Chapter 4

Business Strategies

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IA & Control Business

Energy & Sustainability Business



VISION

Our business contributes to realizing a resilient and sustainable society and to enhancing corporate value by supporting safe and optimal operations of the entire value chain of production, supply, utilization and recycling of diversified energy and water.

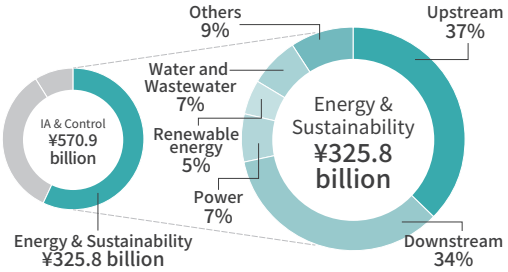
Business Overview

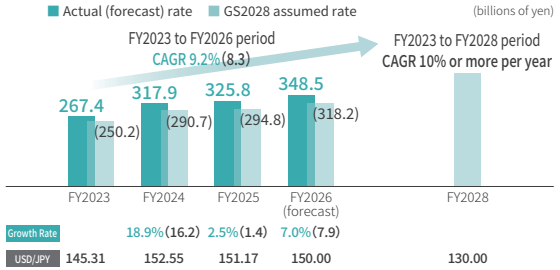
Our business covers the entire energy supply chain, ranging from the production, refining, and transportation of oil & gas to the optimal control of electricity and renewable energy generation facilities and power transmission and distribution networks. By supporting our customers to operate safely and optimally across their energy value chains, we help address the continuing increase in energy demand and contribute to the creation of a low-carbon society. At the same time, we also make contributions to water business, which is essential for people's well-being (a prosperous life for all).

Yokogawa's Strengths

- Integration capabilities in comprehensive systems including other companies' products, and excellent project execution capabilities
- A globally distributed, large installed base and long-term relationship of trust with customers
- Solutions that can contribute to energy transition across customers' entire value chains

FY2025 Orders and Industrial Composition / Trends in Orders





■ Initiatives for GS2028

Strategy Overview

In the oil & gas field, demand is expected to grow over the medium to long term, driven by factors such as increased focus on energy security, population growth, and rising demand for electricity. Particularly in the gas sector, investment activity remains strong globally, and it continues to be our key focus industry. In addition, as investment in DX accelerates, autonomous operation and control utilizing AI are contributing to more advanced operations and labor savings.

In the low-carbon energy field, we leverage the expertise of acquired companies to support the commercialization of renewable and clean energy. We are also pursuing participation in next-generation nuclear power projects. In particular, CCS*1 and CCUS*2, which are primarily requested by existing customers in the oil & gas field, are considered the closest to commercialization, and we are focusing on their development.

In the water field, we are expanding our business by emphasizing innovative solutions, including leakage management for non-revenue water*3 reduction and water recycling, in addition to water distribution and desalination of seawater.

Furthermore, we seek to broaden our portfolio and achieve overall business growth through the acquisition of new expertise in specialized areas and the expansion of sales channels.

Contributing to Stable Power Supply at Large-Scale Wind Power Plant

While the use of renewable energy continues to expand steadily, power generation from solar and wind energy fluctuates significantly depending on weather conditions, posing challenges to ensuring a stable power supply. This makes the use of battery storage and enhanced grid connection essential. Yokogawa provides solutions that address these challenges by broadening its portfolio.

A case in point is the project announced in March 2026 for a wind power plant that utilizes battery storage in Hokkaido operated by Cosmo Eco Power Co., Ltd. Cosmo Eco Power's wind power plant will be capable of generating 94.6MW of electricity and is expected to start operation in 2029. The plant will play an active role in providing much-needed power to the region. The plant is required to operate in compliance with the region's grid code*4 while absorbing fluctuations in power generation.

To address this challenge, we will offer a solution that combines the Power Plant Controller (PPC) from BaxEnergy, a Yokogawa company, with the Tesla Megapack as the project's energy storage solution and provide seamless, integrated support for customers. BaxEnergy's PPC supports international grid codes and offers high scalability, ranging from medium to large-scale installations, while ensuring the steady provision of grid-compliant power for medium and high-voltage systems. This project marks BaxEnergy's first deployment in the Japanese market.

Yokogawa will continue to provide more value to our customers and work together with them toward achieving a sustainable, decarbonized society.



Planned construction site of the Shimamaki-Kuromatsunai Wind Farm
(Photo courtesy of Cosmo Eco Power Co., Ltd.)

*1 CCS: Carbon Capture and Storage
*2 CCUS: Carbon Capture, Utilization and Storage
*3 Non-revenue water: Water that has been produced and is lost before reaching the customer due to leaks, theft, or metering inaccuracies. It represents a major challenge for utilities in improving efficiency and reducing costs.
*4 Grid code: A comprehensive set of conditions encompassing a wide range of rules that facilities connected to the power system and market must comply with.

Energy & Sustainability Business

	Business Opportunities and Risks	Key Measures and Focus Regions	GS2028 Achievements and Challenges to Date
Upstream/ Downstream **CAGR target 5% or more**	**Business Opportunities** ● Forecasted increase in total project investment, with growing demand and investment in gas as a long-term base energy source ● Active investment in regions other than the Middle East in line with demand for diversified energy supply chains ● Successive materialization of carbon-neutral investments, such as CCS/CCUS, alongside oil & gas production increase ● Increased investment in DX for operational efficiency improvement, unmanned and remote operations, and other purposes (especially for cybersecurity enhancement) **Risks** ● Intensifying price competition in green-field projects, or new-build projects (particularly in North America, India, and China) ● Delays in investment decisions and rising costs due to changing global environment	**Key Measures** ● Focusing on CAPEX project orders driven by strong demand and investments. Prioritizing gas and LNG sectors, due to their particularly high demand ● Strengthening the OPEX business through collaboration with the Digital Solutions HQ ● Expanding know-how gained from AI and digital transformation (DX) projects, mainly in the Middle East, to other regions. Focusing on accelerating the global deployment of the autonomous control AI (FKDPP) ● Building a system to optimize the value chain and delivering value through System of Systems (SoS) ● Deploying cybersecurity expertise and successful practices globally **Focus Regions** Middle East, Southeast Asia, North America, India, China	**Achievements** ● Implemented multiple coordinated autonomous control AI (FKDPP) agents at Saudi Aramco's major gas facility ● Packaged robotics expertise gained through on-site demonstrations with customers as OpreX Robot Management Core, and expanding global sales ● Established a Center of Excellence (CoE) for AI, Robotics, and Cybersecurity in the Middle East ● Selected as the Main Automation Contractor (MAC) for the Commonwealth LNG project in the United States **Challenges** ● Further strengthening our proposal capabilities to secure CAPEX in regions with intense price competition
Low carbon energy	**Business Opportunities** ● Achievement of low-carbon emissions in the oil & gas sector ● Promotion of the practical application of low-carbon hydrogen and low-carbon ammonia ● Focus on the adoption of CCS/CCUS technologies for capturing, utilizing, and storing CO_2 ● Reevaluation of nuclear power in the context of energy security and decarbonization **Risks** ● Lowered investment appetite due to delays in technology development and high costs ● Concern over stagnation of government support	**Key Measures** ● Focusing on CCS/CCUS projects by leveraging oil & gas installed base ● Supporting the decarbonization of current hydrogen production and utilization plants ● Promoting initiatives to efficient scheme among multiple industries that are beneficial to achieving low-carbon emissions (cross-industry collaboration) ● Participating in next-generation nuclear power projects **Focus Regions** Europe, North America, China, Australia	**Achievements** ● Order received for FEED*1 related to control, telecoms, and overall system integration for the Aramis Project, the largest carbon capture and storage project in northwest Europe ● Joined forces with Rolls-Royce SMR to deliver data processing and control systems **Challenges** ● Swift responding to customers' technological innovations and low-cost requirements
Renewable energy **CAGR target 20% or more**	**Business Opportunities** ● Diversification of regions, customers, applications, and so forth ● Need for optimal utilization of power generation facilities to enhance operational efficiency and profitability ● Growing investment activity, particularly in smoothing fluctuations in power generation inherent in renewable energy by combining solar or wind power with BESS*2 **Risks** ● Business withdrawal and postponement of FID (Final Investment Decision) due to high costs attributed to inflation ● Concern over stagnation of government support	**Key Measures** ● Further increasing our market share in waste and biomass power plants by leveraging the products and technologies of the acquired companies ● Providing comprehensive solutions, including L3 solution, and expanding BESS business in solar and wind power applications ● Expanding the portfolio to support global business expansion **Focus Regions** Europe, Japan, Southeast Asia, North America, India	**Achievements** ● Acquired Intellisync Srl and WiSNAM Srl, strengthening cybersecurity and grid management solutions ● Providing a Power Plant Controller (PPC) and batteries for Cosmo Eco Power's wind power plant in northern Japan **Challenges** ● Increasing global recognition and market share ● Addressing lack of resources for large-scale projects
Water and Wastewater **CAGR target 10% or more**	**Business Opportunities** ● Improvement of water infrastructure facilities such as water leakage management toward reduction of non-revenue water ● Growing need for measures against per- and poly-fluoroalkyl substances (PFAS) **Risks** ● Many competitors exist in each region and country ● Concern over stagnation of government support	**Key Measures** ● Developing the water PPP (Public-Private Partnership) market in Japan ● Further strengthening presence in seawater desalination projects ● Developing the market for water leakage management in Southeast Asia ● Increasing our share of the water market by leveraging the acquisition of Adept Fluidyne Pvt. Ltd., a flowmeter manufacturer in India **Focus Regions** Japan, Middle East, North America, Southeast Asia, Australia	**Achievements** ● Delivered CI server, Exaquantum, etc. to Melbourne Water, enabling centralized monitoring of information from 10 sites. Concluded a 7-year long-term maintenance contract ● Launched OpreX Water Loss Management System OW-LS that detects and manages water leakage **Challenges** ● Increasing global recognition and market share ● Establishing an organizational structure for expanding the global market

Participating in Next-Generation Nuclear Power Projects

With the growing need for energy security and decarbonization, as well as rising demand for electricity, nuclear power is being reassessed worldwide. In particular, countries are moving forward with the development and deployment of small modular reactors (SMR) as a reliable next-generation power source. Against this backdrop, Yokogawa has entered into a strategic relationship with Rolls-Royce SMR Limited and is participating in the development and delivery of the main control system for its SMRs planned for the UK, the Czech Republic, and Sweden. Through collaboration with our customers, we will work to create new value in the next-generation nuclear power field and contribute to achieving a sustainable society.

*1 FEED: Front End Engineering Design, basic design that takes place after the conceptual design and feasibility study during the project initiation phase
*2 BESS: Battery Energy Storage System. A general term for systems that store generated electricity in batteries and discharge it for supply when needed

IA & Control Business

Materials Business



VISION

Drawing on long-standing relationships of trust with customers in the materials industry and beyond, we support them in driving business transformation. Our ambition is to help realize a society that is both convenient and comfortable, and a circular economy in harmony with the global environment.

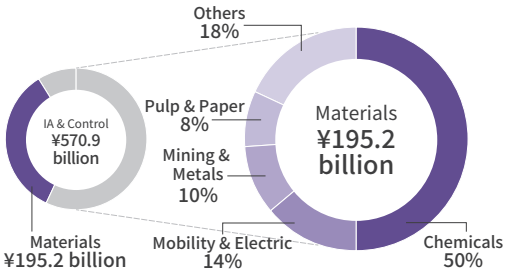
Business Overview

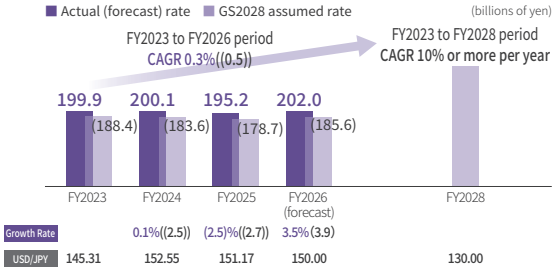
We cover a broad range of business areas centered on the materials industry. In addition to our focus industries such as chemicals and mining, we target new areas (high-growth industries) such as data centers and supply chain optimization, and provide a combination of products, services, and solutions to meet their respective needs. Our business contributes to the realization of a new circular economy that enables both the development of a comfortable society and coexistence with the global environment. It provides solutions to customer challenges such as efficient energy use in production processes, recycling, and the shift to environmentally friendly materials.

Yokogawa's Strengths

- High-quality, highly reliable sensors, measuring instruments, and control system products, along with the ability to propose and execute solutions to complex challenges
- A large installed base worldwide combined with a globally integrated sales and service structure
- Long-term partnerships with leading companies in the materials industry, and extensive experience cultivated through these relationships

FY2025 Orders and Industrial Composition / Trends in Orders





■ Initiatives for GS2028

Strategy Overview

Building upon growth in our focus industries, we will take a targeted approach to new areas, aiming for a CAGR of 10% or more in both orders and net sales, including inorganic growth achieved through M&A.

Specifically, focusing on the chemical industry, which accounts for half of our net sales, we will deepen relationships with key customers through an approach of identifying and resolving customer challenges. Building on our long-established control systems business, we will provide batch solutions for specialty and fine chemical plants and autonomy solutions for large-scale continuous process plants. At the same time, we will endeavor to further expand the customer base by leveraging channel sales.

In the mining industry, a growth market, demand for mineral resources is on the rise against the backdrop of decarbonization. We will address management issues related to environmental impact mitigation, safety, and remote and automated operations by providing solutions that leverage Yokogawa's strengths in measurement and control, thereby supporting the optimization and automation of mining operations. We will also deploy the expertise gained in Australia and South America globally and build relationships with resource majors worldwide.

Furthermore, we will seek to capture new business opportunities in new areas, such as data centers and supply chain optimization for the materials industry.

Key Measures

Products & Solutions \ Market	Existing	New
New	**Expand the solution business by deploying industry expertise** ● Leverage specialized personnel such as SMEs*1 to deploy industry expertise in focus regions ● Enhance batch solutions and expand business for specialty and fine chemicals, including semiconductor materials ● Expand DX solution offerings for mining customers **Expand the customer base through channel business** ● Offer new products and solutions through channel partners to accelerate outreach to mid-sized customers	**Optimize the entire supply chain and realize SoS** ● Address growing need for supply chain optimization in the materials industry, driven by geopolitical risks and other factors ● Expand business opportunities through SoS that connects headquarters with plants, and companies with one another ● Develop comprehensive supply chain optimization solutions from production to logistics, including consulting services
Existing	**Strengthen the customer base in chemicals and mining & metals** ● Clarify target industries, areas, and offerings based on regional characteristics ● Deploy SMEs and sales personnel in focus regions to strengthen solution proposal capabilities for key customers ● Build trust starting with L1*2 business and expand the scope of offerings to customers	**Capture business opportunities for data centers** ● Capture demand for control systems for data centers driven by the expansion of the AI market ● Expand the solution portfolio for data centers, including flowmeters, valves, and optical measuring instruments

*1 SME (Subject Matter Expert): Industry experts and consulting professionals *2 L1: Data generation and collection level

Materials Business

	Business Opportunities and Risks	Key Measures and Focus Regions	GS2028 Achievements and Challenges to Date
Chemicals CAGR target 10% or more	**Business Opportunities** ● Solid outlook for the chemical industry as a whole through 2030, driven by growth in the specialty and fine chemicals field ● Increasing demand for high-mix, low-volume production (batch manufacturing) ● Growing investment in the development of recycled raw materials and related technologies, as well as in decarbonization in specific regions **Risks** ● In the chemical industry as a whole, trends among DCS vendors ● In specialty and fine chemicals (batch production), small-scale systems also face global competition from PLC vendors ● Impact of geopolitical risks and individual countries' economic policies on capital investment	**Key Measures** ● Strengthening relationships with key customers, especially in overseas markets ● Strengthening problem-solving capabilities by hiring SMEs ● Enhancing solutions for batch production in the specialty and fine chemicals market ● Expanding the customer base by leveraging channel sales **Focus Regions** India, North America, Middle East, South Korea, and Southeast Asia	**Achievements** ● Secured orders for large-scale projects in focus regions ● Hired SMEs in each region, contributing to order acquisition activities ● Expanded the portfolio for batch production **Challenges** ● Expanding business, particularly overseas, by developing accounts in line with regional strategies ● Expanding sales of solutions by leveraging SMEs ● Building the channel partner network and expanding sales
Mining & Metals CAGR target 10% or more	**Business Opportunities** ● Growing demand for mineral resources—including copper, nickel, and lithium—due to the energy transition driven by decarbonization ● Growing need for optimized and autonomous operations across entire mining sites, including enhanced safety, advanced control and maintenance, and remote operation capabilities. ● In the steel industry, increased investment and construction of new plants in focus regions **Risks** ● Global competition with PLC vendors with strong capabilities in the equipment industry and major vendors with expertise in the heavy electrical field ● Impact of resource price fluctuations, geopolitical risks, and individual countries' economic policies on capital investment	**Key Measures** ● Building a sales structure for resource majors ● Strengthening problem-solving capabilities by leveraging the Global Mining Center of Excellence (CoE) ● Expanding the provision of solutions for optimizing mining operations ● In the steel industry, strengthening proposals to customers in focus regions in the steel industry **Focus Regions** North America, South America, Australia, India, Europe, and Middle East	**Achievements** ● Established the Global Mining CoE, contributing to order acquisition activities ● Accelerated the development of a platform for optimizing mining operations and secured orders **Challenges** ● Strengthening relationships with customers, particularly resource majors ● Increasing industry recognition ● Expanding the solution offerings to address customers' on-site challenges

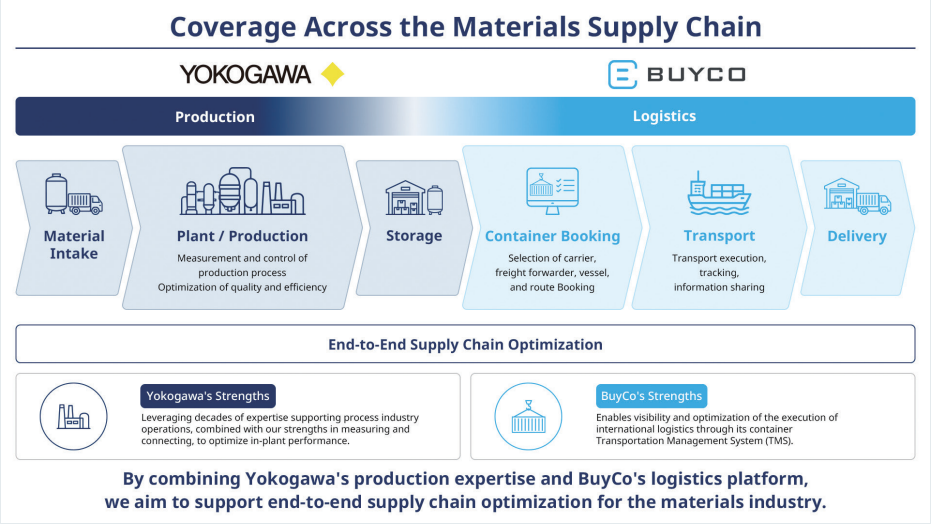
Yokogawa Signs Distribution Agreement with BuyCo for its Container Transport Management SaaS — Advancing Supply Chain Optimization Solutions for the Materials Industry —

In June 2026, Yokogawa entered into a distribution agreement with France-based BuyCo, a provider of a Software as a Service (SaaS) solution for the management of the transport of shipping containers. Yokogawa will offer BuyCo's Transportation Management System (TMS) to companies primarily in the materials industry.

In recent years, the materials sector has had to contend with rising complexity in global supply chains, heightened geopolitical risks, and stricter environmental regulations, especially in the chemicals industry. Rising transportation costs and the need to manage greenhouse gas emissions and respond to fluctuations in demand have become key management concerns. However, in many cases, companies in these industries have not taken an integrated approach to optimize their production and logistics operations, making it difficult to manage entire supply chains in an integrated and holistic fashion.

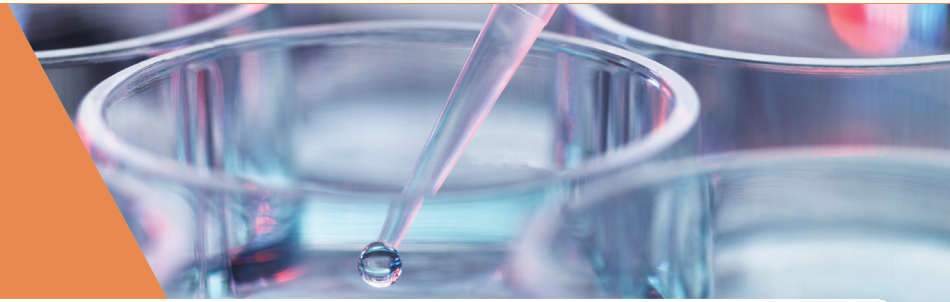
Yokogawa has focused on supporting the automation and optimization of operations at individual plants in the process industries and is expanding the scope of its support through consulting services and digital solutions to optimize entire supply chains. This agreement with BuyCo represents a major step in that direction, focused on container transport management. Currently, over 12,000 users around the world rely on BuyCo's platform.

Building on our ability to measure and connect, Yokogawa aims to achieve integrated optimization spanning everything from customers' production operations to international logistics. Looking ahead, we intend to evolve this into a comprehensive supply chain management (SCM) solution that integrates demand forecasting, inventory optimization, and more.



IA & Control Business

Life Business



VISION

We will lead the world in advancing" Bio Industrial Autonomy (BIA)" and contribute to a future embracing global harmony.

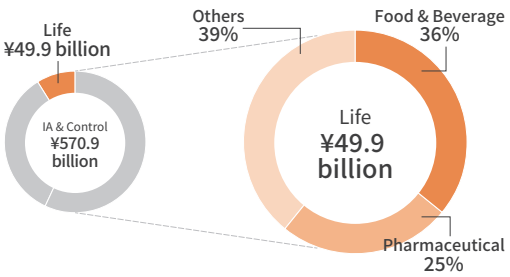
Business Overview

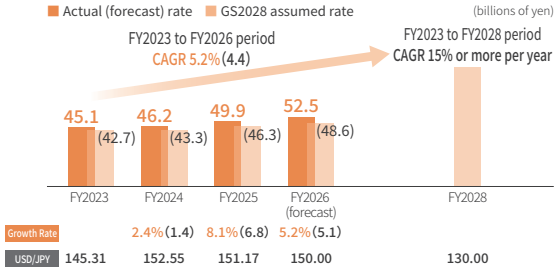
We engage in business serving the life sciences, pharmaceutical, food & beverage, and bio industries. The growing global population is expected to put a strain on the production and supply of food. Demand for pharmaceuticals is also rising steeply. We contribute to the supply of pharmaceuticals that save people's lives and health, and safe food everyone can eat with peace of mind. The Life Business provides solutions that support people's lives and protect health and safety.

Yokogawa's Strengths

- Relationships of trust built working side by side with customers and a strong track record in Japan
- The ability to make effective proposals possessed by our personnel who also have extensive knowledge and insights and fully understand characteristics unique to individual customers.
- A wide-ranging portfolio of products that help resolve customer challenges.

FY2025 Orders and Industrial Composition / Trends in Orders





■ Initiatives for GS2028

Strategy Overview

We expect that the markets for our business serving the life sciences, pharmaceutical, food & beverage, and bio industries will continue to grow stably, especially overseas. To expand our market share and increase sales as these markets grow, we will place the highest priority on enhancing the marketing capabilities of overseas bases and expediting product and solution development for the Life Business overall. As part of this effort, our overseas bases will be allocated more specialists in specific fields (SME*1) and sales staff and provided with greater support from global headquarters with a view to business expansion. In particular, we are strengthening the global rollout of our L3*2/L4 *3problem-solving solution business, which has been successful in Japan. Moreover, to expand business not only in existing markets but also into new markets, we will work to broaden our product and solution portfolio through M&A and alliances, on top of development and functional upgrades. Earning even greater trust from customers while increasing our visibility in the market through these initiatives, we will do our utmost to achieve the GS2028 targets.

*1 SME (Subject Matter Expert): Industry experts and consulting professionals
*2 L3: Manufacturing execution control level
*3 L4: Corporate management level

Message from the New Head of the Life Business Headquarters

—Making the Life Business a Pillar of Yokogawa—



Morimitsu Yamazaki
Vice President & Executive Officer,
Head of Life Business Headquarters

To date, I have managed business operations at locations in Japan and overseas. Since the establishment of the Life Business Headquarters in fiscal year 2018, I have been involved in the Life Business and contributed to its growth in a variety of roles, including overseeing marketing and sales. These experiences have given me a strong sense of the social significance and growth potential of the Life Business. I believe it is both an important mission and a source of pride for us to contribute to fields that support people's lives and health, including pharmaceuticals, food & beverage, bio industries, and cosmetics. The Life Business Headquarters has achieved steady growth to date, but taking the business to the next level will require us to expand and further develop our business in global markets and create new value. I would like to develop the Life Business into a pillar that will support Yokogawa in the future, rather than merely one of Yokogawa's growth businesses. To this end, we will build a stronger foundation for the Life Business by broadening our solutions and services in the life sciences field, growing our problem-solving business, and leveraging M&A and alliances.

The Life Business has a mission to contribute to a future embracing global harmony and a vision to advance Bio Industrial Autonomy (BIA). In the life sciences, pharmaceuticals, food & beverage, and bio industries, we will connect the entire value chain, from research and development to production, logistics, and services, through data and automation. Together with customers, we will generate new value. As social issues become increasingly complex, expectations for the Life Business continue to grow. We will play an active role in creating a more prosperous and sustainable society by providing products and solutions that support the stable and timely supply of pharmaceuticals and the safe and reliable production of food.

I am passionate about the Life Business. That is why I believe in its potential more than anyone else. We will continue to take on challenges to grow the Life Business into a new pillar of Yokogawa.

Life Business

	Business Opportunities and Risks	Key Measures and Focus Regions	GS2028 Achievements and Challenges to Date
Food & Beverage Pharmaceutical **CAGR target 15% or more**	**Business Opportunities** ● Rising need for data integrity compliance ● Growing momentum toward continuous manufacturing to enhance production efficiency ● Emerging markets relating to regenerative medicine and peptide-based therapies ● Progress of remote operations, automation, autonomization, and digital transformation (DX) ● Expansion of the biopharmaceutical market **Risks** ● Presence of global suppliers among major Western manufacturers, alongside numerous small and mid-sized regional players ● Presence of overseas market leaders specializing in information systems	**Key Measures** ● Establish overseas IA business ● Provide comprehensive solutions (L1 through L4 products) that cover entire factory operations ● Accelerate global rollout of the problem-solving solution business ● Recruit and develop subject matter experts (SMEs) to strengthen our marketing capabilities for L3 and L4 products ● Boost recognition through exhibitions and events focused on key regions ● Strengthen activities in bio businesses **Focus Regions** Europe, North America, China, India, Japan	**Achievements** ● Delivered integrated control systems for urban infrastructure in Green Riyadh, Saudi Arabia's capital greening project (October 2025) **Challenges** ● Strengthening engineering resources ● Enhancing recognition and expanding implementation track record globally
Life Sciences **CAGR target 15% or more**	**Business Opportunities** ● Growing demand for automation aligned with Pharma 4.0*1, from laboratories to production ● Increasing need for sophisticated and automated laboratory experimentation ● Acceleration of digital transformation (DX) utilization ● Advancement and increasing complexity of data analysis **Risks** ● Two major competitors holding broad portfolios and significant market share in the laboratory automation market, as well as the presence of strong players in individual segments	**Key Measures** ● Expanding the provision of laboratory automation solutions for experimentation and testing ● Intensifying sales activities and enhancing service plans for life sciences products (e.g., CSU, HCA, and single-cell analysis solutions) ● Strengthening marketing activities to improve visibility and recognition **Focus Regions** North America, Europe, China, Japan	**Achievements** ● Achieved record-high orders and sales in FY2025 ● Obtained a patent for plant genome editing method using Single Cellome™ Unit SU10 (March 2026) **Challenges** ● Enhancing recognition and expanding implementation track record globally ● Strengthening production capacity in response to strong order and sales performance

*1 Pharma 4.0: An industry concept aimed at advancing pharmaceutical development, manufacturing, and quality control through the use of digital technologies and automation

Yokogawa to Deliver Integrated Control Systems for Urban Infrastructure in Green Riyadh Project

Green Riyadh is a national initiative being promoted as a key element of Saudi Vision 2030. Its objective is to transform Riyadh into one of the world's most livable cities through urban greening, enabling residents to lead healthier and more sustainable lives. Yokogawa was awarded a contract by the Royal Commission for Riyadh City to provide the necessary systems, solutions, and services for the main command and control center of the project.

The project will plant 7.5 million trees across parks, public facilities, healthcare centers, and roads by 2030, increasing green space per capita from 1.7 to 28 square meters. Treated wastewater will be utilized for irrigation, contributing to environmental, economic, and social sustainability. Yokogawa provides its OpreX™ Collaborative Information Server and OpreX Intelligent Manufacturing Hub as a unified platform for the main command and control center. These solutions integrate diverse urban infrastructure data, including environmental monitoring sensors, weather information, and operational databases, enabling real-time monitoring, predictive analytics, and rapid decision-making to optimize the management of water resources, irrigation, and park lighting systems.

Through its contributions to the advancement of social infrastructure and sustainable urban development, Yokogawa will continue to support similar initiatives in the region and globally and contribute to the realization of a sustainable society.



Riyadh, Saudi Arabia

Measuring Instruments Business



VISION

We will contribute to the realization of a sustainable society by providing measuring instruments, which are known as the mother tools of industry, and thereby assisting the growth of industries that facilitate the advancement of a digital society and support people's comfortable lifestyles, and aiding the innovation of electrical equipment in terms of energy saving and loss reduction.

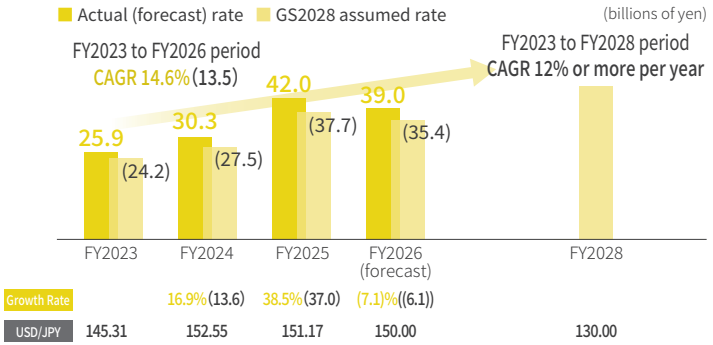
Business Overview

Our business provides a wide variety of unique high-precision measurement solutions: electrical measuring instruments that gauge electricity, etc.; optical measuring instruments that quantify the wavelengths and power of light; manometers; and software-based measurement systems. Through the provision of these solutions, we contribute to solving our customers' challenges in improving the energy efficiency of various devices, innovating data communications, laying fiber optic cables, and maintaining their plants. We focus on three fields: the next-generation communications field where all-photonics networks and other revolutionary technological advances are being made; the field contributing to realizing a decarbonized society, the primary examples being renewable energy, electric mobility, and batteries; and the industrial field that supports people's well-being through such services as the assessment of environmental and healthcare devices.

Yokogawa's Strengths

- High-precision sensing technology refined over many years of business operations
- Highly reliable product design technologies developed in the IA field that are capable of long-term stable operation and resistant to environmental changes
- Capability to deliver total solutions by accurately identifying customers' latent needs and integrating optical, electrical, and pressure-based technologies

Trends in Orders



■ Initiatives for GS2028

Strategy Overview

Under GS2028, we will continue, as we did under the previous medium-term business plan, to shift from a product-based business to a solution business that offers system products and comprehensively resolves customer challenges. To that end, we will focus not only on addressing the problems that customers are actually facing but also on identifying challenges that are yet to emerge but are likely to do so in the future, with the aim of generating new value through co-creation with customers.

At the same time, we will strategically invest in core technology development so that we can offer competitive solutions. To enable the early acquisition of technologies, we will actively utilize open innovation in addition to making in-house development efforts.

Improving electric energy efficiency is a must in realizing a sustainable society, and generative AI is causing exponential growth in data communications traffic. These two factors will serve as strong growth drivers for our business. We will firmly seize this window of opportunity in the market and develop unique measurement solutions that meet customer needs in order to accelerate our growth and thereby achieve the GS2028 targets.

Project Highlights

Expansion of the system measurement business

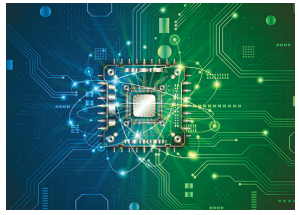
In fiscal year 2025, we launched the system measurement business, including a power evaluation system that performs IEC*1 compliance testing for power quality and a comprehensive evaluation system for battery chargers for electric mobility. Through communication with customers, we uncover latent needs and continuously develop new solutions.



Photonics-electronics convergence measurement solution

One of the technological innovations supporting the exponential growth in data communications traffic is photonics-electronics convergence technology, as exemplified by the NTT Group's IOWN concept.

Through its participation in the IOWN Global Forum, Yokogawa is developing measuring instruments needed to evaluate cutting-edge devices such as photonics-electronics convergence transceivers and optical waveguides, thereby supporting the early realization of photonics-electronics convergence.



*1 IEC: International Electrotechnical Commission

Measuring Instruments Business

	Business Opportunities and Risks	Key Measures and Focus Regions	GS2028 Achievements and Challenges to Date
Measuring Instruments Business **CAGR target 12% or more**	**Business Opportunities** ● Rapidly increasing shipments of optical transceivers for data centers, driven by the spread of AI, with annual growth of approximately 30% projected to continue ● Growing business opportunities in electrical energy measurement for high-efficiency power supplies and energy-saving devices in data centers facing power consumption challenges ● Acceleration of new technology development in response to growing demand driven by the recent advancement of electrification in the aerospace industry **Risks** ● Downturn in the optical transceiver market, which saw rapid growth in FY2025	**Key Measures** ● Expanding the measurement system businesses in the renewable energy and optical device production fields ● Accelerating implementation of measurement solutions for photonics-electronics convergence devices in the optical communications market ● Strengthening relationships with industry-leading companies to uncover latent needs and accelerate development of advanced products **Focus Regions** China, India	**Achievements** ● Achieved record-high orders for the Measuring Instruments Business in FY2025 ● Steadily expanded the business through the development of measuring instruments for the evaluation and production of optical communication devices for AI data centers and timely communication with customers ● Released the SL2000 high-speed data acquisition unit, a base product for system measurement **Challenges** ● Expanding production capacity to meet rapidly growing demand for optical spectrum analyzers ● Developing new growth markets as alternatives to the EV market, where investment remains sluggish

Case Studies

Demand for measuring instruments driven by AI data centers

As AI continues to advance, data traffic and power consumption are increasing. Yokogawa's measuring instruments play a key role in manufacturing the products that support this growth.

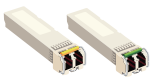
AI data center (server rack)

Demand related to high-speed optical communications



Growing demand related to high-speed optical communications driven by increasing data traffic

Optical communication devices (optical transceivers, etc.)



Rapidly increasing production of optical communication devices used for data communication between servers

Optical measuring instruments for communications (performance evaluation of optical communication devices)

AQ6361 Optical Spectrum Analyzer



AQ2300 Multi-Application Test System



Many customers that manufacture optical communication devices have adopted these instruments for their high resolution, accuracy, and high-speed measurement capabilities.

Demand for power equipment



Growing demand for power equipment driven by increasing power consumption

Power supply units



Urgent need to develop highly efficient power supplies to address the challenge of power consumption

Power analyzers and waveform measurement equipment (performance evaluation of power supplies)

WT5000 Power Analyzer



DLM3000 Mixed Signal Oscilloscope



Many power supply manufacturers have adopted power analyzers that measure power efficiency with high accuracy and oscilloscopes that support design verification and production and shipping inspection of power supplies.

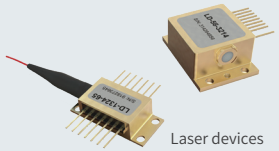
Growing demand for AI → **Increased production and improved performance of components** → **Growing demand for measuring instruments**

Supporting research and development of cutting-edge laser devices

Wideband wavelength measurement business

Today, laser devices are finding applications in an increasingly wide range of fields, including medical equipment, environmental analysis, and quantum engineering.

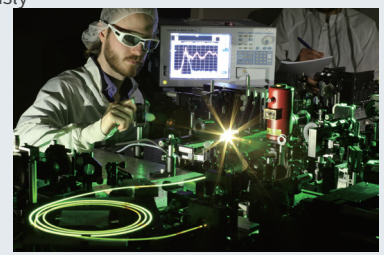
As research and development of next-generation laser devices accelerates, Yokogawa's optical spectrum analyzers, which employ unique monochromator technology*1, offer high-resolution measurement over a wideband wavelength range from the ultraviolet to the mid-infrared. The AQ6377E enables visualization of spurious*2 signals and fine features in the spectrum*3 in the infrared wavelength range that were previously undetectable, thereby contributing to device development at research laboratories around the world.



Laser devices



AQ6377E
Optical Spectrum Analyzer



*1 Monochromator technology: Technology that disperses light by wavelength and selects and detects specific wavelength components
*2 Spurious: Unwanted optical components at wavelengths other than the main wavelength
*3 Spectrum: Wavelength distribution of light