

Consolidated Results for the Fiscal Year Ended February 28, 2025 [IFRS]

April 4, 2025

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 Fiscal Year Ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(1) Consolidated Statements of Income

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

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
Year ended February 28, 2025	537,682	-6.6%	50,156	-24.3%	78,454	13.6%	57,696	11.8%	56,987	12.4%	57,952	-17.7%
Year ended February 29, 2024	575,658	3.5%	66,225	-3.0%	69,078	-2.9%	51,601	-2.2%	50,687	-2.1%	70,452	-2.6%

	Earnings per share (basic, Yen)	Earnings per share (diluted, Yen)	Return on equity attributable to owners of parent (%)	Profit before tax on total assets (%)	Operating profit ratio (%)
Year ended February 28, 2025	218.62	218.38	13.7	10.9	9.3
Year ended February 29, 2024	193.87	193.69	13.6	10.2	11.5

Reference: Equity in earnings of affiliates

Year ended February 28, 2025: ¥2,792 million

Year ended February 29, 2024: ¥4,406 million

(2) Consolidated Financial Position

(Millions of yen, except ratio and per share data)

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets (%)	Equity attributable to owners of parent per share (Yen)
As of February 28, 2025	743,774	439,610	431,188	58.0	1,662.60
As of February 29, 2024	702,335	408,018	399,338	56.9	1,527.79

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of period
Year ended February 28, 2025	56,505	-21,287	-15,673	59,028
Year ended February 29, 2024	54,619	-29,346	-29,416	40,279

2. Dividends

	Dividends per share (yen)					Annual cash dividends paid (Millions of yen)	Dividend payout ratio (% , Consolidated)	Ratio of dividend to equity attributable to owners of parent (% , Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual total			
Year ended February 29, 2024	-	32.00	-	32.00	64.00	16,733	33.0	4.5
Year ended February 28, 2025	-	34.00	-	34.00	68.00	17,707	31.1	4.3
Year ending February 28, 2026 (Forecast)	-	34.00	-	34.00	68.00		37.9	

3. Projected Consolidated Results for the Fiscal Year Ending February 28, 2026

(from March 1, 2025 to February 28, 2026)

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

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Earnings per share (diluted, Yen)
Year ending February 28, 2026	550,000	2.3%	60,000	19.6%	63,000	-19.7%	46,500	-18.4%	179.30

As for the financial forecasts for the fiscal 2025 (from March 1, 2025 to February 28, 2026), we plan to increase both revenue and operating profit from the previous fiscal year by steadily capturing the recovering market demand and optimizing production and sales in line with the current demand trends. Profit before tax, profit attributable to owners of parent, and earnings per share are expected to decrease from the previous fiscal year due to the loss of gain on transfer of shares and gain on revaluation of remaining shares following the transfer of a portion of shares of Yantai Dongxing Magnetic Materials Inc., an equity-method affiliate.

Average exchange rates for the period from March 1, 2025 to February 28, 2026 are assumed as follows:

Average exchange rate for USD	145.0 JPY
Average exchange rate for EUR	160.0 JPY
Average exchange rate for CNY	20.0 JPY
Average exchange rate for KRW	0.110 JPY

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

<https://www.yaskawa-global.com/ir/materials/br>

***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: No
2. Changes in accounting policies other than the above: No
3. Changes in accounting estimates: No

(3) Number of Common Shares Outstanding

	Year ended February 28, 2025	Year ended February 29, 2024
The number of shares outstanding including treasury shares at the end of period	266,690,497	266,690,497
The number of treasury shares at the end of period	7,344,219	5,306,647
Average number of shares during period	260,668,091	261,444,627

* 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 a results briefing for securities analysts and institutional investors on April 7th, 2025 (JST).

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1. Business Results

Business Performance of Fiscal 2024 (Fiscal year ended February 28, 2025)

As for the business environment in the fiscal 2024, the recovery in the semiconductor and automotive markets, which are important focus markets in our company, was not robust.

In terms of our group's business performance in this environment, the revenue decreased, mainly in the Motion Control segment, from the previous fiscal year which was supported by a high level of backlog of orders. On the profit side, despite efforts to reduce overhead costs, profit decreased due to the significant impact of a decrease in revenue. On the other hand, profit attributable to owners of parent increased due to the recording of gain on transfer of shares and gain on revaluation of remaining shares following the transfer of a portion of shares of Yantai Dongxing Magnetic Materials Inc., an equity-method affiliate.

The business performance of fiscal 2024 is as follows.

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025	Change
Revenue	575,658 million JPY	537,682 million JPY	-6.6%
Operating profit	66,225 million JPY	50,156 million JPY	-24.3%
Profit attributable to owners of parent	50,687 million JPY	56,987 million JPY	+12.4%
Average exchange rate for USD	143.22 JPY	152.65 JPY	+9.43 JPY
Average exchange rate for EUR	155.06 JPY	164.01 JPY	+8.95 JPY
Average exchange rate for CNY	20.02 JPY	21.12 JPY	+1.10 JPY
Average exchange rate for KRW	0.109 JPY	0.111 JPY	+0.002 JPY

<Management environment of each region>

Japan:

The semiconductor and electronic component markets recovered more slowly than expected. In addition, demand for capital investment in the automobile market was sluggish.

U.S.:

While demand in the oil and gas-related industry and the general industry was affected by curbs in investment ahead of the presidential election, demand for semiconductor-related products slowly recovered and investment in the automobile market remained firm.

Europe:

Capital investment in the automobile market and the manufacturing industry in general was sluggish.

China:

While domestic demand continued to slow, demand remained firm, mainly for exports, and the market showed a moderate recovery toward the end of the fiscal year.

Other Asian Countries:

Although demand in South Korea including that for semiconductor-related products remained weak, investment in automation in the general industry and demand for port cranes in ASEAN countries remained firm.

Performance by Business Segment

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

The performance of each business segment for fiscal 2024 is as follows.

In line with the reorganization of the System Engineering business, the Yaskawa Group has integrated PV inverter, which was included in the System Engineering segment until the previous consolidated fiscal year, into Motion Control segment from the fiscal year under review. As a result, year-on-year figures for each segment have been calculated after reclassifying the figures for the previous fiscal year into the new segment categories.

Motion Control	Revenue	238,752 million JPY (-11.4% year on year)
	Operating profit	23,005 million JPY (-41.0% year on year)
<p>The Motion Control segment consists of the AC servo & controller business and the drives business. Revenue decreased from the previous fiscal year, which was supported by a high backlog of orders. Also, the recovery in the semiconductor market was not robust. Operating profit decreased due to the large impact of a decline in profit resulting from a decrease in revenue, despite efforts to reduce expenses.</p> <p>[AC servo & controller business] In the semiconductor market, sales remained firm, mainly in the U.S., while in Japan, the demand including that of the electronic components market was affected by a delayed recovery. Although there was a moderate recovery in the Chinese market toward the end of the fiscal year, capital investment remained generally weak, and demand was sluggish in Europe. As a result, revenue decreased.</p> <p>[Drives business] Despite strong sales of PV inverters, revenue decreased from the previous fiscal year, which was supported by a high backlog of orders.</p>		
Robotics	Revenue	237,413 million JPY (+1.2% year on year)
	Operating profit	23,751 million JPY (-5.6% year on year)
<p>In the automotive market, while capital investment as a whole remained sluggish, sales of large-scale systems projects from backlog contributed. In addition, sales of wafer transfer robots for the semiconductor market increased. As a result, revenue slightly increased on a year-on-year basis.</p> <p>Operating profit decreased mainly due to a decline in the production utilization rate and upfront investment to strengthen system response capabilities.</p>		
System Engineering	Revenue	38,352 million JPY (-16.8 % year on year)
	Operating profit	4,605 million JPY (-5.2 % year on year)
<p>Revenue decreased on a year-on-year basis 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, despite an increase in sales of core business of steel plants, port cranes, and social systems.</p> <p>On the profit side, although profit decreased due to the impact of the disappearance of gain on the sale of a subsidiary related to large-scale wind turbines in the previous fiscal year, the operating margin improved year-on-year due to the effect of business restructuring.</p>		
Other	Revenue	23,164 million JPY (-9.1% year on year)
	Operating profit	1,591 million JPY (+282.6% year on year)
<p>Other segment is comprised of logistics and other businesses.</p> <p>Although revenue decreased, operating profit improved year-on-year mainly due to an increase in other revenues.</p>		

2. Management Policy, Management Environment, Issues to be Addressed, etc.

(1) Basic Policy of Corporate Management

Since its foundation, Yaskawa Group's mission has been to leverage the pursuit of its business to contribute to the advancement of society and the well-being of humankind, and to achieve this mission, management principle has set forth three goals: "1. Develop and enhance world-class technologies based on a focus on quality" "2. Endeavor to improve management efficiency and secure profits necessary for the survival and development of the company" and "3. Respond to the needs of customers and dedicate ourselves to serving them in accordance with the market-oriented spirit" and strives to realize these goals.

In addition to practicing management principle, Yaskawa Group has also formulated the Sustainability Policy to clarify its management policies to address increasingly serious social issues, such as the environmental problems and widening economic disparities, and to give consideration to the sustainability of society as a whole. The Sustainability Policy sets forth three policies: "1. Contribute to the creation of value for customers and society through the creation of innovation through cutting-edge mechatronics technology" "2. Realize fair, transparent and reliable management through dialogue and collaboration with stakeholders around the world" and "3. Solve global social issues with the aim of achieving the SDGs, which are common global goals." Based on this policy, we are working to provide products and services that meet the needs of society and customers at a high level, and to create a company that is rewarding for employees to work for. Through these efforts, we will strive to realize a sustainable society by solving social issues and increase corporate value, while continuing to generate profits and further returning profits to our stakeholders.

(2) Medium- and Long-Term Corporate Management Strategy

In its long-term management plan "Vision 2025" (FY 2016 to FY 2025), Yaskawa Group has defined its business areas as "factory automation and optimization" centered on mechatronics, and "mechatronics applications." With regard to management targets, operating profit has been defined as the most important management indicator, and the company is aiming to strengthen its management structure by focusing on improving "quality." In fiscal 2023, we launched mid-term business plan "Realize 25" (FY 2023 to FY 2025), which is the final step in our "Vision 2025". (* 1).

*1 For details of "Realize 25" and "Vision 2025", please visit the following URL:

Realize 25: https://www.yaskawa-global.com/wp-content/uploads/2023/05/realize25_en.pdf

Vision 2025: https://www.yaskawa-global.com/wp-content/uploads/2019/06/Vision2025_Revision_en.pdf

(3) Key Implementation Items

The following are the 4 key implementation items for fiscal 2025.

1. Reaping the results of i³-Mechatronics to realize customers' needs

Based on i³-Mechatronics, we will establish proposal sales to realize customers' needs (improvement and evolution) and maximize demand for our core products (AC servo "Σ-X" (Sigma Ten), inverter series, etc.) through these activities. In addition, we will steadily expand the market launch of "MOTOMAN NEXT", a strategic product of the robotics business, and expand our partnership, while accelerating the global expansion of the "YRM1000/iC9000 series", a lineup of iCube Control (*2). At the same time, we will steadily expand service functions by establishing traceability and utilizing data.

As part of the implementation of i³-Mechatronics, we will accelerate the construction of a new integrated motor and robot production plant (Factory No.5) at Yahata-nishi Plant and the implementation of the production enhancement project at the Yukuhashi and Iruma Plants. As for the Minami-Yukuhashi Plant, where groundbreaking ceremony was held in December last year, we will proceed as planned with the aim of starting operations in fiscal 2026.

*2 Controller solutions for i³-Mechatronics

2. Maximizing profits through comprehensive activities by grasping the big picture of changes in markets and regions

By grasping the big picture of capital investment trends in various markets such as semiconductors and automobiles, we will maximize order acquisition and expand the provision of our company products to customers through cooperation with core sales companies and sales expansion partners.

We will clarify our growth strategy and investment plan and implement them promptly in the Indian market, which is expected to expand in the future. In addition, we will improve profitability by steadily completing business structural reforms in response to changes in the competitive environment in Europe and China.

3. Commercialization of the mechatronics application through partnership

We will strengthen efforts to expand the application of AC drives in data centers where global investment is accelerating. We will also expand sales of PV inverter for self consumption. In the pharmaceutical and agricultural fields, we will develop automation in cooperation with partners, and aim for the commercialization stage by moving from verification and evaluation to actual implementation.

4. Creating added value and building a sustainable management foundation through the implementation of YDX-II (*3)

Through YDX-II, which we are currently working on, we will accelerate the advancement and efficiency of business operations. We will restructure PLM (Product Lifecycle Management) with a view to linking with the market, complete the business transition and strengthen the data infrastructure in line with the renewal of core IT systems, and strengthen data governance and the environment for utilization of generative AI. We will further promote the Yaskawa Principles, which aim to foster a culture of One YASKAWA, and enhance the centripetal force of the entire group.

In terms of ESG, we will strengthen the Group's sustainability management in response to increasing global demand for information disclosure.

*3 Abbreviation form for YASKAWA Digital Transformation. Activities to visualize and centralize

management resources and to allocate them optimally were carried out in YDX I. In the second phase of YDX-II, we will work from a product and service perspective to create value for customers.

Specific measures for each segment are as follows.

[Motion Control]

In the AC servo & controller business, we will strengthen sales activities by accurately capturing changes in investment trends of the semiconductor market. In addition, we will expand our global activities around iCube Control and the core product Σ -X, which realize i³-Mechatronics concept, in order to further expand our revenues. In terms of production, we will quickly connect orders to sales by improving productivity through the expansion of automation lines that can accommodate variable-mix variable-volume production based on i³-Mechatronics concept.

In drives business, we will strengthen sales activities based on the realization of customer's needs in target markets, such as expanding demand for data centers. In addition, we will strengthen production systems that respond to variable changes through the expansion of automation and in-house manufacturing. In the PV inverter market, we will work with partners to expand sales of the power conditioner "Enewell-SOL P3A" in the domestic self-consumption market.

[Robotics]

We will maximize the value we provide by expanding the introduction of the i³-Mechatronics solutions and will expand business by developing technologies that respond to changes in the semiconductor and automotive markets. We will strengthen cooperation with solution partners to expand the implementation of "MOTOMAN NEXT" into actual production lines in unautomated fields. In addition, we will expand our business by developing applications that respond to changes in diversified market needs such as pharmaceuticals and food products.

In terms of production, we will establish and strengthen an efficient production system that is resilient to fluctuations in demand by starting the operation of the integrated motor and robot production factory (Factory No. 5) at the Yahata-nishi Plant and expanding the area of automation at domestic and overseas production bases.

[System Engineering]

In the fields of steel plant systems and social systems, we will strive to provide system solutions with enhanced added value through AI and IoT technologies in response to carbon-neutral demand. In addition, we will strengthen our efforts in growing markets of port cranes, mainly in Asia.

3. The Basic Idea for the Selection of the Accounting Standards

The Yaskawa Group has voluntarily adopted International Financial Reporting Standards (IFRS) in place of the existing Japanese standards for the consolidated financial statements included in its annual securities report for the fiscal year ended February 29, 2020, in order to improve management control and the international comparability of financial information in capital markets through the unification of accounting standards.

4. Consolidated Financial Statements

1) Consolidated Balance Sheets

(Millions of yen)

	As of February 29, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and cash equivalents	40,279	59,028
Trade receivables	167,903	153,740
Contract assets	16,849	23,097
Inventories	207,910	206,259
Other financial assets	4,409	4,286
Other current assets	18,746	16,425
Total current assets	<u>456,098</u>	<u>462,837</u>
Non-current assets		
Property, plant and equipment	115,691	129,069
Goodwill	7,272	7,144
Intangible assets	19,496	23,608
Right-of-use assets	16,872	15,649
Investments accounted for using equity method	12,747	4,373
Other financial assets	43,981	74,735
Deferred tax assets	15,335	11,377
Other non-current assets	14,838	14,978
Total non-current assets	<u>246,236</u>	<u>280,937</u>
Total assets	<u><u>702,335</u></u>	<u><u>743,774</u></u>

(Millions of yen)

	As of February 29, 2024	As of February 28, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	66,537	59,112
Borrowings	26,179	24,519
Income taxes payable	3,422	3,517
Lease liabilities	3,720	3,373
Other financial liabilities	5,179	4,702
Provisions	1,615	2,227
Contract liabilities	40,359	43,731
Other current liabilities	42,132	38,320
Total current liabilities	<u>189,146</u>	<u>179,505</u>
Non-current liabilities		
Bonds and borrowings	54,156	71,175
Lease liabilities	11,845	10,459
Other financial liabilities	252	0
Retirement benefit liability	28,950	27,535
Deferred tax liabilities	2,673	8,244
Provisions	1,241	1,416
Other non-current liabilities	6,049	5,828
Total non-current liabilities	<u>105,170</u>	<u>124,659</u>
Total liabilities	<u>294,316</u>	<u>304,164</u>
Equity		
Equity attributable to owners of parent		
Share capital	30,562	30,562
Capital surplus	29,237	29,817
Retained earnings	305,116	348,003
Treasury shares	-22,491	-31,702
Other components of equity	56,914	54,508
Total equity attributable to owners of parent	<u>399,338</u>	<u>431,188</u>
Non-controlling interests	8,679	8,421
Total equity	<u>408,018</u>	<u>439,610</u>
Total liabilities and equity	<u>702,335</u>	<u>743,774</u>

2) Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Revenue	575,658	537,682
Cost of sales	-366,557	-346,201
Gross profit	209,100	191,481
Selling, general and administrative expenses	-143,927	-142,193
Other income	2,894	2,270
Other expenses	-1,842	-1,401
Operating profit	66,225	50,156
Finance income	1,718	2,516
Finance costs	-3,323	-3,788
Share of profit of investments accounted for using equity method	4,406	2,792
Gain on disposal and remeasurement of investments in associates	52	26,777
Profit before tax	69,078	78,454
Income tax expense	-17,477	-20,758
Profit	51,601	57,696
Profit attributable to		
Owners of parent	50,687	56,987
Non-controlling interests	914	708
Total	51,601	57,696
Earnings per share		
Basic earnings per share (Yen)	193.87	218.62
Diluted earnings per share (Yen)	193.69	218.38

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Profit	51,601	57,696
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	753	9,251
Remeasurements of defined benefit plans	516	691
Share of other comprehensive income of investments accounted for using equity method	11	44
Total	<u>1,281</u>	<u>9,987</u>
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	17,563	-9,776
Effective portion of cash flow hedges	5	44
Total	<u>17,569</u>	<u>-9,731</u>
Total other comprehensive income	<u>18,850</u>	<u>255</u>
Total	<u><u>70,452</u></u>	<u><u>57,952</u></u>
Comprehensive income attributable to		
Owners of parent	68,939	57,735
Non-controlling interests	1,513	216
Total	<u><u>70,452</u></u>	<u><u>57,952</u></u>

3) Consolidated Statements of Changes in Net Assets

Fiscal 2023 (From March 1, 2023 to February 29, 2024)

	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	—	—	50,687	—	—	50,687	914	51,601
Other comprehensive income	—	—	—	—	18,251	18,251	599	18,850
Total	—	—	50,687	—	18,251	68,939	1,513	70,452
Purchase of treasury shares	—	—	—	-604	—	-604	—	-604
Disposal of treasury shares	—	19	—	132	—	151	—	151
Dividends of surplus	—	—	-16,735	—	—	-16,735	-359	-17,095
Share-based payment transactions	—	284	—	—	—	284	—	284
Changes in ownership interest in subsidiaries	—	54	—	-21	—	32	-50	-18
Transfer from other components of equity to retained earnings	—	—	93	—	-93	—	—	—
Other	—	—	-228	—	—	-228	—	-228
Total	—	358	-16,870	-493	-93	-17,099	-409	-17,509
Balance at end of period	30,562	29,237	305,116	-22,491	56,914	399,338	8,679	408,018

Fiscal 2024 (From March 1, 2024 to February 28, 2025)

	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	29,237	305,116	-22,491	56,914	399,338	8,679	408,018
Profit	—	—	56,987	—	—	56,987	708	57,696
Other comprehensive income	—	—	—	—	747	747	-491	255
Total	—	—	56,987	—	747	57,735	216	57,952
Purchase of treasury shares	—	—	—	-9,401	—	-9,401	—	-9,401
Disposal of treasury shares	—	17	—	190	—	207	—	207
Dividends of surplus	—	—	-17,253	—	—	-17,253	-470	-17,723
Share-based payment transactions	—	51	—	—	—	51	—	51
Changes in ownership interest in subsidiaries	—	-4	—	—	—	-4	-4	-9
Transfer from other components of equity to retained earnings	—	—	3,152	—	-3,152	—	—	—
Other	—	514	—	—	—	514	—	514
Total	—	579	-14,100	-9,211	-3,152	-25,885	-474	-26,359
Balance at end of period	30,562	29,817	348,003	-31,702	54,508	431,188	8,421	439,610

4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Cash flows from operating activities		
Profit before tax	69,078	78,454
Depreciation, amortization and impairment losses	21,336	20,828
Share of profit of investments accounted for using equity method	-4,406	-2,792
Finance income and finance costs	42	-558
Gain on disposal and remeasurement of investments in associates	-52	-26,777
Decrease in trade receivables	9,687	11,335
Increase in inventories	-17,726	-3,165
Decrease in trade payables	-2,903	-6,440
Increase (decrease) in retirement benefit liability	225	-70
Increase (decrease) in provisions	-560	600
Other	-1,051	-3,252
Subtotal	73,670	68,160
Interest and dividends received	4,837	5,618
Interest paid	-1,486	-1,409
Income taxes paid	-22,401	-15,863
Net cash provided by operating activities	54,619	56,505
Cash flows from investing activities		
Payments into time deposits	-3	-8
Proceeds from withdrawal of time deposits	810	7
Purchase of property, plant and equipment, and intangible assets	-31,025	-37,304
Proceeds from sale of property, plant and equipment, and intangible assets	458	406
Purchase of investment securities	-3,196	-1,316
Proceeds from sale of investment securities	249	6,906
Proceeds from sales of shares of subsidiaries and others resulting in change in scope of consolidation	3,270	—
Proceeds from sale of investments accounted for using equity method	160	11,082
Net decrease in short-term loans receivable	195	175
Other	-263	-1,236
Net cash used in investing activities	-29,346	-21,287
Cash flows from financing activities		
Net decrease in short-term borrowings	-33,811	-774
Proceeds from long-term borrowings	46,050	38,002
Repayments of long-term borrowings	-20,209	-21,469
Repayments of lease liabilities	-3,700	-4,265
Purchase of treasury shares	-603	-9,401
Dividends paid	-16,764	-17,285
Dividends paid to non-controlling interests	-359	-470
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-18	-9
Other	0	0
Net cash used in financing activities	-29,416	-15,673
Net decrease in cash and cash equivalents	-4,143	19,544
Cash and cash equivalents at beginning of period	42,274	40,279
Effect of exchange rate changes on cash and cash equivalents	2,148	-795
Cash and cash equivalents at end of period	40,279	59,028

5) Notes to the Consolidated Financial Statements

(Notes pertaining to the presumption of a going concern)

None

(Segment information)

1. Overview of Reporting Segments

Yaskawa Group's reportable segments are components of Yaskawa Group for which separate financial information is available and which are subject to periodic review by the Board of Directors to determine the allocation of management resources and to evaluate performance.

The organization of Yaskawa Group is based on three business units: motion control, robotics and system engineering. Each business unit formulates comprehensive strategies for Japan and overseas and develops business activities.

Accordingly, Yaskawa Group has three reportable segments, namely, "Motion Control" "Robotics" and "System Engineering".

"Motion Control" develops, manufactures, sells and provides maintenance services for AC servo motor, controllers and AC drives. "Robotics" develops, manufactures, sells and provides maintenance services for industrial robots and other products. "System Engineering" develops, manufactures, sells and provides maintenance services for industrial automation drives and social systems.

The method of accounting for the reported business segments is generally the same as that used for the preparation of the consolidated financial statements.

(Change in reportable segment classification)

In line with the reorganization of the System Engineering business, the Yaskawa Group had partially changed the internal management classifications of the reportable segments and consolidated subsidiaries.

As a result, PV inverter, which was included in the System Engineering segment until the previous consolidated fiscal year, is included in Motion Control segment from the fiscal year under review.

Segment information for the previous consolidated fiscal year has been prepared based on the reportable segment classification after the change.

Reportable segment income is based on operating profit.

Intersegment revenue or transfers are primarily based on prevailing market prices.

2. Revenue, profit (loss) and other items for each reporting segment

Fiscal 2023 (March 1, 2023 - February 29, 2024)

	Reporting Segments					Total	Adjustment *2	(Millions of yen) Amounts in consolidated financial statements
	Motion Control	Robotics	System Engineering	Total	Other *1			
Revenue								
Revenue from external customers	269,416	234,680	46,074	550,172	25,486	575,658	—	575,658
Intersegment revenue and transfers	15,542	2,554	937	19,034	15,739	34,774	-34,774	—
Total	284,959	237,235	47,012	569,207	41,226	610,433	-34,774	575,658
Operating profit (loss)	38,975	25,149	4,857	68,983	416	69,399	-3,173	66,225
Finance income								1,718
Finance costs								-3,323
Share of profit (loss) of investments accounted for using equity method								4,406
Loss(gain) on disposal and remeasurement of investments in associates								52
Profit before tax								69,078
Other								
Depreciation and amortization	11,006	7,094	1,559	19,660	1,089	20,750	52	20,802
Impairment loss	—	534	—	534	—	534	—	534

Notes

1. Logistics services, etc. are included in the Other segment.

2. The components of adjustment are as follows:.

Operating profit (loss) adjustment of -3,173 million yen includes inter-segment eliminations of 148 million yen and corporate earnings and expenses of -3,322 million yen that are not allocated to each segment. The main components are expenses related to basic research not attributable to reportable segments and the difference in allocation of corporate expenses.

2. Revenue, profit (loss) and other items for each reporting segment

Fiscal 2024 (March 1, 2024 - February 28, 2025)

	Reporting Segments						Adjustment *2	(Millions of yen) Amounts in consolidated financial statements
	Motion Control	Robotics	System Engineering	Total	Other *1	Total		
Revenue								
Revenue from external customers	238,752	237,413	38,352	514,518	23,164	537,682	—	537,682
Intersegment revenue and transfers	16,247	2,764	808	19,820	15,883	35,704	-35,704	—
Total	255,000	240,177	39,161	534,339	39,047	573,386	-35,704	537,682
Operating profit (loss)	23,005	23,751	4,605	51,362	1,591	52,954	-2,797	50,156
Finance income								2,516
Finance costs								-3,788
Share of profit of investments accounted for using equity method								2,792
Loss(gain) on disposal and remeasurement of investments in associates								26,777
Profit before tax								78,454
Other								
Depreciation and amortization	10,219	8,392	1,051	19,663	1,084	20,747	51	20,799
Impairment loss	29	—	—	29	—	29	—	29

Notes

1. Logistics services, etc. are included in the Other segment.

2. The components of adjustment are as follows:.

Operating profit (loss) adjustment of -2,797 million yen includes inter-segment eliminations of -13 million yen and corporate earnings and expenses of -2,784 million yen that are not allocated to each segment. The main components are expenses related to basic research not attributable to reportable segments and the difference in allocation of corporate expenses.

(Per share information)

1. Earnings per share (basic, yen)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Earnings per share (basic, yen)	193.87	218.62
Basis for calculation		
Profit attributable to owners of parent (millions of yen)	50,687	56,987
Average number of common shares outstanding during the year (thousand shares)	261,444	260,668

2. Earnings per share (diluted)

	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025
Earnings per share (basic, yen)	193.69	218.38
Basis for calculation		
Increase in common stock due to stock benefit trust (thousand shares)	250	283
Average number of common shares outstanding during the year (thousand shares)	261,695	260,951

(Subsequent Events)

None