

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

18th July, 2007

Notice to holders of
YASKAWA ELECTRIC CORPORATION
JPY 15,000,000,000 Zero Coupon Convertible Bonds due 2009 (the 'Bonds')
XS0198406547

On 24th August, 2007, YASKAWA ELECTRIC CORPORATION (the 'Company') will redeem all of the outstanding Bonds at 100 per cent. of their principal amount in accordance with Condition 6.2 of the Bonds, since the Closing Price of the Shares for each of the 30 consecutive Trading Days ended on 18th June, 2007 (from 8th May, 2007 to 18th June, 2007), being a date not more than 30 days prior to the date of this notice of redemption, was more than 130 per cent. of the Conversion Price in effect on those Trading Days (being 740 yen per Share).

As of the date of this notice, the Conversion Price is 740 yen per Share. The Closing Price of the Shares on 17th July, 2007 (being the latest practicable date prior to the date of this notice) was 1,539 yen per Share. The last date on which the Stock Acquisition Rights may be exercised is 21st August, 2007 (being the third business day in Tokyo prior to the date fixed for redemption). The aggregate principal amount of the Bonds outstanding as at 17th July, 2007 (being the latest practicable date prior to the date of this notice) was JPY 5,086,000,000.

Capitalized terms used herein without definition are used as defined in the Terms and Conditions of the Bonds.

Note 1: The above document is disclosed at the London Stock Exchange and at the Singapore Exchange.

Note 2: The similar notice was also given at the Tokyo Stock Exchange. (Stock ticker number: 6506)