

Fiscal Year Ending March 31, 2025

Financial Results Briefing Materials for 3Q

Announced on January 31 , 2025



PEGASUS CO., LTD.

【Code : 6262, Tokyo stock exchange in Japan】

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Overview for 3 Q of FY3/2025

- ✓ Gradual recovery of the global economy
 - ↳ Falling inflation rates in the US and Europe
 - ↳ A stagnated economy in China as opposed to generally strong economies in other Asian countries, due in part to the worsening US-China conflict, etc.
- ✓ Impact of trade policies of the next Trump administration
- ✓ The protracted situations in Russia and Ukraine and in the Middle East

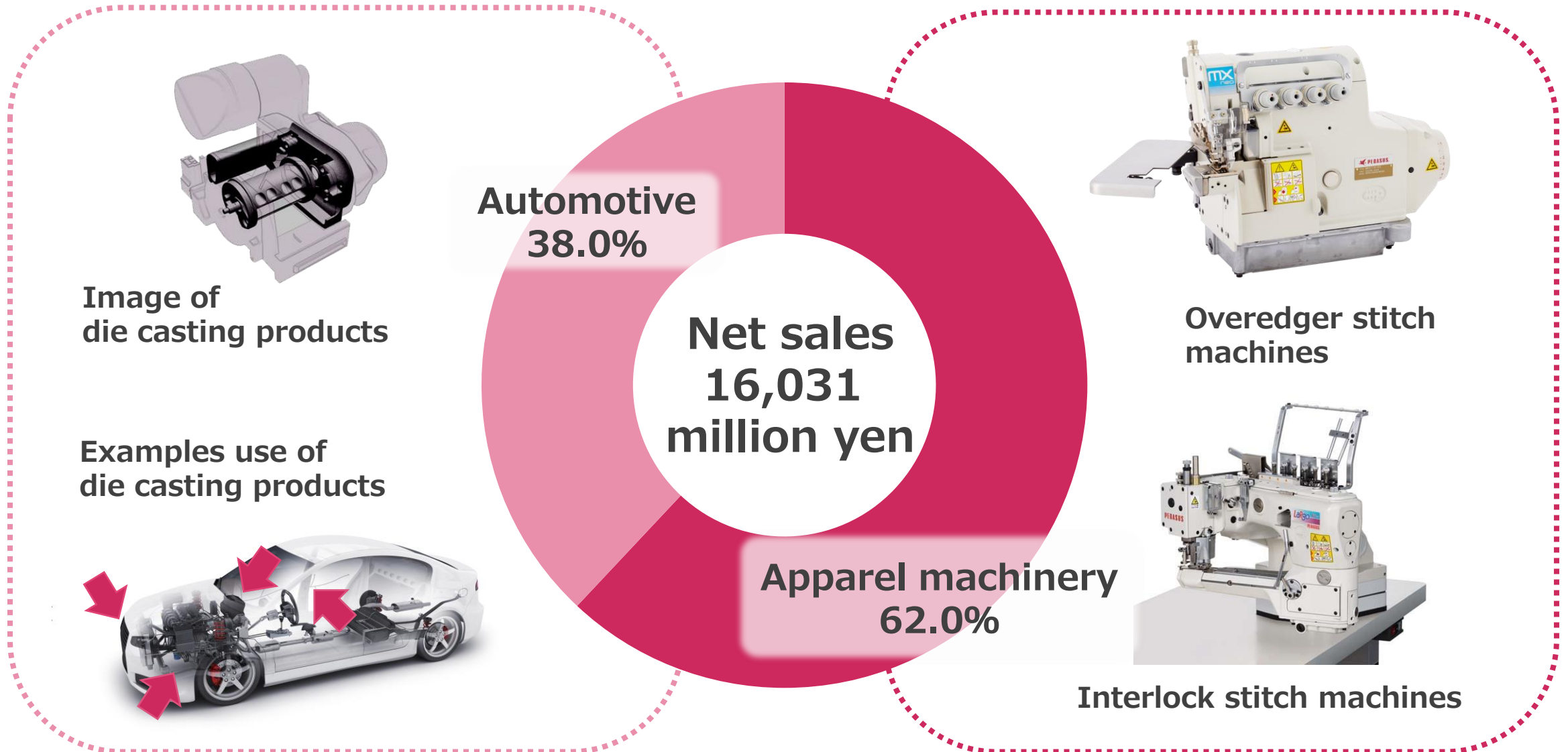
Apparel machinery (formerly, Industrial sewing machine)

- ✓ Sewing companies remain cautious about capital investment in Americas and Europe due to unstable political and economic situation
- ✓ Impact of student protests in Bangladesh
- ✓ Chinese sewing companies relocating overseas

Automotive

- ✓ Calls for cost reductions due to intensifying competition in the Chinese auto industry
- ✓ Concerns about risks due to revisions in US tariff policies, etc.

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 3 Q	Current 3 Q	Change	Percentage change
Net sales	13,014	16,031	+3,017 (+580)	+23.2% (+6.6%)
Apparel machinery	7,267	9,938	+2,670 (+638)	+36.7% (+12.3%)
Automotive	5,746	6,093	+346 (△57)	+6.0% (△1.6%)
Operating profit	100	1,274	+1,173	+1,163.9%
Ordinary profit	333	1,436	+1,102	+330.1%
Profit before income taxes	333	1,436	+1,102	+330.1%
Profit attributable to owners of parent	△129	990	+1,119	—

Net Sales by Business and Location

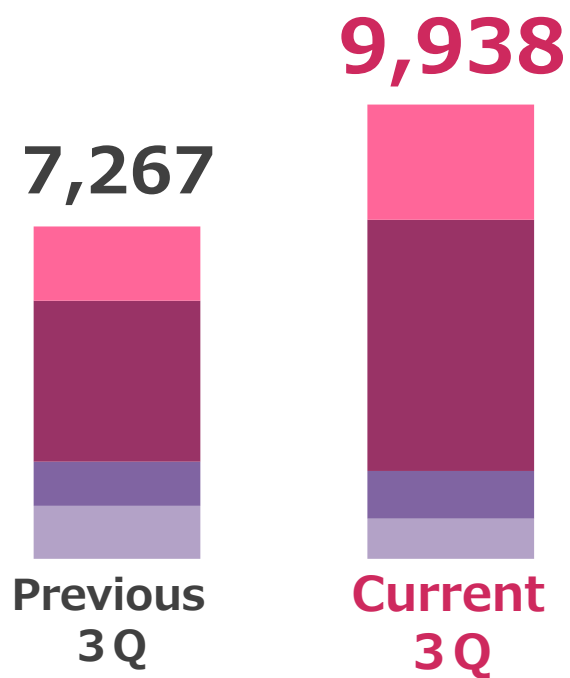


Apparel machinery

Although the economic outlook in China remained weak, sales increased year-on-year as a result of, among other things, our response to the efforts by Chinese sewing companies to expand their own overseas factories.

If one looks at Japan and other parts of Asia, the market in South Asia, particularly Bangladesh, continued to show signs of recovery.

In the Americas, companies remained cautious about capital investment given political developments, while sales increased year-on-year.



China

2,521 million yen
YoY change : +55.8%

**Japan
Asia**

5,494 million yen
YoY change : +56.0%

Americas

1,040 million yen
YoY change : +7.6%

Europe

882 million yen
YoY change : Δ 24.0%

- Qty. of units sold : +19.4%
- Average unit price : +17.8%
- (Excluding the effects of foreign exchange : +9.3%)

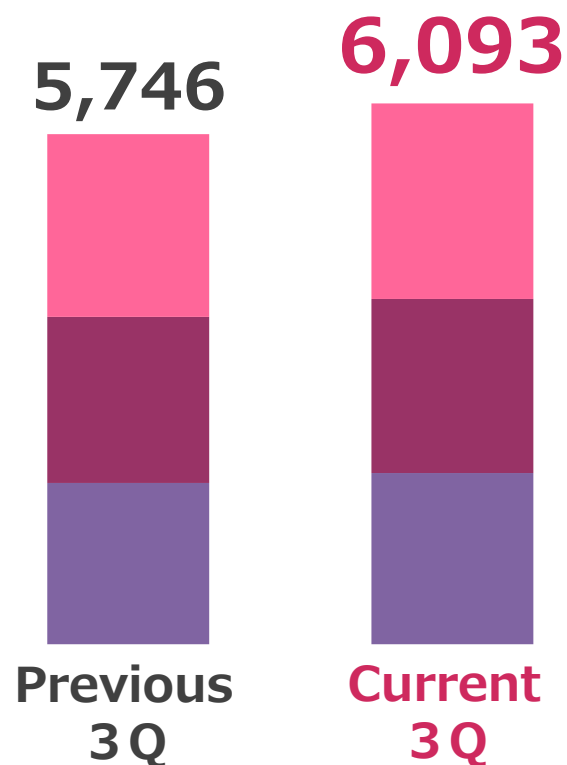
(Million yen: Amounts of less than one million yen are rounded down)

Net Sales by Business and Location



Automotive

Price demands in China were strict, causing sales growth to slow down from the previous year.
In other parts of Asia and the Americas, sales remained solid as we developed new customers and responded to requests from existing customers.



China

2,201 million yen
YoY change : +6.9%

Asia

1,963 million yen
YoY change : +5.0%

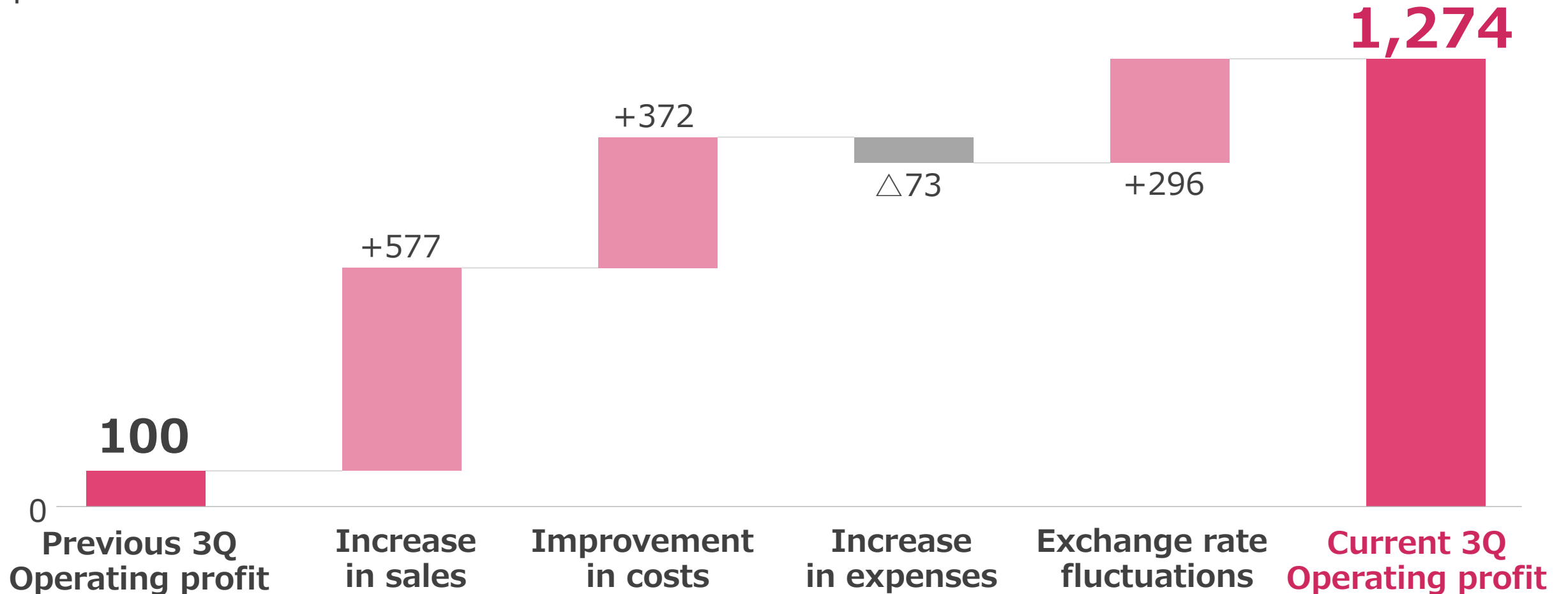
Americas

1,928 million yen
YoY change : +6.1%

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

Changes in Operating Profit

As sales increased, the cost of sales ratio also improved.
In addition, foreign exchange gains due to the weak yen led to an increase in sales and profits.



(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 3Q	Change	Main factors contributing to changes
Current assets	28,078	28,399	+321	<ul style="list-style-type: none"> •Notes and accounts receivable - trade +1,083 •Merchandise and finished goods △568
Non-current assets	14,870	14,242	△628	<ul style="list-style-type: none"> •Property, plant and equipment △283 •Intangible assets +4 •Investments and other assets △349
Total assets	42,949	42,642	△307	

	End of previous year	Current 3Q	Change	Main factors contributing to changes
Current liabilities	8,656	6,828	△1,827	<ul style="list-style-type: none"> •Notes and accounts payable - trade +342 •Short-term borrowings △1,510
Non-current liabilities	3,689	4,726	+1,037	<ul style="list-style-type: none"> •Long-term borrowings +1,190
Net assets	30,603	31,087	+483	<ul style="list-style-type: none"> •Retained earnings +866 •Foreign currency translation adjustment △159
Total liabilities and net assets	42,949	42,642	△307	

Consolidated Financial Position



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

	End of previous year	Current 3 Q
Equity (million yen)	29,607	30,048
Capital adequacy ratio (%)	68.9	70.5

	End of previous year	Current 3 Q
BVPS (yen)	1,193.35	1,211.11
Year-end share price (yen)	535	448
PBR (times)	0.45	0.37

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

	Previous 3 Q	Current 3 Q
Profit attributable to owners of parent (million yen)	△129	990
EPS (yen)	△5.22	39.90

Capital investment・Depreciation・R&D expenses



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

	Previous 3 Q	Current 3 Q	Change
Capital investment	1,903	1,666	△236
Depreciation	832	963	+130
R&D expenses	387	405	+18

<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.	206
Automotive	PEGASUS AUTO PARTS MONTERREY S.A. DE C.V.	Plant expansion and enhancement of production-related facilities	1,182
Automotive	PEGASUS-SHIMAMOTO AUTO PARTS (VIETNAM) CO., LTD.	Enhancement of production-related facilities	128

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 3 Q	Net sales (million yen)	2,521	5,494	1,040	882	9,938
	YoY change (%)	+55.8	+56.0	+7.6	△24.0	+36.7
	YoY change excluding the effects of foreign exchange (%)	+46.2	+44.5	△0.8	△30.3	+26.9
Previous 3 Q	Net sales (million yen)	1,619	3,521	967	1,160	7,267

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

Automotive		China	Asia	Americas	Total
Current 3 Q	Net sales (million yen)	2,201	1,963	1,928	6,093
	YoY change (%)	+6.9	+5.0	+6.1	+6.0
	YoY change excluding the effects of foreign exchange (%)	+0.3	△3.1	△2.2	△1.6
Previous 3 Q	Net sales (million yen)	2,059	1,869	1,818	5,746

Effects of foreign exchange (based on consolidated net sales for 3 Q of 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	—	¥150.62	¥163.86	¥20.95	¥8.47	—	—	—	—
Exchange rates for the previous period	—	¥138.87	¥150.22	¥19.66	¥7.81	—	—	—	—
Difference (yen)	—	11.75	13.64	1.29	0.66	—	—	—	—
Net sales	341	8,156	882	4,722	1,928	16,031	14,881	13,014	+1,866
Ratio (%)	2.1	50.9	5.5	29.5	12.0	100.0	—	—	—
Change in foreign exchange	—	636	73	290	150	1,150	—	—	—
Cost of sales	850	2,557	234	5,436	1,491	10,570	9,900	8,984	+915
Ratio (%)	8.0	24.2	2.2	51.4	14.1	100.0	—	—	—
Change in foreign exchange	—	199	19	334	116	670	—	—	—
Selling and administrative expenses	1,682	1,345	207	740	210	4,187	4,003	3,929	+73
Ratio (%)	40.2	32.1	5.0	17.7	5.0	100.0	—	—	—
Change in foreign exchange	—	104	17	45	16	184	—	—	—
Operating profit	△2,190	4,253	439	△1,454	226	1,274	977	100	+876
Change in foreign exchange	—	331	36	△89	17	296	—	—	—
Cost of sales ratio (%)	—	—	—	—	—	65.9	66.5	69.0	—

(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, 2024)
Sales	17,542.57million yen (From April 1, 2023 to March 31, 2024)
Number of employees	1,498 [consolidated] (as of March, 2024) 204 [non-consolidated] (as of March, 2024)
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

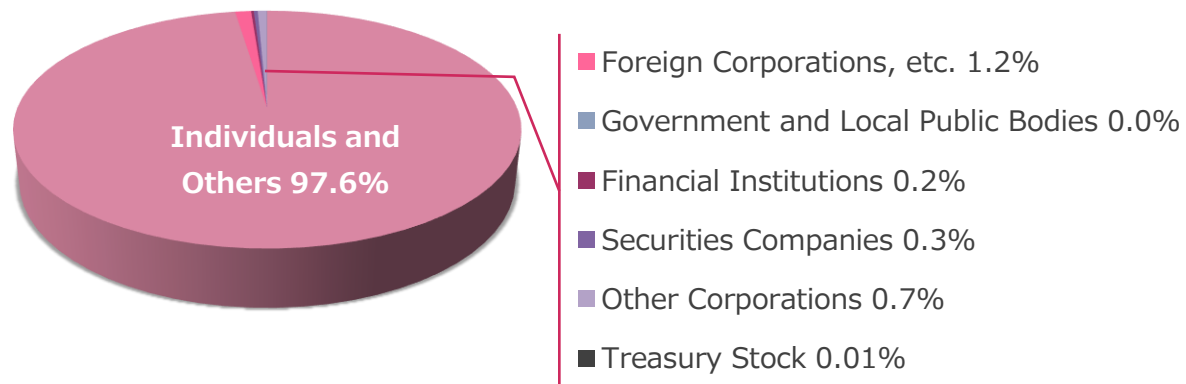
as of September 2024



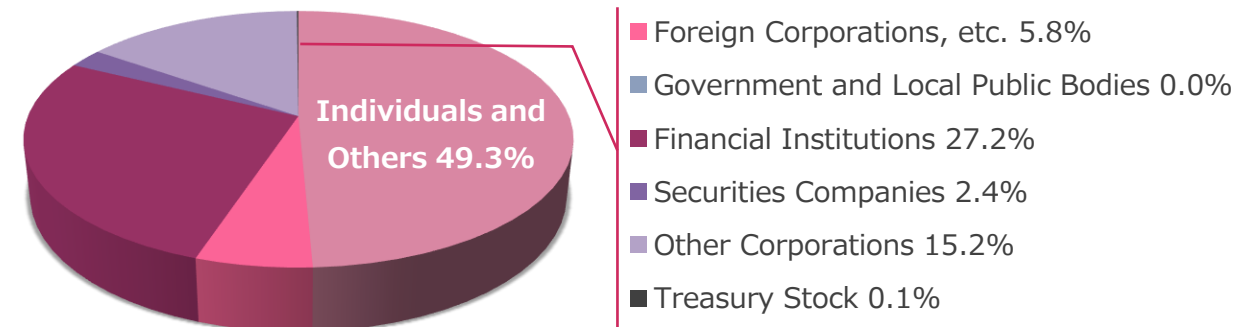
◆Principal Shareholders

Shareholder's Name	Holding Ratio
The Master Trust Bank of Japan Ltd. (Trust Account)	11.32%
Custody Bank of Japan, Ltd. (Trust Account)	10.97%
MIMA Co.,LTD.	6.26%
JUKI CORPORATION	3.50%
Keizo Bando	2.99%
Takako Yoshida	2.86%
Shigemi Mima	2.58%
Sumitomo Mitsui Banking Corporation	2.34%
Masamichi Mima	1.92%
Masako Tamura	1.49%

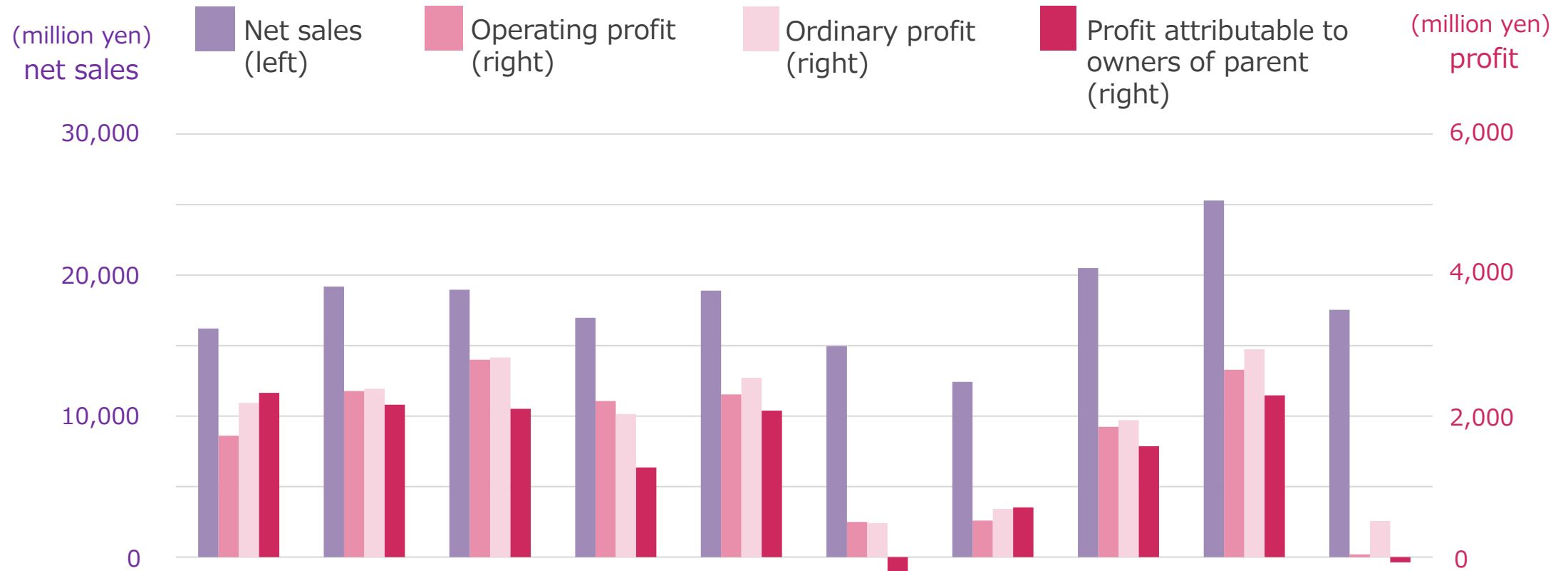
◆Breakdown of Shareholders by Type (%)



◆Breakdown of Shares by Type of Shareholder (%)



Changes in Consolidated Financial Results



	FY3/15	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24
Net sales	16,206	19,188	18,961	16,978	18,891	14,969	12,422	20,498	25,288	17,542
Operating profit	1,723	2,356	2,798	2,212	2,306	499	516	1,847	2,657	38
Ordinary profit	2,189	2,388	2,831	2,030	2,542	484	681	1,941	2,946	512
Profit attributable to owners of parent	2,328	2,160	2,103	1,270	2,079	△206	707	1,572	2,294	△72

(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.

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