



Name of Listed Company: Yokogawa Electric Corporation

(URL: <https://www.yokogawa.com>) (Stock code: 6841, listed in TSE 1st section)

Name and Position of the Representative:

Hitoshi Nara, President and Chief Executive Officer

Name and Position of the Person in Charge:

Hirohiko Nakatani, Department Manager of Treasury & IR Department

Telephone Number: +81-422-52-6845

November 4, 2020

Notice Regarding the Revision of Consolidated Business Forecast for the Year Ending March 31, 2021 and Resolution of Interim Dividend

Yokogawa Electric Corporation (the “Company”) is notifying you of decisions at today’s meeting of the Board of Directors to revise the consolidated business forecast for the year ending March 31, 2021 and distribute the interim dividend to shareholders who were listed in the shareholder register on September 30, 2020. The details are as follows.

1. Revised Business Forecast

Revision to the consolidated business forecast for the year ending March 31, 2021 (April 1, 2020–March 31, 2021)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Basic Earnings per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecast (A)	360,000 ~390,000	23,000 ~30,000	23,000 ~30,000	14,000 ~19,000	52.45 ~71.18
Revised forecast (B)	375,000	30,000	30,000	19,000	71.18
Difference (B-A)	15,000 ~(15,000)	7,000 ~0	7,000 ~0	5,000 ~0	—
Change (%)	4.2% ~ (3.8)%	30.4% ~0.0%	30.4% ~0.0%	35.7% ~0.0%	—
(Reference) Results for fiscal year ended March 31, 2020	404,432	35,588	36,301	14,686	55.02

Exchange rate assumption for full year (Average rate to 1 U.S. dollar): 105 yen (No change)

Reasons for the revision

Regarding the consolidated business forecast for the fiscal year ending March 31, 2021, despite the external environment continuing to be uncertain, there have been no significant changes to the Company’s sentiment that the macro economy will recover at a gradual pace while there is a balance between measures to prevent the spread of COVID-19 and efforts to resume economic activities. Furthermore, there have been no changes to the foreign exchange rate of 1 USD = 105 yen for the business forecast. Using these assumptions and taking

into account the above business results, we have revised the consolidated business forecast on the assumption of a certain level of recovery from now until the end of the fiscal year.

This revised consolidated business forecast has been calculated based on the aforementioned assumed scenarios using information, etc. available at the present time. Actual business performance may vary from this forecast due to a variety of factors arising in the future. The impact of the spread of COVID-19 on our business may vary significantly. If any changes arise that will impact the Group's business performance, the Company will revise the consolidated business forecast and promptly announce the revised forecast.

2. Resolution of Interim Dividend and Dividend Forecast for fiscal year ending March 31, 2021 The interim dividend has been resolved at 17.00 yen per share, in accordance with the planned dividend amount announced on August 12, 2020, considering the performance trends, performance forecasts, and financial position.

We have made no change to the year-end dividend forecast of 17.00 yen per share announced on August 12, 2020. Please note that the year-end dividend forecast was determined on the assumption that the aforementioned consolidated business forecast will be achieved, and the actual business performance may vary from that forecast due to a variety of factors arising in the future. If it becomes necessary to revise the consolidated business forecast, it may also be necessary to revise this dividend forecast.

*** Policy on Appropriation of Profit**

The distribution of earnings to shareholders is a top management priority for the Company. By achieving growth in earnings, the Company aims to steadily and continuously increase our dividend payments. Specifically, the Company strives to ensure a consolidated dividend payout ratio of more than 30% while giving overall consideration to ensuring investment capital for maximizing business results and mid- to long-term shareholder value and maintaining financial footing for supporting investment for growth. The Company also aims to maintain a stable dividend based on a DOE (dividend on equity) ratio, even when business results deteriorate due to temporary factors.

	Dividends per Share				
	June 30	September 30	December 31	End of Period	Total
	Yen	Yen	Yen	Yen	Yen
For year ended March 31, 2020	—	17.00	—	17.00	34.00
For year ending March 31, 2021	—	17.00			
For year ending March 31, 2021 (forecast)			—	17.00	34.00

(Note) Adjustment on dividend forecast in this quarter: No