

Consolidated Results for the Fiscal Year Ended March 20, 2010

April 20, 2010

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

1. Summary of Consolidated Results for the Fiscal Year Ended March 20, 2010 (March 21, 2009 to March 20, 2010)

(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 ratio and per share data)			
	Year ended March 20, 2010	Change	Year ended March 20, 2009	Change
Net sales	224,710	(35.8)%	350,249	(8.4)%
Operating income	(6,977)	-	20,806	(43.0)%
Ordinary income	(6,049)	-	20,024	(43.1)%
Net income	(5,699)	-	6,892	(65.9)%
Earnings per share (basic, Yen)	(22.64)	-	27.38	-
Earnings per share (diluted, Yen)	-	-	-	-
Return on shareholders' equity (%)	(6.1)	-	7.0	-
Return on assets (%)	(2.5)	-	7.4	-
Operating income ratio (%)	(3.1)	-	5.9	-

Reference: Equity in earnings of affiliated companies

Year ended March 20, 2010: ¥(2) million

Year ended March 20, 2009: ¥485 million

(2) Consolidated Financial Position

	(Millions of yen, except ratio and per share data)	
	As of March 20, 2010	As of March 20, 2009
Total assets	241,649	249,111
Net assets	93,289	102,421
Shareholders' equity ratio (%)	36.6	39.0
Net assets per share (Yen)	351.47	385.60

Reference: Shareholders' equity

As of March 20, 2010: ¥88,459 million

As of March 20, 2009: ¥97,068 million

(3) Consolidated Statements of Cash Flows

	(Millions of yen)	
	Year ended March 20, 2010	Year ended March 20, 2009
Net cash provided by (used in) operating activities	4,035	12,485
Net cash provided by (used in) investing activities	(6,466)	(10,687)
Net cash provided by (used in) financing activities	8,015	(2,061)
Cash and cash equivalents at end of period	16,296	10,629

2. Dividend Distribution

		Year Ended March 20, 2009	Year Ended March 20, 2010	Year Ending March 20, 2011 (forecast)
Dividend per share (Yen)	End of 1Q	-	-	-
	End of 2Q	6.50	1.50	2.00
	End of 3Q	-	-	-
	Year-end	6.50	1.50	2.00
	Annual total	13.00	3.00	4.00
Annual cash dividends paid (millions of yen)		3,275	755	-
Dividend payout ratio (consolidated)		47.5%	-	25.2%
Dividend on net assets (consolidated)		3.3%	0.8%	-

3. Projected Consolidated Results for the Fiscal Year Ending March 20, 2011

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

	Six months ending September 20, 2010	Change	Year ending March 20, 2011	Change
Net sales	127,000	29.1%	270,000	20.2%
Operating income	1,000	-	8,000	-
Ordinary income	1,000	-	8,000	-
Net income	500	-	4,000	-
Earnings per share (Yen)	1.99	-	15.89	-

4. Other

(1) Change in Scope of Consolidation: None

(2) Change in Accounting Methods and Description

1. Changes related to revision of accounting standards: Yes
2. Other changes: Yes

(Note: Please refer to "Changes in Basis of Presentation of Consolidated Financial Statements" on page 18 for details.)

(3) Number of Common Shares Outstanding

1. The number of shares outstanding including treasury stock:
 - As of March 20, 2010: 252,331,938 shares
 - As of March 20, 2009: 252,331,938 shares
2. The number of treasury stocks at the end of the period:
 - As of March 20, 2010: 649,178 shares
 - As of March 20, 2009: 596,451 shares

(Note: Please refer to "Per Share Information" on page 24 for information about the number of shares used to calculate consolidated earnings per share.)

(Reference) Non-Consolidated Information

1. Summary of Non-Consolidated Results for Fiscal Year Ended March 20, 2010 (March 21, 2009 to March 20, 2010)

(1) Non-Consolidated Statements of Income

	(Millions of yen, except for per share data)			
	Year ended March 20, 2010	Change	Year ended March 20, 2009	Change
Net sales	120,263	(36.1)%	188,185	(14.3)%
Operating income	(11,132)	-	2,660	(82.9)%
Ordinary income	(7,460)	-	9,780	(52.1)%
Net income	(4,947)	-	6,471	(55.6)%
Earnings per share (basic, Yen)	(19.64)	-	25.68	-
Earnings per share (diluted, Yen)	-	-	-	-

(2) Non-Consolidated Financial Position

	(Millions of yen, except ratio and per share data)	
	Year ended March 20, 2010	Year ended March 20, 2009
Total assets	164,243	161,416
Net assets	66,212	71,857
Shareholders' equity ratio (%)	40.3	44.5
Net assets per share (Yen)	262.79	285.18

Reference: Shareholders' equity

As of March 20, 2010: ¥66,212 million

As of March 20, 2009: ¥71,857 million

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. Please see "1. Business Results 1) Overview on Business Performance" on page 4 for information about the assumptions used for forecasts and precautions concerning the use of forecasts.

1. Business Results

1) Overview on Business Performance

1. Business Performance of Fiscal Year 2009

In fiscal year 2009, which ended on March 20, 2010, the global economic downturn hit bottom and a slow recovery started. One reason was stimulus programs enacted by countries in response to the worldwide recession sparked by the financial crisis in the third quarter of 2008. Strong economic growth in China and other Asian nations also supported the recovery. However, the operating environment remained difficult overall. To succeed in this challenging business climate, the Yaskawa Group has been taking the following actions.

- For AC servomotors and controllers, AC drives, industrial robots and other core products, target promising new market sectors and increase market share in existing markets.
- Capture orders by using marketing activities led by top management and creating proposals for customers where there is substantial potential demand.
- Create proposals for new products faster by speeding up the development of technologies and improving skills in using systems to meet customers' needs.
- Increase sales in China and emerging markets with excellent prospects for growth.
- Use rigorous cost-cutting measures to achieve an overwhelming competitive edge in terms of prices and make manufacturing operations highly efficient.

Due to the slow improvement in the economy and the above initiatives, there was an upturn in orders from China and other Asian countries in the second half of the fiscal year, primarily in the motion control segment. There was a slow recovery in orders received in Japan as well. However, sales were down sharply because of the severe impact of the global economic recession.

In addition, the drop in sales produced a large loss for the fiscal year despite extensive measures to cut costs and initiatives aimed at achieving a big reduction in expenses.

For the fiscal year, consolidated sales were down 35.8% to ¥224,710 million and there was an operating loss of ¥6,977 million, down ¥27,783 million from the previous year's operating income, an ordinary loss of ¥6,049 million, down ¥26,073 million from the previous year's ordinary income, and a net loss of ¥5,699 million, down ¥12,592 million from the previous year's net income.

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, 2010	
	Net sales (year-on-year change from the previous fiscal year)	Operating income (loss) (year-on-year change from the previous fiscal year)
Motion Control	¥104,814 million (down by 34.8%)	¥(3,169) million (down by ¥14,925 million)
Robotics	¥57,084 million (down by 50.0%)	¥(8,327) million (down by ¥11,528 million)
System Engineering	¥41,498 million (down by 11.3%)	¥5,476 million (up by ¥839 million)
Information Technologies	¥15,546 million (down by 27.2%)	¥(934) million (down by ¥1,551 million)
Other	¥5,765 million (down by 19.6%)	¥(74) million (down by ¥663 million)

■ Motion Control

Sales and earnings were much lower than one year earlier because of lower capital expenditures and inventory adjustments at major customers for motion control products.

Demand for AC servo motors and controllers was sluggish in the fiscal year's first half but there was a recovery in the second half due to an upturn in demand in the semiconductor and electronic components industries and in China and other Asian countries.

Demand for AC drives is improving, too. The recovery first started in China and is also taking place in other Asian countries and the United States.

■ Robotics

Weak capital expenditures among major customers in this segment caused sales and earnings to fall sharply.

Demand for welding, handling and other robots, which are used chiefly in the automobile industry, was substandard overall. There was an increase in investments in this equipment in China and other Asian countries but capital expenditures remained lackluster in Japan.

Furthermore, in the FPD and semiconductor industries, there was a recovery in demand for robotics that occurred mainly in Asia but demand remained at low levels.

■ System Engineering

Earnings increased as in the previous fiscal year due to strong sales to the steel industry and the benefits of an ongoing program to hold down expenses wherever possible.

■ Information Technologies

Sales and earnings were lower than in the previous fiscal year as weak earnings made companies reluctant to make capital expenditures associated with information technologies.

(Reference) Non-Consolidated Information

On a non-consolidated basis, net sales decreased 36.1% to ¥120,263 million and there was an operating loss of ¥11,132 million, down ¥13,792 million from the previous year's operating income, an ordinary loss of ¥7,460 million, down ¥17,241 million from the previous year's ordinary income, and a net loss of ¥4,947 million, down ¥11,418 million from the previous year's net income.

3. Earnings forecast for fiscal year 2010

In the fiscal year 2010, the Yaskawa Group will take the actions listed on page 10 in order to overcome the enormous challenges posed by the current operating climate. 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.

Consolidated Forecast

	Fiscal Year 2010 (forecast)	Year-on-year Change
Net sales	¥270,000 million	UP by ¥45,289 million (20.2%)
Operating income	¥8,000 million	UP by ¥14,977 million
Ordinary income	¥8,000 million	UP by ¥14,049 million
Net income	¥4,000 million	UP by ¥9,699 million

2) Overview on Financial Condition

1. Balance Sheet Highlights

Total assets were ¥241,649 million as of March 20, 2010, ¥7,461 million less than one year earlier. Current assets declined ¥7,036 million, mainly the result of decreases in inventories and trade notes and accounts receivable, and fixed assets declined ¥425 million.

Total liabilities increased ¥1,670 million to ¥148,359 million. There was a ¥2,695 million decrease in current liabilities, mainly the result of a decrease in trade notes and accounts payable, and an increase of ¥4,365 million in long-term liabilities that was attributable primarily to an increase in long-term debt.

Net assets decreased ¥9,131 million to ¥93,289 million mainly because of a ¥9,498 million decrease in shareholders' equity resulting mostly from a decline in retained earnings.

2. Cash Flows

Cash and cash equivalents totaled ¥16,296 million as of March 20, 2010, a net increase of ¥5,667 million compared with the end of the previous fiscal year.

Net cash provided by operating activities was ¥4,035 million. The major components were a loss before income taxes and minority interests of ¥9,370 million, depreciation and amortization of ¥7,840 million, and decreases of ¥3,369 million in trade receivables, ¥5,532 million in inventories and ¥2,780 in trade payables.

Net cash used in investing activities was ¥6,466 million. The primary use of cash was expenditures of ¥4,866 million for purchases of property, plant and equipment and intangible assets.

Free cash flows, the sum of cash flows from operating and investing activities, were a negative ¥2,430 million.

Net cash provided by financing activities was ¥8,015 million. Major components were a ¥4,209 million increase in short-term debt, proceeds of ¥10,310 million from long-term debt, repayments of long-term debt of ¥4,361 million and dividends paid of ¥2,015 million.

3. Cash Flow Indicator Trends

Cash flow indicator trends for the Yaskawa Group are shown below.

	<u>Fiscal Year 2007</u>	<u>Fiscal Year 2008</u>	<u>Fiscal Year 2009</u>
Shareholders' equity ratio (%)	34.9	39.0	36.6
Shareholders' equity ratio based on market value (%)	81.6	44.1	83.5
Ratio of interest-bearing debt against cash flow (years)	1.9	2.6	10.5
Interest coverage ratio (times)	<u>15.5</u>	<u>12.3</u>	<u>5.9</u>

Shareholders' equity ratio = shareholders' equity/total assets

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

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

Interest coverage ratio = operating cash flow/interest expense

Notes:

1. All calculations were made on a consolidated base.
 2. Market value of total shares is calculated based on the number of shares issued except treasury stock.
 3. Interest incurring debt consists of all debt appearing on the balance sheet that incurs interest.
 4. Amounts used for operating cash flow and interest expense were taken from “cash flows from operating activities” and “interest expense” reported in consolidated statements of cash flows.
- 3) Policy on Profit Distribution and Dividends for Fiscal Year 2009 and 2010

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

The year-end dividend for this fiscal year is, as initially declared, ¥1.5 per share. Together with the interim dividend of ¥1.5 paid previously, total annual cash dividend for the fiscal year 2009 is ¥3 per share. As for the projected cash dividend for the fiscal year 2010, the Company expects to pay the annual dividend of ¥4 per share, including the interim dividend of ¥2 and the year-end dividend of ¥2.

2. Group Overview

The Yaskawa Group consists of 79 subsidiaries and 20 affiliated companies as of March 20, 2010. 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.

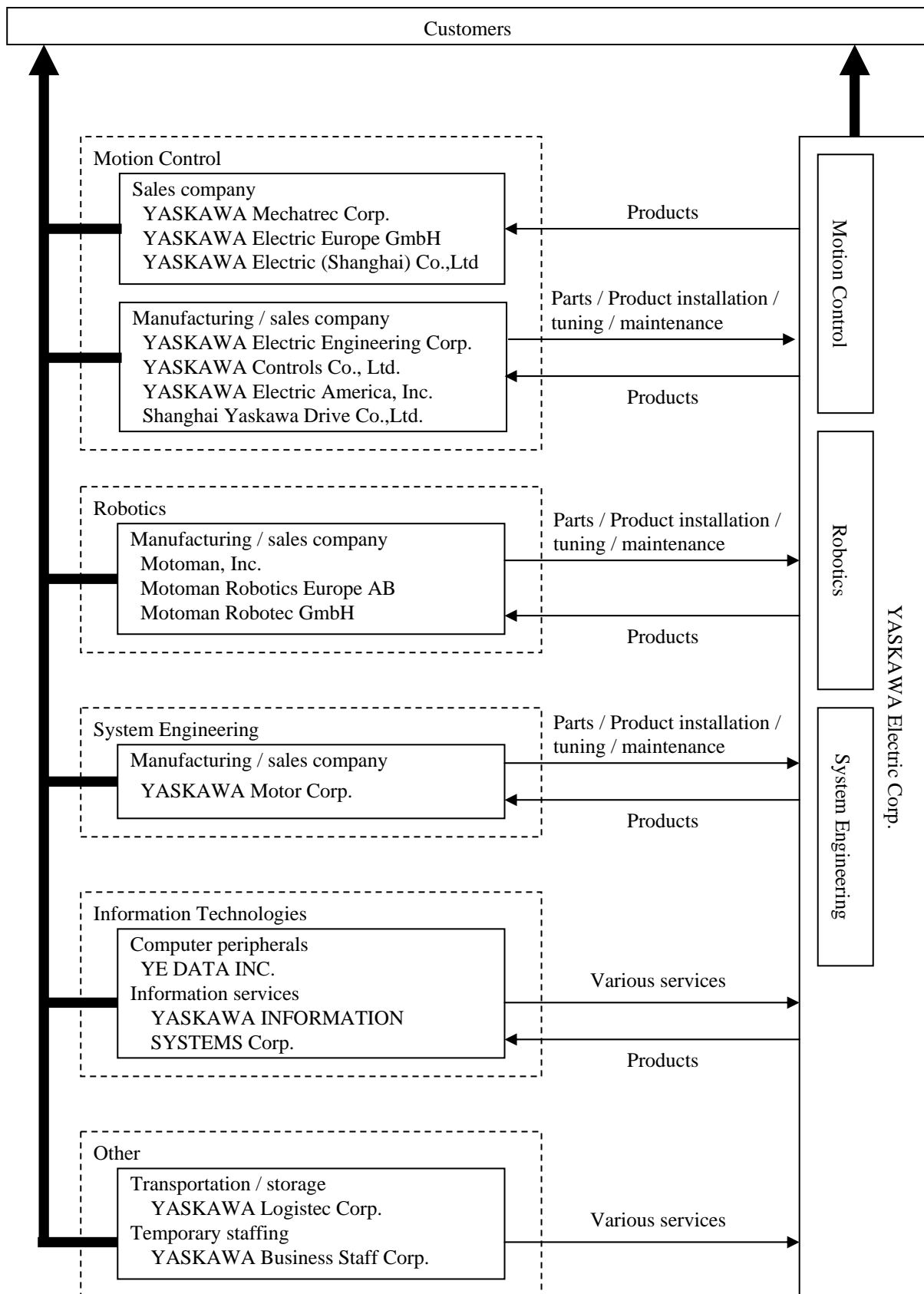
The following table shows the main products of each segment, and major companies which are engaged in each business.

Segments and Main Products	Major Companies
(Motion Control) AC servo motors and controllers, general-purpose AC drives, AC spindle motors and controllers for machine tools, linear motors and controllers, DC servo motors and controllers, high-speed motors, compact precision motors, hybrid motors, high-efficiency motors and AC drives, high-frequency AC drives, matrix converters, machine controllers, 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 YASKAWA Electric (Shanghai) Co.,Ltd Shanghai Yaskawa Drive Co.,Ltd.
(Robotics) Arc welding robots, spot welding robots, painting robots, handling robots, clean/vacuum robots for semiconductor and LCD manufacturing 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, control systems for harbor loading and unloading cranes, variable-speed drive systems for printing machines and production equipments of paper, film and fabric, system information control equipment, medium and large-capacity medium-voltage AC drives, medium and large-capacity medium-voltage matrix converters, medium and high-voltage switching devices, control centers, system control panels, electric power distribution equipment, internal permanent magnet motors, medium and large induction motors, medium-class power generators and power generation equipment, rotating machines for other industrial uses, etc.	YASKAWA Electric Corp. YASKAWA Motor Corp.
(Information Technologies) Galvano scanner systems, photo kiosk terminals, data recovery services, multi card readers, 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
- 3) Medium- to Long-term Business Strategies

These three items are not included in this earnings release. There have been no significant changes in the information about items (1) and (2) that was provided in “Summary of Consolidated Results for the Six Months Ended September 20, 2006” (dated October 31, 2006) and the information about item (3) that was provided in “Summary of Consolidated Results for the Fiscal Year Ended March 20, 2009” (dated April 15, 2009). These documents can be obtained from the URL below.

< Yaskawa Electric Corporation Website >

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

- 4) Management Initiatives and Challenges

The global economy is expected to recover at a moderate pace in the fiscal year ending in March 2011 with growth coming primarily from China, other Asian countries and countries with emerging economies. However, caution should be exercised because the outlook is uncertain. Furthermore, the upcoming direction of foreign exchange rates is unclear. As a result, the operating environment for the Yaskawa Group is expected to remain challenging.

However, since the worst of the downturn is behind, the group is focusing on a new growth strategy with the goal of achieving a recovery in sales and earnings by staging a successful counterattack.

In fiscal year 2009, the Yaskawa Group started a mid-term business plan called “Challenge 100” that has the following three fundamental objectives. The central goal is to take on the challenge of creating new forms of value and new markets for achieving consistent growth even in the current difficult operating environment.

- 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, create new forms of value with using optimized energy conversion technologies.
- In established businesses, succeed in today’s difficult operating climate by improving efficiency and better responding to changes in markets.

In fiscal year 2010, the second year of this plan, the group is concentrating on the following initiatives.

- Increase sales even faster in the rapidly growing markets of China, other Asian countries and countries with emerging economies.

The group aims to speed sales growth in the growing markets of China and other Asian countries by strengthening market strategies and developing products that target the needs of local users. In addition, the group plans to expand its global manufacturing and customer service activities.

- Grow in the environmental energy business domain.

The group aims to create markets and grow even faster in new fields such as electrical parts for solar

and wind power generation and electric drive systems for automobiles and other products.

- Continue to cut costs rigorously.

The group will constantly execute measures that produce immediate cost reductions and take steps aimed at using expenses even more efficiently.

Furthermore, starting with fiscal 2010, the Yaskawa Group is reinforcing the following activities with the goal of achieving constant and steady progress in improving three core components of the group's strength: development capabilities, production capabilities and selling capabilities.

- Switch to a development framework and product lineup that makes it possible to introduce a constant stream of competitive new products.
- Optimize all operations, including design, procurement, production and service activities, so that the group can achieve constant improvements in quality and efficiency.
- Build an operating framework that is capable of consistently accelerating the pace of sales to new markets and customers on a global scale.

The Yaskawa Group is determined to move forward on these initiatives to build an even more advanced business framework that is capable of growing consistently even in the new operating environment.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

	(Millions of yen)	
	As of March 20, 2009	As of March 20, 2010
Assets		
Current assets		
Cash and time deposits	10,794	16,430
Trade notes and accounts receivable	88,136	81,024
Inventories	54,705	-
Merchandise and finished goods	-	30,747
Goods in process	-	5,935
Raw materials and supplies	-	9,517
Deferred tax assets	4,374	6,505
Other	12,104	13,426
Allowance for doubtful accounts	(1,041)	(1,550)
Total current assets	<u>169,073</u>	<u>162,036</u>
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	17,301	16,139
Machinery and transportation equipment, net	10,232	8,258
Land	7,884	8,130
Other, net	4,452	3,862
Total property, plant and equipment	<u>39,871</u>	<u>36,390</u>
Intangible assets		
Goodwill	1,401	-
Software	4,360	4,147
Other	1,063	1,054
Total intangible assets	<u>6,824</u>	<u>5,202</u>
Investments and other assets		
Investments	15,403	16,428
Long-term loans	267	225
Deferred tax assets	13,235	16,146
Other	5,558	5,709
Allowance for doubtful accounts	(1,122)	(489)
Total investments and other assets	<u>33,341</u>	<u>38,019</u>
Total fixed assets	<u>80,037</u>	<u>79,612</u>
Total Assets	<u>249,111</u>	<u>241,649</u>

(Millions of yen)

	As of March 20, 2009	As of March 20, 2010
Liabilities		
Current liabilities		
Trade notes and accounts payable	54,252	51,082
Short-term bank loans	27,609	31,830
Accrued expenses	16,473	15,796
Accrued directors' bonus	60	44
Other	9,552	6,498
Total current liabilities	107,948	105,252
Long-term liabilities		
Long-term debt	5,285	10,405
Provision for employees' retirement benefits	32,034	31,337
Provision for directors' retirement benefits	266	278
Other	1,155	1,085
Total long-term liabilities	38,741	43,107
Total liabilities	146,689	148,359
Net assets		
Shareholders' equity		
Common stock	23,062	23,062
Additional paid-in capital	18,681	18,682
Retained earnings	60,983	51,534
Treasury stock, at cost	(357)	(407)
Total shareholders' equity	102,369	92,871
Valuation and translation adjustments		
Net unrealized holding gain (loss) on securities	(113)	1,241
Deferred gains (losses) on hedges	(67)	(11)
Foreign currency translation adjustments	(5,119)	(5,641)
Total valuation and translation adjustments	(5,301)	(4,412)
Minority interests	5,353	4,830
Total net assets	102,421	93,289
Total liabilities and net assets	249,111	241,649

(2) Consolidated Statements of Income

(Millions of yen)

	Year Ended March 20, 2009	Year Ended March 20, 2010
Net sales	350,249	224,710
Cost of sales	258,541	173,807
Gross profit	91,708	50,903
Selling, general and administrative expenses	70,901	57,880
Operating income (loss)	20,806	(6,977)
Non-operating income		
Interest income	152	74
Dividends received	364	232
Government subsidies for employment adjustment	-	1,128
Equity in earnings of associated companies	485	-
Miscellaneous income	628	834
Total non-operating income	1,631	2,268
Non-operating expenses		
Interest expense	997	688
Equity in losses of associated companies	-	2
Foreign exchange loss	670	344
Miscellaneous expenses	745	305
Total non-operating expenses	2,413	1,341
Ordinary income (loss)	20,024	(6,049)
Extraordinary gains		
Gain on sales of fixed assets	36	49
Gain on sales of investment securities	3	-
Other	4	-
Total extraordinary gains	44	49
Extraordinary losses		
Loss on sales and disposal of fixed assets	212	159
Loss on devaluation of investment securities	2,221	31
Loss on valuation of inventories	-	2,138
Impairment loss	104	32
Other	1,702	1,008
Total extraordinary losses	4,240	3,370
Income (Loss) before income taxes and minority interests	15,827	(9,370)
Provision for income taxes- current	5,020	1,228
Income taxes for prior periods	-	348
Reversal of income taxes payable for previous periods	(214)	(139)
Provision for income taxes- deferred	4,160	(4,786)
Total income taxes	8,967	(3,349)
Minority interests in income (loss)	(32)	(321)
Net income (loss)	6,892	(5,699)

(3) Consolidated Statement of Changes in Net Assets

(Millions of yen)

	Year Ended March 20, 2009	Year Ended March 20, 2010
Shareholders' equity		
Common stock		
Balance at the end of previous period	23,062	23,062
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	23,062	23,062
Additional paid-in capital		
Balance at the end of previous period	18,652	18,681
Changes of items during the period		
Disposition of treasury stock	28	0
Total changes of items during the period	28	0
Balance at the end of current period	18,681	18,682
Retained earnings		
Balance at the end of previous period	56,988	60,983
Increase (decrease) due to changes in accounting treatment at foreign subsidiaries	-	(1,330)
Changes of items during the period		
Cash dividends	(2,897)	(2,015)
Net income (loss)	6,892	(5,699)
Change of scope of consolidation	425	(422)
Change of scope of equity method	(425)	18
Total changes of items during the period	3,995	(8,119)
Balance at the end of current period	60,983	51,534
Treasury stock		
Balance at the end of previous period	(359)	(357)
Changes of items during the period		
Acquisition of treasury stock	(28)	(55)
Disposition of treasury stock	30	2
Change of scope of equity method	-	4
Total changes of items during the period	1	(49)
Balance at the end of current period	(357)	(407)
Total shareholders' equity		
Balance at the end of previous period	98,343	102,369
Increase (decrease) due to changes in accounting treatment at foreign subsidiaries	-	(1,330)
Changes of items during the period		
Cash dividends	(2,897)	(2,015)
Net income (loss)	6,892	(5,699)
Acquisition of treasury stock	(28)	(55)
Disposition of treasury stock	58	2
Change of scope of consolidation	425	(422)
Change of scope of equity method	(425)	22
Total changes of items during the period	4,025	(8,167)
Balance at the end of current period	102,369	92,871

(Millions of yen)

Year Ended March 20, 2009 Year Ended March 20, 2010

Valuation and translation adjustments		
Net unrealized holding gain (loss) on securities		
Balance at the end of previous period	1,607	(113)
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,720)	1,355
Total changes of items during the period	(1,720)	1,355
Balance at the end of current period	(113)	1,241
Deferred gains (losses) on hedges		
Balance at the end of previous period	(10)	(67)
Changes of items during the period		
Net changes of items other than shareholders' equity	(56)	55
Total changes of items during the period	(56)	55
Balance at the end of current period	(67)	(11)
Foreign currency translation adjustments		
Balance at the end of previous period	921	(5,119)
Changes of items during the period		
Net changes of items other than shareholders' equity	(6,041)	(521)
Total changes of items during the period	(6,041)	(521)
Balance at the end of current period	(5,119)	(5,641)
Total valuation and translation adjustments		
Balance at the end of previous period	2,518	(5,301)
Changes of items during the period		
Net changes of items other than shareholders' equity	(7,819)	889
Total changes of items during the period	(7,819)	889
Balance at the end of current period	(5,301)	(4,412)
Minority interests		
Balance at the end of previous period	5,592	5,353
Changes of items during the period		
Net changes of items other than shareholders' equity	(239)	(522)
Total changes of items during the period	(239)	(522)
Balance at the end of current period	5,353	4,830
Total net assets		
Balance at the end of previous period	106,454	102,421
Increase (decrease) due to changes in accounting treatment at foreign subsidiaries		
	-	(1,330)
Changes of items during the period		
Cash dividends	(2,897)	(2,015)
Net income (loss)	6,892	(5,699)
Acquisition of treasury stock	(28)	(55)
Disposition of treasury stock	58	2
Change of scope of consolidation	425	(422)
Change of scope of equity method	(425)	22
Net changes of items other than shareholders' equity	(8,059)	366
Total changes of items during the period	(4,033)	(7,801)
Balance at the end of current period	102,421	93,289

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year Ended March 20, 2009	Year Ended March 20, 2010
Cash flows from operating activities		
Income (Loss) before income taxes and minority interests	15,827	(9,370)
Depreciation and amortization	8,028	7,840
Loss on valuation of inventories	-	2,138
Impairment loss	104	32
Increase (decrease) in provision for employees' retirement benefits, net of payments	(1,448)	(680)
Loss (gain) on sales of investment securities	(3)	0
Loss (gain) on valuation of investment securities	2,221	31
Interest and dividend income	(517)	(306)
Interest expense	997	688
(Increase) decrease in trade receivables	21,990	3,369
(Increase) decrease in inventories	(630)	5,532
Increase (decrease) in trade payables	(15,096)	(2,780)
Increase (decrease) in accrued expenses	(714)	(514)
Other, net	(3,106)	(1,915)
Subtotal	27,654	4,065
Interest and dividends received	759	487
Interest paid	(1,016)	(689)
Income taxes paid	(14,912)	(2,726)
Income taxes refund	-	2,897
Net cash provided by (used in) operating activities	12,485	4,035
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(8,472)	(4,866)
Proceeds from sales of property, plant and equipment and intangible assets	109	113
Purchases of investment securities	(2,033)	(1,497)
Proceeds from sales of investment securities	8	0
Other, net	(300)	(216)
Net cash provided by (used in) investing activities	(10,687)	(6,466)
Cash flows from financing activities		
Increase (decrease) in short-term debt	4,820	4,209
Proceeds from long-term debt	944	10,310
Repayments of long-term debt	(4,760)	(4,361)
Dividends paid	(2,897)	(2,015)
Dividends paid to minority shareholders	(151)	(116)
Other, net	(16)	(10)
Net cash provided by (used in) financing activities	(2,061)	8,015
Effect of exchange rate changes on cash and cash equivalents	(971)	(5)
Net increase (decrease) in cash and cash equivalents	(1,236)	5,580
Cash and cash equivalents at beginning of period	11,864	10,629
Increase due to inclusion of subsidiaries in consolidation	1	87
Cash and cash equivalents at end of period	10,629	16,296

- (5) Notes pertaining to the presumption of a going concern
None
- (6) Basis of Presentation of Consolidated Financial Statements
1. Scope of Consolidation
- (1) Scope of consolidation and application of equity method
There are 64 consolidated subsidiaries and 14 companies accounted for using the equity method.
- (2) Changes in scope of consolidation and application of equity method
- Consolidation
New: 2 companies Eliminated: 1 company
- Equity method
New: 2 companies Eliminated: 2 companies

No further information is provided, except the information in “Changes in Basis of Presentation of Consolidated Financial Statements,” because there have been no significant changes since the most recent Securities Report (released on June 19, 2009).

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

(Accounting standard for measurement of inventories)

In previous fiscal years, for inventories held for sale in the ordinary course of business, the cost method for individual items was used for merchandise and finished goods that were order-made and for goods in process, and the cost method using the overall average for each six-month fiscal period was used for standardized merchandise and finished goods as well as semi-finished products and raw materials. Due to the adoption of “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9, July 5, 2006) in the fiscal year that ended in March 2010, the cost method for individual items (in which book value is reduced in accordance with declines in profitability) was used for merchandise and finished goods that were order-made and for goods in process, and the cost method using the overall average (in which book value is reduced in accordance with declines in profitability) was used for standardized merchandise and finished goods as well as semi-finished products and raw materials. This change resulted in increases of ¥565 million yen each in the fiscal year’s operating loss and ordinary loss and increases of ¥2,703 million in the loss before income taxes and minority interests.

In addition, for standardized merchandise and finished goods as well as semi-finished products and raw materials, the six-month overall average method was used in previous fiscal years but the overall average method for the entire fiscal year was used starting in the fiscal year that ended in March 2010. This change was made for the purpose of more appropriately presenting earnings in each fiscal year by eliminating the effect on inventory valuations of temporary fluctuations in manufacturing expenses. This change did not have a material effect on earnings.

(Accounting standard for lease transactions)

In previous fiscal years, transactions of finance leases under which the ownership of the leased assets is not transferred to the lessees were treated as ordinary rental transactions. Starting with the fiscal year that ended in March 2010, “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13, originally issued on June 17, 1993 by the Business Accounting Deliberation Counsel and revised on March 30, 2007 by the ASBJ) and “Implementation Guidance on Accounting Standard for Lease Transactions (ASBJ Guidance No. 16, originally issued on January 18, 1994 by the Japanese Institute of Certified Public Accountants and revised on March 30, 2007 by the ASBJ) have been adopted. As a result of this change, the accounting method for leases is based instead on the method used for ordinary purchases and sales.

Finance leases where there are no transfers of ownership that started before the start of application of the revised standard will continue to use the accounting method for ordinary rental transactions. This change had no effect on earnings.

(Use of “Practical Solution of Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements”)

Starting with the fiscal year that ended in March 2010, “Practical Solution of Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ Practical Issues Task Force No. 18, May 17, 2006) has been applied and the necessary corrections to the consolidated financial statements have been made. As a result, retained earnings at the beginning of the fiscal year decreased by ¥ 1,330 million. This change did not have a material effect on earnings.

(8) Notes to the Consolidated Financial Statements

Exclusion of disclosure items

No information is provided concerning lease transactions, transactions with related parties, tax-effect accounting, securities, derivative transactions and retirement benefits because the Company believes there is not a significant need to disclose this information in these materials.

Information concerning the above items will be provided in the Securities Report that is to be submitted on June 18, 2010. To view this report, please use the Electronic Disclosure for Investors Network (EDINET), which is used for the electronic disclosure of Securities Reports and other documents in accordance with the Financial Instruments and Exchange Act.

Segment Information

Business Segments

	Year ended March 20, 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 external customers	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

(Notes)

1 Classification of business segments and their main products

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 ¥19,116 million. 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 amortization of and additions to long-term prepaid expenses.

4 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.

Year ended March 20, 2010

(Millions of yen)

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

(Notes)

1 Classification of business segments and their main products

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 ¥29,415 million. 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 amortization of and additions to long-term prepaid expenses.

Geographical Areas

	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 external customers	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>	<u>180,153</u>	<u>18,782</u>	<u>26,296</u>	<u>22,055</u>	<u>247,287</u>	<u>1,823</u>	<u>249,111</u>

(Notes)

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

(Notes)

- 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 ¥29,415 million. 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, 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%

(Notes)

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

(Notes)

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)

Year Ended March 20, 2009		Year Ended March 20, 2010	
Net assets per share	385.60	Net assets per share	351.47
Earnings per share (basic)	27.38	Earnings per share (basic)	(22.64)
Earnings per share (diluted) is not presented, since there were no dilutive securities.		Earnings per share (diluted) is not presented because there was a net loss in this fiscal year and there were no dilutive securities.	

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

	Year Ended March 20, 2009	Year Ended March 20, 2010
Earnings per share (basic)		
Net income (loss) (millions of yen)	6,892	(5,699)
Net income (loss) not available to common shareholders (millions of yen)	-	-
Net income (loss) available to common shareholders (millions of yen)	6,892	(5,699)
Weighted average number of shares outstanding (thousand)	251,721	251,703

Subsequent events

None