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## Summary of Consolidated Financial Results for the First Quarter of FY2015 (Unaudited)

(January 1, 2015 – March 31, 2015) [Japanese Standard] (Consolidated)

April 28, 2015

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 Date of filing of quarterly report to Ministry of Finance: May 14, 2015 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 FY2015 (January 1, 2015 – March 31, 2015)

(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 Quarter of FY2015	98,022	29.5	23,191	63.0	27,218	96.8	20,443	104.8
First Quarter of FY2014	75,695	19.6	14,227	45.8	13,829	24.8	9,980	30.4

(Note) Comprehensive income First Quarter of FY2015: 11,224 million yen (84.8%) First Quarter of FY2014: 6,073 million yen (-67.5%)

	Net income per share (Basic)	Net income per share (Diluted)
	Yen	Yen
First Quarter of FY2015	220.53	—
First Quarter of FY2014	107.66	—

### (2) Consolidated balance sheet information

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
First Quarter of FY2015	401,886	337,930	83.9
FY2014	396,967	331,195	83.2

(Reference) Shareholders' equity First Quarter of FY2015: 336,995 million yen FY2014: 330,263 million yen

### 2. Dividend information

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2014	—	52.50	—	52.50	105.00
FY2015	—	—	—	—	—
FY2015 (Forecast)	—	52.50	—	52.50	105.00

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

### 3. Forecasted consolidated business performance for FY2015 (January 1, 2015 - December 31, 2015)

(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
First Half of FY2015	193,700	23.9	45,000	48.0	49,000	68.3	36,500	75.6	393.72
FY2015	357,000	7.2	76,500	16.2	80,500	13.3	59,000	15.1	636.43

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

\*Notes

(1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries due to changes in scope of consolidation): 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: | Yes  |
| 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):
- ② Number of shares of treasury stock at period-end:
- ③ Average number of shares during the period (cumulative from the beginning of the fiscal year):

First Quarter of FY2015	92,720,000 shares	FY2014	92,720,000 shares
First Quarter of FY2015	15,687 shares	FY2014	15,462 shares
First Quarter of FY2015	92,704,391 shares	First Quarter of FY2014	92,705,364 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 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. Qualitative Information on Consolidated Financial Performance for the Period under Review

### (1) Consolidated Results of Operations

During the first quarter of the fiscal year ending December 31, 2015, European economies were expected to experience an increase in exports against the background of sharp depreciation of the euro. While its impact on exports was limited, domestic demand started to pick up owing to improved consumer confidence as a result of the quantitative easing by the European Central Bank. In the U.S., corporate earnings maintained moderate growth while employment continued to increase robustly and wages showed a moderate upward trend.

In Japan, personal consumption, which had been lackluster following the consumption tax increase in April 2014, shifted to a moderate recovery track and economic sentiment of the private sector became positive. Exports were boosted by entrenchment of the trend toward depreciation of the yen while the recovery of overseas economies continued, albeit at a modest pace.

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 sought to attract consumers with a stream of captivating products designed to enrich the experience of cyclists and anglers around the world, and moreover attuned to the contemporary emphasis on well-being and the environment.

As a result, for the first quarter of fiscal year 2015, net sales increased 29.5% from the same period of the previous year to 98,022 million yen. Operating income increased 63.0% to 23,191 million yen, ordinary income increased 96.8% to 27,218 million yen, and net income increased 104.8% to 20,443 million yen.

### Business Segment Overview

#### ① Bicycle Components

Europe and North America experienced virtually no decline in demand caused by weather factors. Reflecting growing interest in the use of bicycles in society, retail sales in the first quarter were brisk. As a result, distributor inventories remained slightly lower than the appropriate level.

In Japan, whereas retail sales of sports bicycles continued to be robust, retail sales of community bicycles have been weak, greatly affected by the impact of price increases resulting from the depreciation of the yen, and distributor inventories of community bicycles remained somewhat high.

While sales of sports bicycles in emerging markets have been maintaining robust growth, retail sales of sports bicycles in China, which has been the leading driver of demand for sports bicycles, were virtually unchanged from the level of the same period of the previous year.

In these market conditions, against a backdrop of rising expectations in view of promising market trends going forward, order-taking was brisk. In addition, Shimano products remained relatively affordable because of the entrenched depreciation of the yen. Thus, segment sales for the first quarter exceeded the forecast.

As a result, sales from this segment increased 34.2% from the same period of the previous year to 81,940 million yen, and operating income increased 65.1% to 22,032 million yen.

#### ② Fishing Tackle

The Japanese market got off to a sluggish start because anglers had fewer opportunities to go fishing due to heavier snow falls than in a typical year and rough weather from the New Year onward. Whereas there was an increase in demand in March 2014 in the run-up to the consumption tax increase, there was no outstanding development in the current year, resulting in sales lower than for the same period of the previous year.

Overseas, despite a slowdown in Eastern Europe, sales in Europe as a whole, including Western Europe, increased. Sales in North America also increased, reflecting numerous pre-orders received mainly from major customers partly because concerns about the economy abated. Sales in Oceania, including New Zealand, were robust thanks to good weather and good catching.

As a result, sales from this segment increased 9.9% from the same period of the previous year to 15,996 million yen, and operating income increased 34.1% to 1,197 million yen.

#### ③ Others

Sales from this segment decreased 12.0% from the same period of the previous year to 85 million yen and operating loss of 37 million yen was recorded, following operating loss of 6 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 quarter of fiscal year 2015 amounted to 401,886 million yen (an increase of 4,918 million yen compared with the figure as of the previous fiscal year-end). This increase was primarily due to an increase of 6,448 million yen in notes and accounts receivable-trade, an increase of 1,960 million yen in merchandise and finished goods, an increase of 1,368 million yen in construction in progress, and an increase of 1,006 million yen in investment securities, and a decrease of 5,729 million yen in cash and time deposits.

(Total liabilities)

Total liabilities as of the end of the first quarter of fiscal year 2015 amounted to 63,956 million yen (a decrease of 1,816 million yen compared with the figure as of the previous fiscal year-end). This decrease was primarily due to an increase of 606 million yen in short-term loans payable, a decrease of 1,938 million yen in income taxes payable, and a decrease of 601 million yen in net defined benefit liability.

(Net assets)

Net assets as of the end of the first quarter of fiscal year 2015 amounted to 337,930 million yen (an increase of 6,735 million yen compared with the figure as of the previous fiscal year-end). This increase was primarily due to an increase of 15,955 million yen in retained earnings and a decrease of 10,204 million yen in foreign currency translation adjustments.

(3) Forecast for the Fiscal Year Ending December 2015

Regarding Europe, how the renegotiation between the EU and Greece will proceed concerning Greece's bailout until the June 30 deadline is a focus of attention. The U.S. economy is expected to remain on a recovery trend, following the decision to maintain the zero interest-rate policy in March, despite the slackening pace of exports against the backdrop of slowing overseas economies and appreciation of the dollar.

In Japan, as the consumption tax increase scheduled to take effect in October has been postponed, personal consumption is recovering led by high earners and private-sector capital investment is also trending upward. In addition, in view of the fall of oil prices and expectations of a modest recovery of exports to the U.S., the Japanese economy is expected to follow a moderate recovery track.

In these circumstances, the Shimano Group, while closely monitoring economic trends in Japan and overseas, is endeavoring to further enhance management efficiency. We will take the lead in the creation of new cycling culture and new sport fishing culture.

The Company has revised the forecast of consolidated business performance announced on February 10, 2015, for the first half of the fiscal year ending December 31, 2015, and for the full year. The revised forecast is as follows: net sales of 193,700 million yen, operating income of 45,000 million yen, ordinary income of 49,000 million yen and net income of 36,500 million yen for the first half of fiscal year 2015, and net sales of 357,000 million yen, operating income of 76,500 million yen, ordinary income of 80,500 million yen and net income of 59,000 million yen for the full year.

**2. Notes relating to Summary Information**

(1) Changes in Significant Subsidiaries during the Period:

Not applicable.

Changes in subsidiaries other than significant subsidiaries

During the first quarter of the fiscal year ending December 31, 2015, Douglas Johnson & Co Limited changed its name to Shimano New Zealand Ltd.

(2) Application of Accounting Treatment Specific to Preparation of Quarterly Consolidated Financial Statements:

Not applicable.

(3) Changes in Accounting Policies, Changes in Accounting Estimates, and Retrospective Restatement:

(Changes in Significant Accounting Policies)

(Adoption of "Accounting Standard for Retirement Benefits" and related matters)

Effective from the first quarter of fiscal year 2015, the Company has adopted the provisions of the main clause of Paragraph 35 of the "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26 issued on May 17, 2012) and the main clause of Paragraph 67 of the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25 issued on May 17, 2012). Accordingly, the Company has reviewed the calculation method for retirement benefit obligations and service costs, and changed the method of attributing expected retirement benefits to periods from the straight-line basis to the benefit formula basis. In addition, the Company has changed the method of determining the discount rate from one that uses a discount rate determined by reference to the yield of bonds whose remaining maturities approximate to the expected average remaining service period of employees, to one that uses a single weighted average discount

rate that reflects the estimated period for retirement benefit payments and the amount of retirement benefit payments for each estimated payment period.

The adoption of the Accounting Standard for Retirement Benefits and the Guidance is in line with the transitional treatment specified in Paragraph 37 of the Accounting Standard for Retirement Benefits, and accordingly the impact of the change in the calculation method for retirement benefit obligations and service costs has been added to or deducted from retained earnings at the beginning of the first quarter of fiscal year 2015.

As a result, net defined benefit liability decreased 592 million yen and retained earnings increased 379 million yen at the beginning of the first quarter of fiscal year 2015.

The impact of these changes on operating income, ordinary income and income before income taxes and minority interests for the first quarter of fiscal 2015 is immaterial.

**3. Consolidated Financial Statements****(1) Consolidated Balance Sheets**

(Millions of yen)

	FY2014 As of Dec. 31, 2014	First Quarter of FY2015 As of Mar. 31, 2015
Assets		
Current assets		
Cash and time deposits	157,841	152,111
Notes and accounts receivable-trade	37,272	43,721
Merchandise and finished goods	40,150	42,110
Work in process	22,375	22,071
Raw materials and supplies	5,647	5,975
Deferred income taxes	3,214	2,887
Others	5,069	6,031
Allowance for doubtful accounts	(184)	(205)
Total current assets	271,386	274,704
Fixed assets		
Property, plant and equipment		
Buildings and structures (net)	41,692	40,806
Machinery and vehicles (net)	18,994	19,919
Land	13,137	13,020
Leased assets (net)	51	50
Construction in progress	14,172	15,541
Others (net)	6,386	6,215
Total property, plant and equipment	94,434	95,554
Intangible assets		
Goodwill	2,963	2,845
Software	2,849	2,874
Others	7,203	7,457
Total intangible assets	13,016	13,177
Investments and other assets		
Investment securities	13,485	14,492
Deferred income taxes	1,303	783
Others	3,833	3,663
Allowance for doubtful accounts	(492)	(488)
Total investments and other assets	18,129	18,450
Total fixed assets	125,580	127,181
Total assets	396,967	401,886

	(Millions of yen)	
	FY2014 As of Dec. 31, 2014	First Quarter of FY2015 As of Mar. 31, 2015
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	16,545	16,901
Short-term loans payable	9,796	10,403
Income taxes payable	10,995	9,057
Deferred income taxes	292	314
Accrued employee bonuses	1,986	1,970
Accrued officer bonuses	207	52
Provision for loss on factory reconstruction	44	—
Others	17,876	17,989
<b>Total current liabilities</b>	<b>57,745</b>	<b>56,690</b>
<b>Long-term liabilities</b>		
Long-term loans payable	2,670	2,512
Deferred income taxes	1,308	1,310
Net defined benefit liability	3,287	2,685
Others	761	756
<b>Total long-term liabilities</b>	<b>8,027</b>	<b>7,265</b>
<b>Total liabilities</b>	<b>65,772</b>	<b>63,956</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	35,613	35,613
Capital surplus	5,823	5,823
Retained earnings	246,726	262,682
Treasury stock	(71)	(75)
<b>Total shareholders' equity</b>	<b>288,092</b>	<b>304,044</b>
<b>Accumulated other comprehensive income</b>		
Unrealized gain (loss) on other securities	3,307	4,291
Foreign currency translation adjustments	38,863	28,659
<b>Total accumulated other comprehensive income</b>	<b>42,171</b>	<b>32,950</b>
<b>Minority interests</b>	<b>931</b>	<b>935</b>
<b>Total net assets</b>	<b>331,195</b>	<b>337,930</b>
<b>Total liabilities and net assets</b>	<b>396,967</b>	<b>401,886</b>

(2) Consolidated Statements of Income and Comprehensive Income  
 Consolidated Statements of Income

(Millions of yen)

	First Quarter of FY2014 Jan. 1, 2014 to Mar. 31, 2014	First Quarter of FY2015 Jan. 1, 2015 to Mar. 31 2015
Net sales	75,695	98,022
Cost of sales	46,956	57,429
Gross profit	28,739	40,592
Selling, general and administrative expenses	14,511	17,400
Operating income	14,227	23,191
Non-operating income		
Interest income	249	336
Dividend income	14	82
Foreign exchange gains	—	3,653
Others	383	82
Total non-operating income	646	4,155
Non-operating expenses		
Interest expenses	73	69
Foreign exchange losses	845	—
Others	126	59
Total non-operating expenses	1,044	128
Ordinary income	13,829	27,218
Extraordinary losses		
Loss on factory reconstruction	336	85
Total extraordinary losses	336	85
Income before income taxes and minority interests	13,493	27,132
Income taxes-current	3,532	6,077
Income taxes-deferred	(40)	567
Total income taxes	3,491	6,645
Income before minority interests	10,001	20,487
Minority interests in net income	21	43
Net income	9,980	20,443

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	First Quarter of FY2014 Jan. 1, 2014 to Mar. 31, 2014	First Quarter of FY2015 Jan. 1, 2015 to Mar. 31, 2015
Income before minority interests	10,001	20,487
Other comprehensive income		
Unrealized gain (loss) on other securities	(539)	983
Foreign currency translation adjustments	(3,388)	(10,246)
Total other comprehensive income	(3,928)	(9,262)
Comprehensive income	6,073	11,224
(Breakdown)		
Comprehensive income attributable to owners of the parent	6,076	11,217
Comprehensive income attributable to minority interests	(3)	7

- (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)  
Not applicable.

(Segment Information)

First Quarter of FY2014 (Jan. 1, 2014 – Mar. 31, 2014)

1. Information on sales and income (loss) by reportable segment

(Millions of yen)

	Reportable Segment				Adjustment	Consolidated Financial Statements
	Bicycle Components	Fishing Tackle	Others	Total		
Net sales						
Third parties	61,048	14,550	96	75,695	—	75,695
Inter-segment	—	—	—	—	—	—
Total	61,048	14,550	96	75,695	—	75,695
Segment income (loss)	13,341	892	(6)	14,227	—	14,227

Note: There is no difference between total segment income (loss) and operating income in the consolidated statements of income.

2. Information for loss on impairment on fixed assets, goodwill and negative goodwill, etc. by reportable segment  
Not applicable.

First Quarter of FY2015 (Jan. 1, 2015 – Mar. 31, 2015)

1. Information on sales and income (loss) by reportable segment

(Millions of yen)

	Reportable Segment				Adjustment	Consolidated Financial Statements
	Bicycle Components	Fishing Tackle	Others	Total		
Net sales						
Third parties	81,940	15,996	85	98,022	—	98,022
Inter-segment	—	—	—	—	—	—
Total	81,940	15,996	85	98,022	—	98,022
Segment income (loss)	22,032	1,197	(37)	23,191	—	23,191

Note: There is no difference between total segment income (loss) and operating income in the consolidated statements of income.

2. Information for loss on impairment on fixed assets, goodwill and negative goodwill, etc. by reportable segment  
Not applicable.