

Financial and Corporate Information

Financial and Non-Financial Data

(Millions of yen)		(Fiscal year)	2008	2009	2010	2011	2012
Net sales			350,249	224,710	296,847	307,111	310,383
Operating income			20,806	-6,977	12,874	14,818	13,070
Operating income ratio			5.9%	-3.1%	4.3%	4.8%	4.2%
Ordinary income			20,024	-6,049	13,429	15,626	14,053
Ordinary income ratio			5.7%	-2.7%	4.5%	5.1%	4.5%
Profit attributable to owners of parent			6,892	-5,699	6,544	8,432	6,800
Profit ratio			2.0%	-2.5%	2.2%	2.7%	2.2%
Sales and Income by Business Segment	*1 Motion Control	Net sales	160,848	104,814	156,450	149,410	144,333
		Operating income	11,755	-3,169	8,980	5,824	3,248
		Operating income ratio	7.3%	-3.0%	5.7%	3.9%	2.3%
	Robotics	Net sales	114,124	57,084	83,843	101,065	110,223
		Operating income	3,200	-8,327	1,673	7,014	8,365
		Operating income ratio	2.8%	-14.6%	2.0%	6.9%	7.6%
	System Engineering	Net sales	46,768	41,498	34,349	35,520	37,263
		Operating income	4,637	5,476	2,061	1,917	1,504
		Operating income ratio	9.9%	13.2%	6.0%	5.4%	4.0%
Sales by Destination	Japan		169,086	116,197	144,754	143,019	143,456
	The Americas		43,943	29,351	38,779	43,985	51,113
	Europe		52,887	24,332	29,610	33,939	32,047
	Asia except China		82,830	53,900	82,749	85,276	81,308
	Other		1,503	930	955	890	2,456
	Overseas sales ratio		51.7%	48.3%	51.2%	53.4%	53.8%
Per Share Information (yen)	Earning - basic		27.38	-22.64	26.00	33.51	27.03
	Earning - diluted		-	-	-	-	25.65
	Dividends		13.0	3.0	6.0	10.0	10.0
Shareholders' equity			97,068	88,459	93,220	100,109	112,218
Shareholders' equity ratio			39.0%	36.6%	35.2%	35.9%	37.1%
ROE: Return on equity			7.0%	-6.1%	7.2%	8.7%	6.4%
Interest-bearing debt			32,894	42,235	41,439	58,612	54,684
Debt-to-equity ratio (times)			0.3	0.5	0.4	0.6	0.5
Inventories			54,705	46,200	58,066	63,800	64,325
Inventory turnover (months)			1.9	2.5	2.3	2.5	2.5
Capital expenditures			8,611	4,119	6,655	9,907	15,895
Depreciation and amortization			8,028	7,840	7,057	7,606	8,114
Research and development expenses			9,704	8,493	9,724	10,398	10,731
Non-financial data							
No. of employees (persons)			8,463	8,176	8,085	8,246	10,383
No. of employees rehired (persons)			106	164	199	239	246
<small>No. of regular employees and temporary contracted workers aged 60 to 64</small>							
People with disabilities employed (%)			1.62%	1.75%	1.85%	1.65%	2.15%
No. of non-Japanese employees in Japan (persons)			14	16	14	19	18
<small>Regular employees and contract employees</small>							
Use of parental leave program			3/100%	5/100%	2/100%	5/100%	5/83%
<small>No. of females using the program/Use rate</small>							
Parental leave program			2	1	1	4	1
<small>No. of males using the program (persons)</small>							
Average days of paid leave taken per year			12.44	8.69	12.30	12.81	12.44
<small>(No. of days/person)</small>							
CO ₂ emissions from production and sales activities (t.CO ₂)			23,952	19,053	23,688	22,086* ²	22,138* ²

*1: Revisions were made to the division of businesses segments starting FY2017. The PV inverter business, which was previously included in Motion Control, is included in System Engineering. Figures and profit ratios of each segment for FY2016 reflect this change. The change is not applied to figures and profit ratios for the period up until FY2015.
 * Starting FY2013, reportable segments changed to the following 3 segments: Motion Control, Robotics, and System Engineering. There have also been partial changes in the

2013	2014	2015	2016	2017	(Fiscal year)	(Millions of yen)
363,570	400,153	411,260	394,883	448,523	Net sales	
25,702	31,532	36,730	30,409	54,126	Operating income	
7.1%	7.9%	8.9%	7.7%	12.1%	Operating income ratio	
27,084	33,884	35,833	31,963	55,300	Ordinary income	
7.4%	8.5%	8.7%	8.1%	12.3%	Ordinary income ratio	
16,964	24,819	22,365	20,397	39,749	Profit attributable to owners of parent	
4.7%	6.2%	5.4%	5.2%	8.9%	Profit ratio	
162,346	188,116	187,548	172,025	212,095	Net sales	Motion Control
16,444	21,748	22,413	22,772	41,729	Operating income	
10.1%	11.6%	12.0%	13.2%	19.7%	Operating income ratio	
122,543	135,956	154,068	139,993	163,379	Net sales	Robotics
9,511	10,558	15,304	10,253	17,761	Operating income	
7.8%	7.8%	9.9%	7.3%	10.9%	Operating income ratio	
35,327	40,980	43,053	59,354	52,934	Net sales	System Engineering
-5	-768	-760	-591	-3,794	Operating income	
-0.0%	-1.9%	-1.8%	-1.0%	-7.2%	Operating income ratio	
150,101	144,249	135,495	134,205	133,898	Japan	Sales by Destination
58,481	72,616	85,088	74,691	83,078	The Americas	
42,499	46,921	52,011	50,736	60,879	Europe	
108,595	132,779	134,294	131,045	166,711	Asia except China	
3,892	3,590	4,370	4,205	3,957	Other	
58.7%	64.0%	67.1%	66.0%	70.1%	Overseas sales ratio	
67.42	98.45	84.71	76.60	149.35	Earning - basic	Per Share Information (yen)
63.98	93.60	84.11	-	-	Earning - diluted	
12.00	20.00	20.00	20.00	40.00	Dividends	
134,076	171,388	181,281	198,513	235,865	Shareholders' equity	
39.4%	44.1%	48.5%	51.2%	53.5%	Shareholders' equity ratio	
13.8%	16.3%	12.8%	10.7%	18.3%	ROE: Return on equity	
55,528	52,430	48,426	36,765	32,247	Interest-bearing debt	
0.4	0.3	0.3	0.2	0.1	Debt-to-equity ratio (times)	
78,364	85,469	77,594	79,886	100,051	Inventories	
2.6	2.6	2.3	2.4	2.7	Inventory turnover (months)	
16,980	36,369	16,758	14,904	19,684	Capital expenditures	
9,214	11,534	13,063	12,076	12,691	Depreciation and amortization	
14,033	15,317	16,819	17,979	19,072	Research and development expenses	
					Non-financial data	
11,463	11,356	11,450	11,810	12,449	No. of employees (persons)	
236	213	229	220	175	No. of employees rehired (persons) No. of regular employees and temporary contracted workers aged 60 to 64	
2.15%	2.04%	2.07%	2.20%	2.02%	People with disabilities employed (%)	
20	20	22	27	28	No. of non-Japanese employees in Japan (persons) Regular employees and contract employees	
7/100%	4/100%	4/100%	15/100%	17/100%	Use of parental leave program No. of females using the program/Use rate	
1	3	3	4	4	Parental leave program No. of males using the program (persons)	
12.49	12.48	14.49	14.71	13.42	Average days of paid leave taken per year (No. of days/person)	
22,770*2	20,737*2	20,811*2	22,791*2	22,308*2	CO ₂ emissions from production and sales activities (t.CO ₂)	

division of businesses within these segments. Figures and profit ratios of each segment for the period up until FY2012 are based on figures before the change was implemented. The figures for former Information Technologies segment and Other segment are omitted.

*2: Including sales bases from FY2011.

Management's Discussion and Analysis of Financial Position and Results of Operations

Analysis of Results of Operations

Overview on Business Performance

The business performance of the Yaskawa Group in FY2017 (March 21, 2017 – February 28, 2018) was strong due to high demand on the back of sophistication and automation of production equipment in the global manufacturing industry especially in China. Motion control and Robotics sales grew significantly especially for the semiconductor and electronic component markets. As a result, record-high sales and profits were achieved as fiscal year results.

As a result, consolidated sales for FY2017 were 448,523 million JPY, and overseas sales ratio grew from 66% of the previous fiscal year to 70%. Operating income stood at 54,126 million JPY and operating income ratio rose from 7.7% of the previous fiscal year to 12.1%. Ordinary income was 55,300 million JPY, due to the increase in operating income. Profit attributable to owners of parent stood at 39,749 million JPY, and earnings per share was 149.35 JPY, which is an increase by 72.75 JPY.

The management environment for the Yaskawa Group in FY2017 was as follows.

Japan:

Our business for the semiconductor and electronic component markets was brisk on the back of strong smartphone and data center-related demand. Also, capital expenditures for the purpose of facility replacement, capacity expansion and higher efficiency increased in the manufacturing sector.

U.S.:

Automobile-related demand remained steady on the back of stable economic growth. We also saw recovery in demand for the oil&gas-related market, while semiconductor-related demand remained strong.

Europe:

Demand for capital expenditures especially in the automobile industry was robust.

China:

Sophistication and automation of production equipment accelerated in the manufacturing sector overall, especially in the smartphone-related market. Demand for infrastruc-

ture investment also remained strong.

Other Asian Countries:

Semiconductor-related investment for memory and OLED especially in Korea remained steady.

Performance by Business Segment

The business of the Yaskawa Group is divided into four segments.

The performance of each business segment for FY2017 is as follows.

Starting FY2017, revisions were made to the division of businesses segments for the purpose of expanding clean power business. The PV inverter business, which was previously included in Motion Control, is included in System Engineering.

Motion Control

Motion Control segment is comprised of AC servo & controller business and drives business. Both sales and operating income set record highs as fiscal year results, as AC servo & controller business achieved high performance and demand recovered for the drives business.

<AC servo & controller business>

- Sales were strong mainly for the semiconductor and electronic component industries due to promotion of automation of production equipment and robust smartphone-related demand.
- Because of the growth in sales ratio of the core product Sigma-7 series and expansion of production in China, profitability significantly improved.

<Drives business>

- Sales and profitability grew on the back of recoveries in the U.S. oil&gas-related demand and infrastructure investment in China.

Robotics

Sales were strong on the back of growth in demand from overseas markets including China. Productivity improved significantly because production volume remained high-level and ratio of production in China expanded. As a result, sales and operating income set record highs as fiscal year results.

- Automobile-related sales for core products such as welding

and painting robots increased in overseas markets, especially in China and Europe.

- Sales for the general industries increased because of the strong demand for production automation in the manufacturing industry overall including smartphones and home electronics in China.

System Engineering

Sales and operating loss worsened from the influence of change in accounting period.

- Steel plant and social system businesses progressed according to plan by capturing large-scale projects to meet

the need for facility renovation.

- As for the clean power business, sales related to large-scale wind turbines were steady. However, the sluggish PV inverter sales in Japan and the U.S. weighed on the segment profitability.

Other

Other segment is comprised of IT-related business and logistics business. Structural reforms aimed at increasing management efficiency led to a slight improvement in profitability.

Analysis of Financial Position

Assets

Total assets at the end of FY2017 stood at 441,249 million JPY, which is an increase by 53,737 million JPY from the end of the previous fiscal year. This is due to the increase in current assets by 44,700 million JPY, which include notes and accounts receivable, and inventories, etc., as well as the increase in non-current assets by 9,037 million JPY, which include property, plant and equipment, and investments and other assets, etc.

Liabilities

Total liabilities at the end of FY2017 stood at 202,623 million JPY, which is an increase by 15,809 million JPY from the end of the previous fiscal year. While non-current liabilities

decreased by 4,224 million JPY, which include decrease of long-term loans payable and net defined benefit liability, current liabilities increased by 20,034 million JPY from the previous fiscal year due to increase in notes and accounts payable, etc.

Net Assets

Total net assets at the end of FY2017 stood at 238,626 million JPY, which is an increase by 37,927 million JPY from the end of the previous fiscal year. This is due to the increases in retained earnings by 31,752 million JPY, foreign currency translation adjustment by 2,834 million JPY, and valuation difference on available-for-sale securities by 2,334 million JPY.

Analysis of Cash Flow Status

The status of cash flows in FY2017 is as follows. As a transition year for the change in accounting period, changes from the previous fiscal year are not shown.

Cash Flows from Operating Activities

Net cash provided by operating activities for FY2017 stood at 46,054 million JPY due to increase in operating income although the working capital including notes and accounts receivable and inventory assets as well as income taxes paid increased.

Cash Flows from Investing Activities

Net cash used in investing activities for FY2017 stood at

18,852 million JPY due to purchase of property, plant and equipment and intangible assets as well as purchase of investment in securities.

Cash Flows from Financing Activities

Net cash used in financing activities stood at 14,820 million JPY due to scheduled repayments of long-term loans payable and cash dividends paid.

As a result of the above, cash and cash equivalents at end of period stood at 42,213 million JPY. (An increase by 12,478 million JPY from the end of previous fiscal year) Free cash flows, the sum of cash flows from operating and investing activities, were positive at 27,202 million JPY.

Consolidated Financial Statements

Consolidated Balance Sheets

YASKAWA Electric Corporation and Consolidated Subsidiaries
February 28, 2018 and March 20, 2017

(Millions of yen)

Assets		FY2016	FY2017	Liabilities		FY2016	FY2017
Current assets	Cash and deposits	29,792	42,279	Current liabilities	Notes and accounts payable — trade	69,974	84,795
	Notes and accounts receivable — trade	129,365	142,039		Short-term loans payable	24,647	22,498
	Merchandise and finished goods	48,148	58,640		Accrued expenses	23,112	24,038
	Work in process	14,127	19,311		Income taxes payable	3,545	6,338
	Raw materials and supplies	17,611	22,100		Provision for directors' bonuses	66	59
	Deferred tax assets	9,228	9,369		Other	20,292	23,942
	Other	14,504	13,951	Total current liabilities	141,638	161,673	
	Allowance for doubtful accounts	-2,482	-2,695	Non-current liabilities	Long-term loans payable	11,145	8,977
	Total current assets	260,295	304,995		Provision for directors' retirement benefits	175	202
Property, plant and equipment			Provision for stocks payment		—	367	
Buildings and structures, net	32,202	32,067	Net defined benefit liability		28,019	25,917	
Machinery, equipment and vehicles, net	12,893	14,576	Other		5,834	5,484	
Land	8,819	8,650	Total non-current liabilities		45,174	40,949	
Construction in progress	1,734	6,974	Total liabilities	186,813	202,623		
Other, net	5,510	5,687	Net assets				
Total property, plant and equipment	61,159	67,956	Shareholders' equity	Capital stock	30,562	30,562	
Intangible assets				Capital surplus	27,704	27,717	
Goodwill	4,053	2,931		Retained earnings	132,607	164,360	
Software	9,541	9,457		Treasury shares	-249	-1,338	
Other	11,032	9,650	Total shareholders' equity	190,624	221,301		
Total intangible assets	24,627	22,039	Accumulated other comprehensive income	Valuation difference on available-for-sale securities	8,627	10,961	
Investments and other assets				Deferred gains or losses on hedges	101	13	
Investment securities	31,617	37,061		Foreign currency translation adjustment	1,292	4,126	
Net defined benefit asset	56	54		Remeasurements of defined benefit plans	-2,132	-538	
Deferred tax assets	6,576	5,840		Total accumulated other comprehensive income	7,889	14,563	
Other	3,629	3,680	Non-controlling interests	2,184	2,761		
Allowance for doubtful accounts	-449	-379	Total net assets	200,698	238,626		
Total investments and other assets	41,429	46,258	Total liabilities and net assets	387,512	441,249		
Total non-current assets	127,217	136,254					
Total assets	387,512	441,249					

Consolidated Statements of Income and Comprehensive Income

YASKAWA Electric Corporation and Consolidated Subsidiaries
Year ended February 28, 2018 and year ended March 20, 2017

		(Millions of yen)	
Consolidated Statements of Income		FY2016	FY2017
Net sales		394,883	448,523
Cost of sales		270,864	294,348
Gross profit		124,018	154,174
Selling, general and administrative expenses		93,609	100,048
Operating profit		30,409	54,126
Non-operating income	Interest income	203	237
	Dividend income	336	370
	Share of profit of entities accounted for using equity method	2,403	1,861
	Subsidy income	260	533
	Gain on bad debts recovered	—	347
	Other	197	300
	Total non-operating income	3,401	3,651
Non-operating expenses	Interest expenses	565	594
	Foreign exchange losses	958	1,625
	Other	323	257
	Total non-operating expenses	1,847	2,477
Ordinary profit		31,963	55,300
Extraordinary income	Gain on sales of non-current assets	48	335
	Gain on sales of investment securities	0	1,144
	Gain on sales of shares of subsidiaries and associates	63	—
	Gain on sales of investments in capital of subsidiaries and associates	—	0
	Gain on liquidation of subsidiaries and associates	—	7
	Gain on exchange from business combination	—	25
	Other	—	0
Total extraordinary income	111	1,513	

		(Millions of yen)	
		FY2016	FY2017
Extraordinary losses	Loss on sales and retirement of non-current assets	395	94
	Loss on valuation of investment securities	589	446
	Loss on valuation of shares of subsidiaries and associates	49	7
	Loss on sales of shares of subsidiaries and associates	373	20
	Loss on sale of investments in capital of subsidiaries and associates	37	—
	Impairment loss	718	2,677
	Other	0	11
Total extraordinary losses	2,165	3,257	
Profit before income taxes		29,910	53,556
Income taxes — current		10,369	14,426
Income taxes — deferred		-1,260	-1,339
Total income taxes		9,109	13,087
Profit		20,800	40,469
Profit attributable to non-controlling interests		403	720
Profit attributable to owners of parent		20,397	39,749

		(Millions of yen)	
Consolidated Statements of Comprehensive Income		FY2016	FY2017
Profit		20,800	40,469
Other comprehensive income	Valuation difference on available-for-sale securities	2,632	2,251
	Deferred gains or losses on hedges	96	-83
	Foreign currency translation adjustment	-2,786	2,587
	Remeasurements of defined benefit plans, net of tax	2,146	1,397
	Share of other comprehensive income of entities accounted for using equity method	-318	599
	Total other comprehensive income	1,770	6,753
	Comprehensive income		22,571
Comprehensive income attributable to owners of parent		22,283	46,423
Comprehensive income attributable to non-controlling interests		287	798

Consolidated Statements of Changes in Net Assets

YASKAWA Electric Corporation and Consolidated Subsidiaries
Year ended February 28, 2018 and year ended March 20, 2017

		(Millions of yen)				(Millions of yen)	
		FY2016	FY2017			FY2016	FY2017
Shareholders' equity				Accumulated other comprehensive income			
Capital stock	Balance at beginning of current period	30,562	30,562	Valuation difference on available-for-sale securities	Balance at beginning of current period	6,020	8,627
	Changes of items during period				Changes of items during period		
	Total changes of items during period	-	-		Net changes of items other than shareholders' equity	2,606	2,334
	Balance at end of current period	30,562	30,562		Total changes of items during period	2,606	2,334
Capital surplus	Balance at beginning of current period	27,705	27,704	Deferred gains or losses on hedges	Balance at beginning of current period	8	101
	Changes of items during period				Changes of items during period		
	Disposal of treasury shares	0	12		Net changes of items other than shareholders' equity	93	-88
	Change in ownership interest of parent due to transactions with non-controlling interests	-0	-		Total changes of items during period	93	-88
	Total changes of items during period	-0	12		Balance at end of current period	101	13
	Balance at end of current period	27,704	27,717	Foreign currency translation adjustment	Balance at beginning of current period	4,104	1,292
Retained earnings	Balance at beginning of current period	117,268	132,607		Changes of items during period		
	Changes of items during period				Net changes of items other than shareholders' equity	-2,812	2,834
	Dividends of surplus	-5,331	-7,997		Total changes of items during period	-2,812	2,834
	Profit attributable to owners of parent	20,397	39,749	Balance at end of current period	1,292	4,126	
	Change of scope of consolidation	273	-	Remeasurements of defined benefit plans	Balance at beginning of current period	-4,141	-2,132
Total changes of items during period	15,339	31,752	Changes of items during period				
Balance at end of current period	132,607	164,360	Net changes of items other than shareholders' equity		2,008	1,594	
Treasury shares	Balance at beginning of current period	-246	-249	Total changes of items during period	2,008	1,594	
	Changes of items during period			Balance at end of current period	-2,132	-538	
	Purchase of treasury shares	-2	-1,094	Total accumulated other comprehensive income	Balance at beginning of current period	5,992	7,889
	Disposal of treasury shares	0	5		Changes of items during period		
Total changes of items during period	-2	-1,088	Net changes of items other than shareholders' equity		1,896	6,674	
	Balance at end of current period	-249	-1,338	Total changes of items during period	1,896	6,674	
Total shareholders' equity	Balance at beginning of current period	175,288	190,624	Balance at end of current period	7,889	14,563	
	Changes of items during period			Non-controlling interests			
	Dividends of surplus	-5,331	-7,997	Balance at beginning of current period	2,620	2,184	
	Profit attributable to owners of parent	20,397	39,749	Changes of items during period			
	Purchase of treasury shares	-2	-1,094	Net changes of items other than shareholders' equity	-435	576	
	Disposal of treasury shares	0	18	Total changes of items during period	-435	576	
	Change in ownership interest of parent due to transactions with non-controlling interests	-0	-	Balance at end of current period	2,184	2,761	
	Change of scope of consolidation	273	-	Total net assets			
	Total changes of items during period	15,336	30,676	Balance at beginning of current period	183,901	200,698	
Balance at end of current period	190,624	221,301	Changes of items during period				
				Dividends of surplus	-5,331	-7,997	
				Profit attributable to owners of parent	20,397	39,749	
				Purchase of treasury shares	-2	-1,094	
				Disposal of treasury shares	0	18	
				Change in ownership interest of parent due to transactions with non-controlling interests	-0	-	
				Change of scope of consolidation	273	-	
				Net changes of items other than shareholders' equity	1,461	7,251	
				Total changes of items during period	16,797	37,927	
				Balance at end of current period	200,698	238,626	

Consolidated Statements of Cash Flows

YASKAWA Electric Corporation and Consolidated Subsidiaries
Year ended February 28, 2018 and year ended March 20, 2017

	(Millions of yen)			(Millions of yen)				
	FY2016	FY2017		FY2016	FY2017			
Cash flows from operating activities	Profit before income taxes	29,910	53,556	Cash flows from investing activities	Purchase of property, plant and equipment and intangible assets	-15,154	-17,751	
	Depreciation	12,076	12,691		Proceeds from sales of property, plant and equipment and intangible assets	92	423	
	Impairment loss	718	2,677		Purchase of investment in securities	-3,633	-2,808	
	Amortization of goodwill	1,171	1,106		Proceeds from sales and redemption of investment securities	363	1,367	
	Increase in allowance for doubtful accounts	138	51		Purchase of shares of subsidiaries resulting in change in scope of consolidation	-151	—	
	Decrease in net defined benefit liability	-1,425	-197		Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	111	371	
	Increase/decrease(-) in provision for directors' retirement benefits	-17	27		Other, net	-563	-455	
	Increase/decrease(-) in provision for directors' bonuses	7	-6		Net cash used in investing activities	-18,936	-18,852	
	Increase in Provision for stocks payment	—	367		Cash flows from financing activities	Net decrease in short-term loans payable	-6,707	-4,418
	Loss/gain(-) on sales and retirement of non-current assets	347	-241			Proceeds from long-term loans payable	2,371	5,320
	Gain on sales of investment securities	-0	-1,144	Repayments of long-term loans payable		-6,258	-6,224	
	Loss on sales of shares of subsidiaries and associates	310	20	Purchase of treasury shares		-1	-1,040	
	Loss/gain(-) on sales of investment in capital of subsidiaries and associates	37	-0	Cash dividends paid		-5,331	-7,997	
	Loss on valuation of investment securities	589	446	Dividends paid to non-controlling interests		-242	-232	
	Loss on valuation of shares of subsidiaries and associates	49	7	Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation		-117	—	
	Interest and dividend income	-540	-608	Other, net		-166	-227	
	Interest expenses	565	594	Net cash used in financing activities		-16,453	-14,820	
	Increase in notes and accounts receivable — trade	-10,154	-5,385	Effect of exchange rate change on cash and cash equivalents		-561	96	
	Increase in inventories	-3,324	-19,080	Net increase/decrease(-) in cash and cash equivalents	-2,198	12,478		
	Increase in notes and accounts payable — trade	7,835	13,573	Cash and cash equivalents at beginning of period	31,656	29,735		
Increase/decrease(-) in accounts payable — other	-933	71	Increase in cash and cash equivalents from newly consolidated subsidiary	277	—			
Increase in consumption taxes refund receivable	-63	-1,758	Cash and cash equivalents at end of period	29,735	42,213			
Other, net	3,177	-404						
Subtotal	40,475	56,366						
Interest and dividend income received	1,537	2,306						
Interest expenses paid	-575	-590						
Income taxes paid	-7,684	-12,027						
Net cash provided by operating activities	33,752	46,054						

Vision

Financial Capital

Manufactured Capital

Intellectual Capital

Human Capital

Social and Relationship Capital

Natural Capital

Corporate Governance

Financial and Corporate Information

Corporate Name	YASKAWA Electric Corporation
Founded	July 16, 1915
Employees	Consolidated: 12,449 Non-consolidated: 2,787
Head Office	2-1 Kurosakishiroishi, Yahatanishi-ku, Kitakyushu 806-0004, Japan Phone +81-93-645-8801 Fax. +81-93-645-8831
Tokyo Office	New Pier Takeshiba South Tower, 1-16-1 Kaigan, Minato-ku, Tokyo 105-6891, Japan Phone +81-3-5402-4511 Fax. +81-3-5402-4580

Sales Offices	Chubu Office	Phone +81-561-36-9310 Fax. +81-561-36-9311
	Osaka Office	Phone +81-6-6346-4500 Fax. +81-6-6346-4555
	Kyushu Office	Phone +81-92-714-5331 Fax. +81-92-714-5799
Plants	Yahata-nishi Plant, Yukuhashi Plant, Iruma Plant, Nakama Plant, China (Shenyang, Changzhou, Shanghai)	
Laboratories	Corporate Research & Development Center (Kokura Plant), Tsukuba Research Laboratory	

Group Companies

Japan	YASKAWA ELECTRIC ENGINEERING CORPORATION Maintenance, test operation and adjustment of electric machines and facilities and technical training
	YASKAWA CONTROLS CO., LTD. Manufacturing and sales of electric machines, and parts
	YASKAWA MOTOR CORPORATION Design, manufacturing, sales and maintenance of motors, generators and motor applications
Europe	YASKAWA MECHATREC CORPORATION Sales of electric machines and other machinery
	YASKAWA EUROPE GmbH (Germany) Manufacturing, sales, and after-sales service of AC drives, servo motors and controllers. Sales and after-sales service of robots
	YASKAWA NORDIC AB (Sweden) Sales and after-sales service of robots
	YASKAWA ELECTRIC UK LTD. (U.K.) Manufacturing, sales, and after-sales service of AC drives and servo amplifiers
	YASKAWA EUROPE TECHNOLOGY LTD. (Israel) Development, manufacturing, sales, and after-sales service of servo motors and controllers. Sales and after-sales service of robots
	THE SWITCH ENGINEERING OY (Finland) Development, manufacturing and sales of electrical products for wind-power generation
	VIPA GmbH (Germany) Development, manufacturing and sales of PLC, I/O, and HMI
YASKAWA EUROPE ROBOTICS D.O.O. (Slovenia) Development and manufacturing of robots	

Asia	YASKAWA ELECTRIC (CHINA) CO., LTD. (China) Sales and after-sales service of AC drives, servo motors and controllers
	YASKAWA ELECTRIC KOREA CORPORATION (Korea) Sales and after-sales service of AC drives, servo motors, controllers and robots
	YASKAWA ELECTRIC (SINGAPORE) PTE. LTD. (Singapore) Sales and after-sales service of AC drives, servo motors, controllers and robots
	SHANGHAI YASKAWA DRIVE CO., LTD. (China) Manufacturing and sales of AC drives
	YASKAWA ELECTRIC TAIWAN CORPORATION (Taiwan) Sales and after-sales service of AC drives, servo motors, controllers and robots
	YASKAWA ELECTRIC (SHENYANG) CO., LTD. (China) Manufacturing, sales, and after-sales service of servo motors and controllers
	YASKAWA SHOUGANG ROBOT CO., LTD. (China) Sales and after-sales service of robots
	YASKAWA (CHINA) ROBOTICS CO., LTD. (China) Manufacturing and sales of robots and robot systems
	YASKAWA ELECTRIC INDIA PVT. LTD. (India) Manufacturing and sales of AC drives. Sales and after-sales service of robots
	YASKAWA TSUSHO (SHANGHAI) CO., LTD. (China) Sales of AC drives, servo motors, controllers and robots
The Americas	YASKAWA AMERICA, INC. (U.S.A.) Manufacturing, sales, and after-sales service of AC drives, servo motors and controllers. Sales and after-sales service of robots
	SOLECTRIA RENEWABLES, LLC (U.S.A.) Development, manufacturing and sales of electrical products for photovoltaic generation

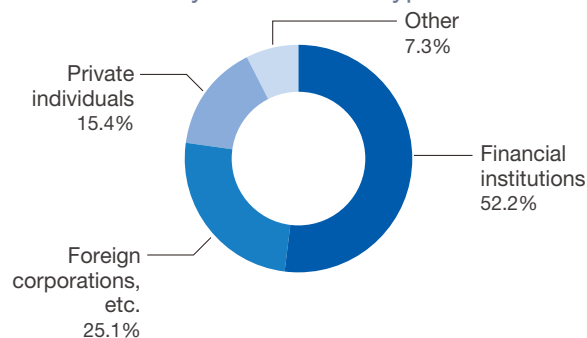


Stock Information

As of February 28, 2018

Number of Authorized Shares	560,000 thousand
Number of Shares Outstanding	266,690 thousand
Capital Stock	30,562 million yen
Number of Shareholders	74,064
Securities Code	6506(Japan)

Share Distribution by Shareholder Type



Major Shareholders

Major shareholders (Top 10 shareholders)	Number of shares (Thousands)	Shareholding ratio
Japan Trustee Services Bank, Ltd. (Trust Account)	26,361	9.89%
The Master Trust Bank of Japan, Ltd. (Trust Account)	24,321	9.12%
Mizuho Bank, Ltd. (MHBK)	8,100	3.04%
Japan Trustee Services Bank, Ltd. (Sumitomo Mitsui Trust Bank, Limited Employee Retirement Benefit Trust Account)	7,970	2.99%
Meiji Yasuda Life Insurance Company	7,774	2.92%
Japan Trustee Services Bank, Ltd. (Sumitomo Mitsui Trust Bank, Limited Re-trust Account, The Bank of Fukuoka, Ltd. Employee Retirement Benefit Trust Account)	6,375	2.39%
Japan Trustee Services Bank, Ltd. (Trust Account 5)	4,429	1.66%
STATE STREET BANK WEST CLIENT-TREATY 505234	4,336	1.63%
BBH FOR GLOBAL X ROBOTICS AND ARTIFICIAL INTELLIGENCE ETF	4,121	1.55%
THE DAI-ICHI LIFE INSURANCE COMPANY, LTD.	4,092	1.54%

Note: Treasury stock is deducted in the calculation of the shareholding ratio.

Company Share Price (From January 2015 to February 2018)



Note: The prices displayed are the monthly high and low prices traded at Tokyo Stock Exchange.

Vision

Financial Capital

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