



GETTING IT RIGHT—

*Shaping the Treasury function
to work efficiently and
to deal with growing complexity*

ASICS' Way towards a Global Treasury

ABOUT ASICS

- *ASICS is one of the world's leading providers of sports shoes, sportswear and sports equipment, united mainly under the ASICS brand.*
- *ASICS was founded in 1949 by Kihachiro Onitsuka for the manufacturing of basketball shoes and other sports shoes for schoolchildren.*
- *The shoes were marketed then under the name of Onitsuka Tiger, and the tiger's face emblazoned on the arch of those shoes later became the basis for the Onitsuka Tiger trademark.*
- *2015 sales was USD 4BN which represents an annual growth rate of 13% since 2010.*
- *7500 employees are working on the success of the company in 20+ countries*
- *ASICS has a clear strategic view defined in the ASICS Growth Plan*
- *More information can be found on corp.asics.com*

2015 STATE OF TREASURY:

DIVERSE BANKING INFRASTRUCTURE – NON GLOBAL POLICIES

Corporate Infrastructure:

ASICS has 50 Legal Entities with a representation in 26 countries across the globe.

Banking Infrastructure:

More than 400 bank accounts maintained with 30 banks meaning that on average an ASICS entity owns 8 bank accounts.



Documentation Infrastructure:

No Treasury governance structure
No consistent policy documentation
I/c agreements rudimentary.

IT Infrastructure:

Excel
EB Systems

TRADITIONAL TREASURY RESPONSIBILITIES

IDENTIFY ACTION, ASSESS IMPACT, ACT

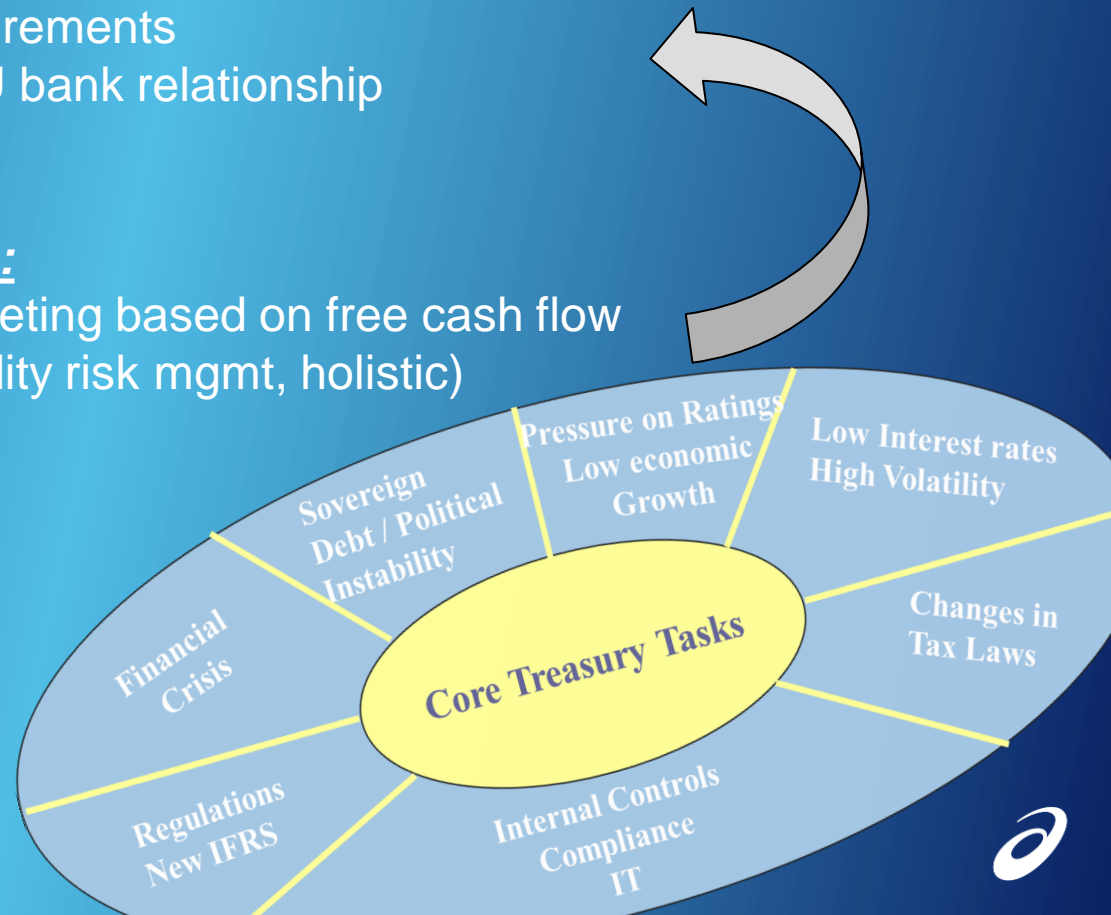
Core Responsibilities

- Capital markets and long-term funding
- Cash and liquidity management
- Corporate finance (internal part of Cash Wheel)
- Interest rate and FX management (transactional, translational, economic)
- Treasury IT, regulatory requirements
- Group bank relationship, BU bank relationship
- Insurance



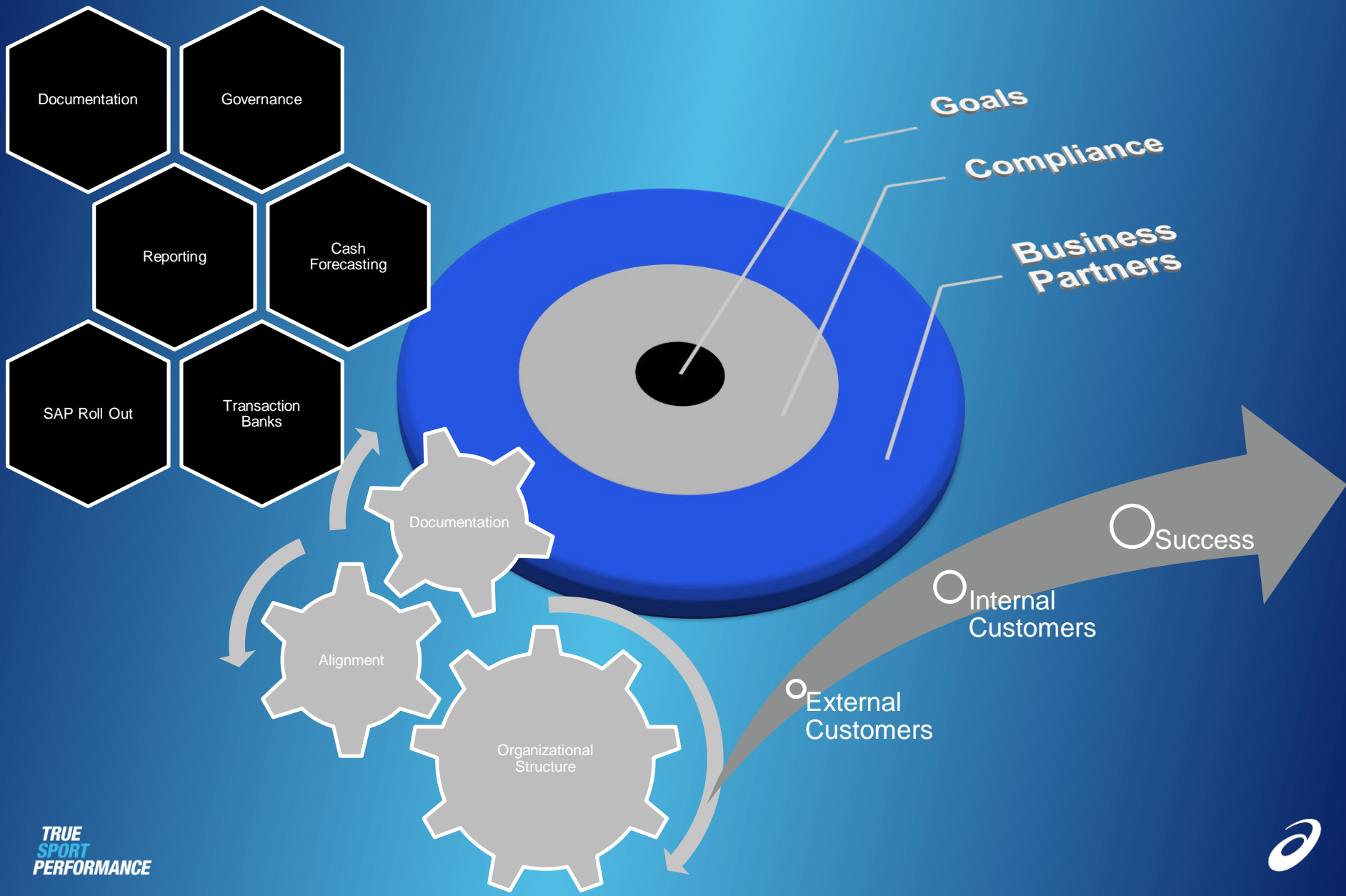
Secondary Responsibilities:

- Cash flow planning and targeting based on free cash flow
- Risk management (commodity risk mgmt, holistic)
- Pension fund management
- Leasing
- Tax
- Credit management
- Etc.



ROADMAP FOR TREASURY

BRAINSTORMING AND PLANNING 2015-2017



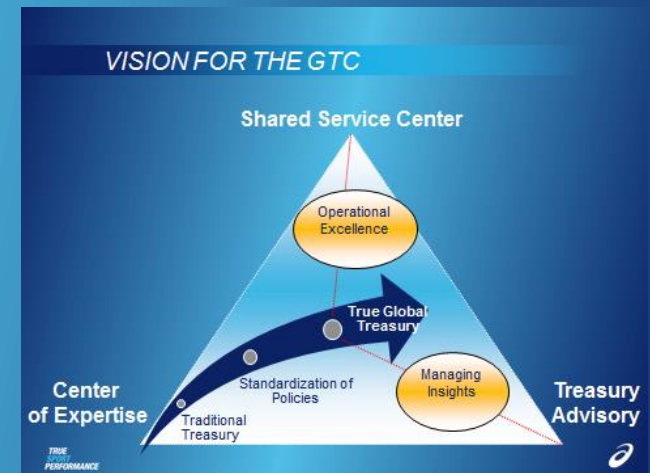
VISION FOR ADDING VALUE

➤ Key concepts:

- Centralization of treasury activities and exposures
- Center of expertise on financial risk management
- Managing the treasury infrastructure of the Group

➤ Building blocks:

1. Organization
2. Governance
3. Systems
4. Bank relationships and bank account structure
5. Risk Management
6. Capital Structure



GTC CONSIDERATIONS

- Managing and control of Treasury activities around the globe 24/7
- Treasury staff in 2 locations: Kobe, Japan and Hoofddorp, the Netherlands
- Approach with 3 distinctive time zones (bank statements/payment cut-of time)
- Liquidity/cash management will need to focus on open and closed economies
- Treasury will become bank of all ASICS subsidiaries globally



TREASURY GOVERNANCE

- Treasury establishes a fit the purpose governance structure. A living process which will address the current infrastructure and the ambitions of the group.
- The key elements of the governance structure are:
 - Mission and Vision statement
 - Treasury Mandate
 - Global Treasury Policies
 - Standardized documentation
 - Authorities and segregation of duties

MISSION AND VISION OF TREASURY

Mission:

The Treasury function drives value creation in relation to the Group's liquidity, capital, risk management and transaction processing needs.

Vision:

Treasury is a Centre of Expertise that supports ASICS and the Finance function to deliver leading performance.

We operate at "best in class" level in our peer group, are an effective and trusted partner for the organization and live the ASICS values.

TRUE
SPORT
PERFORMANCE



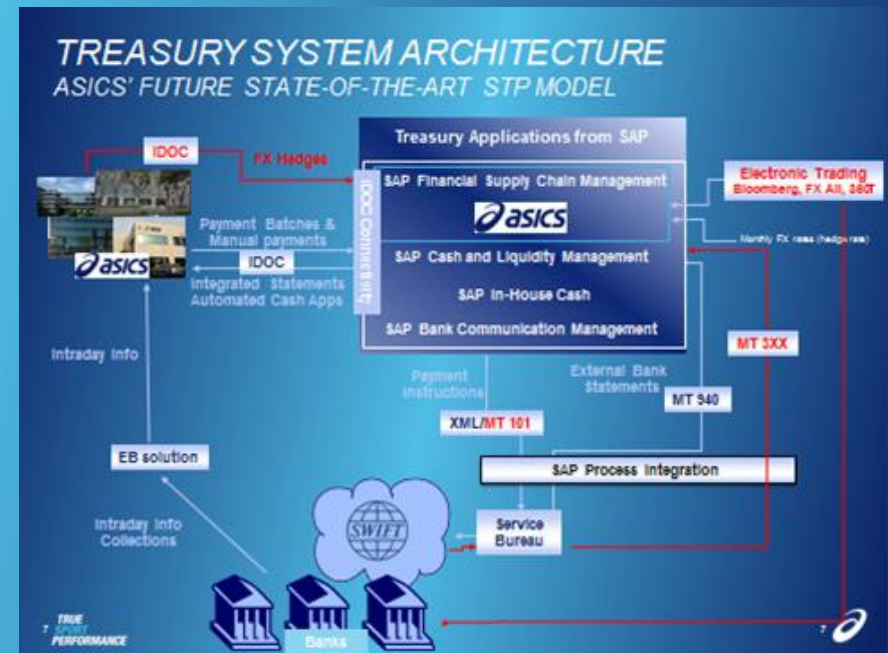
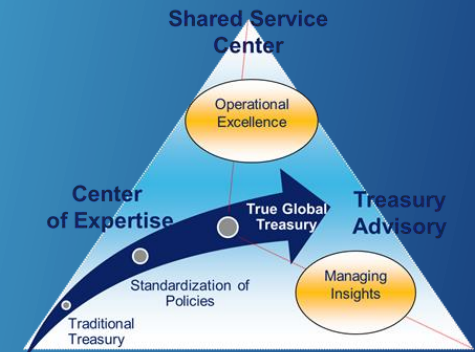
SAP TR AS BACKBONE OF A GLOBAL COMPANY

BENEFITS WILL BE IN RISK MANAGEMENT, FTE EFFICIENCIES AND STRATEGIC SUPPORT

Treasury will build an end-to end process on standard SAP technology. Treasury will become the bank of all subs.

All cash flows will be managed via Treasury and will be visible at all times.

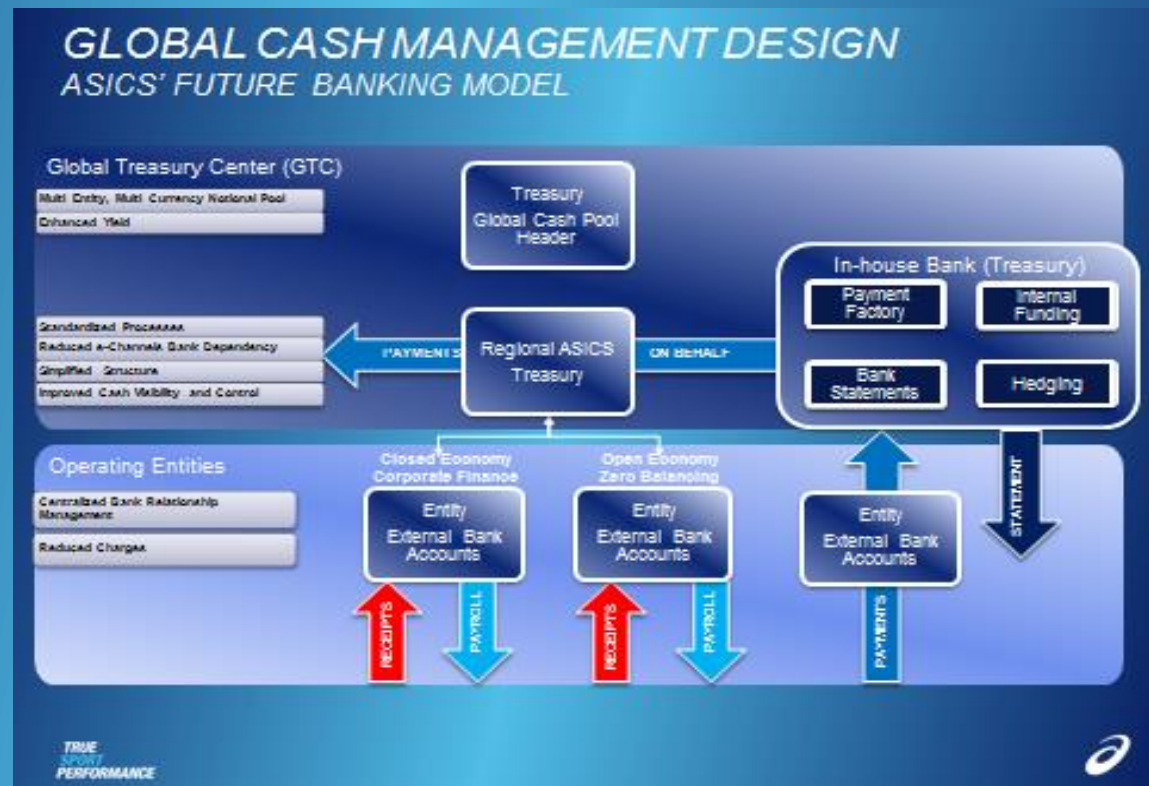
1. *Process Risk Control and Compliance*
2. *Cash Visibility*
3. *End-to-end integration*
4. *Staff efficiencies and reduction*
5. *Improved decision making*



TRANSACTION BANKING INFRASTRUCTURE

ASICS has three Japanese relationship banks which are primarily supporting the group for funding and financial risk management. We maintain a long term relationship with the strategic partners.

The operating needs for transaction banking will be consolidated to the largest extent possible.



RISK MANAGEMENT

Treasury manages the financial risks related to FX and interest rates exposures in an extensive hedging program

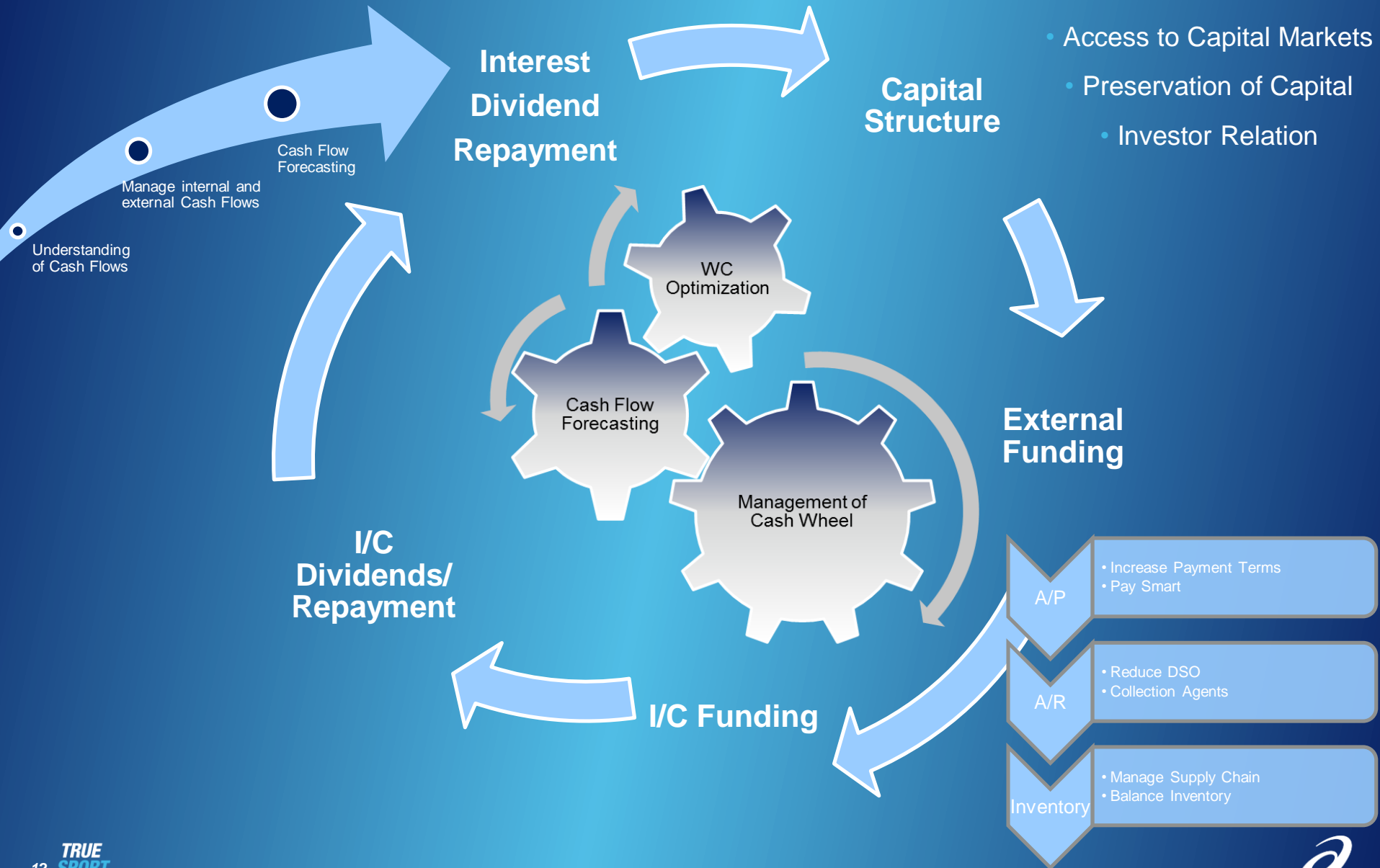
Beyond this Treasury will be embedded in the Enterprise Risk Management Framework focusing on:

- Strategic Operational Risks
- Compliance Risk
- Financial Risks



CAPITAL STRUCTURE / CASH FLOW MANAGEMENT

ASICS TREASURY STRUCTURE



TREASURY PROJECT PLANNING

7 STEPS TO SUCCESS

1. Preparation

Define requirements, “keep it simple”, business plan, senior management approval

2. Mobilize various teams to create a consistent message

Engage with Controlling, Legal, Tax, SSC, country organisation, etc. and select project members

3. Keep dialogue open with stakeholders

Communicate, communicate, communicate. Do not accept a “no” for an answer

4. Senior management engagement

Get senior management involved at strategic milestones, align communication

5. Get banks to propose state-of-the-art services and market conform pricing

Prepare banks with all data required for a state of the art cost effective structure

6. Decide on end-to-end process

Re-check requirements as the base line, cost is not the sole factor

7. Due Diligence & Implementation

Implement consistently standard process across the Asics’ group

