First half of FY2026

Financial Results Briefing Materials

Announced on October 30, 2026



PEGASUS CO., LTD.

【Code : 6262, Tokyo stock exchange in Japan】

Agenda

- Overview for First half of FY2026 ・・・・・・・・・・・・ 3
- Consolidated Financial Results Forecast for FY2026 ・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 18
- Reference ・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・ 23
- Corporate Profile ・・・・・・・・・・・・・・・・・・・・・・・・・・・ 26

Overview for First half of FY2026

Summary of Current Financial Results

First half of FY2026

Net sales: 9,877 million yen (down 13.4% year-on-year)

In addition to uncertainty surrounding the trade environment, inflationary pressure and geopolitical risks such as the situations in Russia-Ukraine and the Middle East have left the outlook unclear.
Despite the positive effect of foreign exchange fluctuations (the yen depreciated by 9.30 yen year-on-year against the U.S. dollar), net sales declined in the apparel machinery business, while net sales in the automotive business increased only slightly.

Operating profit: 79 million yen (down 88.2% year-on-year)

Profit declined due to the drop in net sales in the apparel machinery business, as well as a deterioration in the cost ratio in the automotive business resulting from soaring raw material purchase prices and higher manufacturing costs associated with lower operation capacity.

Financial results forecast for FY2026

The full-year forecast has been revised downward as shown below, as operating profit is expected to fall significantly short of the forecast disclosed in May.

Net sales: 20,306 million yen (down 8.4% from the May forecast)

In the apparel machinery business, we had expected orders to recover from the second half onward as the situation in the Middle East calmed down. However, due to continued energy supply instability, a full-scale recovery in Bangladesh, where we have many major customers, is expected to be delayed until the next fiscal year. In the automotive business, sales for seat belts, our mainstay, have been sluggish, and we are offsetting the decline by developing new customers. As a result, net sales are expected to decrease from the April forecast.

Operating profit: 131 million yen (down 84.4% from the May forecast)

As described above, a rapid recovery in the second half is no longer expected due to the impact of lower net sales in the apparel machinery business and the deterioration in the cost ratio in the automotive business, which is expected to continue from the first half.

Dividend forecast: Interim 15 yen, Year-end 65 yen, Annual 80 yen

The interim dividend remains unchanged at 15 yen from the May announcement. For the year-end dividend, in view of the shareholder return policy set out in the Mid-Term Management Plan announced on the same date as these forecast revisions, we have decided to enhance shareholder returns ahead of schedule, including at the end of the current fiscal year.

Overview of Net Sales by Business

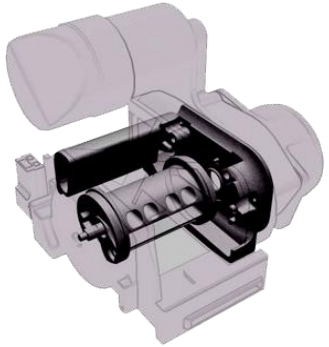
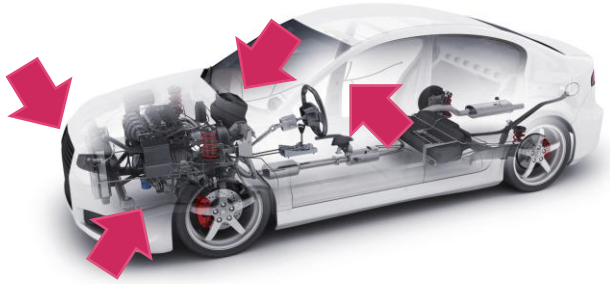
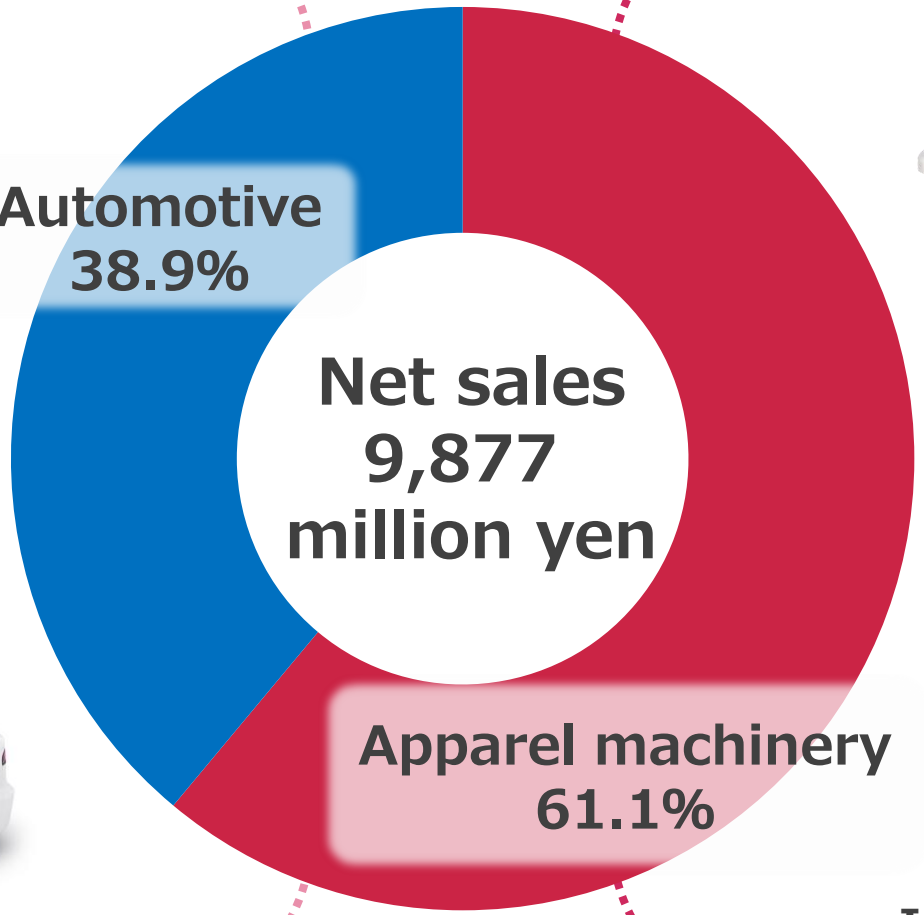


Image of
die casting products

Examples of use of
die casting products







Overedger stitch
machines



Interlock stitch machines

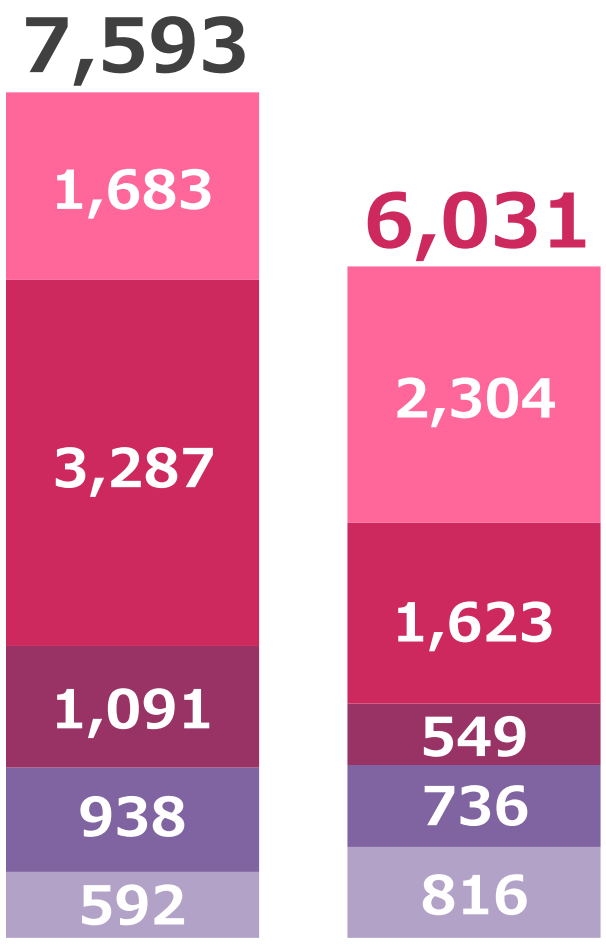
Overview of Consolidated Financial Results

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

		FY2025	FY2026			YoY 1st half of FY2026 / 1st half of FY2025		QoQ 2Q/1Q	
		1st Half	1Q	2Q	1st Half	Change	Percentage change(%)	Change	Percentage change(%)
Net sales		11,409	4,853	5,024	9,877	-1,532 (-2,497)	-13.4 (-21.9)	+170 (+30)	+3.5 (+0.6)
	Apparel machinery	7,593	3,035	2,995	6,031	-1,561 (-2,069)	-20.6 (-27.2)	-39 (-120)	-1.3 (-4.0)
	Automotive	3,816	1,817	2,028	3,845	+29 (-428)	+0.8 (11.2)	+210 (+150)	+11.6 (+8.3)
Operating profit		669	59	19	79	-590	-88.2	-40	-67.4
Ordinary profit		662	103	-168	-64	-727	–	-272	–
Profit before income taxes		662	103	-168	-64	-727	–	-272	–
Profit attributable to owners of parent		414	-64	-161	-225	-640	–	-96	–

Apparel machinery Net Sales by Location

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



・Qty. of units sold : -31.3%
・Average unit price : +17.1%
(Excluding the effects of foreign exchange : +6.8%)

China
YoY comparison **+36.9%**
Sales remain strong, as in 1Q, particularly to automatic machine manufacturers.

South Asia
YoY comparison **-50.6%**
Affected by prolonged instability in the Middle East, willingness to invest has declined due to energy supply instability for sewing plants.

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

Asia
YoY comparison **-49.7%**
This is the region where competition with the same industry in China has intensified the most. Sales are struggling among price-focused customers.

Americas
YoY comparison **-21.5%**
Although sales to the US remain strong as in 1Q, sales are sluggish in Central and South America.

Europe・Africa
YoY comparison **+37.9%**
Sales to non-apparel markets, such as home textiles, are strong, and sales to Egypt have grown.

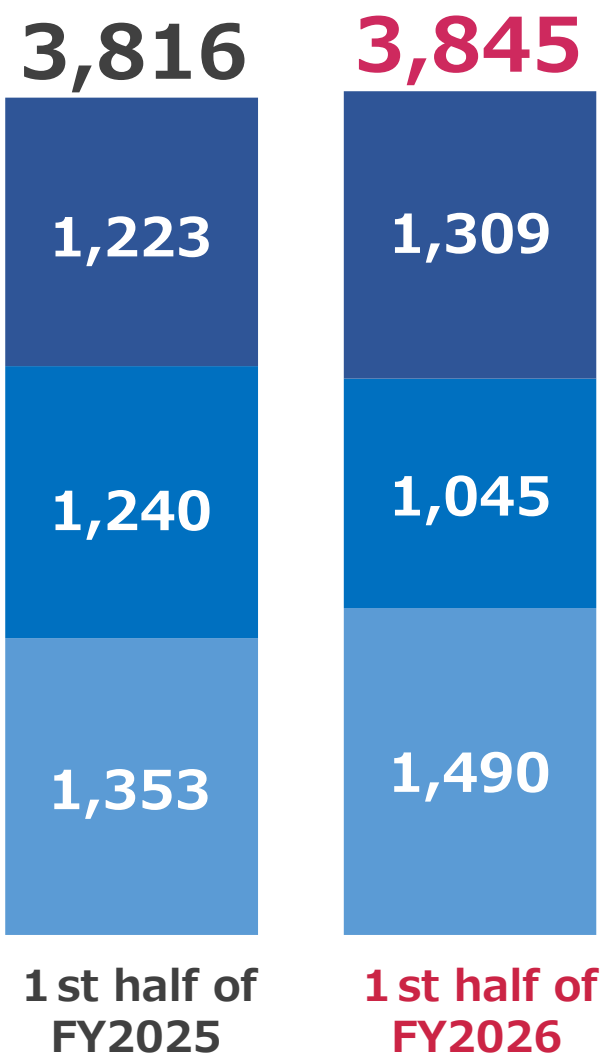
Apparel machinery Net Sales by Location (Quarter)

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

	2024				2025				2026	2026
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
China	967	766	788	899	965	717	729	911	1,311	992
South Asia	1,032	1,020	1,547	1,659	1,737	1,550	1,078	1,089	784	838
Asia	458	925	510	855	578	513	528	566	238	311
Americas	333	315	390	303	499	439	404	387	319	417
Europe・Africa	348	268	265	195	328	263	347	195	381	435

Automotive Net Sales by Location

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



China
YoY comparison **+7.0%**

The situation remains challenging as the price war in the EV market continues to intensify. Sales increased year-on-year due to the effects of foreign exchange.

Asia
YoY comparison **-15.7%**

Lower sales volume and price declines for seat belt retractors are the main factors behind the decline.

Americas
YoY comparison **+10.2%**

Sales for door mirrors, cameras, and other applications offset the decline in sales for seat belts, and sales to the US remain strong.

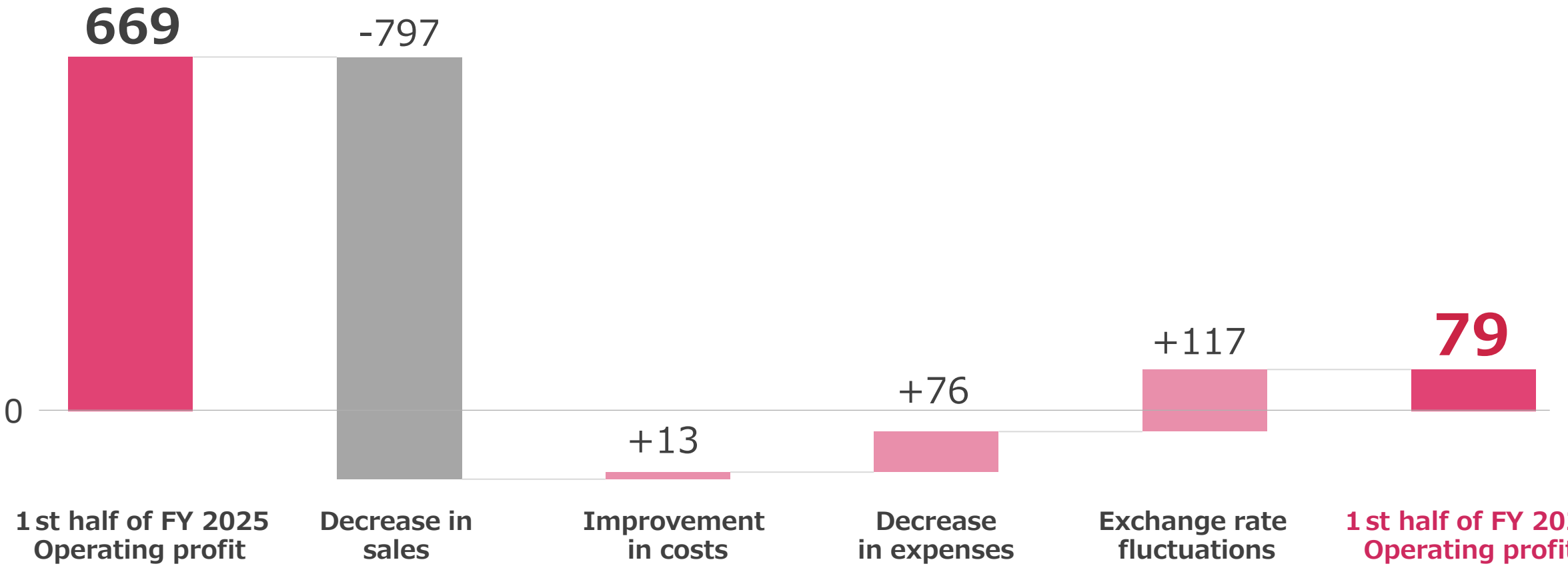
Automotive Net Sales by Location (Quarter)

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

	2024				2025				2026	2026
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
China	791	699	710	765	678	544	673	693	611	698
Asia	614	665	683	674	667	572	655	607	538	507
Americas	596	665	667	654	711	641	681	699	668	822

Changes in Operating Profit

Year-on-year decline in profit due to a significant decrease in net sales, despite improvements in costs and expenses and the positive effect of yen depreciation.



(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 2Q	Change	Main factors contributing to changes	
Current assets	30,622	**29,859**	-762	・Notes and accounts receivable - trade ・Merchandise and finished goods	-829 +695
Non-current assets	14,341	**14,691**	+349	・Property, plant and equipment ・Intangible assets ・Investments and other assets	+292 +15 +41
Total assets	44,963	**44,551**	-412		

	End of previous year	Current 2Q	Change	Main factors contributing to changes	
Current liabilities	6,994	**5,766**	-1,227	・Notes and accounts payable – trade ・Short-term borrowings	+197 -900
Non-current liabilities	4,152	**4,081**	-70	・Long-term borrowings	-24
Net assets	33,817	**34,702**	+885	・Retained earnings ・Foreign currency translation adjustment	-704 +1,617
Total liabilities and net assets	44,963	**44,551**	-412		

(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 2Q	Current 2Q	Change
Capital investment	181	**177**	-4
Depreciation	608	**622**	+14
R&D expenses	293	**287**	-5

<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 (die casting machines, 3D measurement scanners, etc.)	72
Automotive	PEGASUS AUTO PARTS MONTERREY S.A. DE C.V.	Enhancement of production facilities and other equipment (air compressors, housing inspection machines, etc.)	19
Apparel machinery	PEGASUS(TIANJIN) SEWING MACHINE CO., LTD.	Enhancement of production facilities (machining center modifications, etc.)	14

Consolidated Financial Position

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

	End of previous year	Current 2Q
Equity (million yen)	32,615	**33,525**
Capital adequacy ratio (%)	72.5	**75.3**

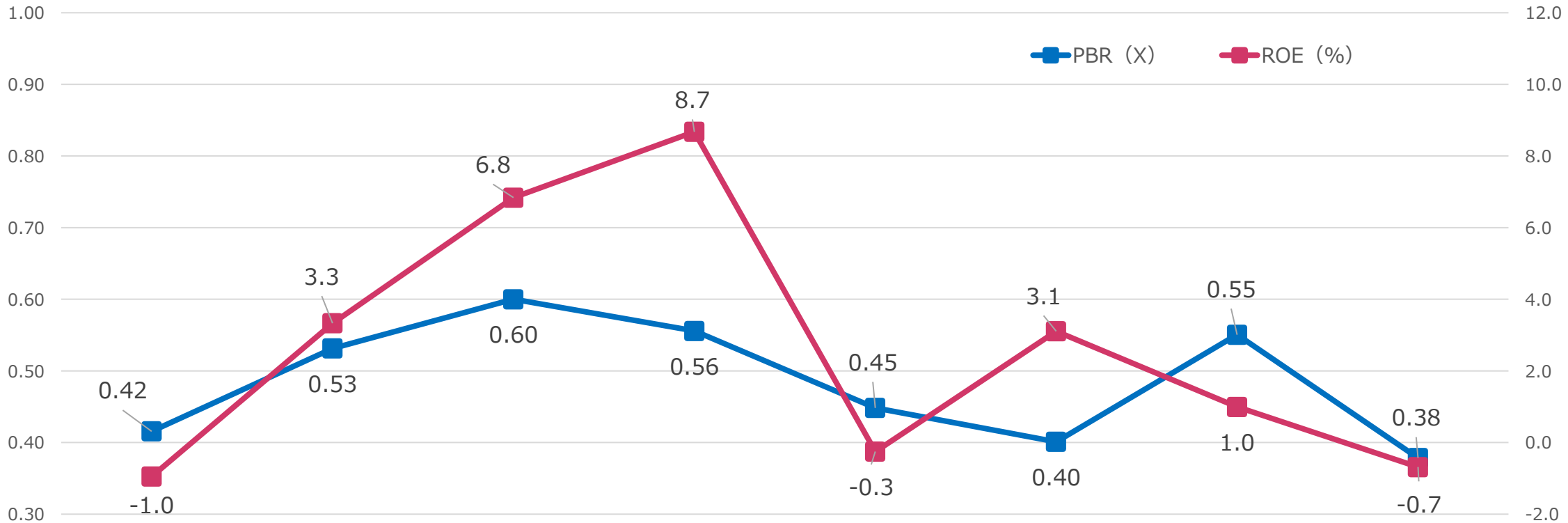
	End of previous year	Current 2Q
BVPS (yen)	1,362.29	**1,397.63**
Year-end share price (yen)	750	**529**
PBR (times)	0.55	**0.38**

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

	Previous 2Q	Current 2Q
Profit attributable to owners of parent (million yen)	414	**-225**
EPS (yen)	16.70	**-9.43**

Changes in PBR and ROE (FY2019～2Q of FY2026)

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

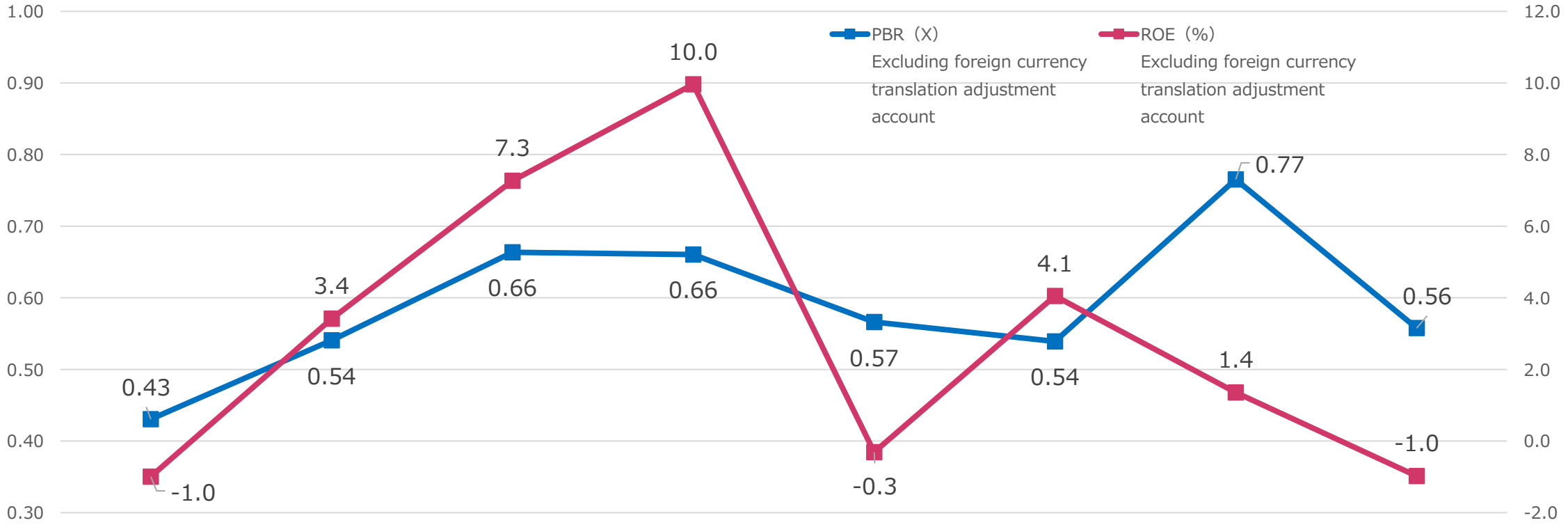


	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	2Q of FY2026
Year-end share price (yen)	353	458	595	634	535	525	750	**529**
Profit attributable to owners of parent (million yen)	-206	707	1,572	2,294	-72	964	323	**-225**
Equity (Foreign currency translation adjustment)	21,070 (732)	21,381 (367)	24,599 (2,353)	28,300 (4,482)	29,607 (6,160)	32,477 (8,314)	32,615 (9,153)	**33,525 (10,770)**

Changes in PBR and ROE

※Excluding foreign currency translation adjustment account
(FY2019～2Q of FY2026)

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



	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	2Q of FY2026
Year-end share price (yen)	353	458	595	634	535	525	750	**529**
Profit attributable to owners of parent (million yen)	-206	707	1,572	2,294	-72	964	323	**-225**
Equity excluding foreign currency translation adjustments	20,338	21,013	22,245	23,817	23,447	24,162	23,462	**22,755**

Consolidated Financial Results Forecast for FY2026

Consolidated earnings forecast for FY2026

Consolidated

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

	Full-year results for FY2025	Full-year forecast for FY2026 Disclosure in May	Full-year forecast for FY2026 *Disclosure in October	Change	Percentage change(%)
Net sales	21,657	22,180	20,306	-1,874	-8.4
Operating profit	946	840	131	-709	-84.4
Ordinary profit	1,104	510	-122	-632	–
Profit attributable to owners of parent	323	250	-435	-685	–

*The financial results forecast has been revised downward in the timely disclosure dated October 30.

By business

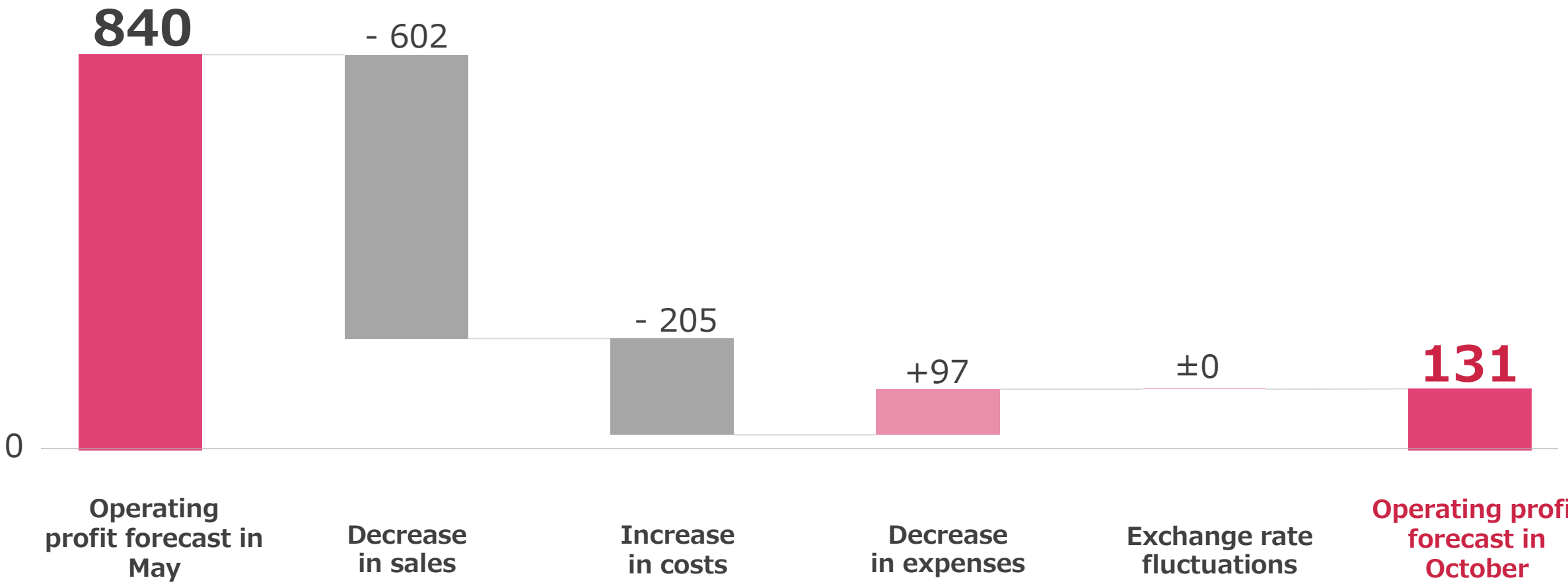
(Million yen: Amounts of less than one million yen are rounded down)

	Full-year results for FY2025	Full-year forecast for FY2026 Disclosure in May	Full-year forecast for FY2026 *Disclosure in October	Change	Percentage change(%)
Apparel machinery	13,830	13,850	12,406	-1,444	-10.4
Automotive	7,827	8,330	7,900	-430	-5.2

Changes in Operating Profit

Operating profit is expected to decrease by 709 million yen due to a significant decrease in sales and an increase in costs.

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



Consolidated earnings forecast for FY2026

Capital investment・Depreciation・R&D expenses

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

	Full-year forecast for FY2025	Full-year forecast for FY2026	Change
Capital investment	486	**745**	+259
Depreciation	1,222	**1,268**	+46
R&D expenses	570	**595**	+25
exchange rate （USD）	150	**155**	

Consolidated Financial Results Forecast for FY2026

Dividend forecast and total payout ratio

	Interim	Year-end	Annual	EPS	Total payout ratio
FY2024	5yen	8yen	13yen	38.89yen	33.4%
FY2025	10yen	20yen	30yen	13.22yen	479.4%
FY2026 (forecast)	**15yen**	**65yen**	**80yen**	**-18.15yen**	**—**

*The dividend forecast has been revised in the timely disclosure dated October 30.

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 2Q	Net sales (million yen)	2,304	1,623	549	736	816	6,031
	YoY change (%)	+36.9	-50.6	-49.7	-21.5	+37.9	-20.6
	YoY change excluding the effects of foreign exchange (%)	+22.1	-53.5	-51.6	-26.1	+21.4	-27.2
Previous 2Q	Net sales (million yen)	1,683	3,287	1,091	938	592	7,593

Automotive		China	Asia	Americas	Total
Current 2Q	Net sales (million yen)	1,309	1,045	1,490	3,845
	YoY change (%)	+7.0	-15.7	+10.2	+0.8
	YoY change excluding the effects of foreign exchange (%)	-4.5	-20.6	-8.7	-11.2
Previous 2Q	Net sales (million yen)	1,223	1,240	1,353	3,816

Reference

Effects of foreign exchange (based on consolidated net sales for 2Q of FY2026)

Currencies	JPY	USD	EUR	RMB	MXN	**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	–	¥158.28	¥184.70	¥23.02	¥9.01	–	–	–	–
Exchange rates for the previous period	–	¥148.98	¥162.60	¥20.53	¥7.47	–	–	–	–
Difference (yen)	–	+9.30	+22.10	+2.49	+1.54	–	–	–	–
Net sales	182	3,773	816	3,613	1,490	**9,877**	**8,912**	11,409	-2,497
Ratio (%)	1.9	38.2	8.3	36.6	15.1	100.0	–	–	–
Change in foreign exchange	**–**	**221**	**97**	**390**	**254**	**965**	–	–	–
Cost of sales	435	1,397	161	3,567	1,179	**6,741**	**6,052**	7,765	-1,713
Ratio (%)	6.5	20.7	2.4	52.9	17.5	100.0	–	–	–
Change in foreign exchange	**–**	**82**	**19**	**385**	**201**	**688**	–	–	–
Selling and administrative expenses	1,274	940	173	500	167	**3,056**	**2,897**	2,974	-76
Ratio (%)	42.2	30.8	5.7	16.4	5.5	100.0	–	–	–
Change in foreign exchange	**–**	**55**	**20**	**54**	**28**	**158**	–	–	–
Operating profit	-1,527	1,469	481	-453	143	**79**	**-38**	669	-708
Change in foreign exchange	**–**	**84**	**57**	**-49**	**24**	**117**	–	–	–
Cost of sales ratio (%)	–	–	–	–	–	**68.2**	**67.9**	**68.1**	–

(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

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

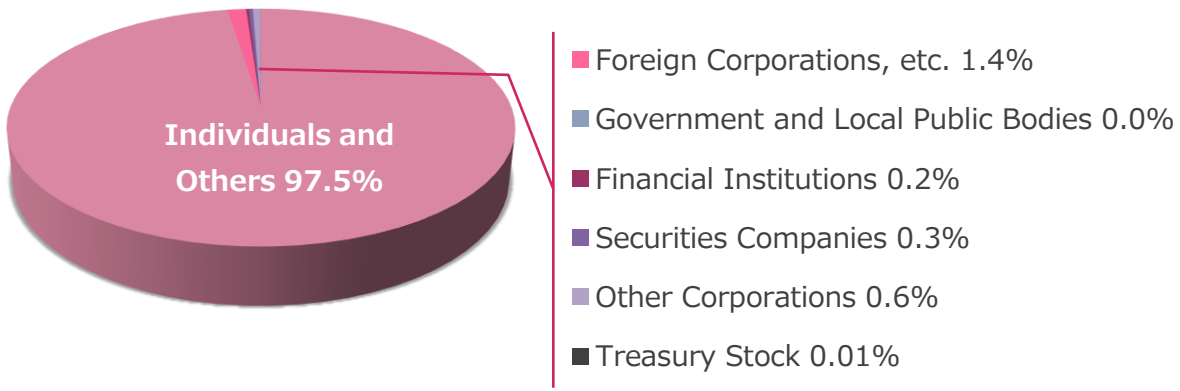
Name	PEGASUS CO., LTD.
Representative	Representative Director and President Shigemi Mima
Founded	January, 1914
Location	Fukushima-ku, Osaka, Japan
Capital	2,255.55million yen (as of March,2026)
Sales	21,657.86million yen (From April 1, 2025 to March 31, 2026)
Number of employees	1,576 [consolidated]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

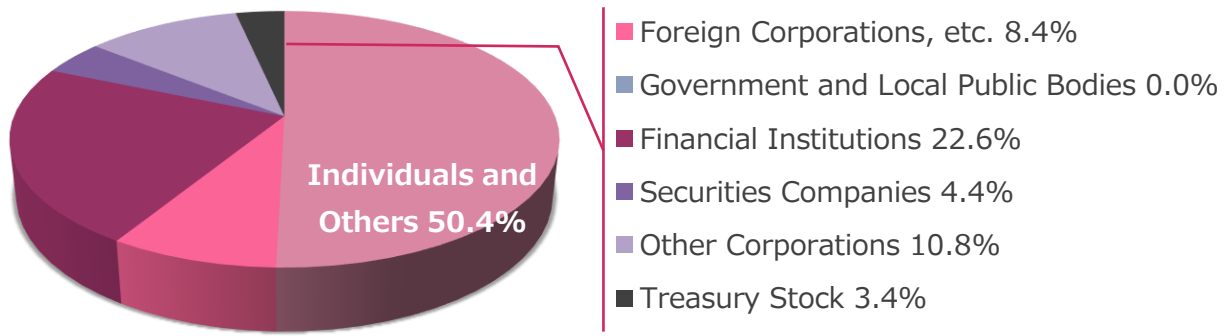
◆Principal Shareholders

Shareholder's Name	Holding Ratio
JAPAN SECURITIES FINANCE CO., LTD.	10.19%
The Master Trust Bank of Japan Ltd. (Trust Account)	8.25%
MIMA Co., LTD.	6.48%
ESG Investment Limited Partnership	4.34%
Keizo Bando	3.09%
Takako Yoshida	2.96%
Shigemi Mima	2.80%
Tachibana Securities Co., Ltd.	2.62%
ＤＢＳ ＢＡＮＫ ＬＴＤ ７００１７０	2.47%
Masamichi Mima	2.04%

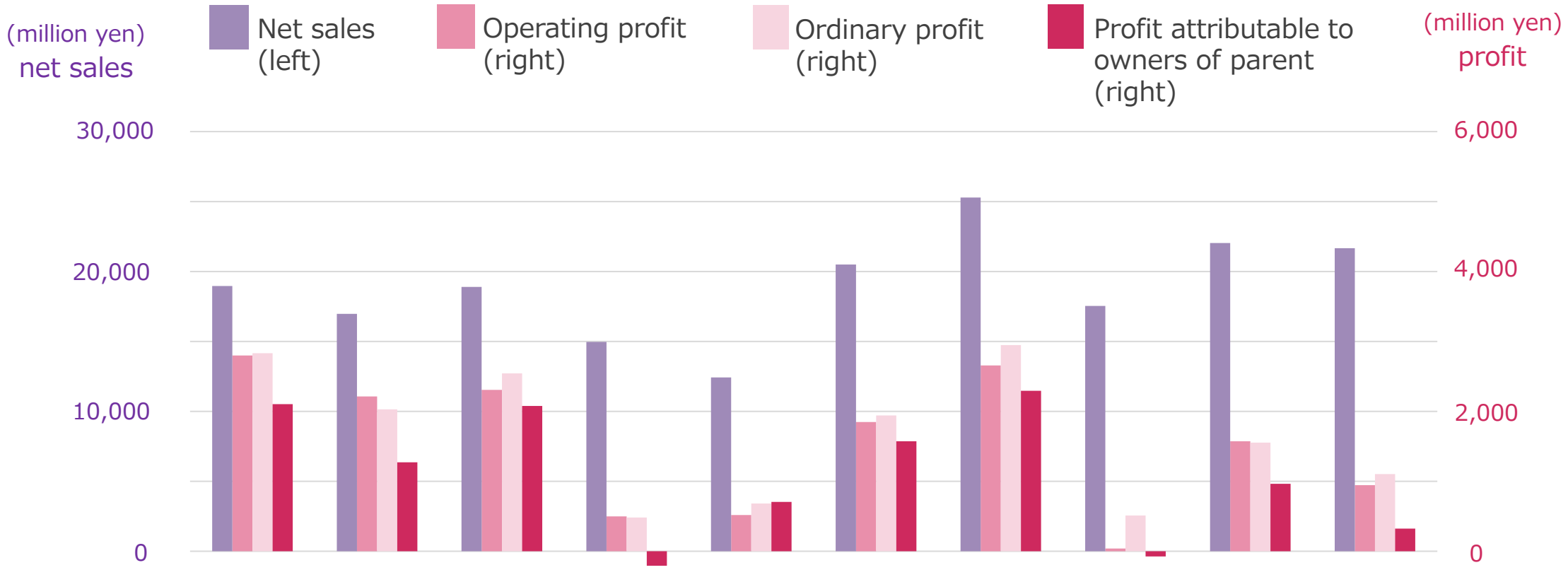
◆Breakdown of Shareholders by Type (%)



◆Breakdown of Shares by Type of Shareholder (%)



Changes in Consolidated Financial Results



	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
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)

PEGASUS

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.

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.