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Consolidated Financial Results for the First Half of FY2025 (JGAAP)

(January 1, 2025 – June 30, 2025)

July 29, 2025



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Code Number: 7309

Representative: Taizo Shimano, President

Contact: Takuma Kanai, Senior Executive Officer

Date of filing of semi-annual report to Ministry of Finance: August 7, 2025

Supplemental information: Yes

Financial results briefing: Yes

Stock Exchange: Tokyo, Prime Market

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Scheduled payment date for dividends: September 2, 2025

(Amounts are rounded down to the nearest million yen.)

1. Consolidated financial results for the first half of FY2025 (January 1, 2025 – June 30, 2025)

(1) Consolidated income information (The percentages represent the rates of increase (decrease) compared to the corresponding prior period.)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of parent | |
|----------------------|-------------|--------|------------------|--------|-----------------|--------|---|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| First half of FY2025 | 237,409 | 9.5 | 28,123 | (9.2) | 14,038 | (74.8) | 3,961 | (90.9) |
| First half of FY2024 | 216,887 | (17.6) | 30,955 | (42.6) | 55,625 | (18.7) | 43,704 | (13.2) |

(Note) Comprehensive income First half of FY2025: (12,945) million yen (-%) First half of FY2024: 109,195 million yen (15.4%)

| | Basic earnings per share | Diluted earnings per share |
|----------------------|--------------------------|----------------------------|
| | Yen | Yen |
| First half of FY2025 | 44.90 | — |
| First half of FY2024 | 487.49 | — |

(2) Consolidated balance sheet information

| | Total assets | Net assets | Shareholders' equity ratio |
|----------------------|--------------|-------------|----------------------------|
| | Million yen | Million yen | % |
| First half of FY2025 | 903,793 | 826,763 | 91.4 |
| FY2024 | 958,953 | 883,613 | 92.0 |

(Reference) Shareholders' equity First half of FY2025: 825,765 million yen FY2024: 882,397 million yen

2. Dividend information

| | Dividend per share | | | | |
|-------------------|--------------------|-------------|-------------|----------|--------|
| | 1st Quarter | 2nd Quarter | 3rd Quarter | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| FY2024 | — | 154.50 | — | 154.50 | 309.00 |
| FY2025 | — | 169.50 | — | — | — |
| FY2025 (Forecast) | — | — | — | 169.50 | 339.00 |

(Note) Change in forecasted dividend during the period: None

3. Forecasted consolidated business performance for FY2025 (January 1, 2025 – December 31, 2025)

(The percentages represent the rates of increase (decrease) compared to the corresponding prior period.)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of parent | | Basic earnings per share |
|--------|-------------|-----|------------------|--------|-----------------|--------|---|--------|--------------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| FY2025 | 460,000 | 2.0 | 46,000 | (29.3) | 49,300 | (50.0) | 30,500 | (60.0) | 347.97 |

(Note) Change in forecasted consolidated business performance during the period: Yes

*Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Application of accounting treatment specific to preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

- | | |
|---|------|
| ① Changes in accounting policies in accordance with revision of accounting standards: | Yes |
| ② Changes in accounting policies other than ① above: | None |
| ③ Changes in accounting estimates: | None |
| ④ Retrospective restatement: | None |

(4) Number of shares of common stock issued

| | | | | |
|---|-------------------------|----------------------|-------------------------|----------------------|
| ① Number of shares of common stock issued at period-end (including treasury stock): | First half of FY2025 | 87,710,000 shares | FY2024 | 89,120,000 shares |
| ② Number of shares of treasury stock at period-end: | First half of FY2025 | 58,741 Shares | FY2024 | 54,078 shares |
| ③ Average number of shares during the period (cumulative from the beginning of the fiscal year): | First half of FY2025 | 88,227,448 shares | First half of FY2024 | 89,652,706 shares |

Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

Explanation regarding the appropriate use of forecasts of business performance and other special items

The forecasts of consolidated business performance and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that management believes reasonable and actual business performance may differ materially from those described in such statements due to various factors. For details of assumptions for the forecasts and other related items, please refer to page 4 of the attached document. Shimano Inc. accepts no liability whatsoever for any direct or consequential loss arising from any use of this document.

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1. Overview of Business Results

(1) Overview of Operations for the Period under Review

During the first half of fiscal year 2025, the global economy maintained a moderate recovery. However, the outlook remained uncertain due to the impact of factors such as trade policies around the world, prolonged conflicts in Ukraine and the Middle East, and a slowdown in the Chinese economy.

In Europe, personal consumption was strong as the pressure of inflation subsided, and the economy continued to grow moderately.

In the U.S., the economy showed signs of weakness amid the cooling of consumer sentiment due to changes in trade policies.

In China, the economic recovery remained lackluster, mainly due to the impact of the prolonged recession in the real estate sector and a slump in personal consumption.

In Japan, the economy maintained a moderate recovery, with robust demand from inbound tourists and improvements in the employment and income environment.

In this environment, interest in bicycles and fishing tackle continued, and for the first half of fiscal year 2025, net sales increased 9.5% from the same period of the previous year to 237,409 million yen. Operating income decreased 9.2% to 28,123 million yen, ordinary income decreased 74.8% to 14,038 million yen, partly due to valuation loss on foreign exchange, and net income attributable to owners of parent decreased 90.9% to 3,961 million yen.

Reportable Segment Overview

① Bicycle Components

While the strong interest in bicycles continued as a long-term trend, market inventories remained high in some regions and inventory adjustments continued.

Overseas, in the European market, retail sales of completed bicycles were robust thanks to favorable weather conditions in early spring, and market inventories decreased but still remained at a somewhat high level.

In the North American market, retail sales of completed bicycles remained weak, but market inventories maintained appropriate levels.

In the Asian and Central and South American markets, although retail sales of completed bicycles remained somewhat weak as personal consumption continued to be sluggish, market inventories approached an appropriate level. In the Chinese market, while interest in cycling as a sport remained firm, the adjustment continued in market inventories, which have remained at a somewhat high level.

In the Japanese market, market inventories remained at appropriate levels, but retail sales were sluggish due to the soaring price of completed bicycles.

Under these market conditions, the Shimano Group's products were well received, including XTR, a high-end model of renewed component for mountain bikes, as well as the DEORE XT and DEORE series, and Q'AUTO, which features self-powered automatic gear-shifting system.

As a result, net sales from this segment increased 11.6% from the same period of the previous year to 181,424 million yen, and operating income decreased 2.9% to 23,631 million yen.

② Fishing Tackle

While the interest in fishing tackle continued, sales remained weak but adjustments of market inventories made progress.

In the Japanese market, although adjustments of market inventories progressed, sales remained weak due to a slump in personal consumption as a result of price hikes.

Overseas, in the North American market, sales remained at the same level as the previous year and market inventories remained at an appropriate level.

In the European market, sales were strong, helped by favorable weather, and market inventories maintained an appropriate level.

In the Asian market, inventory adjustments showed signs of easing mainly in China, and sales were firm.

In the Australian market, sales were strong and market inventories remained at an appropriate level, supported by stable fishing conditions.

Under these market conditions, the new spinning reels ULTEGRA and the new baitcasting reels ANTARES were well-received in the market. In addition, order-taking continued to be brisk for the baitcasting reels METANIUM DC and the rods EXPRIDE.

As a result, net sales from this segment increased 3.1% from the same period of the previous year to 55,751 million yen, and operating income decreased 32.4% to 4,493 million yen.

③ Others

Net sales from this segment increased 4.9% from the same period of the previous year to 233 million yen and operating loss of 1 million yen was recorded, following an operating loss of 24 million yen for the same period of the previous year.

(2) Overview of Financial Position for the Period under Review

Assets, Liabilities and Net Assets

Total assets as of the end of the first half of fiscal year 2025 amounted to 903,793 million yen, a decrease of 55,159 million yen compared with the figure as of the previous fiscal year-end. The principal factors included an increase of 10,112 million yen in construction in progress, an increase of 6,450 million yen in notes and accounts receivable-trade, an increase of 1,321 million yen in investment securities, a decrease of 70,535 million yen in cash and time deposits, a decrease of 2,150 million yen in machinery and vehicles, and a decrease of 1,235 million yen in raw materials and supplies.

Total liabilities amounted to 77,030 million yen, an increase of 1,690 million yen compared with the figure as of the previous fiscal year-end. The principal factors included an increase of 3,037 million yen in others under current liabilities, an increase of 630 million yen in accounts payable-trade, a decrease of 886 million yen in deferred income taxes, a decrease of 681 million yen in accrued employee bonuses, and a decrease of 657 million yen in provision for product warranties under long-term liabilities.

Net assets amounted to 826,763 million yen, a decrease of 56,850 million yen compared with the figure as of the previous fiscal year-end. The principal factors included a decrease of 39,694 million yen in retained earnings and a decrease of 17,601 million yen in foreign currency translation adjustments.

Cash Flows

As of the end of the first half of fiscal year 2025, cash and cash equivalents amounted to 458,743 million yen, a decrease of 71,566 million yen compared with the figure as of the previous fiscal year-end.

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to 31,512 million yen compared with 52,458 million yen provided for the same period of the previous year. The main cash inflows included foreign exchange losses (gains) amounting to 19,957 million yen, income before income taxes amounting to 14,017 million yen, depreciation and amortization amounting to 13,087 million yen, and interest and dividend income received amounting to 10,043 million yen. The main cash outflows included income taxes paid amounting to 10,522 million yen, interest and dividend income amounting to 9,269 million yen, and notes and accounts receivable amounting to 7,141 million yen.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to 26,720 million yen compared with 15,845 million yen used for the same period of the previous year. The main cash outflows included acquisition of property, plant and equipment amounting to 20,636 million yen and acquisition of intangible assets amounting to 4,328 million yen.

(Cash Flows from Financing Activities)

Net cash used in financing activities amounted to 44,503 million yen compared with 29,393 million yen used for the same period of the previous year. The main cash outflows included acquisition of treasury stock amounting to 30,019 million yen and cash dividends to shareholders amounting to 13,756 million yen.

(3) Forecast for the Fiscal Year Ending December 31, 2025

The consolidated business performance forecasts for fiscal year 2025 have been revised as shown below in light of the anticipated continuation of inventory adjustments in the Chinese market, leading to expected drop in profit margin due to an increase in expenses in a phase of production adjustments at factories, and an increase in non-operating expenses including foreign exchange losses associated with the appreciation of Asian currencies caused by the weaker U.S. dollar in the first half of fiscal year 2025.

Revisions to consolidated business performance forecast figures for the FY2025 (January 1, 2025 – December 31, 2025)

| | Net sales | Operating income | Ordinary income | Net income attributable to owners of parent | Basic earnings per share |
|------------------------------|-------------|------------------|-----------------|---|--------------------------|
| | Million yen | Million yen | Million yen | Million yen | Yen |
| Previous forecast (A) | 470,000 | 70,000 | 88,250 | 63,800 | 722.68 |
| Revised forecast (B) | 460,000 | 46,000 | 49,300 | 30,500 | 347.97 |
| Difference (B-A) | (10,000) | (24,000) | (38,950) | (33,300) | |
| Change (%) | (2.1) | (34.3) | (44.1) | (52.2) | |
| Full year results for FY2024 | 450,993 | 65,085 | 98,674 | 76,329 | 853.36 |

The Company considers the return of earnings to shareholders to be one of the most important issues for management. The Company's basic policy is to continue providing stable returns reflecting overall business performance and strategy. Pursuant to this policy, the Company will strive to improve shareholder returns to reach a total return ratio of at least 50%, by continuing to enhance dividends and engaging in acquisitions of treasury stock on a flexible, ongoing basis.

In accordance with the above policy, as announced in February 2025 (forecast), the Company decided to pay out interim cash dividends of 169.50 yen per share for fiscal year 2025, an increase of 15 yen per share from the same period of the previous year. In addition, the year-end cash dividends will also be 169.50 yen per share, resulting in the cash dividends forecast for the full year of fiscal year 2025 amounting to 339 yen per share.

2. Consolidated Financial Statements and Primary Notes**(1) Consolidated Balance Sheets**

| | (Millions of yen) | |
|-------------------------------------|-------------------------------|---|
| | FY2024 As of Dec. 31, 2024 | First half of FY2025 As of Jun. 30, 2025 |
| Assets | | |
| Current assets | | |
| Cash and time deposits | 534,045 | 463,510 |
| Notes and accounts receivable-trade | 39,902 | 46,352 |
| Merchandise and finished goods | 73,683 | 74,497 |
| Work in process | 39,044 | 38,770 |
| Raw materials and supplies | 7,914 | 6,679 |
| Others | 17,265 | 17,858 |
| Allowance for doubtful accounts | (395) | (447) |
| Total current assets | 711,461 | 647,222 |
| Fixed assets | | |
| Property, plant and equipment | | |
| Buildings and structures (net) | 80,844 | 79,924 |
| Machinery and vehicles (net) | 31,176 | 29,025 |
| Land | 15,117 | 15,469 |
| Leased assets (net) | 5,649 | 5,498 |
| Construction in progress | 44,624 | 54,737 |
| Others (net) | 5,297 | 5,911 |
| Total property, plant and equipment | 182,708 | 190,566 |
| Intangible assets | | |
| Goodwill | 1,661 | 1,509 |
| Software | 13,424 | 14,022 |
| Others | 9,874 | 10,277 |
| Total intangible assets | 24,960 | 25,809 |
| Investments and other assets | | |
| Investment securities | 25,892 | 27,213 |
| Deferred income taxes | 8,382 | 8,406 |
| Net defined benefit asset | 2,900 | 2,501 |
| Others | 3,097 | 2,520 |
| Allowance for doubtful accounts | (450) | (448) |
| Total investments and other assets | 39,822 | 40,194 |
| Total fixed assets | 247,491 | 256,570 |
| Total assets | 958,953 | 903,793 |

| | (Millions of yen) | |
|--|-------------------------------|---|
| | FY2024 As of Dec. 31, 2024 | First half of FY2025 As of Jun. 30, 2025 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable-trade | 16,111 | 16,741 |
| Income taxes payable | 9,803 | 9,877 |
| Accrued employee bonuses | 3,479 | 2,797 |
| Accrued officer bonuses | 160 | 80 |
| Provision for product warranties | 1,173 | 1,421 |
| Others | 25,074 | 28,111 |
| Total current liabilities | 55,802 | 59,029 |
| Long-term liabilities | | |
| Deferred income taxes | 3,018 | 2,131 |
| Net defined benefit liability | 1,310 | 1,315 |
| Provision for product warranties | 12,151 | 11,493 |
| Others | 3,057 | 3,059 |
| Total long-term liabilities | 19,537 | 18,000 |
| Total liabilities | 75,339 | 77,030 |
| Net assets | | |
| Shareholders' equity | | |
| Common stock | 35,613 | 35,613 |
| Capital surplus | 5,640 | 5,640 |
| Retained earnings | 675,370 | 635,676 |
| Treasury stock | (1,186) | (1,245) |
| Total shareholders' equity | 715,438 | 675,685 |
| Accumulated other comprehensive income | | |
| Unrealized gain (loss) on other securities | 7,139 | 7,861 |
| Foreign currency translation adjustments | 159,819 | 142,218 |
| Total accumulated other comprehensive income | 166,958 | 150,079 |
| Non-controlling interests | 1,215 | 998 |
| Total net assets | 883,613 | 826,763 |
| Total liabilities and net assets | 958,953 | 903,793 |

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

| | First half of FY2024 Jan. 1, 2024 to Jun. 30, 2024 | First half of FY2025 Jan. 1, 2025 to Jun. 30, 2025 |
|--|--|--|
| Net sales | 216,887 | 237,409 |
| Cost of sales | 132,949 | 150,772 |
| Gross profit | 83,937 | 86,636 |
| Selling, general and administrative expenses | 52,981 | 58,513 |
| Operating income | 30,955 | 28,123 |
| Non-operating income | | |
| Interest income | 12,027 | 8,673 |
| Dividend income | 346 | 596 |
| Foreign exchange gains | 13,096 | — |
| Others | 422 | 573 |
| Total non-operating income | 25,893 | 9,842 |
| Non-operating expenses | | |
| Interest expenses | 53 | 53 |
| Contribution | 525 | 601 |
| Foreign exchange losses | — | 21,690 |
| Voluntary recall expenses | 258 | 206 |
| Others | 385 | 1,376 |
| Total non-operating expenses | 1,222 | 23,927 |
| Ordinary income | 55,625 | 14,038 |
| Extraordinary losses | | |
| Loss on factory reconstruction | 63 | 20 |
| Total extraordinary losses | 63 | 20 |
| Income before income taxes | 55,562 | 14,017 |
| Income taxes-current | 12,173 | 10,839 |
| Income taxes-deferred | (481) | (803) |
| Total income taxes | 11,691 | 10,036 |
| Net income | 43,870 | 3,981 |
| Net income attributable to non-controlling interests | 166 | 20 |
| Net income attributable to owners of parent | 43,704 | 3,961 |

Consolidated Statements of Comprehensive Income

| | (Millions of yen) | |
|--|----------------------|----------------------|
| | First half of FY2024 | First half of FY2025 |
| | Jan. 1, 2024 to | Jan. 1, 2025 to |
| | Jun. 30, 2024 | Jun. 30, 2025 |
| Net income | 43,870 | 3,981 |
| Other comprehensive income | | |
| Unrealized gain (loss) on other securities | 2,404 | 722 |
| Foreign currency translation adjustments | 62,920 | (17,649) |
| Total other comprehensive income | 65,324 | (16,927) |
| Comprehensive income | 109,195 | (12,945) |
| (Breakdown) | | |
| Comprehensive income attributable to owners of parent | 108,952 | (12,917) |
| Comprehensive income attributable to non-controlling interests | 242 | (28) |

(3) Consolidated Statements of Cash Flows

| | (Millions of yen) | |
|--|----------------------|----------------------|
| | First half of FY2024 | First half of FY2025 |
| | Jan. 1, 2024 to | Jan. 1, 2025 to |
| | Jun. 30, 2024 | Jun. 30, 2025 |
| Cash flows from operating activities: | | |
| Income before income taxes | 55,562 | 14,017 |
| Depreciation and amortization | 12,645 | 13,087 |
| Loss on free inspection | 1,511 | 623 |
| Interest and dividend income | (12,373) | (9,269) |
| Interest expenses | 53 | 53 |
| Foreign exchange losses (gains) | (9,620) | 19,957 |
| Notes and accounts receivable | (8,006) | (7,141) |
| Inventories | 5,105 | (2,048) |
| Accounts payable | 3,837 | 1,049 |
| Net defined benefit asset | 204 | 398 |
| Net defined benefit liability | 35 | 73 |
| Loss on factory reconstruction | 63 | 20 |
| Provision for product warranties | (1,618) | 280 |
| Loss on sales and disposal of property, plant and equipment | 22 | 23 |
| Accrued bonuses | 2,325 | 2,628 |
| Others, net | (2,094) | (1,168) |
| Subtotal | 47,653 | 32,585 |
| Interest and dividend income received | 13,172 | 10,043 |
| Loss on free inspection paid | (1,418) | (541) |
| Interest expenses paid | 2 | (53) |
| Income taxes paid | (6,951) | (10,522) |
| Net cash provided by operating activities | 52,458 | 31,512 |
| Cash flows from investing activities: | | |
| Purchases of time deposits | (1,601) | (2,363) |
| Proceeds from maturities of time deposits | 9,659 | 1,108 |
| Acquisition of property, plant and equipment | (19,253) | (20,636) |
| Acquisition of intangible assets | (4,738) | (4,328) |
| Payments for loss on factory reconstruction | (77) | (21) |
| Others, net | 164 | (478) |
| Net cash used in investing activities | (15,845) | (26,720) |
| Cash flows from financing activities: | | |
| Repayments of lease obligations | (600) | (641) |
| Acquisition of treasury stock | (16,009) | (30,019) |
| Cash dividends to shareholders | (12,829) | (13,756) |
| Cash dividends to non-controlling shareholders | (8) | (151) |
| Others, net | 55 | 65 |
| Net cash used in financing activities | (29,393) | (44,503) |
| Effect of exchange rate changes on cash and cash equivalents | 55,150 | (31,854) |
| Net increase (decrease) in cash and cash equivalents | 62,371 | (71,566) |
| Cash and cash equivalents at beginning of year | 481,982 | 530,310 |
| Cash and cash equivalents at end of year | 544,353 | 458,743 |

(4) Notes relating to Consolidated Financial Statements

(Note concerning Assumption of Going Concern)

Not applicable.

(Note on Significant Change in the Amount of Shareholders' Equity)

(Acquisition of treasury stock)

The Company acquired 1,417,700 shares of common stock from February 13, 2025 to June 30, 2025 through market purchases, including Off-auction Own Share Repurchase Trading (ToSTNeT-3) on the Tokyo Stock Exchange, based on the resolution of the Board of Directors meeting held on February 12, 2025. As a result, treasury stock increased by 30,016 million yen during the first half of fiscal year 2025, including the increase due to acquisition of fractional shares.

(Cancellation of treasury stock)

The Company canceled 1,410,000 shares of treasury stock on May 1, 2025 based on the resolution of the Board of Directors meeting held on April 23, 2025. As a result, retained earnings and treasury stock decreased by 29,892 million yen and 29,892 million yen, respectively, during the first half of fiscal year 2025.

(Note on Changes in Accounting Policies)

(“Application of Accounting Standard for Current Income Taxes,” etc.)

The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”) from the beginning of the first half of fiscal year 2025.

Revisions to categories for recording current income taxes, etc. (taxation on other comprehensive income), conform to the transitional treatment set forth in the proviso to Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso to Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “Revised Guidance 2022”). This change in accounting policies has no impact on the semi-annual consolidated financial statements.

In addition, for amendments related to the revised accounting treatment for consolidated financial statements when gains or losses on the sale of shares, etc. in subsidiaries resulting from transactions between consolidated subsidiaries are deferred for tax purposes, the Revised Guidance 2022 has been applied from the beginning of the first half of fiscal year 2025. This change in accounting policies is applied retrospectively, and the semi-annual consolidated financial statements for the first half of the previous fiscal year and the consolidated financial statements for the previous fiscal year reflect the retroactive application.

This change in accounting policies has no impact on the semi-annual consolidated financial statements for the first half of the previous fiscal year or on the consolidated financial statements for the previous fiscal year.

(Note on Segment Information)

First half of FY2024 (Jan. 1, 2024 – Jun. 30, 2024)

Information on net sales and income (loss) by reportable segment and disaggregation of revenue

(Millions of yen)

| | Reportable Segment | | | | Adjustment | Consolidated statements of income |
|---|--------------------|----------------|--------|---------|------------|-----------------------------------|
| | Bicycle Components | Fishing Tackle | Others | Total | | |
| Net sales | | | | | | |
| Goods to be transferred at a point in time | 162,594 | 54,069 | 222 | 216,887 | — | 216,887 |
| Goods to be transferred over a period of time | — | — | — | — | — | — |
| Revenue from contracts with customers | 162,594 | 54,069 | 222 | 216,887 | — | 216,887 |
| Third parties | 162,594 | 54,069 | 222 | 216,887 | — | 216,887 |
| Inter-segment | — | — | — | — | — | — |
| Total | 162,594 | 54,069 | 222 | 216,887 | — | 216,887 |
| Segment income (loss) | 24,328 | 6,651 | (24) | 30,955 | — | 30,955 |

Notes: 1. There is no difference between total segment income (loss) and operating income in the consolidated statements of income.

2. Net sales includes revenue from contracts with customers and other revenue; however, most of the revenue is generated from contracts with customers, therefore other revenue is not deemed important and is thus not displayed separately.

First half of FY2025 (Jan. 1, 2025 – Jun. 31, 2025)

Information on net sales and income (loss) by reportable segment and disaggregation of revenue

(Millions of yen)

| | Reportable Segment | | | | Adjustment | Consolidated statements of income |
|---|--------------------|----------------|--------|---------|------------|-----------------------------------|
| | Bicycle Components | Fishing Tackle | Others | Total | | |
| Net sales | | | | | | |
| Goods to be transferred at a point in time | 181,424 | 55,751 | 233 | 237,409 | — | 237,409 |
| Goods to be transferred over a period of time | — | — | — | — | — | — |
| Revenue from contracts with customers | 181,424 | 55,751 | 233 | 237,409 | — | 237,409 |
| Third parties | 181,424 | 55,751 | 233 | 237,409 | — | 237,409 |
| Inter-segment | — | — | — | — | — | — |
| Total | 181,424 | 55,751 | 233 | 237,409 | — | 237,409 |
| Segment income (loss) | 23,631 | 4,493 | (1) | 28,123 | — | 28,123 |

Notes: 1. There is no difference between total segment income (loss) and operating income in the consolidated statements of income.

2. Net sales includes revenue from contracts with customers and other revenue; however, most of the revenue is generated from contracts with customers, therefore other revenue is not deemed important and is thus not displayed separately.