

Consolidated Balance Sheets

MANDOM CORPORATION and its Consolidated Subsidiaries
As of March 31, 2013

	Millions of Yen	
	2013	2012
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents (Note 13)	¥10,482	¥ 9,793
Short-term investments (Notes 3 and 13)	13,962	9,804
Receivables (Note 13):		
Trade notes and accounts	7,654	7,092
Unconsolidated subsidiary and associated company	92	97
Other	80	71
Allowance for doubtful accounts	(19)	(17)
Inventories (Note 4)	7,641	8,273
Deferred tax assets (Note 9)	822	704
Prepaid expenses and other current assets	595	727
Total current assets	41,309	36,544
PROPERTY, PLANT AND EQUIPMENT:		
Land	511	511
Buildings and structures	17,302	16,945
Machinery and equipment	13,165	12,147
Furniture and fixtures	4,259	3,942
Lease assets (Note 12)	45	45
Construction in progress	163	325
Total	35,445	33,915
Accumulated depreciation	(23,902)	(22,002)
Net property, plant and equipment	11,543	11,913
INVESTMENTS AND OTHER ASSETS:		
Investment securities (Notes 3 and 13)	5,034	4,243
Investments in unconsolidated subsidiary and associated company	210	183
Goodwill		38
Deferred tax assets (Note 9)	245	704
Other assets (Note 5)	1,823	1,976
Total investments and other assets	7,312	7,144
TOTAL	¥60,164	¥55,601

See notes to consolidated financial statements.

Consolidated Balance Sheets

MANDOM CORPORATION and its Consolidated Subsidiaries
As of March 31, 2013

	Millions of Yen	
	2013	2012
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Payables (Note 13):		
Trade notes and accounts	¥ 3,852	¥ 3,976
Unconsolidated subsidiary and associated company	8	7
Other	239	81
Accrued income taxes (Notes 9 and 13)	995	703
Accrued expenses	1,531	1,242
Other current liability	570	430
Total current liabilities	7,195	6,439
LONG-TERM LIABILITIES:		
Liability for retirement benefits (Note 6)	1,073	1,046
Deferred tax liabilities (Note 9)	4	4
Other long-term liabilities (Note 7)	855	1,029
Total long-term liabilities	1,932	2,079
COMMITMENTS (Note 12)		
EQUITY (Notes 8 and 16):		
Common stock		
authorized, 81,969,700 shares		
issued, 24,134,606 shares in 2013 and 2012	11,395	11,395
Capital surplus	11,235	11,235
Retained earnings	30,834	28,629
Treasury stock - at cost 754,463 shares and 753,967 shares in 2013 and 2012, respectively	(1,850)	(1,849)
Accumulated other comprehensive income (loss):		
Unrealized gain (loss) on available-for-sale securities	335	(336)
Foreign currency translation adjustments	(4,929)	(5,562)
Total	47,020	43,512
Minority interests	4,017	3,571
Total equity	51,037	47,083
TOTAL	¥60,164	¥55,601

See notes to consolidated financial statements.

Consolidated Statement of Income

MANDOM CORPORATION and its Consolidated Subsidiaries
For the Year Ended March 31, 2013

	Millions of Yen	
	2013	2012
NET SALES (Note 15)	¥60,427	¥59,802
COST OF SALES (Note 15)	27,568	27,410
Gross profit	32,859	32,392
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Notes 10, 11 and 15)	26,911	26,342
Operating income	5,948	6,050
OTHER INCOME (EXPENSES):		
Interest and dividend income (Note 15)	237	218
Foreign exchange loss	(26)	(56)
Loss on disposal of property, plant and equipment	(18)	(72)
Loss on sales of investment securities	(3)	(88)
Other - net (Note 15)	135	67
Other income - net	325	69
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	6,273	6,119
INCOME TAXES (Note 9):		
Current	2,208	2,155
Deferred	(33)	200
Total income taxes	2,175	2,355
NET INCOME BEFORE MINORITY INTERESTS	4,098	3,764
MINORITY INTERESTS IN NET INCOME OF CONSOLIDATED SUBSIDIARIES	491	465
NET INCOME	¥ 3,607	¥ 3,299
	Yen	
	2013	2012
PER SHARE OF COMMON STOCK (Note 2.m):		
Basic net income	¥154.29	¥141.11
Cash dividends applicable to the year	60.00	60.00

Diluted net income per share is not presented because no dilutive securities exist.
See notes to consolidated financial statements.

Consolidated Statement of Comprehensive Income

MANDOM CORPORATION and its Consolidated Subsidiaries
For the Year Ended March 31, 2013

	Millions of Yen	
	2013	2012
NET INCOME BEFORE MINORITY INTERESTS	¥4,098	¥3,764
OTHER COMPREHENSIVE INCOME (LOSS) (Note 14):		
Unrealized gain on available-for-sale securities	673	223
Foreign currency translation adjustments	794	(532)
Share of other comprehensive income (loss) in associate	28	(7)
Total other comprehensive income (loss)	1,495	(316)
COMPREHENSIVE INCOME (Note 14)	¥5,593	¥3,448
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO (Note 14):		
Owners of the parent	¥4,912	¥3,167
Minority interests	681	281

See notes to consolidated financial statements.

Consolidated Statement of Changes in Equity

MANDOM CORPORATION and its Consolidated Subsidiaries
For the Year Ended March 31, 2013

	Thousands	Millions of Yen			
	Outstanding Number of Shares of Common Stock	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock
BALANCE, APRIL 1, 2011	23,381	¥11,395	¥11,235	¥26,733	¥(1,848)
Net income				3,299	
Cash dividends, ¥60 per share				(1,403)	
Purchase of treasury stock	(0)				(1)
Disposal of treasury stock	0		(0)	(0)	0
Net change in the year					
BALANCE, MARCH 31, 2012	23,381	11,395	11,235	28,629	(1,849)
Net income				3,607	
Cash dividends, ¥60 per share				(1,402)	
Purchase of treasury stock	(1)				(1)
Disposal of treasury stock	0			(0)	0
Net change in the year					
BALANCE, MARCH 31, 2013	23,380	¥11,395	¥11,235	¥30,834	¥(1,850)

	Millions of Yen				
	Accumulated Other Comprehensive Income (Loss)		Total	Minority Interests	Total Equity
	Unrealized Gain (Loss) on Available-for-sale Securities	Foreign Currency Translation Adjustments			
BALANCE, APRIL 1, 2011	¥(560)	¥(5,207)	¥41,748	¥3,544	¥45,292
Net income			3,299		3,299
Cash dividends, ¥60 per share			(1,403)		(1,403)
Purchase of treasury stock			(1)		(1)
Disposal of treasury stock			0		0
Net change in the year	224	(355)	(131)	27	(104)
BALANCE, MARCH 31, 2012	(336)	(5,562)	43,512	3,571	47,083
Net income			3,607		3,607
Cash dividends, ¥60 per share			(1,402)		(1,402)
Purchase of treasury stock			(1)		(1)
Disposal of treasury stock			0		0
Net change in the year	671	633	1,304	446	1,750
BALANCE, MARCH 31, 2013	¥ 335	¥(4,929)	¥47,020	¥4,017	¥51,037

See notes to consolidated financial statements.

Consolidated Statement of Cash Flows

MANDOM CORPORATION and its Consolidated Subsidiaries
For the Year Ended March 31, 2013

	Millions of Yen	
	2013	2012
OPERATING ACTIVITIES:		
Income before income taxes and minority interests	¥ 6,273	¥ 6,119
Adjustments for:		
Income taxes paid	(1,930)	(2,216)
Depreciation and amortization	2,203	2,324
Liability for retirement benefits	1	19
Loss on sales of investment securities	2	88
Loss on disposal of property, plant and equipment	15	60
Changes in assets and liabilities:		
Increase in receivables	(227)	(1,131)
Decrease (increase) in inventories	906	(1,904)
Increase in payables	88	375
Other - net	274	(41)
Total adjustments	1,332	(2,426)
Net cash provided by operating activities	7,605	3,693
INVESTING ACTIVITIES:		
Increase in time deposits other than cash equivalents	(2,083)	(1,538)
Decrease in time deposits other than cash equivalents	1,485	1,414
Acquisition of property, plant and equipment	(1,810)	(1,711)
Proceeds from sales and redemptions of investment securities	586	331
Payments for purchases of investment securities	(8)	(376)
Proceeds from sales and redemptions of short-term investment securities	33,600	32,500
Payments for purchases of short-term investment securities	(37,191)	(33,291)
Other - net	34	(24)
Net cash used in investing activities	(5,387)	(2,695)
FINANCING ACTIVITIES:		
Dividends paid	(1,637)	(1,659)
Other - net	(10)	(9)
Net cash used in financing activities	(1,647)	(1,668)
EFFECT OF FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS		
	118	(88)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	689	(758)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	9,793	10,551
CASH AND CASH EQUIVALENTS, END OF YEAR	¥10,482	¥ 9,793

See notes to consolidated financial statements.