Consolidated Financial Results for the First Quarter of FY2026 (JGAAP)

(January 1, 2026 –March 31, 2026)

April 23, 2026

Company Name:	Shimano Inc.	Stock Exchange: Tokyo, Prime Market
Code Number:	7309	URL: https://www.shimano.com
Representative:	Taizo Shimano, President	
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Scheduled payment date for dividends: –
Supplemental information: Yes
Financial results briefing: No

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

1. Consolidated financial results for the first quarter of FY2026 (January 1, 2026 – March 31, 2026)

(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 quarter of FY2026	117,644	3.6	10,400	(35.6)	14,885	(3.4)	12,814	30.9
First quarter of FY2025	113,539	12.9	16,142	20.3	15,404	(46.6)	9,786	(58.7)

(Note) Comprehensive income First quarter of FY2026: 20,158 million yen (–%) First quarter of FY2025: (16,151) million yen (–%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
First quarter of FY2026	148.45	–
First quarter of FY2025	110.20	–

(2) Consolidated balance sheet information

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
First quarter of FY2026	937,382	867,990	92.4
FY2025	938,250	869,501	92.5

(Reference) Shareholders' equity First quarter of FY2026: 866,600 million yen FY2025: 868,256 million yen

2. Dividend information

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2025	–	169.50	–	169.50	339.00
FY2026	–				
FY2026 (Forecast)		181.50	–	181.50	363.00

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

3. Forecasted consolidated business performance for FY2026 (January 1, 2026 – December 31, 2026)

(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
First half of FY2026	227,000	(4.4)	24,000	(14.7)	29,300	108.7	24,000	505.8	278.96
FY2026	467,000	0.2	47,000	(9.1)	53,300	13.3	42,000	23.6	488.19

(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 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: None
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 quarter of FY2026	86,530,000 shares	FY2025	86,530,000 shares
② Number of shares of treasury stock at period-end:	First quarter of FY2026	497,159 shares	FY2025	64,521 shares
③ Average number of shares during the period (cumulative from the beginning of the fiscal year):	First quarter of FY2026	86,321,254 shares	First quarter of FY2025	88,804,651 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 quarter of fiscal year 2026, the global economy generally maintained a solid growth trajectory. However, views on the economic outlook continued to be cautious against a backdrop of regional disparities in business sentiment, trends in trade policies, and rising energy prices caused by escalating tensions in the Middle East.

In Europe, personal consumption remained strong due to a favorable employment and income environment, and the economy maintained a moderate recovery trend, mainly driven by domestic demand.

In the U.S., the previously strong economy came to a standstill amid lackluster personal consumption due to price increases resulting from tariff policies, despite signs of recovery in the employment environment.

In China, the economy remained weak due to the prolonged slump in the real estate sector and a slowdown in personal consumption.

In Japan, although rising energy prices posed a risk to the economic outlook, continued improvements in the income environment underpinned personal consumption, and the economy maintained moderate growth.

In this environment, demand for bicycles and fishing tackle continued to be weak, and for the first quarter of fiscal year 2026, net sales increased 3.6% from the same period of the previous year to 117,644 million yen. Operating income decreased 35.6% to 10,400 million yen, ordinary income decreased 3.4% to 14,885 million yen, and net income attributable to owners of parent increased 30.9% to 12,814 million yen.

Reportable Segment Overview

① Bicycle Components

While the strong interest in bicycles continued as a long-term trend, adjustments of market inventories made gradual progress, despite regional differences.

Overseas, in the European market, retail sales of completed bicycles were somewhat weak with the onset of the winter off-peak season, and market inventories remained at a somewhat high level.

In the North American market, while retail sales of completed bicycles remained weak due to an uncertain economic outlook, market inventories remained at an appropriate level.

In the Asian and Central and South American markets, retail sales of completed bicycles remained weak against the backdrop of lackluster personal consumption, and market inventories remained somewhat high. In addition, in the Chinese market, while interest in cycling as a sport remained firm, retail sales stagnated, and market inventories remained at a somewhat high level.

In the Oceanian market, retail sales remained strong, and market inventories maintained appropriate levels.

In the Japanese market, retail sales remained weak due to the soaring price of completed bicycles and rising prices, but market inventories maintained appropriate levels.

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

As a result, net sales from this segment decreased 0.7% from the same period of the previous year to 87,361 million yen, and operating income decreased 46.3% to 7,792 million yen.

② Fishing Tackle

Interest in fishing tackle remained firm, sales remained robust overall, and market inventories maintained appropriate levels.

In the Japanese market, although sales were lackluster amid a slump in personal consumption resulting from rising prices, adjustments of market inventories made progress.

Overseas, in the North American market, demand was firm and sales remained strong, despite a cold wave, and market inventories maintained appropriate levels.

In the European market, sales continued to be strong, and market inventories remained at an appropriate level.

In the Asian market, sales were strong, supported by ongoing robust demand for high-priced products mainly in the Chinese market, and market inventories remained at an appropriate level.

In the Australian market, sales remained strong and market inventories maintained appropriate levels, against a backdrop of good weather conditions and favorable fishing conditions.

Under these market conditions, the new bass rod ZODIAS was well-received in the market. In addition, order-taking continued to be brisk for spinning reels STELLA SW and STRADIC.

As a result, net sales from this segment increased 18.5% from the same period of the previous year to

30,175 million yen, and operating income increased 58.6% to 2,596 million yen.

③ Others

Net sales from this segment increased 10.2% from the same period of the previous year to 108 million yen and operating income of 12 million yen was recorded, compared with an operating income of 1 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 quarter of fiscal year 2026 amounted to 937,382 million yen, a decrease of 867 million yen compared with the figure as of the previous fiscal year-end. The principal factors included an increase of 24,397 million yen in buildings and structures, an increase of 10,127 million yen in notes and accounts receivable - trade, an increase of 5,956 million yen in merchandise and finished goods, an increase of 2,952 million yen in investment securities, a decrease of 26,814 million yen in cash and time deposits, and a decrease of 19,812 million yen in construction in progress.

Total liabilities amounted to 69,392 million yen, an increase of 644 million yen compared with the figure as of the previous fiscal year-end. The principal factors included an increase of 2,419 million yen in others under current liabilities, an increase of 1,873 million yen in accounts payable - trade, and a decrease of 2,942 million yen in income taxes payable.

Net assets amounted to 867,990 million yen, a decrease of 1,511 million yen compared with the figure as of the previous fiscal year-end. The principal factors included an increase of 8,881 million yen in foreign currency translation adjustments, a decrease of 7,088 million yen in acquisition of treasury stock, a decrease of 1,841 in retained earnings, and a decrease of 1,608 million yen in unrealized gain (loss) on other securities.

(3) Forecast for the Fiscal Year Ending December 31, 2026

Regarding the consolidated business performance forecasts, while net sales and operating income remain unchanged from our initial projections, ordinary income and net income attributable to owners of parent have been revised as follows, in light of factors such as gain on sales of cross-shareholdings, which was initially expected as non-operating income, as extraordinary income during the first quarter of fiscal year 2026.

The impact of the recent surge in crude oil prices and other matters due to escalating tensions in the Middle East has not been factored into the business performance forecasts as the outlook remains uncertain at this time.

Revisions to consolidated business performance forecast figures for the first half of FY2026 (January 1, 2026 – June 30, 2026)

	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)	227,000	24,000	29,300	22,000	254.44
Revised forecast (B)	227,000	24,000	29,300	24,000	278.96
Difference (B-A)	0	0	0	2,000	
Change (%)	0.0	0.0	0.0	9.1	
First half results for FY2025	237,409	28,123	14,038	3,961	44.90

Revisions to consolidated business performance forecast figures for the FY2026 (January 1, 2026 – December 31, 2026)

	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)	467,000	47,000	56,000	42,000	485.74
Revised forecast (B)	467,000	47,000	53,300	42,000	488.19
Difference (B-A)	0	0	(2,700)	0	
Change (%)	0.0	0.0	(4.8)	0.0	
Full year results for FY2025	466,243	51,677	47,029	33,991	388.17

2. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	FY2025 As of Dec. 31, 2025	First quarter of FY2026 As of Mar. 31, 2026
Assets		
Current assets		
Cash and time deposits	477,324	450,510
Notes and accounts receivable - trade	38,460	48,588
Merchandise and finished goods	83,669	89,625
Work in process	40,999	41,278
Raw materials and supplies	7,328	7,244
Others	18,837	16,993
Allowance for doubtful accounts	(501)	(513)
Total current assets	666,119	653,727
Fixed assets		
Property, plant and equipment		
Buildings and structures (net)	97,623	122,021
Machinery and vehicles (net)	31,587	32,793
Land	15,815	17,145
Leased assets (net)	6,040	6,058
Construction in progress	43,940	24,128
Others (net)	6,133	7,160
Total property, plant and equipment	201,141	209,308
Intangible assets		
Goodwill	1,455	1,372
Software	18,091	17,730
Others	9,775	10,957
Total intangible assets	29,323	30,060
Investments and other assets		
Investment securities	29,348	32,301
Deferred income taxes	4,618	4,385
Net defined benefit asset	5,550	5,535
Others	2,627	2,543
Allowance for doubtful accounts	(478)	(480)
Total investments and other assets	41,665	44,286
Total fixed assets	272,130	283,655
Total assets	938,250	937,382

(Millions of yen)

	FY2025 As of Dec. 31, 2025	First quarter of FY2026 As of Mar. 31, 2026
Liabilities		
Current liabilities		
Accounts payable-trade	16,774	18,647
Income taxes payable	9,161	6,219
Accrued employee bonuses	3,479	3,194
Accrued officer bonuses	144	41
Provision for product warranties	3,317	2,859
Others	26,039	28,459
Total current liabilities	58,917	59,421
Long-term liabilities		
Deferred income taxes	2,449	2,602
Net defined benefit liability	1,473	1,525
Provision for product warranties	2,555	2,385
Others	3,352	3,458
Total long-term liabilities	9,830	9,971
Total liabilities	68,748	69,392
Net assets		
Shareholders' equity		
Common stock	35,613	35,613
Capital surplus	5,324	5,324
Retained earnings	630,717	628,876
Treasury stock	(1,100)	(8,189)
Total shareholders' equity	670,554	661,625
Accumulated other comprehensive income		
Unrealized gain (loss) on other securities	10,144	8,536
Foreign currency translation adjustments	187,557	196,438
Total accumulated other comprehensive income	197,702	204,975
Non-controlling interests	1,245	1,389
Total net assets	869,501	867,990
Total liabilities and net assets	938,250	937,382

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	First quarter of FY2025 Jan. 1, 2025 to Mar. 31, 2025	First quarter of FY2026 Jan. 1, 2026 to Mar. 31, 2026
Net sales	113,539	117,644
Cost of sales	68,442	75,787
Gross profit	45,097	41,857
Selling, general and administrative expenses	28,955	31,456
Operating income	16,142	10,400
Non-operating income		
Interest income	4,608	3,263
Dividend income	92	153
Foreign exchange gains	–	1,003
Others	176	449
Total non-operating income	4,878	4,870
Non-operating expenses		
Interest expenses	28	23
Contribution	11	124
Foreign exchange losses	5,451	–
Others	123	237
Total non-operating expenses	5,615	385
Ordinary income	15,404	14,885
Extraordinary income		
Gain on sales of investment securities	–	*1 3,143
Total extraordinary income	–	3,143
Extraordinary losses		
Loss on factory reconstruction	7	385
Total extraordinary losses	7	385
Income before income taxes	15,397	17,643
Income taxes-current	5,891	3,713
Income taxes-deferred	(278)	1,070
Total income taxes	5,613	4,784
Net income	9,783	12,858
Net income (loss) attributable to non-controlling interests	(2)	43
Net income attributable to owners of parent	9,786	12,814

Consolidated Statements of Comprehensive Income

(Millions of yen)

	First quarter of FY2025 Jan. 1, 2025 to Mar. 31, 2025	First quarter of FY2026 Jan. 1, 2026 to Mar. 31, 2026
Net income	9,783	12,858
Other comprehensive income		
Unrealized gain (loss) on other securities	673	(1,608)
Foreign currency translation adjustments	(26,608)	8,909
Total other comprehensive income	(25,935)	7,300
Comprehensive income	(16,151)	20,158
(Breakdown)		
Comprehensive income attributable to owners of parent	(16,070)	20,087
Comprehensive income attributable to non-controlling interests	(80)	71

(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 432,500 shares of common stock from February 12, 2026 to March 31, 2026 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 10, 2026. As a result, treasury stock increased by 7,088 million yen during the first quarter of fiscal year 2026, including the increase due to acquisition of fractional shares.

(Notes relating to Consolidated Statements of Income)

*1. Gain on sales of investment securities

First quarter of FY2026 (Jan. 1, 2026 – Mar. 31, 2026)

Gain on sales of investment securities was recorded following the sale of some investment securities (two listed stocks) held by the Shimano Group.

2. (Application of the "Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules, etc.")

The Group has applied Paragraph 7 of the "Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules, etc." (ASBJ Practical Solution No. 46, March 22, 2024), and has not recorded income taxes related to the global minimum tax amount for the fiscal year under review, including the first quarter of fiscal year 2026.

(Note on Segment Information)

First quarter of FY2025 (Jan. 1, 2025 – Mar. 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	87,972	25,468	98	113,539	–	113,539
Goods to be transferred over a period of time	–	–	–	–	–	–
Revenue from contracts with customers	87,972	25,468	98	113,539	–	113,539
Third parties	87,972	25,468	98	113,539	–	113,539
Inter-segment	–	–	–	–	–	–
Total	87,972	25,468	98	113,539	–	113,539
Segment income (loss)	14,503	1,636	1	16,142	–	16,142

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 quarter of FY2026 (Jan. 1, 2026 – Mar. 31, 2026)

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	87,361	30,175	108	117,644	–	117,644
Goods to be transferred over a period of time	–	–	–	–	–	–
Revenue from contracts with customers	87,361	30,175	108	117,644	–	117,644
Third parties	87,361	30,175	108	117,644	–	117,644
Inter-segment	–	–	–	–	–	–
Total	87,361	30,175	108	117,644	–	117,644
Segment income (loss)	7,792	2,596	12	10,400	–	10,400

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 quarter of fiscal year 2026 have not been prepared. Depreciation and amortization (including amortization related to intangible assets other than goodwill) for the first quarter of fiscal year 2026 are as follows:

(Millions of yen)

	First quarter of FY2025 Jan. 1, 2025 to Mar. 31, 2025	First quarter of FY2026 Jan. 1, 2026 to Mar. 31, 2026
Depreciation and amortization	6,495	6,828