

Yushin Precision Equipment Co., Ltd.

FY2014 2Q

Investors Presentation

November 7, 2013

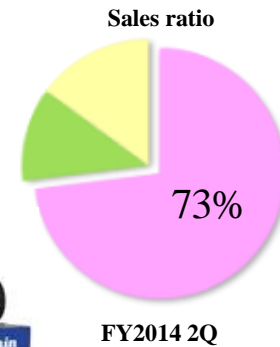
This document contains some estimates of future business performance. Such references should not be taken to be a guarantee. Please note that future performance is subject to various risks and uncertainties, and goals and projections may vary due to changes in the business environment.

Company Profile

Name: Yushin Precision Equipment Co., Ltd.
President: Mayumi Kotani
Establishment: October, 1973
Capital: 1,985 million yen
Number of employees:
596 (As of Sep. 30, 2013, consolidated)
Consolidated net sales:
14,721 million yen (FY2013)
Securities code: 6482 (First Section of the TSE)

Product Lineup (1)

Take-out Robots



<HSA series>
 Traverse type



<HST series>
 Traverse type



<RC series>
 Traverse type



* It will be released in Jan. 2014.

<YC series>
 Traverse type



<SC series>
 Traverse type



<TSXA series>
 Side-entry type



<HOP series>
 Swing type For vertical type molding machines



<DRD series>
 Side-entry type (Optical Disc)

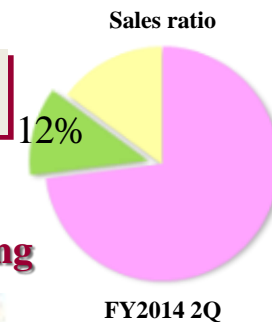


<SXC series>
 Side-entry type

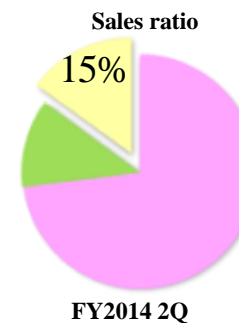


Product Lineup (2)

Custom-ordered Equipments



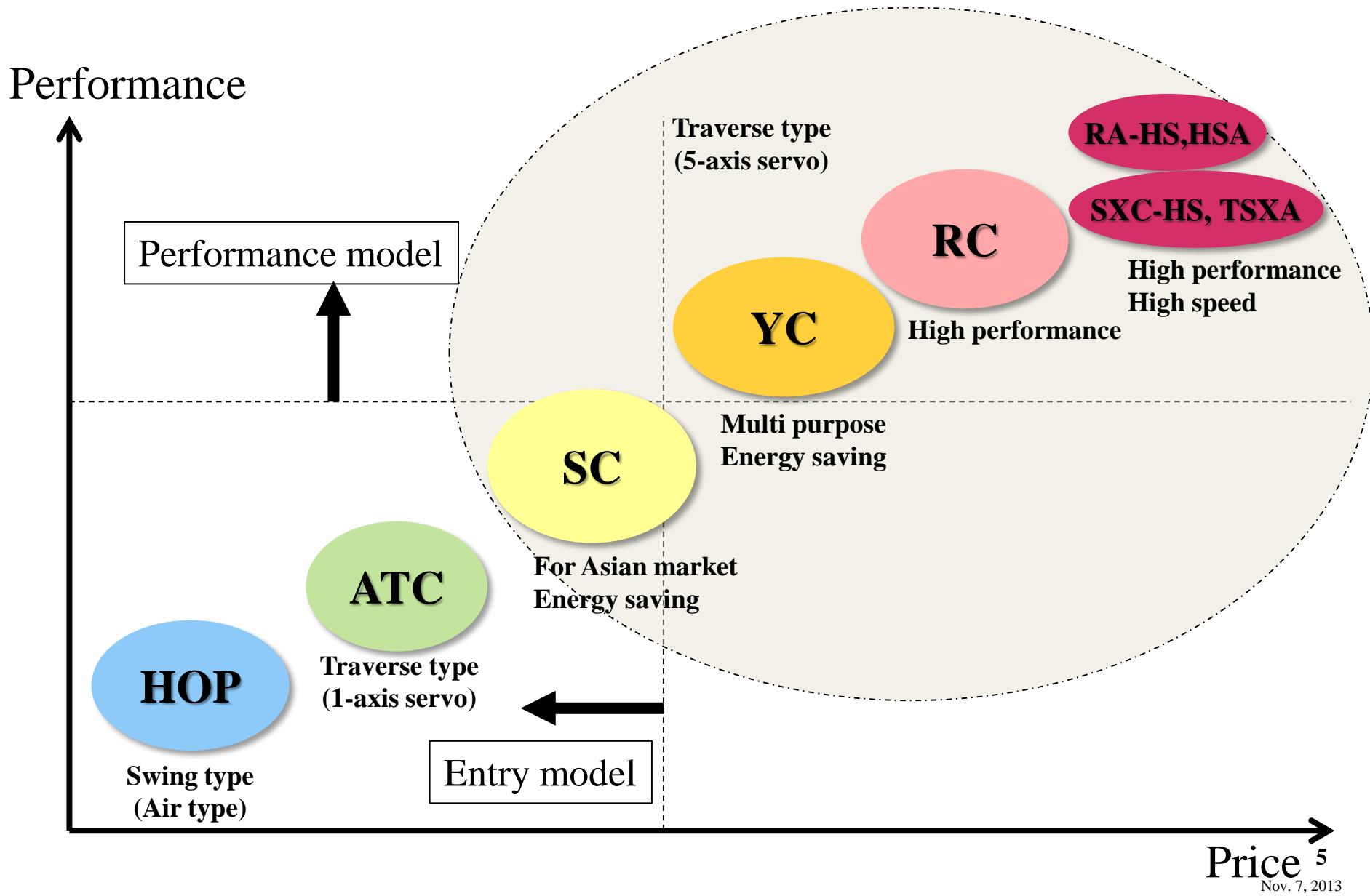
Parts and Maintenance service



After-sales maintenance



Performance and Price of Take-out Robots



Company Strength

Philosophy Policy

- Accurate response to the Customers' request
- Challenge to new field

Global

- High-levelled ratio of overseas sales
- Global network - largest in the industry

Customer acceptance

- Quick response in sales and technical service
- Reliability based on the delivery strictly being on time

Stable financial foundation

- Efficient operations with minimum facility
- Never fell into a deficit since established & No lone payable



The largest market share in the world

Results for FY2013 2Q and Forecast for FY2014

(Millions of yen)

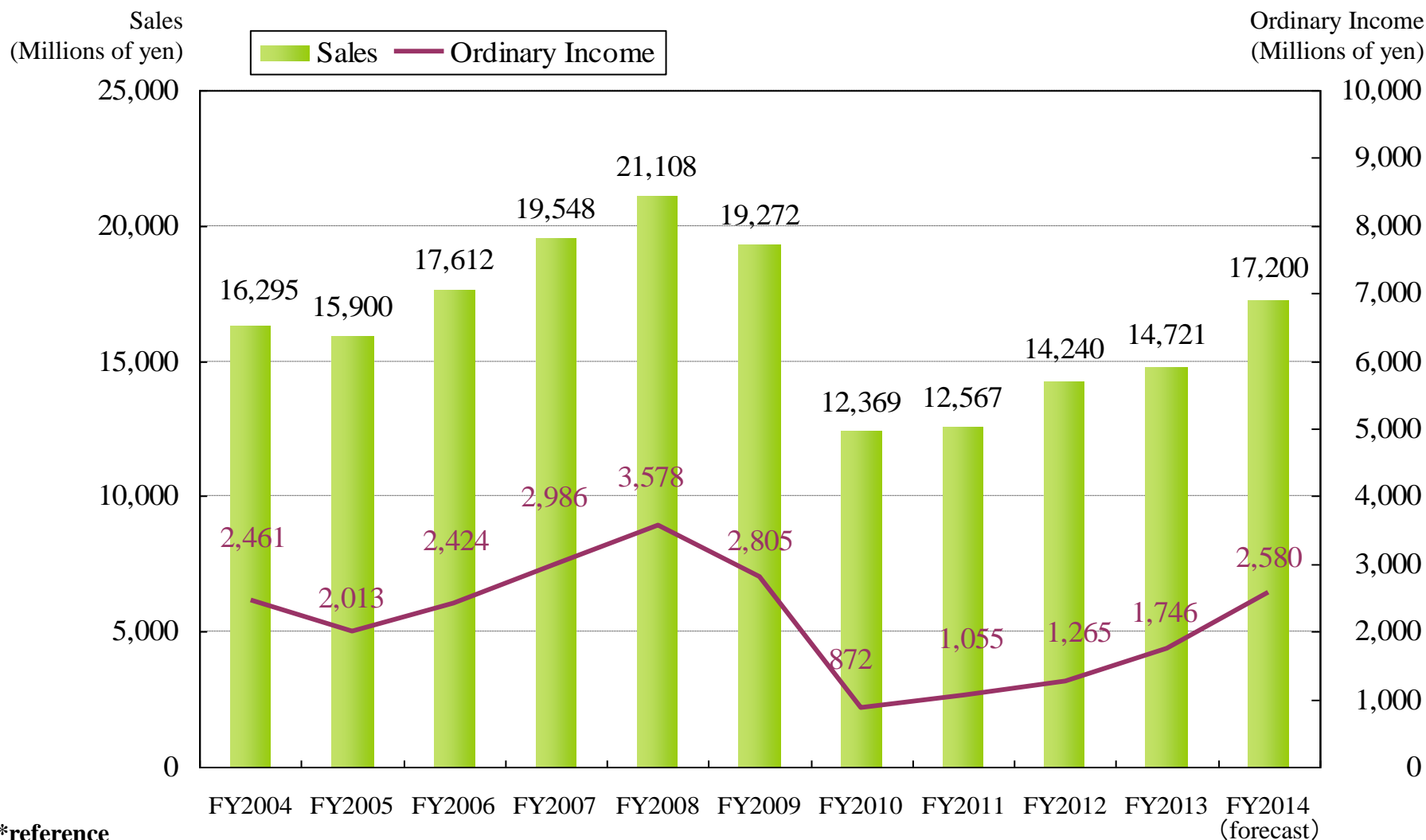
	FY2013 2Q			FY2014 (forecast)		
	Amount	Ratio (%)	Change (%)	Amount	Ratio (%)	Change (%)
Net Sales	8,378	100.0	14.0	17,200	100.0	16.8
Gross Profit	3,411	40.7	21.8	7,000	40.7	21.3
Operating Income	1,103	13.2	48.4	2,240	13.0	49.5
Ordinary Income	1,271	15.2	57.6	2,580	15.0	47.7
Net Income	770	9.2	59.7	1,500	8.7	34.6

*Note “Change” : Percentage indicates year-on-year changes.

Factor and Assumption

	FY2014 2Q	FY2014 (forecast)
Net Sales	<p>➤ 14.0% increase from the previous FY 2Q to 8,378 million yen</p> <ul style="list-style-type: none"> ▪ Take-out robots sales increased by 14.6% Y/Y and Custom-ordered equipment sales increased by 23.3% Y/Y. <ul style="list-style-type: none"> - Large increase in U.S.A. and Korea. - China and South East Asia were also strong. ▪ Several sales of semiconductor related equipments were made. 	<ul style="list-style-type: none"> ▪ Strong sales of take-out robots in North America and China. ▪ Increase of sales to South Korean company. ▪ Order of custom-ordered equipment is recovering. ▪ Sales of semiconductor related equipments are scheduled.
Operating Income	<p>➤ 48.4% increase from the previous FY 2Q to 1,103 million yen</p> <ul style="list-style-type: none"> ▪ Secured profit was led by main take-out robots, SC and YC series. ▪ Earnings expansion led by sales increase in overseas subsidiaries. ▪ Reduced COGS was led by continuous cost-cut activity. 	<ul style="list-style-type: none"> ▪ Increase sales and quantities of main take-out robots. ▪ Increase profit of overseas subsidiaries. ▪ Increase profitability from cost-cut activity and local purchase.

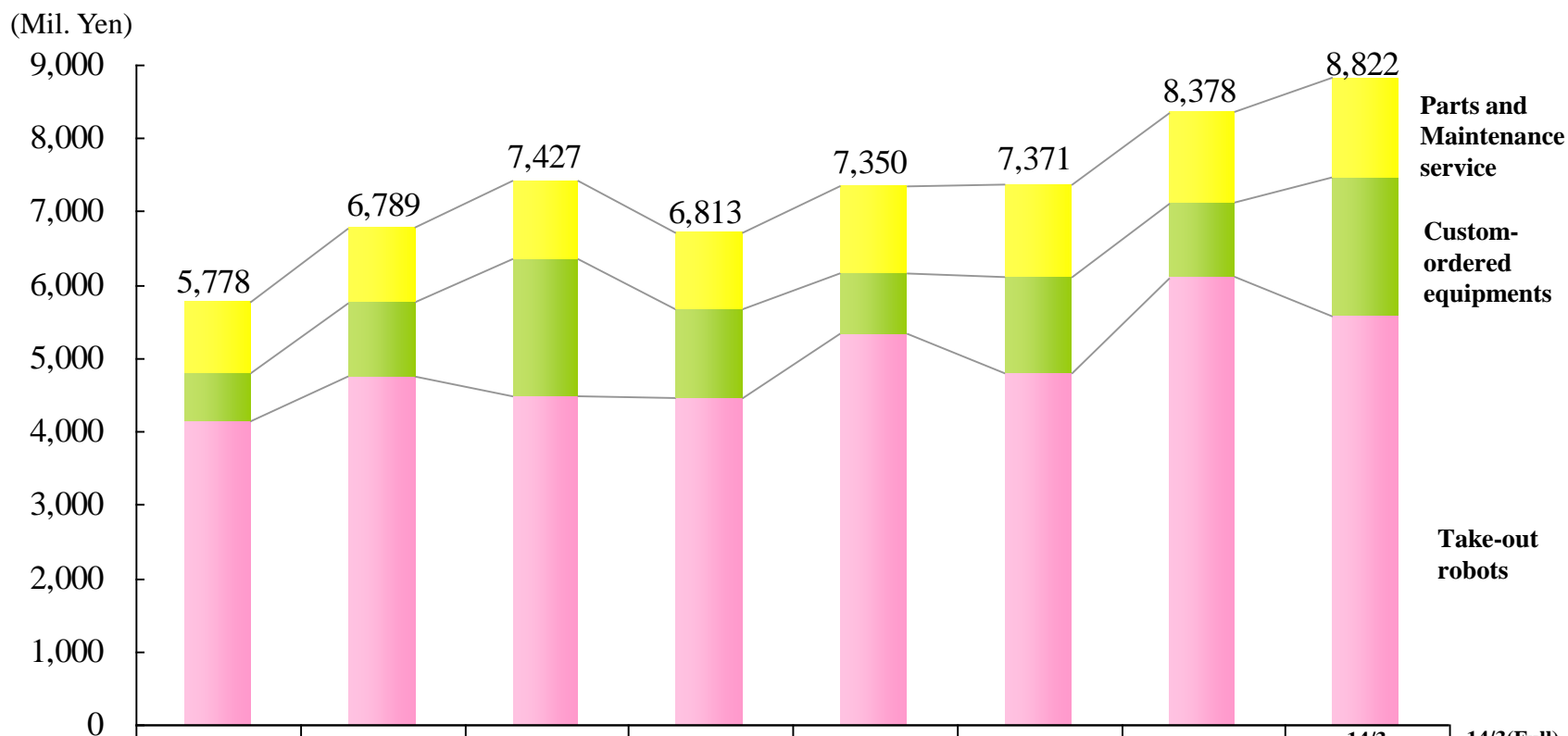
Change in Performance



*reference

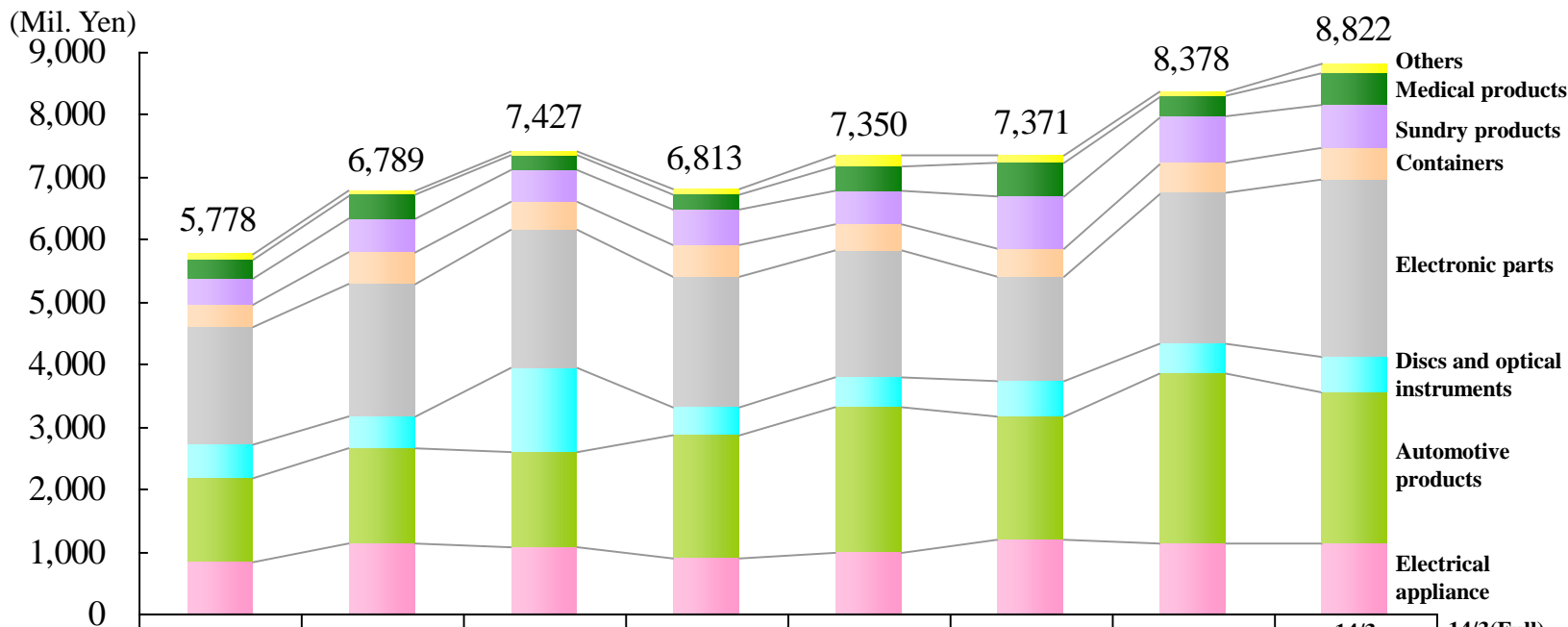
Ordinary Income (%)	15.1	12.7	13.8	15.3	17.0	14.6	7.1	8.4	8.9	11.9	15.0

Sales Breakdown (Half-yearly)



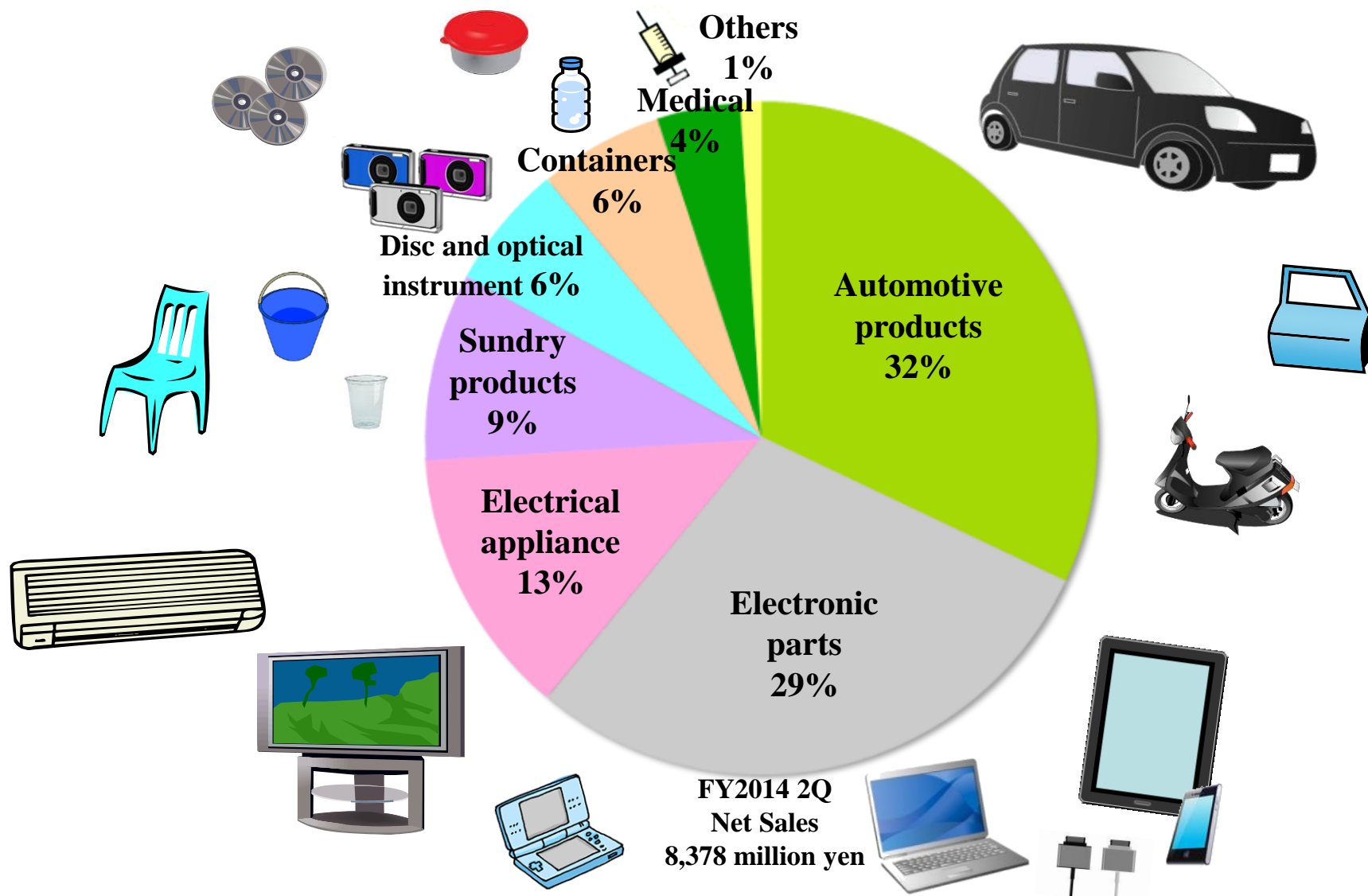
	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3 (forecast)	14/3(Full) (forecast)
Parts and maintenance service	970	1,014	1,061	1,044	1,189	1,246	1,247	1,350	2,597
Custom-ordered equipment	657	1,013	1,871	1,214	822	1,322	1,013	1,900	2,913
Take-out robots	4,150	4,762	4,494	4,453	5,338	4,803	6,117	5,572	11,689
Interim	5,778	6,789	7,427	6,813	7,350	7,371	8,378	8,822	
Total		12,567		14,240		14,721		17,200	

Sales by End User Categories (Half-yearly)

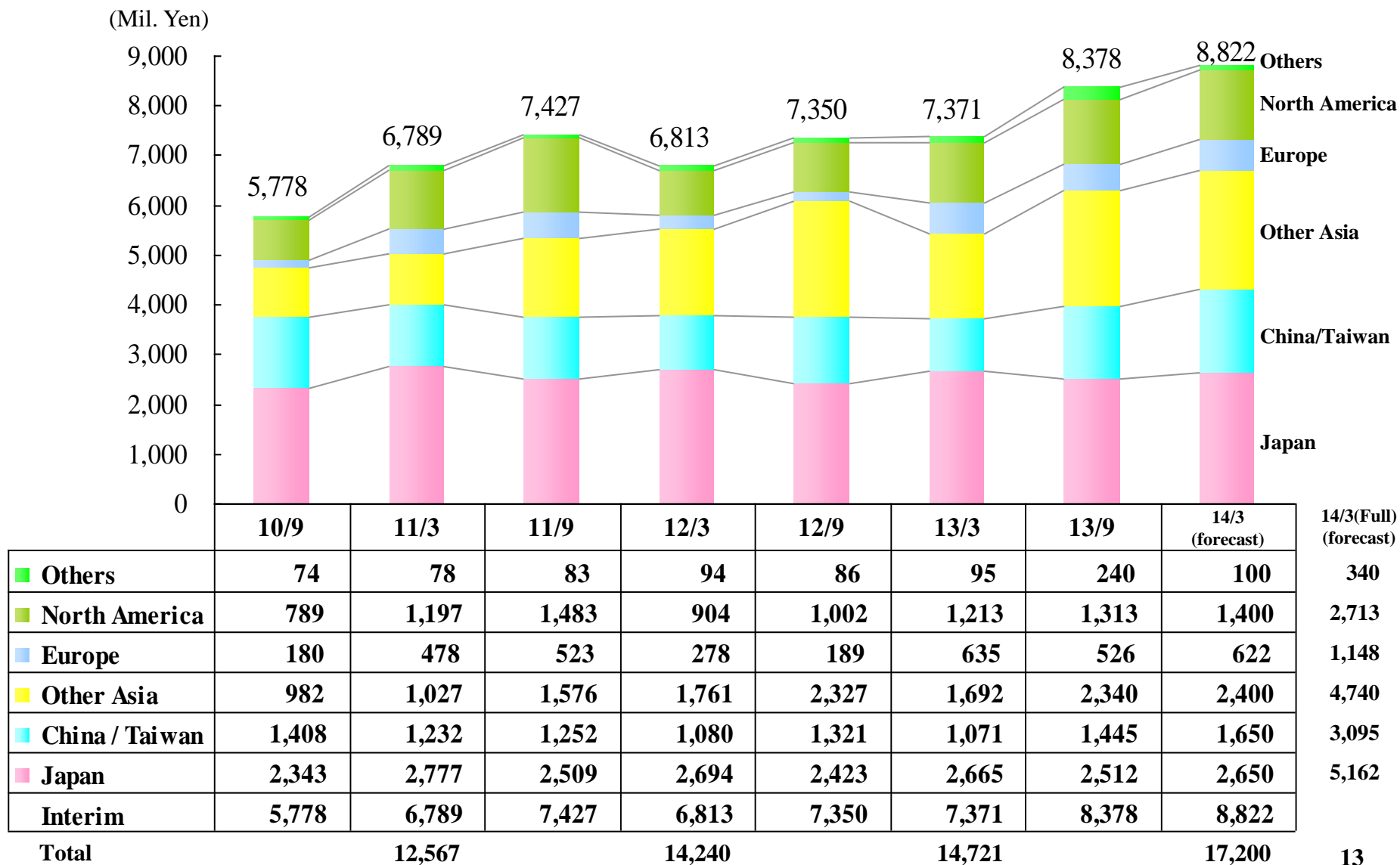


	10/9	11/3	11/9	12/3	12/9	13/3	13/9	14/3 (forecast)	14/3(Full) (forecast)
Others	103	63	64	77	172	142	70	150	220
Medical products	291	391	252	243	381	538	319	500	819
Sundry products	429	533	506	565	546	820	743	700	1,443
Containers	337	518	452	511	433	465	490	500	990
Electronic parts	1,909	2,124	2,208	2,094	2,034	1,666	2,416	2,850	5,266
Discs and optical instruments	532	515	1,350	463	464	578	493	550	1,043
Automotive products	1,339	1,518	1,512	1,966	2,336	1,960	2,698	2,422	5,120
Electrical appliance	836	1,129	1,083	892	983	1,198	1,149	1,150	2,299
Interim	5,778	6,789	7,427	6,813	7,350	7,371	8,378	8,822	
Total		12,567		14,240		14,721		17,200	11

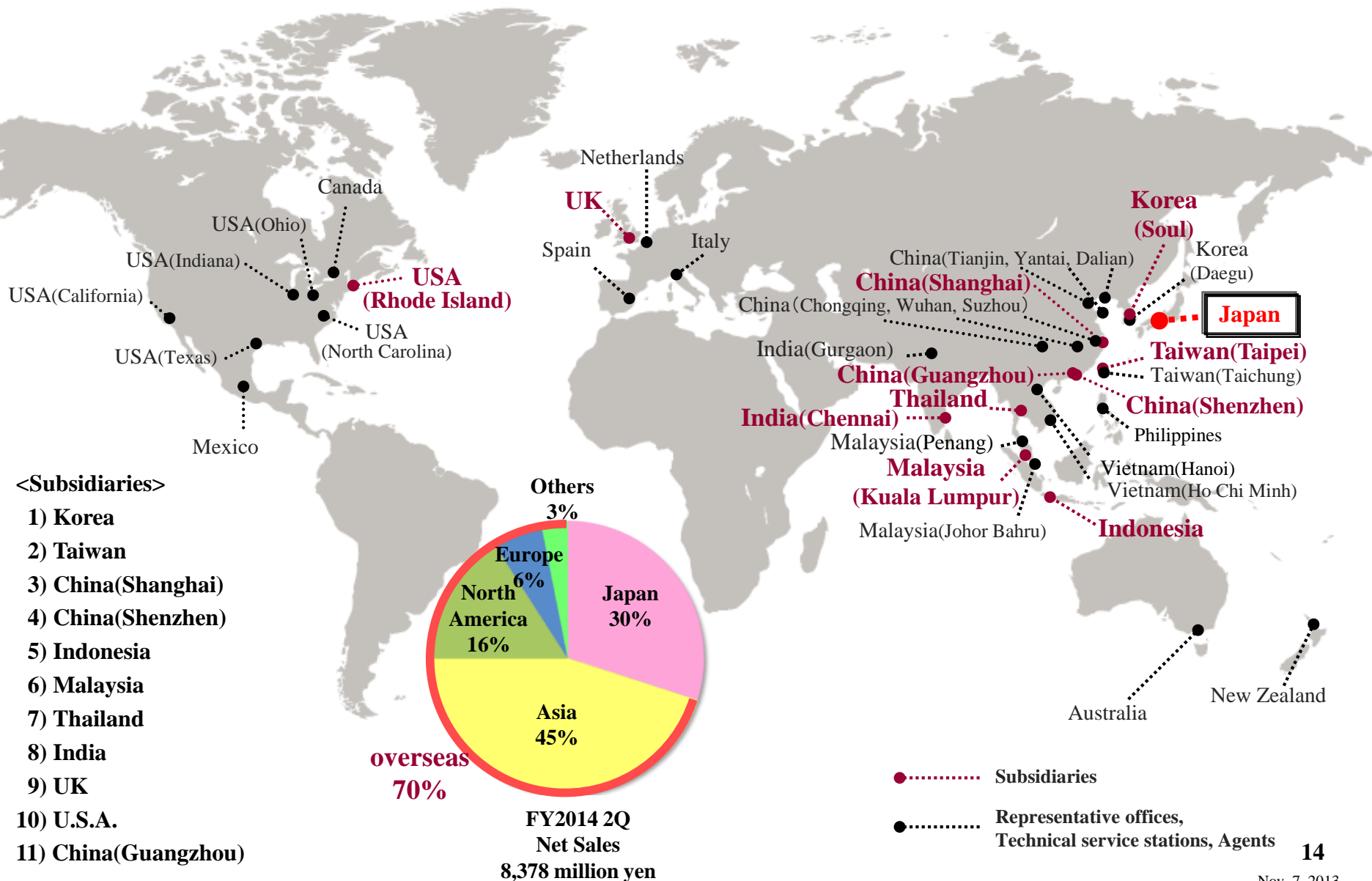
Sales by End User Categories



Sales by Region (Half-yearly)



Expansion of Global Bases



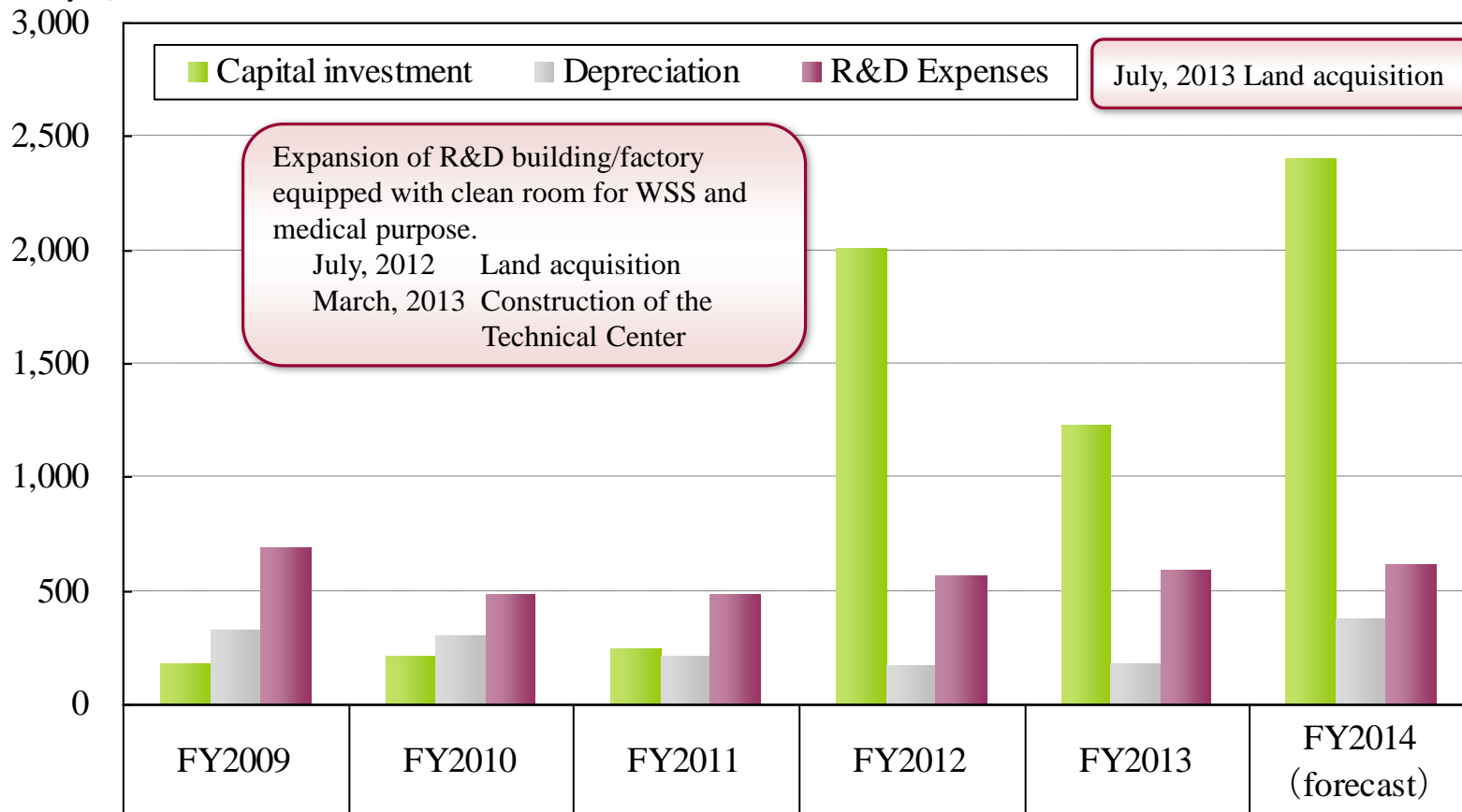
Change in Performance of Subsidiaries

(Millions of yen)

Country	Setup	Investment ratio	2011/12			2012/12			2013/12 (forecast)		
			Sales	Operating income	Net income	Sales	Operating income	Net income	Sales	Operating income	Net income
South Korea	2000.10	100%	659	33	29	915	38	88	1,555	201	181
Taiwan	2001. 7	100%	120	30	30	100	16	5	109	21	22
China (Shanghai)	2007. 2	100%	462	27	21	514	15	13	924	36	27
China (Shenzhen)	2004. 4	100%	472	21	16	533	39	28	776	25	19
Indonesia	2012.11	99%	-	-	-	4	2	3	80	37	30
Malaysia	2001. 5	100%	212	25	19	278	30	27	192	21	18
Thailand	2001. 8	49%	665	38	3	1,092	136	136	973	109	98
India	2007. 8	95%	26	6	3	20	0	0	29	1	1
UK	2004. 3	95.6%	240	16	7	580	55	36	552	27	20
USA	1988.10	100%	1,815	178	103	2,199	249	158	2,676	430	249
China (Guangzhou)	2008. 9	100%	603	(24)	(37)	626	6	45	1,125	159	118

Capital Investment / Depreciation / R&D

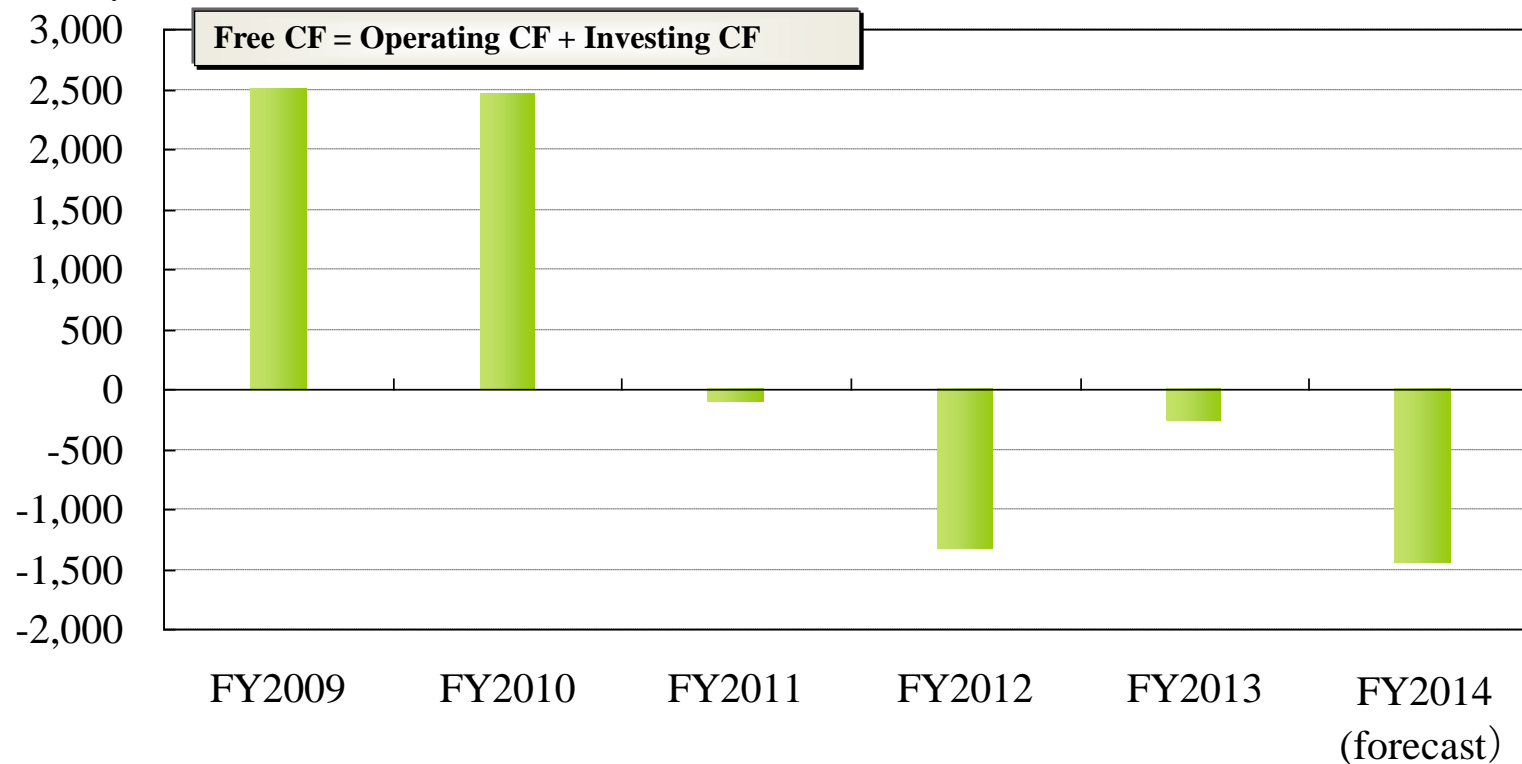
(Millions of yen)



Capital investment	176	207	239	2,009	1,225	2,400
Depreciation	323	296	207	166	170	369
R&D Expenses	686	478	477	565	591	610

Change in Cash Flow

(Millions of yen)



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

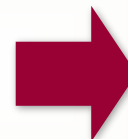
(Millions of yen)

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014 (forecast)
Operating CF	2,453	2,143	149	584	520	1,000
Investing CF	57	322	(254)	(1,920)	(781)	(2,450)
Financing CF	(960)	(349)	(174)	(409)	(351)	(600)

Medium-term Objectives

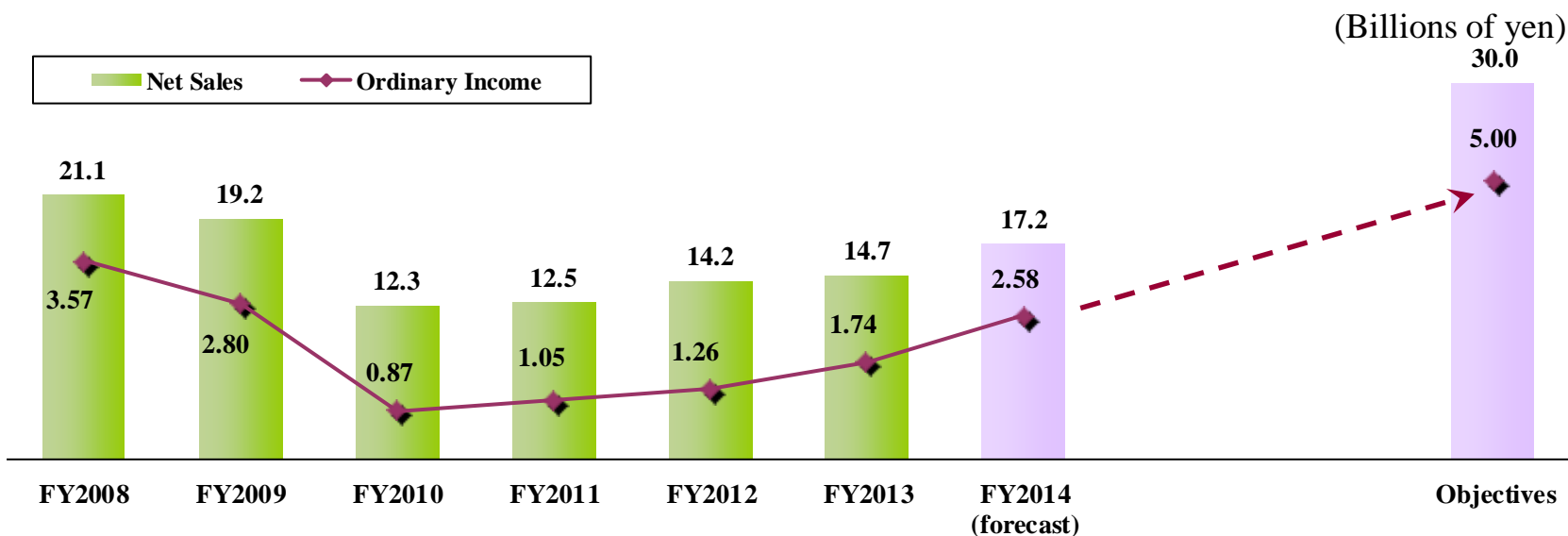
FY2013

- **Net Sales:** 14.7 billion yen
- **Ordinary Income:** 1.74 billion yen
- **Ordinary Profit rate:** 11.9%
- **EPS:** 63.7 yen



Medium-term Objectives

- 30 billion yen or more**
- 5 billion yen or more**
- 15% or more**
- 150 yen or more**



To Become Absolutely Dominant in the Industry

(1) Enhancement of the Products - 1

- Awarded “the Japan Society of Mechanical Engineers Medal for New Technology 2011” for the new traverse type take-out robot (HSA series), in which design optimization was applied. The robot was jointly-developed with Kyoto University.

Awarded The Japan Society of Mechanical Engineers Medal for New Technology!

**The world fastest taking-out time,
0.27sec/cycle at K2013
(Dusseldorf, Germany)**



<HSA series>

To Become Absolutely Dominant in the Industry

(1) Enhancement of the Products - 2

Full-model change of current model, RAII- α -HS series
(High-speed top-entry traverse-type take-out robot)

- The new take-out robot, optimization design applied, HST series was unveiled at K-Show(Dusseldorf, Germany).

<NEW·HST series>
*Released in Jan, 2014



Compared with current products, the new series have achieved more high-speed (9.2% less taking-out time), lightweight (25.4% weight reduced) and vibration control (98.6% less settling time).

To Become Absolutely Dominant in the Industry

(1) Enhancement of the Products - 3

- Awarded “the Japan Machinery Federation’s Energy Efficient Machine” for the new traverse type take-out robot (YC series), in which design optimization was applied.



Compared with conventional products, these new series achieved lightness (25.5% weight reduction), speed up (72% less settling time) and energy conservation (26% less electricity and 75% less air).

To Become Absolutely Dominant in the Industry

(2) Active Expansion into New Business.

- Actively recruit engineers both new graduates and mid-career.
(esp. Ph.D holders)

- March, 2013: Construction of the Technical Center.

R&D building and factory equipped with clean rooms.

Capable of new business.

Land: 10,850m²

Total floor area : 9,577m²



To Become Absolutely Dominant in the Industry

(3) Enhancement of the Global Network

➤ **Target on the top class companies in the world as customers.**

➤ **Strengthen global sales**

- **Enhance sales in Philippines, Vietnam, Indonesia and Thailand.**
- **Enhance sales in Europe by new agencies in Italy, Spain and Oceania.**
- **Open new office in Mexico. (Yushin America, Inc. Mexico branch)**
- **New business target in Turkey and Brazil.**

➤ **Increase market share in China.**

- **Expansion to the inland area (Wuhan, Chongqing).**
- **Expansion of supply system by full-scale operation of Guangzhou factory.**

➤ **Actively recruit internationally-oriented human resource.**

To Become Absolutely Dominant in the Industry

(4) Cultivation of Human Resources

➤ Collaborative work with the University

- By the collaboration “Product Design” with Osaka University, cultivation of designers with high level technology.

➤ A wide variety of training

- Enhance high level technical training program in all over the world.
- Reinforcement of training program for managers in overseas.
- Introduction of web based training and development for employees.
- Introduction of International trainee system.

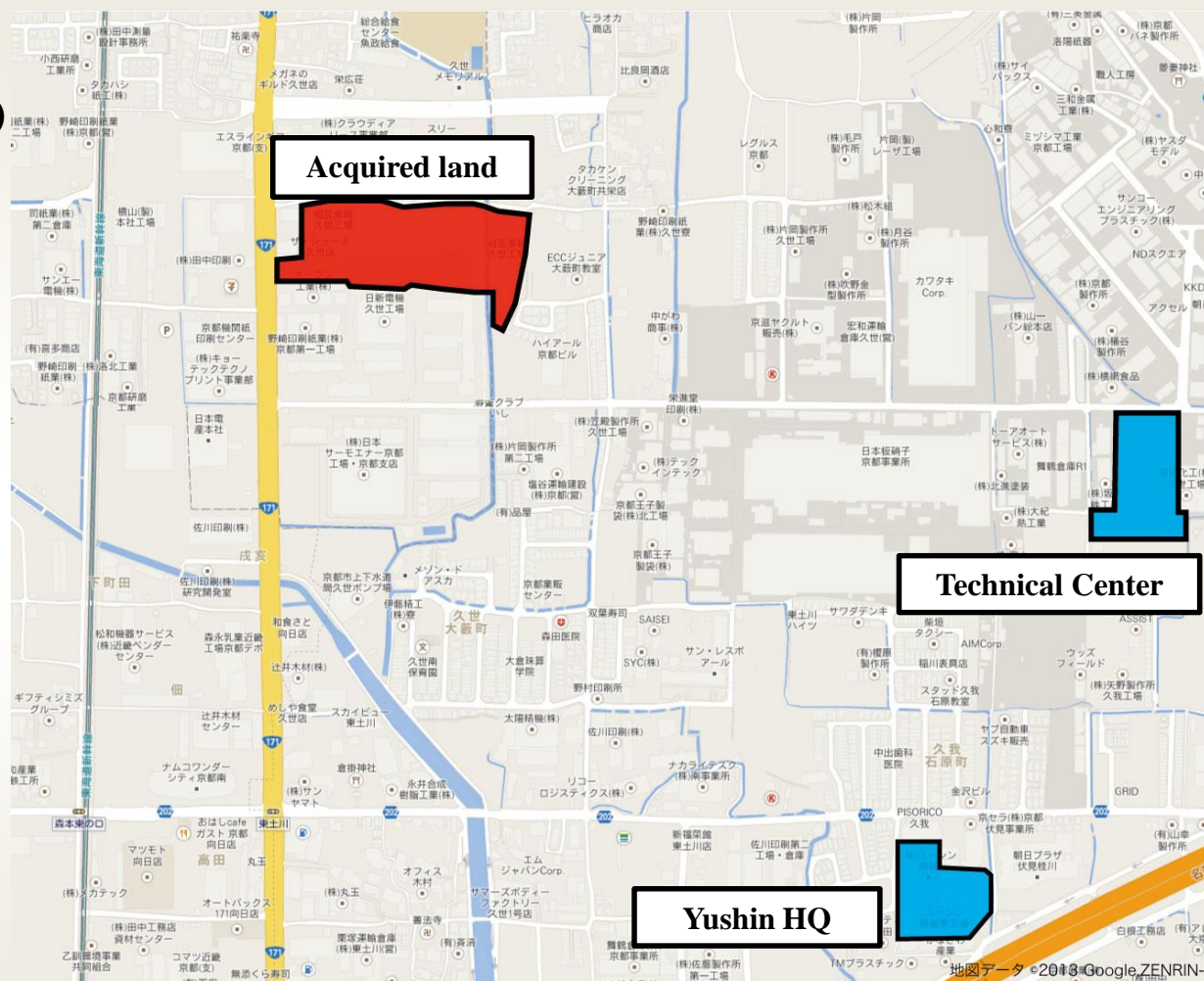
➤ Making technique visible by the formulation of Yushin design standard.

Land Acquisition in Kyoto

Acquired in July, 2013
 (21,000m²)

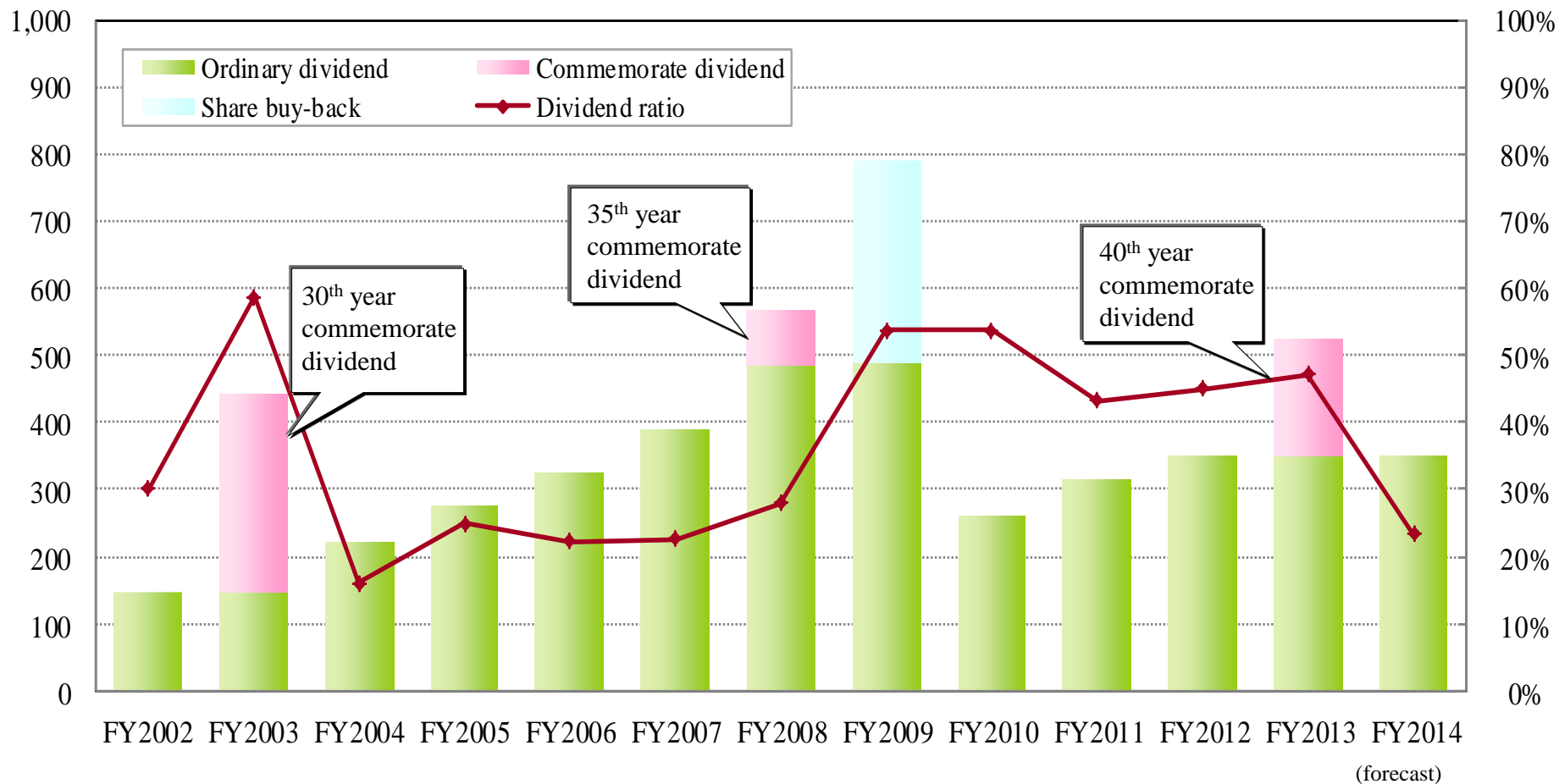
<Plan>

- Relocation
- HQ and Factory
- Improvement
- Operational efficiency



Return to Shareholders

(Millions of yen)



Annual Dividend (yen)	10	30	15	17	20	24	35	28	15	18	20	30	20

Thank you.

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