



Business Results Briefing

(Fiscal Year Ending March 31,2017)
April 1,2016-March 31,2017

Mandom Corporation
(Securities Code: 4917)





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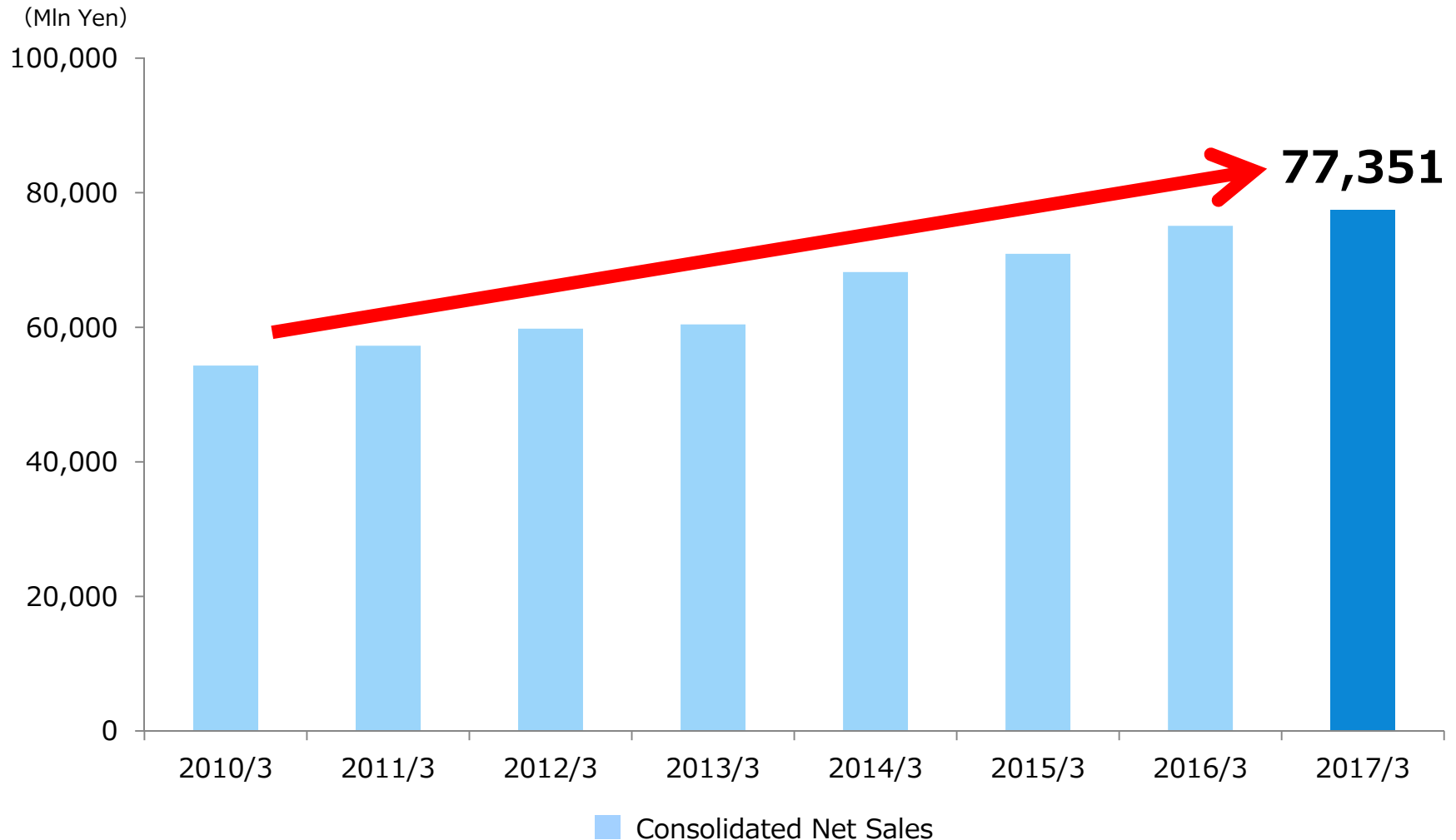
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 - 2. Review of MP-11**
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1. Consolidated Business Results

1. Consolidated Business Results

1) In FYE 2017/3, Consolidated Net Sales and Income at each level increased steadily

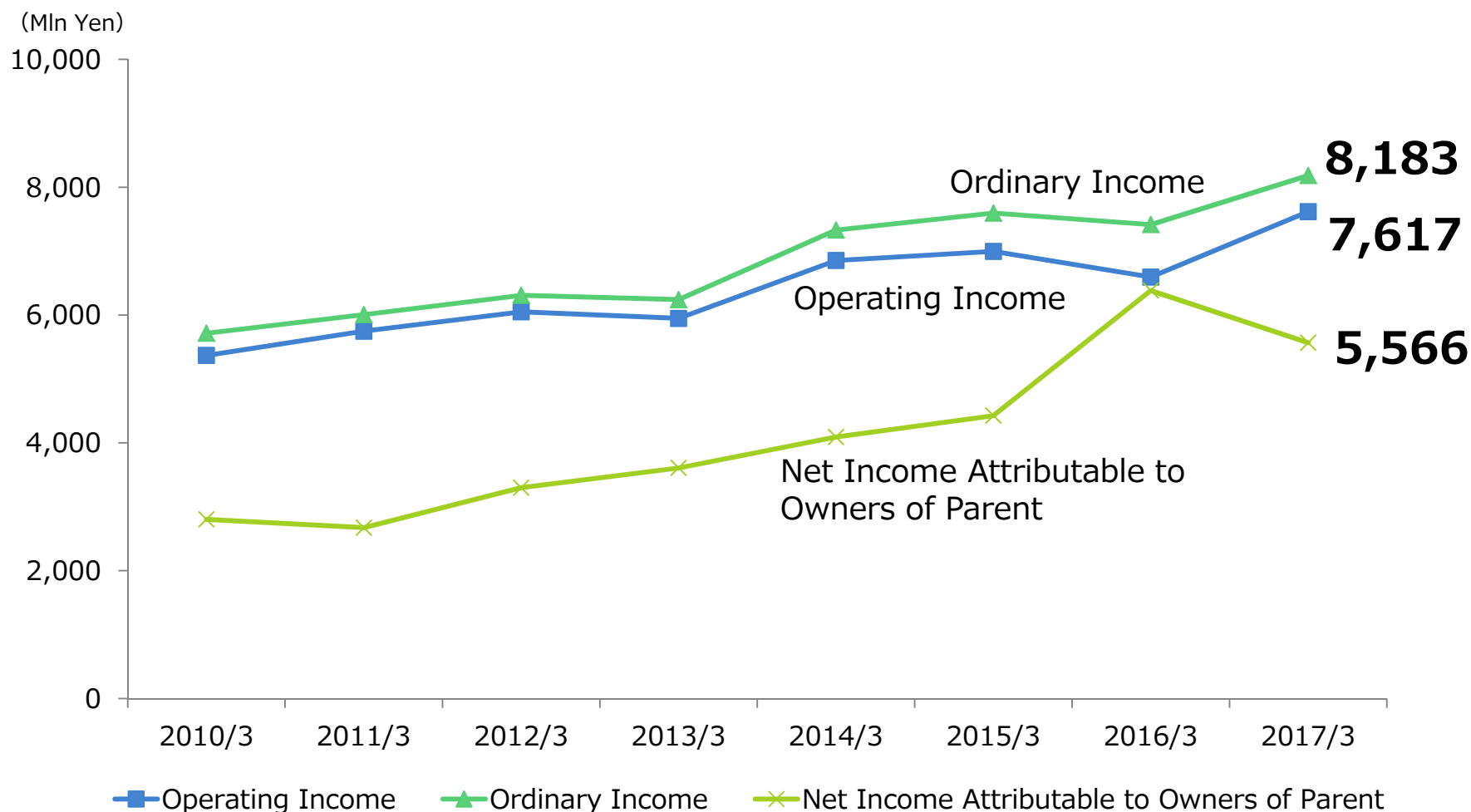
• Consolidated Net Sales reached record highs for 7 consecutive years



1. Consolidated Business Results

1) In FYE 2017/3, Consolidated Net Sales and Income at each level increased steadily

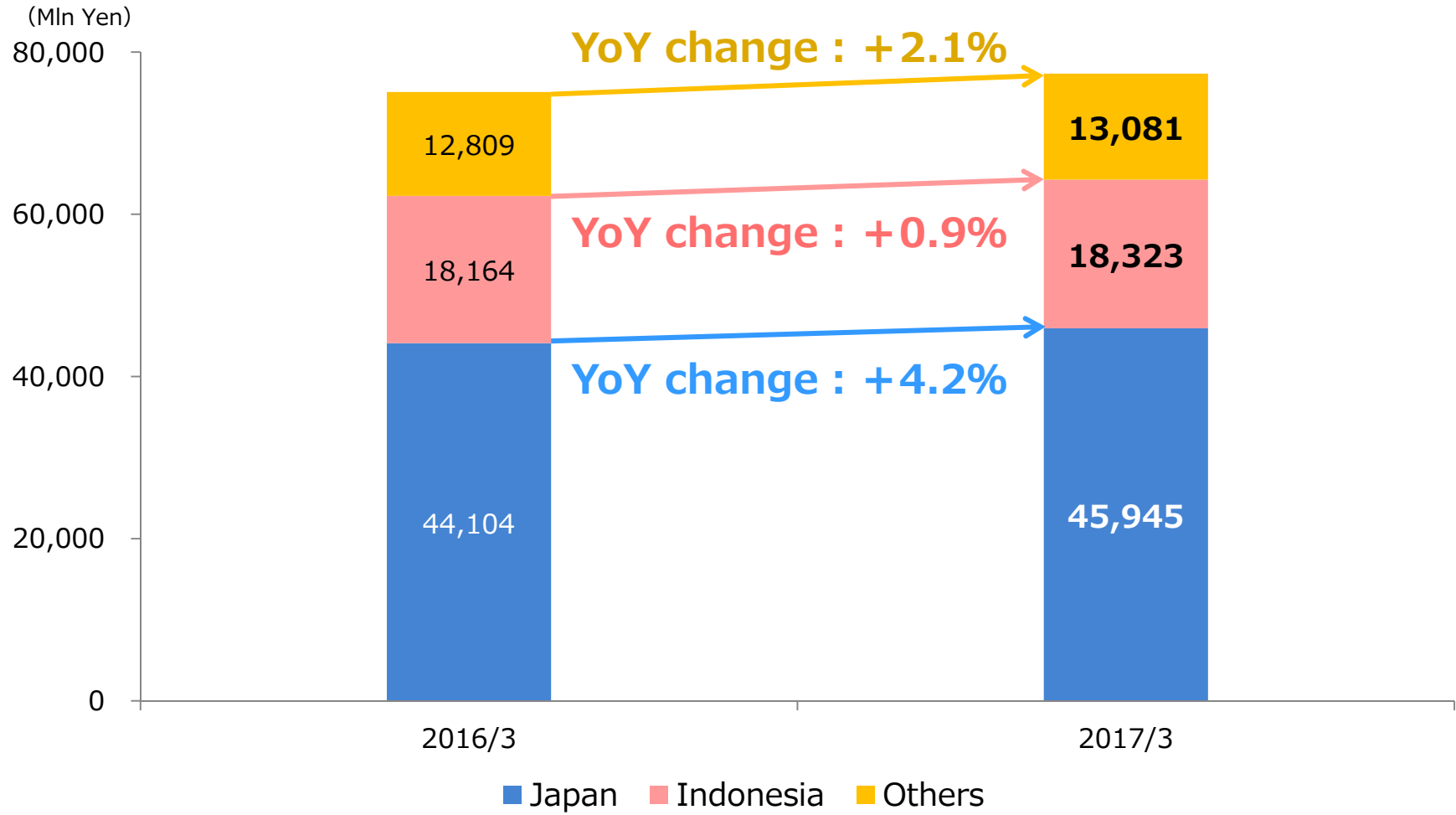
• Consolidated Operating Income and Consolidated Ordinary Income reached record highs



1. Consolidated Business Results <Net Sales by Region>

2) Net Sales grew steadily on a local currency basis, despite a decline in yen equivalent, due to appreciation of the yen

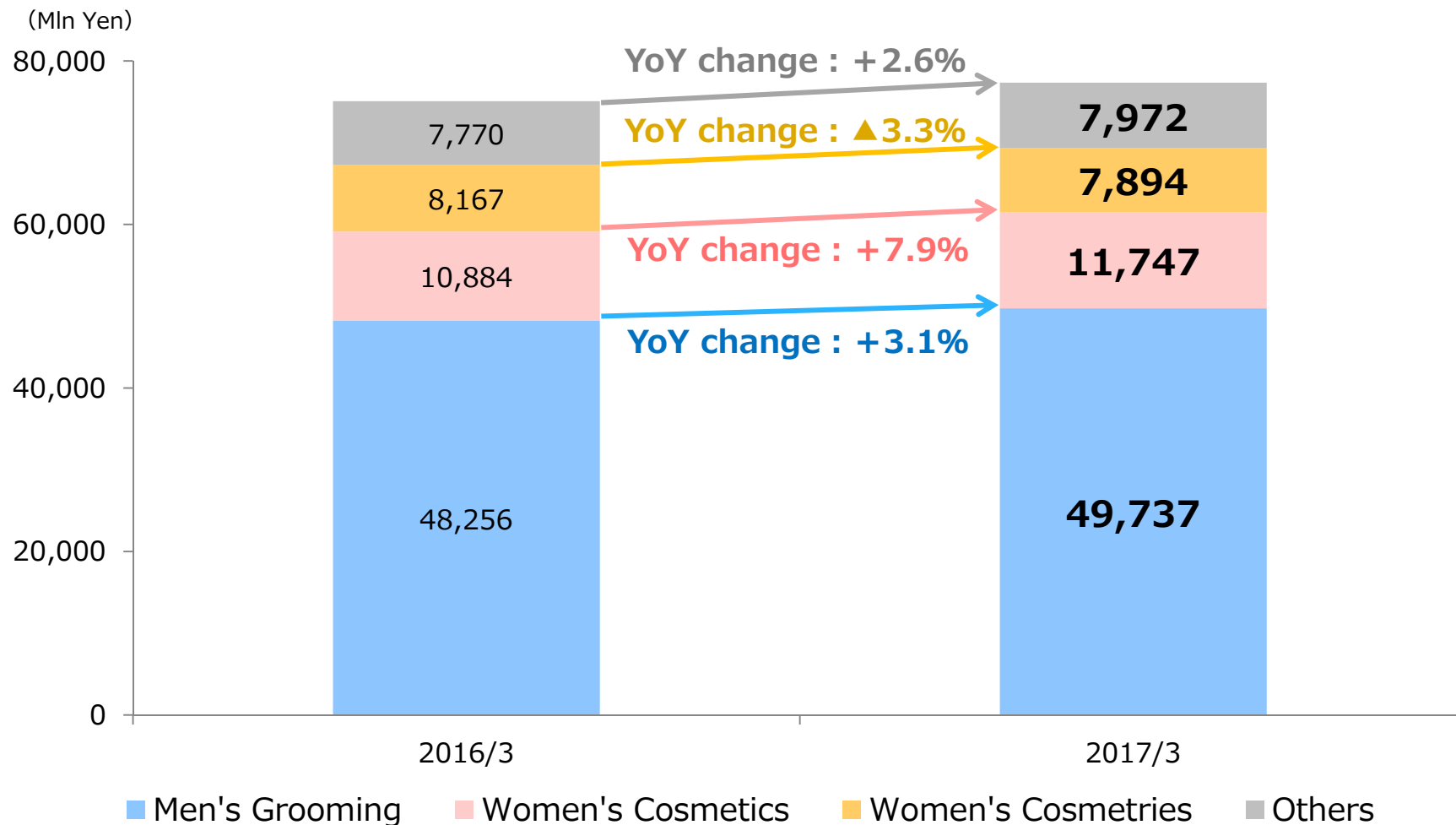
•Overseas Sales accounted for 40.6% of Consolidated Net Sales



1. Consolidated Business Results <Net Sales by Strategic Business Unit>

3) In Women's Cosmetics segment, Bifesta enjoyed strong sales both in Japan and overseas

• Women's segment grew by close to 20 billion yen



Men's Grooming Business

GATSBY【Body Care】

- Sales of seasonal items for summer increased due to late-summer heat
- “Spot Deodorant” series was launched this spring and TV commercials were aired

■ Deodorant Body Paper



■ Spot Deodorant series



Men's Grooming Business

LÚCIDO 【Middle-Aged Care】

- “Odor Care” market is expanding steadily
- “Body & Scalp Deo Paper” was launched this spring
- Sales of “Hair Color” series for gray hair were brisk

■ Body & Scalp Deo Paper



■ Hair Color series



Women's Cosmetics Business

Bifesta 【Cleansing Sheet】 ビフェスタ

• This spring, our new “Oil-In” type was added to the Cleansing Sheet lineup, which is enjoying brisk sales

■ Cleansing Sheet

■ Cleansing Sheet Oil-In



Women's Cosmetics Business

Barrier Repair 【Skin Care】

• Our new “Skin Care” series was launched for skin degradation of women in their 30s

■ Skin Care Series



■ TV commercials aired to enhance recognition



Women's Cosmetics Business

LÚCIDO-L 【Oil Treatment】

- Sales of "Oil Treatment" series formulated with argan oil have continuously been strong
- "Hair Treatment Oil Deep Repair" added to the lineup in August 2016 greatly contributed to overall sales increase



Men's Grooming Business

GATSBY 【Hair Styling】

- Sales of “Styling Pomade” remained strong
- Sales increased by adding “Supreme Hold” and mini size



- Sales of “Styling Wax” series also remained strong
- “Styling Wax” and “Styling Pomade” contributed to sales increase in the styling category



Women's Cosmetics Business



【Make Up】

- New products, “Two Way Cake Cover Smooth” and “Lip Cream,” were released to approach young consumers
- “Lip Cream” in particular received good response. It is expected to boost our sales in this business in the future.

■ Lip Cream



■ Two Way Cake Cover Smooth



Men's Grooming Business

CHINA × 「Hair Wax」

- The desire to “design” hair style is growing among young consumers, mainly university students
- New hair wax users have been developed by holding hair styling events at university campuses



Men's Grooming Business

TAIWAN × 「Facial Paper」

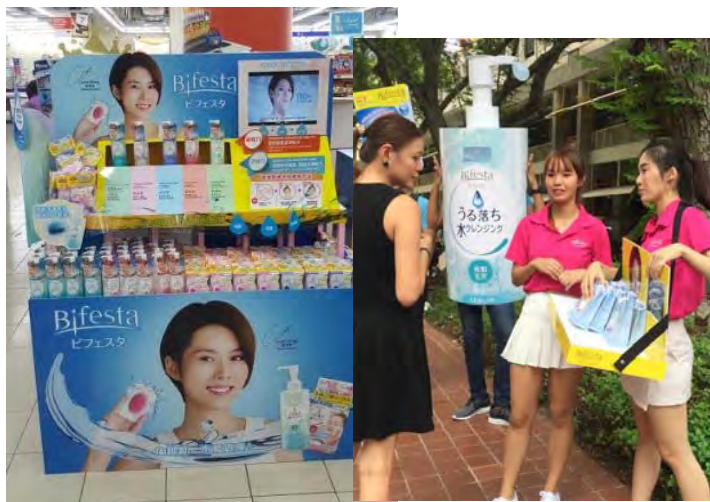
- Demand for facial paper grew with increasing trends to care for oiliness and stickiness of the face
- The market was steadily developed by distributing free samples at marathon races and stores



Women's Cosmetics Business

Asian countries × Cleansing Lotion

- More and more consumers in Asian countries have acquired the habit of using makeup remover
- We have launched Bifesta Cleansing Lotion to the market, and expanded the market in line with the moves of the market
- Bifesta has taken root in Thailand, Singapore, and other Asian countries



Store display and free sample distribution in Singapore



Event booth in Thailand



Over-the-counter sale by recommendation in Taiwan

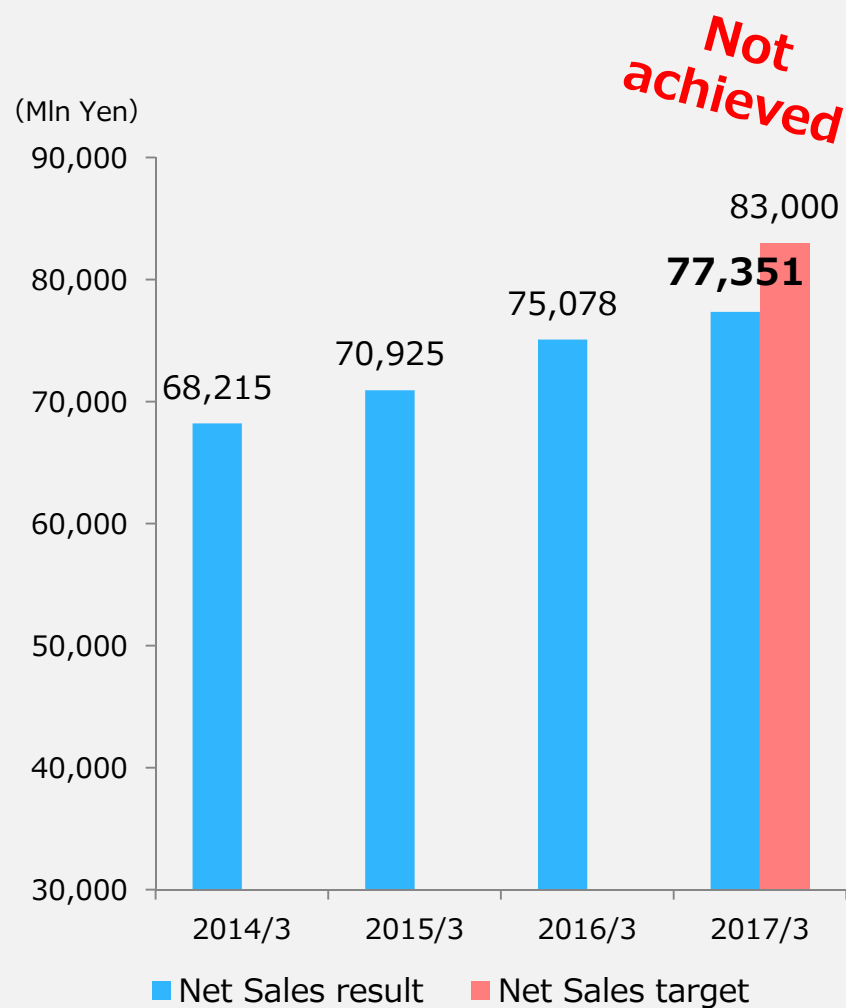
2. Review of MP-11

(FYE 2015/3~FYE 2017/3)

2. Review of MP-11

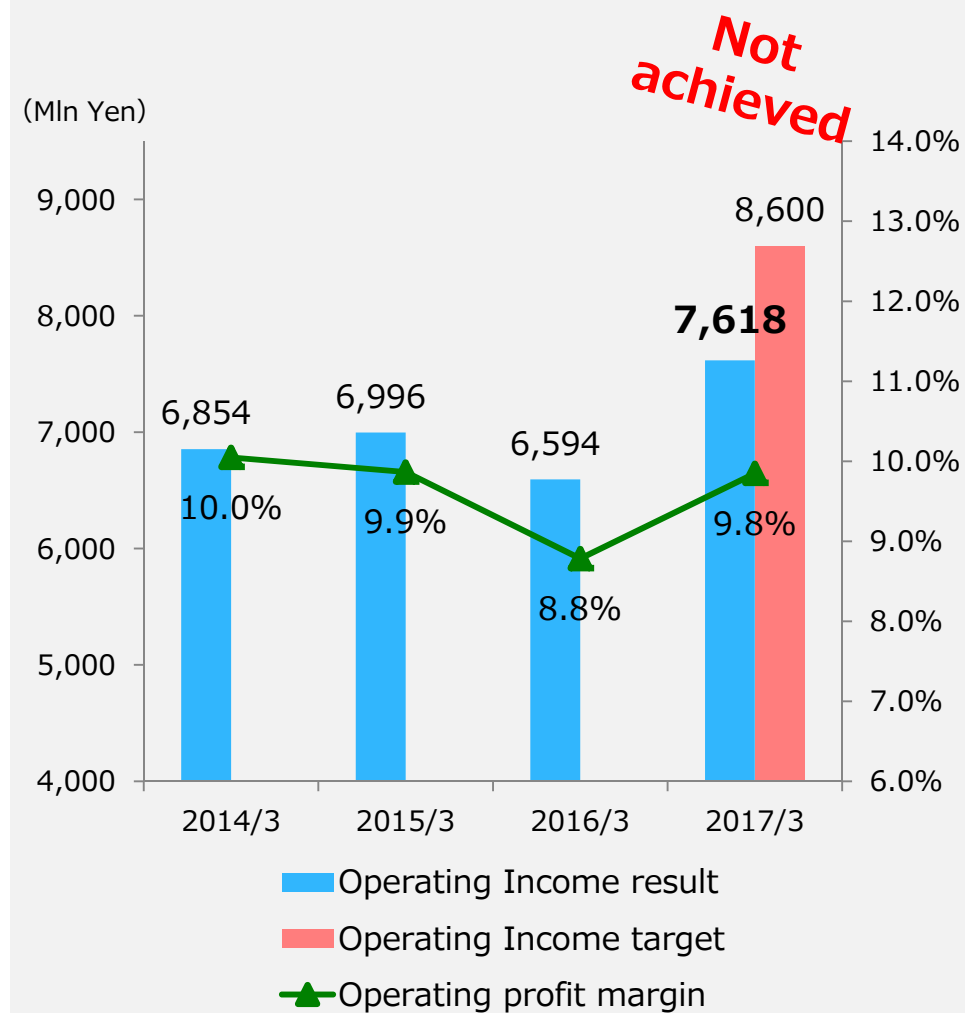
【Growth Potential】
Consolidated Net Sales

Final year of MP-11 **¥83billion**

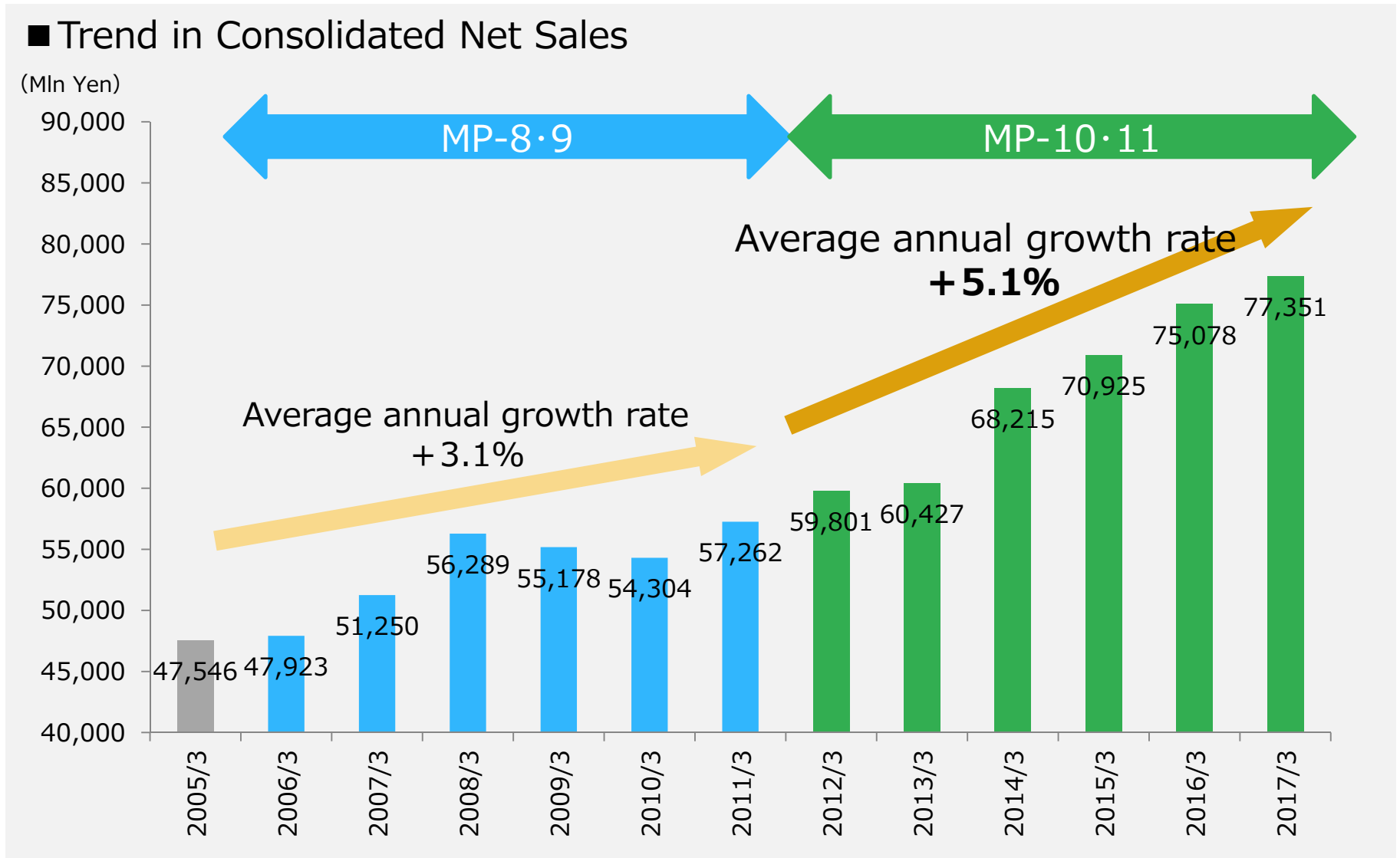


【Profitability】
Consolidated Operating Income

Final year of MP-11 **¥8.6billion**



2. Review of MP-11

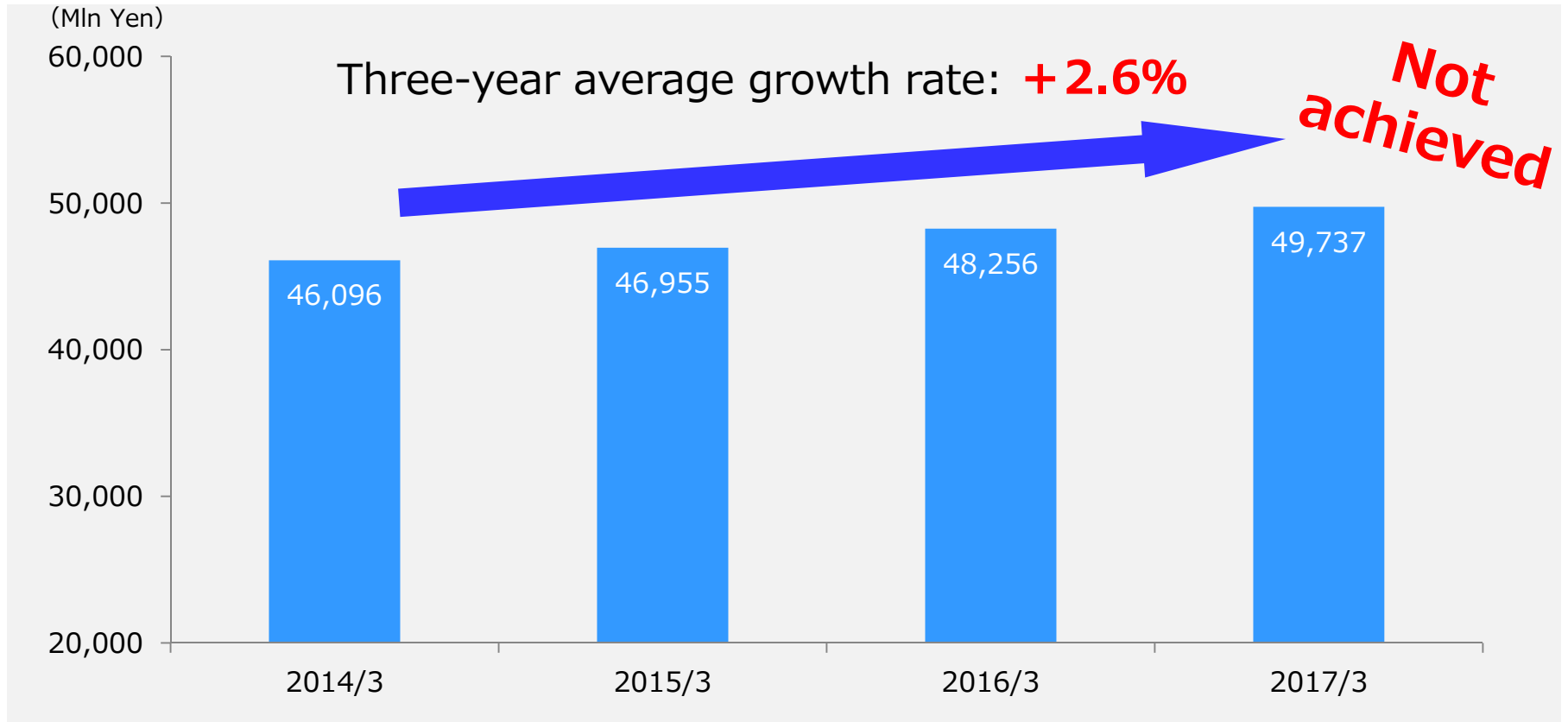


Growth rate recurrence achieved in the 6 years of MP-10 and 11 compared with the preceding 6 years

2. Review of MP-11

【Growth Potential】 Men's Grooming Business

Average growth rate target **5.2%** or higher



GATSBY Styling Pomade
(Indonesia)



LUCIDO Odor Care series
(Japan)



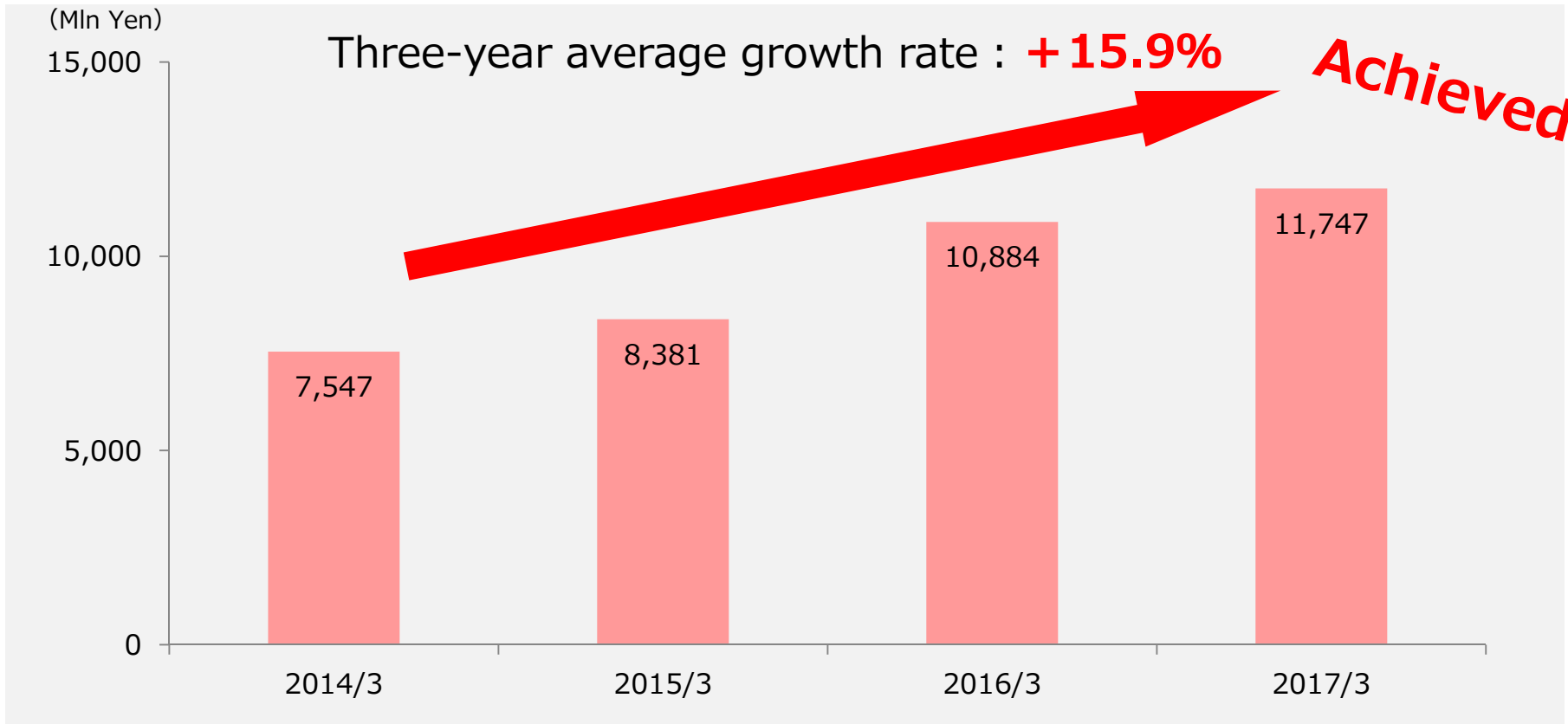
2. Review of MP-11

【Growth Potential】 Women's Cosmetics Business

Average growth rate target **15.0%** or higher

Three-year average growth rate : **+15.9%**

Achieved



BIFESTA
Cleansing series
(Japan・Overseas)



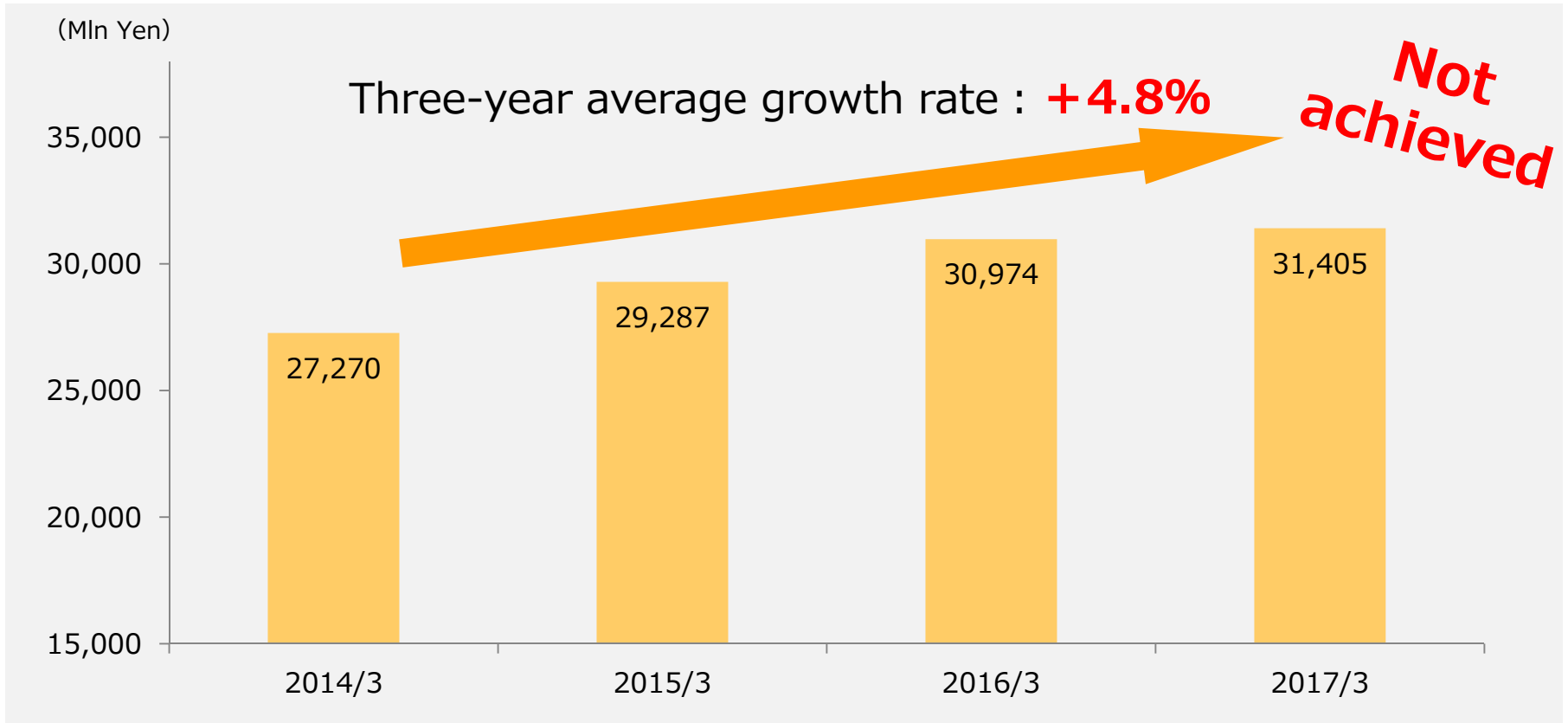
2. Review of MP-11

【Growth Potential】 Overseas Business

Average growth rate target **11.4%** or higher

Three-year average growth rate : **+4.8%**

Not achieved



GATSBY Styling
(China)



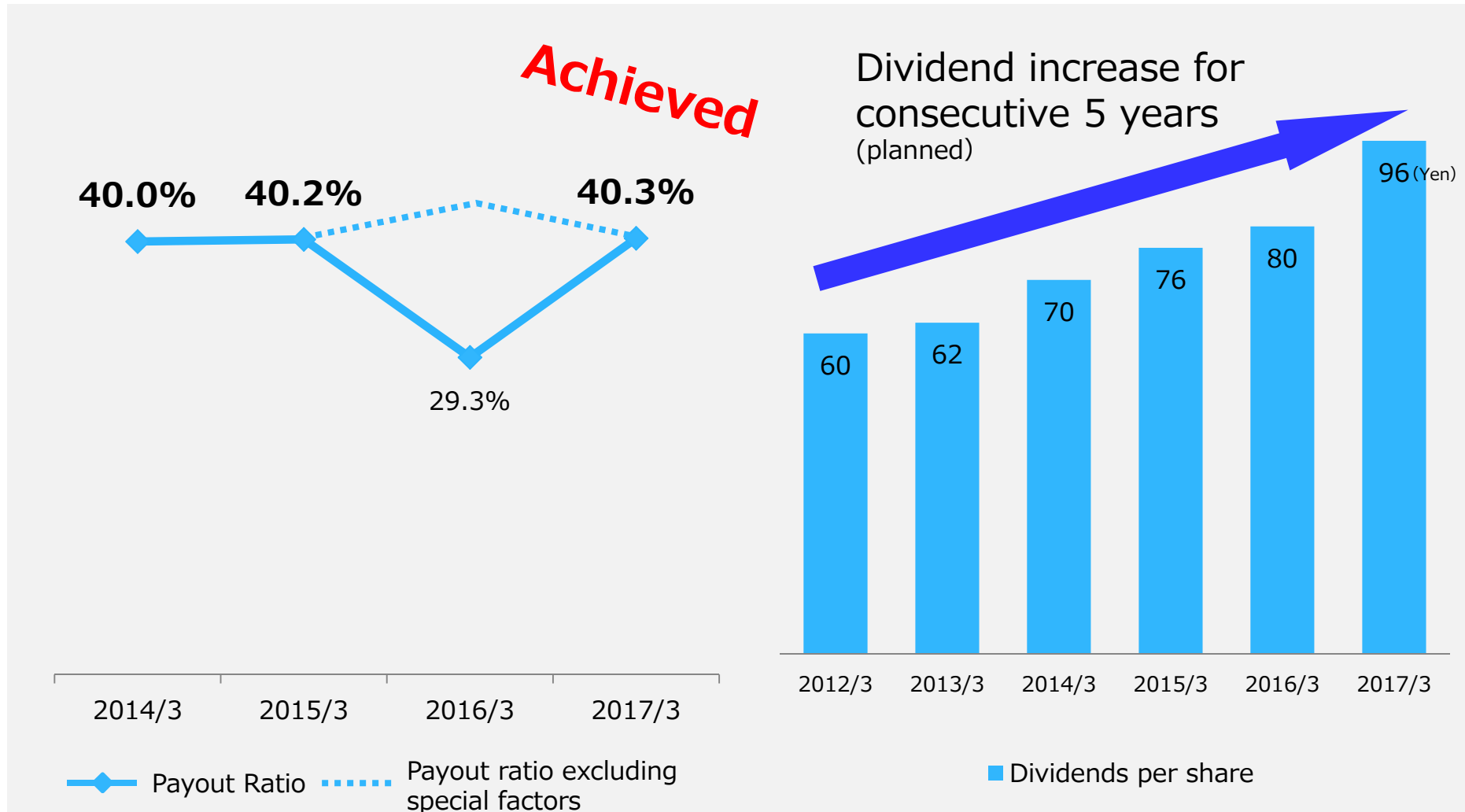
BIFESTA
(China)



2. Review of MP-11

【Shareholder Returns】 Consolidated Payout Ratio

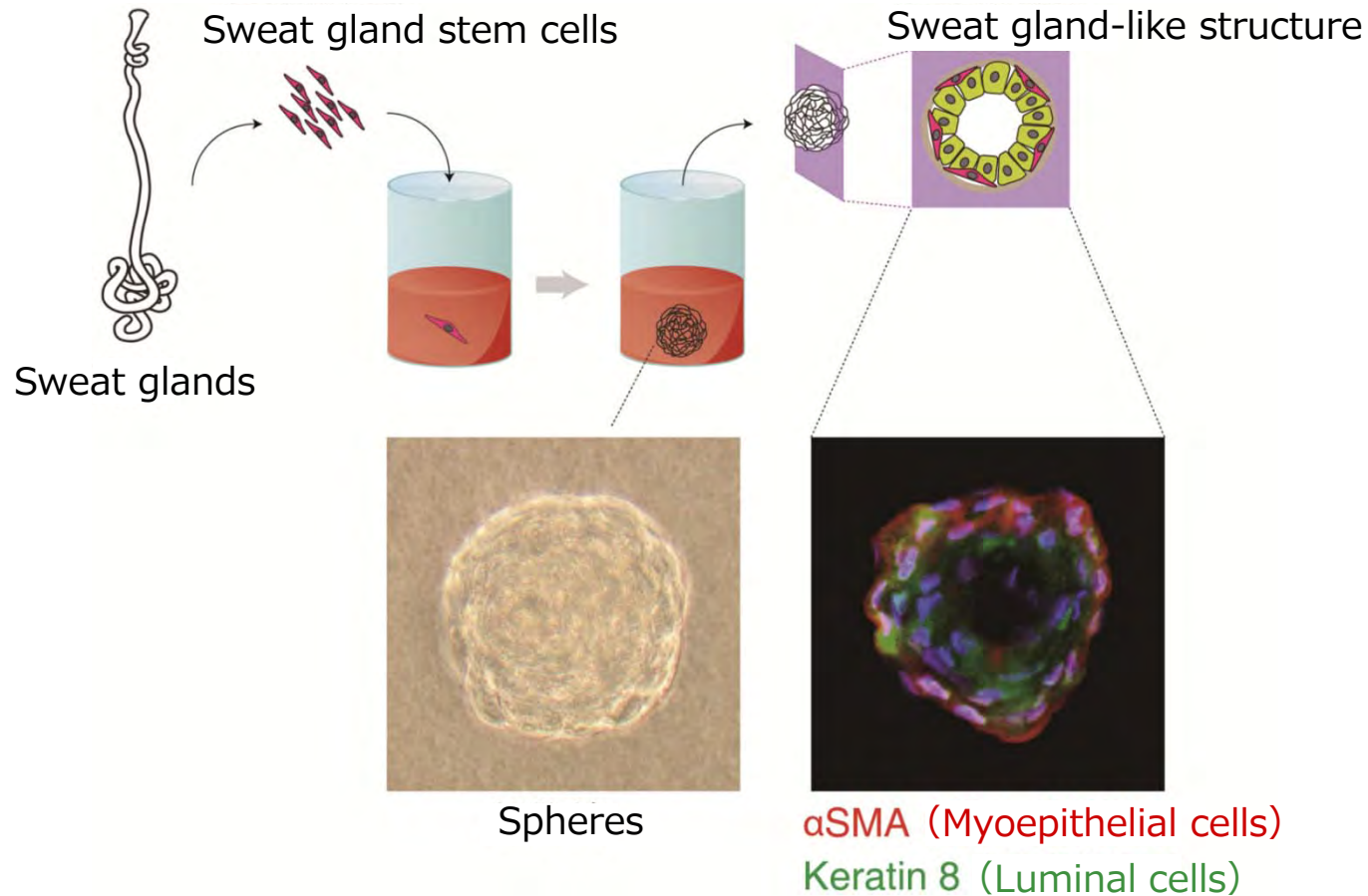
Consolidated basis, excluding extraordinary items **40%** or higher



2. Review of MP-11

【Topic】 Achievements of joint research at the Laboratory of Advanced Cosmetic Science

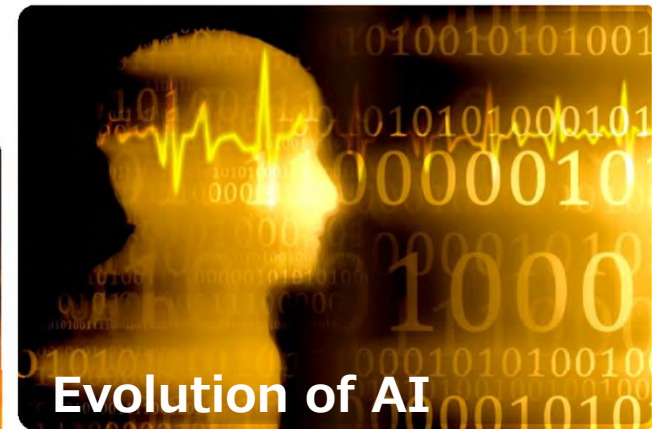
Identification of human sweat gland stem cells regenerating sweat glandular-like structures in vitro



3. VISION2027

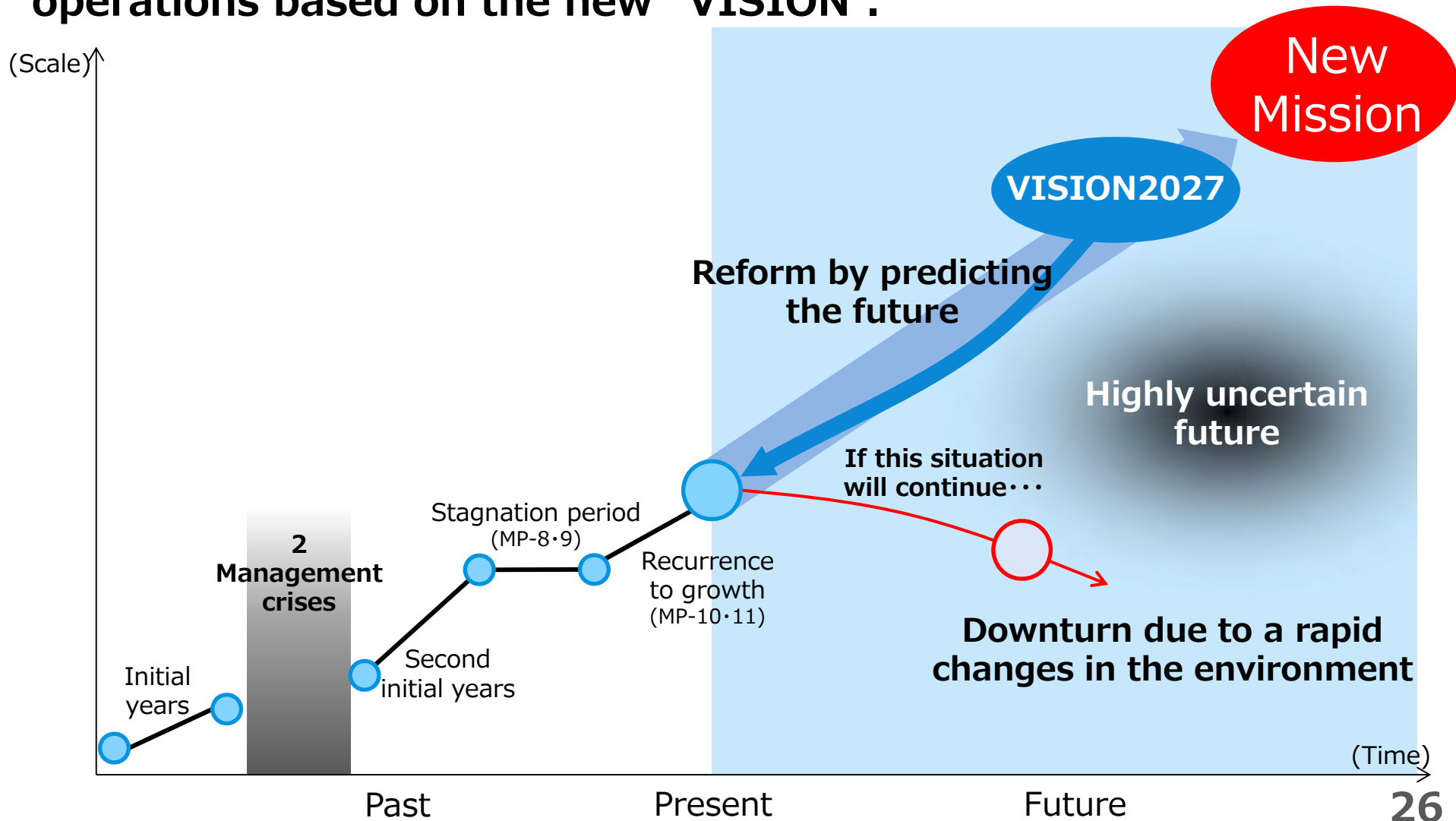
3. VISION2027

Years of turbulence, drastic changes, and uncertainty



3. VISION2027

Operating in today's uncertain world, we are moving to "Create the Future" by advancing the Company's evolution based on the new "MISSION" and by pursuing forward-looking operations based on the new "VISION".



MANDOM MISSION

MANDOM MISSION

Human to Human

Mandom is a "human-oriented" company. Guided by our original concepts of Health, Cleanliness & Beauty, we reach boldly beyond the norm to bring wonder and inspiration to people's everyday lives.

MANDOM PRINCIPLES

- Consumer-led Lifestyle Value Creation
- Challenge, Change, Innovation
- Active Employee Engagement
- Social Responsibility & Sustainability
- Human Assets

MANDOM SPIRIT

- Dedication to Service (Oyakudachi)
- Respect for Humanity
- Freedom & Open-Mindedness

VISION 2027



A cosmetics company
possessing unique
strengths in specialized
areas
(not an “all-rounder”)

Concrete Corporate Image Elements

1. Authentic proposals
2. Global & ‘Only One’
3. Exciting & Excellent

3. VISION2027

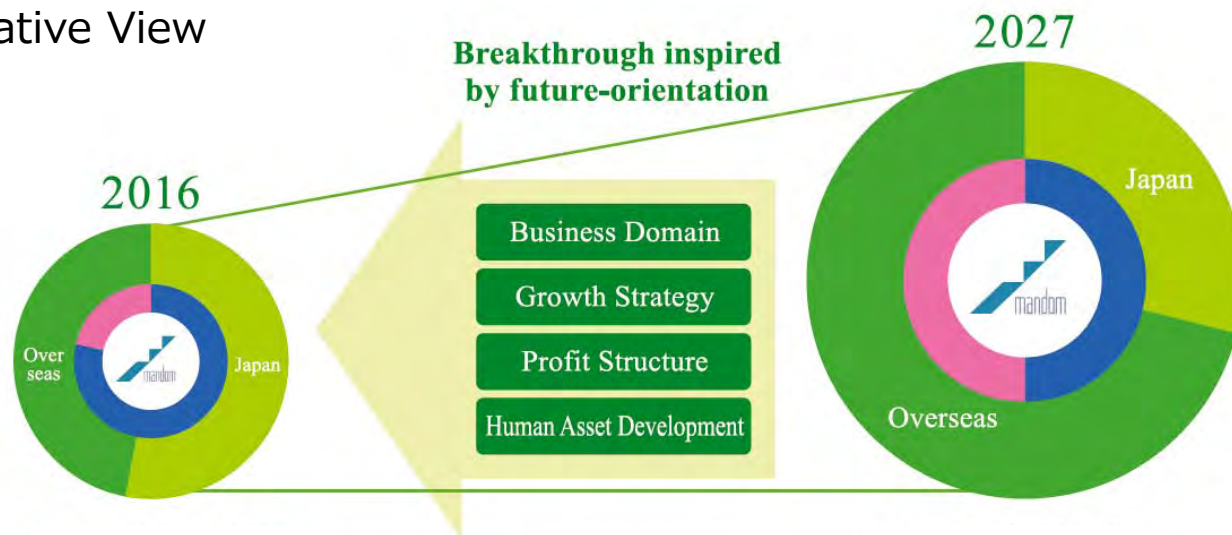
VISION Slogan

Use our 'Only One' strengths to provide Dedication to Service (Oyakudachi) to a billion people around the world.

VISION Policy

- 1.Leverage Asia's economic growth to evolve into a truly global company.
- 2.Display greater Dedication to Service (Oyakudachi) in the men's business segment and invest aggressively to expand our women's segment.
- 3.Provide authentic products and services to develop a MANDOM WORLD inspired by the concept of stock-oriented management (the idea of strengthening or "stocking up" various assets including ties with our stakeholders by providing authentic and valuable products and services.)

■ Quantitative View

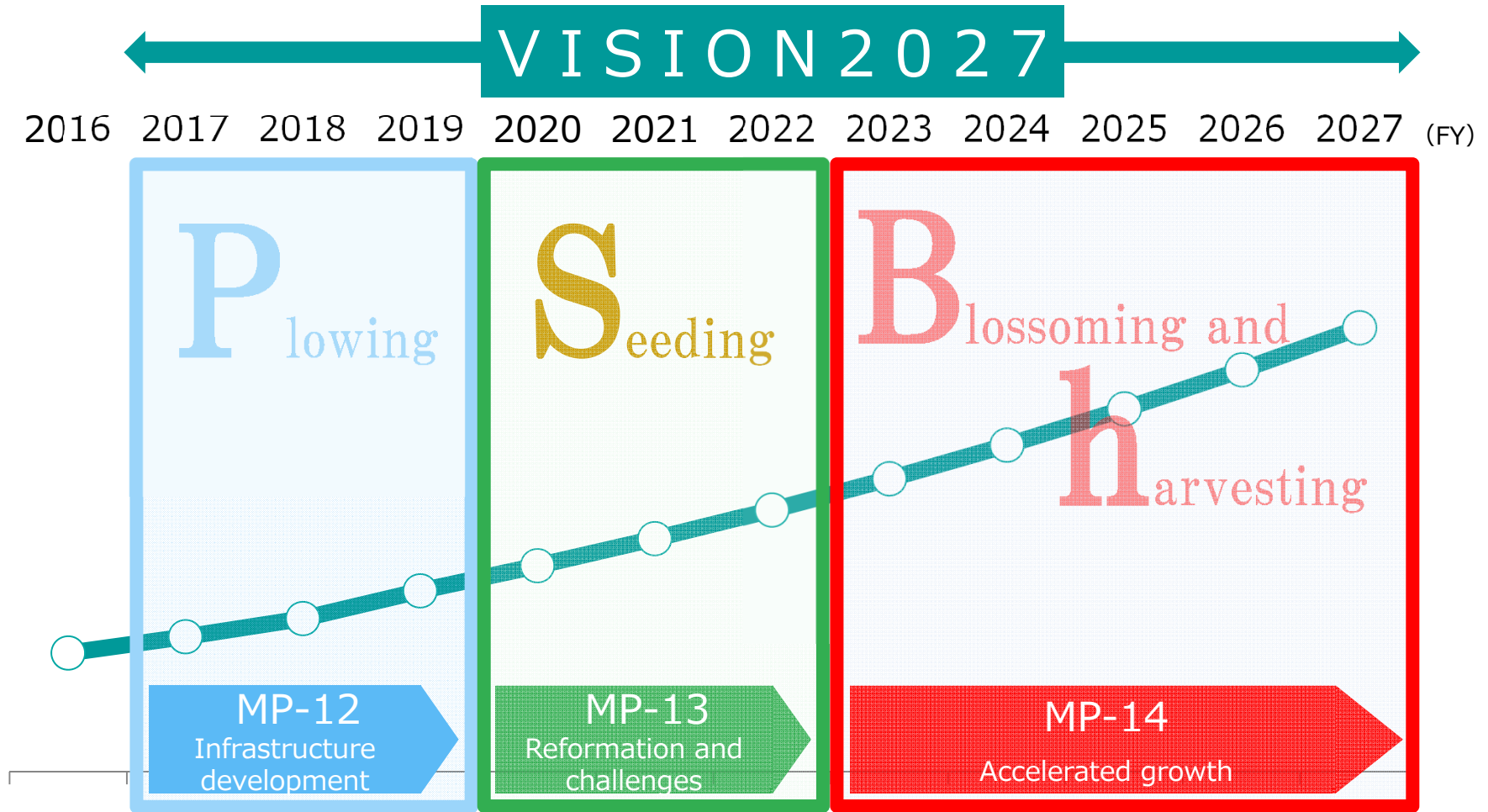


4. Overview of MP-12

(FYE 2018/3~FYE 2020/3)

4. Overview of MP-12

■ Positioning of MP-12



Corporate Infrastructure Development for Realizing VISION2027

Management Basic Policy

1. Promotion of category strategies and thorough implementation of activity
2. Improvement of growth in overseas operations focusing on Indonesia
3. Building a group operation system and improving productivity per unit

4. Overview of MP-12

1. Promotion of category strategies and thorough implementation of activity

1) Nurturing of a category that can become a firm mainstay

- Expand women's segment: Increase sales volume of the existing categories and enter new categories
- Strengthen cosmetics category by targeting the market for middle-aged consumers

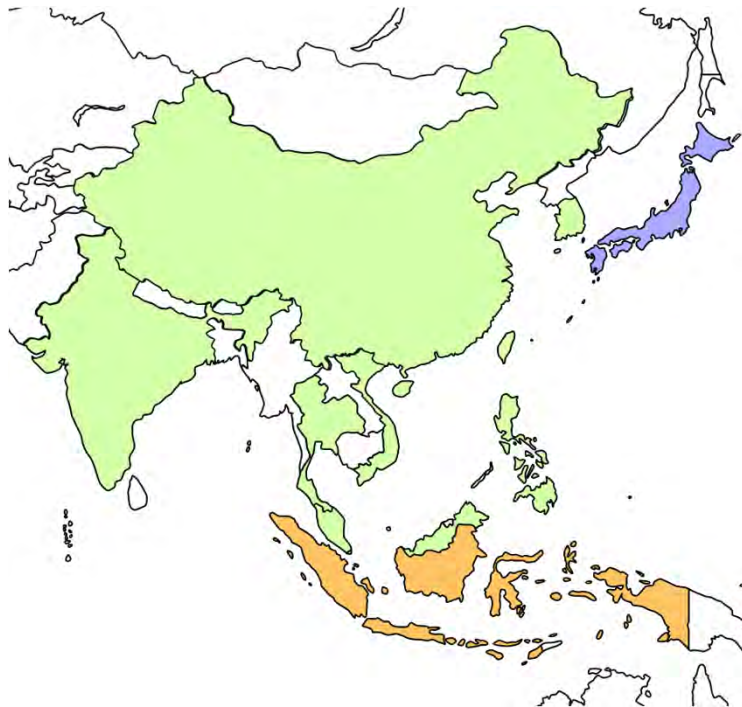


4. Overview of MP-12

1. Promotion of category strategies and thorough implementation of activity

2) Increase of brand values

- Nurture brands in response to the diversity of each country and enhance value from a global perspective
- Build new communication models to form strong ties with consumers



GATSBY

Bifesta
ビフェスタ

4. Overview of MP-12

2. Improvement of growth in overseas operations focusing on Indonesia

1) Indonesia: Display greater Dedication to Service (Oyakudachi) for middle-income class



Traditional Trade store display



Modern Trade store display

4. Overview of MP-12

2. Improvement of growth in overseas operations focusing on Indonesia

2) Asian countries other than Indonesia: Advance marketing measures unique to each country by understanding consumer wants and achieving profitability



Singapore
In-store marketing



Indonesia
OOH



Cambodia
GATSBY Magazine



3,614 likes
architasiri ขูซซซซ วิก โทม CO2 นวัตกรรม ใหม่จากญี่ปุ่น มีครบมาถึงเมืองไทยแล้ว กับ Bifesta Foaming Whip ที่เน้นออกว่าจะซาล โห้มีหน้าเป่งป่งป่ง สุขภาพดี แล่งช่วยให้มีเลือดฝาดแบบๆที่หน้าด้วย ไม่อ้อขาดทเรนส์ ฟุงตัวไป Watsons เลือซซซ #BifestaThailand #BifestaWhipFoamCO2

Thailand
Using bloggers

4. Overview of MP-12

3. Building a group operation system and improving productivity per unit

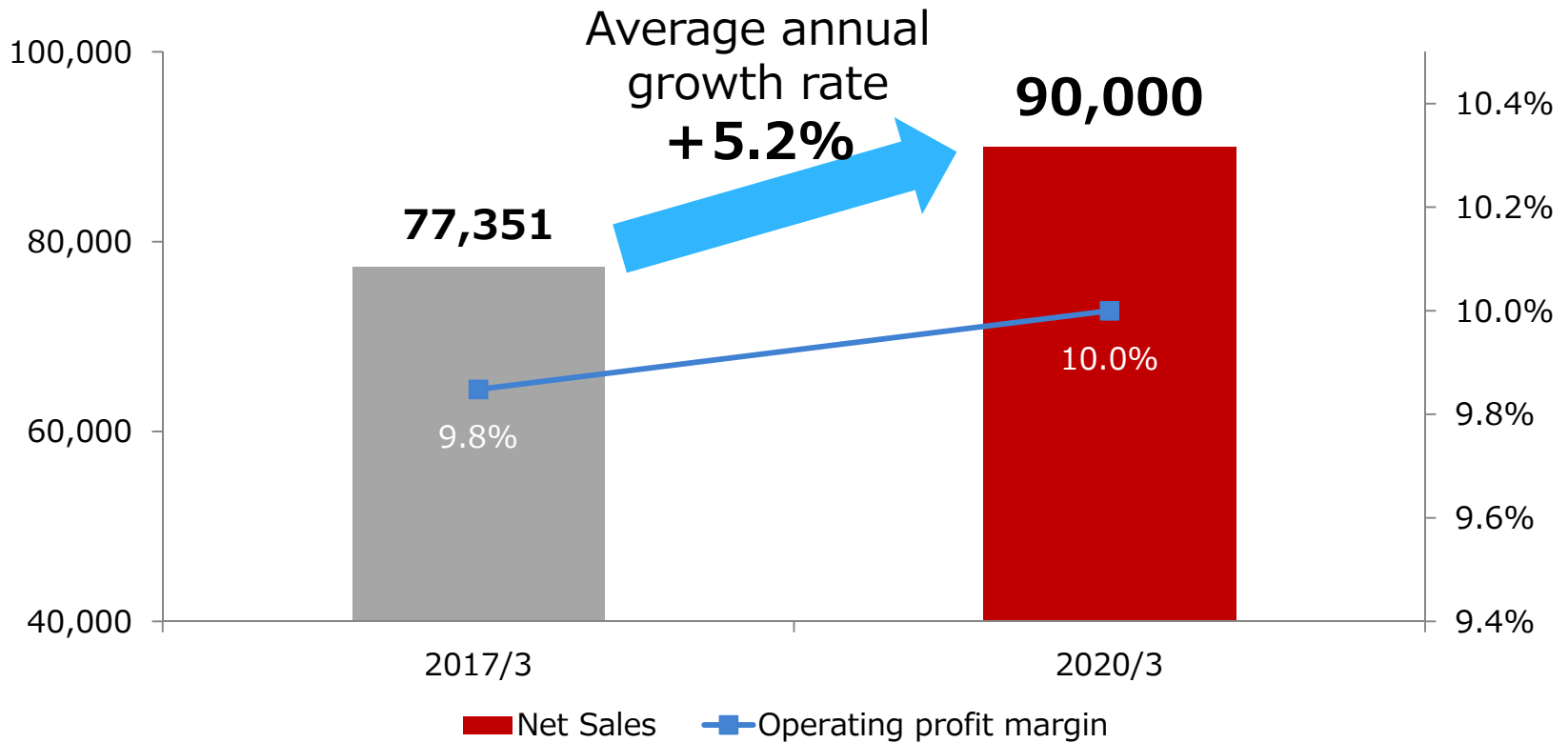
- 1) Increases in the decision making accuracy and speed by securing a group personnel affair system, accounting system, and information system, and building a structure for increasing productivity per unit
- 2) Construction of a structure that allows prompt strategy formulation and implementation at the operating company



4. Overview of MP-12

■ Management Basic Target

【Growth Potential】 Consolidated Net Sales in the final year of MP-12:
90 billion yen



4. Overview of MP-12

■ Management Basic Target

【Growth Potential】

Men's business
Average annual
growth rate

3% or more



Women's business
Average annual
growth rate

10% or more



Overseas
Average annual
growth rate

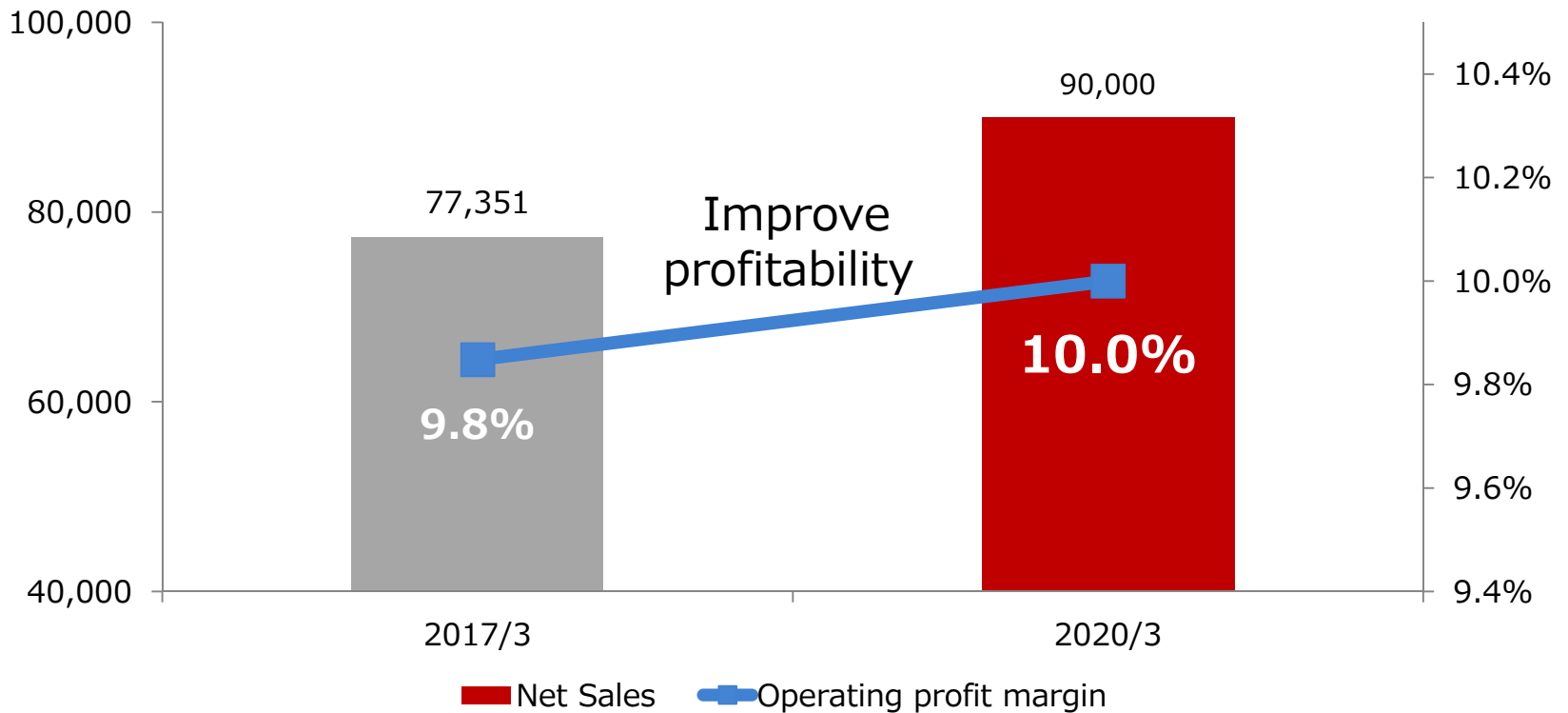
10% or more



4. Overview of MP-12

■ Management Basic Target

【Profitability】 Consolidated Operating Profit Margin **10%**



【Shareholders Returns】

Consolidated Payout Ratio

Consolidated basis, excluding extraordinary items **40% or higher**

5. FYE 2018/3 Forecast

5. FYE 2018/3 Forecast

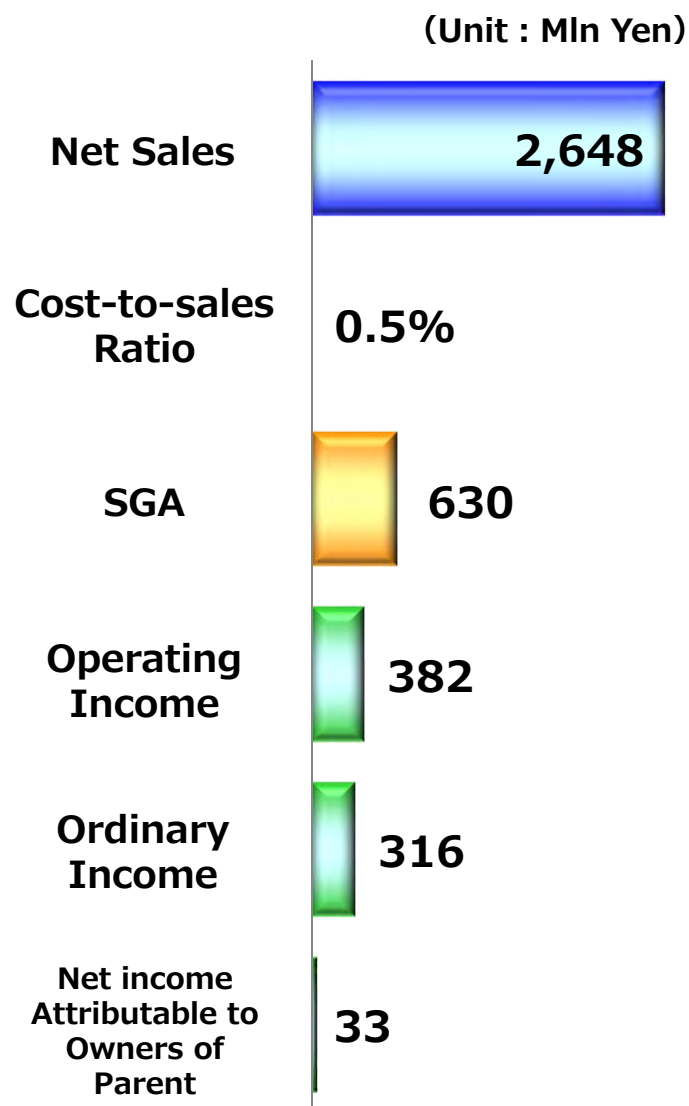
FYE 2018/3 Forecast

(Unit: Mln Yen)

	FY2018/3						FY2017/3	
	Annual			1Q+2Q			Result	
	Initial Plan	Balance	Yr/Yr	Initial Plan	Balance	Yr/Yr	Annual	1Q+2Q
Net Sales	80,000	2,648	103.4%	43,000	674	101.6%	77,351	42,325
Operating Income	8,000	382	105.0%	5,100	▲584	89.7%	7,617	5,684
Ordinary Income	8,500	316	103.9%	5,400	▲627	89.6%	8,183	6,027
Net Income Attributable to Owners of Parent	5,600	33	100.6%	3,650	▲387	90.4%	5,566	4,037

5. FYE 2018/3 Forecast

FY 2018/3 Outlook of Main Expenses: Breakdown of Increase/Decrease over FY 2017/3



Prerequisites of the plan

■ Net Sales

- 【Japan】
 - Strengthen key seasonal items for summer for both men and women
 - Strengthen men's face care category
 - Expand marketing of women's skin care
- 【Indonesia】
 - Strengthen hair styling category of GATSBY
 - Improve competitiveness of Pixy
- 【Others】
 - Strengthen GATSBY depending on given conditions in each country
 - Continue strengthening of Bifesta

■ Selling expenses

- 【Japan】
- 【Indonesia】
 - Continue active investment in women's business
- 【Others】
- 【Indonesia】
 - Continue active investment for growth
- 【Others】

■ Risk factors

- 【Japan】
 - Drop in sales of seasonal products for summer due to bad weather
- 【Indonesia】
 - Drop in yen equivalent of sales outside Japan due to the depreciation of local currencies
- 【Others】

◆ Appendix

1.(Appendix)Consolidated Business Results

(Unit:MIn Yen)

	Annual					
	FY2017/3	FY2016/3	Balance	Yr/Yr	Yr/Yr ※	Achiev.
Net Sales	77,351	75,078	2,272	103.0%	107.9%	100.7%
Operating Income	7,617	6,594	1,023	115.5%	–	102.9%
Ordinary Income	8,183	7,415	768	110.4%	–	103.6%
Net Income Attributable to Owners of Parent	5,566	6,383	▲ 816	87.2%	–	111.3%

※Comparison with FY 2016/3 ex-change rate after adjustment

ROE	9.1%	11.0%
EPS	¥238.10	¥273.04

Payout Ratio	40.3%	29.3%
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- “Net sales” , “Operating Income” and “Ordinary Income” were updated to the highest.

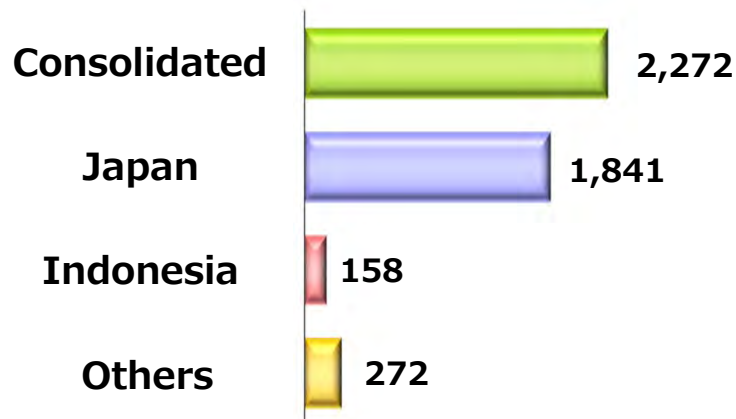
2.(Appendix)Consolidated Net Sales

2-1. Net Sales by Region

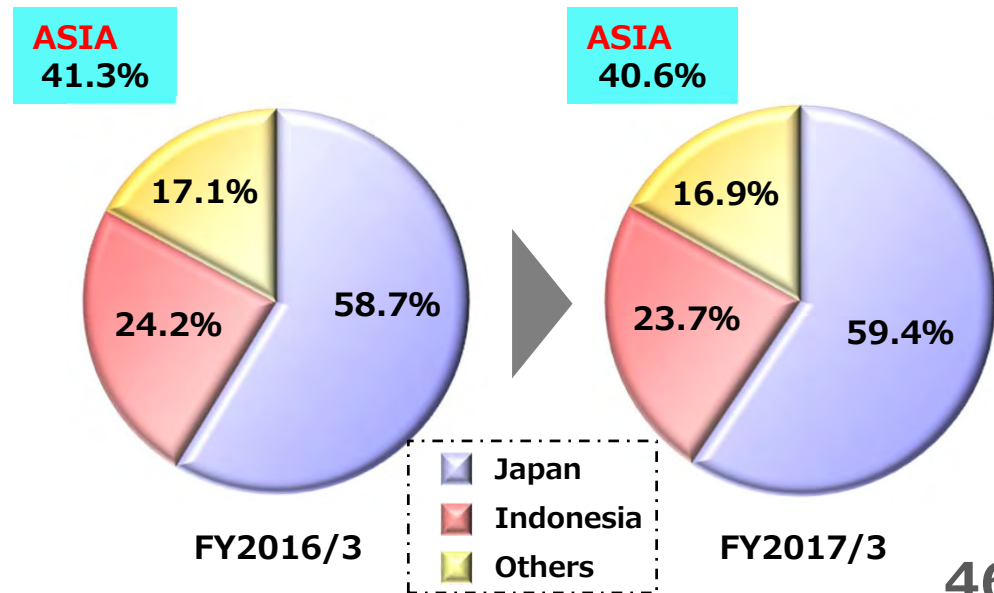
(Unit:MIn Yen)

	Annual			
	FY2017/3	FY2016/3	Balance	Yr/Yr
Net Sales	77,351	75,078	2,272	103.0%
Japan	45,945	44,104	1,841	104.2%
Indonesia	18,323	18,164	158	100.9%
Others	13,081	12,809	272	102.1%

2-2. Net Sales by Region Analysis (Year-on-Year)



2-3. Net Sales by Region Ratio (Year-on-Year)

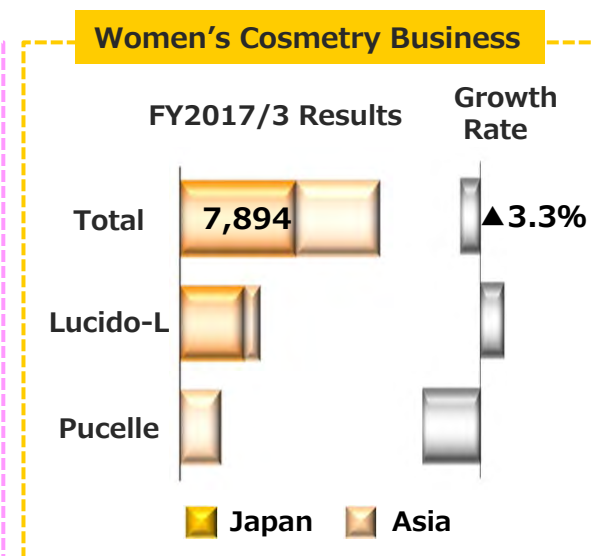
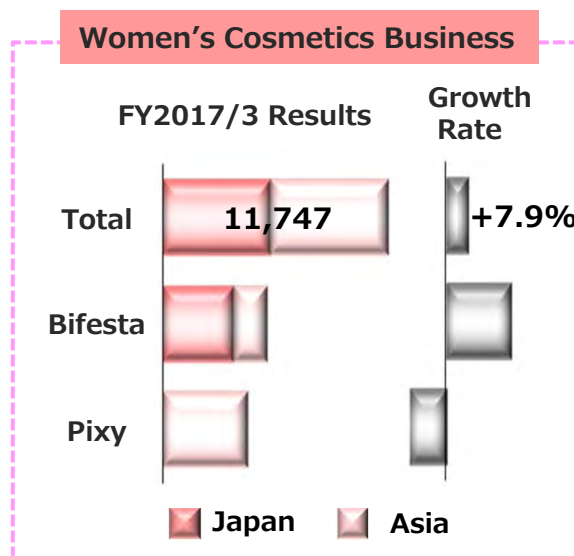
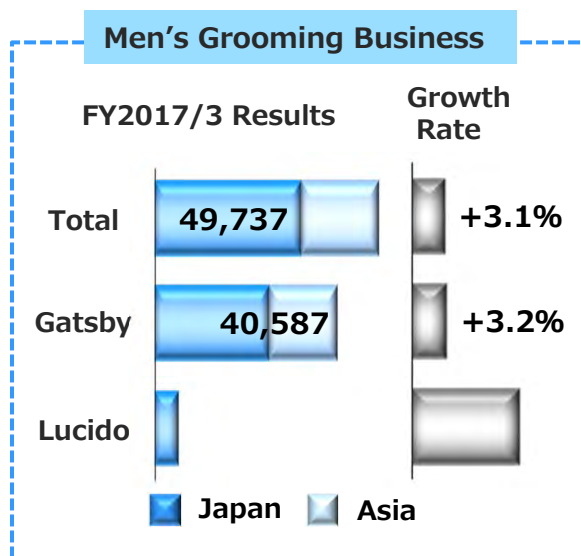


2.(Appendix) Consolidated Net Sales

2-4. Net Sales by Strategic Business Unit

(Unit:MIn Yen)

	Annual			
	FY2017/3	FY2016/3	Balance	Yr/Yr
Net Sales	77,351	75,078	2,272	103.0%
Men's Grooming Business	49,737	48,256	1,481	103.1%
Gatsby	40,587	39,319	1,268	103.2%
Women's Cosmetics Business	11,747	10,884	862	107.9%
Women's Cosmetry Business	7,894	8,167	▲ 273	96.7%
Other Business	7,972	7,770	202	102.6%



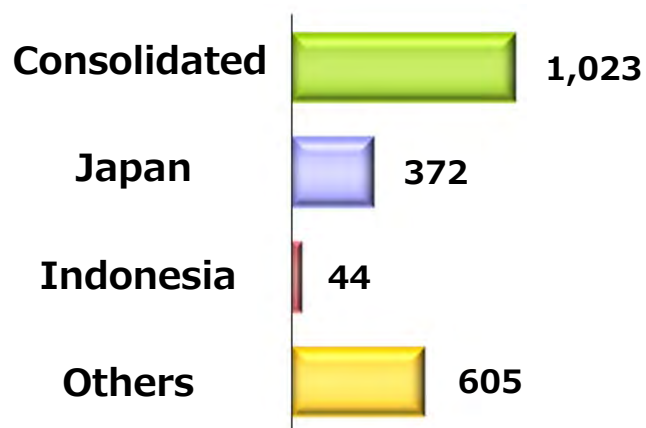
3.(Appendix) Consolidated Incomes

3-1. Operating Income by Region

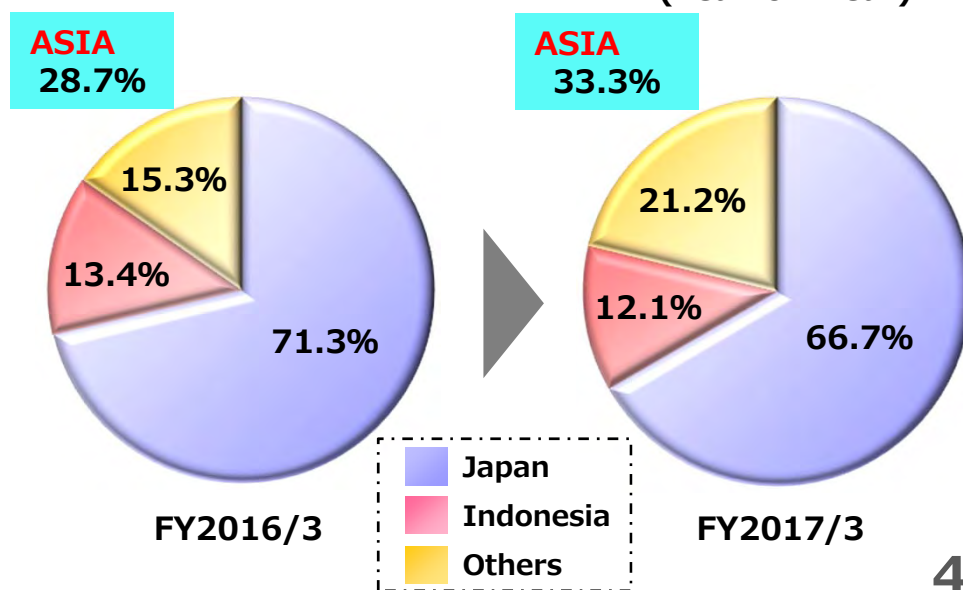
(Unit:MIn Yen)

	Annual					
	FY2017/3		FY2016/3		Balance	Yr/Yr
	Result	per Sales	Result	per Sales		
Operating Income	7,617	9.8%	6,594	8.8%	1,023	115.5%
Japan	5,077	11.1%	4,704	10.7%	372	107.9%
Indonesia	925	5.0%	880	4.8%	44	105.1%
Others	1,614	12.3%	1,008	7.9%	605	160.0%

3-2. Operating Income by Region Analysis (Year-on-Year)

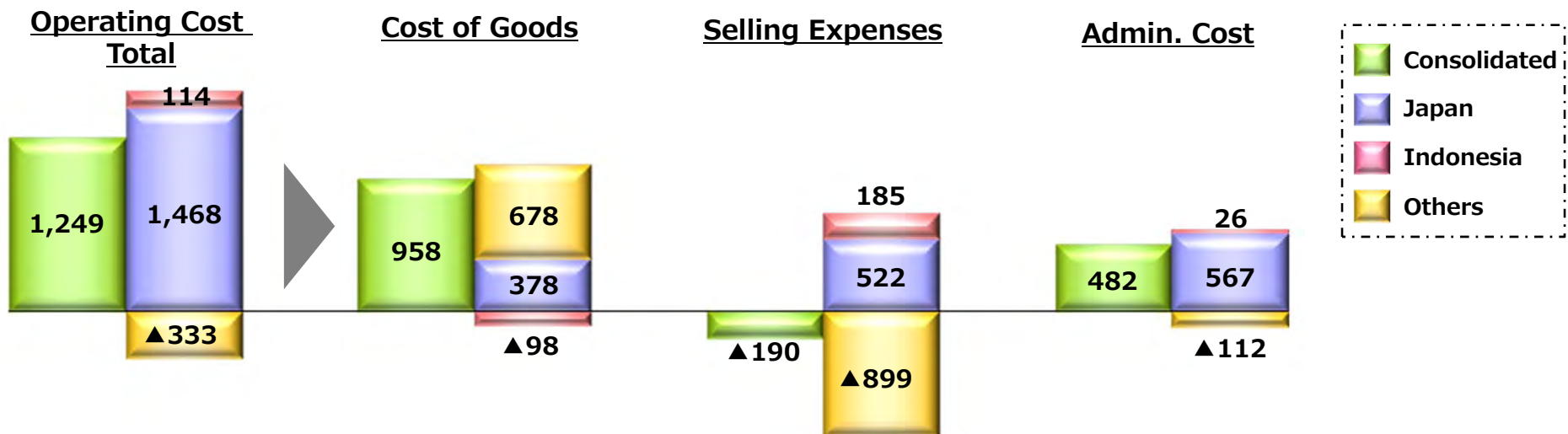


3-3. Operating Income by Region Ratio (Year-on-Year)

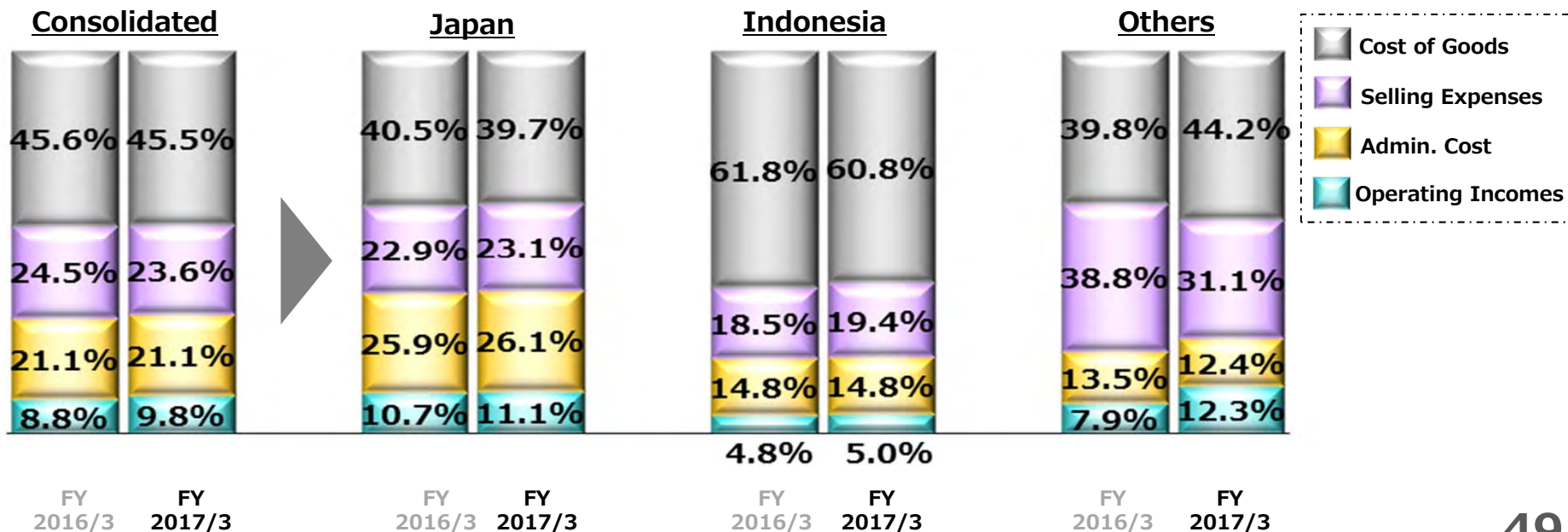


3.(Appendix) Consolidated Incomes

3-4. Operating Cost Analysis (Year-on-Year)



3-5. Operating Cost & Income (Ratio to Sales)



3.(Appendix)Consolidated Incomes

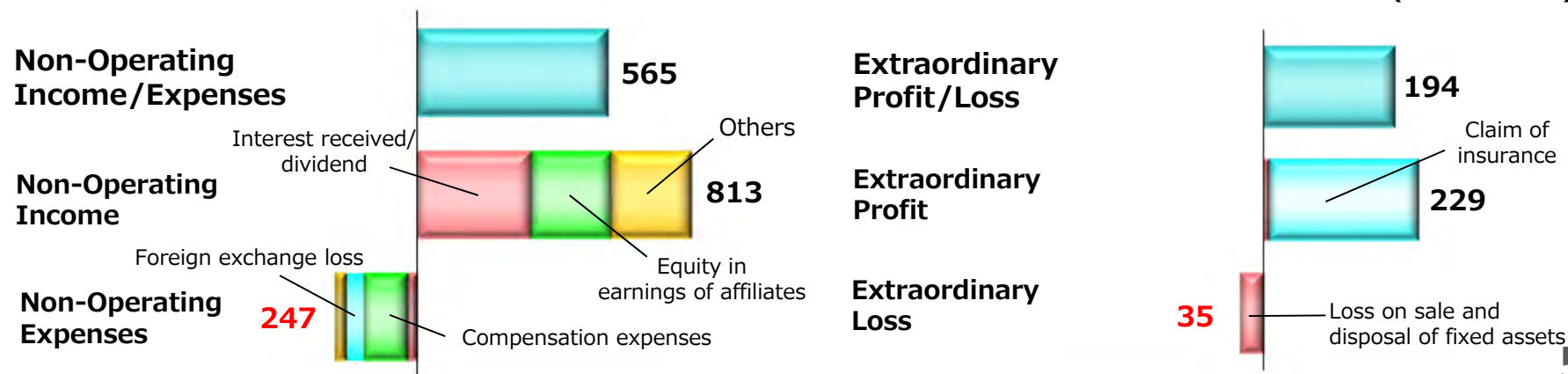
3-6. Ordinary Income and Net Income Attributable to Owners of Parent by Region

(Unit:MIn Yen)

	Annual					
	FY2017/3		FY2016/3		Balance	Yr/Yr
	Result	per Sales	Result	per Sales		
Non-operating Income/Loss	565	0.7%	820	1.1%	▲ 255	68.9%
Ordinary Income	8,183	10.6%	7,415	9.9%	768	110.4%
Extraordinary Profit/Loss	194	0.3%	3,283	4.4%	▲ 3,089	5.9%
Income before Income Taxes and Minority Interests	8,377	10.8%	10,698	14.3%	▲ 2,321	78.3%
Income Taxes and Minority Interests	2,232	2.9%	2,380	3.2%	▲ 148	93.8%
Net Income	6,144	7.9%	8,317	11.1%	▲ 2,173	73.9%
Net Income Attributable to Non-controlling interests	578	0.7%	1,934	2.6%	▲ 1,356	29.9%
Net Income Attributable to Owners of Parent	5,566	7.2%	6,383	8.5%	▲ 816	87.2%

3-7. Non-Operating Income/Expenses & Extraordinary Profit/Loss

(Unit:MIn Yen)



4.(Appendix)P/L of Mandom Corporation, PT Mandom Indonesia Tbk

■ Results of FY 2017/3 (P/L of Mandom Corporation, PT Mandom Indonesia Tbk)

	FY2017/3	FY2016/3	balance	Yr/Yr
Net sales	49,604	47,469	2,134	104.5%
Cost of Goods	22,130	21,339	791	103.7%
Cost Ratio	44.6%	45.0%	-0.3P	-
Selling, general and administrative expenses	22,080	21,034	1,045	105.0%
Operating Income	5,393	5,095	297	105.8%
Non-operating Income/Loss	758	843	▲ 85	89.9%
Ordinary Income	6,151	5,939	212	103.6%
Extraordinary Profit/loss	▲ 24	▲ 479	455	5.1%
Net Income	4,517	3,666	851	123.2%

■ Consolidated: Depreciation, Capital Investment (Unit : Mln Yen)

	FY2017/3	FY2016/3	balance
Depreciation	3,165	2,919	246
Capital investment	3,309	3,725	▲ 416

■ Mandom Corp. Only: Depreciation, Capital Investment (Unit : Mln Yen)

	FY2017/3	FY2016/3	balance
Depreciation	2,138	1,862	275
Capital investment	2,012	2,346	▲ 333

PT Mandom Indonesia Tbk Local Currency

	FY2017/3	FY2016/3	balance	Yr/Yr
Net sales	2,526,776	2,314,889	211,886	109.2%
Cost of Goods	1,543,337	1,436,977	106,359	107.4%
Cost Ratio	61.1%	62.1%	-1.0P	-
Operating Income	235,853	218,680	17,173	107.9%
Net Income	162,059	544,474	▲ 382,414	29.8%

Yen Equivalent (Unit : Mln Yen)

	FY2017/3	FY2016/3	balance	Yr/Yr
Net sales	20,972	21,065	▲ 93	99.6%
Cost of Goods	12,809	13,076	▲ 266	98.0%
Cost Ratio	61.1%	62.1%	-1.0P	-
Operating Income	1,957	1,989	▲ 32	98.4%
Net Income	1,345	4,954	▲ 3,609	27.1%

FY2017/3 Rp.1= ¥0.0083

FY2016/3 Rp.1= ¥0.0091