

Attention

This is a translation of the official Japanese original for reference purposes only.
In the event of any discrepancy between this translation and the official Japanese original, the Japanese original shall prevail.

The information being disclosed in this translation consists of:-

- 1) Notice of the 105th Ordinary General Meeting of Shareholders
- 2) Reference Materials for the General Meeting of Shareholders
- 3) A part of “Business Report”
 1. Business development and results
 2. Capital investment and fund procurement
 3. Issues to address

and does not include “The rest of Business Report”, “Consolidated Financial Statements” and “Non-consolidated Financial Statements”.

--- End of Attention ---

(Securities Code: 8022)
May 31, 2018

To All Shareholders:

MIZUNO CORPORATION
Akito Mizuno
President and Representative Director
4-1-23 Kitahama, Chuo-ku, Osaka

Notice of the 105th Ordinary General Meeting of Shareholders

On behalf of the Board, I would like to thank you, our shareholders, for your continued support.

MIZUNO Corporation (hereinafter, “the Company” or “MIZUNO”) cordially invites you to attend the 105th Ordinary General Meeting of Shareholders to be held on the date and at the venue specified below.

If you are unable to attend the meeting, please refer to the attached Reference Materials for the General Meeting of Shareholders and exercise your voting rights in writing or via the Internet in accordance with the following instructions described below.

1. Date and Time: 10:00 a.m., Thursday, June 21, 2018

(Reception open: 9:00 a.m.)

2. Venue: MIZUNO Osaka Head Office

1-12-35, Nanko-Kita, Suminoe-Ku, Osaka-Shi

“Mizuno Crysta”, the convention hall on the first basement level

3. Agenda

Matters to be Reported

- (1) The Business Report for the 105th fiscal year (from April 1, 2017 to March 31, 2018) and the Consolidated Financial Statements, as well as the results of the audit by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
- (2) The Non-consolidated Financial Statements for the 105th fiscal year (from April 1, 2017 to March 31, 2018)

Matters to be Resolved

Agendum 1: Appropriation of surplus

Agendum 2: Election of five (5) Directors (exclusive of Directors who are Audit and Supervisory Committee members)

Agendum 3: Election of Three (3) Directors who are Audit and Supervisory Committee Members

Agendum 4: Election of One (1) Substitute Director who is an Audit and Supervisory Committee Member.

Agendum 5: Determination of Remuneration for Granting Restricted Shares to Directors (exclusive of Outside Directors and Directors who are Audit and Supervisory Committee Members)

Procedures for Exercising of Voting Rights

1. Voting at the General Meeting of Shareholders

Please submit the enclosed Voting Rights Exercise Form to the reception staff at the meeting venue.

2. Exercising of voting rights in writing

Please indicate your approval or disapproval of the matters to be resolved on the Voting Rights Exercise Form enclosed herewith, and return it so that it reaches us by 6:00 p.m. on Wednesday, June 20, 2018.

3. Exercising of voting rights via the Internet

Please refer to “Procedure for Exercise of Voting Rights via the Internet” on the next page, and exercise your voting rights by 6:00 p.m. on Wednesday, June 20, 2018.

* Duplicate exercising of voting rights

If you exercise your voting rights both in writing and via the Internet, the vote that arrives later at the Company shall be treated as valid. If both votes arrive on the same day, the vote via the Internet shall be treated as valid.

Disclosure via the Internet (Disclosure on Website)

Of the documents to be provided, we have made the matters listed below available to our shareholders by posting them on the website of the Company (<http://corp.mizuno.com/jp/>) in accordance with laws and the provisions of Article 17 of the Articles of Incorporation, and therefore they are not included in the attached Reference Materials for the General Meeting of Shareholders.

- “Major business operations”, “Major operating sites”, “Number of employees (on a consolidated basis)”, “Major institutes for funds resource” and “Structure and policies of the Company, and the status of operation thereof” of the Business Report
- “Consolidated Statements of Changes in Net Assets” and “Notes to Consolidated Financial Statements” of the Consolidated Financial Statements
- “Statements of Changes in Net Assets” and “Notes to Non-consolidated Financial Statements” of the Non-consolidated Financial Statements

The contents of “Major business operations”, “Major operating sites”, “Number of employees (on a consolidated basis)”, “Major institutes for funds resource” and “Structure and policies of the Company, and the status of operation thereof” have been audited as part of the Business Report by the Audit and Supervisory Committee when they prepared their audit report.

The contents of “Consolidated Statements of Changes in Net Assets” and “Notes to Consolidated Financial Statements,” and of “Statements of Changes in Net Assets” and “Notes to Non-consolidated Financial Statements” have been audited as part of the Consolidated Financial Statements and Non-consolidated Financial Statements by the Audit and Supervisory Committee and the Accounting Auditor when they prepared their audit report.

Please be aware that if it becomes necessary to revise the information contained in the Reference Materials for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements, the revised information will be posted on the MIZUNO’s website (<http://corp.mizuno.com/jp/>).

Procedure for Exercise of Voting Rights via the Internet

For shareholders who exercise voting rights via the Internet, the following items should be verified when exercising voting rights via the Internet.

1. Website for exercise of voting rights

It is only possible to exercise voting rights via the Internet by using the following website designated by the Company (<http://www.web54.net>).

2. Treatment on exercise of voting rights

(1) When exercising voting rights via the Internet, please use the voting rights code and password stated on “the Exercise of Voting Rights form” which is a postcard-sized and input “For” or “Against” in accordance with the instruction on the screen.

The voting rights code and password provided are effective only for this Ordinary General Shareholders’ Meeting.

(2) Shareholders voting via the Internet are requested to exercise their voting rights prior to 6:00 p.m. on Wednesday, June 20, 2018.

(3) When voting rights are exercised more than once via the Internet, the vote that has arrived the latest shall be deemed the valid vote.

If you exercise your voting rights both in writing and via the Internet, the vote that arrives later at the Company shall be treated as valid. If both votes arrive on the same day, the vote via the Internet shall be treated as valid.

(4) Shareholders shall bear the expenses incurred when accessing the Internet to exercise shareholder voting rights.

For questions related to exercising shareholder voting rights via the Internet, please contact:-

Sumitomo Mitsui Trust Bank, Limited
Securities Agent Web Support
Tel: 0120-652-031 (toll-free)
Service hours: 9:00 a.m. to 9:00 p.m.

--- End of Notice ---

Reference Materials for the General Meeting of Shareholders

Agendum 1: Appropriation of surplus

The Company plans to dispose of retained earnings as follows:

It is the Company's basic policy to ensure stable distribution of dividends based on the recognition that returning profits to its shareholders is one of its top priority management tasks.

Based on this basic policy and taking into consideration the need to secure internal reserves to be appropriated to capital investment and research & development for further business growth in order to improve its corporate value, the Company would like to distribute year-end dividends for the 105th fiscal year as follows:

- (1) Type of dividend property:

Cash

- (2) Matters concerning appropriation of dividend property and the total amount thereof

25 yen per share of the Company's common stock

Total amount of dividends: 638,228,475 yen

Herewith, together with the interim dividend of 25 yen per share, the annual dividend for this fiscal year will be 50 yen per share.

- (3) Date on which distribution of dividends takes effect:

June 22, 2018

Agendum 2: Election of five (5) Directors (exclusive of Directors who are Audit and Supervisory Committee members)

The term of office of all of the current five (5) Directors will expire at the conclusion of this ordinary general meeting of shareholders. It is therefore proposed that five (5) Directors (exclusive of Directors who are Audit and Supervisory Committee members) should be elected.

The Audit and Supervisory Committee has an opinion to the effect that each candidate is qualified to serve as a Director of the Company.

The candidates are as described below:

No. 1	Akito Mizuno	
Standing for	Reelection	
Date of birth	August 25, 1949	
Number of the Company's shares held	106,400	
Personal history, position and duty at the Company, and significant concurrent positions outside the Company	August 1975	Joined the Company
	December 1982	Senior Manager, Marketing Dept., Senri Business Division of the Company
	May 1984	Director of the Company
	May 1986	Managing Director of the Company
	June 1990	Senior Managing Director of the Company
	June 1994	Executive Vice President of the Company
	June 1998	Executive Vice President and Representative Director of the Company
	June 2006	President and Representative Director of the Company (current position)
<p>The reasons for his nomination as a Director:</p> <p>Akito Mizuno, having the deep insight and abundant experience in overall management as the President of the Company, has contributed for the reinforcement and development of the globalization of the group. Further he, as the top management, has also performed his leadership to realize the group-wide strategies.</p> <p>Therefore, the Company has proposed that he is continuously appropriate for a Director of the Company.</p>		
<p>(Notes)</p> <p>There are no particular conflicts of interest between any of the candidates and the Company.</p>		

No. 2	Masaharu Kato	
Standing for	Reelection	
Date of birth	August 15, 1955	
Number of the Company's shares held	13,605	
Personal history, position and duty at the Company, and significant concurrent positions outside the Company	March 1979	Joined the Company
	April 1999	Senior Manager, Corporate Planning Office of the Company
	June 2000	Director of the Company In charge of Corporate Planning (current position)
	June 2005	Managing Director of the Company
	June 2012	In charge of Asian and Oceanian Business (current position) Chairman of Mizuno Corporation of Hong Kong Ltd. (current position)
	June 2013	Representative Director and Senior Managing Director of the Company In charge of Human Resources & General Affairs, Legal Affairs (current position)
	June 2015	In charge of Golf Business (current position)
	June 2016	Representative Director and Senior Managing Executive Officer of the Company (current position)
<p>The reasons for his nomination as a Director:</p> <p>Masaharu Kato, having the deep insight and abundant experience in overall management as the Director & Senior Managing Executive Officer, has taken the most important roles to realize the group-wide strategies and performed well results.</p> <p>Therefore, the Company has proposed that he is continuously appropriate for a Director of the Company.</p>		
<p>(Notes)</p> <p>There are no particular conflicts of interest between any of the candidates and the Company.</p>		

No. 3	Mutsuro Yamamoto	
Standing for	Reelection	
Date of birth	April 25, 1954	
Number of the Company's shares held	7,705	
Personal history, position and duty at the Company, and significant concurrent positions outside the Company	March 1977	Joined the Company
	March 1999	Senior Manager, Footwear Planning and Production Dept. of the Company
	June 2003	Director of the Company
	June 2008	In charge of Sports Facilities & Services (current position)
	June 2011	Managing Director of the Company
	June 2012	Chairman of Senoh Corporation (current position)
	January 2013	In charge of Life Style Sports Business, Life Style Channel Sales (current position)
	June 2013	Senior Managing Director of the Company
	October 2014	In charge of Sales Supervision (current position)
	June 2016	Senior Managing Executive Officer of the Company (current position)
<p>The reasons for his nomination as a Director:</p> <p>Mutsuro Yamamoto, having the deep insight and abundant experience in overall management and engaged in the domestic sales and marketing as the Director & Senior Managing Executive Officer, has challenged the sales strategies and new business development with the good result and contributions.</p> <p>Therefore, the Company has proposed that he is continuously appropriate for a Director of the Company.</p>		
<p>(Notes)</p> <p>There are no particular conflicts of interest between any of the candidates and the Company.</p>		

No. 4	Daisuke Fukumoto	
Standing for	Reelection	
Date of birth	June 27, 1957	
Number of the Company's shares held	10,231	
Personal history, position and duty at the Company, and significant concurrent positions outside the Company	March 1981	Joined the Company
	April 2001	Senior Manager, Accounting and Finance Dept.
	June 2003	Director of the Company In charge of Accounting and Finance (current position)
	June 2004	In charge of Retail Sales (current position)
	June 2005	In charge of Logistics Administration (current position)
	June 2008	In charge of Information Systems, European Business (current position)
	June 2011	Managing Director of the Company
	December 2011	Chairman of Mizuno (Taiwan) Corporation (current position)
	June 2013	Senior Managing Director of the Company
	September 2014	Chairman of Mizuno Norge AS (current position)
	October 2015	In charge of Internal Audit of the Company (current position)
	June 2016	Senior Managing Executive Officer of the Company (current position)
<p>The reasons for his nomination as a Director:</p> <p>Daisuke Fukumoto, having the deep insight and abundant experience in overall management as the Director & Senior Managing Executive Officer, has achieved the reinforcement of the group-wide financial conditions and improvement of efficiency and conducted structuring of the corporate governance and internal control system.</p> <p>Therefore, the Company has proposed that he is continuously appropriate for a Director of the Company.</p>		
<p>(Notes)</p> <p>There are no particular conflicts of interest between any of the candidates and the Company.</p>		

No. 5	Kozo Kobashi	
Standing for	Outsider / Independent / Reelection	
Date of birth	July 16, 1946	
Number of the Company's shares held	0	
Personal history, position and duty at the Company, and significant concurrent positions outside the Company	April 1971	Joined Shimizu Corporation
	June 2002	Executive Officer of Shimizu Corporation
	June 2004	Managing Executive Officer of Shimizu Corporation
	April 2006	Senior Managing Executive Officer of Shimizu Corporation
	June 2009	Director and Senior Managing Executive Officer of Shimizu Corporation
	April 2011	Director and Executive Vice President of Shimizu Corporation
	June 2015	Director of the Company (current position)
<p>The reasons for his nomination as an Outside Director:</p> <p>Kozo Kobashi has long been engaged in corporate management, and his proposals and advice based on his abundant experience and professional knowledge have contributed greatly to the vitalization of the Board of Directors of the Company. As we believe that it is important, for the improvement of the corporate value of the Mizuno Group, to receive opinions and supervision on our management from an objective perspective based on fair judgment, the Company has nominated him as a candidate, expecting that he will continue to play a significant role as an Outside Director.</p>		
<p>(Notes)</p> <ol style="list-style-type: none"> 1. There are no particular conflicts of interest between any of the candidates and the Company. 2. Kozo Kobashi is a candidate for the position of an Outside Director. The length of his service since his appointment as an Outside Director will be three (3) years at the close of this ordinary general meeting of shareholders. In light of the “Standards and Policies Concerning Independence to Select Candidates of Outside Directors” established by the Company, we have judged that he is not in a position of conflict of interest with general shareholders and there is no problem with respect to his neutrality and independence. Thus, we have registered him as an independent officer pursuant to the rules and regulations of the Tokyo Stock Exchange. 		

Agendum 3: Election of Three (3) Directors who are Audit and Supervisory Committee Members

The term of office of all of the current Three (3) Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this ordinary general meeting of shareholders. It is therefore proposed that Three (3) Directors who are Audit and Supervisory Committee Members (exclusive of Directors who are Audit and Supervisory Committee members) should be elected.

The Audit and Supervisory Committee has given consent to this proposal.
The candidates are as described below:

No. 1	Yasuhiro Hamada	
Standing for	Reelection	
Date of birth	August 22, 1954	
Number of the Company's shares held	4,017	
Personal history, position and duty at the Company, and significant concurrent positions outside the Company	March 1977	Joined the Company
	April 2001	Senior Manager, Athletic Planning and Production Dept. of the Company
	April 2006	General Manager of Shanghai Mizuno Corporation Ltd.
	January 2011	Senior Manager, Logistics Administration Dept. of the Company
	June 2013	Full-time Statutory Auditor of the Company Statutory Auditor of Senoh Corporation
	June 2016	Director of the Company (Audit and Supervisory Committee Member) (current position)
<p>The reasons for his nomination as a Director:</p> <p>Yasuhiro Hamada has abundant experience in such areas as planning and production of goods and management of the subsidiaries of the Company. As a Director who serves as a member of the Audit & Supervisory Committee, he has exerted his utmost efforts in ensuring the effectiveness of audits, and the soundness and appropriateness of management decisions of the Group by expressing his frank opinions on the Company's management. Accordingly, the Company has determined that it is appropriate for him to continue as a Director who serves as a member of the Audit & Supervisory Committee, and proposes to select him once again as a candidate for this position.</p>		
<p>(Notes) There are no particular conflicts of interest between any of the candidates and the Company.</p>		

No. 2	Yutaka Tsutsui	
Standing for	Reelection	
Date of birth	September 8, 1946	
Number of the Company's shares held	0	
Personal history, position and duty at the Company, and significant concurrent positions outside the Company	April 1980	Registered as a lawyer
	July 1998	Statutory Auditor of the Company
	June 2016	Director of the Company (Audit and Supervisory Committee Member) (current position)
<p>The reasons for his nomination as a Director:</p> <p>Yutaka Tsutsui is an expert in corporate legal issues as an attorney at law, and has served as Outside Director who serves as a member of the Audit & Supervisory Committee by conducting objective and neutral audits by expressing his opinions mainly from the point of view of compliance with laws and regulations, as well as the articles of incorporation. In expectation of his continued service as Outside Director in helping to ensure the soundness of the managerial execution of the Company, we propose to select him as a candidate for Outside Director who serves as a member of the Audit & Supervisory Committee.</p>		
<p>(Notes)</p> <ol style="list-style-type: none"> 1. There are no particular conflicts of interest between any of the candidates and the Company. 2. Yutaka Tsutsui is a candidate for the position of an Outside Director. The length of his service since his appointment as an Outside Director who serves as a member of the Audit & Supervisory Committee will be two (2) years at the close of this ordinary general meeting of shareholders. In light of the "Standards and Policies Concerning Independence to Select Candidates of Outside Directors" established by the Company, we have judged that he is not in a position of conflict of interest with general shareholders and there is no problem with respect to his neutrality and independence. Thus, we have registered him as an independent officer pursuant to the rules and regulations of the Tokyo Stock Exchange and should he be elected as a Director of the Company, we will re-register him as an independent officer. 		

No. 3	Shunsaku Yamazoe	
Standing for	Reelection	
Date of birth	October 22, 1949	
Number of the Company's shares held	0	
Personal history, position and duty at the Company, and significant concurrent positions outside the Company	April 1972	Joined Sumitomo Realty & Development Co., Ltd.
	July 1993	Senior Manager, Housing Sales Dept. 1, Sumitomo Real Estate Sales Co., Ltd.
	June 2001	Director of Sumitomo Real Estate Sales Co., Ltd.
	June 2007	Director and Managing Executive Officer of Sumitomo Real Estate Sales Co., Ltd.
	June 2011	Senior Executive Officer of Sumitomo Real Estate Sales Co., Ltd.
	June 2013	Statutory Auditor of Sumitomo Real Estate Sales Co., Ltd.
	June 2015	Director of the Company
	June 2016	Director of the Company (Audit and Supervisory Committee Member) (current position)
<p>The reasons for his nomination as a Director:</p> <p>Shunsaku Yamazoe has long been engaged in the execution of corporate management, and has contributed to the revitalization of the Board of Directors of the Company by providing proposals and recommendations based on his abundant experience and excellent judgment. Furthermore, he has served as Outside Director and a member of the Audit & Supervisory Committee, fulfilling his duties of auditing and supervising the managerial execution of the Company. In expectation of his continued service as Outside Director in helping to ensure the soundness of the managerial execution of the Company, we propose to select him as a candidate for Outside Director who serves as a member of the Audit & Supervisory Committee.</p>		
<p>(Notes)</p> <ol style="list-style-type: none"> 1. There are no particular conflicts of interest between any of the candidates and the Company. 2. Shunsaku Yamazoe is a candidate for the position of an Outside Director. The length of his service since his appointment as an Outside Director will be three (3) years and as an Outside Director who serves as a member of the Audit & Supervisory Committee will be two (2) years at the close of this ordinary general meeting of shareholders. In light of the "Standards and Policies Concerning Independence to Select Candidates of Outside Directors" established by the Company, we have judged that he is not in a position of conflict of interest with general shareholders and there is no problem with respect to his neutrality and independence. Thus, we have registered him as an independent officer pursuant to the rules and regulations of the Tokyo Stock Exchange and should he be elected as a Director of the Company, we will re-register him as an independent officer. 		

Agendum 4: Election of One (1) Substitute Director who is an Audit and Supervisory Committee Member

In the case that a shortage occurs in the number of Directors who are Audit and Supervisory Committee members as prescribed in laws and regulations, it is proposed that one (1) Director should be elected as a substitute member of the Audit and Supervisory Committee.

The Audit and Supervisory Committee has given consent to this proposal.
The candidate is as described below:

No. 1	Yoshiaki Ito	
Standing for	Reelection	
Date of birth	June 20, 1953	
Number of the Company's shares held	0	
Personal history, position and duty at the Company, and significant concurrent positions outside the Company	March 1990	Registered as a certified public accountant
	June 2014	Retired from Ernst & Young ShinNihon LLC
	December 2014	Outside Statutory Auditor at Imagineering, Inc.
	March 2015	Outside Director at Naigai Trans Line Ltd. (current position)
	June 2015	Substitute Statutory Auditor of the Company
	June 2016	Substitute Director of the Company (Audit and Supervisory Committee Member) (current position)
<p>The reasons for his nomination as a Director:</p> <p>We propose to select Yoshiaki Ito as a candidate for substitute Outside Director who serves as a member of the Audit & Supervisory Committee in the expectation, based on his experience and abundant knowledge as a certified public accountant, that he will provide useful advice and recommendations to the Board of Directors, and conduct objective and neutral auditing mainly from the viewpoint of corporate finance and accounting concerning the managerial execution of the Company.</p>		
<p>(Notes)</p> <ol style="list-style-type: none"> There are no particular conflicts of interest between any of the candidates and the Company. Yoshiaki Ito is a candidate for the position of a substitute Outside Director who serves as a member of the Audit & Supervisory Committee. In light of the "Standards and Policies Concerning Independence to Select Candidates of Outside Directors" established by the Company, we have judged that he is not in a position of conflict of interest with general shareholders and there is no problem with respect to his neutrality and independence. 		

Agendum 5: Determination of Remuneration for Granting Restricted Shares to Directors (exclusive of Outside Directors and Directors who are Audit and Supervisory Committee Members)

The limit on the amount of remuneration for Directors (exclusive of Directors who are Audit and Supervisory Committee members) has been set at three hundred (300) million yen annually (thirty (30) million yen for Outside Directors) since it was resolved at the 103rd Ordinary General Meeting of Shareholders held on June 23, 2016.

Recently, as part of the revision of Director and Executive officer compensation plan, with the objectives of offering incentives to the Company's Directors (exclusive of Outside Directors and Directors who are Audit and Supervisory Committee Members; hereinafter the "Directors Covered by the Plan") to achieve sustained improvement of the corporate value of the Company and sharing more of that value with our shareholders, the Company proposes that, with a separate limit from the said existing limit of compensation for the Directors, the Company will create a compensation plan that will newly grant restricted stock to the Directors Covered by the Plan.

The compensation paid in order to grant restricted stock to the Directors Covered by the Plan (based on this Subject for discussion) shall be a monetary compensation claim, and its total amount shall be eighty (80) million yen or less per year, the amount to be appropriate based on the above objectives. Furthermore, the specific payment timing and allocation for each of the Directors Covered by the Plan shall be decided in a Meeting of the Board of Directors. However, compensation in order to grant restricted stock shall not be paid to Outside Directors.

The above remuneration amount does not include the employee remuneration for Directors concurrently serving as employees.

Currently, there are five (5) Directors (exclusive of Directors who are Audit and Supervisory Committee Members) including one (1) Outside Director. If Agendum 2 "Election of five (5) Directors (exclusive of Directors who are Audit and Supervisory Committee members)" is approved and adopted as proposed, the number of Directors (exclusive of Directors who are Audit and Supervisory Committee Members) will be five (5) including one (1) Outside Director.

Furthermore, based on resolution of the Board of Directors of the Company, the Directors Covered by the Plan shall make in-kind contribution of all monetary compensation claim paid under this subject for Discussion and shall, in return, receive the issuance or disposal of the common shares of the Company, and the total number of common shares of the Company to be issued or disposed of through this process shall be twenty thousand (20,000) shares or less per year (However, in case that the Company conducts stock splits (including free allocations of its common shares) or reverse stock splits of its common shares which are effective on or after the date of the approval of this Subject for Discussion, the total number of shares should be adjusted in a reasonable fashion as necessary.).

The amount to be paid in per share shall be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately before each date of resolution by the Board of Directors (if there is no closing price on such date, the closing price of the closest preceding trading day). Furthermore, when issuing or disposing of the common shares of the Company through this process, a contract for allocation of restricted stock (hereinafter the "Allocation Contract") containing the overview and the following contents shall be concluded between the Company and the Directors Covered by the Plan.

(1) Transfer Restriction Period

The Directors Covered by the Plan must not transfer the common shares of the Company for which allocation is received under the Allocation Contract (hereinafter the "Allocated Shares"), neither create a security interest on the Allocated Shares, nor dispose of the Allocated Shares in any other way (hereinafter the "Transfer Restrictions") during the period stipulated in advance by the Board of Directors of the Company that is between five (5) and ten (10) years after the payment date of the monetary compensation claim (hereinafter "Transfer Restriction Period").

(2) Treatment in the Event that a Director Leaves His/Her Post or Retires

When the Directors Covered by the Plan retires or resigns from the position of Director, Executive Officer, Operating Officer who does not serve as a Director, Audit & Supervisory Board Member or employee of the Company or subsidiaries of the Company before expiration of the Transfer Restriction Period, the Company shall automatically acquire the Allocated Shares without contribution unless the reason for his/her retirement resignation from office is the expiration of the term of his/her office, death, or any other justifiable reason.

(3) Cancellation of the Transfer Restriction Period

Notwithstanding the provision in (1) above, the Company shall cancel the Transfer Restrictions for all of the Allocated Shares upon expiration of the Transfer Restriction Period, on the condition that a given the Directors Covered by the Plan has remained in the position of Director, Executive Officer, Operating Officer who does not serve as a Director, Audit & Supervisory Board Member or employee of the Company or subsidiaries of the Company throughout the Transfer Restriction Period. In case, however, the Directors Covered by the Plan retired from any of the positions defined in (2) above before the expiration of the Transfer Restriction Period due to the expiration of the term of his/her office, death, or any other justifiable reason, the Company shall make reasonable adjustments to the number of the Allocated Shares and the schedule to cancel the Transfer Restriction Period. In accordance with the above provision, the company shall automatically acquire without contribution the Allocated Shares on which the Transfer Restriction has not been cancelled, at the time immediately after the cancellation of Transfer Restrictions.

(4) Treatment in the Event of Organizational Restructuring, etc.

Notwithstanding the provision in (1) above, if a merger agreement under which the Company will become a non-surviving company, a share exchange agreement based upon which the Company will become a wholly-owned subsidiary, a stock transfer plan or other matters relating to organizational restructuring, etc. are approved in a General Meeting of Shareholders of the Company during the Transfer Restriction Period (or approved by the Board of Directors of the Company in the event that approvals of the General Meeting of Shareholders is not required in relation to the organizational restructuring, etc.), the Company may cancel the Transfer Restriction on a certain number of the Allocated Shares that will be reasonably determined by resolution of the Board of Directors of the Company prior to the date on which the organizational restructuring, etc., becomes effective, in view of the period from the date of commencement of the Transfer Restriction Period through the date of approval on the organizational restructuring, etc. In the event specified above, the company shall automatically acquire without contribution the Allocated Shares on which the Transfer Restriction has not been cancelled, at the time immediately after the cancellation of Transfer Restrictions.

(5) Other matters

Other matters regarding the Allocation Contract shall be determined by the Company's Board of Directors.

The Audit and Supervisory Committee has given consent to this proposal.

--- End of Reference Materials ---

[Reference]

**Standards and Policies Concerning Independence
to Select Candidates of Outside Directors**

The Company, in selecting candidates for Outside Directors, has the standards for determining their independence.

For independent outside directors, the Company, placing the highest priority on causing no conflict of interest with general shareholders, makes it a rule to eliminate any of the persons described below from nomination.

(1) A person who used to be a director, a statutory auditor, an executive officer and/or an employee of the Mizuno Group

(2) A major business counterparty of the Mizuno Group, or a person who executes or used to execute business thereof

(Note)

“A major business counterparty” refers to a company or a person whose annual value of transactions with the Mizuno Group accounts for 5% or more of the consolidated sales of the Mizuno Group.

“A person who executes business” refers to a director, an executive officer and a corporate officer, as well as that which is in a position equivalent thereto. (The same shall apply hereunder.)

(3) A company or person for whom the Mizuno Group is the major business counterparty, or a person who executes or used to execute business thereof

(Note)

“A company or person for whom the Mizuno Group is the major business counterparty” refers to a business partner whose value of annual transactions with the Mizuno Group accounts for 5% or more of the consolidated sales of said business counterparty.

(4) A major shareholder (possessing, directly or indirectly, 10% or more of the voting rights of all shareholders), or a person who executes or used to execute business thereof

(5) A person who receives or used to receive ten (10) million yen or more (including donations) in cash or another property, other than remuneration for officers, from the Mizuno Group

(6) A spouse or a relative within the second degree of relationship of the person above

--- End of Reference ---

Business Report (April 1, 2017 to March 31, 2018)

Matters concerning current status of the corporate group

1. Business development and results

In the consolidated fiscal year under review, the Group positioned “improvement of business in the Americas,” “restoration of the golf business,” and “enhancement of management efficiency centering on cost reduction” as its top priority tasks in its endeavors to improve the Group’s management.

As for “improvement of business in the Americas,” profits improved significantly following the implementation of such measures as inventory controls and reduction of expenses. With respect to “restoration of the golf business,” custom fitting sales in particular demonstrated favorable results globally in our efforts to enhance the brand value amid the situation in which the market indicated a sign of bottoming out. And the challenge to “enhance management efficiency centering on cost reduction” brought the improvement of gross margin ratio reflecting our cost reduction efforts in production and purchasing as well as declining purchasing costs on the back of impact from foreign exchange rates.

Consequently, the Group’s operating results for the consolidated fiscal year under review saw an increase of 6,599 million yen (up 456.9% year on year) in operating profit, to 8,043 million yen, reflecting a rise in gross margin ratio and reduced expenses, despite a decrease of 3,318 million yen (down 1.8% year on year) in net sales, to 185,399 million yen due to our efforts to realize quality sales by emphasizing securing profits. Ordinary profit grew 6,576 million yen (up 430.0% year on year), to 8,106 million yen due to an increase in operating profit and other factors. Net profit attributable to owners of parent company soared by 4,168 million yen (up 586.7% year on year), to 4,878 million yen.

Performance by regional segment is as follows.

(1) Japan

In Japan, the competitive sports product sales business, such as soccer, table tennis and badminton, showed steady sales performance. While sales in the baseball product sales business shrank slightly on a year-on-year basis due mainly to a decrease in the number of players, sales in the golf product sales business exceeded the sales in the previous fiscal year, mostly reflecting robust growth in sales of custom-made golf clubs, in line with significant growth in revenues. Furthermore, the sports facilities service business, which comprises operation and construction of designated management facilities of municipalities, and sales of sports equipment, and the lifestyle product sales business showed robust performance. Operating profit grew significantly, reflecting favorable results of our cost reduction efforts such as revisions of product designs and procurement methods.

In sum, net sales increased by 857 million yen (up 0.7% year on year), to the similar level to the previous year of 129,339 million yen, in contrast to operating profit, which grew significantly by 4,208 million yen (up 133.9% year on year), to 7,351 million yen.

(2) Europe

In Europe, profit margins improved while sales decreased because of our efforts to realize quality sales emphasizing securing profits in running shoes, one of our core products. Meanwhile, the competitive sports product sales business recorded robust performance as observed in strong sales of tennis shoes, which had been released in the market the previous fiscal year. The golf product sales business witnessed signs of recovery after a long sluggish market situation, which was triggered by strong sales of custom-made golf clubs. Operating profit expanded on the back of the decrease in

inventory disposal of retained stock and composition changes of customers, etc.

In sum, while net sales decreased by 957 million yen (down 6.3% year on year), to 14,314 million yen, operating loss shrank by 139 million yen, to 64 million yen.

(3) Americas

In the Americas, we have been struggling to overcome the difficult situation caused by excess inventory of running shoes and intensified competition that continued from the previous year. As a result, while net sales declined, gross margin ratio improved significantly, reflecting adjusted inventory and recovered sales unit prices. Profitability has been recovering in line with our continued efforts to further reduce costs.

As in Europe, signs of a turnaround are observed mainly in custom-made golf clubs in the golf product sales business.

In sum, while net sales decreased by 3,343 million yen (down 13.8% year on year), to 20,816 million yen, operating loss shrank by 2,334 million yen, to 209 million yen.

(4) Asia/Oceania

In Asia and Oceania, net sales increased marginally, reflecting signs of recovery observed in the golf product sales business as in other segments except for running shoes, which recorded sluggish performance, and strong sales of competitive sports products in South Korea. In contrast, operating profit decreased due to expenses temporarily generated in China and Singapore.

In sum, net sales remained at almost the same level as in the previous year, at 20,929 million yen, an increase of 125 million yen (up 0.6% year on year). In contrast, operating profit decreased by 90 million yen (down 8.4% year on year), to 993 million yen.

2. Capital investment and fund procurement

During this consolidated fiscal year, total capital investment made by the Group was 2,257 million yen. The purpose of the capital investment was mainly for maintenance and renewal of existing equipment.

To satisfy the demand for funds for investment and operations (working capital), funds from an increase in operating cash flows was mainly allocated.

The balance of long-term and short-term debts as of the end of this consolidated fiscal year decreased by 4,356 million yen from the end of previous consolidated fiscal year to 21,988 million yen.

3. Issue to address

With the aim of realizing sustainable growth and improving corporate value, the Group positions the following items as its priority issues in its business.

(1) Further improvement of business in the Americas

Earnings from businesses in the Americas in the consolidated fiscal year under review improved significantly year on year, reflecting our efforts to improve the gross margin ratio, which is attributable to strict inventory management, as well as cost reduction. However, such results were not strong enough to eliminate deficits.

We will continue our efforts to improve efficiency in operations and reduce costs, with the aim of causing a turnaround to achieve surplus at an early stage by implementing effective marketing measures and providing products and services of higher added value.

(2) Sales recovery in the footwear business

Aiming at recovering sales in the footwear business, the preparation process for the new sales structure toward the restoration is near completion, with inventory readjustments that had been the main factor of sluggish gross profit in Europe and the United States having been finished as well as adjustments to the supply volume toward quality sales.

As for products, the fusion of fashion and sports represented by Athleisure has been consumers' favorite trend worldwide in recent years. Considering that purchasing factors include not only functionality but also heightened emotional value for enriching daily life, we will pursue higher performance and comfortable features in addition to enhancing designs that demonstrate novelty in appearance as well as features that match the use opportunities of consumers.

We will strive to recover our business performance by providing customers with more services and information while utilizing digital technologies to search consumer insights and increase topicality.

Furthermore, we will raise the levels of the overall footwear business by reinforcing a wide range of categories such as soccer, badminton, table tennis, and workwear.

(3) Improvement of management efficiency

The decline in gross margin ratio that has continued for several years was successfully halted to a certain range during the consolidated fiscal year under review due to favorable results of our cost reduction efforts.

Going forward, we will continue our efforts to further improve the financial performance indicator targets (ROA and ROE) by implementing the ongoing cost reduction measures, re-examining the allocation of management resources, and establishing new growth strategies based on accelerated investments in new business domains.