

## Consolidated Financial Results for the First Quarter ended June 30, 2003

### 1. Performance for the first quarter ended June 30, 2003 (from Apr. 1, 2003 to Jun. 30, 2003)

- The Japanese financial accounting standards are applied for this quarterly statement of accounts.
- 1<sup>st</sup> quarter results for both last year and this year are not audited.
- Amounts indicated are rounded down.
- Percentage shows the increase/decrease from the 1<sup>st</sup> quarter of the previous fiscal year.

#### (1) Results

(Millions of yen & % of inc./dec.)

	Sales		Operating income		Net income	
Three months ended Jun. 30, 2003	32,223	12.5%	(2,666)	-	(1,525)	-
Three months ended Jun. 30, 2002	28,639	-	(3,807)	-	(3,849)	-
Year ended Mar. 31, 2003	167,969		3,274		5,308	

	Net income Per Share (Yen)
Three months ended Jun. 30, 2003	(20.74)
Three months ended Jun. 30, 2002	(45.52)
Year ended Mar. 31, 2003	68.65

The Japanese economy for this 1<sup>st</sup> quarter remained stagnant although slight signs of improvement were seen, such as the announcement of favorable financial results in major Japanese companies as well as the moderate upturn of domestic stock prices. Yamatake's environment in this quarter also remained challenging due to restrained private-sector equipment investments in Japan.

Results for this quarter showed improvements in both sales and operating profit compared to the same period last year. Sales for this quarter increased 12.5%, or up by 3.5 billion yen, to a total of 32.2 billion yen, and operating loss decreased 29.1%, or 1.1 billion yen, to 2.6 billion yen.

Two subsidiaries, one domestic and the other overseas, were newly consolidated from this fiscal year, effecting an 0.2 billion yen increase in sales and 2 million yen decrease in operating profit.

Results for the 1<sup>st</sup> quarter tend to be lowest compared with the rest of the fiscal year due to the seasonality of Yamatake's business, such as sales concentrating at the end of the 1<sup>st</sup> half and the fiscal year. 1<sup>st</sup> quarter sales for the previous fiscal year were 17% of total sales of the year. For this fiscal year, 1<sup>st</sup> quarter sales are 18% of the forecast of total sales.

(For reference)

(Millions of yen)

	1Q/FY2002	2Q/FY2002	3Q/FY2002	4Q/FY2002	1Q/FY2003
Sales	28,639	44,626	35,474	59,228	32,223
Op. income (loss)	(3,807)	2,391	(1,603)	6,294	(2,666)



## (2) Financial Position

(Millions of yen, except for per share figures)

	Total Assets (A)	Shareholders' Equity (B)	(B)/(A) (%)	Shareholders' Equity per Share (Yen)
As of Jun. 30, 2003	155,324	90,289	58.1%	1,227.25
As of Mar. 31, 2003	162,919	91,779	56.3%	1,247.07

Total assets at the end of this quarter were 155.3 billion yen, down by 7.6 billion yen from the end of the last fiscal year due mainly to the decrease of trade receivables caused by intensive sales at the end of the last fiscal year.

Liabilities decreased by 6.1 billion yen due mainly to payments for corporate tax and employees' bonuses.

The percentage of shareholders' equity to total assets rose to 58.1%, up by 1.8% from the end of the last fiscal year. This was due to a larger decrease in the percentage of total assets comparing to the decrease in the percentage of shareholders' equity.

## 2. Forecast for Fiscal 2003(April 1, 2003 to March 31, 2004)

(Millions of yen, except for per share figures)

	Sales	Operating income	Net income	Net income per share(yen)
Six months ending Sep. 30, 2003	78,000	500	100	1.36
Year ending Mar. 31, 2004	176,000	7,000	3,800	51.22

The forecast for this fiscal year ending March 31, 2004 is not revised from its earlier forecast announced on May 13, 2003, although an extraordinary expense of 250 million yen for the demolition of an old office building will be incurred in this year.

\* Statements made in this document 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 Corporation and subsidiaries.

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. Such factors include, but are not limited to: (i) general economic conditions in Yamatake's markets, particularly levels of capital investments; (ii) exchange rates, particularly between the Japanese yen and US dollar and other currencies in which Yamatake makes significant sales or Yamatake's assets and liabilities are denominated; (iii) continued acceptance of Yamatake's products and services which are offered in highly competitive markets characterized by rapid development of new technologies and the advancement of the global economy.

Any inquiry relating to these statements should be made to:

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## Consolidated Statements of Income

(Millions of yen)

	Apr. 1, 2003 to Jun. 30, 2003		Apr. 1, 2002 to Mar. 31, 2003	
<b>Net sales</b>	32,223	100.0	167,969	100.0
Cost of sales	20,256	62.9	103,592	61.7
<b>Gross profit</b>	11,966	37.1	64,376	38.3
Selling, general and administrative expenses	14,633	45.4	61,102	36.3
<b>Operating income</b>	(2,666)	(8.3)	3,274	2.0
<b>Non-operating income</b>	145	0.5	681	0.4
<b>Non-operating expenses</b>	127	0.4	616	0.4
<b>Recurring profit</b>	(2,649)	(8.2)	3,339	2.0
<b>Extraordinary profit</b>	-	-	11,587	6.9
<b>Extraordinary loss</b>	15	0.1	3,691	2.2
<b>Income before income taxes and minority interest</b>	(2,664)	(8.3)	11,235	6.7
Income taxes - current	103	0.3	4,516	2.7
Income taxes - deferred	(1,260)	(3.9)	1,375	0.8
Minority interests in net income	18	0.0	34	0.0
<b>Net income</b>	(1,525)	(4.7)	5,308	3.2

## Consolidated Balance Sheets

(Millions of yen)

ASSETS				
	As of Jun. 30, 2003		As of Mar. 31, 2003	
<b>Current assets</b>	115,601	74.4	122,934	75.5
Cash	30,197		32,478	
Notes and accounts receivable	51,065		62,421	
Inventories	22,170		17,246	
Deferred tax assets	7,595		6,075	
Prepaid expenses and other current assets	4,916		5,055	
Allowance for doubtful receivable	(343)		(342)	
<b>Fixed assets</b>	39,723	25.6	39,984	24.5
Property, plant and equipment	16,540	10.6	16,597	10.2
Intangible fixed assets	1,552	1.0	1,536	0.9
Investment and other assets	21,630	14.0	21,851	13.4
Investment securities	9,151		8,558	
Deferred tax assets	6,764		7,302	
Other assets	6,025		6,383	
Allowance for doubtful receivable	(311)		(393)	
<b>Total</b>	155,324	100.0	162,919	100.0

LIABILITIES AND SHAREHOLDERS' EQUITY				
	As of Jun. 30, 2003		As of Mar. 31, 2003	
<b>Current liabilities</b>	46,358	29.8	53,393	32.8
Notes and accounts payable	25,504		27,285	
Short-term borrowings	2,578		2,652	
Accrued bonuses	3,305		6,679	
Other current liabilities	14,970		16,775	
<b>Long-term liabilities</b>	18,263	11.8	17,351	10.6
Long-term debt	4,575		4,567	
Liability for employees' retirement benefits	12,831		12,301	
Liability for retirement benefits for directors and corporate auditors	430		429	
Other long term liabilities	426		53	
<b>Total liabilities</b>	64,622	41.6	70,744	43.4
<b>Minority interests</b>	412	0.3	395	0.3
Common stock	10,522	6.8	10,522	6.4
Additional paid-in capital	12,647	8.1	6,791	4.2
Retained earnings	77,401	49.8	85,155	52.3
Unrealized gain on available-for-sale securities	368	0.3	(47)	(0.0)
Foreign currency translation adjustments	4	0.0	11	0.0
Treasury stock	(10,654)	(6.9)	(10,654)	(6.6)
<b>Total shareholders' equity</b>	90,289	58.1	91,779	56.3
<b>Total</b>	155,324	100.0	162,919	100.0

## Segment Information

### Sales and Operating Income

(Billions of yen)

		Three months ended June 30		Increase (Decrease)	
		2003	2002	Amount	%
B S	Sales	14.2	12.4	1.8	14.6%
	Op. income (loss)	(0.9)	(1.3)	0.3	-
A A	Sales	14.5	14.3	0.1	1.4%
	Op. income (loss)	(1.3)	(2.1)	0.8	-
Others	Sales	3.7	2.6	1.0	41.2%
	Op. income (loss)	(0.3)	(0.3)	(0.0)	-
Consolidated	Sales	32.2	28.6	3.5	12.5%
	Op. income (loss)	(2.6)	(3.8)	1.1	-

### Orders

(Billions of yen)

		Three months ended June 30		Increase (Decrease)	
		2003	2002	Amount	%
B S	Orders	27.9	27.5	0.4	1.5%
	Backlog	49.7	53.9	(4.2)	(7.8%)
A A	Orders	18.7	18.5	0.1	0.7%
	Backlog	24.5	26.4	(1.8)	(7.1%)
Others	Orders	3.7	2.9	0.7	25.1%
	Backlog	1.6	1.3	0.2	19.6%
Consolidated	Orders	50.1	48.4	1.6	3.4%
	Backlog	75.7	81.5	(5.7)	(7.1%)

(Note) BS:Building System business, AA:Advanced Automation business

Business segments changed from April 1, 2003. Results of the previous year were recalculated by new business segments.