

Fiscal Year Ending March 31, 2025

Financial Results Briefing Materials for FY3/2025

Announced on May 13, 2025



PEGASUS CO., LTD.

【Code : 6262, Tokyo stock exchange in Japan】

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Overview for FY3/2025

- ✓ Gradual recovery of the global economy
- ✓ Heightened geopolitical risk due mainly to the protracted situation in Russia and Ukraine and the growing tensions in the Middle East
- ✓ Outlook remains uncertain as attention is focused on policy shifts following the United States presidential election

Apparel machinery

- ✓ South Asia performing strongly due to an improved foreign currency situation in Bangladesh and the extension of preferential tax treatment in India
- ✓ Chinese sewing companies relocating overseas on the back of concerns over trade friction
- ✓ Cautious approach to capital investment in Europe and the US due to unstable political and economic situation

Automotive

- ✓ Calls for further cost reductions due to intensifying competition in the Chinese auto industry
- ✓ Concerns regarding a fall in global auto sales in response to US tariff policies

Overview of Net Sales by Business

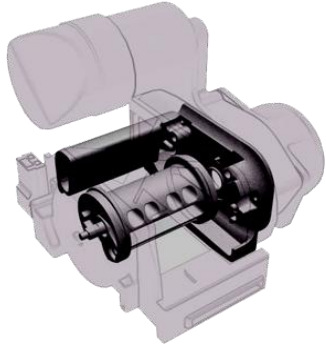
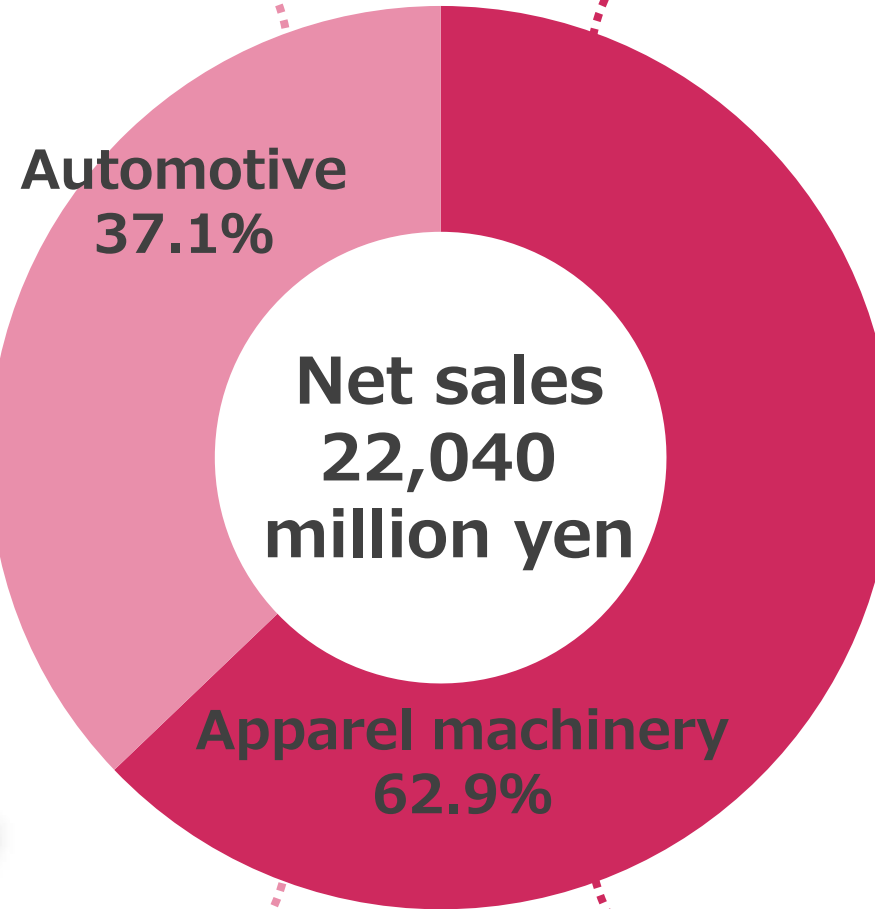
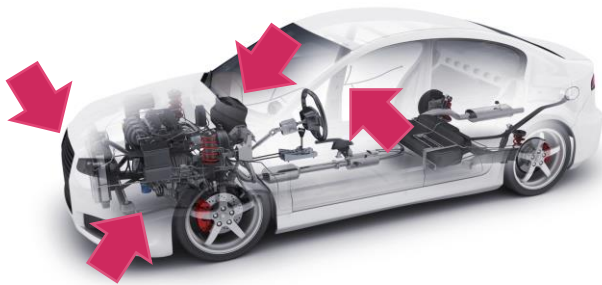


Image of
die casting products

Examples use of
die casting products



Overedger stitch
machines



Interlock stitch machines

Overview of Consolidated Financial Results



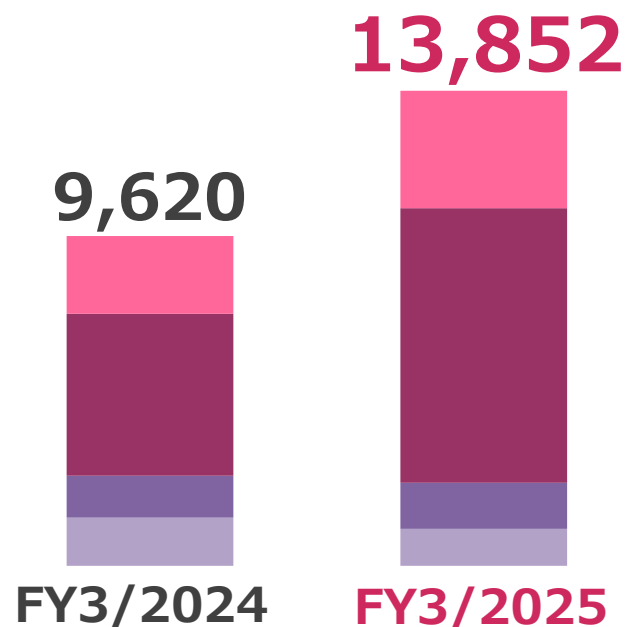
(Million yen: Amounts of less than one million yen are rounded down)
 (※Results excluding the effects of foreign exchange are indicated in parentheses)

	FY3/2024	FY3/2025	Change	Percentage change
Net sales	17,542	22,040	+4,497 (+3,112)	+25.6% (+17.7%)
Apparel machinery	9,620	13,852	+4,232 (+3,313)	+44.0% (+34.4%)
Automotive	7,921	8,187	+265 (△200)	+3.4% (△2.5%)
Operating profit	38	1,573	+1,534	+3,981.9%
Ordinary profit	512	1,555	+1,043	+203.6%
Profit before income taxes	512	1,555	+1,043	+203.6%
Profit attributable to owners of parent	△72	964	+1,037	—

Net Sales by Business and Location



Apparel machinery



- Qty. of units sold : +25.7%
- Average unit price : +16.7%
- (Excluding the effects of foreign exchange : +9.0%)

If one looks at China and other parts of Asia, there has been a movement to relocate manufacturing due to concerns over trade friction; however, there has also been an increase in sales due to an improved foreign currency situation. In the US and Europe, the cautious approach to capital investment continued as business waited until after the US presidential election before acting and against a backdrop of political instability; the US saw a slight increase in sales while sales fell in Europe.

China

3,421 million yen
YoY change : +51.1%

Japan Asia

8,009 million yen
YoY change : +69.6%

Americas

1,343 million yen
YoY change : +9.6%

Europe

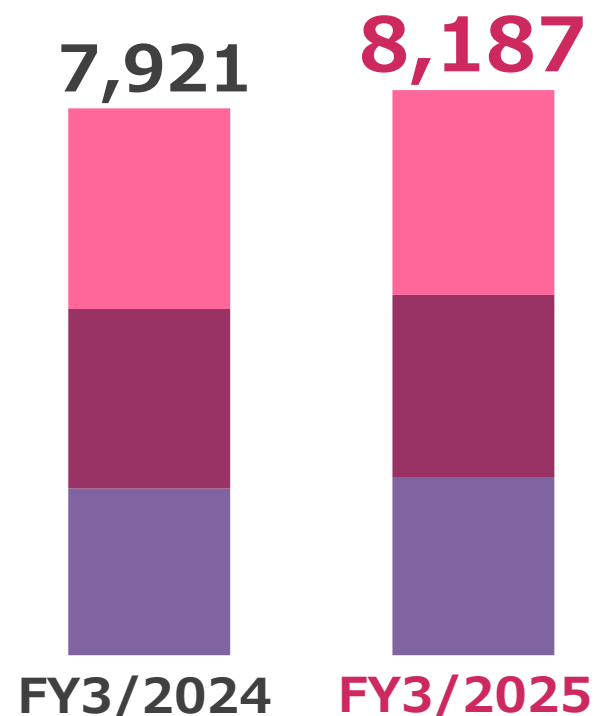
1,077 million yen
YoY change : \triangle 23.4%

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

Net Sales by Business and Location



Automotive



In China, despite increasing pressure to reduce prices, sales increased slightly owing to management of volumes
In other parts of Asia, there was an improvement in profitability due, in part, to efforts to seek improvement in costs
In the US, sales remained solid as we developed new customers and increased transactions with existing customers.

China

2,966 million yen
YoY change : +2.0%

Asia

2,637 million yen
YoY change : +1.5%

Americas

2,582 million yen
YoY change : +6.8%

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

Changes in Operating Profit



- ✓ Increase in sales and profits aided by an improved cost ratio and foreign exchange effects due to the weak yen.



(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 FY3/2025	Change	Main factors contributing to changes
Current assets	28,078	31,074	+2,995	<ul style="list-style-type: none"> • Notes and accounts receivable - trade +2,505 • Merchandise and finished goods +31
Non-current assets	14,870	15,317	+446	<ul style="list-style-type: none"> • Property, plant and equipment +546 • Intangible assets +1 • Investments and other assets △101
Total assets	42,949	46,391	+3,442	

	End of previous year	End of FY3/2025	Change	Main factors contributing to changes
Current liabilities	8,656	7,775	△881	<ul style="list-style-type: none"> • Notes and accounts payable - trade +1,239 • Short-term borrowings △1,510
Non-current liabilities	3,689	4,979	+1,289	<ul style="list-style-type: none"> • Long-term borrowings +1,054
Net assets	30,603	33,637	+3,033	<ul style="list-style-type: none"> • Retained earnings +840 • Foreign currency translation adjustment +2,154
Total liabilities and net assets	42,949	46,391	+3,442	

(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	End of FY3/2025
Equity (million yen)	29,607	32,477
Capital adequacy ratio (%)	68.9	70.0

	End of previous year	End of FY3/2025
BVPS (yen)	1,193.35	1,309.02
Year-end share price (yen)	535	525
PBR (times)	0.45	0.40

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

	End of previous year	End of FY3/2025
Profit attributable to owners of parent (million yen)	△72	964
EPS (yen)	△2.93	38.89

Capital investment・Depreciation・R&D expenses



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

	FY3/2024	FY3/2025	Change
Capital investment	2,619	1,748	△871
Depreciation	1,051	1,320	+269
R&D expenses	554	609	+ 54

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

Division	Company name	Details	Investment
Apparel machinery	PEGASUS VIETNAM SEWING MACHINE CO., LTD.	Construction of a new plant, etc.	209
Automotive	PEGASUS AUTO PARTS MONTERREY S.A. DE C.V.	Plant expansion and enhancement of production-related facilities	1,189
Automotive	PEGASUS-SHIMAMOTO AUTO PARTS (VIETNAM) CO., LTD.	Enhancement of production-related facilities	146

Consolidated Financial Results Forecast for FY3/2026

Business Environment

- ✓ Concerns over a cooling down in consumption and investor sentiment and depressive forces on economic activity due to the impact of trade policy and increased tariffs
- ✓ Emergence of new demand as a result of revisions to the supply chain

Apparel machinery

- ✓ Promoting development of digital sewing technology against a backdrop of increased demand for automation
- ✓ Revisions to our lineups of products with excellent sewability in response to the demand for high-mix low-volume production
- ✓ Expanding further into markets in developing nations where we anticipate growth and building up sales networks

Automotive

- ✓ Responding to market changes in the auto industry
- ✓ Expanding sales channels with our established reputation for stable provision, quality, and delivery
- ✓ Our Mexico factory will take advantage of its production-related advantages within the USMCA region so as to respond to orders originating in tariff policy changes

Consolidated Financial Results Forecast for FY3/2026



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

	FY3/2025 (actual)	FY3/2026 (forecast)	Change	Percentage change
Net sales	22,040	26,000	+ 3,959	+ 18.0%
Apparel machinery	13,852	17,000	+ 3,147	+ 22.7%
Automotive	8,187	9,000	+ 812	+ 9.9%
Operating profit	1,573	2,460	+ 886	+56.3%
Ordinary profit	1,555	2,360	+ 804	+ 51.7%
Profit attributable to owners of parent	964	1,560	+ 595	+ 61.7%

*The consolidated earnings forecast does not currently reflect the potential impact of U.S. tariff policy.

Consolidated Financial Results Forecast for FY3/2026



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)

	FY3/2025 (actual)	FY3/2026 (forecast)	Change	Percentage change
China	3,421	3,352	△69	△2.0%
Japan, Asia	8,009	9,990	+ 1,980	+ 24.7%
Americas	1,343	2,053	+ 709	+ 52.8%
Europe	1,077	1,604	+ 526	+ 48.9%

Automotive

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

	FY3/2025 (actual)	FY3/2026 (forecast)	Change	Percentage change
China	2,966	3,440	+473	+15.9%
Asia	2,637	2,689	+ 51	+ 2.0%
Americas	2,582	2,870	+287	+11.1%

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)

	FY3/2025 (actual)	FY3/2026 (forecast)	Change
Capital investment	1,748	512	△1,236
Depreciation	1,320	1,184	△136
R&D expenses	609	519	△90

<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-related , Software etc.	102
Automotive	PEGASUS AUTO PARTS MONTERREY S.A. DE C.V.	Enhancement of production-related facilities	105
Automotive	PEGASUS-SHIMAMOTO AUTO PARTS (VIETNAM) CO., LTD.	Enhancement of production-related facilities	78

Consolidated Financial Results Forecast for FY3/2026



Dividend forecast and payout ratio

	Interim	Year-end	Annual	EPS	Payout ratio
FY3/2024	5yen	0yen	5yen	△2.93yen	— %
FY3/2025	5yen	8yen	13yen	38.89yen	33.4%
FY3/2026 (forecast)	10yen	—	—	62.88yen	—%

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
FY3/2025	Net sales (million yen)	3,421	8,009	1,343	1,077	13,852
	YoY change (%)	+51.1	+69.6	+9.6	△23.4	+44.0
	YoY change excluding the effects of foreign exchange (%)	+42.2	+58.0	+1.7	△28.8	+34.4
FY3/2024	Net sales (million yen)	2,265	4,723	1,225	1,406	9,620

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

Automotive		China	Asia	Americas	Total
FY3/2025	Net sales (million yen)	2,966	2,637	2,582	8,187
	YoY change (%)	+2.0	+1.6	+6.9	+3.4
	YoY change excluding the effects of foreign exchange (%)	△3.9	△5.7	+2.6	△2.5
FY3/2024	Net sales (million yen)	2,908	2,597	2,416	7,921

Effects of foreign exchange (based on consolidated net sales for FY3/2025)

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	–	¥151.44	¥163.79	¥21.04	¥8.27	–	–	–	–
Exchange rates for the previous period	–	¥140.55	¥152.27	¥19.81	¥7.94	–	–	–	–
Difference (yen)	–	10.89	11.52	1.23	0.33	–	–	–	–
Net sales	444	11,546	1,077	6,388	2,582	22,040	20,657	17,542	3,115
Ratio (%)	2.0	52.4	4.9	29.0	11.7	100.0	–	–	–
Change in foreign exchange	–	830	75	373	103	1,382	–	–	–
Cost of sales	1,089	3,921	164	7,476	1,976	14,629	13,819	12,211	1,607
Ratio (%)	7.4	26.8	1.1	51.1	13.5	100.0	–	–	–
Change in foreign exchange	–	282	11	437	78	809	–	–	–
Selling and administrative expenses	2,307	1,951	270	1,033	274	5,837	5,606	5,292	314
Ratio (%)	39.5	33.4	4.6	17.7	4.7	100.0	–	–	–
Change in foreign exchange	–	140	19	60	10	230	–	–	–
Operating profit	△2,951	5,672	642	△2,121	332	1,573	1,231	38	1,193
Change in foreign exchange	–	407	45	△124	13	342	–	–	–
Cost of sales ratio (%)	–	–	–	–	–	66.4	66.9	69.6	–

(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	<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

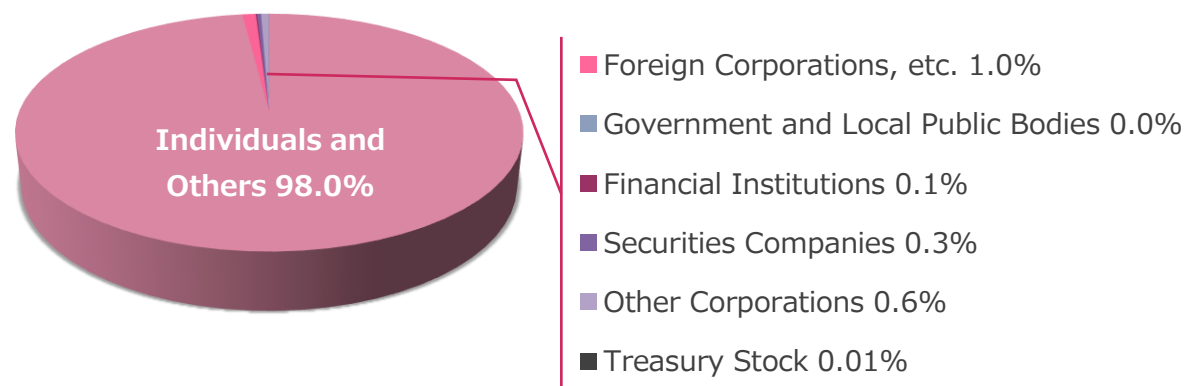
as of March 2025



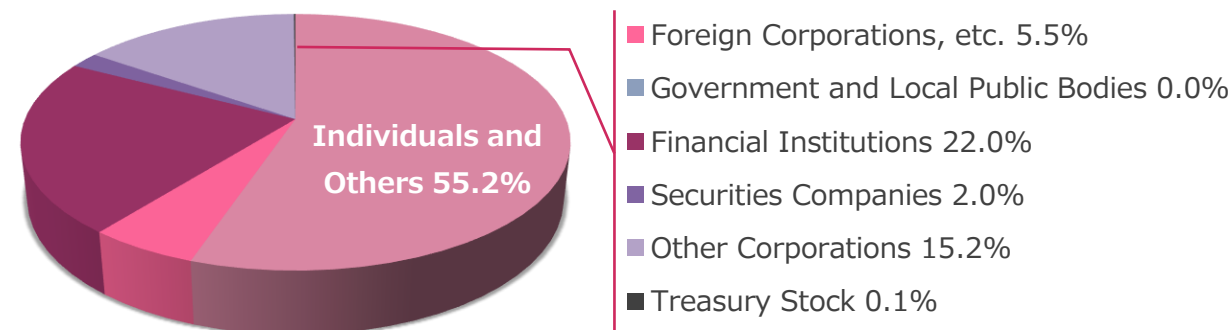
◆Principal Shareholders

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%

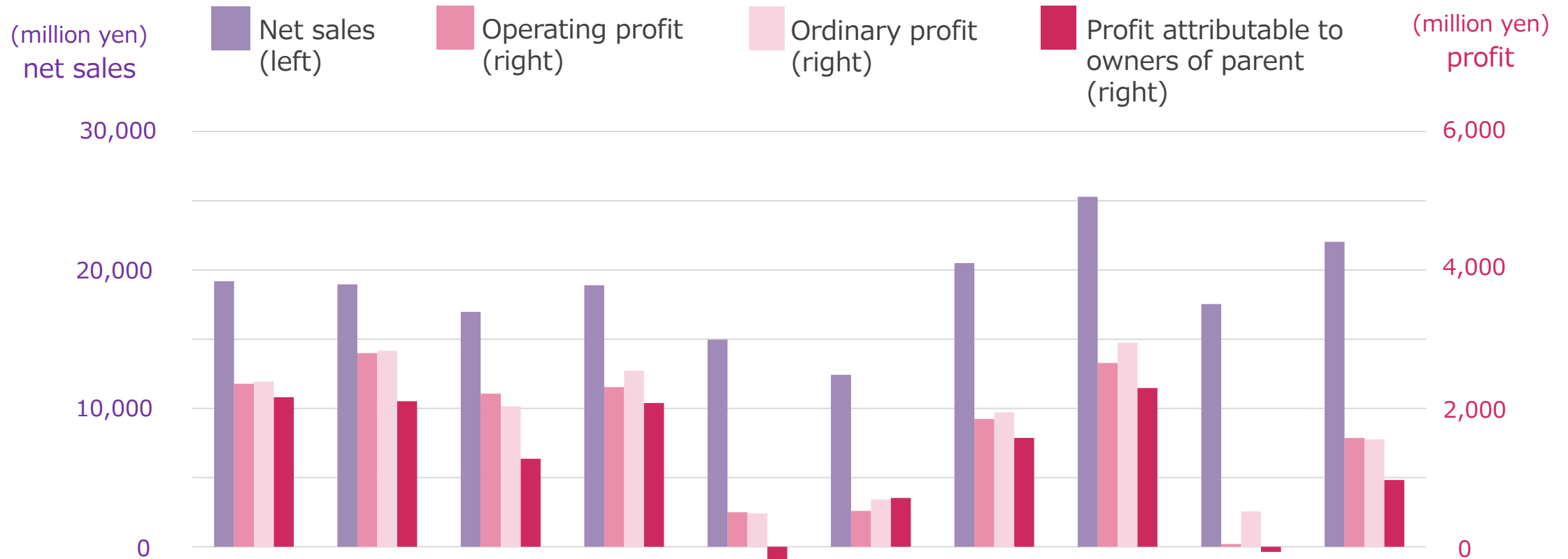
◆Breakdown of Shareholders by Type (%)



◆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:

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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