

## Consolidated Financial Results for the First Two Quarters of the Fiscal Year Ending March 31, 2024 (Japan GAAP)

November 7, 2023

Name of Listed Company: Yokogawa Electric Corporation (the “Company” herein)  
 Stock Exchanges Where the Company’s Shares Are Listed: Tokyo Stock Exchange  
 Securities Code: 6841 URL <https://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 IR Department  
 Telephone Number: +81-422-52-6845  
 Planned Quarterly Report Filing Date: November 8, 2023  
 Planned Dividend Payment Starting Date: December 1, 2023  
 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, 2024 (April 1-September 30, 2023)

#### (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, 2024 | 254,498         | 23.6 | 33,707           | 149.0 | 37,076          | 133.6 | 35,053                                  | 279.4 |
| For first two quarters of year ended March 31, 2023  | 205,918         | 11.7 | 13,537           | (4.4) | 15,870          | 5.1   | 9,239                                   | 1.4   |

(Note) Comprehensive income For first two quarters of year ending March 31, 2024 56,284 million yen [69.9%]  
 For first two quarters of year ended March 31, 2023 33,130 million yen [154.4%]

|                                                      | Basic earnings per share | Diluted earnings per share |
|------------------------------------------------------|--------------------------|----------------------------|
|                                                      | Yen                      | Yen                        |
| For first two quarters of year ending March 31, 2024 | 132.50                   | —                          |
| For first two quarters of year ended March 31, 2023  | 34.61                    | —                          |

#### (2) Financial Conditions on a Consolidated Basis

|                          | Total assets    | Net assets      | Shareholders’ equity ratio |
|--------------------------|-----------------|-----------------|----------------------------|
|                          | Millions of yen | Millions of yen | %                          |
| As of September 30, 2023 | 630,891         | 423,984         | 65.7                       |
| As of March 31, 2023     | 618,637         | 386,825         | 61.4                       |

(Reference) Shareholders’ equity: As of September 30, 2023: 414,474 million yen As of March 31, 2023: 379,625 million yen

(Note) In the fiscal year ended March 31, 2023, the Company finalized the provisional accounting treatment for the business combination.  
 Amounts as of September 30, 2022 therefore reflect a revision to the initial allocation of the acquisition cost that was performed due to the finalization of the provisional accounting treatment.

### 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, 2023             | —                   | 17.00        | —           | 17.00         | 34.00 |
| For year ending March 31, 2024            | —                   | 17.00        |             |               |       |
| For year ending March 31, 2024 (forecast) |                     |              | —           | 17.00         | 34.00 |

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

3. Consolidated Business Forecast for the Year Ending March 31, 2024 (April 1, 2023-March 31, 2024)

| (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                                             | 512,000         | 12.2 | 63,000           | 41.9 | 64,000          | 31.7 | 48,000                                  | 23.3                     | 182.41 |

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

The Company's net sales and operating profit tend to increase in the second and fourth quarters, and this is particularly the case with the industrial automation and control business in Japan.

<Notes>

- (1) Changes to important subsidiaries during the period: No  
(changes to specific subsidiaries resulting in the change in range of consolidation)
- (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: No
  - 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, 2023 | 268,624,510 shares |
| As of March 31, 2023     | 268,624,510 shares |
  - b. Number of treasury shares at the end of the period
 

|                          |                  |
|--------------------------|------------------|
| As of September 30, 2023 | 7,135,583 shares |
| As of March 31, 2023     | 1,695,433 shares |
  - c. Average number of shares in the period (accumulated quarterly period)
 

|                                                              |                    |
|--------------------------------------------------------------|--------------------|
| For the first two quarters of the year ending March 31, 2024 | 264,549,147 shares |
| For the first two quarters of the year ended March 31, 2023  | 266,930,104 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 web conference on November 7, 2023. The Company also plans to promptly post to its website the materials that are used at the meeting.

## Attachment Contents

|                                                                                                      |      |
|------------------------------------------------------------------------------------------------------|------|
| 1. Qualitative Information on Quarterly Consolidated Financial Results .....                         | 4 -  |
| (1) Explanation of Business Results .....                                                            | 4 -  |
| (2) Explanation of Financial Conditions .....                                                        | 5 -  |
| (3) Explanation of Consolidated Business Forecast and Other Expectations .....                       | 5 -  |
| 2. Consolidated Quarterly Financial Statements.....                                                  | 7 -  |
| (1) Consolidated Quarterly Balance Sheets .....                                                      | 7 -  |
| (2) Consolidated Quarterly Statements of Income and Statements of Comprehensive Income .....         | 9 -  |
| Consolidated Quarterly Statements of Income for the First Two Quarters of FY2023 .....               | 9 -  |
| Consolidated Quarterly Statements of Comprehensive Income for the First Two Quarters of FY2023 ..... | 10 - |
| (3) Quarterly Consolidated Statements of Cash Flows.....                                             | 11 - |
| (4) Notes on Consolidated Quarterly Financial Statements.....                                        | 13 - |
| Notes for Going Concern.....                                                                         | 13 - |
| Notes If There Is a Remarkable Change in the Amount of Shareholders' Equity.....                     | 13 - |
| Consolidated Quarterly Statements of Income.....                                                     | 13 - |
| Segment Information .....                                                                            | 14 - |
| [Reference] .....                                                                                    | 15 - |
| Consolidated Financial Statements for the First Two Quarters of FY2023 .....                         | 15 - |

## 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, 2023 to September 30, 2023), in accordance with the mid-term business plan, “Accelerate Growth 2023,” where the current fiscal year is its final year, the Group has been working to establish a business structure centered on solving common social issues towards growth, focusing on four key strategies: “Implement IA2IA and smart manufacturing and transform value provision,” “Strengthen industry responsiveness and expand cross-industry business,” “Ensure profitability and sound growth,” and “Optimize internal operations and transform mindsets.”

In terms of the Group’s business performance during the first two quarters of the current fiscal year, net sales increased by 48.5 billion yen year on year, mainly due to an improved procurement environment for production parts and project-procured products, the effect of price hike measures, recording sales of large-scale projects ordered after COVID-19, and the impact of foreign exchange fluctuations. Operating profit increased by 20.1 billion yen year on year, mainly due to an increase in the gross profit margin with an increase in sales. Ordinary profit increased by 21.2 billion yen year on year, and profit attributable to owners of parent increased by 25.8 billion yen year on year, mainly due to the recording of gain on sale of investment securities in extraordinary income in the first quarter, despite the recording of an impairment loss on goodwill, etc. related to an overseas subsidiary in extraordinary losses.

Business results are as follows.

|                                                    | Unit: billion yen               |                                 |            |        |
|----------------------------------------------------|---------------------------------|---------------------------------|------------|--------|
|                                                    | First two quarters of<br>FY2022 | First two quarters of<br>FY2023 | Difference | Change |
| Net sales                                          | 205.918                         | 254.498                         | 48.580     | 23.6%  |
| Operating profit                                   | 13.537                          | 33.707                          | 20.170     | 149.0% |
| Ordinary profit                                    | 15.870                          | 37.076                          | 21.205     | 133.6% |
| Profit attributable to owners of<br>parent         | 9.239                           | 35.053                          | 25.813     | 279.4% |
| (Reference) Average rate to 1<br>U.S. dollar (Yen) | 135.30 yen                      | 142.61 yen                      | 7.31 yen   | —      |

Results by individual segment are outlined below.

#### <Industrial Automation and Control Business>

|                  | Unit: billion yen               |                                 |            |        |
|------------------|---------------------------------|---------------------------------|------------|--------|
|                  | First two quarters of<br>FY2022 | First two quarters of<br>FY2023 | Difference | Change |
| Net sales        | 193.081                         | 236.171                         | 43.090     | 22.3%  |
| Operating profit | 12.196                          | 29.491                          | 17.294     | 141.8% |

Net sales for the industrial automation and control business segment increased by 43.0 billion yen year on year, mainly due to an improved procurement environment for production parts and project-procured products, the effect of price hike measures, recording sales of large-scale projects ordered after COVID-19, and the impact of foreign exchange fluctuations. Operating profit increased by 17.2 billion yen year on year, mainly due to an increase in the gross profit margin with an increase in sales.

#### <Measuring Instruments Business>

|                  | Unit: billion yen               |                                 |            |        |
|------------------|---------------------------------|---------------------------------|------------|--------|
|                  | First two quarters of<br>FY2022 | First two quarters of<br>FY2023 | Difference | Change |
| Net sales        | 11.059                          | 16.138                          | 5.079      | 45.9%  |
| Operating profit | 1.596                           | 4.432                           | 2.836      | 177.7% |

In the measuring instruments business, net sales increased by 5.0 billion yen year on year, mainly due to an improved procurement environment for production parts. Operating profit increased by 2.8 billion yen year on year, mainly due to an increase in the gross profit margin with an increase in sales.

#### <New Businesses and Others>

|                  | Unit: billion yen               |                                 |            |        |
|------------------|---------------------------------|---------------------------------|------------|--------|
|                  | First two quarters of<br>FY2022 | First two quarters of<br>FY2023 | Difference | Change |
| Net sales        | 1.777                           | 2.187                           | 0.410      | 23.1%  |
| Operating profit | (0.255)                         | (0.216)                         | 0.039      | —      |

Net sales and operating loss for new businesses and others were almost the same level as the same period of the previous fiscal year.

## (2) Explanation of Financial Conditions

In comparison to March 31, 2023, total assets as of September 30, 2023 were up 12.2 billion yen to 630.8 billion yen, mainly due to increases in notes and accounts receivable - trade, and contract assets, and merchandise and finished goods, despite decreases in cash and deposits and investment securities.

In addition, total liabilities were 206.9 billion yen, down 24.9 billion yen compared to March 31, 2023, due mainly to a decrease in commercial papers.

As of September 30, 2023, net assets were 423.9 billion yen, up 37.1 billion yen compared to March 31, 2023, due mainly to the recognition of profit attributable to owners of parent and an increase in foreign currency translation adjustment, despite a decrease due to purchase of treasury shares.

As a result, the shareholders' equity ratio was 65.7%, up 4.3 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 20.7 billion yen, up 5.5 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 inflow of 16.3 billion yen (compared to a net outflow of 12.8 billion yen in the same period of the previous fiscal year), mainly reflecting proceeds from sale of investment securities, despite purchase of property, plant and equipment, and intangible assets.

The cash flow from financing activities was a net outflow of 53.5 billion yen (up 44.4 billion yen from the previous fiscal year), mainly due to redemption of commercial papers, purchase of treasury shares, and dividends paid.

As a result, the balance of cash and cash equivalents as of September 30, 2023 was 106.7 billion yen, down 9.6 billion yen from the end of the previous fiscal year.

## (3) Explanation of Consolidated Business Forecast and Other Expectations

With regard to the Group's consolidated business forecast for the fiscal year ending March 31, 2024, we have revised the consolidated business forecast announced on May 9, 2023, as follows, taking into account the improved procurement environment for production parts and project-procured products, and the state of foreign exchange. The assumed foreign exchange rate has been revised from 1 USD = 130 yen to 1 USD = 140 yen.

This consolidated business forecast has been calculated 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 such factors as the advance of inflation around the world and its effects on the economic environment, and heightened geopolitical tensions on our business may fluctuate significantly, and in the event of any changes affecting the Group's business performance, this consolidated business forecast will be revised and announced swiftly.

The Company's net sales and operating profit tend to increase in the second and fourth quarters, and this is particularly the case with the industrial automation and control business in Japan.

The following compares the full-year consolidated business forecast announced on May 9, 2023, with the revised forecast announced on November 7, 2023.

|                                                          | 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)                        | 470.0           | 48.0             | 49.0            | 44.0                                    | 164.84                   |
| Revised forecast (B)                                     | 512.0           | 63.0             | 64.0            | 48.0                                    | 182.41                   |
| Difference (B) - (A)                                     | 42.0            | 15.0             | 15.0            | 4.0                                     | —                        |
| Change                                                   | 8.9%            | 31.3%            | 30.6%           | 9.1%                                    | —                        |
| (Reference) Results for fiscal year ended March 31, 2023 | 456.4           | 44.4             | 48.6            | 38.9                                    | 145.81                   |

(Reference) Full-Year Consolidated Business Forecast by Segment

<Orders Received>

Unit: billion yen

|                                               | Previously announced<br>forecast<br>(May 9, 2023) | Revised forecast<br>(November 7, 2023) | Difference |
|-----------------------------------------------|---------------------------------------------------|----------------------------------------|------------|
| Industrial automation and control<br>business | 457.5                                             | 485.5                                  | up 28.0    |
| Measuring instruments business                | 28.5                                              | 27.5                                   | down 1.0   |
| New businesses and others                     | 4.0                                               | 4.0                                    | —          |
| Total                                         | 490.0                                             | 517.0                                  | up 27.0    |

<Net Sales>

Unit: billion yen

|                                               | Previously announced<br>forecast<br>(May 9, 2023) | Revised forecast<br>(November 7, 2023) | Difference |
|-----------------------------------------------|---------------------------------------------------|----------------------------------------|------------|
| Industrial automation and control<br>business | 440.5                                             | 479.0                                  | up 38.5    |
| Measuring instruments business                | 25.5                                              | 29.0                                   | up 3.5     |
| New businesses and others                     | 4.0                                               | 4.0                                    | —          |
| Total                                         | 470.0                                             | 512.0                                  | up 42.0    |

<Operating Profit>

Unit: billion yen

|                                               | Previously announced<br>forecast<br>(May 9, 2023) | Revised forecast<br>(November 7, 2023) | Difference |
|-----------------------------------------------|---------------------------------------------------|----------------------------------------|------------|
| Industrial automation and control<br>business | 44.5                                              | 58.0                                   | up 13.5    |
| Measuring instruments business                | 5.0                                               | 6.5                                    | up 1.5     |
| New businesses and others                     | (1.5)                                             | (1.5)                                  | —          |
| Total                                         | 48.0                                              | 63.0                                   | up 15.0    |

<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 securement of 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)<br>End of FY2022<br>(March 31, 2023) | End of FY2023 2nd quarter<br>(September 30, 2023) |
|------------------------------------------------------------|--------------------------------------------------|---------------------------------------------------|
| (Millions of yen)                                          |                                                  |                                                   |
| Assets                                                     |                                                  |                                                   |
| Current assets                                             |                                                  |                                                   |
| Cash and deposits                                          | 121,438                                          | 111,452                                           |
| Notes and accounts receivable - trade, and contract assets | 209,270                                          | 225,858                                           |
| Merchandise and finished goods                             | 18,467                                           | 24,301                                            |
| Work in process                                            | 4,932                                            | 6,505                                             |
| Raw materials and supplies                                 | 25,006                                           | 25,596                                            |
| Other                                                      | 24,251                                           | 29,325                                            |
| Allowance for doubtful accounts                            | (6,106)                                          | (6,299)                                           |
| Total current assets                                       | 397,261                                          | 416,739                                           |
| Non-current assets                                         |                                                  |                                                   |
| Property, plant and equipment                              |                                                  |                                                   |
| Buildings and structures, net                              | 46,183                                           | 46,135                                            |
| Other                                                      | 41,376                                           | 42,027                                            |
| Total property, plant and equipment                        | 87,559                                           | 88,163                                            |
| Intangible assets                                          |                                                  |                                                   |
| Software                                                   | 14,137                                           | 19,048                                            |
| Goodwill                                                   | 14,614                                           | 12,672                                            |
| Other                                                      | 19,782                                           | 14,353                                            |
| Total intangible assets                                    | 48,534                                           | 46,074                                            |
| Investments and other assets                               |                                                  |                                                   |
| Investment securities                                      | 70,786                                           | 63,767                                            |
| Other                                                      | 15,354                                           | 17,062                                            |
| Allowance for doubtful accounts                            | (859)                                            | (916)                                             |
| Total investments and other assets                         | 85,281                                           | 79,913                                            |
| Total non-current assets                                   | 221,375                                          | 214,151                                           |
| Total assets                                               | 618,637                                          | 630,891                                           |

(Millions of yen)

|                                                       | (Reference)<br>End of FY2022<br>(March 31, 2023) | End of FY2023 2nd quarter<br>(September 30, 2023) |
|-------------------------------------------------------|--------------------------------------------------|---------------------------------------------------|
| <b>Liabilities</b>                                    |                                                  |                                                   |
| Current liabilities                                   |                                                  |                                                   |
| Notes and accounts payable - trade                    | 31,226                                           | 29,313                                            |
| Electronically recorded obligations - operating       | 10,098                                           | 10,215                                            |
| Short-term borrowings                                 | 20,475                                           | 15                                                |
| Commercial papers                                     | 25,000                                           | —                                                 |
| Accounts payable - other                              | 18,741                                           | 12,974                                            |
| Income taxes payable                                  | 6,472                                            | 7,342                                             |
| Contract liabilities                                  | 45,837                                           | 52,946                                            |
| Provision for bonuses                                 | 20,776                                           | 17,780                                            |
| Provision for loss on construction contracts          | 7,380                                            | 7,812                                             |
| Other                                                 | 27,088                                           | 27,797                                            |
| Total current liabilities                             | 213,097                                          | 166,199                                           |
| Non-current liabilities                               |                                                  |                                                   |
| Long-term borrowings                                  | 4,087                                            | 24,000                                            |
| Retirement benefit liability                          | 5,081                                            | 5,997                                             |
| Other                                                 | 9,544                                            | 10,709                                            |
| Total non-current liabilities                         | 18,713                                           | 40,707                                            |
| <b>Total liabilities</b>                              | <b>231,811</b>                                   | <b>206,907</b>                                    |
| <b>Net assets</b>                                     |                                                  |                                                   |
| Shareholders' equity                                  |                                                  |                                                   |
| Share capital                                         | 43,401                                           | 43,401                                            |
| Capital surplus                                       | 54,392                                           | 54,464                                            |
| Retained earnings                                     | 251,277                                          | 281,792                                           |
| Treasury shares                                       | (1,410)                                          | (15,755)                                          |
| Total shareholders' equity                            | 347,660                                          | 363,903                                           |
| Accumulated other comprehensive income                |                                                  |                                                   |
| Valuation difference on available-for-sale securities | 19,106                                           | 21,691                                            |
| Deferred gains or losses on hedges                    | (98)                                             | 54                                                |
| Foreign currency translation adjustment               | 13,812                                           | 29,765                                            |
| Remeasurements of defined benefit plans               | (854)                                            | (939)                                             |
| Total accumulated other comprehensive income          | 31,965                                           | 50,570                                            |
| Non-controlling interests                             | 7,200                                            | 9,509                                             |
| Total net assets                                      | 386,825                                          | 423,984                                           |
| <b>Total liabilities and net assets</b>               | <b>618,637</b>                                   | <b>630,891</b>                                    |



(2) Consolidated Quarterly Statements of Income and Statements of Comprehensive Income  
Consolidated Quarterly Statements of Income for the First Two Quarters of FY2023

(Millions of yen)

|                                                                       | (Reference)<br>First two quarters of FY2022<br>(April 1-September 30, 2022) | First two quarters of FY2023<br>(April 1-September 30, 2023) |
|-----------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------|
| Net sales                                                             | 205,918                                                                     | 254,498                                                      |
| Cost of sales                                                         | 116,079                                                                     | 135,772                                                      |
| Gross profit                                                          | 89,838                                                                      | 118,725                                                      |
| Selling, general and administrative expenses                          | 76,300                                                                      | 85,018                                                       |
| Operating profit                                                      | 13,537                                                                      | 33,707                                                       |
| Non-operating income                                                  |                                                                             |                                                              |
| Interest income                                                       | 438                                                                         | 846                                                          |
| Dividend income                                                       | 615                                                                         | 630                                                          |
| Share of profit of entities accounted for using equity method         | 1,311                                                                       | 1,658                                                        |
| Foreign exchange gains                                                | 1,019                                                                       | 928                                                          |
| Other                                                                 | 607                                                                         | 910                                                          |
| Total non-operating income                                            | 3,991                                                                       | 4,975                                                        |
| Non-operating expenses                                                |                                                                             |                                                              |
| Interest expenses                                                     | 435                                                                         | 660                                                          |
| Provision of allowance for doubtful accounts                          | 355                                                                         | 38                                                           |
| Donations                                                             | 136                                                                         | 212                                                          |
| Other                                                                 | 730                                                                         | 694                                                          |
| Total non-operating expenses                                          | 1,657                                                                       | 1,606                                                        |
| Ordinary profit                                                       | 15,870                                                                      | 37,076                                                       |
| Extraordinary income                                                  |                                                                             |                                                              |
| Gain on sale of non-current assets                                    | 3                                                                           | 15                                                           |
| Gain on sale of investment securities                                 | 834                                                                         | 16,504                                                       |
| Total extraordinary income                                            | 838                                                                         | 16,520                                                       |
| Extraordinary losses                                                  |                                                                             |                                                              |
| Loss on sale of non-current assets                                    | 0                                                                           | 8                                                            |
| Loss on retirement of non-current assets                              | 109                                                                         | 26                                                           |
| Impairment losses                                                     | —                                                                           | 5,621                                                        |
| Loss on sale of investments in capital of subsidiaries and associates | —                                                                           | 259                                                          |
| Loss on termination of retirement benefit plan                        | —                                                                           | 105                                                          |
| Business restructuring expenses                                       | —                                                                           | 68                                                           |
| Total extraordinary losses                                            | 109                                                                         | 6,089                                                        |
| Profit before income taxes                                            | 16,599                                                                      | 47,507                                                       |
| Income taxes - current                                                | 4,205                                                                       | 10,958                                                       |
| Income taxes - deferred                                               | 1,700                                                                       | (718)                                                        |
| Total income taxes                                                    | 5,905                                                                       | 10,240                                                       |
| Profit                                                                | 10,693                                                                      | 37,267                                                       |
| Profit attributable to non-controlling interests                      | 1,453                                                                       | 2,214                                                        |
| Profit attributable to owners of parent                               | 9,239                                                                       | 35,053                                                       |

Consolidated Quarterly Statements of Comprehensive Income for the First Two Quarters of FY2023

(Millions of yen)

|                                                                                      | (Reference)<br>First two quarters of FY2022<br>(April 1-September 30, 2022) | First two quarters of FY2023<br>(April 1-September 30, 2023) |
|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------|
| Profit                                                                               | 10,693                                                                      | 37,267                                                       |
| Other comprehensive income                                                           |                                                                             |                                                              |
| Valuation difference on available-for-sale securities                                | 3,922                                                                       | 2,567                                                        |
| Deferred gains or losses on hedges                                                   | —                                                                           | 152                                                          |
| Foreign currency translation adjustment                                              | 18,456                                                                      | 16,375                                                       |
| Remeasurements of defined benefit plans, net of tax                                  | (73)                                                                        | (75)                                                         |
| Share of other comprehensive income of entities<br>accounted for using equity method | 132                                                                         | (3)                                                          |
| Total other comprehensive income                                                     | 22,437                                                                      | 19,017                                                       |
| Comprehensive income                                                                 | 33,130                                                                      | 56,284                                                       |
| Comprehensive income attributable to                                                 |                                                                             |                                                              |
| Comprehensive income attributable to owners of parent                                | 31,235                                                                      | 53,658                                                       |
| Comprehensive income attributable to non-controlling<br>interests                    | 1,895                                                                       | 2,625                                                        |

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

|                                                                                  | (Reference)<br>First two quarters of FY2022<br>(April 1-September 30, 2022) | First two quarters of FY2023<br>(April 1-September 30, 2023) |
|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------|
| Cash flows from operating activities                                             |                                                                             |                                                              |
| Profit before income taxes                                                       | 16,599                                                                      | 47,507                                                       |
| Depreciation                                                                     | 8,572                                                                       | 9,602                                                        |
| Amortization of goodwill                                                         | 1,145                                                                       | 1,456                                                        |
| Increase (decrease) in allowance for doubtful accounts                           | (231)                                                                       | (291)                                                        |
| Increase (decrease) in provision for bonuses                                     | (3,167)                                                                     | (3,913)                                                      |
| Increase (decrease) in retirement benefit liability                              | 326                                                                         | 402                                                          |
| Interest and dividend income                                                     | (1,053)                                                                     | (1,476)                                                      |
| Interest expenses                                                                | 435                                                                         | 660                                                          |
| Share of loss (profit) of entities accounted for using equity method             | (1,311)                                                                     | (1,658)                                                      |
| Loss (gain) on sale of investment securities                                     | (834)                                                                       | (16,504)                                                     |
| Impairment losses                                                                | —                                                                           | 5,621                                                        |
| Decrease (increase) in trade receivables                                         | 13,094                                                                      | (811)                                                        |
| Decrease (increase) in inventories                                               | (5,008)                                                                     | (5,050)                                                      |
| Increase (decrease) in trade payables                                            | (5,657)                                                                     | (3,415)                                                      |
| Increase (decrease) in accounts payable - other                                  | (2,280)                                                                     | (1,946)                                                      |
| Increase (decrease) in accrued expenses                                          | (1,089)                                                                     | (271)                                                        |
| Other, net                                                                       | (85)                                                                        | 1,558                                                        |
| Subtotal                                                                         | 19,451                                                                      | 31,468                                                       |
| Interest and dividends received                                                  | 1,937                                                                       | 2,261                                                        |
| Interest paid                                                                    | (384)                                                                       | (667)                                                        |
| Income taxes refund (paid)                                                       | (5,883)                                                                     | (12,343)                                                     |
| Net cash provided by (used in) operating activities                              | 15,122                                                                      | 20,718                                                       |
| Cash flows from investing activities                                             |                                                                             |                                                              |
| Payments into time deposits                                                      | (2,528)                                                                     | (198)                                                        |
| Proceeds from withdrawal of time deposits                                        | 1,389                                                                       | 929                                                          |
| Purchase of property, plant and equipment                                        | (4,727)                                                                     | (4,512)                                                      |
| Proceeds from sale of property, plant and equipment                              | 23                                                                          | 28                                                           |
| Purchase of intangible assets                                                    | (5,793)                                                                     | (7,479)                                                      |
| Purchase of investment securities                                                | (1,128)                                                                     | (164)                                                        |
| Proceeds from sale and redemption of investment securities                       | 1,087                                                                       | 27,505                                                       |
| Proceeds from sale of businesses                                                 | 428                                                                         | —                                                            |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | (1,611)                                                                     | —                                                            |
| Other, net                                                                       | 28                                                                          | 251                                                          |
| Net cash provided by (used in) investing activities                              | (12,830)                                                                    | 16,358                                                       |

(Millions of yen)

|                                                              | (Reference)<br>First two quarters of FY2022<br>(April 1-September 30, 2022) | First two quarters of FY2023<br>(April 1-September 30, 2023) |
|--------------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------|
| Cash flows from financing activities                         |                                                                             |                                                              |
| Net increase (decrease) in short-term borrowings             | (991)                                                                       | (489)                                                        |
| Net increase (decrease) in commercial papers                 | –                                                                           | (25,000)                                                     |
| Proceeds from long-term borrowings                           | –                                                                           | 20,000                                                       |
| Repayments of long-term borrowings                           | –                                                                           | (20,093)                                                     |
| Repayments of lease liabilities                              | (1,432)                                                                     | (1,143)                                                      |
| Dividends paid                                               | (4,539)                                                                     | (4,536)                                                      |
| Dividends paid to non-controlling interests                  | (2,139)                                                                     | (2,364)                                                      |
| Purchase of treasury shares                                  | (1)                                                                         | (14,344)                                                     |
| Decrease (increase) in deposits for treasury shares purchase | –                                                                           | (5,657)                                                      |
| Other, net                                                   | –                                                                           | 83                                                           |
| Net cash provided by (used in) financing activities          | (9,105)                                                                     | (53,547)                                                     |
| Effect of exchange rate change on cash and cash equivalents  | 8,761                                                                       | 6,800                                                        |
| Net increase (decrease) in cash and cash equivalents         | 1,948                                                                       | (9,669)                                                      |
| Cash and cash equivalents at beginning of period             | 115,541                                                                     | 116,378                                                      |
| Cash and cash equivalents at end of period                   | 117,490                                                                     | 106,708                                                      |

(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

The Company acquired 5,439,300 treasury shares, in accordance with a resolution of the meeting of the Board of Directors held on May 9, 2023. As a result, the Company's treasury shares increased by 14,342 million yen during the first two quarters, and the amount of treasury shares and the total number of shares held as of the end of the second quarter, including a portion acquired in response to requests to purchase odd-lot shares, were 15,755 million yen and 7,135,583 shares, respectively.

Consolidated Quarterly Statements of Income

\* Impairment Losses

First Two Quarters of FY2023 (April 1-September 30, 2023)

Impairment losses were recorded for the following asset groups.

| (Millions of yen) |                 |                                   |                   |
|-------------------|-----------------|-----------------------------------|-------------------|
| Location          | Use             | Category                          | Impairment losses |
| United States     | Business assets | Goodwill                          | 1,987             |
|                   |                 | Other intangible assets           | 3,606             |
| Japan             | Idle assets     | Machinery, equipment and vehicles | 28                |
|                   |                 | Total                             | 5,621             |

The Group's business assets are grouped based on management accounting classification.

The book values mainly with respect to the goodwill, etc. arising at the time of acquisition of equity interest in U.S. based consolidated subsidiary, PXiSE Energy Solutions, LLC were reduced to their respective recoverable amounts and the amount of said reductions have been recorded as impairment losses on account of the business results of the company falling below the initially forecasted business plans.

The recoverable amounts for the said asset group are measured by value in use and are calculated by discounting future cash flows at a rate of 10%.

Segment Information

Segment Sales and Profits (Losses)

(Millions of yen)

|                                                   |                                     | (Reference)<br>First two quarters of<br>FY2022<br>(April 1-September 30,<br>2022) | First two quarters of<br>FY2023<br>(April 1-September 30,<br>2023) | Change |
|---------------------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------|--------------------------------------------------------------------|--------|
| Industrial automation<br>and control              | Net sales to unaffiliated customers | 193,081                                                                           | 236,171                                                            | 43,090 |
|                                                   | Operating profit (loss)             | 12,196                                                                            | 29,491                                                             | 17,294 |
| Measuring instruments                             | Net sales to unaffiliated customers | 11,059                                                                            | 16,138                                                             | 5,079  |
|                                                   | Operating profit (loss)             | 1,596                                                                             | 4,432                                                              | 2,836  |
| New businesses and<br>others                      | Net sales to unaffiliated customers | 1,777                                                                             | 2,187                                                              | 410    |
|                                                   | Operating profit (loss)             | (255)                                                                             | (216)                                                              | 39     |
| Amount on<br>consolidated<br>statements of income | Net sales to unaffiliated customers | 205,918                                                                           | 254,498                                                            | 48,580 |
|                                                   | Operating profit (loss)             | 13,537                                                                            | 33,707                                                             | 20,170 |

[Reference]

Net Sales by Geographical Location

(Millions of yen)

|                              | (Reference)<br>First two quarters of FY2022<br>(April 1-September 30, 2022) |                          | First two quarters of FY2023<br>(April 1-September 30, 2023) |                          | Change  |
|------------------------------|-----------------------------------------------------------------------------|--------------------------|--------------------------------------------------------------|--------------------------|---------|
|                              | Amount                                                                      | Composition<br>ratio (%) | Amount                                                       | Composition<br>ratio (%) | Amount  |
| Japan                        | 55,519                                                                      | 27.0                     | 62,024                                                       | 24.4                     | 6,505   |
| Outside Japan                | 150,398                                                                     | 73.0                     | 192,473                                                      | 75.6                     | 42,075  |
| Southeast Asia, Far<br>East  | 32,612                                                                      | 15.8                     | 37,571                                                       | 14.8                     | 4,959   |
| China                        | 35,333                                                                      | 17.1                     | 42,749                                                       | 16.8                     | 7,416   |
| India                        | 8,596                                                                       | 4.2                      | 11,985                                                       | 4.7                      | 3,388   |
| Europe                       | 18,308                                                                      | 8.9                      | 25,247                                                       | 9.9                      | 6,939   |
| Russia                       | 3,949                                                                       | 1.9                      | 1,166                                                        | 0.4                      | (2,783) |
| North America                | 20,172                                                                      | 9.8                      | 27,160                                                       | 10.7                     | 6,988   |
| Middle East, Africa          | 25,046                                                                      | 12.2                     | 36,544                                                       | 14.4                     | 11,497  |
| Central and South<br>America | 6,377                                                                       | 3.1                      | 10,046                                                       | 3.9                      | 3,669   |
| Consolidated                 | 205,918                                                                     | 100.0                    | 254,498                                                      | 100.0                    | 48,580  |

[Reference]

November 7, 2023  
Yokogawa Electric Corporation

## Consolidated Financial Statements for the First Two Quarters of FY2023

(Millions of yen)

|                                               | First two quarters of FY2022 |                    | First two quarters of FY2023 |                    | Change    |                    |
|-----------------------------------------------|------------------------------|--------------------|------------------------------|--------------------|-----------|--------------------|
|                                               | Amount                       | Ratio to net sales | Amount                       | Ratio to net sales | Amount    | Ratio to net sales |
| Net sales                                     | 205,918                      | —                  | 254,498                      | —                  | 48,580    | —                  |
| Operating profit                              | 13,537                       | 6.6%               | 33,707                       | 13.2%              | 20,170    | 6.7%               |
| Ordinary profit                               | 15,870                       | 7.7%               | 37,076                       | 14.6%              | 21,205    | 6.9%               |
| Profit attributable to owners of parent       | 9,239                        | 4.5%               | 35,053                       | 13.8%              | 25,813    | 9.3%               |
| Total assets                                  | 583,858                      |                    | 630,891                      |                    | 47,032    |                    |
| Net assets                                    | 368,573                      |                    | 423,984                      |                    | 55,411    |                    |
| Return on equity                              | 2.7%                         |                    | 8.8%                         |                    | 6.2%      |                    |
| Basic earnings per share                      | 34.61 yen                    |                    | 132.50 yen                   |                    | 97.89 yen |                    |
| Capital investment                            | 8,230                        |                    | 10,718                       |                    | 2,487     |                    |
| Depreciation                                  | 9,717                        |                    | 11,059                       |                    | 1,341     |                    |
| Research and development expenses             | 14,832                       |                    | 15,710                       |                    | 877       |                    |
| Average exchange rate during the period (USD) | 135.30 yen                   |                    | 142.61 yen                   |                    | 7.31 yen  |                    |

### Orders Received

(Millions of yen)

|                                            | First two quarters of FY2022 | First two quarters of FY2023 | FY2023 full year (forecast) |
|--------------------------------------------|------------------------------|------------------------------|-----------------------------|
| Industrial automation and control business | 246,591                      | 251,586                      | 485,500                     |
| Measuring instruments business             | 15,891                       | 13,156                       | 27,500                      |
| New businesses and others                  | 1,840                        | 1,362                        | 4,000                       |
| Total                                      | 264,322                      | 266,105                      | 517,000                     |

### Net Sales

(Millions of yen)

|                                            | First two quarters of FY2022 | First two quarters of FY2023 | FY2023 full year (forecast) |
|--------------------------------------------|------------------------------|------------------------------|-----------------------------|
| Industrial automation and control business | 193,081                      | 236,171                      | 479,000                     |
| Measuring instruments business             | 11,059                       | 16,138                       | 29,000                      |
| New businesses and others                  | 1,777                        | 2,187                        | 4,000                       |
| Total                                      | 205,918                      | 254,498                      | 512,000                     |

### Operating Profit

(Millions of yen)

|                                            | First two quarters of FY2022 | First two quarters of FY2023 | FY2023 full year (forecast) |
|--------------------------------------------|------------------------------|------------------------------|-----------------------------|
| Industrial automation and control business | 12,196                       | 29,491                       | 58,000                      |
| Measuring instruments business             | 1,596                        | 4,432                        | 6,500                       |
| New businesses and others                  | (255)                        | (216)                        | (1,500)                     |
| Total                                      | 13,537                       | 33,707                       | 63,000                      |