FY2025 First-Half Financial Results

Tokyo Stock Exchange Prime Market (Securities Code: 7294)

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Note:
This is an internal English translation of the document originally issued in Japanese, created for the convenience of English-speaking readers.
In the case of any discrepancies, the Japanese version will take precedence.

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Ⅰ. First-Half Summary

Summary for the First Half of FY2025

FY2025 1H Results

- **Decreased sales and increased profits**. **Operating income surged 8.4-fold year-on-year** driven by rationalization activities under "Success 25V" and quality improvements even though sales declined due to lower production volumes in Japan and Asia and foreign exchange impacts in the Americas.
- Sound financial position maintained through properly-planned financing.

FY2025 Outlook

- Sales expected to fall below the initial target due to major customers' production trends.
- Profits are expected to remain at the initial forecast level, thanks to ongoing rationalization efforts and quality improvements, despite structural reform costs.

Shareholder Return

- FY2025 **interim** dividend: **15 yen** (determined)
- FY2025 **annual** dividend: **31 yen** (planned)
- FY2024 **annual** dividend: **31 yen** (result)

Ⅱ. First-Half Results

[First Half] FY2025 Consolidated Financial Summary (Year-on-Year)

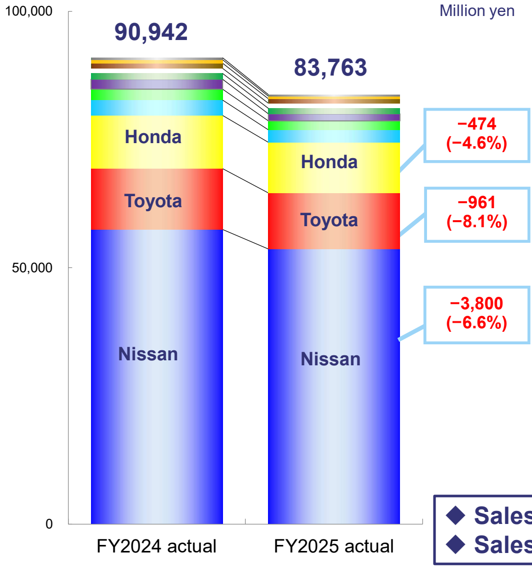
Million yen	1H FY2024	Latest Forecast for 1H FY2025[*2]	1H FY2025	Against Latest Forecast	Year-on-Year
Sales	90,942	84,000	83,763	(0.3)%	(7.9)%
Operating Income	120	630	1,009	＋60.3%	8.4 times
Ordinary Income	(1,958)	530	842	+59.0%	+2,800
Net Income[*1]	(2,588)	100	152	+52.1%	+2,700

[*1] Net income attributable to owners of the parent company [*2] Estimated figures as of August 8, 2025

	1H FY2024 A	1H FY2025 B	Difference B–A	Percentage of Change
Net Income per Share	(106.25) yen	6.27 yen	112.52 yen	--
Exchange Rate Applied	152.36 yen/$	148.48 yen/$	(3.88) yen/$	(2.5)%

- **Sales: Declined due to lower production volumes in Japan and Asia, as well as foreign exchange impacts and a decrease in tooling sales in the Americas.**
- **Operating income: Increased, driven by rationalization efforts and improvements in quality.**
- **Ordinary income: Increased, owing to reduced non-operating expenses.**
- **Net income: Increased, reflecting the rise in ordinary income.**

[First Half] Consolidated Sales by Customer (1H FY2024 vs. 1H FY2025 Results)

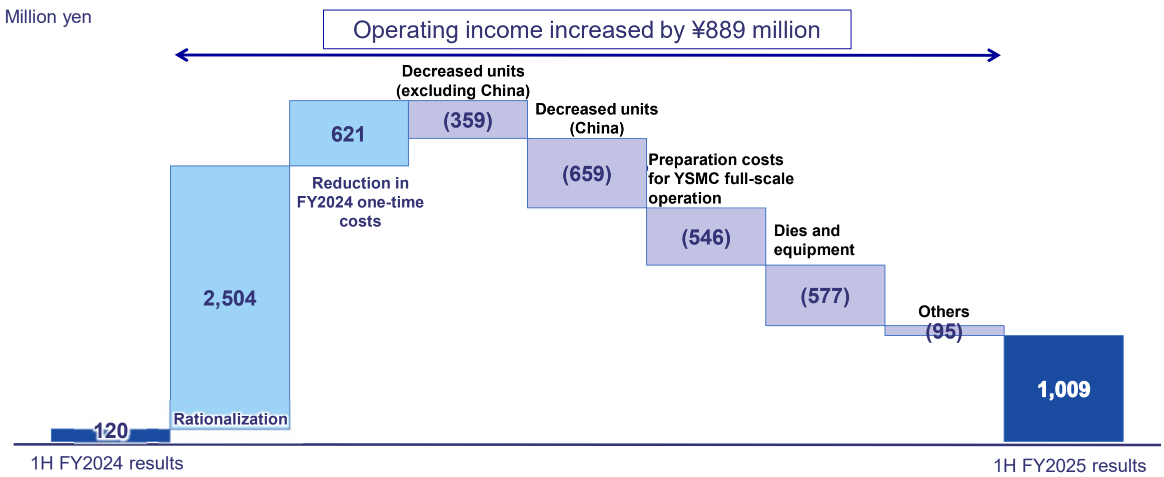


Customer		1H FY2024	(%)	1H FY2025	(%)
Nissan Gr.*		57,473	63.2%	53,673	64.1%
Toyota Gr.		11,862	13.0%	10,901	13.0%
Honda Gr.		10,341	11.4%	9,867	11.8%
Isuzu Gr.		3,043	3.3%	2,472	3.0%
Mazda		2,093	2.3%	1,737	2.1%
VW		1,947	2.1%	1,345	1.6%
Kubota		995	1.1%	1,052	1.3%
SUBARU		976	1.1%	1,026	1.2%
Mercedes Benz		1,131	1.2%	836	1.0%
Suzuki		714	0.8%	558	0.7%
Others		367	0.5%	296	0.2%
Total		90,942	100.0%	83,763	100.0%

*Includes sales to Renault and Mitsubishi

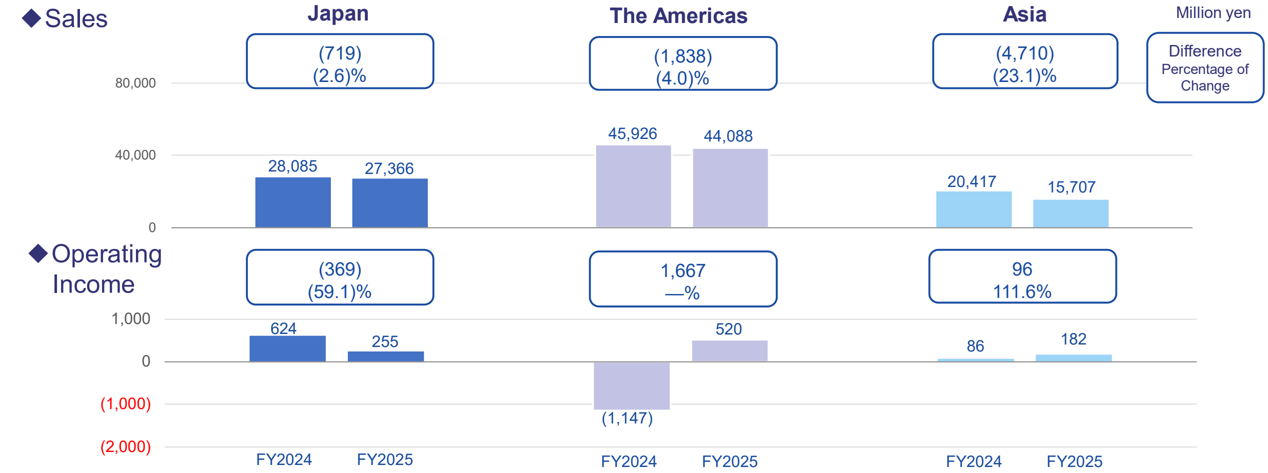
- ◆ Sales to most of the customers were lower than in FY2024.
- ◆ Sales to Toyota accounted for 13% (unchanged).

[First Half] Analysis of Impact on Consolidated Operating Income (1H FY2024 vs. 1H FY2025 Results)



Operating income increased driven by our Success 25V rationalization and improvement efforts, despite the impact from the costs to prepare for full-scale operation at YSMC, and decrease in units, among other factors.

[First Half] Sales and Operating Income by Region Before Consolidation Adjustment
(1H FY2024 vs. 1H FY2025 Results)



- Japan: Sales and profits declined due to costs related to establishing full-scale operation at YSMC and decreases in production volumes, though extensive rationalization and improvement efforts at Yorozu Oita turned in positive outcomes.
- The Americas: Sales fell but profits rose despite currency translation impact and low sales of dies thanks to rationalization efforts.
- Asia: Sales decreased but profits increased through rationalization that offset the negative impact of low production volumes.

Financial Status for the Six Months Ended September 30, 2025

(Million yen)		March 31, 2025 A		September 30, 2025 B	Difference (B–A)	
Net Worth		52,009		51,672	(337)	(0.6)%
Equity Ratio		38.1%		39.9%	—	—
Interest-bearing Debt	D/E ratio 0.82	42,763	0.71	36,501	(6,262)	(14.6)%
Net Interest-bearing Debt	Net D/E ratio 0.29	14,833	0.32	16,571	1,738	11.7%
Total Assets		136,601		129,356	(7,245)	(5.3)%

(Million yen)	1H FY2024 Accumulated A	1H FY2025 Accumulated B	Difference (B–A)	
Cash Flow from Operating Activities	(561)	1,497	2,058	—
Cash Flow from Investing Activities	(6,031)	242	6,273	—
Cash Flow from Financing Activities	2,157	(5,923)	(8,080)	—

D/E ratio remains stable based on properly-planned financing.

(Ref.) Consolidated Balance Sheet Summary for the Six Months Ended September 30, 2025

Million yen	March 31, 2025 A	September 30, 2025 B	Difference B–A
Current Assets	81,159	74,278	(6,881)
Fixed Assets	55,441	55,078	(363)
Total Assets	136,601	129,356	(7,245)
Current Liabilities	51,292	45,615	(5,677)
Fixed Liabilities	24,105	23,241	(864)
Total Liabilities	75,397	68,857	(6,540)
Shareholders' Equity	44,036	43,803	(233)
Other Accumulated Comprehensive Income	7,973	7,868	(105)
Non-controlling Interest, etc.	9,193	8,826	(367)
Total Equity	61,204	60,498	(706)
Total Liabilities and Equity	136,601	129,356	(7,245)

Cash on hand and in banks	(8,000)
Trade notes and accounts receivable	378
Inventories	854
Other current assets	(203)
Property, plant and equipment	(1,133)
Investments and other assets	709
Trade notes and accounts payable	(1,988)
Electronically recorded obligations	436
Short-term borrowings	(4,711)
Current portion of long-term borrowings	(608)
Others	271
Long-term borrowings	(818)
Others	119
Net income	152
Cash dividend paid	(388)
Unrealized holding gains and losses on securities	695
Foreign currency translation adjustment	(886)

Ⅲ. Full-Year Performance Forecast

[Full Year] Consolidated Financial Forecast Summary for FY2025

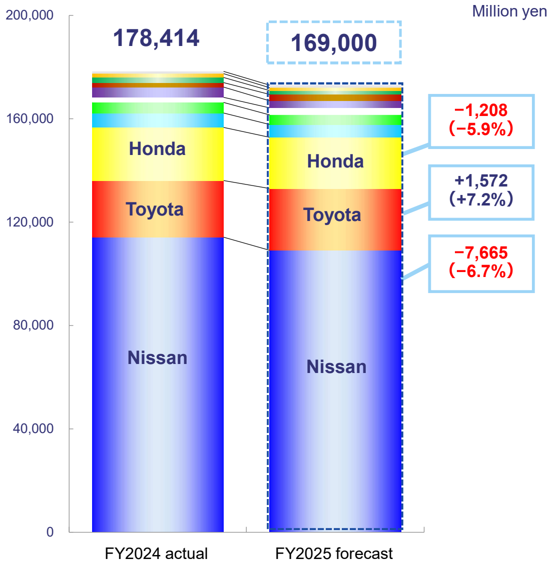
Million yen	FY2024 Actual A	Sales Ratio	FY2025 Forecast B	Sales Ratio	Difference B–A	Year-on-Year
Sales	178,414	100.0%	169,000	100.0%	(9,414)	(5.3)%
Operating Income	298	0.2%	2,600	1.5%	2,302	8.7 times
Ordinary Income	(2,077)	—	1,800	1.1%	3,877	—
Net Income*1	(13,448)	—	800	0.5%	14,248	—

*1 Net income attributable to owners of the parent company

	FY2024 Actual A	FY2025 Forecast B	Difference B–A	Percentage of Change
Net Income per Share	(551.45) yen	32.98 yen	+584.43 yen	—
Exchange Rate Applied	151.68 yen/$	143.00 yen/$	(8.68) yen/$	(5.7)%

■ We anticipate a decrease in net sales from FY2024 due to the production trends of major customers.
■ Operating income, ordinary income, and net income are expected to stay as previously announced.

[Full Year] Consolidated Sales by Customer (FY2024 Results vs. FY2025 Forecast)

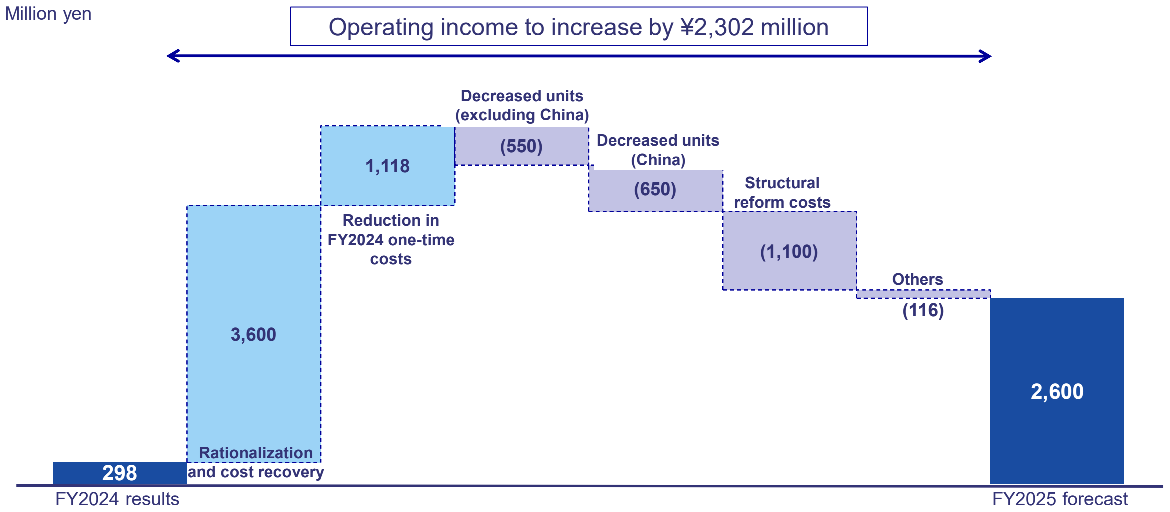


Customer		FY2024	(%)	FY2025	(%)
Nissan Gr.*		114,233	64.0%	106,568	63.1%
Toyota Gr.		21,875	12.3%	23,447	13.9%
Honda Gr.		20,573	11.5%	19,365	11.5%
Isuzu		5,597	3.1%	4,775	2.8%
Mazda		4,106	2.3%	3,625	2.1%
Kubota		1,936	1.1%	2,659	1.6%
VW		3,925	2.2%	2,626	1.6%
SUBARU		1,830	1.0%	2,457	1.5%
Mercedes Benz		1,973	1.1%	1,412	0.8%
Suzuki		1,480	0.8%	1,126	0.7%
Others		886	0.6%	940	0.4%
Total		178,414	100.0%	169,000	100.0%

*Includes sales to Renault and Mitsubishi

Expect further growth of sales to Toyota

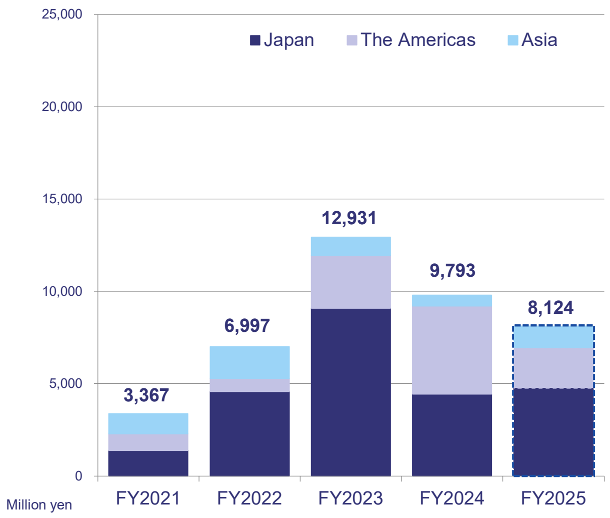
[Full Year] Analysis of Impact on Consolidated Operating Income
(FY2024 Results vs. FY2025 Forecast)



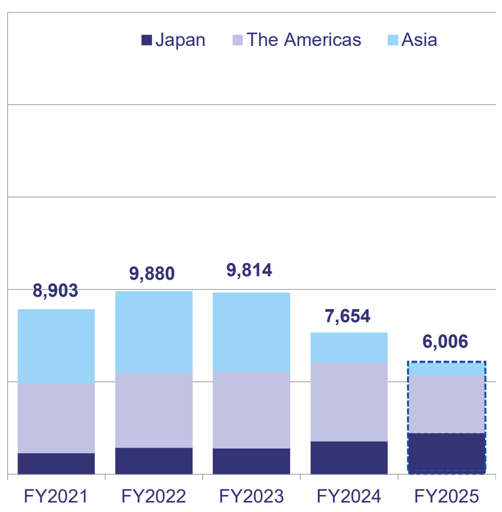
We aim to restore a resilient profit structure that ensures the achievement of YSP2026 goals in its final year through a V-shaped recovery.

Capital Investment and Depreciation

Capital Investment by Region



Depreciation by Region



Ⅳ. Shareholder Return

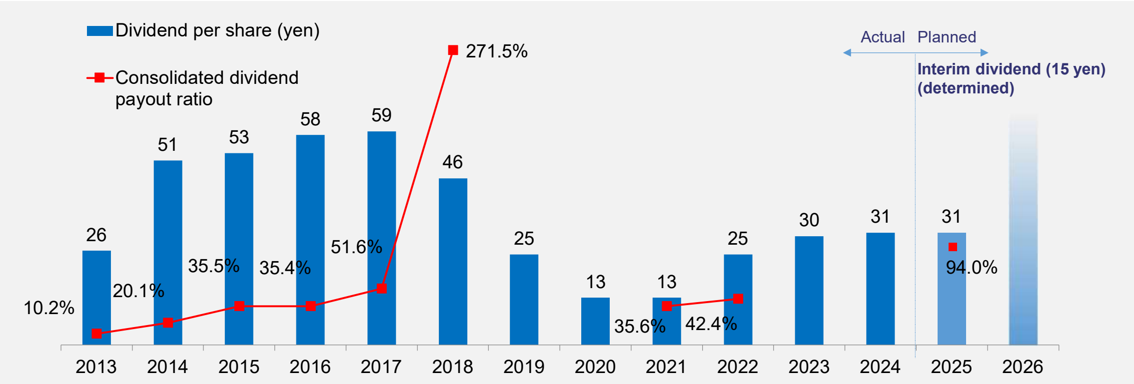
Shareholder Return

Return policy in appreciation of shareholders' support

- **Dividend policy**

  Maintain a dividend of at least 31 yen per share, aiming for a dividend payout ratio of 35% or higher.

Dividend per share (yen)



Ⅴ. Topics

Topics (Progress of YSP2026)

Policies	Strategies	Topics in Progress	Page
Strengthening of Our Business Foundation	① Creation of new technologies and methods, and sales expansion	・GENNIKUN—the technology of forming steel sheets of different thicknesses, thereby reducing both weight and costs (Showcased at Japan Mobility Show) ・Development of ladder frame parts for the new Patrol (Showcased at Japan Mobility Show) ・Yorozu Sustainable Manufacturing Center (YSMC) Opening Ceremony	23 24 25
	② Achievement of profit targets	・Development of ladder frame parts for the new Patrol (Showcased at Japan Mobility Show)	24
	③ Improvement in capital efficiency	・Optimization of cash flow and consideration of financing	
Strengthening of Our Management Foundation	④ E: Enhancement *of* environmental performance	・Support the Wanouchi Town's drive to becoming a zero-carbon city through YSMC's carbon neutrality (CN) initiatives (Showcased at Japan Mobility Show)	25
	⑤ S: Society and individuals—improvement of engagement	・Accreditation of Platinum Kurumin Certification (enterprise with excellent childcare support) from the Minister of Health, Labour and Welfare	
	⑥ G: Enhancement of governance	・Publication of the Integrated Report 2025 (A digest video has also been released.)	30

JMS 2025 Yorozu's Exhibits

Japan Mobility Show

Significance

As a member of the automotive industry, Yorozu will contribute to the industry's growth and development amid the increasingly challenging environment where fewer parts makers are participating in the event.

Booth concept: ワクワクする未来をヨロズと共に—Exciting Future with YOROZU

Appeal to the customers with solutions to the three issues

● Carbon neutrality

Vision of a mobility town in collaboration with the local community

Coexistence with the community

● Electrification

Reduction of weight and cost with GENNIKUN

Patent pending

● Sustainability

Parts for the new Patrol that embody our commitment to sustainability

Joint development

JMS 2025 Yorozu's Exhibits

Japan Mobility Show

Scenes from the Exhibition

Full view of our booth

Press briefing

Introduction of Yorozu

Live demo of our lightweighting technology

Feel the strength of ultra-high-tensile materials

Wanouchi Town mascot Kawabata-kun

① Creation of New Technologies and Methods, and Sales Expansion

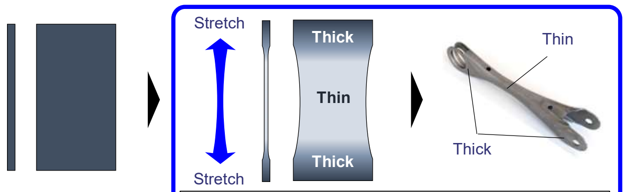
Refinement of lightweight technology: Weight reduced through new forming technology using steel sheets of varying thickness

New stamping technology: **Patent pending**

GENNIKUN

Forming of a steel sheet with varying thickness solely through press work

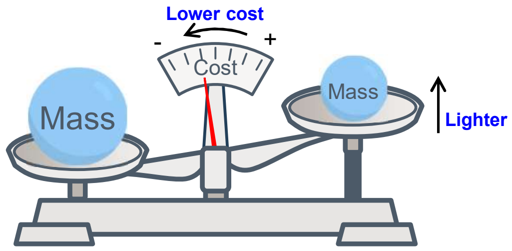
Material | **Partially thinned sheet forming GENNIKUN** | Press-forming



・The sheet is continuously processed in a single press machine.
・Requires less material as the sheet is stretched and thinned.

Aim:

Reduction in both weight and cost



Before → After

Lightweight achieved with GENNIKUN

Now that the development of elemental technology has been completed, Yorozu is seeking its adoption by OEMs and advancing to partially thickened sheet forming technology.

① Creation of New Technologies and Methods, and Sales Expansion
② Achievement of Profit Targets

① Creation of new technologies/methods, and sales expansion	② Achievement of profit targets
[Strategy 1] Undertake the challenge of refining our lightweighting technology and expanding the range of our products	**[Strategy 2] Enhance the development of dies and equipment**

Light and high-performance ladder frame for the new Nissan Patrol

Yorozu products

Ladder frame parts for the new Patrol received Nissan Global Innovation Award

The award recognizes our contribution to the development of a light and high-performing ladder frame for the new Nissan Patrol using 980 MPa ultra-high-tensile strength material (Strategy 1) and our swift development of the technology to form parts with high forming difficulty (Strategy 2).

Opening Ceremony of Yorozu Sustainable Manufacturing Center (YSMC)

■ Date: Friday, November 21, 2025
Venue: YSMC Gifu Factory

■ Guests: 131 from 115 companies/entities
Car makers, suppliers, representatives from local authorities, public institutions, banks, and audit firms

■ Special guests:
Member of the House of Representatives
Seiko Noda

Member of the House of Councillors
Atsuko Wakai

Governor of Gifu Prefecture
Yoshihide Esaki

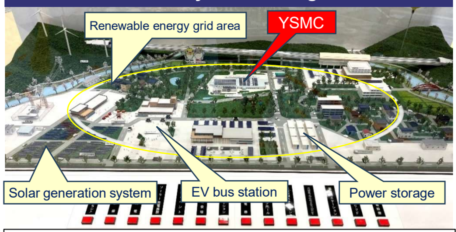
Mayor of Wanouchi Town
Kazuhito Asakura

Tree-planting ceremony

Commissioning ceremony

Kagami-biraki
(Ceremonial opening of a sake barrel)

Model of the mobility town through zero carbon



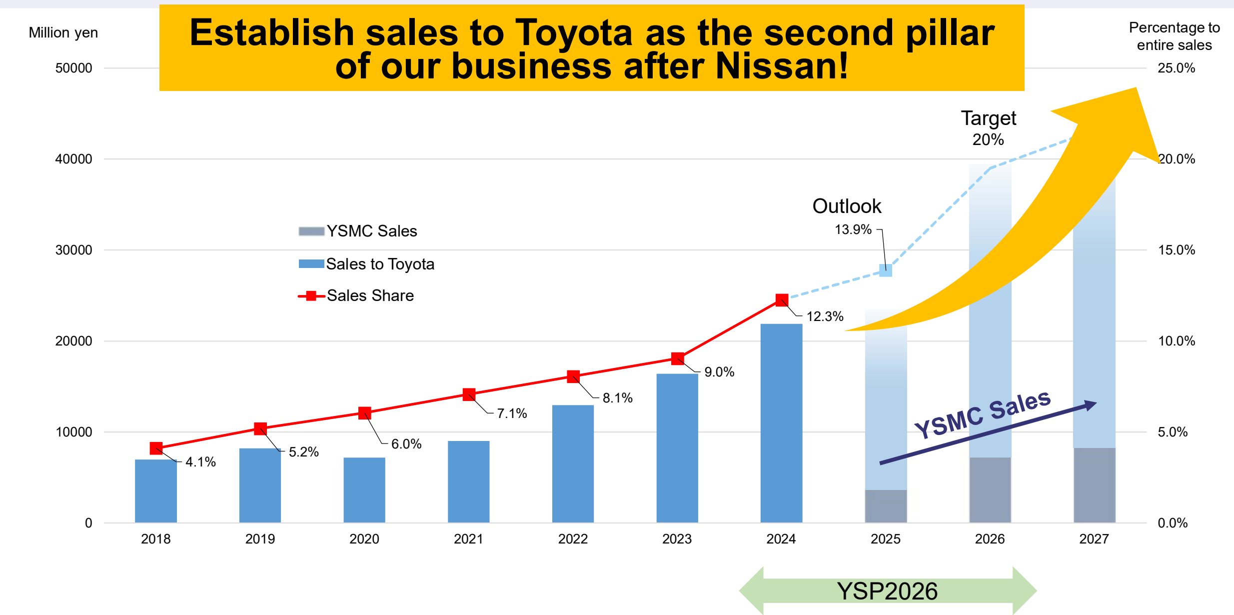
YSMC supports Wanouchi Town's zero-carbon city concept through its carbon neutrality initiatives.

Opening Ceremony of Yorozu Sustainable Manufacturing Center (YSMC)

Initiatives aimed at becoming a model factory for automotive parts makers

1. Carbon neutral factory powered by green electric and solar energy
2. State-of-the-art all-electric painting facilities and connected transfer presses with unmatched performance
3. Strengthened management to ensure stable supply
4. People- and earth-friendly workplace environment
5. Disaster prevention center for the local community

Changes in Global Sales to Toyota Group



New Models with Yorozu Products Released in FY2025

Mazda CX-5

Toyota bZ4X
(BEV)

Subaru Solterra
(BEV)

Nissan LEAF
(BEV)

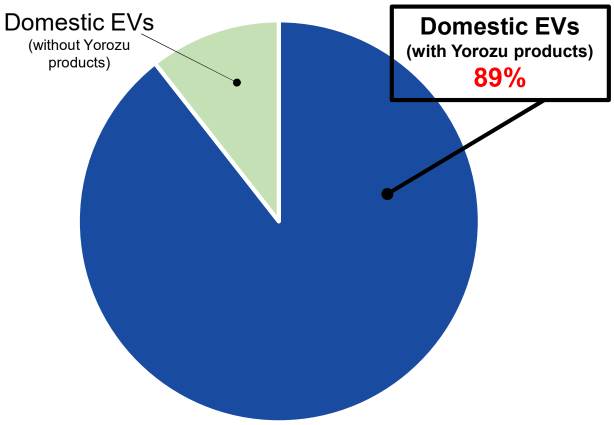
Nissan ROOX

Honda N-ONE e:
(BEV)

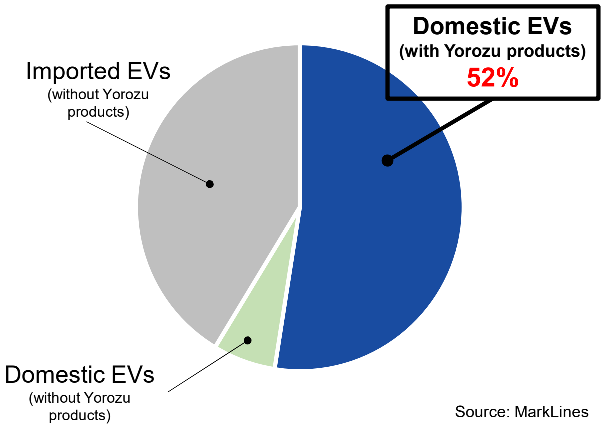
EVs with Yorozu Products Market Share in Japan (January–October 2025)

Yorozu products are installed in almost 90% of all EVs made in Japan and more than half of EVs (including imports) sold in the Japanese market.

Market share of EVs made in Japan



Market share of EVs sold in Japan



Source: MarkLines

G: Enhancement of Governance

Yorozu Integrated Report 2025 has been issued

Japanese: https://www.yorozu-corp.co.jp/share/uploads/2020/01/Integrated-Reporting2025.pdf
English: https://www.yorozu-corp.co.jp/share/uploads/2020/01/Integrated-Reporting2025En.pdf

Digest video: https://youtu.be/aCbmAjzTDwM

We would appreciate it if you could learn more about our initiatives.

Yorozu aims to become
the First-Choice Company for all stakeholders.

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The financial forecasts, future forecasts, strategies and other statements in this material are established based on judgments made within reasonable forecasts, according to the information available to the company at the time this material was prepared. However, there are risks and uncertainties in these forecasts, which could be caused by any special circumstances and situations that cannot be foreseen. Therefore, actual results may differ substantially from these forecasts.

The company is fully committed to disclosing all information that we believe important to investors. However, please refrain from making decisions based solely on these forecasts and statements contained in this material.

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