

Consolidated Financial Statements

**ASICS Corporation and
Consolidated Subsidiaries**

**Fiscal year ended December 31, 2025
with Independent Auditor's Report**

ASICS Corporation and Consolidated Subsidiaries

Consolidated Financial Statements

Fiscal year ended December 31, 2025

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Independent Auditor's Report

The Board of Directors
ASICS Corporation

The Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of ASICS Corporation and its consolidated subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2025, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the year then ended, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Assessment of Indicators of Impairment of Goodwill Related to the Running Services Business (in the Case of a Significant Deterioration in the Business Environment)

Description of Key Audit Matter	Auditor's Response
<p>ASICS Corporation and its consolidated subsidiaries (collectively, the Group) recorded goodwill of ¥5,716 million (\$36,641)(*) in the consolidated balance sheet as of December 31, 2025. As described in Note 3 “Significant Accounting Estimates Goodwill” in the notes to consolidated financial statements, goodwill arose from the acquisition of the following consolidated subsidiaries related to the running services business: Running services business: Race Roster North America Corporation group and R-Bies Co., Ltd. (Goodwill: ¥5,716 million (\$36,641)(*))</p> <p>Under Japanese generally accepted accounting principles, goodwill is amortized over a specific amortization period on a systematic basis. When indicators of impairment are identified, the Group is required to assess whether an impairment loss should be recognized. If the assessment concludes that the recognition of an impairment loss is required, the carrying amount of goodwill is reduced to its recoverable amount, and the corresponding decrease in the carrying amount is recognized as an impairment loss.</p> <p>Indicators of impairment include cases where there has been, or is expected to be, a significant deterioration in the business environment related to the business. In assessing whether any such deterioration exists, the Group evaluates the achievement status of the business plan, which is prepared based on estimations of continued revenue growth.</p> <p>For the fiscal year ended December 31, 2025, the Group concluded that no indicators of impairment existed for the running services business, as there was no significant deterioration in the business environment, with performance generally in line with the business plan and stable results are expected in future periods. The business plan incorporates revenue forecasts reflecting the current business environment and outlook and is affected by the key assumption involving management's judgment. The key assumption is the revenue growth rate of the running services business, which is affected by external factors such as the overall trends in the number of participants, changes in the competitive environment and others.</p> <p>The goodwill balance related to the running services business is material, and assessing indicators of impairment involves evaluating factors that represent a variation from the business plan, which is prepared based on the assumption of continued revenue growth, as well as forward-looking assessments regarding the expectation of the possibility of any significant deterioration in the business environment. As a result, the assessment involves uncertainty and requires significant management judgment.</p>	<p>In considering the assessment of indicators of impairment of goodwill related to the running services business, we mainly performed the following audit procedures:</p> <p>To assess whether there had been a significant deterioration in the business environment, we inspected minutes of meetings of the Board of Directors and management meetings and made inquiries of management regarding the existence of any such deterioration. We evaluated management's response from the perspective of the feasibility of achieving the underlying business plan.</p> <p>With respect to the business plan used in assessing indicators of impairment, we focused, in particular, on the revenue growth rate estimated for the running services business. We made inquiries with management and evaluated whether the estimation was consistent with historical performance and the overall business plan.</p> <p>To assess potential management bias and the reliability of management's future-oriented estimations, we compared the business plan with actual results for the fiscal year ended December 31, 2025.</p> <p>We assessed the consistency of management's estimation regarding the business environment and future business outlook with available external market information, which we independently obtained.</p>

Accordingly, we determined this matter to be a key audit matter.	
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(*) The translation of Japanese yen amounts into U.S. dollar amounts has been made on the basis described in Note 1 to the consolidated financial statements.	
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Other Information

Other information comprises the information included in the disclosure document that contains audited consolidated financial statements but does not include the consolidated financial statements and our auditor's report thereon.

We have concluded that the other information does not exist. Accordingly, we have not performed any work related to the other information.

Responsibilities of Management, the Audit and Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit and Supervisory Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Supervisory Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

From the matters communicated with the Audit and Supervisory Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Convenience Translation

The U. S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended December 31, 2025 are presented solely for convenience. Our audit also included the translation of Japanese yen amounts into U. S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

Fee-related Information

The fees for the audits of the financial statements of ASICS Corporation and its subsidiaries and other services provided by us and other EY member firms for the year ended December 31, 2025 are 558 million yen and 467 million yen, respectively.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Ernst & Young ShinNihon LLC
Osaka, Japan

March 19, 2026

/s/ Naotaka Sasayama

Naotaka Sasayama
Designated Engagement Partner
Certified Public Accountant

/s/ Daiji Tokuno

Daiji Tokuno
Designated Engagement Partner
Certified Public Accountant

CONSOLIDATED BALANCE SHEET

	Millions of yen		Thousands of U.S. dollars (Note 1)
	As of December 31, 2024	As of December 31, 2025	As of December 31, 2025
Assets			
Current assets			
Cash and deposits (Notes 5 and 22)	¥ 127,021	¥ 112,267	\$ 719,660
Notes and accounts receivable - trade (Notes 6 and 22)	74,705	88,803	569,250
Merchandise and finished goods	133,922	174,372	1,117,769
Work in process	639	1,011	6,481
Raw materials and supplies	3,035	3,584	22,974
Other	33,340	33,747	216,327
Allowance for doubtful accounts	(3,521)	(3,853)	(24,699)
Total current assets	369,143	409,933	2,627,776
Non-current assets			
Property, plant and equipment			
Buildings and structures (Note 8)	35,906	37,445	240,032
Accumulated depreciation	(25,162)	(24,124)	(154,641)
Buildings and structures, net	10,743	13,320	85,385
Machinery, equipment and vehicles (Note 8)	6,282	17,849	114,417
Accumulated depreciation	(4,673)	(5,575)	(35,737)
Machinery, equipment and vehicles, net	1,608	12,274	78,679
Tools, furniture and fixtures (Note 8)	42,008	44,243	283,609
Accumulated depreciation	(34,764)	(32,336)	(207,282)
Tools, furniture and fixtures, net	7,243	11,906	76,321
Land	5,809	4,859	31,147
Leased assets (Note 8)	1,651	1,001	6,417
Accumulated depreciation	(1,341)	(889)	(5,699)
Leased assets, net	309	112	718
Construction in progress	8,228	2,214	14,192
Total property, plant and equipment (Note 27)	33,944	44,688	286,462
Intangible assets			
Goodwill (Notes 3 and 27)	5,964	5,716	36,641
Software (Note 8)	29,179	35,529	227,750
Right of use assets	44,871	52,761	338,212
Other	10,763	9,962	63,859
Total intangible assets	90,779	103,969	666,468
Investments and other assets			
Investment securities (Notes 7, 12 and 22)	3,513	3,707	23,763
Long-term loans receivable	22	18	115
Deferred tax assets (Note 20)	4,048	8,757	56,135
Other	17,894	15,781	101,160
Allowance for doubtful accounts	(351)	(376)	(2,410)
Total investments and other assets	25,127	27,889	178,776
Total non-current assets	149,851	176,546	1,131,705
Total assets (Note 27)	¥ 518,994	¥ 586,480	\$ 3,759,487

	Millions of yen		Thousands of U.S. dollars (Note 1)
	As of December 31, 2024	As of December 31, 2025	As of December 31, 2025
Liabilities			
Current liabilities			
Notes and accounts payable - trade	¥ 62,150	¥ 73,670	\$ 472,244
Short-term borrowings (Note 9)	2,500	2,500	16,026
Current portion of bonds payable (Notes 9 and 22)	25,000	25,000	160,256
Lease liabilities (Notes 9 and 22)	12,944	16,000	102,564
Accrued expenses	38,900	49,375	316,506
Income taxes payable (Note 20)	11,703	26,990	173,013
Accrued consumption taxes	1,948	3,002	19,244
Provision for bonuses	1,953	2,263	14,506
Other (Note 10)	37,636	44,924	287,974
Total current liabilities	194,739	243,726	1,562,346
Non-current liabilities			
Bonds payable (Notes 9 and 22)	35,000	10,000	64,103
Lease liabilities (Notes 9 and 22)	41,832	45,029	288,647
Deferred tax liabilities (Note 20)	2,735	1,047	6,712
Retirement benefit liability (Note 11)	4,865	5,120	32,821
Other	4,882	8,200	52,564
Total non-current liabilities	89,314	69,399	444,865
Total liabilities	284,054	313,125	2,007,212
Net assets			
Shareholders' equity (Note 13)			
Share capital	23,972	23,972	153,667
Capital surplus	15,827	13,655	87,532
Retained earnings (Note 13)	196,805	246,352	1,579,179
Treasury shares (Note 13)	(44,706)	(57,651)	(369,558)
Total shareholders' equity	191,899	226,328	1,450,821
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	315	303	1,942
Deferred gains or losses on hedges	12,532	874	5,603
Foreign currency translation adjustment	29,215	44,698	286,526
Remeasurements of defined benefit plans (Note 11)	(928)	(686)	(4,397)
Total accumulated other comprehensive income	41,135	45,189	289,673
Share acquisition rights (Note 13)	254	242	1,551
Non-controlling interests	1,650	1,594	10,218
Total net assets	234,940	273,355	1,752,276
Total liabilities and net assets	¥ 518,994	¥ 586,480	\$ 3,759,487

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF INCOME

	Millions of yen		Thousands of U.S. dollars (Note 1)
	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Fiscal year ended December 31, 2025
Net sales (Notes 26 and 27)	¥ 678,526	¥ 810,916	\$ 5,198,179
Cost of sales	299,648	350,283	2,245,404
Gross profit	378,878	460,632	2,952,769
Selling, general and administrative expenses (Note 14)	278,766	318,112	2,039,179
Operating profit	100,111	142,519	913,583
Non-operating income			
Interest income	4,287	2,761	17,699
Dividend income	167	53	340
Foreign exchange gains	—	435	2,788
Gain on forgiveness of debts	—	421	2,699
Other	1,289	907	5,814
Total non-operating income	5,745	4,580	29,359
Non-operating expenses			
Interest expenses	5,427	5,045	32,340
Foreign exchange losses	1,898	—	—
Loss on overseas business	3,066	1,320	8,462
Other	2,862	1,439	9,224
Total non-operating expenses	13,255	7,804	50,026
Ordinary profit	92,601	139,295	892,917
Extraordinary income			
Gain on sale of non-current assets (Note 15)	236	2,313	14,827
Gain on sale of investment securities (Notes 7 and 16)	6,938	—	—
Total extraordinary income	7,174	2,313	14,827
Extraordinary losses			
Loss on sale of non-current assets	4	15	96
Loss on retirement of non-current assets	51	313	2,006
Loss on sale of investment securities	18	7	45
Loss on valuation of investment securities	133	73	468
Impairment losses (Note 8)	2,019	2,388	15,308
Loss on cancellation of rental contracts (Note 17)	1,331	62	397
Loss on relocation (Note 18)	2,030	—	—
Allowance for losses on business transfer (Note 19)	943	—	—
Total extraordinary losses	6,531	2,859	18,327
Profit before income taxes	93,244	138,749	889,417
Income taxes - current	24,115	41,092	263,410
Income taxes - deferred	5,183	(1,171)	(7,506)
Total income taxes (Note 20)	29,299	39,920	255,897
Profit	63,944	98,828	633,513
Profit attributable to non-controlling interests	138	108	692
Profit attributable to owners of parent (Note 25)	¥ 63,806	¥ 98,719	\$ 632,814

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Millions of yen		Thousands of U.S. dollars (Note 1)
	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Fiscal year ended December 31, 2025
Profit	¥ 63,944	¥ 98,828	\$ 633,513
Other comprehensive income (Note 24)			
Valuation difference on available-for-sale securities	(3,164)	(12)	(77)
Deferred gains or losses on hedges	10,290	(11,657)	(74,724)
Foreign currency translation adjustment	6,911	15,482	99,244
Remeasurements of defined benefit plans, net of tax	(56)	242	1,551
Total other comprehensive income	13,980	4,053	25,981
Comprehensive income	¥ 77,925	¥ 102,882	\$ 659,500
Comprehensive income attributable to :			
Comprehensive income attributable to owners of parent	¥ 77,786	¥ 102,773	\$ 658,801
Comprehensive income attributable to non-controlling interests	138	108	692

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

Millions of yen

Fiscal year ended December 31, 2024	Shareholders' equity					Accumulated other comprehensive income	
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges
Balance at beginning of period	¥ 23,972	¥ 15,836	¥ 147,561	¥ (9,717)	¥ 177,653	¥ 3,480	¥ 2,241
Changes during period							
Dividends of surplus			(14,562)		(14,562)		
Profit (loss) attributable to owners of parent			63,806		63,806		
Purchase of treasury shares				(35,014)	(35,014)		
Disposal of treasury shares		(8)		26	17		
Net changes in items other than shareholders' equity					—	(3,164)	10,290
Total changes during period	—	(8)	49,243	(34,988)	14,246	(3,164)	10,290
Balance at end of period	¥ 23,972	¥ 15,827	¥ 196,805	¥ (44,706)	¥ 191,899	¥ 315	¥ 12,532

Fiscal year ended December 31, 2024	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	¥ 22,304	¥ (871)	¥ 27,155	¥ 271	¥ 1,720	¥ 206,801
Changes during period						
Dividends of surplus			—			(14,562)
Profit (loss) attributable to owners of parent			—			63,806
Purchase of treasury shares			—			(35,014)
Disposal of treasury shares			—			17
Net changes in items other than shareholders' equity	6,911	(56)	13,980	(17)	(70)	13,892
Total changes during period	6,911	(56)	13,980	(17)	(70)	28,139
Balance at end of period	¥ 29,215	¥ (928)	¥ 41,135	¥ 254	¥ 1,650	¥ 234,940

Millions of yen

Fiscal year ended December 31, 2025	Shareholders' equity					Accumulated other comprehensive income	
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges
Balance at beginning of period	¥ 23,972	¥ 15,827	¥ 196,805	¥ (44,706)	¥ 191,899	¥ 315	¥ 12,532
Changes during period							
Transfer from retained earnings to capital surplus		35,241	(35,241)		—		
Deficit disposition		(1,826)	1,826		—		
Dividends of surplus			(15,757)		(15,757)		
Profit (loss) attributable to owners of parent			98,719		98,719		
Purchase of treasury shares				(50,003)	(50,003)		
Disposal of treasury shares		(9,562)		11,032	1,470		
Cancellation of treasury shares		(26,025)		26,025	—		
Net changes in items other than shareholders' equity					—	(12)	(11,657)
Total changes during period	—	(2,172)	49,546	(12,945)	34,429	(12)	(11,657)
Balance at end of period	¥ 23,972	¥ 13,655	¥ 246,352	¥ (57,651)	¥ 226,328	¥ 303	¥ 874

Fiscal year ended December 31, 2025	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	¥ 29,215	¥ (928)	¥ 41,135	¥ 254	¥ 1,650	¥ 234,940
Changes during period						
Transfer from retained earnings to capital surplus			—			—
Deficit disposition			—			—
Dividends of surplus			—			(15,757)
Profit (loss) attributable to owners of parent			—			98,719
Purchase of treasury shares			—			(50,003)
Disposal of treasury shares			—			1,470
Cancellation of treasury shares			—			—
Net changes in items other than shareholders' equity	15,482	242	4,053	(12)	(55)	3,985
Total changes during period	15,482	242	4,053	(12)	(55)	38,414
Balance at end of period	¥ 44,698	¥ (686)	¥ 45,189	¥ 242	¥ 1,594	¥ 273,355

Thousands of U.S. dollars (Note 1)

Fiscal year ended December 31, 2025	Shareholders' equity					Accumulated other comprehensive income	
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges
Balance at beginning of period	\$ 153,667	\$ 101,455	\$ 1,261,571	\$ (286,577)	\$ 1,230,122	\$ 2,019	\$ 80,333
Changes during period							
Transfer from retained earnings to capital surplus		225,904	(225,904)		—		
Deficit disposition		(11,705)	11,705		—		
Dividends of surplus			(101,006)		(101,006)		
Profit (loss) attributable to owners of parent			632,814		632,814		
Purchase of treasury shares				(320,532)	(320,532)		
Disposal of treasury shares		(61,295)		70,718	9,423		
Cancellation of treasury shares		(166,827)		166,827	—		
Net changes in items other than shareholders' equity					—	(77)	(74,724)
Total changes during period	—	(13,923)	317,603	(82,981)	220,699	(77)	(74,724)
Balance at end of period	\$ 153,667	\$ 87,532	\$ 1,579,179	\$ (369,558)	\$ 1,450,821	\$ 1,942	\$ 5,603

Fiscal year ended December 31, 2025	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	\$ 187,276	\$ (5,949)	\$ 263,686	\$ 1,628	\$ 10,577	\$ 1,506,026
Changes during period						
Transfer from retained earnings to capital surplus			—			—
Deficit disposition			—			—
Dividends of surplus			—			(101,006)
Profit (loss) attributable to owners of parent			—			632,814
Purchase of treasury shares			—			(320,532)
Disposal of treasury shares			—			9,423
Cancellation of treasury shares			—			—
Net changes in items other than shareholders' equity	99,244	1,551	25,981	(77)	(353)	25,545
Total changes during period	99,244	1,551	25,981	(77)	(353)	246,244
Balance at end of period	\$ 286,526	\$ (4,397)	\$ 289,673	\$ 1,551	\$ 10,218	\$ 1,752,276

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Millions of yen		Thousands of U.S. dollars (Note 1)
	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Fiscal year ended December 31, 2025
Cash flows from operating activities			
Profit before income taxes	¥ 93,244	¥ 138,749	\$ 889,417
Depreciation and amortization	20,557	25,266	161,962
Impairment losses	2,019	2,388	15,308
Amortization of goodwill	685	657	4,212
Increase (decrease) in allowance for doubtful accounts	(1,314)	209	1,340
Increase (decrease) in retirement benefit liability	349	606	3,885
Increase (decrease) in provision for bonuses	878	233	1,494
Loss (gain) on valuation of investment securities	133	73	468
Loss (gain) on sale of investment securities	(6,920)	7	45
Interest and dividend income	(4,455)	(2,815)	(18,045)
Interest expenses	5,427	5,045	32,340
Foreign exchange losses (gains)	(25)	2	13
Loss (gain) on sale and retirement of non-current assets	(180)	(1,984)	(12,718)
Loss on relocation	2,030	—	—
Allowance for losses on business transfer	943	—	—
Other loss (gain)	987	2,589	16,596
Decrease (increase) in trade receivables	(7,104)	(10,117)	(64,853)
Decrease (increase) in inventories	(9,926)	(32,901)	(210,904)
Decrease (increase) in other assets	(4,165)	(2,829)	(18,135)
Increase (decrease) in trade payables	16,859	6,385	40,929
Increase (decrease) in accrued consumption taxes	927	766	4,910
Increase (decrease) in other liabilities	13,731	8,050	51,603
Subtotal	124,683	140,383	899,891
Interest and dividends received	4,281	2,713	17,391
Interest paid	(5,516)	(5,128)	(32,872)
Income taxes paid	(18,834)	(28,055)	(179,840)
Net cash provided by (used in) operating activities	104,614	109,912	704,564
Cash flows from investing activities			
Payments into time deposits	(1,661)	(2)	(13)
Proceeds from withdrawal of time deposits	2,342	1	6
Purchase of property, plant and equipment	(11,375)	(16,191)	(103,788)
Payments for retirement of property, plant and equipment	(56)	(234)	(1,500)
Proceeds from sale of property, plant and equipment	726	3,612	23,154
Purchase of intangible assets	(12,664)	(14,107)	(90,429)
Proceeds from sale of intangible assets	0	4	26
Purchase of investment securities	(749)	(408)	(2,615)
Proceeds from sale and redemption of investment securities	11,668	2	13
Proceeds from distributions from investment partnerships	215	12	77
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	118	756
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	422	2,705
Net decrease (increase) in short-term loans receivable	5,416	(3)	(19)
Long-term loan advances	(3)	(1)	(6)
Proceeds from collection of long-term loans receivable	6	7	45
Decrease (increase) in investments and other assets	(1,423)	(2,648)	(16,974)
Net cash provided by (used in) investing activities	¥ (7,558)	¥ (29,414)	\$ (188,551)

	Millions of yen		Thousands of U.S. dollars (Note 1)			
	Fiscal year ended December 31, 2024		Fiscal year ended December 31, 2025	Fiscal year ended December 31, 2025		
Cash flows from financing activities						
Net increase (decrease) in short-term borrowings	¥	—	¥	2,500	\$	16,026
Repayments of long-term borrowings		(87)		(2,500)		(16,026)
Redemption of bonds		(20,000)		(25,000)		(160,256)
Purchase of treasury shares		(35,014)		(50,003)		(320,532)
Proceeds from sale of treasury shares		0		7		45
Repayments of lease liabilities		(14,468)		(14,980)		(96,026)
Dividends paid		(14,542)		(15,734)		(100,859)
Dividends paid to non-controlling interests		(208)		(164)		(1,051)
Net cash provided by (used in) financing activities		(84,322)		(105,875)		(678,686)
Effect of exchange rate change on cash and cash equivalents		937		10,624		68,103
Net increase (decrease) in cash and cash equivalents		13,671		(14,751)		(94,558)
Cash and cash equivalents at beginning of period		113,301		126,973		813,929
Cash and cash equivalents at end of period (Note 5)	¥	126,973	¥	112,221	\$	719,365

See accompanying notes to consolidated financial statements.

ASICS Corporation and Consolidated Subsidiaries

Notes to Consolidated Financial Statements

December 31, 2025

1. Basis of Preparation

The accompanying consolidated financial statements of ASICS Corporation (“ASICS”) and consolidated subsidiaries (collectively, the “Group”) are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards, and are compiled from the consolidated financial statements prepared by ASICS as required by the Financial Instruments and Exchange Act of Japan.

Certain reclassifications of previously reported amounts have been made to conform the consolidated financial statements for the fiscal year ended December 31, 2024 to the 2025 presentation. Such reclassifications had no effect on consolidated profit or net assets.

The U.S. dollar amounts in the accompanying consolidated financial statements have been translated from yen amounts solely for convenience, as a matter of arithmetic computation only, at ¥156 = U.S. \$1.00, the approximate rate of exchange prevailing on December 31, 2025. This translation should not be construed as a representation that yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at the above or any other rate.

Amounts of less than one million yen have been rounded down to the nearest million yen in the presentation of the accompanying consolidated financial statements. As a result, the totals in yen and U.S. dollars do not necessarily agree with the sum of the individual amounts.

2. Summary of Significant Accounting Policies

(a) Principles of consolidation

The accompanying consolidated financial statements include the accounts of ASICS, 57 significant companies for the fiscal year ended December 31, 2024 and 56 significant companies for the fiscal year ended December 31, 2025, which it controls directly or indirectly. All assets and liabilities of the consolidated subsidiaries are revalued on acquisition, if applicable. All significant intercompany transactions and accounts have been eliminated in consolidation.

Certain subsidiaries were excluded from the scope of consolidation because the effect of their sales, net profit or loss, total assets and retained earnings on the accompanying consolidated financial statements was immaterial.

Four subsidiaries were excluded from the scope of consolidation as a result of the completion of liquidation proceedings, and one subsidiary was excluded due to the sale of its shares, all of which had been consolidated in the previous fiscal year ended December 31, 2024.

Three subsidiaries were newly established, and one subsidiary was included in the scope of consolidation due to the acquisition of its shares during the fiscal year ended December 31, 2025.

A subsidiary closes its books on March 31, and in preparing the consolidated financial statements, its provisional financial statements prepared for consolidation as of the consolidated closing date are used. The closing dates of the other consolidated subsidiaries coincide with the consolidated closing date.

(b) Foreign currency translation

All monetary assets and liabilities denominated in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date and gain or loss on each translation is credited or charged to income. Revenue and expense items arising from transactions denominated in foreign currencies are generally translated into yen at the rates in effect at the respective transaction dates. Foreign exchange gain or loss is credited or charged to income in the period in which the gain or loss is recognized for financial reporting purposes.

The financial statements of the overseas consolidated subsidiaries are translated into yen at the rates of exchange in effect at the balance sheet date, except that the components of net assets excluding non-controlling interests are translated at their historical exchange rates.

(c) Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash on hand, deposits with banks withdrawable on demand, and short-term investments which are readily convertible into cash subject to an insignificant risk of any change in their value and which were purchased with an original maturity of three months or less.

(d) Securities

Marketable securities classified as other securities are carried at fair value with any changes in unrealized holding gain or loss, net of the applicable income taxes, reported as a separate component of net assets. Cost of securities sold is determined by the moving-average method. Non-marketable equity securities classified as other securities are stated at cost determined by the moving-average method. Non-marketable debt securities classified as other securities are stated at net amortized cost.

Investments in limited liability partnerships and other similar partnerships, which are deemed to be securities under Article 2, Clause 2 of the Financial Instruments and Exchange Act of Japan, are valued at the amount of the underlying equity in their net assets based on the latest financial statements available as of the closing date stipulated in the partnership agreement.

(e) Inventories

Inventories are principally stated at the lower of cost or net realizable value, cost being determined by the moving-average method.

(f) Property, plant and equipment (except for leased assets under finance leases)

ASICS and its domestic consolidated subsidiaries compute depreciation of property, plant and equipment by the declining-balance method over the estimated useful lives of the respective assets, except that the straight-line method is applied to buildings (other than structures attached to the buildings) acquired on or subsequent to April 1, 1998 and structures attached to the buildings and other structures acquired on or subsequent to April 1, 2016.

Overseas consolidated subsidiaries compute depreciation of property, plant and equipment by the straight-line method over the estimated useful lives of the respective assets.

The principal estimated useful lives used for calculating depreciation are as follows:

Buildings and structures	2 to 50 years
Machinery, equipment and vehicles	2 to 17 years
Tools, furniture and fixtures	2 to 20 years

(g) Intangible assets (except for leased assets under finance leases)

Expenditures relating to computer software developed for internal use are charged to income as incurred, unless the software is expected to contribute to the generation of future income or to cost savings, in which case such expenditures are capitalized as intangible assets and amortized by the straight-line method over their respective estimated useful lives, a period of 10 years.

ASICS and its consolidated subsidiaries have recorded intangible assets such as brand and customer base based on revaluation of assets acquired and liabilities assumed as a result of business combinations at fair value. Such intangible assets are amortized by the straight-line method over periods of 6 to 20 years.

(h) Leased assets

Finance leases under which ownership of the leased assets is not transferred to the lessees are depreciated using the straight-line method over the lease term with no residual value.

Finance leases under which ownership of the leased assets is transferred to the lessees are depreciated by the same methods used for owned fixed assets.

Right of use assets are depreciated using the straight-line method over the lease term.

(i) Goodwill

Goodwill is amortized by the straight-line method over the estimated period of benefit of no more than 20 years from the fiscal year of acquisition.

(j) Allowance for doubtful accounts

ASICS and its domestic consolidated subsidiaries record an allowance for doubtful accounts at an amount calculated based on their historical experience of bad debts on ordinary receivables plus an additional estimate of probable specific bad debts from customers experiencing financial difficulties.

The overseas consolidated subsidiaries record an allowance for doubtful accounts at an amount calculated mainly based on probable specific bad debts from their customers.

(k) Provision for employees' bonuses

Provision for employees' bonuses is provided at an expected payment amount of the bonuses to employees attributable to the fiscal year.

(l) Retirement benefits for employees

The retirement benefit obligation is attributed to each period by the benefit formula method.

Prior service cost is amortized by the straight-line method over a period which falls within the estimated average remaining years of service of the eligible employees.

Actuarial gain or loss is amortized principally in the year following the year in which the gain or loss is incurred by the straight-line method over a period which falls within the estimated average remaining years of service of the eligible employees. Certain consolidated subsidiaries amortize actuarial gain or loss in the year in which the gain or loss is incurred by the straight-line method over a period which falls within the estimated average remaining years of service of the eligible employees.

Certain consolidated subsidiaries have calculated their retirement benefit obligation and retirement benefit expenses based on the amount which would be payable at the end of the fiscal year if all eligible employees terminated their services voluntarily (the "simplified method").

(m) Accounting standards for significant revenue and expenses

The major performance obligations and the timing of recognizing revenue in ASICS' principal businesses are as follows.

(1) Sales of goods and products

In the sporting goods sales business, the Group principally manufactures and sells sporting goods. Regarding the sales of such merchandise, finished products and revenue is recognized when the performance obligation has been satisfied upon delivery of the merchandise and finished products to the location agreed upon with the customer.

(2) Running Service Business

In the running service business, the Group operates platforms for entry registration for various sporting events and operates sporting events and is entrusted with the management of such events.

In the case of platform operation related to entry registration, revenue is recognized as performance obligations are fulfilled mainly upon receipt of entry fees for sporting events.

As for the operation and the management of sporting events, revenue is recognized as performance obligations are fulfilled upon completion of holding sporting event.

(3) Sports Facility Management Business

In the sports facility management business, the Group is mainly engaged in the operations and contract operations of sports facilities on a long-term basis. Regarding such contracts, as the performance obligation will be satisfied over a certain period of time, revenue is recognized over the period in which the services are rendered.

(n) Research and development costs

Research and development costs are charged to income as incurred.

(o) Income taxes

Deferred tax assets and liabilities are recorded for temporary differences between the balances of assets and liabilities reported for financial reporting purposes and the corresponding balances for tax reporting purposes.

(p) Derivatives and hedging activities

The Group utilizes derivatives of forward foreign exchange contracts and currency options to hedge the risk arising mainly from fluctuations in foreign currency exchange rates on import transactions denominated in foreign currencies and interest swaps to hedge the risk arising from fluctuations in interest rates on loans and bond issuing transactions.

Derivatives positions are carried at fair value with any changes in unrealized gain or loss charged or credited to income, except for those which meet the criteria for deferral hedge accounting under which unrealized gain or loss, net of the applicable income taxes, is deferred as a component of net assets. Receivables and payables hedged by qualified forward foreign exchange contracts are translated at the corresponding foreign exchange contract rates (the "allocation method"). Interest-rate swaps which meet certain conditions are accounted for as if the interest rates applied to the swaps had originally applied to the underlying debt (the "special treatment").

The hedge effectiveness of forward foreign exchange transactions is assessed by considering whether the transactions qualify based on past experience and the probability of the transaction occurring in the future. The hedge effectiveness of interest-rate swaps and currency options is assessed based on a comparison of the cumulative changes in cash flows of the hedged items and those of the hedging instruments in the period from the start of the hedging relationship to the assessment date. However, the assessment of hedge effectiveness is omitted if a high level of hedge effectiveness is identified based on the terms of the contracts.

(q) Application of group tax sharing system

ASICS and certain domestic consolidated subsidiaries adopted the group tax sharing system, which allows companies to file tax returns based on the combined profit or loss of a parent company and its domestic subsidiaries.

3. Significant Accounting Estimates

[Fiscal year ended December 31, 2024]

(Recoverability of deferred tax assets)

(1) The components of deferred tax assets recorded in the consolidated financial statements as of December 31, 2024 as follows:

	Millions of yen	
	2024	
Total amounts for the Group		
Gross deferred tax assets for future deductible temporary differences	¥	35,997
Total valuation allowance		(18,329)
Deferred tax assets before offsetting against deferred tax liabilities		17,668
Deferred tax assets after offsetting against deferred tax liabilities	¥	1,313
Portion attributable to ASICS and its domestic consolidated subsidiaries applying the consolidated taxation system		
Gross deferred tax assets for future deductible temporary differences	¥	11,860
Total valuation allowance		(2,828)
Deferred tax assets before offsetting against deferred tax liabilities		9,032
Deferred tax assets after offsetting against deferred tax liabilities	¥	4,731

(2) Information on the contents of significant accounting estimates related to the identified items for the fiscal year ended December 31, 2024

(a) Method of calculating the amounts recorded in the consolidated financial statements for the fiscal year ended December 31, 2024

Regarding the recognition of deferred tax assets, the timing and amount of taxable income that can be earned in the future are reasonably estimated and the amount is calculated.

(b) Key assumptions used in the calculation of the amounts recorded in the consolidated financial statements for the fiscal year ended December 31, 2024

The business plan, which is the basis for taxable income, includes the policy of the Mid-Term Plan 2026 and the sales forecast and the cost control forecast of selling, general and administrative expenses under the current business environment and the future outlook, is affected by key assumptions that involve management's judgment.

The key assumptions are the growth rates, estimated sales volume as well as selling prices set by ASICS Japan Corporation, which is a major domestic sales subsidiary.

(c) Impact on the consolidated financial statements for the following fiscal year

Management believes that the above assumptions are reasonable, however, they may be affected by the outcome of future changes in uncertain economic conditions and if future taxable income differs from the forecasts and assumptions, the amount of deferred tax assets recognized could be materially affected.

(Intangible Assets and Goodwill)

(1) Amounts recorded in the consolidated financial statements as of December 31, 2024 are as follows:

	Millions of yen	
	2024	
Goodwill	¥	5,964

(2) Information on the contents of significant accounting estimates related to the identified items for the fiscal year ended December 31, 2024

(a) Method of calculating the amounts recorded in the consolidated financial statements for the fiscal year ended December 31, 2024

The Group acquired shares in companies that provide race registration platforms in Japan and overseas, allocated the acquisition cost to identifiable assets and liabilities as of the date of the business combination, and calculated goodwill and other assets as the difference.

The existence of indications of impairment on goodwill and other assets is assessed each fiscal year based on changes in the business environment and deterioration in business performance.

If it is determined that there is an indication of impairment, the Group estimates undiscounted future cash flow based on the business plan and recognizes an impairment loss if it is less than the book value.

(b) Impact on the consolidated financial statements for the following fiscal year

Management believes that the above assumptions are reasonable, however, they may be affected by future changes in uncertain economic conditions, which could have a significant impact on the amount of intangible assets and goodwill if the assumptions need to be revised.

[Fiscal year ended December 31, 2025]

(Goodwill)

(1) Amounts recorded in the consolidated financial statements as of December 31, 2025 are as follows:

	Millions of yen		Thousands of U.S. dollars	
	2025		2025	
Goodwill	¥	5,716	\$	36,641

The Group recorded goodwill of ¥5,716 million (\$36,641 thousand) in the consolidated balance sheet as of December 31, 2025.

Goodwill arose from the acquisition of the following consolidated subsidiaries related to the running services business:

Running services business: Race Roster North America Corporation group and R-bies Co., Ltd. (Goodwill: ¥5,716 million (\$36,641 thousand) in the consolidated balance sheet as of December 31, 2025)

(2) Information on the contents of significant accounting estimates related to the identified items for the fiscal year ended December 31, 2025

(a) Method and key assumptions of calculating the amounts recorded in the consolidated financial statements for the fiscal year ended December 31, 2025

The Group acquired shares in companies that provide running services in Japan and overseas, allocated the acquisition cost to identifiable assets and liabilities as of the date of the business combination, and calculated goodwill as the amount of the difference.

Under Japanese generally accepted accounting principles, goodwill is amortized over a specific amortization period on a systematic basis. When indicators of impairment are identified, the Group is required to assess whether an impairment loss should be recognized. If the assessment concludes that the recognition of an impairment loss is required, the book value of goodwill is reduced to its recoverable amount, and the corresponding decrease in the carrying amount is recognized as an impairment loss.

Indicators of impairment include cases where there has been, or is expected to be, a significant deterioration in the business environment related to the business. In assessing whether any such deterioration exists, the Group evaluates the achievement status of the business plan, which is prepared based on the estimation of continued revenue growth.

For the fiscal year ended December 31, 2025, the Group concluded that no indicators of impairment existed for the running services business, as there was no significant deterioration in the business environment, with performance generally in line with the business plan and stable results are expected in future periods. The business plan incorporates revenue forecasts reflecting the current business environment and outlook and is affected by the key assumption involving management's judgment. The key assumption is the revenue growth rate of the running services business, which is affected by external factors such as the overall trends in the number of participants, changes in the competitive environment and others.

(b) Impact on the consolidated financial statements for the following fiscal year

Management believes that the above assumptions are reasonable, however, they may be affected by future changes in uncertain economic conditions, which could have a significant impact on the amount of goodwill if the assumptions need to be revised.

4. Accounting Standards Not Yet Adopted

(Accounting Standard for Leases)

- "Accounting Standard for Leases" (Accounting Standards Board of Japan (ASBJ) Statement No. 34, September 13, 2024)
- "Guidance on Accounting Standard for Leases" (ASBJ Guidance No. 33, September 13, 2024)

(1) Overview

The ASBJ considered the development of lease accounting in light of IFRS 16 under which a lessee recognizes all leased assets and the corresponding liabilities on its balance sheet, as part of the convergence efforts to align accounting principles generally accepted in Japan with IFRS. As a fundamental policy, it decided to integrate the primary provisions of IFRS 16. As a result of integrating these primary provisions, it issued the lease accounting principles that aim to apply to provisions of IFRS 16 simply and conveniently in the preparation of financial statements and without the need for revision, in principle. The accounting standard for leases applies a single lessee accounting model that recognizes depreciation expenses on the right of use assets and interest expense on the lease liabilities with regard to expense recognition of lessees regardless of classification as finance leases or operating leases consistent with IFRS 16.

(2) Scheduled date of application

ASICS will apply the accounting standard from the beginning of the fiscal year ending December 31, 2028.

(3) Effect of application of accounting standard

ASICS is currently evaluating the effect of applying the accounting standard and the guidance on its consolidated financial statements.

5. Cash and Deposits

The balances of cash and deposits reflected in the accompanying consolidated balance sheets as of December 31, 2024 and 2025 were reconciled to the balances of cash and cash equivalents in the accompanying consolidated statements of cash flows for the fiscal years ended December 31, 2024 and 2025 as follows:

	Millions of yen				Thousands of U.S. dollars	
	2024		2025		2025	
Cash and deposits	¥	127,021	¥	112,267	\$	719,660
Time deposits with original maturities in excess of three months, included in cash and deposits		(47)		(45)		(288)
Cash and cash equivalents	¥	126,973	¥	112,221	\$	719,365

6. Receivables Arising from Contracts with Customers

Notes and accounts receivable arising from contracts with customers are as follows:

	Millions of yen				Thousands of U.S. dollars	
	2024		2025		2025	
Notes receivable	¥	8,132	¥	6,298	\$	40,372
Accounts receivable		66,572		82,504		528,872

7. Investment Securities

Information regarding other securities with determinable market value as of December 31, 2024 and 2025 is summarized as follows:

	Millions of yen						Thousands of U.S. dollars			
	2024			2025			2025			
	Carrying value	Acquisition costs	Difference	Carrying value	Acquisition costs	Difference	Carrying value	Acquisition costs	Difference	
Securities whose carrying value exceeds their acquisition costs:										
Equity securities	¥	—	¥	—	¥	—	\$	—	\$	—
Corporate bonds		0		—		—		—		—
Subtotal		0		—		—		—		—
Securities whose carrying value does not exceed their acquisition costs:										
Equity securities		—		—		—		—		—
Corporate bonds		102		120		(17)		92		(27)
Subtotal		102		120		(17)		92		(27)
Total	¥	102	¥	120	¥	(17)	\$	590	\$	769

Unlisted equity securities (carrying value as of December 31, 2024 and 2025 amounted to ¥751 million and ¥1,025 million (\$6,571 thousand), respectively), and investments in limited liability partnerships and others (carrying value as of December 31, 2024 and 2025 amounted to ¥2,659 million and ¥2,589 million (\$16,596 thousand), respectively) are not included in the above table because there is no market price.

Information regarding sale of other securities for the fiscal years ended December 31, 2024 and 2025 is summarized as follows:

	Millions of yen		Thousands of U.S. dollars	
	2024	2025	2025	
Proceeds from sale	¥ 11,668	¥ 2	\$	13
Gross realized gain	6,938	—		—
Gross realized loss	18	7		45

ASICS has recognized loss on impairment of marketable securities classified as other securities in the amount of ¥133 million and ¥73 million (\$468 thousand) for the years ended December 31, 2024 and 2025, respectively. Impairment loss is recorded for the securities whose market value declines by 30% or more as compared with their acquisition costs.

Unconsolidated subsidiaries and affiliates in investment securities are as follows:

	Millions of yen		Thousands of U.S. dollars	
	2024	2025	2025	
Investments and other assets				
Investment securities (common stocks)	¥ 80	¥ 80	\$	513
Other (capital)	66	—		—

8. Impairment Losses

[Fiscal year ended December 31, 2024]

Use	Location	Classification	Millions of yen	
			2024	
Store assets	North America and Southeast Asia etc.	Buildings and structures, Tools, furniture and fixtures and Leased assets etc.	¥	952
Other	North America and Japan etc.	Tools, furniture and fixtures and Software etc.		1,066
Total			¥	2,019

The Group groups store assets by store, while assets intended for sale and idle assets individually. The assets are grouped by cash-generating units defined as the smallest identifiable group of assets generating cash inflows. In addition, the Group groups the assets that are planned to be sold and not expected to be used in the future by property.

The Group has written down asset groups whose operating income has been continuously negative to their respective recoverable amounts and recorded related loss on impairment of property, plant and equipment. Since the assets for the use of “Other” are not expected to be used in the future, the book values of the assets have been written down to their respective recoverable amount. The recoverable amounts of asset groups are measured at the higher of their net selling value or value in use. The net selling value is based on estimated sales price. If the estimated sales price is zero, the entire book value is written off. Value in use is measured as the sum of anticipated future cash flows discounted at rates of 9.0% to 11.0% for the year ended December 31, 2024.

[Fiscal year ended December 31, 2025]

Use	Location	Classification	Thousands of	
			Millions of yen	U.S. dollars
			2025	2025
Store assets	Japan, North America, and Greater China	Buildings and structures etc.	¥ 423	\$ 2,712
Other	Japan and North America	Software etc.	1,964	12,590
Total			¥ 2,388	\$ 15,308

The Group groups store assets by store, while assets intended for sale and idle assets individually. The assets are grouped by cash-generating units defined as the smallest identifiable group of assets generating cash inflows. In addition, the Group groups the assets that are planned to be sold and not expected to be used in the future by property.

The Group has written down asset groups whose operating income has been continuously negative to their respective recoverable amounts and recorded related loss on impairment of property, plant and equipment. Since the assets for the use of “Other” are not expected to be used in the future, the book values of the assets have been written down to their respective recoverable amount. The recoverable amounts of asset groups are measured at the higher of their net selling value or value in use. The net selling value is based on estimated sales price. If the estimated sales price is zero, the entire book value is written off. Value in use is measured as the sum of anticipated future cash flows discounted at rates of 8.4% to 11.0% for the year ended December 31, 2025.

The breakdown of impairment losses by account for the fiscal year ended December 31, 2025 is as follows.

Account	Thousands of	
	Millions of yen	U.S. dollars
	2025	2025
Software	¥ 1,614	\$ 10,346
Buildings and structures	247	1,583
Other	526	3,372
Total	¥ 2,388	\$ 15,308

9. Short-Term Bank Loans and Long-Term Debt

Short-term bank loan and long-term debt as of December 31, 2024 and 2025 consisted of the following:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
0.22% yen unsecured bonds issued through public offering, due 2025	¥ 25,000	¥ —	\$ —
0.10% yen unsecured bonds issued through public offering, due 2026	10,000	10,000	64,103
0.56% yen unsecured bonds issued through public offering, due 2026	15,000	15,000	96,154
0.79% yen unsecured bonds issued through public offering, due 2028	10,000	10,000	64,103
Loans primarily from banks, due through 2025 at interest rates 0.3%	2,500	—	—
Loans primarily from banks, due through 2026 at interest rates 0.895%	—	2,500	16,026
Lease obligations	54,776	61,029	391,212
	117,276	98,529	631,596
Current portion of long-term debt and short-term loans	(40,444)	(43,500)	(278,846)
	¥ 76,832	¥ 55,029	\$ 352,750

Information on the aggregate annual maturities of long-term debt subsequent to December 31, 2025 is presented in Note 22, “Financial Instruments.”

ASICS has an overdraft agreement with the bank to finance working capital efficiently. The balance of unexecuted loan commitments as of December 31, 2024 and 2025 under this agreement is as follows.

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Total overdrafts	¥ 195,500	¥ 195,500	\$ 1,253,205
Executed loans	—	2,500	16,026
Unexecuted balance	¥ 195,500	¥ 193,000	\$ 1,237,179

10. Contract Liabilities

Contract liabilities included in “Other” under current liabilities as of December 31, 2024 and 2025 are as follows:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Contract liabilities	¥ 2,415	¥ 2,792	\$ 17,897

11. Retirement Benefits

ASICS and certain domestic consolidated subsidiaries have lump-sum payment plans, defined contribution pension plans or a smaller enterprise retirement allowance mutual aid plan.

Certain defined benefit corporate pension plans have a retirement benefit trust.

Certain overseas consolidated subsidiaries adopted defined contribution pension plans or defined benefit plans.

The changes in the retirement benefit obligations, except for plans accounted for by the simplified method, during the fiscal years ended December 31, 2024 and 2025 are as follows:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Retirement benefit obligations at the beginning of the year	¥ 7,964	¥ 7,880	\$ 50,513
Service cost	621	631	4,045
Interest cost	71	70	449
Actuarial loss (gain)	262	(317)	(2,032)
Retirement benefits paid	(1,053)	(861)	(5,519)
Other	13	2	13
Retirement benefit obligations at the end of the year	¥ 7,880	¥ 7,404	\$ 47,462

The changes in the plan assets, except for plans accounted for by the simplified method, during the fiscal years ended December 31, 2024 and 2025 are as follows:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Plan assets at the beginning of the year	¥ 4,277	¥ 3,649	\$ 23,391
Expected return on plan assets	85	72	462
Actuarial gain (loss)	20	(100)	(641)
Retirement benefits paid	(734)	(697)	(4,468)
Plan assets at the end of the year	¥ 3,649	¥ 2,924	\$ 18,744

The changes in liabilities for retirement benefits calculated by the simplified method during the fiscal years ended December 31, 2024 and 2025 are as follows:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Liabilities for retirement benefits at the beginning of the year	¥ 704	¥ 634	\$ 4,064
Retirement benefit expenses	48	63	404
Retirement benefits paid	(104)	(45)	(288)
Other	(13)	(13)	(83)
Liabilities for retirement benefits at the end of the year	¥ 634	¥ 640	\$ 4,103

The following table sets forth the funded status of the plans and the amounts recognized in the consolidated balance sheets as of December 31, 2024 and 2025 for ASICS' and the consolidated subsidiaries' defined benefit plan:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Funded retirement benefit obligations	¥ 7,366	¥ 6,903	\$ 44,250
Plan assets at fair value	(3,841)	(3,116)	(19,974)
Unfunded retirement benefit obligations	1,340	1,334	8,551
Net liability for retirement benefits in the consolidated balance sheet	4,865	5,120	32,821
Liabilities for retirement benefits	4,865	5,120	32,821
Net liability for retirement benefits in the consolidated balance sheet	¥ 4,865	¥ 5,120	\$ 32,821

(*)Certain consolidated subsidiaries calculate the liability for the retirement benefits based on the simplified method.

The components of retirement benefit expenses for the fiscal years ended December 31, 2024 and 2025 are as follows:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Service cost	¥ 621	¥ 631	\$ 4,045
Interest cost	71	70	449
Expected return on plan assets	(85)	(72)	(462)
Amortization of unrecognized actuarial loss	42	20	128
Amortization of prior service cost	115	115	737
Net retirement benefit expenses calculated by the simplified method	48	63	404
Retirement benefit expenses	¥ 813	¥ 828	\$ 5,308

Prior service cost and actuarial loss (gain) included in other comprehensive income (before income taxes and tax effects) for the years ended December 31, 2024 and 2025 are as follows:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Prior service cost	¥ 115	¥ 115	\$ 737
Actuarial loss (gain)	(199)	238	1,526
Total	¥ (84)	¥ 353	\$ 2,263

Unrecognized prior service cost and unrecognized actuarial loss included in accumulated other comprehensive income (before income taxes and tax effects) as of December 31, 2024 and 2025 are as follows:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Unrecognized prior service cost	¥ 931	¥ 816	\$ 5,231
Unrecognized actuarial loss	430	192	1,231
Total	¥ 1,361	¥ 1,008	\$ 6,462

Main categories by percentage of total pension assets as of December 31, 2024 and 2025 are as follows:

	2024	2025
Bonds	72%	47%
Equity securities	5%	32%
Cash and deposits	18%	15%
Other	5%	6%
Total	100%	100%

Total pension assets include 95% and 94% of retirement benefit trusts established for corporate pension plans for the fiscal years ended December 31, 2024 and 2025, respectively.

When determining the long-term expected rate of return on pension assets, ASICS considers the current and projected allocation of pension assets and the current and future long-term rates of return on the diverse assets that comprise its pension assets.

The assumptions used in accounting for the above retirement benefit plans for the fiscal years ended December 31, 2024 and 2025 are as follows:

	2024	2025
Discount rates	0.1% - 2.9%	1.5% - 2.4%
Long-term expected rate of return on pension assets	2.0%	2.0%

Total contributions paid by ASICS and its consolidated subsidiaries to the defined contribution pension plans for the fiscal years ended December 31, 2024 and 2025 amounted to ¥2,132 million and ¥2,140 million (\$13,718 thousand), respectively.

12. Contingent Liabilities

The assets pledged as collateral for a third-party's borrowings as of December 31, 2024 and 2025 are as follows:

	Millions of yen		Thousands of U.S. dollars
	2024	2025	2025
Investments and other assets:			
Investment securities	¥ 302	¥ 292	\$ 1,872

13. Shareholders' Equity

The Law provides that an amount equal to 10% of the amount to be disbursed as distributions of capital surplus (other than the capital reserve) and retained earnings (other than the legal reserve) be transferred to the capital reserve and the legal reserve, respectively, until the sum of the capital reserve and the legal reserve equals 25% of the capital stock account. Such distributions can be made at any time by resolution of the shareholders or by the Board of Directors if certain conditions are met.

ASICS' legal reserve included in retained earnings is nil as of December 31, 2024 and 2025.

Movements in common stock and treasury shares for the years ended December 31, 2024 and 2025 are summarized as follows:

	Number of Shares			
	2024			
	January 1, 2024	Increase	Decrease	December 31, 2024
Shares issued:				
Common stock	189,870,559	569,611,677	—	759,482,236
Treasury shares:				
Treasury shares	6,634,589	37,129,347	23,430	43,740,506

- ASICS has carried out a 4-for-1 stock split for its common stock on the effective date of July 1, 2024.
- The increase in common stock of 569,611,677 is due to the stock split.
- The increase in treasury shares of 37,129,347 shares is due to stock split of 27,144,369, repurchase of 9,975,900 treasury shares resolved at a Board of Directors meeting, acquisition at no cost of 6,112 shares related to restricted stock remuneration, and purchases of 2,966 shares of less than one voting unit.
- The decrease in treasury shares of 23,430 shares is due to exercise of stock option of 23,400 shares and sale of 30 shares of less than one voting unit.

	Number of Shares			
	2025			
	January 1, 2025	Increase	Decrease	December 31, 2025
Shares issued:				
Common stock	759,482,236	—	25,000,000	734,482,236
Treasury shares:				
Treasury shares	43,740,506	14,589,431	32,483,066	25,846,871

- The decrease in common stock of 25,000,000 is due to the cancellation of treasury shares resolved at a Board of Directors meeting.
- The increase in treasury shares of 14,589,431 shares is due to repurchase of 14,588,400 treasury shares resolved at a Board of Directors meeting and purchases of 1,031 shares of less than one voting unit.
- The decrease in treasury shares of 32,483,066 shares is due to cancellation of 25,000,000 treasury shares resolved at a Board of Directors meeting, disposal of 7,000,000 treasury shares through third party allotment to enable continuous and stable support of the activities of ASICS Foundation, disposal of 462,586 treasury shares as restricted stock unit, exercise of stock option of 20,400 shares, and sale of 80 shares of less than one voting unit.

(Share acquisition rights)

[Fiscal year ended December 31, 2024]

Company	Description	Type of shares issued	Number of shares to be issued				Balance at December 31, 2024 (Millions of yen)
			January 1, 2024	Increase	Decrease	December 31, 2024	
Parent company	Acquisition rights as stock options	—	—	—	—	—	¥ 254
Total		—	—	—	—	—	¥ 254

[Fiscal year ended December 31, 2025]

Company	Description	Type of shares issued	Number of shares to be issued				Balance at December 31, 2025	
			January 1, 2025	Increase	Decrease	December 31, 2025	(Millions of yen)	(Thousands of U.S. dollars)
Parent company	Acquisition rights as stock options	—	—	—	—	—	¥ 242	\$ 1,551
Total		—	—	—	—	—	¥ 242	\$ 1,551

(Dividends)

[Fiscal year ended December 31, 2024]

Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen) (Note)	Record date	Effective date
Annual general meeting of the shareholders on March 22, 2024	Common stock	¥ 7,329	¥ 40.0	December 31, 2023	March 25, 2024
Meeting of the Board of Directors on August 13, 2024	Common stock	¥ 7,232	¥ 40.0	June 30, 2024	September 5, 2024

(Note)

ASICS has carried out a 4-for-1 stock split for its common stock on the effective date of July 1, 2024. Dividends per share is disclosed before the stock split.

Dividends with the cut-off date in the year ended December 31, 2024 and effective date in the year ended December 31, 2025

Resolution	Type of shares	Total dividends (Millions of yen)	Source of dividends	Dividends per share (Yen)	Record date	Effective date
Annual general meeting of the shareholders on March 28, 2025	Common stock	¥ 7,157	Retained earnings	¥ 10.0	December 31, 2024	March 31, 2025

[Fiscal year ended December 31, 2025]

Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Total dividends (Thousands of U.S. dollars)	Dividends per share (Yen)	Dividends per share (U.S. dollars)	Record date	Effective date
Annual general meeting of the shareholders on March 28, 2025	Common stock	¥ 7,157	\$ 45,878	¥ 10.0	\$ 0.06	December 31, 2024	March 31, 2025
Meeting of the Board of Directors on August 13, 2025	Common stock	¥ 8,600	\$ 55,128	¥ 12.0	\$ 0.08	June 30, 2025	August 14, 2025

Dividends with the cut-off date in the year ended December 31, 2025 and effective date in the year ending December 31, 2026

Resolution	Type of shares	Total dividends (Millions of yen)	Total dividends (Thousands of U.S. dollars)	Source of dividends	Dividends per share (Yen)	Dividends per share (U.S. dollars)	Record date	Effective date
Annual general meeting of the shareholders on March 25, 2026	Common stock	¥ 11,338	\$ 72,679	Retained earnings	¥ 16.0	\$ 0.10	December 31, 2025	March 26, 2026

(Stock option plans)

There were no stock option costs included in selling, general and administrative expenses for the fiscal years ended December 31, 2024 and 2025, respectively.

A description of the stock option plan (the “2018 plan”) is as follows:

Stock option plans		2018 plan
Date of approval at a meeting of the Board of Directors		April 20, 2018
Individuals covered by the plan	Directors other than outside directors	6
	Executive officers	12
	Directors of ASICS’ subsidiaries	4
	Employee of ASICS’ subsidiary	2
Type and number of shares to be issued upon the exercise of the stock options		2018 plan
Common stock (Note)	340,800	
Grant date	May 18, 2018	
Service period	Not defined	
Exercise period	From May 19, 2021 to May 18, 2048	

A description of the stock option plan (the “2017 plan”) is as follows:

Stock option plans		2017 plan
Date of approval at a meeting of the Board of Directors		April 26, 2017
Individuals covered by the plan	Directors other than outside directors	5
	Employees of ASICS	6
	Directors of ASICS’ subsidiaries	4
	Employee of ASICS’ subsidiary	2
Type and number of shares to be issued upon the exercise of the stock options		2017 plan
Common stock (Note)	405,600	
Grant date	May 29, 2017	
Service period	Not defined	
Exercise period	From May 30, 2020 to May 29, 2047	

A description of the stock option plan (the “2016 plan”) is as follows:

Stock option plans		2016 plan
Date of approval at a meeting of the Board of Directors		April 22, 2016
Individuals covered by the plan	Directors other than outside directors	4
	Employees of ASICS	7
	Directors of ASICS’ subsidiaries	2
	Employees of ASICS’ subsidiaries	3
Type and number of shares to be issued upon the exercise of the stock options		2016 plan
Common stock (Note)	343,600	
Grant date	May 17, 2016	
Service period	Not defined	
Exercise period	From May 18, 2019 to May 17, 2046	

A description of the stock option plan (the “2015 plan”) is as follows:

Stock option plans		2015 plan
Date of approval at a meeting of the Board of Directors		April 7, 2015
Individuals covered by the plan	Directors other than outside directors	5
	Employees of ASICS	6
	Directors of ASICS’ subsidiaries	3
	Employees of ASICS’ subsidiaries	2
Type and number of shares to be issued upon the exercise of the stock options		2015 plan
Common stock (Note)	94,800	
Grant date	May 12, 2015	
Service period	Not defined	
Exercise period	From May 13, 2018 to May 12, 2045	

A description of the stock option plan (the “2014 plan”) is as follows:

Stock option plans		2014 plan
Date of approval at a meeting of the Board of Directors		July 18, 2014
Individuals covered by the plan	Directors other than outside directors	7
	Executive officers who are residents of Japan under the Income Tax Law of Japan	6
Type and number of shares to be issued upon the exercise of the stock options		2014 plan
Common stock (Note)	106,000	
Grant date	August 8, 2014	
Service period	Not defined	
Exercise period	From August 9, 2017 to August 8, 2044	

(Note)

The numbers of shares are stated after conversion. Since ASICS has carried out a 4-for-1 stock split for its common stock on the effective date of July 1, 2024, the number of shares is disclosed after conversion to the number of shares after the stock split.

Vesting conditions for the exercise of stock acquisition rights are as follows:

[For the “2018 plan”, “2017 plan” and “2016 plan”]

- 1) If the individuals to whom the stock acquisition rights are granted (the “Holders”) forfeit stock acquisition rights, the stock options cannot be exercised.
- 2) Other conditions are included in the contract entered into between ASICS and the Holders.

[For the “2015 plan”]

If the Holders forfeit stock acquisition rights, the stock options cannot be exercised.

[For the “2014 plan”]

- 1) When the Holders cease to be a director or/and executive officer, the Holders can exercise the rights within five years following the date on which the Holders leave their positions with valid reasons as approved by ASICS, such as the fulfillment of the service period.
- 2) If the Holders forfeit stock acquisition rights, the stock options cannot be exercised.
- 3) Other conditions are included in the contract entered into between ASICS and the Holders.

The following table summarizes stock option activity under the stock option plans referred to above during the year ended December 31, 2025:

	2018 plan	2017 plan	2016 plan
Number of stock options (Note)			
Unvested:			
Outstanding at the end of prior fiscal period	—	—	—
Granted	—	—	—
Forfeited	—	—	—
Vested	—	—	—
Outstanding at the end of the fiscal period	—	—	—
Vested:			
Outstanding at the end of prior fiscal period	229,200	228,800	70,000
Vested	—	—	—
Exercised	—	3,200	10,800
Forfeited	—	—	—
Outstanding at the end of the fiscal period	229,200	225,600	59,200
		Yen	
Exercise price	¥ 1	¥ 1	¥ 1
Weighted average exercise price	¥ —	¥ 3,375	¥ 3,993
Weighted average fair value per stock at the grant date	¥ 446	¥ 417	¥ 544
		U.S. dollars	
Exercise price	\$ 0.01	\$ 0.01	\$ 0.01
Weighted average exercise price	\$ —	\$ 22	\$ 26
Weighted average fair value per stock at the grant date	\$ 3	\$ 3	\$ 3

	2015 plan	2014 plan
Number of stock options		
Unvested:		
Outstanding at the end of prior fiscal period	—	—
Granted	—	—
Forfeited	—	—
Vested	—	—
Outstanding at the end of the fiscal period	—	—
Vested:		
Outstanding at the end of prior fiscal period	24,000	1,200
Vested	—	—
Exercised	6,400	—
Forfeited	—	—
Outstanding at the end of the fiscal period	17,600	1,200

	Yen			
Exercise price	¥	1	¥	1
Weighted average exercise price	¥	3,932	¥	—
Weighted average fair value per stock at the grant date	¥	752	¥	533

	U.S. dollars			
Exercise price	\$	0.01	\$	0.01
Weighted average exercise price	\$	25	\$	—
Weighted average fair value per stock at the grant date	\$	5	\$	3

(Note)

Since ASICS has carried out a 4-for-1 stock split for its common stock on the effective date of July 1, 2024, the numbers and the prices are stated after conversion to the stock-split prices.

Valuation method for estimating fair value was not applicable.

Because it is difficult to reasonably estimate the number of stock options that will be forfeited in the future, the estimation reflects only the actual number of forfeited stock options.

(Restricted Stock Plan)

ASICS has introduced a Restricted Stock Compensation Plan as compensation for Directors and employees. Since this transaction is not a transaction to issue shares, etc. as remuneration, etc. for Directors, etc. without requiring payment of money as specified under Article 202-2 of the Companies Act, “Practical Solution on Transactions that Grant Shares as Compensation for Directors, etc.” (Practical Solution No. 41, January 28, 2021) is not applied.

Stock option costs included in cost of sales for the fiscal year ended December 31, 2025 amounted to ¥15 million (\$96 thousand). The costs also included in selling, general and administrative expenses for the years ended December 31, 2024 and 2025 amounted to ¥922 million and ¥1,017 million (\$6,519 thousand), respectively.

A description of the restricted stock plans (the “2026 plan for directors”) is as follows:

Restricted stock plans		2026 plan for directors
Individuals covered by the plan	Directors other than non-executive directors	2
	Executive officers of ASICS	14
Type, number of shares and other conditions	2026 plan for directors	
Number of shares of common stock	207,108	
Grant date	March 27, 2026	
Transfer restriction period	From March 27, 2026 until the grantees resign and retire from any of the subject positions within ASICS or ASICS’ subsidiaries. (Note 2)	

A description of the restricted stock plans (the “2025 plan for directors”) is as follows:

Restricted stock plans		2025 plan for directors
Individuals covered by the plan	Directors other than non-executive directors	2
	Executive officers of ASICS	14
Type, number of shares and other conditions	2025 plan for directors	
Number of shares of common stock	292,158	
Grant date	April 16, 2025	
Transfer restriction period	From April 16, 2025 until the grantees resign and retire from any of the subject positions within ASICS or ASICS’ subsidiaries. (Note 2, 3)	

A description of the restricted stock plan (the “2023 plan for directors”) is as follows:

Restricted stock plans		2023 plan for directors
Individuals covered by the plan	Directors other than non-executive directors	1
	Executive officers of ASICS	17
Type, number of shares and other conditions	2023 plan for directors	
Number of shares of common stock	291,384	
Grant date	May 12, 2023	
Transfer restriction period	From May 12, 2023 to May 12, 2026	

A description of the restricted stock plan (the “2022 plan for directors”) is as follows:

	Restricted stock plans	2022 plan for directors
Individuals covered by the plan	Directors other than outside directors	1
	Executive officers of ASICS	17

Type, number of shares and other conditions	2022 plan for directors
Number of shares of common stock	511,900
Grant date	May 13, 2022
Transfer restriction period	From May 13, 2022 to May 13, 2025

Vesting conditions for the restricted stock are as follows:

[For the “2022 plan for directors”]

To achieve the predetermined performance conditions between January 1, 2022 and December 31, 2022.

[For the “2023 plan for directors”]

To achieve the predetermined performance conditions between January 1, 2023 and December 31, 2023.

[For the “2025 plan for directors”]

To achieve the predetermined performance conditions between January 1, 2024 and December 31, 2024.

[For the “2026 plan for directors”]

To achieve the predetermined performance conditions between January 1, 2025 and December 31, 2025.

Lifting conditions for the restricted stock are as follows:

[2022 plan for directors and 2023 plan for directors]

ASICS shall lift the transfer restriction for all or some portions of the allotted shares upon the expiration of the transfer restriction period on the condition that covered persons to whom the restricted stock has been allotted remain in the Group’s subject positions during the transfer restriction period.

However, in the event that such person leaves his or her position as the Group’s subject position prior to the expiration date of the transfer restriction period for reasons deemed justifiable by ASICS’ Board of Directors, (such as the expiration of the term of the positions), ASICS shall lift the transfer restriction at the timing of leaving his or her position for a specified number of allotted shares on a pro rate basis according to the length of his or her service period until leaving the Group.

[2025 plan for directors and 2026 plan for directors]

ASICS shall lift the transfer restriction for all portions of the allotted shares upon the expiration of the transfer restriction period on the condition that covered persons to whom the restricted stock has been allotted remain in ASICS’ or its subsidiaries’ subject positions during the transfer restriction period.

However, in the event that such person leaves his or her position as the subject position prior to the expiration date of the transfer restriction period for reasons deemed justifiable by ASICS’ Board of Directors, ASICS shall lift the transfer restriction for all allotted shares at the timing of leaving his or her position.

(Notes)

1. Since ASICS has carried out a 4-for-1 stock split for its common stock on the effective date of July 1, 2024, the numbers and the prices are stated after conversion to the post-split prices.
2. “Subject positions” refers to directors, executive officers, and employees.
3. If the resignation or retirement date of the subject director is before March 31, 2026, the transfer restriction period will be until April 1, 2026.

A description of the restricted stock plans (the “2026 plan for employees”) is as follows:

Restricted stock plans		2026 plan for employees
Individuals covered by the plan	Employees of ASICS and its subsidiaries	107
Type, number of shares and other conditions	2026 plan for employees	
Number of shares of common stock	55,413	
Grant date	March 27, 2026	
Transfer restriction period	From March 27, 2026 to February 29, 2028	

A description of the restricted stock plans (the “2025 plan for employees”) is as follows:

Restricted stock plans		2025 plan for employees
Individuals covered by the plan	Employees of ASICS and its subsidiaries	117
Type, number of shares and other conditions	2025 plan for employees	
Number of shares of common stock	191,900	
Grant date	June 27, 2025	
Transfer restriction period	From June 27, 2025 to February 28, 2027	

Vesting conditions for the restricted stock are as follows:

[For the “2025 plan for employees”]

To achieve the predetermined performance conditions between January 1, 2024 and December 31, 2024.

[For the “2026 plan for employees”]

To achieve the predetermined performance conditions between January 1, 2025 and December 31, 2025.

Lifting conditions for the restricted stock are as follows:

[2025 plan for employees and 2026 plan for employees]

ASICS shall lift the transfer restriction for all portions of the allotted shares upon the expiration of the transfer restriction period on the condition that covered persons to whom the restricted stock have been allotted remain in the Group’s directors, executive officers, and employees during the transfer restriction period.

However, in the event that such person leaves his or her position as the Group’s directors, executive officers, and employees prior to the expiration date of the transfer restriction period for reasons deemed justifiable by ASICS’ Board of Directors, ASICS shall lift the transfer restriction at the timing of leaving his or her position for all allotted shares.

Size and changes in the restricted stock are as follows.

	2026 plan for directors	2025 plan for directors	2023 plan for directors	2022 plan for directors
Number of shares of restricted stock				
Number at the end of prior fiscal period	—	—	231,836	379,940
Granted	—	292,158	—	—
Acquisition without consideration	—	—	—	—
Removal of transfer restriction	—	—	8,936	379,940
Number at the end of the fiscal period	—	292,158	222,900	—
	Yen			
Fair value per restricted stock at grant date	¥ —	¥ 3,351	¥ 955	¥ 522
	U.S. dollars			
Fair value per restricted stock at grant date	\$ —	\$ 21.48	\$ 6.12	\$ 3.35
	2026 plan for employees	2025 plan for employees		
Number of shares of restricted stock				
Number at the end of prior fiscal period	—	—		
Granted	—	191,900		
Acquisition without consideration	—	21,472		
Removal of transfer restriction	—	—		
Number at the end of the fiscal period	—	170,428		
	Yen			
Fair value per restricted stock at grant date	¥ —	¥ 2,770.5		
	U.S. dollars			
Fair value per restricted stock at grant date	\$ —	\$ 17.76		

(Note)

Since ASICS has carried out a 4-for-1 stock split for its common stock on the effective date of July 1, 2024, the numbers and the prices are stated after conversion to the post-split prices.

14. Selling, General and Administrative Expenses

The material expenses in selling, general and administrative expenses for the fiscal years ended December 31, 2024 and 2025 are as follows.

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Packing and transportation	¥ 28,091	¥ 28,774	\$ 184,449
Advertising	52,099	59,508	381,462
Commission fee	48,835	57,910	371,218
Provision for bad debt	(989)	119	763
Salaries and wages	55,132	59,421	380,904
Provision for bonuses	6,848	9,638	61,782
Retirement benefit	1,077	1,234	7,910
Rent	13,189	15,802	101,295
Depreciation and amortization	20,315	24,939	159,865

Research and development costs included in selling, general and administrative expenses for the fiscal years ended December 31, 2024 and 2025 amounted to ¥6,901 million and ¥7,412 million (\$47,513 thousand), respectively.

15. Gain on Sale of Non-current Assets

Gain on sale of non-current assets of ¥236 million and ¥2,313 million (\$14,827 thousand) for the fiscal years ended December 31, 2024 and 2025, respectively, represents gain mainly on sales of land and buildings and structures owned by the consolidated subsidiaries and gain mainly on sale of land and buildings and structures for the office.

16. Gain on Sale of Investment Securities

Gain on sale of investment securities was ¥6,938 million for the fiscal year ended December 31, 2024 resulting from the gain on sales of cross-shareholdings.

17. Loss on Cancellation of Rental Contracts

Loss on cancellation of rental contracts of ¥1,331 million and ¥62 million (\$397 thousand) represents cancellation fees and other costs incurred due to the closing of the owned sport facilities and due to the closing of the owned retail stores for the fiscal years ended December 31, 2024 and 2025, respectively.

18. Loss on Relocation

Loss on relocation of ¥2,030 million for the fiscal year ended December 31, 2024 is due to the impairment losses of ¥1,674 million and the asset retirement obligations of ¥355 million.

The Group has recorded impairment losses on the following assets.

Use	Location	Classification	Millions of yen	
			2024	
Business assets	Japan	Buildings and structures, Tools, furniture and fixtures	¥	1,674

During the fiscal year ended December 31, 2024, due to the decision to relocate the headquarters, the business assets were no longer expected to be utilized in the future. Consequently, the book value was reduced to the recoverable amount, and the loss on relocation was recorded as an extraordinary loss. The breakdown of this loss is ¥1,671 million for buildings and structures and ¥3 million for tools, furniture, and fixtures. The recoverable amount was measured based on the net selling price and has been assessed as zero, considering real estate appraisals and surrounding circumstances.

19. Allowance for Losses on Business Transfer

Allowance for losses on business transfer of ¥943 million for the fiscal year ended December 31, 2024 was provided for expenses expected to arise in association with a business transfer, as a result of ASICS' decision to transfer its shares in NIPPON SLIPPER CO., LTD., which is a wholly owned sub-subsiidiary, and is recorded in extraordinary losses.

20. Income Taxes

ASICS and certain domestic consolidated subsidiaries apply the group tax sharing system. ASICS and certain domestic consolidated subsidiaries account for and disclose for corporation tax and local corporation tax or the related tax effect accounting in accordance with “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (PITF No. 42, August 12, 2021).

Deferred tax assets and liabilities reflect the net tax effect of the temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts for income tax purposes.

(1) The significant components of the deferred tax assets and liabilities of ASICS and consolidated subsidiaries as of December 31, 2024 and 2025 are summarized as follows:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Deferred tax assets:			2025
Inventories	¥ 1,959	¥ 2,253	\$ 14,442
Allowance for doubtful accounts	974	1,028	6,590
Provision for employees’ bonuses, etc.	1,667	1,968	12,615
Liability for retirement benefits	2,014	2,082	13,346
Tax loss carryforwards *2	10,013	7,725	49,519
Impairment losses	1,132	1,146	7,346
Other	18,236	22,522	144,372
Gross deferred tax assets	35,997	38,727	248,250
Less valuation allowance for tax loss carryforwards *2	(9,326)	(7,725)	(49,519)
Less valuation allowance for temporary differences	(9,003)	(8,292)	(53,154)
Total valuation allowance *1	(18,329)	(16,018)	(102,679)
Total deferred tax assets	17,668	22,708	145,564
Deferred tax liabilities:			
Valuation difference on available-for-sale securities	—	148	949
Deferred gains or losses on hedges	4,902	2,956	18,949
Retained earnings for subsidiaries	4,502	5,512	35,333
Other	6,950	6,381	40,904
Total deferred tax liabilities	16,355	14,998	96,141
Net deferred tax assets	¥ 1,313	¥ 7,710	\$ 49,423

*1 Total valuation allowance decreased by ¥2,311 million (\$14,814 thousand) in the fiscal year ended December 31, 2025. The main reason for the decrease is due to the decrease in the tax loss carryforwards.

*2 The expiration of tax loss carryforwards, the related valuation allowance and resulting net deferred tax assets as of December 31, 2024 and 2025 were as follows:

		Millions of yen						
		2024						
	One year or less	After one year through two years	After two years through three years	After three years through four years	After four years through five years	After five years	Total	
Deferred tax assets relating to tax loss carryforwards *3	¥ 184	¥ 106	¥ 7	¥ 57	¥ 228	¥ 9,429	¥ 10,013	
Less valuation allowance for tax loss carryforwards	(172)	(106)	(7)	(12)	(56)	(8,970)	(9,326)	
Net deferred tax assets relating to tax loss carryforwards	¥ 12	¥ —	¥ —	¥ 44	¥ 172	¥ 458	*4 ¥ 686	

		Millions of yen						
		2025						
	One year or less	After one year through two years	After two years through three years	After three years through four years	After four years through five years	After five years	Total	
Deferred tax assets relating to tax loss carryforwards *3	¥ 109	¥ 1	¥ 4	¥ 39	¥ 78	¥ 7,492	¥ 7,725	
Less valuation allowance for tax loss carryforwards	(109)	(1)	(4)	(39)	(78)	(7,492)	(7,725)	
Net deferred tax assets relating to tax loss carryforwards	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —	

		Thousands of U.S. dollars						
		2025						
	One year or less	After one year through two years	After two years through three years	After three years through four years	After four years through five years	After five years	Total	
Deferred tax assets relating to tax loss carryforwards *3	\$ 699	\$ 6	\$ 26	\$ 250	\$ 500	\$ 48,026	\$ 49,519	
Less valuation allowance for tax loss carryforwards	(699)	(6)	(26)	(250)	(500)	(48,026)	(49,519)	
Net deferred tax assets relating to tax loss carryforwards	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	

*3 The amount in the table above is determined by multiplying the corresponding tax loss carryforwards by the effective statutory tax rate.

*4 Certain portions of deferred tax assets are probable to be realized because future taxable income is expected.

(2) The reconciliation between the effective tax rates reflected in the consolidated financial statements and the effective statutory tax rate is summarized as follows:

	Percentage	
	2024	2025
Statutory tax rate		30.6 %
(Reconciliation)		
Permanently non-deductible expenses	Since the difference	0.2 %
Permanently non-taxable income	between the statutory tax	(14.7) %
Net adjustment resulting from elimination of dividend income upon consolidation	rate and the effective tax	
Change in valuation allowance	rate after the application of	15.1 %
Tax rate differences at overseas consolidated subsidiaries	tax effect accounting for	
Foreign withholding tax	the fiscal year ended	(0.4) %
Tax effect on retained earnings for foreign subsidiaries	December 31, 2024 is less	(2.0) %
Tax credit	than or equal to 5% of the	0.6 %
Other	statutory tax rate, this	0.7 %
	information is omitted.	(1.1) %
Effective tax rate after the application of tax effect accounting		28.8 %

(3) Amendments to deferred tax assets and deferred tax liabilities due to a change in the rate of corporation tax

In accordance with “the Act for Partial Amendment of the Income Tax Act” (Act No. 13, 2025) enacted by the Japanese parliament on March 31, 2025, the Defense Special Corporate Tax will take effect from the fiscal year beginning on or after April 1, 2026. Accordingly, the statutory tax rate used for calculating deferred tax assets and liabilities has been changed from 30.6% for the previous fiscal year to 31.5% for the temporary differences, etc. to be reversed in the fiscal years beginning on or after January 1, 2027.

The impact of this tax rate change on the consolidated financial statements is immaterial.

21. Leases

Leased assets under finance lease transactions which do not transfer ownership to the lessee mainly consist of computer software classified as intangible assets.

The depreciation methods of leased assets are described in Note 2, “Summary of Significant Accounting Policies, (h) Leased Assets.”

Future minimum lease payments subsequent to December 31, 2024 and 2025 under non-cancellable operating leases are summarized as follows:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Within one year	¥ 815	¥ 1,138	\$ 7,295
Over one year	2,709	2,903	18,609
	¥ 3,524	¥ 4,042	\$ 25,910

Right of use assets are recognized for leases of foreign subsidiaries.

The depreciation methods of right of use assets are described in Note 2, “Summary of Significant Accounting Policies, (h) Leased Assets.”

22. Financial Instruments

(a) Status of financial instruments

In consideration of plans for capital investment, the Group raises necessary funds mainly by bank borrowings and bonds issuance by reference to cash flow plan. The Group manages temporary fund surpluses principally through liquid financial assets. Furthermore, the Group raises short-term working capital through bank borrowings. The Group uses derivatives for the purpose of reducing risk and does not enter into derivatives for speculative purposes.

Trade receivables, notes and accounts receivables, are exposed to credit risk in relation to customers. In addition, the Group is exposed to foreign currency exchange risk arising from trade receivables denominated in foreign currencies, and forward foreign currency exchange contracts and others are arranged to reduce the risk.

Marketable securities and investment securities are exposed to market risk. Those securities are mainly composed of equity securities of companies with which the Group has business relationships.

Substantially all trade payables, trade notes and accounts payable, have payment due dates within four months. Although a portion of payables are exposed to foreign currency exchange risk arising from those payables denominated in foreign currencies, forward foreign currency exchange contracts and others are arranged to reduce the risk.

Loans and bonds are taken out principally for the purpose of conducting business activities and making capital investments. The repayment dates of the long-term debt extend up to three years from the balance sheet date.

Regarding derivatives, the Group enters into forward foreign currency exchange contracts and others to reduce the foreign currency exchange risk mainly on the payables denominated in foreign currencies resulting from importing products within the actual demand for foreign currency exchange. The Group also enters into interest rate swap transactions to reduce future fluctuation risk deriving from interest rates of long-term loans and bonds. Refer to “(p) Derivatives and hedging activities” in Note 2, “Summary of Significant Accounting Policies” for hedge accounting policies such as hedging instruments, hedged items, hedge policy and hedge effectiveness tests.

Regarding trade receivables, each related division monitors the credit worthiness of their main customers periodically and monitors due dates and outstanding balances by customer. In addition, the Group is making efforts to identify at an early stage and mitigate risks of bad debt from customers who have financial difficulties.

In accordance with internal policies, “Policies of Global Financing Governance” and “Policies of Administrative Authority,” the Group only acquires debt securities held for investment purposes with high credit ratings. Accordingly, the Group believes that the credit risk deriving from such debt securities is immaterial.

The Group also believes that the credit risk of derivatives is insignificant as the Group enters into derivative transactions only with international financial institutions with sound credit profiles.

In conducting derivative transactions, the division in charge of each derivative transaction follows the internal policies, “Policies on Derivative Transactions,” “Policies of Global Financial Governance,” and “Policies of Administrative Authority,” which set forth delegation of authority and segregation of duties related to derivative transactions.

The Accounting and Financing Department conducts and manages derivative transactions and segregates duties of execution and management of transactions to separate personnel and management who are each responsible for transactions, positions and operations. Transaction data and other information are regularly reported to the executive board meeting by the responsible executive officer.

For investment securities, the Group periodically reviews the fair value of such financial instruments and the financial position of the issuers. In addition, the Group continuously evaluates whether or not security investments should be maintained, taking into account their fair value and relationships with the issuers.

Transactions involving derivatives, marketable securities and investment securities are executed at certain consolidated subsidiaries based on “Policies of Administrative Authority” and those transactions are periodically overseen and reported by management departments of these subsidiaries.

Based on a report from each division, the Group prepares and updates its cash flow plans on a timely basis and maintains solvency to manage liquidity risk.

Since various assumptions and factors are reflected in estimating the fair value, different assumptions and factors could result in a different fair value. In addition, the notional principal amounts of derivative transactions in Note 23, “Derivatives and Hedging Activities” are not necessarily indicative of the market risk of derivative transactions.

(b) Estimated Fair Value of Financial Instruments

Carrying value, estimated fair value and the difference between them for financial instruments on the consolidated balance sheets as of December 31, 2024 and 2025 are shown in the following table.

	Millions of yen			Thousands of U.S. dollars		
	2024			2025		
	Carrying value	Fair value	Difference	Carrying value	Fair value	Difference
Assets:						
Short-term investments and investment securities:						
Other securities	¥ 102	¥ 102	¥ —	\$ 590	\$ 590	\$ —
Total assets	¥ 102	¥ 102	¥ —	\$ 590	\$ 590	\$ —
Liabilities:						
Bonds payable (including current portion of long-term bonds)	¥ 60,000	¥ 59,576	¥ (423)	\$ 224,359	\$ 221,417	\$ (2,936)
Lease obligations (including current portion of lease obligations)	54,776	46,856	(7,920)	391,212	351,250	(39,962)
Long-term loans (including current portion of long-term loans)	2,500	2,500	—			
Total liabilities	¥ 117,276	¥ 108,932	¥ (8,344)	\$ 615,571	\$ 572,673	\$ (42,897)
Derivative transactions (*3)	¥ 19,259	¥ 19,259	¥ —	\$ 11,897	\$ 11,897	\$ —

(Notes)

(*1) Notes on cash are omitted. Notes on deposits, notes and accounts receivable-trade, and notes and accounts payable-trade are omitted because these accounts are settled in a short period of time and fair values are approximate to book values.

(*2) Investment securities without a market price as of December 31, 2024 and 2025 are not included in “Short-term investments and investment securities.” The carrying value of the financial instruments are as follows:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Unlisted equity securities	¥ 751	¥ 1,025	\$ 6,571
Investments in limited liability partnerships and others	2,659	2,589	16,596

(*3) The value of assets and liabilities arising from derivatives is presented based on a net value.

(c) Redemption schedule for monetary claims and investments by maturity date

The redemption schedule for monetary claims and debt securities by maturity date as of December 31, 2024 and 2025 are as follows:

	Millions of yen				Thousands of U.S. dollars			
	2024				2025			
	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and deposits	¥ 127,021	¥ —	¥ —	¥ —	\$ 719,660	\$ —	\$ —	\$ —
Notes and accounts receivable-trade	74,705	—	—	—	569,250	—	—	—
Debt securities:								
Corporate bonds	—	—	—	120	—	—	—	769
	¥ 201,726	¥ —	¥ —	¥ 120	\$ 1,288,917	\$ —	\$ —	\$ 769

(d) Payment schedule for short-term bank loans and long-term debt

The payment schedule for short-term bank loans and long-term debt by payment due date as of December 31, 2024 and 2025 are as follows:

	Millions of yen					
	2024					
	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Bonds	¥ 25,000	¥ 25,000	¥ —	¥ 10,000	¥ —	¥ —
Long-term borrowings	2,500	—	—	—	—	—
Lease obligations	12,944	11,829	9,304	6,371	4,992	9,333
Total	¥ 40,444	¥ 36,829	¥ 9,304	¥ 16,371	¥ 4,992	¥ 9,333

	Millions of yen					
	2025					
	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Bonds	¥ 25,000	¥ —	¥ 10,000	¥ —	¥ —	¥ —
Lease obligations	16,000	11,749	8,507	6,998	4,787	12,986
Total	¥ 41,000	¥ 11,749	¥ 18,507	¥ 6,998	¥ 4,787	¥ 12,986

	Thousands of U.S. dollars					
	2025					
	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Bonds	\$ 160,256	\$ —	\$ 64,103	\$ —	\$ —	\$ —
Lease obligations	102,564	75,314	54,532	44,859	30,686	83,244
Total	\$ 262,821	\$ 75,314	\$ 118,635	\$ 44,859	\$ 30,686	\$ 83,244

Fair values of financial instruments are classified into the following three levels according to the observability and materiality of the inputs used in the fair value measurement.

Level 1: Fair value measured using (unadjusted) quoted prices in active markets for identical assets or liabilities

Level 2: Fair value measured using directly or indirectly observable inputs other than Level 1 inputs

Level 3: Fair value measured using significant unobservable inputs

In cases where multiple inputs are used that have a significant impact on fair value, the fair value level is classified into the lowest priority level amongst the inputs used in the fair value measurement.

(1) Financial instruments booked at fair value on the balance sheet

	Millions of yen			
	2024			
	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Other securities				
Corporate bonds	¥ —	¥ —	¥ 102	¥ 102
Total assets	¥ —	¥ —	¥ 102	¥ 102
Derivative transactions (*)	¥ —	¥ 19,259	¥ —	¥ 19,259

	Millions of yen				Thousands of U.S. dollars			
	2025				2025			
	Fair value				Fair value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Investment securities								
Other securities								
Corporate bonds	¥ —	¥ —	¥ 92	¥ 92	\$ —	\$ —	\$ 590	\$ 590
Total assets	¥ —	¥ —	¥ 92	¥ 92	\$ —	\$ —	\$ 590	\$ 590
Derivative transactions (*)	¥ —	¥ 1,856	¥ —	¥ 1,856	\$ —	\$ 11,897	\$ —	\$ 11,897

(*)The value of assets and liabilities arising from derivatives is presented based on a net value.

(2) Financial instruments other than those booked on the balance sheet at fair value

		Millions of yen							
		2024							
		Fair value							
		Level 1	Level 2	Level 3	Total				
Bonds payable	¥	—	¥ 59,576	¥ —	¥ 59,576				
Lease obligation		—	46,856	—	46,856				
Long-term borrowings		—	2,500	—	2,500				
Total liabilities	¥	—	¥ 108,932	¥ —	¥ 108,932				

		Millions of yen				Thousands of U.S. dollars			
		2025				2025			
		Fair value				Fair value			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Bonds payable	¥	—	¥ 34,541	¥ —	¥ 34,541	\$ —	\$ 221,417	\$ —	\$ 221,417
Lease obligation		—	54,795	—	54,795	—	351,250	—	351,250
Total liabilities	¥	—	¥ 89,337	¥ —	¥ 89,337	\$ —	\$ 572,673	\$ —	\$ 572,673

(Notes)

1. Explanation of the valuation method used to measure fair values and inputs related to fair measurement

Investment securities

ASICS' holdings of corporate bonds are classified as Level 3 because their fair values of these bonds are used as the consolidated balance sheet amount, which are measured using unobservable inputs based on the best available information.

Derivatives

Fair values of forward exchange contracts are measured using the significant inputs from observable market information and fair value information obtained from counterparty financial institutions. Therefore, their fair values are classified as Level 2.

Bonds payable

Fair values of bonds payable issued by ASICS are measured by discounting the total principal and interest at an interest rate that takes into account the remaining period of the bonds and credit risk, and their fair values are classified as level 2.

Lease obligations

Fair values of lease obligations are based on the present value of the total of principal and interest discounted by the interest rate to be applied if a new lease contract under the same conditions for the same residual period was entered into. Therefore, their fair values are classified as Level 2.

Long-term borrowings

Fair values of long-term loans are based on the present value of the total of principal and interest discounted by the interest rate to be applied if similar new borrowings were entered into. Therefore, their fair values are classified as Level 2.

2. Notes for information on Level 3 financial assets and financial liabilities carried at fair value on the consolidated balance sheet have been omitted as the items are not significant.

23. Derivatives and Hedging Activities

The outstanding currency-related derivatives to which hedge accounting is not applied as of December 31, 2024 and 2025 are as follows:

		Millions of yen			
		2024			
Classification	Transaction	Contract value (notional principal amount)	Portion in excess of 1 year in contract value	Estimated fair value	Unrealized gain (loss)
Over-the-counter transactions	Non-deliverable forwards:				
	Selling				
	BRL	¥ 4,044	¥ —	¥ 273	¥ 273
	Total	¥ 4,044	¥ —	¥ 273	¥ 273
		Millions of yen			
		2025			
Classification	Transaction	Contract value (notional principal amount)	Portion in excess of 1 year in contract value	Estimated fair value	Unrealized gain (loss)
Over-the-counter transactions	Forward foreign exchange contracts:				
	Selling				
	MYR	¥ 98	¥ —	¥ 1	¥ 1
	Non-deliverable forwards:				
	Selling				
	BRL	4,218	—	(70)	(70)
	Total	¥ 4,317	¥ —	¥ (68)	¥ (68)
		Thousands of U.S. dollars			
		2025			
Classification	Transaction	Contract value (notional principal amount)	Portion in excess of 1 year in contract value	Estimated fair value	Unrealized gain (loss)
Over-the-counter transactions	Forward foreign exchange contracts:				
	Selling				
	MYR	\$ 628	\$ —	\$ 6	\$ 6
	Non-deliverable forwards:				
	Selling				
	BRL	27,038	—	(449)	(449)
	Total	\$ 27,673	\$ —	\$ (436)	\$ (436)

There is no outstanding interest-related derivative to which hedge accounting is not applied as of December 31, 2024 and 2025.

The outstanding currency-related derivatives to which hedge accounting is applied as of December 31, 2024 and 2025 are as follows:

			Millions of yen					
			2024					
Classification	Transaction	Hedged item	Contract value (notional principal amount)	Portion in excess of 1 year in contract value	Estimated fair value			
Deferral hedge accounting	Forward foreign exchange contracts: Selling							
	GBP	Accounts receivable-trade (Forecasted transaction)	¥ 31,772	¥ 16,705	¥ 1,004			
	USD	Accounts payable-trade (Forecasted transaction)	295,256	148,807	17,981			
Allocation method for forward foreign exchange contracts	Forward foreign exchange contracts: Buying							
	USD	Accounts payable-trade	4,285	—	(*)			
		Total	¥ 331,313	¥ 165,513	¥ 18,985			
			Millions of yen			Thousands of U.S. dollars		
			2025			2025		
Classification	Transaction	Hedged item	Contract value (notional principal amount)	Portion in excess of 1 year in contract value	Estimated fair value	Contract value (notional principal amount)	Portion in excess of 1 year in contract value	Estimated fair value
Deferral hedge accounting	Forward foreign exchange contracts: Selling							
	GBP	Accounts receivable-trade (Forecasted transaction)	¥ 71,196	¥ 35,520	¥ (208)	\$ 456,385	\$ 227,692	\$ (1,333)
	USD	Accounts payable-trade (Forecasted transaction)	452,611	232,345	2,132	2,901,353	1,489,391	13,667
Allocation method for forward foreign exchange contracts	Forward foreign exchange contracts: Buying							
	USD	Accounts payable-trade	6,808	—	(*)	43,641	—	(*)
		Total	¥ 530,617	¥ 267,865	¥ 1,924	\$ 3,401,391	\$ 1,717,083	\$ 12,333

(*) The information of fair value of forward foreign exchange contracts that qualify for the allocation method is represented with the accounts receivable-trade and accounts payable-trade because these are treated as a unit under the allocation method.

There is no outstanding interest-related derivative to which hedge accounting is applied as of December 31, 2024 and 2025.

24. Other Comprehensive Income

The following table presents the changes in the components of other comprehensive income for the fiscal years ended December 31, 2024 and 2025:

	Millions of yen		Thousands of
	2024	2025	U.S. dollars
Valuation difference on available-for-sale securities:			
Valuation difference arising during the year	¥ 2,668	¥ (64)	\$ (410)
Reclassification adjustments to profit or loss	(6,994)	48	308
Before income taxes and tax-effect adjustment	(4,326)	(16)	(103)
Amount of income taxes and tax effects	1,161	3	19
Valuation difference on available-for-sale securities	(3,164)	(12)	(77)
Deferred gains or losses on hedges:			
Deferred gains or losses arising during the year	7,080	(10,628)	(68,128)
Reclassification adjustments to profit or loss	7,464	(5,446)	(34,910)
Before income taxes and tax-effect adjustment	14,544	(16,075)	(103,045)
Amount of income taxes and tax effects	(4,254)	4,417	28,314
Deferred gains or losses on hedges	10,290	(11,657)	(74,724)
Foreign currency translation adjustment:			
Foreign currency translation adjustment arising during the year	6,911	15,482	99,244
Reclassification adjustments to profit or loss	—	—	—
Before income taxes and tax-effect adjustment	6,911	15,482	99,244
Amount of income taxes and tax effects	—	—	—
Foreign currency translation adjustment	6,911	15,482	99,244
Remeasurements of defined benefit plans, net of tax:			
Remeasurements of defined benefit plans, arising during the year	(126)	217	1,391
Reclassification adjustments to profit or loss	42	136	872
Before income taxes and tax-effect adjustment	(84)	353	2,263
Amount of income taxes and tax effects	27	(111)	(712)
Remeasurements of defined benefit plans, net of tax	(56)	242	1,551
Total other comprehensive income, net	¥ 13,980	¥ 4,053	\$ 25,981

25. Amounts per Share

Amounts per share as of December 31, 2024 and 2025 and for the years then ended are as follows:

	Yen		U.S. dollars	
	2024	2025	2025	
Net assets	¥ 325.59	¥ 383.16	\$	2.46
Profit attributable to owners of parent:				
Basic	88.30	138.13		0.89
Diluted	88.17	137.96		0.88
Cash dividends applicable to the year	20.00	28.00		0.18

The amounts per share of net assets have been computed based on the number of shares of common stock outstanding at the end of the year. Basic profit attributable to owners of parent per share has been computed based on the profit attributable to owners of parent available for distribution to shareholders of common stock and the weighted-average number of shares of common stock outstanding during the fiscal years ended December 31, 2024 and 2025, respectively.

Diluted profit attributable to owners of parent per share is computed based on the profit attributable to owners of parent available for distribution to shareholders and the weighted-average number of shares of common stock outstanding during the fiscal year ended December 31, 2024 and 2025 after giving effect to the dilutive potential of shares of common stock to be issued upon the exercise of stock options and bonds with stock acquisition rights.

Cash dividends per share represent the cash dividends proposed by the Board of Directors as applicable to the respective fiscal year.

(Notes)

- ASICS has carried out a 4-for-1 stock split for its common stock on the effective date of July 1, 2024. Net assets per share, basic earnings per share, and diluted earnings per share were calculated based on the assumption that the split had been conducted at the beginning of the previous fiscal year.
- The financial data used in the computation of basic earnings per share and diluted earnings per share for the fiscal years ended December 31, 2024 and 2025 in the table above are summarized as follows:

	Millions of yen		Thousands of U.S. dollars	
	2024	2025	2025	
Information used in computation of basic earnings per share:				
Profit attributable to owners of parent	¥ 63,806	¥ 98,719	\$	632,814
	Thousands of shares			
	2024	2025		
Weighted-average number of shares of common stock outstanding	722,618	714,696		
Increase in common stock	1,082	846		
Increase attributable to:				
Stock acquisition rights	570	547		
Post-granted type restricted stock compensation	511	299		

26. Revenue Recognition

1. Information on disaggregation of revenue arising from contracts with customers

The Group is divided into seven reportable segments: Japan, North America, Europe, Greater China, Oceania, Southeast and South Asia, and Other regions. These reportable segments are subject to periodic review by the Board of Directors to determine the allocation of management resources and to evaluate performance. As a result, these reportable segments are presented as sales, and revenues by business segment are broken down by business segment. The relationship between these revenues and reportable segment sales for the fiscal year ended December 31, 2024 and 2025 are as follows:

(Millions of yen)

Fiscal year ended December 31, 2024	Reportable segment								Others	Total	Adjustments	Consolidated
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia	Other regions	Total				
Sporting goods sales business	¥ 124,780	¥ 135,040	¥ 179,359	¥ 100,431	¥ 42,978	¥ 37,152	¥ 44,839	¥ 664,582	¥ —	¥ 664,582	¥ —	¥ 664,582
Running service business	—	—	—	—	—	—	—	—	11,451	11,451	—	11,451
Sports facility operation business	—	—	—	—	—	—	—	—	2,225	2,225	—	2,225
Other (Note)	—	—	—	—	—	—	—	—	—	—	267	267
Revenue arising from contracts with customers	124,780	135,040	179,359	100,431	42,978	37,152	44,839	664,582	13,677	678,259	267	678,526
Revenue arising from customers	124,780	135,040	179,359	100,431	42,978	37,152	44,839	664,582	13,677	678,259	267	678,526

(Note)

“Other” represents revenue generated mainly from manufacturing subsidiaries.

(Millions of yen)

Fiscal year ended December 31, 2025	Reportable segment								Others	Total	Adjustments	Consolidated
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia	Other regions	Total				
Sporting goods sales business	¥ 156,385	¥ 141,192	¥ 225,805	¥ 120,236	¥ 49,649	¥ 49,745	¥ 52,077	¥ 795,092	¥ —	¥ 795,092	¥ —	¥ 795,092
Running service business	—	—	—	—	—	—	—	—	12,917	12,917	—	12,917
Sports facility operation business	—	—	—	—	—	—	—	—	2,740	2,740	—	2,740
Other (Note)	—	—	—	—	—	—	—	—	—	—	166	166
Revenue arising from contracts with customers	156,385	141,192	225,805	120,236	49,649	49,745	52,077	795,092	15,657	810,750	166	810,916
Revenue arising from customers	156,385	141,192	225,805	120,236	49,649	49,745	52,077	795,092	15,657	810,750	166	810,916

(Thousands of U.S. dollars)

Fiscal year ended December 31, 2025	Reportable segment								Others	Total	Adjustments	Consolidated
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia	Other regions	Total				
Sporting goods sales business	\$ 1,002,468	\$ 905,077	\$ 1,447,468	\$ 770,744	\$ 318,263	\$ 318,878	\$ 333,827	\$ 5,096,744	\$ —	\$ 5,096,744	\$ —	\$ 5,096,744
Running service business	—	—	—	—	—	—	—	—	82,801	82,801	—	82,801
Sports facility operation business	—	—	—	—	—	—	—	—	17,564	17,564	—	17,564
Other (Note)	—	—	—	—	—	—	—	—	—	—	1,064	1,064
Revenue arising from contracts with customers	1,002,468	905,077	1,447,468	770,744	318,263	318,878	333,827	5,096,744	100,365	5,197,115	1,064	5,198,179
Revenue arising from customers	1,002,468	905,077	1,447,468	770,744	318,263	318,878	333,827	5,096,744	100,365	5,197,115	1,064	5,198,179

(Note)

“Other” represents revenue generated mainly from manufacturing subsidiaries.

2. Information providing a basis for understanding revenue arising from contracts with customers

(1) Sales of goods and products

In the sporting goods sales business, the Group is primarily engaged in the manufacture and sales of sporting goods. For the sale of these goods and products, revenue is recognized at the point in time when the respective goods and products are delivered to the customer. In calculating the transaction price, the Group measures the transaction price by deducting the amount of returns, discounts and rebates from the amount expected to be received in exchange for the transfer of promised goods or services to the customer.

In the case of sale returns and discounts, the calculation of the transaction price is based on the consideration expected to be occurred in the future, after deduction of the amount of the sales returns and discounts using actual historical ratios. As a result, the Group recognizes return and discount liabilities and recognizes revenue only to the extent that there is a high probability of a material reversal will not occur. Rebates are included in the transaction price only if there is a high possibility that there will be no significant decrease in the recognized revenue by estimating the portion of the variable consideration received from the transaction.

For paid-in transactions, it is measured by deducting the consideration paid to the customer in the paid receiving transactions from the consideration promised in a contract with a customer.

Since the period from the fulfillment of the performance obligation to the receipt of the consideration is usually within one year, significant financing components are not included.

(2) Running service business

In the running service business, the Group operates platforms for entry registration for various sporting events and operates sporting events and is entrusted with the management of such events.

In the case of platform operation related to entry registration, revenue is recognized as performance obligations are fulfilled mainly upon receipt of entry fees for sporting events.

As for the operation and the management of sporting events, revenue is recognized as performance obligations are fulfilled upon completion of holding sporting event.

The transaction prices are measured at the amount of consideration that the Group expects to obtain the right to transfer and exchange goods or services promised to customers, and there is no significant variable consideration.

Since the period from the fulfillment of the performance obligation to the receipt of the consideration is usually within one year, significant financing components are not included.

(3) Sports facility operation business

In the sports facility operation business, the Group is primarily engaged in the operation of sports facility and entrustment with the management of its operation. For the provision of sports facility operation business services, revenue is recognized over the period during which the services are provided, since the performance obligation is deemed to be satisfied over time as the services are provided uniformly over the contract period.

The transaction prices are measured at the amount of consideration that the Group expects to obtain the right to transfer and exchange goods or services promised to customers, and there is no significant variable consideration.

Since the period from the fulfillment of the performance obligation to the receipt of the consideration is usually within one year, significant financing components are not included.

3. Information about the relationship between the satisfaction of performance obligations under contracts with customers and cash flows from these contracts, and the amount and timing of revenue from contracts with existing customers at the end of the fiscal year that are expected to be recognized in the following fiscal year or beyond

(1) Balance of contract assets and contract liabilities

The balance of contract assets and contract liabilities arising from contracts with customers as follows:

	Millions of yen				Thousands of U.S. dollars			
	2024				2025			
	Beginning balance		Ending balance		Beginning balance		Ending balance	
Receivables arising from contracts with customers	¥	65,593	¥	74,705	\$	478,878	\$	569,250
Contract liabilities		1,985		2,415		15,481		17,897

Contract liabilities mainly consist of unearned revenue arising from the lump-sum receipt of running application usage fees from customers and points granted to customers that do not meet performance obligations at the end of the fiscal year. Contract liabilities are reduced when the revenue is recognized. There are no material changes in the balance of contract liabilities during the fiscal year, nor are there any material matters for revenue recognized in the fiscal years ended December 31, 2024 and 2025 in the performance obligations arising from contracts with customers satisfied in the past period.

(2) Transaction price allocated to remaining performance obligations

Since the Group does not have any significant transactions with customers that are initially expected to extend for more than one year, the Group has applied the practical expedient and omitted the description of the total transaction price allocated to the remaining performance obligation and the period for which revenue is expected. In addition, there are no significant amounts of the consideration to be paid arising from contracts with customers that are not included in the transaction price.

27. Segment Information

1. Outline of reportable segments

Reportable segments of the Group are components for which discrete financial information is available and whose operating results are regularly reviewed by the Executive Meeting of ASICS to make decisions on the allocation of management resources and assess performance.

ASICS is mainly engaged in business management activities and research and development as the global headquarters.

The Group is primarily engaged in the manufacture and sales of sporting goods. ASICS Japan Corporation and other subsidiaries in Japan are responsible for Japan. ASICS America Corporation is responsible for North America. ASICS Europe B.V. is responsible for Europe, Middle East and Africa. ASICS China Trading Co., Ltd. is responsible for Greater China. ASICS Oceania PTY., Ltd. is responsible for Oceania. ASICS Asia PTE., Ltd. etc. is responsible for Southeast and South Asia.

2. Calculation method used for sales, income or loss, assets and other items on each reportable segment

Accounting policies of the reportable business segments are generally the same as the accounting policies used to prepare the consolidated financial statements described in Note 2, "Summary of Significant Accounting Policies."

The amount of income of reportable segments is based on operating income. Intersegment sales and transfers between segments are based on market price.

3. Information on net sales, income or loss, assets and other items by reportable segment

Reportable segment information for the fiscal years ended December 31, 2024 and 2025 is as follows:

(Millions of yen)

Fiscal year ended December 31, 2024	Reportable segment					
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia
Net sales:						
Sales to customers	¥ 124,780	¥ 135,040	¥ 179,359	¥ 100,431	¥ 42,978	¥ 37,152
Intersegment	41,652	—	29	66	8	168
Total sales	¥ 166,432	¥ 135,040	¥ 179,388	¥ 100,497	¥ 42,986	¥ 37,321
Segment profit (loss)	¥ 27,673	¥ 11,274	¥ 25,290	¥ 19,335	¥ 7,634	¥ 7,414
Segment assets	¥ 104,050	¥ 78,922	¥ 132,194	¥ 63,981	¥ 29,757	¥ 31,578
Other items						
Depreciation and amortization expenses	¥ 1,063	¥ 1,273	¥ 5,384	¥ 3,167	¥ 1,546	¥ 1,647
Increases in tangible and intangible fixed assets	¥ 1,113	¥ 910	¥ 6,097	¥ 454	¥ 2,169	¥ 686

(Millions of yen)

Fiscal year ended December 31, 2024	Reportable segment		Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)
	Others	Total				
Net sales:						
Sales to customers	¥ 44,839	¥ 664,582	¥ 13,677	¥ 678,259	¥ 267	¥ 678,526
Intersegment	1	41,925	—	41,925	(41,925)	—
Total sales	¥ 44,840	¥ 706,508	¥ 13,677	¥ 720,185	¥ (41,658)	¥ 678,526
Segment profit (loss)	¥ 6,541	¥ 105,165	¥ (1,620)	¥ 103,544	¥ (3,433)	¥ 100,111
Segment assets	¥ 35,020	¥ 475,505	¥ 22,203	¥ 497,709	¥ 21,285	¥ 518,994
Other items						
Depreciation and amortization expenses	¥ 663	¥ 14,747	¥ 821	¥ 15,569	¥ 4,988	¥ 20,557
Increases in tangible and intangible fixed assets	¥ 806	¥ 12,239	¥ 1,188	¥ 13,428	¥ 10,685	¥ 24,114

(Notes)

- The “Others” represents the running service business and sports facility management business, which are not included in the reportable segments.
- (1) Adjustments to segment sales mainly consist of adjustments of intersegment transactions and sales, which are not included in the reportable segments.
(2) Adjustments to segment income or loss mainly consist of adjustments of intersegment transaction and income or loss, which are not included in the reportable segments.
(3) Adjustments to segment assets mainly consist of the eliminations of intersegment balance and corporate assets.
(4) Adjustments to depreciation and amortization expenses are mainly due to corporate assets that are not attributable to any reportable segments.
(5) Adjustments to increases in tangible and intangible fixed assets are mainly due to the corporate assets that are not attributable to any reportable segments.
- Segment income or loss is reconciled primarily to operating income on the consolidated statement of income.

(Millions of yen)

Fiscal year ended December 31, 2025	Reportable segment					
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia
Net sales:						
Sales to customers	¥ 156,385	¥ 141,192	¥ 225,805	¥ 120,236	¥ 49,649	¥ 49,745
Intersegment	47,851	—	—	277	—	35
Total sales	¥ 204,236	¥ 141,192	¥ 225,805	¥ 120,514	¥ 49,649	¥ 49,780
Segment profit (loss)	¥ 44,734	¥ 16,018	¥ 36,746	¥ 25,099	¥ 7,927	¥ 10,946
Segment assets	¥ 120,878	¥ 82,156	¥ 180,270	¥ 76,404	¥ 31,801	¥ 41,757
Other items						
Depreciation and amortization expenses	¥ 1,129	¥ 1,347	¥ 6,991	¥ 3,890	¥ 2,063	¥ 2,020
Increases in tangible and intangible fixed assets	¥ 5,723	¥ 813	¥ 5,530	¥ 749	¥ 1,570	¥ 750

(Millions of yen)

Fiscal year ended December 31, 2025	Reportable segment		Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)
	Others	Total				
Net sales:						
Sales to customers	¥ 52,077	¥ 795,092	¥ 15,657	¥ 810,750	¥ 166	¥ 810,916
Intersegment	0	48,164	—	48,164	(48,164)	—
Total sales	¥ 52,078	¥ 843,256	¥ 15,657	¥ 858,914	¥ (47,998)	¥ 810,916
Segment profit (loss)	¥ 8,107	¥ 149,582	¥ (1,192)	¥ 148,390	¥ (5,870)	¥ 142,519
Segment assets	¥ 49,254	¥ 582,522	¥ 25,638	¥ 608,161	¥ (21,680)	¥ 586,480
Other items						
Depreciation and amortization expenses	¥ 1,003	¥ 18,447	¥ 814	¥ 19,261	¥ 6,004	¥ 25,266
Increases in tangible and intangible fixed assets	¥ 2,186	¥ 17,323	¥ 1,112	¥ 18,435	¥ 12,520	¥ 30,955

(Thousands of U.S. dollars)

Fiscal year ended December 31, 2025	Reportable segment					
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia
Net sales:						
Sales to customers	\$ 1,002,468	\$ 905,077	\$ 1,447,468	\$ 770,744	\$ 318,263	\$ 318,878
Intersegment	306,737	—	—	1,776	—	224
Total sales	\$ 1,309,205	\$ 905,077	\$ 1,447,468	\$ 772,526	\$ 318,263	\$ 319,103
Segment profit (loss)	\$ 286,756	\$ 102,679	\$ 235,551	\$ 160,891	\$ 50,814	\$ 70,167
Segment assets	\$ 774,859	\$ 526,641	\$ 1,155,577	\$ 489,769	\$ 203,853	\$ 267,673
Other items						
Depreciation and amortization expenses	\$ 7,237	\$ 8,635	\$ 44,814	\$ 24,936	\$ 13,224	\$ 12,949
Increases in tangible and intangible fixed assets	\$ 36,686	\$ 5,212	\$ 35,449	\$ 4,801	\$ 10,064	\$ 4,808

(Thousands of U.S. dollars)

Fiscal year ended December 31, 2025	Reportable segment		Others (Note 1)	Total	Adjustments (Note 2)	Consolidated (Note 3)
	Others	Total				
Net sales:						
Sales to customers	\$ 333,827	\$ 5,096,744	\$ 100,365	\$ 5,197,115	\$ 1,064	\$ 5,198,179
Intersegment	0	308,744	—	308,744	(308,744)	—
Total sales	\$ 333,833	\$ 5,405,487	\$ 100,365	\$ 5,505,859	\$ (307,679)	\$ 5,198,179
Segment profit (loss)	\$ 51,968	\$ 958,859	\$ (7,641)	\$ 951,218	\$ (37,628)	\$ 913,583
Segment assets	\$ 315,731	\$ 3,734,115	\$ 164,346	\$ 3,898,468	\$ (138,974)	\$ 3,759,487
Other items						
Depreciation and amortization expenses	\$ 6,429	\$ 118,250	\$ 5,218	\$ 123,468	\$ 38,487	\$ 161,962
Increases in tangible and intangible fixed assets	\$ 14,013	\$ 111,045	\$ 7,128	\$ 118,173	\$ 80,256	\$ 198,429

(Notes)

- The “Others” represents the running service business and sports facility management business, which are not included in the reportable segments.
- (1) Adjustments to segment sales mainly consist of adjustments of intersegment transactions and sales, which are not included in the reportable segments.
(2) Adjustments to segment income or loss mainly consist of adjustments of intersegment transaction and income or loss, which are not included in the reportable segments.
(3) Adjustments to segment assets mainly consist of the eliminations of intersegment balance and corporate assets.
(4) Adjustments to depreciation and amortization expenses are mainly due to corporate assets that are not attributable to any reportable segments.
(5) Adjustments to increases in tangible and intangible fixed assets are mainly due to the corporate assets that are not attributable to any reportable segments.
- Segment income or loss is reconciled primarily to operating income on the consolidated statement of income.

(Related information)

ASICS and its consolidated subsidiaries are primarily engaged in the manufacture and sale of sporting goods in Japan and overseas. As most of the consolidated net sales were related to sports and leisure-related products, the disclosure of business segment information has been omitted.

Net sales by geographical segment for the fiscal years ended December 31, 2024 and 2025 are summarized as follows:

(Millions of yen)

Fiscal year ended December 31, 2024	Japan	North America	Europe	Greater China	Others	Consolidated
Net sales	¥ 133,467	¥ 139,131	¥ 168,683	¥ 100,490	¥ 136,753	¥ 678,526

(Notes)

1. Net sales are based on customer locations and classified by country and territory.
2. Net sales attributable to “North America” of ¥139,131 million for the year ended December 31, 2024 include net sales in the United States of America of ¥120,766 million. Net sales attributable to “Greater China” of ¥100,490 million for the year ended December 31, 2024 include net sales in the People’s Republic of China of ¥83,026 million.

(Millions of yen)

Fiscal year ended December 31, 2025	Japan	North America	Europe	Greater China	Others	Consolidated
Net sales	¥ 158,442	¥ 145,477	¥ 209,689	¥ 120,244	¥ 177,062	¥ 810,916

(Thousands of U.S. dollars)

Fiscal year ended December 31, 2025	Japan	North America	Europe	Greater China	Others	Consolidated
Net sales	\$ 1,015,654	\$ 932,545	\$ 1,344,160	\$ 770,795	\$ 1,135,013	\$ 5,198,179

(Notes)

1. Net sales are based on customer locations and classified by country and territory.
2. Net sales attributable to “North America” of ¥145,477 million (\$932,545 thousand) for the year ended December 31, 2025 include net sales in the United States of America of ¥124,054 million (\$795,218 thousand). Net sales attributable to “Greater China” of ¥120,244 million (\$770,795 thousand) for the year ended December 31, 2025 include net sales in the People’s Republic of China of ¥99,151 million (\$635,583 thousand).

Property, plant and equipment by geographical segment as of December 31, 2024 and 2025 are summarized as follows:

(Millions of yen)

As of December 31, 2024	Japan	North America	Europe	Oceania	Others	Consolidated
Property, plant and equipment	¥ 14,966	¥ 2,348	¥ 9,459	¥ 4,571	¥ 2,598	¥ 33,944

(Note)

“Europe” as of December 31, 2024 includes Netherlands of ¥7,121 million. “Oceania” as of December 31, 2024 is Australia of ¥4,571 million.

(Millions of yen)

As of December 31, 2025	Japan	North America	Europe	Oceania	Others	Consolidated
Property, plant and equipment	¥ 17,917	¥ 2,131	¥ 14,260	¥ 5,608	¥ 4,769	¥ 44,688

(Thousands of U.S. dollars)

As of December 31, 2025	Japan	North America	Europe	Oceania	Others	Consolidated
Property, plant and equipment	\$ 114,853	\$ 13,660	\$ 91,410	\$ 35,949	\$ 30,571	\$ 286,462

(Note)

“Europe” as of December 31, 2025 includes Netherlands of ¥8,016 million (\$51,385 thousand). “Oceania” as of December 31, 2025 is Australia of ¥5,608 million (\$35,949 thousand).

As there are no specific customers accounting for 10% or more of consolidated net sales, the disclosure of information on major customers has been omitted.

Loss on impairment of property, plant and equipment by reportable segment for the fiscal years ended December 31, 2024 and 2025 is summarized as follows:

(Millions of yen)

Fiscal year ended December 31, 2024	Reportable segment					
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia
Impairment losses	¥ 58	¥ 927	¥ 33	¥ 131	¥ —	¥ 223

(Millions of yen)

Fiscal year ended December 31, 2024	Reportable segment		Others (Note 1)	Total	Adjustments (Note 2)	Consolidated
	Others	Total				
Impairment losses	¥ —	¥ 1,374	¥ 243	¥ 1,617	¥ 401	¥ 2,019

(Notes)

1. The “Others” includes impairment losses mainly on software.
2. “Adjustments” include impairment losses mainly on software. In addition, impairment loss on relocation of ¥1,674 million has been excluded from the amount.

(Millions of yen)

Fiscal year ended December 31, 2025	Reportable segment					
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia
Impairment losses	¥ 74	¥ 102	¥ —	¥ 245	¥ —	¥ —

(Millions of yen)

Fiscal year ended December 31, 2025	Reportable segment		Others (Note 1)	Total	Adjustments (Note 2)	Consolidated
	Others	Total				
Impairment losses	¥ —	¥ 423	¥ 24	¥ 447	¥ 1,940	¥ 2,388

(Thousands of U.S. dollars)

Fiscal year ended December 31, 2025	Reportable segment					
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia
Impairment losses	\$ 474	\$ 654	\$ —	\$ 1,571	\$ —	\$ —

(Thousands of U.S. dollars)

Fiscal year ended December 31, 2025	Reportable segment		Others (Note 1)	Total	Adjustments (Note 2)	Consolidated
	Others	Total				
Impairment losses	\$ —	\$ 2,712	\$ 154	\$ 2,865	\$ 12,436	\$ 15,308

(Notes)

1. The “Others” includes impairment losses mainly on tools, furniture and fixtures.
2. “Adjustments” include impairment losses mainly on software.

Amortization of goodwill for the fiscal years ended December 31, 2024 and 2025 and the balance of goodwill as of December 31, 2024 and 2025 by reportable segment are summarized as follows:

(Millions of yen)

Fiscal year ended December 31, 2024	Reportable segment					
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia
Amortization during the period	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
Balance at the end of the period	—	—	—	—	—	—

(Millions of yen)

Fiscal year ended December 31, 2024	Reportable segment		Others (Note)	Total	Adjustments	Consolidated
	Others	Total				
Amortization during the period	¥ —	¥ —	¥ 685	¥ 685	¥ —	¥ 685
Balance at the end of the period	—	—	5,964	5,964	—	5,964

(Note)

The “Others” is related to the running service business.

(Millions of yen)

Fiscal year ended December 31, 2025	Reportable segment					
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia
Amortization during the period	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
Balance at the end of the period	—	—	—	—	—	—

(Millions of yen)

Fiscal year ended December 31, 2025	Reportable segment		Others (Note)	Total	Adjustments	Consolidated
	Others	Total				
Amortization during the period	¥ —	¥ —	¥ 657	¥ 657	¥ —	¥ 657
Balance at the end of the period	—	—	5,716	5,716	—	5,716

(Thousands of U.S. dollars)

Fiscal year ended December 31, 2025	Reportable segment					
	Japan	North America	Europe	Greater China	Oceania	Southeast and South Asia
Amortization during the period	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Balance at the end of the period	—	—	—	—	—	—

(Thousands of U.S. dollars)

Fiscal year ended December 31, 2025	Reportable segment		Others (Note)	Total	Adjustments	Consolidated
	Others	Total				
Amortization during the period	\$ —	\$ —	\$ 4,212	\$ 4,212	\$ —	\$ 4,212
Balance at the end of the period	—	—	36,641	36,641	—	36,641

(Note)

The “Others” is related to the running service business.

28. Related Party Information

Transactions between ASICS and the related parties

Directors and officers of ASICS submitting consolidated financial statements

[Fiscal year ended December 31, 2024]

Not applicable.

[Fiscal year ended December 31, 2025]

Type	Name	Location	Capital or investment	Business	Percentage of voting rights held by Directors, officers and individual major shareholders (%)	Relation
Director	Yasuhito Hirota	—	—	Chairman and CEO, Representative Director	Directly 0.0	—
Director	Mitsuyuki Tominaga	—	—	President and COO, Representative Director	Directly 0.0	—
Person equivalent to officer	Shinji Senda	—	—	Executive Vice President	Directly 0.0	—
Person equivalent to officer	Ryoji Shoda	—	—	Executive Vice President	Directly 0.0	—

Type	Nature of transactions	Transaction amount		Account	Balance at the end of the fiscal year	
		(Millions of yen)	(Thousands of U.S. dollars)		(Millions of yen)	(Thousands of U.S. dollars)
Director	Disposition of treasury shares as remuneration in kind (*)	¥ 160	\$ 1,026	—	¥ —	\$ —
Director	Disposition of treasury shares as remuneration in kind (*)	¥ 148	\$ 949	—	¥ —	\$ —
Person equivalent to officer	Disposition of treasury shares as remuneration in kind (*)	¥ 89	\$ 571	—	¥ —	\$ —
Person equivalent to officer	Disposition of treasury shares as remuneration in kind (*)	¥ 89	\$ 571	—	¥ —	\$ —

(*) This disposition of treasury shares is performed as remuneration in kind under the Restricted Stock Unit system.

This stock price for the disposition of treasury shares is determined based on the ending stock price on the Tokyo Stock Exchange as of February 13, 2025 (one business day before the resolution made by the Board of Directors meeting for the disposition of treasury shares).

29. Subsequent Events

Not applicable.