



YUSHIN Report *2025*

Integrated Report
Year Ended March, 2025

Yushin Company

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2025.10

できない。無理だ、は出発点

The impossible is the starting point for innovation.

Susumu Kotani, YUSHIN's Founder

Looking out over Kyoto city from Higashiyama, the birthplace of the company

Foreword

We sincerely thank you for reading the YUSHIN Report 2025.

Since 2022, we have published the YUSHIN Report (Integrated Report), a compilation of financial and non-financial information, to help all of our stakeholders better understand the YUSHIN Group. The “YUSHIN Report 2025” categorizes themes by materiality and features a tripartite discussion with external director and external corporate auditors, activities of each Sustainability Committee subcommittee, and initiatives to strengthen human capital.

We will continue to utilize this report as a communication tool to continuously improve our corporate value.

Yushin Company

Business Philosophy and Motto

Business Philosophy

Our business philosophy at Yushin is based on respect for people. It tells us to:

Act fairly and judiciously with all our “strength, wisdom and courage” to remain always a trusted partner for our stakeholders.

Look outward far and wide, constantly seek technological innovation and give back to society for all it has given us.

Work cooperatively with our group members so that we grow
as a company, contribute to a better world, and seek well-being in our lives.

(Revised October 2024)

Motto

Today and every day,
devote yourself to even better service
and build even more faith in our company.

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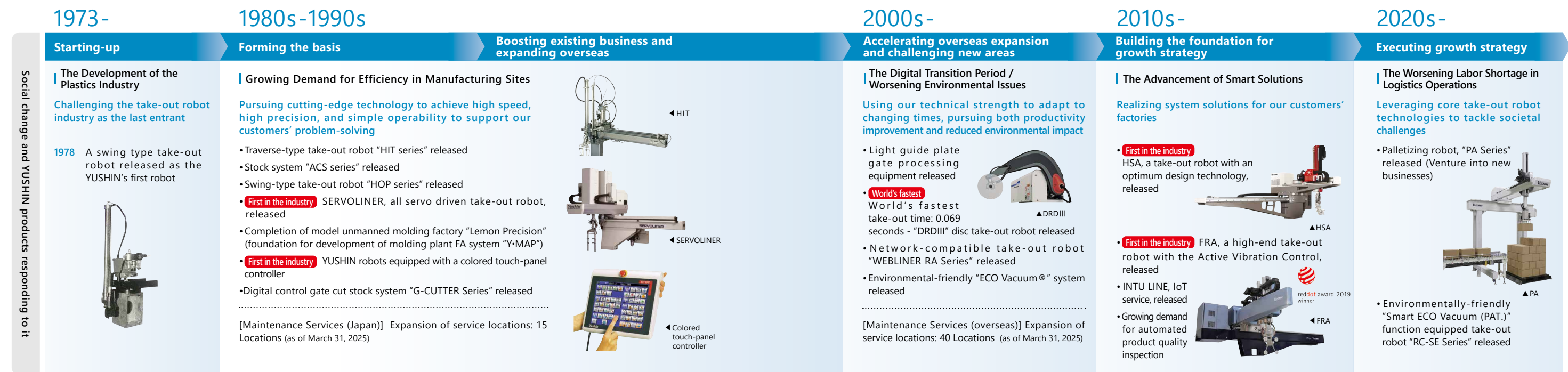
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■ Editorial policy	We have prepared this YUSHIN Report to help all of our stakeholders better understand how we create social and economic value and strive for sustainable growth. In preparing this report, we referred to the “International Integrated Reporting Framework” of the IFRS Foundation and the “Guidance for Collaborative Value Creation 2.0” of the Ministry of Economy, Trade and Industry to enhance objectivity and transparency.
■ Reporting period	The main period covered in this report is the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025). Some of the contents include information outside of this period.
■ Scope of report	This report covers Yushin Company and its 14 consolidated subsidiaries.
■ Notes on the forecast and outlook	The forecasts and outlooks contained in this YUSHIN Report 2025 are based on information available at the time of preparation and are judged to be reasonable by the Company, and include potential risks, uncertainties and other factors. Therefore, actual results may differ from the forecasts and outlooks due to changes in various factors.

History of Value-Creation

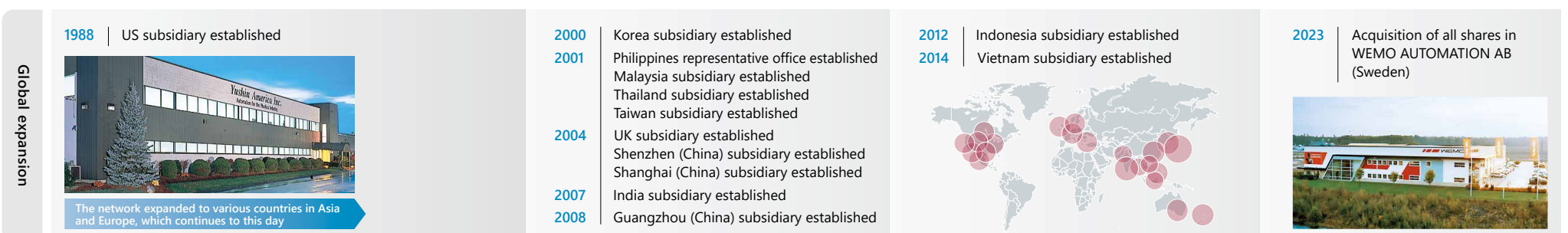


Established in 1973

YUSHIN began deep within a narrow alleyway just 1182mm wide—known as the "eel's nest" of Kyoto townhouses—along the banks of the Kamo River in Kyoto's Higashiyama district. Founder Susumu Kotani, a mechanical enthusiast, initially crafted each automation device commissioned by customers with his own unique ideas.

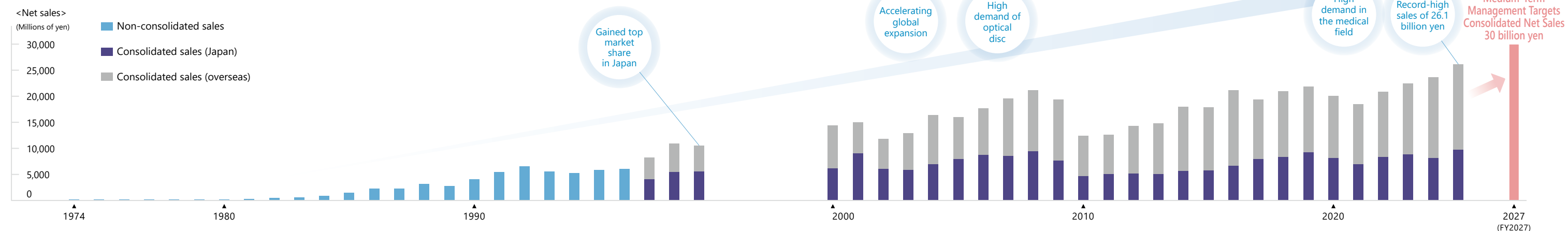
Origins of the Company name

YUSHIN's name comes from the founder's desire to "be a trustworthy company." "YU" means to exist and "SHIN" means to trust.



Since its establishment, YUSHIN has made take-out robots for plastic molding as main products, and has moved forward with the development of the industry. We have actively expanded the business globally, and despite being the last entrant into take-out robot industry in Japan, have grown to hold the largest share of the global market in the 2000s.

Based on our founder's philosophy of "The impossible is the starting point for innovation," we will continue to challenge new technologies and contribute to global society as a leading company of take-out robots.



YUSHIN Robots Contribute to Factory Automation

YUSHIN robots bring peace of mind and safety to factories around the world. By supporting manufacturing that is highly productive and has a low environmental impact, we contribute to the creation of a sustainable society.

You can watch videos of YUSHIN robots here
Yushin Channel



Take-out robots

These are YUSHIN's main products. They safely, quickly and accurately take out the molded products made by plastic injection molding machines.

Automation equipment (custom-ordered equipment)

This equipment boxes. We also provide equipment that automates various processes before and after the taking out of molded products, such as stock, gate cutting, insertion and camera inspection. The need for productivity improvement and addressing the shortage of manpower is increasing year by year.

Palletizing robots

This robot stacks cardboard boxes and bags containing products onto pallets in the shipping area of a factory. It is also used in industries other than plastic molding, such as the food industry.

Top Message

We will execute strategic investments for long-term growth, ensure these results are reliably reflected in our performance, and strive to become a company our employees can take pride in.

Thoughts Behind the Company Name Change

Our company was founded as “Yushin Precision Equipment” with the founder’s aspiration to be a trustworthy company. Carrying forward this spirit, we changed our name to “Yushin Company” in April 2025 to pursue sustainable growth and enhance corporate value through global expansion and strengthened brand power. “YUSHIN” is the brand name beloved by customers worldwide, enabling a smooth transition to the new company name.

On April 1st, when the name change took effect, I sent message cards to employees’ families explaining the meaning behind the new name. I heard this sparked conversations about our company’s vision within their homes and fostered understanding. Moving forward, we will continue to share our values with each employee, working as one team to challenge ourselves and achieve our future vision.

Fiscal Year Ended March 2025 Performance Results and Fiscal Year Ending March 2026 Forecasts

The fiscal year ended March 2025 saw continued uncertainty in the business environment, including persistently high interest rates in Europe and the US, prolonged geopolitical risks, and stagnation in the Chinese economy. In Japan, while a recovery in capital investment was observed, the situation remained challenging due to factors like rising raw material prices caused by sharp exchange rate fluctuations. Against this backdrop, while the plastic injection molding machine market was sluggish, demand for

automation increased in Japan due to labor shortages, leading to steady sales of robots and custom-ordered equipment. Furthermore, large-scale medical-related projects contributed to sales growth as large-volume orders received over the past two periods were smoothly shipped and accepted. As a result, consolidated Net sales increased 10.6% year-on-year to 26,126 million yen, showing solid performance.

On the profit side, although there were increases in raw material costs and personnel expenses due to investments in human resources, these were absorbed by the increase in sales. Operating profit increased 6.1% year-on-year to 2,586 million yen. Ordinary profit decreased 2.0% year-on-year to 2,535 million yen, impacted by foreign exchange losses. Profit attributable to owners of the parent remained flat year-on-year at 1,692 million yen.

Financially, total assets decreased by 1,775 million yen from the end of the previous fiscal year to 41,045 million yen, primarily due to a decrease in Cash and deposits. Net assets increased by 1,079 million yen to 35,498 million yen, and the equity ratio remained at a high level, increasing by 5.9 points to 85.5%.

For the fiscal year ending March 2026, we anticipate a continued uncertain capital investment environment, particularly in the European and the US markets, leading to an expected decline in sales. On the profit side, we project a decrease in profits due to rising raw material costs and ongoing investments in human capital. However, in the medium to long term, we expect growth in automation demand driven by labor shortages. Sales of palletizing robots are also growing steadily, and future growth is anticipated.



Takayo Kotani

Representative
Director and President,
Ph.D. in Engineering

Progress Toward Medium- to Long-Term Management Goals

As a medium-term goal, we aim to achieve consolidated Net sales of 30 billion yen by the fiscal year ending March 2027. As of March 2025, consolidated Net sales have set new records for three consecutive fiscal years, progressing steadily toward this target.

Although demand in the plastic injection molding machine market remains sluggish, we are advancing initiatives to expand market share in each region. Particularly in Europe, we aim to further expand medium-term robot sales by deepening our penetration of target markets through strengthened collaboration with WEMO. Sales of palletizing robots continue to grow and remain a promising area. Manual stacking of heavy items in factory shipping areas is physically demanding work, and automation needs are increasing annually due to worsening labor shortages. Concurrently, we will achieve stable growth through

continuous development investment aimed at creating new added value, launching new products, and expanding into new business areas. As a result, we aim to achieve an operating profit ratio of 15%. While we are currently prioritizing investment in human capital, we will strive to enhance our “earning power” by quickly translating this into productivity improvements.

Regarding cash, we will maintain a robust financial foundation to ensure customers can use our long-term equipment and machinery with confidence, while also utilizing it for medium- to long-term growth investments.

Strengthening Human Capital and Its Implementation at the Front Lines

We view investment in human capital as a key management strategy for achieving sustainable growth and enhancing corporate value. We are building an organization that leverages the diverse values and perspectives of our talent, aiming to create an environment where every employee can maximize their capabilities. Central to this is embedding our business philosophy throughout the organization. We recruit and develop diverse talent who share our philosophy and are committed to creating a workplace where everyone can thrive and continue to work with vitality.

As part of our journey, we focused on building the foundation for sustainable growth through the fiscal year ending March 2022. We solidified our organizational foundation through initiatives like establishing our Corporate Identity (CI), introducing a new personnel system, and improving various systems and environments. The three-year period starting from the fiscal year ending March 2023 is positioned as a phase focused on strengthening organizational capabilities and enhancing the quality of education. We are identifying organizational challenges through company-wide surveys and reviewing our organizational strength and education systems.

We are also promoting employee-led proposal activities. Through systems like the “Improvement Proposal System” and

the “Innovation Project Activity Proposal System,” we are fostering a culture where employees think independently and take on challenges. We believe these initiatives will become the vitality of our organization and the source of sustainable growth.

Evolving and Deepening Sustainability Activities

As structural changes in society and the economy accelerate, the responsibilities companies must fulfill are becoming heavier than ever before. To contribute to solving societal challenges and achieve sustainable growth, we are strengthening our sustainability management.

In March 2025, we enhanced our sustainability promotion framework. The Sustainability Committee now not only oversees traditional initiatives like safety, health, and the environment but also addresses cross-organizational issues such as human rights, compliance, IT risk countermeasures, and crisis management. This enables us to manage issues that were previously addressed individually from a company-wide perspective.

As concrete activities, under “Promoting occupational safety,” we disclose our safety policy externally and share it not only within our company but also with our suppliers and partners, working to enhance safety throughout the entire supply chain. Under “Improving customer factory productivity,” we are increasing sales of high-speed, high-accuracy robots and incorporating productivity-enhancing features into new products. For “Tackling climate change,” we are advancing the development of products with enhanced environmental performance and promoting the switch to environmentally-friendly vehicles at our domestic business sites, efforts we will continue to drive forward. Furthermore, as an investment in human capital, as mentioned earlier, we continuously implement programs to instill our corporate philosophy and develop our employees. This fosters an organizational culture where each employee can act as a contributor to enhancing the organization’s value creation capabilities and solving social issues.

In corporate governance, we are strengthening risk management through board effectiveness evaluations, management risk identification, and information security training. As our global expansion progresses, we will strive to reinforce governance by instilling our

Corporate Identity (CI) and Code of Conduct at overseas locations. Furthermore, in our human rights initiatives, we are building foundations to reconcile business and human rights. Externally, we identify supply chain issues through procurement guidelines and questionnaires. Internally, we conduct training primarily for development, manufacturing, quality control, and materials departments. We view these activities as “opportunities for our own growth” and aim to contribute to society through our business activities themselves.

Message to Our Stakeholders

We provide high-value-added products that contribute to enhancing workplace safety, improving productivity, and reducing environmental impact at our customers’ factories. We also continue to focus on strengthening our after-sales service and maintenance systems to ensure our products can be used safely and reliably for the long term. Guided by the principle “Above all, reach people’s hearts,” we aspire to be a robot manufacturer that truly connects with our customers’ needs.

Furthermore, to globally realize the management principles of “seek technological innovation” and “give back to society,” we will join forces with our colleagues to pursue the development of our business and the enrichment of each employee’s life. We will continue to advance workplace environments and systems where employees can genuinely feel, “I’m glad I work for this company.”

Currently, our stock price remains sluggish, and our total shareholder return (TSR), including dividends, has not reached a sufficient level. We recognize that the primary factor is the sluggish growth in profit amounts. However, we are persistently engaged in activities to achieve medium- to long-term growth and are confident this will generate sustainable growth for our company. We intend to continue providing stable shareholder returns while achieving profit growth through proactive upfront investments, which will lead to further returns.

With the founder’s words, “The Impossible is the starting point for innovation,” in mind, we will continue to take on challenges alongside our global partners. We sincerely ask all stakeholders for your continued support of YUSHIN.



Vision and Medium- to Long-Term Management Targets

■ 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.

Global Share **No.1**

■ Medium- to Long-Term Management Targets

FY2027 Management Target

Consolidated Net Sales
30 billion yen

Long-term Management Indicators

Operating Profit Ratio
15% or more

ROE
8% or more

Actuals and Forecasts

	FY2024	FY2025	FY2026 forecasts
Consolidated Net Sales	23.6 billion yen	26.1 billion yen	25.0 billion yen
Operating Profit Ratio	10.3%	9.9%	8.8%
ROE	5.1%	4.9%	—

Strategy 1 Investing in the talent who will shape the future

[Progress]

The strengthening of internal organizational structures across all departments contributed to increased net sales for the fiscal year ending March 2025.

[Specific Initiatives]

- Promote initiatives to strengthen human capital centered on embedding corporate philosophy
 - Establish corporate identity and human resources development policies under the concept "Above all, reach people's hearts."
 - Build an organization that leverages the values and perspectives of diverse talent
- Enhance tiered education systems for each career stages
 - Technical training (including e-learning), next-generation leadership development, manager training
- Provide challenging jobs and a good working environment
 - "Innovation Project Suggestion System" to develop creative and independent human capital

Strategy 2 Strengthening Global Sales Capabilities

[Progress]

The acquisition of WEMO as a subsidiary has strengthened our sales capabilities in Europe. Going forward, we will further promote collaboration within the group.

[Specific Initiatives]

- Increase market share in global markets, particularly Europe, through enhanced sales capabilities
- Comply with global standards (expand products that fully comply with European safety standards)
- Target the world's leading companies
- Support customers in building their envisioned smart factories



Strategy 3 Increase Product Attractiveness

[Progress]

We have enhanced various functions that contribute to reducing environmental impact and improving safety and productivity.

[Specific Initiatives]

- Develop environmentally-friendly robots
 - Contribute to energy savings with Smart ECO Vacuum (PAT.)
 - Develop and implement features that enhance safety
- Expand products that meet customer needs
 - Develop and implement features that enhance productivity
 - Propose systems based on strong proposal capabilities
- Develop products that meet regional needs
 - Expand sales of the MKA series of high-speed take-out robots for large and extra-large molded products for North America

Strategy 4 Develop New Business

[Progress]

Since the launch of our palletizing robots, sales have remained steady. Their presence in our company's performance has expanded.

[Specific Initiatives]

- Attract new customers, especially in the food industry
- Maximize the benefits of Cartesian robots to meet a wide range of customer needs
- Continuously enhance functionality to increase product value
 - Low-height type released (August 2023)
 - Dual-pallet type added (April 2024)



Palletizing robots
"PA series" with dual-pallet function

Challenging New Industries Through Palletizing Robots



Naoki Tsuji, Executive Officer, General Manager of Palletizing Robot Sales Department

—What prompted you to start the palletizing robot business?

The palletizing robot business officially launched with the release of the "PA Series" in June 2020 and has steadily increased sales since then. This robot was developed by applying elemental technologies from our long-cultivated take-out robot technologies. To meet diverse customer needs, we are successively launching new models to enhance our lineup. The background for entering this business lies in the growing demand for automation in packaging and logistics sites. We believe we can support solving customer challenges by meeting automation needs driven by labor shortages, the 2024 logistics crisis, and increased cargo volumes due to the expanding

e-commerce market. Furthermore, handling heavy objects places significant physical strain on workers. From an occupational safety perspective, automation is also essential for improving the working environment.

—What are the strengths and features of YUSHIN's palletizing robots?

In reality, logistics sites have historically faced barriers to introducing automation equipment, such as constraints on installation space. To address this challenge, our palletizing robots achieve "Space-Saving & Free Access." This leverages the strengths of the Cartesian robot structure, enabling deployment even in sites where installation was previously difficult. Furthermore, "Intuitive Operability" and "Energy Efficiency" are also key features of our products, contributing to improved productivity and reduced environmental impact in our customers' logistics sites.

—Please tell us about your future outlook.

The movement of goods will continue to increase. Furthermore, labor shortages are expected to worsen, and demand for automation is anticipated to grow even more. We believe potential exists wherever goods move. Aiming for "palletizing robots in every place where goods move," we will advance initiatives for further growth.

Value Creation Process

Social issues and changing environment surrounding YUSHIN and the customers

- Labor shortages in manufacturing and improving working conditions
- Movement to strengthen plastic recycling
- Growth opportunities in new industries such as EVs and AI
- Global warming countermeasures and energy conservation needs
- The need for improved living standards worldwide
- Growing geopolitical risks
- Rising energy and raw material prices

Inputs

[FY2025]

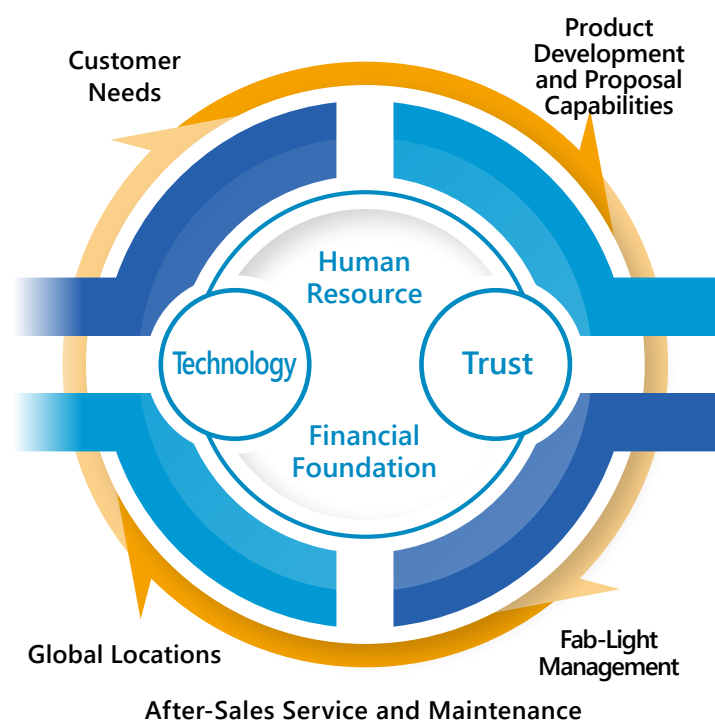
Financial Capital	Strong financial strength Equity ratio: 85.5%
Manufacturing Capital	Fab-light management Capital investment: 634 million yen
Intellectual Capital	Accelerating robot motion and commitment to environmental technology Research and development expenses: 692 million yen
Human capital	Multinational workforce structure Number of employees (consolidated): 800 Including employees working outside Japan: 349
Social and relationship capital	Wide range of users Number of sales and service base: 57
Natural Capital	Purchase of electricity from renewable energy sources (in Japan) Power usage: 2.432 million kWh Water intake: 6,989m ³ (HQ, Technical Center, Fushimi factory)

Business Model

[FY2027 Management Target]
Consolidated Net Sales: 30 billion yen

[Management Indicators]
Operating Profit Ratio: 15% or more
ROE: 8% or more

Enhancing Economic and Social Value



Business Philosophy CI

Materiality ▶P21

- Promoting occupational Safety
- Improving customer factory productivity
- Tackling climate change
- Strengthening human capital
- Strengthening corporate governance

Outputs

[FY2025]

Consolidated Net Sales: 26.1 billion yen

Operating Profit: 2.58 billion yen
(Operating Profit Ratio: 9.9%)

Robots



Custom-Ordered Equipment



Parts and Maintenance Services



Outcomes

Customers

Providing safe and secure products
Providing products that contribute to energy savings and productivity improvement
Providing reliable products and services

Employees

Enhancing job satisfaction and work environment
Building a company we can be proud of

Partner companies

Sustainable value co-creation
(pursuing social contribution and corporate value)

Shareholders and investors

Return of profits through a dividend policy of 30% or more dividend payout ratio
Enhancing shareholder value by strengthening our "earning power"

End consumers

Improving the standard of living for people worldwide
Contributing to the digital industry
Contributing to the circular economy

[Our 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

YUSHIN's Strengths

Technology

High-speed take-out

- Optimum lightweight design (first in the industry)
- Low-vibration by vibration control (PAT.)
- Vibration-damping by CFRP

Energy saving ▶P29

- Power saving by Smart ECO Vacuum (PAT.)
- Power saving by Ecology Mode

Power to propose solutions

- System proposals that reach customers' hearts
- High safety level

Broad Customer Base

Customers in wide range of industries ▶P20

- Mobility, medical, electronics and others

Globalization ▶P59

- Japan, Asia, North America, Europe and others
- 57 sales and service bases in the world (the best in the industry)

Branch out into new businesses

- Expanding into untapped fields such as the food industry through palletizing robots

Human Capital Management

We are focusing on strengthening human capital, which is the source of these strengths

Reliability

Top market share

- Pursuit of take-out speed
- Strict observance of delivery dates

Occupational safety ▶P26

- Compliance with international safety regulations
- 53 safety assessors (as of the end of March, 2025)

Support capability

- Fast troubleshooting
- Worldwide service bases
- Ensuring uninterrupted factory operations

Financial Strength

Strong balance sheet

- Non-debt management

High equity ratio

- 85.5% (FY2025)

Fab-light (Minimum production facility)

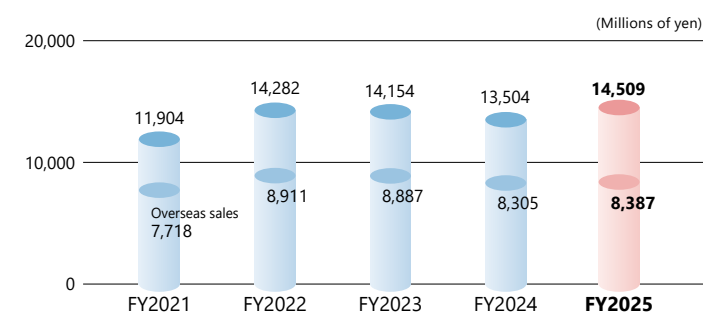
- Flexibility to respond to the market
- Low fixed cost and recession-resistant
- Strong supply chains

Sales by Product Category and Future Growth Strategy

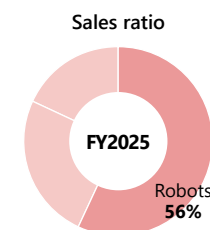
Robots

Future Growth Strategy

We will continue to develop products that meet regional and industry requirements. We will also make further efforts to develop products that reduce the environmental impact and increase the added value of take-out robots. In Europe, we will work to increase our share of the take-out robot market through WEMO. We will also advance product expansion into sectors beyond the plastics industry, such as palletizing robots.



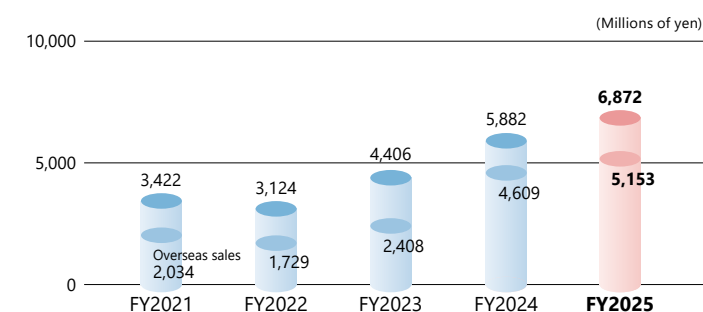
- Increased 1,005 million yen(7.4%) year on year to 14,509 million yen.
- Sales remained steady, primarily in Japan.



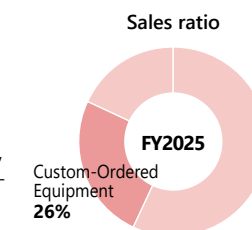
Custom-Ordered Equipment

Future Growth Strategy

Due to the shortage of human resources, the need for automation is increasing both in Japan and overseas. We will continue to focus on custom-ordered equipment (system projects) that have synergy with take-out robots and provide solutions that benefit our customers.



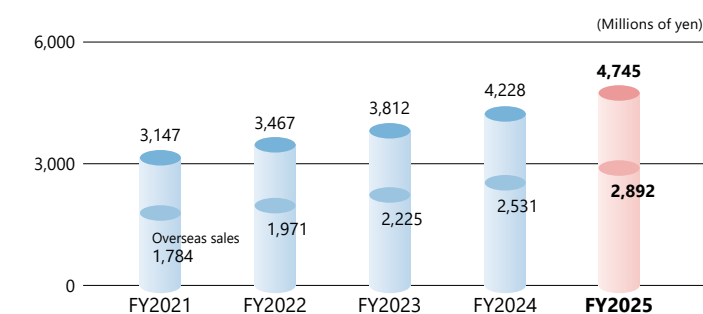
- Increased 989 million yen(16.8%) year on year to 6,872 million yen.
- In addition to robust large-scale medical-related projects in Europe, orders for custom-ordered general-purpose equipment in Japan also increased.



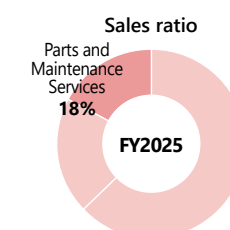
Parts and Maintenance Services

Future Growth Strategy

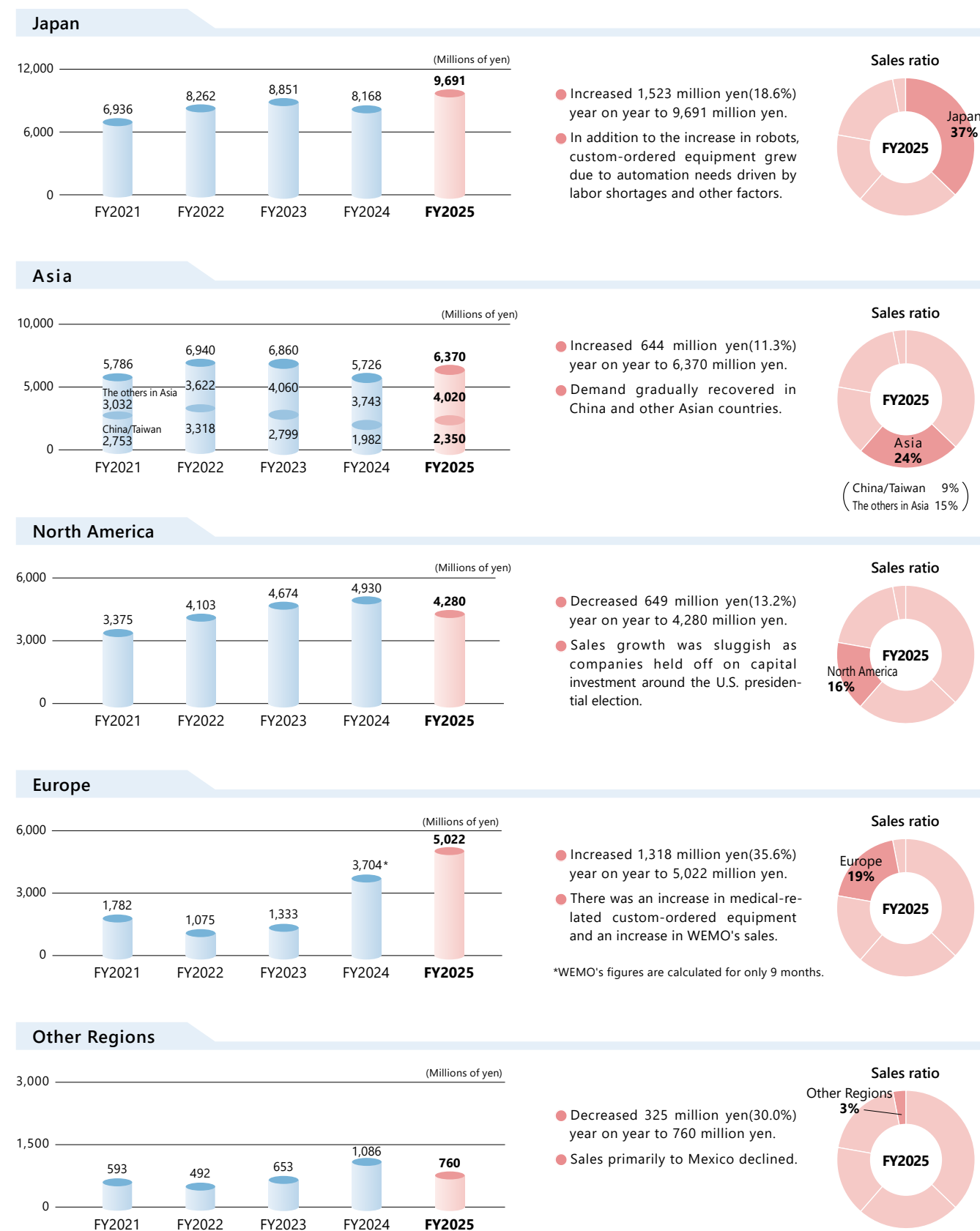
One of our competitive advantages over other companies is our service network, which is the best in the industry. We will continue to focus on attracting and training the people who will support our global expansion and develop high-quality services around the world.



- Increased 516 million yen(12.2%) year on year to 4,745 million yen.
- Sales have been steadily increasing alongside the rise in the number of units in operation globally.



Sales by Region



Sales by End-User Industry and Future Growth Strategy

YUSHIN Robots Are Used in a Wide Range of Industries

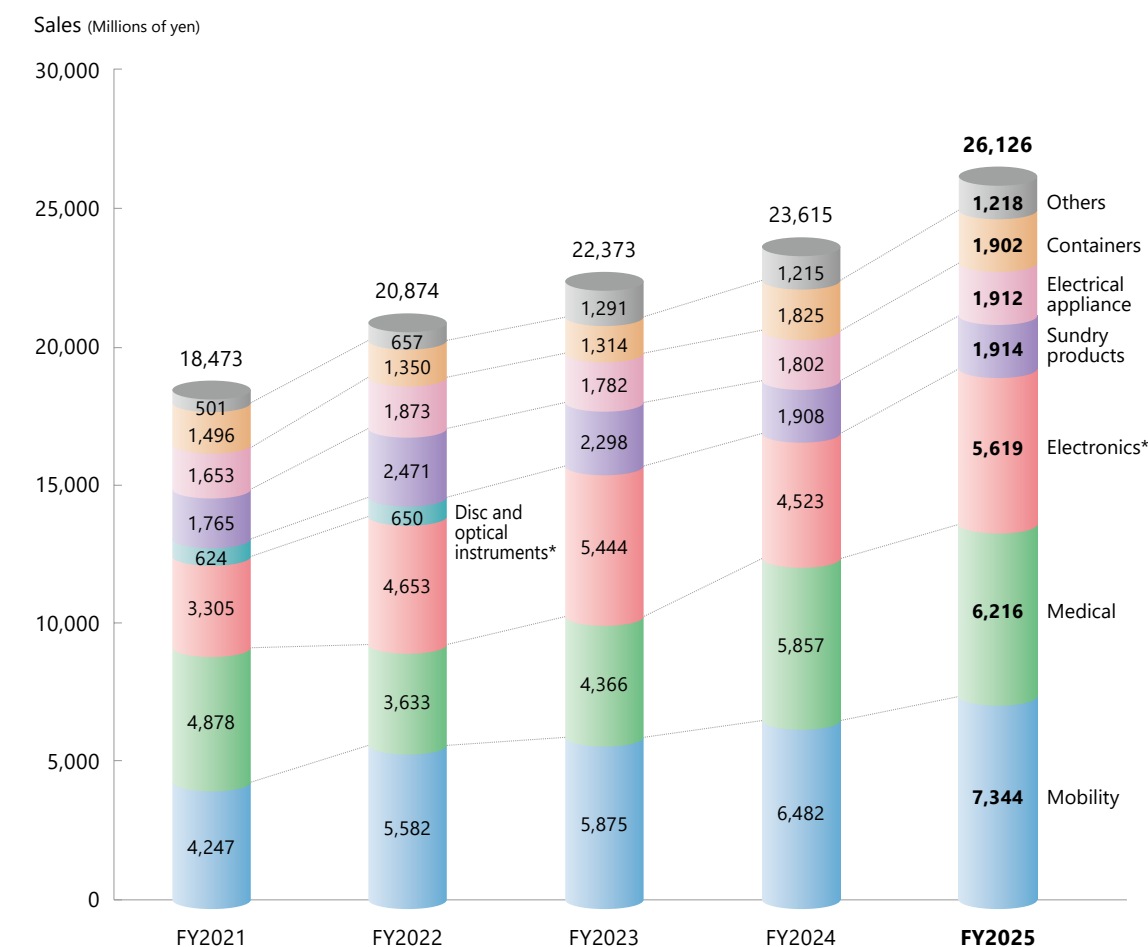
Our robots are used in factories that manufacture plastic injection molded products. We are therefore expanding our business into a wide range of industries that use plastics. The mobility industry, led by the automotive industry, is expected to continue to grow in the future, as many parts are now being replaced by plastic, and there is also a need for further weight reduction due to the shift to electric vehicles. In the medical industry, there is a large production of plastic products for hygiene reasons, and for our company, which has strengths in the speed and accuracy of robot operation, this is an industry with a high degree of affinity. In addition, we can also expect hardware growth in new areas, including generative AI.

In fiscal year 2025, sales increased primarily in Japan within the mobility and electronics sectors. Sales in the medical sector also performed well in Europe. Within the medical sector, the YUSHIN brand is gaining high recognition thanks to our robots, which excel in the speed and accuracy.

Future Growth Strategy

We believe that the need for plastics will be stronger than ever in the mobility industry, where lighter weight is required, and in the medical industry, where hygiene is often a consideration, and we expect these industries to be the drivers of our business development in the future. In addition, we will focus on product development that meets the needs of each industry.

Currently, we are diversifying our risks by expanding into a wide range of industries in the event that a specific industry goes into recession. In the future, we will aim to further diversify target industries by meeting the needs of new industries (such as the food industry).



**"Discs and optical instruments" has been merged with "Electronics."

Materiality

In order to realize a sustainable society and increase our corporate value over the medium- to long-term, the YUSHIN Group has established the YUSHIN Group's Sustainability Basic Policy and has identified materiality (important issues). For each key initiative addressing materiality, we set targets and KPIs, and disclose our performance and evaluations.

■ Sustainability Basic Policy

We contribute to the creation of a sustainable society and environment, and aim to increase our corporate value by continuously developing our business, through our business activities centered on providing labor-saving solutions.

■ YUSHIN Group's Materiality

Solving social issues through business						
Materialities		Related SDGs	Why we think it is important	Main measures	Goals and KPIs	FY2025 results and evaluations
A	Promoting occupational safety ▶P25~		Because occupational safety is an important factor for us as a manufacturer of production equipment, and it leads to fundamental respect for human rights.	Develop products with enhanced safety performance	Equip all new products with safety features	Equipped rate: 100%
				Provide customers with trainings for occupational safety	Number of designers or design-related personnel who have obtained a Safety Assessor (or equivalent) qualification	3 fewer assessors (as of the end of March 2025: 53)
				Continuous efforts of the Health and Safety Committee	Number of training participants	Not achieved
				Thoroughly Implement YUSHIN Group Human Rights Policy and implement human rights due diligence	Zero fatalities and zero lost-time injuries	Lost-time injury: 1 person
					Send procurement guidelines and questionnaires to all target suppliers*3	Achieved
	All target business partners understand our human rights policy*4	Human rights policy dissemination completed				
B	Improving customer factory productivity		Because productivity improvement can bring high-value-added products to people and the products can improve living standards of people around the world including healthcare and education.	Sell high-speed and high-precision robots	The number of orders	Not achieved
				Equip with functions to improve productivity	Equip all new products with productivity improvement functions	Equipped rate: 100%
				Enhance maintenance and services	Response times for service calls	Achieved
C	Tackling climate change ▶P29~		Because climate change is a major problem that threatens the living environment for many people around the world. Corporations should address the problems as members of the world.	Develop products with improved environmental performance	Equipped all new products with environmental features	Equipped rate: 100%
				Calculate and disclose GHG emissions	Calculation and disclosure of GHG emissions for Scope 1 and 2 (Japan and overseas) and Scope 3 (Japan)	Disclosure of Scope 1 and 2 (Japan) data continued
						Scope 1 and 2 (overseas) data disclosure started
						Calculation of Scope 3 (Japan) data continued
					Scope 1 and 2 (Japan) GHG emissions to be reduced by 57% compared to FY2021*5	Reduction rate: 58.7%
				Switch the electricity used at our company's offices to renewable energy	Switch to 100% renewable energy at offices in Japan*5	Switching rate: 93.8%
				Switch from gasoline-powered cars to environmentally-friendly cars	77% of gasoline-powered vehicles at offices in Japan to be replaced with environmentally-friendly vehicles*5	Switching rate: 45.5%
				Identify climate change risks at company sites and the supply chain and formulate BCPs	Formulating a BCP to deal with extreme weather	Identification and visualization of hazards and risks per sales office

*1 A to E correspond to the materiality in the table below.

*2 Goals to achieve with customers

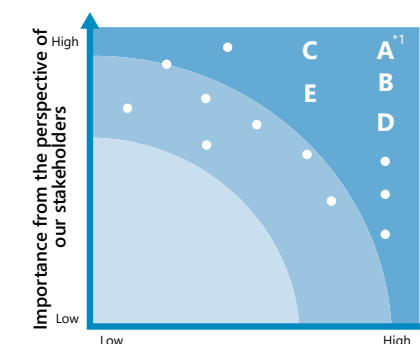
■ Materiality Identification Process

In February 2023, we have identified the following five materiality issues for our Group to realize a sustainable society and increase corporate value over the medium to long term. In identifying these issues, we listed candidates for materiality from the viewpoints of stakeholders and our Group-wide management. Members of the Board of Directors and the members selected from each departments discussed the candidates and identified those that were of particular importance by mapping them according to their level of importance.

■ Materiality KPI Management (PDCA)

We annually review progress on targets and KPIs linked to materiality. Furthermore, to account for changes in materiality and the emergence of more appropriate metrics, we regularly review targets and KPIs, primarily through the Sustainability Committee and relevant departments and subcommittees, updating existing ones and setting new ones.

■ Materiality mapping



*1 A to E correspond to the materiality in the table below.

Strengthening the management base for the sustainable growth of YUSHIN Group						
Materialities		Related SDGs	Why we think it is important	Main measures	Goals and KPIs	FY2025 results and evaluations
D	Strengthening human capital ▶P33~		Because the source of added value is people.	Thoroughly Implement YUSHIN Group Human Rights Policy and implement human rights due diligence	Implementing Human Rights Training	Implemented once (Theme: Business and Human Rights)
				Create a culture and environment conducive to innovation	—	—
				Create a system that allows people to work continuously throughout their life stages	Male employees taking childcare leave: 20% or more*6	Acquisition rate: 57.1%
				Create a good working environment	Annual paid leave acquisition rate of 60% or higher	Acquisition rate: 68.2%
				Provide effective training.	—	—
				Instill the corporate identity (CI)	Implementation of programs to promote the penetration and practice of corporate philosophy	Participation rate: 92.8%
E	Strengthening corporate governance ▶P39~		Because lack of trust of stakeholders make business operations difficult. Penalties associated with compliance violations, decline in brand value, and data leaks due to security failures also can be threats against the operations.	Enhancing the functionality of the Board of Directors	Ratio of External Directors on the Board of Directors: 1/3 or more	Achieved
				Maintaining the effectiveness of the Nomination and Remuneration Committee	Ratio of External Directors on the Nomination and Remuneration Committee: 2/3 or more*7	Achieved
				Evaluate the effectiveness of the Board of Directors	Evaluation of effectiveness and improvements based on questionnaires	Implemented
				Make employees attend compliance training	Number of compliance training sessions	Implemented once (Theme: Information Leak Prevention)
				Improve data security	Number of training sessions on information security and improving IT literacy	Implemented once

*6 Goals through FY2025

*7 An external director chairs.

Sustainability

■ Sustainability Promotion Framework

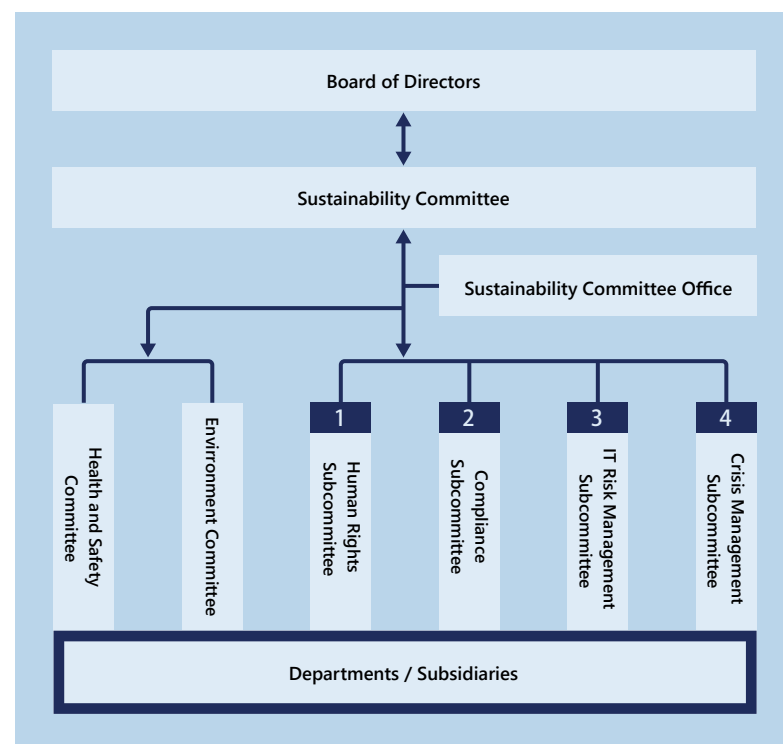
Our company has established the Sustainability Committee chaired by the Representative Director and President. The Sustainability Committee meets regularly to advance initiatives aligned with our Sustainability Basic Policy, report their outcomes to the Board of Directors, and disclose them externally. Furthermore, initiatives resolved by the Sustainability Committee and their results are proposed to and reported to the Board of Directors, establishing a framework for oversight.

At the Sustainability Committee meeting held during the fiscal year ending March 2025, discussions covered reviewing risk assessments and considering countermeasures, confirming progress on targets and KPIs linked to materiality, the status of initiatives regarding Scope and future approaches, and disclosure methods. Discussions and resolutions were also held regarding strengthening the sustainability promotion framework.

- Strengthening the Promotion Framework -

To advance cross-organizational initiatives on sustainability-related themes, four subcommittees were established in March 2025 under the Sustainability Committee: 1)Human Rights, 2)Compliance, 3)IT Risk Management, and 4)Crisis Management. Furthermore, the Sustainability Committee oversees and coordinates with the Health and Safety Committee and the Environmental Committee. Each committee reports its activity plans, achievements, and meeting minutes to the Sustainability Committee. With the launch of this new framework, we will further enhance our sustainability initiatives and advance efforts to strengthen the foundation for the sustainable growth of our corporate value.

■ Sustainability Promotion Framework



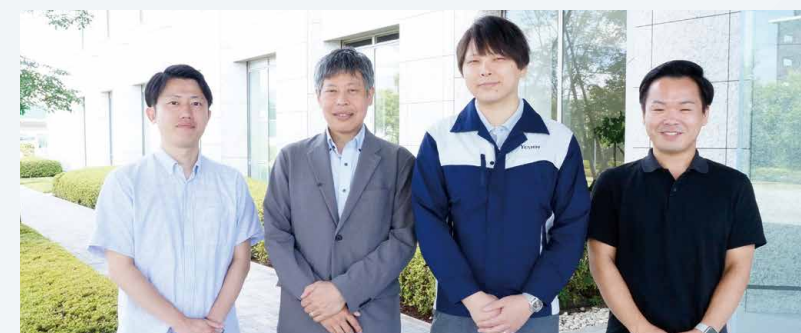
■ Materiality and Key Initiatives for Each Subcommittee

1	- Promoting occupational safety - Strengthening human capital - Thorough implementation of the YUSHIN Group Human Rights Policy and conducting human rights due diligence
2	- Strengthening corporate Governance - Compliance training for employees
3	- Strengthening corporate Governance - Enhancing data security
4	- Tackling climate change - Identifying climate change risks at the company facilities and within the supply chain, and developing business continuity plans - Strengthening human capital - Creating a comfortable working environment

Sustainability Subcommittee Cross Talk

- Strengthening Management Foundations for Sustainable Growth -

To advance our materiality initiatives, we launched four subcommittees in March 2025: "Human Rights," "Compliance," "IT Risk Management," and "Crisis Management." These groups are tackling challenges and promoting awareness across the organization. As we aim to strengthen our management foundation for sustainable growth through these subcommittee activities, four representatives shared their groups' work and medium- to long-term goals.



Human Rights Subcommittee and Compliance Subcommittee
Subcommittee leader: MU

IT Risk Management Subcommittee
Subcommittee leader: N

Crisis Management Subcommittee
Domestic Operations: MA

Crisis Management Subcommittee
Overseas Operations: H

Please describe each subcommittee's activities, first-year goals, and key challenges to address.

MU(Human Rights Subcommittee): Efforts to respect human rights have primarily been led by the legal staffs until now. With the establishment of the committee, we aimed to incorporate a stronger field perspective into our activities. To achieve this, we selected committee members from the Manufacturing, Procurement, and Development departments, creating a more effective structure. We hold committee meetings every other month to advance field surveys and risk identification. We aim to deepen understanding of human rights not only within the company but also among our business partners. To this end, we have implemented measures such as sending questionnaires alongside examples of specific response cases.

MU(Compliance Subcommittee): We hold regular monthly meetings where members actively exchange ideas to achieve our goal: "creating an environment where all employees understand laws and rules and can perform their duties correctly." Internal audit staff, who regularly visit sites and understand conditions objectively, provide particularly relevant insights aligned with on-site challenges. The first-year goal is to establish and implement an awareness and education framework to instill the group's philosophy throughout the entire organization. As this is a global initiative, including overseas locations, we will explore and discuss optimal methods while considering differences in nationality, cultural background, and site scale.

N(IT Risk Management Subcommittee): Aiming to enhance data security, our monthly meetings discuss concrete countermeasures from two perspectives: "incident prevention" and "incident response." With the addition of a legal staffs to the subcommittee, discussions now incorporate legal perspectives, even during rule revisions. In the first year, our key focus is developing a Business Continuity Plan (BCP) for security incidents and verifying its effectiveness. Furthermore, through regular and ongoing training, we will deepen all employees'

understanding of IT risks and strive to enhance security awareness throughout the entire organization.

H(Crisis Management Subcommittee): Overseas and Japan teams conduct daily activities while coordinating as needed. Regarding overseas operations, we believe we are now in a phase where we are embedding the results of policy formulation and system development—previously handled as projects—into the company through subcommittee activities, thereby enhancing their effectiveness. The committee comprises members with expertise in facility management, legal affairs, labor relations, and other specialized fields. Beyond regular meetings, we continuously enhance our knowledge by attending seminars and other events. The service introduced this fiscal year enables local emergency response support and access to country-specific risk information via the member site. We will continue introducing and building various services and systems to foster an environment where employees can work overseas with peace of mind.

MA(Crisis Management Subcommittee): In Japan, the General Affairs Department has handled disaster emergency response planning and hazard map creation. Establishing this subcommittee structure has enabled us to promote BCP-based initiatives across all locations in Japan. Moving forward, we aim to involve all locations and operate BCPs with greater effectiveness. In the first year, we will accurately identify risks through on-site inspections and prioritize response measures. We are also working to build relationships where field staff feel comfortable consulting us when they recognize risks, aiming to enhance their crisis management awareness.

Please tell us about the medium- to long-term goals you wish to achieve through the subcommittee's activities and the initiatives to realize them.

H: First, we'll focus on each subcommittee's activities. Then, aiming for five years from now, we want to leverage synergies between the subcommittees.

N: Since all subcommittees share the common goal of "working to reduce risk," aligning perspectives across them is also crucial.

MU: To create synergies through inter-subcommittee collaboration and strengthen the management foundation for sustainable growth, I believe actively sharing each subcommittee's expertise is vital. The Human Rights Subcommittee will need to engage with the YUSHIN Group and our business partners in Japan and overseas. We will collaborate with other subcommittees to develop more effective activities.

MA: As a company delivering "progress" and "anshin*" to customer factories worldwide, let's diligently execute initiatives that contribute to our sustainable growth. By working hard in each subcommittee, we can generate synergies through cross-subcommittee collaboration within five years.

*"Anshin" is a Japanese word meaning ease, reassurance, relief, repose or security. At YUSHIN, we use the word as "a situation in which the customer feels that their work will run smoothly if they leave it to YUSHIN."

Promoting Occupational Safety

Safety

■ Efforts for Workplace Safety at Customers' Factories

The safety of our products directly impacts the safety of our customers' factories. Therefore, we have formalized our policy regarding the safety of our products and services. Moving forward, our entire group will continue to heighten "safety" awareness, prevent workplace accidents, and provide our customers with both "progress" and "anshin*."

*"Anshin" is a Japanese word meaning ease, reassurance, relief, repose or security. At YUSHIN, we use the word as "a situation in which the customer feels that their work will run smoothly if they leave it to YUSHIN."

YUSHIN Group Safety Policy

1 Basic Policy

[1.1 Safety as the highest priority]

In all our operations, we give the highest priority to the safety of our customers, employees and society, and provide products and services that can be used with peace of mind.

[1.2 Continuous improvement]

We regularly review our safety assurance processes and standards, and swiftly implement improvements in response to technological innovation and legal revisions.

[1.3 Implementation of safety education]

We provide regular safety training to all employees involved in the handling of our products and services (sales, development, design, materials, manufacturing, and service,) and work to maintain and improve their level of safety awareness.

2 Product Design

[2.1 Safety design philosophy]

Based on a design philosophy that prioritizes safety, we aim to reduce risks for customers who use our products throughout their entire lifecycle, as well as for our employees who manufacture and service them.

[2.2 Management of potential risks]

We use risk assessment methods (FTA, FMEA, etc.) to identify potential hazards during product design, and minimize risk by making design changes and adding safety features.

[2.3 Ensuring operational safety]

To prevent accidents caused by incorrect operation, we provide products and systems with intuitive and easy-to-understand operating systems and safety interlock functions.

3 Manufacturing Process

[3.1 Standardization of manufacturing operations]

We establish a management system that allows all workers to follow standardized procedures and respond appropriately in the event of an abnormality.

[3.2 Maintenance of the work environment]

We maintain a safe environment by clearly defining hazardous areas in the work area and thoroughly implementing access restrictions and measures to avoid danger.

[3.3 Management of nonconforming products]

We improve reliability by promptly identifying nonconforming products, thoroughly implementing isolation processing, and analyzing the causes and implementing measures to prevent recurrence.

4 Service Work

[4.1 Safety Management for service personnel]

We maintain a safe working environment by ensuring that all personnel wear personal protective equipment and that the work environment is maintained (e.g. by installing scaffolding and inspection stages) in accordance with laws and regulations and the safety standards of the customer's factory.

[4.2 Standardization of service work]

In order to ensure the quality and safety of service work, we have established standardized work procedures and a system that enables service personnel to carry out their work in a consistent manner.

[4.3 Emergency response system]

We clarify the procedures to be followed in the event of an emergency, and establish a system that enables us to respond quickly and minimize damage at the field.

5 Safety Considerations for Customers

[5.1 Response to product accidents]

We promptly gather information about accidents involving our products, and when deemed necessary, we will take appropriate measures for our customers, such as product modifications or repairs.

[5.2 User schools]

We provide easy-to-understand explanations to our customers about the proper use of our products and safety precautions at YUSHIN school and individual training sessions.

[5.3 Safety inspection services]

We propose regular inspections to our customers, and support the maintenance of product safety and the early detection of potential risks.

■ Product and Service Safety

| Safety Circuit

The robot's safety circuits are redundant, so that if one of the circuits fails, it will not lose its function. This is a basic idea to prevent accidents caused by robots.



FRA series

| Speed Monitoring

Safety monitoring monitors whether the motor speed exceeds a defined limit. This ensures that robot motion does not exceed the safety speed during teaching, providing safety and anshin.

| Compliant with International Safety Standards

Our robots qualify as Safety Category 3 devices under EN/ISO 12100, EN 60204 and EN/ISO 10218, and comply with safety requirements under CE, GB and KCs.

■ Safety and Health — We promote safety and health in workplace based on the Safety and Health Policy.

- 《Safety and Health Policy》
- Promote occupational safety through the activities of the Health and Safety Committee (Materiality)
 - Develop a workplace where employees can work actively and stay healthy
 - Conduct necessary safety and health education and training, and foster people who put safety before everything else
 - Comply with safety and health-related laws and plant rules

[Health and Safety Committee Initiatives]

| Establishment of Internal Standards for "Safety Shoes"

To ensure the physical safety of workers from falling objects during operations involving our products, we established internal standards requiring the use of safety shoes meeting or exceeding specified standards. This also allows workers to select their own safety shoes as long as they meet or exceed the standards, addressing their desire for improved comfort and productivity during work.

| Revision of New Employee Orientation Training

Our company conducts "safety" training for new employees upon joining. In January 2025, we revised the training content and materials to thoroughly instill workplace "safety" awareness. We will continue to prevent workplace accidents by promoting "safety" awareness among all employees.

| Safety Assessors

YUSHIN has been training qualified Safety Assessors, who certify knowledge and competence in machine safety based on international safety standards.

As of March 31, 2025, the number of certified employees is 53. They are not limited to designers, but are spread across all departments involved with products, from sales to manufacturing, and apply their knowledge as Safety Assessors in a variety of situations, from product planning and development to making safety suggestions to customers.

YUSHIN provides customers with products with a high level of safety through the development of these human resources, and delivers safety and security to workers at industrial sites.

| YUSHIN School

Under the Industrial Safety and Health Act in Japan, business operators are required to provide special training for employees who work with industrial robots.

YUSHIN provides this special training, YUSHIN School, both internally and externally to improve the safety knowledge and operating techniques of all people who work with YUSHIN robots. A certificate of completion is issued to those who complete the school, which serves as proof of participation.



■ Promoting Occupational Safety

Human Rights

■ YUSHIN Group Human Rights Policy

In July 2022, our Group established the “YUSHIN Group Human Rights Policy” (hereinafter referred to as “the Policy”). In our business philosophy, we state that “Act fairly and judiciously with all our ‘strength, wisdom and courage.’”

In addition, we are a company that globally develops, manufactures and sells equipment and systems related to factory automation, centered on industrial Cartesian robots. At the root of our business activities is the “aspiration” to reduce the number of people working in dangerous environments and to improve worker safety.

The Policy was decided by the Board of Directors based on the “United Nations Guiding Principles on Business and Human Rights” as a guideline for promoting respect for human rights throughout the Group and fulfilling our responsibilities, based on the “aspiration” in our business philosophy and business activities.

For the full text of the “YUSHIN Group Human Rights Policy,” risk identification, and key focus areas, please visit our website.

Web Link



■ Identifying Human Rights Risks in the Value Chain

We have been identifying human rights risks for each stakeholder, and we have been prioritizing “issues in the procurement and manufacturing processes” based on the idea that “our products, which mitigate human rights risks, should not be built on someone else’s human rights risks.”

In order to clarify which processes in the value chain should be prioritized for human rights due diligence, we re-examined human rights risks based on the flow of our business, as shown in the figure below. As a result, we were able to gain a more detailed understanding of how we interact with stakeholders and what human rights risks exist at each stage of our products, from development to disposal.

We will use the results of this study in internal training and other activities so that all departments can understand human rights risks.

■ Human rights risks in the value chain

	Development	Procurement	Sales	Manufacturing	Logistics	Factories (install and support)	Product use	Disposal and recycle
Customers	•Impact on life, body, or property due to design problems		•Impact on life, body, or property due to problems in the process of determining specifications	•Impact on life, body, or property due to problems in the manufacturing process •Leakage of confidential customer information (e.g., samples)	•Influence on life, body, and property due to problems in the transportation process	•Leakage of business secrets and confidential information within the factory	•Violation of life/body/ property when in use.	
Group employees	•Deterioration of working conditions and occupational health and safety, forced labor, inappropriate working hours and wages (living wages), discrimination and harassment (women, people with disabilities, foreigners, etc.), infringement of freedom of association and the right to collective bargaining, leakage of personal information, lack of access to redress					•Deterioration of the working environment and occupational health and safety		
Business partners	•Infringement of business secrets and intellectual properties •Inappropriate payment of consideration	•Inappropriate payment of consideration		•Infringement of business secrets and intellectual properties •Inappropriate payment of consideration	•Infringement of business secrets and intellectual properties •Inappropriate payment of consideration	•Inappropriate payment of consideration		
Business partners (employees)	•Deterioration of working conditions and occupational health and safety due to excessive demands, forced labor, inappropriate working hours and wages (living wages), discrimination and harassment (women, people with disabilities, foreigners, etc.), infringement of freedom of association and the right to collective bargaining, leakage of personal information, lack of access to redress, human rights violations of foreign workers (including technical intern trainees)							
Local Residents	•Environmental impact due to environmental load during product use •Impact due to use of raw materials that have a significant impact on the environment and human rights •Environmental impact due to use of raw materials that cannot be recycled	•Impact due to use of raw materials that have a significant impact on the environment and human rights •Environmental impact due to use of raw materials that cannot be recycled	•The impact of participating in bribery and corrupt practices in countries with weak rule of law	•Environmental impact due to environmental load during manufacturing	•Environmental impact due to environmental load of logistics		•Environmental pollution caused by the environmental impact of use •Human rights violations caused by the use of products for purposes other than their intended purpose or in inhumane ways	•Environmental pollution caused by the release of chemical substances during disassembly and disposal •Environmental pollution caused by the use of raw materials that cannot be recycled

← This arrow indicates at what point the potential for human rights violations may occur.

■ Identifying Human Rights Risks

■ Addressing issues in the procurement and manufacturing processes

Based on the “aspiration” that goes into our products, we believe that human rights violations such as excessive or unfair working conditions, child labor, infringement of the rights of foreign workers such as technical interns, and discrimination based on race, religion, gender, nationality, mental or physical disability, age, or sexual orientation are unacceptable, at the procurement sites for the parts that make up our products and at the sites where our products are manufactured.

In addition, based on the results of the “aspiration” and human rights risk identification, we are working to investigate the human rights risks of rights holders in the procurement and manufacturing processes.

In FY2025, we created a human rights questionnaire and sent it to our suppliers who significantly contribute to the manufacturing of our products. The results showed no human rights risks linked to child labor. However, concerns regarding human rights risks to rights holders were identified in some responses. We will continue to engage in dialogue with these suppliers to work together toward improvement.

■ Initiatives for Respecting Human Rights

■ Initiatives within our Company

We hold internal training sessions for different levels and departments to ensure that employees not only understand the Group’s initiatives for human rights, but also recognize and understand that each employee is a “rights holder.”

Implementation year	Targets	Contents	Remarks
FY2023	•Directors •Executive employees of Purchasing and Manufacturing Division •Managers of General Affairs Section, Human Resources Section, and Internal Audit Office (Participation rate: 95.1%)	(1) Explanation of the need to address human rights as companies (2) Case studies at the workshop	We have implemented these measures because we believe that it is essential for directors and executives to understand human rights and human rights policies in order to promote efforts to address these issues in the future.
FY2024	Purchasing employees in Purchasing Department (Participation rate: 100%)	(1) Explanation of the need for our Company to address human rights (2) Case studies at the workshop	Training was provided for employees in charge of purchasing who have close relationships with suppliers in order to conduct human rights due diligence.
	•Directors •All employees (Japan and overseas seconded employees) (Survey response rate: 96.6%)	(1) Relationship between the SDGs and human rights (2) Questionnaire on human rights risks	The purpose of the training was to promote a broad understanding of human rights.
FY2025	Employees in charge of the development, manufacturing, quality control, and materials departments	(1) Explanation of the need for our Company to address human rights (2) Case studies at the workshop	This session was conducted to introduce examples of human rights violations within our industry and human rights risks among stakeholders in our value chain, with the aim of encouraging participants to consider the connection between their own work and human rights

■ Measuring the effectiveness of in-house training

Following the FY2025 training sessions, we conducted a survey regarding awareness of our company’s Human Rights Policy.

The training significantly increased awareness of the YUSHIN Group Human Rights Policy among participating employees.

We anticipate that company-wide awareness of the YUSHIN Group Human Rights Policy remains low. Therefore, we will continue to enhance awareness of the policy across the entire company while also considering and implementing measures to foster understanding and acceptance of the policy.

■ Looking to the Future

The Human Rights Subcommittee was established in March 2025.

We believe this will enable us to implement measures that reflect the voices from the field, in addition to dialogue with external experts and stakeholders.

We will advance our initiatives while sharing insights among the subcommittee members.

Specifically, we will begin to address negative impacts identified through training and human rights questionnaires and to develop a grievance mechanism (such as the Group’s whistleblowing system).

Tackling Climate Change

Environmental Action Policy and Environmentally-Friendly Products

Environmental Action Policy

YUSHIN will contribute to the environment in product development and work to reduce environmental impact as a common initiative for all employees

Product Development Initiatives

1 Continuous development of energy-saving products

Initiatives

YUSHIN will endeavor to develop products that have low environmental impact, and that are compatible with environmental conservation by using technologies that are friendly to people and the environment.

<Recent Examples>

- Awarded at the Energy-Efficient Machinery and System Awards of the Japan Machinery Federation (FRA series)
- Developed new products that are environmentally friendly and contribute to Carbon Neutral (Smart ECO Vacuum: RC-SE Series, YD Series)

Company-Wide Initiatives

2 Paperless promotion

Initiatives

Reduction in paper consumption by promoting more efficient operations

3 Reduction of greenhouse gas emissions

Initiatives

- When building or expanding a factory, choose options that reduce environmental impact (e.g. use of LED lighting).
- Switching to renewable energy sources for electricity purchased by offices in Japan
- Switching company cars at offices in Japan from gasoline-powered to environmentally friendly vehicles
- Decreased frequency of company car use through active use of telecommuting and web conferencing

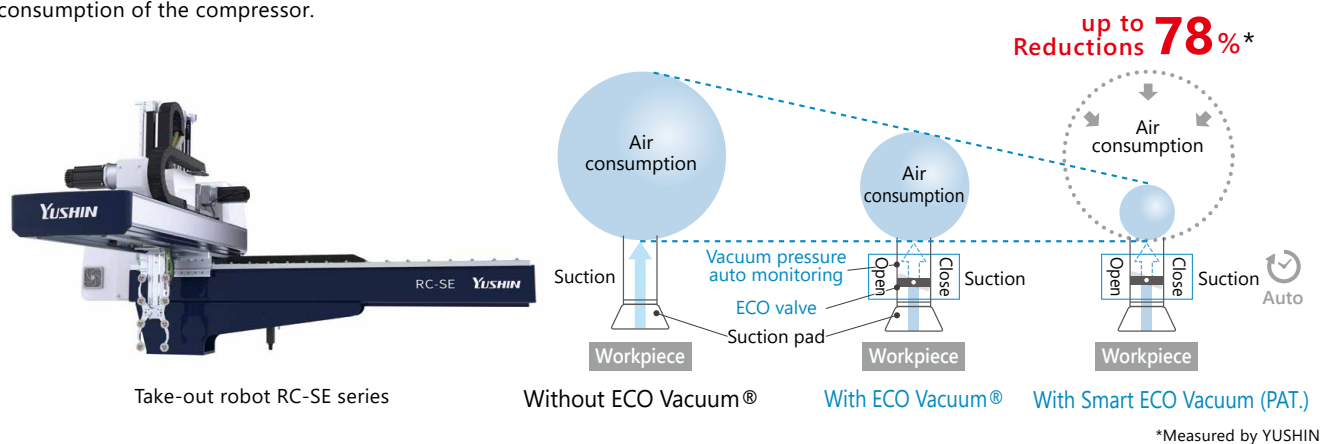
Reduction of Environmental Impact

Environmental-Friendly Products

We constantly develop energy saving products working 24/7 at customers' site.

In 2019, FRA robots, our flagship model, received the JMF's President Award at the Energy-Efficient Machinery and System Awards of the Japan Machinery Federation. This Awards was formerly called Energy-Efficient Machine Award which our YC robots had received. We are confident that our continuous efforts to develop energy saving products such as design optimization, are highly evaluated.

In July 2021, we have rolled out a new robot RC-SE which has Smart ECO Vacuum (PAT.) evolved from ECO Vacuum® – our unique technology to save air consumption. This feature can reduce up to 78% of air consumption maximum, and can lower electricity consumption of the compressor.



Efforts to Fight Climate Change and Decarbonization

Reduction of Greenhouse Gas Emissions

We aim at reducing the total of Scope 1 and 2 in Japan by 57%*1 at the end of FY2031 compared to FY2021 levels. Scope 1 emissions are direct emissions from in-house fuel use. Scope 2 emissions are indirect emissions from electric power we buy and heat.

In FY2024, we began calculating data for Scope 3 (indirect emissions other than Scope 1 and 2 [emissions from other companies related to our business activities]) in Japan and Scope 1 and 2 overseas. Based on these results, in fiscal year 2025, we disclosed overseas Scope 1 and 2 data. We also conducted interviews at each overseas site to analyze emissions content and explore reduction methods.

We will continue to advance the setting and disclosure of reduction targets for Japan's Scope 3 and overseas Scope 1 and 2 emissions.

*1 We revised our target figures in May 2025, taking into account projected sales growth through the end of fiscal year 2031.

Switching to Electricity Derived from Renewable Energies

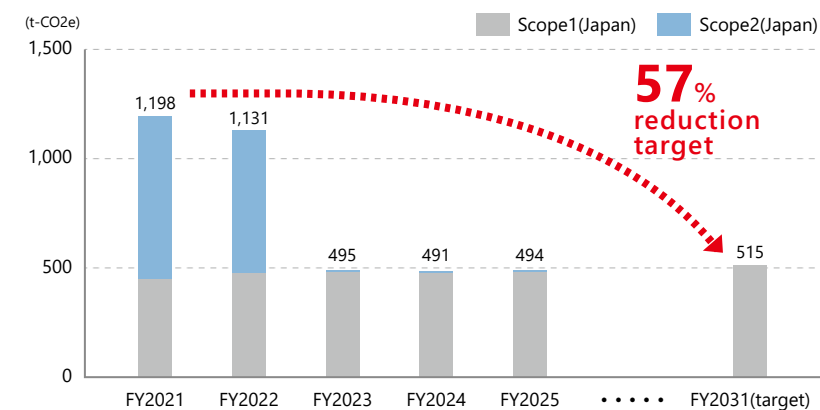
Since April 2022, we have achieved over 99% renewable energy coverage for our domestic electricity consumption through purchasing renewable energy-sourced power and self-consumption of solar power generation. Our total annual electricity consumption across all sites in Japan is approximately 2.4 million kWh. This shift to renewable energy results in an annual reduction of approximately 800t-CO2e emissions.

Gradual Transition to Environmentally Friendly Vehicle (hybrid vehicles)

In March 2022, we have decided to gradually switch to environmentally-friendly vehicles (hybrid vehicles).

We aim to achieve a hybrid vehicle adoption rate of 77% by the end of fiscal year 2031. We will promote further environmental friendliness through the active introduction of hybrid vehicles and our existing efforts to promote eco-driving.

Greenhouse gas emissions



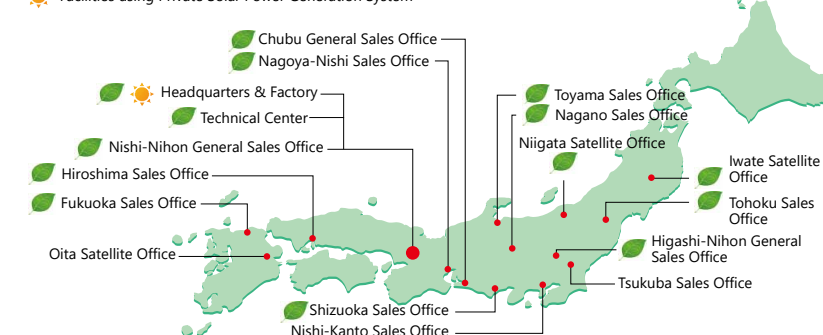
		FY2021	FY2022	FY2023	FY2024	FY2025
Scope1	Japan	456	480	493	489	492
	Overseas*2	-	-	-	614*3	688
Scope2	Japan	742	650	2	2	2
	Overseas*2	-	-	-	465*3	491

*2 Calculations for overseas offices began in FY2024.

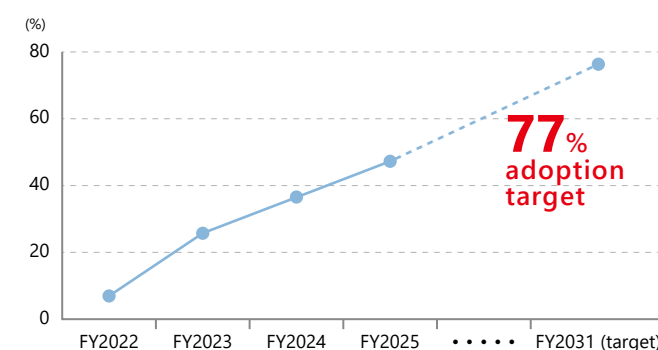
*3 Regarding the FY2024 results for overseas bases, WEMO's figures are calculated for only 9 months.

Facilities using Renewable Energies

Facilities using Private Solar Power Generation System



Hybrid vehicle adoption rate



Tackling Climate Change

Disclosure Based on TCFD Recommendations



In April, 2022, YUSHIN has declared to support for the recommendations of Task Force on Climate-related Financial Disclosures which is created by Financial Stability Board (FSB). YUSHIN will further promote its effort against climate change to date, and enhance its disclosure based on the recommendations of TCFD.

Governance

We take climate change as an issue to be addressed in the governance and management system for sustainability. The management meeting is the supreme decision-making body for business execution. The meeting and the Sustainability Committee are both chaired by the Representative Director and President. At the meeting and the committee, all inside Directors discuss the progress of their commitments on climate change and the identification and assessment of risks and opportunities. The basic policy resolved at the management meeting and Sustainability Committee, and the result of the enforcement are to be reported to the Board of Directors.

Strategy and Scenario Analysis

Our “Environmental Action Policy” is that all employees are committed to contributing to the environment in product development and reducing environmental impact.

The global environmental movement is changing drastically every day, which needs to be properly addressed. We identify risks and opportunities related to climate change and assess the impact on the business.

We clarify the impact of climate change on energy and raw material sourcing risks, the risk of changing customer needs, the risk of extreme weather, average temperature rise, and sea level rise. We will mitigate these risks and turn them into opportunities.

Climate change-related risks

	Type	Detail	Impact on business	Frequency of occurrence*			Risk Evaluation	How YUSHIN responds to the risk
				Short	Medium	Long		
Risks related to the transition to a low-carbon economy	Policies and regulations	Carbon tax Introduction and its hike by governments	•Rise in raw material procurement costs	YES	YES	YES	Low	View the costs should be borne by the entire supply chain for the benefit of a sustainable society
		Political interventions such as GHG emission regulations and energy efficiency improvement targets	•Rise in renewable energy procurement costs •Rise in cost of switching company car from gas vehicle to environmentally-friendly vehicles	YES	YES	YES	Medium	
	Technology	The development cost of robots with low-carbon technologies cannot be recovered at an early stage.	•Rise in investment costs	YES	YES		Medium	View this as future growth investments
	Market	The material shortage due to the spread of low- carbon technologies	•Cost rise due to higher procurement prices •Impact on the production due to the parts unavailability		YES	YES	Medium	Purchase from multiple companies by cultivating suppliers
		Stricter environmental policy by customers	•Loss of sales opportunities due to delay in addressing environment issues in YUSHIN Group	YES	YES		Medium	Actively develop environmentally-friendly products such as improved energy-saving functions
Risks related to "Physical" changes due to climate change	Reputation	Changes in stakeholder behavior	•Decline in corporate evaluation due to delays in responding to environmental considerations and a lack of disclosure of environmental information	YES	YES		Medium	Promote information disclosure with the support of Task Force on Climate-related Financial Disclosures (TCFD)
	Acute	Occurrence of extreme weather (typhoon, flood, tornado, heavy snow)	•Decrease in sales and increase in expenses due to the shutdown of the headquarters and Technical Center, which are responsible for production	YES	YES	YES	Low to Medium	•Implement Business Continuity Plan (BCP) •Take measures against typhoons and floods
	Chronic	Average temperature rise	•Electricity consumption rise and cost increase for measures against heat stroke in order to maintain a comfortable working environment for factory workers and service workers	YES	YES	YES	Low	Prioritize the improvement of the work environment for employees (Costs are absorbable and have a small impact.)
		Sea level rise	•Need to relocate production sites where water-related disaster risk exceeds acceptable levels			YES	Low to Medium	Conduct risk assessment continually

*Short-term means it happens within 3 years, medium-term by 2030, and long-term by 2050.

Climate change-related opportunities

Type	Climate-related opportunities	Impact on business	Assumed time of occurrence*			Opportunity evaluation
			Short	Medium	Long	
Resource efficiency	Utilize energy-efficient building	•Improvement of employee satisfaction through utilization of head office factories, such as promoting comfortable temperature control and CO2 concentration control, and improving workplace environments for employees •Cost reductions associated with improved safety levels	YES	YES	YES	Low
	Promote recycling	•Cost reductions through efforts to increase reuse opportunities		YES	YES	Low
	Realize efficient transportation	•Reducing costs by pursuing efficient transportation by promoting product weight reduction and reduction of materials used for transportation	YES	YES	YES	Low
	Decrease transportation use	•Reducing sea transport costs by promoting local production		YES	YES	Low
Energy source	Utilize low-carbon energy sources	•Reducing the impact of possible cost increase in fossil fuel and GHG emission regulations by promoting renewable energy, and GHG emission regulations	YES	YES	YES	Low
Products & Services	Expanse development and sales of energy-saving and low-carbon products	•Sales increase due to increased demand for environmentally-friendly robots •Sales increase by increasing product value, including ECO Vacuum®, Smart ECO Vacuum(PAT.), and Ecology mode •Increase in service revenues due to the demand for long-life robots to reduce environmental impact	YES	YES	YES	High
	Cope with to average temperature rise	•Increased need for automation as work environment worsens for workers •Demand increase for the development of the products that can run in harsh environments		YES	YES	Low
Markets	Sales increase due to market demand increase for heat stroke control products or medical-related products	•Demand increase for YUSHIN products as capital expenditures increase for those products	YES	YES	YES	Medium
	Worldwide shift from gasoline-powered vehicles to environmentally conscious vehicles	•Demand increase for YUSHIN products due to production increase for plastic-related parts due to weight reduction and the newcomers to plastic related parts	YES	YES		Medium
	Relocation of customers' production sites due to climate change	•Demand increase for YUSHIN products due to expansion of capital expenditures			YES	Medium
Resilience	Establishment of multiple assembly partners and parts suppliers to observe delivery deadline strictly.	•Improve capability to meet demand increase of the products	YES	YES	YES	Low

*Short-term means it is assumed to happen within 3 years, medium-term by 2030, and long-term by 2050.

Risk Management

We consider anything that interferes with our business operations to be a risk, and we analyze and assess the immediate risks of climate change as well as those that may arise in the future.

To manage such risks, we identify, analyze and evaluate the risks in all aspects of the business. Such information is compiled in a timely manner and shared with the Board of Directors and the executive meetings. Under the leadership of Representative Director and President, we take prompt and appropriate actions to mitigate the risks.

Indicators and Targets

End of FY2031: 57% reduction in greenhouse gas emissions compared to FY2021

Following the adoption of the Paris Agreement in 2015, the Japanese government announced that it aims to reduce greenhouse gases by 46% compared to FY2014 levels by 2030.

By the end of FY2031, we aim to “reduce the sum of Scope1 and 2 by 57% compared with FY2021.” We are promoting the purchase of electricity from renewable sources and introducing environmentally-friendly vehicles. Regarding Scope 3 and overseas Scope 1 and Scope 2 emissions, we will continue our efforts to reduce greenhouse gas emissions across the entire supply chain, including setting reduction targets and disclosure. ▶P30

Strengthening Human Capital

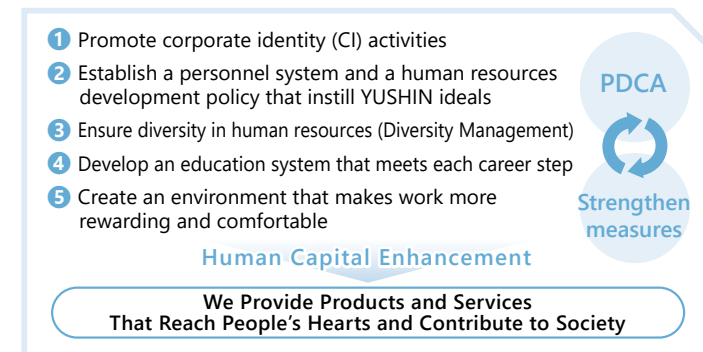
Employees

Our Group is committed to sustainable growth and medium- to long-term enhancement of corporate value through the creation of an organization that makes the most of the values and perspectives of its diverse human resources.

We aim to create an environment in which each and every employee can maximize his or her characteristics and abilities and continue to work with vigor and vitality by recruiting and training diverse human resources based on the dissemination of the corporate philosophy.

As concrete measures, we have established Strengthening Human Capital Policies 1 through 5 and are actively implementing initiatives.

YUSHIN's policy of enhancing human capital



[Strengthening Human Capital Policies 1]

Promote Corporate Identity (CI) Activities

We promote corporate identity (CI) activities in order to define our corporate philosophy and direction that we will continue to focus on in the future, and to achieve further growth and development. We clarify its important ideas and action guidelines based on the concept of "Above all, reach people's hearts."

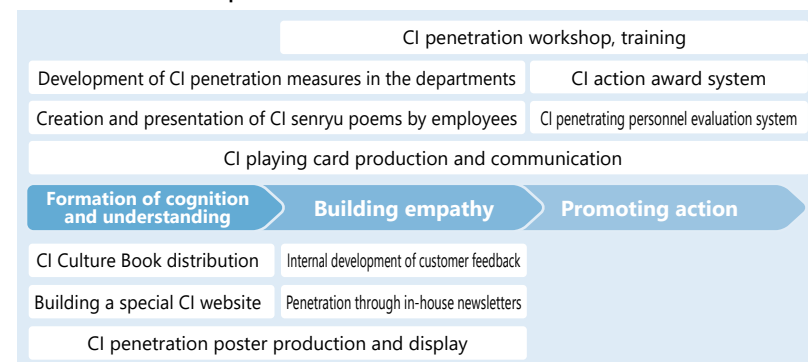
The entire Group is involved in CI penetration activities, including communication by top management and executives, dialog in the workplace, branding activities mainly by young employees, and sharing of best practices.

For FY2025, we continued implementing tiered branding training, which began in FY2024. Furthermore, we have completed preparations to concretize our goal of strengthening permeation activities across the entire group, including overseas bases, by FY2026.

[Achievements]

- FY2021-:
CI development, new HR system launch, CI penetration survey
- FY2022-:
Brand ambassador development project
- FY2024-:
Branding training
- FY2026:
Reissuance of Top Management Message, revision of departmental policies

CI Penetration Map



[Strengthening Human Capital Policies 2]

Establish a Personnel System and a Human Resources Development Policy That Instill YUSHIN Ideals

In the personnel system developed in conjunction with CI activities, we have clarified the expected image of human resources, including core human resources. The expectations of each position are defined in terms of responsibility for results, human resource development and growth, and culture development, to ensure that the right people are appointed and assigned to the right positions, and that the personnel evaluation is well-balanced. Under this personnel system, we encourage employees to make efforts and take on new challenges, and provides appropriate evaluation and treatment of results. We also promote the enhancement of educational systems to support employees according to their stage of growth, and the creation of an environment that makes work more rewarding and comfortable.

YUSHIN's Human Resource Development Policy

A	Develop human resources who can embody and practice the corporate identity (CI) based behavioral guidelines
B	Encourage continued learning and growth as career progresses
C	Define role expectations and promote achievement of results through job performance
D	Encouraging effort and challenge, and providing various opportunities and venues for advancement
E	Supporting the realization of individual "career design"

[Strengthening Human Capital Policies 3]

Ensure Diversity in Human Resources (Diversity Management)

From the perspective of ensuring diversity in human resources and diversity management, we place emphasis on respecting diverse attributes and values and making the most of its human resources, without being bound by conventional standards within society or our company. Specific efforts include "creating a working environment in which men and women can play equally active roles," "employment without regard to gender or nationality," "recruitment of career(mid-career) personnel in priority positions," "creation of systems and environments that draw out the efforts and challenges of diverse members," and "support for balancing work and family life."

From the perspective of promoting women's advancement, we have established action plans based on the Act on Advancement of Measures to Support Raising Next-Generation Children and the Act on Promotion of Women's Participation and Advancement in the Workplace. We are working on initiatives such as "developing female candidates for management positions" and "encouraging male employees to take childcare leave." Specific efforts include distributing the "YUSHIN Childcare System BOOK for Working Parents," conducting personalized system explanation interviews tailored to individual circumstances, and organizing information exchange events for employees on childcare leave, all aimed at alleviating anxieties surrounding childbirth and returning to work.

From the perspective of ensuring diversity on a global level, we have many overseas offices and promote localization, and we are actively working to utilize mid-career hires and foreign nationals.

As a cornerstone of these efforts, we have formulated the "YUSHIN Group Human Rights Policy" as a guideline for promoting respect for human rights and fulfilling responsibilities throughout the Group, and are working to disseminate this policy to all stakeholders.



YUSHIN Childcare System BOOK for Working Parents

[Strengthening Human Capital Policies 4]

Develop an Education System That Meets Each Career Step

To build an organization that contributes to achieving our medium- to long-term management goals and further sustainable growth beyond that, we are working to reform our training system.

In FY2025, we conducted training on "Organizational Management" for managers. This training placed greater emphasis than before on enhancing organizational capabilities for sustainable growth, enabling participants to acquire the skills to drive their own teams and realize established plans. We are also continuously implementing focused support for young employees through the Elder Counselor system, among other initiatives to strengthen organizational capabilities.

In FY2026, we will implement training on goal management, evaluation, and self-management that incorporates our personnel system. We will also introduce "360-degree surveys" and "employee work condition measurements" to support the enhancement of management capabilities, promoting initiatives aimed at fostering interaction across all levels.

YUSHIN's Educational Programs

	Before joining the company	Younger employees	Middle-level employees	Leaders	Managers
Training in common	Pre-enrollment education	Entry training	Business skill improvement training Follow-up training for new graduates	Management development education	Management training
Career support		Counselor system Elder system		Career design training	
Professional education		Technical and administrative training	Departmental education, OJT		
Departmental education			Compliance education		
Thematic education			External training, seminars, internal study sessions		
Selective education			Leader development program Overseas trainee system	Overseas pre-appointment education	
			Elder training	Counselor training	
Self-development			Incentive program for correspondence education, Online English conversation education system		
			Incentive program for the acquisition of qualifications		
			e-learning		

[Strengthening Human Capital Policies 5]

Create an Environment That Makes Work More Rewarding and Comfortable

Encouraging proposals and challenging activities ▶P36

We have established a system to support employee-led proposals and challenge activities and encourage their implementation.

- Improvement Proposal System" to promote operational enhancements
- Innovation Project Activity Proposal System" to cultivate creative and proactive talent
(Examples) Office casual project / Intranet renewal project

Improving Job Satisfaction and Work-Life Balance

We proactively listen to its employees' "aspirations" and work to improve work-life balance and enhance employee benefits by reforming the way they work.

To accommodate diverse work styles, we began full-scale consideration for introducing a flextime system starting in FY2025, and commenced trial operation of the system in FY2026. We also prioritize creating office and factory facilities that foster teamwork and communication, renovating our former headquarters, the Fushimi factory, in FY2025.



The renovated Fushimi factory (Amenity Space)

Occupational Safety and Health Initiatives ▶P26-37

We are advancing efforts to create a workplace environment where employees can work healthily and energetically. This includes establishing an industrial health system, implementing necessary safety and health education and training, and strengthening workplace safety across all departments.

Implementation of Various Training Programs

Human Rights Training

One of the key measures for materiality is "Thorough Implementation of the YUSHIN Group Human Rights Policy and Conducting Human Rights Due Diligence." We have set "Implementation of Human Rights Training" as a target/KPI for this measure, conducting training annually by job level and department.

In FY2025, training was conducted for employees in the Development, Manufacturing, Quality Control, and Materials departments. The purpose was to deepen their understanding of the necessity for our company to engage with "Business and Human Rights" and to enhance their comprehension of "Human Rights."

Beyond general content on "Business and Human Rights," this training featured case studies: examples from Japanese companies, companies in Kyoto (where we are located), the plastic molding industry (our sector), and industrial robots similar to our products. This approach helped participants understand how their work is closely linked to human rights and made the concept of "human rights" more tangible. Following this, a workshop case study was conducted. Based on "dialogue," each group engaged in lively discussions about what actions could be taken to mitigate human rights risks.



Through various training programs, including human rights training, we will contribute to enhancing employee knowledge and job satisfaction, thereby strengthening our human capital.

Proposal and Challenging Activities - Employee Interview

We position "Strengthening Human Capital," one of our material issues, as a key strategic pillar in our medium- to long-term management goals. As part of our concrete initiatives, we have established the "Innovation Project Activity Proposal System" and the "Improvement Proposal System." In FY2025, these systems generated a total of 109 proposals. Employees actively challenge themselves across departments and positions, working to create new innovations that enhance the quality of their work. Particularly under the "Innovation Project Activity Proposal System," the company supports time and budget to encourage challenges aimed at solving management issues and tackling high-difficulty themes. We spoke with four individuals who are actively advancing their activities by leveraging these systems and engaging both internal and external stakeholders about their efforts.



*From left to right H(Sales Promotion Section) · T(Europe and Americas Sales Department)
Y(Service Administration Department)

T: I'm currently working on an innovation project with members from across departments.

Our theme is "Establishing an educational framework for overseas agencies to drive sales expansion." I felt collaboration with other departments was essential to achieve this, so I took the lead and initiated it as a project. The project includes participants with diverse backgrounds: those with overseas experience, technical experts, and individuals deeply familiar with the field. By sharing their knowledge and experience, our perspective broadens, and the quality of ideas improves. As an outcome of this project, we will strive to collaborate with agencies in various countries and enhance synergies.

H: I previously led another project. The theme we tackled then

stemmed from questions I had during daily work—questions like "Why is this the way it is?"—that I didn't leave unaddressed but dug into, leading to the discovery of underlying issues.

"Noticing dissonance or questions and turning them into improvements" isn't easy, but I consciously keep my antennae up to spot dissonance and act on it.

Y: I believe it's crucial to thoroughly investigate and act on any dissonance or questions felt during work. Utilizing this system should make it easier even for junior employees to voice their opinions and turn ideas into reality. Having an

environment that encourages challenges allows young employees to gain experience participating in projects involving various departments from early age, which I think leads to growth and confidence.

T: For young employees, even if they want to challenge themselves, they might feel hesitant because they don't know how to proceed with a project. I myself sometimes find things like creating proposals or running meetings difficult, but in those cases, I've been able to move forward by getting advice from project members. I also think greater awareness of the system itself is needed. By sharing model cases company-wide, for example, and creating an environment where even first-timers feel comfortable challenging themselves, I believe we'll see more good proposals and foster even greater innovation.

O: I actively utilize the "Improvement Proposal System" as a platform to translate departmental improvement activities into tangible results. In my department, we tackle daily challenges through small group activities, focusing on eliminating individual dependency in tasks and raising overall skill levels.

Particularly memorable was an initiative we advanced in collaboration with our business partners. By sharing challenges and working together to solve them, we not only improved operational efficiency but also built stronger, more reliable partnerships. Furthermore, I truly feel that solving our partners' challenges directly contributes to our own ease of work.

Improvement activities are primarily driven by several young employees. Among the members, some proactively challenge themselves with specific goals like "increasing the number of improvement proposals" or "achieving cost reductions through reduced man-hours."

The experience of seeing their own ideas take shape and lead to tangible results provides significant motivation and drives their growth.

As a result of our ongoing efforts, a mindset of "actively sharing observations and taking action for improvement" has become commonplace among our young employees. Furthermore, through collaboration with other departments and external partners, we feel their ability to view matters from multiple perspectives and their problem-solving skills are being honed.

Moving forward, we intend to continue challenging ourselves with improvement activities that engage both internal and external stakeholders. We aim to contribute to creating a more productive, comfortable, and rewarding work environment.



O(Purchasing Department)

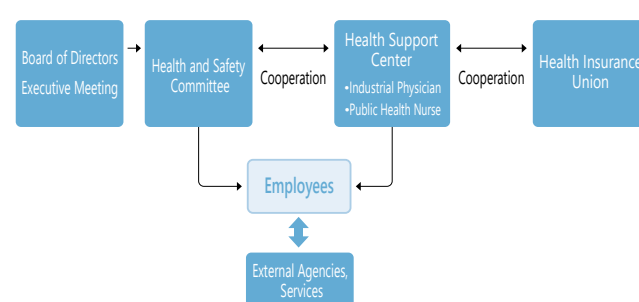
Strengthening Human Capital

Health Promoting Actions

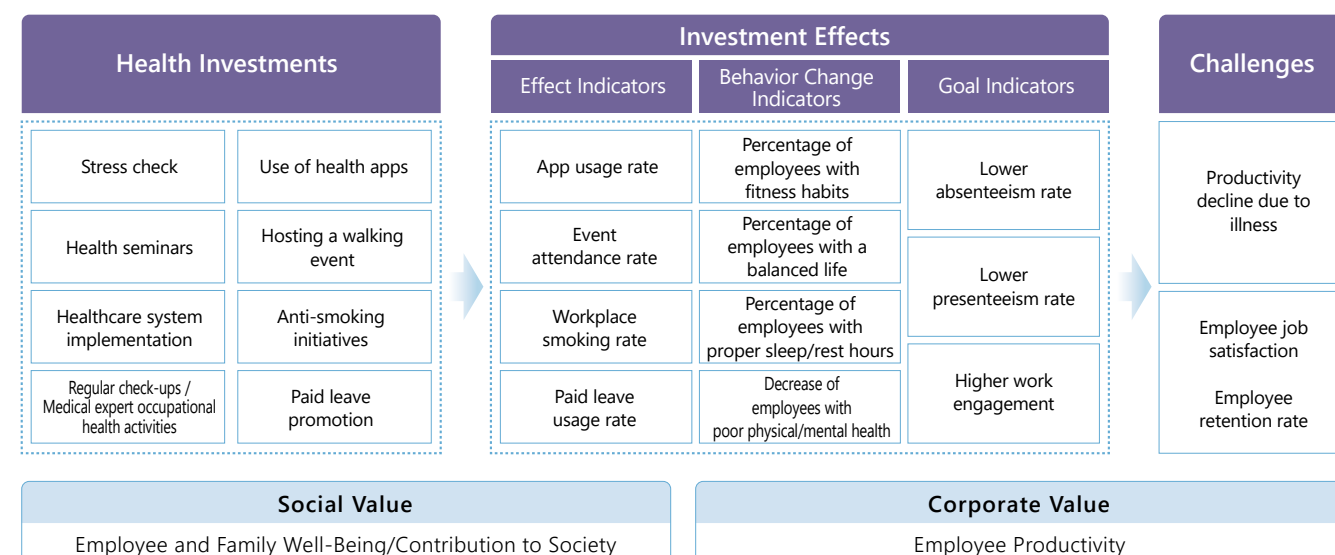
Goal and System

The departments at YUSHIN work together and are involved in various activities and building environments to ensure that the employees work in good physical and mental condition. In addition, regular meetings are held for the top management and the industrial physician (Director of Health Support Center). Health Support Center works together with Health and Safety Committee, and General Affairs Department, working on various activities and building the support system.

Organization chart



Support Map



The 2025 Certified Health & Productivity Management Outstanding Organizations

We have been certified as the 2025 Certified Health & Productivity Management Outstanding Organizations by the Ministry of Economy, Trade and Industry.

<What is certified health & productivity management outstanding organizations?>

The certification is awarded to companies that consider the health management of their employees from a managerial perspective and implement it strategically.



Initiative to Promote the Health and Productivity Management

Health Support by ICT

Based on health checkup results, we provide health guidance to employees at risk for lifestyle-related diseases, striving to improve their habits. When necessary, we encourage them to undergo medical examinations, working to increase participation rates not only for primary but also secondary health screenings. For employees traveling overseas, we manage their health to ensure all can work healthily by requiring not only pre-assignment and post-return examinations but also annual regular checkups. Furthermore, we utilize ICT systems to enhance health support in collaboration with our industrial physician.

Health Seminars

To improve health literacy, we regularly hold health-related seminars. In FY2025, we held seminars on fatty liver disease and smoking cessation, led by our industrial physician.

Additionally, harassment training was conducted for executives and senior management. The goal is for senior management to thoroughly understand the risks posed by harassment and appropriate responses, and to disseminate this knowledge to employees, thereby improving workplace comfort and retention rates. The training included case studies and group work, making it highly practical.

Mental Health

We have set up Health Support Center to encourage employees to consult with public health nurse or industrial physician at any time if they are worried about something. We have set up a consultation desk operated by external resources as a welfare program, which enables employees to resolve their problems without disclosing their personal information.

Additionally, we conduct regular stress checks and, based on the results, offer counseling sessions as needed.

Walking Event

To promote employee health and enhance communication, we host the walking event "Walk, talk and work together!" In FY2025, 72 participants formed 20 teams and competed for the highest average daily steps using smartphone walking apps. Teams were formed across departments, and the event generated excitement as participants devised strategies for inter-team competition.

BLS (Basic Life Support) Training

For emergency procedures, we conduct annual training programs once a year to develop human resources who can operate AED and perform cardiopulmonary resuscitation.

Health Apps

We have introduced health app for the employees that enables them to manage their health. The app can show them calorie of what they eat by photo shot and the number of steps they took.

Primary Health and Productivity Management Indices - Scores in YUSHIN

Indices	Evaluation Criteria	Scores (FY2024)	Scores (FY2025)
Regular health checkup	Primary screening participation rate	100%	100%
Health-related seminars	Seminar attendance rate	86.2%	75.2%
Stress check	Stress check participation rate	87.6%	94.2%
Overtime hours	Average monthly overtime hour	19.6 hours	23.5 hours
Paid leave taken	Average paid leave taken	64.7%	68.2%
Absenteeism ^{*1}	The number of sick days / the total number of employees	0.6 days	0.78 days
Presenteeism ^{*2}	W-FUN ^{*3} score converted to percentages (75 - 100%)	91.1%	91.0%

^{*1} Health-related absences from work

^{*2} A condition in which an employee is not fully functional at work due to illness.

^{*3} A questionnaire that measures the degree of impairment in work functioning due to illness. The total score will be between 7 and 35 points. The higher the points, the more severe the impairment.

Tripartite Discussion with External Director and Corporate Auditors

Challenges of Transformation and Future Growth — External Officers Discuss the Current State and Challenges of Management

The YUSHIN Group is working to strengthen governance and enhance corporate value through the objective perspectives and diverse experience of its five independent external officers (three External Directors and two External Corporate Auditors), who provide advice and oversight. Three external officers candidly discussed the Group's challenges of transformation and future growth from their respective viewpoints.



Future Vision and Management Strategy

Nishiguchi: YUSHIN handles end products like robots and custom-ordered equipment, not just device components. Therefore, I believe it takes about 5 to 10 years from the research and development stage through market launch until we can expect a certain level of sales. Our palletizing robots, which we

currently expect to grow, also took time to commercialize. We need to optimize our product portfolio with a long-term perspective. Precisely because we operate this kind of business, I believe it's crucial to discuss our



long-term vision. While envisioning the future, we must also cultivate the talent capable of executing the strategies to achieve it. Recently, I feel we are establishing systems to nurture people, even if it takes time.

Particularly important for YUSHIN's future growth is our global strategy, encompassing both organizational and human aspects, as we expand sales and technical services globally, primarily in Asia, North America, and Europe. Our current management deeply understands this and is steadily laying the groundwork. While the business models differ, I offer advice based on my experience from my previous role, where I witnessed a company's leap from a domestic player to a global enterprise.

Yamada: That's right. Global expansion is a pillar of corporate profitability, requiring enhanced talent management capabilities that account for language

and regional characteristics. We are focusing on recruiting and developing global talent, which we consider an essential investment for long-term growth.

Sharing technical information with the acquired Swedish company WEMO is also necessary. The success of the acquisition hinges on whether we can generate synergies with WEMO in product development and sales enhancement. We are also closely monitoring this from an accounting perspective, specifically regarding the return on invested capital. To achieve this, sharing the foundational culture is crucial. To share this culture with overseas subsidiaries, it is effective for top management to persistently communicate YUSHIN's corporate philosophy and code of conduct to local management and employees. The President actively seeks such opportunities during every overseas business trip.

Additionally, the Board of Auditors works with the internal audit department to conduct overseas inspections, striving to identify risk factors early. We closely monitor certain regions, including country risks, and aim for agile responses.

Nonaka: I also believe the importance of group management, including overseas subsidiaries, is increasing. As an auditor, I focus on how the organization is structured, encompassing risk management, internal controls, and strengthening expertise.

Nishiguchi: Financial data from overseas subsidiaries is reported to the Board of Directors on a monthly basis, so observing these changes often reveals significant insights. On the other hand, while personnel decisions for the heads of overseas entities are Board resolution items, ensuring sufficient discussion within the Nomination and Remuneration Committee is a future challenge. In group management, it is crucial to delegate authority to local management teams where appropriate while maintaining a unified system for sharing critical information like financial data.

Practicing Management Focused on Capital Costs and Shareholder Value

Nonaka: External Directors are also actively voicing opinions regarding the stagnant stock price. The board



effectiveness survey pointed out the need for more substantive discussions on mid-to-long-term direction and challenges. Personally, I also believe it's crucial to clearly define YUSHIN's vision and communicate it to the capital markets.

Yamada: Many owner-managed companies in Kyoto have achieved significant growth through long-term management perspectives. Our management team is also laying the groundwork for business model transformation with a long-term vision, so I expect we will see results.

Nishiguchi: Some may argue we should increase debt to accelerate business transformation, but YUSHIN has its own approach. It's important to clearly communicate this to minority shareholders.

Governance Enhancement and Talent Development Initiatives

Nishiguchi: Over 50 years have passed since our founding, and I believe we have relied heavily on the capabilities of career hires. Building on that experience, the Nomination and Compensation Committee has spent the last three years discussing long-term development plans for management candidates.

Yamada: I believe the quality of management decisions will improve as employees

who understood our corporate philosophy from a young age join the decision-making ranks.

Nonaka: With Mr. Nishiguchi as chair, three of the four members of the Nomination and

Remuneration Committee are External Directors. For a company of our size, I believe the system design is quite advanced. The committee's recommendations are reported and discussed to the Board of Directors, and significant progress has been made in talent development. While not an urgent issue, I think we need to discuss formalizing a concrete program for management succession.

Nishiguchi: The founder started the company driven by ideals, the second generation solidified the foundation, and the current third-generation president changed the company name to "YUSHIN" and is challenging business transformation. As an External Director, I want to leverage my experience to provide advice and give the management team a push forward.



■ The Board Members’ Compensation System

Our board members’ compensation system is aimed at improving motivation for improving performance and securing and retaining excellent human resources, for the sustainable growth and enhancement of competitiveness of YUSHIN. YUSHIN has decided a new policy for the board members’ compensation at the board meeting held on March 7th, 2022. Nomination and Remuneration Committee accepted the consultations and approved the decision.

[Key Features of the System]

- Setting compensation standard in reference to industry standards.
- Strengthening efforts to improve mid-term performance and to drive up the stock price
- Improving objectivity and fairness in compensation deciding process.

The board members’ compensation consists of monthly compensation (basic compensation), short-term performance bonuses, and mid-term performance bonuses and stock-price-linked bonuses.

Monthly compensation (basic compensation) is determined by the Representative Director and President, who is delegated by the Board of Directors, based on the evaluation of Directors determined through deliberation by the Nomination and Remuneration Committee within the monthly remuneration range (upper and lower limits) for each position. Short-term performance bonuses are determined by multiplying the base salary of the position by a performance coefficient based on the achievement of the consolidated Ordinary profit, and by reflecting the overall contribution of the Directors based on target management and qualitative assessment. The mid-term performance bonuses and stock-price-linked bonuses are decided by reflecting two coefficients - mid-term performance coefficient based on the growing rate of earning per share (EPS), and stock-price-linked coefficient based on the growing rate of the stock price.

The makeup of the compensation is determined by position with reference to the external standards of the companies in the same industry and of the same size as the Company (the total of short-term performance bonus and medium-term performance/stock-price-linked bonus is approximately 30%).

The compensation for External Directors and Auditors consists of fixed compensation (basic compensation). It is our policy not to pay performance-linked compensations in order to maintain independence in the conduct of business.

Directors	Internal	Basic Compensation		Short-Term Performance Bonus Mid-Term Performance Bonus Stock-Price-Linked Bonus
	External	Basic Compensation		
Auditors		Basic Compensation		

■ The Committee of Internal Control

In terms of internal control, the Committee of Internal Control plays a central role as an organization that promotes smooth and sophisticated internal control of the YUSHIN Group in accordance with the “Basic Policy for the Establishment and Operation of Internal Control.”

The committee is chaired by Kota Oda, Director and Executive Vice President. Department managers with extensive business experience are selected as committee members from each of the sales, purchasing, manufacturing, and administration divisions, who are appointed by the chairperson. The committee meets monthly to review the status and effectiveness of the Group’s internal controls, and to discuss the establishment or revision of policies and rules and the effectiveness of risk controls. The committee also provides education and guidance on compliance, risk management, and information management to each division, department, and group company in cooperation with the Internal Audit Office and related departments.

■ Sustainability Committee

Our company has established a Sustainability Committee, chaired by the Representative Director and President. The purpose of this committee is to contribute to the creation of a sustainable society and environment through our business activities, as well as to enhance our corporate value through sustainable business development. We have decided on our Sustainability Basic Policy and announced the materiality we have identified. For each key initiative addressing materiality, we set targets and KPIs, and disclose our performance and evaluations. [▶ P21-23](#)

■ Strengthening Corporate Governance

Skills Matrix

In light of our management environment and business characteristics, and in order to achieve sustainable growth in the future, we have identified the skills (knowledge, experience, and ability) that our Board of Directors should possess in order to properly perform its decision-making and management oversight functions. We will continue to review the content of the experience and skills required for our Board of Directors through dialogue with stakeholders.

Our Board of Directors is composed of members who ensure diversity in knowledge, experience, and skills. In order for the Board of Directors to make prompt and appropriate decisions and to realize a highly effective supervisory function, each Director and each Corporate Auditor will appropriately fulfill their roles and responsibilities.

Name	Position	Gender	Management	Development, Engineering, and Quality	Human resource Development and Sustainability	Sales and Marketing	Global	Finance and Accounting	IT and DX	Governance, Risk management and Compliance
Takayo Kotani	Representative Director and President	Female	✓	✓	✓		✓			✓
Kota Oda	Director and Executive Vice President	Male	✓		✓			✓	✓	✓
Yasushi Kitagawa	Executive Managing Director	Male	✓	✓			✓		✓	
Tomohiro Inano	Managing Director	Male	✓			✓	✓			
Yasuo Nishiguchi	External Director	Male	✓		✓	✓			✓	✓
Hiroshi Matsuhisa	External Director	Male		✓	✓				✓	
Reiko Nakayama	External Director	Female	✓					✓		✓
Masahito Fukui	Full-time Corporate Auditor	Male	✓				✓	✓	✓	✓
Tetsuya Nonaka	External Corporate Auditor	Male	✓							✓
Yoshiki Yamada	External Corporate Auditor	Male	✓					✓		✓
This table shows the four primary skills of each personnel excluding “Management.” This table does not show all knowledge or experience of each director and auditor.										

Strengthening Corporate Governance

Directors, Auditors and Executive Officers



Member*1

Representative Director and President
Takayo Kotani
Date of birth: August 26, 1977
Number of shares of the Company held: 1,968,532 shares
Board of Directors attendance record: 13/13 meetings

Takayo Kotani has been involved in R&D, promotion of development strategies and management, and has a wealth of experience and success. Since June 2021, she has served as Representative Director and President, taking the lead in formulating management strategies for sustainable growth and strengthening the YUSHIN Group's organizational structure.



Director and Executive Vice President
General Manager of Administration Division
Kota Oda
Date of birth: June 10, 1978
Number of shares of the Company held: 15,000 shares
Board of Directors attendance record: 13/13 meetings

Kota Oda has extensive experience and success in overseeing and managing corporate divisions. As Executive Vice President since June 2022, he has taken the lead in formulating strategies for the YUSHIN Group's sustainable growth and strengthening the organizational structure.



External Independent Member*2

External Director
Reiko Nakayama
Date of birth: April 2, 1959
Number of shares of the Company held: 20,062 shares
Board of Directors attendance record: 13/13 meetings

Leveraging her extensive expertise as a general manager of an underwriting department of a securities company, an officer in charge of administration of an operating company, and an External Director of the Company, Reiko Nakayama fulfills an appropriate role in ensuring the soundness and appropriateness of decision-making. This includes providing oversight and advice on management from an independent standpoint. Furthermore, as a member of the Nomination and Remuneration Committee, she performs the oversight function in the selection of candidate officers and the determination of executive compensation, maintaining an objective and neutral stance.



Full-time Corporate Auditor
Masahito Fukui
Date of birth: June 30, 1960
Number of shares of the Company held: 5,000 shares
Board of Directors attendance record: 13/13 meetings
Board of Corporate Auditors attendance record: 10/10 meetings
*Since assuming office on June 25, 2024

Masahito Fukui has been involved in the operations and management including accounting and finance, information systems, and auditing



Executive Managing Director
General Manager of Manufacturing Division and General Manager of Purchasing Division
Yasushi Kitagawa
Date of birth: August 12, 1958
Number of shares of the Company held: 11,000 shares
Board of Directors attendance record: 13/13 meetings

Yasushi Kitagawa has been involved in the operations and management of production and materials, and has extensive experience and success.



Managing Director
General Manager of Sales Division
Tomohiro Inano
Date of birth: December 13, 1962
Number of shares of the Company held: 14,300 shares
Board of Directors attendance record: 13/13 meetings

Tomohiro Inano has been involved in the operations and management including sales, and has extensive experience and success.



External Independent

External Corporate Auditor
Tetsuya Nonaka
Date of birth: September 25, 1976
Number of shares of the Company held: - shares
Board of Directors attendance record: 13/13 meetings
Board of Corporate Auditors attendance record: 13/13 meetings

Tetsuya Nonaka, drawing on his specialized legal expertise, poses questions and offers opinions to clarify points of concern regarding report items and resolution items. He also verifies internal audit results, exchanges views on audits, and discusses important matters. In addition to receiving regular reports on the content of the accounting audit from the accounting auditor, he engages in regular exchanges of views with top management.

[Status of significant concurrent positions, etc.]

Attorney

Partner of Naniwabashi Law Office LPC

Outside Corporate Auditor of TOYO SHUTTER CO., LTD.



External Independent

External Corporate Auditor
Yoshiki Yamada
Date of birth: January 26, 1954
Number of shares of the Company held: - shares
Board of Directors attendance record: 10/10 meetings
*Since assuming office on June 25, 2024
Board of Corporate Auditors attendance record: 10/10 meetings
*Since assuming office on June 25, 2024

Yoshiki Yamada, drawing on his professional expertise in finance and accounting as a certified public accountant, poses questions and offers opinions to clarify concerns regarding report items and resolution items. He also verifies internal audit results, exchanges views on audit matters, and discusses important issues. In addition to receiving regular reports on the content of the accounting audit from the accounting auditor, he engages in regular exchanges of views with top management.

[Status of significant concurrent positions, etc.]

Certified Public Accountant

Outside Director (Audits and Supervisory Committee member) of Konishi Co., Ltd.

Partner in Rutland Audit Corporation



External Independent Chairman*2

External Director
Yasuo Nishiguchi
Date of birth: October 9, 1943
Number of shares of the Company held: 81,100 shares
Board of Directors attendance record: 12/13 meetings

Yasuo Nishiguchi has served as President and Representative Director and the Chairman, and other key positions at KYOCERA Corporation. Leveraging his specialized expertise gained through these leadership roles across all aspects of management, he fulfills an appropriate role in ensuring the soundness and appropriateness of decision-making. This includes providing oversight and advice on management from an independent standpoint. Furthermore, as the chairman of the Nomination and Remuneration Committee, he leads the oversight function in the selection of candidate officers and the determination of executive compensation, maintaining an objective and neutral stance.

[Status of significant concurrent positions, etc.]

Chairman of YAMADA Consulting Group Co., Ltd.



External Independent Member*1

External Director
Hiroshi Matsuhisa
Date of birth: August 5, 1947
Number of shares of the Company held: 25,000 shares
Board of Directors attendance record: 13/13 meetings

Leveraging his specialized expertise as experienced professionals in engineering, Hiroshi Matsuhisa fulfills an appropriate role in ensuring the soundness and appropriateness of decision-making. This includes providing oversight and advice on management from an independent standpoint. Furthermore, as a member of the Nomination and Remuneration Committee, he performs the oversight function in the selection of candidate officers and the determination of executive compensation, maintaining an objective and neutral stance.

[Status of significant concurrent positions, etc.]

Professor Emeritus at Kyoto University

Miki Murata Senior Executive Officer
General Manager of Corporate Planning Office

Naoki Tsuji Executive Officer
General Manager of Palletizing Robot Sales Dept., and Public Relations Office

Mitsuharu Hamahata Executive Officer
General Manager of R&D Division

*1 Member of the Nominating and Remuneration Committee

*2 Chairman of the Nominating and Remuneration Committee

Note: The number of shares held is as of the end of March 2025.

Note: The number of the Board of Directors and Board of Corporate Auditors meetings held is for the fiscal year ending March 2025.

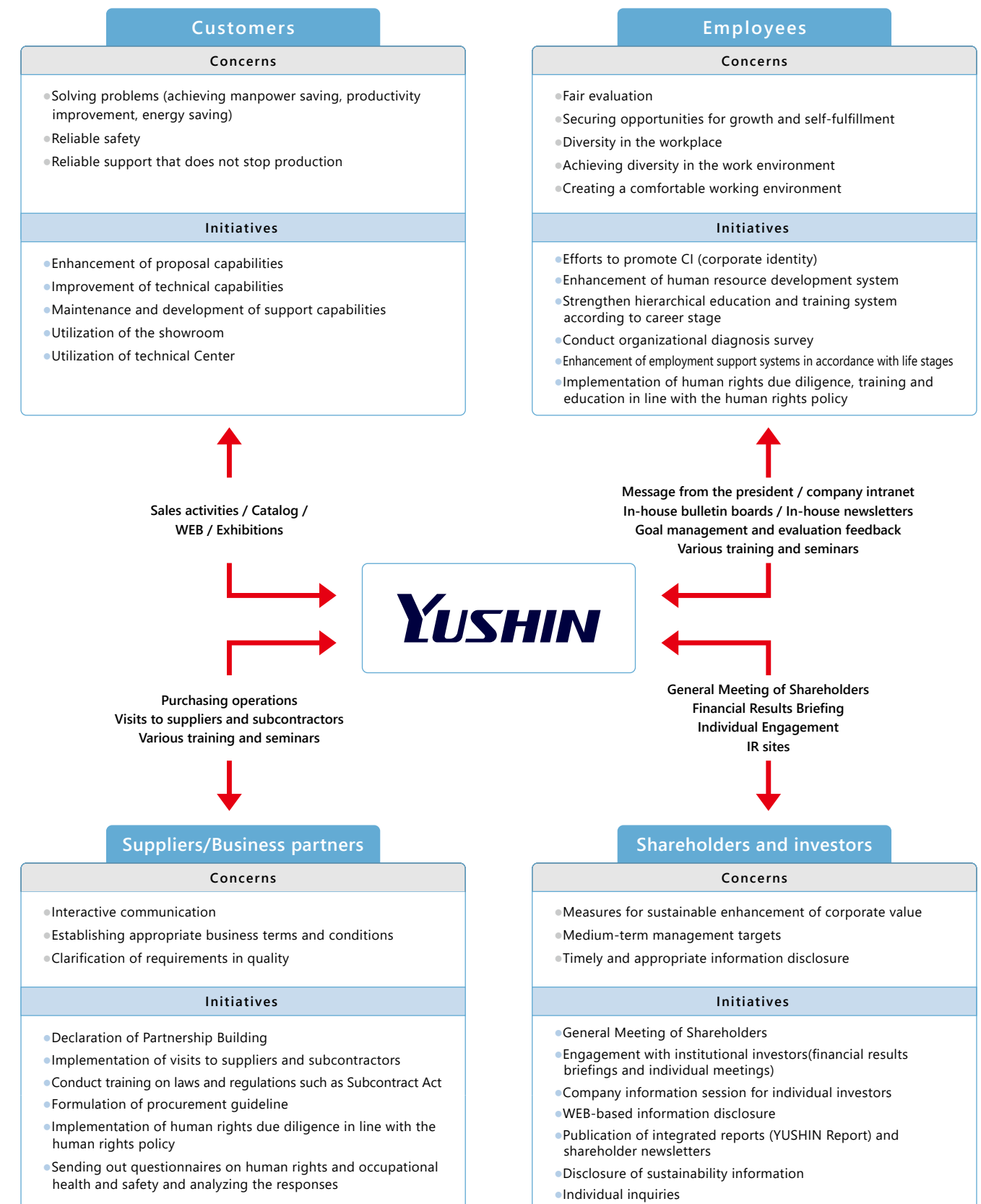
Note: In addition to the above number of the Board of Directors meetings, there were seven instances of written resolutions deemed equivalent to Board resolutions.

Risk Management

YUSHIN management team identifies following risks which may have significant impacts on financial statements, business performances and cash flows around YUSHIN Group.

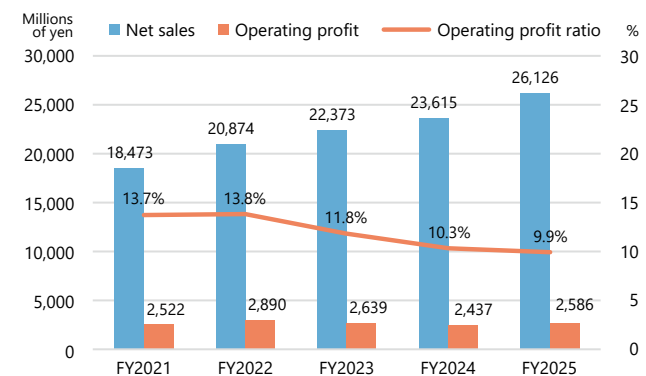
Financial risk	Related risk	Our efforts
External factor (market trend)	- Capital expenditure in plastic injection molding - Impact from exchange rate fluctuations (strong yen) on the yen equivalent of the overseas subsidiaries' business results - Low-priced competition	- Our business runs in multi-industry markets to prevent impacts from economic fluctuations in a particular industry. - We keep on developing new models and reducing manufacturing cost and SGA expenses.
External factor (purchasing)	- Price fluctuations in raw materials - Parts supply restrictions from suppliers and discontinued parts - Parts shortage due to demand rise in market	- We attempt to manage minimizing purchase price fluctuation by setting up multiple and reliable supply routes. - We maintain system that enables flexible design changes.
External factor (natural disaster and others)	- Earthquake and storm damage - Urban lockdown and stay-at-home order due to pandemic diseases around the world	- We formulate and disseminate our "Disaster Prevention and Business Continuity Plan," striving to conduct regular disaster drills and establish systems such as employee safety confirmation. - During emergencies, we maintain resilient and efficient business operations through thorough infection control and hygiene management, along with the use of staggered work hours, telework, and web conferencing.
Internal factor (accident)	- Warranty costs due to quality issue - Labor accidents - Cyber accidents such as information leaks, loss of important data, and operating system outage caused by information security issue (cyber-attack, computer virus and unauthorized access) - Operating system outage due to information technology system failure	- We have a strict quality management structure which complies with an international quality standard by setting up quality control standard, thorough quality management, and suitable measures. - We have contractors' liability insurance and product liability insurance. - We pay careful attention to the safety measures of machinery and equipment, as well as the health and safety of our executives and employees, in order to prevent industrial accidents. - We strictly manage information, enhance information security measures, and provide education and training to executives and employees.
Internal factor (human resources)	- Weakness in securing human resources for rapid business development - Resignations and leaves of absence in the area of specialty - Compliance violation	- We make efforts to improve working conditions to keep employees and personnel system to support motivated employees. With this efforts, we recruit and develop necessary human resources to facilitate the development of the global business expansion. - We improve working efficiency by IT technology. - We strive to create a comfortable working environment tailored to the life stages of our employees. - We have established the YUSHIN Group Code of Conduct for Employees and implement compliance awareness programs and training.
Others	- Sales and costs of goods sold are recorded in the following consolidated fiscal year due to the acceptance status of the goods delivered at the end of fiscal year. - In the event that the profitability of a company acquired through a corporate acquisition declines due to changes in the business environment, etc., there is a possibility that an impairment loss will be recorded.	

Dialogue and Engagement with Stakeholders



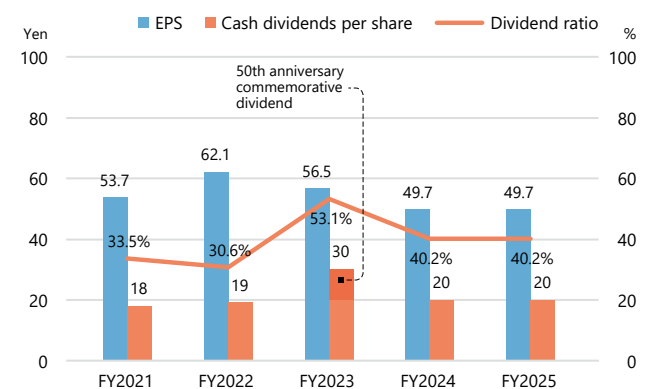
Financial Highlights

■ Net Sales, Operating Profit, Operating Profit Ratio



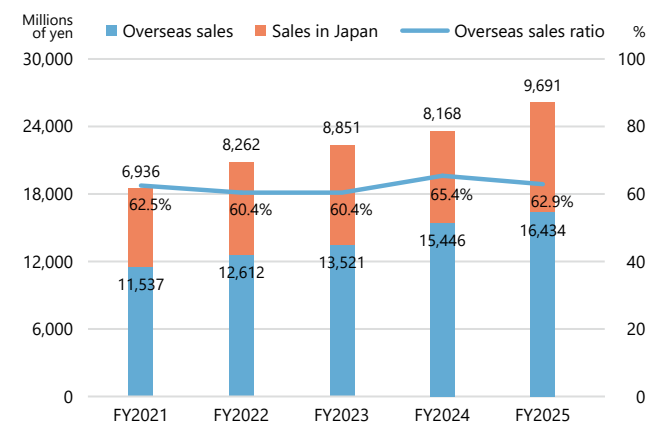
In FY2025, Net sales reached a record high of 26,126 million yen (up 10.6% year on year). This was due to medical-related custom-ordered equipment in Europe and the acquisition of WEMO as a subsidiary. Operating profit was 2,586 million yen (up 6.1% year on year) due to factors such as increased personnel costs and rising raw material prices.

■ EPS, Dividends, Dividend Ratio



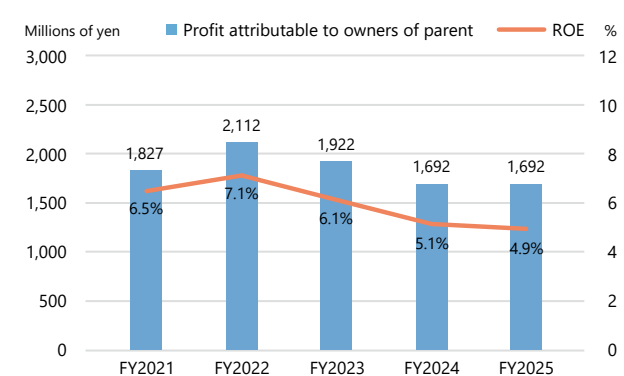
In order to provide stable and continuous shareholder returns, we aim for a consolidated dividend payout ratio of 30% or higher. We intend to increase the level of ordinary dividends by improving our consolidated performance. In FY2025, we paid a dividend of 20 yen per share.

■ Overseas Sales Ratio



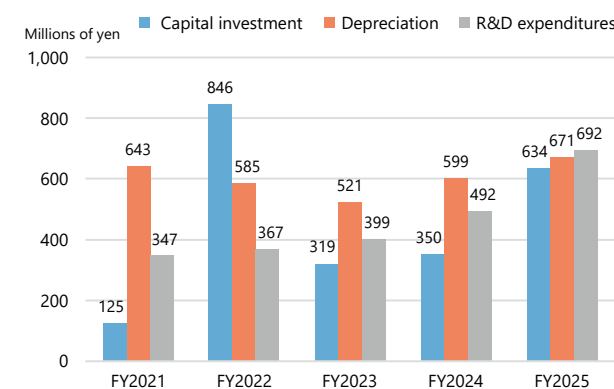
Net sales remained steady in both Japan and overseas market. The overseas sales ratio was 62.9% due to large scale medical-related custom-ordered equipment. Our Group currently has a global network of 57 bases, and we are developing sales and after-sales services in countries and regions around worldwide.

■ Profit Attributable to Owners of Parent, ROE



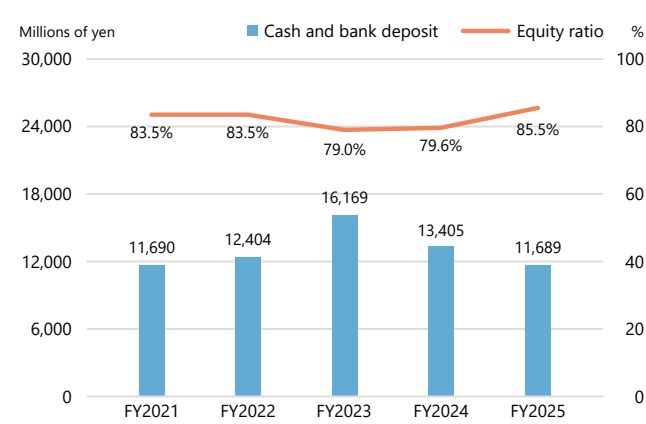
Profit attributable to owners of parent for FY2025 was 1,692 million yen (unchanged year on year), and ROE was 4.9% (down 0.2 points year on year).

■ Capital Investment, Depreciation, R&D Expenditures



Recent capital investments include the opening of the showroom in FY2023 and the renovation of the old headquarters plan in FY2024 and FY2025. We have traditionally prioritized certain R&D expenditures in all economic conditions and continue to invest in our growth strategy.

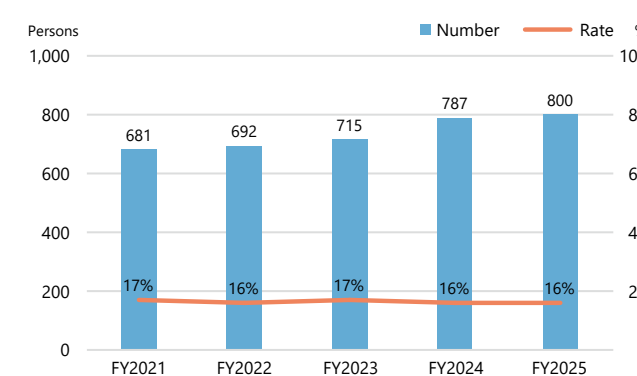
■ Cash and Bank Deposit, Equity Ratio



In FY2025, Cash and deposits decreased compared to the previous year due to a decrease in Advances received from the custom-ordered equipment business. We will continue to prepare for future increases in demand and flexible investment at the right time.

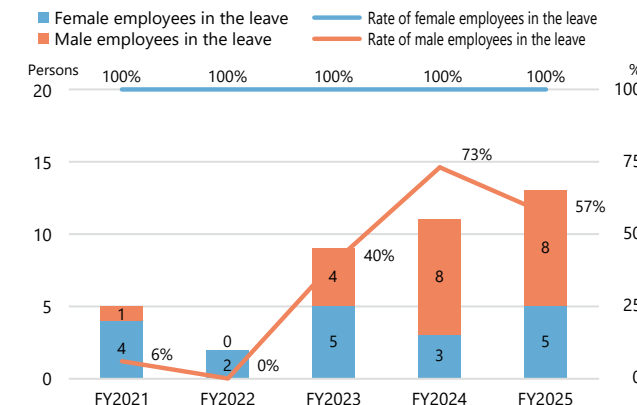
Non-Financial Highlights

■ Number of Employees / Rate of Female Employees



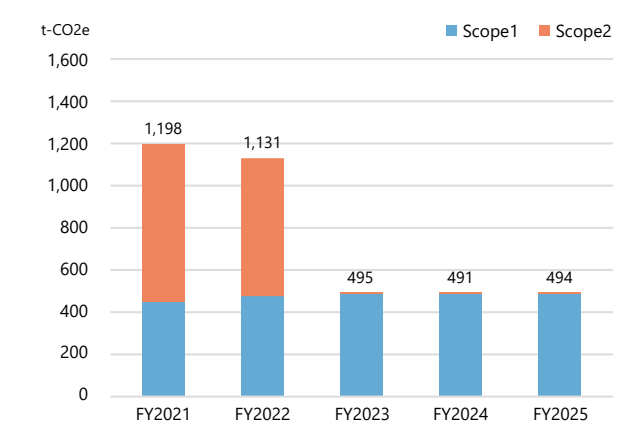
We are growing our workforce by aggressively investing in human resources around the world.

■ The Number of Employees in Childcare Leave, Rate of Taking Childcare Leave



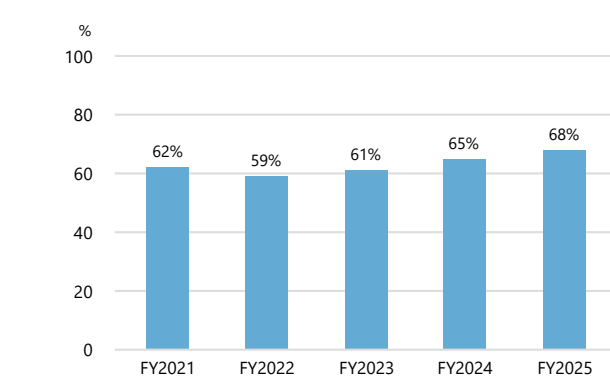
In addition to helping female employees take childcare leave and return to work, we are proactively taking measures to support male employees who are raising children, such as publicizing the contents of the system through lectures and roundtable discussions, sharing experiences with employees who have taken the leave, and preparing and distributing pamphlets to deepen the understanding of the system.

■ Greenhouse Gas Emissions (in Japan)



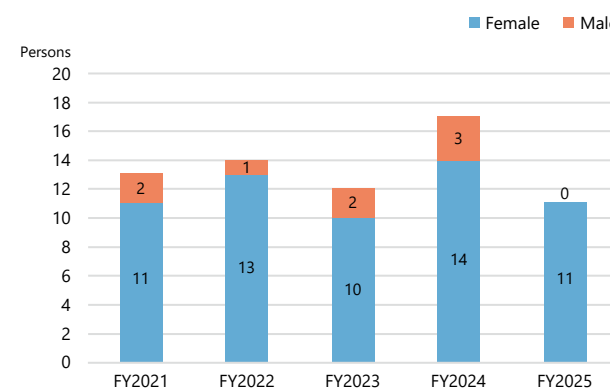
From FY2023, the switch to electricity derived from renewable energy has led to a significant reduction in greenhouse gas emissions from electricity use. In addition, we have installed solar panels on the roof of our headquarters plant, and are also working to reduce greenhouse gas emissions by consuming solar power generated on-site.

■ Annual Paid Leave Acquisition Rate (Employees in Japan)



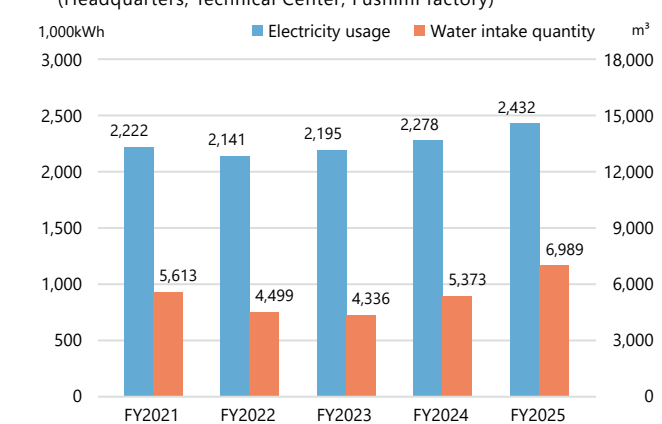
From FY2024, we introduced a system of annual paid leave in hourly units and a system of accumulating annual paid leave which increase the number of days of annual leave granted. As such we work to create an environment in which employees can more easily take paid leave.

■ The Number of Employees Who Take Shortened Working Hours System



Short-time work is available to our employees while their children are in the third grade of elementary school or below, while it is required by law up to the age of three. In recent years, the number of male employees using the system has increased. Over the past few years, all eligible female employees have used this system and attained to balance work and childcare, and they are getting understanding and support of the other employees. We will continue to strive to improve the workplace environment according to the life stages of our employees.

■ Electricity Usage (in Japan), Water Intake Quantity (Headquarters, Technical Center, Fushimi factory)



Our company uses electricity as the primary energy source at our main factory. We continuously strive to manage energy consumption associated with our business activities through measures such as implementing rational production plans, setting designated lights-out periods, and reducing power consumption by introducing LED lighting.

Financial Information

■ Key Indicators

	(Millions of yen)										
	FY2016	FY2017	FY2018	FY2019		FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Net sales	21,148	19,346	20,878	21,833		20,011	18,473	20,874	22,373	23,615	26,126
Gross profit	8,442	7,666	8,461	8,741		8,020	7,875	8,991	9,573	9,788	10,766
Gross profit to net sales	39.9%	39.6%	40.5%	40.0%		40.1%	42.6%	43.1%	42.8%	41.5%	41.2%
Operating profit	3,086	2,112	2,358	2,760		2,309	2,522	2,890	2,639	2,437	2,586
Operating profit to net sales	14.6%	10.9%	11.3%	12.6%		11.5%	13.7%	13.8%	11.8%	10.3%	9.9%
Ordinary profit	2,921	2,058	2,432	2,791		2,205	2,608	3,085	2,787	2,586	2,535
Ordinary profit to net sales	13.8%	10.6%	11.7%	12.8%		11.0%	14.1%	14.8%	12.5%	11.0%	9.7%
Profit attributable to owners of parent	1,908	1,380	1,626	1,903		1,532	1,827	2,112	1,922	1,692	1,692
Profit attributable to owners of parent to net sales	9.0%	7.1%	7.8%	8.7%		7.7%	9.9%	10.1%	8.6%	7.2%	6.5%

Total assets	29,409	30,761	32,572	33,197		31,933	34,649	36,892	40,843	42,821	41,045
Return on assets <ROA>	6.5%	4.6%	5.1%	5.8%		4.7%	5.5%	5.9%	4.9%	4.0%	4.0%
Interest-bearing debt	-	-	-	-		-	-	-	-	-	-
Net assets	24,715	25,451	26,472	27,117		27,471	29,171	31,047	32,586	34,418	35,498
Equity ratio	83.3%	82.1%	80.6%	80.9%		85.3%	83.5%	83.5%	79.0%	79.6%	85.5%
Return on equity <ROE>	7.9%	5.6%	6.3%	7.2%		5.7%	6.5%	7.1%	6.1%	5.1%	4.9%

	(Millions of yen)										
	FY2016	FY2017	FY2018	FY2019		FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Cash flows from operating activities	2,218	1,626	1,223	2,291		3,558	3,487	2,083	4,605	119	(377)
Cash flows from investing activities	(5,105)	(471)	(2,511)	(61)		(1,475)	(1,987)	(1,341)	(299)	(2,519)	(129)
Cash flows from financing activities	(677)	(678)	(659)	(1,316)		(946)	(561)	(763)	(695)	(1,070)	(720)
Cash and cash equivalents at end of period	5,297	5,690	3,763	4,669		5,652	6,846	7,055	10,815	8,045	6,828

Capital investment	4,754	546	652	256		198	125	846	319	350	634
Depreciation	268	474	924	778		703	643	585	521	599	671
R&D expenses	510	619	598	413		369	347	367	399	492	692

No. of shares issued (1,000 Shares)	17,819	17,819	17,819	35,638		35,638	35,638	35,638	35,638	35,638	35,638
No. of treasury shares (1,000 Shares)	331	331	331	1,333		1,602	1,602	1,602	1,603	1,603	1,603
Earnings per share <EPS> (Yen)	109.14	78.93	93.03	54.54		45.01	53.70	62.06	56.50	49.72	49.74
Book value per share <BPS> (Yen)	1,401.54	1,444.38	1,500.75	783.03		800.04	850.14	904.77	948.36	1,001.03	1,031.64
Dividends per share (Yen)	36	36	33	17		18	18	19	30	20	20
Dividend payout ratio	33.0%	45.6%	35.5%	30.9%		40.0%	33.5%	30.6%	53.1%	40.2%	40.2%

Employees (Persons)	636	663	683	683		689	681	692	715	787	800
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Financial Information

■ Consolidated Balance Sheets (Fiscal Year-End)

	(Millions of yen)				
	FY2021	FY2022	FY2023	FY2024	FY2025
ASSETS					
Current assets					
Cash and deposits	11,690	12,404	16,169	13,405	11,689
Notes and accounts receivable - trade	5,563	5,905	5,471	6,008	6,811
Merchandise and finished goods	1,007	1,074	1,288	1,039	1,161
Work in process	987	1,203	1,338	1,847	1,049
Raw materials and supplies	2,987	3,571	3,760	5,083	5,064
Consumption taxes receivable	71	87	87	215	54
Other	236	261	533	610	606
Allowance for doubtful accounts	(36)	(7)	(10)	(8)	(16)
Total current assets	22,509	24,500	28,638	28,203	26,420
Non-current assets					
Property, plant and equipment					
Buildings and structures, net	4,166	3,849	3,609	3,554	3,614
Machinery, equipment and vehicles, net	116	119	150	171	165
Land	6,129	6,812	6,821	6,851	6,824
Construction in progress	22	12	34	8	10
Other, net	97	132	130	163	171
Total property, plant and equipment	10,531	10,926	10,746	10,749	10,787
Intangible assets					
Goodwill	-	-	-	495	440
Customer-related intangible assets	-	-	-	1,579	1,553
Other	254	186	192	186	173
Total intangible assets	254	186	192	2,261	2,167
Investments and other assets					
Investment securities	285	263	307	547	559
Retirement benefit asset	257	264	215	274	318
Deferred tax assets	621	647	649	594	590
Other	209	181	141	254	251
Allowance for doubtful accounts	(20)	(78)	(49)	(63)	(50)
Total investments and other assets	1,353	1,279	1,265	1,607	1,670
Total non-current assets	12,139	12,392	12,204	14,617	14,625
Total assets	34,649	36,892	40,843	42,821	41,045

	(Millions of yen)				
	FY2021	FY2022	FY2023	FY2024	FY2025
LIABILITIES					
Current liabilities					
Notes and accounts payable - trade	1,933	1,710	1,733	2,011	1,493
Electronically recorded obligations - operating	839	935	890	522	424
Accounts payable - other	542	519	586	587	527
Income taxes payable	400	560	275	467	569
Advances received	789	1,162	3,721	3,062	783
Provision for bonuses	282	300	310	357	327
Provision for bonuses for directors	42	32	29	25	21
Provision for product warranties	162	137	256	284	195
Other	328	310	210	401	538
Total current liabilities	5,321	5,668	8,012	7,719	4,881
Non-current liabilities					
Provision for retirement benefits for directors	-	-	-	-	-
Retirement benefit liability	87	100	164	115	114
Deferred tax liabilities	23	24	6	387	356
Other	43	51	73	179	195
Total noncurrent liabilities	155	176	244	682	665
Total liabilities	5,477	5,845	8,256	8,402	5,546
NET ASSETS					
Shareholders' equity					
Share capital	1,985	1,985	1,985	1,985	1,985
Capital surplus	2,024	2,024	2,024	2,024	2,024
Retained earnings	25,848	27,212	28,454	29,125	30,137
Treasury shares	(1,355)	(1,355)	(1,355)	(1,355)	(1,355)
Total shareholders' equity	28,503	29,866	31,108	31,779	32,791
Accumulated other comprehensive income					
Valuation difference on available-for-sale securities	103	88	118	285	290
Foreign currency translation adjustment	290	796	1,043	1,958	1,958
Remeasurements of defined benefit plans	37	41	5	45	69
Total accumulated other comprehensive income	431	927	1,168	2,289	2,319
Non-controlling interests	236	253	309	349	387
Total net assets	29,171	31,047	32,586	34,418	35,498
Total liabilities and net assets	34,649	36,892	40,843	42,821	41,045

Financial Information

■ Consolidated Statements of Income

	(Millions of yen)				
	FY2021	FY2022	FY2023	FY2024	FY2025
Net sales	18,473	20,874	22,373	23,615	26,126
Cost of sales	10,598	11,883	12,799	13,827	15,359
Cost to net sales	57.4%	56.9%	57.2%	58.6%	58.8%
Gross profit	7,875	8,991	9,573	9,788	10,766
Gross profit to net sales	42.6%	43.1%	42.8%	41.5%	41.2%
Selling, general and administrative expenses	5,353	6,100	6,934	7,350	8,180
Operating profit	2,522	2,890	2,639	2,437	2,586
Operating profit to net sales	13.7%	13.8%	11.8%	10.3%	9.9%
Non-operating income					
Interest income	6	6	6	25	24
Dividend income	5	6	8	10	14
Purchase discounts	6	7	8	4	-
Foreign exchange gains	34	96	99	90	-
Subsidy income	15	-	-	-	-
Other	19	78	27	19	29
Total non-operating income	88	195	150	151	68
Non-operating expenses					
Sales discounts	0	-	-	-	-
Foreign exchange losses	-	-	-	-	118
Other	0	1	3	2	1
Total non-operating expenses	1	1	3	2	120
Ordinary profit	2,608	3,085	2,787	2,586	2,535
Ordinary profit to net sales	14.1%	14.8%	12.5%	11.0%	9.7%
Extraordinary income					
Gain on sales of non-current assets	1	1	7	5	14
Gain on sales of investment securities	-	-	-	-	-
Total extraordinary income	1	1	7	5	14
Extraordinary losses					
Loss on sales and retirement of non-current assets	0	0	25	30	19
Other	-	-	-	-	-
Total extraordinary losses	0	0	25	30	19
Profit before income taxes	2,610	3,086	2,769	2,561	2,529
Total income taxes	752	952	790	800	775
Profit	1,857	2,133	1,978	1,761	1,754
Profit attributable to non-controlling interests	29	21	55	69	61
Profit attributable to owners of parent	1,827	2,112	1,922	1,692	1,692
Profit attributable to owners of parent to net sales	9.9%	10.1%	8.6%	7.2%	6.5%

■ Order, Backlog and Sales

	(Millions of yen)				
	FY2021	FY2022	FY2023	FY2024	FY2025
Order received by product					
Robots	12,785	14,402	14,519	13,099	15,424
Custom-ordered equipment	2,784	3,910	8,444	4,887	2,771
Parts & maintenance services	3,145	3,519	3,806	4,402	4,711
Total	18,715	21,832	26,770	22,389	22,907
Backlog of orders by product					
Robots	3,000	3,120	3,485	3,081	3,995
Custom-ordered equipment	1,423	2,209	6,247	5,252	1,152
Parts & maintenance services	207	259	253	427	393
Total	4,631	5,589	9,986	8,761	5,541
Sales by product					
Robots	11,904	14,282	14,154	13,504	14,509
Custom-ordered equipment	3,422	3,124	4,406	5,882	6,872
Parts & maintenance services	3,147	3,467	3,812	4,228	4,745
Total	18,473	20,874	22,373	23,615	26,126
Sales by region					
Japan	6,936	8,262	8,851	8,168	9,691
China & Taiwan	2,753	3,318	2,799	1,982	2,350
Other Asia	3,032	3,622	4,060	3,743	4,020
Europe	1,782	1,075	1,333	3,704	5,022
North America	3,375	4,103	4,674	4,930	4,280
Others	593	492	653	1,086	760
Total	18,473	20,874	22,373	23,615	26,126
Sales by end-user categories					
Mobility	4,247	5,582	5,875	6,482	7,344
Medical	4,878	3,633	4,366	5,857	6,216
Electronics	3,305	4,653	5,444	4,523	5,619
Electrical appliance	1,653	1,873	1,782	1,802	1,912
Sundry products	1,765	2,471	2,298	1,908	1,914
Containers	1,496	1,350	1,314	1,825	1,902
Discs and optical instruments*	624	650	-	-	-
Others	501	657	1,291	1,215	1,218
Total	18,473	20,874	22,373	23,615	26,126

* "Discs and optical instruments" has been merged with "Electronics."

Stock Information

■ Stock Information

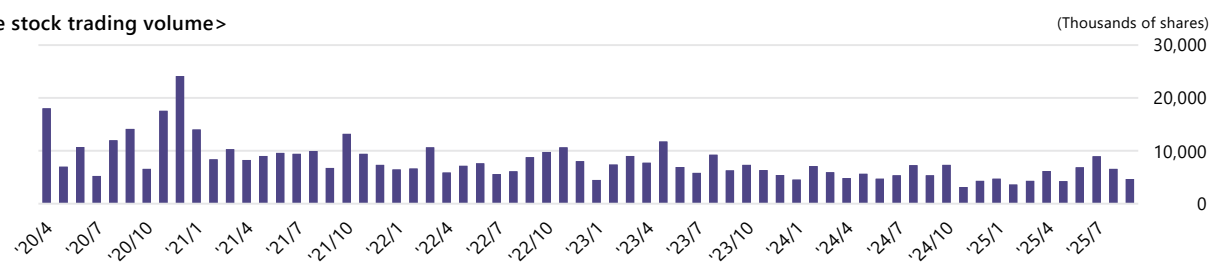
	FY2021	FY2022	FY2023	FY2024	FY2025
No. of shares issued (Shares)	35,638,066	35,638,066	35,638,066	35,638,066	35,638,066
No. of treasury shares (Shares)	1,602,518	1,602,804	1,603,076	1,603,219	1,603,603
No. of shareholders (Persons)	4,320	5,316	6,624	6,761	6,556
Cash dividends (Yen)	18	19	30	20	20
Dividend payout ratio	33.5%	30.6%	53.1%	40.2%	40.2%

■ Stock Price and Volume Trends

<Stock price>



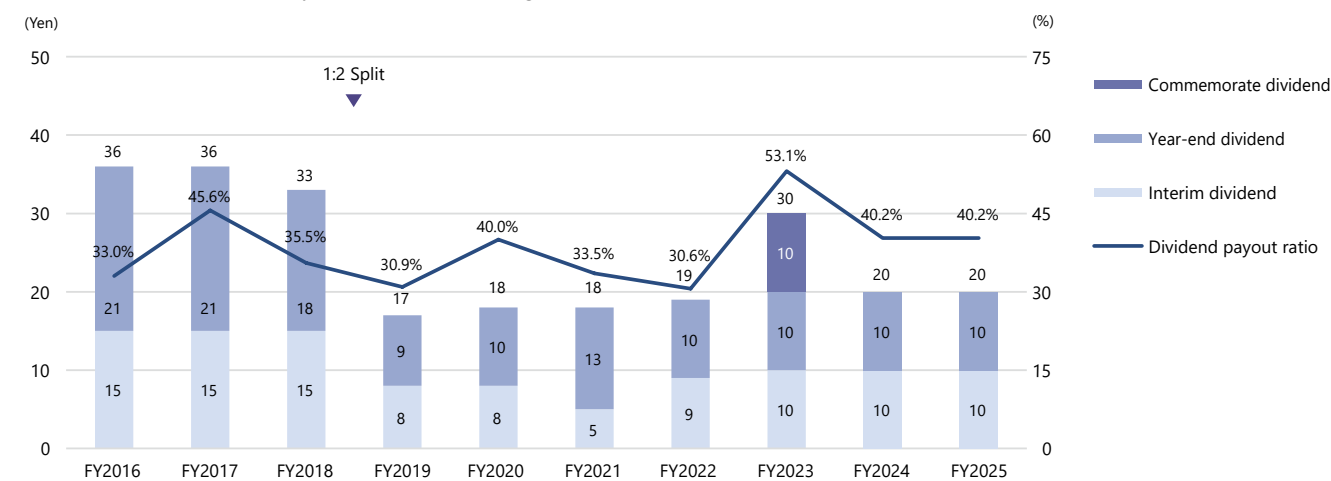
<Cumulative stock trading volume>



	FY2021	FY2022	FY2023	FY2024	FY2025
Highest price (yen)	1,037	933	768	806	765
Lowest price (yen)	593	641	623	649	602
Closing price (yen)	891	672	759	689	640
Total market value of shares (Millions of yen)	31,754	23,949	27,049	24,555	22,808
Cumulative stock trading volume (1,000 shares)	14,810	10,683	9,048	8,449	6,070
Dividend yield	2.0%	2.8%	4.0%	2.9%	3.1%
Price earnings ratio <PER>	16.59	10.83	13.43	13.86	12.87
Price book-value ratio <PBR>	1.05	0.74	0.80	0.69	0.62

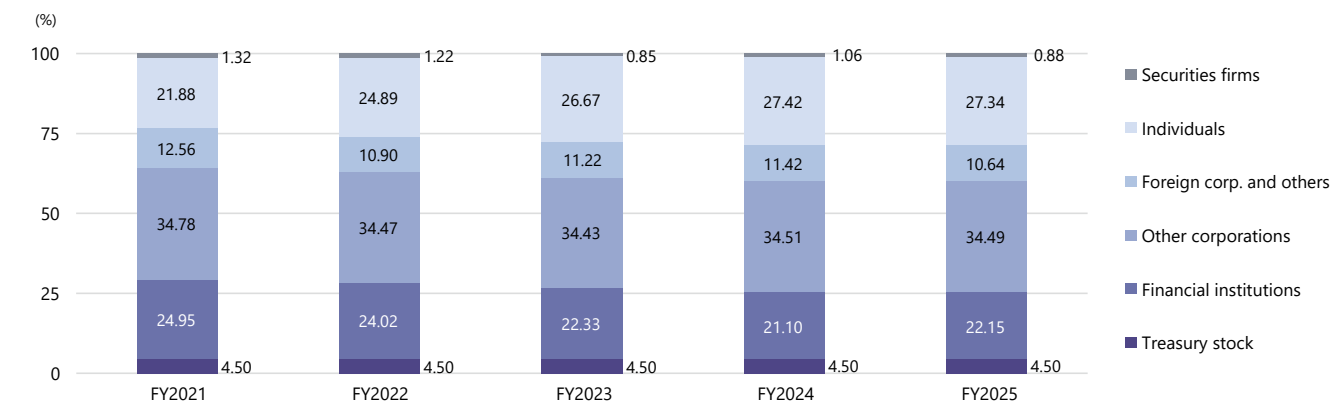
■ Dividends per Share ^{*1}

We aim for the dividend payout ratio of 30% or higher.



^{*1} The chart above shows actual dividends.

■ Distribution of Stockholders



■ Major Shareholders ^{*2, *3}

Shareholder's name	No. of shares held (Thousands)	Percentage of shares held (%)
Yushin Industry Co., Ltd.	11,992	35.2
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,828	8.3
Takayo Kotani	1,968	5.8
Miki Murata	1,847	5.4
Custody Bank of Japan, Ltd. (Trust Accounts)	1,133	3.3
STATE STREET BANK AND TRUST COMPANY 505001	1,025	3.0
The Kyoto Chuo Shinkin Bank, Ltd.	1,003	2.9
Mayumi Kotani	968	2.8
RBC IST 15 PCT NON LENDING ACCOUNT - CLIENT ACCOUNT	877	2.6
MUFG Bank, Ltd.	849	2.5

^{*2} As of March 31, 2025

^{*3} The above table excludes the Company's 1,603,603 treasury stock.

Corporate Information・Global Network (as of the end of September 2025)

With the widest global network in the industry, we deliver the best service to the customers' plant in the world.



Headquarters & Factory



Technical Center



Corporate Information

Company name	Yushin Company	Securities code	TSE Standard 6482
President	Takayo Kotani, Representative Director and President	Fiscal year	From April 1 to March 31 of the following year
Address	555 Kuzetonoshiro-cho, Minami-ku, Kyoto, 601-8205 JAPAN	AGM	June
Established	October, 1973	Business description	Development, manufacture and sale of Cartesian robots and other industrial equipment and systems for factory automation.
Capital	1,985.66 million yen	Main products	Take-out robots for injection-molded plastic products, automated stock systems and labor-saving automation equipment.
No. of employees	800 persons (as of the end of March, 2025)		