

Fiscal Year Ending March 31, 2026

Financial Results Briefing Materials for 1Q

Announced on July 31, 2025



PEGASUS CO., LTD.

【Code : 6262, Tokyo stock exchange in Japan】

● Overview for 1Q of FY3/2026	3
● Reference	13
● Corporate Profile	16

Overview for 1Q of FY3/2026

- ✓ Intensifying concerns over economic downturn due to tariff policy trends under the new US administration
- ✓ Attention still focused on geopolitical risks such as the prolonged Russia-Ukraine conflict and the situation in the Middle East

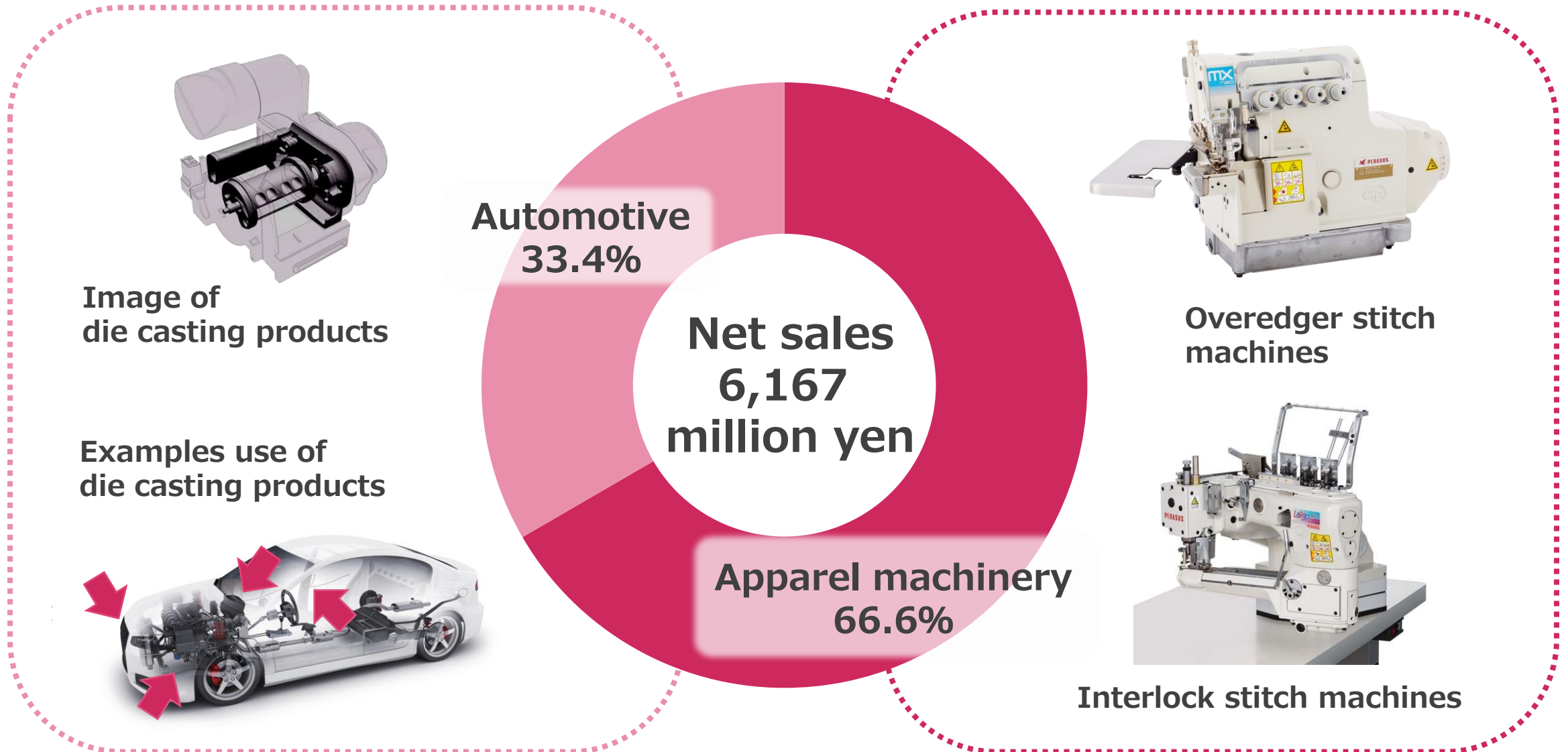
Apparel machinery

- ✓ Continued strength in the South Asian market and increasing demand for automation and labor-saving with a focus on improving production efficiency
- ✓ A movement to relocate sewing production sites to Egypt

Automotive

- ✓ Price reduction pressures on subcontracted parts manufacturers due to price competition within the automotive industry in China
- ✓ Expectations for increased demand in Mexico based on the tariff exemption measures for automotive parts under the USMCA

Overview of Net Sales by Business



Overview of Consolidated Financial Results



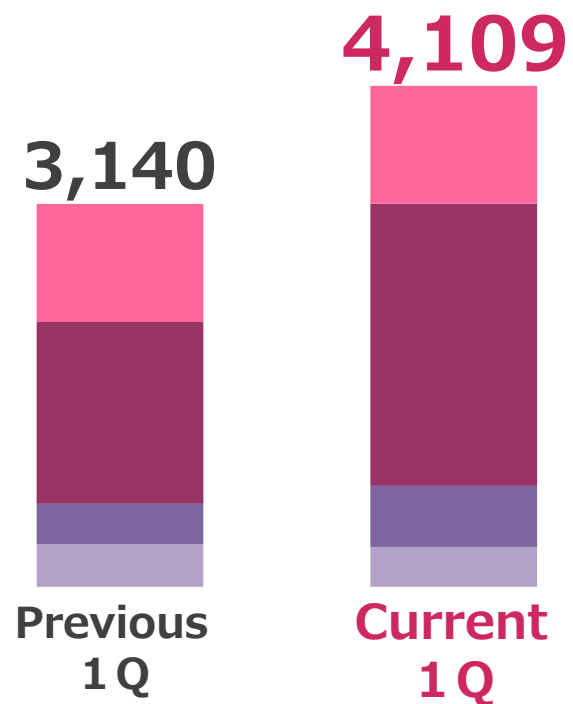
(Million yen: Amounts of less than one million yen are rounded down)
 (※Results excluding the effects of foreign exchange are indicated in parentheses)

	Previous 1 Q	Current 1 Q	Change	Percentage change
Net sales	5,142	6,167	+1,025 (+997)	+19.9% (+19.4%)
Apparel machinery	3,140	4,109	+969 (+858)	+30.9% (+27.3%)
Automotive	2,002	2,058	+55 (+138)	+2.8% (+6.9%)
Operating profit	323	551	+228	+70.8%
Ordinary profit	478	469	△8	△1.7%
Profit before income taxes	478	469	△8	△1.7%
Profit attributable to owners of parent	381	368	△12	△3.4%

Net Sales by Business and Location



Apparel machinery



- Qty. of units sold : +24.5%
- Average unit price : +2.7%
- (Excluding the effects of foreign exchange : $\triangle 0.0\%$)

In China, the impact of US tariffs continues to cause a wait-and-see attitude. In Japan and other parts of Asia, strong demand in Bangladesh and India continues. In the Americas, sales increased due to capital investment demand from some companies. In Europe, sales decreased due to political instability in Turkey and a sluggish market.

China

965 million yen
YoY change : $\triangle 0.1\%$

Japan
Asia

2,315 million yen
YoY change : +55.3%

Americas

449 million yen
YoY change : +49.8%

Europe

328 million yen
YoY change : $\triangle 5.8\%$

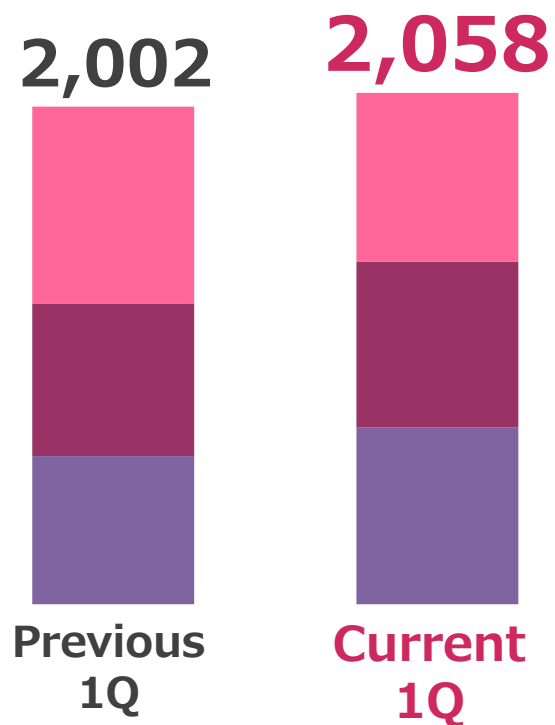
(Million yen: Amounts of less than one million yen are rounded down)

Net Sales by Business and Location



Automotive

In China, sales decreased due to intensified price-cutting pressure from parts manufacturers. In other parts of Asia, sales grew by 8.7% due in part to production stoppages at some Japanese automakers in the same period last year, but sales were flat compared to the fourth quarter of the previous year. In the Americas, sales increased due in part to accelerated demand caused by US tariffs.



China

678 million yen
YoY change : $\triangle 14.2\%$

Asia

667 million yen
YoY change : $+8.7\%$

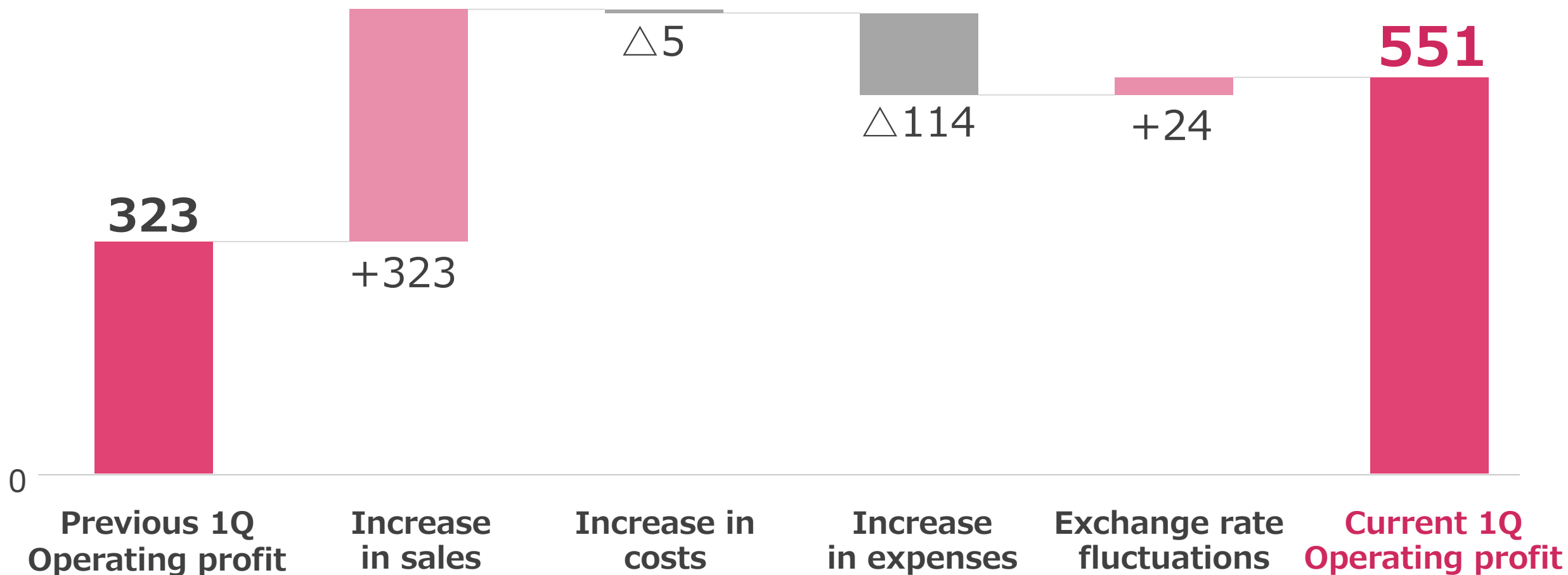
Americas

711 million yen
YoY change : $+19.3\%$

(Million yen: Amounts of less than one million yen are rounded down)

Changes in Operating Profit

- ✓ Profits increased year on year due to an increase in sales and the effects of currency exchange.



(Million yen: Amounts of less than one million yen are rounded down)

Consolidated Balance Sheets



(Million yen: Amounts of less than one million yen are rounded down)

	End of previous year	Current 1Q	Change	Main factors contributing to changes
Current assets	31,074	29,421	△1,652	<ul style="list-style-type: none"> •Notes and accounts receivable - trade △298 •Merchandise and finished goods △947
Non-current assets	15,317	14,441	△875	<ul style="list-style-type: none"> •Property, plant and equipment △855 •Intangible assets △4 •Investments and other assets △14
Total assets	46,391	43,863	△2,527	

	End of previous year	Current 1Q	Change	Main factors contributing to changes
Current liabilities	7,775	7,066	△708	<ul style="list-style-type: none"> •Notes and accounts payable - trade △924
Non-current liabilities	4,979	4,695	△283	<ul style="list-style-type: none"> •Long-term borrowings △162
Net assets	33,637	32,101	△1,535	<ul style="list-style-type: none"> •Retained earnings +168 •Foreign currency translation adjustment △1,624
Total liabilities and net assets	46,391	43,863	△2,527	

(Major changes in primary accounts are presented above)

Consolidated Financial Position



(Amounts of less than one million yen are rounded down)

	End of previous year	Current 1Q
Equity (million yen)	32,477	31,006
Capital adequacy ratio (%)	70.0	70.7

	End of previous year	Current 1Q
BVPS (yen)	1,309.02	1,249.72
Year-end share price (yen)	525	553
PBR (times)	0.40	0.43

(Amounts of less than one million yen are rounded down)

	Previous 1Q	Current 1Q
Profit attributable to owners of parent (million yen)	381	368
EPS (yen)	15.37	14.85

Capital investment・Depreciation・R&D expenses



(Million yen: Amounts of less than one million yen are rounded down)

	Previous 1Q	Current 1Q	Change
Capital investment	268	92	△176
Depreciation	287	301	+13
R&D expenses	135	150	+15

<Main capital investments> (Million yen: Amounts of less than one million yen are rounded down)

Division	Company name	Details	Investment
Apparel machinery	PEGASUS(TIANJIN) SEWING MACHINE CO., LTD.	Enhancement of machining facilities such as machining centers	37
Automotive	PEGASUS-SHIMAMOTO AUTO PARTS (VIETNAM) CO., LTD.	Enhancement of production facilities and tools	49

Reference

Net Sales by Business and Location (YoY change excluding the effects of foreign exchange)

(Amounts of less than one million yen are rounded down)

Apparel machinery		China	Japan Asia	Americas	Europe	Total
Current 1Q	Net sales (million yen)	965	2,315	499	328	4,109
	YoY change (%)	△0.1	+55.3	+49.8	△5.8	+30.9
	YoY change excluding the effects of foreign exchange (%)	△2.2	+50.3	+44.8	△5.7	+27.3
Previous 1Q	Net sales (million yen)	967	1,490	333	348	3,140

(Amounts of less than one million yen are rounded down)

Automotive		China	Asia	Americas	Total
Current 1Q	Net sales (million yen)	678	667	711	2,058
	YoY change (%)	△14.2	+8.7	+19.3	+2.8
	YoY change excluding the effects of foreign exchange (%)	△16.0	+5.1	+39.3	+6.9
Previous 1Q	Net sales (million yen)	791	614	596	2,002

Effects of foreign exchange (based on consolidated net sales for 1Q of FY3/2026)

Currencies	JPY	USD	EUR	RMB	MXN	other currencies	Results for the current year	Excluding the effects of foreign exchange	Results for the previous year	YoY change excluding the effects of foreign exchange
Exchange rates for the period	—	¥152.93	¥160.71	¥20.99	¥7.47	—	—	—	—	—
Exchange rates for the previous period	—	¥147.86	¥160.89	¥20.55	¥8.72	—	—	—	—	—
Difference (yen)	—	5.07	△0.18	0.44	△1.25	—	—	—	—	—
Net sales	84	3,398	328	1,644	711	—	6,167	6,139	5,142	997
Ratio (%)	1.4	55.1	5.3	26.7	11.5	—	100.0	—	—	—
Change in foreign exchange	—	112	0	34	△119	—	27	—	—	—
Cost of sales	352	1,340	81	1,825	545	—	4,144	4,153	3,474	679
Ratio (%)	8.5	32.3	2.0	44.0	13.2	—	100.0	—	—	—
Change in foreign exchange	—	44	0	38	△91	—	△8	—	—	—
Selling and administrative expenses	532	530	80	257	67	2	1,470	1,458	1,344	114
Ratio (%)	36.2	36.0	5.5	17.5	4.6	0.2	100.0	—	—	—
Change in foreign exchange	—	17	0	5	△11	0	11	—	—	—
Operating profit	△800	1,528	166	△438	98	△2	551	527	323	204
Change in foreign exchange	—	50	0	△9	△16	0	24	—	—	—
Cost of sales ratio (%)	—	—	—	—	—	—	67.2	67.6	67.6	—

(Million yen: Amountsof less than one million yen are rounded down except for Exchange rates, ratio, Cost of sales ratio)

Corporate Profile

Corporate Philosophy

Through our people & technology, we strive to provide better Products, Service and Quality and make a positive contribution to the world of "social development"

Basic Policy for Business

- We deepen exchanges with people throughout the world, and develop reliable business activities. Deploying people and products throughout the world we plan our activities with respect for universal values.
- Always striving to master Pegasus's core technology we aim for superior global quality manufacturing. Striving to attain the position of the "true, leading manufacturer of chain-stitch sewing machines", we supply our products at optimum quality, optimum price and with optimum lead times.
- We always learn from our customers, form their needs into tangible shape, and utilizing this offer services and information. Constantly learning from customers and always maintaining the truth is the spirit that supports all of Pegasus's business activities.
- By building on the relations with our associates and employees we aim for mutual growth and development. By the handing down of our predecessors' originality and ingenuity we oversee the creation of new ideas. And these endeavors lead to personal development of our employees and, needless to say of course, also our associates.

Corporate Profile



Name	PEGASUS CO., LTD.
Representative	Representative Director and President Shigemi Mima
Founded	January, 1914
Location	Fukushima-ku, Osaka, Japan
Capital	2,255.55million yen (as of March,2025)
Sales	22,040.32million yen (From April 1, 2024 to March 31, 2025)
Number of employees	1,497 [consolidated] (as of March,2025) 207 [non-consolidated] (as of March,2025)
Business	<ul style="list-style-type: none">•Manufacture and sale of industrial chain stitching sewing machines and parts•Manufacture and sale of die casting auto parts and other automotive parts

Shareholders Information

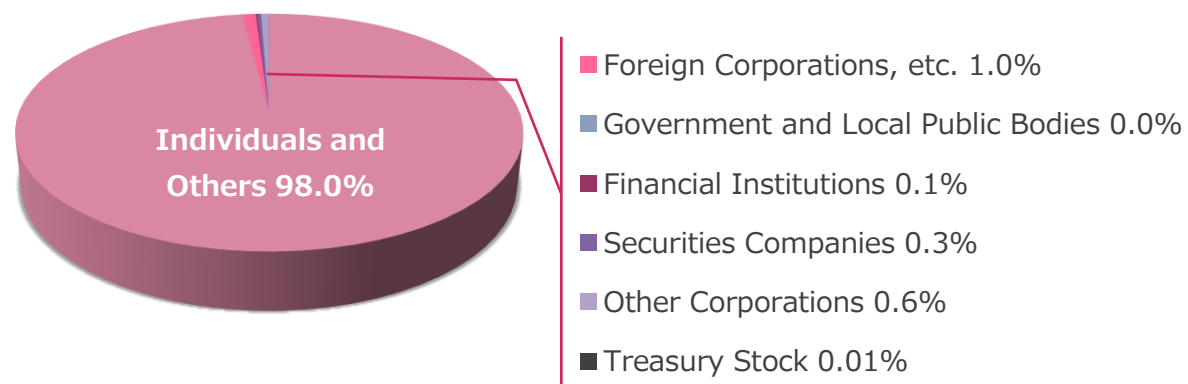
as of March 2025



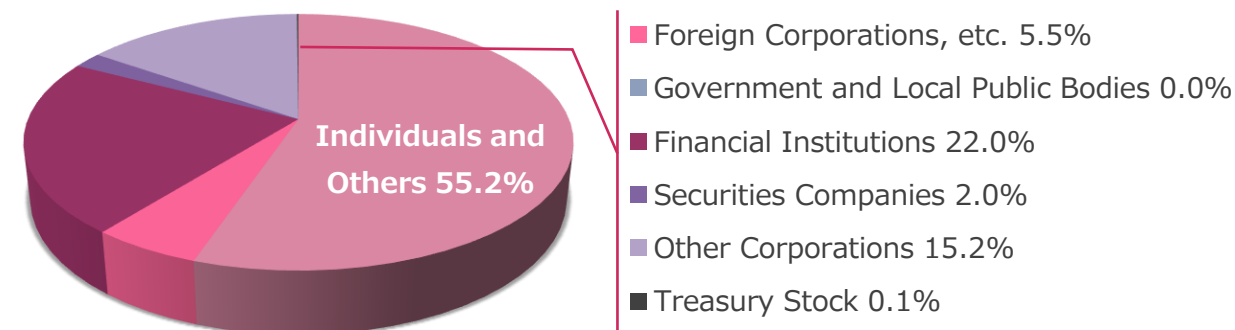
◆Principal Shareholders

Shareholder's Name	Holding Ratio
Custody Bank of Japan, Ltd. (Trust Account)	8.65%
The Master Trust Bank of Japan Ltd. (Trust Account)	8.54%
MIMA Co.,LTD.	6.26%
JUKI CORPORATION	3.50%
Keizo Bando	2.99%
Takako Yoshida	2.86%
Shigemi Mima	2.59%
Sumitomo Mitsui Banking Corporation	2.34%
Masamichi Mima	1.92%
Masako Tamura	1.49%

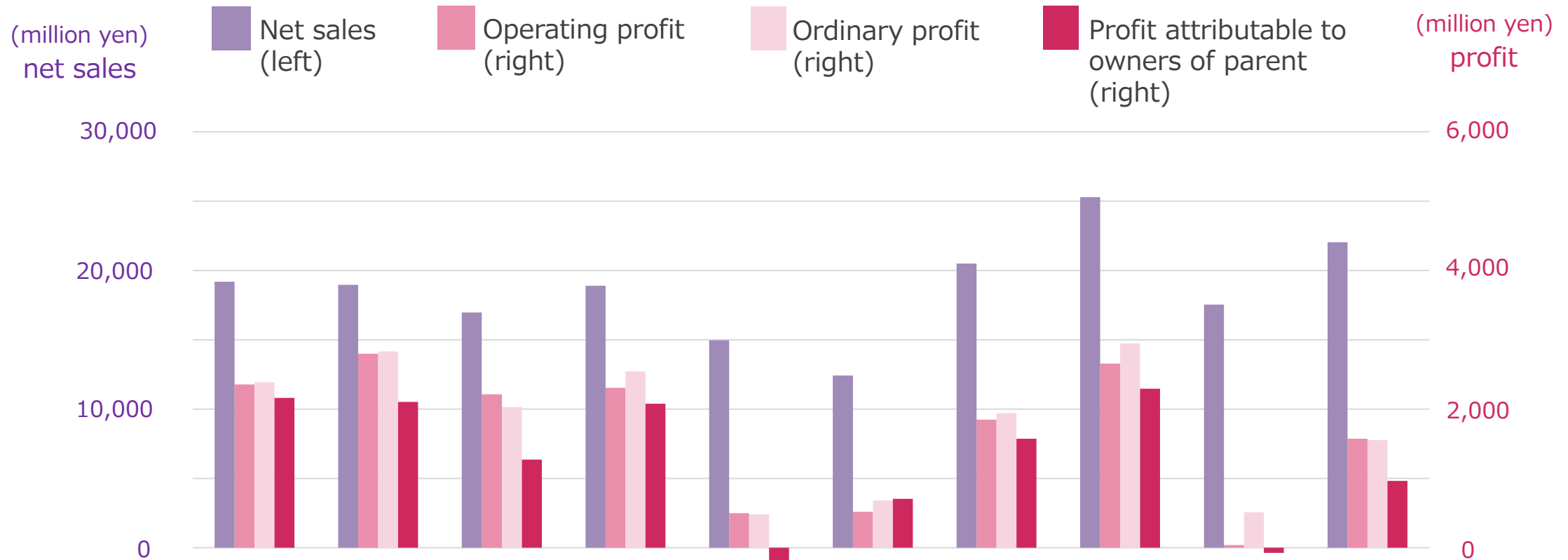
◆Breakdown of Shareholders by Type (%)



◆Breakdown of Shares by Type of Shareholder (%)



Changes in Consolidated Financial Results



	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25
Net sales	19,188	18,961	16,978	18,891	14,969	12,422	20,498	25,288	17,542	22,040
Operating profit	2,356	2,798	2,212	2,306	499	516	1,847	2,657	38	1,573
Ordinary profit	2,388	2,831	2,030	2,542	484	681	1,941	2,946	512	1,555
Profit attributable to owners of parent	2,160	2,103	1,270	2,079	△206	707	1,572	2,294	△72	964

(Million yen: Amounts of less than one million yen are rounded down)



Notes regarding this document:

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Actual results may differ from these forecasts due to a variety of factors.

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