1. Financial Results for 1st Half of Fiscal Year 2019
   Junichi Anabuki
   Director, Executive Vice President
   Corporate Administration Headquarters

2. Appendix
   - Quarterly Financial Results
   - Non-operating /Extraordinary Income and Expenses
   - Order Backlog Trend by Segment
   - Trend of R&D Expenses, Depreciation, and CAPEX
   - Trend of Balance Sheet
   - Trend of Stock Price

3. Current Situation and Future Forecast
   Hitoshi Nara
   President and Chief Executive Officer
Yokogawa Electric Corporation

Financial Results for 1st Half of Fiscal Year 2019

Junichi Anabuki
Director, Executive Vice President
Corporate Administration Headquarters

Nov. 5, 2019
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Key Points

- **FY19 1H results: Steady growth**
  Summary: Orders, sales, and operating income were strong.
  Segments:
  - Control: Sales and profits were up. Excluding the impact of the exchange rate, orders, sales, and operating income rose 3.6%, 5.2%, and 13.4%, respectively, year on year.
  - Measurement: Sales were up, but operating income declined due to the year on year impact of investments.
  - Aviation and other: Although sales declined year on year, the operating loss decreased.
  Regions: Orders were up most significantly in Japan and the Middle East. India and the Middle East showed the largest increases in sales.
  Industries: Downstream and chemicals remained strong.

- **FY19 forecast: No change** (Exchange rates: USD 110¥, EUR 130¥)
  Risks include (1) a global economic slowdown due to geopolitical factors and escalating trade disputes and (2) appreciation of the yen.
<table>
<thead>
<tr>
<th>FY18 1H</th>
<th>FY19 1H</th>
<th>Difference</th>
<th>Growth rate</th>
<th>Impact of exchange rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders</td>
<td>213.7</td>
<td>209.8</td>
<td>(3.9)</td>
<td>(1.8%)</td>
</tr>
<tr>
<td>Sales</td>
<td>190.4</td>
<td>191.4</td>
<td>+1.0</td>
<td>+0.5%</td>
</tr>
<tr>
<td>Operating income</td>
<td>14.8</td>
<td>16.9</td>
<td>+2.1</td>
<td>+14.3%</td>
</tr>
<tr>
<td>ROS (%)</td>
<td>7.7</td>
<td>8.8</td>
<td>+1.1 pts</td>
<td>–</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>16.2</td>
<td>17.0</td>
<td>+0.8</td>
<td>+5.1%</td>
</tr>
<tr>
<td>Profit attributable to owners of parent</td>
<td>10.1</td>
<td>9.9</td>
<td>(0.2)</td>
<td>(2.7%)</td>
</tr>
<tr>
<td>EPS (¥)</td>
<td>37.96</td>
<td>36.94</td>
<td>(1.02)</td>
<td>(2.7%)</td>
</tr>
<tr>
<td>Exchange rate</td>
<td>$110.72</td>
<td>$108.67</td>
<td>(2.05)</td>
<td>–</td>
</tr>
</tbody>
</table>

○Summary of FY19 1H Results

- 1H results indicate an increase in both sales and operating income compared with the same period of the previous year.

- Orders: 209.8 billion¥, down 1.8% year on year (excluding impact of exchange rate and transfer of subsidiary’s shares: +3.9%, +8.1 billion¥)

- Sales: 191.4 billion¥, up 0.5% year on year (excluding impact of exchange rate and transfer of subsidiary’s shares: +6.1%, +11.4 billion¥). Firm results in the Control Segment overseas.

- Operating income: 16.9 billion¥, up 14.3% year on year due to increased sales and improvement of the gross margin.

- Profit attributable to owners of parent was 9.9 billion¥, down 0.2 billion¥ year on year, which was at nearly the same level as last year.
Analysis of Operating Income (FY18 1H/FY19 1H comparison)

- Operating income was 16.9 billion¥, an increase of 2.1 billion¥ from the same period of the previous year.

- Major factors were:
  1. The impacts of increase in sales and improvement of the gross margin excluding the impact of exchange rate were up 5.5 billion¥ year on year;

  2. SG&A expenses increased by 2.8 billion¥ year on year due to the advance of orders, excluding impact of exchange rate. It was the negative factor;

  3. The impact of transfer of subsidiary’s shares was a 100 million¥ increase year on year;

  4. The impact of changes in the exchange rate was a 700 million¥ decrease year on year.
FY18 1H/FY19 1H Comparison for Orders, Sales, and Operating Income by Segment

- The Control Segment was a firm.
- Orders were up most significantly in Japan and the Middle East. Orders increased by 0.5 billion ¥ year on year and by 6.9 billion ¥ (+3.6%) year on year excluding impact of exchange rate.
- Sales increased by 3.2 billion ¥ year on year despite a strong yen and by 8.9 billion ¥ (+5.2%) excluding the impact of exchange rate.
- Operating income increased by 1.3 billion ¥ year on year and by 2.0 billion ¥ (+13.4%) excluding the impact of exchange rate due to the impacts of increase in sales and improvement in gross margin.

- In the Measurement Segment, orders increased by 1.7 billion ¥ year on year, and sales increased by 1.4 billion ¥ year on year. Operating income decreased by 200 million ¥ year on year due to the effects of investments for the life innovation business.

- In the Aviation and Other Segment, orders decreased by 6.1 billion ¥ year on year and sales decreased by 3.6 billion ¥ year on year due to the effect of the transfer of subsidiary’s shares. Operating loss was 100 million ¥ which improved by 900 million ¥ year on year, due to a decrease in expenses related to the jobs with greater development manpower.
Orders and Sales by Region in Control Segment

- Orders increased significantly, mainly Japan and the Middle East. Orders in Asia, Europe and CIS declined due to the impact of the large projects in the previous year.

- Sales expanded in India and the Middle East.
Orders by Industry in Control Segment

- Orders of downstream expanded significantly, increasing 6.2 billion ¥ from the same period in the previous year.

- Chemical was also firm.

* In the short term, it is easy to be affected by the projects. Please check it over a long period of time.
○ Trend of Cash Flow

- Cash flow was within expectation.
FY19 Forecast (No change)

- Although the business environment surrounding our Company has become increasingly uncertain due to trade friction between the United States and China and concerns over a sharp strong yen, there have been no major changes over the past 6 months, and the Company has not revised the FY19 forecast at this stage.
Factors Accounting for Increase/Decrease in FY19 Operating Income (No change)

*No change
FY19 Forecast for Orders, Sales, and Operating Income by Segment (No change)

*No change*
FY19 Forecast for Orders and Sales by Region in Control Segment (No change)

- Exchange rate fluctuations may affect earnings in some regions, but no changes have been made at this time.
Dividend (No change)

- It has been decided to pay a ¥17 interim dividend as planned.
- The annual dividend will be at a record high for the second straight year.
Appendix:

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

- Sales and operating income tend to be higher in 2Q and 4Q, and this trend is particularly strong in the Japanese control segment.

Actual results of transferred subsidiary (Aviation and Other segment) in FY18:
FY18 1Q-4Q Orders: ¥5.2 billion sales: ¥4.3 billion operating income: ¥0.1 billion
FY18 1Q-4Q Orders: ¥7.8 billion sales: ¥7.7 billion operating income: ¥0.3 billion

(Billion ¥)

Orders Sales Operating income

<table>
<thead>
<tr>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q</td>
<td>2Q</td>
<td>3Q</td>
</tr>
<tr>
<td>1Q</td>
<td>2Q</td>
<td>3Q</td>
</tr>
<tr>
<td>1Q</td>
<td>2Q</td>
<td>3Q</td>
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<tr>
<td>1Q</td>
<td>2Q</td>
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<td>1Q</td>
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<td>3Q</td>
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<tr>
<td>1Q</td>
<td>2Q</td>
<td>3Q</td>
</tr>
<tr>
<td>1Q</td>
<td>2Q</td>
<td>3Q</td>
</tr>
</tbody>
</table>

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## Appendix: Non-operating / Extraordinary Income and Expenses

(Billion ¥)

<table>
<thead>
<tr>
<th></th>
<th>FY18 1H</th>
<th>FY19 1H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>14.8</td>
<td>16.9</td>
</tr>
<tr>
<td>Non-operating income</td>
<td>2.0</td>
<td>1.9</td>
</tr>
<tr>
<td>Non-operating expenses</td>
<td>0.5</td>
<td>1.8</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>16.2</td>
<td>17.0</td>
</tr>
<tr>
<td>Extraordinary income</td>
<td>0.5</td>
<td>2.4</td>
</tr>
<tr>
<td>Extraordinary expenses</td>
<td>0.1</td>
<td>3.2</td>
</tr>
<tr>
<td>Income before tax</td>
<td>16.5</td>
<td>16.2</td>
</tr>
<tr>
<td>Tax, etc.</td>
<td>6.4</td>
<td>6.3</td>
</tr>
<tr>
<td>Profit attributable to owners of parent</td>
<td>10.1</td>
<td>9.9</td>
</tr>
<tr>
<td>(Effective tax rate)</td>
<td>33.0%</td>
<td>33.5%</td>
</tr>
</tbody>
</table>

FY19:
- Foreign exchange losses: ¥0.8 billion
- Gain on sales of investment securities, etc.: ¥1.5 billion
- Gain on sales of business: ¥0.8 billion
- Provision for reinforcing measures against soft errors: ¥3.0 billion
Appendix: Order Backlog Trend by Segment
(Using FY19 1H exchange rate)

(Billion$)

- Control (Japan)
- Control (Outside of Japan)
- Measurement
- Aviation and Other

FY16 | FY17 | FY18 1H | FY18 | FY19 1H
---|---|---|---|---
149.4 | 143.7 | 159.9 | 170.5 | 182.5
61.9 | 62.7 | 68.1 | 64.7 | 68.5

FY19 1H exchange rate $/¥ 107.92

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

- CAPEX is expected to increase slightly due to strategic investments in line with the mid-term business plan.

![Chart showing R&D, Depreciation, and CAPEX trends from FY11 to FY19 forecast.](image_url)

<table>
<thead>
<tr>
<th></th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18 1H</th>
<th>FY18</th>
<th>FY19 1H</th>
<th>FY19 forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>R&amp;D expenses (%) of sales</td>
<td>27.5%</td>
<td>25.5%</td>
<td>25.8%</td>
<td>25.8%</td>
<td>25.3%</td>
<td>27.1%</td>
<td>26.6%</td>
<td>13.0%</td>
<td>26.2%</td>
<td>13.0%</td>
<td>27.0%</td>
</tr>
<tr>
<td>Depreciation (%) of sales</td>
<td>8.2%</td>
<td>7.3%</td>
<td>6.6%</td>
<td>6.4%</td>
<td>6.1%</td>
<td>6.9%</td>
<td>6.5%</td>
<td>6.8%</td>
<td>6.5%</td>
<td>6.8%</td>
<td>6.4%</td>
</tr>
<tr>
<td>CAPEX (%) of sales</td>
<td>12.8%</td>
<td>13.5%</td>
<td>13.6%</td>
<td>14.5%</td>
<td>15.1%</td>
<td>18.0%</td>
<td>18.3%</td>
<td>8.5%</td>
<td>17.7%</td>
<td>9.2%</td>
<td>18.0%</td>
</tr>
<tr>
<td>CAPEX (%) of sales</td>
<td>3.8%</td>
<td>3.9%</td>
<td>3.5%</td>
<td>3.6%</td>
<td>3.6%</td>
<td>4.6%</td>
<td>4.5%</td>
<td>4.5%</td>
<td>4.4%</td>
<td>4.8%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

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## Appendix: Trend of Balance Sheet

<table>
<thead>
<tr>
<th>Assets</th>
<th>FY17</th>
<th>FY18 1H</th>
<th>FY18</th>
<th>FY19 1H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; time deposits</td>
<td>448.8</td>
<td>448.0</td>
<td>470.1</td>
<td>459.4</td>
</tr>
<tr>
<td>Notes/accounts receivable</td>
<td>78.3</td>
<td>80.7</td>
<td>66.5</td>
<td>79.7</td>
</tr>
<tr>
<td>Inventories</td>
<td>153.6</td>
<td>147.4</td>
<td>171.1</td>
<td>162.5</td>
</tr>
<tr>
<td>Other current assets</td>
<td>32.2</td>
<td>40.7</td>
<td>36.8</td>
<td>38.8</td>
</tr>
<tr>
<td>Fixed assets</td>
<td>19.8</td>
<td>13.0</td>
<td>12.1</td>
<td>13.0</td>
</tr>
<tr>
<td>Investments</td>
<td>114.2</td>
<td>111.8</td>
<td>109.2</td>
<td>112.2</td>
</tr>
<tr>
<td></td>
<td>50.7</td>
<td>54.4</td>
<td>54.4</td>
<td>53.5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and equity</th>
<th>FY17</th>
<th>FY18 1H</th>
<th>FY18</th>
<th>FY19 1H</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest-bearing debt</td>
<td>448.8</td>
<td>448.0</td>
<td>470.1</td>
<td>459.4</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>30.3</td>
<td>30.0</td>
<td>32.2</td>
<td>30.1</td>
</tr>
<tr>
<td>Paid in capital</td>
<td>130.7</td>
<td>128.8</td>
<td>141.5</td>
<td>135.1</td>
</tr>
<tr>
<td>Capital surplus</td>
<td>43.4</td>
<td>43.4</td>
<td>43.4</td>
<td>43.4</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>54.5</td>
<td>54.5</td>
<td>54.6</td>
<td>54.4</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>54.3</td>
<td>54.3</td>
<td>54.6</td>
<td>54.4</td>
</tr>
</tbody>
</table>

Impact of adoption of IFRS 16 (guidance on accounting of leases) vs FY18

(Debit) Property, plant and equipment/other +¥7.8 billion
(Credit) Current liabilities/other +¥1.9 billion, non-current liabilities/other +¥5.8 billion

Co-innovating tomorrow™

Nov. 5, 2019
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Financial Results for Fiscal Year 2019 2Q
Current Situation and Future Forecast
Transformation 2020

Hitoshi Nara
President and Chief Executive Officer
November 5, 2019
## Contents

1. Current situation
   (External environment, opportunities and risks)

2. Initiatives for new mid-term business plan
   Transformation 2020 (TF2020)

3. Future forecast

4. Appendix
<With changes in external environment>
- A year and a half after the announcement, there has been no significant change in the perception of the external environment that would change strategy.

- However, there are some signs of change after six months in office as the president and CEO.

- One is the continuation of "Accelerating the shift to low-carbon energy" such as LNG.

- The other is “Further increasing needs for localization in each country”. Countries with natural resources and emerging economies focus on developing their own industries. Specifically, in those countries, investment in production, engineering and development functions in the country, and contribution to human resource development and employment are required.

- We see these changes as new business opportunities for our company to leverage its strengths. This is because YOKOGAWA has built "Stable and deep relationships of trust" with customers and society at work sites around the world over the long plant life cycle of more than 30 years, and has "Achievements" that have developed together.
<Current Situation>

-(Market conditions) As a whole, there are concerns that the economy may slow down as the IMF has revised its economic outlook downward again.
- On the other hand, OPEX investments such as investment in replacement for improvement of productivity and environmental investment (areas with strict environmental regulations, such as China and India) were firm.
- The shift to low-carbon energy to solve the social issues earlier is accelerating, and large-scale investments are being made in LNG projects.

-(Region) Orders are strong for “Japan”, which has a large scale and where we have the largest market share, and “Middle East”, which has a high need for localization, and the market is firm in North America, in addition to such countries as India and China, with gas projects in the spotlight.

-(Industry) Investment in “Downstream” industries including petrochemical industries, which we have an advantage in is continued, and we have the impression that the base of “chemical” is expanding. As the background, there is a growing need for “oil to chemical” projects (i.e. the conversion of crude oil to chemicals). In addition, the non-energy “food and pharmaceutical” industries, mainly in Japan, are also strong. Again, we expect demand for LNG and other gases to continue over the long term.

- At the midway point of TF2020, orders are firm, and the growth rate of the CAPEX business market, which was initially expected to be strict, may be higher than expected.
- However, due to such as the impact of trade friction between the United States and China, a global slowdown in the economy and investment is a risk. Although there are concerns about developments in China in particular, there has been no impact in terms of figures since the 1st quarter. We will closely monitor changes in the situation and manage the company.
- Introduces of some of the specific initiatives in the 1st half of the fiscal year, focusing on Three basic strategies and Digital transformation (DX) outlined in the mid-term business Plan.
<TF2020 basic strategy>

- The image of basic strategy when they were announced in our mid-term business plan.

- Three strategies are as follows;
  1. Transformation of existing businesses (Control Segment)
  2. Creation of new businesses and transformation of business model
  3. Improvement of productivity through Group-wide optimization

- The core foundation supporting these innovations will be digital transformation.
- This digital transformation will drive the whole while becoming the basic axis.
<Our activities for the goals of our mid-term business plan>

**1) Transformation of existing businesses**

Business is growing steadily, mainly in the OPEX business and chemical industries. We introduce four topics.

1) Acquired RAP International (UK): We will provide solutions to realize the digitalization of our customers’ maintenance safety processes of their plants, better protect their workforce, and improvement of their operational efficiency.

2) Started providing ERP solutions to manufacturers in South-eastern Asia

3) Signed a global licensing agreement with ExRobotics B.V. (Netherlands): We will provide advanced solutions on a global scale.

In remote locations and harsh environment where explosive gas is generated, such as oil and gas facilities, large-scale refineries and chemical plants, by using inspection work robots, we will provide environments in which operators can work safely and contribute to reduce operational costs using a cloud environment. This is the direction aspect of YOKOGAWA’s targeted robotics service platform.

4) Collaborating with Mitsui Chemicals, Inc. to Provide training courses in the cyber physical system environment to acquire skills necessary for stable plant operation

**2) Creation of new businesses and transformation of business model**

Orders and sales in the life sciences and food and pharmaceutical industries are also strong. We are working hard to move to a recurring business model. Among them,

1) Focusing on the launch of single-cell analysis solution business: We are looking forward to its commercialization. We will explain about the life innovation business in another slide.

2) Took strategic stake in Sensire Ltd. (Finland): This is a collaboration in the cold chain monitoring business. As part of the IIoT business, we aim to develop and provide new services combined with subscription-based IIoT services being developed by amnimo Inc. We will develop our business in response to growing demand in the field of logistics for pharmaceutical and food products that require strict temperature control.

**3) Improvement of productivity through Group-wide optimization**

We will explain about this in another slide.
<Achievements>
- As an example of expand the OPEX business, we will introduce 2 achievements of "Progress in collaboration with KBC" in Asia.

(1) Refinery
: Oil refinery in Australia
    Results of consulting by KBC, the customer was able to get a margin. Using it as a source, the customer replaced it’s DCS, and as a result, other vendors’ DCS were replaced with CENTUM.

(2) Chemistry
: Taiwan
    Challenges for “operational excellence”
    "Lack of transmission from skilled operators to younger employees" has become a problem for the customer.
    Our solution was adoption of electronic systems.
    AI will be introduced in the future, and we are trying to cooperate with customer to make transformation.

- There are challenges regarding the launch of KBC, but we are moving forward step by step.
<YOKOGAWA’s Business Model (e.g.)>

- As for the expansion of OPEX business, we explained that we would utilize M&A and alliances in addition to our in-house initiatives such as KBC. We use this slide to show our business model.

- We use (1) RAP, acquired company, and (2) ExRobotics strategically.

- There is no change in the importance of the OPEX business being on the long-term axis, but we won’t cut CAPEX business.

- It is important to balance OPEX business and CAPEX business efficiently aiming at GROWTH in the future.

- Although CAPEX business such as new projects fluctuate depending on business conditions and other factors, the spirit of challenging new customers and projects is essential for generating continuous OPEX business opportunities, in other words, improving profitability.

- After receiving CAPEX business orders, OPEX business starts in general; for example, business related to cyber security measures, quality control, facility management and energy reduction.

- From here on out, based on trust from our customers and OPEX business, we will continue to advance our business model toward the growth phase by balancing OPEX business with CAPEX business.
<Life innovation business>
- This is a slide that shows the business cover of the supply chain for the life innovation business we explained about as the second strategy.

- In the production field (inside the blue frame), we have already achieved high results, and we will drive the global expansion more and more in this field.

- Confocal scanners business for life sciences business and NKS Corporation (calibration and validation business), we acquired last year, are small business but very strong.

- In the area of new development, we are focusing on the launch of solution for single-cell analysis. We are also working hard on 2 other new development businesses.
<Improvement of productivity through Group-wide optimization>

- The third transformation is "Improvement of productivity through Group-wide optimization".

- Mainly through reducting costs of procurement and logistics, expanding use of Global Delivery Centers, and promoting introduction of robotic process automation (RPA), our productivity has been optimizing continuously.

- As for human resource development, we effort to develop human resources in YOKOGAWA University, which is our in-house university.

- Activities to establish a firm foundation for growth by improving productivity are going well.

- We are speeding up implementation of measures to optimize organization through its restructuring.
<Digital Transformation (DX)>

- As for digital transformation, we are promoting optimization of the business in the internal by utilization IT technology for sharing DATA and shifting to the cloud environment, etc. Moreover, we are also currently focusing on providing value to customers, based on their value creation within the company.
Yokogawa’s Future
• FY19 forecast
• TF2020 management indicators
• Direction
Although the global current situation is becoming increasingly uncertain, we don't change the FY19 forecast that orders is ¥430 billion, sales is ¥420 billion, and operating income is ¥40 billion. We aim to make record high profits to achieve mid-term business plan.

- We are steadily carrying out the three transformations in TF2020 in order to achieve the FY19 forecast, currently.
- Re-confirmation of TF2020 targets.

- Although it is too early to make a judgment for our results at the midway point of TF2020, we think that we are making "good progress".

- For the 3 years of TF2020, the management goals are “Independent of the market environment (especially independent on CAPEX-related and new projects)”, “Top line exceeded the market growth rate” and "Increasing profitability".

- However, Our results are not suddenly improved because “they are came by mid- to long-term efforts based on accumulating short-term activities”.

- The most important thing is to steadily solve the challenges ahead one by one, including the three transformations of TF2020. By further accelerating our transformation efforts to achieve the TF2020 targets, we aim to move to a growth phase soon.
Our goal is to become a company that is profitable regardless of what happens in the external environment (more resilient).

This slide shows the trend of crude oil prices (WTI), exchange rate (USD/¥) and our company’s operating income for about 10 years. The trend of Our company's operating income does not necessarily follow the fluctuations in crude oil prices and exchange rates.

Some of our customers are accelerating their investments as crude oil prices fall.

In the future, we aim for sustainable growth by mainly focusing on Downstream industry, which is our strong, and Chemical industry, whose business opportunities are expanding and knowledges & skills in Japan has accumulated, with changing the shape, scope and methods of our business while predicting the changes of the times.
<Trend of global sales in control segment>

- This is the performance of the control business.

- For the first time in four years, we aim to set a new sales record with the control segment whose business is expanding over the past 10 years, despite the appreciation of the yen.
<Our direction>
- Confirmation of the direction for our mid-term management.
  There are 3 points as follows;

- The first: the management with a **mid- to long-term perspective**
  as same as business,

- The second: strive to accelerate transformation with a focus on
  **growth** and **efficiency** such as productivity improvement,

- The third: **aim to maximize corporate value** by placing the top
  priority on growing our business and solving social, environmental,
  and economic issues **with use of YOKOGAWA's core competencies**.

- Fortunately, our business (core competence) is **"ESG" itself**.

- We contribute in building a sustainable society by achieving
  "Establishing a foundation for growth" and "Creating opportunities" for
  the three years of TF2020.
Appendix: Solution Portfolio in Control Segment

From “Automation Supplier” to “Trusted Partner”

<table>
<thead>
<tr>
<th>Application</th>
<th>Consulting</th>
<th>Engineering &amp; design</th>
<th>Lifecycle service</th>
<th>System integration</th>
<th>Physical security &amp; cyber security</th>
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</thead>
<tbody>
<tr>
<td>Business</td>
<td>Strategy planning</td>
<td>Supply chain optimization</td>
<td>Asset lifecycle optimization</td>
<td>Operational risk management, etc.</td>
<td></td>
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<tr>
<td>Operations</td>
<td>Production management</td>
<td>Asset management</td>
<td>Energy management</td>
<td>Quality management, etc.</td>
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<tr>
<td>Automation</td>
<td>Control systems</td>
<td>Safety systems</td>
<td>Edge controllers</td>
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<tr>
<td>Field Devices</td>
<td>OT sensors</td>
<td></td>
<td>IoT sensors</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Integrated performance management and process optimization

Value
Insights
Analytics
Data

Operational Technology
Information Technology

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# Appendix: News (from August 7 to November 5)

## Aug.

Yokogawa publishes 2019 Yokogawa Report
https://www.yokogawa.com/about/ir/reports/annual/

Yokogawa Test & Measurement releases MT300 series digital manometers to support a wide variety of pressure measurement needs

Yokogawa acquires UK-based RAP International, specialists in control of work for field service and plant maintenance

## Sep.

Yokogawa transfers all shares of Yokogawa Medical Solutions Corporation, a consolidated subsidiary, to Fujifilm Corporation

For the eighth time and the third year in a row, Yokogawa is selected for inclusion in the Dow Jones Sustainability Asia Pacific Index (DJSI Asia Pacific)

## Oct.

Yokogawa releases Dynamic Real Time Optimizer solution for the optimization of plant operations

Yokogawa Test & Measurement releases CA500 and CA550 multifunction process calibrators that improve the efficiency of on-site work

Yokogawa publishes 2019 Yokogawa Sustainability Report
https://www.yokogawa.com/about/sustainability/

ExRobotics B.V. (Netherlands) and Yokogawa collaborate to accelerate adoption of robotics
- The signing of a licensing agreement will enable Yokogawa to sell and deploy ExRobotics’ inspection robot hardware and software platforms worldwide

Yokogawa awarded a contract by PUB, Singapore's national water agency, to develop a plant simulation system for the Lower Seletar Waterworks

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Note: The month for each news item indicates when it was published.

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Appendix: Yokogawa’s Main ESG Indexes

As of November 2019

DJSI-Asia Pacific
FTSE4Good Index Series
MSCI ESG Leaders Indexes
FTSE Blossom Japan Index
MSCI Japan ESG Select Leaders Index
MSCI Japan Empowering Women Index
SNAM Sustainability Index
CDP
S&P/JPX Carbon Efficient Index
Global 100 Most Sustainable Corporations in the World Index

2019 Constituent
MSCI ESG
Leaders Indexes
MSCI
MSCI Japan Empowering
Women Index (WIN)
MSCI
MSCI Japan ESG
Select Leaders Index

THE EXCLUSION OF YOKOGAWA ELECTRIC CORPORATION IN THE DOW JONES SUSTAINABILITY INDEXES IS IN NO WAY A COMMENT OR JUDGMENT ON THE COMPANY OR ITS PRODUCTS AND SERVICES. IT DOES NOT REFLECT THE EXCLUSION OF YOKOGAWA ELECTRIC CORPORATION’S BUSINESS PRACTICES, GOVERNANCE OR CORPORATE SOCIAL RESPONSIBILITY.

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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.

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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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