

# **YUSHIN PRECISION EQUIPMENT CO., LTD.**

## **FY2021**

# **Investors Presentation**

**May, 2021**

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

# Summary

## ➤ Results for FY2021

-**Net sales decrease** due to decrease in capital investment

Take-out robot in Japan decrease

Take-out robot for medical field increase

-**Operating profit increase** due to improvement in the gross profit margin and reduction in SG&A expenses utilizing IT

## ➤ Forecast for FY2022

-**Net sales increase** since general capital investment recovery is expected

-Strong demand in China, demand for medical supplies and recovery of automotive industry are expected

-**Operating profit increase** due to increase in sales

## ➤ Topics

-Product development that meets regional characteristics and customer needs

# Results for FY2021

	FY2020	FY2021	
	Amount	Amount	Change*
Net Sales	Mil. Yen 20,011	Mil. Yen 18,473	% (7.7)
Gross Profit <%>	8,020 40.1%	7,875 42.6%	(1.8)
Operating Profit <%>	2,309 11.5%	2,522 13.7%	9.2
Ordinary Profit <%>	2,205 11.0%	2,608 14.1%	18.3
Profit attributable to owners of parent <%>	1,532 7.7%	1,827 9.9%	19.2

\*Note "Change" : Percentage indicates year-on-year changes

<Exchange Rates>		
USD	108.74 yen	106.06 yen
GBP	138.24 yen	138.68 yen
CNY	15.60 yen	15.67 yen

# Summary of FY2021

(+) Factor of increase    (−) Factor of decline

➤ 7.7% decrease from the previous FY to 18,473 million yen

Net Sales

- a) Take-out robots sales decrease by 6.8% Y/Y  
 (−) Decrease due to restraint of capital investment mainly in Japan and Southeast Asia  
 (+) In US, demand for medical supply (eg. PCR test kits) offset the decline in automotive area  
 (+) Investment demand recovered in the second half, especially in China
- b) Custom-ordered equipment sales decrease by 15.6% Y/Y  
 (−) Decrease in the medical field for overseas

➤ 9.2% increase from the previous FY to 2,522 million yen

Operating Profit

- (+) Continued effort of cost-reducing activities  
 (+) Improvement of business efficiency utilizing IT and decrease in depreciation cost  
 (−) Decrease due to decrease in sales

# Forecast for FY2022

	FY2021		FY2022 (Forecast)			
	Interim	Full Year	Interim		Full Year	
	Amount	Amount	Amount	Y/Y*	Amount	Y/Y*
<b>Net Sales</b>	Mil. Yen 8,072	Mil. Yen 18,473	Mil. Yen 9,900	% 22.6	Mil. Yen 20,000	% 8.3
<b>Gross Profit</b> <%>	3,354 41.6%	7,875 42.6%	4,120 41.6%	22.8	8,450 42.3%	7.3
<b>Operating Profit</b> <%>	871 10.8%	2,522 13.7%	1,220 12.3%	40.0	2,600 13.0%	3.1
<b>Ordinary Profit</b> <%>	900 11.2%	2,608 14.1%	1,240 12.5%	37.7	2,630 13.2%	0.8
<b>Profit attributable to owners of parent</b> <%>	659 8.2%	1,827 9.9%	900 9.1%	36.4	1,840 9.2%	0.7

\*Note "Change" : Percentage indicates year-on-year changes.

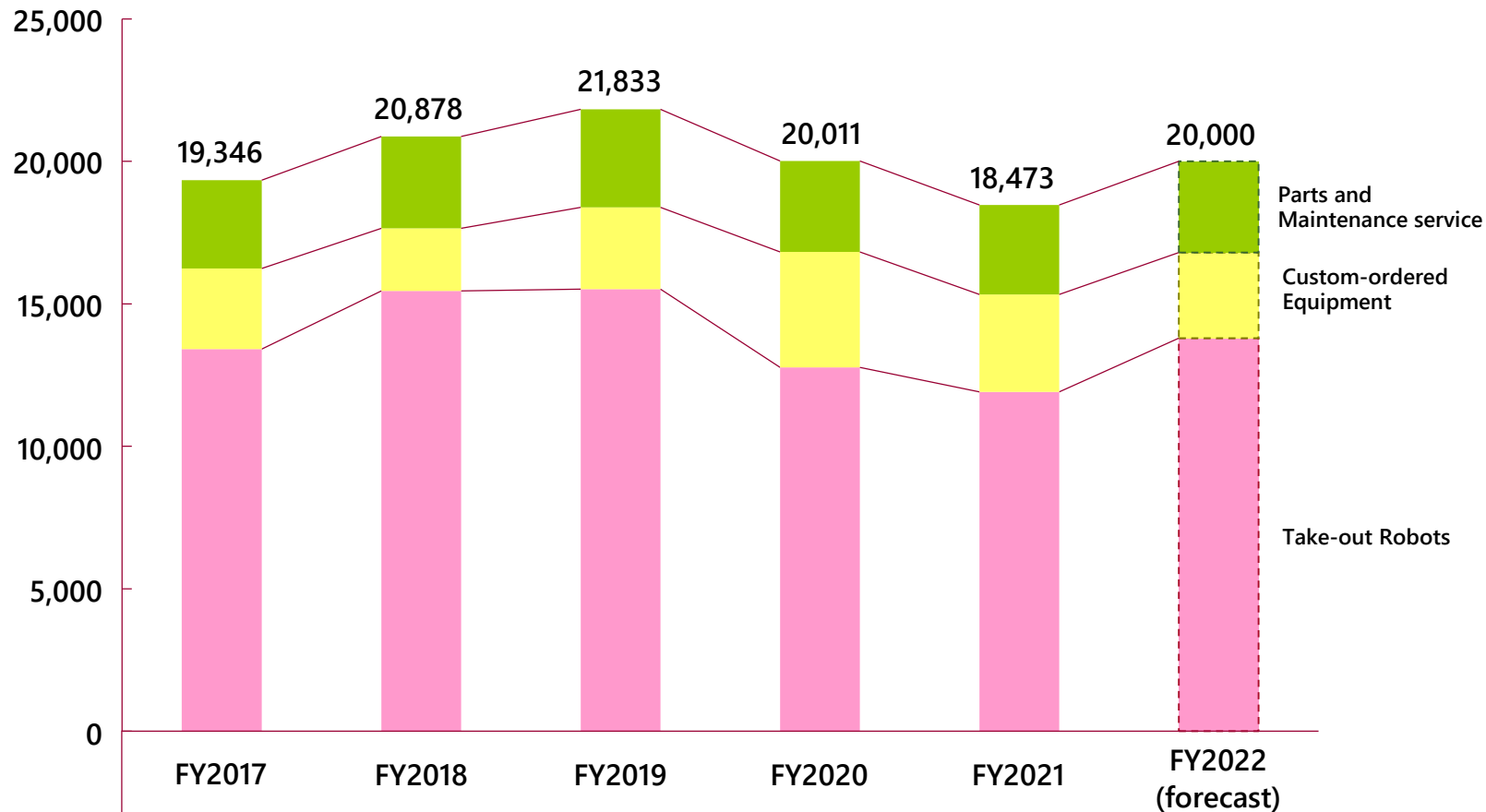
<Exchange Rates>			
USD	106.92 yen	106.06 yen	105.00 yen
GBP	135.38 yen	138.68 yen	140.00 yen
CNY	15.26 yen	15.67 yen	16.00 yen




# Forecast for FY2022

	(+) Factor of increase	(-) Factor of decline
Net Sales	➤ 8% increase from the previous FY to 20,000 million yen	
	a) Take-out robots sales increase by 16% Y/Y	(+) Expect capital investment demand will recover in all areas, including China.
	b) Custom-ordered equipment sales decrease by 12% Y/Y	(+) Strong in general equipment (-) Temporary depression in medical-related equipment
Operating Profit	➤ 3% increase from the previous FY to 2,600 million yen	
	(+) Increase due to increase in sales	(-) Expenses for future growth(Education, Personnel cost)

# Sales Breakdown

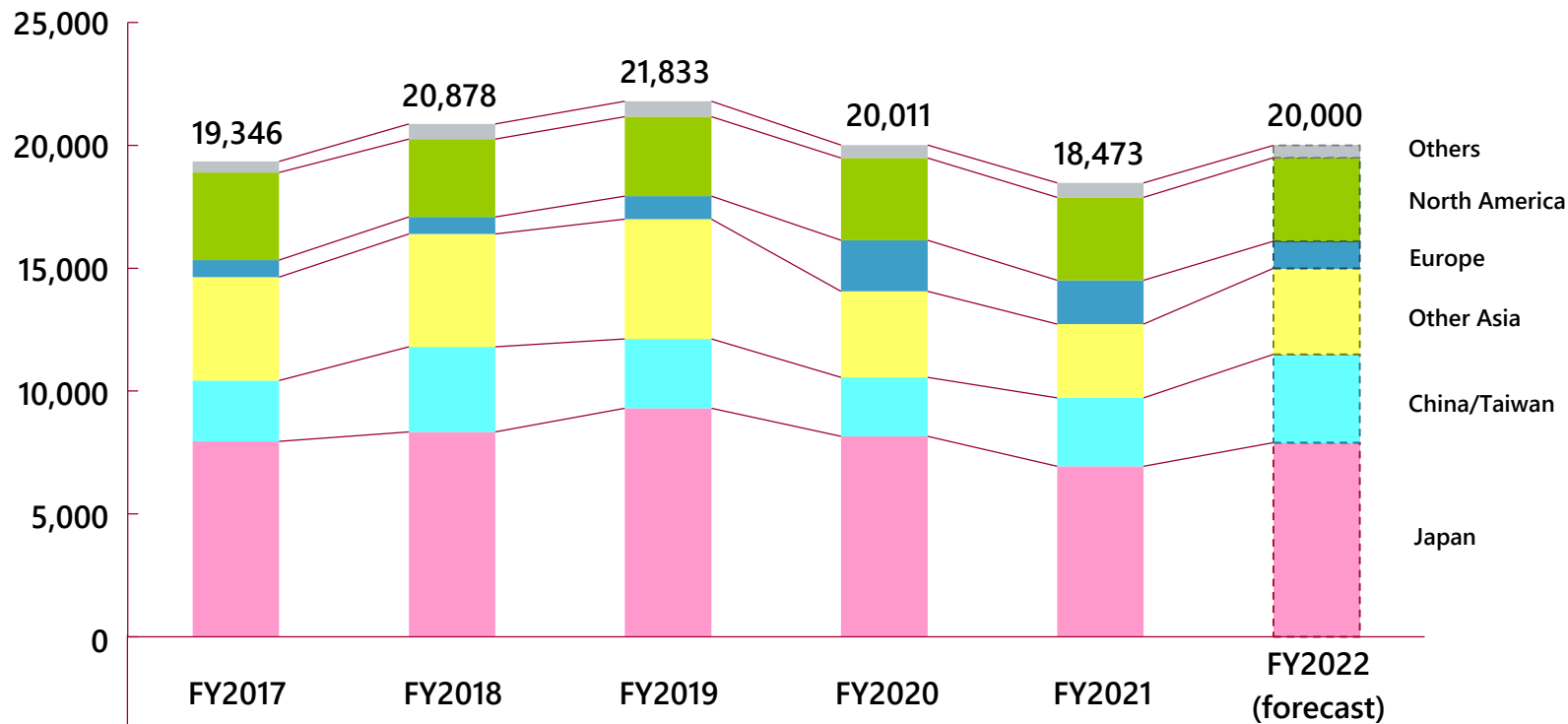
(Millions of Yen)



 Parts and Maintenance service	3,103	3,223	3,440	3,185	3,147	3,200
 Custom-ordered Equipment	2,832	2,204	2,880	4,056	3,422	3,000
 Take-out Robots	13,410	15,449	15,512	12,770	11,904	13,800
<b>Total</b>	<b>19,346</b>	<b>20,878</b>	<b>21,833</b>	<b>20,011</b>	<b>18,473</b>	<b>20,000</b>

# Sales by Region

(Millions of yen)

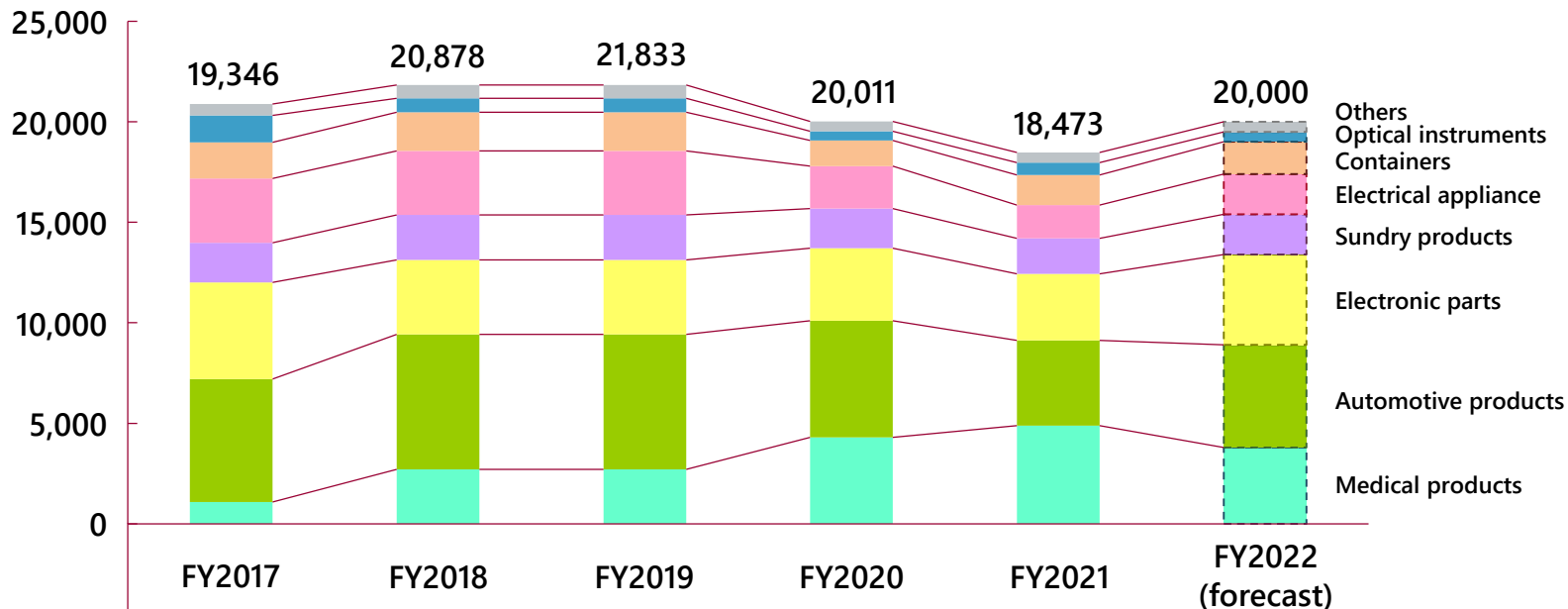


	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022 (forecast)
Others	445	620	663	527	593	500
North America	3,573	3,172	3,233	3,343	3,375	3,400
Europe	693	687	939	2,079	1,782	1,100
Other Asia	4,200	4,594	4,876	3,504	3,032	3,500
China / Taiwan	2,477	3,468	2,816	2,395	2,753	3,600
Japan	7,955	8,335	9,304	8,159	6,936	7,900
<b>Total</b>	<b>19,346</b>	<b>20,878</b>	<b>21,833</b>	<b>20,011</b>	<b>18,473</b>	<b>20,000</b>



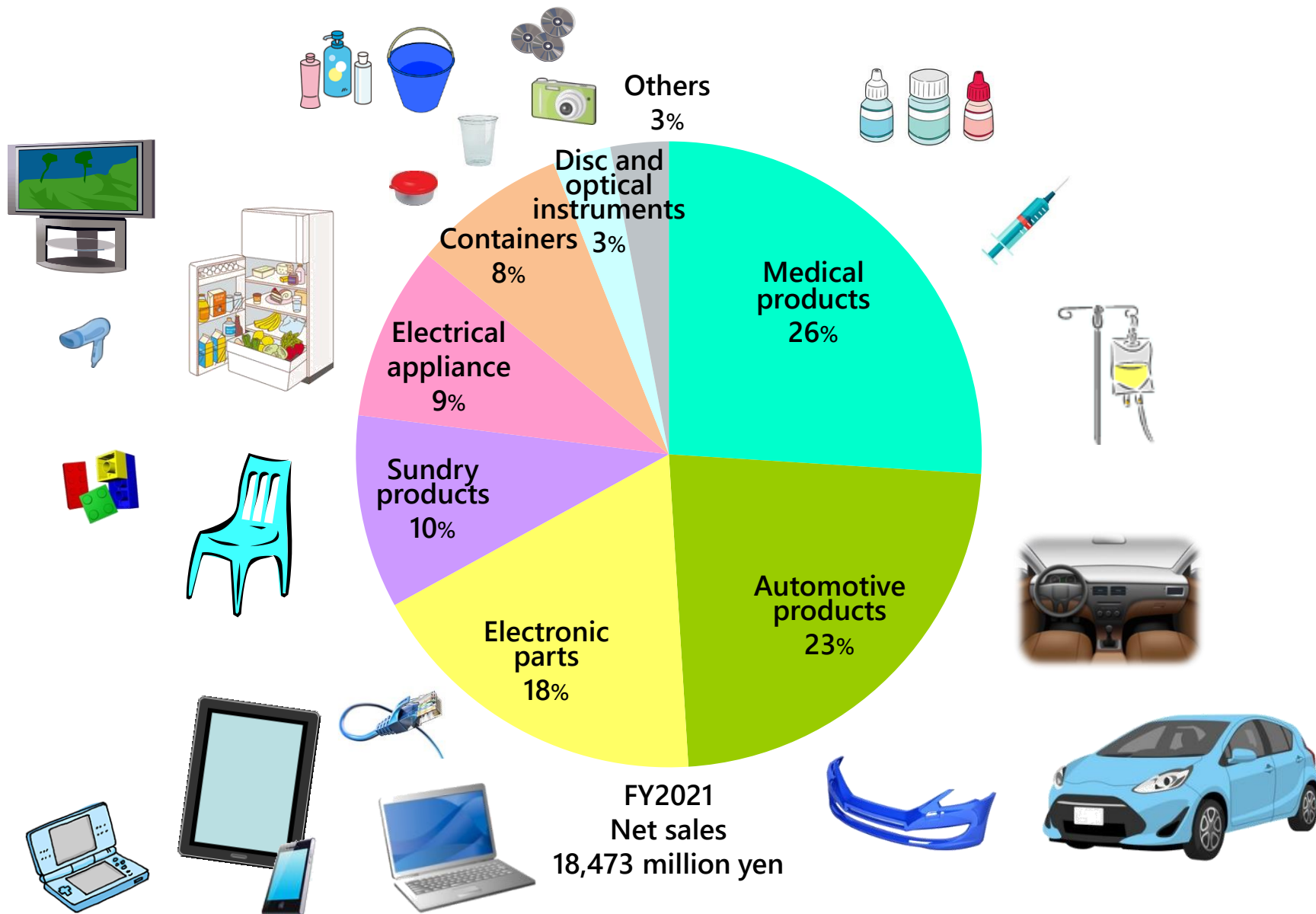
# Sales by End User Categories

(Millions of yen)



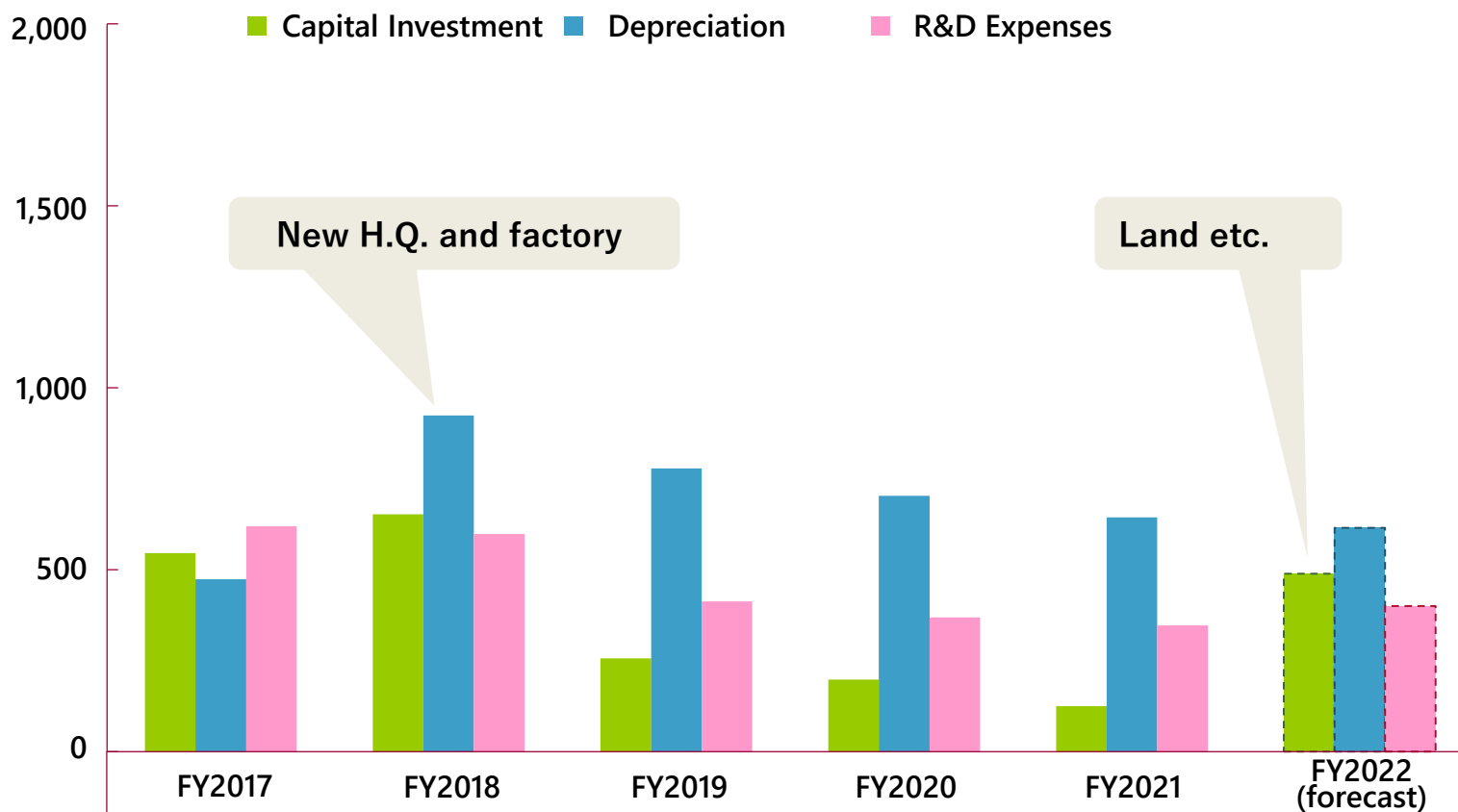
Others	549	565	657	478	501	500
Discs and optical instruments	2,072	1,342	704	465	624	500
Containers	1,715	1,799	1,916	1,276	1,496	1,600
Electrical appliance	2,862	3,187	3,195	2,110	1,653	2,000
Sundry products	1,741	1,981	2,229	1,966	1,765	2,000
Electronic parts	3,992	4,807	3,698	3,617	3,305	4,500
Automotive products	5,511	6,106	6,724	5,792	4,247	5,100
Medical products	902	1,087	2,705	4,303	4,878	3,800
<b>Total</b>	<b>19,346</b>	<b>20,878</b>	<b>21,833</b>	<b>20,011</b>	<b>18,473</b>	<b>20,000</b>

# Sales by End User Categories



# Capital Investment / Depreciation / R&D

(Millions of yen)



Capital Investment	546	652	256	198	125	489
Depreciation	474	924	778	703	644	615
R&D Expenses	619	598	413	369	347	400

# Medium-term Objectives

FY2021

- Net Sales: 18.4 billion yen
- Ordinary Profit: 2.6 billion yen
- Ordinary Profit ratio: 14.1 %
- EPS: 53 yen

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

Strategy4: Active Expansion into New Business

Strategy3: Cultivation of Human Resources

Strategy2: Enhancement of the Global Network

Strategy1: Enhancement of the Products

# Strategy 1: Enhancement of the Products (1)

Further develop the following technologies

- Active vibration control developed with the high end Take-out robot "FRA"
- "INTU LINE" – Yushin's IoT service
- Technical Services utilizing AI



The Japan Society of  
Mechanical Engineers Medal for  
New Technology



reddot design award  
winner 2019



MACHINE DESIGN AWARD



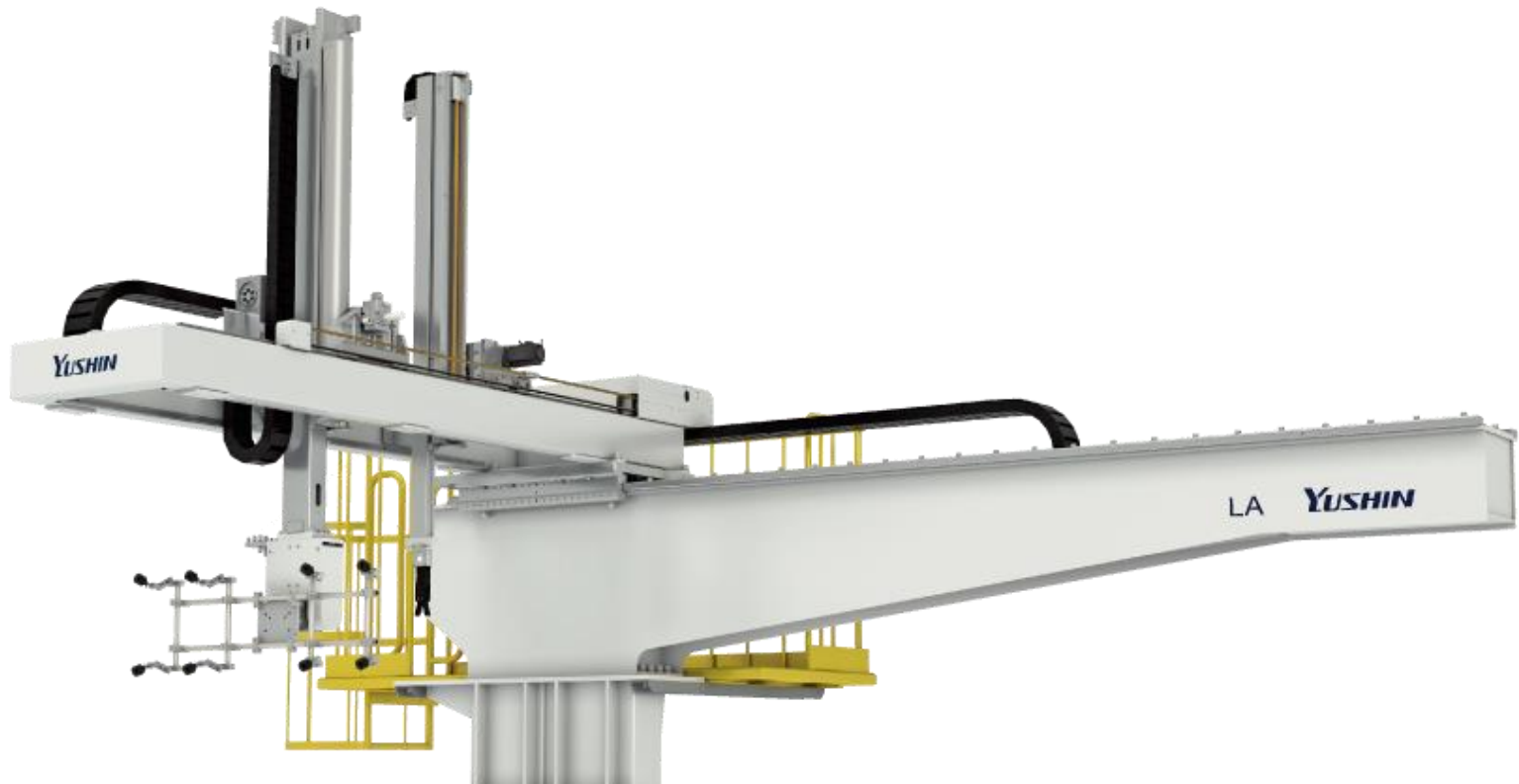
The JMF's Energy-Efficient  
Machinery Award



– High end Take-out robot "FRA" –

## Strategy 1: Enhancement of the Products (2)

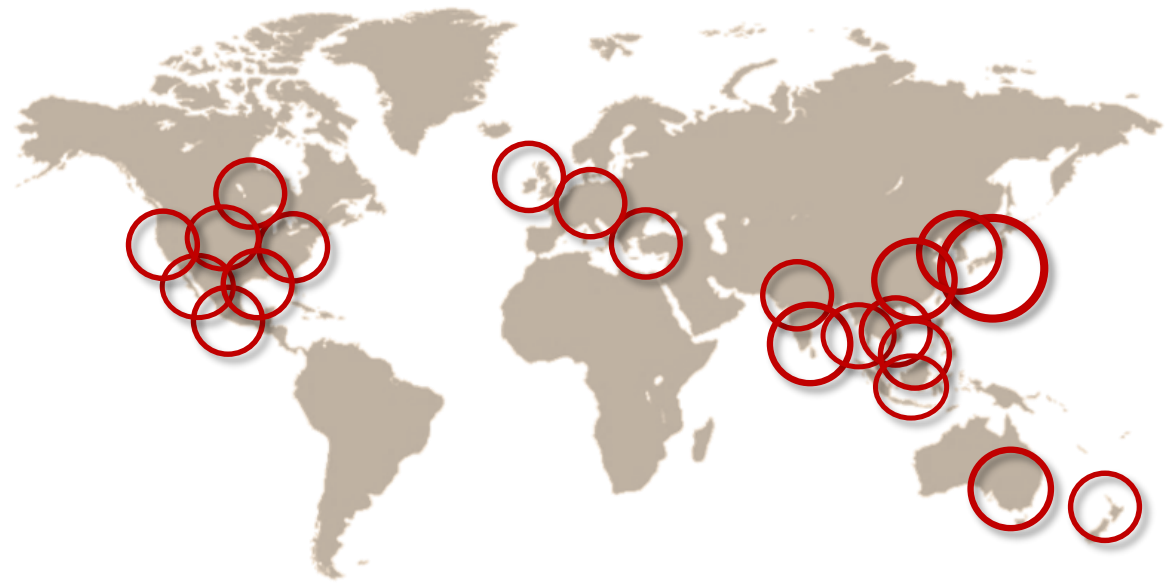
- Developing products that meet regional characteristics and customer needs



– “LA series” for large injection molding machines –

## Strategy 2: Enhancement of the Global Network

- New product development according to regional characteristics
- Established a subsidiary in Munich, Germany for sales expansion in Europe
- Target on the top class companies in the world
- Win local customers in each counties



# Strategy 3: Cultivation of Human Resources

- Cultivation of System Integrator to accommodate various automation needs
- A wide variety of training
  - Technical training program (also started e-learning), Training program for managers
- Ratio of female managers: 5.0% by promoting female powers (Industry average 2.9%\*1)



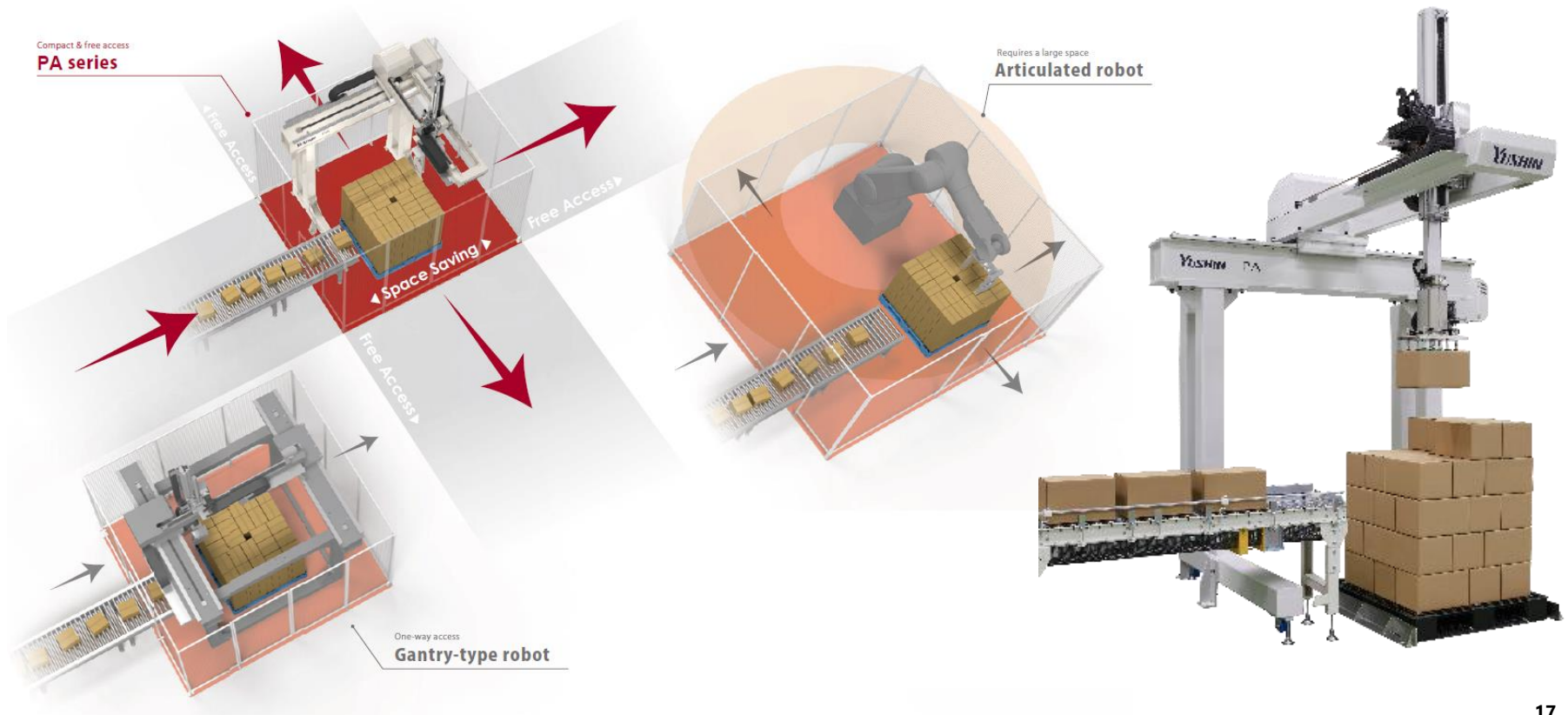
\*1 Source: Ministry of Health, Labor and Welfare "Basic Survey on Wage Structure" in 2020



# Strategy 4: Expansion into New Business

Released the palletizing robot "PA" series in June, 2020

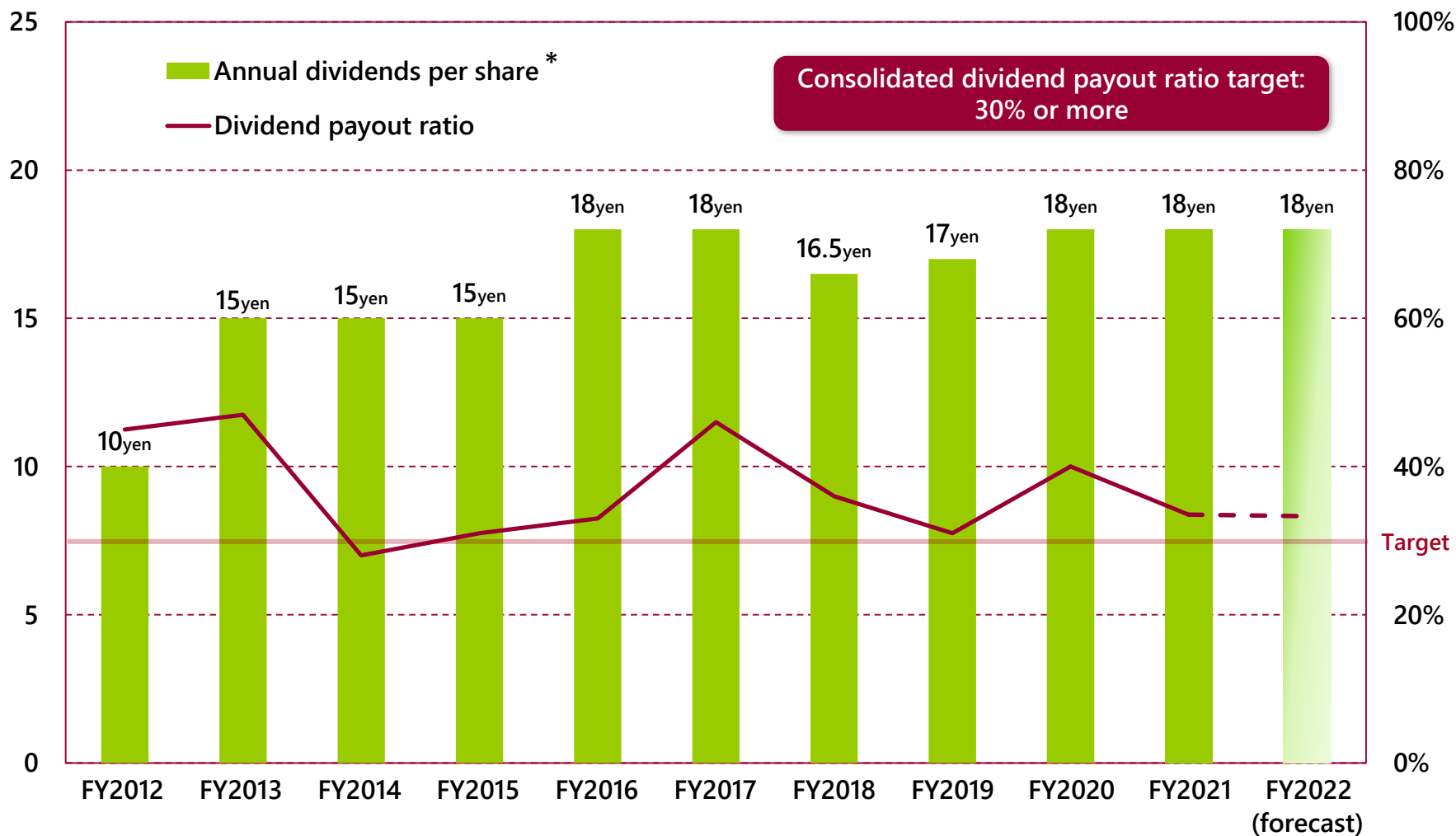
- Acquire new customers mainly in the food industry
- Strengths of space saving and free access



# Return to Shareholders

Annual dividends(yen)

Dividend payout ratio



\* Annual dividends per share is converted to stock base after dividing stock (1:2).

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## <Appendix> Company Profile

Name: YUSHIN PRECISION EQUIPMENT CO., LTD.

President: Mayumi Kotani

Establishment: October, 1973

Capital: 1,985 million yen

Number of employees:

681 (Consolidated, as of March 31, 2021)

Consolidated net sales:

18,473 million yen (FY2021)

Securities code: 6482 (First Section of the TSE)

Trading unit: 100 shares



## <Appendix> YUSHIN's Strength

### Technology

- Persistence in the industry First
- Challenge to new business areas

### Wide customers

- Global
- Various industries

### Reliability

- Offering high-quality products
- Quick response in sales and technical service
- The delivery strictly being on time

### Financial Foundation

- No loan payable
- High shareholders' equity ratio
- Efficient operations with minimum facility & equipment

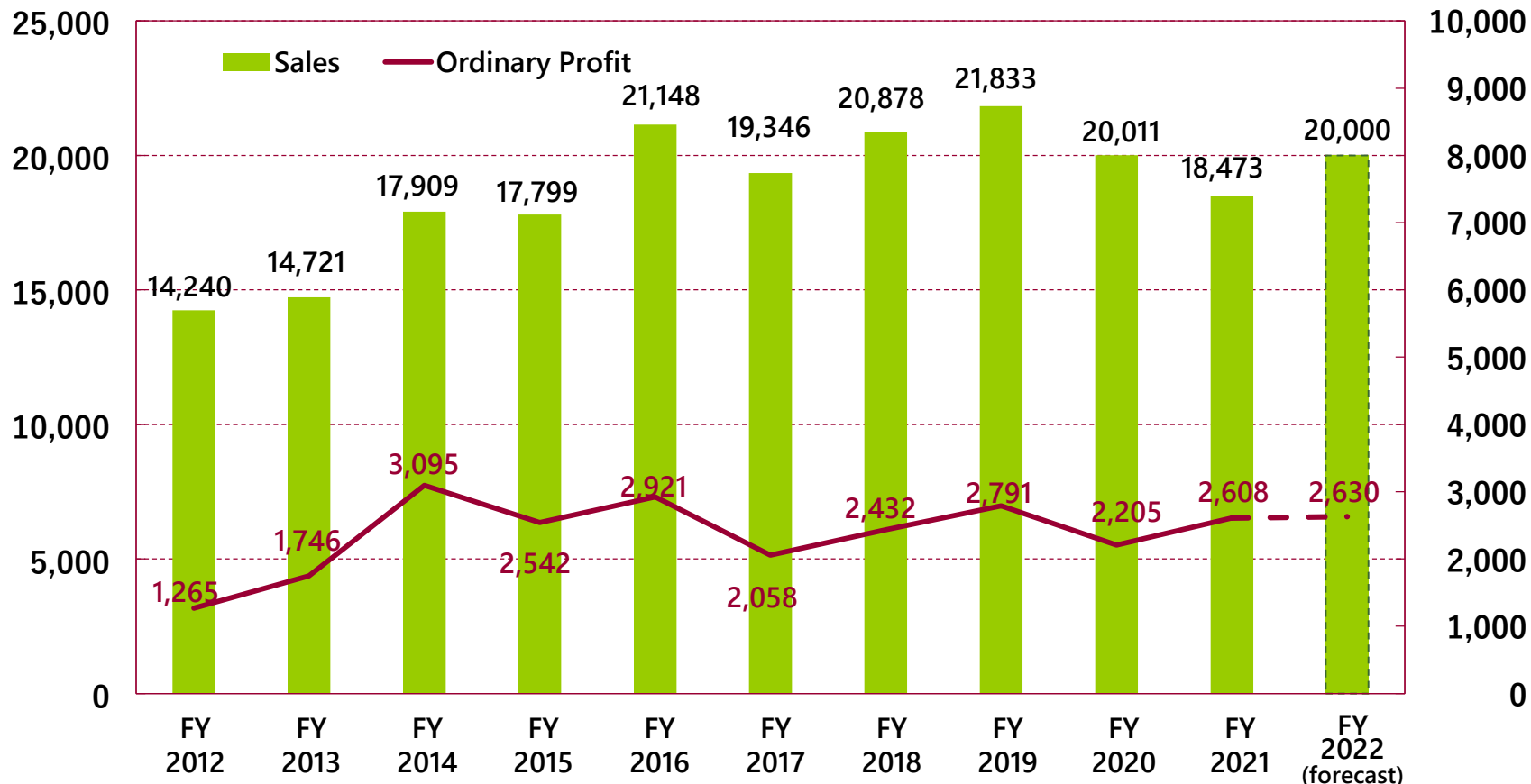


**No.1 Share**

# <Appendix> Change in Performance

Sales  
(Millions of yen)

Ordinary Profit  
(Millions of yen)



Operating Profit  
Rate (%)

8.9

10.2

15.6

12.9

14.6

10.9

11.3

12.6

11.5

13.7

13.0

Ordinary Profit  
Rate (%)

8.9

11.9

17.3

14.3

13.8

10.6

11.7

12.8

11.0

14.1

13.2

# <Appendix> Change in Performance of Subsidiaries

(Millions of yen)

Country	Setup	Investment ratio	FY2020			FY2021		
			Net sales	Operating profit	Profit	Net sales	Operating profit	Profit
South Korea	2000.10	100.0%	986	45	18	1,202	71	71
China (Shanghai)	2007. 2	100.0%	993	32	31	1,473	93	89
China (Shenzhen)	2004. 4	100.0%	489	(16)	(8)	676	36	35
Taiwan	2001. 7	100.0%	100	33	26	83	16	12
Indonesia	2012.11	99.0%	227	8	5	145	(1)	(3)
Vietnam	2014. 2	100.0%	90	12	10	84	10	9
Malaysia	2001. 5	100.0%	200	14	7	153	11	7
Thailand	2001. 8	49.0%	802	88	71	675	33	32
India	2007. 8	95.0%	51	2	0	29	(4)	(4)
Germany	2019. 6	100.0%	5	(36)	(36)	42	(31)	(30)
UK	2004. 3	95.6%	2,632	267	220	1,871	406	306
USA	1988.10	100.0%	2,912	269	204	3,460	468	347
China (Guangzhou)	2008. 9	100.0%	1,075	68	25	1,574	139	130

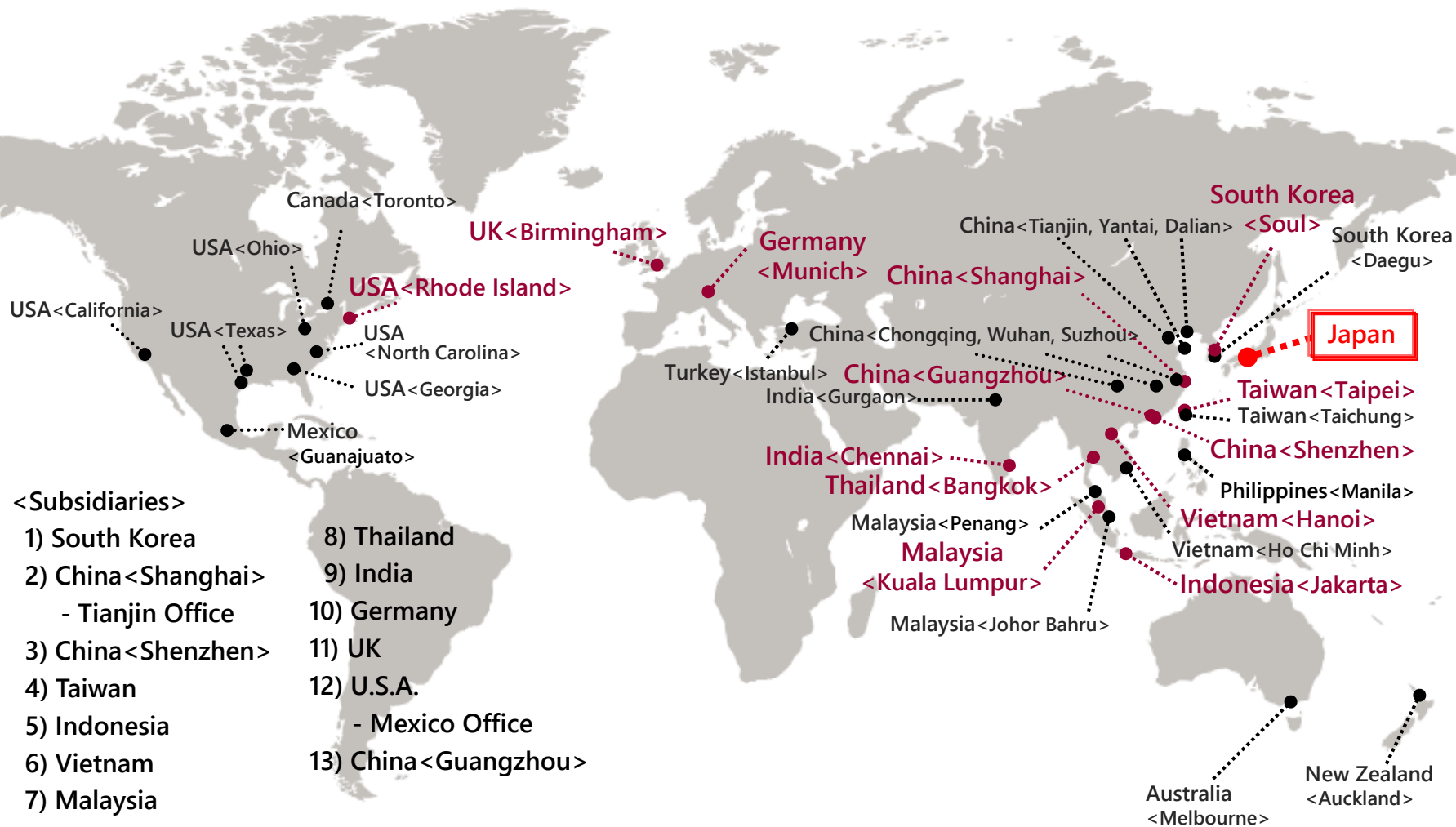
&lt;Exchange Rates&gt;

USD  
GBP  
CNY

108.74 yen  
138.24 yen  
15.60 yen

106.06 yen  
138.68 yen  
15.67 yen

# <Appendix> Global Network



<Subsidiaries>

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

<Representative Office>

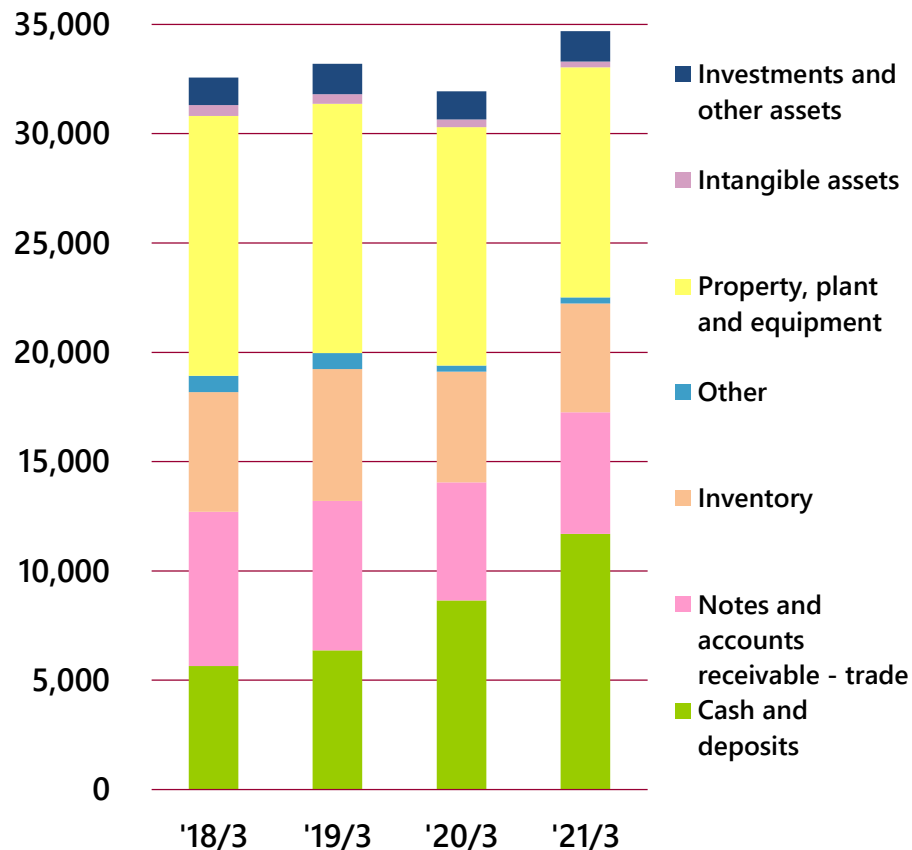
- 1) Philippines

- ..... Subsidiaries
- ..... Branches, Representative offices, Technical service stations and Sole agents

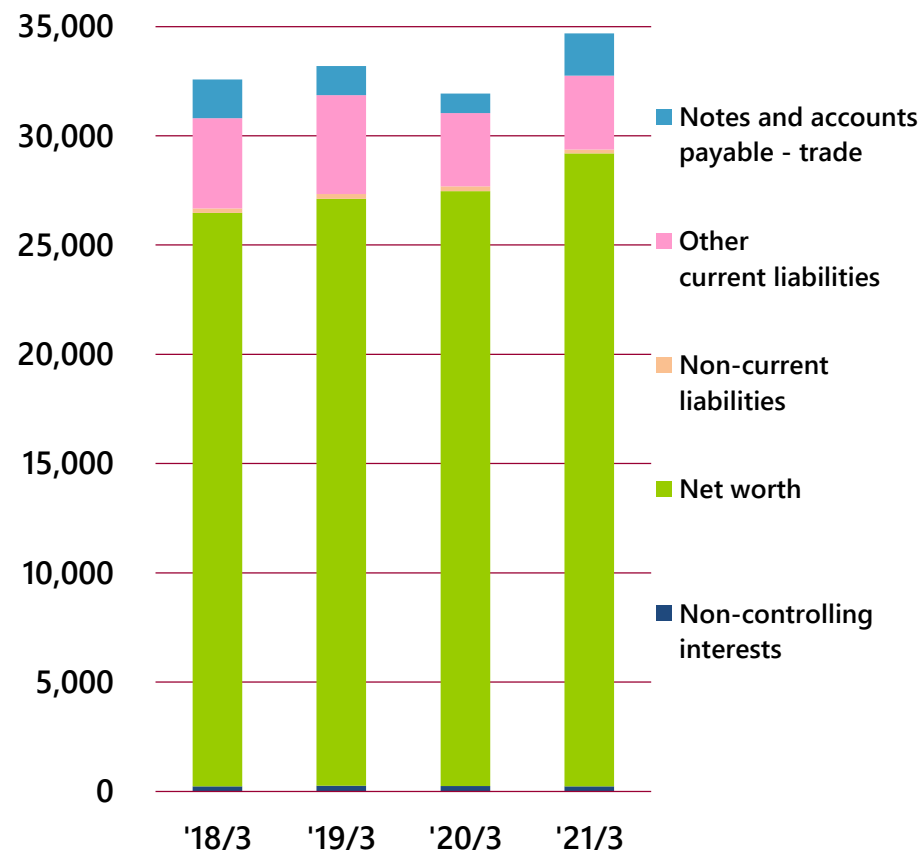


# <Appendix> Balance Sheets

<Assets> (Millions of yen)



<Liabilities, Net Assets> (Millions of yen)

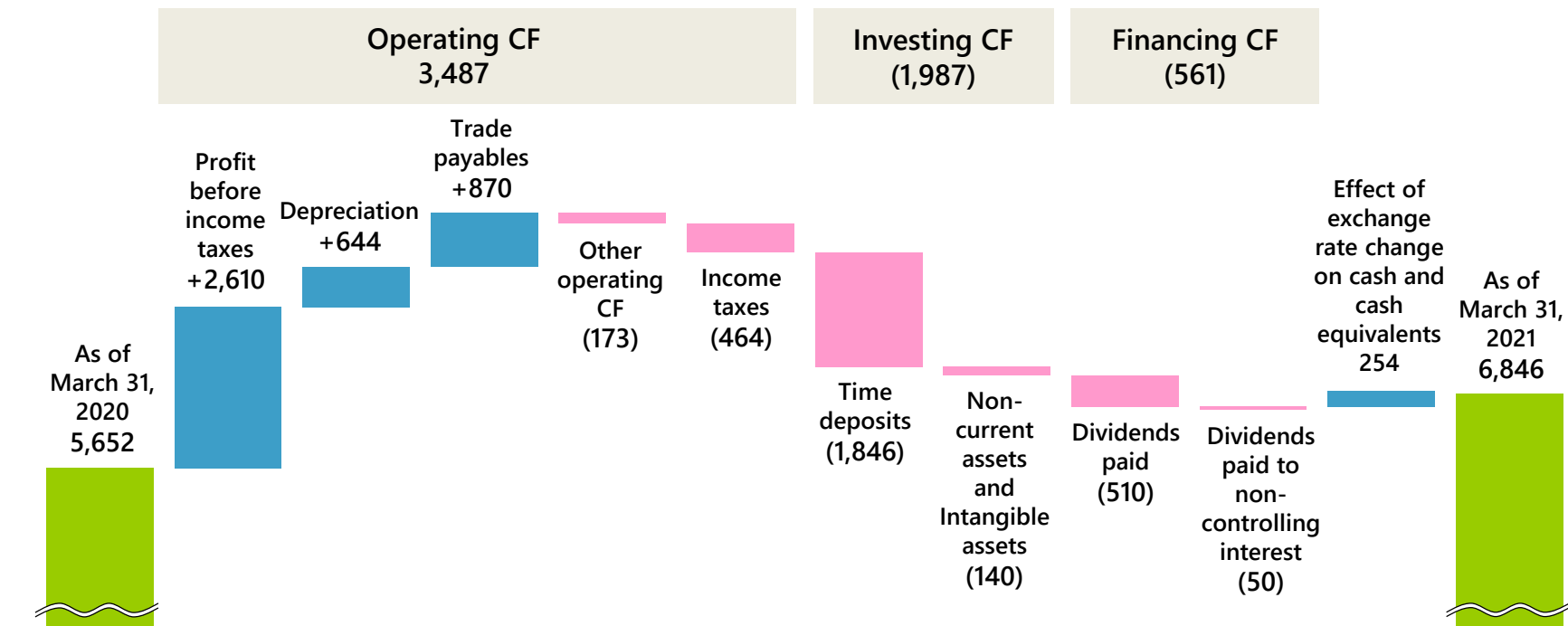


➤ Increase in "Cash and deposits"

- Keep high equity ratio at more than 80%
- Keep no interest-bearing debt

# <Appendix> Change in Cash Flow

<Analysis of cash flow> (Main subject only)



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

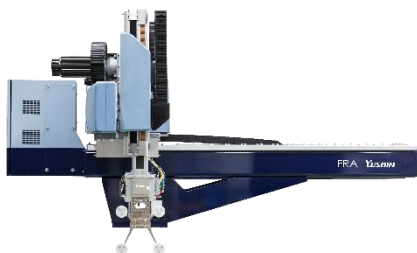
(Millions of yen)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Operating CF	2,218	1,626	1,223	2,291	3,558	3,487
Investing CF	(5,105)	(471)	(2,511)	(61)	(1,475)	(1,987)
Financing CF	(677)	(678)	(659)	(1,316)	(946)	(561)

# <Appendix> Product Lineup (1)

## Take-out Robots

**FRA series**  
< Traverse type >



**HSA series**  
< Traverse type >



**HST series**  
< Traverse type >



**RC series**  
< Traverse type >



**YC series**  
< Traverse type >



**TSXA series**  
< Side-entry type >



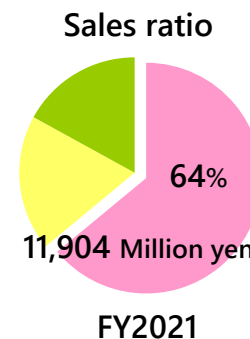
**SD series**  
< Traverse type >



**ATC series**  
< Traverse type >



**HOP series**  
< Swing type >



# <Appendix> Product Lineup (2)

## Custom-ordered Equipment

Flexible module stocker



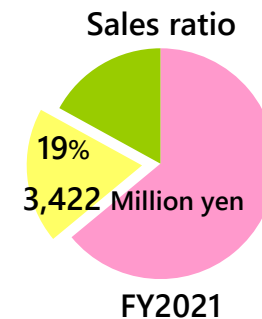
In-mold system



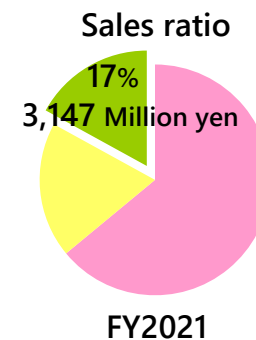
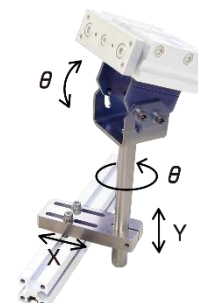
Gate cutting system



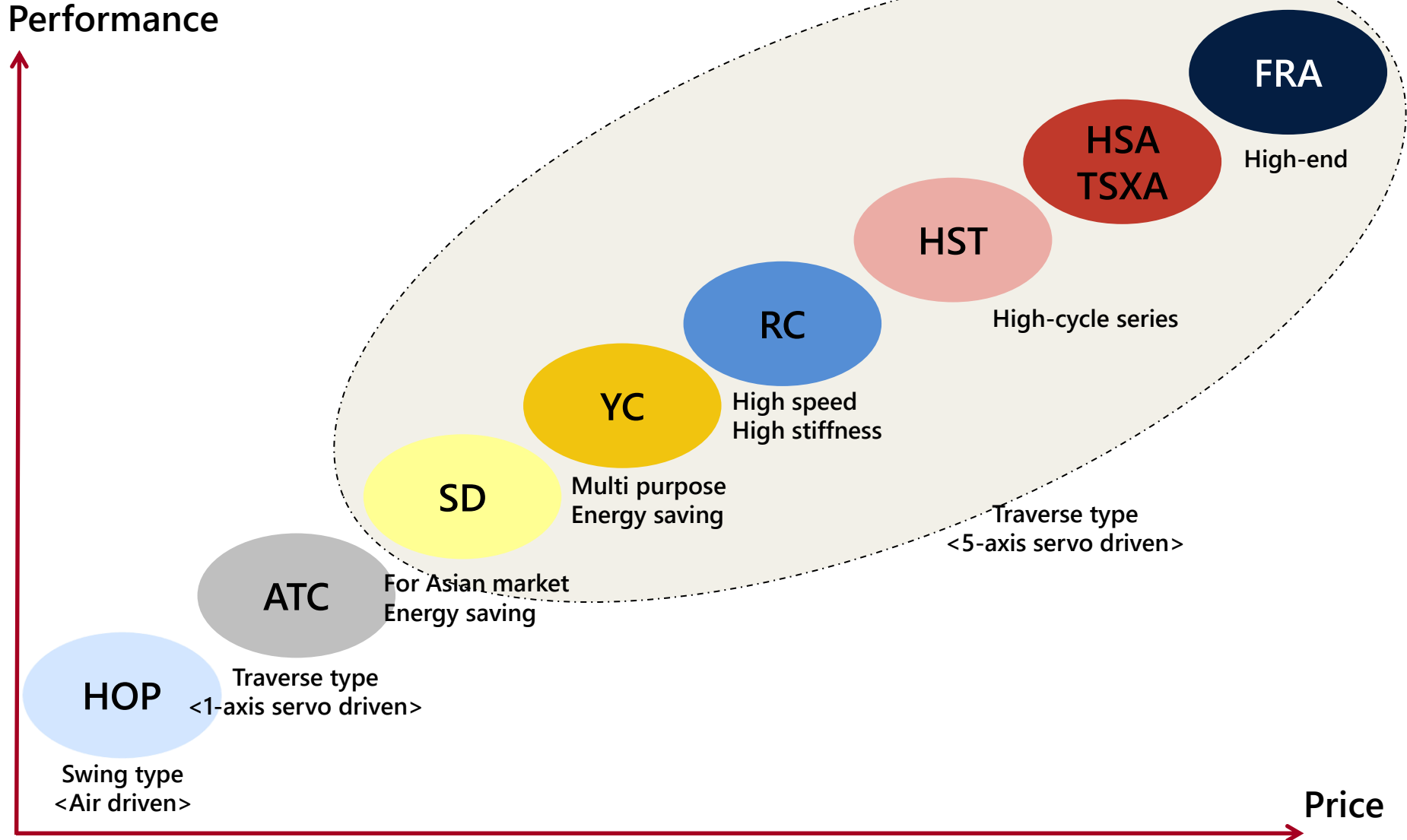
Palletizing robots



## Parts and Maintenance service



# <Appendix> Performance and Price of Take-out Robots



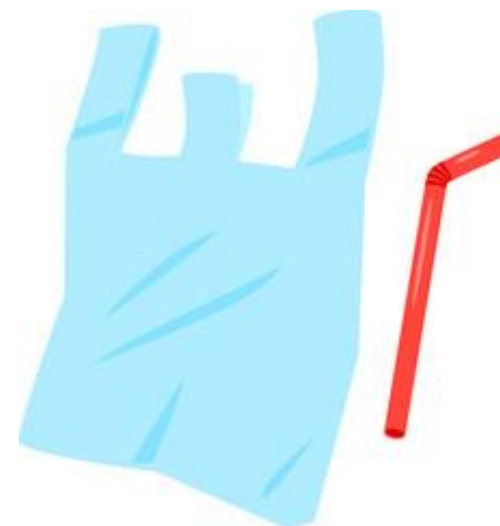
# <Appendix> ESG

<p><b>E</b> Environment</p>	<p>&lt; Environmental load reduction &gt;</p> <ul style="list-style-type: none"> <li>- Development of energy-saving products (Won the JMF's Energy-Efficient Machinery Award)</li> <li>- Promotion of environmental management system (ISO14001)</li> </ul>
<p><b>S</b> Social</p>	<p>&lt; Working style reform of customer factories &gt;</p> <ul style="list-style-type: none"> <li>- Providing factory automation system</li> </ul> <p>&lt; Safety and security &gt;</p> <ul style="list-style-type: none"> <li>- Sale of the world's highest safety standard equipped robot</li> </ul> <p>&lt; Improvement of working environment &gt;</p> <ul style="list-style-type: none"> <li>- Working style support team</li> <li>- System of maternity leave and shorter working hours (more than statutory)</li> <li>- Working support for mothers "Yushin Mama's meeting"</li> </ul>
<p><b>G</b> Governance</p>	<p>&lt; Strengthen the governance system &gt;</p> <ul style="list-style-type: none"> <li>- Of the 10 directors, 3 are outside directors</li> <li>- Improvement of board of directors by effectiveness evaluation</li> </ul> <p>&lt; Diversity &gt;</p> <ul style="list-style-type: none"> <li>- Of the 10 directors, 3 are women</li> </ul>

## Related SDGs Items



# <Appendix> YUSHIN's Target Products are...



# YUSHIN PRECISION EQUIPMENT CO., LTD.

Contact: Corporate Planning Office

(E-mail) [irinfo@kyo.ype.co.jp](mailto:irinfo@kyo.ype.co.jp)

[www.ype.co.jp/en/](http://www.ype.co.jp/en/)

The IR site distributes explanatory meeting information and various materials.

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

You can also access from this QR code.



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## Notes:

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