



Summary of Consolidated Financial Results for the First Half of FY2008

(January 1, 2008 - June 30, 2008)

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(All of the amounts in this report are rounded down to the nearest million yen.)

1. Financial results for the First Half of FY2008 (January 1, 2008 - June 30, 2008)

(1) Consolidated income statement summary

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First half of FY2008	115,497	15.7	19,512	36.3	18,837	30.5	12,509	23.7
First half of FY2007	99,785	24.0	14,320	47.0	14,436	58.8	10,112	57.2
FY2007	211,767		31,336		30,263		19,894	

	Net income per share (Basic)	Net income per share
	Yen	Yen
First half of FY2008	130.34	-
First half of FY2007	104.30	-
FY2007	205.96	-

(2) Consolidated balance sheet summary

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
First half of FY2008	208,739	176,995	84.3	1,834.40
First half of FY2007	197,903	170,766	85.8	1,753.40
FY2007	205,183	167,260	81.1	1,733.30

(Reference) Shareholders' Equity First half of FY2008: 176,042 mil Yen First half of FY2007: 169,870 mil Yen FY2007: 166,345 mil Yen

(3) Consolidated cash flow statement summary

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
First half of FY2008	11,474	(13,045)	(2,909)	48,205
First half of FY2007	14,505	(5,004)	(1,578)	46,013
FY2007	29,369	(9,908)	(3,107)	52,691

2. Dividend Summary

	Dividend per Share		
	Interim	Year-end	Total
	Yen	Yen	Yen
FY2007	20.50	20.50	41.00
FY2008	30.50		61.00
FY2008 (forecast)		30.50	

3. Forecast of Financial Performance for FY2008 (January 1, 2008 - December 31, 2008)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2008	233,000	10.0	37,000	18.1	36,500	20.6	24,500	23.2	255.29

4. Others

(1) Change in the scope of consolidation: None

No company was newly included. No company was excluded.

(2) Changes in accounting policies: None

(3) The number of shares of common stock outstanding at the end of each period:

First half of FY2008: 95,967,483 First half of FY2007: 96,880,528 FY2007: 95,970,513

(Reference) Non-Consolidated Financial Results

1. Financial results for the First Half of FY2008 (January 1, 2008 - June 30, 2008)

(1) Income statement summary

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First half of FY2008	93,303	20.8	9,899	60.3	11,075	(13.8)	6,775	(36.0)
First half of FY2007	77,262	22.9	6,175	106.5	12,844	277.8	10,586	294.4
FY2007	168,443		15,373		37,993		31,662	

	Net income per share
	Yen
First half of FY2008	70.60
First half of FY2007	109.19
FY2007	327.79

(2) Balance sheet summary

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
First half of FY2008	116,431	90,911	78.1	947.32
First half of FY2007	102,790	74,134	72.1	765.22
FY2007	114,144	87,045	76.3	907.01

(Reference) Shareholders' Equity First half of FY2008: 90,911 Million Yen First half of FY2007: 74,134 Million Yen FY2007: 87,045 Million Yen

2. Forecast of Financial Performance for FY2008 (January 1, 2008 - December 31, 2008)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2008	182,700	8.5	18,600	21.0	20,000	(47.4)	12,200	(61.5)	127.12

Notes) 1 The percentages of net sales, ordinary income, and net income represent an increase (decrease) from the corresponding period of the previous year.

2 These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to differ materially from that anticipated in these statements. These factors include changes in economic conditions, trends in major markets, or currency exchange rates. Shimano Inc. accepts no liability whatsoever for any direct or consequential loss arising from any use of this report.

(Millions of yen)

Accounts \ Periods	First half of FY2007		First half of FY2008		FY2007	
	As of Jun. 30, 2007		As of Jun. 30, 2008		As of Dec. 31, 2007	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
(Liabilities)		%		%		%
Current liabilities						
1 Notes and accounts payable-trade	¥6,654		¥8,823		¥8,956	
2 Short-term loans payable	1,592		2,515		3,495	
3 Income taxes payable	4,284		3,455		8,443	
4 Deferred tax liabilities	739		651		796	
5 Accrued bonus to employees	734		730		853	
6 Accrued bonus to officers	54		72		128	
7 Others	10,497		10,754		10,584	
Total current liabilities	24,557	12.4	27,004	12.9	33,259	16.2
Long-term liabilities						
1 Long-term debt	-		2,091		2,098	
2 Deferred tax liabilities	39		3		2	
3 Employees' retirement benefits	1,517		1,479		1,489	
4 Officers' retirement benefits	1,022		1,101		1,062	
5 Others	-		63		10	
Total long-term liabilities	2,580	1.3	4,740	2.3	4,663	2.3
Total liabilities	27,137	13.7	31,744	15.2	37,922	18.5
(Net assets)						
Shareholders' equity						
1 Common stock	¥35,613	18.0	¥35,613	17.1	¥35,613	17.4
2 Capital surplus	5,822	2.9	5,822	2.8	5,822	2.8
3 Retained earnings	114,878	58.1	127,290	61.0	116,748	56.9
4 Treasury stock	(2,565)	(1.3)	(110)	(0.1)	(96)	0.0
Total shareholders' equity	153,748	77.7	168,615	80.8	158,088	77.1
Valuation and translation adjustments						
1 Unrealized gain (loss) on other securit	4,456	2.2	724	0.3	1,641	0.8
2 Foreign currency translation adjustme	11,665	5.9	6,703	3.2	6,615	3.2
Total valuation and translation adjustments	16,121	8.1	7,427	3.5	8,257	4.0
Minority interest	895	0.5	952	0.5	914	0.4
Total net assets	170,766	86.3	176,995	84.8	167,260	81.5
Total liabilities and net assets	¥197,903	100.0	¥208,739	100.0	¥205,183	100.0

Consolidated Balance Sheets

(Millions of yen)

Accounts \ Periods	First half of FY2007		First half of FY2008		FY2007	
	As of Jun. 30, 2007		As of Jun. 30, 2008		As of Dec. 31, 2007	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
(Assets)		%		%		%
Current assets						
1 Cash and time deposits	¥49,564		¥50,672		¥55,851	
2 Notes and accounts receivable-trade	28,262		29,200		31,030	
3 Inventories	40,358		44,704		40,184	
4 Deferred tax assets	2,392		2,608		5,122	
5 Others	2,841		2,883		2,202	
6 Allowance for doubtful receivables	(422)		(407)		(439)	
Total current assets	122,997	62.1	129,662	62.1	133,953	65.3
Fixed assets						
1 Property, plant and equipment						
1) Buildings and structures	19,035		18,637		18,548	
2) Machinery and vehicles	11,116		11,243		10,772	
3) Land	11,694		11,617		11,563	
4) Construction in progress	1,222		687		846	
5) Others	3,574		4,359		4,054	
Total property, plant and equipment	46,643	23.6	46,545	22.3	45,785	22.3
2 Intangible assets						
1) Software	5,911		5,683		6,458	
2) Construction in progress	1,022		161		36	
3) Others	797		1,220		1,094	
Total intangible assets	7,731	3.9	7,065	3.4	7,590	3.7
3 Investments and other assets						
1) Investment securities	18,514		20,880		14,666	
2) Long-term loans receivable	52		50		118	
3) Deferred tax assets	93		1,808		1,293	
4) Others	2,569		3,344		2,408	
5) Allowance for doubtful receivables	(699)		(616)		(632)	
Total investments and other assets	20,531	10.4	25,466	12.2	17,854	8.7
Total fixed assets	74,906	37.9	79,077	37.9	71,230	34.7
Total assets	¥197,903	100.0	¥208,739	100.0	¥205,183	100.0

Consolidated Statements of Income

(Millions of yen)

Accounts	Periods	First half of FY2007		First half of FY2008		FY2007	
		Jan. 1, 2007 to Jun. 30, 2007		Jan. 1, 2008 to Jun. 30, 2008		Jan. 1, 2007 to Dec. 31, 2007	
		Amount	Ratio	Amount	Ratio	Amount	Ratio
			%		%		%
Net sales		¥99,785	100.0	¥115,497	100.0	¥211,767	100.0
Cost of sales		65,021	65.2	74,173	64.2	138,738	65.5
Gross profit		34,764	34.8	41,323	35.8	73,028	34.5
Selling, general and administrative expenses		20,443	20.5	21,810	18.9	41,691	19.7
Operating income		14,320	14.3	19,512	16.9	31,336	14.8
Non-operating income							
1 Interest and dividend income		1,041		827		2,000	
2 Others		420		309		432	
Total non-operating income		1,462	1.5	1,137	1.0	2,432	1.2
Non-operating expenses							
1 Interest expense		288		278		537	
2 Others		1,057		1,533		2,968	
Total non-operating expenses		1,346	1.3	1,812	1.6	3,505	1.7
Ordinary income		14,436	14.5	18,837	16.3	30,263	14.3
Extraordinary gains							
1 Gain on sales of investment securities		373		-		638	
Total extraordinary gains		373	0.3	-	-	638	0.3
Net income before income taxes and minority interest		14,809	14.8	18,837	16.3	30,901	14.6
Income tax-current		5,155		3,781		13,357	
Income tax-deferred		(556)		2,473		(2,543)	
Minority interest in net income		98		74		194	
Net income		¥10,112	10.1	¥12,509	10.8	¥19,894	9.4

Consolidated Statements of Shareholders' Equity

First half of FY2007 (Jan. 1, 2007 - Jun. 30, 2007)

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of December 31, 2006	¥35,613	¥5,822	¥106,463	(¥2,125)	¥145,773
Changes of items during the period					
Cash dividends			(1,697)		(1,697)
Net income			10,112		10,112
Acquisition of treasury stock				(440)	(440)
Retirement of treasury stock		0		0	0
Total changes of items during the period	-	0	8,415	(440)	7,975
Balance as of June 30, 2007	¥35,613	¥5,822	¥114,878	(¥2,565)	¥153,748

	Valuation and translation adjustments			Minority interest	Total Net assets
	Unrealized gain (loss) on other securities	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of December 31, 2006	¥5,224	¥5,205	¥10,429	¥769	¥156,972
Changes of items during the period					
Cash dividends					(1,697)
Net income					10,112
Acquisition of treasury stock					(440)
Retirement of treasury stock					0
Net changes of items other than shareholders' equity	(768)	6,460	5,692	126	5,818
Total changes of items during the period	(768)	6,460	5,692	126	13,793
Balance as of June 30, 2007	¥4,456	¥11,665	¥16,121	¥895	¥170,766

First half of FY2008 (Jan. 1, 2008 - Jun. 30, 2008)

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of December 31, 2007	¥35,613	¥5,822	¥116,748	(¥96)	¥158,088
Changes of items during the period					
Cash dividends			(1,967)		(1,967)
Net income			12,509		12,509
Acquisition of treasury stock				(15)	(15)
Retirement of treasury stock		0		0	0
Total changes of items during the period	-	0	10,541	(14)	10,526
Balance as of June 30, 2008	¥35,613	¥5,822	¥127,290	(¥110)	¥168,615

	Valuation and translation adjustments			Minority interest	Total Net assets
	Unrealized gain (loss) on other securities	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of December 31, 2007	¥1,641	¥6,615	¥8,257	¥914	¥167,260
Changes of items during the period					
Cash dividends					(1,967)
Net income					12,509
Acquisition of treasury stock					(15)
Retirement of treasury stock					0
Net changes of items other than shareholders' equity	(917)	87	(829)	38	(791)
Total changes of items during the period	(917)	87	(829)	38	9,735
Balance as of June 30, 2008	¥724	¥6,703	¥7,427	¥952	¥176,995

FY2007 (Jan. 1, 2007 - Dec. 31, 2007)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of December 31, 2006	¥35,613	¥5,822	¥106,463	(¥2,125)	¥145,773
Changes of items during the year					
Distribution of surplus			(3,683)		(3,683)
Net income			19,894		19,894
Acquisition of treasury stock				(3,816)	(3,816)
Retirement of treasury stock		(0)	(5,844)	5,845	0
Inclusion of newly consolidated subsidiaries			(80)		(80)
Net changes of items other than shareholders' equity					-
Total changes of items during the year	-	(0)	10,285	2,029	12,315
Balance as of December 31, 2007	¥35,613	¥5,822	¥116,748	(¥96)	¥158,088

	Valuation and translation adjustments			Minority interest	Total net assets
	Unrealized gain (loss) on other securities	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance as of December 31, 2006	¥5,224	¥5,205	¥10,429	¥769	¥156,972
Changes of items during the year					
Distribution of surplus					(3,683)
Net income					19,894
Acquisition of treasury stock					(3,816)
Retirement of treasury stock					0
Inclusion of newly consolidated subsidiaries					(80)
Net changes of items other than shareholders' equity	(3,582)	1,410	(2,172)	145	(2,027)
Total changes of items during the year	(3,582)	1,410	(2,172)	145	10,287
Balance as of December 31, 2007	¥1,641	¥6,615	¥8,257	¥914	¥167,260

Consolidated Statements of Cash Flows

(Millions of yen)

Accounts	Periods	First half of FY2007	First half of FY2008	FY2007
		Jan. 1, 2007 to Jun. 30, 2007	Jan. 1, 2008 to Jun. 30, 2008	Jan. 1, 2007 to Dec. 31, 2007
		Amount	Amount	Amount
Cash flows from operating activities:				
Income before income taxes and minority interest		¥14,809	¥18,837	¥30,901
Depreciation and amortization		4,002	4,568	8,232
Loss on impairment		37	-	49
Allowance for doubtful receivables		282	(38)	240
Employees' retirement benefits		250	(10)	223
Officers' retirement benefits		39	39	78
Loss (gain) on sales/revaluation of investment securities		(385)	-	(649)
Interest and dividend income		(1,041)	(827)	(2,000)
Interest expense		288	278	537
Gain on sale/disposal of fixed assets		45	112	122
Notes and accounts receivable		(1,146)	1,664	(4,386)
Inventories		(2,243)	(4,413)	(2,790)
Notes and accounts payable		(1,089)	(104)	1,154
Accrued rebates		(171)	(180)	55
Accrued bonuses to employees		1,171	1,066	-
Others, net		2,449	(1,479)	3,088
Subtotal		17,300	19,513	34,858
Interest and dividend income received		868	788	2,090
Interest expense paid		(291)	(276)	(536)
Income taxes paid		(3,371)	(8,550)	(7,042)
Net cash provided by operating activities		14,505	11,474	29,369
Cash flows from investing activities:				
Purchase of time deposits		(3,551)	(1,014)	(3,159)
Proceeds from maturities of time deposits		2,943	1,692	2,796
Acquisition of property, plant and equipment		(3,564)	(4,281)	(6,693)
Acquisition of intangible assets		(1,182)	(318)	(1,695)
Acquisition of investment securities		(16)	(7,749)	(1,115)
Proceeds from sales of investment securities		558	9	851
Payments for advances		-	(393)	(872)
Proceeds from collections of advances		7	(163)	(68)
Others, net		(198)	(825)	48
Net cash provided by (used in) investing activities		(5,004)	(13,045)	(9,908)
Cash flows from financing activities:				
Increase (decrease) in short-term bank loans		590	(908)	2,368
Increase (decrease) in Long-term debt		-	-	2,093
Decrease in long term debt		(14)	-	(24)
Acquisition of treasury stock		(440)	(15)	(3,816)
Gain on retirement of treasury stock		0	0	0
Cash dividends to shareholders		(1,692)	(1,963)	(3,686)
Cash dividends to minority interest		(22)	(22)	(42)
Net cash used in financing activities		(1,578)	(2,909)	(3,107)
Effect of exchange rate changes on cash and cash equivalents		2,032	(5)	280
Net increase (decrease) in cash and cash equivalents		9,955	(4,486)	16,634
Cash and cash equivalents at beginning of the period/year		36,057	52,691	36,057
Cash and cash equivalents at end of the period/year		¥46,013	¥48,205	¥52,691

Segment Information

(1) Segment by Industry

First half of FY2007 (Jan. 1, 2007 - Jun. 30, 2007)

(Millions of yen)

	Bicycle Components	Fishing Tackle	Others	Total	Corporate/ Elimination	Consolidated
Net sales						
1) Third parties	72,100	25,970	1,714	99,785	-	99,785
2) Inter-segment	-	-	-	-	(-)	-
Total	72,100	25,970	1,714	99,785	(-)	99,785
Costs and expenses	59,737	24,022	1,705	85,465	(-)	85,465
Operating income	12,363	1,948	9	14,320	(-)	14,320

First half of FY2008 (Jan. 1, 2008 - Jun. 30, 2008)

(Millions of yen)

	Bicycle Components	Fishing Tackle	Others	Total	Corporate/ Elimination	Consolidated
Net sales						
1) Third parties	88,912	24,893	1,690	115,497	-	115,497
2) Inter-segment	-	-	-	-	(-)	-
Total	88,912	24,893	1,690	115,497	(-)	115,497
Costs and expenses	71,648	22,669	1,666	95,984	(-)	95,984
Operating income	17,263	2,224	24	19,512	(-)	19,512

FY2007 (Jan. 1, 2007 - Dec. 31, 2007)

(Millions of yen)

	Bicycle Components	Fishing Tackle	Others	Total	Corporate/ Elimination	Consolidated
Net sales						
1) Third parties	157,839	50,376	3,551	211,767	-	211,767
2) Inter-segment	-	-	-	-	(-)	-
Total	157,839	50,376	3,551	211,767	(-)	211,767
Costs and expenses	130,283	46,576	3,570	180,430	(-)	180,430
Operating income (loss)	27,556	3,799	(18)	31,336	(-)	31,336

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

2. Representative products of each industrial segment:

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

Fishing tackle - Reels and rods, etc.

Others - Cold forged products and snowboard equipment, etc.

(2) Segment by Geography

First half of FY2007 (Jan. 1, 2007 - Jun. 30, 2007)

(Millions of yen)

	Japan	North America	Europe	Asia	Others	Total	Corporate/ Elimination	Consolidated
Net sales								
1) Third parties	64,817	11,384	14,230	8,673	679	99,785	-	99,785
2) Inter-segment	13,663	115	1,365	28,859	1	44,004	(44,004)	-
Total	78,481	11,500	15,596	37,532	680	143,790	(44,004)	99,785
Costs and expenses	71,871	10,657	14,087	32,279	572	129,469	(44,004)	85,465
Operating income (loss)	6,609	842	1,508	5,252	107	14,320	-	14,320

First half of FY2008 (Jan. 1, 2008 - Jun. 30, 2008)

(Millions of yen)

	Japan	North America	Europe	Asia	Others	Total	Corporate/ Elimination	Consolidated
Net sales								
1) Third parties	80,359	9,429	14,998	9,998	709	115,497	-	115,497
2) Inter-segment	14,476	367	1,843	36,184	0	52,872	(52,872)	-
Total	94,835	9,797	16,842	46,183	710	168,369	(52,872)	115,497
Costs and expenses	84,783	9,302	14,885	39,289	596	148,857	(52,872)	95,984
Operating income (loss)	10,052	495	1,957	6,893	113	19,512	-	19,512

FY2007 (Jan. 1, 2007 - Dec. 31, 2007)

(Millions of yen)

	Japan	North America	Europe	Asia	Others	Total	Corporate/ Elimination	Consolidated
Net sales								
1) Third parties	143,336	21,532	29,092	16,402	1,403	211,767	-	211,767
2) Inter-segment	27,654	261	2,863	61,954	2	92,737	(92,737)	-
Total	170,991	21,794	31,955	78,357	1,405	304,504	(92,737)	211,767
Costs and expenses	154,658	20,499	28,930	67,887	1,192	273,168	(92,737)	180,430
Operating income (loss)	16,332	1,295	3,024	10,469	213	31,336	-	31,336

Note: 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 Russia

Asia - Singapore, Malaysia, China, Taiwan and Indonesia

Others - Australia

(3) Overseas Sales

First half of FY2007 (Jan. 1, 2007 - Jun. 30, 2007)

(Millions of yen)

	America	Europe	Asia	Others	Total
. Overseas sales	14,834	40,907	27,978	1,671	85,391
. Consolidated net sales					99,785
. Overseas sales ratio [/]	14.9%	41.0%	28.0%	1.7%	85.6%

First half of FY2008 (Jan. 1, 2008 - Jun. 30, 2008)

(Millions of yen)

	America	Europe	Asia	Others	Total
. Overseas sales	13,289	48,811	37,006	1,536	100,644
. Consolidated net sales					115,497
. Overseas sales ratio [/]	11.5%	42.3%	32.0%	1.3%	87.1%

FY2007 (Jan. 1, 2007 - Dec. 31, 2007)

(Millions of yen)

	America	Europe	Asia	Others	Total
. Overseas sales	29,510	86,917	63,826	4,136	184,391
. Consolidated net sales					211,767
. Overseas sales ratio [/]	13.9%	41.1%	30.1%	2.0%	87.1%

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

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

America - U.S.A., Canada, Latin and South America

Europe - Netherlands, Germany, United Kingdom, Italy, France, Sweden, Norway, Finland and Russia

Asia - China, Taiwan

Others - Australia

3. Overseas sales refers to sales posted by the Company and its consolidated subsidiaries in countries and regions outside Japan.