

Notice Concerning Supply of Products to Sany Heavy Machinery Co., Ltd.

YAMASHIN-FILTER CORP. group (hereafter 'The group') hereby announces that it has entered into an agreement with the Sany Heavy Machinery Co., Ltd. (headquarters: Changsha, Hunan Province; hereafter 'Sany Heavy Machinery'), which manufactures and sells hydraulic shovels and other products as part of the Sany Group Co., Ltd. (hereafter 'Sany Group'), China's largest manufacturer of general construction machinery, to supply Sany Heavy Machinery with Tier 3 bilaminar fuel oil filters for new vehicles, and hydraulic return filter.

1. Objectives

The Group's intention is that, by initiating the supply of these products it can make progress with reinforcing its filter products line-up. Moreover, the Group hopes that this development will also contribute to assuring a strong and stable foundation for the Group's business operations by expanding its customer base in cooperation with local overseas manufacturers.

2. Summary

The Group is to supply Sany Heavy Machinery with Tier 3 bilaminar fuel oil filters for new vehicles, and hydraulic-use return filters.

The Group has been concentrating on expanding its share of the service filter market by means of tie-ups with existing construction machinery manufacturer clients since the China market is expected to be very promising both in terms of the current scale and of the projected future size of the nation's market. Thanks to this agreement however, the Group has now embarked upon entering into the previously undeveloped market for supplying line filters to Chinese local manufacturers.

It is anticipated that demand for high-functionality filters will continue to rise steadily as a result of the full-scale introduction of Tier 3 emissions gas regulations on construction machinery in China.

3. Schedule

The timing of the commencement of supply is scheduled for the spring of 2016.

4. Outline of the Sany Heavy Machinery

Sany Heavy Machinery manufactures and sells hydraulic shovels and other products as part of the Sany Group, which is the China's largest manufacturer of general construction machinery.

5. Future outlook

YAMASHIN-FILTER does not think that this development will have a significant impact on the Group's business results for the fiscal year ending March 31, 2016, but the Group shall disclose the effect on the business results for the fiscal year ending March 31, 2017 (April 1, 2016 to March 31, 2017) and subsequent years, in its business forecasts.