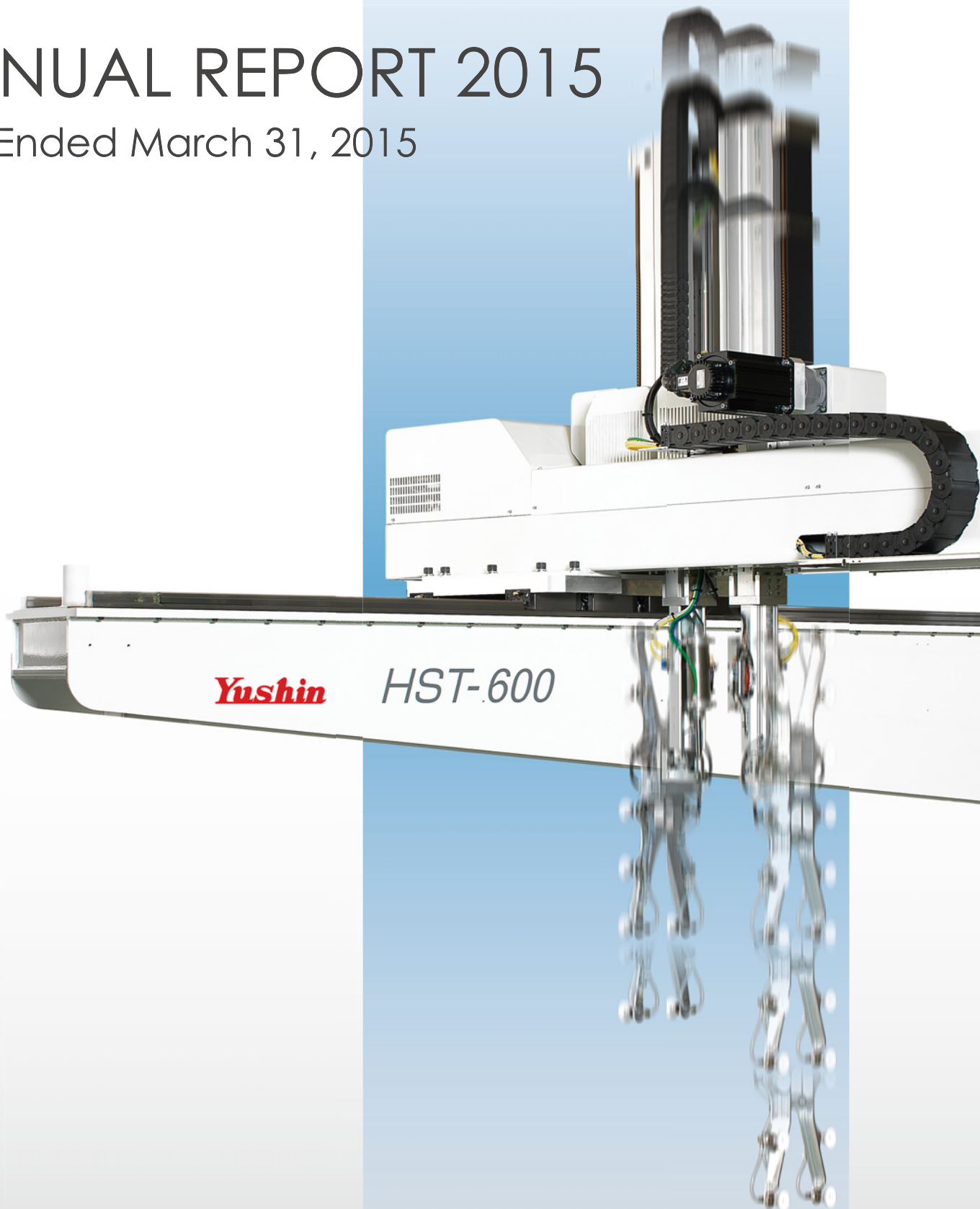




ANNUAL REPORT 2015

Year Ended March 31, 2015



Message from the President

Let me extend my wishes to you for your health and prosperity.

We respectfully appreciate for your continued support to our business.

We would like to present you an overall view of our company's 42nd year of operations, the fiscal year from April 1st, 2014 to March 31st, 2015.

June 2015


 Mayumi Kotani
 President and
 Representative Director



Business Results

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 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

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.

Outlook for Fiscal Year 2016 (Year ending March 31, 2016)

As for the business environment surrounding Yushin, 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 are expected to

slow down, although the economy of the United States is expected to remain strong.

Under these circumstances, Yushin will extend the quality and scale of our business by developing products to meet market demands, utilizing our global sales and service

network, and strengthening our sales capabilities. Yushin will also attract new customer for the take-out robots while expanding sales of 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.

Yushin forecasts its business performance for the FY2016, based on the current information available, as follows.

(Millions of yen)	
	Consolidated
Net sales	19,500 (Y/Y 9.6 %)
Operating income	2,800 (Y/Y 21.5 %)
Ordinary income	3,000 (Y/Y 18.0 %)
Net income	2,100 (Y/Y 24.7 %)

できぬ・無理だ、は出発点

Impossible mark the starting point of a challenge.



Susumu Kotani, Yushin's Founder

Medium and Long-Term Management Strategies

Yushin has set the medium-term management targets of net sales of 30,000 million yen and ordinary income of 5,000 million yen for the FY2019.

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. Furthermore, Yushin will also attract new customer for the take-out robots while promoting receiving orders for custom-ordered equipment.

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. Also Yushin maximally utilize the production capacity of Technical center opened in 2013 to respond to the sales increase in medical-related and electronic device-related area.

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 to the market.

Outline of Yushin Precision Equipment Co., Ltd.

Our name “Yushin”, means to be both conscientious and trustworthy in Japanese. As these terms suggest, our goal is to be a company that earns and deserves the trust of customers. This is why we work constantly to develop products and systems based on what we call “Heartful Technology”, that reaches heart to heart.

Since 1973, we have been striving to make the molding process more efficient, focusing on the development and manufacturing of take-out robots for plastic injection molding products. To us, the words “impossible” or “it can’t be done” mark the starting point of a challenge.

To be successful, we must continue to introduce innovative products, for instance, ultra-high speed robots and factory automation systems for bringing new capabilities into the customers.

As an innovator in the plastic molding process, Yushin intends to continue developing equipment that will improve quality, and simplify the molding new types of products. Taking advance with automation for plastic molding plants, Yushin has been expanding its service network throughout the world.

Yushin also conducts its business so as to live up to the trust and expectations of its customers, shareholders, suppliers, employees, local communities and all other stakeholders.



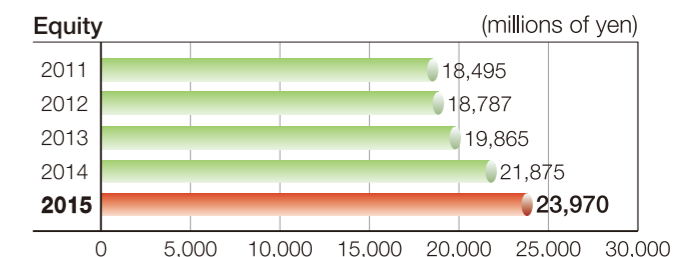
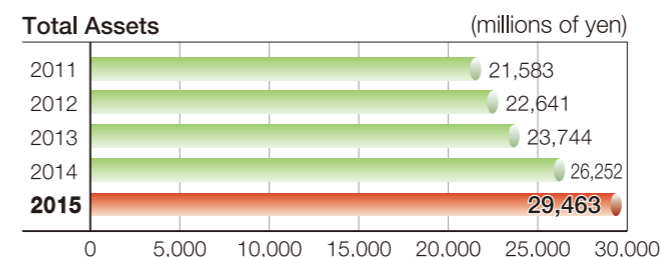
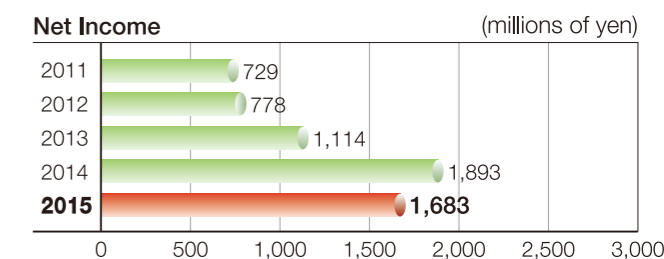
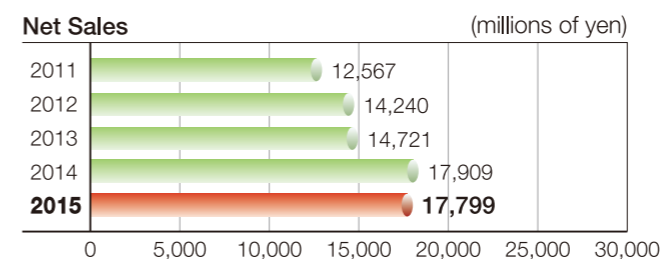
Serving society through developing plastics industry.

Consolidated Financial Highlights

Yushin Precision Equipment Co., Ltd. and Subsidiaries
Years ended March 31

	Millions of Yen					Thousands of U.S. Dollars
	2015	2014	2013	2012	2011	2015
For the year:						
Net sales	¥ 17,799	¥ 17,909	¥ 14,721	¥ 14,240	¥ 12,567	\$ 148,325
Operating income	2,304	2,792	1,498	1,272	1,097	19,202
Income before income taxes and minority interest	2,566	3,163	1,779	1,265	1,055	21,386
Net income	1,683	1,893	1,114	778	729	14,028
R&D Expenses	472	448	591	565	477	3,938
At Year end:						
Total assets	29,463	26,252	23,744	22,641	21,583	245,531
Equity	23,970	21,875	19,865	18,787	18,495	199,751
Per share of common stock:						
	Yen					U.S. Dollars
Net income	¥ 96.26	¥ 108.24	¥ 63.74	¥ 44.50	¥ 41.73	\$ 0.80
Cash dividends	30.00	30.00	30.00	20.00	18.00	0.25
Equity	1,357.36	1,243.88	1,131.63	1,072.24	1,055.42	11.31
Equity ratio:						
	%					
Return on assets	6.0%	7.6%	4.8%	3.5%	3.5%	
Return on equity	7.4	9.1	5.8	4.2	4.0	

Notes: The computation of net income per share is based on the weighted average number of shares of common stock outstanding during each year, retroactively adjusted for stock splits, including those stock splits made after year-end.
Cash dividends per share are dividends applicable to the respective years including dividends to be paid after the end of the year.
The computation of equity per share is based on the number of shares of common stock outstanding each end of year, retroactively adjusted for stock splits, including those stock splits made after year-end.
Translations of Japanese Yen amounts into U.S. dollar amounts are made at the rate of ¥120 to \$1.



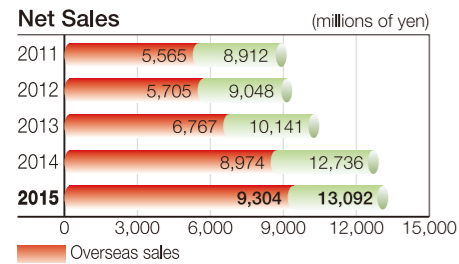
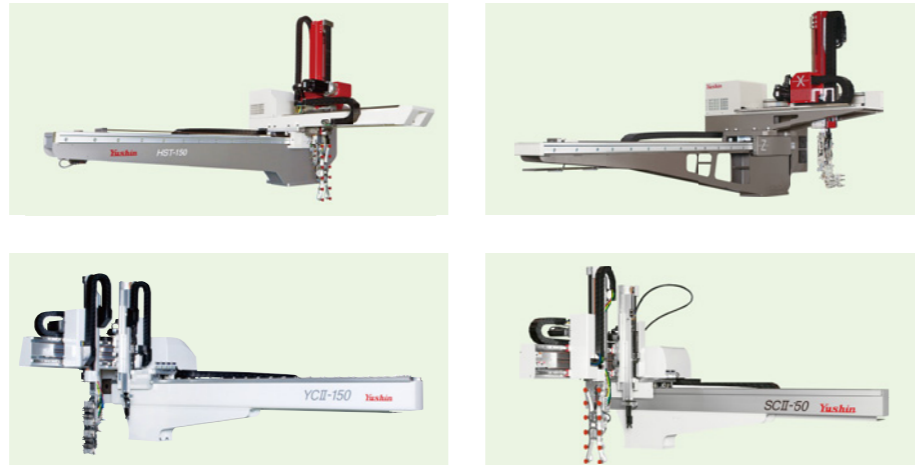
Estimates, Forecasts, and Plans

The performance estimates, forecasts of the business environment, and business plans contained in this publication are based on the information available at the time of compilation. Statements herein regarding these performance estimates, forecasts of the business environment, and business plans may contain inaccurate elements. In addition, there is a possibility of unknown risks, uncertainties, and contingencies emerging that may invalidate these performance estimates, forecasts of the business environment, and business plans. As a result, the reader is requested to understand that actual results / performance, the business environment and business plans in the future may differ materially from the content of this publication.

Review of Operations

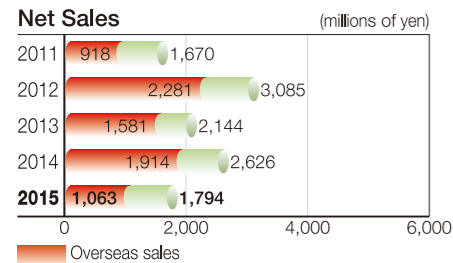
● Take-out Robots

Net sales of take-out robots, which contribute a labor-saving, increased by 355 million yen (2.8%) from the previous FY to 13,092 million yen.



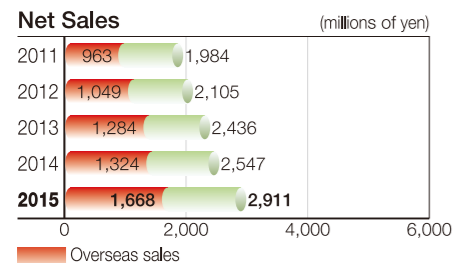
● Custom-ordered Equipment

Net sales of custom-ordered equipment decreased by 831 million yen (31.6%) from the previous FY to 1,794 million yen because the delivery was delayed until following fiscal year.

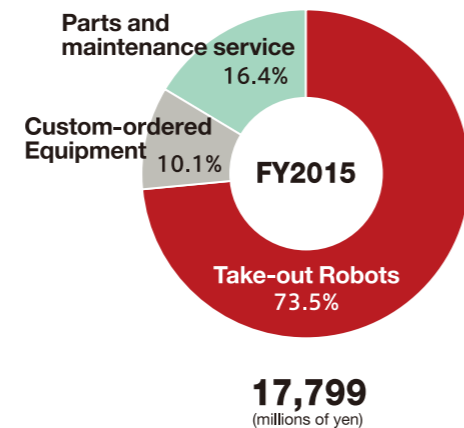


● Parts and maintenance service

Net sales of parts and maintenance service increased by 364 million yen (14.3%) from the previous FY to 2,911 million yen.



Sales composition by products



● Performance of geographic segments

【Japan】

Net sales decreased by 3.1% to 13,907 million yen and operating income decreased by 18.1% from the previous FY to 1,319 million yen.

【North America】

Net sales decreased by 1.3% from the previous FY to 2,789 million yen and operating income decreased by 41.1% to 274 million yen.

【Asia】

Net sales increased by 16.0% from the previous FY to 5,376 million yen and operating income increased by 14.2% to 788 million yen due to the favorable performance of the subsidiary in Thailand and Malaysia.

【Europe】

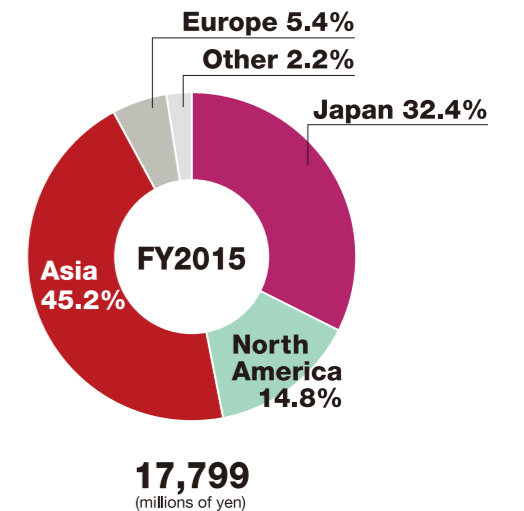
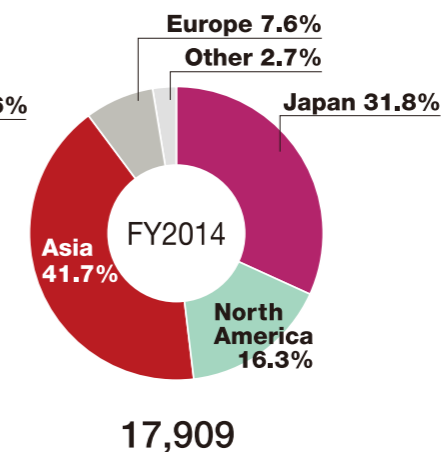
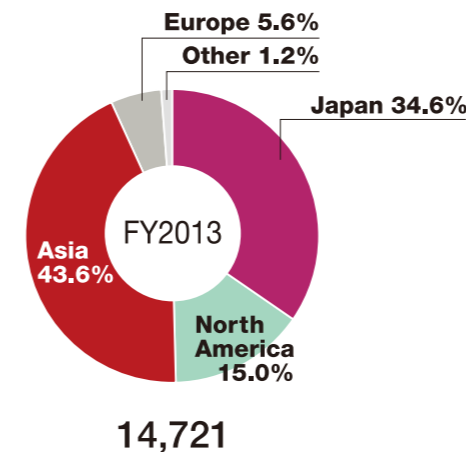
Net sales increased by 1.8% from the previous FY to 638 million yen and operating income decreased by 22.7% from the previous FY to 73 million yen.

● Overseas sales

Overseas sales simply indicate Yushin's world sales to countries and areas other than Japan. Overseas sales decreased by 1.5% year on year to 12,036 million yen from previous fiscal year. And the ratio of overseas sales to the total net sales was 67.6% which also decreased 0.6 point from the previous fiscal year.

As for each region, net sales to North America decreased by 9.9% to 2,628 million yen, net sales to Asia increased 7.9% to 8,051 million yen and net sales to Europe decreased 29.0% to 959 million yen.

Sales composition by region



Construction of New Company Headquarters



Yushin Precision Equipment (YPE) is currently constructing a new company headquarters on the southern Kyoto City property acquired in 2013. The building project is scheduled for completion in fall of 2016.

The new building will consist of a factory wing and office wing. The office wing will be a distinctive 7-story structure with a stone façade, where the sales, R&D, engineering, and management departments are all located on one floor for better efficiency. The 4-story factory wing will have a layout designed for all-around production process improvements.

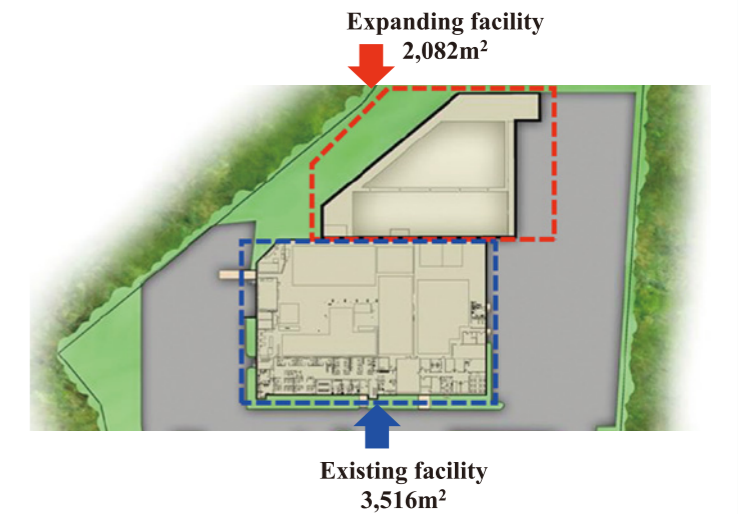
The property on which the new headquarters will stand is 21,000 sq. meters – approx. 2.5 times bigger than YPE’s current campus – and faces Japan National Route 171, the main highway around Kyoto City.

Factory Expansions at U.S. and Korean Subsidiaries

Yushin Korea Co., Ltd. acquired a factory building next door to their current facility in the fall of 2014. The added space enables them to shorten lead times and grow their sales further. Yushin Korea first opened its doors in Seoul, South Korea in 2000, and has expanded its sales – especially in the busy automotive and IT devices industries – each year since.

Yushin America, Inc. is also expanding their facility to meet demand and shorten lead times. The addition to the rear of their headquarters will expand their factory

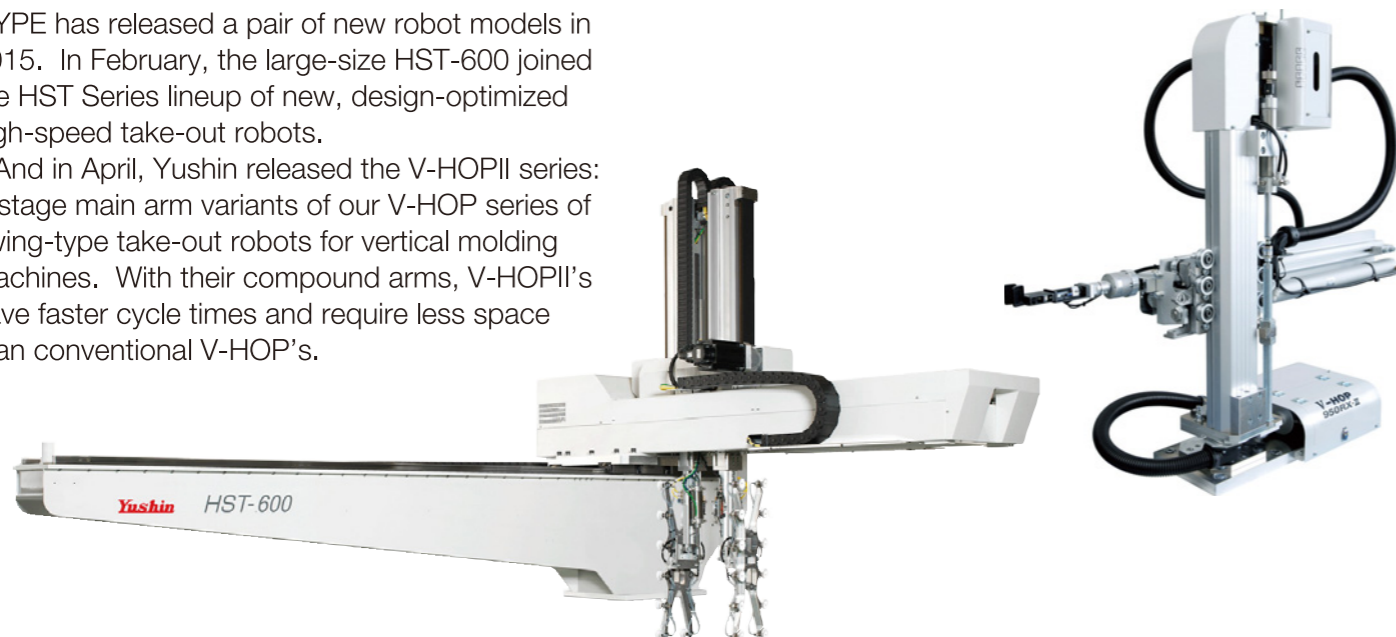
floor space by roughly 1.5x, and is scheduled to open in the summer of 2015. Yushin America, based in the Northeastern US state of Rhode Island, has the longest history and highest sales among all Yushin subsidiaries. Since opening in 1988, Yushin America has manufactured, sold, and serviced robots and automation tailored for the North American market.



New Robot Model Releases

YPE has released a pair of new robot models in 2015. In February, the large-size HST-600 joined the HST Series lineup of new, design-optimized high-speed take-out robots.

And in April, Yushin released the V-HOPII series: 2-stage main arm variants of our V-HOP series of swing-type take-out robots for vertical molding machines. With their compound arms, V-HOPII’s have faster cycle times and require less space than conventional V-HOP’s.



Yushin Exhibits at the World’s Major Tradeshows

Two of the world’s largest plastics industry expositions – IPF Japan 2014 (International Plastics Fair, held in Chiba, Japan in October 2014) and NPE 2015 (National Plastics Exhibition, held in March 2015 in Florida, USA) – ran recently and Yushin was there.

Yushin exhibits included the new HST series of robots built for rigidity, speed, and light weight using design optimization engineering, and also the YC series of take-out robots which recently were honored with the Japan Machinery Federation’s Energy Efficient Machine award. Yushin also offered a glimpse of the future by displaying a never-before-seen new concept robot. The robot demonstrated how control of several devices can be merged into one controller, enabling the robot to accomplish complex operations with synchronized, cooperative control of its arms. The robot’s two arms

are in a “V” configuration similar to a human’s, and can accomplish tasks individually or work cooperatively when needed. Each of Yushin’s exhibits attracted many curious visitors at the shows.



Global Network (As of June 30, 2015)



Headquarters & Factory



Technical Center



USA



Korea



China (Shenzhen)



Taiwan



Thailand



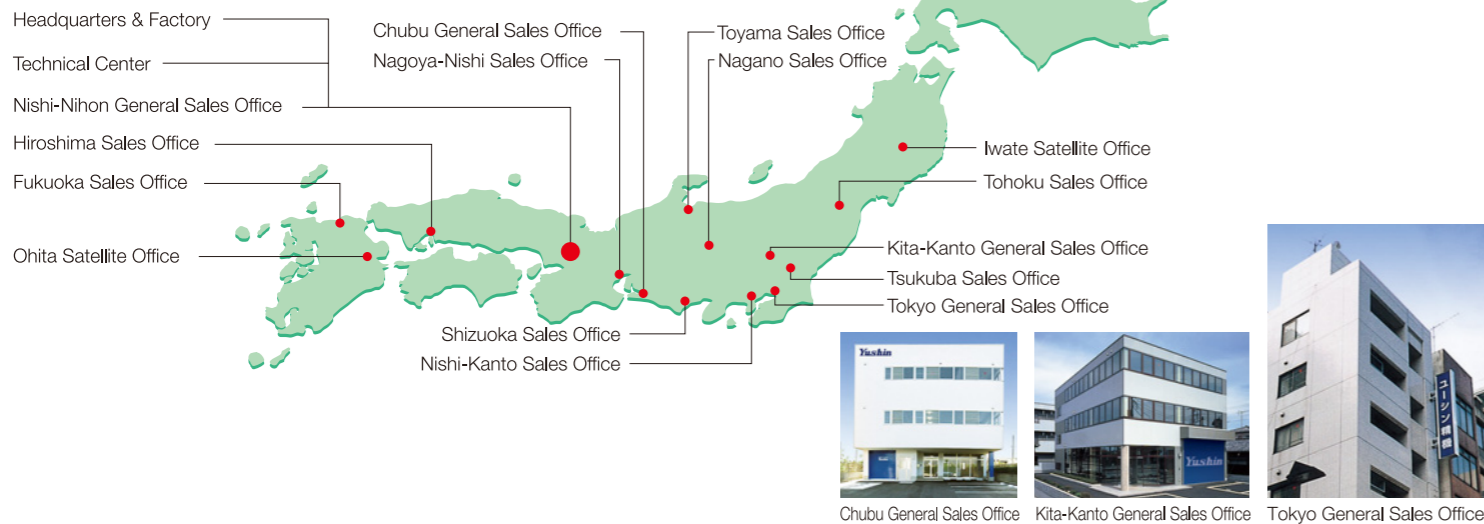
Vietnam



UK



China (Guangzhou)



Headquarters & Factory

Yushin Precision Equipment Co., Ltd.

11-260 Kogahonmachi, Fushimi-ku, Kyoto, Japan 612-8492
TEL: +(81)75-933-9555

Subsidiaries (Sales)

- Korea Yushin Korea Co., Ltd. <Seoul>
Tawon Techno-town F-101, 98 Okuchundong-Ro, Siheung-Shi, Gyeonggi-Do, 429-450, Korea
TEL: +(82)31-433-9655-6
- Taiwan Yushin Precision Equipment (Taiwan) Co., Ltd. <Taipei>
10F, No.45, Sec.1, Minquan E. Rd., Zhongshan District, Taipei City 104, Taiwan (R.O.C.)
TEL: +(886)2-2585-0507
- China Yushin Precision Equipment Trading (Shanghai) Co., Ltd.
Unit J1, 17/Floor, No.1800 Zhongshan West Road, Shanghai, 200235 China
TEL: +(86)21-6440-1586-7
Yushin Precision Equipment Trading (Shenzhen) Co., Ltd.
13F Tower 1, Yang Guang Hua Yi Building NO.3003, Nan Hai Ave, Nan Shan District, Shen Zhen, China
TEL: +(86)755-8358-0139
- Indonesia PT. Yushin Precision Equipment Indonesia <Jakarta>
Ruko Kalimas Jl. Chairil Anwar No. A. 15 Rt 006 Rw 017, Margahayu, Bekasi Timur, Kota Bekasi, Jawa Barat 17112 Indonesia
TEL: +(62)21-8835-8185
- Vietnam Yushin Precision Equipment (Vietnam) Co., Ltd. <Hanoi>
Room No. 101, 1st Floor, HITC Building, 239 Xuan Thuy Street, Dich Vong Ward, Cau Giay Dist, Hanoi, Vietnam
TEL: +(84)43-767-3844
- Malaysia Yushin Precision Equipment Sdn. Bhd. (Malaysia) <Kuala Lumpur>
Unit No. C-03A-5, Setiawalk, Persiaran Wawasan, Pusat Bandar Puchong 47610 Puchong, Selangor Darul Ehsan, Malaysia
TEL: +(60)3-5880-5445
- Thailand Yushin Precision Equipment (Thailand) Co., Ltd. <Bangkok>
179/346 Supalai Place, Soi, Sukhumvit 39 (Prompong), Sukhumvit Rd., Klongton Nua, Wattana, Bangkok 10110 Thailand
TEL: +(66)2-662-2580
- India Yushin Precision Equipment (India) Pvt. Ltd. <Chennai>
Kalyani Towers, 3rd Floor, T2, New No. 69, Old No. 174C, 2nd Avenue, Ashok Nagar, Chennai 600 083 India
TEL: +(91)44-4231-8005
- UK Yushin Automation Limited <Birmingham>
Unit 15-16 Aston Fields Industrial Estate, Aston Road, Bromsgrove, Worcestershire B60 3EX, United Kingdom
TEL: +(44)1527-558-218
- USA Yushin America, Inc. <Rhode Island>
35 Kenney Drive, Cranston, RI 02920 U.S.A.
TEL: +(1)401-463-1800

Technical Center

487 Kuzetsukiyama-cho, Minami-ku, Kyoto, Japan 601-8203
TEL: +(81)75-933-9555

Subsidiary (Factory)

- China Guangzhou Yushin Precision Equipment Co., Ltd.
No.2 Chuangli Road, Xiangshan street, Zengcheng Economic & Technological Development District, Guangzhou City, Guangdong Province, China
TEL: +(86)20-8269-0091

Representative offices

- Philippines Representative Office <Manila>
2nd Floor RAHA Sulayman Building (Annex) 108, Benavidez Street, Legaspi Village, Makati City, 1229 Philippines
TEL: +(63)2-893-7546

Agents

- New Zealand Tasman Machinery Ltd. <Auckland>
14-16 Auburn St, Grafton, Auckland 1023 (New Zealand)
TEL: +(64)9-379-5716
- Australia Tasman Machinery Pty. Ltd. <Melbourne>
Unit 2, 84-90 Lakewood Blvd, Braeside, Victoria 3195 (Australia)
TEL: +(61)3-8587-8200
- Turkey Mar Plastik Metal Kalıp San. ve Tic. Ltd. Şti. <Istanbul>
Istanbul Anadolu Yakası Organize Sanayi Bölgesi (IAYOSB) 9. Sk. No: 6, 34953 Tuzla-Istanbul / TÜRKİYE
TEL: +(90)216-593-20-01
- Italy Macam S.r.l. <Torino>
Via Asti, 88/A, 10098 Rivoli (TO), Italia
TEL: +(39)11-959-50-57
- The Netherlands Polymac-Robotics B.V. <Ede>
Morsestraat 20 Ede 6716 AH EDE, The Netherlands
TEL: +(31)318-648615
- Spain Mecman Industrial, S.L. <Barcelona>
Avda. Principal, 41 Pol. Ind. Can Clapers 08181 Sentmenat (Barcelona) Apdo, correos, 98, Spain
TEL: +(34)902-636-717
- Canada En-Plas, Inc. <Toronto>
1395 Morningside Avenue Scarborough, (Toronto) Ontario M1B 3J1, Canada
TEL: +(1)416-286-3030

Board of Directors, Auditors and Officers

(As of June 30, 2015)



President and Representative Director
Mayumi Kotani



Executive Managing Director
Satoshi Kimura



Managing Director
Yasuharu Odachi



Managing Director
Yasushi Kitagawa



Outside Director
Yasuo Nishiguchi



Outside Director
Hiroshi Matsuhisa



Full-time Corporate Auditor
Shujiro Sawada



Outside Corporate Auditor
Yasuhiro Orita



Outside Corporate Auditor
Takao Yoshikawa



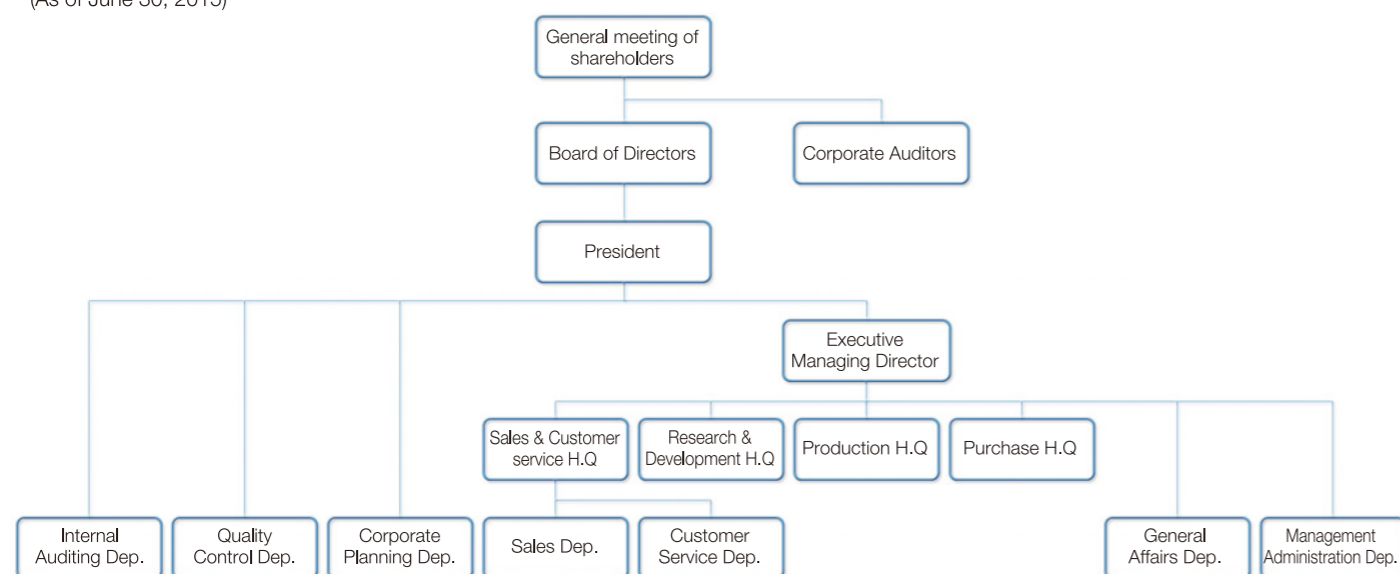
Outside Corporate Auditor
Hiroho Kamakura



Executive Officer
Tomohiro Inano

Organization Chart

(As of June 30, 2015)



Financial Review

Yushin Precision Equipment Co., Ltd. and Subsidiaries

1.Net Sales

Net sales decreased by 0.6% year on year to 17,799 million yen from previous fiscal year. Net sales of Take-out robots increased by 2.8% year on year in the background of raise of labor costs in Asian countries. On the other hand, sales of custom-ordered equipment decreased by 31.6% because the delivery was delayed until following fiscal year.

2.Operating Income and Net Income

Operating income decreased by 17.5% year on year to 2,304 million yen and net income decreased by 11.1% to 1,683 million yen. A continuous cost reducing activities absorbed increase of material costs arisen from a weak yen, but increases of labor costs and some expenses caused cost of goods sold increased.

3.Financial Condition

Total assets increased by 3,211 million yen from the end of the previous fiscal year to 29,463 million yen due to increase of 1,406 million yen in Cash and deposit, and increase of 585 million yen in Notes and accounts receivable - trade.

Total liabilities increased by 1,117 million yen from the end of the previous fiscal year to 5,493 million yen. This was due to increase of 894 million yen in Advances received.

Net assets increased by 2,094 million yen from the end of the previous fiscal year to 23,970 million yen due to the rise of retained earnings by 1,446 million yen and foreign currency translation adjustments by 416 million yen.

4.Cash Flow

The balance of cash and cash equivalents on March 31, 2015 increased by 1,582 million yen from the end of the previous fiscal year to 9,089 million yen. Main reasons are as follows.

【Cash flow from operating activities】

Income before income taxes and minority interests was 2,566 million yen. After adding 971 million yen in increase in other current liabilities, and deducting 1,350 million yen in Income taxes paid, cash flow from operating activities for the fiscal year ended March 31, 2015 was a net inflow of 2,104 million yen (it was a net inflow of 2,575 million yen in the previous fiscal year).

【Cash flow from investment activities】

Due to 461 million yen in Purchase of property, plant and equipment, cash flow from investment activities for the fiscal year ended March 31, 2015 was a net outflow of 256 million yen (it was a net outflow of 2,389 million yen in the previous fiscal year).

【Cash flow from financing activities】

Due to Cash dividends paid of 524 million yen, cash flow from financing activities was a net outflow of 560 million yen (it was a net outflow of 569 million yen in the previous fiscal year).

Consolidated Balance Sheet

Yushin Precision Equipment Co., Ltd. and Subsidiaries
March 31, 2015

ASSETS	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2015	2014	2015
CURRENT ASSETS:			
Cash and cash equivalents (Note 10)	¥ 9,089	¥ 7,506	\$ 75,742
Short-term investments (Notes 3 and 10)	45	221	379
Receivables (Note 10) :			
Trade notes	1,159	997	9,663
Trade accounts	4,689	4,266	39,077
Allowance for doubtful receivables	(25)	(25)	(216)
Inventories (Note 4)	4,358	3,990	36,324
Deferred tax assets (Note 7)	602	519	5,017
Other current assets	455	334	3,794
Total current assets	20,373	17,810	169,782
PROPERTY, PLANT AND EQUIPMENT:			
Land	5,807	5,640	48,398
Buildings and structures	4,156	4,064	34,637
Machinery and equipment	430	403	3,587
Furniture and fixtures	1,647	1,335	13,732
Construction in progress	161	5	1,345
Total	12,204	11,450	101,701
Accumulated depreciation	(4,109)	(3,691)	(34,244)
Net property, plant and equipment	8,094	7,758	67,457
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Notes 3 and 10)	294	230	2,457
Insurance funds	132	145	1,108
Asset for retirement benefits (Note 5)	346	107	2,890
Deferred tax assets (Note 7)	11	10	94
Other assets	208	189	1,740
Total investments and other assets	994	682	8,291
TOTAL	¥ 29,463	¥ 26,252	\$ 245,531

See notes to consolidated financial statements.

LIABILITIES AND EQUITY	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2015	2014	2015
CURRENT LIABILITIES:			
Payables (Note 10) :			
Trade notes	¥ 56	¥ 22	\$ 474
Trade accounts	2,306	1,673	19,218
Construction and other	529	634	4,415
Advances from customers	1,282	388	10,690
Income taxes payable (Note 10)	265	767	2,212
Accrued expenses	374	362	3,117
Warranty reserve	179	138	1,492
Other current liabilities (Note 7)	77	118	648
Total current liabilities	5,072	4,107	42,269
LONG-TERM LIABILITIES:			
Liability for retirement benefits to directors (Note 5)	66	66	556
Liability for retirement benefits (Note 5)	38	33	322
Deferred tax liabilities (Note 7)	237	93	1,982
Other	77	74	649
Total long-term liabilities	421	268	3,510
EQUITY (Notes 6 and 13):			
Common stock, authorized, 40,000,000 shares; issued, 17,819,033 shares in 2015 and 2014	1,985	1,985	16,547
Capital surplus	2,023	2,023	16,865
Retained earnings	19,205	17,758	160,047
Treasury stock - at cost: 330,904 shares in 2015 and 330,197 shares in 2014	(352)	(350)	(2,933)
Accumulated other comprehensive income:			
Unrealized gain on available-for-sale securities	107	53	891
Foreign currency translation adjustments	658	242	5,490
Defined retirement benefit plan	108	40	905
Total	23,737	21,753	197,814
Minority interests	232	121	1,936
Total equity	23,970	21,875	199,751
TOTAL	¥ 29,463	¥ 26,252	\$ 245,531

Consolidated Statement of Income

Yushin Precision Equipment Co., Ltd. and Subsidiaries
Year Ended March 31, 2015

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2015	2014	2015
NET SALES	¥ 17,799	¥ 17,909	\$ 148,325
COST OF SALES (Note 9)	10,521	10,269	87,678
Gross profit	7,277	7,640	60,646
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 8 and 9)	4,973	4,848	41,444
Operating income	2,304	2,792	19,202
OTHER INCOME (EXPENSES):			
Interest and dividend income	25	20	216
Foreign exchange gain	183	249	1,532
Gain from the sale of investment securities	19	9	159
Subsidy income		80	
Other-net	33	12	275
Other income - net	262	371	2,183
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	2,566	3,163	21,386
INCOME TAXES (Note 7):			
Current	863	1,274	7,194
Deferred	(52)	(66)	(433)
Total income taxes	811	1,208	6,760
NET INCOME BEFORE MINORITY INTERESTS	1,755	1,955	14,625
MINORITY INTERESTS IN NET INCOME	71	62	596
NET INCOME	¥ 1,683	¥ 1,893	\$ 14,028
PER SHARE OF COMMON STOCK (Notes 2.o and 12):			
Net income	¥ 96.26	¥ 108.24	\$ 0.80
Cash dividends applicable to the year	30.00	30.00	0.25

Consolidated Statement of Comprehensive Income

Yushin Precision Equipment Co., Ltd. and Subsidiaries
Year Ended March 31, 2015

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2015	2014	2015
NET INCOME BEFORE MINORITY INTERESTS	¥ 1,755	¥ 1,955	\$ 14,625
OTHER COMPREHENSIVE INCOME (Note 11) :			
Unrealized gain (loss) on available-for-sale securities	53	(4)	446
Foreign currency translation adjustments	443	577	3,691
Defined retirement benefit plan	68		571
Total other comprehensive income	565	572	4,709
COMPREHENSIVE INCOME	¥ 2,320	¥ 2,527	\$ 19,335
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :			
Owners of the parent	¥ 2,222	¥ 2,448	\$ 18,518
Minority interests	98	79	817

See notes to consolidated financial statements.

Consolidated Statement of Changes in Equity

Yushin Precision Equipment Co., Ltd. and Subsidiaries
Year Ended March 31, 2015

	Thousands		Millions of Yen								
	Outstanding Number of Shares of Common Stock	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Unrealized Gain on Available-for- Sale Securities	Foreign Currency Translation Adjustments	Defined Retirement Benefit Plan	Total	Minority Interests	Total Equity
BALANCE, APRIL 1, 2013	17,489	¥ 1,985	¥ 2,023	¥ 16,390	¥ (348)	¥ 58	¥ (317)		¥ 19,791	¥ 73	¥ 19,865
Net income				1,893					1,893		1,893
Cash dividends, ¥ 30 per share				(524)					(524)		(524)
Purchase of treasury stock	(0)				(1)				(1)		(1)
Net change in the year						(4)	560	¥ 40	595	48	643
BALANCE, MARCH 31, 2014 (APRIL 1, 2014, as previously reported)	17,488	1,985	2,023	17,758	(350)	53	242	40	21,753	121	21,875
Cumulative effect of accounting change				91					91		91
BALANCE, APRIL 1, 2014 (as restated)	17,488	1,985	2,023	17,850	(350)	53	242	40	21,845	121	21,967
Net income				1,683					1,683		1,683
Cash dividends, ¥ 30 per share				(524)					(524)		(524)
Purchase of treasury stock	(0)				(1)				(1)		(1)
Increase accompanying unification of financial reporting date of consolidated subsidiaries				196					196		196
Net change in the year						53	416	68	538	110	649
BALANCE, MARCH 31, 2015	17,489	¥ 1,985	¥ 2,023	¥ 19,205	¥ (352)	¥ 107	¥ 658	¥ 108	¥ 23,737	¥ 232	¥ 23,970

	Thousands of U.S. Dollars (Note 1)		Millions of Yen							
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Unrealized Gain on Available-for- Sale Securities	Foreign Currency Translation Adjustments	Defined Retirement Benefit Plan	Total	Minority Interests	Total Equity
BALANCE, MARCH 31, 2014 (APRIL 1, 2014, as previously reported)	\$ 16,547	\$ 16,865	\$ 147,990	\$ (2,918)	\$ 445	\$ 2,018	\$ 334	\$ 181,282	\$ 1,016	\$ 182,299
Cumulative effect of accounting change			765					765		765
BALANCE, APRIL 1, 2014 (as restated)	16,547	16,865	148,755	(2,918)	445	2,018	334	182,048	1,016	183,064
Net income			14,028					14,028		14,028
Cash dividends, \$0.25 per share			(4,372)					(4,372)		(4,372)
Purchase of treasury stock				(14)				(14)		(14)
Increase accompanying unification of financial reporting date of consolidated subsidiaries			1,634					1,634		1,634
Net change in the year					446	3,471	571	4,489	920	5,409
BALANCE, MARCH 31, 2015	\$ 16,547	\$ 16,865	\$ 160,047	\$ (2,933)	\$ 891	\$ 5,490	\$ 905	\$ 197,814	\$ 1,936	\$ 199,751

See notes to consolidated financial statements.

Consolidated Statement of Cash Flows

Yushin Precision Equipment Co., Ltd. and Subsidiaries
Year Ended March 31, 2015

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2015	2014	2015
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	¥ 2,566	¥ 3,163	\$ 21,386
Adjustments for:			
Income taxes - paid	(1,350)	(756)	(11,255)
Depreciation and amortization	411	336	3,428
Changes in assets and liabilities:			
Increase in trade receivables	(200)	(377)	(1,669)
(Increase) decrease in inventories	(321)	315	(2,675)
Increase (decrease) in trade payables	100	(366)	835
(Decrease) increase in provision for doubtful receivables ..	(1)	7	(9)
Other - net	899	252	7,498
Total adjustments	(461)	(588)	(3,848)
Net cash provided by operating activities	2,104	2,575	17,537
INVESTING ACTIVITIES:			
Increase in short-term investments	(19)	(198)	(161)
Purchases of property, plant and equipment	(461)	(2,264)	(3,846)
Proceeds from sales of property, plant and equipment	6	3	51
Purchases of investment securities	(1)	(1)	(10)
Proceeds from sales of investment securities	30	18	255
Other - net	188	53	1,570
Net cash used in investing activities	(256)	(2,389)	(2,140)
FINANCING ACTIVITIES:			
Dividends paid	(524)	(524)	(4,372)
Dividends paid to minority interests	(34)	(43)	(283)
Purchase of treasury stock	(1)	(1)	(14)
Net cash used in financing activities	(560)	(569)	(4,671)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	245	325	2,046
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,532	(58)	12,772
INCREASE IN CASH AND CASH EQUIVALENTS ACCOMPANYING UNIFICATION OF ACCOUNTING PERIOD OF CONSOLIDATED SUBSIDIARIES	49		415
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	7,506	7,564	62,554
CASH AND CASH EQUIVALENTS, END OF YEAR	¥ 9,089	¥ 7,506	\$ 75,742

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Yushin Precision Equipment Co., Ltd. and Subsidiaries
Year Ended March 31, 2015

1. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2014 consolidated financial statements to conform to the classifications used in 2015.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Yushin Precision Equipment Co., Ltd. (the "Company") is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥120 to \$1, the approximate rate of exchange at March 31, 2015. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

Amounts less than one million yen and one thousand U.S. dollars are rounded down, except for per-share data. Therefore, total or subtotal amounts may not correspond with the aggregation of such account balances.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Consolidation - The consolidated financial statements as of March 31, 2015, include the accounts of the Company and all of its subsidiaries (together, the "Group").

Under the control or influence concept, those companies in which the Company directly is able to exercise control over operations are fully consolidated.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Group is also eliminated.

Prior to March 31, 2014, the reporting dates of the financial statements of 12 foreign subsidiaries used in the preparation of the Group's consolidated financial statements were different from the fiscal year end of the group (March 31) and adjustments considered necessary for consolidation were made in accordance with Japanese standards. From the current fiscal year, all subsidiaries prepare provisional settlements of account as of March 31 and those financial statements are taken into the consolidated financial statements. The effect of the changes was reflected in "retained earnings" in the consolidated statement of changes in equity, and in "increase in cash and cash equivalents accompanying unification of accounting period of consolidated subsidiaries" in the consolidated statement of cash flows.

b. Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements - In May 2006, the Accounting Standards Board of Japan (the "ASBJ") issued ASBJ Practical Issues Task Force (PITF) No. 18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements." PITF No. 18 prescribes that the accounting policies and procedures applied to a parent company and its subsidiaries for similar transactions and events under similar circumstances should in principle be unified for the preparation of the consolidated financial statements. However, financial statements prepared by foreign subsidiaries in accordance with either International Financial Reporting Standards or generally accepted accounting principles in the United States of America tentatively may be used for the consolidation process, except for the following items that should be adjusted in the consolidation process so that net income is accounted for in accordance with Japanese GAAP, unless they are not material: (a) amortization of goodwill; (b) scheduled amortization of actuarial gain or loss of pensions that has been directly recorded in equity; (c) expensing capitalized development costs of R&D; (d) cancellation of the fair value model of accounting for property, plant and equipment and investment properties and incorporation of the cost model of accounting; and (e) exclusion of minority interests from net income, if contained in net income.

c. Cash Equivalents - Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value. Cash equivalents include time deposits which mature or become due within three months of the date of acquisition.

d. Inventories - Inventories are principally stated at the lower of cost, determined by the specific identification method for finished products and work in processes, and by the average method for raw materials and supplies, or net selling value.

e. Securities - Securities are investment securities in the consolidated balance sheet. All investment securities are classified as available-for-sale securities, which are not classified as either trading securities or held-to-maturity debt securities, and are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of equity. The cost of securities sold is determined based on the moving-average method. For other-than-temporary declines in fair value, investment securities are reduced to net realizable value by a charge to income.

f. Property, Plant and Equipment - Property, plant and equipment are stated at cost. Depreciation of property, plant and equipment of the Group is principally computed by the declining-balance method at rates based on the estimated useful lives of the assets. The range of useful lives is principally from 13 to 40 years for buildings and structures and from 5 to 12 years for machinery and equipment.

g. Long-Lived Assets - The Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

h. Warranty Reserve - In order to provide for future warranty expenses for the Group's products, a warranty reserve is estimated and recorded principally on the basis of the Company's historical experience.

i. Retirement Benefits - The Company has a funded defined benefit pension plan and defined contribution pension plan covering substantially all of its employees. Certain subsidiaries have an unfunded retirement benefit plan or a defined contribution pension plan.

Effective April 1, 2000, the Company adopted a new accounting standard for retirement benefits and accounted for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date. The projected benefit obligations are attributed to periods on a straight-line basis. Actuarial gains and losses are amortized on a straight-line basis over 10-16 years within the average remaining service period.

In May 2012, the ASBJ issued ASBJ Statement No. 26, "Accounting Standard for Retirement Benefits" and ASBJ Guidance No. 25, "Guidance on Accounting Standard for Retirement Benefits," which replaced the accounting standard for retirement benefits that had been issued by the Business Accounting Council in 1998 with an effective date of April 1, 2000, and the other related practical guidance, and were followed by partial amendments from time to time through 2009.

(a) Under the revised accounting standard, actuarial gains and losses and past service costs that are yet to be recognized in profit or loss are recognized within equity (accumulated other comprehensive income), after adjusting for tax effects, and any resulting deficit or surplus is recognized as a liability (liability for retirement benefits) or asset (asset for retirement benefits).

(b) The revised accounting standard does not change how to recognize actuarial gains and losses and past service costs in profit or loss. Those amounts are recognized in profit or loss over a certain period no longer than the expected average remaining service period of the employees. However, actuarial gains and losses and past service costs that arose in the current period and have not yet been recognized in profit or loss are included in other comprehensive income and actuarial gains and losses and past service costs that were recognized in other comprehensive income in prior periods and then recognized in profit or loss in the current period shall be treated as reclassification adjustments (see Note 11).

(c) The revised accounting standard also made certain amendments relating to the method of attributing expected benefit to periods and relating to the discount rate and expected future salary increases.

This accounting standard and the guidance for (a) and (b) above are effective for the end of annual periods beginning on or after April 1, 2013, and for (c) above are effective for the beginning of annual periods beginning on or after April 1, 2014, or for the beginning of annual periods beginning on or after April 1, 2015, subject to certain disclosure in March 2015, both with earlier application being permitted from the beginning of annual periods beginning on or after April 1, 2013. However, no retrospective application of this accounting standard to consolidated financial statements in prior periods is required.

The Company applied the revised accounting standard and guidance for retirement benefits for (a) and (b) above, effective March 31, 2014, and for (c) above, effective April 1, 2014.

With respect to (c) above, the Company changed the method of attributing the expected benefit to periods from a straight-line basis to a benefit formula basis, the method of determining the discount rate from using the period which approximates the expected average remaining service period to using a single weighted average discount rate reflecting the estimated timing and amount of benefit payment, and recorded the effect of (c) above as of April 1, 2014, in retained earnings. As a result, asset for retirement benefits as of April 1, 2014, increased by ¥ 142 million (\$ 1,186 thousand), and retained earnings as of April 1, 2014, increased by ¥ 91 million (\$ 765 thousand).

Retirement benefits to directors are provided at the estimated amount which would be required if all directors retired at the balance sheet date. The Company terminated its retirement benefit plan for directors on June 29, 2006, and no additional provisions have been recorded since then. As of March 31, 2015, the balance of the liability for retirement benefits to directors was ¥66 million (\$556 thousand), provided in proportion to the term that present directors had been in place before June 29, 2006.

j. Research and Development Costs - Research and development costs are charged to income as incurred.

k. Bonuses to Directors - Bonuses to directors are accrued at the year-end to which such bonuses are attributable.

l. Income Taxes - The provision for income taxes is computed based on the

pretax income included in the consolidated statement of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted income tax rates to the temporary differences.

m. Foreign Currency Transactions - All short-term and long-term monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates at the balance sheet date. The foreign exchange gains and losses from translation are recognized in the consolidated statement of income to the extent that they are not hedged by forward exchange contracts.

n. Foreign Currency Financial Statements - The balance sheet accounts of the consolidated foreign subsidiaries are translated into Japanese yen at the current exchange rate as of the balance sheet date except for equity, which is translated at the historical rate.

Differences arising from such translation are shown as "Foreign currency translation adjustments" under accumulated other comprehensive income in a separate component of equity.

Revenue and expense accounts of consolidated foreign subsidiaries are translated into Japanese yen at the average exchange rate.

o. Per-Share Information - Basic net income per share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding for the period.

Diluted net income per share is not disclosed because there are no outstanding potentially dilutive securities.

Cash dividends per share presented in the accompanying consolidated statement of income are dividends applicable to the respective fiscal years, including dividends to be paid after the end of the year.

p. Accounting Changes and Error Corrections - In December 2009, the ASBJ issued ASBJ Statement No. 24, "Accounting Standard for Accounting Changes and Error Corrections" and ASBJ Guidance No. 24, "Guidance on Accounting Standard for Accounting Changes and Error Corrections." Accounting treatments under this standard and guidance are as follows: (1) Changes in Accounting Policies - When a new accounting policy is applied following revision of an accounting standard, the new policy is applied retrospectively unless the revised accounting standard includes specific transitional provisions, in which case the entity shall comply with the specific transitional provisions. (2) Changes in Presentation - When the presentation of financial statements is changed, prior-period financial statements are reclassified in accordance with the new presentation. (3) Changes in Accounting Estimates - A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods. (4) Corrections of Prior-Period Errors - When an error in prior-period financial statements is discovered, those statements are restated.

q. New Accounting Pronouncements

Accounting Standards for Business Combinations and Consolidated Financial Statements - In September 2013, the ASBJ issued revised ASBJ Statement No. 21, "Accounting Standard for Business Combinations," revised ASBJ Guidance No. 10, "Guidance on Accounting Standards for Business Combinations and Business Divestitures," and revised ASBJ Statement No. 22, "Accounting Standard for Consolidated Financial Statements." Major accounting changes are as follows:

(a) Transactions with noncontrolling interest — A parent's ownership interest in a subsidiary might change if the parent purchases or sells ownership interests in its subsidiary. The carrying amount of minority interest is adjusted to reflect the change in the parent's ownership interest in its subsidiary while the parent retains its controlling interest in its subsidiary. Under the current accounting standard, any difference between the fair value of the consideration received or paid and the amount by which the minority interest is adjusted is accounted for as an adjustment of goodwill or as profit or loss in the consolidated statement of income. Under the revised accounting standard, such difference shall be accounted for as capital surplus as long as the parent retains control

over its subsidiary.

(b) Presentation of the consolidated balance sheet—In the consolidated balance sheet, "minority interest" under the current accounting standard will be changed to "noncontrolling interest" under the revised accounting standard.

(c) Presentation of the consolidated statement of income—In the consolidated statement of income, "income before minority interest" under the current accounting standard will be changed to "net income" under the revised accounting standard, and "net income" under the current accounting standard will be changed to "net income attributable to owners of the parent" under the revised accounting standard.

(d) Provisional accounting treatments for a business combination—If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, an acquirer shall report in its financial statements provisional amounts for the items for which the accounting is incomplete. Under the current accounting standard guidance, the impact of adjustments to provisional amounts recorded in a business combination on profit or loss is recognized as profit or loss in the year in which the measurement is completed. Under the revised accounting standard guidance, during the measurement period, which shall not exceed one year from the acquisition, the acquirer shall retrospectively adjust the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and that would have affected the measurement of the amounts recognized as of that date. Such adjustments shall be recognized as if the accounting for the business combination had been completed at the acquisition date.

(e) Acquisition-related costs—Acquisition-related costs are costs, such as advisory fees or professional fees, which an acquirer incurs to effect a business combination. Under the current accounting standard, the acquirer accounts for acquisition-related costs by including them in the acquisition costs of the investment. Under the revised accounting standard, acquisition-related costs shall be accounted for as expenses in the periods in which the costs are incurred.

The above accounting standards and guidance for (a) transactions with

noncontrolling interest, (b) presentation of the consolidated balance sheet, (c) presentation of the consolidated statement of income, and (e) acquisition-related costs are effective for the beginning of annual periods beginning on or after April 1, 2015. Earlier application is permitted from the beginning of annual periods beginning on or after April 1, 2014, except for (b) presentation of the consolidated balance sheet and (c) presentation of the consolidated statement of income. In the case of earlier application, all accounting standards and guidance above, except for (b) presentation of the consolidated balance sheet and (c) presentation of the consolidated statement of income, should be applied simultaneously.

Either retrospective or prospective application of the revised accounting standards and guidance for (a) transactions with noncontrolling interest and (e) acquisition-related costs is permitted. In retrospective application of the revised standards and guidance, the accumulated effects of retrospective adjustments for all (a) transactions with noncontrolling interest and (e) acquisition-related costs which occurred in the past shall be reflected as adjustments to the beginning balance of capital surplus and retained earnings for the year of the first-time application. In prospective application, the new standards and guidance shall be applied prospectively from the beginning of the year of the first-time application.

The revised accounting standards and guidance for (b) presentation of the consolidated balance sheet and (c) presentation of the consolidated statement of income shall be applied to all periods presented in financial statements containing the first-time application of the revised standards and guidance.

The revised standards and guidance for (d) provisional accounting treatments for a business combination are effective for a business combination which occurs on or after the beginning of annual periods beginning on or after April 1, 2015. Earlier application is permitted for a business combination which occurs on or after the beginning of annual periods beginning on or after April 1, 2014.

The Company expects to apply the revised accounting standards and guidance for (a), (b), (c) and (e) above from April 1, 2015, and for (d) above for a business combination which will occur on or after April 1, 2015, and is in the process of measuring the effects of applying the revised accounting standards and guidance in future applicable periods.

● 3.SECURITIES

(1) Short-term Investments

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Time deposits	¥ 45	¥ 221	\$ 379

(2) Investment Securities

The carrying amounts and aggregate fair values of investment securities as of March 31, 2015 and 2014, were as follows:

	Millions of Yen							
	2015				2014			
Securities classified as:	Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Available-for-sale:								
Equity securities	¥ 137	¥ 157		¥ 294	¥ 147	¥ 82		¥ 230

	Thousands of U.S. Dollars			
	2015			
Securities classified as:	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Available-for-sale:				
Equity securities	\$ 1,141	\$ 1,315		\$ 2,457

(3) The proceeds, realized gains and realized losses of the available-for-sale securities which were sold during the years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen		
	Proceeds	Realized Gains	Realized Loss
March 31, 2015			
Available - for - sale :			
Equity securities	¥ 30	¥ 19	
March 31, 2014			
Available - for - sale :			
Equity securities	¥ 18	¥ 9	
March 31, 2015			
Available - for - sale :			
Equity securities	\$ 255	\$ 159	

4. INVENTORIES

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Inventories at March 31, 2015 and 2014, consisted of the following:			
Finished products	¥ 1,111	¥ 837	\$ 9,262
Work in process	1,010	1,076	8,417
Raw materials and supplies	2,237	2,076	18,644
Total	¥ 4,358	¥ 3,990	\$ 36,324

5. RETIREMENT AND PENSION PLANS

The Company has severance payment plans for employees.

Under most circumstances, employees terminating their employment are entitled to retirement benefits determined based on the rate of pay at the time of termination, years of service and certain other factors. Such retirement benefits are made in the form of a lump-sum severance payment or annuity payments from a trustee. Employees are entitled to larger payments if the termination is involuntary, by retirement at the mandatory retirement age, by death, or by voluntary retirement at certain specific ages prior to the mandatory retirement age.

The Company has a funded defined benefit pension plan and a funded defined contribution pension plan for employees which cover approximately 50% each of their benefits. Certain subsidiaries have an unfunded retirement benefit plan or a defined contribution pension plan. The Company recorded a liability for retirement benefit to directors in the amount of ¥66 million (\$556 thousand) and ¥66 million as of March 31, 2015 and 2014, respectively.

(1) The changes in defined benefit obligation for the years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Balance at beginning of year (as previously reported) ...	¥ 581	¥ 547	\$ 4,842
Cumulative effect of accounting change	(142)		(1,186)
Balance at beginning of year (as restated)	438	547	3,655
Current service cost	47	52	396
Interest cost	4	6	40
Actuarial losses (gains)	14	(10)	120
Benefits paid	(26)	(18)	(222)
Others	4	5	41
Balance at end of year	¥ 483	¥ 582	\$ 4,031

(2) The changes in plan assets for the years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Balance at beginning of year	¥ (655)	¥ (557)	\$ (5,464)
Expected return on plan assets	(6)	(5)	(54)
Actuarial gains	(110)	(70)	(916)
Contributions from the employer	(39)	(40)	(330)
Benefits paid	20	17	167
Balance at end of year	¥ (791)	¥ (655)	\$ (6,599)

(3) Reconciliations between the liability recorded in the consolidated balance sheet and the balances of defined benefit obligation and plan assets as of years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Funded defined benefit obligation	¥ 445	¥ 548	\$ 3,708
Plan assets	(791)	(655)	(6,599)
Unfunded defined benefit obligation	38	33	322
Net asset arising from defined benefit obligation	¥ (308)	¥ (73)	\$ (2,567)

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Liability for retirement benefits	¥ 38	¥ 33	\$ 322
Asset for retirement benefits	(346)	(107)	(2,890)
Net asset arising from defined benefit obligation	¥ (308)	¥ (73)	\$ (2,567)

(4) The components of net periodic benefit costs for the years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Service cost	¥ 47	¥ 52	\$ 396
Interest cost	4	6	40
Expected return on plan assets	(6)	(5)	(54)
Recognized actuarial losses	2	9	21
Net periodic benefit costs	¥ 48	¥ 63	\$ 404

(5) Other comprehensive income on defined retirement benefit plans for the years ended March 31, 2015 and 2014:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Actuarial gains	¥ 98		\$ 817

(6) Accumulated other comprehensive income on defined retirement benefit plans as of March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Unrecognized actuarial gains	¥ 160	¥ 62	\$ 1,336

(7) Plan assets

a. Components of plan assets

Plan assets as of March 31, 2015 and 2014, consisted of the following:

	Millions of Yen		
	2015	2014	
Domestic debt investments	22.7 %	24.9 %	
Domestic equity investments	31.8	32.0	
Foreign debt investments	12.2	13.6	
Foreign equity investments	24.4	22.9	
Others	8.9	6.6	
Total	100.0 %	100.0 %	

b. Method of determining the expected rate of return on plan assets

The expected rate of return on plan assets is determined considering the long-term rates of return which are expected currently and in the future from the various components of the plan assets.

(8) Assumptions used for the years ended March 31, 2015 and 2014, were set forth as follows:

	2015	2014
Discount rate	1.2 %	1.3 %
Expected rate of return on plan assets	1.0	1.0

6.EQUITY

Japanese companies are subject to the Companies Act of Japan (the "Companies Act"). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

(a) Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders meeting. For companies that meet certain criteria including (1) having a Board of Directors, (2) having independent auditors, (3) having an Audit & Supervisory Board, and (4) the term of service of the directors being prescribed as one year rather than the normal two-year term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends in kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. The Company meets all the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (noncash assets) to shareholders subject to a certain limitation and additional requirements.

Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

(b) Increases/decreases and transfer of common stock, reserve and surplus

The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus) depending on the equity account charged upon the payment of such dividends until the aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts within equity under certain conditions upon resolution of the shareholders.

(c) Treasury stock and treasury stock acquisition rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula. Under the Companies Act, stock acquisition rights are presented as a separate component of equity. The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

7.INCOME TAXES

The Company is subject to Japanese national and local income taxes which, in the aggregate, resulted in normal effective statutory tax rates of approximately 35.5% and 38.1% for the years ended March 31, 2015 and 2014, respectively.

The tax effects of significant temporary differences and tax loss carryforwards, which resulted in deferred tax assets and liabilities at March 31, 2015 and 2014, are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Deferred tax assets:			
Inventories	¥ 363	¥ 266	\$ 3,028
Building depreciation	74	61	622
Software	45	58	383
Accrued fees		26	
Enterprise tax payable	16	43	134
Advances received	56	37	469
Accrued bonuses	77	75	646
Warranty reserve	35	35	298
Retirement benefits to directors	21	23	179
Other	94	80	790
Less valuation allowance	(21)	(23)	(179)
Total	¥ 764	¥ 685	\$ 6,374
Deferred tax liabilities:			
Undistributed earnings of foreign subsidiaries	¥ 200	¥ 150	\$ 1,672
Asset for retirement benefits	60	16	500
Unrealized gain on available-for-sale securities	49	26	408
Defined retirement benefit plan	51	22	430
Other	31	37	259
Total	¥ 392	¥ 252	\$ 3,272
Net deferred tax assets	¥ 372	¥ 432	\$ 3,102

Deferred tax assets (liabilities) are included in the consolidated balance sheets as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Current assets - Deferred tax assets	¥ 602	¥ 519	\$ 5,017
Investments and other assets - Deferred tax assets	11	10	94
Current liabilities - Other current liabilities	(3)	(4)	(27)
Long-term liabilities - Deferred tax liabilities	(237)	(93)	(1,982)
Net deferred tax assets	¥ 372	¥ 432	\$ 3,102

A reconciliation between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statement of income for the year ended March 31, 2015, is as follows:

Normal effective statutory tax rate	35.5 %
Expenses not deductible for income tax purposes	1.1
Difference in income tax rates applicable to income in certain foreign countries	(4.8)
Undistributed earnings of foreign subsidiaries	2.2
Tax credit for research and development expenses	(4.2)
Adjustments to deferred tax assets due to tax rate changes	1.1
Other - net	0.7
Actual effective tax rate	31.6 %

For the year ended March 31, 2014, a reconciliation is not disclosed since the difference is less than 5% of the normal effective statutory tax rate.

New tax reform laws enacted in 2015 in Japan changed the normal effective statutory tax rate for the fiscal year beginning on or after April 1, 2015, to approximately 33.0% and for the fiscal year beginning on or after April 1, 2016, to approximately 32.2%. The effect of these changes was to decrease deferred tax assets, net of deferred tax liabilities, by ¥ 19 million (\$ 165 thousand), in the consolidated balance sheet as of March 31, 2015, and to increase income taxes — deferred in the consolidated statement of income for the year then ended by ¥ 25 million (\$ 208 thousand).

● 8. RESEARCH AND DEVELOPMENT COSTS

Research and development costs charged to income were ¥472 million (\$3,938 thousand) and ¥448 million for the years ended March 31, 2015 and 2014, respectively.

● 9. LEASES

The Group leases certain computer equipment and other assets. Total rental expenses, including lease payments under finance leases for the years ended March 31, 2015 and 2014, were ¥179 million (\$1,497 thousand) and ¥160 million, respectively.

● 10. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

(1) Group policy for Financial Instruments

The Group does not use financial instruments for speculative purposes based on its capital financing plan. Cash surpluses, if any, are invested in low-risk financial assets, including short-term time deposits. Funds on hand are used to fund its ongoing operations. Derivatives are not used for speculative purposes, but to manage exposure to financial risks.

(2) Nature and Extent of Risks Arising from Financial Instruments

Receivables, such as trade notes and trade accounts, are exposed to customer credit risk. Receivables in foreign currencies are exposed to the market risk of fluctuation in foreign currency exchange rates. Investment securities are exposed to the risk of market price fluctuations. Payment terms of payables, such as trade notes and trade accounts, are primarily less than four months.

(3) Risk Management for Financial Instruments

Credit risk management

Credit risk is the risk of economic loss arising from a counterparty's failure to repay or service debt according to the contractual terms. The Group manages its credit risk from receivables on the basis of internal guidelines, which include monitoring of payment terms and balances of major customers by each business administration department to identify the default risk of customers at an early stage. Investment securities are managed by monitoring market values and financial position of issuers on a regular basis.

(4) Fair Value of Financial Instruments

	Millions of Yen			Thousands of U.S. Dollars		
	Carrying Amount	Fair Value	Unrealized Gain/Loss	Carrying Amount	Fair Value	Unrealized Gain / Loss
March 31, 2015						
Cash and cash equivalents	¥ 9,089	¥ 9,089		\$ 75,742	\$ 75,742	
Short-term investments	45	45		379	379	
Receivables	5,848	5,848		48,740	48,740	
Investment securities	294	294		2,457	2,457	
Total	¥ 15,278	¥ 15,278		\$ 127,320	\$ 127,320	
Payables	¥ 2,892	¥ 2,892		\$ 24,108	\$ 24,108	
Income taxes payable	265	265		2,212	2,212	
Total	¥ 3,158	¥ 3,158		\$ 26,320	\$ 26,320	

	Millions of Yen		
	Carrying Amount	Fair Value	Unrealized Gain/Loss
March 31, 2014			
Cash and cash equivalents	¥ 7,506	¥ 7,506	
Short-term investments	221	221	
Receivables	5,263	5,263	
Investment securities	230	230	
Total	¥ 13,222	¥ 13,222	
Payables	¥ 2,330	¥ 2,330	
Income taxes payable	767	767	
Total	¥ 3,098	¥ 3,098	

Cash and Cash Equivalents, Short-Term Investments, Receivables and Payables, and Income Taxes Payable

The carrying values of cash and cash equivalents, short-term investments, receivables and payables and income taxes payable approximate fair value because of their short maturities.

Investment Securities

The fair values of investment securities are measured at the quoted market price of the stock exchange for the equity instruments. Fair value information for the investment securities by classification is included in Note 3.

(5) Maturity Analysis for Financial Assets with Contractual Maturities

	Millions of Yen			
	Due in 1 Year or Less	Due after 1 Year through 5 Years	Due after 5 Years through 10 Years	Due after 10 Years
March 31, 2015				
Cash and cash equivalents	¥ 9,089			
Short-term investments	45			
Receivables	5,848			
Total	¥ 14,983			

	Millions of Yen			
	Due in 1 Year or Less	Due after 1 Year through 5 Years	Due after 5 Years through 10 Years	Due after 10 Years
March 31, 2014				
Cash and cash equivalents	¥ 7,506			
Short-term investments	221			
Receivables	5,263			
Total	¥ 12,991			

	Thousands of U.S. Dollars			
	Due in 1 Year or Less	Due after 1 Year through 5 Years	Due after 5 Years through 10 Years	Due after 10 Years
March 31, 2015				
Cash and cash equivalents	\$ 75,742			
Short-term investments	379			
Receivables	48,740			
Total	\$ 124,862			

● 11. COMPREHENSIVE INCOME

The components of other comprehensive income for the years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2015	2014	2015
Unrealized gain (loss) on available-for-sale securities:			
Gains arising during the year	¥ 94	¥ 1	\$ 784
Reclassification adjustments to profit or loss	(19)	(9)	(159)
Amount before income tax effect	75	(7)	625
Income tax effect	(21)	3	(178)
Total	¥ 53	¥ (4)	\$ 446
Foreign currency translation adjustments:			
Adjustments arising during the year	¥ 443	¥ 577	\$ 3,691
Amount before income tax effect	443	577	3,691
Total	¥ 443	¥ 577	\$ 3,691
Adjustments related to retirement benefits:			
Adjustments arising during the year	¥ 95		\$ 796
Reclassification adjustments to profit or loss	2		21
Amount before income tax effect	98		817
Income tax effect	(29)		(246)
Total	¥ 68		\$ 571
Total other comprehensive income	¥ 565	¥ 572	\$ 4,709

● 12. NET INCOME PER SHARE

Details of the basic net income per share (EPS) for the years ended March 31, 2015 and 2014, were as follows:

	Millions of Yen	Thousands of Shares	Yen	U.S. Dollars
	Net Income	Weighted-Average Shares	EPS	
Year Ended March 31, 2015:				
Basic EPS				
Net income available to common shareholders	¥ 1,683	17,488	¥ 96.26	\$ 0.8
Year Ended March 31, 2014:				
Basic EPS				
Net income available to common shareholders	¥ 1,893	17,489	¥ 108.24	

Diluted net income per share is not disclosed because there are no outstanding potentially dilutive securities.

● 13. SUBSEQUENT EVENTS

Appropriation of Retained Earnings

The following appropriation of retained earnings at March 31, 2015, was approved at the Company's Board of Directors' meeting held on May 11, 2015:

	Millions of Yen	Thousands of U.S. Dollars
Year-end cash dividends, ¥ 20 (\$ 0.16) per share	¥ 349	\$ 2,914

● 14. SEGMENT INFORMATION

Under ASBJ Statement No. 17, "Accounting Standard for Segment Information Disclosures" and ASBJ Guidance No. 20, "Guidance on Accounting Standard for Segment Information Disclosures," an entity is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available and such information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, segment information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

1. Description of reportable segments

Segments used for financial reporting are the Company's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The Company carries out the development, production, sales and after-sales maintenance of take-out robots for injection-molded products and peripheral equipment, including labor-saving systems. In the domestic market these operations are handled by the Company; overseas markets - Asia (South Korea, Taiwan, China, Vietnam, Indonesia, Malaysia, Thailand and India), Europe (UK) and U.S.A. - are serviced by local subsidiaries, including Yushin America Inc. (U.S.A.), Yushin Korea Co., Ltd. (Asia) and Yushin Automation Limited (Europe). The local subsidiaries are independently managed units, with separately drafted strategies and activities.

Accordingly, the Company's operations, based on its production, sales, and after-sales maintenance setups, are geographically grouped into four reportable segments: Japan, Asia, Europe and U.S.A.

2. Methods of measurement for the amounts of sales, profit (loss), assets and other items for each reportable segment

The accounting procedure for the reported business segments is described in Note 2, "Summary of significant accounting policies."

Segment profit by reported business segment is calculated based on operating income.

Intersegment sales and transfers are based on a realized market price basis.

3. Information about sales, profit (loss), assets and other items is as follows.

	Millions of Yen						Reconciliations	Consolidated
	2015							
	Reportable Segment					Total		
Japan	Asia	Europe	U.S.A.					
Sales:								
Sales to external customers	¥ 9,295	¥ 5,086	¥ 634	¥ 2,782	¥ 17,799		¥ 17,799	
Intersegment sales or transfers	4,612	289	3	7	4,912	¥ (4,912)		
Total	¥ 13,907	¥ 5,376	¥ 638	¥ 2,789	¥ 22,711	¥ (4,912)	¥ 17,799	
Segment profit	¥ 1,319	¥ 788	¥ 73	¥ 274	¥ 2,455	¥ (151)	¥ 2,304	
Segment assets	17,232	4,343	1,538	2,202	25,317	4,146	29,463	
Other:								
Depreciation	216	22	10	27	277		277	
Increase in property, plant and equipment and intangible assets	309	200	7	165	682		682	

	Millions of Yen							
	2014						Reconciliations	Consolidated
	Reportable Segment					Total		
Japan	Asia	Europe	U.S.A.					
Sales:								
Sales to external customers	¥ 10,132	¥ 4,355	¥ 618	¥ 2,802	¥ 17,909		¥ 17,909	
Intersegment sales or transfers	4,218	277	8	25	4,529	¥ (4,529)		
Total	¥ 14,351	¥ 4,632	¥ 626	¥ 2,827	¥ 22,438	¥ (4,529)	¥ 17,909	
Segment profit	¥ 1,611	¥ 690	¥ 94	¥ 464	¥ 2,861	¥ (69)	¥ 2,792	
Segment assets	16,207	3,194	569	1,797	21,769	4,482	26,252	
Other:								
Depreciation	230	18	8	25	282		282	
Increase in property, plant and equipment and intangible assets ...	1,856	34	13	20	1,924		1,924	

	Thousands of U.S. Dollars							
	2015						Reconciliations	Consolidated
	Reportable Segment					Total		
Japan	Asia	Europe	U.S.A.					
Sales:								
Sales to external customers	\$ 77,462	\$ 42,386	\$ 5,289	\$ 23,186	\$ 148,325		\$ 148,325	
Intersegment sales or transfers	38,437	2,413	27	61	40,940	\$ (40,940)		
Total	\$ 115,899	\$ 44,800	\$ 5,316	\$ 23,248	\$ 189,265	\$ (40,940)	\$ 148,325	
Segment profit	\$ 10,997	\$ 6,570	\$ 609	\$ 2,283	\$ 20,461	\$ (1,259)	\$ 19,202	
Segment assets	143,601	36,197	12,823	18,353	210,976	34,555	245,531	
Other:								
Depreciation	1,800	191	89	233	2,314		2,314	
Increase in property, plant and equipment and intangible assets ...	2,575	1,669	63	1,377	5,686		5,686	

Note 1: Reconciliations for the year ended March 31, 2015, are as follows:

- (1) The ¥(151) million (\$ (1,259) thousand) reconciliation to segment loss includes eliminations for intersegment transactions of ¥(19) million (\$ (163) thousand) and inventory reconciliation of ¥(131) million (\$ (1,095) thousand).
- (2) The ¥4,146 million (\$ (34,555) thousand) reconciliation to segment assets includes eliminations for intersegment transactions of ¥(3,065) million (\$ (25,545) thousand), operating funds of surplus assets held by the Company (cash and deposits and others) of ¥7,212 million (\$ (60,100) thousand) and others.

Note 2: Segment profit is reconciled to be consistent with operating income shown in the consolidated statements of income.

4. Information about products and services

	Millions of Yen			
	2015			
	Take-Out Robots	Custom-Ordered Equipment	Parts and Maintenance Services	Total
Sales to external customers	¥ 13,092	¥ 1,794	¥ 2,911	¥ 17,799

	Millions of Yen			
	2014			
	Take-Out Robots	Custom-Ordered Equipment	Parts and Maintenance Services	Total
Sales to external customers	¥ 12,736	¥ 2,626	¥ 2,547	¥ 17,909

	Thousands of U.S. Dollars			
	2015			
	Take-Out Robots	Custom-Ordered Equipment	Parts and Maintenance Services	Total
Sales to external customers	\$ 109,101	\$ 14,957	\$ 24,266	\$ 148,325

5. Information about geographical areas

(1) Sales

	Millions of Yen						
	2015						
	Japan	China Taiwan	Other Asia	Europe	North America	Other	Total
	¥ 5,762	¥ 3,069	¥ 4,982	¥ 959	¥ 2,628	¥ 395	¥ 17,799

	Millions of Yen						
	2014						
	Japan	China Taiwan	Other Asia	Europe	North America	Other	Total
	¥ 5,694	¥ 2,738	¥ 4,721	¥ 1,352	¥ 2,917	¥ 484	¥ 17,909

	Thousands of U.S. Dollars						
	2015						
	Japan	China Taiwan	Other Asia	Europe	North America	Other	Total
	\$ 48,024	\$ 25,579	\$ 41,518	\$ 7,999	\$ 21,905	\$ 3,296	\$ 148,325

Note: Sales are classified by country or region based on the location of customers.

(2) Property, plant and equipment

	Millions of Yen			Thousands of U.S. Dollars		
	2015			2015		
	Japan	Other	Total	Japan	Other	Total
	¥ 7,225	¥ 869	¥ 8,094	\$ 60,214	\$ 7,242	\$ 67,457

6. Information about major customers

Information is omitted because there were no customers that accounted for 10% or more of total net sales recorded in the consolidated statements of operations and comprehensive income included in net sales to outside customers.



Deloitte Touche Tohmatsu LLC
 Shijokarasuma FT Square
 20, Naginataboko-cho
 Karasuma-higashiiru, Shijo-dori
 Shimogyo-ku, Kyoto 600-8008
 Japan
 Tel: +81 (75) 222 0181
 Fax: +81 (75) 231 2703
 www.deloitte.com/jp

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying consolidated balance sheet of Yushin Precision Equipment Co., Ltd. and its subsidiaries as of March 31, 2015, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used 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 audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Yushin Precision Equipment Co., Ltd. and its subsidiaries as of March 31, 2015, and the consolidated results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in Note 1 to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu LLC

June 23, 2015

Company Profile

(As of March 31, 2015)

Company Name : Yushin Precision Equipment Co., Ltd.

Establishment : October 1973

Capital : 1,985 million yen

Head Office : 11-260 Kogahonmachi, Fushimi-ku, Kyoto, Japan 612-8492

Phone : +(81)75-933-9555 Fax : +(81)75-934-4033

Number of Employees : 601 (Including consolidated subsidiaries) and 355 (Yushin Precision Equipment Co., Ltd. only)

Number of Shareholders : 4,191

Listed Stock Exchange : First Section, Tokyo

Securities Identification Code : 6482

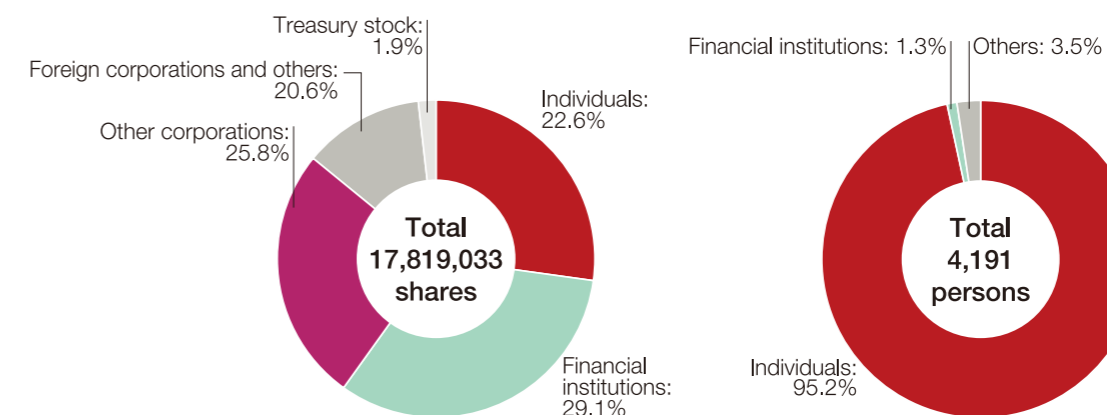
Major Shareholders

(As of March 31, 2015)

	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).

Distribution of ownership among shareholders



Yushin Precision Equipment Co., Ltd.

11-260 Kogahonmachi, Fushimi-ku, Kyoto, Japan 612-8492

Phone:(81)75-933-9555 Fax:(81)75-934-4033

<http://www.yushin.com>