

Yokogawa Electric Corporation

Financial Results for 1st Half of Fiscal Year 2008



YOKOGAWA

Oct. 28, 2008



FY08 1H Financial Results

(Billion ¥)

	Initial budget	Revised budget	Results	Difference
	08/05/13	08/08/12 <A>	08/10/28 	<B-A>
Orders	210.0	210.0	215.7	5.7
Sales	190.0	196.0	196.8	0.8
Operating income	4.0	2.5	5.0	2.5
ROS	2.1%	1.3%	2.5%	1.2%
Ordinary income	2.5	1.5	4.4	2.9
ROS	1.3%	0.8%	2.2%	1.4%
Net income	0	0	3.8	3.8
ROS	0.0%	0.0%	1.9%	1.9%



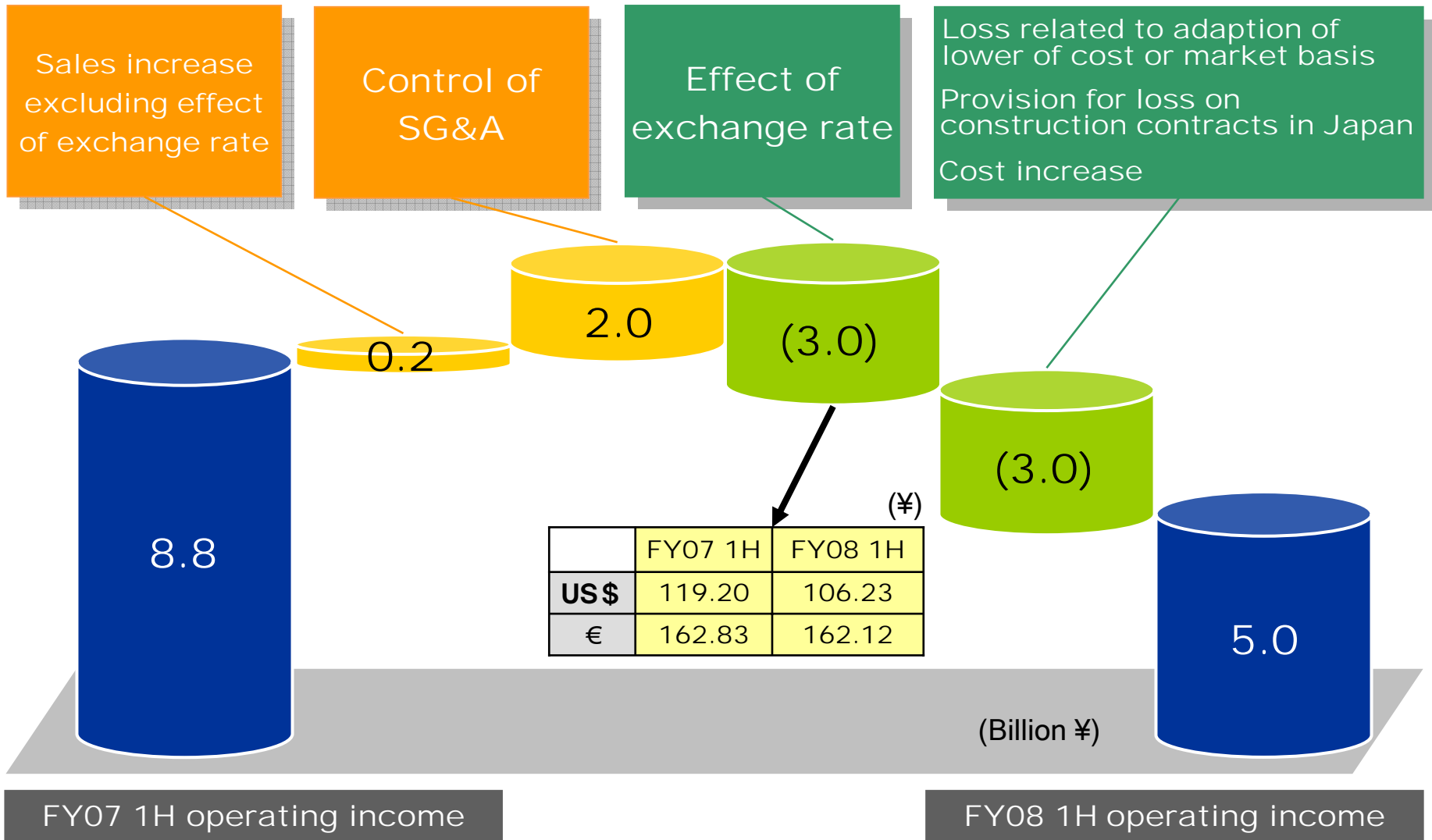
Comparison of FY06/07/08 1H Financial Results

(Billion ¥)

	FY06 1H	FY07 1H <A>	FY08 1H 	Difference <B-A>	Growth rate <<(B-A)/A>
Orders	222.3	228.5	215.7	(12.8)	-5.6%
Sales	186.4	204.3	196.8	(7.5)	-3.7%
Operating income	9.1	8.8	5.0	(3.8)	-43.2%
Ordinary income	11.4	5.7	4.4	(1.3)	-23.0%
Net income	4.0	2.7	3.8	1.1	39.4%



Analysis of FY08 1H Operating Income





Quarterly Financial Results

(Billion ¥)

	FY06					FY07					FY08	
	1Q	2Q	3Q	4Q [*]	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q
Orders	110.7	111.6	109.7	124.5 [107.7]	456.5 [439.7]	112.1	116.4	110.5	116.1	455.1	111.9	103.8
Sales	69.6	116.8	85.1	161.9 [139.8]	433.4 [411.3]	83.5	120.8	88.2	144.9	437.4	83.5	113.3
Operating income	(1.4)	10.5	3.6	16.6 [15.2]	29.3 [27.9]	(0.4)	9.2	0.3	18.3	27.4	(4.3)	9.3

*The numbers in brackets show the results without the increase from the fiscal year change by subsidiaries outside Japan.



Non-operating / Extraordinary Income and Expenses

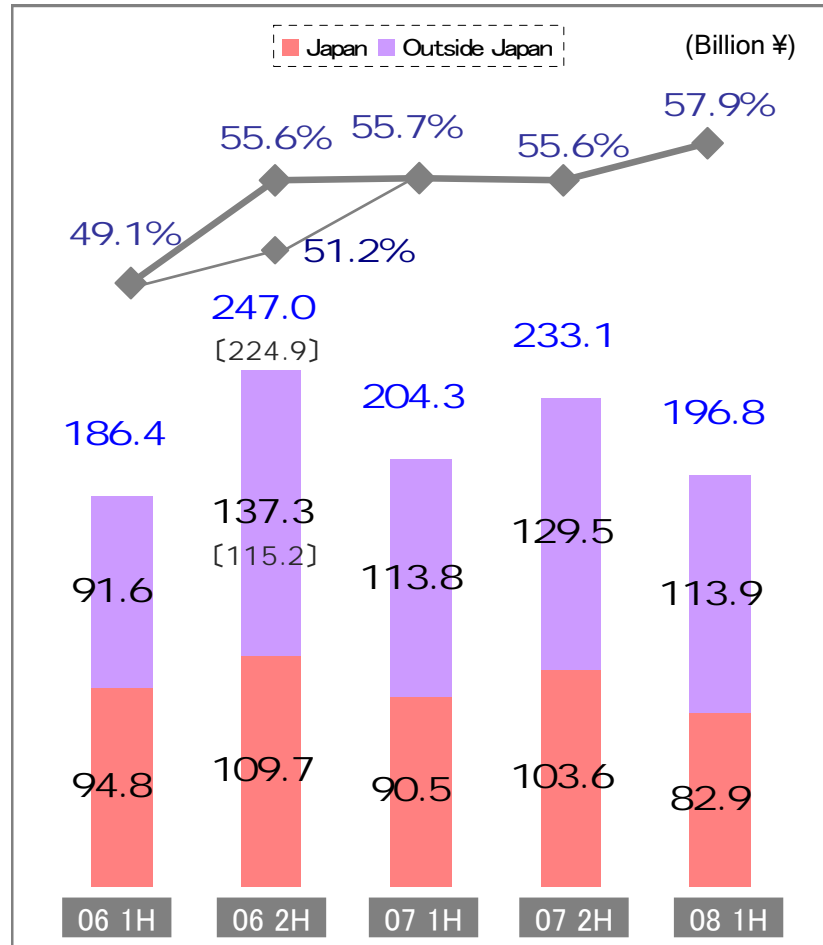
(Billion ¥)

	FY07 1H	FY08 1H Revised budget (8/12)	FY08 1H
Operating income	8.8	2.5	5.0
Non-operating income	1.6	(1.0)	1.3
Non-operating expenses	4.7		1.9
Ordinary income	5.7	1.5	4.4
Extraordinary income	1.4		1.4
Extraordinary expenses	2.0	(1.5)	3.5
Income before tax	5.0		2.3
Tax, etc.	2.3		(1.5)
Net income	2.7	0.0	3.8

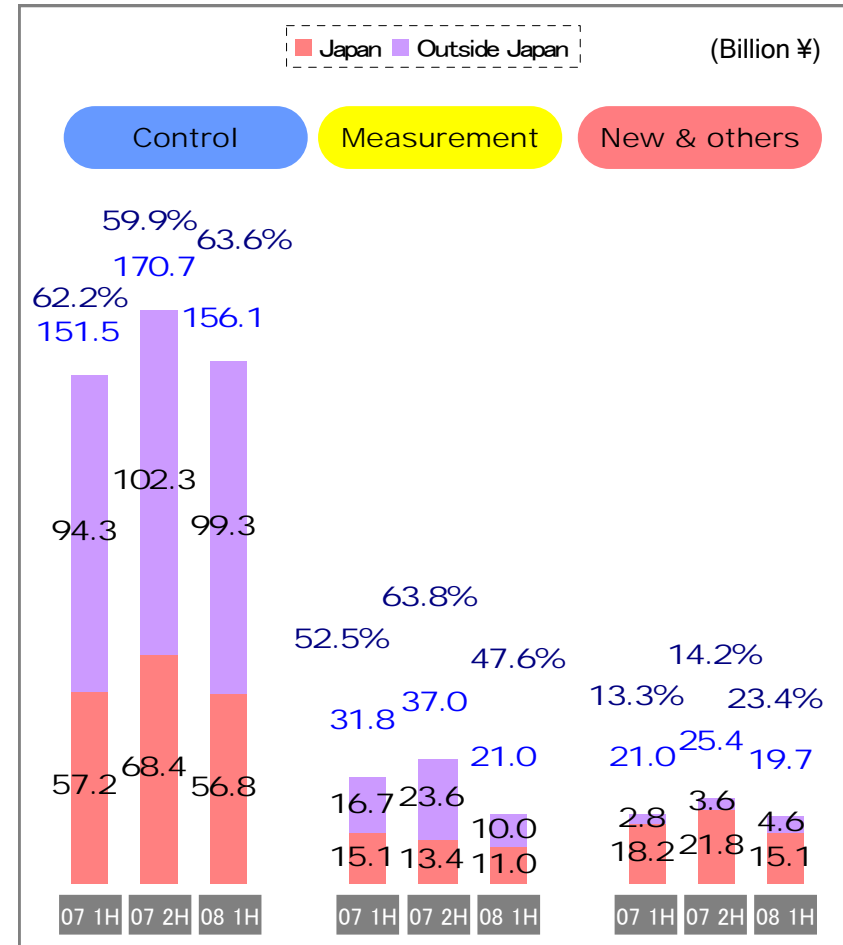


Global Sales

Total



By Segment

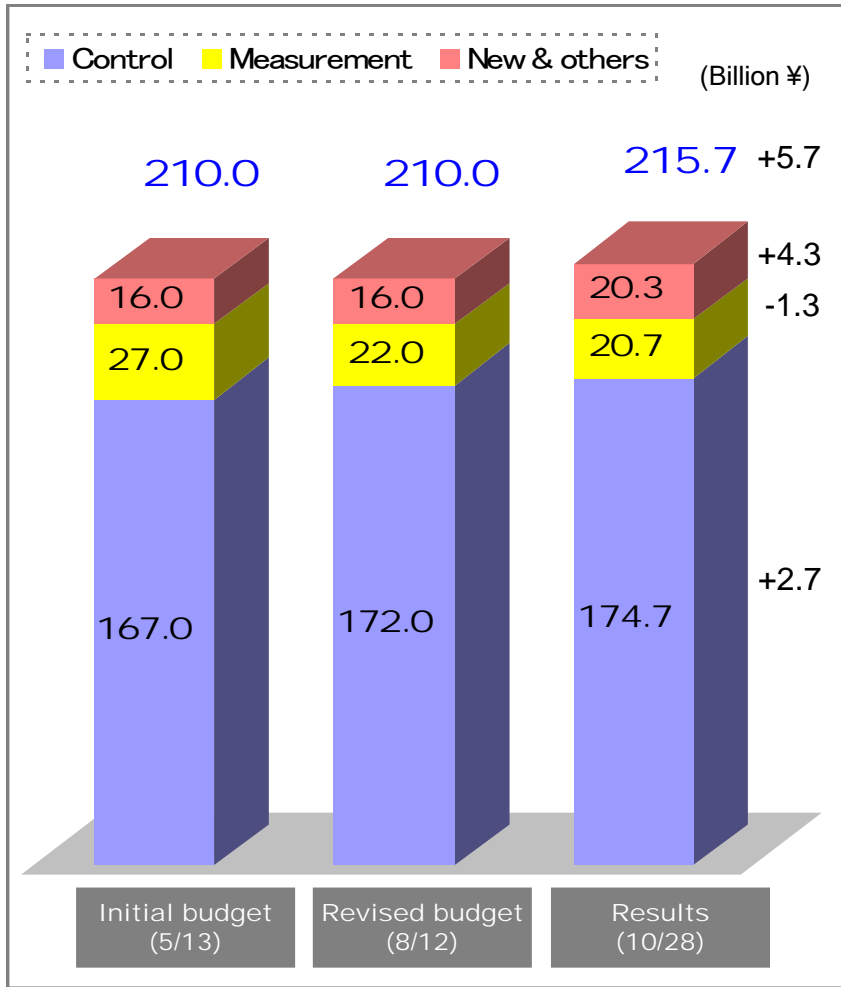


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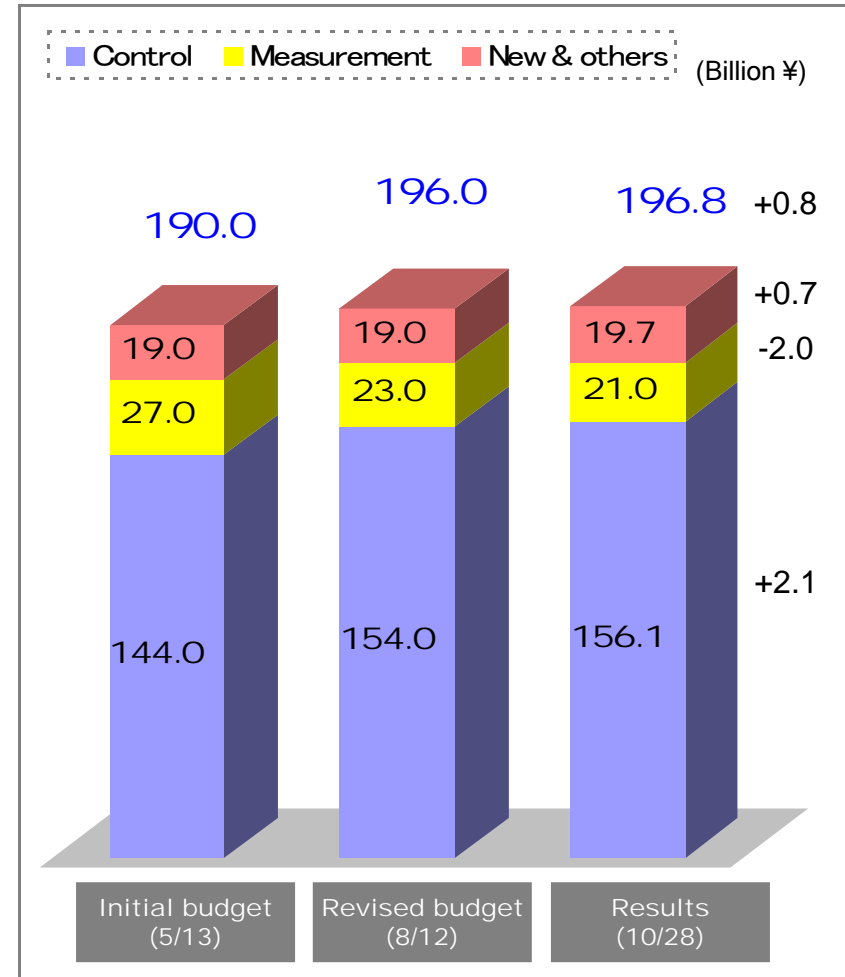


FY08 1H Budget and Results Comparison for Orders and Sales by Segment

Orders



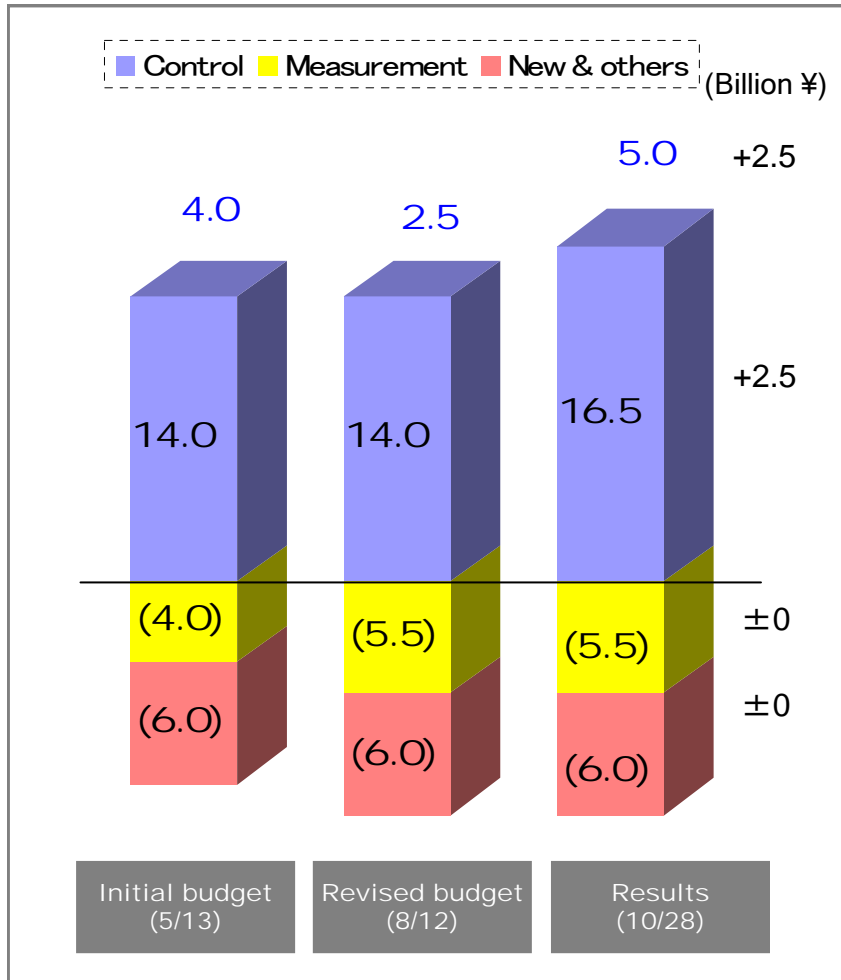
Sales





FY08 1H Budget and Results Comparison for Operating Income by Segment

Operating Income



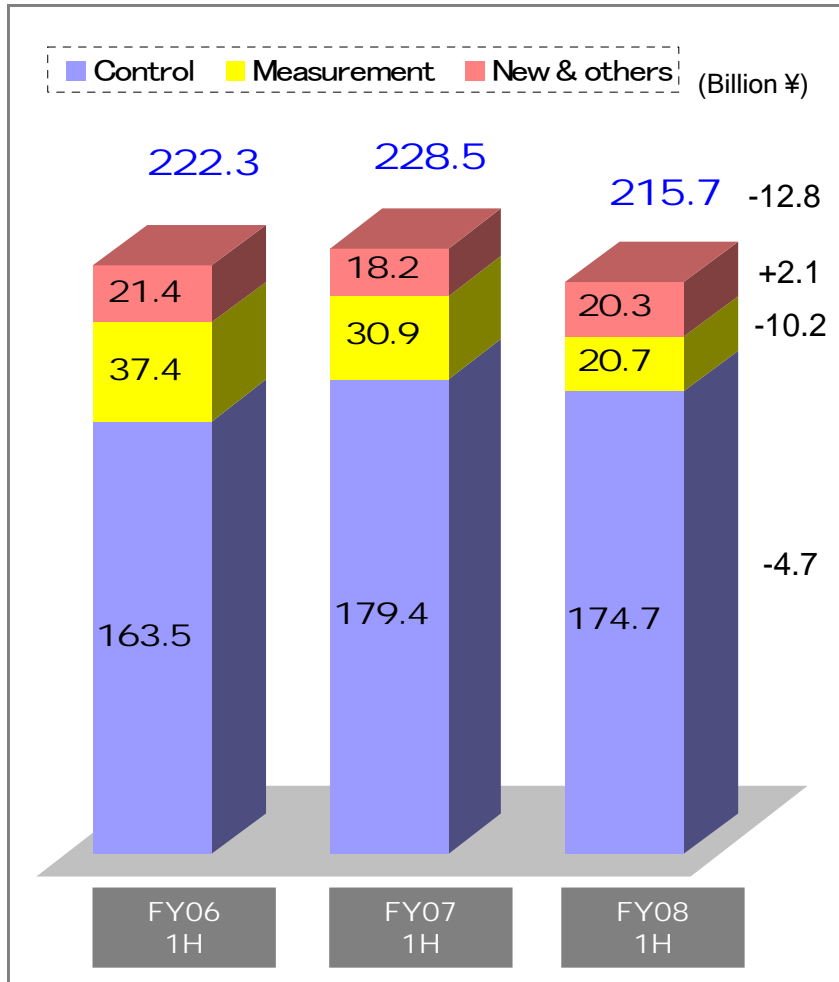
(Billion ¥)

	Initial budget (5/13)	Revised budget (8/12)	Results (10/28)	Difference
Control	14.0	14.0	16.5	2.5
Measurement	(4.0)	(5.5)	(5.5)	0.0
New & others	(6.0)	(6.0)	(6.0)	0.0
Total	4.0	2.5	5.0	2.5

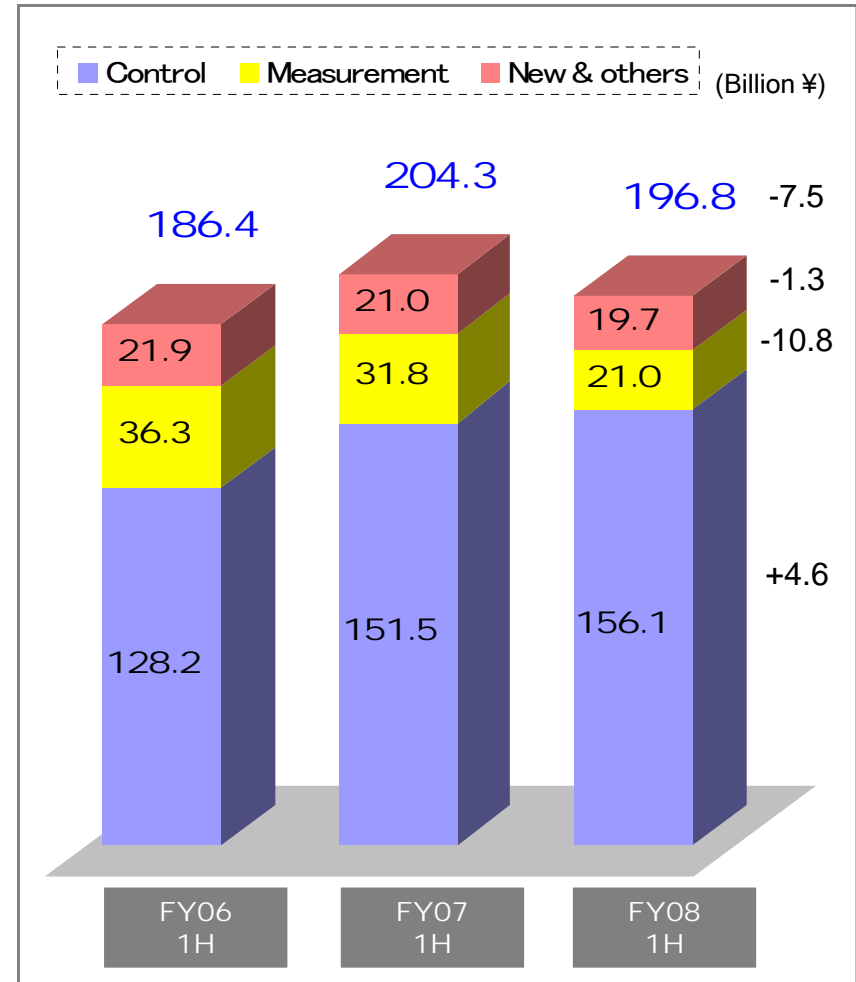


FY08 1H Orders and Sales by Segment

Orders



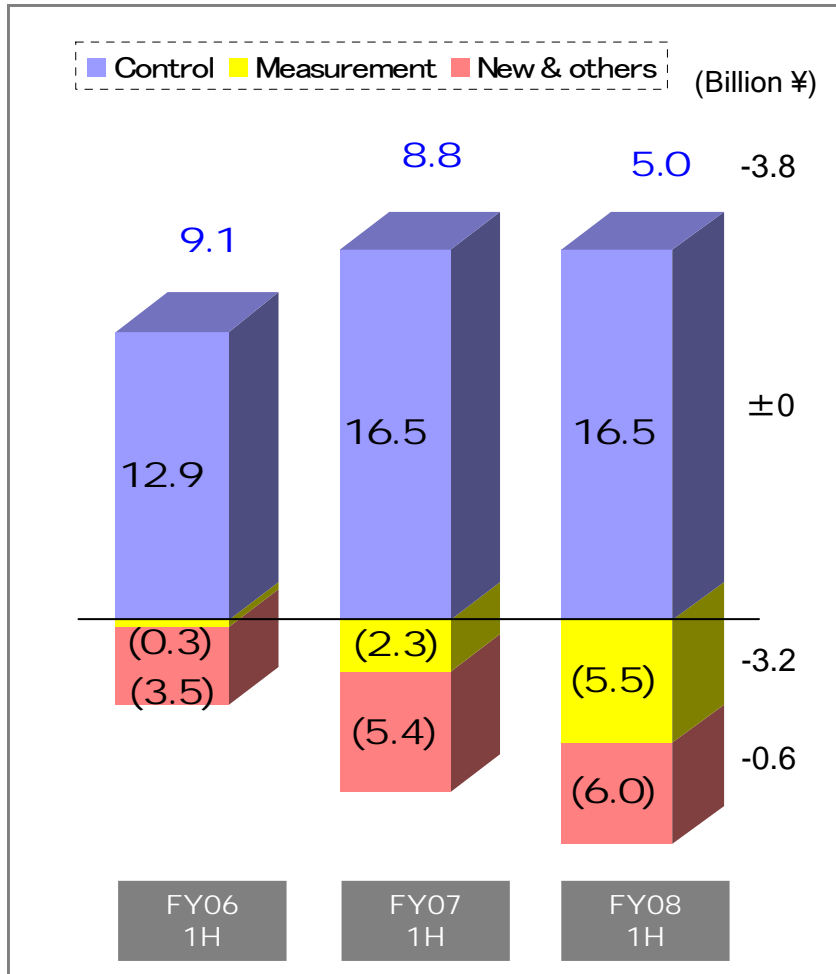
Sales





FY08 1H Operating Income by Segment

Operating Income



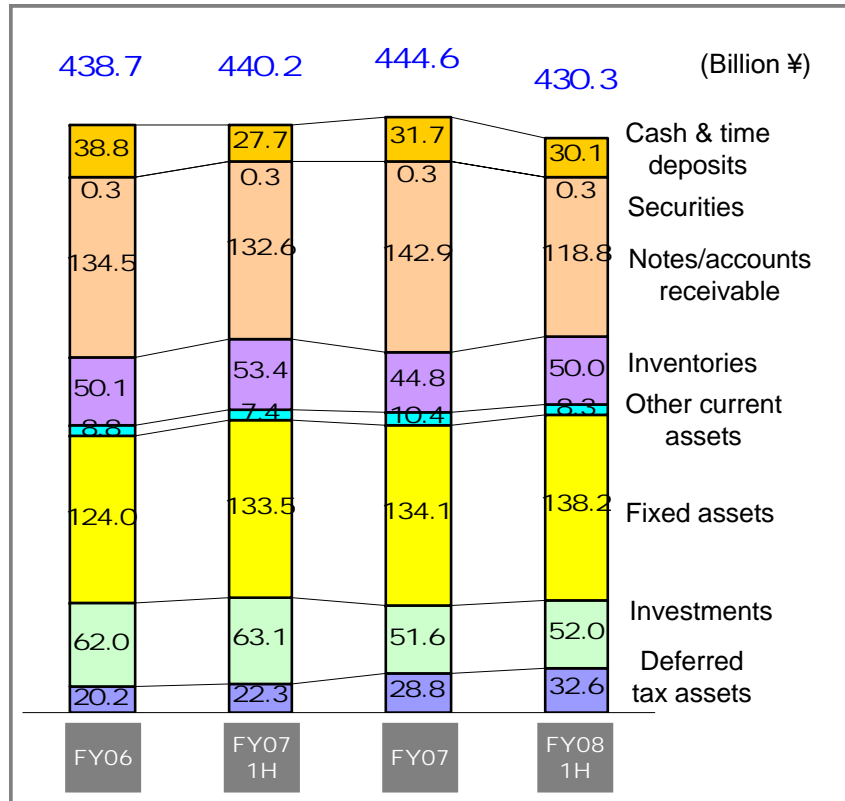
(Billion ¥)

	FY06 1H	FY07 1H	FY08 1H	Difference
Control	12.9	16.5	16.5	0.0
Measurement	(0.3)	(2.3)	(5.5)	(3.2)
New & others	(3.5)	(5.4)	(6.0)	(0.6)
Total	9.1	8.8	5.0	(3.8)

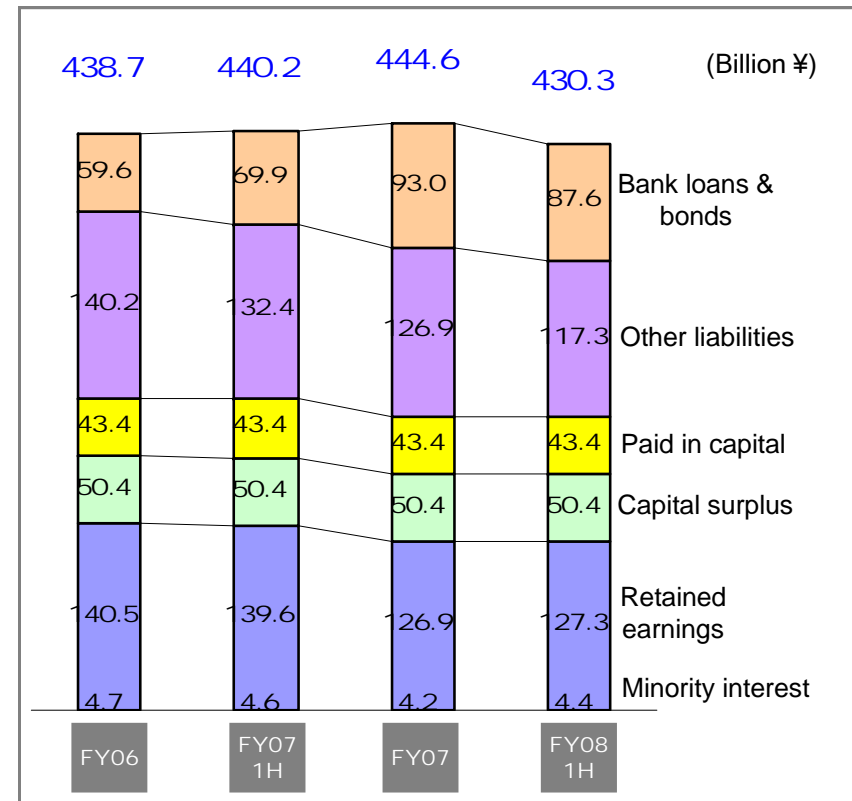


Trend of Balance Sheet

Assets



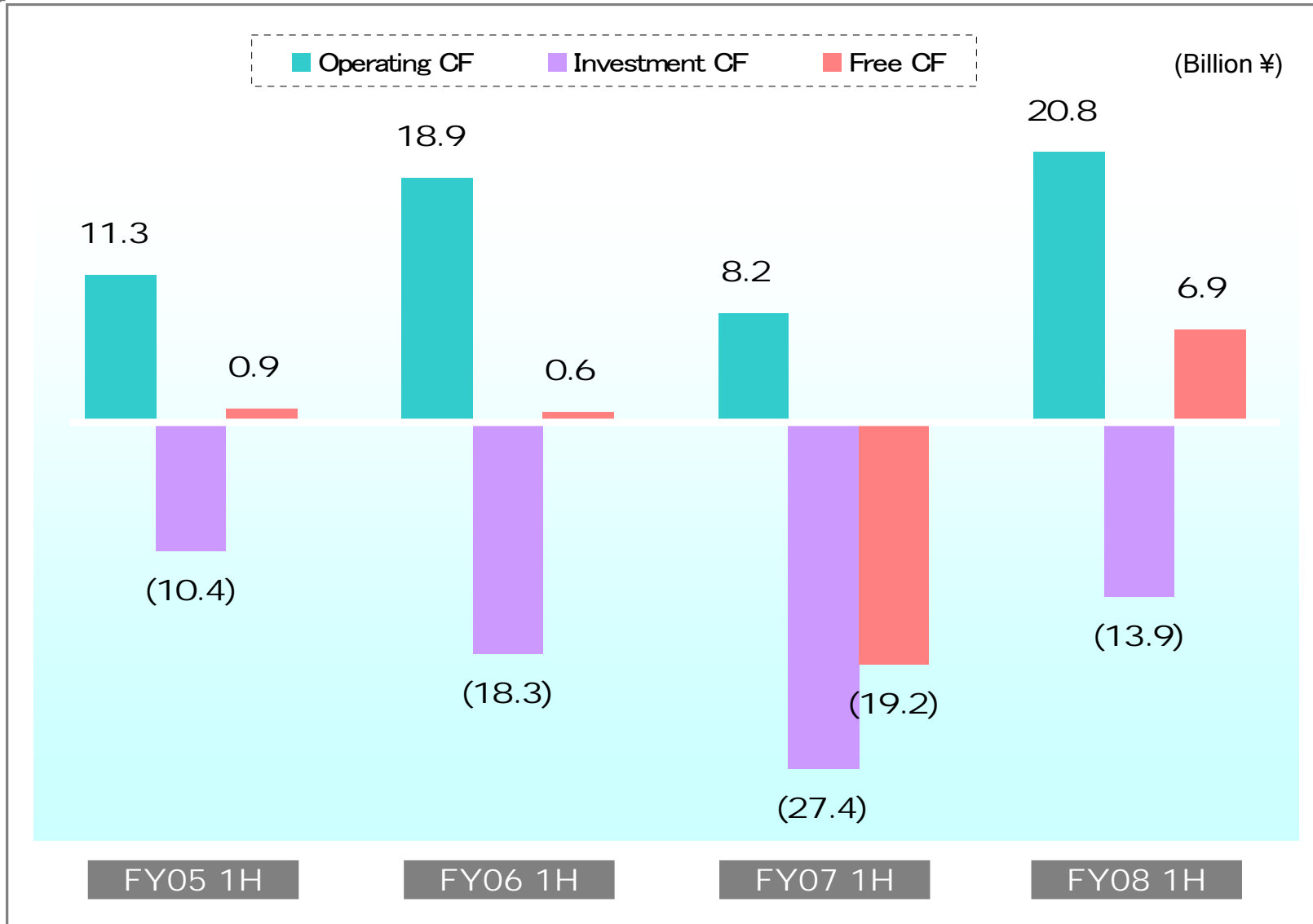
Liabilities and Shareholders' Equity



	FY06	FY07 1H	FY07	FY08 1H
Total asset turnover	1.01	1.06	0.99	0.99
Shareholders' equity	53.4%	53.0%	49.6%	51.4%

	FY06	FY07 1H	FY07	FY08 1H
Interest-bearing debt ratio	13.6%	15.9%	20.9%	20.4%
Debt/equity ratio	25.5%	29.9%	42.1%	39.7%

Trend of Cash Flow





FY08 Revised Budget

(Billion ¥)

	FY07 results <A>	FY08				
		Initial budget 08/5/13	Revised budget 08/8/12 	Revised budget 08/10/28 <C>	Difference <C-B>	Comparison with FY07 <C-A>
Orders	455.1	460.0	460.0	447.0	(13.0)	(8.1)
Sales	437.4	440.0	446.0	424.0	(22.0)	(13.4)
Operating income	27.4	26.0	24.5	18.0	(6.5)	(9.4)
ROS	6.3%	5.9%	5.5%	4.2%	-1.3%	-2.1%
Ordinary income	16.5	22.0	21.0	16.0	(5.0)	(0.5)
ROS	3.8%	5.0%	4.7%	3.8%	-0.9%	0.0%
Net income	11.7	11.0	11.0	5.0	(6.0)	(6.7)
ROS	2.7%	2.5%	2.5%	1.2%	-1.3%	-1.5%



FY08 Revised Budget for Non-operating/ Extraordinary Income and Expenses

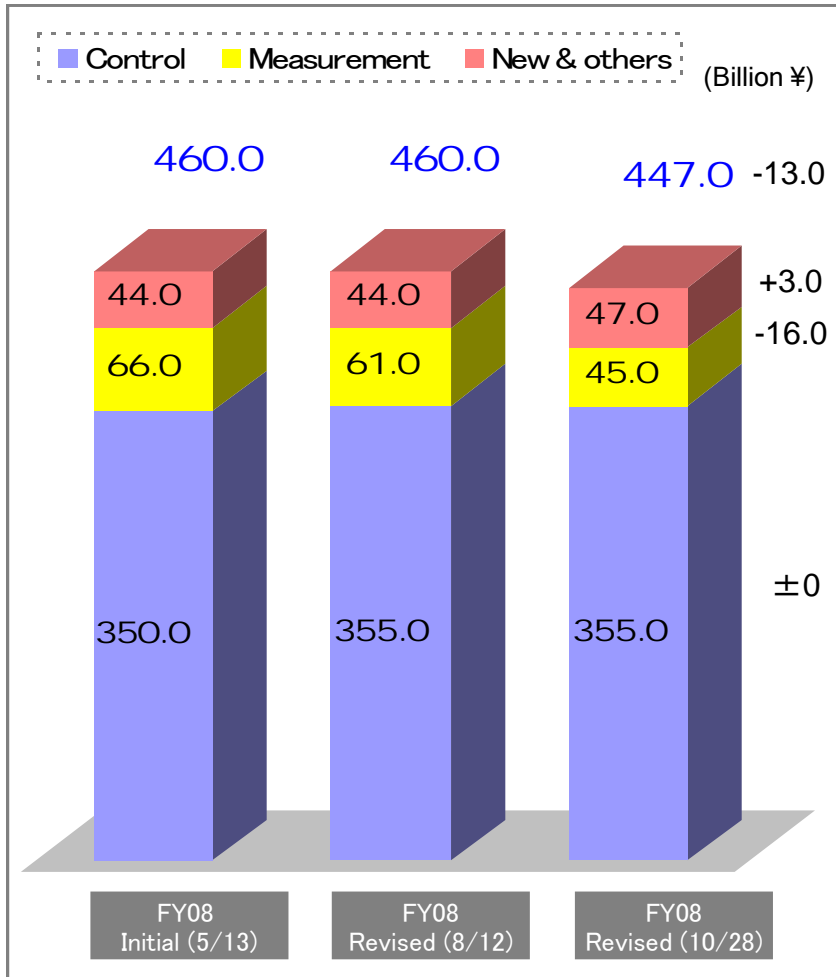
(Billion ¥)

	FY07		FY08	
	1H results	Results	1H results	Budget
Operating income	8.8	27.4	5.0	18.0
Non-operating income	1.6	3.7	1.3	(2.0)
Non-operating expenses	4.7	14.7	1.9	
Ordinary income	5.7	16.5	4.4	16.0
Extraordinary income	1.4	2.6	1.4	(6.0)
Extraordinary expenses	2.0	4.7	3.5	
Income before tax	5.0	14.4	2.3	10.0
Tax, etc.	2.3	2.7	(1.5)	5.0
Net income	2.7	11.7	3.8	5.0

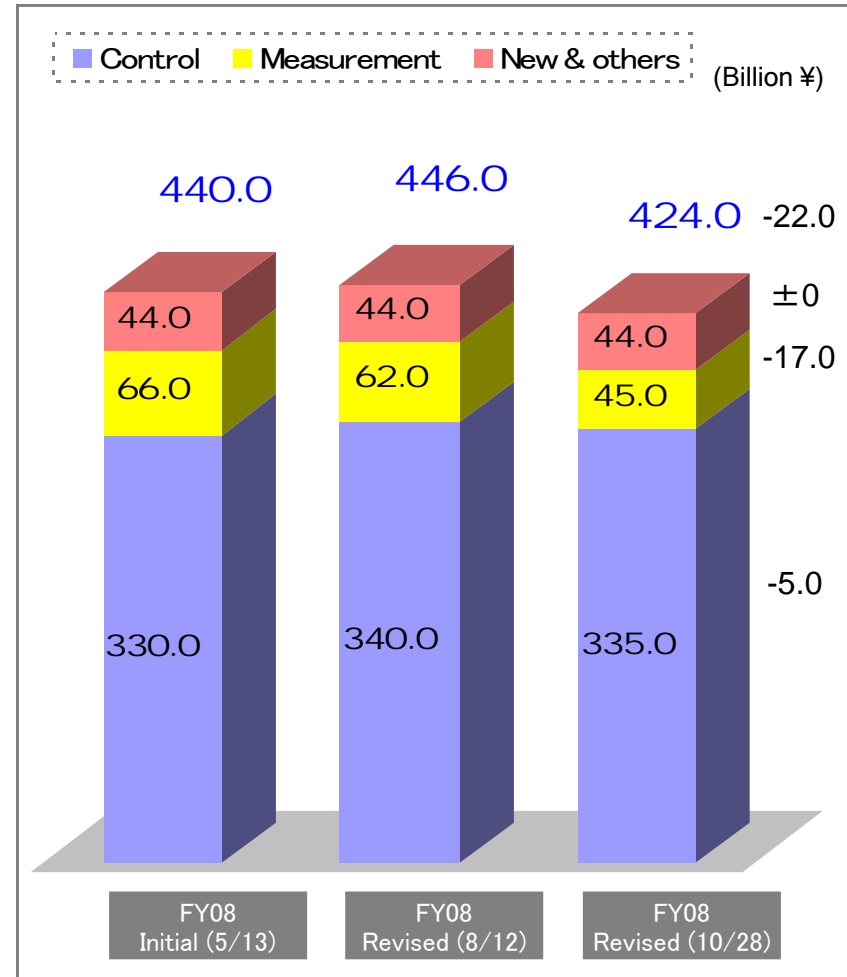


FY08 Revised Budget for Orders and Sales by Segment

Orders



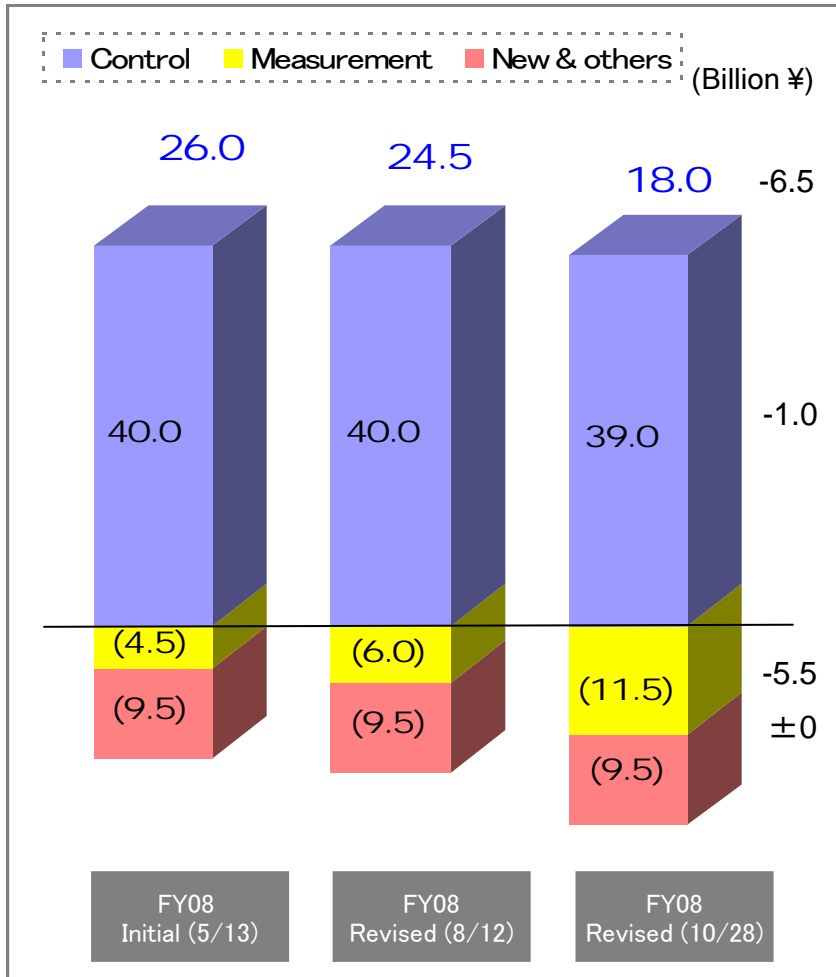
Sales



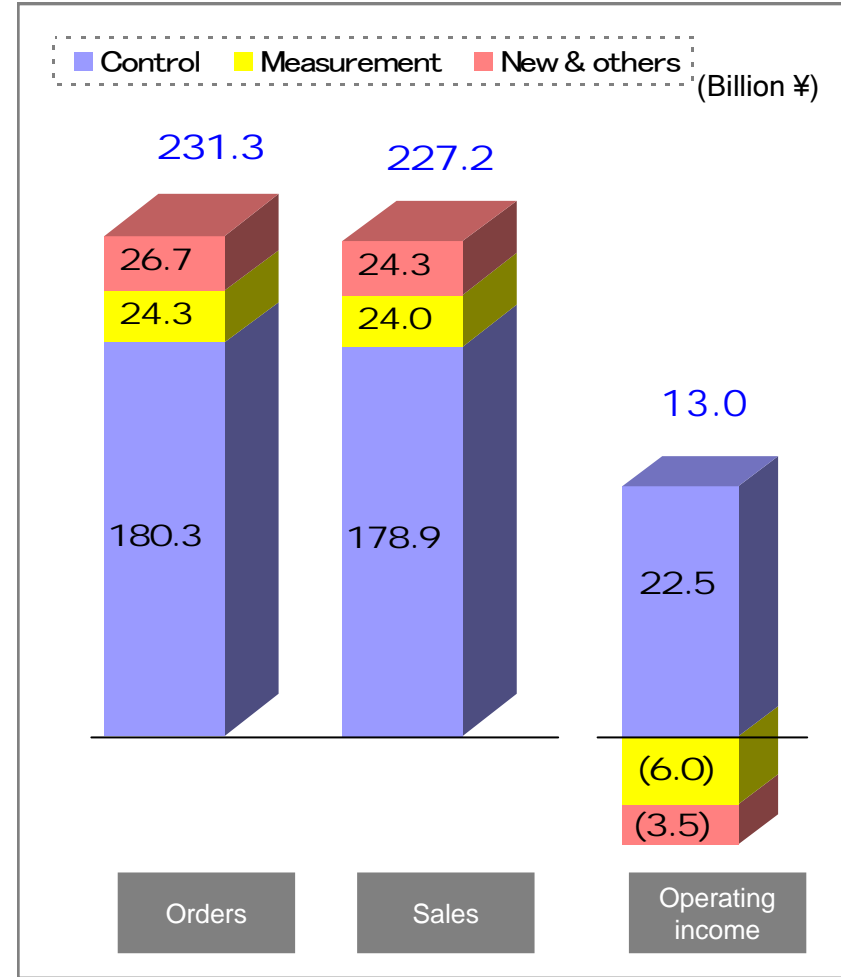


FY08 Revised Budget for Operating Income by Segment

Operating Income



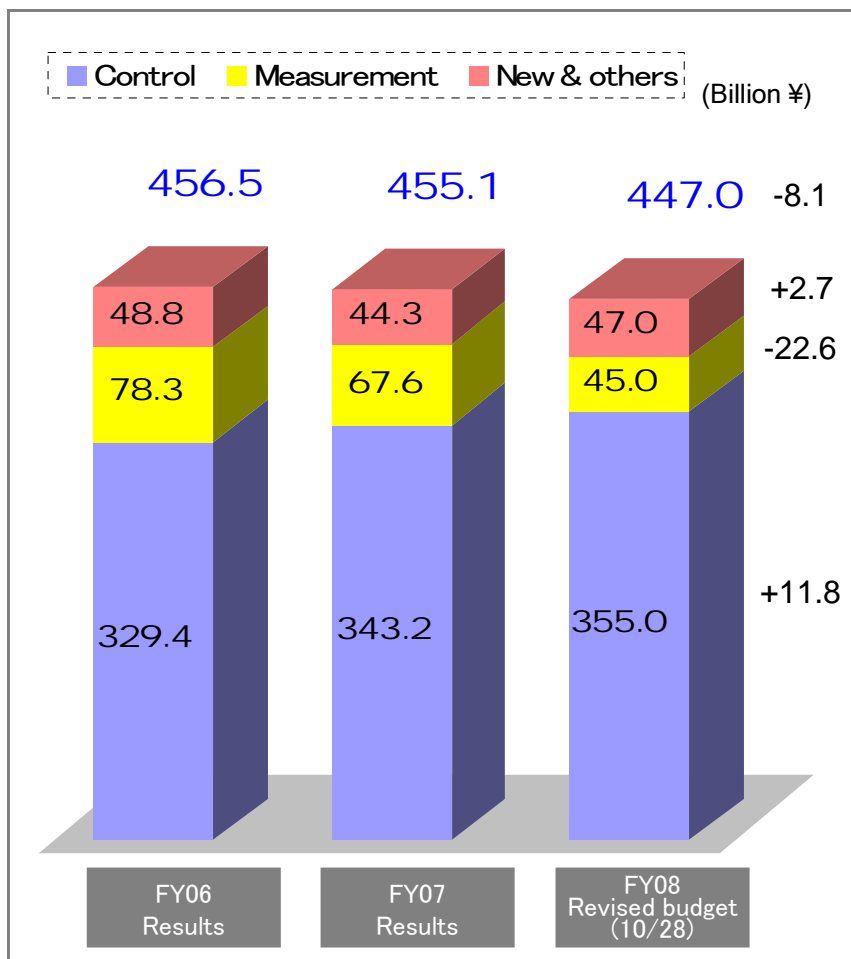
FY08 2H



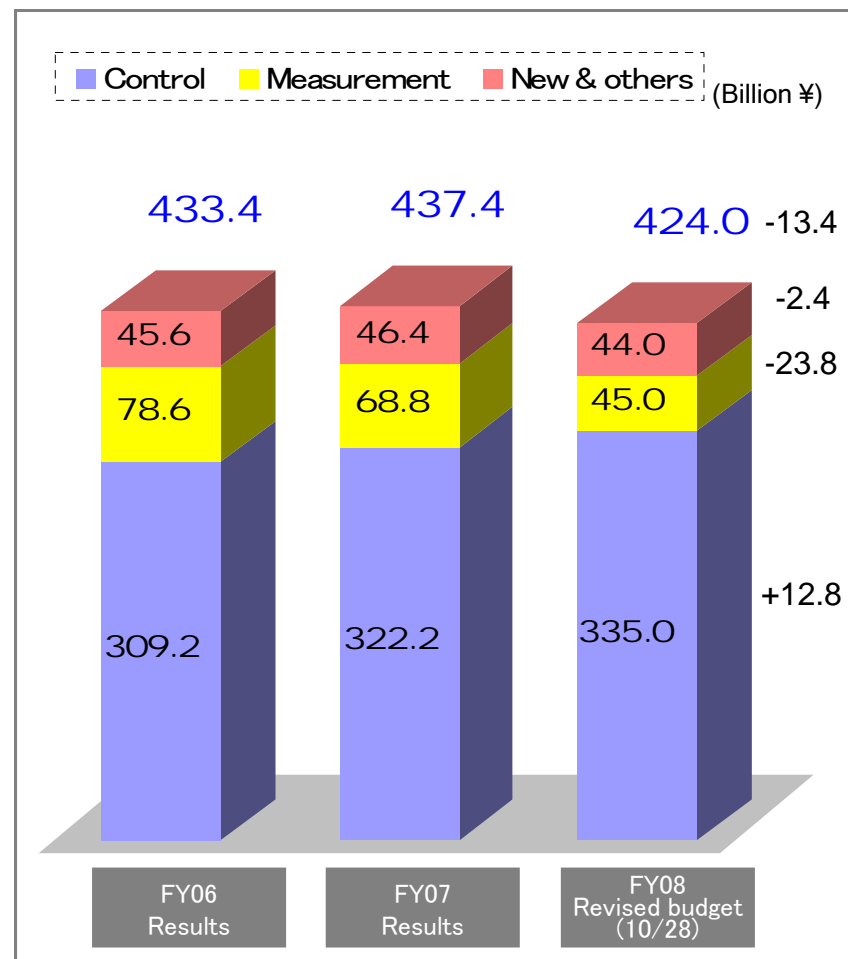


FY08 Revised Budget for Orders and Sales by Segment (Comparison with FY07)

Orders



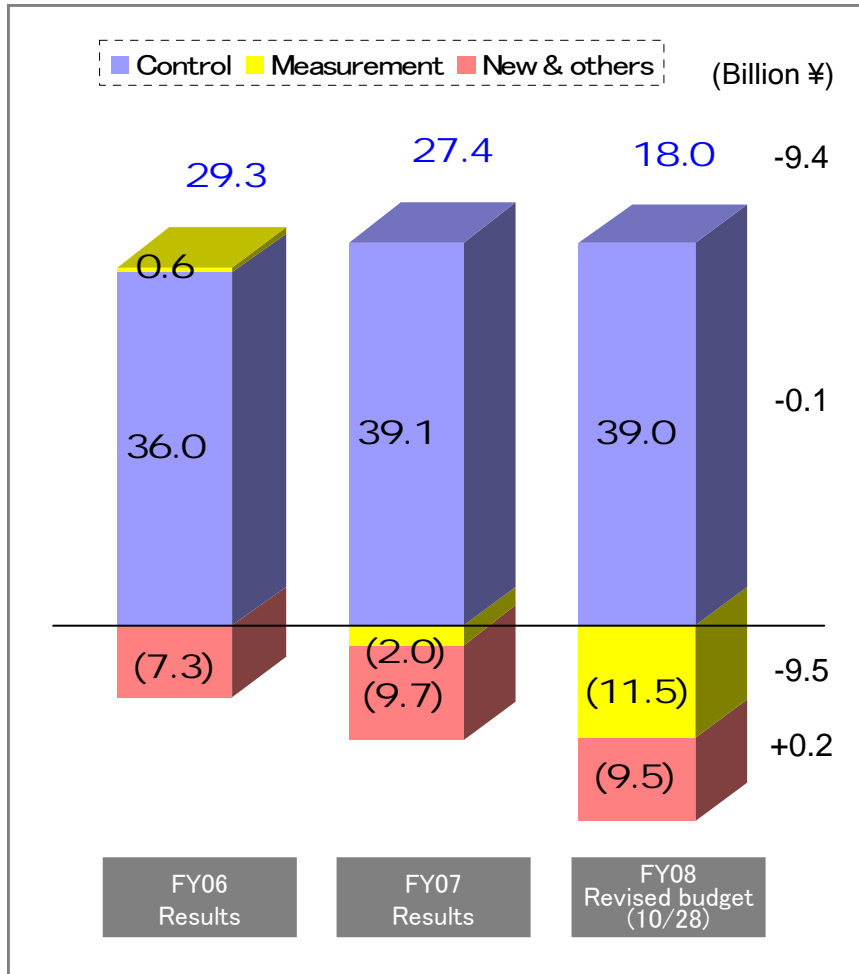
Sales





FY08 Revised Budget for Operating Income by Segment (Comparison with FY07)

Operating Income



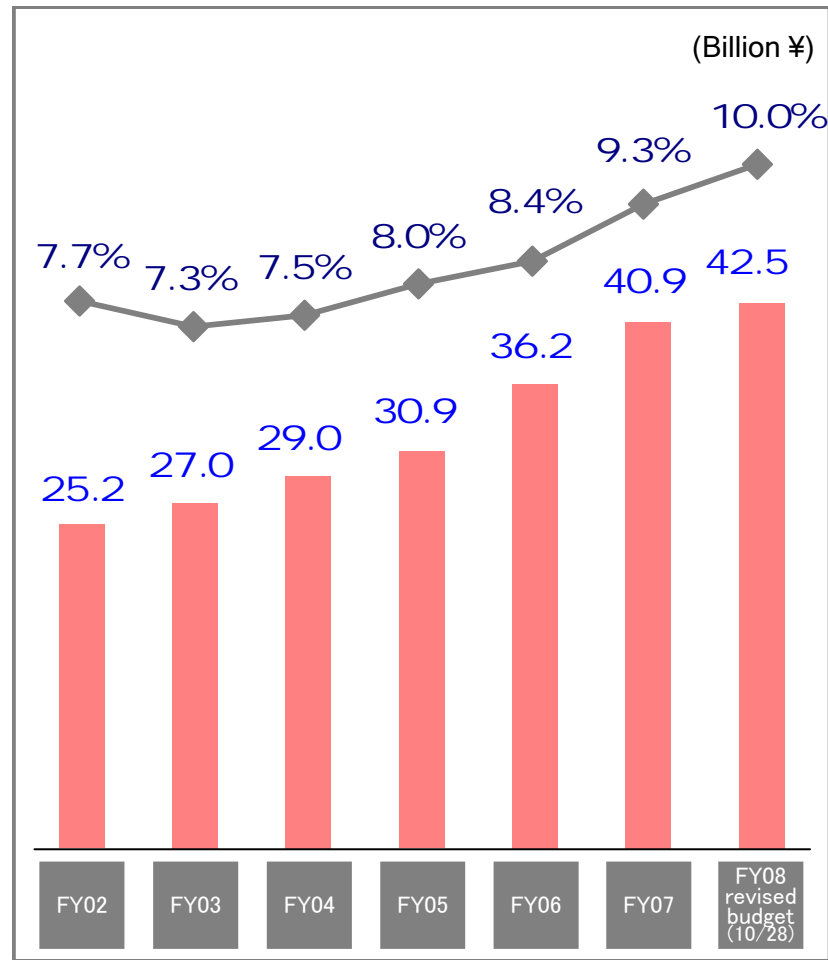
(Billion ¥)

	FY06 Results	FY07 Results	FY08 Budget	Difference
Control	36.0	39.1	39.0	(0.1)
Measurement	0.6	(2.0)	(11.5)	(9.5)
New & others	(7.3)	(9.7)	(9.5)	0.2
Total	29.3	27.4	18.0	(9.4)

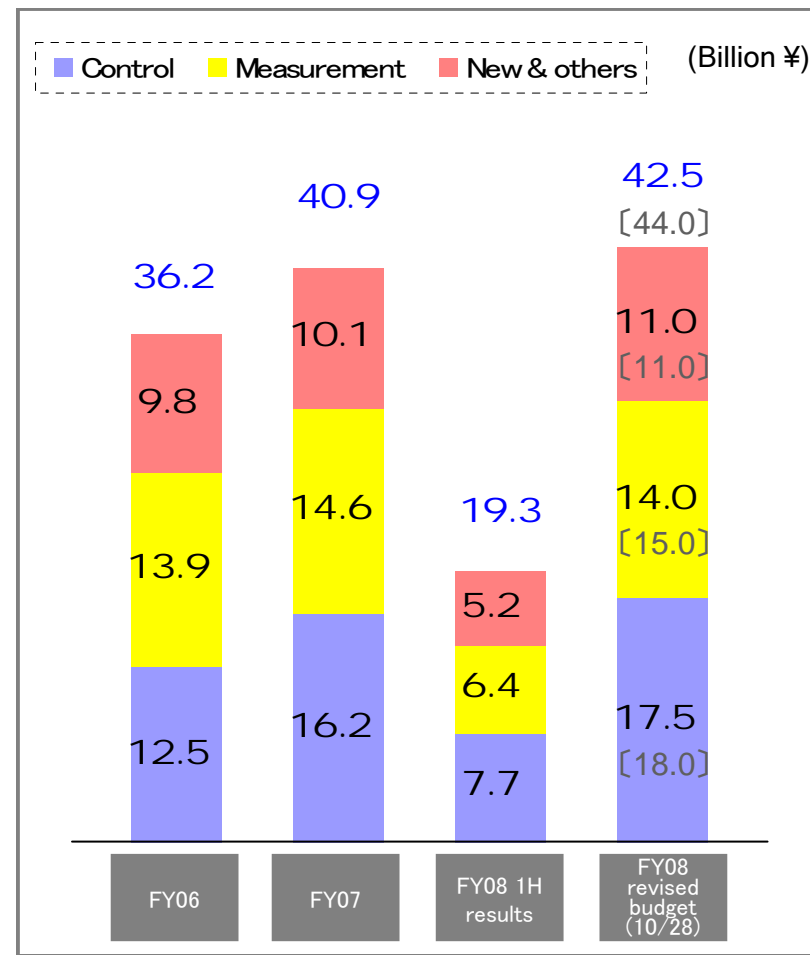


Trend of R&D Expenses

Trend of R&D Expenses



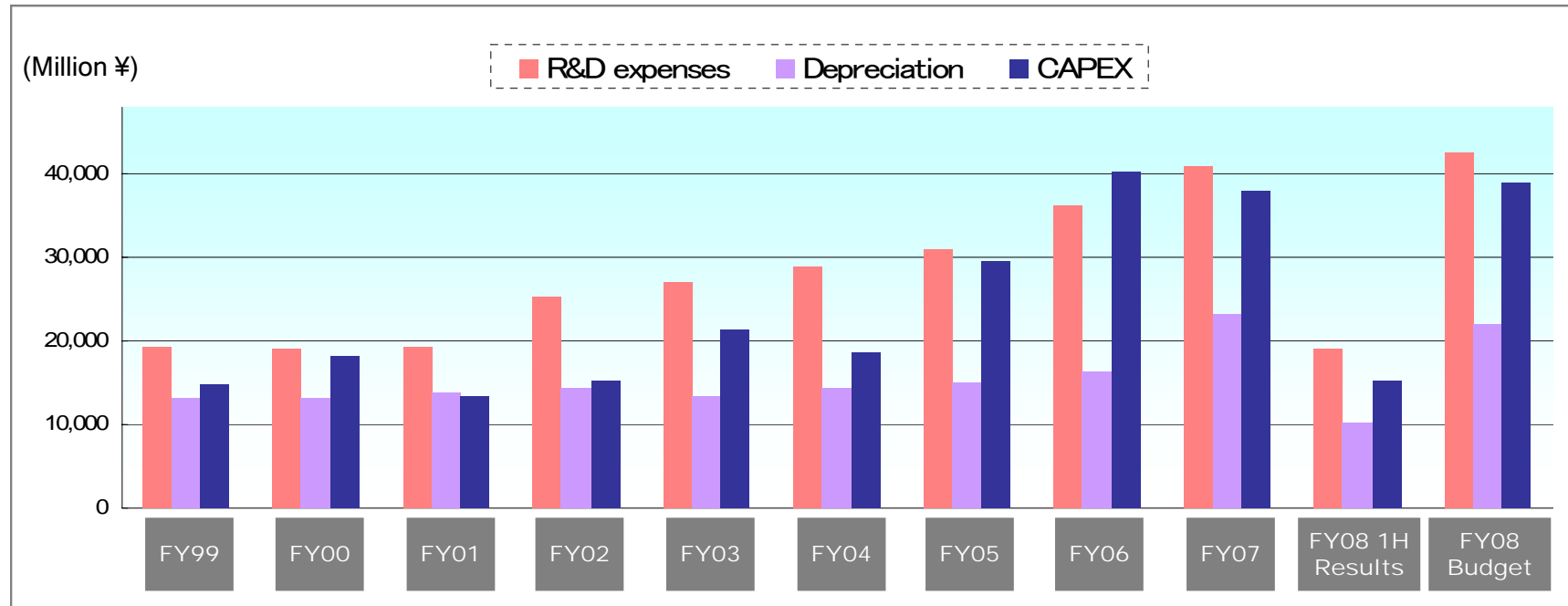
Trend of R&D Expenses by Segment



*The numbers in brackets show the initial budget.



Trend of R&D Expenses, Depreciation, and CAPEX

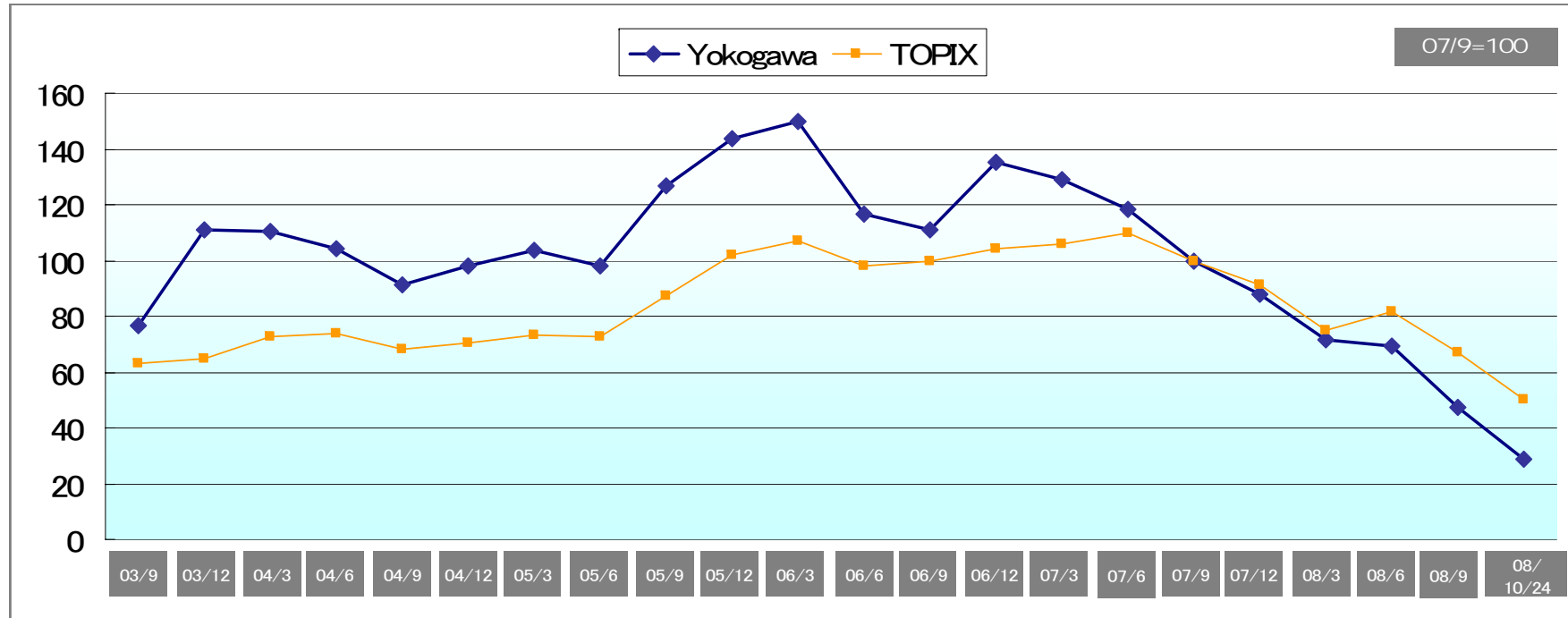


(Million ¥)

	Results										FY08 Budget	
	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08 1Q	5/13	10/28
R&D	19,259	19,181	19,236	25,233	26,991	28,998	30,917	36,223	40,875	19,296	44,000	42,500
(Sales ratio)	6.1%	5.4%	6.2%	7.7%	7.3%	7.5%	8.0%	8.4%	9.3%	9.8%	10.0%	10.0%
Depreciation	13,197	13,190	13,964	14,298	13,445	14,331	15,124	16,483	23,129	10,310	24,000	22,000
(Sales ratio)	4.2%	3.7%	4.5%	4.3%	3.6%	3.7%	3.9%	3.8%	5.3%	5.2%	5.5%	5.2%
CAPEX	14,699	18,173	13,347	15,264	21,355	18,652	29,540	40,284	37,990	15,218	39,000	37,000
(Sales ratio)	4.7%	5.2%	4.3%	4.6%	5.7%	4.8%	7.6%	9.3%	8.7%	7.7%	8.9%	8.7%



Trend of Stock Price



	03/9	03/12	04/3	04/6	04/9	04/12	05/3	05/6	05/9	05/12	06/3	06/6	06/9	06/12	07/3	07/6	07/9	07/12	08/3	08/6	08/9	08/10/24
Yokogawa	1,070	1,548	1,544	1,455	1,276	1,372	1,452	1,371	1,772	2,010	2,095	1,631	1,552	1,887	1,806	1,654	1,398	1,228	998	971	659	405
TOPIX	1,019	1,044	1,179	1,190	1,104	1,139	1,180	1,177	1,412	1,650	1,728	1,587	1,611	1,681	1,714	1,775	1,617	1,476	1,213	1,320	1,087	806
	03/9	03/12	04/3	04/6	04/9	04/12	05/3	05/6	05/9	05/12	06/3	06/6	06/9	06/12	07/3	07/6	07/9	07/12	08/3	08/6	08/9	08/10/24
Yokogawa	77	111	110	104	91	98	104	98	127	144	150	117	111	135	129	118	100	88	71	69	47	29
TOPIX	63	65	73	74	68	70	73	73	87	102	107	98	100	104	106	110	100	91	75	82	67	50



Disclaimer

The information pertaining to our business plans and forecasts that has been provided in this presentation and at analyst meetings contains forward-looking statements that are based on our management's current knowledge and require the making of assumptions about future events. As such, it cannot be guaranteed that these statements will not differ materially from actual results.