PEGASUS

Fiscal Year Ending March 31, 2027

Financial Results Briefing Materials for 1Q

Announced on July 31, 2026

PEGASUS CO.,LTD.

【Code : 6262, Tokyo stock exchange in Japan】

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1Q of FY3/2027

Summary 1Q of FY3/2027

1Q of FY3/2027

Net sales: 4,853 million yen (down 21.3% year-on-year)

Despite the positive effect of foreign exchange fluctuations (the yen depreciated by 3.52 yen year-on-year against the U.S. dollar), net sales declined in both the apparel machinery and automotive businesses amid heightened geopolitical risks, particularly in the Middle East, and concern about the impact of uncertainty surrounding the trade environment.

Operating profit: 59 million yen (down 89.2% year-on-year)

Despite improvement in the cost ratio resulting from the product mix in the apparel machinery business, profit declined due to the drop in net sales.

Financial results forecast for FY3/2027

The full-year forecast and dividend forecast remain unchanged from the previously announced figures (May 13).

Overview of Net Sales by Business

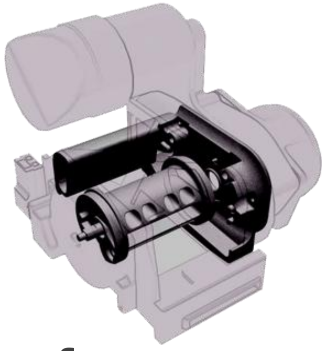
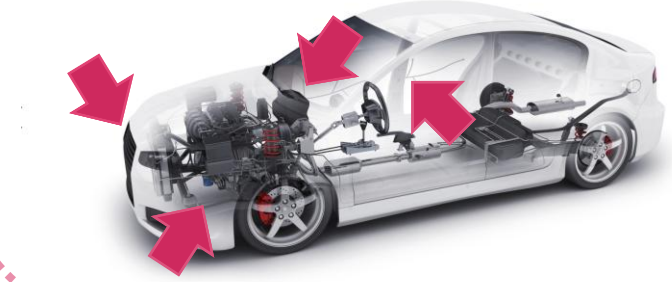
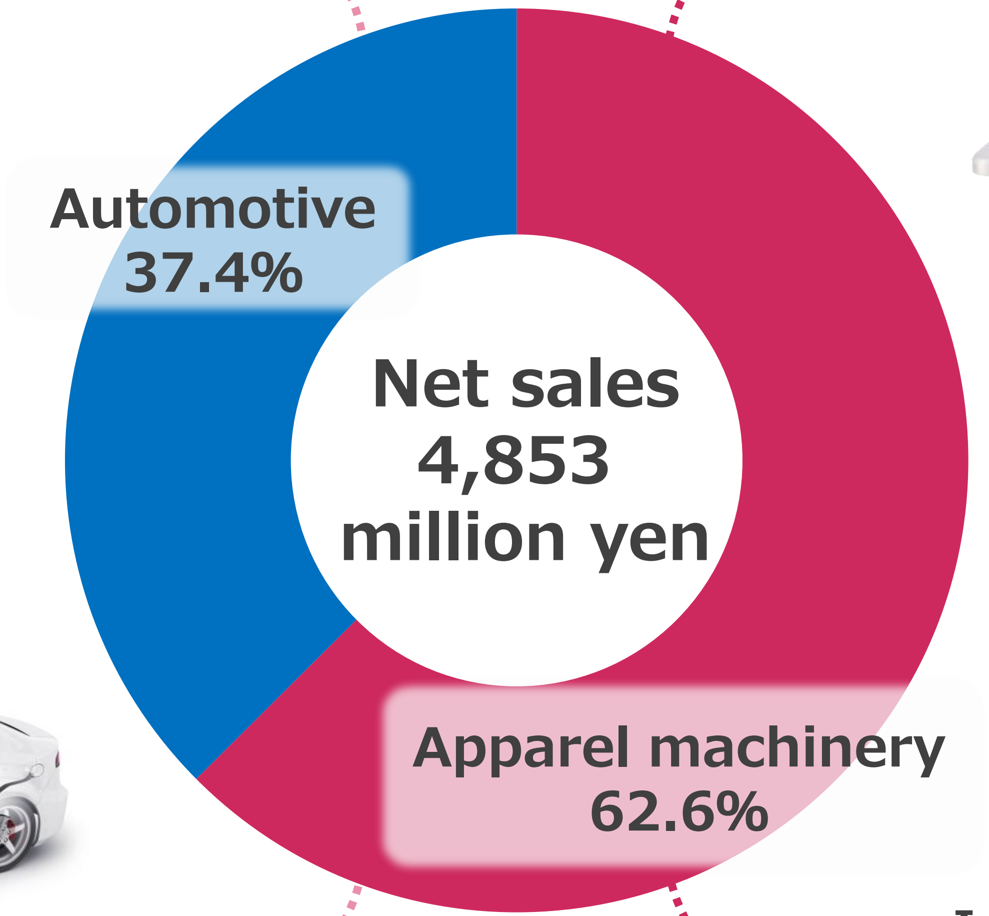


Image of die casting products

Examples of use of die casting products





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)

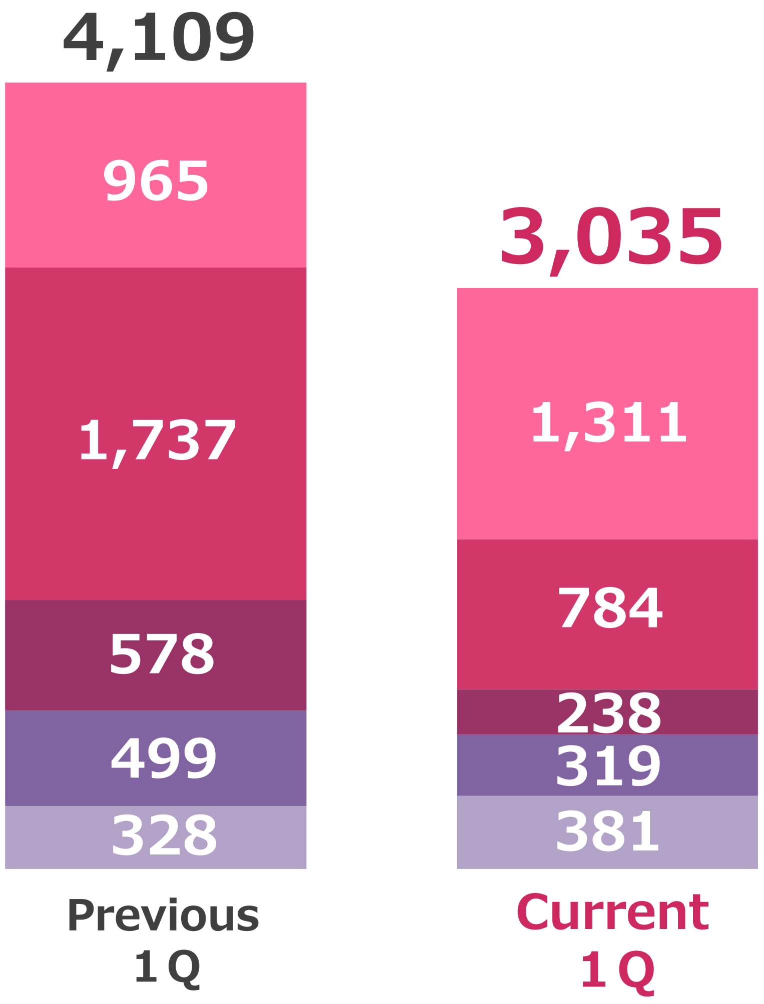
		Previous 1Q	Current 1Q	Change	Percentage change
Net sales		6,167	**4,853**	−1,314 (−1,741)	−21.3% (−28.2%)
	Apparel machinery	4,109	**3,035**	−1,073 (−1,340)	−26.1% (−32.6%)
	Automotive	2,058	**1,817**	−240 (−401)	−11.7% (−19.5%)
Operating profit		551	**59**	−492	−89.2%
Ordinary profit		469	**103**	−366	−77.9%
Profit before income taxes		469	**103**	−366	−77.9%
Profit attributable to owners of parent		368	**−64**	−433	−

Apparel machinery Net Sales by Location

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

- ・Qty. of units sold : −33.0%
- ・Average unit price : +12.9%

(Excluding the effects of foreign exchange : +6.5%)



China +35.8% YoY
Signs of a recovery are emerging following the prolonged slump.

South Asia -54.8% YoY
Both Bangladesh and India continue to be affected by instability in the Middle East, causing significant year-on-year shortfalls.

*South Asia: Refers to Bangladesh, India, Sri Lanka and Pakistan.

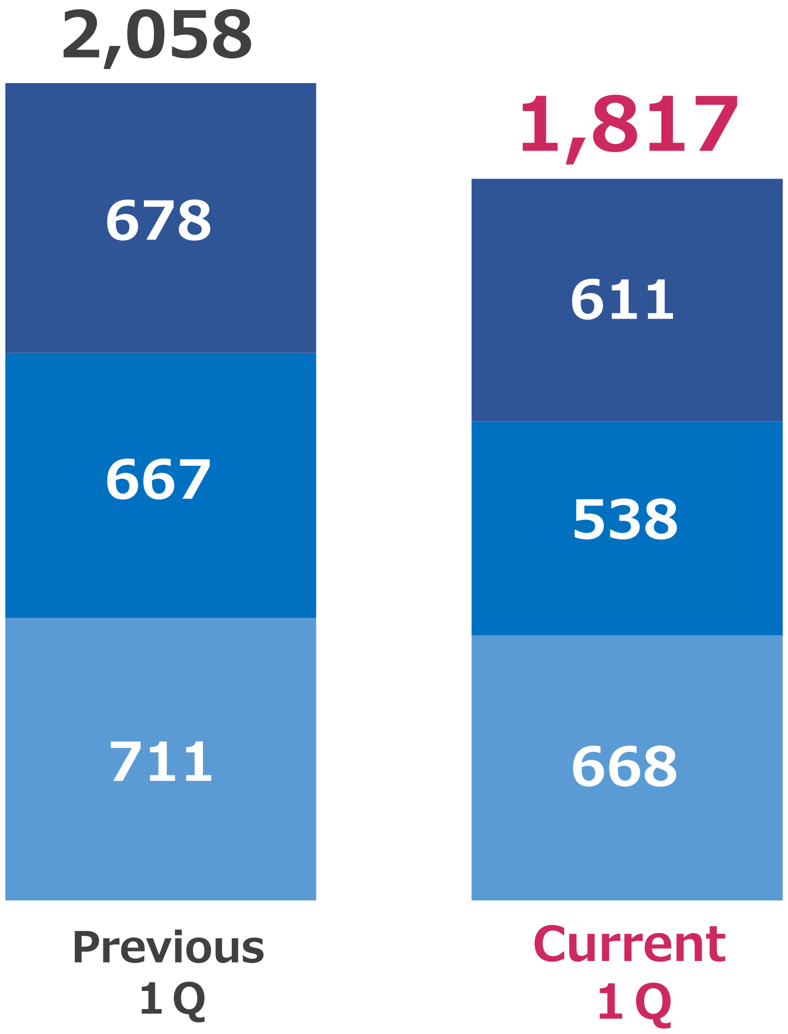
Asia -58.7% YoY
Sluggish sales due to intensified competition with the same industry in China, in addition to the impact of geopolitical risk.

Americas -36.1% YoY
Although sales of machinery to the US, particularly high-end models, remain strong, sales are sluggish in Central and South America.

Europe･Africa +16.2% YoY
Despite the ongoing impact of external factors, including the Ukraine war and the deteriorating situation in the Middle East, sales in Egypt remain strong.

Automotive Net Sales by Location

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



China
-10.0% YoY

The price war is further intensifying as the market structure is changing with the emergence of new EV manufacturers.

Asia
-19.4% YoY

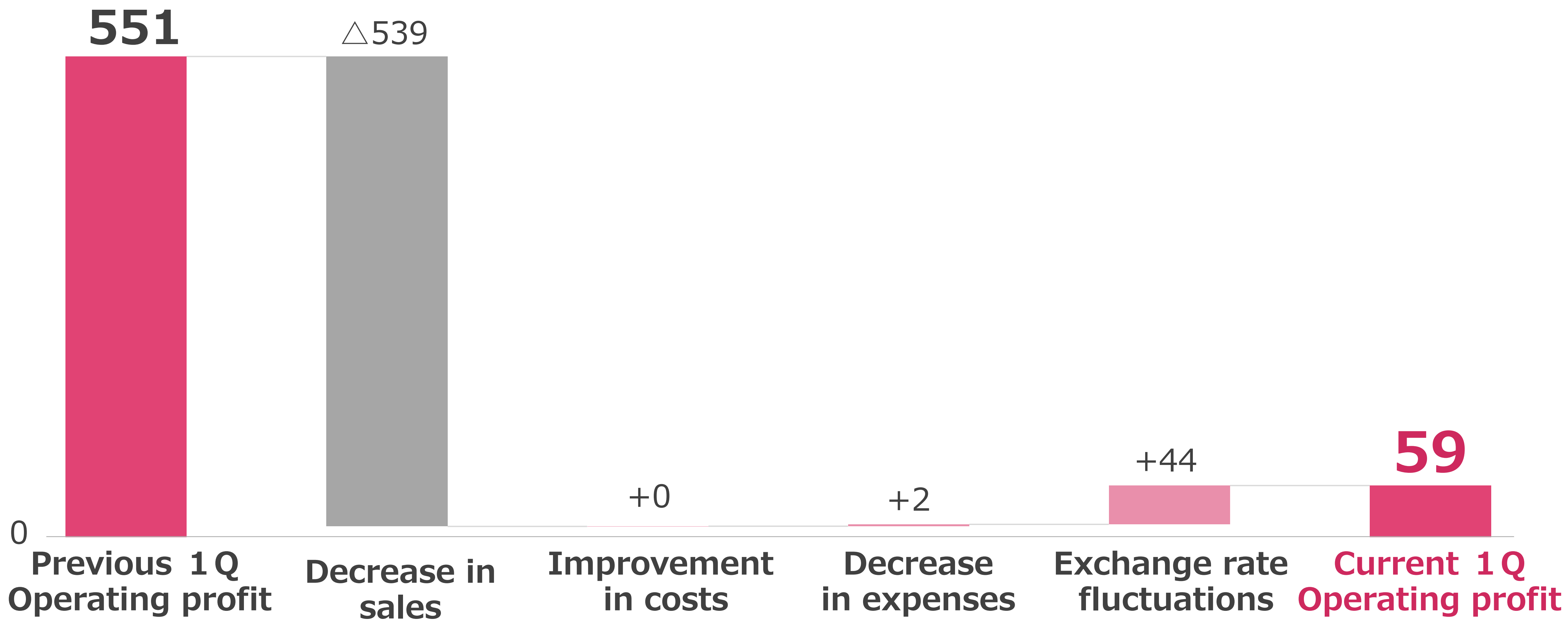
The intensifying price war among those Chinese EV manufacturers has also spread to the ASEAN region, a production base, resulting in generally sluggish sales.

Americas
-6.1% YoY

Although sales remain strong, particularly to new customers, net sales declined as some sales will be recognized in the following fiscal year due to shipment timing differences.

Changes in Operating Profit

✓ Year-on-year decline in profit due to a significant decrease in net sales.



(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	30,622	**30,795**	+173	・Notes and accounts receivable - trade ・Merchandise and finished goods	+220 +476
Non-current assets	14,341	**14,544**	+202	・Property, plant and equipment ・Intangible assets ・Investments and other assets	+164 +3 +34
Total assets	44,963	**45,340**	+376		

	End of previous year	Current 1Q	Change	Main factors contributing to changes	
Current liabilities	6,994	**7,071**	+76	・Notes and accounts payable - trade	+11
Non-current liabilities	4,152	**4,196**	+44	・Long-term borrowings	−87
Net assets	33,817	**34,071**	+254	・Retained earnings ・Foreign currency translation adjustment	−543 +752
Total liabilities and net assets	44,963	**45,340**	+376		

(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)

	Previous 1Q	Current 1Q	Change
Capital investment	92	**47**	−44
Depreciation	301	**304**	+3
R&D expenses	150	**139**	−11

<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	25
Automotive	PEGASUS CO., LTD.	3D Scanner	10

Consolidated Financial Position

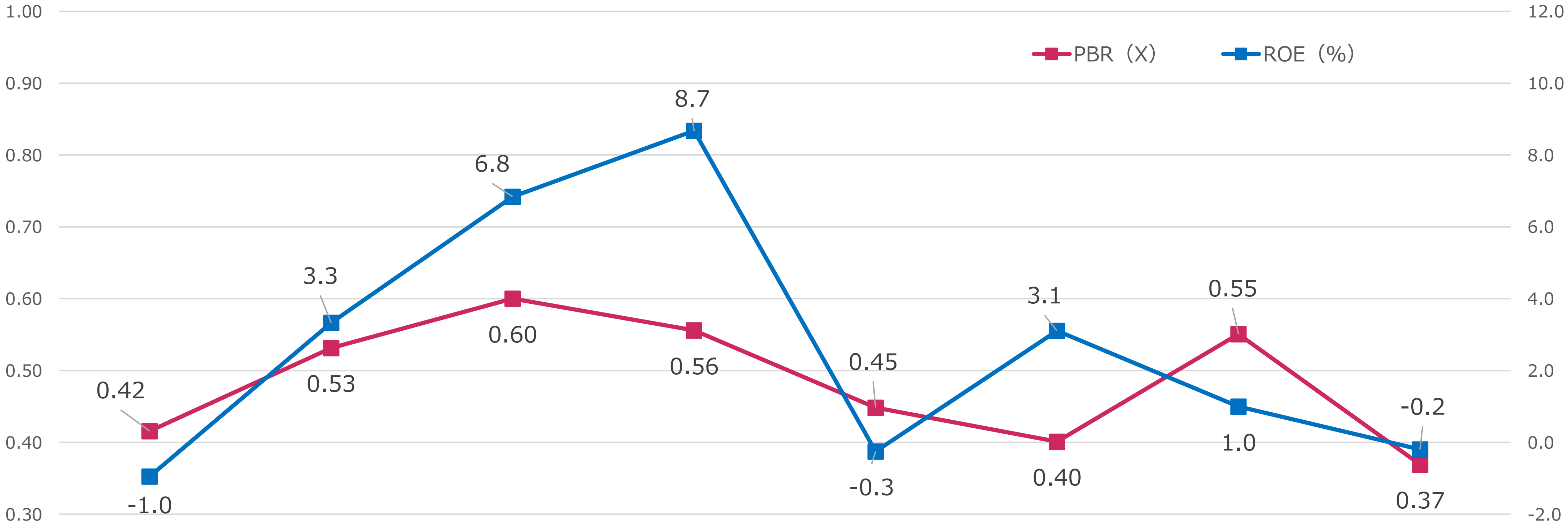
	End of previous year	Current 1Q
Equity (million yen)	32,615	**32,811**
Capital adequacy ratio (%)	72.5	**72.4**

	End of previous year	Current 1Q
BVPS (yen)	1,362.29	**1,370.48**
Year-end share price (yen)	750	**506**
PBR (times)	0.55	**0.37**

	Previous 1Q	Current 1Q
Profit attributable to owners of parent (million yen)	368	**−64**
EPS (yen)	14.85	**−2.71**

Changes in PBR and ROE (FY3/2020～1Q of FY3/2027)

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

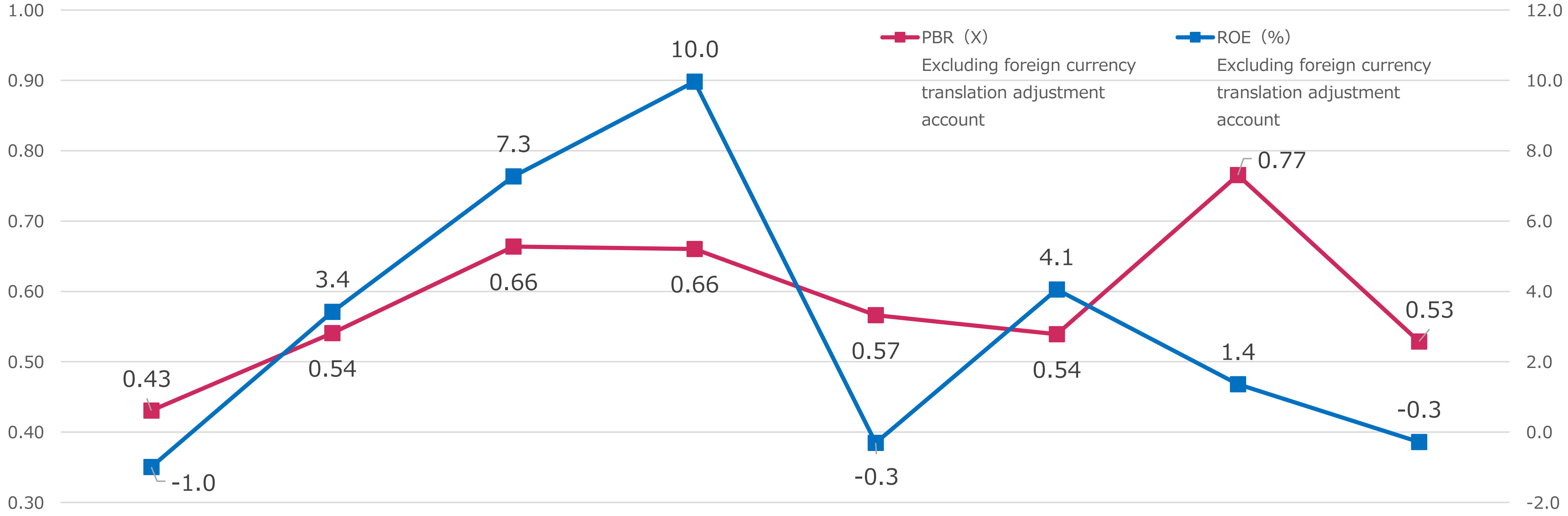


	FY3/2020	FY3/2021	FY3/2022	FY3/2023	FY3/2024	FY3/2025	FY3/2026	1Q of FY3/2027
Share price (yen)	353	458	595	634	535	525	750	**506**
Profit attributable to owners of parent (million yen)	−206	707	1,572	2,294	−72	964	323	**−64**
Equity (Foreign currency translation adjustment)	21,070 (732)	21,381 (367)	24,599 (2,353)	28,300 (4,482)	29,607 (6,160)	32,477 (8,314)	32,615 (9,153)	**32,811 (9,905)**

Changes in PBR and ROE

※Excluding foreign currency translation adjustment account
(FY3/2020～1Q of FY3/2027)

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



	FY3/2020	FY3/2021	FY3/2022	FY3/2023	FY3/2024	FY3/2025	FY3/2026	1Q of FY3/2027
Share price (yen)	353	458	595	634	535	525	750	**506**
Profit attributable to owners of parent (million yen)	－206	707	1,572	2,294	－72	964	323	**－64**
Equity excluding foreign currency translation adjustments	20,338	21,013	22,245	23,817	23,447	24,162	23,462	**22,905**

Reference

Reference

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

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

Apparel machinery		China	South Asia	Asia	Americas	Europe・Africa	Total
Current 1Q	Net sales (million yen)	1,311	784	238	319	381	3,035
	YoY change (%)	+35.8	−54.8	−58.7	−36.1	+16.2	−26.1
	YoY change excluding the effects of foreign exchange (%)	+26.3	−60.5	−84.8	−37.6	+1.7	−35.8
Previous 1Q	Net sales (million yen)	965	1,737	578	499	328	4,109

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

Automotive		China	Asia	Americas	Total
Current 1Q	Net sales (million yen)	611	538	668	1,817
	YoY change (%)	−10.0	−19.4	−6.1	−11.7
	YoY change excluding the effects of foreign exchange (%)	−16.3	−21.2	−20.9	−19.5
Previous 1Q	Net sales (million yen)	678	667	711	2,058

Reference

Effects of foreign exchange (based on consolidated net sales for 1Q of FY3/2027)

Currencies		JPY	USD	EUR	RMB	MXN	MYR	**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		–	¥156.45	¥183.65	¥22.58	¥8.87	¥39.33	–	–	–	–
Exchange rates for the previous period		–	¥152.93	¥160.71	¥20.99	¥7.47	¥34.44	–	–	–	–
Difference (yen)		–	+3.52	+22.94	+1.59	+1.40	+4.89	–	–	–	–
Net sales		87	1,777	381	1,922	668	16	**4,853**	**4,522**	6,167	−1,644
	Ratio (%)	1.8	36.6	7.9	39.6	13.8	0.3	100.0	**–**	–	–
	Change in foreign exchange	**–**	**39**	**47**	**135**	**105**	**1**	**330**	**–**	–	–
Cost of sales		244	608	−2	1,872	546	1	**3,271**	**3,039**	4,144	−1,105
	Ratio (%)	7.5	18.6	−0.1	57.2	16.7	0.1	100.0	**–**	–	–
	Change in foreign exchange	**–**	**13**	**0**	**131**	**86**	**0**	**231**	**–**	–	–
Selling and administrative expenses		640	437	95	252	78	17	**1,522**	**1,468**	1,470	−2
	Ratio (%)	42.1	28.8	6.3	16.6	5.2	1.2	100.0	**–**	–	–
	Change in foreign exchange	**–**	**9**	**11**	**17**	**12**	**2**	**54**	**–**	–	–
Operating profit		−796	730	288	−202	42	−3	**59**	**15**	551	−536
	Change in foreign exchange	**–**	**16**	**36**	**−14**	**6**	**0**	**44**	**–**	–	–
Cost of sales ratio (%)		–	–	–	–	–	–	**67.4**	**67.2**	**67.2**	–

(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・Basic Policy for Business

PEGASUS

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

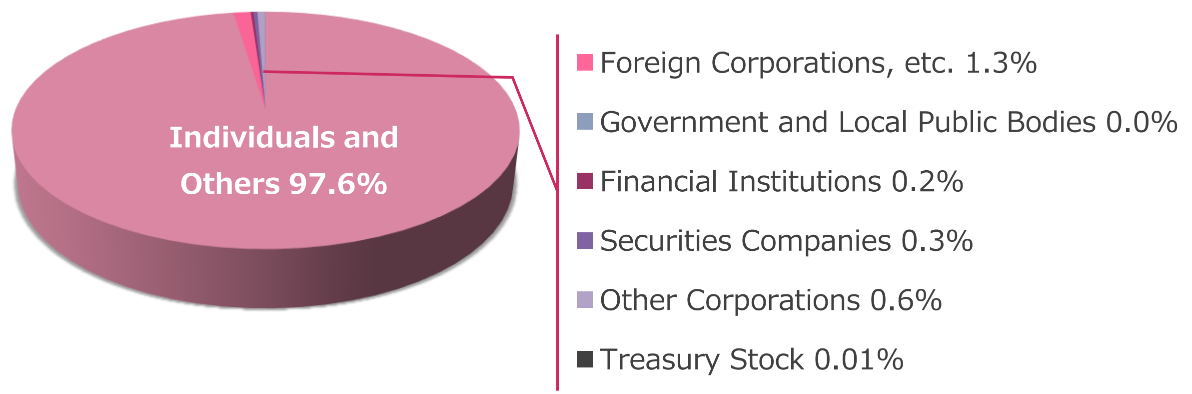
Name	PEGASUS CO., LTD.
Representative	Representative Director and President Shigemi Mima
Founded	January, 1914
Location	Fukushima-ku, Osaka, Japan
Capital	2,255.55million yen (as of March,2026)
Sales	21,657.86million yen (From April 1, 2025 to March 31, 2026)
Number of employees	1,576 [consolidated] (as of March,2026) 231 [non-consolidated] (as of March,2026)
Business	・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 2026

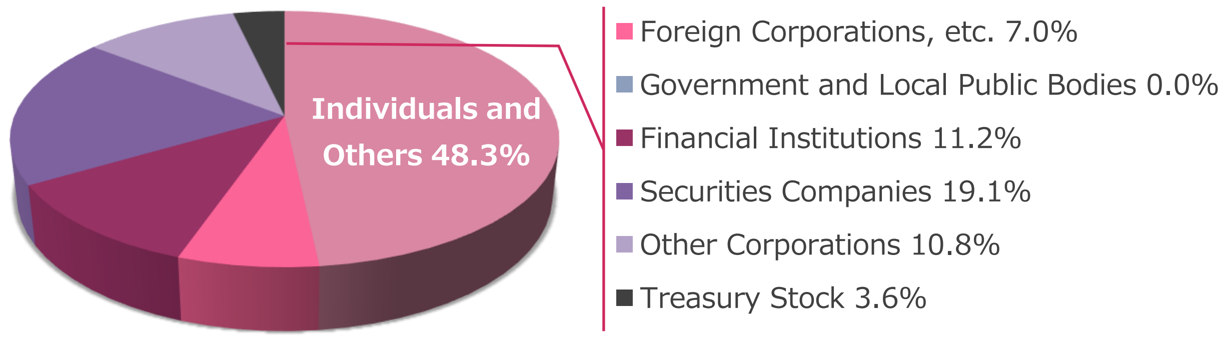
◆Principal Shareholders

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%

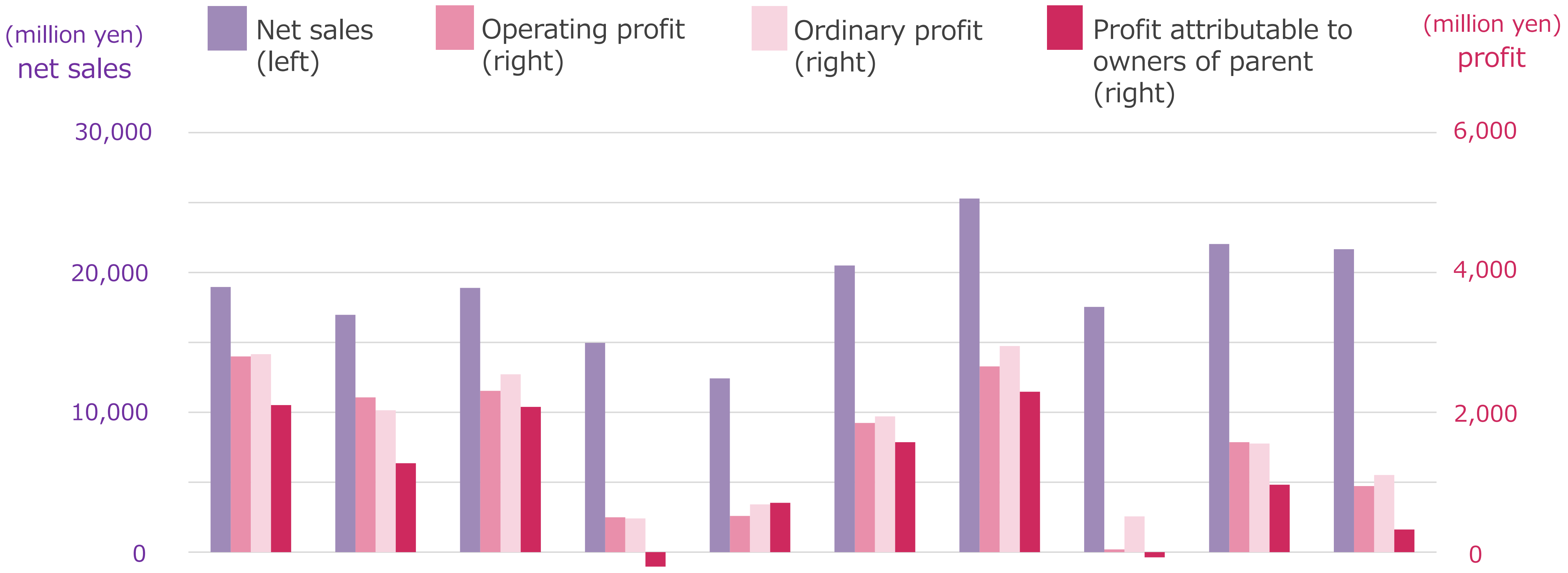
◆Breakdown of Shareholders by Type (%)



◆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)

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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.