

**SHIMA SEIKI MFG., LTD.**

Representative: Mitsuhiro Shima, President

Code number: 6222

Stock listings: Tokyo Stock Exchange (Prime)

**Notice of Revisions to the Medium-Term Management Plan**

SHIMA SEIKI MFG., LTD. (the “Company”) announces revisions to the management targets presented in the “Ever Onward 2023” medium-term management plan (for the fiscal year ending March 2024) and the guidelines on shareholder returns, which were published on May 7, 2021, as follows.

## Notes

## 1. Details of the revisions

## (1) Revisions to the management targets (on a consolidated basis)

Unit: Yen in billions	Initial plan	Revised plan	Latest results
	FY 2023	<b>FY 2023</b>	FY 2022
Net Sales	54.0	<b>43.0</b>	37.8
Operating Income	2.0	<b>1.0</b>	-2.1
Ordinary Income	2.5	<b>1.7</b>	-1.7
Net Income	2.0	<b>1.2</b>	-5.6

## (2) Revisions to net sales by product segment (on a consolidated basis)

Unit: Yen in billions	Initial plan	Revised plan	Latest results
	FY 2023	<b>FY 2023</b>	FY 2022
Flat Knitting Machines	36.5	<b>31.9</b>	27.3
Design System	4.5	<b>3.7</b>	3.5
Glove and Sock Knitting Machines	2.5	<b>0.9</b>	0.9
Others	10.5	<b>6.5</b>	6.0
Total	54.0	<b>43.0</b>	37.8

## 2. Reasons for the review

The medium-term management plan has been modified after reviewing the sales results for the fiscal year ending in March 2023 which was announced today, the business forecast for the fiscal year 2023 and the latest business environment.

The Company made a detailed examination of the management goals based on earnings results for the fiscal year ending March 2023 and the earnings forecast for the fiscal year ending March 2024, which were released on the date hereof, and the recent business environment. As a result of this, we decided to make the above-mentioned review. Mainly in the European market, there is an upward trend in the demand for capital investment in the core WHOLEGARMENT flat knitting machine and other products. In the largest market of China, consumer spending and production activities are expected to gradually recover, while the competition is assumed to be more severe with Chinese manufacturers. Additionally, there is the prospect that the severe business environment will be unchanged mainly because of rising raw material and resource prices. These matters led to the above-mentioned review.

There are no changes other than the above-mentioned figures for the management goals.

\*Please visit our website (<https://www.shimaseiki.co.jp/irj/plan/>) for materials on the medium-term management plan with the revised management targets.

\*Company plans and earnings forecast herein provided are based on information and certain assumptions deemed reasonable as of the date of this announcement. Please be aware that actual results may differ significantly because of a variety of factors.