

Fiscal Year Ending March 31, 2026

Financial Results Briefing Materials for 2Q

Announced on October 31, 2025



PEGASUS CO., LTD.

【Code : 6262, Tokyo stock exchange in Japan】

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Overview for 2 Q of FY3/2026

- ✓ Gradual global economic recovery amid prolonged Russia-Ukraine conflict and a slowing Chinese economy, reflecting a still uncertain outlook
- ✓ Heightened investment caution following additional US tariff measures

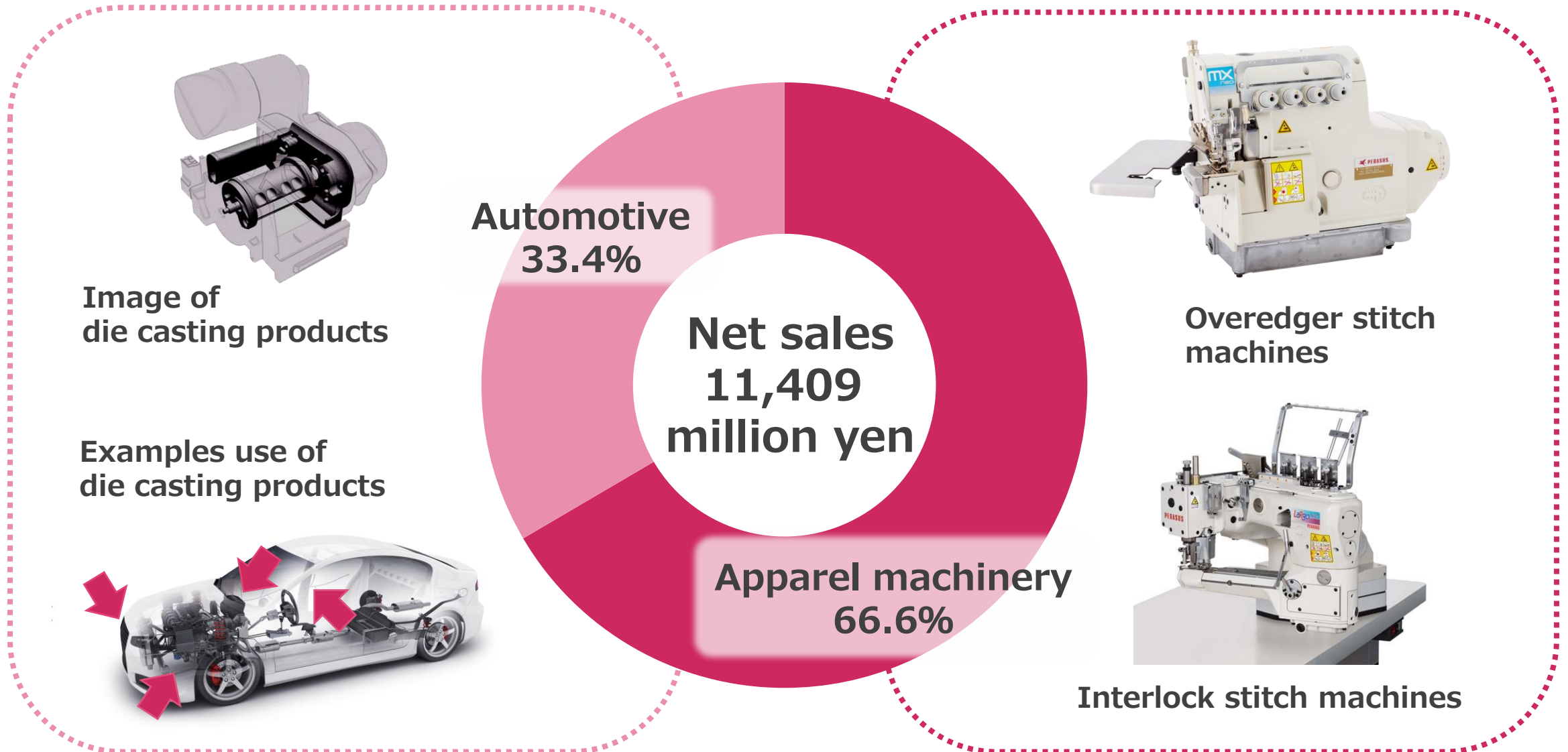
Apparel machinery

- ✓ Additional US tariff measures leading China and South Asia, regions previously on a recovery trend, to adopt a wait-and-see attitude toward capital investment
- ✓ Growing demand in emerging economies for automation and labor-saving equipment focused on improving production efficiency

Automotive

- ✓ Production adjustments by automakers in response to US tariff measures
- ✓ Price reduction requests to subcontracted parts manufacturers amid intensifying price competition in automotive industry in China

Overview of Net Sales by Business



Overview of Consolidated Financial Results



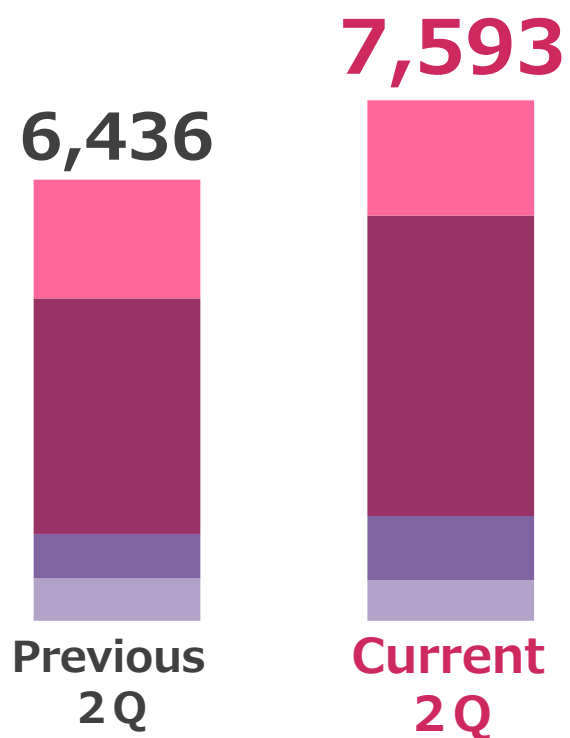
(Million yen: Amounts of less than one million yen are rounded down)
 (※Results excluding the effects of foreign exchange are indicated in parentheses)

	Previous 2 Q	Current 2 Q	Change	Percentage change
Net sales	10,467	11,409	+942 (+1,422)	+9.0% (+13.6%)
Apparel machinery	6,436	7,593	+1,157 (+1,325)	+18.0% (+20.6%)
Automotive	4,031	3,816	△215 (+97)	△5.3% (+2.4%)
Operating profit	784	669	△114	△14.6%
Ordinary profit	567	662	+95	+16.7%
Profit before income taxes	567	662	+95	+16.7%
Profit attributable to owners of parent	237	414	+176	+74.4%

Net Sales by Business and Location



Apparel machinery



•Qty. of units sold : +17.2%
•Average unit price : Δ 0.6%
(Excluding the effects of foreign exchange : +1.6%)

Sales decline in China amid continued wait-and-see attitude following the impact of US tariffs. Year-on-year sales increase in Japan and other parts of Asia, despite differing impacts of US tariffs by country. Emerging demand for sewing machines among certain companies in the Americas. Sales decline in Europe due to ongoing political instability in Turkey and sluggish market conditions.

China

1,683 million yen
YoY change : Δ 2.9%

Japan
Asia

4,379 million yen
YoY change : +27.4%

Americas

938 million yen
YoY change : +44.5%

Europe

592 million yen
YoY change : Δ 4.0%

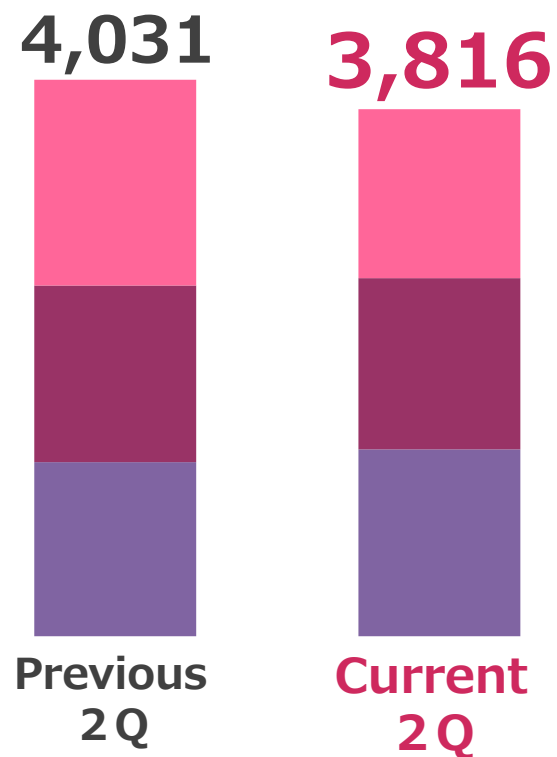
(Million yen: Amounts of less than one million yen are rounded down)

Net Sales by Business and Location



Automotive

Impact of US tariffs on adjustments in parts shipments, resulting in an overall year-on-year sales decline. Sales decline in China amid strong price reduction requests from parts manufacturers. Steady demand in the Americas supported by USMCA tariff exemptions for automotive parts.



China

1,223 million yen
YoY change : $\triangle 17.9\%$

Asia

1,240 million yen
YoY change : $\triangle 3.1\%$

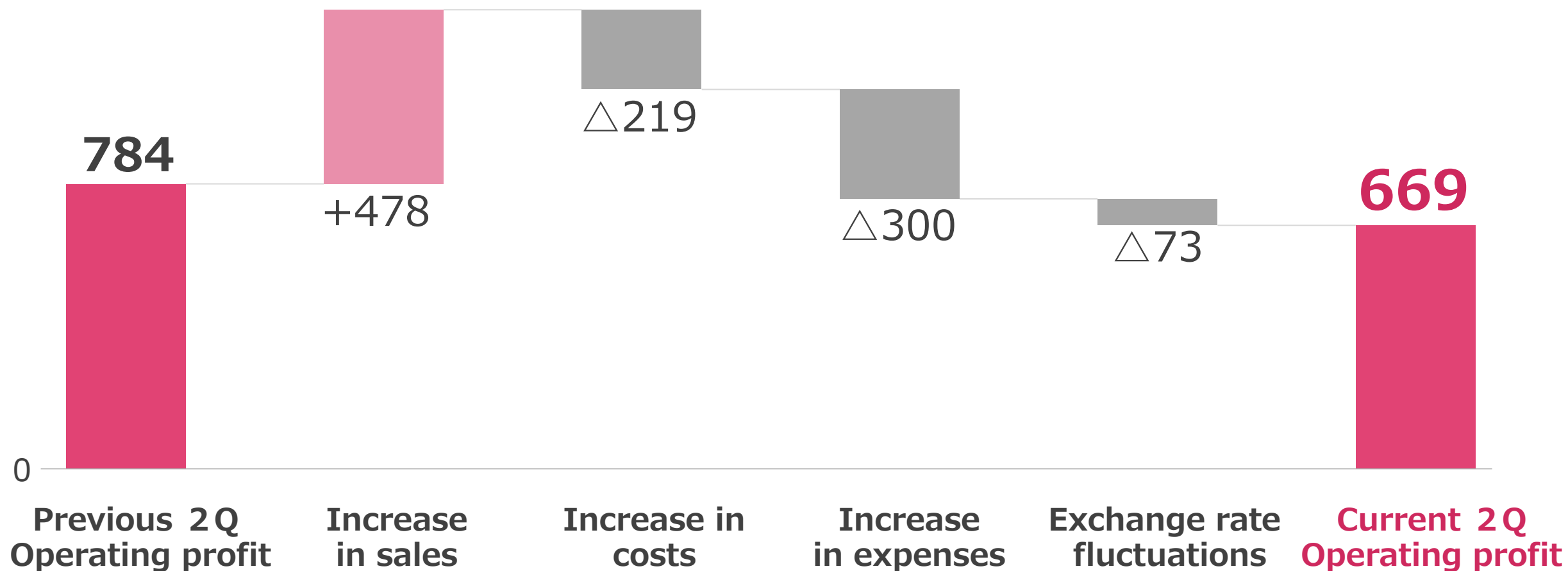
Americas

1,353 million yen
YoY change : $+7.3\%$

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

Changes in Operating Profit

- ✓ Sales increase offset by higher costs, expenses, and the effects of currency exchange, resulting in a year-on-year profit decline.



(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 2 Q	Change	Main factors contributing to changes
Current assets	31,074	29,782	△1,291	•Notes and accounts receivable - trade △557 •Merchandise and finished goods △1,475
Non-current assets	15,317	14,160	△1,156	•Property, plant and equipment △1,122 •Intangible assets △6 •Investments and other assets △27
Total assets	46,391	43,943	△2,448	

	End of previous year	Current 2 Q	Change	Main factors contributing to changes
Current liabilities	7,775	7,951	+176	•Notes and accounts payable - trade △461
Non-current liabilities	4,979	4,251	△727	•Long-term borrowings △602
Net assets	33,637	31,740	△1,897	•Retained earnings +215 •Foreign currency translation adjustment △1,991
Total liabilities and net assets	46,391	43,943	△2,448	

(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 2 Q
Equity (million yen)	32,477	30,710
Capital adequacy ratio (%)	70.0	69.9

	End of previous year	Current 2 Q
BVPS (yen)	1,309.02	1,237.81
Year-end share price (yen)	525	684
PBR (times)	0.40	0.55

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

	Previous 2 Q	Current 2 Q
Profit attributable to owners of parent (million yen)	237	414
EPS (yen)	9.58	16.70

Capital investment・Depreciation・R&D expenses



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

	Previous 2 Q	Current 2 Q	Change
Capital investment	1,471	181	△1,290
Depreciation	617	608	△9
R&D expenses	266	293	+ 26

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

Division	Company name	Details	Investment
Automotive	PEGASUS-SHIMAMOTO AUTO PARTS (VIETNAM) CO., LTD.	Enhancement of production facilities and other equipment	77
Automotive	TIANJIN PEGASUS-SHIMAMOTO AUTO PARTS CO., LTD.	Enhancement of production facilities and other equipment	52
Apparel machinery	PEGASUS(TIANJIN) SEWING MACHINE CO., LTD.	Enhancement of machining facilities such as machining centers	42

Consolidated Financial Results Forecast for FY3/2026

Business Environment

- ✓ Growing uncertainty and concern over US tariffs, highlighting the need for responsiveness to market changes

Apparel machinery

- ✓ Apparel manufacturers shifting from fast fashion to sustainable fashion
- ✓ Sewing plants prioritizing labor conditions, quality stability, and automation and labor-saving.
- ✓ Expanding further into markets in developing nations where we anticipate growth and building up sales networks

Automotive

- ✓ Expansion of the China-made EV market
- ✓ Pursuit of quality and pricing tailored to regional markets
- ✓ Continued focus on acquiring new customers at our Mexico factory, leveraging its production-related advantages within the USMCA region

Consolidated Financial Results Forecast for FY3/2026



Full-year financial results forecast and progress

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

Financial results forecast	Full-year forecast	Interim results	Progress ratio	Full-year results for the previous year	Percentage change	Change
Net sales	26,000	11,409	43.9%	22,040	+18.0%	+3,959
Operating profit	2,460	669	27.2%	1,573	+56.3%	+886
Ordinary profit	2,360	662	28.1%	1,555	+51.7%	+804
Profit attributable to owners of parent	1,560	414	26.6%	964	+61.7%	+595

By business

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

Financial results forecast	Full-year forecast	Interim results	Progress ratio	Full-year results for the previous year	Percentage change	Change
Apparel machinery	17,000	7,593	44.7%	13,852	+22.7%	+3,148
Automotive parts	9,000	3,816	42.4%	8,187	+9.9%	+813

Consolidated Financial Results Forecast for FY3/2026



Segments by business and location

Full-year financial results forecast and progress

Apparel machinery

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

Net sales forecast	Full-year forecast	Interim results	Progress ratio	Full-year results for the previous year	Percentage change	Change
China	3,352	1,683	50.2%	3,421	△2.0%	△69
Japan, Asia	9,990	4,379	43.8%	8,009	+24.7%	+1,980
Americas	2,053	938	45.7%	1,343	+52.8%	+709
Europe	1,604	592	36.9%	1,077	+48.8%	+526

Automotive

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

Net sales forecast	Full-year forecast	Interim results	Progress ratio	Full-year results for the previous year	Percentage change	Change
China	3,440	1,223	35.6%	2,966	+15.9%	+473
Asia	2,689	1,240	46.1%	2,637	+1.9%	+51
Americas	2,870	1,353	47.1%	2,582	+11.1%	+287

Consolidated Financial Results Forecast for FY3/2026



Capital investment・Depreciation・R&D expenses

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

	Results for the previous year	Full-year forecast	Change
Capital investment	1,748	512	△1,236
Depreciation	1,320	1,184	△136
R&D expenses	609	519	△90

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 2 Q	Net sales (million yen)	1,683	4,379	938	592	7,593
	YoY change (%)	△2.9	+27.4	+44.5	△4.0	+18.0
	YoY change excluding the effects of foreign exchange (%)	△0.3	+30.2	+47.8	△2.7	+20.6
Previous 2 Q	Net sales (million yen)	1,733	3,436	649	616	6,436

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

Automotive		China	Asia	Americas	Total
Current 2 Q	Net sales (million yen)	1,223	1,240	1,353	3,816
	YoY change (%)	△17.9	△3.1	+7.3	△5.3
	YoY change excluding the effects of foreign exchange (%)	△15.7	△1.0	+27.2	+2.4
Previous 2 Q	Net sales (million yen)	1,490	1,279	1,261	4,031

Effects of foreign exchange (based on consolidated net sales for 2 Q 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	–	¥148.98	¥162.60	¥20.53	¥7.47	–	–	–	–	–
Exchange rates for the previous period	–	¥152.30	¥164.82	¥21.08	¥8.86	–	–	–	–	–
Difference (yen)	–	△3.32	△2.22	△0.55	△1.39	–	–	–	–	–
Net sales	173	6,384	592	2,906	1,353	–	11,409	11,889	10,467	1,422
Ratio (%)	1.5	56.0	5.2	25.5	11.9	–	100.0	–	–	–
Change in foreign exchange	–	△142	△8	△77	△251	–	△480	–	–	–
Cost of sales	717	2,443	59	3,516	1,028	–	7,765	8,106	6,944	1,162
Ratio (%)	9.2	31.5	0.8	45.3	13.2	–	100.0	–	–	–
Change in foreign exchange	–	△54	0	△94	△191	–	△340	–	–	–
Selling and administrative expenses	1,156	1,019	150	488	152	6	2,974	3,040	2,739	300
Ratio (%)	38.9	34.3	5.0	16.4	5.1	0.2	100.0	–	–	–
Change in foreign exchange	–	△22	△2	△13	△28	0	△65	–	–	–
Operating profit	△1,700	2,920	382	△1,098	171	△6	669	742	784	△41
Change in foreign exchange	–	△65	△5	29	△31	0	△73	–	–	–
Cost of sales ratio (%)	–	–	–	–	–	–	68.1	68.2	66.3	–

(Million yen: Amounts of 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	•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

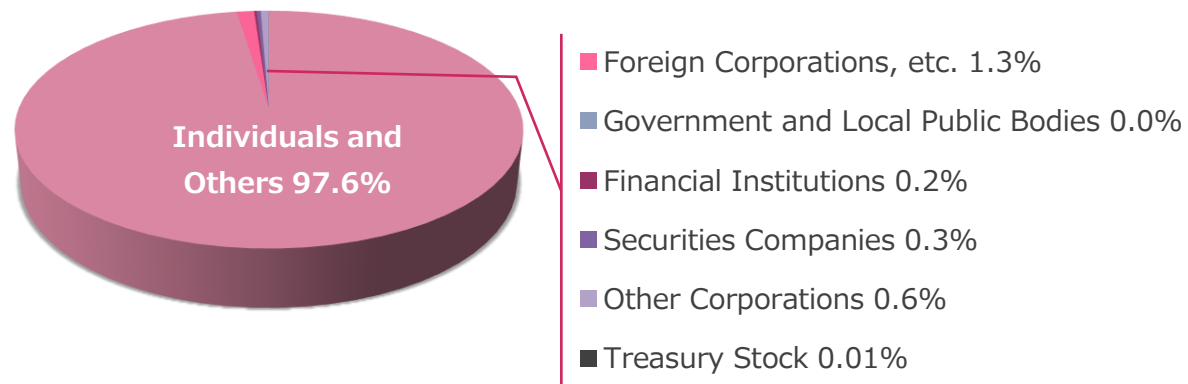
as of September 2025



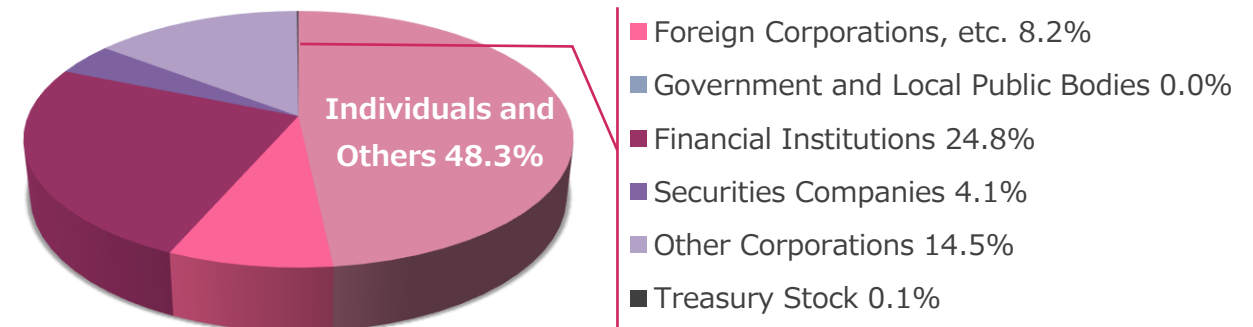
◆Principal Shareholders

Shareholder's Name	Holding Ratio
The Master Trust Bank of Japan Ltd. (Trust Account)	11.08%
Custody Bank of Japan, Ltd. (Trust Account)	7.63%
MIMA Co.,LTD.	6.26%
JUKI CORPORATION	3.50%
Keizo Bando	2.99%
Takako Yoshida	2.86%
Shigemi Mima	2.60%
Sumitomo Mitsui Banking Corporation	2.34%
Masamichi Mima	1.93%
Tachibana Securities Co., Ltd.	1.79%

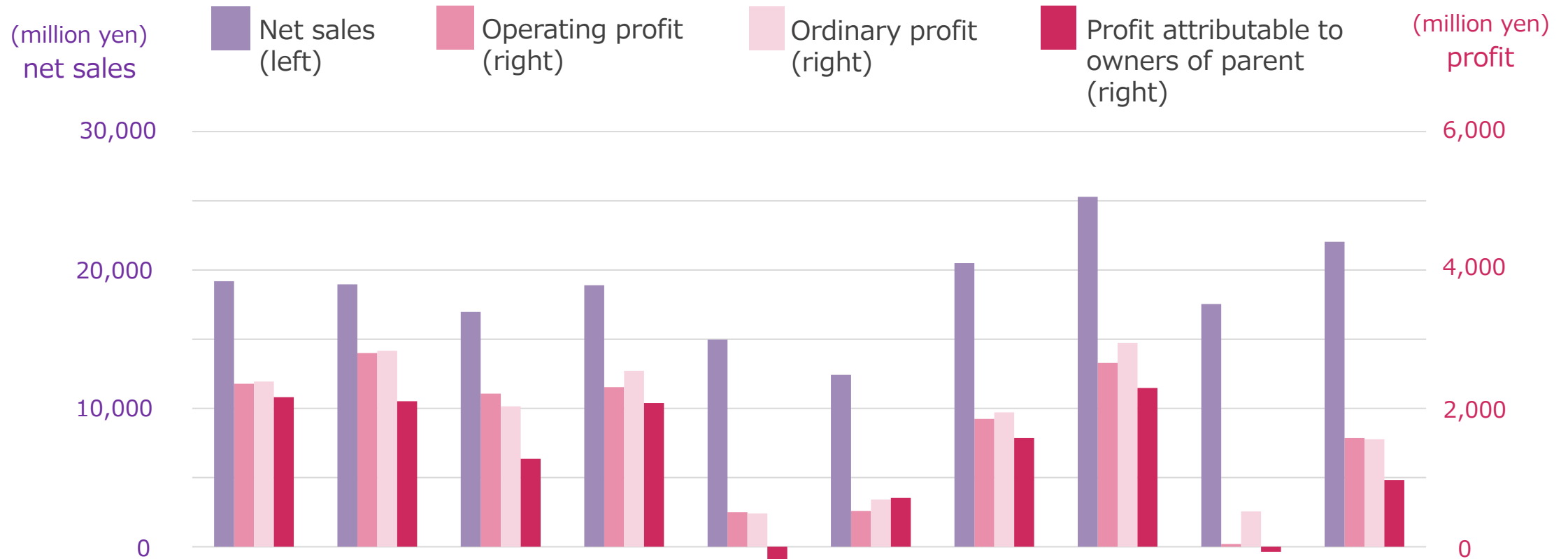
◆Breakdown of Shareholders by Type (%)



◆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:

Financial results forecast and other forward-looking information contained in this document are based on information currently available to the Company as well as estimates on the economic environment, and are therefore subject to a number of uncertainties.

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

The Company does not guarantee the accuracy of any information provided in this document.

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