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Consolidated Financial Results for the First Nine Months of FY2025 (JGAAP)

(January 1, 2025 – September 30, 2025)

October 28, 2025



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Supplemental information: Yes
Financial results briefing: No

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

1. Consolidated financial results for the first nine months of FY2025 (January 1, 2025 – September 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 nine months of FY2025	351,020	4.8	36,565	(27.8)	30,248	(48.1)	16,105	(61.0)
First nine months of FY2024	334,879	(10.8)	50,651	(29.7)	58,262	(39.4)	41,343	(31.3)

(Note) Comprehensive income First nine months of FY2025: 13,050 million yen (-80.0%) First nine months of FY2024: 65,204 million yen (-44.3%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
First nine months of FY2025	183.16	—
First nine months of FY2024	461.71	—

(2) Consolidated balance sheet information

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
First nine months of FY2025	897,224	825,584	91.9
FY2024	958,953	883,613	92.0

(Reference) Shareholders' equity First nine months of FY2025: 824,474 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)	350.88

(Note) Change in forecasted consolidated business performance during the period: None

*Notes

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

(2) Application of accounting treatment specific to preparation of quarterly 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):
- ② Number of shares of treasury stock at period-end:
- ③ Average number of shares during the period
(cumulative from the beginning of the fiscal year):

First nine months of FY2025	87,710,000 shares	FY2024	89,120,000 shares
First nine months of FY2025	786,606 Shares	FY2024	54,078 shares
First nine months of FY2025	87,933,694 shares	First nine months of FY2024	89,543,816 shares

Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

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 3 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 nine months of fiscal year 2025, the global economy remained firm. However, views on the economic outlook continued to be cautious due to changes in trade policies around the world and rising geopolitical risks caused by prolonged international conflicts.

In Europe, personal consumption remained strong as the income environment improved and inflation subsided, and the economy continued to grow moderately.

In the U.S., the economy showed signs of deceleration amid the cooling of consumer sentiment due to rising prices stemming from tariff hikes and a slowdown in the labor market.

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, although price hikes dragged down personal consumption, the economy followed a gradual recovery trend, supported by robust demand from inbound tourists and improvements in the income environment.

In this environment, interest in bicycles and fishing tackle continued, and for the first nine months of fiscal year 2025, net sales increased 4.8% from the same period of the previous year to 351,020 million yen. Operating income decreased 27.8% to 36,565 million yen, ordinary income decreased 48.1% to 30,248 million yen, partly due to valuation loss on foreign exchange, and net income attributable to owners of parent decreased 61.0% to 16,105 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 progressed in line with market trends in each region.

Overseas, in the European market, retail sales of completed bicycles were robust backed by stable weather conditions, but market inventories remained at a somewhat high level.

In the North American market, retail sales of completed bicycles remained weak due to an uncertain economic outlook, but market inventories maintained appropriate levels.

In the Asian, Central and South American and Oceanian markets, although retail sales of completed bicycles remained somewhat weak due to the cooling of consumer sentiment, market inventories improved to an appropriate level overall. On the other hand, in the Chinese market where retail sales for cycling as a sport remained lackluster, market inventories remained at a high level.

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

Under these market conditions, the Shimano Group's products were well received, including XTR, the flagship model in our components for mountain bikes, as well as the DEORE XT and DEORE series, and Q'AUTO, which features self-powered automatic gear-shifting function.

As a result, net sales from this segment increased 4.9% from the same period of the previous year to 266,243 million yen, and operating income decreased 27.0% to 30,161 million yen.

② Fishing Tackle

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

In the Japanese market, while adjustments of market inventories progressed, sales remained lackluster due to a decline in consumer sentiment as affected by price hikes and extreme heat.

Overseas, in the North American market, sales remained strong, supported by favorable offshore fishing conditions mainly in the West Coast and the Northeast areas, and market inventories remained at an appropriate level.

In the European market, sales were strong thanks to stable weather conditions, as well as favorable market conditions in Eastern Europe, and market inventories maintained an appropriate level.

In the Asian market, sales were strong and inventory adjustments made progress, as demand for high-priced reels was firm mainly in the Chinese market.

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 reel STELLA SW was well-received in the market. In addition, order-taking was brisk for POISON ULTIMA, the pinnacle of our POISON bass rod series.

As a result, net sales from this segment increased 4.6% from the same period of the previous year to 84,435 million yen, and operating income decreased 31.2% to 6,409 million yen.

③ Others

Net sales from this segment increased 4.5% from the same period of the previous year to 342 million yen and operating loss of 6 million yen was recorded, following an operating loss of 14 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 nine months of fiscal year 2025 amounted to 897,224 million yen, a decrease of 61,728 million yen compared with the figure as of the previous fiscal year-end. The principal factors included an increase of 11,742 million yen in construction in progress, an increase of 4,471 million yen in investment securities, an increase of 3,538 million yen in merchandise and finished goods, and a decrease of 79,896 million yen in cash and time deposits.

Total liabilities amounted to 71,639 million yen, a decrease of 3,699 million yen compared with the figure as of the previous fiscal year-end. The principal factors included an increase of 1,477 million yen in others under current liabilities, an increase of 1,278 million yen in accrued employee bonuses, and a decrease of 4,237 million yen in income taxes payable.

Net assets amounted to 825,584 million yen, a decrease of 58,028 million yen compared with the figure as of the previous fiscal year-end. The principal factors included a decrease of 42,406 million yen in retained earnings and a decrease of 12,056 million yen in acquisition of treasury stock.

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

The consolidated business performance forecasts for fiscal year 2025 remain unchanged from the figures disclosed at the announcement of the financial results for the first half of fiscal year 2025 (dated July 29, 2025).

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

	(Millions of yen)	
	FY2024 As of Dec. 31, 2024	First nine months of FY2025 As of Sep. 30, 2025
Assets		
Current assets		
Cash and time deposits	534,045	454,149
Notes and accounts receivable-trade	39,902	41,749
Merchandise and finished goods	73,683	77,222
Work in process	39,044	37,630
Raw materials and supplies	7,914	6,636
Others	17,265	17,539
Allowance for doubtful accounts	(395)	(460)
Total current assets	711,461	634,467
Fixed assets		
Property, plant and equipment		
Buildings and structures (net)	80,844	79,362
Machinery and vehicles (net)	31,176	30,747
Land	15,117	15,439
Leased assets (net)	5,649	5,411
Construction in progress	44,624	56,366
Others (net)	5,297	5,893
Total property, plant and equipment	182,708	193,221
Intangible assets		
Goodwill	1,661	1,467
Software	13,424	12,912
Others	9,874	13,154
Total intangible assets	24,960	27,535
Investments and other assets		
Investment securities	25,892	30,364
Deferred income taxes	8,382	6,934
Net defined benefit asset	2,900	2,579
Others	3,097	2,602
Allowance for doubtful accounts	(450)	(480)
Total investments and other assets	39,822	42,001
Total fixed assets	247,491	262,757
Total assets	958,953	897,224

	(Millions of yen)	
	FY2024 As of Dec. 31, 2024	First nine months of FY2025 As of Sep. 30, 2025
Liabilities		
Current liabilities		
Accounts payable-trade	16,111	15,574
Income taxes payable	9,803	5,565
Accrued employee bonuses	3,479	4,757
Accrued officer bonuses	160	128
Provision for product warranties	1,173	1,234
Others	25,074	26,551
Total current liabilities	55,802	53,811
Long-term liabilities		
Deferred income taxes	3,018	2,118
Net defined benefit liability	1,310	1,352
Provision for product warranties	12,151	11,313
Others	3,057	3,043
Total long-term liabilities	19,537	17,828
Total liabilities	75,339	71,639
Net assets		
Shareholders' equity		
Common stock	35,613	35,613
Capital surplus	5,640	5,324
Retained earnings	675,370	632,963
Treasury stock	(1,186)	(13,242)
Total shareholders' equity	715,438	660,659
Accumulated other comprehensive income		
Unrealized gain (loss) on other securities	7,139	9,965
Foreign currency translation adjustments	159,819	153,849
Total accumulated other comprehensive income	166,958	163,814
Non-controlling interests	1,215	1,110
Total net assets	883,613	825,584
Total liabilities and net assets	958,953	897,224

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	First nine months of FY2024 Jan. 1, 2024 to Sep. 30, 2024	First nine months of FY2025 Jan. 1, 2025 to Sep. 30, 2025
Net sales	334,879	351,020
Cost of sales	204,402	226,221
Gross profit	130,476	124,799
Selling, general and administrative expenses	79,825	88,233
Operating income	50,651	36,565
Non-operating income		
Interest income	17,653	12,854
Dividend income	481	723
Others	1,442	961
Total non-operating income	19,577	14,539
Non-operating expenses		
Interest expenses	80	79
Foreign exchange losses	9,037	18,387
Others	2,849	2,389
Total non-operating expenses	11,966	20,856
Ordinary income	58,262	30,248
Extraordinary losses		
Loss on factory reconstruction	66	141
Total extraordinary losses	66	141
Income before income taxes	58,196	30,107
Income taxes-current	16,446	14,076
Income taxes-deferred	211	(174)
Total income taxes	16,658	13,902
Net income	41,538	16,204
Net income attributable to non-controlling interests	195	98
Net income attributable to owners of parent	41,343	16,105

Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	First nine months of FY2024 Jan. 1, 2024 to Sep. 30, 2024	First nine months of FY2025 Jan. 1, 2025 to Sep. 30, 2025
Net income	41,538	16,204
Other comprehensive income		
Unrealized gain (loss) on other securities	960	2,826
Foreign currency translation adjustments	22,705	(5,980)
Total other comprehensive income	23,666	(3,153)
Comprehensive income	65,204	13,050
(Breakdown)		
Comprehensive income attributable to owners of parent	65,126	12,961
Comprehensive income attributable to non-controlling interests	78	89

(3) 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 2,145,500 shares of common stock from February 13, 2025 to September 30, 2025 through market purchases, including Off-auction Own Share Repurchase Trading (ToSTNeT-3) on the Tokyo Stock Exchange, based on the resolutions of the Board of Directors meetings held on February 12, 2025 and August 19, 2025. As a result, treasury stock increased by 42,016 million yen during the first nine months 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 nine months 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 quarter 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 quarterly 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 quarter of fiscal year 2025. This change in accounting policies is applied retrospectively, and the quarterly consolidated financial statements for the same quarter 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 quarterly consolidated financial statements for the same quarter of the previous fiscal year or on the consolidated financial statements for the previous fiscal year.

(Note on Segment Information)

First nine months of FY2024 (Jan. 1, 2024 – Sep. 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	253,861	80,690	327	334,879	—	334,879
Goods to be transferred over a period of time	—	—	—	—	—	—
Revenue from contracts with customers	253,861	80,690	327	334,879	—	334,879
Third parties	253,861	80,690	327	334,879	—	334,879
Inter-segment	—	—	—	—	—	—
Total	253,861	80,690	327	334,879	—	334,879
Segment income (loss)	41,342	9,323	(14)	50,651	—	50,651

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 nine months of FY2025 (Jan. 1, 2025 – Sep. 30, 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	266,243	84,435	342	351,020	—	351,020
Goods to be transferred over a period of time	—	—	—	—	—	—
Revenue from contracts with customers	266,243	84,435	342	351,020	—	351,020
Third parties	266,243	84,435	342	351,020	—	351,020
Inter-segment	—	—	—	—	—	—
Total	266,243	84,435	342	351,020	—	351,020
Segment income (loss)	30,161	6,409	(6)	36,565	—	36,565

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.

(Note on Statements of Cash Flows)

The consolidated statements of cash flows for the first nine months of fiscal year 2025 have not been prepared. Depreciation and amortization (including amortization related to intangible assets other than goodwill) for the first nine months of fiscal year 2025 are as follows:

	(Millions of yen)	
	First nine months of FY2024 Jan. 1, 2024 to Sep. 30, 2024	First nine months of FY2025 Jan. 1, 2025 to Sep. 30, 2025
Depreciation and amortization	18,452	19,742