

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Summary of Consolidated Financial Results for the First Nine Months of FY2011 (Unaudited)
(January 1, 2011 - September 30, 2011) [Japanese Standard] (Consolidated)

October 26, 2011

Company Name: Shimano Inc. Stock Exchange: Tokyo and Osaka, First Section
Code Number: 7309 URL: <http://www.shimano.com>
President: Yozo Shimano
Senior Vice President, Accounting: Yoshihiro Hirata Telephone: +81-72-223-3254
Date of submission of quarterly report to Ministry of Finance: November 10, 2011
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 Nine Months of FY2011 (January 1, 2011 - September 30, 2011)

(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	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First Nine Months of FY2011	161,602	3.7	22,740	(11.0)	20,206	(6.2)	11,420	(20.8)
First Nine Months of FY2010	155,875	15.9	25,558	86.8	21,535	55.9	14,413	83.4

	Net income per share (Basic)	Net income per share (Diluted)
	Yen	Yen
First Nine Months of FY2011	121.80	-
First Nine Months of FY2010	152.66	-

(2) Consolidated balance sheet information

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
First Nine Months of FY2011	209,184	177,237	84.5	1,884.31
FY2010	205,248	173,600	84.3	1,844.81

(Reference) Shareholders' equity First Nine Months of FY2011: 176,687 million yen FY2010: 172,984 million yen

2. Dividend information

Record Date	Annual Dividend				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2010	-	30.50	-	30.50	61.00
FY2011	-	30.50	-	-	61.00
FY2011(Forecast)	-	-	-	30.50	-

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

3. Forecasted consolidated business performance for FY2011 (January 1, 2011 - December 31, 2011)

(The percentages represent the rates of increase (decrease) compared to the corresponding prior period.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2011	221,000	3.5	31,000	(5.4)	31,500	13.5	20,000	4.6	213.29

(Note) Change in forecasted consolidated business performance during this period: Yes

4. Other (For details, please refer to "Other Information" on Page 4 of the attached document.)

(1) Changes in significant subsidiaries during this period: None

(Note) Changes in specified subsidiaries due to changes in scope of consolidation

(2) Application of simplified accounting methods and specific accounting treatment: Yes

(Note) Application of simplified accounting methods and accounting treatment specific to preparation of consolidated quarterly financial statements

(3) Changes in accounting principles, procedures and presentation methods

Changes in accordance with revision of accounting standards: Yes

Changes other than above: Yes

(Note) Changes in accounting principles, procedures and presentation methods relating to presentation of consolidated quarterly financial statements described in the section "Changes in significant matters forming the basis of preparing consolidated quarterly financial statements"

(4) Number of shares of common stock issued

Number of shares of common stock issued at the end of the period (including treasury stock):

Number of shares of treasury stock issued at the end of the period:

Average number of shares during the period (cumulative from the beginning of the fiscal year):

As of September 30, 2011	93,800,000 shares	As of December 31, 2010	93,800,000 shares
As of September 30, 2011	32,121 shares	As of December 31, 2010	31,604 shares
First nine months of the year ending December 31, 2011	93,768,150 shares	First nine months of the year ended December 31, 2010	94,418,905 shares

(*Presentation concerning quarterly review procedures)

This quarterly financial report is outside the scope of quarterly review procedures pursuant to the Financial Instruments and Exchange Act and procedures for review of quarterly financial statements pursuant to the Financial Instruments and Exchange Act were not completed as of the disclosure of this quarterly financial report.

(*Explanation regarding the appropriate use of forecasts of business performance and other special items)

The forecasts of 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 precautions for the use of the forecasts, please refer to "Forecast for the Fiscal Year Ending December 2011" on Page 3 of the attached document.

○Table of contents of the attached document

1. Qualitative Information on Consolidated Financial Performance for the Period under Review	2
(1) Consolidated Results of Operations	2
(2) Consolidated Financial Position	3
(3) Forecast for the Fiscal Year Ending December 2011	3
2. Other Information	4
(1) Changes in significant subsidiaries	4
(2) Application of simplified accounting methods and specific accounting treatment	4
(3) Changes in accounting principles, procedures and presentation method	4
3. Consolidated Financial Statements	5
(1) Consolidated Balance Sheets	5
(2) Consolidated Statements of Income	7
(3) Consolidated Statements of Cash Flows	8
(4) Note concerning assumption of going concern	9
(5) Segment Information	9
(6) Significant fluctuation in the amount of shareholder's equity	10

1. Qualitative Information on Consolidated Financial Performance for the Period under Review

(1) Consolidated Results of Operations

During the first nine months of the fiscal year ending December 31, 2011, the economic malaise deepened in the U.S. and Europe whereas high economic growth continued in China. The slowdown of the U.S. economy became evident mainly because fiscal policymaking became deadlocked over the federal debt ceiling. In Europe, the financial turmoil triggered by the Greek debt crisis made prospects for the European economies even more unclear.

In Japan, recovery of the supply chains and production facilities affected by the Great East Japan Earthquake gave the economy a temporary lift. Nevertheless, the business environment for exporters became more challenging owing to uncertainty concerning the European and U.S. economies and the rapid appreciation of the yen.

In these circumstances, inspired by our mission—"To create new value and promote health and happiness through the enjoyment of nature and the world around us"—the Shimano Group strove to vitalize the market through the creation of a stream of captivating products capable of enriching the experience of cyclists and anglers around the world.

As a result, for the first nine months of fiscal year 2011, consolidated net sales increased 3.7% from the same period of the previous year to 161,602 million yen. Consolidated operating income decreased 11.0% to 22,740 million yen, ordinary income decreased 6.2% to 20,206 million yen, and net income decreased 20.8% to 11,420 million yen.

Business Segment Overview

Bicycle Components

In Europe and the U.S., the unsettled weather in June and July resulted in sluggish retail sales in some regions. However, retail sales in the first nine months were virtually unchanged from the same period of the previous year or slightly higher except in certain regions.

The market for sports bicycles in China, which has been buoyant since the beginning of 2011, continued to grow greatly compared with the previous year.

Brisk sales of products introduced in the second quarter, namely, the DeoreXT mountain bike components and the TIAGRA road bike components, continued.

Moreover, order-taking has been upbeat for the ULTEGRA road bike components with Di2-concept-based electronic shifting, a new product introduced in the first nine months.

As a result, sales from this segment increased 4.5% from the same period of the previous year to 128,712 million yen and operating income decreased 11.6% to 21,203 million yen.

Fishing Tackle

The modest recovery trend of the Japanese market in the aftermath of the Great East Japan Earthquake did not take hold. Floods caused by typhoons took their toll and anxiety concerning natural disasters undermined consumer confidence, particularly in East Japan. On the other hand, the popularity of freshwater bass fishing persisted and the Scorpion DC series of double-axis bait-casting reels and the Poison Glorious series of rods continued to sell strongly. Also, the FORCE MASTER electric reel introduced in September was well received in the market. This new compact reel is equipped with the MUTEKI MOTOR offering one of the highest power ratings in its class.

Overseas, despite a challenging business environment, such as flooding in the U.S. and other natural disasters, the government debt crisis in Europe, and the rapid appreciation of the yen, markets in Asian and Oceania continued to perform well. As a result, total overseas sales exceeded the figure for the same period of the previous year.

As a result, sales from this segment increased 1.3% from the same period of the previous year to 32,431 million yen and operating income increased 0.9% to 1,731 million yen.

Others

Sales from other businesses decreased 34.6% from the same period of the previous year to 458 million yen and an operating loss of 194 million yen was recorded, following an operating loss of 134 million yen for the same period of the previous year.

(2) Consolidated Financial Position

Assets, Liabilities and Net Assets

(Total assets)

Total assets as of the end of the first nine months of fiscal year 2011 amounted to 209,184 million yen (an increase of 3,936 million yen compared with the figure as of the previous fiscal year-end). This increase was primarily due to an increase of 4,336 million yen in cash and time deposits.

(Total liabilities)

Total liabilities as of the end of the first nine months of fiscal year 2011 amounted to 31,947 million yen (an increase of 299 million yen compared with the figure as of the previous fiscal year-end). This increase was primarily due to an increase of 3,754 million yen in long-term loans payable and a decrease of 4,501 million yen in income tax payable.

(Net assets)

Net assets as of the end of the first nine months of fiscal year 2011 amounted to 177,237 million yen (an increase of 3,636 million yen compared with the figure as of the previous fiscal year-end). This increase was primarily due to an increase of 5,700 million yen in retained earnings and a decrease of 2,379 million yen in foreign currency translation adjustments.

Cash Flows

As of the end of the first nine months of fiscal year 2011, cash and cash equivalents amounted to 71,955 million yen, an increase of 6,847 million yen compared with the figure as of the previous fiscal year-end.

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to 14,721 million yen compared with 24,105 million yen for the same period of the previous year. This increase was primarily attributable to income before income taxes and minority interests of 18,330 million yen. Cash outlays included an increase in inventories amounting to 4,796 million yen.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to 6,587 million yen compared with 4,302 million yen for the same period of the previous year. The main items included acquisition of property, plant and equipment amounting to 8,230 million yen.

(Cash Flows from Financing Activities)

Net cash used in financing activities amounted to 1,355 million yen compared with 8,977 million yen for the same period of the previous year. This increase was primarily attributable to proceeds from long-term loans payable of 4,009 million yen. Cash outlays included cash dividends to shareholders amounting to 5,719 million yen.

(3) Forecast for the Fiscal Year Ending December 2011

While China is expected to enjoy continuing economic growth and remain the driving force of the world economy, there is mounting concerns that developed countries may tip into recession in view of unfavorable prospects reflecting the downside risk of the U.S. economy and the European financial crisis.

In Japan, it is hoped that fiscal policies to promote recovery from the Great East Japan Earthquake will give the economy a boost, albeit temporarily. Nevertheless, there is not much room for optimism concerning prospects for the Japanese economy due to the rising specter of recession haunting overseas economies and the possibility that the strong yen will persist.

In these circumstances, the Shimano Group is endeavoring to strengthen its competitiveness. While closely monitoring economic trends in Japan and overseas, we are focusing on the creation of a stream of captivating products. At the same time, we are working to establish agile and efficient production and logistics systems to deliver our products throughout the world.

The Company revised the forecast of consolidated business performance for fiscal 2011, announced on July 27, 2011, as follows: net sales of 221,000 million yen, operating income of 31,000 million yen and ordinary income of 31,500 million yen.

2. Other Information

(1) Changes in significant subsidiaries: None

(2) Application of simplified accounting methods and specific accounting treatment:

Simplified accounting methods

Method of valuation of inventories

For the computation of inventories as of the end of the first nine months of fiscal year 2011, the physical inventory count was omitted and instead a rational computation method based on the physical inventory count at the end of the first half was utilized.

Regarding write-down of inventories, the carrying value of inventories is reduced to the estimated net selling value only for inventories with clearly decreased profitability.

Method of calculation of depreciation of fixed assets

Depreciation expenses for assets depreciated using the declining balance method are calculated by dividing the annual depreciation expenses on a pro rata basis.

Method of calculation of income taxes and deferred tax assets and liabilities

Income taxes payable are calculated by limiting inclusion of additions and subtractions and tax deductible items to significant items.

The recoverability of deferred tax assets is assessed based on projections of future performance and tax planning used for the previous fiscal year, when it is deemed that there has been no significant change in the business environment or in the status of temporary differences since the end of the previous fiscal year.

On the other hand, when there is a significant change in the business environment or in the status of temporary differences since the end of the previous fiscal year, the recoverability of deferred tax assets is assessed based on projections of future performance and tax planning used for the previous fiscal year in conjunction with the effect of such significant change.

(3) Changes in accounting principles, procedures and of presentation method

Changes in consolidation

Changes in scope of consolidation

Shimano Cambodia Co., Ltd. was newly consolidated due to additional acquisition of shares during the first half of the fiscal year 2011.

Number of consolidated subsidiaries

42 subsidiaries

Changes in accounting principles

Adoption of the accounting standards for asset retirement obligations

Effective from the first quarter of fiscal year 2011, the Company has adopted the "Accounting Standards for Asset Retirement Obligations" (Accounting Standards Board of Japan (ASBJ) Statement No. 18, March 31, 2008) and the "Guidance on Accounting Standards for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008). The impact of this change on the consolidated financial statements is immaterial.

Adoption of the accounting standards for business combinations and related matters

Effective from the first quarter of fiscal year 2011, the Company has adopted the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, December 26, 2008), the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008), the "Partial Amendments to Accounting Standard for Research and Development Costs" (ASBJ Statement No. 23, December 26, 2008), the "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, December 26, 2008), the "Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No. 16, December 26, 2008) and the "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, December 26, 2008).

Changes in presentation

(Consolidated Statements of Income)

In accordance with the application of the "Cabinet Office Ordinance Partially Revising Regulation for Terminology, Forms and Preparation of Financial Statements" (Cabinet Office Ordinance No. 5, March 24, 2009) based on the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008), "Income before minority interests" was presented for the first nine months of fiscal year 2011.

3. Consolidated Financial Statements
 (1) Consolidated Balance Sheets

	(Millions of yen)	
	First Nine Months of FY2011 As of Sep. 30, 2011	FY2010 As of Dec. 31, 2010
Assets		
Current assets		
Cash and time deposits	77,218	72,881
Notes and accounts receivable-trade	22,041	26,012
Merchandise and finished goods	21,691	18,434
Work in process	14,594	14,103
Raw materials and supplies	4,339	4,211
Deferred income taxes	1,919	2,234
Others	3,724	2,515
Allowance for doubtful accounts	(540)	(245)
Total current assets	144,989	140,148
Fixed assets		
Property, plant and equipment		
Buildings and structures (net)	17,146	16,398
Machinery and vehicles (net)	10,765	10,193
Land	11,173	11,244
Leased assets (net)	47	68
Construction in progress	2,198	2,009
Others (net)	3,848	3,881
Total property, plant and equipment	45,180	43,797
Intangible assets		
Goodwill	3,762	3,574
Software	1,818	2,632
Others	2,634	2,979
Total intangible assets	8,215	9,186
Investments and other assets		
Investment securities	7,143	8,338
Deferred income taxes	1,598	1,926
Others	2,580	2,550
Allowance for doubtful accounts	(523)	(698)
Total investments and other assets	10,799	12,117
Total fixed assets	64,195	65,100
Total assets	209,184	205,248

	First Nine Months of FY2011 As of Sep. 30, 2011	FY2010 As of Dec. 31, 2010
Liabilities		
Current liabilities		
Accounts payable-trade	8,832	8,679
Short-term loans payable	1,344	752
Income taxes payable	1,842	6,344
Deferred income taxes	313	317
Accrued employee bonuses	1,873	1,213
Accrued officer bonuses	121	161
Others	8,668	9,259
Total current liabilities	22,996	26,729
Long-term liabilities		
Long-term loans payable	4,388	633
Deferred income taxes	782	852
Employee retirement benefits	2,509	2,270
Officer retirement benefits	1,108	1,000
Others	162	162
Total long-term liabilities	8,951	4,918
Total liabilities	31,947	31,647
Net assets		
Shareholders' equity		
Common stock	35,613	35,613
Capital surplus	5,822	5,822
Retained earnings	151,362	145,661
Treasury stock	(124)	(121)
Total shareholders' equity	192,673	186,974
Valuation and translation adjustments		
Unrealized gain (loss) on other securities	261	(122)
Foreign currency translation adjustments	(16,246)	(13,867)
Total valuation and translation adjustments	(15,985)	(13,990)
Minority interests	549	615
Total net assets	177,237	173,600
Total liabilities and net assets	209,184	205,248

(2) Consolidated Statements of Income

(Millions of yen)

	First Nine Months of FY2010 Jan. 1, 2010 to Sep. 30, 2010	First Nine Months of FY2011 Jan. 1, 2011 to Sep. 30, 2011
Net sales	155,875	161,602
Cost of sales	97,381	104,880
Gross profit	58,494	56,721
Selling, general and administrative expenses	32,936	33,981
Operating income	25,558	22,740
Non-operating income		
Interest income	369	490
Dividend income	108	473
Others	540	340
Total non-operating income	1,018	1,303
Non-operating expenses		
Interest expenses	260	205
Foreign exchange losses	4,260	2,635
Others	520	996
Total non-operating expenses	5,041	3,837
Ordinary income	21,535	20,206
Extraordinary Losses		
Loss on revaluation of investment securities	-	1,351
Loss on factory reconstruction	-	524
Total extraordinary losses	-	1,875
Income before income taxes and minority interests	21,535	18,330
Income taxes - current	8,279	6,556
Income taxes - deferred	(1,208)	308
Total income taxes	7,070	6,865
Income before minority interests	-	11,465
Minority interests in net income	50	44
Net income	14,413	11,420

(3) Consolidated Statements of Cash Flows

	(Millions of yen)	
	First Nine Months of FY2010 Jan. 1, 2010 to Sep. 30, 2010	First Nine Months of FY2011 Jan. 1, 2011 to Sep. 30, 2011
Cash flows from operating activities:		
Income before income taxes and minority interests	21,535	18,330
Depreciation and amortization	7,026	7,306
Interest and dividend income	(477)	(963)
Interest expenses	260	205
Decrease (increase) in notes and accounts receivable-trade	2,485	3,602
Decrease in inventories	(5,075)	(4,796)
Increase (decrease) in accounts payable-trade	909	354
Loss on revaluation of investment securities	124	1,351
Loss on sales/disposal of fixed assets	114	190
Increase (decrease) in accrued employee bonuses	(275)	(99)
Others, net	1,544	(647)
Subtotal	28,173	24,834
Interest and dividend income received	440	955
Interest expenses paid	(262)	(205)
Income taxes paid	(4,245)	(10,861)
Net cash provided by operating activities	24,105	14,721
Cash flows from investing activities:		
Purchases of time deposits	(4,029)	(6,652)
Proceeds from maturities of time deposits	6,883	8,687
Acquisition of property, plant and equipment	(6,298)	(8,230)
Acquisition of intangible assets	(531)	(536)
Acquisition of investment securities	(966)	-
Payments for acquisition of newly consolidated subsidiaries	-	(404)
Others, net	639	549
Net cash used in investing activities	(4,302)	(6,587)
Cash flows from financing activities:		
Decrease (increase) in short-term bank loans	(396)	480
Repayments of long-term loans	(530)	(42)
Proceeds from long-term loans payable	447	4,009
Repayments of finance lease obligations	(32)	(13)
Acquisition of treasury stock	(2,692)	(2)
Cash dividends to shareholders	(5,770)	(5,719)
Cash dividends to minority shareholders	(3)	(66)
Others, net	0	0
Net cash used in financing activities	(8,977)	(1,355)
Effect of exchange rate changes on cash and cash equivalents	(8)	68
Net increase (decrease) in cash and cash equivalents	10,816	6,847
Cash and cash equivalents at beginning of the period	54,058	65,107
Cash and cash equivalents at end of the period	64,874	71,955

(4) Note concerning assumption of going concern
Not applicable

(5) Segment Information

【Business segment information】

First Nine Months of FY2010 (Jan. 1, 2010 - Sep. 30, 2010)

(Millions of yen)

	Bicycle Components	Fishing Tackle	Others	Total	Corporate/ Elimination	Consolidated
Net sales						
(1)Third parties	123,153	32,020	701	155,875	-	155,875
(2)Inter-segment	-	-	-	-	-	-
Total	123,153	32,020	701	155,875	-	155,875
Operating income (loss)	23,976	1,716	(134)	25,558	-	25,558

Notes: 1. Business segments are determined in light of the intended use of the Company's product lines.

2. Principal products of each business segment:

Bicycle components - Freewheels, front gears, derailleurs, brakes, etc.

Fishing tackle - Reels, rods, etc.

Others - Cold forged products, etc.

【Geographical segment information】

First Nine Months of FY2010 (Jan. 1, 2010 - Sep. 30, 2010)

(Millions of yen)

	Japan	North America	Europe	Asia	Others	Total	Corporate/ Elimination	Consolidated
Net sales								
(1)Third parties	104,386	17,361	18,104	13,309	2,714	155,875	-	155,875
(2)Inter-segment	20,398	949	2,224	47,136	4	70,713	(70,713)	-
Total	124,785	18,311	20,328	60,445	2,718	226,589	(70,713)	155,875
Operating income	11,596	1,181	2,290	10,259	230	25,558	-	25,558

Notes: 1. Countries and regions are classified according to geographical proximity.

2. Countries and regions outside Japan are classified into the following geographical areas:

North America - U.S.A. and Canada

Europe - Netherlands, Germany, United Kingdom, Italy, Belgium, France, Czech Republic, Sweden, Norway, Finland and Poland

Asia - Singapore, Malaysia, China, Taiwan and Indonesia

Others - Australia

【Segment Information】

1. Overview of Reported Segments

The reportable segments of the Company are those units for which separate financial information is available, and which are regularly examined by the Board of Directors concerning decisions on the allocation of management resources and for assessing business performance.

The Company operates through the three divisions of Bicycle Components, Fishing Tackle and Others.

Principal products of each reportable segment are listed below.

Reportable segment	Principal products
Bicycle Components	Freewheels, front gears, derailleurs, brakes, etc.
Fishing Tackle	Reels, rods, etc.
Others	Cold forged products, etc.

2. Sales and income (loss) by reportable segment

First Nine Months of FY2011 (Jan. 1, 2011 - Sep. 30, 2011)

(Millions of yen)

	Reportable segment				Adjustment	Consolidated
	Bicycle Components	Fishing Tackle	Others	Total		
Net sales						
Third parties	128,712	32,431	458	161,602	-	161,602
Inter-segment	-	-	-	-	-	-
Total	128,712	32,431	458	161,602	-	161,602
Segment income (loss)	21,203	1,731	(194)	22,740	-	22,740

Note: Total of segment income is the same as the operating income stated in the consolidated statement of income.

3. Information regarding impairment loss on fixed assets, goodwill and negative goodwill, etc. by reportable segment

Not applicable

(Additional Information)

Effective from the first nine months of the fiscal year ending December 31, 2011, the Company has adopted the "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, March 27, 2009) and the "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 21, 2008).

(6) Significant fluctuation in the amount of shareholder's equity

Not applicable