

FY2024 1st Half Financial Results (Six Months Ended August 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 21.)
- 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.
- Figures in this document are rounded off and may differ from those in other documents such as financial results.
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YASKAWA ELECTRIC CORPORATION

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Thank you for attending Yaskawa's financial results briefing.

This is a summary of our financial results for the first half of FY2024.

First of all, as shown on this page, we have revised the segment classification.

As a result, the figures of FY2024 and FY2023 are shown based on the revised information.

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- Retroactive Application of Business Reclassification to FY2023 Results
- Capital Expenditure, R&D Investment, Forex Rates and Sensitivity
- Financial Indices
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Motion Control

Core products

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



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



System Engineering

Core products

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



Other

- Logistics

1. FY2024 1H Financial Results

(Six Months Ended August 31, 2024)

FY2024 1H 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, affected largely by a decrease in profit due to revenue decline despite the efforts to control expenses.

	FY2024	FY2023	Changes	
	1H Results	1H Results	Amounts	%
Revenue	¥ 261.6bn.	¥ 289.0bn.	-¥ 27.4bn.	-9.5%
Operating profit	¥ 22.9bn.	¥ 33.1bn.	-¥ 10.1bn.	-30.7%
Profit before tax	¥ 24.4bn.	¥ 34.5bn.	-¥ 10.1bn.	-29.3%
Profit attributable to owners of parent	¥ 17.9bn.	¥ 24.2bn.	-¥ 6.4bn.	-26.3%

During the financial period under review, demand of automobile market was firm, even though varying degree of strength was seen in each region. On the other hand, demand for semiconductors and electronic components was on a recovery trend but was slower than expected.

Although demand for capital investment in the manufacturing industry as a whole remained firm, demand in China was weaker than expected.

In this environment, revenue decreased mainly in Motion Control, compared to the corresponding period of previous fiscal year, which was supported by high backlogs of orders.

In terms of profits, although efforts were made to control expenses, the operating profit decreased, affected largely by a decrease in profit due to revenue decline.

Revenue decreased 9.5% year on year to 261.6 billion yen.
Operating profit decreased 30.7% to 22.9 billion yen.
Profit before tax decreased 29.3% to 24.4 billion yen.
Profit attributable to owners of parent decreased 26.3% to 17.9 billion yen.

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FY2024 1H Financial Results by Business Segment

- In Motion Control, operating profit decreased due to the large impact of a decline in revenue mainly in AC servo & controller business.
- In Robotics, revenue slightly decreased because investment was held down in China, despite firm demand in the automobile market and general industries. Operating profit decreased mainly due to upfront investment and the impact of a decrease in revenue.

(Billions of yen)	FY2024 1H		FY2023 1H		Changes	
	Results	Profit ratio	Results	Profit ratio	Amounts	%
Revenue	261.6		289.0		-27.4	-9.5%
Motion Control	119.4		140.8		-21.3	-15.1%
Robotics	112.1		112.4		-0.3	-0.2%
System Engineering	18.6		23.1		-4.5	-19.3%
Other	11.5		12.8		-1.4	-10.6%
Operating profit	22.9	8.8%	33.1	11.4%	-10.1	-30.7%
Motion Control	11.0	9.2%	20.2	14.4%	-9.2	-45.5%
Robotics	10.6	9.5%	13.0	11.6%	-2.4	-18.5%
System Engineering	1.9	10.1%	1.4	6.0%	+0.5	+34.4%
Other	0.8	7.3%	0.0	0.1%	+0.8	-
Elimination or Corporate	-1.4	-	-1.5	-	+0.2	-

This is the performance of each business segment.

In Motion Control, operating profit decreased due to the large impact of a decline in revenue mainly in AC servo & controller business.

In Robotics, revenue slightly decreased because investment was held down in China, despite firm demand in the automobile market and general industries. Operating profit decreased mainly due to upfront investment and the impact of a decrease in revenue.

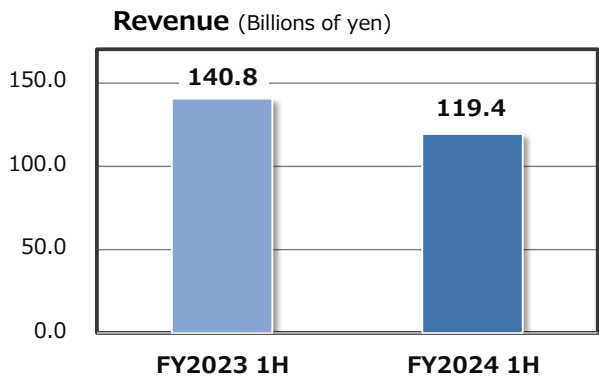
“The effects of forex rates on revenue” were +16.2 billion yen for the entire company.

The breakdown is below:
+8.0 billion yen for Motion Control,
+7.7 billion yen for Robotics,
+0.3 billion yen for System Engineering,
+0.1 billion yen for Other.

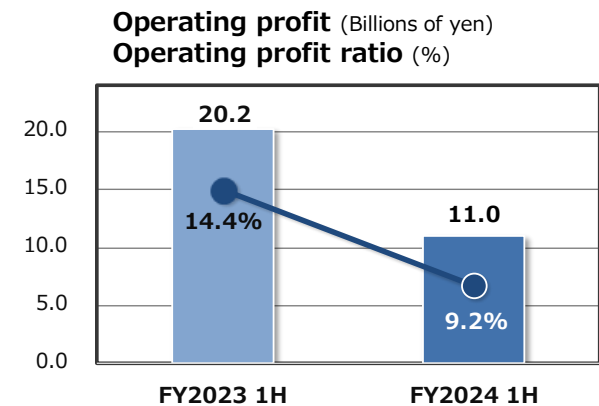
Next page will be the details of each segment.

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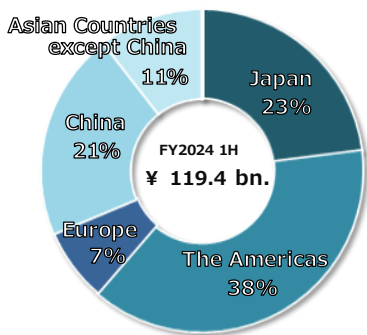
Business Segment Overview: Motion Control



- [Revenue]**
- In AC servo & controller business, revenue decreased due to sluggish market conditions in China and Europe, and a delayed recovery in semiconductor-related demand in Japan.
 - In Drives business, although demand related to data centers and infrastructure-related demand in ASEAN countries and India remained firm, revenue decreased due to inventory adjustments.
- [Operating Profit]**
- Although progress was made in curbing expenses and improving added value, operating profit decreased due to the large impact of a decline in profit resulting from a decrease in revenue.



Revenue breakdown by region



This is the business performance of Motion Control segment.
Revenue decreased 15.1% year on year to 119.4 billion yen, and operating profit decreased 45.5% to 11.0 billion yen.
In the first half of FY2024, the percentage of AC servo and drives in Motion Control revenue was 47% in AC servo and 53% in drives.

In AC servo, revenue decreased due to sluggish market conditions in China and Europe, and a delayed recovery in semiconductor-related demand in Japan.

In Drives, although demand related to data centers and infrastructure-related demand in ASEAN countries and India remained firm, sales were sluggish due to inventory adjustments, which caused the revenue to decrease.

In terms of profits, although progress was made in curbing expenses and improving added value, operating profit decreased due to the large impact of a decline in profit resulting from a decrease in revenue.

As a result, operating profit ratio deteriorated by approximately 5 points to 9.2% on a year-on-year basis.

For your reference, here is the regional revenue ratio for the first half of FY2024.
AC servo :

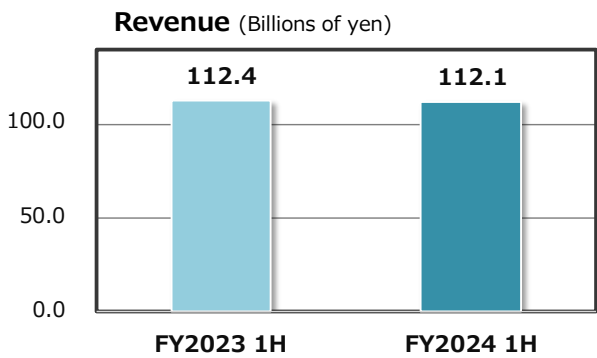
Japan 26%, the Americas 29%, Europe 9%, China 26%,
and Asian countries except China 11%

Drives :

Japan 21%, the Americas 47%, Europe 6%, China 16%,
and Asian countries except China 11%

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Business Segment Overview: Robotics

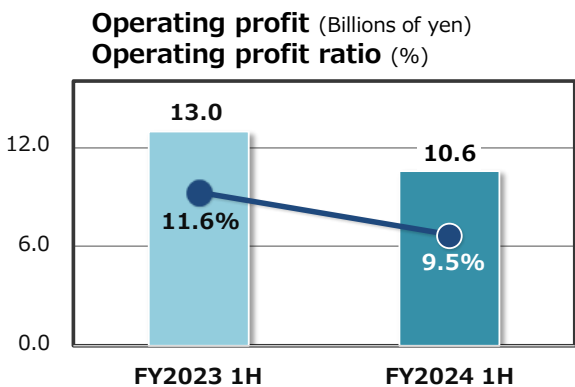


[Revenue]

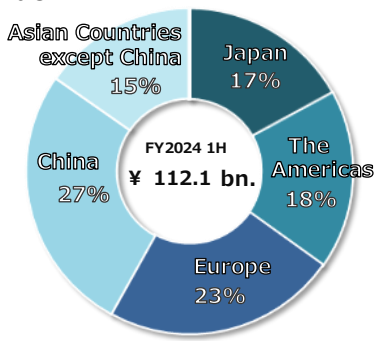
- In the automobile market, demand increased in Japan, Europe, the U.S., and India.
- In the general industry, demand for automation remained firm in the U.S. and China.
- Revenue slightly decreased because investment was held down in automobile market in China.

[Operating Profit]

- Operating profit decreased mainly due to the impact of upfront investment to strengthen system responsiveness and a decrease in profits due to a decrease in revenue.



Revenue breakdown by region



This is the business performance of Robotics segment.

Revenue decreased 0.2% to 112.1 billion yen and operating profits decreased 18.5% to 10.6 billion yen.

In the automobile market, demand increased in Japan, Europe, the United States, and India. Also, demand for automation remained firm in the United States and China in the general industries.

On the other hand, revenue slightly decreased on a year-on-year basis because investment was held down in automobile market in China.

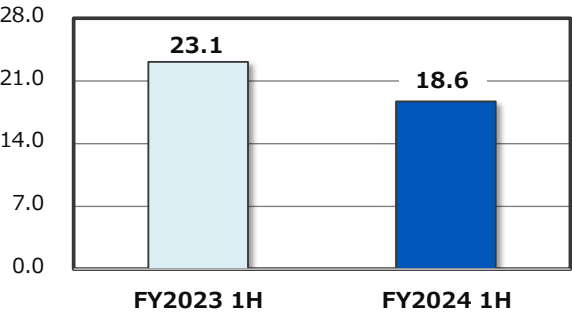
In terms of profits, it decreased mainly due to the impact of upfront investment to strengthen system responsiveness and a decrease in profits due to a decrease in revenue.

As a result, operating profit ratio decreased by approximately 2 points to 9.5% on a year-on-year basis.

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Business Segment Overview: System Engineering

Revenue (Billions of yen)



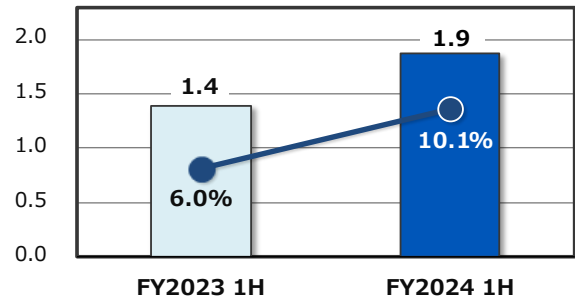
[Revenue]

- 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.

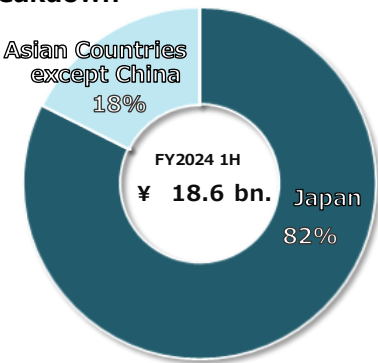
[Operating Profit]

- Operating profit increased due to the effects of business structural reforms, as well as an increase in revenue of mainstay steel and crane related products.

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



Revenue breakdown
by region



This is the business performance of System Engineering segment.

Revenue decreased 19.3% to 18.6 billion yen.
Operating profit increased 34.4% to 1.9 billion yen.

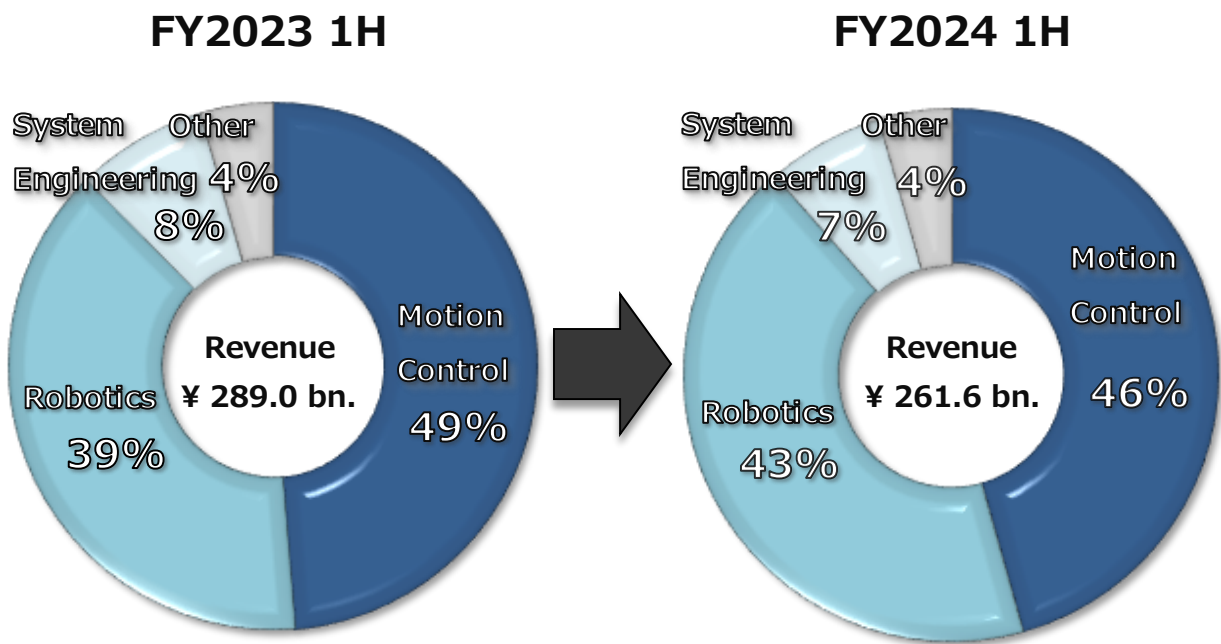
Although port crane-related sales remained firm, revenue decreased year on year due to the impact of the sale of a subsidiary related to large-scale wind turbines in the second half of the previous fiscal year.

Operating profit increased significantly due to the effects of business structural reforms, as well as an increase in revenue of mainstay steel and crane related products.

As a result, operating profit ratio improved by approximately 4 points to 10.1 % on a year-on-year basis.

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Revenue Breakdown by Business Segment



This is revenue breakdown by business segment.

Motion Control and System Engineering decreased by 3 points and 1 point respectively, while Robotics increased by 4 points year on year.

As a result, Motion Control was 46%, Robotics was 43%, and System Engineering was 7%.

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Revenue Breakdown by Location (1)

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

(Billions of yen)	FY2024 1H	FY2023 1H	Changes	
	Results	Results	Amounts	%
Revenue	261.6	289.0	-27.4	-9.5%
Japan	71.5	81.8	-10.3	-12.6%
Overseas	190.1	207.2	-17.1	-8.2%
The Americas	65.9	63.6	+2.3	+3.6%
Europe	34.8	45.8	-11.0	-24.0%
China	56.4	68.7	-12.2	-17.8%
Asian Countries except China	33.0	29.2	+3.8	+13.1%

Note: Europe includes Middle East and Africa.

This is revenue breakdown by location.
Revenue decreased in all regions except for the Americas and Asian countries except China.

In Japan, although demand in the general industry and automobile markets remained firm, demand for semiconductors grew moderately.

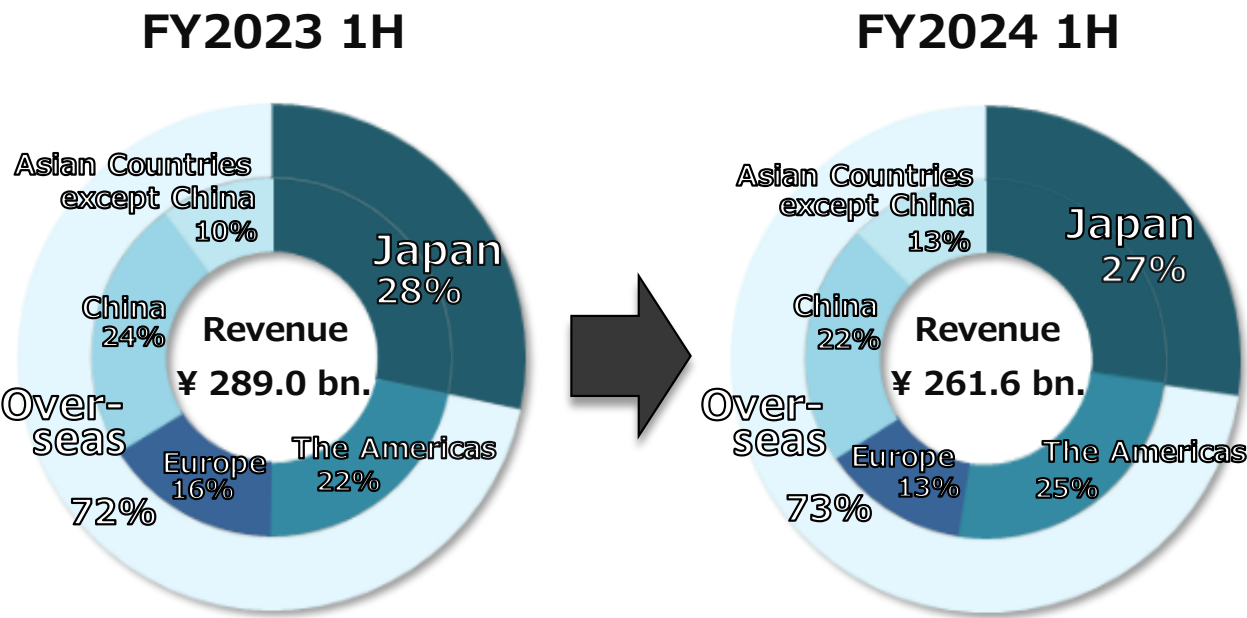
In the Americas, demand related to semiconductors recovered steadily, and firm capital investment was seen in the automobile market and the general industry.

In Europe, in the automobile market, capital investment for robots remained firm, but the Group was significantly affected by sluggish demand and inventory adjustments in the manufacturing industry as a whole.

In China, overall capital investment demand was sluggish due to a slowdown in domestic demand, in addition to a pause in investment related to solar panels.

In Asian countries except China, semiconductor-related demand continued to recover in South Korea and Taiwan. In addition, infrastructure-related equipment demand remained firm in ASEAN countries and India.

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Note : Europe includes Middle East and Africa.

This is revenue breakdown by location.

Overseas increased by 1 point to 73% and Japan decreased by 1 point to 27% on a year-on-year basis.

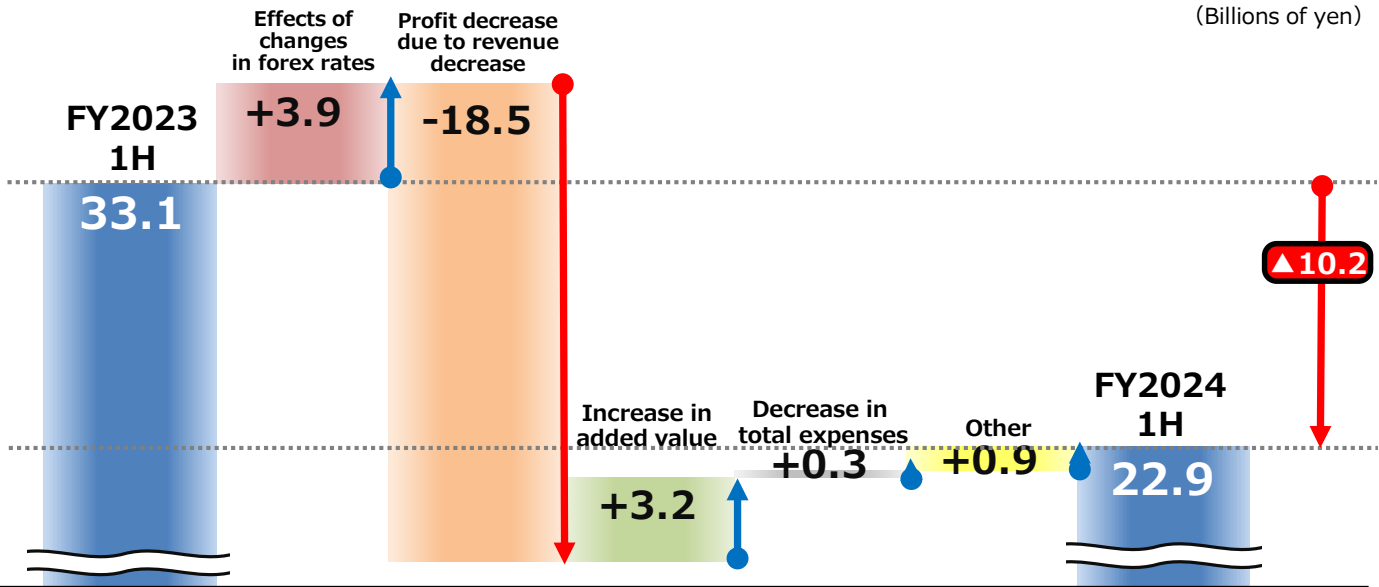
In terms of the breakdown of regional revenue ratio, China and Europe decreased by 2 points and 3 points respectively. The Americas and Asian countries expect China increased by 3 points each.

The Americas became the location with the largest revenue overseas.

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

(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	+ 1.7	- 15.1	+ 2.6	+ 1.7	- 0.0
Robotics	+ 2.2	- 4.0	- 0.1	- 0.7	+ 0.1
System Engineering	+ 0.0	+ 0.9	- 0.1	- 0.3	- 0.1
Other	+ 0.0	- 0.3	+ 0.8	- 0.4	+ 0.9

This is the breakdown of changes in operating profit.

Operating profit in the first half of FY2024 decreased 10.2 billion yen to 22.9 billion yen from 33.1 billion yen in the same period of the previous fiscal year.

The effects of changes in forex rates were +3.9 billion yen as yen weakened against each currency such as dollar.

The profits decrease due to revenue decrease was -18.5 billion yen, affected by a decrease mainly for Motion Control.

The increase in added value was +3.2 billion yen, including the effects of switching to new products and in-house production of parts.

The impact of the decrease in total expenses was +0.3 billion yen. While labor costs increased due to the increase of wages and other factors, we continued to reduce activity cost such as outsourcing.

Lastly, the impact of "other" was +0.9 billion yen. This was due to the elimination of loss on retirement of non-current assets which occurred in the previous fiscal year and the sale of a part of the land to Kitakyushu City in line with its development plan.

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➤ **Creating Value through i³-Mechatronics Solutions**

➔ **Production capabilities**

- Installed MOTOMAN NEXT in Robot Plant No.1 and improved productivity through automation and data utilization (scissors gear*¹ assembly process)
- Decided to strengthen robot production system in Europe (Slovenia)
 - Transfer and expansion of the robot system plant
 - Construction of the EMEA Robotics Distribution Center (ERDC)

➔ **Sales capabilities**

- Launched “MPX1012J,” a new machine controller with improved compatibility with JTEKT PLC, which is widely used in automotive markets
- Demonstrated the value of automation and data utilization for food production using MOTOMAN NEXT and food-specification robots at FOOMA JAPAN 2024*²

➤ **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

<https://www.yaskawa-global.com/newsrelease/news/171652>

*¹ A gear used for noise control and smooth power transmission. It reduces vibration and noise by eliminating gaps between gears.

*² An exhibition of products and solutions related to food production hosted by The Japan Food Machinery Manufacturers' Association



Scissors gear assembly process
Before/After



A machine controller
“MPX1012J”

This is measures taken in the first half of FY2024.

To strengthen our production capabilities, we introduced MOTOMAN NEXT at our robot plant in Kitakyushu City to improve productivity. In the past, the assembling process of scissors gears had to rely on manual work, however, by data collection and analysis, in other words, implementing digital twins, we are able to improve productivity significantly through autonomous performance from detection of assembly errors to retries. This is the implementation of our company's solution concept, “i³-Mechatronics.”

Also, at our robot plant in Slovenia, we are accelerating the strengthening of our robot production system in Europe by improving system engineering capabilities and establishing a new distribution center.

In strengthening our sales capabilities, we launched the “MPX1012J,” a machine controller. We are increasing its compatibility with PLCs, which are often used in automotive manufacturing equipment.

In addition, we exhibited at FOOMA Japan in June this year and are actively proposing automation in the food industry using MOTOMAN NEXT and reduction of food loss by utilizing data.

In terms of business expansion of mechatronics applications, we signed a MOU (memorandum of understanding) with Astellas Pharma Inc. in May this year and are accelerating to build a new cell therapy platform using “Maholo”, a robot designed and marketed for biomedical applications

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2. FY2024 Full-Year Forecasts

(Year Ending February 28, 2025)

FY2024 Full-Year Financial Forecasts (Highlights)

- Forecasts for revenue and operating profit are revised down due to slow upturn in the semiconductor markets and weak market recovery in China.
- Forecasts for profit before tax and profit attributable to owners of parent are revised up mainly due to the gain on transfer of certain shares of equity method affiliates.

	FY2024 Forecasts	FY2023 Results	Changes		FY2024 Previous forecasts*
			Amounts	%	
Revenue	¥ 553.0bn.	¥ 575.7bn.	-¥ 22.7bn.	-3.9%	¥ 580.0bn.
Operating profit	¥ 64.0bn.	¥ 66.2bn.	-¥ 2.2bn.	-3.4%	¥ 70.0bn.
Profit before tax	¥ 89.8bn.	¥ 69.1bn.	+¥ 20.7bn.	+30.0%	¥ 74.0bn.
Profit attributable to owners of parent	¥ 64.0bn.	¥ 50.7bn.	+¥ 13.3bn.	+26.3%	¥ 54.0bn.

*Announced on April 5, 2024

This is the full-year financial forecast for FY2024.

Forecasts for revenue and operating profit are revised down because the upturn in the semiconductor and electronic components markets is slower than expected and recovery in the overall Chinese market is weaker than expected.

On the other hand, forecasts for profit before tax and profit attributable to owners of parent are revised up mainly due to the gain on transfer of certain shares of equity method affiliates.

Considering these circumstances, the financial forecasts for FY2024 are revised as follows.

Revenue is revised from 580 billion yen to 553 billion yen,
Operating profit is revised from 70 billion yen to 64 billion yen,
Profit before tax is revised from 74 billion yen to 89.8 billion yen,
Profit attributable to owners of parent is revised from 54 billion yen to 64 billion yen.

The average forex rates from September 1st, 2024 to February 28th, 2025 remain unchanged as follows.

1USD = 145 JPY,
1EUR = 155 JPY,
1CNY = 20 JPY,
1KRW = 0.11 JPY.

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FY2024 Full-Year Financial Forecasts by Business Segment

(Billions of yen)	FY2024		FY2023		Changes		FY2024	
	Forecasts	Profit ratio	Results	Profit ratio	Amounts	%	Previous forecasts*	Profit ratio
Revenue	553.0		575.7		-22.7	-3.9%	580.0	
Motion Control	249.2		269.4		-20.2	-7.5%	268.8	
Robotics	240.5		234.7		+5.8	+2.5%	245.1	
System Engineering	38.5		46.1		-7.6	-16.4%	39.8	
Other	24.8		25.5		-0.7	-2.7%	26.3	
Operating profit	64.0	11.6%	66.2	11.5%	-2.2	-3.4%	70.0	12.1%
Motion Control	31.7	12.7%	39.0	14.5%	-7.3	-18.7%	36.9	13.7%
Robotics	29.1	12.1%	25.1	10.7%	+4.0	+15.9%	30.0	12.2%
System Engineering	4.4	11.5%	4.9	10.5%	-0.4	-8.6%	5.6	14.0%
Other	1.9	7.7%	0.4	1.6%	+1.5	+356.7%	0.5	1.9%
Elimination or Corporate	-3.2	-	-3.2	-	+0.0	-	-3.0	-

*Announced on April 5, 2024

This is the full-year financial forecast of each business segment.

In light of recent demand trends, the forecast is revised as follows.

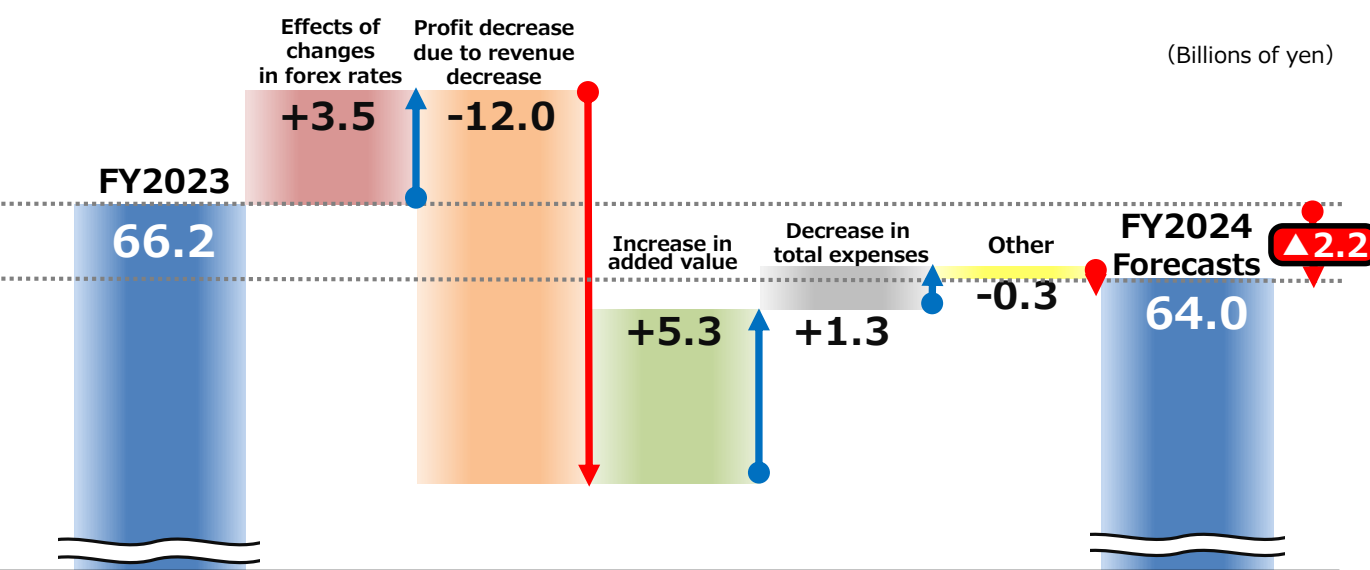
In Motion Control, the forecast for revenue is revised from 268.8 billion yen to 249.2 billion yen and operating profit is revised from 36.9 billion yen to 31.7 billion yen.

In Robotics, the forecast for revenue is revised from 245.1 billion yen to 240.5 billion yen and operating profit is revised from 30 billion yen to 29.1 billion yen.

In System Engineering, the forecast for revenue is revised from 39.8 billion yen to 38.5 billion yen and operating profit is revised from 5.6 billion yen to 4.4 billion yen.

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Breakdown of Changes in Operating Profit (FY2023 → FY2024 Forecasts)



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	+ 1.4	- 14.3	+ 3.4	+ 2.5	- 0.3
Robotics	+ 2.1	+ 1.3	+ 0.8	- 0.6	+ 0.5
System Engineering	+ 0.0	+ 1.5	- 0.2	- 0.3	- 1.5
Other	+ 0.0	- 0.5	+ 1.3	- 0.3	+ 1.0

This is the breakdown of changes in operating profit in the full-year forecast.

Operating profit in FY2024 will decrease 2.2 billion yen to 64 billion yen from 66.2 billion yen in the previous fiscal year.

The effects of changes in forex rates will be +3.5 billion yen due to the effect of weakened yen continued from the first half.

Operating profit decreasing due to revenue decrease will be -12 billion yen. It will decrease significantly mainly in Motion Control.

The increase in added value will be +5.3 billion yen, including the effects of switching to new products in Motion Control and in-house production of parts in Motion Control and Robotics, same as the first half.

The impact of decrease in total expenses will be +1.3 billion yen. Although this reflects increases in labor costs due to the increase of wages, we will reduce activity cost mainly in China and Europe.

The impact of "Other" will be -0.3 billion yen. In addition to the factors explained in page 12, this includes the impact of the loss of gains on the sale of shares of subsidiaries, costs associated with restructuring in Europe, and subsidies in China.

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➤ **Creating Value through i³-Mechatronics Solutions**

➔ **Production capabilities**

- Promote automation, labor-saving, and in-house production at own plants using YRM controllers and MOTOMAN NEXT, and deploy it to overseas production sites

➔ **Sales capabilities**

- Exhibited at IMTS 2024*¹ in Chicago, the U.S. to introduce the iC9000 series*² in the North American market and attract new customers
- Accumulate and expand application cases of MOTOMAN NEXT in the food and medical fields
- Accelerate sales of AC drives in India (HVAC, oil&gas, etc.)



Production lines at subsidiary plants equipped with YRM controllers



The launch event for iCube Control at IMTS 2024

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

- Accelerate expansion of services to support cell research and development and production using solutions of “Mahoro,” robots for biomedical applications



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

*¹ Abbreviation for International Manufacturing Technology Show. Biennial exhibition of automation and smart production solutions hosted by The Association For Manufacturing Technology

*² Controllers for Europe and the U.S. that belong to the “iCube Control,” a controller solution that realizes i³-Mechatronics

This is measures for the second half of FY2024.

To strengthen our production capabilities, we will accelerate the automation of production lines, labor saving, and in-house production by utilizing YRM controllers and MOTOMAN NEXT at the Group plants in Japan.
We will expand these measures gradually to overseas production sites, and build a robust global production system that can flexibly respond to changes in demand.

To strengthen our sales capabilities, we launched the “iC9000 Series,” a controller developed to realize our solution concept, “i³-Mechatronics” at “IMTS 2024” held in Chicago, the U.S. in September. We will develop new customers in the North American market.

In addition, we will actively work to introduce MOTOMAN NEXT in unautomated fields. We currently have multiple projects in the food and medical fields, so we will steadily implement activities for the full-scale operation of them. Also, we will accelerate the expansion of new automation fields by applying the successful cases horizontally.

For the rapidly growing market in India, we will steadily capture demand for AC drives in the HVAC and oil and gas markets.

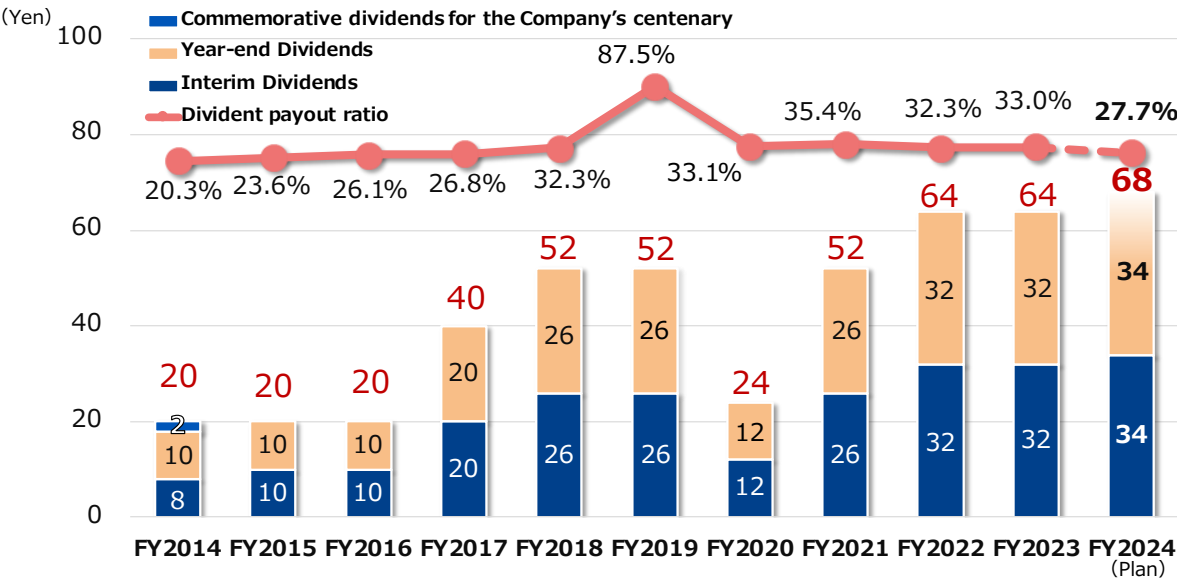
In terms of business expansion of mechatronics applications, we will develop “Maholo” solutions by materializing services to support cell research and development and production using “Maholo,” a robot for biomedical applications, which was announced in the first half.

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Shareholder Return (Dividends)

- Share buyback of 2.5 million shares (maximum 12.5 billion JPY).
- An annual dividend forecast for FY2024 will be 68 yen per share, an increase by 4 yen from the previous fiscal year. (47.3% total payout ratio)

Dividends



This is shareholder returns.

As explained earlier, we expect the gain on transfer of certain shares of equity method affiliates and others. Therefore, we will implement “share buyback through market purchase” and “share buyback through bilateral transactions with subsidiaries” to enhance shareholder returns and capital efficiency.

The total number of shares for buyback will be 2.5 million and the total acquisition cost will be 12.5 billion yen.

As announced on April 5, 2024, the interim dividend for FY2024 is 34 yen per share.

The year-end dividend will be 34 yen per share, maintaining our previous forecast.

As a result, an annual dividend will be 68 yen, an increase of 4 yen from the previous fiscal year, and the payout ratio is expected to be 27.7%.

The total payout ratio, including the share buyback mentioned earlier and dividends, is expected to be 47.3%.

Please go on to page 22.

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
	1Q	2Q	1H	3Q	4Q	2H	Full-Year	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	45.00	
Depreciation and Amortization	19.67	20.80	22.00	
R&D investment	18.78	21.25	24.00	

Forex rates										(yen)
Note: Average rate during the period										
	F Y 2 0 2 2			F Y 2 0 2 3			F Y 2 0 2 4 (Forecasts)			
	1H	2H	Full-Year	1H	2H	Full-Year	1H(Results)	2H	Full-Year	
USD	129.9	138.6	134.1	138.8	147.9	143.2	153.7	145.0	149.3	
EUR	136.8	143.0	139.8	151.0	159.3	155.1	166.6	155.0	160.8	
CNY	19.59	19.77	19.68	19.61	20.44	20.02	21.23	20.00	20.62	
KRW	0.102	0.104	0.103	0.106	0.112	0.109	0.113	0.110	0.111	

Forex sensitivity				(Billions of yen)
	Impact of 1% fluctuation (FY2024 Full-Year)			
	Revenue		Operating profit	
USD	1.37		0.23	
EUR	0.73		0.12	
CNY	1.14		0.29	
KRW	0.41		0.21	

With regard to the plan for capital expenditure and R&D investment for FY2024, we have revised the plan announced on April 5, 2024 in light of the current business performance and other factors.

Capital expenditure increased 3 billion yen to 45 billion yen from the previous plan, and R&D investment increased 2 billion yen to 24 billion yen.

As explained earlier, our assumption for forex rates remain unchanged.

Please go on to page 27.

Financial Indices

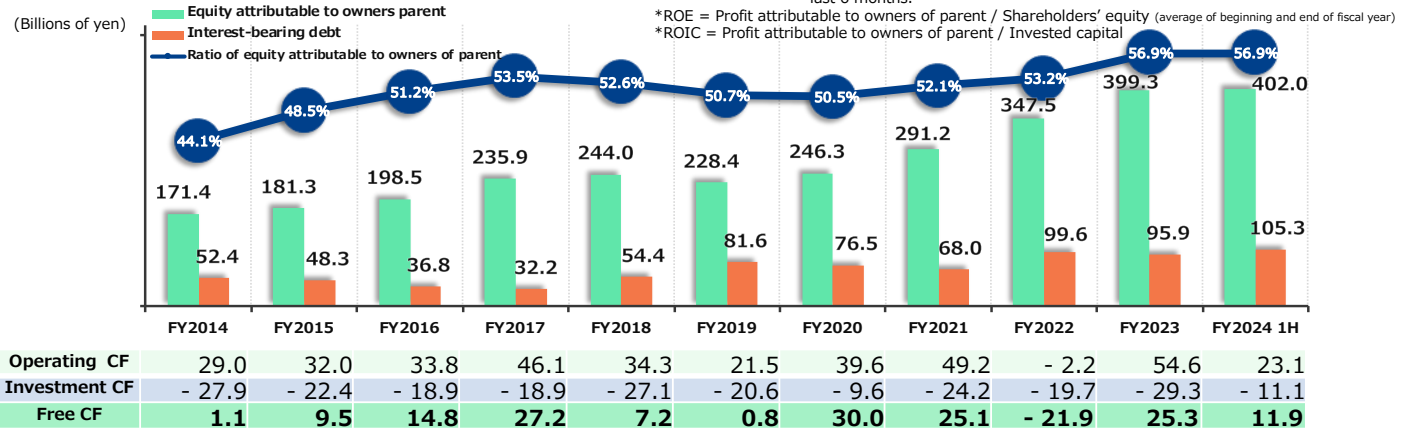
As of February 29, 2024

➤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
➤D/E ratio (Net D/E ratio)	0.14
➤Inventory (Turnover)	207.9 billion yen (4.4 months)
➤ROE	13.6%
➤ROIC	11.8%

As of August 31, 2024

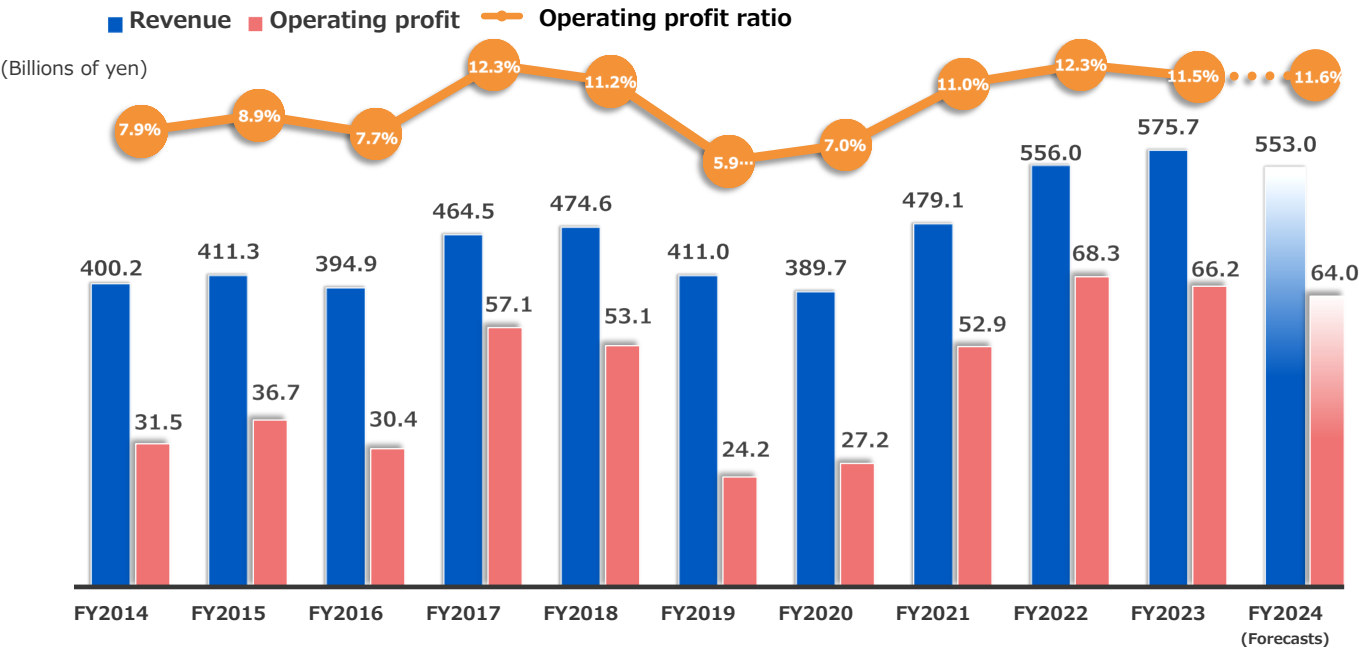
➤Ratio of equity attributable to owners of parent	56.9%
➤Equity attributable to owners of parent	402.0 billion yen
➤Interest-bearing debt	105.3 billion yen
➤D/E ratio	0.26
➤D/E ratio (Net D/E ratio)	0.13
➤Inventory (Turnover)	212.6 billion yen (4.9 months)

*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



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

Revenue / Operating Profit (FY2014 – FY2024 Forecasts)



Realize 100

Dash 25

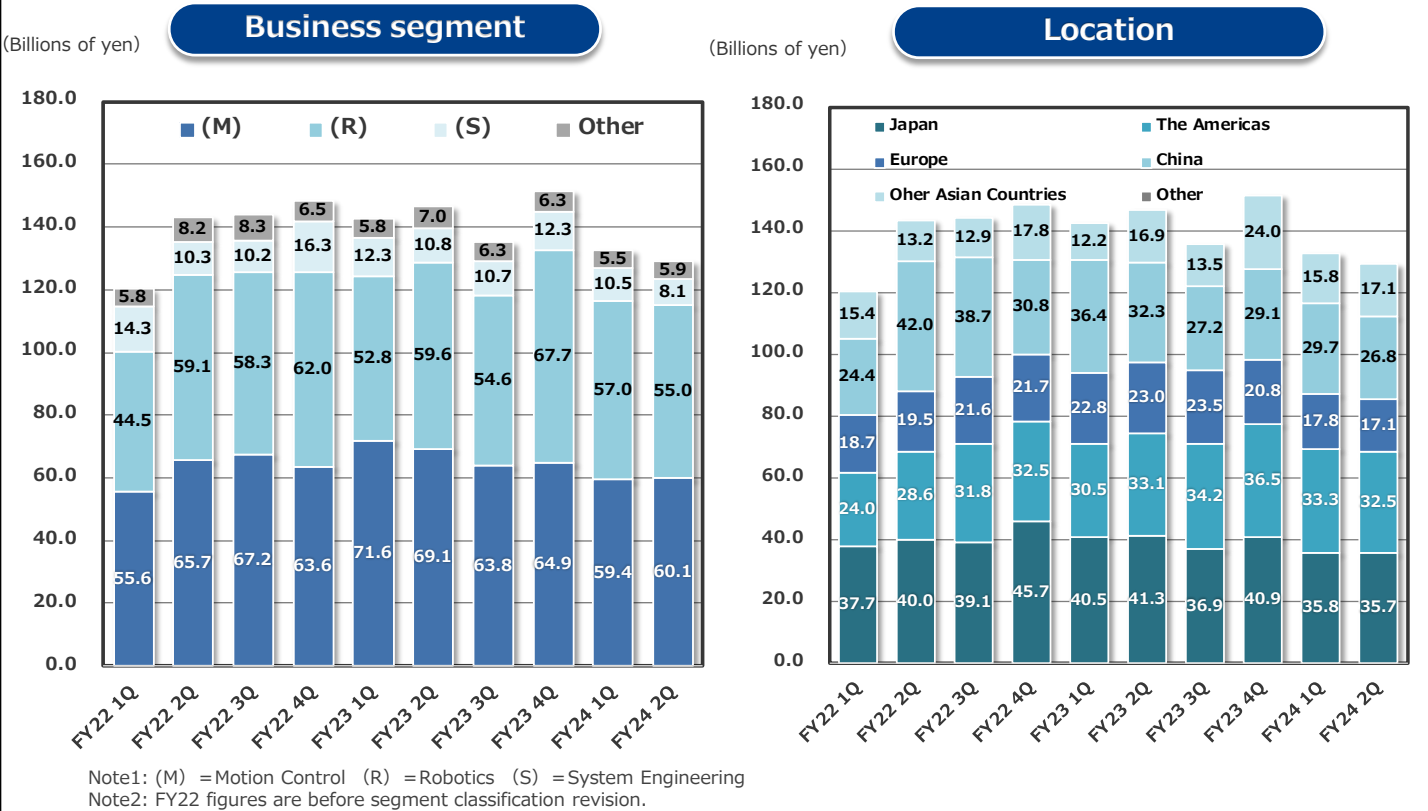
Challenge 25 Plus

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)

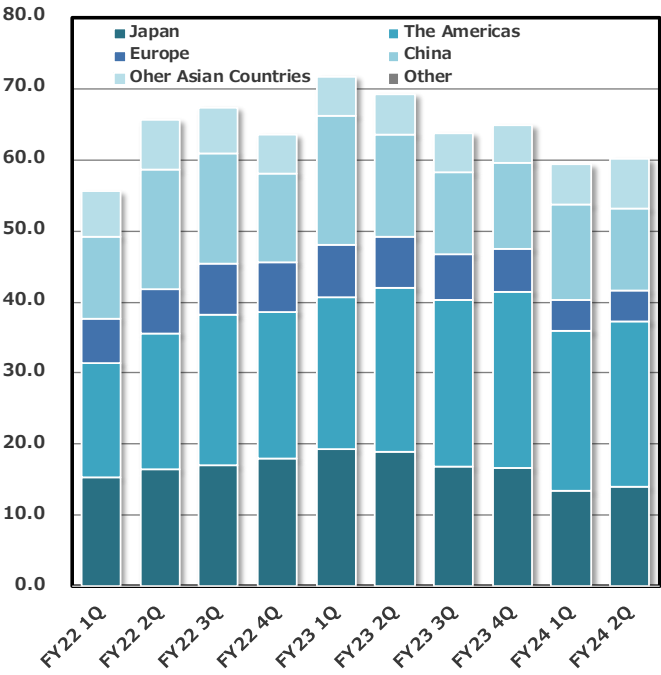
Quarterly Revenue Trends (1)



Quarterly Revenue Trends (2)

Motion Control

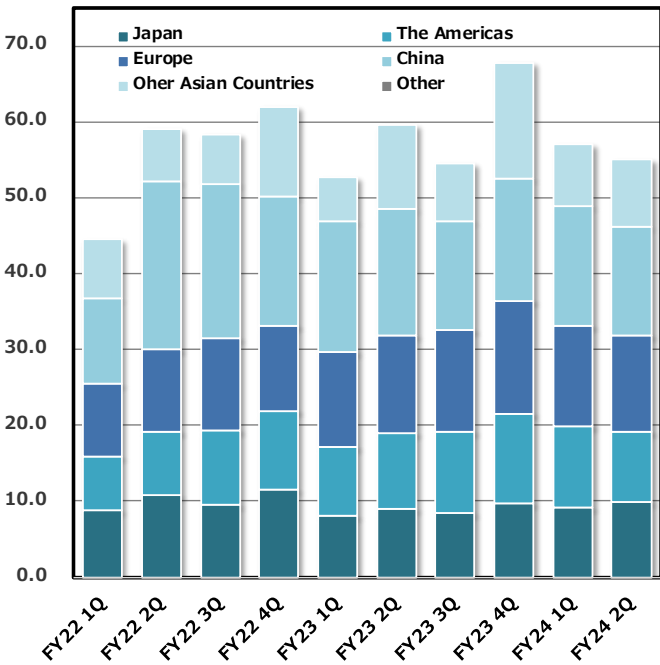
(Billions of yen)



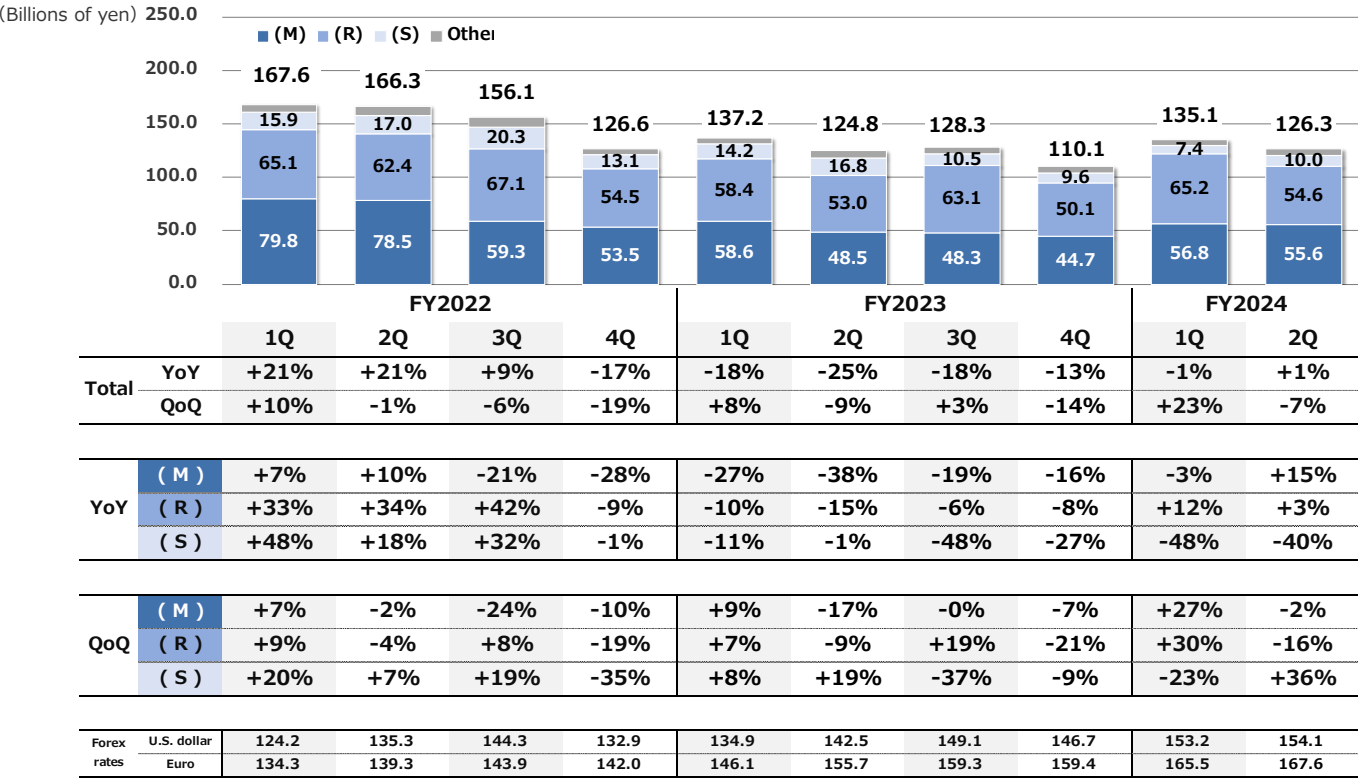
Note: FY22 figures are before segment classification revision.

Robotics

(Billions of yen)



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



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

Here are the regional and by-segment rates of changes in the groupwide quarterly orders in 2Q FY2024.

• AC servo

YoY: +24% overall

Breakdown: Japan +25%, the Americas +70%, Europe -2%, China -20%, and Asian countries except China +168%

QoQ: +3 % overall

Breakdown: Japan +10%, the Americas +9%, Europe +18%, China -17%, and Asian countries except China +11 %

• Drives

YoY: +6% overall

Breakdown: Japan -11%, the Americas -8%, Europe +0%, China+44%, and Asian countries except China +42%

QoQ: -7% overall

Breakdown: Japan -1%, the Americas -13%, Europe -31%, China +1%, and Asian countries except China +6 %

• Robotics

YoY: +3% overall

Breakdown: Japan +26%, the Americas -11%, Europe +6%, China -5%, and Asian countries except China +6%

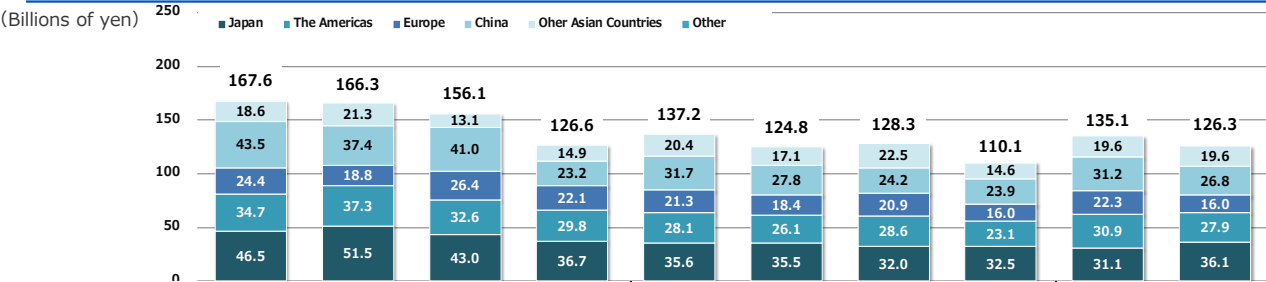
QoQ: -16% overall

Breakdown: Japan +23%, the Americas -22%, Europe -33%, China -18%, and Asian countries except China -11%

*YoY=year-on-year, QoQ=quarter-on-quarter

This concludes the summary of our financial results for the first half of FY2024.
Thank you for your attention.

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



		FY2022				FY2023				FY2024	
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Total	YoY	+21%	+21%	+9%	-17%	-18%	-25%	-18%	-13%	-1%	+1%
	QoQ	+10%	-1%	-6%	-19%	+8%	-9%	+3%	-14%	+23%	-7%

YoY	Japan	+20%	+17%	-15%	-25%	-23%	-31%	-26%	-11%	-13%	+2%
	The Americas	+45%	+48%	+27%	-6%	-19%	-30%	-12%	-23%	+10%	+7%
	Europe	+6%	-15%	+15%	-13%	-13%	-2%	-21%	-28%	+5%	-13%
	China	+10%	+12%	+37%	-28%	-27%	-26%	-41%	+3%	-1%	-3%
	Other Asian Countries	+34%	+64%	-6%	-2%	+10%	-20%	+72%	-2%	-4%	+14%

QoQ	Japan	-5%	+11%	-16%	-15%	-3%	-0%	-10%	+2%	-5%	+16%
	The Americas	+10%	+8%	-13%	-9%	-6%	-7%	+10%	-19%	+34%	-10%
	Europe	-4%	-23%	+41%	-16%	-4%	-13%	+14%	-24%	+40%	-28%
	China	+35%	-14%	+10%	-43%	+37%	-12%	-13%	-1%	+30%	-14%
	Other Asian Countries	+22%	+15%	-39%	+14%	+37%	-16%	+31%	-35%	+34%	-0%

Note: FY22 figures are before segment classification revision.



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