



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.

Summary



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)

FY2024 Results



	FY2023	FY2024	
	Amount	Amount	Change
Net sales	Mil. Yen 22,373	Mil. Yen 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		1,692 7.2%	(12.0)

<exchange rates=""></exchange>		
USD	135.47 yen	144.62 yen

FY2024 Results - Summary



	(+) Positive factor (–) Negative factor
Net sales	 ➤ 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
Operating profit	 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

FY2025 Forecast



	FY2024	FY2025 (forecast)	
	Amount	Amount	Change
Net sales	Mil. Yen 23,615		
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 7.2%		1,800 7.1%	6.4

<exchange rates=""> USD</exchange>	144.62 yen	130.00 yen
		<u> </u>

FY2025 Forecast - Summary

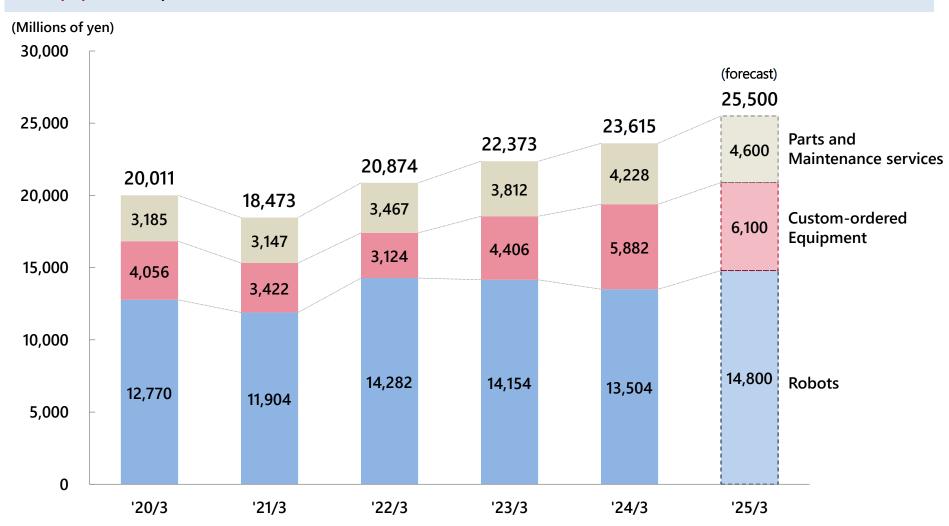


	(+) Positive factor (–) Negative factor
Net sales	 25,500 million yen, up 8.0% y/y Robot sales, up 9.6% y/y (+) Strong sales of medical and mobility Custom-ordered equipment sales, up 3.7% y/y (+) Sales of custom-ordered medical equipment remain strong (+) Continued demand for automation
Operating profit	 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



Sales by Region



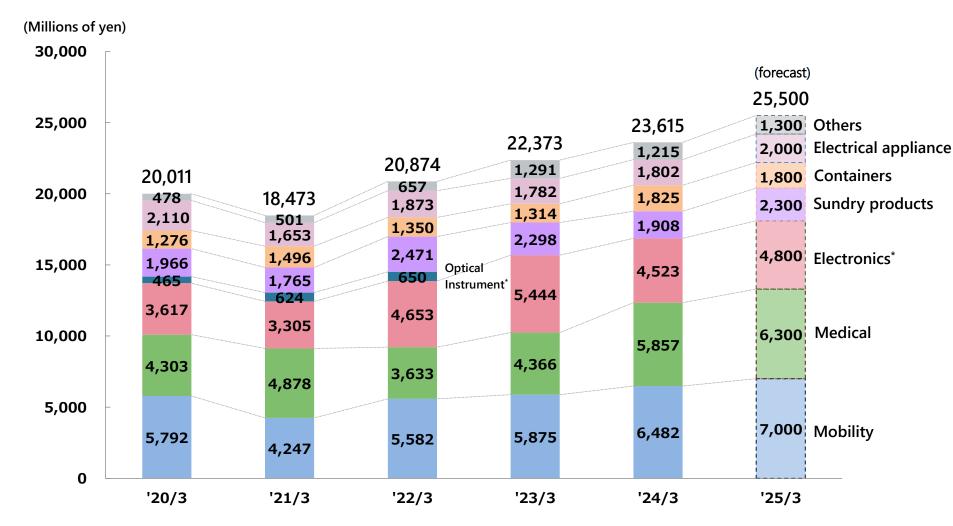
- Decreased in Japan and Asia, but increased in North America and Europe
- Expect demand for automation to increase in Japan, Europe and Asia in FY2025.



Sales by End-User Industry



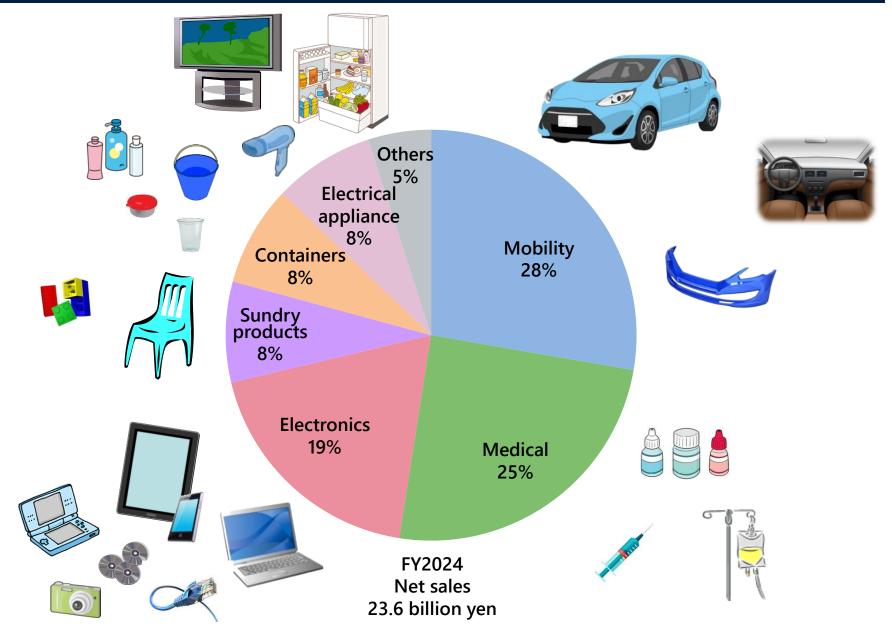
- In FY2024, Medical grew in Europe and North America, and mobility also increased Y/Y.
- Expect increase in Medical and Mobility in FY2025 as well.



 [&]quot;Optical instruments" has been merged with "Electronics".

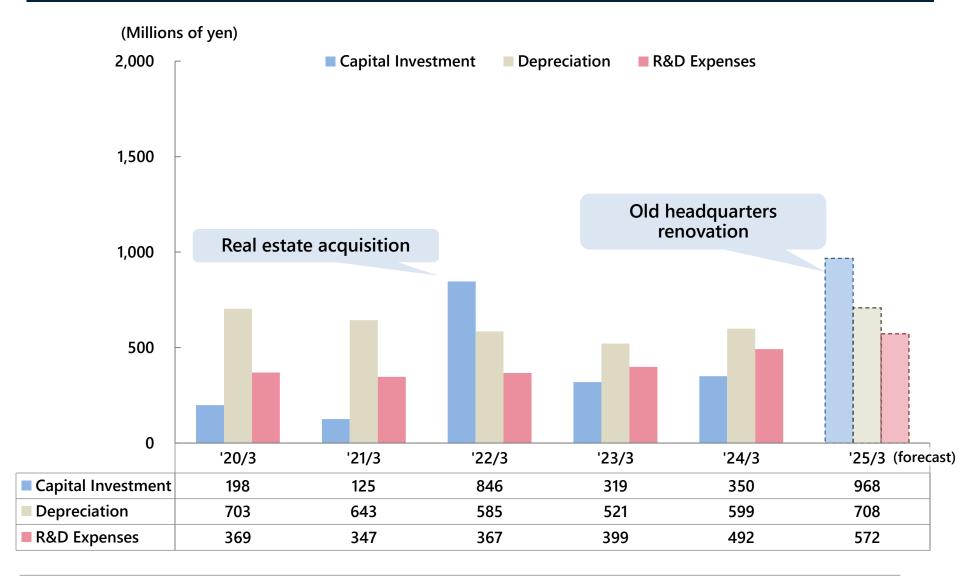
Sales by End-User Industry





Capital Investment, Depreciation and R&D





Management Policy, Business Strategy, and Management Goals



Business Philosophy

Vision

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.

Vision

A company that provides products and services that delight customers and earn their trust.

A company that contributes to society through its business activities.

A company that provides rewarding and safe work.

Basic **Policy**

Solving social issues and environmental changes surrounding customers

We have set "Promotion of occupational safety," "Productivity improvement of the customers' factory," and "Tackling climate change" as materiality issues for sustainability management, and we will continue our efforts to solve social issues and environmental changes.

Creating economic value for stakeholders

We will work to increase the economic value of our stakeholders by creating profits for client companies through the provision of automation equipment, coexistence and coprosperity through two-way communication with suppliers, and increasing shareholder value.

Strengthening the management base We have set "Strengthening human capital" and "Strengthening corporate governance" as materiality issues for sustainability management, and will strongly promote the establishment of a foundation for medium- to long-term growth.

Business Strategy

- 1. Investing in the Next Generation of Human Resources
- 2. Strengthen Global Sales **Capabilities**
- 3. Strengthening Product **Capabilities**
- 4. Develop New Businesses

- - CI Penetration "Above all, reach people's hearts"
 - Creativity improvement System
 - **Enhancement of education** system
- Increase market share in Europe
- Focus on growth markets
- Strengthen technical services
- Addressing labor shortages in the manufacturing industry
- Responding to environmental and safety issues
- Expansion beyond the injection molding industry

Medium- to Long-Term Management Goals

Consolidated Net sales 30 billion yen (FY2027)

Management Indicators

- Operating profit margin of 15% or more
- ROE 8 % or more

(Reference) FY2024 results

Consolidated Net sales: 23.6 billion yen

Operating profit margin: 10.3% 5.1% ROE:

Cash Allocation (~FY2027)



- 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	
		Capital and R&D Investment	
Cash on hand 9.5 billion yen	Business operating funds	Increase working capital through increased sales	
	Shareholder return	Dividends (dividend ratio of 30% or more)	

Strategy 1: Investing in the Next Generation of Human Resources



- 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





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

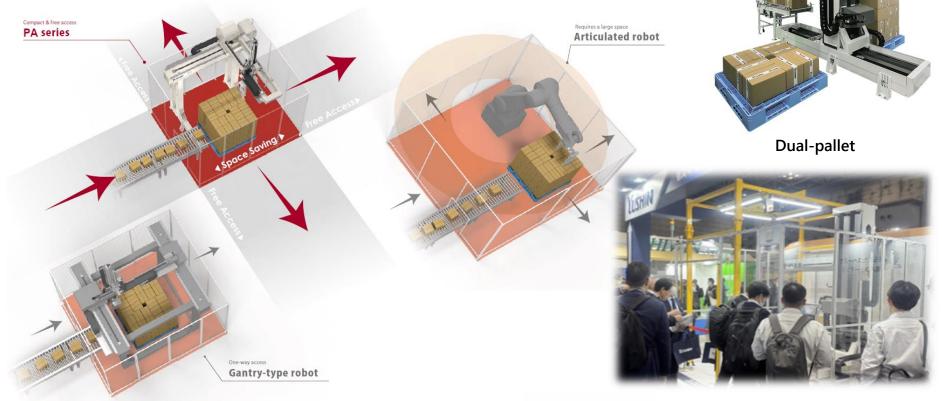


NPE exhibition in Florida in May, 2024

Strategy 3, 4: Strengthening Product Capabilities / Develop New Businesses



- 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)



International Robot Exhibition (Tokyo, December 2023)



~FY2024 **>** ~FY2027 **>** ~FY2031

Scope 1&2 reduction target in Japan (compared to FY2021)

58%

Percentage of environmentally friendly vehicles in company-owned vehicles

36% 65% 77%

Contribution to carbon neutrality

Numerical

goal

- Support for TCFD recommendations
- Started Scope 1,2,3 calculation (Japan, overseas, supply chain)
- Switching to electricity derived from renewable energies
- Installation of solar panels at headquarters
- Establishment of supply chain CO₂ emission reduction targets and study of transition plan
- Phased switchover to environmentally friendly vehicles, including EVs for company-owned vehicles
- Switching to renewable electricity at all bases in Japan

Development of energysaving products

- Launching environmentally friendly products
- Smart ECO Vacuum
- RC-SE Series, YD Series

Continuous development of environmentally friendly products

Initiatives for a recyclingoriented society

- Introduction of electronic manifests in industrial waste management
- Paperless operations through more efficient operations (24.7% reduction from FY2021 level)
- Recycling rate (94.7%)

- Identification of general waste emissions and establishment of reduction targets
- Going paperless (25% reduction compared to FY2021)
- Recycling rate (95% or more)

- Promote initiatives to reduce general waste
- Going paperless (30% reduction from FY2021 level)

70%

• Recycling rate (95% or more)

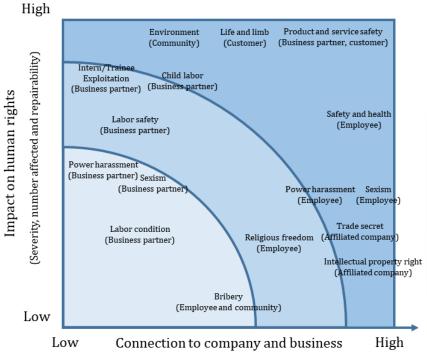
Contribution to society

- Community cleanup activities
- Promotion of procurement activities in line with the "YUSHIN Group Procurement Guidelines"
- Initiatives in cooperation with local communities
- Further promotion of initiatives throughout the supply chain

Sustainability Management - Human Rights



- ➤ 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 training for directors and executives

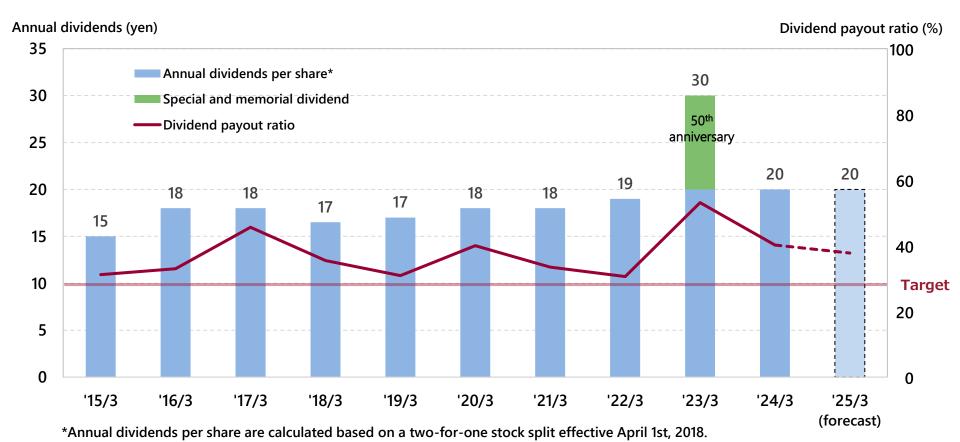
Human Rights Risk Analysis

Return to Shareholders



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



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



<Appendix> Our Strength



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

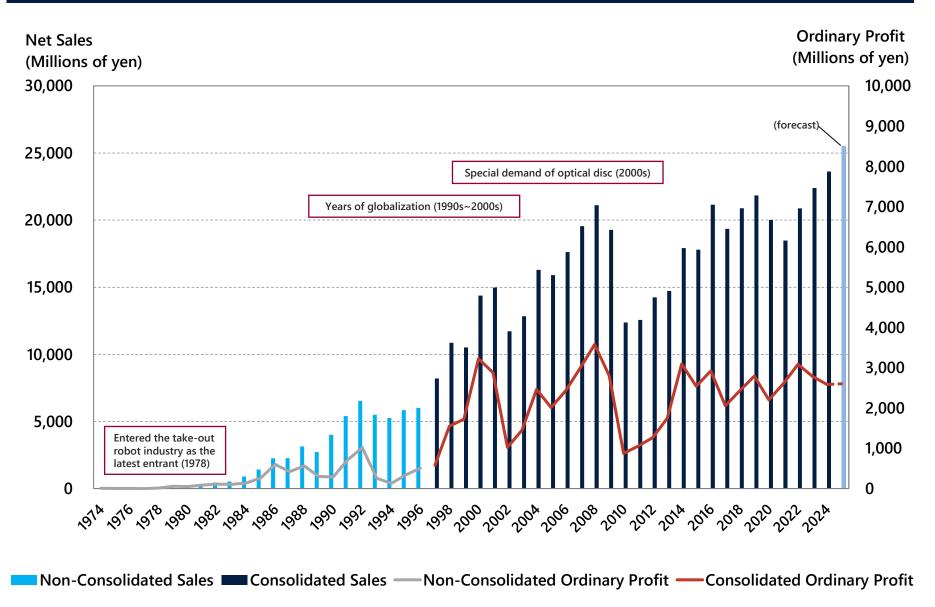
- Top market share
- Occupational safety
- Support capability

Financial Strength

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

<Appendix> Change in Performance





<Appendix> Global Network





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



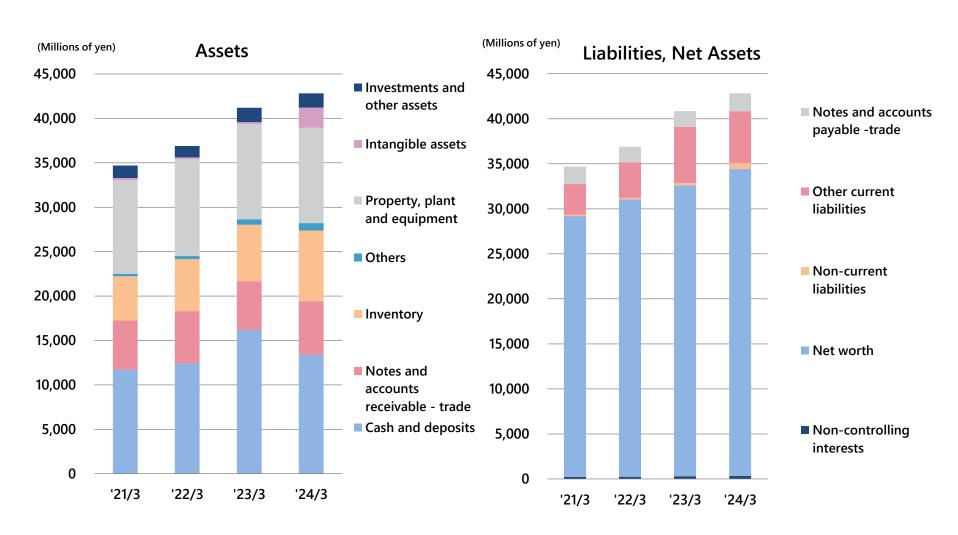
- > Orders for robots did not show a strong recovery due to weak demand for injection molding machines worldwide.
- Order backlog for custom-ordered equipment remained high.



<Appendix> Balance Sheets



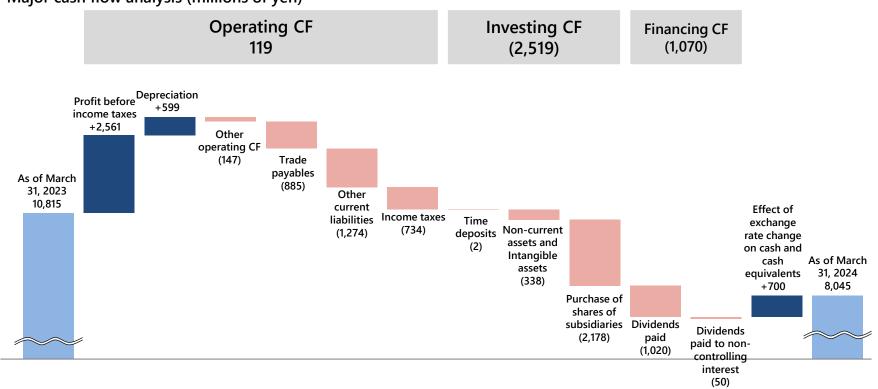
Increase in intangible assets and inventory due to acquisition of WEMO as a subsidiary Maintained high equity ratio and zero interestbearing debt



<Appendix> Change in Cash Flow



Major cash flow analysis (millions of yen)



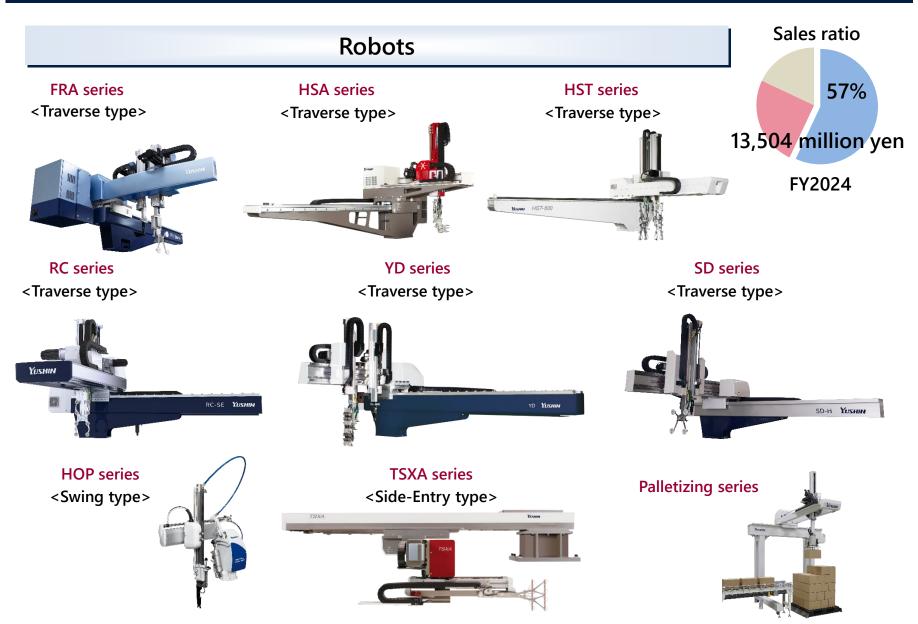
<Change in cash flows from operating, investing, and financing activities>

(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)

<Appendix> Product Lineup (1)





<Appendix> Product Lineup (2)



Custom-ordered Equipment

Flexible module stocker



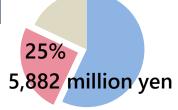
Gate cut stock system



In-mold system



Sales ratio



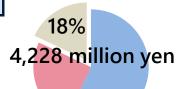
FY2024

Parts and Maintenance services





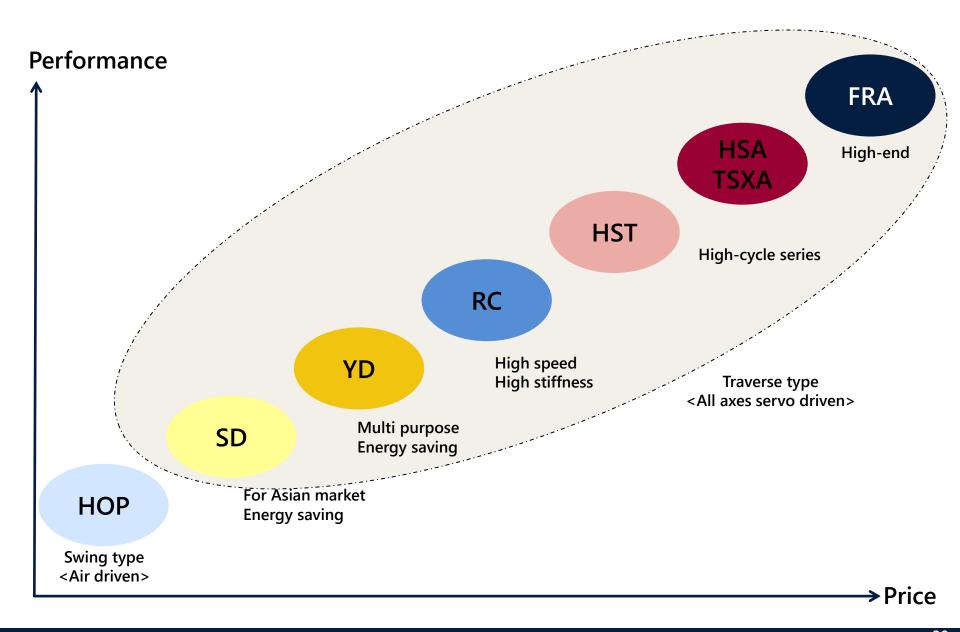
Sales ratio



FY2024

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





<Appendix> ESG / SGDs



EEnvironment

- < Environmentally-Friendly Products >
- Development of energy-saving products (Won the JMF's Energy-Efficient Machinery Award)
- < Efforts to Fight Climate Change and Decarbonize >
- 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 Classification of Risks
- < 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)

G Governance

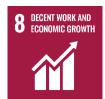
- < Governance Enhancement and Diversity >
- 2 of 11 board members are women
- 5 of 11 board members are from outside
- Improvement of board of directors by effectiveness evaluation
- Nomination and Remuneration Committee chaired by an external director

Related SGDs

















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





<Appendix> Monthly Stock Price Trend over the past Decade YUSHIN







YUSHIN PRECISION EQUIPMENT CO., LTD.

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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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