

**Consolidated Financial Results for the First Two Quarters of the Fiscal Year Ending March 31, 2021  
(Japan GAAP)**

November 4, 2020

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: Hitoshi Nara, President and Chief Executive Officer  
 Name and Position of Person in Charge: Hirohiko Nakatani, Department Manager of Treasury & IR Department  
 Telephone Number: +81-422-52-6845  
 Planned Quarterly Report Filing Date: November 5, 2020  
 Planned Dividend Payment Starting Date: December 4, 2020  
 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 two quarters of the year ending March 31, 2021 (April 1-September 30, 2020)

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

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

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For first two quarters of year ending March 31, 2021	174,376	(8.9)	15,346	(9.0)	16,268	(4.4)	9,783	(0.8)
For first two quarters of year ended March 31, 2020	191,393	0.5	16,861	14.3	17,020	5.1	9,860	(2.7)

(Note) Comprehensive income For first two quarters of year ending March 31, 2021 12,112 million yen [217.9%]  
 For first two quarters of year ended March 31, 2020 3,809 million yen [(72.8)%]

	Basic Earnings per Share	Diluted Earnings per Share
	Yen	Yen
For first two quarters of year ending March 31, 2021	36.65	–
For first two quarters of year ended March 31, 2020	36.94	–

(2) Financial conditions on a consolidated basis

	Total Assets	Net Assets	Shareholders’ Equity Ratio
	Millions of yen	Millions of yen	%
As of September 30, 2020	480,620	299,007	60.9
As of March 31, 2020	489,678	291,472	58.4

[Reference] Shareholders’ equity: As of September 30, 2020: 292,508 million yen As of March 31, 2020: 285,904 million yen

2. Dividend status

	Dividends per Share				
	June 30	September 30	December 31	End of Period	Total
	Yen	Yen	Yen	Yen	Yen
For year ended March 31, 2020	–	17.00	–	17.00	34.00
For year ending March 31, 2021	–	17.00			
For year ending March 31, 2021 (forecast)			–	17.00	34.00

(Note) Adjustment on dividend forecast in this quarter: No

3. Business forecast for the year ending March 31, 2021 (April 1, 2020-March 31, 2021)

(Percentages show the change from the previous year.)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Basic Earnings per Share
	Millions of yen %	Millions of yen %	Millions of yen %	Millions of yen %	Yen
Full year	375,000 (7.3)	30,000 (15.7)	30,000 (17.4)	19,000 29.4	71.18

(Note) Adjustment on consolidated business forecast in this quarter: Yes

<Notes>

- (1) Changes to important subsidiaries during the period: No  
(changes to consolidated subsidiaries accompanying changes to specific subsidiaries)
- (2) Application of special methods for quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatements
- |  |     |
|--|-----|
| a. Changes in accounting policies accompanying revision of accounting standards: | No  |
| b. Changes in accounting policies other than (a) above:                          | Yes |
| c. Changes in accounting estimates:  | No  |
| d. Restatements:   | No  |
- (4) Number of shares issued (common stock)
- |  |                    |
|--|--------------------|
| a. Number of shares outstanding at the end of the period (including treasury shares) |                    |
| As of September 30, 2020   | 268,624,510 shares |
| As of March 31, 2020   | 268,624,510 shares |
| b. Number of treasury shares at the end of the period                                |                    |
| As of September 30, 2020   | 1,691,101 shares   |
| As of March 31, 2020   | 1,690,805 shares   |
| c. Average number of shares in the period (accumulated quarterly period)             |                    |
| For the first two quarters of the year ending March 31, 2021                         | 266,933,567 shares |
| For the first two quarters of the year ended March 31, 2020                          | 266,934,745 shares |

Quarterly financial results reports are exempt from quarterly reviews conducted by certified public accountants or an audit corporation.

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. For premises underlying the assumptions for business forecasts and cautions concerning the use of business forecasts, please refer to "1. Qualitative Information on Quarterly Consolidated Financial Results (3) Explanation of consolidated business forecast and other expectations" on page 5.

The Company plans to hold a quarterly financial results presentation meeting for institutional investors via telephone conference on November 4, 2020. The Company also plans to promptly post to its website the materials that are used at the meeting.

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1. Qualitative Information on Quarterly Consolidated Financial Results

(1) Explanation of business results

For the first two quarters of the current fiscal year (April 1, 2020 to September 30, 2020), the Yokogawa Group (“the Group”) implemented the three basic strategies of “transformation of existing businesses,” “creation of new businesses and transformation of business model,” and “improvement of productivity through Group-wide optimization,” based on the “Transformation 2020” mid-term business plan, which is now in its final year, and has been working on “consolidating the foundation for growth” and “creating the opportunity for growth” while utilizing digital technology.

In terms of the Group’s business performance during the first two quarters of the current fiscal year, net sales declined by 17.0 billion yen year on year due to the spread of the novel coronavirus disease (COVID-19, hereinafter referred to as, the “COVID-19”), foreign exchange fluctuations, and other factors. Operating profit decreased by 1.5 billion yen year on year, mainly due to a decrease in selling, general and administrative expenses, amid the impact from the COVID-19 and fluctuations in exchange rates. Ordinary profit decreased by 0.7 billion yen year on year and profit attributable to owners of parent was nearly unchanged from the same period in the previous fiscal year.

Business results are as follows.

Unit: billion yen

	First two quarters of FY2019	First two quarters of FY2020	Difference	Change
Net Sales	191.393	174.376	(17.016)	(8.9)%
Operating Profit	16.861	15.346	(1.515)	(9.0)%
Ordinary Profit	17.020	16.268	(0.751)	(4.4)%
Profit Attributable to Owners of Parent	9.860	9.783	(0.077)	(0.8)%
(Reference) Average rate to 1 U.S. dollar (Yen)	108.67	106.39	(2.28)	-

Results by individual segment are outlined below.

<Industrial Automation and Control Business>

Unit: billion yen

	First two quarters of FY2019	First two quarters of FY2020	Difference	Change
Net Sales	175.355	159.964	(15.391)	(8.8)%
Operating Profit	16.309	15.848	(0.460)	(2.8)%

Net sales for the industrial automation and control business segment decreased by 15.3 billion yen year on year, mainly due to the spread of the COVID-19 and foreign exchange fluctuations. Meanwhile, operating profit fell 0.4 billion yen year on year, mainly due to a decrease in selling, general and administrative expenses.

<Test and Measurement Business>

Unit: billion yen

	First two quarters of FY2019	First two quarters of FY2020	Difference	Change
Net Sales	11.746	12.104	0.357	3.0%
Operating Profit	0.635	0.444	(0.191)	(30.1)%

In the test and measurement business segment, while net sales remained strong, the effects of upfront investments in the life innovation business, etc., led operating profit to decrease 0.1 billion yen year on year.

<Aviation and Other Businesses>

Unit: billion yen

	First two quarters of FY2019	First two quarters of FY2020	Difference	Change
Net Sales	4.290	2.307	(1.983)	(46.2)%
Operating Profit	(0.083)	(0.946)	(0.863)	—

In the aviation and other businesses segment, sales and profit declined mainly attributable to sluggish demand for aviation-related equipment due to restrictions on economic activities triggered by the spread of the COVID-19.

(2) Explanation of financial conditions

In comparison to March 31, 2020, total assets as of September 30, 2020, were down 9.0 billion yen to 480.6 billion yen, mainly due to decreases in notes and accounts receivable - trade, and cash and deposits, despite increases in inventories and investment securities.

In addition, total liabilities were 181.6 billion yen, down 16.5 billion yen compared to March 31, 2020, due mainly to decreases in short-term borrowings and commercial papers despite increases in long-term borrowings and other current liabilities.

As of September 30, 2020, net assets were 299.0 billion yen, up 7.5 billion yen compared to March 31, 2020, due mainly to the recognition of profit attributable to owners of parent.

As a result, the shareholders' equity ratio was 60.9%, up 2.5 percentage points from the end of the previous fiscal year.

The cash flow from operating activities in the first two quarters of the current fiscal year was a net inflow of 16.7 billion yen, up 4.8 billion yen from the same period in the previous fiscal year, mainly reflecting the recording of profit before income taxes and depreciation.

The cash flow from investing activities was a net outflow of 10.4 billion yen, up 2.1 billion yen from the same period in the previous fiscal year, mainly reflecting purchase of property, plant and equipment.

The cash flow from financing activities was a net outflow of 10.7 billion yen, up 0.9 billion yen from the same period in the previous fiscal year, mainly due to redemption of commercial papers.

As a result, the balance of cash and cash equivalents as of September 30, 2020 was 95.4 billion yen, down 4.1 billion yen from the end of the previous fiscal year.

(3) Explanation of consolidated business forecast and other expectations

Regarding the consolidated business forecast for the fiscal year ending March 31, 2021, despite the external environment continuing to be uncertain, there have been no significant changes to the Company's sentiment that the macro economy will recover at a gradual pace while there is a balance between measures to prevent the spread of COVID-19 and efforts to resume economic activities. Furthermore, there have been no changes to the foreign exchange rate of 1 USD = 105 yen for the business forecast. Using these assumptions and taking into account the above business results, we have revised the consolidated business forecast on the assumption of a certain level of recovery from now until the end of the fiscal year.

This revised consolidated business forecast has been calculated based on the aforementioned assumed scenarios using information, etc. available at the present time. Actual business performance may vary from this forecast due to a variety of factors arising in the future. The impact of the spread of COVID-19 on our business may vary significantly. If any changes arise that will impact the Group's business performance, the Company will revise the consolidated business forecast and promptly announce the revised forecast.

The following compares the full-year consolidated business forecast announced on August 12, 2020, with the revised forecast announced on November 4, 2020.

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Basic Earnings per Share
	Billions of yen	Billions of yen	Billions of yen	Billions of yen	Yen
Previously announced forecast (A)	360.0-390.0	23.0-30.0	23.0-30.0	14.0-19.0	52.45-71.18
Revised forecast (B)	375.0	30.0	30.0	19.0	71.18
Difference (B) - (A)	15.0-(15.0)	7.0-0.0	7.0-0.0	5.0-0.0	-
Change (%)	4.2%-(3.8)%	30.4%-0.0%	30.4%-0.0%	35.7%-0.0%	-
(Reference) Results for fiscal year ended March 31, 2020	404.4	35.5	36.3	14.6	55.02

(Reference) Consolidated business forecast by segment  
<Orders received>

Unit: billion yen

	Previously announced forecast (August 12, 2020)	Revised forecast (November 4, 2020)	Difference
Industrial automation and control business	321.0-348.0	329.0	up 8.0 - down 19.0
Test and measurement business	24.0-26.0	25.0	up 1.0 - down 1.0
Aviation and other businesses	5.0-6.0	6.0	up 1.0 - 0.0
Total	350.0-380.0	360.0	up 10.0 - down 20.0

<Net sales>

Unit: billion yen

	Previously announced forecast (August 12, 2020)	Revised forecast (November 4, 2020)	Difference
Industrial automation and control business	330.0-357.0	344.0	up 14.0 - down 13.0
Test and measurement business	24.0-26.0	25.0	up 1.0 - down 1.0
Aviation and other businesses	6.0-7.0	6.0	0.0 - down 1.0
Total	360.0-390.0	375.0	up 15.0 - down 15.0

<Operating Profit>

Unit: billion yen

	Previously announced forecast (August 12, 2020)	Revised forecast (November 4, 2020)	Difference
Industrial automation and control business	24.0-30.0	31.0	up 7.0 - up 1.0
Test and measurement business	0.0-0.5	0.5	up 0.5 - 0.0
Aviation and other businesses	(1.0)-(0.5)	(1.5)	down 0.5 - down 1.0
Total	23.0-30.0	30.0	up 7.0 - 0.0

<Cautions concerning the use of business forecasts>

As the above business forecast is based on certain assumptions judged by the Company to be reasonable at present, actual business results may differ.

The main factors that may cause changes in the results are as follows.

- Changes in foreign exchange rates, particularly the U.S. dollar, the euro, Asian currencies, and the currencies of the Middle East
- Sudden changes in the price of crude oil
- Sudden changes in the political and economic situation in major markets
- Geopolitical risks in the Middle East and East Asia, etc.
- Changes in the business environment such as revisions to trade regulations
- Dramatic shifts in product supply and demand in the market
- Changes in Japanese share prices
- Protection of the Company's patents and the licensing of patents held by other companies

- M&A and business alliances with other companies for purposes such as product development
- Occurrences of natural disasters such as earthquakes, floods, and tsunamis

2. Consolidated Quarterly Financial Statements

(1) Consolidated quarterly balance sheets

	(Reference) End of FY2019 (March 31, 2020)	End of FY2020 2nd quarter (September 30, 2020)
(Millions of yen)		
<b>Assets</b>		
Current assets		
Cash and deposits	101,522	97,197
Notes and accounts receivable - trade	175,687	165,207
Merchandise and finished goods	14,297	15,830
Work in process	7,516	7,413
Raw materials and supplies	15,527	16,519
Other	18,003	19,575
Allowance for doubtful accounts	(3,673)	(3,539)
Total current assets	328,882	318,204
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	44,306	43,841
Other	38,752	37,465
Total property, plant and equipment	83,059	81,306
Intangible assets		
Software	12,525	11,732
Goodwill	3,132	4,493
Other	7,108	7,909
Total intangible assets	22,766	24,135
Investments and other assets		
Investment securities	42,933	45,893
Other	14,009	13,001
Allowance for doubtful accounts	(1,971)	(1,921)
Total investments and other assets	54,970	56,973
Total non-current assets	160,796	162,415
Total assets	489,678	480,620



(Millions of yen)

	(Reference) End of FY2019 (March 31, 2020)	End of FY2020 2nd quarter (September 30, 2020)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	24,358	21,779
Electronically recorded obligations - operating	9,723	7,960
Short-term borrowings	16,400	2,832
Commercial papers	30,000	20,000
Accounts payable - other	13,367	9,170
Income taxes payable	4,769	4,460
Advances received	33,382	32,262
Provision for bonuses	15,689	13,381
Provision for loss on construction contracts	7,606	7,242
Provision for reinforcing measures against soft errors	898	618
Other	22,704	23,764
Total current liabilities	178,900	143,471
Non-current liabilities		
Long-term borrowings	4,080	24,000
Retirement benefit liability	4,590	4,653
Provision for reinforcing measures against soft errors	1,840	949
Other	8,794	8,538
Total non-current liabilities	19,305	38,141
Total liabilities	198,206	181,612
Net assets		
Shareholders' equity		
Share capital	43,401	43,401
Capital surplus	54,386	54,383
Retained earnings	199,080	204,342
Treasury shares	(1,400)	(1,401)
Total shareholders' equity	295,466	300,725
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,020	8,032
Foreign currency translation adjustment	(14,677)	(14,428)
Remeasurements of defined benefit plans	(1,905)	(1,821)
Total accumulated other comprehensive income	(9,562)	(8,217)
Non-controlling interests	5,568	6,499
Total net assets	291,472	299,007
Total liabilities and net assets	489,678	480,620

(2) Consolidated quarterly statements of income and statements of comprehensive income  
Consolidated quarterly statements of income for the first two quarters of FY2020

(Millions of yen)

	(Reference) First two quarters of FY2019 (April 1-September 30, 2019)	First two quarters of FY2020 (April 1-September 30, 2020)
Net sales	191,393	174,376
Cost of sales	105,902	95,429
Gross profit	85,490	78,946
Selling, general and administrative expenses	68,629	63,600
Operating profit	16,861	15,346
Non-operating income		
Interest income	288	166
Dividend income	407	390
Share of profit of entities accounted for using equity method	784	639
Foreign exchange gains	-	268
Other	466	427
Total non-operating income	1,946	1,892
Non-operating expenses		
Interest expenses	278	267
Foreign exchange losses	841	-
Other	668	702
Total non-operating expenses	1,788	970
Ordinary profit	17,020	16,268
Extraordinary income		
Gain on sales of non-current assets	84	47
Gain on sales of investment securities	13	-
Gain on sales of shares of subsidiaries and associates	1,468	-
Gain on sale of businesses	*1 823	-
Total extraordinary income	2,390	47
Extraordinary losses		
Loss on sales of non-current assets	8	0
Loss on retirement of non-current assets	130	305
Loss on valuation of investment securities	-	34
Business restructuring expenses	-	*3 1,026
Provision for reinforcing measures against soft errors	*2 3,049	-
Total extraordinary losses	3,188	1,366
Profit before income taxes	16,221	14,949
Income taxes - current	4,066	3,295
Income taxes - deferred	1,374	931
Total income taxes	5,440	4,226
Profit	10,781	10,723
Profit attributable to non-controlling interests	920	939
Profit attributable to owners of parent	9,860	9,783

Consolidated quarterly statements of comprehensive income for the first two quarters of FY2020

(Millions of yen)

	(Reference) First two quarters of FY2019 (April 1-September 30, 2019)	First two quarters of FY2020 (April 1-September 30, 2020)
Profit	10,781	10,723
Other comprehensive income		
Valuation difference on available-for-sale securities	(978)	1,026
Deferred gains or losses on hedges	47	-
Foreign currency translation adjustment	(5,924)	240
Remeasurements of defined benefit plans, net of tax	52	83
Share of other comprehensive income of entities accounted for using equity method	(167)	38
Total other comprehensive income	(6,971)	1,389
Comprehensive income	3,809	12,112
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,146	11,129
Comprehensive income attributable to non- controlling interests	663	983

(3) Quarterly consolidated statements of cash flows

(Millions of yen)

	(Reference) First two quarters of FY2019 (April 1-September 30, 2019)	First two quarters of FY2020 (April 1-September 30, 2020)
<b>Cash flows from operating activities</b>		
Profit before income taxes	16,221	14,949
Depreciation	8,737	8,310
Amortization of goodwill	443	286
Increase (decrease) in allowance for doubtful accounts	(397)	(175)
Increase (decrease) in provision for bonuses	(2,590)	(2,200)
Increase (decrease) in provision for reinforcing measures against soft errors	(21)	(1,171)
Decrease (increase) in trade receivables	3,315	8,783
Decrease (increase) in inventories	(3,936)	(2,427)
Increase (decrease) in trade payables	(4,201)	(4,041)
Increase (decrease) in accounts payable - other	(1,335)	(1,183)
Decrease (increase) in other current assets	(936)	(2,001)
Loss (gain) on sales of non-current assets	(75)	(46)
Loss on retirement of non-current assets	130	305
Loss (gain) on sales of investment securities	(13)	-
Loss (gain) on sales of shares of subsidiaries and associates	(1,468)	-
Loss (gain) on sale of businesses	(823)	-
Provision for reinforcing measures against soft errors	3,049	-
Other, net	(202)	312
Subtotal	15,894	19,699
Interest and dividends received	1,572	1,517
Interest paid	(263)	(250)
Income taxes (paid) refund	(5,250)	(4,194)
Net cash provided by (used in) operating activities	11,952	16,772
<b>Cash flows from investing activities</b>		
Payments into time deposits	(1,720)	(165)
Proceeds from withdrawal of time deposits	299	369
Purchase of property, plant and equipment	(5,147)	(4,326)
Proceeds from sales of property, plant and equipment	182	92
Purchase of intangible assets	(3,381)	(4,133)
Purchase of investment securities	(604)	(677)
Proceeds from sales and redemption of investment securities	22	-
Purchase of shares of subsidiaries and associates	(759)	-
Proceeds from sale of businesses	902	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(261)	(1,284)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	2,287	-
Other, net	(34)	(288)
Net cash provided by (used in) investing activities	(8,217)	(10,414)

(Millions of yen)

	(Reference) First two quarters of FY2019 (April 1-September 30, 2019)	First two quarters of FY2020 (April 1-September 30, 2020)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(2,107)	859
Net increase (decrease) in commercial papers	–	(10,000)
Proceeds from long-term borrowings	–	20,000
Repayments of long-term borrowings	(176)	(14,504)
Repayments of lease obligations	(1,222)	(1,371)
Dividends paid	(4,535)	(4,535)
Dividends paid to non-controlling interests	(1,327)	(1,161)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(354)	(0)
Other, net	(2)	(0)
Net cash provided by (used in) financing activities	(9,724)	(10,714)
Effect of exchange rate change on cash and cash equivalents	(2,725)	180
Net increase (decrease) in cash and cash equivalents	(8,714)	(4,175)
Cash and cash equivalents at beginning of period	85,701	99,658
Cash and cash equivalents at end of period	76,987	95,483

(4) Notes on consolidated quarterly financial statements

Notes for going concern

Not applicable

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

Not applicable

Changes in accounting policies

As the application of the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 30, 2018) and "Guidance on Accounting Standard for Revenue Recognition" (ASBJ Guidance No. 30, March 30, 2018) was allowed from the start of the fiscal year beginning on or after April 1, 2018, the Company has applied the Accounting Standard for Revenue Recognition and its guidance from the start of the first quarter of the fiscal year ending March 31, 2021, and it has recognized promised goods or services as revenue at the amount expected to be received upon exchange of said goods or services at the time the control of said goods or services is transferred to the customer.

As a result, although sales of field instruments and other products that do not include engineering were usually recognized as revenue at the time the transfer was completed for all products included in the contract where the contract was the accounting unit, in the case of a contract that includes multiple products, the accounting method has been changed to one that recognizes revenue when the performance obligation is satisfied for each product. In addition, sales rebates and other consideration payable to a customer were usually accounted for as selling, general and administrative expenses, but the accounting method has been changed to one that deducts them from the transaction price.

The application of the Accounting Standard for Revenue Recognition and its implementation guidance is subject to the transitional treatment provided for in the proviso to paragraph 84 of the Accounting Standard for Revenue Recognition. The cumulative effect of the retrospective application, assuming the new accounting policy had been applied to periods prior to the start of the first quarter of the fiscal year ending March 31, 2021, was added to or subtracted from the opening balance of retained earnings of the first quarter of the fiscal year ending March 31, 2021, and thus the new accounting policy was applied from such opening balance.

The impact of the application of the accounting standard on the quarterly consolidated financial statements is insignificant.

Consolidated quarterly statements of income

\*1 Gain on sale of businesses

This gain relates to the transfer of the plastic vortex flow sensors business.

\*2 Provision for reinforcing measures against soft errors

This provision is the amount of projected expenses incurred with the reinforcement of soft error measures and support for customers.

\*3 Business restructuring expenses

Business restructuring expenses pertaining to extraordinary measures at a portion of consolidated subsidiaries with the aim of optimizing the Group overall were recorded.

Segment information

Segment sales and profits (losses)

Millions of yen

		(Reference) First two quarters of FY2019 (April 1-September 30, 2019)	First two quarters of FY2020 (April 1-September 30, 2020)	Change
Industrial automation and control	Net sales to unaffiliated customers	175,355	159,964	(15,391)
	Operating profit (loss)	16,309	15,848	(460)
Test and measurement	Net sales to unaffiliated customers	11,746	12,104	357
	Operating profit (loss)	635	444	(191)
Aviation and other	Net sales to unaffiliated customers	4,290	2,307	(1,983)
	Operating profit (loss)	(83)	(946)	(863)
Amount on consolidated statements of income	Net sales to unaffiliated customers	191,393	174,376	(17,016)
	Operating profit (loss)	16,861	15,346	(1,515)

[Reference]

Sales by geographical location

Millions of yen

	(Reference) First two quarters of FY2019 (April 1-September 30, 2019)		First two quarters of FY2020 (April 1-September 30, 2020)		Change
	Amount	Composition ratio (%)	Amount	Composition ratio (%)	Amount
Japan	57,153	29.9	53,371	30.6	(3,781)
Outside Japan	134,239	70.1	121,004	69.4	(13,235)
Southeast Asia, Far East	32,518	17.0	28,712	16.5	(3,805)
China	22,878	11.9	25,801	14.8	2,923
India	7,394	3.9	5,060	2.9	(2,334)
Europe	15,799	8.2	14,344	8.2	(1,454)
Russia	9,687	5.1	7,352	4.2	(2,334)
North America	15,735	8.2	16,357	9.4	621
Middle East, Africa	25,854	13.5	19,459	11.2	(6,395)
Central and South America	4,371	2.3	3,916	2.2	(454)
Consolidated net sales	191,393	100.0	174,376	100.0	(17,016)

[Reference]

November 4, 2020  
Yokogawa Electric Corporation

### Consolidated Financial Statements for the First Two Quarters of FY2020

Millions of yen

	First two quarters of FY2019		First two quarters of FY2020		Change	
	Amount	Ratio to net sales	Amount	Ratio to net sales	Amount	Ratio to net sales
Net Sales	191,393	–	174,376	–	(17,016)	–
Operating Profit	16,861	8.8%	15,346	8.8%	(1,515)	(0.0)%
Ordinary Profit	17,020	8.9%	16,268	9.3%	(751)	0.4%
Profit Attributable to Owners of Parent	9,860	5.2%	9,783	5.6%	(77)	0.4%
Total Assets	459,385		480,620		21,235	
Net Assets	294,151		299,007		4,855	
Return on Equity	3.4%		3.4%		(0.0)%	
Basic Earnings per Share	36.94 yen		36.65 yen		(0.29) yen	
Capital Investment	6,423		6,898		474	
Depreciation	9,180		8,596		(584)	
Research and Development Expenses	12,990		13,168		178	
Average Exchange Rate During the Period (USD)	108.67		106.39		(2.28)	

#### Consolidated orders by segment

Millions of yen

	First two quarters of FY2019	First two quarters of FY2020	FY2020 full year (forecast)
Industrial automation and control business	193,493	152,951	329,000
Test and measurement business	12,840	12,184	25,000
Aviation and other businesses	3,462	3,883	6,000
Total	209,796	169,019	360,000

#### Net Sales

Millions of yen

	First two quarters of FY2019	First two quarters of FY2020	FY2020 full year (forecast)
Industrial automation and control business	175,355	159,964	344,000
Test and measurement business	11,746	12,104	25,000
Aviation and other businesses	4,290	2,307	6,000
Total	191,393	174,376	375,000

#### Operating Profit

Millions of yen

	First two quarters of FY2019	First two quarters of FY2020	FY2020 full year (forecast)
Industrial automation and control business	16,309	15,848	31,000
Test and measurement business	635	444	500
Aviation and other businesses	(83)	(946)	(1,500)
Total	16,861	15,346	30,000