

Consolidated Financial Results

for the Third Quarter of Fiscal Year 2011 ending March 31, 2012
(April 1, 2011 to December 31, 2011)

Yamatake Corporation



Note: Segment names are abbreviated as follows.

BA: Building Automation Business
AA: Advanced Automation Business
LA: Life Automation Business

* Figures are rounded off.

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.

[FY2011 3rd Quarter Financial Figures]

Orders received	184.8 billion yen	[up 14.2 billion yen (8.3%) compared to the same period last year]
Net sales	154.8 billion yen	[up 3.2 billion yen (2.1%) compared to the same period last year]
Operating income	6.5 billion yen	[up 0.3 billion yen (4.6%) compared to the same period last year]
Ordinary income	6.6 billion yen	[up 0.5 billion yen (8.9%) compared to the same period last year]
Net income	3.2 billion yen	[up 0.7 billion yen (29.0%) compared to the same period last year]

Orders received

Growth of 8.3% compared to the same period last year was recorded, principally due to the orders received by the BA business for large-scale service contracts.* Also, despite signs of a slowdown, the AA business achieved an increase in orders.

* Orders were placed for large-scale service projects that stretch over several years, and the total value of each contract for that multi-year period is recorded as a lump sum for accounting purposes. The periods covered by contracts won by the azbil Group through such market testing range from 3 to 5 years, and thus the amounts involved are quite considerable; consequently, they account for the bulk of the growth in orders achieved by the BA business in the third quarter of the current cumulative period.

Net sales

In the AA business, although signs of a slowdown were perceived in sales of control products to the FA market, equipment and system sales to the materials-related industry increased, resulting in sales growth. The BA business has performed more or less according to the initial plan and, despite the fact that there were several large-scale projects in the same period last year, sales were up. The LA business was impacted by the March 11 earthquake and ensuing nuclear power plant accident, as well as the fact that LP gas meter sales were depressed in the off-demand season, and thus there was a drop in sales.

Income

The overall growth in sales was sufficient to offset the increased expenditures associated with social insurance premiums and provision for retirement benefits, and this was the principal reason for the increase in operating income. In spite of the fact that a reduction in corporate tax rate led to some liquidation of deferred tax assets, net income was actually higher than for the same period last year, when there had been a significant one-time extraordinary loss of approximately 800 million yen.

* Extraordinary losses for the third quarter of the consolidated cumulative period for fiscal year 2010 include approximately 800 million yen as loss on adjustment for changes of accounting standard for asset retirement obligations and environmental expenses.

Forecast

Consolidated financial results for this fiscal year are expected to be in line with the previous performance forecast (Published on October 28, 2011).

[Effects of seasonality]

Sales for the azbil Group tend to be concentrated in the second quarter and fourth quarter accounting periods, while fixed costs are generated constantly. This means that profits in the first quarter and third quarter accounting periods are typically lower than those in the other two quarters. For historical data on sales and profits for each quarter over the past 3 years, refer to page 13.

Consolidated Financial Results

<Cumulative>

Billions of yen

	FY2010		FY2011	
	3Q	3Q	Year on Year	
	(A)	(B)	(B)-(A)	% Change
Orders received	170.6	184.8	14.2	8.3 %
Net sales	151.7	154.8	3.2	2.1 %
Gross profit	54.3	55.6	1.4	2.5 %
Gross profit margin	35.8 %	35.9 %	0.2	
Operating income	6.2	6.5	0.3	4.6 %
Operating margin	4.1 %	4.2 %	0.1	
Ordinary income	6.1	6.6	0.5	8.9 %
Income before income taxes and minority interests	5.1	6.4	1.4	27.2 %
Net income	2.5	3.2	0.7	29.0 %

<Quarterly>

Billions of yen

	FY2010				FY2011				
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	Year on Year	
			(A)				(B)	(B)-(A)	% Change
Orders received	69.0	54.2	47.4	46.8	85.9	52.6	46.3	(1.1)	(2.3)%
Net sales	44.8	54.5	52.3	67.6	44.6	58.6	51.6	(0.7)	(1.4)%
Gross profit	15.4	20.0	18.8	25.5	15.3	21.7	18.6	(0.2)	(1.0)%
Gross profit margin	34.4 %	36.7 %	36.0 %	37.7 %	34.4 %	36.9 %	36.1 %	0.1	
Operating income	(0.1)	3.9	2.5	8.7	(0.6)	5.4	1.8	(0.6)	(25.6)%
Operating margin	(0.3)%	7.2 %	4.7 %	12.8 %	(1.5)%	9.1 %	3.5 %	(1.1)	
Ordinary income	(0.2)	3.8	2.4	8.8	(0.5)	5.2	2.0	(0.5)	(19.2)%
Income before income taxes and minority interests	(0.7)	3.5	2.3	8.7	(0.5)	5.1	1.9	(0.4)	(18.8)%
Net income	(0.6)	1.9	1.2	5.4	(0.5)	3.0	0.8	(0.4)	(36.3)%

<Cumulative>

Billions of yen

		FY2010	FY2011		
		3Q	3Q	Year on Year	
		(A)	(B)	(B)-(A)	% Change
BA	Orders received	79.4	93.9	14.5	18.3%
	Net sales	67.0	67.9	1.0	1.4%
	Segment profit	5.1	3.8	(1.3)	(24.7)%
	%	7.6%	5.7%	(2.0)	
AA	Orders received	63.5	64.8	1.3	2.1%
	Net sales	56.7	60.5	3.7	6.6%
	Segment profit	1.0	2.6	1.6	158.6%
	%	1.8%	4.4%	2.6	
LA	Orders received	25.1	24.2	(0.9)	(3.4)%
	Net sales	25.0	24.1	(1.0)	(3.8)%
	Segment profit	(0.0)	(0.1)	(0.1)	-
	%	(0.0)%	(0.4)%	(0.4)	
Others	Orders received	3.9	3.5	(0.4)	(10.5)%
	Net sales	4.1	3.6	(0.5)	(11.6)%
	Segment profit	0.1	0.1	0.0	19.1%
	%	2.9%	3.9%	1.0	
Consolidated	Orders received	170.6	184.8	14.2	8.3%
	Net sales	151.7	154.8	3.2	2.1%
	Operating income	6.2	6.5	0.3	4.6%
	Operating margin	4.1%	4.2%	0.1	

* Each segment amounts include internal transactions between business segments.

<Quarterly>

Billions of yen

		FY2010				FY2011				
		1Q	2Q	3Q (A)	4Q	1Q	2Q	3Q (B)	Year on Year	
									(B)-(A)	% Change
BA	Orders received	37.4	23.3	18.8	17.8	53.4	22.8	17.8	(1.0)	(5.5)%
	Net sales	18.7	23.5	24.8	35.2	17.8	26.6	23.5	(1.2)	(4.9)%
	Segment profit	0.2	2.3	2.6	6.6	(0.9)	3.2	1.6	(1.0)	(40.1)%
	%	1.0%	9.9%	10.5%	18.9%	(5.0)%	12.0%	6.6%	(3.9)	
AA	Orders received	21.7	21.4	20.4	19.5	23.6	21.3	19.9	(0.5)	(2.2)%
	Net sales	17.1	20.8	18.8	24.3	18.6	22.3	19.5	0.7	3.5%
	Segment profit	(0.2)	1.3	(0.1)	2.2	0.3	2.1	0.3	0.4	-
	%	(1.3)%	6.4%	(0.4)%	9.1%	1.6%	9.3%	1.4%	1.8	
LA	Orders received	8.9	8.6	7.5	7.7	8.4	8.2	7.6	0.1	1.7%
	Net sales	8.2	8.9	7.9	7.6	7.5	8.7	7.9	(0.1)	(0.7)%
	Segment profit	(0.1)	0.2	(0.1)	(0.2)	(0.1)	0.0	(0.1)	0.1	-
	%	(0.8)%	2.0%	(1.5)%	(2.9)%	(1.1)%	0.4%	(0.7)%	0.8	
Others	Orders received	1.3	1.5	1.1	2.2	1.0	1.1	1.4	0.3	31.0%
	Net sales	1.2	1.8	1.1	1.1	1.0	1.5	1.1	(0.0)	(2.9)%
	Segment profit	(0.0)	0.1	0.0	0.0	0.0	0.1	0.1	0.0	17.7%
	%	(0.6)%	4.6%	3.9%	2.6%	2.0%	4.6%	4.7%	0.8	
Consolidated	Orders received	69.0	54.2	47.4	46.8	85.9	52.6	46.3	(1.1)	(2.3)%
	Net sales	44.8	54.5	52.3	67.6	44.6	58.6	51.6	(0.7)	(1.4)%
	Operating income	(0.1)	3.9	2.5	8.7	(0.6)	5.4	1.8	(0.6)	(25.6)%
	Operating margin	(0.3)%	7.2%	4.7%	12.8%	(1.5)%	9.1%	3.5%	(1.1)	

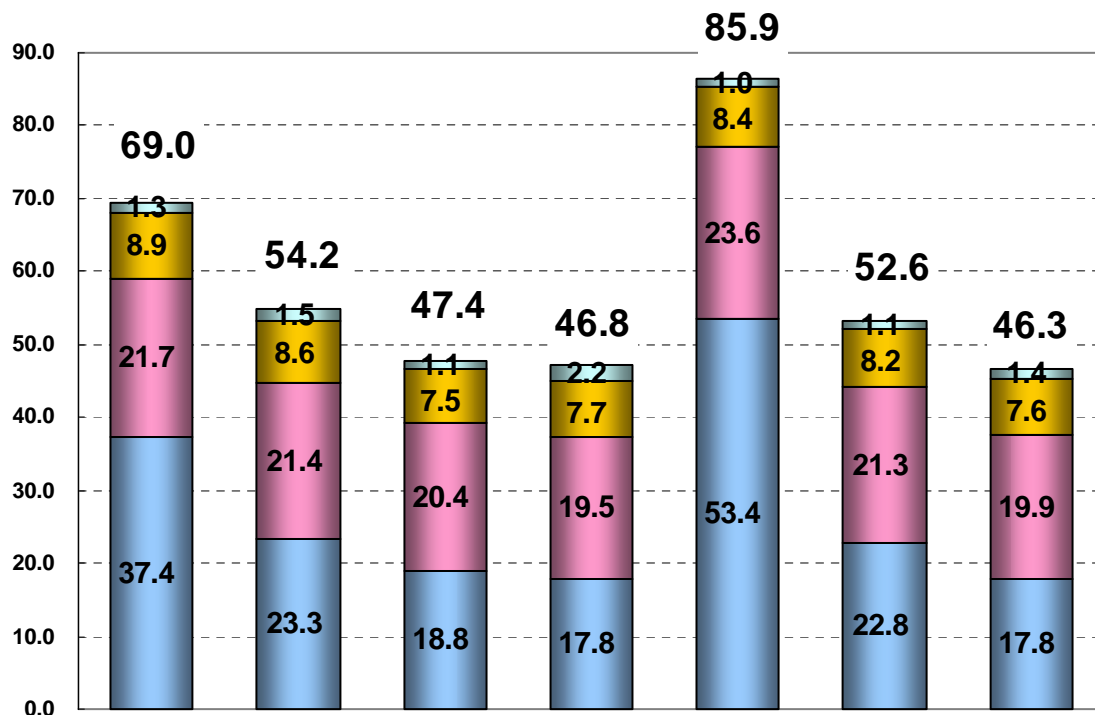
* Each segment amounts include internal transactions between business segments.

[Reference] FY2010/1Q to FY2011/3Q

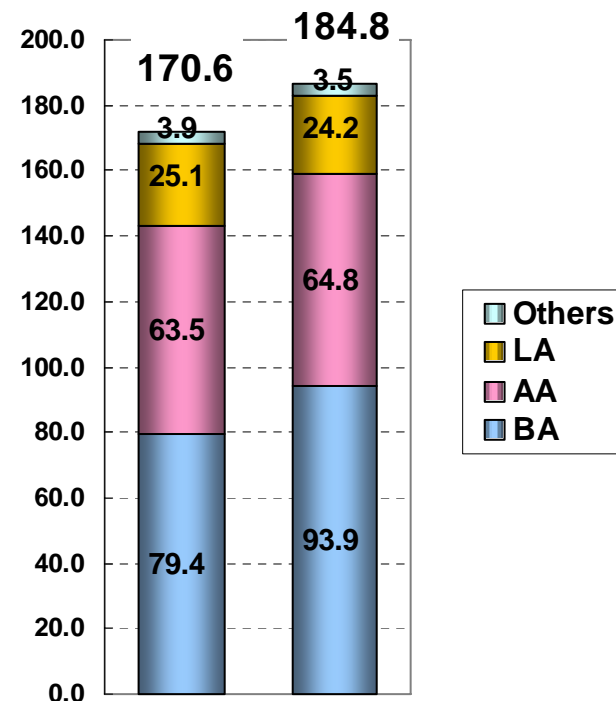
Orders Received by Segment



<Quarterly>



<Cumulative>



Billions of yen

	FY2010				FY2011		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
BA	37.4	23.3	18.8	17.8	53.4	22.8	17.8
AA	21.7	21.4	20.4	19.5	23.6	21.3	19.9
LA	8.9	8.6	7.5	7.7	8.4	8.2	7.6
Others	1.3	1.5	1.1	2.2	1.0	1.1	1.4
Consolidated	69.0	54.2	47.4	46.8	85.9	52.6	46.3

Billions of yen

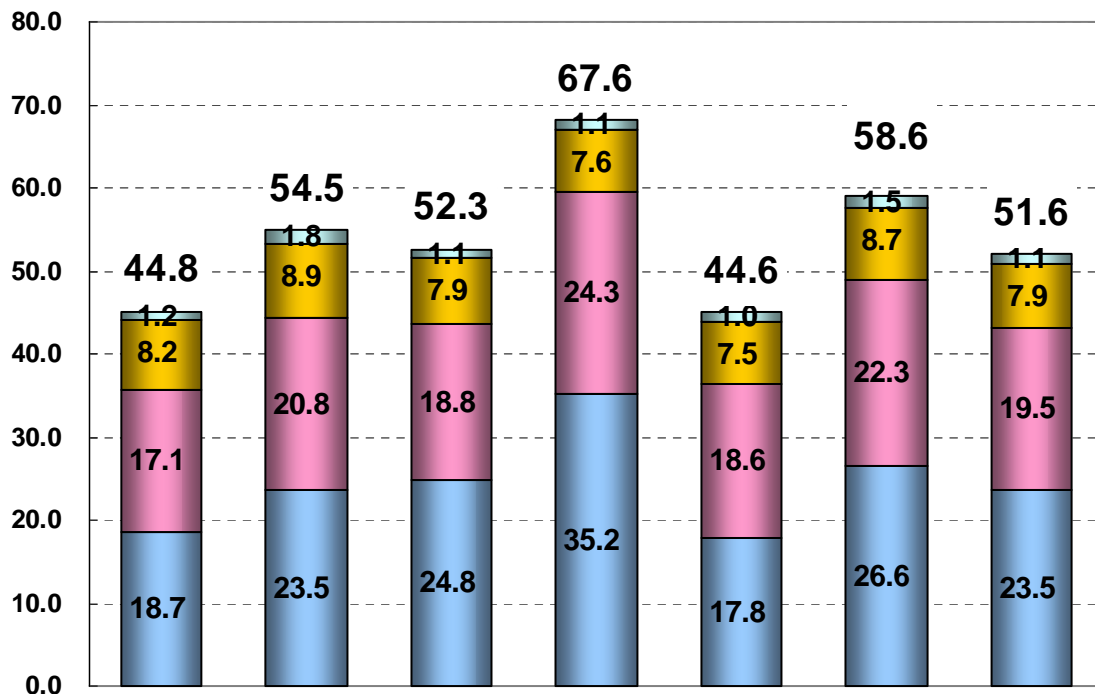
	FY2010	FY2011		
	3Q (A)	3Q (B)	Year on Year	
			(B)-(A)	% Change
BA	79.4	93.9	14.5	18.3%
AA	63.5	64.8	1.3	2.1%
LA	25.1	24.2	(0.9)	(3.4)%
Others	3.9	3.5	(0.4)	(10.5)%
Consolidated	170.6	184.8	14.2	8.3%

* Each segment amounts include internal transactions between business segments.

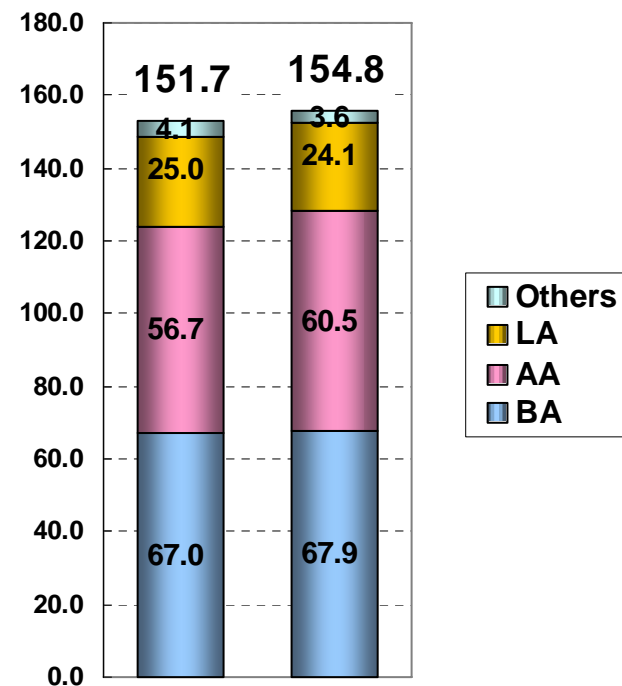
Net Sales by Segment



<Quarterly>



<Cumulative>



Billions of yen

	FY2010				FY2011		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
BA	18.7	23.5	24.8	35.2	17.8	26.6	23.5
AA	17.1	20.8	18.8	24.3	18.6	22.3	19.5
LA	8.2	8.9	7.9	7.6	7.5	8.7	7.9
Others	1.2	1.8	1.1	1.1	1.0	1.5	1.1
Consolidated	44.8	54.5	52.3	67.6	44.6	58.6	51.6

Billions of yen

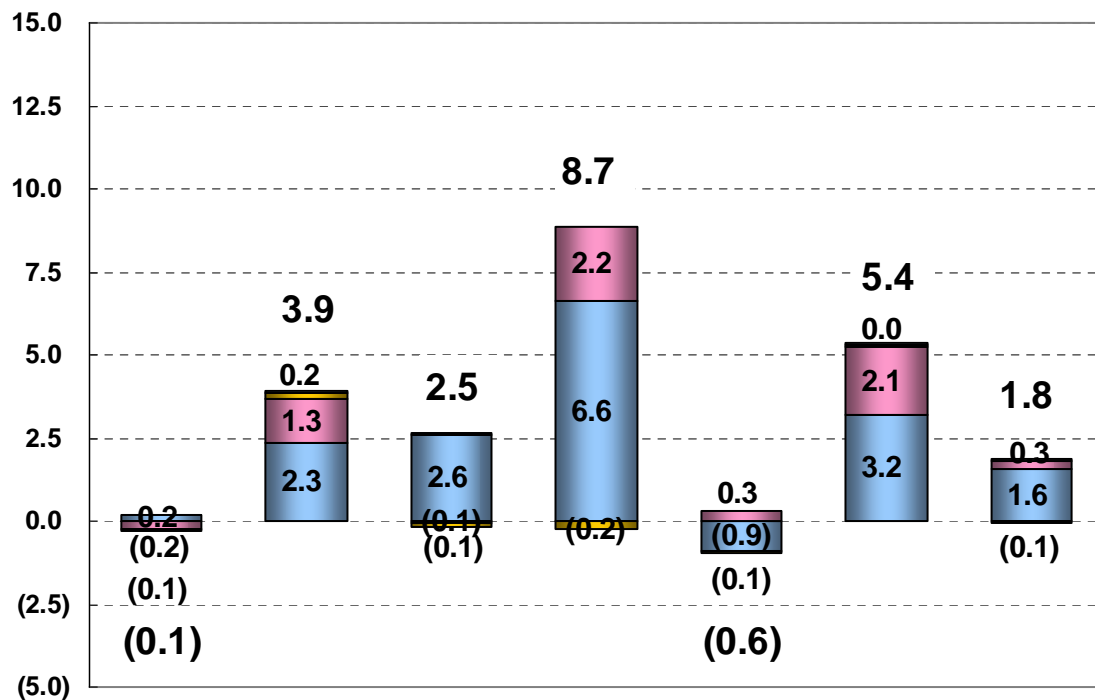
	FY2010	FY2011		
	3Q (A)	3Q (B)	Year on Year	
			(B)-(A)	% Change
BA	67.0	67.9	1.0	1.4%
AA	56.7	60.5	3.7	6.6%
LA	25.0	24.1	(1.0)	(3.8)%
Others	4.1	3.6	(0.5)	(11.6)%
Consolidated	151.7	154.8	3.2	2.1%

* Each segment amounts include internal transactions between business segments.

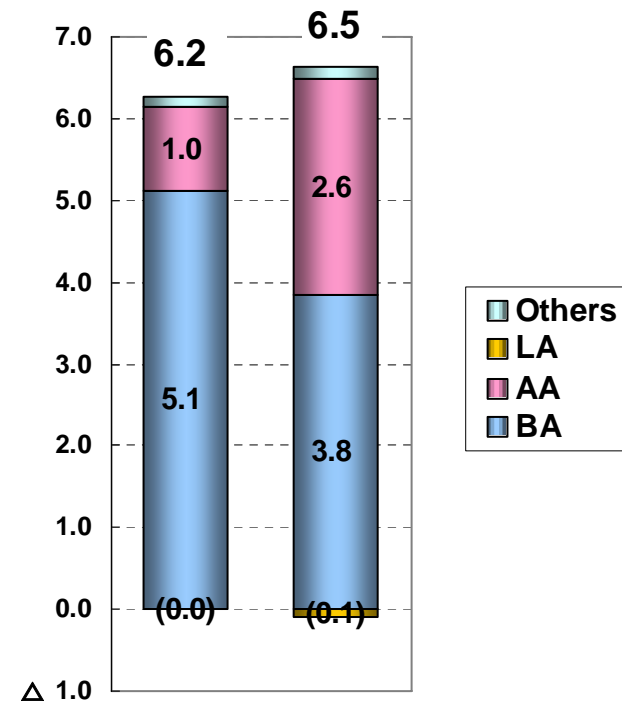
Segment Profit (Operating Income)



<Quarterly>



<Cumulative>



Billions of yen

	FY2010				FY2011		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
BA	0.2	2.3	2.6	6.6	(0.9)	3.2	1.6
AA	(0.2)	1.3	(0.1)	2.2	0.3	2.1	0.3
LA	(0.1)	0.2	(0.1)	(0.2)	(0.1)	0.0	(0.1)
Others	(0.0)	0.1	0.0	0.0	0.0	0.1	0.1
Consolidated	(0.1)	3.9	2.5	8.7	(0.6)	5.4	1.8

Billions of yen

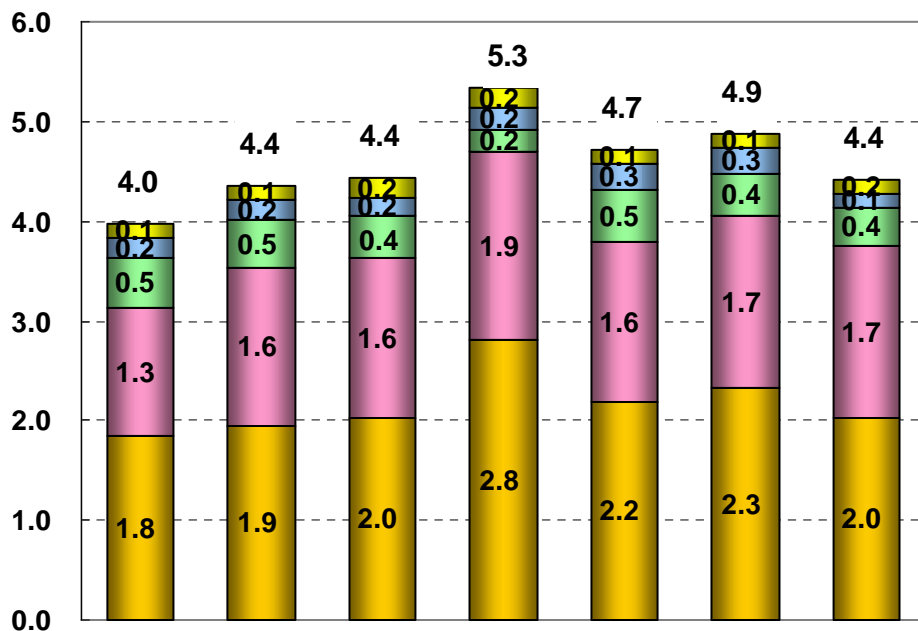
	FY2010	FY2011		
	3Q (A)	3Q (B)	Year on Year	
			(B)-(A)	% Change
BA	5.1	3.8	(1.3)	(24.7)%
AA	1.0	2.6	1.6	158.6%
LA	(0.0)	(0.1)	(0.1)	—
Others	0.1	0.1	0.0	19.1%
Consolidated	6.2	6.5	0.3	4.6%

* Each segment amounts include internal transactions between business segments.

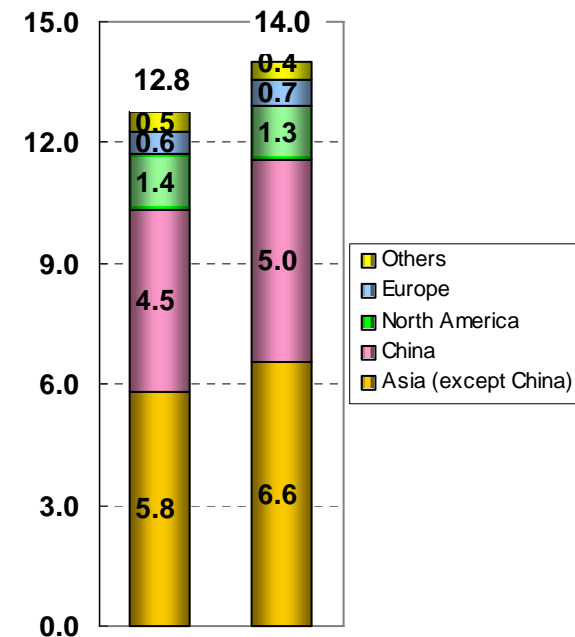
FY2011 3rd Quarter International Business (Overseas Sales)



<Quarterly>



<Cumulative>



Billions of yen

Billions of yen

	FY2010				FY2011				Year on Year	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	(B)-(A)	% Change	
	(A)				(B)					
Asia (except China)	1.8	1.9	2.0	2.8	2.2	2.3	2.0	0.0	0.0%	
China	1.3	1.6	1.6	1.9	1.6	1.7	1.7	0.1	6.9%	
North America	0.5	0.5	0.4	0.2	0.5	0.4	0.4	(0.0)	(11.5)%	
Europe	0.2	0.2	0.2	0.2	0.3	0.3	0.1	(0.0)	(17.9)%	
Others	0.1	0.1	0.2	0.2	0.1	0.1	0.2	(0.0)	(19.1)%	
Total	4.0	4.4	4.4	5.3	4.7	4.9	4.4	(0.0)	(0.1)%	

FY2010	FY2011			
	3Q	3Q	Year on Year	
	(A)	(B)	(B)-(A)	% Change
5.8	6.6	0.7	12.6%	
4.5	5.0	0.5	12.0%	
1.4	1.3	(0.1)	(4.2)%	
0.6	0.7	0.1	15.6%	
0.5	0.4	(0.1)	(11.4)%	
12.8	14.0	1.2	9.8%	

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

* The accounting year used by overseas affiliates ends on December 31.

Consolidated Balance Sheets

Billions of yen

Billions of yen

	FY2010		FY2011	Difference	
	3Q (A)	4Q (B)	3Q (C)	(C)-(A)	(C)-(B)
Current assets	152.5	164.4	157.4	4.9	(7.0)
Cash & deposits	43.2	48.6	41.8	(1.5)	(6.8)
Notes & accounts receivable - trade	67.1	76.0	71.3	4.2	(4.8)
Inventories	18.9	13.8	19.5	0.7	5.8
Others	23.3	26.0	24.8	1.6	(1.1)
Noncurrent assets	54.2	53.1	50.3	(3.9)	(2.9)
Property, plant & equipment	26.2	25.7	24.5	(1.8)	(1.2)
Intangible assets	6.1	5.8	4.7	(1.4)	(1.0)
Investments & other assets	21.8	21.6	21.0	(0.8)	(0.6)
Total assets	206.7	217.5	207.7	1.0	(9.8)

	FY2010		FY2011	Difference	
	3Q (A)	4Q (B)	3Q (C)	(C)-(A)	(C)-(B)
Liabilities	80.5	86.1	78.4	(2.1)	(7.7)
Current liabilities	65.2	65.5	58.4	(6.8)	(7.1)
Notes & accounts payable - trade	30.7	33.9	32.7	1.9	(1.3)
Short-term loans & Bonds	13.6	5.7	5.4	(8.2)	(0.3)
Others	20.9	25.9	20.3	(0.6)	(5.5)
Noncurrent liabilities	15.2	20.6	20.0	4.8	(0.6)
Long-term loans & Bonds	0.6	6.2	5.4	4.8	(0.8)
Others	14.7	14.5	14.6	(0.1)	0.1
Net assets	126.2	131.4	129.3	3.1	(2.1)
Shareholders' equity	123.3	128.8	127.3	4.0	(1.4)
Capital stock	10.5	10.5	10.5	—	—
Capital surplus	17.2	17.2	17.2	(0.0)	(0.0)
Retained earnings	98.2	103.7	102.2	4.0	(1.4)
Treasury stock	(2.6)	(2.6)	(2.6)	0.0	0.0
Total accumulated other comprehensive income	1.2	0.8	0.1	(1.1)	(0.8)
Subscription rights to shares & Minority interests	1.7	1.8	1.9	0.2	0.1
Total liabilities & net assets	206.7	217.5	207.7	1.0	(9.8)

Consolidated financial results for this fiscal year are expected to be as laid out in the performance forecast published on October 28, 2011.

- Whilst the business environment surrounding the azbil Group continues to be challenging, in light of the fact that performance has remained within the range projected by the previous forecast (published on October 28, 2011), which revised sales and income figures upwards from those in the initial plan, it is currently expected that the Group's consolidated financial results for the fiscal year ending March 31, 2012 will be as forecast.

Billions of yen

[Quarterly]

	FY2010						
	1Q Actual	2Q Actual	1H Actual	3Q Actual	4Q Actual	2H Actual	Full year Actual
Net Sales	44.8	54.5	99.3	52.3	67.6	119.9	219.2
Operating income	(0.1)	3.9	3.8	2.5	8.7	11.1	14.9
Ordinary income	(0.2)	3.8	3.7	2.4	8.8	11.2	14.9
Net income	(0.6)	1.9	1.3	1.2	5.4	6.6	7.9

Billions of yen

	FY2011						
	1Q Actual	2Q Actual	1H Actual	3Q Actual	4Q	2H	Full year Forecast (Oct/28/2011)
Net Sales	44.6	58.6	103.3	51.6		118.7	222.0
Operating income	(0.6)	5.4	4.7	1.8		9.3	14.0
Ordinary income	(0.5)	5.2	4.7	2.0		9.1	13.8
Net income	(0.5)	3.0	2.4	0.8		5.4	7.8

* The increased sales and decreased income, compared to the previous year, are attributable to the higher expenditures associated with social insurance premiums and provision for retirement benefits. These expenditures were originally allowed for in the initial plan.

Business Plan for Consolidated Results by Segment



FY2010		Billions of yen							FY2011		Billions of yen				
	1Q	2Q	1H	3Q	4Q	2H	Full year	1Q	2Q	1H	3Q	4Q	2H	Full year	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual			Forecast	
														(Oct/28/2011)	
BA	Net sales	18.7	23.5	42.2	24.8	35.2	59.9	102.1	17.8	26.6	44.4	23.5		59.6	104.0
	Segment profit	0.2	2.3	2.5	2.6	6.6	9.2	11.7	(0.9)	3.2	2.3	1.6		8.3	10.6
	%	1.0%	9.9%	5.9%	10.5%	18.9%	15.4%	11.5%	(5.0)%	12.0%	5.1%	6.6%		13.9%	10.2%
AA	Net sales	17.1	20.8	37.9	18.8	24.3	43.1	81.0	18.6	22.3	41.0	19.5		42.0	83.0
	Segment profit	(0.2)	1.3	1.1	(0.1)	2.2	2.1	3.2	0.3	2.1	2.4	0.3		1.2	3.6
	%	(1.3)%	6.4%	2.9%	(0.4)%	9.1%	4.9%	4.0%	1.6%	9.3%	5.8%	1.4%		2.9%	4.3%
LA	Net sales	8.2	8.9	17.1	7.9	7.6	15.5	32.6	7.5	8.7	16.2	7.9		16.3	32.5
	Segment profit	(0.1)	0.2	0.1	(0.1)	(0.2)	(0.3)	(0.2)	(0.1)	0.0	(0.0)	(0.1)		(0.3)	(0.3)
	%	(0.8)%	2.0%	0.6%	(1.5)%	(2.9)%	(2.2)%	(0.7)%	(1.1)%	0.4%	(0.3)%	(0.7)%		(1.6)%	(0.9)%
Others	Net sales	1.2	1.8	3.0	1.1	1.1	2.2	5.1	1.0	1.5	2.5	1.1		2.0	4.5
	Segment profit	(0.0)	0.1	0.1	0.0	0.0	0.1	0.1	0.0	0.1	0.1	0.1		0.0	0.1
	%	(0.6)%	4.6%	2.5%	3.9%	2.6%	3.3%	2.8%	2.0%	4.6%	3.5%	4.7%		0.6%	2.2%
Consolidated	Net sales	44.8	54.5	99.3	52.3	67.6	119.9	219.2	44.6	58.6	103.3	51.6		118.7	222.0
	Operating income	(0.1)	3.9	3.8	2.5	8.7	11.1	14.9	(0.6)	5.4	4.7	1.8		9.3	14.0
	Operating margin	(0.3)%	7.2%	3.8%	4.7%	12.8%	9.3%	6.8%	(1.5)%	9.1%	4.6%	3.5%		7.8%	6.3%

* Each segment amounts include internal transactions between business segments.

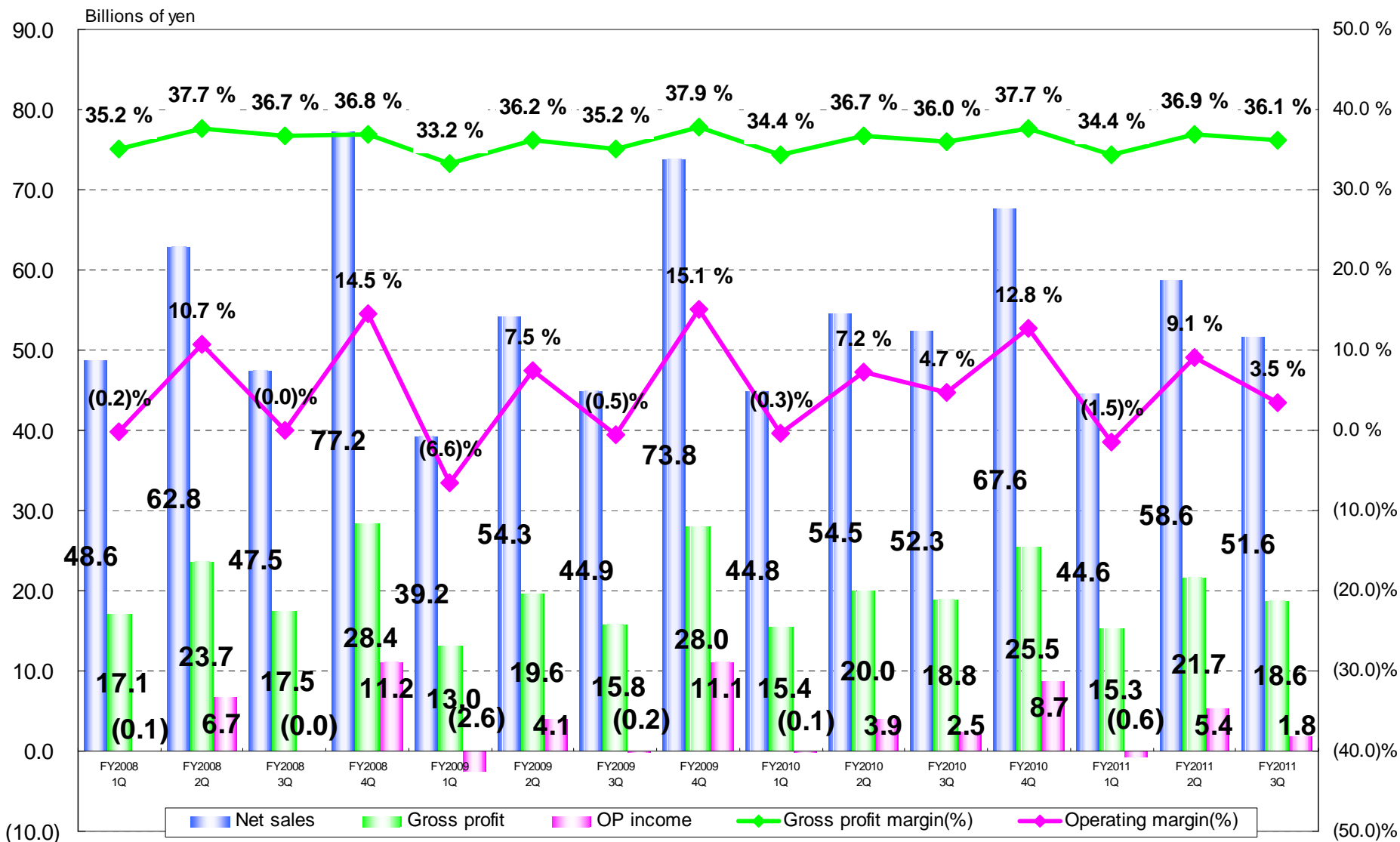
BA: While facing considerable price pressures and concerns about weaker investment due to some uncertainty about the future outlook, this segment is generally performing according to its business plan. Sales of 104 billion yen and a segment profit of 10.6 billion yen are forecast.

AA: Despite the economic slowdown in Asia (including China), the impact of the high exchange rate for the yen, and the uncertainty surrounding capital investment in Japan and overseas, due to such positive factors as the continuing robust sales of products to the materials-related industry, sales of 83 billion yen and a segment profit of 3.6 billion yen are forecast.

LA: Despite the fall in sales attributable to the March 11 earthquake and nuclear power plant accident, and also the lower demand for LP gas meters, on the positive side there are increased sales of town gas meters and the improved profitability resulting from certification of water meter compatibility with the new JIS standard. Consequently, segment performance is expected to be comparable to that of last year.

[Reference]

Net Sales, Profit and Profit Margin (Quarterly)



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

From “Yamatake” to “Azbil”



On the 105th anniversary of the company’s founding, and the 5th anniversary of the debut of “azbil,” Yamatake Corporation will change its name.

April 1, 2012

Azbil Corporation

Simultaneously the other main Group companies in Japan will add “Azbil” to their company names.

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



These 3 characters appear in azbil corporate advertising. From the left: Billy, Ippei and Lisa. Their initials represent the 3 core businesses of the azbil Group: B for Building, I for Industrial, and L for Life. As the azbil Group grows, so too will they grow.