

Summary of Consolidated Annual Financial Results

(April 1, 2009 – March 31, 2010)

Yushin Precision Equipment Co., Ltd. (6482)

Listing Exchanges: Tokyo, Osaka Stock Exchanges, First section

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Annual General Shareholders' Meeting (Scheduled): June 25, 2010

Start of Distribution of Dividends (Scheduled): June 11, 2010

Filing of Securities Report (Yuka shoken houkokusho) (Scheduled): June 30, 2010

Note: This document has been translated from the Japanese original as a guide for 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 yen.

1. Consolidated Business Results for the year ended March 31, 2010 (April 1, 2009– March 31, 2010)

(1) Consolidated Operating Results

(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.)

	Net sales		Operating income		Ordinary income	
	¥ millions	%	¥ millions	%	¥ millions	%
FY 2010	12,369	(35.8)	752	(73.4)	872	(68.9)
FY 2009	19,272	(8.7)	2,829	(19.7)	2,805	(21.6)

	Net income		Net income per share	Net income per share diluted	Net income on shareholders' equity	Ordinary income on total assets	Operating income on net sales
	¥ millions	%	Yen	Yen	%	%	%
FY 2010	487	(66.8)	27.87	-	2.7	4.1	6.1
FY 2009	1,468	(27.4)	82.71	-	8.2	12.0	14.7

Notes: 1) Profit (or loss) arising from equity method: FY 2009: - million yen, FY 2008: - million yen

(2) Consolidated Financial Position.

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ millions	¥ millions	%	Yen
FY 2010	20,593	18,115	87.8	1,034.11
FY 2009	21,977	17,864	81.2	1,019.99

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	¥ millions	¥ millions	¥ millions	¥ millions
FY 2010	2,143	322	(349)	10,197
FY 2009	2,453	57	(960)	8,051

2. Dividends

	Dividends per share			Dividends paid (annual)	Payout ratio	Dividends on equity
	Interim	Year end	Total			
	Yen	Yen	Yen	¥ millions	%	%
FY 2009	18.00	10.00	28.00	495	33.9	2.6
FY 2010	10.00	5.00	15.00	262	53.8	1.5
FY 2011 (Forecast)	5.00	13.00	18.00	-	44.7	-

3. Forecast for the year ending March 31, 2011 (April 1, 2010– March 31, 2011)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	yen
Semi-Annual	5,950	(22.6)	246	(68.9)	283	(66.2)	185	(60.4)	10.58
Annual	13,450	8.7	1,022	35.7	1,125	29.0	704	44.4	40.25

4. Other

(1) Changes in Scope of Consolidation and Application of Equity Method: None

(2) Changes in Accounting Policies

(a) Changes according to revision of accounting standard: None

(b) Other than above: None

(3) Number of common shares outstanding

Number of shares outstanding including treasury stock: 17,819,033 shares and 17,819,033 shares as of March 31, 2010 and 2009 respectively.

Number of treasury stock: 327,772 shares and 327,220 shares as of March 31, 2010 and 2009, respectively.

(Reference)

1. Non-consolidated Business Results for the year ended March 31, 2010 (April 1, 2009– March 31, 2010)

(1) Operating Results

Changes in Net sales, Operating income, Ordinary income and Net income from previous fiscal year are shown in percentages on a year-on-year basis.

	Net sales		Operating income		Ordinary income	
	¥ millions	%	¥ millions	%	¥ millions	%
FY 2010	11,513	(35.3)	784	(71.7)	853	(69.9)
FY 2009	17,785	(7.0)	2,770	(13.2)	2,834	(14.5)

	Net income		Net income per share	Net income per share/diluted
	¥ millions	%	Yen	Yen
FY 2010	480	(67.0)	27.44	-
FY 2009	1,453	(25.8)	81.91	-

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ millions	¥ millions	%	Yen
FY 2010	20,184	17,741	87.9	1,014.29
FY 2009	21,319	17,546	82.3	1,003.15

2. Forecasted Non-consolidated Financial Results for the Fiscal Year Ending March 31, 2011 (April 1, 2010 – March 31, 2011)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	Yen
Semi-Annual	5,225	(27.4)	166	(81.2)	201	(77.8)	120	(77.5)	6.86
Annual	12,000	4.2	862	9.9	960	12.4	574	19.6	32.82

1. Results of Operations and Financial Conditions

(1) Analysis of Result of Operations

Overview of Fiscal Year ended March 31, 2010

During Fiscal Year ended March 31, 2010, the world economy was on a recovery trend in general, due to the effect of the economic measures and the monetary policy in many countries. There was growth in the capital expenditure and the consumer spending, especially in China and the other emerging countries in Asia. In Japan, there was a delay in a full-fledged recovery of the economy although domestic consumption was on a mild recovery due to the improvement of exporting industry led by the growth of the demand from Asia.

As for industries related to Yushin, the production volume of Japanese injection molding machines made a mild recovery in the second half of the year due to the demand expansion in Asia, even though Japanese market did not recover fully.

Under these circumstances, Yushin produced and shipped a backlog of custom ordered equipment in the first half of the year as planned. However, sales of the take-out robot were below target. Although the business has recovered gradually in the second half of the year, net sales decreased by 35.8% to ¥12,369 million. As for the profit, since there was an influence of sales decrease, operating income decreased by 73.4% to ¥752 million despite the strict cost reduction. Ordinary income decreased by 68.9% to ¥872 million and net income decreased by 66.8% to ¥487 million.

Net sales by product

Net sales of take-out robots was on a recovery trend in the second half of the year, however, due to the weak performance in the first half of the year, it decreased by ¥2,938 million (-39.8%) to ¥4,438 million.

Net sales of stock systems and conveyers decreased by 53.3% to ¥210 million.

Net sales of custom-ordered equipment decreased by ¥3,043 million (-40.4%) to ¥4,483 million due to the decrease in sales of semiconductor related system and downstream equipment for optical discs and insert systems.

As regards peripherals and the parts and maintenance service, peripherals decreased by 19.6% to ¥2,327 million, and the parts and maintenance service decreased by 11.0% to ¥910 million.

Performance of geographic segments

In Japan, net sales decreased by 35.3% to ¥11,513 million and operating income decreased by 71.7% to ¥784 million, due to the weak performance of the core traverse take-out robots.

In North America, net sales of U.S. subsidiary decreased by 31.9% to ¥1,334 million and operating loss was ¥24 million (operating income of ¥0 million yen in the corresponding period in the previous year).

In Asia, net sales decreased by 26.5% to ¥886 million and operating loss was ¥63 million (operating income of ¥6 million yen in the corresponding period in the previous year) due to the weak performance in the first half of the year even though there was a recovery trend in China and Thailand in the second half of the year.

In Europe, net sales decreased by 28.1% to ¥248 million and operating income was ¥8 million (operating loss of ¥11 million yen in the corresponding period in the previous year).

Outlook for Fiscal Year 2011 (year ending March 31, 2011)

Regarding the economic environment surrounding Yushin, the growth in China and other emerging countries is expected to continue. However, the recovery of Japan, Europe and U.S. is expected to be slow.

Under these circumstances, Yushin intends to ensure receiving orders of the take-out robots steadily by developing the competitive products targeting the demand-growing market, as well as promoting the robots and custom-ordered equipments for new fields.

Yushin forecasts its business performance, based on the current information available, as follows.

(¥ millions)

	Net sales	Operating income	Ordinary income	Net income
Consolidated	13,450 (Y/Y 8.7 %)	1,022 (Y/Y 35.7 %)	1,125 (Y/Y 29.0%)	704 (Y/Y 44.4%)

(2) Financial Position

Total assets decreased by ¥1,383 million compared with the end of the previous fiscal year to ¥20,593 million. Regarding current assets, cash and time deposits increased by ¥1,949 million, while account receivable decreased by ¥1,042 million due to the decrease in sales and work-in-process decreased by ¥1,996 million. As a result, current assets decreased by ¥1,206 million to ¥16,522 million. There was no significant variation in fixed assets.

Total liabilities decreased by ¥1,634 million to ¥2,478 million. Current liabilities decreased by ¥1,609 million to ¥2,342 million due to the decrease in accounts payable of ¥1,370 million. There was no significant variation in long-term liabilities.

Net assets increased by ¥251 million compared with the end of the previous fiscal year to ¥18,115 million mainly due to the increase in retained earnings in the fiscal year under review.

Cash flows

Cash and cash equivalents at the end of year increased by ¥2,145 million from the end of the previous fiscal year to ¥10,197 million, for the following reasons.

- Cash flows from operating activities

Net cash provided by operating activities amounted to ¥2,143 million (¥2,453 million in the previous year). Income before income taxes and minority interests was ¥870 million. Accounts receivable and inventory decreased by ¥1,065 million and ¥2,047 million respectively. Income taxes paid was ¥661 million.

-Cash flows from investment activities

Net cash provided by investment activities amounted to ¥322 million (¥57 million in the previous year). This was mainly due to the pay-in of time deposit of ¥5,990 million and the payback of time deposit of ¥6,204 million.

-Cash flows from financing activities

Net cash used in financing activities amounted to ¥349 million (¥960 million in the previous year). This was due to the dividends paid of ¥349 million.

Trend of cash flow indexes

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Equity ratio	69.8%	72.3%	72.2%	81.2%	87.8%
Equity ratio based on market price	173.2%	142.3%	151.8%	91.1%	119.6%

1. Equity ratio : Shareholders' equity / Total assets

Equity ratio based on market price: Total amount of shares at market price / Total assets

2. Amortization term and interest coverage ratio is not shown since the balance in interest-bearing debt and interest payment is insignificant.
3. Each of the above indices is calculated by the consolidated financial results.
4. Total amount of shares at market price refers to the closing market price of shares multiplied by the number of shares outstanding excluding treasury stock on this date.

(3) Basic Policy on Allocation of Profits

Yushin regards the allocation of profits to shareholders as one of the most important management tasks. To this end, Yushin make efforts to maintain stable operating results and improve return on equity. Yushin's basic policy is to actively distribute profits to shareholders after taking into consideration each fiscal year's results.

For the year under review, a full-year dividend is planned to be ¥15 per share, comprising an interim dividend of ¥10 per share and a year-end dividend of ¥5 per share.

For the next year, based on the outlook of business and target payout ratio of 30%, Yushin plans to pay a full-year dividend of ¥18 per share, comprising an interim dividend of ¥5 per share and a year-end dividend of ¥13 per share.

2. Outline of Yushin Group

Disclosure is omitted because there is no significant change from the “Business Organization Chart” and “Subsidiaries and Affiliates” in the most recent Securities Report (Yuka shoken houkokusho), issued on June 30, 2009.

3. Management Policies

(1) Fundamental Management Policy

Yushin’s fundamental policy is to contribute widely to society through the creation of innovative technology that enables customers to rationalize their production activities. The technology centers on robots that take out and handle plastic injection-molded products in the plastics molding industry. Yushin conducts its business so as to live up to the trust and expectations of its customers, shareholders, business partners and all other stakeholders.

(2) Managerial Indicators for Targets

Yushin has set medium-term targets of net sales of ¥30 billion and ordinary income of ¥5 billion, and as an earnings index, ordinary income on net sales of 15% or more.

(3) Medium and Long-Term Management Strategies

Yushin aims at becoming number one across the board in the “take-out robot” industry, by speedily developing products differentiated by their quality and superiority that meet our customer needs, and by conducting business even more aggressively in the global market.

This will be achieved by the following product strategies:

- 1) Meet wide-ranging customer needs for take-out robots by providing a full line of products from entry to high-end machines in all sizes and by strengthening the lineup of dedicated machines to support the optimum production of molded goods for mass consumption.
- 2) Develop businesses in new domains that have technological synergies.

Market strategies are as follows:

- 1) Yushin has developed a sales and service network for take-out robots in Japan, the U.S, Asia, and Europe. Expand and strengthen the network in areas where business is expected to grow, including India, Mexico and Brazil, to develop a global business that can adequately respond to worldwide customer purchases.
- 2) Start businesses in new domains so as to generate sales-related synergies.

(4) Issues to be Addressed

In the existing business area, Yushin must reinforce its products including price competitiveness, and strengthen its power of global marketing.

In the new business area, aiming to establish multiple core businesses, Yushin must develop new products that can manifest technological and/or sales synergies,.

(5) Other significant management issue

There is no other significant management issue.

4. Consolidated Financial statements

(1) Consolidated Balance Sheets

(¥ thousands)

Account	Term	Previous year (as of March 31, 2009)		Current year (as of March 31, 2010)		Change
		Amount	%	Amount	%	Amount
(ASSETS)						
I	Current assets	17,728,625	80.7	16,522,543	80.2	(1,206,082)
	Cash and time deposits	7,482,165		9,431,530		1,949,364
	Trade notes and accounts receivable	4,325,606		3,283,520		(1,042,086)
	Securities	1,132,200		900,000		(232,200)
	Finished goods	551,308		436,823		(114,484)
	Work-in-process	2,556,194		560,152		(1,996,042)
	Raw material and Supplies	1,187,916		1,267,609		79,692
	Accrued refunded corporation tax	-		234,400		234,400
	Deferred tax assets	365,585		284,914		(80,671)
	Others	137,124		137,804		680
	Allowance for doubtful accounts	(9,475)		(14,210)		(4,735)
II	Fixed assets	4,248,874	19.3	4,071,254	19.8	(177,620)
	Property, plant and equipment	3,438,091	15.6	3,333,704	16.2	(104,386)
	Buildings and structures	1,181,998		1,090,737		(91,260)
	Machinery and automobiles	44,646		33,507		(11,139)
	Land	2,002,911		2,049,327		46,416
	Others	208,535		160,132		(48,402)
	Intangible assets	171,789	0.8	159,565	0.8	(12,224)
	Investments and other assets	638,993	2.9	577,984	2.8	(61,009)
	Investment in securities	237,282		278,894		41,611
	Others	409,350		342,901		(66,449)
	Allowance for bad debt	(7,640)		(43,811)		(36,171)
Total		21,977,500	100.0	20,593,798	100.0	(1,383,701)

(¥ thousands)

Account	Term	Previous year (as of March 31, 2009)		Current year (as of March 31, 2010)		Change
		Amount	%	Amount	%	Amount
(LIABILITIES)						
I	Current liabilities	3,952,096	18.0	2,342,359	11.4	(1,609,736)
	Trade notes and accounts payables	2,828,673		1,458,106		(1,370,567)
	Accounts payables-other	231,546		256,714		25,167
	Income tax payable	208,446		30,554		(177,892)
	Accrued employees' bonuses	246,000		210,000		(36,000)
	Accrued bonuses to directors and corporate auditor	13,100		10,898		(2,202)
	Warranty reserve	132,314		135,172		2,858
	Deferred tax liabilities	340		1,152		811
	Others	291,675		239,762		(51,913)
II	Long-term liabilities	161,299	0.7	136,212	0.7	(25,087)
	Deferred tax liabilities	221		-		(221)
	Liabilities for retirement benefits of directors and corporate auditor	87,685		66,780		(20,905)
	Others	73,392		69,432		(3,960)
Total liabilities		4,113,395	18.7	2,478,572	12.1	(1,634,823)
(NET ASSETS)						
	Shareholders' equity	18,221,162	82.9	18,358,040	89.1	136,877
	Common stock	1,985,666		1,985,666		-
	Capital surplus	2,023,903		2,023,903		-
	Retained earnings	14,556,891		14,694,569		137,677
	Treasury stock-at cost	(345,298)		(346,098)		(799)
	Valuation and Translation adjustment	(379,716)	(1.7)	(270,114)	(1.3)	109,601
	Net unrealized gain or loss on marketable securities	3,446		68,374		64,927
	Foreign currency translation adjustments	(383,163)		(338,489)		44,673
	Minority interests	22,657	0.1	27,300	0.1	4,642
Total Net Assets		17,864,104	81.3	18,115,226	87.9	251,122
Total		21,977,500	100.0	20,593,798	100.0	(1,383,701)

(2) Consolidated statements of Income

(¥ thousands)

Account Term	Previous year (April 1, 2008 to March 31, 2009)		Current year (April 1, 2009 to March 31, 2010)		Change
	Amount	%	Amount	%	Amount
Net sales	19,272,301	100.0	12,369,935	100.0	(6,902,366)
Cost of sales	11,950,309	62.0	8,000,965	64.7	(3,949,343)
Gross profit	7,321,991	38.0	4,368,969	35.3	(2,953,022)
Selling, general and administrative expenses	4,492,780	23.3	3,616,105	29.2	(876,675)
Operating income	2,829,211	14.7	752,864	6.1	(2,076,347)
Non-operating income	115,865	0.6	123,414	1.0	7,549
Interest and dividend	76,556		69,176		(7,380)
Foreign exchange gain	-		28,857		28,857
Others	39,308		25,380		(13,928)
Non-operating expenses	139,818	0.7	3,877	0.0	(135,940)
Interest expense	60		-		(60)
Foreign exchange loss	136,888		-		(136,888)
Loss on termination of lease	-		2,421		2,421
Others	2,869		1,455		(1,413)
Ordinary income	2,805,258	14.6	872,400	7.1	(1,932,857)
Extraordinary income	10,137	0.0	2,750	0.0	(7,387)
Gain on sales of tangible fixed assets	-		2,750		2,750
Gain on sales of securities	10,137		-		(10,137)
Extraordinary expenses	461,712	2.4	4,804	0.1	(456,908)
Loss on disposals of tangible fixed assets	6,859		4,804		(2,054)
Loss on sales of securities	453,560		-		(453,560)
Loss from revaluation of securities	1,293		-		(1,293)
Income before income taxes and minority interests	2,353,683	12.2	870,346	7.0	(1,483,337)
Income taxes					
Current	960,185	5.0	247,159	2.0	(713,026)
Deferred	(67,035)	(0.4)	132,974	1.1	200,010
Minority interests	(7,657)	(0.0)	2,702	(0.0)	10,359
Net income	1,468,190	7.6	487,509	3.9	(980,680)

(3) Consolidated Statements of Changes in Net Assets

(¥ thousands)

	Previous year (April 1, 2008 to March 31, 2009)	Current year (April 1, 2009 to March 31, 2010)
Shareholder's Equity		
Common stock		
Balance as of end of the previous period	1,985,666	1,985,666
Changes in the current period		
Total change in the current period	-	-
Balance as of end of the current period	1,985,666	1,985,666
Capital surplus		
Balance as of end of the previous period	2,023,903	2,023,903
Changes in the current period		
Total change in the current period	-	-
Balance as of end of the current period	2,023,903	2,023,903
Retained earnings		
Balance as of end of the previous period	13,732,715	14,556,891
Changes in the current period		
Dividend on surplus	(644,015)	(349,832)
Net Income	1,468,190	487,509
Total change in the current period	824,175	137,677
Balance as of end of the current period	14,556,891	14,694,569
Treasury stock		
Balance as of end of the previous period	(33,996)	(345,298)
Changes in the current period		
Acquisition of treasury stock	(311,302)	(799)
Total change in the current period	(311,302)	(799)
Balance as of end of the current period	(345,298)	(346,098)
Total shareholder's equity		
Balance as of end of the previous period	17,708,289	18,221,162
Changes in the current period		
Dividend on surplus	(644,015)	(349,832)
Net Income	1,468,190	487,509
Acquisition of treasury stock	(311,302)	(799)
Total change in the current period	512,873	136,877
Balance as of end of the current period	18,221,162	18,358,040

(¥ thousands)

	Previous year (April 1, 2008 to March 31, 2009)	Current year (April 1, 2009 to March 31, 2010)
Valuation and Translation adjustments		
Unrealized gain on other securities		
Balance as of end of the previous period	141,196	3,446
Changes in the current period		
Changes in items other than shareholder's equity	(137,749)	64,927
Total change in the current period	(137,749)	64,927
Balance as of end of the current period	3,446	68,374
Translation adjustments		
Balance as of end of the previous period	99,941	(383,163)
Changes in the current period		
Changes in items other than shareholder's equity	(483,104)	44,673
Total change in the current period	(483,104)	44,673
Balance as of end of the current period	(383,163)	(338,489)
Total Valuation and Translation adjustments		
Balance as of end of the previous period	241,138	(379,716)
Changes in the current period		
Changes in items other than shareholder's equity	(620,854)	109,601
Total change in the current period	(620,854)	109,601
Balance as of end of the current period	(379,716)	(270,114)
Minority interests		
Balance as of end of the previous period	48,263	22,657
Changes in the current period		
Changes in items other than shareholder's equity	(25,606)	4,642
Total change in the current period	(25,606)	4,642
Balance as of end of the current period	22,657	27,300
Total net assets		
Balance as of end of the previous period	17,997,691	17,864,104
Changes in the current period		
Dividend on surplus	(644,015)	(349,832)
Net Income	1,468,190	487,509
Acquisition of treasury stock	(311,302)	(799)
Changes in items other than shareholder's equity	(646,460)	114,244
Total change in the current Period	(133,586)	251,122
Balance as of end of the current period	17,864,104	18,115,226

(4) Consolidated Cash Flow Statements

(¥ thousands)

Account	Term	Previous year (April 1, 2008 to March 31, 2009)	Current year (April 1, 2009 to March 31, 2010)
		Amount	Amount
I Cash flows from operating activities			
Income before income taxes and minority interests		2,353,683	870,346
Depreciation and amortization		323,070	296,362
Amortization of goodwill		8,043	8,043
Increase (△ decrease) in allowance for bad debt		3,429	40,681
Increase (△ decrease) in provision for employees' bonuses		20,000	(36,000)
Increase (△ decrease) in provision for bonuses to directors and corporate auditor		(28,900)	(2,202)
Interest and dividend income		(76,556)	(69,176)
Interest expense		60	-
Gain or loss on sales of securities		443,422	-
Gain or loss from revaluation of securities		1,293	-
Decrease (△ increase) in trade receivables		2,419,105	1,065,277
Decrease (△ increase) in inventories		(405,061)	2,047,452
Increase (△ decrease) in trade payables		(997,768)	(1,407,475)
Increase (△ decrease) in other current liabilities		(57,032)	(55,891)
Others		26,239	(26,731)
Subtotal		4,033,029	2,730,686
Interest and dividends received		76,727	69,156
Interest paid		(179)	-
Insurance received		14,357	4,699
Income taxes paid		(1,670,465)	(661,498)
Net cash provided by operating activities		2,453,468	2,143,045
II Cash flows from investing activities			
Pay-in of time deposits		(382,272)	(5,990,909)
Payback of time deposits		-	6,204,788
Increase in securities		646,440	300,000
Purchases of tangible assets		(188,277)	(127,516)
Proceeds from sales of tangible fixed assets		-	3,391
Purchases of intangible assets		(37,285)	(66,060)
Purchase of investment securities		(1,744)	(1,198)
Proceeds from sales of investment securities		20,873	-
Proceeds from collections of long-term loan receivable		245	253
Net cash provided by (used in) investing activities		57,978	322,747
III Cash flows from financing activities			
Refund to minority		(2,821)	-
Purchase of treasury stock		(311,302)	(799)
Dividends paid		(646,238)	(349,127)
Net cash used in financing activities		(960,362)	(349,927)
IV Effect of exchange rate changes on cash and cash equivalents		(194,050)	29,831
V Increase (△ decrease) in cash and cash equivalents		1,357,034	2,145,696
VI Cash and cash equivalents at beginning of year		6,694,669	8,051,703
VII Cash and cash equivalents at end of year		8,051,703	10,197,400

(5) Events or Conditions Raising Significant Questions Regarding Assumption of Going Concerns

Non applicable

(6) Basis of Presenting Consolidated Financial Statements

1) Matters pertaining to the scope of consolidation

All 12 subsidiaries of the company, provided below, fall within the scope of consolidation.

List of Subsidiaries
Yushin America, Inc.
Yushin Korea Co, Ltd.
Yushin Precision Equipment (Singapore) Pte., Ltd.
Yushin Precision Equipment Sdn. Bhd.
Yushin Precision Equipment (Taiwan) Co., Ltd.
Yushin Precision Equipment (Thailand) Co., Ltd.
Yushin Automation, Ltd.
Yushin Precision Equipment Trading (Shenzhen) Co., Ltd.
Yushin Precision Equipment (Slovakia) s.r.o.
Yushin Precision Equipment Trading (Shanghai) Co., Ltd.
Yushin Precision Equipment (India) Pvt., Ltd.
Guangzhou Yushin Precision Equipment Co., Ltd.

2) Equity method affiliates

There is no equity method affiliate.

3) Change in accounting standard for pension benefit

- Partial Amendments to Accounting Standards for Retirement Benefits.

Commencing from the consolidated fiscal year under review, the company adopted the “Partial Amendments to Accounting Standards for Retirement Benefits (Part3)” (ASBJ Statement No.19; issued July 31, 2008) .

The effect of this change on profit and loss was not material.

Other matters not listed here have not changed significantly since the most recent Securities Report (Yuka shoken hokokusho), submitted on June 30, 2009.

(7) Notes to the consolidated Financial Statements

(Balance sheets)

(¥ thousands)

	Previous year	Current year
1) Accumulated Depreciation on Tangible Assets	2,683,192	2,882,205
2) Number of shares outstanding (unit: shares)	17,819,033	17,819,033
3) Treasury stocks (unit: shares)	327,220	327,772

(Statement of income)

Major accounts included in selling, general and administrative expenses

Packing and freight expenses	544,945	318,245
Provision for product warranty	101,700	110,809
Salaries and bonus	1,149,051	1,026,610
Provision for employees bonus	98,716	87,233
Provision for bonus to directors and corporate auditor	13,100	10,898
Provision for employees' retirement benefit	34,508	35,958
Research and development expenses	686,900	478,800
Depreciation	149,660	127,813

(Statement of Change in Net Assets)

Previous year (April 1, 2008 to March 31, 2009)

1. Number of issued shares and treasury stock

Class of shares	Number of shares at the end of previous FY	Number of increased shares of current FY	Number of decreased shares of current FY	Number of shares at the end of current FY
Common stock	16,199,121	1,619,912	-	17,819,033

2. Number of treasury stock

Class of shares	Number of shares at the end of previous FY	Number of increased shares of current FY	Number of decreased shares of current FY	Number of shares at the end of current FY
Common stock	15,775	311,445	-	327,220

Note: The increase in the number of shares of treasury stock is due to a stock split (1,577 shares), a share buyback pursuant to Article 165, Paragraph 2 of the Company Law (304,400 shares), and the purchase of shares of less than one unit (5,468 shares).

3. Dividends

a. Payment of dividends

Resolution	Class of shares	Total dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
The board of directors' meeting on May 26, 2008	Common stock	323,666	20	March 31, 2008	June 13, 2008
The board of directors' meeting on November 4, 2008	Common stock	320,348	18	September 30, 2008	December 8, 2008

b. Dividends whose record date falls within this consolidated fiscal year but comes into effect in the next consolidated fiscal year

Resolution	Class of shares	Total dividend (Thousands of yen)	Dividend funds	Dividend per share (Yen)	Record date	Effective date
The board of directors' meeting on May 12, 2009	Common stock	174,918	Retained earnings	10	March 31, 2009	June 12, 2009

Current year (April 1, 2009 to March 31, 2010)

1. Number of issued shares and treasury stock

Class of shares	Number of shares at the end of previous FY	Number of increased shares of current FY	Number of decreased shares of current FY	Number of shares at the end of current FY
Common stock	17,819,033	-	-	17,819,033

2. Number of treasury stock

Class of shares	Number of shares at the end of previous FY	Number of increased shares of current FY	Number of decreased shares of current FY	Number of shares at the end of current FY
Common stock	327,220	552	-	327,772

Note: The increase in the number of shares of treasury stock is due to the purchase of shares of less than one unit (552 shares).

3. Dividends

a. Payment of dividends

Resolution	Class of shares	Total dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
The board of directors' meeting on May 12, 2009	Common stock	174,918	10	March 31, 2009	June 12, 2009
The board of directors' meeting on November 4, 2009	Common stock	174,914	10	September 30, 2009	December 7, 2009

b. Dividends whose record date falls within this consolidated fiscal year but comes into effect in the next consolidated fiscal year

Resolution	Class of shares	Total dividend (Thousands of yen)	Dividend funds	Dividend per share (Yen)	Record date	Effective date
The board of directors' meeting on May, 11 2010	Common stock	87,456	Retained earnings	5	March 31, 2010	June 11, 2010

(Cash flow statement)

Reconciliation between cash and cash equivalents and the related accounts shown in the consolidated balance sheet at end of year are as follows.

	Previous year	Current year
Cash and time deposits	7482,162	9,431,530
Time deposit in which terms are more than three months	(330,461)	(134,130)
Negotiable certificate of deposit	900,000	900,000
Cash and cash equivalents	<u>8,051,703</u>	<u>10,197,400</u>

(Segment Information)

a. Industrial segments

Information about operations in Industrial segments is not shown, since the Company has only one industry segment (industrial machinery device business in which the company conduct development, manufacture, sale and after-sales service of the take-out robot for injection molding machine and the peripheral equipments including laborsaving system).

b. Geographical segments

The geographical segments of the Company and its consolidated subsidiaries for the years ended March 31, 2009 and 2010 are summarized as follows:

Previous year (April 1, 2008 to March 31, 2009)

(¥ thousands)							
	Japan	North America	Asia	Europe	Total	Eliminations and Corporate	Consolidated
Net sales							
(1) Sales to customers	15,983,343	1,950,314	1,000,014	338,629	19,272,301	-	19,272,301
(2) Inter-segment sales	1,802,472	8,907	206,316	6,877	2,024,572	(2,024,572)	-
Total sales	17,785,815	1,959,221	1,206,330	345,506	21,296,873	(2,024,572)	19,272,301
Operating expenses	15,015,208	1,958,648	1,199,873	356,927	18,530,657	(2,087,566)	16,443,090
Operating income	2,770,607	573	6,457	(11,420)	2,766,216	62,994	2,829,211
Assets	12,210,536	1,273,926	1,084,691	156,094	14,725,249	7,252,251	21,977,500

Notes: 1. Segmentation of areas is based on geographical proximity.

2. Major countries and areas included in each category:

North America: The United States

Asia: South Korea, Taiwan, Singapore, Malaysia, Thailand, China, Hong Kong and India

Europe: UK, Slovakia

Current year (April 1, 2009 to March 31, 2010)

(¥ thousands)							
	Japan	North America	Asia	Europe	Total	Eliminations and Corporate	Consolidated
Net sales							
(1) Sales to customers	10,053,131	1,330,723	746,950	239,129	12,369,935	-	12,369,935
(2) Inter-segment sales	1,460,596	3,960	139,392	9,117	1,613,066	(1,613,066)	-
Total sales	11,513,727	1,334,683	886,343	248,247	13,983,002	(1,613,066)	12,369,935
Operating expenses	10,729,218	1,359,380	949,589	239,473	13,277,662	(1,660,591)	11,617,071
Operating income	784,508	24,696	63,245	8,773	705,339	47,524	752,864
Assets	8,892,405	927,828	1,140,741	145,395	11,106,370	9,487,427	20,593,798

Notes: 1. Segmentation of areas is based on geographical proximity.

2. Major countries and areas included in each category:

North America: The United States

Asia: South Korea, Taiwan, Singapore, Malaysia, Thailand, China, and India

Europe: UK, Slovakia

c. Overseas Sales

Previous year (April 1, 2008 to March 31, 2009)

	(¥ thousands)				
	North America	Asia	Europe	Other areas	Total
I Overseas sales	4,504,926	3,598,725	3,334,114	189,013	11,626,780
II Consolidated sales	-	-	-	-	19,272,301
III Share of overseas sales	23.4	18.7	17.3	1.0	60.3

Current year (April 1, 2009 to March 31, 2010)

	(¥ thousands)				
	North America	Asia	Europe	Other areas	Total
I Overseas sales	3,185,852	2,364,227	1,939,545	216,684	7,706,309
II Consolidated sales	-	-	-	-	12,369,935
III Share of overseas sales	25.8	19.1	15.7	1.7	62.3

- Notes: 1. Segmentation of areas is based on geographical proximity.
 2. Major countries and areas included in each category:
 (1) North America: The United States and Canada
 (2) Asia: China, South Korea, Taiwan, Thailand, Singapore, Malaysia, Vietnam, Philippine, Indonesia, India etc.
 (3) Europe: Germany, Netherlands, UK, Ireland, Czech, Austria, Slovakia etc.
 (4) Other areas: Latin America, Oceania, Middle East, etc.
 3. Overseas sales mean the sales of the Company and its oversea consolidated subsidiaries for countries or areas other than Japan.

(Per share indexes)

	(yen)	
	Previous year	Current year
Book-value per share (BPS)	1,019.99	1,034.11
Earnings per share (EPS)	82.71	27.87

Notes: The basis for calculating Earnings per share (EPS) are followings

	(¥ thousands)	
	Previous year	Current year
A: Net income	1,468,190	487,509
B: Non-stockholders' equity	-	-
A-B: Net income for common shares	1,468,190	487,509
Average number of shares	17,750,679	17,491,504

(10) Order, Backlog and Sales

a. Order

1) Order received

(¥ thousands)

Products	Previous year (April 1, 2008 to March 31, 2009)	Current year (April 1, 2009 to March 31, 2010)	Changes
			Ratio (%)
Take-out robots	6,663,501	4,721,809	(29.1)
Stock systems	414,667	246,428	(40.6)
Custom-ordered equipments	5,827,843	943,577	(83.8)
Peripheral equipments	2,733,734	2,459,181	(10.0)
Parts and maintenance services	1,023,866	910,936	(11.0)
Total	16,663,614	9,281,932	(44.3)

2) Backlog of orders

(¥ thousands)

Products	Previous year As of March 31, 2009	Current year As of March 31, 2010	Changes
			Ratio (%)
Take-out robots	468,534	752,325	60.6
Stock systems	21,868	58,176	166.0
Custom-ordered equipments	3,822,292	282,852	(92.6)
Peripheral equipments	300,611	431,949	43.7
Total	4,613,306	1,525,304	(66.9)

b. Net sales

(¥ thousands)

Products	Previous year (April 1, 2008 to March 31, 2009)	Current year (April 1, 2009 to March 31, 2010)	Changes
			Ratio (%)
Take-out robots	7,376,429	4,438,018	(39.8)
Stock systems	449,777	210,119	(53.3)
Custom-ordered equipments	7,526,032	4,483,017	(40.4)
Peripheral equipments	2,896,195	2,327,843	(19.6)
Parts and maintenance services	1,023,866	910,936	(11.0)
Total	19,272,301	12,369,935	(35.8)

5. Non-consolidated Financial Statements

[1] Non-consolidated Balance Sheets

(¥ thousands)

Account	Term	Previous year (as of March 31, 2009)		Current year (as of March 31, 2010)		change
		Amount	%	Amount	%	Amount
(ASSETS)						
I	Current assets	16,303,503	76.5	15,332,063	76.0	(971,440)
	Cash and time deposits	6,340,386		8,818,964		2,478,578
	Notes receivable-trade	1,194,685		873,265		(321,420)
	Accounts receivable-trade	3,439,112		2,505,303		(933,808)
	Securities	1,132,200		900,000		(232,200)
	Merchandise and products	282,044		278,627		(3,417)
	Work in process	2,529,635		539,027		(1,990,607)
	Raw materials and Supplies	1,103,766		986,539		(117,227)
	Prepaid expenses	40,233		27,253		(12,980)
	Deferred tax assets	250,895		182,248		(68,647)
	Accrued refunded corporation tax	-		234,400		234,400
	Others	3,684		8,068		4,383
	Allowance for doubtful receivables	(13,140)		(21,634)		(8,493)
II	Fixed assets	5,016,314	23.5	4,852,427	24.0	(163,886)
(1)	Property, plant and equipment	3,219,096	15.1	3,121,187	15.5	(97,908)
	Buildings	1,067,667		985,293		(82,374)
	Structures	24,302		20,703		(3,598)
	Machinery and equipment	22,973		17,880		(5,093)
	Vehicles	1,061		671		(390)
	Furniture and fixtures	131,223		78,645		(52,578)
	Land	1,965,588		2,011,566		45,978
	Construction in progress	6,278		6,426		148
(2)	Intangible assets	152,848	0.7	89,330	0.4	(63,517)
	Telephone subscription right	11,430		11,430		
	Right of trademark	1,000		1,295		295
	Software	140,418		76,604		(63,813)
(3)	Investments and other assets	1,644,369	7.7	1,641,910	8.1	(2,459)
	Investments in securities	237,282		278,894		41,611
	Stocks of subsidiaries and affiliates	802,827		789,437		(13,389)
	Investments in partnership	170		170		-
	Investments in affiliates	187,132		267,132		80,000
	Long-term loans receivable to shareholders, directors and employees	821		568		(253)
	Long-term loans receivable to affiliates	20,041		19,281		(759)
	Reorganization claims	7,640		43,812		36,171
	Long-term prepaid expenses	96		48		(48)
	Guarantee deposits	30,408		30,044		(364)
	Deferred tax assets	183,843		86,186		(97,657)
	Others	217,932		205,573		(12,359)
	Allowance for investment loss	(16,145)		(16,145)		-
	Allowance for doubtful accounts	(27,681)		(63,093)		(35,412)
Total		21,319,818	100.0	20,184,491	100.0	(1,135,327)

(¥ thousands)

Account	Term	Previous year (as of March 31, 2009)		Current year (as of March 31, 2010)		Change
		Amount	%	Amount	%	Amount
(LIABILITIES)						
I	Current liabilities	3,684,527	17.3	2,375,917	11.8	(1,308,609)
	Notes payable-trade	382,605		207,087		(175,518)
	Accounts payable-trade	2,356,557		1,393,709		(962,847)
	Accounts payable-other	227,329		250,005		22,675
	Accrued expenses	59,925		59,939		14
	Income tax payable	196,500		20,300		(176,200)
	Accrued consumption taxes	65,137		75,375		10,238
	Advances received	16,632		15,700		(932)
	Deposits received	11,210		12,801		1,591
	Accrued employees' bonuses	246,000		210,000		(36,000)
	Accrued bonuses to directors and corporate auditor	13,100		10,898		(2,202)
	Warranty for finished product	108,700		120,100		11,400
	Notes payable facilities	829		-		(829)
II	Long-term liabilities	88,385	0.4	67,340	0.3	(21,045)
	Liabilities for retirement benefits of directors and corporate auditors	87,685		66,780		(20,905)
	Guarantee deposit	700		560		(140)
Total liabilities		3,772,912	17.7	2,443,257	12.1	(1,329,654)
(Net Assets)						
	Shareholders' equity	17,543,458	82.3	17,672,858	87.6	129,399
	Common stock	1,985,666	9.3	1,985,666	9.9	-
	Capital surplus	2,023,903	9.5	2,023,903	10.0	-
	Retained earnings	13,879,187	65.1	14,009,386	69.4	130,199
	Legal reserve	286,314		286,314		-
	Other retained earnings					
	Reserve for dividend equalization	1,000,000		1,000,000		-
	General reserve	8,700,000		8,700,000		-
	Retained earnings brought forward	3,892,872		4,023,071		130,199
	Treasury stock, at cost	(345,298)	(1.6)	(346,098)	(1.7)	(799)
	Valuation and Translation adjustment	3,446	0.0	68,374	0.3	64,927
	Net unrealized gain on marketable securities	3,446	0.0	68,374	0.3	64,927
Total Net Assets		17,546,905	82.3	17,741,233	87.9	194,327
Total		21,319,818	100.0	20,184,491	100.0	(1,135,327)

(2) Non-consolidated statements of Income

(¥ thousands)

Account \ Term	Previous year (April 1, 2008 to March 31, 2009)		Current year (April 1, 2009 to March 31, 2010)		Change
	Amount	%	Amount	%	Amount
Net sales	17,785,815	100.0	11,513,727	100.0	(6,272,087)
Cost of sales	11,314,279	63.6	7,709,423	67.0	(3,604,856)
Gross profit	6,471,535	36.4	3,804,304	33.0	(2,667,230)
Selling, general and administrative expenses	3,700,928	20.8	3,019,795	26.2	(681,132)
Operating income	2,770,607	15.6	784,508	6.8	(1,986,098)
Non-operating income	106,455	0.6	81,926	0.7	(24,528)
Interest income	24,511		41,023		16,512
Interest on securities	32,508		8,346		(24,161)
Dividend income	7,467		7,367		(100)
Purchase discounts	18,690		6,394		(12,296)
Others	23,276		18,794		(4,482)
Non-operating expenses	42,359	0.2	12,701	0.1	(29,658)
Sales discount	1,001		548		(452)
Foreign exchange loss	41,196		9,673		(31,523)
Loss on lease cancellation	-		2,421		2,421
Others	162		57		(104)
Ordinary income	2,834,702	16.0	853,734	7.4	(1,980,968)
Extraordinary income	18,890	0.1	-	0.0	(18,890)
Gain on sales of securities	18,890		-		(18,890)
Extraordinary expenses	502,686	2.8	15,520	0.1	(487,165)
Loss on disposal and sales of tangible fixed assets	2,506		782		(1,723)
Loss on sales of securities	453,560		-		(453,560)
Loss on valuation of investment securities	1,293		-		(1,293)
Loss on valuation of affiliates' shares	-		14,738		14,738
Allowance for investment loss	16,145		-		(16,145)
Transfer of allowance for doubtful accounts	29,181		-		(29,181)
Income before income taxes	2,350,907	13.3	838,213	7.3	(1,512,693)
Income taxes					
Current	898,616	5.1	235,162	2.0	(663,453)
Deferred	(1,659)	(0.0)	123,018	1.1	124,677
Net income	1,453,949	8.2	480,032	4.2	(973,917)

(3) Non-Consolidated Statements of Changes in Net Assets

(¥ thousands)

	Previous year (April 1, 2008 to March 31, 2009)	Current year (April 1, 2009 to March 31, 2010)
Shareholder's Equity		
Common stock		
Balance as of end of the previous period	1,985,666	1,985,666
Changes in the current period		
Total change in the current period	-	-
Balance as of end of the current period	1,985,666	1,985,666
Capital surplus		
Capital surplus reserve		
Balance as of end of the previous period	2,023,903	2,023,903
Changes in the current period		
Total change in the current period	-	-
Balance as of end of the current period	2,023,903	2,023,903
Total Retained earnings		
Balance as of end of the previous period	2,023,903	2,023,903
Changes in the current period		
Total change in the current period	-	-
Balance as of end of the current period	2,023,903	2,023,903
Retained earnings		
Earned reserve		
Balance as of end of the previous period	286,314	286,314
Changes in the current period		
Total change in the current period	-	-
Balance as of end of the current period	286,314	286,314

Other retained earnings	-	-
Dividend equalization fund		
Balance as of end of the previous period	1,000,000	1,000,000
Changes in the current period		
Total change in the current period	-	-
Balance as of end of the current period	1,000,000	1,000,000
Other reserve		
Balance as of end of the previous period	8,700,000	8,700,000
Changes in the current period		
Total change in the current period	-	-
Balance as of end of the current period	8,700,000	8,700,000

(¥ thousands)

	Previous year (April 1, 2008 to March 31, 2009)	Current year (April 1, 2009 to March 31, 2010)
Earned surplus carried forward		
Balance as of end of the previous period	3,082,937	3,892,872
Changes in the current period		
Dividend on surplus	(644,015)	(349,832)
Net Income	1,453,949	480,032
Total change in the current period	809,934	130,199
Balance as of end of the current period	3,892,872	4,023,071
Total Retained earnings		
Balance as of end of the previous period	13,069,252	13,879,187
Changes in the current period		
Dividend on surplus	(644,015)	(349,832)
Net Income	1,453,949	480,032
Total change in the current period	809,934	130,199
Balance as of end of the current period	13,879,187	14,009,386
Treasury stock		
Balance as of end of the previous period	(33,996)	(345,298)
Changes in the current period		
Acquisition of treasury stock	(311,302)	(799)
Total change in the current period	(311,302)	(799)
Balance as of end of the current period	(345,298)	(346,098)
Total shareholder's equity		
Balance as of end of the previous period	17,044,826	17,543,458
Changes in the current period		
Dividend on surplus	(644,015)	(349,832)
Net Income	1,453,949	480,032
Acquisition of treasury stock	(311,302)	(799)
Total change in the current Period	498,632	129,399
Balance as of end of the current period	17,543,458	17,672,858

(¥ thousands)

	Previous year (April 1, 2008 to March 31, 2009)	Current year (April 1, 2009 to March 31, 2010)
Valuation and Translation adjustments		
Unrealized gain on other securities		
Balance as of end of the previous period	141,196	3,446
Changes in the current period		
Changes in items other than shareholder's equity	(137,749)	64,927
Total change in the current period	(137,749)	64,927
Balance as of end of the current period	3,446	68,374
Total Valuation and Translation adjustments		
Balance as of end of the previous period	141,196	3,446
Changes in the current period		
Changes in items other than shareholder's equity	(137,749)	64,927
Total change in the current period	(137,749)	64,927
Balance as of end of the current period	3,446	68,374
Total net assets		
Balance as of end of the previous period	17,186,022	17,546,905
Changes in the current period		
Dividend on surplus	(644,015)	(349,832)
Net Income	1,453,949	480,032
Acquisition of treasury stock	(311,302)	(799)
Changes in items other than shareholder's equity	(137,749)	64,927
Total change in the current period	360,882	194,327
Balance as of end of the current period	17,546,905	17,741,233