

FY2022 Nine Months Financial Results (Ended November 30, 2022)

FY2022 Full-Year Forecasts (Ending February 28, 2023)

Notes:

- **Yaskawa has changed the basis for calculating regional information (revenue and order) from the destination (customer locations) to the location of each Yaskawa Group company since FY2022. As a result, figures for FY2021 have been adjusted to reflect the changes. (Refer to page 19)**
- The information within this document is made as of the date of writing. Any forward-looking statement is 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.
- Figures in this document are rounded off and may differ from those in other documents such as financial results.
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YASKAWA ELECTRIC CORPORATION

1. FY2022 Nine Months

Financial Results

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Business Overview

Motion Control

【Core products】

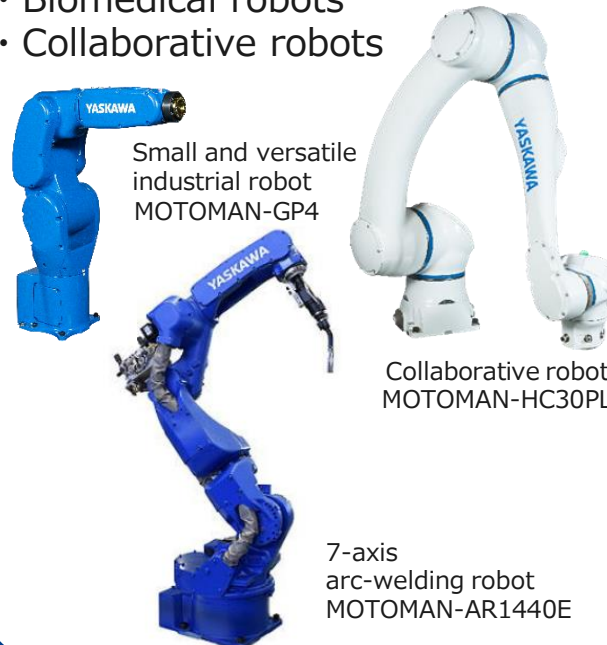
- AC servo motors and controllers
- Linear servo motors
- AC drives
- PM motor



Robotics

【Core products】

- Industrial robots
 - Arc and spot welding robots, painting robots
 - FPD glass sheet transfer robots, handling robots
- Semiconductor wafer transfer robots
- Biomedical robots
- Collaborative robots



System Engineering

【Core products】

- Electrical systems for steel plants
- Electrical instrumentation systems for water supply plants and sewage treatment facilities
- PV inverters
- Generator and converter for large-scale wind turbines



Electrical systems for steel plants



Electrical instrumentation systems for water and sewerage



PV inverter XGI1500 150kW



Generator and converter for large-scale wind turbines



Other

- Logistics

1 . FY2022 Nine Months Financial Results (Ended November 30, 2022)

FY2022 Nine Months Financial Results (Highlights)

- High demand in the semiconductor and electronic components markets continued, and in the automotive market, investment related to the adoption of EVs and lithium-ion batteries expanded
- Revenue and profits increased as strong orders translated into revenue while the tight supply-demand situation has eased, leading to a rebound in production

	FY2022 Mar.-Nov. Results	FY2021 Mar.-Nov. Results	Changes	
			Amounts	%
Revenue	¥ 407.5bn.	¥ 357.4bn.	+¥ 50.1bn.	+14.0%
Operating profit	¥ 48.1bn.	¥ 39.9bn.	+¥ 8.2bn.	+20.5%
Profit before tax	¥ 51.1bn.	¥ 41.2bn.	+¥ 9.8bn.	+23.9%
Profit attributable to owners of parent	¥ 37.2bn.	¥ 30.8bn.	+¥ 6.4bn.	+20.8%

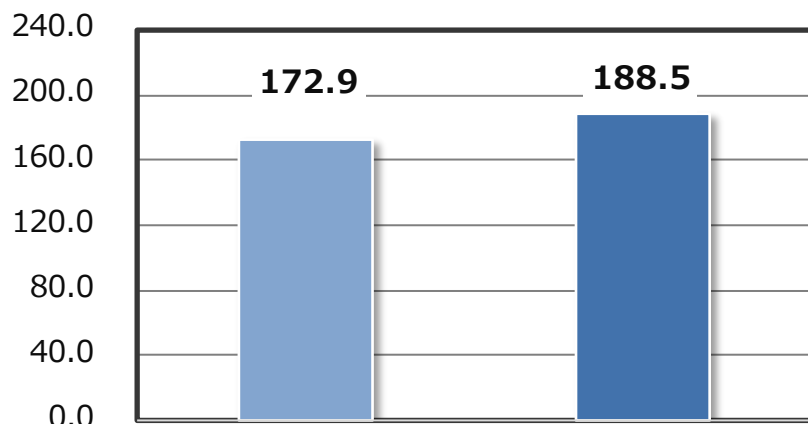
FY2022 Nine Months Financial Results by Business Segment

- In Motion Control, profit declined due to the impact of rising raw materials and logistics costs, even though revenue increased as capital investment continued, mainly in the U.S.
- Revenue and profit significantly increased in Robotics due to increased demand for EVs and lithium-ion battery-related products

	FY2022 Mar.-Nov.		FY2021 Mar.-Nov.		Changes	
	Results	Profit ratio	Results	Profit ratio	Amounts	%
(Billions of yen)						
Revenue	407.5		357.4		+50.1	+14.0%
Motion Control	188.5		172.9		+15.6	+9.0%
Robotics	161.8		131.0		+30.8	+23.5%
System Engineering	34.8		38.4		-3.6	-9.3%
Other	22.4		15.1		+7.3	+48.6%
Operating profit	48.1	11.8%	39.9	11.2%	+8.2	+20.5%
Motion Control	26.1	13.9%	29.7	17.2%	-3.6	-12.0%
Robotics	17.7	10.9%	11.7	9.0%	+5.9	+50.3%
System Engineering	0.8	2.3%	1.3	3.4%	-0.5	-38.4%
Other	0.6	2.6%	0.3	1.8%	+0.3	+114.2%
Elimination or Corporate	3.0	-	-3.1	-	+6.1	-

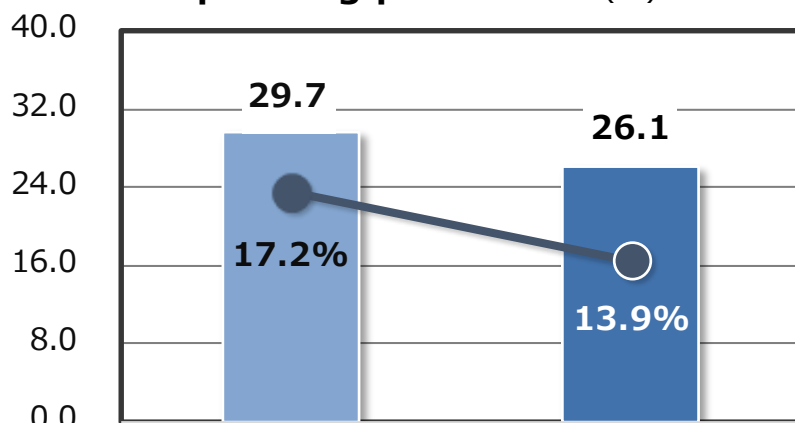
Business Segment Overview: Motion Control

Revenue (Billions of yen)



FY2021 Mar.-Nov. FY2022 Mar.-Nov.

Operating profit (Billions of yen)
Operating profit ratio (%)



FY2021 Mar.-Nov. FY2022 Mar.-Nov.

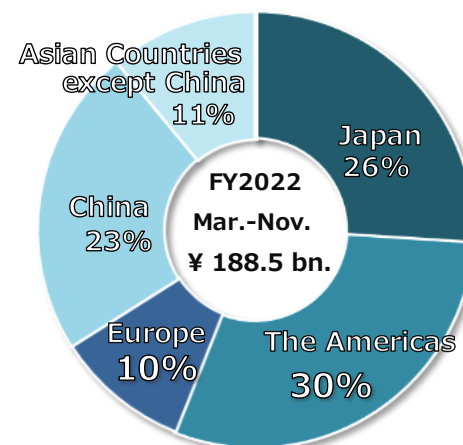
[Revenue]

- In AC servo & controller business, sales to semiconductor and electronic components markets were high in the U.S. and Japan. In China, capital investment is weak in general industries, although demand is solid in growth markets such as new infrastructure-related sectors
- In Drives business, the U.S. oil and gas-related demand significantly increased. Global investment in energy conservation accelerated with an eye toward decarbonization

[Operating Profit]

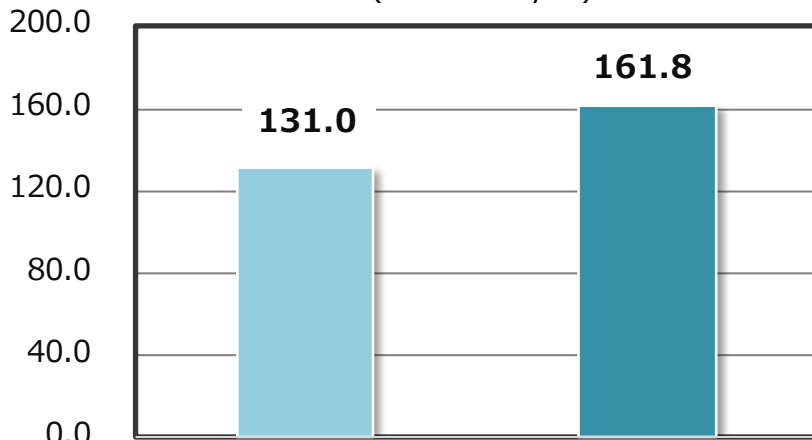
- Operating profit decreased due to a rise in raw material and logistics costs

Revenue breakdown by region



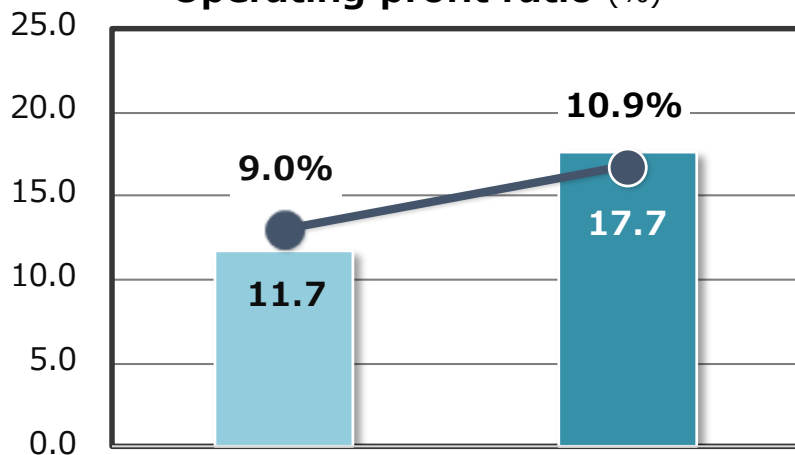
Business Segment Overview: Robotics

Revenue (Billions of yen)



FY2021 Mar.-Nov. FY2022 Mar.-Nov.

Operating profit (Billions of yen)
Operating profit ratio (%)



FY2021 Mar.-Nov. FY2022 Mar.-Nov.

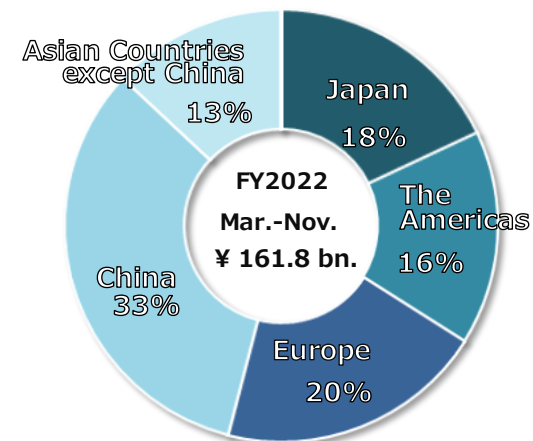
[Revenue]

- In the automotive market, sales performed well as the adoption of Evs has accelerated globally and new capital investment increased
- The trend to expand investment in production facilities related to lithium-ion batteries continued, and investment in general industries such as the food market for the purpose of upgrading and automating production also increased
- Sales for semiconductor applications, also performed well in Japan, South Korea and other countries

[Operating Profit]

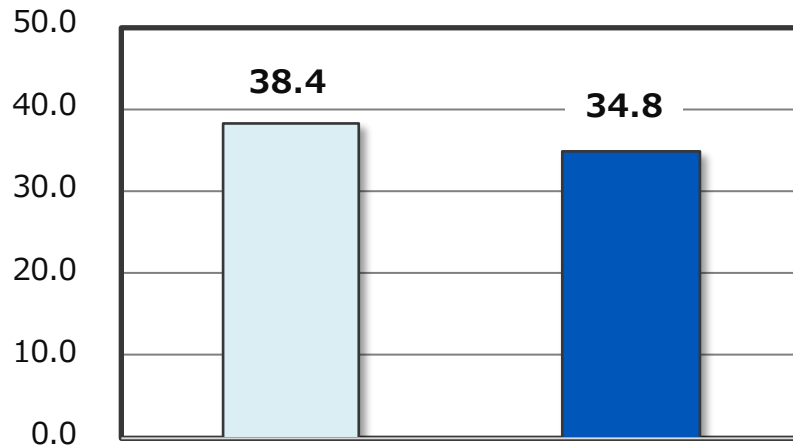
- Operating profit increased significantly due to revenue expansion

Revenue breakdown by region



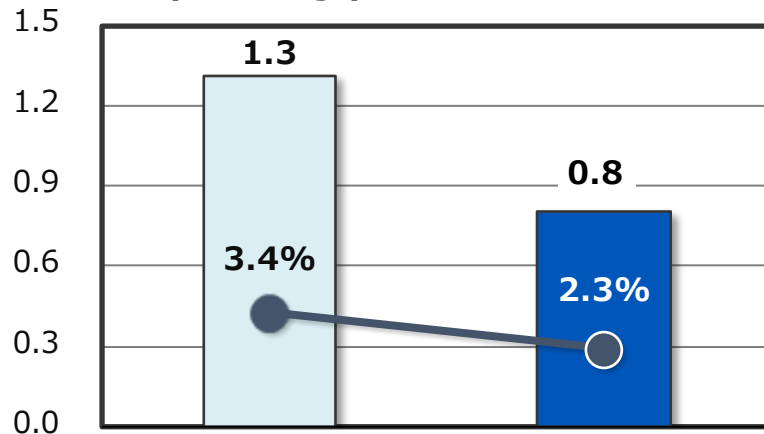
Business Segment Overview: System Engineering

Revenue (Billions of yen)



FY2021 Mar.-Nov. FY2022 Mar.-Nov.

Operating profit (Billions of yen)
Operating profit ratio (%)



FY2021 Mar.-Nov. FY2022 Mar.-Nov.

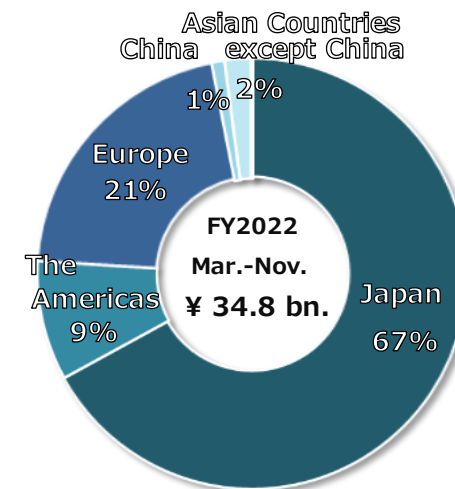
[Revenue]

- Revenue related to steel plants and electrical systems for water and sewage systems were weak
- Sales for PV inverters for solar power generation grew

[Operating Profit]

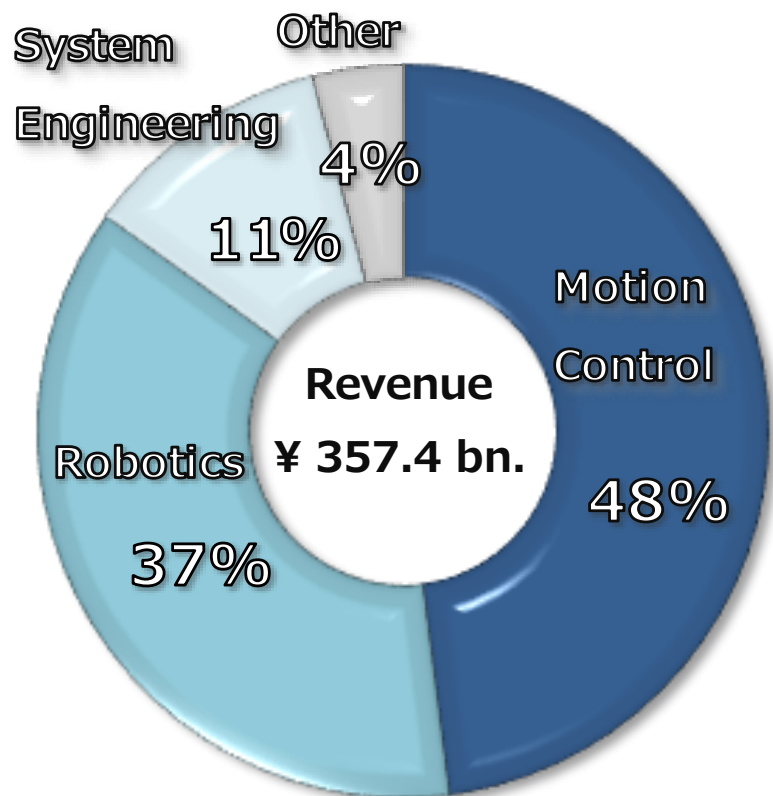
- Despite thorough cost reduction, profit decreased due to a revenue decline

Revenue breakdown by region

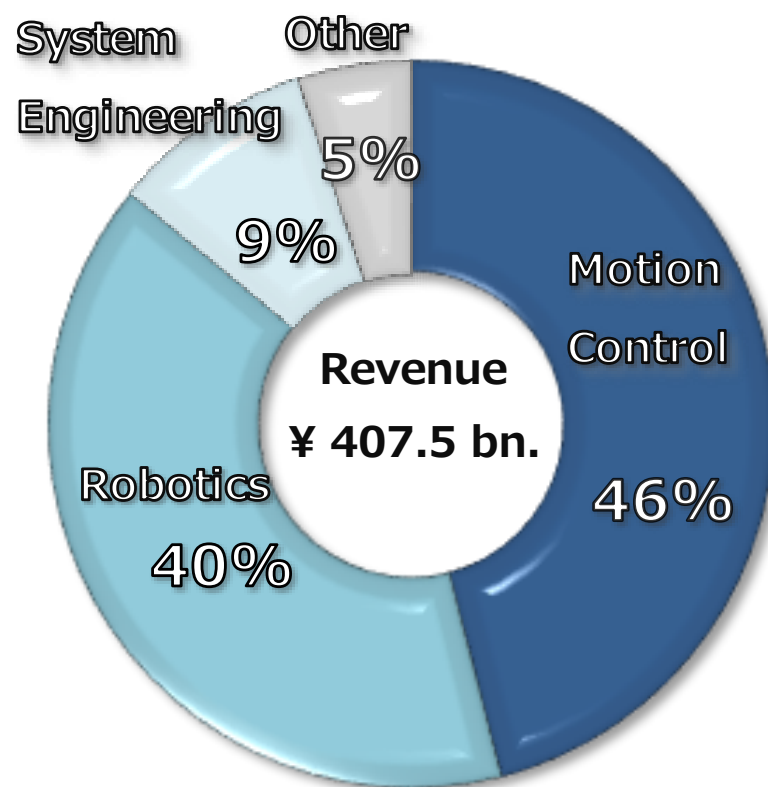


Revenue Breakdown by Business Segment

FY2021 Mar.-Nov.



FY2022 Mar.-Nov.



Revenue Breakdown by Location (1)

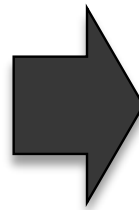
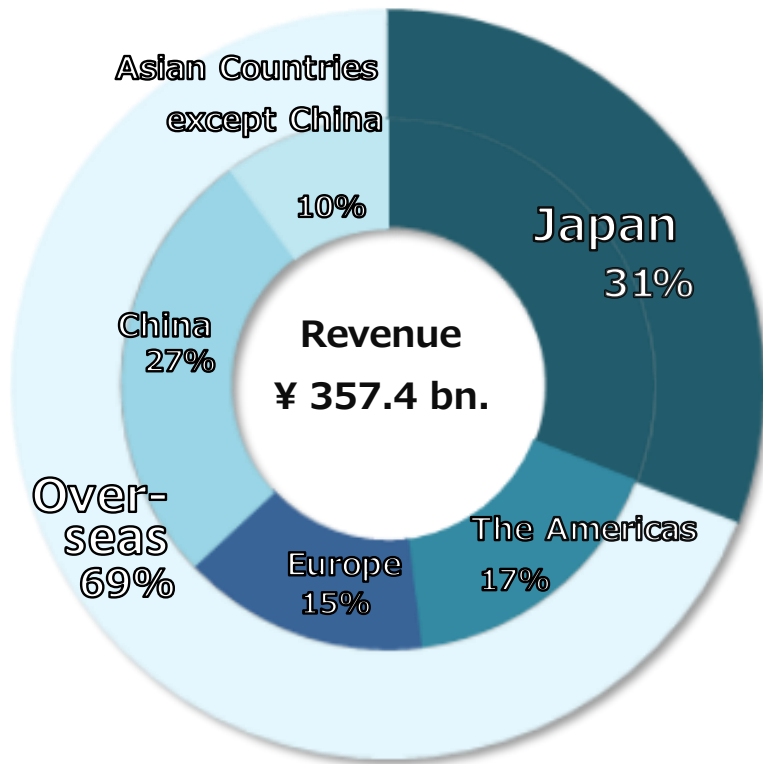
- Year-on-year growth in revenue in all regions, especially the Americas

(Billions of yen)	FY2022 Mar.-Nov. Results	FY2021 Mar.-Nov. Results	Changes	
			Amounts	%
Revenue	407.5	357.4	+50.1	+14.0%
Japan	116.8	110.0	+6.8	+6.2%
Overseas	290.8	247.4	+43.4	+17.5%
The Americas	84.4	59.6	+24.8	+41.6%
Europe	59.7	55.6	+4.1	+7.5%
China	105.1	96.4	+8.7	+9.1%
Asian Countries except China	41.5	35.8	+5.7	+15.9%

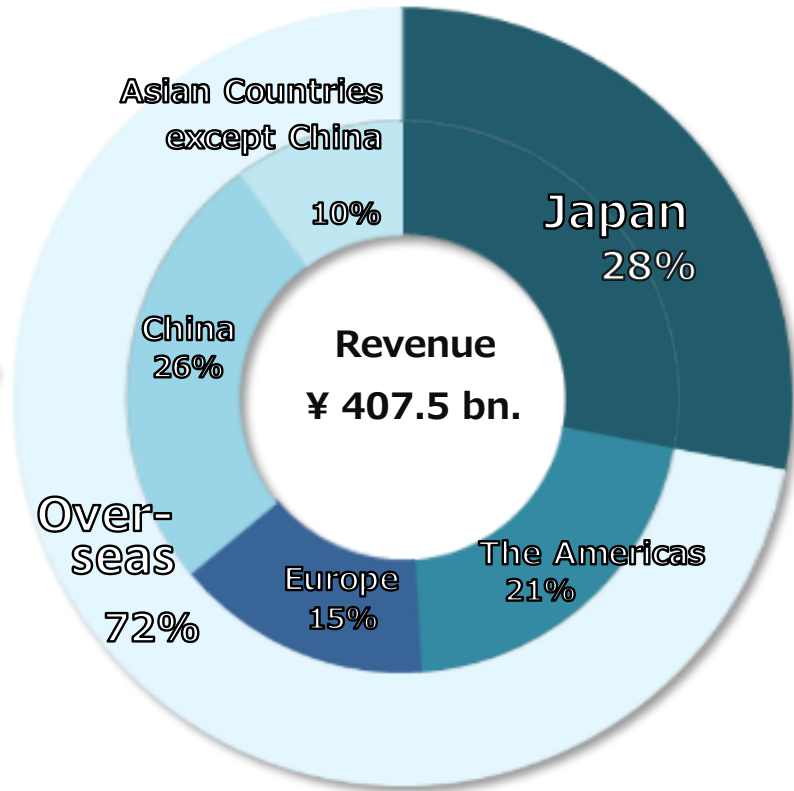
Note: Europe includes Middle East and Africa.

Revenue Breakdown by Location (2)

FY2021 Mar.-Nov.



FY2022 Mar.-Nov.

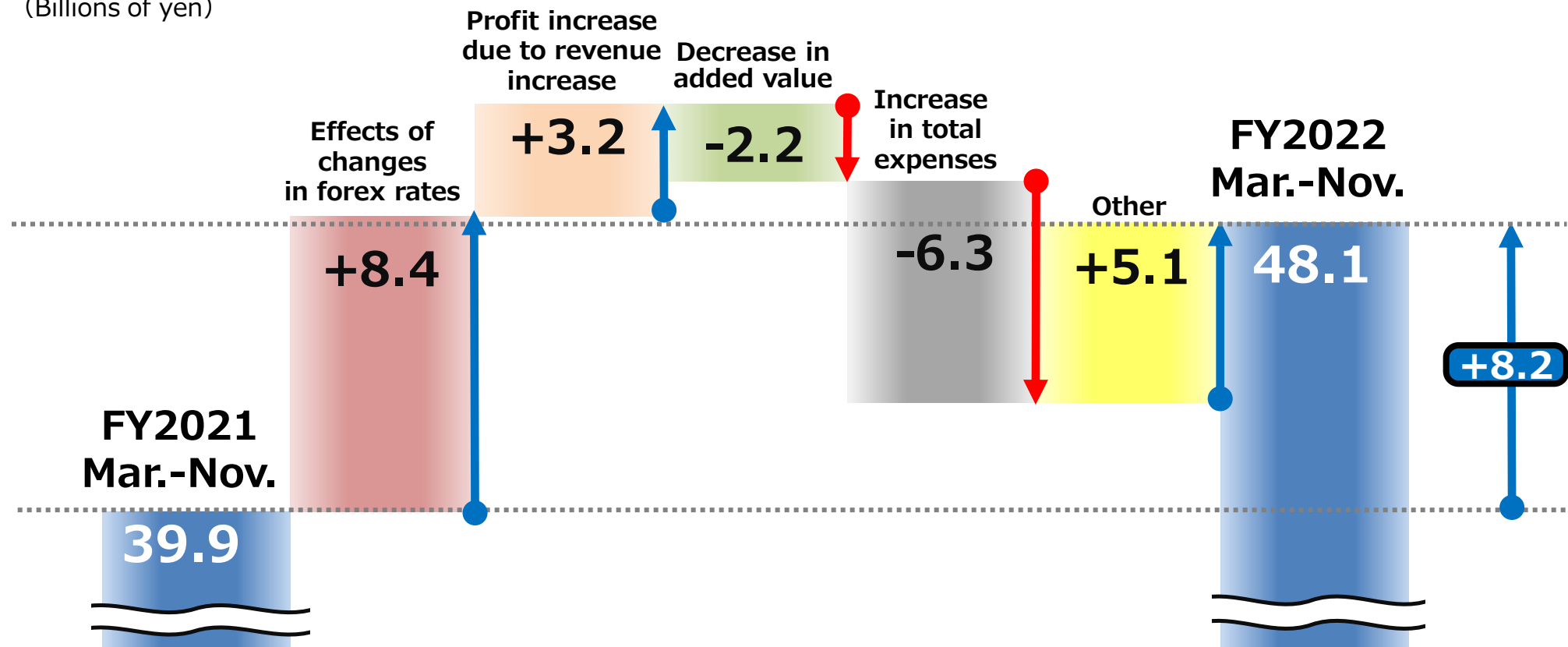


Note : Europe includes Middle East and Africa.

Breakdown of Changes in Operating Profit

(FY2021 Nine Months → FY2022 Nine Months)

(Billions of yen)



Breakdown	Effects of changes in forex rates	Change in profit due to change in revenue	Change in added value	Change in total expenses	Other
Motion Control	+3.8	-2.2	-3.0	-2.6	+0.5
Robotics	+4.6	+5.8	+0.4	-4.9	-0.0
System Engineering	-0.0	-0.9	-0.0	+0.8	-0.1
Other	+0.0	+0.5	+0.5	+0.5	+4.6

Measures for FY2022 3Q

➤ Establishment of “i³-Mechatronics” business model

➔ Production capabilities

- Started construction of machining plant for robot parts to improve the in-house production rate (Kitakyushu, Japan)
- Completion of launch of mass production at YASKAWA (Changzhou) Mechatronics system Co., Ltd.

➔ Sales capabilities

- Launched “MOTOMAN-Craft” to enable easy robotization of skilled work that has been difficult to program (November 2022)
- Exhibited a sample of the latest robot that is applicable to the new back-end process accompanying the evolution of semiconductor packaging at “SEMICON Japan 2022”, an international exhibition

➤ Reinforcement of management foundation that contributes to sustainable society/businesses

- Continued position-specific training programs to deepen understanding of the group management principle
- Started application of new compensation system based on the role each person plays and the size of the duties



Machining plant for robot parts (Rendering)



MOTOMAN-Craft teaching device



YASKAWA booth at SEMICON Japan

2. FY2022 Full-Year Forecasts **(Year Ending February 28, 2023)**

FY2022 Full-Year Financial Forecasts (Highlights)

- Although the assumptions for 4Q exchange rates are revised toward a stronger yen, the full-year forecasts remain unchanged from those announced at 2Q results (October 7, 2022), taking into account factors such as an increase in production due to an easing of the supply-demand situation for components

	FY2022 Forecasts	FY2021 Results	Changes	
			Amounts	%
Revenue	¥ 550.0bn.	¥ 479.1bn.	+¥ 70.9bn.	+14.8%
Operating profit	¥ 70.0bn.	¥ 52.9bn.	+¥ 17.1bn.	+32.4%
Profit before tax	¥ 72.0bn.	¥ 55.4bn.	+¥ 16.6bn.	+30.0%
Profit attributable to owners of parent	¥ 51.5bn.	¥ 38.4bn.	+¥ 13.1bn.	+34.3%

FY2022 Full-Year Financial Forecasts by Business Segment

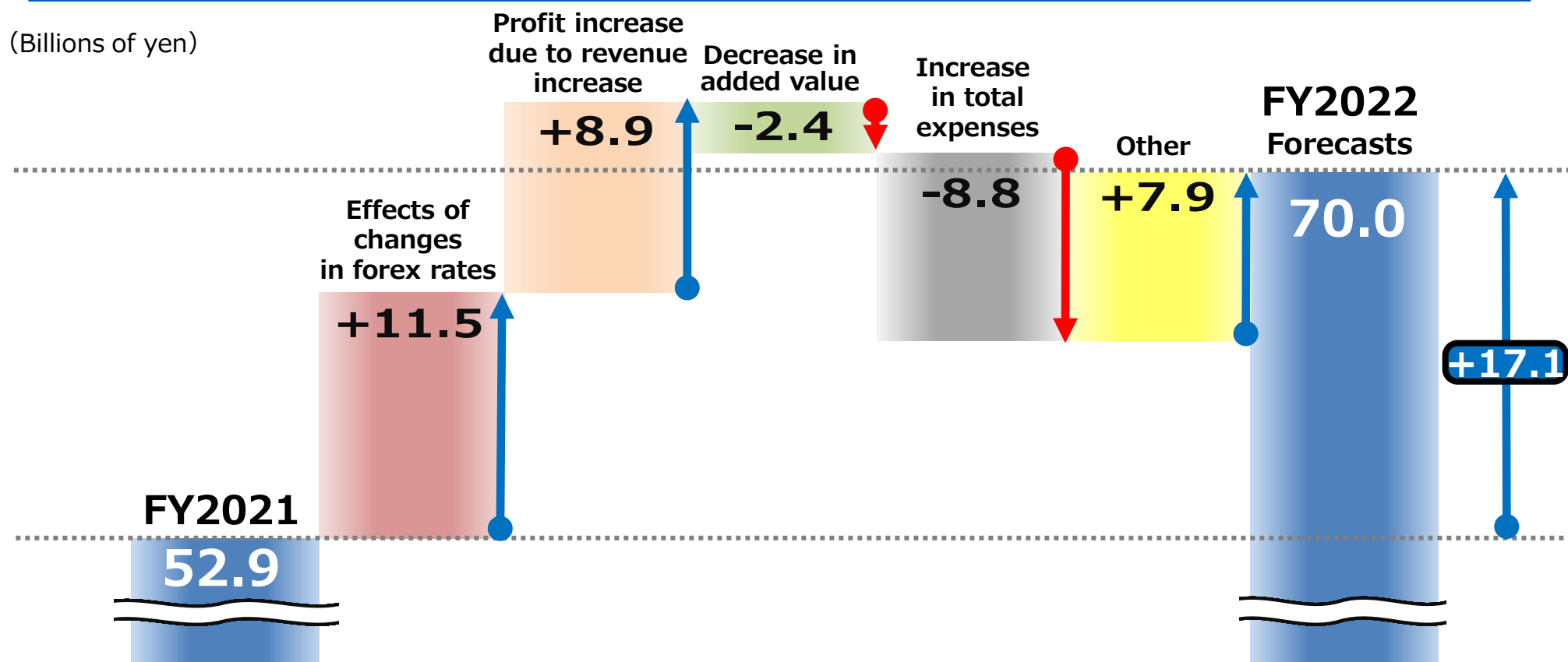
• Full-year forecasts by segment have been revised in light of current demand trends

(Billions of yen)	FY2022		FY2021		Changes		FY2022	
	Forecasts	Profit ratio	Results	Profit ratio	Amounts	%	Previous forecasts*	Profit ratio
Revenue	550.0		479.1		+70.9	+14.8%	550.0	
Motion Control	252.0		227.3		+24.7	+10.9%	250.0	
Robotics	223.5		178.7		+44.8	+25.1%	225.5	
System Engineering	49.0		52.3		-3.3	-6.2%	49.0	
Other	25.5		20.9		+4.6	+22.1%	25.5	
Operating profit	70.0	12.7%	52.9	11.0%	+17.1	+32.4%	70.0	12.7%
Motion Control	37.1	14.7%	38.2	16.8%	-1.1	-2.8%	35.4	14.2%
Robotics	26.9	12.0%	17.2	9.7%	+9.7	+56.0%	29.2	12.9%
System Engineering	2.5	5.1%	2.1	4.1%	+0.4	+17.6%	2.2	4.5%
Other	1.7	6.7%	0.4	1.8%	+1.3	+342.6%	1.4	5.5%
Elimination or Corporate	1.8	-	-5.1	-	+6.9	-	1.8	-

* Announced on October 7, 2022

Breakdown of Changes in Operating Profit (FY2021 → FY2022 Forecasts)

(Billions of yen)



Breakdown	Effects of changes in forex rates	Change in profit due to change in revenue	Change in added value	Change in total expenses	Other
Motion Control	+4.9	+0.8	-4.7	-4.3	+2.2
Robotics	+6.7	+9.4	+0.9	-7.4	+0.0
System Engineering	-0.1	-2.0	+0.6	+2.0	-0.2
Other	-0.1	+0.6	+0.8	+0.9	+5.9

3. Reference

Retroactive Application of the Change in the Basis for Calculating Regional Information to FY2021 Results (Revenue and Order)

FY2021 (After revision from destination to location)								Changes
(Unit: Billions of yen)	1Q	2Q	1H	3Q	4Q	2H	Full-Year	Full-Year
Revenue	119.0	120.9	239.9	117.5	121.7	239.2	479.1	-
Japan	35.8	37.8	73.5	36.4	40.2	76.6	150.2	+2.0
Overseas	83.2	83.1	166.4	81.0	81.5	162.5	328.9	-2.0
The Americas	18.4	20.6	39.0	20.6	21.1	41.7	80.7	+5.4
Europe	17.5	18.7	36.2	19.4	18.2	37.6	73.7	+2.0
China	35.7	31.8	67.6	28.8	29.7	58.5	126.1	-3.3
Asian Countries except China	11.6	12.0	23.6	12.2	12.6	24.8	48.4	-5.7
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.5

FY2021 (After revision from destination to location)								Changes
(Unit: Billions of yen)	1Q	2Q	1H	3Q	4Q	2H	Full-Year	Full-Year
Order	139.1	137.7	276.8	143.0	152.9	296.0	572.8	-
Japan	38.8	44.0	82.8	50.6	48.7	99.3	182.1	+4.8
Overseas	100.3	93.7	194.0	92.5	104.2	196.7	390.7	-4.8
The Americas	23.9	25.2	49.1	25.7	31.5	57.2	106.3	+9.3
Europe	23.0	22.0	45.0	22.9	25.3	48.2	93.2	+2.9
China	39.5	33.6	73.1	29.9	32.2	62.1	135.2	-7.2
Asian Countries except China	13.9	13.0	26.8	14.0	15.2	29.2	56.0	-9.8
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	+0.0

Capital Expenditure, R&D Investment, Forex Rates and Sensitivity

Capital expenditure, R&D investment

(Billions of yen)

	F Y 2 0 2 0	F Y 2 0 2 1	F Y 2 0 2 2 (Plan)
Capital expenditure	22.8	24.2	25.0
Depreciation and Amortization	16.1	17.5	19.5
R&D investment	17.9	18.2	19.0

Forex rates

Note: Average rate during the period

(yen)

	F Y 2 0 2 0				F Y 2 0 2 1				F Y 2 0 2 2 (Forecasts)			
	3-11	4Q	2H	Full-Year	3-11	4Q	2H	Full-Year	3-11	4Q	2H	Full-Year
USD	106.5	104.3	104.7	106.0	110.5	114.6	113.5	111.5	134.5	130.0	137.1	133.5
EUR	121.6	126.6	125.3	122.8	130.7	129.7	130.1	130.4	139.1	140.0	142.0	139.4
CNY	15.38	16.08	15.87	15.55	17.12	18.02	17.77	17.33	19.80	19.00	19.61	19.60
KRW	0.090	0.095	0.093	0.091	0.096	0.096	0.096	0.096	0.103	0.100	0.102	0.102

Forex sensitivity

(Billions of yen)

	Impact of 1% fluctuation (Guideline for FY2022 Full-Year Forecasts)	
	Revenue	Operating profit
USD	1.17	0.21
EUR	0.82	0.12
CNY	1.41	0.42
KRW	0.29	0.12

Financial Indices

- Free cash flow temporarily deteriorated due to strategic inventory buildup to strengthen supply chains and the shorter term of payment for suppliers

As of February 28, 2022

> Ratio of equity attributable to owners of parent	52.1%	> Inventory (Turnover)	131.8 billion yen (3.3 months)
> Equity attributable to owners of parent	291.2 billion yen	> ROE	14.3%
> Interest-bearing debt	68.0 billion yen	> ROIC	13.3%
> D/E ratio	0.23		
> (Net D/E ratio)	0.04		

As of November 30, 2022

> Ratio of equity attributable to owners of parent	50.9%	> Inventory (Turnover)	181.3 billion yen (3.8 months)
> Equity attributable to owners of parent	328.1 billion yen		
> Interest-bearing debt	96.6 billion yen		
> D/E ratio	0.29		
> (Net D/E ratio)	0.17		

*Interest-bearing debt includes lease obligations.

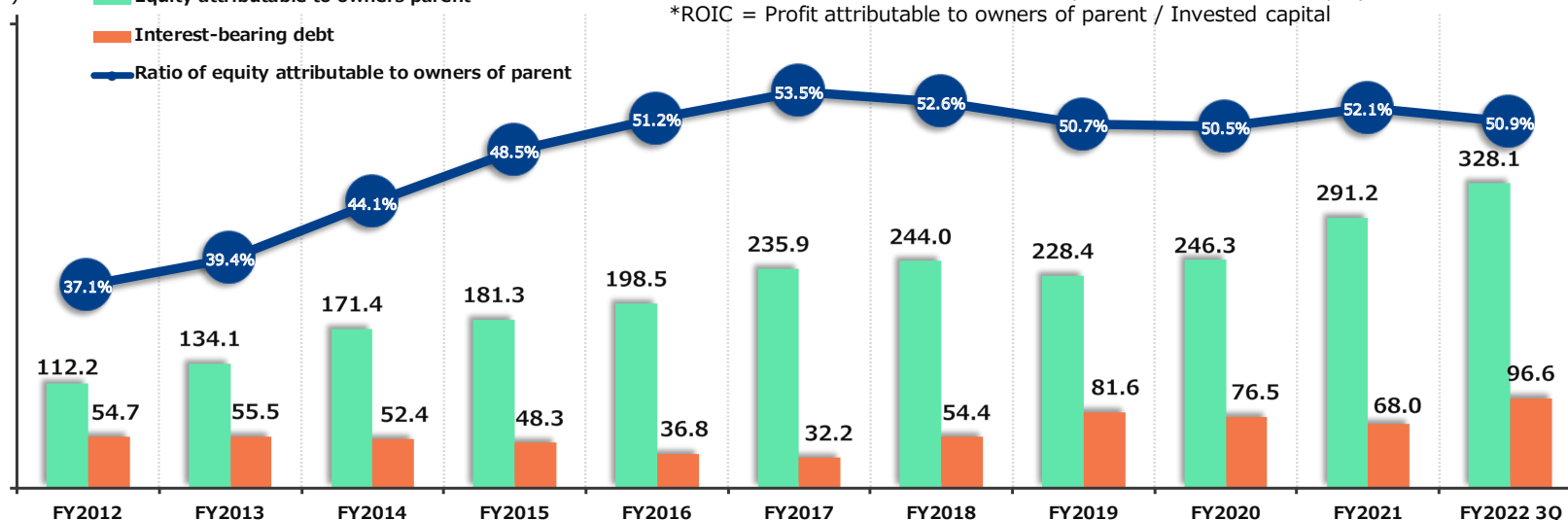
*Inventory at the end of the period is used for calculating turnover months.

*ROE = Profit attributable to owners of parent / Shareholders' equity (average of beginning and end of fiscal year)

*ROIC = Profit attributable to owners of parent / Invested capital

(Billions of yen)

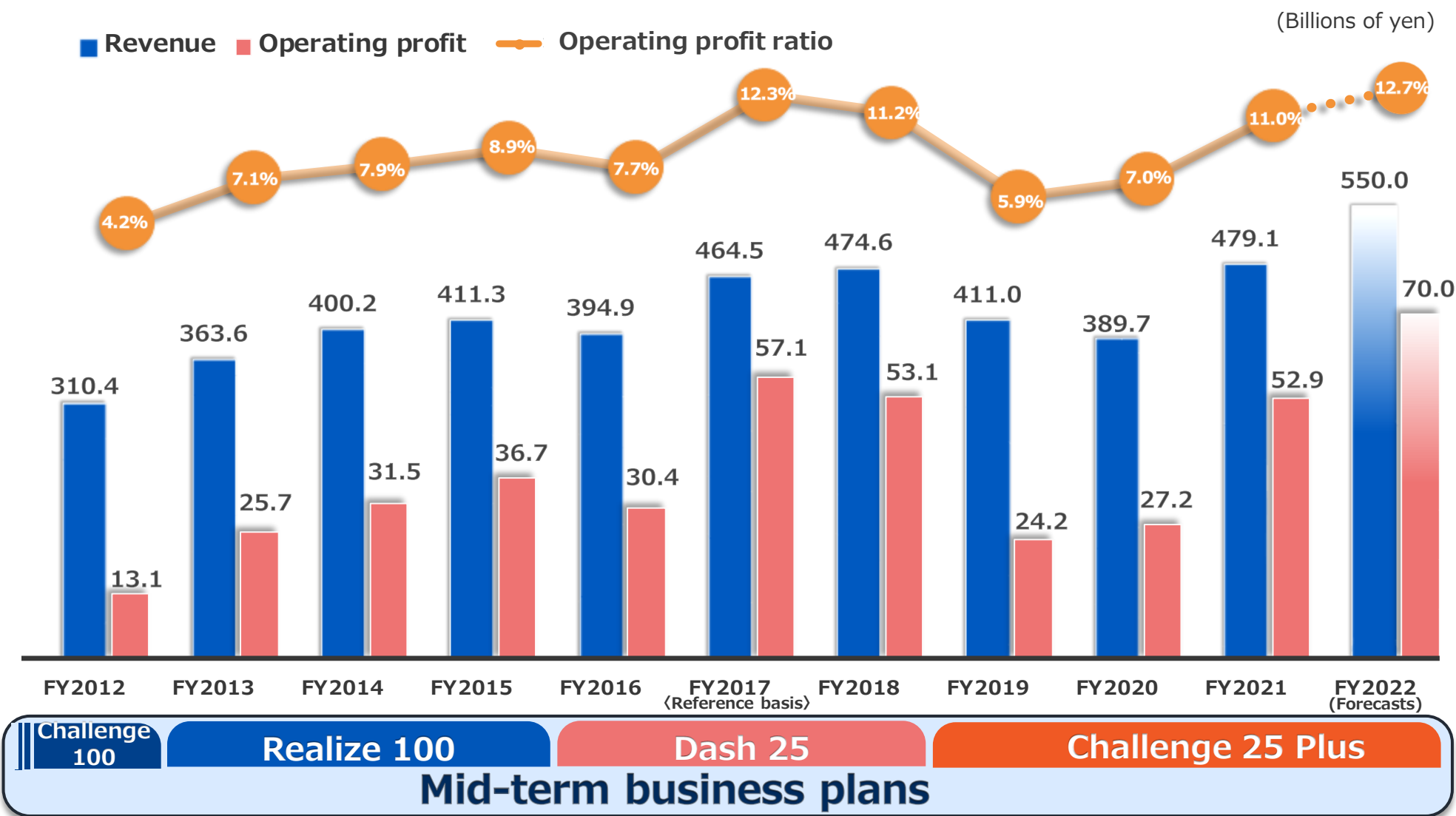
Equity attributable to owners parent
Interest-bearing debt
Ratio of equity attributable to owners of parent



Operating CF	24.6	24.0	29.0	32.0	33.8	46.1	34.3	21.5	39.6	49.2	- 5.0
Investment CF	- 18.1	- 16.9	- 27.9	- 22.4	- 18.9	- 18.9	- 27.1	- 20.6	- 9.6	- 24.2	- 16.2
Free CF	6.6	7.0	1.1	9.5	14.8	27.2	7.2	0.8	30.0	25.1	- 21.2

[Note] Data up to FY2017 are based on Japanese GAAP.

Revenue / Operating Profit (FY2012 – FY2022 Forecasts)



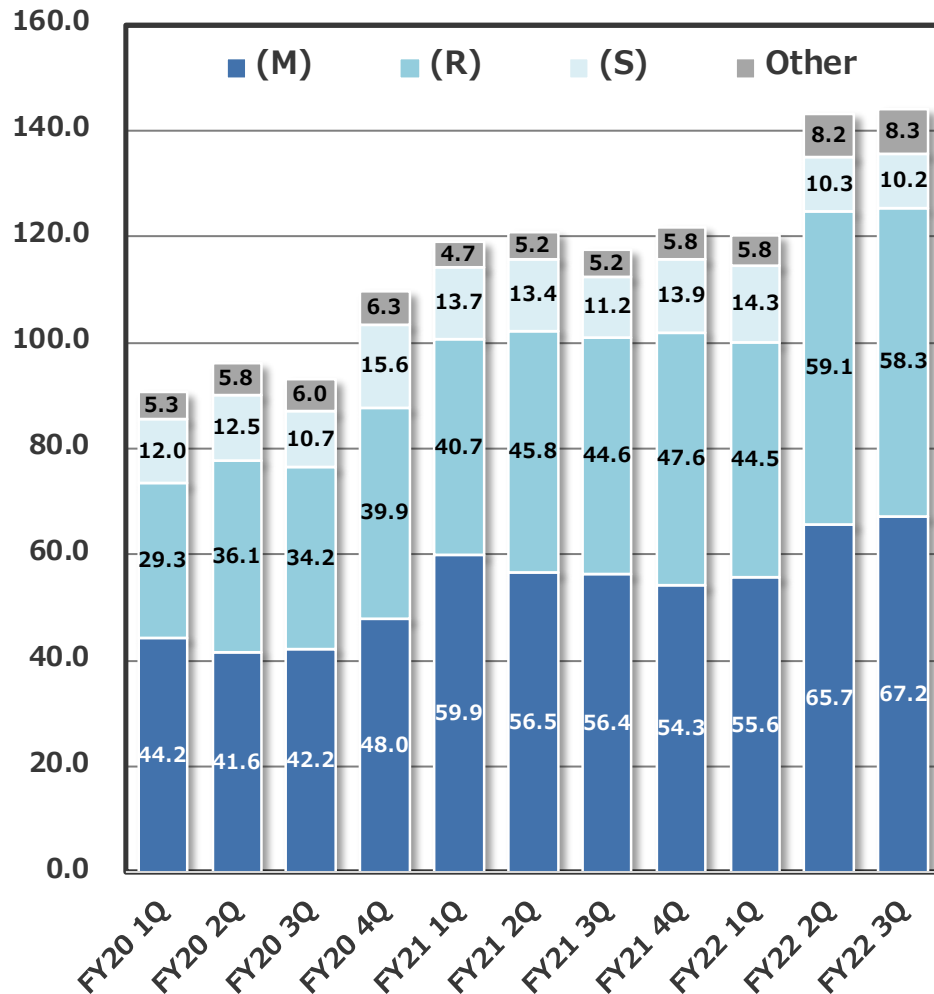
Note1: Data up to FY2017 are based on Japanese GAAP.

Note2: The data for FY2017 are made on a reference basis. (March 21, 2017 – March 20, 2018)

Quarterly Revenue Trends (1)

Business segment

(Billions of yen)

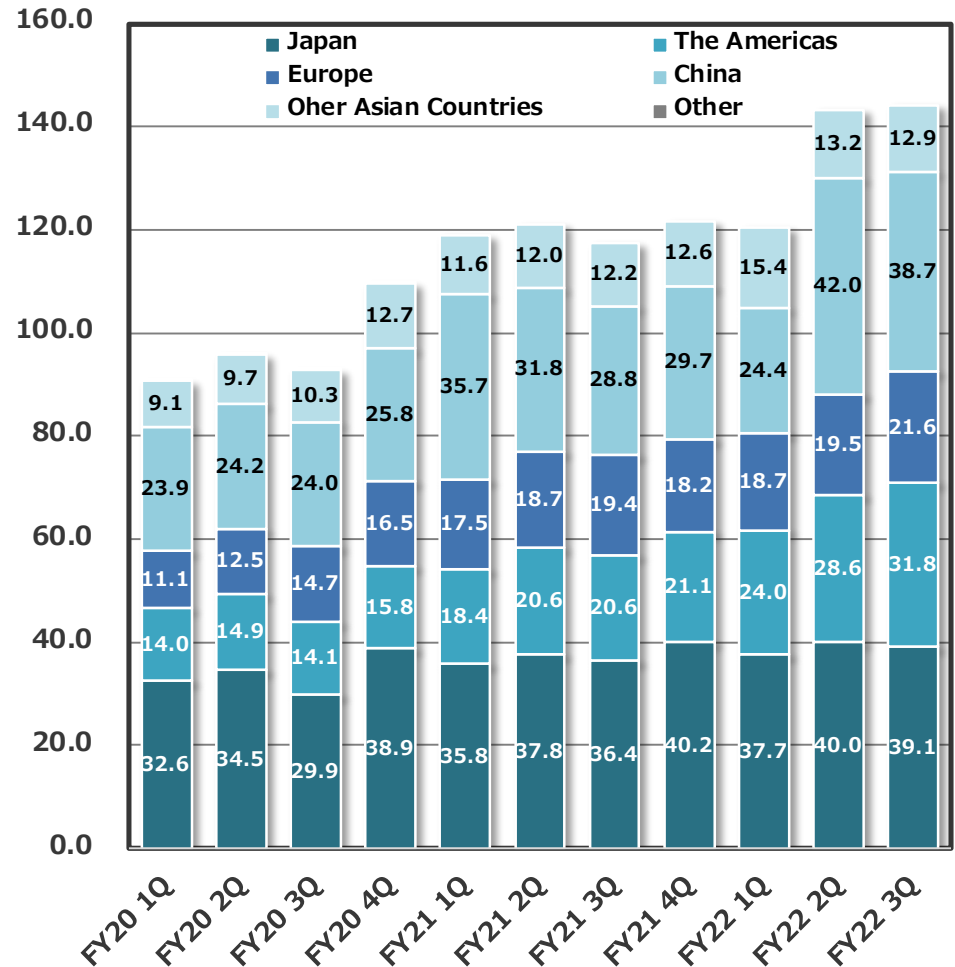


Note1: (M) = Motion Control (R) = Robotics (S) = System Engineering

Note2: Regional figures for FY2020 are based on destination.

Location

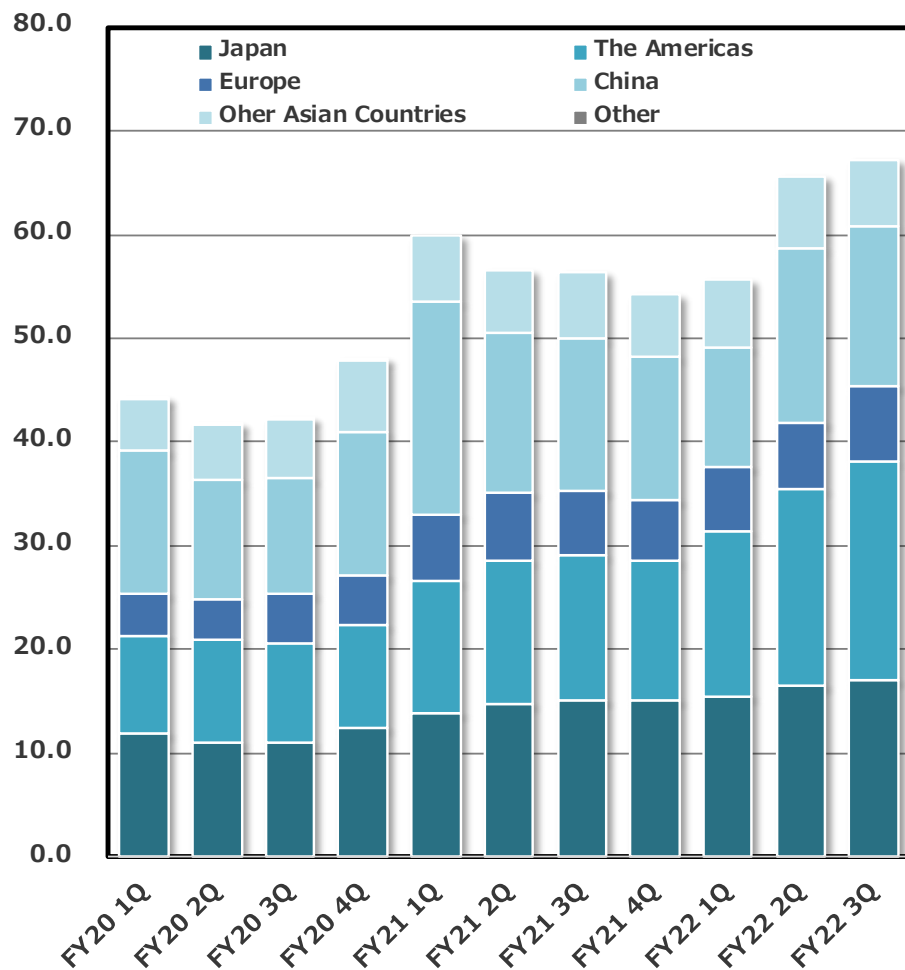
(Billions of yen)



Quarterly Revenue Trends (2)

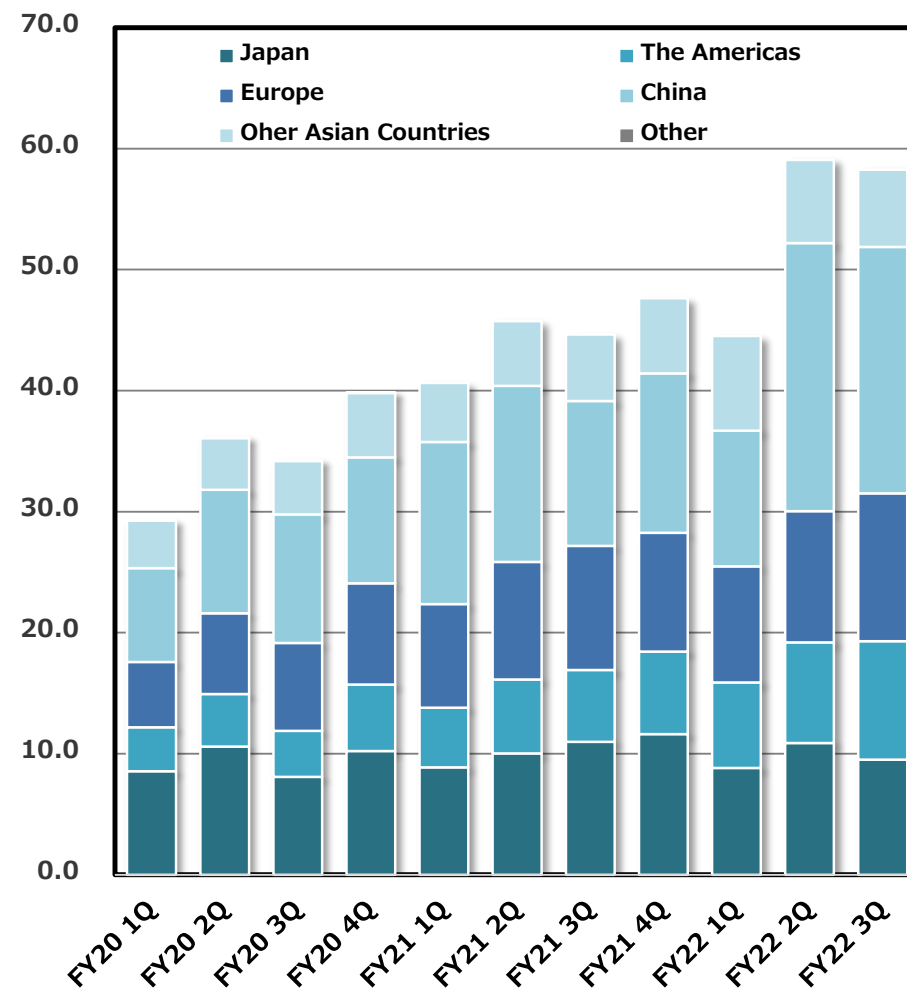
Motion Control

(Billions of yen)



Robotics

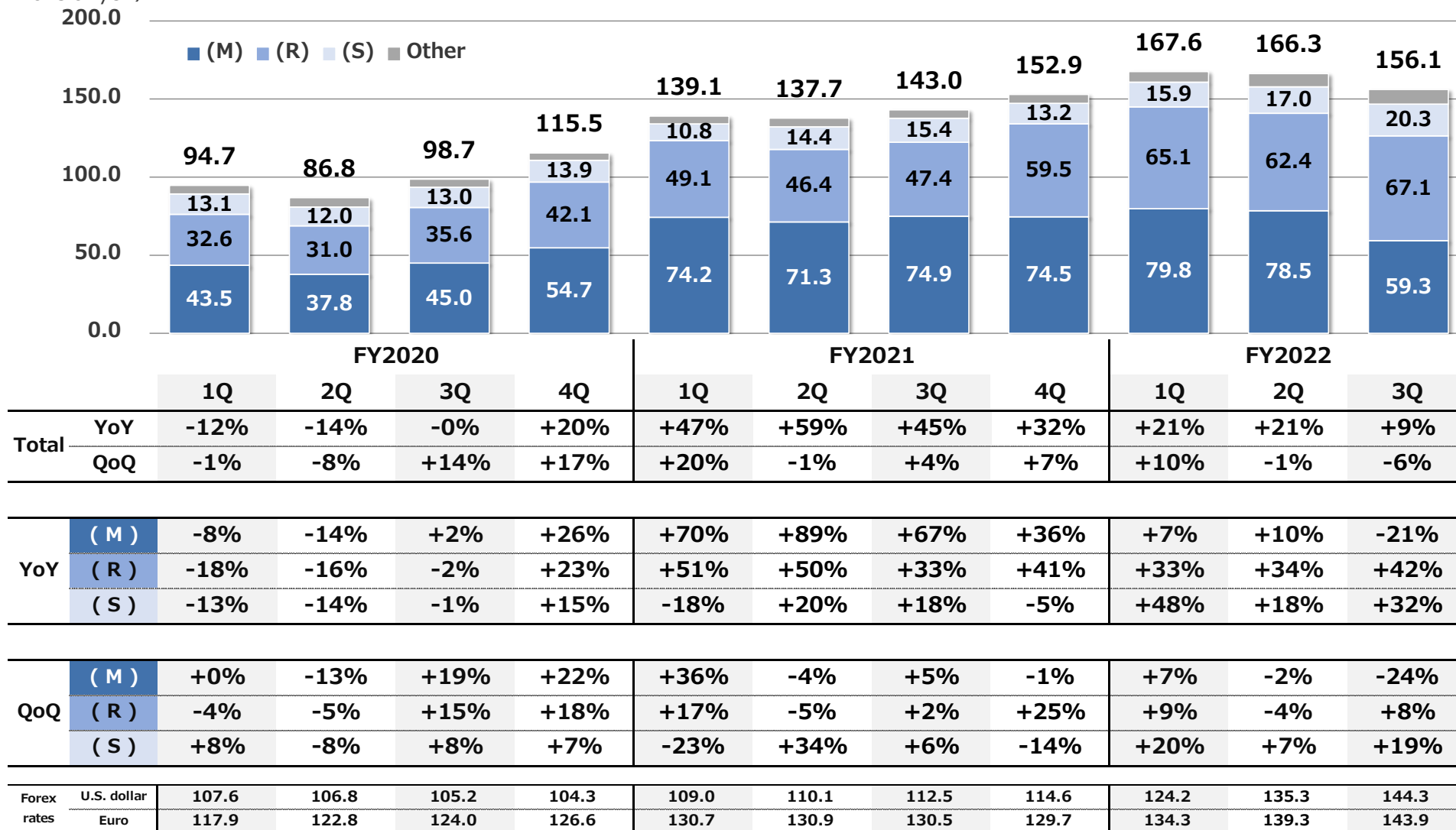
(Billions of yen)



Note: FY2020 data are based on destination.

Quarterly Order Trends by Business Segment *Average forex rates during period used

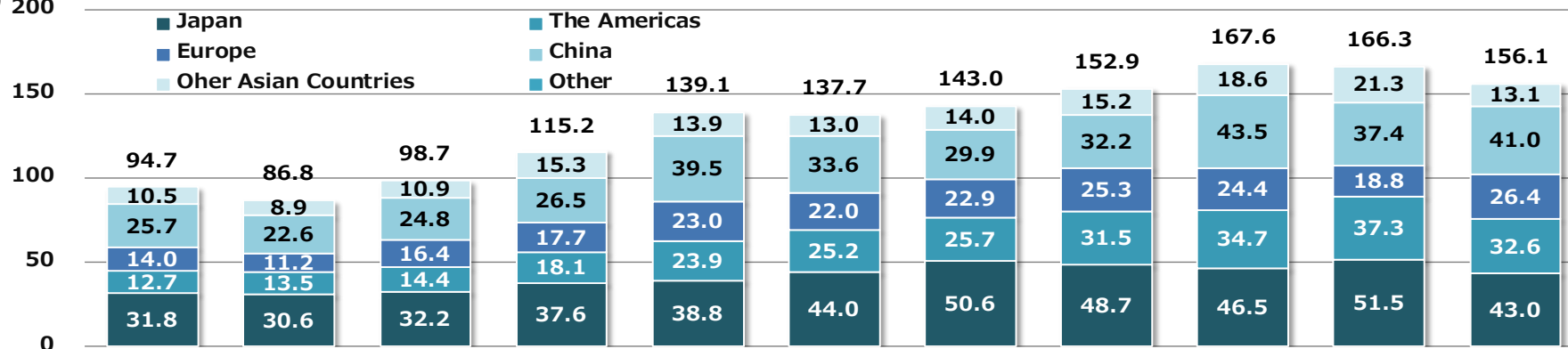
(Billions of yen)



Note: (M) = Motion Control (R) = Robotics (S) = System Engineering

Quarterly Order Trends by Location *Average forex rates during period used

(Billions of yen) 200



		FY2020				FY2021				FY2022		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Total	YoY	-12%	-14%	-0%	+20%	+47%	+59%	+45%	+32%	+21%	+21%	+9%
	QoQ	-1%	-8%	+14%	+17%	+20%	-1%	+4%	+7%	+10%	-1%	-6%

YoY	Japan	-3%	-20%	-11%	+1%	+22%	+44%	+57%	+30%	+20%	+17%	-15%
	The Americas	-28%	-28%	-16%	+1%	+88%	+87%	+78%	+74%	+45%	+48%	+27%
	Europe	-27%	-11%	+2%	+39%	+64%	+96%	+40%	+43%	+6%	-15%	+15%
	China	-1%	+13%	+28%	+62%	+54%	+48%	+20%	+21%	+10%	+12%	+37%
	Other Asian Countries	-12%	-21%	+8%	+31%	+32%	+46%	+29%	-1%	+34%	+64%	-6%

QoQ	Japan	-15%	-4%	+5%	+17%	+3%	+13%	+15%	-4%	-5%	+11%	-16%
	The Americas	-29%	+6%	+7%	+26%	+32%	+5%	+2%	+23%	+10%	+8%	-13%
	Europe	+10%	-20%	+46%	+8%	+30%	-4%	+4%	+10%	-4%	-23%	+41%
	China	+57%	-12%	+10%	+7%	+49%	-15%	-11%	+8%	+35%	-14%	+10%
	Other Asian Countries	-10%	-15%	+22%	+41%	-9%	-6%	+8%	+9%	+22%	+15%	-39%

Note: FY2020 data are based on destination.

YASKAWA