

A woman in a white athletic top and black shorts is running through a large splash of water. She is captured in a dynamic pose, with her right leg forward and arms pumping. The water is splashing around her, creating a sense of movement and freshness. In the background, several words are floating in the air, including 'STRESS', 'WORRY', 'DOUBT', and 'DO'. The overall image conveys a message of overcoming negative emotions and achieving a sense of freedom and well-being.

sound mind sound body

Top Commitment

We are committed to meeting our social responsibility as a global manufacturer.



Defining our role as a manufacturer of sporting goods

In July 2009, we opened the ASICS Sports Museum on the occasion of our company's 60th anniversary. The inspiration for this museum was our wish to nurture the younger generations who will create our future; it was also inspired by our need to emphasize the sustainable development of our business by reflecting our predecessors' commitment to contributing to society through manufacturing while looking back on our technological history.

We are very grateful that the public has responded positively, exceeding our attendance expectations for the first year in their desire to discover the spirit behind our company.

The late Kihachiro Onitsuka founded ASICS as a sporting goods manufacturer in 1949 with the philosophy of nurturing the younger generation through "a sound mind in a sound body."

As people increasingly shift their interest toward sports and more healthful activities, we are facing increasing business globalization as well as stakeholders' growing expectations for ASICS and other sporting goods manufacturers.

In order to respond to these expectations, we are returning once more to our founding philosophy. Specifically, we are renewing our determination to

define our role and incorporate our mission and social responsibilities in every aspect of our operations.

Our basic stance is to contribute to people around the world and their societies through our products, technologies and services. We help people through our business operations and return a reasonable amount of the profits we earn to people through our business. This cycle enables both our company and society to realize sustainable growth.

Initiatives targeting our priority issues related to corporate social responsibility

At ASICS, we have always managed our business by clearly identifying all top-priority issues related to CSR through our ASICS Challenge Plan, our company-wide management strategy.

Manufacturing is our core business; therefore, it is essential that we create hit products that contribute to society while maintaining high levels of quality and safety. We are proud to have been highly evaluated for our diligent stance toward product safety, as signified by our receipt of the award for Best Contributor to Product Safety from the Minister of Economy, Trade and Industry in



2007 and 2009. In fiscal 2009, however, we implemented a self-imposed product recall, and we have redoubled our commitment to preventing a recurrence through comprehensive retraining and evaluation rules.

In light of the need to reduce CO₂ emissions to minimize the threat of global warming, which has become a worldwide issue, we are developing green products that address the issue of CO₂ emissions and are reducing emissions from our corporate activities and throughout our supply chain. We are also addressing recycling and resource conservation as part of our mission to contribute to the emergence of a viable society built on sustainable development.

In fiscal 2010, we will promote our Group-wide environmental initiatives and will begin introducing products whose carbon footprint is clearly defined.

When we consider the products that we introduce onto world markets, we must also focus on those people who are engaged in making them. We manufacture our products within the ASICS Group in addition to subcontracting manufacturing to entities both inside and outside Japan. We need to develop relationships through which we can grow together with subcontractors by respecting local customs and complying with local laws and regulations as well as international labor standards as issued by the ILO.

After human rights organizations had observed the working conditions at factories of various manufacturers in 2004 and identified some issues, we established a team to inspect and improve factory working conditions from the viewpoint of compliance and risk management. We intend to further strengthen this initiative by enhancing training and educational activities and by working together with our factories.

In addition to introducing initiatives for manufacturers, we are addressing issues that enable us to continue developing our company as a member of society.

Improving corporate governance through stronger internal controls has become an indispensable requirement of companies today, even before the introduction of the Japanese equivalent of the Sarbanes-Oxley Act originally introduced in the U.S.A. We continue to ensure the accuracy of our balance sheet and are improving our control systems by preparing an internal control report within our Group, identifying and assessing risk, and defining procedures for work process management. Moreover, we are developing a maintenance and management system encompassing decision-making for our entire Group and all work processes.

Management of personal information is another priority area of our business operations. As a holder of the Privacy Mark, we intend to continue improving our management system. Going forward,

we will strengthen our management by focusing especially on our sales departments, which have numerous opportunities for engaging with our customers.

The success or failure of the most carefully devised strategy or system depends on the personnel who implement it. We intend to enhance our employee training regarding compliance and the scope of our professional duties in order to actively implement our internal controls and various management systems.

In order to enhance the capabilities of our personnel, we intend to expand our international training system for young employees, for example.

One of the most important challenges for any company is to provide a workplace environment in which employees can function and produce results under pleasant conditions. To this end, a company must offer improved support systems for mental health care, childcare and nursing care.

More specifically, we adopted a comprehensive program in 2007 to address working hours. Because this program has already achieved a measure of success, in 2010 we will shift the focus to the second phase, which emphasizes improved work efficiency. This initiative relates to accelerated work processes, which provide workers with time to spare, thus contributing to an appropriate work-life balance. I believe this acceleration of work processes will also contribute to improved competitiveness.

It has now been six years since we established our full-time CSR division, and this marks the sixth issue of our CSR Report.

To date, we have implemented a management approach focused on CSR, and our various departments are taking steps in their respective areas. In some areas, however, our results appear to be suboptimal.

In the future, we intend to link the initiatives of every department in a coordinated fashion, and all aspects and steps of our company-wide management approach will naturally incorporate CSR. By forging such a corporate structure, I believe we will come closer to achieving our company's founding philosophy of "a sound mind in a sound body."

In conclusion, we look forward to your continued understanding and patronage as we continue to accelerate the pace of our operations.

Motoi Oyama

**President and
Representative Director**

Business Strategy

ASICS Challenge Plan 2010

In 2006, we adopted the ASICS Challenge Plan (ACP), a medium-term management strategy and group-wide strategic initiative focused on the timely achievement of ¥300 billion in consolidated sales. While the plan is reviewed annually in order to ensure a swift response to changes in the economic environment, ASICS is continuing to work toward its targets of achieving further growth and expansion in global markets.

Basic Strategies

To achieve our goal of consolidated net sales of 300 billion yen at the earliest possible time, the ASICS Group will enact the following basic strategies from January 2010 to the end of March 2011.

I. Business Domains

- (1) Athletic sports business domain
- (2) Sports Lifestyle business domain
- (3) Health/Comfort business domain

II. All ASICS Group Basic Strategies

(1) Priority Strategies

- 1) We will further strengthen and expand the running business as our core business, and establish our competitive superiority in each market to promote sustainable growth under our four-pillar structure (Japan, the Americas, Europe*, and Asia Pacific).
*includes the Middle East and Africa
- 2) We will expand our apparel business globally. Furthermore, responding to worldwide health trends, we will enhance products such as walking and fitness by making use of our expertise in running.
- 3) In mature markets, we will challenge to go even further into the athletic sports business and try to establish new categories while taking advantage of our technological assets.
- 4) We will comprehensively and drastically review the efficiency of each process in management, business, and operations to improve company-wide productivity.
- 5) We will strategically expand our business to enhance our operational presence by establishing business alliances and M&A with other companies to strengthen and complement the group's existing business operations.
- 6) We, as a group, will actively approach environmental issues, such as global warming, and CSR, to contribute to society.

(2) Individual Basic Strategies (Ongoing Implementation of "The Four Reinforcements")

- 1) **Brand Reinforcement (Brand Strategy)**
To reinforce our two principal brands, the ASICS brand and the Onitsuka Tiger brand, in the global market, we shall aggressively enact marketing activities by effectively and efficiently allocating our business resources within the ASICS Group.
- 2) **Product Reinforcement (Product Strategy)**
 - a. Creation of high value-added products
 - b. Reinforcement of product planning competence
 - c. Reinforcement of quality control system
 - d. Reinforcement of the Onitsuka Tiger brand
 - e. Reinforcement of cost competitiveness
 - f. Development of environmentally-related products and materials
 - g. Business development for the next generation
- 3) **Sales Reinforcement (Sales Strategy)**
 - a. Aggressive expansion of directly-managed sales venues
 - b. Sales Reinforcement and Expansion in Emerging Markets
- 4) **Organization Reinforcement (Group and Human Resource Strategy)**
 - a. Enhancement of Group Capabilities
 - b. Profitability- and capital efficiency-oriented management
 - c. Reinforcement of CSR / Corporate Governance / Internal Control
 - d. Reinforcement of human

Standard Disclosure Table of GRI Sustainability Reporting Guidelines 2006 (3rd edition)

Content of Report			Reference page
1	1.1	A Statement from the most senior decision maker in the organization (CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy	p. 1–p. 2
	2.1	Name of the organization	Front cover
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	2.4	Location of organization's headquarters	p. 4, back cover
	2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	p. 4
	2.6	Nature of ownership and legal form	
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	2.8	Scale of the reporting organization	
	2.9	Significant changes during the reporting period regarding size, structure, or ownership	
	2.10	Awards received in the reporting period	p. 11
	3.1	Reporting period (e.g., fiscal/calendar year) for information provided	p. 4
3	3.2	Date of most recent previous report (if any)	
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	3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations	
	3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods)	
	3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	
	3.12	Table identifying the location of the Standard Disclosures in the report	p. 4
4	4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	p. 28
	4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement)	
	4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members	p. 28
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- 2 Organizational Profile
- 3 Report Parameters
- 4 Governance, Commitments, and Engagement
- 5 Management Approach and Performance Indicators

Editorial Policy for Our Fiscal 2010 Edition

ASICS commemorated its 60th anniversary in 2009, which is somewhat equivalent to our 60th birthday. As we look back on those pioneers who contributed to our history and take inspiration from them, we also look ahead to sustainable future in this issue of our CSR Report, which includes a special feature on the theme of "ASICS' principles and vision for the future." This publication seeks to meet the standards of the GRI (Global Reporting Initiative), which calls for reporting to stakeholders and the dissemination of ASICS policies.

Scope of Report

This report encompasses ASICS Corporation and provides a partial listing of the initiatives of our Group companies.

Reporting Period

Fiscal Year 2009 (April 1, 2009 to March 31, 2010)

Reference Guideline

GRI (Sustainability Reporting Guideline 2006 [3rd edition])

* The GRI (Global Reporting Initiative) is an NGO headquartered in the Netherlands. It is an official collaborative organization of the UN Environmental Program (UNEP).

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Company Outline

(as of March 31, 2010)

Paid-in capital: 23,972 million yen
Number of employees:
1,330 (5,357 on a consolidated basis)

Offices

Head Office: Kobe*

Domestic branches:

Kanto (Sumida-ku, Tokyo),
Kansai (Amagasaki)

Institute: Institute of Sport Science, Kobe*

International branches:

Guangzhou, China; Taiwan

Consolidated subsidiaries and affiliates:

In Japan: 23

Outside Japan: 23

(including North America, Europe,
Australia, China, and Taiwan)

* Offices with ISO 14001 registration

ASICS Websites

Japanese site:
www.asics.co.jp/

Global site:
www.asics.com/index.html

ASICS' Principles and Vision for the Future

ASICS founding spirit and mission as a sporting goods manufacturer was to contribute to society through manufacturing. As one of our 60th anniversary projects, we established the ASICS Sports Museum in 2009 to reflect this founding spirit. It is also a "hands-on" facility. Our divisions that are directly involved in manufacturing are staffed by employees who are committed to manufacturing quality products with the same dedicated philosophy, principles and technologies exhibited by our predecessors.

The ASICS Sports Museum: Preserving Principles and Technologies for Posterity

On July 1, 2009, we inaugurated the ASICS Sports Museum in the east building of our head office as a corporate museum dedicated to a sports theme. This museum is intended to preserve the corporate DNA of "support through manufacturing" as espoused by our late founder Kihachiro Onitsuka.

The museum features a floor where visitors can experience the performance of top athletes through a large LED display with lights that move at the same speed as the athlete. On another floor, visitors can understand our technological track record and corporate principles through successive generations of products and displays of items worn by contracted athletes.

The museum also has a craft room where visitors can try their hand at amazing yet difficult manufacturing by making miniature shoes. Such exhibits, as well as our participation in outside events, are intended to inspire young people and to preserve our corporate principles and technologies for the



benefit of future generations of employees.

In its first year of operation, the museum exceeded expectations by attracting more than 14,000 visitors. Thus, we enhanced our profile among these visitors. In pursuing our initial goals under the theme "Inheriting the Future," we will continue to offer programs that focus on future generations by inspiring children's dreams.

Helping to nurture the younger generation

Kazuhiko Fujita

Curator, ASICS Sports Museum

The ASICS Sports Museum was established to fulfill the wish of the late Kihachiro Onitsuka. I believe that, by enabling people to see the products that have been created in our whole-hearted effort to meet the needs of athletes, as well as the results of our previous technical achievements, we will preserve and further advance ASICS' manufacturing DNA.

At this museum, we are making an effort to contribute to the sound growth of the younger generation. I believe that sports environment field trips, and "dream classrooms" targeting elementary school students, offer excellent opportunities for children to consider the global environment through sports. They can also learn how to work toward realizing their own dreams and can forge a way of life based on the five disciplines that form the foundation of an athlete's spirit: be polite,

observe the rules, respect teamwork, train well, and never give up. In addition, visitors can experience the fun and intensity of manufacturing by making miniature shoes in the craft room.

In addition, we work hard to promote sports culture. I hope this museum will be instrumental in helping people take up a sport and become more interested in sports in general by bringing the experience of fun, appeal, excitement and amazing world records achieved in sports to as many people as possible.

I believe this museum will give dreams to the younger generation who will forge the future.

Museum Data (July 2009 – March 2010)

◆ **Attendance**
14,246 (22% children)

◆ **Major Events**
Sports Environment Field Trips
(with the cooperation of the Global Sports Alliance) Comprising 4th and 5th grade pupils from the three Kobe-area elementary schools
168 participants

Dream Classrooms
(sponsored by the Japan Football Association) Comprising 5th and 6th grade members of football clubs at elementary schools in the Kobe area
69 participants

Children's Sports Painting Exhibit
It drew 309 works by children from elementary schools in the Kobe area. Prize-winning entries were exhibited in the museum.

◆ **Hands-on Experience with Miniature Shoe Manufacturing**
959 participants



Sports environment field trip

Footwear Division

Toshirou Ikezaki

Director and Managing Executive Officer
Senior General Manager, Footwear Division

Our shoe production schedule for fiscal 2010 greatly exceeded that for fiscal 2009. This achievement resulted from global trends as well as significant customer support in light of their expectations for quality, function and fashion. We continually focus on ways of meeting customer expectations.

First, we always maintain our global perspective while providing high-quality and highly functional products. To achieve this, it is also important that we incorporate regional characteristics. Our vision is to make shoes which people around the world are happy to wear.

Second, we seek to be an industry pioneer that creates products that contribute to reduced CO₂ emissions. It is our obligation to do so, and our goal is the early introduction of products designed to further reduce our CO₂ emissions.

Third, we seek to strengthen joint efforts with our partner factories, which are responsible for manufacturing 95 percent of our shoes outside Japan. We intend to help create factories that make their employees feel good about their work.

Fourth, we seek to decentralize our producing areas and forge friendly relations with new factories as well as new nations and

Gel Kinsei 3
The global model of
ASICS' flagship running shoe

Creating a manufacturing system that responds to customer expectations

economic regions. This entails risk management to accommodate changes in the world situation. We cannot achieve our goal of stability of quality and supply by pursuing only lower labor costs. Our risk management is focused entirely on the development of new pathways.

Fifth, we seek to implement effective management by reviewing our work processes. We intend to facilitate the flow between operations and improve the speed and quality of our work with a new system that visualizes the process from planning to the start of production.

Consolidated sales by product
category for FY ended March 31, 2010

(millions of yen)

	Total Sales	Ratio of Total Sales
Sports shoes	165,808	73.9%
Sportswear	42,576	19.0%
Sports accessories	16,010	7.1%
Total	224,395	

Reconstruction of system aiming at improved competitiveness

JUMUP JACKET and
Training Pants

This training wear is
the first school
sportswear in Japan
to display the carbon
footprint mark.

Apparel and Equipment Division

Yuichiro Shimizu

Director and Managing Executive Officer
Senior General Manager, Apparel and Equipment Division

Our business is committed to the following three goals.

Developing topical and hit products

Stated above is our mission as a manufacturer, to which we are wholeheartedly dedicated. We are committed to developing original functional materials and incorporating them into products whose functionality makes them especially appealing to consumers. Moreover, we will promptly undertake to calculate our CO₂ emissions and in 2010 will introduce products that clearly display their carbon footprint (CO₂ output from material procurement to product disposal). Moreover, we are determined to develop products associated with reduced CO₂ emissions.

Concentrating our factories outside Japan

In striving to reduce costs, maintain stable quality and ensure delivery dates, we intend to systematically streamline the number of factories we subcontract while mapping out improvements in factory efficiency. Although our ratio of offshore manufacturing will increase from 60 percent to 70 percent, we will seek to

reduce country risk by maintaining multiple production centers. Furthermore, regarding sharing of materials, we intend to increase the proportion of materials procured outside Japan for use in products manufactured outside in Japan from 35 percent to 80 percent in 2011. We will also manufacture our products with full consideration for human rights and the environment.

Implementing reforms to improve quality

We issued four recalls in 2009. Fortunately, however, no risks were associated with these recalls. Nonetheless, this experience highlighted our need to review our work processes and ensure that no checks are omitted in the development stage. Thus, we are proceeding with retraining initiatives and ensuring our rules are thorough. We also strengthened our quality training and inspections and significantly decreased our defect rate. We are focused on preventing a recurrence by emphasizing compliance with rules for quality and manufacturing.

Basic Approach to CSR

The ASICS approach to CSR is supported by principles derived from our founding philosophy. Applied in a variety of settings, these principles continue to imbue our employees with collective power.

The ASICS Approach to CSR

The late Kihachiro Onitsuka founded ASICS as a result of his determination to contribute to the development of Japan by cultivating healthy young people through sports. His determination remains alive in our manufacturing principle of “provide products and services that create value for all customers.” We believe that ASICS can best serve the community by implementing this principle.

Our mission is to continue meeting the demands of our customers to the full while supporting athletes as well as those who are merely committed to their own health and

well-being. Dedicated to the principle and vision contained in the company’s founding philosophy of “a sound mind in a sound body,” we are pursuing our core business of manufacturing with singular diligence.

Moreover, we believe in the importance of operating as a sustainable enterprise while actively pursuing value through economic, social and environmental approaches. By enhancing the sustainability of our business and pursuing the growth of our business operations, we will continue to grow as a member of society.

Implementing initiatives closely associated with our founding philosophy

The Foundations of Our Business

Founding Philosophy

“Anima Sana In Corpore Sano”

Corporate Philosophy

1. Provide products and services that create value for all customers
2. Protect the environment, and contribute to the world community at the individual and social level
3. Offer sound service, and share the profit with shareholders who have supported ASICS, community and employees
4. Achieve ASICS in a spirit of freedom, fairness, respecting the dignity of the individual

Corporate Vision (Our Goal)

The World’s No. 1 Creator of Sports-, Health-, and Comfort-Oriented Lifestyles

■ Founding Philosophy and Company Name

ASICS was founded in 1949 by the late Kihachiro Onitsuka. As a manufacturer of sports shoes, the company (then known as Onitsuka Co., Ltd.) sought to contribute to the health of young people by promoting athletic activities.

Mr. Onitsuka saw youth turning to street crime in Kobe following their repatriation after the Second World War. He wondered what he could do to improve the condition of the younger generation who would be creating the future. He latched on to an idea and started manufacturing athletic shoes.

Later, in 1977, the company merged with Jelenk and GTO, thus establishing ASICS Corporation.

The name “ASICS” is based on the writings of the Roman satirist Juvenalis who, at the beginning of the second century BC, coined the famous phrase that translates as, “If you pray to God, you should pray for a sound mind in a sound body.”

In the original, Juvenalis used the word mens, which translates as “mind.” However, Mr. Onitsuka decided to use the word anima, as its meaning signifies a more active nuance. He therefore used the acronymic form of the phrase *Anima Sana In Corpore Sano* — “ASICS” — as our company name.

Corporate Logo

asics

Designed when ASICS was established, this prototype of our corporate logo represents lively motion as well as vigor and human warmth. Our current logo, adopted in 2007, expresses the speed and innovation of our company and the ASICS brand. It is easier to see and read for people around the world in light of the rapidly advancing globalization of management.

Our Relationships with Stakeholders

We place a high priority on our communications with stakeholders. We strongly recognize that we exist as part of a larger community and that our company cannot develop without the concurrent

development of society. We are committed to respecting the customs and cultures of the countries in which we operate while adhering to international law as we expand our operations.

Principal Stakeholders of ASICS



Addressing the priority issues of corporate social responsibility

Outline for Fiscal 2009

We adapted our compliance system to accommodate changing rules both inside and outside Japan and implemented improvements for seven priority issues related to our CSR.

In light of the sluggish world economy and unstable international political situation, it is clear that environmental issues as well as labor and human rights problems are growing increasingly complex and are strongly influenced by the stances of various countries and the dynamics of diplomacy. Under these

circumstances, ASICS is implementing initiatives to address environmental issues, particularly the reduction of CO₂ emissions from various offices.

We have been steadily promoting this initiative through our medium-term targets. Moreover, we are actively engaged in improving the work environment of our subcontracted factories. We have promoted training initiatives by sharing improvement methods with factories as well as by undertaking conventional factory audits.

Our CSR Priorities

1. Maintaining close relationships with multiple stakeholders

Safety, Quality & Customer Satisfaction

Offering safe products that enhance customer satisfaction

Responding to the increased emphasis on product safety, we implement stringent quality controls encompassing product planning, development, design, manufacturing, and shipment in order to ensure the safety and comfort of all users of our products.

Environmental Preservation

Promoting programs to protect the environment

In order to preserve a healthy global environment for future generations, we are determined to offer our support in achieving sustainable development by reducing the environmental impacts of our operations and by conducting R&D of eco-friendly products.

Supply Chain Management

Improving working conditions at subcontracted factories

In the belief that worker satisfaction leads to better products and ultimately results in greater customer satisfaction, we continually seek to uphold human rights, labor standards, and corporate ethics as we improve work environments throughout our supply chain.

Employee Satisfaction

Improving the workplace

Our goal is to create a working environment in which all employees can apply their skills and talents to the full while achieving a positive work-life balance. We are also promoting employee participation initiatives while improving our systems.

Community Service

Serving the community in our role as a manufacturer of sporting goods

In our effort to meet our obligations as a good corporate citizen, we remain active in the community through such initiatives as promoting the culture of sports.

Protection of Personal Information

Ensuring proper protection of personal information

We are meeting our important responsibility to secure all personal information with the understanding it remains the private property of our customers.

2. Our Corporate Obligations

Corporate Governance

Practicing sound and transparent management

In order to continue maximizing our corporate value and earn the unwavering trust of all our stakeholders, we remain dedicated to refining our corporate governance by adhering to the ASICS Code of Conduct and the ASICS Behavioral Guidelines while maintaining tight controls on compliance requirements.

Safety, Quality & Customer Satisfaction

Dedicated to offering safe products that enhance customer satisfaction

Responding to the growing concern for product safety, we implement strict quality control in all our operations from product planning, development, design, and manufacturing through to shipment in order to ensure the comfort and safety of all users of ASICS products.

Product Recalls

In fiscal 2009, we undertook a total of five product recalls in both our domestic and international groups.

May 2009

Outdoor wear: Recalled due to discoloration

May 2009

Junior baseball backpack: Recalled due to sewing defect

June 2009

Bra top: Recalled and replaced due to sewing defect

October 2009

Fitness swimsuit, 11 models: Recalled due to sewing defect

March 2010

Racing swimsuit: Recalled due to peeling of label

We have learned from this experience and have begun to consider the overall product life cycle to ensure a high level of safety and quality. We practice thorough quality control in all stages from planning, development and design to manufacturing, sales and shipping.

The ASICS Product Safety Principle (abstract)

1. ASICS shall commercialize products with the firm belief to ship only safe products out to the market to attain uninterrupted growth.
2. ASICS shall pursue the safety of all its products relentlessly to protect the life, health, and property of users.
3. ASICS shall undertake its social responsibility in protecting people's lives and health, as well as their property, not only through its products, but also in its operations in manufacturing, distribution, storage, etc.
4. Should there be an incident requiring compensation due to a defect in its product, ASICS shall act promptly and in good faith to provide relief to the victim and take necessary measures to prevent recurrences.

Our Product Safety Principle

At ASICS, we believe the overarching responsibility of a corporation is to ensure the quality and safety of its products; therefore, we have set out this principle in our Product Safety Principle.

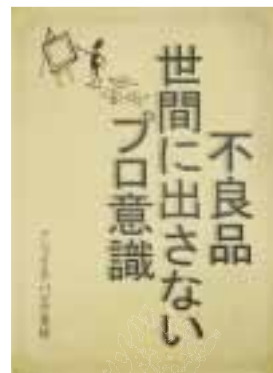
In addition, each factory operates its own programs to promote awareness of product safety.

We will provide quality control training as part of our employee training through repetition of our Product Safety Principle in order to prevent the recurrence of product recalls.

Strengthening our product safety initiatives

Full-Time Product Safety Team Introduced (Fiscal 2010)

To expand our product safety initiative, we established a full-time Safety and Quality Assurance Team at the Institute of Sport Science on April 2010.



A factory poster promoting safety awareness

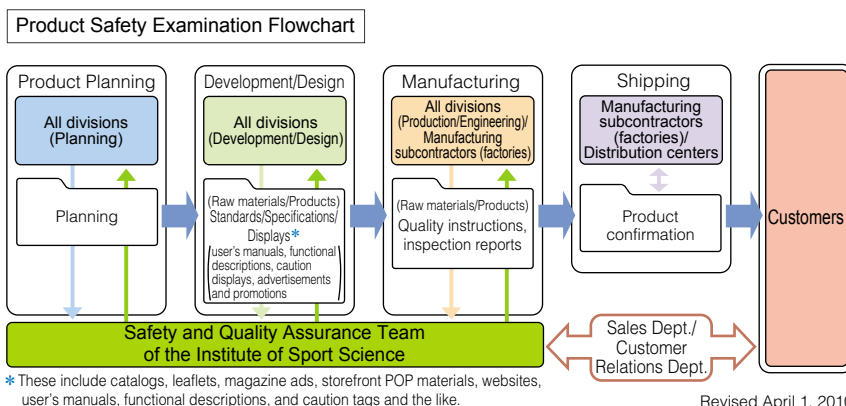
Quality Assurance System

Comprehensive monitoring of all processes

Product Safety Examination Flowchart

According to the flowchart at right, we will undertake product safety (product liability) inspections throughout the product life cycle.

Regarding the safety and quality of materials and products, we apply tests stipulated by laws and regulations, industry standards, and voluntary standards, and we issue instructions and proposals based on the results. We establish and implement voluntary guidelines and standards on hazardous chemical substances, and we monitor some products through product safety inspections.

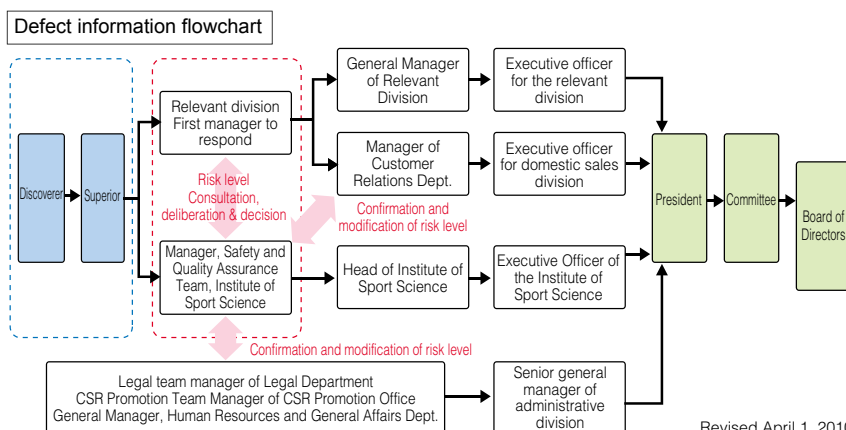


Enforced in-house sharing of essential information on safety and quality assurance

Communication Flowchart for Defects and Quality Issues

Depending on the risk level associated with a defect or accident, certain phenomena can significantly damage the corporate value of the entire ASICS Group and trigger a crisis in the operation of our business. We place priority on customer safety; therefore, we respond resolutely when a defect is detected — even one of very low probability — and when an accident occurs, no matter how minor. According to our Risk Management Policy, we inform upper management of the occurrence of the defect accurately and promptly according to the flowchart at right. Moreover, as required by law, we promptly report the defect to the authorities having jurisdiction over the issue. Depending on the severity of the

risk, we disclose information without delay through newspaper announcements, on our website, and by other means.



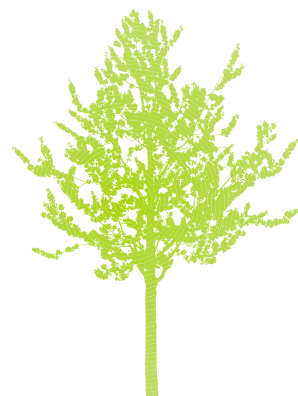
Enhancing manufacturing reliability

Our Annual Quality Information Exhibition Enhances Product Quality

We present our annual Quality Information Exhibition in order to pass on feedback from our customers to all employees, including those in our group companies. The exhibits detail the responses of our Customer Relations personnel regarding products that fail to satisfy a customer as well as defective products along with the comments of the product manager and production manager. The exhibits also include letters of praise and gratitude from customers. This exhibition enables employees whose jobs do not involve customer contact to gain firsthand knowledge of customer reactions.



Display of product quality information at our head office. By presenting customer comments to our employees, we raise awareness.



Toward Improved Customer Satisfaction

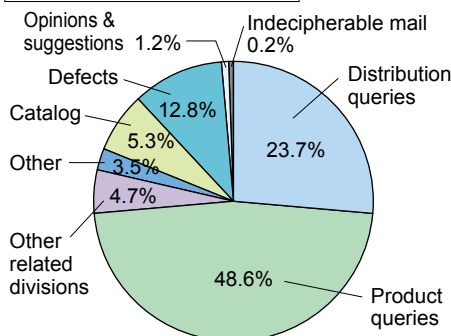
Our Customer Relations Department evolved from the Consumer Relations Department established in 1980 by our late founder, Kihachiro Onitsuka, in the belief that “a fountain of treasure is available to those who dig deep to discover the source of customer dissatisfaction.” When this department was first established, Mr. Onitsuka emphasized focusing on the importance of “not merely responding to customer complaints, but disseminating customer feedback throughout the company.”

This approach, part of our DNA, remains alive within our company, and we always make an effort to incorporate in our manufacturing all the improvements that result from outside opinions, requests, and complaints. Currently, this department functions to uphold the corporate brand; as point of contact for society, consumers and citizens having some influence on company management; and as an interface with the planning, development, production and sales divisions.

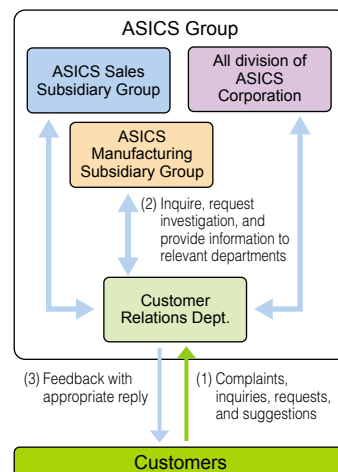
Number of queries to the Customer Relations Department

Channel	Number of queries received
Fax	3
Email	6,150
Correspondence & reports	255
Telephone	22,701
Total	29,109

Breakdown in customer queries



How customer queries are handled



Award-winning issues

- **Contributing to the establishment of industry safety assessment methods**
We contribute to improved product safety throughout the industry by suggesting safety assessment method and standards. We also capitalize on our own research facilities while examining issues and problems common to the sporting goods industry.
- **Staging in-house events and providing substantial content on safety and quality assurance**
Since 2002, we have been holding our semiannual Quality Information Exhibition to inform employees of customer comments. We have since expanded the scope of this initiative to include presentations at sales companies, distribution centers and manufacturing subcontractors outside Japan. We continually raise awareness of our complete responsibility for our products.
- **Actively soliciting consumer comments**
In an effort to actively solicit consumer viewpoints and opinions as well as their evaluation of our company, we introduced our own company initiatives at consumer-oriented seminars and events. We intend to continue leveraging this information in order to review and improve our initiatives.

TOPICS

Fiscal 2009: Third METI Minister Awards for Best Contributors to Product Safety

Recipients of the Director-General for Commerce and Distribution Policy Award

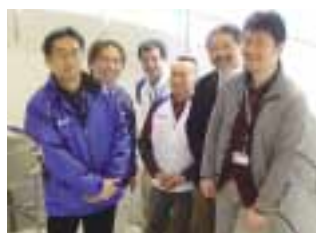
(Category: Large Manufacturer and Importer)

Two years ago we received the Silver Prize at the first award ceremony. This year, in realizing that we could no longer use the logo of “Best Contributors to Product Safety,” we considered what to do for this year’s entry. As a matter of course, our proposition is to provide customers with safe and dependable products, so we improve our Safety and Quality Assurance system every day. However, because we implement most items on a continuous basis, we thought it would be difficult to win a prize again without displaying ever more novelty and originality. Nevertheless, we entered the event in order to arrange and verify our approach throughout two years of effort.

Actually, by reconfirming and organizing our quality assurance operation to be split among various divisions, we were able to establish cross-sectional links with various parties, which proved to be a worthwhile exercise. We are grateful and happy that our efforts to continue and expand our company-wide safety and quality assurance system, and our review and improvement initiative, were recognized. We intend to improve and further promote our safety and quality assurance measures even without using this award as an incentive.

Akifumi Ozaki

Quality Evaluation Team
Material Research Department
Institute of Sport Science



Managers responsible for quality control in each division
(Author is third from left.)



Logo of the 2009 METI Minister Awards for Best Contributors to Product Safety



Environmental Preservation

Promoting environmental protection programs

In order to preserve the global environment for the benefit of posterity, we are determined to contribute to the emergence of a sustainable society. Toward this end, we shall reduce the environmental impacts of our business operations while researching and developing eco-friendly products.

Challenges Remaining from Fiscal 2009

Toshiyuki Sano

Manager of Environmental Management
Director and Executive Officer/Senior General Manager, Administrative Division

Environmental issues such as global warming and resource depletion are becoming a major international challenge.

At ASICS, we recognize that resource depletion and similar issues are having a major impact on our business, and we are responding as a corporation. We believe that the sustainable development of our company cannot occur without preservation of the global environment.

In fiscal 2009, ASICS implemented initiatives such as resource conservation, energy conservation, selection of materials

and processes that are eco-friendly. As a result, we achieved numerical target values.

In the future, we intend to help address environmental issues and contribute to the emergence of a society committed to sustainable development. Moreover, we will proactively disclose information in order to gain support from stakeholders for our environmental initiatives as we go forward with initiatives such as development of green products.

Initiatives of the ASICS Group in Japan

Our head office has implemented environmental management* based on ISO 14001 standard.

In fiscal 2009, in addition to pursuing the objectives outlined below, we studied ways

to quantitatively measure and reduce our environmental impact through techniques such as carbon footprint calculations, material flow cost accounting (MFCA) and life cycle assessments (LCA).

Achieving our two targets

Targets and Achievements for Fiscal 2009

Objective	Target for Fiscal 2009	Achievement for Fiscal 2009
Expand our offerings of green products	To increase the sales ratio of green products to 17 percent of total domestic sales	Sales ratio of green products increased to 25.5 percent of total domestic sales
Reduce CO ₂ emissions	To reduce CO ₂ emissions by 4.0 percent below fiscal 2007 level	CO ₂ emissions reduced by 4.3 percent below fiscal 2007 level

Identifying clear objectives to ensure continuous improvement

Future Challenges

At a review meeting under the president (p. 14) held on March 2010, it was decided to continue our medium-term targets. In addition, it was decided to actively disclose and disseminate our environmental information while expanding our development of green products.

In the future, we will expand our

development of green products in all product segments by applying our technical capabilities while pursuing more extensive dissemination and disclosure of information, including at offices outside Japan. (Details of our initiatives appear from p. 13 onward.)

* Environmental management

- The ASICS Group has obtained certification of registration with ISO 14001 at the head office of ASICS, the Institute of Sport Science, and Nishi Athletic Goods Co., Ltd. This effort is promoting continuous improvement of our environmental initiatives based on the PDCA ("plan-do-check-act") problem-solving cycle. By introducing this management system, we have been able to establish a system; specify environmental impacts, risks and laws and regulations applicable to our business operations; draw up and adopt targets and action plans for our initiatives; and implement self-assessed verification and improvement of the results of these initiatives.
- In March 2010, ASICS Europe B.V. also acquired this certification. We intend to acquire certification of registration with ISO 14001 at other offices outside Japan.
- In Japan, we will manage our targets, including those of our Group companies, and we will promote our environmental management initiatives. Going forward, we will also improve our environmental management at Group companies outside Japan.

Highlighting two important themes

Adopting Medium-term Environmental Targets for Fiscal 2009–2011

We will contribute to the improvement of environmental issues through our business of the manufacture and sales of sporting goods, and we shall focus our initiatives on global warming, which has become a major environmental issue in recent years. The following targets for our domestic group apply to these two issues

for fiscal years 2009–2011.

We review our medium-term targets annually by considering the requests of stakeholders and the circumstances surrounding environmental issues.

ASICS Environmental Policy

Enacted 2001/08/22
Revised 2003/02/01
Revised 2005/04/01

● Principle

Recognizing environmental preservation to be an important responsibility of a corporation, ASICS is determined to act to enable sustainable development of the global community.

● Policies

- (1) ASICS will expand and improve its environmental management system within the Group, clarify authority and responsibilities within the organization, and act to preserve the environment on a global scale.
- (2) ASICS will make every effort to reduce the environmental impact of its business operations, including saving resources, saving energy, reducing wastes, promotion of green procurement, and preventing environmental contamination.
- (3) ASICS will not only observe environment related laws, regulations, and agreements in all countries and regions, but also take proactive measures.
- (4) ASICS will make efforts to reduce the environmental impact of its products and services by taking necessary measures from the planning stage.
- (5) ASICS will implement environmental audits to ensure continuous improvement of its environmental management and, in so doing, fulfill its social responsibility.
- (6) ASICS will promote improved awareness of environmental issues among employees throughout the Group through its public relations activities and environment instructor program.
- (7) ASICS will disclose information regarding its environmental activities and ensure better communication with stakeholders.

Medium-term Environmental Target for Fiscal 2009-2011

To increase the share of green products to 25% of total domestic sales revenue by fiscal 2011 * We will determine the sales ratio of green products for the ASICS Group outside Japan.	FY 2009	Green products' share of total domestic sales revenue: 17%
	FY 2010	Green products' share of total domestic sales revenue: 20%
	FY 2011	Green products' share of total domestic sales revenue: 25%
To reduce CO ₂ emissions by 6% from the fiscal 2007 level by fiscal 2011 * We will determine the CO ₂ emissions of the ASICS Group outside Japan.	FY 2009	Reduction in CO ₂ emissions from fiscal 2007 level: 4%
	FY 2010	Reduction in CO ₂ emissions from fiscal 2007 level: 5%
	FY 2011	Reduction in CO ₂ emissions from fiscal 2007 level: 6%

Continuous improvement through the management system

Environmental Targets for Fiscal 2009 and Achievement Status

We achieved most of our targets for fiscal 2009 based on our ISO 14001-complaint environmental management system. The following table shows the achievement status of the environmental targets of the head office and the Institute of Sport Science, which hold certification of ISO 14001 registration. (Some targets are for

our domestic group.)

In fiscal 2009, we achieved our targets for many objectives, but the level of achievement varied by division and office. We will seek to advance and improve our overall initiatives by sharing superior cases.

* Evaluation standards:
Achievement of 100% and greater: ☺
Achievement of less than 100%: ☹

Environmental targets, achievement status and evaluation for fiscal 2009

Item	Fiscal 2009 target		Fiscal 2009 achievement	Evaluation	Related pages
Product development	• To provide eco-friendly products and services	• To ensure R&D of green products totaling 232 new products	• 320 new products developed	☹	p. 14 (lower half) to p. 17
	• To increase the share of green products to 25% of total domestic sales revenue by fiscal 2011 (Domestic sales volume)	• Green products' share of total domestic sales revenue: 17%	• Revenue from green products totaled 25.5% of total sales	☹	
Information disclosure	• To disclose and disseminate environmental information	• To disclose and disseminate our environmental information through the website, catalogs, exhibitions, publicity, and public meetings.	• Published information on and exhibited Eco Plan mark products through the website, catalogs and exhibitions • Publicized environmental initiatives at the Tokyo Marathon 2010	☹	—
Factory management	• To adopt eco-friendly management at subcontracted factories	• To promote the use of eco-friendly adhesives.	• Achieved an adoption rate of 49.1%	☹	—
		• To inspect eco-friendly management at subcontracted factories.	• Verified the status of environmental preservation at factories making clothing and gear	☹	—
Reduction in CO ₂ emissions	• To reduce CO ₂ emissions by 6% from the fiscal 2007 level by fiscal 2011 (As a target of the domestic ASICS Group)	• Reduction in CO ₂ emissions from fiscal 2007 level: 4%	• Reduced CO ₂ emissions by 4.3% from 2007 levels	☹	p. 18
Training and awareness-raising	• Provided training and raised awareness on environmental issues	• To implement environmental training and raise awareness within the ASICS Group	• Implemented seminars at 4 offices	☹	—



ISO 14001 registration certificate

Management Review

ASICS holds an annual review meeting under the president in order to review environmental initiatives from a management perspective.

As a result of the review of fiscal 2009 initiatives at the meeting held in March 2010, the management issued the following decisions and instructions.

■ Decisions

1. To continue the environmental policy (p. 13)
2. To maintain the content of medium-term initiatives (increase the ratio of green products to total sales and reduce CO₂ emissions) in fiscal 2010
3. To make the Division an action unit in fiscal 2011 that carries out environmental initiatives under the existing system of meetings and allocation of responsibilities

■ Instructions

1. To develop symbolic green products and publicize them outside the company
2. To strengthen information disclosure and information dissemination (IR, publicity, etc.) regarding our environmental initiatives in order to embellish our brand

Manufacturing focused on sustainable development

Developing Green Products

Problems such as global warming and resource depletion are closely linked to manufacturing. This is because we emit CO₂ and consume resources and energy in our manufacturing processes. ASICS believes that the resource-conservation and energy-efficiency initiatives adopted in our business of manufacturing sporting goods are tied to sustainable development.

In our consideration for the environment, we focus on product design for environment and have established a voluntary standard for certifying green products from the design stage. We promote eco-friendly manufacturing in various stages of the product life cycle from material procurement (such as selection of eco-friendly materials and processes), and production to distribution, use and disposal. (Details of green products appear from p. 15 onward.)

We have been promoting environmental impact reduction by developing products utilizing recycled materials and products

incorporating a collection/recycling system; and by changing packaging materials to reduce the weight of shoeboxes and bags for sportswear. We reduced the amount of organic solvent used in shoe manufacturing by working in cooperation with our partner factories and have promoted the adoption of water-soluble adhesives.

Our Institute of Sport Science is developing technology for manufacturing parts with fewer materials and is researching energy efficiency and more efficient manufacturing processes. By capitalizing on this research and technology, we are striving to increase the eco-friendliness of the entire product life cycle.

We are also taking the initiative to accommodate customer comments by preparing a guideline for the control and use of chemical substances in products* and by complying with laws and regulations.



Review meeting under the president

* Control of Hazardous Chemical Substances

Continuing progress is evident in today's advanced international regulations on hazardous chemical substances, such as the REACH Regulation in Europe and regulations on lead in children's products in the U.S.A.; clearly, environmental regulations are becoming more stringent.

As part of the ASICS Environmental Policy, ASICS has adopted a guideline for the control and use of chemical substances in products. This guideline classifies chemical substances into three managerial categories—prohibited substances, restricted substances, and controlled substances—according to regulations and environmental assessments. For each category, we define a set of rules for controlling and handling the chemical substances, including those of subcontracted manufacturers. We will continue to update the guideline as necessary in the future to adapt to changes in regulations and the environment.

Guideline for the control and use of hazardous chemicals (excerpt)

1. Objective

As part of its ASICS Environmental Policy (Appendix 1), ASICS Corporation ("ASICS") has stipulated and employs the ASICS Guideline for the Control and Use of Hazardous Chemicals ("ASICS Guideline") for the control and use of hazardous chemical substances in products that ASICS designs, manufactures, and markets, including the raw materials and component parts.



■ Establishing strict standards for certifying green products

As shown in the table at right, specific standards have been established for each type of product. The ASICS Eco Plan Mark is applied to all our green products that meet these standards.

These standards will be periodically reviewed in response to developers' comments and market demand.



ASICS Eco Plan mark

The ASICS Eco Plan Mark Certification Standard

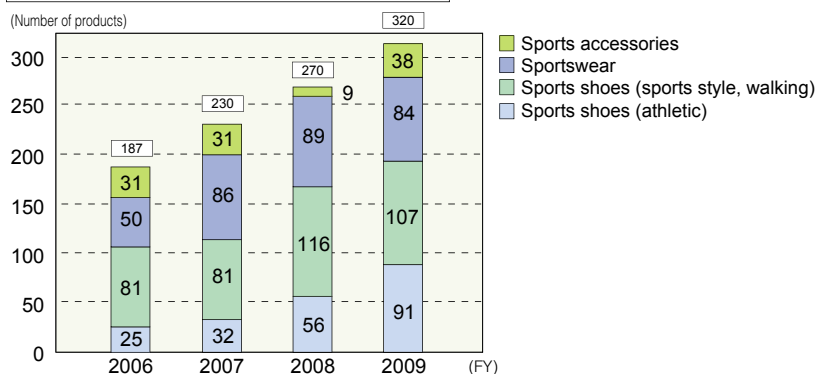
Clean	<p>We will reduce environmental impact in manufacturing activities.</p> <ul style="list-style-type: none"> ★ Products made of environmentally-friendly materials for reduced impact at time of disposal ★ Products constructed with materials that easily biodegrade and breakdown to reduce environmental impact at time of disposal
Saving	<p>We will save energy and resources used in manufacturing activities.</p> <ul style="list-style-type: none"> ★ Resource saving products that use less materials ★ Products that make efficient use of resources by adopting common materials ★ Energy saving products with an energy efficient manufacturing process
Sustainable	<p>We will reduce wastes by extending product life.</p> <ul style="list-style-type: none"> ★ Products that allow repair and replacement of worn out parts or those with a construction that makes repair and replacement easy ★ Products that use durable materials and are of durable construction
Recycle	<p>We will recycle products towards the goal of a recycling oriented society.</p> <ul style="list-style-type: none"> ★ Products designed for the recycling system (product collection recycling product) ★ Products that make use of waste materials ★ Products that make use of recycled materials
Packaging materials	<p>We consider packaging materials to be parts of the product and will make efforts for the reduction and simplification of packaging materials.</p>

■ Achieving our development targets

In fiscal 2009, we set our goal of newly developing 232 green products under the ASICS Eco Plan Mark Certification Standard.

The total number of such products was 320, an increase of 50 items compared with the fiscal 2008 total, thus matching our objective.

Seven-year trend in green product development

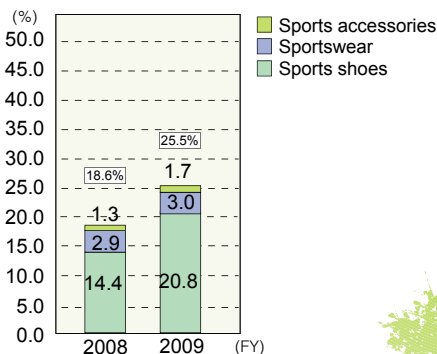


■ Achieving our target ratio to total sales

In fiscal 2009, we set our goal of a 17 percent increase in the share of green products relative to total domestic sales.

The ratio of green products to total sales for fiscal 2009 increased to 25.5 percent, which represents a 6.9 percent point increase from the fiscal 2008 level, thus achieving our objective.

Ratio of green products to total sales



■ Example of Green Product Development

1) Product:

GEL-NIMBUS 12 (TJG895)

- Made with artificial leather incorporating recycled polyester.
- Employs the injection molding method, which produces less scrap.



2) Product:

EFFORT KN (TTP757)

- Made with artificial leather incorporating recycled polyester.
- Utilizes plastic made from plant sources.



3) Product:

FABRE FIRST ECO (TUF107)

- Made with artificial leather incorporating recycled polyester.
- Conserves resources by reducing stitching and eliminating overlapping materials.



4) Product:

Running T-Shirt (XTR974)

- Made of recycled polyester cloth.



5) Product:

Hooded Sweatshirt (CFT500)

- Made of recycled polyester cloth and organic cotton.



6) Product:

Six-on-Six Volleyball Net (2825EK)

- Made of recycled polyester fiber.
- Coating contains no polyvinyl chloride (PVC).



■ Comparison of environmental impact of current products

All the products illustrated at left contain recycled polyester. The processing of recycled polyester consumes less energy and generates a smaller quantity of greenhouse gases than does the production of new polyester from crude oil. The data below — obtained from the Ministry of Economy, Trade and Industry of Japan and the Industry-Information Collaboration Research Center Corporation — has been excerpted from an LCA study report on textiles (clothing).

Environmental impact of 996 kg of recovered pellets (as a granular resin for ease of production) made from used polyester commercial clothing and textiles

Energy consumed	MJ	6,838
CO ₂ emissions	kg-C	69
SOx emissions	kg	0.166
NOx emissions	kg	0.217
Solid waste generated	kg	5

Environmental impact of 996 kg of PET resin made from crude oil (calculated on the assumption of PET bottle resins)

Energy consumed	MJ	27,800
CO ₂ emissions	kg-C	404
SOx emissions	kg	3.134
NOx emissions	kg	2.585
Solid waste generated	kg	1,008

Notes:

- Except for GEL-NIMBUS 12 (scheduled for introduction on August 1, 2010) the products on this page were introduced on April 1, 2010.
- All products are subject to improvement and discontinuation.

Visualizing Environmental Impacts

In order to promote the development of eco-friendly products, ASICS introduced several shoe and athletic wear products in fiscal 2009 (see below). Our initiative considered ways of reducing environmental impacts by devising analytical methods of

calculating environmental impact at each stage in a product's life cycle. Going forward, we will consider environmental impact analysis and environmental impact mitigation measures as we expand our offerings of green products.

Visualizing the environmental impacts and cost burdens associated with the shoe manufacturing process

ASICS participated in the FY2009 Supply Chain Resource Conservation Partnership Program developed by the Ministry of Economy, Trade and Industry together with San-in ASICS Industry Corporation, a domestic factory.

The purpose of this program is to promote industrial collaboration throughout the supply chain. It aims to achieve resource conservation while cutting costs in a manner that cannot be undertaken by a single company alone.

ASICS and San-in ASICS analyzed the environmental impact and cost burden associated with the production of walking shoes. This exercise revealed that shoe sole materials have a higher environmental

impact and cost burden. To improve this situation, we considered the recycling of shoe sole materials and drafted a plan.

Through this program, we also adopted Material Flow Cost Accounting (MFCA), which analyzes the amount of material resources consumed and the cost of the manufacturing process, and Life Cycle Assessment (LCA), which analyzes the environmental impact of the product life cycle.

In the future, we will reduce the environmental impacts and cost burdens of products by expanding our analysis of these issues to encompass other products and will undertake the improvement plan promoted as part of this program.

Visualizing CO₂ emissions in school gym wear

We participated in drafting the Product Category Rule (PCR) for uniforms as part of the Carbon Footprint* System trial project promoted by the Ministry of Economy, Trade and Industry and other interested government agencies. Using this standard, we calculated the CO₂ emissions of two models of school gym wear, receiving a verification assessment. As a result, we acquired approval for the display of a "Carbon Footprint" label.

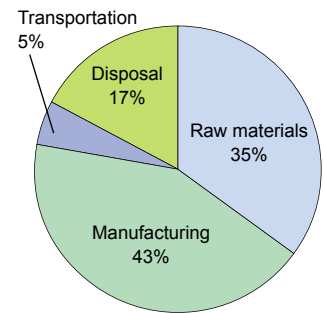
We were the first company in Japan to acquire this label for the school gym wear category, as we believe we can also contribute to environmental education at school. In the future, we intend to offer a "Carbon Footprint" labeled line of school gym wear. We also intend to label products

in other categories as well.

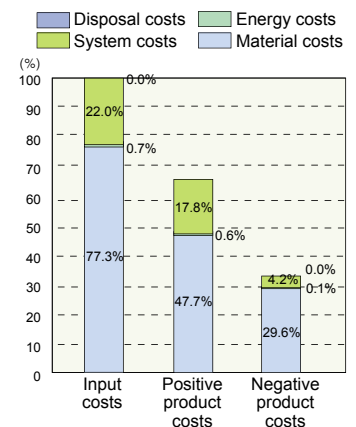
We monitor processes that contribute to CO₂ emissions as well as processes suitable for possible reductions in order to promote further reductions in CO₂ emissions. In this way, we are contributing to the emergence of a low-carbon society.



Greenhouse gas emissions (percentage) at each stage in the life cycle of walking shoes



Result of MFCA Analysis



Positive product costs:
Converted value of amount of material resources incorporated in the finished product

Negative costs:
Converted value of amount of material resources discarded

System cost: Indirect costs such as labor
Energy cost: Electricity and fuel
Material cost: Materials

* Carbon Footprint

The greenhouse gases emitted at each of the five stages in the product life cycle — raw material procurement; production; distribution and sales; use and maintenance; disposal and recycling — converted to CO₂ and identified on the product label

AN-351 & AN-451
 ■ Assumed laundry count: 100 times
 ■ Washing method: Home laundry (no ironing)

Continuous establishment and review of our CO₂ emissions reduction target

Initiative Targeting Global Warming

The potential exists for global warming to negatively affect winter sports. ASICS believes that a sustainable natural environment is linked to the sustainable development of sports.

We continuously establish and review our CO₂ emissions reduction targets as part of our environmental management. We promote energy efficient design in line with these reduction targets as we implement energy-efficiency and resource-conservation initiatives at our various offices. For example, we seek to reduce CO₂ emissions when we construct or expand one of our buildings and when we consider the overall life cycle of our products.

Should abnormal weather arise due to global warming, it would have the potential to damage the offices, factories and distribution centers we have located in various countries; therefore, it entails the risk of negatively affecting our production or distribution activities. In order to reduce such risks, we believe it is necessary to earnestly address the global warming issue. Coincident with this, we are proactively working on energy-efficiency and resource-conservation initiatives in our business operations while taking the opportunity to also reduce costs and increase business efficiency.

Achieving a reduction target of 4% below the fiscal 2007 level

Status of our CO₂ Emissions Reduction Initiative

In fiscal 2007, we began compiling CO₂ emissions data on our group companies in Japan. We adopted a Medium-term Environmental Target (p. 13) and detailed the implementation of this reduction by office in fiscal 2008. In fiscal 2009, we succeeded in reducing our emissions by

4.3% below the fiscal 2007 level, which even exceeded our target. In fiscal 2009, we will target a further reduction in CO₂ emissions globally by compiling data on our group companies outside Japan.

Continued implementation of routine initiatives

Energy Efficiency, Waste Management, Waste Reduction, and Green Purchasing

We are engaged in an ongoing effort to reduce paper consumption, minimize industrial waste and general waste from offices, and practice green purchasing (through the purchase of eco-friendly stationery).

Paper consumption increased by 2.0% from fiscal 2008 levels. Industrial waste increased by 6.8% from fiscal 2008 levels because of the contribution of an increase in the number of models. General waste from offices decreased by 3.1% from fiscal 2008 levels thanks to our recycling initiatives.

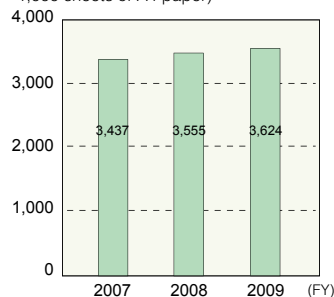
Waste from the head office and from the Institute of Sport Science includes industrial waste, which includes materials used in R&D activities, and general office waste.

In fiscal 2009, the Institute of Sport Science began recycling plastic for RPF (recycled plastic fuel, a solid fuel).

We remain committed to conserving resources and reducing waste in an increasing number of our offices.

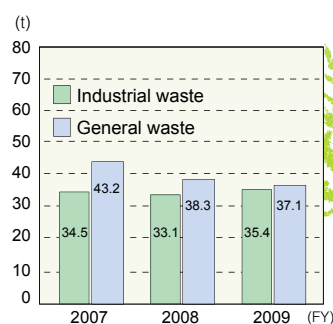
Reduction of paper consumption

(Conversion to 1,000 sheets of A4 paper)



* Data apply to the head office and Institute of Sport Science.

Volume of waste

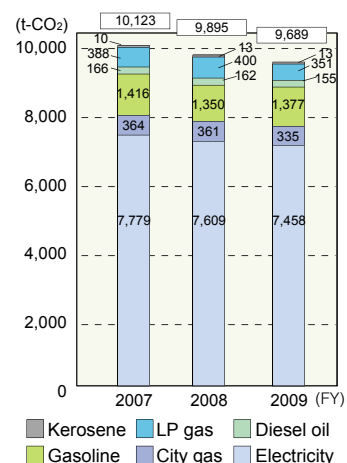


* Data apply to the head office and Institute of Sport Science.

CO₂ reduction initiatives at offices

Branches & sales corporations	<ul style="list-style-type: none"> Switching off lights Updating to energy-efficient lighting Reducing engine idling with energy-efficient driving education and campaign
Factories	<ul style="list-style-type: none"> Switching off lights in unoccupied areas Implementation of "Cool Biz" and "Warm Biz" initiatives Adoption of energy-efficient machinery
Logistics center	<ul style="list-style-type: none"> Reducing operating hours by increasing work efficiency (reducing electric power consumption) Turning off power sources for unused equipment Increasing the concentration of deliveries, etc.
Head office, Institute of Sport Science	<ul style="list-style-type: none"> Switching off lights; conserving electricity; continuing promotion of energy-efficient driving Reducing CO₂ emissions from business trips by adopting video conference system Improving the floor space index and sufficiency ratio of product transport containers Adopting green design for offices by adopting efficient lighting Economizing on air conditioning by adopting "green curtains"

CO₂ emissions trend



Notes:
 * Data applies to our group companies in Japan (38 locations).
 * Figures are calculated with emission factor based on the Law Concerning the Promotion of Measures to Cope with Global Warming.
 * Calculations are made with an electric power emissions factor of 0.555 kg-CO₂/kWh.

Environmental Initiatives of the International ASICS Group

Introduction to Our Environmental Management Systems

Environmental Initiatives of ASICS Europe B.V.

■ Details of Initiatives

• Registration of ISO 14001 Certification

ASICS Europe introduced an ISO 14001-compliant environmental management system and underwent a third-party audit in March 2010 as part of an ongoing effort, resulting in its acquisition of ISO 14001 certification.



Certification of ISO 14001 Registration

• Participation in the CSR Committee of the World Federation of the Sporting Goods Industry

As the ASICS representative, ASICS Europe participated in the CSR Committee of the World Federation of the Sporting Goods Industry, demonstrating industry leadership in addressing environmental issues on the environmental subcommittee. Through this mechanism, the company seeks to communicate with various NGOs, NPOs and universities.

Calculating greenhouse gas emissions

Environmental Initiatives of ASICS America Corporation

■ Details of Initiatives

Calculating greenhouse gas emissions

In collaboration with an external organization, ASICS America calculated and analyzed its greenhouse gas emissions accruing from operations.

During the analysis, data resulting from calculations according to emissions source were divided into three areas according to greenhouse gas protocols and compiled.

1. Direct emissions: Greenhouse gases emitted by company cars
2. Indirect emissions: Electricity consumed by offices

3. Other indirect emissions: Transportations used for business trips, employees' commuting to work by car, water use and waste processing

This analysis revealed that other indirect emissions comprise the majority (Fig. 1). When the emissions source was examined, it was revealed that greenhouse gas emissions ratio was higher for business trips due to the use of airplanes (Fig. 2).

Utilizing the results for a survey in Japan

Results of Initiatives in the U.S.A. and Europe

The survey by ASICS America Corporation offered suggestions such as the need to survey greenhouse gas emissions from sales activities. It is scheduled to set goals

and develop an action plan to reduce greenhouse gas emissions within the ASICS Group after sharing its results with group members in Japan and Europe.

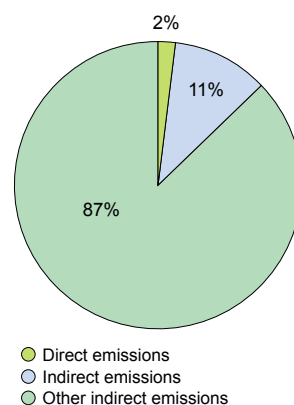


Figure 1: Emissions by classification

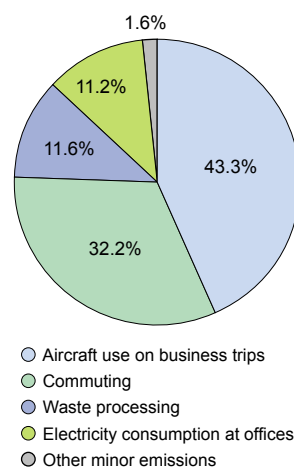


Figure 2: Emissions by source

Supply Chain Management

Promoting Improved Work Environments and Conditions in Our Subcontracted Factories

In the belief that worker satisfaction leads to better products and ultimately results in greater customer satisfaction, we continually seek to uphold human rights, labor standards, and corporate ethics as we improve work environments throughout the supply chain.

Policy

ASICS has adopted the following Management Policies for Business Partners.

Management standards for better manufacturing

Management Policies for ASICS Business Partners (extract)

ASICS expects ASICS Business Partners to operate their business in accordance with the following standards:

1. General Principle

ASICS Business Partners shall operate in full compliance with all national and local laws, rules and regulations applicable to their business operations.

2. Employment Standards

With regard to the employment of any and all employees of ASICS Business Partners ("Employees"), ASICS Business Partners shall comply with the following Standards:

(1) Forced Labor:

ASICS Business partners shall not use forced labor, whether in the form of prison labor, indentured labor, bonded labor, or otherwise. No Employee can be compelled to work through force, the threat of force or intimidation of any form.

(2) Child Labor:

ASICS Business Partners shall not employ persons who are younger than 15 years old (or 14 years old where permitted by the applicable laws), or who are younger than the age for completing compulsory education in their country of employment where such age is higher than 15.

(3) Harassment or Abuse:

ASICS Business Partners shall acknowledge that their Employees have the right to have a workplace free from physical, sexual, psychological or verbal harassment or abuse and ASICS Business Partners shall treat

Employees with respect and dignity.

(4) Discrimination:

ASICS Business Partners shall not discriminate in employment, including hiring, salary, benefits, advancement, training, disciplines, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.

(5) Right of Association and Collective Bargaining:

ASICS Business Partners shall recognize and respect the rights of Employees' to organize and join associations of their own choosing, and to bargain collectively.

(6) Wages:

ASICS Business Partners recognize that Employees should be fully compensated for all time worked and be provided with a clear and written accounting for every pay period. ASICS Business Partners shall pay Employees at least a) the minimum wage required by the applicable law or b) the prevailing industry wage, whichever is higher. In addition to their compensation for regular hours of work, Employees shall be compensated for overtime hours at least at the premium rate legally required by the applicable law or, in those countries where such laws do not exist, at a rate exceeding their regular hourly compensation rate.

(7) Hours of Work:

ASICS Business Partners shall not require their Employees to work on a

regular basis more than sixty hours or the requirement by the applicable law, whichever is shorter per week, including overtime. ASICS Business Partners shall allow Employees at least one day off in every seven day period on a regular basis and a paid annual leave required by the applicable law.

(8) Benefits:

ASICS Business Partners shall provide their Employees all legally mandated benefits.

(9) Health and Safety:

ASICS Business Partners shall provide a safe and healthy working environment, including, but not limited to adequate lighting, heating and ventilation systems and protection from fire, accidents, and hazardous substances. ASICS Business Partners' Employees shall have access at all times to sanitary facilities which are adequate and clean. When residential facilities are provided for Employees, the same standards should apply.

3. Environment

ASICS Business Partners shall comply with all applicable environmental laws and regulations and shall work towards further improving environmental conservation. Further, ASICS Business Partners shall operate the business with consideration for environment and safety by saving resources and energy, reducing emissions, by implementing environmentally-aware purchasing, and by preventing pollution.

Summary of Our Fiscal 2009 Initiatives

Reorganizing Our Group-wide Management System

Targets for Fiscal 2009

We improved and upgraded the management system for our subcontracted factories and reorganized the system to make it applicable to the entire group. We expanded cooperation with our multiple stakeholders, which include domestic and international

organizations, governments, citizens' groups and industry groups. We improved the working conditions at our subcontracted factories by making effective use of our limited corporate funds.

Developing varied initiatives for our subcontracted factories

Main Initiatives for Fiscal 2009

1. We conducted audits of 43 factories.
2. We provided training in China and Vietnam. Moreover, we advanced the development of a structure that addresses complaints and comments from employees and disseminated the Management Policies for ASICS Business Partners.
3. In some factories, we surveyed the environmental awareness of the managers.
4. In an effort to improve human rights and

the work environment, we participated in the planning of a collaboration meeting to bring together various makers of Japanese brands. As the leader of a working group, we established a venue for discussion regarding the difficult problems facing subcontracted factories. It was decided that a brand collaboration conference would be held at ASICS head office in June 2010.

Three types of audits conducted

Types of Annual Audits

In 2009, we conducted three types of audits*: internal audits, commissioned audits and FLA audits.

Audits by Year

Audit year	Internal Audit	Commissioned Audit	FLA Audit	Total
2005	50	—	2	52
2006	15	6	8	29
2007	31	27	11	69
2008	34	36	8	78
2009	10	23	10	43

Audit checklist for evaluating the state of legal compliance

Audit Items

According to the ASICS Management Policies for Subcontracted Factories, the 118 items on the audit checklist include labor contracts, wages and working hours. By conducting an audit according to the checklist, we can evaluate the state of legal compliance at each audited factory.

Audit Checklist

Broad category	Medium-size category	Small category
Contracts	6	34
Wages	4	10
Working hours	3	9
Holidays/vacation	2	6
Benefits package	1	6
Labor-management relations	5	13
Occupational health and safety	7	39
Other	1	1
Total	29	118

* Details of the three types of audits

(1) Internal Audit

The ASICS CSR team visits a subcontracted factory as auditors and interviews management regarding labor issues, health and safety, and environmental issues and undertakes a document inspection. During the audit, the team informs the management of the details of ASICS' Corporate Philosophy, Corporate Vision, and Management Policies for ASICS Business Partners. Through this process, the team members and the management seek to coordinate their respective awareness levels in keeping with global trends. The team also works to identify any outstanding issues and the management implements any corrective actions required.

(2) Commissioned Audit

(consigned to an auditing company)

This is an audit performed by a professional auditing company at the request of ASICS. Professional auditors who understand the local language inspect the state of the factory. Offsite interviews are also employed to collect raw information from employees who are often difficult to reach during working hours. ASICS then checks for consistency between its own internal audit and the report submitted before implementing corrective measures.

(3) FLA Audit (NPO audit)

In 2006, ASICS became the first Japanese corporation to join the Fair Labor Association (FLA), an NPO advocating for labor rights and improved working conditions on a global scale.

Comprising member corporations, NGOs, and universities, the FLA has adopted its own standards based on the ILO charter that are used in the random audits the FLA performs on ASICS' partner factories.

The results of the audits are reported to ASICS and disclosed on the FLA website simultaneously to ensure fairness and transparency.

ASICS informs the relevant factory of the results and corrects outstanding issues through a collaborative effort.

FLA Website: www.fairlabor.org/

Information session on the Management Policies for ASICS Business Partners

Disseminating the Management Policies for Business Partners

At our factories in China and Vietnam, we have conducted single information sessions on the Management Policies for ASICS Business Partners. This has led to a deeper understanding of the ASICS approach to CSR. A questionnaire survey distributed after the session indicated that it was a popular event, with many respondents requesting additional sessions.



Information Session on the Management Policies for ASICS Business Partners

Focusing on administrators and managers

Providing Instruction and Training at Subcontracted Factories

1. We provided instruction and training to enhance the ability of subcontracted factories to handle complaints in factories in China and Vietnam. Participants were 14 CSR managers and managers of the Human Resources and General Affairs Dept. from five factories.
2. We conducted instruction and training focused on factory management, administrative departments and labor union officers with the goal of improving their ability to communicate with all employees.

Initiatives of ASICS Europe

In fiscal 2009, ASICS Europe revised its CSR program and took steps to implement improvements. As a result, it has been able to develop a clearer CSR strategy. In addition to conducting a labor environment audit at subcontracted factories, it has sought to instill throughout the organization a self-awareness regarding environmental protection and

corporate social responsibility.

Moreover, ASICS Europe is planning to develop a structure that utilizes outside expertise such as supply chain management training using the external Fair Factories Clearinghouse (FFC*) database.

Sample factory training curriculum

1. Explanation of the Management Policies for ASICS Business Partners
2. History of CSR
3. Group discussion
 - What does a factory gain from implementing CSR?
 - What are the obstacles to implementing CSR?
4. Dealing with social insurance
5. Workers' participation and how workers' voices can be heard
6. How to ensure continuous improvement
7. Question-and-answer session
8. Training summary

Initiatives of ASICS America Corporation

As a member of the board of directors of FLA, ASICS America engages in initiatives that contribute to the operation of FLA. Internally, it has implemented CSR program training for managers of apparel procurement through monthly meetings.

These CSR managers conduct reviews of factory audit information for their own company on a weekly basis.

* Restricted to members only, this Internet-accessible database shares compliance information on factories. It is an effective platform for those seeking a new factory to purchase or implementing a compliance evaluation for a factory in use.



Employee Satisfaction

Creating a supportive work environment

We are taking steps to create a workplace that enables all employees to enjoy their work as well as their daily life while exhibiting their skills and abilities to the full. We are promoting worker-participation initiatives in addition to improving our systems.

A Full Spectrum of Systems

Achieving a positive work-life balance

Promoting Our Comprehensive Program to Address Working Hours

Since 2007, we have been promoting our Comprehensive Program to Address Working Hours.

By managing working hours and ensuring compliance with the law, we are aiming to become an advanced enterprise that aggressively addresses the issue of work-life balance. We have also undertaken to improve the attendance management system, enhance

a working hour management database and implement measures to monitor the progress of work. Furthermore, by introducing flextime, we have created a working environment that matches the ebb and flow of business. Going forward, we intend to further improve our business efficiency by providing training in time management.

Toward more varied ways of working

Our Improved Adoption of a Childcare and Nursing System

In 2009, we were again given approval to use the "Kurumin" mark, the next-generation mark of recognition from the Ministry of Health, Labour and Welfare, marking our second year of being so honored since 2007. We earned this recognition for being an enterprise that assertively introduces measures to support childcare.

Workplace experience for employees' children

Kids' Wednesday

As a follow-up to our previous "Kids' Visiting Day" targeting elementary school children up to grade 3, we introduced an event for employees' children in elementary school grades 4 to 6. At this event, which is intended to promote a positive work-life balance, employees' families can learn about our company's history and perspective. At the end of the day, our employees can finish their work on schedule and leave the workplace together with their children.

Toward a fair, transparent and prudent system

Our Multifaceted Evaluation System and Double-track Career System

We are planning to engage our personnel (our most valuable asset) in a flexible manner through five initiatives: a multifaceted evaluation system in which subordinates, superiors and colleagues evaluate their managers; a double-track career system that addresses the work style of research and engineering positions

Cultivating personnel with an international perspective

Our International Training System

Focused on young employees, our international training system posts personnel for one year to an affiliate or office located outside their home country; in 2009 we posted three employees. In addition, the head office has been accepting two trainees from ASICS Europe B.V. every year since 2007.



Children participating in Kids' Wednesday

Benefits exceeding the legal requirement

Childcare Leave System:

Available until the child reaches the age of 2 (18 months according to law).

Nursing Care Leave System:

Provides for a maximum of one year (93 days according to law).

Working-hour Reduction for Childcare System:

Provided until the child completes grade 3 (attainment of school age according to law).

Short Flextime System:

Introduced for childcare/nursing care, the flextime system offers one less hour of work than the prescribed total.

Nursing Holiday System:

Absences of 10 days annually are available to employees until the child completes grade 3 (five days for the first child and 10 days for the second child, according to law).

Nursing Care Holiday System:

For families involved in a primary nursing care situation, absences of 12 days annually are available to employees with one dependant (five days for the first dependant, 10 days for the second, according to law).

Cumulative Paid Leave System:

This system allows for the accumulation of up to 80 days of annual paid leave. According to law, this time would otherwise expire after a two-year statute of limitations. This time can be used for childcare, caring for family members, or fertility treatments.

Hourly Unit Paid Leave System (As of April 2010)

We introduced a system that allows annual paid leave to be acquired in one-hour units. Previously, annual paid leave was available only in increments of full or half days; by expanding the range of alternatives and making paid leave obtainable with more flexibility, we are promoting more enjoyment of paid leave.

* Available in one-hour units with an upper limit of five days, or 40 hours, of annual paid leave.



"Kurumin," the Next-Generation Recognition Mark

Contributing to Healthy Minds and Healthy Bodies

Promoting care through line supervisors in the workplace

Mental Health Care

We are raising awareness of mental health mainly through individual interactions such as employee interviews and by dealing with individual cases. In 2009, not only did we adopt mental health as a theme for our Company-wide Health and Safety Committee, but we also trained supervisors in some offices in line care (through which

supervisors improve the workplace environment and manage employee mental health as a part of their everyday management practices) and planned to improve their level of awareness.

Going forward, we intend to emphasize line care and adopt it as a systematic company-wide initiative.

Dealing with individual cases and providing a comprehensive approach

Addressing Metabolic Syndrome

Through individual guidance during employee interviews, we are providing early intervention as a preventive step. This is effective for responding to periodic health checkups and ongoing health guidance. In 2009, all employees were

free to participate in a walkers' rally to complete a specific number of pedometer steps in one month.

In the future, we will be initiating strategies in an effort to raise overall standards.

Raising awareness with "No Smoking Day"

Smoking Cessation Strategy

In addition to implementing a "No Smoking Day" in our group companies in Japan, we have expanded the scope of participation to include a "Smokefree Marathon." Through such efforts, we are planning to increase the number of opportunities for providing information on tobacco and health. We intend to raise employee awareness of the harm of smoking and the dangers of second-hand smoke.

Offices participating in No Smoking Day

Fiscal 2004	Head office
Fiscal 2007	Head office
Fiscal 2008	Head office, Kanto branch office, Kansai branch office, Institute of Sport Science, and the corporations of Hokkaido Sales, Tohoku Sales, Kanetsu Sales, Chushikoku Sales (Hiroshima, Shikoku)
Fiscal 2009	All offices in Japan and Guangzhou, Taichung

Participation in Walkers' Rally

	Number of Participants	Number of Participating Offices
February 2010	19	4
April 2010	48	5



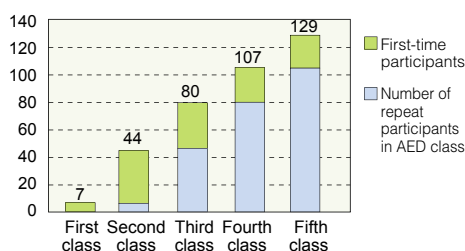
Smoking Cessation Poster

Preparing for emergency medical situations

Public Lifesaving Classes using AEDs

With the widespread and growing installation of automated external defibrillators (AEDs) in public facilities, it is believed that those who have been given defibrillation are more likely to successfully re-enter society. We have expanded the number of public lifesaving classes that were introduced at our head office, thus training employees who can contribute significantly to the wellbeing of their fellow citizens.

Number of employees participating in lifesaving AED classes at our head office



Number of times lifesaving and AED classes have been held (2002-09)



Public lifesaving class held at our head office

Community Service

Contributing to society as a maker of sporting goods

We remain active in supporting community services such as sporting events in our role as a good corporate citizen.

Maintaining Close Ties with the Local Community

At ASICS, we believe that our ties to the community are extremely important. While we view this connection as a long-term commitment, our limited management resources naturally limit our initiatives. In

spite of this, we intend to steadily and gradually expand the scope of our initiatives.

Supporting events that appeal to all segments of society

Sports Promotion

- The 4th Tokyo Marathon

Date: February 2010

Applicants: 311,441

Starters: 35,028

Completed: 33,105

Completion rate: 94.5%

- The 2nd ASICS Tohoku Sales Corporation Cup, ParkGolf Tournament

Date: October 2009

Participants: 102

- The 7th ASICS Open ParkGolf Tournament in Hokkaido

Date: June 2009

Participants: 400

- The 17th ASICS Cup Track-and-Field Tournament in Aichi

Date: March 2010

Participants: 1,465 athletes from
112 organizations

- Public access to our company's facilities in our head office atrium

Hyogo Basketball Association

"Table Tennis Workshop," Kobe Athlete Town Club, an NPO

- Special Olympics Nippon*

Our employees volunteer for various games and other routine activities held by Special Olympics Nippon (SON), an NPO.



Hyogo employees volunteering at track-and-field meet for Special Olympics Nippon

* This international organization sponsors various sports training and athletic meets throughout the year for people with mental disabilities. At these events, participants have the opportunity to discover the results of their training efforts. ASICS has been supporting Special Olympics Nippon since the 2003 Dublin Summer World Games.



Participating in the Hyogo Track-and-Field Games for Special Olympics Nippon

This is the third time I've participated in the Hyogo Track-and-Field Games for Special Olympics Nippon. Before, I wasn't one to actively volunteer, but I was compelled to take part when I was casually invited by a coworker. At the beginning, I was in wonder at how the athletes could suddenly take action in unexpected ways, and I didn't have much interest in the results of the races. However, once I came into contact with the athlete's innocent, healthy attitude in facing challenges, the energy of their commitment was contagious and it put me in a positive mood myself. Now, whenever they call for applicants, I will naturally go forward to take part. When one of my athletes improves his or her own performance and sets a new personal record, I become as happy as if it were my own record. To be able to experience their honest delight during the awards became a great pleasure. From now on, I intend to be an active participant.

Morio Nakagawa
CSR Department



Helping to restore forests and create a town Environmental Conservation

- Participation in the Rokko Mountain Range Greenbelt Development Project¹

Date: October 2009



Cutting undergrowth before tree-planting

- Participation in the KFT Clean-up Campaign²

Date: November 2009



Employees who participated in cleaning campaigns

Providing support for education and disaster relief

Supporting the Growth of Healthy Children

- Participation in Trial Week³
At the request of regional junior high schools, we provide junior high students with work experience in our company.
- In April 2009, through JPF,⁴ we donated our company's athletic clothing to child victims of a cyclone in Myanmar and to refugee children in Jordan.



A junior high school student participates in Trial Week



Iraqi and Jordanian children take a football class
©KnK/JPF



NPO staff in Jordan inspect a donated shipment.
©KnK/JPF

*KnK: Nonprofit Organization
Kokkyo naki Kodomotachi

For the benefit of future generations

The ASICS Sports Museum

- Miniature shoe-making



- Cooperation with off-campus sports environmental education
- Cooperation with the JFA "Dream Classroom"⁵

- Opening of an Exhibition of Children's Sports Painting



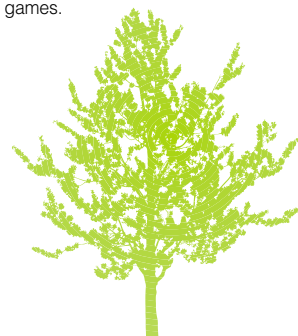
¹ The Rokko Mountain Range Greenbelt Development Project is an erosion and sediment control project implemented at Mt. Rokko with the aim of creating a rich forest capable of resisting damage caused by sand and gravel avalanches. According to the guideline for this project, ASICS is maintaining the forest on the site of "Forest of Anima" on state-owned land.

² The KFT Clean-up Campaign is sponsored by KFT (Kobe Fashion Town Network). Local residents, universities and businesses on Kobe Port Island, the location of our corporate head office, join together to clean up the area in order to beautify our town.

³ Trial Week is a program promoted for "education for the power of living" by Hyogo Prefecture. Hyogo Prefecture implemented this program in 1998 for junior high school students following tragic events such as the Great Hanshin-Awaji Earthquake (1995) and Kobe serial child murder incident (1997). This is a workplace experience and volunteer and social service experience that attracted the participation of 369 schools and 47,271 students in 2009.

⁴ JPF, or Japan Platform, is a nonprofit organization. Many people are victims of regional conflicts and to natural disasters all over the world. In response to such international situations, NGOs, financial circles and governments join together in equal partnerships and utilize the special characteristics and resources of each to cooperate and coordinate to provide more efficient and rapid assistance for refugees during emergencies and natural disasters. This international humanitarian aid system is known as the "Japan Platform."

⁵ JFA's "Dream Classroom" is a program conducted by the Japan Football Association, an incorporated foundation, with the goal of raising healthy young people. It is intended to inculcate the importance of having dreams and goals and to strive earnestly while cultivating a spirit of fair play and cooperation. This program attracts active players and veteran players such as Japanese football representatives and J-League team members. The women's national football team Nadeshiko Japan have become "dream teachers" (*yume-sen*) and stand at podiums in elementary schools to give lessons through speeches and games.



Management of Personal Information

Toward Improved Initiatives

We consider it a high-priority obligation to properly manage personal information, which is the private property of each customer. We always exercise appropriate management and protection measures.

The ASICS Group's Personal Information Management System

In fiscal 2009, we implemented our initiatives with the goal of appropriate management and protection of personal information as was determined in a meeting to review fiscal 2008 initiatives under the president.

Specifically, the following three-point implementation plan was drafted and implemented.

1. Strengthening the management of personal information at our subcontracted factories
2. Upgrading our group companies' management of personal information and improving training in this area
3. Upgrading our divisions' management of personal information under the initiative of the manager of each division

Achievements for Fiscal 2009

Plan	Achievement	Evaluation	Challenges	Planned Improvements
(1) To improve management of personal information at subcontracted factories	Implemented an audit of subcontracted factories in December. Sought to develop a comprehensive transfer record of personal information.	Completed all audits at subcontracted factories. Some divisions kept no transfer records.	Auditing of subcontracted factories took much time. Managers of subcontracted factories displayed varied understanding of the issue.	To adhere to strict delivery dates. To implement training of division managers.
(2) To upgrade the management of personal information and improve training at Group companies	Developed an accurate grasp of the level of personal information management at our Group companies.	Present state of three companies handling a large amount of personal information was clarified.	Had an accurate grasp of the situation, but couldn't implement specific training.	To draft a training plan and implement it among the three companies.
(3) To improve the management of personal information in each division under the initiative of division managers	Participated in internal audits of personal information and proactively indicated their current status.	Managers of all divisions attended internal audits.	Division managers displayed varying levels of comprehension of the issue.	To provide training to improve issues identified in the internal audit of personal information.

At the review meeting under the president, we reported our implementation in fiscal 2009 and drafted a fiscal 2010 action plan. We will continue to take steps toward these targets.

Fiscal 2010 Action Plan

1. We shall make it a priority to provide training to the sales division, which handles a large volume of personal information.
2. We shall make it a priority to implement the personal information seminars at three Group companies that are at higher risk.

Personal Information Control Policy

ASICS Corporation considers it a major obligation to securely control personal information and is determined to protect personal information by paying attention to the following.

1. The company's core business is the manufacture and sale of various sporting gear and leisure goods. The company will collect, use, and provide personal information within the scope of specified purposes, which are adequate to the type and size of its business.
2. The company will make efforts to prevent the use of personal information for purposes not specified.
3. The company will make efforts to prevent unauthorized access to, loss, destruction, and/or alteration of personal information and, should any of these occur, take corrective action.
4. The company will observe the laws, regulations, and general standards in and out of the organization for handling personal information.
5. The company will respond to any complaint or inquiry appropriately and promptly.
6. The company will implement an adequate management system to control and protect personal information and make a continuous effort to improve the system.

Established April 1, 2005
Amended February 8, 2008

Motoi Oyama
President and Representative Director
ASICS Corporation



Privacy Mark

Corporate Governance

Ensuring sound and transparent management

To ensure continuous enhancement of our corporate value and to gain the trust of all stakeholders, we seek to attain a higher level of corporate governance through proper enforcement of our Code of Conduct and Behavioral Guidelines in addition to enhancing our compliance programs.

Introduction to Our Corporate Governance System

ASICS has provisions in the rules for its Board of Directors and related rules stipulating that the Board of Directors, which comprises the directors appointed at the annual shareholders' meeting, must be informed or consulted with regarding all decisions that are material to the company. In addition, an executive committee is in place to engage in preliminary discussions regarding important issues such as the agenda for the Board of Directors. A domestic executive meeting and a global executive meeting are held periodically to deliberate and decide upon important issues concerning the corporate business strategy of the entire group and report the status of business operations. These meetings are also attended by directors, auditors, executive officers, and directors of our subsidiaries as necessary.

Three of the five auditors on the

company's board of auditors are external auditors. Besides participating in the monthly meetings of the Board of Directors and the Board of Auditors, the auditors attend meetings with directors whenever necessary and collect general information on management through their access to various documents and the corporate database.

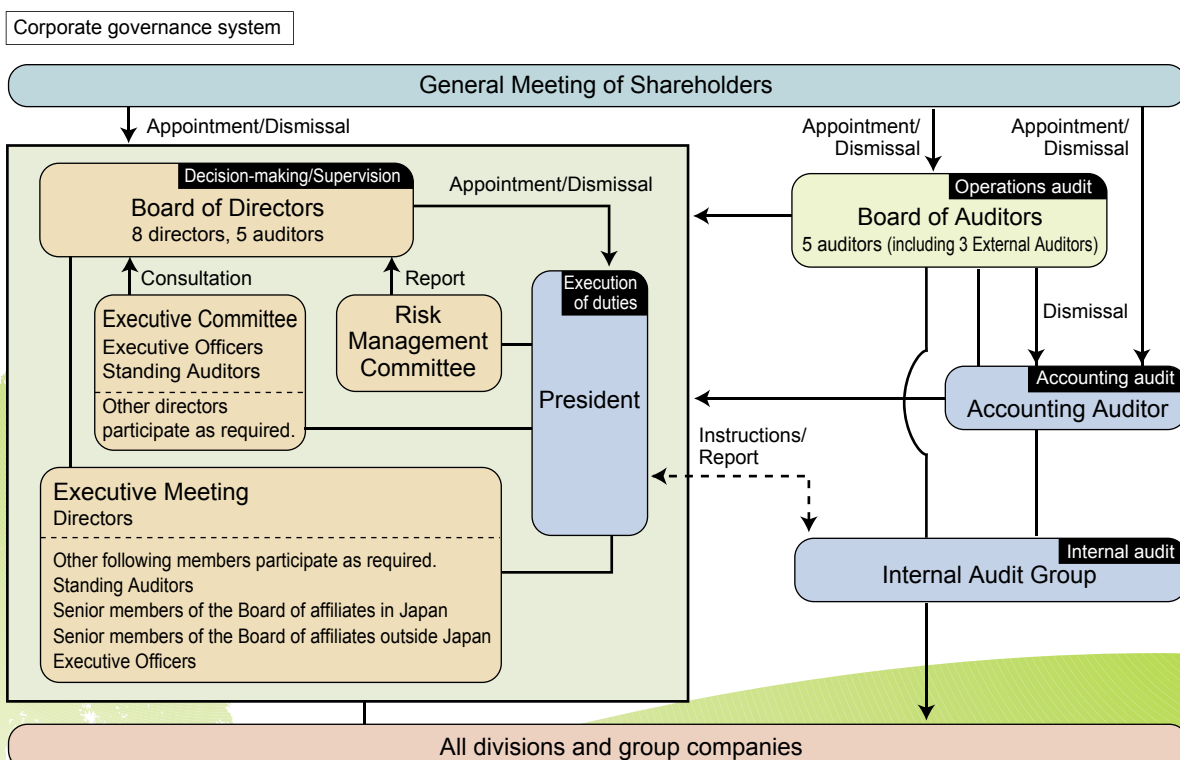
Auditors have the authority to issue orders related to audits to employees who work for the Auditing Department. In addition, in order to perform their audits, auditors and the Auditing Department exchange all necessary information. Employees engaged in audits and tasks related to the orders of auditors are not under the control of the directors; moreover, transfers, evaluations, and disciplinary actions affecting those employees are subject to approval by the Board of Auditors.

The Basis of Corporate Governance

Extract from the Corporate Governance Report (original)
June 19, 2009

I. Basis

Our Group is dedicated to continuous enhancement of our corporate value, to gaining the trust of all stakeholders, and to achieving highly transparent management without delay. We aim to implement corporate governance that enables us to improve our business management system. We are focusing our efforts on enhancing the audit functions of our corporate management and on internal controls, thorough compliance, and improving the transparency of our business activities. We are dedicated to forging a management approach that reflects the perspective of our shareholders.



Internal Control System

In fiscal 2009, auditors carried out an internal control¹ audit in order to provide us with an unqualified opinion.² In order to achieve our objectives, we drafted an

implementation plan and adopted our initiatives accordingly.

ASICS CORPORATION Code of Conduct

1. Purport and scope of application

“ASICS CORPORATION Code of Conduct” (hereinafter called “the Code”) specify items to be complied during the daily conducting of business by all directors, officers and auditors of the Company (including those in similar positions) as well as all employees (hereinafter collectively referred to as “we”, “our” or “us”) while being fully aware of the social responsibilities of the Company as well as thoroughly observing relevant laws and ordinances in all corporate activities, and fully recognizing that socially acceptable conduct is indispensable for the sound development of the Company.

2. Basic Stance

- (1) In all of our corporate activities, we shall comply with laws, ordinances and international rules as well as in-house regulations including the Code in letter and in spirit. We shall work to see that corporate activities as the ASICS group are managed properly and are consistent with social ethics.
- (2) We shall respect the fundamental human rights of all people in all of our corporate activities, and shall not act to discriminate against individuals on the basis of their ethnic origin, race, nationality, religion, gender, age or any disability, nor impair their dignity.
- (3) We shall work for appropriate disclosure of information, maintain fair, just and transparent relations with anyone having an interest in the Company, and conduct fair transactions.
- (4) We shall not engage in activity that would be against the proper interests of the Company or which would impair its trustworthiness and honor.
- (5) We shall conduct our corporate activities with consideration for the environment and safety in an ecologically responsible manner to protect the global environment and natural resources.

3. Responsibility for observance of the Code

- (1) We shall faithfully execute the items stipulated in this Code.
- (2) All directors as well as officers shall guide and supervise all employees in their charge, and all employees shall guide and supervise their subordinates to take the initiative in observing the Code.
- (3) To ensure corporate conduct in accordance with the Code, all related divisions within the ASICS group companies (including the Company itself) shall establish in-house regulations, behavior manuals, make concrete observance items thoroughly understood, and develop other necessary activities such as providing advice or guidance.
- (4) In case any infringement of this Code should occur, the top management shall work to solve the problem, identify the cause, and work to prevent recurrence of the trouble.
- (5) We shall bear in mind that the Company and we, who work for it depend on the trust and reliance of society at large and we shall fulfill the responsibilities entrusted us.

Achievements for Fiscal 2009

Plan	We are endeavoring to enhance our governance standards by striving to ensure the accuracy of our financial reports in keeping with the internal control report system under the Financial Instruments and Exchange Act. We are strengthening various initiatives such as internal audits, the definition of process management, and the identification and assessment of risk which is a primary factor that can inhibit the achievement of organizational targets.
Achievement	We introduced the internal control report system to the ASICS head office and to our affiliates and group companies subject to internal controls. In the current financial reports from the auditors dated March 31, 2010, we expected to receive the following audit result, “No important defects were found through the internal control system.”
Evaluation	Regarding the final evaluation for fiscal 2009, we expect to receive an unqualified opinion from the auditors.
Challenges	We have implemented internal controls according to the internal control maintenance organization, but there was insufficient awareness among areas in charge of work processes — such as sales and inventory controls — regarding the need to improve and apply internal controls.
Planned Improvements	To promote conditions that support the problem-free implementation of improvements and the evaluation of the internal control system, we will increase the awareness of internal control tasks by the person in charge of internal controls for each work process.

In fiscal 2010, we will seek to continue the acquisition of an unqualified opinion by building on our fiscal 2009 experience. The entire ASICS Group will construct a maintenance management system encompassing decision-making and work process within the ASICS Group in order to strengthen internal controls based on the Asics Challenge Plan.³

¹ This management control system is designed to help companies manage organizationally by accomplishing specific goals and objectives. This internal control system is being implemented by all members of the corporations to achieve the four goals of business potency and efficiency; reliability of financial reporting; compliance with laws and regulations associated with business operations; and asset preservation.

² The auditors' evaluation of the scope of management's decision-making, its evaluation procedures, and its evaluation results as expressed appropriately in the internal control report.

³ Our medium-term management plan (p. 3)

Defining proper business operations

The ASICS Code of Conduct

The company established its Code of Conduct based on its Founding Philosophy, Corporate Philosophy and Corporate Vision, which set out our management foundation. It identifies a model for business operations and a set of values, from the perspectives of compliance and corporate ethics, which are acceptable and respectable to all and shared by all executives and employees.

We established the department of compliance in order to demonstrate our

commitment in this area. This department integrates compliance initiatives through a horizontal and comprehensive approach. We provided executives and employees with education and instruction through training courses and assisted them in appropriate management of the business. We plan to continue with this training in fiscal 2010.



Observing the 21 guidelines

The ASICS Behavioral Guidelines

ASICS has set out its Behavioral Guidelines, which can be considered a to-do-list derived from the Code of Conduct, and is making a concerted effort to ensure all executives and employees fully understand and follow it.

Specifically, we provided training and instruction through workshops and the like. In fiscal 2010, we plan to implement continuous training.

From evaluations of internal controls to suggestions for improving operations

Internal Audits

In fiscal 2009, the Internal Audit Group adopted a team system in charge of evaluating internal controls and audit duties by area both inside and outside Japan. However, this marked the first year in which the Internal Audit Group was responsible for evaluating internal controls, a task that had previously been handled by the Internal Control Project; consequently, the assignment of human resources to audit duties became insufficient.

In fiscal 2010, we are scheduled to enhance our internal audits (work improvement proposals) by reorganizing the system for performing internal audits, including business audits, as well as internal controls.

The ASICS Behavioral Guidelines

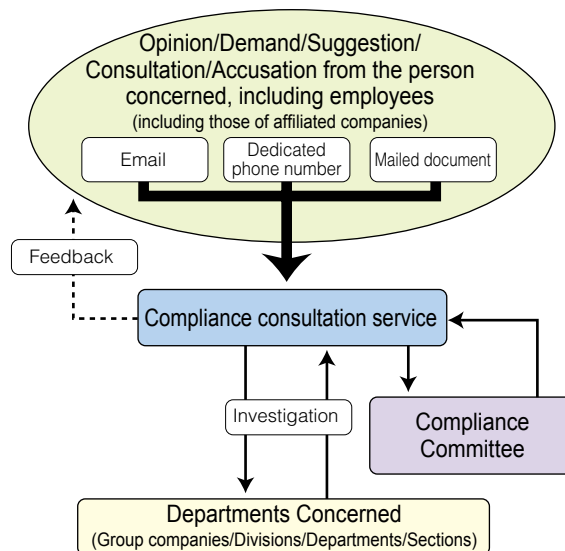
- 1) Attend to our customers with goodwill and sincerity.
- 2) Exercise thorough quality control.
- 3) Provide proper displays, explanations and advertisements of our products.
- 4) Engage in just and fair transactions.
- 5) Limit entertainment and exchanges of gifts.
- 6) Avoid any engagement with antisocial groups.
- 7) Maintain adequate public relations.
- 8) Disclose information at the proper time and in a proper manner.
- 9) Prohibit insider trading.
- 10) Maintain confidentiality.
- 11) Protect corporate property.
- 12) Protect our intellectual property and respect others' intellectual property rights.
- 13) Accept responsibility for your work.
- 14) Maintain a sharp distinction between official and personal business.
- 15) Maintain a safe and healthy working environment.
- 16) Respect human rights.
- 17) Maintain the security of all personal information.
- 18) Eliminate sexual harassment from the workplace.
- 19) Comply with the laws and respect the customs, traditions, and culture of all countries in which we do business.
- 20) Consider the environment in all our business operations.
- 21) Contribute to society.

Speak-Up Hotline

The company has instituted the Speak-Up Hotline, a service dedicated to providing all employees of the ASICS Group with the opportunity to consult on compliance issues. It accepts reports and inquiries — submitted directly by email and telephone, or in writing — regarding any behavior that violates the Code of Conduct or Behavioral Guidelines or any other serious compliance issue. This service is intended to detect the

first signs of wrongdoing and to institute corrective measures without delay. Special measures are taken to protect persons making contact from being treated unfairly.

Speak-Up Hotline flowchart



Compliance Initiatives (continuous enforcement)

The Code of Conduct, Behavioral Guidelines, Policy for Managing Personal Information and Speak-Up Hotline are listed as supplemental booklets of the Employee Handbook so that our employees can obtain confirmation at any time.

On April 3, we provided training regarding compliance, sexual harassment and workplace bullying as part of our CSR training at workshops (52 participants) held for newly hired graduates (including the ASICS Group).

On November 13, we provided training regarding compliance, sexual harassment and workplace bullying as part of our CSR training for employees recruited in mid-career (26 participants).

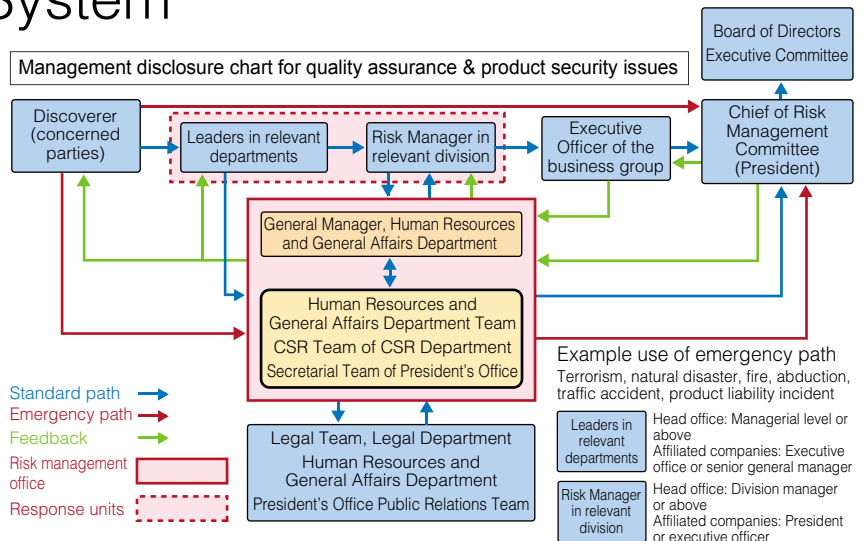
On December 18, we provided training regarding compliance, sexual harassment and workplace bullying as part of our CSR training for employees recruited in mid-career (32 participants).



Risk Management System

The ASICS Group has formulated a risk management policy that defines the basic response to a crisis. This policy is intended to ensure a rapid response for minimizing damage whenever a crisis has occurred or is expected. The following three systems are in place.

- The committee follows a predefined communications network and methods for notifying the chairman (the president) and Board of Directors should any executive or employee of the Group recognize the sign of an impending crisis.
- In a time of a crisis, the chairman of the Risk Management Committee establishes an emergency response headquarters and appoints the chief of the headquarters according to the risk level as defined in the risk management policy. The chief of the headquarters shall be responsible for determining response measures and for external negotiations in order to implement the necessary measures.
- The Risk Management Committee shall undertake regular reviews to expose potential risks; plan and execute the necessary detection, prevention, and training measures; and evaluate the risk management and response measures. The executive office of the Risk Management



Committee shall manage risk for the entire group collectively and comprehensively, while the Auditing Department shall perform periodic audits of the risk management system.

In April 2009, the WHO issued an alert about the global spread of H1N1 influenza. We then imposed a company-wide epidemic control system to ensure business continuity while meeting our corporate social responsibility. By utilizing the experience gained from this response, we will address other risks and increase the capability of our risk management system.

Protecting against the H1N1 Pandemic

Responding to H1N1 Influenza

In fiscal 2009, in preparation for the pandemic, we stocked disease prevention items such as masks and disinfectants and reorganized our emergency network. We also promoted telecommuting by

upgrading our IT infrastructure. Through these initiatives, we implemented the necessary systems for ensuring business continuity.



Measures to counteract H1N1 influenza

Safeguarding Our Intellectual Property

In line with the globalization of business, violations of our intellectual property rights are increasing. In order to defend our brand value, we are promoting global initiatives to protect intellectual property rights.

In recent years, developing countries have been producing increasing amounts of counterfeit products that are being sold around the world. Therefore, surveillance and detection must be strengthened.

In fiscal 2009, in order to increase in-house recognition of the damage to our brand value arising from the growing volume of counterfeit products, we created a display area for an exhibit of examples of counterfeit products.

We will continue to underpin the confidence of our customers by working to decrease the volume of counterfeit products.



Internal exhibition of counterfeit products

Investor Relations

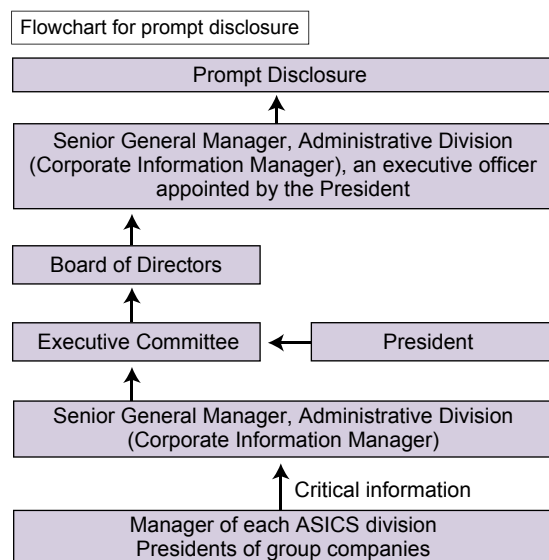
Promoting management transparency

Prompt Disclosure System

We recognize that prompt and timely disclosure of information, including accounting information, to investors is indispensable for ensuring a sound securities market. We shall make a diligent effort to establish a proper organization for the rapid provision of fair and accurate information from the perspective of investors.

Moreover, information disclosed through

securities exchange is promptly published on our corporate website.



Improving public recognition of our company

Communication

■ Communicating with all shareholders and investors

In order to promote better understanding of our corporate stance, we issue our semiannual ASICS Shareholders Newsletter (Japanese edition) and our Annual Report (English edition).

In addition, we publish securities reports on the Investors section of our corporate website.



Our website for investors



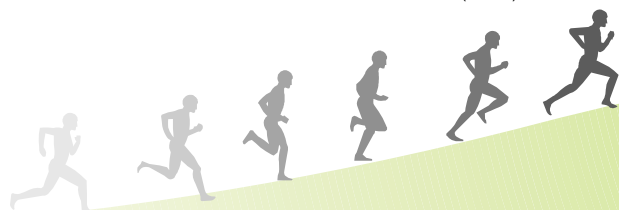
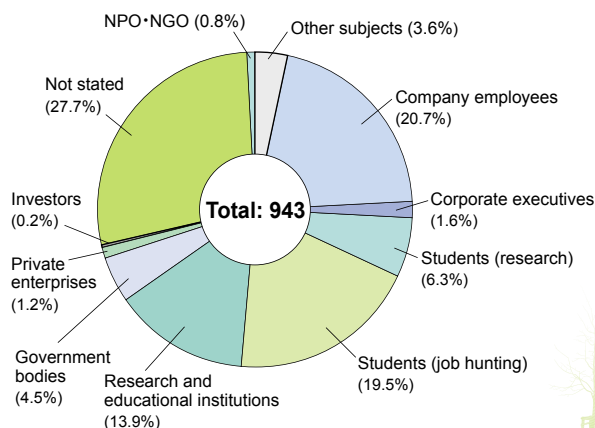
■ Communicating with multiple stakeholders

In order to ensure the understanding of all our multiple stakeholders, we publish our annual CSR Report to present not only economic data but also information related to the environment and society.

■ CSR reports distributed via the Internet

We have participated in the Eco Hotline website as a registered company. All our stakeholders can obtain our latest CSR Report from our website at no charge.

Distribution to stakeholders over the Internet



Business Outline

Strengthening our product development and marketing capabilities to achieve growth in markets worldwide

The ASICS Group has adopted the ASICS Challenge Plan, a comprehensive strategic initiative targeting growth in markets around the world. The basis of this plan is the enhancement and expansion of our running shoe business.

Management and Financial Indices

While the sporting goods industry benefitted from increased interest in sports with the trend toward improved health, the business environment remained mired in a severe downtrend due to a significant slump in customer spending on sporting goods.

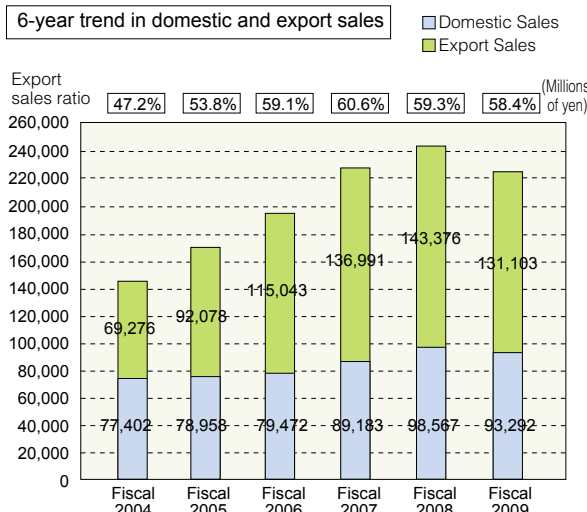
In light of this situation, the ASICS Group intends to continue strengthening the operation of our core running shoe business at the global level. We are also striving to strengthen our product lines by expanding our apparel business through market investments in highly functional, high-quality products.

On the marketing side, in order to improve our corporate image and ASICS brand recognition, we have been supplying our products to top athletes in various sports of the IAAF World Championships in

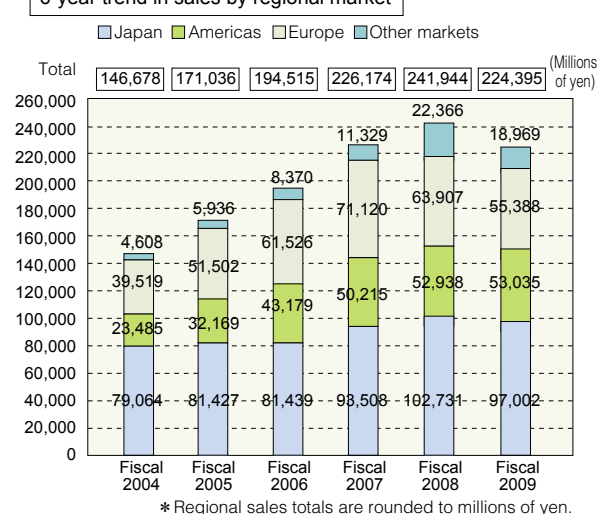
Athletics in Berlin, and the Winter Olympic Games in Vancouver. Moreover, as an official sponsor, we supplied information as well as services to participating runners in various marathons such as the Tokyo Marathon 2010, the New York City Marathon, the Paris Marathon and the Gold Coast Marathon. In addition, we have continued to develop our global brand campaign around the slogan, "Sound mind, Sound body."

Looking to sales, we are committed to expanding sales in Northern Europe and have included ASICS Scandinavia AS and its subsidiaries among our consolidated subsidiaries. In addition, we have taken steps to improve our marketing structure by opening our Group's flagship ASICS Store New York in the U.S.A., our ASICS Store Taipei in the Asia-Pacific, and our ASICS Walking Shop in Japan.

6-year trend in domestic and export sales



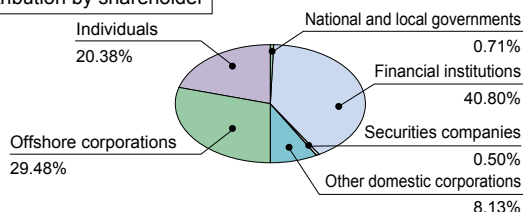
6-year trend in sales by regional market



Shares (as of March 2010)

Total number of shares authorized 790,000,000
 Total number of shares outstanding 199,962,991
 (Treasury shares 10,331,996)
 Shareholders 12,921

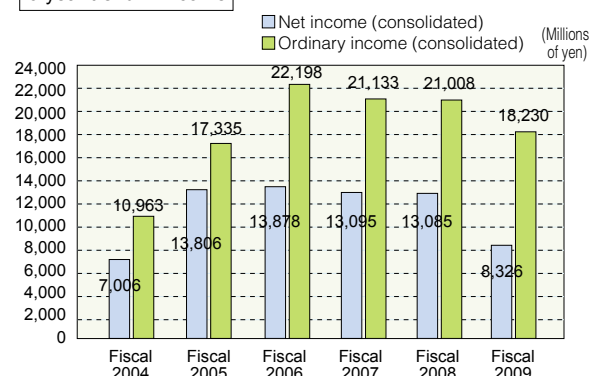
Distribution by shareholder



Distribution by number of shares (by lots of 1,000 shares)



6-year trend in income



For more detailed financial information, please visit the Investors section of our website:

www.asics.com/index.html

• Editor's Postscript •

Under our Challenge Plan, we have been developing our business globally hand-in-hand with the member companies of the ASICS Group.

I believe that the mission of ASICS is to continue driving the development of new products and valuable services that can meet the needs of customers around the world.

In our varied business activities, we always act and conduct our business according to our founding philosophy while upholding our corporate philosophy and considering the responsibilities of each of us as well as the meaning of our lives.

We also believe that communication with our stakeholders is essential.

We would be pleased if the many stakeholders and business partners engaged in our business operations could gain a sense of the ASICS spirit through this CSR Report.

I believe that, going forward, ASICS will continue to behave in a manner that earns the trust of all.

Toshiyuki Sano

Director and Executive Officer, Senior General Manager, Administrative Division

We have edited the CSR Report by stressing that it be easier to read and understand. Thanks to your input, we have been able to gain an excellent reputation from the great majority of people in the survey conducted through our fiscal 2009 edition. In this, our fiscal 2010 edition, we focused on information of importance to stakeholders. By using the GRI Sustainability Reporting Guideline as our reference, we have been able to compile the content of our report with a global perspective. As can be seen in the comparison table on page 4, items that must be reported have been covered in depth, but we were not able to sufficiently cover the performance index according to the protocol. For our next report, we will strive to address this issue as our theme.

We welcome your frank opinions.

CSR Department

Results of the questionnaire in our 2009 CSR Report

After reading the report, what is your opinion?

Contents of our 2009 CSR Report	Respondents
Very easy to understand	17
Fairly easy to understand	64
Somewhat difficult to understand	6
Very difficult to understand	1

ASICS' CSR initiatives	Respondents
Very effective	13
Fairly effective	61
Neutral	13
Somewhat ineffective	1
Very ineffective	0

Which sections most interested you? (Multiple replies accepted.)

	Respondents
Top Commitment	36
Basic Approach to CSR	20
Special Feature: The Evolution in Supply Chain Management	20
Special Feature: Intensive Development of Green Products	33
Safety, Quality & Customer Satisfaction	37
Corporate Governance	14
Management of Personal Information	8
Environmental Preservation	22
Community Service	32
Employee Satisfaction	15
Business Outline	10
Editor's Postscript	3

(Multiple replies permitted)

Scope of This Report

The report covers the company's 2009 fiscal year (April 1, 2009–March 31, 2010). It encompasses the initiatives and operations of ASICS Corporation and, to a limited extent, those of the ASICS Group.

Publication date: June 18, 2010