

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2009 (April 1, 2009 - December 31, 2009)

February 3, 2010

Company Name: Yushin Precision Equipment Co., Ltd.

Securities Code No.: 6482 URL <http://www.yushin.com>

Listing Exchanges: Tokyo, Osaka stock exchanges, first section

Representative: Mayumi Kotani, President

Contact: Satoshi Kimura, Senior Managing Director

Phone: (81)-75-933-9168

Scheduled date of filing of quarterly report: February 15, 2010

Note: This document has been translated from the Japanese original as a guide to non-Japanese investors and contains forward-looking statements that are based on managements' estimates, assumptions and projections at the time of publication.

A number of factors could cause actual results to differ materially from expectations. Amounts shown in this financial statement have been rounded down to the nearest million yen or thousand of yen.

(Figures shown are rounded down to the nearest million yen)

1. Consolidated Business Results for the Nine Months Ended December 31, 2009

(April 1, 2009 – December 31, 2009)

(1) Consolidated Results of Operations

	Net sales		Operating income		Ordinary income	
	¥ millions	%	¥ millions	%	¥ millions	%
Nine months ended December 31, 2009	9,727	(42.0)	638	(77.8)	724	(74.8)
Nine months ended December 31, 2008	16,758	2.1	2,875	(0.1)	2,870	(1.7)

	Net income		Net income per share	Net income per share/diluted
	¥ millions	%	Yen	Yen
Nine months ended December 31, 2009	400	(72.4)	22.92	–
Nine months ended December 31, 2008	1,455	(14.6)	81.75	–

Note: Changes in net sales, operating income, ordinary income and net income from previous fiscal year are shown in percentage on a year-on-year basis.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ millions	¥ millions	%	Yen
As of December 31, 2009	20,277	17,972	88.5	1,026.12
As of March 31, 2009	21,977	17,864	81.2	1,019.99

(Reference) Shareholders' Equity: 17,948 million yen as of December.31, 2009, 17,841 million yen as of March.31, 2009.

2. Dividends

Record date	Dividend per share				
	1Q	2Q	3Q	4Q	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2009	—	18.00	—	10.0	28.00
Year ending March 31, 2010	—	10.00	—		
Year ending March 31, 2010 (Forecast)				5.00	15.00

Note: Revisions to projected dividends during the nine months ended December 31, 2009: None

3. Forecast for the Year Ending March 31, 2010 (April 1, 2009 – March 31, 2010)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	Yen
Annual	13,087	(32.1)	893	(68.4)	913	(67.5)	511	(65.2)	29.21

Note: Revisions to projected results during the nine months ended December 31, 2009: None

Note: Changes in net sales, operating income, ordinary income and net income from previous fiscal year are shown in percentage on a year-on-year basis.

4. Others

(1) Changes in Consolidated subsidiaries during the period (change in scope of consolidation): None

(2) Adoption of the simplified method for accounting: Yes * See page 3, 4.Others

(3) Changes in accounting principles from recent consolidated fiscal year

(Changes in significant accounting policies, procedures and presentation in consolidated financial statements)

(i) Changes due to revision of accounting standards and other regulations: None

(ii) Changes other than (i): None

(4) Issued and outstanding shares

Total number of issued shares at December 31, 2009: 17,819,033 shares

March 31, 2009: 17,819,033 shares

Treasury stock at December 31, 2009: 327,611 shares

March 31, 2009: 327,220 shares

Weighted average number of shares for the nine months ended December 31, 2009: 17,491,561 shares

For the nine months ended December 31, 2008: 17,797,875 shares

Qualitative Information and Financial Statements

1. Qualitative Information Regarding Consolidated Result of Operation

During the nine months ended December 31, 2009, although the economic trend of China and the other emerging countries in Asia showed a recovery, overall global economy was still in a severe situation and remained uncertain. Especially in Japan, the economy continues to be in a difficult situation with the strong yen and the deteriorating employment conditions, although the production and the export of manufacturing industry increased.

As for industries related to Yushin, the demand of capital expenditure in Asia showed a recovery trend. However, the demand in Europe, the United States and Japan was at a low level.

Under these circumstances, Yushin has strengthened sales activity in the area where demand of capital expenditure is recovering and in new business field, and strengthened the constitution by the development of new products, the improvement of product quality and the reduction of cost. As a result, although net sales was ¥9,727 million, order situation during the nine months ended December 31, 2009 was on a recovery trend.

The decrease in net sales caused large impact on profit. However the continuous cost reduction was carried out and operating income was ¥638 million, ordinary income was ¥724 million and net income was ¥400 million.

2. Qualitative Information Regarding Consolidated Financial Position

Current assets decreased by ¥1,604million from the end of the previous fiscal year to ¥16,123 million. This is due to the increase of ¥1,749 million in cash and cash equivalents and the decrease of ¥1,271million and ¥2,034 million in trade notes and accounts receivable and work-in-process respectively.

With little change in fixed assets, total assets decreased by ¥1,700 million to ¥20,277 million.

Current liabilities decreased by ¥1,786 million from the end of the previous fiscal year to ¥2,165 million. This is due to the decrease of ¥1,503 million in trade notes and accounts payable. With little change in long-term liabilities, total liabilities came to ¥2,304 million, a decrease of ¥1,808 million.

Net assets increased by ¥108 million to ¥17,972 million, due to a rise of ¥51 million in retained earnings due to the appropriation of earnings in the previous period and net income of the current period.

3. Qualitative Information Regarding Prospects for Consolidated Financial Results

No revision has made for the prospects for the fiscal year ending March 31, 2010 which were announced on November 5, 2009.

4. Others

(1) Change in number of significant subsidiaries during this period (due to change in the scope of consolidation):
None

(2) Adoption of simplified accounting methods and accounting methods used specifically for quarterly consolidated financial statements: Corporate income tax and other taxes are calculated based on estimated effective statutory tax rate for this fiscal year. Income taxes-differed is included in Corporate income tax and other taxes.

(3) Changes in accounting method in this period: None

5. Consolidated Financial Statements
(1) Consolidated Balance Sheets

(¥ thousands)

Account	Term	Third quarter of 2009 (as of December 31, 2009)	Previous year (as of March 31, 2009)	Change
		Amount	Amount	Amount
(ASSETS)				
I	Current assets	16,123,790	17,728,625	(1,604,835)
	Cash and cash equivalents	9,231,746	7,482,165	1,749,581
	Trade notes and accounts receivable	3,054,492	4,325,606	(1,271,114)
	Securities	900,000	1,132,200	(232,200)
	Finished good	638,191	551,308	86,883
	Work-in-process	521,634	2,556,194	(2,034,559)
	Raw material and supplies	1,178,013	1,187,916	(9,903)
	Deferred tax assets	318,909	365,585	(46,675)
	Others	294,523	137,124	157,399
	Allowance for doubtful accounts	(13,721)	(9,475)	(4,246)
II	Fixed assets	4,153,541	4,248,874	(95,332)
	Property, plant and equipment	3,343,557	3,438,091	(94,533)
	Buildings and structures	1,099,848	1,181,998	(82,149)
	Land	2,048,553	2,002,911	45,641
	Others	195,155	253,181	(58,025)
	Intangible assets	175,524	171,789	3,734
	Goodwill	2,010	8,043	(6,032)
	Others	173,513	163,746	9,767
	Investments and other assets	634,459	638,993	(4,533)
	Investment securities	245,649	237,282	8,366
	Deferred tax assets	132,841	137,495	(4,654)
	Others	299,851	271,855	27,996
	Allowance for bad debt	(43,882)	(7,640)	(36,242)
	Total	20,277,332	21,977,500	(1,700,168)

(¥ thousands)

Account	Term	Third quarter of 2009 (as of December 31, 2009)	Previous year (as of March 31, 2009)	Change
		Amount	Amount	Amount
(LIABILITIES)				
I Current liabilities		2,165,316	3,952,096	(1,786,780)
Trade notes and accounts payables		1,325,110	2,828,673	(1,503,563)
Accounts payables – other		228,051	231,546	(3,495)
Income tax payable		11,809	208,446	(196,637)
Accrued employees' bonuses		109,000	246,000	(137,000)
Accrued bonuses to directors and corporate auditors		8,174	13,100	(4,926)
Warranty reserve		131,768	132,314	(545)
Others		351,403	292,015	59,387
II Long-term liabilities		139,123	161,299	(22,175)
Deferred tax liabilities		258	221	36
Liabilities for retirement benefits to directors and corporate auditors		66,780	87,685	(20,905)
Others		72,085	73,392	(1,307)
Total liabilities		2,304,439	4,113,395	(1,808,956)
(NET ASSETS)				
I Shareholders' equity		18,271,627	18,221,162	50,464
Common stock		1,985,666	1,985,666	-
Capital surplus		2,023,903	2,023,903	-
Retained earnings		14,607,927	14,556,891	51,035
Treasury stock – at cost		(345,869)	(345,298)	(571)
II Valuation and translation adjustments		(323,246)	(379,716)	56,469
Unrealized gain on available for sale securities		48,607	3,446	45,160
Foreign currency translation adjustments		(371,854)	(383,163)	11,308
III Minority interests		24,511	22,657	1,853
Total net assets		17,972,892	17,864,104	108,788
Total		20,277,332	21,977,500	(1,700,168)

(2) Consolidated Statements of Income

(¥ thousands)

Account	Term	Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)	Nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)	Change
		Amount	Amount	Amount
I	Net sales	16,758,370	9,727,812	(7,030,558)
II	Cost of sales	10,288,422	6,355,954	(3,932,468)
	Gross profit	6,469,947	3,371,857	(3,098,090)
III	Selling, general and administrative expenses	3,594,073	2,733,230	(860,843)
	Operating income	2,875,873	638,627	(2,237,246)
IV	Non-operating income	83,057	89,662	6,604
	Interest income	46,747	52,100	5,352
	Dividend income	5,182	3,611	(1,571)
	Purchase discount	15,537	4,966	(10,570)
	Foreign exchange gain	-	9,858	9,858
	Others	15,590	19,125	3,535
V	Non-operating expenses	88,719	3,641	(85,077)
	Bad debt losses	3,282	-	(3,282)
	Foreign exchange loss	83,126	-	(83,126)
	Loss on termination of lease	-	2,421	2,421
	Others	2,309	1,219	(1,089)
	Ordinary income	2,870,212	724,647	(2,145,564)
VI	Extraordinary income	11,448	2,782	8,665
	Gain on sales of fixed assets	153	2,782	2,628
	Gain on sales of investment securities	10,137	-	(10,137)
	Reversal of allowance for doubtful accounts	1,156	-	(1,156)
VII	Extraordinary losses	456,348	4,678	(451,669)
	Loss on disposals and sales of property	1,458	4,678	3,220
	Loss on sales of securities	453,560	-	(453,560)
	Others	1,329	-	(1,329)
	Income before income taxes and minority interests	2,425,312	722,751	(1,702,560)
	Income taxes	965,457	321,252	(644,204)
	Minority interests in net income	4,848	630	(4,217)
	Net income	1,455,006	400,868	(1,054,138)

(3) Notes regarding assumption of continuing operations: None

(4) Segment information

a. Industrial segment information: we have only one industrial segment

b. Geographical segment information

Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

(¥ thousands)

	Japan	North America	Asia	Europe	Total	Eliminations	Consolidated
Sales							
Sales to customers	14,105,468	1,581,683	807,390	263,826	16,758,370	-	16,758,370
Inter-segment sales	1,448,574	4,150	164,988	5,145	1,622,858	(1,622,858)	-
Total	15,554,042	1,585,834	972,378	268,972	18,381,229	(1,622,858)	16,758,370
Operating income	2,779,248	18,132	23,639	12,871	2,833,890	41,983	2,875,873

Nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)

(¥ thousands)

	Japan	North America	Asia	Europe	Total	Eliminations	Consolidated
Sales							
Sales to customers	8,165,202	902,182	479,605	180,821	9,727,812	-	9,727,812
Inter-segment sales	998,845	3,896	88,528	8,594	1,099,865	(1,099,865)	-
Total	9,164,047	906,078	568,134	189,415	10,827,677	(1,099,865)	9,727,812
Operating income	724,352	(76,228)	(61,488)	12,123	598,759	39,867	638,627

c. Overseas sales

Nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

(¥ thousands)

	North America	Asia	Europe	Other areas	Total
I Overseas sales	4,110,478	3,015,518	3,032,510	123,139	10,281,646
II Consolidated sales	-	-	-	-	16,758,370
III Ratio of overseas sales on consolidated sales (%)	24.5	18.0	18.1	0.7	61.4

Nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)

(¥ thousands)

	North America	Asia	Europe	Other areas	Total
I Overseas sales	2,839,952	1,580,906	1,749,915	78,993	6,249,767
II Consolidated sales	-	-	-	-	9,727,812
III Ratio of overseas sales on consolidated sales (%)	29.2	16.2	18.0	0.8	64.2

(5) Notes in the event of significant changes in shareholders' equity: None

(6) Other information

a. Order

1) Order received

(¥ thousands)

Products	Nine months ended December 31, 2008	Nine months ended December 31, 2009	Changes
			Ratio (%)
Take-out robots	5,833,584	3,359,519	57.6
Stock systems	388,818	181,997	46.8
Custom-ordered equipments	5,377,289	844,482	15.7
Peripheral equipments	2,505,420	1,674,851	66.8
Parts and maintenance services	845,858	648,734	76.7
Total	14,950,971	6,709,585	44.9

2) Backlog of orders

(¥ thousands)

Products	Third quarter of 2008 As of December 31, 2008	Third quarter of 2009 As of December 31, 2009	Changes
			Ratio (%)
Take-out robots	836,638	818,116	97.8
Stock systems	47,927	51,704	107.9
Custom-ordered equipments	4,036,908	375,253	9.3
Peripheral equipments	493,120	350,005	71.0
Total	5,414,594	1,595,080	29.5

b. Net sales

(¥ thousands)

Products	Nine months ended December 31, 2008	Nine months ended December 31, 2009	Changes
			Ratio (%)
Take-out robots	6,178,409	3,009,937	48.7
Stock systems	397,869	152,161	38.2
Custom-ordered equipments	6,860,861	4,291,521	62.6
Peripheral equipments	2,475,371	1,625,457	65.7
Parts and maintenance services	845,858	648,734	76.7
Total	16,758,370	9,727,812	58.0