



FY2023

Investors Presentation

Prime Market of the Tokyo Stock Exchange

Security Code 6482

May 11, 2023

YUSHIN PRECISION EQUIPMENT CO., LTD.

This document contains some estimates of future business performance. Such estimates should not be construed as guarantees. Please note that future performance is subject to various risks and uncertainties, and targets and projections may vary due to changes in the business environment.

➤ FY2023 results

- Net sales **increased** due to sales growth in Japan, North America and the UK (**record high**)
- Operating profit **declined** due to rising raw material and ocean transportation costs, and labor costs increase

➤ FY2024 forecast

- Net sales **increase** on expectations of the sales of large-scale custom-ordered medical equipment in addition to underpinning take-out robot sales
- Operating profit **declines** due to rising raw material costs and investments in people for the future

➤ Topics

- Sustainability basic policy established and materiality identified (February, 2023)
- Showroom opened (February, 2023)

	FY2022	FY2023	
	Amount	Amount	Change
	Mil. Yen	Mil. Yen	%
Net sales	20,874	22,373	7.2
Gross profit <%>	8,991 43.1%	9,573 42.8%	6.5
Operating profit <%>	2,890 13.8%	2,639 11.8%	(8.7)
Ordinary profit <%>	3,085 14.8%	2,787 12.5%	(9.7)
Profit attributable to owners of parent <%>	2,112 10.1%	1,922 8.6%	(9.0)
<Exchange rates> USD	112.38 yen	135.47 yen	

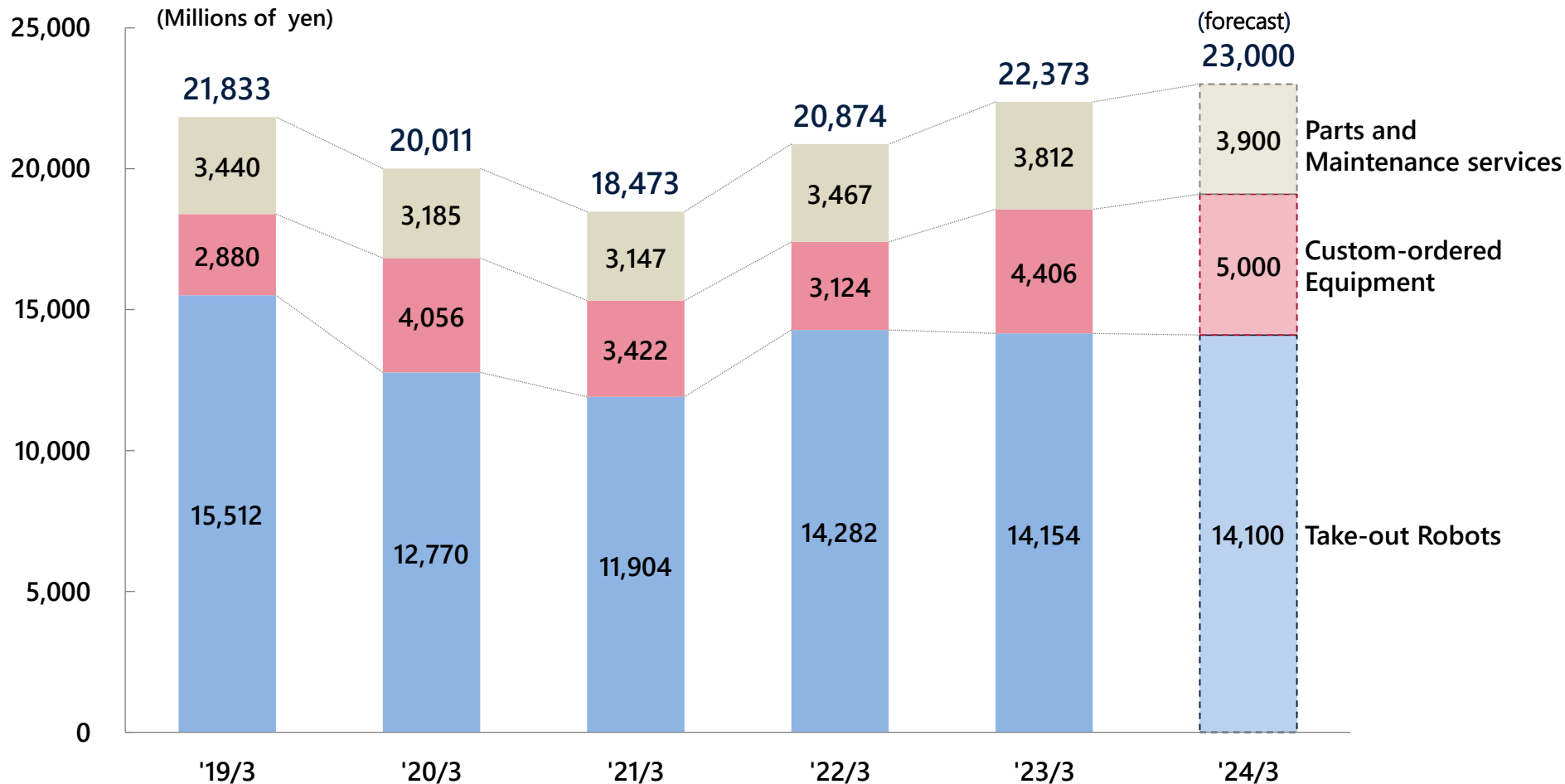
	(+) Positive factor	(-) Negative factor
Net sales	➤ 22,373 million yen, up 7.2% y/y	
	Take-out robot sales, down 0.9% y/y	
	(-) Slowdown in the Chinese market	
	(+) Maintained on-time delivery strictly while facing parts procurement challenges	
	Custom-ordered equipment sales, up 41.0% y/y	
Operating profit	(+) Steady demand for custom-ordered equipment in Japan and overseas	
	(+) Large-scale custom-ordered medical equipment shipped and the sales recorded	
	Parts and Maintenance services, up 10.0% y/y	
	(+) Demand increased as economic activity picked up	
	(+) Price revised and yen weakened	
Operating profit	➤ 2,639 million yen, down 8.7% y/y	
	(-) Raw material and ocean transportation costs soared	
	(-) Labor cost increased due to investment in people	
	(+) Yen weakened	
	(+) Work efficiency improved and depreciation costs reduced	

	FY2023	FY2024 (forecast)	
	Amount	Amount	Change
	Mil. Yen	Mil. Yen	%
Net sales	22,373	23,000	2.8
Gross profit <%>	9,573 42.8%	9,400 40.9%	(1.8)
Operating profit <%>	2,639 11.8%	2,400 10.4%	(9.1)
Ordinary profit <%>	2,787 12.5%	2,400 10.4%	(13.9)
Profit attributable to owners of parent <%>	1,922 8.6%	1,600 7.0%	(16.8)
<Exchange rates> USD	135.47 yen	125.00 yen	

	(+) Positive factor	(-) Negative factor
Net sales	<p>➤ 23,000 million yen, up 2.8% y/y</p> <p>Take-out robot sales, down 0.4% y/y</p> <p>(+) Strong sales of medical and mobility</p> <p>(-) Uncertainty in corporate capital investment worldwide</p> <p>Custom-ordered equipment sales, up 13.5% y/y</p> <p>(+) Sales of custom-ordered medical equipment remain strong</p> <p>(+) Continued demand for automation</p>	
Operating profit	<p>➤ 2,400 million yen, down 9.1% y/y</p> <p>(+) Profit increases due to higher sales</p> <p>(-) Raw material costs soar</p> <p>(-) Labor cost increases due to investment in people</p>	

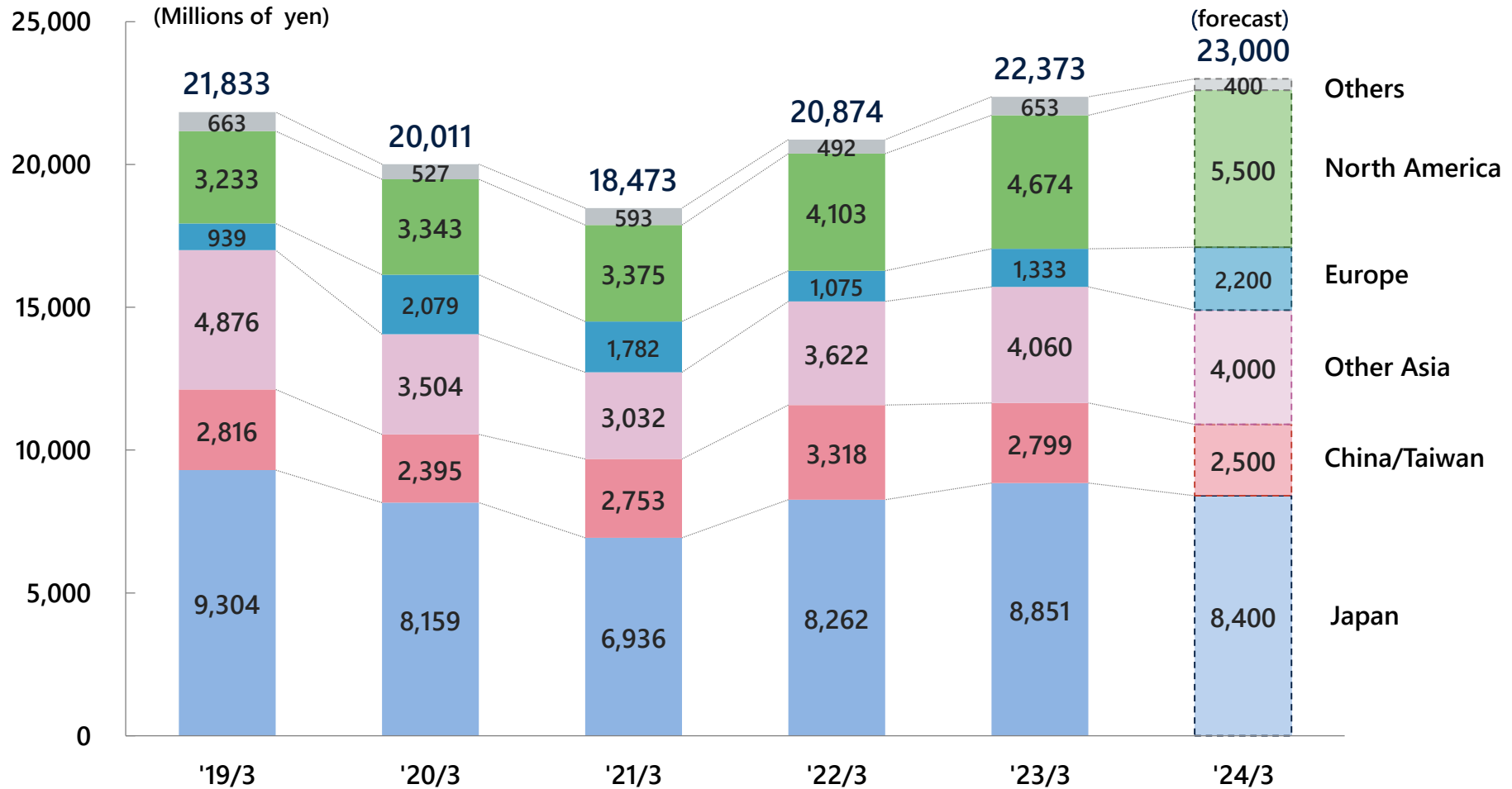
Sales Breakdown

- **Large-scale custom-ordered medical equipment** recorded sales in FY2023
- Large-scale custom-ordered medical equipment sales expected in FY2024



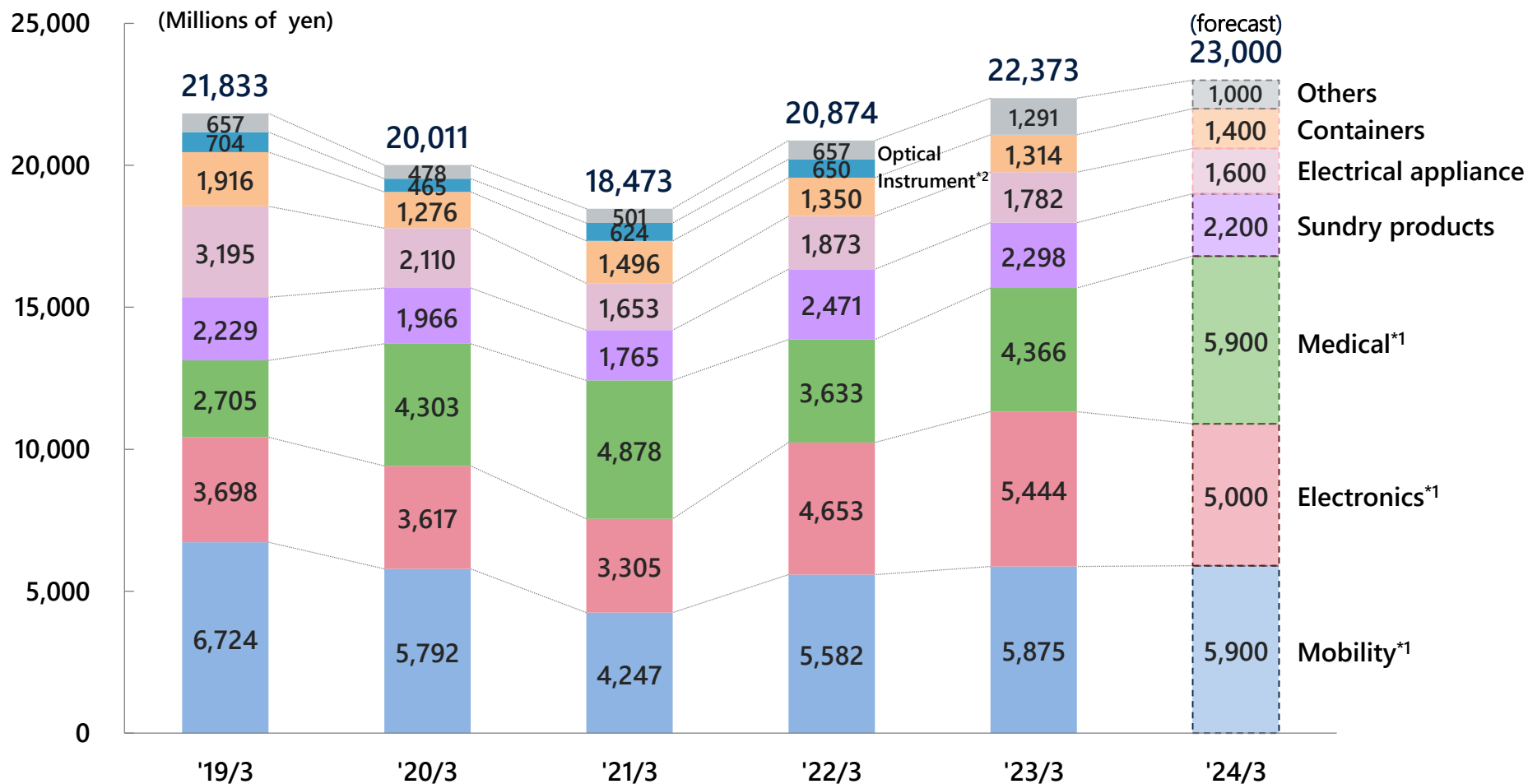
Sales by Region

- Take-out robot sales **increased** in **Japan, North America, Europe, and the other Asian countries** in the face of China lockdown in FY2023
- **Large-scale custom-ordered medical equipment** sales expected in **Europe** in the second half of FY2024



Sales by Industry

- **Electronics** sales increased in Japan and North America in FY2023. Mobility increased y/y as well
- Large-scale custom-ordered **medical** equipment sales expected in **Europe** in the second half of FY2024

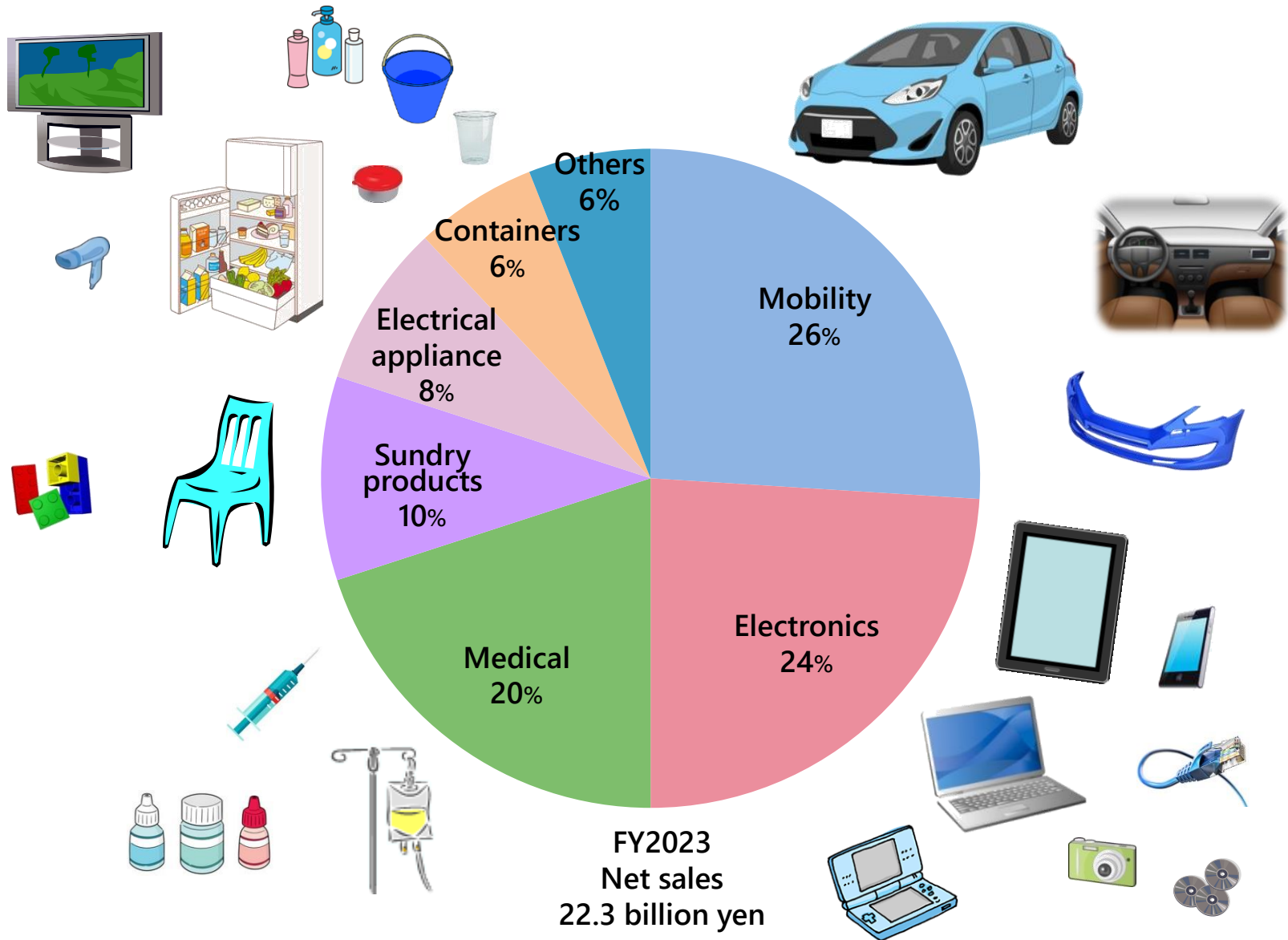


*1 "Automotive", "Electronic parts", and "Medical products" have been renamed "Mobility", "Electronics", and "Medical" respectively.

*2 "Optical instruments" has been merged with "Electronics."

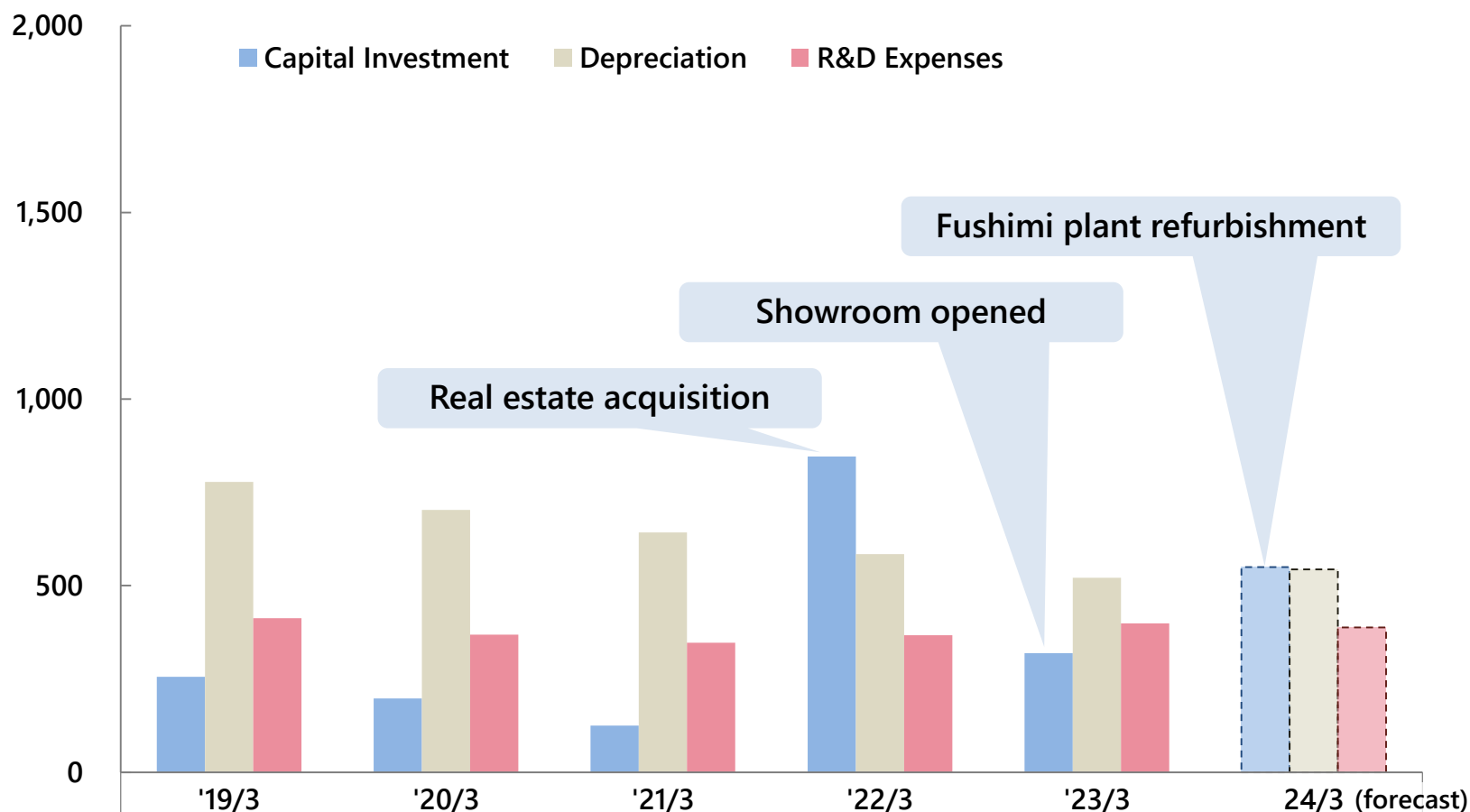
Sales by Industry

YUSHIN



Capital Investment, Depreciation and R&D

(Millions of yen)



Capital Investment	256	198	125	846	319	550
Depreciation	778	703	643	585	521	544
R&D Expenses	413	369	347	367	399	388

Medium-Term Management Targets

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

FY2023

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



Strategy4: Develop New Business

Strategy3: Cultivate a New Generation of Pioneers

Strategy2: Strengthen Global Competitiveness

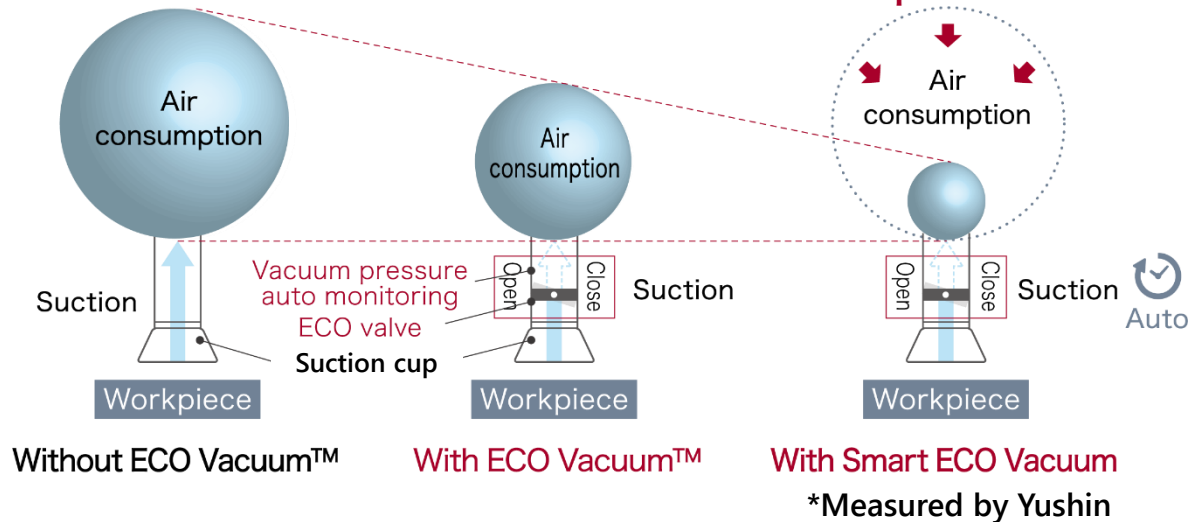
Strategy1: Increase Product Attractiveness

Strategy 1: Increase Product Attractiveness (1)

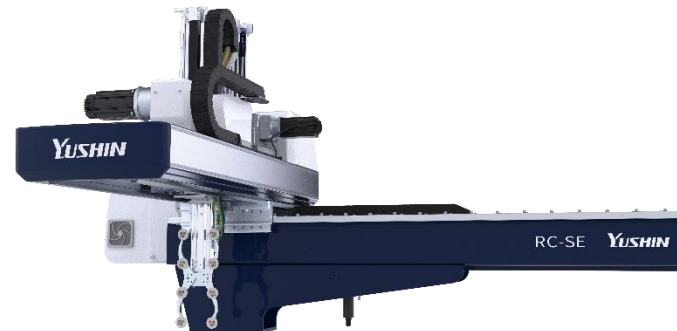
- Develop **environmentally-friendly** robots

Contribute to energy savings with Smart ECO Vacuum (PAT.P)

Reductions
of up to **78%***



YD robots (launched in November 2021)



RC-SE robots (launched in July 2021)

Strategy 1: Increase Product Attractiveness (2)

- Expanded **high-speed** robot product line
- Achieved the **clean room** standards required by the medical, electronics and container industries



Super high speed robot – CTM-V
(launched in October, 2022)



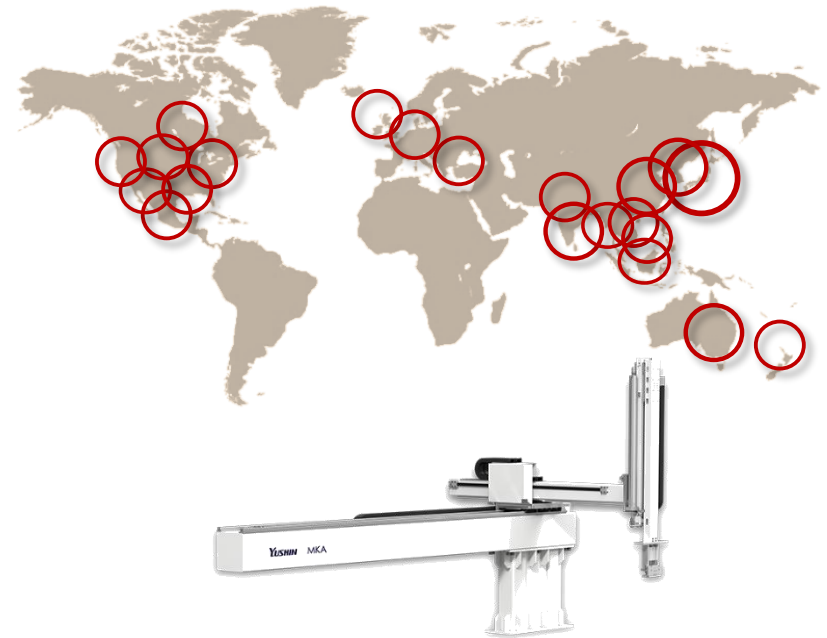
Side-entry robot – SX-41
(launched in July, 2021)

Strategy 2: Strengthen Global Competitiveness **YUSHIN**

- Develop products that meet **regional needs**
- **Expand sales in Europe** (agencies agreements in Poland, France, and others)
- Target the world's leading companies / Attract more local customers
- Enhance brand image – **showroom** opened



"YUSHIN Showroom" opened
(February, 2023)



MKA - large-scale take-out robots for the USA

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

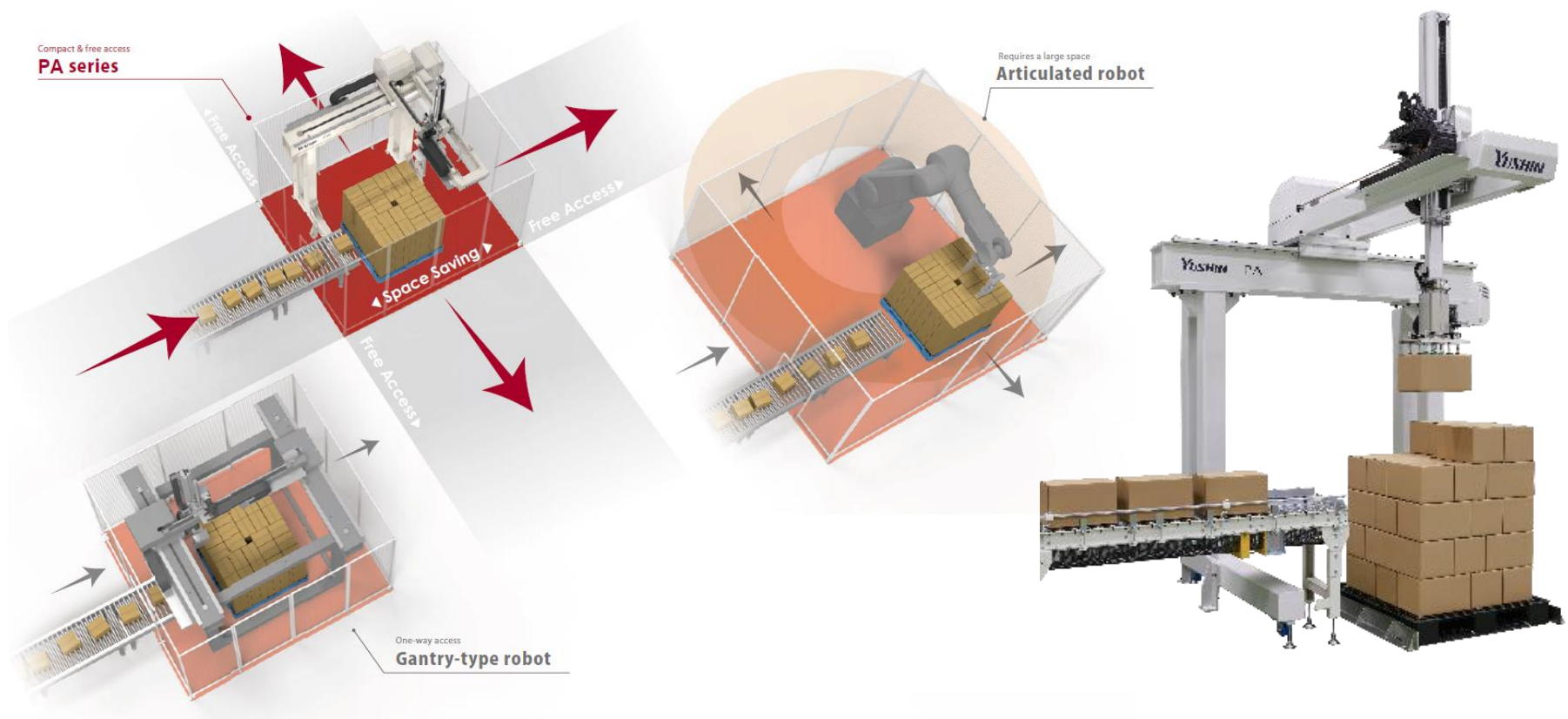
- Build the brand and human resources development policy on the concept of "**Above all, reach people's heart**"
- Provide challenging jobs and a good working environment
 - Establish "Innovation Project Suggestion System" to develop creative and independent human capital
- Improve the education system to support employees as they grow
 - Technical training (including e-learning), next generation leadership training, and manager training
- Leverage mid-career recruits and foreign nationals to ensure global diversity
- Achieved 4.7% of female managers by **promoting female power** (industry average 3.6%^{*})



^{*}Average in "Manufacture of production machinery" from "Basic Survey on Wage Structure" by Ministry of Health, Labor and Welfare (released in May, 2022)

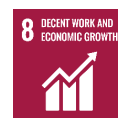
Strategy 4: Develop New Business

- Launched palletizing robot PA in June, 2020
 - Attract **new customers**, especially in the food industry
 - Appeal small-footprint and easy-access



We have identified five material issues to achieve a sustainable society and to increase the Company's value in the medium- and long-term.

■ Solving social problems through business



1. Improving workplace safety
2. Improving customer factory productivity
3. Addressing climate change

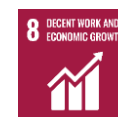
<Examples of initiatives>

- Developing products with improved safety performance
- Providing schools on occupational safety
- Developing and selling high-speed, high-precision robots
- Developing and selling energy-saving products

Achieving goals with customers



■ Strengthening the management foundation for sustainable growth of YUSHIN Group



4. Strengthening human capital
5. Strengthening corporate governance

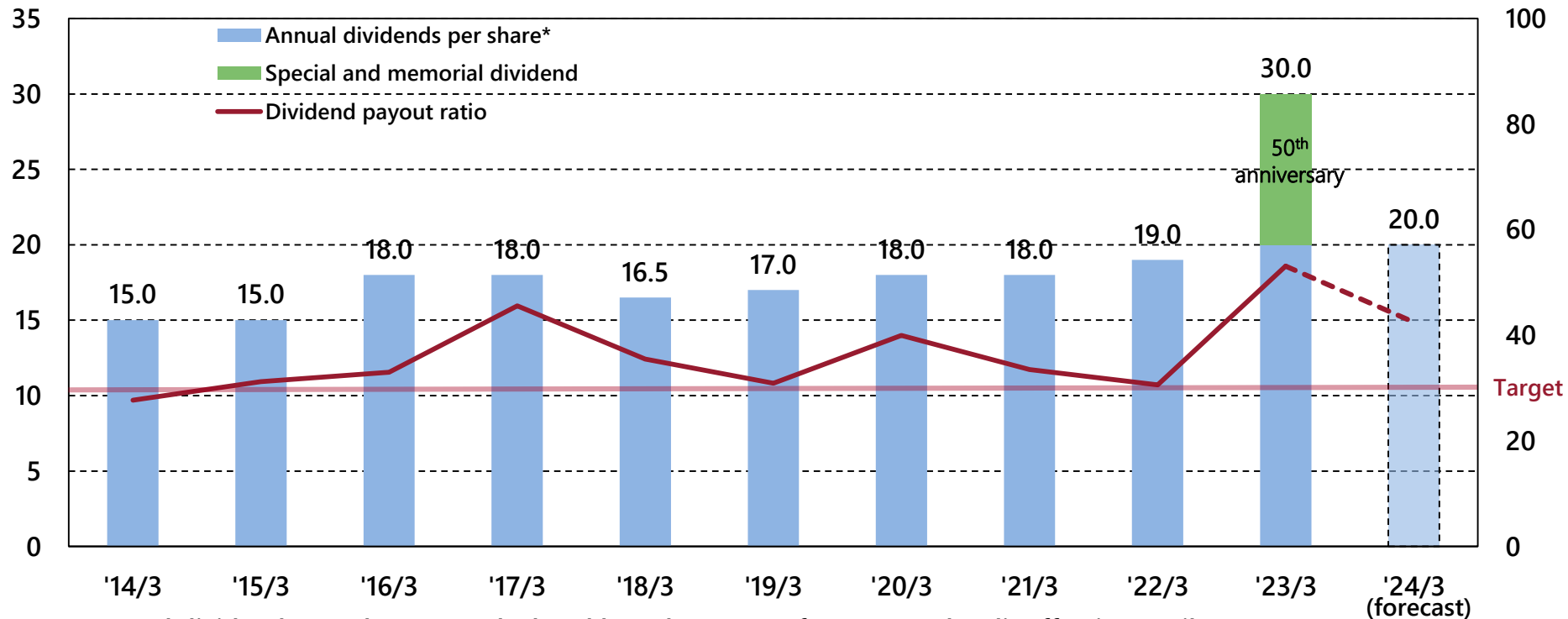
- Creating a culture and environment that fosters innovation
- Creating a system that allows employees to work continuously in accordance with their respective life stages
- Instilling Corporate Identity (CI)
- External directors at least 1/3 of the directors
- Nomination and Remuneration Committee established (chaired by an external director)

➤ Dividend Policy

- In order to provide **stable** and **continuous** returns to shareholders, we aim for a **dividend payout ratio of 30% or more**.
- We aim to improve consolidated financial results and to increase the level of ordinary dividends by increasing internal reserves for flexible and sustainable investment, and by prioritizing a certain amount of investment in research and development each year.

Annual dividends (yen)

Dividend payout ratio (%)



Appendix

<Appendix> Company Profile

YUSHIN

Company Name:	YUSHIN PRECISION EQUIPMENT CO., LTD
Representative Director and President:	Takayo Kotani
Established:	October, 1973
Capital:	1,985 million yen
Number of employees:	715 (Consolidated, as of March 31, 2023)
Consolidated net sales:	22.3 billion yen (FY2023)
Line of business:	Development, manufacture and sale of Cartesian robots, other industrial equipment and systems for factory automation
Listing:	Prime Market of the Tokyo Stock Exchange
Securities code:	6482
Trading unit:	100



Technology

- High-speed
- Vibration control technology (patented)
- Energy-saving technology

Wide Range of Users

- Large and small enterprises
- Global business
- Multiple industries

Reliability

- Strong support for trouble-free operations
- Ability to make effective proposals
- On-time delivery

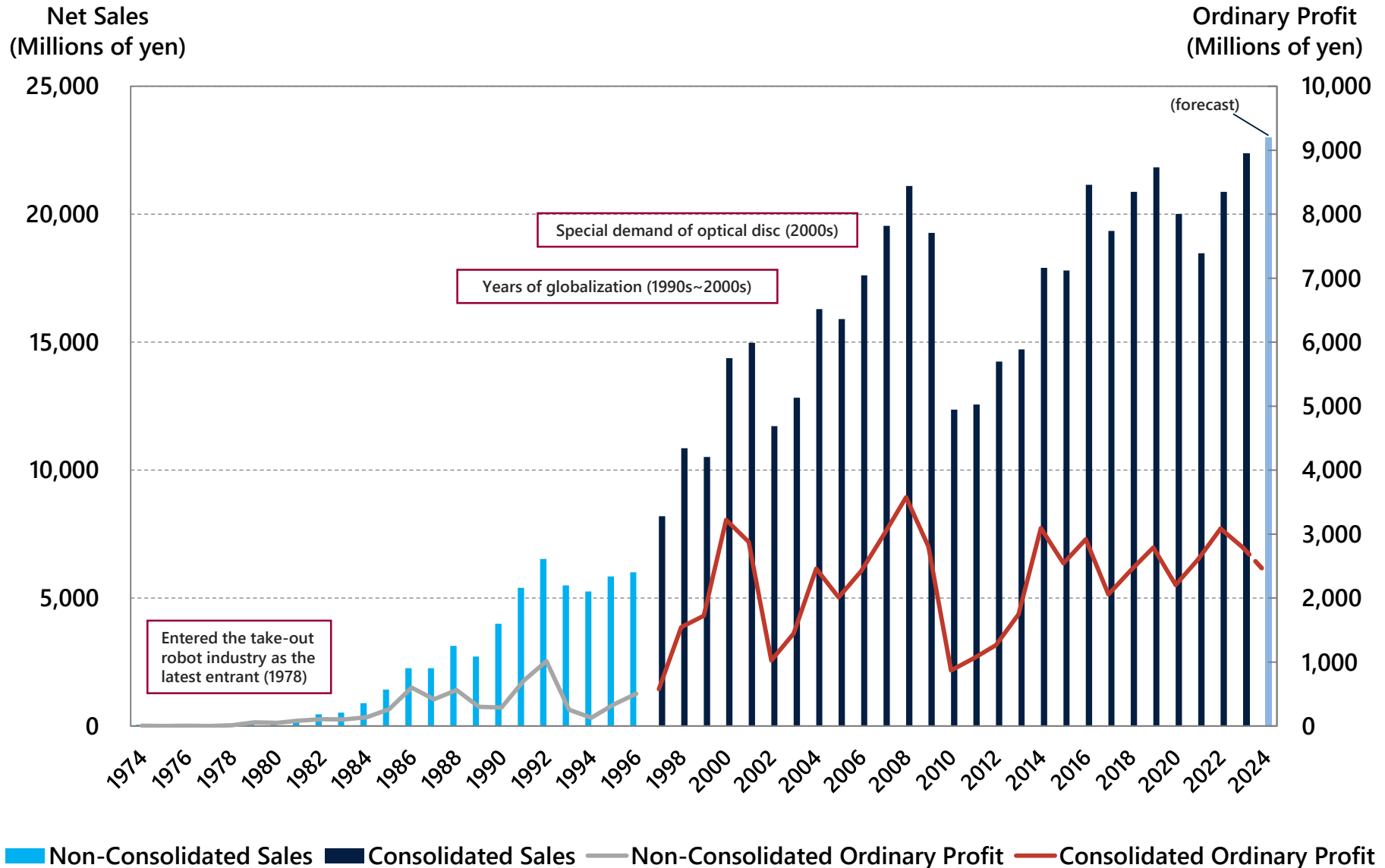
Financial Strength

- Non-debt management
- High equity ratio
- Minimum production facility



The Largest Market Share

<Appendix> Change in Performance

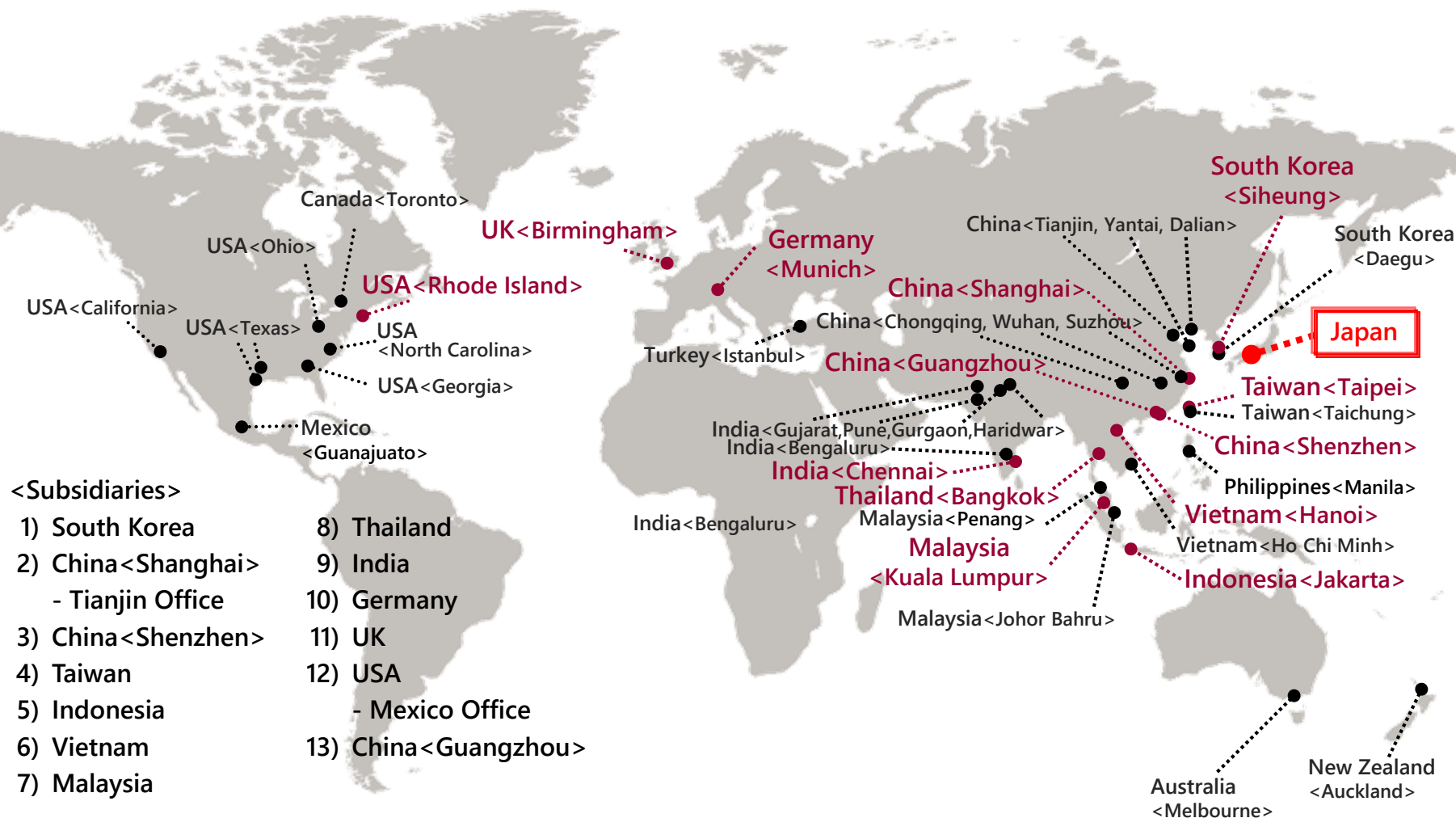


<Appendix> Subsidiaries' Business Performance



(Millions of yen)

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



<Subsidiaries>

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

<Representative Office>

- 1) Philippines

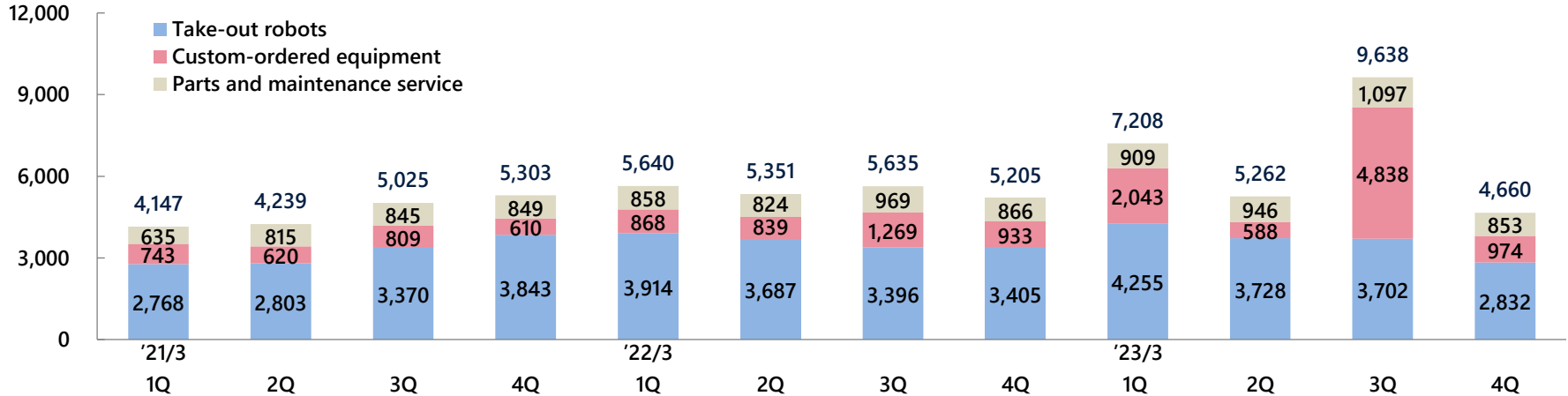
●..... Subsidiaries

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

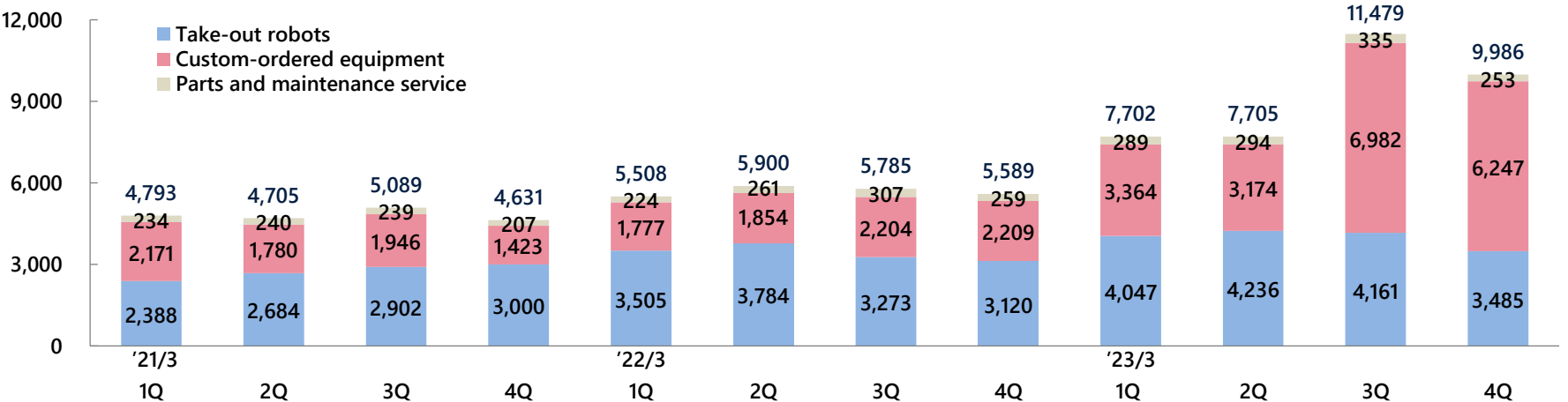
<Reference> Quarterly Trend of Orders Received and Order Backlog **YUSHIN**

- Take-out robot orders remained strong, but have slowed down recently due to the Chinese market.
- Order of large-scale custom-ordered **medical** equipment received in 3Q FY2023, to be recorded sales in and after the second half of FY2024.

Orders received (Millions of yen)



Order backlog (Millions of yen)

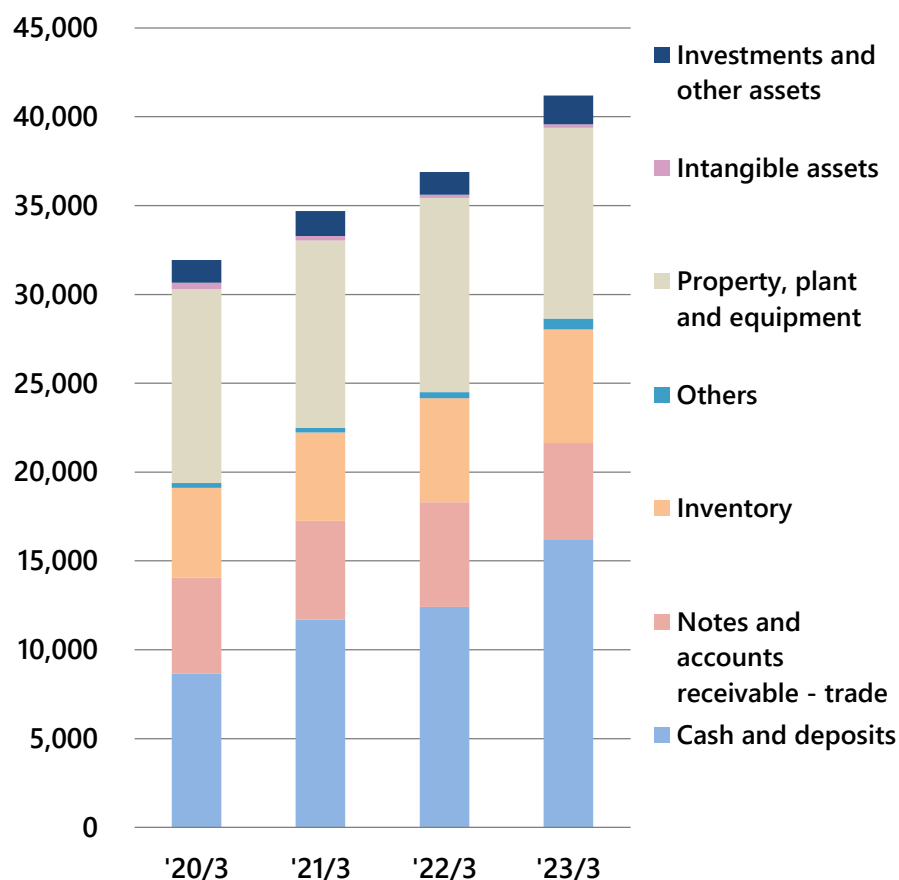


<Appendix> Balance Sheets

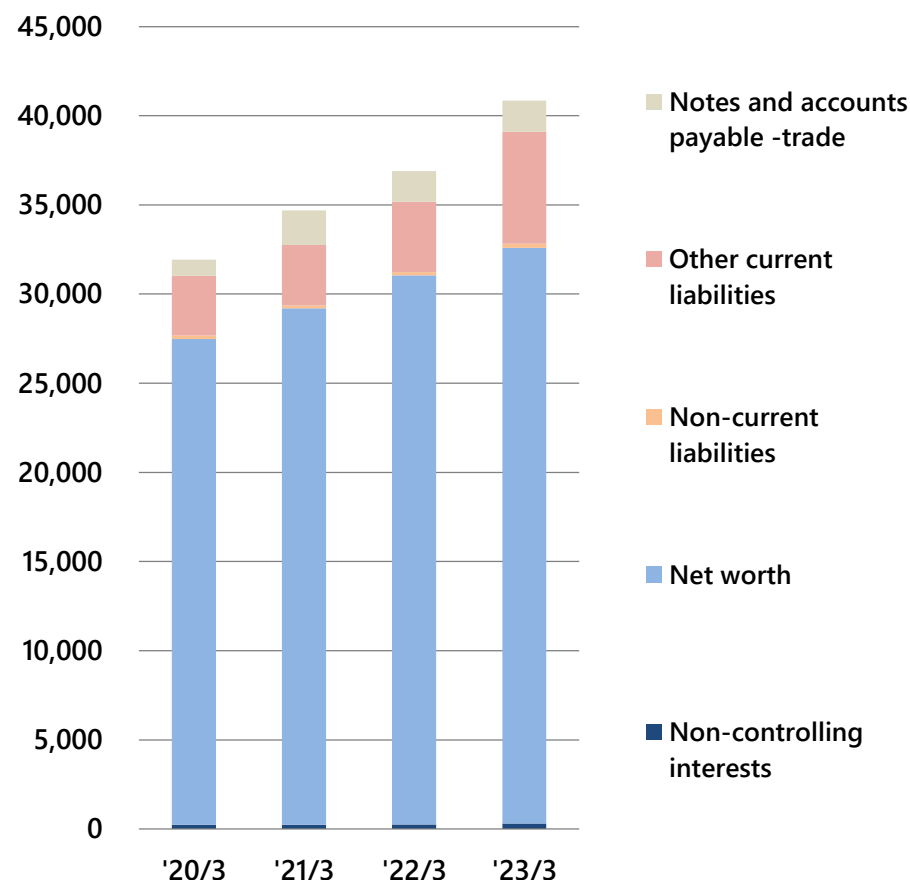
- **Cash and deposits** increased to prepare for the flexible investment in the future

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

<Assets> (Millions of yen)

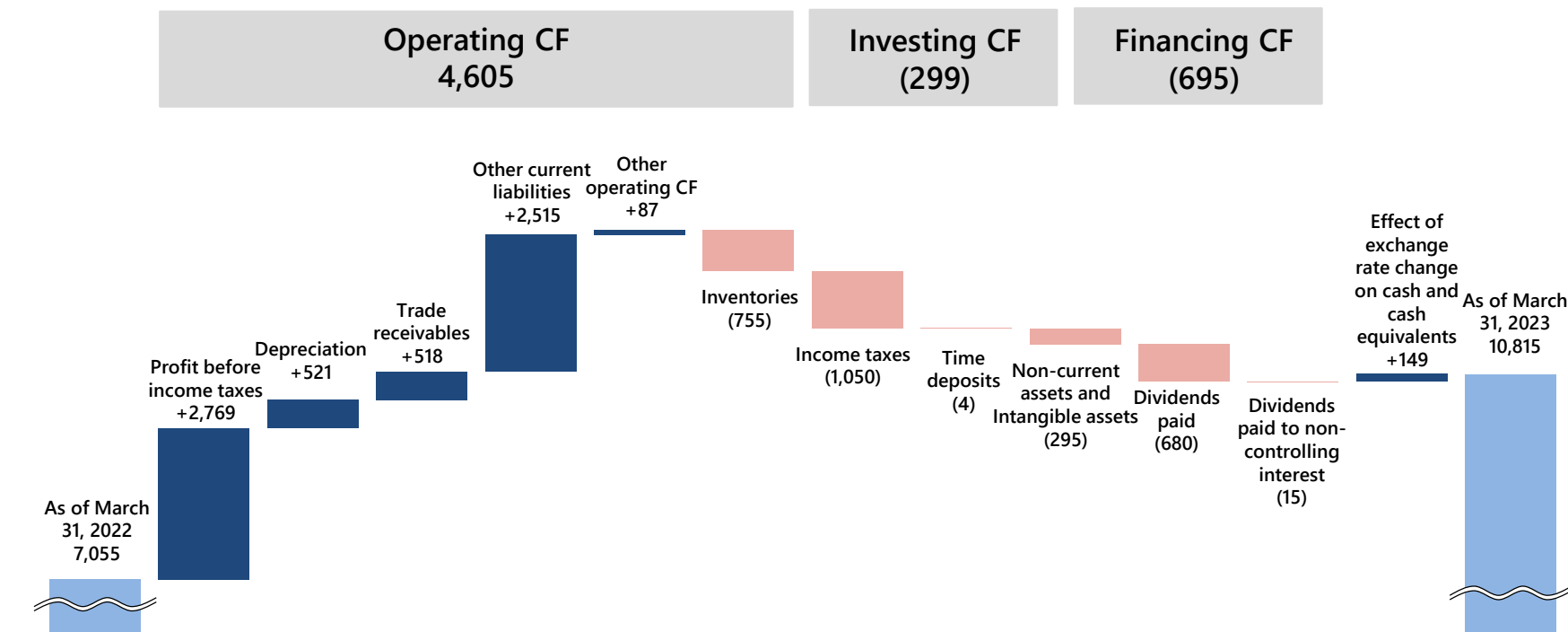


<Liabilities, Net Assets> (Millions of yen)



<Appendix> Change in Cash Flow

Major cash flow analysis (millions of yen)



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

(Millions of yen)

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

<Appendix> Product Lineup (1)

YUSHIN

Take-out Robots

FRA series
<Traverse type>



HSA series
<Traverse type>



HST series
<Traverse type>



RC series
<Traverse type>



YD series
<Traverse type>



SD series
<Traverse type>



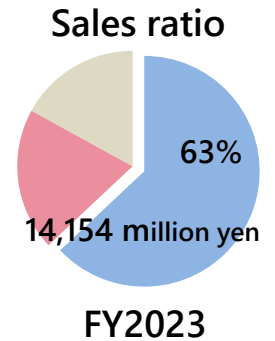
HOP series
<Swing type>



TSXA series
<Side-Entry type>



Palletizing series



<Appendix> Product Lineup (2)

YUSHIN

Custom-ordered Equipment

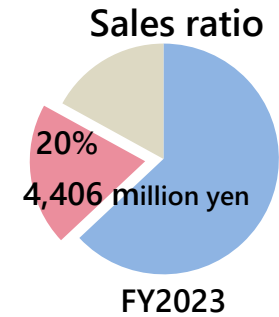
Flexible module stocker



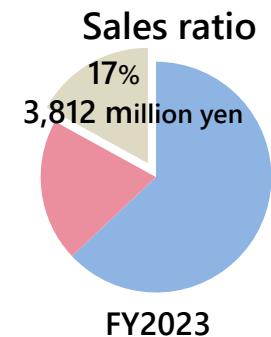
In-mold system



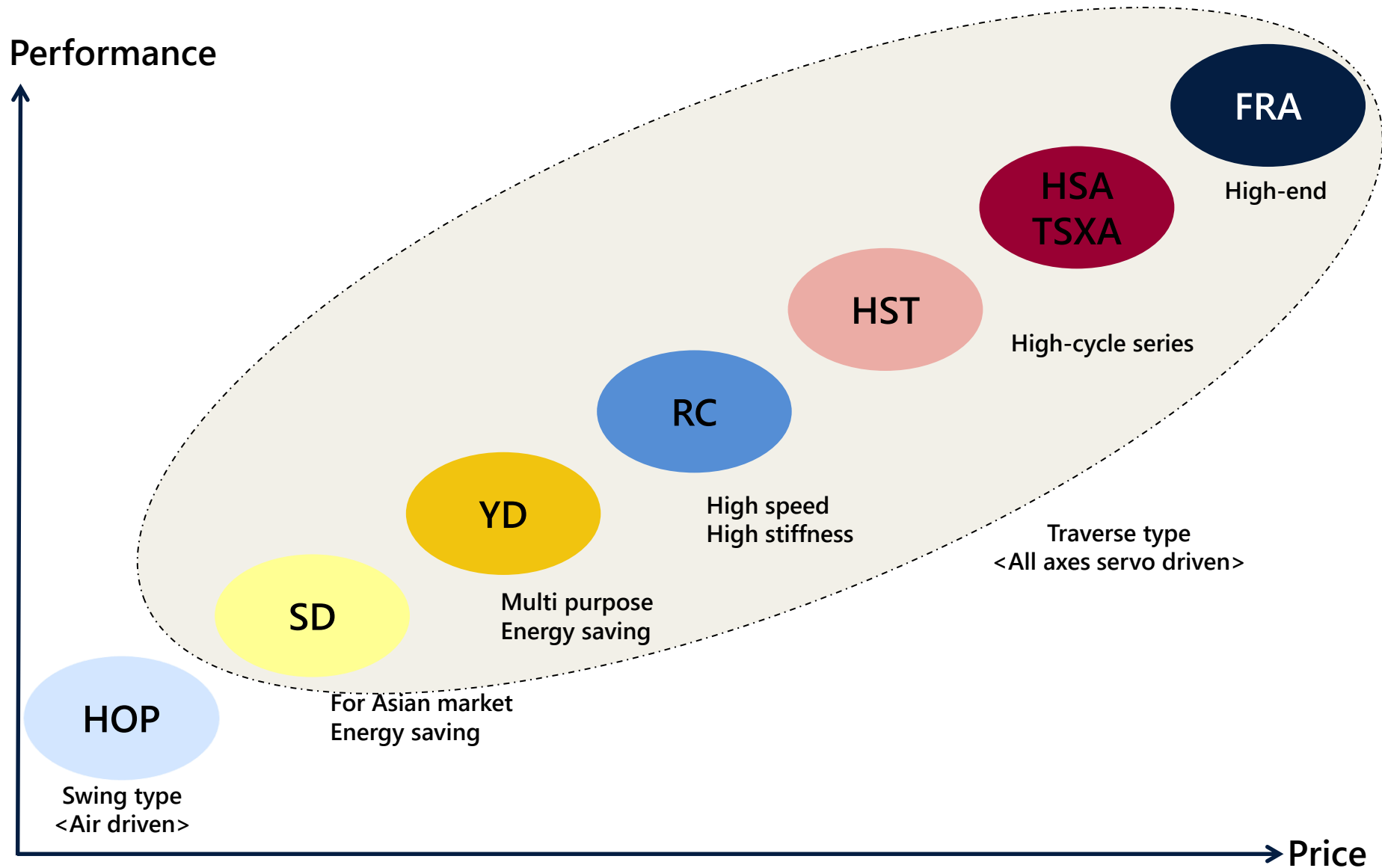
Gate cutting system



Parts and Maintenance services



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



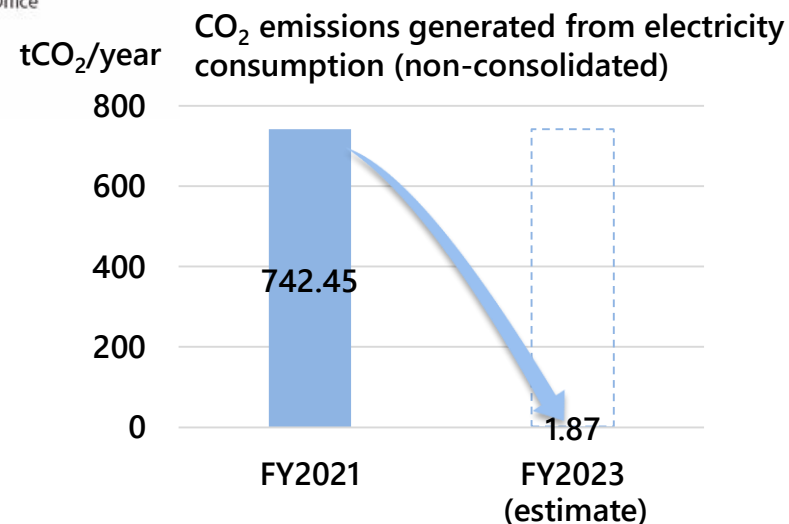
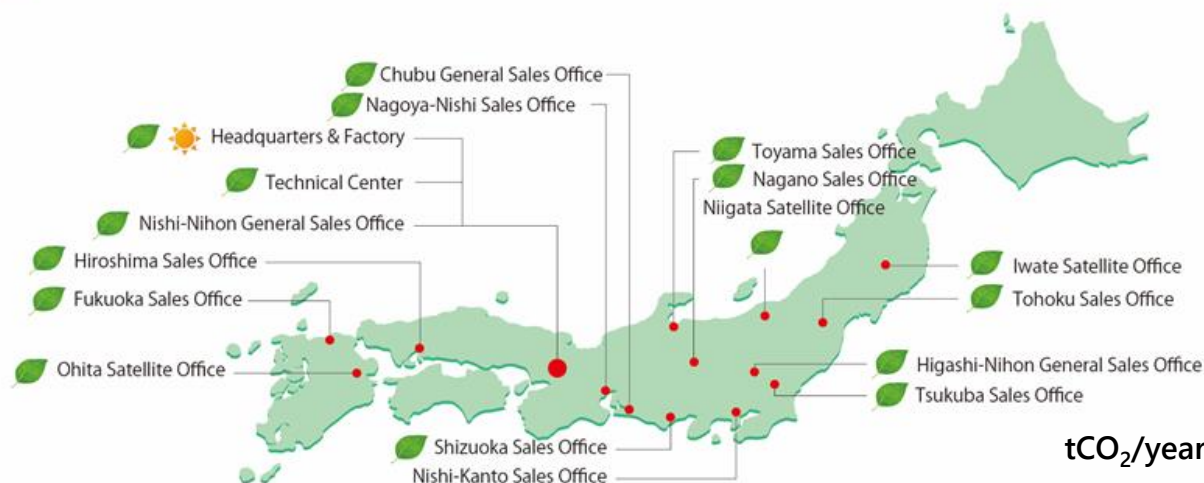
E Environment	<ul style="list-style-type: none"> < Environmentally-Friendly Products > <ul style="list-style-type: none"> Development of energy-saving products (Winner of the JMF's Energy-Efficient Machinery Award) < Efforts to Fight Climate Change and Decarbonize > <ul style="list-style-type: none"> Switched to green electricity Disclosure of information based on TCFD recommendations
S Social	<ul style="list-style-type: none"> < Human Rights > <ul style="list-style-type: none"> YUSHIN Group Human Rights Policy and Risk Identification < Work style reform for customer factories > <ul style="list-style-type: none"> Provide automation system for entire plant < Safety and Security> <ul style="list-style-type: none"> Supply robots with the world's highest safety standards < Work Environment Improvement > <ul style="list-style-type: none"> Promoting Safety and Health Childcare leave and reduced working hour (higher standard than law)
G Governance	<ul style="list-style-type: none"> < Governance Improvement and Diversity > <ul style="list-style-type: none"> 2 of 11 board members are women 5 of 11 board members are from outside Board of directors improvement through effectiveness evaluation Nomination and Remuneration Committee chaired by an external director

SDGs YUSHIN Focuses on

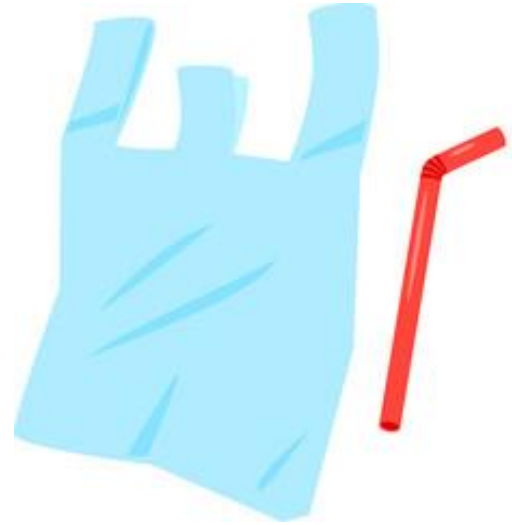


- Announced our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in April 2022
- Switched to green electricity in April 2022

- Facilities using Renewable Energies
- Facilities using Private Solar Power Generation System



<Appendix> YUSHIN's Target Products Are... **YUSHIN**



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

Stock Price (yen)





Contact: Corporate Planning Office

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

www.ype.co.jp/en/

The IR site distributes explanatory meeting information and various materials.

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

You can also access from this QR code.



Notes:

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