



Mizuno Corporation

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

2nd Quarter Financial Report

Nov 8, 2024

This report includes forecasts based on our assumptions, outlook and plans for the future as of November 8, 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 and profit for the 2nd quarter.
- ✓ The highest operating profit ratio and ordinary profit ratio ever.
- ✓ Sales in Football and Indoor grew in both domestic and overseas market.
- ✓ In Japan Work business shows double digit growth.
- ✓ Gross margin ratio increased 160 basis points to 41.3%, contributed by proper pricing and optimization of inventory levels.

Net Sales Profit	Record high	Record high	Record high	Record high
	Net Sales 119.6 bn JPY +4.5% yoy	Operating profit 11.2 bn JPY +20.0% yoy	Ordinary profit 11.3 bn JPY +7.2% yoy	Net profit 8.1 bn JPY +4.1% yoy

Profit ratio	Record high	Record high	
	Gross margin ratio 41.3 % +1.6pts yoy	Operating profit ratio 9.3 % +1.2pts yoy	Ordinary profit ratio 9.5 % +0.3pts yoy

Outline of Business Results | Consolidated Income Statement

3/14



(Billions of JPY)	FY23.2Q	FY24.2Q	change	change(%)	Forecast	Progress(%)
Revenues	114.5	119.6	5.1	104.5	250.0	47.8
Gross margin	45.4	49.4	4.0	108.8		
Gross margin ratio	39.7%	41.3%	+1.6pt			
Personnel expenses	13.9	14.4	0.5	103.2		
A&P expenses	5.6	6.0	0.4	107.0		
SG&A expenses	36.1	38.2	2.1	105.9		
SG&A expenses ratio	31.5%	32.0%	+0.5pt			
Operating profit	9.3	11.2	1.9	120.0	19.0	58.7
Operating profit ratio	8.1%	9.3%	+1.2pt			
Ordinary profit	10.6	11.3	0.7	107.2	20.5	55.2
Ordinary profit ratio	9.2%	9.5%	+0.3pt			
Net income	7.8	8.1	0.3	104.1	15.0	54.0

FX rate	JPY/USD	135.99	152.30
	JPY/GBP	177.07	195.55
	JPY/EUR(branches)	153.51	165.47
	JPY/EUR(subsidiaries)	147.00	164.82

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



(Billions of JPY)	Sep.30 2023	Mar.31 2024	Sep.30 2024	Versus Sep.30 2023		Versus Mar.31 2024	
				change	change(%)	change	change(%)
Total assets	197.0	206.2	210.8	13.8	107.0	4.6	102.2
Cash & deposits	24.0	32.0	37.5	13.5	156.2	5.5	117.5
Accounts receivable	45.6	48.8	45.1	△0.5	99.0	△3.7	92.4
Inventories	54.5	52.4	52.2	△2.3	95.9	△0.2	99.5
Fixed assets	44.6	43.6	45.7	1.1	102.5	2.1	104.9
Investment securities	8.0	9.5	9.7	1.7	120.6	0.2	101.9
Deferred tax assets	1.7	1.7	1.9	0.2	108.0	0.2	112.4
Total liabilities	60.8	64.1	58.5	△2.3	96.1	△5.6	91.2
Short-term loan	5.3	1.1	3.1	△2.2	58.4	2.0	284.9
Long-term loan	11.8	11.6	10.2	△1.6	87.1	△1.4	88.4
Net assets	136.2	142.1	152.3	16.1	111.8	10.2	107.2



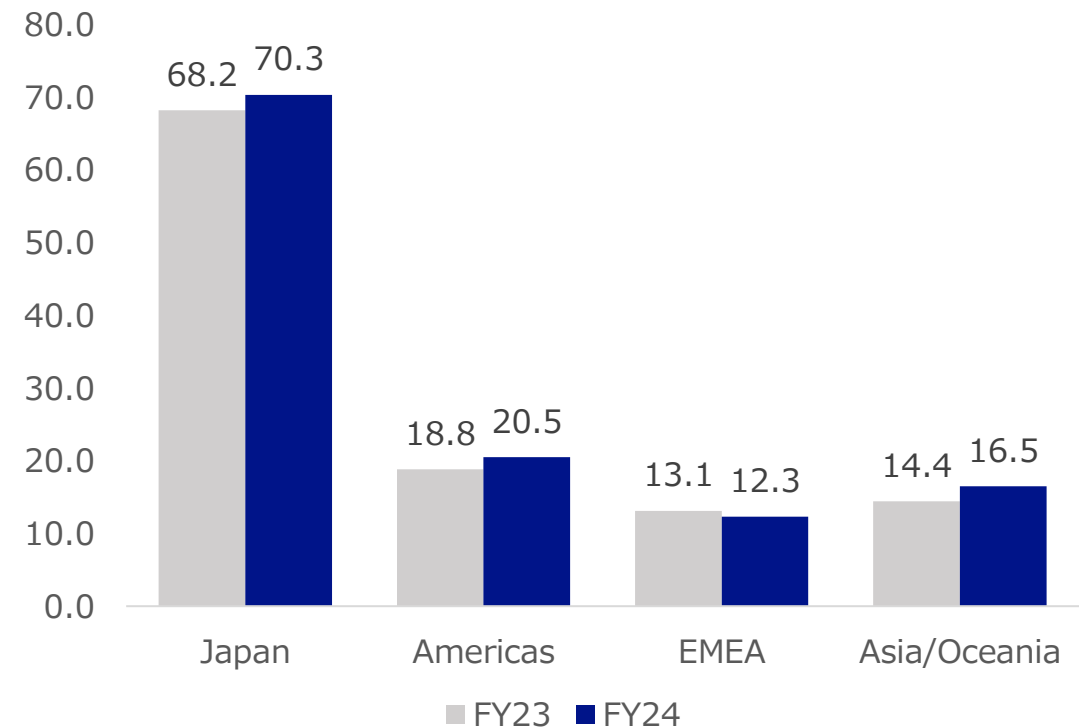
✓ EPS and PER increased as profit increased.

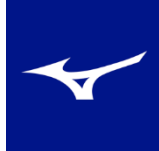
	FY23.2Q	FY24.2Q	change		FY23.2Q	FY24.2Q	change
Return on assets (ROA)	4.8%	5.5%	+0.7	Price Earnings Ratio(PER)	7.79	14.37	+6.58
Return on equity (ROE)	6.0%	5.5%	△0.5	Price book value ratio (PBR)	0.89	1.54	+0.65
Shareholder's equity ratio	68.8%	71.9%	+3.1	Price at the end of this period	4,740	9,100	+4,360
Earnings per share (EPS)	304.38	316.62	+12.24				
Book value per share (BPS)	5,304.14	5,926.55	+622.41				



- ✓ Football, Indoor, Lifestyle footwear etc. performed well across all geographies.
- ✓ In Japan Work business grew substantially.
- ✓ Europe focused on optimization of inventory levels and gross margin in Running business.
- ✓ Overseas sales accounted for 41.2% compared to 40.5% in FY23 2Q.

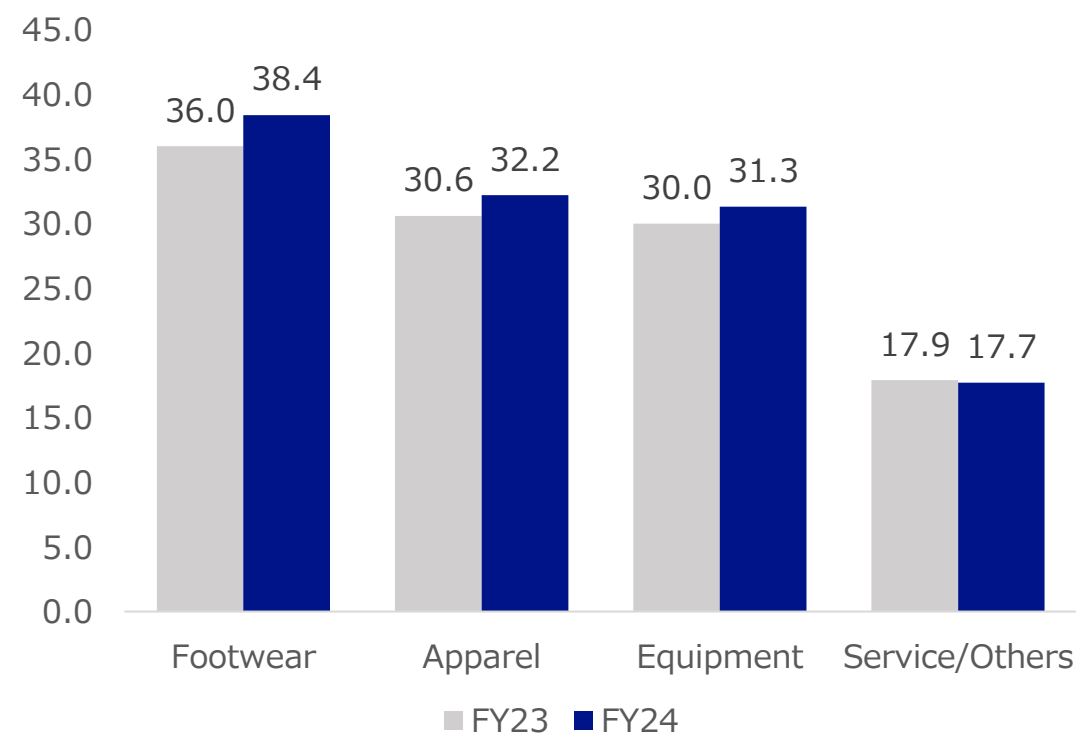
(Billions of JPY)	FY23.2Q	FY24.2Q	change	Change (%)
Japan	68.2	70.3	2.1	103.1
Americas	18.8	20.5	1.7	108.8
EMEA	13.1	12.3	△0.8	93.9
Asia/Oceania	14.4	16.5	2.1	114.8
Total	114.5	119.6	5.1	104.5





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

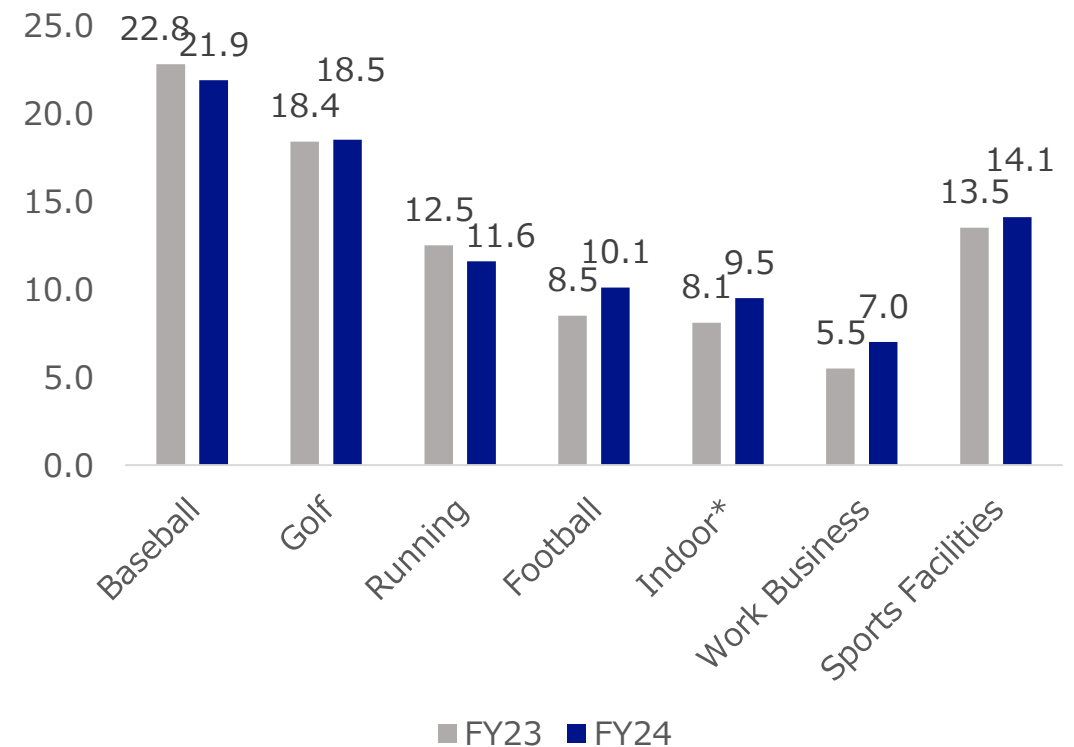
(Billions of JPY)	FY23.2Q	FY24.2Q	change	Change (%)
Footwear	36.0	38.4	2.4	106.8
Apparel	30.6	32.2	1.6	105.3
Equipment	30.0	31.3	1.3	104.1
Service/Others	17.9	17.7	△0.2	98.9
Total	114.5	119.6	5.1	104.5



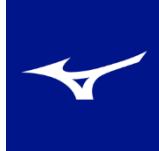


- ✓ Strong sales in competitive sports categories such as Football, Indoor etc..
- ✓ Sales in Running decreased primarily due to Mizuno’s strategy aiming to achieve healthy inventory levels and higher gross margin.
- ✓ Work business kept its upward trend.

(Billions of JPY)	FY23.2Q	FY24.2Q	change	Change (%)
Baseball	22.8	21.9	△0.9	95.7
Golf	18.4	18.5	0.1	100.7
Running	12.5	11.6	△0.9	92.6
Football	8.5	10.1	1.6	118.3
Indoor*	8.1	9.5	1.4	117.4
Work Business	5.5	7.0	1.5	126.9
Sports Facilities	13.5	14.1	0.6	104.6

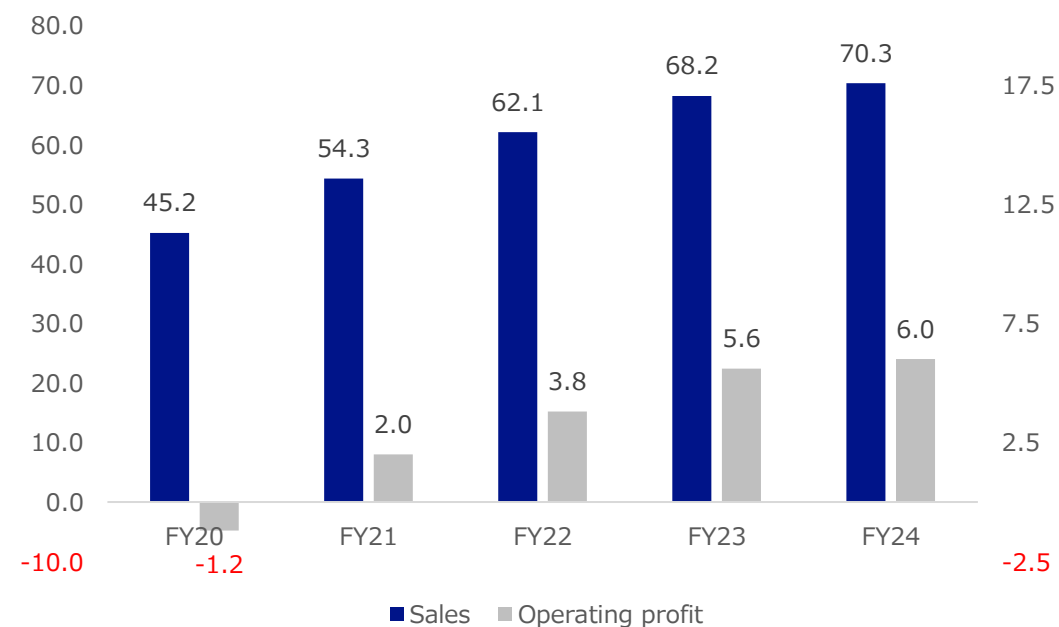


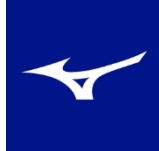
*Indoor includes volleyball, badminton, table tennis, basketball and so on.



- ✓ Record sales and operating profit for the 2nd quarter.
- ✓ Favorable sales in Volleyball, Racket sports and other competitive sports products.
- ✓ Football kept its sales level.
- ✓ Sales in Work business and Lifestyle footwear increased.

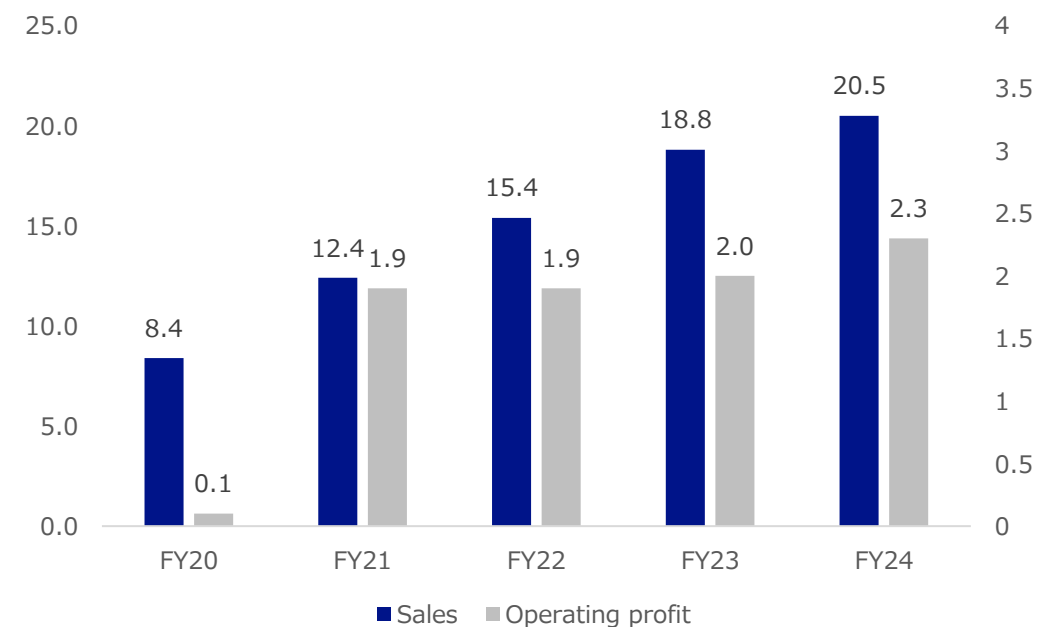
(Billions of JPY)	FY23.2Q	FY24.2Q	change	Change (%)
Footwear	15.9	17.6	1.7	110.9
Apparel	23.0	23.4	0.4	101.9
Equipment	11.5	11.7	0.2	101.5
Service/Others	17.8	17.6	△0.2	98.8
Total	68.2	70.3	2.1	103.1





- ✓ Record sales and operating profit for the 2nd quarter.
- ✓ Sales in Golf kept high.
- ✓ optimization of inventory levels contributed to profitability improvement.

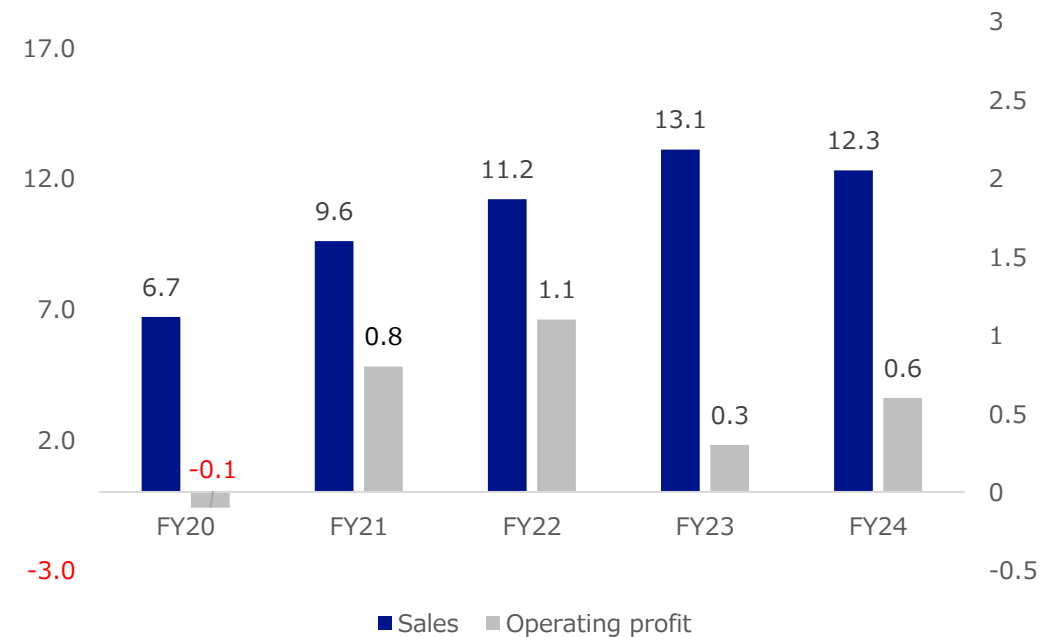
(Billions of JPY)	FY23.2Q	FY24.2Q	change	Change (%)
Footwear	4.5	4.8	0.3	105.7
Apparel	2.6	2.8	0.2	110.0
Equipment	11.7	12.8	1.1	109.7
Service/Others	-	-	-	-
Total	18.8	20.5	1.7	108.8





- ✓ 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.

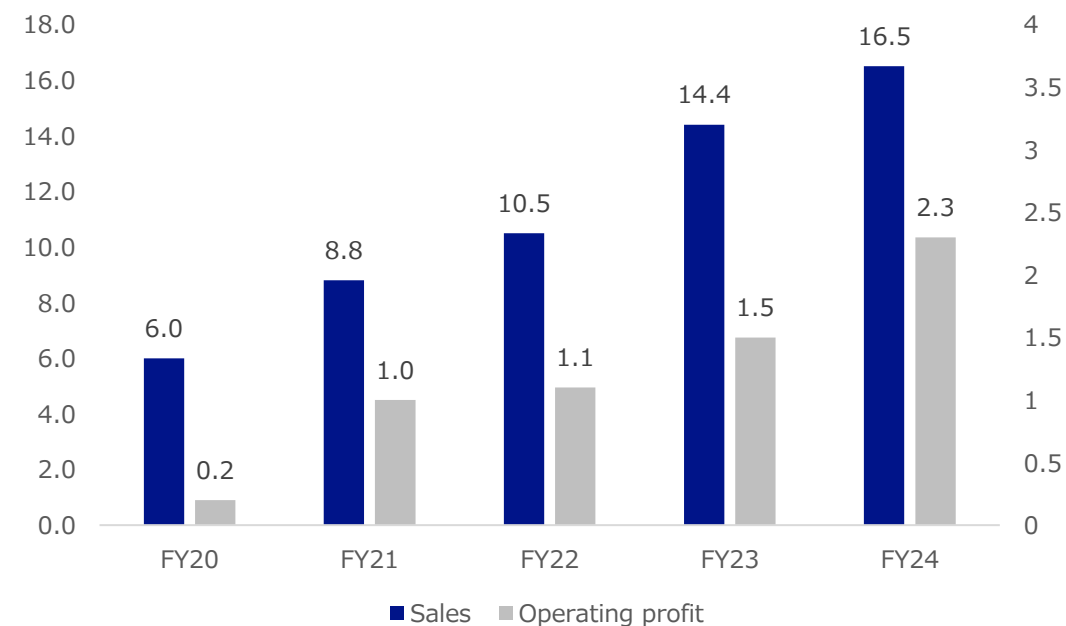
(Billions of JPY)	FY23.2Q	FY24.2Q	change	Change (%)
Footwear	9.0	8.1	△0.9	90.2
Apparel	2.0	2.2	0.2	105.2
Equipment	2.1	2.1	△0.0	98.9
Service/Others	-	-	-	-
Total	13.1	12.3	△0.8	93.9





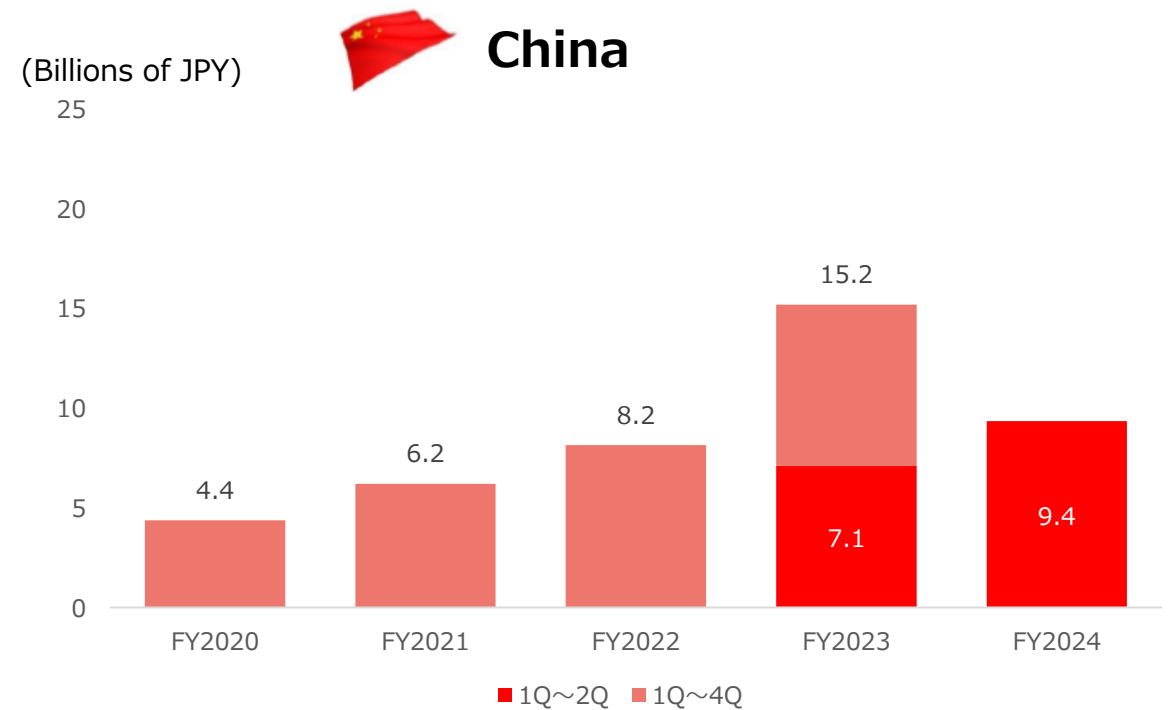
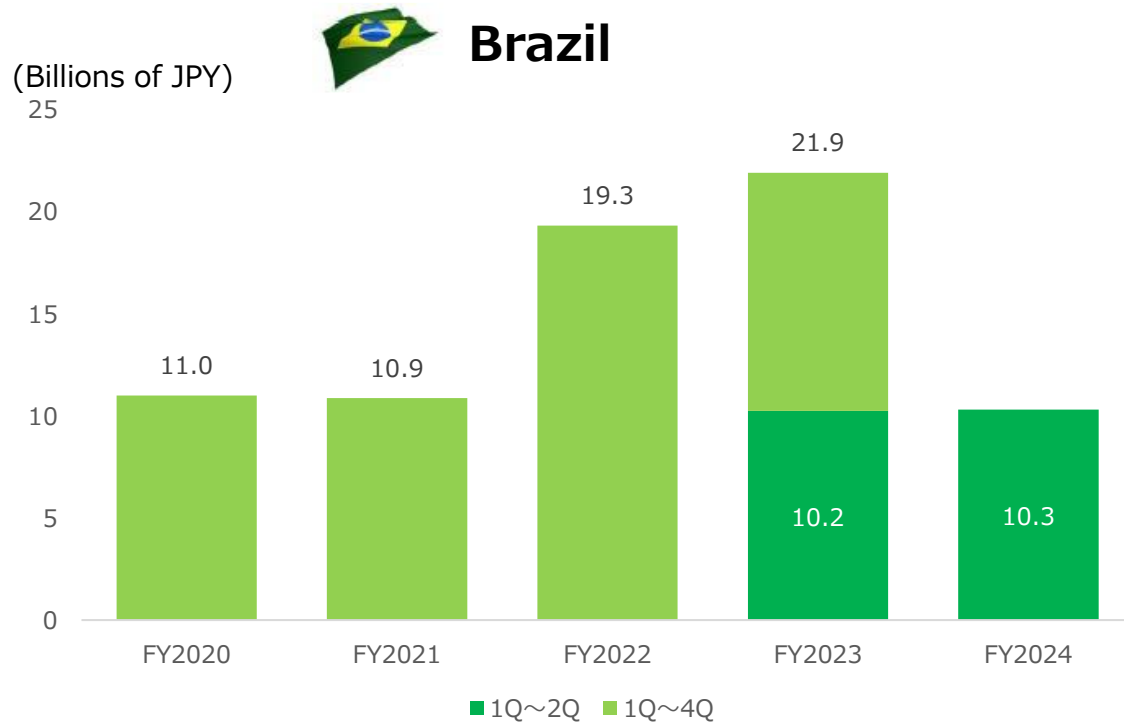
- ✓ Record sales and operating profit for the 2nd quarter.
- ✓ Strong sales in Football in South Korea and Southeast Asia.
- ✓ Growth in Competitive sports category (e.g., Volleyball, Indoor).
- ✓ Sales in Lifestyle footwear increased.

(Billions of JPY)	FY23.2Q	FY24.2Q	change	Change (%)
Footwear	6.5	7.8	1.3	120.6
Apparel	3.0	3.8	0.8	127.9
Equipment	4.9	4.7	△0.2	98.8
Service/Others	-	0.1	-	-
Total	14.4	16.5	2.1	114.8





- ✓ 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.

