

Q2 FY2025

# Fly to the next stage!

Financial Results  
(Preliminary)

YAMASHIN-FILTER CORP.  
November 5, 2025



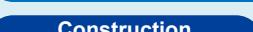
# Executive Summary

# Performance Highlights

- ◆ Achieved record-high net income in Q2 and record-high cumulative net sales for the first half since the company's founding.
- ◆ Full-year earnings and dividend forecasts have been revised upward in anticipation of achieving the highest consolidated results in our history while incorporating upfront investments and the increased costs associated with the launch of new businesses.
- ◆ We plan to announce YAMASHIN FILTER VISION 2030, a long-term vision outlining its new business initiatives.

### Business Environment

Markets

Construction Machinery Filter 

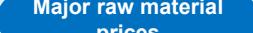
Air Filter 

By business model

Line parts  Service parts 

By region

Japan  Asia  North America  Europe  China 

Major raw material prices 

Energy costs 

Remain high  Remain high 

### Earnings Performance in Q2 FY2025

Consolidated net sales:  
**10,289** million yen  
YoY change: **+3.8%**

Consolidated operating income:  
**1,371** million yen  
YoY change: **-0.3%**

\* Shareholders' equity ratio: **82.8%**

Construction Machinery Filter	Air Filter
9,203 million yen	1,086 million yen
YoY Change (+6.2%)	YoY Change (-12.4%)

### FY2025 Outlook

Consolidated net sales:  
**20,840** million yen  
vs. Initial Forecast: **+2.1%**

Consolidated operating income:  
**2,870** million yen  
vs. Initial Forecast : **+5.5%**

\* Shareholders' equity ratio: **80.4%**

Construction Machinery Filter	Air Filter
• The demand for line parts is expected to remain strong	Improving ROIC is an urgent priority
• Although the service parts are affected by inventory adjustments, their demand is also anticipated to remain strong	

# Q2 FY2025 Business Performance Results

## Q2 FY2025 Results (July to September 2025) By Segment (P&L): Consolidated, Construction Machinery Filter, Air Filter

- ◆ Although net sales increased significantly due to a recovery in demand for new construction machinery, net income decreased slightly due to a temporary decline following strong sales of service parts in the previous fiscal year and sluggish performance in the air filter business.

(Million yen)	Q2 FY2024 Results		Q2 FY2025 Results		YoY Change	
	Amount	Amount	Amount	Amount	Percent	
Net sales	5,091	5,193	102	2.0%		
Construction Machinery Filter*	4,450	4,647	196	4.4%		
Air Filter	640	546	(94)	(14.7%)		
Operating income (segment income)	776	712	(64)	(8.3%)		
Construction Machinery Filter*	759	733	(26)	(3.5%)		
Air Filter	17	(20)	(38)	(220.3%)		
Operating income margin	15.3%	13.7%	(1.5Pt)			
Ordinary profit	876	702	(173)	(19.8%)		
Ordinary profit margin	17.2%	13.5%	(3.7Pt)			
Net income	483	492	8	1.7%		
Net income margin	9.5%	9.5%	(0.0Pt)			
Exchange rates (yen, average during the period)	USD	152.6	146.0	(6.6)	(4.3%)	
	EUR	165.9	168.1	2.1	1.3%	

\* "Construction Machinery Filter" includes construction machinery filters, industrial filters, and process filters.

## Q2 FY2025 Results (July to September 2025) Net Sales (by Product)

- ◆ Sales of line parts grew significantly with the recovery in new vehicle demand, while service parts remained steady despite the YoY decrease in revenue.

### ■ Net sales by product

(Million yen)	Q2 FY2024 Results	Q2 FY2025 Results	YoY Change	
			Amount	Percent
Construction Machinery Filter	4,092	4,277	185	4.5%
Line parts	1,334	1,686	351	26.3%
	2,757	2,591	(165)	(6.0%)
Industrial filters	183	196	13	7.4%
Process filters	175	172	(2)	(1.6%)
Subtotal for construction machinery filters	4,450	4,647	196	4.4%
Air Filter	640	546	(94)	(14.7%)
Total net sales	5,091	5,193	102	2.0%

## Q2 FY2025 Results (July to September 2025) Net Sales (by Region)

- Revenue increased due to the recovery in new vehicle demand and rising demand for large construction machinery in the Chinese market.

### ■ Net sales by region

(Million yen)	Q2 FY2024 Results		Q2 FY2025 Results		YoY Change	
	Amount	Composition Ratio	Amount	Composition Ratio	Amount	Percent
Construction Machinery Filter*	4,450	87.4%	4,647	89.5%	196	4.4%
Japan	1,784	35.1%	1,773	34.2%	(11)	(0.6%)
North & South America	1,150	22.6%	1,189	22.9%	38	3.4%
China	252	5.0%	443	8.5%	191	75.8%
Asia	723	14.2%	728	14.0%	5	0.7%
Europe	539	10.6%	479	9.2%	(59)	(11.1%)
Other (Middle East, etc.)	—	—	32	0.6%	32	—
Air Filter (Japan)	640	12.6%	546	10.5%	(94)	(14.7%)
Total net sales	5,091	100.0%	5,193	100.0%	102	2.0%

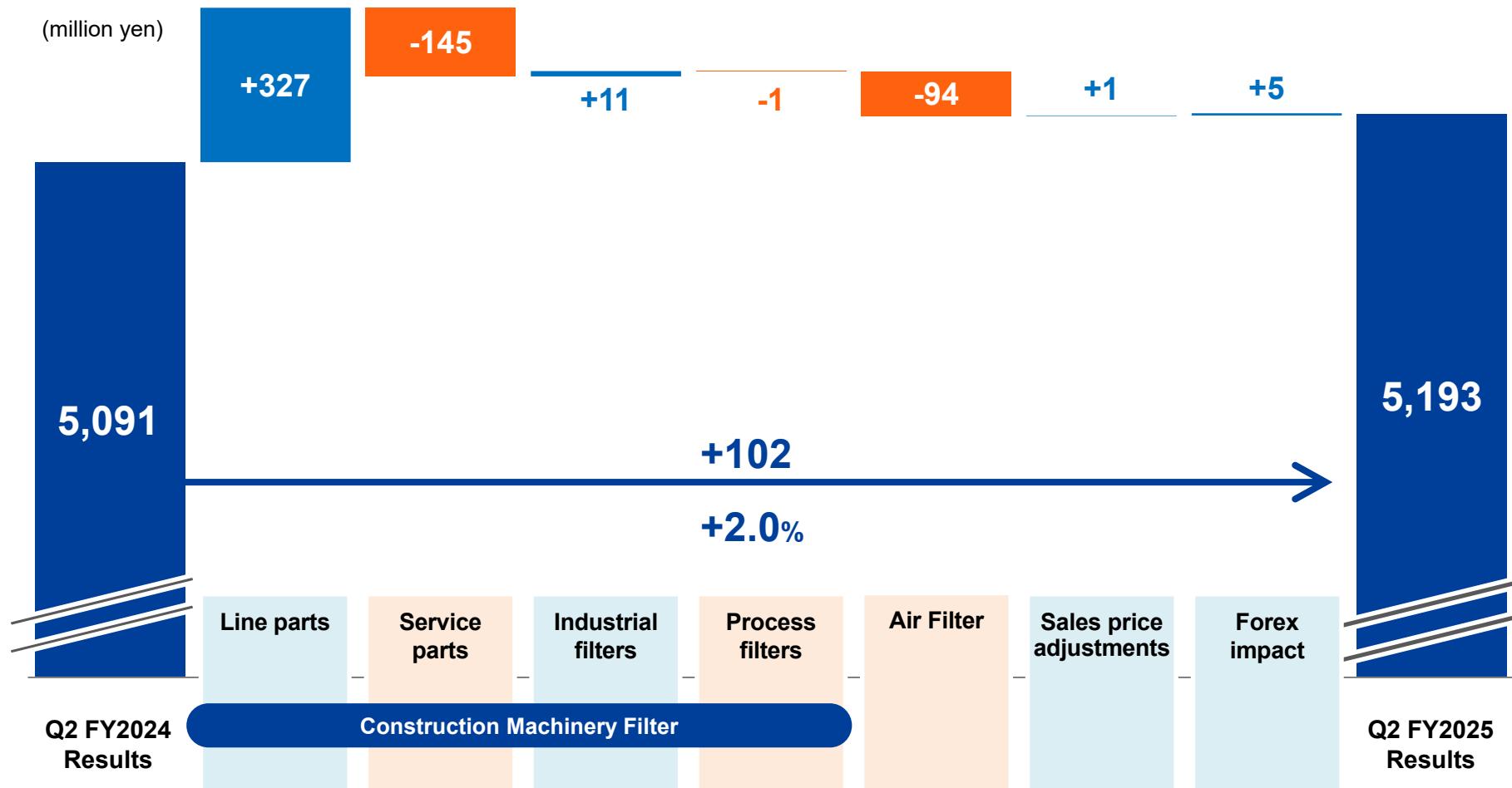
\* "Construction Machinery Filter" includes construction machinery filters, industrial filters, and process filters.

- The regional figures above are aggregated based on invoice destination.

- South America, previously categorized under "Other," has now been combined with North America under the new category "North & South America."

## Q2 FY2025 Results (July to September 2025) YoY Changes in Net Sales

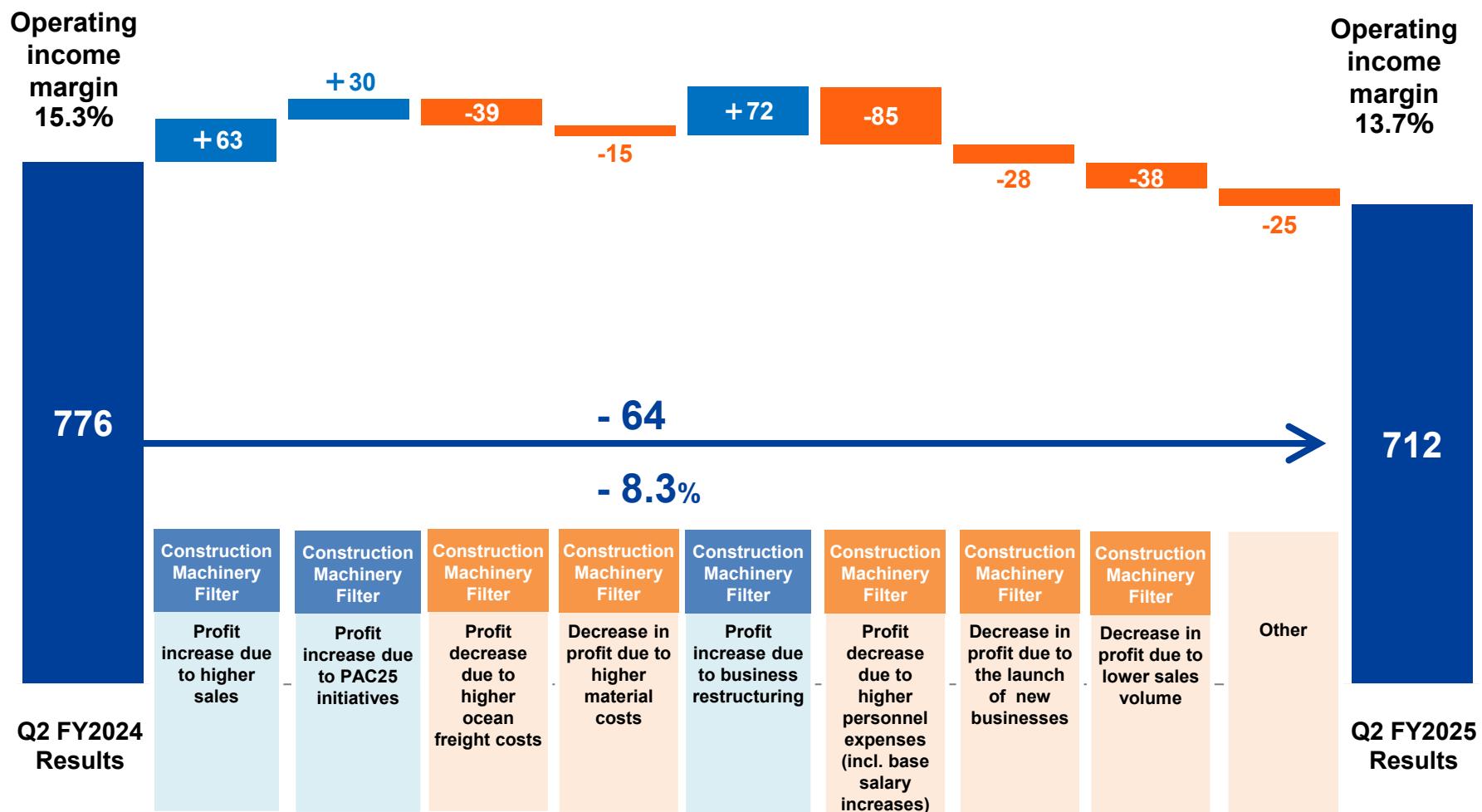
- ◆ A substantial increase in revenue due to the rise in sales of line parts following the recovery in new vehicle demand.
- ◆ For air filters, the impact of shipment delays caused by the replacement of the core system has diminished, and the internal framework to support demand recovery has been established.



## Q2 FY2025 Results (July to September 2025) YoY Changes in Operating Income

- ◆ overall net income decreased slightly due to a temporary decline following strong sales of service parts in the previous fiscal year and sluggish performance in the air filter business.

(million yen)



# **Q2 FY2025 Cumulative Results (April to September 2025)**

## Q2 FY2025 Cumulative Results (April to September 2025) By Segment (P&L): Consolidated, Construction Machinery Filter, Air Filter

- ◆ Achieved record-high net income in Q2 and record-high cumulative net sales for the first half since the company's founding.
- ◆ Compared to the previous year, operating income decreased slightly due to sluggish performance in the air filter business.

(Million yen)	Q2 FY2024 Cumulative Results		Q2 FY2025 Cumulative Results		YoY Change	
	Amount	Amount	Amount	Percent		
Net sales	9,908	10,289	380	3.8%		
Construction Machinery Filter*	8,668	9,203	534	6.2%		
Air Filter	1,240	1,086	(153)	(12.4%)		
Operating income (segment income)	1,376	1,371	(4)	(0.3%)		
Construction Machinery Filter*	1,355	1,473	117	8.6%		
Air Filter	20	(101)	(121)	(594.3%)		
Operating income margin	13.9%	13.3%	(0.6Pt)			
Ordinary profit	1,435	1,350	(85)	(5.9%)		
Ordinary profit margin	14.5%	13.1%	(1.4Pt)			
Net income	870	909	39	4.5%		
Net income margin	8.8%	8.8%	0.1Pt			
Exchange rates (yen, average during the period)	USD	152.6	146.0	(6.6)	(4.3%)	
	EUR	165.9	168.1	2.1	1.3%	

\* "Construction Machinery Filter" includes construction machinery filters, industrial filters, and process filters.

## Q2 FY2025 Cumulative Results (April to September 2025) Net Sales (by Product)

- ◆ Sales of line parts grew significantly with the recovery in new vehicle demand, while demand for service parts remained strong.

### ■ Net sales by product (Million yen)

	Q2 FY2024 Cumulative Results	Q2 FY2025 Cumulative Results	YoY Change	
			Amount	Percent
Construction Machinery Filter	7,950	8,462	511	6.4%
Line parts	2,744	3,316	572	20.9%
	5,206	5,145	(60)	(1.2%)
Industrial filters	354	387	33	9.5%
Process filters	363	352	(10)	(2.9%)
Subtotal for construction machinery filters	8,668	9,203	534	6.2%
Air Filter	1,240	1,086	(153)	(12.4%)
Total net sales	9,908	10,289	380	3.8%

## Q2 FY2025 Cumulative Results (April to September 2025) Net Sales (by Region)

- Revenue increased in the Chinese and Asian markets due to the recovery in new vehicle demand and steady replacement demand.

### ■ Net sales by region

(Million yen)	Q2 FY2024 Cumulative Results		Q2 FY2025 Cumulative Results		YoY Change	
	Amount	Composition Ratio	Amount	Composition Ratio	Amount	Percent
Construction Machinery Filter*	8,668	87.5%	9,203	89.4%	534	6.2%
Japan	3,557	35.9%	3,508	34.1%	(49)	(1.4%)
North & South America	2,159	21.8%	2,269	22.1%	110	5.1%
China	572	5.8%	846	8.2%	274	48.0%
Asia	1,303	13.2%	1,592	15.5%	288	22.2%
Europe	1,075	10.9%	929	9.0%	(146)	(13.6%)
Other (Middle East, etc.)	—	—	57	0.6%	57	—
Air Filter (Japan)	1,240	12.5%	1,086	10.6%	(153)	(12.4%)
Total net sales	9,908	100.0%	10,289	100.0%	380	3.8%

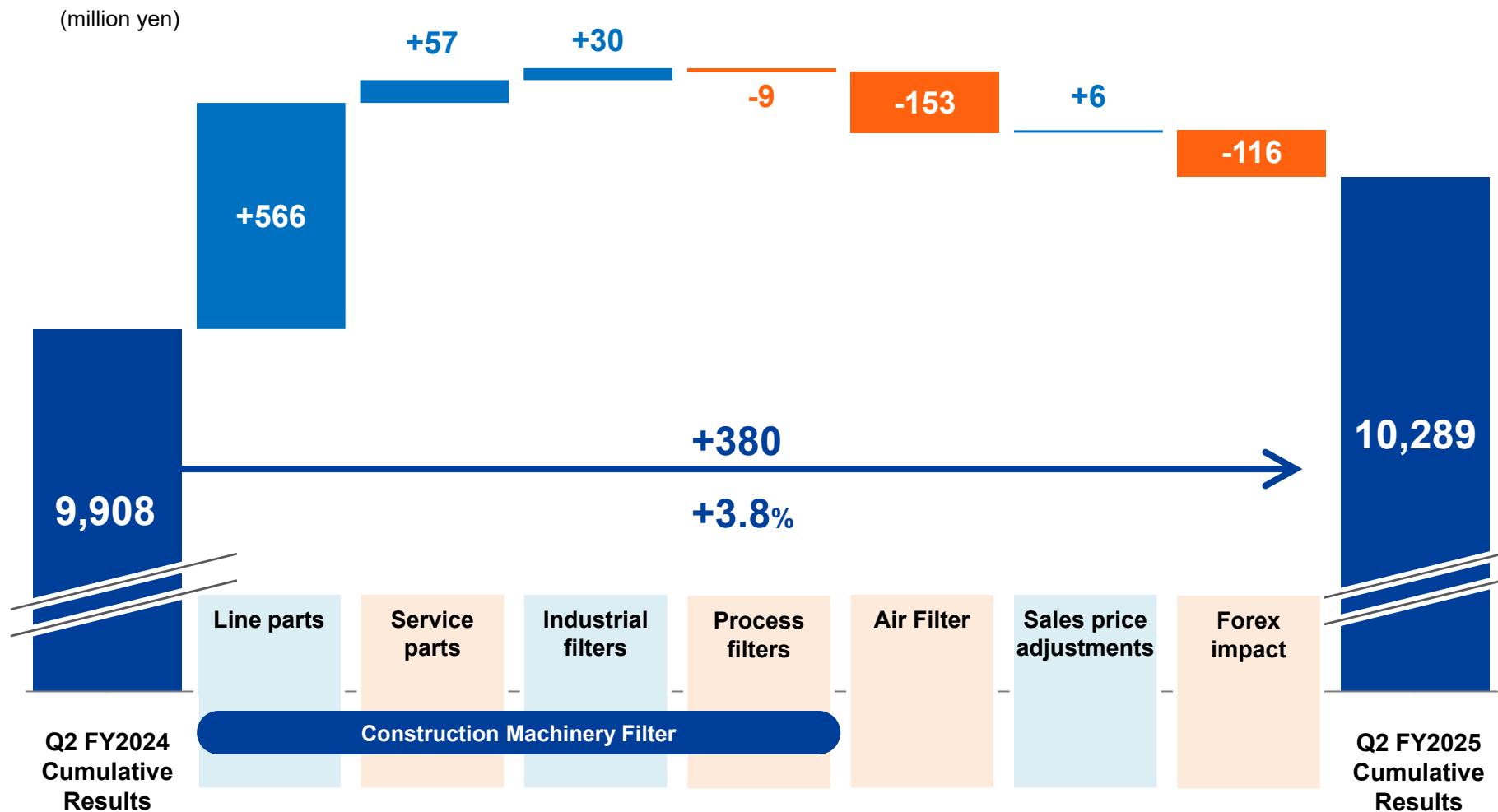
\* "Construction Machinery Filter" includes construction machinery filters, industrial filters, and process filters.

- The regional figures above are aggregated based on invoice destination.

- South America, previously categorized under "Other," has now been combined with North America under the new category "North & South America."

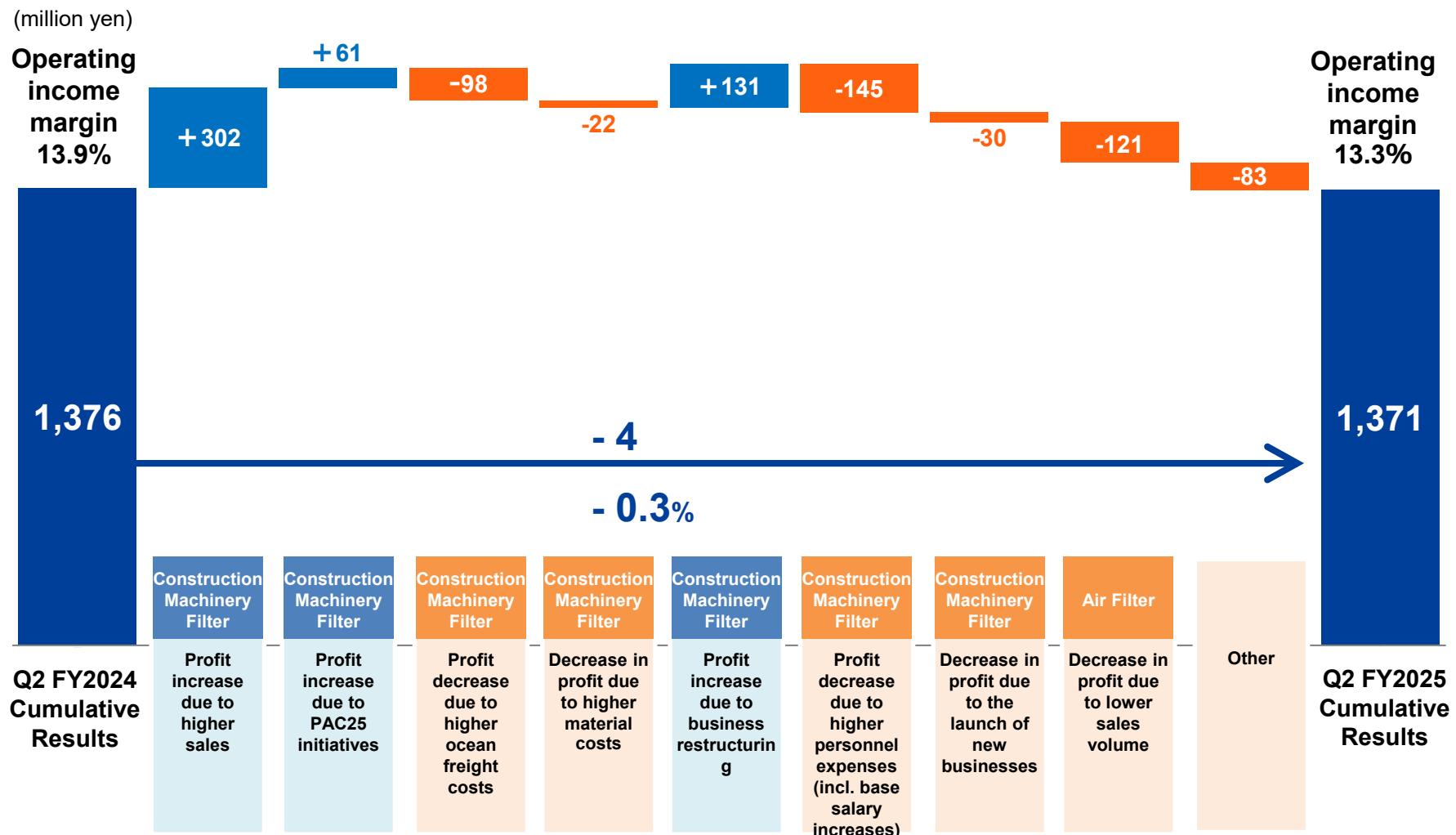
## Q2 FY2025 Cumulative Results (April to September 2025) YoY Changes in Net Sales

- Net sales grew significantly with the recovery in new vehicle demand, and the internal framework to support demand recovery has been established.



## Q2 FY2025 Cumulative Results (April to September 2025) YoY Changes in Operating Income

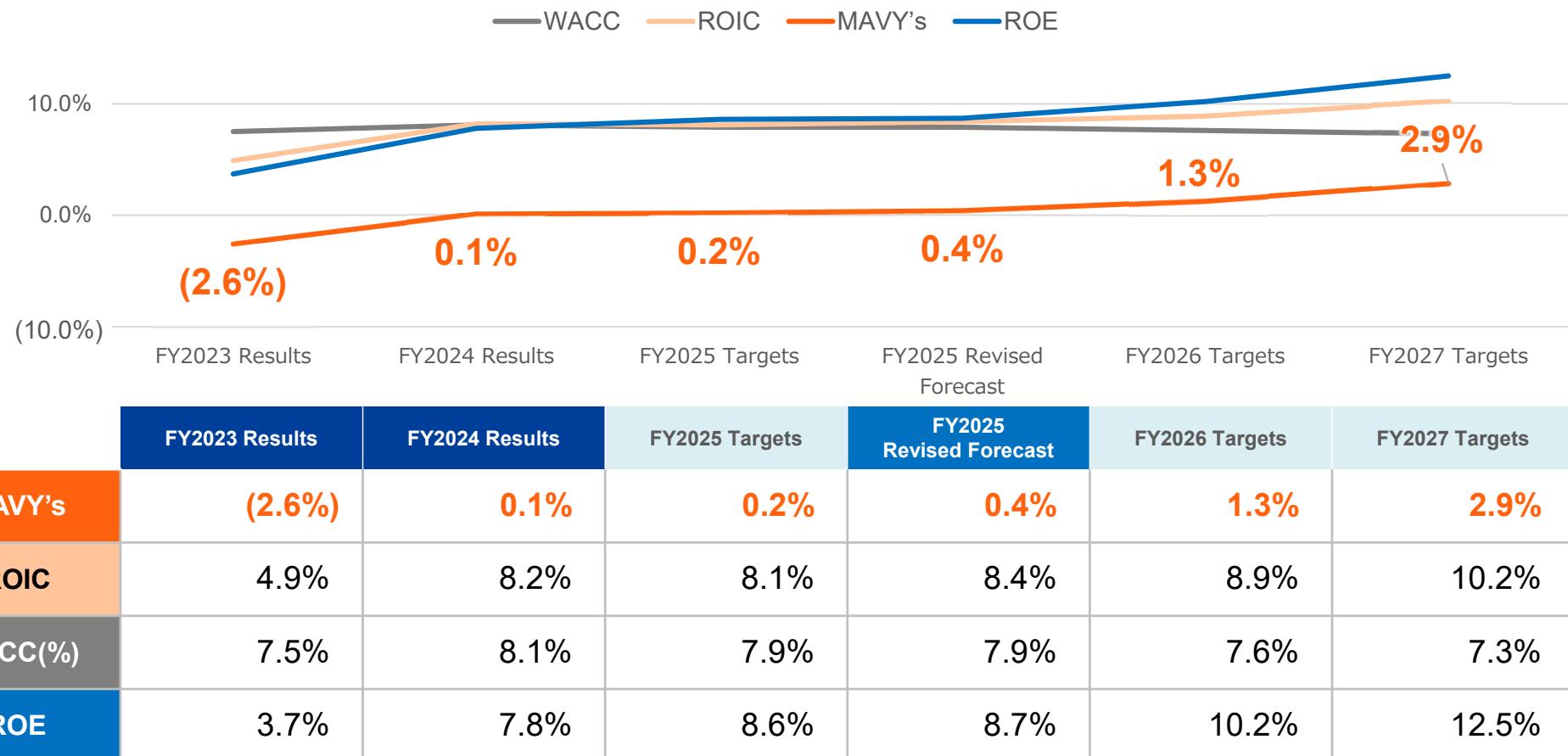
- ◆ In the construction machinery filter business, both demand for new vehicles and service parts remained strong, contributing to overall performance.
- ◆ For air filters, the impact of shipment delays caused by the replacement of the core system has diminished, and the internal framework to support demand recovery has been established.



# | Full-Year Outlook for FY2025

## FY2025 Outlook (April 2025 to March 2026) Progress with KPIs (MAVY's, ROIC, WACC and ROE)

- ◆ Improvements in MAVY's, which indicates corporate value, are progressing steadily according to the Medium-term Management Plan.
- ◆ For FY2025, we expect to exceed the targets set in the Medium-term Management Plan and achieve record-high consolidated results since our founding.



## FY2025 Outlook (April 2025 to March 2026) By Segment (P&L): Consolidated, Construction Machinery Filter, Air Filter

- ◆ The full-year forecast for the construction machinery filter business has been revised upward due to the steady progress of the Medium-term Management Plan.
- ◆ Record-high consolidated results since our founding are expected, despite upfront investments and increased costs associated with the launch of new businesses.

(Million yen)	FY2024 Results	FY2025 Initial Forecast	FY2025 Revised Forecast	vs. Initial Forecast
	Amount	Amount	Amount	Amount
Net sales	20,104	20,420	20,840	420
Construction Machinery Filter*	17,489	17,770	18,520	750
Air Filter	2,615	2,650	2,320	(330)
Operating income (segment income)	2,630	2,720	2,870	150
Construction Machinery Filter*	2,554	2,645	2,930	285
Air Filter	75	75	(60)	(135)
Operating income margin	<b>13.1%</b>	<b>13.3%</b>	<b>13.8%</b>	<b>0.5Pt</b>
Ordinary profit	2,669	2,750	2,870	120
Ordinary profit margin	<b>13.3%</b>	<b>13.5%</b>	<b>13.8%</b>	<b>0.3Pt</b>
Net income	1,723	1,910	1,970	60
Net income margin	<b>8.6%</b>	<b>9.4%</b>	<b>9.5%</b>	<b>0.1Pt</b>
Exchange rates (yen, average during the period)	USD 152.6	145.0	145.0	—
	EUR 163.8	165.0	165.0	—

\* "Construction Machinery Filter" includes construction machinery filters, industrial filters, and process filters.

## FY2025 Outlook (April 2025 to March 2026) Net Sales (by Product /vs. Initial Forecast)

- ◆ Driven by the recovery in new vehicle demand and a market share expansion strategy based on the supply of high-value-added products, both line and service parts sales are expected to increase.

■ Net sales by product (Million yen)		FY2024 Results		FY2025 Initial Forecast		FY2025 Revised Forecast		vs. Initial Forecast	
		Amount	Composition Ratio	Amount	Composition Ratio	Amount	Composition Ratio	Amount	Percent
Construction Machinery Filter		16,080	80.0%	16,386	80.2%	17,112	82.1%	725	4.4%
	Line parts	5,599	27.9%	5,981	29.3%	6,503	31.2%	522	8.7%
	Service parts	10,481	52.1%	10,405	51.0%	10,608	50.9%	203	2.0%
Industrial filters		708	3.5%	672	3.3%	720	3.5%	48	7.2%
Process filters		699	3.5%	711	3.5%	687	3.3%	(23)	(3.4%)
Subtotal for construction machinery filters		17,489	87.0%	17,770	87.0%	18,520	88.9%	750	4.2%
Air Filter		2,615	13.0%	2,650	13.0%	2,320	11.1%	(330)	(12.5%)
Total net sales		20,104	100.0%	20,420	100.0%	20,840	100.0%	420	2.1%

## FY2025 Outlook (April 2025 to March 2026) Net Sales (by Region / vs. Initial Forecast)

- ◆ New vehicle demand is rising, primarily in North America, and the service parts market is expected to remain strong.

■ Net sales by region (Million yen)	FY2024 Results		FY2025 Initial Forecast		FY2025 Revised Forecast		vs. Initial Forecast	
	Amount	Composition Ratio	Amount	Composition Ratio	Amount	Composition Ratio	Amount	Percent
Construction Machinery Filter*	17,489	87.0%	17,770	87.0%	18,520	88.9%	750	4.2%
Japan	6,900	34.3%	6,816	33.4%	7,138	34.3%	322	4.7%
North & South America	4,590	22.8%	4,856	23.8%	4,882	23.4%	(36)	(0.7%)
China	1,246	6.2%	1,354	6.6%	1,551	7.4%	197	14.6%
Asia	2,670	13.3%	2,698	13.2%	2,922	14.0%	224	8.3%
Europe	2,073	10.3%	1,891	9.3%	1,912	9.2%	20	1.1%
Other (Middle East, etc.)	7	0.0%	152	0.7%	112	0.5%	21	24.2%
Air Filter (Japan)	2,615	13.0%	2,650	13.0%	2,320	11.1%	(330)	(12.5%)
Total net sales	20,104	100.0%	20,420	100.0%	20,840	100.0%	420	2.1%

\* "Construction Machinery Filter" includes construction machinery filters, industrial filters, and process filters.

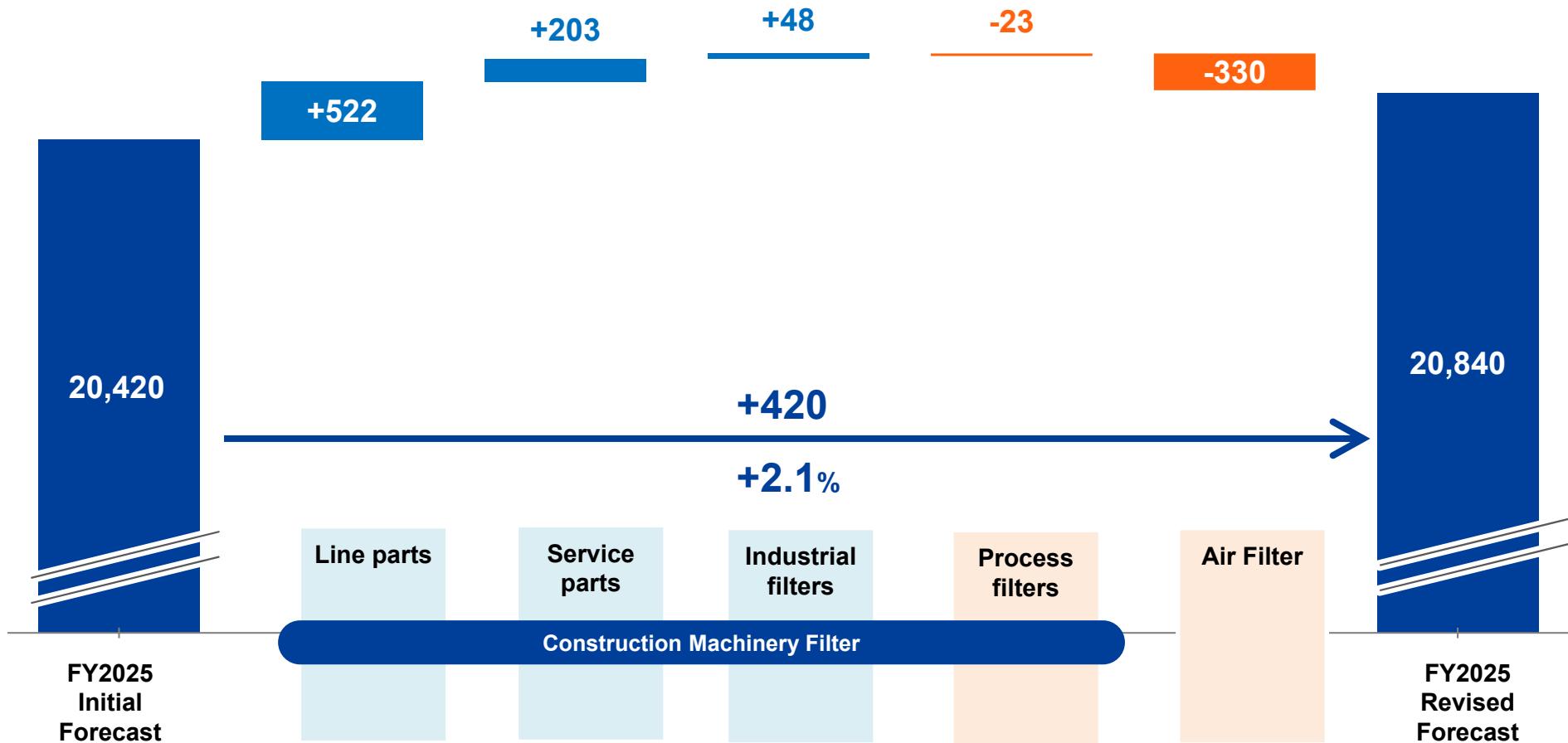
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- South America, previously categorized under "Other," has now been combined with North America under the new category "North & South America."

## FY2025 Outlook (April 2025 to March 2026) YoY Changes in Net Sales (vs. initial forecast)

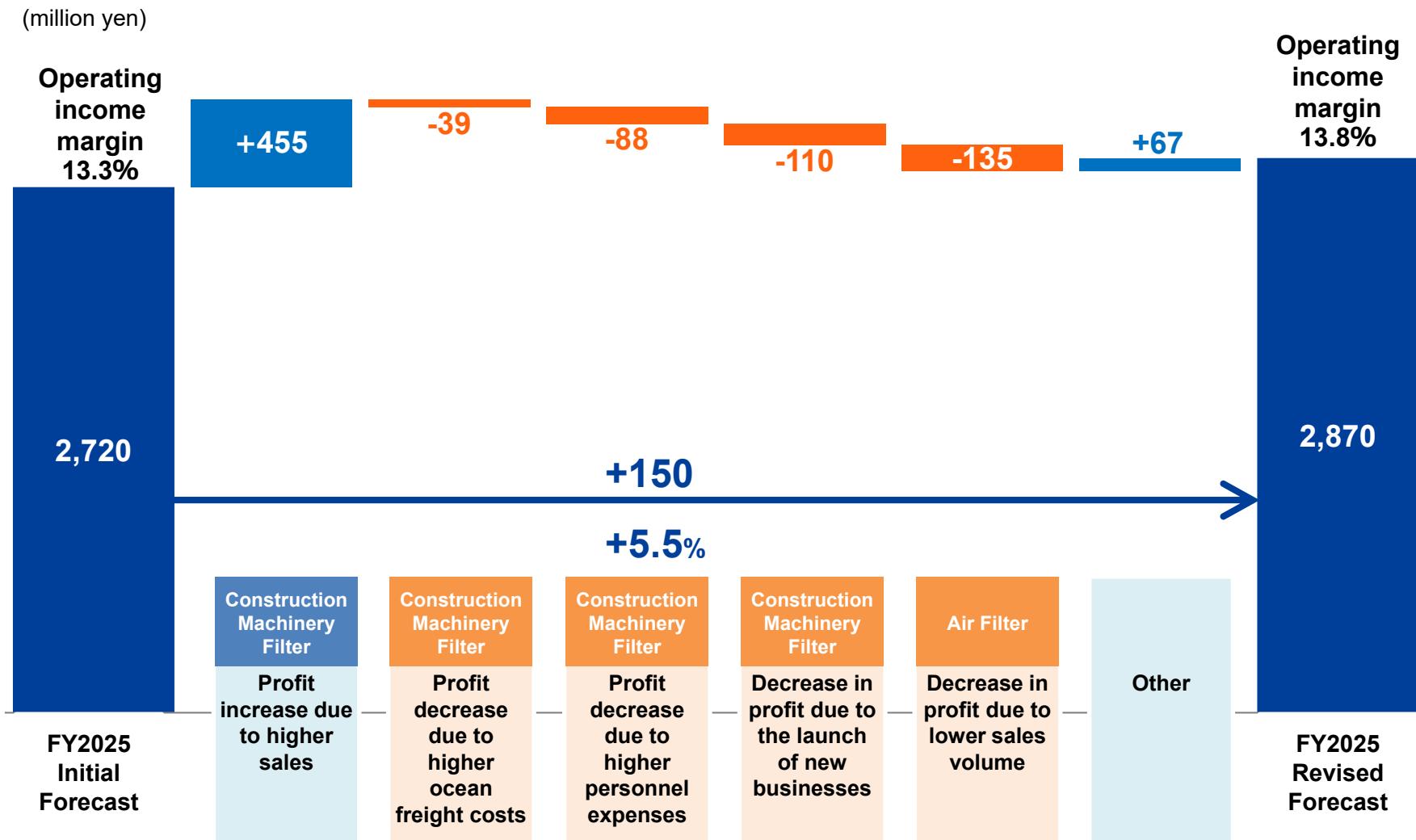
- ◆ Driven by the recovery in new vehicle demand and a market share expansion strategy based on the supply of high-value-added products, sales of line parts are expected to increase significantly, while service parts are projected to remain strong.

(million yen)



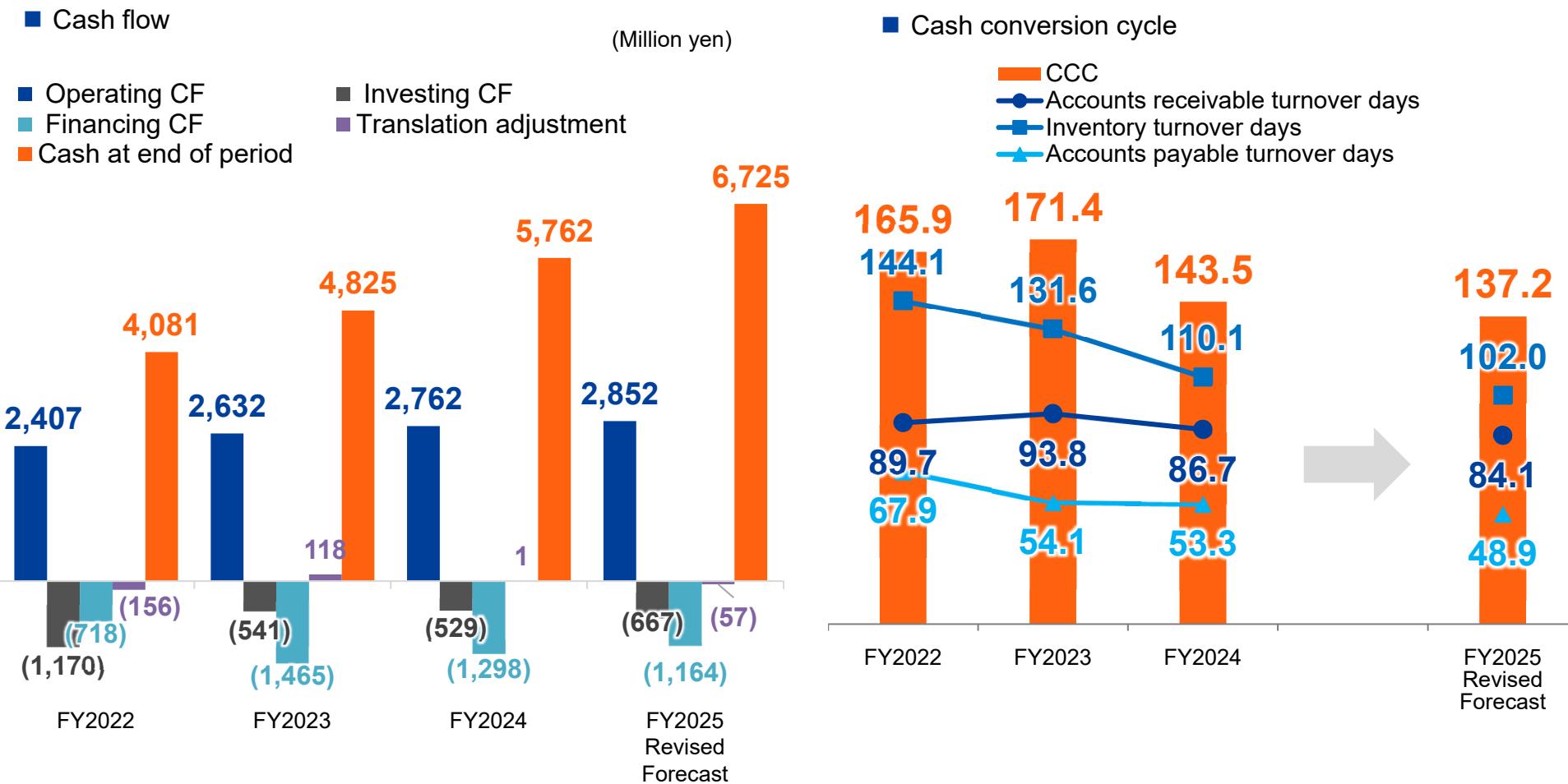
## FY2025 Outlook (April 2025 to March 2026) YoY Changes in Operating Income (vs. initial forecast)

- Despite the slowdown in the air filter business, as well as upfront investments and higher costs associated with the launch of new businesses, consolidated results are expected to reach an all-time high since our founding.



# Cash Flow and Cash Conversion Cycle

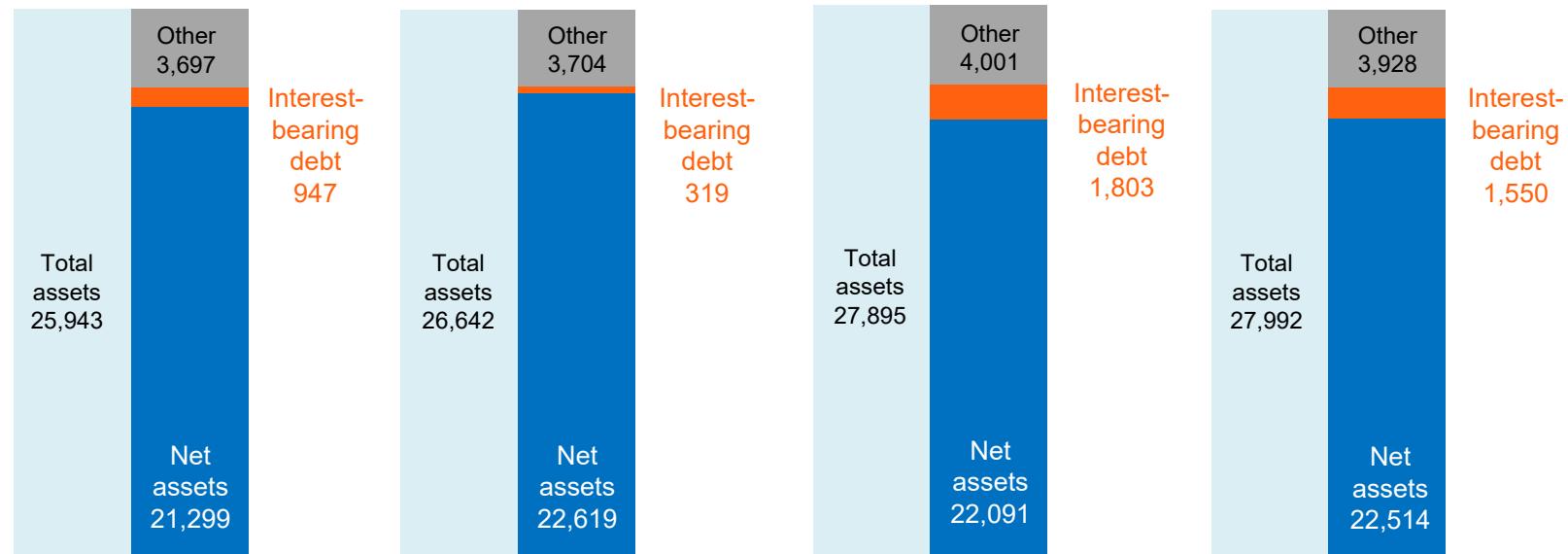
- ◆ Maintaining ample cash flow through improved consolidated performance.
- ◆ Capital efficiency has improved significantly, driven by supply chain optimization and tighter inventory control.



## Progress with Capital Policy (Total Assets, Shareholders' Equity Ratio, Financial Leverage, WACC)

- ◆ Review the Capital Policy to reduce the equity ratio and WACC through financial leverage effect.

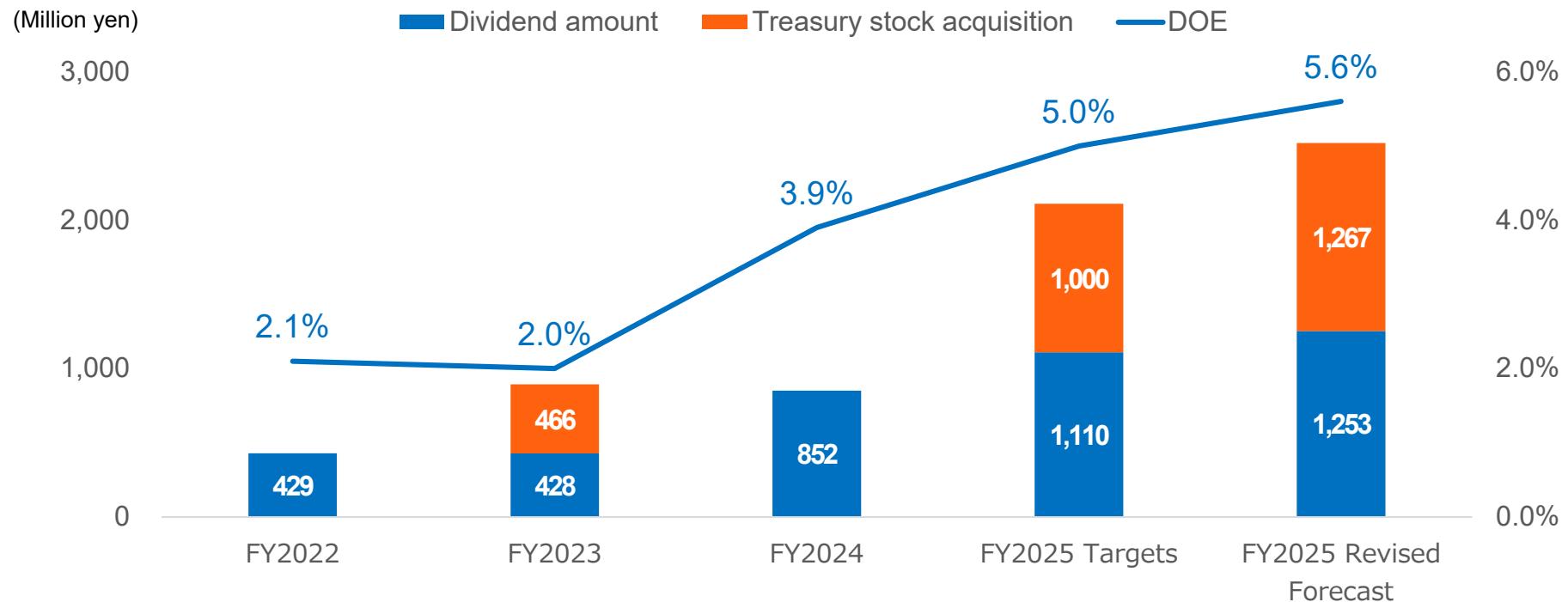
(Million yen)



	FY2023 Results	FY2024 Results	FY2025 Targets	FY2025 Revised Forecast
Shareholders' equity ratio	82.1%	84.9%	79.2%	80.4%
Financial leverage (x)	1.22	1.18	1.26	1.24
WACC (%)	7.5%	8.1%	7.9%	7.9%

## Shareholder Returns (Dividends, DOE, Dividend Payout Ratio, Total Return Ratio)

- ◆ The dividend forecast has been revised upward.
- ◆ Enhancing shareholder returns through a revised Capital Policy that includes dividends and share buybacks.

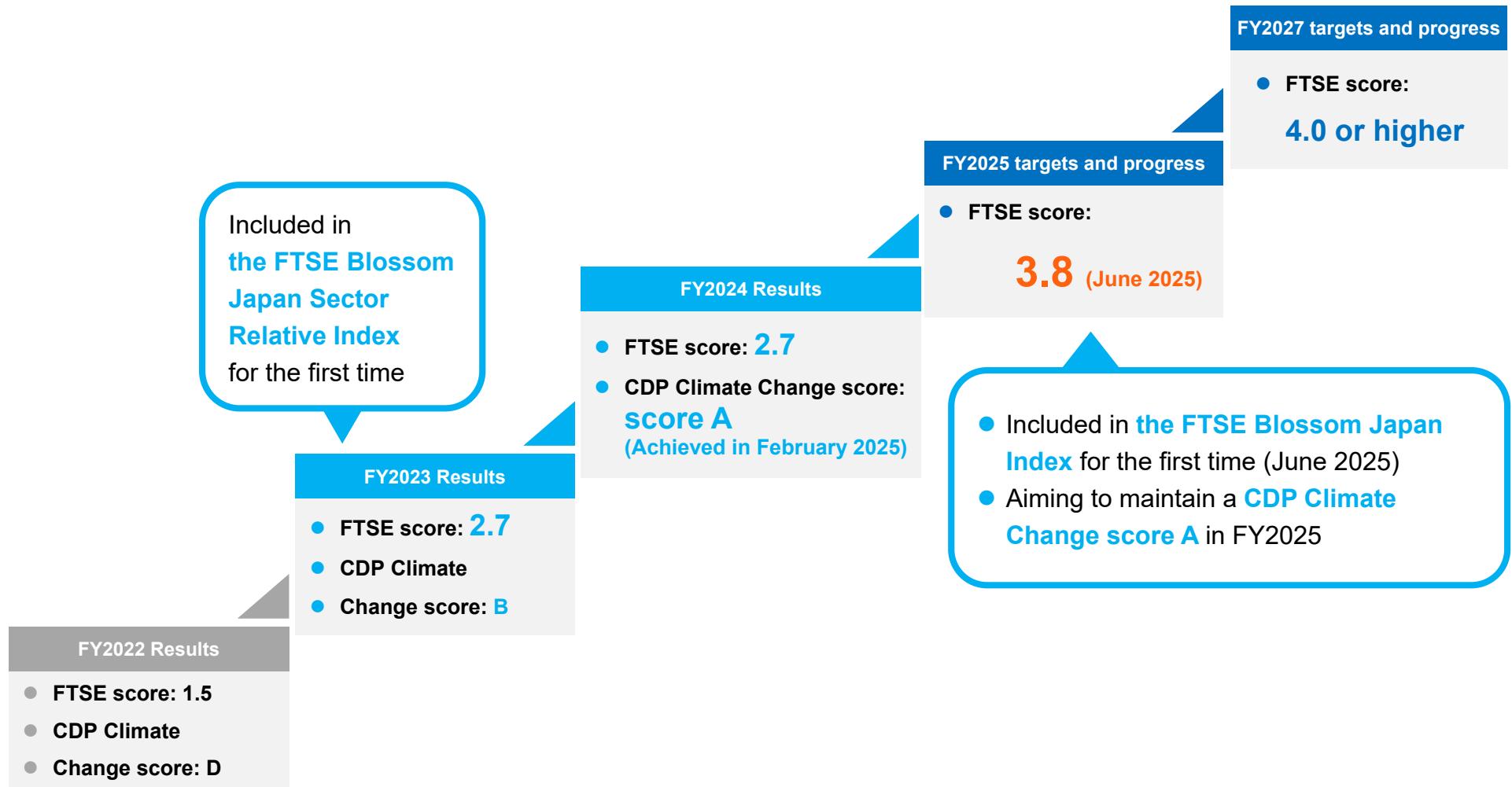


	FY2022	FY2023	FY2024	FY2025 Targets	FY2025 Revised Forecast
Annual dividend per share	6.0 Yen	6.0 Yen	12.0 Yen	16.0 Yen	18.0 Yen
Total payout ratio*	75.6%	121.0%	52.9%	113.5%	130.9%

\* Total return ratio =  $\{(Total \text{ dividend} + Shareholder \text{ benefits} + Share \text{ buybacks}) / Net \text{ income} \text{ attributable} \text{ to} \text{ shareholders} \text{ of} \text{ the} \text{ parent}\} \times 100$

## Non-Financial Information Progress on ESG Investment Indices (FTSE, CDP)

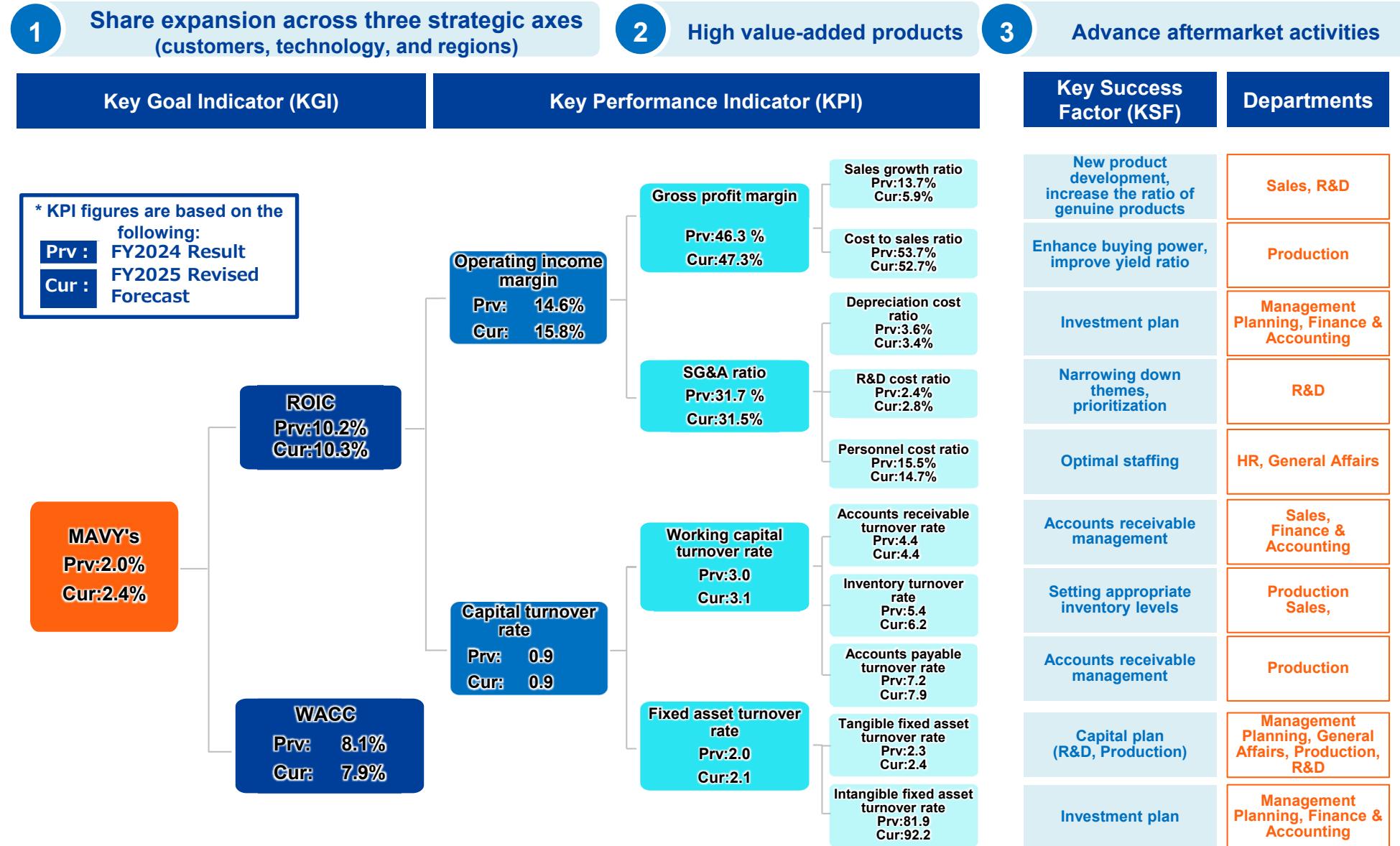
- ◆ Our CDP score for non-financial information KPI: We were certified as an “A-List Company” of CDP Climate Change 2024 for the first time, achieving one of our mid-term plan targets for FY2027 ahead of schedule.
- ◆ With an FTSE score of 3.8, we have been included in the FTSE Blossom Japan Index.



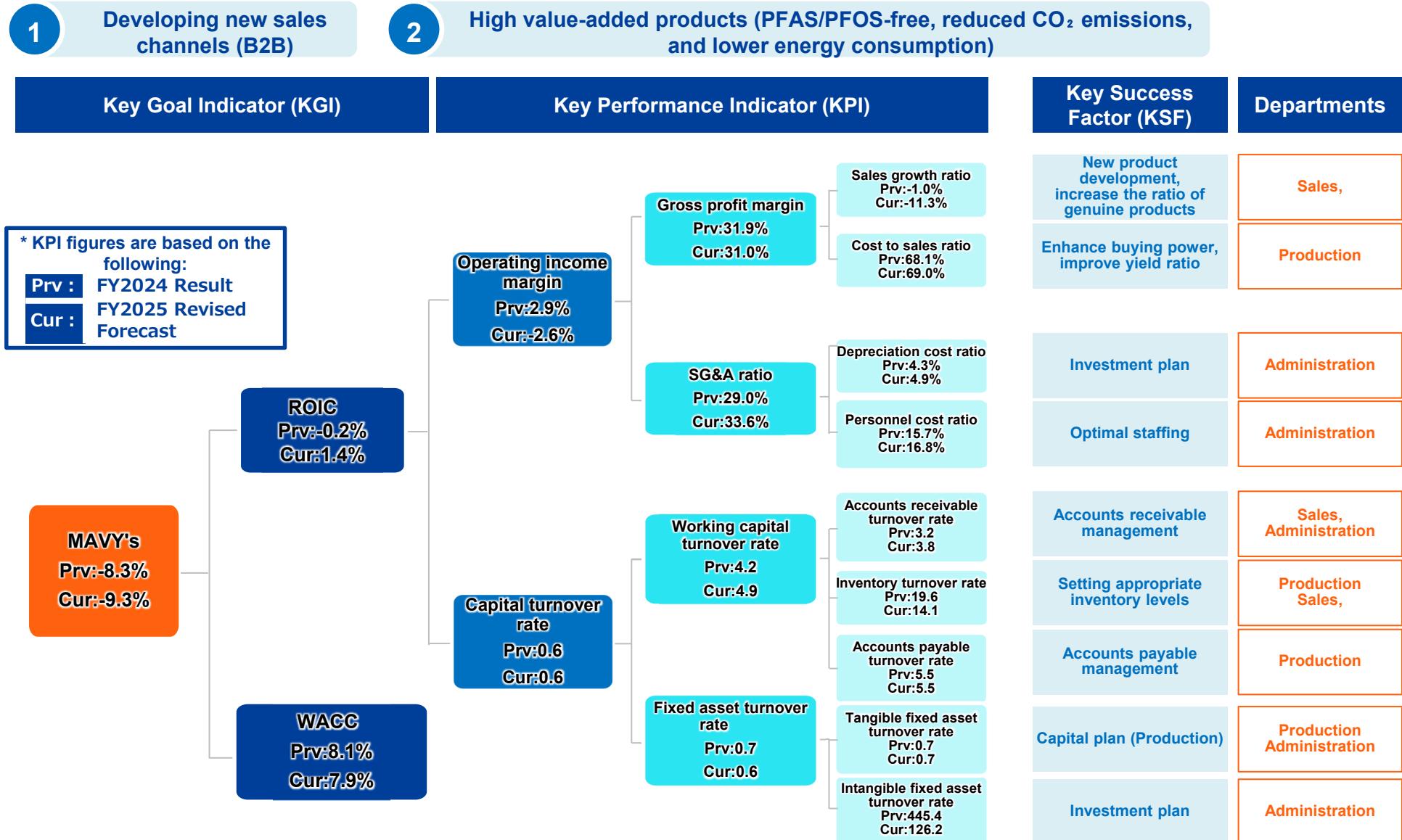
# Reference

## —Supplementary Information for Q2 FY2025 Financial Results

# Quantitative Targets (Construction Machinery Filter)



# Quantitative Targets (Air Filter)



# FY2025 Outlook (April 2025 to March 2026)

## By Segment KPI Progress (MAVY's, ROIC, ROE, WACC)

- ◆ Improvements in MAVY's, which indicates corporate value, are progressing steadily as planned in our Medium-term Management Plan.
- ◆ Improving profitability in the Air Filter Business remains a key management challenge.

	FY2023 Results	FY2024 Results	FY2025 Targets	FY2025 Revised Forecast
MAVY's	(2.6%)	0.1%	0.2%	0.4%
ROIC	4.9%	8.2%	8.1%	8.4%
WACC	7.5%	8.1%	7.9%	7.9%
ROE	3.7%	7.8%	8.6%	8.7%
Construction Machinery Filter	MAVY's	(1.7%)	2.0%	1.5%
	ROIC	5.8%	10.2%	9.4%
	WACC	7.5%	8.1%	7.9%
Air Filter	MAVY's	(6.0%)	(8.3%)	(5.8%)
	ROIC	1.5%	(0.2%)	2.1%
	WACC	7.5%	8.1%	7.9%

## Progress with Capital Policy (Total Assets, Shareholders' Equity Ratio, Financial Leverage, WACC)



	FY2022 Results	FY2023 Results	FY2024 Results	FY2025 Targets	FY2025 Revised Forecast
Total assets (million yen)	25,581	25,943	26,642	27,895	27,992
Cash and deposits	4,113	5,065	6,014	6,835	6,982
Interest-bearing debt	1,406	947	319	1,803	1,550
Net assets	20,977	21,299	22,619	22,091	22,514
Shareholders' equity ratio	82.0%	82.1%	84.9%	79.2%	80.4%
Financial leverage (x)	1.22	1.22	1.18	1.26	1.24
WACC	7.5%	7.5%	8.1%	7.9%	7.9%

# Shareholder Returns (Dividends, DOE, Dividend Payout Ratio, Total Return Ratio)

	FY2022 Results	FY2023 Results	FY2024 Results	FY2025 Targets	FY2025 Revised Forecast
Annual dividend per share	6.0 Yen	6.0 Yen	12.0 Yen	16.0 Yen	18.0 Yen
Dividend amount (million yen)	429	428	852	1,110	1,253
Treasury stock acquisition (million yen)	—	466	—	1,000	1,267
Consolidated dividend payout ratio <sup>*1</sup>	66.5%	54.5%	49.3%	58.1%	63.6%
Dividend yield <sup>*2</sup>	1.8%	1.3%	2.1%	1.5%	1.6%
DOE <sup>*3</sup>	2.1%	2.0%	3.9%	5.0%	5.6%
Total return ratio <sup>*4</sup>	75.6%	121.0%	52.9%	113.5%	130.9%

\*1 Consolidated dividend payout ratio = (Total dividends / Net income attributable to owners of the parent) × 100

\*2 Dividend yield = (Dividend per share / Share price as of the end of the fiscal year) × 100

\*3 Dividend on equity (DOE) = (Total annual dividend / Shareholders' equity) × 100

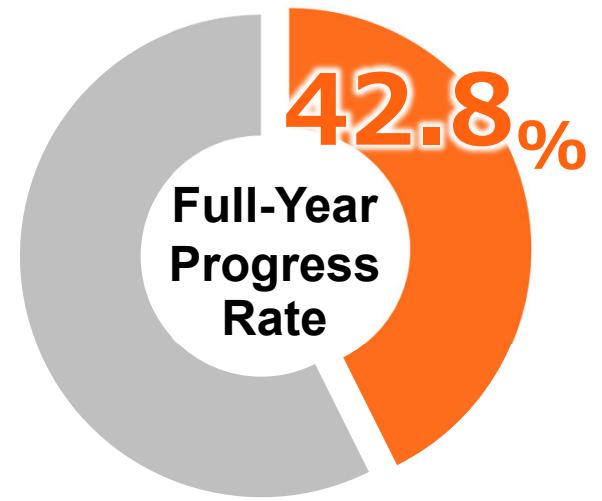
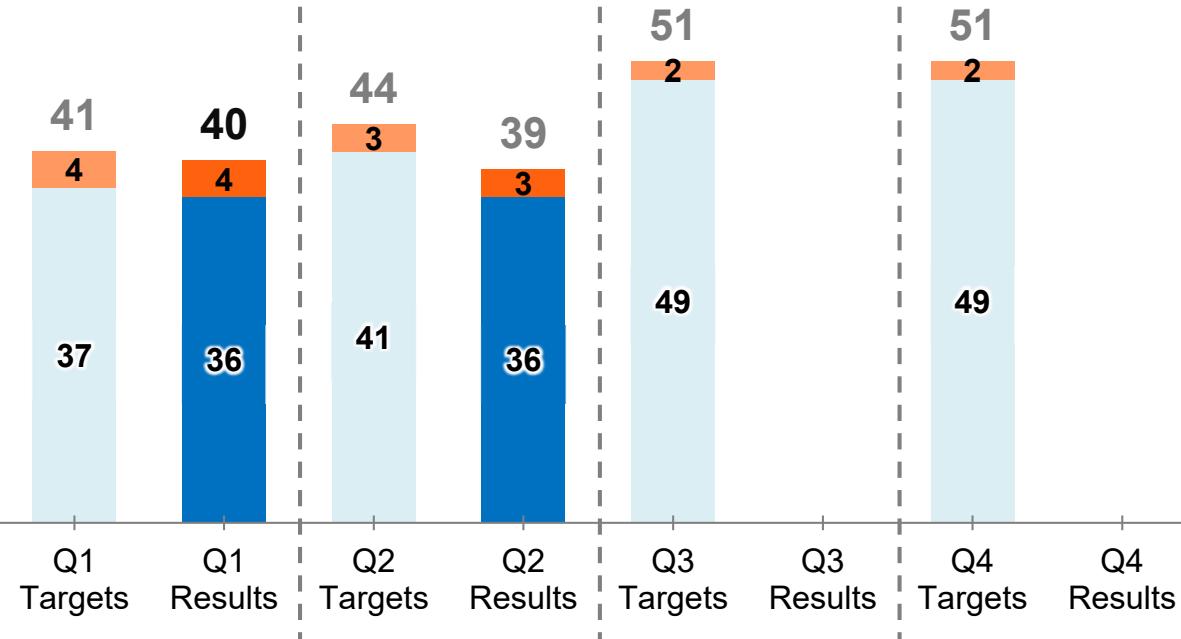
\*4 Total return ratio = {(Total dividend + Shareholder benefits + Share buybacks) / Net income attributable to shareholders of the parent} × 100

# PAC25 (April 2025 to March 2026)

- ◆ PAC25 initiatives progressed steadily.

■ Progress (YoY)  
(Million yen)

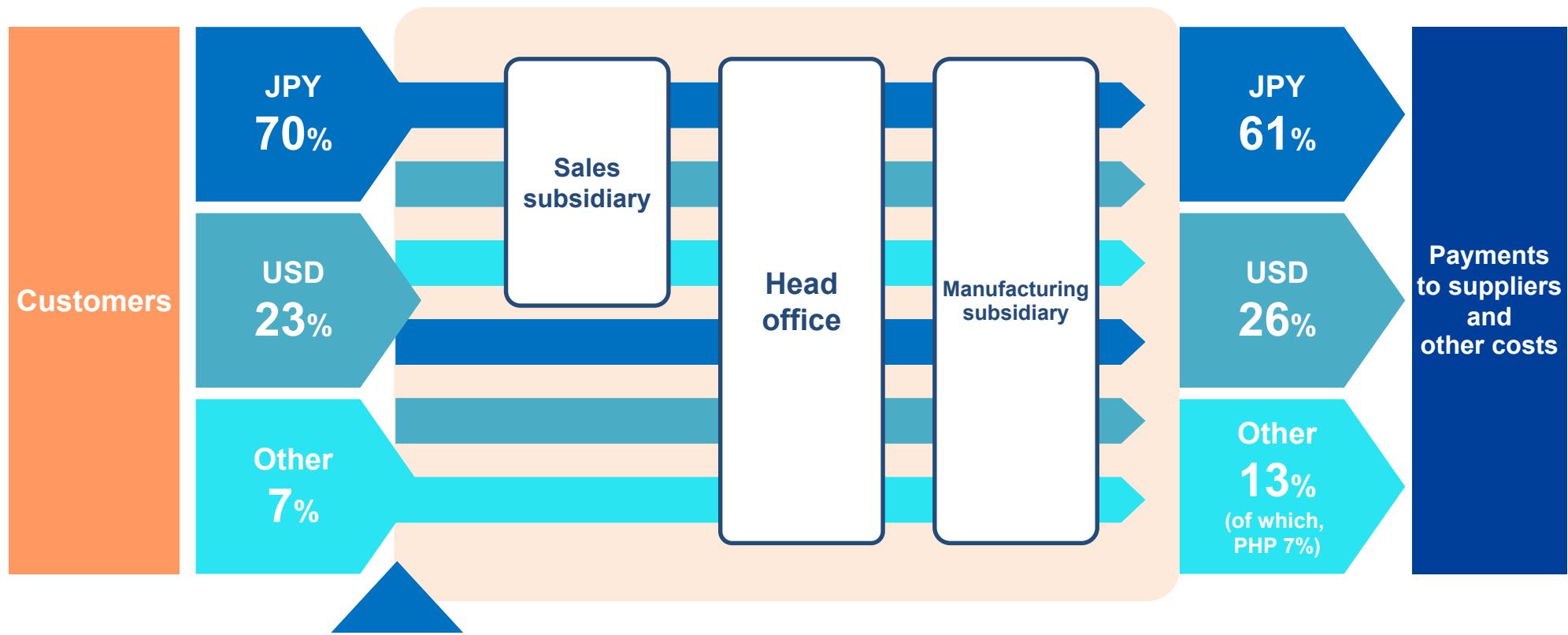
 Mfg. costs  SG&A



	(Million yen)	
	Full-year targets	Full-year results
PAC25	Mfg. costs	177
	SG&A	13
	Total	190
		81

## Status of Forex Marry Transactions (April 2025 to March 2026)

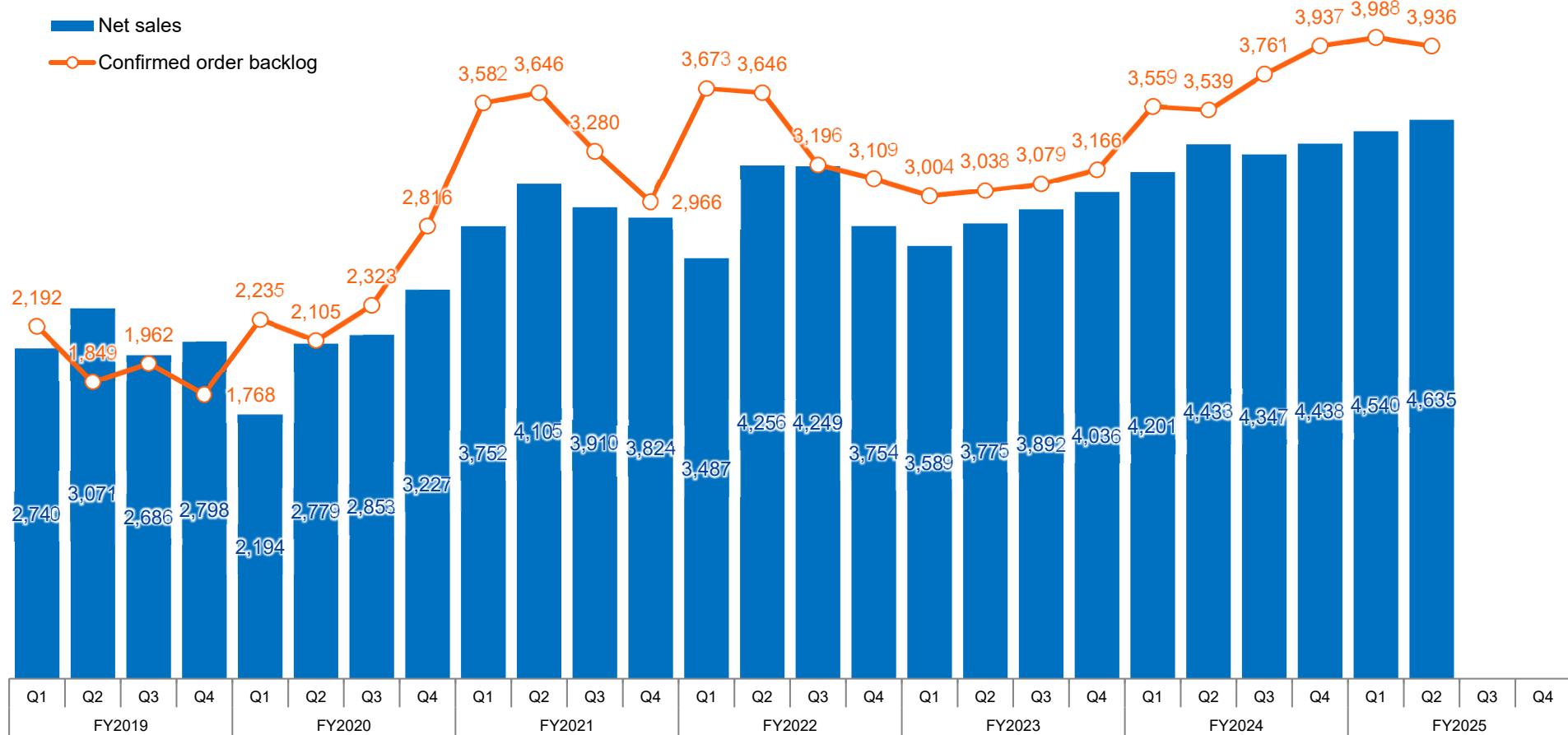
- With a foreign exchange sensitivity of -0.25%, the impact on operating income is negligible.



Approx. 70% of transactions are conducted in yen

## Confirmed Order Backlog and Net Sales (Construction Machinery Filter)

(Million yen)



\* Net sales do not include healthcare sales.



The forward-looking statements in this document, including the forecast of results of operations, are based on information currently available to YAMASHIN. Actual results may differ from these forecasts due to a variety of factors, including market trends and business conditions.

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