

Summary of Consolidated Annual Financial Results

(April 1, 2008 – March 31, 2009)

Yushin Precision Equipment Co., Ltd. (6482)

Listing Exchanges: Tokyo, Osaka Stock Exchanges, First section

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Annual General Shareholders' Meeting (Scheduled): June 26, 2009

Start of Distribution of Dividends (Scheduled): June 12, 2009

Filing of Securities Report (Yuka shoken houkokusho) (Scheduled): June 30, 2009

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, 2009 (April 1, 2008– March 31, 2009)

(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 2009	19,272	8.7	2,829	19.7	2,805	21.6
FY 2008	21,108	8.0	3,522	21.7	3,578	19.8

	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 2009	1,468	27.4	82.71	–	8.2	12.0	14.7
FY 2008	2,023	18.1	125.04	–	11.7	15.0	16.7

Notes: 1) Profit (or loss) arising from equity method: FY 2009: - million yen, FY 2008: 0 million yen

(2) Consolidated Financial Position.

	Total assets		Net assets	Equity ratio	Net assets per share
	¥ millions	¥ millions	¥ millions	%	Yen
FY 2009	21,977	17,864	17,864	81.2	1,019.99
FY 2008	24,867	17,997	17,997	72.2	1,109.13

(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 2009	2,453	57	960	8,051
FY 2008	1,322	1,723	439	6,694

2. Dividends

	Dividends per share			Dividends paid (annual)	Payout ratio	Dividends on equity
	Interim	Year end	Total			
	Yen	Yen	Yen	¥ millions	%	%
FY 2008	15.00	20.00	35.00	566	28.0	3.3
FY 2009	18.00	10.00	28.00	495	33.9	2.6
FY 2010 (Forecast)	10.00	14.00	24.00	-	29.0	-

Including ¥5 special dividend for the 35th anniversary.

1.1-for-1 share split was conducted on April 1, 2008.

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
Semi-Annual	9,900	25.2	1,442	46.9	1,470	46.6	880	36.4	50.31
Annual	17,250	10.5	2,415	14.6	2,427	13.5	1,446	1.5	82.67

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: Yes

see 3) Changes in accounting policies P.14

(b) Other than above: None

(3) Number of common shares outstanding

Number of shares outstanding including treasury stock: 17,819,033 shares and 16,199,121 shares as of March 31, 2009 and 2008 respectively.

Number of treasury stock: 327,220 shares and 15,775 shares as of March 31, 2009 and 2008, respectively.

(Reference)

1. Non-consolidated Business Results for the year ended March 31, 2009(April 1, 2008– March 31, 2009)

(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 2009	17,785	7.0	2,770	13.2	2,834	14.5
FY 2008	19,120	8.2	3,192	26.0	3,315	24.4

	Net income		Net income per share	Net income per share/diluted
	¥ millions	%	Yen	Yen
FY 2009	1,453	25.8	81.91	-
FY 2008	1,959	26.4	121.08	-

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ millions	¥ millions	%	Yen
FY 2009	21,319	17,546	82.3	1,003.15
FY 2008	23,642	17,186	72.7	1,061.96

2. Forecasted Non-consolidated Financial Results for the Fiscal Year Ending March 31, 2010 (April 1, 2009 – March 31, 2010)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	Yen
Semi-Annual	9,200	26.9	1,440	45.8	1,468	45.8	879	35.2	50.25
Annual	15,800	11.1	2,307	16.7	2,371	16.3	1,421	2.2	81.23

1. Results of Operations and Financial Conditions

(1) Analysis of Result of Operations

Overview of Fiscal Year 2008 (Ended March 31, 2009)

During Fiscal Year ended March 31, 2009, the world economy deteriorated in all areas due to the influence of global financial crisis that has arose in the U.S. in last autumn. Economy growth rate slowed down even in the emerging countries such as China. In Japan, the economy deteriorated markedly from the middle of the year due to the world recession, turbulent price of crude oil and raw materials, and strong yen. As for industries related to Yushin, the production volume of Japanese injection moulding machines registered year on year losses due to the sluggish capital spending led by the recession. The market dropped down steeply especially after November 2008.

Under these circumstances, Yushin produced and shipped a large backlog of custom ordered equipment in the first half of the year as planned. However, sales of the take-out robot were below target and the business has been slow especially in the second half of the year. There was also the influence of strong yen. As a result, net sales decreased 8.7% to ¥19,272 million for the first time in four years, operating income decreased 19.7% to ¥2,829 million, ordinary income decreased 21.6% to ¥2,805 million and net income decreased 27.4% to ¥1,468 million despite the strict cost reduction.

Net sales by product

Net sales of take-out robots decreased by ¥3,560 million (32.6%) to ¥7,376 million, due to a weak performance of the core traverse take-out robots in all industry.

Net sales of stock systems and conveyers decreased by 24.7% to ¥449 million

Net sales of custom-ordered equipment increased by ¥2,919 million (63.4%) to ¥7,526 million due to favorable sales of semiconductor related system, downstream equipment for optical discs and insert systems.

As regards peripherals and the parts and maintenance service, peripherals decreased 20.1% to ¥2,896 million, and the parts and maintenance service decreased 23.70% to ¥1,023 million.

Performance of geographic segments

In Japan, net sales decreased 7.0% to ¥17,785 million and operating income decreased 13.2% to ¥2,770 million, due to weak performance by the core traverse take-out robots, despite favorable sales of the custom-ordered equipment.

In North America, net sales decreased 18.5% to ¥1,959 million and operating income decreased 99.7% to ¥0 million due to a strong yen (increased by 12.2% against U.S. dollars) on top of weak sales in the automotive industry.

In Asia, net sales decreased 23.7% to ¥1,206 million and operating income decreased 95.4% to ¥6 million due to weak performance of the take-out robots in most of areas including China.

In Europe, net sales increased 14.9% to ¥345 million due to favorable sales in British subsidiary, but operating income posted a loss of ¥11 million due to increase in expenses.

Outlook for Fiscal Year 2010 (year ending March 31, 2010)

Regarding the economic environment surrounding Yushin, there are concerns about depression in capital spending due to global recession and foreign exchange volatility. However, capital investment is expected to remain firm in emerging countries such as China and India.

Under these circumstances, Yushin intends to ensure sales by receiving orders of the take-out robots steadily, manufacturing and shipping the backlog of the custom ordered equipments as planned, as well as promoting the robots and custom-ordered equipments for new field. Furthermore, the company will continue reducing the expenses drastically and maximize the effort to ensure profit even sales decrease.

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

(¥ millions)

	Net sales	Operating income	Ordinary income	Net income
Consolidated	17,250 (Y/Y 10.5%)	2,415 (Y/Y 14.6%)	2,427 (Y/Y 13.5%)	1,446 (Y/Y 1.5%)

(2) Financial Position

Total assets decreased ¥2,890 million compared with the end of the previous fiscal year to ¥21,977 million. Regarding current assets, cash and time deposits increased ¥2,384 million and securities decreased ¥2,364 million, while account receivable decreased ¥2,609 million due to a decrease in sales. As a result, current assets decreased ¥2,379 million to ¥17,728 million. There was no significant variation in fixed assets.

Total liabilities decreased ¥2,756 million. Current liabilities decreased ¥2,576 million due to a decrease in accounts payable of ¥1,243 million. There was no significant variation in non current liabilities.

Net assets decreased ¥133 million compared with the end of the previous fiscal year to ¥17,864 million. This was mainly due to a decrease in foreign currency translation adjustment. Retained earnings in the fiscal year under review increased.

Cash flows

Cash and cash equivalents at the end of year increased ¥1,357 million from the end of the previous fiscal year to ¥8,051 million, for the following reasons.

- Cash flows from operating activities

Net cash provided by operating activities amounted to ¥2,453 million (¥1,322 million in the previous year). Income before income taxes and minority interests was ¥2,353 million. Accounts receivable and account payable decreased ¥2,419 million and ¥997 million respectably. Income taxes paid was ¥1,670 million.

-Cash flows from investment activities

Net cash provided by investment activities amounted to ¥57 million (¥1,723 million used in the previous year). This was due to the proceeds from sales and redemption of investment securities of ¥646 million, and increase in time deposit of ¥382 million.

-Cash flows from financing activities

Net cash used in financing activities amounted to ¥960 million (¥439 million in the previous year). This was mainly due to dividends paid of ¥646 million and purchase of treasury stock of ¥311 million.

Trend of cash flow indexes

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Equity ratio	74.5%	69.8%	72.3%	72.2%	81.2%
Equity ratio based on market price	159.9%	173.2%	142.3%	151.8%	112.1%

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.
2. Each of the above indices is calculated by the number of consolidated financial results.
3. Total amount of shares at market price refers to the closing market price of shares multiplied by the number of shares outstanding 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, Yushin originally planned to pay a full-year dividend of ¥40 per share, comprising an interim dividend of ¥18 per share and a year-end dividend of ¥22 per share. However, as announced on February 3, 2009, a year-end dividend was changed to ¥10 per share due to the underperformance for the second half of FY influenced by global recession stemming from the financial crisis that was started in the U.S. Consequently, a full-year dividend is planned to be ¥28 per share, comprising an interim dividend of ¥18 per share and a year-end dividend of ¥10 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 ¥24 per share, comprising an interim dividend of ¥10 per share and a year-end dividend of ¥14 per share.

2. Outline of the 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, 2008.

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 targets for the next three years later, ending March 31, 2012, 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. The targets were postponed one year from original plan in view of the forecast of prolonged influence of world recession.

(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, 2008)		Current year (as of March 31, 2009)		Increase (: decrease)
		Amount	%	Amount	%	Amount
(ASSETS)						
I	Current assets	20,108,292	80.9	17,728,625	80.7	2,379,666
	Cash and time deposits	5,097,543		7,482,165		2,384,622
	Trade notes and accounts receivable	6,934,833		4,325,606		2,609,227
	Securities	3,497,125		1,132,200		2,364,925
	Inventories	4,064,345		-		4,064,345
	Finished goods	-		551,308		551,308
	Work-in-process	-		2,556,194		2,556,194
	Raw material and Supplies	-		1,187,916		1,187,916
	Deferred tax assets	408,954		365,585		43,368
	Others	120,888		137,124		16,235
	Allowance for bad debt	15,398		9,475		5,923
II	Fixed assets	4,759,359	19.1	4,248,874	19.3	510,484
	Property, plant and equipment	3,603,012	14.5	3,438,091	15.6	164,921
	Buildings and structures	1,304,400		1,181,998		122,402
	Machinery and automobiles	59,683		44,646		15,037
	Land	2,012,390		2,002,911		9,479
	Others	226,537		208,535		18,002
	Intangible assets	233,804	0.9	171,789	0.8	62,015
	Investments and other assets	922,541	3.7	638,993	2.9	283,548
	Investment in securities	413,895		237,282		176,612
	Others	508,960		409,350		99,610
	Allowance for bad debt	314		7,640		7,325
	Total	24,867,651	100.0	21,977,500	100.0	2,890,150

(¥ thousands)

Account \ Term	Previous year (as of March 31, 2008)		Current year (as of March 31, 2009)		Increase (: decrease)
	Amount	%	Amount	%	Amount
(LIABILITIES)					
I Current liabilities	6,528,658	26.2	3,952,096	18.0	2,576,561
Trade notes and accounts payable	4,072,486		2,828,673		1,243,813
Accounts payable-other	926,627		231,546		695,080
Income taxes payable	899,167		208,446		690,720
Accrued employees' bonuses	226,000		246,000		20,000
Accrued bonuses to directors and corporate auditor	42,000		13,100		28,900
Warranty for finished product	123,000		132,314		9,314
Deferred tax liabilities	400		340		60
Others	238,975		291,675		52,700
II Long-term liabilities	341,301	1.4	161,299	0.7	180,002
Deferred tax liabilities	134,255		221		134,034
Liabilities for retirement benefits of directors and corporate auditor	100,132		87,685		12,447
Others	106,914		73,392		33,521
Total liabilities	6,869,960	27.6	4,113,395	18.7	2,756,564
(NET ASSETS)					
Shareholders' equity	17,708,289	71.2	18,221,162	82.9	512,873
Common stock	1,985,666		1,985,666		-
Capital surplus	2,023,903		2,023,903		-
Retained earnings	13,732,715		14,556,891		824,175
Treasury stock-at cost	33,996		345,298		311,302
Valuation and Translation adjustment	241,138	1.0	379,716	1.7	620,854
Net unrealized gain or loss on marketable securities	141,196		3,446		137,749
Foreign currency translation adjustments	99,941		383,163		483,104
Minority interests	48,263	0.2	22,657	0.1	25,606
Total Net Assets	17,997,691	72.4	17,864,104	81.3	133,586
Total	24,867,651	100.0	21,977,500	100.0	2,890,150

(2) Consolidated statements of Income

(¥ thousands)

Account \ Term	Previous year (April 1, 2007 to March 31, 2008)		Current year (April 1, 2008 to March 31, 2009)		Increase (: decrease)
	Amount	%	Amount	%	Amount
Net sales	21,108,632	100.0	19,272,301	100.0	1,836,330
Cost of sales	13,040,276	61.8	11,950,309	62.0	1,089,967
Gross profit	8,068,355	38.2	7,321,991	38.0	746,363
Selling, general and administrative expenses	4,545,819	21.5	4,492,780	23.3	53,039
Operating income	3,522,535	16.7	2,829,211	14.7	693,324
Non-operating income	104,867	0.5	115,865	0.6	10,997
Interest and dividend	62,352		76,556		14,204
Equity earnings of affiliate	498		-		498
Others	42,016		39,308		2,708
Non-operating expenses	48,958	0.2	139,818	0.7	90,859
Interest expense	93		60		33
Provision for bad debt	2,371		-		2,371
Foreign exchange loss	39,083		136,888		97,805
Others	7,410		2,869		4,541
Ordinary income	3,578,444	17.0	2,805,258	14.6	773,185
Extraordinary income	4,110	0.0	10,137	0.0	6,026
Proceeds from sales of tangible fixed assets	2,955		-		2,955
Gain on sales of securities	-		10,137		10,137
Reversal of allowance for doubtful accounts	1,154		-		1,154
Extraordinary expenses	88,414	0.4	461,712	2.4	373,297
Loss on disposals of tangible fixed assets	13,778		6,859		6,919
Loss on sales of securities	-		453,560		453,560
Loss from revaluation of securities	-		1,293		1,293
Post retirement benefit in U.S. subsidiary	74,636		-		74,636
Income before income taxes and minority interests	3,494,139	16.6	2,353,683	12.2	1,140,456
Income taxes					
Current	1,557,070	7.4	960,185	5.0	596,884
Deferred	95,593	0.5	67,035	0.4	28,557
Minority interests	8,969	0.1	7,657	0.0	16,626
Net income	2,023,693	9.6	1,468,190	7.6	555,502

(3) Consolidated Statements of Changes in Net Assets

(¥ thousands)

	Previous year (April 1, 2007 to March 31, 2008)	Current year (April 1, 2008 to March 31, 2009)
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	12,145,992	13,732,715
Changes in the current period		
Dividend on surplus	436,970	644,015
Net Income	2,023,693	1,468,190
Total change in the current period	1,586,722	824,175
Balance as of end of the current period	13,732,715	14,556,891
Treasury stock		
Balance as of end of the previous period	31,383	33,996
Changes in the current period		
Acquisition of treasury stock	2,612	311,302
Total change in the current period	2,612	311,302
Balance as of end of the current period	33,996	345,298
Total shareholder's equity		
Balance as of end of the previous period	16,124,179	17,708,289
Changes in the current period		
Dividend on surplus	436,970	644,015
Net Income	2,023,693	1,468,190
Acquisition of treasury stock	2,612	311,302
Total change in the current period	1,584,110	512,873
Balance as of end of the current period	17,708,289	18,221,162

(¥ thousands)

	Previous year (April 1, 2007 to March 31, 2008)	Current year (April 1, 2008 to March 31, 2009)
Valuation and Translation adjustments		
Unrealized gain on other securities		
Balance as of end of the previous period	232,208	141,196
Changes in the current period		
Changes in items other than shareholder's equity	91,011	137,749
Total change in the current period	91,011	137,749
Balance as of end of the current period	141,196	3,446
Translation adjustments		
Balance as of end of the previous period	166,083	99,941
Changes in the current period		
Changes in items other than shareholder's equity	66,142	483,104
Total change in the current period	66,142	483,104
Balance as of end of the current period	99,941	383,163
Total Valuation and Translation adjustments		
Balance as of end of the previous period	398,292	241,138
Changes in the current period		
Changes in items other than shareholder's equity	157,154	620,854
Total change in the current period	157,154	620,854
Balance as of end of the current period	241,138	379,716
Minority interests		
Balance as of end of the previous period	35,197	48,263
Changes in the current period		
Changes in items other than shareholder's equity	13,066	25,606
Total change in the current period	13,066	25,606
Balance as of end of the current period	48,263	22,657
Total net assets		
Balance as of end of the previous period	16,557,668	17,997,691
Changes in the current period		
Dividend on surplus	436,970	644,015
Net Income	2,023,693	1,468,190
Acquisition of treasury stock	2,612	311,302
Changes in items other than shareholder's equity	144,087	646,460
Total change in the current Period	1,440,022	133,586
Balance as of end of the current period	17,997,691	17,864,104

(4) Consolidated Cash Flow Statements

(¥ thousands)

Account	Term	Previous year (April 1, 2007 to March 31, 2008)	Current year (April 1, 2008 to March 31, 2009)
		Amount	Amount
I Cash flows from operating activities			
Income before income taxes and minority interests		3,494,139	2,353,683
Depreciation and amortization		323,753	323,070
Amortization of goodwill		8,043	8,043
Increase (△ decrease) in allowance for bad debt		1,255	3,429
Increase (△ decrease) in provision for employees' bonuses		35,000	20,000
Increase (△ decrease) in provision for bonuses to directors and corporate auditor		7,000	28,900
Interest and dividend income		62,352	76,556
Interest expense		93	60
Gain or loss on sales of securities		-	443,422
Gain or loss from revaluation of securities		-	1,293
Decrease (△ increase) in trade receivables		762,561	2,419,105
Decrease (△ increase) in inventories		355,354	405,061
Increase (△ decrease) in trade payables		97,065	997,768
Increase (△ decrease) in other current liabilities		19,728	57,032
Others		150,611	26,239
Subtotal		2,720,322	4,033,029
Interest and dividends received		61,189	76,727
Interest paid		388	179
Insurance received		-	14,357
Income taxes paid		1,458,192	1,670,465
Net cash provided by operating activities		1,322,932	2,453,468
II Cash flows from investing activities			
Increase in time deposits		-	382,272
Increase in securities		1,400,000	646,440
Purchases of tangible assets		316,246	188,277
Proceeds from sales of tangible fixed assets		4,355	-
Purchases of intangible assets		10,774	37,285
Purchase of investment securities		1,606	1,744
Proceeds from collections of long-term loan receivable		706	245
Proceeds from sales of investment securities		-	20,873
Net cash provided by (used in) investing activities		1,723,566	57,978
III Cash flows from financing activities			
Payment from minority		1,117	-
Refund to minority		-	2,821
Purchase of treasury stock		2,612	311,302
Dividends paid		436,970	646,238
Dividend to minority interest		1,321	-
Net cash used in financing activities		439,787	960,362
IV Effect of exchange rate changes on cash and cash equivalents		23,945	194,050
V Increase (△ decrease) in cash and cash equivalents		864,366	1,357,034
VI Cash and cash equivalents at beginning of year		7,559,035	6,694,669
VII Cash and cash equivalents at end of year		6,694,669	8,051,703

(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.

Guangzhou Yushin Precision Equipment Co., Ltd. is included amongst consolidated subsidiaries due to its establishment in September 2008. Yushin Precision Equipment (Hong Kong) Co., Ltd. was liquidated during the fiscal year under review.

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

Polymac-Yushin B.V. was excluded from equity method affiliates during the fiscal year under review, due to the sales of all of its securities Yushin hold. As a result, there is no equity method affiliate.

3) Changes in accounting policies

a) Change of evaluation standards and evaluation methods of important assets

Commencing from the consolidated fiscal year under review, the company adopted the “Accounting Standards for Measurement of Inventories” (ASBJ Statement No.9; issued July 5, 2006) and standards for inventory valuation have been changed from the conventional cost method to the cost method (method of writing down book values based on decreasing profitability regarding the values on the balance sheet.)

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

b) Practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements

Commencing from the consolidated fiscal year under review, the company adopted the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements”(Practical Issue Task Force of the ASBJ No.18; issued on May 17, 2006).

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

c) Adoption of accounting standard for lease transactions

Formerly, finance lease transactions not involving the transfer of ownership were accounted for in a manner similar to the accounting treatment for operating lease transactions. However, effective from the fiscal year under review, the company adopted the “Accounting Standard for Lease Transactions” (ASBJ Statement No.13; originally issued by the Corporate Accounting Council June 17, 1993 and revised by the ASBJ March 30, 2007) and the “Guidance on Accounting Standard for Lease Transactions” (ASBJ Guidance No.16; issued by the Japanese Institute of Certified Public Accountants January 18, 1994 and revised by the ASBJ March 30,2007) .

Financial leases other than those that are deemed to transfer the ownership of leased property to the lessees, which commenced prior to the fiscal year adoption was made, are accounted for in a similar way to operating leases.

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

(7) Notes to the consolidated Financial Statements

(Balance sheets) (¥ thousands)

	Previous year	Current year
1) Accumulated Depreciation on Tangible Assets	2,561,655	2,683,192
2) Major assets to associated companies	15,281	-
3) Number of shares outstanding (unit: shares)	16,199,121	17,819,033
4) Treasury stocks (unit: shares)	15,775	327,220

(Statement of income)

5) Major accounts included in selling, general and administrative expenses

Packing and freight expenses	748,777	544,945
Provision for product warranty	101,500	101,700
Salaries and bonus	1,094,458	1,149,051
Provision for employees bonus	100,901	98,716
Provision for bonus to directors and corporate auditor	42,000	13,100
Provision for employees' retirement benefit	28,382	34,508
Depreciation	141,879	149,660
Research and development expenses	449,180	686,900

(Cash flow statement)

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

Cash and time deposits	5,097,543	7,482,165
Time deposit in which terms are more than three months	-	330,461
Negotiable certificate of deposit	300,000	900,000
Short-term investments (securities) in which maturities are within three months	1,297,125	-
Cash and cash equivalents	6,694,669	8,051,703

(Statement of Change in Net Assets)

Previous year

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 June 4, 2007	Common stock	194,215	12	March 31, 2007	June 14, 2007
The board of directors' meeting on November 13, 2007	Common stock	242,755	15	September 30, 2007	December 6, 2007

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 26, 2008	Common stock	323,666	Retained earnings	20	March 31, 2008	June 13, 2008

Current year

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 in late May, 2009	Common stock	174,918	Retained earnings	10	March 31, 2009	June 12, 2009

(8) Segment Information

1) 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 moulding machine and the peripheral equipments including laborsaving system).

2) Geographical segments

The geographical segments of the Company and its consolidated subsidiaries for the years ended March 31, 2008 and 2009 are summarized as follows:

Previous year (April 1, 2007 to March 31, 2008)

(¥ thousands)							
	Japan	North America	Asia	Europe	Total	Eliminations and Corporate	Consolidated
Net sales							
(1) Sales to customers	17,128,798	2,393,693	1,306,260	279,879	21,108,632	-	21,108,632
(2) Inter-segment sales	1,991,476	9,022	275,640	20,715	2,296,855	(2,296,855)	-
Total sales	19,120,275	2,402,715	1,581,901	300,595	23,405,487	(2,296,855)	21,108,632
Operating expenses	15,927,730	2,213,560	1,442,728	284,310	19,868,329	(2,282,233)	17,586,096
Operating income	3,192,545	189,154	139,173	16,284	3,537,157	(14,622)	3,522,535
Assets	14,307,861	1,358,809	1,306,648	235,046	17,208,366	7,659,284	24,867,651

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, Singapore, Malaysia, Taiwan, China, Thailand and India

Europe: UK, The Netherlands, Slovakia

Current 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, Singapore, Malaysia, Taiwan, China, Thailand and India

Europe: UK, Slovakia

3) Overseas Sales

Previous year (April 1, 2007 to March 31, 2008)

(¥ thousands)

	North America	Asia	Europe	Other areas	Total
I Overseas sales	4,268,181	5,511,464	1,670,787	243,798	11,694,231
II Consolidated sales	-	-	-	-	21,108,632
III Share of overseas sales	20.2%	26.1%	7.9%	1.2%	55.4%

Current 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

- 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, Taiwan, Thailand, South Korea, Singapore, Malaysia, Vietnam, Philippine, Indonesia, India etc.
 (3) Europe: Ireland, England, Germany, Netherlands, Austria, Czech, Slovakia etc.
 (4) Other areas: South America, Oceania, Middle East, etc.
 3. Overseas sales mean the sales of the Company and its overseas consolidated subsidiaries for countries or areas other than Japan.

(9) Per share indexes

(yen)

	Previous year	Current year
Book-value per share (BPS)	1,109.13	1,019.99
Earnings per share (EPS)	125.04	82.71

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

(¥ thousands)

	Previous year	Current year
A: Net income	2,023,693	1,468,190
B: Non-stockholders' equity	-	-
A-B: Net income for common shares	2,023,693	1,468,190
Average number of shares	16,183,840	17,750,679

(10) Order, Backlog and Sales

Order, Backlog by product

(¥ thousands)

Product	Orders received		Backlog of orders	
	Amount	Year-to-year comparison	Amount	Year-to-year comparison
Take-out robot	6,663,501	37.2	468,534	60.3
Stock systems	414,667	23.7	21,868	61.6
Custom-ordered equipment	5,827,843	20.4	3,822,292	30.8
Peripheral equipment	2,733,734	24.2	300,611	35.1
Parts & maintenance services	1,023,866	23.7	-	-
Total	16,663,614	28.9	4,613,306	36.1

Sales by product

(¥ thousands)

Product	Amount	Year-to-year comparison
		%
Take-out robot	7,376,429	32.6
Stock systems	449,777	24.7
Custom-ordered equipment	7,526,032	63.4
Peripheral equipment	2,896,195	20.1
Parts & maintenance services	1,023,866	23.7
Total	19,272,301	8.7

5. Non-consolidated Financial Statements

[1] Non-consolidated Balance Sheets

(¥ thousands)

Account \ Term	Previous year (as of March 31, 2008)		Current year (as of March 31, 2009)		Increase (: decrease)
	Amount	%	Amount	%	Amount
(ASSETS)					
I Current assets	18,496,375	78.2	16,303,503	76.5	2,192,871
Cash and time deposits	4,223,487		6,340,386		2,116,898
Notes receivable-trade	1,856,536		1,194,685		661,850
Accounts receivable-trade	4,926,849		3,439,112		1,487,737
Securities	3,497,125		1,132,200		2,364,925
Finished goods	524,861		-		524,861
Merchandise and products	-		282,044		282,044
Raw materials	1,034,051		-		1,034,051
Work in process	2,109,801		2,529,635		419,833
Supplies	1,473		-		1,473
Raw materials and Supplies	-		1,103,766		1,103,766
Prepaid expenses	39,860		40,233		373
Deferred tax assets	261,086		250,895		10,190
Others	27,740		3,684		24,056
Allowance for doubtful receivables	6,500		13,140		6,640
II Fixed assets	5,146,614	21.8	5,016,314	23.5	130,300
(1) Property, plant and equipment	3,294,097	13.9	3,219,096	15.1	75,001
Buildings	1,158,799		1,067,667		91,131
Structures	28,415		24,302		4,113
Machinery and equipment	30,006		22,973		7,032
Vehicles	1,685		1,061		624
Furniture and fixtures	102,570		131,223		28,653
Land	1,965,588		1,965,588		0
Construction in progress	7,031		6,278		753
(2) Intangible assets	217,718	0.9	152,848	0.7	64,870
Telephone subscription right	11,430		11,430		-
Right of trademark	1,200		1,000		200
Software	205,088		140,418		64,670
(3) Investments and other assets	1,634,798	7.0	1,644,369	7.7	9,571
Investments in securities	398,614		237,282		161,331
Stocks of subsidiaries and affiliates	874,652		802,827		71,825
Investments in partnership	170		170		0
Long-term loans receivable	23,665		20,862		2,802
Reorganization claims	314		7,640		7,325
Long-term prepaid expenses	144		96		48
Guarantee deposits	30,289		30,408		118
Deferred tax assets	80,161		183,843		103,682
Others	227,101		217,932		9,168
Allowance for doubtful accounts	314		27,681		27,366
Allowance for investment loss			16,145		16,145
Total	23,642,989	100.0	21,319,818	100.0	2,323,171

(¥ thousands)

Account	Term	Previous year (as of March 31, 2008)		Current year (as of March 31, 2009)		Increase (: decrease)
		Amount	%	Amount	%	Amount
(LIABILITIES)						
I Current liabilities		6,356,294	26.9	3,684,527	17.3	2,671,767
Notes payable-trade		503,047		382,605		120,442
Accounts payable-trade		3,509,377		2,356,557		1,152,820
Accounts payable-other		911,928		227,329		684,598
Accrued expenses		60,573		59,925		648
Income tax payable		881,500		196,500		685,000
Accrued consumption taxes		29,231		65,137		35,906
Advances received		30,374		16,632		13,742
Deposits received		19,740		11,210		8,530
Accrued employees' bonuses		226,000		246,000		20,000
Accrued bonuses to directors and corporate auditor		42,000		13,100		28,900
Warranty for finished product		123,000		108,700		14,300
Notes payable facilities		19,457		829		18,628
Others		63		-		63
II Long-term liabilities		100,672	0.4	88,385	0.4	12,287
Differed tax liabilities		-		-		-
Liabilities for retirement benefits of directors and corporate auditors		100,132		87,685		12,447
Guarantee deposit		540		700		160
Total liabilities		6,456,967	27.3	3,772,912	17.7	2,684,054
(Net Assets)						
Shareholders' equity		17,044,826	72.1	17,543,458	82.3	498,632
Common stock		1,985,666	8.4	1,985,666	9.3	-
Capital surplus		2,023,903	8.5	2,023,903	9.5	-
Retained earnings		13,069,252	55.3	13,879,187	65.1	809,934
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		3,082,937		3,892,872		809,934
Treasury stock, at cost		33,996	0.1	345,298	1.6	311,302
Valuation and Translation adjustment		141,196	0.6	3,446	0.0	137,749
Net unrealized gain on marketable securities		141,196	0.6	3,446	0.0	137,749
Total Net Assets		17,186,022	72.7	17,546,905	82.3	360,882
Total		23,642,989	100.0	21,319,818	100.0	2,323,171

(2) Non-consolidated statements of Income

(¥ thousands)

Account \ Term	Previous year (April 1, 2007 to March 31, 2008)		Current year (April 1, 2008 to March 31, 2009)		Increase (: decrease)
	Amount	%	Amount	%	Amount
Net sales	19,120,275	100.0	17,785,815	100.0	1,334,460
Cost of sales	12,141,482	63.5	11,314,279	63.6	827,202
Gross profit	6,978,793	36.5	6,471,535	36.4	507,257
Selling, general and administrative expenses	3,786,247	19.8	3,700,928	20.8	85,319
Operating income	3,192,545	16.7	2,770,607	15.6	421,938
Non-operating income	167,644	0.8	106,455	0.6	61,189
Interest income	41,364		57,019		15,655
Dividend income	81,645		7,467		74,177
Purchase discounts	22,779		18,690		4,088
Others	21,855		23,276		1,421
Non-operating expenses	44,795	0.2	42,359	0.2	2,435
Foreign exchange loss	38,798		41,196		2,398
Others	5,996		1,163		4,833
Ordinary income	3,315,394	17.3	2,834,702	16.0	480,691
Extraordinary income	1,154	0.0	18,890	0.1	17,736
Reversal for allowance for doubtful accounts	1,154		-		1,154
Gain on sales of securities	-		18,890		18,890
Extraordinary expenses	5,017	0.0	502,686	2.8	497,668
Loss on disposal and sales of tangible fixed assets	4,623		2,506		2,116
Loss on sales of securities	-		453,560		453,560
Loss on valuation of investment securities	394		1,293		898
Allowance for investment loss	-		16,145		16,145
Transfer of allowance for doubtful accounts	-		29,181		29,181
Income before income taxes	3,311,531	17.3	2,350,907	13.3	960,623
Income taxes					
Current	1,410,980	7.4	898,616	5.1	512,363
Deferred	59,000	0.3	1,659	0.0	57,341
Net income	1,959,551	10.2	1,453,949	8.2	505,601

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

(¥ thousands)

	Previous year (April 1, 2007 to March 31, 2008)	Current year (April 1, 2008 to March 31, 2009)
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		
Special depreciation reserve		
Balance as of end of the previous period	1,154	-
Changes in the current period		
Reversal of reserve for special depreciation	1,154	-
Total change in the current period	1,154	-
Balance as of end of the current period	-	-
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, 2007 to March 31, 2008)	Current year (April 1, 2008 to March 31, 2009)
Earned surplus carried forward		
Balance as of end of the previous period	1,559,201	3,082,937
Changes in the current period		
Reversal of reserve for special depreciation	1,154	-
Dividend on surplus	436,970	644,015
Net Income	1,959,551	1,453,949
Total change in the current period	1,523,735	809,934
Balance as of end of the current period	3,082,937	3,892,872
Total Retained earnings		
Balance as of end of the previous period	11,546,671	13,069,252
Changes in the current period		
Reversal of reserve for special depreciation	-	-
Dividend on surplus	436,970	644,015
Net Income	1,959,551	1,453,949
Total change in the current period	1,522,581	809,934
Balance as of end of the current period	13,069,252	13,879,187
Treasury stock		
Balance as of end of the previous period	31,383	33,996
Changes in the current period		
Acquisition of treasury stock	2,612	311,302
Total change in the current period	2,612	311,302
Balance as of end of the current period	33,996	345,298
Total shareholder's equity		
Balance as of end of the previous period	15,524,857	17,044,826
Changes in the current period		
Dividend on surplus	436,970	644,015
Net Income	1,959,551	1,453,949
Acquisition of treasury stock	2,612	311,302
Total change in the current Period	1,519,968	498,632
Balance as of end of the current period	17,044,826	17,543,458

(¥ thousands)

	Previous year (April 1, 2007 to March 31, 2008)	Current year (April 1, 2008 to March 31, 2009)
Valuation and Translation adjustments		
Unrealized gain on other securities		
Balance as of end of the previous period	232,208	141,196
Changes in the current period		
Changes in items other than shareholder's equity	91,011	137,749
Total change in the current period	91,011	137,749
Balance as of end of the current period	141,196	3,446
Total Valuation and Translation adjustments		
Balance as of end of the previous period	232,208	141,196
Changes in the current period		
Changes in items other than shareholder's equity	91,011	137,749
Total change in the current period	91,011	137,749
Balance as of end of the current period	141,196	3,446
Total net assets		
Balance as of end of the previous period	15,757,066	17,186,022
Changes in the current period		
Dividend on surplus	436,970	644,015
Net Income	1,959,551	1,453,949
Acquisition of treasury stock	2,612	311,302
Changes in items other than shareholder's equity	91,011	137,749
Total change in the current period	1,428,956	360,882
Balance as of end of the current period	17,186,022	17,546,905