

**Consolidated Results for the First Quarter of the Fiscal Year Ending March 20, 2012**  
**[Japan GAAP]**

July 19, 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 First Quarter of the Fiscal Year Ending March 20, 2012**  
**(March 21, 2011 to June 20, 2011)**

(1) Consolidated Statements of Income

	(Millions of yen, except ratio and per share data)			
	Three months ended June 20, 2011	Change	Three months ended June 20, 2010	Change
Net sales	76,457	20.7%	63,364	36.7%
Operating income	4,721	-	(612)	-
Ordinary income	4,755	-	(702)	-
Net income	3,765	-	(1,063)	-
Earnings per share (basic, Yen)	14.96	-	(4.22)	-
Earnings per share (diluted, Yen)	-	-	-	-

(2) Consolidated Financial Position

	(Millions of yen, except ratio and per share data)	
	As of June 20, 2011	As of March 20, 2011
Total assets	263,987	264,594
Net assets	100,095	98,029
Shareholders' equity ratio (%)	36.5	35.2
Net assets per share (Yen)	382.91	370.42

Reference: Shareholders' equity

As of June 20, 2011: ¥96,359 million

As of March 20, 2011: ¥93,220 million

**2. Dividend Distribution**

		Year Ended March 20, 2011	Year Ending March 20, 2012	Year Ending March 20, 2012 (forecast)
Dividend per share (Yen)	End of 1Q	-	-	-
	End of 2Q	2.00	-	5.00
	End of 3Q	-	-	-
	Year-end	4.00	-	5.00
	Annual total	6.00	-	10.00

Note: Revisions to the most recently announced dividend forecast: None

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

(March 21, 2011 to March 20, 2012)

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

	Six months ending September 20, 2011	Change	Year ending March 20, 2012	Change
Net sales	155,000	11.1%	320,000	7.8%
Operating income	8,000	130.0%	20,000	55.3%
Ordinary income	8,000	130.0%	20,000	48.9%
Net income	5,700	235.1%	12,000	83.4%
Earnings per share (Yen)	22.65	-	47.68	-

Note: Revisions to the most recently announced sales and earnings forecast: Yes

### 4. Other (\*Please refer to “2. Other Information” on page 5 for details.)

(1) Change in Scope of Consolidation: None

(2) Use of Simplified Accounting Methods and Particular Accounting Methods: Yes

(3) Change in Accounting Methods and Description

1. Changes related to revision of accounting standards: Yes
2. Other changes: None

(4) Number of Common Shares Outstanding

1. The number of shares outstanding including treasury stock:  
As of June 20, 2011: 252,331,938 shares  
As of March 20, 2011: 252,331,938 shares
2. The number of treasury stocks:  
As of June 20, 2011: 679,348 shares  
As of March 20, 2011: 671,388 shares
3. Average during period (quarter cumulative):  
Three months ended June 20, 2011: 251,656,435 shares  
Three months ended June 20, 2010: 251,679,854 shares

\*Information concerning implementation status of quarterly review procedure

This quarterly financial report is not subject to the quarterly review procedure prescribed by the Financial Instruments and Exchange Act. The review procedure for the quarterly consolidated financial statements had not been completed when this report was released.

\*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. For information about the assumptions used for forecasts and precautions concerning the use of forecasts, please see “3) Qualitative Information on Projected Consolidated Results” on page 4.

(Attachment)

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## 1. Qualitative Information on Quarterly Results

### 1) Qualitative Information on Consolidated Business Performance

In the first quarter of the fiscal year, overseas economies expanded, particularly in China and other Asian countries, and economic growth continued in industrialized countries in Europe, North America and other regions. However, the Japanese economy has been weak because of the massive and widespread damage from the East Japan Great Earthquake, although the restoration of supply chains for parts and products has proceeded faster than expected.

The Yaskawa Group was able to minimize the impact of this disaster by focusing resources on measures to sustain production activities, such as by minimizing the earthquake's effect on the procurement of parts.

In addition, the group is taking numerous actions during the current fiscal year that are aimed at achieving the following goals to ensure sustained growth.

- Increase orders in established businesses
- Have new businesses contribute to earnings
- Constantly upgrade development, manufacturing and sales capabilities

By taking the actions outlined above, the group in the first quarter of the fiscal year achieved growth in sales and improvements in earnings that occurred mainly in the core Motion Control and Robotics segments. Sales increased 20.7% to ¥76,457 million, operating income increased ¥5,334 million to ¥4,721 million, ordinary income increased ¥5,458 million to ¥4,755 million, and net income increased ¥4,829 million to ¥3,765 million.

The Yaskawa Group has five separate business segments. The business results of each segment are as follows.

(Millions of yen, except ratio)

Business segment	Three months ended June 20, 2011	
	Net sales (change from the corresponding period of previous fiscal year)	Operating income (loss) (change from the corresponding period of previous fiscal year)
Motion Control	43,298 (up by 24.4%)	3,958 (up by 3,094)
Robotics	22,015 (up by 27.7%)	1,067 (up by 2,227)
System Engineering	6,573 (up by 3.1%)	(168) (down by 91)
Information Technologies	2,421 (down by 21.4%)	(223) (less by 191)
Other	2,148 (up by 16.1%)	136 (up by 24)

(Note)

Beginning with the first quarter of the current fiscal year, "Accounting Standard for Segment Information Disclosures" (ASBJ Statement No. 17, March 27, 2009) and "Guidance on Accounting Standard for Segment Information Disclosures" (ASBJ Guidance No. 20, March 21, 2008) have been applied. However, comparisons with prior-year business segments are shown because the application of this standard did not result in any change in business segments in the current fiscal year.

■ Motion Control

The performance of AC servo motors and controllers remained strong primarily because of substantial orders in overseas markets, a sector the group is focusing on, and measures to increase sales of new products.

AC drives also performed well due to demand for use in energy-conserving applications, and demand, mainly from the Asian region for infrastructure equipment that uses these drives.

As a result, sales and operating income in this segment both increased compared to the same period a year earlier.

■ Robotics

Demand for welding, handling and painting robots was strong overseas, mainly in the automobile industry. In Japan, demand for these robots in the automobile industry has not recovered but the group concentrated on capturing orders for robots in other industries.

Sales of robots continued to be strong as well in the FPD and semiconductor manufacturing industries.

As a result, compared with the same period a year earlier, sales increased and operating income returned to profitability.

■ System Engineering

The East Japan Great Earthquake caused delays and other problems at projects for both the steel industry and water treatment equipment, but sales and the operating loss were about the same as one year earlier.

■ Information Technologies

The East Japan Great Earthquake caused further delays in IT investments in a climate where customers were already holding down these expenditures. Although sales were down from one year earlier, the segment loss decreased because of extensive measures to reduce costs.

■ Other

This segment includes logistics services, temporary staffing services and other business activities.

2) Qualitative Information on Consolidated Financial Condition

1. Balance Sheet Highlights

Total assets were ¥263,987 million at the end of the first quarter, ¥607 million lower than at the end of the previous fiscal year. The decrease was attributable primarily to a decrease in current assets.

Total liabilities decreased ¥2,673 million to ¥163,891 million mainly because of a decrease in current liabilities.

Total net assets increased ¥2,065 million to ¥100,095million mainly because of an increase in retained earnings.

2. Cash Flows

Cash and cash equivalents totaled ¥15,936 million at the end of the first quarter, a net increase of ¥4,050 million compared with the end of the previous fiscal year.

Net cash provided by operating activities increased ¥2,533 million from one year earlier to ¥6,810 million. The major components were an income before income taxes and minority interests of ¥5,645 million, depreciation and amortization of ¥1,701 million, a decrease of ¥8,194 million in trade receivables, an increase of ¥4,824 million in inventories and a decrease of ¥2,474 in trade payables.

Net cash used in investing activities increased ¥1,466 million to ¥2,449 million. The primary use of cash was expenditures of ¥2,427 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 positive ¥4,360 million.

Net cash used in financing activities decreased ¥250 million to ¥624 million. Major components were a ¥841 million increase in short-term debt, repayments of long-term debt of ¥440 million and dividend payments of ¥1,007 million to shareholders of the parent company.

### 3) Qualitative Information on Projected Consolidated Results

The first half forecast for consolidated performance has been revised as follows based on orders received in major business segments and other factors. (Millions of yen, except ratio and per share data)

	Net sales	Operating income	Ordinary income	Net income	Earnings per share (yen)
Previous forecast (A)	150,000	7,000	7,000	4,500	17.88
Revised forecast (B)	155,000	8,000	8,000	5,700	22.65
Difference (B) – (A)	5,000	1,000	1,000	1,200	-
Pct. change (%)	3.3	14.3	14.3	26.7	-
First half of previous fiscal year	139,464	3,478	3,478	1,701	6.76

There is no change in the consolidated forecast for the fiscal year that was announced in a press release dated May 26, 2011. Economic growth is expected to continue in China and other Asian countries. However, performance is also affected by economic conditions in Japan and industrialized countries in Europe, North America and other regions, the rising cost of raw materials, and other items.

This forecast is based on average yen exchange rates of ¥83 to the U.S. dollar and ¥110 to the euro during the period from June 21, 2011 to March 20, 2012.

## 2. Other Information

### 1) Change in Scope of Consolidation

None

### 2) Use of Simplified Accounting Methods and Particular Accounting Methods

#### a. Calculation of estimate of loan losses for ordinary loans

The actual write-off ratio at the end of the previous fiscal year was used to calculate the estimate for write-offs because the write-off ratio at the end of the first quarter of the current fiscal year did not differ significantly from the write-off ratio at the end of the previous fiscal year.

#### b. Valuation method for inventories

No physical count was performed to calculate inventories at the end of the first quarter. Instead, inventories were calculated by using a reasonable method based on the physical count of inventories at the end of the previous fiscal year.

#### c. Method of calculating depreciation for fixed assets

For assets where depreciation is calculated using the declining-balance method, quarterly depreciation expenses are determined by using the proportional amount of annual depreciation expenses.

#### d. Calculation method for accrued items

An estimate is used that was determined using a reasonable calculation method.

#### e. Calculation method for income taxes and deferred tax assets and liabilities

When calculating accrued income taxes, only major additions and deductions are used.

To determine the likelihood of recovering deferred tax assets, the earnings forecast and tax planning items that were used at the end of the previous fiscal year were used because there have been no major changes in temporary differences and other items since then.

### 3) Change in Accounting Methods and Description

#### a. Application of “Accounting Standard for Asset Retirement Obligations”

Starting with the first quarter of the current fiscal year, “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No.18, March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No.21, March 31, 2008) have been applied.

This change reduced first quarter operating income and ordinary income by ¥2 million each and reduced first quarter income before income taxes and minority interests by ¥334 million.

#### b. Application of “Accounting Standard for Equity-Method Accounting” and “Practical Solution on Accounting Treatment for Equity-method affiliates”

Starting with the first quarter of the current fiscal year, “Accounting Standard for Equity-Method Accounting” (ASBJ Statement No. 16, March 10, 2008) and “Practical Solution on Accounting Treatment for Equity-method affiliates” (PITF No. 24, March 10, 2008) have been applied.

This change had no effect on earnings.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheet

(Millions of yen)

	As of June 20, 2011	As of March 20, 2011
<b>Assets</b>		
Current assets		
Cash and time deposits	16,079	12,032
Trade notes and accounts receivable	83,728	93,073
Merchandise and finished goods	37,874	36,783
Goods in process	11,589	8,494
Raw materials and supplies	14,463	12,787
Other	25,492	26,668
Allowance for doubtful accounts	(1,462)	(1,691)
Total current assets	187,765	188,148
Fixed assets		
Property, plant and equipment	35,575	35,729
Intangible assets	6,153	5,849
Investments and other assets		
Other	35,007	35,377
Allowance for doubtful accounts	(514)	(509)
Total investments and other assets	34,492	34,867
Total fixed assets	76,221	76,446
Total assets	263,987	264,594
<b>Liabilities</b>		
Current liabilities		
Trade notes and accounts payable	61,153	63,235
Short-term bank loans	34,368	33,697
Accrued directors' bonus	17	56
Other	28,194	29,768
Total current liabilities	123,733	126,758
Long-term liabilities		
Long-term debt	7,706	7,742
Provision for employees' retirement benefits	30,641	30,662
Provision for directors' retirement benefits	242	293
Other	1,567	1,109
Total long-term liabilities	40,158	39,807
Total liabilities	163,891	166,565
<b>Net assets</b>		
Shareholders' equity		
Common stock	23,062	23,062
Additional paid-in capital	18,682	18,682
Retained earnings	59,956	57,281
Treasury stock, at cost	(432)	(425)
Total shareholders' equity	101,269	98,600
Valuation and translation adjustments		
Net unrealized holding gain on securities	1,930	1,731
Foreign currency translation adjustments	(6,840)	(7,111)
Total valuation and translation adjustments	(4,910)	(5,380)
Minority interests	3,736	4,808
Total net assets	100,095	98,029
Total liabilities and net assets	263,987	264,594



## (2) Consolidated Statements of Income

(Millions of yen)

	Three Months Ended June 20, 2010	Three Months Ended June 20, 2011
Net sales	63,364	76,457
Cost of sales	48,879	55,451
Gross profit	14,485	21,005
Selling, general and administrative expenses	15,097	16,283
Operating income (loss)	(612)	4,721
Non-operating income		
Interest income	21	10
Dividends received	18	21
Foreign exchange gain	-	67
Equity in earnings of associated companies	-	65
Government subsidies for employment adjustment	144	57
Gain on valuation of derivatives	135	-
Other	255	79
Total non-operating income	575	302
Non-operating expenses		
Interest expense	159	223
Foreign exchange loss	297	-
Equity in losses of associated companies	162	-
Other	47	44
Total non-operating expenses	666	268
Ordinary income (loss)	(702)	4,755
Extraordinary gains		
Gain on sales of fixed assets	5	1
Reversal of allowance for doubtful accounts	30	251
Gain on negative goodwill	-	1,039
Total extraordinary gains	35	1,292
Extraordinary losses		
Loss on sales and disposal of fixed assets	29	10
Loss on devaluation of investment securities	139	36
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	332
Other	-	22
Total extraordinary losses	169	402
Income (Loss) before income taxes and minority interests	(836)	5,645
Provision for income taxes- current	733	1,355
Provision for income taxes- deferred	(427)	515
Total income taxes	305	1,870
Income before minority interests	-	3,774
Minority interests in income (loss)	(78)	8
Net income (loss)	(1,063)	3,765

## (3) Consolidated Statements of Cash Flows

(Millions of yen)

	Three Months Ended June 20, 2010	Three Months Ended June 20, 2011
Cash flows from operating activities		
Income (Loss) before income taxes and minority interests	(836)	5,645
Depreciation and amortization	1,551	1,701
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	332
Gain on negative goodwill	-	(1,039)
Increase (decrease) in allowance for doubtful accounts	(49)	(242)
Increase (decrease) in provision for employees' retirement benefits, net of payments	104	(43)
Increase (decrease) in provision for directors' retirement benefits, net of payments	(46)	(50)
Loss (gain) on sales and retirement of fixed assets	23	9
Interest and dividend income	(40)	(32)
Interest expense	159	223
(Increase) decrease in trade receivables	2,188	8,194
(Increase) decrease in inventories	(4,208)	(4,824)
Increase (decrease) in trade payables	4,626	(2,474)
Increase (decrease) in accrued expenses	185	(111)
Other, net	825	2,886
Subtotal	4,484	10,174
Interest and dividends received	87	48
Interest paid	(111)	(181)
Income taxes paid	(182)	(3,230)
Net cash provided by (used in) operating activities	4,276	6,810
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(991)	(2,427)
Proceeds from sales of property, plant and equipment and intangible assets	6	5
Purchases of investment securities	(17)	(2)
Other, net	18	(24)
Net cash provided by (used in) investing activities	(983)	(2,449)
Cash flows from financing activities		
Increase (decrease) in short-term debt	(193)	841
Proceeds from long-term debt	141	-
Repayments of long-term debt	(434)	(440)
Dividends paid	(377)	(1,007)
Dividends paid to minority shareholders	(7)	(15)
Other, net	(3)	(2)
Net cash provided by (used in) financing activities	(875)	(624)
Effect of exchange rate changes on cash and cash equivalents	(135)	63
Net increase (decrease) in cash and cash equivalents	2,282	3,799
Cash and cash equivalents at beginning of year	16,296	11,885
Increase due to inclusion of subsidiaries in consolidation	926	251
Cash and cash equivalents at the end of period	19,505	15,936

(4) Notes Pertaining to the Presumption of a Going Concern  
None

(5) Segment Information  
Business Segments

	Three months ended June 20, 2010					(Millions of yen)		
	Motion Control	Robotics	System Engineering	Information Technologies	Other	Total	Eliminations & Corporate	Consolidated
<u>Net sales</u>								
Sales to external customers	34,814	17,243	6,375	3,079	1,851	63,364	-	63,364
Intersegment sales and transfers	2,279	395	336	579	1,155	4,746	(4,746)	-
Total sales	37,094	17,638	6,712	3,659	3,006	68,111	(4,746)	63,364
Operating income (loss)	864	(1,159)	(76)	(414)	112	(674)	61	(612)

(Note)

Business segments are divided according to the classification adopted for internal management.

Geographical Areas

	Three months ended June 20, 2010					(Millions of yen)	
	Japan	The Americas	Europe	Asia	Total	Eliminations & Corporate	Consolidated
<u>Net sales</u>							
Sales to external customers	37,045	7,893	6,620	11,805	63,364	-	63,364
Intersegment sales and transfers	13,381	89	43	1,390	14,905	(14,905)	-
Total sales	50,427	7,982	6,663	13,196	78,269	(14,905)	63,364
Operating income (loss)	(789)	372	248	919	750	(1,362)	(612)

(Notes)

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

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

(1) The Americas – U.S.A., etc

(2) Europe – Germany, Sweden, The United Kingdom, etc

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

## Overseas Sales

	Three months ended June 20, 2010				(Millions of yen)
	The Americas	Europe	Asia	Other	Total
Overseas sales	9,073	6,695	18,800	148	34,717
Consolidated sales	-	-	-	-	63,364
Percentage of overseas sales in consolidated sales	14%	11%	30%	0%	55%

### (Notes)

1. Geographical areas are divided into categories based on their geographical proximity.
2. The regions that belong to each area are as follows.
  - (1) The Americas – U.S.A., etc
  - (2) Europe – Germany, Sweden, The United Kingdom, etc
  - (3) Asia – The People’s Republic of China, Singapore, Korea, etc
  - (4) Other – Australia, etc

## Segment Information

### 1. Description of reporting segments

Segments used for financial reporting are the constituent components of the Yaskawa Group for which separate financial information is available and for which the board of directors conducts periodic examinations in order to determine the distribution of resources and evaluate result of operations.

The Yaskawa Group is basically organized into four business units: Motion Control, Robotics, System Engineering and Information Technologies. Each unit establishes comprehensive strategies for its operations in Japan and overseas and conducts its own business activities.

Consequently, the Yaskawa Group has four reporting segments: Motion Control, Robotics, System Engineering and Information Technologies.

Motion Control includes development, manufacturing, sales and maintenance service involving AC servo motors and controllers and AC drives. Robotics includes development, manufacturing, sales and maintenance service involving industrial robots. System Engineering includes development, manufacturing, sales and maintenance service involving primarily electrical systems at steel mills and electrical instrumentation used in water and sewer systems. Information Technologies includes development, manufacturing, sales and maintenance service involving IT products and IT software.

### 2. Sales, income or loss for each reporting segment

	Three months ended June 20, 2011					(Millions of yen)		
	Motion Control	Robotics	System Engineering	Information Technologies	Other *1	Total	Adjustment *2	Amounts in consolidated statement of income
<u>Net sales</u>								
Sales to external customers	43,298	22,015	6,573	2,421	2,148	76,457	-	76,457
Intersegment sales and transfers	3,167	149	510	441	1,205	5,474	(5,474)	-
Total sales	46,465	22,164	7,084	2,862	3,354	81,931	(5,474)	76,457
Segment operating income (loss)								
(Operating income (loss))	3,958	1,067	(168)	(223)	136	4,771	(49)	4,721

#### (Notes)

1. Other is a business segment for activities that are not included in the reporting segments, such as logistics services and temporary staffing services.
2. The deduction of ¥49 million for Adjustment includes eliminations of inter-segment transactions and other items.

#### (Additional Information)

Starting with the first quarter of the current fiscal year, the Yaskawa Group has applied “Accounting Standard for Segment Information Disclosures” (ASBJ Statement No.17, March 27, 2009), and “Guidance on Accounting Standard for Segment Information Disclosures” (ASBJ Guidance No.20, March 21, 2008).

(Reference Information)

Overseas Sales

	Three months ended June 20, 2011				(Millions of yen)
	The Americas	Europe	Asia	Other	Total
Overseas sales	11,157	8,912	23,270	399	43,740
Consolidated sales	-	-	-	-	76,457
Percentage of overseas sales in consolidated sales	15%	12%	30%	0%	57%

(Notes)

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

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

(1) The Americas – U.S.A., etc

(2) Europe – Germany, Sweden, The United Kingdom, etc

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

(4) Other – Australia, etc

(6) Notes on Significant Change in Shareholders’ Equity

None