

**Consolidated Financial Results for the First Two Quarters of the Fiscal Year Ending March 31, 2012
(Japan GAAP)**

November 8, 2011

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

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

1. Consolidated business results for the first two quarters of the year ending March 31, 2012 (April 1-September 30, 2011)

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

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

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
For first two quarters of year ending March 31, 2012	157,751	2.9	6,816	76.1	4,216	128.7	726	—
For first two quarters of year ended March 31, 2011	153,341	1.8	3,871	—	1,844	—	(3,489)	—

(Note) Comprehensive income: For first two quarters of year ending March 31, 2012 (6,269) million yen (—%)
 For first two quarters of year ended March 31, 2011 (9,774) million yen (—%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
For first two quarters of year ending March 31, 2012	2.82	—
For first two quarters of year ended March 31, 2011	(13.55)	—

(2) Financial conditions on a consolidated basis

	Total Assets	Net Assets	Shareholders’ Equity Ratio
	Million yen	Million yen	%
As of September 30, 2011	342,456	138,944	39.5
As of March 31, 2011	361,233	145,232	39.2

(Note) Shareholders’ equity: As of September 30, 2011: 135.307 billion yen As of March 31, 2011: 141.702 billion yen

2. Dividend status

	Dividends per Share				
	June 30	September 30	December 31	End of Term	Total
	Yen	Yen	Yen	Yen	Yen
For year ended March 31, 2011	—	0.00	—	0.00	0.00
For year ending March 31, 2012	—	0.00			
For year ending March 31, 2012 (forecast)			—	Not finalized	Not finalized

(Note) 1. Adjustment on dividend forecast in this quarter: No
 2. The plan for a yearly dividend for the year ending March 31, 2012 will be announced as soon as it is finalized.

3. Business forecast for the year ending March 31, 2012 (April 1, 2011-March 31, 2012)

(Percentages show the change from the previous year.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Annual	336,000	3.2	15,000	35.4	12,000	39.7	6,000	—	23.30

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

4. Other

- (1) Changes to important subsidiaries during the period: No
(changes to consolidated subsidiaries accompanying changes to specific subsidiaries)
- (2) Application of special methods for quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, restatements
- a. Changes accompanying revision of accounting standards: No
 - b. Changes other than (a) above: Yes
 - c. Changes in accounting estimates: Yes
 - d. Restatements: No
- (Note) For the details, see item 2, “Notes on Summary Information (Other)” on page 7 of the attachment.)
- (4) Number of shares issued (common stock)
- a. Number of shares outstanding at the end of the period (including treasury stock)
 - For the 2nd quarter of the year ending March 31, 2012 268,624,510 shares
 - For the year ended March 31, 2011 268,624,510 shares
 - b. Treasury stock at the end of the period
 - For the 2nd quarter of the year ending March 31, 2012 11,072,630 shares
 - For the year ended March 31, 2011 11,071,323 shares
 - c. Average number of shares in the period (quarterly consolidated accumulated period)
 - For the 2nd quarter of the year ending March 31, 2012 257,552,377 shares
 - For the 2nd quarter of the year ended March 31, 2011 257,567,874 shares

Note regarding the implementation of the quarterly review procedures

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

Note concerning appropriate use of business forecasts, etc.

The above forecasts are based on the information that was available at the time this document was released and involve assumptions regarding uncertain factors that may have an effect on future performance. Actual performance may vary greatly due to a variety of factors. Please refer to page 5 for the assumed exchange rates and page 6 for a disclaimer regarding the assumptions used in performance forecasts, as well as the use of such forecasts.

Attachment
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1. Qualitative Information on Quarterly Consolidated Financial Results

(1) Qualitative information on consolidated business results

During the first two quarters of the current fiscal year (April 1, 2011 – September 30, 2011), the global economy continued to expand moderately thanks to growth in emerging markets, especially in Asia. Meanwhile, the global economic outlook became increasingly uncertain due to the financial crisis in Europe and the slowdown of the U.S. economy.

Although there was a steady recovery from the economic downturn caused by the Great East Japan Earthquake, the Japanese economy was still gripped by uncertainty due to potential summertime power shortages, the continued rapid appreciation of the yen, and the sluggish European and U.S. economies.

Under these circumstances, the Group strived to expand its businesses outside Japan, while in Japan it sought to minimize disruptions to operations following the March 11 disaster and helped customers who were working hard to restore their operations. As a result, both net sales and operating income were up year on year.

In the first two quarters of the current fiscal year, the Group's net sales were 157.751 billion yen, up 4.410 billion yen year on year, and operating income was 6.816 billion yen, up 2.945 billion yen.

With non-operating expenses such as interest payments of 1.322 billion yen and foreign exchange losses of 1.361 billion yen, ordinary income came to 4.216 billion yen, up 2.372 billion yen over the same period of the previous fiscal year. After the recording of 2.474 billion yen for corporate taxes and other items, the net income for the second quarter of the fiscal year was 726 million yen (the same period last year saw a net loss of 3.489 billion yen).

Results by individual segment are outlined below.

Industrial Automation and Control Business

Regarding the Industrial Automation and Control Business, although the rebuilding of the disaster-stricken areas generated local demand, the Japan market as a whole faced uncertainty with declining capital investments due to potential summertime power shortages and the continued rapid appreciation of the yen. Demand for energy and electric power plants in Southeast Asia, China, India, Brazil, Australia, and other areas remained strong. Under these circumstances, net sales and operating income were up over the same period of the previous fiscal year.

In the first two quarters of the current fiscal year, net sales for the Industrial Automation and Control Business came to 129.833 billion yen, up 6.052 billion yen year on year, and operating income was 7.899 billion yen, up 1.188 billion yen.

Test and Measurement Business

In the measuring instrument market of the Test and Measurement Business, although there was concern that the Chinese economy could slow down, global demand for power and optical measuring instruments remained robust thanks to energy-saving efforts around the world and infrastructure construction in emerging nations. As a result, net sales were up over the same period of the previous fiscal year. In the semiconductor tester market, the ramping up of investment in front-end memory testers by our customers led to a year on year increase in net sales.

Consequently, net sales for the entire Test and Measurement Business were up over the same period of the previous fiscal year. Structural reforms to reduce fixed costs, R&D expenditure, and other expenses decreased the operating loss.

In the first two quarters of the current fiscal year, net sales for the Test and Measurement Business were up 227 million yen year on year, to 18.252 billion yen, while the operating loss shrank by 2.097 billion yen, to 801 million yen.

Other Businesses

In our Other Businesses segment, for the first two quarters, net sales decreased by 1.869 billion yen from the same period of the previous fiscal year, to 9.666 billion yen, and the operating loss was 282 million yen, which compares to last year's income of 58 million yen.

(2) Qualitative information on consolidated financial conditions

a. Conditions of assets, liabilities, and net assets

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

Total assets decreased by 18.776 billion yen, to 342.456 billion yen. This is mainly attributable to a 3.225 billion yen decrease in cash and deposits, an 8.966 billion yen decrease in notes and accounts receivable-trade, a 2.188 billion yen decrease in property, plant and equipment, and a 1.538 billion yen decrease in investment securities.

Total liabilities decreased by 12.488 billion yen, to 203.512 billion yen. This is mainly attributable to a 3.876 billion yen decrease in notes and accounts payable-trade, a 1.505 billion yen decrease in other accounts payable, and a 4.146 billion yen decrease in other current liabilities.

Net assets were 138.944 billion yen, down 6.288 billion yen. This is mainly because of a 743 million yen increase in retained earnings, a 5.848 billion yen decrease in foreign currency transaction adjustments, and a 1.483 billion yen decrease in the valuation difference on available-for-sale securities.

b. Cash flow status

The balance of cash and cash equivalents at the end of the second quarter of the current fiscal year was 54.432 billion yen, down 2.902 billion yen 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 4.313 billion yen, down 1.519 billion yen from the same period of the previous fiscal year. Following income of 3.500 billion yen before income taxes and other minority interests, this is a consequence of positive factors such as depreciation expenses of 5.674 billion yen and a 3.553 billion yen decrease in trade receivables, and negative factors such as a 3.370 billion yen outflow for special retirement benefits and a 2.731 billion yen outflow for corporate income taxes and other items.

The cash flow from investing activities in the first two quarters of the current fiscal year was a net outflow of 4.608 billion yen, up 299 million yen from the same period of the previous fiscal year. This was mainly the result of a 3.620 billion yen outflow for acquisition of property, plant and equipment and a 2.759 billion yen outflow for acquisition of intangible assets.

The cash flow from financing activities in the first two quarters of the current fiscal year was a net inflow of 512 million yen mainly due to increases in long-term borrowings.

(3) Qualitative information on consolidated business forecast

The Yokogawa Group has revised its consolidated business forecast for the fiscal year ending March 31, 2012, which was announced on August 9, 2011, as follows.

Since the performance in the first two quarters of the current fiscal year exceeded the previous forecast, the Group has revised its forecast upwards for net sales by 3.0 billion yen, operating income and ordinary income by 2.0 billion yen each, and net income by 1.0 billion yen.

The Industrial Automation and Control Business has revised its forecast upwards for orders and net sales by 2.0 billion yen each, and operating income by 1.5 billion yen. The Test and Measurement Business has revised its forecast upwards for net sales by 1.0 billion yen and operating income by 0.5 billion yen. As for the Other Businesses segment, we have revised its forecast downwards for orders by 1.0 billion yen but made no changes to net sales and operating income.

The exchange rates used in the forecast have been changed from 80 yen to 77 yen to the US dollar, and from 110 yen to 105 yen to the euro.

The differences between the Group's revised forecast and the previous one, which was announced on August 9, 2011 as part of the first quarter financial results of the current fiscal year, are as follows.

Revision to forecast of consolidated results for FY2011 (April 1, 2011-March 31, 2012)

Unit: million yen

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share
Previous forecast announced on August 9, 2011 (A)	333,000	13,000	10,000	5,000	19.41
Revised forecast announced on November 8, 2011 (B)	336,000	15,000	12,000	6,000	23.30
Difference (B)-(A)	3,000	2,000	2,000	1,000	3.88
Difference (%)	0.9	15.4	20.0	20.0	—
[Reference] Results of year ended March 31, 2011	325,620	11,079	8,590	(6,692)	(25.98)

Note: For the 2nd half consolidated business forecast, the Company assumes an exchange rate of 1\$ = 77 yen and 1€ = 105 yen.

[Reference]

1. Order forecast by segment

Unit: billion yen

Segment	Full year		
	Previous forecast	Revised forecast	Difference
Industrial Automation and Control Business	290.0	292.0	2.0
Test and Measurement Business	41.0	41.0	0.0
Other Businesses	24.0	23.0	(1.0)
Total	355.0	356.0	1.0

2. Sales forecast by segment

Unit: billion yen

Segment	Full year		
	Previous forecast	Revised forecast	Difference
Industrial Automation and Control Business	270.0	272.0	2.0
Test and Measurement Business	40.0	41.0	1.0
Other Businesses	23.0	23.0	0.0
Total	333.0	336.0	3.0

3. Operating income forecast by segment

Unit: billion yen

Segment	Full year		
	Previous Forecast	Revised Forecast	Difference
Industrial Automation and Control Business	16.5	18.0	1.5
Test and Measurement Business	(3.5)	(3.0)	0.5
Other Businesses	0.0	0.0	0.0
Total	13.0	15.0	2.0

Notes regarding the use of forecasts

The above forecasts are based on certain assumptions deemed reasonable by Yokogawa at the present time, and may differ from actual business results.

Major factors that may affect business performance include the following:

- Fluctuations in the US dollar, the euro, Asian currencies, Middle Eastern currencies, etc., relative to the yen
- Sudden changes in economic conditions in major markets
- Changes in trade regulations or other aspects that have an impact on the business environment
- Sudden fluctuations in supply or demand
- Fluctuations in Japanese share prices
- Protection of Yokogawa patents and the licensing of patents held by other companies
- Alliances with other companies for product development or other purposes
- Earthquakes, floods, tsunamis, and other natural disasters

2. Notes on Summary Information (Other)

(1) Changes to important subsidiaries during the period

Not applicable

(2) Application of special methods for quarterly consolidated financial statements

Not applicable

(3) Changes in accounting policies, changes in accounting estimates, restatements

(Changes to the depreciation method of property, plant and equipment)

Before the first quarter of the current fiscal year, the declining-balance method of depreciation was applied in most cases to the property, plant and equipment of the Company and its consolidated subsidiaries in Japan. However, since the start of this fiscal year, the straight-line method is being broadly applied. The reason for the adoption of the new method was the determination that it was more appropriate given how we would be using our property, plant and equipment following changes in our business portfolio that were made in fiscal years 2009 and 2010.

As a result of this change, in the first two quarters of the current fiscal year operating income increased by 591 million yen and both the ordinary loss and the loss before income taxes and minority interests decreased by 683 million yen.

The effect on segment information is described in “(5) Segment information” on page 13.

[Additional Information]

(Changes in the treatment of R&D expenditure)

Prior to the first quarter of the current fiscal year, the Company and some of its consolidated subsidiaries in Japan recognized basic research expenses as general and administrative expenses, while certain product development expenses were recognized as manufacturing costs. The reason why certain product development expenses were handled in this way was that manufacturing activities such as production design and preparation have always been carried out in parallel with the development of new hardware. However, since the start of the current fiscal year, part of the R&D expenditures that had been considered manufacturing costs are now recognized as general and administrative expenses. This is a consequence of the rising importance of our software development activities to keep pace with rapidly changing technologies and the review of our business portfolio in fiscal years 2009 and 2010, which will have the impact of decreasing the amount of hardware in development and reducing the ties between hardware development and manufacturing.

As a result of these changes, gross profit increased by 10.044 billion yen, operating income, ordinary income, and the loss before income taxes and minority interests increased by 413 million yen.

The effect on segment information is described in “(5) Segment information” on page 13.

(Application of consolidated taxation system)

Since the start of the current fiscal year, the Company has applied a consolidated taxation system.

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

Millions of yen

	(Reference) End of FY2010 (March 31, 2011)	End of FY2011 2nd quarter (September 30, 2011)
Assets		
Current assets		
Cash and deposits	58,663	55,438
Notes and accounts receivable-trade	103,492	94,526
Merchandise and finished goods	16,477	16,256
Work in process	8,745	7,690
Raw materials and supplies	10,250	11,482
Other	12,682	10,603
Allowance for doubtful accounts	(3,175)	(2,759)
Total current assets	207,136	193,237
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	48,927	47,091
Other, net	32,174	31,821
Total property, plant and equipment	81,101	78,913
Intangible assets	30,095	29,986
Investments and other assets		
Investment securities	31,731	30,193
Other	11,535	10,483
Allowance for doubtful accounts	(368)	(357)
Total investments and other assets	42,899	40,319
Total noncurrent assets	154,096	149,219
Total assets	361,233	342,456
Liabilities		
Current liabilities		
Notes and accounts payable-trade	28,806	24,930
Short-term loans payable	54,258	57,386
Income taxes payable	3,270	2,435
Provision for bonuses	11,526	10,706
Accounts payable-other	12,828	11,322
Other	41,402	37,255
Total current liabilities	152,093	144,037
Noncurrent liabilities		
Long-term loans payable	56,739	53,176
Provision for retirement benefits	2,067	1,927
Other	5,101	4,370
Total noncurrent liabilities	63,907	59,474
Total liabilities	216,000	203,512

Millions of yen

	(Reference) End of FY2010 (March 31, 2011)	End of FY2011 2nd quarter (September 30, 2011)
Net assets		
Shareholders' equity		
Capital stock	43,401	43,401
Capital surplus	50,344	50,344
Retained earnings	73,011	73,754
Treasury stock	(11,001)	(11,001)
Total shareholders' equity	155,755	156,498
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,145	661
Deferred gains or losses on hedges	(137)	28
Pension liability adjustment	(374)	(345)
Foreign currency translation adjustment	(15,686)	(21,535)
Total accumulated other comprehensive income	(14,053)	(21,190)
Minority interests	3,529	3,636
Total net assets	145,232	138,944
Total liabilities, net assets	361,233	342,456

(2) Consolidated quarterly statements of income and statements of comprehensive income
Consolidated quarterly statements of income
For the first two quarters of FY2011

Millions of yen

	(Reference) First two quarters of FY2010 (April 1-September 30, 2010)	First two quarters of FY2011 (April 1-September 30, 2011)
Net sales	153,341	157,751
Cost of sales	99,178	90,667
Gross profit	54,163	67,084
Selling, general and administrative expenses	50,292	60,267
Operating income	3,871	6,816
Non-operating income		
Interest income	160	165
Dividend income	366	333
Equity in earnings of affiliates	373	254
Other	930	800
Total non-operating income	1,830	1,555
Non-operating expenses		
Interest expenses	1,538	1,322
Foreign exchange losses	1,541	1,361
Other	777	1,471
Total non-operating expenses	3,857	4,154
Ordinary income	1,844	4,216
Extraordinary income		
Gain on sale of noncurrent assets	68	97
Gain on sale of investment securities	14	0
Compensation for transfer	131	—
Reversal of allowance for doubtful accounts	84	—
Other	48	—
Total extraordinary income	348	98
Extraordinary losses		
Loss on sale of noncurrent assets	2	2
Loss on retirement of noncurrent assets	121	87
Impairment loss	28	6
Loss on valuation of investment securities	2,564	—
Restructuring loss	3	—
Business structure improvement expense	163	707
Other	427	10
Total extraordinary losses	3,312	814
Income (loss) before income taxes and minority interests	(1,120)	3,500
Income taxes-current	2,180	2,342
Income taxes-deferred	(37)	132
Total income taxes	2,142	2,474
Income (loss) before minority interests	(3,262)	1,025
Minority interests in income	226	299
Net income (loss)	(3,489)	726

Consolidated quarterly statements of comprehensive income
For the first two quarters of FY2011

Millions of yen

	(Reference) First two quarters of FY2010 (April 1-September 30, 2010)	First two quarters of FY2011 (April 1-September 30, 2011)
Loss before minority interests	(3,262)	1,025
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,381)	(1,504)
Deferred gains or losses on hedges	(176)	165
Pension liability adjustment	36	29
Foreign currency translation adjustment	(4,981)	(5,961)
Share of other comprehensive income of associates accounted for using equity method	(8)	(25)
Total other comprehensive income	(6,511)	(7,295)
Comprehensive income	(9,774)	(6,269)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	(9,798)	(6,410)
Comprehensive income attributable to minority interests	23	141

(3) Consolidated quarterly statements of cash flows

Millions of yen

	(Reference) First two quarters of FY2010 (April 1-September 30, 2010)	First two quarters of FY2011 (April 1-September 30, 2011)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	(1,120)	3,500
Depreciation and amortization	6,682	5,674
Increase (decrease) in allowance for doubtful accounts	(146)	(91)
Increase (decrease) in provision for bonuses	(1,576)	(541)
Loss (gain) on sales of investment securities	(14)	(0)
Loss (gain) on valuation of investment securities	2,564	—
Impairment loss	28	6
Decrease (increase) in notes and accounts receivable-trade	3,127	3,553
Decrease (increase) in inventories	(3,943)	(1,981)
Increase (decrease) in notes and accounts payable-trade	587	(156)
Increase (decrease) in accounts payable-other	573	(410)
Other, net	1,099	578
Subtotal	7,863	10,130
Interest and dividend income received	1,430	1,610
Interest expenses paid	(1,547)	(1,325)
Payments for extra retirement payments	—	(3,370)
Income taxes paid	(1,912)	(2,731)
Net cash provided by (used in) operating activities	5,833	4,313
Net cash provided by (used in) investing activities		
Payments into time deposits	(2,099)	(2,158)
Proceeds from withdrawal of time deposits	2,845	2,293
Purchase of property, plant and equipment	(2,471)	(3,620)
Proceeds from sale of property, plant and equipment	199	628
Purchase of intangible assets	(2,805)	(2,759)
Purchase of investment securities	(10)	(10)
Proceeds from sales and redemption of investment securities	48	2
Other, net	(14)	1,014
Net cash provided by (used in) investment activities	(4,308)	(4,608)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(100)	303
Proceeds from long-term loans payable	—	420
Repayment of long-term loans payable	(24,118)	(96)
Cash dividends paid	(516)	(0)
Other, net	(40)	(114)
Net cash provided by (used in) financing activities	(24,775)	512
Effect of exchange rate change on cash and cash equivalents	(2,252)	(3,120)
Net increase (decrease) in cash and cash equivalents	(25,502)	(2,902)
Cash and cash equivalents at beginning of period	76,555	57,334
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	76	(0)
Cash and cash equivalents at end of period	51,129	54,432

(4) Notes for going concern
Not applicable

(5) Segment information
Segment sales and profits (losses)

Millions of yen

Business	Term	(Reference)	First two quarters of	Change	
		First two quarters of FY2010 (Apr. 1-Sep. 30, 2010)	First two quarters of FY2011 (Apr. 1-Sep. 30, 2011)		
Industrial Automation and Control Business	Net sales to unaffiliated customers		123,781	129,833	6,052
	Operating income		6,711	7,899	1,188
Test and Measurement Business	Net sales to unaffiliated customers		18,025	18,252	227
	Operating income (loss)		(2,898)	(801)	2,097
Other Businesses	Net sales to unaffiliated customers		11,535	9,666	(1,869)
	Operating income (loss)		58	(282)	(340)
Consolidated	Net sales to unaffiliated customers		153,341	157,751	4,410
	Operating income (loss)		3,871	6,816	2,945

- (Note) 1. As described in item 2, "Notes on Summary Information (Other)" (Changes to the depreciation method of property, plant and equipment), the declining-balance method of depreciation was applied in most cases to the property, plant and equipment of the Company and its consolidated subsidiaries in Japan prior to the first quarter of the current fiscal year. However, since the start of this fiscal year, the straight-line method is generally used. As a result of this change, in the first two quarters of the current fiscal year the operating income of the Industrial Automation and Control Business increased by 345 million yen, the operating loss of the Test and Measurement Business decreased by 182 million yen, and the operating loss of the Other Businesses segment decreased by 63 million yen.
2. As described in item 2, "Notes on Summary Information (Other)" (Changes to the treatment of R&D expenditure), up until the first quarter of the current fiscal year the Company and some of its consolidated subsidiaries in Japan recognized a portion of their product R&D expenditures as manufacturing costs. However, since the start of this fiscal year, part of the R&D expenditures that had been considered manufacturing costs are now recognized as selling, general and administrative expenses. As a result of this change, in the first two quarters of the current fiscal year the operating income of the Industrial Automation and Control Business decreased by 404 million yen, the operating loss of the Test and Measurement Business increased by 7 million yen, and the operating loss of the Other Businesses segment increased by 0 million yen.

[Reference]

Sales by geographical location

Millions of yen

Region	Term	(Reference)		First two quarters of FY2011		Change
		First two quarters of FY2010 (Apr. 1-Sep. 30, 2010)		First two quarters of FY2011 (Apr. 1-Sep. 30, 2011)		
		Amount	Composition Ratio (%)	Amount	Composition Ratio (%)	Amount
Japan		63,235	41.2	60,771	38.5	(2,463)
Asia		38,380	25.0	43,821	27.8	5,440
Europe		13,390	8.7	13,182	8.4	(208)
North America		10,497	6.9	10,275	6.5	(221)
Middle East		10,229	6.7	11,256	7.1	1,026
Other		17,607	11.5	18,445	11.7	837
Consolidated net sales		153,341	100.0	157,751	100.0	4,410

(Note) Sales are based on a customer's geographical location (classified above as a country or region).

(6) Notes if there is a remarkable change in the amount of shareholders' equity
Not applicable

[Reference]

November 8, 2011
Yokogawa Electric Corporation

Consolidated Financial Statements for the First Two Quarters of FY2011

Millions of yen

	First two quarters of FY2010		First two quarters of FY2011		Change	
	Amount	Ratio to Net Sales	Amount	Ratio to Net Sales	Amount	Ratio to Net Sales
Net Sales	153,341	—	157,751	—	4,410	—
Operating Income	3,871	2.5%	6,816	4.3%	2,945	1.8%
Ordinary Income	1,844	1.2%	4,216	2.7%	2,372	1.5%
Net Income	(3,489)	-2.3%	726	0.5%	4,216	2.8%
Total Assets		359,586		342,456		(17,129)
Shareholders' Equity		147,114		138,944		(8,170)
Net Income to Shareholders' Equity Ratio		-2.4%		0.5%		2.9%
Net Income per Share		(13.55) yen		2.82 yen		16.37 yen
Capital Investment		5,482		5,934		452
Depreciation		6,682		5,674		(1,008)
Research and Development Expenses		14,282		13,285		(997)
Average Exchange Rate during the Term						
	USD	87.99 yen		79.16 yen		(8.83) yen
	EUR	112.82 yen		113.52 yen		0.70 yen

Consolidated orders by segment

Millions of yen

	First two quarters of FY2010	First two quarters of FY2011	FY2011 Full year (Forecast)
Industrial Automation and Control Business	137,640	151,859	292,000
Measurement Business	17,982	17,961	41,000
Other Businesses	14,067	9,135	23,000
Total	169,689	178,955	356,000

Consolidated sales by segment

Millions of yen

	First two quarters of FY2010	First two quarters of FY2011	FY2011 Full year (Forecast)
Industrial Automation and Control Business	123,781	129,833	272,000
Measurement Business	18,025	18,252	41,000
Other Businesses	11,535	9,666	23,000
Total	153,341	157,751	336,000

Consolidated operating income by segment

Millions of yen

	First two quarters of FY2010	First two quarters of FY2011	FY2011 Full year (Forecast)
Industrial Automation and Control Business	6,711	7,899	18,000
Measurement Business	(2,898)	(801)	(3,000)
Other Businesses	58	(282)	0
Total	3,871	6,816	15,000