

SHOEI CO., LTD.
Financial Results for the Second
Quarter of the Fiscal Year Ending
September 30, 2025



I

**Financial Results for the Second Quarter of
the Fiscal Year Ending September 30, 2025**

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**Forecasts for the Fiscal Year Ending September 30, 2025
(At present, no changes are made.)**

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I . Financial Results for the Second Quarter of the Fiscal Year Ending September 30, 2025

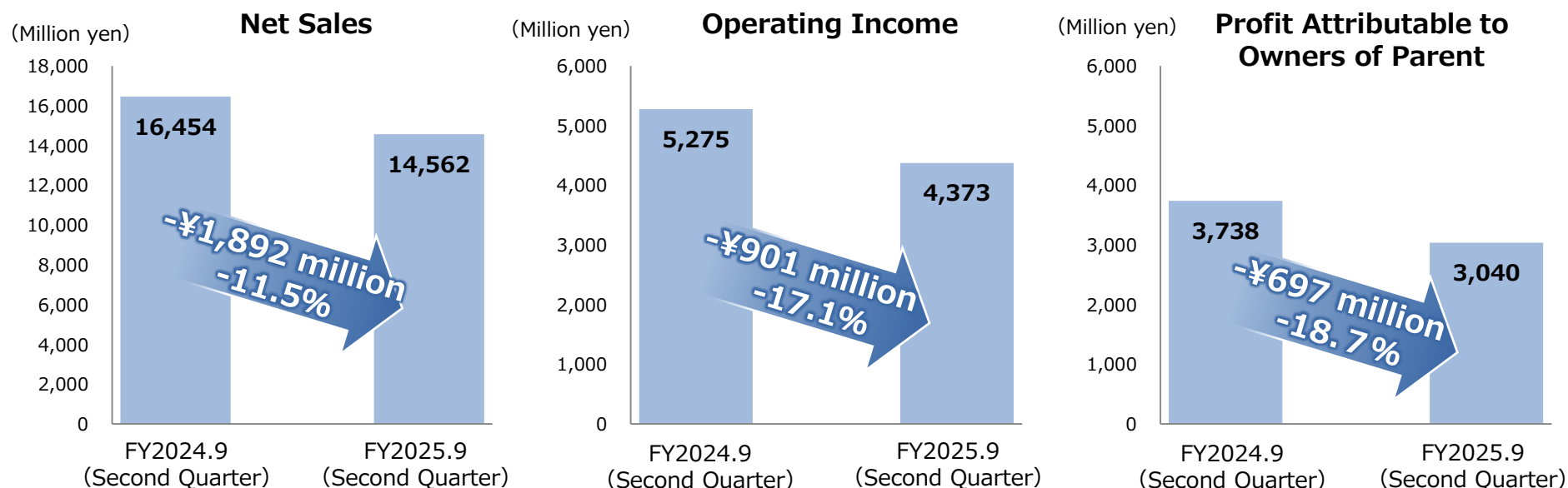


(1) Financial Highlights



Key points of the financial results for the Second Quarter of the Fiscal Year Ending September 30, 2025

- ① Consolidated unit sales declined 18.2% year on year. This is mainly reactionary due to the impact of the launch of new models in Europe in the previous fiscal year and channel inventory adjustments in Japan.
- ② Net sales decreased 11.5% year on year. This was limited by the rise in unit prices due to the weaker yen and the price increases implemented in the second half of the previous fiscal year.
- ③ Operating income fell 17.1% year on year as manufacturing costs increased compared to the decrease in production volume and SG&A expenses, including advertising, also rose.



Average foreign exchange rates for the term (the Second Quarter of the FY ended Sep. 2025)

US\$ = 152.95
(Yoy +3.89)

EUR = 161.54
(Yoy +1.99)

Overseas subsidiary conversion rates (end of December 2024)

EUR = ¥164.92
(Yoy +7.80)

(2) Consolidated Sales Volume and Net Sales by Region



Europe declined year on year. Part of this was a reaction to the major model change in the previous year, and it was also due to poor weather in France.

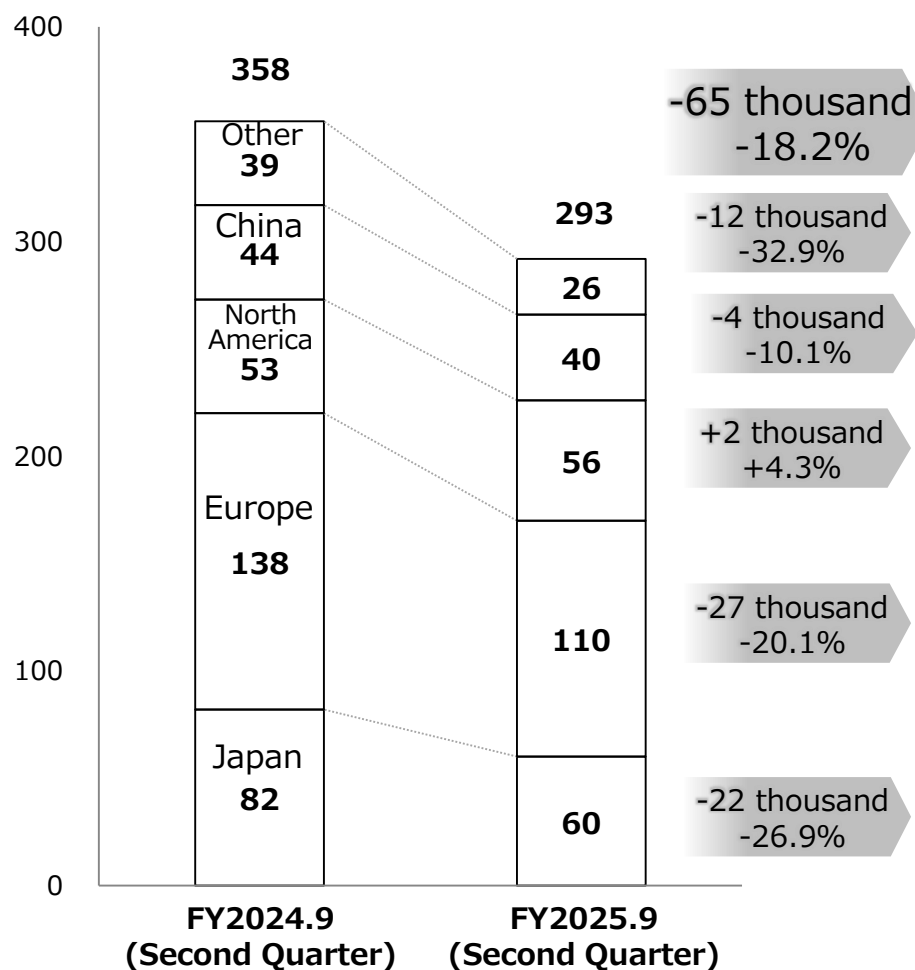
In Japan, channel inventory adjustments progressed. Other regions declined due to a temporary lull in orders.

North America rose on strong orders for low-priced models, supported by the weaker yen.

Consolidated Sales Volume and Net Sales by Region

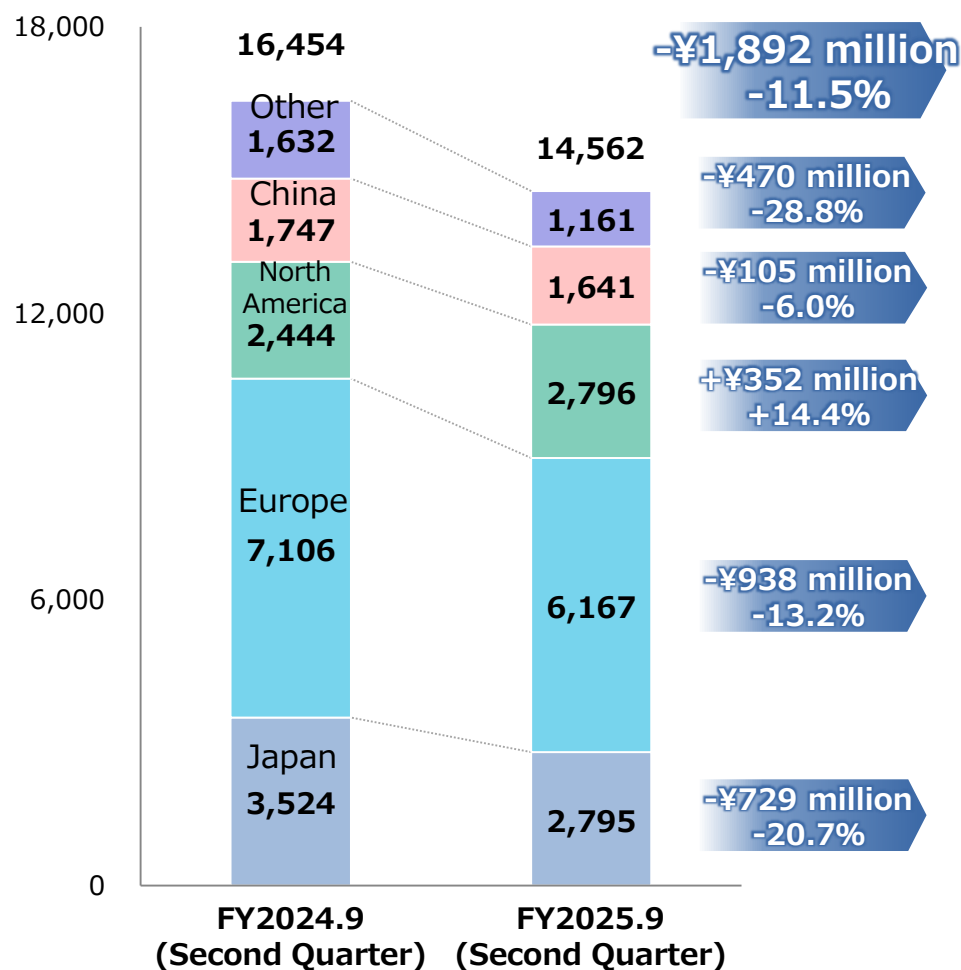
Sales Volume

(Thousand units)



Net Sales

(Million yen)

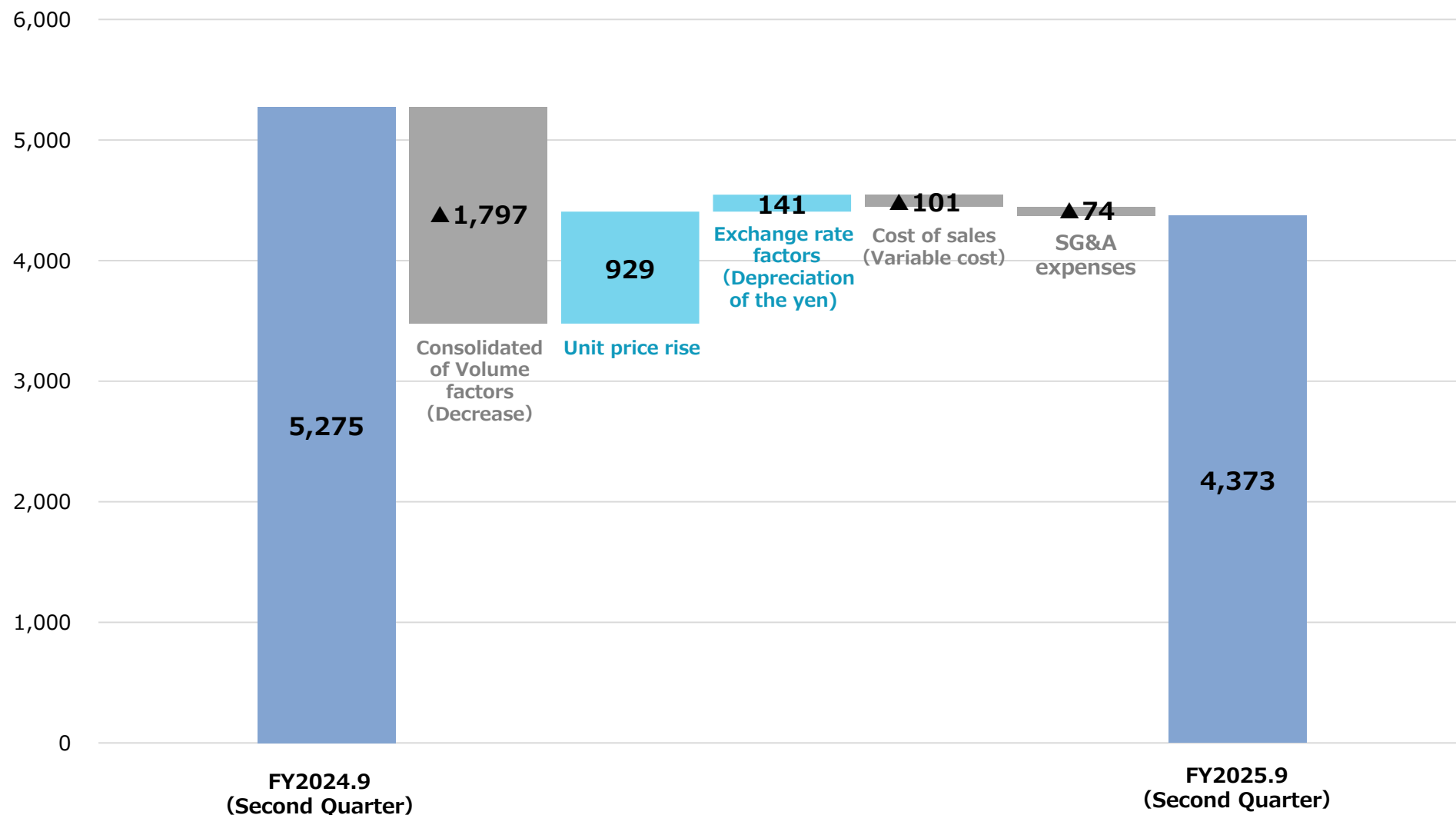




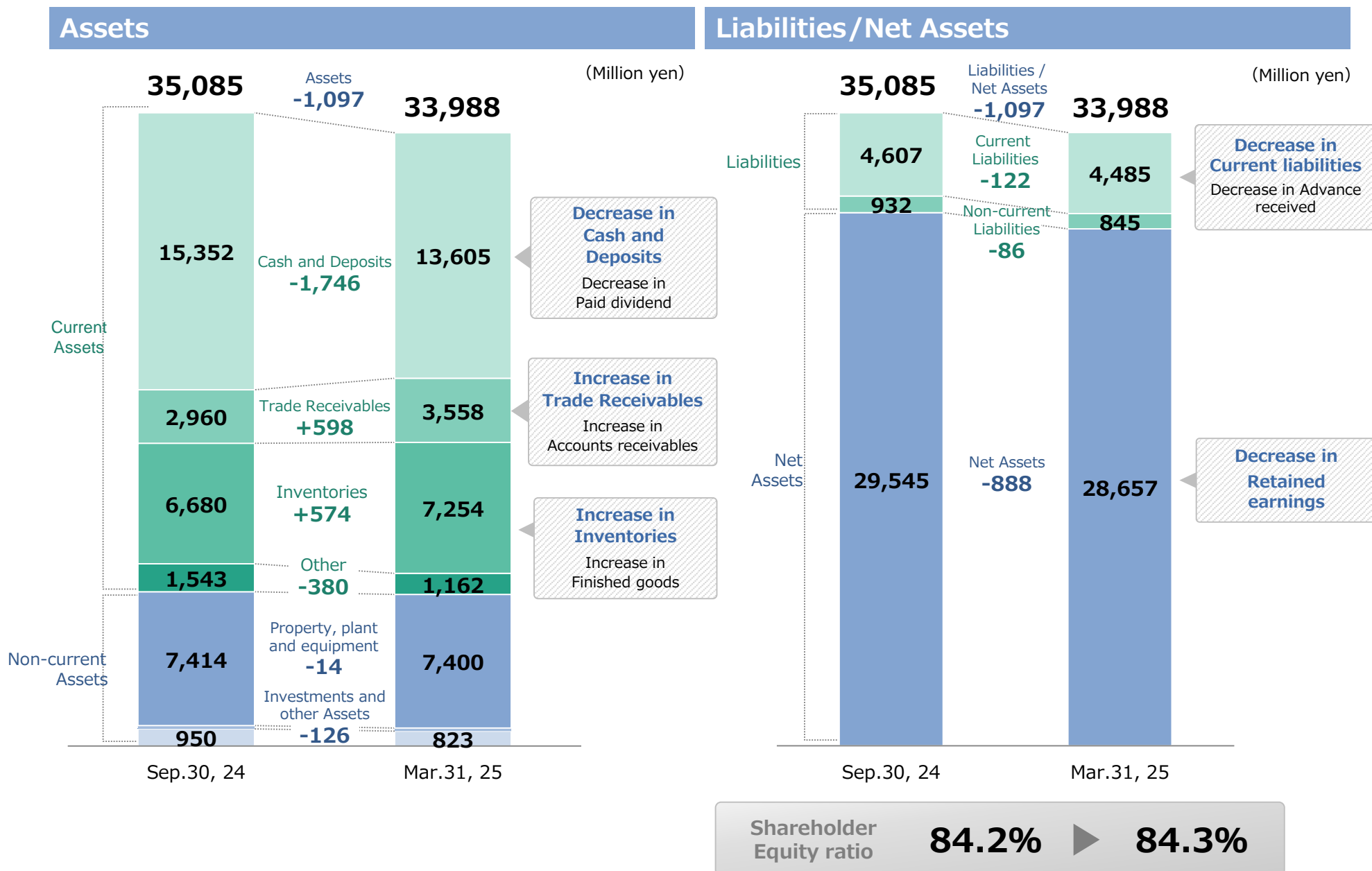
(3) Variance Analysis of Operating Income

Operating income declined 900 million yen year on year. The decrease in consolidated unit sales was the main negative factor in this, which was partly offset by higher unit prices due to the previous year's price increases and the weaker yen.

(Million yen)



(4) Consolidated Balance Sheets



(5) Topics in the Second Quarter of the Fiscal Year Ending September 30, 2025



- We launched the New J-Cruise 3 Model globally and well-received.
- NEOTEC 3 was highly praised and maintains strong sales in Europe, the main market.
- As in last year, we ran a booth at the Osaka/Tokyo Motorcycle Show. The booth was as busy and crowded as last year.

Global Launch of the New J-Cruise 3 Model

Sales will be rolled out worldwide starting following European sales in September 2024.

Europe

Launch: Sep. 2024
RRP: € 549.00~

Japan

Launch: Nov. 2024
RRP: ¥ 63,800~

China

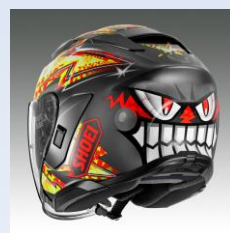
Launch: Mar. 2025
RRP: CNY 3,780~

North America

Launch: Mar. 2025
RRP : \$599.99~



J-Cruise 3
Chalk Grey



J-Cruise 3
INSPIRED

NEOTEC 3 is well-received in Europe, the main market

Sales will be rolled out in September 2023 in Europe and continue to be well-received in Europe.



NEOTEC 3
Garnett Metallic



NEOTEC 3
ANTHEM

Exhibiting at Osaka/Tokyo Motorcycle Show (March 2025)

- We exhibited at Osaka / Tokyo Motorcycle Show, Japan's largest trade show for motorcycles and their parts and supplies, which is held over three days in the spring of each year.
- We exhibited the New J-Cruise 3 Model, it changed from J-Cruise 2, and as in last year we launched collaboration products with proud Japanese culture such as Gundam, Hatsune Miku.
- Products utilizing new technologies (Photochromic shields and Carbon helmets) were displayed.



Ⅱ. Forecasts for the Fiscal Year Ending September 30, 2025



(1) Sales and Profit Forecasts (At present, no changes are made)

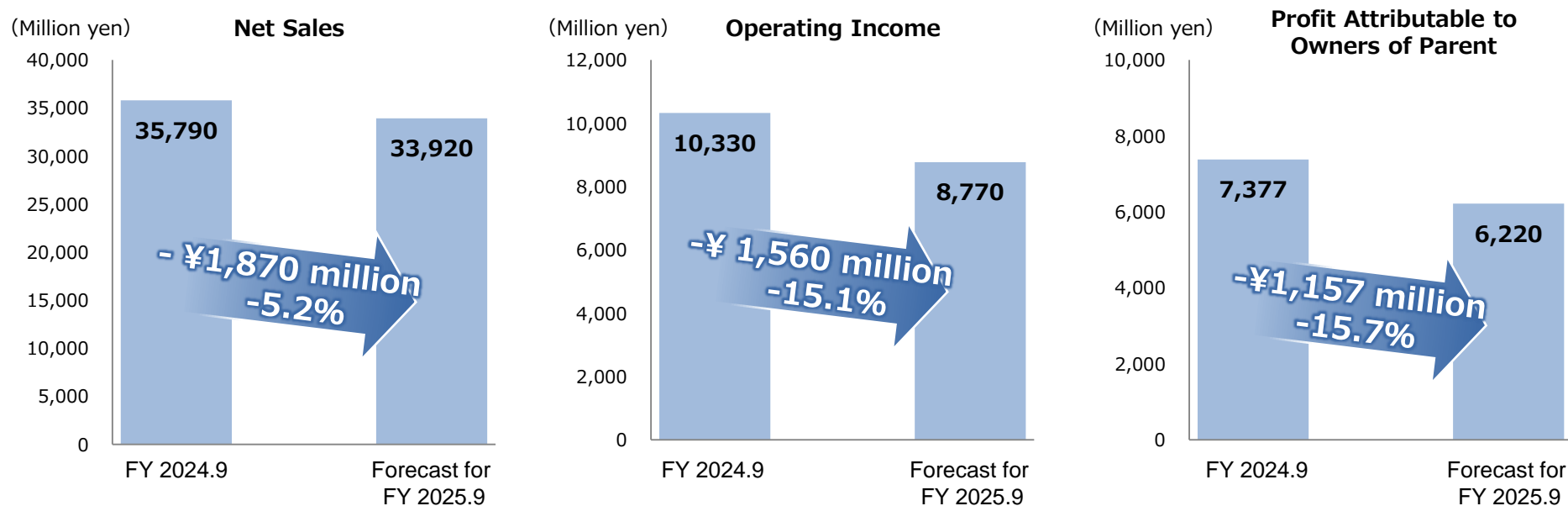


Main points of sales and profit forecasts

In the first half, consolidated unit sales fell short of the forecast due to weaker exports to China. However, higher unit prices, partly supported by the weaker yen throughout the period, helped minimize the shortfall in net sales and profits, so they were only slightly below the forecast. Given the mix of upside and downside factors expected in the second half and the continued uncertainty, the full-year consolidated forecast remains unchanged at this moment.

- ① Price increases for existing products are expected to take effect in the second half, and a modest recovery is expected in the Chinese and European markets.
- ② Risk of an economic slowdown due to the implementation of U.S. tariff measures
- ③ Risk of exchange rate fluctuations

Forecasts for the consolidated financial results of the FY 2025 (no changes are made)



(2) Expected Opportunities and Risks

(Updated from the beginning of FY2025)



At the beginning of the fiscal year, we stated, "The earnings forecasts have been formulated based on certain assumptions. We will make every effort to improve profitability by seizing a variety of opportunities while also preparing for diverse risks." Key updates are as follows:

➤ Positive

➤ Negative

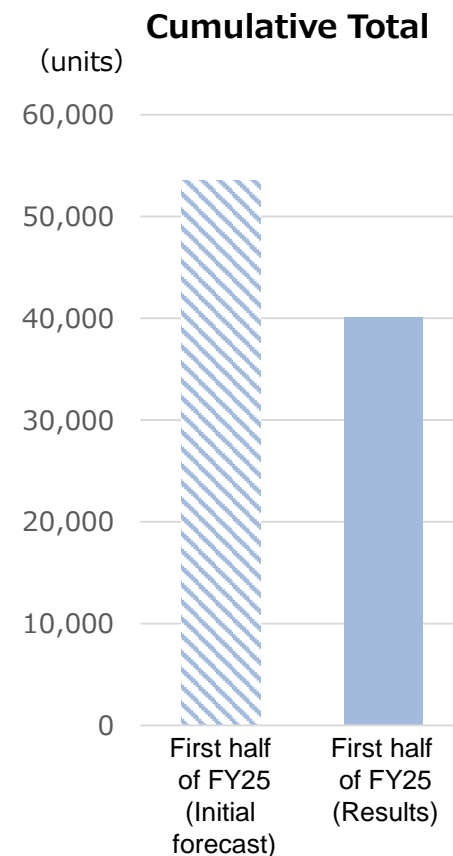
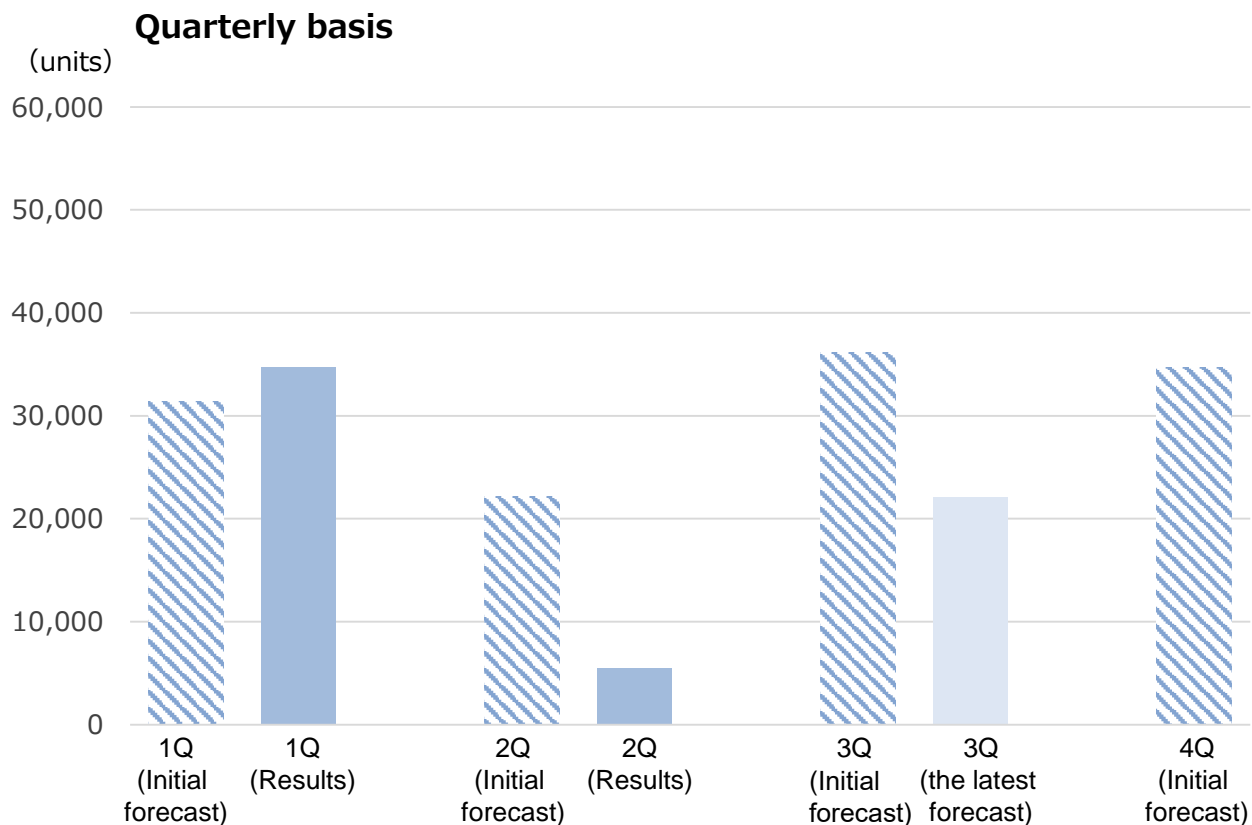
Opportunities	Risks
<ul style="list-style-type: none"> ✓ The yen depreciating more than projected <ul style="list-style-type: none"> ➤ Cumulative depreciation of the yen vs. both the USD and EUR compared with the assumed exchange rates ✓ Improvement of the production volume due to a recovery of demand ✓ Increase of unit prices based on the improvement of added value and market trends <ul style="list-style-type: none"> ➤ Additionally increase the prices of existing products beginning in the second half ➤ Increase the number of graphic variations and introduce them earlier. Drive demand and raise unit prices by launching collaboration graphics. ➤ Potential to increase the relative competitiveness of Japanese products over those from other Asian countries depending on U.S. tariff policies ✓ Improvement of production efficiency, mainly at factories <ul style="list-style-type: none"> ➤ Ongoing Kaizen (continuous improvement) activities ✓ Reduction of expenses through a range of initiatives <ul style="list-style-type: none"> ➤ Spending controlled within the budget in consideration of cost-effectiveness 	<ul style="list-style-type: none"> ✓ The yen appreciating more than projected <ul style="list-style-type: none"> ➤ Yen appreciating more than assumed vs. the USD due to the tariff actions of the U.S. under President Trump ✓ Economic recessions due to increased geopolitical risk, etc. <ul style="list-style-type: none"> ➤ Continuing or worsening downturn in China and France, where sales volumes are already sharply lower year on year ➤ Prolonged channel inventory adjustments in Japan ✓ Sluggish sales of new models/new graphics ✓ Increase in natural disaster risk ✓ Decline in demand due to higher import duties <ul style="list-style-type: none"> ➤ 10% tariff imposed on U.S.-bound shipments beginning April 5; 24% mutual tariff that is suspended for 90 days amid negotiations between the U.S. and Japan; source of uncertainty ➤ No impact on the competitive environment due to a lack of premium domestic helmet production in the U.S., but there is the risk demand will be weaker if costs are passed on to consumers

(3) Exports to China

Exports to China and order status

- Exports to China slightly exceeded the plan in the first quarter but dropped significantly in the second quarter. This was due to a seasonal lull during winter and the Lunar New Year, combined with market stagnation. Retailers reduced business days by taking more holidays, which led to a sharp decrease in orders received by distributors—and in turn, orders received by our company from distributors.
- However, orders for third-quarter sales indicate the shortfall will be smaller than forecast, with order volume in the latest month recovering to the forecast level on a monthly basis. Sales are expected to recover in the fourth quarter.

Sales volume in China (results, the latest forecast and initial forecast of FY2025/9)



(4) Market environment and topics (sales, products, production) for FY ending September 2025



Sales strategy

Europe	While market conditions remained weak and sales in France fell short of the forecast, channel inventory is at a proper level. To increase demand, we are increasing graphic options and have sent a staff member to our German subsidiary to support the expansion of the Personal Fitting Service (PFS) in Europe.
North America	Helmet sales were strong in the first half, but uncertainty is growing following President Trump's announcement of tariffs. We will monitor U.S.-Japan trade negotiations and discuss responses with distributors as needed.
Asia	The Chinese market remains weak. To drive demand in the spring-summer demand season, we launched the redesigned J-Cruise 3 and new graphics. We also reconfirmed in-store sales practices with local retailers and are working to improve the quality of services, including PFS.
Japan	We will stimulate demand in 4Q with new collaboration graphics while continuing to adjust domestic channel inventory. We will also enhance the in-store stocks of helmet interiors, including inner pads, alongside the expansion of PFS.

Product Strategy

- Expanding replica models, graphic models and color variation of Helmets



X-Fifteen
GARDNER



NEOTEC 3
FRAGMENTS



VFX-WR
Ignition Red



J-O +
Matte Laguna Blue



EX-ZERO/
J-O +
Moss Green
(Limited
edition)

- As collaboration with the Baribari Densetsu anime in last year, we announced collaboration graphic models with Gundam and Hatsune Miku.



Z-8 MS-06S
Char's Exclusive
Zaku II



Z-8 RX-78-02
Gundam



Z-8
Hatsune Miku

Production Strategy

- In response to the lower production volume, we will continue to flexibly adjust our production system—by eliminating holiday shifts, insourcing some outsourced tasks and optimizing daily output. At the same time, efforts will be made to take advantage of spare time to further promote activities to improve productivity and the skills of each member of staff.
- A new warehouse was built on the new Ibaraki site and began operating in January 2025. The construction of Shoei Helmet Park is also underway with completion scheduled for spring 2026.