President's Message

M. Ogawa

Masahiro Ogawa
Representative Director, President

Joined Yaskawa Electric Corporation in March 1987. Served as General Manager of Business Planning, Robotics Division; General Manager of Development, Robot Factory; and General Manager of New Robotics Business, before moving to the U.S. in December 2010 to become Chairman and CEO of Yaskawa America Inc. Returned to Japan and became Executive Officer, General Manager of Robotics Division in March 2016. In May 2019, he was appointed as Director and Executive Officer. In March 2020, he was promoted to Director, Senior Executive Officer. In March 2022, he became Representative Director, Senior Managing Executive Officer. In March 2023, he was appointed as Representative Director, President, a position he holds to this day.

Facing challenges to move society forward

— Yaskawa's 110-year journey and the next decade ahead

On 110 years of establishment: The origin of Yaskawa from its establishment

In 2025, Yaskawa Electric celebrated 110 years of establishment. I would like to express my heartfelt gratitude for the support and efforts of our customers, business partners, local communities, shareholders and investors, and employees.

The background to Yaskawa Electric's 110 years of existence is that we have inherited the spirit of our founder and have continued to uphold the principle of conduct as part of our corporate culture. This means, as I described in last year's YASKAWA Report, that we must earnestly address the "needs" that customers have and continuously provide "things" that can achieve the optimum conditions for those "needs." This has been passed down from generation to generation through sustainable business based on dialogue with customers, relationships of trust, and mutual commitment.

I learned this firsthand through a project with Honda Motor Co., Ltd. (Hereafter, Honda) that started in 1998. This challenge, which came in my 12th year with Yaskawa, was of such importance that if it had not been successful, the Yaskawa Group might not be in its current position. At the start of the project, our company had a poor track record and was at a disadvantage compared to other companies. Our internal structure was not in place, and it required a great deal of determination and change to make it a success. I told the plant manager at the time what I thought about the structure needed for our company to undertake the project, and he appointed me as the project leader. As a result, I took on the challenge of new fields.

Based on our relationship with Honda and our past technical trust, it was finally decided that our company would participate in the project. We faced a lack of understanding of technical terms unique to the automotive industry and design challenges, but through trial and error in the field we improved our ability to respond. We carried out processes on site that our designers could not handle, and by meeting strict requirements, we gained trust while advancing the project.

The Honda project was deployed not only in Japan, but also at eight plants around the world, including the United States, the United Kingdom, and Canada. There were tough situations, such as being asked to deal with unexpected problems in the United States while on a business trip to the United Kingdom, but by building relationships of trust through night work and handling problems on site, we made the project a success. My experience on the project, which lasted for about three years, went beyond mere work, and became a place where I learned the depth of human relationships and the importance of trust. Through dealing with problems on site, I was able to gain the trust of our customers, and that experience still serves as the starting point for my management.

Our company was founded in 1915 by Daigoro Yasukawa with a purpose, and even though the management of the Yasukawa family was handed over to people other than the founding family, it has been able to continue to exist for 110 years because of the continued existence of a culture based on which we value long-term relationships of trust and face the "needs" of our customers. We will continue to strive for further development based on this culture. I believe that as the years go by, this culture will take deeper root and become a driving force that supports corporate growth.

Progress in the mid-term business plan "Realize 25": Awareness of current issues and the nature of management

Since I assumed the position of President in fiscal 2023, I have been very particular about the lofty goal set forth in the Yaskawa Group's long-term and mid-term business plans of "achieving operating profit of 100 billion yen in fiscal 2025." In fact, I am confident that it is achievable. However, in the end, there will be a gap in volume, and we will not be able to reach that goal. In light of this situation, we must firmly confirm in 2025 that we are maintaining and strengthening our "structure that continues to grow." Of course, numbers are important. However, the soundness and growth potential of our business structure, which lies behind those numbers, is of paramount importance.

We once dropped the target of operating profit of ¥100 billion when making our fiscal 2025 projections. This was not a pessimistic decision, but a redefinition in order to rebuild our business in light of the reality. Going forward, the target figures are just a passing point, and our essential objective is to broaden and deepen the scope of our contribution to society.

In addition, I believe that volume expansion, which is our challenge, should be realized by expanding value and deepening our relationship of trust with the market, rather than simply pursuing volume. We aim to achieve sustainable growth by steadily delivering value to customers, rather than relying on rapid growth as in the past in the Chinese market. To achieve this, of course, technological development is necessary. We will try new things, accept changes, and break through with technology. We will always change something, not only through dramatic changes but also through steady accumulation. That is what we should do.

Our starting point is always a sincere attitude toward our customers and the market. Delivering valuable products in a valuable way. I believe this is what is necessary for the Yaskawa Group to continue to be expected by society as a growth company.

Challenges in a changing world: A strategy to stay on the ground in the global market

The global business environment at Yaskawa is rapidly changing every day, with the recent moves by the United States to raise tariffs and changes in the competitive environment due to the rise of Chinese manufacturers in the factory automation (FA) market. How can the Yaskawa Group maintain its competitive advantage and growth potential in an age of rapid change? I believe that the answer lies in "continuing to face customers and markets sincerely." Customers themselves are constantly changing. By staying close to these changes and continuing to understand what is happening on the ground, we will be able to respond to these changes and continue to provide value. In this day and age, there is no single right answer. Each country, region, and industry has its own unique set of tactics.

In such a situation, talking only from a macro perspective from a distance will not allow us to respond to actual changes. For example, each company has different ways of perceiving and responding to changes in the external environment, such as tariffs, foreign exchange rates, and regional strategies. Even if the same action is taken, whether it is viewed as an opportunity or a risk depends on the person and organization. In other words, the current global market has an extremely complex structure in which such diverse values and judgments are mixed.

That is why the Yaskawa Group has promoted business operations rooted in each region, with a focus on "local production and sales for local demand." However, this is not just about production and sales bases. Technology, sales, production, and services come together to deliver value right next to customers. I believe that building such "business capabilities" locally will be the source of our competitiveness in the future. Globally, economies in the Americas, Europe, China, Asia, and Japan all operate on their own unique logic. Rather than imposing a single correct answer, we will develop strategies that are optimal for each region and evolve our businesses while listening to local voices. Such "multipolar flexibility" is essential in this era.

Of course, it is difficult to do everything perfectly.

Technology, sales, production, and services come together to deliver value right next to customers. Building such "business capabilities" locally will be the source of our competitiveness.

That is why the ability and determination to identify our strengths and decide where to focus our resources is critical. The axis of this judgment and determination is our corporate principles and our attitude toward value creation centered on technology. The deepening of technology must not stop, and we must keep moving forward in sync with changes in society. To this end, the diversity and mobility of our human resources, as well as our ability to inherit, are also important. To prevent the organization from becoming rigid, we must foster a culture of challenge and pass the baton firmly to the next generation. I believe that such efforts will lead to sustainability and centripetal force as a group. In this age of rapid change, I want Yaskawa to be a flexible organization with an unshakable axis based on our corporate principles.

The next stage in the U.S. market: Challenges as a center for co-creation of technology

My strong interest in the United States as a future growth market is not due to personal reasons, such as my experience in or attachment to the country. No matter how objectively we look at it, the United States is still the strongest country in the world at the moment, with an overwhelming competitive edge, especially in terms of advanced technology and human resources. It is difficult to predict how the world will move amid talk of US-China confrontation and decoupling. However, movements such as the return of manufacturing and the strengthening of domestic production are definitely progressing in the United States. There is still a strong industrial base in the United States, including the automobile industry, which is undergoing a period of change such as electrification and the spread of autonomous driving technology, as well as healthcare, drug discovery, food and services.

In the fields of AI and robotics in particular, the depth of the country's execution and the industrial environment in which startups, universities, investors, and large companies work closely together to accelerate technological innovation — the so-called ecosystem — is outstanding. When we started focusing on these areas in our "Realize 25" mid-term plan, they were not as visible as they are now, but their importance is clear to everyone. That is why we need to build a strong presence in the U.S. market, not just as a sales base, but as a strong business player. I feel that we need to go one step further in the field of robotics, as well as in our mainstay areas of motion control and AC drives.

The U.S. has strengths in technology, human resources, funding, and speed, and how we engage in these areas is important. I am confident that establishing a position as a partner in creating value together

10 years from now, I want the Yaskawa Group to be a company that is closer to society, deeper into issues, and responding to "needs."

locally, rather than following up, will lead to future competitiveness. This is not just in the United States. It has the potential to spread to Japan and other parts of the world, and it also provides the foundation for us to face competitive markets like China on an equal footing.

In fact, as we build relationships with companies like NVIDIA, IBM, and Amazon, we feel that the key to the future will be how we enter the ecosystem that originated in the United States. There is a lot of value that comes from collaboration, not just competition, and the addition of startups and academia to the mix creates a dynamic movement. This movement cannot be captured just from Japan. That is why I believe it is essential for us today to increase our local presence, build trust, and build effective schemes. This is a challenge, but at the same time, it is a great opportunity to open up our future.

Values drive organizations: Core as a leader and trust in people

"The president said it, so everyone does it." It is not that simple. Organizations do not become a monolithic organization based solely on the words of the leader. There are always hypotheses, strategies, and trial and error on the ground.

Each of our visions and strategies has an idea of what we want to be and a scenario for realizing it. However, the scenario always changes depending on the external environment and the situation of the partner, and it does not always go according to the hypothesis. This is why it is important to keep the PDCA cycle running as an organization. However, for the PDCA to work, the entire organization needs to be facing the same direction. If each person has a different understanding and reaction, no strategy can be implemented. Diversity is important, but if it faces different directions, the organization will not be able to demonstrate its power.

I often compare an organization to a rugby scrum. A group of players of different sizes can be defeated if the binding is weak. On the other hand, if they are united, they can face any opponent. The same goes for an organization. I believe that strength lies in the ability of diverse human resources to work with a common sense of direction, despite their respective positions and experiences. In order to achieve this, it is necessary to translate the vision and strategy down to the field level, and link them to individual actions. This is a hard work. That is why the role of personnel and management is important. Rather than simply giving instructions, a sense of purpose, such as "why we are doing it" and "for whom we are doing it," leads to the motivation of each individual, and is the driving force behind the organization.

An organization with many people who work with a sense of motivation is definitely strong. The source

of motivation is the feeling that “my work is helping someone.” This is why people are able to work seriously. Another important factor is the presence of internal influencers. As a diverse group of people gather, there is a need for influencers who can resonate and spread to the areas that cannot be reached by the message of the top management alone. This is also about how to nurture people who share our values and have an impact on those around them, regardless of age or position.

The strength of an organization is not simply its size, but the sum total of its sense of direction, cohesion, and individual motivation. I believe that building such an organization is essential to the sustainable growth of the Yaskawa Group.

What we want to be 10 years from now: What should be changed is the “means,” not the “aspiration”

The Yaskawa Group’s “i³-Mechatronics” is a solution concept that goes beyond mere products and technologies. Even if we look 10 years into the future, its essence will not change. Based on our corporate principles, this concept is aimed at confronting the challenges of customers and society head-on, and it is becoming increasingly important in today’s digital age.

At the same time, the structure of society and industry is changing drastically. The boundaries between global and local are blurring, and local issues are actually connected to global issues. For example, in the fields of agriculture, infrastructure, medical care, and disaster response, there is a limit to the solutions that can only solve problems of a certain region. We need to take a bird's eye view of the entire value chain and address issues in a way that optimizes the entire value chain. What we need to change is how we use technology and how we interact with society. While our company’s strengths based on motors remain the same, the perspective of how to apply them and what kind of "needs" they contribute to have to evolve more broadly and deeply. Specifically, motors are the source of movement in robots, devices, and systems, and by combining them with AI and digital technologies, we will realize more advanced solutions.

Also, MOTOMAN NEXT, which was launched in December 2023, is not an extension of conventional robots. It is an entirely new form of robotics evolved by AI. In fact, this concept is something that I have been working on for 20 years, and it shows that it is finally starting to become a reality. At the beginning of the concept, I did not use the term “AI” yet, but the idea of “enhancing the autonomy of robots” was the starting point. Now, the evolution of AI has dramatically improved the autonomy of robots, and robots are able to handle more diverse and complex tasks. As a result, the future of robots in various fields of society is finally becoming a reality.

Furthermore, by combining AI robotics and digital technologies, Yaskawa is moving beyond just industrial applications to a new stage where it will contribute to solving social issues such as labor shortages, safety, and sustainability. At the core of this is the concept of Digital Twin. Digital Twin is a mechanism that connects the field and the cloud and uses AI reasoning to guide optimal decisions and actions. It has great potential in areas where effectiveness is required, such as inspection of aging infrastructure, disaster response, and support for agriculture, medical care, and nursing care. The live-line robot we worked on with Kyushu Electric Power Co., Ltd. was born with the idea of freeing people from dangerous work. Going forward, we would like to further develop this technology and evolve it into a solution that addresses a broader range of social issues, such as nighttime road repair and tunnel inspection.

To this end, it is essential to link the technology areas where the Yaskawa Group excels with different technology areas such as AI, cloud, communications, and edge computing. We need to build an ecosystem that is meaningful to society as a whole, not to complete these tasks alone, but in cooperation with various players. We will also engage in the use of new information to understand social trends from a broader perspective and to anticipate issues.

What we will not change is our stance of contributing to society through technology. What we will change is our approach to making use of technology and connecting with society. 10 years from now, I want the Yaskawa Group to be a company that is closer to society, deeper into issues, and responding to “needs.” We have already taken steps toward that future.

Please look forward to the future growth of the Yaskawa Group and I appreciate your continued support.

History of Yaskawa and Its Six DNAs (Corporate Culture)

Since its establishment in 1915, Yaskawa Electric has earnestly pursued for more than 100 years the business area of “motors and their applications” and “making things happen by driving motors.” The Six DNAs (corporate culture) have been nurtured as people from each era gathered their wisdom and overcame many difficulties, and they are linked to the strengths that support our current business model.

Promoter

Keiichiro Yasukawa

Keiichiro Yasukawa, the promoter of Yaskawa absorbed new knowledge and philosophies from the West. He engaged himself in mining, later expanding his business to spinning, steel, railway and banking. He personally funded the opening of Meiji College of Technology, a vocational school for training engineers. The school later became Kyushu Institute of Technology, and continues to produce numerous engineers to this day.

Founder

Daigoro Yasukawa

Electric motors were starting to advance into all industrial segments as replacements for steam engine at the beginning of the Taisho period. Daigoro Yasukawa, the fifth son of Keiichiro, was among those who learned the fundamentals of such leading-edge technology. In 1915, with his father promising "to provide financial support, but not interfere with the way he runs the business," Daigoro founded our predecessor, Yaskawa Electric Manufacturing Co.

1915-

DNA 1
Technology-driven

20HP three-phase induction motor (1917) Yaskawa's first commercial product

Founder Daigoro Yasukawa expressed his wish to contribute to the nation by exporting domestically produced motors in his “motivation of establishment,” and aimed at undertaking the business with the company's own technologies. Daigoro expressed his passion in the company motto “technology-driven”, and in fact promoted the development of a wide variety of products, including switches and transformers, in addition to various motors. At this time, a culture of “technology-driven” was established, which is the basis of Yaskawa.

Factory exterior (1919)

DNA 2
Customer and application focus

Daigoro created the “Business Policy” the year after he founded Yaskawa Electric Manufacturing. He set forth his policy of not forgetting the ideal for the sake of temporary profit and giving the first priority to the satisfaction of customers with sincerity. As motors began to be used by customers through the business, the ideal form and direction of the entire organization have been created based on the concept of “learning how the motors are used by customers (applications) and providing optimal systems.”

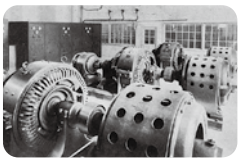
Writings and biographies of Daigoro

1945-

DNA 3
Quality first

After the World War II, energy shifted from coal to oil, and the heavy chemical industry developed. At that time, the company was engaged in manufacturing equipment (process automation) for materials such as steel making and spinning, which operated 24 hours a day. The idea of “quality first” became ingrained in the organization as we believed that we should not cause any trouble to our customers' equipment.

After World War II, we demonstrated our exclusive strength mainly in automatic charging equipment for raw materials around blast furnaces.



Electrical equipment for automatic charging of blast furnace raw materials

1970-

DNA 4
Mechatronics

In 1969, Yaskawa became the first company in the world to propose the concept of “mechatronics,” aiming to “integrate customer machines with Yaskawa motors and controllers to achieve higher functionality.” We accelerated our business expansion into factory automation, aggressively invested resources in response to the rapid growth of the mechatronics market, and introduced a number of new products. Against this backdrop, “MOTOMAN-L10,” Japan’s first all-electric arc welding robot, was born, laying the foundation for the company’s Robotics Business.

Minertia motor (1958)
A motor that became the basis for the servo motor available today. A revolutionary product that had a response rate 100 times greater than conventional motors.

MOTOMAN-L10 (1977)
Japan’s first all-electric vertical articulated industrial robot

DNA 5
Policy-based management

Received Deming Prize (1984)

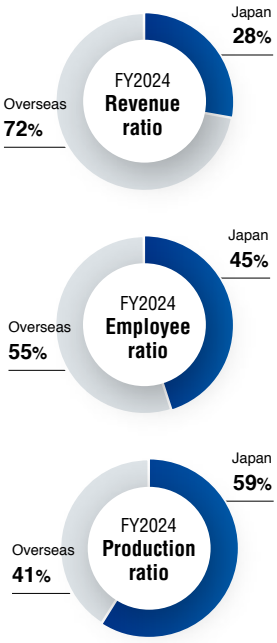
At the time “mechatronics” was launched, the existing business was still mainly focused and the concept was not a culture yet but just a vision. As such, Yaskawa worked on TQC (policy management) as a tool to set the whole organization in one direction. Yaskawa established its own management system, including tools for setting and managing targets in development, manufacturing and sales. As a result, the vision of mechatronics and TQC have become part of its corporate culture, and Yaskawa has made significant progress in the R&D and customer development for automation in the assembly industry.

1990-

DNA 6
Global

After the 1990s, Yaskawa began localizing its business to expand its overseas business base. Yaskawa didn’t sell the Japanese products as they were but provided customer services and products needed in each region. Also, starting with drives production in the United States in 1992, we expanded our production bases overseas based on our policy of local demand production. We are implementing global management that combines efficient global operations with management tailored to the characteristics of each region.

FY2024 overseas ratio
(Revenue/employee/production)



2015-

With further technological advances expected in the realization of a data-driven society through the use of IoT and AI, in 2017 we proposed “i³-Mechatronics” with the aim of contributing to the resolution of our customers' management issues and transforming our own business model. We are striving to further evolve the DNA we have cultivated throughout our history and become an even more widespread force supporting industry and society.

i³-Mechatronics

Our Unique Foundation

Kitakyushu, where Yaskawa Electric was founded and where the head office is still located, has been one of the leading coal production areas in Japan. With the commencement of operations of the government owned Yahata Steel Works (Kyushu Steel Works, Nippon Steel Corporation) in 1901, various industries have been born, and the city has successfully developed as a “manufacturing town” that supported Japan.

The Yaskawa Group will further improve the Yaskawa brand and realize sustainable growth as a global company by taking full advantage of Kitakyushu’s unique strengths, such as its strong presence in Kitakyushu, its accessibility to Asian markets, mainly China, and its potential as an environmentally advanced city.

Yaskawa Headquarters in Kitakyushu

Six DNAs and Cultivated Strengths

The Yaskawa Group's DNA has been the driving force behind the development of the world's first and best technologies, and the products and technologies created through this process have brought about changes not only in the Yaskawa Group but also in society. In addition to a corporate culture that emphasizes quality, Yaskawa today has a strong presence in global markets by promoting business based on relationships of trust by addressing customer needs. Based on the broad customer base that the Yaskawa Group has built up, we strive to further enhance its unique strengths by constantly developing products with an eye toward the future.

DNA 1
Technology-driven

Development focused on the world's first and best technologies

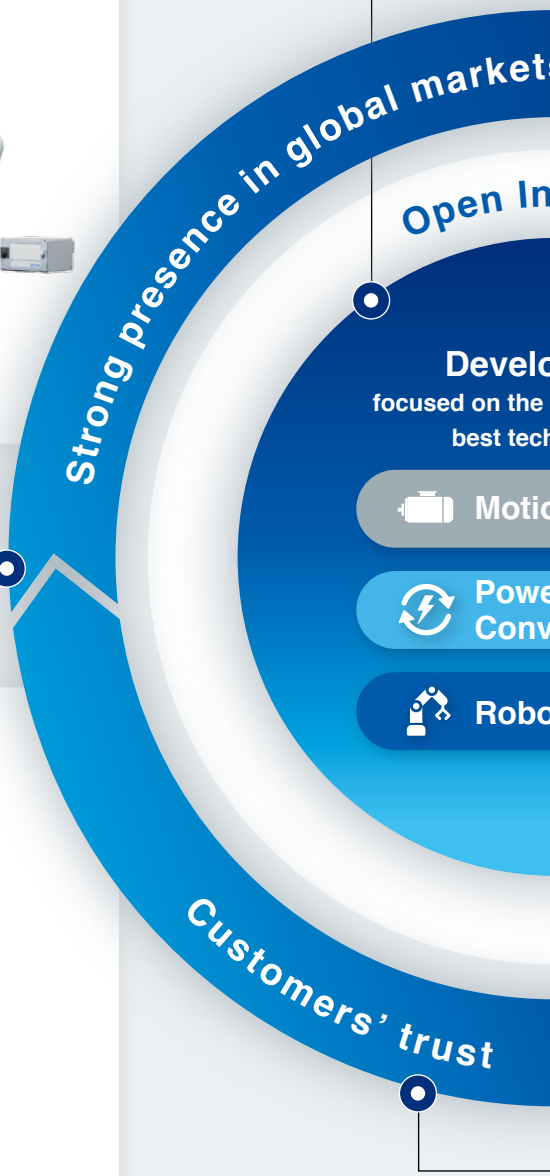
Since its establishment, the company has focused on "electric motors and their applications" and has produced many of the world's first and world's best technologies and products. Yaskawa's technologies and products lead to industrial innovation and contribute to the development of society.

World's first
Transistor AC drive: VS-616T (1974)

World's first
Matrix converter: Varispeed AC (2005)

World's first
GaN power semiconductor equipped servo motor with built-in amplifier (2017)

Industry first*
Autonomous robot: MOTOMAN NEXT series (2023)
*Based on our research targeting major robot manufacturers

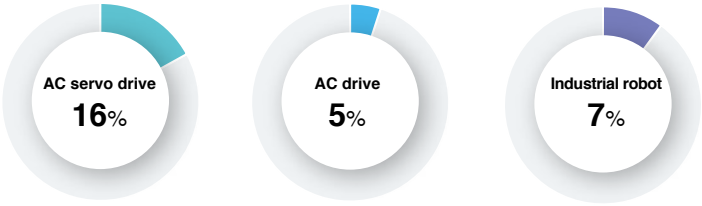


DNA 6
Global

Strong presence in global markets

We have been involved in the export of products since the early days of our founding, following the spirit of our founder, who had a wish to contribute to the nation by exporting domestically produced motors overseas. Since the 1990s, we have been localizing our business and building our own sales network and production system in demand areas, and we have a top-level global market share in our core products.

Market share (company estimate)



DNA 4
Mechatronics

DNA 5
Policy-based management

Ability to transform

In 1969, Yaskawa pioneered the concept of "mechatronics," and the following year, in 1970, it envisioned "Unmanned Factory," an automated factory that humans and machines work together by using mechatronics. In the 1970s, when Japanese manufacturing shifted from the material industry to the assembly industry, the concept of "mechatronics" from the Yaskawa Group became the driving force behind the Third Industrial Revolution.

Then, in 2018, the Yaskawa Solution Factory was established, which embodied unmanned factory envisioned for a long time. As a demonstration factory for i³-Mechatronics, it is leading the transformation of manufacturing and business. Based on the concept of i3-Mechatronics, the Yaskawa Group will lead the evolution of production in the Fourth Industrial Revolution, which aims to achieve optimal production systems in a data-driven society.


Production line in Yaskawa Solution Factory


Integrated control room of Yaskawa Solution Factory

DNA 2
Customer and application focus

DNA 3
Quality first

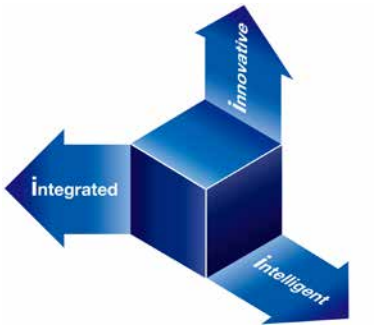
Customers' trust

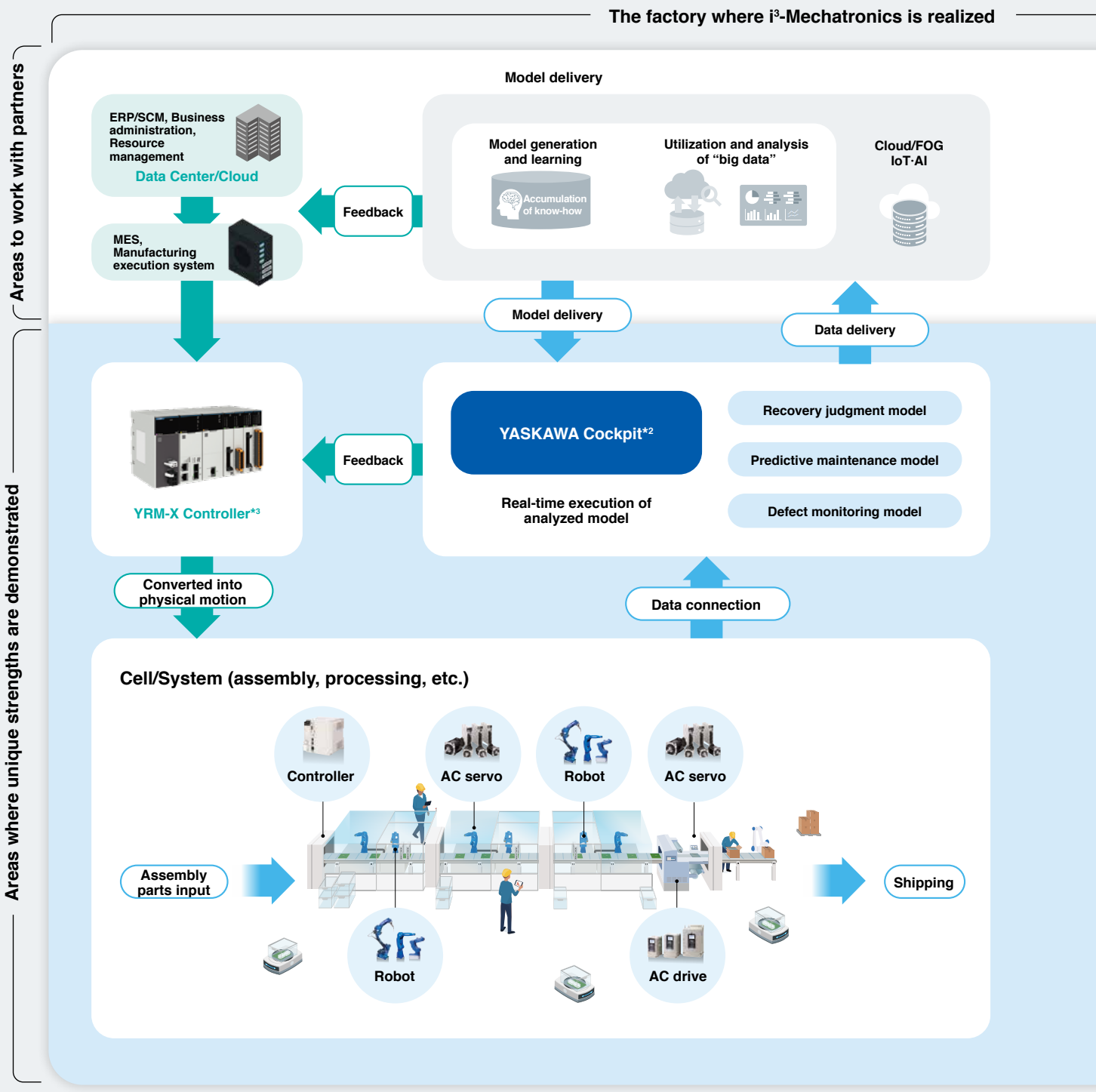
Since the 1930s, when we established a policy of not only manufacturing and selling motors, but also learning how they are used by customers and providing optimal systems, we have maintained a stance of being close to our customers. Even today, based on our policy of continuing to provide high value-added and high-quality products that realize the benefits of improvement and evolution that customers demand, we promote our business with a strong relationship with our customers.

Differentiation Strategy - i³-Mechatronics -

Yaskawa's strength has been to automate the "cells," a unit of the factory's production line, with industrial robots, servo motors and AC drives.

Based on the concept of "i³-Mechatronics" we propose to automate the cells and manage them with digital data as a solution to the "improvement and evolution" demanded by customers. This enables us to manage the operation status of equipment with process data and the production status with status data as "numerical values" rather than "tacit knowledge" of experts.

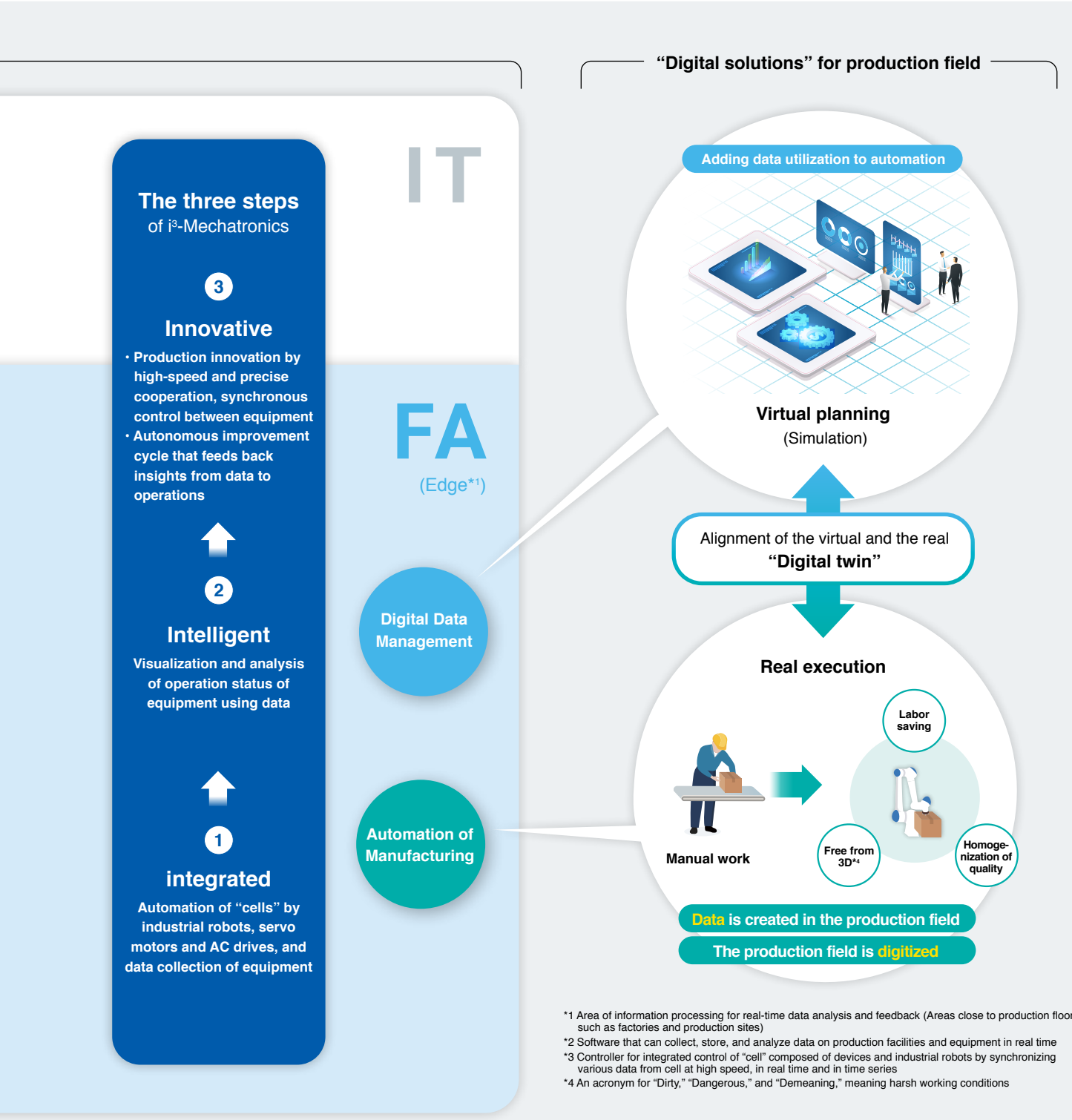




The “i³-Mechatronics” will proceed in three “i” steps: (1) integrated, (2) intelligent, and (3) innovative.

The use of data enables continuous improvement and helps solve various issues in manufacturing to realize the smart factories that our customers aspire to.

Yaskawa has a global brand in industrial robots, servo motors, and AC drives, which are essential “products” for factory automation, and we seek to differentiate ourselves and create added value by proposing solutions unique to our company, which has accumulated the practice of “i³-Mechatronics” in its own production.



*1 Area of information processing for real-time data analysis and feedback (Areas close to production floor, such as factories and production sites)

*2 Software that can collect, store, and analyze data on production facilities and equipment in real time

*3 Controller for integrated control of “cell” composed of devices and industrial robots by synchronizing various data from cell at high speed, in real time and in time series

*4 An acronym for “Dirty,” “Dangerous,” and “Demeaning,” meaning harsh working conditions

Value Creation Process

Changes in the external environment

Management environment

- Changes in the industrial structure (Generative AI, electrification of cars, adoption of EVs)
- Advancement of products (Miniaturization and 3D adoption of semiconductors)
- Evolution of communications (5G and 6G)
- Intensifying industry competition (Rise of emerging manufacturers)
- Increased geopolitical risks, such as changes in tariff policies

Social issues

- Labor shortage
- Rising labor costs
- BCP, supply chain issues
- Environmental issues (Carbon neutral)
- Food loss issues
- Diversification of work styles (Changes due to COVID-19)
- Human rights due diligence

Input
(FY2024)

Financial capital

Profit attributable to owners of the parent: **57.0** B. yen

Equity attributable to owners of the parent (End of FY): **431.2** B. yen

Interest-bearing debt (End of FY): **109.5** B. yen

Human capital

End of FY

Number of employees: **12,833**
(Of which, 55% were employees at overseas bases)

Manufactured capital

Capital investment: **40.67** B. yen
(Ratio to revenue) 7.6%

Social and relationship capital

End of FY

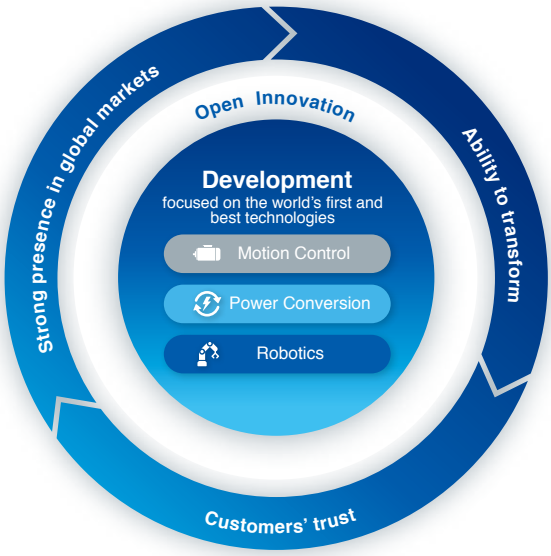
Business bases:
Approx. **30 countries and regions**

Intellectual capital

R & D expenditure: **23.77** B. yen
(Ratio to revenue) 4.4%

Natural capital

Input energy (electricity): **100.85** million kWh



V

AC servo & controller

Sustainability ch

Create social value and solve social issues through business activ

Transformation of development, production, sales, and services usi

Corporate Go

Yaskawa's inherited DNA (Corporate culture)

DNA 1
Technology-driven

DNA 2
Customer and application focus

Realization of Yaskawa Principles

"Contribute broadly to social development and human welfare through the execution of our business"

Realization of Vision 2025

Yaskawa's FY2025 Goals

Respect Life
We aim to contribute to improving quality of life and building a sustainable society with technologies accumulated over the past century.

Empower Innovation
We venture in new technologies/domains/targets to bring excitement and enthusiasm to people.

Deliver Results
We promise to deliver assured results to stakeholders, while continuously enhancing business execution capabilities.

Financial target for FY2025*

Operating profit 100.0 billion yen

ROE: 15.0% or more | **ROIC: 15.0% or more** | **Dividend payout ratio: 30%+α**

*Targets set out in the long-term management plan, "Vision 2025." For the performance outlook for fiscal 2025, please refer to page 24.

Value chain

Sales and marketing

Logistics

a sustainable society through

lution Concept

chatronics

Preparation for manufacturing

Procurement

Production

Drives

Robotics

System engineering

allenges and targets (Materiality)

vities

Strengthen management foundation that contributes to sustainable society/businesses

ng the digital management infrastructure of YDX (YASKAWA Digital Transformation)

overnance

DNA 3 Quality first

DNA 4 Mechatronics

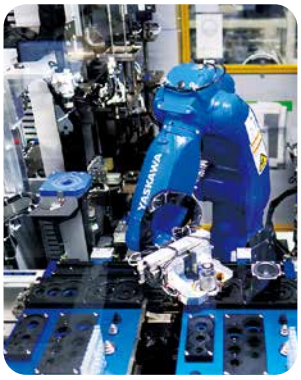
DNA 5 Policy-based management

DNA 6 Global

Output

Factory automation/ Optimization

- Realize revolutionary industrial automation through i³-Mechatronics
- Pursue global No.1 in core business



Mechatronics applications

- Challenge for new mechatronics applications

Energy Saving
Food & Agri
Clean Power
Biomedical Science

Outcome

(FY2024)

Financial capital

- ROE: 13.7%
- ROIC: 12.2%
- Annual dividend (Payout ratio) 68 yen per share (31.1%)

Manufactured capital

- Productivity indicator: +18% (Compared to FY2019)

Intellectual capital

- i³-Mechatronics-related patent application rate: 43%
- Number of external commendations and awards: 9

Human capital

- Percentage of employees who feel rewarding to work : 80%
- Percentage of female managers
  Non-consolidated 2.5%
  Group in Japan 3.2%

Social and relationship capital

- Started "handmade robot" event (2 sessions)
- 100% risk assessment implementation rate for "PL bud" cases
- Completed developing sustainable procurement policies and established guidelines for 2 overseas group companies
- Number of investor meetings: 462

Natural capital

- CO_2 emission reduction rate: -23.4% (Compared to FY2018)
- CCE100: 93.6 times