

# Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2008 (April 1, 2008 - December 31, 2008) Unaudited

February 3, 2009

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

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Scheduled date of filing of quarterly report: February 13, 2009

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, 2008

(April 1, 2008 – December 31, 2008)

### (1) Consolidated Results of Operations

	Net sales		Operating income		Ordinary income	
	¥ millions	%	¥ millions	%	¥ millions	%
Nine months ended December 31, 2008	16,758	2.1	2,875	-0.1	2,870	-1.7
Nine months ended December 31, 2007	16,414	8.7	2,879	31.0	2,918	29.8
Year ended March 31, 2008	21,108	8.0	3,522	21.7	3,578	19.8

	Net income		Net income per share	Net income per share/diluted
	¥ millions	%	Yen	Yen
Nine months ended December 31, 2008	1,455	-14.6	81.75	–
Nine months ended December 31, 2007	1,703	28.9	105.24	–
Year ended March 31, 2008	2,023	18.1	125.04	–

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, 2008	22,864	18,373	80.2	1,030.04
As of December 31, 2007	23,021	17,757	76.9	1,094.47
As of March 31, 2008	24,867	17,997	72.2	1,109.13

## 2. Dividends

Record date	Dividend per share				
	1Q	2Q	3Q	4Q	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2008	–	15.00	–	20.00	35.00
Year ending March 31, 2009	–	18.00	—	—	—
Year ending March 31, 2009 (Forecast)	—	—	–	10.00	28.00

## 3. Forecast for the Year Ending March 31, 2009 (April 1, 2008 – March 31, 2009)

The Company revised the annual forecast for FY2008 on February 3, 2009.

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	¥ millions	¥ millions	¥ millions	¥ millions	Yen
Annual	19,750	2,864	2,879	1,454	81.70

## 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
- (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: Yes
  - (ii) Changes other than (i): None

### (4) Issued and outstanding shares

Total number of issued shares at March 31, 2008: 16,199,121 shares

December 31, 2008: 17,819,033 shares

Treasury stock at March 31, 2008: 15,775 shares

December 31, 2008: 22,663 shares

Weighted average number of shares for the nine months ended December 31, 2007: 16,184,176 shares

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

## 5. Qualitative Information and Financial Statements

### Qualitative Information Regarding Consolidated Result of Operation

During the nine months ended December 31, 2008, the Japanese economy slowed down markedly on sluggish capital spending and personal consumption due to the steep appreciation of the yen on top of the turndown of the stock price led by the global financial crisis stemming from the sub-prime loan problem in the U.S.

Under these circumstances, net sales for the nine months rose 2.1% year on year to ¥16,758 million thanks to the progress as planned in production and shipments of custom-ordered equipment. However, a loss on foreign exchange of ¥83 million due to the steep appreciation of the yen resulted in a decrease in ordinary income of 1.7% year on year to ¥2,870 million. Net income for the nine months decreased 14.6% year on year to ¥1,455 million.

### Qualitative Information Regarding Consolidated Financial Position

Current assets decreased by ¥1,762 million from the end of the previous fiscal year to ¥18,346 million. Though cash and cash equivalents rose by ¥1,173 million, securities decreased by ¥1,511 million and work-in-process goods also dropped by ¥1,162 million.

With little change in fixed assets, total assets fell by ¥2,003 million to ¥22,864 million.

Current liabilities decreased by ¥2,281 million from the end of the previous fiscal year to ¥4,246 million. Trade notes and accounts payable declined by ¥1,418 million and income tax payable also fell by ¥631 million.

With little change in long-term liabilities, total liabilities came to ¥4,490 million, a decrease of ¥2,379 million.

Net assets increased by ¥375 million to ¥18,373 million, mainly due to a rise of ¥810 million in retained earnings due to the appropriation of earnings in the previous period and net income of the current period.

Qualitative Information Regarding Prospects for Consolidated Financial Results

With a fast global recession, we expect the bleak business environment to continue going forward. After taking the business results so far and the future industry trends into account, we have revised our full-year guidance for the fiscal year ending March 31, 2009 which was announced on November 5, 2008, both on a consolidated and non-consolidated basis. For more detailed information, please see “Revisions to Full-Year Earnings Forecasts” announced today (February 3, 2009)

6. Consolidated Financial Statements  
(1) Consolidated Balance Sheets

(¥ thousands)

Account	Term	Third quarter of 2008 (as of December 31, 2008)	Previous year (as of March 31, 2008)	Change
		Amount	Amount	Amount
<b>(ASSETS)</b>				
<b>I</b>	<b>Current assets</b>	<b>18,346,205</b>	<b>20,108,292</b>	<b>-1,762,086</b>
	Cash and cash equivalents	6,270,712	5,097,543	1,173,168
	Trade notes and accounts receivable	6,453,147	6,934,833	-481,686
	Securities	1,985,240	3,497,125	-1,511,885
	Finished good	809,143	732,560	76,582
	Raw material	1,272,953	1,186,281	86,672
	Work-in-process	981,267	2,144,029	-1,162,762
	Deferred tax assets	420,823	408,954	11,869
	Others	166,348	122,362	43,985
	Allowance for doubtful accounts	(13,429)	(15,398)	1,968
<b>II</b>	<b>Fixed assets</b>	<b>4,517,919</b>	<b>4,759,359</b>	<b>-241,440</b>
	<b>Property, plant and equipment</b>	<b>3,510,638</b>	<b>3,603,012</b>	<b>-92,373</b>
	Buildings and structures	1,222,962	1,304,400	-81,438
	Land	2,008,052	2,012,390	-4,337
	Others	279,623	286,221	-6,597
	<b>Intangible assets</b>	<b>179,849</b>	<b>233,804</b>	<b>-53,955</b>
	Goodwill	10,054	16,086	-6,032
	Others	169,795	217,718	-47,923
	<b>Investments and other assets</b>	<b>827,431</b>	<b>922,541</b>	<b>-95,110</b>
	Investment securities	269,327	413,895	-144,567
	Deferred tax assets	147,057	80,161	66,896
	Others	412,703	428,799	-16,096
	Allowance for doubtful accounts	(1,657)	(314)	-1,343
	<b>Total</b>	<b>22,864,124</b>	<b>24,867,651</b>	<b>-2,003,526</b>

(¥ thousands)

Account	Term	Third quarter of 2008 (as of December 31, 2008)	Previous year (as of March 31, 2008)	Change
		Amount	Amount	Amount
<b>(LIABILITIES)</b>				
<b>I Current liabilities</b>		<b>4,246,843</b>	<b>6,528,658</b>	<b>-2,281,814</b>
Trade notes and accounts payables		2,653,565	4,072,486	-1,418,920
Accounts payables – other		456,720	926,627	-469,907
Income tax payable		267,938	899,167	-631,229
Accrued employees' bonuses		123,000	226,000	-103,000
Accrued bonuses to directors and corporate auditors		11,250	42,000	-30,750
Warranty reserve		118,300	123,000	-4,700
Others		616,068	239,376	376,692
<b>II Long-term liabilities</b>		<b>243,899</b>	<b>341,301</b>	<b>-97,402</b>
Deferred tax liabilities		76,223	134,255	-58,031
Liabilities for retirement benefits to directors and corporate auditors		87,685	100,132	-12,447
Others		79,990	106,914	-26,923
<b>Total liabilities</b>		<b>4,490,742</b>	<b>6,869,960</b>	<b>-2,379,217</b>
<b>(NET ASSETS)</b>				
<b>I Shareholders' equity</b>		<b>18,508,133</b>	<b>17,708,289</b>	<b>799,843</b>
Common stock		1,985,666	1,985,666	–
Capital surplus		2,023,903	2,023,903	–
Retained earnings		14,543,707	13,732,715	810,991
Treasury stock – at cost		(45,144)	(33,996)	-11,147
<b>II Valuation and translation adjustments</b>		<b>(177,132)</b>	<b>241,138</b>	<b>-418,270</b>
Unrealized gain on available for sale securities		(5,322)	141,196	-146,519
Foreign currency translation adjustments		(171,810)	99,941	-271,751
<b>III Minority interests</b>		<b>42,381</b>	<b>48,263</b>	<b>-5,882</b>
<b>Total net assets</b>		<b>18,373,382</b>	<b>17,997,691</b>	<b>375,690</b>
<b>Total</b>		<b>22,864,124</b>	<b>24,867,651</b>	<b>-2,003,526</b>

## (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, 2007 (April 1, 2007 to December 31, 2007)	Change
		Amount	Amount	Amount
<b>I</b>	<b>Net sales</b>	<b>16,758,370</b>	<b>16,414,350</b>	<b>344,019</b>
<b>II</b>	<b>Cost of sales</b>	<b>10,288,422</b>	<b>10,155,498</b>	<b>132,924</b>
	<b>Gross profit</b>	<b>6,469,947</b>	<b>6,258,852</b>	<b>211,094</b>
<b>III</b>	<b>Selling, general and administrative expenses</b>	<b>3,594,073</b>	<b>3,379,486</b>	<b>214,587</b>
	<b>Operating income</b>	<b>2,875,873</b>	<b>2,879,365</b>	<b>-3,492</b>
<b>IV</b>	<b>Non-operating income</b>	<b>83,057</b>	<b>67,843</b>	<b>15,214</b>
	Interest income	46,747	34,394	12,353
	Dividend income	5,182	4,662	520
	Purchase discount	15,537	17,277	-1,740
	Others	15,590	11,509	4,081
<b>V</b>	<b>Non-operating expenses</b>	<b>88,719</b>	<b>28,834</b>	<b>59,884</b>
	Provision for bad debt	3,282	3,248	34
	Bad debt losses	–	–	–
	Foreign exchange loss	83,126	21,803	61,322
	Others	2,309	3,782	-1,472
	<b>Ordinary income</b>	<b>2,870,212</b>	<b>2,918,374</b>	<b>-48,162</b>
<b>VI</b>	<b>Extraordinary income</b>	<b>11,448</b>	<b>3,565</b>	<b>7,882</b>
	Gain on sales of investment securities	10,137	–	10,137
	Others	1,310	3,565	-2,254
<b>VII</b>	<b>Extraordinary losses</b>	<b>456,348</b>	<b>5,508</b>	<b>450,840</b>
	Loss on disposals and sales of property	1,458	5,508	-4,049
	Loss on sales of securities	453,560	–	453,560
	Others	1,329	–	1,329
	<b>Income before income taxes and minority interests</b>	<b>2,425,312</b>	<b>2,916,432</b>	<b>-491,119</b>
	Income taxes	965,457	1,206,907	-241,449
	Minority interests in net income	4,848	6,248	-1,400
	<b>Net income</b>	<b>1,455,006</b>	<b>1,703,276</b>	<b>-248,269</b>

### (3) Segment information

Industrial segments: We have only one industrial segment.

Geographical segments: Segmentation of areas is based on geographical proximity.

#### 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

Note: Major countries and areas included in each category:

North America: The United States

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

Europe: England and Slovakia

#### Nine months ended December 31, 2007 (April 1, 2007 to December 31, 2007)

(¥ thousands)

	Japan	North America	Asia	Europe	Total	Eliminations	Consolidated
Sales							
Sales to customers	13,531,336	1,801,030	942,820	139,164	16,414,350	–	16,414,350
Inter-segment sales	1,530,382	7,212	213,240	9,309	1,760,143	(1,760,143)	–
Total	15,061,719	1,808,242	1,156,060	148,473	18,174,494	(1,760,143)	16,414,350
Operating expenses	12,414,837	1,622,172	1,052,223	175,222	15,264,456	(1,729,471)	13,534,985
Operating income	2,646,881	186,069	103,836	-26,749	2,910,038	(30,672)	2,879,365

Note: Major countries and areas included in each category:

North America: The United States

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

Europe: England and Slovakia

### (4) Overseas sales

Overseas sales represent the sales of the company and its overseas consolidated subsidiaries for countries or areas other than Japan. Segmentation of areas is based on geographical proximity.

#### 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

Note: Major countries and areas included in each category:

North America: The United States and Canada

Asia: China, South Korea, Singapore, Malaysia, Taiwan, Thailand, etc

Europe: Ireland, Germany, Netherlands, Austria, etc.

Other areas: South America, Oceania, etc

**Nine months ended December 31, 2007 (April 1, 2007 to December 31, 2007)**

(¥ thousands)

	North America	Asia	Europe	Other areas	Total
I Overseas sales	3,614,004	4,362,355	1,323,565	199,639	9,499,564
II Consolidated sales	–	–	–	–	16,414,350
III Ratio of overseas sales on consolidated sales (%)	22.0	26.6	8.1	1.2	57.9

Note: Major countries and areas included in each category:

North America: The United States and Canada

Asia: China, South Korea, Singapore, Malaysia, Taiwan, Thailand, Vietnam, etc.

Europe: Ireland, Germany, Netherlands, Austria, etc.

Other areas: South America, Oceania, etc

## 7. Order receiving and Sales

### (1) Order receiving

(¥ thousands)

Products	Nine months ended December 31, 2008	Nine months ended December 31, 2007	Changes	
			Amount	Ratio (%)
Take-out robots	5,833,584	8,448,719	-2,615,135	-30.9
Stock systems	388,818	451,270	-62,452	-13.8
Custom-ordered equipments	5,377,289	4,710,108	667,181	14.1
Peripheral equipments	2,505,420	2,910,398	-404,978	-13.9
Parts and maintenance services	845,858	968,285	-122,427	-12.6
Total	14,950,971	17,488,782	-2,537,811	-14.5

Note: Ratios are shown in percentage increase (decrease) of nine months ended December 31, 2008 to nine months ended December 31, 2007.

### (2) Backlog of orders

(¥ thousands)

Products	Third quarter of 2008 As of December 31, 2008	Third quarter of 2007 As of December 31, 2007	Changes	
			Amount	Ratio (%)
Take-out robots	836,638	1,642,446	-805,808	-49.0
Stock systems	47,927	88,280	-40,353	-45.7
Custom-ordered equipments	4,036,908	3,633,570	403,338	11.1
Peripheral equipments	493,120	617,435	-124,315	-20.1
Total	5,414,594	5,981,731	-567,137	-9.4

Note: Ratios are shown in percentage increase (decrease) of nine months ended December 31, 2008 to nine months ended December 31, 2007.

### (3) Net sales

(¥ thousands)

Products	Nine months ended December 31, 2008	Nine months ended December 31, 2007	Changes	
			Amount	Ratio (%)
Take-out robots	6,178,409	8,308,615	-2,130,206	-25.6
Stock systems	397,869	473,981	-76,112	-16.0
Custom-ordered equipments	6,860,861	3,886,645	2,974,216	76.5
Peripheral equipments	2,475,371	2,776,823	-301,452	-10.8
Parts and maintenance services	845,858	968,285	-122,427	-12.6
Total	16,758,370	16,414,350	344,020	2.0

Note: Ratios are shown in percentage increase (decrease) of nine months ended December 31, 2008 to nine months ended December 31, 2007.