

**CONSOLIDATED
FINANCIAL SUMMARY
FOR THE FISCAL
FIRST QUARTER ENDED
MARCH 31, 2021**

ASICS CORPORATION

MAY 13, 2021



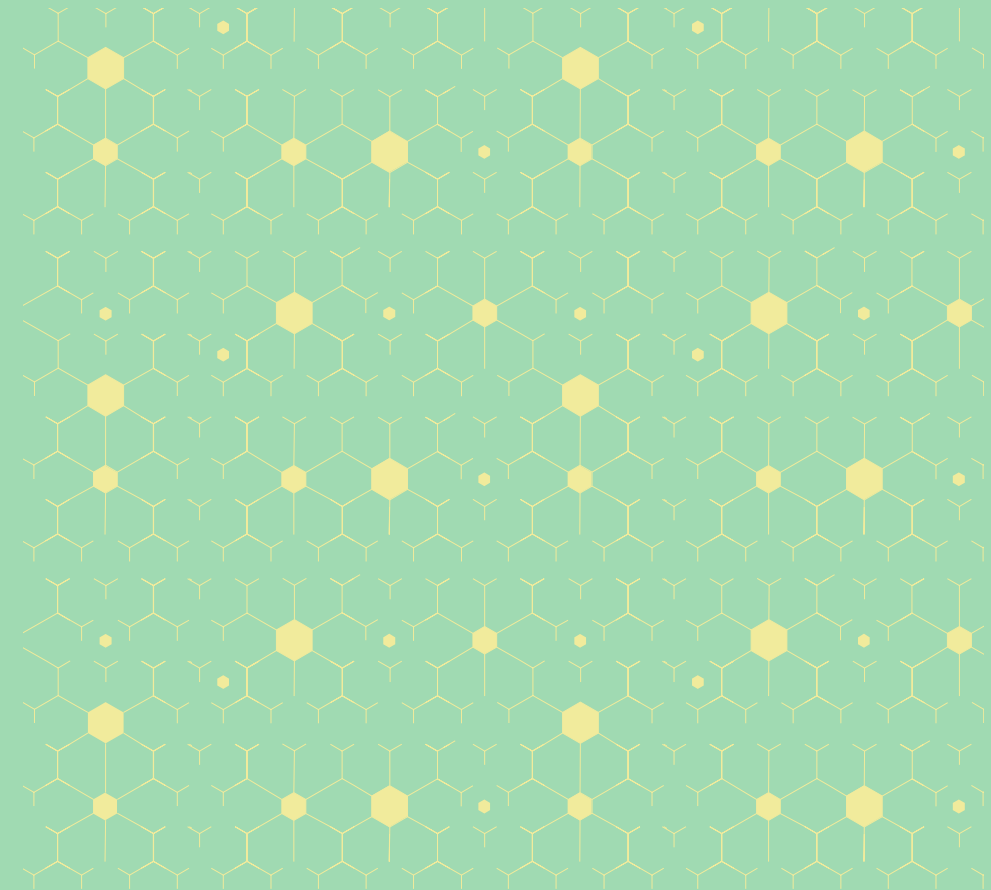
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DISCLAIMER

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.



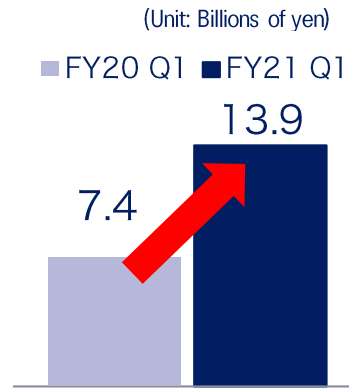
KEY POINTS OF CONSOLIDATED RESULTS FOR FY2021 Q1

- ✓ Sales and Operating income increased significantly. Sales for Q1 exceeded 100.0 billion yen for the first time in three years.
- ✓ Operating income increased significantly and turned profitable due to increased sales and improvement of gross profit ratio and S.G.& A. expenses control.
- ✓ Since our leading product P.Run received particularly positive feedback, its sales increased by +43.5% and increased in all regions. Category profit of P.Run increased by +197.1%, about 3 times higher compared to last year.
- ✓ Sales increased in almost all regions. Especially in North America, Europe, Greater China and Oceania have increased significantly. Operating income increased significantly in Europe and Greater China due to increased sales and improvement of gross profit ratio. North America also turned profitable.
- ✓ E-commerce sales increased by approximately +86% .
(E-commerce composition ratio FY20 Q1: 8.8% => FY21 Q1: 13.1%)
- ✓ Severe external environment would continue due to the COVID-19 and some geopolitical risks.
Although, profitability of the Olympic and Paralympic Game Tokyo 2020 is expected to be lower than the initial guidance, we made an upward revision to the Net sales, Operating income and Ordinary income due to the strong sales momentum mainly in P.Run. The update forecast also has a range.



DIGITAL ACTIVITIES

- ✓ Accelerate E-commerce business by utilizing running apps like Runkeeper and Race Roster.
- ✓ Provide personalized running experiences leveraging data in collaboration with other companies.
- ✓ Continue to actively invest in digital, including recruiting persons who have digital capabilities.

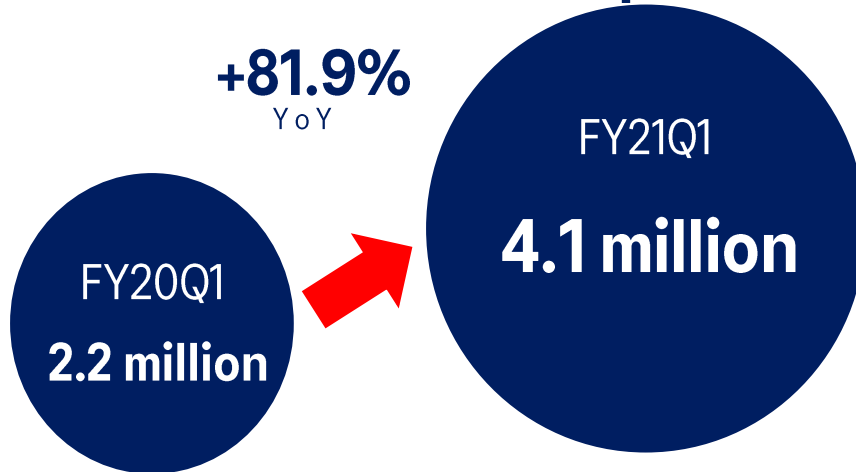


Premium Running Program



- ✓ Provide full support to runners who want to improve their performance in Japan.
- ✓ 253 people applied for the program (capacity : 30).

OneASICS membership



Runmetrix



- ✓ Personal coaching services for runners that capitalize ASICS's sporting engineering expertise and Casio's sensing technology.



SUSTAINABILITY ACTIVITIES

Contribute to enabling healthy and fulfilled mind and body for people all over the world, and to providing them with sustainable environment where they can play sports.

Sound Mind, Sound Body

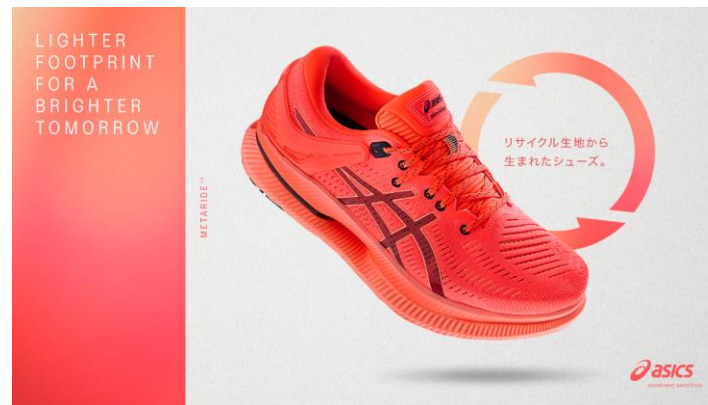
People

- ✓ Support for healthy development of children through sports.
- ✓ A Bright Tomorrow Through Sport Supported 44,000 people including children affected by East Japan earthquake by providing sports goods and sports program since 2011 .



Planet

- ✓ Recycled materials are used in more than 95% of the new products in P.Run categories launched in the spring and summer of 2021.
- ✓ Launched “METARIDE” made from recycled clothing.



External Recognition

- ✓ Awarded a position on the Supplier Engagement Leaderboard two years in a row and assessed as the top 7% of organizations by CDP.
- ✓ Selected in Sustainability Yearbook 2021 published by S&P Global.
- ✓ Awarded excellence award in “Product Safety Award 2020” of Ministry of Economy, Trade and Industry.



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 including reduced business hours.
- ✓ U.S. : Temporary closures at some stores.
- ✓ Europe : Temporary closures at about half of stores.
- ✓ China : All stores open as usual including reduced operating hour.

Sales

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

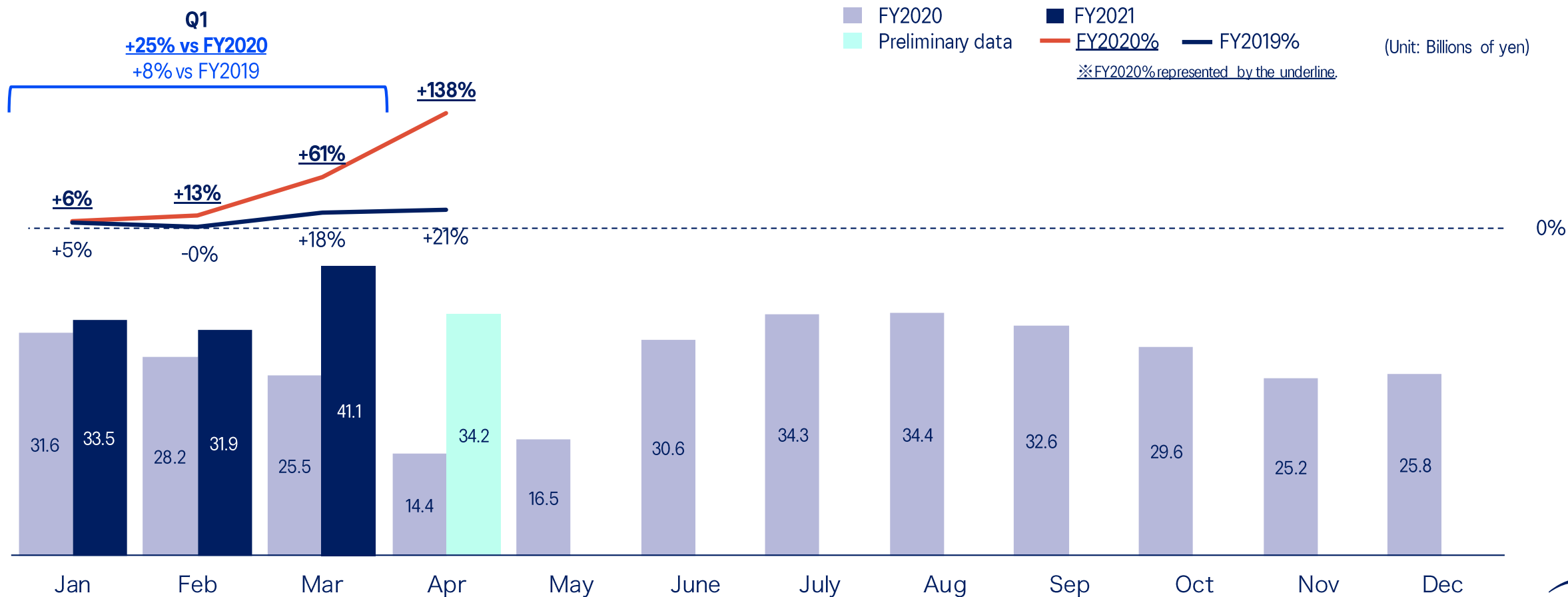
Latest update

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



NET SALES BY MONTHLY AND QUARTERLY

- ✓ Sales in Q1 increased by +25% from FY2020 and by +8% from FY2019.
- ✓ Sales in April increased more than double and beat the FY2020 for four months in a row. Four key regions increased more than 20% from FY2019.



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



FY2021 FORECAST

(Unit: Billions of yen)	Previous Forecast	Latest Forecast	Ratio of change	FY20 Actual	Y o Y ratio
Net sales	370.0~385.0	385.0~395.0	+2.6%~+4.1%	328.7	+17.1%~+20.1%
Operating income	7.0~10.0	11.5~13.5	+35.0%~+64.3%	-3.9	-
Operating income ratio	1.9%~2.6%	3.0%~3.4%	+0.8%~+1.1%	-1.2%	+4.2ppt~+4.6ppt
Ordinary income	4.0~7.0	10.0~12.0	+71.4%~+150.0%	-6.9	-
Profit attributable to owners of parent					
Net income	2.0~3.5	2.0~3.5	-	-16.1	-

Dividends	Interim	End of year	Full year
Previous Forecast	12.0 yen	12.0 yen	24.0 yen
Latest Forecast	12.0 yen	12.0 yen	24.0 yen

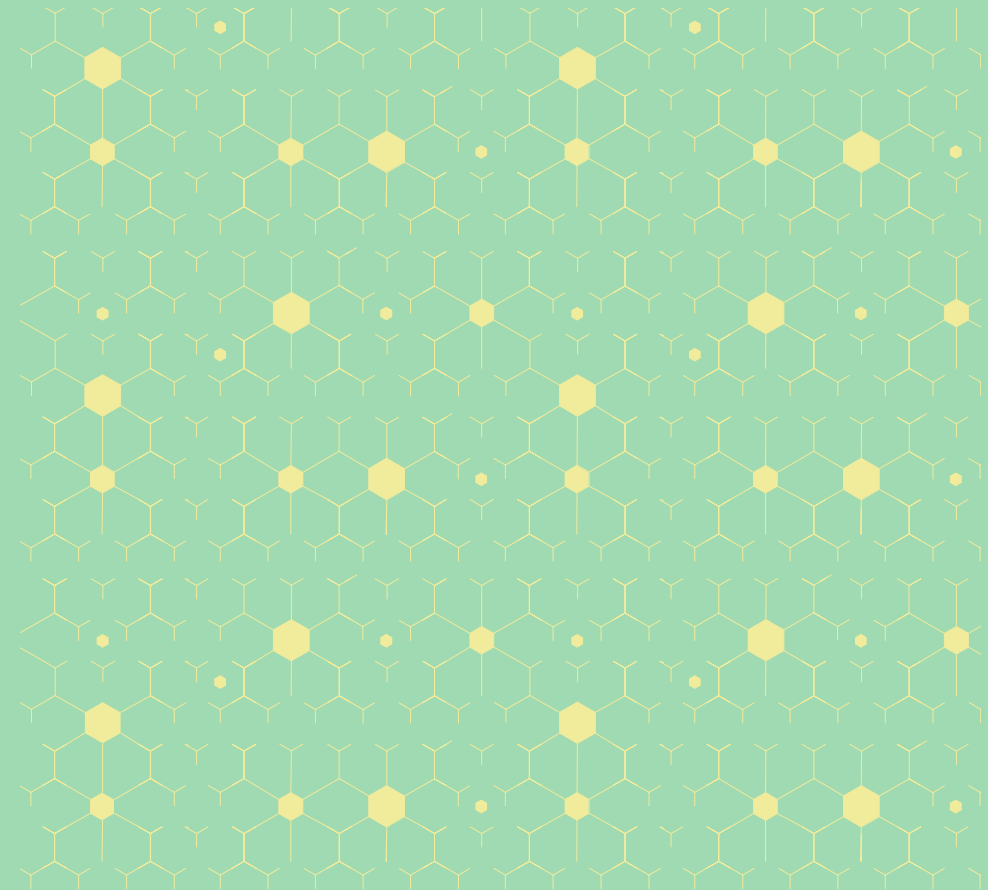
Exchange Rate	USD	EUR	RMB
Previous Forecast	105.00 yen	125.00 yen	15.00 yen
Latest Forecast	105.00 yen	125.00 yen	16.00 yen

- ✓ Expect the severe external environment would continue due to the COVID-19 and some geopolitical risks.
- ✓ Profitability of the Tokyo 2020 Olympic and Paralympic Games seems to be lower than the initial prediction announced in February. However, made an upward revision to the net sales, operating income, ordinary income. Forecast also has a range.



1. CONSOLIDATED RESULTS

- ✓ Overview of FY2021Q1 Financial Results
- ✓ Consolidated Financial Results Highlights
- ✓ Progress in Reducing S.G.& A. Expenses at the Q1
- ✓ Consolidated Net Sales Breakdown by Category



OVERVIEW OF FY2021Q1 FINANCIAL RESULTS

Net sales

Y o Y: +21.2 billion, +24.8% (On a currency neutral basis +18.6 billion, +21.8%)

- ◆ Sales and Operating income increased. Sales for Q1 exceeded 100.0 billion yen for the first time in three years. +7.4% vs plan.
 - ✓ Sales of P.Run which is our leading product increased by +43.5%. Especially driven by North America, Europe, Greater China and Oceania.
 - ✓ Sales in North America, Europe, Greater China and Oceania increased significantly.
 - ✓ E-commerce sales increased by approximately +86% .

Operating income

Y o Y : +15.4 billion, (On a currency neutral basis +14.8 billion)

- ◆ Operating income increased significantly and turned profitable due to increased sales and improvement of sales, gross profit ratio.
 - ✓ Gross profit ratio was 49.9% (+2.8ppt) due to sales measures focused on profitability and an increase in the E-commerce composition ratio.
 - ✓ North America turned profitable for the first time in 12th quarters.
 - ✓ Despite an increase in variable costs due to a significant increase in sales, S.G.& A. expenses were reduced by 2.5 billion (-6.1%) owing to S.G.& A. expenses control.

Net income

Y o Y : +10.6 billion, (On a currency neutral basis +10.2 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 0.5 billion yen.



CONSOLIDATED FINANCIAL RESULTS HIGHLIGHTS

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(Unit: billions of yen)

	2020 Actual (FY20 Q1) Results	2021 Actual (FY21 Q1) Results	vs LY Upper: Y o Y Lower: Y o Y ratio
Net sales	85.3	106.5	+21.2 +24.8%
Gross profit	40.2	53.1	+12.9 +32.3%
Gross profit ratio	47.1%	49.9%	+2.8ppt
S.G.& A. expenses	41.0	38.5	-2.5 -6.1%
S.G.& A. expenses ratio	48.2%	36.2%	-12.0ppt
Personnel expenses	13.5	13.3	-0.2 -0.9%
Advertising expenses	8.0	5.5	-2.5 -31.1%
Advertising expense ratio	9.4%	5.2%	-4.2ppt
Rent expenses	3.1	2.9	-0.2 -7.7%
Depreciation and amortization	3.0	2.9	-0.1 -5.7%
Other expenses	13.4	13.9	+0.5 +3.7%
Operating income	-0.8	14.6	+15.4 -
Operating income ratio	-1.0%	13.7%	+14.7ppt
Ordinary income	-3.1	14.7	+17.8 -
Extraordinary gain/loss	-1.0	-0.5	+0.5
Profit attributable to owners of parent	-0.2	10.4	+10.6 -

	FY20 Q1	FY21 Q1	Y o Y	Y o Y ratio
Overseas sales	59.5	81.5	+22.0	+37.1%
Overseas sales Ratio	69.8%	76.6%	-	+6.8ppt
Foreign exchange impact			+2.6	
Consolidated sales on a currency neutral basis			+18.6	+21.8%

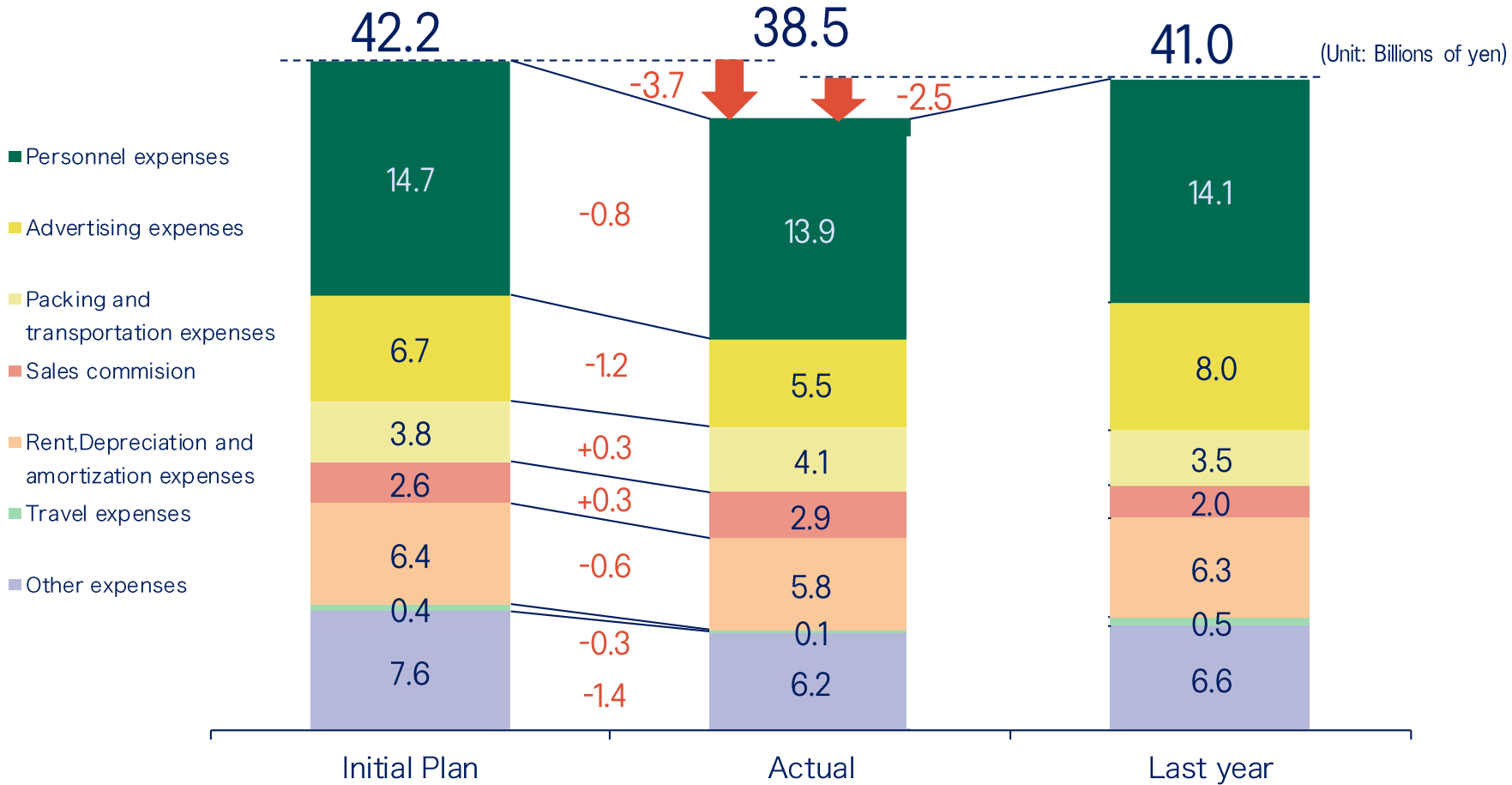
<Reference: Average exchange rate (yen)>

	Q1 (Jan - Mar)	
	FY20	FY21
USD	109.01	106.15
EUR	120.58	128.04
RMB	15.58	16.32



PROGRESS IN REDUCING S.G.& A. EXPENSES AT THE Q1

- ✓ Reduced by 3.7 billion yen from the initial plan mainly due to change of Advertising expenses' occurrence time and reclassification from S.G.&A. expenses to extraordinary loss (0.5 billion yen) related to temporary store closures, although variable costs related to E-commerce, such as sales commissions and packing and transportation expenses increased by 0.6 billion yen.
- ✓ Reduced by 2.5 billion yen from last year mainly due to the optimization of advertising expenses and changes in the timing of marathon events, although the cost related to E-commerce sales increased by 1.5 billion yen.



※ 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.

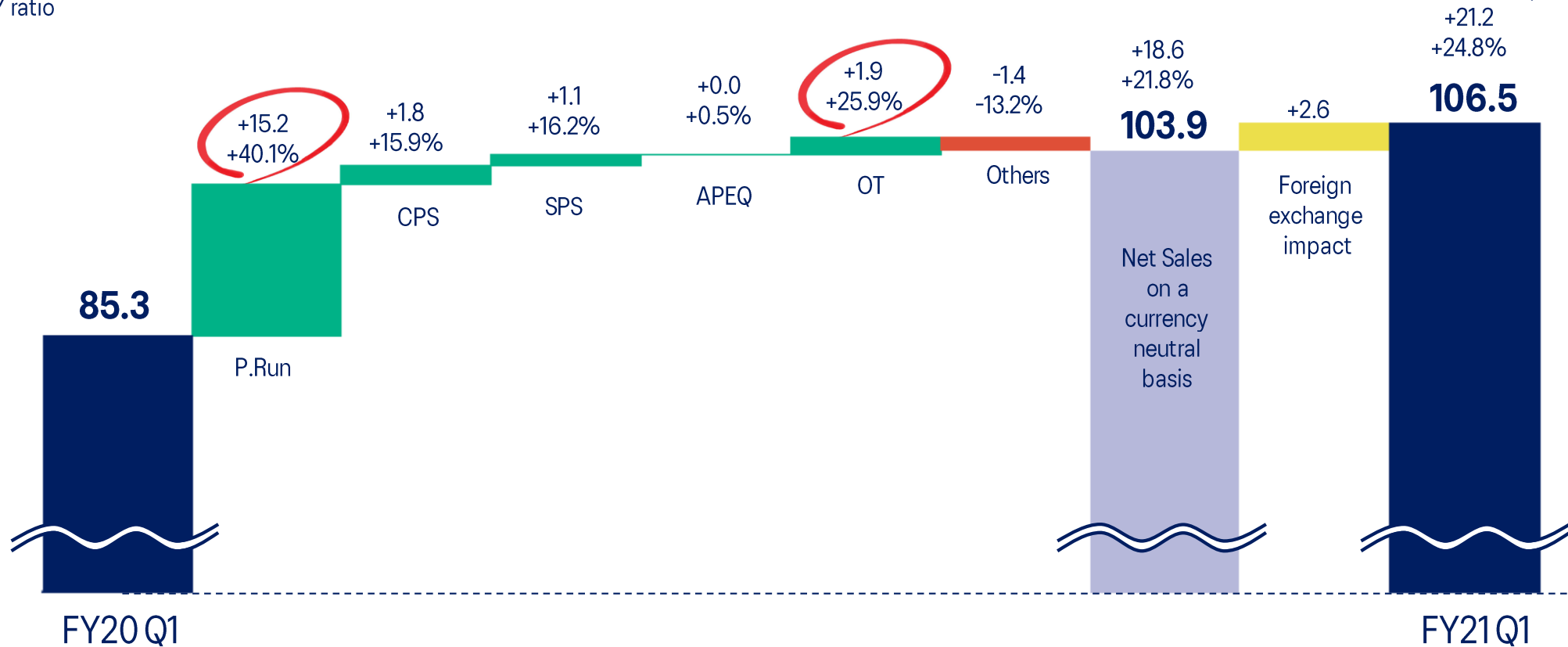


CONSOLIDATED NET SALES BREAKDOWN BY CATEGORY

- ✓ All of the categories increased.
- ✓ P.Run increased by +40.1%. Pre-sales through E-commerce and sales activities linked to virtual racing was successful . Also, BLAST series for young runners increased.
- ✓ OT increased by +25.9%, especially Greater China was more than the double-digit growth.

Upper: Yo Y
Lower: Yo Y ratio

(Unit: Billions of yen)

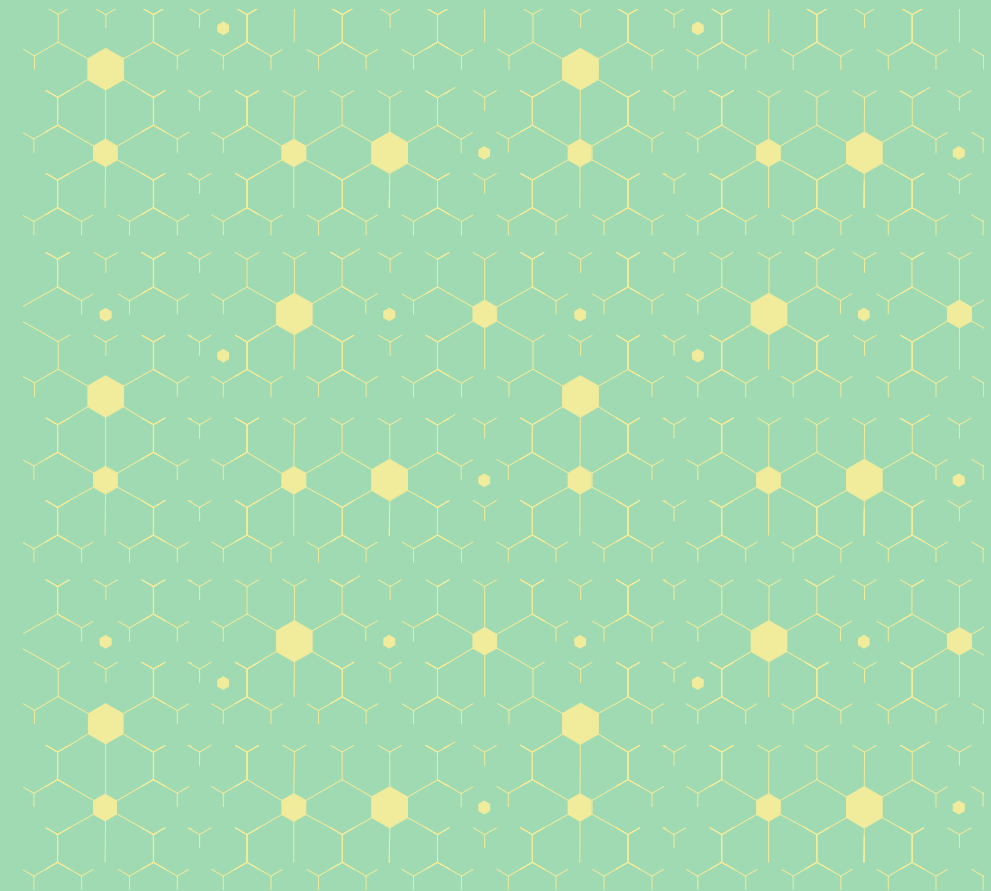


※ Category figures are presented exclusive of temporary events.



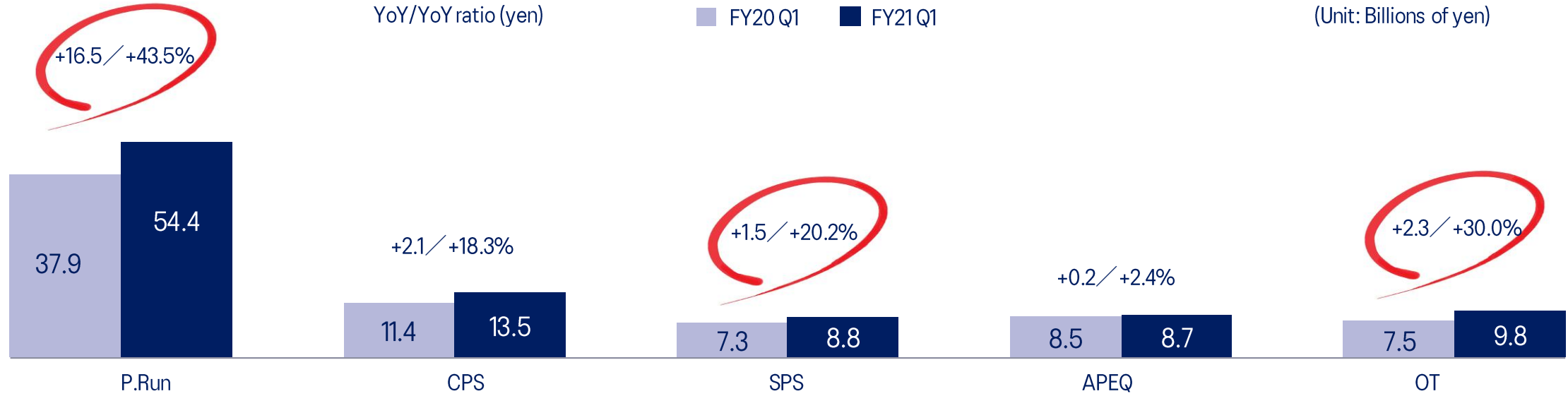
2. CONSOLIDATED BUSINESS RESULTS BY CATEGORY

- ✓ Consolidated Net Sales by Category
- ✓ Concept of Category Profit
- ✓ Financial Results by Category

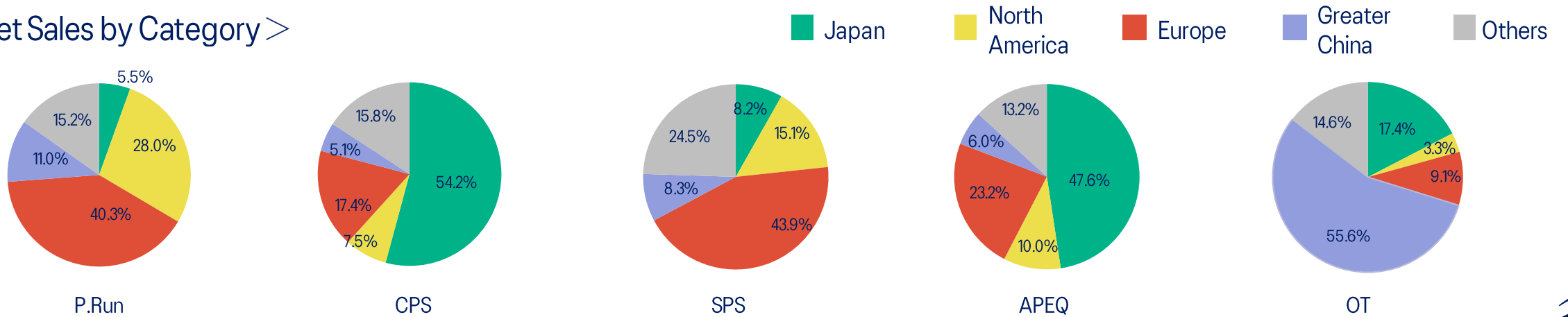


CONSOLIDATED NET SALES BY CATEGORY

< Net Sales >



< Net Sales by Category >



※ Numerical values exclude the impact of temporary events.



ENHANCE THE CATEGORY BASED MANAGEMENT

*CONSOLIDATED FINANCIAL SUMMARY FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

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

*CONSOLIDATED FINANCIAL SUMMARY FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

- ✓ 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	xxx	xxx	xxx	xxx	xxx	xxx	xxx
GP	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Marketing	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Planning and development (Products)	xxx	xxx	xxx	xxx	xxx	xxx	xxx
Front office (other than direct to category)	Appropriate allocation of wholesale, retail, and E-commerce channels expenses.						xxx
Category profit	xxx	xxx	xxx	xxx	xxx		
Corporate expense (Non related to category)							xxx
Consolidated Operating income							xxx



CATEGORY PROFIT CHART

(Unit: Billions of yen)

	P.Run	CPS	SPS	APEQ	OT	Others	TTL
Net sales	54.4 (+16.5)	13.5 (+2.1)	8.8 (+1.5)	8.7 (+0.2)	9.8 (+2.3)	11.3 (-1.4)	106.5 (+21.2)
Category profit	14.3 (+9.5)	3.0 (+1.6)	1.6 (+1.2)	0.5 (+1.1)	2.0 (+1.1)		
Corporate expense (Non related to category)							7.2 (-0.7)
Consolidated Operating income							14.6 (+15.4)

Figures in parentheses are year-on-year changes.

- ✓ Net sales in all categories increased, mainly with P.Run, CPS and OT.
- ✓ All of the category profit increased, mainly with P.Run.
- ✓ Corporate expense was 7.2 billion yen, consist of mainly personnel expenses, rent, depreciation and amortization, commission fee.



PERFORMANCE RUNNING (P.RUN)



METASPEED Sky

<Q1 results>

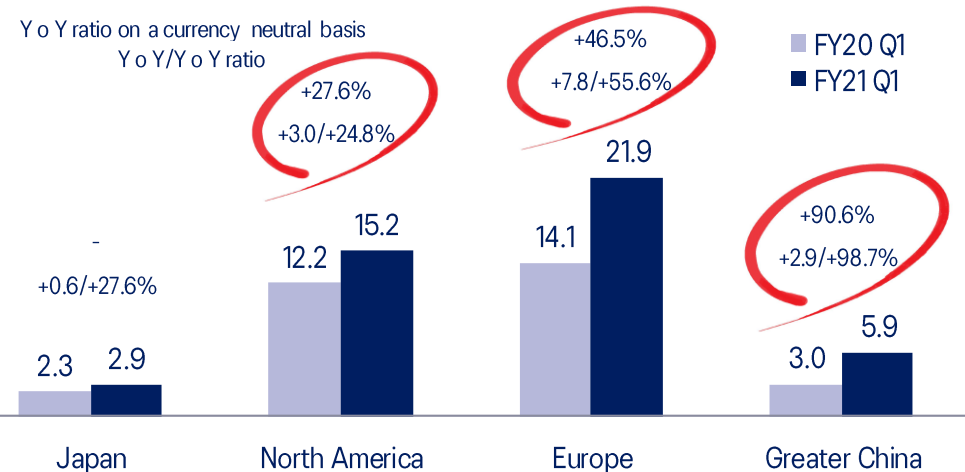
	FY20 Q1	FY21 Q1	vs LY	
			Y o Y	Y o Y ratio
Net sales	37.9	54.4	+16.5	+43.5%
On a currency neutral basis		53.1	+15.2	+40.1%
Category profit	4.8	14.3	+9.5	+197.1%
Category profit ratio	12.7%	26.4%	-	+13.7ppt

※ Numerical values exclude the impact of temporary events.

<Net Sales by key region>

(Unit: Billions of yen)

Y o Y ratio on a currency neutral basis
Y o Y/Y o Y ratio



Net sales

- ◆ Sales increased in all of the regions. Double-digit growth in Japan, North America, Europe, Greater China, Oceania, etc.
- ◆ Conducted pre-sales of METASPEED Sky announced at “ASICS Innovation Summit 2021” through E-commerce, sales activation linked to virtual racing and expansion of product introduction pages on the own E-commerce site.
- ◆ Strong sales of leading products GEL-KAYANO and GEL-NIMBUS. BLAST series for young runners also increased.

Category profit

- ◆ Category profit significantly increased by +9.5 billion yen due to increase in sales and S.G.& A. expenses control.
- ◆ Gross profit ratio risen to 48.5% (+3.8ppt) due to the increase in composition ratio of products with high gross profit and in the sales growth of E-commerce.

Action plan

- ◆ Launch the racing model “METASPEED series” for top athletes.
- ◆ Continue to focus on running specialty stores globally. Start Tech-rep activities in Japan, hold the workshops for key accounts and shoe experience sessions and strengthen the events related to marathon races.
- ◆ Promote the creation of the circular economy by launching GEL-NIMBUS 23 etc. as eco-friendly “Earth Day Pack”.



CORE PERFORMANCE SPORTS (CPS)



Tennis shoes
SOLUTION SPEED FF 2

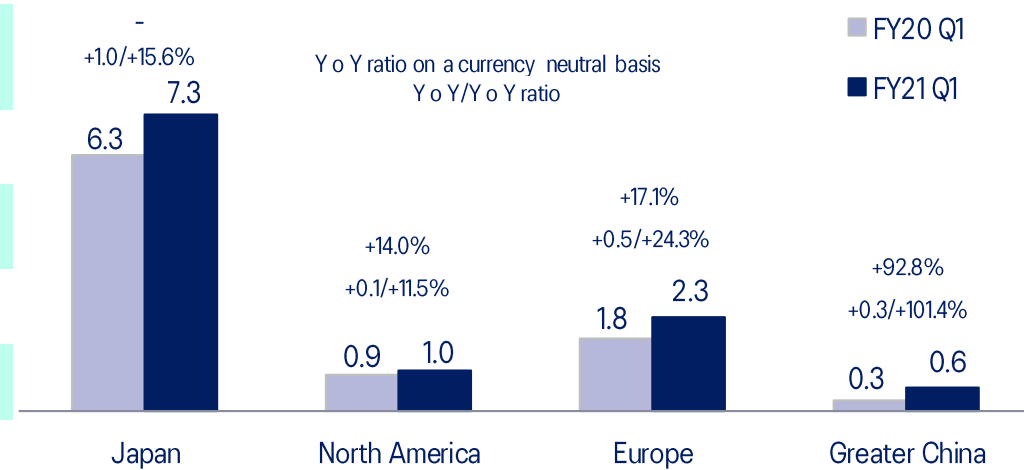
<Q1 results>

	FY20 Q1	FY21 Q1	vs LY	
			Y o Y	Y o Y ratio
Net sales	11.4	13.5	+2.1	+18.3%
On a currency neutral basis		13.2	+1.8	+15.9%
Category profit	1.4	3.0	+1.6	+114.3%
Category profit ratio	12.4%	22.5%	-	+10.1ppt

※ Numerical values exclude the impact of temporary events.

<Net Sales by key region>

(Unit: Billions of yen)



Net sales

- ◆ Double-digit growth mainly in Japan, North America, Europe and Greater China.
- ◆ In Japan, Sales of working shoes and other various sports shoes performed well.
- ◆ Sales in tennis category increased mainly due to the strong sales momentum of Resolution, Solution Speed and Court FF series with double-digit growth in Japan, North America, Europe and Greater China.

Category profit

- ◆ Category profit increased by +1.6 billion yen due to increase in sales in main regions by improvement of gross profit ratio and optimization of advertising expenses.

Action plan

- ◆ In tennis category, strengthen marketing on a global basis to take full advantage of the extended partnership agreement with Novak Djokovic in addition to grassroots activities specializing in each region.
- ◆ Conduct marketing activities in working category collaboration with various motorsports teams.
- ◆ Launch new eco-friendly products in tennis and soccer categories as a sustainability activities.



SPORTS STYLE (SPS)



GEL-KAYANO™ 27 DE
Collaborative shoes with Vivienne Westwood

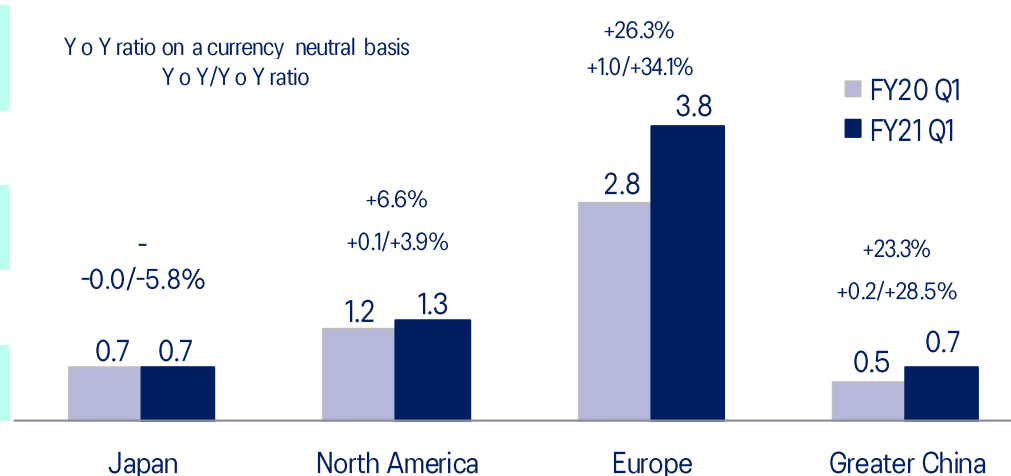
<Q1 results>

	FY20 Q1	FY21 Q1	vs LY	
			Y o Y	Y o Y ratio
Net sales	7.3	8.8	+1.5	+20.2%
On a currency neutral basis		8.4	+1.1	+16.2%
Category profit	0.4	1.6	+1.2	+266.7%
Category profit ratio	6.3%	19.2%	-	+12.9ppt

※ Numerical values exclude the impact of temporary events.

<Net Sales by key region>

(Unit: Billions of yen)



Net sales

- ◆ Sales increased due to E-commerce growth in Europe, Greater China, and Oceania.
- ◆ Expanding brand awareness accelerated sales growth more than 90% in Oceania with high market share.

Category profit

- ◆ Category profit was 47.7% (+3.0ppt) due to improvement of gross profit ratio in Europe and Greater China.

Action plan

- ◆ Strengthen collaboration with selected key accounts in Europe and Oceania.
- ◆ Attract younger generation including the Gen-Z by actively investing in digital marketing using SNS.



APPAREL AND EQUIPMENT (APEQ)



JAPONISM

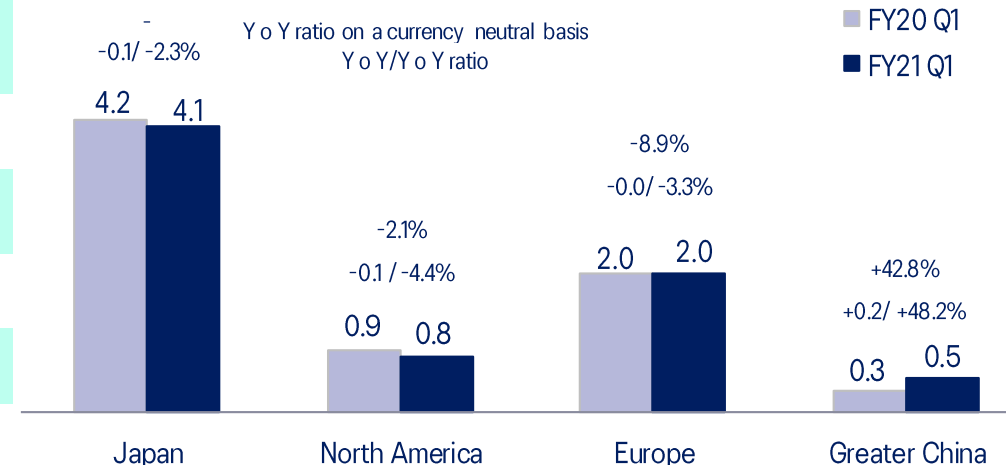
<Q1 results>

	FY20 Q1	FY21 Q1	vs LY	
			Y o Y	Y o Y ratio
Net sales	8.5	8.7	+0.2	+2.4%
On a currency neutral basis		8.5	+0.0	+0.5%
Category profit	-0.6	0.5	+1.1	-
Category profit ratio	-8.1%	6.7%	-	+14.8ppt

※ Numerical values exclude the impact of temporary events.

<Net Sales by key region>

(Unit: Billions of yen)



Net sales

- ◆ Sales increased due to the initiative success led by china headquarters and the synergistic effect realized from high brand awareness of footwear in Oceania.

Category profit

- ◆ Category profit turned profitable from deficit in FY20 Q1.
- ◆ Significant improvement in gross profit ratio.

Action plan

- ◆ Pre-sales in Japan for ACTIBREEZE, an advanced performance apparel technology designed to keep comfortable.
- ◆ Introduce related products for the Tokyo 2020 Olympic and Paralympic Games (JAPONISM, etc.).
- ◆ Expand eco-friendly conscious Earth Day Pack globally and sell eco-bags at own retail stores made from 100% recycled materials.



ONITSUKA TIGER (OT)

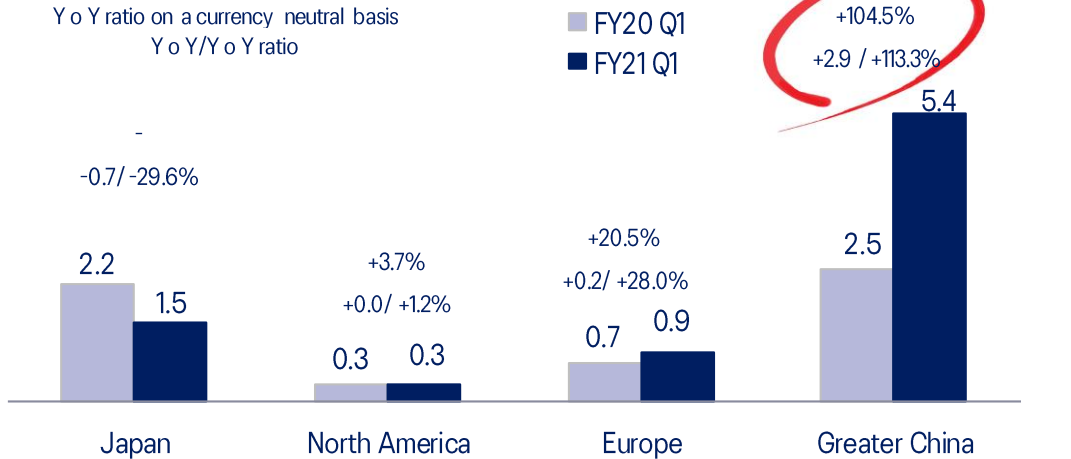


ACROMOUNT MT

<Q1 results>

	FY20 Q1	FY21 Q1	vs LY	
			Y o Y	Y o Y ratio
Net sales	7.5	9.8	+2.3	+30.0%
On a currency neutral basis		9.4	+1.9	+25.9%
Category profit	0.9	2.0	+1.1	+109.7%
Category profit ratio	12.7%	20.4%	-	+7.7ppt

<Net Sales by key region>



Net sales

- ◆ Sales increased because of the strong sales in Greater China.
- ◆ Made up the decrease in sales at own retail store in Japan by DTC in the Asian region including Greater China.

Category profit

- ◆ Gross profit ratio was 61.6% (+1.8ppt) due to expansion of high-value added products.
- ◆ Category profit increased more than double, although Advertising expenses increased intentionally for E-commerce sales growth and Depreciation expense increased due to aggressive investment in own retail store.

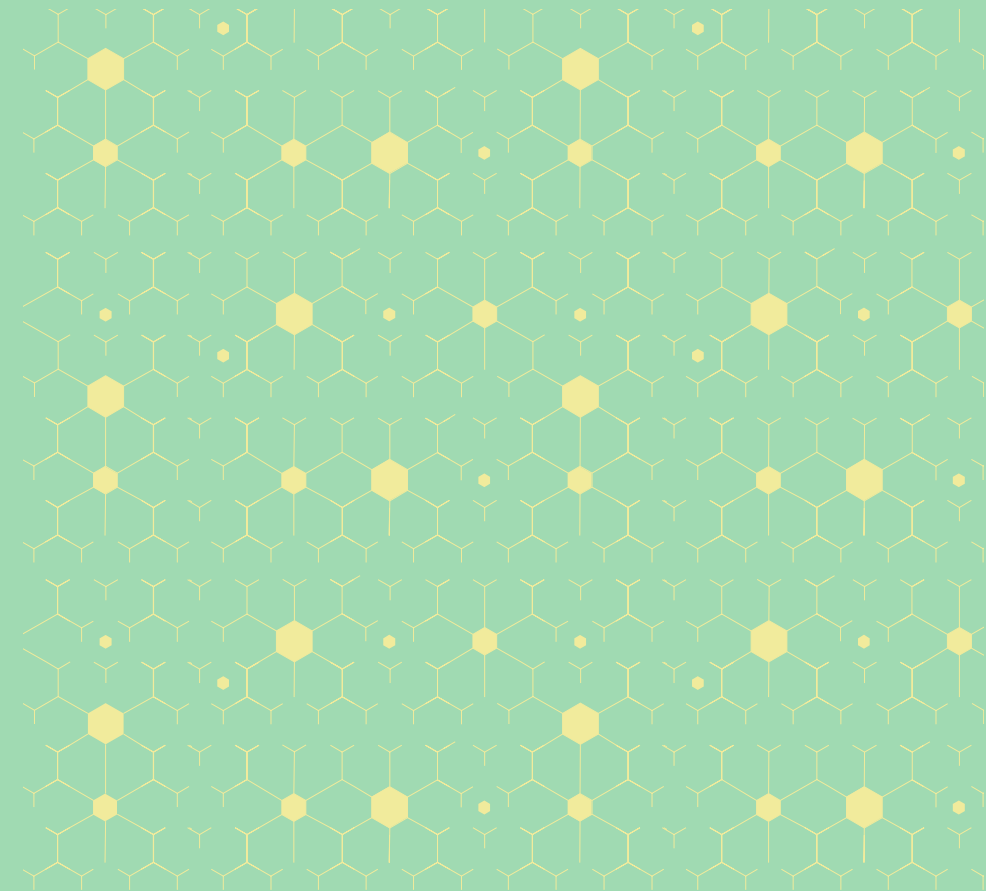
Action plan

- ◆ Aim to establish a premium brand, open a global flagship store at the highest location of Regent Street, central London, in May.
- ◆ Continue to capture former Japanese inbound demand by opening stores in China, Thailand, and Malaysia.
- ◆ Further product control by headquarters realizes inventory transfer among stores and sales companies as necessary.



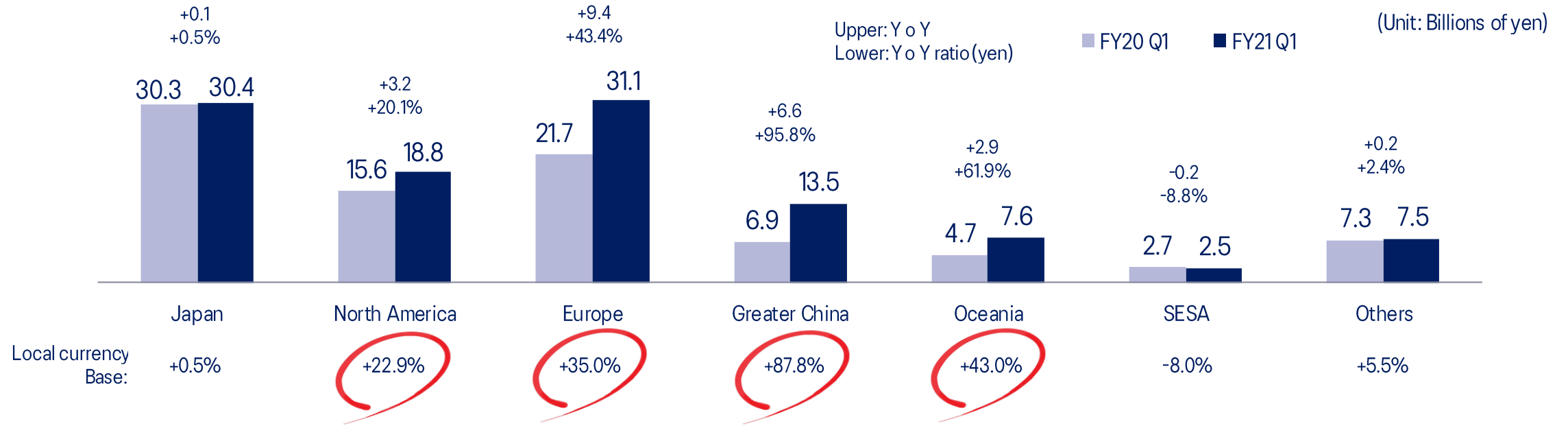
3. CONSOLIDATED BUSINESS RESULTS BY REGION

- ✓ 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

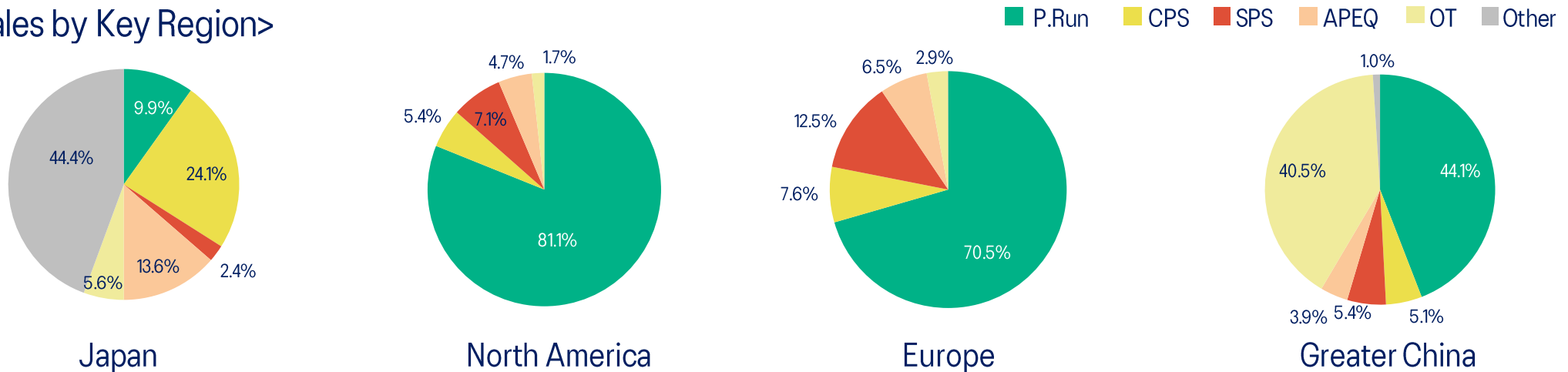


CONSOLIDATED NET SALES BY REGION

<Net sales>



<Net Sales by Key Region>

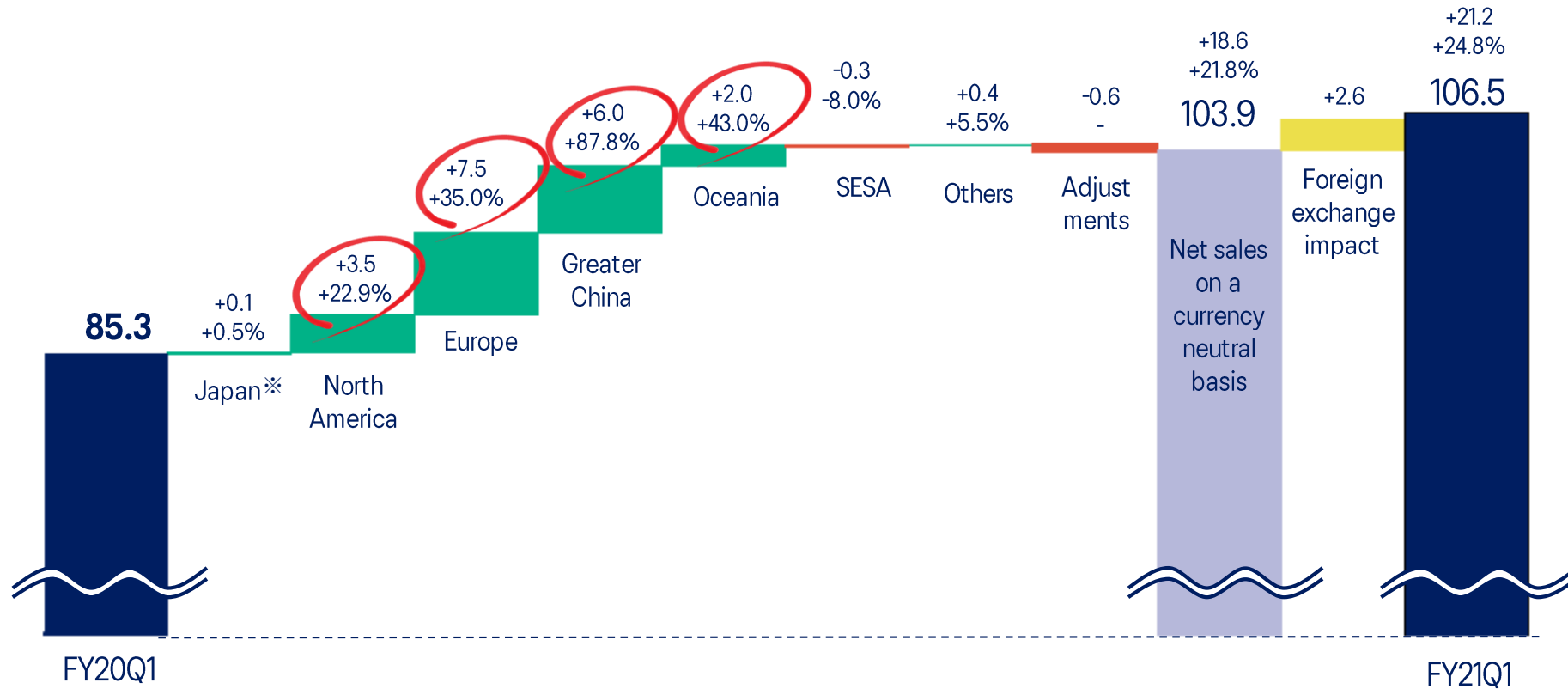


CONSOLIDATED NET SALES BREAKDOWN BY REGION

- ✓ Sales increased significantly in almost all key regions.
- ✓ Sales of Europe, Greater China and Oceania increased compared to FY2019.

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).

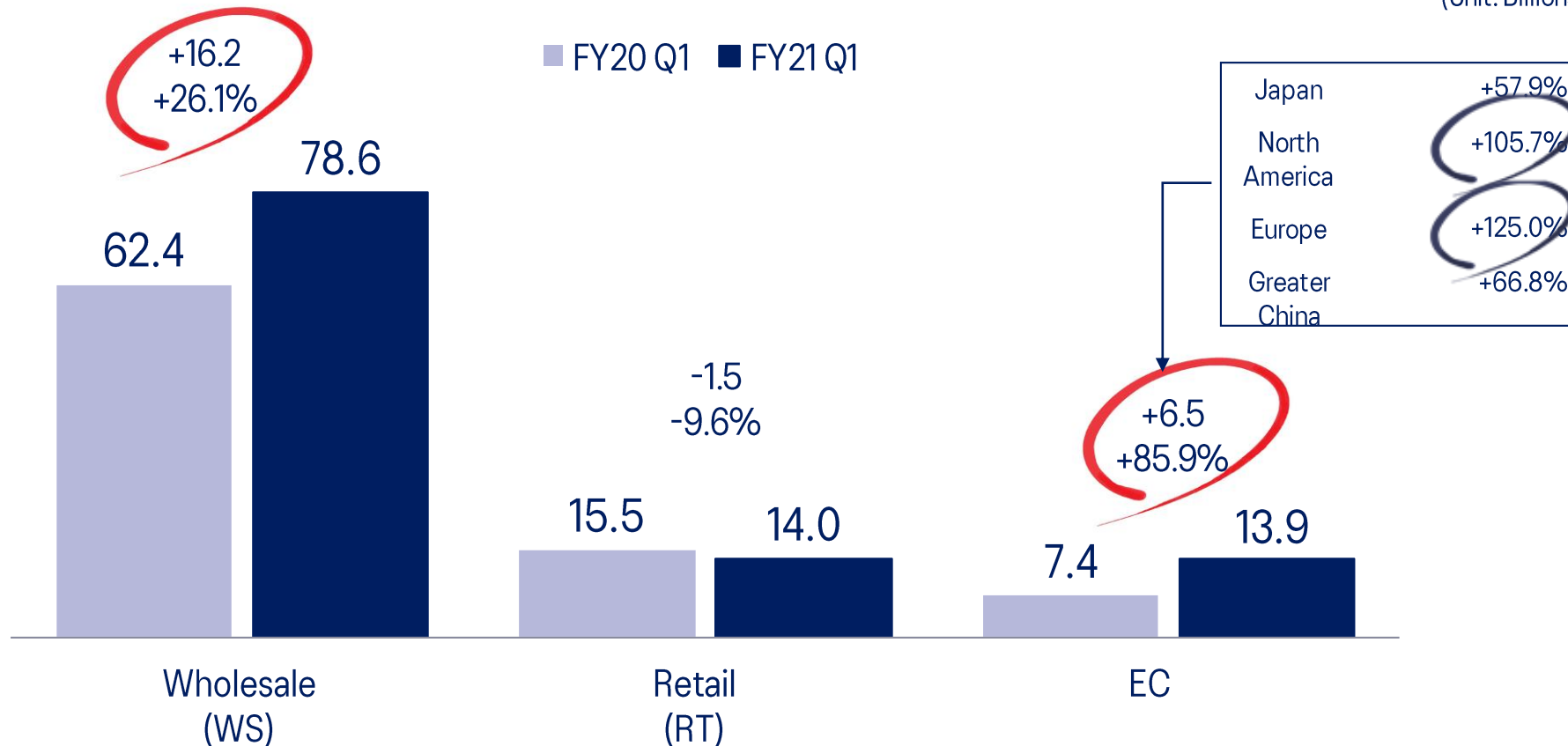


SALES BY CHANNEL

- ✓ Wholesale sales in North America, Europe, Greater China and Oceania increased by double digits. Especially, sales in Greater China increased approximately double.
- ✓ E-commerce sales increased in all regions, due to expansion of digital investment. Especially, North America and Europe maintained a very high growth ratio.

Upper: Yo Y
Lower: Yo Y ratio

(Unit: Billions of yen)

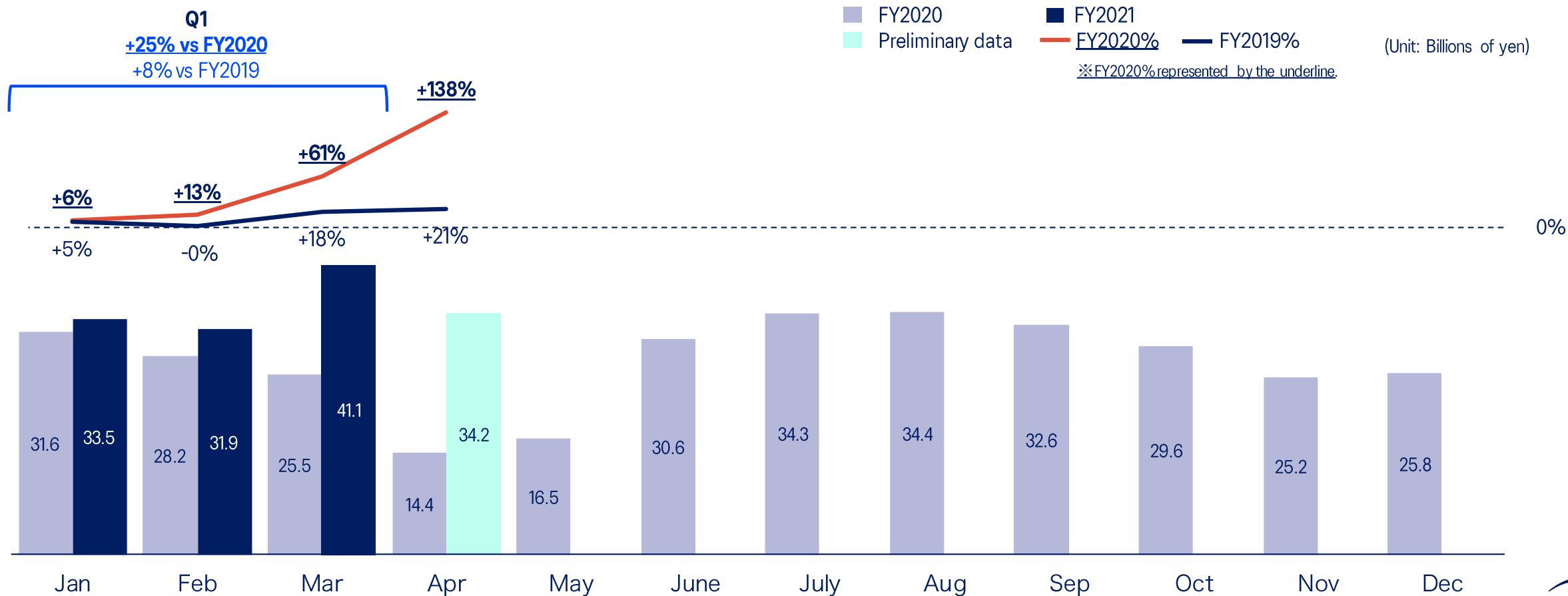


※ Own E-commerce sites and marketplaces are included in EC, and wholesale E-retailers are included in wholesale.



NET SALES BY MONTHLY AND QUARTERLY *REPEATED

- ✓ Sales in Q1 increased by +25% from FY2020 and by +8% from FY2019.
- ✓ Sales in April increased more than double and beat the FY2020 for four months in a row. Four key regions increased more than 20% from FY2019.

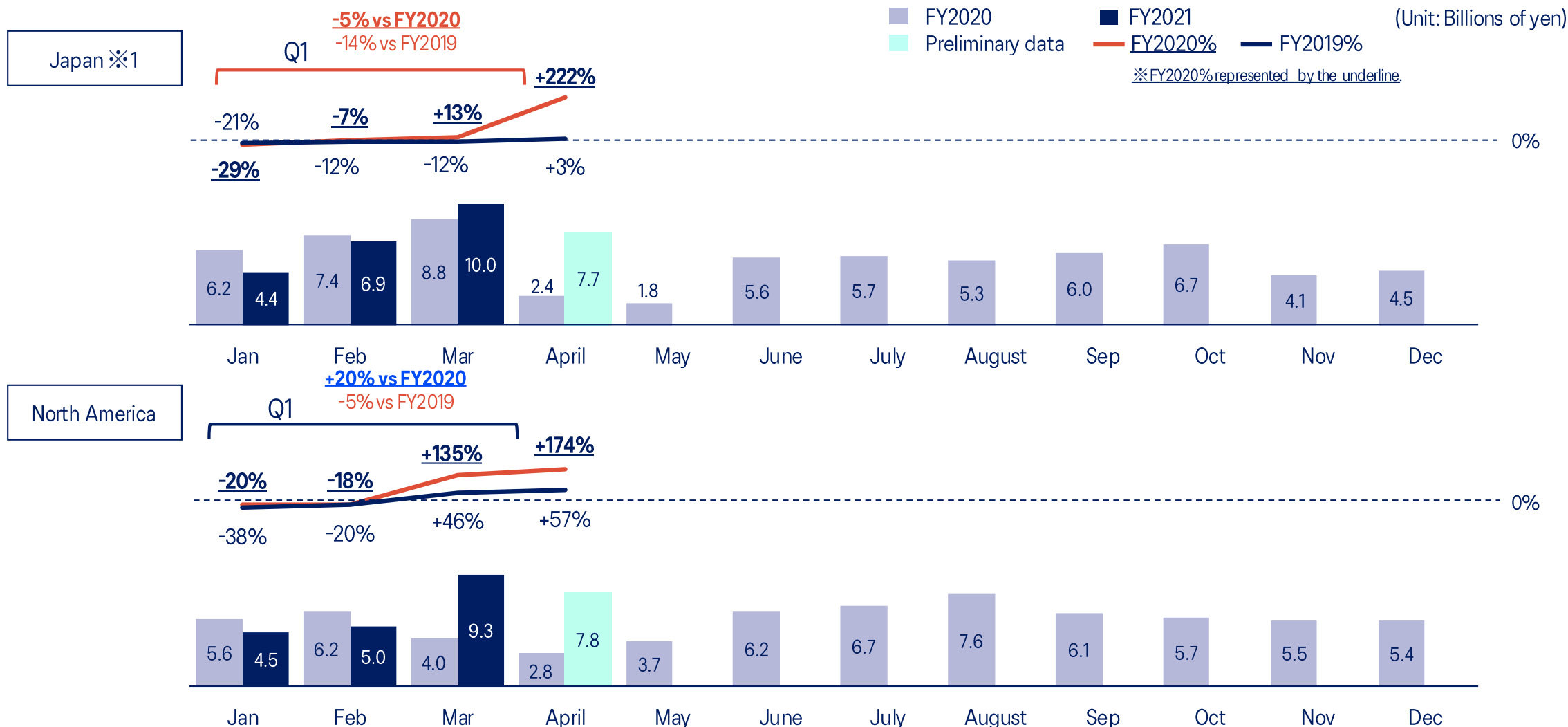


※ Sales in April 2021 were based on preliminary data. Therefore there would be different from final data.



NET SALES BY MONTHLY IN THE FOUR KEY REGIONS

- ✓ Japan: Sales turned positive in March from FY2020, more than triple in April from FY2020 and increased by +3% from FY2019.
- ✓ North America: Situation improved in March despite the port delay, increased more than double in April from FY2020 and +57% from FY2019.



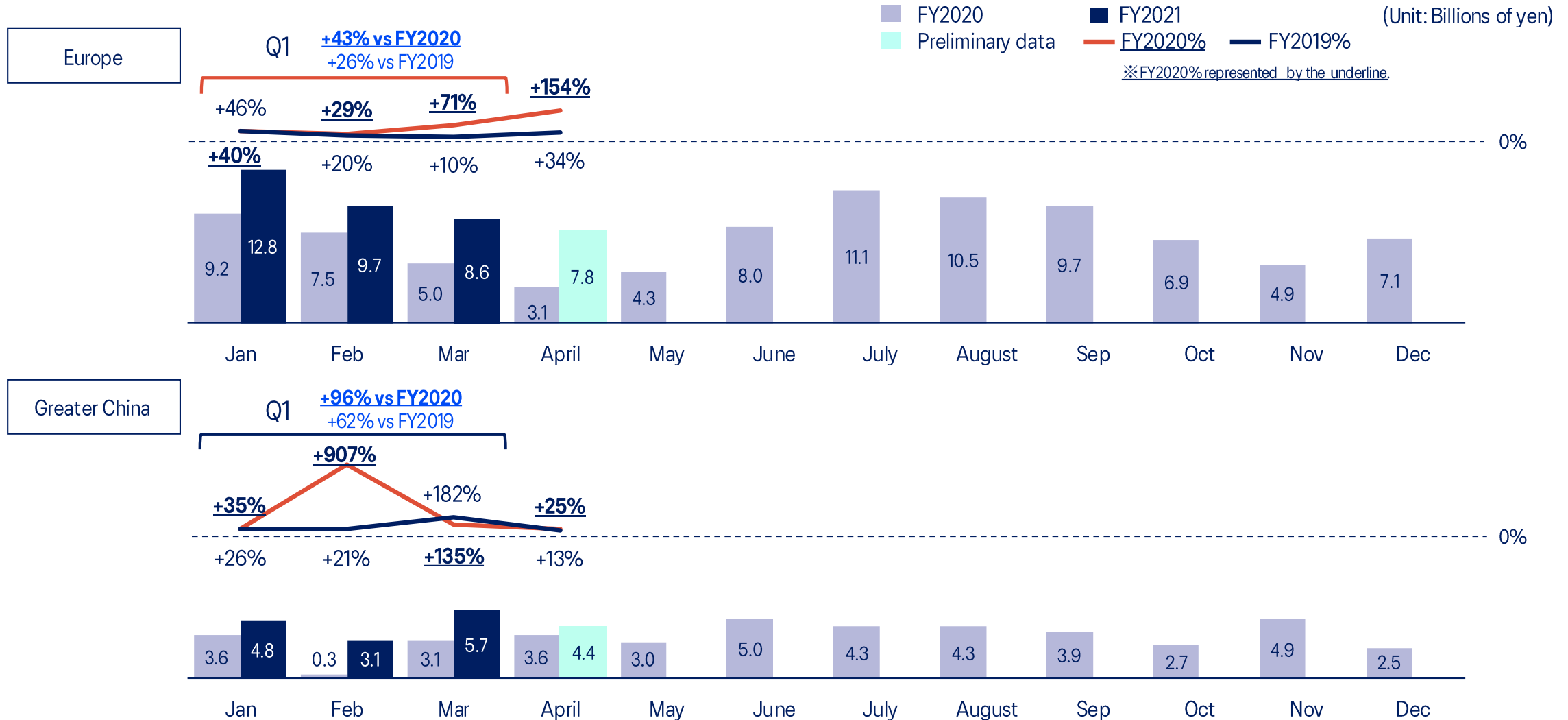
※1 Sales in Japan excluding ASICS Trading.

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



NET SALES BY MONTHLY IN THE FOUR KEY REGIONS

- ✓ Europe: Strong sales from the beginning of the year, increased more than double-digit growth from both FY2020 and FY2019 . Sales in April increased by +34% from FY2019.
- ✓ Greater China: Sales increased more than double-digit growth from both FY2020 and FY2019 due to growing domestic demand in February. Sales in April increased by +13 % from FY2019 .



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

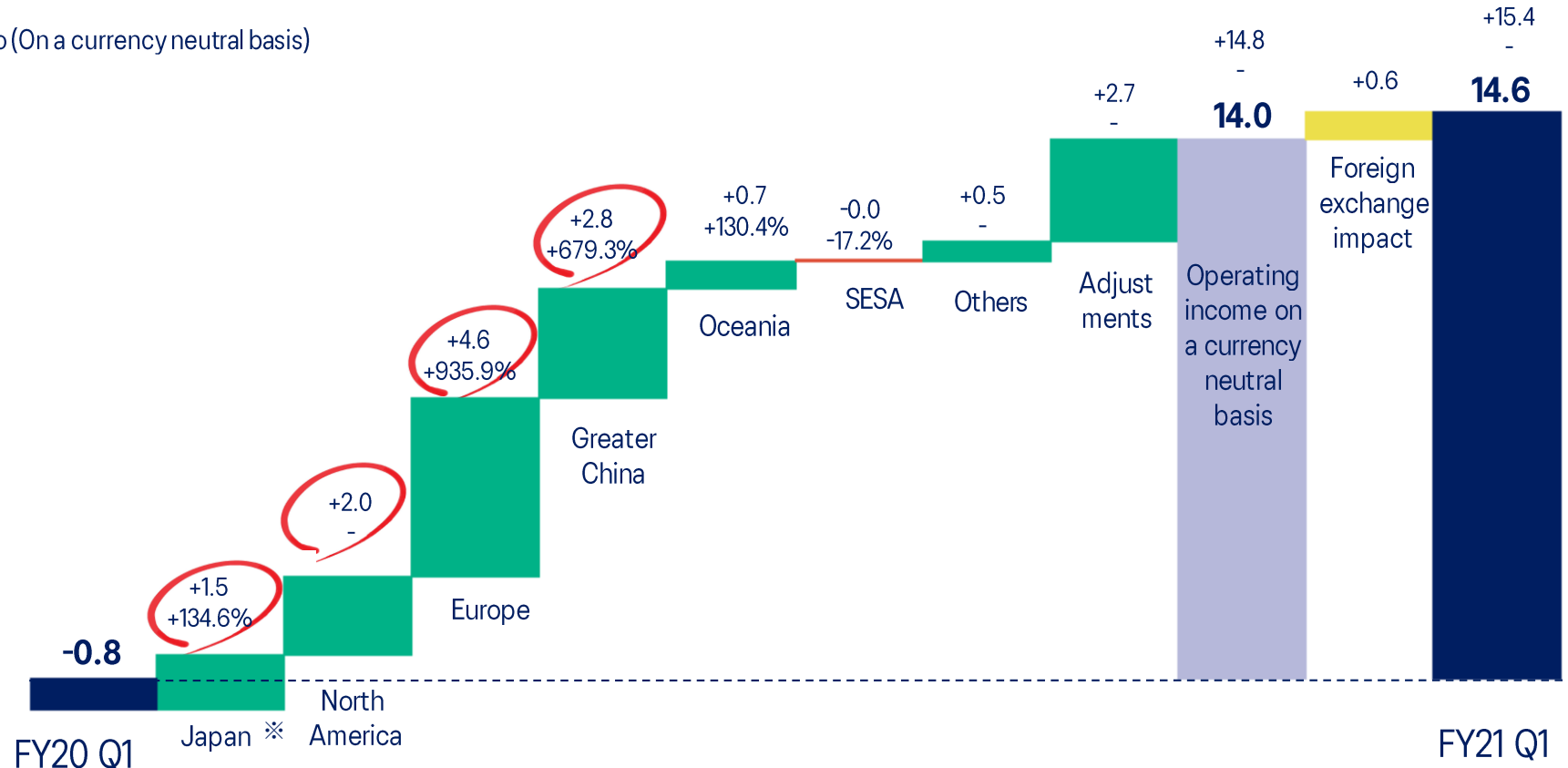


CONSOLIDATED OPERATING INCOME BREAKDOWN BY REGION

- ✓ Operating income increased in Japan due to controlling S.G.& A. expenses through rationalization of advertising expenses, etc.
- ✓ North America turned profitable for the first time in 12th quarters.
- ✓ Operating income increased significantly in Europe and Greater China due to increased sales and improvement of gross profit ratio.

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

(Unit: Billions of yen)

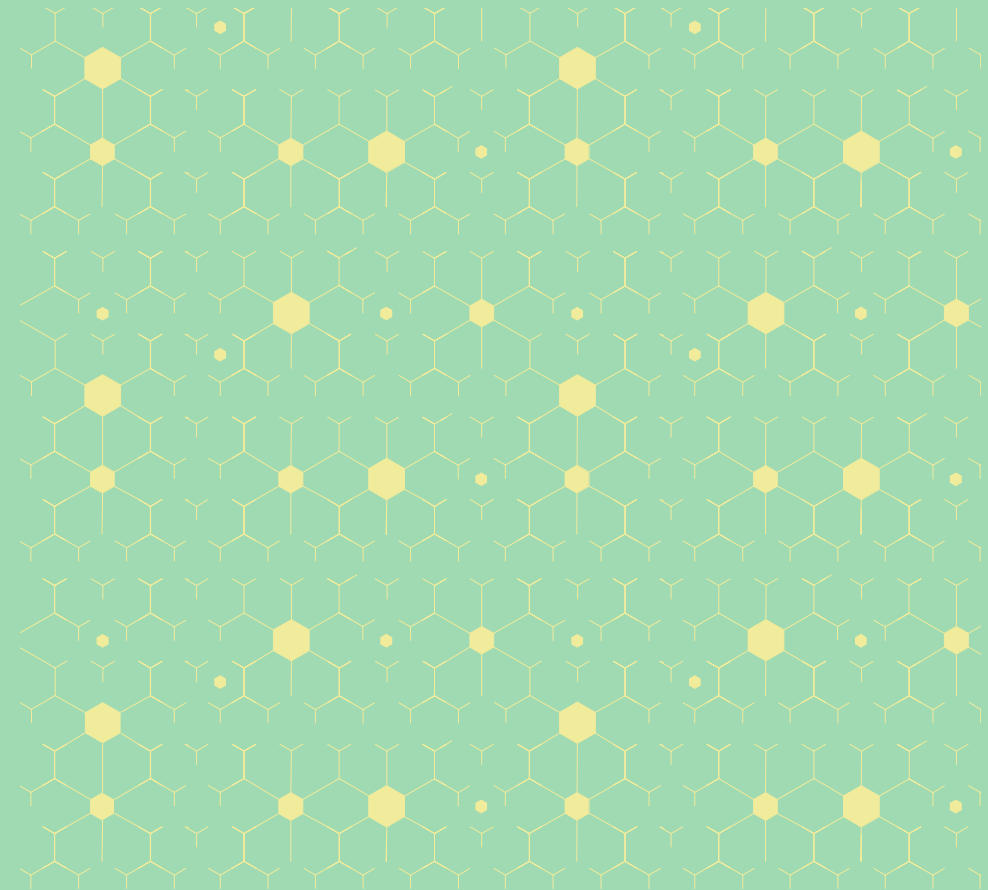


※ Including sales from Japan to overseas (mainly overseas subsidiaries).



4. CONSOLIDATED FINANCIAL POSITION

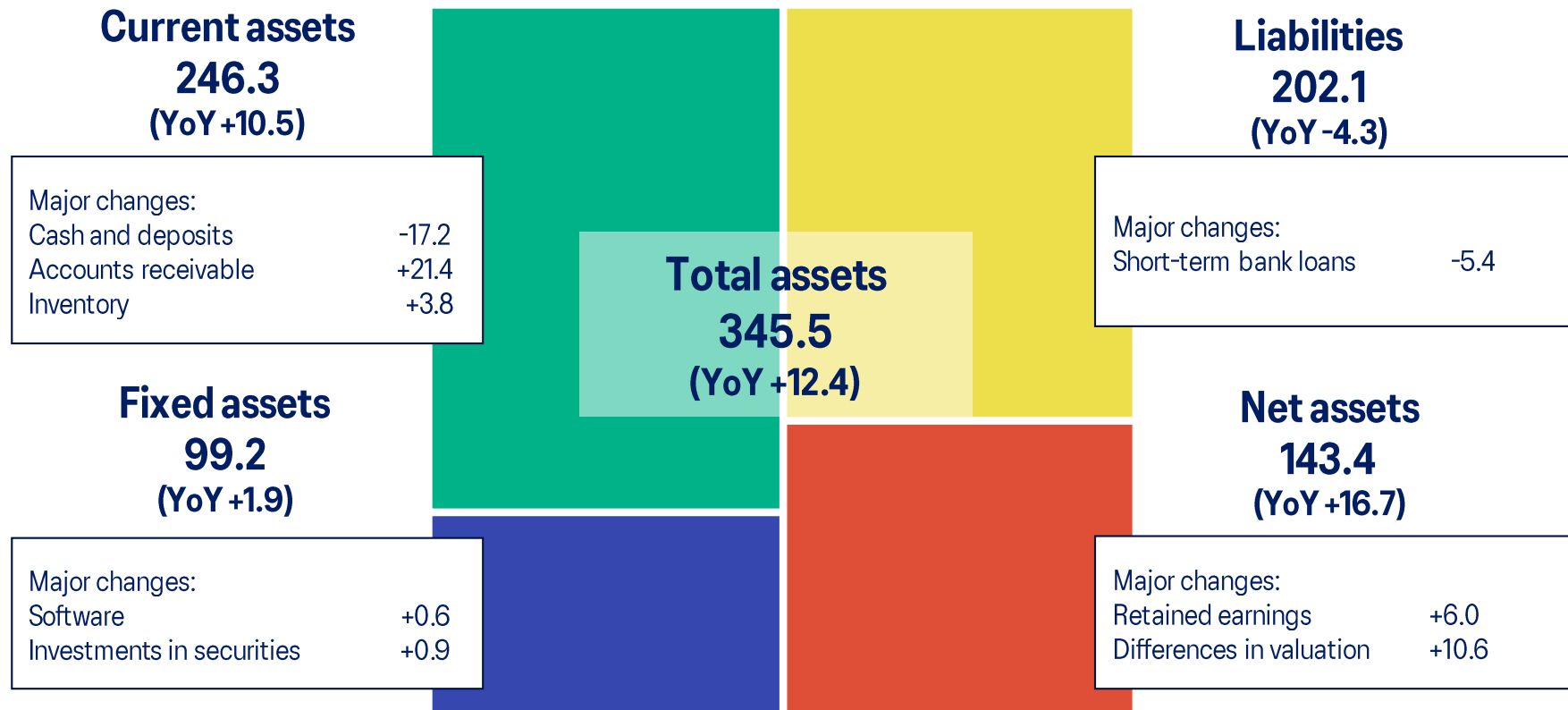
- ✓ Consolidated Balance Sheets
- ✓ ROA Tree of FY2021Q1



CONSOLIDATED BALANCE SHEET

- ✓ Cash and deposits decreased due to an increase in working capital accompanying with an increase in sales.
- ✓ Inventory increased, but DIO was shortened. (158 days at the end of the quarter versus 183 days at the end of last year)
- ✓ Net assets increased due to the rise in net income. The shareholders' equity ratio recovered to the 40% level.

(Unit: Billions of yen)



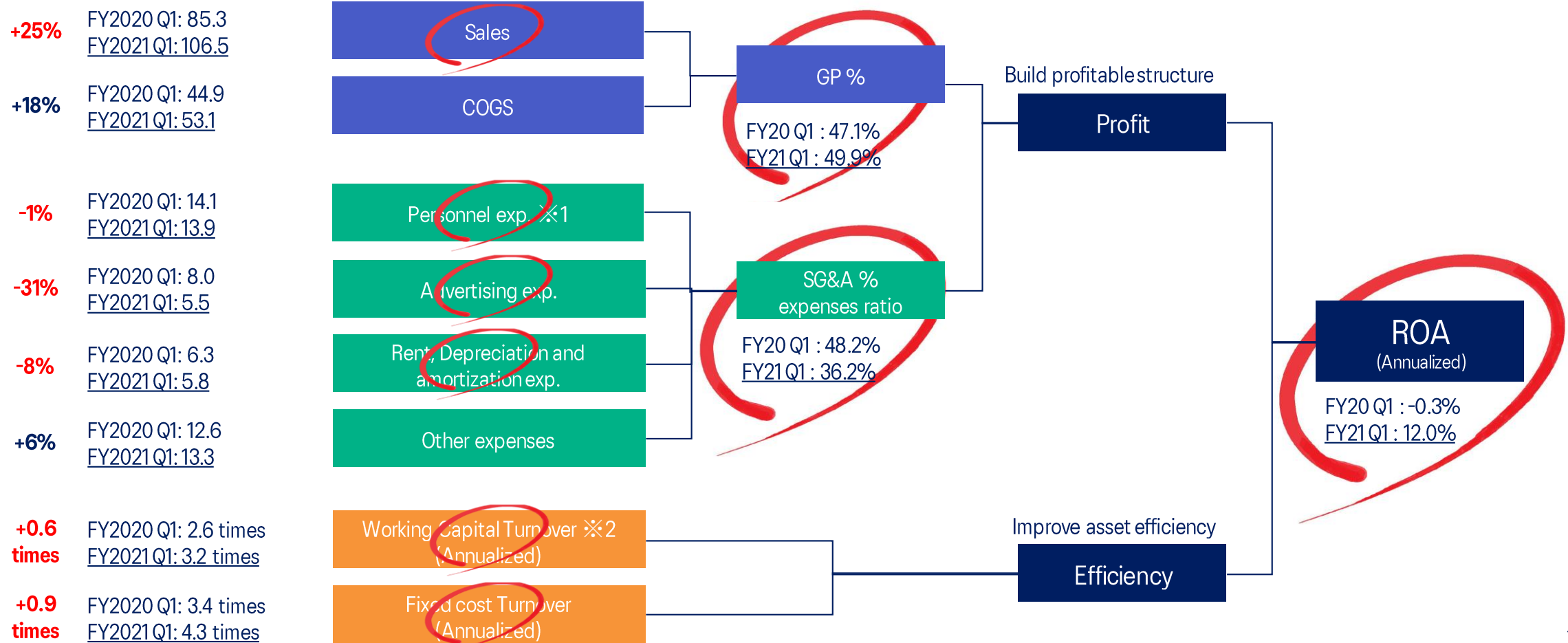
Shareholders' Equity ratio : 41.3%
(Last year : 37.9%)



BREAKDOWN OF ROA TREE FOR FY2021Q1

✓ As a result of the focus on profitability through the sales measures, improved gross margin ratio, S.G.& A. expenses ratio and asset turnover.

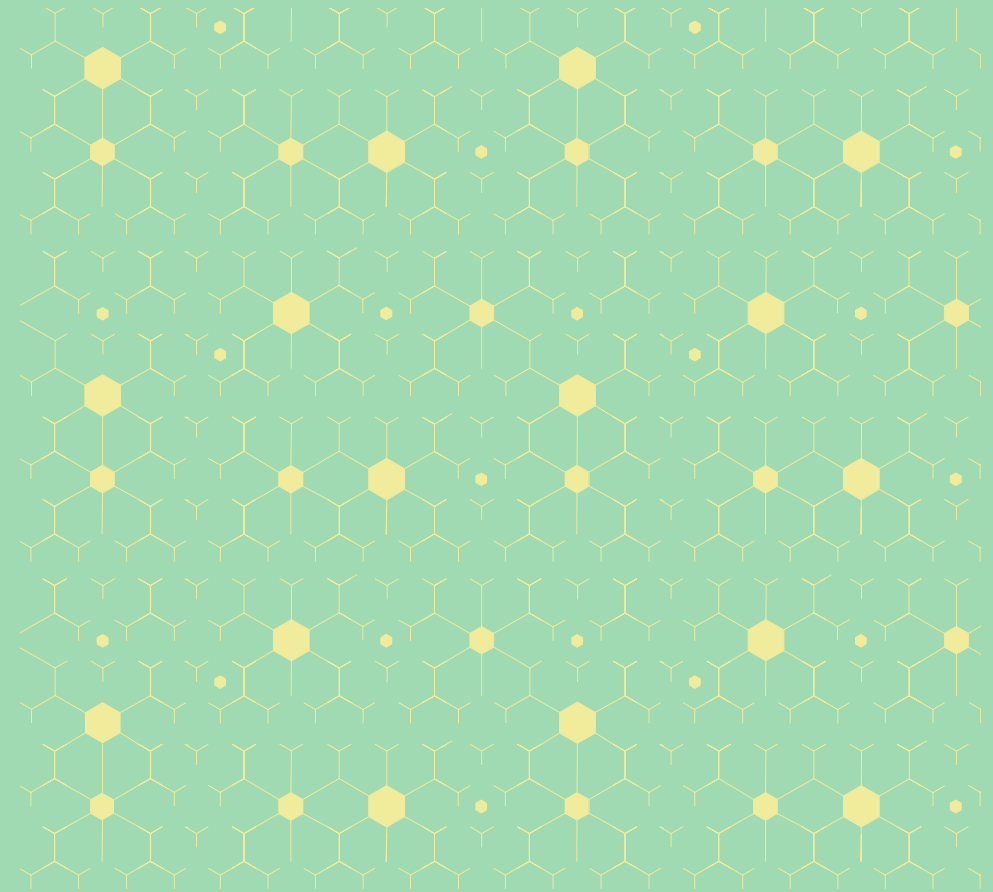
<Year-on-year change> (Unit: Billions of yen)



※1 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.

※2 Working capital turnover is shown instead of current assets turnover because working capital turnover is set as an internal target.

5. CONSOLIDATED FORECAST



FY2021 FORECAST *REPEATED

(Unit: Billions of yen)	Previous Forecast	Latest Forecast	Ratio of change	FY20 Actual	Y o Y ratio
Net sales	370.0~385.0	385.0~395.0	+2.6%~+4.1%	328.7	+17.1%~+20.1%
Operating income	7.0~10.0	11.5~13.5	+35.0%~+64.3%	-3.9	-
Operating income ratio	1.9%~2.6%	3.0%~3.4%	+0.8%~+1.1%	-1.2%	+4.2ppt~+4.6ppt
Ordinary income	4.0~7.0	10.0~12.0	+71.4%~+150.0%	-6.9	-
Profit attributable to owners of parent					
Net income	2.0~3.5	2.0~3.5	-	-16.1	-

Dividends	Interim	End of year	Full year
Previous Forecast	12.0 yen	12.0 yen	24.0 yen
Latest Forecast	12.0 yen	12.0 yen	24.0 yen

Exchange Rate	USD	EUR	RMB
Previous Forecast	105.00 yen	125.00 yen	15.00 yen
Latest Forecast	105.00 yen	125.00 yen	16.00 yen

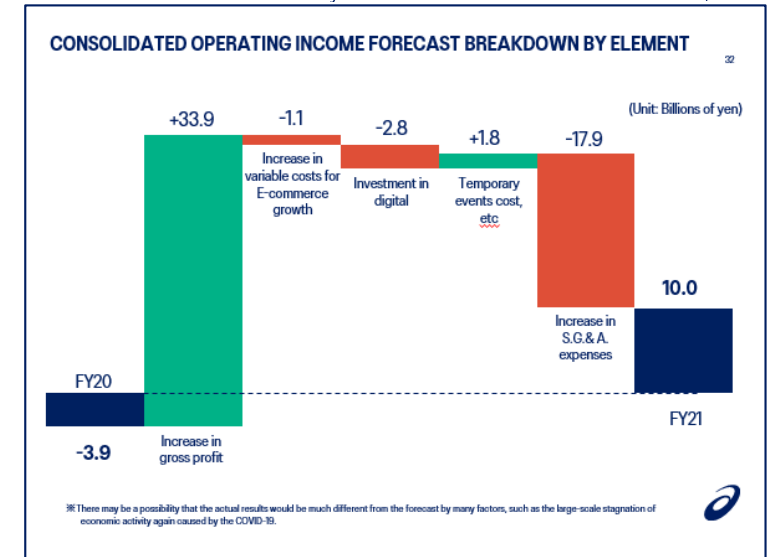
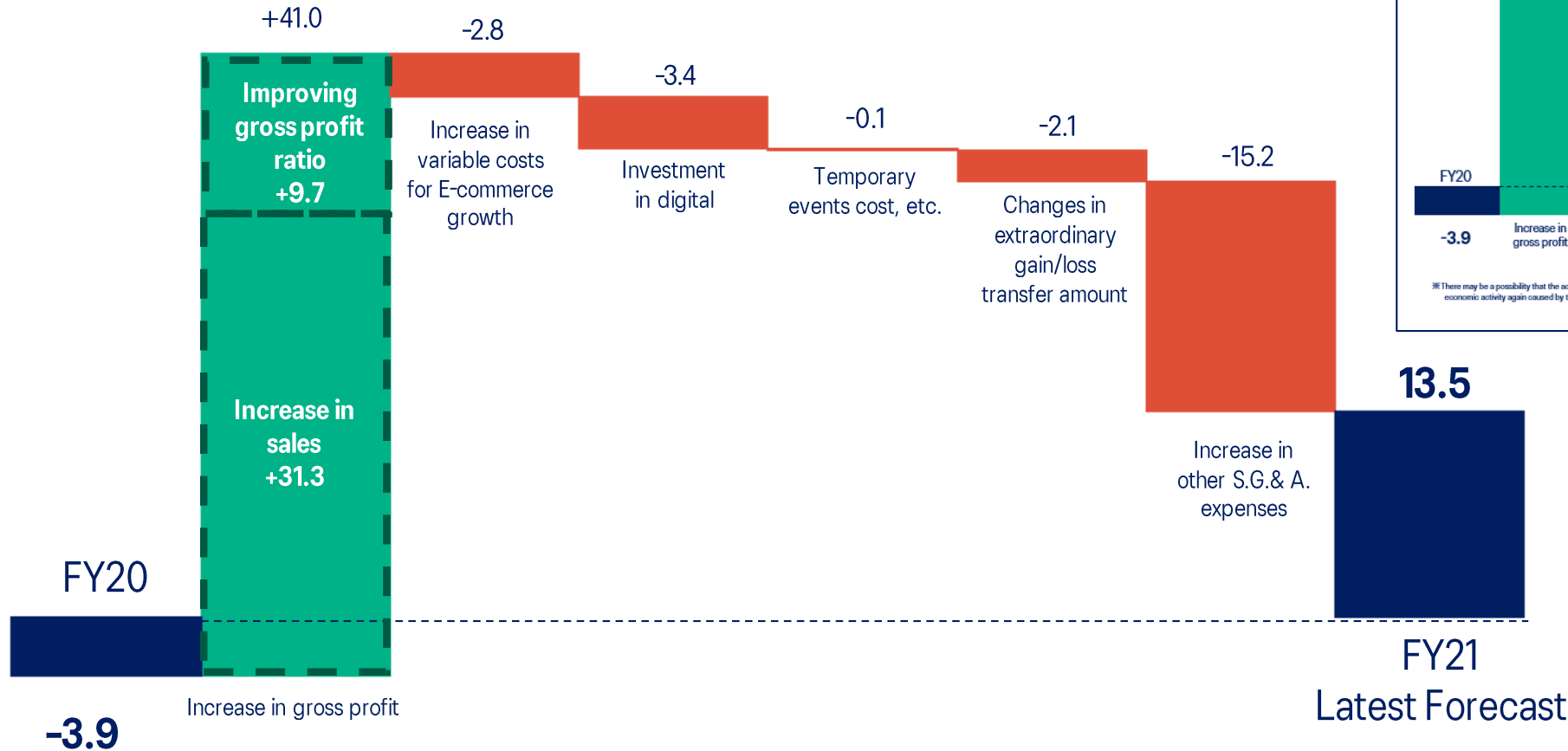
- ✓ Expect the severe external environment would continue due to the COVID-19 and some geopolitical risks.
- ✓ Profitability of the Tokyo 2020 Olympic and Paralympic Games seems to be lower than the initial prediction announced in February. However, made an upward revision to the net sales, operating income, ordinary income. Forecast also has a range.



CONSOLIDATED OPERATING INCOME FORECAST BREAKDOWN BY ELEMENT

(Unit: Billions of yen)

※ Consolidated Financial Summary for The Fiscal Year Ended December 31, 2020



※1 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.
 ※2 Operating income is based on the upper limit of 13.5 billion yen.



CONSOLIDATED NET SALES FORECAST BY CATEGORY

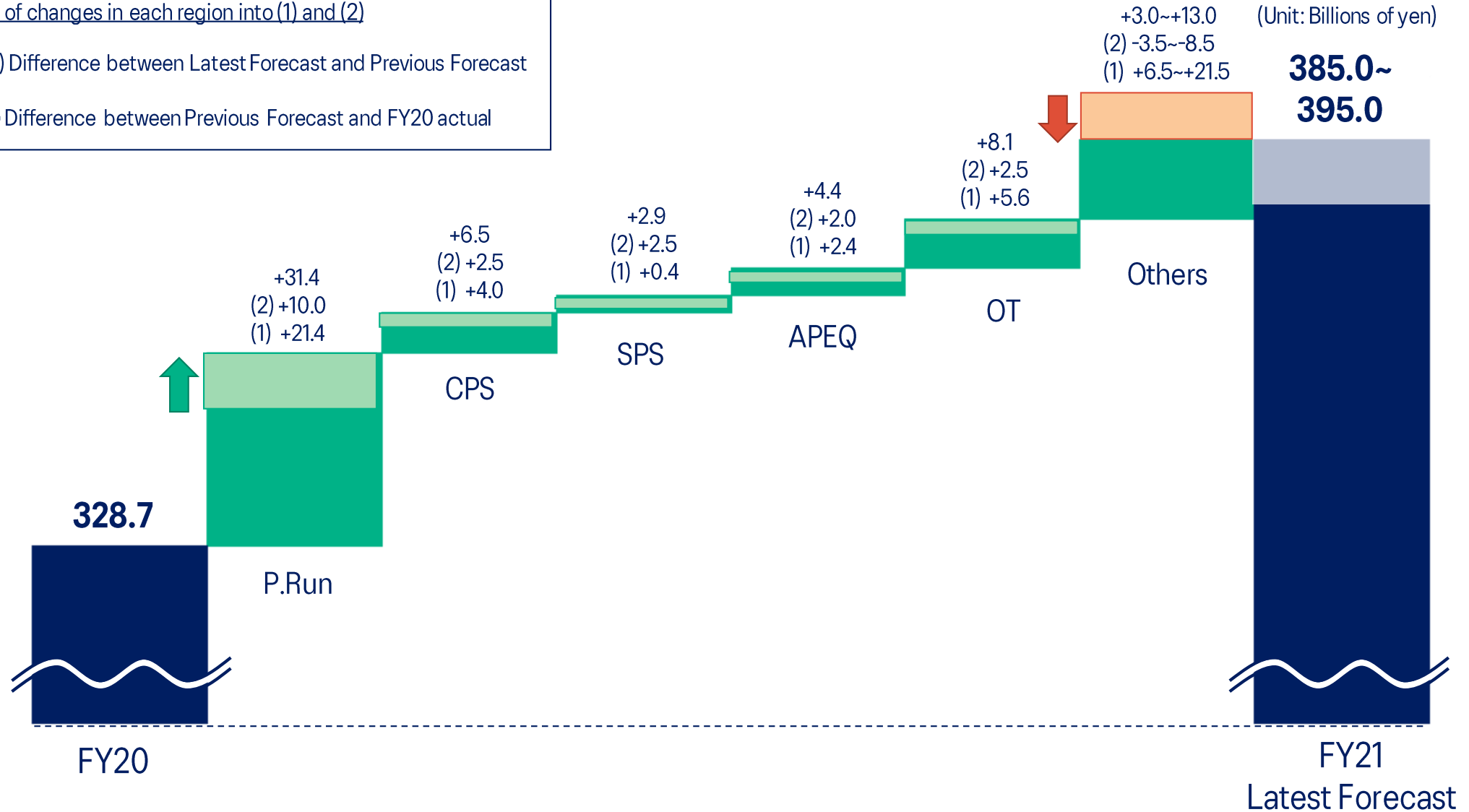
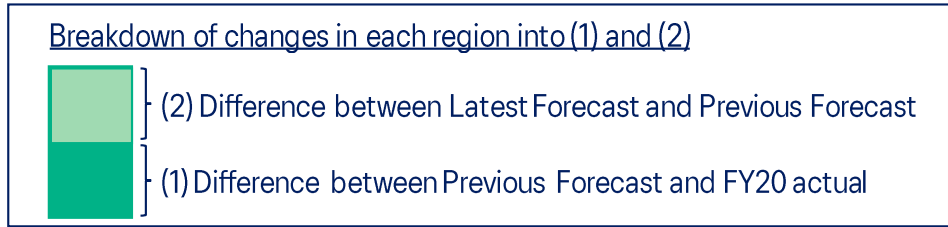
※Repeated
Consolidated Financial Summary for
The Fiscal Year Ended December 31, 2020

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(Unit: Billions of yen)	Previous Forecast	Latest Forecast	Ratio of change	FY20 Actual	Latest Forecast vs FY20 Actual	Previous Forecast vs FY20 Actual
P.Run	181.5	191.5	+6%	160.1	+20%	+13%
CPS	37.5	40.0	+7%	33.5	+19%	+12%
SPS	30.0	32.5	+8%	29.6	+10%	+1%
APEQ	33.0	34.0	+3%	29.6	+15%	+11%
OT	39.5	42.0	+6%	33.9	+24%	+16%
Other	48.5~63.5	45.0~55.0	-13%~-7%	42.0	+7%~+31%	+16%~+52%
Total	370.0~385.0	385.0~395.0	+3%~+4%	328.7	+17%~+20%	+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 caused by the COVID-19 again.



CONSOLIDATED CATEGORY PROFIT FORECAST

(Unit: Billions of yen)	Forecast			Actual vs Forecast		
	Previous Forecast	Latest Forecast	Ratio of change	FY20 Actual	Latest Forecast vs FY20 Actual	Previous Forecast vs FY20 Actual
P.Run	30.5	33.5	+10%	24.9	+35%	+23%
CPS	2.0	3.0	+50%	1.4	+114%	+43%
SPS	3.5	3.5	-	2.0	+75%	+75%
APEQ	-1.5	-1.0	-	-5.3	-	-
OT	6.0	6.5	+8%	3.7	+76%	+62%

※ Reference

※ "Previous Forecast vs FY20 actual" does not match the ratio shown in "Consolidated Financial Summary for The Fiscal Year Ended December 31, 2020" because the above ratios were calculated based on the latest category profit.



CONSOLIDATED NET SALES FORECAST BY REGION

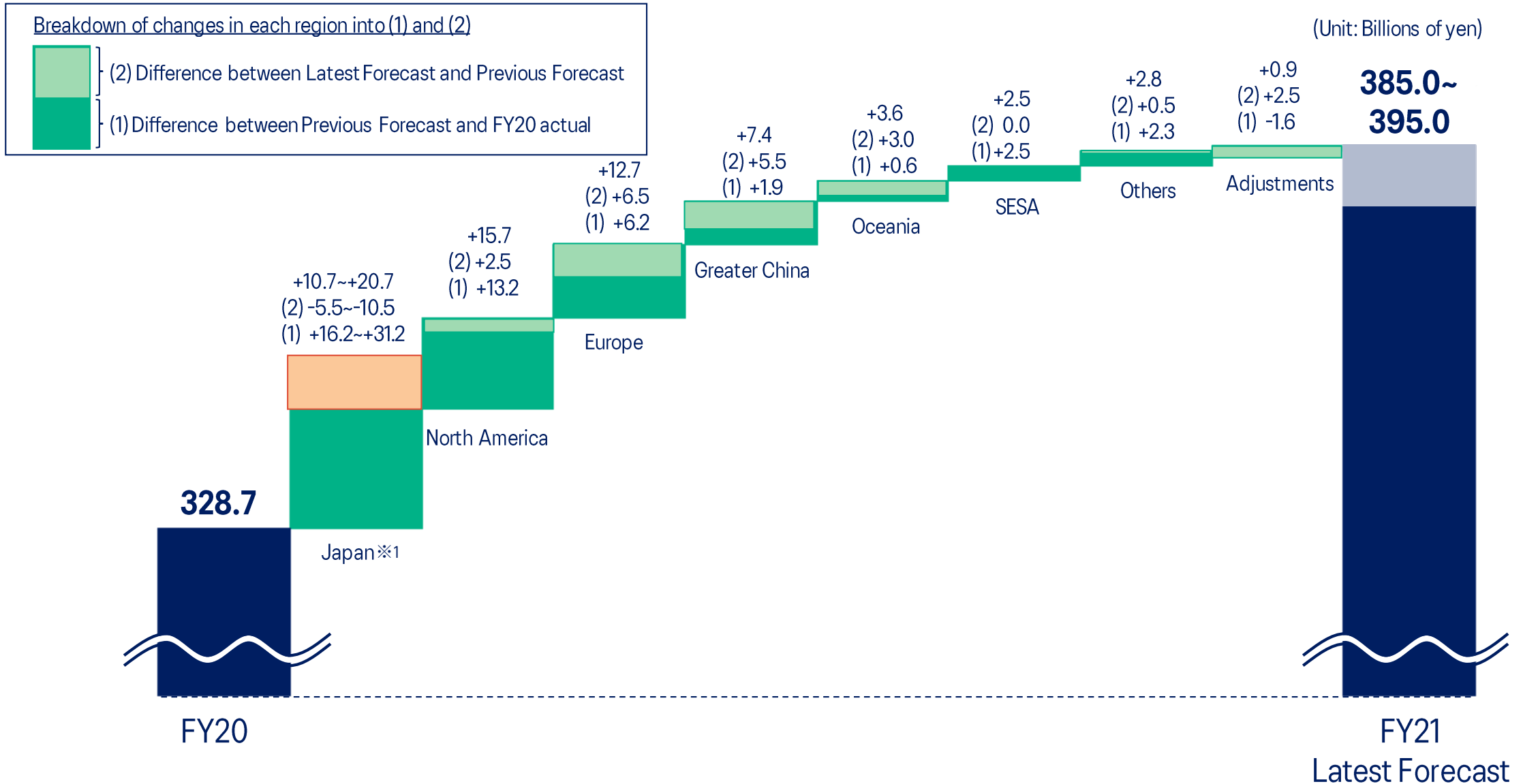
※Repeated
Consolidated Financial Summary for
The Fiscal Year Ended December 31, 2020

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(Unit: Billions of yen)	Previous Forecast	Latest Forecast	Ratio of change	FY20 Actual	Latest Forecast vs FY20 Actual	YoY ratio on a currency neutral basis	Previous Forecast vs FY20 Actual	YoY ratio on a currency neutral basis
Japan	110.5~125.5	105.0~115.0	-8%~-5%	94.3	+11%~+22%	-	+17%~+33%	-
North America	78.5	81.0	+3%	65.3	+24%	+26%	+20%	+22%
Europe	93.5	100.0	+7%	87.3	+15%	+12%	+7%	+4%
Greater China	43.0	48.5	+13%	41.1	+18%	+15%	+5%	+8%
Oceania	20.5	23.5	+15%	19.9	+18%	+9%	+3%	+1%
SESA	11.0	11.0	-	8.5	+29%	+30%	+29%	+29%
Others	30.5	31.0	+2%	28.2	+10%	+12%	+8%	+10%
Adjustments	-17.5	-15.0	-	-15.9	-	-	-	-
Total	370.0~385.0	385.0~395.0	+3%~+4%	328.7	+17%~+20%	+15%~+19%	+13%~+17%	+13%~+17%



CONSOLIDATED NET SALES FORECAST BREAKDOWN BY REGION



※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 caused by the COVID-19 again.



CONSOLIDATED OPERATING INCOME FORECAST BY REGION

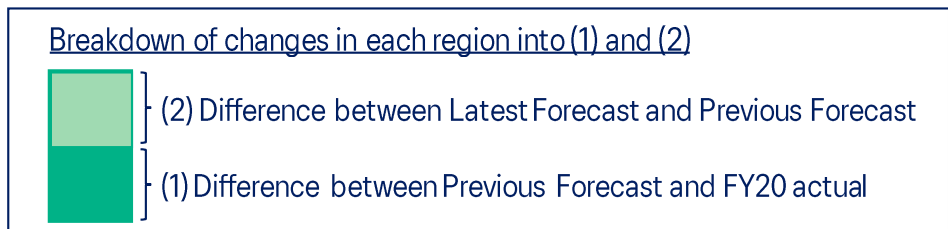
※Reference
Consolidated Financial Summary for
The Fiscal Year Ended December 31, 2020

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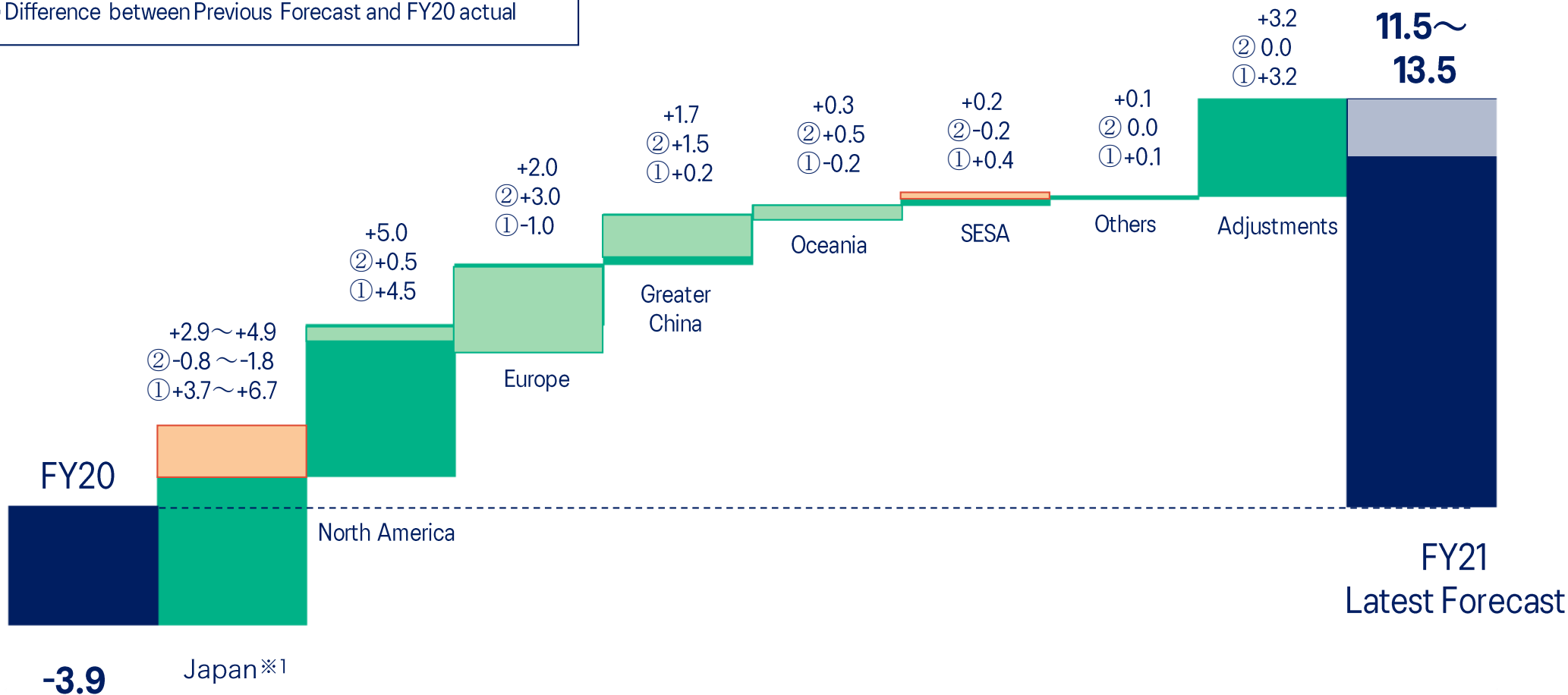
(Unit: Billions of yen)	Previous Forecast	Latest Forecast	Ratio of change	FY20 Actual	Latest Forecast vs FY20 Actual	Previous Forecast vs FY20 Actual
Japan	0.0~3.0	-0.8~1.2	-	-3.7	-	-
North America	0.0	0.5	-	-4.5	-	-
Europe	3.5	6.5	+86%	4.5	+42%	-23%
Greater China	4.5	6.0	+33%	4.3	+39%	+5%
Oceania	2.5	3.0	+20%	2.7	+11%	-8%
SESA	0.5	0.3	-40%	0.1	+97%	+229%
Others	0.5	0.5	-	0.4	+7%	+7%
Adjustments	-4.5	-4.5	-	-7.7	-	-
Total	7.0~10.0	11.5~13.5	+35%~+64%	-3.9	-	-



CONSOLIDATED OPERATING INCOME FORECAST BREAKDOWN BY REGION



(Unit: Billions of yen)

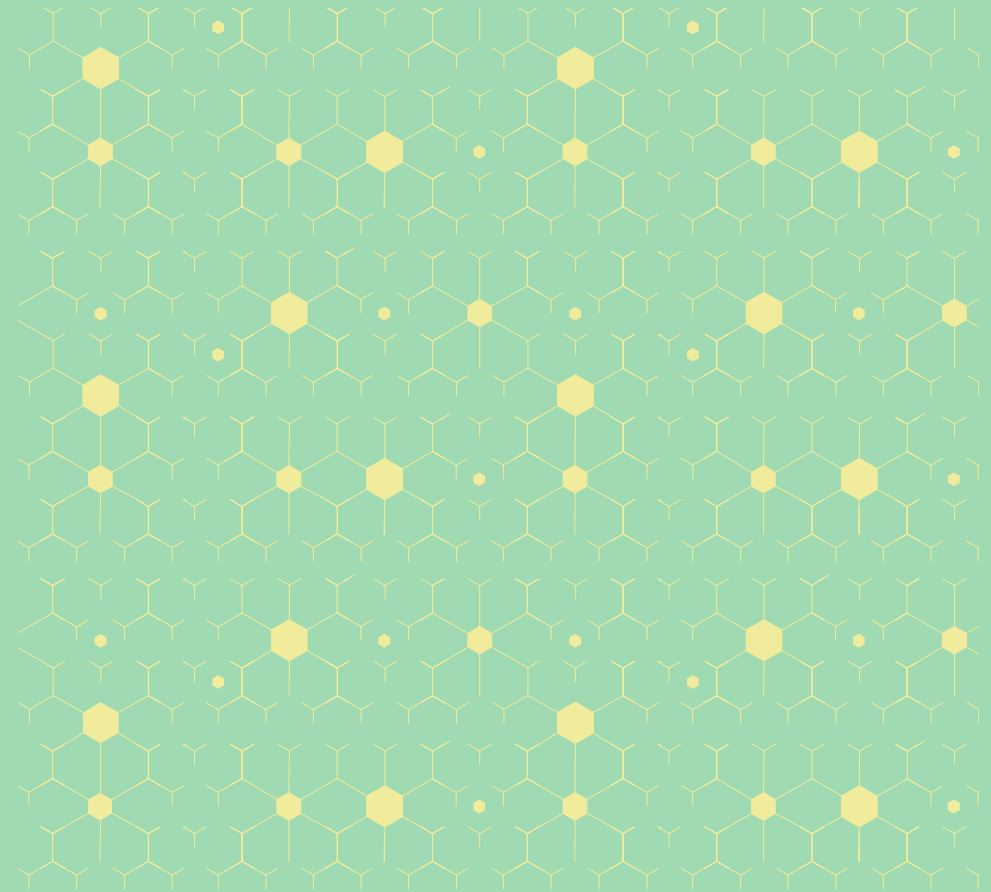


※1 Including sales from Japan to overseas (mainly overseas subsidiaries).

※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. IR CALENDAR



IR activities in FY2021 for Institutional Investors, Analyst and Media

Investment day	June 2	15:00 - 16:30	Theme: Innovation R&D, Product development and Marketing strategy to regain top runners
FY2021Q2 Financial Results	August 13 August 16	15:00 15:00	Announcement of financial statements Investor meeting
FY2021Q3 Financial Results	November 5	15:00 15:30	Announcement of financial statements Live streaming or conference call
Investment day	November, 2021		Theme: TBD
FY2021 Financial Results	February 10, 2022 February 14, 2022		Announcement of financial statements Investor meeting



Date : Jun 2 15:00 – 16:30 Live streaming

Theme : Innovation -R&D, Product development and Marketing strategy to regain top runners



※1 This event is for Institutional Investors, Analyst and Media.

