

Summary of Consolidated Financial Results for the Quarter Ended June 30, 2012 (based on Japanese standards) (April 1, 2012 – June 30, 2012)

August 3, 2012

Company Name: Yushin Precision Equipment Co., Ltd.

Listing Exchanges: Tokyo Stock Exchange, first section

Securities Code No.: 6482 URL <http://www.yushin.com>

Representative: Mayumi Kotani, President

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Scheduled date of filing of quarterly report: August 10, 2012 Starting date of dividend payment: -

Preparation of supplementary materials for quarterly financial results: None

Holding of quarterly financial results meeting: None

Note: This document has been translated from the Japanese original as a guide for non-Japanese investors and contains forward-looking statements that are based on managements' estimates, assumptions and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations. Amounts shown in this financial statement have been rounded down to the nearest million yen or thousands yen.

(Figures shown are rounded down to the nearest million yen)

1. Consolidated Business Results for the Quarter Ended June 30, 2012

(April 1, 2012 – June 30, 2012)

(1) Consolidated Results of Operations (Cumulative)

(Percentage represents change from the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
First quarter ended June 30, 2012	3,472	(1.2)	234	(28.5)	317	(13.1)	186	(14.7)
First quarter ended June 30, 2011	3,516	47.7	327	1,076.5	365	670.5	219	679.2

Note: Comprehensive income:

First quarter ended June 30, 2012: ¥289 million (6.1%)

First quarter ended June 30, 2011: ¥272 million (786.4%)

	Net income per share	Net income per share/diluted
	Yen	Yen
First quarter ended June 30, 2012	10.69	–
First quarter ended June 30, 2011	12.53	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	¥ millions	¥ millions	%
As of June 30, 2012	22,966	18,901	82.1
As of March 31, 2012	22,641	18,787	82.8

(Reference) Shareholders' equity:

As of June 30, 2012: ¥18,848 million

As of March 31, 2012: ¥18,753 million

2. Dividends

	Dividends per share				
	1Q	2Q	3Q	4Q	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2012	–	10.00	–	10.00	20.00
Year ending March 31, 2013	–		–		
Year ending March 31, 2013 (Forecast)		10.00	–	20.00	30.00

Note: Revisions to projected dividends during the three months ended June 30, 2012: None

Breakdown of the year-end dividend of FY2013 (Forecast): Ordinary dividend of ¥10 per share and 40th year commemorate dividend of ¥10 per share.

3. Forecast for the Year Ending March 31, 2013 (April 1, 2012 – March 31, 2013)

(Percentage represents change from the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	Yen
Second Quarter (Cumulative)	7,800	5.0	730	1.3	730	0.7	450	1.8	25.73
Annual	17,600	23.6	1,930	51.6	1,930	52.5	1,140	46.5	65.18

Note: Revisions to projected results during the three months ended June 30, 2012: None

* Notes

(1) Changes in the state of material subsidiaries during the period (Changes regarding specific companies accompanying changes in the scope of consolidation): None

Newly added: – Excluded: –

(2) Adoption of the special accounting methods: Yes

Note: Please refer to “2. Other Information (Notes), (2) Adoption of Special Accounting Methods for Preparation of Quarterly Financial Statements” on page 2 of the attached documents for further information

(3) Changes in accounting principles, accounting estimates and retrospective restatement for consolidated financial statements

1) Changes resulting from amendment of the accounting standards: None

2) Changes other than 1) : None

3) Changes in accounting estimates : None

4) Retrospective restatement : None

(4) Number of shares outstanding (Common stock)

1) Number of shares outstanding (including treasury stock)

First quarter ended June 30, 2012 17,819,033 Year ended March 31, 2012 17,819,033

2) Number of treasury stock

First quarter ended June 30, 2012 329,090 Year ended March 31, 2012 328,960

3) Average number of shares outstanding

First quarter ended June 30, 2012 17,490,006 First quarter ended March 31, 2012 17,490,521

* Information regarding the implementation of quarterly review procedures

The current quarterly financial statements are exempted from quarterly review procedures based on the Financial Instruments and Exchange Act. At the time of disclosure, we have not completed the review process for these financial statements.

* Cautionary statement with respect to forward-looking statements and other special remarks

Earnings forecasts and other forward-looking statements in this document are based on reasonable assumptions and information available to the Company at the time of release. Actual results may differ materially from forward-looking statements due to a number of factors. For more information about these assumptions and notes regarding the use of earnings forecasts, please refer to “1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Qualitative Information Regarding Consolidated Earnings Forecasts” on page 2 of the attached documents.

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1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Qualitative Information Regarding Consolidated Results of Operations

During the three months ended June 30, 2012, conditions in the global economy were unstable due to the increasingly serious debt crisis in Europe and a slowdown in the Chinese economy, which had been firm until recently. The Japanese economy saw a moderate recovery supported by earthquake rebuilding demand and tax reductions on eco-car purchases, but the economic outlook was unclear due to the persistently strong yen and concerns about power supplies. In the Yushin Group's industry of plastic molding, demand was strong in Southeast Asia and from customers in the automotive sector and the daily goods sector.

Against this backdrop, sales of standard take-out robots increased, with customers recognizing the speed, weight and energy efficiency advantages of the Group's YC Series. These robots were designed using Yushin's structural optimization technology, which has won a technology award from the Japan Society of Mechanical Engineers. However, consolidated net sales declined 1.2% year on year to ¥3,472 million, owing to an absence of large orders for custom-ordered equipments. Operating income declined 28.5% year on year to ¥234 million, ordinary income fell 13.1% to ¥317 million, and net income declined 14.7% to ¥186 million.

(2) Qualitative Information Regarding Consolidated Financial Position

(Assets)

Total assets as of June 30, 2012 totaled ¥22,966 million, an increase of ¥325 million from the end of the previous fiscal year. Although cash and time deposits declined ¥152 million, trade notes and accounts receivable rose ¥116 million, work-in-process increased ¥191 million and merchandise and products increased ¥157 million.

(Liabilities)

Liabilities totaled ¥4,065 million, an increase of ¥211 million from the end of the previous fiscal year. This mainly reflected an increase of ¥200 million in advances received.

(Net assets)

Net assets totaled ¥18,901 million, an increase of ¥114 million from the end of the previous fiscal year. This mainly reflected an increase of ¥109 million in foreign currency translation adjustments.

(3) Qualitative Information Regarding Consolidated Earnings Forecasts

No revisions have been made to consolidated earnings forecasts for the fiscal year ending March 31, 2013 (interim and full year) released on May 9, 2012.

2. Other Information (Notes)

(1) Changes in Significant Consolidated Subsidiaries

None

(2) Adoption of Special Accounting Methods for Preparation of Quarterly Financial Statements

The effective tax rate on income before income tax for the consolidated fiscal year after the application of tax effect accounting is reasonably estimated, and this estimated rate is applied to net income for the quarterly period under review.

Income taxes—deferred are included in income taxes in the consolidated statements of income.

(3) Changes in Accounting Principles, Accounting Estimates and Retrospective Restatement for Consolidated Financial statements

None

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(¥ thousands; rounded down)

Account	Term	As of March 31, 2012		As of June 30, 2012		Change
		Amount	%	Amount	%	Amount
(ASSETS)						
Current assets						
		16,964,191	74.9	17,331,497	75.4	367,305
Cash and time deposits		7,747,068		7,594,437		(152,630)
Trade notes and accounts receivable		4,670,510		4,787,100		116,589
Securities		300,000		300,000		-
Merchandise and products		898,193		1,055,845		157,652
Work-in-process		856,105		1,047,632		191,527
Raw material and supplies		1,861,430		1,928,313		66,883
Deferred tax assets		365,173		396,928		31,754
Others		283,833		239,523		(44,309)
Allowance for doubtful accounts		(18,213)		(18,285)		(162)
Fixed assets						
		5,677,481	25.1	5,635,185	24.6	(42,295)
Property, plant and equipment						
		5,105,195	22.5	5,098,626	22.2	(6,569)
Buildings and structures		994,896		988,892		(6,004)
Land		3,935,369		3,942,532		7,162
Others		174,929		167,201		(7,727)
Intangible assets						
		81,147	0.4	82,057	0.4	910
Investments and other assets						
		491,139	2.2	454,502	2.0	(36,637)
Investment securities		241,443		199,694		(41,749)
Deferred tax assets		16,865		24,188		7,323
Others		271,419		268,678		(2,741)
Allowance for doubtful accounts		(38,589)		(38,059)		530
Total assets		22,641,673	100.0	22,966,683	100.0	325,009

(¥ thousands; rounded down)

Account	Term	As of March 31, 2012		As of June 30, 2012		Change
		Amount	%	Amount	%	Amount
(LIABILITIES)						
Current liabilities		3,728,298	16.5	3,934,798	17.1	206,499
Trade notes and accounts payables		2,314,053		2,378,417		64,364
Accounts payables – other		468,424		473,312		4,887
Income tax payable		300,968		131,490		(169,477)
Advances received		209,459		410,032		200,572
Accrued employees' bonuses		180,000		98,000		(82,000)
Accrued bonuses to directors		16,950		6,000		(10,950)
Warranty reserve		104,897		98,561		(6,335)
Others		133,545		338,983		205,438
Long-term liabilities		126,030	0.5	130,535	0.6	4,505
Allowance for retirement benefits to directors		66,780		66,780		–
Others		59,250		63,755		4,505
Total liabilities		3,854,328	17.0	4,065,333	17.7	211,005
(NET ASSETS)						
Shareholders' equity		19,287,162	85.2	19,298,991	84.0	11,828
Common stock		1,985,666		1,985,666		–
Capital surplus		2,023,903		2,023,903		–
Retained earnings		15,625,496		15,637,558		12,062
Treasury stock		(347,903)		(348,137)		(233)
Accumulated other comprehensive income		(533,596)	(2.4)	(450,416)	(1.9)	83,180
Unrealized gain on available-for-sale securities		47,576		20,866		(26,709)
Foreign currency translation adjustments		(581,173)		(471,283)		109,889
Minority interests		33,778	0.2	52,774	0.2	18,995
Total net assets		18,787,344	83.0	18,901,349	82.3	114,004
Total liabilities and net assets		22,641,673	100.0	22,966,683	100.0	325,009

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income

(¥ thousands; rounded down)

Account	Term	First quarter ended June 30, 2011 (April 1, 2011 to June 30, 2011)		First quarter ended June 30, 2012 (April 1, 2012 to June 30, 2012)		Change Amount
		Amount	%	Amount	%	
Net sales		3,516,542	100.0	3,472,946	100.0	(43,595)
Cost of sales		2,261,774	64.3	2,237,624	64.4	(24,149)
Gross profit		1,254,768	35.7	1,235,321	35.6	(19,446)
Selling, general and administrative expenses		926,995	26.4	1,000,893	28.8	73,897
Operating income		327,772	9.3	234,428	6.8	(93,343)
Non-operating income		38,587	1.1	84,543	2.4	45,956
Interest income		7,002		4,318		(2,683)
Dividend income		1,944		1,974		30
Purchase discount		2,855		2,727		(128)
Foreign exchange gain		18,462		69,815		51,353
Others		8,322		5,707		(2,615)
Non-operating expenses		1,260	0.0	1,558	0.1	297
Sales discount		47		418		371
Others		1,213		1,139		(73)
Ordinary income		365,099	10.4	317,414	9.1	(47,685)
Extraordinary income		748	0.0	38	0.0	(710)
Gain on sales of fixed assets		748		38		(710)
Extraordinary expenses		269	0.0	0	0.0	(269)
Loss on retirement and sales of fixed assets		269		0		(269)
Income before income taxes and minority interests		365,578	10.4	317,453	9.1	(48,125)
Income taxes		140,362	4.0	115,334	3.3	(25,028)
Income before minority interests		225,216	6.4	202,118	5.8	(23,097)
Minority interests in net income		6,138	0.2	15,155	0.4	9,017
Net income		219,077	6.2	186,963	5.4	(32,114)

Consolidated Statements of Comprehensive Income

(¥ thousands; rounded down)

	First quarter ended June 30, 2011 (April 1, 2011 to June 30, 2011)	First quarter ended June 30, 2012 (April 1, 2012 to June 30, 2012)	Change
Income before minority interests	225,216	202,118	(23,097)
Other comprehensive income			
Unrealized gain on available- for-sale securities	(1,878)	(26,709)	(24,831)
Foreign currency translation adjustments	49,195	113,729	64,534
Other comprehensive income – Total	47,317	87,020	39,702
Comprehensive income	272,533	289,138	16,605
Comprehensive income attributable to:			
Shareholders of the parent company	265,380	270,143	4,763
Minority interest	7,153	18,995	11,842

(3) Notes Related to Going Concern Assumption
None

(4) Segment Information

I First quarter of the previous fiscal year (April 1, 2011 to June 30, 2011)

1. Information related to sales and profit or loss for each reportable segment

(¥ thousands; rounded down)

	Reportable segment				Total	Adjustment *1	Amounts shown on quarterly consolidated statements of income *2
	Japan	North America	Asia	Europe			
Net sales							
Sales to customers	2,495,377	403,734	572,616	44,814	3,516,542	–	3,516,542
Inter-segment sales	818,279	1,671	44,636	–	864,586	(864,586)	–
Total	3,313,656	405,405	617,252	44,814	4,381,128	(864,586)	3,516,542
Segment profit (loss)	271,604	31,035	58,153	(8,244)	352,549	(24,776)	327,772

Notes:

1. The ¥ (24,776) thousand adjustment to segment profit (loss) includes eliminations for inter-segment transactions of ¥ (1,733) thousand and inventory adjustments of ¥ (23,042) thousand.
2. Segment profit (loss) is adjusted to be consistent with operating income shown on the quarterly consolidated statements of income.

II First quarter of the current fiscal year (April 1, 2012 to June 30, 2012)

1. Information related to sales and profit or loss for each reportable segment

(¥ thousands; rounded down)

	Reportable segment				Total	Adjustment *1	Amounts shown on quarterly consolidated statements of income *2
	Japan	North America	Asia	Europe			
Net sales							
Sales to customers	2,250,974	411,140	772,614	38,217	3,472,946	–	3,472,946
Inter-segment sales	859,801	3,304	83,269	220	946,595	(946,595)	–
Total	3,110,776	414,444	855,883	38,437	4,419,542	(946,595)	3,472,946
Segment profit (loss)	232,510	28,783	53,364	(10,056)	304,602	(70,173)	234,428

Notes:

1. The ¥ (70,173) thousand adjustment to segment profit (loss) includes eliminations for inter-segment transactions of ¥1,070 thousand and inventory adjustments of ¥ (71,244) thousand.
2. Segment profit (loss) is adjusted to be consistent with operating income shown on the quarterly consolidated statements of income.

(5) Notes in the Event of Significant Changes in Shareholders' Equity
None

4. Supplemental Information

(1) Order Receiving and Sales

a. Orders

1) Order received

(¥ thousands; rounded down)

Products	First quarter ended June 30, 2011	First quarter ended June 30, 2012	Change (%)
Take-out robots	2,355,474	2,836,221	120.4
Custom-ordered equipments	852,301	158,585	18.6
Parts and maintenance service	469,927	584,035	124.3
Total	3,677,704	3,578,842	97.3

2) Backlog of orders

(¥ thousands; rounded down)

Products	As of June 30, 2011	As of June 30, 2012	Change (%)
Take-out robots	1,802,121	1,914,335	106.2
Custom-ordered equipments	997,088	592,321	59.4
Parts and maintenance service	177,230	180,574	101.9
Total	2,976,441	2,687,231	90.3

b. Net sales

(¥ thousands; rounded down)

Products	First quarter ended June 30, 2011	First quarter ended June 30, 2012	Change (%)
Take-out robots	2,076,385	2,516,802	121.2
Custom-ordered equipments	941,472	394,092	41.9
Parts and maintenance service	498,684	562,051	112.7
Total	3,516,542	3,472,946	98.8

(2) Overseas Sales

First quarter ended June 30, 2011 (April 1, 2011 to June 30, 2011)

(¥ thousands; rounded down)

	North America	Asia	Europe	Other areas	Total
I Overseas sales	961,374	1,159,161	286,333	29,013	2,435,882
II Consolidated net sales					3,516,542
III Ratio of overseas sales to consolidated net sales (%)	27.3	33.0	8.2	0.8	69.3

First quarter ended June 30, 2012 (April 1, 2012 to June 30, 2012)

(¥ thousands; rounded down)

	North America	Asia	Europe	Other areas	Total
I Overseas sales	432,900	1,865,864	63,249	46,549	2,408,564
II Consolidated net sales					3,472,946
III Ratio of overseas sales to consolidated net sales (%)	12.5	53.7	1.8	1.3	69.4