

**Consolidated Financial Results for the First Three Quarters of the Fiscal Year Ending March 31, 2011
(Japan GAAP)**

February 8, 2011

Name of Listed Company: Yokogawa Electric Corporation (the “Company” herein)
 Stock Exchanges Where the Company’s Shares Are Listed: Tokyo Stock Exchange, Section 1
 Stock Code: 6841 (URL: <http://www.yokogawa.com/>)
 Name and Position of the Representative: Shuzo Kaihori, President and Chief Executive Officer
 Name and Position of Person in Charge: Hikaru Kikkawa, General Manager of Public Relations & Investor Relations Dept.
 Telephone Number: +81-422-52-5530
 Planned Quarterly Report Filing Date: February 9, 2011
 Planned Dividend Payment Starting Date: —
 Quarterly Financial Results Supplemental Materials: Yes
 Quarterly Financial Results Presentation Meeting: Yes (for institutional investors)

(Any amount less than one million yen is disregarded.)

1. Consolidated business results for the first three quarters of the year ending March 31, 2011 (April 1, 2010-December 31, 2010)

(1) Results of operations on a consolidated basis (accumulated)

(Percentages show the change from the same period of the previous year.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
For first three quarters of year ending March 31, 2011	228,584	4.3	4,797	—	1,822	—	(4,779)	—
For first three quarters of year ended March 31, 2010	219,168	-19.7	(2,749)	—	(5,182)	—	(18,203)	—

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
For first three quarters of year ending March 31, 2011	(18.56)	—
For first three quarters of year ended March 31, 2010	(70.67)	—

(2) Financial conditions on a consolidated basis

	Total Assets	Net Assets	Shareholders’ Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of December 31, 2010	352,193	144,103	39.8	544.11
As of March 31, 2010	398,792	157,360	38.5	595.42

(Note) Shareholders’ equity: As of December 31, 2010: 140.140 billion yen As of March 31, 2010: 153.361 billion yen

2. Dividend status

	Dividends per Share				
	June 30	September 30	December 31	End of Term	Total
	Yen	Yen	Yen	Yen	Yen
For year ended March 31, 2010	—	0.00	—	2.00	2.00
For year ending March 31, 2011	—	0.00	—		
For year ending March 31, 2011 (forecast)				0.00	0.00

(Note) Adjustment on dividend forecast in this quarter: Yes

3. Business forecast for the year ending March 31, 2011 (April 1, 2010-March 31, 2011)

(Percentages show the change from the previous year.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Annual	328,000	3.6	11,000	320.0	8,000	—	(2,500)	—	(9.71)

(Note) Adjustment on consolidated business forecast in this quarter: No

4. Other (For the details, see item 2, "Other Information," on page 6 of the attachment.)
- (1) Changes to important subsidiaries during the period: No
(Note) This concerns changes to consolidated subsidiaries that accompany changes to specific subsidiaries.
- (2) Introduction of simplified accounting method and other specific accounting methods: Yes
(Note) The introduced methods are specifically for the creation of quarterly consolidated financial statements.
- (3) Changes to the principles/procedures for accounting or the method of display, etc.
 a. Changes accompanying revision of accounting standards: Yes
 b. Changes other than (a) above: No
 (Note) These are items that are listed as changes to important items that serve as the foundation for the creation of quarterly consolidated financial statements.
- (4) Number of shares issued (common stock)
- | | |
|---|--------------------|
| a. Number of shares outstanding at the end of the period (including treasury stock) | |
| For the 3rd quarter of the year ending March 31, 2011 | 268,624,510 shares |
| For the year ended March 31, 2010 | 268,624,510 shares |
| b. Treasury stock at the end of the period | |
| For the 3rd quarter of the year ending March 31, 2011 | 11,067,093 shares |
| For the year ended March 31, 2010 | 11,055,405 shares |
| c. Average number of shares in the period (quarterly consolidated accumulated period) | |
| For the 3rd quarter of the year ending March 31, 2011 | 257,566,414 shares |
| For the 3rd quarter of the year ended March 31, 2010 | 257,583,534 shares |

Note regarding the implementation of the quarterly review procedures

This quarterly consolidated financial results report is not subject to the quarterly review procedures specified in the Financial Instruments and Exchange Act. A review of the quarterly financial statements based on the Act was completed before the release of the quarterly consolidated financial results.

Note concerning appropriate use of business forecasts, etc.

The above forecasts are based on the information that was available at the time this document was released and involve assumptions regarding uncertain factors that may have an effect on future performance. Actual performance may vary greatly due to a variety of factors.

Attachment
Contents

	Page
1. Qualitative Information on Quarterly Consolidated Financial Results	4
(1) Qualitative information on consolidated business results	4
(2) Qualitative information on consolidated financial conditions	5
(3) Qualitative information on consolidated business forecast	5
2. Other Information	6
(1) Overview of changes to important subsidiaries	6
(2) Overview of introduction of simplified accounting method and other specific accounting methods	6
(3) Overview of changes to the principles/procedures for accounting or the method of display, etc.	6
3. Consolidated Quarterly Financial Statements	7
(1) Consolidated quarterly balance sheets	7
(2) Consolidated quarterly statements of income	9
(3) Consolidated quarterly statements of cash flows	11
(4) Notes for going concern	12
(5) Segment information	12
(6) Notes if there is a remarkable change in the amount of shareholders' equity	15
[Reference] Consolidated Financial Statements for the First Three Quarters of FY2010	16

1. Qualitative Information on Quarterly Consolidated Financial Results

(1) Qualitative information on consolidated business results

During the first three quarters of the current fiscal year (April 1, 2010 – December 31, 2010), the global economy remained steady overall thanks to the continuing growth of emerging economies in Asia and other regions, although there were some indications that the recovery underway in Europe and America has begun to slow down. The Japanese economy showed signs of a gradual recovery supported by an increase in exports to emerging countries, but the outlook remains uncertain due to factors such as the continued strong yen.

The Group therefore continued to strengthen its position by cutting SG&A expenses and reviewing its fixed cost structure. As a result, both net sales and operating income were up from the same period of the previous fiscal year.

As to the Group's business results for the first three quarters of the current fiscal year, net sales were 228.584 billion yen, a year-on-year increase of 9.416 billion yen, operating income was 4.797 billion yen, a year-on-year increase of 7.546 billion yen, and ordinary income was 1.822 billion yen, a year-on-year increase of 7.004 billion yen. After accounting for 3.5 billion yen in extraordinary losses and corporate taxes, etc. of 3.206 billion yen, the net loss came to 4.779 billion yen, a year-on-year decrease of 13.424 billion yen.

Regarding the Group's business results for the third quarter of the current fiscal year (October 1, 2010 – December 31, 2010), net sales were 75.242 billion yen, a year-on-year increase of 6.730 billion yen, operating income was 842 million yen, a year-on-year increase of 1.211 billion yen, ordinary loss was 105 million yen, a year-on-year decrease of 973 million yen, and net loss was 1.289 billion yen, a year-on-year decrease of 2.378 billion yen.

Results by individual segment are outlined below.

Please note that an accounting standard on the disclosure of segment information, etc. (Corporate Accounting Standard No. 17 of March 27, 2009) and a guideline for applying the standard (Corporate Accounting Standard Application Guideline No. 20 of March 21, 2008) have been applied since the first quarter of the current fiscal year. As a result, the method for aggregating segment data has been changed, though the reporting segments remain unchanged from the previous fiscal year. For comparison purposes only, the segment information for the previous fiscal year has been reclassified based on the new aggregation method.

Industrial Automation and Control Business

The Industrial Automation and Control Business made good progress because of continued growth in demand for the construction of new power and energy plants in China, India, Russia, South Korea, Southeast Asia, and the Middle East, which more than made up for the stagnant demand in North America and Europe. The Japanese market was also buoyed by a recovery in demand in the pulp and paper, iron and steel, and electric power generation related sectors.

Thus, demand was up overall and sales increased on a year-on-year basis; however, operating income decreased due to the significant impact of the strong yen.

As a result, for the first three quarters of the current fiscal year, net sales for this business segment came to 182.560 billion yen, a 2.451 billion yen year-on-year increase, and operating income was 8.837 billion yen, a 2.308 billion yen year-on-year decrease.

Looking just at the third quarter of the current fiscal year, net sales for the business segment came to 58.779 billion yen, a 3.486 billion yen year-on-year increase, and operating income was 2.126 billion yen, a 730 million yen year-on-year decrease.

Test and Measurement Business

Regarding the semiconductor tester market, which is covered by the Test and Measurement Business, major semiconductor manufacturers stepped up capital investments in the Asian and American markets in response to robust demand for semiconductors used in mobile devices and other types of electronic equipment. However, due to falling DRAM prices, capital investments did not pick up in the front-end memory tester market, which is an important part of our business. Meanwhile, in the measuring instruments market, demand remained excellent for power and optical measurement products in the energy-saving, alternative energy, and optical communications market sectors.

The overall impact of these trends was a year-on-year increase in net sales, which, combined with reductions in fixed costs and R&D expenditures, led to a dramatic decrease in the operating loss. For the first three quarters of the current fiscal year, net sales for this business segment came to 26.752 billion yen, a 7.118 billion yen year-on-year increase, and the operating loss was 4.577 billion yen, a 9.949 billion yen year-on-year decrease.

Focusing on the third quarter of the current fiscal year, net sales for the segment came to 8.726 billion yen, a 2.542 billion yen year-on-year increase, and the operating loss was 1.679 billion yen, a 1.968 billion yen year-on-year decrease.

Other Businesses

For the first three quarters of the current fiscal year, net sales for the Other Businesses segment came to 19.272 billion yen, a 153 million yen year-on-year decrease, and operating income was 537 million yen, a 95 million yen year-on-year decrease.

For the third quarter of the current fiscal year, net sales for this segment came to 7.737 billion yen, a 702 million yen year-on-year increase, and operating income was 395 million yen, a 28 million yen year-on-year decrease.

(2) Qualitative information on consolidated financial conditions

a. Conditions of assets, liabilities, and net assets

In comparison with the end of the previous fiscal year, the assets, liabilities, and net assets at the end of the third quarter of the current fiscal year were as follows.

Total assets decreased by 46.598 billion yen to 352.193 billion yen. While inventories increased by 5.010 billion yen, this decrease was mainly attributable to a 29.664 billion yen decrease in cash and deposits, a 12.554 billion yen decrease in notes and accounts receivable-trade, a 4.982 billion yen decrease in property, plant and equipment, and a 1.642 billion yen decrease in investment securities.

Total liabilities decreased by 33.342 billion yen to 208.089 billion yen. This decrease was mainly attributable to a 24.449 billion yen decrease in short-term loans payable, a 5.378 billion yen decrease in the provision for bonuses, and a 3.729 billion yen decrease in long-term accounts payable-other.

Net assets were 144.103 billion yen, down 13.256 billion yen. The decline in net assets occurred mainly because of a 5.177 billion yen decrease in retained earnings, a 1.804 billion yen decrease in the valuation difference on available-for-sale securities, and a 6.175 billion yen decrease in foreign currency translation adjustments.

b. Cash flow status

The balance of cash and cash equivalents at the end of the third quarter of the current fiscal year was 47.566 billion yen, down 28.989 billion yen from the end of the previous fiscal year, and down 3.563 billion yen from the end of the second quarter of the current fiscal year.

The cash flow from operating activities in the first three quarters of the current fiscal year was a net inflow of 4.009 billion yen, 12.050 billion yen less than the same period of the previous fiscal year. This came from a 1.293 billion yen loss before income taxes and minority interests after adjusting for positive factors such as 10.187 billion yen of depreciation and amortization and a 7.562 billion yen decrease in notes and accounts receivable-trade, and negative factors such as a 6.379 billion yen increase in inventories and 5.133 billion yen decrease in the provision for bonuses.

The cash flow from investing activities in the first three quarters of the current fiscal year was a net outflow of 6.668 billion yen, down 2.879 billion yen from the same period of the previous fiscal year. This was the result of a 3.731 billion yen outflow for the purchase of property, plant and equipment, and a 4.096 billion yen outflow for the purchase of intangible assets and the like.

The cash flow from financing activities in the first three quarters of the current fiscal year was a net outflow of 23.395 billion yen. This was mainly attributable to the repayment of loans payable.

(3) Qualitative information on consolidated business forecast

With regard to the consolidated business forecast for the fiscal year ending March 2011, there has been no change from the forecast announced on November 9, 2010.

2. Other Information

(1) Overview of changes to important subsidiaries
Not applicable

(2) Overview of introduction of simplified accounting method and other specific accounting methods

a. Introduction of simplified accounting method

Method for calculating corporate tax and deferred tax assets/liabilities

For calculating the amount of items such as corporate taxes, we considered only significant addition/subtraction items and tax credit items.

For judging the collectibility of deferred tax assets, we will continue to use the same performance prediction and tax planning method used at the end of the previous consolidated fiscal year as long as there are no significant changes such as in the business environment.

b. Introduction of other accounting methods specific to creation of quarterly consolidated financial statements

Not applicable

(3) Overview of changes to the principles/procedures for accounting or the method of display, etc.

a. Changes due to revision of accounting standards

i. Application of accounting standards on asset retirement obligations

An accounting standard on asset retirement obligations (Corporate Accounting Standard No. 18 of March 31, 2008) and a guideline for applying the standard (Corporate Accounting Standard Application Guideline No. 21 of March 31, 2008) were applied in the first quarter of the current fiscal year. Their influence on the consolidated financial statements for the quarter under review is negligible.

ii. Application of accounting standard on equity method and interim accounting treatment for application of equity method to affiliated companies

The accounting standard on the equity method (Corporate Accounting Standard No. 16 of March 10, 2008) and an interim accounting treatment that applies the equity method to affiliated companies (Practice Handling Report No. 24 of March 10, 2008) were applied in the first quarter of the current fiscal year. These have no influence on the consolidated financial statements for the quarter under review.

b. Changes other than (a) above

Not applicable

(Additional information)

As for "Other securities," losses have conventionally been realized when their market price falls 30% or more below the acquisition cost, based on a judgment that there is no possibility of recovery in such a case. However, we now believe that the possibility for a recovery in the market price should be considered more carefully, in view of the increased volatility of stock prices caused by recent changes in the financial markets. From the first quarter of the current fiscal year, for those stocks whose prices have fallen over 30% but not more than 50%, we will examine each stock's past price trends and prospects for a price recovery and decide whether to take a loss.

As a result, in the consolidated quarterly statements of income, the loss before income taxes and minority interests has been adjusted downward by 1.952 billion yen, and in the consolidated quarterly balance sheets, the valuation difference on available-for-sale securities and noncurrent liabilities (Other) have been adjusted downward by 1.482 billion yen and 470 million yen, respectively.

3. Consolidated Quarterly Financial Statements
(1) Consolidated quarterly balance sheets

Millions of yen

	End of FY2010 3rd quarter (December 31, 2010)	(Reference) End of FY2009 (March 31, 2010)
Assets		
Current assets		
Cash and deposits	48,256	77,921
Notes and accounts receivable-trade	98,950	111,505
Short-term investment securities	—	0
Merchandise and finished goods	18,055	15,802
Work in process	11,599	9,839
Raw materials and supplies	10,040	9,042
Other	11,132	13,514
Allowance for doubtful accounts	(2,964)	(3,276)
Total current assets	195,070	234,350
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	49,736	52,843
Other, net	33,704	35,580
Total property, plant and equipment	83,440	88,423
Intangible assets		
	29,875	30,137
Investments and other assets		
Investment securities	32,535	34,178
Other	11,728	12,315
Allowance for doubtful accounts	(457)	(613)
Total investments and other assets	43,806	45,881
Total noncurrent assets	157,122	164,442
Total assets	352,193	398,792
Liabilities		
Current liabilities		
Notes and accounts payable-trade	27,016	28,942
Short-term loans payable	7,764	32,214
Income taxes payable	3,035	2,296
Provision for bonuses	5,028	10,407
Accounts payable-other	11,432	10,251
Other	41,640	40,315
Total current liabilities	95,918	124,426
Noncurrent liabilities		
Long-term loans payable	104,679	104,851
Provision for retirement benefits	2,845	2,855
Long-term accounts payable-other	—	4,840
Other	4,645	4,457
Total noncurrent liabilities	112,170	117,005
Total liabilities	208,089	241,431

Millions of yen

	End of FY2010 3rd quarter (December 31, 2010)	(Reference) End of FY2009 (March 31, 2010)
Net assets		
Shareholders' equity		
Capital stock	43,401	43,401
Capital surplus	50,344	50,345
Retained earnings	75,126	80,303
Treasury stock	(10,998)	(10,991)
Total shareholders' equity	157,873	163,058
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	645	2,450
Deferred gains or losses on hedges	(20)	82
Pension liability adjustment	(323)	(369)
Foreign currency translation adjustment	(18,034)	(11,859)
Total valuation and translation adjustments	(17,733)	(9,696)
Minority interests	3,963	3,998
Total net assets	144,103	157,360
Total liabilities, net assets	352,193	398,792

(2) Consolidated quarterly statements of income
For the first three quarters of FY2010

Millions of yen

	(Reference) First three quarters of FY2009 (April 1-December 31, 2009)	First three quarters of FY2010 (April 1-December 31, 2010)
Net sales	219,168	228,584
Cost of sales	148,043	149,542
Gross profit	71,124	79,041
Selling, general and administrative expenses	73,873	74,243
Operating income (loss)	(2,749)	4,797
Non-operating income		
Interest income	164	219
Dividend income	427	444
Equity in earnings of affiliates	399	484
Other	529	1,054
Total non-operating income	1,520	2,203
Non-operating expenses		
Interest expenses	1,521	2,178
Foreign exchange losses	506	1,807
Other	1,925	1,192
Total non-operating expenses	3,953	5,178
Ordinary income (loss)	(5,182)	1,822
Extraordinary income		
Gain on sale of noncurrent assets	180	143
Gain on sales of investment securities	2	55
Proceeds from compensation for removal	—	131
Gain on prior period adjustment	239	—
Other	150	53
Total extraordinary income	573	383
Extraordinary losses		
Loss on sale of noncurrent assets	29	2
Loss on retirement of noncurrent assets	558	178
Impairment loss	5,728	125
Loss on valuation of investment securities	1,929	—
Restructuring loss	498	24
Business structure improvement expense	815	2,646
Impairment loss on software for sale	562	—
Other	716	522
Total extraordinary losses	10,839	3,500
Loss before income taxes and minority interests	(15,448)	(1,293)
Income taxes-current	2,187	3,460
Income taxes-deferred	349	(253)
Total income taxes	2,536	3,206
Loss before minority interests	—	(4,500)
Minority interests in income	218	279
Net loss	(18,203)	(4,779)

For the third quarter of FY2010

Millions of yen

	(Reference) Third quarter of FY2009 (October 1-December 31, 2009)	Third quarter of FY2010 (October 1-December 31, 2010)
Net sales	68,512	75,242
Cost of sales	44,571	50,364
Gross profit	23,940	24,878
Selling, general and administrative expenses	24,309	24,035
Operating income (loss)	(368)	842
Non-operating income		
Interest income	51	58
Dividend income	76	78
Equity in earnings of affiliates	90	110
Other	152	124
Total non-operating income	370	372
Non-operating expenses		
Interest expenses	499	639
Foreign exchange losses	100	266
Other	481	414
Total non-operating expenses	1,081	1,320
Ordinary income (loss)	(1,079)	(105)
Extraordinary income		
Gain on sale of noncurrent assets	163	74
Gain on sales of investment securities	2	41
Gain on prior period adjustment	12	—
Gain on reversal of loss on valuation of investment securities	—	2,564
Other	70	4
Total extraordinary income	249	2,684
Extraordinary losses		
Loss on sale of noncurrent assets	28	0
Loss on retirement of noncurrent assets	136	56
Impairment loss	318	96
Loss on valuation of investment securities	467	—
Restructuring loss	321	20
Business structure improvement expense	193	2,482
Loss on prior period adjustment	462	—
Other	117	94
Total extraordinary losses	2,046	2,752
Loss before income taxes and minority interests	(2,876)	(173)
Income taxes-current	766	1,279
Income taxes-deferred	14	(215)
Total income taxes	781	1,064
Loss before minority interests	—	(1,237)
Minority interests in income	10	52
Net loss	(3,668)	(1,289)

(3) Consolidated quarterly statements of cash flows

Millions of yen

	(Reference) First three quarters of FY2009 (April 1-December 31, 2009)	First three quarters of FY2010 (April 1-December 31, 2010)
Net cash provided by (used in) operating activities		
Loss before income taxes and minority interests	(15,448)	(1,293)
Depreciation and amortization	12,016	10,187
Increase (decrease) in allowance for doubtful accounts	133	(205)
Increase (decrease) in provision for bonuses	(5,160)	(5,133)
Loss (gain) on sales of investment securities	(2)	(55)
Loss (gain) on valuation of investment securities	1,929	—
Impairment loss	5,728	125
Business structure improvement expense	—	2,646
Decrease (increase) in notes and accounts receivable-trade	24,541	7,562
Decrease (increase) in inventories	392	(6,379)
Increase (decrease) in notes and accounts payable-trade	(5,167)	1,540
Other, net	(328)	(285)
Subtotal	18,633	8,710
Interest and dividend income received	1,558	1,564
Interest expenses paid	(1,291)	(1,786)
Payments for extra retirement payments	—	(2,080)
Income taxes paid	(2,840)	(2,398)
Net cash provided by (used in) operating activities	16,059	4,009
Net cash provided by (used in) investing activities		
Payments into time deposits	(2,373)	(2,549)
Proceeds from withdrawal of time deposits	1,763	3,110
Purchase of property, plant and equipment	(3,958)	(3,731)
Proceeds from sale of property, plant and equipment	305	384
Purchase of intangible assets	(6,198)	(4,096)
Purchase of investment securities	(16)	(14)
Proceeds from sales and redemption of investment securities	9	98
Proceeds from transfer of business	32	—
Other, net	888	130
Net cash provided by (used in) investment activities	(9,547)	(6,668)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(1,828)	1,497
Increase (decrease) in commercial paper	(10,000)	—
Proceeds from long-term loans payable	2,603	—
Repayment of long-term loans payable	—	(24,133)
Cash dividends paid	(2,063)	(517)
Other, net	(304)	(242)
Net cash provided by (used in) financing activities	(11,592)	(23,395)
Effect of exchange rate change on cash and cash equivalents	150	(3,011)
Net increase (decrease) in cash and cash equivalents	(4,930)	(29,065)
Cash and cash equivalents at beginning of period	56,833	76,555
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	131	76
Cash and cash equivalents at end of period	52,035	47,566

(4) Notes for going concern
Not applicable

(5) Segment information

(Additional information)

An accounting standard on the disclosure of segment information, etc. (Corporate Accounting Standard No. 17 of March 27, 2009) and a guideline on applying the standard (Corporate Accounting Standard Application Guideline No. 20 of March 21, 2008) were applied in the first quarter of the current fiscal year. As a result, the method for aggregating segment data has been changed, though the reporting segments remain unchanged from the previous accounting period. Only for comparison purposes, the segment information for the previous accounting period has been reclassified based on the new aggregation method.

1. Overview of reporting segments

The business segments for financial reporting are categorized as the Industrial Automation and Control Business, Test and Measurement Business, and Other Businesses.

The Industrial Automation and Control Business offers comprehensive solutions including field instruments such as flowmeters, differential pressure/pressure transmitters, and process analyzers; control systems and programmable controllers; various types of software that enhance productivity; and services that minimize plant lifecycle costs.

The Test and Measurement Business offers waveform measurement instruments, optical communications measurement instruments, signal generators, and electric voltage, current, and power measurement instruments; semiconductor testers for memory and LCD drivers; high-speed and high-performance optical communications equipment and subsystems; and confocal scanners for observation of live cells.

The Other Businesses segment mainly offers cockpit flat-panel displays, engine meters, and other instruments for aviation use; marine navigation equipment such as gyrocompasses and autopilot systems; and meteorological/hydrological monitoring system equipment.

2. Segment sales and profits (losses)

Millions of yen

Business		Term	(Reference)	(Reference)	Based on the	Change (c) - (b)
			Based on the previous aggregation method First three quarters of FY2009 (Apr. 1-Dec. 31, 2009) (a)	Based on the new aggregation method First three quarters of FY2009 (Apr. 1-Dec. 31, 2009) (b)	Based on the new aggregation method First three quarters of FY2010 (Apr. 1-Dec. 31, 2010) (c)	
Industrial Automation and Control Business	Net sales to unaffiliated customers		179,817	180,109	182,560	2,451
	Operating income (loss)		11,406	11,145	8,837	(2,308)
Test and Measurement Business	Net sales to unaffiliated customers		19,364	19,634	26,752	7,118
	Operating income (loss)		(15,085)	(14,526)	(4,577)	9,949
Other Businesses	Net sales to unaffiliated customers		19,987	19,425	19,272	(153)
	Operating income (loss)		930	632	537	(95)
Consolidated	Net sales to unaffiliated customers		219,168	219,168	228,584	9,416
	Operating income (loss)		(2,749)	(2,749)	4,797	7,546

(Note) The data in column (a) for first three quarters of FY2009 is based on the aggregation method used in the previous accounting period. The data in column (b) is also for first three quarters of FY2009, but has been revised based on the new aggregation method.

Millions of yen

Business		Term	(Reference)	(Reference)	Based on the	Change (c) - (b)
			Based on the previous aggregation method Third quarter of FY2009 (Oct. 1-Dec. 31, 2009) (a)	Based on the new aggregation method Third quarter of FY2009 (Oct. 1-Dec. 31, 2009) (b)	Based on the new aggregation method Third quarter of FY2010 (Oct. 1-Dec. 31, 2010) (c)	
Industrial Automation and Control Business	Net sales to unaffiliated customers		55,299	55,293	58,779	3,486
	Operating income (loss)		3,044	2,856	2,126	(730)
Test and Measurement Business	Net sales to unaffiliated customers		6,021	6,184	8,726	2,542
	Operating income (loss)		(3,989)	(3,647)	(1,679)	1,968
Other Businesses	Net sales to unaffiliated customers		7,195	7,035	7,737	702
	Operating income (loss)		577	423	395	(28)
Consolidated	Net sales to unaffiliated customers		68,512	68,512	75,242	6,730
	Operating income (loss)		(368)	(368)	842	1,211

(Note) The data in column (a) for the third quarter of FY2009 is based on the aggregation method used in the previous accounting period. The data in column (b) is also for the third quarter of FY2009, but has been revised based on the new aggregation method.

[Reference]

Non-Japan net sales

Millions of yen

Region	Term	(Reference)		First three quarters of FY2010 (April 1-December 31, 2010)		Change
		First three quarters of FY2009 (April 1-December 31, 2009)		Amount	Composition Ratio (%)	Amount
		Amount	Composition Ratio (%)			
Asia		5,1687	23.6	57,369	25.1	5,681
Europe		24,927	11.4	19,617	8.6	(5,310)
North America		15,204	6.9	15,538	6.8	333
Middle East		17,800	8.1	15,498	6.8	(2,301)
Other		19,702	9.0	27,641	12.1	7,938
Non-Japan net sales		129,322	59.0	135,664	59.4	6,342
Consolidated net sales		219,168	—	228,584	—	9,416

Millions of yen

Region	Term	(Reference)		Third quarter of FY2010 (October 1-December 31, 2010)		Change
		Third quarter of FY2009 (October 1-December 31, 2009)		Amount	Composition Ratio (%)	Amount
		Amount	Composition Ratio (%)			
Asia		16,255	23.7	18,988	25.2	2,732
Europe		8,080	11.8	6,226	8.3	(1,853)
North America		5,268	7.7	5,040	6.7	(227)
Middle East		5,297	7.7	5,269	7.0	(28)
Other		6,367	9.3	10,033	13.3	3,666
Non-Japan net sales		41,269	60.2	45,558	60.5	4,289
Consolidated net sales		68,512	—	75,242	—	6,730

(Note) 1. The breakdown of countries and regions belonging to groups is as follows.

- (1) Asia China, Singapore, South Korea, India, etc.
- (2) Europe The Netherlands, France, the United Kingdom, Germany, etc.
- (3) North America The United States, Canada
- (4) Middle East Bahrain, Saudi Arabia, etc.
- (5) Other Russia, Brazil, Australia, etc.

2. Non-Japan net sales are net sales of the Company and consolidated subsidiaries in countries or regions outside Japan.

Industrial Automation and Control Business segment information by geographical location

Millions of yen

		(Reference) First three quarters of FY2009 (Apr. 1-Dec. 31, 2009)	First three quarters of FY2010 (Apr. 1-Dec. 31, 2010)	Change
Japan	Net sales to unaffiliated customers	67,751	68,945	1,194
	Operating income (loss)	4,087	(1,093)	(5,180)
Asia	Net sales to unaffiliated customers	48,327	53,853	5,526
	Operating income (loss)	3,561	6,035	2,474
Europe	Net sales to unaffiliated customers	27,406	20,968	(6,438)
	Operating income (loss)	1,409	1,204	(205)
North America	Net sales to unaffiliated customers	14,171	12,666	(1,505)
	Operating income (loss)	(362)	(156)	206
Middle East	Net sales to unaffiliated customers	11,239	11,198	(41)
	Operating income (loss)	1,970	1,923	(47)
Other	Net sales to unaffiliated customers	11,215	14,930	3,715
	Operating income (loss)	480	924	444
Consolidated	Net sales to unaffiliated customers	180,109	182,560	2,451
	Operating income (loss)	11,145	8,837	(2,308)

Millions of yen

		(Reference) Third quarter of FY2009 (Oct. 1-Dec. 31, 2009)	Third quarter of FY2010 (Oct. 1-Dec. 31, 2010)	Change
Japan	Net sales to unaffiliated customers	19,162	20,268	1,106
	Operating income (loss)	1,125	(1,044)	(2,169)
Asia	Net sales to unaffiliated customers	14,345	17,955	3,610
	Operating income (loss)	373	1,789	1,416
Europe	Net sales to unaffiliated customers	8,712	7,041	(1,671)
	Operating income (loss)	555	335	(220)
North America	Net sales to unaffiliated customers	4,846	4,101	(745)
	Operating income (loss)	(62)	(73)	(11)
Middle East	Net sales to unaffiliated customers	3,679	3,401	(278)
	Operating income (loss)	671	598	(73)
Other	Net sales to unaffiliated customers	4,549	6,013	1,464
	Operating income (loss)	194	521	327
Consolidated	Net sales to unaffiliated customers	55,293	58,779	3,486
	Operating income (loss)	2,856	2,126	(730)

(Note) 1. The breakdown of countries and regions belonging to groups is as follows.

- (1) Asia China, Singapore, South Korea, India, etc.
- (2) Europe The Netherlands, France, the United Kingdom, Germany, etc.
- (3) North America The United States, Canada
- (4) Middle East Bahrain, Saudi Arabia, etc.
- (5) Other Russia, Brazil, Australia, etc.

2. Geographical location net sales are net sales by location of the Company and consolidated subsidiaries in countries or regions.

(6) Notes if there is a remarkable change in the amount of shareholders' equity

Not applicable

[Reference]

February 8, 2011
Yokogawa Electric Corporation

Consolidated Financial Statements for the First Three Quarters of FY2010

Millions of yen

	First three quarters of FY2009		First three quarters of FY2010		Change	
	Amount	Ratio to Net Sales	Amount	Ratio to Net Sales	Amount	Ratio to Net Sales
Net Sales	219,168	—	228,584	—	9,416	—
Operating Income	(2,749)	-1.3%	4,797	2.1%	7,546	3.4%
Ordinary Income	(5,182)	-2.4%	1,822	0.8%	7,004	3.2%
Net Income	(18,203)	-8.3%	(4,779)	-2.1%	13,424	6.2%
Total Assets	364,416		352,193		(12,223)	
Shareholders' Equity	153,529		144,103		(9,425)	
Net Income to Shareholders' Equity Ratio	-11.5%		-3.3%		8.2%	
Net Income per Share	(70.67) yen		(18.56) yen		52.11 yen	
Shareholders' Equity per Share	581.05 yen		544.11 yen		(36.94) yen	
Capital Investment	7,836		8,107		271	
Depreciation	12,016		10,187		(1,828)	
Research and Development Expenses	21,995		21,503		(491)	
Average Exchange Rate during the Term						
USD	93.23 yen		86.06 yen		(7.17) yen	
EUR	133.01 yen		112.01 yen		(21.00) yen	

The method for aggregating segment data was changed in the first quarter of the current fiscal year. In the following tables, the results are compared using the data calculated based on the previous and new aggregation methods.

Consolidated orders by segment

Millions of yen

	Based on previous aggregation method First three quarters of FY2009	Based on new aggregation method First three quarters of FY2009	Based on new aggregation method First three quarters of FY2010	FY2010 (Forecast)
Industrial Automation and Control Business	189,860	190,565	200,451	272,000
Measurement Business	20,891	21,465	27,706	39,000
Other Businesses	16,600	15,321	19,930	29,000
Total	227,351	227,351	248,087	340,000

Consolidated sales by segment

Millions of yen

	Based on previous aggregation method First three quarters of FY2009	Based on new aggregation method First three quarters of FY2009	Based on new aggregation method First three quarters of FY2010	FY2010 (Forecast)
Industrial Automation and Control Business	179,817	180,109	182,560	262,000
Measurement Business	19,364	19,634	26,752	39,000
Other Businesses	19,987	19,425	19,272	27,000
Total	219,168	219,168	228,584	328,000

Consolidated operating income by segment

Millions of yen

	Based on previous aggregation method First three quarters of FY2009	Based on new aggregation method First three quarters of FY2009	Based on new aggregation method First three quarters of FY2010	FY2010 (Forecast)
Industrial Automation and Control Business	11,406	11,145	8,837	16,000
Measurement Business	(15,085)	(14,526)	(4,577)	(6,000)
Other Businesses	930	632	537	1,000
Total	(2,749)	(2,749)	4,797	11,000