

YUSHIN



FY2024

Investors Presentation

Standard Market of the Tokyo Stock Exchange

Security Code 6482

May 16, 2024

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.

➤ FY2024 results

- Net sales **increased (record high)** due to increased sales in North America and Europe and the impact of yen depreciation
- Operating profit **decreased** due to soaring raw material prices and aggressive investment in human resources.

➤ FY2025 forecast

- Net sales are **expected to increase** due to the support of take-out robot sales as well as sales increase of large-scale custom-ordered medical equipment and palletizing robot
- Operating profit is **expected to increase** due to higher sales, despite the rise in raw material prices and anticipated investment in human resources for the future

➤ Topics

- Acquisition of 100% of the shares of WEMO AUTOMATION AB (Sweden) (May 2023)
- High performance palletizing robot - low height model launched (August 2023)

	FY2023	FY2024	
	Amount	Amount	Change
	Mil. Yen	Mil. Yen	%
Net sales	22,373	23,615	5.6
Gross profit <%>	9,573 42.8%	9,788 41.5%	2.2
Operating profit <%>	2,639 11.8%	2,437 10.3%	(7.7)
Ordinary profit <%>	2,787 12.5%	2,586 11.0%	(7.2)
Profit attributable to owners of parent <%>	1,922 8.6%	1,692 7.2%	(12.0)
<Exchange rates> USD	135.47 yen	144.62 yen	

(+) Positive factor (-) Negative factor

➤ 23,615 million yen, **up 5.6%** y/y

Robot sales, down 4.6% y/y

(-) **Slowdown in Asian markets, especially China**

(-) Sluggish global demand for injection molding machines

Custom-ordered equipment sales, up 33.5% y/y

(+) 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 10.9% y/y

(+) Price revised and exchange rate shift to a **weaker yen**

Net sales

➤ 2,437 million yen, **down 7.7%** y/y

(-) Raw material costs **soared**

(-) Labor cost increased due to **investment in people**

(+) Exchange rate shift to a **weaker yen**

Operating profit

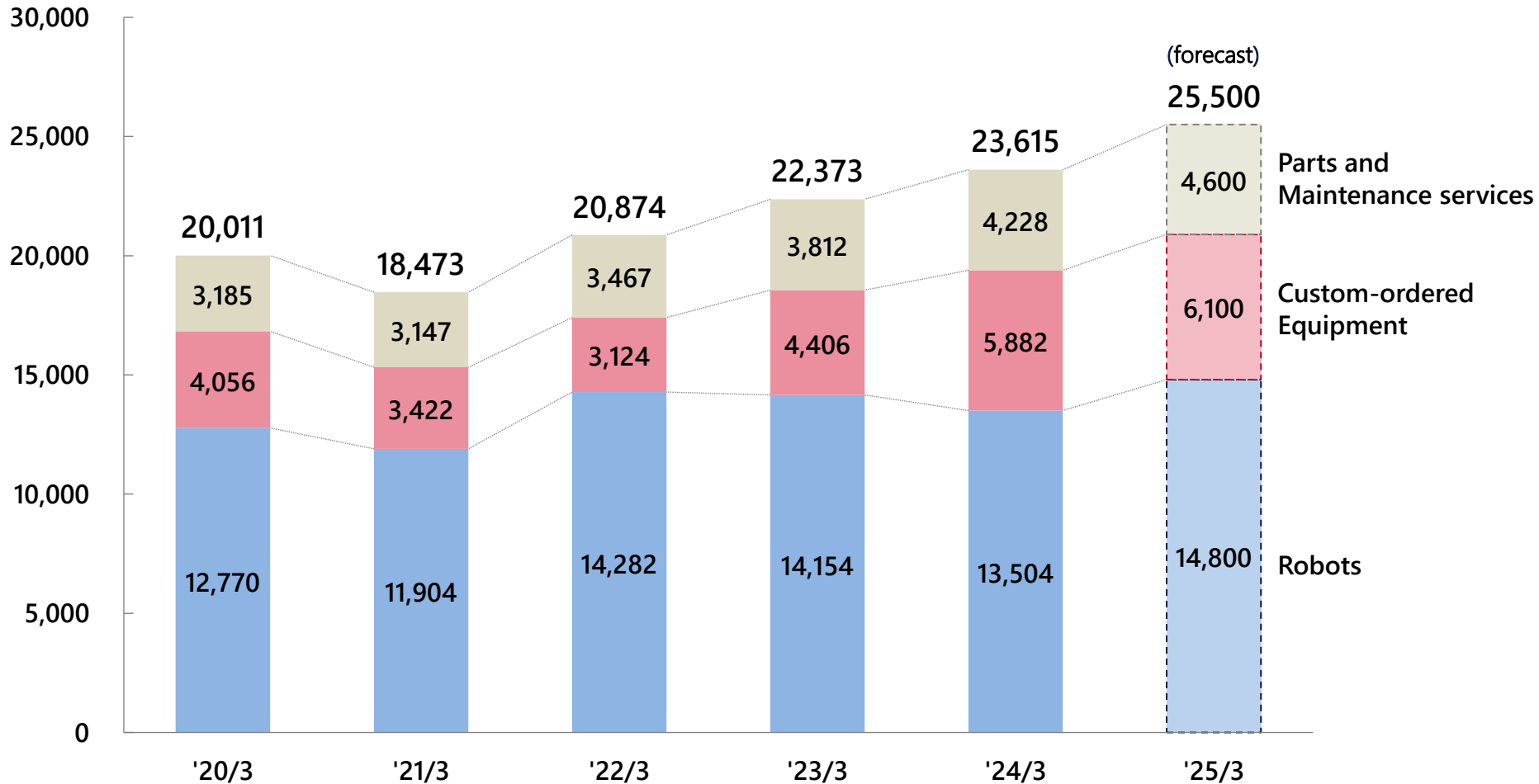
	FY2024	FY2025 (forecast)	
	Amount	Amount	Change
	Mil. Yen	Mil. Yen	%
Net sales	23,615	25,500	8.0
Gross profit <%>	9,788 41.5%	10,507 41.2%	7.3
Operating profit <%>	2,437 10.3%	2,600 10.2%	6.7
Ordinary profit <%>	2,586 11.0%	2,600 10.2%	0.5
Profit attributable to owners of parent <%>	1,692 7.2%	1,800 7.1%	6.4
<Exchange rates> USD	144.62 yen	130.00 yen	

	(+) Positive factor	(-) Negative factor
Net sales	➤ 25,500 million yen, up 8.0% y/y	
	Robot sales, up 9.6% y/y (+) Strong sales of medical and mobility	
	Custom-ordered equipment sales, up 3.7% y/y (+) Sales of custom-ordered medical equipment remain strong (+) Continued demand for automation	
Operating profit	➤ 2,600 million yen, up 6.7% y/y	
	(+) Profit increases due to higher sales	
	(-) Raw material costs soar (-) Labor cost increases due to investment in people	

Sales by Product Category

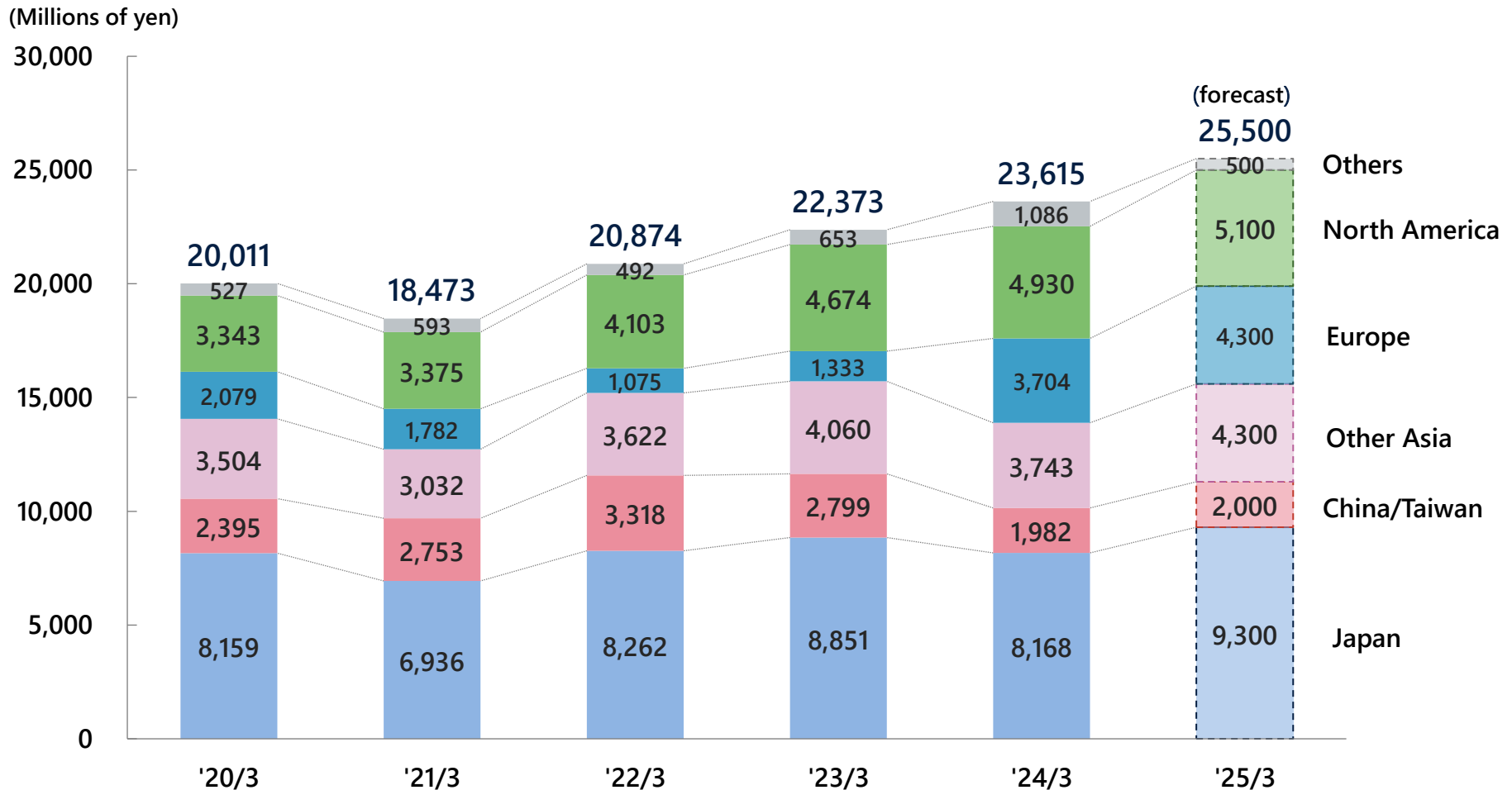
- **Large-scale custom-ordered medical equipment** recorded sales in FY2024
- Increased sales of take-out robots and continued sales of **large-scale custom-ordered medical equipment** expected

(Millions of yen)



Sales by Region

- Decreased in Japan and Asia, but **increased** in **North America and Europe**
- Expect demand for automation to increase in **Japan, Europe and Asia** in FY2025.

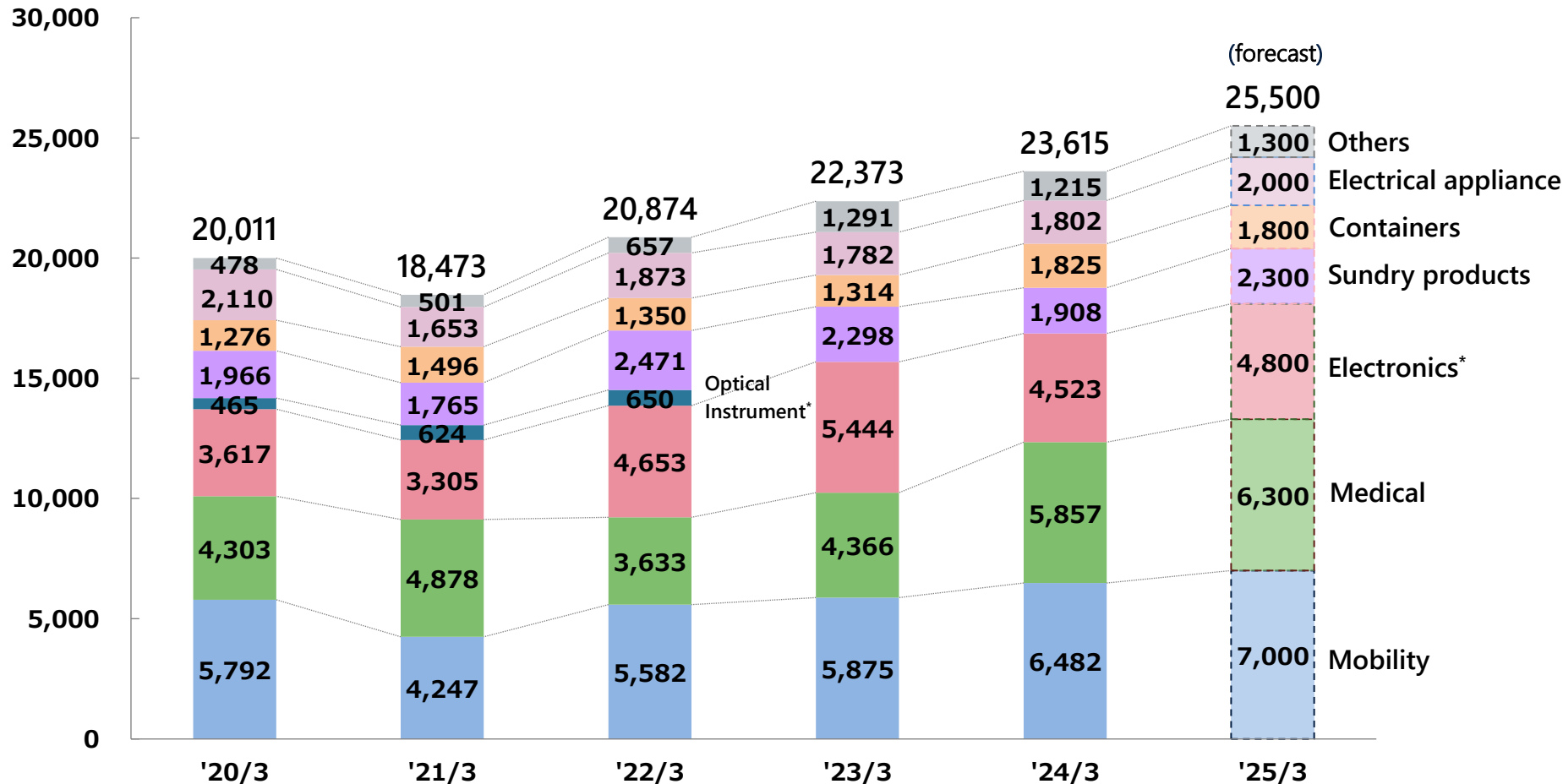


Sales by End-User Industry



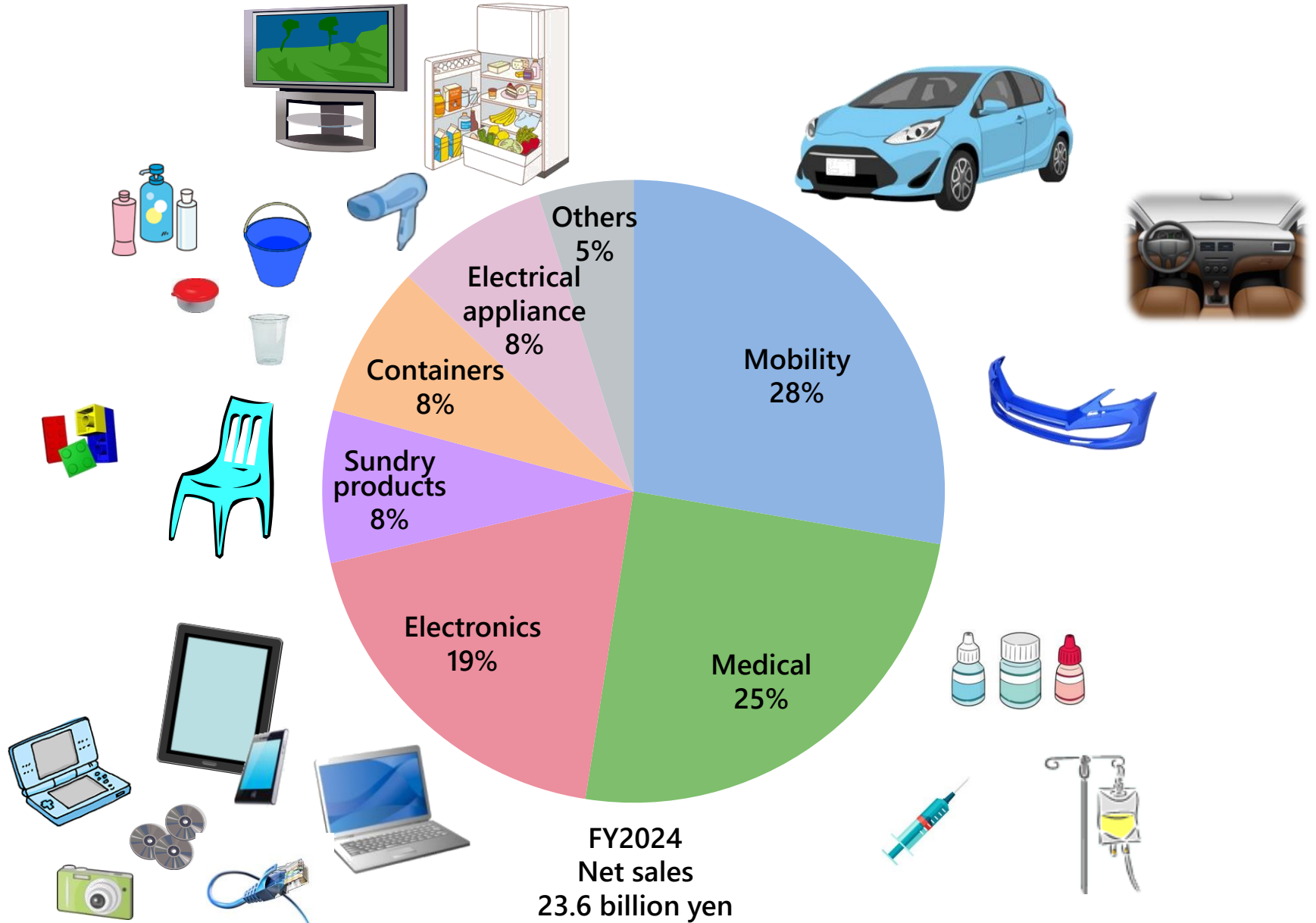
- In FY2024, **Medical** grew in Europe and North America, and mobility also increased Y/Y.
- Expect increase in **Medical** and **Mobility** in FY2025 as well.

(Millions of yen)



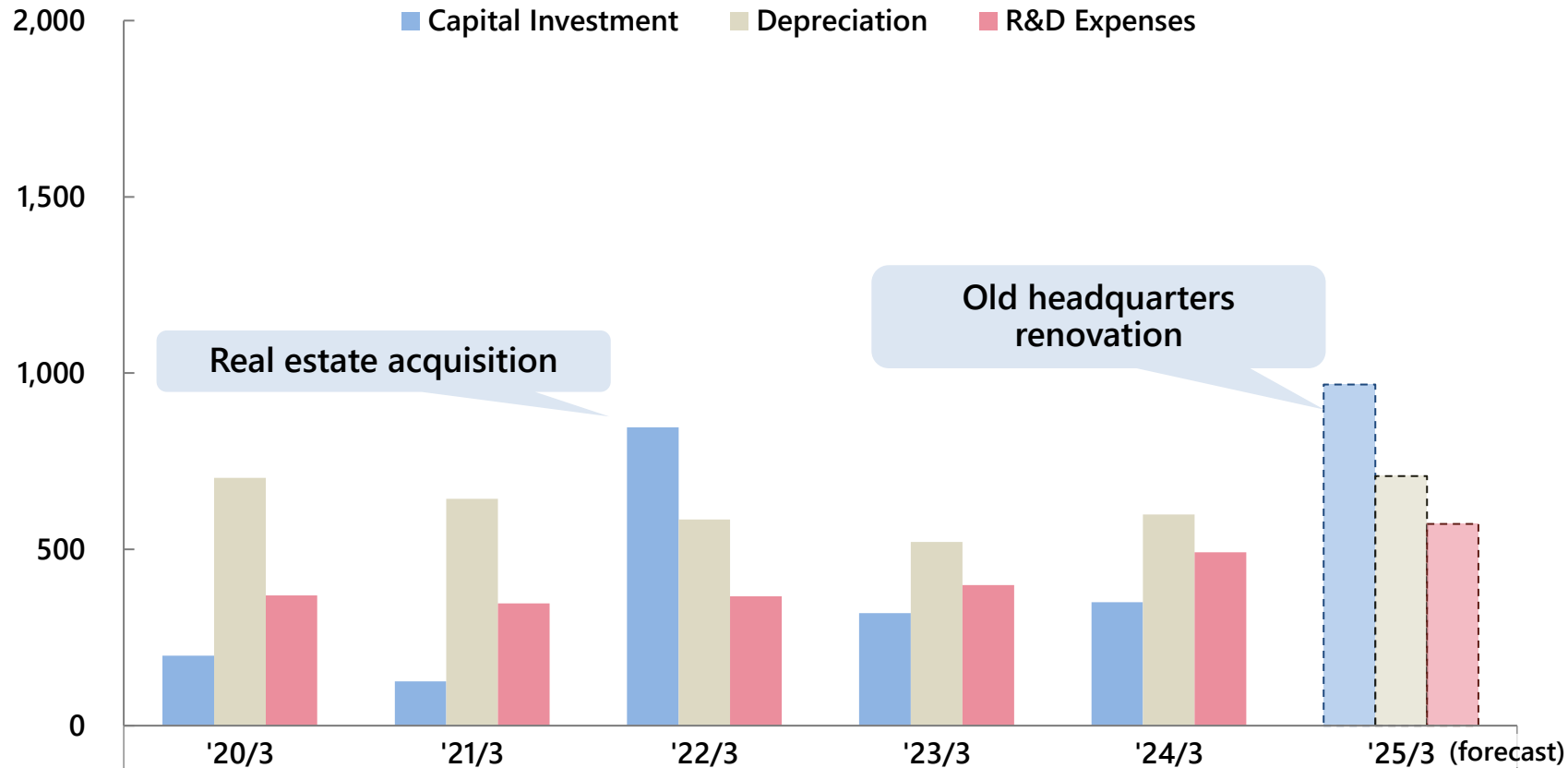
* "Optical instruments" has been merged with "Electronics".

Sales by End-User Industry

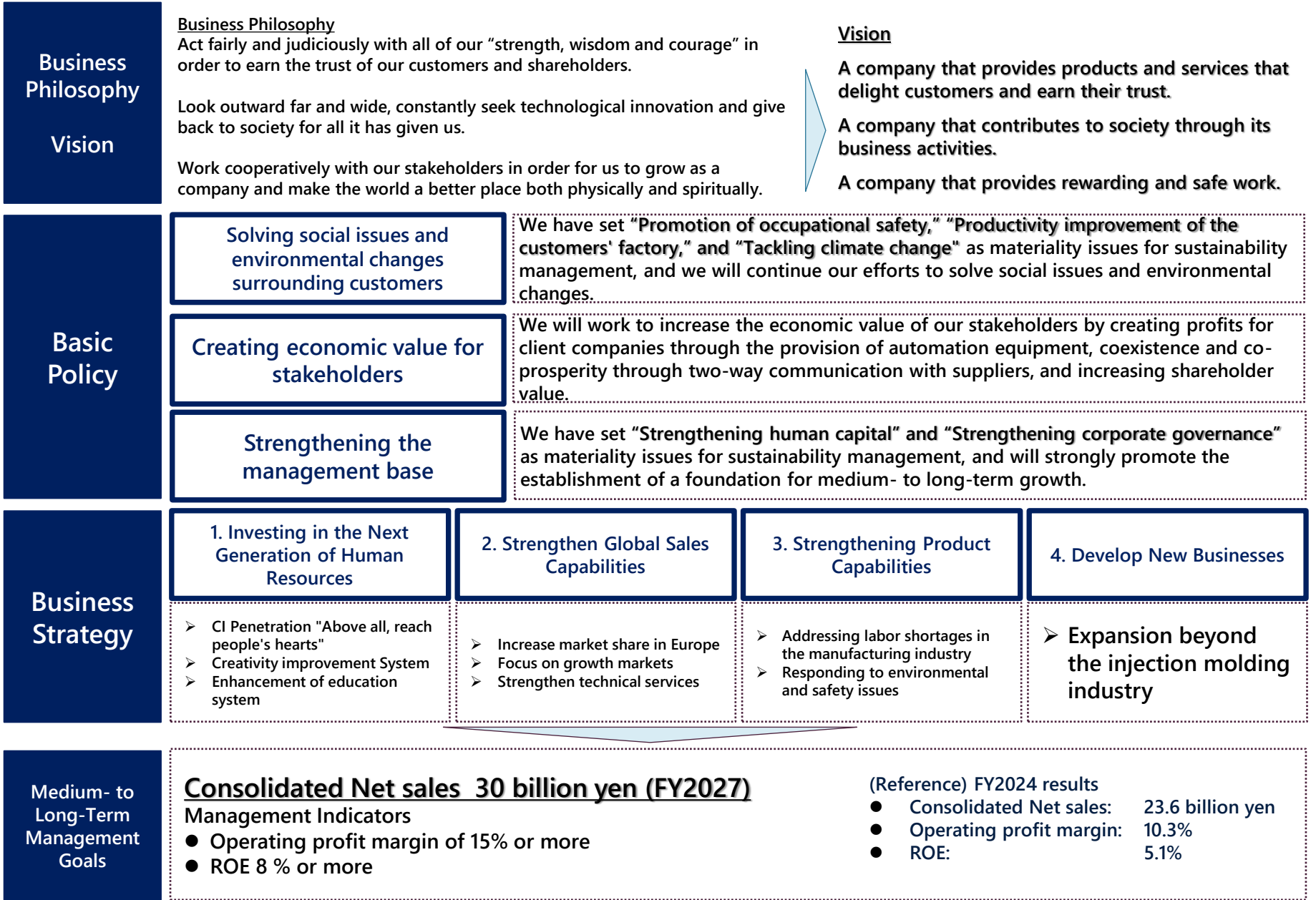


Capital Investment, Depreciation and R&D

(Millions of yen)



Capital Investment	198	125	846	319	350	968
Depreciation	703	643	585	521	599	708
R&D Expenses	369	347	367	399	492	572



1. Strategic investment to create products and services that contribute to solving social issues
2. Proactive investment to expand market share of take-out robots
3. Investments to achieve sustainable growth from a long-term perspective
4. Promote initiatives that meet the expectations of stakeholders while maintaining a strong financial base to prepare for agile and sustainable investment

Cash Generation	Cash Utilization	
Operating CF 7.0 billion yen	Strategic Investment	Human Capital Investing Next Generation Growth Investing
Cash on hand 9.5 billion yen		Capital and R&D Investment
	Business operating funds	Increase working capital through increased sales
	Shareholder return	Dividends (dividend ratio of 30% or more)

- Promote initiatives to strengthen human capital centered on the penetration of our corporate philosophy
 - Build CI and human resource development policy on the concept of "Above all, reach people's hearts"
 - Creating an organization that leverages the values and perspectives of diverse human resources
- Enhance education system to support employees throughout their careers
 - Technical training program(including e-learning), leadership training program, and training program for managers
- Create an environment that makes work more rewarding and conformable
 - Set up "Innovation Project Activity Proposal System" to develop creative and independent human resources



We Provide Products and Services
That Reach People's Hearts and Contribute to Society

[Human Capital Enhancement]

1. Promote corporate identity (CI) activities
2. Establish a personnel system and a human resources development policy that instill YUSHIN ideals.
3. Ensure diversity in human resources (Diversity Management)
4. Develop an education system that meets each career step
5. Create an Environment That Makes Work More Rewarding and Comfortable

PDCA



Strengthen
measures

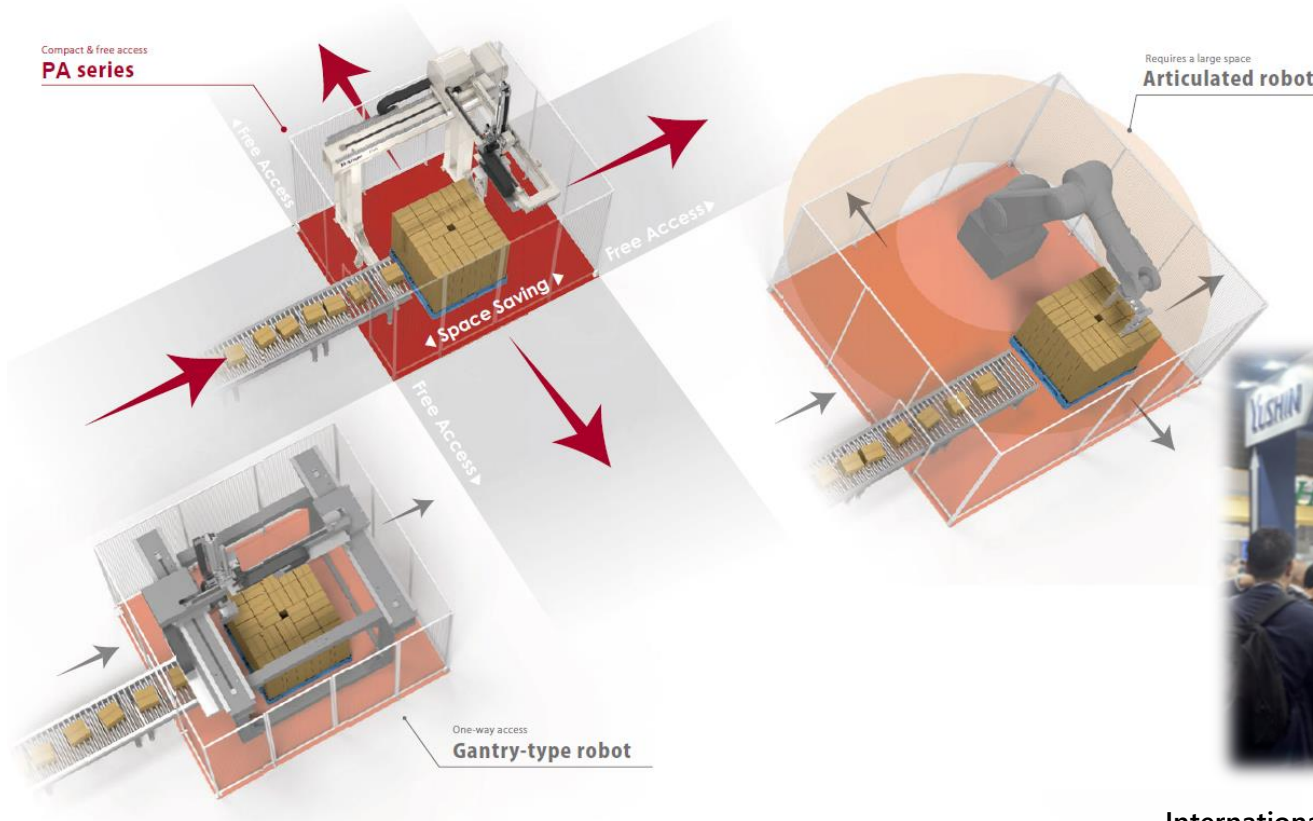
Strategy 2: Strengthen Global Sales Capabilities

- **Sales expansion in Europe:** Acquisition of 100% of the shares of WEMO (Sweden) (May 2023)
- Target leading companies in the world
- Strengthening the technical service system

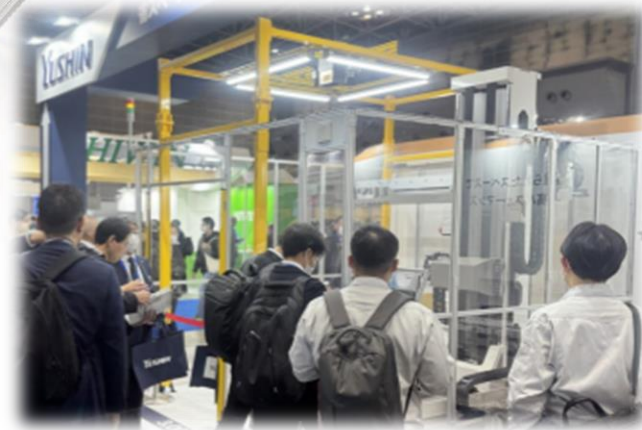


NPE exhibition in Florida in May, 2024

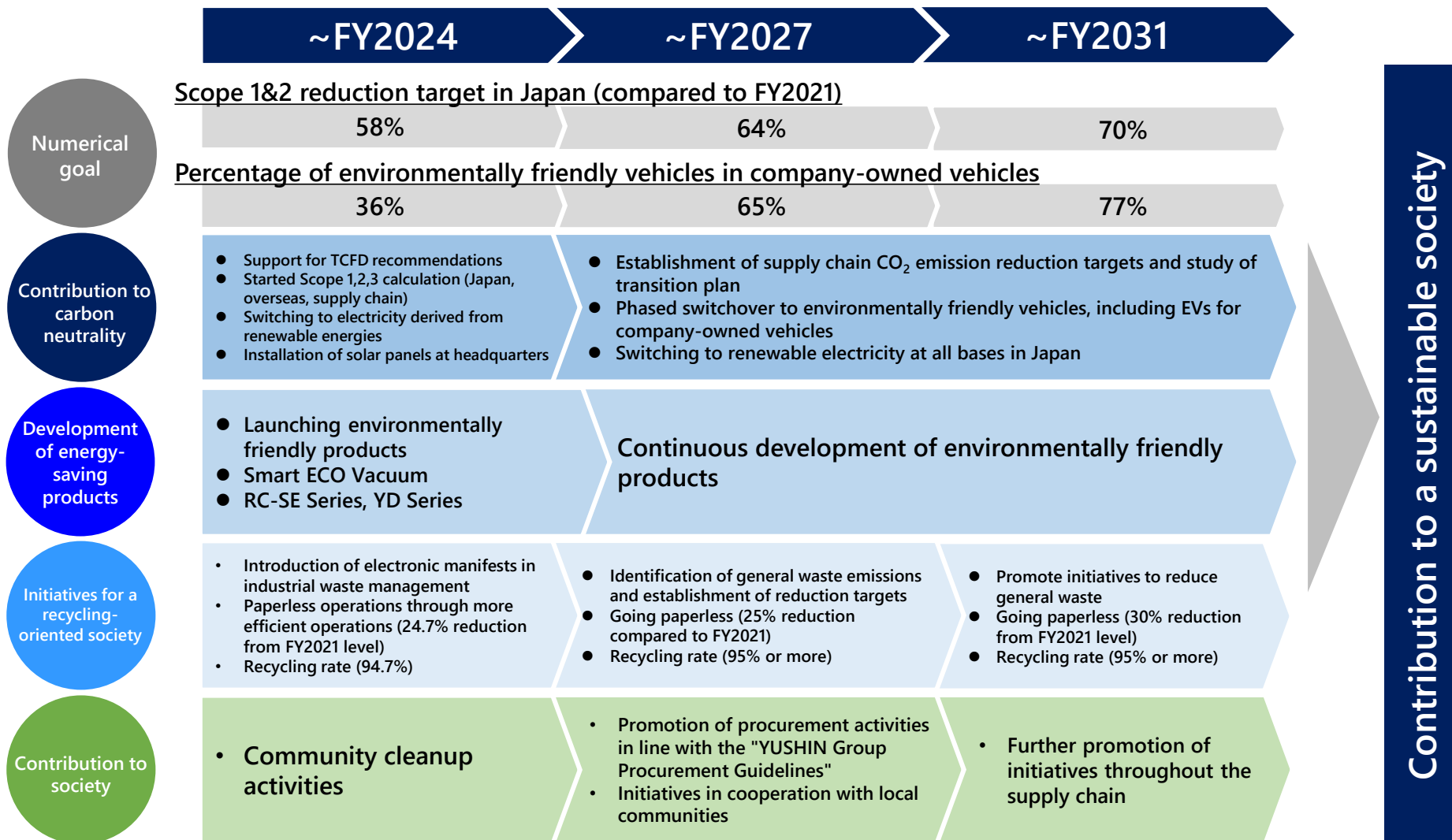
- Palletizing robot released (June, 2020)
 - Acquire **new customers** mainly in food industry
 - Emphasize the advantages - small-footprint and easy-access
- Low height model launched (August 2023)
- Dual-pallet model added (April 2024)



Dual-pallet

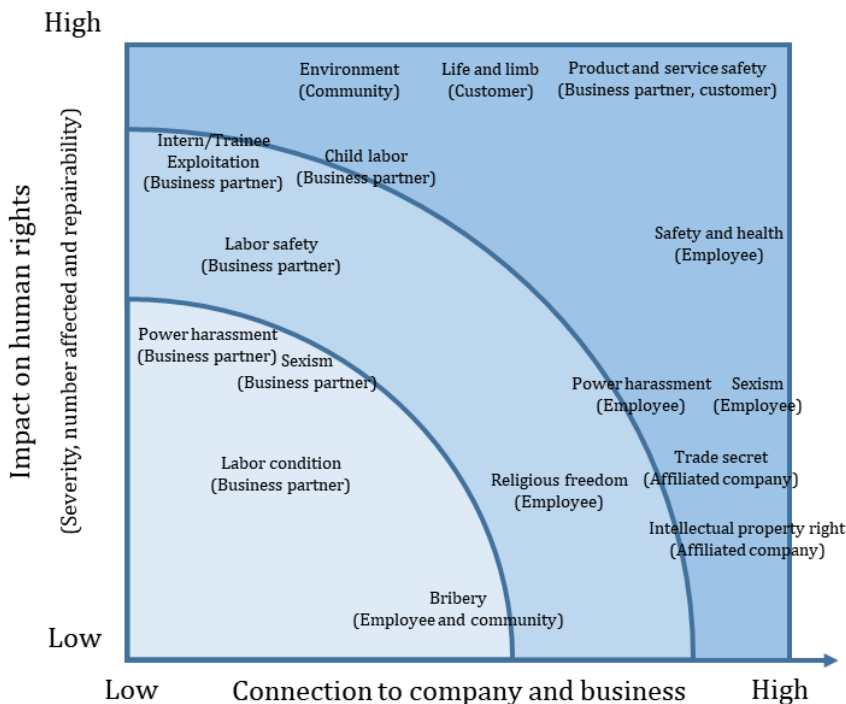


International Robot Exhibition (Tokyo, December 2023)



Contribution to a sustainable society

- Establishment of YUSHIN Group Human Rights Policy (July 2022)
- Support for the Ministry of Justice's "My Declaration of Human Rights" Initiatives (August 2023)
- Establishment of YUSHIN Group Procurement Guidelines (February 2024)



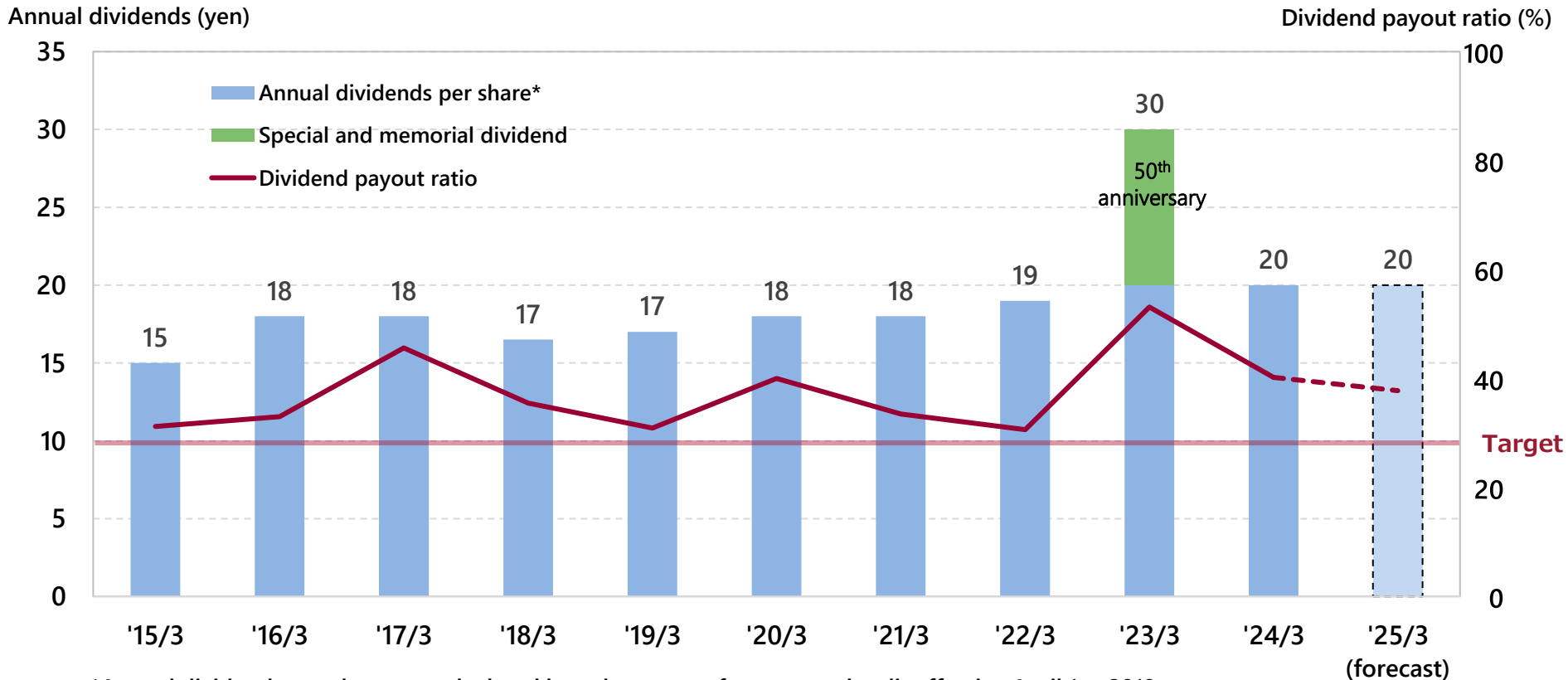
Human Rights Risk Analysis



Human rights training for directors and executives

➤ Dividend Policy

- In order to provide **stable** and **continuous** returns to shareholders, we aim for a **dividend payout ratio of 30% or more**.
- Raise the level of the common dividend by improving consolidated performance.



Appendix

<Appendix> Company Profile

YUSHIN

Company Name: YUSHIN PRECISION EQUIPMENT CO., LTD

Representative Director
and President: Takayo Kotani

Established: October, 1973

Capital: 1,985 million yen

Number of employees: 787 (Consolidated, as of March 31, 2024)

Consolidated net sales: 23.6 billion yen (FY2024)

Line of business: Development, manufacture and sale of Cartesian robots, other industrial equipment and systems for factory automation

Listing: Standard Market of the Tokyo Stock Exchange

Securities code: 6482

Trading unit: 100



Technology

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

Broad Customer Base

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

Human Capital Management

Reliability

- Top market share
- Occupational safety
- Support capability

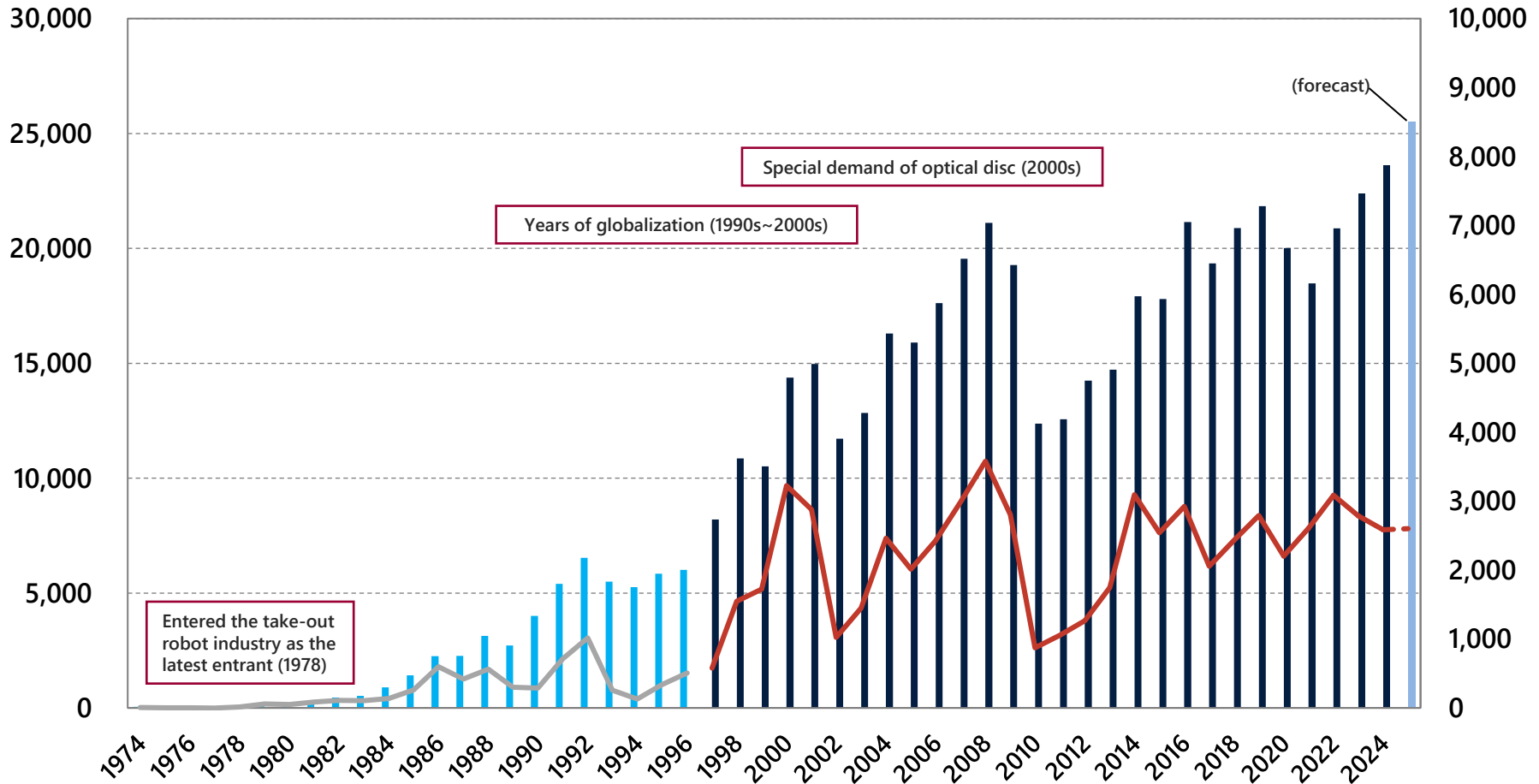
Financial Strength

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

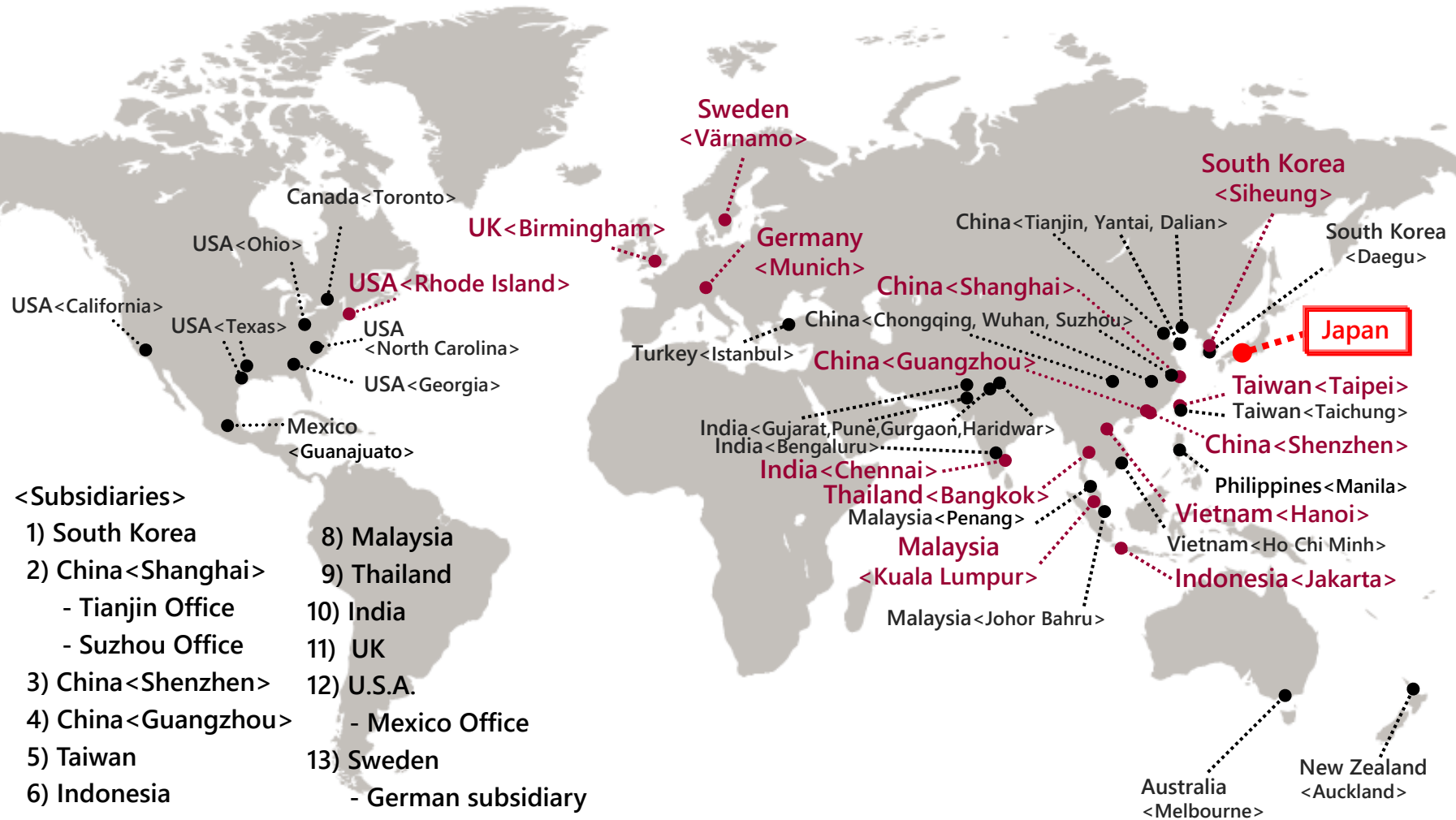
<Appendix> Change in Performance

Net Sales
(Millions of yen)

Ordinary Profit
(Millions of yen)



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



<Subsidiaries>

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

<Representative Office>

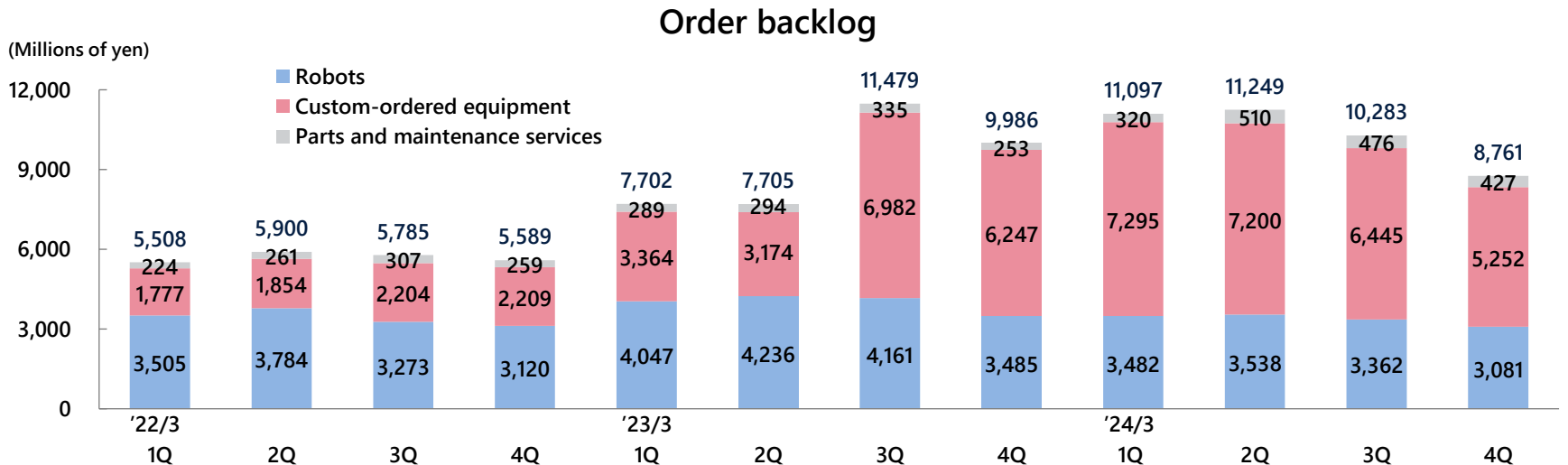
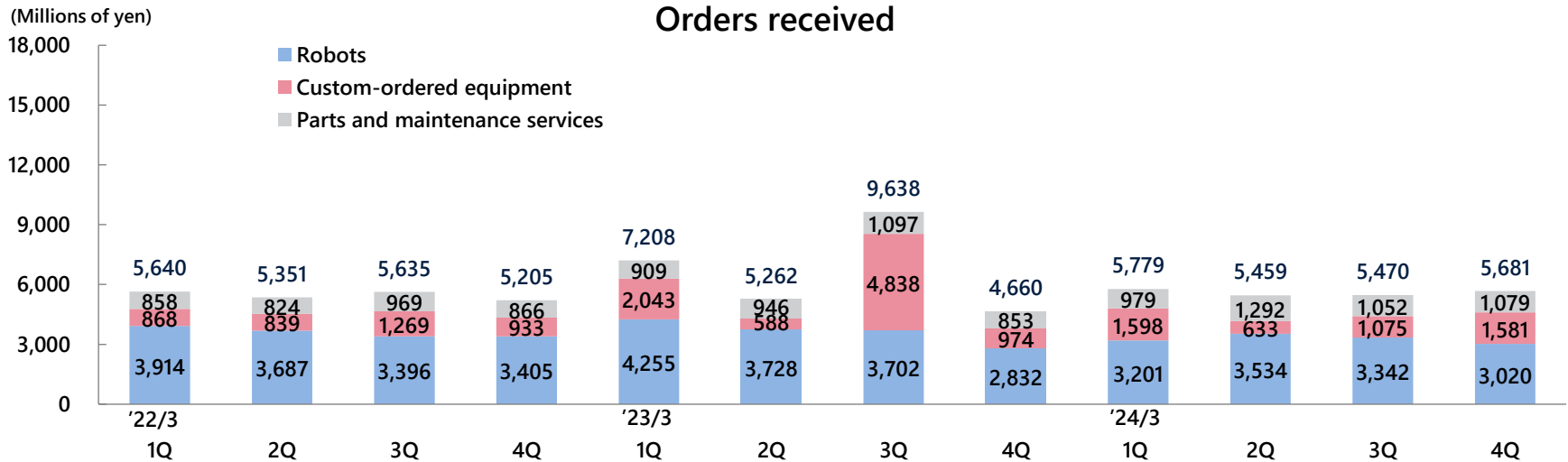
- 1) Philippines

●..... Subsidiaries

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

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

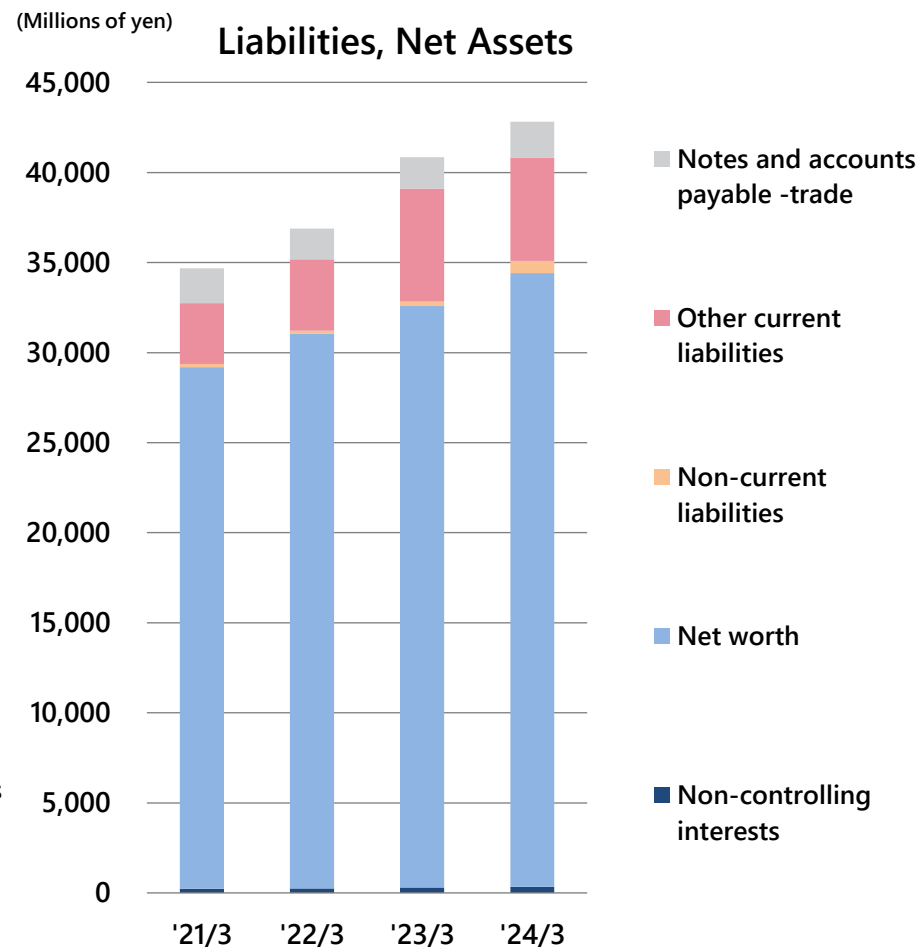
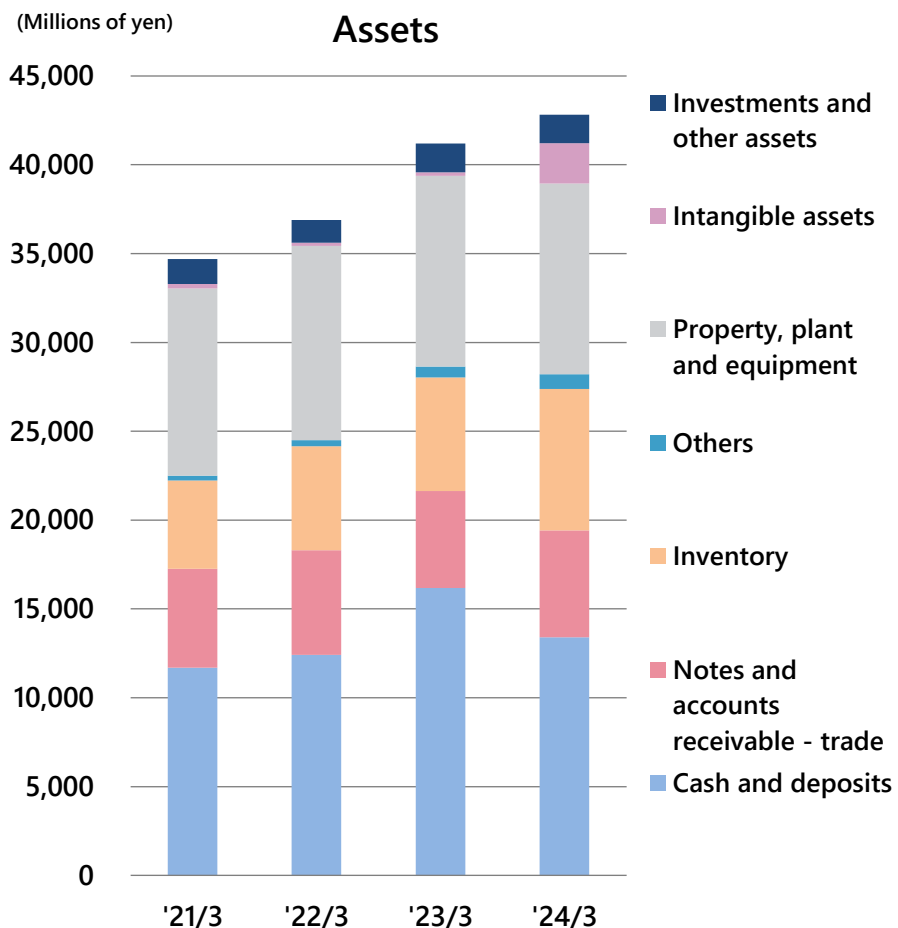
- Orders for robots did not show a strong recovery due to weak demand for injection molding machines worldwide.
- Order backlog for custom-ordered equipment remained high.



<Appendix> Balance Sheets

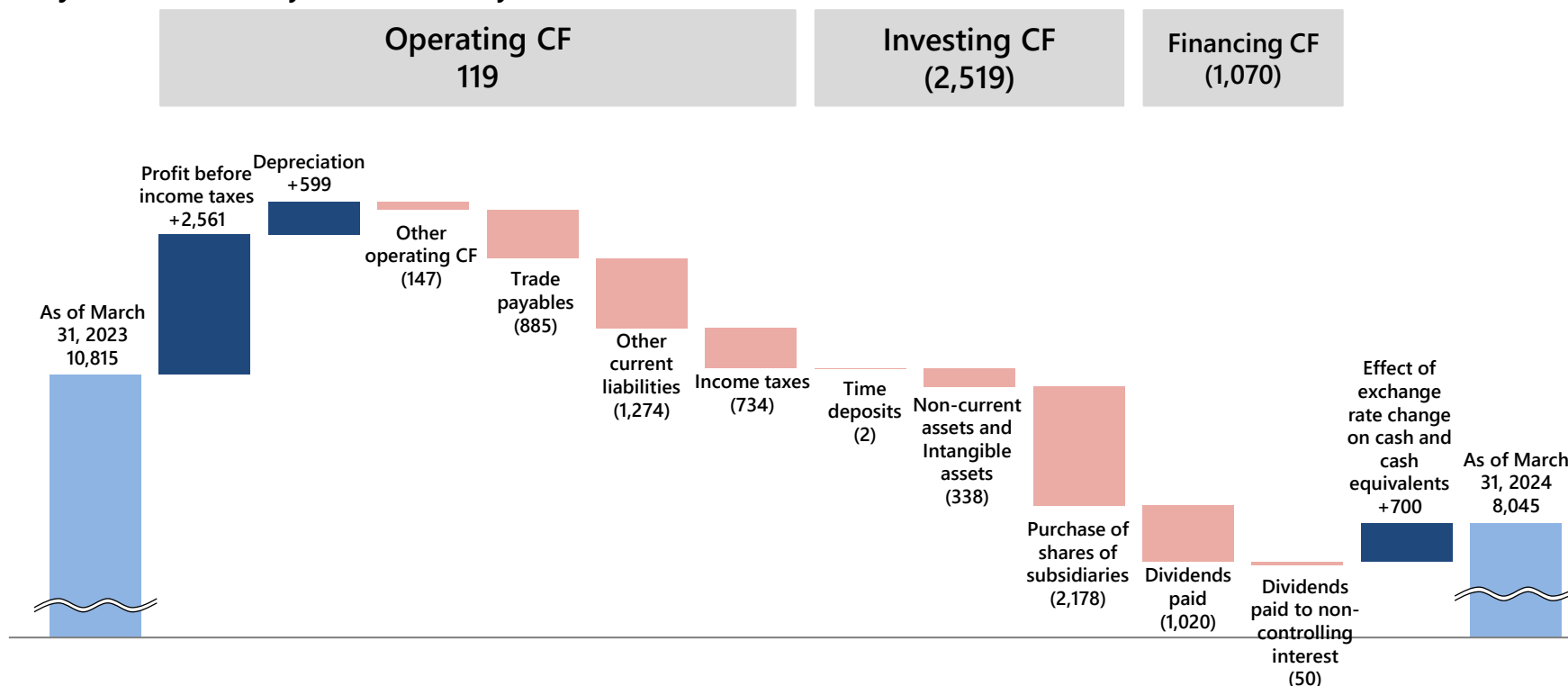
➤ Increase in **intangible assets** and **inventory** due to acquisition of WEMO as a subsidiary

➤ Maintained high equity ratio and zero interest-bearing debt



<Appendix> Change in Cash Flow

Major cash flow analysis (millions of yen)

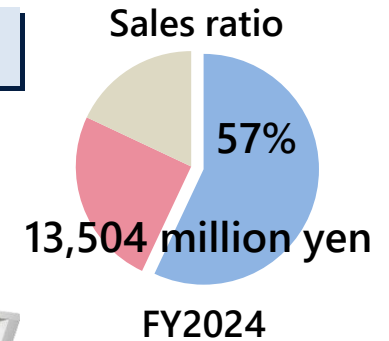


<Change in cash flows from operating, investing, and financing activities>

(Millions of yen)

	'19/3	'20/3	'21/3	'22/3	'23/3	'24/3
Operating CF	2,291	3,558	3,487	2,083	4,605	119
Investing CF	(61)	(1,475)	(1,987)	(1,341)	(299)	(2,519)
Financing CF	(1,316)	(946)	(561)	(763)	(695)	(1,070)

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



Custom-ordered Equipment

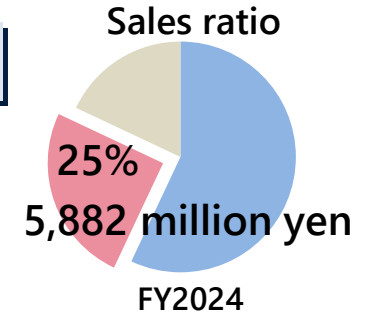
Flexible module stocker



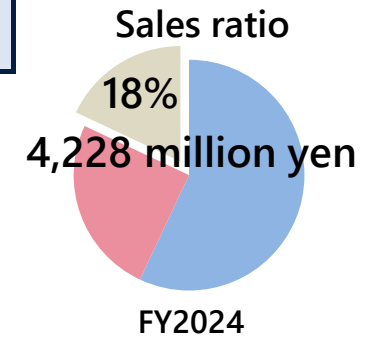
Gate cut stock system



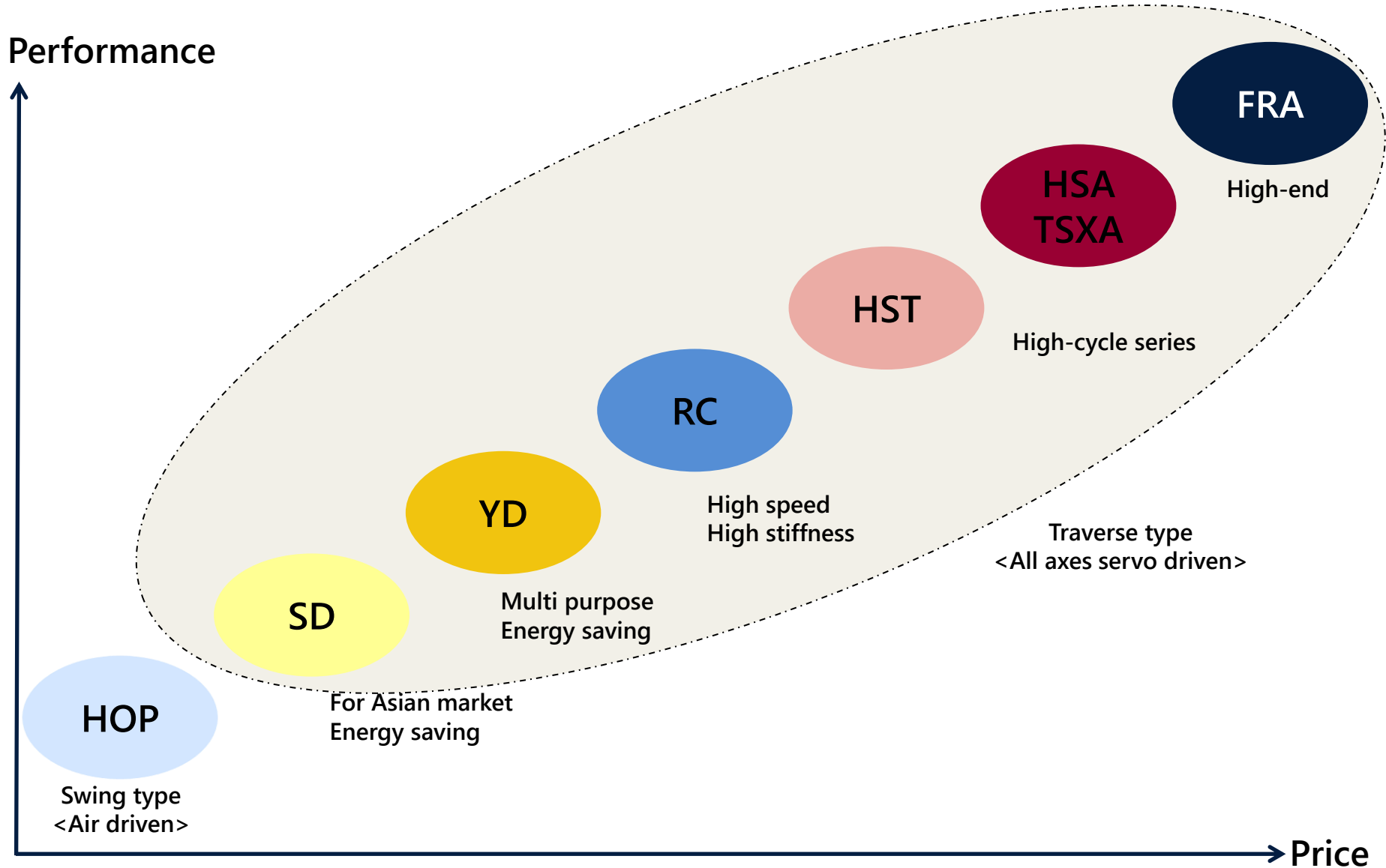
In-mold system



Parts and Maintenance services



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



E Environment	<p>< Environmentally-Friendly Products ></p> <ul style="list-style-type: none"> • Development of energy-saving products (Won the JMF's Energy-Efficient Machinery Award) <p>< Efforts to Fight Climate Change and Decarbonize ></p> <ul style="list-style-type: none"> • Switched to the power generated by renewable energy source • Information Disclosure based on TCFD recommendations
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S Social	<p>< Human Rights ></p> <ul style="list-style-type: none"> • YUSHIN Group Human Rights Policy and Classification of Risks <p>< Working style reform for customer factories ></p> <ul style="list-style-type: none"> • Supply of automation system for entire plant <p>< Safety and Security ></p> <ul style="list-style-type: none"> • Supply of robots with the highest safety standard of the world <p>< Improvement of working environment ></p> <ul style="list-style-type: none"> • Promotion of Safety and Health • Maternity leave and shorter working hours (better than required by law)
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G Governance	<p>< Governance Enhancement and Diversity ></p> <ul style="list-style-type: none"> • 2 of 11 board members are women • 5 of 11 board members are from outside • Improvement of board of directors by effectiveness evaluation • Nomination and Remuneration Committee chaired by an external director
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Related SGDs



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



<Appendix> Monthly Stock Price Trend over the past Decade



YUSHIN PRECISION EQUIPMENT CO., LTD.

Contact: Corporate Planning Office

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

www.ype.co.jp/en/

The IR site distributes explanatory meeting information and various materials.

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

You can also access from this QR code.



Notes:

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