

Revision of Financial Forecast for the First Half (April 1 - September 30)
of the Fiscal Year Ending March 31, 2006 and the Fiscal Year Ending March 31, 2006

October 31, 2005

Name of Listed Company: Yokogawa Electric Corporation
 (URL: <http://www.yokogawa.com>) (stock code: 6841, listed in TSE 1st section)
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1. Revision to Forecast of Consolidated Results for Fiscal Year 2005

(1) Revision to forecast of consolidated results for the first half of fiscal year 2005

Units: million yen

	Net Sales	Operating Income	Ordinary Income	Net Income
Original forecast announced on May 10, 2005 (A)	180,000	10,000	8,000	3,000
Revised forecast announced on October 31, 2005 (B)	177,700	7,700	8,300	1,800
Difference (A)-(B)	(2,300)	(2,300)	300	(1,200)
Difference (%)	-1.3	-23.0	3.8	-40.0
Financial results for the 1st half of fiscal year 2004	187,102	10,571	9,968	2,842

(2) Revision to forecast for fiscal year 2005

Units: million yen

	Net Sales	Operating Income	Ordinary Income	Net Income
Original forecast announced on May 10, 2005 (A)	400,000	35,000	30,000	15,000
Revised forecast announced on October 31, 2005 (B)	390,000	30,000	28,000	13,000
Difference (A)-(B)	(10,000)	(5,000)	(2,000)	(2,000)
Difference (%)	-2.5	-14.3	-6.7	-13.3
Financial results for fiscal year 2004	387,053	24,756	22,401	9,372

(3) Background information regarding the revision

a) Background to the revision for the first half of fiscal year 2005

The core industrial automation and control business has performed well in the Japanese and overseas markets since the previous fiscal year. However, the semiconductor tester business in the measurement business segment could not achieve the sales and profit targets for the first half of fiscal year 2005. We therefore need to revise the sales and operating income forecast for the first half of fiscal year 2005.

On the other hand, the forecast for ordinary income has been revised upward due to depreciation of the Japanese yen against the US dollar at a rate higher than was forecast for the first half of fiscal year 2005, resulting in an increase in foreign exchange profit.

The net income forecast was revised downward due to an increase in the extraordinary loss for the retirement of property.

b) Background to the revision for fiscal year 2005

As forecast, the core industrial automation and control business is expected to perform well. On the other hand, while the forecast for the semiconductor tester business is in line with the original target thanks to the recovery in sales of memory ICs and LCD driver tester ICs, sales for the semiconductor business are expected to be less than the original target.

2. Revision to Forecast of Non-consolidated Results for Fiscal Year 2005

(1) Revision to forecast of non-consolidated results for the first half of fiscal year 2005

Units: million yen

	Net Sales	Ordinary Income	Net Income
Original forecast announced on May 10, 2005 (A)	120,000	6,500	2,000
Revised forecast announced on October 31, 2005 (B)	109,500	3,300	100
Difference (A)-(B)	(10,500)	(3,200)	(1,900)
Difference (%)	-8.8	-49.2	-95.0
Financial results for the 1st half of fiscal year 2004	124,033	8,727	6,050

(2) Revision to forecast of non-consolidated results for fiscal year 2005

Units: million yen

	Net Sales	Ordinary Income	Net Income
Original forecast announced on May 10, 2005 (A)	260,000	18,500	11,000
Revised forecast announced on October 31, 2005 (B)	250,000	18,500	11,000
Difference (A)-(B)	(10,000)	-	-
Difference (%)	-3.8	-	-
Financial results for fiscal year 2004	249,778	15,896	10,515

3) Background information regarding the revision

The forecast of non-consolidated results for the first half of fiscal year 2005 and for fiscal year 2005 has been revised downward as sales for the semiconductor business are expected to be less than the original forecast.