

Summary of Consolidated Results for the Fiscal Year Ended March 20, 2009

April 15, 2009

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 Consolidated Results for Fiscal Year 2008 (March 21, 2008 to March 20, 2009)

(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 Statements of Income

	(Millions of yen, except for per share data)			
	Year ended March 20, 2009	Change	Year ended March 20, 2008	Change
Net sales	350,249	(8.4%)	382,327	3.6%
Operating income	20,806	(43.0%)	36,487	8.7%
Ordinary income	20,024	(43.1%)	35,212	5.5%
Net income	6,892	(65.9%)	20,242	6.6%
Earnings per share (basic, Yen)	27.38	-	81.46	-
Earnings per share (diluted, Yen)	-	-	80.50	-
Return on shareholders' equity (%)	7.0	-	22.3	-
Return on assets (%)	7.4	-	12.5	-
Operating income ratio (%)	5.9	-	9.5	-

Reference: Equity in earnings of affiliated companies

Year ended March 20, 2009: ¥485 million

Year ended March 20, 2008: ¥1,195 million

(2) Summary of Consolidated Financial Position

	(Millions of yen, except ratio and per share data)	
	Year ended March 20, 2009	Year ended March 20, 2008
Total assets	249,111	289,206
Net assets	102,421	106,454
Shareholders' equity ratio (%)	39.0	34.9
Net assets per share (Yen)	385.60	400.71

Reference: Shareholders' equity

Year ended March 20, 2009: ¥97,068 million

Year ended March 20, 2008: ¥100,862 million

(3) Summary of Consolidated Statements of Cash Flows

	(Millions of yen)	
	Year ended March 20, 2009	Year ended March 20, 2008
Net cash provided by (used in) operating activities	12,485	17,688
Net cash provided by (used in) investing activities	(10,687)	(9,933)
Net cash provided by (used in) financing activities	(2,061)	(8,790)
Cash and cash equivalents at end of period	10,629	11,864

2. Dividend Distribution

		Year Ended March 20, 2008	Year Ended March 20, 2009	Year Ending March 20, 2010 (forecast)
Dividend per share (Yen)	End of 1Q	-	-	-
	End of 2Q	5.00	6.50	1.50
	End of 3Q	-	-	-
	Year-end	5.00	6.50	1.50
	Annual total	10.00	13.00	3.00
Annual cash dividends paid (millions of yen)		2,519	3,275	-
Dividend payout ratio (consolidated)		12.3%	47.5%	-
Dividend on net assets (consolidated)		2.7%	3.3%	-

3. Projected Consolidated Results for the Fiscal Year Ending March 20, 2010

(Millions of yen, except for per share data)

	Six months ending September 20, 2009	Change	Year ending March 20, 2010	Change
Net sales	90,000	(52.5%)	220,000	(37.2%)
Operating income	(10,000)	-	(8,000)	-
Ordinary income	(10,000)	-	(8,000)	-
Net income	(7,000)	-	(5,500)	-
Earnings per share (Yen)	(27.81)	-	(21.85)	-

4. Other

(1) Changes in Scope of Consolidation: None

(2) Changes in Accounting Methods and Description

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

(3) Number of Common Shares Outstanding

1. The number of shares outstanding including treasury stock:
Year ended March 20, 2009: 252,331,938 shares
Year ended March 20, 2008: 252,331,938 shares
2. The number of treasury stocks at the end of the period:
Year ended March 20, 2009: 596,451 shares
Year ended March 20, 2008: 622,312 shares

(Reference) Non-Consolidated Information

1. Summary of Non-Consolidated Results for the Fiscal Year 2008 (March 21, 2008 to March 20, 2009)

(1) Summary of Non-Consolidated Statements of Income

(Millions of yen, except for per share data)

	Year ended March 20, 2009	Change	Year ended March 20, 2008	Change
Net sales	188,185	(14.3%)	219,693	1.6%
Operating income	2,660	(82.9%)	15,576	10.2%
Ordinary income	9,780	(52.1%)	20,434	3.1%
Net income	6,471	(55.6%)	14,583	13.4%
Earnings per share (basic, Yen)	25.68	-	58.61	-
Earnings per share (diluted, Yen)	-	-	57.92	-

(2) Summary of Non-Consolidated Financial Position

	(Millions of yen, except ratio and per share data)	
	Year ended March 20, 2009	Year ended March 20, 2008
Total assets	161,416	195,334
Net assets	71,857	69,961
Shareholders' equity ratio (%)	44.5	35.8
Net assets per share (Yen)	285.18	277.64

Reference: Shareholders' equity
Year ended March 20, 2009: ¥71,857 million
Year ended March 20, 2008: ¥69,961 million

2. Projected Non-Consolidated Results for the Fiscal Year Ending March 20, 2010

	(Millions of yen, except for per share data)			
	Six months ending September 20, 2009	Change	Year ending March 20, 2010	Change
Net sales	40,000	(61.9%)	103,000	(45.3%)
Operating income	(11,000)	-	(14,000)	-
Ordinary income	(7,500)	-	(9,000)	-
Net income	(5,000)	-	(6,000)	-
Earnings per share (Yen)	(19.84)	-	(23.81)	-

About the Appropriate Use of Business Forecasts

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.

1. Business Results

(1) Overview on Business Performance

1. Business Performance of Fiscal Year 2008

In the fiscal year 2008, which ended on March 20, 2009, economic trends were relatively healthy in the first half. However, in the second half, the rapidly expanding financial crisis that originated in the United States had a severe impact on the real economy worldwide. The result was a downturn in the operating environment for the Yaskawa Group that produced challenges of an unprecedented magnitude.

In response, the Yaskawa Group used powerful new products that have been launched since the previous fiscal year to conduct more vigorous sales activities targeting strong markets and strong customers. These activities produced first half growth in sales of industrial robots and sales in Asia. However, second half performance was affected by the trend of cutting back capital expenditures in the automobile, semiconductor and FPD industries, the primary sources of demand for the group's products. Orders in the motion control and robotics segments dropped sharply. The rapid appreciation of the yen also had a significant negative impact on second half performance.

Due to these factors, net sales decreased 8.4% from the previous year to ¥350,249 million, operating income was down 43.0% to ¥20,806 million, ordinary income was down 43.1% to ¥20,024 million, and net income fell 65.9% to ¥6,892 million.

2. Results by Business Segment

The Yaskawa Group has five separate business segments. Please refer to "2. Group Overview" on page 8 for the main products of each segment. The business results of each segment are as follows.

Business segment	Year Ended March 20, 2009	
	Net sales (year-on-year change from the previous fiscal year)	Operating income (year-on-year change from the previous fiscal year)
Motion Control	¥160,848 million (down by ¥17,051 million)	¥11,755 million (down by ¥9,615 million)
Robotics	¥114,124 million (down by ¥9,425 million)	¥3,200 million (down by ¥5,375 million)
System Engineering	¥46,768 million (down by ¥3,748 million)	¥4,637 million (up by ¥696 million)
Information Technologies	¥21,342 million (down by ¥1,841 million)	¥616 million (up by ¥195 million)
Other	¥7,166 million (down by ¥9 million)	¥588 million (down by ¥1,475 million)

■ Motion Control

Sales of AC servo drives and controllers were brisk in the first quarter of the fiscal year to companies in the electronic components and FPD industries. In the second half, though, orders fell as demand for these products plunged.

Sales of AC drives were also strong in the first half, but orders fell in the second half. Overall, segment sales and earnings were lower than in fiscal 2007.

■ Robotics

Sales of welding and handling robots, which are sold mainly to companies in the automobile industry, were strong in the first half to customers in Europe. In the FDP sector, first half orders reached an all-time high. In the second half, there was a big drop in orders as companies in the automobile and FDP industries cut back or postponed their capital expenditures.

In addition, the prolonged period of sluggish capital spending by producers of semiconductor

manufacturing equipment significantly affected sales to these customers. Overall, segment sales and earnings were lower than one year earlier.

■ System Engineering

In this segment, earnings increased as in the previous fiscal year because of continuing strength in sales to the steel industry and the rigorous management of profitability.

■ Information Technologies

Sales decreased slightly but earnings were higher because of an improvement in the procedures for managing projects.

(Reference) Non-Consolidated Information

On a non-consolidated basis, net sales decreased 14.3% from the previous year to ¥188,185 million, operating income decreased 82.9% to ¥2,660 million, ordinary income decreased 52.1% to ¥9,780 million and net income decreased 55.6% to ¥6,471 million.

3. Outlook for Fiscal Year 2009

In the fiscal year 2009, the Yaskawa Group will take the actions listed on page 11 in order to overcome the enormous challenges posed by the current operating climate. However, at this time, the forecast for the fiscal year is as follows.

The forecast is based on average exchange rates of ¥90 to the U.S. dollar and ¥120 to the euro.

Fiscal Year 2009 Consolidated

	Fiscal Year 2009 (forecast)	Year-on-year Change
Net sales	¥220,000 million	Down by ¥130,249 million (37.2%)
Operating income	(¥8,000) million	Down by ¥28,806 million
Ordinary income	(¥8,000) million	Down by ¥28,024 million
Net income	(¥5,500) million	Down by ¥12,392 million

(Reference) Fiscal Year 2009 Non-Consolidated

	Fiscal Year 2009 (forecast)	Year-on-year Change
Net sales	¥103,000 million	Down by ¥85,185 million (45.3%)
Operating income	(¥14,000) million	Down by ¥16,660 million
Ordinary income	(¥9,000) million	Down by ¥18,780 million
Net income	(¥6,000) million	Down by ¥12,471 million

(2) Overview on Financial Condition

1. Balance Sheet Highlights

Total assets were ¥249,111 million on March 20, 2009, ¥40,095 million less than one year earlier. Current assets decreased ¥35,488 million mainly because of a decline in trade notes and accounts receivable. Fixed assets decreased ¥4,606 million mainly because of a decline in the book values of investments in securities caused by the fall in stock prices.

Total liabilities decreased ¥36,062 million to ¥146,689 million. This was mainly attributable to a ¥32,257 million decrease in current liabilities resulting primarily from declines in trade notes and accounts payable and accrued income taxes.

Total net assets decreased ¥4,033 million to ¥102,421 million. There was an increase of ¥4,025 million in shareholders' equity mainly because of higher retained earnings. However, there was a ¥7,819 million decrease in valuation and translation adjustments. This was the result of a decline in the book values of securities and changes in foreign exchange rates.

2. Cash Flow

Cash and cash equivalents amounted to ¥10,629 million on March 20, 2009, a net decrease of ¥1,234 million from one year earlier.

Net cash provided by operating activities was ¥12,485 million. Major components of operating cash flows were income before income taxes and minority interests of ¥15,827 million, depreciation and amortization of ¥8,028 million, decreases of ¥21,990 million in trade receivables and ¥15,096 million in trade payables, and income taxes paid of ¥14,912 million.

Net cash used in investing activities was ¥10,687 million. The primary uses of cash were payments of ¥8,472 million for purchases of property, plant and equipment and ¥2,033 million for purchases of investment securities.

Free cash flows, the sum of cash flows from operating and investing activities, resulted in an inflow of ¥1,797 million.

Net cash used in financing activities was ¥2,061 million. Cash was used mostly for dividend payments of ¥2,897 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 2006		Fiscal Year 2007		Fiscal Year 2008	
	End of first half	End of full year	End of first half	End of full year	End of first half	End of full year
Shareholders' equity ratio (%)	23.4	29.6	34.2	34.9	36.6	39.0
Shareholders' equity ratio based on market value (%)	105.2	118.9	123.1	81.6	54.4	44.1
Ratio of interest-bearing debt against cash flow (years)	5.1	3.1	1.6	1.9	1.9	2.6
Interest coverage ratio (times)	<u>9.2</u>	<u>11.8</u>	<u>19.7</u>	<u>15.5</u>	<u>18.9</u>	<u>12.3</u>

Notes: 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

(Operating cash flows as of the end of the first half of the fiscal years are doubled to convert to the annual figure.)

Interest coverage ratio = operating cash flow/interest expense

*All calculations were made on a consolidated base.

*Market value of total shares is calculated based on the number of shares issued except treasury stock.

*Interest incurring debt consists of all debt appearing on the balance sheet that incurs interest.

*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 2008 and 2009

Regarding profit distribution, our goal is to secure stable and continuous cash dividends to our shareholders as well as some in 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.

The year-end dividend for this fiscal year is, as initially declared, ¥6.5 per share. Together with the interim dividend of ¥6.5 paid previously, total annual cash dividend for the fiscal year 2008 is ¥13 per share. As for the projected cash dividend for the fiscal year 2009, the Company expects to pay the annual dividend of ¥3 per share, including the interim dividend of ¥1.5 and the year-end dividend of ¥1.5.

2. Group Overview

The Yaskawa Group consists of 80 subsidiaries and 21 affiliated companies as of March 20, 2009. The group is organized into five main business segments, each with businesses such as production, sales, installation, maintenance, and engineering. These segments are Motion Control, Robotics, System Engineering, Information Technologies, and Other.

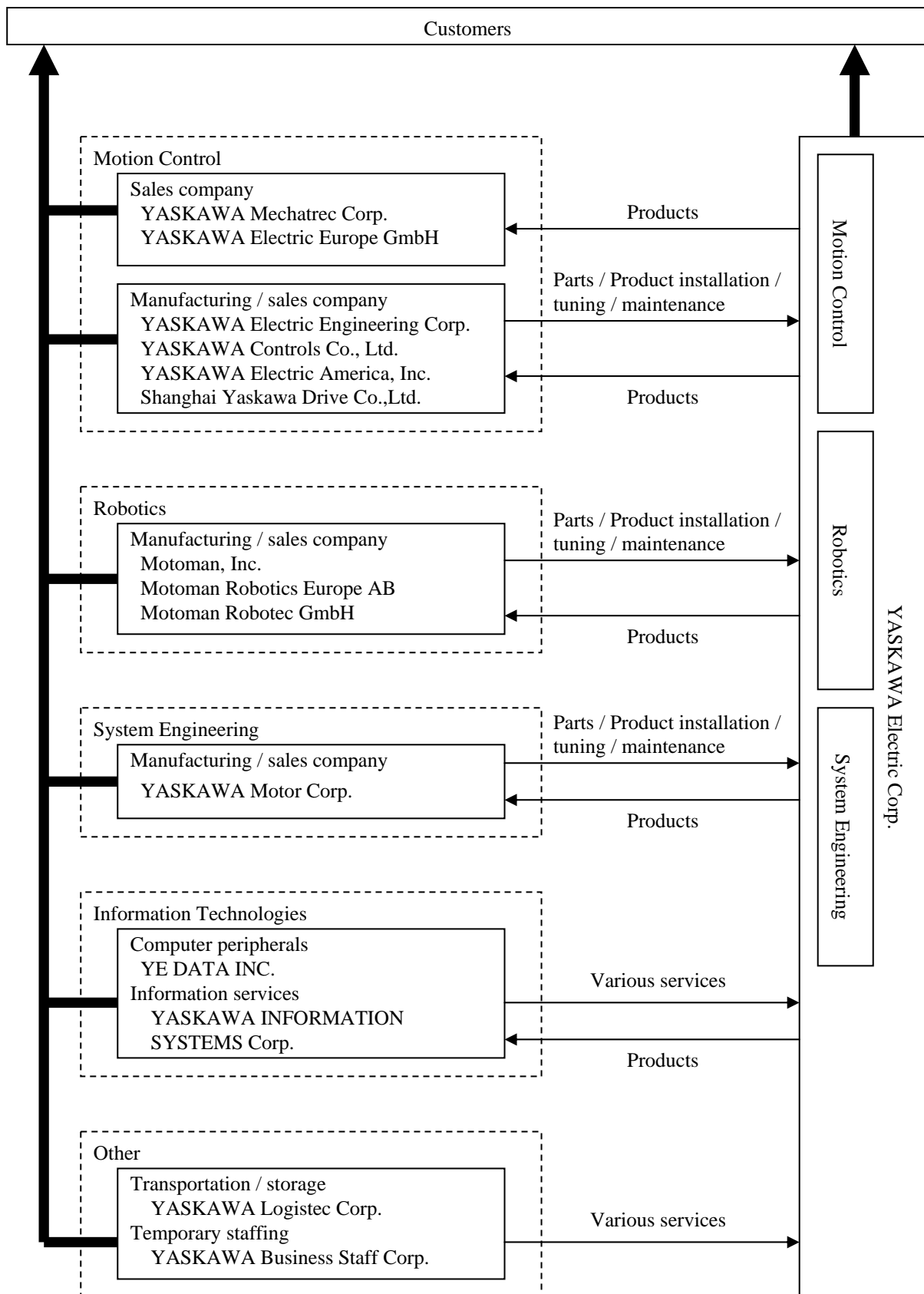
The following table shows the main products of each segment, and major companies which are engaged in each business.

Segments and Main Products	Major Companies
(Motion Control) AC servomotors and controllers, general-purpose inverter drives, AC spindle motors and controllers for machine tools, linear motors and controllers, DC servomotors and controllers, high-speed motors, compact precision motors, hybrid motors, energy-saving motors and inverter drives, high-frequency inverter drives, programmable controllers, machine controllers, numerical control systems, vision systems, etc.	YASKAWA Electric Corp. YASKAWA Electric Engineering Corp. YASKAWA Controls Co., Ltd. YASKAWA Mechatrec Corp. YASKAWA Electric America, Inc. YASKAWA Electric Europe GmbH Shanghai Yaskawa Drive Co.,Ltd.
(Robotics) Arc welding robots, spot welding robots, painting robots, handling robots, new generation robots, clean/vacuum robots for semiconductor and LCDmanufacturing equipment, special actuators, transfer systems for clean/vacuum environment, robot-application FA systems, medical care and welfare service robots, etc.	YASKAWA Electric Corp. Motoman, Inc. Motoman Robotics Europe AB Motoman Robotec GmbH
(System Engineering) Electrical systems for steel plants, electrical instrumentation for water supply plants and sewage treatment facilities systems, roadway equipment power supplies systems, electrical systems for environmental plants, power mechatronics systems, control systems for harbor loading and unloading cranes, variable-speed drive systems for for printing machines and production equipments of paper, film and fabric, system information control equipment, medium-capacity medium-voltage inverter drives, medium-voltage switching devices, control centers, system control panels, electric power distribution equipment, internal permanent magnet motors, medium and large induction motors, small power generators and power generation equipment, rotating machines for other production uses, etc.	YASKAWA Electric Corp. YASKAWA Motor Corp.
(Information Technologies) Floppy disk drives, 2-dimensional cord marking and reading devices, information management software and services, machines for office applications, etc.	YE DATA INC. * YASKAWA INFORMATION SYSTEMS Corp. *
(Other) Logistics service, temporary staffing service, etc.	YASKAWA Logistec Corp. YASKAWA Business Staff Corp.

*YE DATA INC. and YASKAWA INFORMATION SYSTEMS Corp. are listed on the Tokyo Stock Exchange 2nd Section.

(Business and Organizational Chart)

The following chart illustrates the group of companies.



(Note) All of the companies mentioned above are consolidated subsidiaries.
Only major companies are shown.

3. Management Policies

(1) Fundamental Management Policies

(2) Management Goals

As for the above-mentioned items, disclosure is omitted as no significant changes were made to the corresponding items in “Summary of Consolidated Results for the Six Months Ended September 20, 2006” disclosed on October 31, 2006. This document can be obtained from the URL below.

< Yaskawa Electric Corporation Website >

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

(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 business 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 solutions” 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 is starting a three-year mid-term business plan called “Challenge 100”, which calls for group companies to “overcome adversity by taking on the challenge of creating new forms of value and new markets.” In established businesses, the group will differentiate itself from competitors by taking extensive actions to boost efficiency and adding more value to products and services. At the same time, the group will aim for sustained growth. To accomplish this goal, the group is tackling the challenge of using its distinctive technologies, products and services to create new forms of value and new markets in two business domains: “Robotics Human Assist” and “Environmental & Energy”.

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, succeed in today’s difficult operating climate by improving efficiency and better responding to changes in markets.

2) Major initiatives

- Extensively strengthen the structure of established businesses
- Pursue growth strategies that do not rely on the growth of markets
- Speed up growth outside Japan by better adapting to changes in markets
- Use strategic investments and alliances to launch and expand new businesses
- Create new forms of value (business models) based on skill in offering new solutions

- Foster a workforce made up of people who are constantly willing to take on new challenges

3) Numerical goals

The Yaskawa Group has not established numerical goals at this time because rapid changes in the operating climate make the outlook for market conditions extremely uncertain. The group plans to announce numerical goals once the operating climate becomes more stable.

(4) Management Initiatives and challenges

The financial crisis has had a severe impact worldwide on the real economy. The result is an extremely challenging operating climate for the Yaskawa Group caused by weak demand for the group's products and foreign exchange rate volatility.

To succeed in this environment, the group aims to target markets with good prospects, increase its share of markets where the group is currently active, and cut costs.

Group companies are taking the following actions in order to achieve these goals.

- Target and open up markets with good prospects and increase market share in current markets

AC servomotors: Aggressively target market needs that have not yet emerged, while increasing sales by making sure not to miss opportunities created when demand rebounds.

AC drives: Focus on targeting global demand for energy conservation by using a new product lineup offering even more selections.

Industrial robots: Supply robots targeting opportunities created as automakers shift resources to compact cars; further expand the market for new-generation robots.

- Reinforce the framework for capturing orders

Increase orders by (1) establishing a Corporate Sales & Marketing Division that is supervised directly by the company president so that activities to enhance sales be led by the top management and by (2) using an approach that incorporates all business segments to meet the needs of customers where potential demand is substantial.

- Develop new products that can overcome a difficult operating climate

Accelerate market development and technology development, while upgrading skills in using systems to meet customers' needs.

- Increase productivity by introducing the company's robots to the in-house production facilities; leverage the know-how earned to improve expertise in providing solutions for customers.

- Rigorously implement cost-cutting measures that can produce immediate benefits.

To pursue medium- and long-term goals, the Yaskawa Group has started implementation of "Challenge 100" in fiscal 2009, following the previous mid-term business plan "DASH 100". Primary objectives and other information about this plan are explained on the previous page.

4. Consolidated Financial Statements

Consolidated Balance Sheet

	(Millions of yen)			
	As of March 20, 2008		As of March 20, 2009	Change
	% of Total		% of Total	
Assets				
Current assets				
Cash and time deposits	12,004		10,794	
Trade notes and accounts receivable	110,473		88,136	
Short-term investments	20		-	
Inventories	57,902		54,705	
Deferred tax assets	7,504		4,374	
Other current assets	17,634		12,104	
Allowance for doubtful accounts	(978)		(1,041)	
Total current assets	<u>204,561</u>	<u>70.7</u>	<u>169,073</u>	<u>(35,488)</u>
Fixed assets				
Property, plant and equipment				
Buildings and structures	18,460		17,301	
Machinery and transportation equipment	10,491		10,232	
Land	7,551		7,884	
Other tangible fixed assets	4,576		4,452	
Total property, plant and equipment	<u>41,079</u>	<u>14.2</u>	<u>39,871</u>	<u>(1,208)</u>
Intangible assets				
Goodwill	1,546		1,401	
Software	4,209		4,360	
Other intangible assets	1,032		1,063	
Total intangible assets	<u>6,788</u>	<u>2.4</u>	<u>6,824</u>	<u>36</u>
Investments and other assets				
Investments	19,334		15,403	
Long-term loans	306		267	
Deferred tax assets	13,790		13,235	
Other investments	4,342		5,558	
Allowance for doubtful accounts	(998)		(1,122)	
Total investments and other assets	<u>36,776</u>	<u>12.7</u>	<u>33,341</u>	<u>(3,434)</u>
Total fixed assets	<u>84,644</u>	<u>29.3</u>	<u>80,037</u>	<u>(4,606)</u>
Total Assets	<u><u>289,206</u></u>	<u><u>100.0</u></u>	<u><u>249,111</u></u>	<u><u>(40,095)</u></u>

Consolidated Balance Sheet (Continued)

	(Millions of yen)				
	As of March 20, 2008		As of March 20, 2009		Change
	%	%	%	%	
	of Total	of Total	of Total	of Total	
Liabilities					
Current liabilities					
Trade notes and accounts payable	74,370		54,252		
Short-term bank loans	26,256		27,609		
Accrued expenses	19,152		16,473		
Accrued income taxes	8,337		-		
Accrued directors' bonus	223		60		
Other current liabilities	11,865		9,552		
Total current liabilities	<u>140,205</u>	<u>48.5</u>	<u>107,948</u>	<u>43.3</u>	<u>(32,257)</u>
Long-term liabilities					
Long-term debt	7,573		5,285		
Accrued retirement benefits for employees	33,607		32,034		
Accrued retirement benefits for directors	823		266		
Other long-term liabilities	541		1,155		
Total long-term liabilities	<u>42,546</u>	<u>14.7</u>	<u>38,741</u>	<u>15.6</u>	<u>(3,804)</u>
Total liabilities	<u>182,751</u>	<u>63.2</u>	<u>146,689</u>	<u>58.9</u>	<u>(36,062)</u>
Net assets					
Shareholders' equity					
Common stock	23,062	8.0	23,062	9.3	-
Additional paid-in capital	18,652	6.4	18,681	7.5	28
Retained earnings	56,988	19.7	60,983	24.4	3,995
Treasury stock, at cost	(359)	(0.1)	(357)	(0.1)	1
Total shareholders' equity	<u>98,343</u>	<u>34.0</u>	<u>102,369</u>	<u>41.1</u>	<u>4,025</u>
Valuation and translation adjustments					
Net unrealized holding gain on securities	1,607	0.6	(113)	(0.0)	(1,720)
Deferred gains (losses) on hedges	(10)	(0.0)	(67)	(0.0)	(56)
Foreign currency translation adjustments	921	0.3	(5,119)	(2.1)	(6,041)
Total valuation and translation adjustments	<u>2,518</u>	<u>0.9</u>	<u>(5,301)</u>	<u>(2.1)</u>	<u>(7,819)</u>
Minority interests	<u>5,592</u>	<u>1.9</u>	<u>5,353</u>	<u>2.1</u>	<u>(239)</u>
Total net assets	<u>106,454</u>	<u>36.8</u>	<u>102,421</u>	<u>41.1</u>	<u>(4,033)</u>
Total liabilities and net assets	<u><u>289,206</u></u>	<u><u>100.0</u></u>	<u><u>249,111</u></u>	<u><u>100.0</u></u>	<u><u>(40,095)</u></u>

Consolidated Statements of Income

(Millions of yen)

	Year Ended March 20, 2008		Year Ended March 20, 2009		Change
		% of Total		% of Total	
Net sales	382,327	100.0	350,249	100.0	(32,077)
Cost of sales	271,725	71.1	258,541	73.8	(13,184)
Gross profit	110,601	28.9	91,708	26.2	(18,893)
Selling, general and administrative expenses	74,113	19.4	70,901	20.3	(3,212)
Operating income	36,487	9.5	20,806	5.9	(15,680)
Non-operating income					
Interest and dividend received	537		517		
Equity in earnings of associated companies	1,195		485		
Miscellaneous income	497		628		
Total non-operating income	2,230	0.6	1,631	0.5	(599)
Non-operating expense					
Interest expense	1,137		997		
Foreign exchange loss	2,066		670		
Miscellaneous expenses	301		745		
Total non-operating expenses	3,505	0.9	2,413	0.7	(1,092)
Ordinary income	35,212	9.2	20,024	5.7	(15,188)
Extraordinary income					
Proceeds from sales of fixed assets	7		36		
Proceeds from sales of investment securities	24		3		
Other extraordinary income	117		4		
Total extraordinary income	149	0.0	44	0.0	(105)
Extraordinary loss					
Loss from disposal of fixed assets	253		212		
Loss on devaluation of investment securities	150		2,221		
Impairment loss	301		104		
Other extraordinary loss	361		1,702		
Total extraordinary loss	1,066	0.2	4,240	1.2	3,174
Income before income taxes and minority interests	34,295	9.0	15,827	4.5	(18,467)
Provision for income taxes- current	13,432	3.5	5,020	1.4	(8,412)
Additional income tax for previous periods	604	0.2	-	-	(604)
Reversal of income taxes payable for previous periods	(262)	(0.1)	(214)	(0.1)	48
Provision for income taxes- deferred	(38)	(0.0)	4,160	1.2	4,199
Minority interests	317	0.1	(32)	(0.0)	(349)
Net income	20,242	5.3	6,892	2.0	(13,349)

Consolidated Statement of Changes in Net Assets (Fiscal year 2007: From March 21, 2007 to March 20, 2008)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 20, 2007	19,953	15,489	38,736	(282)	73,897
Changes during the year					
Exercise of stock acquisition rights	3,108	3,091			6,199
Cash dividends			(1,990)		(1,990)
Net income			20,242		20,242
Acquisition of treasury stock				(103)	(103)
Disposition of treasury stock		71		26	98
Increase resulting from inclusion of additional subsidiaries in the scope of consolidation and equity method			0		0
Net changes in items other than shareholders' equity					
Total changes during the year	3,108	3,163	18,252	(77)	24,446
Balance at March 20, 2008	23,062	18,652	56,988	(359)	98,343

	Valuation and translation adjustments				Minority interests	Total net assets
	Net unrealized gains on other securities	Net deferred hedge income (losses)	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance at March 20, 2007	4,619	(8)	2,280	6,890	5,454	86,242
Changes during the year						
Exercise of stock acquisition rights						6,199
Cash dividends						(1,990)
Net income						20,242
Acquisition of treasury stock						(103)
Disposition of treasury stock						98
Increase resulting from inclusion of additional subsidiaries in the scope of consolidation and equity method						0
Net changes in items other than shareholders' equity	(3,012)	(1)	(1,358)	(4,372)	138	(4,234)
Total changes during the year	(3,012)	(1)	(1,358)	(4,372)	138	20,212
Balance at March 20, 2008	1,607	(10)	921	2,518	5,592	106,454

Consolidated Statement of Changes in Net Assets (Fiscal year 2008: From March 21, 2008 to March 20, 2009)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 20, 2008	23,062	18,652	56,988	(359)	98,343
Changes during the year					
Cash dividends			(2,897)		(2,897)
Net income			6,892		6,892
Acquisition of treasury stock				(28)	(28)
Disposal of treasury stock		28		30	58
Increase due to increase in subsidiaries			425		425
Decrease due to exclusion of equity method affiliates from the scope of consolidation			(425)		(425)
Net changes in items other than shareholders' equity					
Total changes during the year	-	28	3,995	1	4,025
Balance at March 20, 2009	23,062	18,681	60,983	(357)	102,369

	Valuation and translation adjustments				Minority interests	Total net assets
	Net unrealized gains on other securities	Net deferred hedge income (losses)	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance at March 20, 2008	1,607	(10)	921	2,518	5,592	106,454
Changes during the year						
Cash dividends						(2,897)
Net income						6,892
Acquisition of treasury stock						(28)
Disposal of treasury stock						58
Increase due to increase in subsidiaries						425
Decrease due to exclusion of equity method affiliates from the scope of consolidation						(425)
Net changes in items other than shareholders' equity	(1,720)	(56)	(6,041)	(7,819)	(239)	(8,059)
Total changes during the year	(1,720)	(56)	(6,041)	(7,819)	(239)	(4,033)
Balance at March 20, 2009	(113)	(67)	(5,119)	(5,301)	5,353	102,421

Consolidated Statements of Cash Flows

	(Millions of yen)		
	Year ended March 20, 2008	Year ended March 20, 2009	Year-on-year change
Cash flows from operating activities			
Income before income taxes and minority interests	34,295	15,827	
Depreciation and amortization	7,676	8,028	
Impairment loss	301	104	
Provision for employees' retirement benefits, net of payments	(1,342)	(1,448)	
Gain on sales of investment securities	(24)	(3)	
Loss on write-down of investment securities	150	2,221	
Interest and dividend income	(537)	(517)	
Interest expense	1,137	997	
(Increase) decrease in trade receivables	(17,795)	21,990	
(Increase) decrease in inventories	(714)	(630)	
Increase (decrease) in trade payables	5,449	(15,096)	
Increase (decrease) in accrued expenses	435	(714)	
Other, net	(284)	(3,106)	
Subtotal	<u>28,748</u>	<u>27,654</u>	(1,093)
Interest and dividend received	960	759	
Interest paid	(1,143)	(1,016)	
Income taxes paid	<u>(10,876)</u>	<u>(14,912)</u>	
Net cash provided by (used in) operating activities	<u>17,688</u>	<u>12,485</u>	<u>(5,202)</u>
Cash flows from investing activities			
Purchases of property, plant and equipment	(9,116)	(8,472)	
Proceeds from sales of property, plant and equipment	174	109	
Purchases of investment securities	(1,252)	(2,033)	
Proceeds from sales of investment securities	50	8	
Proceeds from acquisition of securities of subsidiaries accompanied by changes in the scope of consolidation	165	-	
Other, net	44	(300)	
Net cash provided by (used in) investing activities	<u>(9,933)</u>	<u>(10,687)</u>	<u>(754)</u>
Cash flows from financing activities			
Increase (decrease) in short-term debt	3,287	4,820	
Proceeds from long-term debt	5,435	944	
Repayments of long-term debt	(5,359)	(4,760)	
Payments for redemption of corporate bonds	(10,000)	-	
Dividends paid	(1,990)	(2,897)	
Dividends paid to minority shareholders	(180)	(151)	
Other, net	17	(16)	
Net cash provided by (used in) financing activities	<u>(8,790)</u>	<u>(2,061)</u>	<u>6,729</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(341)</u>	<u>(971)</u>	<u>(630)</u>
Net increase (decrease) in cash and cash equivalents	(1,377)	(1,236)	141
Cash and cash equivalents at beginning of year	13,214	11,864	(1,350)
Increase due to inclusion of subsidiaries in consolidation	27	1	(25)
Cash and cash equivalents at end of year	<u>11,864</u>	<u>10,629</u>	<u>(1,234)</u>

Basis of Presentation of Consolidated Financial Statements

1. Scope of Consolidation

(1) Scope of consolidation and application of equity method

There are 63 consolidated subsidiaries and 14 companies accounted for using the equity method.

To more appropriately manage and present the consolidated financial statements, starting with the fiscal year that ended on March 20, 2009, Yaskawa Electric (Shanghai) Co., Ltd. and Shanghai Yaskawa Drive Co., Ltd. are preparing provisional annual financial statements as of February 28, 2009. In addition, Yaskawa Electric Taiwan Corp. has changed its fiscal year end to February 28, 2009, resulting in a transitional 14-month fiscal period ending on this date. These changes did not have a material effect on the consolidated financial statements.

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

Consolidation

New: 2 companies Eliminated: None

Equity method

New: None Eliminated: 3 companies

No further information is provided because there have been no significant changes since the most recent Securities Report (released on June 19, 2008).

Notes to the Consolidated Financial Statements

Exclusion of disclosure items

The notes do not include information concerning leases, related party transactions, tax-effect accounting, securities, derivatives and retirement benefits because the Company believes there is not a significant need to disclose these items in the context of this financial report.

These items will be included in the Securities Report that is scheduled to be released on June 19, 2009. Please use Electronic Disclosure for Investors NETwork (EDINET) to view this report once it is available.

Segment Information

Business Segments

	Year ended March 20, 2008						(Millions of yen)	
	Motion Control	Robotics	System Engineering	Information Technologies	Other	Total	Eliminations & Corporate	Consolidated
<u>Net sales and operating income</u>								
Sales to third parties	177,899	123,550	50,517	23,183	7,176	382,327	-	382,327
Intersegment sales and transfers	18,932	419	2,500	3,806	19,125	44,782	(44,782)	-
Total sales	196,832	123,969	53,017	26,990	26,301	427,110	(44,782)	382,327
Operating costs and expenses	175,461	115,392	49,077	26,569	24,236	390,737	(44,897)	345,839
Operating income	21,370	8,576	3,940	420	2,064	36,372	114	36,487
<u>Assets, depreciation, and capital expenditure</u>								
Assets	117,520	84,225	38,418	19,603	13,994	273,762	15,444	289,206
Depreciation	5,180	1,405	744	254	193	7,779	(103)	7,676
Impairment loss	-	-	-	-	-	-	301	301
Capital expenditure	7,181	1,535	512	275	126	9,630	(509)	9,121

(Note)

1. The business segments are classified based on similarity of product nature and manufacturing methods and selling methods, etc. The main products of each business segment are listed in "2. Group Overview".

2. Corporate assets included in "Eliminations & Corporate" amounted to 26,505 million yen. Those assets principally consisted of excess funds (cash and cash equivalents and short-term investments) and long-term investments (investment securities) of the Company.

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

Year Ended March 20, 2009

(Millions of yen)

	Motion Control	Robotics	System Engineering	Information Technologies	Other	Total	Eliminations & Corporate	Consolidated
<u>Net sales and operating income</u>								
Sales to third parties	160,848	114,124	46,768	21,342	7,166	350,249	-	350,249
Intersegment sales and transfers	14,990	552	2,138	3,048	7,033	27,763	(27,763)	-
Total sales	175,838	114,676	48,907	24,390	14,199	378,013	(27,763)	350,249
Operating costs and expenses	164,083	111,476	44,269	23,774	13,610	357,214	(27,771)	329,443
Operating income	11,755	3,200	4,637	616	588	20,798	7	20,806
<u>Assets, depreciation, impairment loss, and capital expenditure</u>								
Assets	97,007	74,608	37,337	18,140	8,984	236,077	13,033	249,111
Depreciation	5,428	1,694	598	317	96	8,136	(107)	8,028
Impairment loss	-	-	-	104	-	104	-	104
Capital expenditure	6,356	1,819	655	228	121	9,181	(570)	8,611

(Note)

- The business segments are classified based on similarity of product nature and manufacturing methods and selling methods, etc. The main products of each business segment are listed in "2. Group Overview".
- Corporate assets included in "Eliminations & Corporate" amounted to 19,116 million yen. Those assets principally consisted of excess funds (cash and cash equivalents and short-term investments) and long-term investments (investment securities) of the Company.
- Depreciation and capital expenditures include amortisation of and additions to long-term prepaid expenses.
- Starting with the fiscal year that ended on March 20, 2009, earnings and expenses in the logistics services business, which is part of the Other segment, that are associated with other business segments are included in each associated business segment rather than in the Other segment as in previous fiscal years. This change was made to report business segment earnings more accurately now that the Company established a system in the fiscal year that ended on March 20, 2009 for properly determining logistics services expenses in each business segment. Compared with the method used in prior fiscal year, this change reduced operating costs in the Motion Control, Robotics and System Engineering segments by ¥628 million, ¥428 million and ¥64 million, respectively, and increased operating income in each segment by the same amount. In the Other segment, this change reduced net sales by ¥11,067 million, operating expenses by ¥9,944 million and operating income by ¥1,122 million. In addition, this change increased assets in the Motion Control, Robotics, System Engineering and Information Technologies segments by ¥1,576 million, ¥987 million, ¥559 million and ¥124 million, respectively, increased depreciation and amortization in these segments by ¥191 million, ¥304 million, ¥10 million and ¥2 million, respectively, and increased capital expenditures in these segments by ¥170 million, ¥267 million, ¥21 million and ¥1 million, respectively. In the Other segment, this change reduced assets by ¥3,248 million, depreciation and amortization by ¥508 million, and capital expenditures by ¥460 million.

Geographical Areas

	Year Ended March 20, 2008					(Millions of yen)	
	Japan	The Americas	Europe	Asia	Total	Eliminations & Corporate	Consolidated
<u>Net sales and operating income</u>							
Sales to third parties	235,678	46,735	57,308	42,604	382,327	-	382,327
Intersegment sales and transfers	62,400	195	424	9,498	72,519	(72,519)	-
Total sales	298,078	46,931	57,733	52,103	454,846	(72,519)	382,327
Operating costs and expenses	275,967	42,356	52,737	47,323	418,383	(72,543)	345,839
Operating income	22,111	4,575	4,995	4,780	36,462	24	36,487
<u>Assets</u>	204,894	21,692	34,918	29,177	290,683	(1,476)	289,206

(Note)

- Geographical areas are divided into categories based on their geographical proximity.
- 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
- Corporate assets included in "Eliminations & Corporate" amounted to 26,505 million yen. Those assets principally consisted of excess funds (cash and cash equivalents and short-term investments) and long-term investments (investment securities) of the Company.

	Year Ended March 20, 2009					(Millions of yen)	
	Japan	The Americas	Europe	Asia	Total	Eliminations & Corporate	Consolidated
<u>Net sales and operating income</u>							
Sales to third parties	210,287	42,512	52,118	45,331	350,249	-	350,249
Intersegment sales and transfers	52,321	301	329	7,305	60,258	(60,258)	-
Total sales	262,609	42,814	52,447	52,637	410,508	(60,258)	350,249
Operating costs and expenses	252,177	39,640	49,663	48,952	390,433	(60,990)	329,443
Operating income	10,432	3,174	2,784	3,684	20,075	731	20,806
<u>Assets</u>	180,153	18,782	26,296	22,055	247,287	1,823	249,111

(Note)

- Geographical areas are divided into categories based on their geographical proximity.
- 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
- Corporate assets included in "Eliminations & Corporate" amounted to 19,116 million yen. Those assets principally consisted of excess funds (cash and cash equivalents and short-term investments) and long-term investments (investment securities) of the Company.

Overseas Sales

	Year Ended March 20, 2008				(Millions of yen)
	The Americas	Europe	Asia	Other	Total
Overseas sales	50,947	58,424	80,869	1,265	191,506
Consolidated sales	-	-	-	-	382,327
Percentage of overseas sales in consolidated sales	13%	15%	22%	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.

	Year Ended March 20, 2009				(Millions of yen)
	The Americas	Europe	Asia	Other	Total
Overseas sales	43,943	52,887	82,830	1,503	181,164
Consolidated sales	-	-	-	-	350,249
Percentage of overseas sales in consolidated sales	13%	15%	24%	0%	52%

(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.

Per Share Information

(yen)

Item	Year Ended March 20, 2008	Year Ended March 20, 2009
Net assets per share	400.71	385.60
Net income per share (basic)	81.46	27.38
Net income per share (diluted)	80.50	Net income per share (diluted) is not presented, since there is no potential stock.

Note: The following is the basis used for calculation of net income per share (basic) and net income per share (diluted).

	Year Ended March 20, 2008	Year Ended March 20, 2009
Net income per share (basic)		
Net income (millions of yen)	20,242	6,892
Net income not available to common shareholders (millions of yen)	-	-
Net income available to common shareholders (millions of yen)	20,242	6,892
Weighted average number of shares outstanding (thousand)	248,507	251,721
Net income per share (diluted)		
Adjustments to net income (millions of yen)	-	-
Increase in number of common shares (thousand)	2,947	-
(Of which, bonds with stock acquisition rights (thousand shares))	(2,947)	-
Summary of potential stock not included in the calculation of net income per share (diluted) since there was no dilutive effect.	-	-

Subsequent events

None