



Mizuno Corporation  
The 110th Period  
(Year ending March 31, 2023)

Financial Report

May 12, 2023



- **Outline of Business Results**
- **Revenues by Region**
- **Summary**
- **Mid term plan**

This report includes forecasts based on our assumptions, outlook and plans for the future as of May 12, 2023, which may substantially differ from actual results due to risks and uncertainties relating to the global economy, competitors' situations, changes in exchange rates, etc..



(Billions of JPY)	FY21	FY22	Change	change (%)	Note
<b>Revenues</b>	172.7	<b>212.0</b>	39.3	22.8	Record revenue. Mainly driven by golf in overseas market and baseball, football, work business in domestic market.
<b>Operating profit</b>	9.9	<b>12.9</b>	3.0	31.1	Record operating profit. SG&A ratio got down.
<b>Ordinary profit</b>	11.0	<b>14.0</b>	3.0	27.9	Record ordinary profit.
<b>Net income</b>	7.7	<b>9.9</b>	2.2	28.4	Record net income.



(Billions of JPY)	FY21	FY22	Change	change (%)	Forecast	VS Forecast (%)		
<b>Revenues</b>	172.7	<b>212.0</b>	39.3	22.8	200.0	106		
<b>Gross margin</b>	71.6	<b>81.0</b>	9.4	13.2			FX rate	FY21
Gross margin ratio	41.4%	<b>38.2%</b>	△3.2				JPY/USD	109.86
Salaries & bonus	21.7	<b>24.2</b>	2.5	11.5			JPY/GBP	153.94
A&P expenses	9.6	<b>10.6</b>	1.0	10.7			JPY/EUR (branches)	131.05
<b>SG&amp;A expenses</b>	61.7	<b>68.1</b>	6.4	10.3				
SG&A expenses ratio	35.7%	<b>32.1%</b>	△3.6				JPY/EUR (subsidiaries)	130.11
<b>Operating profit</b>	9.9	<b>12.9</b>	3.0	31.1	12.5	104		
Operating profit ratio	5.7%	<b>6.1%</b>	+0.4					
<b>Ordinary profit</b>	11.0	<b>14.0</b>	3.0	27.9	12.5	112		
Ordinary profit ratio	6.4%	<b>6.6%</b>	+0.2					
<b>Net income</b>	7.7	<b>9.9</b>	2.2	28.4	9.0	110		



(Billions of JPY)	Mar.31 2022	Mar.31 2023	change	change (%)
<b>Total assets</b>	166.4	<b>197.5</b>	31.1	18.7
Cash & deposits	24.4	<b>23.8</b>	△0.6	△2.4
Accounts receivable	37.1	<b>48.0</b>	10.9	29.6
Inventories	38.7	<b>55.4</b>	16.7	43.0
Fixed assets	43.4	<b>45.6</b>	2.2	5.0
Investment securities	6.8	<b>7.2</b>	0.4	6.9
Deferred tax assets	2.1	<b>1.9</b>	△0.2	△12.8
<b>Total liabilities</b>	53.9	<b>73.2</b>	19.3	35.9
Short-term loan	3.7	<b>11.4</b>	7.7	211.2
Long-term loan	7.0	<b>12.4</b>	5.4	78.4
<b>Net assets</b>	112.5	<b>124.3</b>	11.8	10.5



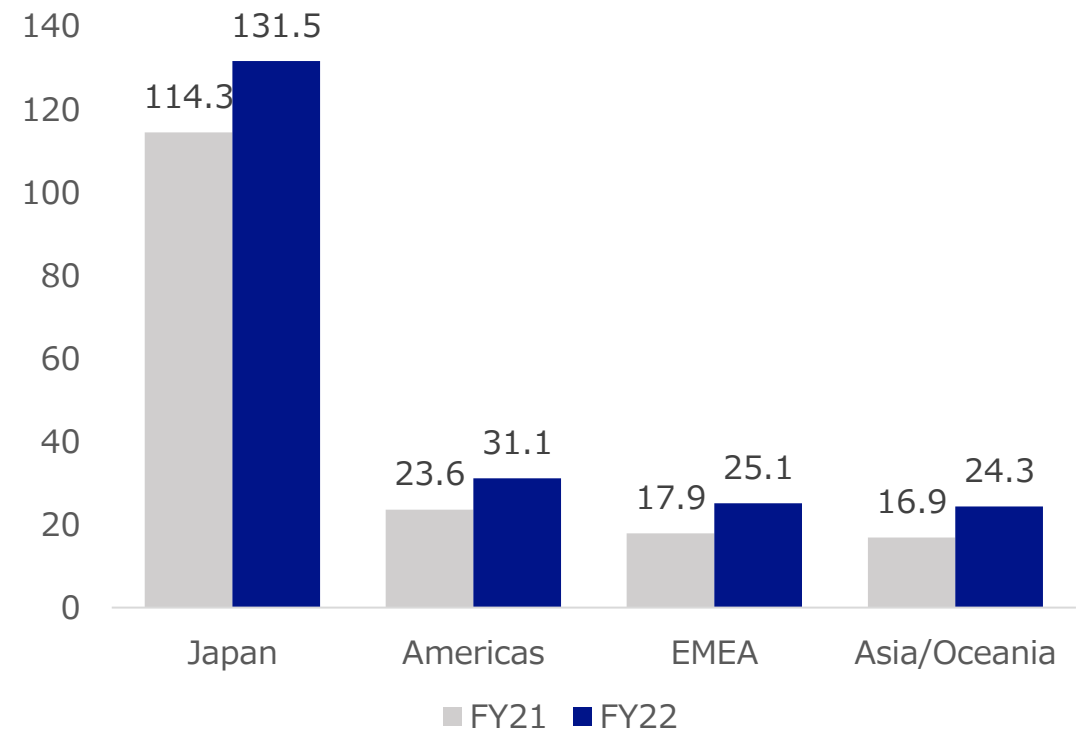
- ✓ Growth in profit pushed up ROA & ROE.
- ✓ ROA in FY 2022 was record high.
- ✓ Mizuno will focus on further growth and enhancement of efficiency.

	FY21	FY22	change		FY21	FY22	change
ROA	6.3%	<b>7.3%</b>	+1.0	Price earnings ratio (PER)	6.99	<b>8.01</b>	+1.02
ROE	7.2%	<b>8.4%</b>	+1.2	Price book value ratio (PBR)	0.48	<b>0.64</b>	+0.16
Shareholder's equity ratio	67.3%	<b>62.6%</b>	△4.7	Price at the end of the period	¥2,111	<b>¥3,105</b>	+¥994
Earnings per share(EPS)	¥302.02	<b>¥387.71</b>	+¥85.69				
Book value per share(BPS)	¥4,382.13	<b>¥4,840.37</b>	+¥458.24				



- ✓ Baseball, football and work performed well in Japan.
- ✓ Golf kept the momentum going and football grew in overseas market.
- ✓ Overseas sales ratio was 38.0%, up by 4.1 point compared to FY2021.

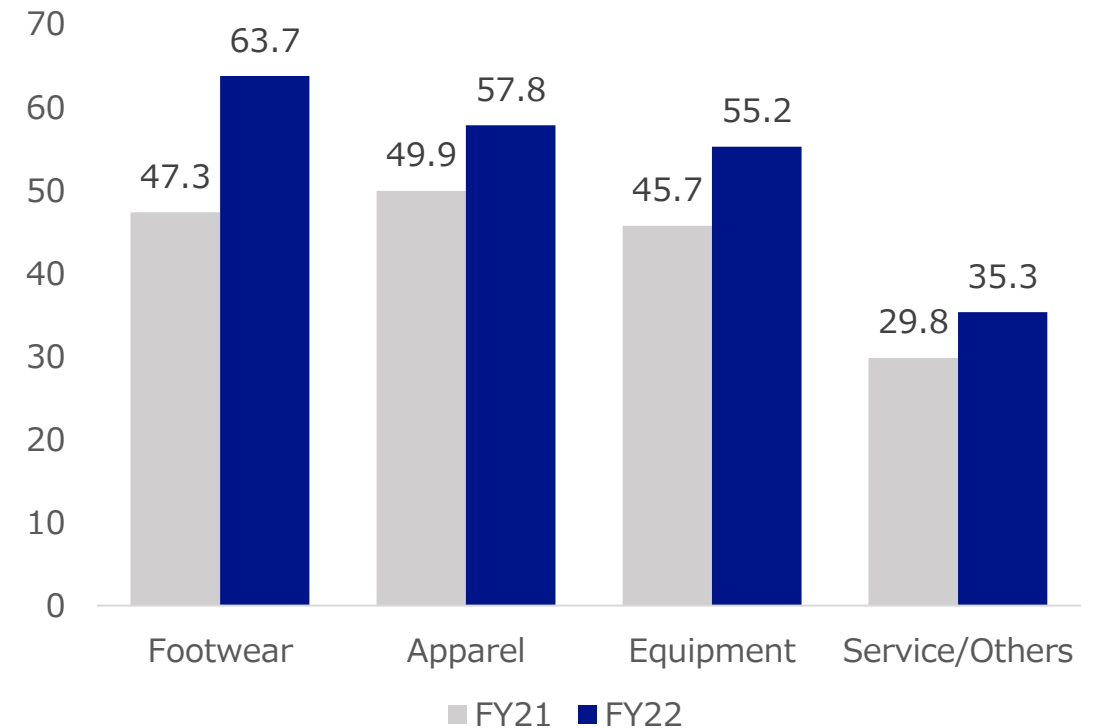
(Billions of JPY)	FY21	FY22	change	change (%)
Japan	114.3	<b>131.5</b>	17.2	15.1
Americas	23.6	<b>31.1</b>	7.5	31.5
EMEA	17.9	<b>25.1</b>	7.2	40.1
Asia/Oceania	16.9	<b>24.3</b>	7.4	43.8
<b>Total</b>	<b>172.7</b>	<b>212.0</b>	<b>39.3</b>	<b>22.8</b>





- ✓ Footwear recovered sharply from supply chain disruption.
- ✓ Growth in equipment was mainly driven by golf.

(Billions of JPY)	FY21	FY22	change	change (%)
<b>Footwear</b>	47.3	<b>63.7</b>	16.4	34.9
<b>Apparel</b>	49.9	<b>57.8</b>	7.9	15.9
<b>Equipment</b>	45.7	<b>55.2</b>	9.5	20.5
<b>Service/Others</b>	29.8	<b>35.3</b>	5.5	18.8
<b>Total</b>	172.7	<b>212.0</b>	39.3	22.8

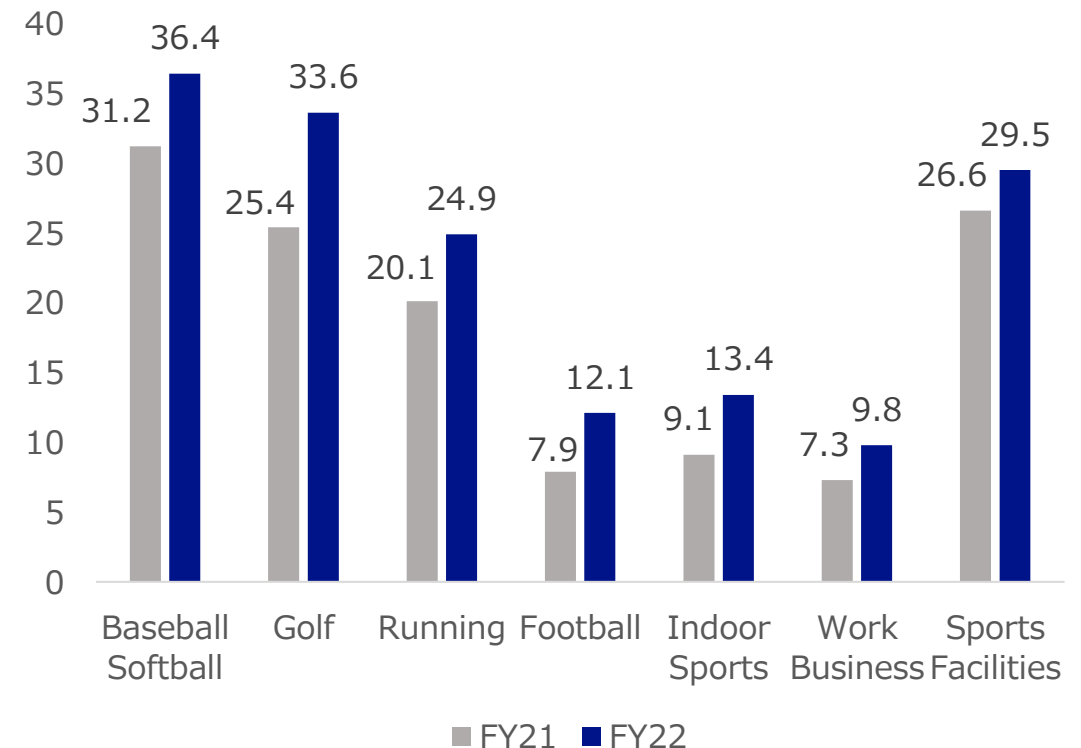






- ✓ Main business category such as baseball, golf, football etc., performed well.
- ✓ Golf and running showed strong sales in overseas market.
- ✓ Growth in non-sports category was primarily led by work business.

(Billions of JPY)	FY21	FY22	change	change (%)
<b>Baseball</b>	31.2	<b>36.4</b>	5.2	16.6
<b>Golf</b>	25.4	<b>33.6</b>	8.2	32.4
<b>Running</b>	20.1	<b>24.9</b>	4.8	23.9
<b>Football</b>	7.9	<b>12.1</b>	4.2	54.2
<b>Indoor*</b>	9.1	<b>13.4</b>	4.3	47.6
<b>Work Business</b>	7.3	<b>9.8</b>	2.5	33.2
<b>Sports Facilities</b>	26.6	<b>29.5</b>	2.9	10.8

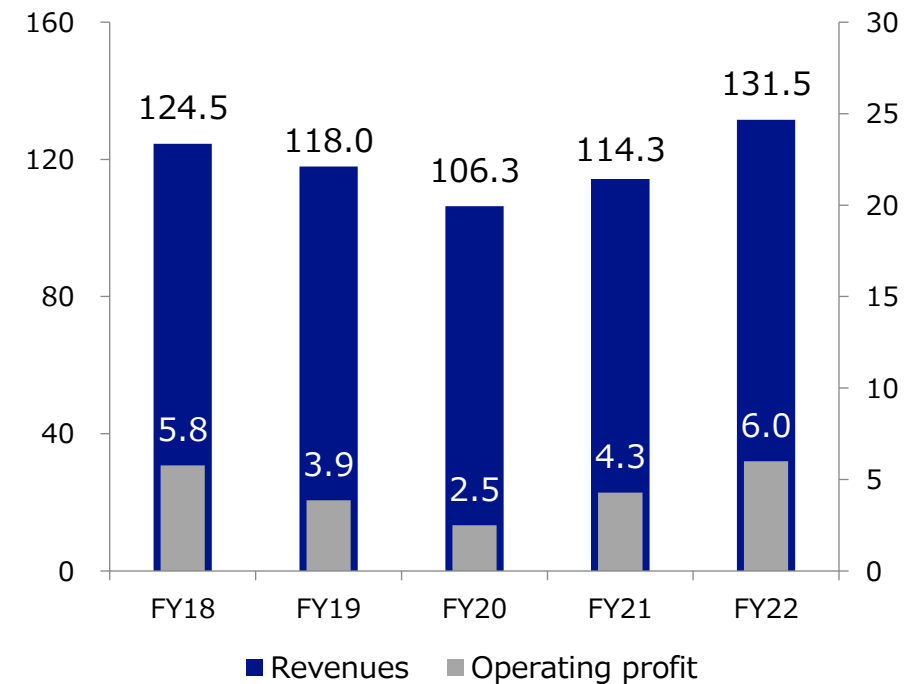


\*Indoor includes volleyball, badminton, table tennis, basketball and so on.



- ✓ The recovery from a sharp fall caused by the pandemic.
- ✓ Sales increased in sports category overall, especially baseball and football.
- ✓ Growth in non-sports category was primarily led by work business.

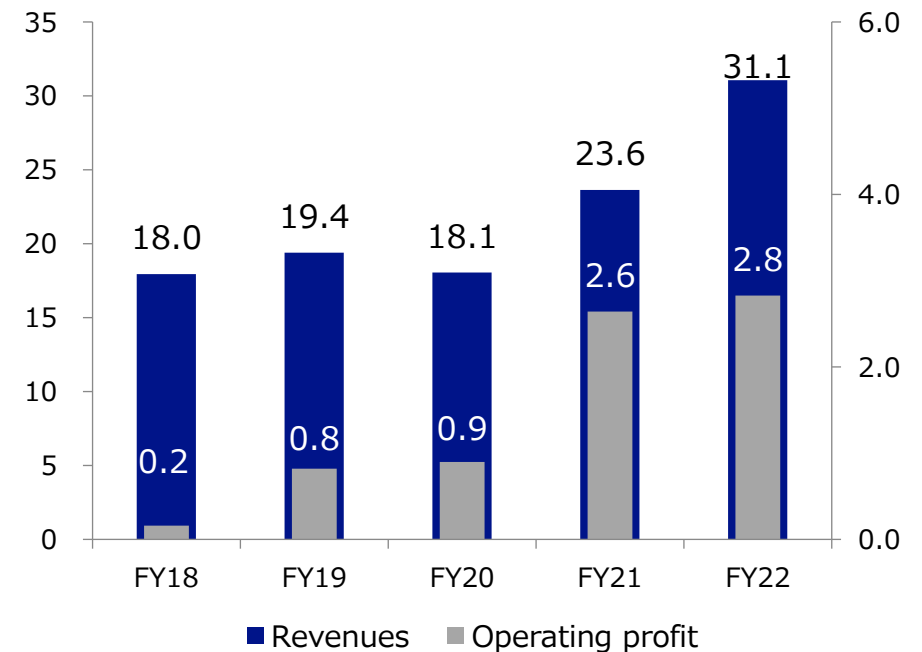
(Billions of yen)	FY21	FY22	change	change (%)
Footwear	21.8	<b>29.8</b>	8.0	37.0
Apparel	39.4	<b>42.6</b>	3.2	8.1
Equipment	23.3	<b>23.9</b>	0.6	2.6
Service/Others	29.8	<b>35.2</b>	5.4	18.1
<b>Total</b>	<b>114.3</b>	<b>131.5</b>	<b>17.2</b>	<b>15.1</b>





- ✓ Sales were fueled by golf.
- ✓ Steady sales in team sports category (e.g., baseball and volleyball)
- ✓ Operating profit hit the record.

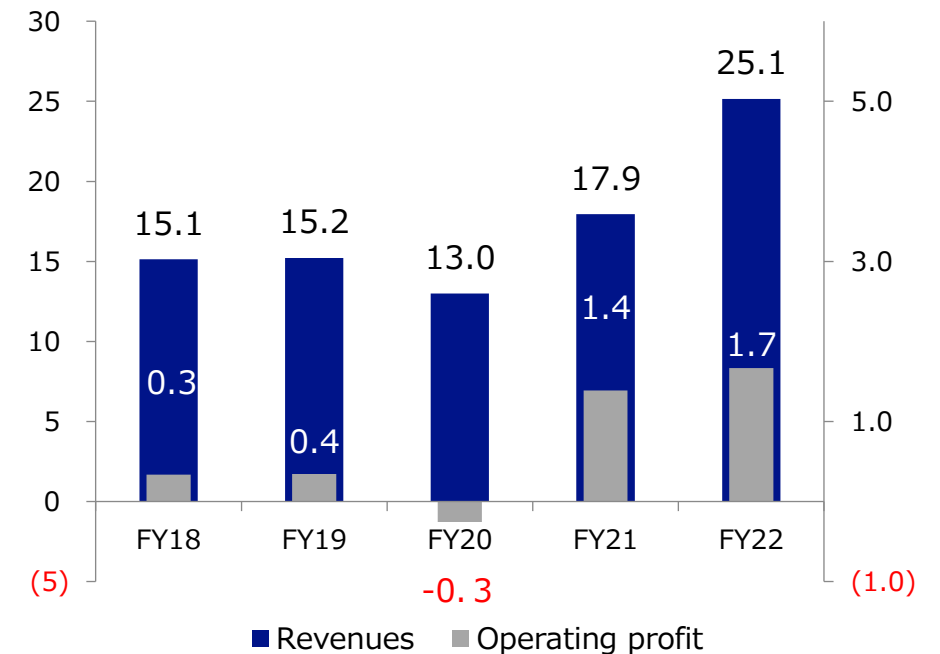
(Billions of JPY)	FY21	<b>FY22</b>	change	change (%)
<b>Footwear</b>	6.5	<b>7.0</b>	0.5	6.6
<b>Apparel</b>	4.0	<b>5.5</b>	1.5	38.9
<b>Equipment</b>	13.1	<b>18.6</b>	5.5	41.6
<b>Total</b>	23.6	<b>31.1</b>	7.5	31.5





- ✓ Footwear recovered sharply from supply chain disruption.
- ✓ Running was the main driver of the growth.
- ✓ Sales and operating profit were record high.

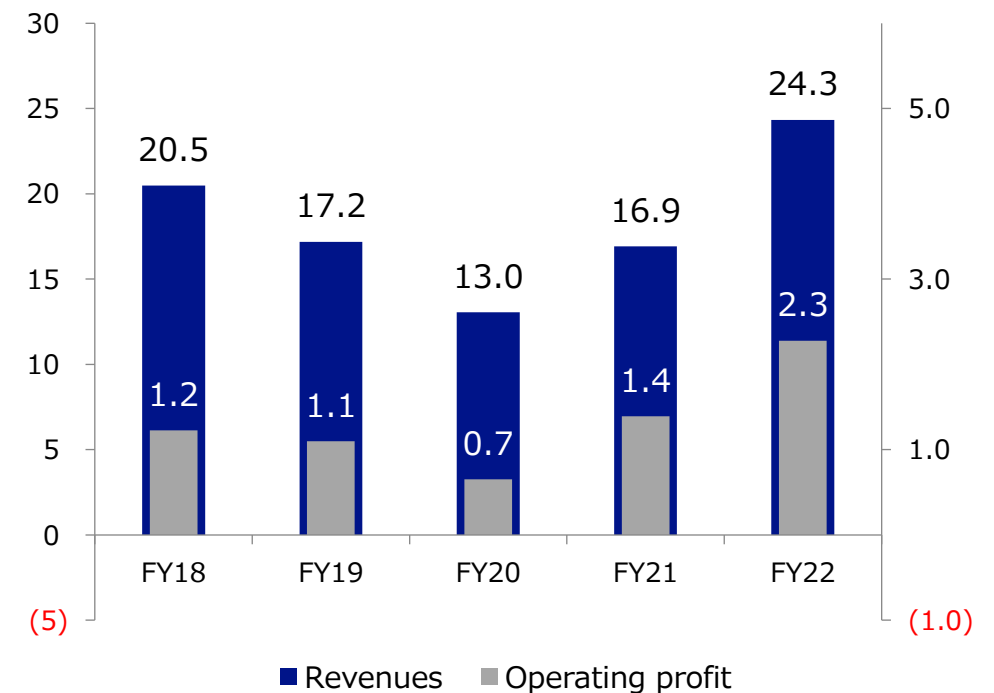
(Billions of JPY)	FY21	FY22	change	change (%)
Footwear	12.2	16.7	4.5	36.3
Apparel	2.6	4.4	1.8	68.4
Equipment	3.1	4.0	0.9	31.0
<b>Total</b>	<b>17.9</b>	<b>25.1</b>	<b>7.2</b>	<b>40.1</b>





- ✓ The recovery from a sharp fall caused by the pandemic.
- ✓ Golf sales were strong across the region, especially in South Korea.
- ✓ Sales and operating profit were record high.

(Billions of JPY)	FY21	FY22	change	change (%)
Footwear	6.8	10.3	3.5	51.3
Apparel	3.8	5.2	1.4	35.0
Equipment	6.3	8.8	2.5	38.7
<b>Total</b>	<b>16.9</b>	<b>24.3</b>	<b>7.4</b>	<b>43.8</b>





## Business result

- ✓ Record sales, operating profit, ordinally profit and net income.
- ✓ Overseas sales ratio got higher.

## Issue to address

- ✓ Strategy to deal with price rise in materials.
- ✓ Keep an eye on golf market condition.

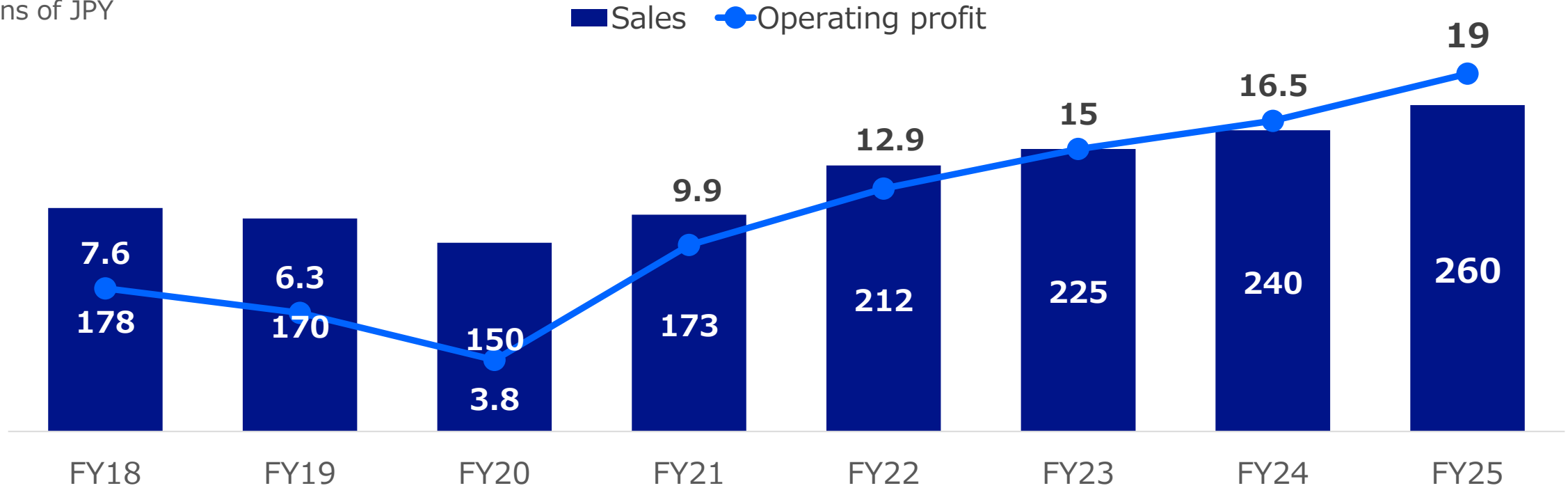
## Future measures

- ✓ Utilizing the Innovation Center to develop new products and services.
- ✓ Growth in overseas market with running and football products.

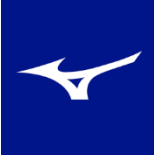


Growth plan for FY2023 through FY2025 is as follows  
 Mizuno aims to achieve 260 billion JPY sales and 19 billion operating profit in FY2025.

Billions of JPY

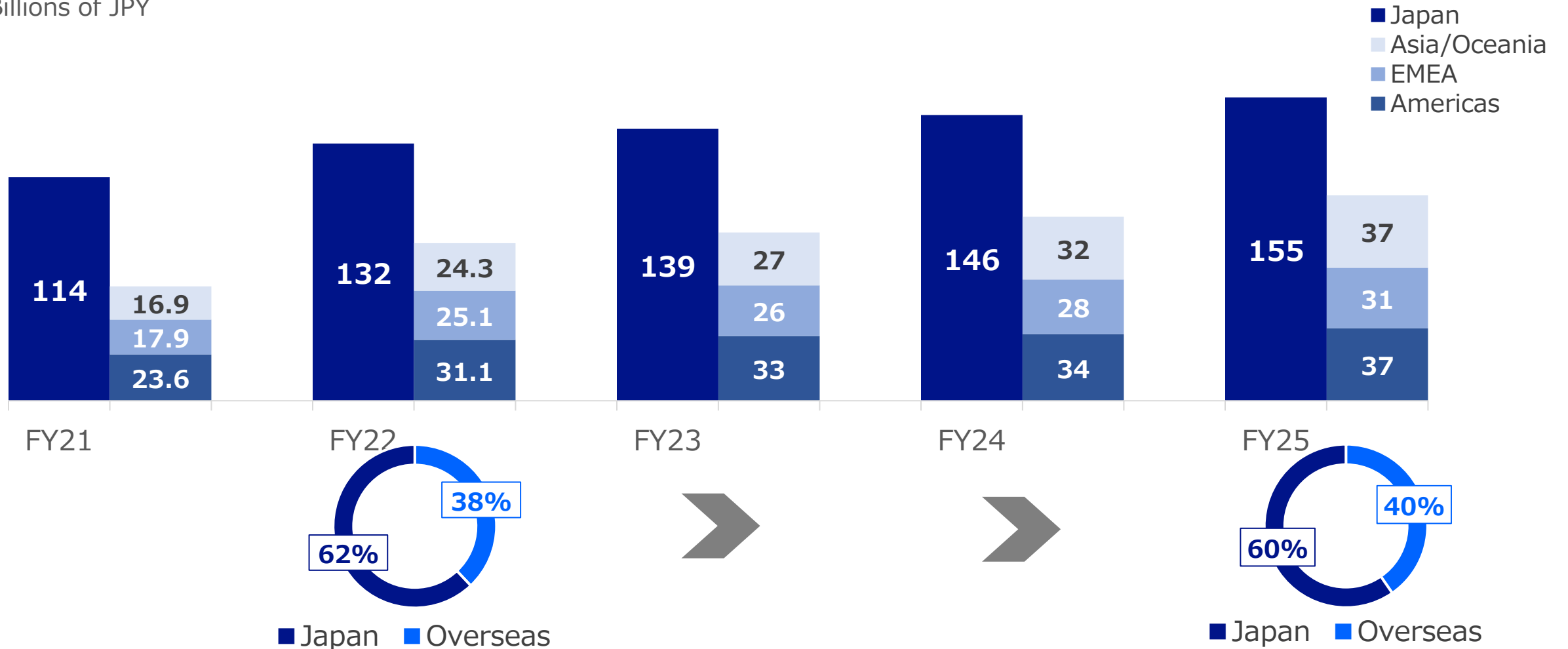


Rate	FY18	FY19	FY20	FY21	FY22	FY23~
USD	110.53	109.37	106.66	109.86	130.78	130
EUR	128.41	122.53	122.00	131.05	141.26	143

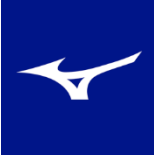


Golf, running and football are main drivers of growth in overseas market.  
 Mizuno's target for overseas sales ratio is 40% in FY2025.

Billions of JPY

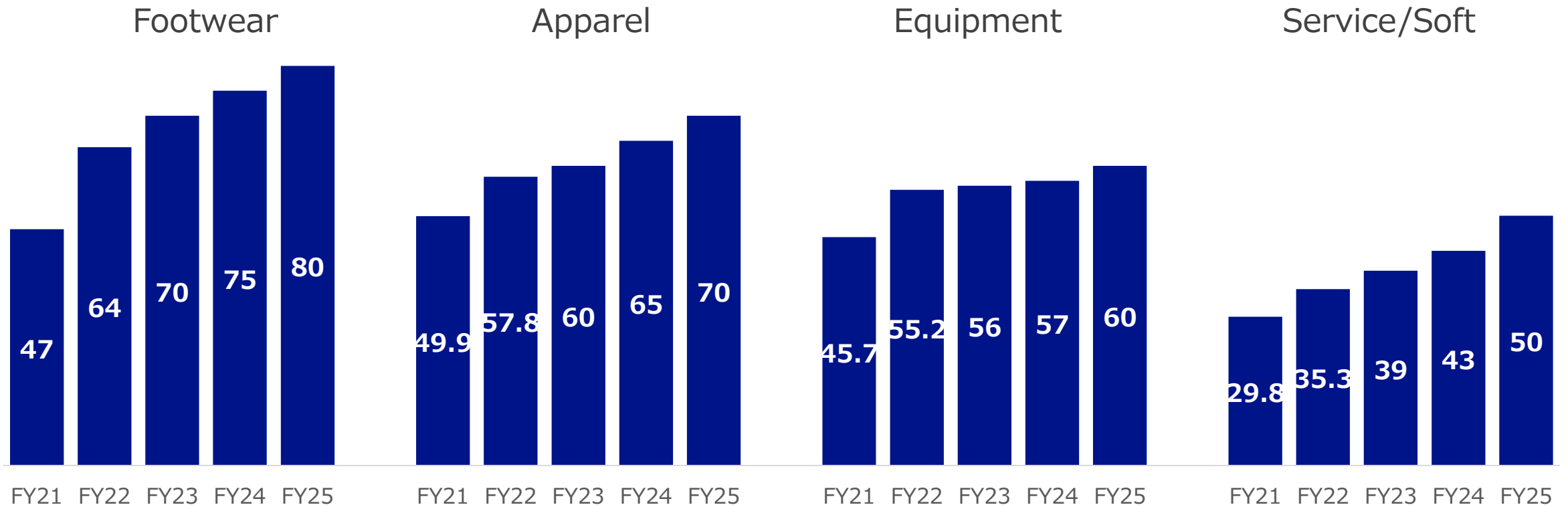






Footwear, apparel and equipment grow in a steady manner.  
Mizuno tries to expand service/ soft category with open innovations and new businesses.

Billions of JPY





Mizuno focuses on improving profitability and efficiency.

