

FY2020 YEAR END FINANCIAL SUMMARY



ASICS Corporation
February 12, 2021



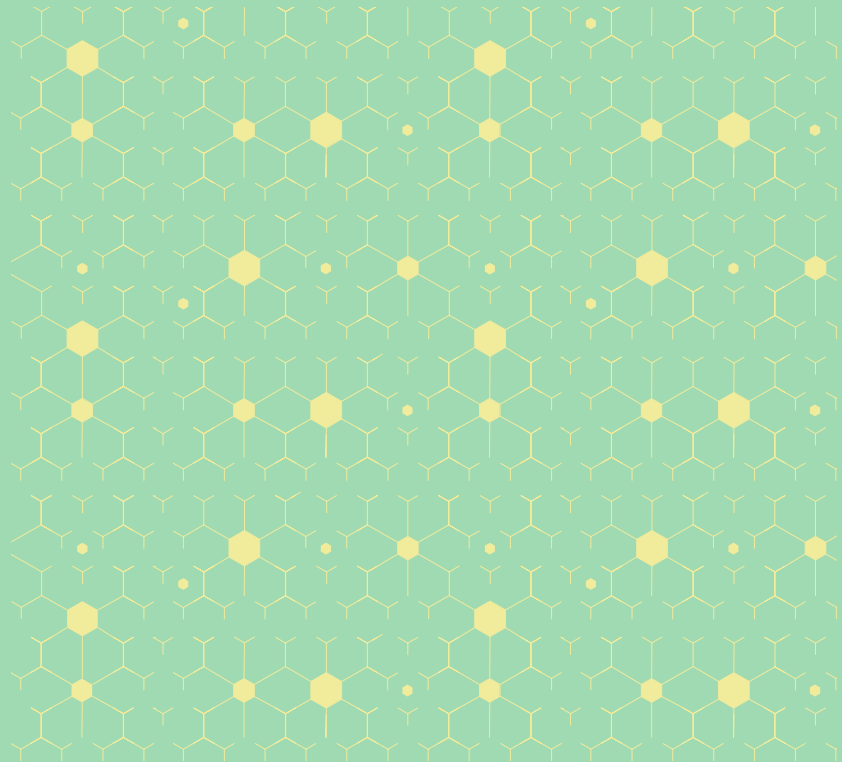
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DISCLAIMER

Cautionary Statement with Respect to DISCLAIMER Forward-Looking Statements

Statements made in this presentation with respect to our current plans, forecasts, strategies, beliefs and other statements that are not historical facts are forward-looking statements about future performance. These forward-looking statements are based on management's assumptions and beliefs in light of the information currently available to it. Therefore, please refrain from relying solely on these earnings forecasts. Please note that actual results may differ significantly from these forecasts due to various risks and uncertainties. Risks and uncertainties that could affect actual results include, but are not limited to, the economic situation surrounding our business, various competitive pressures, related laws and regulations, and fluctuations in exchange rates. However, factors that could affect business performance are not limited to the above.



KEY POINTS OF CONSOLIDATED RESULTS FOR FY2020

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- ✓ Sales and Operating income decreased due to the impact of the COVID-19. However, the results beat the previous forecast disclosed in November.
- ✓ Sales of our leading product P.Run were almost the same as last year. However, Greater China achieved more than 25% growth. Operating income increased significantly due to the improvement of gross profit ratio in the North America and Europe.
- ✓ Sales increased in Greater China and Oceania.
- ✓ Operating income increased significantly in Europe and Oceania. The deficit in North America reduced.
- ✓ Operation income has been revised upward from the previous forecast disclosed November due to strengthening of the S.G.& A. expenses control (Initial plan: 188.0 billion yen => FY20: 156.7 billion yen).
- ✓ E-commerce sales increased by approximately +86% (E-commerce composition ratio FY19: 7.4% => FY20 : 15.7%).
- ✓ Inventory improved by 5.0 billion yen(-5.4%). (FY19: 93.1 billion yen => FY20: 88.1 billion yen) Furthermore, inventory improved by 9.5 billion (-10.3%) except inventories related to the Olympic and Paralympic Game Tokyo 2020 (4.5 billion yen) .



IMPACT OF THE SPREADING COVID-19 INFECTION

Production

- ✓ Factories in Asian countries are operating at full capacity due to the recovery of global production demand.

Own retail stores

- ✓ Japan : All stores open as usual.
- ✓ U.S. : Temporary closures at some stores.
- ✓ Europe : The number of stores with temporary closures increased again from the first half of November.
- ✓ China : All stores open as usual.

Sales

- ✓ E-commerce sales increased approximately +86% . Strong performance in all regions.
- ✓ Inbound demand declined sharply in Japan.

Latest update

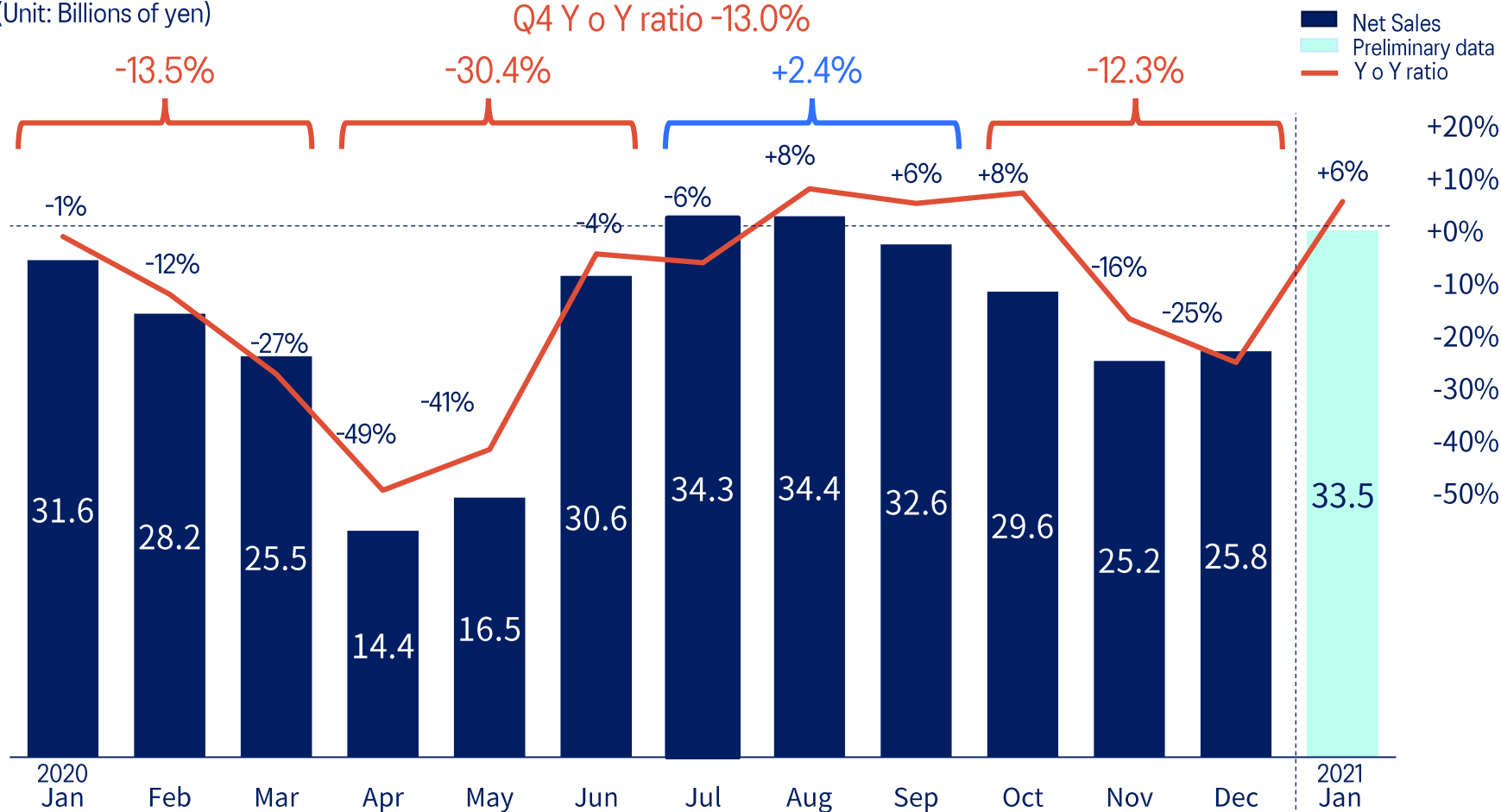
- ✓ Continue temporary store closures due to the respread of COVID-19 in Europe.
- ✓ Temporary delay in cargo handling at some ports in the U.S..

NET SALES BY MONTHLY AND QUARTERLY

- ✓ Sales recovered more than expected during the Q3 period led by P.Run, although sales dropped sharply from February 2020.
- ✓ P.Run performed well all over the world mainly in Europe from October and consolidated sales beat the previous forecast disclosed in November.
- ✓ Consolidated sales increased by 6% in January 2021 with strong sales in Europe, Greater China and Oceania. Sales in North America decreased mainly due to delayed cargo handling at ports. However, it will be recovered in 2021. Japan's severe situation seems to be continued due to second state of emergency.

(Unit: Billions of yen)

Q4 Y o Y ratio -13.0%



※ Sales in January 2021 were based on preliminary data. Therefore there would be different from final data.

FY2021 FORECAST

(Unit: Billions of yen)	FY20 Actual	FY21 Forecast	Y o Y ratio
Net sales	328.7	370.0~385.0	+12.5%~+17.1%
Operating income	-3.9	7.0~10.0	-
Operating income ratio	-1.2%	1.9%~2.6%	+3.1ppt~+3.8ppt
Ordinary income	-6.9	4.0~7.0	-
Profit attributable to owners of parent			
Net income	-16.1	2.0~3.5	-

Dividends	Interim	End of year	Full year
FY20 Actual	0.0 yen	24.0 yen	24.0 yen
FY21 Forecast	12.0 yen	12.0 yen	24.0 yen

Exchange Rate	USD	EUR	RMB
FY20	106.54 yen	121.97 yen	15.44 yen
FY21	105.00 yen	125.00 yen	15.00 yen

- ✓ Forecast figures have a range due to the uncertainties arise from the impact of the COVID-19.
- ✓ However, we are planning to review them at the time of disclosure about Q1 financial summary in May 2021.

1. CONSOLIDATED RESULTS

- ✓ Overview of FY2020 Financial Results
- ✓ Consolidated Financial Results Highlights
- ✓ Result of S.G.& A. Expenses Reduction
- ✓ Consolidated Net Sales Breakdown by Category



OVERVIEW OF FY2020 FINANCIAL RESULTS

Net sales

Y o Y: -49.3 billion, -13.0% (On a currency neutral basis -41.4 billion, -11.0%)

- ◆ Sales decreased due to the impact of the COVID-19.
 - ✓ P.Run are almost the same as last year. However, Greater China achieved more than 25% growth.
 - ✓ Sales increased in Greater China and Oceania.
 - ✓ E-commerce sales increased approximately +86%.

Operating income

Y o Y: -14.5 billion (On a currency neutral basis -14.2 billion)

- ◆ Operating loss: 3.9 billion.
 - ✓ Gross profit ratio decreased by -1.0ppt.
Despite of channel mix (+1.1ppt) due to the increase in E-commerce sales, gross profit ratio decreased by the deterioration of the gross profit ratio in Japan and the purchase order cancellation fees (-2.1ppt).
 - ✓ Reduced the S.G.& A. expenses of 12.3 billion from the last year and 31.3 billion from initial plan.

Net income

Y o Y: -23.1 billion (On a currency neutral basis -23.2 billion)

- ✓ Fixed costs incurred during the temporary closures period of own retail stores due to government request for the COVID-19 were recorded as extraordinary losses of 2.6 billion yen.
- ✓ Total of the loss on cancellation of lease contracts and loss on impairments (2.3 billion yen) was recorded as extraordinary losses due to the profitability of own retail stores deteriorated and the closure of ASICS 5th Avenue Flagship store in the U.S..
- ✓ Income tax refund was recorded in the U.S..

CONSOLIDATED FINANCIAL RESULTS HIGHLIGHTS

(Unit: Billions of yen) 8

	2019 Actual (FY19)	2020 Actual (FY20)	vs LY Upper : YoY Lower : YoY ratio
Net sales	378.0	328.7	-49.3 -13.0%
Gross profit	179.6	152.8	-26.8 -14.9%
Gross profit ratio	47.5%	46.5%	-1.0ppt
S.G.&A. expenses	169.0	156.7	-12.3 -7.2%
S.G.&A. expenses ratio	44.7%	47.7%	+3.0ppt
Personnel expenses	55.9	51.4	-4.5 -8.1%
Advertising expenses	35.8	29.1	-6.7 -18.6%
Advertising expense ratio	9.5%	8.9%	-0.6ppt
Rent expenses	12.9	10.8	-2.1 -16.6%
Depreciation and amortization	12.5	12.5	-0.0 -0.1%
Other expenses	51.9	52.9	+1.0 +1.9%
Operating income	10.6	-3.9	-14.5 -
Operating income ratio	2.8%	-1.2%	-4.0ppt
Ordinary income	10.1	-6.9	-17.0 -
Extraordinary gain/loss	0.1	-9.1	-9.2
Profit attributable to owners of parent	7.0	-16.1	-23.1 -

	FY19	FY20	Y o Y	Y o Y ratio
Overseas sales	277.8	252.0	-25.8	-9.3%
Overseas sales Ratio	73.5%	76.7%	-	+3.2ppt

Foreign exchange impact	-7.9
Consolidated sales on a currency neutral basis	-41.4 -11.0%

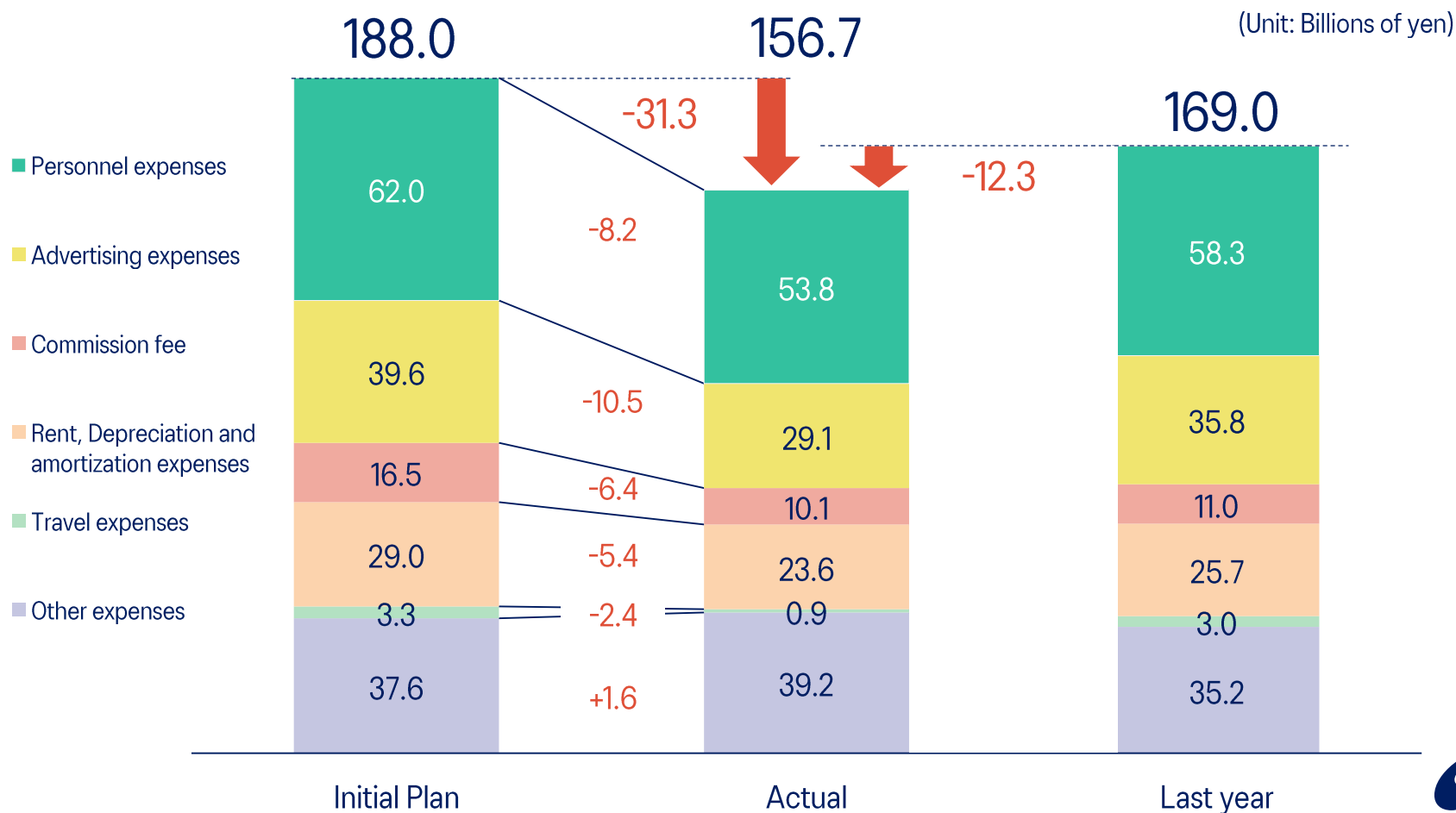
<Reference: Average exchange rate (yen)>

Jan - Dec	FY19	FY20
USD	109.23	106.54
EUR	122.46	121.97
RMB	15.84	15.44



RESULT OF S.G.& A. EXPENSES REDUCTION

- ✓ S.G.& A. expenses reduced by 31.3 billion yen compared to the initial plan.
- ✓ 2.6 billion yen stated as S.G.& A. expenses was transferred extraordinary losses due to the temporary store closures of own retail stores by the COVID-19.
- ✓ S.G.& A. expenses reduced by 12.3 billion yen compared to the last year. 14.0 billion yen was reduced substantively except the above transferring and the impact of temporary events.



※ Some costs have been reclassified to research and development expenses for disclosure. Therefore, the amounts do not match the slides in the Consolidated Financial Results Highlights.

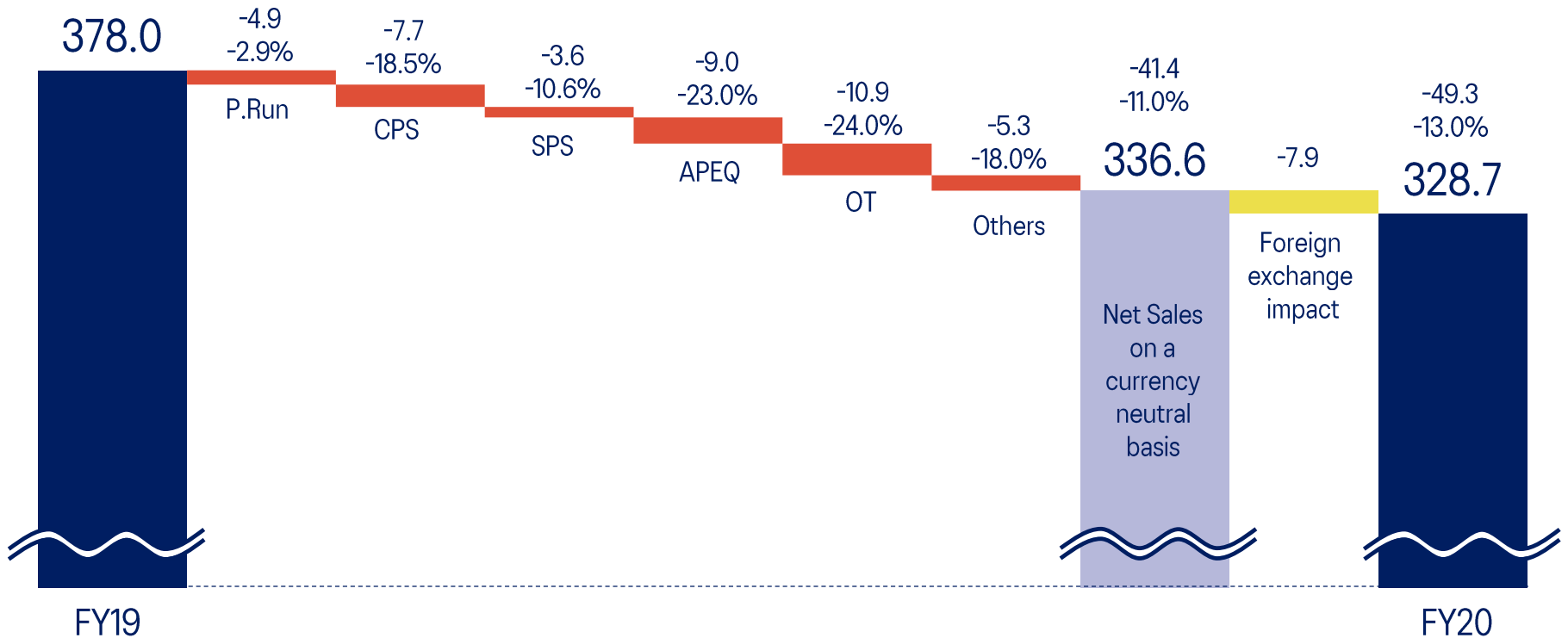


CONSOLIDATED NET SALES BREAKDOWN BY CATEGORY

- ✓ Decreased in all categories due to the impact of the COVID-19.
- ✓ The Q4 period showed the growth in P.Run more than the previous forecast disclosed in November.

Upper: Y o Y
Lower: Y o Y ratio

(Unit: Billions of yen)

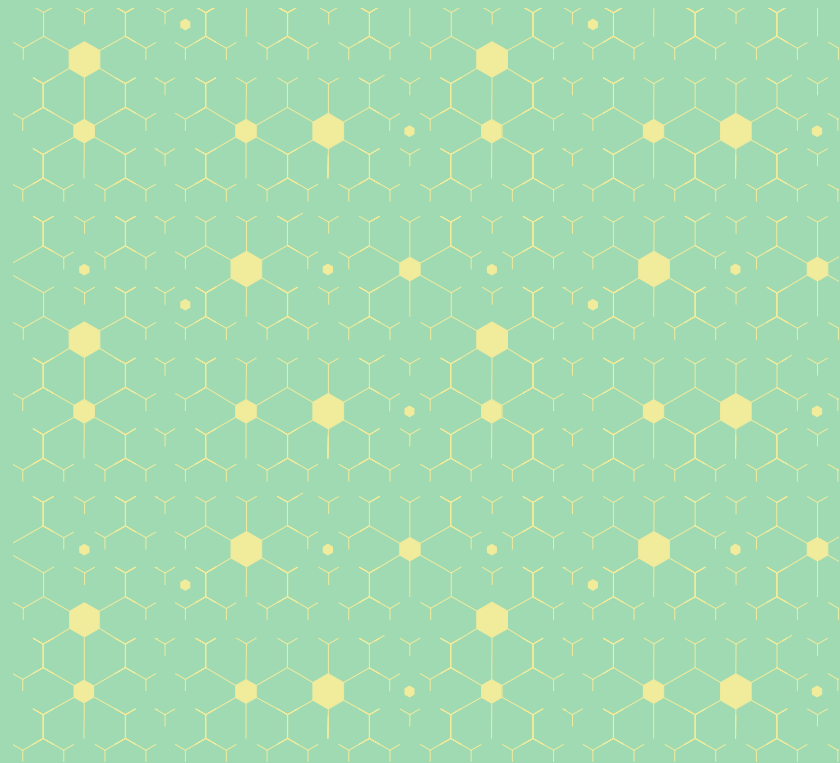


※ Category figures are presented exclusive of the impact of temporary events.



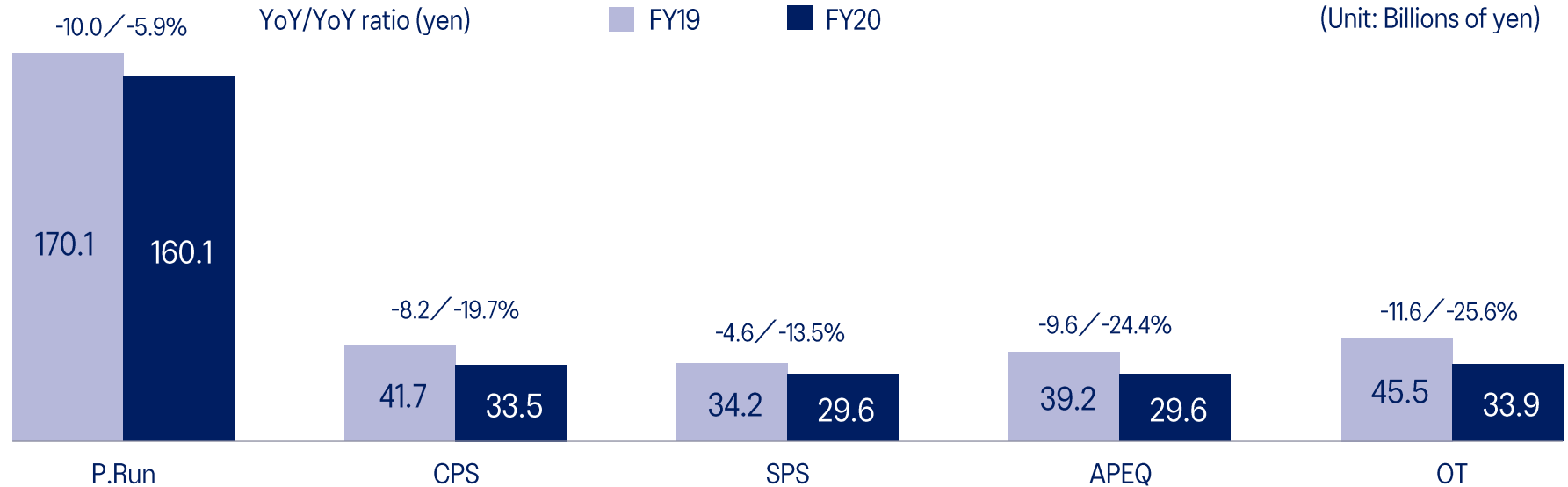
2. CONSOLIDATED BUSINESS RESULTS BY CATEGORY

- ✓ Consolidated Net Sales by Category
- ✓ Financial Results by Category

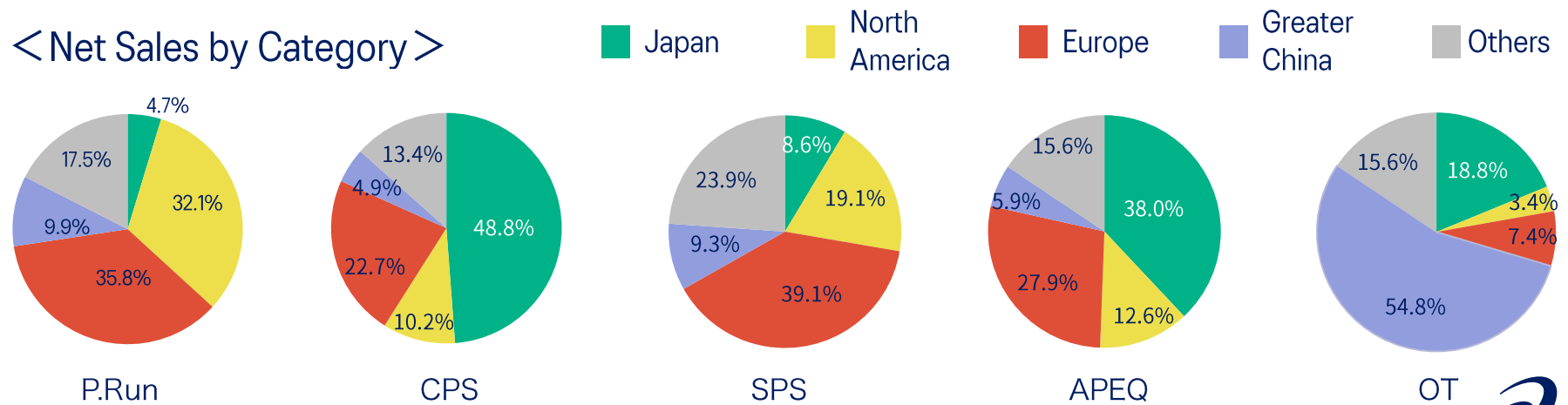


CONSOLIDATED NET SALES BY CATEGORY

< Net Sales >



< Net Sales by Category >



※ Numerical values exclude the impact of temporary events.



PERFORMANCE RUNNING (P.RUN)

<Annual Results>

	FY19	FY20	vs LY	
			Y o Y	Y o Y ratio
Net sales	170.1	160.1	-10.0	-5.9%
On a currency neutral basis		165.2	-4.9	-2.9%
Operating income	4.5	9.0	+4.5	+98.0%
Operating income ratio	2.7%	5.6%	-	+2.9ppt

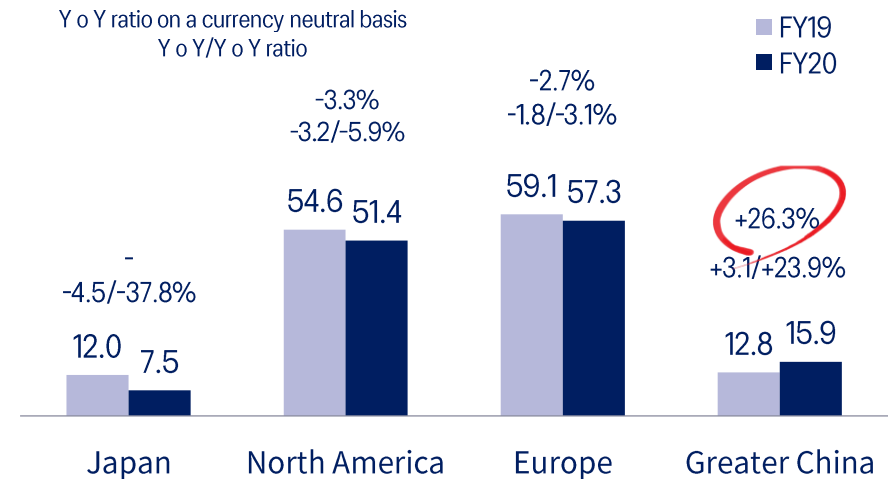
※ Numerical values exclude the impact of temporary events.
Similarly, the last year's figures have been reclassified to exclude temporary impacts.



GEL-NIMBUS23

<Net Sales by key region>

13
(Unit: Billions of yen)



Net sales

- ◆ Sales increased in Greater China and Oceania. Greater China achieved more than 25% growth. Timely product launches by the China Headquarter, accelerated expanding brand awareness through marathon sponsors and sales through LIVE STREAMING.
- ◆ E-commerce increased more than double +106% due to the expansion of Shoe Finder to find out products that suit customers and upgrade of own E-commerce websites.

Operating income

- ◆ Operating income doubled by Europe and Greater China and by reduction of deficit in North America.
- ◆ Improved the gross profit ratio by increasing the E-commerce sales ratio especially in North America and Europe, and by expanding new product lines (BLAST series and RIDE series). In addition, S.G.& A. expense controls were successfully executed.

CORE PERFORMANCE SPORTS (CPS)



Tennis shoes
GEL-RESOLUTION 8

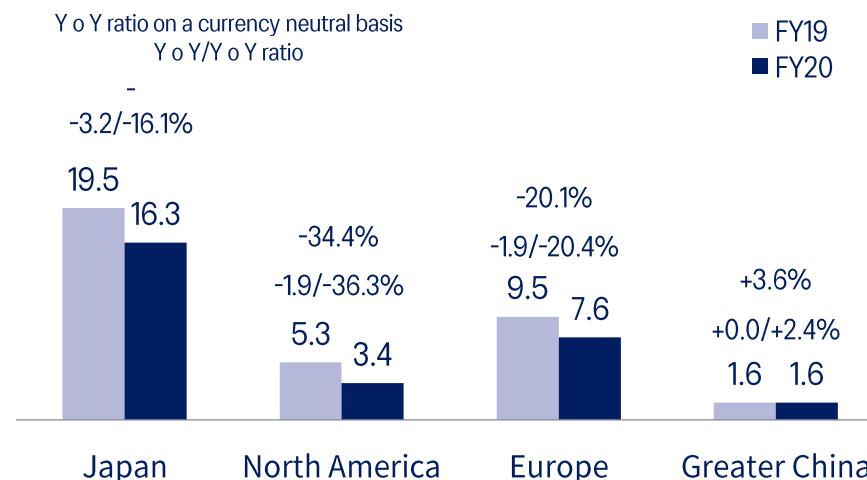
<Annual Results>

	FY19	FY20	vs LY	
			Y o Y	Y o Y ratio
Net sales	41.7	33.5	-8.2	-19.7%
On a currency neutral basis		34.0	-7.7	-18.5%
Operating income	-0.9	-2.8	-1.9	-
Operating income ratio	-2.2%	-8.4%	-	-6.2ppt

※ Numerical values exclude the impact of temporary events.
Similarly, the last year's figures have been reclassified to exclude temporary impacts.

<Net Sales by key region>

14
(Unit: Billions of yen)



Net sales

- ◆ Sales decreased in all regions except Greater China by the impact of the COVID-19.
- ◆ In Japan, Sales in working shoes performed well throughout the year.

Operating income

- ◆ Operating income significantly decreased due to the decrease in sales although S.G.&A. expenses, mainly advertising expenses reduced due to cancellation of some sporting events.

SPORTS STYLE (SPS)



GEL-LYTE III

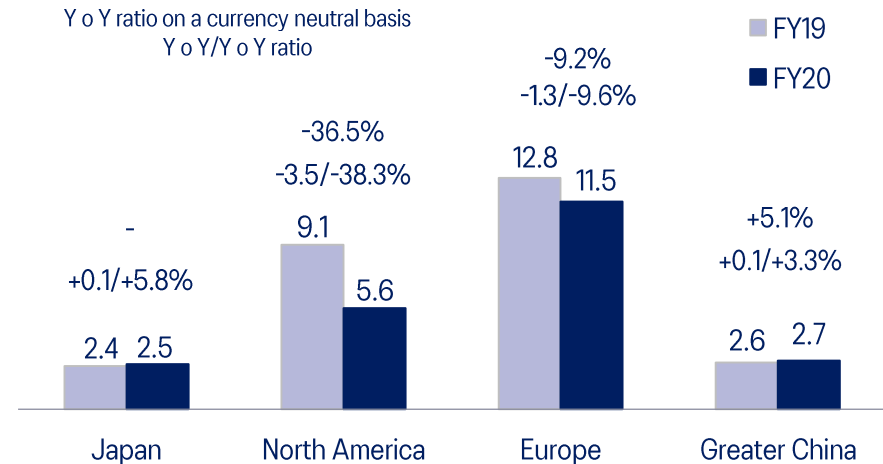
<Annual Results>

	FY19	FY20	vs LY	
			Y o Y	Y o Y ratio
Net sales	34.2	29.6	-4.6	-13.5%
On a currency neutral basis		30.6	-3.6	-10.6%
Operating income	-0.2	-0.2	+0.0	-
Operating income ratio	-0.8%	-0.9%	-	-0.1ppt

※ Numerical values exclude the impact of temporary events.
Similarly, the last year's figures have been reclassified to exclude temporary impacts.

<Net Sales by key region>

(Unit: Billions of yen)¹⁵



Net sales

- ◆ Sales decreased due to the impact of the COVID-19.
- ◆ Oceania increased especially with strong sales of GEL-QUANTUM.
- ◆ North America decreased due to the selection of key accounts to improve the brand preference, Europe decreased due to the temporary store closures and reduced business hours.

Operating income

- ◆ Despite to the decrease in sales, the reduction of S.G.&A. expenses compensated slight increase in operating income.

APPAREL EQUIPMENT (APEQ)



FACE COVER

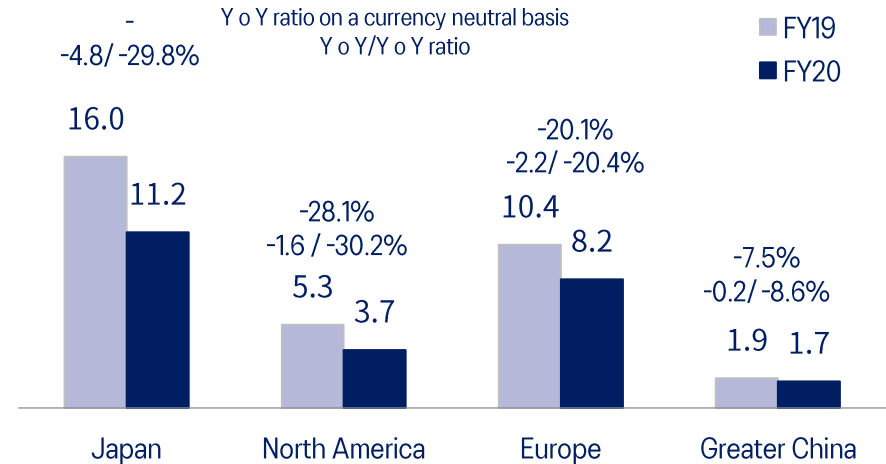
<Annual Results>

	FY19	FY20	vs LY	
			Y o Y	Y o Y ratio
Net sales	39.2	29.6	-9.6	-24.4%
On a currency neutral basis		30.2	-9.0	-23.0%
Operating income	Deficit	Deficit	-	-

※ Numerical values exclude the impact of temporary events.
Similarly, the last year's figures have been reclassified to exclude temporary impacts.

<Net Sales by key region>

16
(Unit: Billions of yen)



Net sales

- ◆ Sales decreased due to the impact of the COVID-19.
- ◆ Sales in all regions decreased.

Operating income

- ◆ Operating income decreased due to the decrease in sales, despite the efforts of personnel expenses by optimizing headcount and the reduction of other S.G.&A. expenses, mainly advertising expenses.

ONITSUKA TIGER (OT)



HMR PEAK

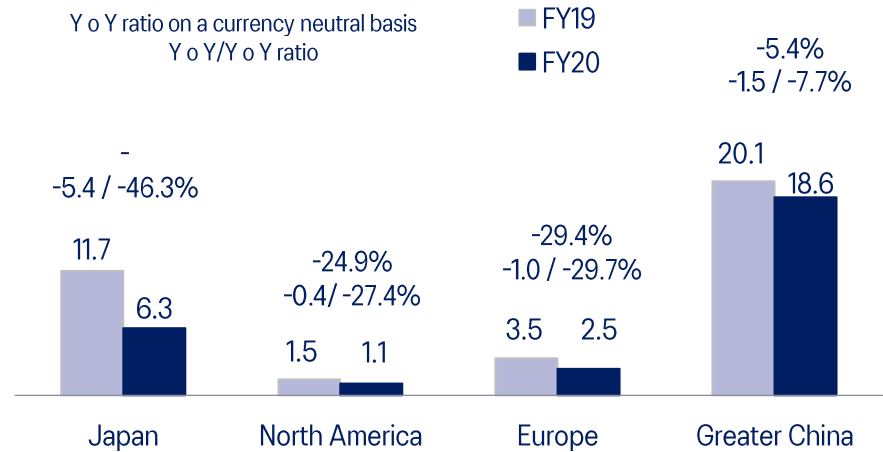
<Annual Results>

	FY19	FY20	vs LY	
			Y o Y	Y o Y ratio
Net sales	45.5	33.9	-11.6	-25.6%
On a currency neutral basis		34.6	-10.9	-24.0%
Operating income	8.3	0.7	-7.6	-91.3%
Operating income ratio	18.2%	2.1%	-	-16.1ppt

※ Numerical values exclude the impact of temporary events.
Similarly, the last year's figures have been reclassified to exclude temporary impacts.

<Net Sales by key region>

(Unit: Billions of yen)¹⁷



Net sales

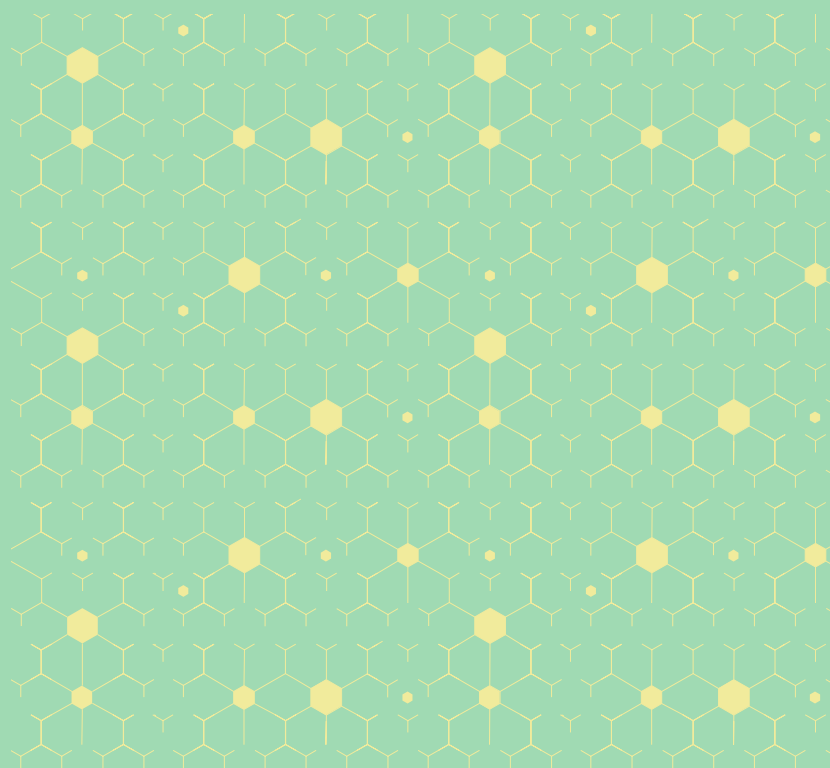
- ◆ Sales in inbound tourists decreased all over the world.
- ◆ Sales in China increased on a currency neutral basis.
- ◆ E-commerce sales increased in all regions.

Operating income

- ◆ Gross profit ratio remained closer to the last year.
- ◆ Invested in the operating flagship stores to enhance brand value for future growth.
- ◆ Retail stores were opened in major cities around the world (New York, Milan, Shanghai etc.) in 2020. The number of retail stores was up +11 compared with the last year (22 stores were opened, 11 stores were closed).
- ◆ Operating income decreased due to the decrease in sale.

3. CONSOLIDATED BUSINESS RESULTS BY REGION

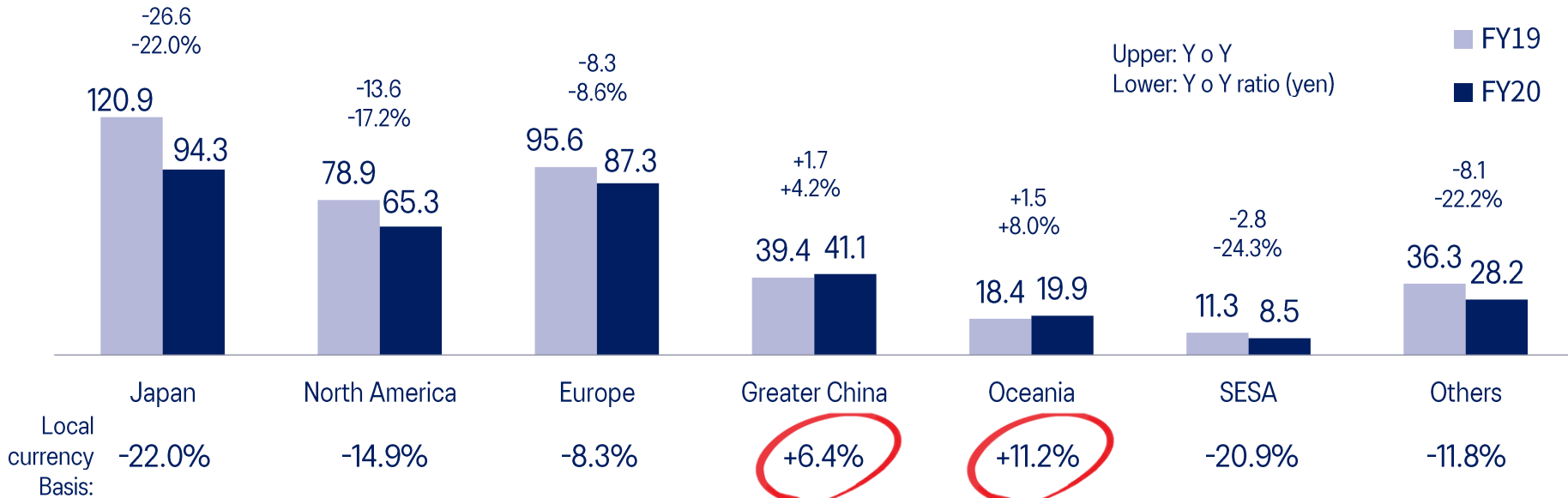
- ✓ Consolidated Net Sales by Region
- ✓ Consolidated Net Sales Breakdown by Region
- ✓ Net Sales by Channel
- ✓ Net Sales by Monthly and Quarterly
- ✓ Consolidated Operating income Breakdown by Region



CONSOLIDATED NET SALES BY REGION

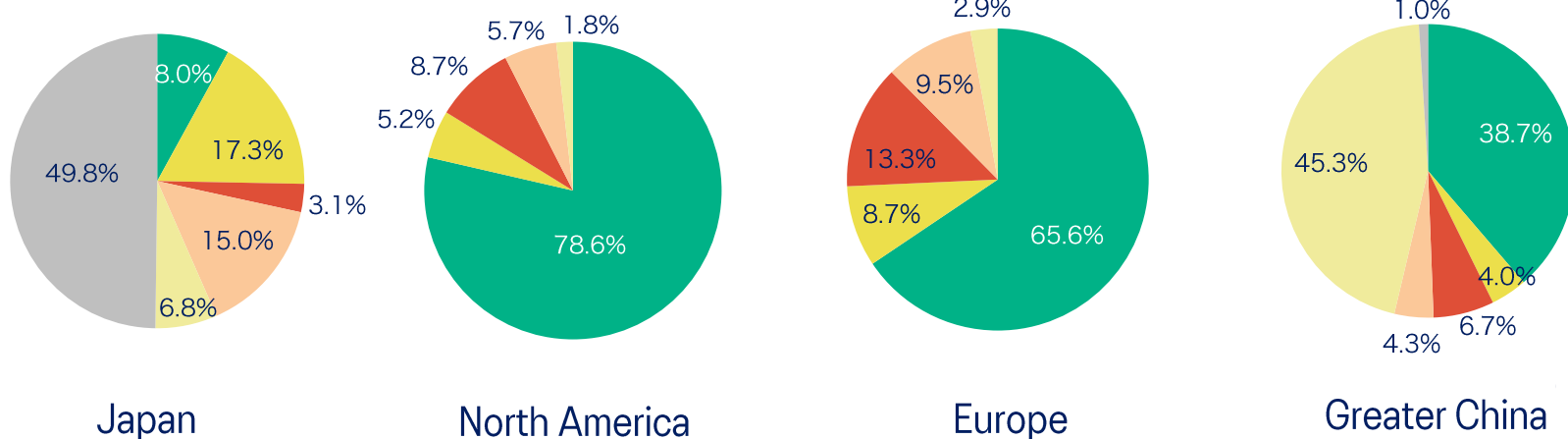
< Net Sales >

(Unit: Billions of yen)



< Net Sales by Key Region >

Legend: P.Run (Green), CPS (Yellow), SPS (Red), APEQ (Orange), OT (Light Yellow), Others (Grey)



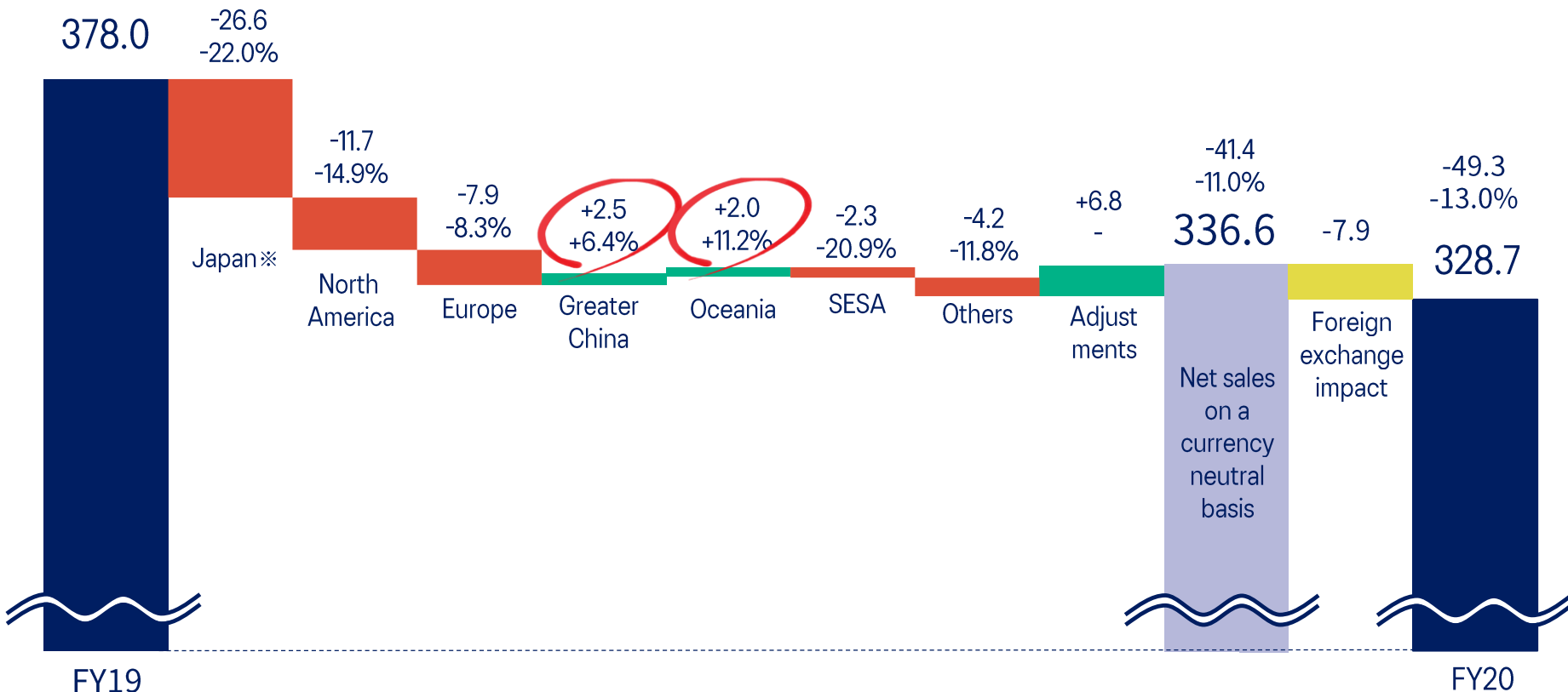
CONSOLIDATED NET SALES BREAKDOWN BY REGION

- ✓ Sales decreased due to the impact of the COVID-19.
- ✓ However, sales increased in Greater China +6.4% and Oceania +11.2% on a currency neutral basis.

Upper: Y o Y

Lower: Y o Y ratio (On a currency neutral basis)

(Unit: Billions of yen)

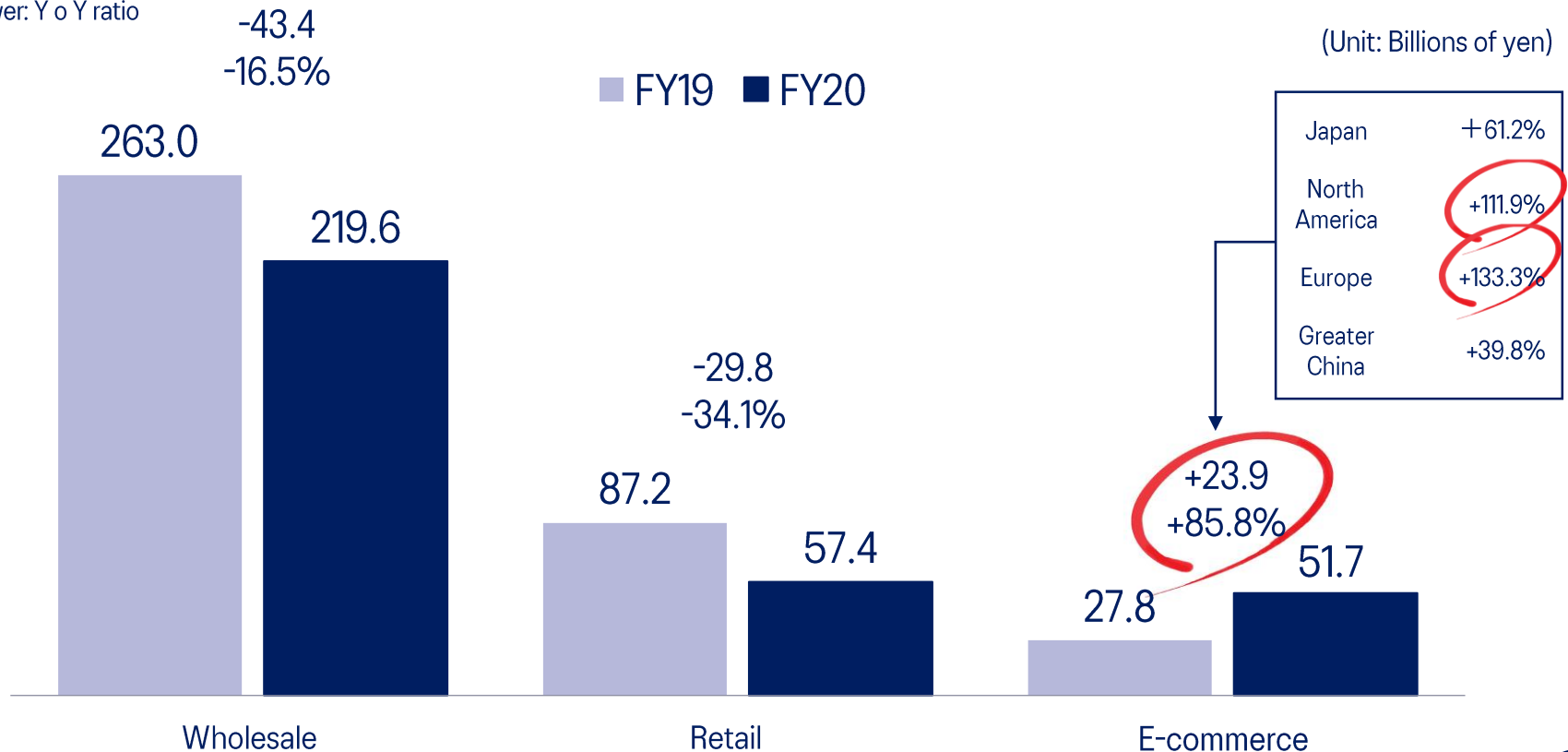


※Including sales from Japan to overseas (mainly overseas subsidiaries).

NET SALES BY CHANNEL

- ✓ Sales in wholesale and retail decreased due to temporary store closures.
- ✓ E-commerce sales increased approximately +86%. North America and Europe significantly increased.

Upper: Y o Y
Lower: Y o Y ratio



※ Own E-commerce sites and marketplaces are included in E-commerce, and wholesale E-retailers are included in wholesale.

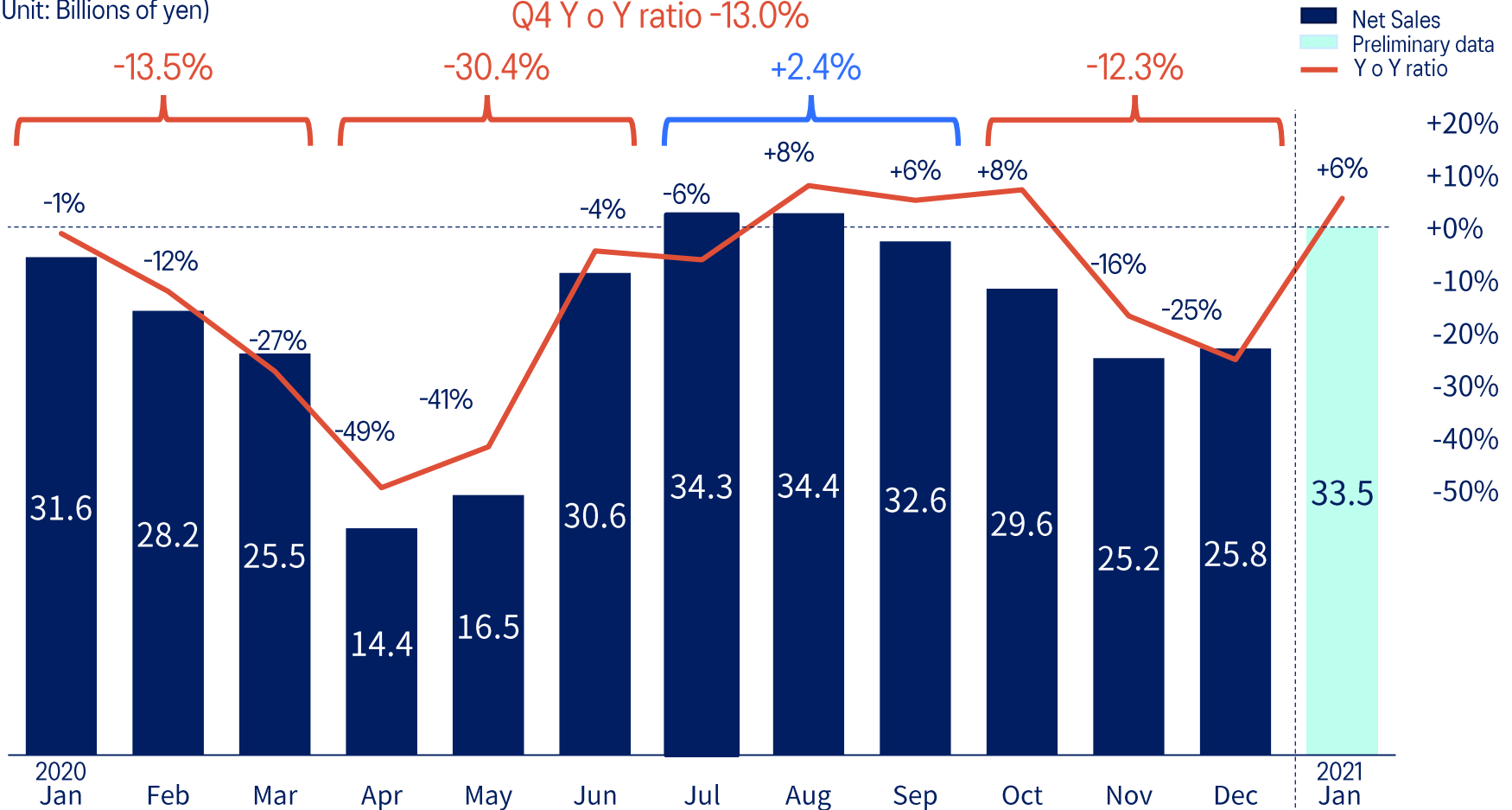


NET SALES BY MONTHLY AND QUARTERLY *REPEATED

- ✓ Sales recovered more than expected during the Q3 period led by P.Run, although sales dropped sharply from February 2020.
- ✓ P.Run performed well all over the world mainly in Europe from October and consolidated sales beat the previous forecast disclosed in November.
- ✓ Consolidated sales increased by 6% in January 2021 with strong sales in Europe, Greater China and Oceania. Sales in North America decreased mainly due to delayed cargo handling at ports. However, it will be recovered in 2021. Japan's severe situation seems to be continued due to second state of emergency.

(Unit: Billions of yen)

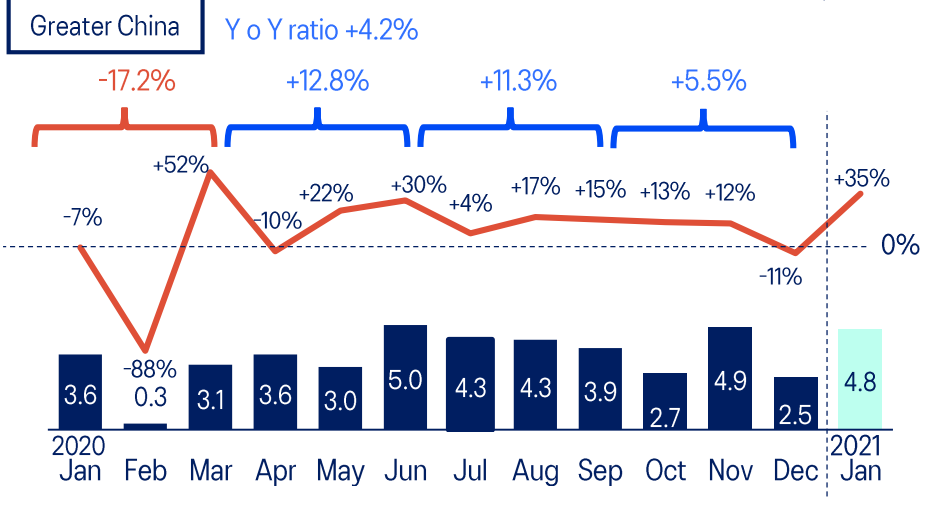
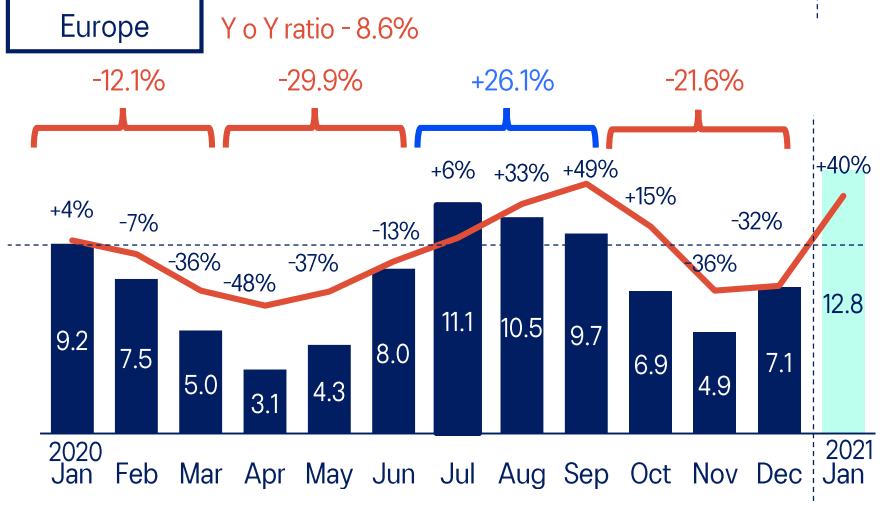
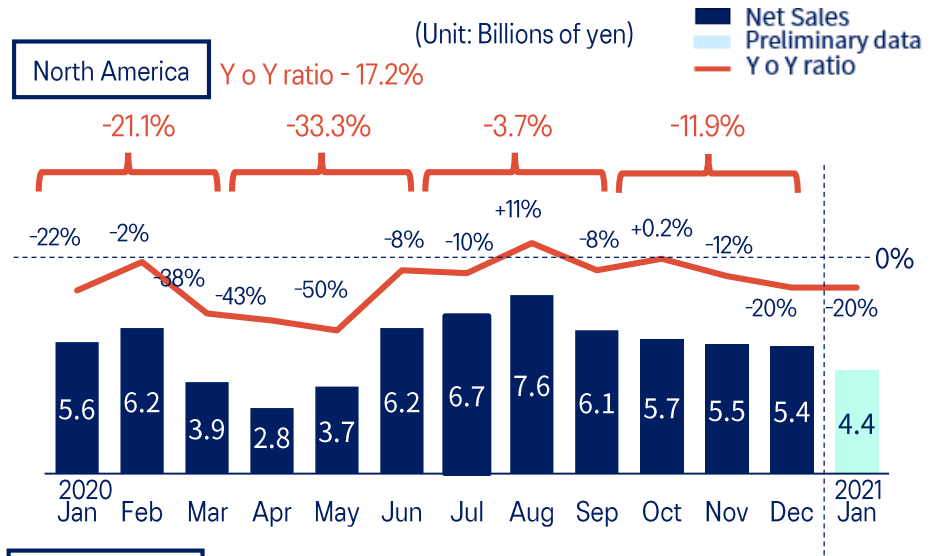
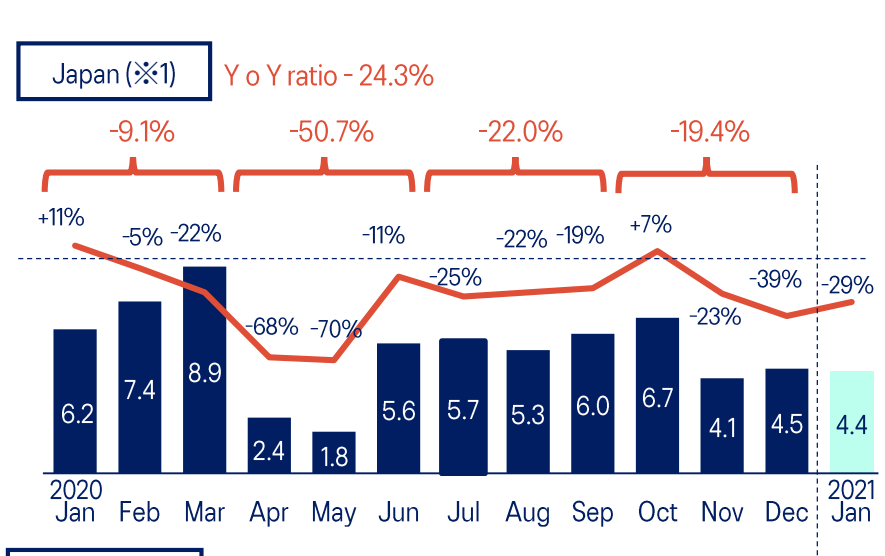
Q4 Y o Y ratio -13.0%



※ Sales in January 2021 were based on preliminary data. Therefore there would be different from final data.

NET SALES BY MONTHLY IN THE FOUR KEY REGIONS

- ✓ Sales result in Japan in January 2021 anticipates its severe situation will continue due to second state of emergency. Sales in North America decreased mainly due to delayed cargo handling at ports.
- ✓ Sales in Europe increased by 40% due to a change in the timing for P.Run product launch. Sales in Greater China increased by +35% with strong sales of P.Run +50% and OT +25%.



(※1) Sales in Japan excluding ASICS Trading.

(※2) Sales in January 2021 were based on preliminary data. Therefore there would be different from final data.

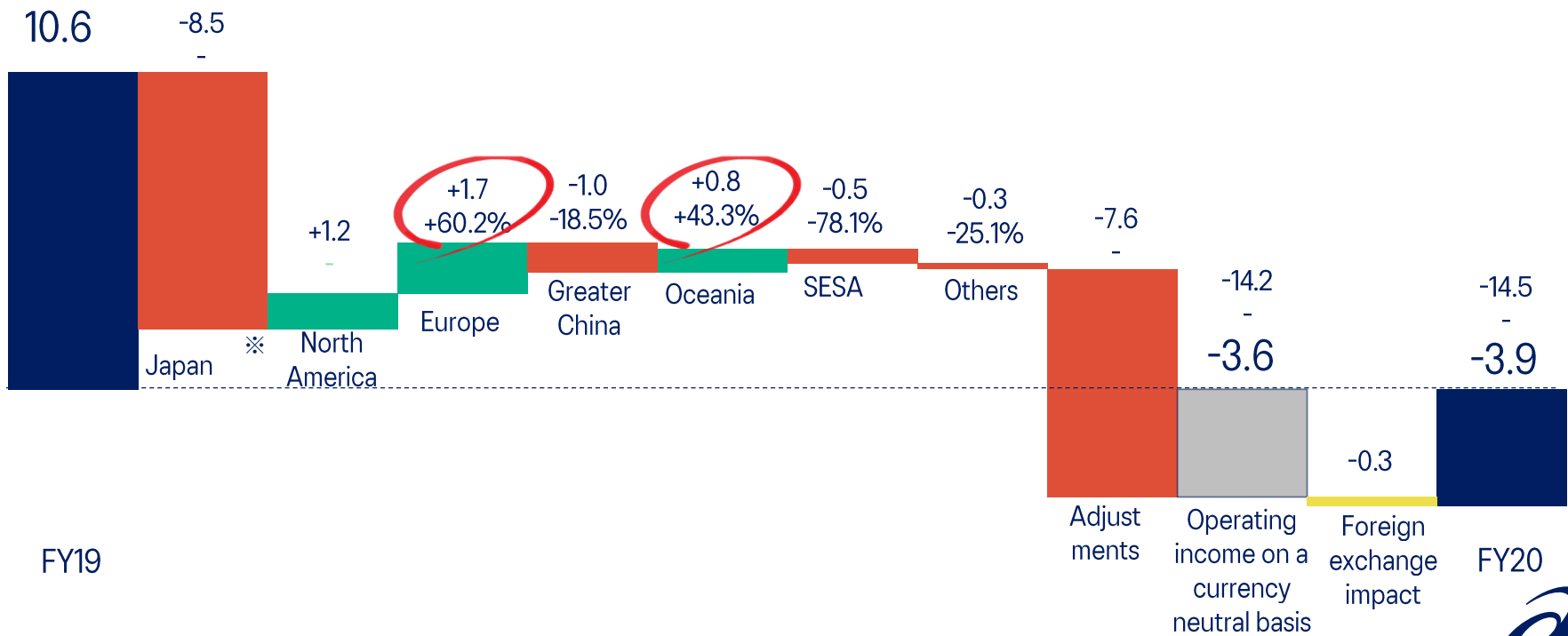
CONSOLIDATED OPERATING INCOME BREAKDOWN BY REGION

- ✓ Operating loss due to the impact of the COVID-19.
- ✓ Operating income increased significantly in Europe and Oceania. The deficit in North America reduced.
- ✓ Japan decreased due to a decline of inbound tourists and temporary events cost included in Japan and adjustments segment.

Upper: Y o Y

Lower: Y o Y ratio (On a currency neutral basis)

(Unit: Billions of yen)

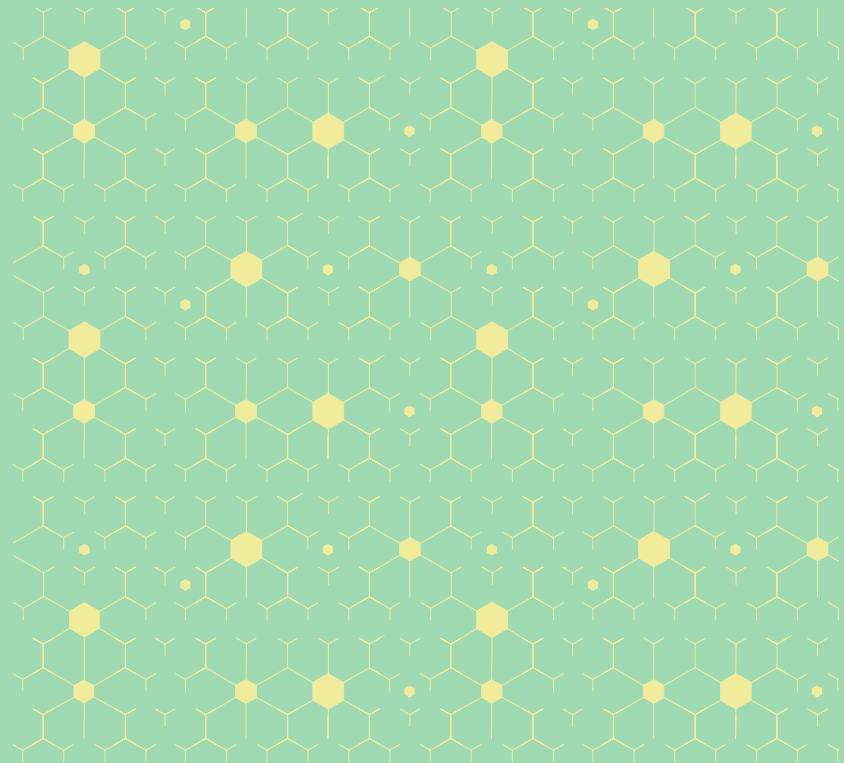


※Including sales from Japan to overseas (mainly overseas subsidiaries).



4. CONSOLIDATED FINANCIAL POSITION

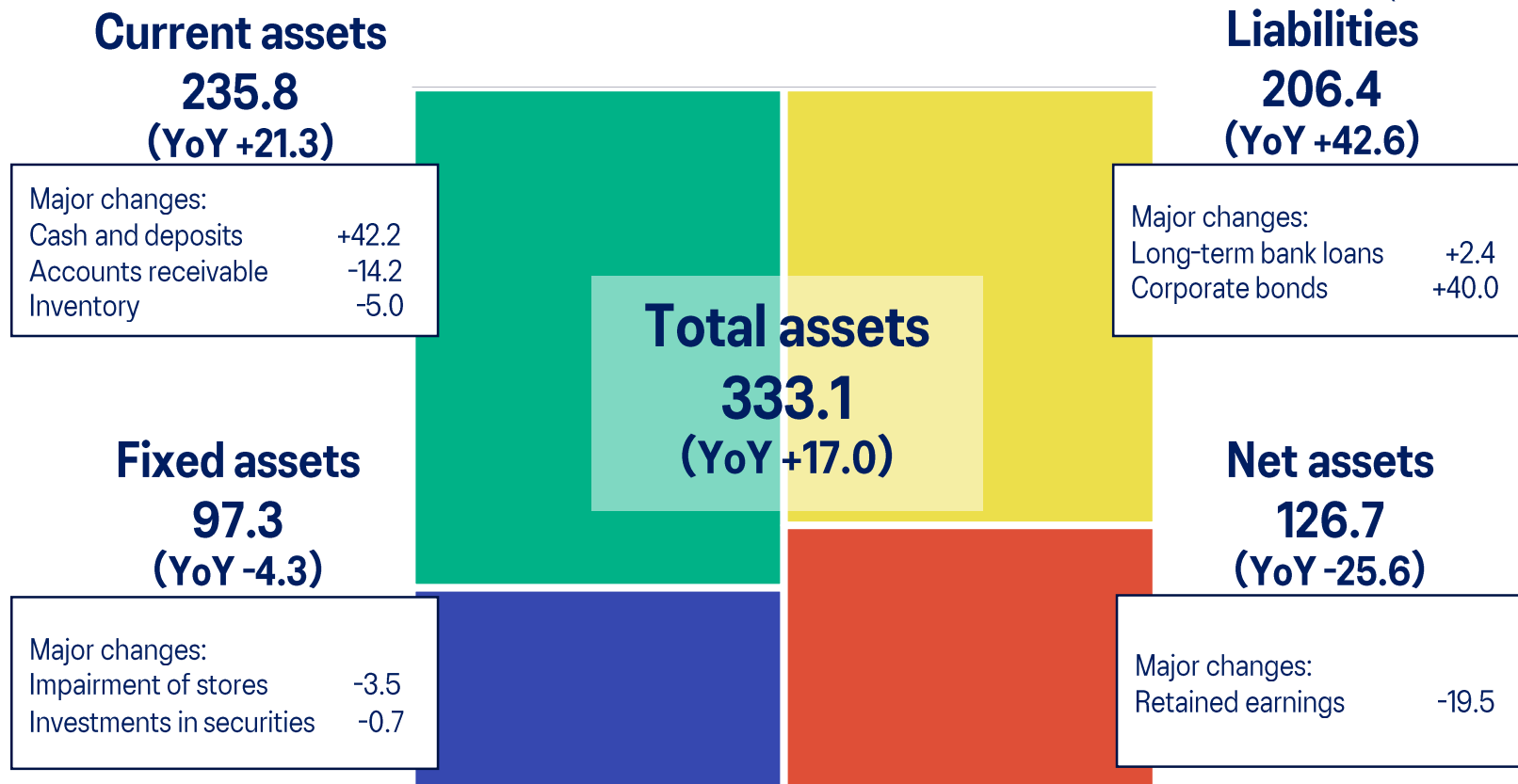
- ✓ Consolidated Balance Sheet
- ✓ Consolidated Cash Flow



CONSOLIDATED BALANCE SHEET

- ✓ Increased cash and deposits by issuing corporate bonds to secure liquidity on hand.
- ✓ Working capital improved due to control of accounts receivable and inventory.
- ✓ Successfully reduced substantial inventory through production controls in anticipation of reduced demand associated with the COVID-19. Excluding the impact of temporary events, substantial inventory reduced about 9.5 billion compared to the last year .

(Unit: Billions of yen)

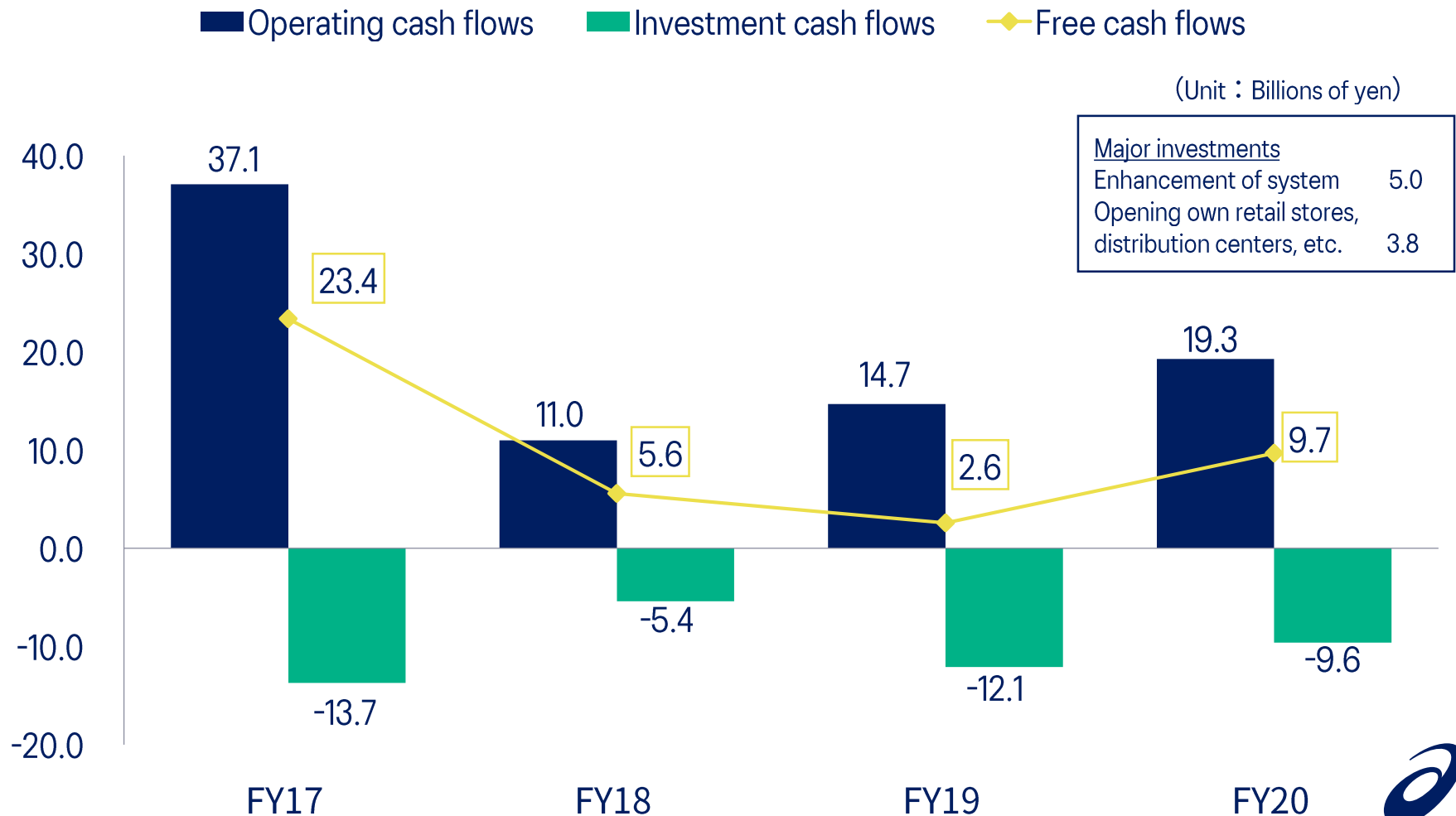


Shareholders' equity ratio: 37.9%
(Last year : 48.0%)



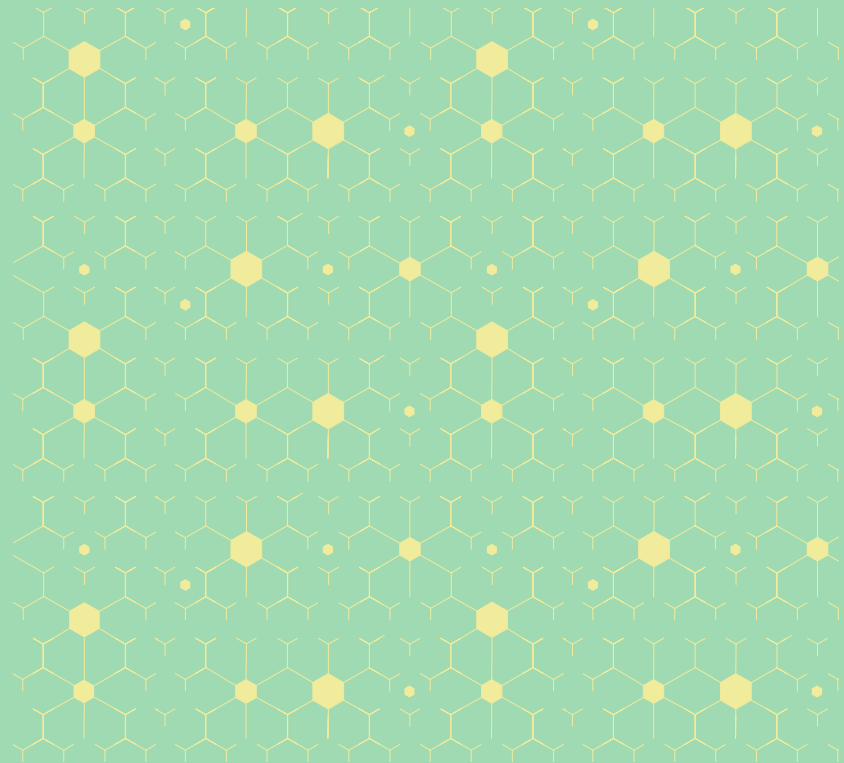
CONSOLIDATED CASH FLOW

- ✓ Operating cash flows were +19.3 billion yen due to improved working capital.
- ✓ Free cash flows were about 10.0 billion yen, which remained positive.



5. CONSOLIDATED FORECAST

- ✓ Concept of Category Profit
- ✓ FY2021 Consolidated Forecast
- ✓ S.G.& A. Expenses plan
- ✓ Forecast by Category
- ✓ Forecast by Region



ENHANCE THE CATEGORY BASED MANAGEMENT

The issues

- ✓ The category based management system was introduced in 2019, which enhanced cooperation between the headquarter and sales companies and improved persistence to profitability.
- ✓ However, operating income of each category included costs such as back office expenses, which can not be managed easily by category.
- ✓ In addition, some expenses, such as own retail store's costs, were allocated to each category by using sales and COGS, which did not fit reality appropriately.



Category profit

- ✓ Define "Category costs" and "Corporate expense" and manage these cost strictly. Corporate expenses are not identifiable to the category such as office rent fee.
- ✓ Aim for further improvement of manageable profit (category profit).
- ✓ Optimize the cost allocation. Some expenses are allocated by the number of headcount of each category.
- ✓ Set cost owners for main cost items and promote global cross-sectional management.



CONCEPT OF CATEGORY PROFIT

- ✓ Identifiable costs in the category are treated as direct costs.
- ✓ Each category bears marketing costs appropriately based on the nature of each activity.
- ✓ Corporate expenses are not allocated and managed separately.

(Image of Cost Allocation)

	P.RUN	CPS	SPS	APEQ	OT	Others	TTL
Sales	x x x	x x x	x x x	x x x	x x x	x x x	x x x
GP	x x x	x x x	x x x	x x x	x x x	x x x	x x x
Marketing	x x x	x x x	x x x	x x x	x x x	x x x	x x x
Planning and development (Products)	x x x	x x x	x x x	x x x	x x x	x x x	x x x
Front office (other than direct to category)	Appropriate allocation of wholesale, retail, and E-commerce channels expenses.						x x x
Category profit	x x x	x x x	x x x	x x x	x x x		
Corporate expense (Non related to category)							x x x
Consolidated Operating income							x x x

FY2021 FORECAST *REPEATED

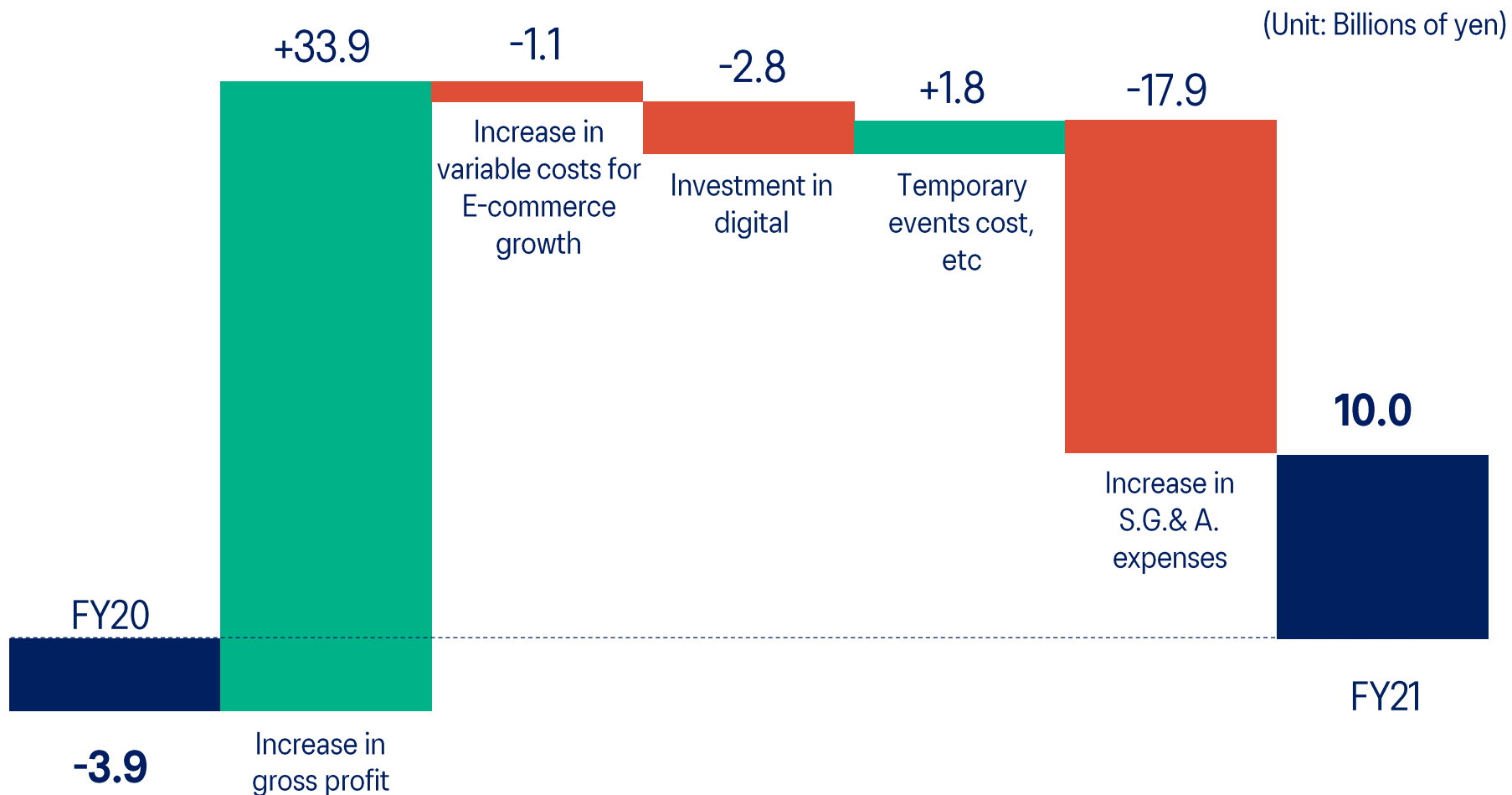
(Unit: Billions of yen)	FY20 Actual	FY21 Forecast	Y o Y ratio
Net sales	328.7	370.0~385.0	+12.5%~+17.1%
Operating income	-3.9	7.0~10.0	-
Operating income ratio	-1.2%	1.9%~2.6%	+3.1ppt~+3.8ppt
Ordinary income	-6.9	4.0~7.0	-
Profit attributable to owners of parent			
Net income	-16.1	2.0~3.5	-

Dividends	Interim	End of year	Full year
FY20 Actual	0.0 yen	24.0 yen	24.0 yen
FY 21 Forecast	12.0 yen	12.0 yen	24.0 yen

Exchange Rate	USD	EUR	RMB
FY20	106.54 yen	121.97 yen	15.44 yen
FY21	105.00 yen	125.00 yen	15.00 yen

- ✓ Forecast figures have a range due to the uncertainties arise from the impact of the COVID-19.
- ✓ However, we are planning to review them at the time of disclosure about Q1 financial summary in May 2021.

CONSOLIDATED OPERATING INCOME FORECAST BREAKDOWN BY ELEMENT



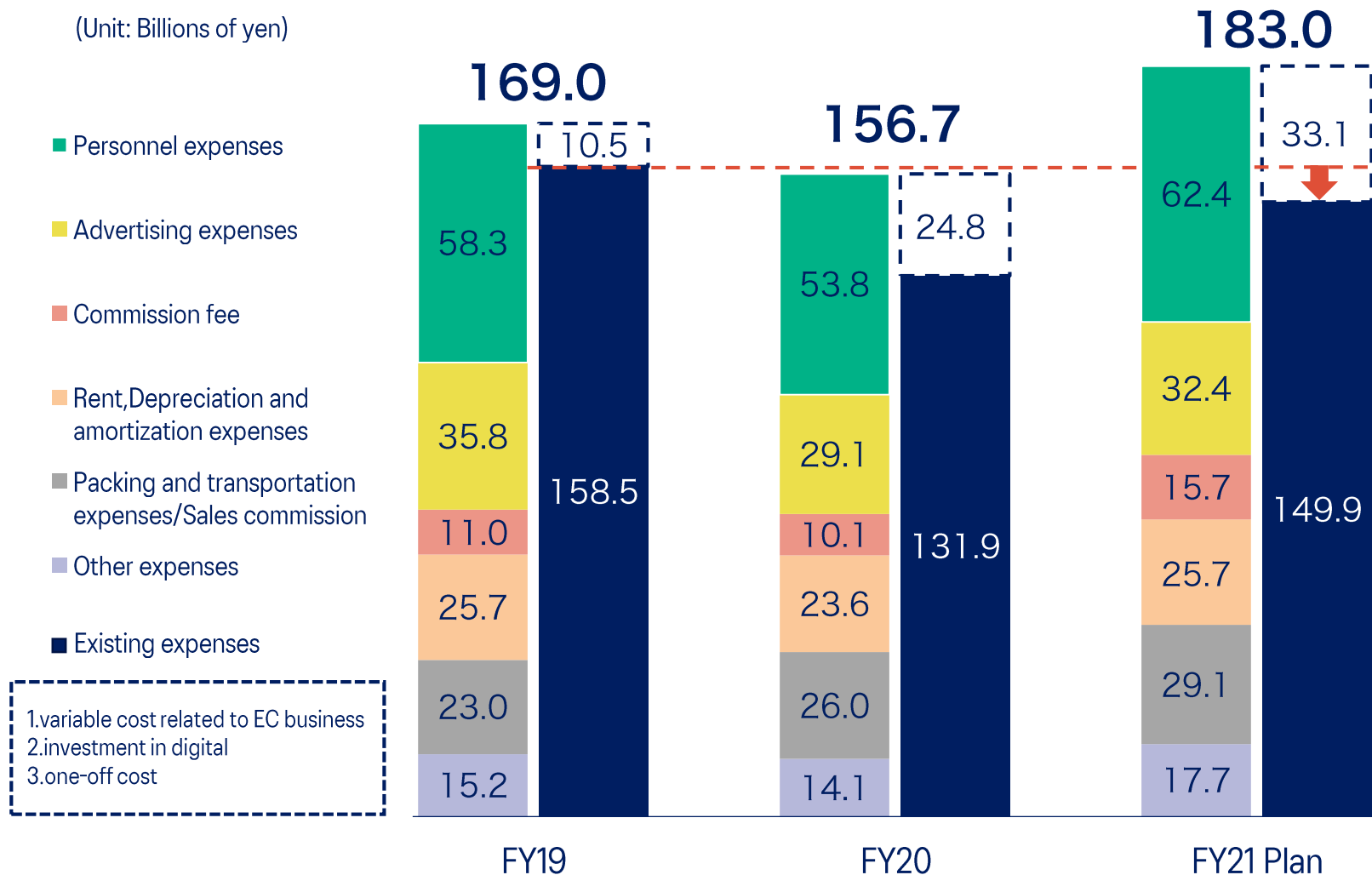
※ There may be a possibility that the actual results would be much different from the forecast by many factors, such as the large-scale stagnation of economic activity again caused by the COVID-19.



S.G.& A. EXPENSES PLAN

- ✓ S.G.&A. expenses plan for 2021 are 183.0 billion yen which includes variable cost related to EC business, investment in digital and one-off cost of 33.1 billion yen.
- ✓ S.G.&A. expenses except the above costs is 149.9 billion yen. Reduction of S.G.&A. expenses will be accelerated to dip below the level in 2019 which excludes the similar costs.

(Unit: Billions of yen)



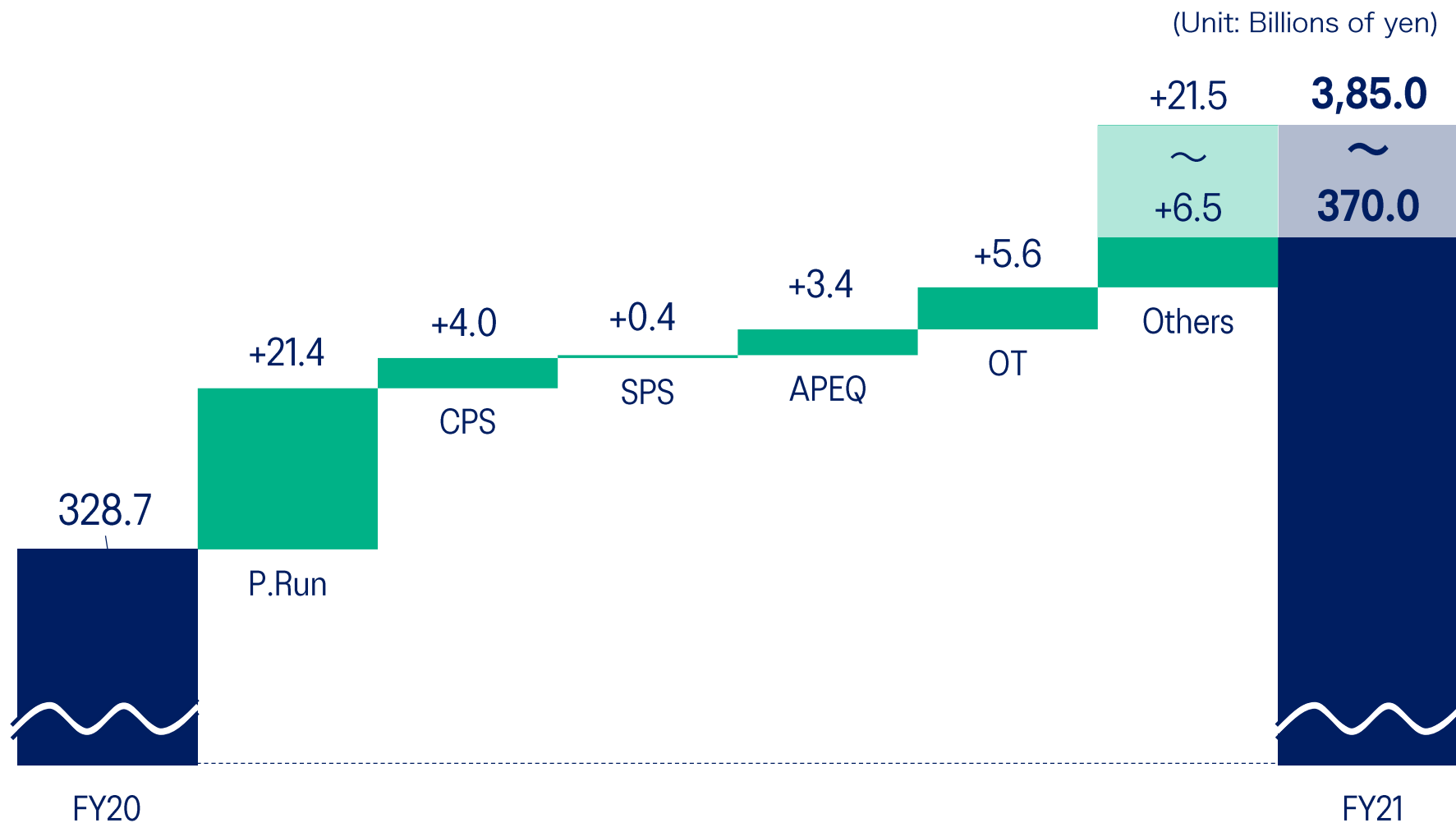
CONSOLIDATED SALES FORECAST BY CATEGORY

34

(Unit: Billions of yen)	FY20 Actual	FY21 Forecast	YoY ratio
P.Run	160.1	181.5	+13%
CPS	33.5	37.5	+12%
SPS	29.6	30.0	+1%
APEQ	29.6	33.0	+11%
OT	33.9	39.5	+16%
Others	42.0	48.5~63.5	+16%~+52%
Total	328.7	370.0~385.0	+13%~+17%



CONSOLIDATED NET SALES FORECAST BREAKDOWN BY CATEGORY



※There may be a possibility that the actual results would be much different from the forecast by many factors, such as the large-scale stagnation of economic activity again caused by the COVID-19.



CATEGORY PROFIT FORECAST

36

(Unit: Billions of yen)	FY20 Actual	FY21 Forecast	YoY ratio
P.Run	26.1	30.5	+17%
CPS	-0.5	2.0	-
SPS	3.4	3.5	+1%
APEQ	-3.2	-1.5	-
OT	3.4	6.0	+72%

※Numerical values exclude the impact of temporary events. Category profit in FY20 is calculated by estimate.

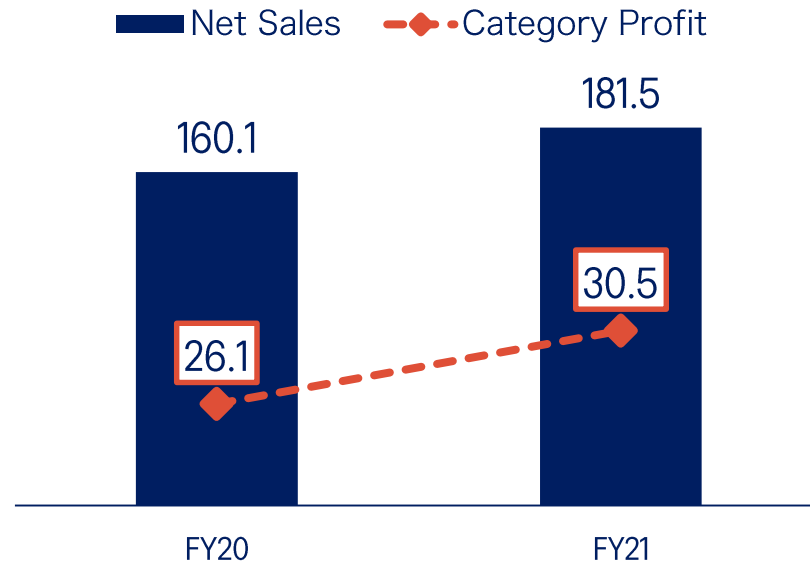


FORECAST OF NET SALES AND CATEGORY PROFIT

Performance Running (P.Run)

37

(Unit: Billions of yen)



※ Numerical values exclude the impact of temporary events.
Category profit in FY20 is calculated by estimate.

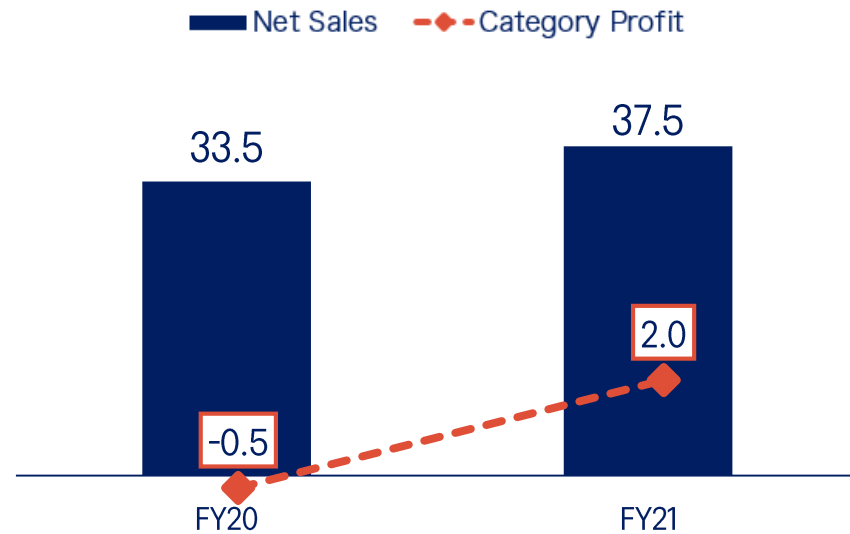
- ✓ Gain market share with release of racing models for speed runners and BLAST series for young consumers.
- ✓ Enhance Tech Rep activities globally to improve profitability. In addition to North America where started to restrengthen in 2019, Europe concentrates on the activity. Japan schedules to introduce it from 2021.
- ✓ Expand the running ecosystem such as "ASICS World Ekiden", which had the largest number of applicants among global virtual races held in 2020, collaboration with CASIO and the smart shoes etc.

FORECAST OF NET SALES AND CATEGORY PROFIT

Core performance sports (CPS)

38

(Unit: Billions of yen)



※ Numerical values exclude the impact of temporary events.
Category profit in FY20 is calculated by estimate.

- ✓ Focus globally on tennis and indoor sports and gain market share.
- ✓ Appropriate profit management and optimize the business scale for each sport category.
- ✓ Expand the working shoes business all over the world.

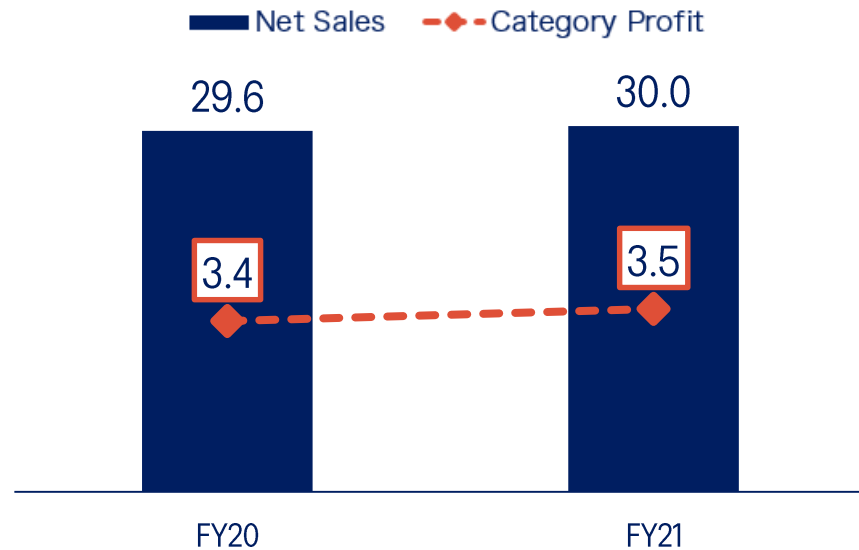


FORECAST OF NET SALES AND CATEGORY PROFIT

Sports Style (SPS)

39

(Unit: Billions of yen)



※ Numerical values exclude the impact of temporary events.
Category profit in FY20 is calculated by estimate.

- ✓ Enhance the brand value and increase the exposure in the market efficiently by strengthening partnerships with the selected brands, designers, global media and key accounts.
- ✓ Develop the new customer segments by implementing products, digital marketing and sales strategies targeting the younger generation, including the Gen-Z.
- ✓ Strengthen profitability and improve gross profit ratio by improving process and competitiveness of brand preference and products.

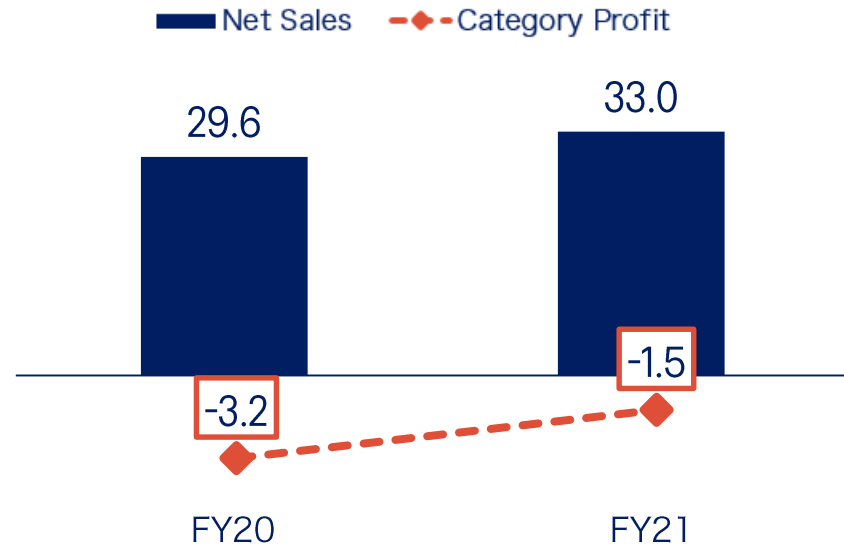


FORECAST OF NET SALES AND CATEGORY PROFIT

Apparel and Equipment (APEQ)

40

(Unit: Billions of yen)



※ Numerical values exclude the impact of temporary events.
Category profit in FY20 is calculated by estimate.

- ✓ Improve profitability by reducing the cost of products and continuing Low Cost operations. (Shift of producing areas, aggregation of suppliers, etc.)
- ✓ Optimize resources management and promote of differentiated product development.
- ✓ Accelerate the digital shift and reform the wholesale and own retail store businesses.



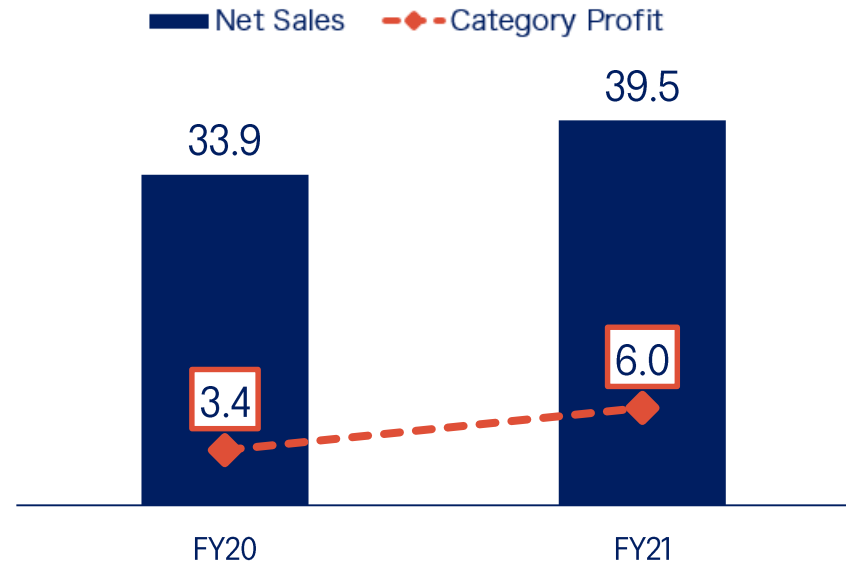
FORECAST OF NET SALES AND CATEGORY PROFIT

Onitsuka Tiger (OT)



41

(Unit: Billions of yen)



※ Category profit in FY20 is calculated by estimate.

- ✓ Make up the decrease in inbound demand in Japan by providing new customer experiences and building the brand's experiential own retail stores in major cities.
Expansion; Omotesando, Japan in Apr 2020
Open; New York in Nov, 2020, Milano, Italy in Dec, 2020, Beijing, China in Jan, 2021, LA, U.S. in Mar, 2021
- ✓ Develop a new customer segment by disseminating information to Gen-Z using global Celebrity.
- ✓ Scheduled to show Onitsuka Tiger's apparel and shoes at the AW21 Milano Fashion Week on February 27, 2021.

CONSOLIDATED SALES FORECAST BY REGION

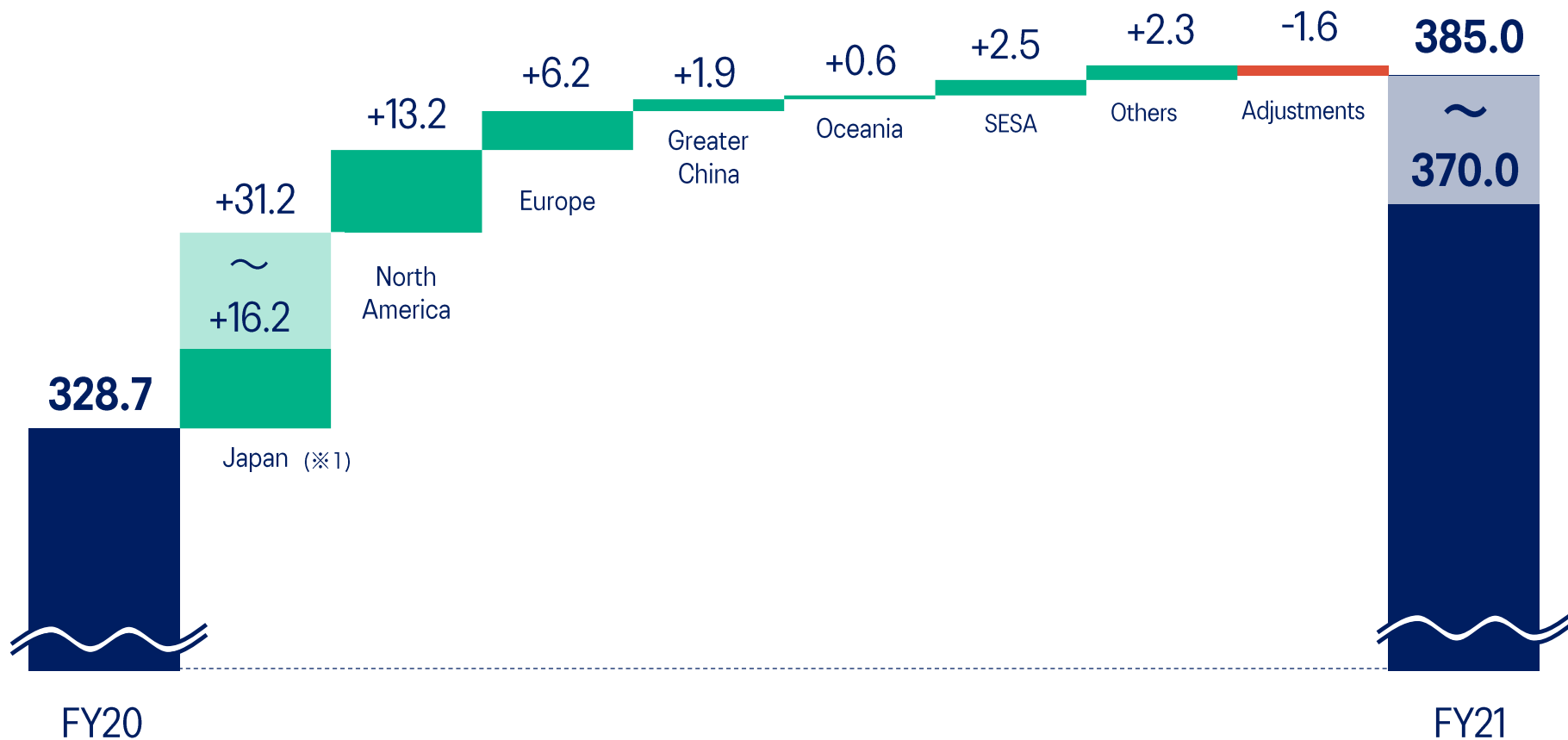
42

(Unit: Billions of yen)	FY20 Actual	FY21 Forecast	YoY ratio	※ Reference YoY ratio on a currency neutral basis
Japan	94.3	110.5~125.5	+17%~+33%	-
North America	65.3	78.5	+20%	+22%
Europe	87.3	93.5	+7%	+4%
Greater China	41.1	43.0	+5%	+8%
Oceania	19.9	20.5	+3%	+1%
SESA	8.5	11.0	+29%	+29%
Others	28.2	30.5	+8%	+10%
Adjustments	-15.9	-17.5	-	-
Total	328.7	370.0~385.0	+13%~+17%	+13%~+17%



CONSOLIDATED NET SALES FORECAST BREAKDOWN BY REGION

(Unit: Billions of yen)



(※1) Including sales from Japan to overseas (mainly overseas subsidiaries).

(※2) There may be a possibility that the actual results would be much different from the forecast by many factors, such as the large-scale stagnation of economic activity again caused by the COVID-19.



CONSOLIDATED OPERATING INCOME FORECAST BY REGION

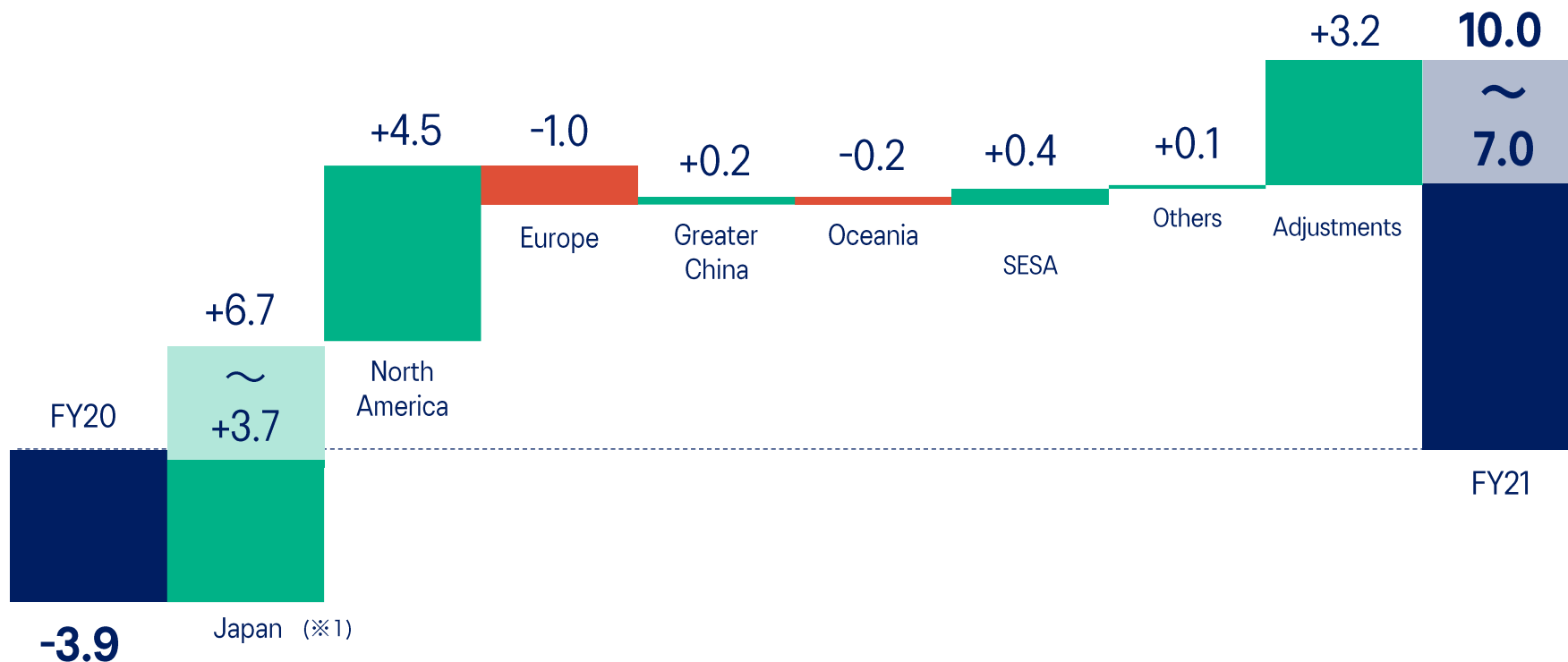
44

(Unit: Billions of yen)	FY20 Actual	FY21 Forecast	YoY ratio
Japan	-3.7	0.0~3.0	-
North America	-4.5	0.0	-
Europe	4.5	3.5	-23%
Greater China	4.3	4.5	+5%
Oceania	2.7	2.5	-8%
SESA	0.1	0.5	+229%
Others	0.4	0.5	+7%
Adjustments	-7.7	-4.5	-
Total	-3.9	7.0~10.0	-



CONSOLIDATED OPERATING INCOME FORECAST BREAKDOWN BY REGION

(Unit: Billions of yen)

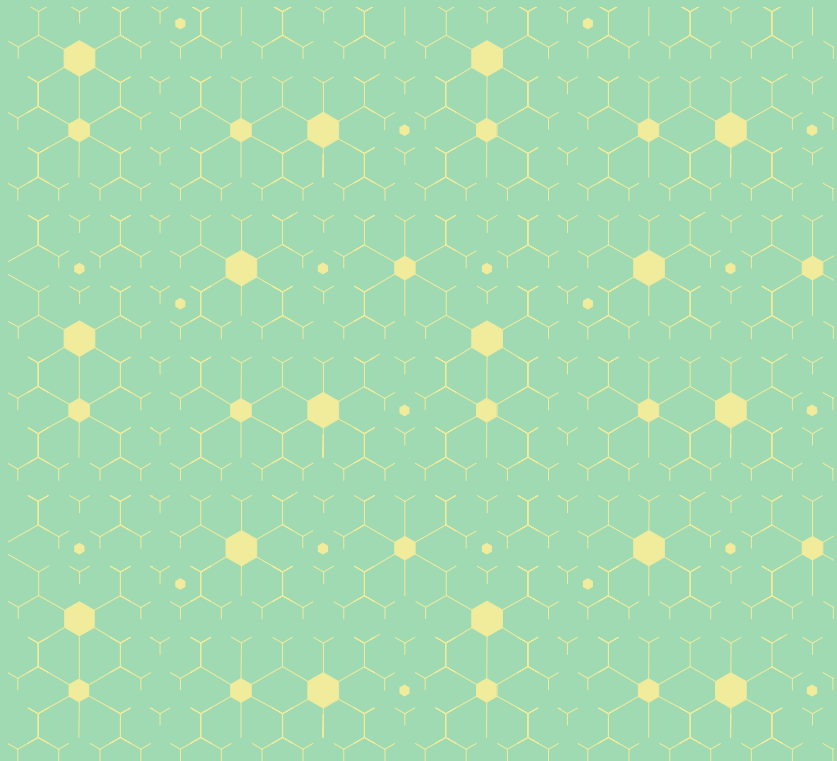


(※1) Including sales from Japan to overseas (mainly overseas subsidiaries).

(※2) There may be a possibility that the actual results would be much different from the forecast by many factors, such as the large-scale stagnation of economic activity again caused by the COVID-19.



6. APPENDIX



IR activities in FY2021 for Institutional Investors, Analysts and Media

FY21 Q1 Financial Results	May 13	15:00 15:30	Announcement of financial statements Live streaming or conference call
FY21 Q2 Financial Results	August 13 August 16	15:00 15:00	Announcement of financial statements Investor meeting
FY21 Q3 Financial Results	November 5	15:00 15:30	Announcement of financial statements Live streaming or conference call
FY21 Financial Results	February, 2022		Announcement of financial statements Investor meeting
Investment day	June, 2021 November, 2021		Theme: TBD

