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Code Number: 7936 Listing Exchanges: Tokyo

Notice unveiling “Action Plan” for the Five-Year Strategic Plan

ASICS Corporation has developed the following “Action Plan” in order to achieve the quantitative targets in its Five-Year Strategic Plan, “ASICS Growth Plan (AGP) 2020”.

ASICS Group intends to improve profitability and achieve sustainable growth based on these measures and target consolidated net sales of JPY500 billion or more and an operating income ratio of 7% or more in FY2020.

The Five-Year Strategic Plan was revised on February 14, 2018 due to delays in our response to the diversifying preference of consumers on a global level and the speed of changes in sales channels. This “Action Plan” sets out specific actions to be taken to achieve the targets in accordance with the revised direction for the Five-Year Strategic Plan.

Overview of the Action Plan

1. Direction

We will start a business management structure based on product categories under which the headquarters have even more P/L accountability than before, and promote profitable growth as an entire Group together with subsidiaries.

2. Priority items

(1) Focus on the performance running market in the U.S.

- ✓ Recognizing that the U.S. market is the largest and most important market, we will devote even more resources of the headquarters function to attract young runners to our products.
- ✓ Top management of each category at the headquarters will take thoroughly responsible for sales and profits in the U.S. market.
- ✓ The marketing and product planning departments of the headquarters will establish partnerships with The U.S. key accounts that have competitive strength, and work to further increase market share.

(2) Accelerate growth in the Chinese market

- ✓ Extended headquarters functions in Shanghai will make prompt decisions and ensure that we can capture growth in the expanding Chinese market as we aim to obtain market share that exceeds market growth.
- ✓ Strengthen the planning and development functions of the local subsidiary for apparel and accessories and promptly respond to local needs.
- ✓ In the Chinese digital sector which is developing in its own unique way, we will accelerate growth by strengthening relationships with major e-retailers in China and utilizing China's unique digital environment such as local SNS.

(3) Develop the digital business as a new growth driver

- ✓ Integrate digital functions that form customer contacts and establish them as new growth drivers.
- ✓ Digital department will be responsible for P/L of the e-commerce business and link fitness apps and CRM with e-commerce.
- ✓ Improve traffic and conversion rate by pursuing usability that gives priority to the consumer's point of view.

(4) Convert the apparel business into a profitably growing business

- ✓ Strengthen local creation in China and the U.S., and establish frameworks for planning, designing and selling out products in line with customer preferences and trends as well as the characteristics of sales channels in each region.
- ✓ Pursue thorough profit management for apparel in each region to make them profitable.

(5) Others

- ✓ Introduce exit rule for each country, region, store, and category.
- ✓ Pursue thorough retail profit/loss management and convey the ASICS culture from retail.
- ✓ Implement cost structure reform.

(Reference)

Quantitative Targets for AGP2020

Sales: JPY500 billion or more

Operating Income Ratio: 7% or more

ROE: 10% or more

As for the Action Plan, please refer to the link below.

(<http://corp.asics.com/en/>)