



Summary of Financial Statements for the Second Quarter Ended September 30, 2014

November 7, 2014

Name of the Company: ASICS Corporation Listing Exchanges: Tokyo
 Code No.: 7936 Head Office: Hyogo Prefecture
 (URL <http://corp.asics.com/en/>)
 President and CEO, Representative Director: Motoi Oyama
 Date of filing Securities Report by quarter: November 11, 2014
 Date of scheduled payment of dividends: –
 Quarterly Results Supplemental Materials: Yes
 Quarterly Results Presentation Meeting: Yes (for institutional investors and analysts, in Japan)

(Amounts less than one million yen are truncated.)

1. Consolidated results for the second quarter ended September 30, 2014 (April 1, 2014– September 30, 2014)

(1) Consolidated business results (Accumulated)

(The percentages indicate the rates of increase or decrease compared with the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
	MY	%	MY	%	MY	%	MY	%
2nd quarter ended September 30, 2014	265,097	–	33,073	–	35,064	–	24,534	–
2nd quarter ended September 30, 2013	153,657	21.4	13,860	26.4	14,015	40.0	7,922	36.3

(Note) Comprehensive income: 2nd quarter ended September 30, 2014: ¥ 34,430 million (– %)

2nd quarter ended September 30, 2013: ¥18,089 million (201.9%)

	Net income per share	Diluted net income per share
	Yen	Yen
2nd quarter ended September 30, 2014	129.25	122.19
2nd quarter ended September 30, 2013	41.79	41.79

(Note) The fiscal year ending December 31, 2014 is a transitional period for the change in the fiscal year end. Therefore, the second quarter ended September 30, 2014 has irregular settlement periods whereby the consolidated period is six months (April 1, 2014 to September 30, 2014) for the Company and those consolidated subsidiaries whose fiscal year end was on March 31, and nine months (January 1, 2014 to September 30, 2014) for consolidated subsidiaries whose fiscal year end was on December 31. As a result, the rates of increase or decrease compared with the previous fiscal year are not disclosed.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	MY	MY	%
As of September 30, 2014	334,836	190,602	56.7
As of March 31, 2014	317,528	159,567	49.9

(Reference) Shareholders' equity: September 30, 2014: ¥ 189,740 million March 31, 2014: ¥158,443 million

2. Dividends

(Record date)	Cash dividend per share				
	End of 1st quarter	End of 1st half	End of 3rd quarter	End of year	Annual
	Yen	Yen	Yen	Yen	Yen
FY ended March 31, 2014	–	–	–	17.00	17.00
FY ending December 31, 2014	–	–	–	–	–
FY ending December 31, 2014 (Projected)	–	–	–	21.00	21.00

(Note) Changes in projected dividends: Yes

3. Forecast of consolidated business results for the fiscal year ending December 31, 2014 (April 1, 2014 – December 31, 2014)

(The full-year percentages indicate the rates of increase or decrease compared with the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	MY	%	MY	%	MY	%	MY	%	Yen	
Full-year	345,000	–	29,000	–	31,000	–	20,000	–	105.36	

(Note) Changes in forecast of consolidated business results: Yes

The fiscal year ending December 31, 2014 is a transitional period for the change in the fiscal year end. Therefore, the full-year forecast is disclosed for the period of consolidation of nine months (April 1, 2014 to December 31, 2014) for the Company and those consolidated subsidiaries whose fiscal year end was on March 31, and the consolidated period of twelve months (January 1, 2014 to December 31, 2014), as before, for consolidated subsidiaries whose fiscal year end was on December 31. As a result, the full-year percentages are not disclosed.

※ Notes

- (1) Changes in significant subsidiaries during the fiscal year (changes in specified subsidiaries that caused changes in the scope of consolidation): None
- (2) Adopting accounting treatment simplified or specialized for quarterly consolidation: Yes
- (3) Changes in accounting policy, changes in accounting estimates, and changes in presentation due to revisions
 - ① Changes in accounting policy to conform to revisions in accounting standards and others: Adopted: Yes
 - ② Changes in accounting policy adopted otherwise than in①: None
 - ③ Changes in accounting estimates: None
 - ④ Changes in presentation due to revisions: None
- (4) Number of shares (of common stock) issued and outstanding
 - ① Number of shares outstanding (including treasury shares) at fiscal end:

September 30, 2014	199,962,991 shares	March 31, 2014	199,962,991 shares
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 - ② Number of treasury shares at fiscal end:

September 30, 2014	10,139,877 shares	March 31, 2014	10,137,988 shares
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 - ③ Average number of shares during the term:

2nd quarter ended September 30, 2014	189,824,129 shares
2nd quarter ended September 30, 2013	189,587,740 shares

* Implementation status of quarterly review procedures

This quarterly financial results report is not subject to quarterly review procedures by independent auditors under Japan's Financial Instruments and Exchange Law. At the time of release of this report, such quarterly review procedures under the Financial Instruments and Exchange Law have not been completed.

* Explanation of appropriate use of business performance forecasts; other special items

(Notes to the description about future, other)

The performance forecasts above are estimated based on information available as of the date hereof. This may cause actual results to differ from stated projections due to changing business conditions or other factors.

(How to access supplemental materials on quarterly business results)

We plan to post the supplemental materials on quarterly business results on Company's website (<http://corp.asics.com/en/>) on November 7, 2014.

(How to access materials on the details of presentation meeting on business results)

The Company is scheduled to hold presentation meeting on business results for institutional investors and analysts on Tuesday, November 11, 2014. We plan to post the materials used in the meeting on the Company's website (<http://corp.asics.com/en/>) immediately after the meeting.

Qualitative information for consolidated business results

(1) Explanation on business results

In the second quarter ended September 30, 2014, business was steady in the sporting goods industry on the back of a high level of interest in sports owing to rising health consciousness, as well as a running boom. In the U.S., particularly, which is one of the highest priority areas for the ASICS Group (“the Group”), the footwear market and others continued to show steady growth.

Under these conditions, the Group continued its efforts to reinforce and expand its business on a global scale based on the Five-Year Strategic Plan, “ASICS Growth Plan (AGP) 2015”.

In the running business, the Group strove to expand the business further as the core business. The Group’s efforts to this end included launching various high-function running shoes, GEL-NIMBUS 16 and GEL-CUMULUS 16, onto the market. The Group also carried out initiatives such as supporting marathon events held in different parts of the world, including Paris, Stockholm and the Gold Coast, and holding a trail running event.

In the athletic sports business, the Group concentrated on activities to heighten the value of the ASICS brand. For example, the Group launched replica jerseys of both the South African and Australian national rugby teams. In addition, the Group supplied products to be used by wrestlers representing their countries (in total, six countries) at the 2014 World Wrestling Championship held in Uzbekistan. The Group also supplied products to be used by athletes representing their countries or region (in total, eight countries and one region) at the 17th Asian Games INCHEON 2014 held in the Republic of Korea.

In the Onitsuka Tiger business, the Group strove to heighten the value of Onitsuka Tiger as an innovative and sophisticated brand such by launching shoes designed in collaboration with a famous designer as the latest works of the NIPPON MADE series.

On the sales front, the Group worked on expanding sales through such measures as increasing directly managed sales venues. Specifically, the Group opened 46 stores including directly managed ASICS brand stores in Melbourne(Australia), Tsukuba(Japan) and Madrid(Spain), and a directly managed Onitsuka Tiger brand store in Melbourne(Australia). Other measures to expand sales included promoting expansion of E-commerce running on a shared global IT platform.

In the apparel business, the Group worked on strengthening the function of the global sourcing and development in order to expand sales and boost profitability. To this end, the Group centralized the production control function of each country’s apparel products in ASICS HongKong Apparel Limited in Hong Kong, and transferred parts of the materials procurement and quality control functions at the ASICS’ apparel business to that company. In addition, the Group pressed ahead with transferring production facilities from areas in China to areas in Southeast Asia for the purpose of reducing costs. Also in this business, the Group worked on expanding running apparel business.

In the new business, the Group worked on creating a service that contributes to people’s lives by starting the operation of “Tryus Nishinomiya”(Japan), a nursing care service facility specializing in functional training that provides exercise service programs utilizing the Group’s sports expertise.

Furthermore, the Group worked on establishing a stable product supply system through the construction of a global logistics network. As part of this work, the Group established the “ASICS European Distribution Center” in Germany as its new logistics base in Europe, and started operations at the center.

The Group strove to strengthen fast-track development and hiring of professional talent on global and regional bases and to ensure the optimal placement of global talent. The Group introduced new human resources system to replace the traditional seniority system. In addition, the Group promoted diversity under the slogan “One Team” — Stronger through Diversity, aiming that diverse employees feel fulfilled in the corporate culture and environment to

let them perform at peak, and contribute sustainable growth of the business and the organization.

In other activities, as part of a continuous support program for the Great Eastern Japan Earthquake “A Bright Tomorrow Through Sport”, the Group supported the Tohoku Food Marathon & Festival 2014 and the “Discover Tomorrow” 1,000-km Relay to Tokyo 2014.

In the second quarter ended September 30, 2014, consolidated net sales were ¥265,097 million. Domestic net sales were ¥47,353 million, overseas sales were ¥217,743 million, gross profit was ¥119,417 million, operating income was ¥33,073 million, ordinary income was ¥35,064 million and net income was ¥24,534 million.

Business results by reportable segment were as follows.

The fiscal year ending December 31, 2014 is a transitional period for the change in the fiscal year end. Therefore, the current fiscal second quarter consolidated period has irregular settlement periods whereby the period of consolidation is six months (April 1, 2014 to September 30, 2014) for the Company and those consolidated subsidiaries whose fiscal year end was on March 31 in the previous fiscal year, and nine months (January 1, 2014 to September 30, 2014) for consolidated subsidiaries whose fiscal year end was on December 31 in the previous fiscal year. As a result, a year-on-year ratio is not disclosed for segments excluding Japan area.

① Japan Area

Sales increased 0.2% to ¥55,803 million, despite a decline in shoe sales to overseas sales subsidiaries, due mainly to steady sales of running shoes and Onitsuka Tiger shoes. However, segment income decreased 12.2% to ¥1,250 million, due mainly to an increase in selling, general and administrative expenses resulting from new openings of directly managed stores and an increase in amortization of goodwill resulting from an additional acquisition of the shares of subsidiaries in the previous fiscal year.

② America Area

Sales were ¥89,683 million and segment income was ¥10,877 million.

③ Europe Area

Sales were ¥82,544 million and segment income was ¥8,880 million.

④ Oceania/SouthEast and South Asia Area

Sales were ¥13,486 million and segment income was ¥2,494 million.

⑤ East Asia Area

Sales were ¥23,126 million and segment income was ¥2,198 million.

⑥ Other business

Sales were ¥9,116 million and segment loss was ¥252 million.

(2) Explanation on financial position

As for consolidated financial position as of September 30, 2014, total assets increased 5.5% from the end of the previous fiscal year to ¥334,836 million, total liabilities decreased 8.7% from the end of the previous fiscal year to ¥144,234 million and net assets increased 19.4% from the end of the previous fiscal year to ¥190,602 million.

Current assets increased 5.0% to ¥252,369 million, mainly reflecting a decrease in cash and deposits and increases

in notes and accounts receivable-trade and inventories, and an increase in other current assets resulting from an increase in short-term derivative assets.

Non-current assets increased 6.8% to ¥82,467 million. This mainly reflected an increase in property, plant and equipment attributable to extension and improvement work at the ASICS Institute of Sports Science and an increase in investments and other assets resulting from increases in investment in securities and long-term derivative assets. On the other hand, there were decreases in intangible assets including goodwill and brand as well as deferred tax assets.

Current liabilities decreased 14.0% to ¥69,818 million, due mainly to decreases in notes and accounts payable-trade and accrued expenses, and a decrease in other current liabilities attributable to a decrease in short-term derivatives liabilities.

Non-current liabilities decreased 3.1% to ¥74,415 million, due mainly to a decrease in other long-term liabilities attributable to a decrease in long-term derivatives liabilities.

Shareholders' equity rose 14.5% to ¥170,686 million due to an increase in retained earnings.

Accumulated other comprehensive income increased ¥9,715 million to ¥19,054 million, due mainly to an increase in unrealized deferred gain on hedges.

Minority interests decreased 24.8% to ¥834 million.

As for cash flows as of September 30, 2014, cash and cash equivalents (hereinafter, "cash") decreased ¥922 million from the end of the previous fiscal year to ¥52,711 million.

The respective cash flow positions for the second quarter ended September 30, 2014 and main factors behind the changes are as follows.

The fiscal year ending December 31, 2014 is a transitional period for the change in the fiscal year end. Therefore, the current fiscal second quarter consolidated period has irregular settlement periods whereby the period of consolidation is six months (April 1, 2014 to September 30, 2014) for the Company and those consolidated subsidiaries whose fiscal year end was on March 31 in the previous fiscal year, and nine months (January 1, 2014 to September 30, 2014) for consolidated subsidiaries whose fiscal year end was on December 31 in the previous fiscal year. As a result, a year-on-year ratio is not disclosed.

(Net cash provided by operating activities)

Net cash provided by operating activities was ¥10,984 million.

The major source of cash was ¥35,221 million from income before income taxes and minority interests, while major uses of cash were ¥9,131 million for income taxes paid, ¥6,243 million for a decrease in notes and accounts payable-trade, ¥4,980 million for an increase in notes and accounts receivable-trade and ¥4,803 million for an increase in inventories.

(Net cash used in investing activities)

Net cash used in investing activities was ¥5,423 million.

The major source of cash was ¥4,839 million from proceeds from withdrawal of time deposits, while major uses of cash were ¥5,375 million for purchases of property, plant and equipment, ¥2,196 million for purchases of time deposits and ¥1,015 million for purchases of investment in securities.

(Net cash used in financing activities)

Net cash used in financing activities was ¥5,849 million.

Major uses of cash were ¥3,223 million for cash dividends paid and ¥2,091 million for a net decrease in short-term bank loans.

(3) Explanation on forecast for consolidated business results and others

Specific details of the forecast of consolidated business results are mentioned on the Company's website "Notice Concerning the Differences between the Forecast of Consolidated Business Results and the Actual Business Results for the Second Quarter Ended September 30, 2014, the Amendment to the Forecast of Consolidated Business Results and the Amendment to the Projected Dividends for the Fiscal Year Ending December 31, 2014," posted on Friday, November 7, 2014.

SEGMENT INFORMATION

ASICS Corporation and Consolidated Subsidiaries
From April 1 to September 30, 2014 and 2013

Millions of yen									
	Japan area	America area	Europe area	Oceania /SouthEast and South Asia area	East Asia area	Other business	Total	Adjustments	Consolidated
2014									
Net sales:									
Sales to customers	¥46,997	¥89,682	¥82,539	¥13,444	¥23,126	¥9,112	¥264,902	¥195	¥265,097
Intersegment	8,805	1	5	42	-	4	8,860	(8,860)	-
Total sales	55,803	89,683	82,544	13,486	23,126	9,116	273,762	(8,664)	265,097
Operating income (loss)	¥1,250	¥10,877	¥8,880	¥2,494	¥2,198	¥(252)	¥25,449	¥7,624	¥33,073

Millions of yen									
	Japan area	America area	Europe area	Oceania /SouthEast and South Asia area	East Asia area	Other business	Total	Adjustments	Consolidated
2013									
Net sales:									
Sales to customers	¥44,847	¥46,197	¥39,893	¥7,489	¥11,063	¥4,037	¥153,527	¥129	¥153,657
Intersegment	10,861	-	-	56	-	-	10,918	(10,918)	-
Total sales	55,709	46,197	39,893	7,545	11,063	4,037	164,445	(10,788)	153,657
Operating income (loss)	¥1,425	¥5,119	¥4,359	¥1,794	¥839	¥(794)	¥12,744	¥1,116	¥13,860

On January 1, 2014, ASICS Asia PTE. LTD. changed its business form from a marketing company to a sales company. As a result of this change, the name of the reportable segment in which this company belonged was changed from the "Oceania Area" segment to the "Oceania/SouthEast and South Asia Area" segment. In line with this, the operating results of ASICS Asia PTE. LTD., which were included in adjustments, were transferred to the "Oceania/SouthEast and South Asia Area" segment. The disclosed segment information for the second quarter ended September 30, 2013 is presented based on the above-mentioned reportable segment structure.

Foreign Currency Exchange Rates

	USD	EUR	AUD	KRW	SEK
2nd quarter ended September 30, 2014	¥103.47	¥139.73	¥94.41	¥0.0993	¥15.44
2nd quarter ended September 30, 2013	94.56	124.18	95.42	0.0856	14.50
Increase or (Decrease)	¥8.91	¥15.55	¥(1.01)	¥0.0137	¥0.94
Ratio (%)	+9.4	+12.5	(1.1)	+16.0	+6.5

Net Sales, Operating Income Ratio

	Japan area	America area	Europe area	Oceania /SouthEast and South Asia area	East Asia area	Other business
Net Sales	(Currency Neutral)	-	-	-	-	-
Vs 2nd quarter ended September 30, 2013 (%)	(Yen)	+0.2	-	-	-	-
Operating Income	(Currency Neutral)	-	-	-	-	-
Vs 2nd quarter ended September 30, 2013 (%)	(Yen)	(12.2)	-	-	-	-
Operating Income Ratio (%)		2.2	12.1	10.8	18.5	9.5
						(2.8)

The fiscal year ending December 31, 2014 is a transitional period for the change in the fiscal year end. Therefore, the second quarter ended September 30, 2014 has irregular settlement periods whereby the period of consolidation is six months (April 1, 2014 to September 30, 2014) for the Company and those consolidated subsidiaries whose fiscal year end was on March 31, and nine months (January 1, 2014 to September 30, 2014) for consolidated subsidiaries whose fiscal year end was on December 31. As a result, the rates of increase or decrease of net sales and operating income of segments excluding Japan area is not disclosed.