

PRESS RELEASE

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Yokogawa Concludes Strategic Partnership Agreement with Russia's Gazprom Neft

Yokogawa Electric Corporation has signed a strategic partnership agreement with JSC Gazprom Neft, a major oil production and refining company in Russia. Under this strategic partnership agreement, the first ever between an instrumentation manufacturer and Gazprom Neft, Yokogawa will introduce its solutions on a priority basis at four of the company's refineries. These solutions will include integrated production control systems and operation support software for efficiency improvement and event analysis. Yokogawa will also contribute to a Gazprom Neft program for reducing total cost of ownership by offering technical support with the design, delivery, service, operation, and engineering of control systems.

Yokogawa has had a foothold in the Russian market since 1993, when it opened a representative office in Moscow. In 1997, Yokogawa Electric Ltd. was founded to launch business on a full scale. The company changed its name to Yokogawa Electric CIS Ltd. in 2005 and has been aggressively expanding business not only in Russia but also in other CIS states.

In 2006, Yokogawa signed a similar strategic partnership agreement with JSC Sibur Holding, which is the holding company for Sibur, the largest petrochemical and chemical industry group in Russia. Under this agreement, Yokogawa has introduced its control systems on a priority basis and has been working hard to strengthen its service system by establishing technical centers for customer support.

The decision by Gazprom Neft to sign this strategic partnership agreement with Yokogawa can be attributed to a positive evaluation of the technologies and customer-oriented solutions that Yokogawa introduced to Sibur.

Using these strategic partnership agreements with Sibur and Gazprom Neft, Yokogawa will expand its business in Russia's oil and natural gas industry.

About Gazprom Neft

Gazprom Neft is a major oil production and refining company in Russia that owns four refineries, including the Omsk refinery, Russia's largest (annual throughput of 16 million tons). The company Chairman of the Board is Alexander Dyukov, who also serves as Chairman of the Board of Directors of JSC Sibur Holding. The Gazprom Group, a Russian government-run enterprise, owns 70% or more of the shares of Gazprom Neft.

About Yokogawa

Yokogawa's global network of 18 manufacturing facilities, 84 companies, and over 650 sales and engineering offices spans 33 countries. Since its founding in 1915, the US\$4 billion company has been engaged in cutting-edge research and innovation, securing more than 7,000 patents and registrations, including the world's first digital sensors for flow and pressure measurement. Industrial automation and control, test and measurement, information systems and industry support are the core businesses of Yokogawa. For more information about Yokogawa, please visit our web site at www.yokogawa.com.