

Listed company name: Yaskawa Electric Corporation

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

President: Koji Toshima

Stock exchange listings: Tokyo, Fukuoka

Stock ticker number: 6506

Financial Forecast Revision for the First Half of Fiscal Year 2004

The financial forecast for the first half of fiscal year 2004 announced on May 6, 2004 has been revised based on the Company's recent business trend as follows.

1. Consolidated Forecast Revision for the First Half of Fiscal Year 2004 (March 21, 2004 to September 20, 2004).

(Millions of yen)

	Net sales	Ordinary income	Net income (loss)
Previous Forecast announced on May 6, 2004 (A)	139,000	4,400	1,000
Revised Forecast (B)	146,000	7,000	1,900
Change (B – A)	7,000	2,600	900
Change as a Percentage	5.0%	59.1%	90.0%
FY 2003 First Half Results (C)	117,091	1,365	(557)
Increase of First Half FY 2004 Forecast Over First Half FY 2003 Results (B – C)	28,909	5,635	2,457

2. Unconsolidated Forecast Revision for the First Half of Fiscal Year 2004 (March 21, 2004 to September 20, 2004).

(Millions of yen)

	Net sales	Ordinary income (loss)	Net income (loss)
Previous Forecast announced on May 6, 2004 (A)	80,000	1,000	(500)
Revised Forecast (B)	89,000	2,000	(280)
Change (B – A)	9,000	1,000	220
Change as a Percentage	11.3%	100.0%	-
FY 2003 First Half Results (C)	65,661	(1,539)	(1,280)
Increase of First Half FY 2004 Forecast Over First Half FY 2003 Results (B – C)	23,339	3,539	1,000

3. Factors Relating to the Forecast Revision

In addition to the strong growth during the first half of the fiscal year in the semiconductor-, LCD- and electronic component-related markets, automobile-related markets also grew steadily. Particularly in the Motion Control and Robotics Automation segments, sales rose and earnings improved due to orders exceeding estimates and further progress in production capability to handle sudden order increases. The above first half forecast revision was necessary given these factors.

The full-year financial forecast for fiscal year 2004 will be presented with first half fiscal year results (expected release date is October 28, 2004).

Warning

The information within this document is made as of the date of writing. Any forward-looking statements are made according to the assumptions of management and are subject to change as a result of risks and uncertainties. Yaskawa Electric undertakes no obligation to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise.