Mizuno Corporation

The 114th Period
(Year ending March 31, 2027)

1st Quarter Financial Report

Aug 7, 2026

This report includes forecasts based on our assumptions, outlook and plans for the future as of Aug 7, 2026, which may substantially differ from actual results due to risks and uncertainties relating to the global economy, competitors' situations, changes in exchange rates, etc.

- ✓ Sales reached a record high.
- ✓ Operating profit, ordinary profit and net profit all reached record highs.
- ✓ Golf, Running, Sportstyle shoes and Work business grew strongly.
- ✓ Gross margin ratio improved year on year, driven by initiatives to strengthen DTC sales and so on.

Net Sales Profit

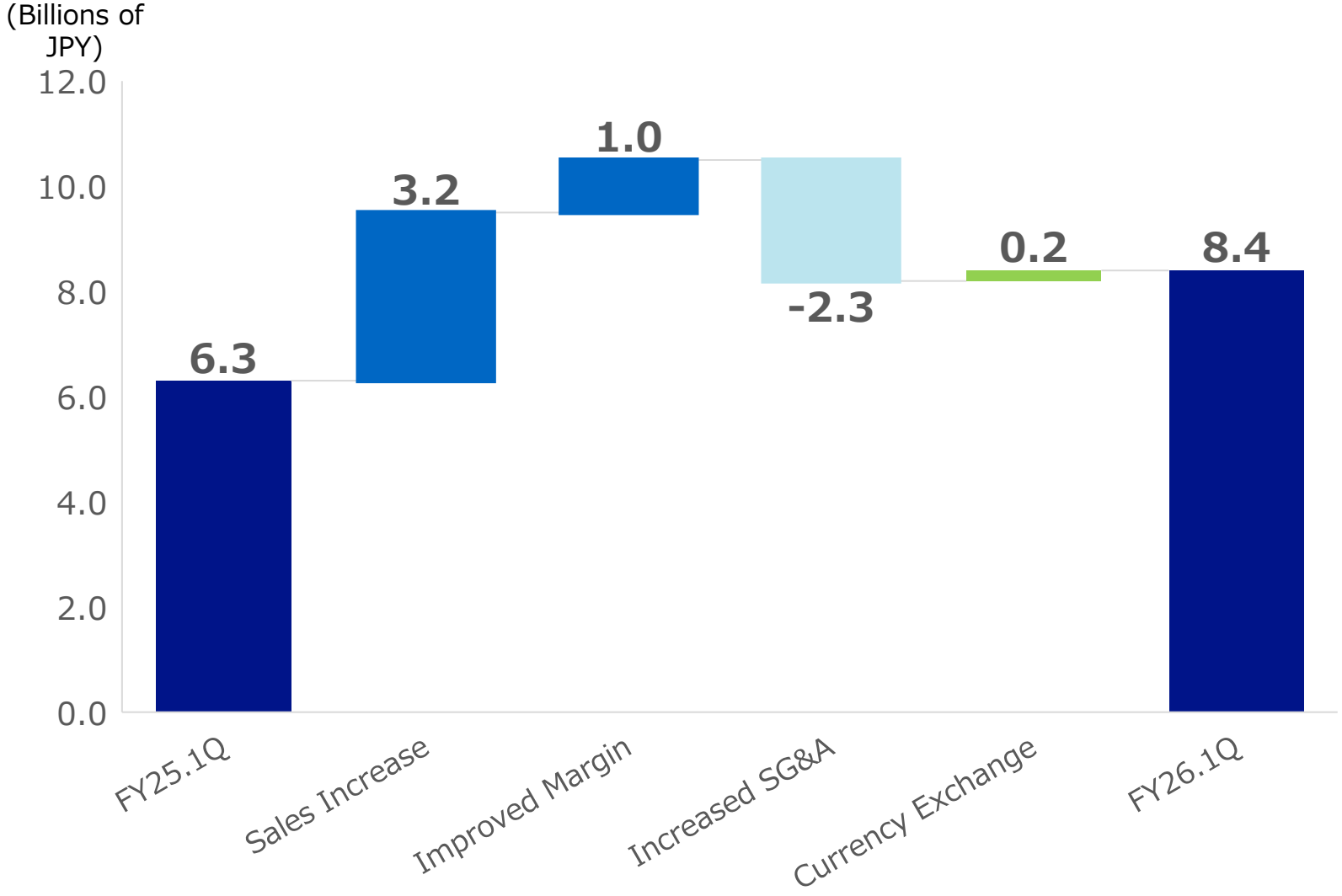
Net Sales	Operating profit	Ordinary profit	Net profit
Record high	Record high	Record high	Record high
71.5bn JPY	8.4bn JPY	8.7bn JPY	6.0bn JPY
+12.6% yoy	+33.1% yoy	+28.2% yoy	+23.5% yoy

Profit ratio

Gross profit margin	Operating profit margin	Ordinary profit margin	Net profit margin
Record high	Record high		
43.6%	11.7%	12.1%	8.4%
+1.4pts yoy	+1.8pts yoy	+1.5pts yoy	+0.7pts yoy

Outline of Business Results | Operating Profit Summary

✓ **Sales growth was achieved through promotional investments in growth areas, resulting in higher operating profit.**



Sales: Increased

- Golf achieved substantial growth.
- Growth categories including Running, Football and Sportstyle shoes performed strongly. Work business also continued to grow.
- All regions achieved record-high sales.

Gross Margin Ratio: Improved

- Cost reduction initiatives and optimization of selling prices.
- Expansion of high-margin categories including custom golf clubs and Sportstyle shoes with a high DTC ratio.
- Profit negatively impacted by US tariffs.

SG&A Expenses: Strategic Investment

- Promotional investments in growth areas.
- SG&A expenses remained appropriately controlled.

Business Results | Consolidated Income Statement

- ✓ **Increased sales and an improved gross margin ratio enabled further investment in promotion.**
- ✓ **Operating profit ratio exceeded the level of the previous year.**

(Billions of JPY)		FY25.1Q	FY26.1Q	change	change(%)	Forecast	vs Forecast(%)
Sales		**63.5**	**71.5**	+8.0	12.6%	280.0	25.5%
Gross margin		**26.8**	**31.1**	+4.3	16.3%		
Gross margin ratio		42.2%	**43.6%**	+1.4Pt			
Salaries & bonus		8.0	**8.5**	+0.5	5.8%		
A&P expenses		3.9	**4.7**	+0.8	19.8%		
SG&A expenses		**20.5**	**22.8**	+2.3	11.1%		
SG&A expenses ratio		32.3%	**31.9%**	△0.4Pt			
Operating profit		**6.3**	**8.4**	+2.1	33.1%	25.5	32.8%
Operating profit ratio		9.9%	**11.7%**	+1.8Pt		9.1%	
Ordinary profit		**6.8**	**8.7**	+1.9	28.2%	26.5	32.7%
Ordinary profit ratio		10.6%	**12.1%**	+1.5Pt		9.5%	
Net income		**4.9**	**6.0**	+1.1	23.5%	19.0	31.7%
Net income ratio		7.7%	**8.4%**	+0.7Pt		6.8%	
FX rate	JPY/USD	152.94	**156.44**				
	JPY/GBP	193.10	**211.06**				
	JPY/EUR	160.71	**183.71**				

Business Results | Consolidated Balance Sheet

- ✓ **The Company raised funds through convertible bonds in the previous fiscal year.**
- ✓ **Investments in directly operated stores are being carefully evaluated with a focus on favorable locations and conditions.**
- ✓ **Improving asset efficiency, including inventory optimization, remains one of the Company's key management priorities.**

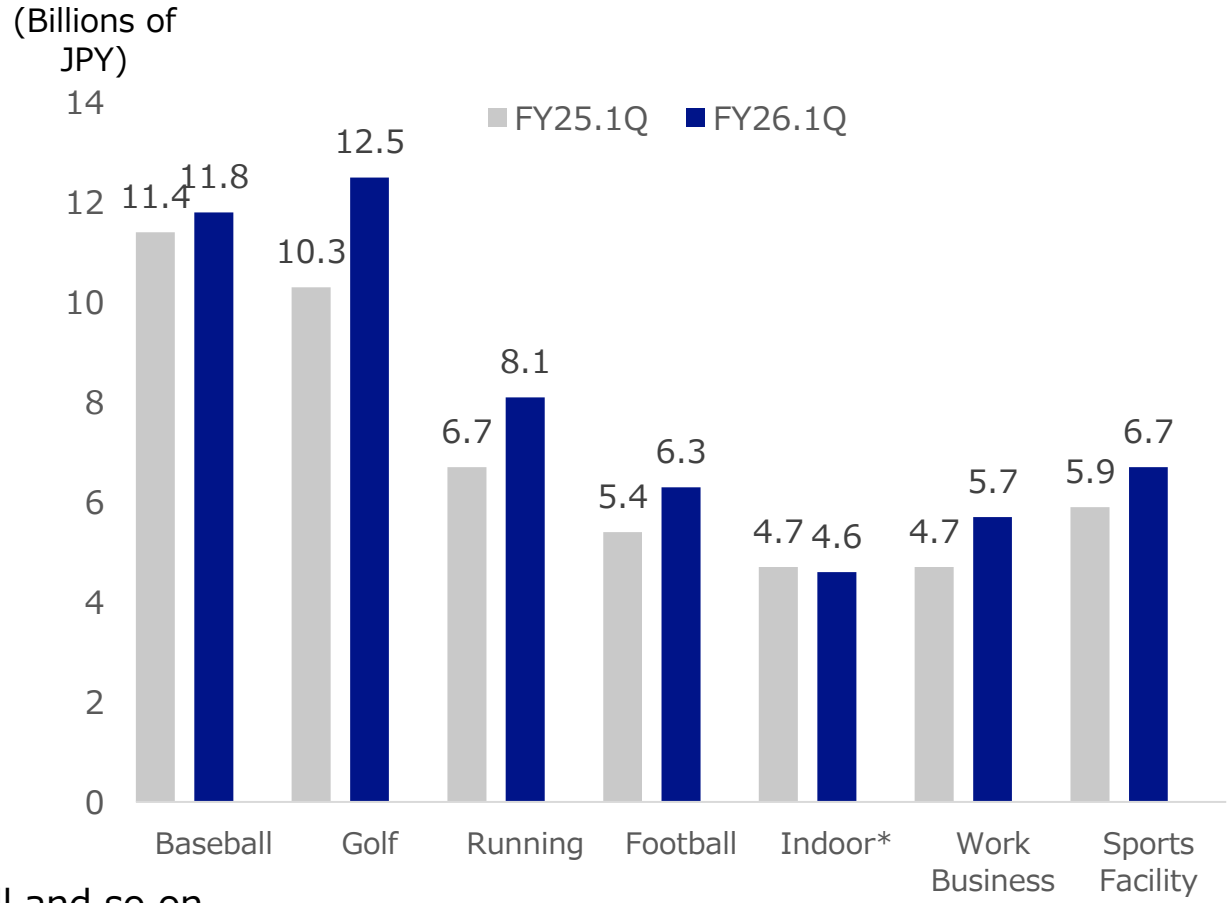
(Billions of JPY)	FY25.1Q	FY25.4Q	FY26.1Q	vs FY25.1Q change	vs FY25.1Q change(%)	vs FY25.4Q change	vs FY25.4Q change(%)
Total assets	214.9	251.5	**250.3**	+35.4	16.5%	△1.2	△0.5%
Cash & deposits	36.0	46.0	**49.0**	+13.0	36.2%	+3.0	6.5%
Accounts receivable	47.9	56.7	**54.8**	+6.9	14.3%	△1.9	△3.4%
Inventories	53.0	61.9	**57.6**	+4.6	8.7%	△4.3	△6.9%
Fixed assets	46.1	45.9	**45.7**	△0.4	△0.9%	△0.2	△0.6%
Investment securities	9.9	14.3	**15.3**	+5.4	55.1%	+1.0	7.3%
Deferred tax assets	1.5	1.5	**1.5**	△0.0	△1.4%	+0.0	△4.0%
Total liabilities	57.8	77.2	**71.1**	+13.3	23.0%	△6.1	△7.9%
Short-term loan	4.5	3.2	**3.0**	△1.5	△32.3%	△0.2	△5.6%
Long-term loan	8.5	9.7	**9.7**	+1.2	13.8%	+0.0	△0.8%
Net assets	157.1	174.3	**179.2**	+22.1	14.1%	+4.9	2.8%

Business Results | Sales by Main Categories

✓ **Growth in Golf, Running and Football drove overall sales expansion.**
✓ **Work business continued to grow in Japan.**

Sales

(Billions of JPY)	FY25.1Q	FY26.1Q	change	change (%)
Baseball	11.4	**11.8**	0.4	3.3
Golf	10.3	**12.5**	2.2	22.0
Running	6.7	**8.1**	1.4	20.9
Football	5.4	**6.3**	0.8	15.0
Indoor*	4.7	**4.6**	△0.1	△0.5
Work Business	4.7	**5.7**	1.0	20.4
Sports Facility	5.9	**6.7**	0.7	12.3

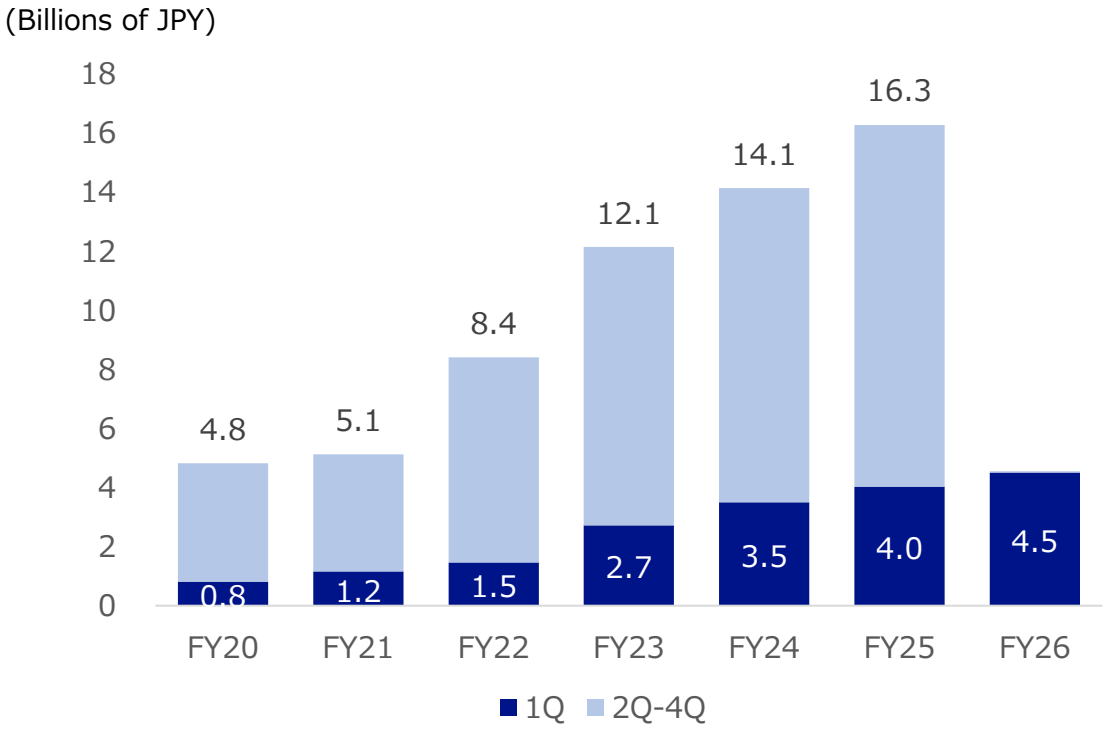


*Indoor includes volleyball, badminton, table tennis, basketball and so on.

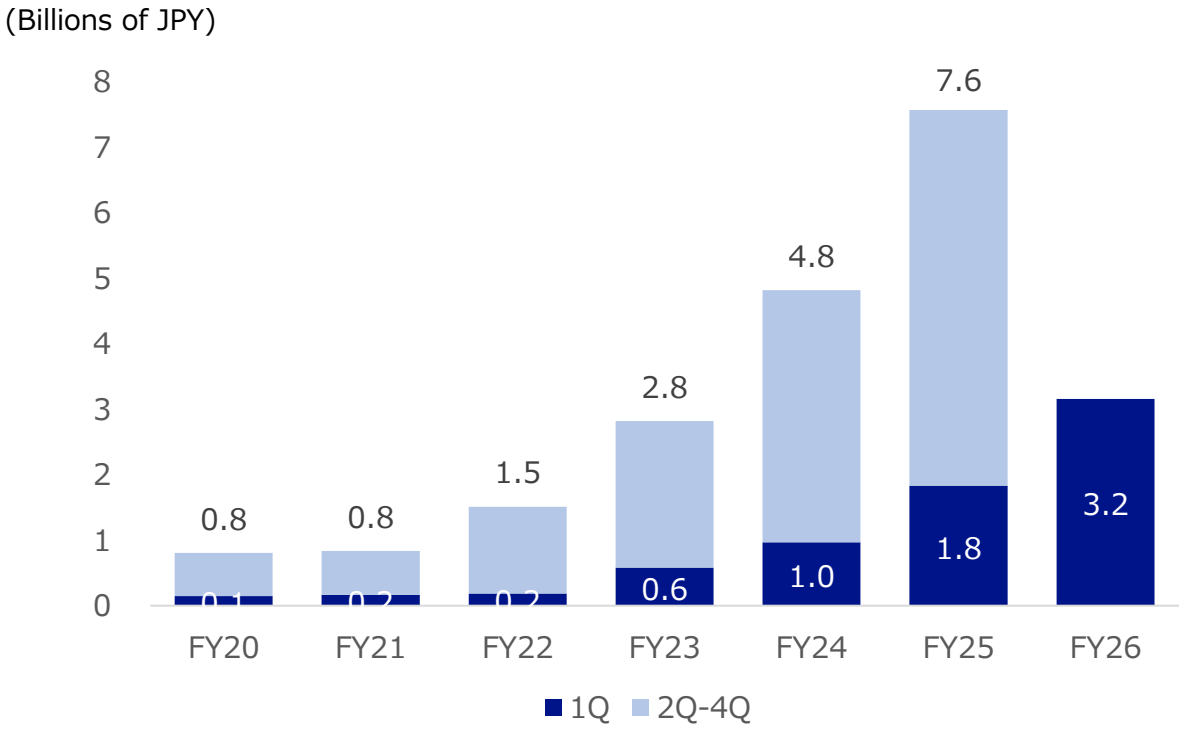
Growth in Football and Sportstyle shoes business

- ✓ **Football shoes and Sportstyle shoes, both key focus categories, continued to grow steadily**
- ✓ **Football shoes grew across all global regions**
- ✓ **Sportstyle shoes grew primarily in Japan, EMEA, and Asia/Oceania**

Football shoes Sales



Sportstyle shoes Sales

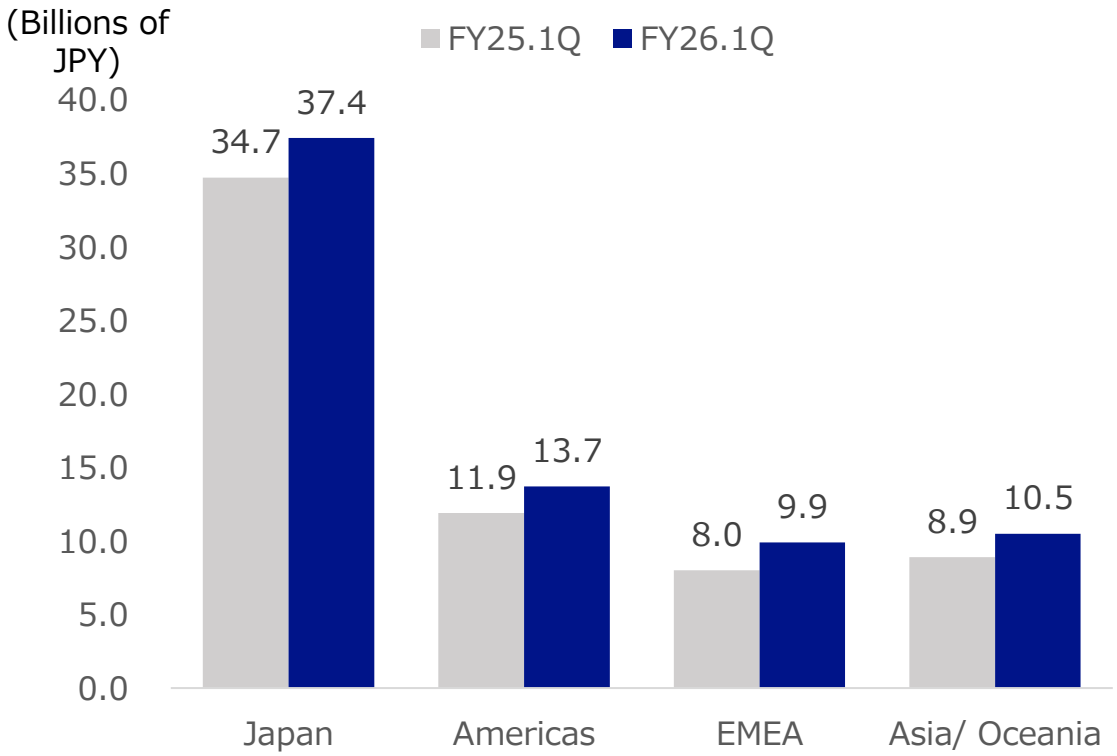


Business Results | Sales by Region

- ✓ **All regions achieved record-high sales.**
- ✓ **Overseas sales ratio: 47.7% (Record high for 1Q) vs 45.3% (FY25 1Q)**
- ✓ **Japan, Americas and EMEA also achieved record-high operating profit.**

Sales

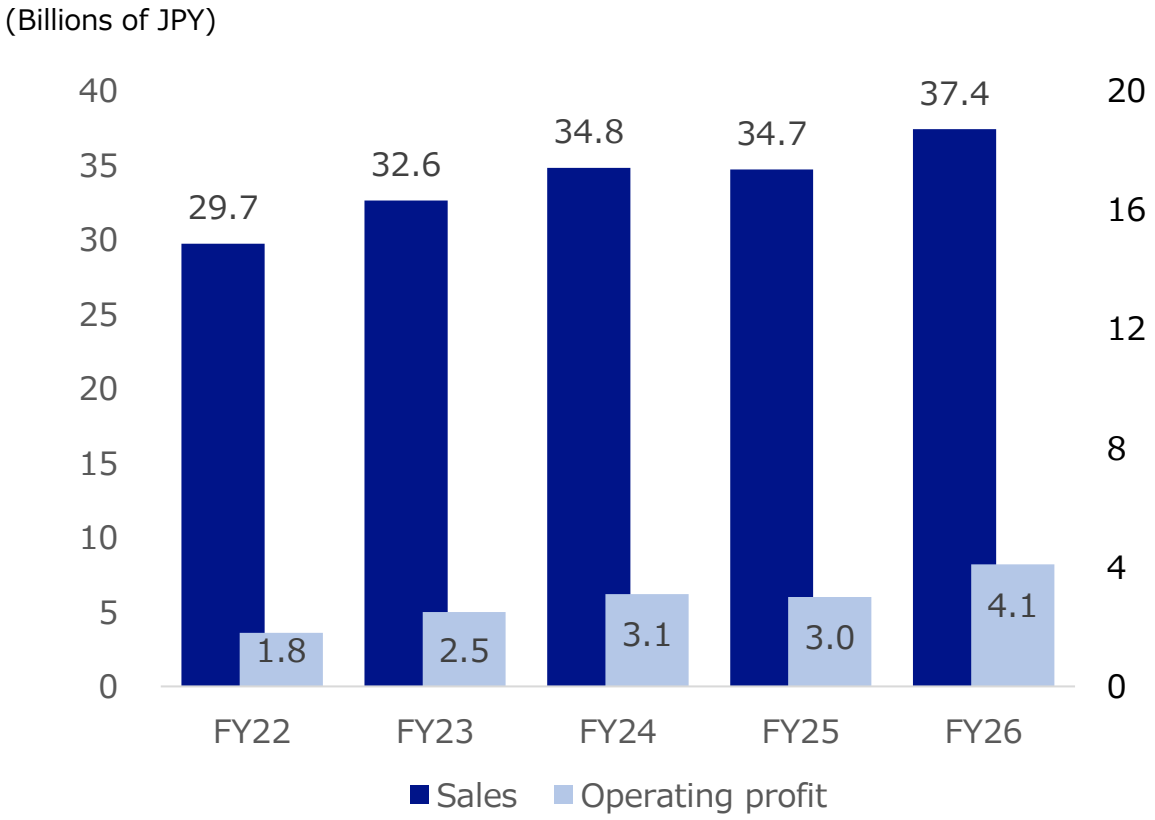
(Billions of JPY)	FY25.1Q	FY26.1Q	change	change (%)
Japan	34.7	**37.4**	+2.7	7.6
Americas	11.9	**13.7**	+1.8	15.8
EMEA	8.0	**9.9**	+1.9	24.0
Asia/ Oceania	8.9	**10.5**	+1.6	17.3
Total	63.5	**71.5**	+8.0	12.6



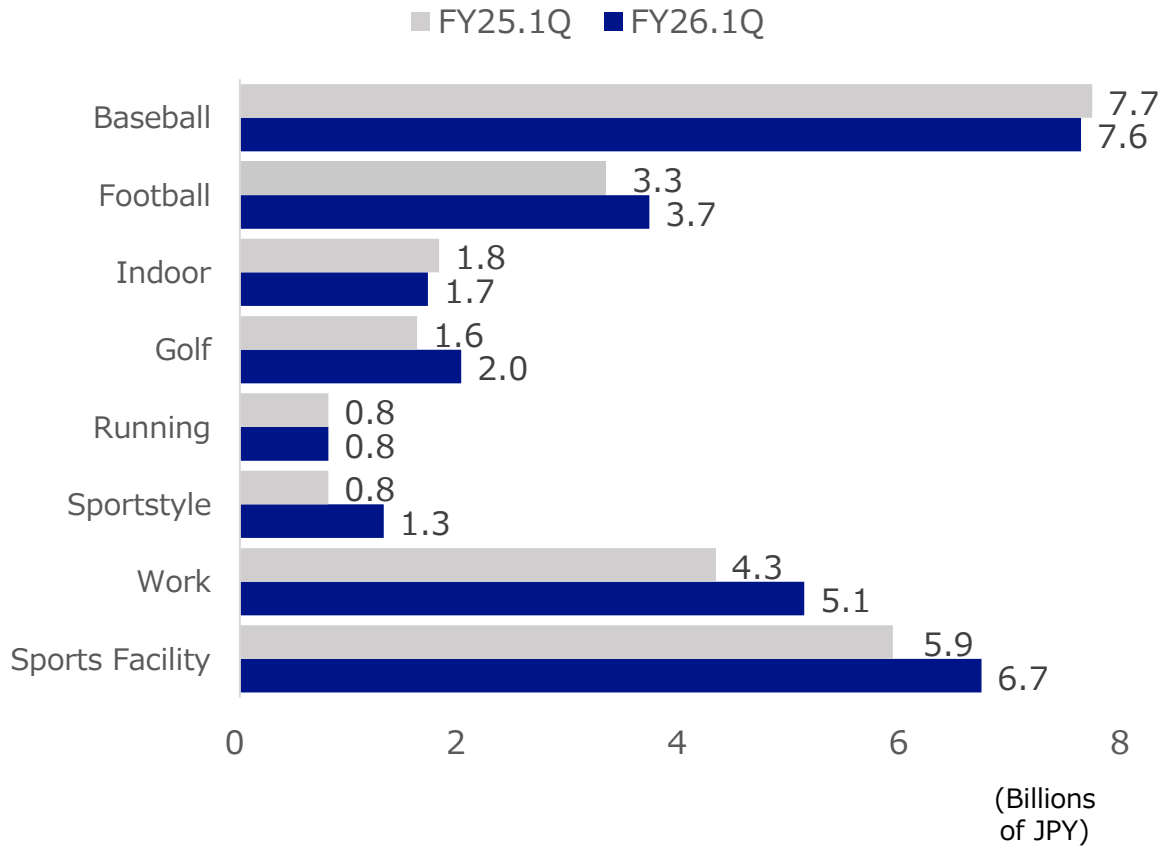
Regional Highlights (Japan)

- ✓ **Sales and operating profit both reached record highs.**
- ✓ **Football, Golf, Sportstyle shoes and Work business expanded.**
- ✓ **Growth in Sportstyle shoes and Work business was supported by the application of expertise developed through sports product development.**
- ✓ **Sports Facility recorded higher construction completions in the first quarter while the service business focus on improving profitability.**

Sales/Operating profit



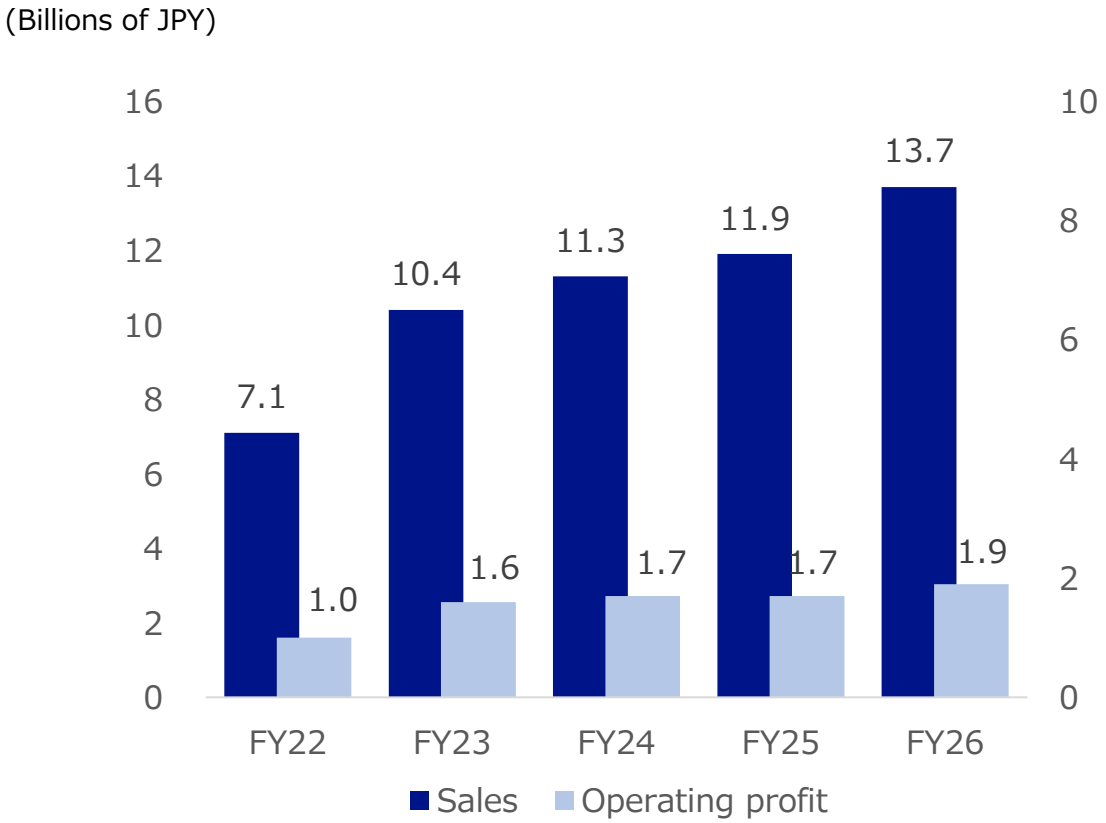
Sales by category



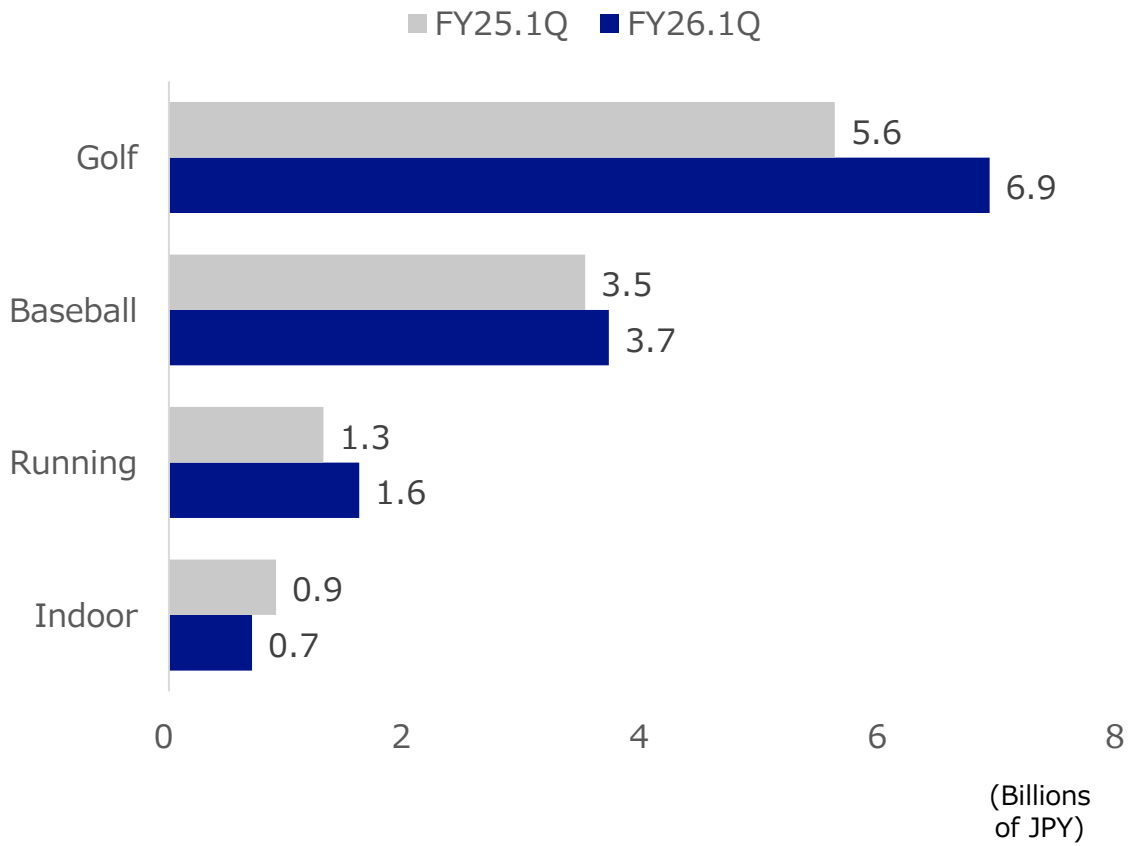
Regional Highlights (Americas)

- ✓ **Sales and operating profit both reached record highs.**
- ✓ **Golf continued to grow, supported by highly regarded forged iron products and custom fitting services.**
- ✓ **Baseball/Softball and Running also expanded. Indoor category sales declined due to intensifying competition.**
- ✓ **U.S. tariffs (approximately JPY 0.6 billion) negatively impacted profits.**

Sales/Operating profit



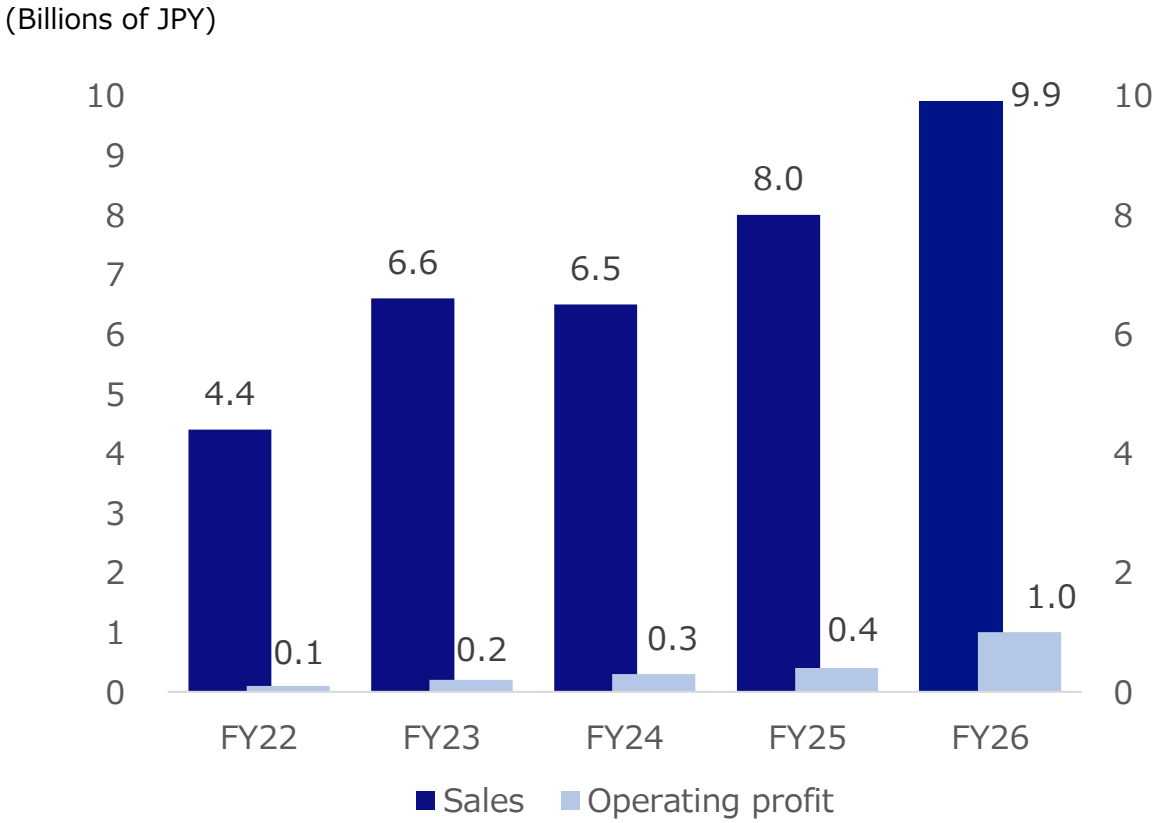
Sales by category



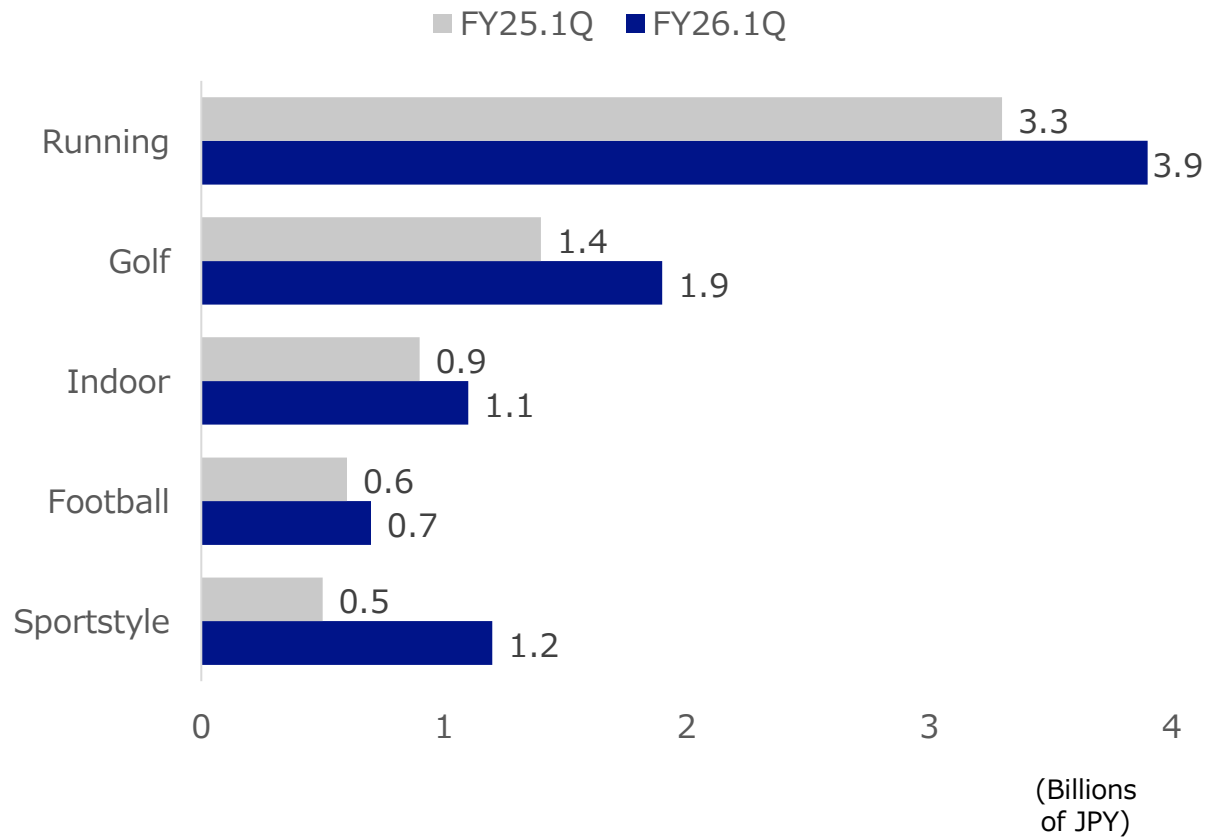
Regional Highlights (EMEA)

- ✓ **Sales and operating profit both reached record highs.**
- ✓ **Growth was led by Running, Golf and Sportstyle shoes.**
- ✓ **Foreign exchange effects contributed approximately JPY 1.0 billion to sales.**

Sales/Operating profit



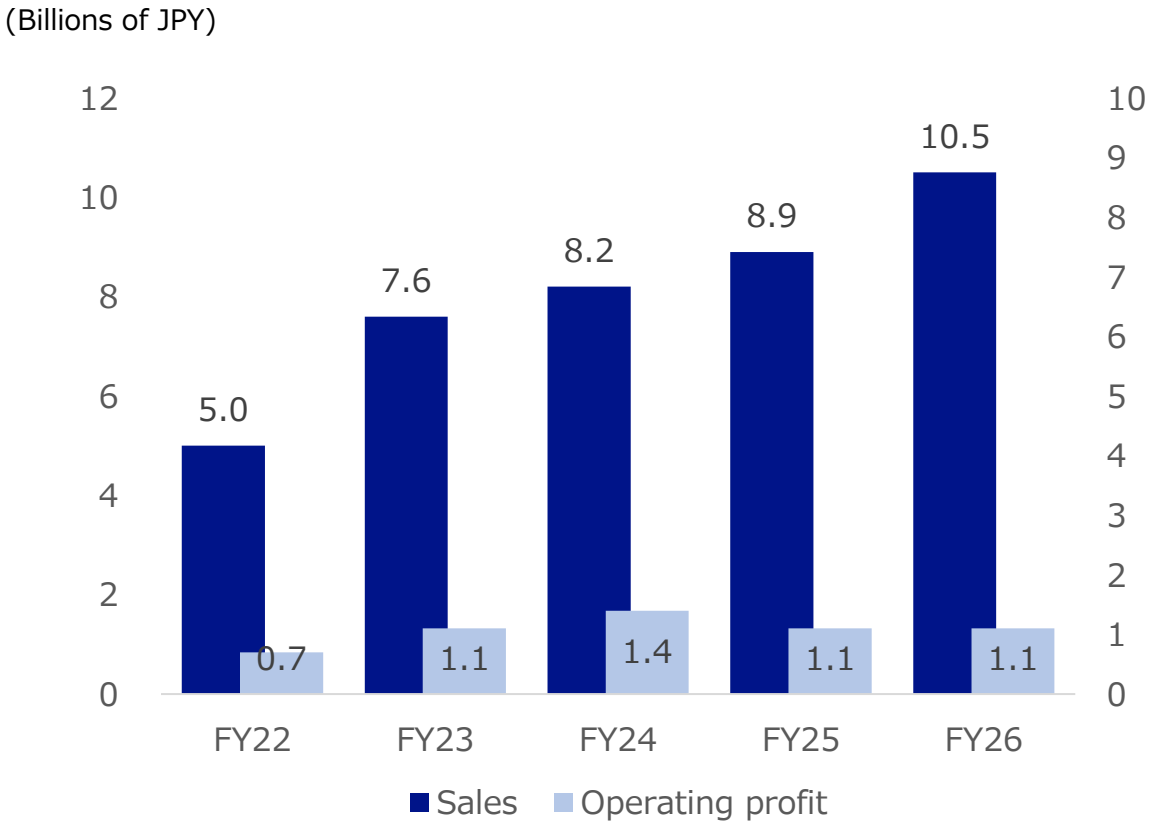
Sales by category



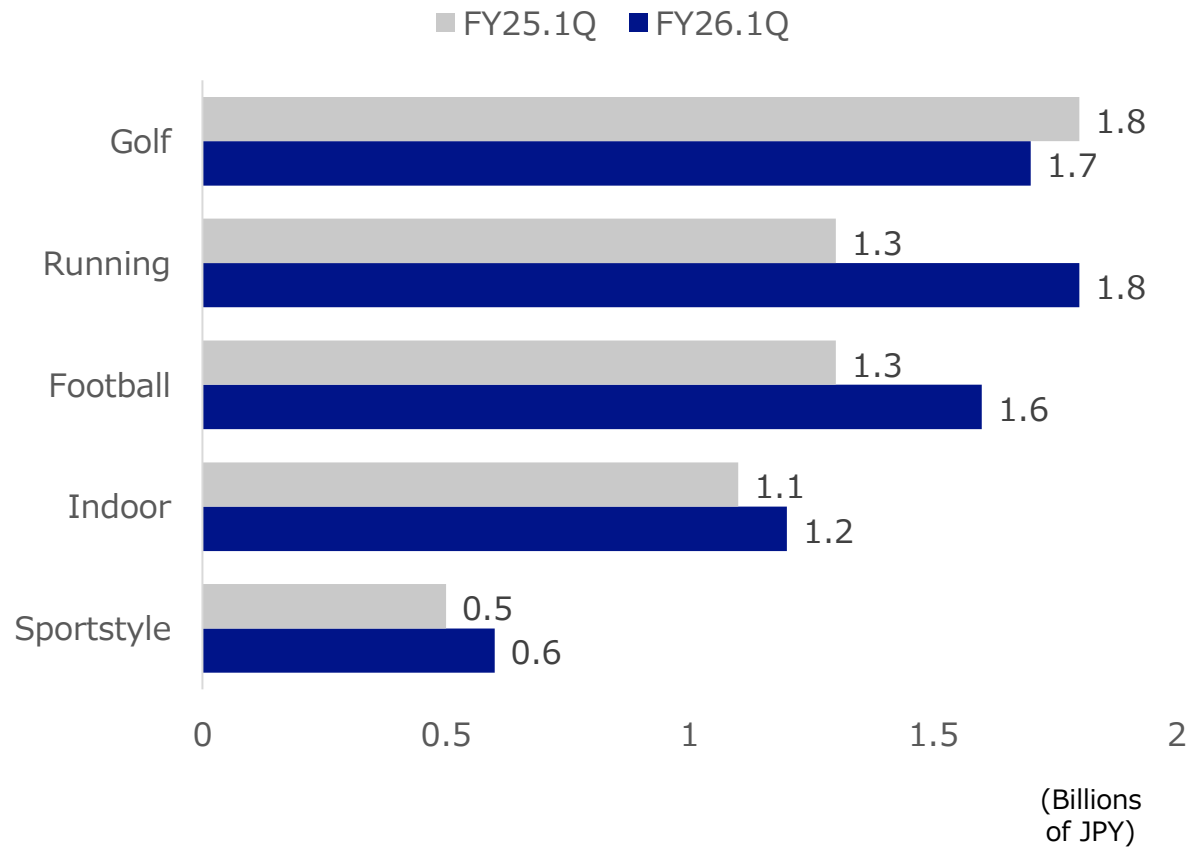
Regional Highlights (Asia/Oceania)

- ✓ **Sales reached a record high. Growth categories including Running, Football, Indoor and Sportstyle shoes all expanded.**
- ✓ **The Vietnam sales subsidiary has been newly consolidated from this fiscal year.**
- ✓ **Sales and profits from Golf declined due to slowdown in the Korean golf market.**

Sales/Operating profit



Sales by category

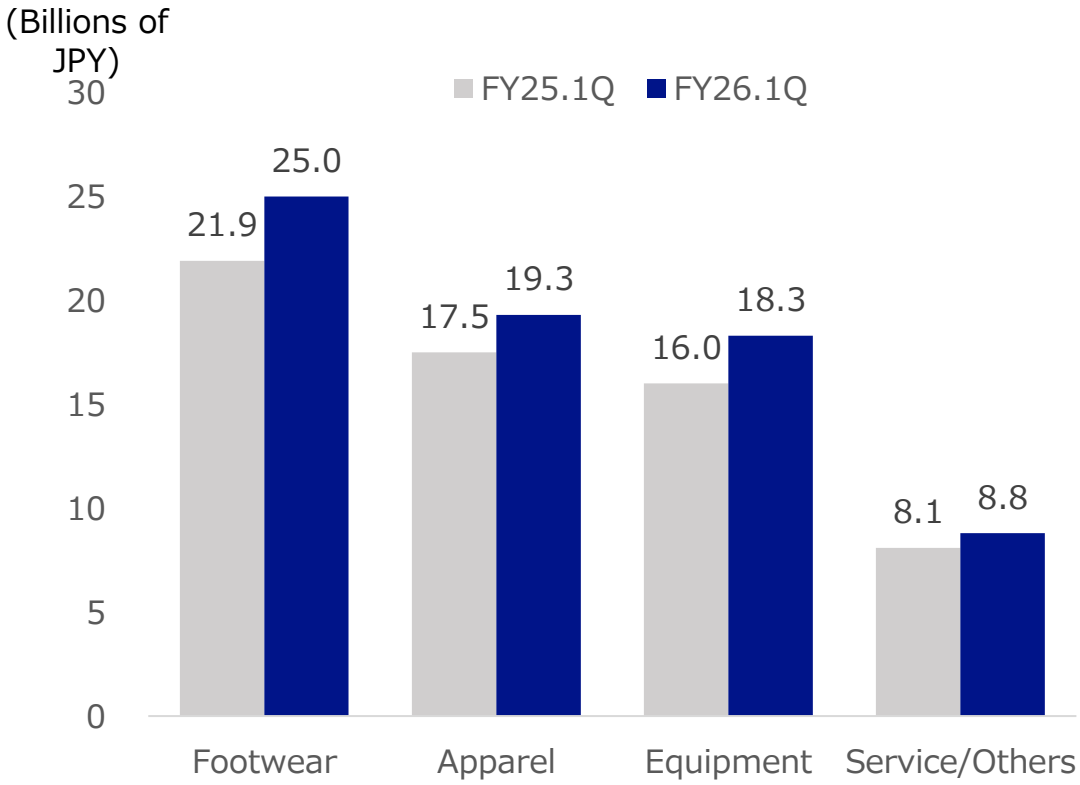


Business Results | Sales by Product Category

- ✓ **Footwear: Sales of Running and Sportstyle shoes expanded.**
- ✓ **Apparel: Work apparel sales increased, while apparel for Baseball, Running and Football etc. also grew.**
- ✓ **Equipment: Golf sales expanded in Japan, Americas and EMEA.**

Sales

(Billions of JPY)	FY25. 1Q	FY26. 1Q	change	Change (%)
Footwear	21.9	**25.0**	3.1	14.1
Apparel	17.5	**19.3**	1.8	10.2
Equipment	16.0	**18.3**	2.3	14.8
Service/Others	8.1	**8.8**	0.7	9.1
Total	63.5	**71.5**	8.0	12.6



Impact of Exchange Rate Fluctuations on Business Performance

- ✓ **Japan accounts for roughly 60% of total sales and makes approximately USD 200 million in annual purchases. As a result, exchange rate fluctuations affect business performance.**
- ✓ **However, the impact is mitigated through foreign exchange hedging and the translation effect of overseas operations.**

Impact of Foreign Exchange Fluctuations on Business Performance

	Impact of Currency movement against USD
Sales	Weaker Yen : Increase due to translation to JPY Stronger Yen : Decrease
Cost of Sales	Weaker Yen・Weaker local currency : Increase due to purchasing cost in USD Stronger Yen・Stronger local currency : Decrease
SG&A	Weaker Yen : Increase due to translation to JPY Stronger Yen : Decrease

Impact on Net Sales by Segment

(Billions of JPY)	FY25.1Q	Local Currency Growth	FX Impact	FY26.1Q
Japan	34.7	+2.7	–	**37.4**
Americas	11.9	+1.4(+12.6%)	+0.4	**13.7**
EMEA	8.0	+0.9(+11.1%)	+1.0	**9.9**
Asia/Oceania	8.9	+1.1(+12.4%)	+0.5	**10.5**
Total	63.5	+6.1	+1.9	**71.5**