

Financial Results for 3rd Quarter FY2024

SHIMA SEIKI MFG., LTD.

February 2025

I . Summary of Operating Results for 3rd Quarter of the Fiscal Year Ending March 31, 2025

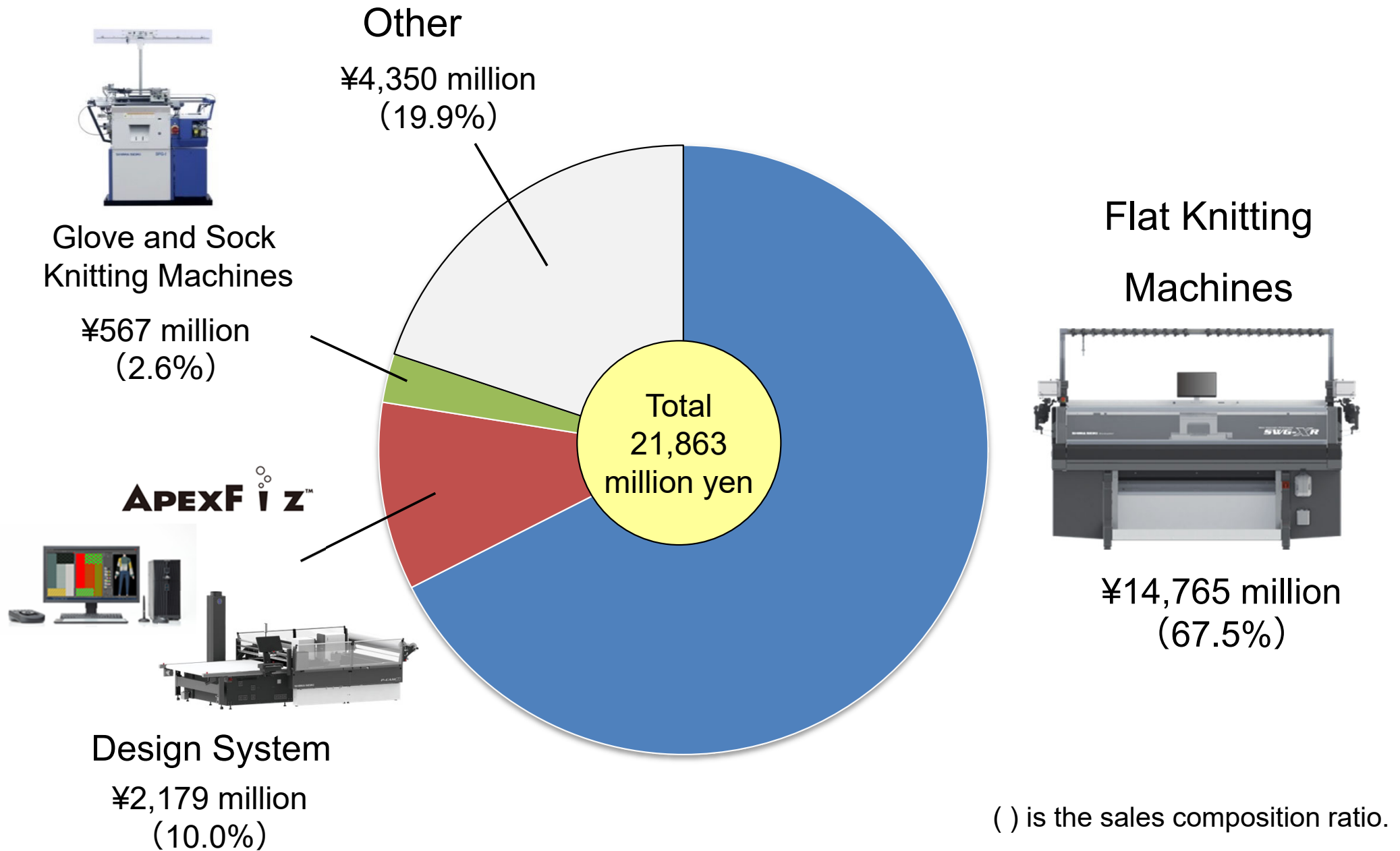
Summary of Operating Results for 3rd Quarter of the Fiscal Year Ending March 31, 2025

SHIMA SEIKI

(Terms: million yen)	FY 2024 3Q	FY 2023 3Q	FY 2023
Net Sales	21,863	26,282	35,910
Operating Income	(9,793)	758	430
Ordinary Income	(9,520)	1,198	1,018
Net income Attributable to owners of the parent	(11,281)	985	1,030

Exchange rate (JPY)	FY 2024 3Q	FY 2023 3Q	
USD/JPY	158.18	141.83	Exchange rate at the end of the period (Upper level)
	152.70	139.81	Average exchange rate used for translation of sales (Lower level)
EUR/JPY	164.92	157.12	
	164.97	153.30	

Sales Composition by Segment [Consolidated] (FY 2024 3Q) **SHIMA SEIKI**



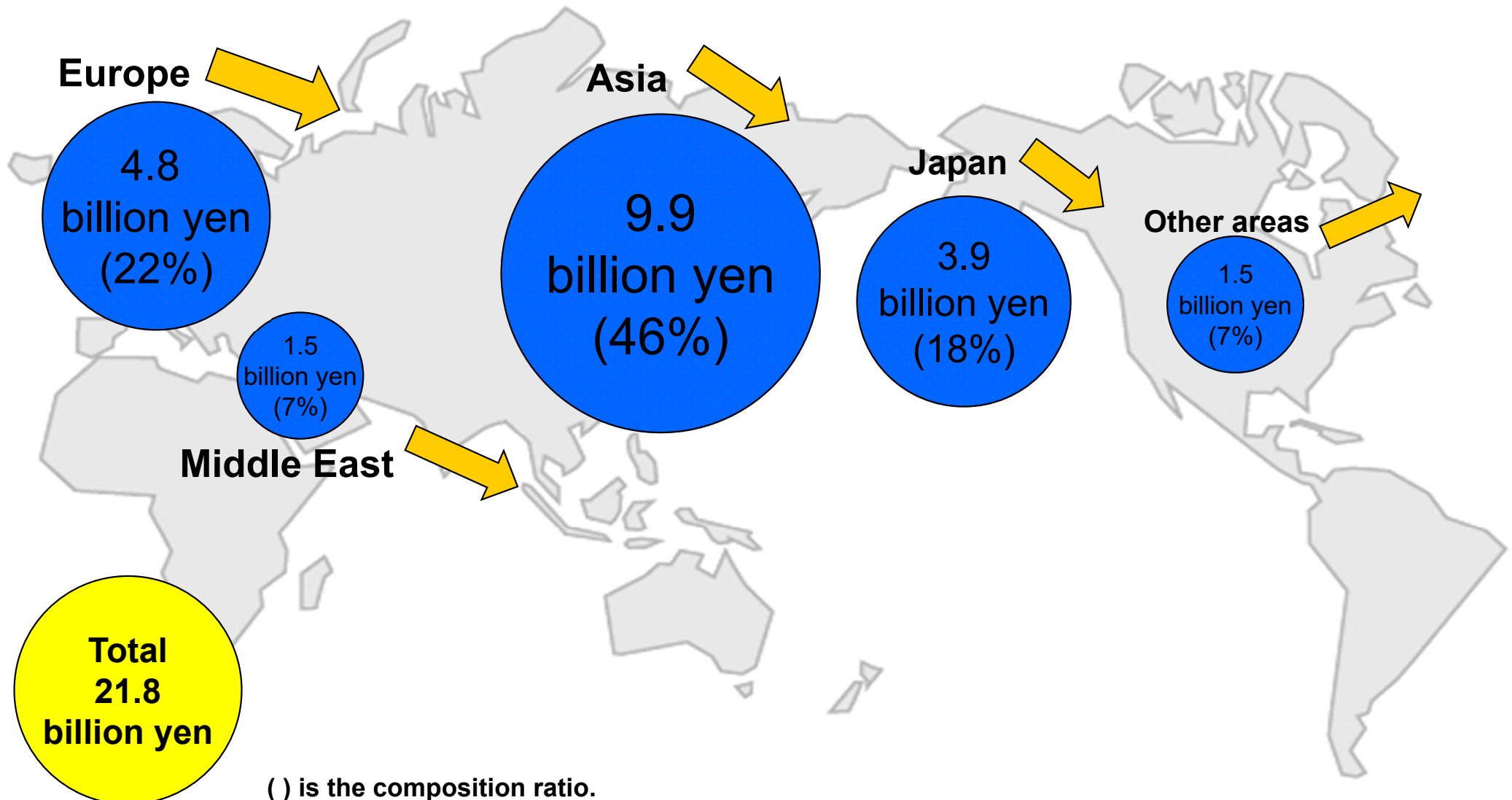
Sales and Operating Income Composition by Segment (FY 2024 3Q)

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(million yen)	Net Sales	Comparison with previous year (%)	Operating income	Comparison with previous year (%)
Flat Knitting Machine	14,765	-20.9	(4,511)	—
Design System	2,179	-19.0	140	-80.5
Glove and Sock Knitting Machines	567	+248.5	(6)	—
Other	4,350	-8.5	(428)	—
Corporate elimination			(4,987)	
Total	21,863	-16.8	(9,793)	—

Sales by Region [Consolidated] (FY 2024 3Q)

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Consolidated Sales by Region [Consolidated] (FY 2024 3Q) **SHIMA SEIKI**

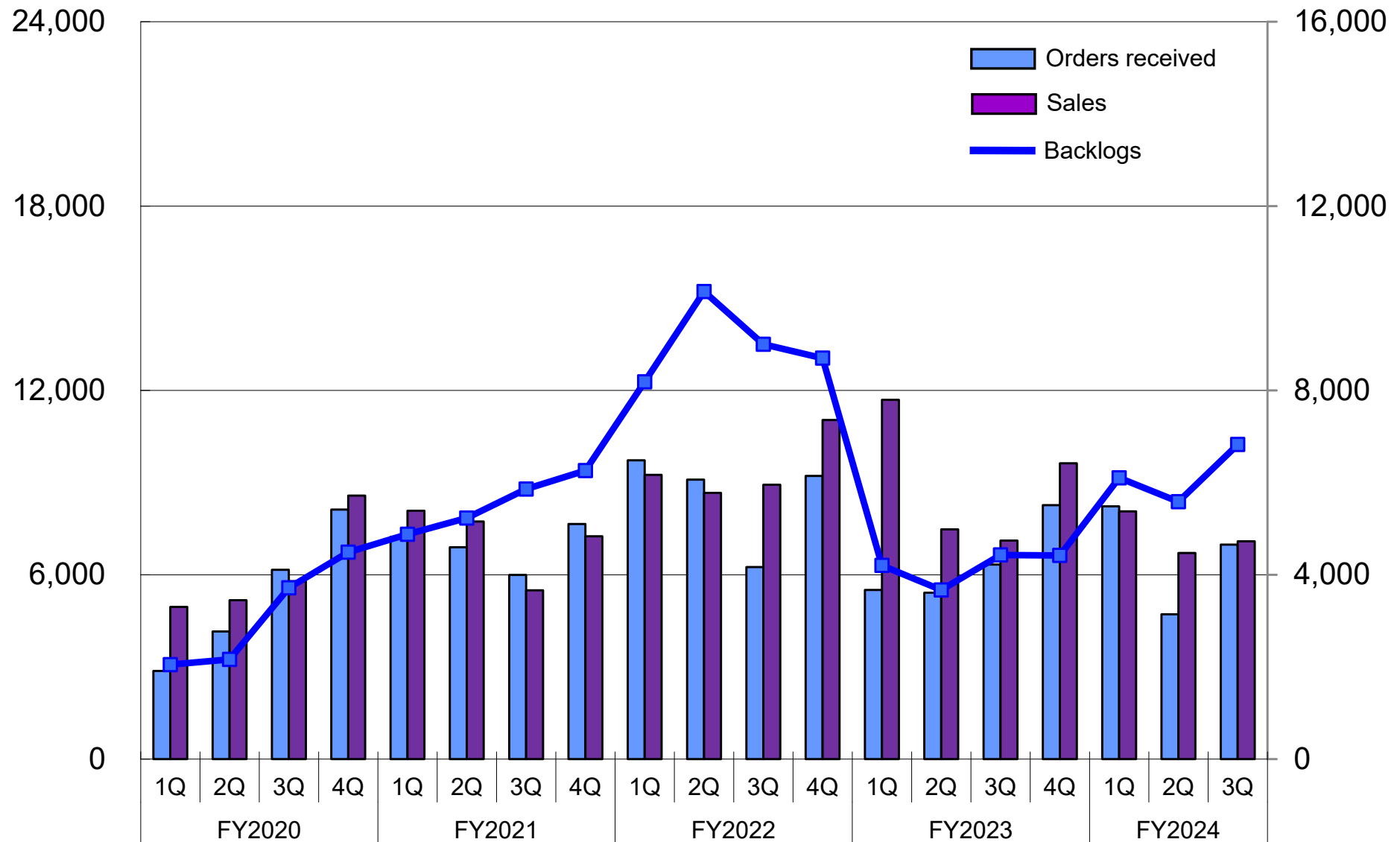
(million yen)	FY 2024 3Q	FY 2023 3Q	Comparison with previous year (%)
Japan	3,987	5,255	-24.1
Europe	4,855	6,151	-21.1
Asia	9,902	11,754	-15.8
Middle East	1,541	1,803	-14.5
Other Areas (Overseas)	1,576	1,317	+19.6
Total	21,863	26,282	-16.8

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

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(Orders received/Sales) million yen

(Backlogs) million yen



Developments in Quarterly Results [Consolidated]

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(million yen)

	FY2022				FY2023				FY2024		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Net sales	9,252	8,665	8,929	11,038	11,695	7,474	7,112	9,628	8,061	6,710	7,091
Operating income	(712)	276	(208)	(1,540)	695	(327)	391	(328)	(493)	(1,444)	(7,854)
Ordinary income	(516)	309	(198)	(1,294)	918	(353)	633	(180)	(343)	(1,692)	(7,484)
Net income attributable to owners of the parent	(686)	174	(545)	(4,586)	740	(372)	616	44	(380)	(1,744)	(9,153)

Orders received	9,726	9,093	6,251	9,216	5,507	5,413	6,333	8,263	8,224	4,712	6,982
Backlogs	8,186	10,145	9,001	8,700	4,201	3,669	4,428	4,419	6,102	5,584	6,825

Ⅱ. Revision of Plan for Financial Results for Fiscal Year Ending March 2025

Plan for Financial Results for Fiscal Year Ending March 2025 〔Consolidated〕

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Net sales are expected to be below the initially announced forecast because of a delayed recovery in the Bangladesh market and weak capital investment in the main markets of China and Italy. Income is also expected to be largely below the initially announced forecast at various income levels because of the posting of a loss on the evaluation of inventory, provision for doubtful accounts, and impairment loss.

	(million yen)		(million yen)
	FY 2024	Comparison with the previous year (%)	FY 2023
Net Sales	32,000	-10.9	35,910
Operating income	(11,400)	—	430
Ordinary Income	(11,200)	—	1,018
Net income Attributable to owners of the parent	(13,300)	—	1,030

Forecast of currency rates for March 2025: 153 JPY/USD, 163 JPY/EUR

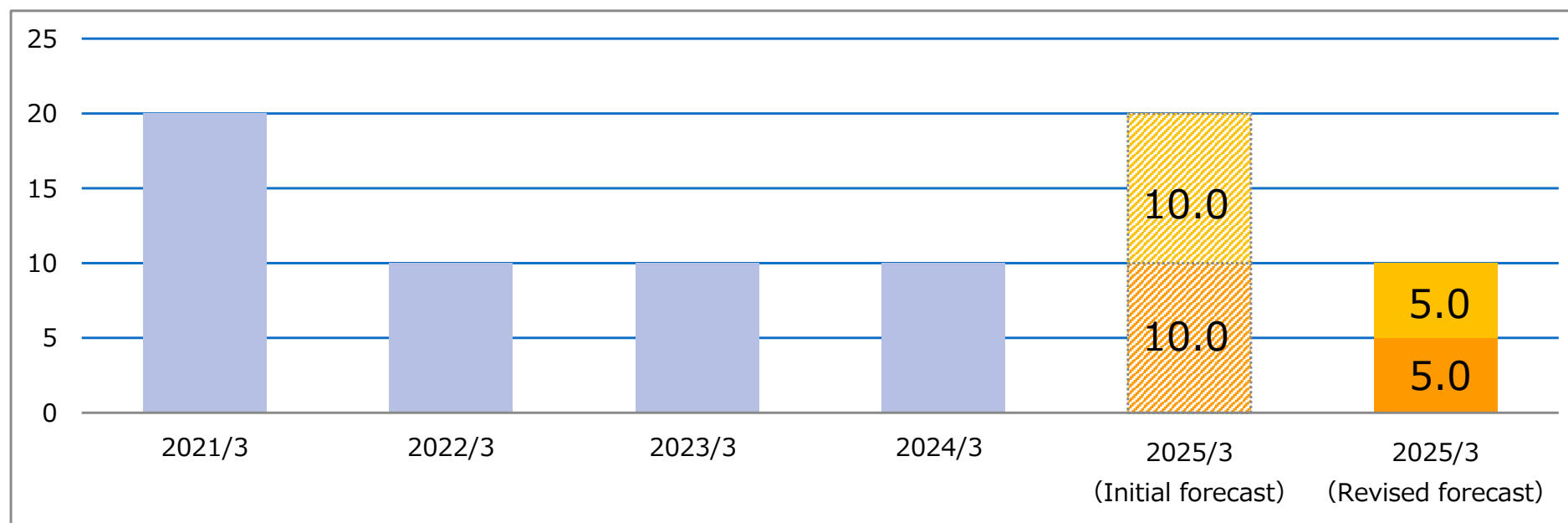
III. Shareholder Returns

Fiscal year ending March 31, 2025 (Revision) :
Interim dividend of 5.0 yen and year-end dividend of 5.0 yen (Plan)

【Revision of forecast】

Unfortunately, given the financial results for the third quarter, the Group revised the year-end dividend forecast to 5 yen per share.

(yen)



Participation in exhibitions around the world

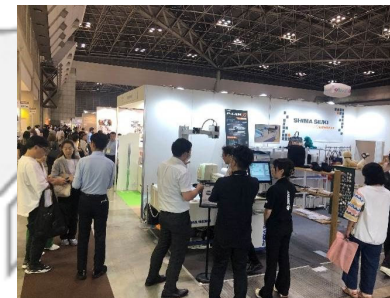
– Proactive public relations to other industry sectors –



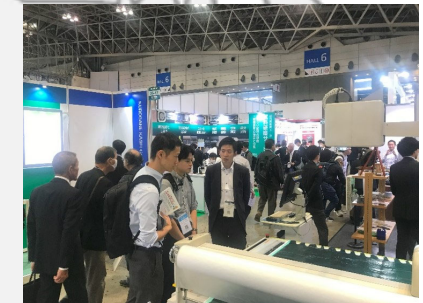
CAITME 2024 (Uzbekistan)



ITMA ASIA + CITME (China)



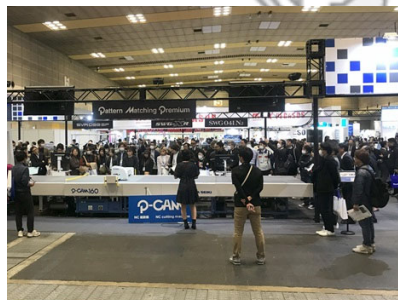
The 98th Tokyo International
Gift Show Autumn 2024
(Tokyo, Japan)



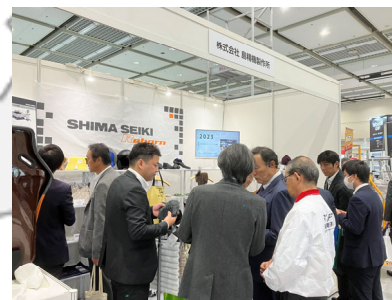
UQFXNHDFUFS (Chiba, Japan)



Garfab-TX Surat (India)



JIAM 2024 OSAKA
(Osaka, Japan)



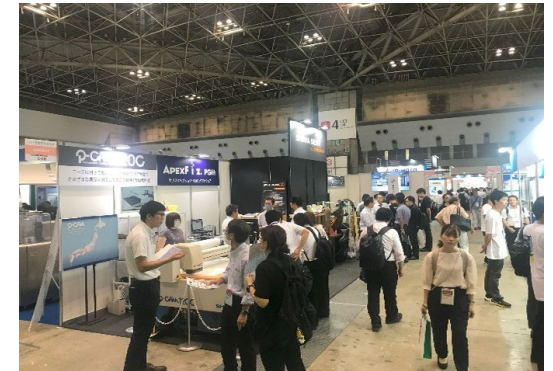
RYOKUJUIJITEN
(Hiroshima, Japan)



Expotextil Peru 2024 (Peru)

【Computerized Cutting Machines】

- In Japan, the Group set up a booth at Gift Shows and exhibitions of industrial material and high-performance material areas and received many inquiries. We will improve earnings by expanding the sales channel to other industry sectors while initially achieving a steady increase in cases of installations in Japan to establish a foothold for fully expanding into the overseas markets.
- The Group has built the sales network and maintenance system including tighter cooperation with local subsidiaries and agencies overseas.



SAMPE Japan 2024
(Tokyo, Japan)

【Computerized Flat Knitting Machines】

- The Group set up a booth at international exhibitions in the textile production regions with a lot of room to increase sales and in regions with many users of hand-operated machines and obtained many responses from visitors at the exhibitions about the quality of knit samples and design excellence.
- To develop demand in other industry sectors, the Group engages in public relations about the new possibility of knits free from stereotypes by exhibiting many knit samples of sofas, lighting covers, athletic supporters, and shoes.



JAPAN BEST KNIT SELECTION
2024 (Tokyo, Japan)

The logo for SHIMA SEIKI, featuring the company name in a bold, blue, sans-serif font. The letters are closely spaced, and the overall design is clean and professional.

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.