



FY2024 2Q Investors Presentation

Standard Market of the Tokyo Stock Exchange

Security Code 6482

November 7, 2023

YUSHIN PRECISION EQUIPMENT CO., LTD.

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

➤ FY2024 2Q result

- Net sales **decreased** due to lower sales in Japan and China, despite an increase in Europe
- Operating profit **decreased** due to lower sales, higher raw material costs and investment in human resources for the future.

➤ FY2024 **forecast** (forecast remains the same)

- Net sales **expected to increase**

Despite lower sales in Asia, WEMO sales are expected to be added

In the second half of the year, sales of large-scale custom-ordered equipment for medical field are expected

- Operating profit is **expected to decrease** due to rising raw material costs and investment in human resources for the future

➤ Topics

- Acquisition of 100% of the shares in WEMO AUTOMATION AB (Sweden) (May, 2023)
- A low height, high performance palletizing robot launched (August, 2023)
- IPF Japan 2023 (International Plastic Fair) at Makuhari Messe (November 28 - December 2)
- International Robot Exhibition 2023 at Tokyo Big Sight (November 29 - December 2)

FY2024 2Q Result and FY2024 Forecast



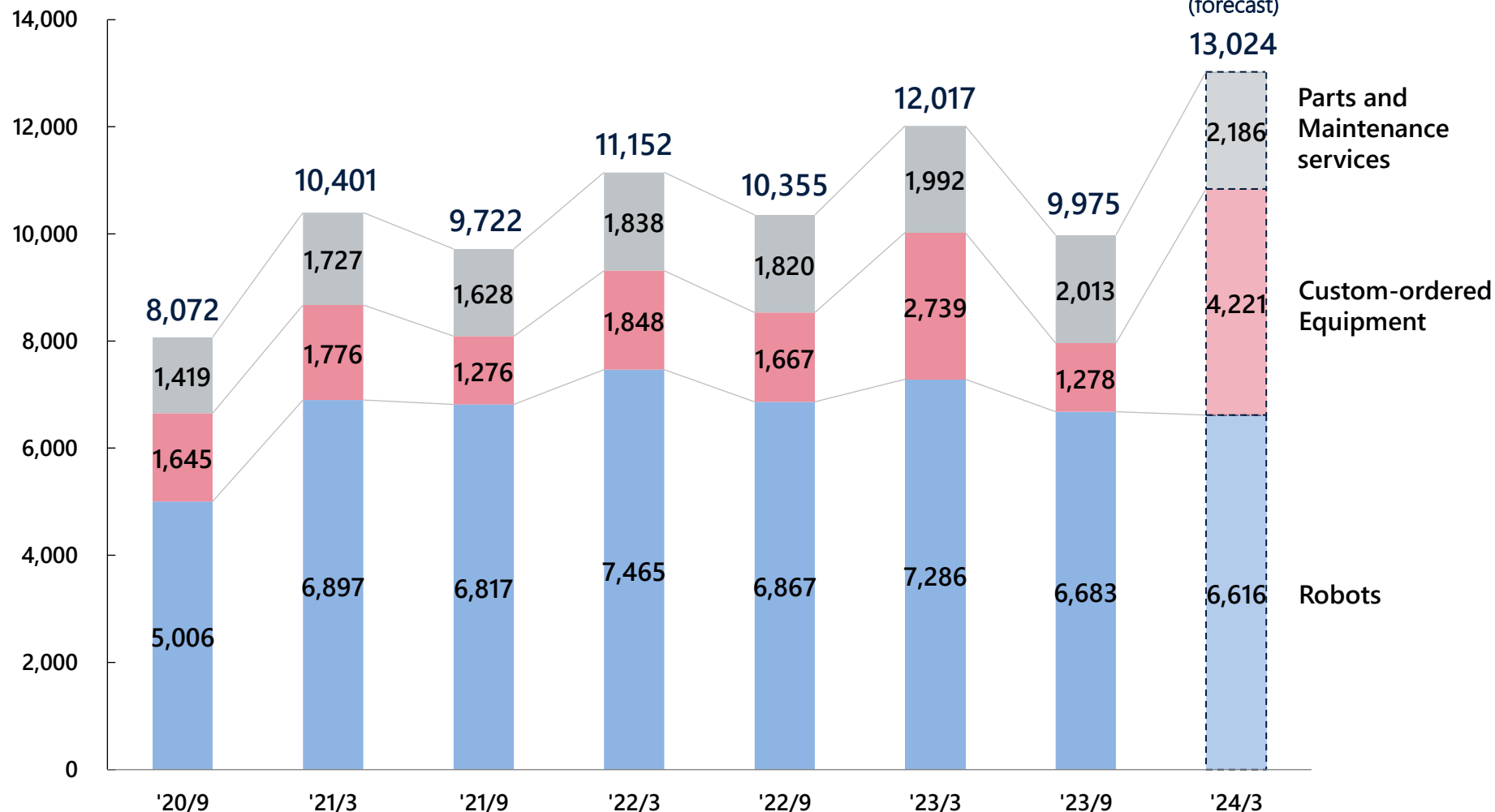
	FY2023		FY2024			
	Interim	Full Year	Interim		Full Year (Forecast)	
	Amount	Amount	Amount	Y/Y ^{*1}	Amount	Y/Y ^{*2}
Net Sales	Mil. Yen 10,355	Mil. Yen 22,373	Mil. Yen 9,975	% (3.7)	Mil. Yen 23,000	% 2.8
Gross Profit <%>	4,315 41.7%	9,573 42.8%	4,113 41.2%	(4.7)	9,400 40.9%	(1.8)
Operating Profit <%>	1,078 10.4%	2,639 11.8%	693 7.0%	(35.7)	2,400 10.4%	(9.1)
Ordinary Profit <%>	1,251 12.1%	2,787 12.5%	840 8.4%	(32.8)	2,400 10.4%	(13.9)
Profit attributable to owners of parent <%>	884 8.5%	1,922 8.6%	539 5.4%	(39.0)	1,600 7.0%	(16.8)
Note *1 Percentage indicates half-on-half changes. / Note *2 Percentage indicates year-on-year changes.						
<Exchange Rates> USD	133.97 yen	135.47 yen	141.00 yen		125.00 yen	

	FY2024 2Q	FY2024 (forecast)
Net Sales	<p>➤ 3.7% decreased from the previous FY to 9,975 million yen</p> <ul style="list-style-type: none"> Robots sales decreased by 2.7% Y/Y (-) Chinese market slowed down (+) Sales increased in Europe due to WEMO Custom-ordered equipment sales decreased by 23.3% Y/Y (-) Large projects in the same period of the previous year (+) Yen weakened 	<p>➤ 2.8% increased from the previous FY to 23,000 million yen</p> <ul style="list-style-type: none"> Robots sales decreases by 6.0% Y/Y (-) Uncertainty in global business investment (+) Sales in Europe increases due to WEMO Custom-ordered equipment sales increases by 24.8% Y/Y (+) Large-scale custom-ordered equipment for medical field remains strong (+) Demand for automation continues
Operating Profit	<p>➤ 35.7% decreased from the previous FY to 693 million yen</p> <ul style="list-style-type: none"> (-) Net sales decreased (-) Material costs escalated (-) Labor cost increased by human resource investment (+) Sea transport costs rise eased 	<p>➤ 9.1% decreases from the previous FY to 2,400 million yen</p> <ul style="list-style-type: none"> (-) Material costs escalates (-) Investment in human resources increases labor costs (+) Profit increases due to higher sales

Sales Breakdown (half-yearly)

- The sales of robots decreased mainly in **Japan and China** in the first half of FY2024.
- Expecting the sales of large-scale custom-ordered equipment for **medical field** in **Europe and North America** in the second half of FY2024.

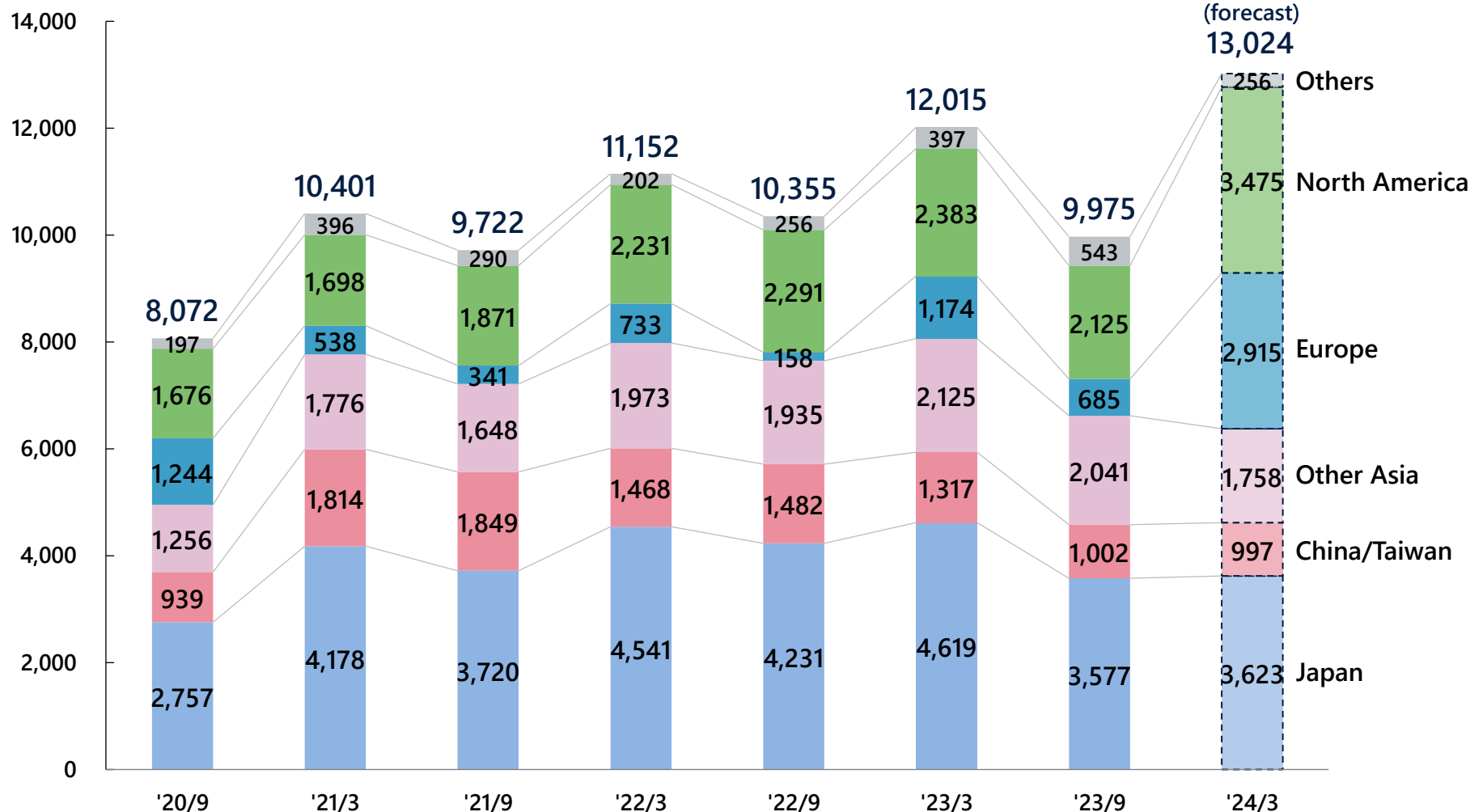
Net sales (Millions of yen)



Sales by Region (half-yearly)

- Sales decreased due to weak corporate capital investment, mainly in **Japan and China** in the first half of FY2024.
- Expecting the sales of large-scale custom-ordered equipment for **medical field** in **Europe and North America** in the second half of FY2024.
- WEMO has been added for the sales in Europe since July, 2023.

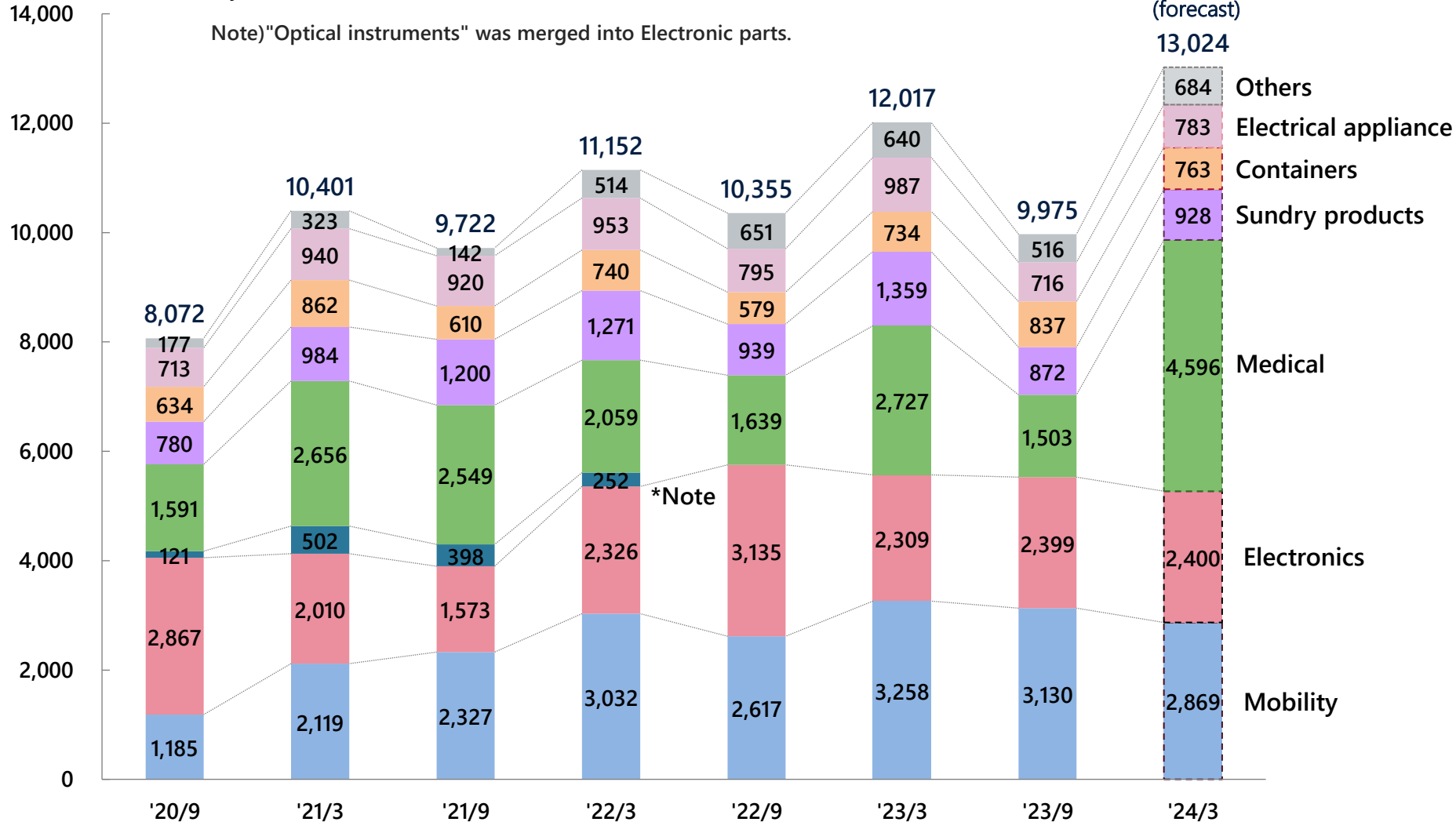
Net sales (Millions of yen)



Sales by Product Category (half-yearly)

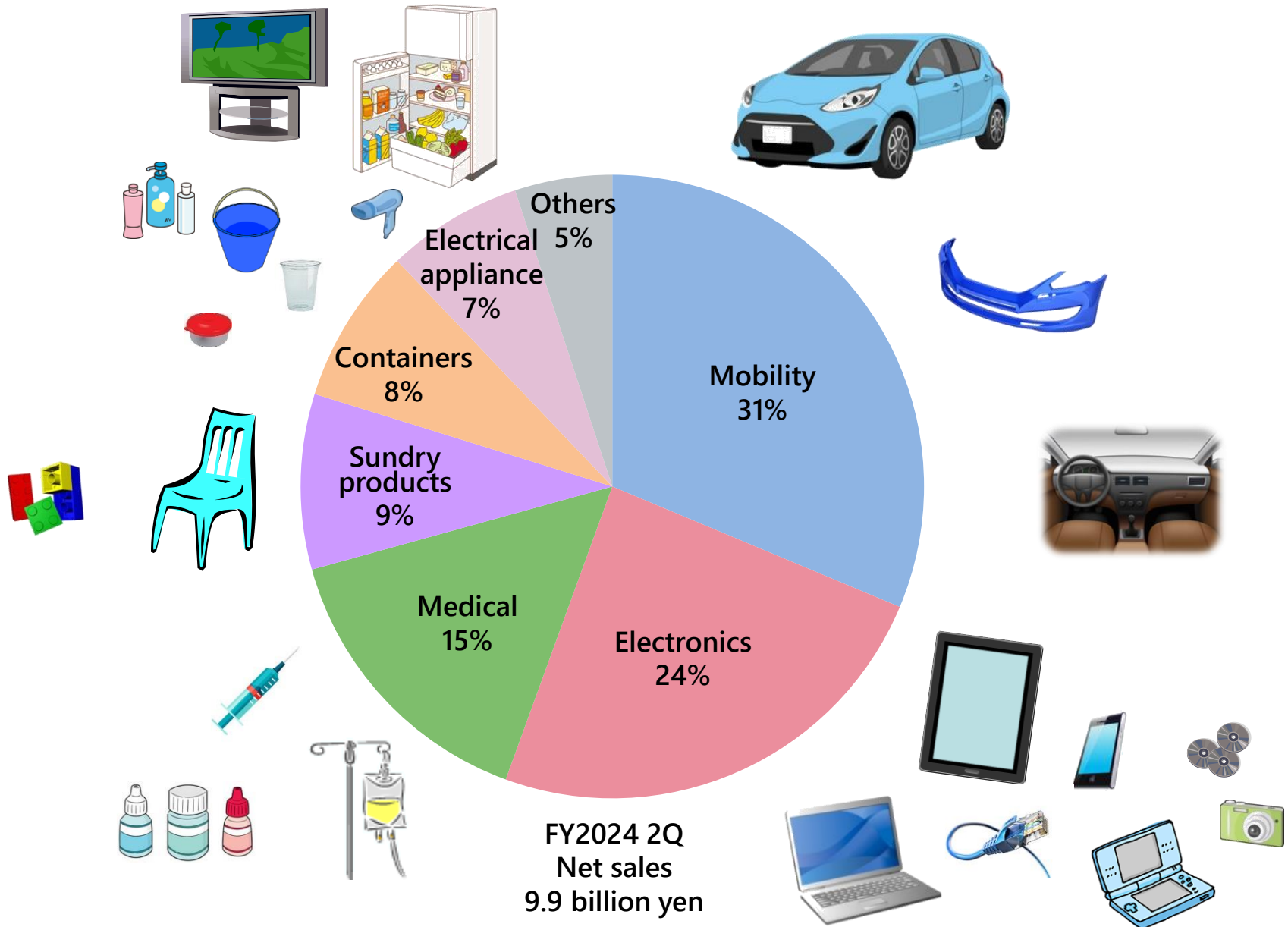
- Sales of large projects in **medical** sector were in a trough in the first half of FY2024.
The **mobility** and **electronics** sectors did not show a strong recovery.
- Expecting the sales of large-scale custom-ordered equipment for **medical field** in **Europe and North America** in the second half of FY2024.

Net sales (Millions of yen)



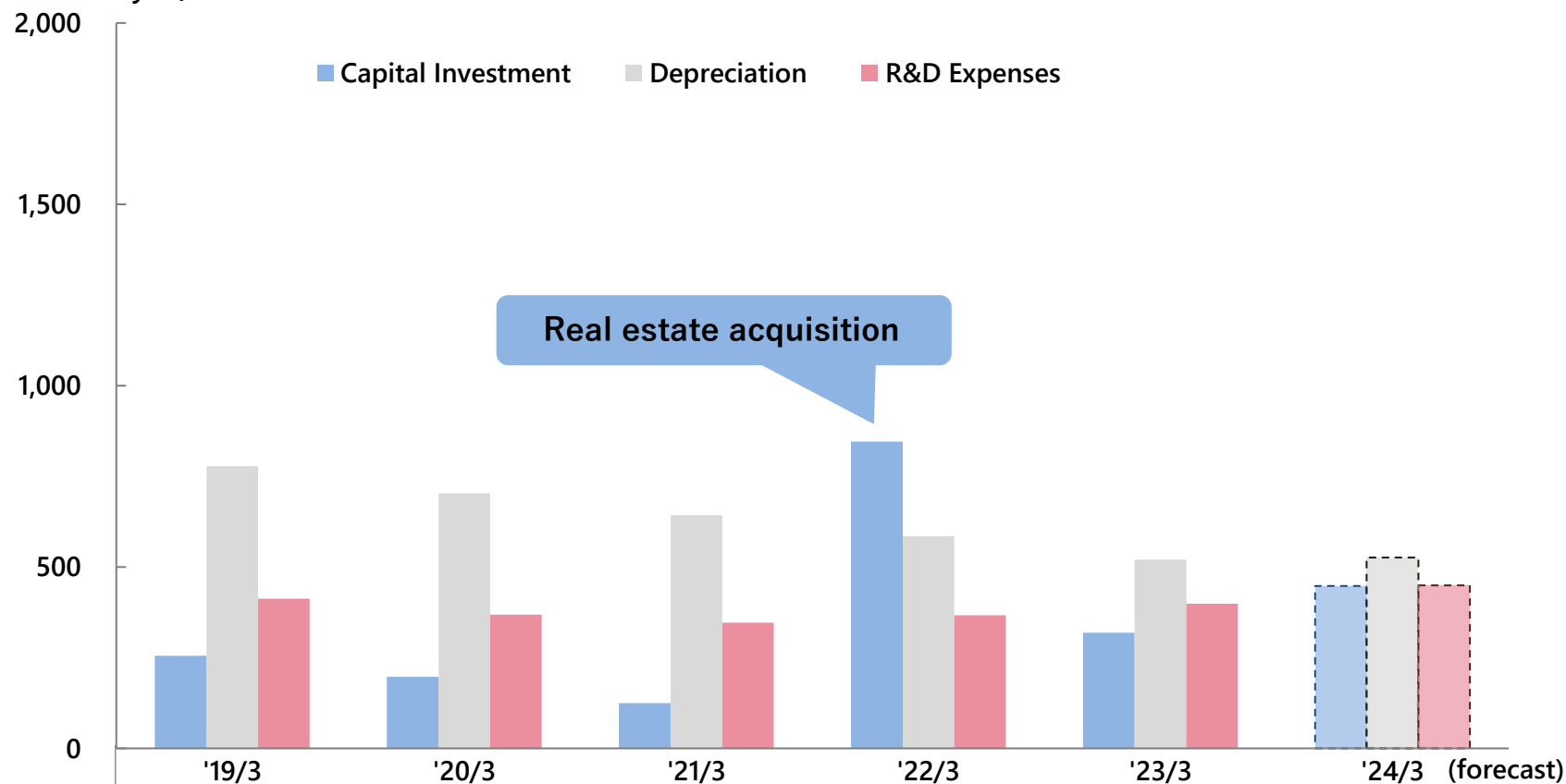
Sales by Product Category

YUSHIN



Capital Investment, Depreciation and R&D

(Millions of yen)



Capital Investment	'19/3	256	'20/3	198	'21/3	125	'22/3	846	'23/3	319	'24/3 (forecast)	448
Depreciation	'19/3	778	'20/3	703	'21/3	643	'22/3	585	'23/3	521	'24/3 (forecast)	526
R&D Expenses	'19/3	413	'20/3	369	'21/3	347	'22/3	367	'23/3	399	'24/3 (forecast)	450

Midterm Business Goals

FY2023

- Consolidated Net Sales: 22.3 billion yen
- Consolidated Ordinary Profit: 2.7 billion yen
- Consolidated Ordinary Profit ratio: 12.5 %
- EPS: 56 yen

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



Strategy 4: Develop New Businesses

Strategy 3: Cultivate a New Generation of Pioneers

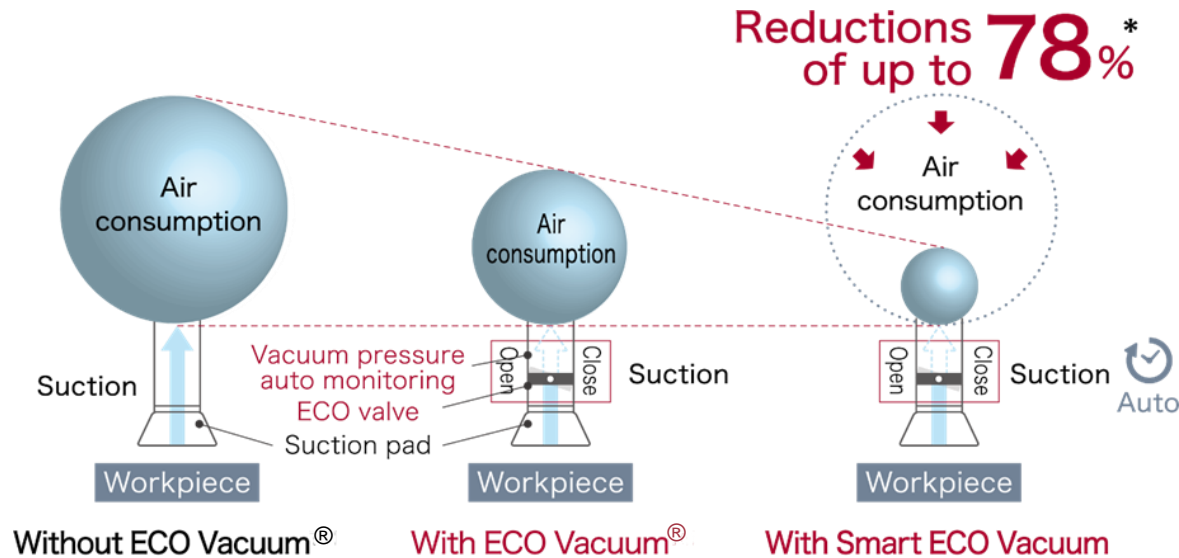
Strategy 2: Strengthen Global Competitiveness

Strategy 1: Increase Product Attractiveness

Strategy 1: Increase Product Attractiveness

- Released **environmentally-friendly** robots

Contribute to the energy saving by Smart ECO Vacuum (PAT.P)



* YUSHIN measurements



YD robots (released in October, 2021)



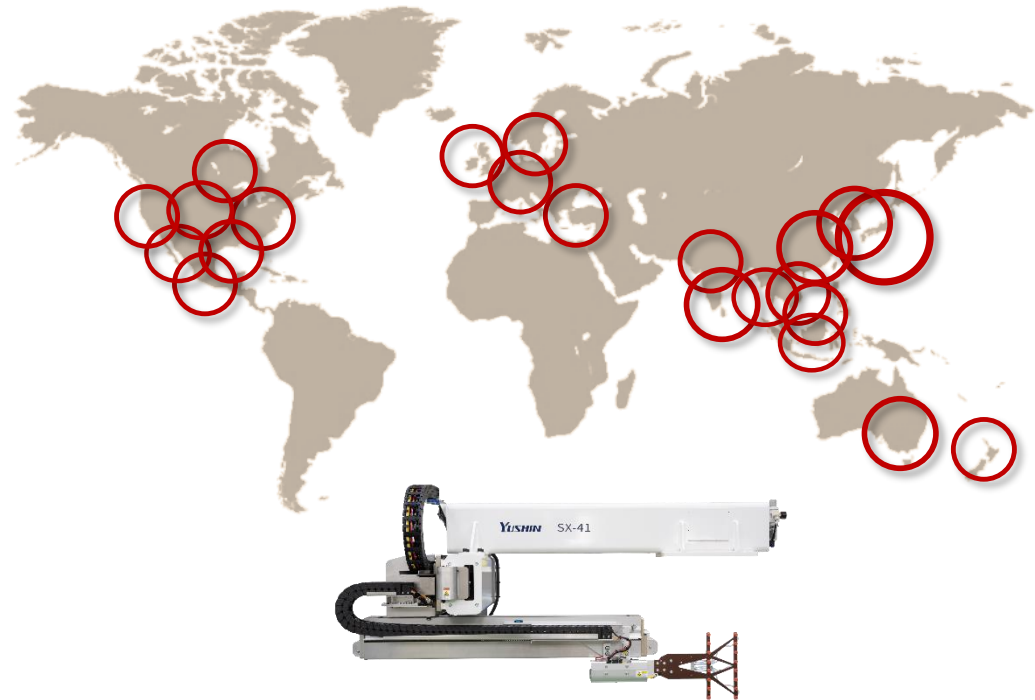
RC-SE robots (released in July, 2021)

Strategy 2: Strengthen Global Competitiveness **YUSHIN**

- Develop products that meet **regional needs**
- **Sales expansion** in Europe: Acquisition of 100% of the shares in WEMO (Sweden) (May, 2023)
- Target leading companies in the world
- Win more local customers in each country



FAKUMA exhibition in Germany in October, 2023



SX-41 - Robot for clean room use

Strategy 3: Cultivate a New Generation of Pioneers **YUSHIN**

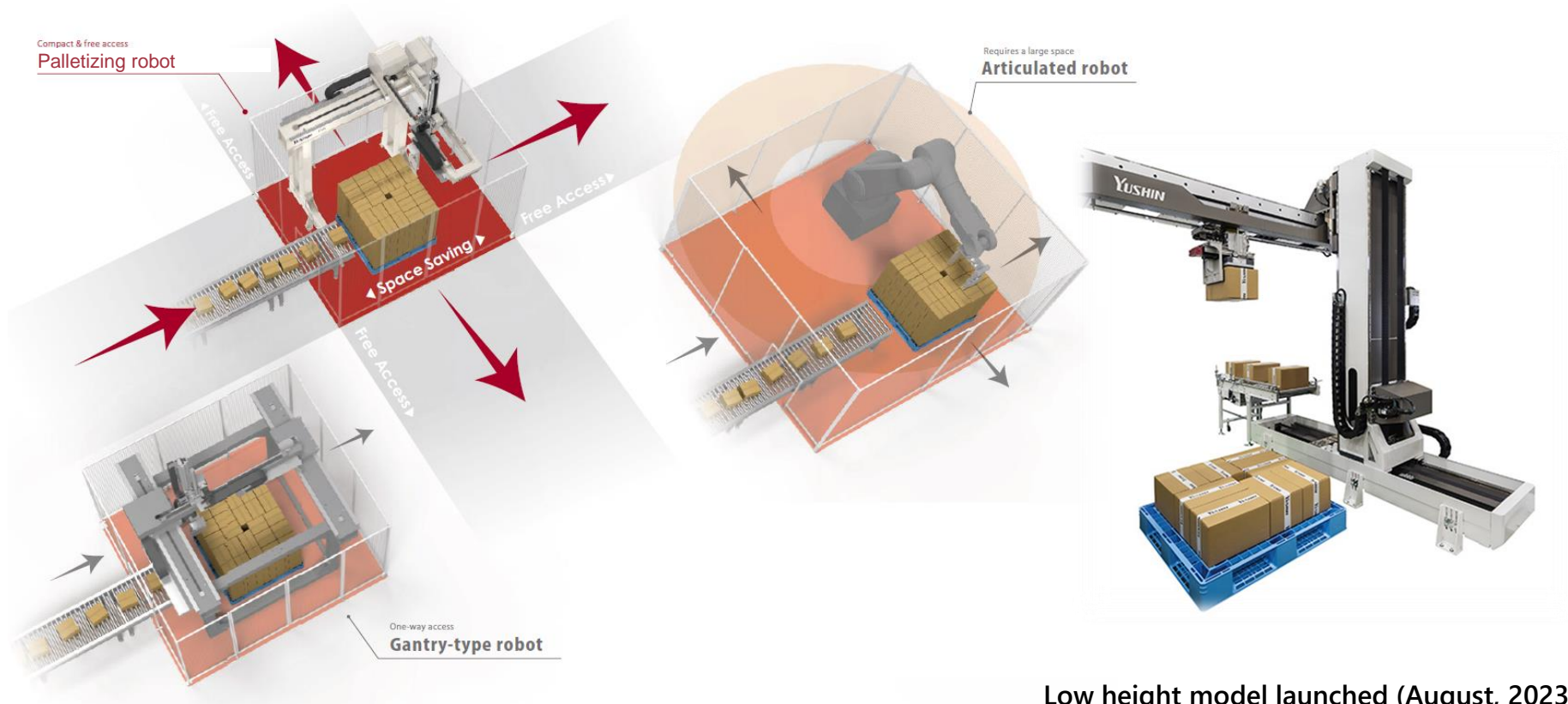
- Build brand and human resource development policy on the concept of **"Above all, reach people's hearts"**
- Offer challenging jobs and good working environment
Set up "Innovation Project Suggestion System" to develop creative and independent human resources
- Enhance education system to support employees at their phases of growth
Technical training program(including e-learning), leadership training program for next generation, training program for managers
- Achieved 4.7% of female manager ratio by **promoting female powers** (Industry average 3.6%*¹)



*1 Source: Ministry of Health, Labor and Welfare "Basic Survey on Wage Structure" in May, 2023

Strategy 4: Develop New Businesses

- Palletizing robot released in June, 2020
 - Acquire **new customers** mainly in food industry
 - Emphasize the advantages - small-footprint and easy-access



Low height model launched (August, 2023)

YUSHIN has identified five materialities to realize a sustainable society and increase corporate value over the medium to long term.

■ Solving social issues through business



1. Promotion of occupational safety
2. Productivity improvement of the customers' factory
3. Tackling climate change

<Examples of initiatives>

- Development of products with enhanced safety performance
- Providing customers with trainings for occupational safety
- Development and sales of high-speed and high-precision robots
- Development and sales of energy-saving products

Goals to achieve with customers



■ Strengthening the management base

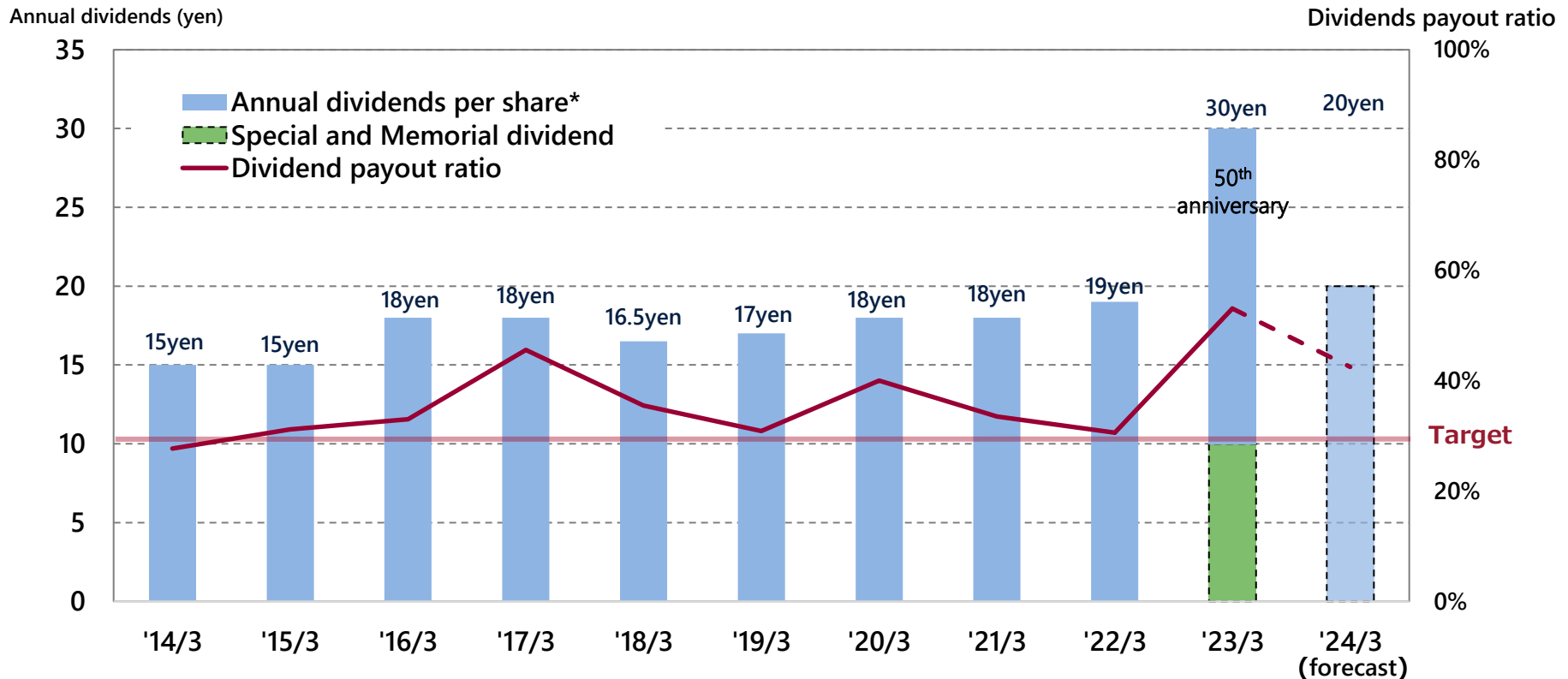


4. Strengthening human capital
5. Strengthening corporate governance

- Creating a culture and environment that makes innovation happen
- System to allow long-serving in accordance with respective life stages
- Instilling Corporate Identity (CI)
- More than one-third of Directors are External Directors
- Establishment of Nomination and Remuneration Committee

➤ Dividend policy

- Dividends payout ratio of at least 30% is targeted in order to realize stable and continuous shareholder returns.
- The Company aims to improve consolidated performance and raise the level of the ordinary dividends by increasing retained earnings in preparation for flexible and sustainable investment and prioritizing a certain amount of investment in research and development each year.



Appendix

<Appendix> Company Profile

YUSHIN

Company Name:	YUSHIN PRECISION EQUIPMENT CO., LTD
Representative Director and President:	Takayo Kotani
Established:	October, 1973
Capital:	1,985 million yen
Number of employees:	787 (Consolidated, as of September 30, 2023)
Consolidated net sales:	22.3 billion yen (FY2023)
Line of business:	Development, manufacture and sale of Cartesian robots, other industrial equipment and systems for factory automation
Listing:	Standard Market of the Tokyo Stock Exchange
Securities code:	6482
Trading unit:	100



Technology

- High-speed take-out
- Energy saving
- Power to propose solutions

Broad Customer Base

- Customers in wide range of industries
- Globalization
- Branch out into new businesses

Human Capital Management

Reliability

- Top market share
- Occupational safety
- Support capability

Financial Strength

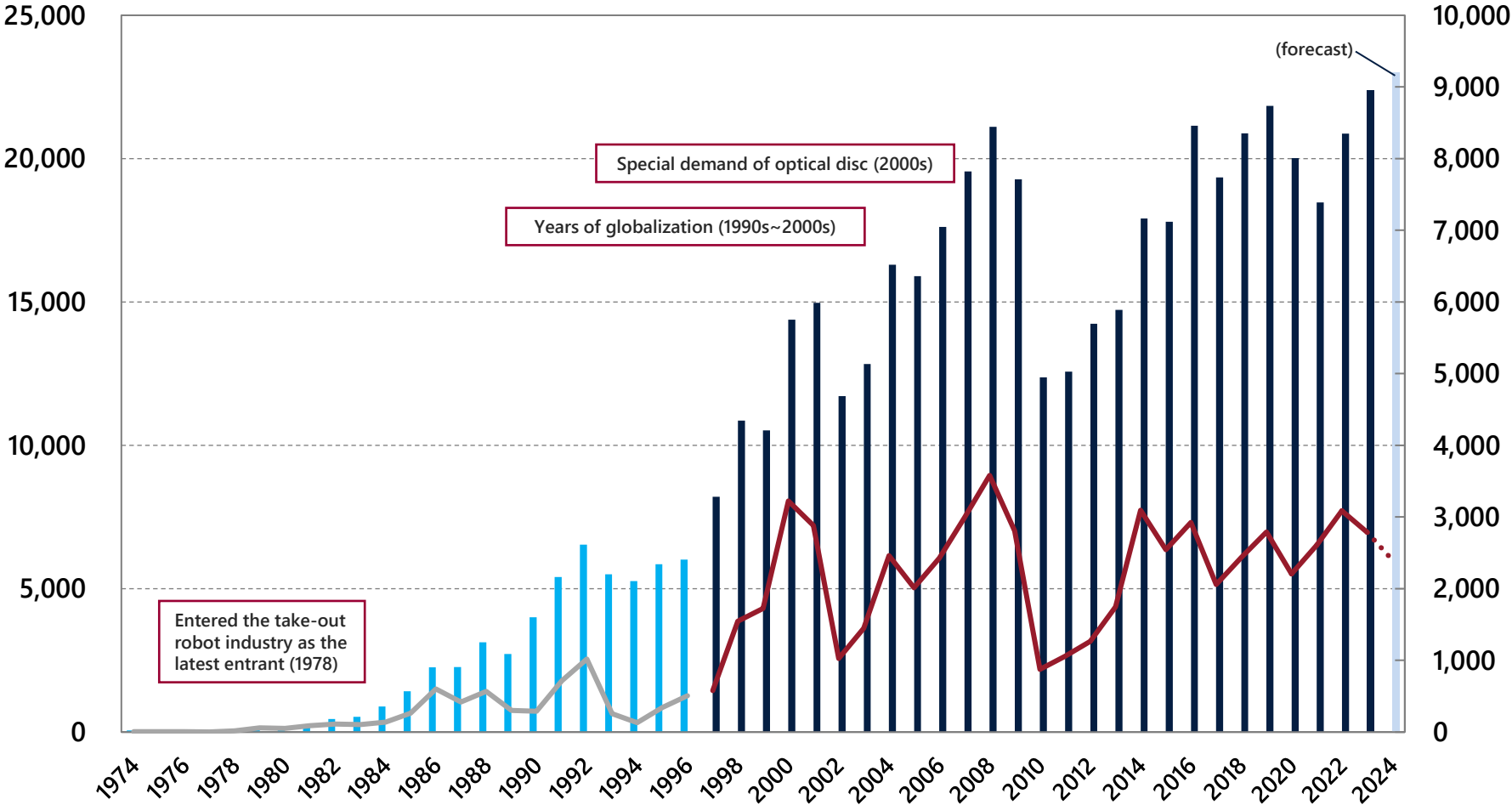
- Strong balance sheet
- High equity ratio
- Fab-lite
(Minimum production facility)

<Appendix> Change in Performance



Net Sales
(Millions of yen)

Ordinary Profit
(Millions of yen)



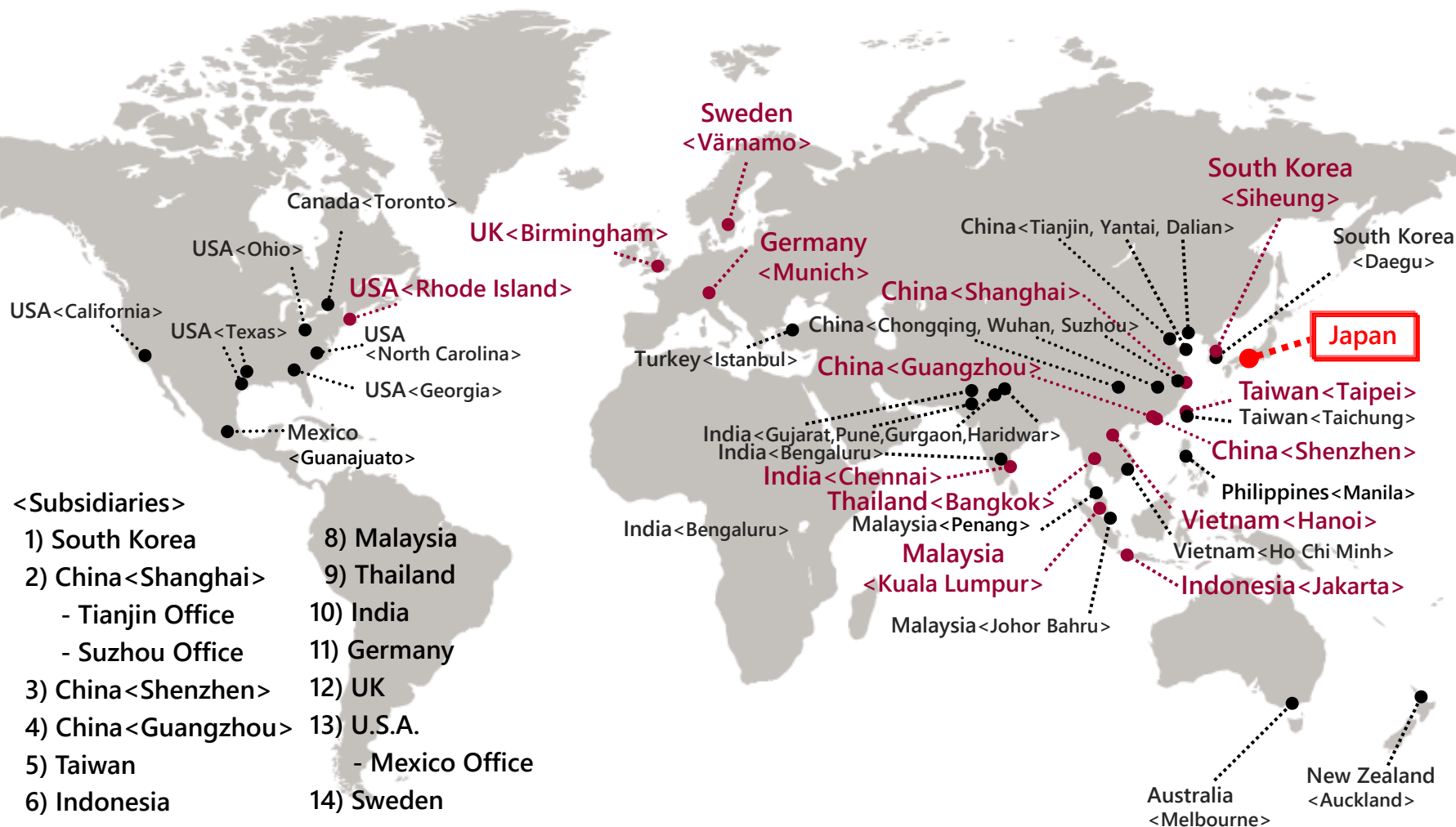
■ Non-Consolidated Sales ■ Consolidated Sales — Non-Consolidated Ordinary Profit — Consolidated Ordinary Profit

<Appendix> Business Performance of the Subsidiaries



(Millions of yen)

Country	Establishment /merger	Invest- ment ratio	FY2022			FY2023		
			Net sales	Operating profit	Profit	Net sales	Operating profit	Profit
South Korea	2000.10	100.0%	1,268	77	66	1,400	90	73
China (Shanghai)	2007. 2	100.0%	1,772	76	52	1,483	18	33
China (Shenzhen)	2004. 4	100.0%	922	36	37	747	13	16
China (Guangzhou)	2008. 9	100.0%	2,097	254	233	1,669	179	128
Taiwan	2001. 7	100.0%	88	8	7	90	0	0
Indonesia	2012.11	99.0%	263	10	5	259	10	5
Vietnam	2014. 2	100.0%	86	12	9	137	23	18
Malaysia	2001. 5	100.0%	224	13	12	209	12	9
Thailand	2001. 8	49.0%	815	33	29	996	98	94
India	2007. 8	95.0%	58	(5)	(5)	80	2	1
Germany	2019. 6	100.0%	32	(31)	(31)	37	(50)	(46)
UK	2004. 3	95.6%	1,251	188	150	1,920	202	176
USA	1988.10	100.0%	4,027	496	377	4,650	567	427
Sweden	2023. 5	100.0%	-	-	-	-	-	-



<Subsidiaries>

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

<Representative Office>

- 1) Philippines

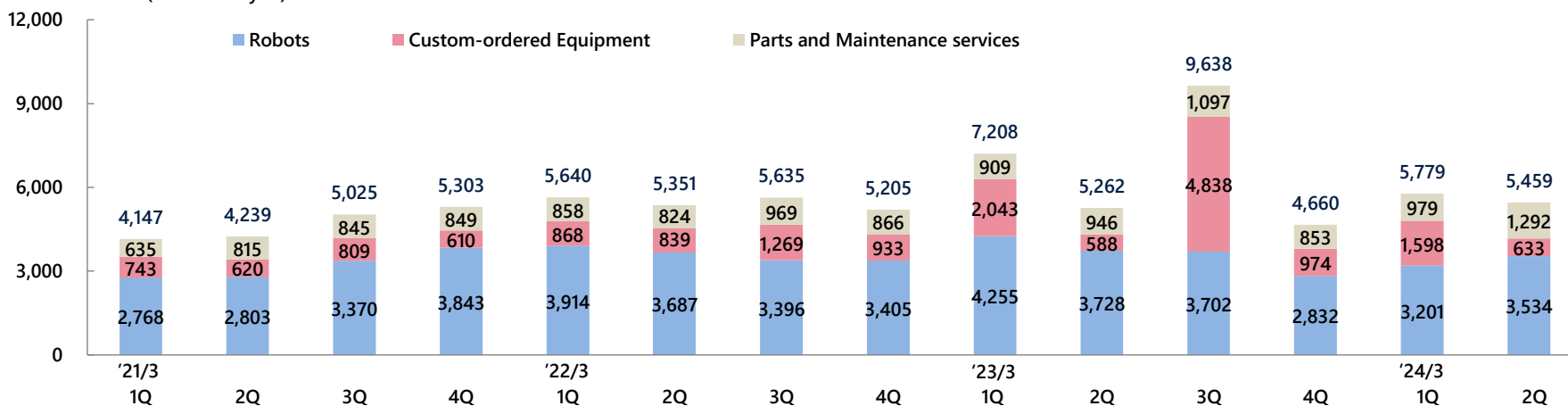
●..... Subsidiaries

●..... Branches, Representative offices, Technical service stations and Sole agents

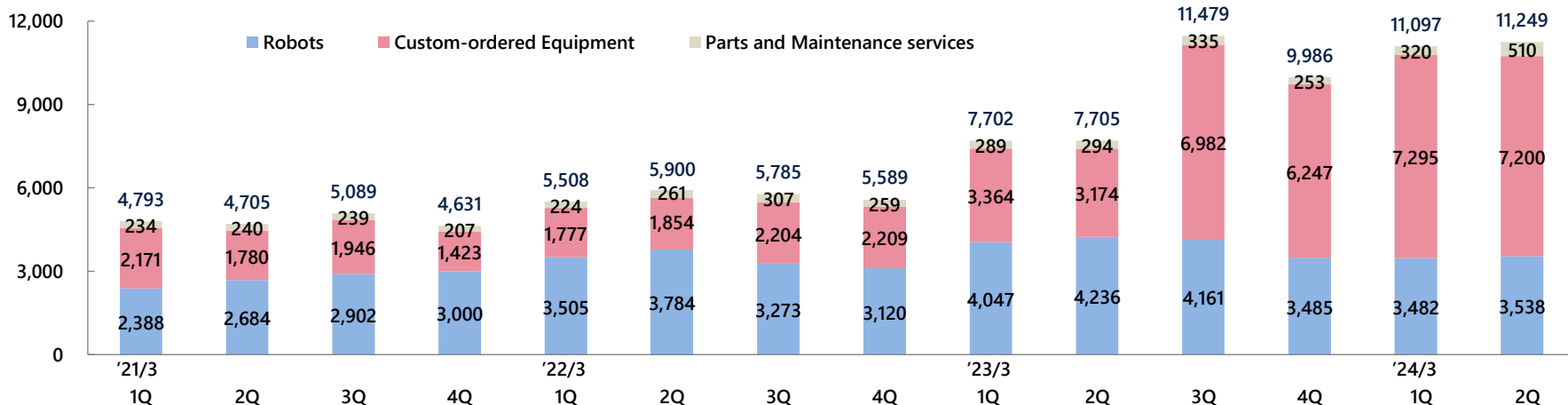
<Appendix> Orders Received and Backlog of Orders (quarterly)

- Orders for robots remains sluggish due to the slow down in Chinese market.
- Orders for large-scale custom-ordered equipment for **medical field** were received in 3Q FY2023, with sales planned for the second half of FY2024 onwards.

Orders Received (Millions of yen)



Backlog of Orders (Millions of yen)

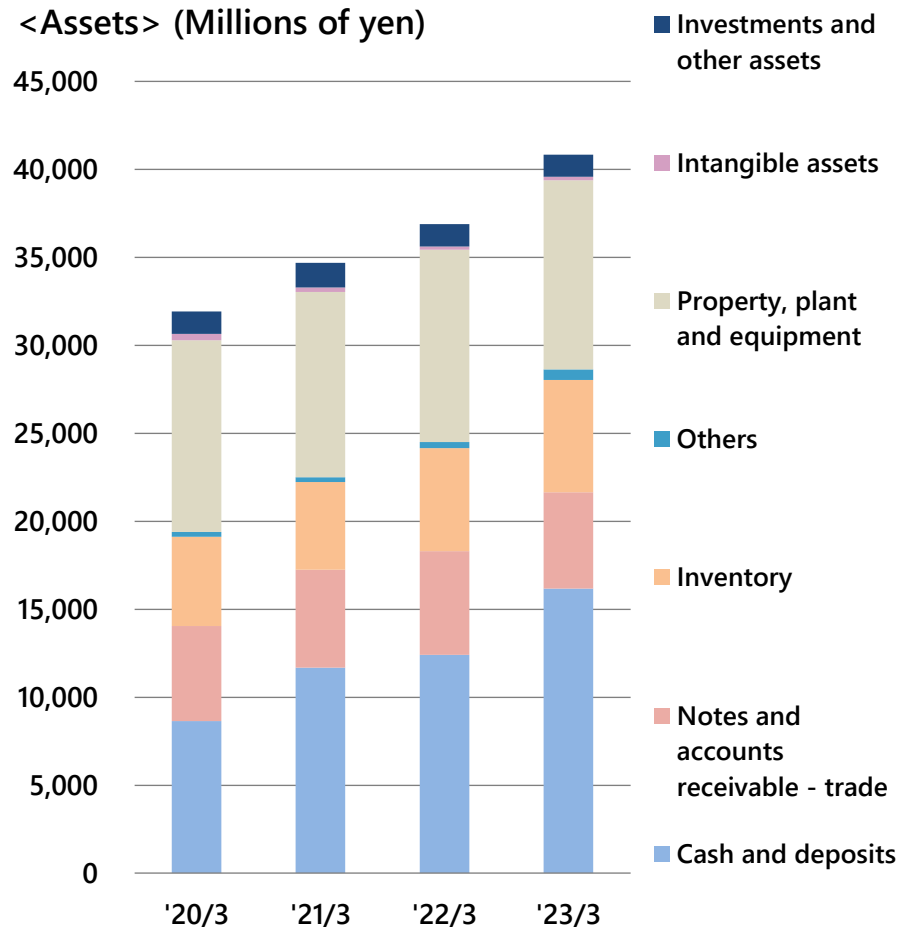


<Appendix> Balance Sheets

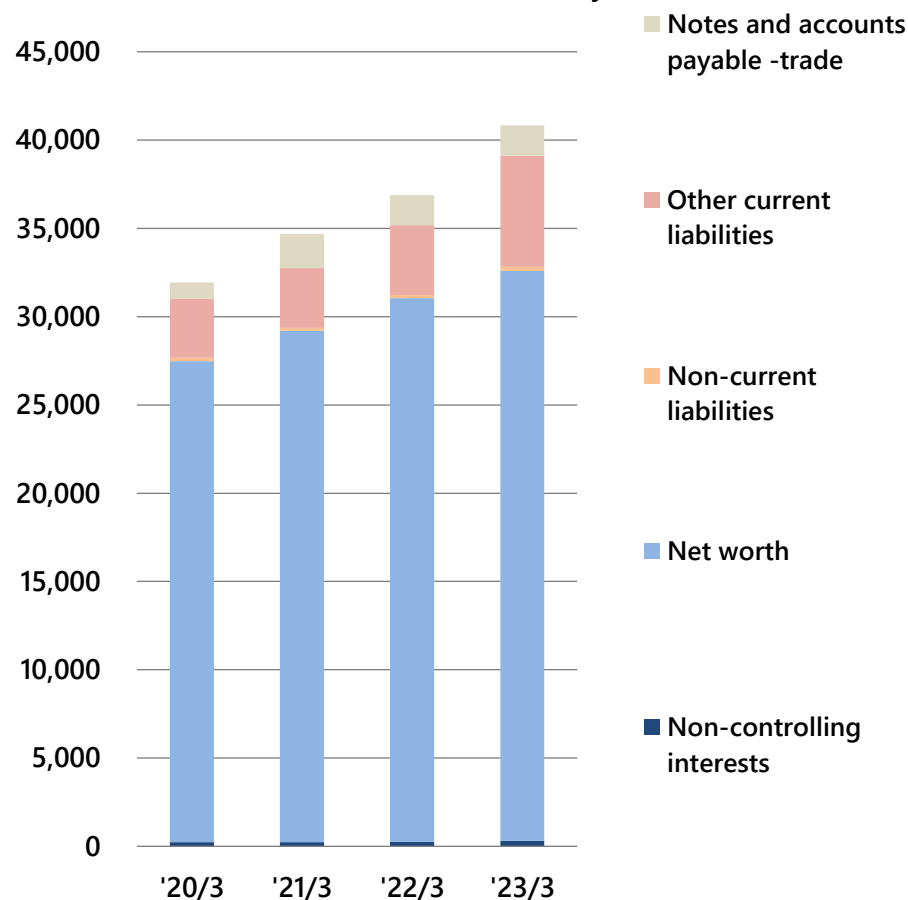
- **Cash and deposits** increased to prepare for the flexible investment in the future

- Other current liabilities increased due to **Advances received**
- Maintained a high equity ratio and zero interest-bearing debt

<Assets> (Millions of yen)

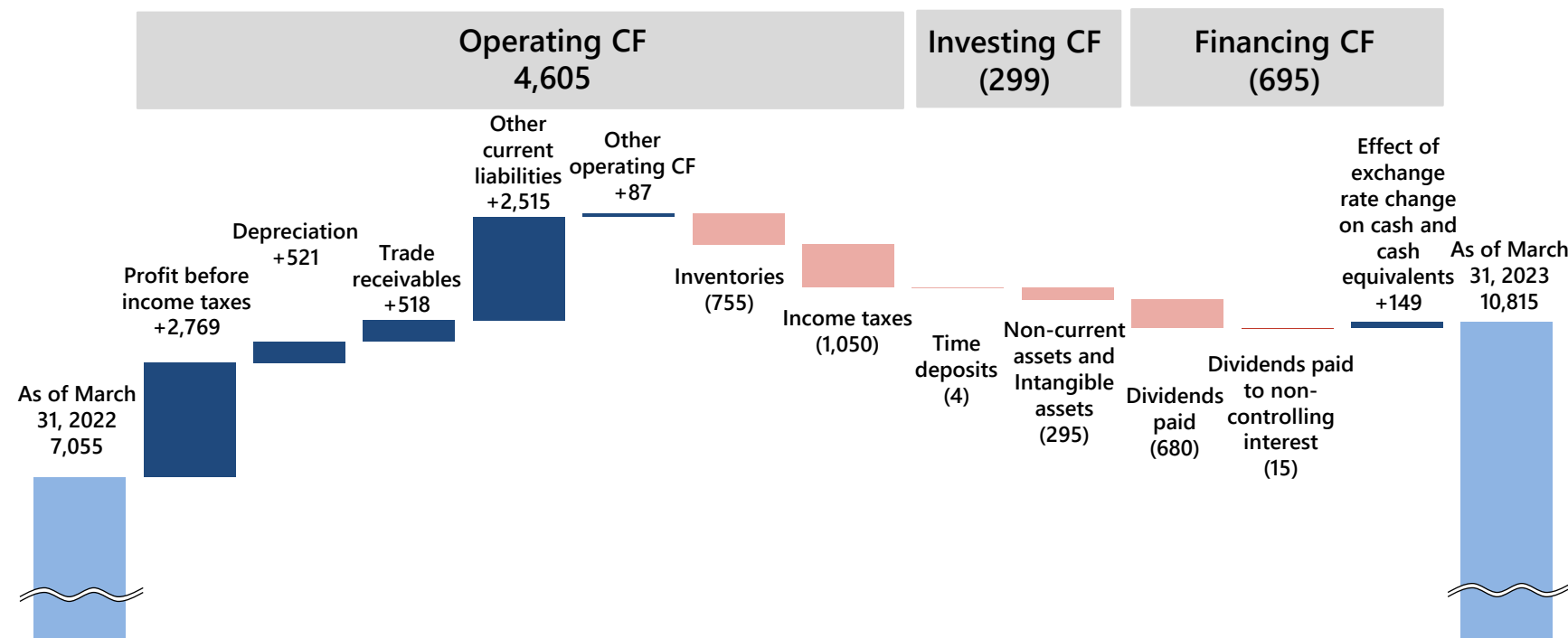


<Liabilities, Net Assets> (Millions of yen)



<Appendix> Change in Cash Flow

<Analysis of cash flow> (Millions of yen)



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

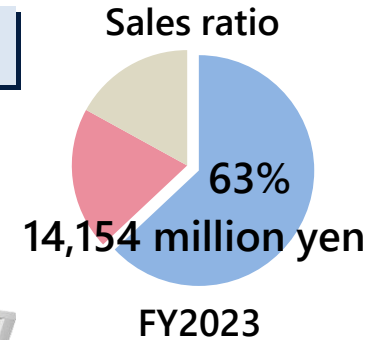
Millions of yen

	'18/3	'19/3	'20/3	'21/3	'22/3	'23/3
Operating CF	1,223	2,291	3,558	3,487	2,083	4,605
Investing CF	(2,511)	(61)	(1,475)	(1,987)	(1,341)	(299)
Financing CF	(659)	(1,316)	(946)	(561)	(763)	(695)

<Appendix> Product Lineup (1)

YUSHIN

Robots



FRA series

<Traverse type>



HSA series

<Traverse type>



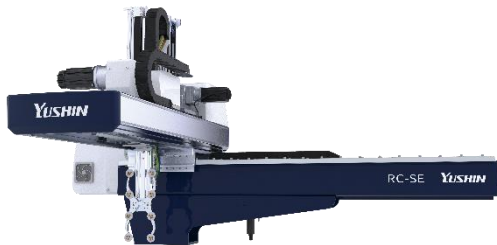
HST series

<Traverse type>



RC series

<Traverse type>



YD series

<Traverse type>



SD series

<Traverse type>



HOP series

<Swing type>



TSXA series

<Side-Entry type>



Palletizing series



<Appendix> Product Lineup (2)

YUSHIN

Custom-ordered Equipment

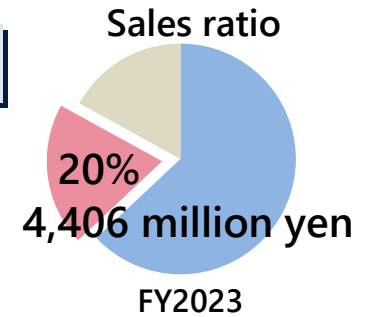
Flexible
module stocker



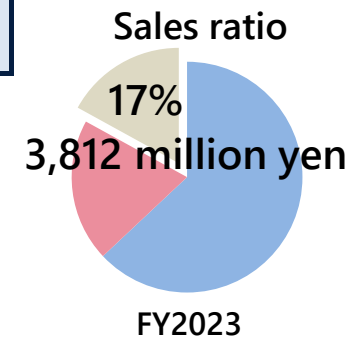
In-mold system



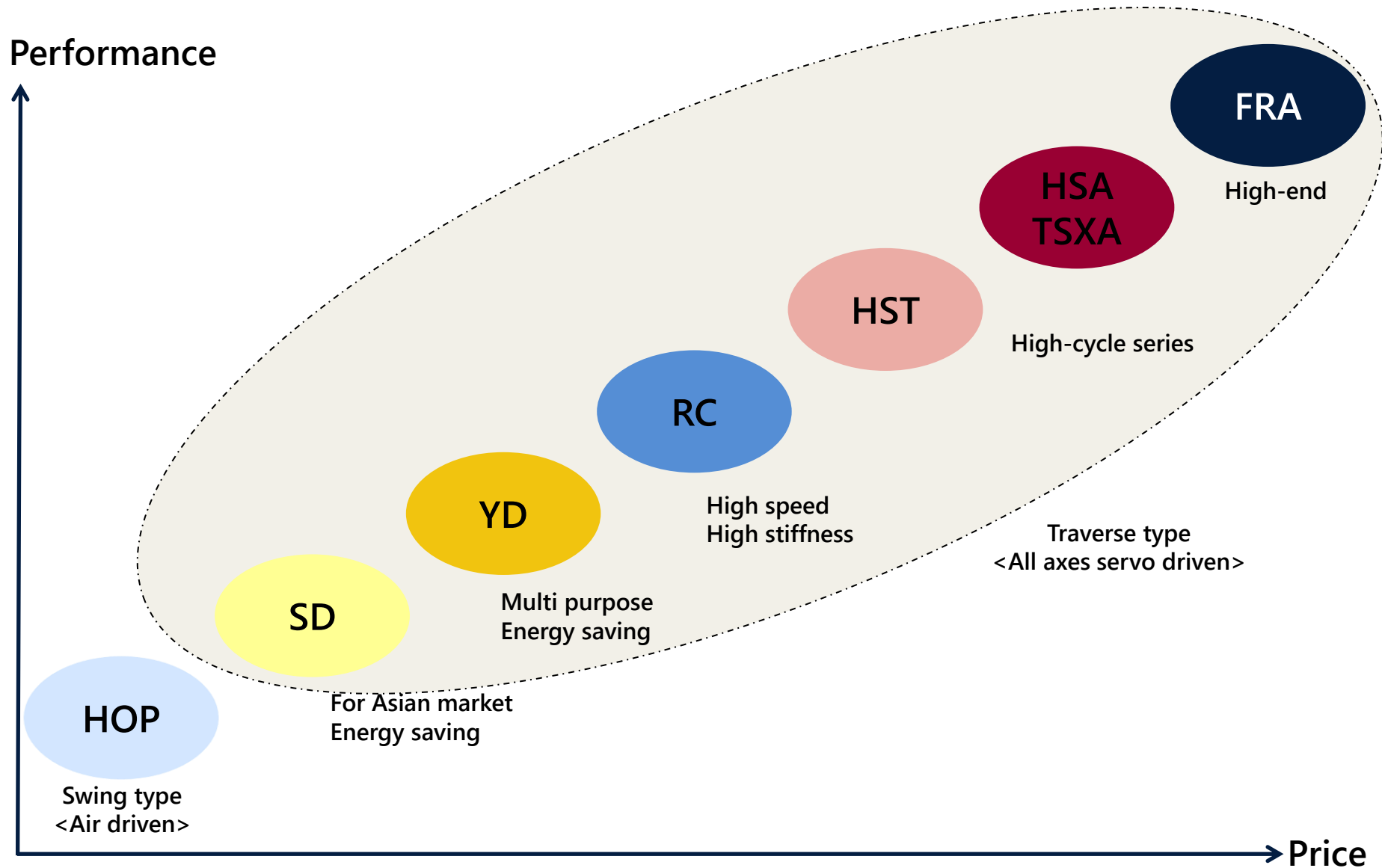
Gate cutting
system



Parts and Maintenance services



<Appendix> Performance and Price of Take-out Robots **YUSHIN**



E Environment

- < Environmentally-Friendly Products >
 - Development of energy-saving products (Won the JMF's Energy-Efficient Machinery Award)
- < Efforts to Fight Climate Change and Decarbonize >
 - Switched to the power generated by renewable energy source
 - Information Disclosure based on TCFD recommendations

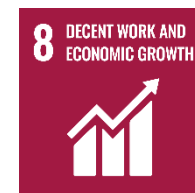
S Social

- < Human Rights >
 - YUSHIN Group Human Rights Policy and Classification of Risks
- < Working style reform for customer factories >
 - Supply of automation system for entire plant
- < Safety and Security >
 - Supply of robots with the highest safety standard of the world
- < Improvement of working environment >
 - Promotion of Safety and Health
 - Maternity leave and shorter working hours (better than required by law)

G Governance

- < Governance Enhancement and Diversity >
 - 2 of 11 board members are women
 - 5 of 11 board members are from outside
 - Improvement of board of directors by effectiveness evaluation
 - Nomination and Remuneration Committee chaired by an external director

Related SGDs



<Appendix> Monthly Stock Price Trend in the past decade **YUSHIN**

Stock Price (yen)



YUSHIN PRECISION EQUIPMENT CO., LTD.

Contact: Corporate Planning Office

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

www.ype.co.jp/en/

The IR site distributes explanatory meeting information and various materials.

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

You can also access from this QR code.



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