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**Other Electronic Provision Measures Matters upon
Notice of Convocation for the 52nd Ordinary General Meeting of Shareholders
(Matters Omitting the Delivery of Documents)**

Matters Relating to the Development of Systems to Ensure Proper Operations

Overview of the Business Operations of the Systems to Ensure Proper Operations

Consolidated Statements of Changes in Equity

Basis of Preparing Consolidated Financial Statements and Other Notes

Statements of Changes in Equity

Significant Accounting Policies and Other Notes

For the 52nd Fiscal Year (from April 1, 2024 to March 31, 2025)

Yushin Company

Of the matters to be provided electronically, the above items are not included in the documents to be delivered to shareholders who have requested delivery of written documents in accordance with the provisions of laws and regulations and Article 14, Paragraph 2 of our Articles of Incorporation.

Matters Relating to the Development of Systems to Ensure Proper Operations

The Company has established the basic policy of Internal Control System for the development of a system to ensure that the performance of duties by Directors complies with laws and regulations, and the Articles of Incorporation as well as other systems to ensure the propriety of the Company's operations, as follows. (Board of Directors Resolution on June 12, 2015) The main points of the basic policy are as follows.

(1) System to ensure that the conduct of business by Directors and employees complies with laws and regulations and the Articles of Incorporation.

The Company provides legal compliance awareness and training to increase compliance awareness and has established "Whistle-Blowing Regulations" that outlines the process for reporting violations.

(2) System for keeping and managing the information on the business activities of the Company's Directors.

Information is maintained and managed in accordance with laws and regulations, and internal policies ("Document Regulations," "Contract management rules," "Internal Information Management Regulations," "Basic policy on information security," "Information System Management Regulations," "Personal Information Management Regulations," "Personal Information Protection Policy (Privacy Policy)," "Regulations for the Proper Handling of Specific Personal Information," etc.)

(3) Policies and other systems for managing the risk of loss to the Company and our subsidiaries.

The risk of currently estimated losses is managed by setting up a committee and discussing them according to their importance.

Events resulting in losses to the Company would be reported by the responsible officer to Directors and Corporate Auditors and discussed and managed by all officers.

(4) System to ensure the effective conduct of business by Directors of the Company and our subsidiaries.

The effective conduct of business by Directors is ensured by the following.

- [1] The Board of Directors determines significant matters and oversees the conduct of business by Directors.
- [2] Information is shared among Directors, Executives, and Corporate Auditors at executive meetings.
- [3] Notification of significant matters on management, understanding of status and business instructions are conducted at management meetings and YSM management meetings.
- [4] At Group company meetings, the information regarding the Company and its subsidiaries is shared and important matters are discussed at the Company's Board of Directors, etc. to resolve issues.

(5) Systems to ensure the proper operation of the corporate group consisting of the Company and its subsidiaries and to report to the Company on matters concerning the conduct of business by Directors of subsidiaries.

The Internal Control System is developed as well as "Subsidiaries Management Regulations" which require subsidiaries to provide regular reports relating on the business results, financial conditions and other important information of subsidiaries.

Group company meetings are held to share information about the Company and its subsidiaries, and the Company's Board of Directors, etc. discusses and resolves important matters.

(6) System to ensure effective audit by Corporate Auditors

Corporate Auditors attend the meetings of the Board of Directors and necessary important meetings including the management meetings, etc., and read important approval documents and other important documents concerning the conduct of business and receive explanation from Directors and employees of the Company and Directors of subsidiaries as necessary.

(7) System on employees assisting works of the Company's Corporate Auditors if Corporate Auditors require the assignment of the assisting employees.

Employees assisting the work of the Company's Corporate Auditors may be assigned as needed. Corporate Auditor shall have the authority to issue instructions and orders to the staff of Corporate Auditor.

(8) System for ensuring that persons reporting to the Board of Corporate Auditors and Corporate Auditors, etc., are not treated unfavorably on the basis of reporting

The Company shall ensure that executives and employees who report to Board of Corporate Auditors and Corporate Auditors, etc. are not treated unfavorably as a result of the report and shall thoroughly inform the entire company of this.

The "Whistle-Blowing Regulations," shall prohibit dismissal and give other adverse treatment for the reason of reporting.

(9) Matters concerning the policy for handling expenses or debts resulting from business execution of the Company's Corporate Auditors.

The Company shall, if Corporate Auditors require the Company to make advance payment for the execution of business in accordance with Article 388 of the Companies Act, immediately deal with the related expenses and debts unless it is deemed unnecessary to make advance payment.

(10) Systems on eliminating anti-social forces

The Company takes a firm stance against anti-social forces that threaten the order and safety of civil society, and closely exchanges information and cooperates with the relevant specialized agencies, including the police, against anti-social forces, and thoroughly informs employees of the above policy.

In order to improve the effectiveness and efficiency of operations, to ensure the reliability of financial reports, and to expand the operations of the internal control system aimed at safeguarding assets and complying with laws and regulations pertaining to business activities in accordance with the Basic Policy for Internal Control System, the Internal Control Regulations and the Committee of Internal Control Operations Regulations have been enacted.

The scope of responsibility of the Board of Directors and Corporate Auditors, the system of implementation and details of activities for executives and employees, and the procedures for evaluation and reporting have been clarified in the internal control Regulations. In addition, a basic policy on the maintenance and operation of Internal Control is formulated. The structure of the committee aimed at facilitating internal control, as well as how to promote its mission and activities has been clarified in the Committee of Internal Control Operations Regulations, and the activities are being promoted.

Overview of the Business Operations of the Systems to Ensure Proper Operations

Main operating status of the Internal Control System implemented by YUSHIN Group in the current consolidated fiscal year is as follows.

(1) Status of compliance management

The Company is committed to strengthening and ensuring compliance through the establishment of the following policies and activities.

- [1] In terms of corporate rules and regulations, the Company provides information on the latest trends in relevant laws and regulations, and implements and ensures company regulations (“YUSHIN Group Human Rights Policy,” “YUSHIN Group Procurement Guidelines,” “Harassment Prevention Regulations,” “Contract management rules,” “Internal Information Management Regulations,” “Basic policy on information security,” “Information System Management Regulations,” “Personal Information Management Regulations,” “Personal Information Protection Policy (Privacy Policy),” “Regulations for the Proper Handling of Specific Personal Information,” etc.) Additionally, “Yushin Organizational Knowledge Book (Y Book)” is distributed as an organizational knowledge repository to enhance business quality and promote the dissemination of our philosophy and compliance awareness.
- [2] With respect to education and training, the Company conducts training on the Subcontractors Act, insider trading prevention, the internal reporting systems, business and human rights, information security (information leakage), trade secrets, and safe driving, in order to promote compliance awareness.
- [3] With respect to internal reporting, the Company has established internal and external reporting channels in order to prevent compliance violations, detect them at an early stage, and take prompt and effective action when violations are discovered, and is working to provide opportunities for reporting and to strengthen the reporting system.
- [4] In addition, to strengthen its sustainability promotion system, the Company has organized a system for cooperation between the Sustainability Committee, the Health and Safety Committee and the Environment Committee, and established subcommittees for each sustainability theme (Human Rights Subcommittee, Compliance Subcommittee, IT Risk Management Subcommittee, and Crisis Management Subcommittee).

(2) Status of risk management of losses

Overall risk management is discussed and addressed by the Committee of Internal Control. The Sustainability Committee also promotes risk management in accordance with the Sustainability Basic Policy.

In the event of an event that could cause loss to the Company, the officer in charge immediately reports to the Board of Directors and the Board of Corporate Auditors, and all officers discuss and respond to the event. In addition, events that are expected to result in a risk of loss are investigated and questioned by the Corporate Auditors and others in order to avoid risk.

In addition, to minimize potential risks, the Company has established the “YUSHIN Disaster Prevention and Business Continuity Plan (BCP Manual)” and regularly conduct drills for disaster and safety confirmation systems to confirm the effectiveness of the plan.

In addition, the Company considers and implements responses to other risks that change on a daily basis.

(3) Status of commitment to the proper and efficient performance of assigned duties

The assigned duties of the Directors are carried out effectively as described below.

- [1] The Board of Directors decides on important matters and supervises the conduct of business by Directors.
- [2] The Nomination and Remuneration Committee has been established as an advisory body to enhance the objectivity, appropriateness and transparency of the composition of the Board of Directors and the nomination and remuneration of Directors, etc. in order to link the medium- to long-term growth of the Company group and increase its corporate value. The selection of candidates of Directors and Corporate Auditors and the remuneration system for Directors are discussed by the Nomination and Remuneration Committee, and a report or opinion is submitted to the Board of Directors.
- [3] In order to further improve the functions of the Board of Directors, the Company is conducting an internal questionnaire to analyze and evaluate the effectiveness of the Board of Directors as a whole, and is analyzing and evaluating the results to make improvements.
- [4] Significant matters are discussed among Directors, Executive Officers and Corporate Auditors at the executive meetings, and such significant information is shared.

[5] Significant matters relating to the management of the Company are communicated at management meetings. The operational status of the Company is monitored, and necessary guidance is provided.

(4) Status of addressing the proper operations of the business group consisting of the Company and its subsidiaries

In order to promote the development of the internal control system, “Internal Control Regulations” and “Committee of Internal Control Operations Regulations” have been enacted at the Board of Directors’ meeting held on February 7, 2018. Specifically, the scope of responsibilities of the Board of Directors and Corporate Auditors concerning internal control, as well as the system for implementation (supervision, actual system for implementation, etc.) and details of activities (policy, process to promote the development of operations, etc.) for executives and employees and the procedures for evaluation and reporting (scope of target, procedure, correction measures in case of deficiencies, etc.) were clarified by “Internal Control Regulations,” while the structure of the committee aimed at facilitating internal control, as well as how to promote its mission and activities (supervision, system for implementation, scope of target activities, education, etc.) were clarified in “Committee of Internal Control Operations Regulations.” Based on “Internal Control Regulations,” along with the basic policy on the development and operation of Internal Control, the Company has enacted a basic plan for conducting evaluations and are promoting activities. In addition, the Company holds Group company meetings with its subsidiaries three times a year, where both parties share information and review the status of subsidiaries’ operations.

(5) Ensuring the effectiveness of corporate auditing

Corporate Auditors conduct audits in accordance with the audit policies and the audit schedule as prescribed by the Board of Corporate Auditors by attending the Board of Directors and executive meeting, management meeting and other meetings. Corporate Auditors conduct interviews on the status of the performance of duties by Directors and the Internal Audit Office and then examine the significant decisions as recorded in the documents, such as the approval documents, contracts and agreements. Corporate Auditors also examine the status of business operations, corporate assets and fraudulent acts in the performance of Directors’ duties, violations of rights and violations of laws and regulations, and the Articles of Incorporation.

In conducting the audit, Corporate Auditors utilize their expertise as External Corporate Auditors and maintain internal coordination with the Internal Audit Office. In addition, Corporate Auditors conduct audits in accordance with “Audit Practice Standards Relating to the Internal Control System” which is the standards and guidelines for Corporate Auditors to audit the Company’s Internal Control System.

Consolidated Statements of Changes in Equity

(from April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of April 1, 2024	1,985,666	2,024,597	29,125,446	(1,355,730)	31,779,981
Changes in the current period					
Dividends of surplus			(680,696)		(680,696)
Profit attributable to owners of parent			1,692,927		1,692,927
Acquisition of treasury shares				(254)	(254)
Changes in items other than shareholders' equity, net					
Total changes in the current period	—	—	1,012,231	(254)	1,011,976
Balance as of March 31, 2025	1,985,666	2,024,597	30,137,677	(1,355,984)	32,791,957

	Total accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance as of April 1, 2024	285,889	1,958,804	45,210	2,289,904	349,049	34,418,934
Changes in the current period						
Dividends of surplus						(680,696)
Profit attributable to owners of parent						1,692,927
Acquisition of treasury shares						(254)
Changes in items other than shareholders' equity, net	4,721	82	24,564	29,368	38,630	67,999
Total changes in the current period	4,721	82	24,564	29,368	38,630	1,079,975
Balance as of March 31, 2025	290,610	1,958,887	69,774	2,319,273	387,679	35,498,910

1. Basis of Preparing Consolidated Financial Statements

(1) Scope of consolidation

The Company consolidates all 15 subsidiaries listed below.

Subsidiaries
YUSHIN AMERICA, INC.
YUSHIN KOREA CO., 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 TRADING (SHANGHAI) CO., LTD.
YUSHIN PRECISION EQUIPMENT (INDIA) PVT. LTD.
GUANGZHOU YUSHIN PRECISION EQUIPMENT CO., LTD.
PT. YUSHIN PRECISION EQUIPMENT INDONESIA
YUSHIN PRECISION EQUIPMENT (VIETNAM) CO., LTD.
YUSHIN EUROPE GmbH
WEMO Automation AB
WEMO Automation GmbH

(2) Application of the equity method

There is no non-consolidated subsidiary or affiliate company.

(3) Accounting policies

[1] Valuation of important assets

i) Securities

Available-for-sale securities classified as other securities

- Securities with available fair market values

Market value method (valuation difference are recorded directly into Net assets, and the cost of securities sold is principally determined by the moving average method)

ii) Inventories

- Merchandise and finished goods, Work-in-process

Principally carried at cost determined by the identified cost method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins)

- Raw materials

Principally carried at cost determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins)

- Supplies

Carried by the last purchase price method

[2] Depreciation

i) Property, plant and equipment (excluding Leased assets): Principally computed by the declining balance method

The range of useful lives for major assets is as follows:

Buildings: 3 - 40 years

Structures: 7 - 20 years

Machinery and equipment: 5 - 12 years

Tools, furniture and fixtures: 2 - 20 years

ii) Intangible assets (excluding Goodwill and Leased assets): Straight-line method

- In-house software is figured out based on expected service life

iii) Leased assets: For leased assets under non-ownership transfer finance lease transactions, the

Company applies a straight-line method with the lease period as useful life and the residual value as zero (0).

[3] Estimation on important allowance and reserves

i) Allowance for doubtful accounts:

To provide for possible bad debt losses, the amount deemed unrecoverable is accounted using the loan loss ratio based on past experience for general claims and by examining the possibility of recovery on an individual basis for specific claims with default possibility.

ii) Provision for bonuses:

In order to allocate the payment of employees' bonuses, the Company provides the amount subject to the fiscal year under review among the total estimated amount to be paid as employees' bonuses.

iii) Provision for bonuses for directors:

The Company provides the projected payment amount to be allocated for the payment of bonuses to Directors and Corporate Auditors.

iv) Provision for product warranties:

To provide for expenses incurred for free repairs related to product sales, an amount is accounted based on historical experience.

[4] Basis for recording Revenues and Expenses

Set out below are the major performance obligations in products and services related to revenues from contracts with customers of the Company and its consolidated subsidiaries, and the normal time at which such obligations are satisfied (the normal time at which revenues are recognized).

For products and installation services, sales to customers will be made in accordance with the terms and conditions set forth in contracts and purchase orders concluded with customers. For robots and custom-ordered equipment, installation work is included in most contracts and orders, the revenue is recognized when the installation work is completed at the client plant and the customer completes acceptance because the performance obligation is determined to be satisfied as the customer obtains control over the products. For certain contracts and orders that do not include an installation work, the revenue is recognized when the products are delivered to the customer because the performance obligation is determined to be satisfied as the customer obtains control over the products.

For Parts, the revenue is recognized when the products are delivered to the customer because the performance obligation is determined to be satisfied as the customer obtains control over the products. For sales of parts in Japan, the revenue is recognized at the time of shipment because the period between the time of shipment of the products and the time when the control of the products is transferred to the customer is short within reasonable.

For maintenance services, the revenue is recognized when the service is completed at the customer plant and the customer completes the acceptance because the performance obligation is determined to be satisfied.

[5] Amortization method and period of Goodwill

Goodwill is equally amortized over 7 years.

[6] Other significant matter for the preparation of Consolidated Financial Statements

Accounting for Retirement benefit assets and liabilities:

To provide for employees' retirement benefits, based on the projected benefit obligations at year-end and the pension asset balance, the amount of pension assets surplus to projected benefit obligations is recorded.

The net actuarial loss or gain is subject to recognition thereof onward in an amount pro-rated by the straight-line method based on the average remaining employee service period (10 to 13 years) at the time of the recognition of net actuarial loss or gain in each fiscal year.

Unrecognized actuarial differences is recorded in "Remeasurements of defined benefit plans" under "Total accumulated other comprehensive income" in Net assets after adjusting for tax effects.

2. Notes on changes in accounting policies

(Application of “Accounting Standard for Current Income Taxes” and others)

“Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “2022 Revised Accounting Standards”) and others have been applied from the beginning of the consolidated fiscal year under review.

The amendments to the classification of income taxes (taxation on Other comprehensive income) and others are in accordance with the transitional treatment prescribed in the proviso of Article 20-3 of the 2022 Revised Accounting Standard and the transitional treatment prescribed in the proviso of Article 65-2(2) of the “Implementation Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “2022 Revised Implementation Guidance”).

There is no impact on the consolidated financial statements due to this change in accounting policy.

3. Note on Changes in Presentation Method

“Purchase discounts” (1,763 thousand yen for the current consolidated fiscal year), which were classified and presented as Non-operating income until the previous consolidated fiscal year, have been combined with ‘Other’ in Non-operating income (27,744 thousand yen for the current consolidated fiscal year) and presented as “Other” in Non-operating income from the current consolidated fiscal year due to the lack of materiality of the amount.

4. Notes on accounting estimates

Valuation of Goodwill and Customer-related assets

(1) Amounts recorded in the consolidated financial statements for the current consolidated fiscal year

Goodwill	440,384 thousand yen
Customer-related assets	1,553,761 thousand yen

(2) Information regarding the content of significant accounting estimates related to identified items

Goodwill and Customer-related assets were recognized upon the acquisition of WEMO Automation AB on May 30, 2023, and are being amortized on a straight-line basis over 7 years for Goodwill and 15 years for Customer-related assets. The fair value of Intangible assets identified through business combinations is calculated using the income approach (excess earnings method) by discounting the future cash flows expected to be generated from Intangible assets based on the business plan used in the business valuation, with the assistance of external experts. As a result, Goodwill of 524,028 thousand yen and Customer-related assets of 1,569,800 thousand yen were recorded. The unamortized balance of Goodwill at the end of the current consolidated fiscal year was 440,384 thousand yen, and the unamortized balance of Customer-related assets was 1,553,761 thousand yen. The business plan that forms the basis for estimating future cash flows is formulated using certain assumptions regarding Net sales and other factors.

The Company has reviewed the Goodwill and Customer-related assets for any signs of impairment based on the performance of WEMO Automation AB. If signs of impairment are identified in the asset group including Goodwill and Customer-related assets, the Company will calculate the undiscounted future cash flows based on the business plan and compare them with the carrying amount to determine whether to recognize an impairment loss. During the current consolidated fiscal year, we determined that there were indications of impairment. After comparing the total undiscounted future cash flows expected to be generated from the asset group with its carrying amount, we determined that the undiscounted future cash flows exceeded the carrying amount, and therefore, we have not recognized any impairment loss. However, there is a possibility that future changes in uncertain economic conditions could affect this determination, and if the assumptions need to be revised, this could have a significant impact on the amount of Goodwill and Customer-related assets.

5. Notes to Consolidated Balance Sheet

(1) Set forth below are the balance of receivables in Notes and Accounts receivable - trade occurred from the contracts with customers.

Notes receivable - trade	1,568,269 thousand yen
Accounts receivable - trade	5,243,612 thousand yen
(2) Accumulated depreciation of Property, plant and equipment	8,442,822 thousand yen

6. Notes to Consolidated Statement of Changes in Equity

(1) Total number of issued shares

Class of shares	Number of shares at the beginning of current 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	35,638,066	-	-	35,638,066

(2) Number of treasury shares

Class of shares	Number of shares at the beginning of current 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	1,603,219	384	-	1,603,603

Notes: The 384 increase in treasury shares is due to the purchase of shares of less than one unit.

(3) Dividends of surplus

[1] 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 15, 2024	Common stock	340,348	10	March 31, 2024	June 11, 2024
The Board of Directors' Meeting on November 14, 2024	Common stock	340,347	10	September 30, 2024	December 2, 2024

[2] Dividends whose record date belongs to the current fiscal year but whose effective date is after the end of the current 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 15, 2025	Common stock	340,344	Retained earnings	10	March 31, 2025	June 9, 2025

7. Notes to Financial Instruments

(1) Conditions of financial instruments

[1] Management policy

YUSHIN Group has a policy of limiting investments of unused funds to short-term deposits, certificates of deposits and similar instruments and never using these funds for speculation. Internal resources are used to meet all working capital requirements. Derivative instruments may be used to hedge exposure to foreign exchange rate risk but will never be used for speculation.

[2] Details of financial instruments and their risks

Operating receivables consisting of Notes and accounts receivable - trade are generally exposed to the credit risk of customers, while foreign currency denominated operating receivables at foreign operations are exposed also to the foreign exchange risk.

Consumption taxes receivable are due one (1) year or less.

Investment securities are available-for-sale securities and are exposed to risk associated with

market price volatility.

Operating debt consisting of Notes and accounts payable - trade and Electronically recorded obligations - operating are largely due four (4) months or less. Accounts payable - other and Income taxes payable are due one (1) year or less.

[3] Risk management system for financial instruments

Payment dates and balances of outstanding are supervised for each customer based on rules for the management of trade receivables and credit. In addition, there is a system for monitoring the financial soundness of customers.

For Investment securities, there are measures to periodically monitor the fair values of these securities and the financial soundness of issuers of these securities.

(2) Fair value of financial instruments

The consolidated balance sheets, fair value, and their differences as of March 31, 2025 are shown as follows.

		Carrying value (Thousands of yen)	Fair value (Thousands of yen)	Differences (Thousands of yen)
(1)	Investment securities			
	Other securities	559,944	559,944	-
	Assets total	559,944	559,944	-

Note 1. Cash and deposits are omitted because they are cash, Deposits are settled within a short period of time, and the carrying amount approximates fair value.

Note 2. Notes receivable - trade, Account receivable - trade and Consumption taxes receivable are omitted because they are settled within a short period of time and the carrying amount approximates fair value.

Note 3. Notes and accounts payable - trade, Electronically recorded obligations - operating, Accounts payable - other, and Income taxes payable are omitted because they are settled within a short period of time and the carrying amount approximates fair value.

Note 4. Matters concerning determination of fair value of financial instruments and marketable securities
(Assets)

(1) Investment securities
Fair value of the above financial instruments such as stocks is determined by prices at stock exchanges.

(3) Breakdown of the fair value of financial instruments by level

The Company has classified the fair values of financial instruments into the three (3) levels shown in the table below, according to the observability and materiality of the inputs used to calculate fair value.

Level 1 Fair Value: Fair values calculated using market price of assets or liabilities in active markets among observable inputs

Level 2 Fair Value: Fair values calculated using observable inputs that are not included in Level 1

Level 3 Fair Value: Fair values calculated using unobservable inputs

In cases where multiple inputs are used to calculate fair values, the values are classified to the level of the input which has the lowest priority of the inputs to calculate the fair value.

Financial instruments carried on the consolidated balance sheet of fair value

	Fair value (Thousands of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Other securities				
Shares	559,944	-	-	559,944
Assets total	559,944	-	-	559,944

Note: Explanation for evaluation technique and inputs used to calculate fair values

Investment securities

Shares listed on stock exchange markets are evaluated using market prices. The fair values of the shares are classified as Level 1 as the shares are traded in active markets.

8. Notes to Revenue Recognition

(1) Breakdown of the revenue arising from the contracts with customers

(Thousands of yen)

	Reportable segment				Total
	Japan	North America	Asia	Europe	
Products and services					
Robots	7,810,735	1,970,262	3,930,767	797,540	14,509,306
Custom-ordered equipment	1,796,564	953,745	146,187	3,975,658	6,872,156
Parts and maintenance services	2,019,354	1,051,408	967,146	707,342	4,745,250
Revenue generated from the contracts with customers	11,626,654	3,975,416	5,044,101	5,480,540	26,126,713
Other revenue	—	—	—	—	—
Net sales to customers	11,626,654	3,975,416	5,044,101	5,480,540	26,126,713

(2) Basic information to understand the revenue arising from the contracts with customers

It is described in “1. Basis of Preparing Consolidated Financial Statements.” - “(3) Accounting policies” - “[4] Basis for recording Revenues and Expenses”

(3) Information to understand the amount of revenue in the current and subsequent fiscal years

[1] Balance of contract assets and contract liabilities and others

(Thousands of yen)

	Current consolidated fiscal year	
	Balance at beginning of year	Balance at end of period
Receivables arising from contracts with customers	6,008,743	6,811,882
Contract liabilities	3,062,706	783,128

In the consolidated balance sheets, contract liabilities are recorded under “Advances received” in “Current liabilities.” Contract liabilities are Advances received from customers and are reversed upon recognition of revenue. The amount of revenue recognized in the current fiscal year that was included in the contract liability balance at the beginning of the period was 2,088,016 thousand yen. There is no significant amount of consideration arising from contracts with customers that is not included in the transaction prices.

[2] Transaction prices allocated to residual performance obligations

The total transaction price allocated to the residual performance obligations and the period over which revenue is expected to be recognized are as follows

(Thousands of yen)

	Current consolidated fiscal year
Within one year	5,391,245
Over one year	150,381
Total	5,541,627

9. Per Share Information

(1) Net assets per share:	1,031.64 yen
(2) Profit per share:	49.74 yen

Note: Amounts shown are rounded down to the nearest thousand yen.

Statements of Changes in Equity

(from April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Shareholders' equity							
	Share capital	Capital surplus		Retained earnings				
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
Balance as of April 1, 2024	1,985,666	2,023,903	2,023,903	286,314	1,000,000	8,700,000	16,566,782	26,553,097
Changes in the current period								
Dividends of surplus							(680,696)	(680,696)
Profit							2,070,025	2,070,025
Acquisition of treasury shares								
Changes in items other than shareholders' equity, net								
Total changes in the current period	-	-	-	-	-	-	1,389,329	1,389,329
Balance as of March 31, 2025	1,985,666	2,023,903	2,023,903	286,314	1,000,000	8,700,000	17,956,112	27,942,426

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance as of April 1, 2024	(1,355,730)	29,206,937	285,889	285,889	29,492,826
Changes in the current period					
Dividends of surplus		(680,696)			(680,696)
Profit		2,070,025			2,070,025
Acquisition of treasury shares	(254)	(254)			(254)
Changes in items other than shareholders' equity, net			4,721	4,721	4,721
Total changes in the current period	(254)	1,389,074	4,721	4,721	1,393,796
Balance as of March 31, 2025	(1,355,984)	30,596,012	290,610	290,610	30,886,623

1. Significant Accounting Policies

(1) Valuation of important assets

- [1] Stocks of subsidiaries and affiliates

Carried at cost determined by the moving average method

- [2] Available-for-sale securities classified as other securities

- Securities with available fair market values

Market value method (valuation difference are recorded directly into Net assets, and the cost of securities sold is principally determined by the moving average method)

- [3] Inventories

- Merchandise and finished products, Work in process:

Carried at cost determined by the identified cost method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

- Raw materials:

Carried at cost determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins)

- Supplies:

Carried by the last purchase price method

(2) Depreciation

- [1] Property, plant and equipment (excluding leased assets)

Declining balance method:

The range of useful lives for major assets is as follows:

Buildings: 3 - 38 years

Structures: 7 - 20 years

Machinery and equipment: 12 years

Tools, furniture and fixtures: 2 - 20 years

- [2] Intangible assets (excluding leased assets)

Straight-line method:

- In-house software is figured out based on expected service life

- [3] Leased assets

For leased assets under non-ownership transfer finance lease transactions, the Company applies a straight-line method with the lease period as useful life and the residual value as zero (0).

(3) Estimation on allowance and reserves

- [1] Allowance for doubtful accounts:

To provide for possible bad debt losses, the amount deemed unrecoverable is accounted using the loan loss ratio based on past experience for general claims and by examining the possibility of recovery on an individual basis for specific claims with default possibility.

- [2] Provision for bonuses:

In order to allocate the payment of employees' bonuses, the Company provides the amount subject to the fiscal year under review among the total estimated amount to be paid as employees' bonuses.

- [3] Provision for bonuses for directors:

The Company provides the projected payment amount to be allocated for the payment of bonuses to Directors and Corporate Auditors.

- [4] Provision for product warranties:

To provide for expenses incurred for free repairs related to product sales, an amount is accounted based on historical experience.

(4) Retirement benefits

To provide for employees' retirement benefits, based on the projected benefit obligations at year-end and the pension asset balance, the amount of pension assets surplus to projected benefit obligations (Prepaid pension costs) is recorded in the "Other" field under "Investments and other assets." The net actuarial loss or gain is subject to amortization from the next fiscal year of the recognition thereof onward in an amount pro-rated by the straight-line method based on the average remaining employee service period (10 to 13 years) at the time of the recognition of net actuarial loss or gain in each fiscal year.

(5) Basis for recording Revenues and Expenses

Set out below are the major performance obligations in products and services related to revenues from contracts with customers of the Company, and the normal time at which such obligations are satisfied (the normal time at which revenues are recognized).

For products and installation services, sales to customers will be made in accordance with the terms and conditions set forth in contracts and purchase orders concluded with customers. For robots and custom-ordered equipment, installation work is included in most contracts and orders, the revenue is recognized when the installation work is completed at the client plant and the customer completes acceptance because the performance obligation is determined to be satisfied as the customer obtains control over the products. For certain contracts and orders that do not include an installation work, the revenue is recognized when the products are delivered to the customer because the performance obligation is determined to be satisfied as the customer obtains control over the products.

For Parts, the revenue is recognized when the products are delivered to the customer because the performance obligation is determined to be satisfied as the customer obtains control over the products. For sales of parts in Japan, the revenue is recognized at the time of shipment because the period between the time of shipment of the products and the time when the control of the products is transferred to the customer is short within reasonable.

For maintenance services, the revenue is recognized when the service is completed at the customer plant and the customer completes the acceptance because the performance obligation is determined to be satisfied.

2. Notes on changes in accounting policies

(Application of "Accounting Standard for Current Income Taxes" and others)

"Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "2022 Revised Accounting Standards") and others have been applied from the beginning of the consolidated fiscal year under review.

The amendments to the classification of income taxes (taxation on Other comprehensive income) and others are in accordance with the transitional treatment prescribed in the proviso of Article 20-3 of the 2022 Revised Accounting Standard and the transitional treatment prescribed in the proviso of Article 65-2(2) of the "Implementation Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "2022 Revised Implementation Guidance").

There is no impact on the consolidated financial statements due to this change in accounting policy.

3. Note on Changes in Presentation Method

"Purchase discounts" (1,763 thousand yen for the current consolidated fiscal year), which were classified and presented as Non-operating income until the previous consolidated fiscal year, have been combined with 'Other' in Non-operating income (15,361 thousand yen for the current consolidated fiscal year) and presented as "Other" in Non-operating income from the current consolidated fiscal year due to the lack of materiality of the amount.

4. Notes on accounting estimates

Valuation of Shares of subsidiaries and associates

(1) Amounts recorded in the financial statements for the current fiscal year

Shares of subsidiaries and associates

3,212,019 thousand yen

(2) Information regarding the content of significant accounting estimates related to identified items

[2] Method of calculating the amounts recognized in the financial statements for the current fiscal year

For Shares of subsidiaries and associates, since there is no market price, the acquisition cost is used as the balance sheet value. However, if the fair value of such shares has significantly decreased due to the deterioration of the financial condition of the issuing company, an appropriate reduction will be made and recognized as a loss for the current fiscal year.

[2] Major assumptions

In assessing the recoverability of the Net assets of related companies, the Company considers the profit and loss situation of the related companies in prior fiscal years, the extent of their liabilities exceeding their assets, the status of loan recoveries, and the budget for the next fiscal year.

[3] Impact on the financial statements of the next fiscal year

If the performance of related companies deteriorates beyond expectations, impairment losses or provisions may be recognized, which could affect the financial statements of the next fiscal year and beyond.

5. Notes to Balance Sheet

(1) Accumulated depreciation of property, plant and equipment:	6,897,107 thousand yen
(2) Monetary credit and debts to subsidiaries and affiliates	
[1] Short-term monetary credit:	2,351,473 thousand yen
[2] Short-term monetary debts:	95,483 thousand yen

6. Notes to Statements of Income

Transactions with subsidiaries and affiliates

[1] Net sales:	5,373,676 thousand yen
[2] Purchases:	184,702 thousand yen
[3] Selling, general and administrative expenses:	201,744 thousand yen
[4] Non-operating transactions:	453,433 thousand yen

7. Notes to Statement of Changes in Equity

Number of treasury shares

Class of shares	Number of shares at the beginning of current 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	1,603,219	384	-	1,603,603

Notes: The 384 increase in the treasury share is due to the purchase of shares of less than one unit.

8. Notes to Tax-effect Accounting

(1) Breakdown by cause of deferred tax assets and liabilities (Thousands of yen)

Deferred tax assets	
Inventories	66,854
Excess depreciation of property, plant and equipment	359,138
Excess amortization of intangible assets	98,424
Provision for bonuses	99,033
Provision for product warranties	45,902
Other	121,793
Total deferred tax assets	791,147
Deferred tax liabilities	
Prepaid pension costs	68,527
Valuation difference on available-for-sale securities	133,020
Total deferred tax liabilities	201,547
Net deferred tax assets	589,600

(2) Adjustments to the amounts of Deferred tax assets and Deferred tax liabilities due to changes in corporate tax rates

The “Act for Partial Amendment of the Income Tax Act, etc.” (Act No. 13 of 2025) was enacted by the Diet on March 31, 2025, and the “Defense Special Corporate Tax” will be imposed starting from the fiscal year beginning on or after April 1, 2026.

In conjunction with this, Deferred tax assets and Deferred tax liabilities related to temporary differences expected to be resolved in fiscal years beginning on or after April 1, 2026, have been calculated using the statutory effective tax rate of 31.4%, which has been revised from 30.5%. The impact of this change is immaterial.

9. Transactions with Related Parties

Subsidiaries, etc.

Type	Name	Voting rights held (%)	Relationship		Type of transactions	Transaction amount (Thousands of yen)	Account	Year-end balance (Thousands of yen)
			Concurrent Directors, etc.	Business relationship				
Subsidiary	YUSHIN AMERICA, INC.	100% directly held by the Company	Concurrent Directors: 2	Sales of our group's products and manufacture and sales of streamlining machinery	Sale of products	1,114,901	Accounts receivable - trade	425,889
	YUSHIN KOREA CO., LTD.	100% directly held by the Company	Concurrent Directors: 2	Sales of our group's products and manufacture and sales of streamlining machinery	Sale of products	671,616	Accounts receivable - trade	105,400
	YUSHIN AUTOMATION LTD.	95.6% directly held by the Company	Concurrent Directors: 2	Sales and after-sales service of our group's products	Sale of products	1,878,466	Accounts receivable - trade	676,908
	GUANGZHOU YUSHIN PRECISION EQUIPMENT CO., LTD.	100% directly held by the Company	Concurrent Directors: 2	Manufacturing of our group's products	Sale of products	284,051	Accounts receivable - trade	161,576

Transaction terms or method of determining transaction terms

(Note) For sale of products, prices are determined by negotiations with considering local market prices.

10. Notes to Revenue Recognition

Basic information to understand the revenue arising from the contracts with customers:
It is described in “1. Basis of Preparing Consolidated Financial Statements.” - “(3) Accounting policies”
- “[4] Basis for recording Revenues and Expenses”

11. Per Share Information

(1) Net assets per share:	907.51 yen
(2) Net income per share:	<u>60.82 yen</u>

Note: Amounts shown are rounded down to the nearest thousand yen.