



YASKAWA

YASKAWA Electric Corporation

(TSE 6506)

- **FY2009 Financial Results (Summary)**
(Ended March 20, 2010)
- **FY2010 Forecast and Measures (Summary)**
(Ending March 20, 2011)

Presented by Junji Tsuda, President

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. YASKAWA Electric Corporation undertakes no obligation to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise.

April 2010

Sales Break Down by Business Segment

Information Technologies :(IT)

Core products

Computer peripherals, laser marking devices, etc.
Information management software and services

System Engineering :(S)

Core products

Electrical systems for steel plants
Electrical instrumentation for water supply plants
and sewage treatment facility systems, etc.



Robotics :(R)

Core products

Arc and spot welding robots, Painting robots, Handling robots
FPD glass sheet transfer robots
New generation robots
Semiconductor wafer transfer robots, etc.

Welding of automobile components by arc-welding robots



Assembly by new generation robots

Main applications



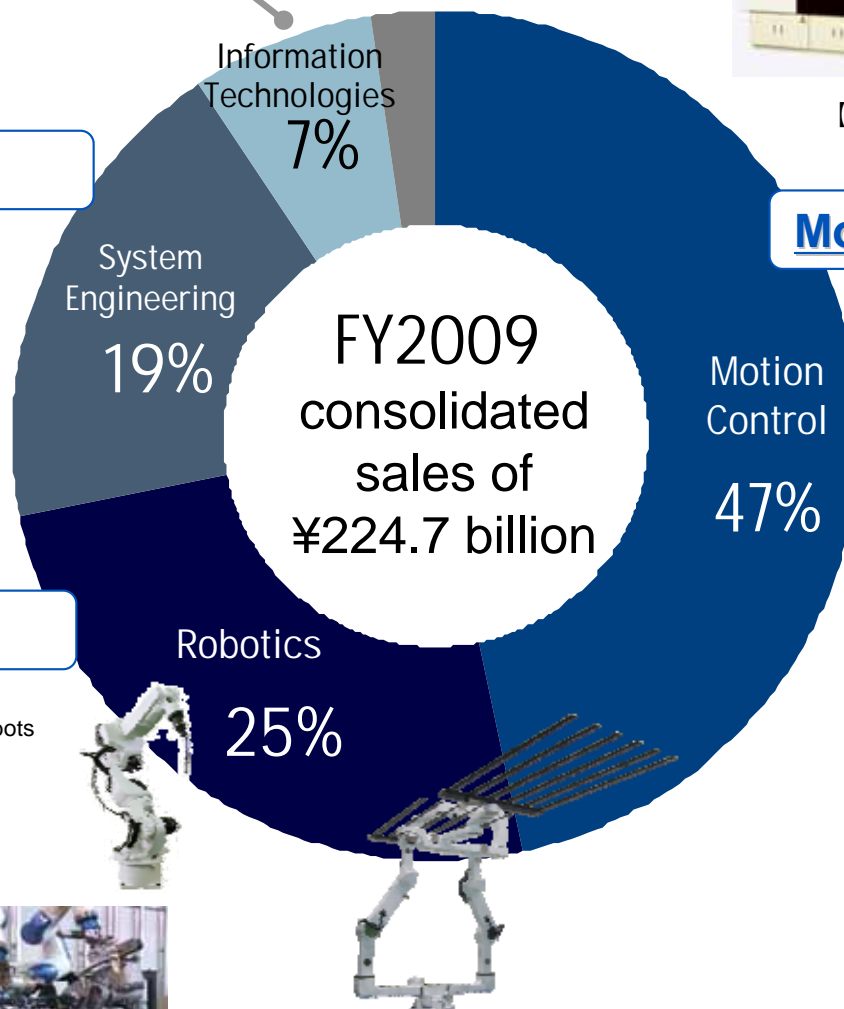
[Electronic components]
Chip molder

[Machine tools]
Tapping machine

Motion Control :(M)

Core products

AC servo motors and controllers, Linear servo
General purpose AC drives, etc.



Main applications

Sales Break Down by Destination

Asia

Major subsidiaries

YASKAWA Electric (Shanghai) Co., Ltd. (China)
YASKAWA Electric (Singapore) PTE Ltd. (Singapore)
YASKAWA Electric Korea Corporation (Korea)
YASKAWA Electric Taiwan Corporation (Taiwan)
Shougang Motoman Robot Co., Ltd. (China)
Motoman Motherson Robotics Ltd. (India)

Europe

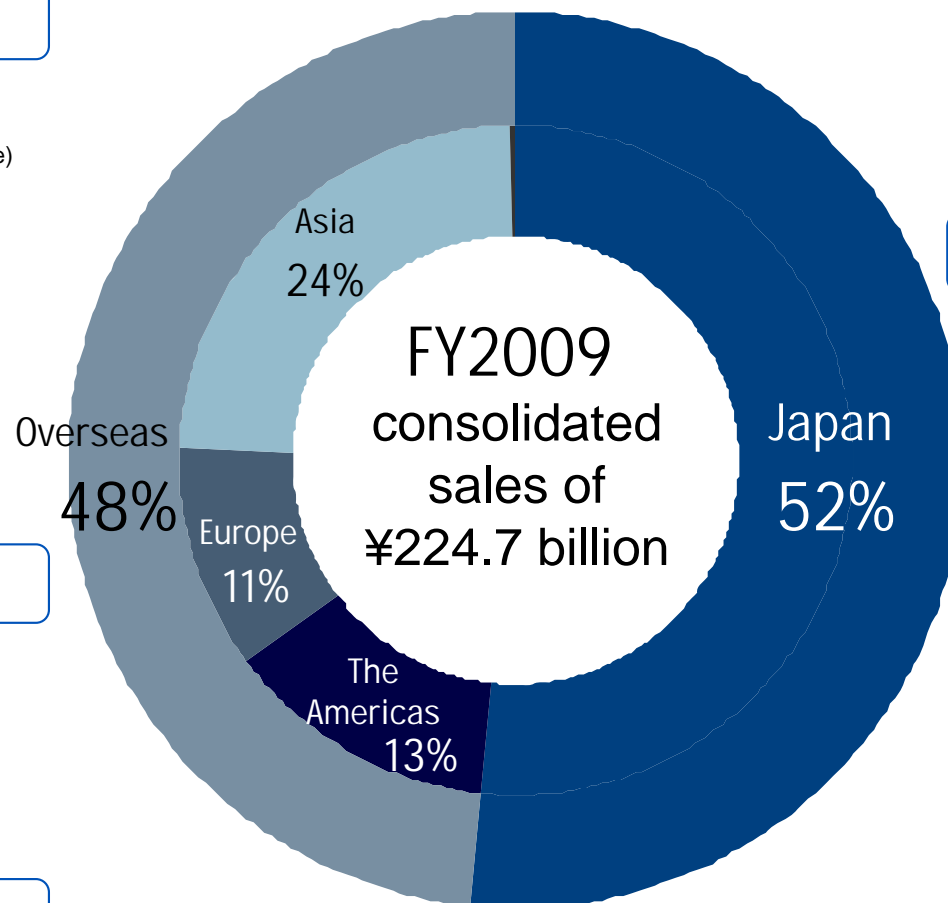
Major subsidiaries

YASKAWA Electric Europe GmbH(Germany)
Motoman Robotics Europe AB (Sweden)
Motoman Robotec GmbH (Germany)
YASKAWA Electric UK, Ltd.(UK)

The Americas

Major subsidiaries

YASKAWA Electric America, Inc. (U.S.)
YASKAWA Eletrico do Brasil Ltda. (Brazil)
Motoman, Inc. (U.S.)



Japan

Major subsidiaries

YE DATA INC.
YASKAWA INFORMATION SYSTEMS Corporation
YASKAWA Electric Engineering Corp.
YASKAWA Controls Co., Ltd.
YASKAWA Motor Corp.

FY2009 Financial Highlights

Turned profitable in the second half by capturing the recovering demand in China and Asia while the business environment remained difficult.

	FY2009	First half	Second half
Sales	¥224.7 billion	¥98.3 billion	¥126.3 billion
Operating income	(¥6.9 billion)	(¥8.3 billion)	¥1.3 billion
Ordinary income	(¥6.0 billion)	(¥8.0 billion)	¥2.0 billion
Net income	(¥5.7 billion)	(¥6.2 billion)	¥0.5 billion

(M) Achieved profitability in the second half thanks to demand recovery in China and Asia. Demand related to energy saving and infrastructure steadily recovered for AC drives. Semiconductor and FPD-related demand contributed to the result for AC servomotors. In the last quarter, recovery in the electronic parts industry and the U.S. also contributed.

(R) Although difficult conditions continue, the business is on a gradual recovery trend, due to expansion of investments in Chinese automobile and FPD industries. Semiconductor industry also improved starting second half.

(S) Achieved year-on-year profit growth, supported mainly by the strong steel industry.

(IT) Negatively affected by restrained capital spending in IT.

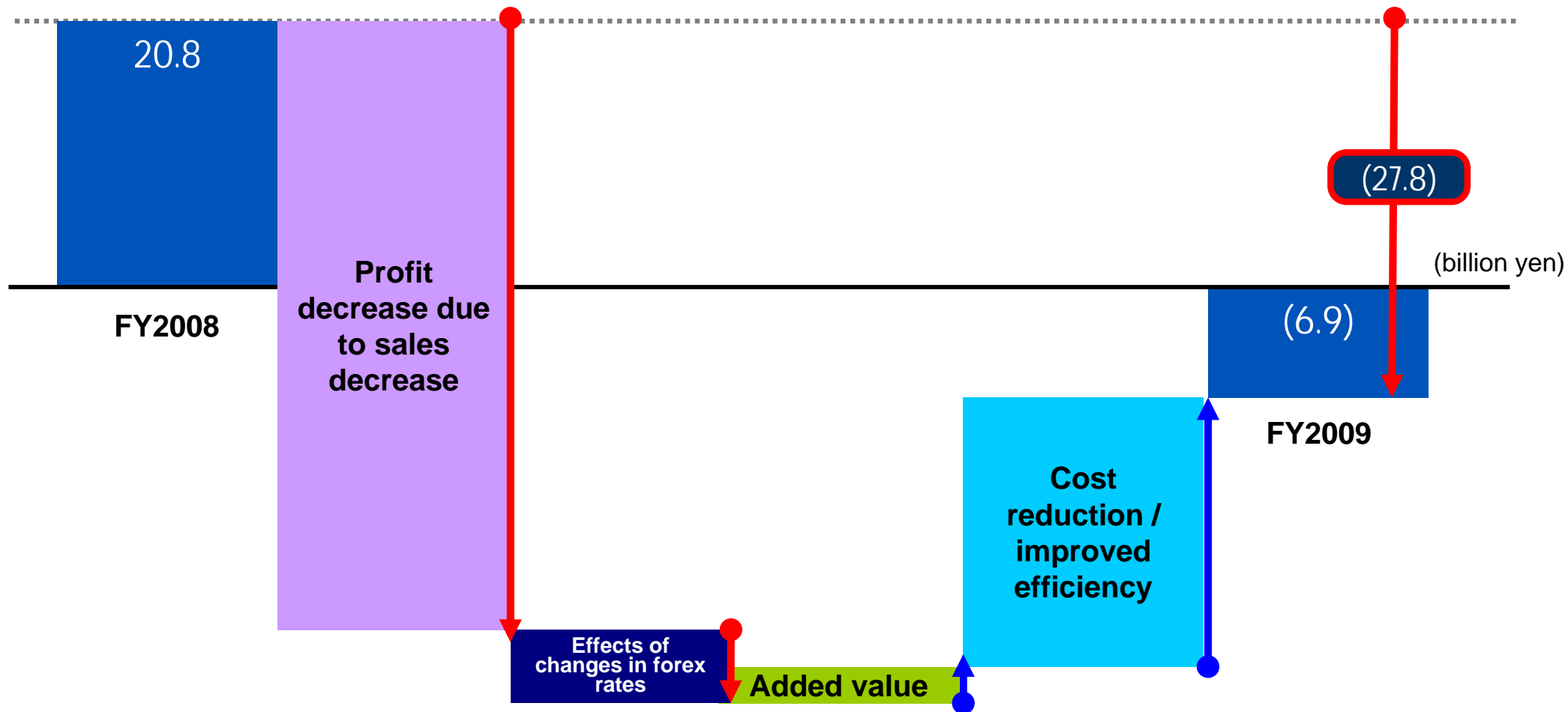
FY2009 Results by Business Segment

Profits backed up by (S)

(unit: billion yen, %)

	FY09		FY08		Change from FY08	
		income ratio		income ratio	(billion yen)	(%)
Sales	224.7		350.2		(125.5)	(35.8%)
(M)	104.8		160.8		(56.0)	(34.8%)
(R)	57.0		114.1		(57.0)	(50.0%)
(S)	41.4		46.7		(5.3)	(11.3%)
(IT)	15.5		21.3		(5.8)	(27.2%)
Operating income	(6.9)	(3.1%)	20.8	5.9%	(27.8)	n.m.
(M)	(3.1)	(3.0%)	11.7	7.3%	(14.9)	n.m.
(R)	(8.3)	(14.6%)	3.2	2.8%	(11.5)	n.m.
(S)	5.4	13.2%	4.6	9.9%	+0.8	+18.1%
(IT)	(0.9)	(6.0%)	0.6	2.9%	(1.6)	n.m.
Ordinary income	(6.0)	(2.7%)	20.0	5.7%	(26.1)	n.m.
Net income	(5.6)	(2.5%)	6.8	2.0%	(12.6)	n.m.

Breakdown of Changes in Operating Income (FY2008 to FY2009)



Forecast on FY2010 Business Environment

Although rapid growth in China and Asia may slow down, the level of demand remains high. Strong conditions for semiconductor and FPD-related investments, and energy-related demand is in a growing trend.

(Note) Trend from FY2009 to FY2010

Market trends	Semiconductor	→	High level of capital investment continues.
	FPD	→	Strong demand for capital investment in China and Asia
	Automobile	→	Steady in China. Signs of resumption of investments in Japan, U.S. and Europe following the recovery in production.
	Steel	→	Large investments are in the trough. Environment-related investments continue.
	Energy-related	↗	Steady demand expansion is expected for energy saving and new energy.

Regional trends	The Americas	→	Capital investments continue to recover due to economic recovery.
	Europe	→	Get out of economic slump and start on a gradual recovery trend.
	China and Asia	↗	Rapid growth may slow down, but the level of regional demand remains high.

FY2010 Financial Forecast: Main Points - 1

Aim for sales expansion and securing profits by accelerating penetration into Asia, especially China, and by start up of energy-related businesses, while the business environment continues to be difficult.

	FY2009	First half	Second half
Sales	¥270.0 billion	¥127.0 billion	¥143.0 billion
Operating income	¥8.0 billion	¥1.0 billion	¥7.0 billion
Ordinary income	¥8.0 billion	¥1.0 billion	¥7.0 billion
Net income	¥4.0 billion	¥0.5 billion	¥3.5 billion

(M) AC drives: Demand for air conditioning, and also in China and Asia will continue to be strong. AC servomotors: Semiconductor, FPD and electronic parts industries will lead the growth.

(R) On track for improvement due to strong automobile-related investments in Asia, and resumption of investments in Europe and the U.S. Investments in FPD and semiconductor industries will remain high level.

(S) Investments in steel industry are in a trough. Secure sales and profits by offering proposals for energy saving investments.

(IT) Aim for securing profits by increasing sales and enhancing efficiency.

FY2010 Financial Forecast: Main Points - 2

Promotion of shifts to Asian markets, especially China

- Start operation of AC servomotor plant in Shenyang (June, 2010)
Promote sales to the Chinese market of machine tools
- Expand production capacity of AC drive plant in Shanghai
Double production capacity (300 thousand units per year)
Triple production capacity as for small AC drives with high demand in China
- Establish sales and business promotion division for robots in Shanghai
Expand and strengthen sales and after-sales services in China
- Accelerate motion control business in India



Rendering of Shenyang plant

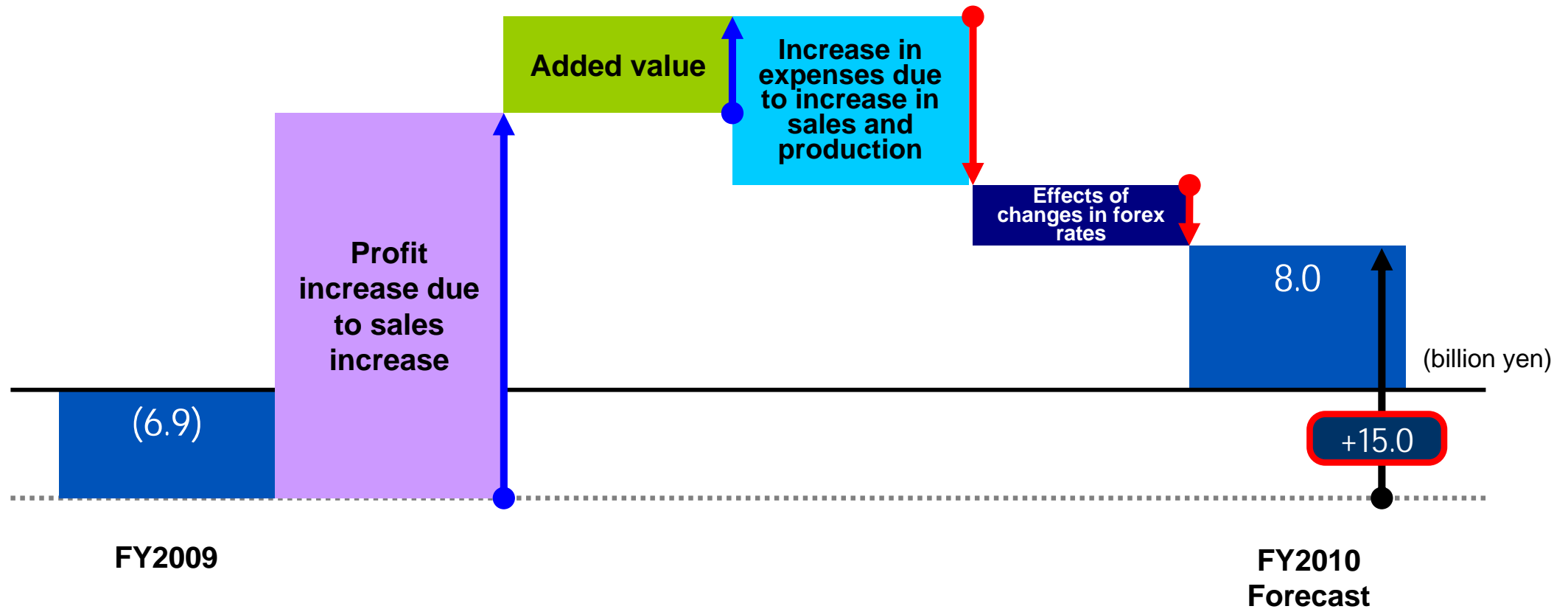
Expansion of energy-related business

- "EV Powertrain Business Promotion Dept." was established in Technology & Development Div.
- "Environmental Energy Business Div." was established in Drives Div.
- "Environmental Energy System Business Div." was established in System Engineering Div.

Continuation of thorough cost reduction

- Strengthen cost reduction with immediate effects, e.g. overseas procurement
- Efficient use of expenses

Breakdown of Changes in Operating Income (FY2009 to FY2010 Forecast)



Risk Factors

1. Changes in exchange rates

There is a possibility that changes in exchange rates, such as sharp appreciation of the Japanese yen, may affect our business results negatively

(Reference)	Actual exchange rates in FY2009	\$1=¥92.4	Euro1=¥130.8
	Estimated exchange rates in FY2010	\$1=¥90	Euro1=¥120

2. Trends in economic measures of market countries

There is a possibility that the market environment may change according to the trends in economic measures that support our market countries' economic recovery.