

**Consolidated Financial Results for the Fiscal Year Ended March 31, 2026
(Japan GAAP)**

May 7, 2026

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: Kunimasa Shigeno, President & CEO, Representative Executive Officer
 Name and Position of Person in Charge: Hirohiko Nakatani, Department Manager of Treasury & IR Department
 Telephone Number: +81-422-52-6845
 Planned Date of the Regular General Meeting of Shareholders: June 23, 2026
 Planned Dividend Payment Starting Date: June 24, 2026
 Planned Annual Report Filing Date: June 18, 2026
 Financial Results Supplemental Materials: Yes
 Financial Results Presentation Meeting: Yes (for institutional investors)

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

1. Consolidated Business Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025-March 31, 2026)

(1) Results of Operations on a Consolidated Basis

(Percentages show the change from 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	%
Fiscal year ended March 31, 2026	604,829	7.5	82,555	(1.2)	84,259	(1.3)	58,113	11.5
Fiscal year ended March 31, 2025	562,404	4.1	83,523	6.0	85,351	1.5	52,123	(15.5)

(Note) Comprehensive income For the fiscal year ended March 31, 2026 84,329 million yen [64.0%]
 For the fiscal year ended March 31, 2025 51,432 million yen [(42.0)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total asset ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2026	227.72	–	11.8	11.1	13.6
Fiscal year ended March 31, 2025	200.41	–	11.5	12.3	14.9

(Reference) Profit or loss from investments accounted for by the equity method:
 For the fiscal year ended March 31, 2026 524 million yen
 For the fiscal year ended March 31, 2025 2,058 million yen

(2) Financial Conditions on a Consolidated Basis

	Total assets	Net assets	Shareholders’ equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	795,618	529,894	65.4	2,042.26
As of March 31, 2025	718,285	475,721	65.1	1,807.37

(Reference) Shareholders’ equity: As of March 31, 2026: 520,016 million yen As of March 31, 2025: 467,855 million yen

(3) Consolidated Cash Flow Status

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2026	85,951	(33,127)	(35,175)	208,540
Fiscal year ended March 31, 2025	99,025	(28,639)	(26,237)	179,257

2. Dividend Status

	Dividends per share					Total dividends (annual)	Payout ratio (consol.)	Net asset dividend rate (consol.)
	June 30	September 30	December 31	End of period	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	–	29.00	–	29.00	58.00	15,053	28.9	3.3
Fiscal year ended March 31, 2026	–	32.00	–	46.00	78.00	19,861	34.3	4.1
Fiscal year ending March 31, 2027 (forecast)	–	46.00	–	46.00	92.00		40.0	

3. Consolidated Business Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026-March 31, 2027)

(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	615,000	1.7	85,000	3.0	85,000	0.9	58,500	0.7	229.75	

<Notes>

- (1) Significant changes in range of consolidation during the period: Yes
 Newly included: 2 companies (Company name) Web Synergies (S) Pte. Ltd., Intellisync S.r.l.
 Excluded: 1 company (Company name) Intellisync S.r.l.
 (Note) On October 30, 2025, the Group acquired the entire equity interest in Intellisync S.r.l., making it a consolidated subsidiary. Subsequently, on January 1, 2026, an absorption-type merger was effected with the Company's consolidated subsidiary BaxEnergy Italia S.r.l. as the surviving company and Intellisync S.r.l. as the absorbed company.
- (2) 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
- (3) Number of shares issued (common stock)
 a. Number of shares outstanding at the end of the period (including treasury shares)
 As of March 31, 2026 257,201,210 shares
 As of March 31, 2025 268,624,510 shares
 b. Number of treasury shares at the end of the period
 As of March 31, 2026 2,572,843 shares
 As of March 31, 2025 9,765,129 shares
 c. Average number of shares in the period
 For the fiscal year ended March 31, 2026 255,197,989 shares
 For the fiscal year ended March 31, 2025 260,086,632 shares

(Reference) Summary of Non-consolidated Business Results

1. Non-consolidated Business Results for the Year Ended March 31, 2026 (April 1, 2025-March 31, 2026)

(1) Results of Operations on a Non-consolidated Basis

(Percentages show the change from the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	144,727	(0.4)	9,576	(36.8)	46,182	(9.9)	41,073	(9.4)
Fiscal year ended March 31, 2025	145,376	3.1	15,148	10.5	51,244	0.6	45,314	(19.5)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2026	160.95	–
Fiscal year ended March 31, 2025	174.23	–

(2) Financial Conditions on a Non-consolidated Basis

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	362,795	287,685	79.3	1,129.83
As of March 31, 2025	343,720	271,037	78.9	1,047.04

(Reference) Shareholders' equity: As of March 31, 2026: 287,685 million yen As of March 31, 2025: 271,037 million yen

Financial results reports are exempt from audit 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. Overview of Business Results and Others (4) Future Forecast" on page 6.

The Company plans to hold a financial results presentation meeting for institutional investors via web conference on May 7, 2026. The Company also plans to promptly post to its website the materials that are used at the meeting.

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1. Overview of Business Results and Others

(1) Overview of Business Results for the Fiscal Year Under Review

In accordance with the medium-term business plan, “Growth for Sustainability 2028 (GS2028),” during the current fiscal year (fiscal year ended March 31, 2026), the Group has made efforts to realize Creating Shared Value (CSV) management, which aims to sustainably enhance corporate value while benefitting both society and the environment through our business.

The Group’s business performance during the fiscal year under review is as follows. Net sales increased by 42.4 billion yen year on year, mainly due to the contribution of sales from large-scale projects for which orders were received up to the previous fiscal year. Operating profit decreased by 0.9 billion yen year on year mainly due to a lower gross profit ratio caused by factors such as changes in the business mix, falling market prices in certain regions, and the recording of one-time provision for loss on construction contracts associated with strategic project orders, although there was an increase in gross profit due to higher sales. Ordinary profit decreased by 1.0 billion yen year on year. However, profit attributable to owners of parent increased by 5.9 billion yen year on year, partly due to the recording of impairment losses, including those on goodwill, in the previous fiscal year.

Business results are as follows.

Unit: billions of yen

	FY2024	FY2025	Difference	Change
Net sales	562.404	604.829	42.425	7.5%
Operating profit	83.523	82.555	(0.967)	(1.2)%
Ordinary profit	85.351	84.259	(1.092)	(1.3)%
Profit attributable to owners of parent	52.123	58.113	5.989	11.5%
(Reference) Average rate to 1 U.S. dollar (Yen)(Yen)	152.55	151.17	(1.38)	–

Results by individual segment are outlined below.

<Industrial Automation and Control Business>

Unit: billions of yen

	FY2024	FY2025	Difference	Change
Net sales	528.302	565.523	37.220	7.0%
Operating profit	77.582	75.155	(2.426)	(3.1)%

<Measuring Instruments Business>

Unit: billions of yen

	FY2024	FY2025	Difference	Change
Net sales	29.946	34.006	4.059	13.6%
Operating profit	6.223	7.792	1.568	25.2%

<New Businesses and Others>

Unit: billions of yen

	FY2024	FY2025	Difference	Change
Net sales	4.155	5.300	1.145	27.6%
Operating profit	(0.282)	(0.391)	(0.108)	–

(2) Overview of Financial Conditions for the Fiscal Year Under Review

In comparison to March 31, 2025, total assets as of March 31, 2026 were up 77.3 billion yen to 795.6 billion yen, mainly due to increases in cash and deposits, accounts receivable - trade and contract assets.

In addition, total liabilities were 265.7 billion yen, up 23.1 billion yen compared to March 31, 2025, mainly due to increases in accounts payable - trade and other current liabilities.

As of March 31, 2026, net assets were 529.8 billion yen, up 54.1 billion yen compared to March 31, 2025, mainly due to the recognition of profit attributable to owners of parent and an increase in foreign currency translation adjustment.

As a result, the shareholders' equity ratio was 65.4%, up 0.2 percentage points from the end of the previous fiscal year.

(3) Overview of Cash Flow for the Fiscal Year Under Review

The cash flow from operating activities in the fiscal year under review was a net inflow of 85.9 billion yen (down 13.0 billion yen from 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 33.1 billion yen (up 4.4 billion yen from the previous fiscal year), mainly reflecting purchase of property, plant and equipment, intangible assets, and shares of subsidiaries resulting in change in scope of consolidation.

The cash flow from financing activities was a net outflow of 35.1 billion yen (up 8.9 billion yen from the previous fiscal year), mainly due to dividends paid and purchase of treasury shares.

As a result, the balance of cash and cash equivalents at the end of the fiscal year under review was 208.5 billion yen, up 29.2 billion yen from the end of the previous fiscal year.

(4) Future Forecast

Uncertainties in the global economy are increasing due to the prolonged stagnation of economic activities in China and the manifestation of geopolitical risks, including the situation in the Middle East. In the short term, there is a possibility that delays in customers' investment decisions, price increases driven by supply and demand trends of raw materials including those derived from crude oil, and rising transportation and labor costs may impact performance. On the other hand, we anticipate that medium- to long-term demand, driven by the energy transition, will remain robust.

The Group's consolidated business forecasts for the next fiscal year (fiscal year ending March 31, 2027) are as follows. Orders received are expected to increase due to bullish investment among customers, driven by strong energy demand, despite concerns about the short-term impact of the situation in the Middle East. Growth in net sales is expected to be limited, taking into account the impact of the situation in the Middle East. Operating profit is expected to increase mainly due to higher sales. Ordinary profit and profit attributable to owners of parent are expected to perform on par with the fiscal year under review.

The world is experiencing drastic change due to pressing issues that call for solutions such as an energy transition to enable a carbon-neutral society, and due to innovations in digital technologies. We eagerly embrace these shifts in our landscape and perceive them as valuable opportunities to create shared value. We will accomplish this by making contributions through our business that benefit both society and the environment and lead to the sustainable enhancement of corporate value.

The operating results forecast assumes a foreign exchange rate of 1 USD = 150 yen (compared to 1 USD = 151.17 yen in the fiscal year ended March 31, 2026).

Based on the above, the current consolidated business forecasts are as follows. The results for fiscal year 2025 are provided for comparison.

<Consolidated Business Forecast (Full Year)>

	Unit: billions of yen			
	FY2025 (results)	FY2026 (forecast)	Difference	Change
Orders received	617.838	645.0	27.161	4.4%
Net sales	604.829	615.0	10.170	1.7%
Operating profit	82.555	85.0	2.444	3.0%
Ordinary profit	84.259	85.0	0.740	0.9%
Profit attributable to owners of parent	58.113	58.5	0.386	0.7%
(Reference) Average rate to 1 U.S. dollar (Yen)	151.17	150	(1.17)	-

The forecast by segment is as follows.

In our industrial automation and control business, as mentioned above, we expect orders received, net sales and operating profit to increase compared to the fiscal year under review.

In our measuring instruments business, we expect orders received to decrease, and net sales and operating profit to increase compared to the fiscal year under review.

In our new businesses and others, we expect orders received, net sales and operating profit to decrease.

(Reference) Consolidated Business Forecast by Segment

<Orders Received (Full Year)>

Unit: billions of yen

	FY2025 (results)	FY2026 (forecast)	Difference	Change
Industrial automation and control business	570.881	603.0	32.118	5.6%
Measuring instruments business	41.974	39.0	(2.974)	(7.1)%
New businesses and others	4.983	3.0	(1.983)	(39.8)%
Total	617.838	645.0	27.161	4.4%

<Net Sales (Full Year)>

Unit: billions of yen

	FY2025 (results)	FY2026 (forecast)	Difference	Change
Industrial automation and control business	565.523	573.0	7.476	1.3%
Measuring instruments business	34.006	39.0	4.993	14.7%
New businesses and others	5.300	3.0	(2.300)	(43.4)%
Total	604.829	615.0	10.170	1.7%

<Operating Profit (Full Year)>

Unit: billions of yen

	FY2025 (results)	FY2026 (forecast)	Difference	Change
Industrial automation and control business	75.155	76.5	1.344	1.8%
Measuring instruments business	7.792	9.0	1.207	15.5%
New businesses and others	(0.391)	(0.5)	(0.108)	—%
Total	82.555	85.0	2.444	3.0%

<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

(5) Policy on Appropriation of Profit and Dividends for the Period Under Review and Subsequent Periods

The distribution of earnings to shareholders is a top management priority for the Company. By achieving growth in earnings, we aim to steadily increase our dividend payments. While giving overall consideration to our business results, the need to secure investment funds for maximizing medium- to long-term shareholder value, and maintain the financial base supporting growth investment, we will strive to secure a consolidated dividend payout ratio in excess of 30%. Furthermore, we will maintain a stable dividend based on the shareholders' equity ratio, even when business results deteriorate due to temporary factors.

We will then flexibly consider additional shareholder returns through acquisition of own shares, taking into account opportunities for investment in growth, financial conditions, and stock price levels.

Regarding the year-end dividend for the fiscal year under review, the year-end dividend will be 46 yen per share as announced in the dividend forecast on February 3, 2026, giving consideration on the consolidated dividend payout ratio, shareholders' equity ratio, financial positions and other related factors. As a result, we plan to pay 78 yen per share in dividend payments for the fiscal year when including the interim dividend.

With regard to dividends for the next fiscal year, we plan to pay 92 yen per share (interim dividend of 46.00 yen and year-end dividend of 46.00 yen).

2. Policy on Selection of Accounting Standards

For the time being, the Group will continue to compile its consolidated financial statements based on generally accepted Japanese accounting principles, taking into consideration the comparability of the consolidated financial statements from period to period and the comparability among enterprises.

We have been monitoring accounting trends in and outside Japan and will consider the adoption of other accounting standards if it is judged that this will enhance our corporate value.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	188,754	217,549
Notes receivable - trade	11,309	8,877
Accounts receivable - trade	140,063	158,203
Contract assets	87,118	93,221
Merchandise and finished goods	20,174	21,492
Work in process	5,791	6,619
Raw materials and supplies	24,962	24,533
Other	22,941	27,368
Allowance for doubtful accounts	(4,801)	(6,271)
Total current assets	496,313	551,595
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	43,161	43,842
Machinery, equipment and vehicles, net	11,001	12,580
Tools, furniture and fixtures, net	7,483	8,116
Land	13,581	13,172
Leased assets, net	32	48
Right-of-use assets, net	9,677	9,643
Construction in progress	2,794	4,589
Total property, plant and equipment	87,732	91,995
Intangible assets		
Software	21,387	21,604
Goodwill	6,563	12,987
Other	25,117	29,402
Total intangible assets	53,068	63,993
Investments and other assets		
Investment securities	64,290	70,796
Deferred tax assets	10,547	11,046
Other	7,528	6,953
Allowance for doubtful accounts	(1,193)	(763)
Total investments and other assets	81,171	88,033
Total non-current assets	221,972	244,022
Total assets	718,285	795,618

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	34,730	41,446
Electronically recorded obligations - operating	7,509	5,918
Short-term borrowings	327	24,318
Accounts payable - other	21,444	20,952
Income taxes payable	12,730	11,741
Contract liabilities	59,524	63,667
Lease liabilities	2,584	2,589
Provision for bonuses	22,526	23,788
Provision for loss on construction contracts	8,847	12,869
Other	27,559	34,079
Total current liabilities	197,784	241,370
Non-current liabilities		
Long-term borrowings	24,025	18
Deferred tax liabilities	4,916	5,615
Retirement benefit liability	6,726	9,310
Lease liabilities	7,115	7,313
Other	1,996	2,094
Total non-current liabilities	44,779	24,352
Total liabilities	242,564	265,723
Net assets		
Shareholders' equity		
Share capital	43,401	43,401
Capital surplus	54,575	36,305
Retained earnings	342,573	373,700
Treasury shares	(23,251)	(6,668)
Total shareholders' equity	417,298	446,738
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,599	26,071
Deferred gains or losses on hedges	(38)	61
Foreign currency translation adjustment	28,576	47,019
Remeasurements of defined benefit plans	419	126
Total accumulated other comprehensive income	50,557	73,278
Non-controlling interests	7,865	9,878
Total net assets	475,721	529,894
Total liabilities and net assets	718,285	795,618

(2) Consolidated Statements of Income and Statements of Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	562,404	604,829
Cost of sales	294,959	328,436
Gross profit	267,444	276,392
Selling, general and administrative expenses	183,921	193,836
Operating profit	83,523	82,555
Non-operating income		
Interest income	2,678	3,010
Dividend income	1,239	1,286
Share of profit of entities accounted for using equity method	2,058	524
Miscellaneous income	1,060	764
Total non-operating income	7,036	5,585
Non-operating expenses		
Interest expenses	1,214	1,053
Foreign exchange losses	2,074	1,135
Commission expenses	71	256
Miscellaneous losses	1,848	1,436
Total non-operating expenses	5,207	3,882
Ordinary profit	85,351	84,259
Extraordinary income		
Gain on sale of non-current assets	2,916	351
Gain on sale of investment securities	645	525
Gain on step acquisitions	–	176
Total extraordinary income	3,562	1,054
Extraordinary losses		
Loss on sale of non-current assets	1,236	233
Loss on retirement of non-current assets	396	2,839
Impairment losses	*1 3,987	*1 855
Loss on valuation of investment securities	3,130	287
Loss on termination of retirement benefit plan	1,338	–
Retirement benefit expenses	–	*2 1,659
Business restructuring expenses	297	509
Total extraordinary losses	10,387	6,384
Profit before income taxes	78,527	78,929
Income taxes - current	22,910	19,480
Income taxes - deferred	411	(1,519)
Total income taxes	23,321	17,961
Profit	55,206	60,967
Profit attributable to non-controlling interests	3,082	2,854
Profit attributable to owners of parent	52,123	58,113

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	55,206	60,967
Other comprehensive income		
Valuation difference on available-for-sale securities	(342)	4,493
Deferred gains or losses on hedges	(82)	99
Foreign currency translation adjustment	(4,606)	18,491
Remeasurements of defined benefit plans, net of tax	989	(20)
Share of other comprehensive income of entities accounted for using equity method	268	297
Total other comprehensive income	(3,773)	23,362
Comprehensive income	51,432	84,329
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	48,525	80,834
Comprehensive income attributable to non-controlling interests	2,906	3,495

(3) Consolidated Statements of Changes in Net Assets
Fiscal year ended March 31, 2025 (April 1, 2024-March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	43,401	54,464	303,979	(19,357)	382,487
Changes during period					
Dividends of surplus			(13,529)		(13,529)
Profit attributable to owners of parent			52,123		52,123
Purchase of treasury shares				(4,046)	(4,046)
Disposal of treasury shares		110		152	263
Net changes in items other than shareholders' equity					
Total changes during period	-	110	38,593	(3,894)	34,810
Balance at end of period	43,401	54,575	342,573	(23,251)	417,298

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	21,953	43	32,831	(674)	54,154	8,120	444,763
Changes during period							
Dividends of surplus							(13,529)
Profit attributable to owners of parent							52,123
Purchase of treasury shares							(4,046)
Disposal of treasury shares							263
Net changes in items other than shareholders' equity	(353)	(82)	(4,255)	1,093	(3,597)	(255)	(3,852)
Total changes during period	(353)	(82)	(4,255)	1,093	(3,597)	(255)	30,958
Balance at end of period	21,599	(38)	28,576	419	50,557	7,865	475,721

Fiscal year ended March 31, 2026 (April 1, 2025-March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	43,401	54,575	342,573	(23,251)	417,298
Changes during period					
Dividends of surplus			(15,655)		(15,655)
Profit attributable to owners of parent			58,113		58,113
Purchase of treasury shares				(13,022)	(13,022)
Disposal of treasury shares		0		0	0
Cancellation of treasury shares		(18,275)	(11,330)	29,605	-
Change in ownership interest of parent due to transactions with non-controlling interests		4			4
Net changes in items other than shareholders' equity					
Total changes during period	-	(18,270)	31,127	16,582	29,439
Balance at end of period	43,401	36,305	373,700	(6,668)	446,738

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	21,599	(38)	28,576	419	50,557	7,865	475,721
Changes during period							
Dividends of surplus							(15,655)
Profit attributable to owners of parent							58,113
Purchase of treasury shares							(13,022)
Disposal of treasury shares							0
Cancellation of treasury shares							-
Change in ownership interest of parent due to transactions with non-controlling interests							4
Net changes in items other than shareholders' equity	4,472	99	18,442	(293)	22,721	2,012	24,733
Total changes during period	4,472	99	18,442	(293)	22,721	2,012	54,173
Balance at end of period	26,071	61	47,019	126	73,278	9,878	529,894

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	78,527	78,929
Depreciation	21,064	23,085
Impairment losses	3,987	855
Amortization of goodwill	1,800	1,962
Increase (decrease) in allowance for doubtful accounts	(759)	743
Increase (decrease) in provision for bonuses	(810)	210
Increase (decrease) in provision for loss on construction contracts	327	3,666
Increase (decrease) in retirement benefit liability	629	2,093
Interest and dividend income	(3,917)	(4,297)
Interest expenses	1,214	1,053
Share of loss (profit) of entities accounted for using equity method	(2,058)	(524)
Loss (gain) on sale of non-current assets	(1,680)	(118)
Loss on retirement of non-current assets	396	2,839
Loss (gain) on valuation of investment securities	3,130	287
Loss on termination of retirement benefit plan	1,338	–
Decrease (increase) in trade receivables	10,214	(9,749)
Decrease (increase) in inventories	5,256	1,368
Increase (decrease) in trade payables	1,566	3,609
Increase (decrease) in accounts payable - other	(891)	(800)
Increase (decrease) in accrued expenses	954	2,529
Other, net	(7,225)	(2,808)
Subtotal	113,062	104,933
Interest and dividends received	3,751	4,328
Interest paid	(1,267)	(1,143)
Income taxes refund (paid)	(16,521)	(22,168)
Net cash provided by (used in) operating activities	99,025	85,951
Cash flows from investing activities		
Payments into time deposits	(11,313)	(5,768)
Proceeds from withdrawal of time deposits	6,984	6,563
Purchase of property, plant and equipment	(10,845)	(11,124)
Proceeds from sale of property, plant and equipment	6,628	1,235
Purchase of intangible assets	(16,069)	(16,558)
Purchase of investment securities	(782)	(295)
Proceeds from sale and redemption of investment securities	796	1,132
Purchase of shares of subsidiaries and associates	–	(369)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(4,471)	(8,508)
Other, net	432	566
Net cash provided by (used in) investing activities	(28,639)	(33,127)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(23)	(99)
Proceeds from long-term borrowings	14	–
Repayments of long-term borrowings	(17)	(42)
Repayments of lease liabilities	(3,821)	(3,034)
Dividends paid	(13,521)	(15,646)
Purchase of treasury shares	(4,046)	(13,022)
Decrease (increase) in deposits for treasury shares purchase	(960)	–
Dividends paid to non-controlling interests	(3,861)	(3,329)
Net cash provided by (used in) financing activities	(26,237)	(35,175)
Effect of exchange rate change on cash and cash equivalents	680	11,634
Net increase (decrease) in cash and cash equivalents	44,828	29,283
Cash and cash equivalents at beginning of period	134,428	179,257
Cash and cash equivalents at end of period	179,257	208,540

- (5) Notes on Consolidated Financial Statements
Notes for Going Concern
Not applicable

Important Items Used as the Basis for Creation of Consolidated Financial Statements

1. Items Related to the Range of Consolidation

(1) Consolidated subsidiaries: 130 companies

The range of consolidation has been revised due to changes involving the following companies:

Due to the acquisition of the shares of Web Synergies (S) Pte. Ltd., the company and its six subsidiaries have been newly included in the range of consolidation.

Due to the acquisition of equity interest in Intellisync S.r.l., the company and its subsidiary WiSNAM S.r.l. have been newly included in the range of consolidation. Subsequently, Intellisync S.r.l. and WiSNAM S.r.l. were absorbed and merged into BaxEnergy Italia S.r.l., and therefore have been excluded from the range of consolidation.

In addition, Yokogawa Africa Holding B.V. was liquidated and thus excluded from the range of consolidation.

(2) Non-consolidated subsidiaries: 1 company

(Name of major company) Yokogawa Foundry Corporation

Non-consolidated subsidiaries do not significantly influence the consolidated financial statements regarding to any of their total assets, net sales, profit or loss for the period (amount corresponding to the Company's ownership interest) as well as retained earnings (amount corresponding to the Company's ownership interest) and others, and have therefore been excluded from the range of consolidation.

2. Items Related to Application of the Equity Method

(1) Non-consolidated subsidiaries: 1 company

(Name of major company) Yokogawa Foundry Corporation

(2) Affiliated companies: 4 companies

(Name of major company) Yokogawa Rental & Lease Corporation

Semantum Oy has been newly included in the scope of the equity method due to the acquisition of its shares.

(3) For certain equity method affiliates whose closing dates differ from the consolidated closing date, financial statements based on a provisional closing conducted as of the consolidated closing date are used.

3. Items Related to the Fiscal Year of Consolidated Subsidiaries, Etc.

The closing date for Yokogawa Electric China Co., Ltd. and 18 other non-Japan subsidiaries is December 31.

For creation of consolidated financial statements, financial statements based on the provisional settlement of accounts implemented on the consolidated closing date are used for these companies.

4. Application of Group Tax Sharing System

The Company and some of its domestic consolidated subsidiaries have applied the group tax sharing system.

Notes on Consolidated Statements of Income

*1. Impairment Losses

Fiscal year ended March 31, 2025 (April 1, 2024-March 31, 2025)

Impairment losses were recorded for the following asset groups.

(Millions of yen)

Location	Use	Category	Impairment losses
United States	Business assets	Machinery, equipment and vehicles	97
		Tools, furniture and fixtures	2
		Right-of-use assets	25
		Software	0
		Goodwill	2,222
		Other intangible assets	1,480
Japan	Business assets	Tools, furniture and fixtures	15
		Software	5
	Idle assets	Buildings and structures	115
		Land	22
		Total	3,987

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

The book value with respect to the goodwill, etc. recognized at the time of acquisition of the U.S.-based consolidated subsidiary, Yokogawa Fluence Analytics, Inc., has been reduced to its recoverable amount and the amount of said reduction has been recorded as an impairment loss because the business results of that company are trending below the initially forecasted business plan.

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

Fiscal year ended March 31, 2026 (April 1, 2025-March 31, 2026)

Impairment losses were recorded for the following asset groups.

(Millions of yen)

Location	Use	Category	Impairment losses
Japan	Business assets	Buildings and structures	2
		Tools, furniture and fixtures	9
		Software	423
		Other	39
	Idle assets	Buildings and structures	25
		Machinery, equipment and vehicles	27
		Land	4
United States	Business assets	Goodwill	297
Denmark	Business assets	Goodwill	25
		Total	855

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

The book value with respect to the goodwill recognized at the time of acquisition of shares of the U.S.-based consolidated subsidiary, Yokogawa Fluid Imaging Technologies, Inc., was primarily reduced to its recoverable amount and the amount of

said reduction has been recorded as an impairment loss because the business results of that company is expected to fall below the initially forecasted business plan due to shifts in the business landscape surrounding that company.

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

*2. Retirement benefit expenses

Fiscal year ended March 31, 2026 (April 1, 2025-March 31, 2026)

Following the enforcement of the new Labor Codes in India, the calculation basis related to the retirement benefit plans at the Company's India-based consolidated subsidiaries was revised. As a result, retirement benefit liability associated with the plans increased. This increase is recorded in full under extraordinary losses in the fiscal year under review as prior service cost resulting from the revision of the retirement benefit plans.

Notes on Segment Information

Segment Information

1. Overview of Reporting Segments

The business segments for financial reporting are categorized as the industrial automation and control business, measuring instruments business, and new businesses and others.

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

The measuring instruments business offers waveform measuring instruments; optical communications measuring instruments; signal generators; and electric power, temperature, and pressure measuring instruments.

The new businesses and others is engaged in a solutions business that offers industrial IoT (IIoT) hardware, software, and cloud environments.

2. Sales and Profits (Losses) by Reporting Segment

Fiscal year ended March 31, 2025 (April 1, 2024-March 31, 2025)

(Millions of yen)

	Reporting segments				Adjustment	Total
	Industrial automation and control	Measuring instruments	New businesses and others	Total		
Net sales						
Net sales to unaffiliated customers	528,302	29,946	4,155	562,404	–	562,404
Intersegment net sales or transfers	–	–	–	–	–	–
Total	528,302	29,946	4,155	562,404	–	562,404
Segment profit (loss)	77,582	6,223	(282)	83,523	–	83,523

(Note) The profit or loss of each reporting segment is its operating profit or loss.

Fiscal year ended March 31, 2026 (April 1, 2025-March 31, 2026)

(Millions of yen)

	Reporting segments				Adjustment	Total
	Industrial automation and control	Measuring instruments	New businesses and others	Total		
Net sales						
Net sales to unaffiliated customers	565,523	34,006	5,300	604,829	–	604,829
Intersegment net sales or transfers	–	–	–	–	–	–
Total	565,523	34,006	5,300	604,829	–	604,829
Segment profit (loss)	75,155	7,792	(391)	82,555	–	82,555

(Note) The profit or loss of each reporting segment is its operating profit or loss.

Notes on Per Share Information

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share (yen)	1,807.37	2,042.26
Basic earnings per share (yen)	200.41	227.72

- (Notes) 1. The amount of diluted earnings per share is not described because there are no potential shares.
2. The basis for calculation of basic earnings per share is as follows:

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit attributable to owners of parent	52,123	58,113
Profit attributable to owners of parent related to common stock	52,123	58,113
Average number of shares during the period	260,086,632	255,197,989

Notes on Significant Subsequent Events

Acquisition of Own Shares

At the Board of Directors meeting held on May 7, 2026, the Company resolved on matters concerning acquisition of own shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, paragraph (3) of the same Act.

1. Reason for Acquisition of Own Shares

In order to improve the shareholder return as well as capital efficiency and to implement flexible capital policy in response to change in the business environment.

2. Details on Matters Related to Acquisition

- | | |
|--|--|
| (1) Class of shares to be acquired: | Common shares |
| (2) Total number of shares to be acquired: | 9,000,000 shares (maximum)
(3.5% of total number of issued shares, excluding treasury shares) |
| (3) Total amount of share acquisition costs: | 30,000,000,000 yen (maximum) |
| (4) Acquisition period: | From May 8, 2026 to September 30, 2026 |
| (5) Acquisition method: | Open-market purchase on the Tokyo Stock Exchange |

[Reference]

May 7, 2026
Yokogawa Electric Corporation

Consolidated Financial Statements for the Fiscal Year Ended March 31, 2026

(Millions of yen)

	FY2024		FY2025		Change	
	Amount	Ratio to net sales	Amount	Ratio to net sales	Amount	Ratio to net sales
Net sales	562,404	–	604,829	–	42,425	–
Operating profit	83,523	14.9%	82,555	13.6%	(967)	(1.2)%
Ordinary profit	85,351	15.2%	84,259	13.9%	(1,092)	(1.2)%
Profit attributable to owners of parent	52,123	9.3%	58,113	9.6%	5,989	0.3%
Comprehensive income	51,432	9.1%	84,329	13.9%	32,897	4.8%
Total assets		718,285		795,618		77,332
Net assets		475,721		529,894		54,173
Return on equity		11.5%		11.8%		0.2%
Basic earnings per share		200.41 yen		227.72 yen		27.31 yen
Net assets per share		1,807.37 yen		2,042.26 yen		234.89 yen
Capital investment		33,120		32,225		(895)
Depreciation		22,864		25,048		2,183
Research and development expenses		32,061		33,011		950
Average exchange rate during the period (USD)		152.55 yen		151.17 yen		(1.38) yen

Consolidated Orders Received by Segment

(Millions of yen)

	FY2024	FY2025	FY2026 full year (forecast)
Industrial automation and control business	564,268	570,881	603,000
Measuring instruments business	30,299	41,974	39,000
New businesses and others	4,023	4,983	3,000
Total	598,591	617,838	645,000

Consolidated Sales by Segment

(Millions of yen)

	FY2024	FY2025	FY2026 full year (forecast)
Industrial automation and control business	528,302	565,523	573,000
Measuring instruments business	29,946	34,006	39,000
New businesses and others	4,155	5,300	3,000
Total	562,404	604,829	615,000

Consolidated Operating Profit by Segment

(Millions of yen)

	FY2024	FY2025	FY2026 full year (forecast)
Industrial automation and control business	77,582	75,155	76,500
Measuring instruments business	6,223	7,792	9,000
New businesses and others	(282)	(391)	(500)
Total	83,523	82,555	85,000