

Consolidated Financial Results

For the Third Quarter of Fiscal Year 2012 ending March 31, 2013

(April 1, 2012 to December 31, 2012)



February 5, 2013
Azbil Corporation

Note:

* Segment names are abbreviated as follows:

BA: Building Automation

AA: Advanced Automation

LA: Life Automation

* Figures are rounded off.

* From FY2012, some of the business that have been categorized into "Other" (the importing, buying-in and marketing of inspection and measurement equipment, etc.) are categorized into "AA". In this material the figures for the same period of the previous year have been reclassified to take account of the new segment divisions so as to enable direct comparison. This makes it possible to trace trends.

* 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. Due to various factors, actual results may differ from those discussed in this document.

[FY2012 3rd Quarter Financial Results(Cumulative)]

Orders received	174.5 billion yen	[down 10.4 billion yen (5.6%) compared to the same period last year]
Net sales	157.0 billion yen	[up 2.2 billion yen (1.4%) compared to the same period last year]
Operating income	5.3 billion yen	[down 1.2 billion yen (18.4%) compared to the same period last year]

Orders received

Orders were 174.5 billion yen, down 5.6% on the same period last year. It mainly came from transitory factors* for the BA business included in last year's figures.

* In the BA business, orders were placed for large-scale service projects (mainly market testing) that stretch over several years and the total value of these multi-year contracts was recorded as a lump sum for accounting purposes in the same period last year.

Net sales

The AA business saw a slight fall in revenue as a result of sluggish demand among equipment manufacturers; however, sales grew for the BA business and the LA business. Sales increased by 1.4% on the same period last year, to 157.0 billion yen.

Operating income

Although the BA business saw an improvement in the third quarter, profits for the segment decreased because of the severe business conditions in the first half. The AA business also saw a fall in revenue. Additionally, prior investment was made to expand the LA business. Overall, operating income was 5.3 billion yen, down by 1.2 billion yen compared to the same period last year.

Plan

The business plan for fiscal year 2012 remains as published on November 1, 2012.

[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.

FY2012 3rd Quarter Consolidated Financial Results



<Cumulative>

Billions of yen

	FY2011	FY2012		
	3Q	3Q	Difference	
	(A)	(B)	(B)-(A)	% Change
Orders received	184.8	174.5	(10.4)	(5.6)%
Net sales	154.8	157.0	+2.2	+1.4%
Gross profit	55.6	53.0	(2.6)	(4.7)%
Gross profit margin	35.9 %	33.8 %	(2.2)	
Operating income	6.5	5.3	(1.2)	(18.4)%
Operating margin	4.2 %	3.4 %	(0.8)	
Ordinary income	6.6	5.8	(0.9)	(13.3)%
Income before income taxes and minority interests	6.4	5.8	(0.6)	(9.4)%
Net income	3.2	2.6	(0.6)	(20.0)%

<Quarterly>

Billions of yen

	FY2011				FY2012				
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	Difference	
			(A)				(B)	(B)-(A)	% Change
Orders received	85.9	52.6	46.3	49.1	71.3	55.5	47.7	+1.4	+3.0%
Net sales	44.6	58.6	51.6	68.7	47.2	57.6	52.3	+0.7	+1.3%
Gross profit	15.3	21.7	18.6	25.2	15.1	20.0	17.9	(0.7)	(3.9)%
Gross profit margin	34.4 %	36.9 %	36.1 %	36.7 %	32.0 %	34.7 %	34.3 %	(1.8)	
Operating income	(0.6)	5.4	1.8	7.8	(0.9)	4.5	1.8	(0.0)	(2.2)%
Operating margin	(1.5)%	9.1 %	3.5 %	11.4 %	(2.0)%	7.8 %	3.4 %	(0.1)	
Ordinary income	(0.5)	5.2	2.0	8.0	(1.0)	4.3	2.4	+0.5	+24.5%
Income before income taxes and minority interests	(0.5)	5.1	1.9	8.4	(1.1)	4.2	2.7	+0.8	+40.9%
Net income	(0.5)	3.0	0.8	5.3	(1.0)	2.5	1.1	+0.3	+40.7%

<Cumulative>

Billions of yen

		FY2011	FY2012		
		3 Q	3 Q	Difference	
		(A)	(B)	(B)-(A)	% Change
B A	Orders received	93.9	83.9	(10.0)	(10.7)%
	Sales	67.9	69.8	+1.9	+2.8%
	Segment profit	3.8	3.4	(0.5)	(12.0)%
	%	5.7%	4.8%	(0.8)	
A A	Orders received	68.2	65.4	(2.8)	(4.1)%
	Sales	63.9	62.3	(1.6)	(2.4)%
	Segment profit	2.8	2.2	(0.6)	(21.3)%
	%	4.4%	3.5%	(0.8)	
L A	Orders received	24.2	26.2	+2.0	+8.2%
	Sales	24.1	25.8	+1.8	+7.3%
	Segment profit	(0.1)	(0.3)	(0.2)	-
	%	(0.4)%	(1.0)%	(0.6)	
Other	Orders received	0.1	0.1	(0.0)	(16.3)%
	Sales	0.1	0.1	(0.0)	(15.1)%
	Segment profit	(0.0)	0.0	+0.0	-
	%	(8.3)%	14.7%	+23.1	
Consolidated	Orders received	184.8	174.5	(10.4)	(5.6)%
	Net sales	154.8	157.0	+2.2	+1.4%
	Operating income	6.5	5.3	(1.2)	(18.4)%
	Operating margin	4.2%	3.4%	(0.8)	

* Each segment amounts include internal transactions between business segments.

* The figures for FY2011 have been reclassified to take account of the new segment divisions.

FY2012 3rd Quarter Orders Received, Sales & Segment Profit(Operating Income)



<Quarterly>

Billions of yen

		FY2011				FY2012					
		1 Q	2 Q	3 Q	4 Q	1 Q	2 Q	3 Q	Difference		
				(A)				(B)	(B)-(A)	% Change	
B A	Orders received	53.4	22.8	17.8	19.4	38.6	25.3	20.0	+2.2	+12.6%	
	Sales	17.8	26.6	23.5	36.0	20.0	25.4	24.5	+1.0	+4.1%	
	Segment profit %	(0.9) (5.0)%	3.2 12.0%	1.6 6.6%	6.5 18.0%	(0.6) (3.0)%	2.3 9.2%	1.7 6.7%	+0.1 +0.1	+5.6%	
A A	Orders received	24.5	22.3	21.4	21.7	23.6	21.6	20.1	(1.2)	(5.8)%	
	Sales	19.6	23.8	20.5	25.0	19.3	23.3	19.7	(0.8)	(3.8)%	
	Segment profit %	0.3 1.6%	2.1 9.0%	0.3 1.6%	1.4 5.5%	0.1 0.6%	1.8 7.9%	0.3 1.3%	(0.1) (0.3)	(22.6)%	
L A	Orders received	8.4	8.2	7.6	8.2	9.4	8.9	7.9	+0.2	+3.2%	
	Sales	7.5	8.7	7.9	8.5	8.3	9.3	8.3	+0.4	+5.6%	
	Segment profit %	(0.1) (1.1)%	0.0 0.4%	(0.1) (0.7)%	(0.0) (0.3)%	(0.4) (5.4)%	0.3 3.3%	(0.1) (1.4)%	(0.1) (0.7)	-	
Other	Orders received	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	(21.2)%	
	Sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	(20.9)%	
	Segment profit %	0.0 18.0%	(0.0) (0.6)%	(0.0) (68.9)%	(0.0) (6.9)%	0.0 28.1%	0.0 16.7%	(0.0) (19.1)%	+0.0 +49.8	-	
Consolidated	Orders received	85.9	52.6	46.3	49.1	71.3	55.5	47.7	+1.4	+3.0%	
	Net sales	44.6	58.6	51.6	68.7	47.2	57.6	52.3	+0.7	+1.3%	
	Operating income	(0.6)	5.4	1.8	7.8	(0.9)	4.5	1.8	(0.0)	(2.2)%	
	Operating margin	(1.5)%	9.1%	3.5%	11.4%	(2.0)%	7.8%	3.4%	(0.1)		

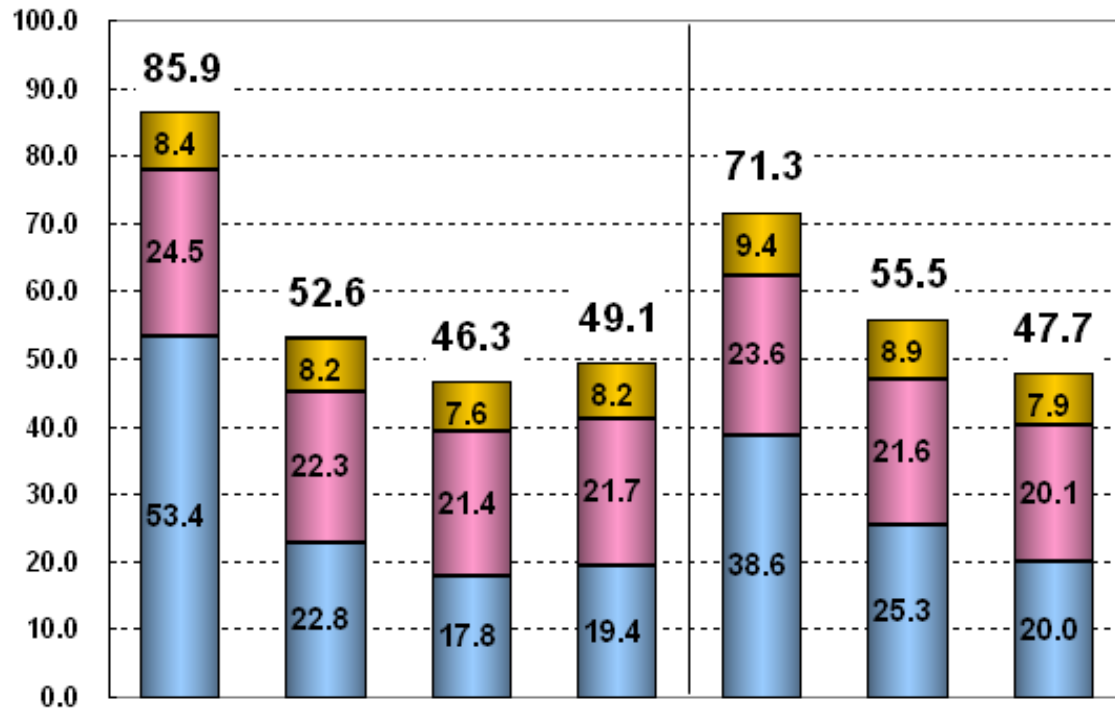
* Each segment amounts include internal transactions between business segments.

* The figures for FY2011 have been reclassified to take account of the new segment divisions.

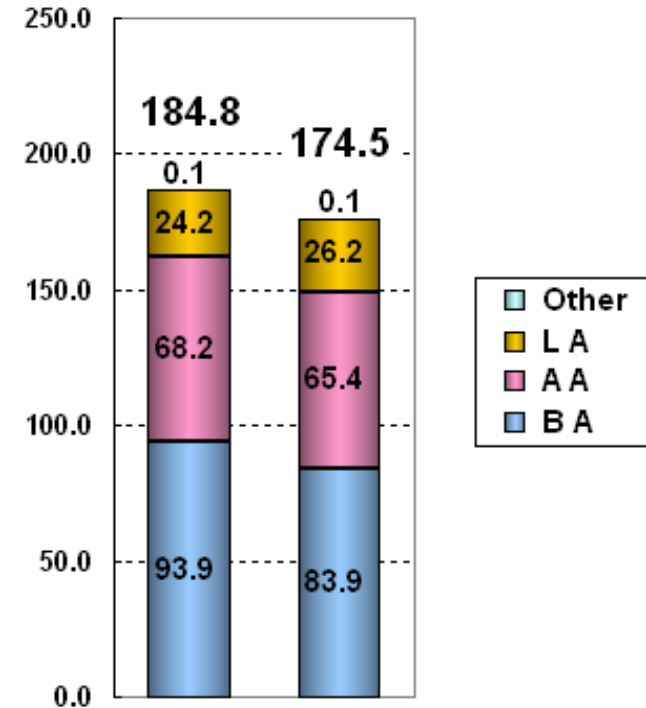
[Reference] FY2011/1Q to FY2012/3Q Orders Received by Segment



<Quarterly>



<Cumulative>



Billions of yen

	FY2011				FY2012		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
BA	53.4	22.8	17.8	19.4	38.6	25.3	20.0
AA	24.5	22.3	21.4	21.7	23.6	21.6	20.1
LA	8.4	8.2	7.6	8.2	9.4	8.9	7.9
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Consolidated	85.9	52.6	46.3	49.1	71.3	55.5	47.7

Billions of yen

	FY2011	FY2012		
	3Q (A)	3Q (B)	Difference	
			(B)-(A)	% Change
BA	93.9	83.9	(10.0)	(10.7)%
AA	68.2	65.4	(2.8)	(4.1)%
LA	24.2	26.2	+2.0	+8.2%
Other	0.1	0.1	(0.0)	(16.3)%
Consolidated	184.8	174.5	(10.4)	(5.6)%

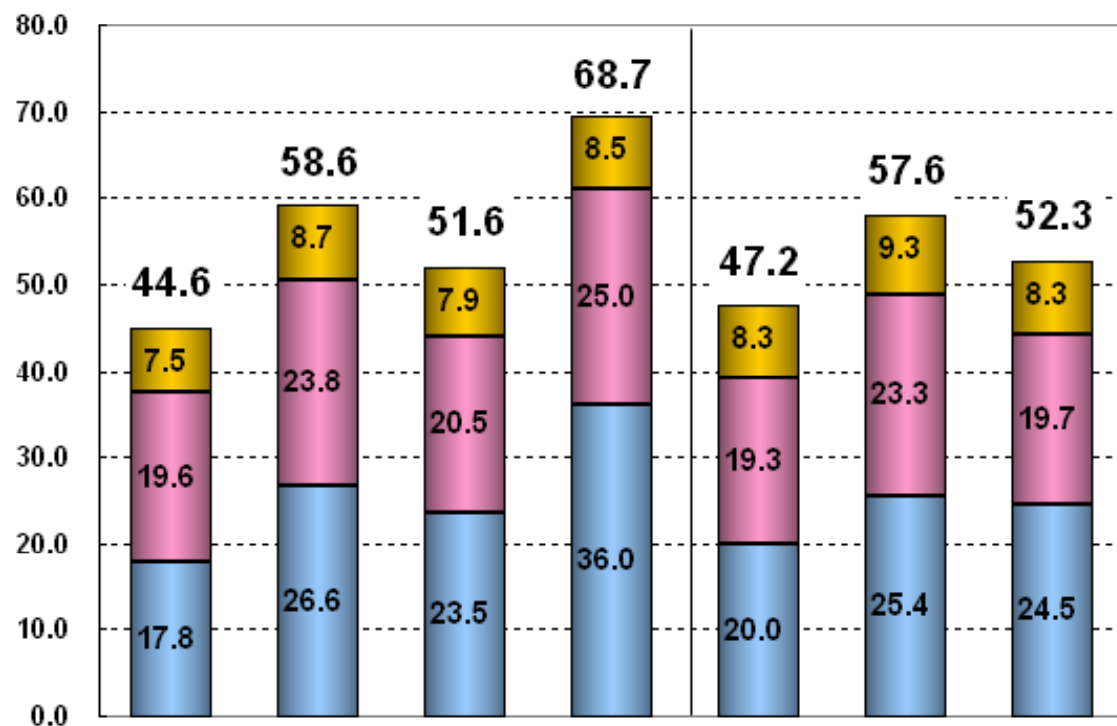
* Each segment amounts include internal transactions between business segments.

* The figures for FY2011 have been reclassified to take account of the new segment divisions.

[Reference] FY2011/1Q to FY2012/3Q Sales by Segment

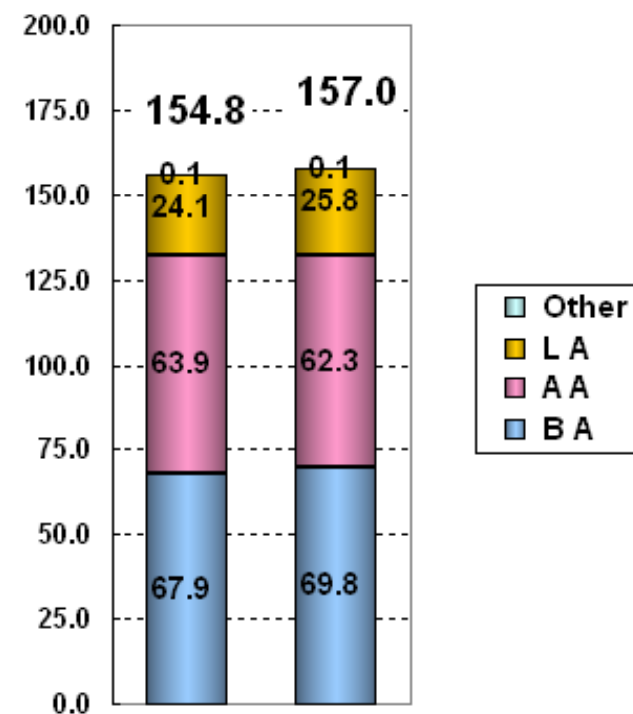


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Billions of yen

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Billions of yen

	FY2011				FY2012		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
BA	17.8	26.6	23.5	36.0	20.0	25.4	24.5
AA	19.6	23.8	20.5	25.0	19.3	23.3	19.7
LA	7.5	8.7	7.9	8.5	8.3	9.3	8.3
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Consolidated	44.6	58.6	51.6	68.7	47.2	57.6	52.3

	FY2011	FY2012		
	3Q (A)	3Q (B)	Difference	
			(B)-(A)	% Change
BA	67.9	69.8	+1.9	+2.8%
AA	63.9	62.3	(1.6)	(2.4)%
LA	24.1	25.8	+1.8	+7.3%
Other	0.1	0.1	(0.0)	(15.1)%
Consolidated	154.8	157.0	+2.2	+1.4%

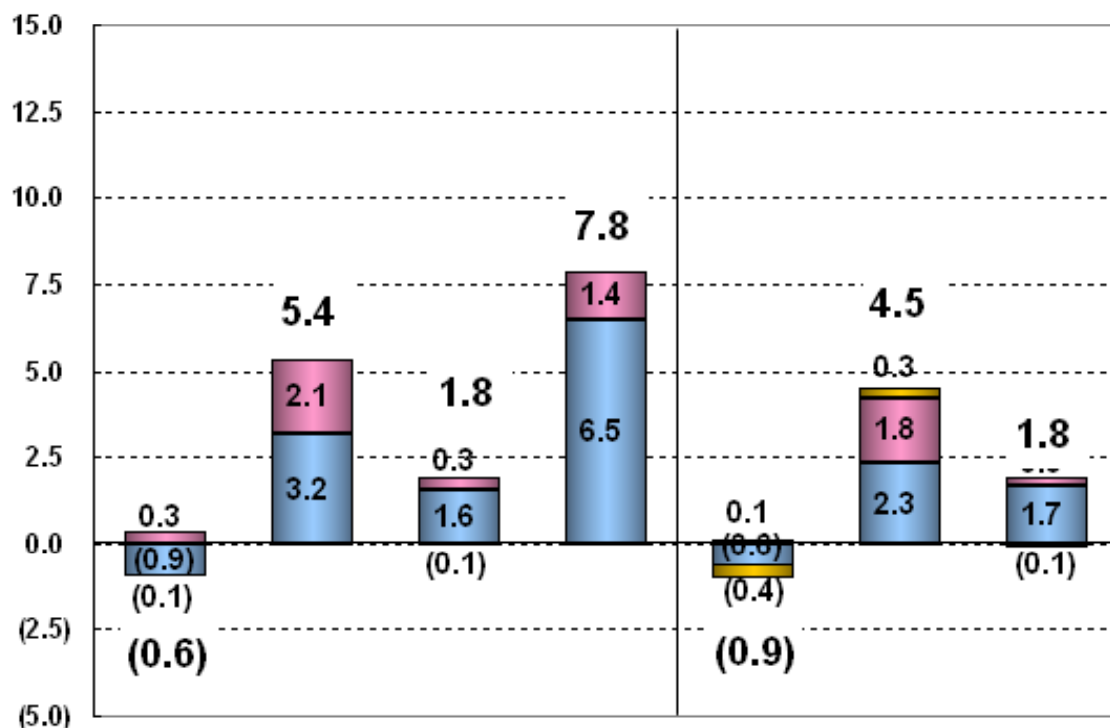
* Each segment amounts include internal transactions between business segments.

* The figures for FY2011 have been reclassified to take account of the new segment divisions.

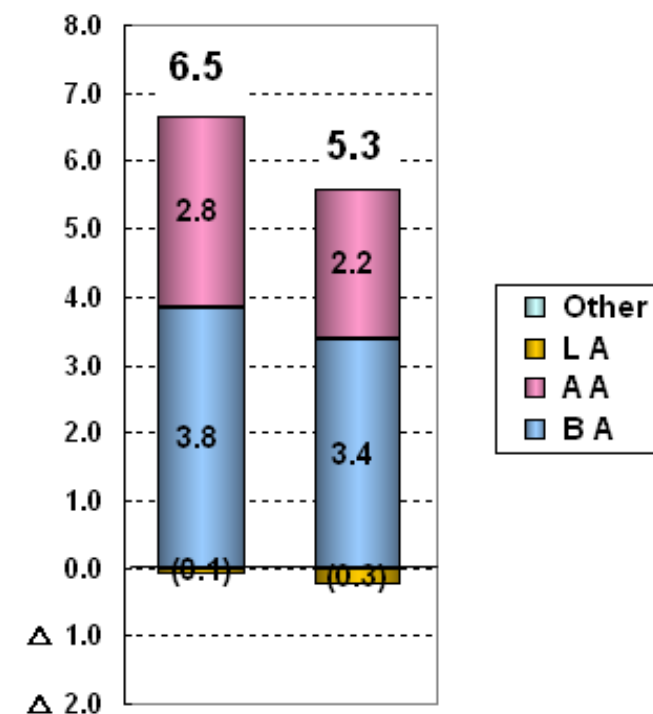
[Reference] FY2011/1Q to FY2012/3Q Segment Profit (Operating Income)



<Quarterly>



<Cumulative>



Billions of yen

	FY2011				FY2012		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
BA	(0.9)	3.2	1.6	6.5	(0.6)	2.3	1.7
AA	0.3	2.1	0.3	1.4	0.1	1.8	0.3
LA	(0.1)	0.0	(0.1)	(0.0)	(0.4)	0.3	(0.1)
Other	0.0	(0.0)	(0.0)	(0.0)	0.0	0.0	(0.0)
Consolidated	(0.6)	5.4	1.8	7.8	(0.9)	4.5	1.8

Billions of yen

	FY2011	FY2012		
	3Q	3Q	Difference	
	(A)	(B)	(B)-(A)	% Change
BA	3.8	3.4	(0.5)	(12.0)%
AA	2.8	2.2	(0.6)	(21.3)%
LA	(0.1)	(0.3)	(0.2)	-
Other	(0.0)	0.0	+0.0	-
Consolidated	6.5	5.3	(1.2)	(18.4)%

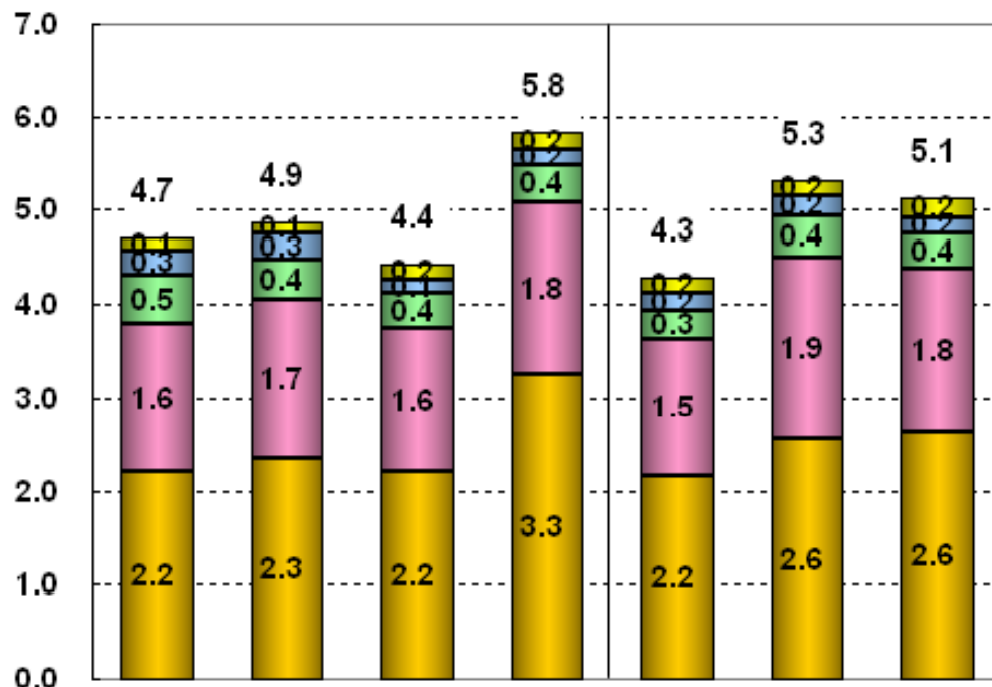
* Each segment amounts include internal transactions between business segments.

* The figures for FY2011 have been reclassified to take account of the new segment divisions.

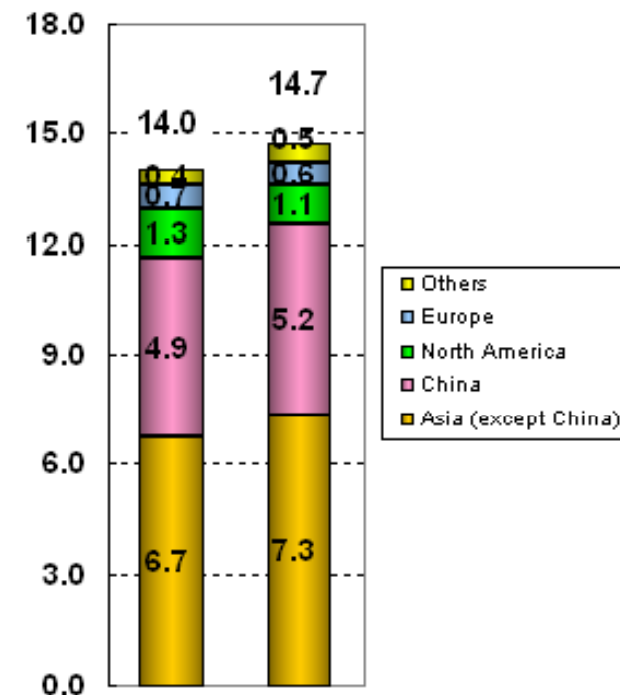
FY2012 3rd Quarter Global Operations (Overseas Sales)



<Quarterly>



<Cumulative>



	FY2011				FY2012				Difference	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	(B)-(A)	% Change	
	(A)			(B)						
Asia (except China)	2.2	2.3	2.2	3.3	2.2	2.6	2.6	+0.4	+19.8%	
China	1.6	1.7	1.6	1.8	1.5	1.9	1.8	+0.2	+12.6%	
North America	0.5	0.4	0.4	0.4	0.3	0.4	0.4	(0.0)	(3.7)%	
Europe	0.3	0.3	0.1	0.2	0.2	0.2	0.2	+0.0	+24.5%	
Others	0.1	0.1	0.2	0.2	0.2	0.2	0.2	+0.0	+30.4%	
Total	4.7	4.9	4.4	5.8	4.3	5.3	5.1	+0.7	+15.8%	

	FY2011		FY2012		Difference	
	3Q	3Q	3Q	3Q	(B)-(A)	% Change
	(A)	(B)				
Asia (except China)	6.7	7.3	6.7	7.3	+0.6	+9.2%
China	4.9	5.2	4.9	5.2	+0.3	+6.1%
North America	1.3	1.1	1.3	1.1	(0.2)	(17.0)%
Europe	0.7	0.6	0.7	0.6	(0.1)	(12.9)%
Others	0.4	0.5	0.4	0.5	+0.1	+26.3%
Total	14.0	14.7	14.0	14.7	+0.7	+5.1%

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

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

FY2012 3rd Quarter Consolidated Balance Sheets



Billions of yen

	FY2011	FY2012		Difference (B)-(A)		FY2011	FY2012		Difference (B)-(A)
	(A) 4Q Mar.2012	2Q Sep.2012	(B) 3Q Dec.2012			(A) 4Q Mar.2012	2Q Sep.2012	(B) 3Q Dec.2012	
Current assets	173.0	160.2	161.7	(11.3)	Liabilities	88.4	75.6	79.7	(8.7)
Cash & deposits	45.1	47.0	44.0	(1.1)	Current liabilities	69.3	57.3	60.1	(9.2)
Notes & accounts receivable - trade	85.5	72.9	73.5	(12.0)	Notes & accounts payable - trade	37.2	32.1	33.7	(3.5)
Inventories	16.1	15.9	19.2	+3.1	Short-term loans & Bonds	5.5	5.4	6.1	+0.5
Others	26.2	24.4	24.9	(1.3)	Others	26.6	19.9	20.3	(6.3)
Noncurrent assets	50.5	48.8	50.9	+0.4	Noncurrent liabilities	19.1	18.3	19.6	+0.5
Property, plant & equipment	24.1	23.7	24.1	(0.0)	Long-term loans & Bonds	4.7	4.0	4.9	+0.2
Intangible assets	4.4	4.6	4.4	(0.0)	Others	14.4	14.3	14.7	+0.3
Others	21.9	20.4	22.4	+0.5	Net assets	135.1	133.4	132.9	(2.1)
					Shareholders' equity	132.6	131.7	130.5	(2.1)
					Capital stock	10.5	10.5	10.5	-
					Capital surplus	17.2	17.2	17.2	-
					Retained earnings	107.5	106.6	105.4	(2.1)
					Treasury stock	(2.6)	(2.6)	(2.6)	(0.0)
					Total accumulated other comprehensive	0.9	0.1	0.8	(0.2)
					Subscription rights to shares & Minority interests	1.5	1.6	1.7	+0.2
Total assets	223.5	209.0	212.6	(10.9)	Total liabilities & net assets	223.5	209.0	212.6	(10.9)

FY2012 3rd Quarter Business Plan for FY2012



Consolidated financial results for this fiscal year are expected to be as laid out in the performance forecast published on November 1, 2012.

- Despite the fact that the business environment for the azbil Group continues to be challenging, by making steady progress with measures aimed at achieving our planned targets, we expect the consolidated financial results for the fiscal year will be in line with the forecast published on November 1, 2012.

[Quarterly]

Billions of yen

	FY2011						
	1Q Actual	2Q Actual	1H Actual	3Q Actual	4Q Actual	2H Actual	Full year Actual
Net sales	44.6	58.6	103.3	51.6	68.7	120.2	223.5
Operating income	(0.6)	5.4	4.7	1.8	7.8	9.6	14.3
Ordinary income	(0.5)	5.2	4.7	2.0	8.0	9.9	14.6
Net income	(0.5)	3.0	2.4	0.8	5.3	6.1	8.5

Billions of yen

	FY2012						
	1Q Actual	2Q Actual	1H (A) Actual	3Q Actual	4Q	2H (B)-(A)	Full year (B) Plan (Nov/1/2012)
Net sales	47.2	57.6	104.8	52.3		120.2	225.0
Operating income	(0.9)	4.5	3.5	1.8		10.0	13.5
Ordinary income	(1.0)	4.3	3.3	2.4		9.8	13.1
Net income	(1.0)	2.5	1.5	1.1		5.9	7.4

FY2012 3rd Quarter Business Plan for FY2012 by Segment



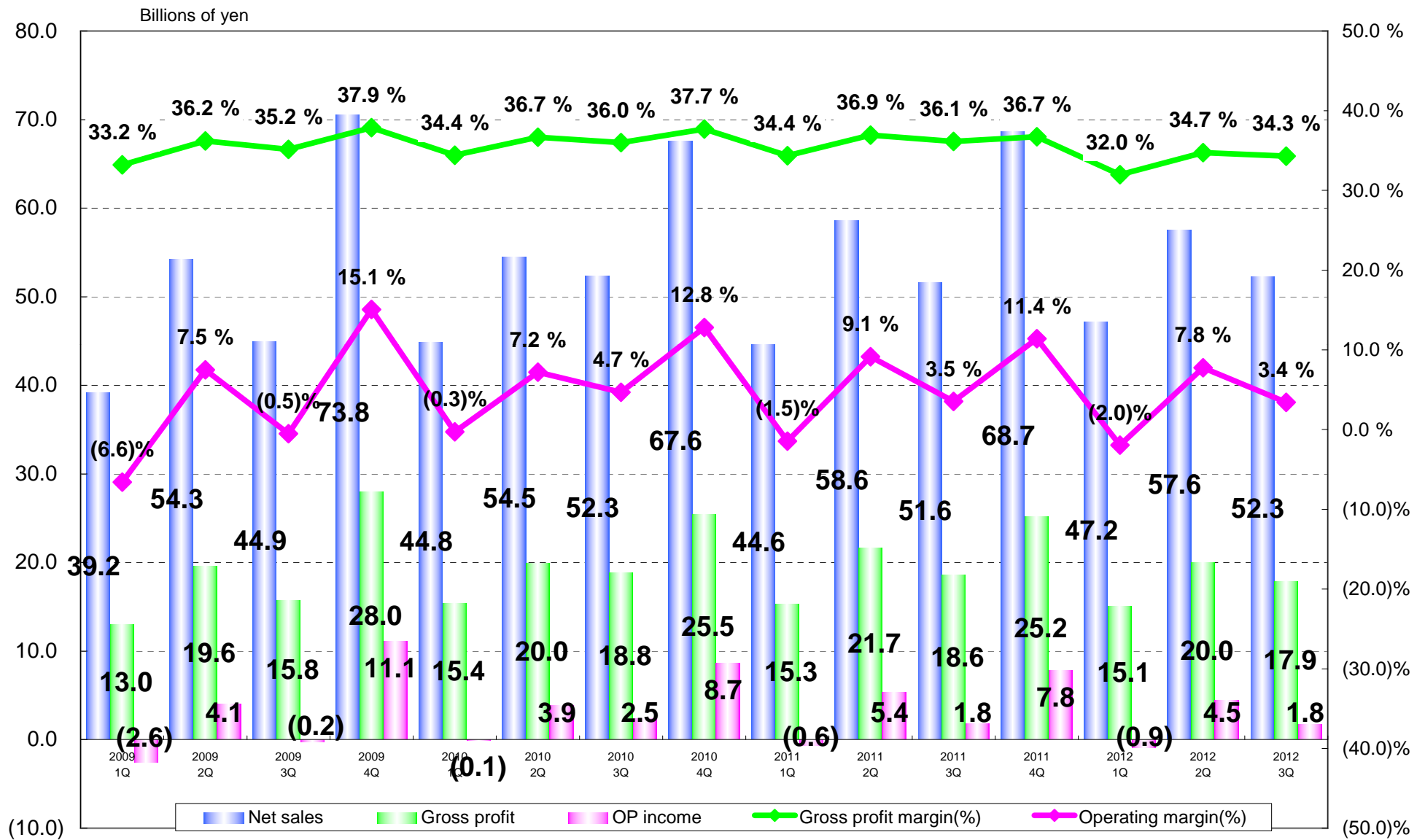
FY2011								FY2012							
Billions of yen								Billions of yen							
	1Q	2Q	1H	3Q	4Q	2H	Full year	1Q	2Q	1H	3Q	4Q	2H	Full year	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	(A) Actual	Actual		(B) - (A)	(B) Plan	
														(Nov/1/2012)	
B A	Sales	17.8	26.6	44.4	23.5	36.0	59.5	103.9	20.0	25.4	45.3	24.5		59.7	105.0
	Segment profit	(0.9)	3.2	2.3	1.6	6.5	8.0	10.3	(0.6)	2.3	1.7	1.7		8.1	9.8
	%	(5.0)%	12.0%	5.1%	6.6%	18.0%	13.5%	9.9%	(3.0)%	9.2%	3.8%	6.7%		13.5%	9.3%
A A	Sales	19.6	23.8	43.4	20.5	25.0	45.5	88.9	19.3	23.3	42.6	19.7		45.4	88.0
	Segment profit	0.3	2.1	2.5	0.3	1.4	1.7	4.2	0.1	1.8	1.9	0.3		2.3	4.2
	%	1.6%	9.0%	5.7%	1.6%	5.5%	3.7%	4.7%	0.6%	7.9%	4.6%	1.3%		5.0%	4.8%
L A	Sales	7.5	8.7	16.2	7.9	8.5	16.3	32.5	8.3	9.3	17.5	8.3		16.0	33.5
	Segment profit	(0.1)	0.0	(0.0)	(0.1)	(0.0)	(0.1)	(0.1)	(0.4)	0.3	(0.1)	(0.1)		(0.4)	(0.5)
	%	(1.1)%	0.4%	(0.3)%	(0.7)%	(0.3)%	(0.5)%	(0.4)%	(5.4)%	3.3%	(0.8)%	(1.4)%		(2.2)%	(1.5)%
Other	Sales	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0		0.1	0.1
	Segment profit	0.0	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	(0.0)		(0.0)	0.0
	%	18.0%	(0.6)%	9.4%	(68.9)%	(6.9)%	(31.7)%	(8.0)%	28.1%	16.7%	23.8%	(19.1)%		(21.1)%	0.0%
Consolidated	Net sales	44.6	58.6	103.3	51.6	68.7	120.2	223.5	47.2	57.6	104.8	52.3		120.2	225.0
	Operating income	(0.6)	5.4	4.7	1.8	7.8	9.6	14.3	(0.9)	4.5	3.5	1.8		10.0	13.5
	Operating margin	(1.5)%	9.1%	4.6%	3.5%	11.4%	8.0%	6.4%	(2.0)%	7.8%	3.4%	3.4%		8.3%	6.0%

* Each segment amounts include internal transactions between business segments.

* The figures for FY2011 have been reclassified to take account of the new segment divisions.

[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.

azbil Group Philosophy

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

