

Financial Results for 3rd Quarter FY2022

SHIMA SEIKI MFG., LTD.

March 2023

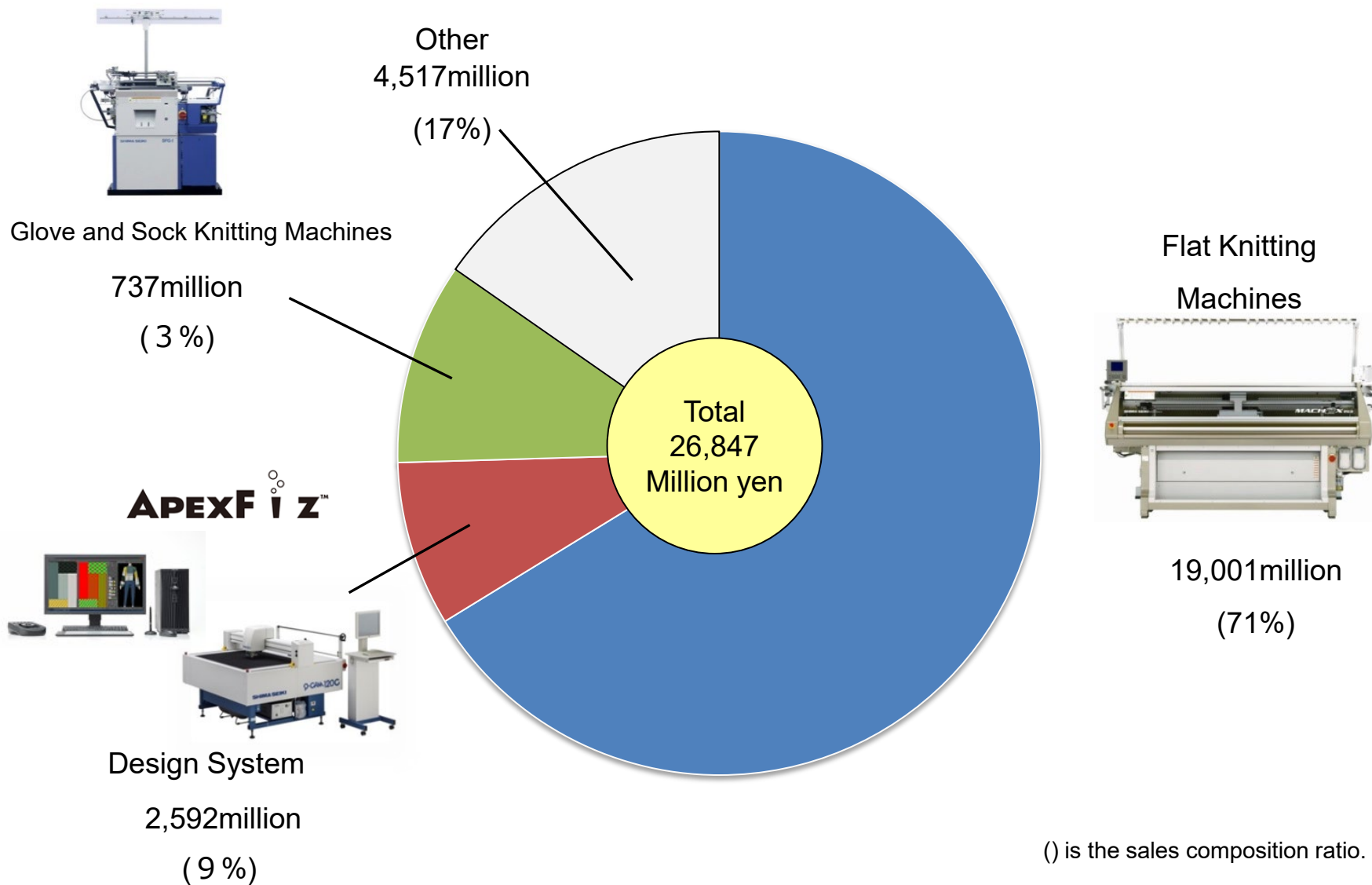
Summary of Operating Results for 3rd Quarter of the Fiscal Year Ending March 31, 2023

(Terms: Millions of yen)

	FY 2022 3Q	FY 2021 3Q	FY 2021
Net Sales	26,847	22,506	30,998
Operating Income	△644	△2,994	△4,296
Ordinary Income	△405	△2,317	△3,400
Net income Attributable to owners of the parent	△1,058	△2,636	△3,589

Exchange rate (JPY)	FY 2022 3Q	FY 2021 3Q	
USD/JPY	132.70	115.02	Exchange rate at the end of the period (Upper level)
	135.17	110.77	Average exchange rate used for translation of sales (Lower level)
EUR/JPY	141.47	130.51	
	140.09	130.83	

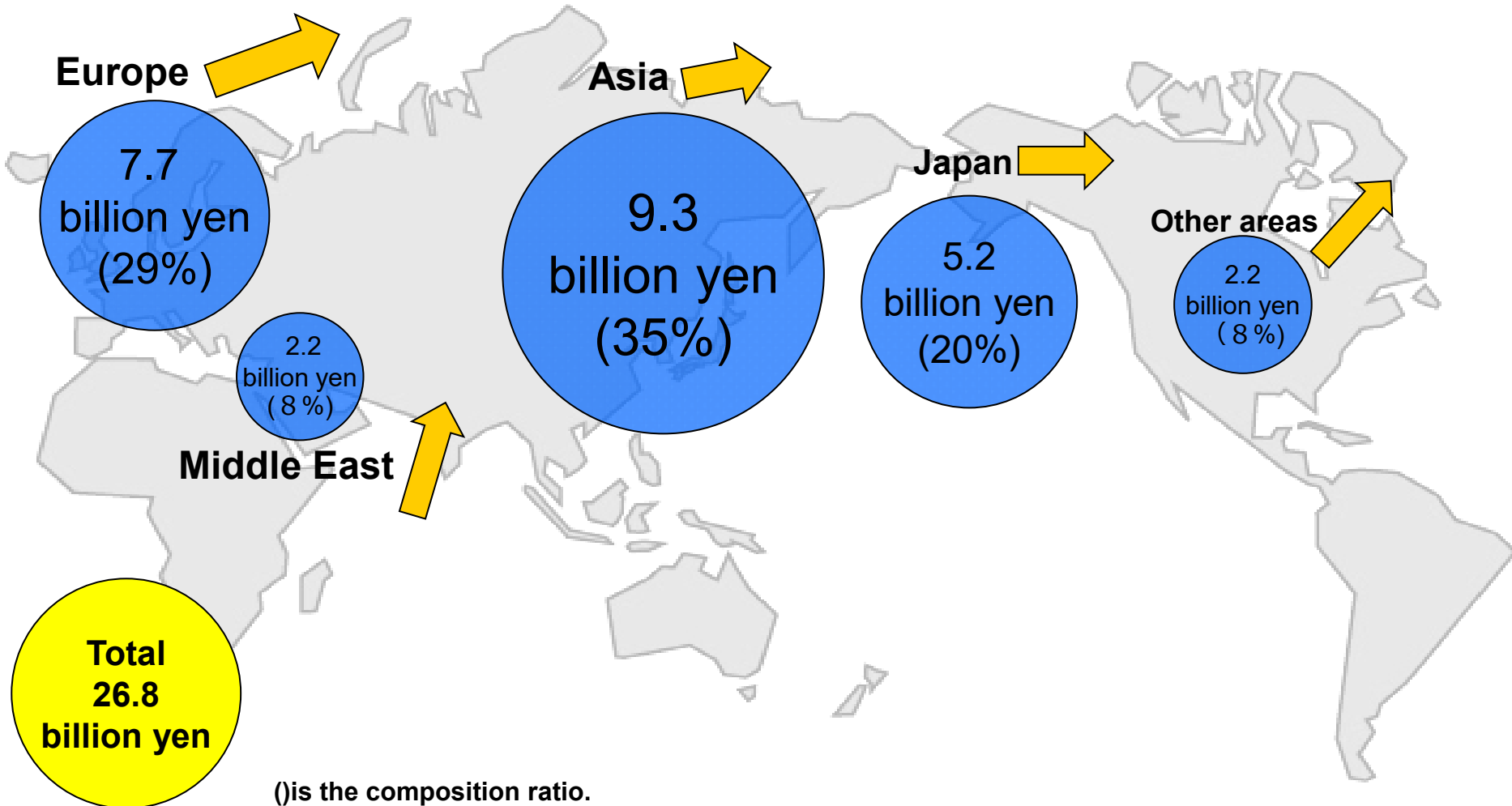
Sales Composition by Segment [Consolidated](FY 2022 3Q)



Sales and Operating Income Composition by Segment (FY 2022 3Q)

(Terms: million yen)	Net Sales	Comparison with previous year (%)	Operating income	Comparison with previous year (%)
Flat Knitting Machine	19,001	+29.1%	2,927	+291.8%
Design System	2,592	+22.6%	580	+7.9%
Glove and Sock Knitting Machines	737	-61.8%	79	—
Other	4,517	+20.5%	779	+169.3%
Corporate elimination			(5,012)	
Total	26,847	+19.3%	(644)	—

Sales by Region [Consolidated] (FY 2021 3Q)



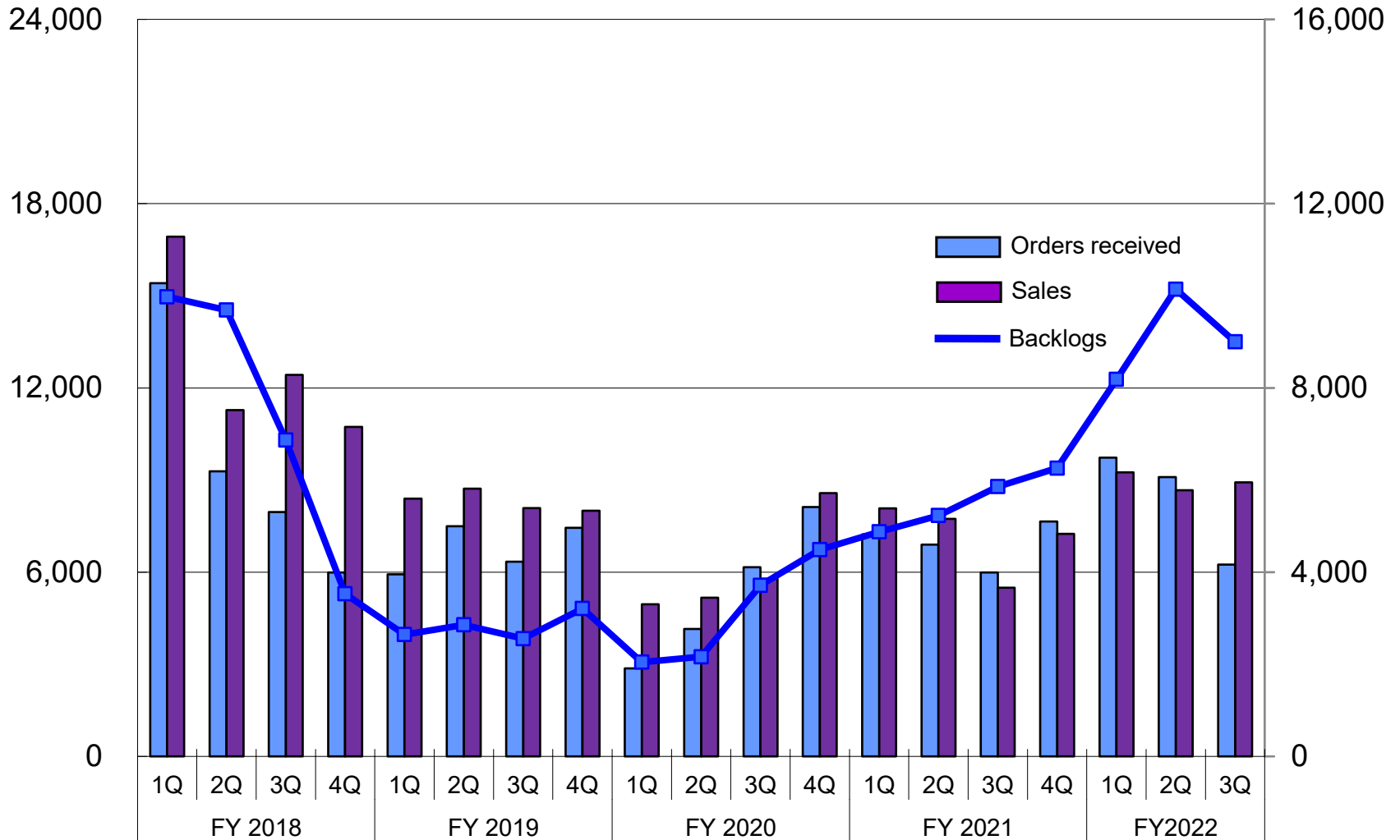
Consolidated Sales by Region [Consolidated] (FY 2022 3Q)

(millions of yen)	FY 2022 3Q	FY 2021 3Q	Comparison with previous year (%)
Japan	5,229	5,214	+0.3%
Europe	7,746	6,390	+21.2%
Asia	9,381	8,792	+6.7%
Middle East	2,276	967	+135.2%
Other Areas (Overseas)	2,212	1,142	+93.7%
Total	26,847	22,506	+19.3%

Developments in Quarterly Orders Received, Sales and Backlogs [Consolidated]

(Orders received/Sales) Millions of yen

(Backlogs) Millions of yen



Developments in Quarterly Results 〔Consolidated〕

(Terms: Millions of yen)

	FY2020				FY2021				FY2022		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Net sales	4,954	5,171	5,787	8,574	8,081	7,733	6,691	8,491	9,252	8,665	8,929
Operating income	(1,970)	(2,213)	(2,371)	(2,588)	(358)	(997)	(1,639)	(1,273)	(712)	276	(208)
Ordinary income	(1,414)	(1,721)	(1,777)	(2,360)	(154)	(689)	(1,473)	(1,082)	(516)	309	(198)
Net income attributable to owners of the parent	(1,463)	(1,745)	(1,861)	(12,796)	(271)	(797)	(1,567)	(952)	(686)	174	(545)

Orders received	2,868	4,153	6,160	8,120	7,235	6,897	5,994	7,651	9,726	9,093	6,251
Backlogs	2,048	2,163	3,716	4,489	4,877	5,229	5,858	6,260	8,186	10,145	9,001

Forecast〔Consolidated〕

Revised earnings forecast, which had been published on January 31, 2022, as follows in light of recent earnings trend.

	(Millions of yen)		(Millions of yen)
	FY 2022	Comparison with the previous year (%)	FY 2021
Net Sales	37,500	+21.0	30,998
Operating income	(800)	—	(4,296)
Ordinary Income	(450)	—	(3,400)
Net income Attributable to owners of the parent	(1,200)	—	(3,589)

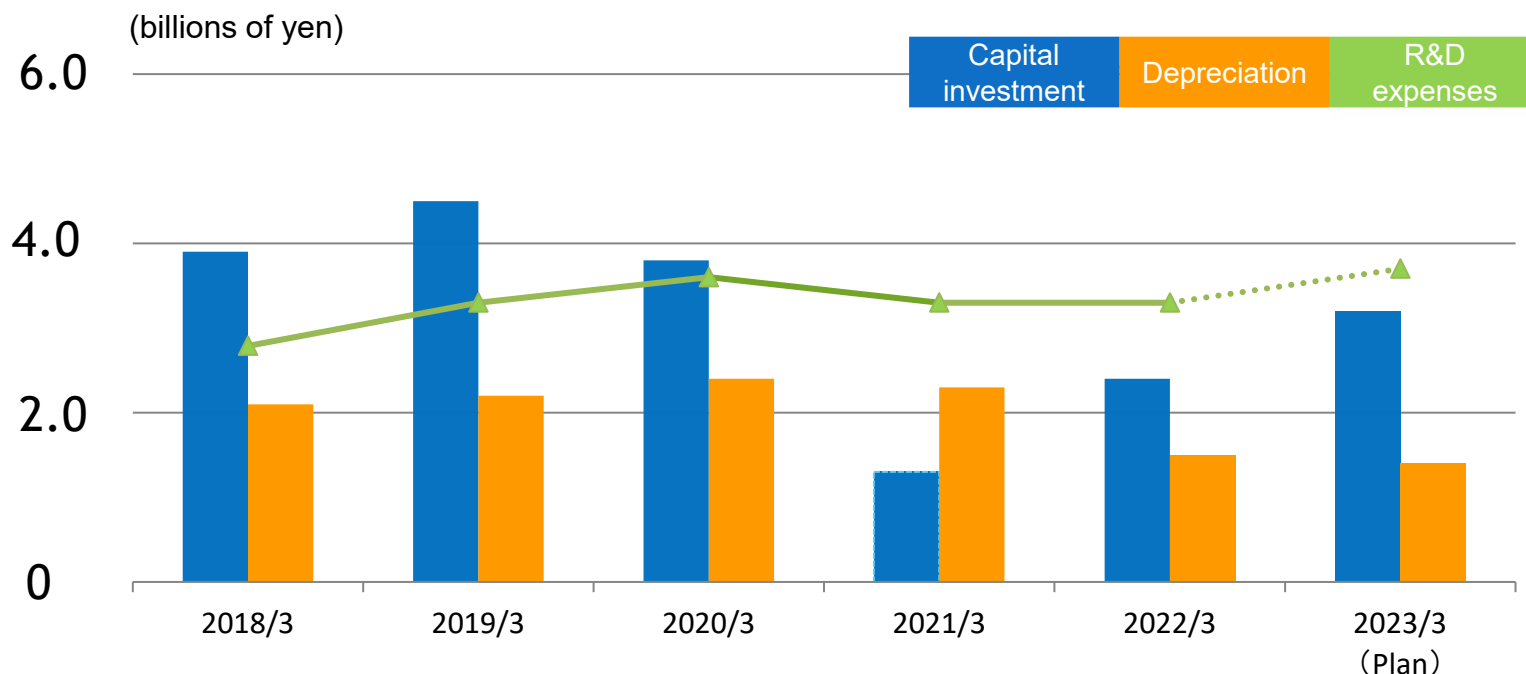
Maintain the pace of development

Fiscal year ending March 2023 3Q (Actual results)

Capital investment of 0.9 billion yen (including leased assets of 0.08 billion yen), depreciation and amortization of 1.0 billion yen, R&D of 2.8 billion yen

Fiscal year ending March 2022 (Plan)

Capital investment of 3.2 billion yen (including leased assets of 1.7 billion yen), depreciation and amortization of 1.4 billion yen, R&D of 3.7 billion yen

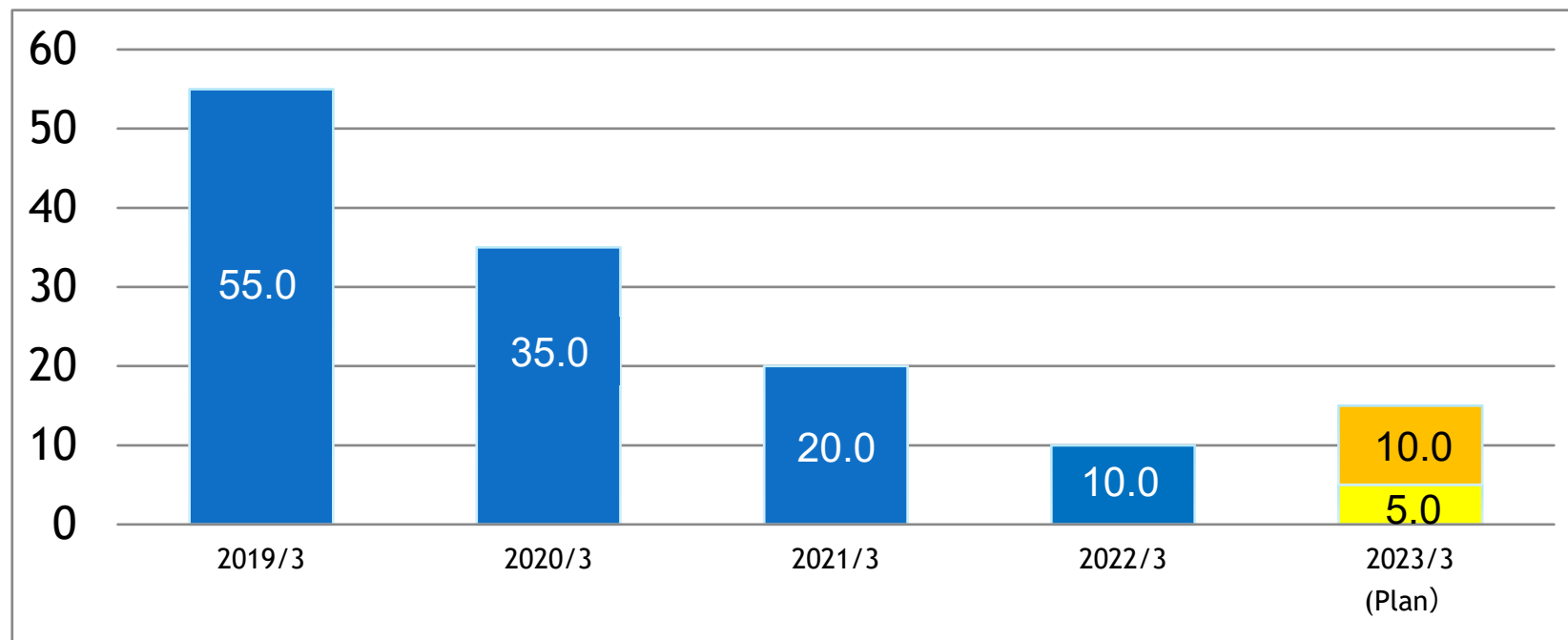


Shareholder Returns

Fiscal year ended March 31, 2023:

Interim dividend of 5.0 yen and year-end dividend of 10.0 yen (plan)

(yen)

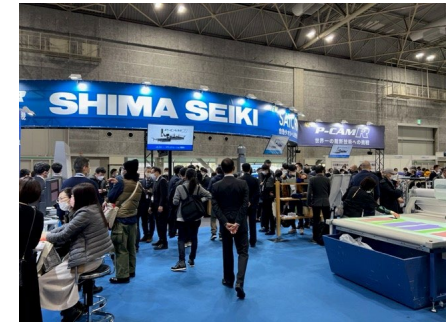


Operating Activities

J I A M 2 0 2 2 O S A K A

November-December 2022

- The latest WHOLEGARMENT knitting machine "SWG-XR", the design system "SDS-ONE APEX" series, and the automatic cutting machine "P-CAM R" developed with the aim of being "the best cutting technology in the world" will be on display.



I T M A 2 0 2 3 (Milan, Italy)

Scheduled for June 2023

One of the world's largest textile machinery trade fair

- We plan to exhibit the latest flat knitting machines, design systems, automatic cutting machines, glove and sock knitting machines, and solutions.



Sustainability

• Integrated Report

Issued Integrated Report 2022 (Japanese/English)

- Future management strategy and ideal form based on top message
- Further enhancement of sustainability information and stakeholder information

• Expression of support for TCFD recommendations

Creation of measures to achieve carbon neutrality by 2050



Building of the management system for climate change problem

Disclosure of impact on business and measures

Disclosure of greenhouse effect gas emissions and information about KPIs

SHIMA SEIKI

The plans, business result forecasts, and strategies of the Company as described herein are based on information available as of the day of the announcement with specific assumptions considered reasonable; consequently, they may largely differ due to a variety of different factors. Please understand this in advance.