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April 20, 2018

Name of the Company: ASICS Corporation  
President and COO, Representative Director:  
Yasuhito Hirota  
Code Number: 7936 Listing Exchange: Tokyo

**Notice Concerning Allotment of Share Remuneration-Type Share Options to Directors and Executive Officers of the Company and Directors and Employees of its Subsidiaries**

ASICS Corporation (the “Company”) hereby announces that, at a meeting of the board of directors held on April 20, 2018, it determined the subscription details of share options to be issued as remuneration-type share options (hereinafter referred to as the “Share Options”) to directors (excluding outside directors) and executive officers of the Company and directors and employees of its subsidiaries, and resolved to solicit subscribers to the said Share Options.

**I. Purpose of issuing Share Options**

The issuance of Share Options is intended to provide an incentive to directors (excluding outside directors) and executive officers of the Company and directors and employees of its subsidiaries to foster awareness of management with a stronger emphasis on the interests of shareholders in order to heighten further their level of motivation and morale in contributing to the ASICS group’s medium- and long-term financial performance, thus enhancing corporate value.

**II. Guidelines of Share Options**

**1. Name of Share Options: ASICS Corporation, Sixth Share Options**

**2. Total number of Share Options: 852 units**

The above number is the expected number of the allotment. If the total number of Share Options to be allotted is less than expected, such as in the case where applications are not made, the total number of Share Options to be issued will be reduced accordingly.

**3. Class and number of shares underlying Share Options**

The class of share underlying Share Option shall be the common shares of the Company and the number of shares underlying each Share Option (hereinafter referred to as the “Number of Granted Shares”) shall be one hundred (100) shares.

However, when the Company effects a share split of its common shares (including allotment of its

common shares without contribution. Hereinafter the same shall apply to descriptions of share split) or consolidation of shares after the Share Option offering date set out in Clause 13 below (hereinafter referred to as the “Offering Date”), the Number of Granted Shares shall be adjusted using the following formula. Any fractions of less than one (1) share in the resulting number of shares shall be rounded down.

$$\text{Number of Granted Shares after adjustment} = \text{Number of Granted Shares before adjustment} \times \text{Ratio of share split or consolidation of shares}$$

The adjusted Number of Granted Shares shall be applied on or after the day following the record date in the case of a share split (if no record date is defined, the effective date of the share split) or on or after the effective date in the case of a consolidation of shares. However, if a share split is carried out based on the condition that an agenda item to decrease surplus and increase capital or reserves is approved in a general shareholders’ meeting and if the record date of the share split is a date before the conclusion of the meeting, the adjusted Number of Granted Shares shall, after the day following the conclusion of the general shareholders’ meeting, be retroactively applied as of the day following the record day.

After the Offering Date, if the Company merges with another company or splits, or if the Company needs to adjust Number of Granted Shares due to occasions similar to the corporate merger or split, the Company may adjust them, as appropriate, to a reasonable extent.

When adjusting Number of Granted Shares, the Company shall notify or publicize the details to each individual holding Share Options listed on the share option registry (hereinafter referred to as “Share Option Holders”) no later than the day prior to the date the adjusted Number of Granted Shares is to be applied. However, if the notice or publication is not available by that prior day, the Company shall make the notice or publication subsequently in a timely manner.

4. Amount of asset paid upon exercise of Share Options

The assets paid upon exercise of each Share Option shall be the amount calculated by multiplying the per-share exercise price, which is one (1) yen per share that may be delivered due to the exercise of a Share Option, by the Number of Granted Shares.

5. Share option exercisable period

From May 19, 2021 to May 18, 2048.

6. Matters concerning an increase in capital and capital reserve when shares are issued through the exercise of Share Options

- (1) The increase in capital when shares are issued through the exercise of Share Options shall be half of the limit amount of an increase in capital, etc. as calculated in accordance with paragraph 1, Article 17 of the Ordinance on Company Accounting, and any fractions of less than one (1) yen which may occur as a result of calculation shall be rounded up.
- (2) The increase in capital reserves when shares are issued through the exercise of Share Options shall

be the limit amount of an increase in capital, etc. stated in item (1) above less the increase in capital as provided in item (1) above.

7. Restriction on the acquisition of Share Options by assignment

Acquisition of Share Options by assignment shall be subject to the approval of the board of directors of the Company.

8. Provisions regarding the acquisition of Share Options

If any of the following proposals are approved in a general shareholders' meeting (when a resolution in a general shareholders' meeting is not required, when resolved by the board of directors of the Company), the Company may acquire, free of charge, Share Options on a date separately determined by the board of directors of the Company.

- (1) Proposal for approval of a merger agreement under which the Company is absorbed and disappears.
- (2) Proposal for approval of a split agreement or plan under which the Company is subject to split.
- (3) Proposal for approval of a share exchange contract or a share transfer plan under which the Company becomes a wholly-owned subsidiary company.
- (4) Proposal for approval of the addition of a provision to the Articles of Incorporation which sets out that, with respect to all the shares issued by Company, it is required to obtain the approval of the Company when acquiring the shares by assignment.
- (5) Proposal for approval of the addition of a provision to the Articles of Incorporation which sets out that, with respect to the classes of Company's shares underlying Share Options, it is required to obtain the approval of the Company when acquiring the shares by assignment, or that the Company may acquire all the Company's shares in those classes based on a resolution in a general shareholders' meeting.

9. Decision-making policy on the delivery of Share Options to companies subject to reorganization in corporate reorganization acts

When the Company conducts a merger (only when the Company no longer exists due to the merger), acquisition and split or new establishment and split (only when the Company becomes subject to split in each of the two cases), or share exchange or share transfer (only when the Company becomes a wholly-owned subsidiary company in each of the two cases) (hereinafter collectively referred to as "Reorganization Acts"), it shall deliver share options of each of the companies indicated in Article 236-1-8-(a) to (e) of the Companies Act of Japan (hereinafter referred to as "Companies Subject to Reorganization") to Share Option Holders holding the remaining Share Options (hereinafter referred to as "Remaining Share Options") which remain immediately prior to the day the Reorganization Acts become effective (in the case of an absorption-type merger, the date when the merger takes effect, in the case of a new establishment and merger, the date of foundation of the newly established company,

in the case of an acquisition and split, the date the acquisition and split takes effect, in the case of a new establishment and split, the foundation date of the newly established company, in the case of a share exchange, the date the share exchange takes effect, and in the case of share transfer, the date of foundation of the wholly-owning parent company in the share transfer. Hereinafter the same shall apply) in respective cases. However, in the acquisition and merger contract, new establishment and merger contract, acquisition and split contract, new establishment and split plan, share exchange contract, or share transfer plan, it shall be designated that share options of the Companies Subject to Reorganization shall be delivered in accordance with the following conditions:

- (1) Number of share options of the Companies Subject to Reorganization to be delivered  
The same number of share options as the number of the Remaining Share Options held by Share Option Holders shall be delivered.
- (2) Class of shares of the Companies Subject to Reorganization underlying the share options  
Common shares of the Companies Subject to Reorganization
- (3) Number of shares of the Companies Subject to Reorganization underlying the share options  
To be determined in a similar manner to Clause 3 above, taking conditions of the Reorganization Acts into consideration.
- (4) Amount of assets to be paid upon exercise of share options  
The amount of assets to be paid upon the exercise of each share option to be delivered shall be the amount calculated by multiplying the exercise price after reorganization, as set out below, by the number of shares of the Companies Subject to Reorganization underlying the share option as determined in accordance with item (3) above. The exercise price after reorganization shall be one (1) yen per share of the Companies Subject to Reorganization that may be delivered by exercising each share option to be delivered.
- (5) Share option exercisable period  
The share option exercisable period shall be from the first day of the share option exercisable period provided in Clause 5 above or the day the Reorganization Acts become effective, whichever comes later, to the last day of that exercisable period determined in Clause 5 above.
- (6) Matters concerning an increase in capital and capital reserve when shares are issued through the exercise of share options  
To be determined in the manner provided in Clause 6 above.
- (7) Restriction on the acquisition of share options by assignment  
Acquisition of share options by assignment shall be subject to the approval by the resolution of the board of directors of the Companies Subject to Reorganization.
- (8) Conditions for acquiring share options  
To be determined in the manner provided in Clause 8 above.

(9) Other Conditions for exercising share options

To be determined in the manner provided in Clause 11 below.

10. Treatment of fractions less than one (1) share that occur when Share Options are exercised

Fractions of less than one (1) share of shares to be delivered to Share Option Holders who have exercised their Share Option shall be rounded down.

11. Other Conditions for Exercising Share Options

- (1) If a Share Option Holder waives his or her right to exercise Share Options, he or she shall no longer be able to exercise Share Options.
- (2) Other conditions for exercising Share Options shall be provided in the Share Option Allotment Agreement between the Company and each Share Option Holder.

12. Calculating Method of Subscription Amount to be paid for Share Options

The subscription amount to be paid for each Share Option is calculated by multiplying the per share option price determined based on the figures shown in items (2) to (7) below (fractions of less than one (1) yen shall be rounded off) by the number of allotted shares using the Black-Scholes model which is shown below.

$$C = Se^{-qT} N(d) - Xe^{-rT} N(d - \sigma\sqrt{T})$$

Where

$$d = \frac{\ln\left(\frac{S}{X}\right) + \left(r - q + \frac{\sigma^2}{2}\right)T}{\sigma\sqrt{T}}$$

- (1) Option price per share (C)
- (2) Share price (S): Closing price of the Company's common share in regular transactions of the Tokyo Stock Exchange on May 18, 2018 (if there is no closing price, the unit price for the following trading day is used).
- (3) Exercise price (X): One (1) yen
- (4) Projected period to maturity (T): 6.9 years
- (5) Share price volatility ( $\sigma$ ): Calculated based on closing stock price of common shares of the Company in regular transactions on each trading day for a period of 6.9 years (from June 17, 2011 to May 18, 2018).
- (6) Risk-free rate of interest (r): Interest rate of government bonds whose remaining years equals to the projected period to maturity.
- (7) Dividend yield (q): Dividend per share (the dividend paid in the accounting period ended December 2017) divided by the share price as in item (2) above.

(8) Cumulative distribution function of standard normal distribution ( $N(\cdot)$ )

- \*1. The amount obtained in the above calculation will be a fair value for the Share Options and will not constitute an advantageous offering.
- \*2. In place of the above-mentioned subscription amount, subscribers to the Share Options shall offset the amount to be paid to the Company for the Share Options with remuneration to be paid to them by the Company (in case of a director or an employee of the Company's subsidiary, remuneration that the Company has assumed from the subsidiary).

13. Offering Date

May 18, 2018.

14. Cash Payment Date for Share Options

May 18, 2018.

15. Persons eligible for allotment of Share Options, number of said persons and number of Share Options to be allotted

Persons eligible for allotment of Share Options	Number of persons	Number of Share Options to be allotted
Directors of the Company (excluding outside directors)	6	452
Executive Officers of the Company	12	161
Directors of the Company's subsidiaries	4	201
Employees of the Company's subsidiaries	2	38