

Consolidated Financial Results

for the Fiscal Year 2001 ending March 31, 2002
-Yamatake Corporation-

May 9, 2002

Statements made in these documents with regards to Yamatake's plans, targets and strategies and other statements without historical facts are forward-looking statements about the future performance of Yamatake. 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 these documents.

Performance in FY2001

- ✚ CP sales and operating income fell sharply
- ✚ BA sales decreased, operating income deteriorated
- ✚ IA sales and operating income in the domestic market increased
- ✚ Expenses related to employees' retirement benefits increased 1.7 billion yen compared to the previous year
- ✚ Accounts of 11 overseas subsidiaries were newly included in the consolidation. Sales increased by 2.8 billion yen, however, operating income decreased by 300 million yen.

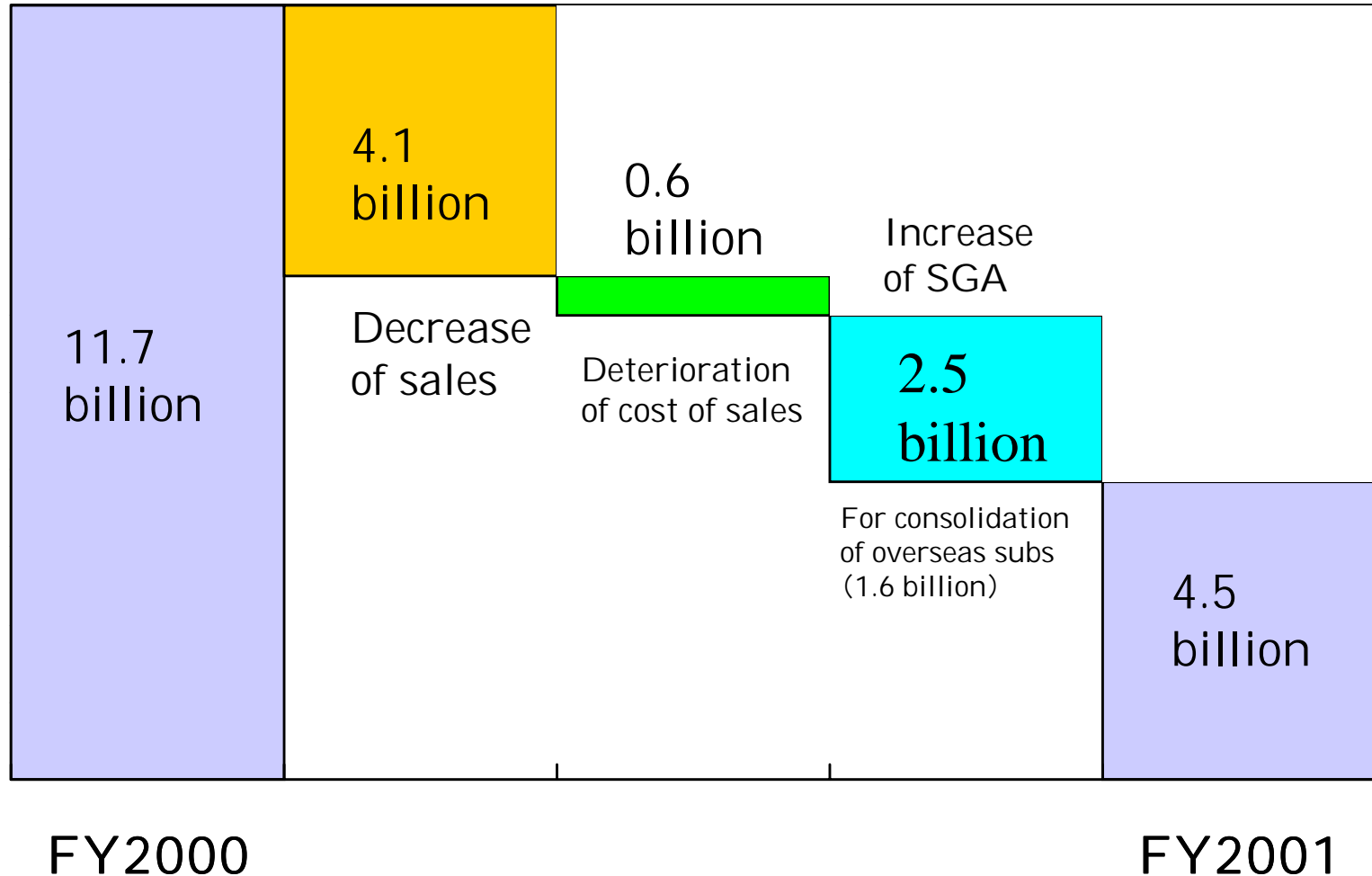
Operating Results

	(Millions of yen)			
	<u>FY2000</u>	<u>FY2001</u>	<u>Difference</u>	<u>Change %</u>
Net Sales	177,940	167,164	(10,777)	(6.1)
Gross Profit	67,082	62,441	(4,642)	(6.9)
% to Net Sales	37.7	37.4	(0.3)	
Operating Income	11,694	4,527	(7,167)	(61.3)
% to Net Sales	6.6	2.7	(3.9)	
Net Income	* (5,918)	2,121	8,040	-
Total Assets	186,302	180,958	(5,344)	(2.9)
Shareholders' Equity	99,495	98,886	(609)	(0.6)

*Resulting from the appropriation of an extraordinary loss according to a new accounting standard for employees' retirement benefits.

Change of Operating Income

from the previous year



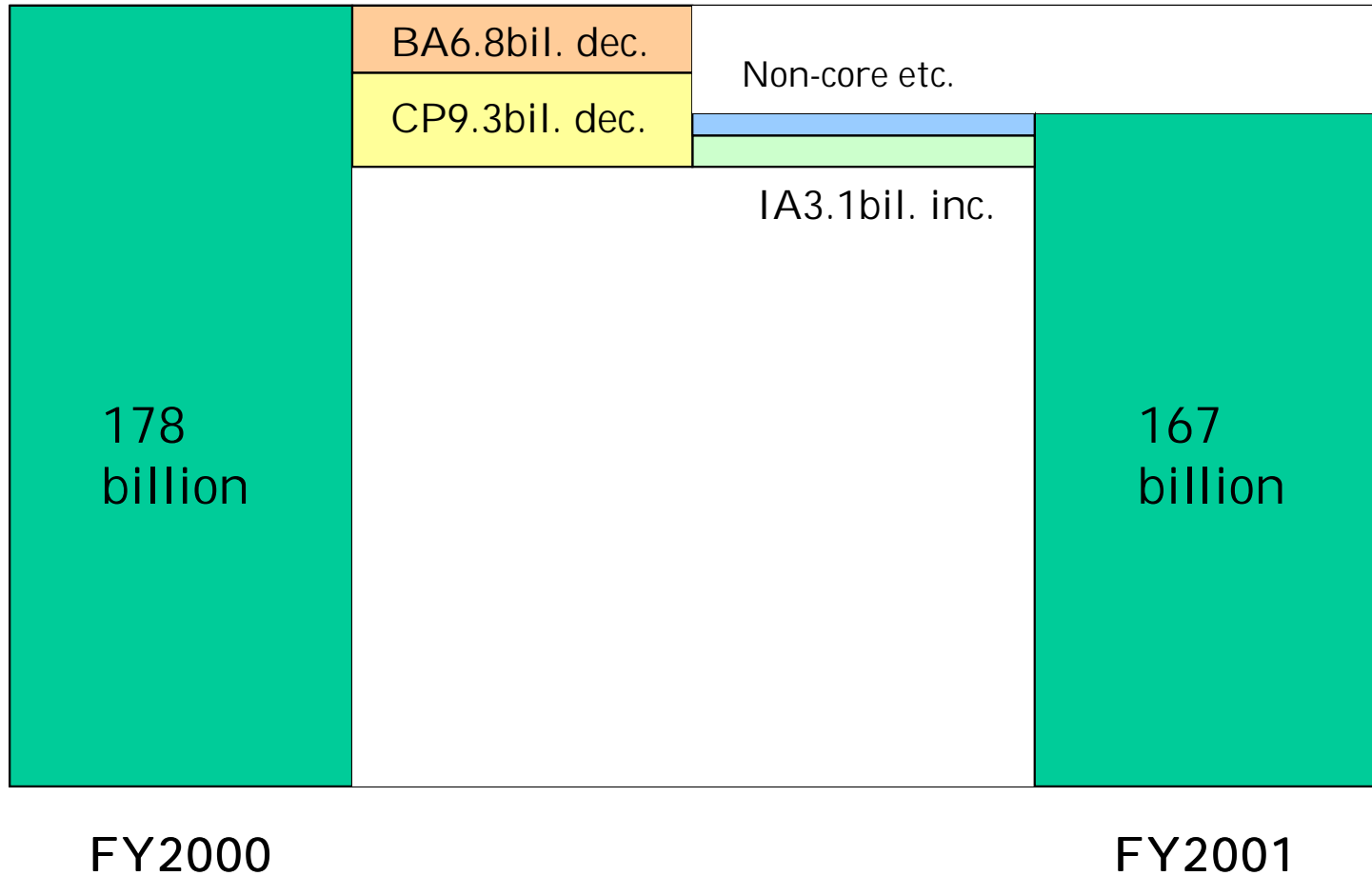
Semiannual Results

(Millions of yen)

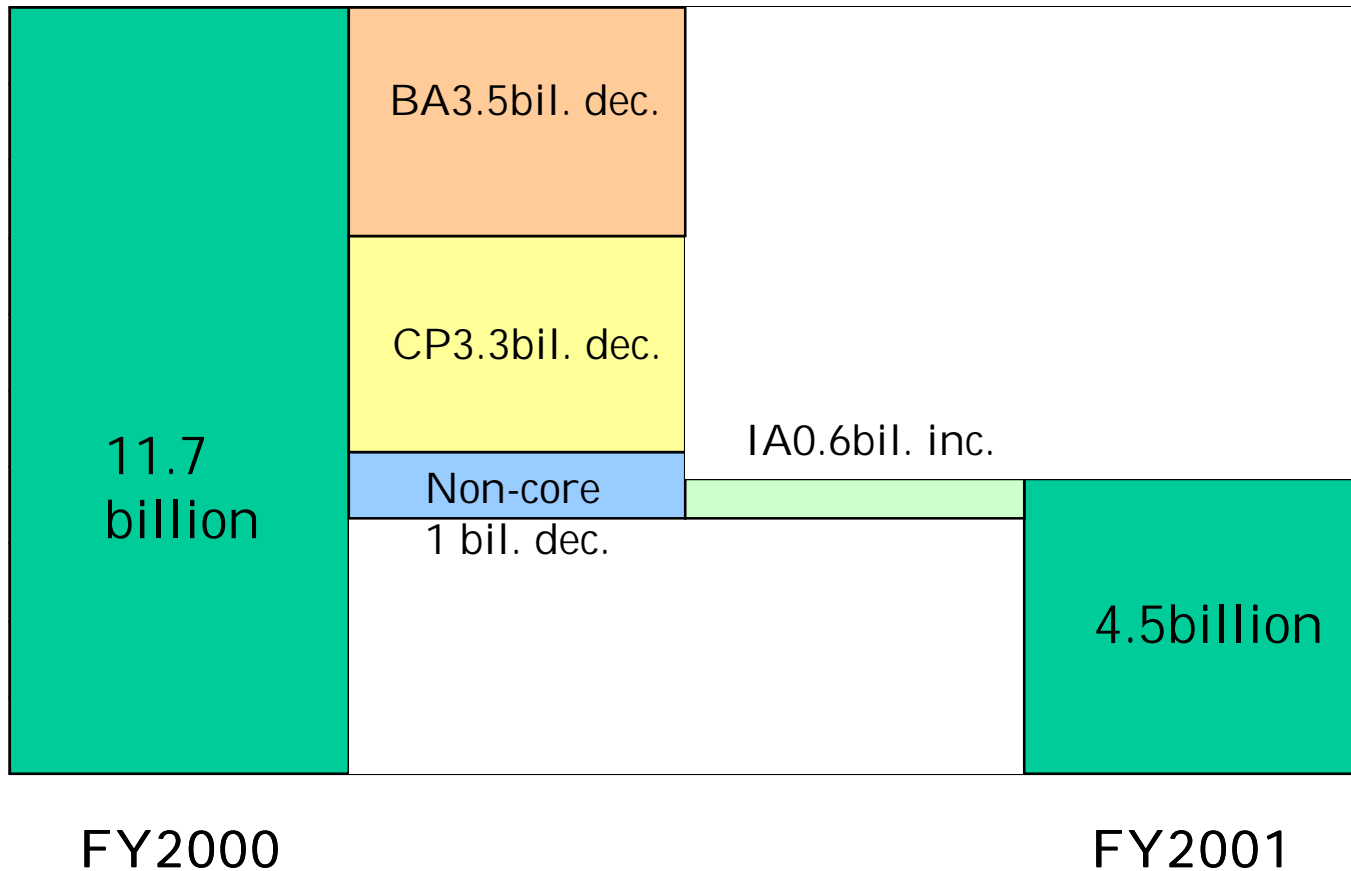
	<u>FY2000</u>	<u>1st half</u>	<u>FY2001</u> <u>2nd half</u>	<u>Total year</u>	<u>Difference</u>	<u>Change %</u>
Net Sales	177,940	78,342	88,822	167,164	(10,777)	(6.1)
Gross Profit	67,082	29,060	33,381	62,441	(4,642)	(6.9)
% to Net Sales	37.7	37.1	37.6	37.4	(0.3)	
Operating Income	11,694	512	4,015	4,527	(7,167)	(61.3)
% to Net Sales	6.6	0.7	4.5	2.7	(3.9)	
Net Income	(5,918)	88	2,033	2,121	8,040	-
Total Assets	186,302	173,646		180,958	(5,344)	(2.9)
Shareholders' Equity	99,495	97,776		98,886	(609)	(0.6)

Change of Sales

by Business Segment from the previous year



Change of Operating Income by Business Segment from the previous year



Business Segments

		(Millions of yen)			
	<u>FY2000</u>	<u>FY2001</u>	<u>Difference</u>	<u>Change %</u>	
BA					
Net Sales	88,318	81,521	(6,797)	(7.7)	
Op. Income	11,008	7,558	(3,450)	(31.3)	
%	12.5	9.3	(3.2)		
IA					
Net Sales	49,610	52,743	3,133	6.3	
Op. Income	(817)	(246)	571	-	
%	(1.6)	(0.5)	1.2		
CP					
Net Sales	35,706	26,428	(9,279)	(26.0)	
Op. Income	1,700	(1,633)	(3,333)	-	
%	4.8	(6.2)	(10.9)		
Non-core					
Net Sales	10,938	11,232	294	2.7	
Op. Income	(189)	(1,144)	(955)	-	
%	(1.7)	(10.2)	(8.5)		
Consol.					
Net Sales	177,940	167,164	(10,777)	(6.1)	
Op. Income	11,694	4,527	(7,167)	(61.3)	
%	6.6	2.7	(3.9)		

% shows the ratio to Net Sales

Business Segments (semiannual)

(Millions of yen)

	FY2000	1st half	FY2001	Total year	Difference	Change %
			2nd half			
BA						
Net Sales	88,318	37,133	44,389	81,521	(6,797)	(7.7)
Op. Income	11,008	2,331	5,227	7,558	(3,450)	(31.3)
%	12.5	6.3	11.8	9.3	(3.2)	
IA						
Net Sales	49,610	24,454	28,290	52,743	3,133	6.3
Op. Income	(817)	(562)	316	(246)	571	-
%	(1.6)	(2.3)	1.1	(0.5)	1.2	
CP						
Net Sales	35,706	13,561	12,867	26,428	(9,279)	(26.0)
Op. Income	1,700	(671)	(962)	(1,633)	(3,333)	-
%	4.8	(4.9)	(7.5)	(6.2)	(10.9)	
Non-core						
Net Sales	10,938	5,593	5,638	11,232	294	2.7
Op. Income	(189)	(560)	(584)	(1,144)	(955)	-
%	(1.7)	(10.0)	(10.4)	(10.2)	(8.5)	
Consol.						
Net Sales	177,940	78,342	88,822	167,164	(10,777)	(6.1)
Op. Income	11,694	512	4,015	4,527	(7,167)	(61.3)
%	6.6	0.7	4.5	2.7	(3.9)	

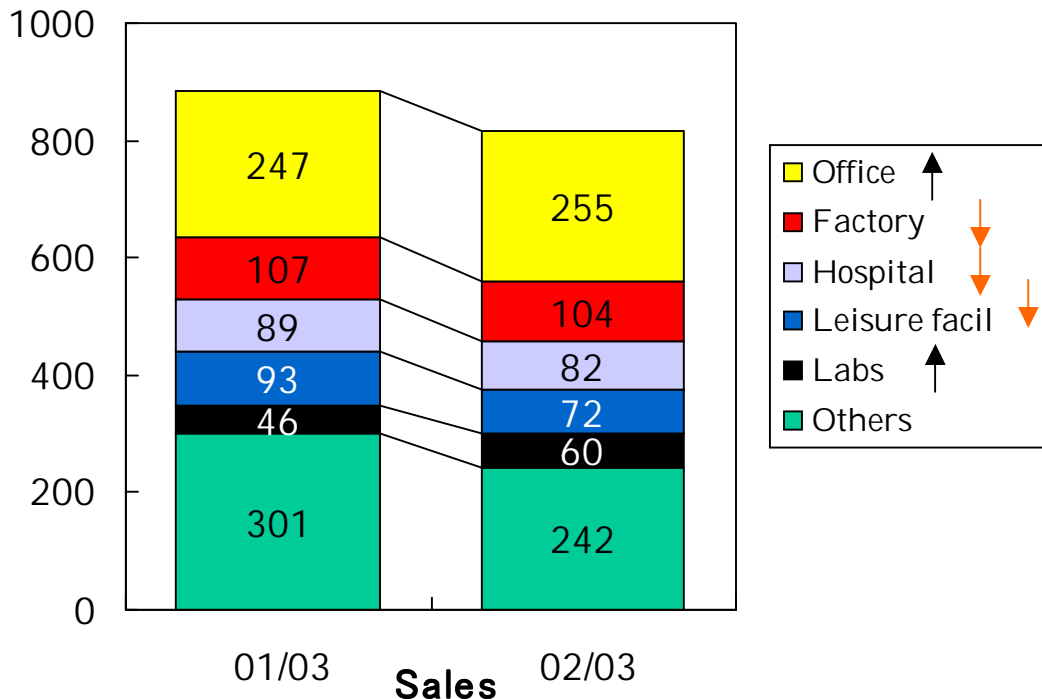
% shows the ratio to Net Sales

BA Business

(Millions of yen)

	<u>FY2000</u>	<u>FY2001</u>	<u>Difference</u>	<u>Change %</u>
Net Sales	88,318	81,521	(6,797)	(7.7)
Op. Income	11,008	7,558	(3,450)	(31.3)
%	12.5	9.3	(3.2)	
% shows the ratio to Net Sales				
Orders	85,650	80,740	(4,910)	(5.7)
Backlog	39,728	38,946	(782)	(2.0)

Hundred mill.



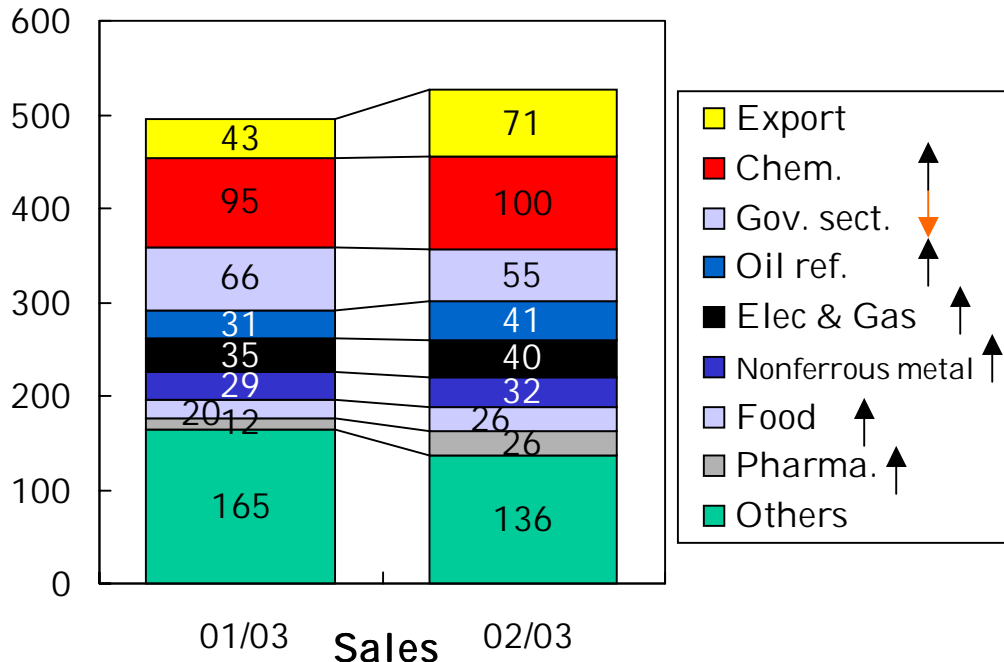
- ✚ Sales to new, large-scale projects decreased by 23% to 26.5 billion yen as FY2001 fell on an interval year for new building constructions.
- ✚ Sales in existing buildings market increased by 11% to 25.9 billion yen.
- ✚ Service and maintenance income increased slightly to 28.2 billion yen.
- ✚ Sales and profitability were lower due to intensified competition brought on by open and interoperable control network protocol.
- ✚ Selling expenses increased primarily due to personnel expenses.

IA Business

(Millions of yen)

	<u>FY2000</u>	<u>FY2001</u>	<u>Difference</u>	<u>Change %</u>
Net Sales	49,610	52,743	3,133	6.3
Op. Income	(817)	(246)	571	-
%	(1.6)	(0.5)	1.2	
% shows the ratio to Net Sales				
Orders	50,119	55,165	5,045	10.1
Backlog	17,754	20,176	2,422	13.6

Hundred mill.



- Accounts of overseas subsidiaries were newly included in the consolidation. Sales increased by approx. 2.8 billion yen, while operating income decreased by approx. 260 million yen.
- Sales in the government sector market decreased.
- Sales in the chemical, food, pharmaceutical, and oil refinery markets grew.
- Selling expenses increased 1.6 billion yen for consolidated overseas subsidiaries.

CP Business

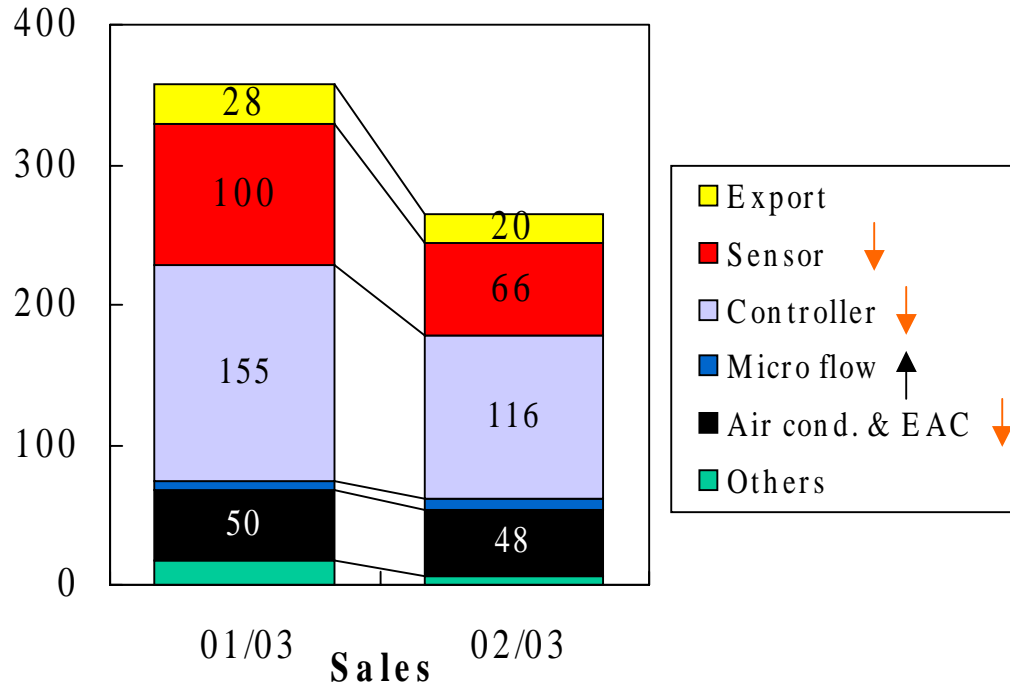
(Millions of yen)

	<u>FY2000</u>	<u>FY2001</u>	<u>Difference</u>	<u>Change %</u>
Net Sales	35,706	26,428	(9,279)	(26.0)
Op. Income	1,700	(1,633)	(3,333)	-
%	4.8	(6.2)	(10.9)	

% shows the ratio to Net Sales

Orders	35,503	26,453	(9,050)	(25.5)
Backlog	2,529	2,555	26	1.0

Hundred mill.



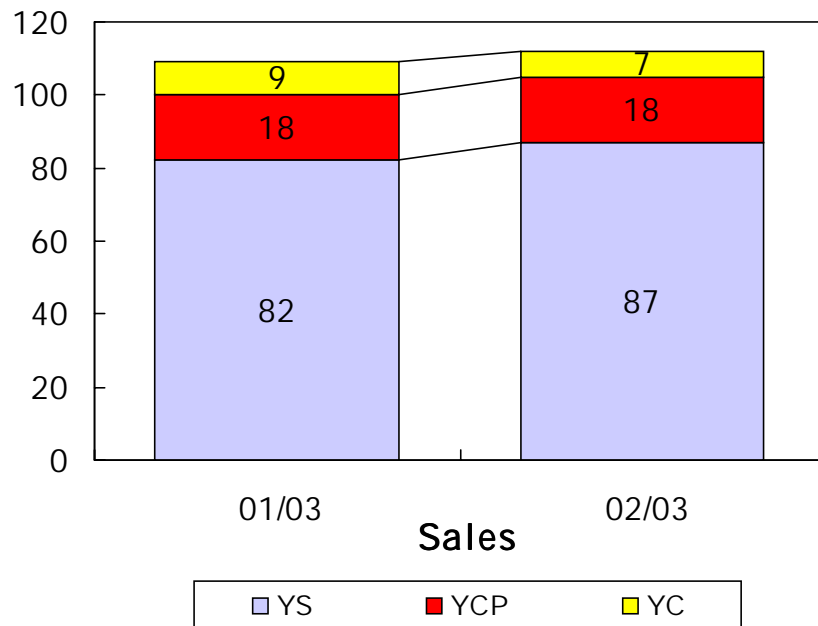
- ✚ The sudden downturn in the semiconductor and electric/electronic markets caused sales of sensors and controllers to plummet, resulting in an operating loss.
- ✚ Microflow sensor increased although volume remained small.
- ✚ Air conditioning and electric air cleaner slightly decreased.

Non-core Business

(Millions of yen)

	<u>FY2000</u>	<u>FY2001</u>	<u>Difference</u>	<u>Change %</u>
Net Sales	10,938	11,232	294	2.7
Op. Income	(189)	(1,144)	(955)	-
%	(1.7)	(10.2)	(8.5)	
% shows the ratio to Net Sales				
Orders	12,048	10,418	(1,630)	(13.5)
Backlog	1,671	858	(814)	(48.7)

Hundred mill.



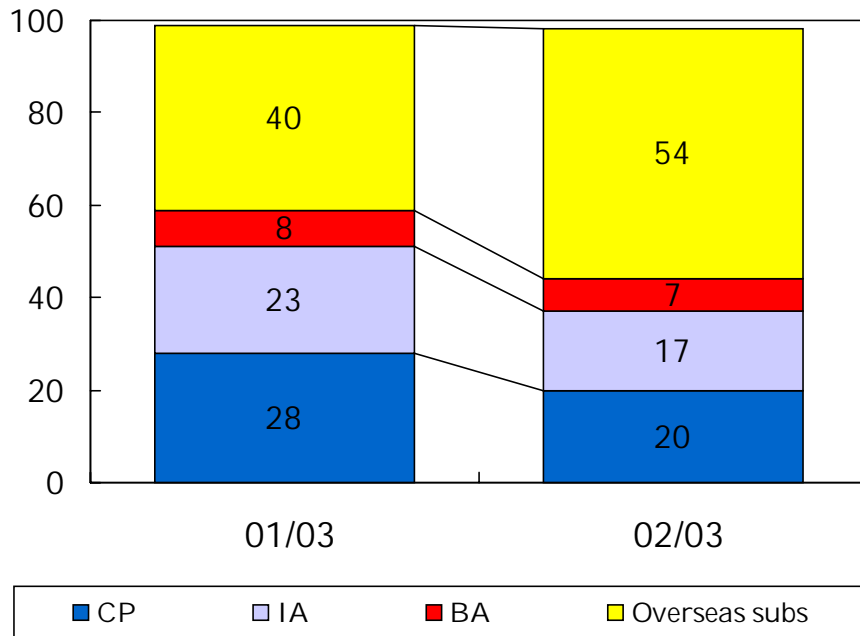
- ✚ Yamatake & Co.(YS): Including sales for the backlog of non-YC products at the end of the previous year, sales increased slightly, however, operating income fell.
- ✚ YC's New Business expense was shifted from corporate-level to business segment level. Total expense for this fiscal year was 700 million yen.
- ✚ Yamatake Control Products(YCP): Profitability deteriorated, reflecting pressure from demands for lower prices.

International Business

(Hundred millions of yen)

Overseas Sales FY2000 99 FY2001 98

Hundred mill.



*Overseas subs' sales are not included in FY2000 consolidation.

Overseas Sales by region
(Hundred millions of yen)

	<u>FY2000</u>	<u>FY2001</u>
Asia	55	64
North America	25	20
Europe	11	10
Others	8	4

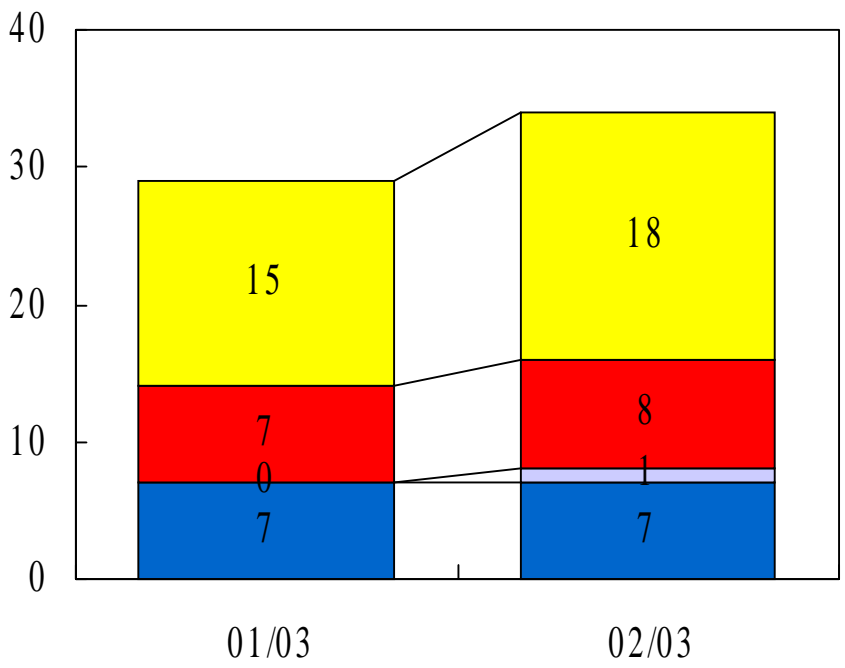
- Overseas markets remained stagnant.
- Strengthening of engineering capabilities of overseas subs resulted in more contracts for small-scale projects.

New Businesses

(Hundred millions of yen)

Net Sales FY2000 29 FY2001 35

Hundred mill.



- ✦ Care service business steady increased. Safety Service Center(non-consoli.) contributed to the growth.
- ✦ Micro flow sensor steady increased.
- ✦ Home comfort business was same as the previous year.



Balance Sheets

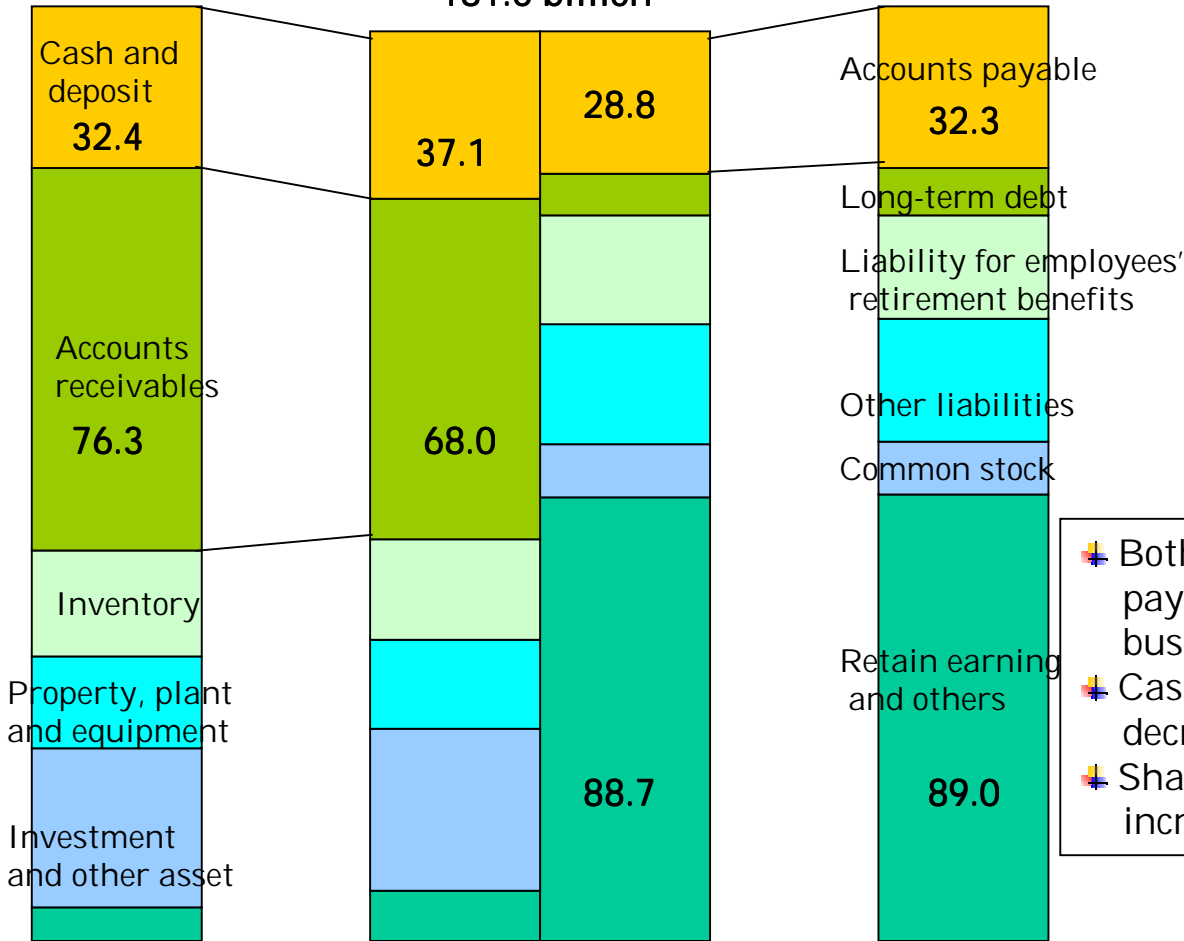
	<u>FY2000</u>	<u>FY2001</u>	(Millions of yen)	
			<u>Difference</u>	<u>Change %</u>
Cash	32,441	33,048	607	1.9
Accounts Rec.-Trade	76,349	68,041	(8,308)	(10.9)
Inventories	20,841	19,961	(880)	(4.2)
Net P.P.E.	18,386	17,767	(619)	(3.4)
Investment and other	31,845	32,103	257	0.8
Total Assets	186,302	180,958	(5,344)	(2.9)
Accounts Payable	32,328	28,219	(4,109)	(12.7)
S.T. Borrowings and L.T. Debt	9,514	8,335	(1,180)	(12.4)
Liability for Retirement Benefits	20,545	21,769	1,224	6.0
Total Liabilities	86,604	81,712	(4,892)	(5.6)
Shareholders' Equity	99,495	98,886	(609)	(0.6)

Major accounts on B/S

(Comparison with the previous year)

186.3 billion

181.0 billion



Assets

<As of Mar.31, 2001>

<As of Mar 31, 2002>

Liabilities and Shareholders' equity

<As of Mar.31, 2001>

- Both accounts receivable and accounts payable decreased along with shrinking business.
- Cash and deposits increased due to a decrease in working capital.
- Shareholders' equity to total assets increased by 1.2% to 54.6%.

Summary of Cash Flows

	(Millions of yen)		
	<u>FY2000</u>	<u>FY2001</u>	<u>Difference</u>
Operating Activities	3,027	8,394	(5,367)
Investing Activities	(3,168)	(3,504)	336
Financing Activities	(11,224)	(2,234)	(8,990)
Net increase in cash & cash equivalents	(11,381)	2,689	(14,069)
Cash & cash equivalents, beginning of the year	44,184	32,859	11,325
Newly consolidated subsidiaries, beginning of the year	56	835	(780)
Cash & cash equivalents, end of the year	32,859	36,383	(3,524)

Forecasts for FY2002

(Apr. 1, 2002 to Mar. 31, 2003)

Forecasts for the fiscal year ending March 31, 2003

(Millions of yen)

	FY2001	FY2002 (Est.)			Difference	Change %
	<u>Act.</u>	<u>1st half</u>	<u>2nd half</u>	<u>Total year</u>		
Net Sales	167,164	77,000	98,000	175,000	7,836	5
Operating Income	4,527	0	6,300	6,300	1,773	39
Ratio to Net Sales %	2.7	0.0	6.4	3.6	0.9	
Recurring profit	4,692	0	6,000	6,000	1,308	28
Net Income	2,121	(500)	3,300	2,800	679	32
Total Assets	180,958			183,000		
Shareholders' Equity	98,886			99,300		

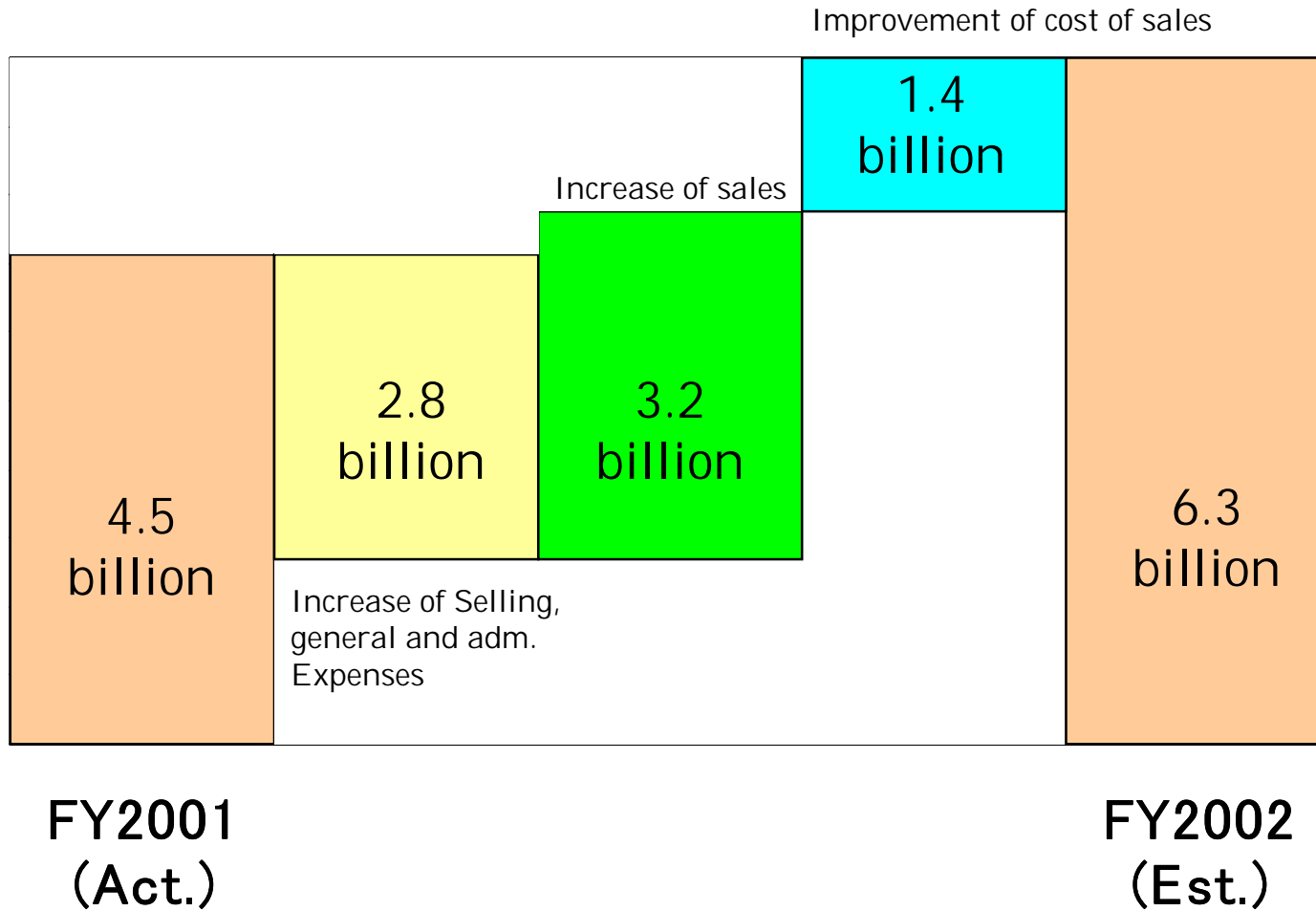
- A slump in the first half, recovery in the second half.
- Operating income of BA business might fall further, affected by the continuing deflation and falling price of orders
- Plan to achieve operating income in IA business.

Forecasts by Business Segment

(Millions of yen)

	FY2001	FY2002 (Est.)				
	<u>Act.</u>	<u>1st half</u>	<u>2nd half</u>	<u>Total year</u>	<u>Difference</u>	<u>Change %</u>
BA						
Net Sales	81,521	34,000	49,000	83,000	1,479	1.8
Operating Income.	7,558	1,200	5,600	6,800	(758)	(10.0)
Ratio to Net Sales	% 9.3	3.5	11.4	8.2	(1.1)	
IA						
Net Sales	52,743	26,000	30,000	56,000	3,257	6.2
Operating Income.	(246)	(300)	500	200	446	-
Ratio to Net Sales	% (0.5)	(1.2)	1.7	0.4	0.8	
CP						
Net Sales	26,428	14,500	16,500	31,000	4,572	17.3
Operating Income.	(1,633)	(500)	500	0	1,633	-
Ratio to Net Sales	% (6.2)	(3.4)	3.0	0.0	6.2	
Non-core						
Net Sales	11,232	5,000	7,000	12,000	768	6.8
Operating Income.	(1,144)	(400)	(300)	(700)	444	-
Ratio to Net Sales	% (10.2)	(8.0)	(4.3)	(5.8)	4.4	
Consoli.						
Net Sales	167,164	77,000	98,000	175,000	7,836	4.7
Operating Income.	4,527	0	6,300	6,300	1,773	39.2
Ratio to Net Sales	% 2.7	0.0	6.4	3.6	0.9	

Forecasts of Operating Income



Reference Data

Orders and Backlog

(Millions of yen)

	FY2001	FY2002 (Est.)				
	<u>Act.</u>	<u>1st half</u>	<u>2nd half</u>	<u>Total year</u>	<u>Difference</u>	<u>Change %</u>
BA						
Orders	80,740	50,600	33,400	84,000	3,260	4.0
Backlog	38,946	55,546	39,946	39,946	1,000	2.6
IA						
Orders	55,165	28,800	28,200	57,000	1,835	3.3
Backlog	20,176	22,976	21,176	21,176	1,000	5.0
CP						
Orders	26,453	14,500	16,500	31,000	4,547	17.2
Backlog	2,555	2,555	2,555	2,555	0	0.0
Non-core						
Orders	10,418	5,000	7,000	12,000	1,582	15.2
Backlog	858	858	858	858	0	0.0
Consoli.						
Orders	167,717	95,400	81,600	177,000	9,283	5.5
Backlog	61,745	80,145	63,745	63,745	2,000	3.2

Capital investments & Depreciation

(Domestic consolidated company)

(Millions of yen)

	FY2001	FY2002 (Est.)				
	<u>Act.</u>	<u>1st half</u>	<u>2nd half</u>	<u>Total year</u>	<u>Difference</u>	<u>Change %</u>
Capital Investments						
YC	1,157	1,100	1,200	2,300	1,143	98.8
YBS	528	740	550	1,290	762	144.3
YIS	248	90	90	180	(68)	(27.4)
Others	114	210	180	390	276	242.1
Total	2,047	2,140	2,020	4,160	2,113	103.2
Depreciation						
YC	1,526	853	1,107	1,960	434	28.4
YBS	696	343	360	703	7	1.0
YIS	262	102	128	230	(32)	(12.2)
Others	209	108	141	249	40	19.1
Total	2,693	1,406	1,736	3,142	449	16.7

R&D and Employees

(Millions of yen)

	<u>FY2000</u>	<u>FY2001</u>	<u>FY2002(Est.)</u>	<u>Difference</u>	<u>Change %</u>
Research and development cost					
In G&A expense	8,674	8,781			
In C.O.S and others	1,876	2,002			
Total	10,550	10,783	11,400	617	5.7
% to sales	5.9%	6.5%	6.4%		
Employees (Domestic consoli. Company)					
YC	2,072	1,997	1,977	(20)	(1.0)
YBS	2,371	2,221	2,191	(30)	(1.4)
YIS	1,705	1,671	1,606	(65)	(3.9)
Others	709	625	620	(5)	(0.8)
Total	6,857	6,514	6,394	(120)	(1.8)
Personnel expenses (Domestic consoli. Company)					
	54,817	56,730	57,000	270	0.5