

Name of Listed Company: Yokogawa Electric Corporation
(URL: <http://www.yokogawa.com>) (Stock code: 6841, listed on TSE 1st section)
Name and Position of the Representative:
Takashi Nishijima, President and Chief Executive Officer
Name and Position of the Person in Charge:
Sadamu Kawanaka, General Manager of Corporate Communications Department
Telephone Number: 81-422-52-5530

December 6, 2016

Yokogawa Announces Subsidiary Stock Transfer

Yokogawa Electric Corporation and Future Corporation have come to terms on a transaction in which 79.8% of Yokogawa's equity in YDC Corporation, a Yokogawa consolidated subsidiary, will be transferred to Future Corporation, and the YDC Corporation will join the Future Corporation Group. The 79.8% figure corresponds to 75% of all equity in YDC. Today, December 6, the two parties to this transaction signed a stock transfer agreement.

1. Reasons for Stock Transfer

YDC is an IT business that was founded in January 2000. The company provides IT consulting services focusing on areas such as enterprise resource planning (ERP), database/electronic data interchange (EDI), and semiconductor and LCD production quality analysis that help its customers run their businesses more efficiently.

Future Corporation is also an IT business with good technology expertise that specializes in the provision of consulting services that help its customers run their businesses more efficiently.

Through this acquisition of YDC, the Future Corporation Group will be able to expand its business in domains other than the retail, logistics, and finance industries that are its traditional strengths, and YDC will likewise have the opportunity to develop its business in a wider range of industries. This will create synergy and lead to new growth. Considering these merits, Yokogawa has decided to enter into this agreement with Future Corporation as part of its strategy for restructuring its business.

2. Outline of YDC

Capital: 250 million yen (Yokogawa's stake: 94.0%, as of March 31, 2016)

Sales: 4.8 billion yen (fiscal year 2015)

Number of employees: 258 (as of April 1, 2016)

3. Transfer Schedule

December 6, 2016	Conclusion of stock transfer agreement
January 5, 2017 (scheduled)	Transfer of stock

4. Prospects

The impact of this stock transfer on Yokogawa's consolidated business results will be negligible.

(End)