease in large-scale projects. Nevertheless, thanks in part to increased sales from the service business, performance is expected to be very close to that in the initial plan for the year.
- A challenging environment is envisaged for the AA business. In order to mitigate the effect of a fall in sales, concerted efforts will be continued to reinforce the business and operational structure.
- The LA business will see a drop in sales as a result of the economic downturn, but efforts to improve the profit base will bear fruit, thus ensuring that operating income will be in the black, as envisaged in the initial plan.

(Billions of yen)

		FY2008	FY2009					
		Full year Actual (A) (2009.5.8)	Full year Revised plan (B) (2009.10.30)	Difference		Full year Initial plan (C) (2009.5.8)	Difference	
				(B) - (A)	% Change		(B) - (C)	% Change
B A	Net Sales	100.4	97.5	(2.9)	(2.9) %	97.0	0.5	0.5 %
	Operating income	13.1	10.5	(2.6)	(19.7) %	11.0	(0.5)	(4.5) %
	<i>OP margin</i>	13.0 %	10.8 %	(2.3)		11.3 %	(0.6)	
A A	Net Sales	93.6	77.0	(16.6)	(17.8) %	83.0	(6.0)	(7.2) %
	Operating income	5.0	(0.2)	(5.2)	—	0.3	(0.5)	—
	<i>OP margin</i>	5.3 %	(0.3) %	(5.6)		0.4 %	(0.6)	
L A	Net Sales	35.9	34.0	(1.9)	(5.4) %	35.0	(1.0)	(2.9) %
	Operating income	(0.2)	0.3	0.5	—	0.3	—	—
	<i>OP margin</i>	(0.4) %	0.9 %	1.3		0.9 %	—	
Others	Net Sales	7.9	5.0	(2.9)	(36.8) %	4.5	0.5	11.1 %
	Operating income	(0.1)	0.0	0.1	—	0.0	—	—
	<i>OP margin</i>	(0.7) %	0.0 %	0.7		0.0 %	—	

※ Each segment amounts include inter-company transaction.

【Reference】FY2007 to 2009 (Yearly) Results and Business Plan for FY2009 by Segment



(Billions of yen)

	FY2006 Actual	FY2007 Actual	FY2008 Actual	FY2009 Revised plan
BA	89.0	100.5	100.4	97.5
AA	99.7	105.4	93.6	77.0
LA	36.8	36.5	35.9	34.0
Others	11.1	8.4	7.9	5.0
Total	234.6	248.6	236.2	212.0

(Billions of yen)

	FY2006 Actual	FY2007 Actual	FY2008 Actual	FY2009 Revised plan
BA	8.5	11.8	13.1	10.5
AA	9.1	8.9	5.0	(0.2)
LA	(0.5)	(0.3)	(0.2)	0.3
Others	0.4	0.1	(0.1)	0.0
Total	17.3	20.5	17.8	10.6

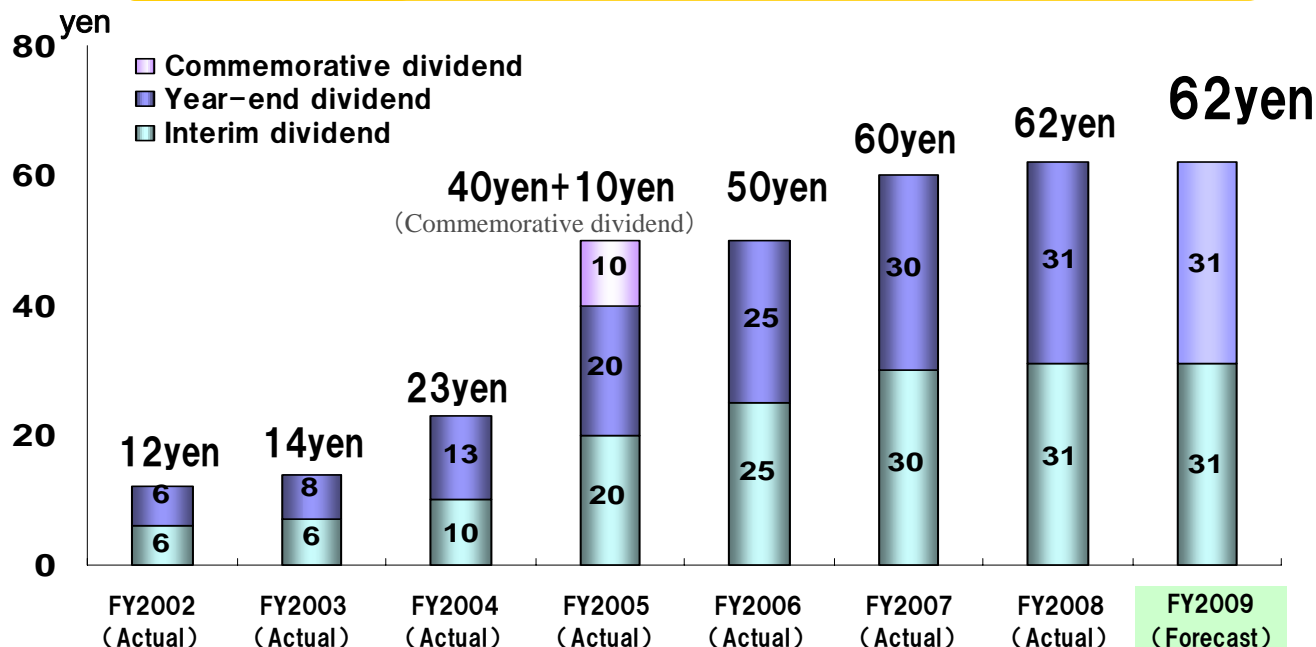
※ Each segment amounts include inter-company transaction.

Return to Shareholder

FY2009 Interim and Year-end Dividends Forecast

As announced, in FY2009 interim and year-end dividends are 31 yen per share. Annual dividends per share will be 62 yen.

FY2009 (Interim) **31 yen** + (Year-end) **31 yen** = (Annual) **62 yen**



	FY2002 (Actual)	FY2003 (Actual)	FY2004 (Actual)	FY2005 (Actual)	FY2006 (Actual)	FY2007 (Actual)	FY2008 (Actual)	FY2009 (Forecast)
Annual dividends	12 yen	14 yen	23 yen	50 yen	50 yen	60 yen	62 yen	62 yen
Dividends on equity (consl.)	0.9 %	1.1 %	1.7 %	3.5 %	3.2 %	3.7 %	3.7 %	※3.7 %
Pay out ratio (consl.)	16.6 %	31.8 %	45.6 %	37.6 %	34.6 %	41.2 %	48.5 %	83.3 %

※ Reference

4 Supplementary Information

Products launched in April through October 2009 Reinforcing Product Power with Original Technologies and New Products

Products that contribute to conserving energy and reducing the environmental load

■ Web-Infilex

The SaaS/ASP service is capable of reducing CO₂ emissions by up to 15% per year.

■ Building-Scope

Estimation for HVAC Energy Consumption per Tenant

Computes the amount of HVAC energy used by each tenant accurately and effortlessly, for compliance with the revision of the Law Concerning the Rational Use of Energy.

■ PARACONDUCTOR

Advanced Chiller Plant Optimum Controller

Energy is saved and CO₂ emissions are reduced by ensuring optimum control over the number of units operating within the HVAC system, which accounts for approximately 40% of the energy consumed by the whole building.



■ NX

Network Instrumentation Modules

■ ENEOPT

Energy Saving Solutions for Factories



NX instrumentation, the core of which is the instrumentation network module, contributes to reducing the environmental load and the establishment of a flexible production system. In addition, ENEOPT assures, through NX, optimum operation of all the equipment on the production lines, and by optimizing the distribution of energy to the various fabrication processes – as electricity, steam, hot and cold water, etc. – it realizes energy savings for the whole factory.

Products that realize safety & peace of mind

■ Various pressure-sensitive switches

(Business transferred from Bridgestone Corporation)

Contributes to greater safety for factory workers in a variety of potentially dangerous situations, preventing injury, etc.



■ In-home emergency response service

With a nationwide customer base of 62,000, the emergency response service already has the largest market share in the business field, and it is now being made available to the general public. Professional staffers are on call 24/7 all year round.



【Reference】

Capital Investments, Depreciation and R&D cost

(Billions of yen)

	FY2008	FY2009				
	Full year Actual (A) (2009.5.8)	1 H Actual (B) (2009.10.30)	2 H Forecast (C) - (B)	Full year Revised plan (C) (2009.10.30)	Difference	
					(C) - (A)	% Change
● Capital investments						
Yamatake	5.4	1.1	1.4	2.5	(2.9)	(53.3) %
Consolidated subsidiaries	1.1	0.3	0.6	0.9	(0.2)	(14.7) %
Total	6.4	1.4	2.0	3.4	(3.0)	(47.0) %
● Depreciation						
Yamatake	3.1	1.6	1.9	3.5	0.4	12.1 %
Consolidated subsidiaries	1.4	0.6	0.7	1.3	(0.1)	(5.9) %
Total	4.5	2.3	2.5	4.8	0.3	6.6 %
● Research & development cost	9.6	4.1	4.9	9.0	(0.6)	(6.6) %
<i>% to net sales</i>	4.1 %	4.4 %	4.1 %	4.2 %	0.2	



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

