

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,
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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."