

**Consolidated Results for the First Three Quarters of Fiscal Year Ending February 29, 2024**  
**[IFRS]**

January 12, 2024

Listed company name: YASKAWA Electric Corporation  
<https://www.yaskawa-global.com/>  
 Representative: Masahiro Ogawa, Representative Director, President  
 Stock exchange listings: Tokyo and Fukuoka  
 Stock ticker number: 6506

(Note: This document is a summarized translation of the financial statement submitted to the Tokyo Stock Exchange and Fukuoka Stock Exchange for the period stated above. Figures under ¥1 million are rounded down.)

**1. Summary of Consolidated Results for the First Three Quarters of the Fiscal Year Ending February 29, 2024 (From March 1, 2023 to November 30, 2023)**

(1) Consolidated Statements of Income

(Millions of yen, percentage change from the previous year)

	Revenue		Operating profit		Profit before tax		Profit	
Nine months ended November 30, 2023	424,330	4.1%	46,547	-3.3%	48,431	-5.2%	35,344	-5.7%
Nine months ended November 30, 2022	407,520	14.0%	48,132	20.5%	51,071	23.9%	37,471	20.6%

	Profit attributable to owners of parent		Comprehensive income		Earnings per share (basic, Yen)	Earnings per share (diluted, Yen)
Nine months ended November 30, 2023	34,788	-6.5%	50,054	-4.7%	133.05	132.92
Nine months ended November 30, 2022	37,189	20.8%	52,509	14.2%	142.25	142.13

(2) Consolidated Financial Position

(Millions of yen, except ratio)

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of November 30, 2023	713,213	387,844	379,663	53.2%
As of February 28, 2023	653,132	355,075	347,499	53.2%

**2. Dividends**

	Dividends per share (yen)				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual total
Year ended February 28, 2023	-	32.00	-	32.00	64.00
Year ending February 29, 2024	-	32.00	-		
Year ending February 29, 2024 (Forecasts)				32.00	64.00

Note: Revisions to the most recently announced dividend forecast: No

**3. Consolidated Financial Forecasts for the Fiscal Year Ending February 29, 2024**  
**(From March 1, 2023 to February 29, 2024)**

(Millions of yen, percentage change from the corresponding period of the previous year)

Year ending February 29, 2024	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent	
	580,000	4.3%	70,000	2.5%	72,700	2.2%	51,300	-0.9%

Note: Revisions to the most recently announced financial forecasts: No

The full-year financial forecast for the fiscal year ending February 2024 is unchanged from the plan announced on April 7, 2023, taking into account that order backlogs are securely filled and revenue is promoted.

Average exchange rate assumptions during the period from December 1, 2023 to February 29, 2024 are unchanged from those announced on October 6, 2023, which are 1USD=145.0JPY, 1EUR=155.0JPY, 1CNY=20.0JPY, 1KRW=0.110JPY.

\*Please see supplements to financial results on our website for detailed information.

(<https://www.yaskawa-global.com>)

**\*Notes:**

(1) Major Change in Scope of Consolidation: No

(2) Changes in Accounting Policies, Changes in Accounting Estimates:

1. Changes in accounting policies required by IFRS: Yes
2. Changes in accounting policies other than the above: No
3. Changes in accounting estimates: No

\* Please refer to page 11 of the attached document, “5. Consolidated Financial Statements, 4) Notes to the Consolidated Financial Statements (Changes in Accounting Policies)” for more details

(3) Number of Common Shares Outstanding

The number of shares outstanding including treasury shares	As of November 30, 2023	266,690,497	As of February 28, 2023	266,690,497
The number of treasury shares	As of November 30, 2023	5,306,504	As of February 28, 2023	5,221,110
Average during the period	Nine months ended November 30, 2023	261,462,789	Nine months ended November 30, 2022	261,432,273

\* This financial report is not subject to the audit procedure.

\*About the appropriate use of business forecasts and other matters

- Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable and are not disclosed for the purpose of making a commitment to their achievement. Actual results may differ from these statements for a number of reasons.
- The Company will hold an online briefing in Japanese for securities analysts and institutional investors on January 12, 2024 (JST).

#### 4. Qualitative Information on Quarterly Results

##### Business Performance

In the first three quarters of the fiscal year under review, capital investment aimed at upgrading and automating production in the overall manufacturing industry remained robust, while demand for semiconductors and electronic components continued to adjust.

In terms of our group's business performance in this environment, the revenue increased year on year as production, which had been delayed due to supply chain disruptions such as a shortage of components, normalized, and order backlogs were steadily filled. In terms of profit, while profit in key segments increased due to price pass-through of soaring raw material costs, group-wide profit decreased by the effect of the elimination of other earnings due to the temporary changes in the retirement pension system and the sale of idle real estate in the previous fiscal year.

The business performance of the first three quarters of fiscal 2023 is as follows.

	Nine months ended November 30, 2022	Nine months ended November 30, 2023	Change
Revenue	407,520 million JPY	424,330 million JPY	+4.1%
Operating profit	48,132 million JPY	46,547 million JPY	-3.3%
Profit attributable to owners of parent	37,189 million JPY	34,788 million JPY	-6.5%
Average exchange rate for USD	134.53 JPY	142.14 JPY	+7.61 JPY
Average exchange rate for EUR	139.14 JPY	153.69 JPY	+14.55 JPY
Average exchange rate for CNY	19.80 JPY	19.89 JPY	+0.09 JPY
Average exchange rate for KRW	0.102 JPY	0.108 JPY	+0.006 JPY

##### <Management environment of each region>

###### Japan:

Demand remained weak due to continued inventory adjustments in the semiconductor market and weak investment in the automotive market.

###### U.S.:

Although capital investment in the automotive and oil/gas sectors, and automation investment in general industries continued, demand remained sluggish, as the semiconductor market, which is in a correction phase, remained weak.

###### Europe:

Although capital investment continued in growth markets such as electric vehicles, demand slowed due to the impact of the recession.

###### China:

Although some markets, such as solar panel manufacturing equipment, saw solid demand at the beginning of the fiscal year, overall demand in the manufacturing sector remained sluggish due to a slowdown in the overall market recovery.

###### Other Asian Countries:

In ASEAN countries and India, new capital investment in infrastructure and general industries increased. As for demand in the semiconductor market, there were signs of recovery in South Korea in the second half of the fiscal year.

## Performance by Business Segment

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

The performance of each business segment for the first three quarters of fiscal 2023 is as follows.

Motion Control	Revenue	198,062 million JPY (+5.0% year-on-year)
	Operating profit	28,493 million JPY (+9.0% year-on-year)
<p>The Motion Control segment consists of the AC servo &amp; controller business and the drives business. Although sales for semiconductors and electronic components were sluggish, revenue increased due to the normalization of production mainly in the drives business. In terms of profit, operating profit increased due to an increase in revenue and an improvement in profitability, mainly due to price pass-through of raw material costs, which had soared since last year.</p> <p>[AC servo &amp; controller business] While the filling of backlogs of orders progressed, revenue decreased due to weak demand for semiconductors and electronic components.</p> <p>[Drives business] Revenue increased globally due to the normalization of production. In particular, steady demand for oil and gas in the United States and infrastructure-related demand in ASEAN countries and India led to a significant increase in revenue.</p>		
Robotics	Revenue	166,936 million JPY (+3.2% year-on-year)
	Operating profit	18,561 million JPY (+5.1% year-on-year)
<p>In general industries, while investment in China remained sluggish, investments particularly in Europe and the United States remained firm to upgrade and automate production against the backdrop of rising labor costs and labor shortages, which led to a year-on-year increase in revenue. Profit increased due to such factors as our efforts toward price pass-through of soaring raw material costs and our high value-added proposal through the i<sup>3</sup>-Mechatronics solution.</p>		
System Engineering	Revenue	40,179 million JPY (+15.5% year-on-year)
	Operating profit	1,633 million JPY (+102.6% year-on-year)
<p>Revenue increased on a year-on-year basis due to solid sales of power conditioners for solar power generation in Japan and the United States, and port cranes overseas.</p> <p>In terms of profit, there was a significant improvement due to thorough cost control and an increase in profit due to an increase in revenue.</p>		
Other	Revenue	19,152 million JPY (-14.4% year-on-year)
	Operating profit	82 million JPY (-85.5% year-on-year)
<p>Other segment consists of logistics and other businesses.</p> <p>Both revenue and operating profit decreased on a year-on-year basis.</p>		

## 5. Consolidated Financial Statements

### 1) Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2023	As of November 30, 2023
Assets		
Current assets		
Cash and cash equivalents	42,274	55,421
Trade receivables	171,219	164,377
Inventories	182,226	205,109
Other financial assets	4,471	4,481
Other current assets	30,707	33,984
Subtotal	430,898	463,374
Assets held for sale	-	12,011
Total current assets	430,898	475,386
Non-current assets		
Property, plant and equipment	100,309	109,921
Goodwill	7,558	7,188
Intangible assets	19,115	19,728
Right-of-use assets	15,513	15,074
Investments accounted for using equity method	10,994	11,173
Other financial assets	39,768	43,015
Deferred tax assets	15,329	17,515
Other non-current assets	13,643	14,209
Total non-current assets	222,233	237,826
Total assets	653,132	713,213

(Millions of yen)

	As of February 28, 2023	As of November 30, 2023
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade payables	67,716	62,228
Borrowings	55,097	41,478
Income taxes payable	6,371	3,705
Lease liabilities	3,051	3,311
Other financial liabilities	4,886	7,228
Provisions	1,580	1,666
Other current liabilities	76,105	84,419
Subtotal	214,810	204,038
Liabilities directly associated with assets held for sale	-	8,371
Total current liabilities	214,810	212,409
<b>Non-current liabilities</b>		
Bonds and borrowings	30,379	62,976
Lease liabilities	11,036	10,432
Other financial liabilities	307	310
Retirement benefit liability	28,662	29,147
Deferred tax liabilities	3,066	3,137
Provisions	4,626	1,275
Other non-current liabilities	5,167	5,679
Total non-current liabilities	83,246	112,958
Total liabilities	298,057	325,368
<b>Equity</b>		
<b>Equity attributable to owners of parent</b>		
Share capital	30,562	30,562
Capital surplus	28,879	29,232
Retained earnings	271,299	289,339
Treasury shares	-21,998	-22,490
Other components of equity	38,755	53,019
Total equity attributable to owners of parent	347,499	379,663
Non-controlling interests	7,576	8,181
Total equity	355,075	387,844
Total liabilities and equity	653,132	713,213

2) Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Millions of yen)

	Nine months ended November 30, 2022	Nine months ended November 30, 2023
Revenue	407,520	424,330
Cost of sales	-267,835	-271,456
Gross profit	<u>139,685</u>	<u>152,874</u>
Selling, general and administrative expenses	-96,975	-106,336
Other income	5,560	1,067
Other expenses	-138	-1,057
Operating profit	<u>48,132</u>	<u>46,547</u>
Finance income	1,124	1,228
Finance costs	-1,360	-2,528
Share of profit of investments accounted for using equity method	3,174	3,132
Loss on disposal and remeasurement of investments in associates	-	52
Profit before tax	<u>51,071</u>	<u>48,431</u>
Income tax expense	-13,599	-13,086
Profit	<u><u>37,471</u></u>	<u><u>35,344</u></u>
Profit attributable to		
Owners of parent	37,189	34,788
Non-controlling interests	281	555
Total	<u><u>37,471</u></u>	<u><u>35,344</u></u>
Earnings per share		
Basic earnings per share (Yen)	142.25	133.05
Diluted earnings per share (Yen)	142.13	132.92

## (Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Nine months ended November 30, 2022	Nine months ended November 30, 2023
Profit	37,471	35,344
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	-717	173
Remeasurements of defined benefit plans	378	240
Share of other comprehensive income of investments accounted for using equity method	22	7
Total	-315	421
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	15,427	14,233
Effective portion of cash flow hedges	-73	54
Total	15,354	14,288
Total other comprehensive income	15,038	14,710
Comprehensive income	52,509	50,054
Comprehensive income attributable to		
Owners of parent	51,912	49,039
Non-controlling interests	597	1,015
Total	52,509	50,054



### 3) Consolidated Statements of Changes in Equity

First three quarters of Fiscal 2022 (From March 1, 2022 to November 30, 2022)

	Equity attributable to owners of parent						(Millions of yen)	
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total	Non-	Total
							controlling interests	
Balance at beginning of period	30,562	28,312	232,547	-21,971	21,783	291,234	6,866	298,100
Profit	—	—	37,189	—	—	37,189	281	37,471
Other comprehensive income	—	—	—	—	14,722	14,722	315	15,038
Comprehensive income	—	—	37,189	—	14,722	51,912	597	52,509
Purchase of treasury shares	—	—	—	-3	—	-3	—	-3
Disposal of treasury shares	—	5	—	124	—	130	—	130
Dividends of surplus	—	—	-15,164	—	—	-15,164	-292	-15,456
Share-based payment transactions	—	31	—	—	—	31	—	31
Changes in ownership interest in subsidiaries	—	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	420	—	-420	—	—	—
Other	—	0	—	—	—	0	—	0
Total	—	37	-14,744	121	-420	-15,006	-292	-15,298
Balance at end of period	30,562	28,349	254,992	-21,849	36,085	328,140	7,172	335,312

First three quarters of Fiscal 2023 (From March 1, 2023 to November 30, 2023)

	Equity attributable to owners of parent						(Millions of yen)	
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total	Non-	Total
							controlling interests	
Balance at beginning of period	30,562	28,879	271,299	-21,998	38,755	347,499	7,576	355,075
Profit	—	—	34,788	—	—	34,788	555	35,344
Other comprehensive income	—	—	—	—	14,250	14,250	459	14,710
Comprehensive income	—	—	34,788	—	14,250	49,039	1,015	50,054
Purchase of treasury shares	—	—	—	-603	—	-603	—	-603
Disposal of treasury shares	—	19	—	132	—	151	—	151
Dividends of surplus	—	—	-16,735	—	—	-16,735	-359	-17,095
Share-based payment transactions	—	279	—	—	—	279	—	279
Changes in ownership interest in subsidiaries	—	54	—	-21	—	32	-50	-18
Transfer from other components of equity to retained earnings	—	—	-12	—	12	—	—	—
Other	—	—	—	—	—	—	—	—
Total	—	353	-16,748	-492	12	-16,875	-409	-17,285
Balance at end of period	30,562	29,232	289,339	-22,490	53,019	379,663	8,181	387,844

4) Notes to the Consolidated Financial Statements

(Notes pertaining to the presumption of a going concern)

None

(Changes in Accounting Policies)

(Revision of IAS 12 Corporate Income Tax)

Yaskawa Group has adopted the International Tax Reform - Pillar 2 Model Rules (Revision of IAS 12) (hereafter, revised IAS 12) announced on May 23, 2023. Yaskawa Group has applied the exceptions set forth in revised IAS 12, and has not recognized or disclosed deferred taxes related to income taxes resulting from the Pillar 2 Model Rules tax system.