

Summary of Consolidated Business Results for the Nine Months Ended December 20, 2007

January 24, 2008

Listed company name: YASKAWA Electric Corporation

<http://www.yaskawa.co.jp/en/>

President: Koji Toshima

Stock exchange listings: Tokyo (First section), Fukuoka

Stock ticker number: 6506

1. Summary of Results for the Third Quarter of Fiscal Year 2007 (March 21, 2007 to December 20, 2007)

(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) Consolidated Statements of Income

| | (Millions of yen, except per share data) | | | | |
|--------------------------------------|--|--------|--|--------|------------------------------|
| | Nine months ended December 20, 2007 | Change | Nine months ended December 20, 2006 | Change | Year ended March 20, 2007 |
| Net sales | 274,956 | 3.8% | 265,005 | 16.1% | 368,971 |
| Operating income | 25,048 | 10.6% | 22,657 | 62.8% | 33,564 |
| Ordinary income | 25,438 | 11.0% | 22,908 | 63.4% | 33,383 |
| Net income | 14,570 | 8.0% | 13,494 | 134.2% | 18,982 |
| Earnings per share (basic, Yen) | 58.86 | | 58.13 | | 81.12 |
| Earnings per share (diluted, Yen) | 57.88 | | 51.70 | | 75.29 |

(2) Consolidated Financial Position

| | (Millions of yen, except ratio and per share data) | | |
|--------------------------------|--|----------------------------|-------------------------|
| | As of December 20, 2007 | As of December 20, 2006 | As of March 20, 2007 |
| Total assets | 280,059 | 269,507 | 273,180 |
| Net assets | 103,003 | 71,506 | 86,242 |
| Shareholders' equity ratio (%) | 34.8 | 24.6 | 29.6 |
| Net assets per share (Yen) | 387.27 | 285.89 | 331.94 |

(3) Consolidated Statements of Cash Flows

| | (Millions of yen) | | |
|---|--|--|------------------------------|
| | Nine months ended December 20, 2007 | Nine months ended December 20, 2006 | Year ended March 20, 2007 |
| Net cash provided by (used in) operating activities | 12,807 | 9,066 | 14,990 |
| Net cash provided by (used in) investing activities | (6,800) | (3,609) | (6,119) |
| Net cash provided by (used in) financing activities | (7,604) | (6,699) | (8,960) |
| Cash and cash equivalents at end of period | 11,486 | 12,008 | 13,214 |

2. Dividend Distribution

| | | Year Ended March 20, 2007 | Year Ending March 20, 2008 | Year Ending March 20, 2008 (forecast) |
|-----------------------------|--------------|------------------------------|-------------------------------|---|
| Dividend per share (Yen) | Interim | 3.00 | 5.00 | - |
| | Year-end | 3.00 | - | 5.00 |
| | Annual total | 6.00 | - | 10.00 |

3. Projected Consolidated Results for the Fiscal Year Ending March 20, 2008

Projected consolidated results for the fiscal year 2007 disclosed on October 17, 2007 remain unchanged.

| (Millions of yen) | | |
|--------------------------|-------------------------------|--------|
| | Year ending March 20, 2008 | Change |
| Net sales | 383,000 | 3.8% |
| Operating income | 37,000 | 10.2% |
| Ordinary income | 37,000 | 10.8% |
| Net income | 20,000 | 5.4% |
| Earnings per share (Yen) | 80.79 | |

4. Other

- (1) Changes in scope of consolidation: None
 - (2) Simplification of accounting methods: Yes
 - (3) Changes in accounting methods from the most recent fiscal year: None
- (Note: Please refer to "4.Other" on page 6 for details.)

(Reference)

1. Summary of Non-Consolidated Results for the Third Quarter of Fiscal Year 2007 (March 21, 2007 to December 20, 2007)

(1) Non-Consolidated Statements of Income

| (Millions of yen, except for per share data) | | | | | |
|--|--|--------|--|--------|------------------------------|
| | Nine months ended December 20, 2007 | Change | Nine months ended December 20, 2006 | Change | Year ended March 20, 2007 |
| Net sales | 156,297 | 2.1% | 153,033 | 16.7% | 216,268 |
| Operating income | 10,053 | 32.5% | 7,589 | 116.5% | 14,139 |
| Ordinary income | 15,301 | 16.2% | 13,171 | 59.1% | 19,828 |
| Net income | 10,394 | 10.1% | 9,437 | 268.2% | 12,860 |
| Earnings per share (basic, Yen) | 41.94 | | 40.56 | | 54.86 |

(2) Non-Consolidated Financial Position

| (Millions of yen, except ratio and per share data) | | | |
|--|----------------------------|----------------------------|-------------------------|
| | As of December 20, 2007 | As of December 20, 2006 | As of March 20, 2007 |
| Total assets | 187,551 | 182,830 | 185,651 |
| Net assets | 66,971 | 42,561 | 54,125 |
| Shareholders' equity ratio (%) | 35.7 | 23.3 | 29.2 |
| Net assets per share (Yen) | 265.77 | 182.95 | 222.14 |

2. Projected Non-Consolidated Results for the Fiscal Year Ending March 20, 2008

Projected non-consolidated results for the fiscal year 2007 disclosed on October 17, 2007 remain unchanged.

| | (Millions of yen) | |
|--------------------------|-------------------------------|--------|
| | Year ending March 20, 2008 | Change |
| Net sales | 222,000 | 2.7% |
| Operating income | 16,500 | 16.7% |
| Ordinary income | 22,000 | 11.0% |
| Net income | 14,000 | 8.9% |
| Earnings per share (Yen) | 56.48 | |

Warning

The information within this document is made as of the date of writing. Any forward-looking statements are made according to the assumptions of management and are subject to change as a result of risks and uncertainties.

Business Results and Financial Statements

1. Overview on Consolidated Business Performance

The economic conditions in Europe and Asia during the third quarter of fiscal year 2007 were generally positive, however economic uncertainty began to prevail with the U.S. subprime mortgage crisis, sudden fluctuations in exchange rates and soaring crude oil prices.

As for the conditions of the Yaskawa group's main markets, the electronic component industry was robust. The air-conditioning and steel industries also continued to be strong. As for the FPD industry, although there was a sign of resumption of capital expenditure, the market continued to be weak.

In the midst of this economic environment, the Yaskawa Group is implementing the necessary measures, as we position the fiscal year 2007, the second year of the mid-term business plan "DASH 100", as the year to build a firm basis toward achieving its goals. These necessary measures include marketing of competitive new products with higher added value, sales expansion with synthesized efforts of development, sales, and production, as well as increasing market share. We also strengthened efforts toward improving product quality and human resource development.

As a result, the Yaskawa Group's sales and profits exceeded those of the corresponding period last fiscal year.

| | Nine Months Ended December 20, 2007 (percentage change from the corresponding period previous fiscal year) | |
|------------------|---|---------------|
| Net sales | ¥274,956 million | (up by 3.8%) |
| Operating income | ¥25,048 million | (up by 10.6%) |
| Ordinary income | ¥25,438 million | (up by 11.0%) |
| Net income | ¥14,570 million | (up by 8.0%) |

The business results of each business segment are as follows.

| Business segment | Nine Months Ended December 20, 2007 | |
|--------------------------|--|---|
| | Net sales (percentage change from the corresponding period previous fiscal year) | Operating income (percentage change from the corresponding period previous fiscal year) |
| Motion Control | ¥132,387 million (up by 10.6%) | ¥16,136 million (up by 6.0%) |
| Robotics | ¥89,603 million (up by 0.1%) | ¥6,100 million (up by 0.6%) |
| System Engineering | ¥32,415 million (up by 2.2%) | ¥1,501 million (up by ¥2,135 million) |
| Information Technologies | ¥15,259 million (down by 17.2%) | (¥138 million) (down by ¥666million) |
| Other | ¥5,289 million (down by 5.9%) | ¥1,551 million (up by 8.5%) |

■ Motion Control

As for AC servo drives and controllers, we focused on marketing new products and strengthening sales operations, which yielded positive results in electronic component markets. Meanwhile the demand in FPD market showed a sign of recovery. As for AC drives, the demand continued to be strong from the last fiscal year as domestic and overseas air-conditioning markets grew and as overseas infrastructure investment expanded.

■ Robotics

The sales of robots for welding, handling and painting mainly for the automobile industry in Japan and Europe were robust. There was a sign of resumption of capital expenditure in the FPD industry.

■ System Engineering

The System Engineering segment successfully took in the continuously increasing demand for capital expenditures in steel industry, which led to significantly increased orders, sales and profits.

■ Information Technologies

As for the Information Technologies segment, although system integration for production and sales management for manufacturing companies was robust, the segment was affected by the stagnant demand in FPD markets and by sales decrease of equipments for a specific application.

■ Other

The Other segment includes businesses such as logistic services and temporary staffing services.

2. Overview on Financial Condition

(1) Balance Sheet Highlights

Total assets increased by ¥10,552 million to ¥280,059 million from the end of the third quarter of the previous fiscal year, as trade notes and accounts receivable increased by ¥10,300 million.

Total liabilities decreased by ¥20,944 million to ¥177,056 million from the end of the third quarter of the previous fiscal year, as short-term bank loans and long-term debt decreased by ¥3,783 million and ¥3,811 million respectively. Convertible bonds also decreased by ¥14,268 million.

Total net assets increased by ¥31,496 million to ¥103,003 million yen from the end of the third quarter of the previous fiscal year, as common stock and additional paid-in capital increased by ¥7,153 million and ¥7,272 million respectively because of conversion of bonds. Also, retained earnings increased by ¥18,134 million.

(2) Cash Flows

The balance of cash and cash equivalents at the end of the third quarter decreased by ¥522 million from the end of the third quarter of the previous fiscal year to ¥11,486 million.

Net cash provided by operating activities was ¥12,807 million. Its rough breakdown is income before income taxes and minority interests of ¥24,941 million and income taxes paid of ¥10,048 million.

Net cash used in investing activities was ¥6,800 million as a result of purchases of property, plant and equipment of ¥6,094 million.

Free cash flow, which is a sum of cash flows from operating and investing activities, resulted in an increase of ¥6,007 million.

Net cash used in financing activities was ¥7,604 million as repayments were made for the debt, and cash dividends were paid.

3. Overview on projected consolidated results

Projected business results for the fiscal year 2007 disclosed on October 17, 2007 remain unchanged. Assumed exchange rates from December 21, 2007 to March 20, 2008 are 110 yen/dollar and 145 yen/euro.

| | Fiscal Year 2007 (forecast) | Year-on-year Change |
|------------------|-----------------------------|------------------------------|
| Net sales | ¥383,000 million | Up by ¥14,029 million (3.8%) |
| Operating income | ¥37,000 million | Up by ¥3,436 million (10.2%) |
| Ordinary income | ¥37,000 million | Up by ¥3,617 million (10.8%) |
| Net income | ¥20,000 million | Up by ¥1,018 million (5.4%) |

4. Other

(1) Changes in scope of consolidation: N/A

(2) Simplification of accounting methods:

Some simplified methods are applied in depreciation of fixed assets and in valuation of inventory.

(3) Changes in accounting methods from the most recent fiscal year: N/A

5. Consolidated Financial Statements

(1) Consolidated Balance Sheet (Summary)

| | As of December 20, 2006 | | As of December 20, 2007 | | Change | As of March 20, 2007 | |
|--|-------------------------|------------|-------------------------|------------|-----------|----------------------|------------|
| | (A) | % of Total | (B) | % of Total | (B) - (A) | | % of Total |
| (Millions of Yen) | | | | | | | |
| Assets | | | | | | | |
| Current assets | | | | | | | |
| Cash and time deposits | 12,159 | | 11,635 | | (524) | 13,356 | |
| Trade notes and accounts receivable | 85,616 | | 95,916 | | 10,300 | 99,231 | |
| Inventories | 67,283 | | 65,269 | | (2,014) | 58,136 | |
| Other current assets | 20,622 | | 20,906 | | 284 | 17,035 | |
| Total current assets | 185,682 | 68.9 | 193,728 | 69.2 | 8,045 | 187,760 | 68.7 |
| Fixed assets | | | | | | | |
| Property, plant and equipment | 39,145 | | 41,447 | | 2,301 | 39,795 | |
| Intangible fixed assets | 7,454 | | 6,797 | | (656) | 7,679 | |
| Investments and other assets | 37,224 | | 38,085 | | 861 | 37,945 | |
| Total fixed assets | 83,824 | 31.1 | 86,331 | 30.8 | 2,506 | 85,419 | 31.3 |
| Total Assets | 269,507 | 100.0 | 280,059 | 100.0 | 10,552 | 273,180 | 100.0 |
| Liabilities | | | | | | | |
| Current liabilities | | | | | | | |
| Trade notes and accounts payable | 71,530 | | 70,670 | | (859) | 69,318 | |
| Short-term bank loans | 24,122 | | 20,338 | | (3,783) | 23,111 | |
| Corporate bonds redeemable within a year | - | | 10,000 | | 10,000 | 10,000 | |
| Other current liabilities | 32,532 | | 35,332 | | 2,800 | 34,848 | |
| Total current liabilities | 128,185 | 47.6 | 136,342 | 48.7 | 8,157 | 137,278 | 50.2 |
| Long-term liabilities | | | | | | | |
| Corporate bonds | 10,000 | | - | | (10,000) | - | |
| Convertible bonds | 14,268 | | - | | (14,268) | 6,200 | |
| Long-term debt | 8,741 | | 4,930 | | (3,811) | 7,439 | |
| Accrued retirement benefits for employees | 35,581 | | 34,213 | | (1,368) | 34,912 | |
| Other long-term liabilities | 1,223 | | 1,569 | | 345 | 1,108 | |
| Total long-term liabilities | 69,815 | 25.9 | 40,713 | 14.5 | (29,101) | 49,659 | 18.2 |
| Total liabilities | 198,000 | 73.5 | 177,056 | 63.2 | (20,944) | 186,938 | 68.4 |
| Net assets | | | | | | | |
| Shareholders' equity | | | | | | | |
| Common stock | 15,908 | | 23,062 | | 7,153 | 19,953 | |
| Additional paid-in capital | 11,379 | | 18,651 | | 7,272 | 15,489 | |
| Retained earnings | 33,181 | | 51,316 | | 18,134 | 38,736 | |
| Treasury stock, at cost | (344) | | (352) | | (8) | (282) | |
| Total shareholders' equity | 60,125 | 22.3 | 92,677 | 33.1 | 32,551 | 73,897 | 27.1 |
| Evaluation and translation adjustments | | | | | | | |
| Net unrealized holding gain on securities | 4,505 | | 2,884 | | (1,621) | 4,619 | |
| Deferred hedge income | (17) | | 0 | | 18 | (8) | |
| Foreign currency translation adjustments | 1,753 | | 1,918 | | 165 | 2,280 | |
| Total evaluation and translation adjustments | 6,241 | 2.3 | 4,804 | 1.7 | (1,437) | 6,890 | 2.5 |
| Minority interests | 5,139 | 1.9 | 5,521 | 2.0 | 382 | 5,454 | 2.0 |
| Total net assets | 71,506 | 26.5 | 103,003 | 36.8 | 31,496 | 86,242 | 31.6 |
| Total liabilities and net assets | 269,507 | 100.0 | 280,059 | 100.0 | 10,552 | 273,180 | 100.0 |

(2) Consolidated Statements of Income (Summary)

| | (Millions of yen) | | | | | |
|---|--|------------|--|------------|-----------|---------------|
| | Nine Months Ended December 20, 2006 | | Nine Months Ended December 20, 2007 | | Change | Change (%) |
| | (A) | % of Total | (B) | % of Total | (B) - (A) | (B) / (A) |
| Net sales | 265,005 | 100.0 | 274,956 | 100.0 | 9,950 | 103.8 |
| Cost of sales | 188,599 | 71.2 | 195,075 | 70.9 | 6,475 | 103.4 |
| Gross profit | 76,405 | 28.8 | 79,880 | 29.1 | 3,475 | 104.5 |
| Selling, general and administrative expenses | 53,748 | 20.3 | 54,831 | 19.9 | 1,083 | 102.0 |
| Operating income | 22,657 | 8.5 | 25,048 | 9.1 | 2,391 | 110.6 |
| Non-operating income | | | | | | |
| Interest and dividends received | 456 | | 483 | | 26 | |
| Foreign exchange profit | 220 | | - | | (220) | |
| Equity in earnings of affiliates | 599 | | 1,048 | | 449 | |
| Miscellaneous income | 568 | | 362 | | (205) | |
| Total non-operating income | 1,845 | 0.7 | 1,894 | 0.7 | 49 | 102.7 |
| Non-operating expenses | | | | | | |
| Interest expense | 905 | | 882 | | (23) | |
| Foreign exchange loss | - | | 374 | | 374 | |
| Miscellaneous expenses | 687 | | 247 | | (439) | |
| Total non-operating expenses | 1,593 | 0.6 | 1,504 | 0.5 | (89) | 94.4 |
| Ordinary income | 22,908 | 8.6 | 25,438 | 9.3 | 2,530 | 111.0 |
| Extraordinary gains | 3,100 | 1.2 | 122 | 0.0 | (2,977) | 3.9 |
| Extraordinary losses | 4,561 | 1.7 | 619 | 0.2 | (3,941) | 13.6 |
| Income before income taxes and minority interests | 21,446 | 8.1 | 24,941 | 9.1 | 3,494 | 116.3 |
| Provision for income taxes- current | 4,952 | 1.9 | 8,526 | 3.1 | 3,573 | 172.2 |
| Provision for income taxes- deferred | 2,368 | 0.9 | 1,578 | 0.6 | (790) | 66.6 |
| Minority interests | 631 | 0.2 | 266 | 0.1 | (364) | 42.2 |
| Net income | 13,494 | 5.1 | 14,570 | 5.3 | 1,075 | 108.0 |

(3) Consolidated Statements of Cash Flows (Summary)

| | (Millions of yen) | | |
|---|--|--|---------------------|
| | Nine Months Ended December 20, 2006 | Nine Months Ended December 20, 2007 | Change |
| | (A) | (B) | (B) - (A) |
| Cash flows from operating activities | | | |
| Income before income taxes and minority interests | 21,446 | 24,941 | 3,494 |
| Depreciation and amortization | 5,095 | 5,492 | 397 |
| Impairment loss on fixed assets | 2,030 | 301 | (1,729) |
| (Increase) decrease in trade receivables | (3,367) | (1,045) | 2,321 |
| (Increase) decrease in inventories | (8,686) | (7,342) | 1,344 |
| Increase (decrease) in trade payables | 3,605 | 1,041 | (2,564) |
| Income taxes paid | (7,043) | (10,048) | (3,005) |
| Other, net | (4,015) | (532) | 3,482 |
| Net cash provided by (used in) operating activities | <u>9,066</u> | <u>12,807</u> | <u>3,740</u> |
| Cash flows from investing activities | | | |
| Purchases of property, plant and equipment | (5,895) | (6,094) | (198) |
| Proceeds from sales of property, plant and equipment | 1,068 | 168 | (899) |
| Purchases of investment securities | (540) | (1,224) | (683) |
| Proceeds from sales of investment securities | 188 | 50 | (137) |
| Proceeds from sales of securities of affiliates | 1,792 | - | (1,792) |
| Acquisition of securities of affiliates, which changed the scope of consolidation | - | 165 | 165 |
| Other, net | (222) | 132 | 354 |
| Net cash provided by (used in) investing activities | <u>(3,609)</u> | <u>(6,800)</u> | <u>(3,191)</u> |
| Cash flows from financing activities | | | |
| Increase (decrease) in short-term debt | (3,517) | (1,433) | 2,083 |
| Proceeds from long-term debt | 3,715 | 335 | (3,380) |
| Repayments of long-term debt | (4,603) | (4,309) | 294 |
| Dividends paid to shareholders of the Company | (2,093) | (1,990) | 102 |
| Dividends paid to minority shareholders | (161) | (180) | (19) |
| Other, net | (38) | (24) | 14 |
| Net cash provided by (used in) financing activities | <u>(6,699)</u> | <u>(7,604)</u> | <u>(904)</u> |
| Effect of exchange rate changes on cash and cash equivalents | <u>173</u> | <u>(157)</u> | <u>(331)</u> |
| Net increase (decrease) in cash and cash equivalents | (1,068) | (1,755) | (686) |
| Cash and cash equivalents at beginning of year | 12,102 | 13,214 | 1,112 |
| Increase due to inclusion of subsidiaries in consolidation | <u>975</u> | <u>27</u> | <u>(948)</u> |
| Cash and cash equivalents at end of term | <u><u>12,008</u></u> | <u><u>11,486</u></u> | <u><u>(522)</u></u> |

(4) Segment Information

Business Segments

| | Nine months ended December 20, 2006 | | | | | | (Millions of yen) | |
|----------------------------------|-------------------------------------|----------|--------------------|--------------------------|--------|---------|--------------------------|--------------|
| | Motion Control | Robotics | System Engineering | Information Technologies | Other | Total | Eliminations & Corporate | Consolidated |
| Net sales | | | | | | | | |
| Sales to third parties | 119,686 | 89,544 | 31,728 | 18,421 | 5,623 | 265,005 | - | 265,005 |
| Intersegment sales and transfers | 13,802 | 304 | 2,078 | 2,231 | 13,705 | 32,123 | (32,123) | - |
| Total sales | 133,489 | 89,849 | 33,807 | 20,653 | 19,329 | 297,129 | (32,123) | 265,005 |
| Operating costs and expenses | 118,260 | 83,783 | 34,441 | 20,125 | 17,899 | 274,509 | (32,160) | 242,348 |
| Operating income (loss) | 15,229 | 6,066 | (634) | 528 | 1,430 | 22,620 | 36 | 22,657 |

(Note) 1. Business segments are divided according to the classification adopted for internal management.

2. The name of the "Robotics Automation" segment was changed to "Robotics". This change has no effect.

3. Changes in accounting methods

(1)The Company has adopted "Accounting Standard for Directors' Bonus". As a result of this change, operating costs and expenses in the third quarter increased for Motion Control by 46 million yen, Robotics by 25 million yen, System Engineering by 18 million yen, Information Technologies by 15 million yen, and Other by 14 million yen. Operating income decreased as much for each business segment.

(2)Directors' retirement benefits had previously been recognized when actual payment was made, however the company decided to make an allowance for directors' retirement benefits as necessary according to the provisions of the Company's bylaw at the end of the third quarter. As a result of this change, operating costs and expenses in the third quarter increased for Motion Control by 40 million yen, Robotics by 26 million yen, System Engineering by 18 million yen, and Other by 5 million yen. Operating income decreased as much for each business segment.

(3)The earnings and expenses of overseas subsidiaries had previously been calculated using the spot exchange rate on the record date, however the Company decided to use the average exchange rate during the accounting period. As a result of this change, net sales decreased for Motion Control by 1,409 million yen, Robotics by 802 million yen, and Information Technologies by 0 million yen. Operating costs and expenses decreased for Motion Control by 1,272 million yen, Robotics by 785 million yen, and Information Technologies by 0 million yen. Operating income decreased for Motion Control by 136 million yen, Robotics by 16 million yen, and Information Technologies by 0 million yen.

| | Nine months ended December 20, 2007 | | | | | | (Millions of yen) | |
|----------------------------------|-------------------------------------|----------|--------------------|--------------------------|--------|---------|--------------------------|--------------|
| | Motion Control | Robotics | System Engineering | Information Technologies | Other | Total | Eliminations & Corporate | Consolidated |
| Net sales | | | | | | | | |
| Sales to third parties | 132,387 | 89,603 | 32,415 | 15,259 | 5,289 | 274,956 | - | 274,956 |
| Intersegment sales and transfers | 15,860 | 312 | 1,994 | 2,390 | 14,292 | 34,849 | (34,849) | - |
| Total sales | 148,248 | 89,915 | 34,409 | 17,649 | 19,582 | 309,805 | (34,849) | 274,956 |
| Operating costs and expenses | 132,112 | 83,815 | 32,908 | 17,787 | 18,030 | 284,654 | (34,747) | 249,907 |
| Operating income (loss) | 16,136 | 6,100 | 1,501 | (138) | 1,551 | 25,151 | (102) | 25,048 |

(Note) 1. Business segments are divided according to the classification adopted for internal management.

Geographical Areas

| | Nine months ended December 20, 2006 | | | | | (Millions of yen) | |
|----------------------------------|-------------------------------------|--------------|--------|--------|---------|--------------------------|--------------|
| | Japan | The Americas | Europe | Asia | Total | Eliminations & Corporate | Consolidated |
| Net sales | | | | | | | |
| Sales to third parties | 171,832 | 39,226 | 32,392 | 21,554 | 265,005 | - | 265,005 |
| Intersegment sales and transfers | 40,631 | 169 | 270 | 7,822 | 48,894 | (48,894) | - |
| Total sales | 212,463 | 39,396 | 32,663 | 29,377 | 313,900 | (48,894) | 265,005 |
| Operating costs and expenses | 198,093 | 35,446 | 30,978 | 26,596 | 291,115 | (48,766) | 242,348 |
| Operating income | 14,369 | 3,949 | 1,684 | 2,781 | 22,785 | (127) | 22,657 |

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

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

The Americas - U.S.A., etc

Europe – Germany, Sweden, The United Kingdom, etc

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

3. Changes in accounting methods

(1) The Company has adopted “Accounting Standard for Directors’ Bonus”. As a result of this change, operating costs and expenses in the third quarter increased for Japan by 120 million yen. Operating income decreased as much.

(2) Directors’ retirement benefits had previously been recognized when actual payment was made, however the company decided to make an allowance for directors’ retirement benefits as necessary according to the provisions of the Company’s bylaw at the end of the third quarter. As a result of this change, operating costs and expenses in the third quarter increased for Japan by 90 million yen. Operating income decreased as much.

(3) The earnings and expenses of overseas subsidiaries had previously been calculated using the spot exchange rate on the record date, however the Company decided to use the average exchange rate during the accounting period. As a result of this change, net sales decreased for The Americas by 133 million yen, Europe by 1,500 million yen, and Asia by 640 million yen. Operating costs and expenses decreased for The Americas by 122 million yen, Europe by 1,418 million yen, and Asia by 580 million yen. Operating income decreased for The Americas by 10 million yen, Europe by 82 million yen, and Asia by 60 million yen.

| | Nine months ended December 20, 2007 | | | | | (Millions of yen) | |
|----------------------------------|-------------------------------------|---------------|--------|--------|---------|--------------------------|--------------|
| | Japan | North America | Europe | Asia | Total | Eliminations & Corporate | Consolidated |
| Net sales | | | | | | | |
| Sales to third parties | 168,803 | 35,216 | 41,250 | 29,686 | 274,956 | - | 274,956 |
| Intersegment sales and transfers | 45,097 | 127 | 329 | 7,609 | 53,163 | (53,163) | - |
| Total sales | 213,900 | 35,343 | 41,579 | 37,295 | 328,119 | (53,163) | 274,956 |
| Operating costs and expenses | 198,892 | 31,959 | 38,136 | 34,020 | 303,008 | (53,101) | 249,907 |
| Operating income | 15,008 | 3,383 | 3,443 | 3,274 | 25,110 | (61) | 25,048 |

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

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

The Americas - U.S.A., etc

Europe – Germany, Sweden, The United Kingdom, etc

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

Overseas Sales

| | Nine months ended December 20, 2006 | | | | (Millions of yen) |
|--|-------------------------------------|--------|--------|-------|-------------------|
| | The Americas | Europe | Asia | Other | Total |
| Overseas sales | 40,691 | 33,636 | 47,210 | 964 | 122,504 |
| Consolidated sales | - | - | - | - | 265,005 |
| Percentage of overseas sales in consolidated sales | 15% | 13% | 18% | 0% | 46% |

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

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

The 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.

4. Changes in accounting methods

The earnings and expenses of overseas subsidiaries had previously been calculated using the spot exchange rate on the record date, however the Company decided to use the average exchange rate during the accounting period. As a result of this change, overseas sales decreased for The Americas by 128 million yen, Europe by 1,475 million yen, Asia by 534 million yen, and Other by 8 million yen. Consolidated sales decreased by 2,145 million yen. This change had minor effect on the percentage of overseas sales in consolidated sales.

| | Nine months ended December 20, 2007 | | | | (Millions of yen) |
|--|-------------------------------------|--------|--------|-------|-------------------|
| | The Americas | Europe | Asia | Other | Total |
| Overseas sales | 39,310 | 42,275 | 56,166 | 905 | 138,658 |
| Consolidated sales | - | - | - | - | 274,956 |
| Percentage of overseas sales in consolidated sales | 14% | 15% | 21% | 0% | 50% |

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

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

The 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.