

FY2024 1st Quarter Financial Results (Three Months Ended May 31, 2024)

Notes:

- **From FY2024, we revise the segment classification of PV inverter, which had been included in the System Engineering segment, to be included in the Motion Control segment. As a result, the figures for FY2024 are shown based on the revised information. Figures for FY2023 are also presented based on the revised information. (See page 17.)**
- 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.
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YASKAWA ELECTRIC CORPORATION

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Business Overview

Motion Control

【Core products】

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



New machine controller "MPX1000 series"

AC servo motor Σ -X series



YRM Controller "YRM1010"



Yaskawa AC drive GA 700 series

PV inverter Enewell-SOL P3A 25kW

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



MOTOMAN NEXT series



Collaborative robot MOTOMAN-HC30PL



7-axis arc-welding robot MOTOMAN-AR1440E

System Engineering

【Core products】

- Electrical systems for steel plants
- Electrical instrumentation systems for water supply plants and sewage treatment facilities



Electrical systems for steel plants



Electrical instrumentation systems for water and sewerage

Other

- Logistics

1 . FY2024 1Q Financial Results **(Three Months Ended May 31, 2024)**

FY2024 1Q Financial Results (Highlights)

- Revenue decreased compared to the corresponding period of previous fiscal year, which was supported by high backlogs of orders.
- Operating profit decreased due to the large impact of a decrease in profit resulting from lower revenue.

	FY2024	FY2023	Changes	
	1Q Results	1Q Results	Amounts	%
Revenue	¥ 132.4bn.	¥ 142.5bn.	-¥ 10.1bn.	-7.1%
Operating profit	¥ 11.1bn.	¥ 16.4bn.	-¥ 5.3bn.	-32.4%
Profit before tax	¥ 12.3bn.	¥ 17.0bn.	-¥ 4.6bn.	-27.4%
Profit attributable to owners of parent	¥ 9.2bn.	¥ 11.7bn.	-¥ 2.5bn.	-21.1%

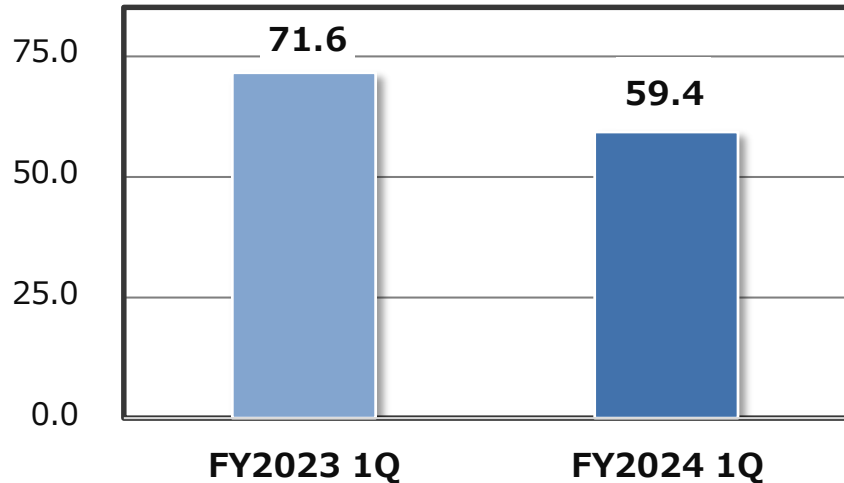
FY2024 1Q Financial Results by Business Segment

- In Motion Control, operating profit decreased due to the large impact of lower revenue mainly in AC servo & controller business.
- In Robotics, although revenue increased due to the firm demand for advanced and automated production and continued automobile related investment, operating profit decreased due to upfront investment and a decline in production utilization.

	FY2024 1Q		FY2023 1Q		Changes	
	Results	Profit ratio	Results	Profit ratio	Amounts	%
(Billions of yen)						
Revenue	132.4		142.5		-10.1	-7.1%
Motion Control	59.4		71.6		-12.3	-17.1%
Robotics	57.0		52.8		+4.3	+8.1%
System Engineering	10.5		12.3		-1.8	-14.7%
Other	5.5		5.8		-0.3	-5.7%
Operating profit	11.1	8.4%	16.4	11.5%	-5.3	-32.4%
Motion Control	5.6	9.5%	9.8	13.7%	-4.2	-42.6%
Robotics	4.8	8.4%	6.2	11.7%	-1.4	-22.6%
System Engineering	1.1	10.1%	1.0	8.3%	+0.0	+3.0%
Other	0.2	4.5%	-0.0	-0.3%	+0.3	-
Elimination or Corporate	-0.6	-	-0.6	-	-0.0	-

Business Segment Overview: Motion Control

Revenue (Billions of yen)



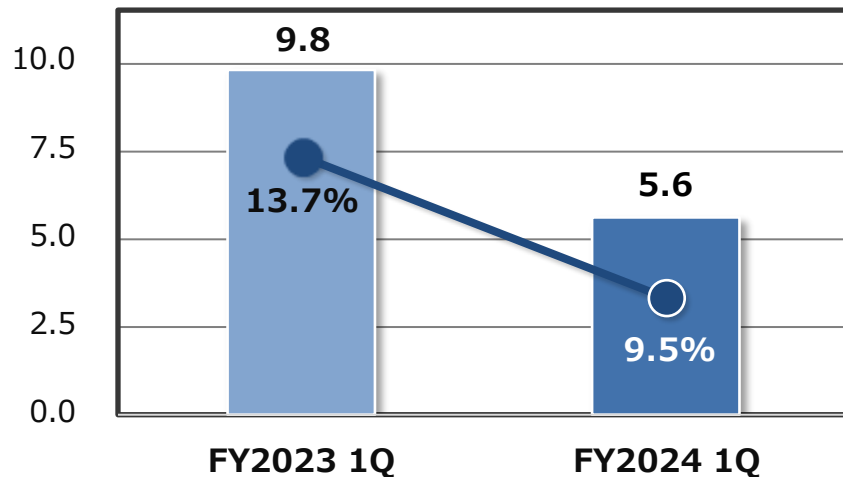
[Revenue]

- In AC servo & controller business, revenue decreased due to a loss of demand related to solar panels which was seen in the corresponding period of the previous fiscal year and the prolonged inventory adjustment in the semiconductor and electronic component markets.
- In Drives business, although oil and gas-related demand in the U.S. and infrastructure-related demand in ASEAN countries and India remained steady, revenue decreased due to inventory adjustments in other regions and other factors.

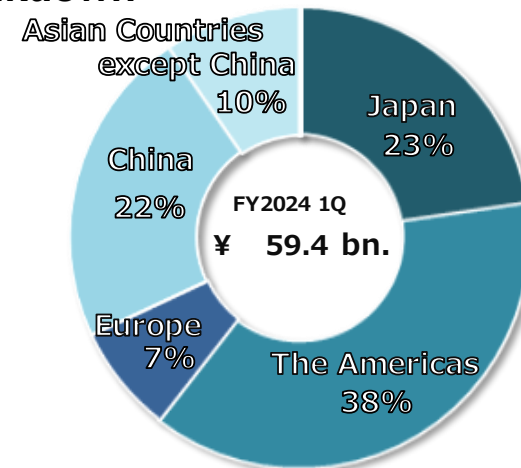
[Operating Profit]

- Although there was improvement in added value, operating profit decreased due to the large impact of a decline in profit resulting from lower revenue.

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

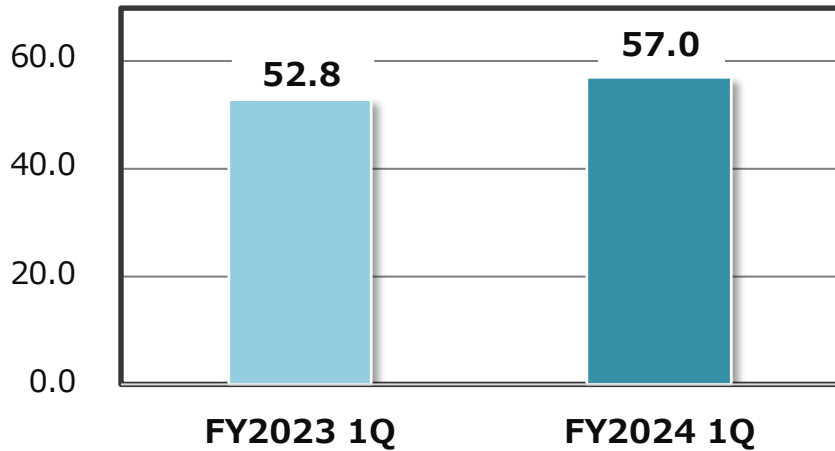


Revenue breakdown by region

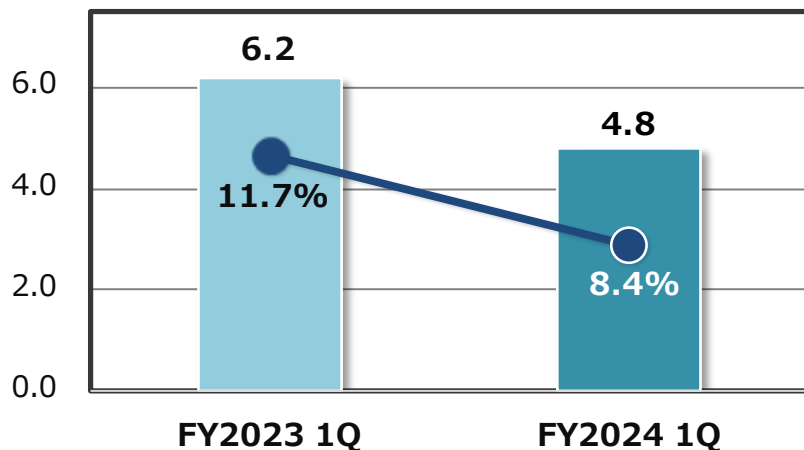


Business Segment Overview: Robotics

Revenue (Billions of yen)



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



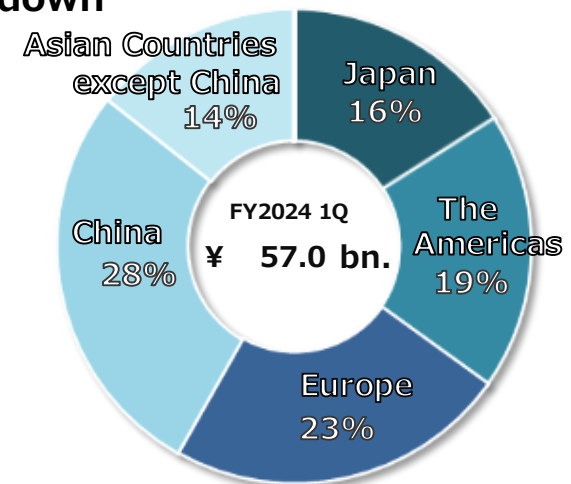
[Revenue]

- In general industries, investment in advanced and automated production remained firm, mainly in Japan, Europe, and the U.S..
- Revenue increased as global investment continued also in the automobile market.

[Operating Profit]

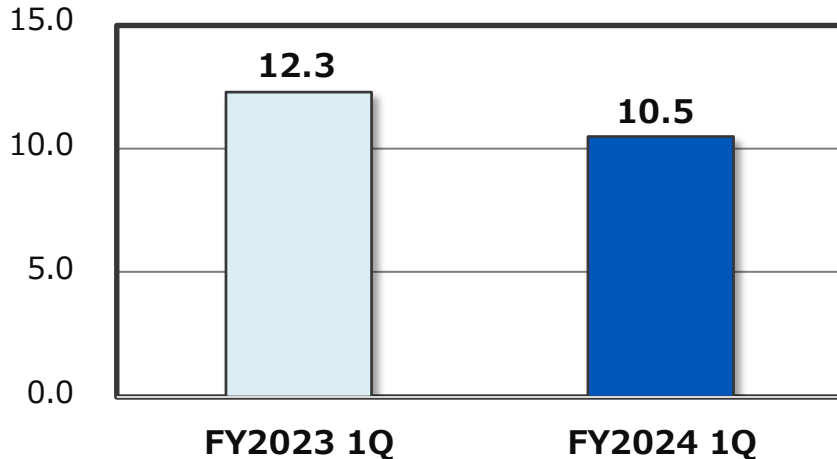
- Operating profit decreased due to upfront investment to strengthen system engineering capacity and a decline in production utilization.

Revenue breakdown by region



Business Segment Overview: System Engineering

Revenue (Billions of yen)



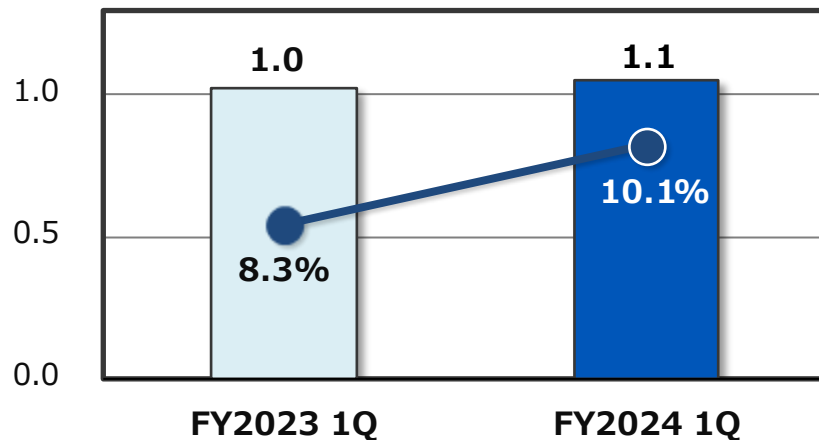
[Revenue]

- Although port crane-related sales remained firm, revenue decreased due to the impact of the sale of a subsidiary related to large-scale wind turbines in the second half of the previous fiscal year.

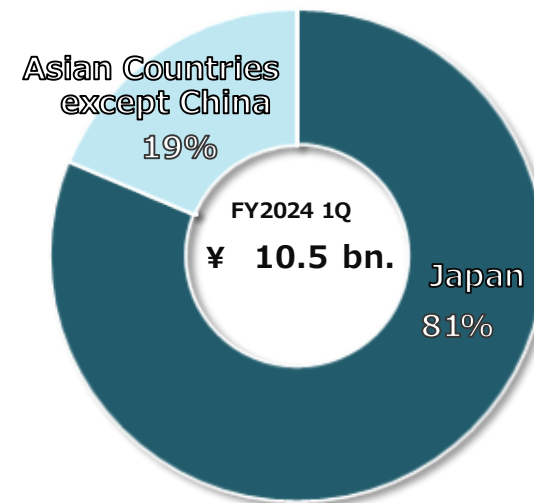
[Operating Profit]

- Operating profit increased due to the effects of business structural reforms.

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

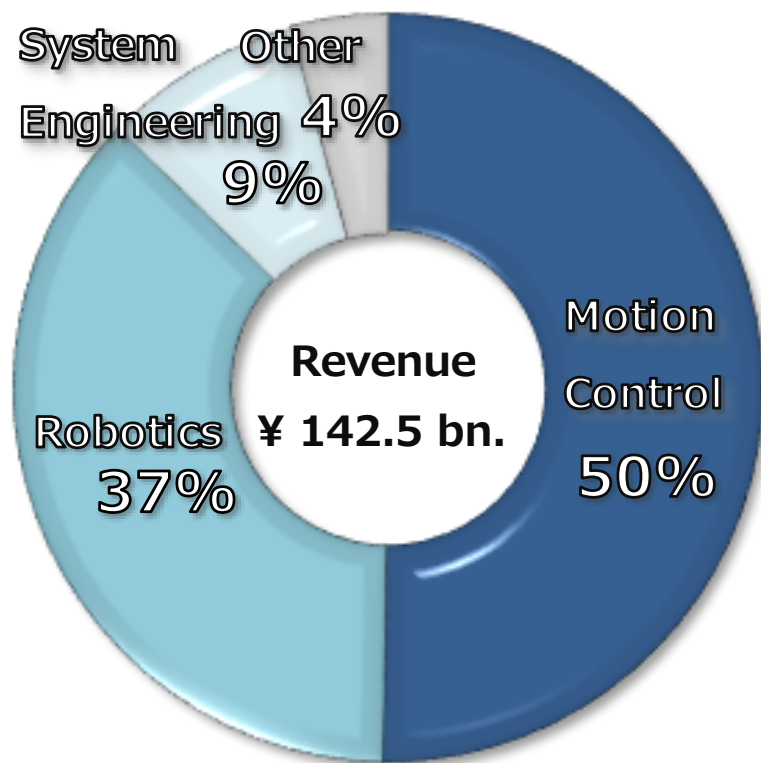


Revenue breakdown by region

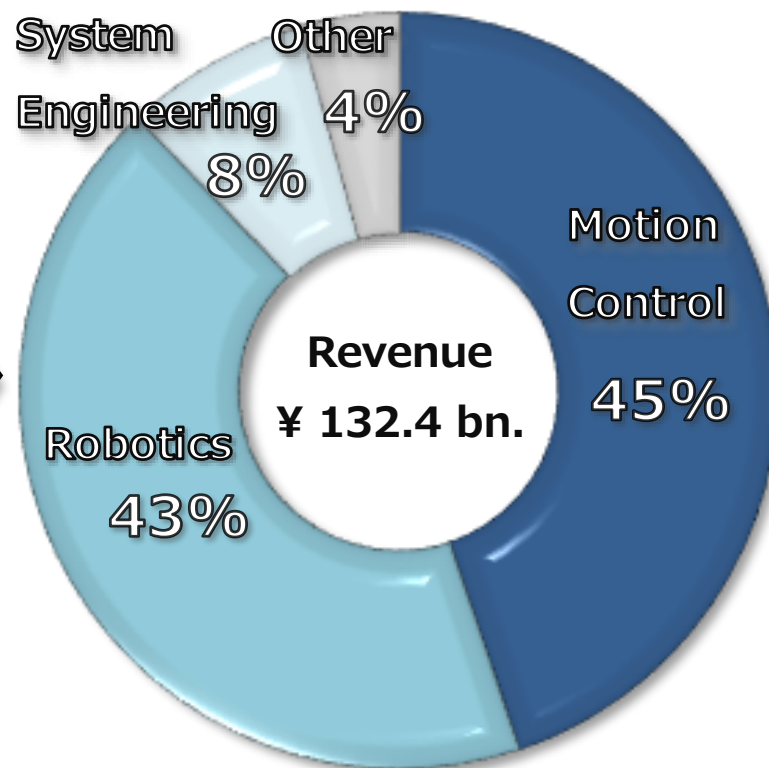


Revenue Breakdown by Business Segment

FY2023 1Q



FY2024 1Q



Revenue Breakdown by Location (1)

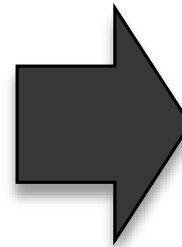
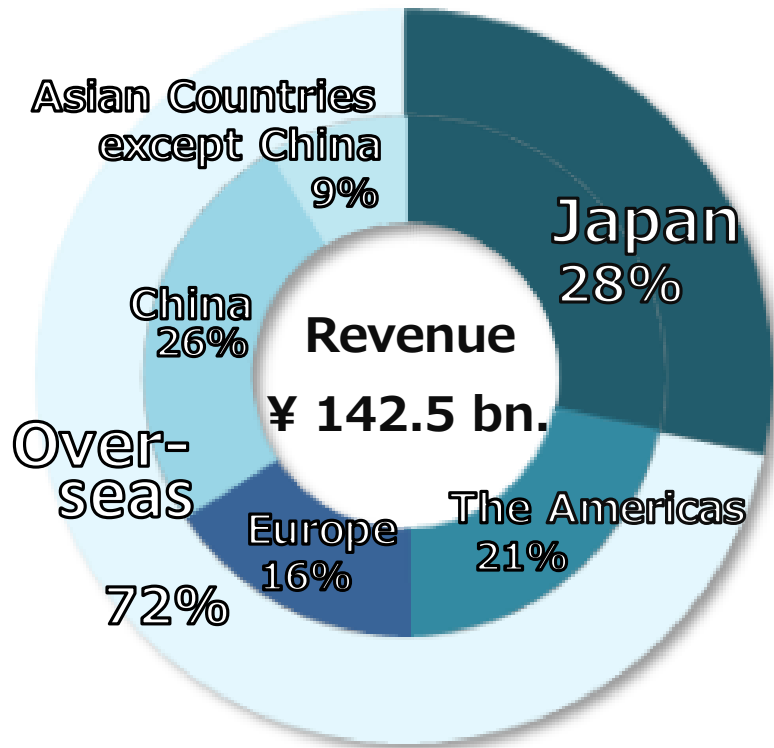
- Revenue decreased in all regions except for the Americas and Asian countries except China.

	(Billions of yen)	FY2024 1Q	FY2023 1Q	Changes	
		Results	Results	Amounts	%
Revenue		132.4	142.5	-10.1	-7.1%
Japan		35.8	40.5	-4.8	-11.7%
Overseas		96.6	102.0	-5.3	-5.2%
The Americas		33.3	30.5	+2.8	+9.3%
Europe		17.8	22.8	-5.1	-22.2%
China		29.7	36.4	-6.7	-18.5%
Asian Countries except China		15.8	12.2	+3.6	+29.4%

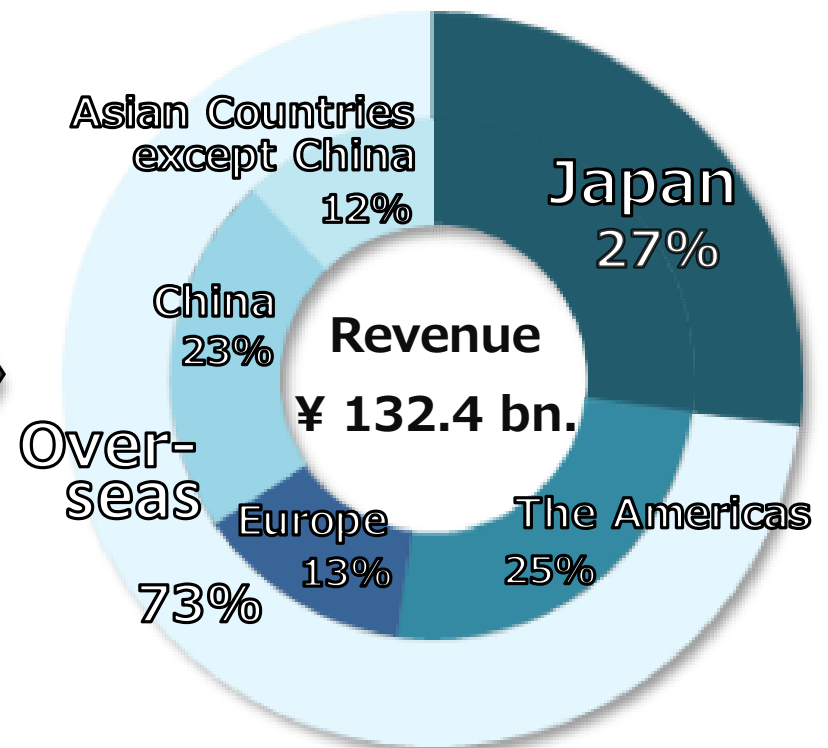
Note: Europe includes Middle East and Africa.

Revenue Breakdown by Location (2)

FY2023 1Q



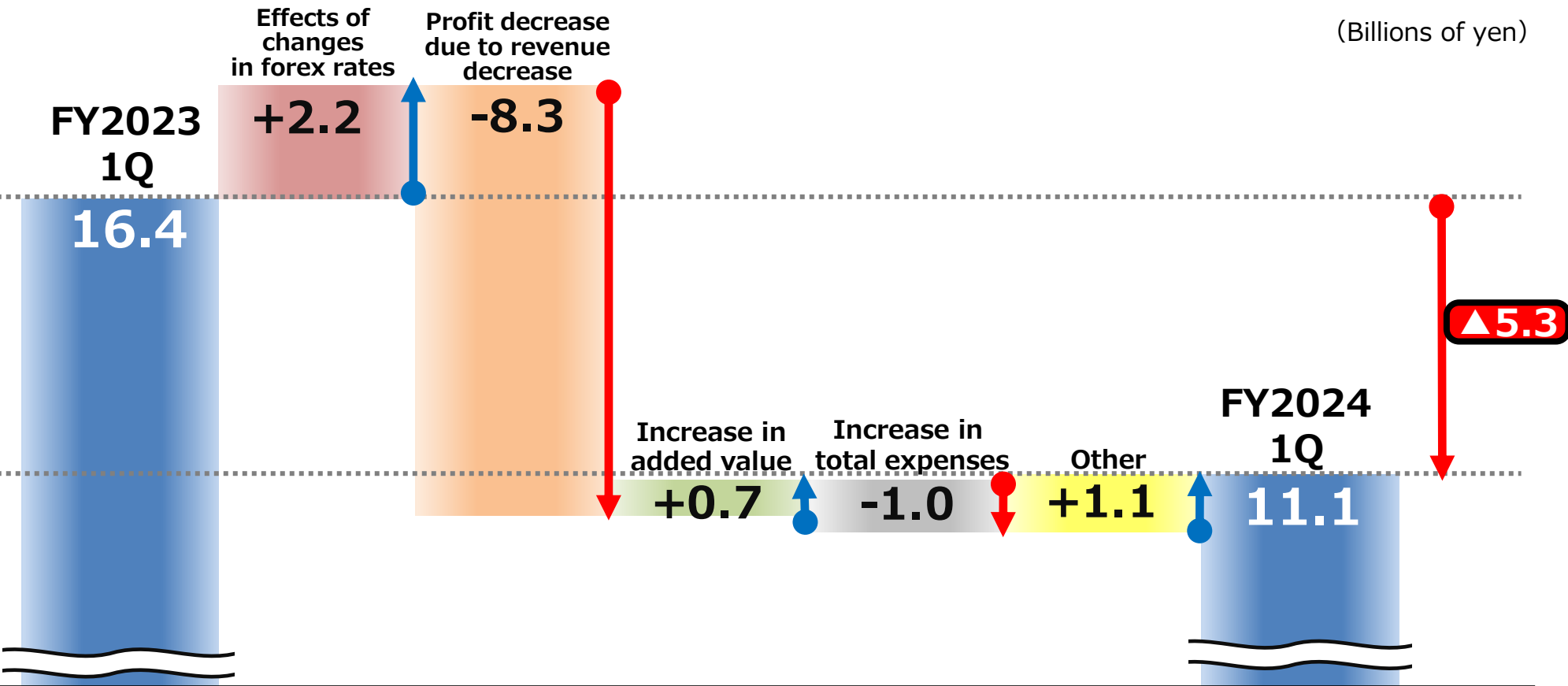
FY2024 1Q



Note : Europe includes Middle East and Africa.

Breakdown of Changes in Operating Profit (FY2023 1Q → FY2024 1Q)

(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	+ 1.0	- 8.5	+ 2.4	+ 0.9	+ 0.0
Robotics	+ 1.2	- 0.3	- 1.5	- 0.9	+ 0.1
System Engineering	+ 0.0	+ 0.7	- 0.5	- 0.1	+ 0.0
Other	+ 0.0	- 0.1	+ 0.3	- 0.9	+ 0.9

Measures for FY2024 1Q

Creating Value through i³-Mechatronics Solutions

→ Production capabilities

- Decided to strengthen robot production in Europe (Slovenia)
 - Transfer and expansion of the robot system plant
 - Construction of the EMEA Robotics Distribution Center (ERDC)

→ Sales capabilities

- Proposed new methods of aluminum welding, which are becoming more important in the automotive industry, and "Arc Visualizer," which enables visualization of arc welding at Japan International Welding Show 2024.
- Started controller business with iCube Control* product series in Europe

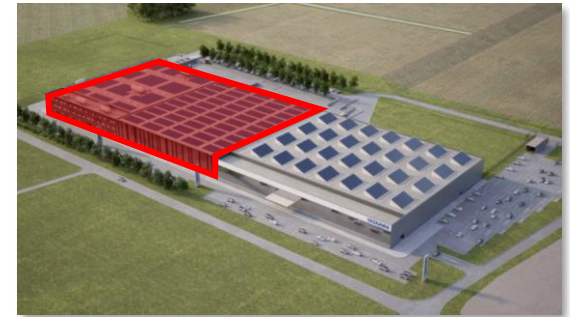


Image of YASKAWA Europe Robotics after expansion
(Red area: Robot system plant & ERDC)

Contributing to Realizing a Sustainable Society through Business Expansion of Mechatronics Applications

- Signed a MOU (memorandum of understanding) with Astellas Pharma Inc. to build an innovative cell therapy platform by utilizing "Maholo", a dual-arm robot designed and marketed for biomedical applications
- Chubu Robot Center (Miyoshi City, Aichi Prefecture) switched to zero CO₂ emission electricity and became the first domestic site to achieve zero CO₂ emissions (carbon neutral) in the Yaskawa group.



"Maholo", a dual-arm robot designed and marketed for biomedical applications

*Our proprietary controller solution to realize i³-Mechatronics, which was launched in January 2024

2. FY2024 Full-Year Forecasts (Year Ending February 28, 2025)

FY2024 Full-Year Financial Forecasts (Highlights)

- The full-year financial forecast announced on April 5, 2024, remains unchanged because the capital investment related to automation and labor-saving in the manufacturing industry is expected to recover, including the resumption of investment in the semiconductor and electronic component markets.

	FY2024 Forecasts	FY2023 Results	Changes	
			Amounts	%
Revenue	¥ 580.0bn.	¥ 575.7bn.	+¥ 4.3bn.	+0.8%
Operating profit	¥ 70.0bn.	¥ 66.2bn.	+¥ 3.8bn.	+5.7%
Profit before tax	¥ 74.0bn.	¥ 69.1bn.	+¥ 4.9bn.	+7.1%
Profit attributable to owners of parent	¥ 54.0bn.	¥ 50.7bn.	+¥ 3.3bn.	+6.5%

3. Reference

Retroactive Application of Business Reclassification to FY2023 Results

- From FY2024, **we revise the segment classification** of PV inverter, which had been included in the System Engineering segment, to be included in the Motion Control segment.
- Figures for FY2024 and FY2023 are presented based on the revised information.

(Unit: Billions of yen)	FY2023 (After segment revision)							Changes Full-Year
	1Q	2Q	1H	3Q	4Q	2H	Full-Year	
Revenue	142.5	146.5	289.0	135.4	151.3	286.7	575.7	-
Motion Control	71.6	69.1	140.8	63.8	64.9	128.7	269.4	+9.4
Robotics	52.8	59.6	112.4	54.6	67.7	122.3	234.7	-
System Engineering	12.3	10.8	23.1	10.7	12.3	23.0	46.1	-9.4
Other	5.8	7.0	12.8	6.3	6.3	12.7	25.5	-
Operating income	16.4	16.6	33.1	13.5	19.7	33.2	66.2	-
Motion Control	9.8	10.4	20.2	8.4	10.4	18.8	39.0	+0.8
Robotics	6.2	6.8	13.0	5.6	6.6	12.2	25.1	-
System Engineering	1.0	0.4	1.4	0.2	3.3	3.5	4.9	-0.8
Other	-0.0	0.0	0.0	0.1	0.3	0.4	0.4	-
Elimination or Corporate	-0.6	-1.0	-1.5	-0.7	-0.9	-1.6	-3.2	-

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

Capital expenditure, R&D investment

(Billions of yen)

	F Y 2 0 2 2	F Y 2 0 2 3	F Y 2 0 2 4 (Plan)
Capital expenditure	27.61	37.86	42.00
Depreciation and Amortization	19.67	20.80	22.00
R&D investment	18.78	21.25	22.00

Forex rates

Note: Average rate during the period

(yen)

	F Y 2 0 2 2			F Y 2 0 2 3			F Y 2 0 2 4 (Forecasts)		
	1Q	1H	Full-Year	1Q	1H	Full-Year	1Q(Results)	1H	Full-Year
USD	124.2	129.9	134.1	134.9	138.8	143.2	153.2	149.1	147.1
EUR	134.3	136.8	139.8	146.1	151.0	155.1	165.5	160.2	157.6
CNY	19.12	19.59	19.68	19.46	19.61	20.02	21.16	20.58	20.29
KRW	0.100	0.102	0.103	0.102	0.106	0.109	0.113	0.112	0.111

Forex sensitivity

(Billions of yen)

	Impact of 1% fluctuation (FY2024 Full-Year)	
	Revenue	Operating profit
USD	1.37	0.18
EUR	0.81	0.18
CNY	1.28	0.34
KRW	0.41	0.19

Financial Indices

As of February 29, 2024

- Ratio of equity attributable to owners of parent 56.9%
- Equity attributable to owners of parent 399.3 billion yen
- Interest-bearing debt 95.9 billion yen
- D/E ratio 0.24
(Net D/E ratio) 0.14
- Inventory 207.9 billion yen
(Turnover) (4.4 months)
- ROE 13.6%
- ROIC 11.8%

As of May 31, 2024

- Ratio of equity attributable to owners of parent 56.5%
- Equity attributable to owners of parent 410.5 billion yen
- Interest-bearing debt 108.8 billion yen
- D/E ratio 0.26
(Net D/E ratio) 0.14
- Inventory 216.7 billion yen
(Turnover) (4.6 months)

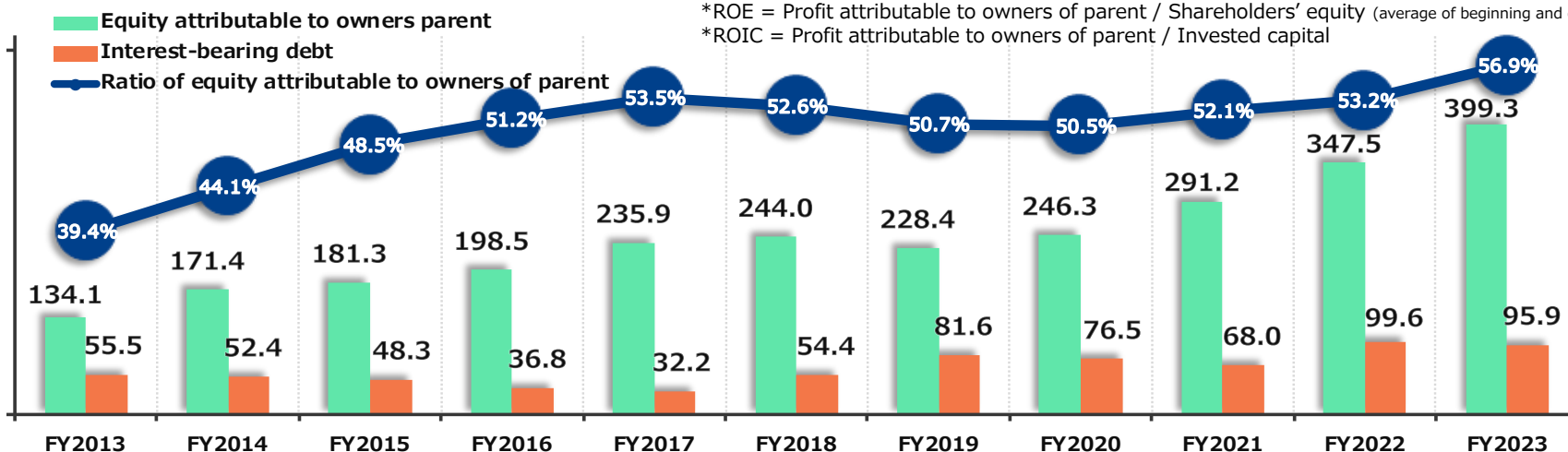
*Interest-bearing debt includes lease obligations.

*Inventory turnover=Value of inventory at end of period divided by the monthly revenue average for the last 6 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

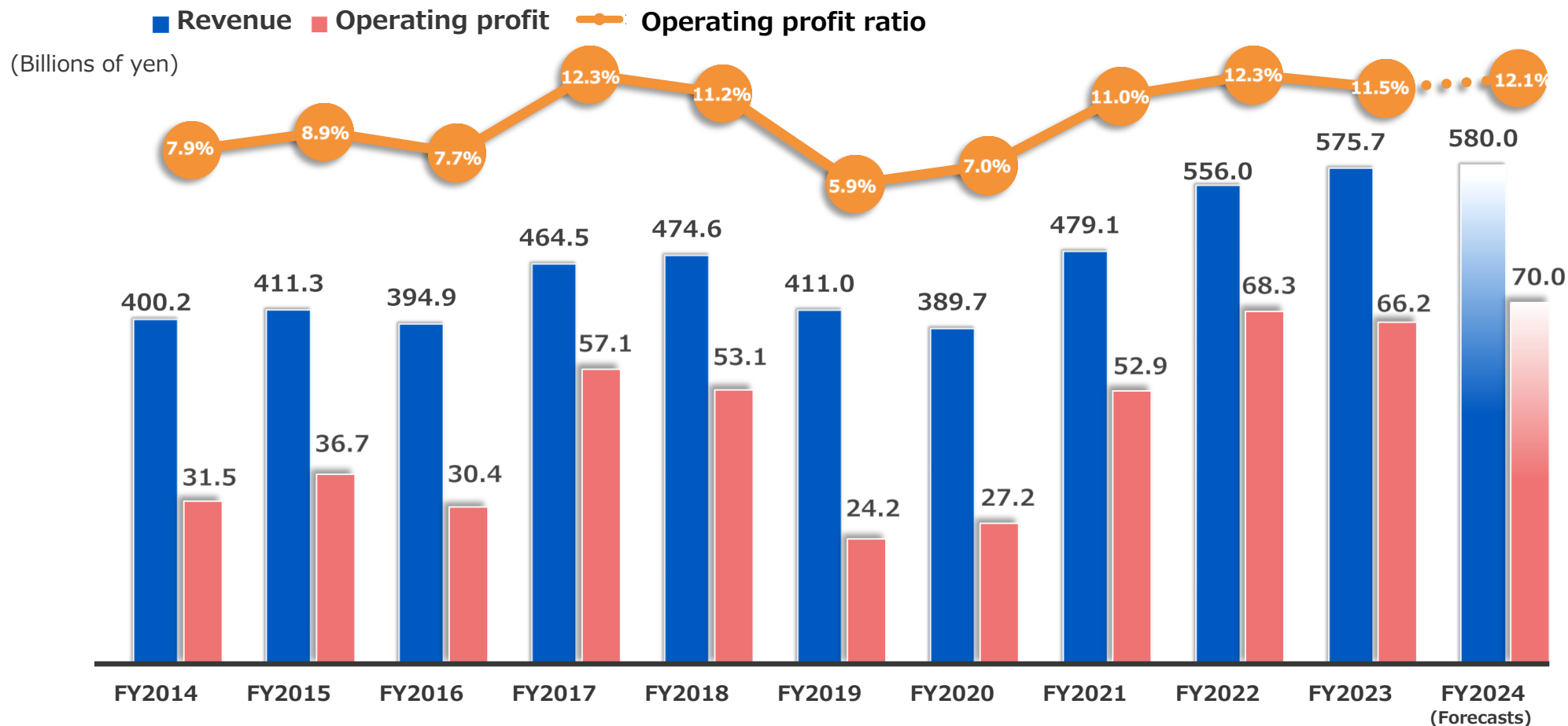
(Billions of yen)



Operating CF	24.0	29.0	32.0	33.8	46.1	34.3	21.5	39.6	49.2	- 2.2	54.6
Investment CF	- 16.9	- 27.9	- 22.4	- 18.9	- 18.9	- 27.1	- 20.6	- 9.6	- 24.2	- 19.7	- 29.3
Free CF	- 7.0	1.1	9.5	14.8	27.2	7.2	0.8	30.0	25.1	- 21.9	25.3

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

Revenue / Operating Profit (FY2014 – FY2024 Forecasts)



Realize 100
Dash 25
Challenge 25 Plus
Realize 25

Mid-term business plans

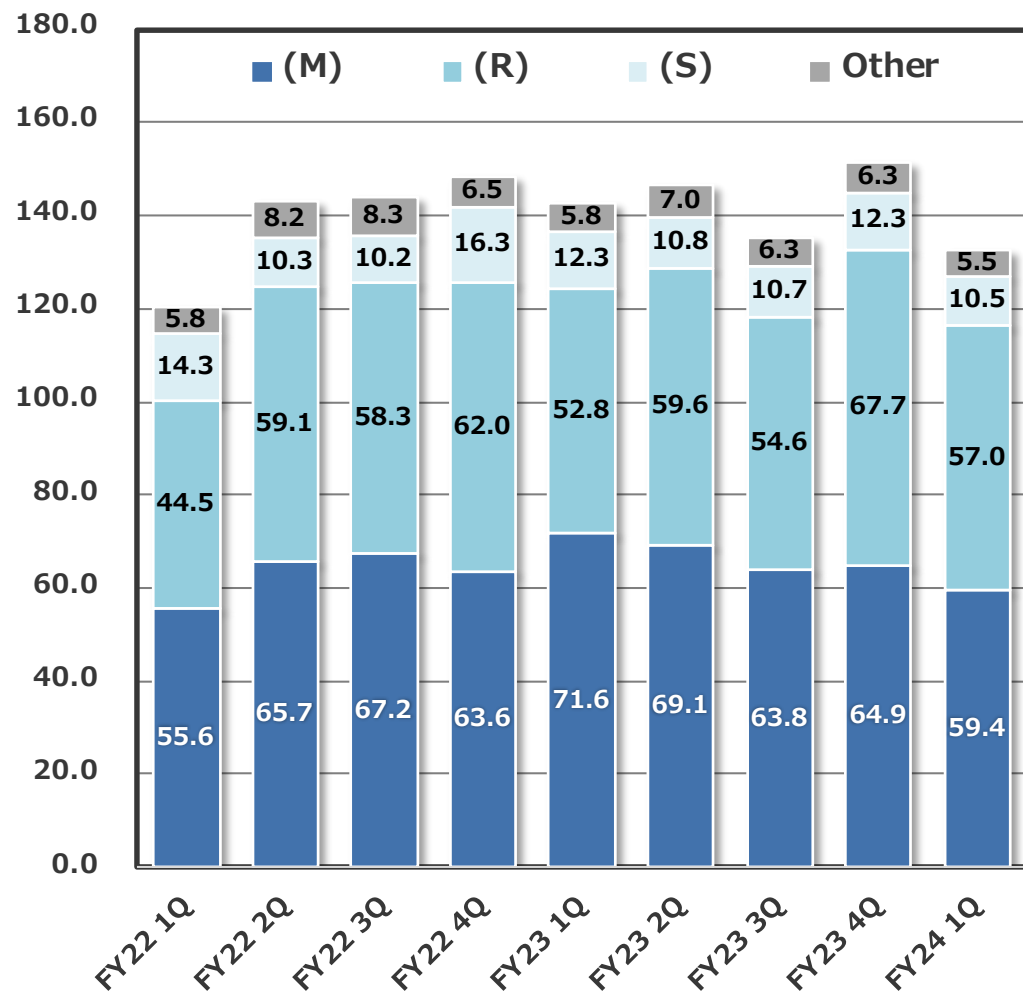
Note1: Data up to FY2017 are based on Japanese GAAP.

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

Quarterly Revenue Trends (1)

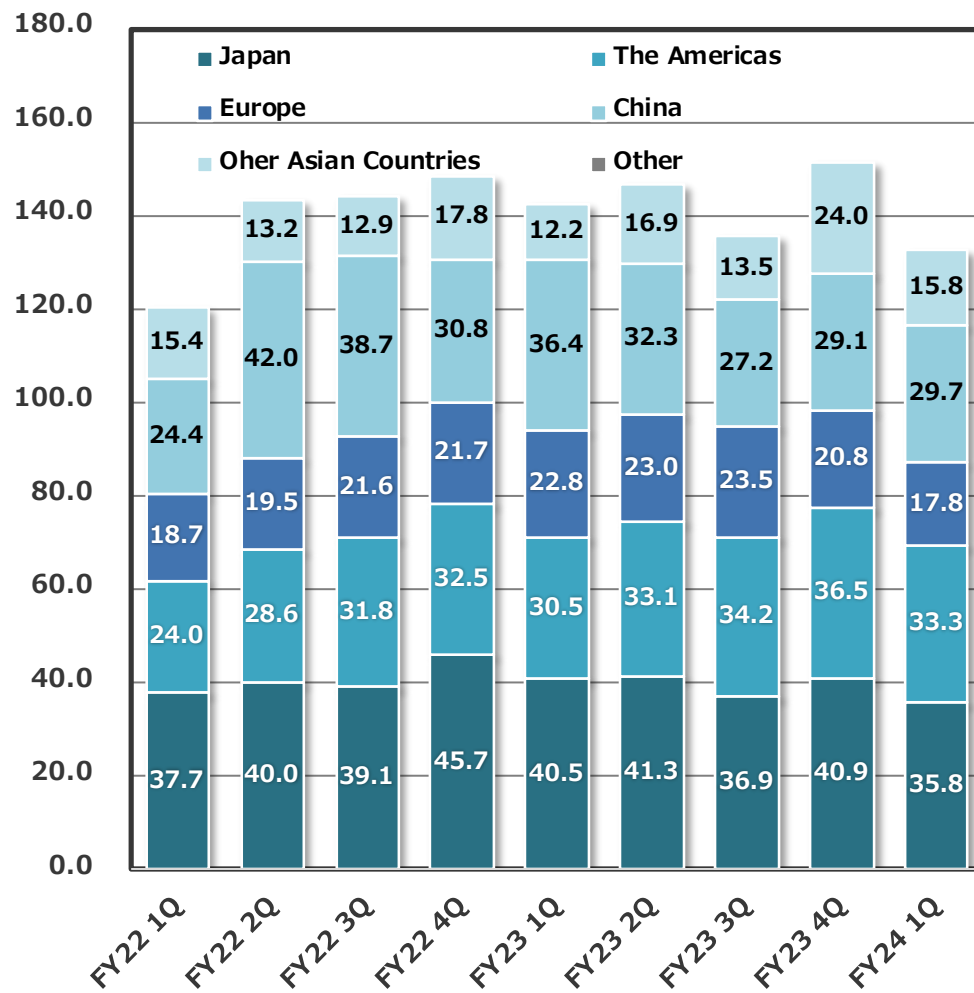
Business segment

(Billions of yen)



Location

(Billions of yen)



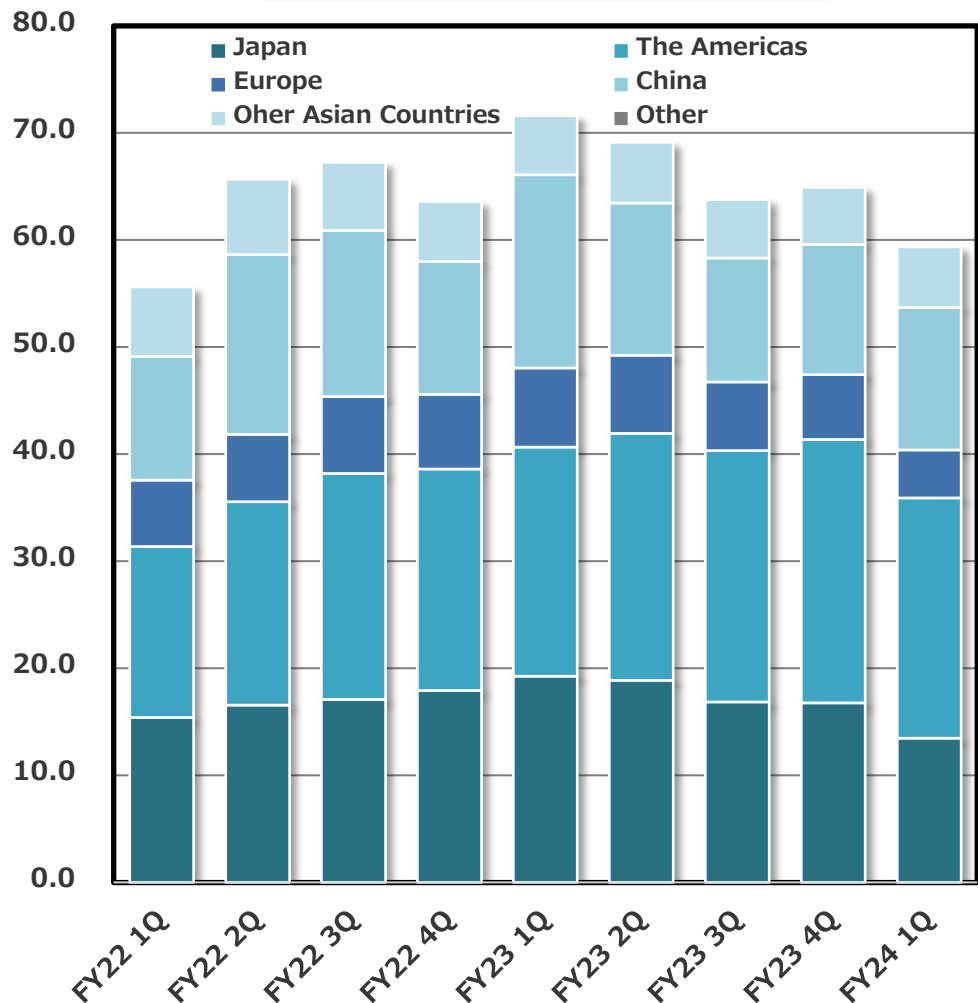
Note1: (M) = Motion Control (R) = Robotics (S) = System Engineering

Note2: FY22 figures are before segment classification revision.

Quarterly Revenue Trends (2)

Motion Control

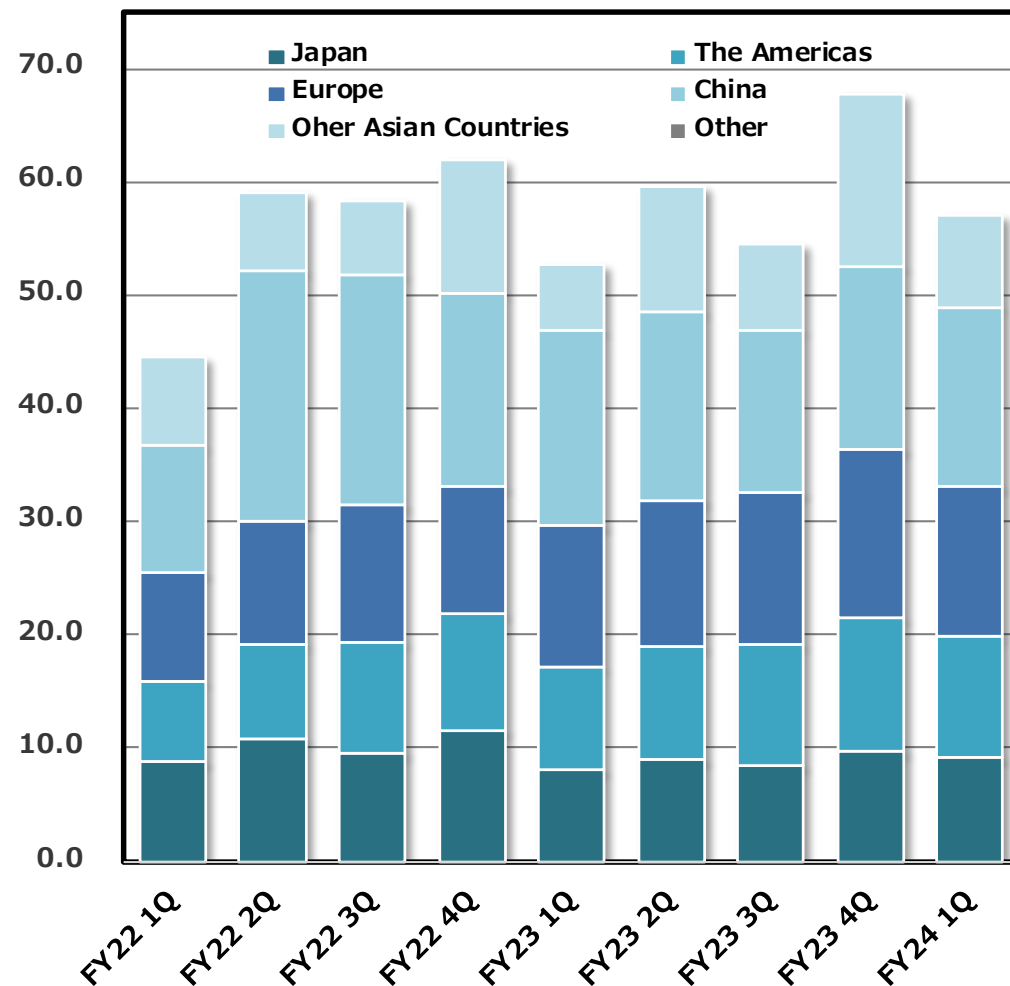
(Billions of yen)



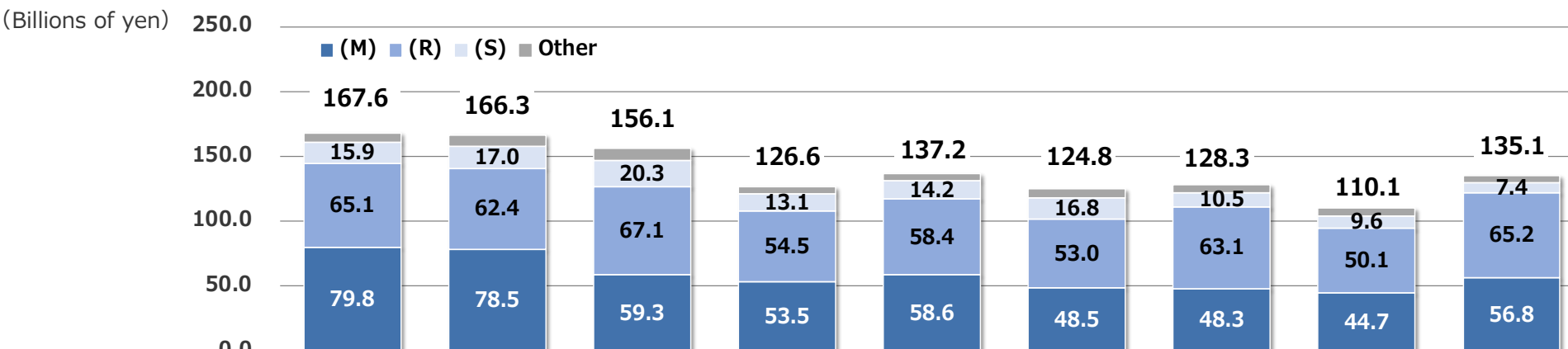
Note: FY22 figures are before segment classification revision.

Robotics

(Billions of yen)



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



Total	FY2022				FY2023				FY2024
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
	YoY	+21%	+21%	+9%	-17%	-18%	-25%	-18%	-13%
QoQ	+10%	-1%	-6%	-19%	+8%	-9%	+3%	-14%	+23%

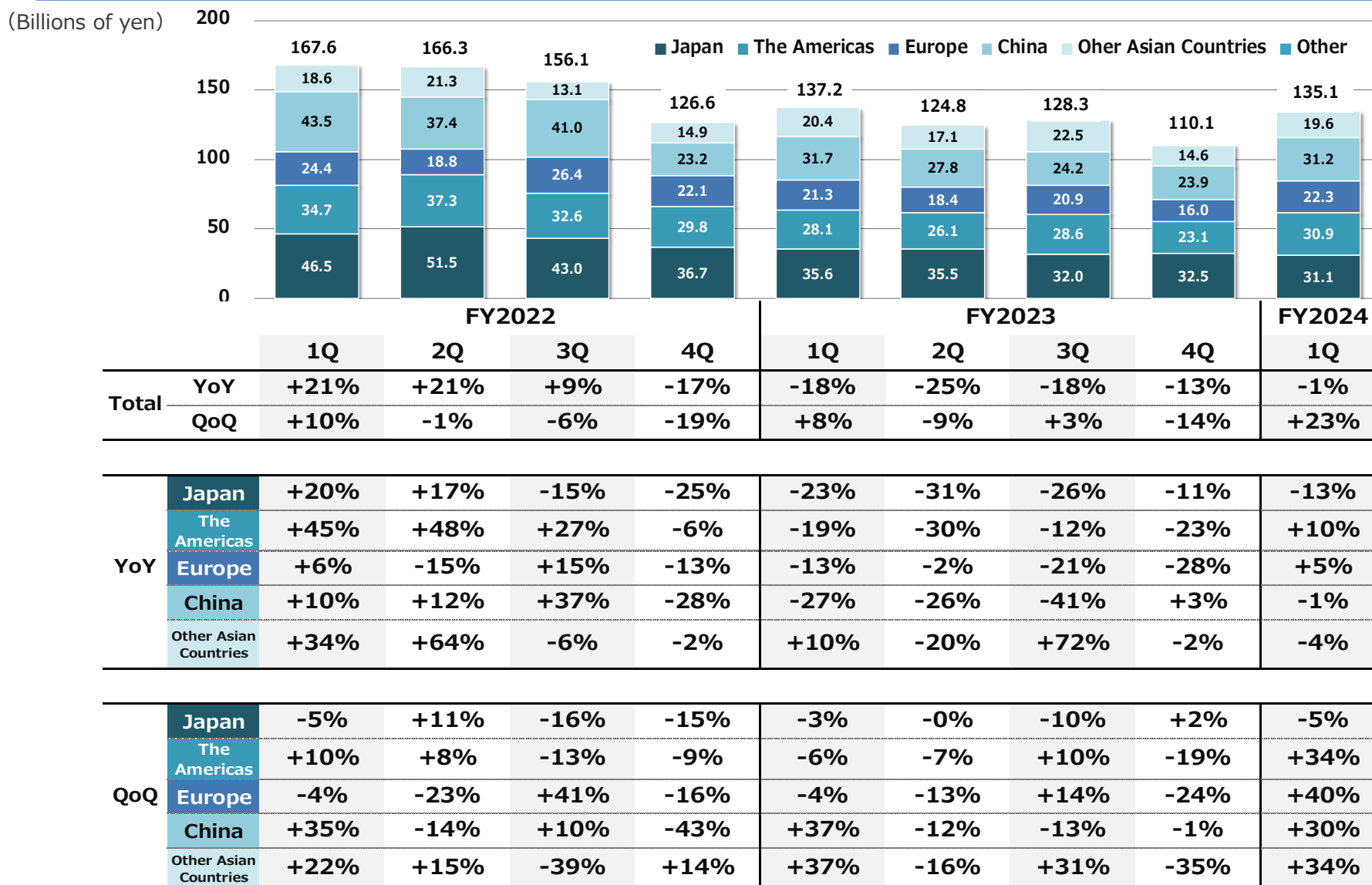
YoY	(M)	+7%	+10%	-21%	-28%	-27%	-38%	-19%	-16%	-3%
	(R)	+33%	+34%	+42%	-9%	-10%	-15%	-6%	-8%	+12%
	(S)	+48%	+18%	+32%	-1%	-11%	-1%	-48%	-27%	-48%

QoQ	(M)	+7%	-2%	-24%	-10%	+9%	-17%	-0%	-7%	+27%
	(R)	+9%	-4%	+8%	-19%	+7%	-9%	+19%	-21%	+30%
	(S)	+20%	+7%	+19%	-35%	+8%	+19%	-37%	-9%	-23%

Forex rates	U.S. dollar	124.2	135.3	144.3	132.9	134.9	142.5	149.1	146.7	153.2
	Euro	134.3	139.3	143.9	142.0	146.1	155.7	159.3	159.4	165.5

Note1: (M) = Motion Control (R) = Robotics (S) = System Engineering Note2: FY22 figures are before segment classification revision.

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



Note: FY22 figures are before segment classification revision.

YASKAWA