



Mizuno Corporation

The 112th Period (Year ending March 31, 2025)

1st Quarter Financial Report

Aug 9, 2024

This report includes forecasts based on our assumptions, outlook and plans for the future as of August 9, 2024, which may substantially differ from actual results due to risks and uncertainties relating to the global economy, competitors' situations, changes in exchange rates, etc..



- ✓ Record sales, profit and profit ratio for the 1st quarter.
- ✓ Strong sales in Football and Indoor across all geographies.
- ✓ Work in Japan shows double digit growth.
- ✓ Gross margin ratio increased 150 basis points to 41.5%, contributed by proper pricing and optimization of inventory levels.

Net Sales Profit	Record high Net Sales 60.8bn JPY +6.3% yoy	Record high Operating profit 6.5bn JPY +21.6% yoy	Record high Ordinary profit 7.4bn JPY +16.9% yoy	Record high Net profit 5.1bn JPY +10.0% yoy
	Gross margin ratio 41.5% +1.5pts yoy	Record high Operating profit ratio 10.7% +1.3pts yoy	Record high Ordinary profit ratio 12.2% +1.1pts yoy	Record high Net profit ratio 8.5% +0.3pts yoy

Outline of Business Results | Consolidated Income Statement

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(Billions of JPY)	FY23.1Q	FY24.1Q	change	change(%)	Forecast	Progress(%)
Revenues	57.2	60.8	3.6	106.3	250.0	24.3
Gross margin	22.9	25.2	2.3	110.2		
Gross margin ratio	40.0%	41.5%	+1.5pt			
Personnel expenses	7.0	7.2	0.2	103.1		
A&P expenses	2.9	3.1	0.2	106.2		
SG&A expenses	17.6	18.7	1.1	106.7		
SG&A expenses ratio	30.7%	30.8%	+0.1pt			
Operating profit	5.3	6.5	1.2	121.6	19.0	34.2
Operating profit ratio	9.4%	10.7%	+1.3pt			
Ordinary profit	6.3	7.4	1.1	116.9	20.5	36.1
Ordinary profit ratio	11.1%	12.2%	+1.1pt			
Net profit	4.7	5.1	0.4	110.0	15.0	34.2
Net profit ratio	8.2%	8.5%	+0.3pt			
FX rate	JPY/USD	133.26	147.86			
	JPY/GBP	172.46	197.80			
	JPY/EUR(branches)	150.35	168.36			
	JPY/EUR(subsidiaries)	143.34	160.89			

*Previously salaries and bonuses expenses were disclosed instead of personnel expenses.
Personnel expenses includes salaries, bonuses, benefits and welfare expenses, etc..

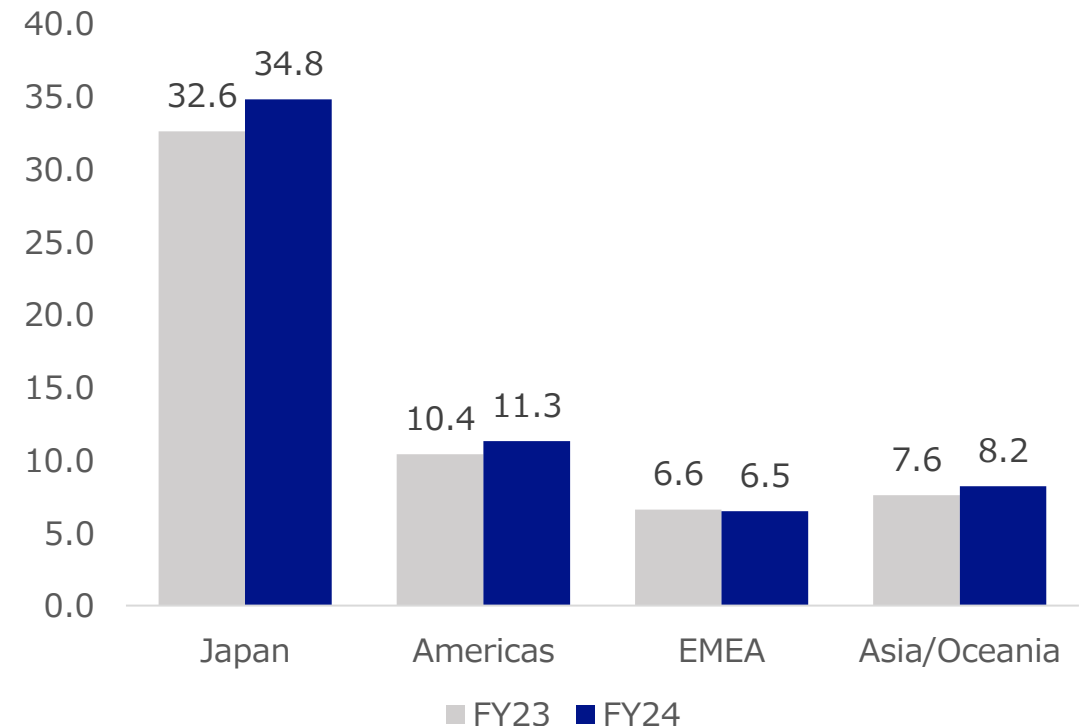


(Billions of JPY)	Jun.30 2023	Mar.31 2024	Jun.30 2024	Versus Jun.30 2023		Versus Mar.31 2024	
				change	change(%)	change	change(%)
Total assets	193.9	206.2	205.5	11.6	106.0	△0.7	99.7
Cash & deposits	20.6	32.0	34.2	13.6	166.2	2.2	107.0
Accounts receivable	45.4	48.8	46.9	1.5	103.5	△1.9	96.2
Inventories	54.9	52.4	49.9	△5.0	90.8	△2.5	95.2
Fixed assets	44.9	43.6	43.6	△1.3	96.9	△0.1	99.9
Investment securities	7.7	9.5	10.2	2.5	132.5	0.7	107.0
Deferred tax assets	1.7	1.7	1.8	0.1	108.0	0.1	108.0
Total liabilities	64.1	64.1	57.4	△6.7	89.5	△6.7	89.5
Short-term loan	8.0	1.1	3.0	△5.0	37.1	1.9	273.5
Long-term loan	10.0	11.6	10.3	0.3	102.8	△1.3	89.1
Net assets	129.8	142.1	148.1	18.3	114.1	6.0	104.2



- ✓ Football, Indoor, Work, Lifestyle footwear etc. performed well in Japan.
- ✓ Sales in Competitive sports such as Football and Indoor and Lifestyle footwear increased in overseas market.
- ✓ Europe focused on optimization of inventory levels and gross margin in Running business.
- ✓ Overseas sales accounted for 42.8% compared to 43.0% in FY23 1Q.

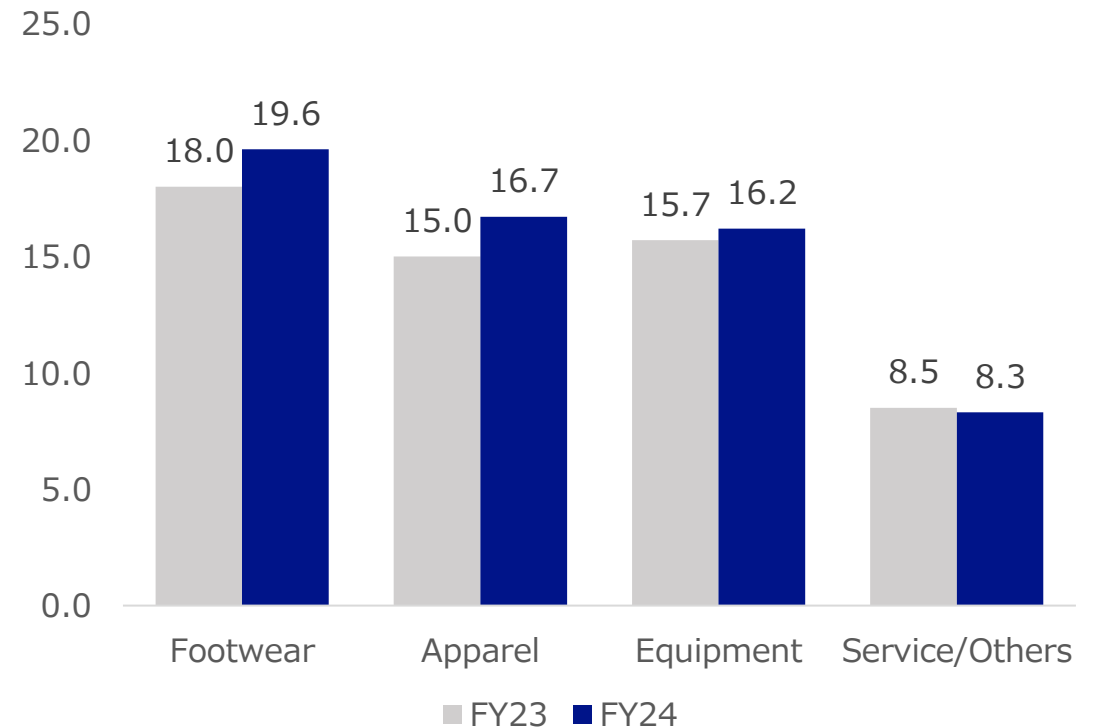
(Billions of JPY)	FY23.1Q	FY24.1Q	change	Change (%)
Japan	32.6	34.8	2.2	106.9
Americas	10.4	11.3	0.9	108.1
EMEA	6.6	6.5	△0.1	98.0
Asia/Oceania	7.6	8.2	0.6	108.5
Total	57.2	60.8	3.6	106.3

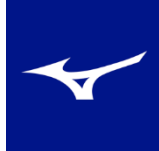




- ✓ Footwear: Football, Lifestyle etc. performed well.
- ✓ Apparel: Growth in team sports apparel.
- ✓ Equipment: Golf maintained its sales scale in Americas, the largest market.

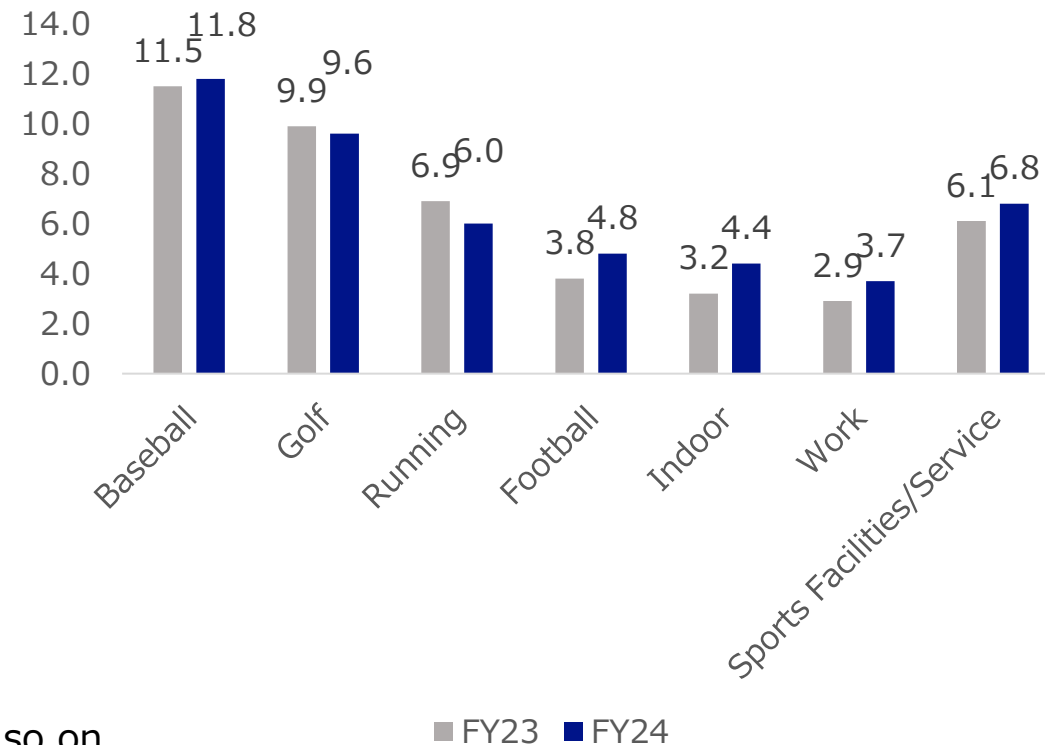
(Billions of JPY)	FY23.1Q	FY24.1Q	change	Change (%)
Footwear	18.0	19.6	1.6	108.4
Apparel	15.0	16.7	1.7	111.7
Equipment	15.7	16.2	0.5	103.4
Service/Others	8.5	8.3	△0.2	97.8
計	57.2	60.8	3.6	106.3





- ✓ Strong performance in competitive sports categories such as Football, Indoor etc..
- ✓ Sales in Running decreased primarily due to Mizuno’s strategy aiming to achieve healthy inventory levels and higher gross margin.
- ✓ Work kept its upward trend.

(Billions of JPY)	FY23.1Q	FY24.1Q	change	Change (%)
Baseball	11.5	11.8	0.3	102.3
Golf	9.9	9.6	△0.3	97.5
Running	6.9	6.0	△0.9	87.6
Football	3.8	4.8	1.0	125.1
Indoor*	3.2	4.4	1.2	136.0
Work Business	2.9	3.7	0.8	124.3
Sports Facilities	6.1	6.8	0.7	111.4

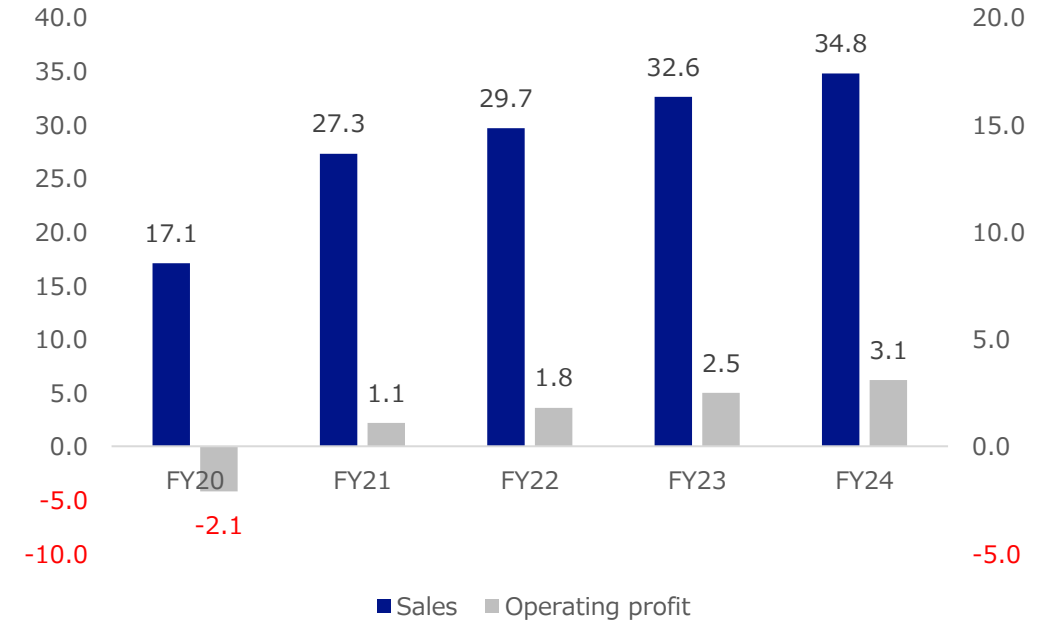


*Indoor includes volleyball, badminton, table tennis, basketball and so on.



- ✓ Record sales and operating profit for the 1st quarter.
- ✓ Favorable sales in Volleyball, Racket sports and other competitive sports products.
- ✓ Football kept its sales scale.
- ✓ Sales in Work and Lifestyle footwear increased.

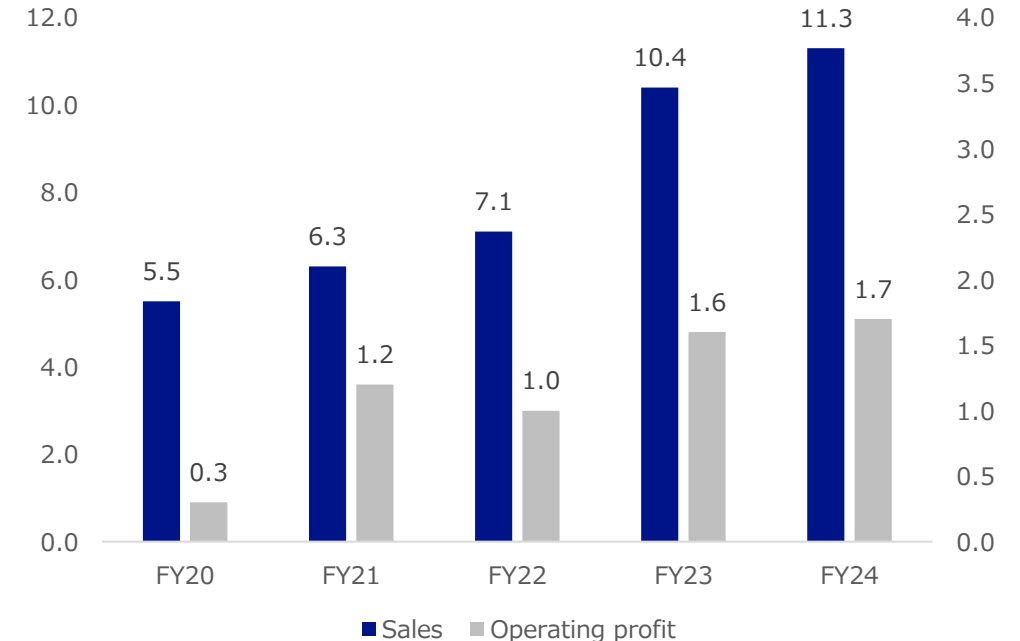
(Billions of JPY)	FY23.1Q	FY24.1Q	change	Change (%)
Footwear	7.7	8.4	0.7	109.2
Apparel	11.0	12.4	1.4	113.0
Equipment	5.4	5.7	0.3	105.5
Service/Others	8.4	8.2	△0.2	97.7
計	32.6	34.8	2.2	106.9





- ✓ Record sales and operating profit for the 1st quarter.
- ✓ Sales in competitive sports such as Volleyball improved.
- ✓ Sales in Golf kept high.

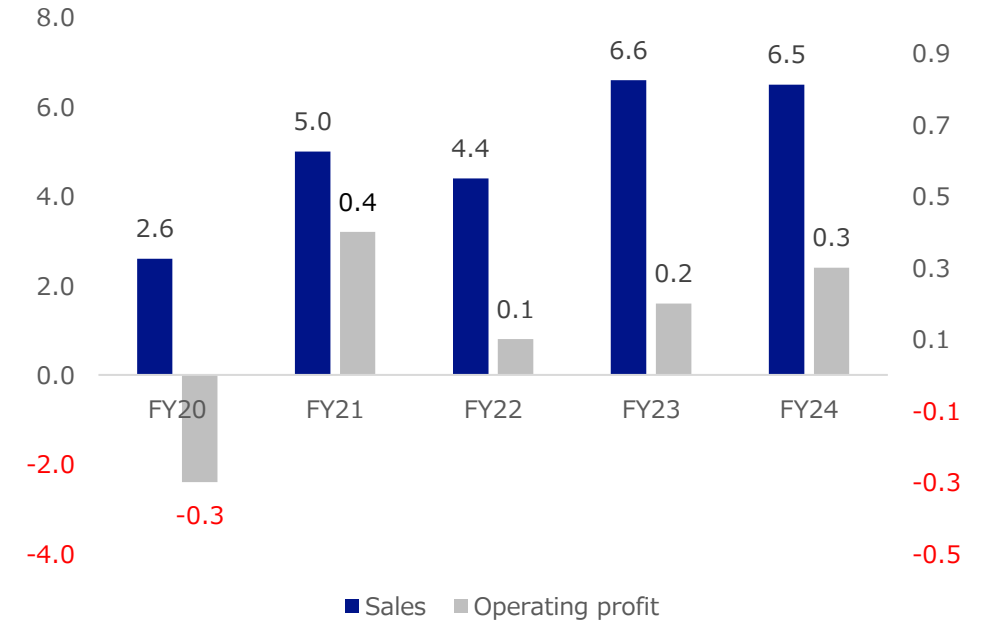
(Billions of JPY)	FY23.1Q	FY24.1Q	change	Change (%)
Footwear	2.4	2.6	0.2	108.4
Apparel	1.6	1.6	0.0	105.6
Equipment	6.5	7.1	0.6	108.6
Service/Others	-	-	-	-
計	10.4	11.3	0.9	108.1





- ✓ Despite decrease in sales, operating profit increased as gross margin ratio improved.
- ✓ Growth in Football and Indoor.
- ✓ Sales in Lifestyle footwear increased.
- ✓ Running improved its profitability although sales were down.

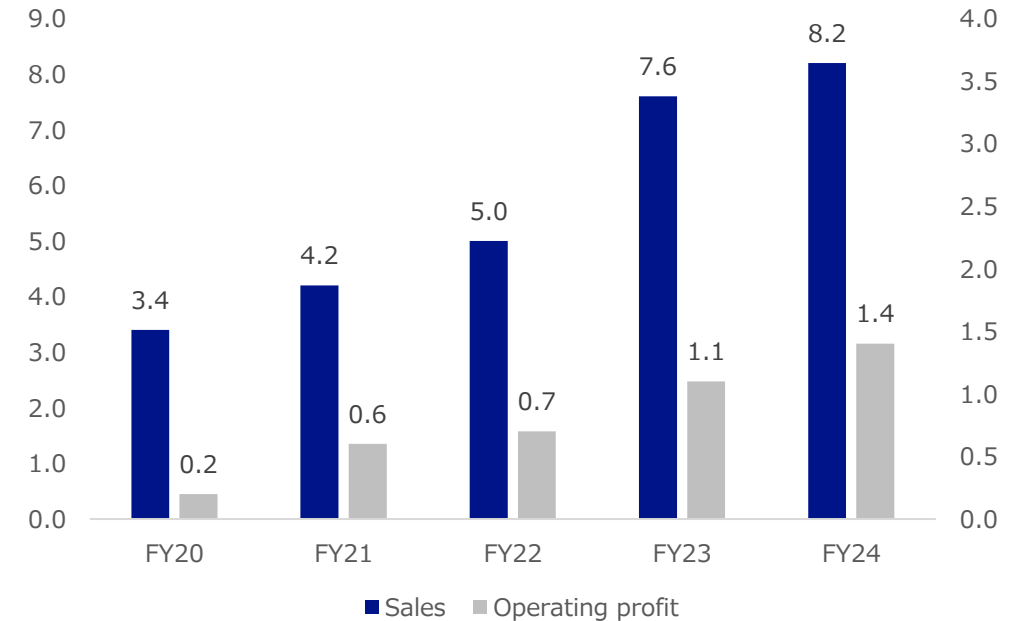
(Billions of JPY)	FY23.1Q	FY24.1Q	change	Change (%)
Footwear	4.5	4.3	△0.2	96.5
Apparel	1.0	1.1	0.1	102.5
Equipment	1.1	1.1	△0.0	99.6
Service/Others	-	-	-	-
計	6.6	6.5	△0.1	98.0





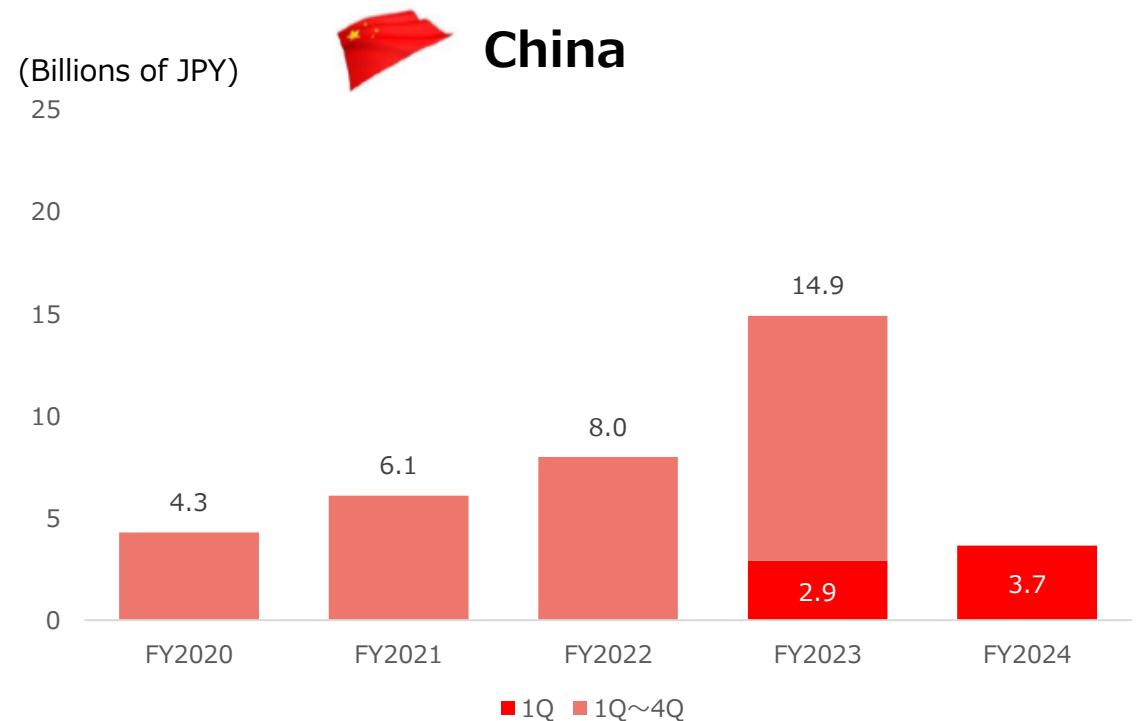
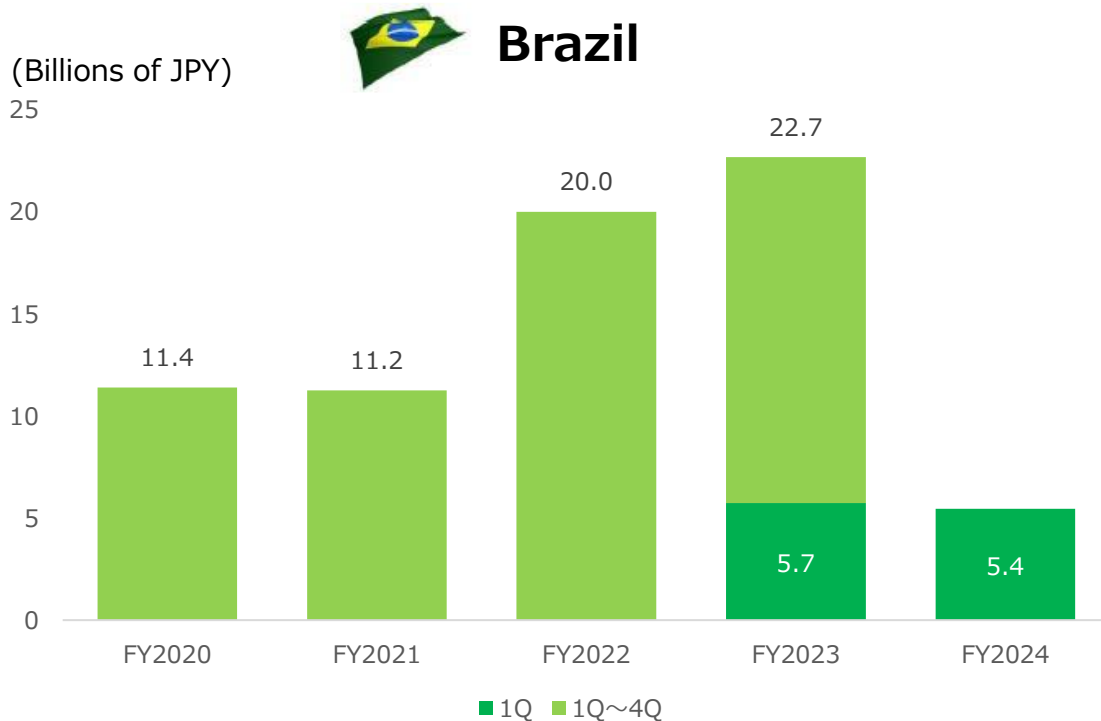
- ✓ Record sales and operating profit for the 1st quarter.
- ✓ Strong sales in Football in South Korea and Southeast Asia.
- ✓ Growth in Competitive sports category (e.g., Volleyball, Indoor).
- ✓ Sales in Lifestyle footwear increased.

(Billions of JPY)	FY23.1Q	FY24.1Q	change	Change (%)
Footwear	3.5	4.2	0.7	122.0
Apparel	1.4	1.6	0.2	115.1
Equipment	2.7	2.3	△0.4	87.8
Service/Others	0.1	0.1	0.0	101.7
計	7.6	8.2	0.6	108.5





- ✓ Mizuno conducts business through local distributors in both countries and receives royalties from them.
- ✓ Main product in Brazil is footwear.
- ✓ In China Mizuno granted a local distributor marketing rights in some business categories in 2019 and the business is growing.





- ✓ Mizuno's global strategic categories, Football and Lifestyle footwear, are growing.
- ✓ In addition to high sales volume in Japan, Football showed double digit growth in overseas market.
- ✓ Lifestyle footwear is getting bigger mainly in Japan, EMEA and Asia.

