Consolidated Results for the Fiscal Year Ended March 20, 2011 [Japan GAAP]

April 20, 2011

Listed company name: YASKAWA Electric Corporation
http://www.yaskawa.co.jp/en/
President: Junji Tsuda
Stock exchange listings: Tokyo (First section), Fukuoka
Stock ticker number: 6506

(Note: This document was translated from the financial statement submitted to the Tokyo Stock Exchange for the period stated above. The figures under one million are rounded down.)

1. Summary of Consolidated Results for the Fiscal Year Ended March 20, 2011 (March 21, 2010 to March 20, 2011)

(1) Consolidated Statements of Income

(Millions of yen, except ratio and per share data)

	Year ended March 20, 2011	Change	Year ended March 20, 2010	Change
Net sales	296,847	32.1%	224,710	(35.8)%
Operating income	12,874	-	(6,977)	-
Ordinary income	13,429	-	(6,049)	-
Net income	6,544	-	(5,699)	-
Earnings per share (basic, Yen)	26.00	-	(22.64)	-
Earnings per share (diluted, Yen)	-	-	-	-
Return on shareholders' equity (%)	7.2	-	(6.1)	-
Return on assets (%)	5.3	-	(2.5)	-
Operating income ratio (%)	4.3	-	(3.1)	-

Note:

	Year ended March 20, 2011	Change	Year ended March 20, 2010	Change
Comprehensive income (million)	-	-	-	-

Reference: Equity in earnings of affiliated companies
Year ended March 20, 2011: ¥442 million
Year ended March 20, 2010: ¥(2) million

(2) Consolidated Financial Position

(Millions of yen, except ratio and per share data)

	As of March 20, 2011	As of March 20, 2010
Total assets	264,594	241,649
Net assets	98,029	93,289
Shareholders' equity ratio (%)	35.2	36.6
Net assets per share (Yen)	370.42	351.47

Reference: Shareholders' equity
As of March 20, 2011: ¥93,220 million
As of March 20, 2010: ¥88,459 million

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 20, 2011	Year ended March 20, 2010
Net cash provided by (used in) operating activities	2,489	4,035
Net cash provided by (used in) investing activities	(6,741)	(6,466)
Net cash provided by (used in) financing activities	(786)	8,015
Cash and cash equivalents at end of period	11,885	16,296

2. Dividend Distribution

		Year Ended March 20, 2010	Year Ended March 20, 2011	Year Ending March 20, 2012 (forecast)
Dividend per share (Yen)	End of 1Q	-	-	-
	End of 2Q	1.50	2.00	-
	End of 3Q	-	-	-
	Year-end	1.50	4.00	-
	Annual total	3.00	6.00	-
Annual cash dividends paid (millions of yen)		755	1,511	-
Dividend payout ratio (consolidated)		-	23.1%	-
Dividend on net assets (consolidated)		0.8%	1.7%	-

Note: No decision has been made concerning the first-half and year-end dividend payments for the fiscal year ending in March 2012. Announcement of dividend forecast will be made promptly once the disclosure of this information becomes possible.

3. Projected Consolidated Results for the Fiscal Year Ending March 20, 2012

No forecast for the fiscal year ending in March 2012 is shown because the impact of East Japan Great Earthquake makes it difficult to determine a reliable forecast at this time. Please see “1. Business Results, 1) Overview on Business Performance, 3. Overview on Projected Consolidated Results” on page 3 of the attachment for more information.

4. Other

(1) Change in Scope of Consolidation: None

(2) Change in Accounting Methods and Description
1. Changes related to revision of accounting standards: Yes
2. Other changes: None

(Note: Please refer to “Changes in Basis of Presentation of Consolidated Financial Statements” on page 14 for details.)

(3) Number of Common Shares Outstanding
1. The number of shares outstanding including treasury stock:
   As of March 20, 2011: 252,331,938 shares
   As of March 20, 2010: 252,331,938 shares
2. The number of treasury stocks at the end of the period:
   As of March 20, 2011: 671,388 shares
   As of March 20, 2010: 649,178 shares
3. Weighted average number of shares outstanding during the period:
   Year ended March 20, 2011: 251,670,931
   Year ended March 20, 2010: 251,703,720

(Reference) Non-Consolidated Information

1. Summary of Non-Consolidated Results for Fiscal Year Ended March 20, 2011 (March 21, 2010 to March 20, 2011)

(1) Non-Consolidated Statements of Income

(Millions of yen, except for per share data)

	Year ended March 20, 2011	Change	Year ended March 20, 2010	Change
Net sales	183,767	52.8%	120,263	(36.1)%
Operating income	4,072	-	(11,132)	-
Ordinary income	6,640	-	(7,460)	-
Net income	3,440	-	(4,947)	-
Earnings per share (basic, Yen)	13.66	-	(19.64)	-
Earnings per share (diluted, Yen)	-	-	-	-

(2) Non-Consolidated Financial Position

(Millions of yen, except ratio and per share data)

	As of March 20, 2011	As of March 20, 2010
Total assets	172,570	164,243
Net assets	69,226	66,212
Shareholders' equity ratio (%)	40.1	40.3
Net assets per share (Yen)	274.77	262.79

Reference: Shareholders' equity
As of March 20, 2011: ¥69,226 million
As of March 20, 2010: ¥66,212 million

Disclosure concerning status of audit

The auditing procedure for financial statements that is prescribed in the Financial Instruments and Exchange Act had not been completed when this earnings report (kessan tanshin) was announced because the kessan tanshin is not subject to auditing procedures prescribed in the Financial Instruments and Exchange Act.

About the Appropriate Use of Business Forecasts

Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. Actual results may differ significantly from these statements for a number of reasons.

Yaskawa Electric plans to hold an information meeting for securities analysts on April 21, 2011 (Thursday). A summary of materials distributed at this meeting are to be posted on the company’s website following the meeting.

(Attachment)

Index for the Attachment

1. Business Results

1) Overview on Business Performance

1. Business Performance of Fiscal Year 2010

In the fiscal year that ended in March 2011, the business environment for the Yaskawa Group was favorable despite a significant increase in the yen's value. Performance benefited from strong external demand mainly in China and other Asian countries, and a recovery in earnings at major customers in Japan.

To achieve a recovery in performance along with growth in this environment, the Yaskawa Group took the following actions in line with the growth strategy in its "Challenge 100" mid-term business plan.

- Increase sales even faster in the growing markets of China and other Asian countries and countries with emerging economies
- Grow in the environmental & energy business domain
- Continue to cut costs rigorously

Due to favorable business climate and actions outlined above, there was an increase in orders, primarily in the Motion Control and Robotics segments, and large increases and improvements in sales and earnings from the previous fiscal year. For the fiscal year, sales increased 32.1% to ¥296,847 million, operating income increased ¥19,851 million to ¥12,874 million, ordinary income increased ¥19,479 million to ¥13,429 million, and net income increased ¥12,243 million to ¥6,544 million.

2. Results by Business Segment

The Yaskawa Group has five separate business segments.

The business results of each segment are as follows.

(Millions of yen, except ratio)

	Year Ended March 20, 2011			
Business segment	Net sales (year-on-year change from the previous fiscal year)		Operating income (loss) (year-on-year change from the previous fiscal year)	
Motion Control	156,450	(up by 49.3%)	8,980	(up by 12,149)
Robotics	83,843	(up by 46.9%)	1,673	(up by 10,001)
System Engineering	34,349	(down by 17.2%)	2,061	(down by 3,415)
Information Technologies	14,132	(down by 9.1%)	(398)	(less by 536)
Other	8,072	(up by 40.0%)	542	(up by 616)

■ Motion Control

Orders for AC servo motors and controllers were strong as demand increased along with the resumption of capital expenditures by customers. To meet the rapid upturn in orders, the Yaskawa Group focused on increasing sales by strengthening manufacturing operations and enhancing efficiency of production system.

Orders and sales for AC drives remained strong because of demand for use in energy-conserving applications and demand in Asian countries, particularly in China.

As a result, segment sales were much higher and there was operating income compared with the loss one year earlier as earnings increased.

■ Robotics

Orders for welding, handling and other robots increased as the Yaskawa Group worked on increasing sales overseas, particularly in the automobile industry and other market sectors. In Japan, demand from the automobile industry has yet to recover, but the Yaskawa Group concentrated on targeting demand for robots in other industries.

In addition, sales remained strong to customers in the FPD and semiconductor manufacturing industries.

As a result, sales increased and operating income returned to profitability.

■ System Engineering

Sales were lower than one year earlier because of a downturn in orders from the steel industry. But the segment was profitable because of rigorous cost-cutting and profitability management measures.

■ Information Technologies

Sales were slightly lower than one year earlier as customers restrained capital expenditures associated with information technologies. The segment loss decreased because of extensive measures to cut costs.

(Reference) Non-Consolidated Information

On a non-consolidated basis, sales were increased 52.8% to ¥183,767 million and there was an operating income of ¥4,072 million, up ¥15,204 million from the previous fiscal year, an ordinary income of ¥6,640 million, up ¥14,101 million from the previous fiscal year, and a net income of ¥3,440 million, up ¥8,388 million from the previous fiscal year.

3. <u>Overview on Projected Consolidated Results</u>

We are currently examining the effects of East Japan Great Earthquake. An announcement of a forecast for the fiscal year ending in March 2012 will be made promptly once the disclosure of this information becomes possible.

2) Overview on Financial Condition

1. <u>Balance Sheet Highlights</u>

Total assets were ¥264,594 million on March 20, 2011, ¥22,945 million more than one year earlier. Current assets increased ¥26,111 million, mainly the result of increases in trade notes and accounts receivable, and inventories, as well as fixed assets declined ¥3,166 million.

Total liabilities increased ¥18,205 million to ¥166,565 million. There was a ¥21,505 million increase in current liabilities, mainly the result of an increase in trade notes and accounts payable, and a decrease of ¥3,300 million in long-term liabilities that was attributable primarily to a decrease in long-term debt.

Net assets increased ¥4,740 million to ¥98,029 million mainly because of a ¥5,729 million increase in shareholders' equity resulting mostly from an increase in retained earnings.

2. Cash Flows

Cash and cash equivalents totaled ¥11,885 million on March 20, 2011, a net decrease of ¥4,410 million compared with the end of the previous fiscal year.

Net cash provided by operating activities was ¥2,489 million. The major components were an income before income taxes and minority interests of ¥12,060 million, depreciation and amortization of ¥7,057 million, and increases of ¥19,549 million in trade receivables, ¥13,425 million in inventories and ¥13,869 million in trade payables.

Net cash used in investing activities was ¥6,741 million. The primary use of cash was expenditures of ¥6,266 million for purchases of property, plant and equipment and intangible assets.

Free cash flows, the sum of cash flows from operating and investing activities, were a negative ¥4,252 million.

Net cash used in financing activities was ¥786 million. Major components were a ¥2,991 million increase in short-term debt, proceeds of ¥1,050 million from long-term debt, repayments of long-term debt of ¥3,922 million and dividend payments of ¥881 million to shareholders of the parent company.

3. Cash Flow Indicator Trends

Cash Flow Indicator Trends for the Yaskawa Group are shown below.

	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
Shareholders' equity ratio (%)	39.0	36.6	35.2
Shareholders' equity ratio based on market value (%)	44.1	83.5	88.5
Ratio of interest-bearing debt against cash flow (years)	2.6	10.5	16.6
Interest coverage ratio (times)	12.3	5.9	3.8

Shareholders’ equity ratio = shareholders’ equity/total assets

Shareholders’ equity ratio based on market value = market value of total shares/total assets

Ratio of interest-bearing debt against cash flow = interest-bearing debt/operating cash flow

Interest coverage ratio = operating cash flow/interest expense

Notes:

1. All calculations were made on a consolidated base.
2. Market value of total shares is calculated based on the number of shares issued except treasury stock.
3. Interest-bearing debt consists of all debt appearing on the balance sheet that incurs interest.
4. Amounts used for operating cash flow and interest expense were taken from “cash flows from operating activities” and “interest expense” reported in consolidated statements of cash flows.

3) Policy on Profit Distribution and Dividends for Fiscal Year 2010 and 2011

Regarding profit distribution, our goal is to secure stable and continuous cash dividends to our shareholders as well as internal reserve to enrich our business base and to enable future business expansion. We base our decision of profit distribution on the integrated consideration of our business performance, the business environment, and the financial conditions.

As announced on 21 January “Dividend Forecast revision for the fiscal year ending March 20, 2011,” the year-end dividend for this fiscal year is ¥4 per share. Together with the interim dividend of ¥2 paid previously, total annual cash dividend for the fiscal year 2010 is ¥6 per share.

No decision has been made concerning the dividend for the fiscal year ending in March 2012. Announcement of dividend forecast will be made promptly once the disclosure of this information becomes possible.

2. Management Policies

1) Fundamental Management Policies

Since its inception, the Yaskawa Group's mission is to contribute to the evolution of society and the welfare of mankind through the performance of its business. In order to achieve this mission, we particularly affirm the following three principles and will endeavor to realize them: (1) Emphasize the importance of quality of products and constantly develop and improve technologies in which we can take pride throughout the world; (2) Improve the efficiency of operation and secure profits necessary for the survival and continued growth of the company; and (3) Endeavor to keep a market-oriented attitude, to meet the needs of the market and do our utmost to serve our customers in the best way possible. Aiming for the fulfillment of these three principles is our management philosophy. With respect to management, our highest priority is to use capital even more efficiently based on a clear stance of placing importance on the interests of shareholders. We believe that supplying products and services that make customers happy and improving the satisfaction of employees to create a fulfilling workplace for our employees will lead to growth in corporate value and earnings, thereby allowing us to provide returns for shareholders.

2) Management Goals

The “Challenge 100” mid-term business plan has the goal of creating a highly profitable operating framework and positions the ordinary income ratio as the primary performance indicator. In addition, we are committed to making steady improvements in capital efficiency by producing cash flows from reductions in working capital and using internal funds for the investments required for growth.

3) Medium- to Long-term Business Strategies

For the years leading up to the 100th anniversary of Yaskawa Electric in 2015, the Yaskawa Group has established the long-term vision of “using the group’s core technologies to solve problems involving global issues.” The objective is to focus on the core domain of “Robotics Human Assist” to create a market for robots that can coexist with people. In the “Environmental & Energy” business domain, the group is concentrating on green energy (renewable energy and energy conservation) with the goal of expanding this into another core business. In the “Mechatronics Solution” business domain, the group is expanding global operations faster and targeting activities that add more value in order to increase earnings.

In fiscal 2009, the Yaskawa Group started a mid-term business plan called “Challenge 100”. In June 2010, it was extended to a four-year business plan (FY 2009-2012) and was reviewed with incorporation of new numerical targets. In established businesses, the group will focus on accelerating worldwide growth by taking extensive actions to boost efficiency, adding more value to products and services, and differentiating itself from competitors. At the same time, to accomplish the vision for 2015, the group is tackling the challenge of creating new forms of value and new markets in two business domains: “Robotics Human Assist” and “Environmental & Energy”. Furthermore, by taking these actions, we are determined to foster a corporate culture of adapting to change with flexibility and constantly taking on new challenges and a workforce that embraces this culture.

Overview of “Challenge 100”

(1) Fundamental objectives

・ Create a market for robots that can coexist with people by making robots that are even easier to use and can perform tasks more closely linked to people
・ In the field of green energy, use optimized energy conversion technologies to create new forms of value
・ In established businesses, win international competition by improving efficiency and better responding to changes in markets

(2) Major initiatives

・Establish a system to enable consistent improvement of development, manufacturing and sales capability
・Pursue growth strategies that do not rely on the growth of markets
・Speed up worldwide growth by better adapting to changes in markets
・Use strategic investments to create new business domains and new forms of value
・Foster a workforce made up of people who are constantly willing to take on new challenges through business

(3) Numerical targets

Numerical targets for the final year of “Challenge 100,” which is the fiscal year ending in March 2013, are shown below. Our goals are to achieve sustained growth and an ordinary income margin of 10% by accelerating global expansion of current businesses and by the launch of new businesses..

	Targets for the fiscal year ending March 2013
Sales	¥380 billion
Ordinary income	¥38 billion
Ordinary income margin	10%

4) Management Initiatives and Challenges

In the fiscal year that ends in March 2012, economic growth is expected to continue in China and other Asian countries and in emerging countries as economic recoveries continue in Europe and North America. Demand will probably continue to grow, mainly outside Japan, although some areas will be stronger than others.

However, there are also uncertainties about the outlook because of the impact of East Japan Great Earthquake, rising crude oil prices caused by political instability in the Middle East and other events.

In this environment, the Yaskawa Group aims to increase earnings by focusing on demand in China, where economic growth is particularly strong, and in other Asian countries and emerging countries.

The group will move even faster to complete the initiatives needed to reach the targets of the “Challenge

100” mid-term business plan, which ends in the fiscal year that ends in March 2013.

The Yaskawa Group will be taking the following actions.

(1) Increase orders in established businesses

・ Increase the Yaskawa Group’s presence in China, where the economy continues to grow, and capture a larger market share.

・ In industrialized countries, target potential demand by increasing sales of new products and other products.

・ Increase production and other activities in regions where products are sold to shield performance from changes in foreign exchange rates. In addition, move faster with measures to achieve low-cost production.

(2) Earnings contribution from new businesses

・ Economic growth in emerging countries is creating an urgent need to conserve energy on a global scale and create new sources of energy.

Accelerate the pace of creating and expanding markets, such as by further increasing sales of new AC drives that conserves energy and selling the solar power and wind power systems that were introduced during the past fiscal year.

(3) Constantly upgrade development, manufacturing and sales capabilities

・ Create a framework for achieving steady and daily progress in terms of quality and quantity with regard to development, manufacturing and sales capabilities. Also further refine the ability to take the actions needed to achieve these goals.

Specifically, we will utilize IT in all activities to achieve the speedy sharing of management data and operate more efficiently. In addition, we will strengthen the ability to develop products by using overseas personnel and taking other actions. We will also move faster to give employees the training needed to handle business operations in emerging countries.

By taking these actions, we plan to create an organization that can evolve and advance even more. The aim is to build the Yaskawa Group that is able to grow continuously in a global economy.

The Yaskawa Group along with other companies in Japan has been affected by damage to parts suppliers that resulted from East Japan Great Earthquake. We are working on minimizing this impact by giving priority to allocating resources as much as needed for the purpose of maintaining production activities.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 20, 2010	As of March 20, 2011
Assets		
Current assets		
Cash and time deposits	16,430	12,032
Trade notes and accounts receivable	81,024	93,073
Merchandise and finished goods	30,747	36,783
Goods in process	5,935	8,494
Raw materials and supplies	9,517	12,787
Deferred tax assets	6,505	7,378
Other	13,426	19,289
Allowance for doubtful accounts	(1,550)	(1,691)
Total current assets	162,036	188,148
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	16,139	15,833
Machinery and transportation equipment, net	8,258	8,331
Land	8,130	7,952
Other, net	3,862	3,611
Total property, plant and equipment	36,390	35,729
Intangible assets		
Software	4,147	4,162
Other	1,054	1,687
Total intangible assets	5,202	5,849
Investments and other assets		
Investments	16,428	16,773
Long-term loans	225	194
Deferred tax assets	16,146	14,500
Other	5,709	3,908
Allowance for doubtful accounts	(489)	(509)
Total investments and other assets	38,019	34,867
Total fixed assets	79,612	76,446
Total Assets	241,649	264,594

	As of March 20, 2010	As of March 20, 2011
		(Millions of yen)
Liabilities		
Current liabilities		
Trade notes and accounts payable	51,082	63,235
Short-term bank loans	31,830	33,697
Accrued expenses	15,796	17,691
Income taxes payable	-	3,257
Accrued directors' bonus	44	56
Other	6,498	8,819
Total current liabilities	105,252	126,758
Long-term liabilities		
Long-term debt	10,405	7,742
Provision for employees' retirement benefits	31,337	30,662
Provision for directors' retirement benefits	278	293
Other	1,085	1,109
Total long-term liabilities	43,107	39,807
Total liabilities	148,359	166,565
Net assets		
Shareholders' equity		
Common stock	23,062	23,062
Additional paid-in capital	18,682	18,682
Retained earnings	51,534	57,281
Treasury stock, at cost	(407)	(425)
Total shareholders' equity	92,871	98,600
Valuation and translation adjustments		
Net unrealized holding gain on securities	1,241	1,731
Deferred gains (losses) on hedges	(11)	-
Foreign currency translation adjustments	(5,641)	(7,111)
Total valuation and translation adjustments	(4,412)	(5,380)
Minority interests	4,830	4,808
Total net assets	93,289	98,029
Total liabilities and net assets	241,649	264,594

(2) Consolidated Statements of Income

(Millions of yen)

	Year Ended March 20, 2010	Year Ended March 20, 2011
Net sales	224,710	296,847
Cost of sales	173,807	219,815
Gross profit	50,903	77,032
Selling, general and administrative expenses	57,880	64,157
Operating income (loss)	(6,977)	12,874
Non-operating income		
Interest income	74	73
Dividends received	232	270
Government subsidies for employment adjustment	1,128	284
Equity in earnings of associated companies	-	442
Miscellaneous income	834	665
Total non-operating income	2,268	1,735
Non-operating expenses		
Interest expense	688	647
Equity in losses of associated companies	2	-
Foreign exchange loss	344	232
Miscellaneous expenses	305	301
Total non-operating expenses	1,341	1,180
Ordinary income (loss)	(6,049)	13,429
Extraordinary gains		
Gain on sales of fixed assets	49	46
Gain on sales of investment securities	-	39
Other	-	32
Total extraordinary gains	49	118
Extraordinary losses		
Loss on sales and disposal of fixed assets	159	82
Loss on devaluation of investment securities	31	1,084
Loss on valuation of inventories	2,138	-
Impairment loss	32	14
Other	1,008	306
Total extraordinary losses	3,370	1,488
Income (Loss) before income taxes and minority interests	(9,370)	12,060
Provision for income taxes- current	1,228	4,374
Income taxes for prior periods	348	-
Reversal of income taxes payable for previous periods	(139)	-
Provision for income taxes- deferred	(4,786)	1,131
Total income taxes	(3,349)	5,505
Minority interests in income (loss)	(321)	11
Net income (loss)	(5,699)	6,544

(3) Consolidated Statement of Changes in Net Assets

(Millions of yen)

	Year Ended March 20, 2010	Year Ended March 20, 2011
Shareholders’ equity		
Common stock		
Balance at the end of previous period	23,062	23,062
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	23,062	23,062
Additional paid-in capital		
Balance at the end of previous period	18,681	18,682
Changes of items during the period		
Disposition of treasury stock	0	0
Total changes of items during the period	0	0
Balance at the end of current period	18,682	18,682
Retained earnings		
Balance at the end of previous period	60,983	51,534
Increase (decrease) due to changes in accounting treatment at foreign subsidiaries	(1,330)	-
Changes of items during the period		
Cash dividends	(2,015)	(881)
Net income (loss)	(5,699)	6,544
Change of scope of consolidation	(422)	85
Change of scope of equity method	18	—
Total changes of items during the period	(8,119)	5,747
Balance at the end of current period	51,534	57,281
Treasury stock		
Balance at the end of previous period	(357)	(407)
Changes of items during the period		
Acquisition of treasury stock	(55)	(22)
Disposition of treasury stock	2	3
Change of scope of equity method	4	-
Total changes of items during the period	(49)	(18)
Balance at the end of current period	(407)	(425)
Total shareholders’ equity		
Balance at the end of previous period	102,369	92,871
Increase (decrease) due to changes in accounting treatment at foreign subsidiaries	(1,330)	-
Changes of items during the period		
Cash dividends	(2,015)	(881)
Net income (loss)	(5,699)	6,544
Acquisition of treasury stock	(55)	(22)
Disposition of treasury stock	2	4
Change of scope of consolidation	(422)	85
Change of scope of equity method	22	-
Total changes of items during the period	(8,167)	5,729
Balance at the end of current period	92,871	98,600

(Millions of yen)

	Year Ended March 20, 2010	Year Ended March 20, 2011
Valuation and translation adjustments		
Net unrealized holding gain (loss) on securities		
Balance at the end of previous period	(113)	1,241
Changes of items during the period		
Net changes of items other than shareholders’ equity	1,355	490
Total changes of items during the period	1,355	490
Balance at the end of current period	1,241	1,731
Deferred gains (losses) on hedges		
Balance at the end of previous period	(67)	(11)
Changes of items during the period		
Net changes of items other than shareholders’ equity	55	11
Total changes of items during the period	55	11
Balance at the end of current period	(11)	-
Foreign currency translation adjustments		
Balance at the end of previous period	(5,119)	(5,641)
Changes of items during the period		
Net changes of items other than shareholders’ equity	(521)	(1,470)
Total changes of items during the period	(521)	(1,470)
Balance at the end of current period	(5,641)	(7,111)
Total valuation and translation adjustments		
Balance at the end of previous period	(5,301)	(4,412)
Changes of items during the period		
Net changes of items other than shareholders’ equity	889	(968)
Total changes of items during the period	889	(968)
Balance at the end of current period	(4,412)	(5,380)
Minority interests		
Balance at the end of previous period	5,353	4,830
Changes of items during the period		
Net changes of items other than shareholders’ equity	(522)	(21)
Total changes of items during the period	(522)	(21)
Balance at the end of current period	4,830	4,808
Total net assets		
Balance at the end of previous period	102,421	93,289
Increase (decrease) due to changes in accounting treatment at foreign subsidiaries	(1,330)	-
Changes of items during the period		
Cash dividends	(2,015)	(881)
Net income (loss)	(5,699)	6,544
Acquisition of treasury stock	(55)	(22)
Disposition of treasury stock	2	4
Change of scope of consolidation	(422)	85
Change of scope of equity method	22	—
Net changes of items other than shareholders’ equity	366	(989)
Total changes of items during the period	(7,801)	4,740
Balance at the end of current period	93,289	98,029

(4) Consolidated Statements of Cash Flows

		(Millions of yen)
	Year Ended March 20, 2010	Year Ended March 20, 2011
Cash flows from operating activities		
Income (Loss) before income taxes and minority interests	(9,370)	12,060
Depreciation and amortization	7,840	7,057
Loss on valuation of inventories	2,138	-
Impairment loss	32	14
Increase (decrease) in provision for employees' retirement benefits, net of payments	(680)	(633)
Loss (gain) on sales of investment securities	0	(39)
Loss (gain) on valuation of investment securities	31	1,084
Interest and dividend income	(306)	(344)
Interest expense	688	647
(Increase) decrease in trade receivables	3,369	(19,549)
(Increase) decrease in inventories	5,532	(13,425)
Increase (decrease) in trade payables	(2,780)	13,869
Increase (decrease) in accrued expenses	(514)	305
Other, net	(1,915)	2,043
Subtotal	4,065	3,090
Interest and dividends received	487	439
Interest paid	(689)	(651)
Income taxes paid	(2,726)	(1,509)
Income taxes refund	2,897	1,120
Net cash provided by (used in) operating activities	4,035	2,489
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(4,866)	(6,266)
Proceeds from sales of property, plant and equipment and intangible assets	113	230
Purchases of investment securities	(1,497)	(668)
Proceeds from sales of investment securities	0	39
Other, net	(216)	(75)
Net cash provided by (used in) investing activities	(6,466)	(6,741)
Cash flows from financing activities		
Increase (decrease) in short-term debt	4,209	2,991
Proceeds from long-term debt	10,310	1,050
Repayments of long-term debt	(4,361)	(3,922)
Dividends paid	(2,015)	(881)
Dividends paid to minority shareholders	(116)	(7)
Other, net	(10)	(16)
Net cash provided by (used in) financing activities	8,015	(786)
Effect of exchange rate changes on cash and cash equivalents	(5)	(298)
Net increase (decrease) in cash and cash equivalents	5,580	(5,337)
Cash and cash equivalents at beginning of year	10,629	16,296
Increase due to inclusion of subsidiaries in consolidation	87	926
Cash and cash equivalents at the end of current period	16,296	11,885

(5) Notes Pertaining to the Presumption of a Going Concern

None

(6) Basis of Presentation of Consolidated Financial Statements

1. Scope of Consolidation

(1) Scope of consolidation and application of equity method

There are 62 consolidated subsidiaries and 14 companies accounted for using the equity method.

(2) Changes in scope of consolidation and application of equity method

Consolidation

New: 1 company Eliminated: 3 companies

Equity method

New: None Eliminated: None

No further information is provided, except the information in “Changes in Basis of Presentation of Consolidated Financial Statements,” because there have been no significant changes since the most recent Securities Report (released on June 18, 2010).

(7) Changes in Basis of Presentation of Consolidated Financial Statements

(Change in standard for recognition of sales and cost of sales for completed construction projects)

Previously, sales and the cost of sales for construction contracts were recognized by using the completed-contract method. Beginning with the fiscal year that ended in March 2011, “Accounting Standard for Construction Contracts” (ASBJ Statement No. 15, December 27, 2007) and “Guidance on Accounting Standard for Construction Contracts” (ASBJ Guidance No. 18, December 27, 2007) have been applied. For construction contracts where work was started during the fiscal year that ended in March 2011, the percentage-of-completion method (rate of progress estimated by the cost-ratio method) is used for contracts where the outcome with regard to progress made by the end of the fiscal year is deemed to be certain and the completed-contract method is used for all other contracts. This change had only a negligible effect on sales or earnings.

(Change in accounting standard for retirement benefits)

Beginning with the fiscal year that ended in March 2011, “Partial Amendments to Accounting Standard for Retirement Benefits (Part 3)” (ASBJ Statement No. 19, July 31, 2008) has been applied.
This change had no effect on earnings.

(8) Notes to the Consolidated Financial Statements

Exclusion of disclosure items

No information is provided concerning lease transactions, transactions with related parties, tax-effect accounting, securities, derivative transactions and retirement benefits because the Company believes there is not a significant need to disclose this information in these materials.
Information concerning the above items will be provided in the Securities Report that is to be submitted on June 17, 2011. To view this report, please use the Electronic Disclosure for Investors Network (EDINET), which is used for the electronic disclosure of Securities Reports and other documents in accordance with the Financial Instruments and Exchange Act.

Segment Information

Business Segments

Year ended March 20, 2010 (Millions of yen)

	Motion Control	Robotics	System Engineering	Information Technologies	Other	Total	Eliminations & Corporate	Consolidated
Net sales and operating income								
Sales to external customers	104,814	57,084	41,498	15,546	5,765	224,710	-	224,710
Intersegment sales and transfers	6,732	599	1,531	2,102	3,833	14,799	(14,799)	-
Total sales	111,547	57,684	43,030	17,648	9,598	239,509	(14,799)	224,710
Operating costs and expenses	114,717	66,012	37,554	18,583	9,672	246,539	(14,852)	231,687
Operating income (loss)	(3,169)	(8,327)	5,476	(934)	(74)	(7,029)	52	(6,977)
Assets, depreciation, Impairment loss, and capital expenditure								
Assets	100,692	59,903	33,191	15,924	8,455	218,167	23,481	241,649
Depreciation	5,204	1,766	554	264	103	7,893	(53)	7,840
Impairment loss	-	-	-	32	-	32	-	32
Capital expenditure	2,404	1,059	238	569	82	4,355	(235)	4,119

Year ended March 20, 2011 (Millions of yen)

	Motion Control	Robotics	System Engineering	Information Technologies	Other	Total	Eliminations & Corporate	Consolidated
Net sales and operating income								
Sales to external customers	156,450	83,843	34,349	14,132	8,072	296,847	-	296,847
Intersegment sales and transfers	14,147	887	1,455	3,397	4,832	24,720	(24,720)	-
Total sales	170,597	84,731	35,805	17,529	12,904	321,568	(24,720)	296,847
Operating costs and expenses	161,617	83,057	33,744	17,928	12,362	308,708	(24,735)	283,972
Operating income (loss)	8,980	1,673	2,061	(398)	542	12,859	15	12,874
Assets, depreciation, Impairment loss, and capital expenditure								
Assets	125,606	71,646	31,340	15,692	8,241	252,527	12,067	264,594
Depreciation	4,801	1,455	493	231	114	7,095	(37)	7,057
Impairment loss	-	-	-	14	-	14	-	14
Capital expenditure	4,325	1,585	633	105	45	6,695	(40)	6,655

(Notes)

1 The business segments are classified based on similarity of product nature and manufacturing methods and selling methods, etc.

2 Corporate assets included in "Eliminations & Corporate" amounted to ¥20,553 million (the previous fiscal year: \ 29,415 million). Those assets principally consist of excess funds (cash and time deposits) and Long-term investments (investment securities) of the Company.

3 Depreciation and capital expenditures include amortization of and additions to long-term prepaid expenses.

Geographical Areas

	Year Ended March 20, 2010						(Millions of yen)
	Japan	The Americas	Europe	Asia	Total	Eliminations & Corporate	Consolidated
Net sales and operating income							
Sales to external customers	138,482	27,361	25,029	33,837	224,710	-	224,710
Intersegment sales and transfers	33,573	333	130	2,967	37,004	(37,004)	-
Total sales	172,055	27,694	25,160	36,804	261,715	(37,004)	224,710
Operating costs and expenses	183,339	26,720	25,650	34,869	270,579	(38,891)	231,687
Operating income (loss)	(11,283)	974	(490)	1,935	(8,863)	1,886	(6,977)
Assets	165,730	14,574	20,198	24,008	224,511	17,137	241,649

	Year Ended March 20, 2011						(Millions of yen)
	Japan	The Americas	Europe	Asia	Total	Eliminations & Corporate	Consolidated
Net sales and operating income							
Sales to external customers	180,661	34,432	30,072	51,681	296,847	-	296,847
Intersegment sales and transfers	61,953	403	192	5,622	68,171	(68,171)	-
Total sales	242,614	34,836	30,264	57,304	365,019	(68,171)	296,847
Operating costs and expenses	234,215	32,867	29,346	53,266	349,696	(65,723)	283,972
Operating income	8,399	1,968	918	4,037	15,322	(2,448)	12,874
Assets	179,149	19,240	23,623	34,239	256,252	8,342	264,594

(Notes)

1 Geographical areas are divided into categories based on their geographical proximity.

2 The regions that belong to each area are as follows.

Americas - U.S.A., etc

Europe – Germany, Sweden, The United Kingdom, etc

Asia – The People's Republic of China, Singapore, Korea, etc

3 Corporate assets included in "Eliminations & Corporate" amounted to ¥20,553 million (the previous fiscal year: ¥29,415 million). Those assets principally consisted of excess funds (cash and time deposits) and long-term investments (investment securities) of the Company.

Overseas Sales

	Year Ended March 20, 2010				(Millions of yen)
	The Americas	Europe	Asia	Other	Total
Overseas sales	29,351	24,332	53,900	930	108,514
Consolidated sales	-	-	-	-	224,710
Percentage of overseas sales in consolidated sales	13%	11%	24%	0%	48%

	Year Ended March 20, 2011				(Millions of yen)
	The Americas	Europe	Asia	Other	Total
Overseas sales	38,779	29,610	82,749	955	152,093
Consolidated sales	-	-	-	-	296,847
Percentage of overseas sales in consolidated sales	13%	10%	28%	0%	51%

(Notes)

1 Geographical areas are divided into categories based on their geographical proximity.

2 The regions that belong to each area are as follows.

Americas - U.S.A., etc

Europe – Germany, Sweden, The United Kingdom, etc

Asia – The People’s Republic of China, Singapore, Korea, etc

Other – Australia, etc

3 Overseas sales are sales made by Yaskawa Electric and its subsidiaries to countries and regions excluding Japan.

Per Share Information

(yen)

Year Ended March 20, 2010		Year Ended March 20, 2011	
Net assets per share	351.47	Net assets per share	370.42
Earnings per share (basic)	(22.64)	Earnings per share (basic)	26.00
Earnings per share (diluted) is not presented because there was a net loss in this fiscal year and there were no common stock equivalents.		Earnings per share (diluted) is not presented, since there were no common stock equivalents.	

Note: The basis for calculating earnings (loss) per share is shown below.

	Year Ended March 20, 2010	Year Ended March 20, 2011
Earnings per share (basic)		
Net income (loss) (millions of yen)	(5,699)	6,544
Net income (loss) not available to common shareholders (millions of yen)	-	-
Net income (loss) available to common shareholders (millions of yen)	(5,699)	6,544
Weighted average number of shares outstanding (thousand)	251,703	251,670

Subsequent events

None