

**Securities Code: 6841
Yokogawa Electric Corporation**

**Financial Results for
the First Three Quarters of Fiscal Year 2024**

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Director, Vice President & Executive Officer,
Accounting & Treasury Headquarters

February 4, 2025

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Financial Results for the First Three Quarters of Fiscal Year 2024 (April 1, 2024 – December 31, 2024)

Key Points

■ FY24 3Q results: Sales and operating income were up.

- Summary:

- Orders increased significantly, led by strong results in the Middle East.
- Sales increased mainly due to the impact of foreign exchange fluctuations.
- Operating income was at the same level as in the previous fiscal year.
- Profit attributable to owners of parent decreased mainly due to the recording of a gain on the sale of investment securities in the same period of the previous fiscal year.

- Segments:

Control: Sales and operating income were up.

Measuring instruments: Sales and operating income declined.

New businesses and others: Sales and operating income were at almost the same level as the previous fiscal year.

■ FY24 earnings forecasts: <Revised>

- Reasons for revision:

1. Revision to the exchange rate (US\$1: ¥145 → ¥150).
2. Consideration of 3Q results and future outlook

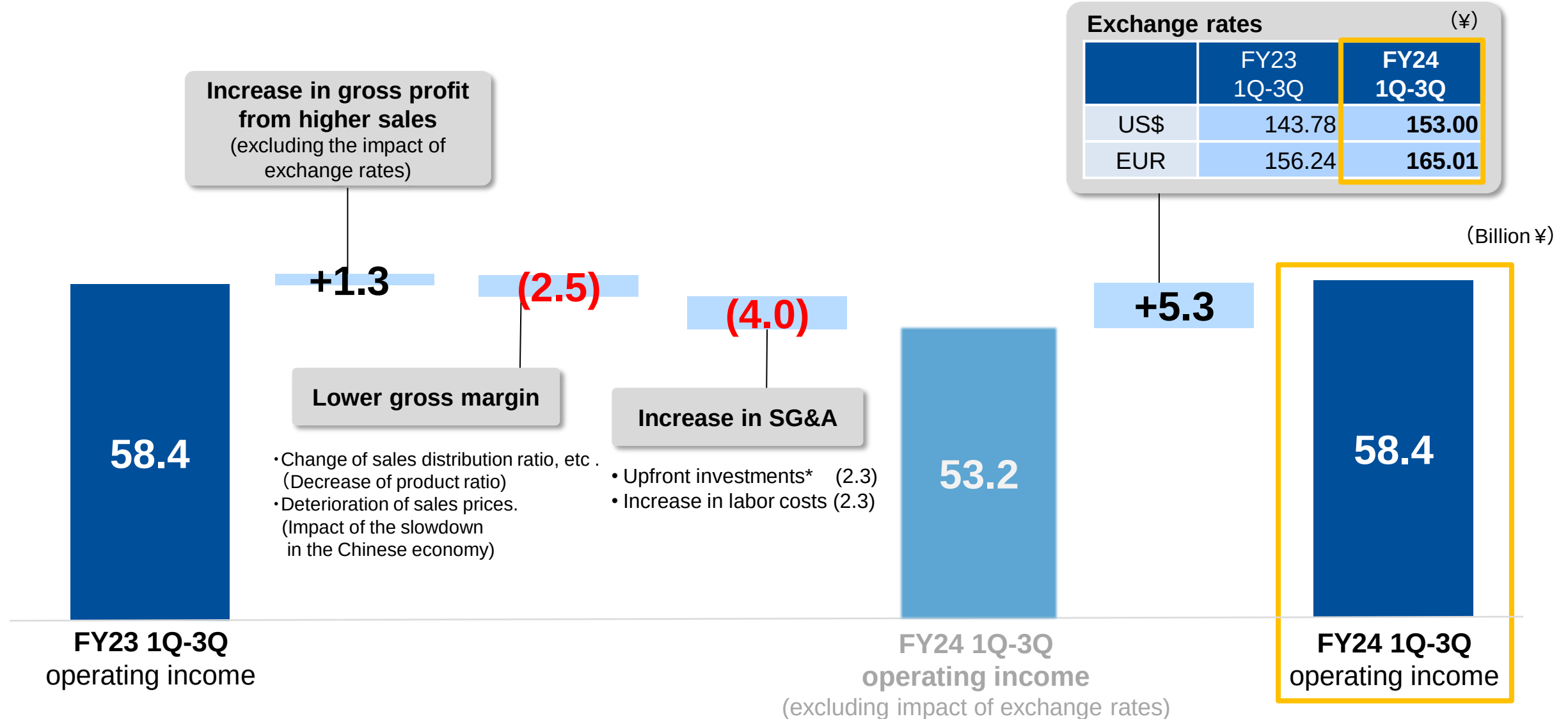
■ Dividend forecasts: Total annual dividend of ¥58 <No change>

Summary of FY24 1Q-3Q Results (year on year comparison)

- ◆ Orders increased significantly, led by strong results in the Middle East (excluding the impact of exchange rates: +¥37.0 billion, +9.5%).
- ◆ Sales increased mainly due to the impact of foreign exchange fluctuations (excluding the impact of exchange rates: +¥2.8 billion, +0.7%).
- ◆ Operating income was at the same level as in the previous fiscal (excluding the impact of exchange rates: -¥5.2 billion, -8.9%).
- ◆ Profit attributable to owners of parent decreased mainly due to the recording of a gain on the sale of investment securities in the same period of the previous fiscal year.

		FY23 1Q-3Q	FY24 1Q-3Q	Difference	Growth rate	Impact of exchange rate	(Billion ¥)
Orders		390.7	441.2	+50.5	+12.9%	+13.6	
Sales		393.1	408.9	+15.8	+4.0%	+13.0	
Operating income		58.4	58.4	+0.0	+0.1%	+5.3	
ROS(%)		14.9	14.3	(0.6)pt	—	—	
Ordinary income		61.0	60.8	(0.2)	(0.3)%	+6.2	
Profit attributable to owners of parent		52.1	38.7	(13.4)	(25.7)%	+5.7	
Exchange rate	US\$1=	¥143.78	¥153.00	+9.22	—	—	

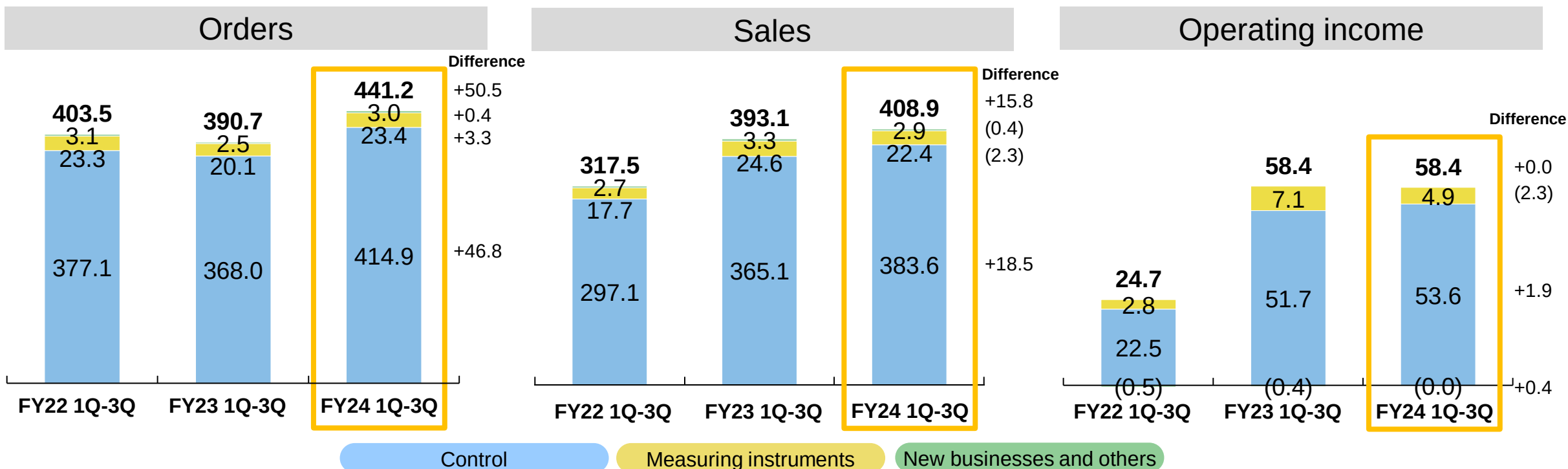
Analysis of Operating Income (year on year comparison)



Comparison for Orders, Sales, and Operating Income by Segment

- ◆ **Control:** Orders increased significantly (excluding the impact of exchange rates: +¥34.3 billion, +9.3%).
Sales increased (excluding the impact of exchange rates: +¥6.4 billion, +1.8%).
Operating income increased (excluding the impact of exchange rates: -¥2.9 billion, -5.6%).
- ◆ **Measuring instruments:** Orders increased. Sales decreased year on year due to progress made the previous year in reducing the order backlog (excluding the impact of exchange rates, orders increased ¥2.4 billion, +11.7%, and sales decreased -¥3.1 billion, -12.8%).
Operating income decreased due to the decline in sales (excluding the impact of exchange rates: -¥2.7 billion, -38.5%).
- ◆ **New businesses and others:** Sales and operating income were at almost the same level as the previous fiscal year.

(Billion ¥)



Orders and Sales by Region in Control Segment

- ◆ Orders increased significantly, led by strong results in the Middle East.
- ◆ Orders: +¥34.3 billion, +9.3% (excluding the impact of exchange rates)
Sales: +¥6.4 billion, +1.8% (excluding the impact of exchange rates)

(Billion ¥)

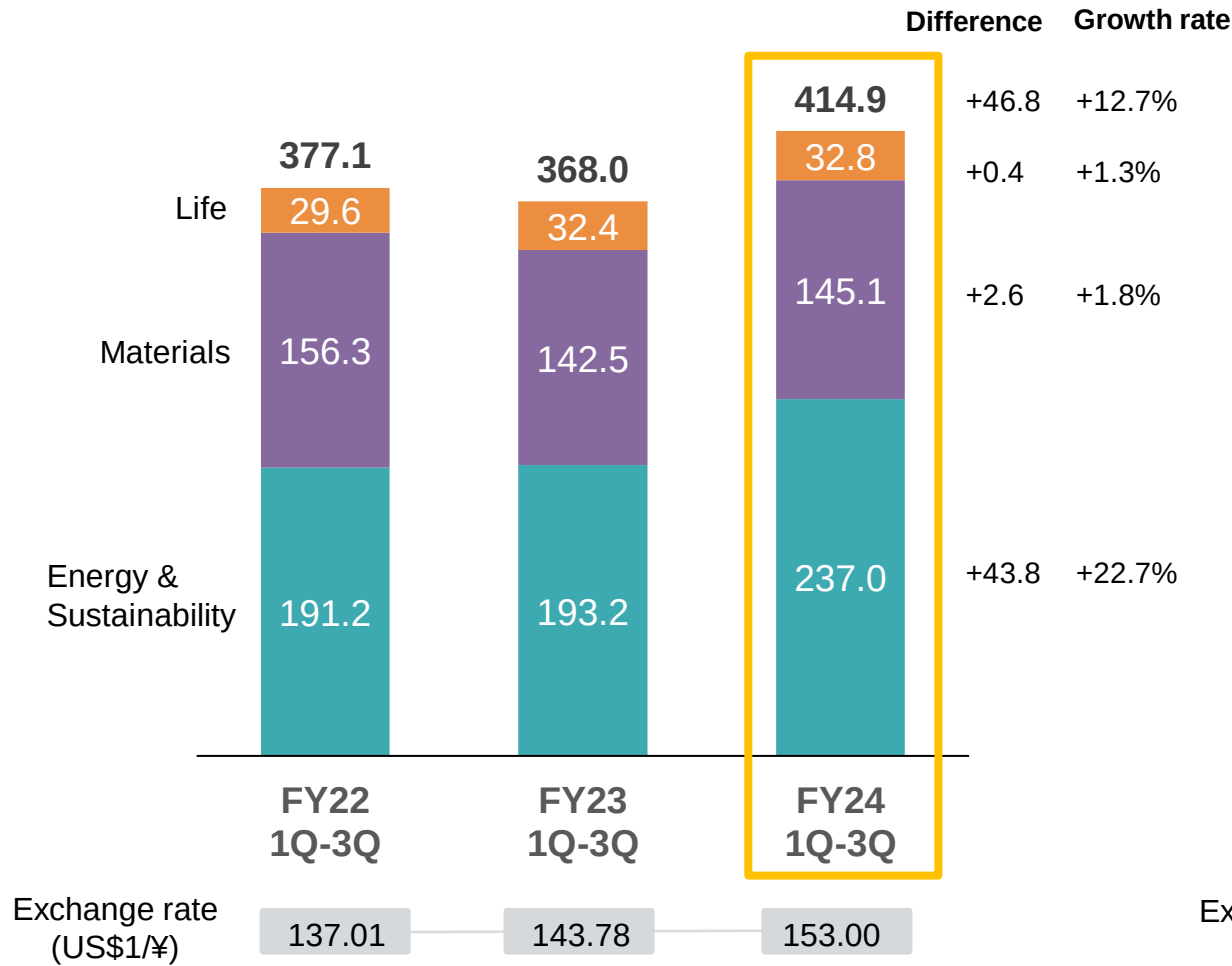
Orders	FY23 1Q-3Q (A)	FY24 1Q-3Q (B)	Difference (B-A)
Japan	90.8	99.1	+8.4
Asia	133.5	126.0	(7.4)
(Southeast Asia, Far East)	60.5	59.7	(0.8)
(China)	50.2	44.5	(5.7)
(India)	22.8	21.9	(0.9)
Europe and CIS	33.8	41.2	+7.4
Middle East and Africa	62.3	104.0	+41.7
North America	33.3	32.5	(0.8)
Central and South America	14.4	12.0	(2.4)
Outside Japan	277.3	315.7	+38.4
Consolidated	368.0	414.9	+46.8
Exchange rate USD1\$ =	¥143.78	¥153.00	+9.22

Sales	FY23 1Q-3Q (A)	FY24 1Q-3Q (B)	Difference (B-A)
Japan	89.8	96.3	+6.5
Asia	129.3	132.2	+2.9
(Southeast Asia, Far East)	54.9	61.4	+6.4
(China)	56.5	51.2	(5.3)
(India)	17.8	19.6	+1.8
Europe and CIS	36.5	38.1	+1.6
Middle East and Africa	59.1	64.9	+5.8
North America	36.5	37.4	+1.0
Central and South America	13.9	14.5	+0.7
Outside Japan	275.3	287.3	+12.0
Consolidated	365.1	383.6	+18.5
Exchange rate USD1\$ =	¥143.78	¥153.00	+9.22

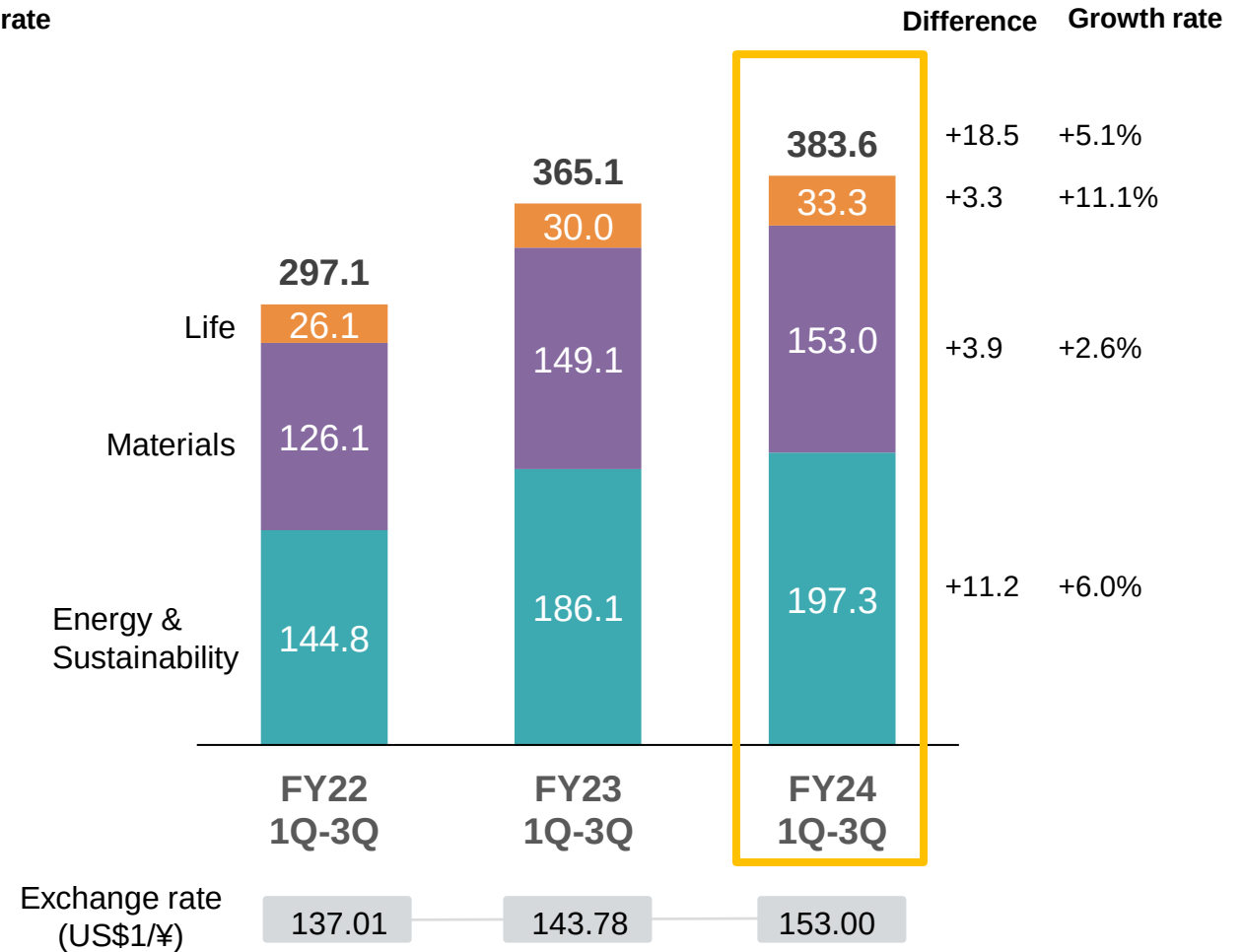
Orders and Sales by Control Subsegment

(Billion ¥)

Orders



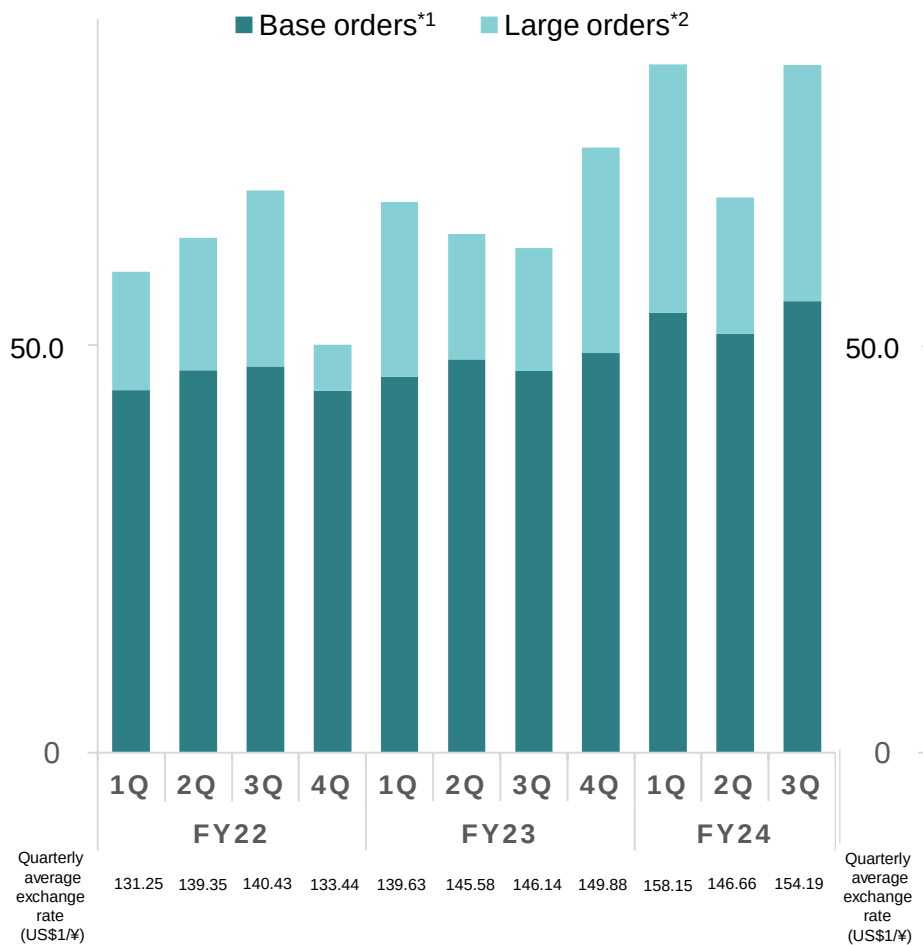
Sales



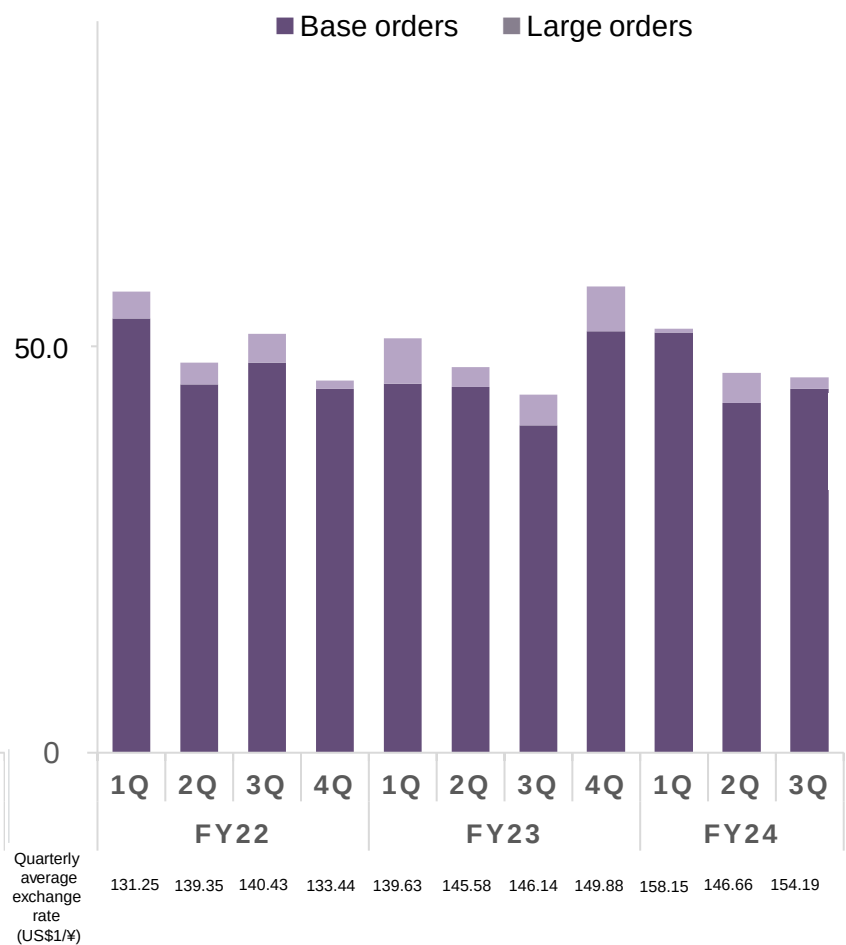
Control Subsegment Order Trend by Project Size

(Billion ¥)

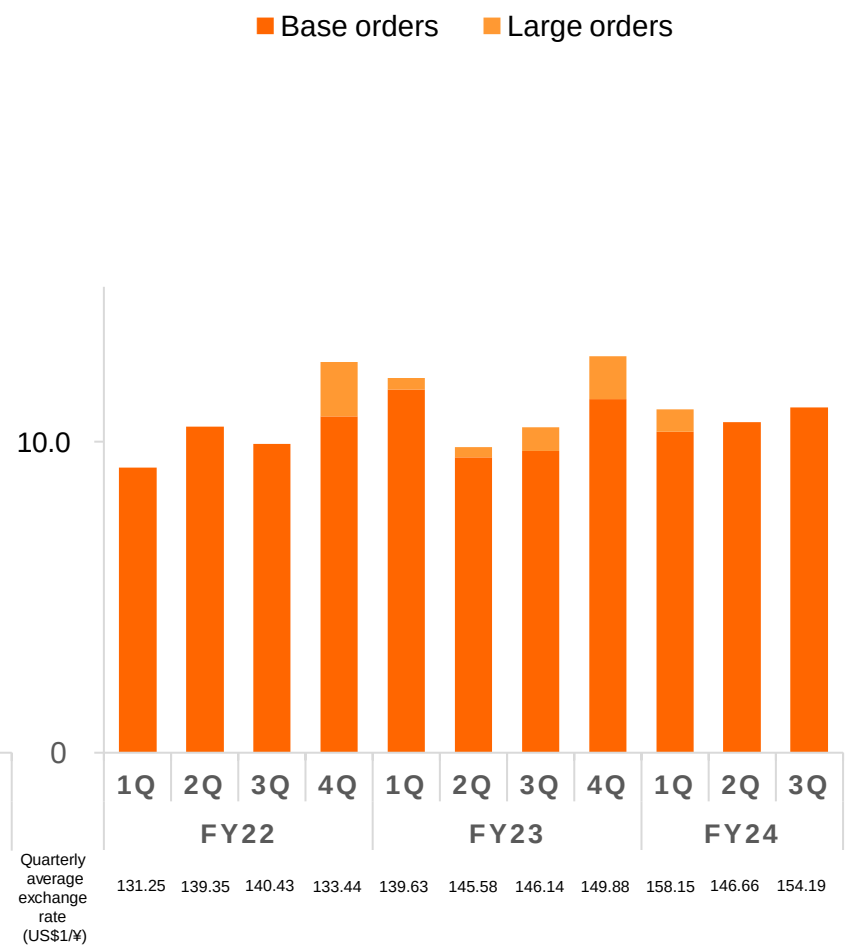
Energy & Sustainability



Materials

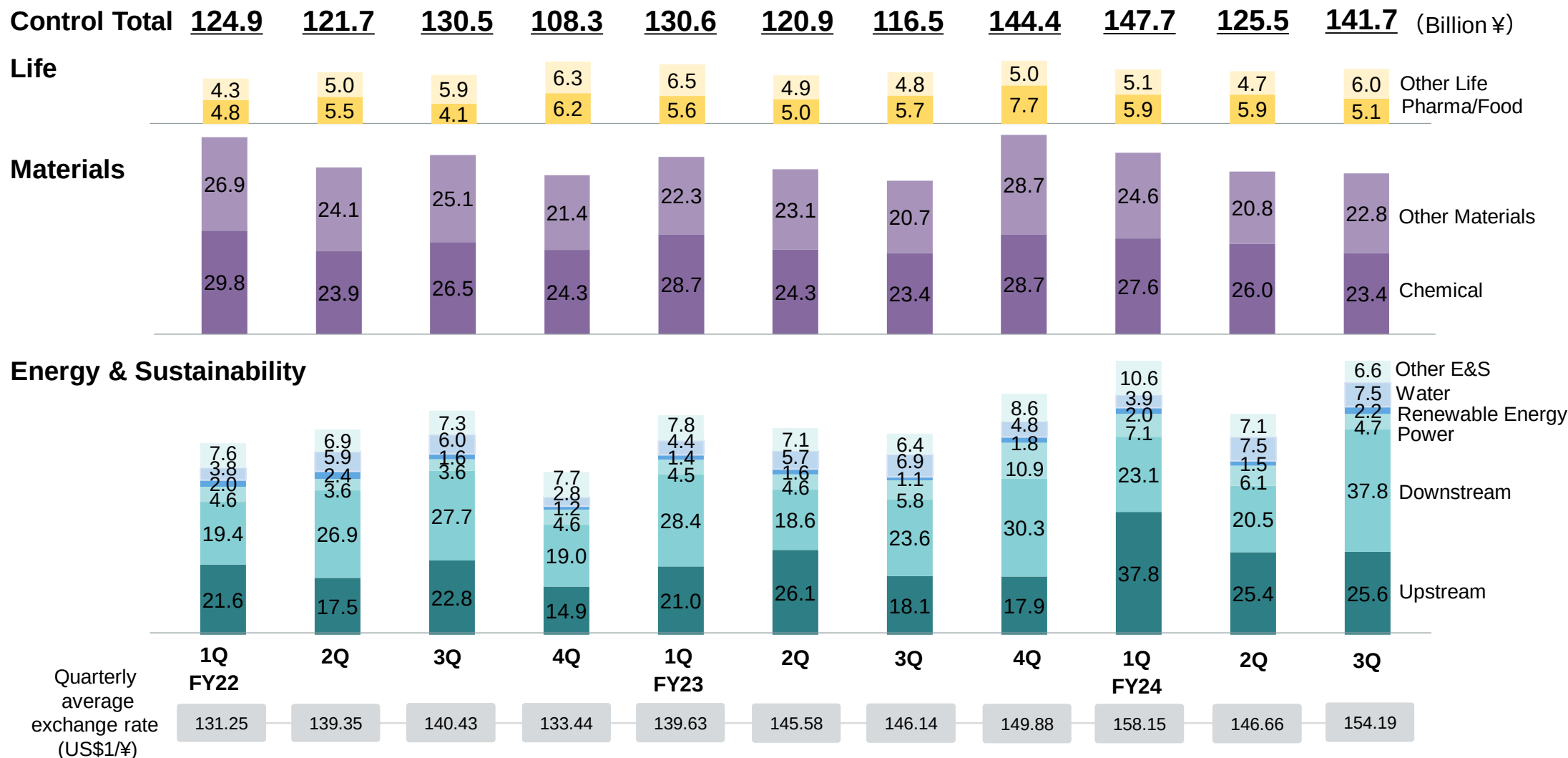


Life



*1 Base orders: Less than ¥300M/US\$3M. Mainly OPEX business such as MRO and system upgrades
*2 Large orders: More than ¥300M/US\$3M. Mainly CAPEX business such as installation of a system

Orders by Industry in Control Segment



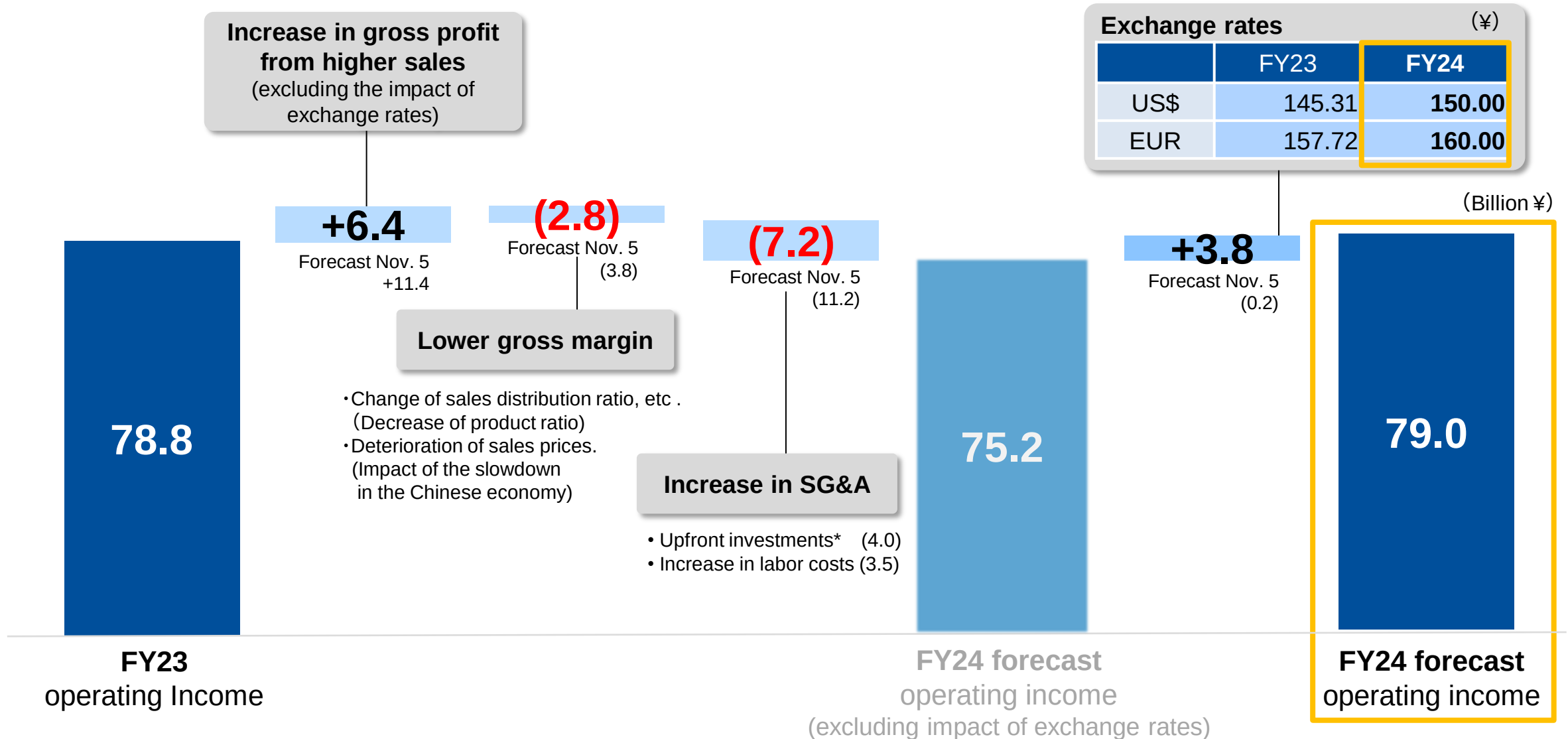
FY24 Forecast (Revised from November 5, 2024)

- ◆ Revision to the exchange rate (US\$1: ¥145 → ¥150).
- ◆ Consideration of 3Q results and future outlook.

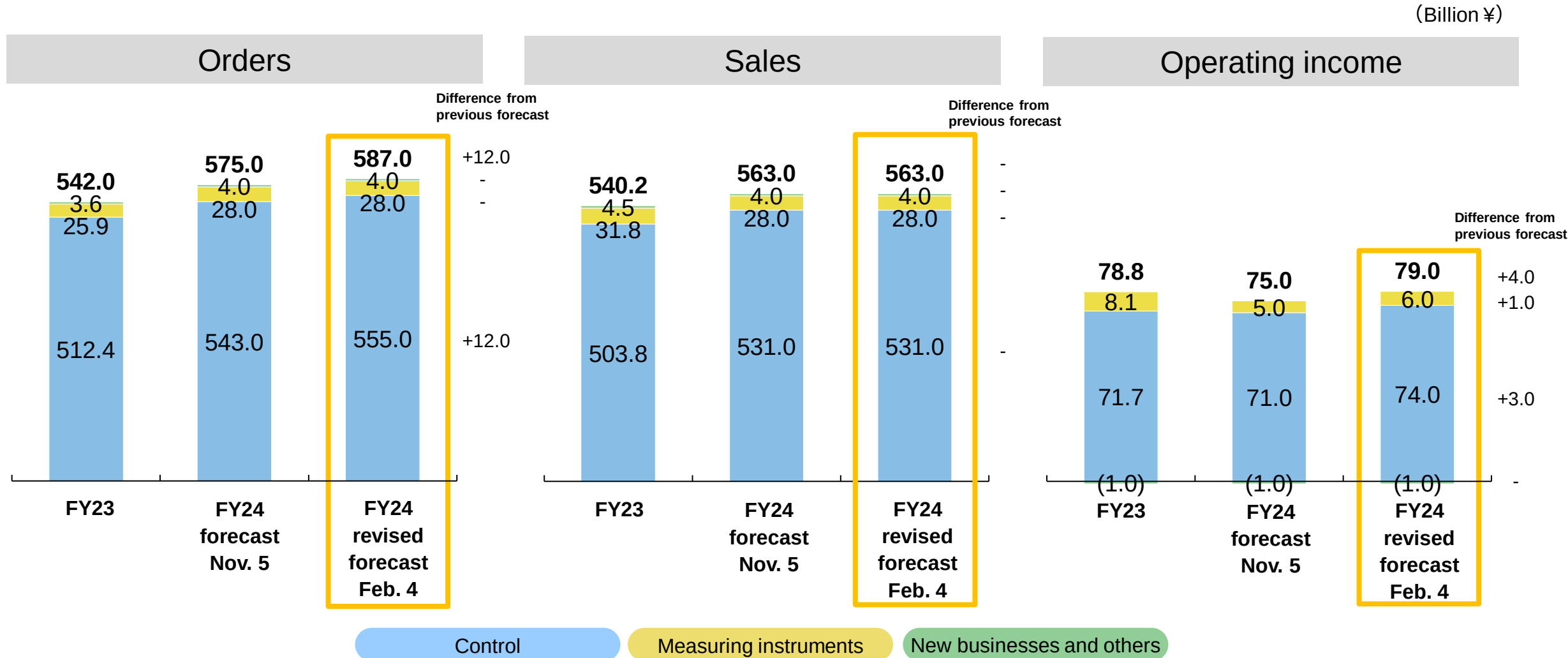
(Billion ¥)

		FY23 (A)	FY24 forecast 11/5 (B)	FY24 forecast 2/4 (C)	Forecast difference (C-B)	Difference (C-A)	Growth rate (C/A-1)
Orders		542.0	575.0	587.0	+12.0	+45.0	+8.3%
Sales		540.2	563.0	563.0	—	+22.8	+4.2%
Operating income		78.8	75.0	79.0	+4.0	+0.2	+0.3%
ROS(%)		14.6	13.3	14.0	+0.7pt	(0.6pt)	—
Ordinary income		84.1	75.0	81.0	+6.0	(3.1)	(3.7%)
Profit before income taxes		87.8	75.0	79.0	+4.0	(8.8)	(10.0%)
Tax, etc.		26.1	26.0	28.0	+2.0	+1.9	+7.4%
Profit attributable to owners of parent		61.7	49.0	51.0	+2.0	(10.7)	(17.3%)
EPS(¥)		234.83	188.35	196.01	+7.66	(38.82)	—
Exchange rate	US\$1=	¥145.31	¥145.00	¥150.00	+5.00	+4.69	—

Factors Accounting for Increase/Decrease in FY24 Operating Income (Revised from November 5, 2024)



FY24 Forecast for Orders, Sales and Operating Income by Segment (Revised from November 5, 2024)



FY24 Forecast for Control Orders and Sales by Region (Revised from November 5, 2024)

◆ Consideration of 3Q results and future outlook.

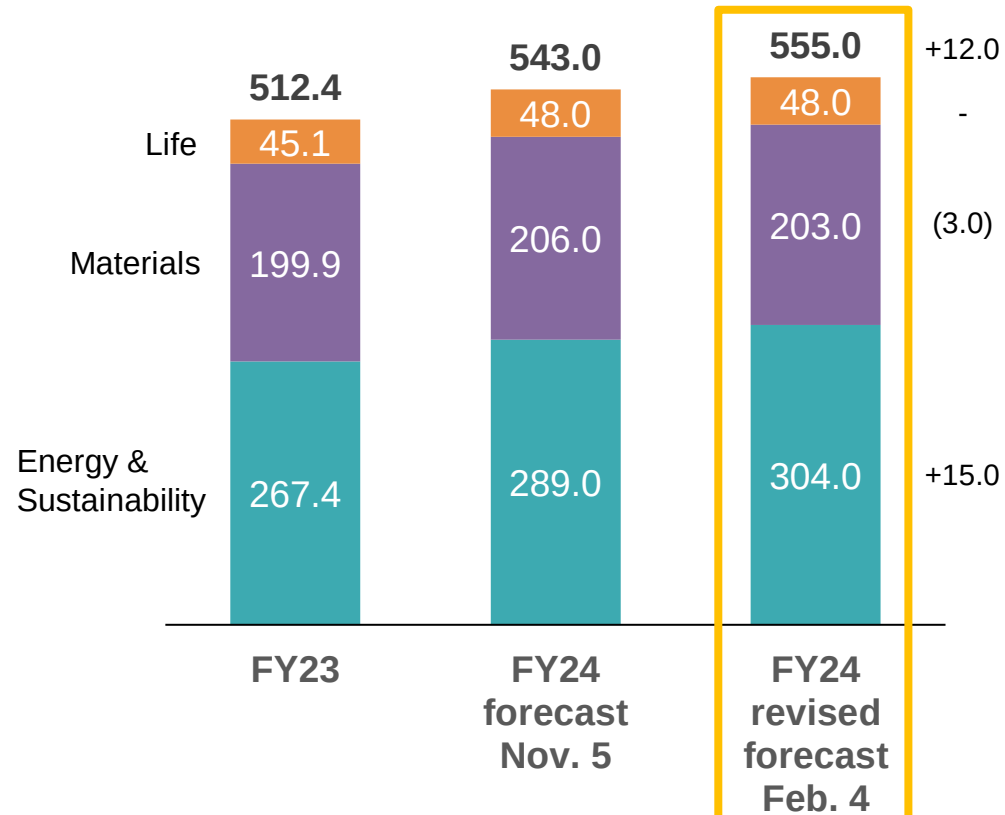
				(Billion ¥)			
Orders	FY23 (A)	FY24 (B)	Difference (B-A)	Sales	FY23 (A)	FY24 (B)	Difference (B-A)
Japan	134.5	140.0	+5.5	Japan	129.0	140.0	+11.0
Asia	175.6	168.5	(7.1)	Asia	174.2	176.0	+1.8
(Southeast Asia, Far East)	79.6	82.0	+2.4	(Southeast Asia, Far East)	73.7	80.0	+6.3
(China)	65.9	56.0	(9.9)	(China)	74.1	66.0	(8.1)
(India)	30.1	30.5	+0.4	(India)	26.4	30.0	+3.6
Europe and CIS	52.5	53.0	+0.5	Europe and CIS	50.5	55.0	+4.5
Middle East and Africa	82.9	129.5	+46.6	Middle East and Africa	82.9	92.0	+9.1
North America	47.4	45.0	(2.4)	North America	48.1	48.0	(0.1)
Central and South America	19.5	19.0	(0.5)	Central and South America	19.2	20.0	+0.8
Outside Japan	378.0	415.0	+37.0	Outside Japan	374.9	391.0	+16.1
Consolidated	512.4	555.0	+42.6	Consolidated	503.8	531.0	+27.2
Exchange rate US\$1 =	¥145.31	¥150.00	+4.69	Exchange rate US\$1 =	¥145.31	¥150.00	+4.69

FY24 Forecast for Orders and Sales by Control Subsegment (Revised from November 5, 2024)

(Billion ¥)

Orders

Difference from
previous forecast



Exchange rate
(US\$1/¥)

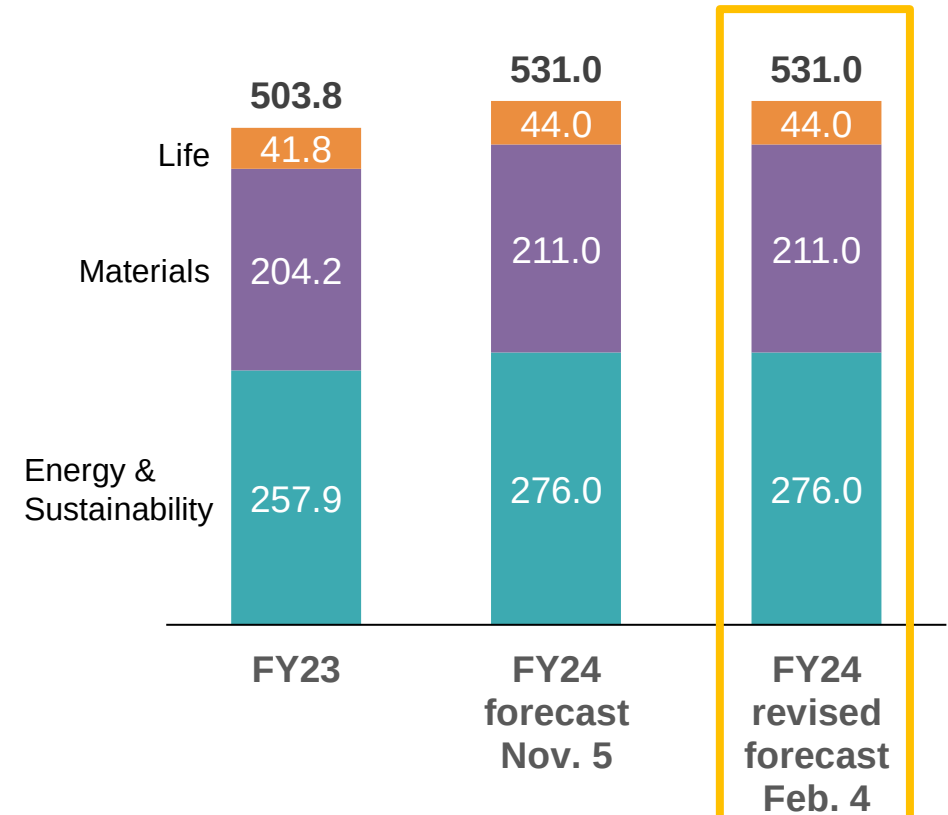
145.31

145.00

150.00

Sales

Difference from
previous forecast



Exchange rate
(US\$1/¥)

145.31

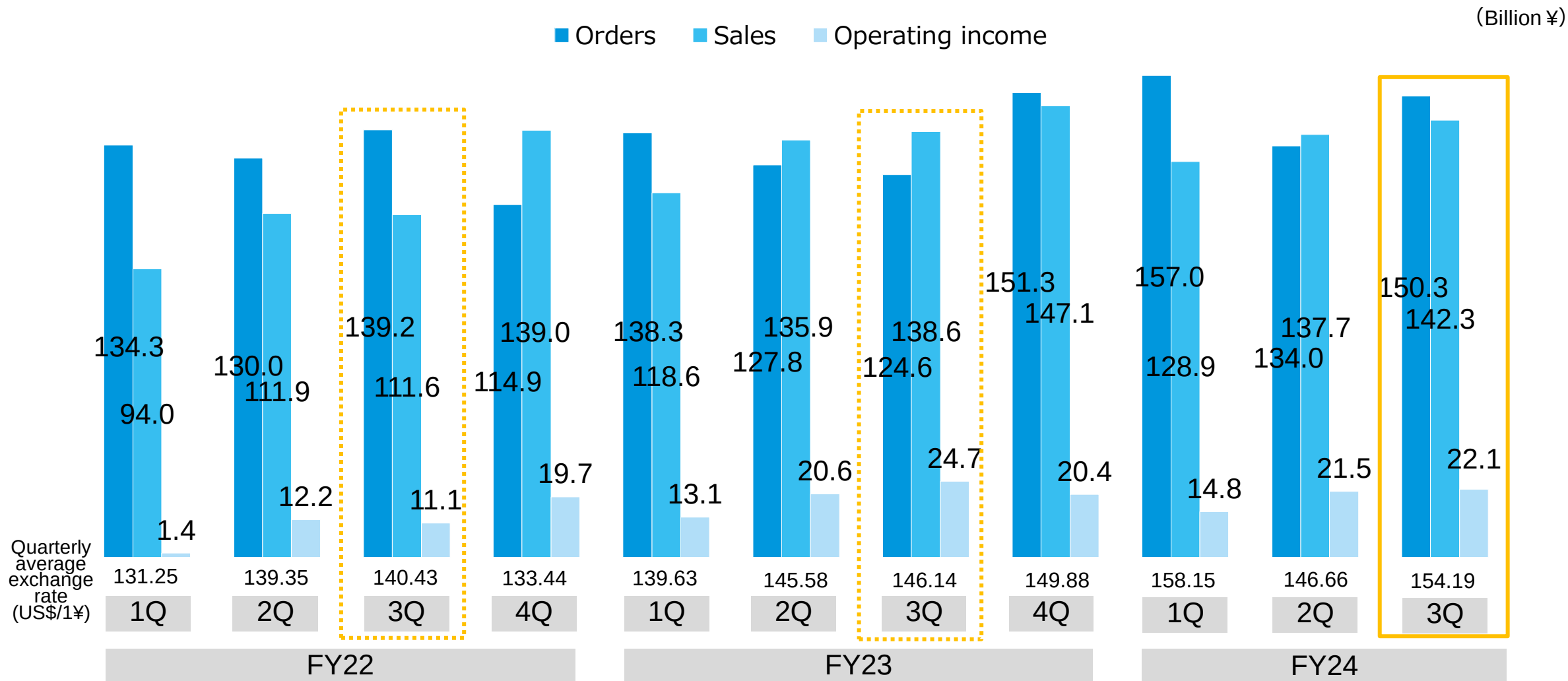
145.00

150.00

Financial Appendix:

- Quarterly Financial Results
- Non-operating / Extraordinary Income and Expenses
- Order Backlog Trend by Segment
- Order Backlog Trend by Control Subsegment
- Control Segment Order Trend by Project Size
- Trend of R&D Expenses, Depreciation, and CAPEX
- Trend of Balance Sheet
- Trend of Stock Price

Appendix: Quarterly Financial Results



Appendix: Non-operating / Extraordinary Income and Expenses

	FY23 1Q-3Q	FY24 1Q-3Q
Operating income	58.4	58.4
Non-operating income	5.6	5.1
Non-operating expenses	2.9	2.7
Ordinary income	61.0	60.8
Extraordinary income	16.7	3.3
Extraordinary expenses	6.2	5.3
Income before tax	71.4	58.9
Tax, etc.	19.3	20.2
Profit attributable to owners of parent	52.1	38.7

(Billion ¥)

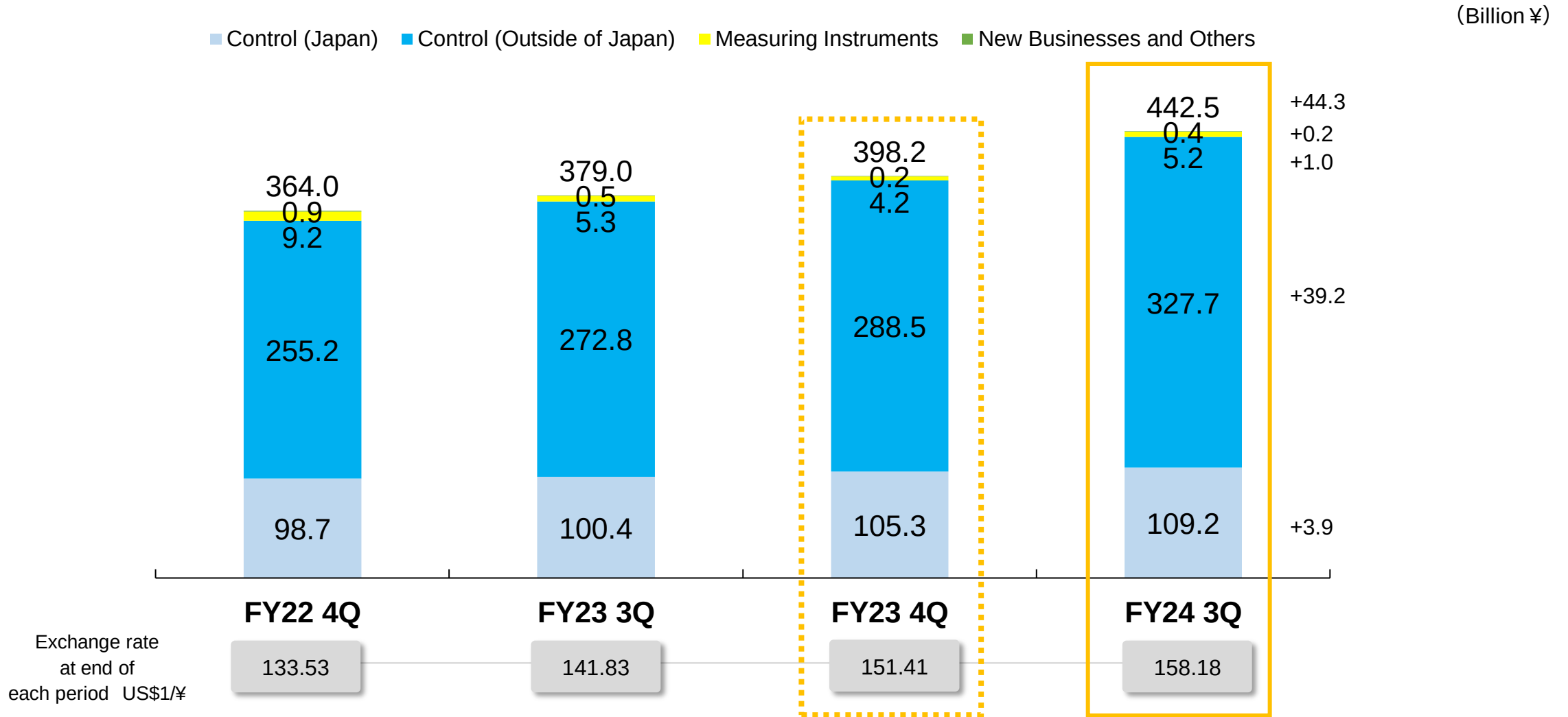
(Effective tax rate)

22.5%

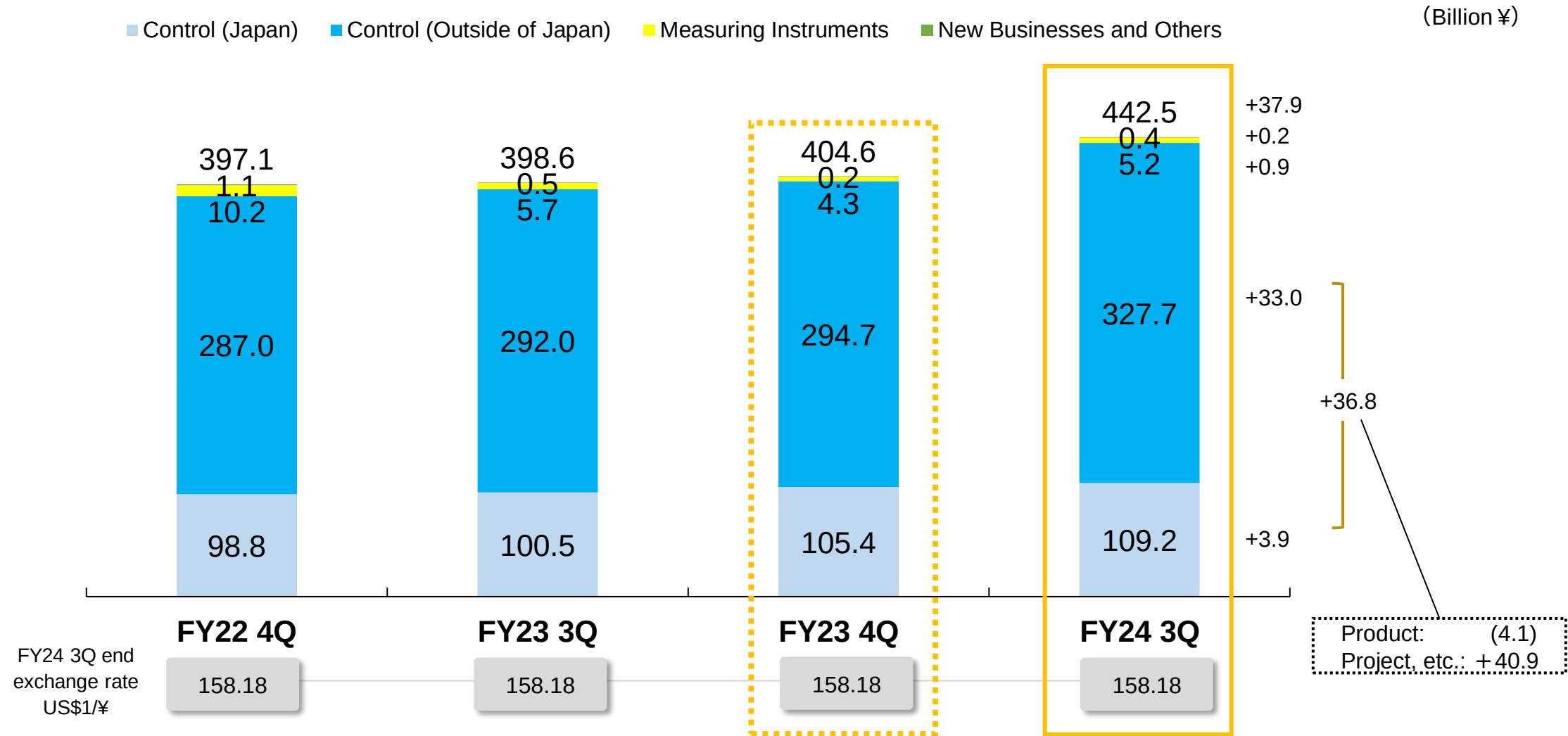
29.7%

FY23 1Q
Gain on sale of investment securities ¥16.5 billion

Appendix: Order Backlog Trend by Segment



Appendix: Order Backlog Trend by Segment (using FY24 3Q end exchange rate)

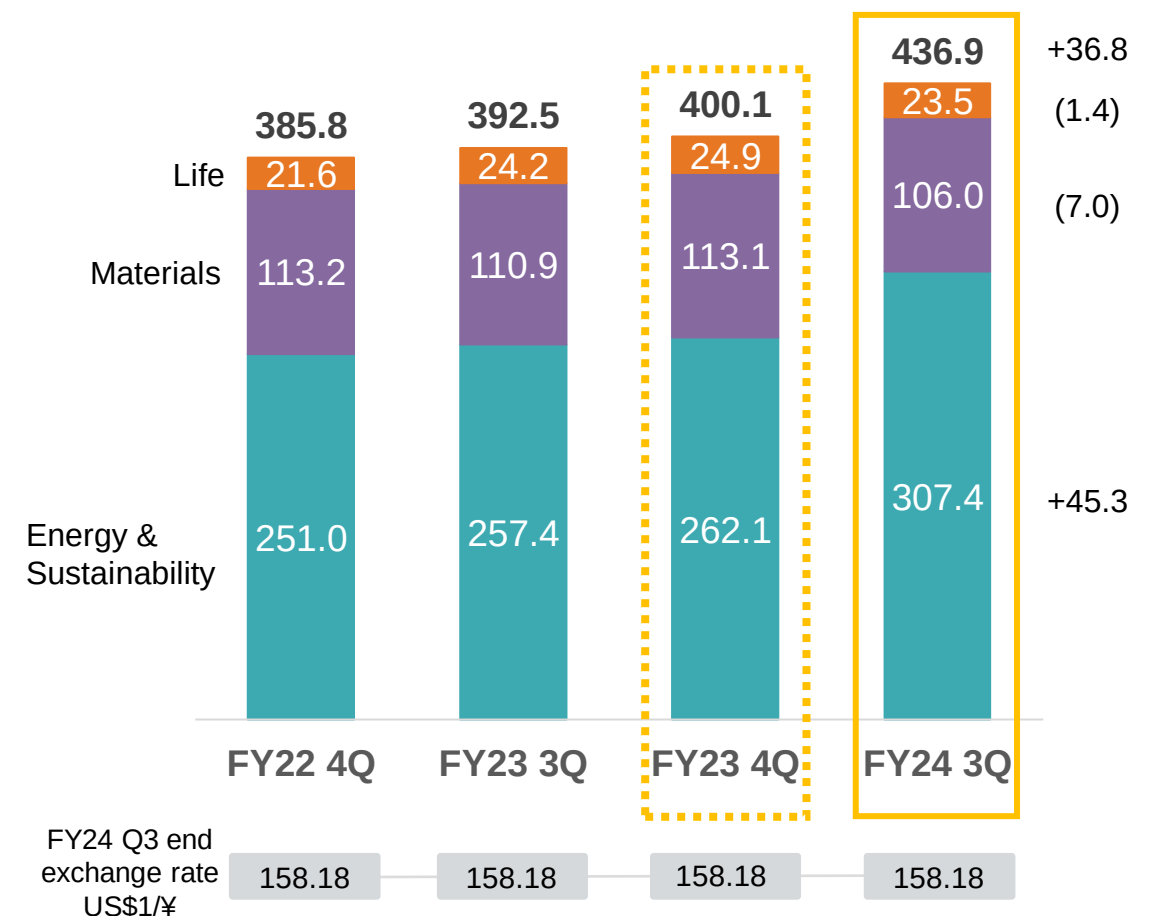
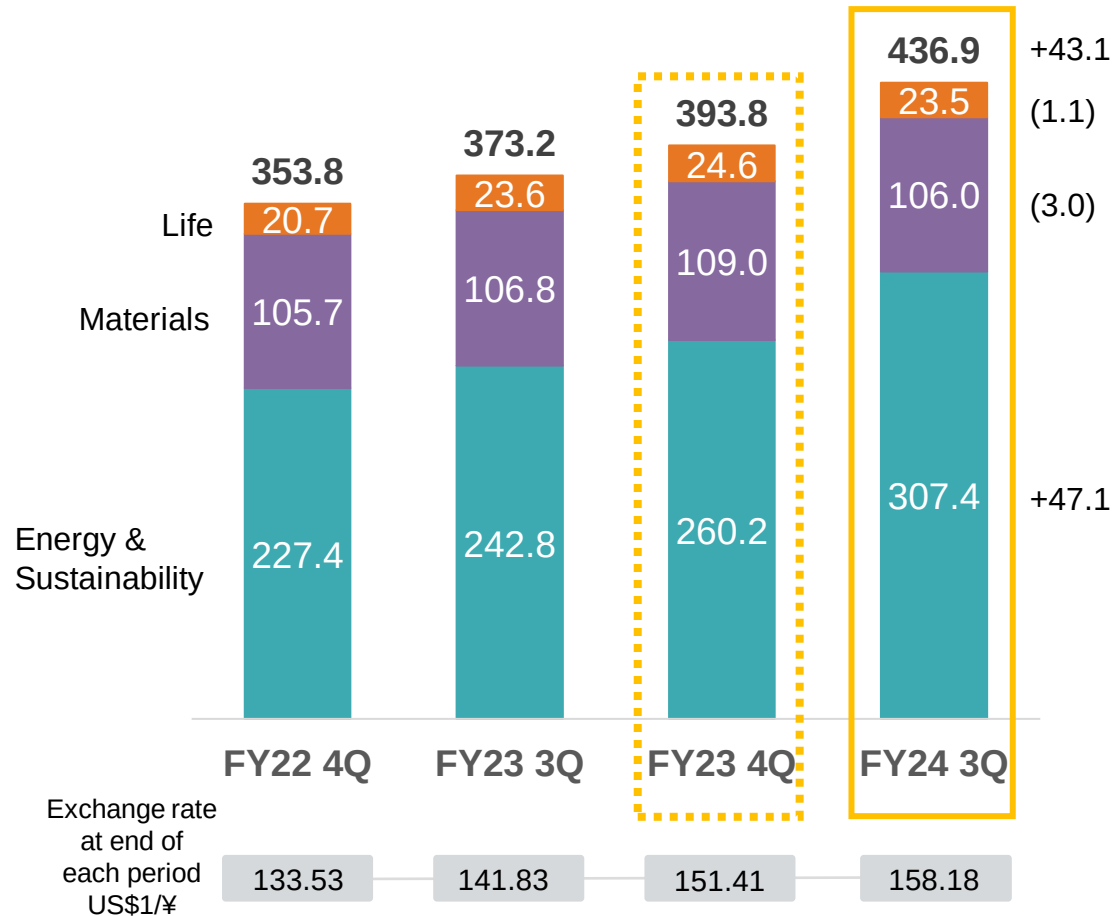


Appendix: Order Backlog Trend by Control Subsegment

(Billion ¥)

@Exchange rate at end of each period

@FY24 3Q end exchange rate



Appendix: Control Segment Order Trend by Project Size

Large orders (¥300 million or larger) make up 10-15% of the control segment's revenue.

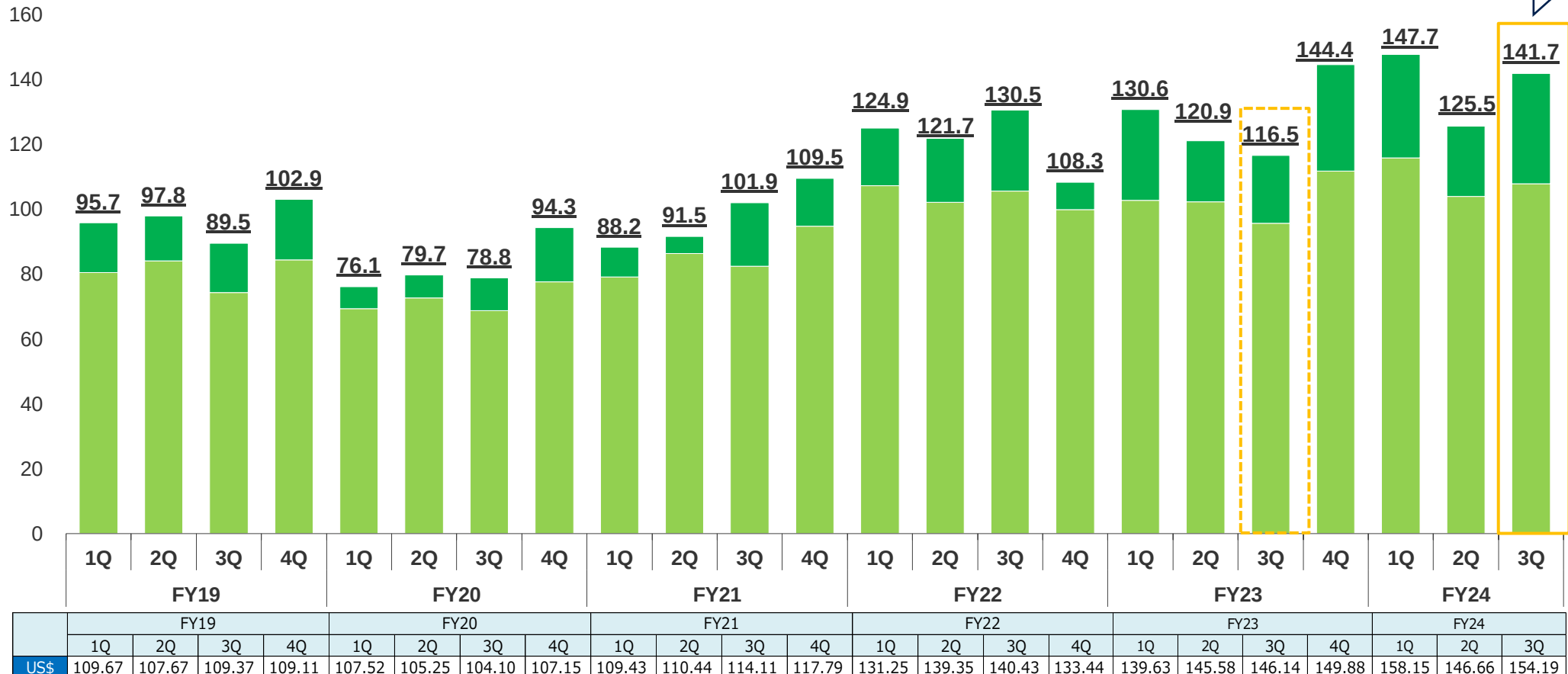
* 3MUS\$

Base orders*¹

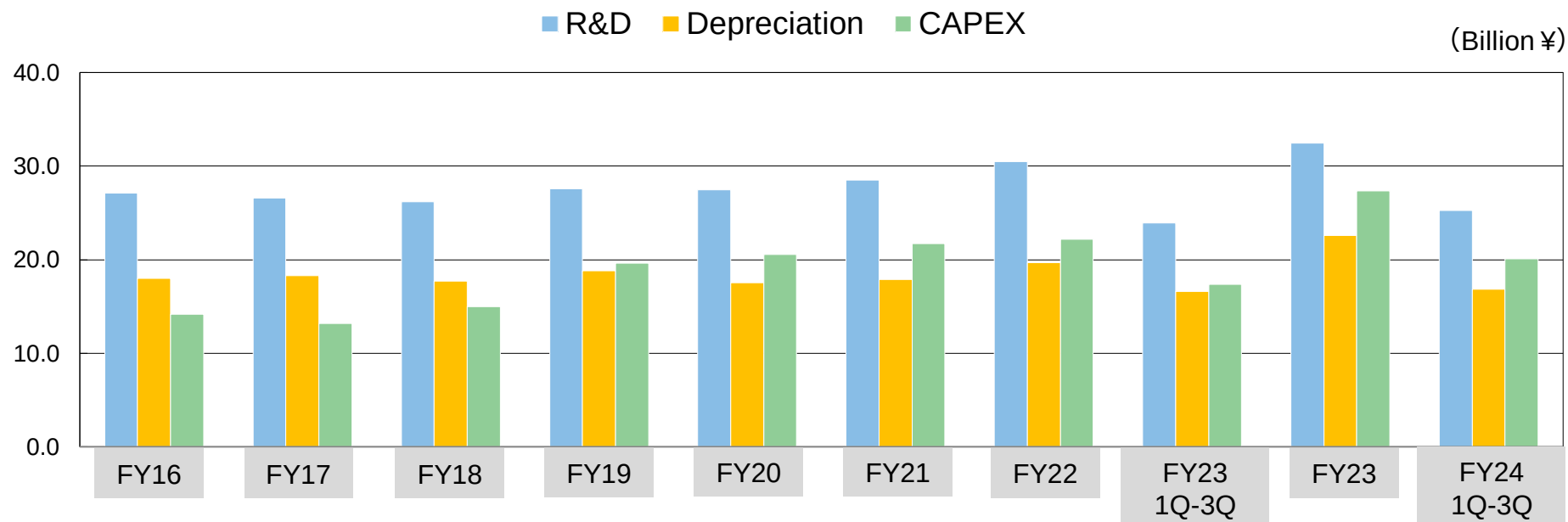
Large orders*²

(Billion ¥)

Figures from FY20 onward have been revised based on the new segmentation



Appendix: Trend of R&D Expenses, Depreciation, and CAPEX

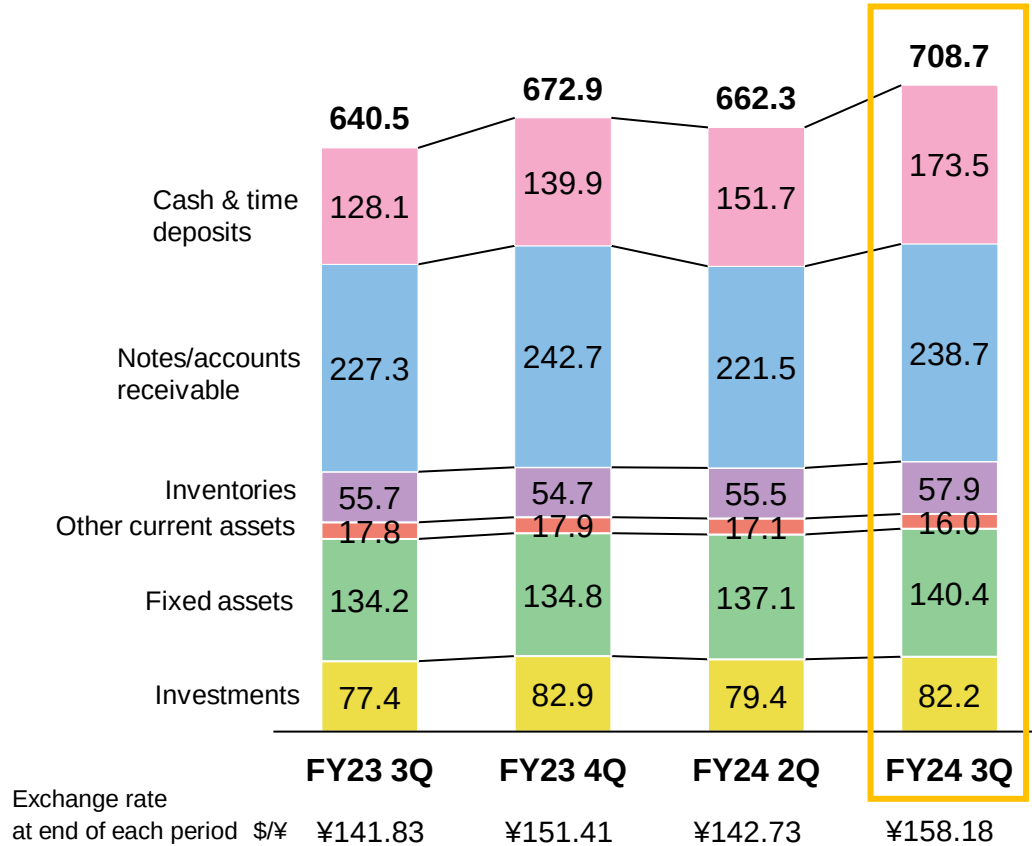


	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23 1Q-3Q	FY23	FY24 1Q-3Q
R&D expenses (% of sales)	27.1 6.9%	26.6 6.5%	26.2 6.5%	27.6 6.8%	27.5 7.3%	28.5 7.3%	30.5 6.7%	23.9 6.1%	32.4 6.0%	25.3 6.2%
Depreciation (% of sales)	18.0 4.6%	18.3 4.5%	17.7 4.4%	18.8 4.6%	17.6 4.7%	17.9 4.6%	19.7 4.3%	16.6 4.2%	22.6 4.2%	16.9 4.1%
CAPEX (% of sales)	14.2 3.6%	13.2 3.2%	15.0 3.7%	*19.6 4.9%	20.6 5.5%	21.7 5.6%	22.2 4.9%	17.4 4.4%	27.4 5.1%	20.1 4.9%

*The Group's consolidated subsidiaries outside Japan have adopted IFRS 16 (Leases) from FY19.

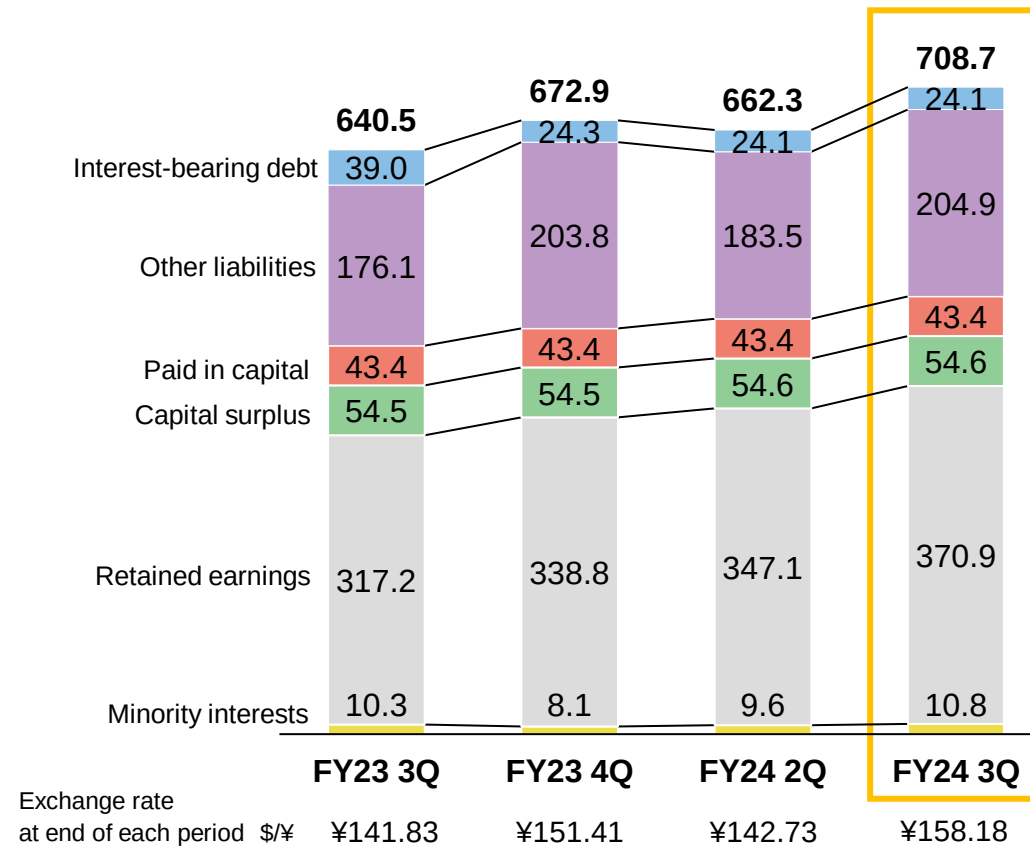
Appendix: Trend of Balance Sheet

Assets

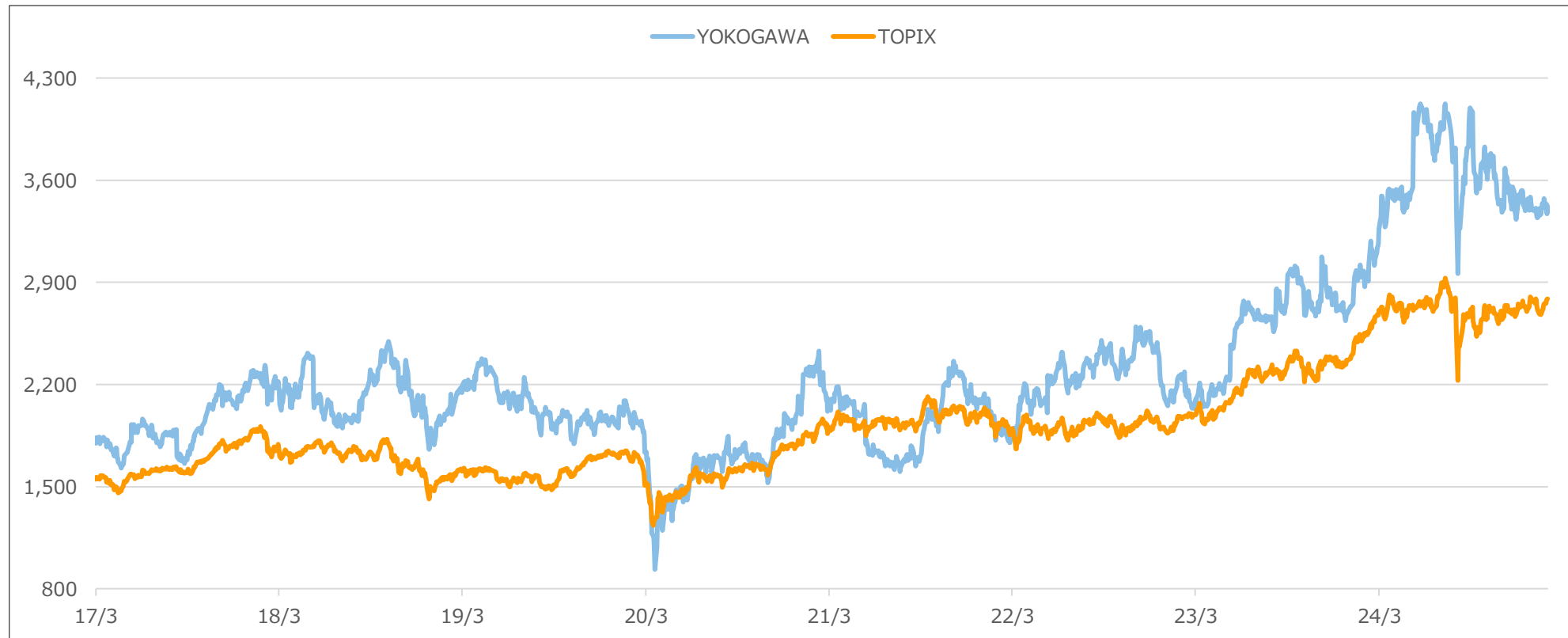


Liabilities and equity

(Billion ¥)



Appendix: Trend of Stock Price



(¥)

	17/3	18/3	19/3	20/3	21/3	22/3	23/3	23/6	23/9	23/12	24/3	24/6	24/9	24/12	25/1/31
YOKOGAWA	1,752	2,198	2,291	1,303	2,038	2,099	2,150	2,651	2,889	2,689	3,494	3,890	3,655	3,398	3,424
TOPIX	1,512	1,716	1,592	1,403	1,954	1,946	2,004	2,289	2,323	2,366	2,769	2,810	2,646	2,785	2,789

Disclaimer

The information pertaining to our business plans and forecasts that has been provided in this presentation and at analyst meetings contains forward-looking statements that are based on our management's current knowledge and require the making of assumptions about future events.

As such, it cannot be guaranteed that these statements will not differ materially from actual results.

Yokogawa undertakes no obligation to publicly update or revise any forward-looking statements after the issue of this document except as provided for in laws and ordinances.

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The information has not been restated to reflect the revision of the initially allocated acquired costs that was decided upon finalization of the tentative accounting treatment and application of the "Partial Amendments to Accounting Standard for Tax Effect Accounting."

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