YUSHIN

YUSHIN PRECISION EQUIPMENT CO.,LTD.

FY2019

Investors Presentation

May, 2019

This document contains some estimates of future business performance. Such references should not be taken to be a guarantee. Please note that future performance is subject to various risks and uncertainties, and goals and projections may vary due to changes in the business environment.

Summary for FY2019

- Results for FY2019
  - -Net sales increased (the highest ever) by strong sales of custom-ordered equipment
  - -Operating income increased by decrease in depreciation expenses and normalization of R&D expenses
- Forecast for FY2020
  - -Net sales are expected to remain flat by strong sales of Custom-ordered equipment, although it is unclear for China
  - -Operating income is expected to increase slightly by cost reductions etc.
- Topics

  Our new take-out robot “FRA” awarded

  The Japan Society of Mechanical Engineers Medal for New Technology, red dot design award, The Machine Design Award, the JMF’s Energy-Efficient Machinery Award

Results for FY2019

	FY2018	FY2019	
	Amount	Amount	Change*
	Mil. Yen	Mil. Yen	%
Net Sales	20,878	21,833	4.6
Gross Profit <%>	8,461 40.5%	8,741 40.0%	3.3
Operating Income <%>	2,358 11.3%	2,760 12.6%	17.0
Ordinary Income <%>	2,432 11.6%	2,791 12.8%	14.7
Net Income attributable to shareholders of the parent <%>	1,626 7.8%	1,903 8.7%	17.0

*Note "Change" : Percentage indicates year-on-year changes

<Exchange Rates>		
USD	110.85 yen	110.91 yen
GBP	147.03 yen	145.68 yen
CNY	16.75 yen	16.54 yen

Summary of FY2019

	(＋) Factor of increase　(－) Factor of decline
Net Sales	➢ 4.6% increase from the previous FY to 21,833 million yen a) Take-out robots sales increased by 0.4% Y/Y (＋) Remain strong mainly in the automotive related industry in Japan and North America (－) Decrease mainly in electronic parts and optical instruments in China and Korea b) Custom-ordered equipment sales increased by 30.6% Y/Y (＋) Maintaining strong sales in Japan against the background of automation demand (＋) Remain strong mainly in the medical field in overseas
Operating Income	➢ 17.0% increase from the previous FY to 2,760 million yen (＋) Decrease in depreciation cost and normalization of development costs (＋) Boost profits by increased sales (－) Rising purchase prices due to difficulties in procurement of materials in the first half

Forecast for FY2020

	FY2019		FY2020 (Forecast)			
	Interim	Full Year	Interim		Full Year	
	Amount	Amount	Amount	Y/Y*	Amount	Y/Y*
Net Sales	Mil. Yen 10,586	Mil. Yen 21,833	Mil. Yen 10,500	% (0.8)	Mil. Yen 22,000	% 0.8
Gross Profit <%>	4,149 39.2%	8,741 40.0%	4,250 40.5%	2.4	8,920 40.5%	2.0
Operating Income <%>	1,203 11.4%	2,760 12.6%	1,250 11.9%	3.9	2,800 12.7%	1.4
Ordinary Income <%>	1,228 11.6%	2,791 12.8%	1,250 11.9%	1.7	2,800 12.7%	0.3
Net Income attributable to shareholders of the parent <%>	861 8.1%	1,903 8.7%	900 8.6%	4.5	1,950 8.9%	2.4

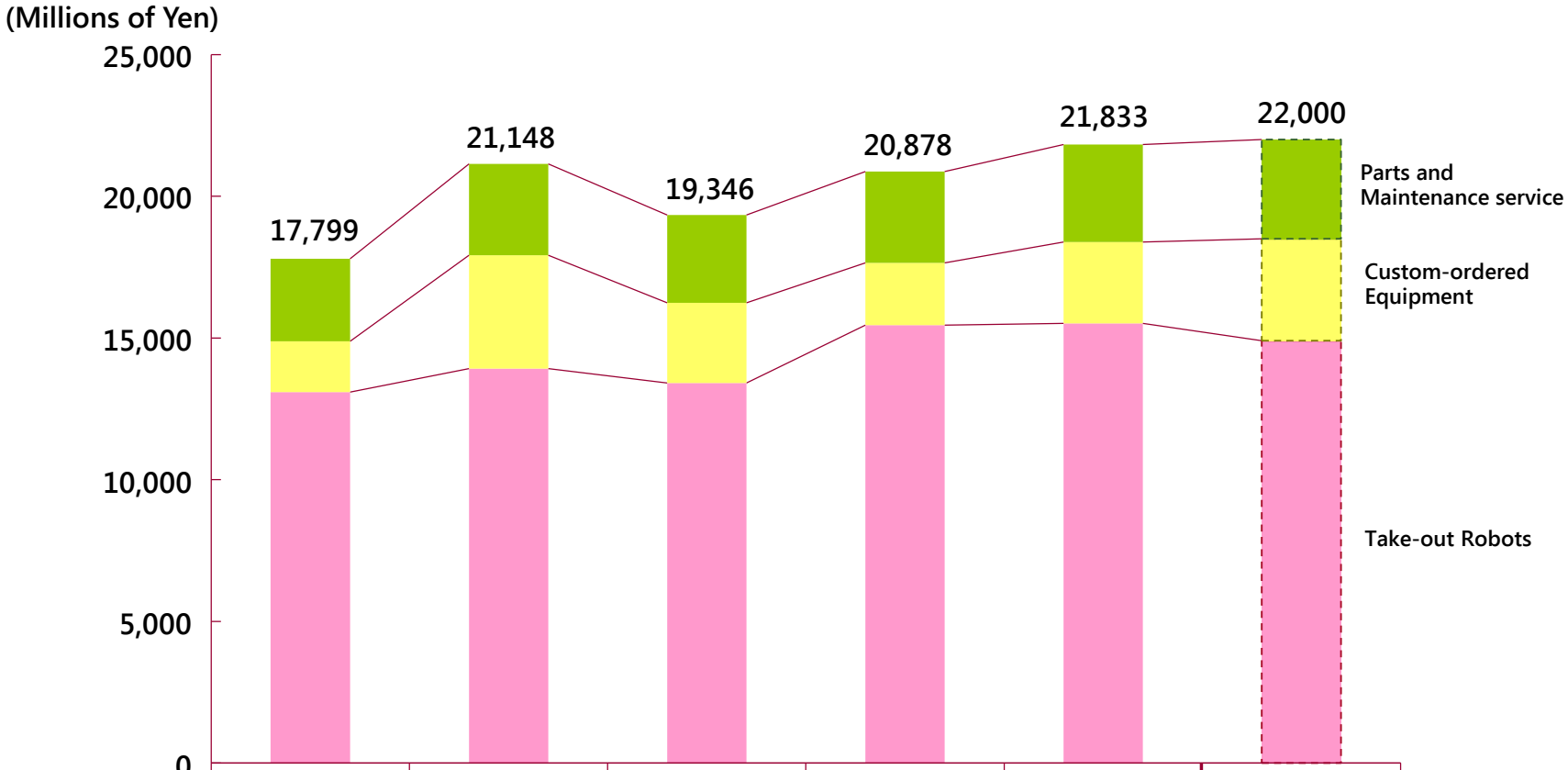
*Note "Change" : Percentage indicates year-on-year changes.

<Exchange Rates>			
USD	110.26 yen	110.91 yen	105.00 yen
GBP	146.91 yen	145.68 yen	145.00 yen
CNY	16.75 yen	16.54 yen	16.50 yen

Forecast for FY2020

	(+) Factor of increase (−) Factor of decline
Net Sales	➢ 0.8% increase from the previous FY to 22,000 million yen a) Take-out robots sales decrease by 4% Y/Y (+) Expect strong demands in Japan and America (−) China and Korea are unclear b) Custom-ordered equipment sales increase by 25% Y/Y (+) Increase in medical (+) Automation demand increase both in Japan and overseas
Operating Income	➢ 1.4% increase from the previous FY to 2,800 million yen (+) Increase profitability with continued effort of cost-reducing activities (+) Contribution by increase in sales unit of main Take-out robots (+) Further improve efficiency

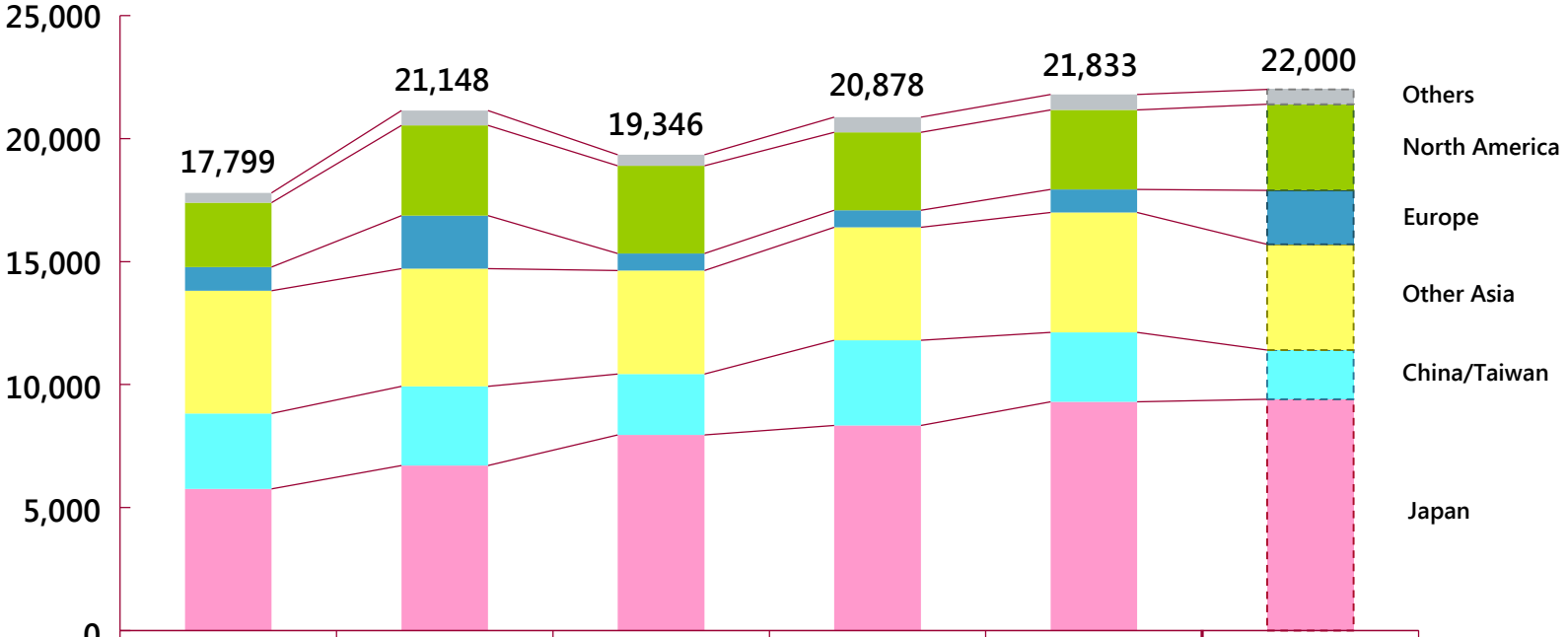
Sales Breakdown



	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020 (forecast)
Parts and Maintenance service	2,911	3,227	3,103	3,223	3,440	3,500
Custom-ordered Equipment	1,794	3,997	2,832	2,204	2,880	3,600
Take-out Robots	13,092	13,923	13,410	15,449	15,512	14,900
Total	17,799	21,148	19,346	20,878	21,833	22,000

Sales by Region

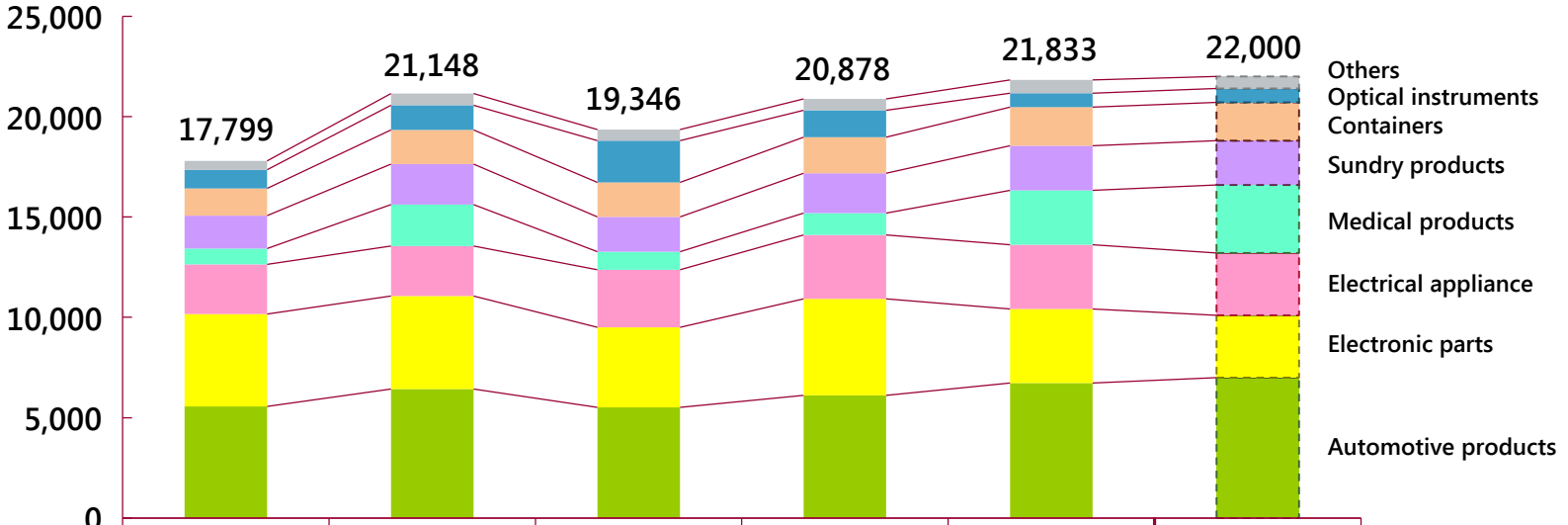
(Millions of yen)



	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020 (forecast)
Others	395	610	445	620	663	600
North America	2,628	3,665	3,573	3,172	3,233	3,500
Europe	959	2,163	693	687	939	2,200
Other Asia	4,982	4,781	4,200	4,594	4,876	4,300
China / Taiwan	3,069	3,220	2,477	3,468	2,816	2,000
Japan	5,762	6,707	7,955	8,335	9,304	9,400
Total	17,799	21,148	19,346	20,878	21,833	22,000

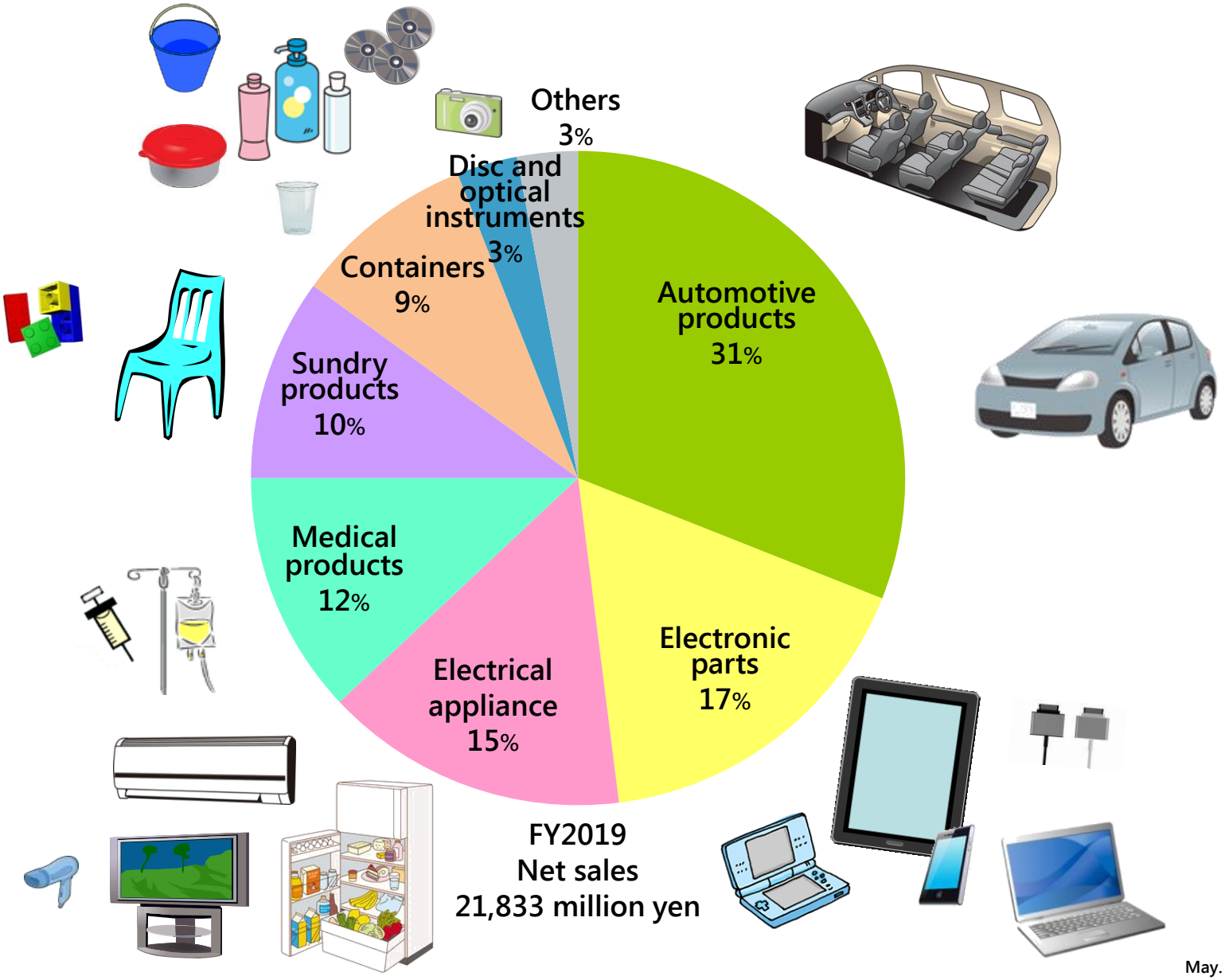
Sales by End User Categories

(Millions of yen)

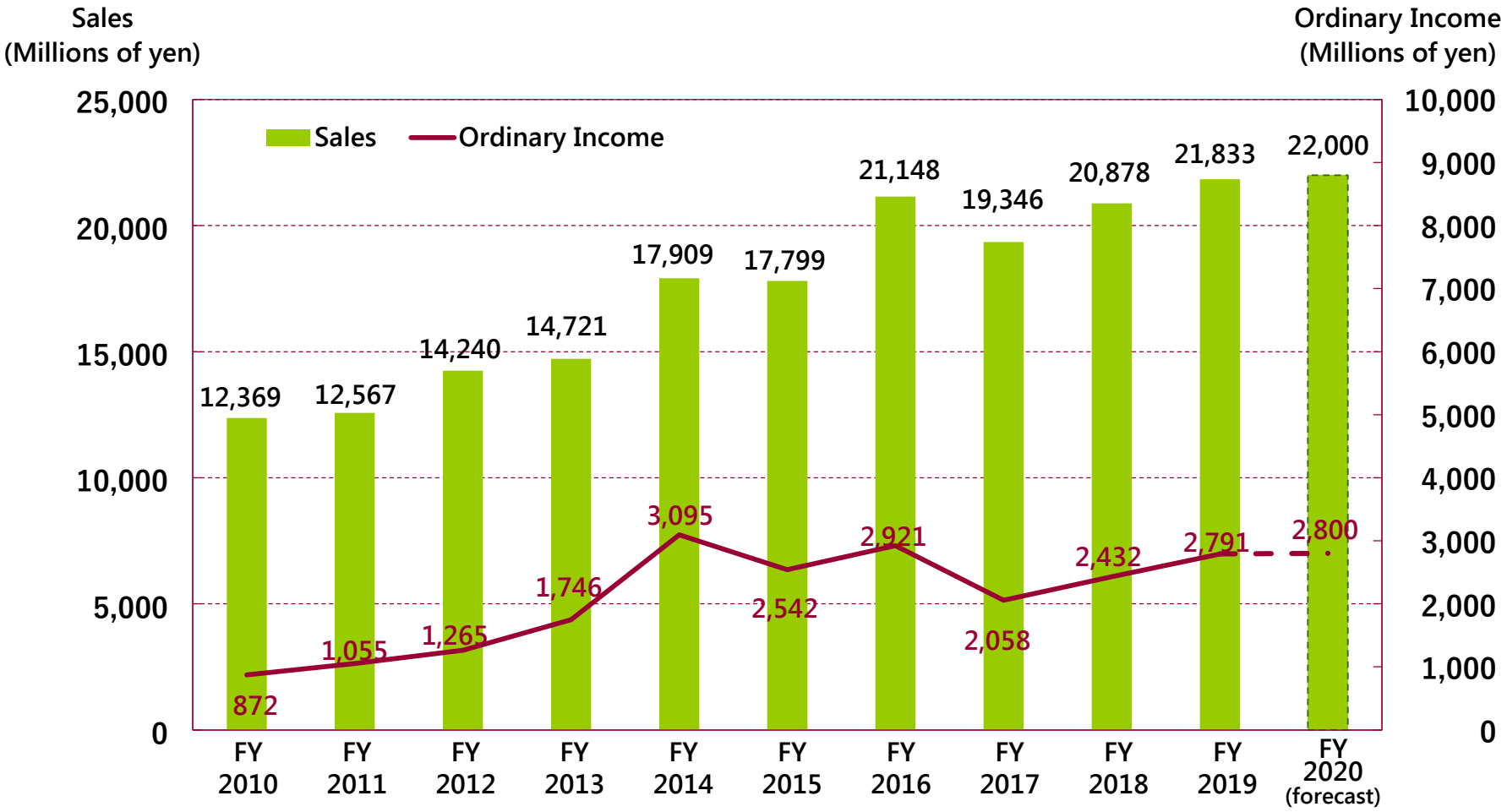


	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020 (forecast)
Others	440	580	549	565	657	600
Discs and optical instruments	930	1,232	2,072	1,342	704	700
Containers	1,361	1,708	1,715	1,799	1,916	1,900
Sundry products	1,634	2,002	1,741	1,981	2,229	2,200
Medical products	797	2,069	902	1,087	2,705	3,400
Electrical appliance	2,475	2,497	2,862	3,187	3,195	3,100
Electronic parts	4,592	4,629	3,992	4,807	3,698	3,100
Automotive products	5,567	6,428	5,511	6,106	6,724	7,000
Total	17,799	21,148	19,346	20,878	21,833	22,000

Sales by End User Categories



Change in Performance



Operating Income Rate (%)	6.1	8.7	8.9	10.2	15.6	12.9	14.6	10.9	11.3	12.6	12.7
Ordinary Income Rate (%)	7.1	8.4	8.9	11.9	17.3	14.3	13.8	10.6	11.7	12.8	12.7

Change in Performance of Subsidiaries

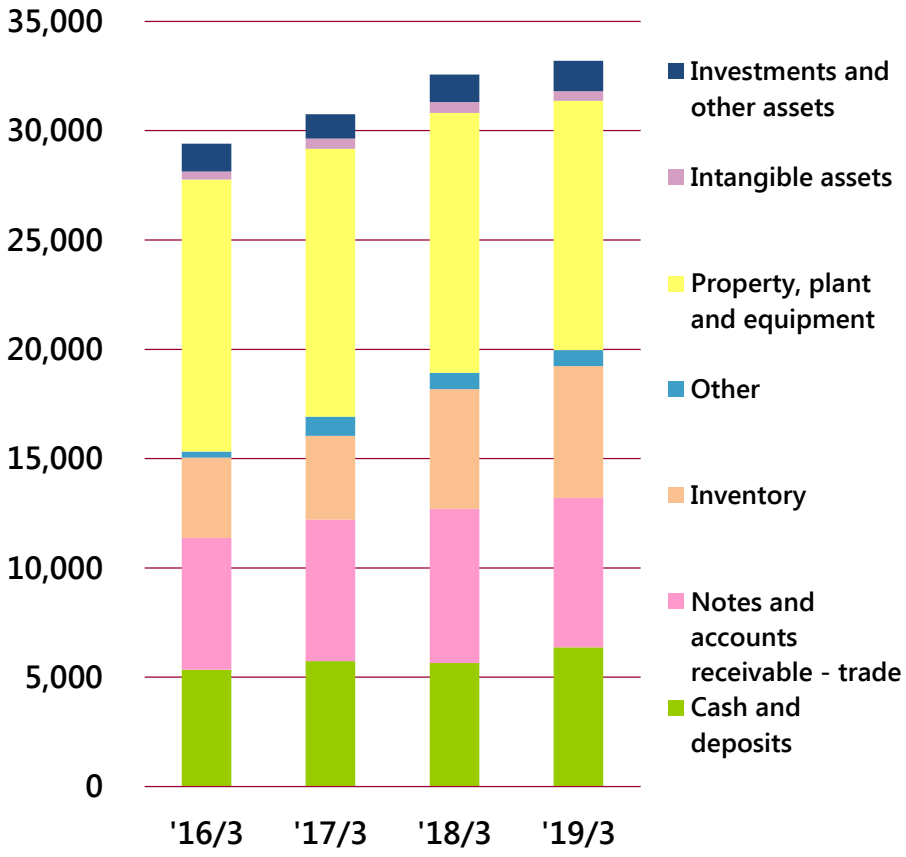
(Millions of yen)

Country	Setup	Investment ratio	FY2018			FY2019		
			Sales	Operating income	Net income	Sales	Operating income	Net income
South Korea	2000.10	100.0%	1,615	213	164	1,380	133	96
China（Shanghai）	2007. 2	100.0%	1,451	75	50	1,200	35	33
China（Shenzhen）	2004. 4	100.0%	914	42	30	856	36	31
Taiwan	2001. 7	100.0%	92	19	16	75	12	10
Indonesia	2012.11	99.0%	286	34	22	301	28	19
Vietnam	2014. 2	100.0%	95	12	11	92	7	6
Malaysia	2001. 5	100.0%	236	24	23	216	23	14
Thailand	2001. 8	49.0%	850	109	97	1,021	132	112
India	2007. 8	95.0%	53	7	3	57	12	9
UK	2004. 3	95.6%	698	130	100	917	81	56
USA	1988.10	100.0%	3,200	260	121	3,441	307	206
China（Guangzhou）	2008. 9	100.0%	1,551	62	60	1,383	109	57

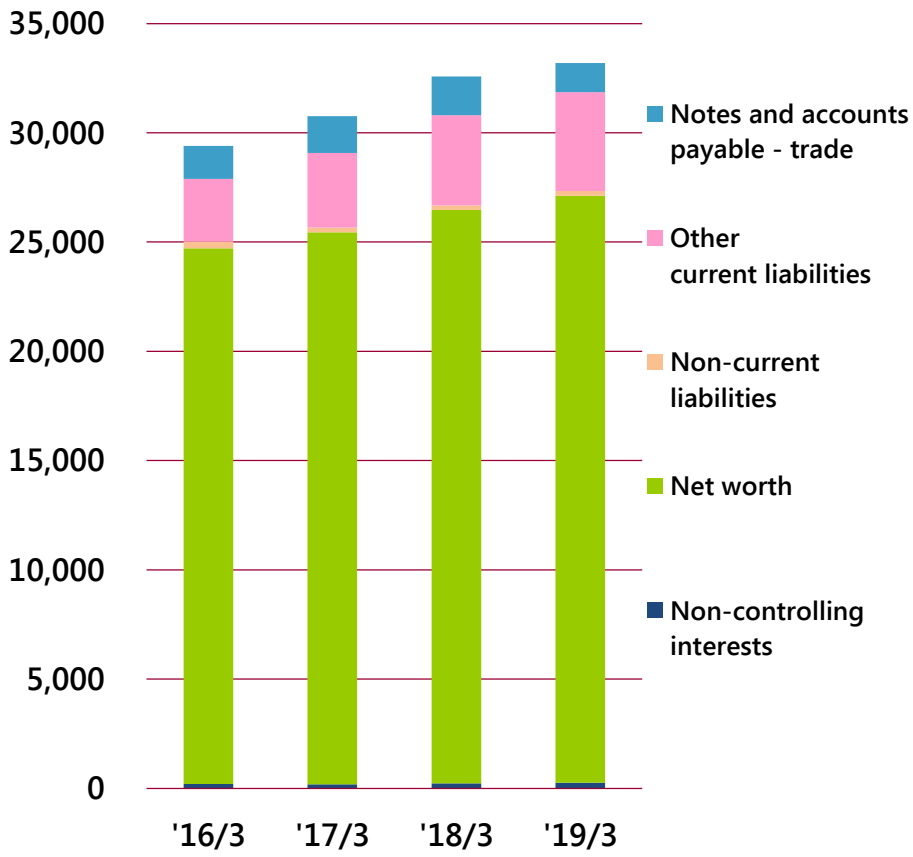
<Exchange Rates>			
	USD	110.85 yen	110.91 yen
	GBP	147.03 yen	145.68 yen
	CNY	16.75 yen	16.54 yen

Balance Sheets

<Assets> (Millions of yen)



<Liabilities, Net Assets> (Millions of yen)

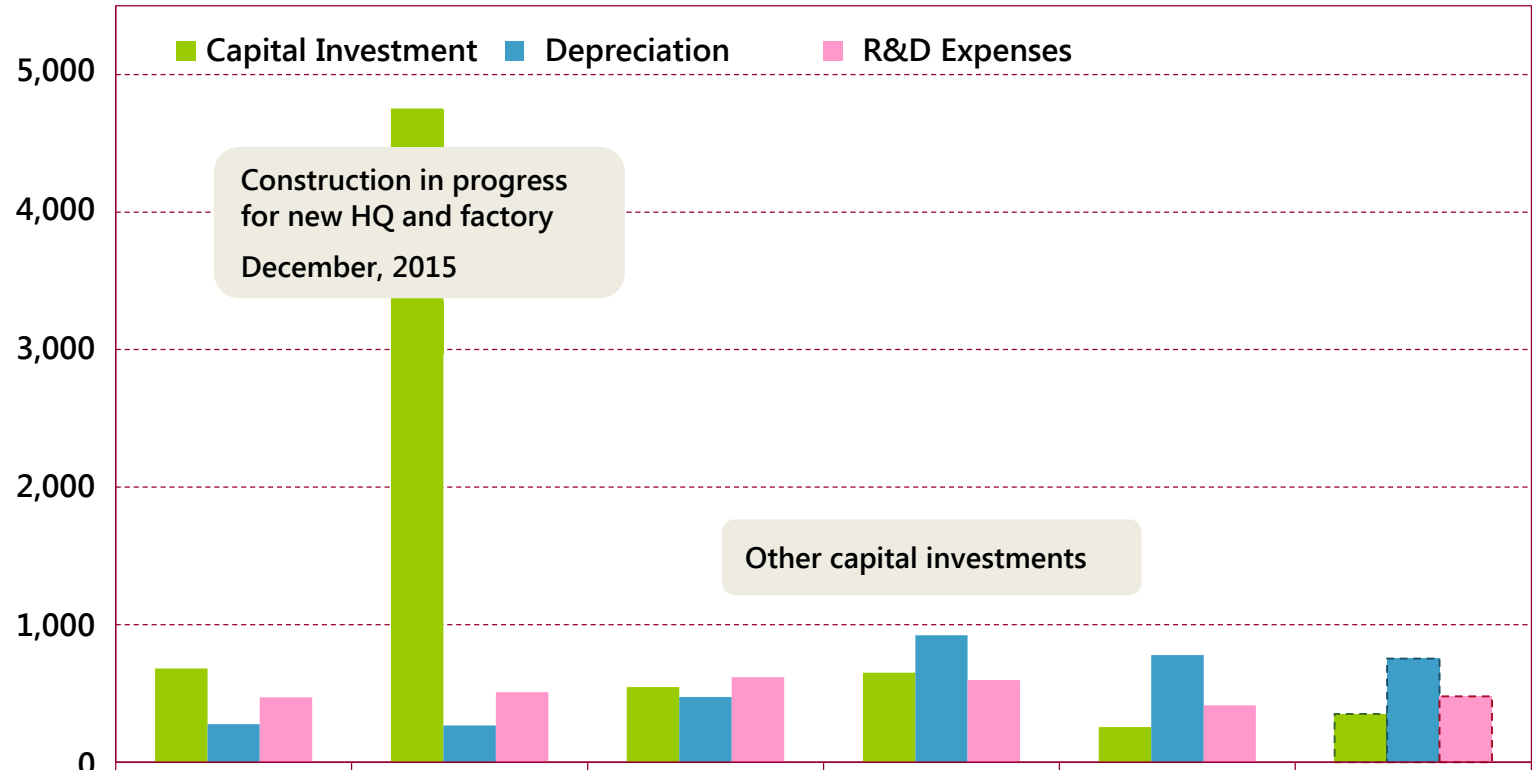


- Increase in "Inventory" due to backlog orders increase as of March 31, 2019

- Keep high equity ratio at more than 80%
- Keep no interest-bearing debt
- Increase in "Net worth" due to share repurchase as of March 31, 2019

Capital Investment / Depreciation / R&D

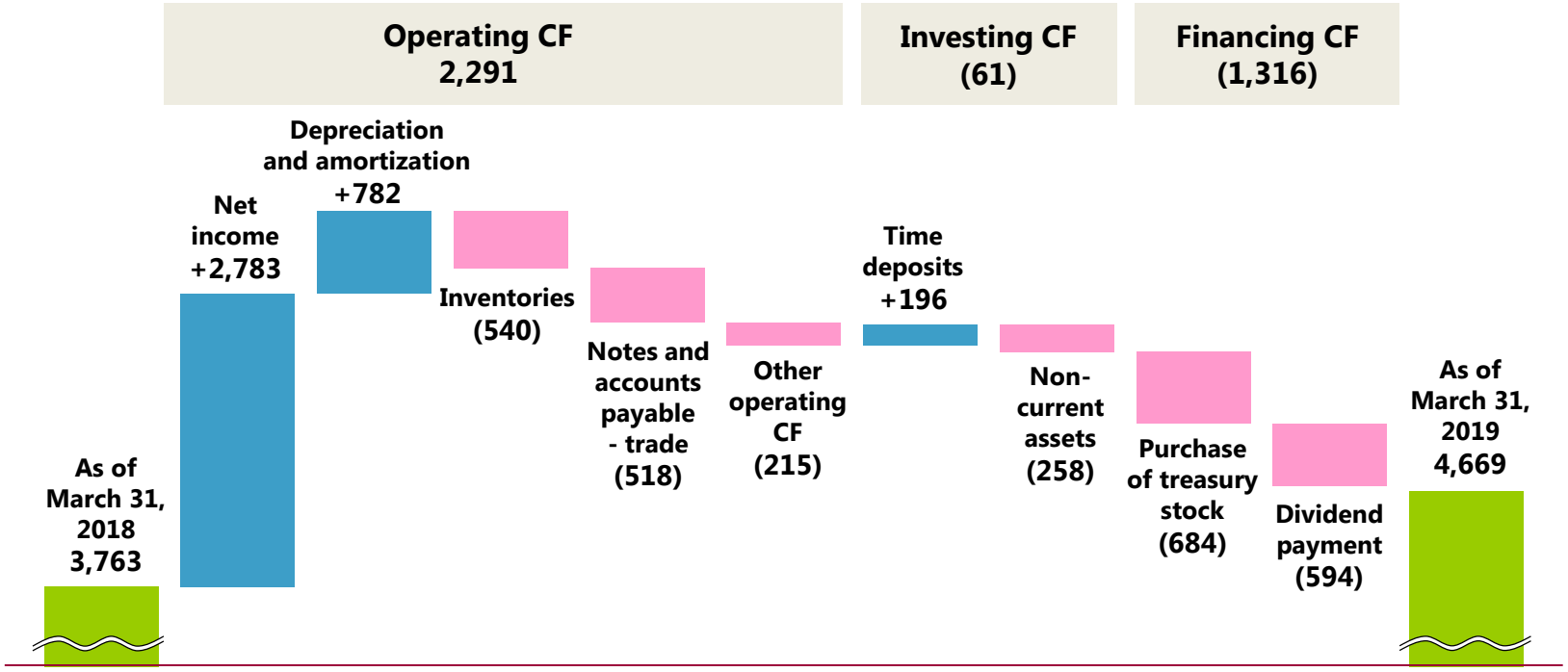
(Millions of yen)



	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020 (forecast)
Capital Investment	682	4,754	546	652	256	350
Depreciation	277	268	474	924	778	754
R&D Expenses	472	510	619	598	413	480

Change in Cash Flow

<Analysis of cash flow> (Main subject only)



<Change in cash flow from operating, investing, and financing activities>

(Millions of yen)

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020 (forecast)
Operating CF	2,104	2,218	1,626	1,223	2,291	2,300
Investing CF	(256)	(5,105)	(471)	(2,511)	(61)	(975)
Financing CF	(560)	(677)	(678)	(659)	(1,316)	(926)

Company Strength

Philosophy & Policy	Accurate response to Customers' request and offering high-quality products Challenge to new business areas
Global & Worldwide	High-leveled ratio of overseas sales Global sales and technical support network - largest in the take-out robot industry
Customer Acceptance	Quick response in sales and technical service Industry-leading technological capability & Reliability based on the delivery strictly being on time
Stable Financial Foundation	Efficient operations with minimum facility & equipment No loan payable High shareholders' equity ratio

No.1 Market Share

Medium-term Objectives

FY2019

- Net Sales: 21.8 billion yen
- Ordinary Income: 2.7 billion yen
- Ordinary Profit ratio: 12.8 %
- EPS: 54 yen

- Net Sales: 30 billion yen
- Ordinary Income: 5 billion yen or more
- Ordinary Profit ratio: 15 % or more
- EPS: 75 yen or more

Strategy4: Active Expansion into New Business

Strategy3: Cultivation of Human Resources

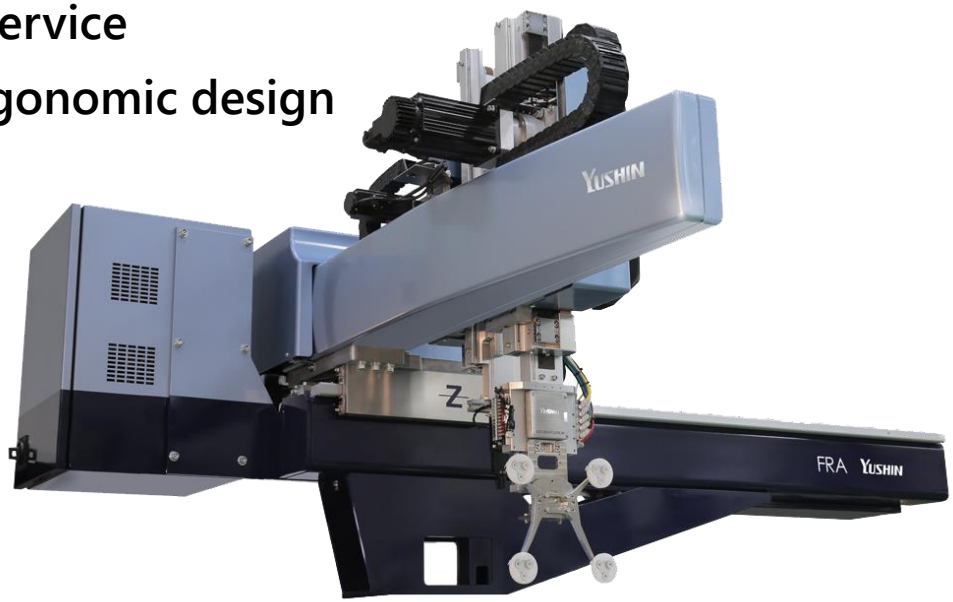
Strategy2: Enhancement of the Global Network

Strategy1: Enhancement of the Products

Strategy 1: Enhancement of the Products (1)

– High End Take-out robot “FRA”

- International safety standard compliance
- Active vibration control
- “INTU LINE” – Yushin’s IoT service
- New controller based on ergonomic design



The Japan Society of Mechanical Engineers Medal for New Technology

reddot design award winner 2019

MACHINE DESIGN AWARD

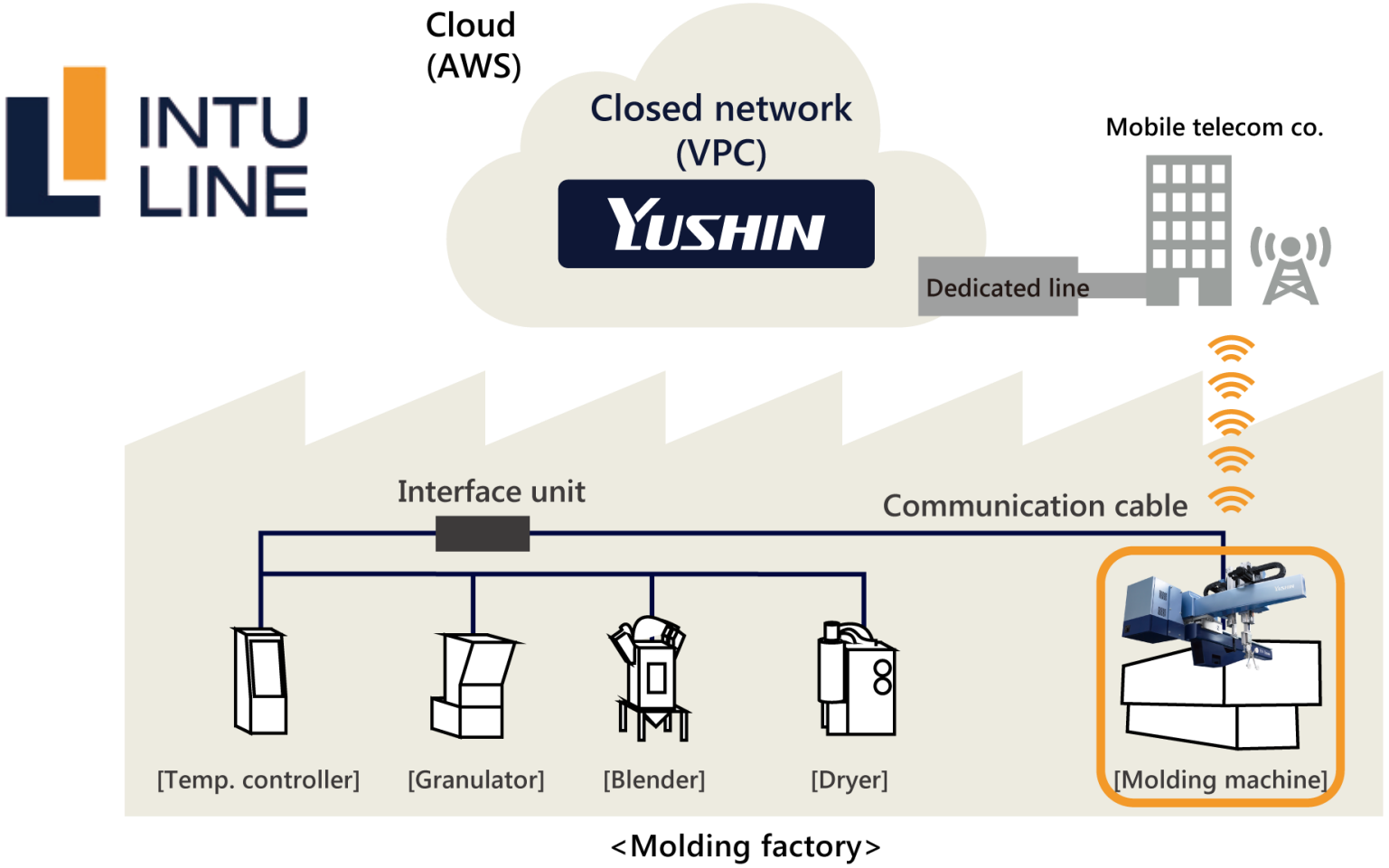
The JMF’s Energy-Efficient Machinery Award

Released in July, 2017

Strategy 1: Enhancement of the Products (2)

– YUSHIN's IoT service "INTU LINE"

- A FRA series robot can change factory intelligent



<Molding factory>

Strategy 1: Enhancement of the Products (3)

– YUSHIN's IoT service "INTU LINE"

- Connecting with other companies' equipment in the plastic industry to realize factory "visualization"

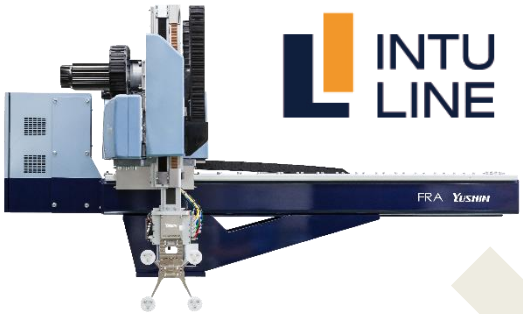
As of May, 2019

Strategy 1: Enhancement of the Products (4)

– Predictive Maintenance by FRA

<Detecting small changes>

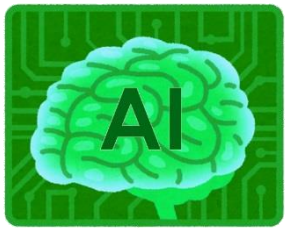
Constant self-diagnosis finds any changes



Detected information

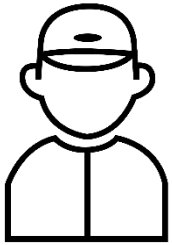
<Estimating predictor>

AI engine estimates predictor based on actual repair data base



<To be added>

Predictive maintenance information



Upgraded predictive maintenance information

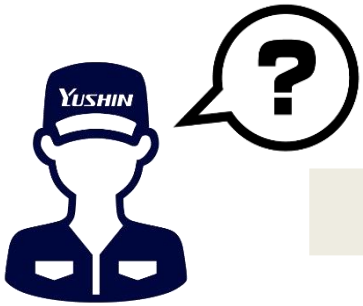
e.g. Detects irregular belt tension, capacitor voltage, air pressure, etc., while AI predicts possible breakdown risks so users can take early preventative action

Strategy 1: Enhancement of the Products (5)

– Utilizing AI

<Detecting the error>

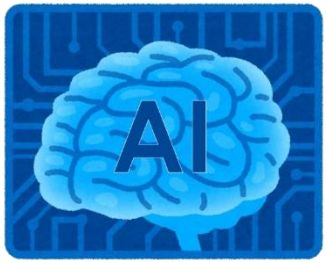
Yushin FSE recognized abnormality of the robot

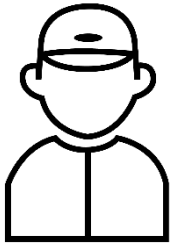


Trouble symptom

<Estimating root cause>

AI engine estimates the possible cause based on actual repair data base



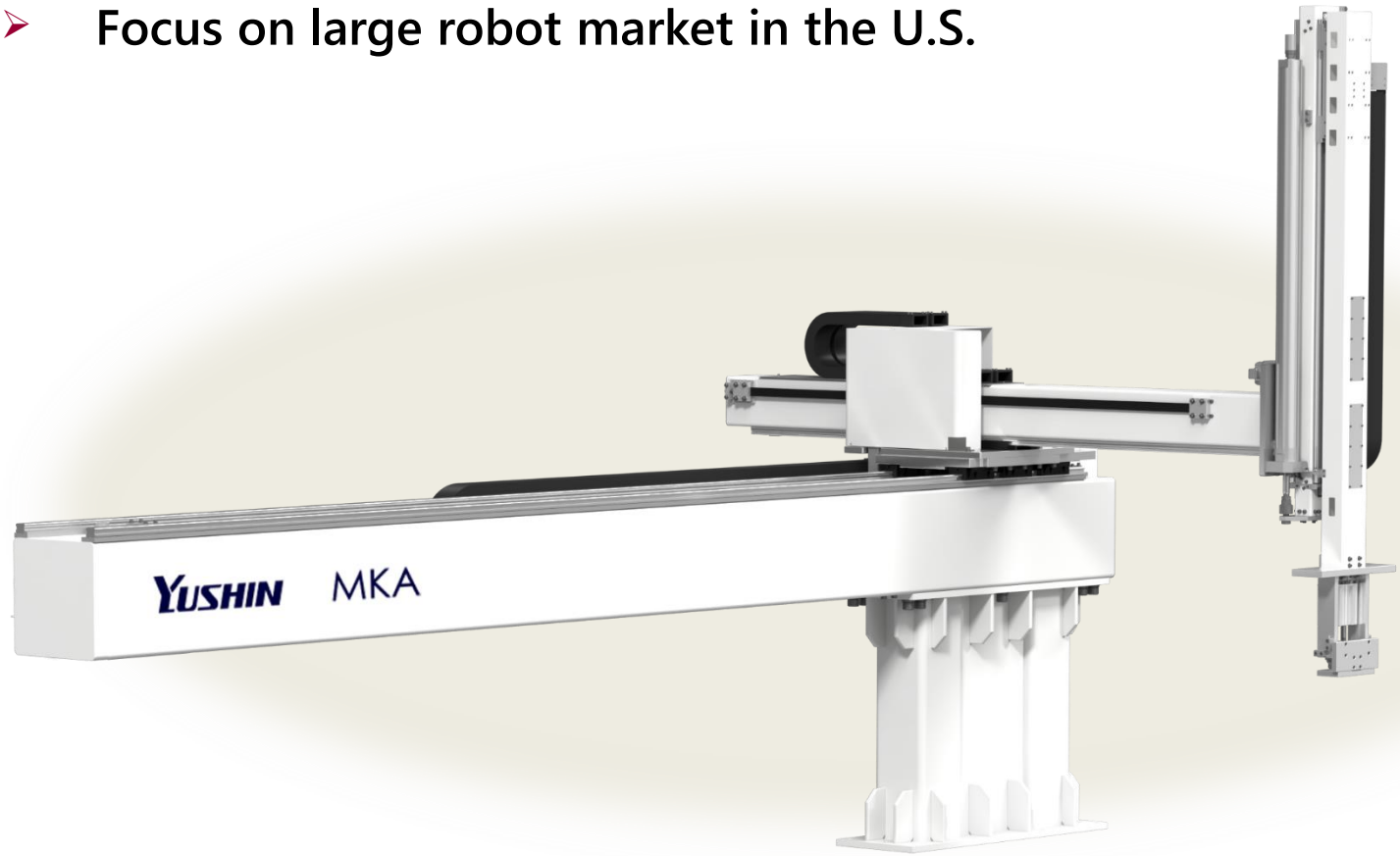


Correct and quick service

Strategy 1: Enhancement of the Products (6)

– Large Take-out robot

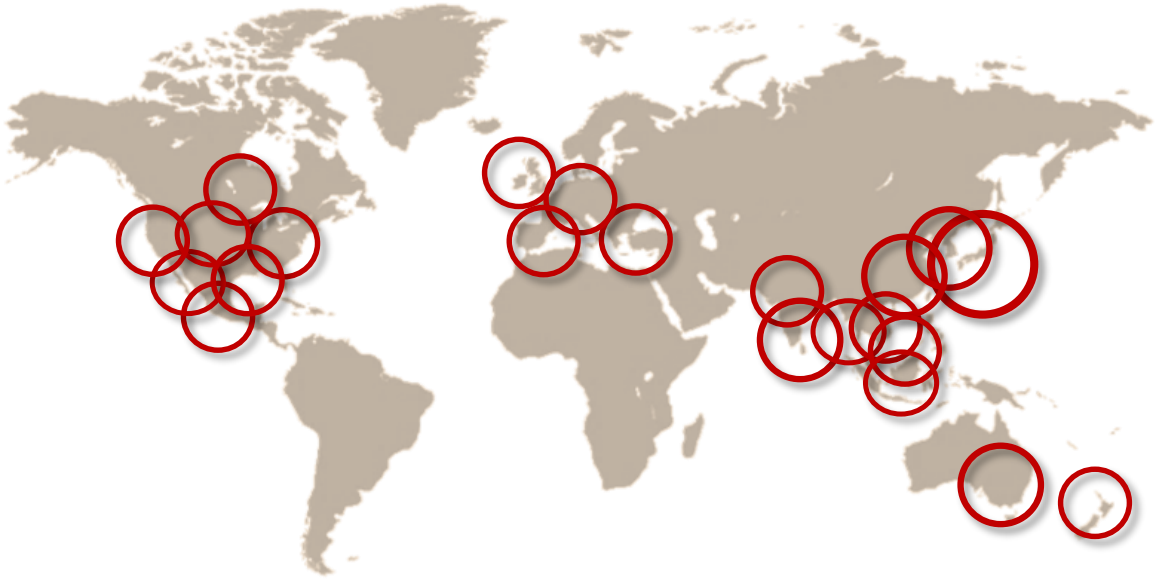
- Large Take-out robot for the U.S. market “MKA-2000S” released
- Focus on large robot market in the U.S.



Released in May, 2019 (only for the U.S.)

Strategy 2: Enhancement of the Global Network

- Established a subsidiary in Munich, Germany for sales expansion in Europe
- Target on the top class companies in the world
- Win local customers in each counties
- Actively recruit world-class human resources



Strategy 3: Cultivation of Human Resources

- Cultivation of System Integrator to accommodate various automation needs
- A wide variety of training

  Technical training program (also started e-learning), Training program for managers, International training program for staffs
- Promoting female powers (Percentage of full-time female employees: 17%)

ESG

E
Environment

< Environmental load reduction >
- Development of energy-saving products (Won the JMF's Energy-Efficient Machinery Award)
- Promotion of environmental management system (ISO14001)

S
Social

< Working style reform of customer factories >
- Providing factory automation system

< Safety and security>
- Sale of the world's highest safety standard equipped robot

< Improvement of working environment >
- Working style support team
- System of maternity leave and shorter working hours (more than statutory)

G
Governance

< Strengthen the governance system >
- Of the 8 directors, 3 are outside directors
- Improvement of board of directors by effectiveness evaluation

Related SDGs Items

The way of working style reform in Yushin was introduced in Keidanren(Japan Business Federation)'s case studies

働き方改革
toward Society 5.0

長時間労働の是正・休暇取得促進

従業員のコミットメント・従業員満足

テクノロジーの活用（AI・RPA）

case 15

YUSHIN

株式会社ユーシン精機

設立	1973年	事業内容	産業用ロボット等の製造・販売
本社所在地	京都府京都市	従業員数	683人（2018年3月現在）

point 1

自社製品で製造業の競争力強化をサポート

ユーシン精機は、主にプラスチック射出成形品用取出ロボットの開発、製造、販売を行っており、工場全体の自動化（FA）システムの提供を通じて顧客である製造業の競争力の強化をサポートしている。

例えば、製品を金型から取り出すロボットは、生産効率と品質向上のみならず、作業者の安全に寄与する。また、IoTの導入による顧客企業における情報の見える化、AI活用によるトラブル症状の解析に取り組むなど、業務の効率化や生産性向上、ひいては、働き方改革の推進に寄与している。

－70－

point 2

働き方支援チーム発足

同社では、2017年9月に働き方支援チームを発足させた。社員一人ひとりの健康づくりや、働きやすい環境づくりを経営戦略上の重要目標と位置づけ、働き方支援の取り組みを推進することが目的である。主な業務内容は以下のとおり。

①働きやすい環境づくり

働き方の効率化、時間外労働削減に向けた施策、コミュニケーションやつながりを深めるための企画等に取り組んでいる。

②社員の健康づくりサポート

産業医と連携した健康サポートや、実践的で分かりやすい健康支援だよりをタイムリーに発行するなど健康に役立つ情報を発信している。

③労務管理による社員の働き方サポート

働き方改革を推進するための関係法律を踏まえた労務管理の強化や、不調者等に対し健康相談を実施するなどサポートしている。

上記の取り組みを一体的に進めることにより、社員が働いて良かったと心から思える会社づくりに取り組んでいる。チームで推進することにより、改革が加速することをねらいとしている。

point 3

1日20分業務効率化運動

また同社では、2017年11月より業務効率化推進プロジェクトを始動させた。

同プロジェクトの一環として、社員一人ひとりが自らの働き方を変え、自己成長することで生産性向上を促すべく、「1日20分業務効率化運動」を推進している。

毎日20分間（午前10分、午後10分）業務効率化のためにできることを意識的に実践し、これを積み上げることで、「意識・行動の改善、成果事例創出」「時間当たり生産性改善」「総残業時間削減」につなげていくという趣旨である。

全員参加で取り組んでいるが、間接業務を中心とした業務ルール・仕組みの見直しや、部門別の取り組みにもきめ細かく対応している。また、研修・教育等を通じたサポートも展開している。

整理整頓	(1)5S（整理、整頓、清掃、清潔、躾）の徹底
重複・ムダの排除	(2)朝礼、会議の効率化（目的明確化、時間・内容見直し）
	(3)資料のコンパクト化（必要以上の資料作成・保管の抑制）
	(4)動線の見直し（移動の仕方、レイアウト等の改善）
	(5)各種ルールの整守（徹底と柔軟）
スケジュール、タスク管理	(6)スケジュール、タスク管理の工夫（事前計画、前倒り、優先順位づけ）
効率化ツール活用	(7)便利機能の徹底活用（例：スケジュール共有、会議招集）
意識啓発、体制改善（主に管理者向け）	(8)チーム内の意識啓発、効率化策の共有
	(9)適切な労務管理、コミュニケーション（残業事前申請徹底）
	(10)業務の目的・成果明確化、分担適正化、標準化

業務効率化推奨活動

－71－

* For more details, please visit the Japan Business Federation website "Workstyle Reform Casebook" page. (only in Japanese)

http://www.keidanren.or.jp/policy/2018/104.pdf

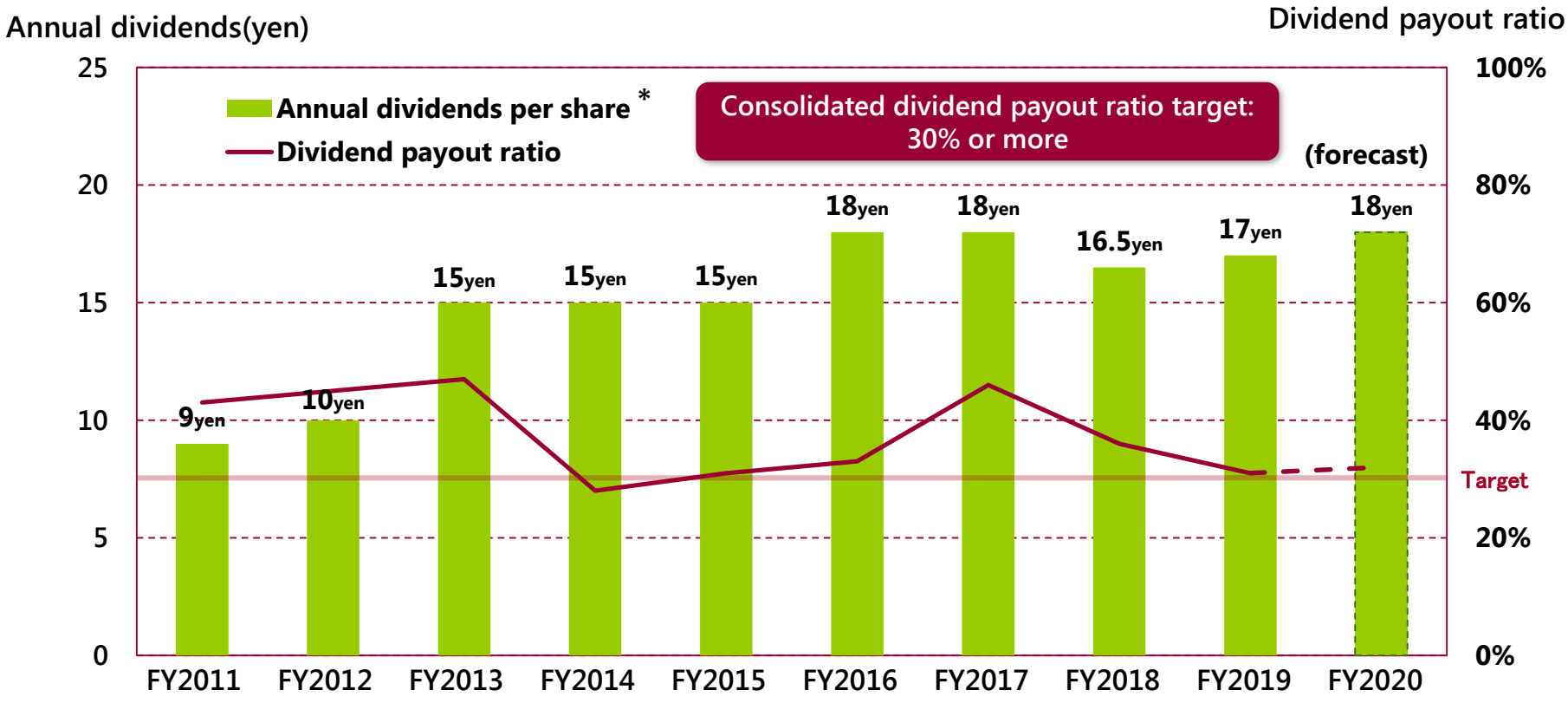
Return to Shareholders

- Repurchase of Own Shares

  Total number of shares repurchased: 938,100 shares

  Total amount of repurchase price: approx. 1 billion yen

  Period of repurchase: From February 8, 2019 to May 8, 2019



* Annual dividends per share is converted to stock base after dividing stock (1:2).

<Appendix>

- Company Profile・・・・・・・・・・・・・・・・・・・・30
- Product Lineup (1)・・・・・・・・・・・・・・・・・・31
- Product Lineup (2)・・・・・・・・・・・・・・・・・・32
- Performance and Price of Take-out Robots ・・・・33
- Global Network・・・・・・・・・・・・・・・・・・・・34

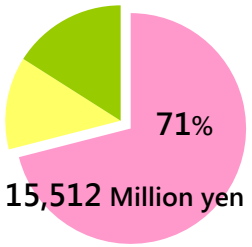
<Appendix> Company Profile

Name:	Yushin Precision Equipment Co., Ltd.
President:	Mayumi Kotani
Establishment:	October, 1973
Capital:	1,985 million yen
Number of employees:	683 (Consolidated, as of March 31, 2019)
Consolidated net sales:	21,833 million yen (FY2019)
Securities code:	6482 (First Section of the TSE)
Trading unit:	100 shares

<Appendix> Product Lineup (1)

Take-out Robots

Sales ratio



FRA series
<Traverse type>

HSA series
<Traverse type>

HST series
<Traverse type>

RC series
<Traverse type>

YC series
<Traverse type>

TSXA series
<Side-entry type>

SC series
<Traverse type>

ATC series
<Traverse type>

HOP series
<Swing type>

<Appendix> Product Lineup (2)

Custom-ordered Equipment

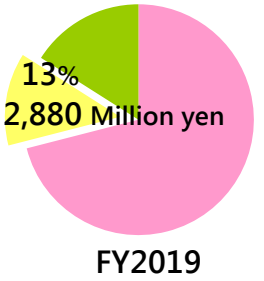
Flexible module stocker

In-mold system

Gate cutting system

Palletizing robots

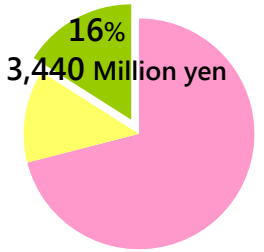
Sales ratio



FY2019

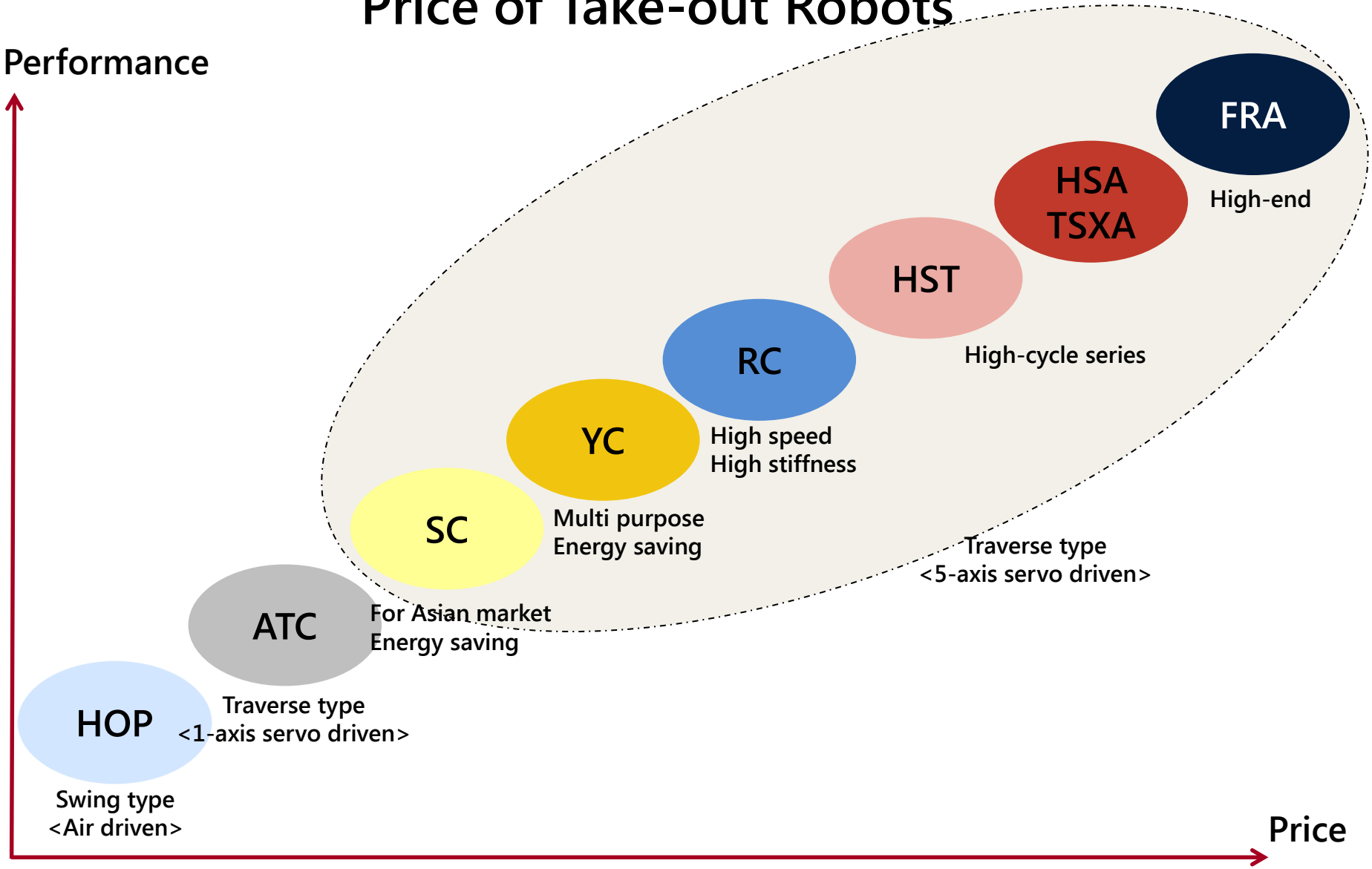
Parts and Maintenance service

Sales ratio



FY2019

<Appendix> Performance and Price of Take-out Robots



<Appendix> Global Network

<Subsidiaries>

1) South Korea
2) China<Shanghai>
   - Tianjin Office
3) China<Shenzhen>
4) Taiwan
5) Indonesia
6) Vietnam
7) Malaysia
8) Thailand
9) India
10) Germany
    (Start operation in June 2019)
11) UK
12) U.S.A.
    - Mexico Office
13) China<Guangzhou>

<Representative Office>

1) Philippines

May. 14, 2019

YUSHIN PRECISION EQUIPMENT CO.,LTD.

Contact: Corporate Planning Department

(E-mail) irinfo@kyo.ype.co.jp

www.ype.co.jp/en/

The IR site distributes explanatory meeting information and various materials.

http://ir.ype.co.jp/en/Top.html

You can also access from this QR code.

Notes:
This document contains some estimates of future business performance.
Such references should not be taken to be a guarantee. Please note that future performance is subject to various risks and uncertainties, and goals and projections may vary due to changes in the business environment.