

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.
The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Securities Code: 6482
June 8, 2015

Dear Shareholders,

**Notice of Convocation for
the 42nd Ordinary General Meeting of Shareholders**

Notice is hereby given that the 42nd Ordinary General Meeting of Shareholders of Yushin Precision Equipment Co., Ltd. will be held as set out below:

If you do not expect to attend the meeting in person, you may exercise your voting rights in writing. Please refer to the enclosed Reference Documents for the General Meeting of Shareholders, use the Form for Exercising Voting Rights to indicate your vote on agenda proposals and return it by 5 p.m. on Monday, June 22, 2015 at the latest.

Details

1. **Date and Time:** Tuesday, June 23, 2015 at 10 a.m.
2. **Place:** 4th Floor Conference Room, No. 2 Factory
Head Office of Yushin Precision Equipment Co., Ltd.
11-260 Kogahonmachi, Fushimi-ku, Kyoto
3. **Objectives of the Meeting:**
Matters to be reported:
 - a) Business Report and Consolidated Financial Statements for the 42nd Fiscal Year (from April 1, 2014 to March 31, 2015) as well as the audit reports from the Independent Auditor and the Board of Corporate Auditors on the Consolidated Financial Statements
 - b) Report on the Non-Consolidated Financial Statements for the 42nd Fiscal Year (from April 1, 2014 to March 31, 2015)

Agenda for resolution:

- Proposal:** Partial Amendments to the Articles of Association
Proposal: Election of Six (6) Directors
Proposal: Election of One (1) Corporate Auditor

Sincerely Yours,

Mayumi Kotani
President and Representative Director
Yushin Precision Equipment Co., Ltd.
11-260 Kogahonmachi, Fushimi-ku,
Kyoto, Japan

Notes:

- * You are kindly requested to present the enclosed "Form for Exercising Voting Rights" to the receptionist upon your arrival at the Meeting.
- * If any changes have been made to the matters appearing in the Reference Documents for the General Meeting of Shareholders, Business Report, Non-Consolidated Financial Statements or Consolidated Financial Statements, such changes will be posted on our website: (<http://www.yushin.com>)

Business Report

(From April 1, 2014 to March 31, 2015)

1. Current Business Conditions of the Yushin Group**(1) Progress and achievements**

In this fiscal year, although the economy of the United States was strong, European economy struggled and the economic growth of Asian countries including China slowed down. And there was some expansion in unstable political situations in some countries and areas. Regarding the industries relating to Yushin Group, demands on the industry of automotive and IT devices such as smartphones have kept strong. And there were some improvements of the investment for the equipment in Japan following strong overseas.

In these circumstances, Yushin Group maintained favorable sales of take-out robots which contribute a labor-saving in the back ground of raise of labor costs in Asian countries. On the other hand, sales of custom-ordered equipment fell below the plan because the delivery was delayed until following fiscal year. Yushin group absorbed increase of material costs arisen from a weak yen by a continuous cost reducing activities, but increases of labor costs and some expenses caused cost of goods sold increased. As the result, consolidated net sales decreased by 0.6% year on year to 17,799 million yen. Operating income decreased by 17.5% year on year to 2,304 million yen, ordinary income decreased by 17.8% year on year to 2,542 million yen, and net income decreased by 11.1% year on year to 1,683 million yen.

Consolidated net sales by product category

(Thousands of yen)

Years ended March 31,	2014		2015		Change
Product	Amount	%	Amount	%	%
Take-out robots	12,736,206	71.1	13,092,125	73.5	2.8
Custom-ordered equipment	2,626,046	14.7	1,794,951	10.1	(31.6)
Parts and maintenance services	2,547,039	14.2	2,911,943	16.4	14.3
Total	17,909,292	100.0	17,799,020	100.0	(0.6)

(2) Capital investment

The total amount of capital investment for the Yushin Group effectuated over the course of the period under review was 682 million yen mainly for the capital investment related to R&D valued at 253 million yen, acquisition of the second factory at Yushin Korea Co., Ltd. at 180 million yen and building expansion at Yushin America, Inc. at 145 million yen.

(3) Financing activities

No material items to report.

(4) Assets and operating results 2012 - 2015

Years ended March 31,	2012	2013	2014	2015
Net sales (thousands of yen)	14,240,008	14,721,643	17,909,292	17,799,020
Ordinary income (thousands of yen)	1,265,740	1,746,573	3,095,258	2,542,871
Net income (thousands of yen)	778,283	1,114,801	1,893,027	1,683,479
Net income per share (yen)	44.50	63.74	108.24	96.26
Total assets (thousands of yen)	22,641,673	23,744,465	26,252,009	29,463,773
Net assets (thousands of yen)	18,787,344	19,865,622	21,875,926	23,970,142
Net assets per share (yen)	1,072.24	1,131.63	1,243.88	1,357.36

Notes: The net income per share is calculated based on the average number of issued shares during the fiscal year and the net assets per share are calculated based on the number of issued shares at the end of the fiscal year.

(5) Issues to be addressed

As for the business environment surrounding the Yushin Group, the economic recovery and the return of manufacturing from overseas are expected in Japan. As for the overseas, the economic growth in some emerging countries is expected to slow down, although the economy of the United States is expected to remain strong.

Under these circumstances, Yushin Group aims to develop itself further as a number-one company across the board in the “take-out robot” industry with Yushin philosophy “To contribute widely to society through the creation of innovative technology that enables customers to rationalize their production activities in plastic molding industry”.

As for company strategy, Yushin strengthens and conducts business even more aggressively in the global market, and work on developing superior cost-effective products with its quality and performance to meet our customer needs. And Yushin will also attract new customer for the take-out robots while promoting receiving orders for custom-ordered equipment. Furthermore, Yushin will expand earnings by increasing sales of medical related area and sales of overseas subsidiaries, as well as a continuous cost reducing activities.

As for market strategy, Yushin has developed a sales and service network for take-out robots in the U.S, Asia, and Europe. Yushin will continuously expand and strengthen the network in areas where business is expected to grow, including South East Asia and Latin America, to develop a global business that can adequately respond to worldwide customer purchases. Especially, Yushin aims to develop new customers in emerging countries where labor costs are highly rising and develop world-class human resources who can sustain for expanding our presence around the world. And Yushin maximally utilize the production and development capacity of Technical center opened in 2013 to respond to the sales increase in medical-related and electric devise-related area.

As for product strategy, Yushin developed a new take-out robot utilizing optimum design technology in 2010. This technology has been applied hereafter to general purpose take-out robot. It is the technology which can largely contribute to power-saving by reducing weight and power consumption. Yushin will continuously offer this definitely-differentiated product by appealing the performance superiority such as high-speed motion, vibration suppression and power-saving. In order to establish multiple core businesses, Yushin must develop and bring new products that can manifest technological and/or sales synergies in the medical-related and electric device-related area to the market.

(6) Status of Major subsidiaries

Name	Location	Capital stock	Percentage of shareholding	Major operations
Yushin Korea Co., Ltd.	Siheung-Shi, Gyeonggi-Do, South Korea	KRW350 million	100%	Sales and maintenance & repair of our products
Yushin Precision Equipment (Taiwan) Co., Ltd.	Taipei City, Taiwan (R.O.C.)	NT\$5 million	100%	Sales and maintenance & repair of our products
Yushin Precision Equipment Trading (Shanghai) Co., Ltd.	Shanghai, China	US\$200,000	100%	Sales and maintenance & repair of our products
Yushin Precision Equipment Trading (Shenzhen) Co., Ltd.	Shenzhen, Guangdong, China	US\$400,000	100%	Sales and maintenance & repair of our products
PT. Yushin Precision Equipment Indonesia	Jakarta, Indonesia	IDR2,841million	99%	Sales and maintenance & repair of our products
Yushin Precision Equipment (Vietnam) Co., Ltd.	Hanoi, Vietnam	US\$300,000	100%	Sales and maintenance & repair of our products
Yushin Precision Equipment Sdn. Bhd.	Selangor, Malaysia	MYR500,000	100%	Sales and maintenance & repair of our products
Yushin Precision Equipment (Thailand) Co., Ltd.	Bangkok, Thailand	THB6 million	49%	Sales and maintenance & repair of our products
Yushin Precision Equipment (India) Pvt. Ltd.	Chennai, India	INR7.4 million	95%	Sales and maintenance & repair of our products
Yushin Automation Ltd.	Worcestershire, U.K.	GBP150,000	95.6%	Sales and maintenance & repair of our products
Yushin America, Inc.	Rhode Island, U.S.A.	US\$8,000	100%	Sales and maintenance & repair of our products. Manufacturing & sales and maintenance & repair of custom-ordered equipments
Guangzhou Yushin Precision Equipment Co., Ltd.	Guangzhou, Guangdong, China	RMB13.7million	100%	Manufacturing of our products

(7) Major operations (as of March 31, 2015)

The Yushin Group is mainly engaged in the development, manufacture and sale of take-out robots for plastic injection Molding products and stock systems as well as factory automation systems for molding plants.

(8) Main sales offices and factories (as of March 31, 2015)

Name	Location
Kyoto Head Office & Factory No. 1, No. 2, No. 3, No. 5, No. 6 Factory at the Head site	Fushimi-ku, Kyoto-city
Technical Center	Minami-ku, Kyoto-city
Tokyo General Sales Office	Chuo-ku, Tokyo
Kita-Kanto General Sales Office	Kita-ku, Saitama-city
Chubu General Sales Office	Toyokawa-city, Aichi
Nishi-Nihon General Sales Office	Fushimi-ku, Kyoto-city
Tohoku Sales Office	Fukushima-city, Fukushima
Tsukuba Sales Office	Tsukuba-city, Ibaraki
Nishi-Kanto Sales Office	Atsugi-city, Kanagawa
Nagano Sales Office	Shiojiri-city, Nagano
Shizuoka Sales Office	Suruga-ku, Shizuoka-city
Nagoya-Nishi Sales Office	Kuwana-city, Mie
Toyama Sales Office	Toyama-city, Toyama
Hiroshima Sales Office	Nishi-ku, Hiroshima-city
Fukuoka Sales Office	Hakata-ku, Fukuoka-city
Ho Chi Minh Representative Office	Ho Chi Minh, Vietnam
Philippines Representative Office	Makati-city, Philippines

Note: Ho Chi Minh Representative Office is in process of closing.

(9) Employees (as of March 31, 2015)

Number of employees	Increase from the end of previous FY
601 (59)	12

Note: The number of employees represents full-timers (including seconded employees to the Company) only. Part-timers and other irregular employees are represented separately as their average annual number indicated in parentheses ().

(10) Major creditors (as of March 31, 2015)

No items to report.

(11) Other important matters pertaining to the status of the Yushin Group

No material items to report.

2. Matters Pertaining to the Shares of the Company (as of March 31, 2015)

- (1) Number of shares authorized: 40,000,000
- (2) Total number of issued shares: 17,819,033
- (3) Number of shareholders: 4,191
- (4) Major shareholders:

Name	Investment in the Company	
	Number of shares held (thousand)	Percentage of shares held (%)
Yushin Industry Co., Ltd.	4,376	25.0
Mayumi Kotani	2,162	12.4
BNP Paribas Sec Services Luxembourg, Jasdec, Aberdeen Global Client Assets	1,217	7.0
The Nomura Trust and Banking Co., Ltd. (Trust Account 3071019)	774	4.4
The Master Trust Bank of Japan, Ltd. (Retail Trust Account 620021158)	774	4.4
Japan Trustee Service Bank, Ltd. (Trust Accounts)	617	3.5
The Kyoto Chuo Shinkin Bank, Ltd.	544	3.1
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	424	2.4
The Bank of Kyoto, Ltd.	352	2.0
Japan Trustee Service Bank, Ltd. (Retirement Benefit Trust Account for Sumitomo Mitsui Banking Co.)	342	2.0

Note: Percentage of shares held is calculated after deducting the number of treasury stock (330,904 shares).

3. Matters Pertaining to Officers of the Company

(1) Directors and Corporate Auditors (as of March 31, 2015)

Position	Name	Responsibilities and representation of other organization
President and Representative Director	Mayumi Kotani	
Executive Managing Director	Satoshi Kimura	
Managing Director	Yasuharu Odachi	Head of Research & Development H.Q.
Managing Director	Yasushi Kitagawa	Head of Manufacturing Dept. and Head of Quality Assurance Dept.
Director	Yuji Tsujimoto	Head of Administrative H.Q. and Head of General Affairs Dept.
Director	Yasuo Nishiguchi	Chairman & CEO at Socionext Inc. Director at NAGASE CO., LTD. Director at Zensho Holdings Co., Ltd.
Director	Hiroshi Matsuhisa	Professor emeritus at Kyoto University
Full-time Corporate Auditor	Shujiro Sawada	
Corporate Auditor	Yasuhiro Orita	Lawyer
Corporate Auditor	Takao Yoshikawa	Professor emeritus at Osaka University
Corporate Auditor	Hiroho Kamakura	Certified Public Accountant Corporate Auditor at Trusco Nakayama Corporation Corporate Auditor at Fujio Food System Co., Ltd.

Notes:

- Directors Yasuo Nishiguchi and Hiroshi Matsuhisa are outside directors stipulated in Item 2, Article 15 of the Companies Act.
- The following describes the activities of the outside directors during the period under review.

Director, Yasuo Nishiguchi

In the period under review, Yasuo Nishiguchi attended all of 9 Meetings of Board of Directors held since he assumed an outside director on June 26, 2014. At the Board of Directors' Meetings, from his wide knowledge and experience across the running a company which he had cultivated through holding ministerial posts such as President and Representative Director at Kyocera Corporation, he asked pertinent questions to clarify ambiguities that arose with respect to matters reported or matters resolved, and provided opinions. Mr. Yasuo Nishiguchi is a chairman and CEO at Socionext Inc. He is also an outside director at NAGASE & CO., LTD. and Zensho Holdings Co., Ltd. There is no special relationship between the Company and Socionext Inc., NAGASE & CO., LTD. and Zensho Holdings Co., Ltd.

Director, Hiroshi Matsuhisa

In the period under review, Hiroshi Matsuhisa attended all of 9 Meetings of Board of Directors held since he assumed an outside director on June 26, 2014. At the Board of Directors' Meetings, from his academic prospective, he asked pertinent questions to clarify ambiguities that arose with respect to matters reported or matters resolved, and provided opinions. He is also a professor emeritus at Kyoto University. There is no special relationship between the Company and Kyoto University.
- Corporate Auditors Yasuhiro Orita, Takao Yoshikawa and Hiroho Kamakura are outside corporate auditors stipulated in Item 2, Article 16 of the Companies Act.
- The following describes the activities of the outside corporate auditors during the period under review.

Corporate Auditor, Yasuhiro Orita

In the period under review, Yasuhiro Orita attended 10 of 12 Meetings of Board of Directors and all of 5 Meetings of the Board of Auditors. At the Board of Directors' Meetings, from his background as a legal specialist and practitioner he asked pertinent questions to clarify ambiguities that arose with respect to matters reported or matters resolved, and provided opinions. Additionally, at the Meetings of the Board of Auditors, he perused the reports of the internal auditing results, exchanged opinions concerning auditing, and participated in joint discussions on important matters. In addition to receiving the Independent Auditor's detailed report on regular basis, he also regularly exchanged opinions with top management.

Corporate Auditor, Takao Yoshikawa

In the period under review, Takao Yoshikawa attended 11 of 12 Meetings of Board of Directors and 4 of 5 Meetings of the Board of Auditors. At the Board of Directors' Meetings, from his background as an academic he asked pertinent

questions to clarify ambiguities that arose with respect to matters reported or matters resolved, and provided opinions. Additionally, at the Meeting of the Board of Auditors, he perused the reports of the internal auditing results, exchanged opinions concerning auditing, and participated in joint discussions on important matters. In addition to receiving the Independent Auditor's detailed report on regular basis, he also regularly exchanged opinions with top management. He is also a professor emeritus at Osaka University. There is no special relationship between the Company and Osaka University.

Corporate Auditor, Hiroho Kamakura

In the period under review, Hiroho Kamakura attended 10 of 12 Meetings of Board of Directors and all of 5 Meetings of the Board of Auditors. He is a Certified Public Accountant and has specialist knowledge in finance and accounting. At the Board of Directors' Meetings, from his background as a CPA he asked pertinent questions to clarify ambiguities that arose with respect to matters reported or matters resolved, and provided opinions. Additionally, at the Meeting of the Board of Auditors, he perused the reports of the internal auditing results, exchanged opinions concerning auditing, and participated in joint discussions on important matters. In addition to receiving the Independent Auditor's detailed report on regular basis, he also regularly exchanged opinions with top management. He is also the Corporate Auditor at Trusco Nakayama Corporation and at Fujio Food System Co., Ltd. There is no special relationship between the Company and Trusco Nakayama Corporation and Fujio Food System Co., Ltd.

5. Change of Directors and Corporate Auditors during the period under review
At the 41st Ordinary General Meeting of Shareholders held on June 26th, 2014, Yasuo Nishiguchi and Hiroshi Matsuhisa were newly elected as directors and assumed.
6. The Company has designated corporate auditor Takao Yoshikawa as an independent corporate officer as prescribed by the Tokyo Stock Exchange and submitted notices to this effect to the exchange.

(2) Total remuneration and other payments made to Directors and Corporate Auditors

(Thousands of yen)

Classification	Number of Directors/ Corporate Auditors	Total amount
Directors	7	178,560
Corporate Auditors	4	20,400
Total	11	198,960

Notes:

1. The 35th Ordinary General Meeting of Shareholders held on June 27, 2008 resolved to set the upper limit of the total remuneration for all Directors at 300,000 thousand yen per year and the upper limit of the total remuneration for all Auditors at 50,000 thousand yen per year.
There are currently no directors who have concurrent employment positions.
2. Total remuneration amounts provided above include the following amount in addition to fixed monthly compensation amounts.
- Provision for bonuses to Directors and Corporate Auditors: 30,750 thousand yen
3. With respect to the liability for retirement benefits to Directors and Corporate Auditors, the plan for retirement benefits for Directors and Corporate Auditors was terminated at the 33rd Ordinary General Meeting of Shareholders held on June 29, 2006, and no additional provision has been recorded since then. Therefore, the balance as of March 31, 2015 (66,780 thousand yen) is provided in proportion to the term that present Directors and Corporate Auditors had been in their respective positions before June 2006.
4. The total amount of remuneration for the 2 outside directors is 8,100 thousand yen.
5. The total amount of remuneration for the 3 outside corporate auditors is 8,400 thousand yen.

4. Matters Pertaining to Independent Auditors

(1) **Name of Independent Auditors:** Deloitte Touche Tohmatsu LLC

(2) **Amount of compensation and other payments for the Independent Auditors**

(Thousands of yen)

Item	Total payment
The amount of compensation and other payments payable to the Independent Auditors for the reporting year	31,200
Total amount of monetary and other property benefits payable by the Company and its subsidiaries	34,625

Note: In the audit contract between the Company and the Independent Auditor, audit fees pursuant to the Companies Act and those pursuant to the Financial Instruments and Exchange Act are not clearly separated and this separation is practically impossible. Therefore, the amount of compensation and other payments to the Independent Auditor is represented as the total payment.

(3) **Non-audit services**

Advice and guidance on international operations.

(4) **Policy for making decisions regarding the dismissal or non-reappointment of Independent Auditor**

The Board of Directors will include the dismissal or non-reappointment of the Independent Auditor in the agenda of the General Meeting of Shareholders, should the execution of the Independent Auditor's duties be impeded or its dismissal or non-reappointment is deemed necessary by the Board of Directors, with the consent of the Board of Corporate Auditors, or in the event of a request by the same.

The Board of Corporate Auditors will dismiss the Independent Auditor should it determine that same corresponds to the provisions in each item of Paragraph 1, Article 340 of the Companies Act, with the agreement of all the members of the Board of Corporate Auditors. In such a case, an auditor appointed by the Board of Corporate Auditors will report the fact of and the reason for the dismissal of the Independent Auditor to the first General Meeting of Shareholders called after the dismissal.

(5) **Overview of limited liability contract**

The Company has entered into a contract with Deloitte Touche Tohmatsu LLC, the Independent Auditor, based on Paragraph 1, Article 427 of the Companies Act limiting the liability of same as specified in Paragraph 1, Article 423 of the Act. The upper limit provided in the limited liability contract is the minimum limited amount stipulated by laws and regulations.

5. Matters Pertaining to the Development of Systems to Ensure a Properness of Operations

The following is an overview of the development of a system to ensure that the execution of duties by Directors conforms to laws and regulations and the Articles of Association as well as other systems that ensure the properness of operations of the Company.

a. System to ensure that the execution of duties of Directors and employees conforms to laws and regulations and the Articles of Association

The Company has established a code of conduct so that all employees comply with laws and regulations and accepted social guidelines for behavior by attending the morning meeting at each department. In addition, there is a system for handling matters involving compliance at meetings of the Board of Directors, Board of Corporate Auditors and Executive Meeting. Measures to improve internal controls involve the Committee of internal control and audits of business operations by the Internal Auditing Department.

b. System for the preservation and management of information regarding the execution of duties by Directors

Documents and other information concerning the execution of duties by Directors are properly stored and managed in accordance with the importance of each item as prescribed in Documents Management Regulations. Directors and Corporate Auditors can view these documents and other information as required.

c. Regulations and other systems for the management of the risk of loss

For compliance, environmental protection, responses to disasters, information security, export management and other items, the department responsible for risk management for each item prepares rules and manuals and conducts training programs. The system for confirming safe conditions of all the members of the Company is introduced to take control safety information quickly during an emergency. The Board of Directors and Executive Meeting receive information about these activities in a timely manner. There is a framework under the supervision of the President and Representative Director for taking quick and appropriate actions to avoid problems or reduce the likelihood that they will occur.

d. System to ensure efficiency in the execution of duties by Directors

Directors' meeting is held once a week and the Board of Directors meets once each month in principle. The Board of Directors aims to conduct highly transparent management. Duties include reaching decisions about important matters and managing and supervising the execution of business operations by Directors. To improve the efficiency of the Company's management, the Board of Directors thoroughly examines important matters associated with all aspects of management. For the execution of business operations, annual budgets are established based on the business climate and targets for the entire company are established. Each department is responsible for determining and executing specific measures needed to achieve those targets.

e. System to ensure a properness of operations in the business group comprised of the Company and its subsidiaries

The Yushin Group uses close cooperation among group companies and measures to strengthen management systems for the purpose of ensuring proper corporate governance, compliance and financial reports for the entire group. The oversight and management of the entire group is performed in accordance with Subsidiary Management Regulations.

f. Matters concerning a system for employees in cases where Corporate Auditors issue requests for the assignment of said employees to assist them with their duties as well as concerning the independence of said employees from Directors

There are currently no employees who assist Corporate Auditors. However, the Corporate Auditors can ask employees of the Internal Auditing Department to perform auditing tasks as required. In addition, employees who receive the required order from the Corporate Auditor to perform auditing tasks will no longer be subject to instructions or orders from Directors and managers of the Internal Auditing Department.

g. System for reporting to Corporate Auditors by Directors and employees and other systems concerning reports to Corporate Auditors

Corporate Auditors attend important meetings and receive reports as needed to monitor the status of business operations. Directors and employees must promptly submit to the Corporate Auditors reports concerning legally required matters as well as reports about other items that can have a significant effect on the Company or the Group.

h. Other systems to ensure effective audits by Corporate Auditors

The Board of Corporate Auditors holds separate meetings on a regular basis to exchange information with the President and Representative Director and with the Independent Auditor. The Board of Corporate Auditors also works closely with the Internal Auditing Department.

6. Policy Concerning Decisions on the Dividends of Surplus

The Yushin Group manages its businesses considering the return of profits to shareholders as one of its important managerial issues.

To that effect, it is the basic policy of the Company to proactively return profits to shareholders by maintaining a stable operational base, improving its ROE and effectuating dividends based on the performance results of each respective fiscal year. Specifically, the Company has a target at the realization of 30% and more of dividend payout ratio to consolidated net income.

For this fiscal year, a full-year dividend is 30 yen per share, comprising an interim dividend of 10 yen per share and a year-end dividend of 20 yen per share.

Consolidated Balance Sheets

(As of March 31, 2015)

(Thousands of yen)

Account	Amount	Account	Amount
ASSETS		LIABILITIES	
Current assets	20,373,958	Current liabilities	5,072,311
Cash and deposits	9,134,653	Notes and accounts payable - trade	2,363,099
Notes and accounts receivable - trade	5,848,881	Accounts payable - other	526,107
Merchandise and finished goods	1,111,488	Accrued expenses	108,351
Work in process	1,010,085	Income taxes payable	265,529
Raw materials and supplies	2,237,352	Advances received	1,282,839
Prepaid expenses	113,374	Provision for bonuses	235,000
Deferred tax assets	602,050	Provision for directors' bonuses	30,750
Other	342,022	Provision for product warranties	179,131
Allowance for doubtful accounts	(25,952)	Deferred tax liabilities	3,247
Non-current assets	9,089,814	Other	78,255
Property, plant and equipment	8,094,840	Long-term liabilities	421,319
Buildings	1,630,069	Provision for directors' retirement benefits	66,780
Structures	95,747	Net defined benefit liability	38,729
Machinery and equipment	50,640	Deferred benefit liabilities	237,922
Vehicles	48,658	Other	77,887
Tools, furniture and fixtures	282,911	Total liabilities	5,493,630
Land	5,807,868	NET ASSETS	
Leased assets	17,497	Shareholders' equity	22,863,228
Construction in progress	161,447	Capital stock	1,985,666
Intangible assets	161,853	Capital surplus	2,023,903
Telephone subscription right	11,430	Retained earnings	19,205,664
Software	63,856	Treasury stock	(352,005)
Others	86,566	Total accumulated other comprehensive income	874,520
Investments and other assets	833,120	Valuation difference on available-for-sale securities	107,003
Investment securities	294,879	Foreign currency translation adjustments	658,809
Net defined benefit asset	346,848	Remeasurements of defined benefit plans	108,707
Deferred tax assets	11,393	Minority interests	232,393
Other	180,441	Total net assets	23,970,142
Allowance for doubtful accounts	(443)	Total liabilities and net assets	29,463,773
Total assets	29,463,773		

Consolidated Statements of Income

(From April 1, 2014 to March 31, 2015)

(Thousands of yen)

Account	Amount
Net sales	17,799,020
Cost of sales	10,521,425
Gross profit	7,277,594
Selling, general and administrative expenses	4,973,317
Operating income	2,304,276
Non-operating income	242,943
Interest and dividends income	25,985
Purchase discounts	12,855
Foreign exchange gains	183,867
Other	20,234
Non-operating expenses	4,348
Sales discounts	1,041
Other	3,306
Ordinary income	2,542,871
Extraordinary income	23,682
Gain on sales of non-current assets	4,554
Gain on sales of investment securities	19,127
Extraordinary loss	227
Loss on sales and retirement of non-current assets	227
Income before income taxes and minority interests	2,566,325
Income taxes - current	863,340
Income taxes - deferred	(52,068)
Income before minority interests	1,755,053
Minority interests in income	71,573
Net income	1,683,479

Consolidated Statements of Changes in Net Assets

(From April 1, 2014 to March 31, 2015)

(Thousands of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2014	1,985,666	2,023,903	17,758,839	(350,265)	21,418,143
Cumulative effects of changes in accounting policies			91,858		91,858
Restated balance	1,985,666	2,023,903	17,850,697	(350,265)	21,510,001
Changes in the current period					
Dividends of surplus			(524,661)		(524,661)
Net income			1,683,479		1,683,479
Acquisition of treasury stock				(1,740)	(1,740)
Increase (decrease) accompanying unification of financial reporting date of consolidated subsidiaries			196,148		196,148
Changes in items other than shareholders' equity, net					
Total changes in the current period	-	-	1,354,967	(1,740)	1,353,226
Balance as of March 31, 2015	1,985,666	2,023,903	19,205,664	(352,005)	22,863,228

	Total accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance as of April 1, 2014	53,416	242,279	40,105	335,801	121,980	21,875,926
Cumulative effects of changes in accounting policies						91,858
Restated balance	53,416	242,279	40,105	335,801	121,980	21,967,784
Changes in the current period						
Dividends of surplus						(524,661)
Net income						1,683,479
Acquisition of treasury stock						(1,740)
Increase (decrease) accompanying unification of financial reporting date of consolidated subsidiaries						196,148
Changes in items other than shareholders' equity, net	53,586	416,529	68,602	538,718	110,412	649,131
Total changes in the current period	53,586	416,529	68,602	538,718	110,412	2,002,358
Balance as of March 31, 2015	107,003	658,809	108,707	874,520	232,393	23,970,142

1. Basis of Preparing Consolidated Financial Statements

(1) Scope of consolidation

All 12 subsidiaries of the Company, provided below, fall within the scope of consolidation.

List of Subsidiaries
Yushin America, Inc.
Yushin Korea Co., Ltd.
Yushin Precision Equipment Sdn. Bhd.
Yushin Precision Equipment (Taiwan) Co., Ltd.
Yushin Precision Equipment (Thailand) Co., Ltd.
Yushin Automation, Ltd.
Yushin Precision Equipment Trading (Shenzhen) Co., Ltd.
Yushin Precision Equipment Trading (Shanghai) Co., Ltd.
Yushin Precision Equipment (India) Pvt. Ltd.
Guangzhou Yushin Precision Equipment Co., Ltd.
PT. Yushin Precision Equipment Indonesia
Yushin Precision Equipment (Vietnam) Co., Ltd.

(2) Application of the equity method

There is no non-consolidated subsidiary or affiliate company.

(3) Fiscal year of subsidiaries

The date of closing accounting period for Yushin America, Inc. and all other consolidated subsidiaries was December 31st of the year until last fiscal year of the Group. Subsidiaries' financial statements as of the closing date were used in preparation of the consolidated financial statements and adjustments considered necessary for consolidation were made in accordance with Japanese standards. In order to provide more appropriate information on the disclosure of consolidated financial statements, the Group altered the way of disclosure on the consolidated financial statements based on a unified financial reporting date. All subsidiaries prepare provisional settlements of account as of March 31st and those financial statements are taken into the consolidated financial statements from the beginning of this fiscal year.

Profit and loss of all subsidiaries between January 1st, 2014 and March 31st, 2014 were directly recognized in "Retained earnings" of the consolidated financial statements.

(4) Accounting policies

a. Valuation of important assets

- i) Securities
Available-for-sale securities classified as other securities
 - Securities with available fair market values are reported at fair value on the consolidated account closing date
(Unrealized gains or losses, net of applicable taxes, reported in a separate component of equity. The cost of securities sold is principally determined by the moving average method)
- ii) Inventories
 - Merchandise and finished goods, Work-in-process
Principally carried at cost determined by the identified cost method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins)
 - Raw materials
Principally carried at cost determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins)
 - Supplies
Carried by the last purchase price method

b. Depreciation

- i) Property, plant and equipment (excluding leased assets): Principally computed by the declining balance method
The range of useful lives for major assets is as follows:

Buildings:	13 - 40 years
Machinery and equipment:	5 - 12 years
- ii) Intangible assets (excluding leased assets)
 - Software used internally: Straight-line method based on the expected useful lives
 - Other intangible assets: Straight-line method
- iii) Leased assets: For leased assets under non-ownership transfer finance lease transactions, the Company applies a straight-line method with the lease period as useful life and the residual value as 0.

c. Estimation on important allowance and reserves

- i) Allowance for doubtful accounts:
To provide for possible bad debt losses, the amount deemed unrecoverable is accounted using the loan loss ratio based on past experience for general claims and by examining the possibility of recovery on an individual basis for specific claims with default possibility.
- ii) Provision for bonuses:
In order to allocate the payment of employees' bonuses, the Company provides the amount subject to the fiscal year under review among the total estimated amount to be paid as employees' bonuses.
- iii) Provision for directors' bonuses:
The Company provides the projected payment amount to be allocated for the payment of bonuses to directors and corporate auditors.
- iv) Provision for product warranties:
To provide for expenses incurred for free repairs related to product sales, an amount is accounted based on historical experience.
- v) Provision for directors' retirement benefits:
The Company provides the estimated amount of retirement benefits to directors and corporate auditors which would be required if all directors and corporate auditors retired at the balance sheet date according to internal regulations. This plan was terminated on June 29, 2006 and no additional provision has been recorded since then. Therefore, the balance as of March 31, 2014 is provided in proportion to the term that present directors had been in their respective positions before June 2006.

d. Other significant matter for the preparation of Consolidated Financial Statements

i) Employees' retirement benefits

To provide for employees' retirement benefits, based on the projected benefit obligations at year-end and the pension asset balance, the amount of pension assets surplus to projected benefit obligations is recorded in the "Other" field under "Investments and other assets". The net actuarial loss or gain is subject to amortization from the next fiscal year of the recognition thereof onward in an amount pro-rated by the straight-line method based on the average remaining employee service period (10 to 16 years) at the time of the recognition of net actuarial loss or gain in each fiscal year.

ii) Accounting for Consumption tax and local consumption tax

Consumption tax and local consumption tax are accounted for using the tax excluded method.

2. Changing in accounting policies

(Adoption of Accounting Standard for Retirement Benefits)

Yushin has adopted the Accounting Standard for Retirement Benefits (ASBJ Statement No.26 issued on May 17, 2012; hereinafter, the "Accounting Standard for Retirement Benefits") and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25 issued on March 26, 2015; hereinafter, the "Guidance on Accounting Standard for Retirement Benefits") in accordance with Article 35 of the Accounting Standard for Retirement Benefits and Article 67 of the Guidance on Accounting Standard for Retirement Benefits from the current consolidated fiscal year under review. Yushin reviewed the calculation methods of retirement benefit obligations and service costs, and changed the method of attributing all contributions over all periods to periods of service based on the benefit formula instead of on a straight-line basis, as well as the method of determining a discount rate from the use of a discount rate based on the number of years similar to that of the average remaining service period of employees to the use of a single weighted average discount rate that reflects the estimated payment period of retirement benefits and the amount per that period.

Yushin adopted these accounting standard and guidance in accordance with the transitional treatment specified in Article 37 of the Accounting Standard for Retirement Benefits. Amounts occurred due to such changes in calculation methods are recognized by adding to or deducting from retained earnings at the beginning of current consolidated fiscal year under review.

As a result, Net defined benefit asset on the consolidated balance sheet was increased by 142,415 thousand yen and Retained earnings was increased by 91,858 thousand yen at the beginning of current consolidated fiscal year under review. The impact of the above changes to for the current consolidated fiscal year under review is immaterial.

Also noted that the effect on Net assets per share increased by 5.25 yen.

3. Changes in presentation

(Consolidated Balance Sheet)

"Deferred Tax Liabilities", which was included in "Other" until the previous fiscal year, is presented separately from the fiscal year under review, because its materiality increased. "Deferred Tax Liabilities" in the previous fiscal year was 93,145 thousand yen.

4. Notes to Consolidated Balance Sheet

Accumulated depreciation of property, plant and equipment:

4,109,392 thousand yen

5. Notes to Consolidated Statement of Changes in Net Assets**(1) Total number of issued shares**

Class of shares	Number of shares at the beginning of current FY	Number of increased shares of current FY	Number of decreased shares of current FY	Number of shares at the end of current FY
Common stock	17,819,033	-	-	17,819,033

(2) Number of treasury stock

Class of shares	Number of shares at the beginning of current FY	Number of increased shares of current FY	Number of decreased shares of current FY	Number of shares at the end of current FY
Common stock	330,197	707	-	330,904

Note: The increase in the number of shares of treasury stock (707 shares) is due to the purchase of shares of less than one unit.

(3) Dividends of surplus**a. Payment of dividends**

Resolution	Class of shares	Total dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
The Board of Directors' Meeting on May 9, 2014	Common stock	349,776	20	March 31, 2014	June 12, 2014
The Board of Directors' Meeting on November 6, 2014	Common stock	174,884	10	September 30, 2014	December 1, 2014

b. Dividends whose record date falls within this consolidated fiscal year but comes into effect in the next consolidated fiscal year

Resolution	Class of shares	Total dividend (Thousands of yen)	Dividend funds	Dividend per share (Yen)	Record date	Effective date
The Board of Directors' Meeting on May 11, 2015	Common stock	349,762	Retained earnings	20	March 31, 2015	June 9, 2015

6. Notes to Financial Instruments

(1) Conditions of financial instruments

a. Management policy

The Yushin Group has a policy of limiting investments of unused funds to short-term time deposits, certificates of deposits and similar instruments and never using these funds for speculation. Internal resources are used to meet all working capital requirements. Derivative instruments may be used to hedge exposure to foreign exchange rate risk but will never be used for speculation.

b. Details of financial instruments and their risks

Operating receivables consisting of Notes and accounts receivable - trade are generally exposed to the credit risk of customers, while foreign currency denominated operating receivables at foreign operations are exposed also to the foreign exchange risk.

Investment securities are available-for-sale securities and are exposed to risk associated with market price volatility.

Operating debt consisting of Notes and accounts payable - trade is largely due four months or less. Accounts payable – other and Income taxes payable are due one year or less.

c. Risk management system for financial instruments

Payment dates and balances of outstanding are supervised for each customer based on rules for the management of trade receivables and credit. In addition, there is a system for monitoring the financial soundness of customers.

For Investment securities, there are measures to periodically monitor the fair values of these securities and the financial soundness of issuers of these securities.

(2) Fair value of financial instruments

The carrying value on the consolidated balance sheets, fair value, and their differences as of March 31, 2015 are shown as follows.

		Carrying value (thousands of yen)	Fair value (thousands of yen)	Differences (thousands of yen)
(1)	Cash and time deposits	9,134,653	9,134,653	-
(2)	Notes and accounts receivable - trade	5,848,881	5,848,881	-
(3)	Investment securities			
	Other securities	294,879	294,879	-
	Assets total	15,278,415	15,278,415	-
(1)	Notes and accounts payable - trade	2,363,099	2,363,099	-
(2)	Accounts payable - other	526,107	526,107	-
(3)	Income taxes payable	265,529	265,529	-
	Liabilities total	3,154,735	3,154,735	-

(Note) Matters concerning determination of fair value of financial instruments and marketable securities.

(Assets)

1. Cash and time deposits and (2) Notes and accounts receivable - trade.

Fair value of the above financial instruments is deemed to be equal to their carrying value because they are settled within a short period of time.

(3) Investment securities

Fair value of the above financial instruments such as stocks is determined by prices at stock exchanges.

(Liabilities)

(1) Notes and accounts payable - trade, (2) Accounts payable - other and (3) Income taxes payable

Fair value of the above financial instruments is deemed to be equal to their carrying value because they are settled within a short period of time.

(3) The amount of money claims scheduled to be redeemed subsequent to the consolidated balance sheet date

	Due within one year (thousands of yen)	Due after one year through five years (thousands of yen)	Due after five years through ten years (thousands of yen)	Due after ten years (thousands of yen)
Cash and time deposits	9,134,653	-	-	-
Notes and accounts receivable - trade	5,848,881	-	-	-
Total	14,983,535	-	-	-

7. Per Share Information

(1) Net assets per share:	1,357.36 yen
(2) Net income per share:	96.26 yen

Note: Amounts less than one thousand yen are truncated.

Balance Sheets
(As of March 31, 2015)

(Thousands of yen)

Account	Amount	Account	Amount
ASSETS		LIABILITIES	
Current assets	15,994,351	Current liabilities	3,436,042
Cash and deposits	6,303,788	Notes payable - trade	56,916
Notes receivable - trade	1,025,692	Accounts payable - trade	2,295,316
Accounts receivable - trade	4,868,490	Lease obligations	4,953
Merchandise and finished goods	618,159	Accounts payable - other	453,294
Work in process	882,141	Accrued expenses	72,119
Raw materials and supplies	1,323,082	Income taxes payable	122,346
Prepaid expenses	37,837	Advances received	49,691
Consumption taxes receivable	173,935	Deposits received	14,124
Deferred taxes assets	255,421	Provision for bonuses	235,000
Other	506,502	Provision for directors' bonuses	30,750
Allowance for doubtful accounts	(700)	Provision for product warranties	97,500
Noncurrent assets	9,033,344	Other	4,030
Property, plant and equipment	7,225,750	Noncurrent liabilities	80,959
Buildings	1,363,523	Lease obligations	13,519
Structures	95,747	Provision for directors' retirement benefits	66,780
Machinery and equipment	26,871	Long-term guarantee deposited	660
Vehicles	1,028	Total liabilities	3,517,002
Tools, furniture and fixtures	227,430		
Land	5,490,953	NET ASSETS	
Leased assets	17,497	Shareholders' equity	21,403,689
Construction in progress	2,696	Capital stock	1,985,666
Intangible assets	62,469	Capital surplus	2,023,903
Telephone subscription right	11,430	Legal capital surplus	2,023,903
Software	51,039	Retained earnings	17,746,125
Investments and other assets	1,745,124	Legal retained earnings	286,314
Investment securities	294,879	Other retained earnings	17,459,810
Stocks of subsidiaries and affiliates	789,460	Reserve for dividend equalization	1,000,000
Investments in capital of subsidiaries and affiliates	297,873	General reserve	8,700,000
Guarantee deposits	27,559	Retained earnings brought forward	7,759,810
Claims provable in bankruptcy, claims provable in rehabilitation and other	443	Treasury stock	(352,005)
Deferred tax assets	14,463	Valuation and translation adjustments	107,003
Other	320,888	Valuation difference on available-for-sale securities	107,003
Allowance for doubtful accounts	(443)	Total net assets	21,510,693
Total assets	25,027,695	Total liabilities and net assets	25,027,695

Statements of Income

(From April 1, 2014 to March 31, 2015)

(Thousands of yen)

Account	Amount
Net sales	13,907,942
Cost of sales	9,002,644
Gross profit	4,905,298
Selling, general and administrative expenses	3,585,574
Operating income	1,319,724
Non-operating income	885,160
Interest and dividend income	835,842
Purchases discounts	12,855
Foreign exchange gains	19,358
Other	17,105
Non-operating expenses	3,496
Sales discounts	662
Other	2,833
Ordinary income	2,201,389
Extraordinary income	19,133
Gain on sales of non-current assets	5
Gain on sales of investment securities	19,127
Extraordinary loss	220
Loss on sales and retirement of non-current assets	220
Income before income taxes	2,220,302
Income taxes - current	473,576
Income taxes - deferred	(6,580)
Net income	1,753,306

Statements of Changes in Net Assets

(From April 1, 2014 to March 31, 2015)

(Thousands of yen)

	Shareholders' equity							
	Capital stock	Capital surplus		Legal retained earnings	Retained earnings			Total retained earnings
		Legal capital surplus	Total capital surplus		Reserve for dividend equalization	General reserve	Retained earnings brought forward	
Balance as of April 1, 2014	1,985,666	2,023,903	2,023,903	286,314	1,000,000	8,700,000	6,439,307	16,425,622
Cumulative effects of changes in accounting policies							91,858	91,858
Restated balance	1,985,666	2,023,903	2,023,903	286,314	1,000,000	8,700,000	6,531,165	16,517,480
Changes in the current period								
Dividends of surplus							(524,661)	(524,661)
Net income							1,753,306	1,753,306
Acquisition of treasury stock								
Changes in items other than shareholders' equity, net								
Total changes in the current period	-	-	-	-	-	-	1,228,645	1,228,645
Balance as of March 31, 2015	1,985,666	2,023,903	2,023,903	286,314	1,000,000	8,700,000	7,759,810	17,746,125

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance as of April 1, 2014	(350,265)	20,084,926	53,416	53,416	20,138,343
Cumulative effects of changes in accounting policies		91,858			91,858
Restated balance	(350,265)	20,176,784	53,416	53,416	20,230,201
Changes in the current period					
Dividends of surplus		(524,661)			(524,661)
Net income		1,753,306			1,753,306
Acquisition of treasury stock	(1,740)	(1,740)			(1,740)
Changes in items other than shareholders' equity, net			53,586	53,586	53,586
Total changes in the current period	(1,740)	1,226,904	53,586	53,586	1,280,491
Balance as of March 31, 2015	(352,005)	21,403,689	107,003	107,003	21,510,693

1. Summary of Significant Accounting Policies

(1) Valuation of important assets

- a. Stocks of subsidiaries and affiliates
Carried at cost determined by the moving average method
- b. Available-for-sale securities classified as other securities
 - Securities with available fair market values are reported at fair value on the closing date (Unrealized gains or losses, net of applicable taxes, reported in a separate component of equity. The cost of securities sold is principally determined by the moving average method)
- c. Inventories
 - Merchandise and finished products, Work in process:
Carried at cost determined by the identified cost method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).
 - Raw materials:
Carried at cost determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins)
 - Supplies:
Carried by the last purchase price method

(2) Depreciation

- a. Property, plant and equipment (excluding leased assets): Declining balance method
The range of useful lives for major assets is as follows:

Buildings:	13 - 38 years
Machinery and equipment:	12 years
- b. Intangible assets (excluding leased assets)
 - Software used internally: Straight-line method based on the expected useful lives
 - Other intangible assets: Straight-line method
- c. Leased assets: For leased assets under non-ownership transfer finance lease transactions, the Company applies a straight-line method with the lease period as useful life and the residual value as 0.

(3) Estimation on allowance and reserves

- a. Allowance for doubtful accounts:
To provide for possible bad debt losses, the amount deemed unrecoverable is accounted using the loan loss ratio based on past experience for general claims and by examining the possibility of recovery on an individual basis for specific claims with default possibility.
- b. Provision for bonuses:
In order to allocate the payment of employees' bonuses, the Company provides the amount subject to the fiscal year under review among the total estimated amount to be paid as employees' bonuses.
- c. Provision for directors' bonuses:
The Company provides the projected payment amount to be allocated for the payment of bonuses to directors and corporate auditors.
- d. Provision for product Warranties:
To provide for expenses incurred for free repairs related to product sales, an amount is accounted based on historical experience.
- e. Provision for directors' retirement benefits:
The Company provides the estimated amount of retirement benefits to directors and corporate auditors which would be required if all directors and corporate auditors retired at the balance sheet date according to internal regulations. This plan was terminated on June 29, 2006 and no additional provision has been recorded since then. Therefore, the balance as of March 31, 2014 is provided in proportion to the term that present directors had been in their respective positions before June 2006.

(4) Employees' retirement benefits

To provide for employees' retirement benefits, based on the projected benefit obligations at year-end and the pension asset balance, the amount of pension assets surplus to projected benefit obligations is recorded in the "Other" field under "Investments and other assets". The net actuarial loss or gain is subject to amortization from the next fiscal year of the recognition thereof onward in an amount pro-rated by the straight-line method based on the average remaining employee service period (10 to 16 years) at the time of the recognition of net actuarial loss or gain in each fiscal year.

(5) Other basic significant matter for the preparation of Financial Statements

Consumption tax and local consumption tax are accounted for using the tax excluded method.

(6) Changing in accounting policies (Adoption of Accounting Standard for Retirement Benefits)

Yushin has adopted the Accounting Standard for Retirement Benefits (ASBJ Statement No.26 issued on May 17, 2012; hereinafter, the "Accounting Standard for Retirement Benefits") and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No.25 issued on March 26, 2015) from the current fiscal year under review. Yushin reviewed the calculation methods of retirement benefit obligations and service costs, and changed the method of attributing all contributions over all periods to periods of service based on the benefit formula instead of on a straight-line basis, as well as the method of determining a discount rate from the use of a discount rate based on the number of years similar to that of the average remaining service period of employees to the use of a single weighted average discount rate that reflects the estimated payment period of retirement benefits and the amount per that period.

Yushin adopted these accounting standard and guidance in accordance with the transitional treatment specified in Article 37 of the Accounting Standard for Retirement Benefits. Amounts occurred due to such changes in calculation methods are recognized by adding to or deducting from retained earnings at the beginning of current fiscal year under review.

As a result, Prepaid pension cost was increased by 142,415 thousand yen and Retained earnings was increased by 91,858 thousand yen at the beginning of current fiscal year under review. The impact of the above changes to for the current fiscal year under review is immaterial.

Also noted that the effect on Net assets per share increased by 5.25 yen.

(7) Changes in presentation

(Balance Sheet)

"Accounts payable - facilities", which was separately presented until previous fiscal year, is reported in "Accounts payable - other" from this fiscal year under review, because its materiality decreased. "Accounts payable - facilities" in this fiscal year is 3,763 thousand yen.

2. Notes to Balance Sheet

(1) Accumulated depreciation of property, plant and equipment:	3,359,334 thousand yen
(2) Monetary credit and debts to affiliates	
a. Short-term monetary credit:	2,464,040 thousand yen
b. Short-term monetary debts:	34,580 thousand yen

3. Notes to Statements of Income

Transactions with subsidiaries and affiliates

a. Net sales:	4,612,451 thousand yen
b. Purchases:	18,204 thousand yen
c. Selling, general and administrative expenses:	286,837 thousand yen
d. Non-operating transactions:	820,216 thousand yen

4. Notes to Statement of Changes in Net Assets

Number of treasury stock

Class of shares	Number of shares at the beginning of current FY	Number of increased shares of current FY	Number of decreased shares of current FY	Number of shares at the end of current FY
Common stock	330,197	707	-	330,904

Note: The increase in the number of shares of treasury stock (707 shares) is due to the purchase of shares of less than one unit.

5. Notes on Tax-effect Accounting

(1) Breakdown by cause of deferred tax assets and liabilities

	(Thousands of yen)
Deferred tax assets	
Inventories	106,617
Depreciation of Buildings	74,736
Software	45,974
Provision for bonuses	77,550
Accrued enterprise taxes	16,146
Provision for product warranties	32,175
Provision for directors' retirement benefit	21,503
Other	25,788
Subtotal deferred tax assets	<u>400,491</u>
Valuation reserve	<u>(21,503)</u>
Total deferred tax assets	<u>378,988</u>
Deferred tax liabilities	
Prepaid pension costs	60,057
Valuation difference on available-for-sale securities	49,046
Total deferred tax liabilities	<u>109,103</u>
Net deferred tax assets	<u>269,884</u>

Note: Net deferred tax assets are included in following balance sheet items.

	(Thousands of yen)
Current assets	255,421
Fixed assets	14,463

(2) Change in deferred tax assets and income taxes-deferred due to the change in corporate tax rates.

Following the promulgation on March 31, 2015 of the "Act for Partial Revision of the Income Tax Act etc."(Act No. 9 of 2015) and of the "Act for Partial Revision of the Local Taxes Act etc."(Act No. 2 of 2015), Corporation taxes are lowered from the fiscal year beginning on or after April 1, 2015.

With this change of tax rates, the amount of Deferred tax assets (the amount minus Deferred tax liabilities) decreased by 19,833 thousand yen and the amount of Income taxes-deferred increased by 25,028 thousand yen.

6. Transactions with Related Parties

Subsidiaries, etc.

Type	Name	% of voting rights held	Relationship		Type of transactions	Transaction amount (thousands of yen)	Account	Year-end balance (thousands of yen)
			Concurrent directors, etc.	Business relationship				
Subsidiary	Yushin America, Inc.	100% Directly held by the Company	Concurrent directors: 2	Sale of Company products and manufacture and sale of labor saving machines	Sale of products	1,408,619	Accounts receivable - trade	540,563
	Yushin Korea Co., Ltd.	100% Directly held by the Company	Concurrent directors: 2	Sale of Company products and manufacture and sale of labor saving machines	Sale of products	1,303,574	Accounts receivable - trade	560,727
	Guangzhou Yushin Precision Equipment Co., Ltd.	100% Directly held by the Company	Concurrent directors: 4	Manufacture of Company products	Sale of products	524,443	Accounts receivable - trade	366,914

Transaction terms or method of determining transaction terms

(Note) For sale of products, prices are determined by negotiations considering local market prices.

7. Per Share Information

(1)Net assets per share:	1,230.02 yen
(2)Net income per share:	100.26 yen

Note: Amounts less than one thousand yen are truncated.

[Certified copy of the Independent Auditors' Report concerning consolidated statutory report]

Independent Auditors' Report

May 15, 2015

To the Board of Directors of
Yushin Precision Equipment Co., Ltd.:

Deloitte Touche Tohmatsu LLC

Takeshi Nishimura, CPA [SEAL]
Limited, Designated and Engagement
Partner

Hirokazu Miura, CPA [SEAL]
Limited, Designated and Engagement
Partner

We have audited the consolidated statutory report, namely, the Consolidated Balance Sheets, the Consolidated Statements of Income, the Consolidated Statements of Changes in Net Assets and its supporting schedule and notes, of Yushin Precision Equipment Co., Ltd. (the "Company") for the fiscal year from April 1, 2014 to March 31, 2015 in accordance with Paragraph 4, Article 444 of the Companies Act.

Management's responsibility for the consolidated statutory report

Management is responsible for the preparation and fair presentation of these Consolidated financial statements in accordance with auditing standards generally accepted in Japan. This includes the development and implementation of internal control deemed necessary by management for the preparation and fair presentation of Consolidated financial statements that is free from material misstatement, whether due to fraud or error.

Independent auditor's responsibility

Our responsibility is to express an opinion on the Consolidated financial statements based on our audits as independent auditors. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated financial statements. The audit procedures selected and applied depend on our judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity's internal control. However, in making those risk assessment, we consider internal control relevant to the entity's preparation and fair presentation of the Consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used, the method of their application, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit opinion

In our opinion, the consolidated statutory report referred to above presents fairly, in all material respects, the consolidated financial position and the results of operations of Yushin Precision Equipment Co., Ltd. and its consolidated subsidiaries for the period for which the consolidated statutory report is prepared, in conformity with accounting principles generally accepted in Japan.

Interests in the Company

Our firm and engagement partners have no interest in Yushin Precision Equipment Co., Ltd., which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

[Certified copy of the Independent Auditors' Report concerning non-consolidated statutory report]

Independent Auditors' Report

May 15, 2015

To the Board of Directors of
Yushin Precision Equipment Co., Ltd.:

Deloitte Touche Tohmatsu LLC

Takeshi Nishimura, CPA [SEAL]
Limited, Designated and Engagement
Partner

Hirokazu Miura, CPA [SEAL]
Limited, Designated and Engagement
Partner

We have audited the statutory report, namely, the Balance Sheets, the Statements of Income, the Statements of Changes in Net Assets and its supporting schedule of Yushin Precision Equipment Co., Ltd. (the "Company") for the fiscal year from April 1, 2014 to March 31, 2015 in accordance with Item 1, Paragraph 2, Article 436 of the Companies Act.

Management's responsibility for the statutory report

Management is responsible for the preparation and fair presentation of these financial statements and its supporting schedule in accordance with auditing standards generally accepted in Japan. This includes the development and implementation of internal control deemed necessary by management for the preparation and fair presentation of financial statements and its supporting schedule that is free from material misstatement, whether due to fraud or error.

Independent auditor's responsibility

Our responsibility is to express an opinion on the financial statements and its supporting schedule based on our audits as independent auditors. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and its supporting schedule are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and its supporting schedule. The audit procedures selected and applied depend on our judgment, including the assessment of the risks of material misstatement of the financial statements and its supporting schedule, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity's internal control. However, in making those risk assessment, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements and its supporting schedule in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used, the method of their application, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and its supporting schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit opinion

In our opinion, the financial statements and its supporting schedule referred to above presents fairly, in all material respects, the financial position and the results of operations of Yushin Precision Equipment Co., Ltd. for the period for which the financial statements and its supporting schedule is prepared, in conformity with accounting principles generally accepted in Japan.

Interests in the Company

Our firm and engagement partners have no interest in Yushin Precision Equipment Co., Ltd., which should be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

<Certified copy of the audit report concerning non-consolidated statutory report>

Audit Report

Regarding the performance of duties by the Directors for the fiscal year from April 1, 2014 to March 31, 2015, the Board of Corporate Auditors hereby submits its audit report, which has been prepared through discussions based on the audit report prepared by each Corporate Auditor.

1. Auditing Methods adopted by the Corporate Auditors and Board of Corporate Auditors and Details of Such Methods

The Board of Corporate Auditors established auditing policies, allocation of duties, and other relevant matters, and received reports from each Corporate Auditor regarding his or her audits and results thereof, as well as received reports from the Directors, other relevant personnel, and the Independent Auditors regarding performance of their duties, and requested explanations as necessary.

Each Corporate Auditor complied with the auditing standards of Corporate Auditors established by the Board of Corporate Auditors, followed the auditing policies, allocation of duties, and other relevant matters, communicated with the Directors, the internal audit department, other employees, and any other relevant personnel, and made efforts to optimize the environment for information collection and audit, and participated in the Board of Directors' Meetings and other important meetings, received reports from the Directors, employees, and other relevant personnel regarding performance of their duties, requested explanations as necessary, examined important authorized documents and associated information, and studied the operations and financial positions at the head office and principal offices.

In addition, we received periodic reports and requested explanations as necessary from the Directors, other relevant personnel and expressed our opinion about conditions of construction and application on the content of the resolution of the Board of Directors and system actually placed as "internal control system" in accordance to this resolution, which is stipulated in Paragraphs 1 and 3 of Article 100 of the Enforcement Regulation of Corporate Act as a system required to ensure the compliance of laws and the Articles of Association in the execution of businesses by the Directors written in the business report.

With respect to subsidiaries, we communicated and exchanged information with Directors, Corporate Auditors, and other relevant personnel of the subsidiaries, and received business reports from subsidiaries as necessary. Based on the above methods, we examined the business report and supporting schedules related to the relevant business year.

Furthermore, we monitored and verified whether the Independent Auditors maintained their independence and implemented appropriate audits, and we received reports from the Independent Auditors regarding the performance of their duties and requested explanations as necessary. In addition, we received notice from the Independent Auditors that "the system for ensuring that duties are performed properly" (matters set forth in each Item of Article 131 of the Company Accounting Rules) is appropriately established in accordance with "Quality Control Standard on Audit" (Business Accounting Council, October 28, 2005) and requested explanations as necessary.

Based on the above methods, we examined the non-consolidated financial statements (Balance Sheets, Statements of Income, and Statements of Changes in Net Assets) and supporting schedules, and the consolidated financial statements (Balance Sheets, Statements of Income, and Statements of Changes in Net Assets).

2. Audit Results

a. Results of Audit of Business Report and Other Relevant Documents

- (1) In our opinion, the business report and supporting schedules are in accordance with the related laws and regulations and Articles of Association, and fairly represent the Company's condition.
- (2) With regard to the performance of duties by the Directors, we have found no evidence of wrongful action or material violation of related laws and regulations, nor of any violation with respect to the Articles of Association.
- (3) In our opinion, resolutions of the Board of Directors for the internal controls system are fair. And also the contents of the business report about the internal controls system and the Director's activities and implementation of internal control system have no issues to be pointed out.

b. Results of Audit of Financial Statements and Supporting Schedules

In our opinion, the methods and results employed and rendered by the Independent Auditors, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

c. Results of Audit of Consolidated Financial Statements

In our opinion, the methods and results employed and rendered by the Independent Auditors, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

May 18, 2015

Board of Corporate Auditors,
Yushin Precision Equipment Co., Ltd.

Full-time Corporate Auditor	Shujiro Sawada [SEAL]
Outside Corporate Auditor	Yasuhiro Orita [SEAL]
Outside Corporate Auditor	Takao Yoshikawa [SEAL]
Outside Corporate Auditor	Hiroho Kamakura [SEAL]

End of submitted documents

Reference Documents for the General Meeting of Shareholders

Proposal 1: Partial Amendments to the Articles of Association

1. Reason for the Amendments:

On and after the effective date, May 1, 2015 of the “Act for partial revision of the Companies Act” (Act No. 90 of 2014), it will be possible to execute a limited liability agreement with directors other than executive officers, etc. and corporate auditors other than outside corporate auditors. Accompanying with this revision of the Companies Act, the Company will make a partial amendment in Article 25, Paragraph 2 and 32, Paragraph 2 of the Articles of Association to ensure that such directors and corporate auditors can adequately fulfill the role expected of them. Please note that the Company has received approval from each corporate auditor for the partial amendment of Article 25, Paragraph 2 of the Articles of Association.

2. Details of the Amendments:

Details of the amendments are described as follows:

(Amended portions are underlined.)

Current Articles of Association	Proposed Amendments
<p>(Exemption of directors liabilities) Article 25 (Omitted Paragraph 1)</p> <p>2. The Company may enter into a liability limitation agreement with <u>outside directors</u> to limit their liabilities for damages under Article 423, Paragraph 1 of the Companies Act. Provided, however, that the limit of the liabilities for damages under such agreements shall be the minimum amount of liabilities of damages prescribed by law.</p>	<p>(Exemption of directors liabilities) Article 25 (As per original)</p> <p>2. The Company may enter into a liability limitation agreement with <u>directors (excluding executive directors, etc.)</u> to limit their liabilities for damages under Article 423, Paragraph 1 of the Companies Act. Provided, however, that the limit of the liabilities for damages under such agreements shall be the minimum amount of liabilities of damages prescribed by law.</p>
<p>(Exemption of auditors liabilities) Article 32 (Omitted Paragraph 1)</p> <p>2. The Company may enter into a liability limitation agreement with <u>outside corporate auditors</u> to limit their liabilities for damages under Article 423, Paragraph 1 of the Companies Act. Provided, however, that the limit of the liabilities for damages under such agreements shall be the minimum amount of liabilities of damages prescribed by law.</p>	<p>(Exemption of auditors liabilities) Article 32 (As per original)</p> <p>2. The Company may enter into a liability limitation agreement with <u>corporate auditors</u> to limit their liabilities for damages under Article 423, Paragraph 1 of the Companies Act. Provided, however, that the limit of the liabilities for damages under such agreements shall be the minimum amount of liabilities of damages prescribed by law.</p>

Proposal 2: Election of Six (6) Directors

The terms of office of all the currently serving seven (7) Directors will expire at the conclusion of this Meeting. We will reduce one person of the number of Directors and shareholders are asked to vote for these six (6) candidates for Director.

The candidates for the position of Directors are as follows:

No.	Name (Date of birth)	Career summary, position, areas of responsibility, and representation of other organizations	Number of shares held
1	Mayumi Kotani (January 12, 1947)	<p>October 1973 Joined the Company</p> <p>October 1982 Director</p> <p>February 1989 Executive Vice President and Director</p> <p>March 1993 Executive Vice President and Director, Head of Sales H.Q.</p> <p>December 2002 President and Representative Director</p> <p>April 2006 President and Head of Sales and Customer Service H.Q.</p> <p>March 2011 President and Representative Director</p> <p>To the present</p>	2,162,101 shares
2	Satoshi Kimura (April 1, 1954)	<p>April 2005 Joined the Company as Executive Officer and General Manager of Purchase Dept.</p> <p>October 2005 Executive Officer and Head of Purchase Dept.</p> <p>April 2006 Senior Executive Officer and Head of Purchase H.Q.</p> <p>June 2006 Managing Director and Head of Purchase H.Q.</p> <p>June 2008 Executive Managing Director and Head of Purchase H.Q.</p> <p>March 2010 Executive Managing Director</p> <p>To the present</p>	1,100 shares
3	Yasuharu Odachi (July 31, 1958)	<p>December 2004 Joined the Company</p> <p>February 2005 General Manager of Production Technology Dept.</p> <p>March 2005 General Manager of Research & Development Dept.</p> <p>October 2005 Head of Research & Development Dept. and Quality Assurance Dept.</p> <p>April 2006 Executive Officer and Head of Research & Development H.Q. and Quality Assurance Dept.</p> <p>April 2008 Executive Officer and Head of Research & Development H.Q.</p> <p>June 2008 Director and Head of Research & Development H.Q.</p> <p>June 2011 Managing Director and Head of Research & Development H.Q.</p> <p>To the present</p>	2,100 shares
4	Yasushi Kitagawa (August 12, 1958)	<p>September 2007 Joined the Company</p> <p>November 2007 Deputy Head of Manufacturing Dept.</p> <p>April 2008 Deputy Head of Manufacturing Dept. and Head of Quality Assurance Dept.</p> <p>April 2009 Executive Officer, Deputy Head of Manufacturing Dept. and Head of Quality Assurance Dept.</p> <p>August 2009 Executive Officer, Head of Manufacturing Dept. and Head of Quality Assurance Dept.</p> <p>June 2010 Director and Head of Manufacturing Dept. and Head of Quality Assurance Dept.</p> <p>June 2013 Managing Director and Head of Manufacturing Dept. and Head of Quality Assurance Dept.</p> <p>To the present</p>	1,200 shares

5	Yasuo Nishiguchi (October 9, 1943)	March 1975	Joined Kyoto Ceramic Co., Ltd.(currently Kyocera Corporation)	600 Shares
		June 1987	Director	
		June 1992	Senior Managing Director and Representative Director	
		June 1997	Executive Vice president and Representative Director	
		June 1999	President and Representative Director	
		June 2003	President and Representative Director and President and Executive Officer	
		June 2005	Chairman of the Board and Representative Director, and Chief Executive Officer	
		April 2006	Advisor and Director	
		June 2009	Retired from the office of Director	
		June 2012	Outside Director of NAGASE & CO., LTD. To the present	
		June 2013	Outside Director of Zensho Holdings Co., Ltd. To the present	
		June 2014	Outside Director of the Company To the present	
March 2015	Chairman and CEO of Socionext Inc. To the present			
6	Hiroshi Matsuhisa (August 5, 1947)	June 1976	Research Assistant of school of precision engineering in Faculty of Engineering at Kyoto University	- Shares
		October 1987	Assistant professor	
		April 1994	Professor (transferred to graduate school of department of Mechanical Engineering and Science by a reorganization in 1995)	
		April 2012	Professor emeritus at Kyoto University	
		June 2014	Outside Director of our company To the present	

Note 1: The candidates for Directors have no special interests in the Company.

2: Mr. Yasuo Nishiguchi and Mr. Hiroshi Matsuhisa are candidates of the outside director. The Company has registered Mr. Yasuo Nishiguchi and Mr. Hiroshi Matsuhisa as an independent director provided in the rules of the Tokyo Stock Exchange and submitted notices to this effect to the Exchange.

3: The reason for the nomination of outside directors

(1) Mr. Yasuo Nishiguchi is currently an outside director of the Company and his terms of office as outside director of the Company is 1 year at the closing of this General Meeting of Shareholders. We would like to request the nomination of Mr. Yasuo Nishiguchi in expectation of his pertinent advice on our business because he has wide knowledge and experience across the running a company which he had cultivated through holding ministerial posts such as President and Representative Director at Kyocera Corporation. As Kyocera Corporation is one of our customers and the transaction with Kyocera Corporation is less than 0.1% to the consolidated net sales of the Company, there are no importance to cause special interests between the Company and Kyocera Corporation.

(2) Mr. Hiroshi Matsuhisa is currently an outside director of the Company and his terms of office as outside director of the Company is 1 year at the closing of this General Meeting of Shareholders. We would like to request the nomination of Hiroshi Matsuhisa in expectation of his pertinent advice from his academic prospective on our business. As on the reason above, we have evaluated that Mr. Hiroshi Matsuhisa can adequately fulfill his position although he has not had experiences on a corporate management.

Proposal 3: Election of One (1) Corporate Auditor

The terms of Corporate Auditors, Yasuhiro Orita will expire at the conclusion of this meeting.

Accordingly, we propose to elect one (1) Corporate Auditor.

The Board of Corporate Auditors has consented to this proposition.

The candidate for the position of Corporate Auditor is as follows:

Name (Date of birth)	Career summary, position, areas of responsibility, and representation of other organizations	Number of shares held
Yasuhiro Orita (September 30, 1944)	April 1975 Lawyer registration May 1985 Established Orita Law Office (currently KEYAKI LAW OFFICE) To the present June 1994 Outside Corporate Auditor of our company To the present	5,420 Shares

Note 1. The candidate for Corporate Auditor has no special interests in the Company.

2. Mr. Orita is the candidate of outside corporate auditor. He is the present outside corporate auditor of the Company, and his term of office as Corporate Auditor of the Company is 21 years at the closing of this General Meeting of Shareholders. We would like to request the nomination of Mr. Orita to the candidate of outside corporate auditor in expectation of his special view as the lawyer to be reflected to the audit of the Company.
3. Mr. Orita has no experience for business administration directly, but we judge he has the ability to execute business properly as outside corporate auditor of the Company as mentioned above Note 2.

End of reference documents