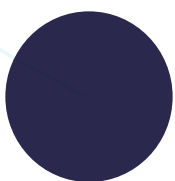


YUSHIN

YUSHIN Report
2022

Integrated Report
Year Ended March, 2022



YUSHIN PRECISION EQUIPMENT CO., LTD.

できない。無理だ、は出発点

The impossible is the starting point for innovation.

Susumu Kotani, YUSHIN's Founder



Our technology supports production automation
for manufacturers all over the world.

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Editorial policy

YUSHIN Report is intended to help our shareholders, investors and other stakeholders better understand how we are creating social and economic value and achieving sustainable growth. We hope that this report will contribute to your dialog with us. We referred to "International Integrated Reporting Framework" issued by Value Founding Foundation and "Guidance for Collaborative Value Creation" issued by Ministry of Economy, Trade and Industry, and other materials during the edit.

Reporting period

The main period covered in this report is the fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022). Some of the contents include information outside of this period.

Scope of report

This report covers YUSHIN PRECISION EQUIPMENT CO., LTD. and its 13 consolidated subsidiaries.

Notes on the forecast and outlook

The forecasts and outlooks contained in this YUSHIN Report 2022 are based on information available at the time of preparation and are judged to be reasonable by the Company, and include potential risks, uncertainties and other factors. Therefore, actual results may differ from the forecasts and outlooks due to changes in various factors.

Foreword

We sincerely thank you for reading YUSHIN Report 2022.

We have compiled financial and non-financial information in this report to help all of our stakeholders better understand YUSHIN Group. We hope this report will help you have a dialog with YUSHIN Group.

We will continue to use this report as a communication tool to continuously improve our corporate value.

YUSHIN PRECISION EQUIPMENT CO., LTD.

Business Philosophy and Motto

Business Philosophy

Act fairly and judiciously with all of our “strength, wisdom and courage” in order to earn the trust of our customers and shareholders.

Look outward far and wide, constantly seek technological innovation and give back to society for all it has given us.

Work cooperatively with our stakeholders in order for us to grow as a company and make the world a better place both physically and spiritually.

Motto

Today and every day,
Devote yourself to even better service
And build even more faith in our company.

History of Value-Creation

【 Founder's saying 】

品質は社運を決める
Quality determines our future.

できない. 無理だ. は出発点
The impossible is the starting point for innovation.

Starting-up

Forming the basis

Boosting existing business and expanding overseas

1973

YUSHIN PRECISION EQUIPMENT CO., LTD. established at Higashiyama-ku Kyoto, Japan



1985

Relocated the headquarters to Fushimi-ku Kyoto, Japan



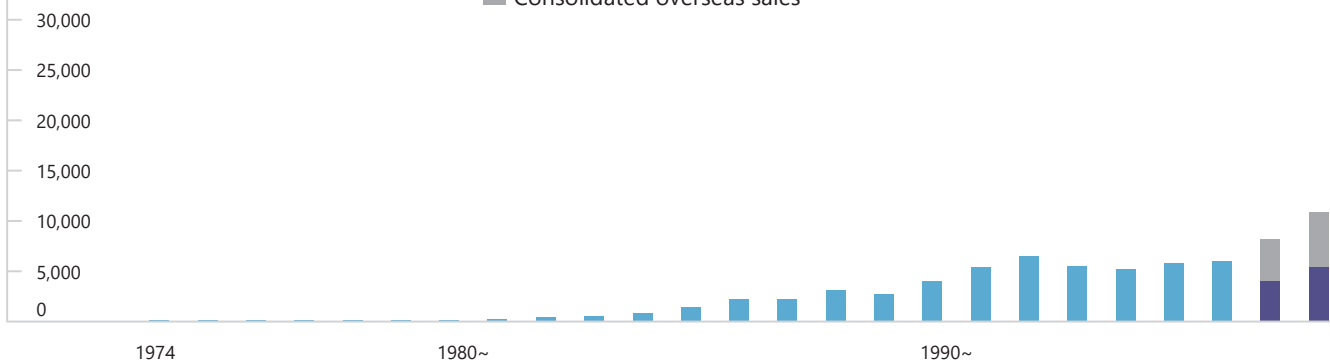
1988

YUSHIN AMERICA, INC. established



<Net sales>
(Millions of yen)

■ Non-consolidated sales ■ Consolidated domestic sales ■ Consolidated overseas sales



1978

A swing type take-out robot released as the YUSHIN's first robot



1989

(First in the Industry) Servo liner, all servo driven take-out robot, released



1996

(First in the Industry) YUSHIN robot equipped with colored touch-panel controller



2002

(The Fastest in Industry) DRDIII, disc take-out robot, released with the take-out time of 0.069 seconds



Since its establishment, YUSHIN PRECISION EQUIPMENT CO., LTD. has made take-out robots for plastic molding as main products, and has moved forward with the development of the industry. We have actively expanded its business overseas, and despite being the last entrant into take-out robot industry in Japan, has grown to hold the largest share of the global market in the 2000s. Based on our founder's philosophy of "The impossible is the starting point for innovation." we will continue to challenge new technologies and contribute to global society as a leading company of take-out robots.

Accelerating overseas expansion and challenging new areas

Building the foundation for growth strategy

Executing growth strategy

2000

YUSHIN KOREA CO., LTD. established



2013

Technical Center opened in Minami-ku Kyoto, Japan



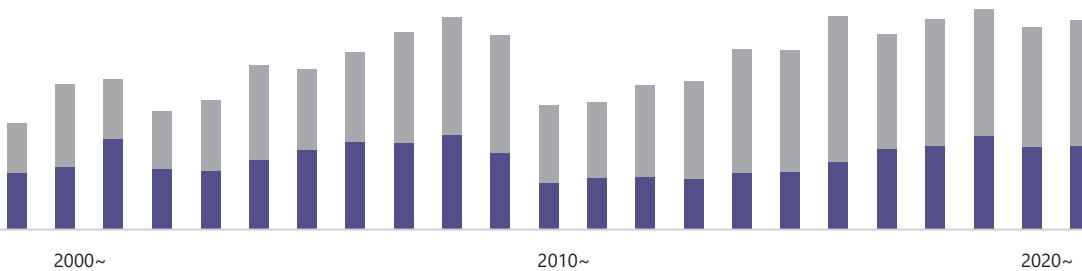
2004

YUSHIN AUTOMATION LTD. (UK) established



2016

New Headquarters opened in Minami-ku Kyoto, Japan



2010

(Optimum Design)

HSA, take-out robot, jointly developed with Kyoto University, released

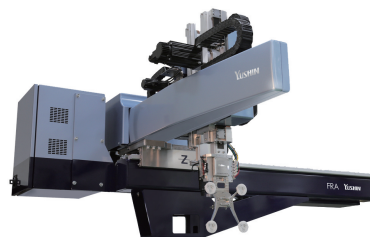


Japan Society of Mechanical Engineers Technology Award

2017

(Active Vibration Control) (IoT)

FRA, high-end take-out robot, released
INTU LINE, IoT service, released



Japan Society of Mechanical Engineers Technology Award



Red Dot Design Award



Machinery Industrial Design Award



JMF's Energy-Efficient Machinery Award

2020

(Venture into New Business)

PA, palletizing robot released



Value Creation Process

Social issues and changing environment surrounding YUSHIN and the customers

- Labor shortage in manufacturing industry
- Preventing global warming and energy conservation
- Improvement in working environment in manufacturing industry, especially in developing countries
- Improvement of living standard in countries around the world
- Plastic recycling
- Growing geopolitical risks
- Growth opportunity in new industries (e.g. Electric vehicle, metaverse)
- Serious natural disaster

[Input]

Management capital (FY2022)

Financial capital	Equity capital ratio: 83.5% Cash and deposit balance: 12,404 million yen
Manufacturing capital	Capital expenditure: 846 million yen
Intellectual capital	Research and development expenditure: 367 million yen The number of development and engineering staff: 144
Human capital	Number of employees (consolidated): 692 Number of overseas employees: 294
Social and relationship capital	The number of bases: 57 bases in 18 countries
Natural capital	Power usage: 2.091 million kWh (non-consolidated) Water intake 4,499m ³ (HQ and factory)





[Outcome]

Social value

Contributing to the creation of sustainable societies in which people around the world can lead safe and prosperous lives

- Raising the standard of living of people around the world by supporting the delivery of high-quality, low-cost products worldwide (Contributing to lighten products and to improve sanitation standards through the use of plastics)
- Responding to environmental conservation (climate change, chemical substance control measures)
- Supporting production of biomass and biodegradable plastic moldings as effort to address plastic issues
- Contributing to demand for labor saving due to labor shortage
- Contributing to the safety and security of factories

Economic value

- Helping client companies generate profits
- Helping client factories improve the productivity and the quality of their products
- Enhancing shareholder value

[Output]

Take-out Robots

Custom-Ordered Equipment

Parts and Maintenance Services

- Improving customer satisfaction
- Improving employee job satisfaction
- Increasing the corporate brand value
- Cash generation

Message from the President

YUSHIN contributes to the creation of a sustainable society and enhances corporate value by providing safety and reliability to customers' factories and supporting manufacturing that is highly productive and has minimal environmental impact.

Business Model and the Source of Competitiveness, Relationship with Management Philosophy

YUSHIN was established in 1973 and was initially involved in a variety of automated machinery. YUSHIN entered take-out robot sector for plastic molded products in 1978. YUSHIN was the last in entering in the industry in Japan, but it has grown to be the industry leader and have the largest share in the industry, and we have accelerated the development of systematization in combination with automation equipment for downstream processes. At the same time, YUSHIN has expanded globally and currently has 57 bases in 18 countries. YUSHIN also keeps providing parts and maintenance services globally for the equipment delivered to the customers.

With one of our management philosophies, "Constantly seek technological innovation and give back to society for all it has given us", we aim to solve our customers' concerns they have in their factories with technologies. For example, if molded products can be taken-out quickly from an injection molding machine, the productivity of the customer will increase, but as the robot body vibrates with high-speed operation, it takes some time for the vibration to go away, which makes it difficult to shorten cycle time.



Representative Director and President,
Ph.D. in Engineering

Takayo Kotani

For this reason, we have contributed to the improvement of productivity of our customers by realizing stable high-speed operation with the vibration being suppressed using our own unique technology that focuses on the stiffness of the machine body and vibration control. We have interviewed our customers for their needs in a careful manner, and



incorporated functions into the latest model, some of which are the diagnostic function to help customers to find out the cause of take-out failure, and the function to help customers reduce the cycle time.

“Maintenance and service” is one of our strengths. We keep our robots the finest quality, but if our customers encounter troubles in using robots, we are ready to move over to the customers’ site to support fixing troubles. Our strong financial strength is the foundation to support developmental power that generates great products, and enables us to ensure to keep providing maintenance and services to the customers’ robots even in a recession. We want to be a sustainable company that puts importance on maintenance and services.

Another strength is our ability to propose equipment with the most suitable specifications for customers’ sites. As we have many types of take-out robots in our product line, we propose equipment most suitable for our customers by interviewing them in a careful manner to know what they want their factories to be, what they think is important, and what their constraints are.

We have been awarded many best supplier prizes from our customers for our comprehensive strength including technical strength, service capabilities, and proposal capabilities. We will continue to enhance our credit strength by working diligently and honestly, cherishing our credo “To be a trusted company” which is the origin of our company name “YUSHIN.”

Our Recognition for Mid- and Long-Term Market Environment, and Our Future Strategies

As stated in SDGs targets, it is vital to create a world in which people can equally live healthy and enriched lives as well as to take good care of the environment. The market for plastic molded products is expected to expand over the mid- to long-term to improve the basic standard of living of people as the products can be produced in large quantities, they are stable in quality, light-weight, and can be recycled. Especially, we excel at high-added value plastic molded products in automotive, electrical and medical industries in which reuse and recycle are strongly recommended, we expect that the market for the products expands further. Plastics are used in almost all industries. For example, the shift to EV cars has brought about the adoption of plastics aggressively to make the cars lighter in weight. Plastic components are definitely used in equipment used in new fields, including virtual reality. During COVID-19 pandemic, more plastic molded products are produced for PCR test kits, syringe, pipets and containers used to analyze samples, plastic pumps for hand-disinfecting alcohol as well as electronic components and printers, the demand of which was boosted by work-at-home. In the medical field, demand for plastic molded products is expected to increase as medical services are expected to expand worldwide.

Plastic molding factories to satisfy such demand for plastics have process to take out molded products from injection molding machines, which poses risks such as being caught in machines when it is done by hand. There are still many plastic molding factories in developing countries where the take-out is done manually. Take-out robots are being introduced to free workers from dangerous working conditions and to deal with rising labor costs. On the other hand, the usage rate of take-out robots is already high in developed countries, but plastic molding factories face chronic labor shortages. We have significant room for growth of our take-out robots with

the strong need for automation and labor-saving caused by labor shortage, and the need for high value-added machinery for high quality molding process. In the light of our recognition of the market environment, we will expand take-out robot business with our Technical strength, Support strength, and Proposal strength.

Cartesian robots, the most basic type of take-out robots, excel in high-speed and operability including teaching function, and have a feature of being installed with small footprint because of its structure. With these features, we will expand our business by focusing on the development and sales expansion of Cartesian palletizing robots. Moreover, utilizing our technology features and advantages, we will look for new business opportunities, and develop growing markets.

Promoting Sustainability Management and Strengthening ESG Initiatives

The establishment of the Sustainability Committee was resolved in August 2022. Our aim is to contribute to the creation of a sustainable society and environment through our business activities and to enhance our corporate value through sustainable business development. In the future, we will promote sustainability management by utilizing this committee to formulate basic policies and measures related to sustainability, as well as materiality.

Using ESG framework to explain our specific initiatives, we first aim to develop and sell products that contribute to energy conservation at our customers' plants, while at the same time pursuing our own management that has minimal environmental impact. In order to promote energy conservation in our production, 100% of the electricity used by all of our sites in Japan that are directly contracted with electric power companies has been changed to renewable energy. We also announced our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD.)

For society, through the development of robots, we

are working to "reduce dangerous work at customer sites," "improve productivity," and "reduce environmental impact by reducing energy consumption" as important issues. Looking back at our business and history, we have contributed to the sustainable development of the plastic molding industry by co-creating innovations together with our customers since our foundation by developing new technologies. We are proud that our contribution to the plastic molding industry, which is easy to reuse and can be produced in large quantities in a stable manner, will indirectly help to "improve people's basic standard of living and realize enriched lives." Our business activities themselves are part of SDGs, and we expect that further promotion of our activities from this perspective will lead to the creation of greater added value as a company.

With regard to governance, we have established Nomination and Remuneration Committee, which is chaired by an external director, to enhance the appropriateness and transparency of management. In April 2022, we introduced the new board members' compensation system, which incorporates mid-term performance-and stock-price-linked bonuses, and will strive to enhance the effectiveness of Board of Directors and sustainably increase corporate value.

Stakeholder Engagement Initiatives

YUSHIN will celebrate its 50th anniversary in 2023. To date, we have endeavored to provide added value by identifying social issues, researching and developing solutions to them in a cooperative relationship with all of our stakeholders, including our customers and suppliers. We will continue to strive to share information and maintain careful relationships with each stakeholder so that we can realize co-creation and co-prosperity with them. Within our company, we will steadily implement important initiatives and mechanisms for growth, such as organizational restructuring, optimal allocation of human

resources, and collaboration among each department.

We also believe that one of our management responsibilities is to create a work environment in which each and every employee, who is our valuable stakeholders and working colleagues, can maximize his or her potential and continue to work enthusiastically. If each and every employee can use the Company as a tool to influence society and lead a more fulfilling life, the Company will in turn be stronger. In recent years, we have promoted the establishment and penetration of our corporate identity through discussions involving young employees on a department-by-department basis. We will incorporate our employees' ideas into our management to build good working environment where we all can enhance our creativity.

For our shareholders and investors, in addition to strengthening our engagement, we plan to pay a dividend of 30 yen per share in fiscal year 2023, an increase of 11 yen from fiscal year 2022, as we celebrate our 50th anniversary in 2023.

We will enhance corporate value over the mid-to

long-term by reflecting engagement with all stakeholders in management. We will continue to take on challenges cherishing our founder's philosophy "The impossible is the starting point for innovation." We appreciate your continued support for our future.



"For our new growth, we will implement measures such as penetrating our corporate identity and strengthening organizational and human resource development."

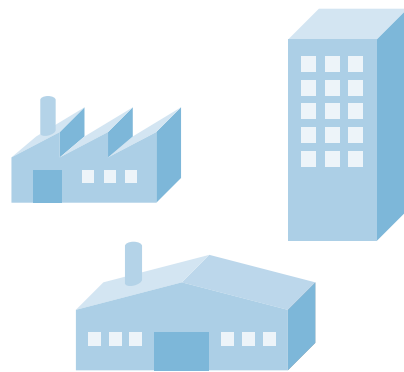
YUSHIN's Strength

Technology

- Stick to the speed
- Vibration suppressing technology (PAT.)
- Energy-saving products
- IoT support
- Collaboration with universities
- Award-winning products

Broad User Base

- From larger to smaller companies
- Acceleration in globalization
- Advance into multiple Industries



Top market share

Reliability

- Maintenance and services to keep customers' equipment running
- Service with use of AI technology
- Delivery on time
- Workplace support by labor-saving, automation, and streamlining



Financial Strength

- Carry on non-debt management
- High equity ratio
- Minimum production facility
- Steady maintenance and services even under economic recession
- Quick decision-making
- Disaster-proof

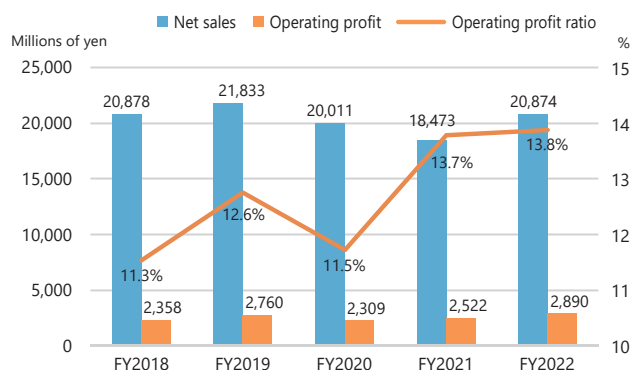
Risk Management

YUSHIN management team identifies following risks which may have significant impacts on financial statements, business performances and cash flows around YUSHIN Group.

Financial risk	Related risk	Our efforts
External factor (market trend)	<ul style="list-style-type: none"> ● Capital expenditure in plastic injection molding industry ● Impact from exchange rate fluctuations on the yen equivalent of the overseas subsidiaries' business results ● Low-priced competition 	<ul style="list-style-type: none"> ● Our business runs in multi-industry markets to prevent impacts from economic fluctuations in a particular industry ● We keep on developing new models and reducing manufacturing cost and SGA expenses
External factor (purchasing)	<ul style="list-style-type: none"> ● Price fluctuations in raw materials ● Parts supply restrictions from suppliers and discontinued parts ● Parts shortage due to demand rise in market 	<ul style="list-style-type: none"> ● We attempt to manage minimizing purchase price fluctuation by setting up multiple and reliable supply routes ● We maintain system that enables flexible design changes
External factor (natural disaster and others)	<ul style="list-style-type: none"> ● Earthquake and storm damage ● Urban lockdown and stay-at-home order due to pandemic diseases around the world 	<ul style="list-style-type: none"> ● We have prepared "Disaster prevention plan" and "Business continuity plan." And we have disseminated the plans to our employees and conduct emergency exercise on regular basis. We have also set-up "Safety confirmation system." ● In the event of emergency, we keep our business running by combating infectious diseases, strict health check program, staggered commuting, work-at-home, and web meetings
Internal factor (accident)	<ul style="list-style-type: none"> ● Warranty costs due to quality issue ● Labor accidents ● Cyber accidents such as information leaks, loss of important data, and operating system outage caused by information security issue (cyber-attack, computer virus and unauthorized access) ● Operating system outage due to information technology system failure 	<ul style="list-style-type: none"> ● We have a strict quality management structure which complies with an international quality standard by setting up quality control standard, thorough quality management, and suitable measures ● We purchase Contractors' liability insurance and Product liability insurance ● We always pay attention to the health and safety of the board members and employees to prevent work accidents ● We strictly maintain IT security status and strengthen IT security. We also train and enlighten management and employees
Internal factor (human resources)	<ul style="list-style-type: none"> ● Weakness in securing human resources for rapid business development ● Resignations and leaves of absence in the area of specialty 	<ul style="list-style-type: none"> ● We make efforts to improve working conditions to keep employees and personnel system to support motivated employees. With this efforts, we recruit and develop necessary human resources to facilitate the development of the global business expansion ● We improve working efficiency by IT technology ● We empower women
Others	<ul style="list-style-type: none"> ● Sales and costs of goods sold are recorded in the following consolidated fiscal year due to the acceptance status of the goods delivered at the end of fiscal year 	

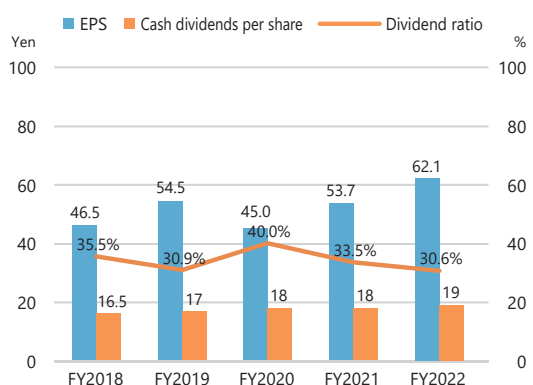
Financial Highlights

Net Sales, Operating Profit, Operating Profit Margin



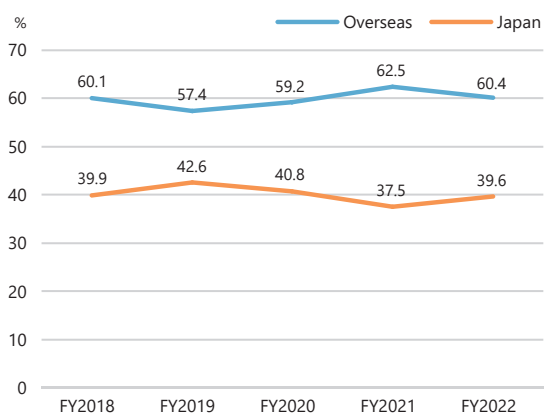
In FY2022, Net sales increased by 13.0% year on year. In sales of our leading products, take-out robots, we focused on sales activities for new products and worked to strictly meet delivery deadlines even amid continued difficulties in procuring components. As a result, sales grew. Operating profit increased by 14.6% year on year due to an increase in Net sales.

EPS, Dividends, Dividend Ratio



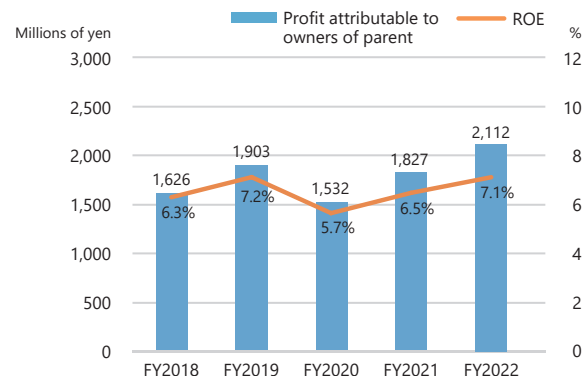
In order to achieve stable and continuous shareholder returns, we have set a consolidated dividend payout ratio target of 30% or more. We intend to raise the level of ordinary dividends by improving our consolidated results. Due to the 1:2 stock split conducted on April 1, 2018, the figures for FY2018 have been adjusted.

Overseas Sales Ratio



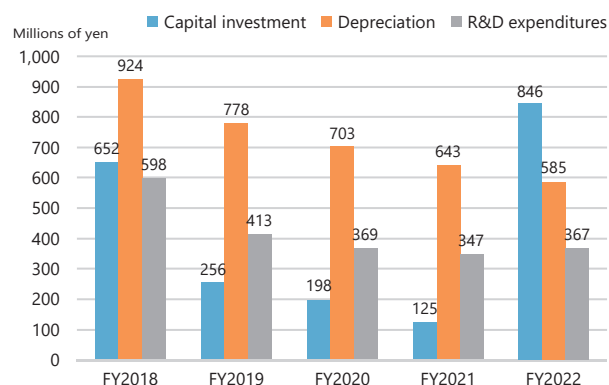
Overseas sales ratio has been around 60% in recent years. The domestic sales ratio increased in FY2022 due to a recovery in the domestic market, which had been sluggish in the previous fiscal year.

Profit Attributable to Owners of Parent, ROE



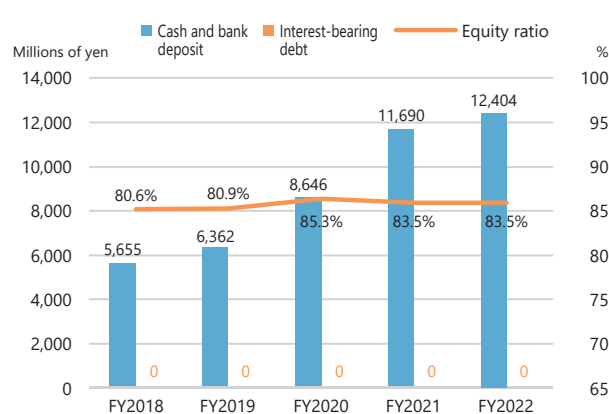
In FY2022, Profit attributable to owners of parent increased by 15.6% year on year due to increased Net sales and foreign exchange gains. ROE was 7.1%, up 0.6pt from the previous fiscal year.

Capital Investment, Depreciation, R&D Expenditures



Depreciation associated with the construction of new headquarters and factory in 2016 has been decreasing year by year. Capital expenditures in FY2022 primarily consisted of expenses for the purchase of land in the vicinity of the headquarters. We have been investing in R&D to a certain extent under any economic conditions.

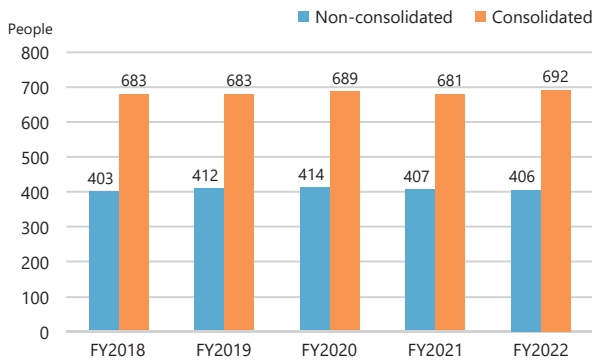
Cash and Bank Deposit, Interest-bearing Debt, Equity Ratio



Over the past few years, there have been no major expenditures, and cash and deposits have increased. We will make preparations so that we can meet future demand increase and make flexible investments in an appropriate timely manner.

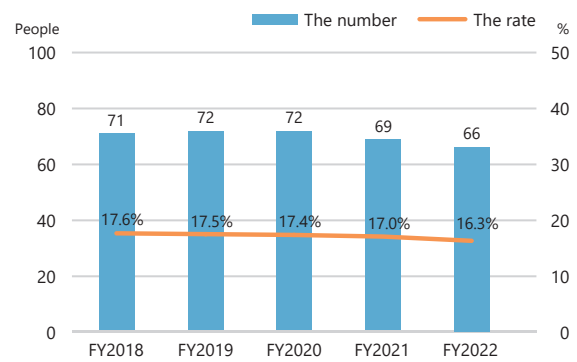
Non-Financial Highlights

Number of Full-Time Employees



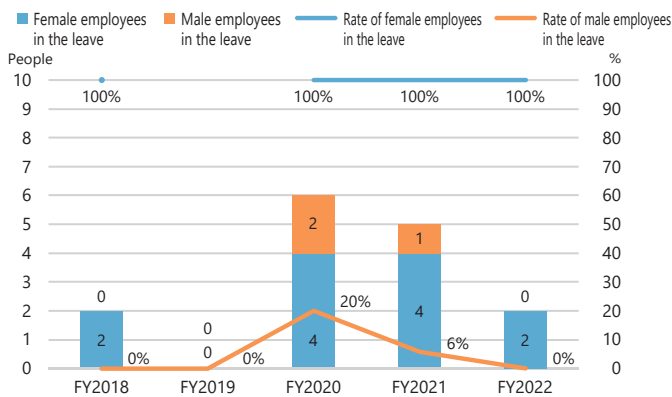
The number of employees has remained almost the same for the past few years.

The Number and Rate of Female Full-time Employee (Non-Consolidated)



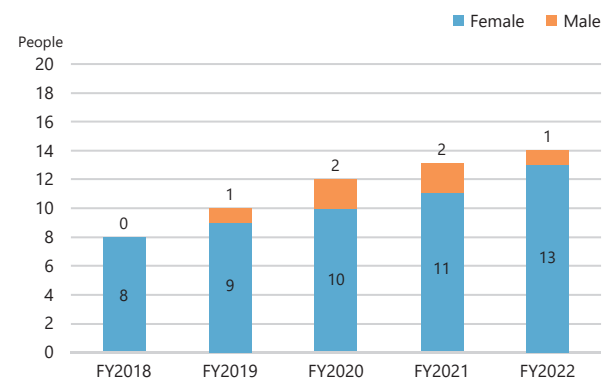
The percentage of women among regular employees is close to the average value of women in the manufacturing industry (approximately 16%*). In recent years, we have actively promoting female mid-career recruitment. The ratio of women to all mid-career hires has steadily increased from 0% in FY2020, 16.7% in FY2021, and 28.6% in FY2022. (*From the FY2022 Basic Survey of Gender Equality in Employment Management)

The Number of Employees in Childcare Leave, Rate of Taking Childcare Leave



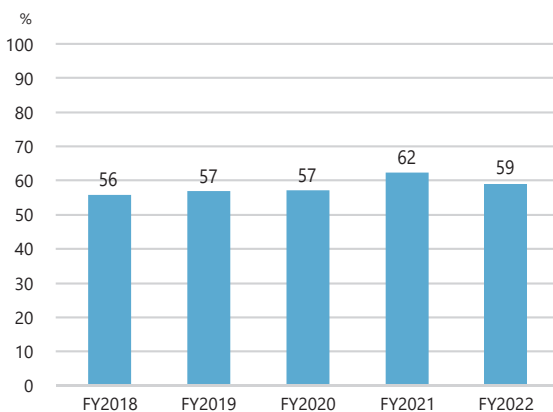
In addition to helping female employees take childcare leave and return to work, we are proactively taking measures to support all employees who are raising children, such as publicizing the contents of the system through lectures and roundtable discussions, sharing experiences with employees who have taken the leave, and preparing and distributing pamphlets to deepen the understanding of the system. In FY2022, no male employees took childcare leave due to the small number of eligible male employees, but in FY2023, more than 3 male employees are going to take the leave.

The Number of Employees Who Take Shortened Working Hours System



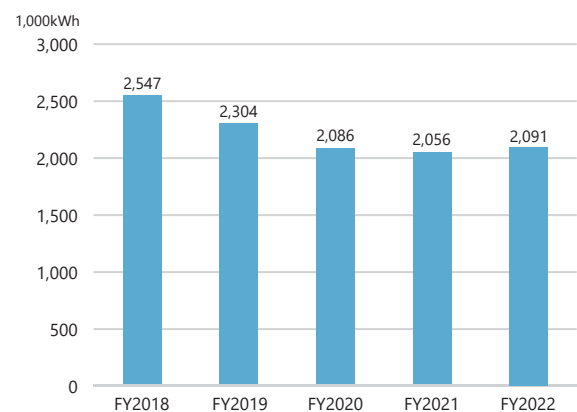
Shortened working hours is available for our employees until their children move up to the fourth grade in the elementary school while it is up to three years old in legal requirement. It is the flexible system for the male employees which enables them to take for short period of time when needed. Over the past few years, all eligible female employees have used this system and attained to balance work and childcare, and they are getting understanding and support of the other employees. We will continue to strive to improve the workplace environment according to the life stages of our employees.

Paid Vacation Utilization Rate of Full-Time Employees



The percentage of employees taking paid holidays decreased by 3pt from the previous fiscal year to 59% because the year was transition period after the unification of paid holidays granted and the increase of the special holidays including congratulation and condolence leave. Since 2021, we have been working to create an environment that makes it easier for employees to take paid holidays, such as by establishing days on which employees are encouraged to take paid holidays.

Power Usage (Non-Consolidated)



As operation transfer from old headquarters are progressing, the energy-saving equipment in the new headquarters are creating its effect.

The Three Pillars of YUSHIN

Take-out Robots



Approximately two-thirds of plastic molded products are made in the process called “injection molding.” Plastic melted at high temperature is injected into the mold, and then cooled to form molded products. Dedicated robot for removing plastic products from molds is called “take-out robot,” which is installed on many injection molding machines. Take-out robot is playing an active role in

manufacturing a variety of plastic molded products, ranging from small parts inside smartphones to large parts such as automotive bumpers.

Until now, YUSHIN has actively introduced a variety of industry-first technologies in pursuit of the speed of robots. (Ref. p5, p6)

Custom-Ordered Equipment



We provide equipment that supports the automation of each process before and after the take-out of molded products. They are mainly stock systems, gate-cut systems, and insert systems.

In June 2020, we launched palletizing robot system, which automates the loading of cardboard and other items on pallets during the shipping process. Inquiries from new users, such as the food industry, are increasing.

Parts and Maintenance Services

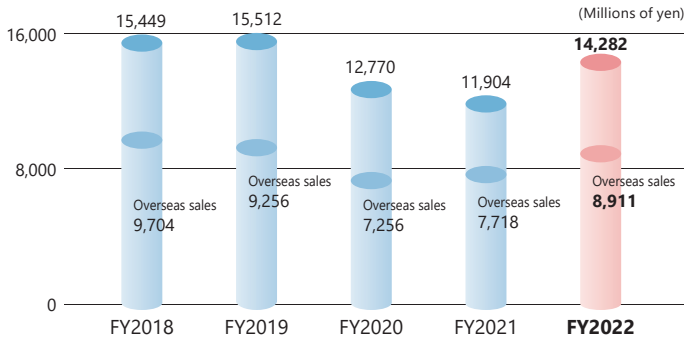


We have established an extensive maintenance and support system all over Japan and around the globe so that users can use our robots and custom-ordered equipment with confidence after their introduction. We deliver

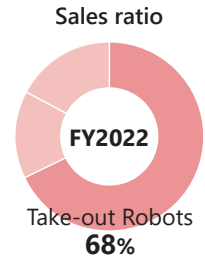
high-quality service to keep customers’ production running by quickly responding to consumable parts replacement for the robots.

Sales by Product Category

Take-out Robots



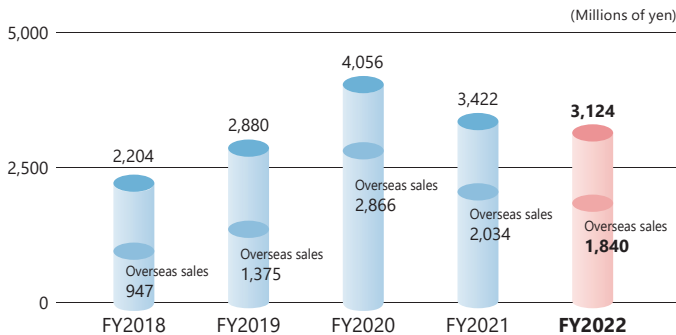
- Increased by 2,378 million yen (20.0%) from the previous FY to 14,282 million yen.
- Sales increased due to capital investment picking up while economic activity was restarting.



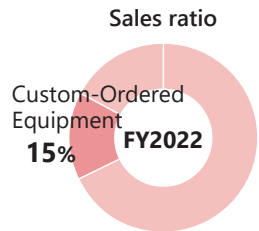
Future Growth Strategy

We will continue to develop products that meet regional and industry characteristics. In addition, we will make further efforts to develop products that reduce the environmental impact and increase the added value of take-out robots.

Custom-Ordered Equipment



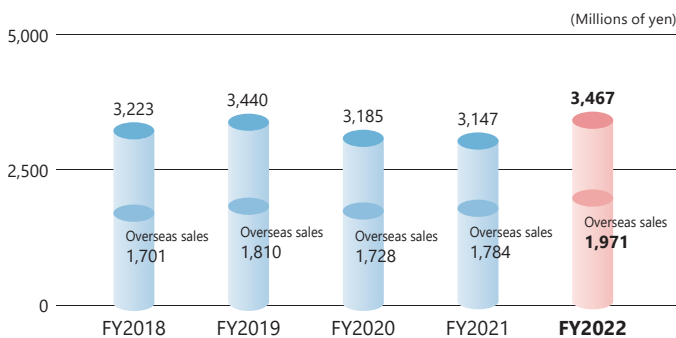
- Decreased by 297 million yen (8.7%) from the previous FY to 3,124 million yen.
- Sales did not increase for medical fields, but demand for automation are increasing in various industries.



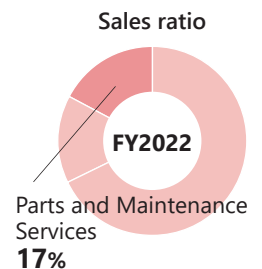
Future Growth Strategy

In response to the growing need for automation in Japan and overseas, we will focus on businesses that have synergy with take-out robots. In addition, through the palletizing robot launched in 2020, we will work to expand our products beyond the plastics industry.

Parts and Maintenance Services



- Increased by 319 million yen (10.2%) from the previous FY to 3,467 million yen.
- Sales increased as the customers' factory operating ratio increased due to the various regulations of COVID-19 pandemic have been relaxed.

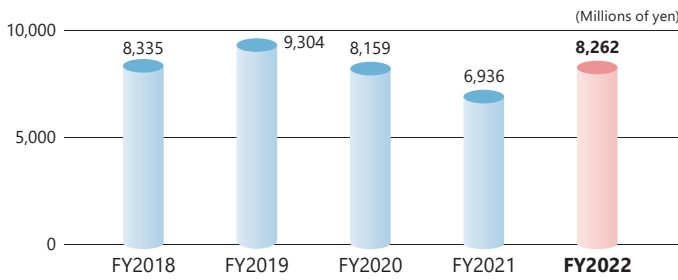


Future Growth Strategy

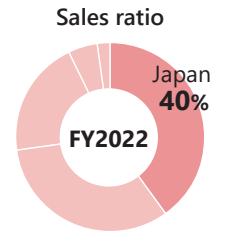
One of our competitive advantages over other companies is our network, which is the best in the industry. We will continue to focus on securing and training human resources to support our global expansion and develop high quality services worldwide.

Sales by Region

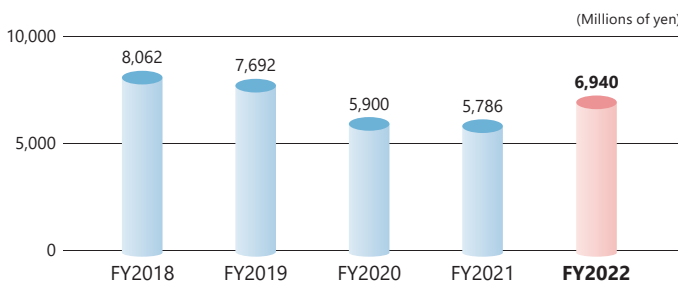
Japan



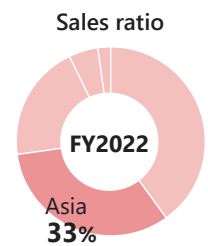
- Increased by 1,325 million yen (19.1%) from the previous FY to 8,262 million yen.
- Sales increased due to the recovery of the capital investment to automotive products and electronic parts.



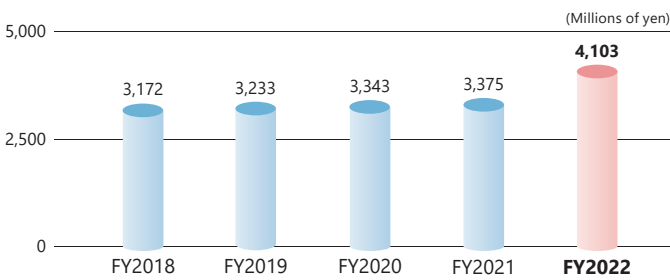
Asia



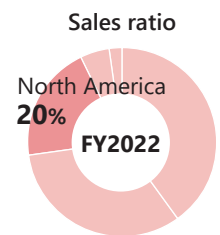
- Increased by 1,154 million yen (19.9%) from the previous FY to 6,940 million yen.
- Take-out robot sales increased mainly for electronic parts and medical products due to the demand increase in China.



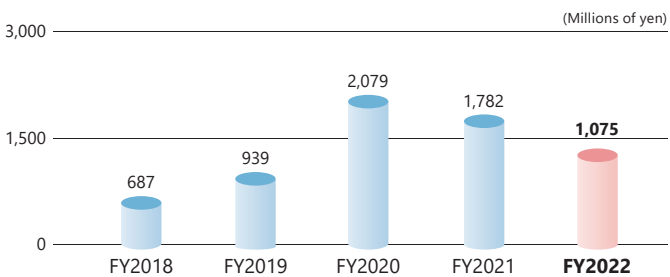
North America



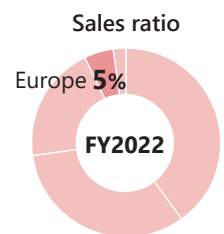
- Increased by 728 million yen (21.6%) from the previous FY to 4,103 million yen.
- Take-out robot sales increased mainly for automotive products and electronic parts.



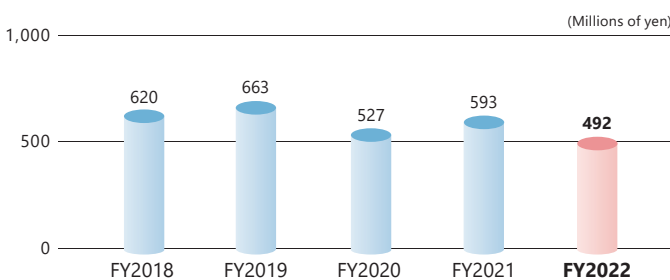
Europe



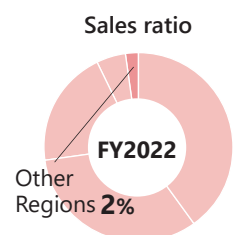
- Decreased by 706 million yen (39.7%) from the previous FY to 1,075 million yen.
- Sales remained low in custom-ordered equipment for medical applications due to COVID-19 pandemic.



Other Regions



- Increased by 101 million yen (17.0%) from the previous FY to 492 million yen.



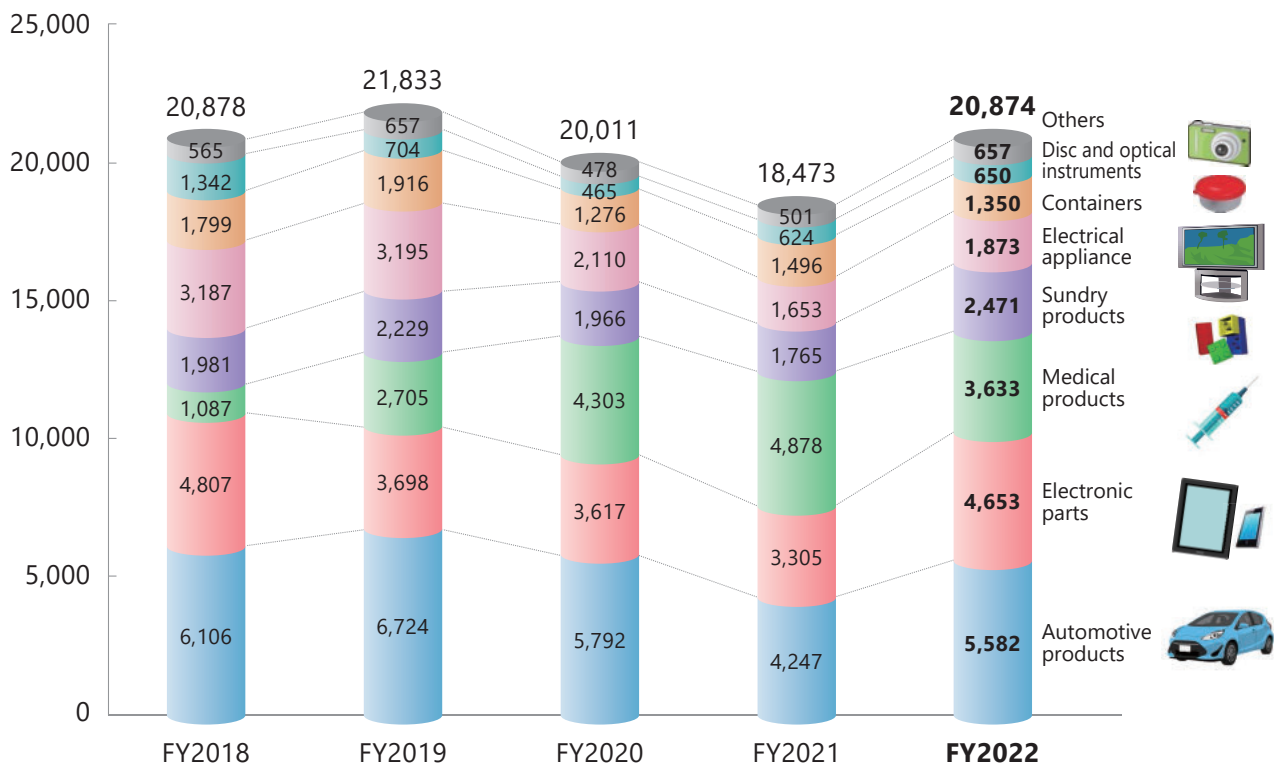
Sales by End-User Industry

YUSHIN Robots Are Used in a Wide Range of Industries

YUSHIN robots play an active part in the production plant for plastic injection molding products. For this reason, we are expanding our business into a variety of industries that handle plastics. We expect growth in the future as many components are being replaced by plastics in the automotive industry, and there are also needs for lighter components for EV cars and the medical industry is engaged in the mass production of plastic products in consideration of hygiene, so we can quite go well with the industry as our forte is speed and accuracy. We also expect growth in products brought by new movements such as virtual reality.

In FY2022, we ranked the automotive sector the largest, due to steady sales of take-out robots in the Japanese and North American markets. In sales to the electronic parts sector, sales of take-out robot for electronic devices grew, mainly in the Chinese market. Custom-ordered equipment sales in the domestic market also contributed to sales. Sales to the medical sector, which had the highest ratio in the previous fiscal year, declined due to the impact of COVID-19 pandemic on sales of large-scale custom-ordered equipment to Europe. On the other hand, demand for medical products is increasing in the Chinese market and other markets, and the sales are gradually increasing. In addition, YUSHIN brand is earning a strong reputation for the high-speed and accuracy of the take-out robot.

Sales (Millions of yen)



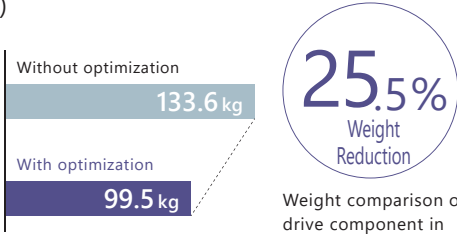
Future Growth Strategy

We believe that plastic needs in the automotive and medical industries, where demand for lighter weight or sanitary products is strong, will be stronger than ever, and we expect these industries to become drivers of business development in the future. In addition, we will focus on product development that meets needs of each industry. Currently, we diversify our risks by expanding into a wide range of industries in case a specific industry goes into recession. In the future, we will aim to further diversify target industries by meeting the needs of new industries (such as food industry.)

E
(Environmental)


< Environmentally-Friendly Products >

- Won the JMF's Energy-Efficient Machinery Award
- Continuous development of energy-saving products (e.g. Design optimization)



Without optimization: 133.6 kg
With optimization: 99.5 kg
25.5% Weight Reduction

Weight comparison of drive component in YD2-1025D



Take-out robot YD series

< Efforts to Fight Climate Change and Decarbonize >

- Promotion of environmental management system (ISO 140041)
- 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 risk identification

< 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)
- YUSHIN mama's meeting held to support working mothers

< Social Engagement >

- Supporting to develop next generation and sponsoring rescue robot contest

G
(Governance)

< Governance Enhancement >

- 3 of 8 board members are from outside
- Improvement of Board of Directors by effectiveness evaluation
- Nomination and remuneration committee chaired by an external director

< Diversity >

- 2 of 8 members are women

SDGs YUSHIN Focuses on










SDGs YUSHIN will accomplish with customers

E: Environmental - Environmental Policy

Environmental Action Policy

YUSHIN will contribute to the environment in product development and works to reduce environmental impact as a common initiative for all employees

Product Development Initiatives

1 Continuous development of energy-saving products

Details

YUSHIN will endeavor to develop products that have low environmental impact, and that are compatible with environmental conservation by using technologies that are friendly to people and the environment.

<Recent Examples>

- Awarded at the Energy-Efficient Machinery and System Awards of the Japan Machinery Federation (FRA series)
- Developed new products that are environmentally conscious and contribute to Carbon Neutral (Smart ECO Vacuum: RC-SE Series, YD Series)

Company-Wide Initiatives

2 Paperless promotion

Details

Reduction in paper consumption by promoting more efficient operations

3 Reduction of CO₂ emissions

Details

- YUSHIN will take the option of reducing the environmental impact when constructing and expanding the plants or purchasing company vehicles. (use of LED lighting, purchase of electricity from renewable energy sources, purchase of environmentally conscious vehicles)
- YUSHIN will cut down the use of company vehicle by working-at-home and video meeting.



Energy Saving Products

Constant Effort to Develop Energy Saving Products

We constantly develop energy saving products working 24/7 at customers' site.

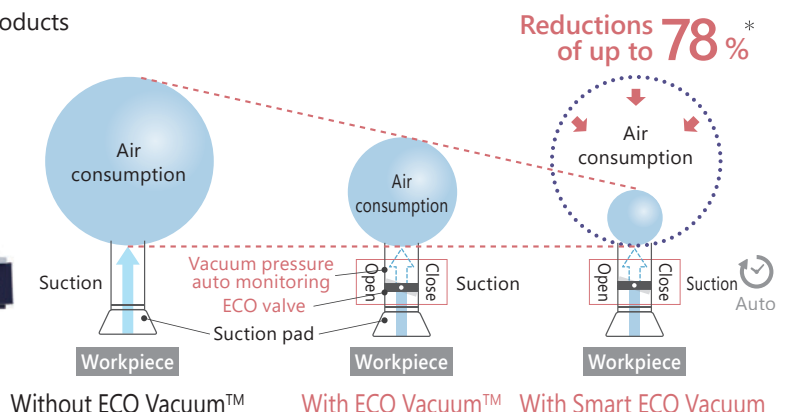
In 2019, FRA robots, our flagship model, received the JMF's President Award at the Energy-Efficient Machinery and System Awards of the Japan Machinery Federation. This Awards was formerly called Energy-Efficient Machine Award which our YC robots had received. We are confident that our continuous efforts to develop energy saving products

such as design optimization, are highly evaluated.

In July 2021, we have rolled out a new robot RC-SE which has Smart ECO Vacuum (PAT.P) evolved from ECO Vacuum™ – our unique technology to save air consumption. This feature can reduce up to 78% of air consumption maximum, and can lower electricity consumption of the compressor.



Take-out robot RC-SE series



* YUSHIN measurements

E: Environmental - Efforts to Fight Climate Change and Decarbonization

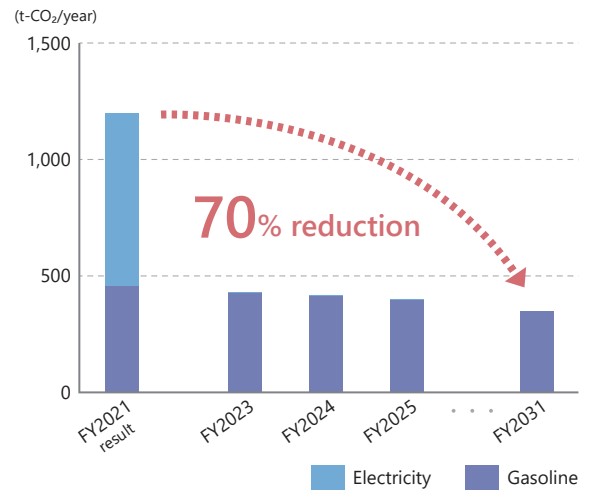
Reduction of CO₂ Emissions

- The CO₂ emissions in FY2025 is estimated to be cut down by 799.53t- CO₂/year compared to FY2021 levels (approx. 66%).
- We aim at reducing the total of Scope 1 and 2 by 70% at the end of FY2031 compared to FY2021 levels. Scope 1 emissions are direct emissions from in-house fuels. Scope 2 emissions are indirect emissions from electric power and heat purchased by in-house fuels.

<*Calculated based on the following assumptions>

- Electricity: All domestic bases use the renewably generated powers.
- Vehicles: All vehicles in the domestic bases are hybrid.

The Company-wide CO₂ emissions



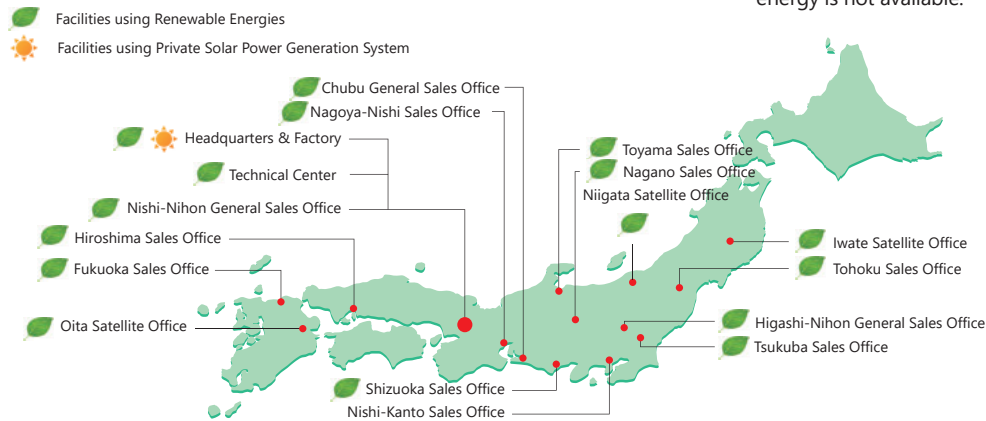
Switching to Electricity Derived from Renewable Energies

YUSHIN has switched all of power consumption at the headquarters, Technical Center, and the regional sales offices directly contracted with power supply companies, to renewably generated powers since April 2022. This is achieved by purchasing the renewable powers and using the solar power generated on site. The facilities consume 2 million kWh electricity in a year. YUSHIN estimates that the switching can reduce CO₂ emission by 740 ton in a year (100% reduction from FY2021.)



Solar panels on the roof of the headquarters

The panels generate as much power as the branch office requires where the renewable energy is not available.



Gradual Transition to Environmentally Friendly Vehicle (hybrid vehicles)

YUSHIN has promoted eco-driving with the aim of improving fuel efficiency. In March 2022, we decided to make gradual transition to environmentally friendly vehicles (hybrid vehicles) for another environmental activity.

YUSHIN aims to increase the number of hybrid vehicles to 76 by the end of FY2028. The number is 6 out of 99 as of April 2022. YUSHIN will contribute to the protection of the environment by increasing the hybrid rate.

Goals:

- 76 hybrid vehicles as of March 2028 (76.7% hybrid rate) excluding the hybrid vehicles YUSHIN already has at the moment and the vehicles cannot be replaced with hybrid vehicles (MPV.) The number of vehicle is 6 out of 99 as of April, 2022.
- CO₂ emissions from the vehicle will be reduced from 455.28t- CO₂/ year to 313.64t- CO₂/ year

E: Environmental – Disclosure Based on TCFD Recommendations



In April, 2022, YUSHIN has declared to support for the recommendations of Task Force on Climate-related Financial Disclosures which is created by Financial Stability Board (FSB.) YUSHIN will further promote its effort against climate change to date, and enhance its disclosure based on the recommendations of TCFD.

Governance

YUSHIN takes climate change as an issue to be addressed in the governance and management system for sustainability.

The management meeting is the supreme decision-making body for business execution. The meeting and the committee are both chaired by the Representative Director and President. At the meeting and the committee, all inside

directors discuss the progress of their commitments on climate change and the identification and assessment of risks and opportunities. The basic policy resolved at the management meeting and sustainability committee, and the result of the enforcement are to be reported to Board of Directors.

Strategy and Scenario Analysis

YUSHIN's "Environmental Action Policy" is that all employees are committed to contributing to the environment in product development and reducing environmental impact.

The worldwide movement for environment is changing drastically from day to day, which has to be addressed properly. YUSHIN identifies risks and opportunities related to

climate change and assess the impact on business.

YUSHIN clarifies the impact of climate change on procurement risks on energy and raw materials, risk in customer needs change, risk of extreme weather, average temperature rise, and sea level rise. YUSHIN will reduce these risks and turn them to opportunities.

Climate change-related risks

Type	Detail	Impact on business	Frequency of occurrence ^a			Risk Evaluation	How YUSHIN responds to the risk	
			Short	Medium	Long			
Risks related to the transition to a low-carbon economy	Policies and regulations	Carbon tax Introduction and its hike by governments	• Rise in raw material procurement costs	YES	YES	YES	Low	View the costs should be borne by the entire supply chain for the benefit of a sustainable society
		Political interventions such as GHG emission regulations and energy efficiency improvement targets	• Rise in renewable energy procurement costs • Rise in cost of switching company car from gas vehicle to environmentally friendly vehicles	YES	YES	YES	Medium	
	Technology	The development cost of robots with low-carbon technologies cannot be recovered at an early stage.	• Rise in investment costs	YES	YES		Medium	View this as future growth investments
	Market	The material shortage due to the spread of low-carbon technologies	• Cost rise in procurement the related parts • Impact on the production due to the parts unavailability		YES	YES	Medium	Purchase from multiple companies by cultivating suppliers
		Stricter environmental policy by customers	• Loss of sales opportunities due to delay in addressing environmental friendship	YES	YES		High	Actively develop environmentally friendly products such as improved energy-saving functions
	Reputation	Changes in stakeholder behavior	• Decline in corporate evaluation due to delays in responding to environmental considerations and a lack of disclosure of environmental information	YES	YES		Medium	Promote information disclosure with the support of Task Force on Climate-related Financial Disclosures (TCFD)
Risks Related to "Physical" Changes due to Climate Change	Acute	Occurrence of extreme weather (typhoon, flood, tornado, heavy snow)	• Decrease in sales and increase in expenses due to the shutdown of the headquarters and Technical Center, which are responsible for production	YES	YES	YES	Low to Medium	• Implement Business Continuity Plan (BCP) • Take measures against typhoons and floods
	Chronic	Average temperature rise	• Electricity consumption rise and cost increase for measures against heat stroke in order to maintain a comfortable working environment for factory workers and service workers	YES	YES	YES	Low	Prioritize the improvement of the work environment for employees (Costs are absorbable and have a small impact.)
		Sea level rise	• Need for production site relocation (mainly Guangzhou Plant) with water damage risk exceeding allowable values			YES	Low to Medium	Conduct risk assessment continually

^aShort-term means it happens within 3 years, medium-term by 2030, and long-term by 2050.

Climate change-related opportunities

Type	Climate-related opportunities	Impact on business	Assumed time of occurrence*			Opportunity evaluation
			Short	Medium	Long	
Resource efficiency	Utilize energy-efficient building	<ul style="list-style-type: none"> Improvement of employee satisfaction through utilization of head office factories, such as promoting comfortable temperature control and CO₂ concentration control, and improving workplace environments for employees Cost reductions associated with improved safety levels 	YES	YES	YES	Low
	Promote recycling	<ul style="list-style-type: none"> Cost reductions through efforts to increase reuse opportunities 		YES	YES	Low
	Realize efficient transportation	<ul style="list-style-type: none"> Reducing costs by pursuing efficient transportation by promoting product weight reduction and reduction of materials used for transportation 	YES	YES	YES	Low
	Decrease transportation use	<ul style="list-style-type: none"> Reducing sea transport costs by promoting local production 		YES	YES	Low
Energy source	Utilize low-carbon energy sources	<ul style="list-style-type: none"> Reducing the impact of possible cost increase in fossil fuel and GHG emission regulations by promoting renewable energy, and GHG emission regulations 	YES	YES	YES	Low
Products & Services	Expand development and sales of energy-saving and low-carbon products	<ul style="list-style-type: none"> Sales increase due to increased demand for environmentally friendly robots Sales increase by increasing product value, including ECO Vacuum™, Smart ECO Vacuum, and ECO mode Increase in service revenues due to the demand for long-life robots to reduce environmental impact 	YES	YES	YES	High
	Cope with to average temperature rise	<ul style="list-style-type: none"> Increased need for automation as work environment worsens for workers Demand increase for the development of the products that can run in harsh environments 		YES	YES	Low
Markets	Sales increase due to market demand increase for heat stroke control products or medical-related products	<ul style="list-style-type: none"> Demand increase for YUSHIN products as capital expenditures increase for those products 	YES	YES	YES	Medium
	Worldwide shift from gasoline-powered vehicles to environmentally conscious vehicles	<ul style="list-style-type: none"> Demand increase for YUSHIN products due to production increase for plastic-related parts due to weight reduction and the newcomers to plastic related parts 	YES	YES		Medium
	Relocation of customers' production sites due to climate change	<ul style="list-style-type: none"> Demand increase for YUSHIN products due to expansion of capital expenditures 			YES	Medium
Resilience	Establishment of multiple assembly partners and parts suppliers to observe delivery deadline strictly.	<ul style="list-style-type: none"> Improve capability to meet demand increase of the products 	YES	YES	YES	Low

*Short-term means it is assumed to happen within 3 years, medium-term by 2030, and long-term by 2050.

Risk Management

YUSHIN sees what hampers business management as risk, and analyzes and assesses the urgent risks of climate change and the risks that may occur in the future.

To manage such risks, YUSHIN identifies, analyzes and evaluates the risks in all aspects of the businesses. Such

information is compiled in a timely manner and shared by Board of Directors and the executive meetings. Under the leadership of Representative Director and President, YUSHIN takes prompt and appropriate measures to reduce the risks.

Indicators and Targets

The end of FY2031: Reduce CO₂ emissions by 70% compared to FY2021

Following the adoption of the Paris Agreement in 2015, the Japanese government announced that it would aim to reduce greenhouse gas by 46% compared to 2013 by 2030.

YUSHIN aims to reduce the sum of Scope1 and 2 (direct emissions from in-house fuels and indirect emissions from electric power and heat purchased by in-house fuels) by

70% compared to FY2021 by the end of FY2031. YUSHIN is promoting to purchase renewable-energy-based electricity and introduce environmentally friendly vehicles. YUSHIN will review its targets from a medium- and long-term perspective.

YUSHIN will set the reduction goal for Scope3 as well, and work to reduce CO₂ throughout the supply chain and disclose the goal.

S: Social – Human Rights

YUSHIN Group Human Rights Policy

YUSHIN has established a “YUSHIN Group Human Rights Policy,” (hereinafter referred to as the Policy) based on “The UN Guiding Principles on Business and Human Rights,” as a guide for all YUSHIN Group to promote to respect human rights and fulfill the obligations.

(1) Basic Thinking

The YUSHIN Group’s ongoing mission is to contribute to global society by producing innovative technologies, based on our business philosophy of “Respect for People.”

YUSHIN respects international standards on human rights including the “International Bill of Human Rights” and the UN International Labor Organization’s “Declaration of Fundamental Principles and Rights at Work.” YUSHIN expects all our Group board members and employees, as well as all 3rd party business partners involved in our products and services, to understand, support, and implement the Policy.

(2) Compliance with Applicable Laws and Regulations

YUSHIN complies with the laws and regulations of the countries and regions where YUSHIN conducts business activities. When the local laws of the regions in which we operate conflict with internationally agreed human rights standards, YUSHIN will pursue ways to adhere to the international standards to the fullest possible extent.

(3) Performing Due Diligence for Human Rights Matters

YUSHIN works to identify, prevent, or mitigate adverse impacts on human rights through the establishment and application of company rules founded on “The UN Guiding Principles on Business and Human Rights.”

(4) Dialog and Deliberation

YUSHIN consults with relevant stakeholders on any potential or actual impacts on human rights.

(5) Information Disclosure

YUSHIN discloses the progress and results of our respect for human dignity initiatives publicly, via our website or other means.

(6) Education and Training

YUSHIN provides adequate training and education to all Group board members and employees so that the Policy takes root across the entire organization, is fully understood, and is effectively implemented in corporate objectives.

(7) Relief

YUSHIN affirms we will never knowingly violate the human rights of others. Should we learn of any instances of our business activities causing or fomenting negative impacts to others, YUSHIN will take appropriate corrective measures consistent with the Policy.

If business partners of YUSHIN are linked directly with adverse effects on human rights, YUSHIN will cooperate with stakeholders to take improvement steps in accordance with our commitment to respecting human rights.

When prioritization is required, YUSHIN will prioritize and address the most serious impacts on human rights in consideration of the scale, scope, and degree of difficulty for correction and redress.

This Policy has been reviewed and approved by YUSHIN’s Board of Directors.

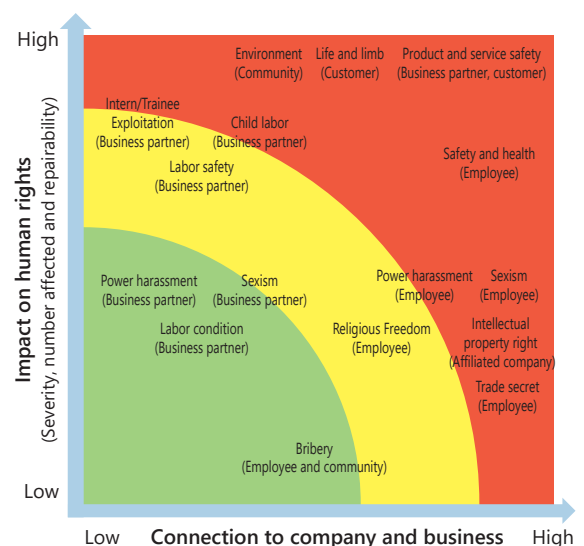
Date of enactment July 7, 2022
 YUSHIN PRECISION EQUIPMENT CO., LTD.
 Representative Director and President
 Takayo Kotani

Classification of Risks

This table shows how YUSHIN classifies specific risks for human rights.

Stakeholders	Human Rights Abuse Risks
Business partners	Labor conditions, interns’ human rights, children’s human rights, sexual discrimination, freedom of association
Customers, Business partners	Safety of life and limb
Group employees	Safety and health, labor hours and wages, sexual discrimination, power harassment
Affiliated companies	Intellectual property rights, personal information, trade secrets, confidential information
Group employees and society	Anti-bribing, environment

The chart on the right is an analysis of the risks listed above. Through this analysis, YUSHIN has identified the challenges on which we should focus, as follows.



The Challenges YUSHIN should Focus on

Basic Thought on Our Business

YUSHIN develops, manufactures, and sells Cartesian robots and other industrial equipment and systems for factory automation globally.

At the core of YUSHIN's business activities is the desire to reduce the number of people working in hazardous conditions and thereby improve worker safety.

Challenges in Procurement and Manufacturing

YUSHIN does not tolerate human rights abuses such as excessive or unfair labor conditions, child labor, violating the rights of foreign laborers including technical interns or trainees, or discrimination on the grounds of race, religion,

gender, nationality, disability, age, and sexual orientation. This standard extends to our suppliers and subcontractors who provide components or help manufacture YUSHIN products.

Challenges in YUSHIN's Work Environment

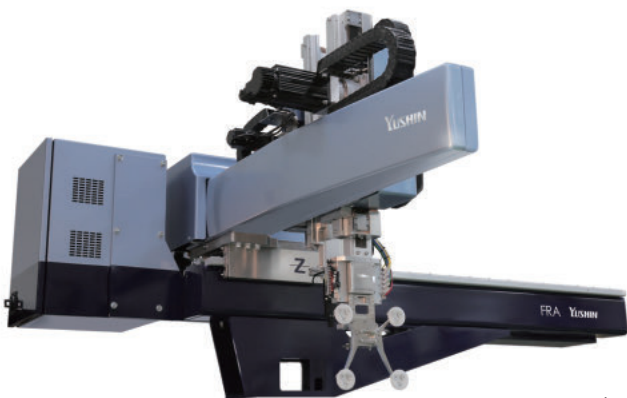
YUSHIN strives to promote worker health and safety, and develop a comfortable, optimized workplace.

YUSHIN applies our best efforts to prohibit all forms of discrimination and prevent harassment.

YUSHIN reviews all important issues as needed through dialog and cooperation with the stakeholders.

S: Social – Quality and Safety

Robot Compliant with the Most Stringent International Safety Regulations



FRA series

Safety Circuit

There is no compromise at YUSHIN when it comes to safety. As the bottom-line, redundant safety circuits maintain functional capacity in the unlikely event that a primary circuit goes down.

Speed Monitoring

Robot movements are monitored during teaching so that

safe speeds are not exceeded and jobs can be performed safely.

Compliant with International Safety Standards

Our FRA robots qualify as Safety Category 3 devices under EN/ISO 12100, EN 60204 and EN/ISO 10218, and comply with safety requirements under CE, GB and KCs.

Safety Keeps Productions Running

Protection circuits are placed in the signal and power supply lines. This prevents the system from being destroyed widely from rapid voltage changes, which is especially effective in foreign countries. In addition, noise filters, electrical conductivity on opening section of the control box (for C2 types only), and shielded harnesses provide measures against malfunctions that is caused by unpredictable external noises. These environmental countermeasures, developed with the operating results around the world, has achieved robustness that keeps productions running.

S: Social - Social Engagement

Support to Develop Next Generation

YUSHIN's contribution to Japan Super Science Fair (JSSF)

Ritsumeikan Senior High School, which has been designated as "Super Science High School (SSH)" (a state-backed high school providing advanced science and mathematics education) for 19 consecutive years by the Ministry of Education, Culture, Sports, Science and Technology, has been holding Japan Super Science Fair (JSSF) as part of SSH projects since 2003.

JSSF is an international student conference where participating students from all over the world exchange scientific ideas on the international stage with the purpose of obtaining "a sense of mission to contribute with the

power of science for the world," "networks for future success," and "big dreams for the future." Students learn together through various activities that stimulate scientific and global thinking, such as science workshops and science lectures, focusing on research presentations.

YUSHIN has accepted high school students from Ritsumeikan Senior High School and other countries around the world eight times since 2012. Through plant tours and technical presentations, YUSHIN hopes that participants will improve their global perspective and their willingness to learn about science.



YUSHIN's Support to Rescue Robot Contest

The Rescue Robot Contest, a contest for robots featuring lifesaving activities in large-scale urban disasters, has been held since 2001 to educate society about disaster prevention and mitigation, and to develop human

resources through improving robotics technologies. YUSHIN has been sponsoring contest every year since 2016 (cancelled in 2020 due to COVID-19 pandemic.)

Dialog between the President and Employees

In 2021, YUSHIN changed its management structure.

YUSHIN has set up a forum for young employees from various divisions to discuss the new organization. Let's listen to their honest opinions.

Entering a New Phase of Growth of YUSHIN

Kotani Over the last decade, YUSHIN has been at sales level of 20 billion yen. We will be able to keep 20 billion yen if we take our jobs seriously. However, we shouldn't repeat the same pattern if we think about further growth. I will change the Company where anybody can speak out so that I can gather their ideas to choose the path I should follow. I believe if we become an organization whose employees get the business going with their own ideas, that will promote our further growth. Our next growth target is to achieve the sales of 30 billion yen. What do you think of that?

S (Purchasing Division) We can achieve the target of this fiscal year, the sales of 22 billion yen, if each of us does the best. It is not easy to achieve the sales of 30 billion yen. What we should do is that we do our best in our section, and we work together across sections to generate synergy effect.

N (Domestic Sales Division) Releasing new products, like palletizing robots or products that help automation, can show us the way to achieve the sales of 30 billion yen.

T (Overseas Sales Division) Overseas sales are expected to respond more quickly than before. In terms of achieving our sales targets, if we can gather more feedback from end users in Europe at exhibitions and other events and communicate it to other departments more, we can find a business opportunity. It is important to fill the gap between the sections by sharing information, so that we can get us



closer to our customers.

Y (R&D Division) We need to take measures to make our products and technologies to be well known throughout the Company. To this end, it is necessary to have a system in place to directly deliver customers' feedback to every corner of the Company. We have to explore market conditions and customer needs. I would like everyone in the Company to let me know what they want us to do without hesitation.

T (Public Relations Office) I would like to contribute to the growth of the business by distributing information that the Company wants to spread in a timely manner. Freshness counts for information. Expression changes as time changes. Information must be suited from country to countries. I will actively listen to many kinds of people in order to send appropriate information out promptly.

N (Domestic Sales Division) As all of you have said, we employees need to get closer to each other over the sections. But I have a feeling we won't get far with that way only to achieve the target. We may also need to enhance human resources.



(from left)

T (Public Relations Office), Y (R&D division), Takayo Kotani (Representative Director and President),
T (Overseas Sales division), S (Purchasing Division), N (Domestic Sales Division)

Personality to Accelerate the Company to Grow

Kotani It's important to increase the number of employees who can create the future of YUSHIN with us together. What sort of people do you think are necessary for us?

Y (R&D Division) I felt the importance of communication skills when I accepted an intern the other day. People with communication skills can come up with a lot of ideas, which moves the conversation going, and leads to new ideas. By the way, when I was a student, there were no 3D printers. The student today have experienced what I haven't gone through. Opinions and ideas from the people with that background were very unique and stimulating. I once again felt that it is important to have a conversation regardless of age or experience in making things.

T (Overseas Sales Division) Self-motivation is important. When self-motivated persons get together, they become aware, "I want to do this!" and "This is not enough for that!" Behavior to shape that awareness leads to personal growth and to company growth.

S (Purchasing Division) Communication skills are essential as we negotiate when purchasing. Also, we need the ability to take act. Depending on the social situation, it may be difficult to purchase specific materials.

If one procurement channel is closed, we have to find another. Before you think you have no way out, you have to switch your mind and do something. We need that kind of ability.

T (Public Relations Office) It is the ability to dig deeper

into things. You can grow by looking back why things go wrong at work. When I teach my juniors at work, I try to think about it together by saying "Why do you think it didn't work?"

N (Domestic Sales Division) I was able to find out what kind of employees are required by talking about what kind of people we need. I realized I actually didn't understand what people in other department thought or how they did their jobs. What you have said really hit me. I would like to keep sharing our ideas like we did today.

Kotani I felt anew that each of you is thinking about the future seriously. Through this roundtable discussion, I was able to learn about the form of the organization you are looking for. This kind of talk is important. I would like to aim for an organization where each person's serious thoughts can lead to results, where both the people who are currently working here and who would be can fulfill their fullest potential and grow. Thank you for today.

Everyone Thank you very much.



S: Social – Health and Safety

Health Promoting Actions

Health Manifesto

YUSHIN has received Health Manifesto from Kyoto branch of Japan Health Insurance Association. The manifesto is provided to business facilities that make concrete efforts for safety and health of the employees.

Health Support by ICT

To improve the quality of life of the employees, YUSHIN provides them with health checkups. Based on the results, YUSHIN gives health guidance to the ones who have a risk of lifestyle-related diseases. YUSHIN recommends them to have the re-examination if necessary to raise the consultation rate.

The employees who is posted abroad or returned from overseas assignment are required to undergo periodic medical checkups once a year to manage their health so that they can work in a healthy manner.

YUSHIN is also working to enhance health support in collaboration with the industrial physician using ICT system.

Health Seminar

Seminars are conducted on the following four themes in order to improve health literacy:

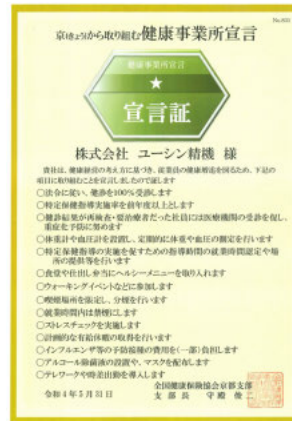
- 1) Women's Specific Diseases, 2) Cancer Prevention, 3) Smoking Cessation, 4) Mental Health.

"Promotion of Smoking Cessation" seminar was also held by the industrial physician. The participants were briefed on the risks of cancer due to smoking, health risks such as cerebral and cardiovascular infarction, and the effects of smoking cessation aids. The seminars were practical and ended successfully.



Mental Health

YUSHIN has set up Health Support Center to encourage employees to consult with public health nurse or industrial physician at any time if they are worried about something. In addition, YUSHIN has set up a consultation desk operated by external resources as a welfare program, which



enables employees to resolve their problems without disclosing their personal information.

Walking Event

YUSHIN held a walking event called "Walk, Talk and Work together!" with the aim of promoting employees' health and improving communications among the employees. There were 101 participants of 23 teams from Japan and abroad, who competed for the average number of steps per day using a smartphone app for walking.

BLS (Basic Life Support) Training

For emergency procedures, YUSHIN conducts annual training programs once a year to develop human resources who can operate AED and perform cardiopulmonary resuscitation.

Health Apps

YUSHIN introduced health app for the employees that enables them to manage their health. The app can show them calorie and the number of steps they took.

Safety and Health

YUSHIN promotes safety and health in workplace based on the Safety and Health Policy.

<<Safety and Health Policy>>

1. Develop a workplace where employees can work actively and stay healthy.
2. Clarify where responsibility lies to perform safety and health management activities properly.
3. Conduct necessary safety and health education and training, and foster people who put safety before everything else.
4. Comply with safety and health-related laws and plant rules.

G: Governance

Basic Views on Corporate Governance

The Company aims at achieving sustainable growth and maximizing the enterprise value for medium- and long- term under the management philosophy with obtaining credibility from all stakeholders surrounding us including shareholders.

We strive to strengthen corporate governance with the basic policy of following five items.

1. The Company respects the rights of shareholders and ensures equality, as well as strives to improve the environment for executing rights appropriately and protect rights.
2. The Company strives to sincerely cooperate with good sense with stakeholders excluding our shareholders.
3. The Company strives to ensure the transparency by appropriately making disclosure according to laws and regulations and voluntarily providing information excluding the disclosure.
4. Board of Directors strives to execute its roles and duties appropriately for transparent/fair and flexible decision-making.
5. The Company strives to positively communicate with shareholders after sharing the direction of its stable growth for long-term.

Ensuring Effectiveness of Board of Directors and Board of Corporate Auditors

Under rapidly changing business environment and advancement of globalization, the Company appoints candidates of Directors with a focus on balance among knowledge, experience and expertise, diversity and global viewpoints. There are 8 Directors in the Board including External Directors at the moment. The Company will keep the Board in appropriate number to enable them to make quick-decision making with each of them providing their expertise and exchanging ideas.

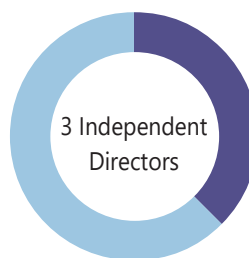
External Directors and External Corporate Auditors who also serves for other companies are annually disclosed at “the Notice of Convocation for the General Meeting of Shareholders,” “Securities Report” and “Corporate Governance Report.”

To improve Board of Directors further, YUSHIN conducts the annual survey on the effectiveness of Board of Directors (roles, responsibilities, agendas, operations, structure and

others), analyses the result, and improves the Board.

On the survey conducted in January 2022, the Company found out the issues to be improved about the way how the business report is made and how the documents are shared.

Board of Directors
(8 members)



Board of Auditors
(3 members)



The Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been established as the advisory body for Board of Directors to reinforce fairness, transparency, and objectivity of the procedure to nominate the board members, set the remunerations, and others. Since June 22, 2022, Yasuo Nishiguchi (External Director) has chaired the committee where five members sit: Takayo Kotani (Representative Director and President), Hiroshi Matsuhisa (External Director), Reiko Nakayama (External Director), Hiroho Kamakura (External Corporate Auditor), Naohiro Tsuda (External Corporate Auditor), which makes six in total. The committee was held four times during FY2022 in which executive appointment and the revision of executive compensation system were discussed.

The Board Members' Compensation System

YUSHIN board members' compensation system is aimed at improving motivation to secure and retain excellent human resources, and improving performance for the sustainable growth and enhancement of competitiveness of YUSHIN.

YUSHIN has decided a new policy for the board members' compensation at the board meeting held on March 7th, 2022. Nomination and Remuneration Committee accepted the consultations and approved the decision.

The outline of the new board members' compensation system

- Setting compensation standard in reference to industry standards.
- Strengthening efforts to improve mid-term performance and to drive up the stock price
- Improving objectivity and fairness in compensation deciding process.

The board members' compensation consists of basic compensation (monthly compensation), short-term performance bonuses, and mid-term performance bonuses and stock-price-linked bonuses. The compensation levels are set according to the position with reference to the standard of the same industry and of the companies of the same size.

The short-term bonuses is decided by measuring the degree of contribution based on target management evaluation reflecting the achievement of the consolidated ordinary income. The mid-term performance bonuses and stock-price-linked bonuses are decided by reflecting two coefficients - mid-term performance coefficient based on the growing rate of earning per share (EPS), and stock-price-linked coefficient based on the growing rate of the stock price.

The compensation for the external board members consists of fixed compensations. In terms of independency in performing operation, performance-linked compensation is not paid.

Directors	Internal	Basic Compensation	Short-Term Bonus Long-Term Bonus Stock-Price-Linked Bonus
	External	Basic Compensation	
Auditors		Basic Compensation	

Directors and Auditors

Nomination and Remuneration Committee

Representative Director and President

Takayo Kotani

<August 26, 1977>



Number of shares held:
1,968,532 shares

April 2008 Joined the Company
October 2008 Manager of R&D Section
April 2009 Executive Officer and General
April 2019 Manager of R&D Department
June 2019 Executive Officer and General
June 2020 Manager of R&D Division
June 2020 Managing Director and General
October 2020 Manager of R&D Division
June 2021 Director, Executive Vice President and
General Manager of R&D Division
June 2021 Representative Director and
President (to present)

Director and Executive Vice President
General Manager of Administration Division

Kota Oda

<June 10, 1978>



Number of shares held:
15,000 shares

October 2015 Joined the Company as General
Manager of General Affairs
Department
April 2019 Executive Officer and General
Manager of General Affairs
Department
June 2020 Director and General Manager of
General Affairs Department
June 2021 Managing Director and General
Manager of General Affairs
Department
June 2022 Director and Executive Vice
President and General Manager of
General Affairs Department (to
present)

Executive Managing Director
General Manager of
Manufacturing Division and
General Manager of
Purchasing Division

Yasushi Kitagawa

<August 12, 1958>



Number of shares held:
11,000 shares

September 2007 Joined the Company
November 2007 Deputy General Manager of Manufacturing
Division
April 2008 Deputy General Manager of Manufacturing
Division and Quality Assurance Department
April 2009 Executive Officer, Deputy General Manager
of Manufacturing Division and Quality
Assurance Department
August 2009 Executive Officer, General Manager of
Manufacturing Division and Quality
Assurance Department
June 2010 Director and General Manager of
Manufacturing Division and Quality
Assurance Department
June 2013 Managing Director and General Manager of
Manufacturing Division and Quality
Assurance Department
June 2017 Executive Managing Director and General
Manager of Manufacturing Division and
Quality Assurance Department
July 2020 Executive Managing Director and General
Manager of Manufacturing Division
June 2021 Executive Managing Director and General
Manager of Manufacturing Division and
General Manager of Purchase Division (to
present)

Managing Director
General Manager of Sales Division

Tomohiro Inano

<December 13, 1962>



Number of shares held:
3,400 shares

June 1989 Joined the Company
August 2005 General Manager of YUSHIN
PRECISION EQUIPMENT TRADING
(SHENZHEN) CO., LTD.
April 2008 General Manager of Chinese Area
and YUSHIN PRECISION EQUIPMENT
TRADING (SHENZHEN) CO., LTD.
July 2009 Assistant to General Manager of
Sales Division
February 2010 Deputy General Manager of Sales
Division
March 2011 General Manager of Sales Division
March 2014 Executive Officer and General
Manager of Sales Division
June 2017 Director and General Manager of
Sales Division
June 2022 Managing Director and General
Manager of Sales Division (to
present)

Director and Corporate Management

Masahito Fukui

<June 30, 1960>



Number of shares held:
5,000 shares

October 2013 Joined the Company as General
Manager of Internal Audit Office
July 2015 General Manager of Accounting
Department
April 2017 Executive Officer and General
Manager of Corporate Management
Department and General Manager
of Accounting Department
April 2020 Executive Officer and General
Manager of Corporate Management
Department
June 2020 Director and General Manager of
Corporate Management
Department
June 2022 Director and Corporate Manage-
ment (to present)

External Independent Chairperson of Nomination and
Remuneration Committee

External Director

Yasuo Nishiguchi

<October 9, 1943>



Number of shares held:
54,300 shares

March 1975 Joined Kyoto Ceramic Co., Ltd.
(currently Kyocera Corporation)
June 1987 Director
June 1992 Senior Managing Director and
Representative Director
June 1997 Executive Vice president and
Representative Director
June 1999 President and Representative Director
June 2003 President and Representative Officer
June 2005 Chairman of the Board and
Representative Director, and Chief
Executive Officer
April 2006 Advisor and Director
June 2009 Retired from the office of Director
June 2014 External Director of the Company (to
present)
March 2015 Chairman and CEO of Socionext Inc.
June 2016 Outside Director of YAMADA
Consulting Group Co., Ltd.
March 2018 Retired from Chairman and CEO of
Socionext Inc.
April 2020 Chairman of YAMADA Consulting
Group Co., Ltd. (to present)

External Independent Nomination and Remuneration Committee

External Director

Hiroshi Matsuhisa

<August 5, 1947>



Number of shares held:
15,000 shares

June 1976 Research Assistant of School of Precision Engineering in Faculty of Engineering at Kyoto University
October 1987 Assistant Professor
April 1994 Professor (transferred to graduate school of department of Mechanical Engineering and Science by a reorganization in 1995)
April 2012 Professor Emeritus at Kyoto University (to present)
June 2014 External Director of the Company (to present)
June 2016 Outside Corporate Auditor of Technology Seed Incubation Co., Ltd.
June 2018 Retired from Outside Corporate Auditor of Technology Seed Incubation Co., Ltd.

External Independent Nomination and Remuneration Committee

External Director

Reiko Nakayama

<April 2, 1959>



Number of shares held:
15,062 shares

April 1983 Joined Japan Associated Finance Co., Ltd. (currently JAFCO Group Co., Ltd)
January 1997 Joined Marusan Securities Co., Ltd.
March 2000 General Manager of Investment Information
October 2004 General Manager of Underwriting
October 2008 Part-Time Director of LivTech, Inc.
February 2009 Director and Head of Administrative H.Q. of LivTech, Inc.
March 2013 Retired from the Office of Director of LivTech, Inc.
March 2015 Outside Director of LUCKLAND CO.,LTD
March 2016 Director of LUCKLAND CO.,LTD (Audits Committee) (to present)
June 2018 External Director of the Company (to present)
June 2019 Outside Director of Mandom Corporation (to present)

Full-time Corporate Auditor

Katsumi Noda

<October 19, 1959>



Number of shares held:
9,014 shares

April 1982 Joined the Company
March 1999 Manager of Manufacturing Section 3
December 2001 Manager of Sales Engineering Department
April 2005 Manager of System Engineering Department
October 2010 General Manager of System Engineering Department
October 2019 Mandatory Retired
June 2020 Full-time Corporate Auditor of the Company (to present)

External Independent Nomination and Remuneration Committee

External Corporate Auditor

Hiroho Kamakura

<January 27, 1947>



Number of shares held:
9,600 shares

November 1971 Joined Tohmatsu Aoki & Co. (currently "Deloitte Touche Tohmatsu LLC")
May 1973 Registered as CPA
June 2012 Resigned from Deloitte Touche Tohmatsu LLC
July 2012 External Corporate Auditor of the Company (to present)
Outside Corporate Auditor of Trusco Nakayama Corporation (to present)
March 2013 Outside Corporate Auditor of FUJIO FOOD SYSTEM CO., LTD. (currently "FUJIO FOOD GROUP INC.") (to present)
February 2018 Outside Corporate Auditor of SymEnergy Inc. (to present)

External Independent Nomination and Remuneration Committee

External Corporate Auditor

Naohiro Tsuda

<August 14, 1956>



Number of shares held:
- shares

April 1990 Registered as attorney
April 1990 Joined Honda Mutsushi Law Office.
October 1995 Joined Naniwabashi Law Office (currently "Naniwabashi Law Office LPC")
June 2003 Outside Corporate Auditor of TOYO SHUTTER CO., LTD. (to present)
June 2009 Senior Partner of Naniwabashi Law Office LPC (to present)
June 2021 External Corporate Auditor of the Company (to present)

NOTE: The number of shares is as of September 30, 2022.

Skills Matrix

We have identified skills (knowledge, experience, and ability) necessary for our Board of Directors to exercise their abilities for decision making and management auditing to proceed towards the realization of persistent growth from now onwards in the context of YUSHIN's business environment and characteristic.

Our Board of Directors is composed of members with diverse experience, knowledge and abilities, and makes decisions quickly and appropriately. Our Board of Directors fulfills its roles and responsibilities as a Board of Directors by realizing highly effective supervisory functions.

Name	Position	Gender	Management	Development, Engineering, and Quality	Human resource Development and Sustainability	Sales and Marketing	Global	Finance and Accounting	IT and DX	Governance, Risk management and Compliance
Takayo Kotani	Representative Director and President	Female	✓	✓			✓			✓
Kota Oda	Director and Executive Vice President	Male	✓		✓					✓
Yasushi Kitagawa	Executive Managing Director	Male	✓	✓			✓		✓	
Tomohiro Inano	Managing Director	Male	✓			✓	✓			
Masahito Fukui	Director	Male	✓				✓	✓	✓	
Yasuo Nishiguchi	External Director	Male	✓		✓	✓			✓	✓
Hiroshi Matsuhisa	External Director	Male		✓	✓				✓	
Reiko Nakayama	External Director	Female	✓					✓		✓
Katsumi Noda	Full-time Corporate Auditor	Male	✓	✓		✓				✓
Hiroho Kamakura	External Corporate Auditor	Male	✓					✓		✓
Naohiro Tsuda	External Corporate Auditor	Male	✓					✓		✓

This table shows the three primary skills of each personnel excluding "Management."
This table does not show all knowledge or experience of each director and auditor.



Data Collection

Financial Information

Key Indicators

	FY2013	FY2014	FY2015	FY2016
Net sales	14,721	17,909	17,799	21,148
Gross profit	5,770	7,640	7,277	8,442
Gross profit to net sales	39.2%	42.7%	40.9%	39.9%
Operating profit	1,498	2,792	2,304	3,086
Operating profit to net sales	10.2%	15.6%	12.9%	14.6%
Ordinary profit	1,746	3,095	2,542	2,921
Ordinary profit to net sales	11.9%	17.3%	14.3%	13.8%
Profit attributable to owners of parent	1,114	1,893	1,683	1,908
Profit attributable to owners of parent to net sales	7.6%	10.6%	9.5%	9.0%

Total assets	23,744	26,252	29,463	29,409
Return on assets	4.8%	7.6%	6.0%	6.5%
Interest-bearing debt	-	-	-	-
Net assets	19,865	21,875	23,970	24,715
Equity ratio	83.4%	82.9%	80.6%	83.3%
Return on equity	5.8%	9.1%	7.4%	7.9%

	FY2013	FY2014	FY2015	FY2016
Cash flows from operating activities	520	2,575	2,104	2,218
Cash flows from investing activities	(781)	(2,389)	(256)	(5,105)
Cash flows from financing activities	(351)	(569)	(560)	(677)
Cash and cash equivalents at end of period	7,564	7,506	9,089	5,297

Capital investment	1,225	1,924	682	4,754
Depreciation	170	282	277	268
R&D expenses	591	448	472	510

No. of shares issued (1,000 shares)	17,819	17,819	17,819	17,819
No. of treasury shares (1,000 shares)	329	330	330	331
Earnings per share (yen)	63.74	108.24	96.26	109.14
Book value per share (yen)	1,131.63	1,243.88	1,357.36	1,401.54
Dividends per share (yen)	30	30	30	36
Dividend payout ratio	47.1%	27.7%	31.2%	33.0%

Employees (persons)	588	589	601	636
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(Millions of yen)

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
	19,346	20,878	21,833	20,011	18,473	20,874
	7,666	8,461	8,741	8,020	7,875	8,991
	39.6%	40.5%	40.0%	40.1%	42.6%	43.1%
	2,112	2,358	2,760	2,309	2,522	2,890
	10.9%	11.3%	12.6%	11.5%	13.7%	13.8%
	2,058	2,432	2,791	2,205	2,608	3,085
	10.6%	11.7%	12.8%	11.0%	14.1%	14.8%
	1,380	1,626	1,903	1,532	1,827	2,112
	7.1%	7.8%	8.7%	7.7%	9.9%	10.1%
	30,761	32,572	33,197	31,933	34,688	36,892
	4.6%	5.1%	5.8%	4.7%	5.5%	5.9%
	-	-	-	-	-	-
	25,451	26,472	27,117	27,471	29,199	31,047
	82.1%	80.6%	80.9%	85.3%	83.5%	83.5%
	5.5%	6.3%	7.2%	5.7%	6.5%	7.1%

(Millions of yen)

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
	1,626	1,223	2,291	3,558	3,487	2,083
	(471)	(2,511)	(61)	(1,475)	(1,987)	(1,341)
	(678)	(659)	(1,316)	(946)	(561)	(763)
	5,690	3,763	4,669	5,652	6,846	7,055
	546	652	256	198	125	846
	474	924	778	703	643	585
	619	598	413	369	347	367
	17,819	17,819	35,638	35,638	35,638	35,638
	331	331	1,333	1,602	1,602	1,602
	78.93	93.03	54.54	45.01	53.70	62.06
	1,444.38	1,500.75	783.03	800.04	850.95	904.77
	36	33	17	18	18	19
	45.6%	35.5%	30.9%	40.0%	33.5%	30.6%
	663	683	683	689	681	692

Financial Information

Consolidated Balance Sheets (Fiscal Year-End)

(Millions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022
ASSETS					
Current assets					
Cash and deposits	5,655	6,362	8,646	11,690	12,404
Notes and accounts receivable - trade	7,042	6,844	5,410	5,563	5,905
Merchandise and finished goods	825	717	772	1,007	1,074
Work in process	1,117	1,696	1,120	987	1,203
Raw materials and supplies	3,542	3,619	3,165	2,987	3,571
Consumption taxes receivable	197	34	19	71	87
Other	567	707	276	236	261
Allowance for doubtful accounts	(20)	(18)	(19)	(36)	(7)
Total current assets	18,927	19,964	19,391	22,509	24,500
Non-current assets					
Property, plant and equipment					
Buildings and structures, net	5,424	4,995	4,554	4,166	3,849
Machinery, equipment and vehicles, net	162	147	137	116	119
Land	6,133	6,130	6,107	6,129	6,812
Construction in progress	4	8	10	22	12
Other, net	158	126	96	97	132
Total property, plant and equipment	11,883	11,408	10,905	10,531	10,926
Intangible assets					
Other	494	429	358	254	186
Total intangible assets	494	429	358	254	186
Investments and other assets					
Investment securities	276	218	159	285	263
Retirement benefit asset	274	294	285	296	264
Deferred tax assets	574	705	658	621	647
Other	162	196	193	209	181
Allowance for doubtful accounts	(20)	(19)	(20)	(20)	(78)
Total investments and other assets	1,267	1,394	1,277	1,393	1,279
Total non-current assets	13,645	13,232	12,541	12,179	12,392
Total assets	32,572	33,197	31,933	34,688	36,892

(Millions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022
LIABILITIES					
Current liabilities					
Notes and accounts payable - trade	1,764	1,331	895	1,933	1,710
Electronically recorded obligations - operating	1,140	1,035	803	839	935
Accounts payable - other	505	492	418	542	519
Income taxes payable	608	523	137	400	560
Advances received	1,175	1,755	1,270	789	1,162
Provision for bonuses	256	273	267	282	300
Provision for bonuses for directors	29	37	23	42	32
Provision for product warranties	145	147	178	162	137
Other	270	262	256	328	310
Total current liabilities	5,897	5,860	4,250	5,321	5,668
Non-current liabilities					
Provision for retirement benefits for directors	66	66	66	-	-
Retirement benefit liability	51	65	62	87	100
Deferred tax liabilities	32	37	34	35	24
Other	52	49	46	43	51
Total noncurrent liabilities	203	219	210	167	176
Total liabilities	6,100	6,079	4,461	5,489	5,845
NET ASSETS					
Shareholders' equity					
Share capital	1,985	1,985	1,985	1,985	1,985
Capital surplus	2,023	2,023	2,023	2,024	2,024
Retained earnings	22,270	23,579	24,531	25,848	27,212
Treasury shares	(354)	(1,039)	(1,355)	(1,355)	(1,355)
Total shareholders' equity	25,925	26,549	27,185	28,503	29,866
Accumulated other comprehensive income					
Valuation difference on available-for-sale securities	97	56	16	103	88
Foreign currency translation adjustment	164	184	(34)	290	796
Remeasurements of defined benefit plans	56	69	62	64	41
Total accumulated other comprehensive income	318	311	44	458	927
Non-controlling interests	228	256	242	236	253
Total net assets	26,472	27,117	27,471	29,199	31,047
Total liabilities and net assets	32,572	33,197	31,933	34,688	36,892

Financial Information

Consolidated Statements of Income

(Millions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022
Net sales	20,878	21,833	20,011	18,473	20,874
Cost of sales	12,417	13,092	11,991	10,598	11,883
Cost to net sales	59.5%	60.0%	59.9%	57.4%	56.9%
Gross profit	8,461	8,741	8,020	7,875	8,991
Gross profit to net sales	40.5%	40.0%	40.1%	42.6%	43.1%
Selling, general and administrative expenses	6,102	5,980	5,710	5,353	6,100
Operating profit	2,358	2,760	2,309	2,522	2,890
Operating profit to net sales	11.3%	12.6%	11.5%	13.7%	13.8%
Non-operating income					
Interest income	5	5	6	6	6
Dividend income	4	5	6	5	6
Purchase discounts	14	13	10	6	7
Foreign exchange gains	-	-	-	34	96
Subsidy income	89	49	-	15	-
Other	14	36	22	19	78
Total non-operating income	129	109	46	88	195
Non-operating expenses					
Sales discounts	0	1	1	0	-
Foreign exchange losses	54	77	147	-	-
Other	0	0	1	0	1
Total non-operating expenses	55	79	150	1	1
Ordinary profit	2,432	2,791	2,205	2,608	3,085
Ordinary profit to net sales	11.6%	12.8%	11.0%	14.1%	14.8%
Extraordinary income					
Gain on sales of non-current assets	7	2	5	1	1
Gain on sales of investment securities	-	-	-	-	-
Total extraordinary income	7	2	5	1	1
Extraordinary losses					
Loss on sales and retirement of non-current assets	1	9	1	0	0
Other	0	0	1	-	-
Total extraordinary losses	1	10	2	0	0
Profit before income taxes	2,438	2,783	2,208	2,610	3,086
Total income taxes	755	819	629	752	952
Profit	1,682	1,963	1,579	1,857	2,133
Profit attributable to non-controlling interests	56	60	46	29	21
Profit attributable to owners of parent	1,626	1,903	1,532	1,827	2,112
Profit attributable to owners of parent to net sales	7.8%	8.7%	7.7%	9.9%	10.1%

Order, Backlog and Sales

(Millions of yen)

	FY2018	FY2019	FY2020	FY2021	FY2022
Order received by product					
Take-out robots	15,996	15,549	11,885	12,785	14,402
Custom-ordered equipment	3,486	3,679	2,997	2,784	3,910
Parts & maintenance services	3,264	3,418	3,168	3,145	3,519
Total	22,747	22,647	18,051	18,715	21,832
Backlog of orders by product					
Take-out robots	2,967	3,004	2,120	3,000	3,120
Custom-ordered equipment	2,321	3,120	2,061	1,423	2,209
Parts & maintenance services	247	225	208	207	259
Total	5,536	6,350	4,390	4,631	5,589
Sales by product					
Take-out robots	15,449	15,512	12,770	11,904	14,282
Custom-ordered equipment	2,204	2,880	4,056	3,422	3,124
Parts & maintenance services	3,223	3,440	3,185	3,147	3,467
Total	20,878	21,833	20,011	18,473	20,874
Sales by region					
Japan	8,335	9,304	8,159	6,936	8,262
China & Taiwan	3,468	2,816	2,395	2,753	3,318
Other Asia	4,594	4,876	3,504	3,032	3,622
Europe	687	939	2,079	1,782	1,075
North America	3,172	3,233	3,343	3,375	4,103
Others	620	663	527	593	492
Total	20,878	21,833	20,011	18,473	20,874
Sales by end-user categories					
Automotive products	6,106	6,724	5,792	4,247	5,582
Medical products	1,087	2,705	4,303	4,878	3,633
Electronic parts	4,807	3,698	3,617	3,305	4,653
Electrical appliance	3,187	3,195	2,110	1,653	1,873
Sundry products	1,981	2,229	1,966	1,764	2,471
Containers	1,799	1,916	1,276	1,496	1,350
Discs and optical instruments	1,342	704	465	624	650
Others	565	657	478	501	657
Total	20,878	21,833	20,011	18,473	20,874

Stock Information

Stock Information

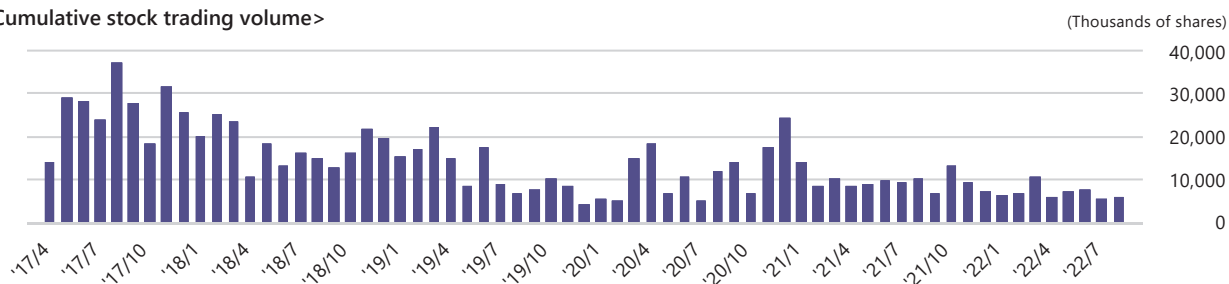
	FY2018	FY2019	FY2020	FY2021	FY2022
No. of shares issued (shares)	17,819,033	35,638,066	35,638,066	35,638,066	35,638,066
No. of treasury shares (shares)	331,982	1,333,548	1,602,454	1,602,518	1,602,804
No. of shareholders (persons)	3,370	4,307	4,348	4,320	5,316
Cash dividends (yen)	33	17	18	18	19
Dividend payout ratio	35.5%	30.9%	40.0%	33.5%	30.6%

Stock Price and Volume Trends ^{*1}

<Stock price>



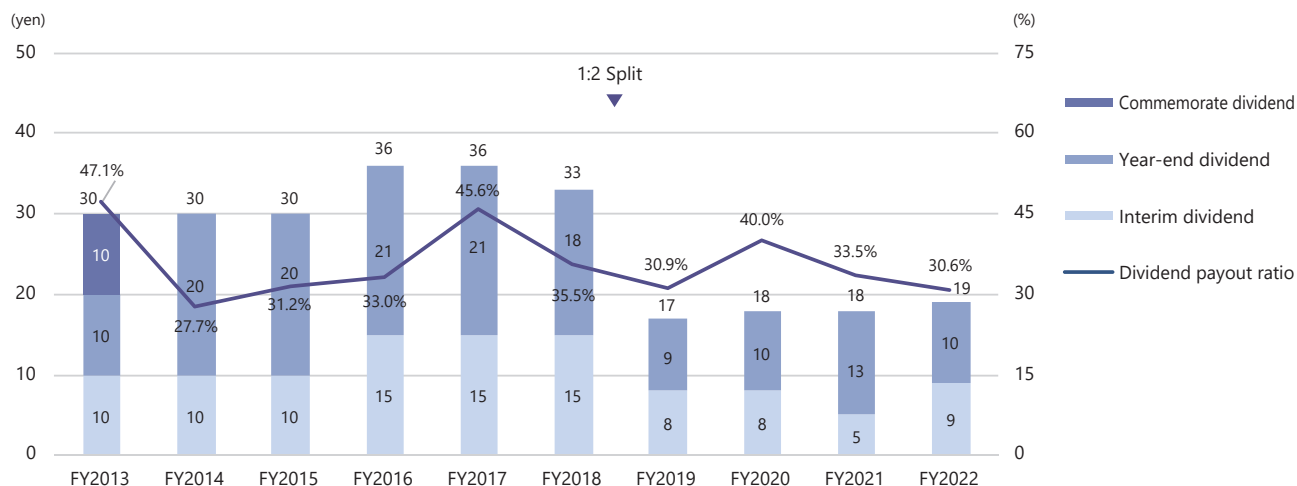
<Cumulative stock trading volume>



	FY2018	FY2019	FY2020	FY2021	FY2022
Highest price (yen)	1,940	1,734	1,258	1,037	933
Lowest price (yen)	1,295	774	645	593	641
Closing price (yen)	1,727	1,005	673	891	672
Total market value of shares (millions of yen)	61,547	35,816	23,984	31,754	23,949
Cumulative stock trading volume (1,000 shares)	30,204	19,684	11,242	14,810	10,683
Dividend yield	1.0%	1.7%	2.7%	2.0%	2.8%
Price earnings ratio	37.13	18.43	14.95	16.59	10.83
Price book-value ratio	2.30	1.28	0.84	1.05	0.74

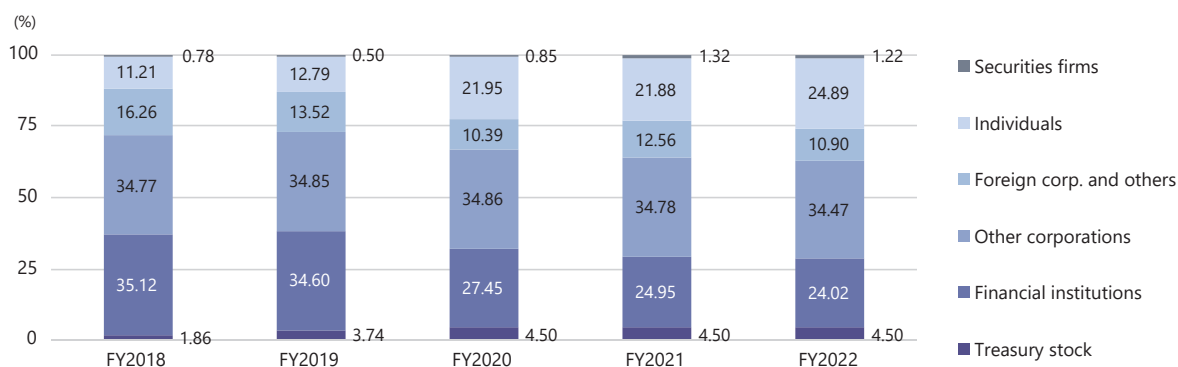
^{*1} Trading values prior to the stock split date have been revised to take into account the stock split.

Dividends per Share ^{*2}



^{*2} The figures in the table show the actual dividend amount.

Distribution of Stockholders



Major Shareholders ^{*3, *4}

Shareholder's name	No. of shares held (Thousands)	Percentage of shares held (%)
Yushin Industry Co., Ltd.	11,992	35.2
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,868	8.4
Takayo Kotani	1,968	5.8
Miki Murata	1,847	5.4
Custody Bank of Japan, Ltd. (Trust Accounts)	1,308	3.8
The Kyoto Chuo Shinkin Bank, Ltd.	1,088	3.2
Mayumi Kotani	1,040	3.1
RBC IST 15 PCT NON LENDING ACCOUNT - CLIENT ACCOUNT	862	2.5
MUFG Bank, Ltd.	849	2.5
STATE STREET BANK AND TRUST COMPANY 505001	839	2.5

^{*3} As of September 30, 2022

^{*4} Excluding 1,602,938 of treasury stock from the above table.

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Korea



- **Headquarters & Factory**
YUSHIN PRECISION EQUIPMENT CO., LTD.
 555 Kuzetonoshiro-cho, Minami-ku, Kyoto,
 Japan 612-8205

- **Technical Center**
 487 Kuzetsukiyama-cho, Minami-ku, Kyoto,
 Japan 601-8203



Headquarters & Factory



Technical Center

Corporate Information

Company name	YUSHIN PRECISION EQUIPMENT CO., LTD.																						
President	Takayo Kotani																						
Address	555 Kuzetonoshiro-cho, Minami-ku, Kyoto, 601-8205 JAPAN																						
Established	October, 1973																						
Capital	1,985 million yen																						
No. of employees	692 persons <as of March 31, 2022>																						
No. of shares issued	35,638 thousand shares																						
Securities code	TSE Prime: 6482																						
Fiscal year	From April 1 to March 31 of the following year																						
Ordinary General Meeting of Shareholders	June																						
Business description	Development, manufacture and sale of Cartesian robots and other industrial equipment and systems for factory automation.																						
Main products	Take-out robots for injection-molded plastic products, automated stock systems and labor-saving automation equipment.																						
Directors & Auditors <as of Sep. 30, 2022>	<table> <tr> <td>Representative Director and President</td> <td>Takayo Kotani</td> </tr> <tr> <td>Director and Executive Vice President</td> <td>Kota Oda</td> </tr> <tr> <td>Executive Managing Director</td> <td>Yasushi Kitagawa</td> </tr> <tr> <td>Managing Director</td> <td>Tomohiro Inano</td> </tr> <tr> <td>Director</td> <td>Masahito Fukui</td> </tr> <tr> <td>External Director</td> <td>Yasuo Nishiguchi</td> </tr> <tr> <td>External Director</td> <td>Hiroshi Matsuhisa</td> </tr> <tr> <td>External Director</td> <td>Reiko Nakayama</td> </tr> <tr> <td>Full-time Corporate Auditor</td> <td>Katsumi Noda</td> </tr> <tr> <td>External Corporate Auditor</td> <td>Hiroho Kamakura</td> </tr> <tr> <td>External Corporate Auditor</td> <td>Naohiro Tsuda</td> </tr> </table>	Representative Director and President	Takayo Kotani	Director and Executive Vice President	Kota Oda	Executive Managing Director	Yasushi Kitagawa	Managing Director	Tomohiro Inano	Director	Masahito Fukui	External Director	Yasuo Nishiguchi	External Director	Hiroshi Matsuhisa	External Director	Reiko Nakayama	Full-time Corporate Auditor	Katsumi Noda	External Corporate Auditor	Hiroho Kamakura	External Corporate Auditor	Naohiro Tsuda
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YUSHIN PRECISION EQUIPMENT CO., LTD.

555 Kuzetonosiro-cho, Minami-ku, Kyoto
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