

Fiscal Year Ending March 31, 2026

# Financial Results Briefing Materials for FY3/2026

Announced on May 13, 2026









**PEGASUS CO., LTD.**

【Code : 6262, Tokyo stock exchange in Japan】

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# Overview for FY3/2026

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-  In Central and South America, demand for industrial sewing machines remained steady.
-  In China, although deflationary trends showed slight signs of easing, demand is still recovering.
-  In Bangladesh, monetary tightening associated with the general election, together with the impact of US tariffs on India, continued to make customers cautious about capital investment, resulting in an uncertain market outlook.
-  In China, while downward pricing pressure continued, market momentum weakened against the backdrop of uncertainty surrounding the outlook for the Chinese automotive industry as a whole.
-  Although efforts to develop new customers in the Americas progressed, they were insufficient to offset the weakening in China described above.
-  On the profit side, in addition to the decline in net sales in the automotive business, rising cost ratios due to price reductions in China and higher selling, general and administrative expenses associated with workforce expansion are expected to result in decreases in profits including operating profit.

# Overview of Net Sales by Business

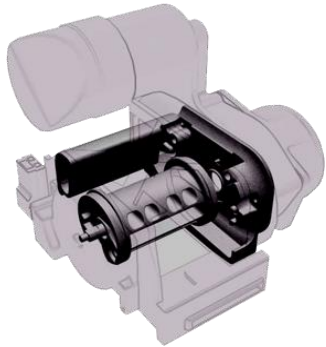
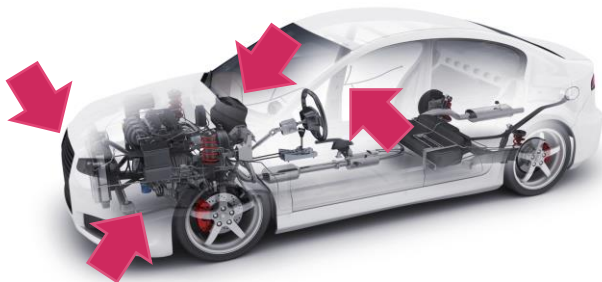


Image of die casting products

Examples of use of die casting products



**Automotive**  
36.1%

**Net sales**  
**21,657**  
**million yen**

**Apparel machinery**  
63.9%



**Overedger stitch machines**



**Interlock stitch machines**

# Overview of Consolidated Financial Results



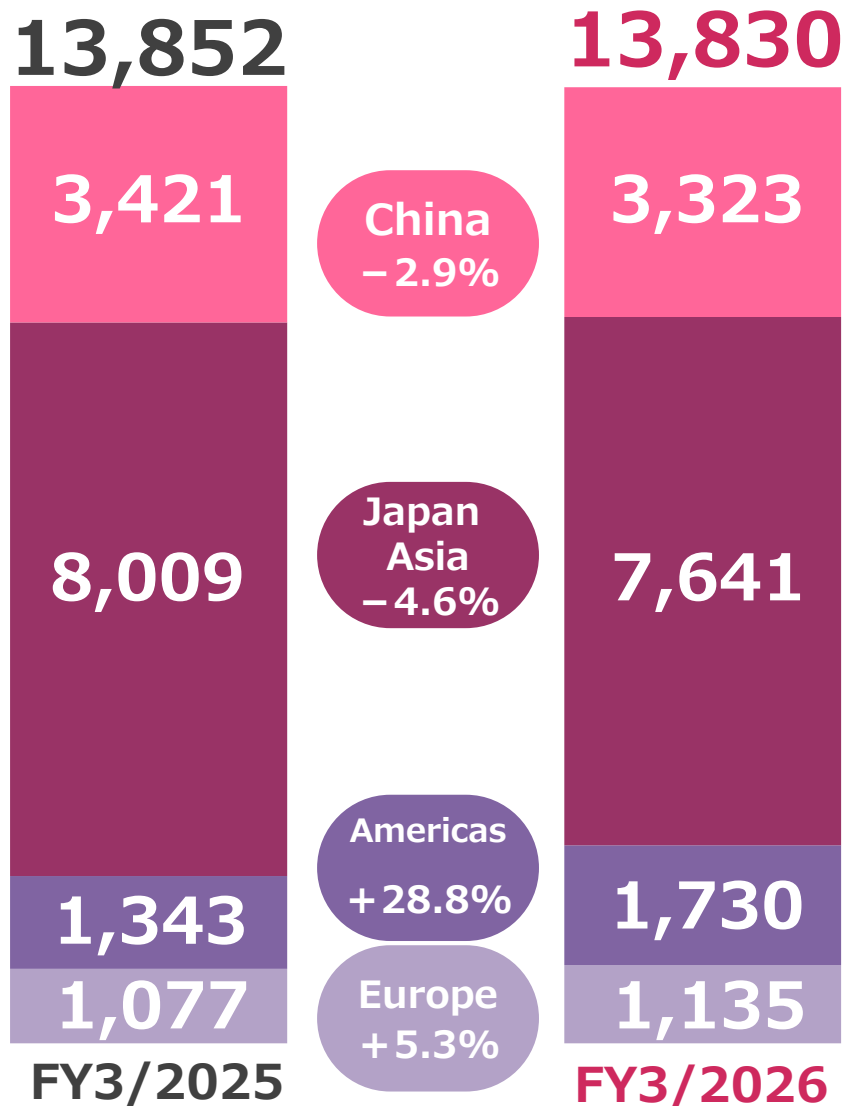
(Million yen: Amounts of less than one million yen are rounded down)  
 (※Results excluding the effects of foreign exchange are indicated in parentheses)

	<b>FY3/2025</b>	<b>FY3/2026</b>	<b>Change</b>	<b>Percentage change</b>
<b>Net sales</b>	<b>22,040</b>	<b>21,657</b>	- 382 (- 156)	- 1.7% (- 0.7%)
<b>Apparel machinery</b>	<b>13,852</b>	<b>13,830</b>	- 22 (+20)	- 0.2% (+0.1%)
<b>Automotive</b>	<b>8,187</b>	<b>7,827</b>	- 360 (- 176)	- 4.4% (- 2.2%)
<b>Operating profit</b>	<b>1,573</b>	<b>946</b>	- 626	- 39.8%
<b>Ordinary profit</b>	<b>1,555</b>	<b>1,104</b>	- 451	- 29.0%
<b>Profit before income taxes</b>	<b>1,555</b>	<b>830</b>	- 724	- 46.6%
<b>Profit attributable to owners of parent</b>	<b>964</b>	<b>323</b>	- 641	- 66.5%

# Apparel machinery Net Sales by Business and Location



•Qty. of units sold : -3.1%  
 •Average unit price : +2.3%  
 (Excluding the effects of foreign exchange : +2.6%)



• Although deflation is gradually easing, demand is still recovering.

• Bangladesh: Demand is decreasing due to monetary tightening before the election.  
 • India: In the second half, growth slowed amid headwinds from additional US tariffs.

• Central America: A recovery in demand continues at certain companies.  
 • South America: Increased sales of strategic models contributed positively \*.

\*Strategic models: Models with high price competitiveness aimed at developing the low-price market.

• Results improved slightly year-on-year despite ongoing unstable situations.

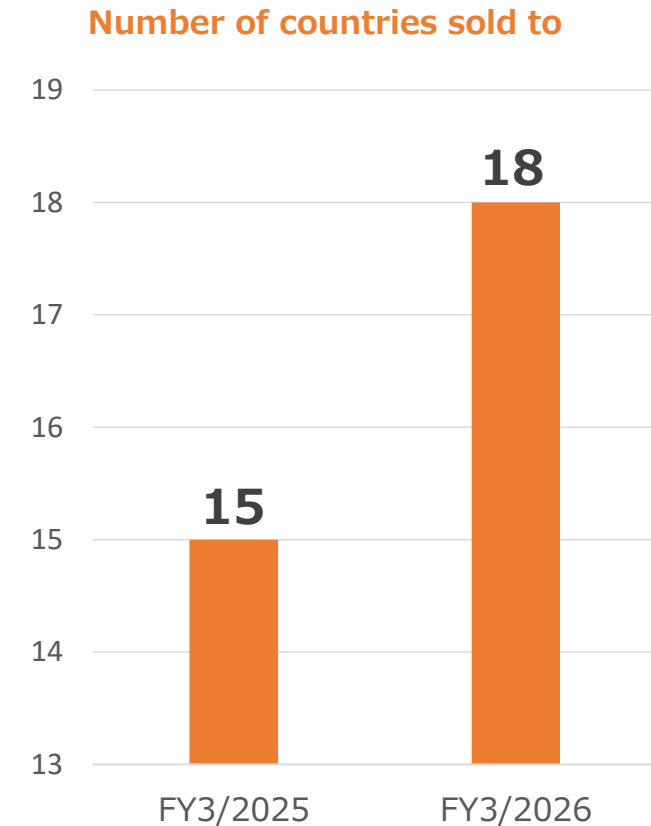
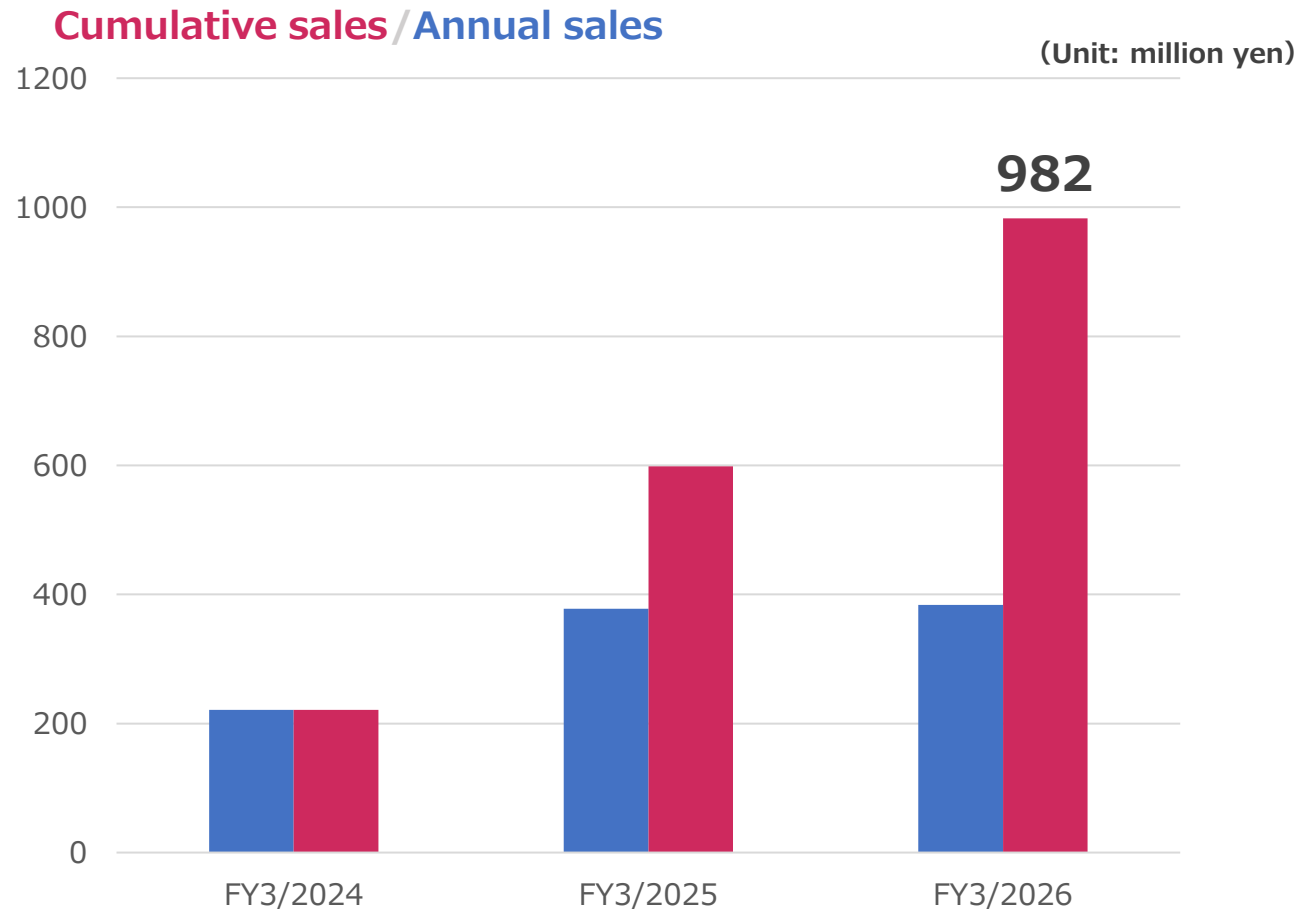
(Million yen: Amounts of less than one million yen are rounded down)

# Apparel machinery : Sales Trends of Strategic Models

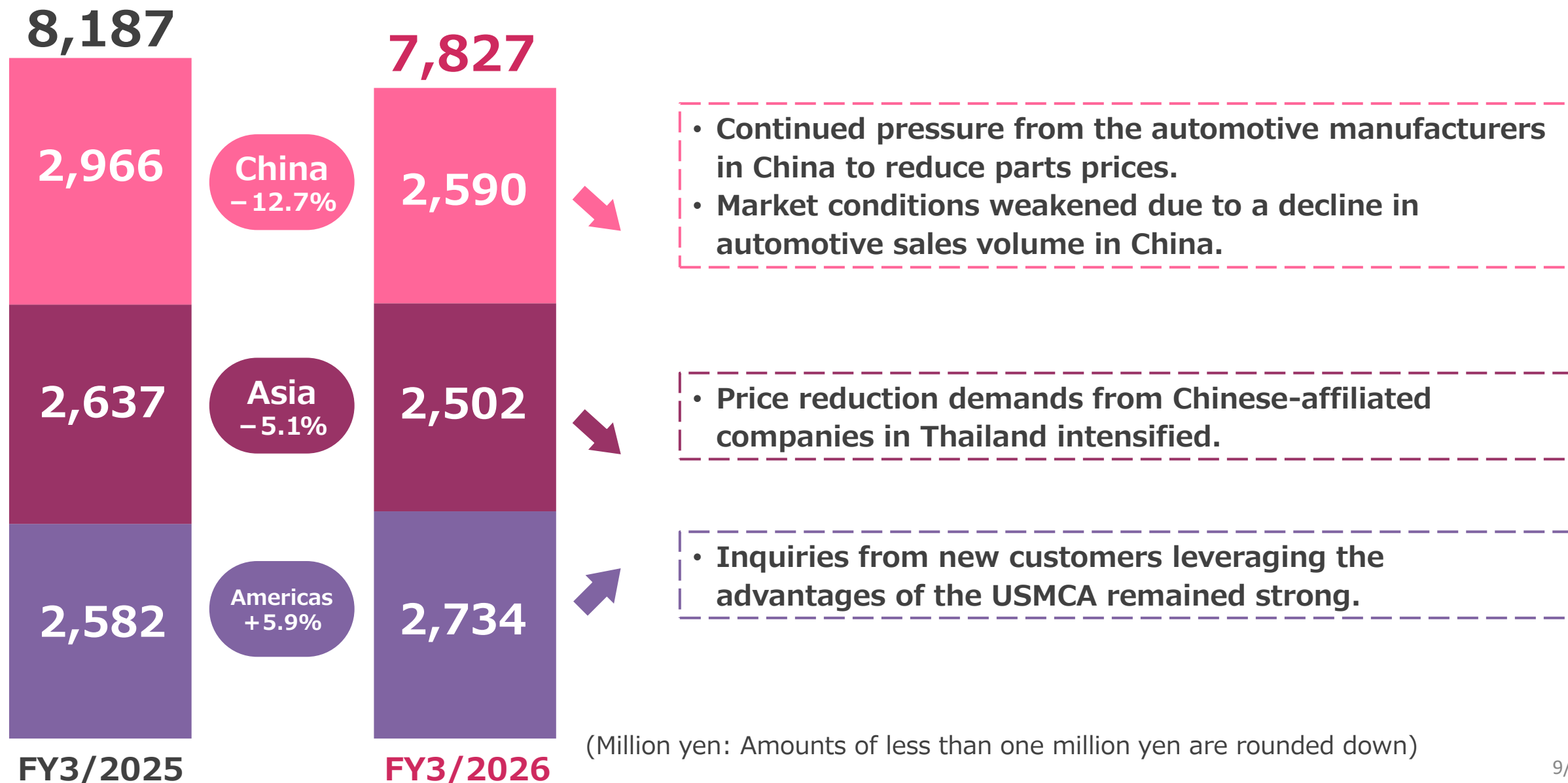


The Company has steadily promoted the rollout of its strategic models\* , expanding sales to 18 countries. We plan to continue expanding development.

\*Strategic models: Models with high price competitiveness aimed at developing the low-price market.



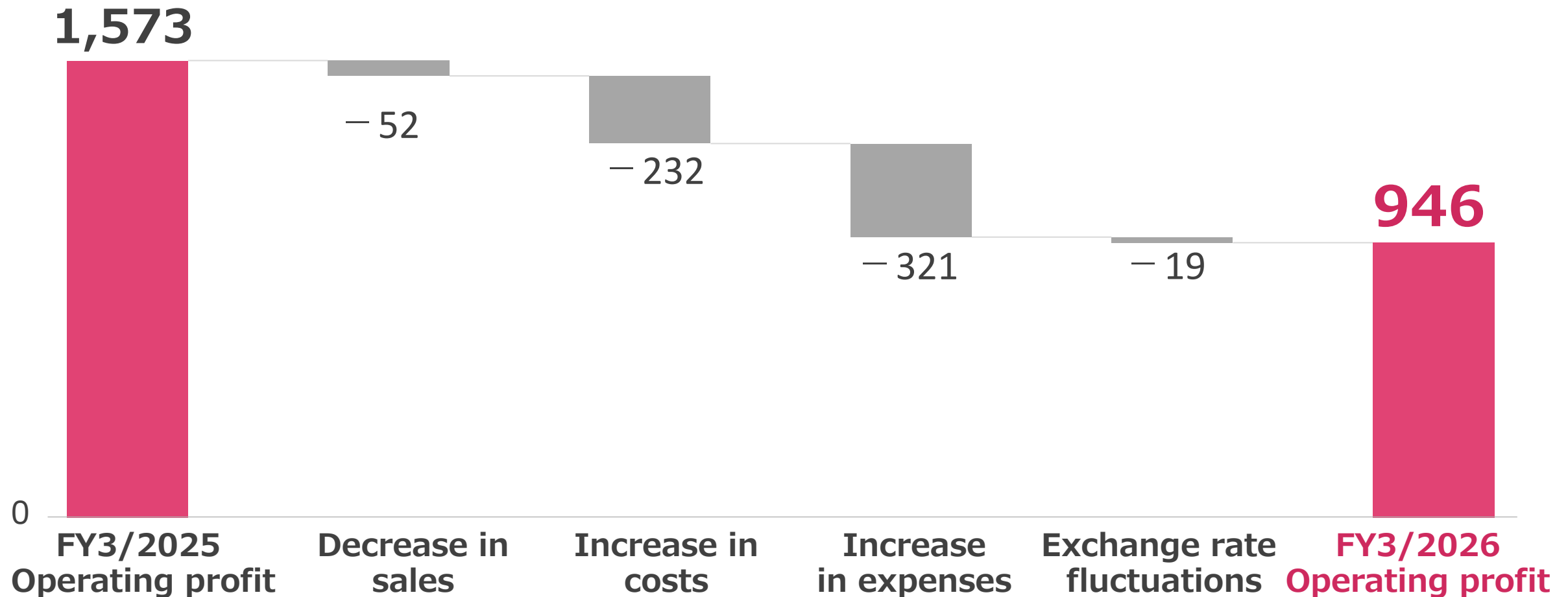
# Automotive Net Sales by Business and Location



# Changes in Operating Profit



- ✓ In addition to lower net sales, profits decreased year-on-year due to higher cost of sales and selling, general and administrative expenses, as well as the effects of foreign 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)

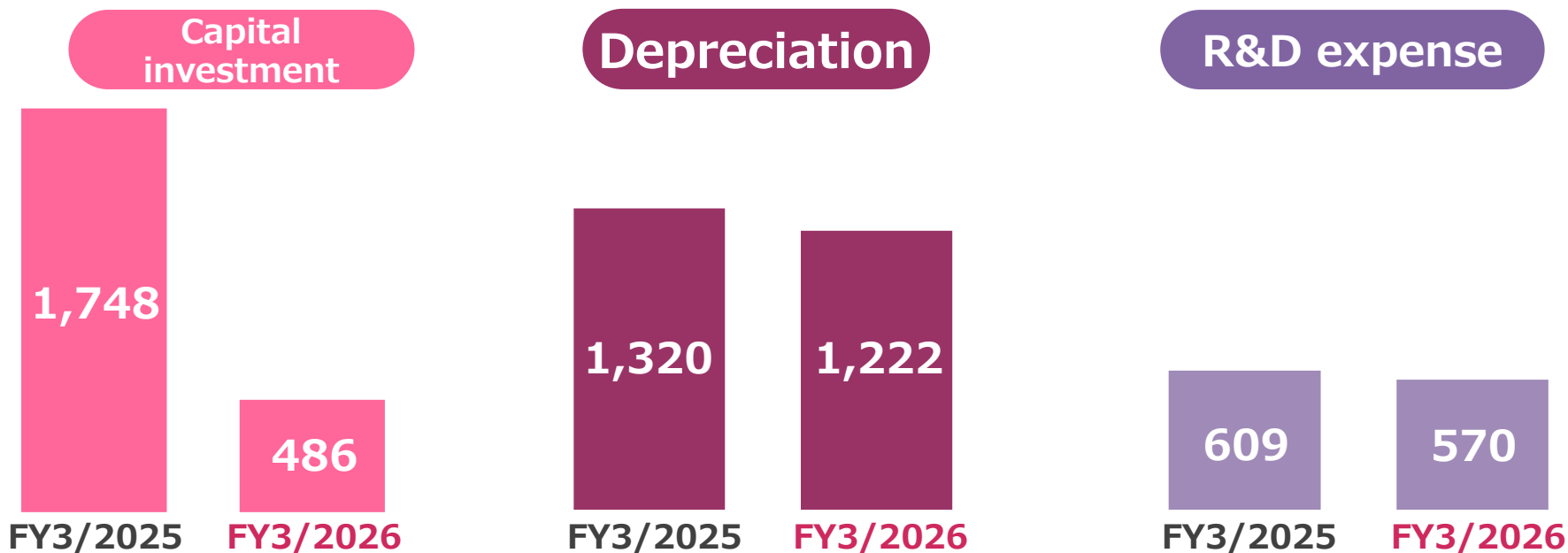
	End of previous year	End of FY3/2026	Change	Main factors contributing to changes
Current assets	31,074	<b>30,622</b>	-452	<ul style="list-style-type: none"> <li>•Notes and accounts receivable -1,482</li> <li>•Merchandise and finished goods -58</li> </ul>
Non-current assets	15,317	<b>14,341</b>	-975	<ul style="list-style-type: none"> <li>•Property, plant and equipment -694</li> <li>•Intangible assets -9</li> <li>•Investments and other assets -270</li> </ul>
Total assets	46,391	<b>44,963</b>	-1,427	
	End of previous year	End of FY3/2026	Change	Main factors contributing to changes
Current liabilities	7,775	<b>6,994</b>	-780	<ul style="list-style-type: none"> <li>•Notes and accounts payable -1,147</li> </ul>
Non-current liabilities	4,979	<b>4,152</b>	-827	<ul style="list-style-type: none"> <li>•Long-term borrowings -776</li> </ul>
Net assets (Foreign currency translation adjustment)	33,637 (8,314)	<b>33,817 (9,153)</b>	+179 (+838)	<ul style="list-style-type: none"> <li>•Retained earnings -123</li> </ul>
Total liabilities and net assets	46,391	<b>44,963</b>	-1,427	

(Major changes in primary accounts are presented above)

# Capital investment・Depreciation・R&D expenses



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



## <Main capital investments>

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

Division	Company name	Details	Investment
Automotive	TIANJIN PEGASUS-SHIMAMOTO AUTO PARTS CO., LTD.	Renewal investment due to aging infrastructure	108
Automotive	PEGASUS-SHIMAMOTO AUTO PARTS VIETNAM CO., LTD.	Renewal investment due to aging infrastructure	90
Automotive	PEGASUS AUTO PARTS MONTERREY S.A. DE C.V.	Enhancement of production facilities and other equipment	82

# Consolidated Financial Position



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

	<b>End of previous year</b>	<b>End of FY3/2026</b>
Equity (million yen)	32,477	<b>32,615</b>
Capital adequacy ratio (%)	70.0	<b>72.5</b>

	<b>End of previous year</b>	<b>End of FY3/2026</b>
BVPS (yen)	1,309.02	<b>1,362.29</b>
Year-end share price (yen)	525	<b>750</b>
PBR (times)	0.40	<b>0.55</b>

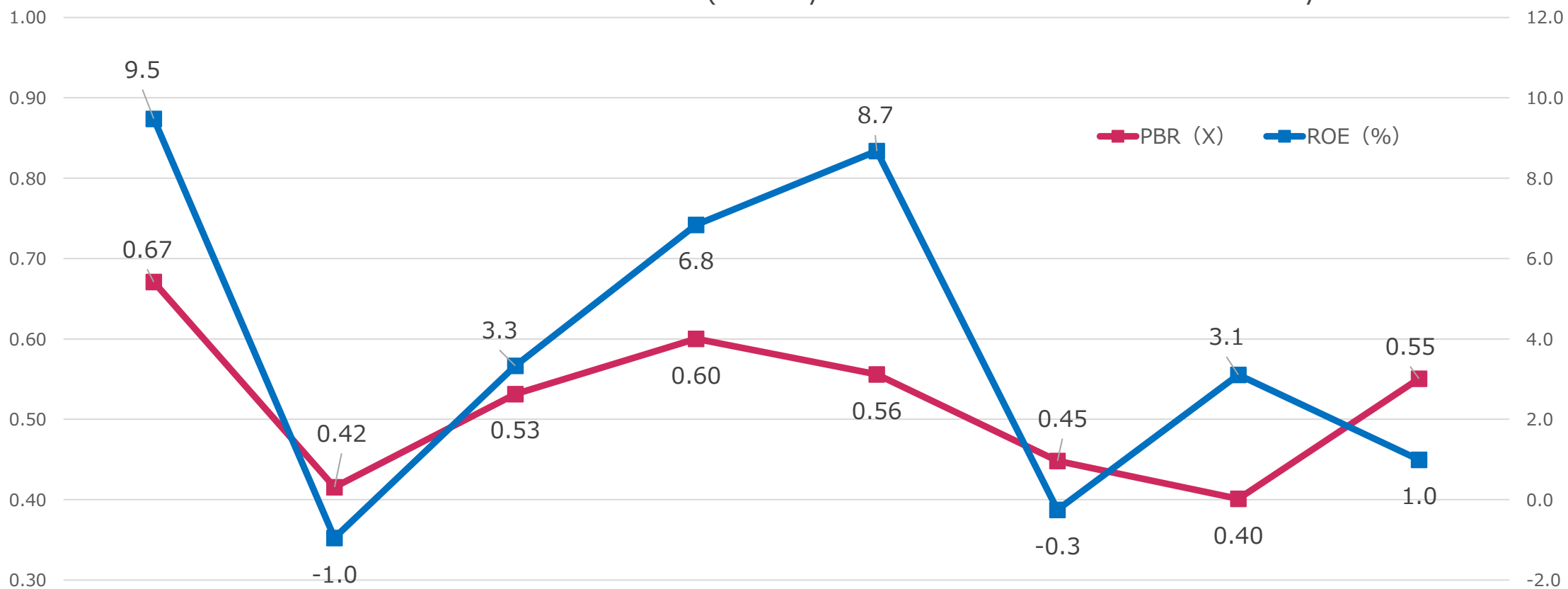
(Amounts of less than one million yen are rounded down)

	<b>End of previous year</b>	<b>End of FY3/2026</b>
Profit attributable to owners of parent (million yen)	964	<b>323</b>
EPS (yen)	38.89	<b>13.22</b>

# Changes in PBR and ROE (FY3/2019~FY3/2026)



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



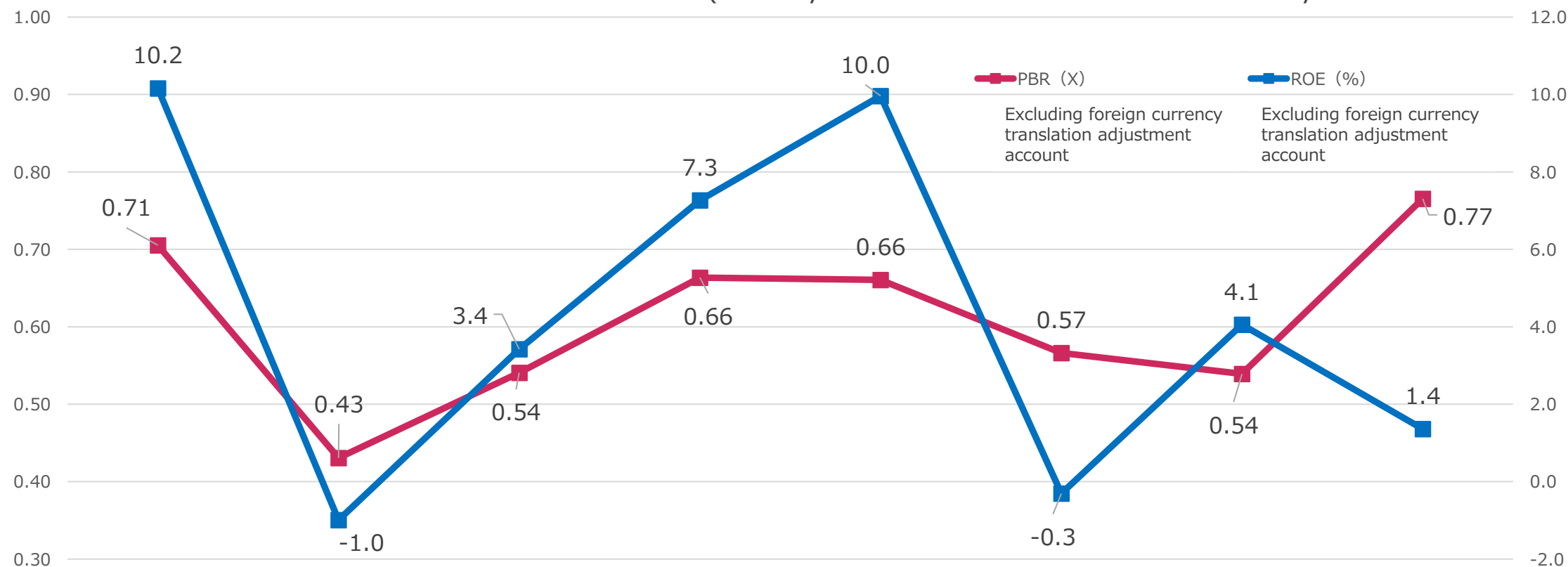
	FY3/2019	FY3/2020	FY3/2021	FY3/2022	FY3/2023	FY3/2024	FY3/2025	FY3/2026
Year-end share price (yen)	604	353	458	595	634	535	525	<b>750</b>
Profit attributable to owners of parent (million yen)	2,079	-206	707	1,572	2,294	-72	964	<b>323</b>
Equity (Foreign currency translation adjustment)	22,335 (1,091)	21,070 (732)	21,381 (367)	24,599 (2,353)	28,300 (4,482)	29,607 (6,160)	32,477 (8,314)	<b>32,615 (9,153)</b>

# Changes in PBR and ROE

※Excluding foreign currency translation adjustment account  
(FY3/2019~FY3/2026)



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









	FY3/2019	FY3/2020	FY3/2021	FY3/2022	FY3/2023	FY3/2024	FY3/2025	FY3/2026
Year-end share price (yen)	604	353	458	595	634	535	525	<b>750</b>
Profit attributable to owners of parent (million yen)	2,079	-206	707	1,572	2,294	-72	964	<b>323</b>
Equity excluding foreign currency translation adjustments	21,244	20,338	21,013	22,245	23,817	23,447	24,162	<b>23,462</b>

# Consolidated Financial Results Forecast for FY3/2027

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# Assumptions for the financial results forecast FY3/2027 PEGASUS

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-  In China, a recovery is expected primarily driven by demand for domestic markets.
-  In Bangladesh and India, rising prices of chemical fibers due to the worsening tensions in the Middle East are leading to a cautious stance toward capital investment.
-  Sales networks with price-competitive strategic models are expected to expand for emerging markets such as South America and the Middle East/Africa.
  
-  Concerns about the impact of the USMCA review scheduled for July 2026.
-  Further acquisition of new customers and new components at the Company's base in Mexico.
  
-  On the profit side, although the business environment remains severe, we expect net sales to increase. However, rising cost ratios due to price reductions in China within the automotive business, as well as higher selling, general and administrative expenses associated with workforce expansion are expected to result in decreases in profits including operating profit.

# Consolidated Financial Results Forecast for FY3/2027



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

	<b>FY3/2026 (actual)</b>	<b>FY3/2027 (forecast)</b>	<b>Change</b>	<b>Percentage change</b>
<b>Net sales</b>	<b>21,657</b>	<b>22,180</b>	+ 522	+ 2.4%
<b>Apparel machinery</b>	<b>13,830</b>	<b>13,850</b>	+ 20	+ 0.1%
<b>Automotive</b>	<b>7,827</b>	<b>8,330</b>	+ 503	+ 6.4%
<b>Operating profit</b>	<b>946</b>	<b>840</b>	- 106	- 11.3%
<b>Ordinary profit</b>	<b>1,104</b>	<b>510</b>	- 594	- 53.8%
<b>Profit attributable to owners of parent</b>	<b>323</b>	<b>250</b>	- 73	- 22.7%

## Full-year financial results forecast by segment (Sales by business and location)

### Apparel machinery

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

	<b>FY3/2026 (actual)</b>	<b>FY3/2027 (forecast)</b>	<b>Change</b>	<b>Percentage change</b>
China	3,323	3,854	+531	+16.0%
Japan, Asia	7,641	7,269	-372	-4.9%
Americas	1,730	1,562	-168	-9.7%
Europe	1,135	1,165	+30	+2.6%

### Automotive

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

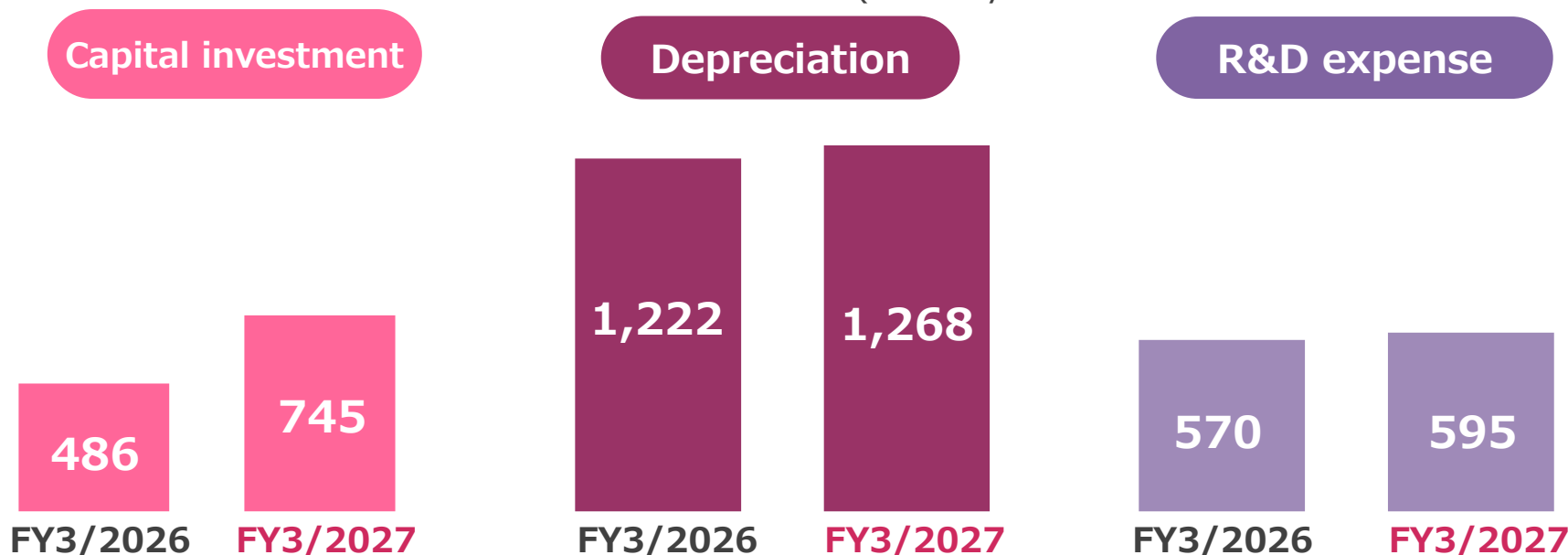
	<b>FY3/2026 (actual)</b>	<b>FY3/2027 (forecast)</b>	<b>Change</b>	<b>Percentage change</b>
China	2,590	2,863	+273	+10.5%
Asia	2,502	2,494	-8	-0.3%
Americas	2,734	2,973	+239	+8.7%

# Consolidated Financial Results Forecast for FY3/2027



## Capital investment・Depreciation・R&D expenses

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



### <Main capital investments>

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

Division	Company name	Details	Investment
common	PEGASUS CO., LTD.	Enhancement of production facilities and other equipment, etc.	192
Automotive	PEGASUS AUTO PARTS MONTERREY S.A. DE C.V.	Enhancement of production facilities such as machining centers.	193
Automotive	TIANJIN PEGASUS-SHIMAMOTO AUTO PARTS CO., LTD.	Enhancement of production facilities such as die-casting machines.	135

# Consolidated Financial Results Forecast for FY3/2027



## Dividend forecast and total payout ratio

	Interim	Year-end	Annual	EPS	Total payout ratio
<b>FY3/2025</b>	5yen	8yen	13yen	38.89yen	33.4%
<b>FY3/2026</b>	10yen	20yen	30yen	13.22yen	479.4%
<b>FY3/2027 (forecast)</b>	<b>15yen</b>	—	—	<b>10.44yen</b>	<b>—%</b>

# Basic Policies of the New Mid-Term Management Plan

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With the commitment of **“PEGASUS always stands by the people”** in our hearts, we will contribute to the sustainable development of society and strive to enhance our corporate value over the medium to long term


**PEGASUS will aim for the early achievement of  
ROE of over 9 % and a P/B ratio of 1 x**

## Business Strategies

### Apparel Machinery

1. Expand our market share in export garment manufacturing\*1
  2. Expand markets for domestic garment manufacturing\*2 in emerging countries
  3. Further evolve the production system
- 

### Automotive Business

1. Reinforce sales efforts to boost revenue
  2. Reduce costs by improving productivity
  3. Launch high-value-added products in specialized casting
- 

## Financial Strategies

1. Recalibrate the cost of capital and practice balance sheet management to minimize invested capital
2. Return profits to shareholders based on balance sheet management rather than the traditional dividend payout ratio

## Non-financial Strategies

1. Create an environment where people with diverse backgrounds can work with a peace of mind and invest in talent capable of executing our strategies
2. Strengthen the governance system to improve the effectiveness of the Board of Directors

# Reference

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

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

<b>Apparel machinery</b>		<b>China</b>	<b>Japan Asia</b>	<b>Americas</b>	<b>Europe</b>	<b>Total</b>
<b>FY3/2026</b>	Net sales (million yen)	3,323	7,641	1,730	1,135	13,830
	YoY change (%)	-2.9	-4.6	+28.8	+5.3	-0.2
	YoY change excluding the effects of foreign exchange (%)	-2.4	-4.0	+29.7	+2.0	+0.1
<b>FY3/2025</b>	Net sales (million yen)	3,421	8,009	1,343	1,077	13,852

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

<b>Automotive</b>		<b>China</b>	<b>Asia</b>	<b>Americas</b>	<b>Total</b>
<b>FY3/2026</b>	Net sales (million yen)	2,590	2,502	2,734	7,827
	YoY change (%)	-12.7	-5.1	+5.9	-4.4
	YoY change excluding the effects of foreign exchange (%)	-12.3	-4.5	+11.8	-2.2
<b>FY3/2025</b>	Net sales (million yen)	2,966	2,637	2,582	8,187

# Reference



## Effects of foreign exchange (based on consolidated net sales for 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	–	¥150.40	¥169.14	¥20.94	¥7.83	–	–	–	–	–
Exchange rates for the previous period	–	¥151.44	¥163.79	¥21.04	¥8.27	–	–	–	–	–
Difference (yen)	–	–1.04	+5.35	–0.10	–0.44	–	–	–	–	–
Net sales	372	11,502	1,135	5,913	2,734	–	<b>21,657</b>	<b>21,883</b>	22,040	–156
Ratio (%)	1.7	53.1	5.2	27.3	12.6	–	100.0	–	–	–
<b>Change in foreign exchange</b>	<b>–</b>	<b>–79</b>	<b>35</b>	<b>–28</b>	<b>–153</b>	<b>–</b>	<b>–225</b>	<b>–</b>	<b>–</b>	<b>–</b>
Cost of sales	1,833	3,758	–137	7,045	2,076	–	<b>14,576</b>	<b>14,757</b>	14,629	+128
Ratio (%)	12.6	25.8	–0.9	48.3	14.2	–	100.0	–	–	–
<b>Change in foreign exchange</b>	<b>–</b>	<b>–25</b>	<b>–4</b>	<b>–33</b>	<b>–116</b>	<b>–</b>	<b>–180</b>	<b>–</b>	<b>–</b>	<b>–</b>
Selling and administrative expenses	2,398	2,157	280	977	292	27	<b>6,134</b>	<b>6,159</b>	5,837	+322
Ratio (%)	39.1	35.2	4.6	15.9	4.8	0.4	100.0	–	–	–
<b>Change in foreign exchange</b>	<b>–</b>	<b>–14</b>	<b>8</b>	<b>–4</b>	<b>–16</b>	<b>1</b>	<b>–25</b>	<b>–</b>	<b>–</b>	<b>–</b>
Operating profit	–3,860	5,586	991	–2,109	365	–27	<b>946</b>	<b>965</b>	1,573	–607
<b>Change in foreign exchange</b>	<b>–</b>	<b>–38</b>	<b>31</b>	<b>10</b>	<b>–20</b>	<b>–1</b>	<b>–19</b>	<b>–</b>	<b>–</b>	<b>–</b>
Cost of sales ratio (%)	–	–	–	–	–	–	<b>67.3</b>	<b>67.4</b>	<b>66.4</b>	–

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

# Corporate Profile

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## 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,2026)
Sales	21,657.86million yen (From April 1, 2025 to March 31, 2026)
Number of employees	1,576 [consolidated] (as of March,2026) 231 [non-consolidated] (as of March,2026)
Business	<ul style="list-style-type: none"><li>• Manufacture and sale of industrial chain stitching sewing machines and parts</li><li>• Manufacture and sale of die casting auto parts and other automotive parts</li></ul>

# Shareholders Information as of March 2026

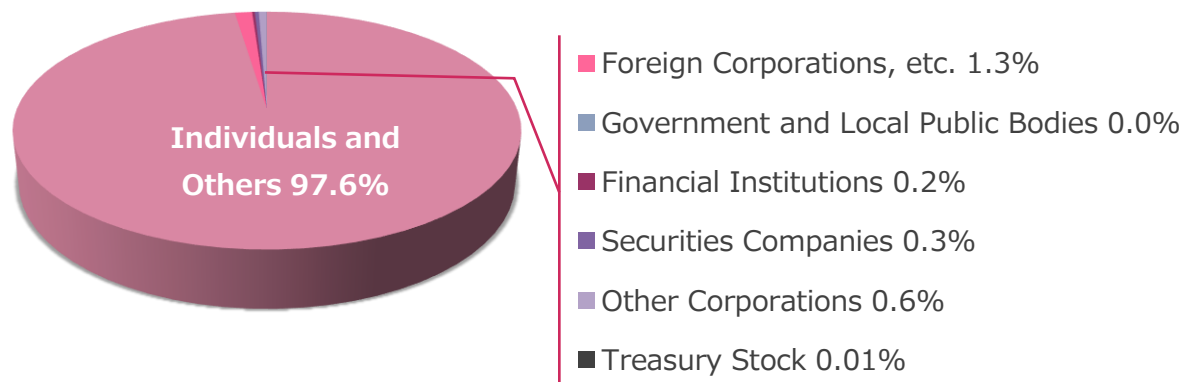


## ◆Principal Shareholders

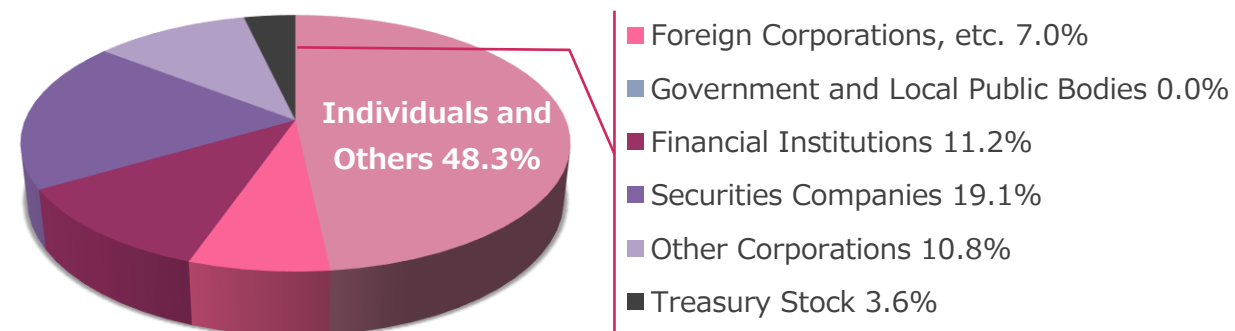
Shareholder's Name	Holding Ratio
Tachibana Securities Co., Ltd.	15.57%
The Master Trust Bank of Japan Ltd. (Trust Account)	7.26%
MIMA Co.,LTD.	6.49%
Keizo Bando	3.10%
Takako Yoshida	2.97%
Shigemi Mima	2.71%
Masamichi Mima	2.00%
Trillion Investment Business Limited Partnership	1.92%
SMBC Nikko Securities Inc.	1.74%
NORTHERN TRUST CO. (AVFC) RE U. S. TAX EXEMPTED PENSION FUNDS SEC LENDING	1.71%

(Note) The Company holds 887,076 shares of treasury stock, which are excluded from the above list of shareholders. In addition, the shareholding ratio is calculated after deducting treasury stock.

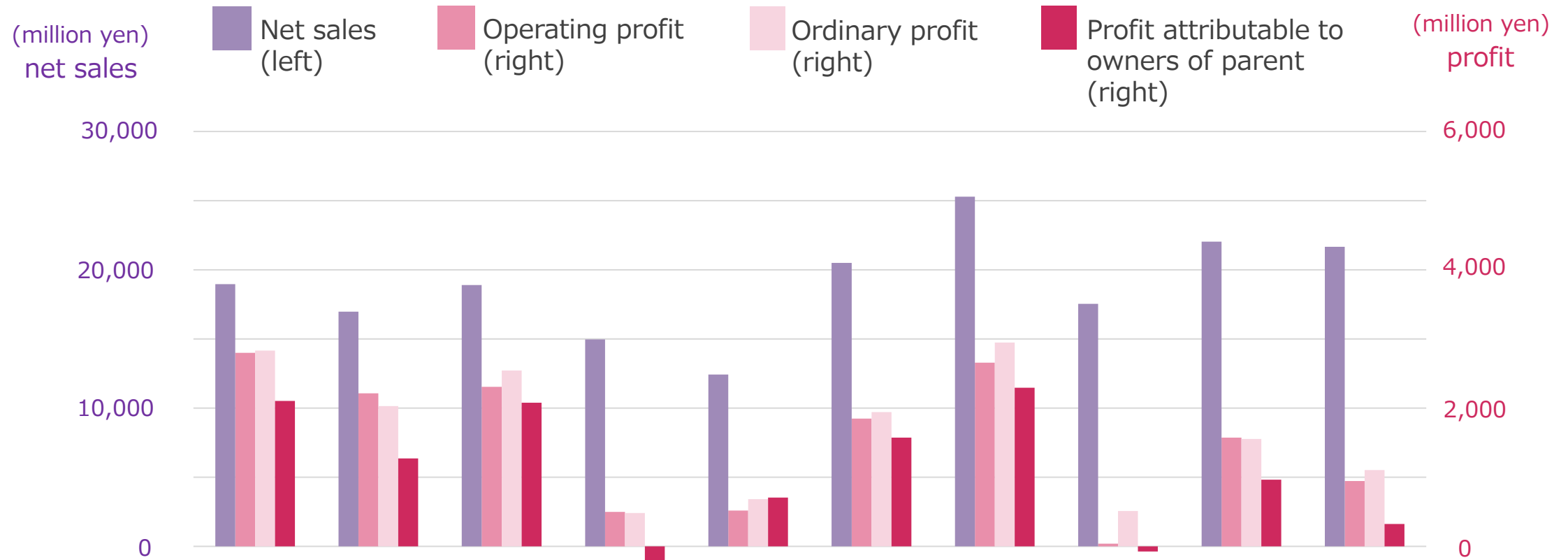
## ◆Breakdown of Shareholders by Type (%)



## ◆Breakdown of Shares by Type of Shareholder (%)



# Changes in Consolidated Financial Results



	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25	FY3/26
Net sales	18,961	16,978	18,891	14,969	12,422	20,498	25,288	17,542	22,040	21,657
Operating profit	2,798	2,212	2,306	499	516	1,847	2,657	38	1,573	946
Ordinary profit	2,831	2,030	2,542	484	681	1,941	2,946	512	1,555	1,104
Profit attributable to owners of parent	2,103	1,270	2,079	-206	707	1,572	2,294	-72	964	323

(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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