

July 3, 2006

Listed company name: YASKAWA Electric Corporation
<http://www.yaskawa.co.jp/en/>
President: Koji Toshima
Stock exchange listings: Tokyo, Fukuoka
Stock ticker number: 6506

Notice of Sale of Subsidiary's Stock

On May 8, 2006, YASKAWA Electric Corporation announced sale of a subsidiary in the United States. The detailed conditions of transfer were now settled as follows.

1. Overview of the subsidiary transferred

Name: Synetics Solutions Inc.

Established: June, 2000

Capital: US\$ 58.51 million (as of April, 2006)

Investment: Yaskawa 87.05%, Yaskawa Electric America, 7.01%, Huntair 5.94%

Chief Executive: Gregory A. Marvell, President & C.E.O.

Headquarter: 18870 NE Riverside Parkway, Portland, OR 97230 USA

Business Objective: Design, Production, Sales and Service of Products Centered Around the Equipment Front End Module (EFEM) for the North American Wafer Fabrication Equipment Manufacturers

Major Products: EFEM, Wafer Handling Systems, Fan Filter Unit (FFU)

Revenue: US\$ 57.3 million (FY2005 Actual)

Employees: Approx. 160

2. Schedule

- 1) Date of signing contract: May 8, 2006
- 2) Date of stock transfer: July 1, 2006

3. The name of transferee, the number of stocks transferred, and the value of transfer

- 1) The name of transferee: Brooks Automation, Inc
- 2) The number of stocks transferred: the whole 11,285,291 shares owned by YASKAWA Electric Corporation and its subsidiary (shareholding ratio: 94.06%)
YASKAWA Electric Corporation's shares: 10,444,403 shares (shareholding ratio: 87.05%)
YASKAWA Electric America, Inc.'s shares: 840,888 shares (shareholding ratio: 7.01%)
- 3) The value of transfer: ¥4,851 million (US\$42.32 million)
YASKAWA Electric Corporation's shares: ¥4,489 million (US\$39.17 million)
YASKAWA Electric America, Inc.'s shares: ¥361 million (US\$3.15 million)

4. Future outlook

The effects of the stock transfer on the financial forecast are ¥1,832 million on consolidated extraordinary gains, ¥3,895 million on consolidated net income, ¥3,058 million on non-consolidated extraordinary gains, and ¥5,006 million on non-consolidated net income. Please refer to “Notice of Revised Financial Forecast” disclosed separately for revised financial forecast for the fiscal year 2006.

【Reference】

Overview of Brooks Automation

Name: Brooks Automation, Inc.

Established: 1978 (NASDAQ Listed, Since February, 1995)

Capital: US\$ 129 million

Chief Executive: Edward C. Grady, President & C.E.O.

Headquarter: 15 Elizabeth Drive, Chelmsford, MA 01824 USA

Major Products: Vacuum automation, atmospheric automation, and vacuum cluster platform modules

Revenue: US\$ 463 million

Employees: Approx. 2,400