

On Consolidated Operating Results for the Year Ended March 2011

Shift to an Active Approach toward Achieving the Further Growth of Our Group Business

Akito Mizuno, President of Mizuno Corporation

On the Great East Japan Earthquake

I would first like to take this opportunity to express my heartfelt sympathy to the victims of the Great East Japan Earthquake and Tsunami, which occurred on March 11, 2011, causing extensive damage and killing many people. I would also like to offer my sincere prayers that the souls of the deceased may rest in peace, and that the survivors will be able restore their normal lives as soon as possible.

To assist residents in the affected areas and to help revive the region, Mizuno Corporation (hereafter the Company) has donated money and relief goods, including sportswear. Moreover, employees of the Mizuno Group are voluntarily raising funds. At our subsidiaries and affiliated companies outside Japan, local employees are also committed to campaigns to assist victims, including fund-raising activities. It is the sincere hope of the entire Mizuno Group that the affected areas will be able to restore and revive their communities in a prompt manner.

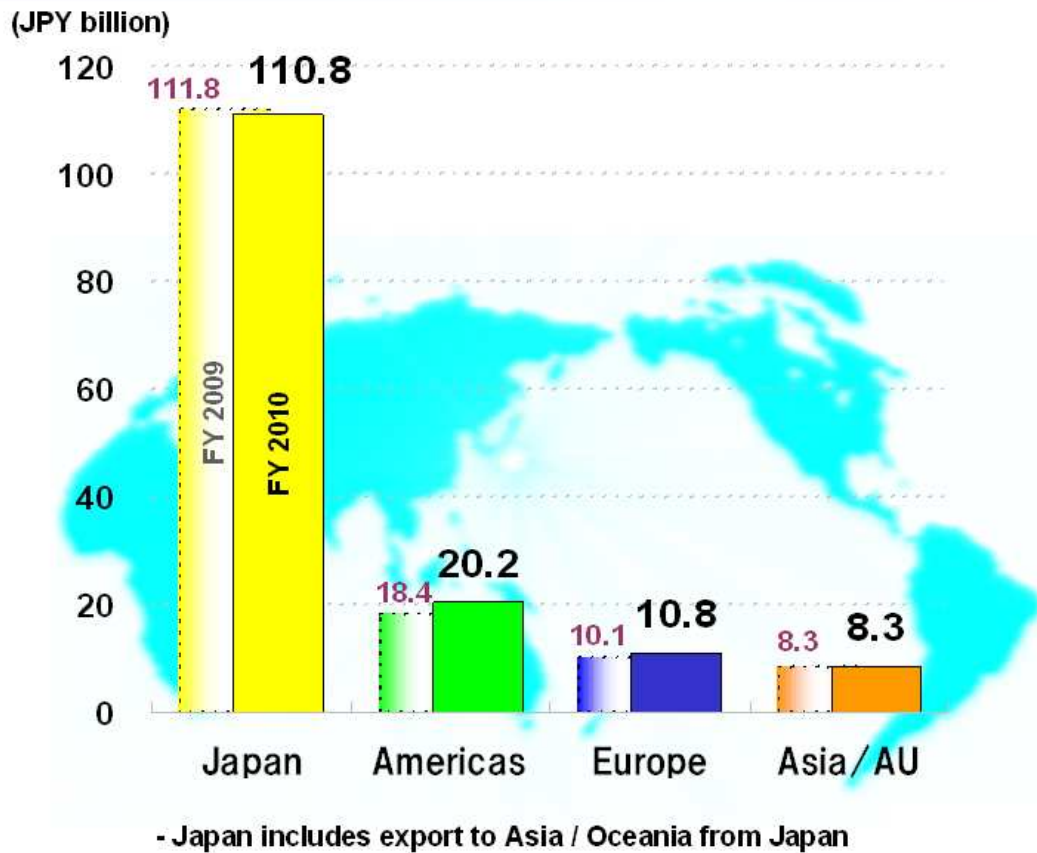
Looking back over the operational results for the financial year ended March 2011 (Financial Year 2010)

Net sales for financial year 2010 increased 0.9% from the previous year, to 150,032 million yen, ordinary income increased by 46.3% to 4,469 million yen, and net income increased by 77.1% to 2,838 million yen.

During the financial year, although net sales in Japan declined slightly, the Company was able to achieve an increase in operating income through our efforts to strengthen our administrative functions. Meanwhile, business in Europe and the Americas was robust with two-digit sales increases on a local currency basis. Sales revenues in the Asia and Oceania region also increased on a local currency basis. Favorable business results outside the Japanese market contributed to the growth in both net sales and operating income of the entire Group for the previous year, despite the negative impact of fluctuations in exchange rates, which decreased net sales by 2.8 billion yen.

By product category, sales of golf products, which were diminishing following the Lehman Brothers' collapse, recovered in the European and American markets. On a consolidated basis, however, sales in this category declined in the past financial year. In the footwear market, which is growing throughout the world, sales increased as a result of effective marketing activities. This favorable result was supported primarily by the growth in sales of running shoes, which was particularly remarkable in Europe, the Americas, and Asia.

Revenues



Consolidated Sales by Product Category

FY 2010 (JPY billion)

37.4	31.2	29.2	23.4	28.8
Baseball Products	Footwear	Apparel	Golf Products	Others
FY 2009				
37.3	28.3	29.9	24.5	28.5

Operating results in Japan

Net sales in Japan decreased by 0.9% from the previous year, to 110.7 billion yen.

Given the soaring popularity of marathon and running events held in various cities nationwide, the market for running shoes is growing in Japan. In this environment, Mizuno has won high market acclaim for our high-function running shoes, featuring the advanced Mizuno Wave—Mizuno's original wave plates designed to dispense impact forces and provide stability during the stride.

In the category of soccer shoes, spikes designed to allow non-spinning kicks, and shoes that enable skilled dribbling gained high popularity. The former type of shoe is used by Mizuno advisory staff members, including Keisuke Honda and other professional soccer players who are active on the global stage.

In the golf products market, Mizuno continued to offer its fitting service, designed to select the best clubs for individual players. The Mizuno MP series, featuring Grain Flow forged irons, won high acclaim from many golfers in recognition of the great feeling of the shot.

Sales of apparel items, on the other hand, decreased despite our efforts to stimulate demand. The profit rate, however, improved as a result of our efforts to reinforce administrative functions. Sales of baseball products were flat in this period.

International operating results

Sales revenues in Europe increased 20.2% from the previous year on a local currency basis.

When converted into yen, however, the unfavorable fluctuation in exchange rates had a negative impact of 1.3 billion yen.



European PGA Tour Official Workshop Car

In the category of golf products, Mizuno renewed its official workshop car for the European PGA Tour so as to enhance our brand value. As a result, the JPX 800 series irons have won high reputation in recognition of Mizuno's high

technological level, and their sales increased in the United Kingdom and in Scandinavian countries.

In the running shoes market, the WAVE RIDER 14 series won the support of many runners, resulting in favorable sales growth. Although production and procurement costs increased due primarily to the depreciation of sterling and the euro against the US dollar, Mizuno worked to offset its increased



procurement costs by thoroughly curtailing other expenditures. Taking the opportunities of local athletic meets and other events across Europe, we promoted what we call grassroots sales promotion, an activity of allowing runners to try on our running shoes so that they can recognize firsthand the exceptionally high function of our shoes. This campaign was effective in gaining new customers.

In the Americas, on a local currency basis, sales revenues increased by 16.1% from the previous year. When converted into yen, however, the unfavorable fluctuation in exchange rates had a

negative impact of 1.2 billion yen.

In the United States, the runner population is increasing. To promote the exceptional functions of our running shoes featuring Mizuno Wave plates, we focused our marketing efforts on specialty shops (pro shops) for serious runners. Sales of high-function running shoes, which constitute our mainstay products, contributed greatly to our sales growth in the US market. In the category of golf products, whose sales were relatively slow during the previous year, sales recovered as a result of our custom fitting service, designed to select the best clubs to match individual players' swing characteristics. Sales of high-function footwear were robust in the Canadian and South American markets as well as in the United States.

In the Asia and Oceania region, sales revenues on a local currency basis increased by 1.8% from the previous year. When converted into yen, however, the unfavorable fluctuation in exchange rates had a negative impact of 0.2 billion yen.

To reinforce our competitiveness in this region, which continues to show dynamic economic growth, Mizuno reviewed its sales channels and improved supply chain efficiency in China, Taiwan, and Australia, where we have local marketing operations. In Taiwan, to increase our market share, we promoted our products at various sports events, such as marathon races and baseball games. As a result, sales of footwear and apparel items increased steadily. In Australia, where Mizuno started full-fledged marketing of footwear and apparel by direct operations from January 2010, our aggressive marketing activities resulted in increases in both net sales and operating income. In China, our profitability improved as a result of our restructuring of sales channels including retailers' networks, lowering of inventory levels, reinforcement of cost management efforts, and other efforts to improve management efficiency. These commitments led to improved profitability.

Introduction of *Mizuno Green Grades*, a new certification standard for environmentally conscious products

To provide users with information regarding the levels of our product environmental friendliness, the Company will indicate the Mizuno Green Grades of our products in our product catalogue issued in 2011 onward. Under this new system, Mizuno's products are labeled with gold, silver, or bronze medals in accordance with the assessment results of the environmental friendliness of the individual products in all stages of their life cycles, from procurement of raw materials to product disposition. In addition to disclosing information on the environmental impacts of our products, Mizuno will further promote the development and promotion of environmentally conscious products, based on the firm belief that environmental measures form an essential component of our product quality.



Mizuno to cosponsor the first Osaka Marathon

Spurred by the nationwide marathon boom, the first Osaka Marathon is planned for October 30, 2011. As a cosponsor of the event, Mizuno will work to boost the Osaka Marathon, projected to be one of largest marathons for citizens in Japan. Our head office



is located right in front of Intex Osaka, where the goal of the race will be set. To support city runners, whose numbers are steadily increasing, Mizuno will continue to supply high-quality products that embody our exceptional technologies and craftsmanship.

Forecasts of full-year results for the financial year ending March 2012, and the Medium-Term Plan

Taking into consideration the global economic recovery predicted for this year, we forecast that net sales for the full year ending March 2012 (financial year 2011) will be 152.0 billion yen, with ordinary income of 4.5 billion yen and net income of 2.5 billion yen. As indicated in the chart below, in the Medium-Term Plan we have set the following targets for the financial year ending March 2014 (financial year 2013): net sales of 167.0 billion yen with ordinary income of 7.0 billion yen.

In financial year 2011, the Company has launched a new Mid-Term Plan aimed at the growth of our business on a consolidated basis. Although the impact of the Great East Japan Earthquake on our business is still uncertain, making future business prospects unclear, we consider this financial year as crucial for launching long-term innovation. Based on this belief, Mizuno will reorganize its existing systems of research & development, merchandise planning, and production & marketing, with the aim of expanding our business across our global markets.

Mid-term Plan (Consolidated)



JPY / USD	103.7	93.5	87.7	82.5
JPY / GBP	175.3	147.3	133.1	135
JPY / EUR	144.4	130.6	113.5	120

Exchange rate history for consolidated financial statement
The last column shows exchange rate for FY11-13 estimate.

Conclusion

In the United States, various economic indexes show business recovery. In Europe, on the other hand, the financial situation is worsening in some euro member countries. In the growing Asian market, competition is likely to intensify, and material and production costs are expected to rise. In Japan, due to the impact of the Great East Japan Earthquake, it may take a considerable time before its economy takes an upward turn. In this environment, Mizuno will work to help revitalize the Japanese economy through sports activities, which we believe will be able to inspire and encourage Japanese people in and outside the affected areas.

Throughout financial year 2011, we will make concerted efforts to cheer Japanese people up by providing our services and products, and to dynamically evolve our business on a global basis. In these endeavors, we appreciate the generous understanding and support of our shareholders and other stakeholders.

Thank you in advance for your cooperation.