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## New Mid-term Business Plan “Realize 25”

Yaskawa Electric Corporation are pleased to announce the start of our mid-term business plan “Realize 25” (FY2023~2025), which is the last mid-term business plan of our long-term business plan “Vision 2025” (FY2016~FY2025).

Based on the Yaskawa Principles, we will strengthen our business activities centered on the solution concept “i<sup>3</sup>-Mechatronics\*1” to achieve our long-term business plan “Vision 2025” as well as to contribute to solving our customers' business challenges and realizing a sustainable society.

### [Overview of Mid-term Business Plan “Realize 25”]

#### 1. Financial Targets

	FY2022 (Results)		FY2025 Targets
Revenue	556.0 bn. JPY		650.0 bn. JPY
Operating profit (Operating profit ratio)	68.3 bn. JPY (12.3%)		100.0 bn. JPY (15.4%)
ROE	16.2%		15.0% or more
ROIC	14.6%		15.0% or more
Dividend payout ratio	32.3%		30.0%+ α

#### [Note]

FY2022 forex rates : USD/134.12JPY, EUR/139.84JPY, CNY/19.68JPY, KRW/0.103JPY

FY2025 forex rates : USD/130.00JPY, EUR/140.00JPY, CNY/19.00JPY, KRW/0.100JPY

## 2. Policies

### **Policy 1 Creating Value through i<sup>3</sup>-Mechatronics Solutions**

Strengthening technology, production, sales, and service functions to realize new revolutionary industrial automation.

- ① **Enhancing Technological Development Capabilities to Increase Values of Customers**  
Generate industry leading products and technologies in the industry at Yaskawa Technology Center and increase values of customers.
- ② **Evolving Group-wide Manufacturing with i<sup>3</sup>-Mechatronics**  
Improve product competitiveness by implementing i<sup>3</sup>-Mechatronics solutions at our own production sites, pursue higher productivity, and advanced production management.
- ③ **Strengthening Strategic Approach to Customers and Their Supply Chains**  
Strengthen relationships with end users, equipment manufacturers, and other customers to provide optimal solutions for expanding businesses.
- ④ **Innovating Product and Service Quality Throughout the Product Lifecycle**  
Deploy global service that keep customers' facilities running based on utilizing big data accumulated through YDX\*2.

### **Policy 2 Capturing Growth Market with World 's Best/First Automation Components**

Securely capture demand in growing markets by developing global market-specific strategies centered on automation components and building optimal production systems.

- ① **Establishing Optimized Global Production System and Resilient Supply Chain**  
Improve production capacity and productivity to meet the growing demands and establish global production system that is resilient to environmental changes and risks.

### **Policy 3 Contributing to Realizing a Sustainable Society through Business Expansion of Mechatronics Applications**

- ① **Energy Saving**  
Expand sales of "green" products to improve customers' energy efficiency and reduce environmental impact.

② Clean Power

Full scale business expansion based on new products realizing world-class energy creation.

③ Food & Agri

Combine core technologies to achieve food safety and stable supply.

④ Biomedical Science

Bring brighter future for all people through automation in genome diagnostics and regenerative medicine, etc.

**Policy 4 Establishing a Management Foundation by deepening YDX and Sustainability Management**

① Providing New Value Through YDX Chain Based on PLM (Product Lifecycle Management) Restructuring

Create customer value through PLM restructuring with “YDX- II”(second phase of YDX)

② Promoting Sustainability Management through Strengthening Initiatives Towards Materiality

Identify the materiality of the sustainability challenges and implement sustainable management that fulfills the expectations of our stakeholders

For presentation materials regarding “Vision 2025” and “Realize 25”, please refer to the following URLs:

•Vision 2025 :

[https://www.yaskawa-global.com/wp-content/uploads/2019/06/Vision2025\\_Revision\\_en.pdf](https://www.yaskawa-global.com/wp-content/uploads/2019/06/Vision2025_Revision_en.pdf)

•Realize 25 :

[https://www.yaskawa-global.com/wp-content/uploads/2023/05/realize25\\_en.pdf](https://www.yaskawa-global.com/wp-content/uploads/2023/05/realize25_en.pdf)

\*1 : i<sup>3</sup>-Mechatronics : Combination of “mechatronics”(proposed by Yaskawa in 1969, word that combined mechanism and electronics) and the three “i”(integrated, intelligent, innovative) , which stands for a solution concept that contributes to solving customers’ business challenges.

\*2 : YDX : YASKAWA Digital Transformation. YDX- I refers to data centralization, business reform, management visualization. YDX- II refers to creating customer value from product/service perspectives.