

The following is an English translation prepared for the convenience of the shareholders and investors. The official text in Japanese of the notice of the 2008 Annual General Meeting of Shareholders has been prepared in accordance with statutory provisions and mailed to the respective shareholders separately. Should there be any inconsistency between the translation and the official text in terms of the contents of the notice, the latter shall prevail. The company accepts no liabilities for any misunderstanding caused by the translation for any reason whatsoever.

To All Shareholders:

Stock code: 6841

June 2, 2008

Yokogawa Electric Corporation
2-9-32 Nakacho, Musashino-shi, Tokyo

Notice of 2008 Annual General Meeting of Shareholders

Dear Shareholder:

You are cordially invited to attend the 2008 Annual General Meeting of Shareholders of Yokogawa Electric Corporation (hereinafter the Company), which will be held as per the schedule below. In the event that you are unable to attend the meeting in person, please review the attached Reference Materials for General Meeting of Shareholders concerning the exercise of your shareholder voting rights and submit your vote using one of the methods outlined below.

[Vote by mail]

Indicate “for” or “against” for each agenda item shown on the enclosed voting form and return it promptly to ensure its arrival no later than 12:00 p.m. on Wednesday, June 25, 2008, Japan time.

[Vote via the Internet]

Access the shareholder voting site (<http://www.it-soukai.com/> or <https://daiko.mizuho-tb.co.jp/>) designated by the Company and enter the voting code and the password which are found in the enclosed voting form. By following the prompts on the screen, indicate “for” or “against” for each agenda item no later than 12:00 p.m. on Wednesday, June 25, 2008, Japan time. For more details, please refer to the Instructions for Internet Voting on pages 40 and 41.

[Handling of multiple voting]

If you exercise your voting right both by mail and via the Internet, the voting via the Internet shall prevail regardless of the arrival date of the mailed vote. In the case of multiple voting via the Internet, the last voting shall prevail.

Sincerely,

Shuzo Kaihori
President and CEO

1. Date & Time: 10:00 a.m. (Japan Time), Thursday, June 26, 2008

2. Place: Conference Hall, Yokogawa Head Office, 2-9-32 Nakacho, Musashino-shi, Tokyo

3. Meeting Agenda:

Items to be reported

- 1: Business Report, Consolidated Financial Statements and a report on the audit of the consolidated accounts by the Accounting Auditors and the Board of Corporate Auditors for fiscal year 2007 (April 1, 2007 to March 31, 2008)
- 2: Non-consolidated Financial Statements for fiscal year 2007 (April 1, 2007 to March 31, 2008)

Items to be resolved

- Item 1: Dividends from surplus for fiscal year 2007**
- Item 2: Appointment of nine (9) directors**
- Item 3: Appointment of four (4) corporate auditors**

Note:

1. If attending the meeting in person, please present the enclosed voting form to the reception desk upon arrival. When exercising the voting right by proxy, pursuant to the Articles of Incorporation, the authorized proxy shall be a shareholder of the Company who is entitled to exercise voting rights. The number of proxies is limited to one. A written document must be submitted to the Company to certify the proxy's authority.
2. Revisions to or amendments, if necessary, of the Reference Materials for General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements will be posted on the Company website (<http://www.yokogawa.com/>).

Business Report

(From April 1, 2007 to March 31, 2008)

1. Status of the Yokogawa Group

(1) Business Results

a. Analysis of Business Results

This section reviews the performance of the Yokogawa Group for the consolidated accounting period under review. In our core industrial automation and control business, the active investment in energy-related facilities outside Japan have resulted in an increase in sales and operating income from the previous year. In the test and measurement business, however, the constraints on investment in the semiconductor test system market have resulted in a decrease in sales and operating income. In the new and other businesses, sales have increased, but operating income has decreased because of the increased cost involved in the startup of new businesses.

As a result, sales have increased from the previous year. However, operating income has decreased because of increased investment costs. Ordinary income has decreased because of a decrease in operating income, an increase in exchange loss from the strong yen, and an increase in the loss on disposal of inventories. Consolidated net income decreased less than ordinary income because of the recording of deferred tax assets in subsidiaries that resulted in lower adjustments for corporate tax, etc.

<Consolidated financial results (year-to-year)>

Net sales	¥437,448 million	(+0.9%, up ¥4,043 million)
Operating income	¥27,412 million	(-6.4%, down ¥1,861 million)
Ordinary income	¥16,453 million	(-44.4%, down ¥13,162 million)
Net income	¥11,667 million	(-7.1%, down ¥895 million)

The results by individual business segment were as follows.

Industrial Automation and Control Business

In our core industrial automation and control business market, a conservative attitude to capital investment caused by factors such as the high cost of raw materials has dampened the momentum of growth in Japan. On the other hand, the increase in energy demand and high oil prices outside Japan have driven active investment in petroleum, petrochemical, natural gas, and other plants, resulting in a favorable trend for this business. In such market circumstances, we have undertaken aggressive development to become the global number one company in this business. Specifically, we have strengthened product competitiveness with the release of products such as CENTUM VP, the latest version of our CENTUM series integrated production system. In addition, we have strengthened our sales, engineering, and service setup with the establishment of a subsidiary in Saudi Arabia and a subsidiary in China that integrates functions of three existing subsidiaries. Under these circumstances, we have received many orders from major oil players for plant replacements and other large-scale projects, increasing our market share outside Japan.

As a result, the industrial automation and control business generated 322,222 million yen in sales and 39,069 million yen in operating income, both increases from the previous year.

Test and Measurement Business

In the semiconductor test system segment of the test and measurement market, the price of DRAM plummeted and FPD driver IC manufacturing companies cut back on investments, resulting in a decline. In the measuring instrument market, the optical communications and power measurement instrument segment was steady, but overall conditions were weak in the measuring instrument market. In such market circumstances, we released the MT6111 Memory Test System for DRAMs in the semiconductor test system market, and new waveform measuring instruments and optical communications measurement instruments in the measuring instrument market. However, as the result of severe market circumstances and fierce competition in and outside Japan, the test and measurement business recorded 68,771 million yen in sales and 1,987 million yen in operating loss, both decreases from the previous year.

New and Other Businesses

In the new and other businesses, the photonics business centering on the 40Gbps optical communications market has just begun moving ahead thanks to the construction of next-generation networks. The advanced stage business, however, has been weak due to a sluggish semiconductor manufacturing equipment market. In the life science business, the global market for confocal scanner units has been strong.

In such market circumstances, we have worked hard to expand the photonics business by strengthening its technologies and establishing a suitable setup for mass production. Such efforts included the successful development of a high-quality 40Gbps optical transmission technology that makes possible the realization of high-capacity intercity optical communication networks. We also have strengthened advanced stage production in order to expand this business. In addition, we have released a new confocal scanner unit model that enjoys a good reputation in the live cell monitoring field.

We have made every effort at considerable cost to implement measures for the launch of new businesses. As a result, the new and other businesses recorded 46,455 million yen in sales, which is up from the previous year, and operating loss totaled 9,670 million yen, a decrease from the previous year.

b. Capital Investment

During the consolidated fiscal year under review, the Company invested mainly in new businesses, energy conservation, rationalization, and measures aimed at increasing product reliability. Group capital investment totaled ¥37,990 million. That amount included outlays for the construction of new information infrastructure, the construction of a new building for Yokogawa Europe B.V., and outlays for enhancing the production system for the advanced stage business.

c. Fundraising

During the consolidated fiscal year under review, there was no fundraising by issuance of corporate bonds or new stock.

Funds on hand, bank borrowings, and other funds were used to redeem ¥20,000 million in bonds, acquire treasury stock, fund capital investments, and cover working capital needs.

(2) Financial Assets and Profits/Losses for the Last Three Years

a. The Group's Financial Assets and Profits/Losses

(Millions of yen)

Category	FY2004	FY2005	FY2006	FY2007
Orders	375,522	400,507	456,549	455,072
Net sales	387,053	388,877	433,405	437,448
Ordinary income	22,401	26,402	29,616	16,453
Net income	9,372	21,559	12,563	11,667
Net income per share	¥38.43	¥87.45	¥47.79	¥44.76
Total assets	400,268	417,805	438,683	444,644
Net assets	168,751	224,566	238,902	224,844

Note: In fiscal year 2006, the “Accounting Standard for Presentation of Net Assets in the Balance Sheet” (Accounting Standards Board Statement No. 5, December 9, 2005) and the “Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet” (Accounting Standards Board Guidance No. 8, December 9, 2005) were adopted.

b. The Company's Financial Assets and Profits/Losses

(Millions of yen)

Category	FY2004	FY2005	FY2006	FY2007
Orders	235,407	231,397	247,025	236,045
Net sales	249,778	235,581	239,399	238,786
Ordinary income	15,896	20,997	14,946	(2,424)
Net income	10,515	13,804	5,039	(2,132)
Net income per share	¥43.23	¥55.99	¥19.17	¥(8.18)
Total assets	328,203	333,095	341,754	341,153
Net assets	162,744	209,317	208,169	186,550

Notes: In fiscal year 2006, the “Accounting Standard for Presentation of Net Assets in the Balance Sheet” (Accounting Standards Board Statement No. 5, December 9, 2005) and the “Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet” (Accounting Standards Board Guidance No. 8, December 9, 2005) were adopted.

(3) Status of Parent Company and Principal Subsidiaries

a. Parent Company

No applicable matters

b. Principal Subsidiaries

Name	Capital	Percentage owned by the Company	Principal businesses
Yokogawa Manufacturing Corporation	JPY5,010 million	100.0%	Manufacturing of control and measuring equipment
Yokogawa Corporation of America	USD1,000	100.0%	Manufacturing, sales, engineering, and services of control and measuring equipment
Yokogawa Europe B.V.	EUR17,725,000	100.0%	Manufacturing, sales, engineering, and services of control and measuring equipment
Yokogawa Engineering Asia Pte. Ltd.	SGD29,000,000	100.0%	Sales, engineering and services of control and measuring equipment
Yokogawa Middle East B.S.C. (c)	BHD2,481,000	100.0%	Sales, engineering and services of control equipment
Yokogawa Field Engineering Service Corporation	JPY300 million	100.0%	Maintenance of control and measuring equipment
Suzhou Yokogawa Meter Company	JPY4,000 million	100.0%	Manufacturing of measuring equipment
Yokogawa & Co., Ltd.	JPY90 million	50.0%	Sales of control and measuring equipment Insurance agent services
Yokogawa Denshikiki Co., Ltd	JPY300 million	78.7%	Manufacturing and sales of electrical equipment (including marine equipment for public and private sectors)
Yokogawa Electric Asia Pte. Ltd.	SGD31,020,000	100.0%	Manufacturing of control equipment
Yokogawa China Co., Ltd.	RMB53,000,000	100.0%	Sales, engineering and services of control and measuring equipment

Notes:

1. Yokogawa Middle East B.S.C. (c) is included in our consolidated financial results from this fiscal year because of its increased importance.
2. Yokogawa China Co., Ltd. is stated as a principal subsidiary from this fiscal year. This follows the transfer of the regional headquarters from the former Yokogawa China Co., Ltd., which also was a principal subsidiary.

(4) Challenges for the Company

The Group will focus on achieving world-beating cost competitiveness by controlling costs thoroughly, upping development efficiency, and streamlining operations. It is also intent on providing the infrastructure needed to completely consolidate management of the Group's strategies, information, human resources, systems, and accounting.

<Challenges by Business Segment>

The industrial automation and control business is expected to grow steadily in markets that are related to oil, petrochemical, and natural gas plants, mainly outside Japan. We will strive to expand market share through such initiatives as enriching the sensor and production management system lineups, enhancing our capability to provide customers the solutions that they require, improving engineering efficiency, strengthening project management, and establishing a business model that provides services over the entire plant lifecycle.

As for measuring instruments, which are part of the test and measurement businesses, we will aim to expand sales by concentrating on sectors where growth is anticipated, namely, the environment, energy-saving, optical communications, and automobile vehicle related equipment markets. With the semiconductor tester business, we will move it back into the black by expanding the customer base, growing sales, reviewing development projects, and reducing fixed costs.

Regarding the photonics business, which is one of our new businesses, we will aim to expand sales by cultivating new clients and will reduce costs by increasing production efficiency. In the advanced stage business, we will aim to strengthen cost competitiveness. And in the life science business, we will seek to attract new clients in large-scale markets outside Japan. In each of these new businesses, we will strive to make the right decisions at the right time and to become profitable at an early stage by accurately understanding market and technology trends.

<Challenges for Corporate Governance>

The Group recognizes that the basic mission of corporate management is to secure sound and sustainable growth, and to build a relationship based on trust with stakeholders, including shareholders. To realize a healthy and profitable operation, the Group is implementing important measures to enhance corporate governance.

The Company employs a corporate auditor system. With the Board of Directors, speedy decision making and transparency are assured through deliberations among directors who are well versed in the Group business, including highly independent outside directors. In addition, through audits by corporate auditors, including outside corporate auditors, the legality and efficiency of the directors' execution of their duties and the appropriateness of their decision-making process is rigorously examined, thereby reinforcing the management audit function.

The Group has set forth its basic compliance policies in the Standards of Business Conduct for the Yokogawa Group, and the Board of Directors takes the lead in working to ensure that corporate ethics are upheld and embraced throughout the Group. In addition, the Yokogawa Group Internal Control System, which is intended in part to help ensure the reliability of financial statements and the propriety of decision-making, has been set forth to advance appropriateness and efficiency in Group operations.

(5) Principal Businesses (as of March 31, 2008)

Business segment	Main products
Industrial automation and control business	Production control systems, flowmeters, pressure and differential pressure transmitters, process analyzers, programmable controllers
Test and measurement business	Semiconductor test systems, waveform measuring instruments, optical communication instruments, signal generators, measuring instruments for electric power, temperature, and pressure
New and other businesses	Optical communication modules and subsystems, XY stages, confocal scanners, aviation equipment, marine equipment, meteorological and hydrological measuring equipment

(6) Main Offices and Factories (as of March 31, 2008)**a. The Company**

Head office:	Musashino-shi, Tokyo
Offices:	Kofu Office (Kofu-shi, Yamanashi) Kanazawa Office (Kanazawa-shi, Ishikawa) Sagamihara Office (Sagamihara-shi, Kanagawa)
Sales branches:	Sales Division at head office (Musashino-shi, Tokyo) Kansai Branch (Suita-shi, Osaka) Chubu Branch (Nagoya-shi, Aichi) Chugoku Branch (Hiroshima-shi, Hiroshima) Kyushu Branch (Fukuoka-shi, Fukuoka)
Factory:	Factory at head office

b. Subsidiaries

Sales companies:	Yokogawa Europe B.V. (Netherlands) Yokogawa Corporation of America (United States) Yokogawa Engineering Asia Pte. Ltd. (Singapore) Yokogawa Middle East B.S.C. (c) (Bahrain) Yokogawa China Co., Ltd. (China)
Factory:	Yokogawa Manufacturing Corporation Komine Factory (Akiruno-shi, Tokyo) Ome Factory (Ome-shi, Tokyo) Kofu Factory (Kofu-shi, Yamanashi), Kanazawa Factory (Kanazawa-shi, Ishikawa) Sagamihara Factory (Sagamihara-shi, Kanagawa) Suzhou Yokogawa Meter Company (China) Yokogawa Electric Asia Pte. Ltd. (Singapore)

(7) Employees (as of March 31, 2008)

Business segment	Number of employees
Industrial automation and control business	15,505
Test and measurement business	2,885
New and other businesses	1,876
Total	20,266

Note: Only regular employees are included.

(8) Principal Lenders (as of March 31, 2008)

(Millions of yen)

Lenders	Loan amount
Mizuho Corporate Bank, Ltd.	15,787
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	8,793

Note: The Company concluded a syndicated loan contract led by the Mizuho Corporate Bank as a lead manager for three borrowings totaling ¥50,000 million. Of this amount, ¥11,900 million from the Mizuho Corporate Bank and ¥3,500 million from The Bank of Tokyo-Mitsubishi UFJ are included in the loan amounts mentioned above.

(9) Other Important Matters Related to the Group

On March 26, 2008, the Company has concluded a basic agreement with TESEC Corporation (President: Makoto Koshimaru, Head office: Higashiyamato-shi, Tokyo) to transfer its IC handler business to TESEC. Further arrangements will be announced prior to the transfer, which is scheduled to take place on July 1, 2008.

On April 9, 2008, the Company completed the acquisition of 100% of the shares of Analytical Specialties, Inc., which operates a laser gas analyzer business in the U.S.

2. Overview of the Company

(1) Shares (as of March 31, 2008)

a. Number of authorized shares: 600,000 thousand

b. Number of issued shares: 268,624 thousand

c. Number of shareholders: 33,866

d. Major shareholders:

Name of shareholder	Shareholder's investment in the company	
	Number of shares (thousand shares)	Shareholding ratio (%)
Master Trust Bank of Japan Limited (trust account)	22,909	8.9
The Dai-ichi Mutual Life Insurance Company	22,697	8.8
Japan Trustee Services Bank, Limited (trust account)	14,351	5.6
Nippon Life Insurance Company	13,284	5.2
SSB Client Omnibus OM 04	11,786	4.6
Retirement Benefit Trust in Mizuho Trust (Mizuho Corporate Bank, Ltd. account) Asset Management Service Trust for Beneficiary of ReTrust	6,643	2.6
Tokio Marine & Nichido Fire Insurance Co., Ltd.	4,694	1.8
Retirement Benefit Trust in Mizuho Trust (Mizuho Bank, Ltd. account) Asset Management Service Trust for Beneficiary of ReTrust	4,617	1.8
Yokogawa Electric Employee Shareholding Program	4,396	1.7
The Chase Manhattan Bank GTS Clients Account Escrow	3,977	1.5

Note: The Company holds 11,040 thousand shares of treasury stock, but in as much as they carry no voting rights, they are excluded from the capital positions of the above major shareholders and the shareholding ratio.

(2) Company Executives**a. Directors and Corporate Auditors (as of March 31, 2008)**

Status	Name	Area of responsibility or other corporate representative position
Chairman and Chief Executive Officer	Isao Uchida	
President and Chief Operating Officer	Shuzo Kaihori	
Director	Kazunori Yagi	Executive Vice President Management Administration Headquarters
Director	Kazuhiko Kimura	Executive Vice President ATE Business Headquarters
Director	Teruyoshi Minaki	Executive Vice president International Business Headquarters Managing Director, Yokogawa Electric International Pte. Ltd.
Director	Takashi Fujii	Senior Vice President Industrial Solutions Business Headquarters
Director	Junji Yamamoto	Senior Vice President Corporate Marketing Headquarters
Director	Yoh Narimatsu	President of Quintiles Transnational Corp.
Director	Masahisa Naito	Chairman & CEO of The Institute of Energy Economics, Japan
Director	Yasuro Tanahashi	Senior Adviser to NS Solutions Corporation
Standing Corporate Auditor	Fumio Mizoguchi	
Standing Corporate Auditor	Taiki Utsumi	
Corporate Auditor	Takahide Sakurai	Adviser to Daiichi Mutual Life Insurance Co.
Corporate Auditor	Toru Hashimoto	Chairman of Deutsche Securities Limited
Corporate Auditor	Shigeru Hikuma	Representing Director of CRD Association, a limited liability intermediate corporation

Notes:

1. Directors Masahisa Naito and Yasuro Tanahashi are outside directors.
2. Corporate auditors Takahide Sakurai, Toru Hashimoto, and Shigeru Hikuma are outside auditors.

b. Total Compensation Paid to Directors and Corporate Auditors

Directors (10): ¥668 million

Corporate auditors (5): ¥104 million

(Inclusive of ¥51 million to two outside directors and three corporate auditors)

Notes:

1. The total paid to directors does not include employee salaries for directors who are concurrently employees.
2. The annual limit for directors' compensation was set at ¥1,200 million by resolution of the 2007 Annual General Meeting of Shareholders convened on June 27, 2007. This does not include employee salaries.
3. The annual limit for corporate auditors' compensation was set at ¥150 million by resolution of the 2004 Annual General Meeting of Shareholders convened on June 25, 2004.

c. Outside Directors and Outside Corporate Auditors

- (1) Concurrent work for other companies (if in a work execution capacity) and the Company's relation thereto

No applicable matters

- (2) Concurrent positions held by outside directors and outside corporate auditors

- Director Masahisa Naito is an outside director of the US firm DuPont, Nippon Koei Co., Ltd., and Espec Corp.
- Director Yasuro Tanahashi is an outside director of Internet Initiative Japan Inc. and Murata Manufacturing Co., Ltd.
- Corporate auditor Takahide Sakurai is an outside director of Imperial Hotel Ltd. and Seven Bank Ltd., and an outside auditor of Tokyu Corporation and Asahi Breweries Ltd.
- Corporate auditor Toru Hashimoto is an outside auditor of Tokyo FM Broadcasting Co., Ltd. and Nishimatsu Construction Co., Ltd.

(3) Major activities in the business year under review

Name	Status	Principal activities
Masahisa Naito	Outside Director	Present at 12 of the 14 Board of Directors meetings convened in the year. Provided advice with high insight based on abundant experience mainly as an outside director at global companies.
Yasuro Tanahashi	Outside Director	Present at 10 of the 10 Board of Directors meetings after his appointment as an outside director on June 27, 2007. Provided advice based on his wide knowledge of Japan's key industries and broad outlook gained from his abundant experience in establishing and developing new businesses.
Takahide Sakurai	Outside Corporate Auditor	Present at 11 of the 14 Board of Directors meetings and 11 of the 14 Board of Corporate Auditors meetings convened in the year. As necessary, provided advice with high insight based on abundant managerial experience and wide range of activities in the business world.
Toru Hashimoto	Outside Corporate Auditor	Present at 9 of the 14 Board of Directors meetings and 9 of the 14 Board of Corporate Auditors meetings convened in the year. As necessary, provided advice with high insight based on abundant managerial and international experience.
Shigeru Hikuma	Outside Corporate Auditor	Present at 14 of the 14 Board of Directors meetings and 14 of the 14 Board of Corporate Auditors meetings convened in the year. As necessary, provided advice with high insight based on deep knowledge of corporate finance, discernment, and abundant experience.

(4) Summary of limited liability contract

Based on Article 427, Paragraph 1 of the Companies Act, the Company enters into an agreement with its outside directors and outside corporate auditors, which limits their liability provided for in Article 423, Paragraph 1 to the higher of either ¥15 million or the amount stipulated by the Act.

(3) Accounting Auditor

a. Designation: Deloitte Touche Tohmatsu

b. Compensation Paid to Accounting Auditor

	Payment amounts
Compensation to the accounting auditor for the year under review	¥103 million
Total amount paid in cash and other financial asset profits to the accounting auditor by the Company and subsidiaries	¥162 million

Note: In the audit contracts between the Company and its accounting auditor, the fees for audits conducted under the Companies Act and under the Financial Instruments and Exchange Law are not clearly differentiated. As they cannot be effectively separated, the accounting audit fees for the year under review show the total.

c. Services Other Than Auditing

The Company has outsourced to the Deloitte Touche Tohmatsu an advisory service related to internal control projects.

d. Policy on Decision to Dismiss or Not Reappoint Accounting Auditor

In addition to dismissal provided for in Article 340 of the Companies Act, the Company can in principle, with the consent or at the request of the Board of Corporate Auditors, propose to the General Meeting of Shareholders a resolution to dismiss or not reappoint the accounting auditor, when it is deemed difficult for the accounting auditor to perform its duties appropriately.

e. Auditing of Principal Consolidated Subsidiaries

Yokogawa Europe B.V., Yokogawa Electric Asia Pte. Ltd, Yokogawa Engineering Asia Pte. Ltd., Yokogawa Middle East B.S.C. (c), Suzhou Yokogawa Meter Company and Yokogawa China Co., Ltd are audited by accounting auditors other than the Company's accounting auditor. Their qualifications in each country are the equivalent of the relevant qualifications.

(4) System for Assuring Compliance with Laws, Ordinances, and Articles of Incorporation of Any Actions Taken by Directors in the Execution of Their Duties and Appropriateness of the Company Operation

The Board of Directors passed resolutions on the following issues on April 28, 2008:

- A system for assuring compliance of directors' performance of duties with laws, ordinances, and the Articles of Incorporation of the Company
- A required system stipulated by the Ordinance of Ministry of Justice to ensure the appropriateness of the business operation as a corporation

The Company has established its internal control system in accordance with Article 362, Paragraph 4, Item 6 of the Companies Act, and Articles 100 Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act as follows:

- a.** System for assuring compliance of directors' performance of duties with laws, ordinances, and the Articles of Incorporation of the Company
 - Compliance principles have been set forth in the Standards of Business Conduct for the Yokogawa Group, and the Board of Directors takes the lead in working to ensure that business ethics are upheld and embraced throughout the Group.
 - The Business Ethics Headquarters has been established to maintain, as well as identify and address problems in the Group-wide compliance system.
 - Decision-making by the Board of Directors is performed based on the Rules Governing

the Board of Directors and the Rules Governing Decision-Making. The Board of Directors, which includes both inside and outside directors, bears supervisory responsibility for business operations. Corporate auditors, including outside corporate auditors, audit the actions of directors based on the Auditing Standards for Corporate Auditors and the Rules Governing the Board of Corporate Auditors.

- b.** System for assuring the efficient execution of directors' duties
- The Rules Governing the Board of Directors and the Rules Governing Decision-Making provide the basis for assuring the thoroughness of Board of Directors deliberations and for delegating authority to the Management Board and other decision-making bodies outside the Board of Directors.
 - Companywide management objectives have been established and measures taken to achieve those objectives are reviewed. Medium-to-long-term management objectives have been set forth as the VISION-21 & ACTION-21 corporate strategy milestones, and actions to resolve issues for reforms are being pursued. Single-year management objectives are reviewed by each organization on a quarterly basis, as actions aimed at achieving annual objectives are pursued. The Board of Directors receives reports on the attainment status of these management objectives, indicates activities to eliminate or reduce obstacles to greater efficiency, and deploys mechanisms for the Company as a whole to pursue efficiency and thereby to achieve the goals. The purpose of this system is to enhance companywide efficiency in efforts to achieve objectives. A management information system is maintained for the purpose of identifying, reporting, and acting on information regarding the achievement of management objectives, in real time.
- c.** System for storing and controlling information concerning the directors' execution of duties
- Rules and control systems concerning meeting minutes and other information that should be preserved have been established in accordance with the Rules Governing the Board of Directors, the Rules on the Control of Communications and Documentation, and the Rules on the Control of Documentation.
 - Rules and control systems concerning information confidentiality categories have been established in accordance with the Confidentiality Code and Regulations Concerning the Prevention of Insider Trading. In addition, people performing work for the Group are requested to sign confidentiality agreements.
- d.** System for assuring compliance of employees' performance of duties with laws, ordinances, and the Articles of Incorporation of the Company
- The conduct to be displayed by people performing work for the Group is set forth in the Yokogawa Group Compliance Guidelines. These guidelines require upstanding behavior completely free of antisocial conduct.
 - The President repeatedly communicates the importance of legal compliance, and the Business Ethics Headquarters takes the lead in furthering compliance education.
 - The Rules on Internal Reporting and Consultation provide that there is an obligation to internally report suspicions that people performing work for the Group have or may have committed compliance violations. A system for receiving such internal reports has been established.
 - The Business Ethics Headquarters monitors the status of compliance efforts and reports important findings to the Board of Directors and the corporate auditors.
- e.** System for ensuring the appropriateness of business activities carried out by the Group (the Company and its subsidiaries)
- The Yokogawa Group Internal Control Systems have been established to ensure the appropriateness of the Group's business activities. Group-wide rules have been established and responsible units have been designated for each of the following 10 systems: Business Ethics System, Decision Making System, Quality Management System, Environmental

Management System, Safety and Health Management System, Information Security Management System, Export Control System, Financial Reporting Control System, Crisis Management System, and Corporate Auditing Infrastructure System. Important matters are reported to the Board of Directors and the corporate auditors.

- With regard to the matter of ensuring the reliability of financial reports, in particular, controls for the performance of accounting work in each Group company have been set forth through the establishment of the Accounting and Finance Policy, the purpose of which is to ensure the appropriateness of accounting work performed within the Financial Reporting Control System. In addition, a system for evaluating and disclosing evaluation results for the system and operational status of financial reporting internal controls has been established in accordance with the internal control reporting system requirements of the Financial Instruments and Exchange Law.
- Internal audits of the effectiveness of the Yokogawa Group Internal Control Systems are performed by the Internal Audit Department in accordance with the Group and Global Management Audit Code, and important matters are reported to the Board of Directors and the corporate auditors.
- Corporate auditors are allowed to obtain information directly or from Group company auditors for the purpose of verification to make decisions on important matters in Group companies.

f. Rules and other systems for crisis management

- The Yokogawa Group Internal Control Systems have been established to ensure the appropriateness of Group business activities. As the unit responsible for risk management, the Internal Audit Department identifies and analyzes risks, and makes recommendations for making appropriate improvements. It also reports important matters to the Board of Directors and the corporate auditors.
- Responses to crisis situations are set forth in the Group Policy for Crisis Management. As the head of the Crisis Management Office, the President controls the communication of information and issuance of instructions during times of crisis, and works to ensure human safety and minimize economic losses.

g. System for directors and employees to report to corporate auditors, and other systems for reporting to corporate auditors

- Directors and employees shall report the following matters to corporate auditors:
 - (a) Violations of laws, ordinances, and the Articles of Incorporation
 - (b) Important matters concerning the internal audit situation and risk management
 - (c) Matters that could cause significant losses to the Company
 - (d) Important matters concerning decision-making
 - (e) Important matters concerning the management situation
 - (f) Matters concerning information reported via the internal reporting system
 - (g) Other important matters related to compliance

h. Other systems for ensuring effective auditing by corporate auditors

- Views are periodically exchanged among the president, the Internal Audit Department, the Business Ethics Headquarters, and the accounting auditor. Opportunities are provided for interviews with directors and important employees.
- As necessary, outside specialists can be appointed.

i. Matters concerning requests by the corporate auditors to assign assistants to support roles

- A Corporate Auditor's Office has been set up, and assistants, including those who work there on a full time basis, are to be assigned.

- j. Matters concerning the independence of above assistants from directors
- Personnel transfers related to the Corporate Auditor's Office require prior approvals from the Corporate Auditors.
 - Assessment of the assistants working in the Corporate Auditor's Office is conducted by corporate auditors designated by the Board of Corporate Auditors.

(5) Basic Policy Regarding Control over the Company

a. Details of the Basic Policy

The Company is committed to contributing to industry based on an understanding of the factors that make up the Company's corporate value. This ideal is in accordance with the corporate philosophy, which states, "As a company, our goal is to contribute to society through broad-ranging activities in the areas of measurement, control and information. Individually, we aim to combine good citizenship with the courage to innovate." Based on this philosophy, the Board of Directors believes that its business mission is the continual pursuit of sound business activities and the maximizing of corporate value from a mid- to long-term perspective. With this as its base, the Company has aimed for a healthy and profitable operation by upholding the VISION-21 & ACTION-21 corporate strategy.

Based on this corporate strategy, by having a well balanced portfolio of industrial automation and control, test and measurement, and new and other businesses, the Company can drive forward growth strategies whilst considering business risks, and develop mid- to long-term approaches to improving the corporate value.

The Company believes that a decision regarding any proposal that would involve a transfer of corporate control of a joint-stock corporation, which is a public company, must be ultimately based upon the intent of all the shareholders. While accepting the concept that the shares of a publicly held company should be freely traded, the Company believes that the decision whether to accept a large-scale acquisition of the Company's shares by a specific party should be ultimately left up to the shareholders.

It is expected that some corporate takeovers will not contribute to the corporate value of the target company or the common interests of the shareholders.

For the Company to continuously ensure and enhance its corporate value, it is essential to understand the various factors that constitute the corporate value of the Company such as its managerial resources and workforce, the trusting relationship with customers, the future and potential value of its businesses, and the general value achieved through the organic combination of these factors. Therefore, the Company believes that the party having control over decisions on the Company's financial and business policies should be a party that continuously maintains and enhances its corporate value. If a takeover were to be proposed by an outside party, after adequately ascertaining from all shareholders the various factors that compose the corporate value of the Company, it would be necessary to make a judgment on the effect that the takeover would have on the corporate value of the Company and, in turn, on the common interests of the shareholders.

In light of these circumstances, the Company has considered the need for securing sufficient time and information so that alternatives can be presented by the Board of Directors to shareholders and so that they can effectively judge whether to accept a large-scale acquisition of the Company's shares. Accordingly, the Company has come to the decision that it is necessary to establish a framework to deter acts that are against the Company's corporate value and, in turn, the common interests of its shareholders.

b. Measures to Prevent Control of the Company’s Financial and Operational Decisions by Inappropriate Parties As Set out in the Basic Policy (Takeover Defense Measures)

The Company’s Board of Directors resolved in a meeting on April 26, 2007 to introduce countermeasures to the large-scale acquisition of the Company’s shares (Takeover Defense Measures) (hereinafter referred to as the “Plan”). The Company acquired the approval of shareholders at the 2007 Annual General Meeting of Shareholders held on June 27, 2007. Full explanation of the Plan can be found in a document titled “Introduction of Countermeasures to Large-Scale Acquisition of Yokogawa Shares (Takeover Defense Measures)” that was uploaded to our website on April 26, 2007:

(<http://www.yokogawa.com/pr/Corporate/News/2007/pr-news-2007-11-en.htm>)

The following provides a summary of the Plan:

1. Plan outline

(a) Establishment of procedures for triggering the Plan

In the event of any proposal that involves acquisition of the Company’s shares or a similar action or proposal (hereinafter the “Acquisition”), the Plan sets the following procedures for conducting negotiations with the party effecting or proposing the Acquisition (hereinafter collectively referred to as the “Acquirer”) and for other issues; requesting the Acquirer to provide information relating to the Acquisition in advance; securing sufficient time to collect information with respect to the Acquisition and to give it full consideration; and presenting schemes and alternative proposals offered by the Company’s Board of Directors to the shareholders.

(b) Use of gratis allotment of Stock Acquisition Rights

If an Acquirer’s actions are deemed to threaten to harm the Company’s corporate value or the common interests of its shareholders, the Company will, upon resolution of the Company’s Board of Directors, allot stock acquisition rights by means of a gratis allotment of stock acquisition rights which the Acquirer is unable to exercise (hereinafter the “Stock Acquisition Rights”) to all shareholders on a certain day determined by the Company’s Board of Directors. The number of Stock Acquisition Rights by gratis allotment shall be one for each share owned by the shareholder, and the number of shares to be issued upon exercise of each Stock Acquisition Right will be from 0.5 up to 1, to be determined by the Board of Directors.

(c) In introducing the Plan, the Company has established an Independent Committee that will eliminate arbitrary decisions by directors, and objectively carry out substantive decisions in the interests of the shareholders in the event of the triggering, abolition, or other operation of the Plan. The members of the Independent Committee shall be appointed from the Company’s outside directors, outside corporate auditors, and outside experts. The Independent Committee for the introduction of the Plan has five independent members: two outside directors, one outside corporate auditor, and two experts.

<Members of Independent Committee>

Outside director: Masahisa Naito (Chairman & CEO of the Institute of Energy Economics, Japan)

Outside director: Yasuro Tanahashi (Senior Adviser to NS Solutions Corporation)

Outside corporate auditor:

Shigeru Hikuma (Representing Director of CRD Association)

Outside expert: Takaaki Wakasugi (Professor of Finance, School of Business Administration at Tokyo Keizai University)

Outside expert: Naoto Nakamura (Partner at Nakamura, Tsunoda & Matsumoto Law Office)

(d) Exercise of Stock Acquisition Rights and the Company's acquisition of Stock Acquisition Rights

If a gratis allotment of Stock Acquisition Rights were to take place in accordance with the Plan and either the shareholders other than the Acquirer exercised the Stock Acquisition Rights or the shareholders other than the Acquirer received shares of the Company in exchange for the Company acquiring the Stock Acquisition Rights, then it would be possible for the ratio of Company shareholder voting rights held by the Acquirer to be diluted up to approximately one half.

2. Procedures for triggering the Plan

(a) Targeted acquisitions

Where there is an Acquisition that falls under (i) or (ii) below, the Company will, pursuant to the Plan, administer gratis allotment of Stock Acquisition Rights in accordance with the terms and conditions set out in the Plan:

- (i) An Acquisition that would result in the holding ratio of share certificates, etc. of a holder amounting to 20% or more of the share certificates, etc. issued by the Company; or
- (ii) A tender offer that would result in the ownership ratio of share certificates, etc. of share certificates, etc. relating to the tender offer and the owning ratio of share certificates, etc. of a person having a special relationship totaling at least 20% of the share certificates, etc. issued by the Company.

(b) Request to the Acquirer for the provision of information

Excluding for Acquisitions determined by the Company's Board of Directors to be friendly Acquisitions, the Company will promptly send any Acquirer conducting an Acquisition described above in 2(a) an undertaking written in Japanese and in the form prescribed by the Company pledging that the Acquirer will upon the Acquisition comply with the procedures established in the Plan (hereinafter the "Acquisition Statement") and an inquiry about information prepared in the form prescribed by the Company and in Japanese that is necessary to review details of acquisition by the Acquirer (hereinafter the "Essential Information").

As a general rule, the Company requires the Acquirer to submit to the Company's Board of Directors the Acquisition Statement and the Essential Information within ten business days after the Acquirer has received the materials sent by the Company before effecting the Acquisition. The Company's Board of Directors will soon send the Acquisition Statement and the Essential Information to the Independent Committee.

In case the Independent Committee evaluates that the Acquisition Statement and the Essential Information provided is inadequate, it may fix the Acquirer a deadline for response, and request by itself or through the Company's Board of Directors that the Acquirer provide additional Essential Information. In such case, the Acquirer should provide the additional Essential Information within the relevant time limit.

3. Rationale of the Plan

(a) Fully satisfying the requirements of the Guidelines for Takeover Defense Measures

The Plan fully satisfies the three principles set out in the "Guidelines Regarding Takeover Defense Measures for the Purposes of Ensuring and Enhancing Corporate Value and Shareholders' Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005.

- (b) Respecting shareholders' intent (Sunset Clause)
The effective period of the Plan shall be two years, until the conclusion of the Annual General Meeting of Shareholders for the fiscal year ending in March 2009. In addition, if the abolition of the Plan is resolved at the General Meeting of Shareholders or the Board of Directors meeting, the Plan shall be abolished even before the expiration of its term.
- (c) Disclosure of information and emphasis on the decisions of independent parties
The Independent Committee will strictly monitor any arbitrary triggering by directors and disclose outlines of its decisions to the shareholders, and will ensure a structure under which the Plan is only operated in a transparent way in order to contribute to the corporate value of the Company and the common interests of its shareholders.
- (d) Establishment of reasonable, objective requirements
The Plan is established so that it will not be triggered unless reasonable objective requirements have been satisfied, and ensures a structure to eliminate arbitrary triggering by the Company's Board of Directors.
- (e) Obtaining the advice of third-party experts
The Independent Committee may obtain advice from independent third parties (financial advisors, certified public accountants, lawyers, consultants and other experts) at the cost of the Company. This is a mechanism to even more securely enhance the objectivity and fairness of the decisions made by the Independent Committee.
- (f) No dead-hand or slow-hand takeover defense measures
The Plan is designed in a way so that it may be abolished at any time by a Board of Directors comprised of persons appointed at a General Meeting of Shareholders of the Company, and the Plan may be abolished by the Board of Directors comprised of directors appointed under the new shareholder composition.

Therefore, the Plan is not a dead-hand takeover defense measure (a takeover defense measure in which even if a majority of the members of the Board of Directors are replaced, the triggering of the measure cannot be stopped). Also, as the term of office of the Company's directors is one year and the Company has not adopted a staggered board, the Plan is not a slow-hand takeover defense measure either (a takeover defense measure in which triggering takes more time to stop due to the fact that the directors cannot be replaced all at once).

CONSOLIDATED BALANCE SHEET

As of March 31, 2008

	Millions of yen
ASSETS	
Current assets:	
Cash and time deposits	¥31,738
Notes and accounts receivable	142,902
Marketable securities	301
Inventories	44,815
Deferred tax assets	12,216
Other current assets	13,648
Allowance for doubtful accounts	(3,256)
Total current assets	242,366
Fixed assets:	
Tangible fixed assets:	
Buildings and structures	51,132
Machinery and vehicles	21,693
Tools, furniture and fixtures	10,161
Land	18,626
Construction in progress	9,928
Total tangible fixed assets	111,543
Intangible fixed assets	22,036
Total intangible fixed assets	22,036
Investments and other assets:	
Investments in securities	40,266
Long-term loans	105
Deferred tax assets	16,605
Other investments	12,359
Allowance for doubtful accounts	(639)
Total investments and other assets	68,697
Total fixed assets	202,277
Total assets	¥444,644

CONSOLIDATED BALANCE SHEET

(continued)

	Millions of yen
LIABILITIES:	
Current liabilities:	
Notes and accounts payable	¥40,034
Short-term bank loans	18,979
Income taxes payable	2,604
Allowance for employee bonuses	14,511
Other accounts payable	19,137
Other current liabilities	50,103
Total current liabilities	145,370
Long-term liabilities:	
Long-term bank loans	55,993
Deferred tax liabilities	157
Allowance for retirement benefits	5,221
Reserve for directors' retirement benefits	236
Long-term accounts payable	11,832
Other fixed liabilities	987
Total long-term liabilities	74,429
Total liabilities	219,799
NET ASSETS:	
SHAREHOLDERS' EQUITY:	
Capital	43,401
Capital surplus	50,355
Retained earnings	139,952
Treasury stock	(10,990)
Total shareholders' equity	222,718
Valuation and translation adjustments:	
Unrealized gain on other securities	2,991
Deferred gain and loss on derivatives under hedge accounting	1
Foreign currency translation adjustments	(5,036)
Total valuation and translation adjustments	(2,044)
Minority interests	4,170
Total net assets	224,844
Total liabilities and net assets	¥444,644

CONSOLIDATED STATEMENT OF INCOME

For the year ended March 31, 2008

	Millions of yen	
Net sales:		¥437,448
Cost of sales:		277,430
Gross profit on sales		160,018
Selling, general, and administrative expenses		132,605
Operating income		27,412
Non-operating income:		
Interest income	391	
Dividend income	1,612	
Profit from investments according to the equity method	869	
Other non-operating income	867	3,740
Non-operating expenses:		
Interest expense	1,308	
Loss on disposal of inventories	5,501	
Loss on devaluation of inventories	401	
Foreign exchange loss	4,570	
Other non-operating expenses	2,918	14,699
Ordinary income		16,453
Extraordinary income:		
Gain on sale of fixed assets	117	
Gain on sale of marketable securities	142	
Amount received from government subsidy	1,903	
Other extraordinary income	478	2,642
Extraordinary losses:		
Loss on sale of fixed assets	28	
Loss on disposition of fixed assets	416	
Loss on impaired assets	1,115	
Loss on write-down of investments in marketable securities	725	
Loss on write-down of software for sale	499	
Other non-recurring losses	1,874	4,660
Net income before income taxes		14,434
Corporate, resident and enterprise taxes		5,230
Income tax refund		43
Adjustment of corporate tax, etc.		(3,129)
Minority interests (Less)		709
Net income		¥11,667

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended March 31, 2008

(Millions of yen)

	Shareholders' equity				
	Capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2007	43,401	50,355	132,603	(4,389)	221,970
Changes during the year					-
Dividend on retained earnings			(4,074)		(4,074)
Net income			11,667		11,667
Acquisition of treasury stock				(6,603)	(6,603)
Cancellation of treasury stock		0		2	2
Others			(243)	0	(243)
Net changes for the year except shareholders' equity					-
Total changes for the year	-	0	7,349	(6,601)	748
Balance at March 31, 2008	43,401	50,355	139,952	(10,990)	222,718

	Valuation and translation adjustments				Minority interests	Total net assets
	Unrealized gain on other securities	Deferred gain and loss on derivatives under hedge accounting	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance at March 31, 2007	11,926	6	348	12,281	4,650	238,902
Changes during the year				-		-
Dividend on retained earnings				-		(4,074)
Net income				-		11,667
Acquisition of treasury stock				-		(6,603)
Cancellation of treasury stock				-		2
Others				-		(243)
Net changes for the year except shareholders' equity	(8,935)	(4)	(5,385)	(14,325)	(480)	(14,806)
Total changes for the year	(8,935)	(4)	(5,385)	(14,325)	(480)	(14,057)
Balance at March 31, 2008	2,991	1	(5,036)	(2,044)	4,170	224,844

NON-CONSOLIDATED BALANCE SHEET

As of March 31, 2008

	Millions of yen
ASSETS	
Current assets:	
Cash and time deposits	¥11,058
Notes receivable-trade	2,787
Accounts receivable	77,607
Marketable securities	250
Finished products	5,241
Semi-finished products	1,094
Raw materials	2,835
Work in process	3,787
Supplies	219
Advance payments	723
Prepaid expenses	904
Deferred tax assets	9,017
Short-term loans	30,848
Other accounts receivable	5,906
Other current assets	441
Allowance for doubtful accounts	(2,287)
Total current assets	150,435
Fixed assets:	
Tangible fixed assets:	
Buildings	32,069
Structures	1,519
Machinery and equipment	9,798
Vehicles	6
Tools, furniture, and fixtures	5,968
Land	11,280
Construction in progress	4,323
Total tangible fixed assets	64,966
Intangible fixed assets:	
Goodwill	406
Patents	75
Leaseholds	652
Software	8,066
Software in progress	10,256
Other intangible fixed assets	68
Total intangible fixed assets	19,526
Investments and other assets:	
Investments in securities	34,462
Investments in common stock of subsidiaries	31,694
Equity investments	494
Investments in capital of subsidiaries	13,131
Long-term loans to employees	12
Long-term loans to subsidiaries	5,801
Long-term prepaid expenses	419
Deferred tax assets	16,531
Deposit for guarantee	1,155
Long-term financial assets	7,036
Other investments	737
Allowance for doubtful accounts	(3,743)
Allowance for investment loss	(1,509)
Total investments and other assets	106,225
Total fixed assets	190,718
Total assets	¥341,153

NON-CONSOLIDATED BALANCE SHEET

(continued)

	Millions of yen
LIABILITIES:	
Current liabilities:	
Notes payable	¥295
Accounts payable, trade	26,761
Short-term bank loans	3,012
Long-term bank loans due within one year	10,241
Commercial papers	18,000
Other accounts payable	15,493
Accrued expenses	4,555
Corporate and similar taxes payable	143
Advances received	1,009
Deposits received	483
Allowance for employee bonuses	8,749
Other current liabilities	0
Total current liabilities	88,745
Long-term liabilities:	
Long-term bank loans	55,704
Long-term accounts payable	8,993
Other fixed liabilities	1,159
Total long-term liabilities	65,857
Total liabilities	154,603
NET ASSETS:	
Shareholders' equity:	
Capital	43,401
Capital surplus	50,162
Additional paid-in capital	46,350
Other capital surplus	3,812
Retained earnings	101,061
Legal earned reserve	5,372
Voluntary reserves	95,689
Reserve for pension expense	1,255
Reserve for dividends	1,235
Reserve for special depreciation	0
Reserve for reduction in entry of fixed assets	1,556
Special reserves	11,783
Unappropriated retained earnings for the period	79,858
Treasury stock	(10,985)
Total shareholders' equity	183,639
Valuation and translation adjustments:	
Unrealized gain on other securities	2,908
Deferred gain and loss on derivatives under hedge accounting	2
Total valuation and translation adjustments	2,910
Total net assets	186,550
Total liabilities and shareholders' equity	¥341,153

NON-CONSOLIDATED STATEMENT OF INCOME

For the year ended March 31, 2008

	Millions of yen	
Operating revenues:		
Net sales		¥238,786
Cost of sales:		
Inventory at beginning of the year	4,268	
Cost of goods manufactured during the year	170,439	
Amount transferred from other accounts	553	
Subtotal	175,261	
Amount transferred to other accounts	1,977	
Inventory at end of term	5,241	168,042
Gross profit on sales		70,743
Selling, general, and administrative expenses		66,758
Operating income		3,984
Non-operating income:		
Interest income	392	
Interest on securities	7	
Dividend income	3,193	
Facility rental income	1,772	
Other non-operating income	345	5,711
Non-operating expenses:		
Interest paid	772	
Interest on bonds	79	
Donations	232	
Loss on disposition of inventory	5,356	
Facility rental expenses	1,481	
Compensation payment	453	
Foreign exchange loss	2,233	
Foreign withholding tax	343	
Other non-operating expenses	1,167	12,120
Ordinary loss		2,424
Extraordinary income:		
Gain on sale of fixed assets	80	
Gain on sale of investment securities	115	
Amount received from government subsidy	1,903	2,100
Extraordinary losses:		
Loss on sale of fixed assets	20	
Loss on disposition of fixed assets	236	
Loss on devaluation of investment in common stock of subsidiaries	674	
Loss on restructuring of affiliates' businesses	57	
Loss on write-down of software for sale	499	
Provision for doubtful accounts of affiliates	792	
Loss on impaired assets	848	
Other non-recurring loss	580	3,710
Net loss before income taxes:		4,035
Corporate, residence, and business taxes	53	
Adjust account for corporate and other taxes	(1,956)	(1,902)
Net loss		2,132

NON-CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended March 31, 2008

(Millions of yen)

	Shareholders' equity			
	Capital	Capital surplus		
		Additional paid-in capital	Other capital surplus	Total capital surplus
Balance at March 31, 2007	43,401	46,350	3,811	50,162
Changes during the year				
Provision of reserve for special depreciation				-
Provision of reserve for reduction in entry of fixed assets				-
Dividend on retained earnings				-
Net loss				-
Acquisition of treasury stock				-
Cancellation of treasury stock			0	0
Net changes for the year except shareholders' equity				-
Total changes for the year	-	-	0	0
Balance at March 31, 2008	43,401	46,350	3,812	50,162

	Shareholders' equity									
	Retained earnings								Treasury stock	Total shareholders' equity
	Earned reserves	Voluntary Reserves						Total retained earnings		
		Reserve for pension expense	Reserve for dividends	Reserve for special depreciation	Reserve for reduction in entry of fixed assets	Special reserves	Unappropriated retained earnings for the period			
Balance at March 31, 2007	5,372	1,255	1,235	6	1,631	11,783	85,985	107,268	(4,384)	196,447
Changes during the year										
Provision of reserve for special depreciation				(5)			5	-		-
Provision of reserve for reduction in entry of fixed assets					(74)		74	-		-
Dividend on retained earnings							(4,074)	(4,074)		(4,074)
Net loss							(2,132)	(2,132)		(2,132)
Acquisition of treasury stock								-	(6,603)	(6,603)
Cancellation of treasury stock								-	2	2
Net changes for the year except shareholders' equity								-		-
Total changes for the year	-	-	-	(5)	(74)	-	(6,126)	(6,207)	(6,601)	(12,808)
Balance at March 31, 2008	5,372	1,255	1,235	0	1,556	11,783	79,858	101,061	(10,985)	183,639

	Valuation and translation adjustments			Total net assets
	Unrealized gain on other securities	Deferred gain and loss on derivatives under hedge accounting	Total valuation and translation adjustments	
Balance at March 31, 2007	11,712	9	11,721	208,169
Changes during the year				
Provision of reserve for special depreciation				–
Provision of reserve for reduction in entry of fixed assets				–
Dividends				(4,074)
Net loss				(2,132)
Acquisition of treasury stock				(6,603)
Cancellation of treasury stock				2
Net changes for the year except shareholders' equity	(8,803)	(7)	(8,810)	(8,810)
Total changes for the year	(8,803)	(7)	(8,810)	(21,618)
Balance at March 31, 2008	2,908	2	2,910	186,550

Independent Auditor's Report

May 14, 2008

To the Board of Directors of
Yokogawa Electric Corporation

Deloitte Touche Tohmatsu

Designated and Engagement Partner	Certified Public Accountant	Kunihiko Sugahara
Designated and Engagement Partner	Certified Public Accountant	Ichiro Ebihara
Designated and Engagement Partner	Certified Public Accountant	Masako Watanabe

We have audited the non-consolidated Balance Sheet, Statement of Income, Statement of Changes in Shareholders' Equity, Notes to the Non-Consolidated Financial Statements, and attached detailed statements of Yokogawa Electric Corporation for the 132nd fiscal year beginning on April 1, 2007 and ending on March 31, 2008, in accordance with Article 436, Paragraph 2, Item 1 of the Companies Act. Responsibility for preparation of these financial statements and attached detailed statements lies with the Company's management. Our responsibility is to express an opinion on these financial statements and attached detailed statements from an independent perspective.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those auditing standards require that Accounting Auditors obtain reasonable assurance that non-consolidated financial statements and attached detailed statements contain no material false statements. An audit includes an assessment, on a test basis, of the overall presentation of non-consolidated financial statements and attached detailed statements, including accounting principles used, application of those principles, and estimates made by management. We believe that, as a result of our audits, we have obtained a reasonable basis upon which to express our opinion.

In our opinion, the non-consolidated financial statements and attached detailed statements referred to above present fairly, in all material respects, the financial position and results of operations of Yokogawa Electric Corporation for the business year under review, in conformity with accounting principles generally accepted in Japan.

There are no interest relationships either between the Company and our audit corporation or between the Company and the Designated and Engagement Partners, that are required to be reported by the Certified Public Accountant Law.

Independent Auditor's Report

May 14, 2008

To the Board of Directors of
Yokogawa Electric Corporation

Deloitte Touche Tohmatsu

Designated and Engagement Partner	Certified Public Accountant	Kunihiko Sugahara
Designated and Engagement Partner	Certified Public Accountant	Ichiro Ebihara
Designated and Engagement Partner	Certified Public Accountant	Masako Watanabe

We have audited the Consolidated Balance Sheet, Statement of Income, Statement of Changes in Shareholders' Equity, Notes to the Consolidated Financial Statements, and attached detailed statements of Yokogawa Electric Corporation for the consolidated fiscal year beginning on April 1, 2007 and ending on March 31, 2008, in accordance with Article 444, Paragraph 4, of the Companies Act. Responsibility for preparation of these financial statements lies with the Company's management. Our responsibility is to express an opinion on these financial statements from an independent perspective.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those auditing standards require that Accounting Auditors obtain reasonable assurance that consolidated financial statements contain no material false statements. An audit includes an assessment, on a test basis, of the overall presentation of consolidated financial statements, including accounting principles used, application of those principles, and estimates made by management. We believe that, as a result of our audits, we have obtained a reasonable basis upon which to express our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of Yokogawa Electric Corporation and its consolidated subsidiaries for the related consolidated fiscal year, in conformity with accounting principles generally accepted in Japan.

There are no interest relationships either between the Company and our audit corporation or between the Company and the Designated and Engagement Partners that are required to be reported by the Certified Public Accountant Law.

Audit Report

We have prepared this audit report based on a consideration of the corporate auditors' reports on the directors' performance of their duties during the fiscal year that began on April 1, 2007 and ended on March 31, 2008.

1. Corporate Auditors' and Board of Corporate Auditors' Auditing Procedures and Particulars Thereof

The Board of Corporate Auditors has made determinations, including those regarding audit policies and the division of responsibilities, received reports on audit progress and results from individual corporate auditors, received reports on the performance of directors' duties from directors and reports on the performance of the independent auditors' duties from the independent auditors, and sought further explanation when warranted.

Each corporate auditor, in accordance with the auditing standards set forth by the Board of Corporate Auditors, has abided by determinations, including those regarding audit policies and the division of responsibilities; striven to achieve common understanding with directors, the Internal Audit Department, and other employees; and worked to gather information and create an environment conducive to auditing. In addition, they have attended Board of Directors meetings and other important meetings, received reports on the performance of directors' duties from directors and reports on the performance of job duties from employees, sought further explanation when warranted, and reviewed documentation on important decisions concerning auditing work and property at the headquarters and key facilities.

The corporate auditors have also monitored and verified conditions with regard to systems for ensuring the performance of directors' duties is in compliance with the laws of Japan and the Company's Articles of Incorporation, and monitored and verified, as necessities for ensuring the propriety of the activities of corporations, both the content of Board of Directors resolutions concerning the implementation of systems set forth in Articles 100, Paragraph 1 and Paragraph 3 of the Ordinance for Enforcement of the Companies Act and the systems (internal control) that have been implemented based on those resolutions. The corporate auditors, based on the status of discussions within the Board of Directors and elsewhere, have contributed their examinations of the basic corporate policy as stipulated in Article 127, Item 1 and measures as stipulated in Article 127, Item 2b of the Ordinance for Enforcement of the Companies Act that are addressed in the Business Report. Regarding the subsidiaries, the corporate auditors have also striven to achieve common understanding and exchange information with directors, corporate auditors, and others at subsidiaries, and received business reports from subsidiaries as necessary. The corporate auditors have, in the ways mentioned above, examined the Business Report and related detailed statements for the business year under review.

The corporate auditors have monitored the activities of the independent auditors to determine whether they have maintained an independent position and properly performed audits, received audit status reports from the independent auditors, and sought further explanation when warranted. They also received notification from the independent auditors that they were preparing systems for ensuring the performance of job duties (items provided in Article 159 of the Corporate Calculation Regulations) in accordance with the Audit Quality Management Standards (October 28, 2005 Business Accounting Deliberation Council), and sought further explanation when warranted.

Through the activities mentioned above, the corporate auditors have examined the non-consolidated financial statements (Balance Sheet, Statement of Income, Statement of Changes in Shareholders' Equity, and notes to the accounting statements), detailed statements for the business year under review, and consolidated financial statements (consolidated Balance Sheet, Statement of Income, Statement of Changes in Shareholders' Equity, and notes to the accounting statements).

2. Audit Results

(1) Business Report and Other Results

- a. The Business Report and detailed statements correctly represent the condition of the Company in accordance with the laws of Japan and the Company's Articles of Incorporation.
- b. There were no serious acts of impropriety or violations of the laws of Japan or of the Company's Articles of Incorporation by any of the directors in the performance of their duties.
- c. Board of Directors resolutions regarding the system of internal controls were appropriate. Furthermore, concerning the directors' performance of their duties with regard to the system of internal controls, there were no matters to report.
- d. Regarding the basic corporate policy concerning the nature of parties who would control the Company's financial and operational decisions described in the Business Report, there were no matters to report. Measures described in the Business Report that seek to comply with the above basic policy as stipulated in Article 127, Item 2b of the Ordinance for Enforcement of the Companies Act shall not impinge upon the common interest of our shareholders nor aim to maintain the status of our directors.

(2) Audit Results for Financial Statements and Detailed Statements

The audit procedures implemented by and results received from Deloitte Touche Tohmatsu, the independent auditors, are appropriate.

(3) Audit Results for Consolidated Financial Statements and Detailed Statement

The audit procedures implemented by and results received from Deloitte Touche Tohmatsu, the independent auditors, are appropriate.

May 16, 2008

Board of Corporate Auditors, Yokogawa Electric Corporation

Standing Corporate Auditor Fumio Mizoguchi

Standing Corporate Auditor Taiki Utsumi

Outside Corporate Auditor Takahide Sakurai

Outside Corporate Auditor Toru Hashimoto

Outside Corporate Auditor Shigeru Hikuma

Reference Materials for General Meeting of Shareholders

Agenda items and reference materials

Item 1: Dividends from Surplus for Fiscal Year 2007

The Company aims to establish a stable base to pursue business activities and recognizes the continuous distribution of returns to shareholders as one of its most important policies. Given such factors as the need to accumulate internal reserves to invest in new businesses for mid- and long-term growth and development in emerging markets, and to strengthen its fiscal position, the Company intends to pay out 30% of consolidated net income to its shareholders.

The Company proposes the following dividend payment. With this, the annual dividend per share for the year, combined with the interim dividend of ¥8, will be ¥16.

- 1) Type of dividend asset
Cash
- 2) Allocation of dividend assets and total amount of allocation
¥8 per common share
Total amount of payout is ¥2,060,670,960
- 3) Effective date of dividend payout
June 27, 2008

Item 2: Appointment of Nine (9) Directors

At the conclusion of this General Meeting of Shareholders, the terms of office for ten (10) directors shall expire. It is proposed to appoint nine (9) directors.

Information on the nine (9) director candidates is provided below.

Candidate number	Name Date of birth	Brief history, position and responsibility in the Company(including name of company and position if candidate is a representative of another company)	Number of Company shares owned by the candidate
1	Isao Uchida (Sep. 27, 1936)	Apr. 1960 Joined the Company June 1989 Director and President of Yokogawa Corporation of America June 1995 Senior Director & Head of Manufacturing Business Div. in charge of Kofu Plant July 1997 Executive Director and Head of Sales Operations Mar. 1999 Executive Director and Head of Industrial Automation Systems Business in charge of North American Operations June 1999 President and Chief Executive Officer Apr. 2007 Chairman and Chief Executive Officer Apr. 2008 Chairman of the Board	89,245 shares
2	Shuzo Kaihori (Jan. 31, 1948)	Apr. 1973 Joined the Company Apr. 2005 Vice President of IA Business Headquarters Apr. 2006 Senior Vice President of IA Business Headquarters June 2006 Director and Senior Vice President of IA Business Headquarters Apr. 2007 President and Chief Operating Officer Apr. 2008 President and Chief Executive Officer	20,327 shares
3	Kazunori Yagi (Apr. 1, 1949)	Apr. 1972 Joined the Company Oct. 1999 Vice President of Finance & Planning in charge of Corporate Marketing Apr. 2001 Senior Vice President of Finance & Business Planning Div. June 2001 Director and Senior Vice President of Finance & Business Planning Div. June 2002 Director and Executive Vice President of Finance & Business Planning Div. June 2005 Director and Executive Vice President of Management Administration Headquarters (present)	42,008 shares
4	Kazuhiko Kimura (Apr. 27, 1957)	Apr. 1980 Joined the Company Apr. 2000 Vice President of Sourcing & Manufacturing Business Div. in charge of Aerospace Equipment Business June 2001 Director and Vice President of Sourcing & Manufacturing Business Div. June 2002 Director and Senior Vice President of Sourcing & Manufacturing Business Div. Apr. 2004 Director and Executive Vice President of Industrial Solutions Business Headquarters Apr. 2005 Director and Executive Vice President of Industrial Solutions Business Headquarters Oct. 2007 Director and Executive Vice President of ATE Business Headquarters (present)	20,295 shares

5	Teruyoshi Minaki (Jan. 5, 1948)	Apr. 1971 Oct. 1999 June 2002 Apr. 2004 Apr. 2005	Joined the Company Vice President, Industrial Automation Business, Field Equipment Business Div. in charge of Analytical Products Director and Senior Vice President of International Business Headquarters Director and Executive Vice President of IA Business Headquarters Director and Executive Vice President of International Business Headquarters, Managing Director of Yokogawa Electric International Pte. Ltd. (present)	23,212 shares
6	Takashi Fujii (Aug. 6, 1955)	Apr. 1978 Apr. 2003 Jan. 2005 June 2005 Oct. 2007	Joined the Company Vice President of Business Div. I of ATE Business Headquarters Senior Vice President, Semiconductor Test Solution Business Div., ATE Business Headquarters Director and Senior Vice President of ATE Business Headquarters Director and Senior Vice President of Industrial Solutions Business Headquarters (present)	12,334 shares
7	Junji Yamamoto (Mar. 8, 1958)	Apr. 1980 Apr. 2005 Apr. 2006 June 2006	Joined the Company Vice President, Head of Corporate Planning Department, Corporate Marketing Headquarters Senior Vice President of Corporate Marketing Headquarters Director and Senior Vice President of Corporate Marketing Headquarters (present)	10,362 shares
8	Masahisa Naito (Feb. 20, 1938)	Apr. 1961 June 1991 June 1993 Apr. 1998 Apr. 2000 June 2003	Joined Ministry of International Trade and Industry Director-General of Ministers' Secretariat Director-General of Industrial Policy Bureau Executive Vice President of Itochu Corporation Vice Chairman of Itochu Corporation Chairman & CEO of the Institute of Energy Economics, Japan and Director of the Company (present)	2,000 shares

9	Yasuro Tanahashi (Jan. 4, 1941)	Apr. 1963 Joined Fuji Iron & Steel Co., Ltd. (present Nippon Steel Corporation) June 1995 Directors and General Manager of Electronics and Information Systems Division of Nippon Steel Corporation Apr. 1997 Managing Director of Nippon Steel Corporation (in charge of new businesses overall) Apr. 2000 Representative Director and President of Nippon Steel Information and Communication Systems Inc. (present NS Solutions Corporation) Apr. 2003 Representative Director and Chairman of NS Solutions Corporation June 2007 Senior Adviser of NS Solutions Corporation and Director of the Company (present)	0 shares
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(Notes)

1. There are no conflicts of interest between the candidates and the Company.
2. Masahisa Naito and Yasuro Tanahashi are candidates to fill the outside director positions provided in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
3. Information pertaining to the candidates for outside director is given below.
 - (1) Reasons for the appointment of the outside director candidates
 - a. Appointment of Masahisa Naito as an outside director is being requested, so that he can contribute to the management of the Company the abundant experience that he has accumulated as an outside director and in other positions primarily at global companies.
 - b. Appointment of Yasuro Tanahashi as an outside director is being requested, so that he can contribute to the management of the Company his wide knowledge as a manager regarding Japan's key industries and broad outlook gained from his abundant experience in establishing and developing new businesses.
 - (2) Number of years since appointment as an outside director
 - a. Masahisa Naito will have served as an outside director for a period of five years as of the conclusion of this General Meeting of Shareholders.
 - b. Yasuro Tanahashi will have served as an outside director for a period of one year as of the conclusion of this General Meeting of Shareholders.
 - (3) Liability limitation agreement with outside directors

Upon appointment of Masahisa Naito and Yasuro Tanahashi as proposed, the Company will enter into a liability limitation agreement with them. The overview of this agreement is as follows.

Under Article 427, Paragraph 1 of the Companies Act, the Company shall enter into an agreement with its outside directors, which limits their liability provided for in Article 423, Paragraph 1 to the higher of either ¥15 million or the amount stipulated in the Act.

Item 3: Appointment of Four (4) Corporate Auditors

At the conclusion of this General Meeting of Shareholders, the terms of office for four (4) corporate auditors (Fumio Mizoguchi, Takahide Sakurai, Toru Hashimoto, Shigeru Hikuma) shall expire. Therefore, it is proposed to appoint four (4) corporate auditors.

The Board of Corporate Auditors concurs with this proposal.

Information on the four (4) corporate auditor candidates is provided below.

Candidate number	Name Date of birth	Brief history, position and responsibility in the Company (including name of company and position if candidate is a representative of another company)	Number of Company shares owned by the candidate
1	Takafumi Koyanagi (Feb. 26, 1948)	Apr. 1971 Joined the Company Apr. 2003 Vice President of Business and Sales Planning, Industrial Solutions Business Headquarters Jan. 2005 Senior Vice President of Solution No.2 Sales, Industrial Solutions Business Headquarters In charge of China Business Apr. 2005 Deputy President of Yokogawa Electric International Pte. Ltd. Jan. 2007 Senior Vice President of Audit & Compliance Headquarters (present)	10,639 shares
2	Shigeru Hikuma (Nov. 6, 1946)	Apr. 1970 Joined the Bank of Japan May 1989 Chief of Domestic Research Section, Research and Statistics Department of the Bank of Japan Sep. 1997 Director-General of Business Management Department of the Bank of Japan May 1998 Executive Director of the Bank of Japan May 2000 Retired from the Bank of Japan Special Advisor of MHS Planners, Architects & Engineers May 2001 Representing Director of CRD Association, a limited liability intermediate corporation Corporate Auditor of the Company June 2004 (present)	0 shares
3	Teruhiko Ikeda (Dec. 5, 1946)	Apr. 1969 Joined the Fuji Bank, Limited Apr. 2002 Deputy President of Mizuho Corporate Bank, Ltd. June 2004 President and Chief Executive Officer of the Mizuho Trust & Banking Co., Ltd. (present)	0 shares
4	Koichi Iki (Sep. 6, 1947)	Apr. 1970 Joined the Dai-ichi Mutual Life Insurance Company Apr. 2007 Vice President of the Dai-ichi Mutual Life Insurance Company Apr. 2008 Advisor of the Dai-ichi Building Co., Ltd. (present)	0 shares

(Notes)

1. There are no conflicts of interest between the auditor candidates and the Company.
2. Shigeru Hikuma, Teruhiko Ikeda, and Koichi Iki are candidates to fill the outside corporate auditor positions provided in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.
3. Information pertaining to the candidates for outside corporate auditor is given below.
 - (1) Reasons for the appointment of the outside corporate auditor candidates
 - a. Appointment of Shigeru Hikuma as an outside corporate auditor is being requested, so that he can contribute to the auditing of the Company his high insight based on deep knowledge of corporate finance, discernment, and abundant experience.
 - b. Appointment of Teruhiko Ikeda as an outside corporate auditor is being requested, so that he can contribute to the auditing of the Company his high insight based on abundant managerial experience and wide range of activities in the business world.
 - c. Appointment of Koichi Iki as an outside corporate auditor is being requested, so that he can contribute to the auditing of the Company his high insight based on abundant managerial experience and deep knowledge and acumen in human resources management.
 - (2) Number of years since appointment as an outside corporate auditor
 - a. Shigeru Hikuma will have served as an outside corporate auditor for a period of four years as of the conclusion of this General Meeting of Shareholders.
 - b. It is proposed that Teruhiko Ikeda be newly appointed as an outside corporate auditor at this General Meeting of Shareholders.
 - c. It is proposed that Koichi Iki be newly appointed as an outside corporate auditor at this General Meeting of Shareholders.
 - (3) Liability limitation agreement with outside corporate auditors

Upon appointment of Shigeru Hikuma, Teruhiko Ikeda, and Koichi Iki as proposed, the Company will enter into a liability limitation agreement with them. The overview of this agreement is as follows.

Under Article 427, Paragraph 1 of the Companies Act, the Company shall enter into an agreement with its outside corporate auditors, which limits their liability provided for in Article 423, Paragraph 1 to the higher of either ¥15 million or the amount stipulated in the Act.

Instructions for Internet Voting

1. Conditions regarding Internet voting

If you choose to vote over the Internet, please note the following:

- 1) You may vote over the Internet only through a site specifically designated for this purpose by the Company (see URL below). When voting, you must provide both the code number and the password shown on the voting form.
- 2) The code number and password that have been assigned to you will be valid for this General Meeting only. A new code number and password will be issued for the next General Meeting.
- 3) If you duplicate your vote—i.e., if you vote your shares both by mail and over the Internet—we will consider the Internet vote to be the valid one.
- 4) If you vote more than once over the Internet, we will consider the final vote to be the valid one.
- 5) All costs of Internet voting (ISP connection charges, telecommunication fees, etc.) must be borne by shareholders.

2. Specific steps for Internet voting

- 1) Access our website at <http://www.it-soukai.com>/or <https://daiko.mizuho-tb.co.jp/>. (Please note that there is an “s” in the “https” for the latter.) On each day during the voting period, this site will not be accessible between the hours of 3 a.m. and 5 a.m. (Japan time).
- 2) Enter the code number and password, and click the Login button. Your voting code number and password are found in the upper right-hand corner of the voting form.
- 3) Vote your shares by following the prompts on the screen.

3. Computing environment

When you use your personal computer, please make sure the following:

- PCs: Windows®
You will not be able to access the voting site from a mobile phone, PDA, or game console.
- Browsers: Internet Explorer, version 5.5 or higher
- Internet environment: access to the Internet, provided through a contract with an Internet service provider.
- Screen resolution: greater than 1024 X 768 recommended.

Microsoft Windows is a general or registered trademark of Microsoft Corporation in the U.S. and other countries.

4. Security

All voting information is securely protected by 128bit SSL encryption from tampering or eavesdropping, so shareholders should feel at ease about using the Internet for voting. The code number and password that have been provided on your voting form are important means of authenticating your identity as a shareholder. Please make sure that this information does not fall into the hands of other people. You will never receive a call from the Company inquiring about your password.

5. Inquiries

- All inquiries regarding how to vote through the Internet by using PCs may be addressed to the following:
Stock Transfer Agency Dept., Mizuho Trust & Banking Co., Ltd.
Internet Help Phone Line: 0120-768-524 (toll free / for use by Japan residents)
(Between 9:00 a.m. and 9:00 p.m., Japan time, except Saturdays, Sundays, and holidays)
- Other inquiries such as address change may be addressed to the following:
Stock Transfer Agency Dept., Mizuho Trust & Banking Co., Ltd.
Tel: 0120-288-324 (toll free / for use by Japan residents)
(Between 9:00 a.m. and 5:00 p.m., Japan time, except Saturdays, Sundays, and holidays)

II. Electronic Voting Platform

Regarding the exercise of voting rights at the Company's General Meeting of Shareholders, nominee shareholders such as trust and custody banks (including standing proxies) may, as an alternative to the Internet voting described above, use the electronic voting rights execution platform established by the Tokyo Stock Exchange and organized by the Investor Communications Japan (ICJ) Inc., provided that application for the use of this electronic voting platform is made in advance.