

Consolidated Financial Statements

English financial statements (including notes) and independent auditor's reports posted at "Mandom Report 2020".
However, the consolidated financial statements stated in the securities report recorded English translations from 2021.

Consolidated Balance Sheet

MANDOM CORPORATION and Its Consolidated Subsidiaries
As of March 31, 2021

Millions of Yen

	2021	2020
Assets		
Current assets		
Cash and deposits	¥ 16,143	¥ 15,679
Notes and accounts receivable - trade	9,081	11,904
Merchandise and finished goods	8,931	11,359
Work in process	352	448
Raw materials and supplies	3,047	3,383
Other	2,230	1,279
Allowance for doubtful accounts	(11)	(11)
Total current assets	39,775	44,042
Non-current assets		
Property, plant and equipment		
Buildings and structures	30,519	23,896
Accumulated depreciation	(14,477)	(14,205)
Buildings and structures, net	16,041	9,691
Machinery, equipment and vehicles	26,294	21,314
Accumulated depreciation	(17,046)	(15,637)
Machinery, equipment and vehicles, net	9,248	5,677
Tools, furniture and fixtures	7,397	7,391
Accumulated depreciation	(6,414)	(6,234)
Tools, furniture and fixtures, net	983	1,156
Land	1,143	1,195
Leased assets	4	17
Accumulated depreciation	(0)	(16)
Leased assets, net	3	1
Right of use assets	682	545
Accumulated depreciation	(312)	(216)
Right of use assets, net	369	328
Construction in progress	598	7,584
Total property, plant and equipment	28,387	25,635
Intangible assets		
Goodwill	2,835	3,173
Trademark right	866	969
Customer relation assets	1,352	1,514
Software	2,132	2,248
Other	530	764
Total intangible assets	7,716	8,670
Investments and other assets		
Investment securities	10,735	12,147
Retirement benefit asset	252	—
Deferred tax assets	462	514
Other	589	661
Allowance for doubtful accounts	(8)	(11)
Total investments and other assets	12,031	13,311
Total non-current assets	48,135	47,618
Total assets	¥ 87,911	¥ 91,660

	Millions of Yen	
	2021	2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	¥ 1,374	¥ 2,476
Short-term borrowings	3,694	43
Accounts payable - other	3,608	5,610
Income taxes payable	290	555
Provision for bonuses	841	886
Provision for Directors' compensations based on profit	54	74
Provision for sales returns	481	177
Other	1,954	1,915
Total current liabilities	12,298	11,739
Non-current liabilities		
Deferred tax liabilities	2,157	2,565
Retirement benefit liability	2,456	2,569
Other	1,285	1,334
Total non-current liabilities	5,899	6,468
Total liabilities	18,198	18,208
Net assets		
Shareholders' equity		
Share capital	11,394	11,394
Capital surplus	11,013	11,013
Retained earnings	50,662	51,911
Treasury shares	(6,826)	(6,826)
Total shareholders' equity	66,245	67,494
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,825	5,379
Foreign currency translation adjustment	(6,933)	(5,542)
Remeasurements of defined benefit plans	85	(213)
Total accumulated other comprehensive income	(2,023)	(377)
Non-controlling interests	5,491	6,335
Total net assets	69,713	73,452
Total liabilities and net assets	¥ 87,911	¥ 91,660

Consolidated Financial Statements

Consolidated Statement of Income

MANDOM CORPORATION and Its Consolidated Subsidiaries
For the Year Ended March 31, 2021

Millions of Yen

	2021	2020
Net sales	¥ 63,310	¥ 81,774
Cost of sales	33,882	39,493
Gross profit	29,427	42,280
Selling, general and administrative expenses		
Promotion expenses	4,836	6,471
Sales incentive	1,366	1,567
Advertising expenses	3,416	4,725
Transportation and storage costs	3,060	3,375
Remuneration, salaries and allowances	7,473	8,002
Provision for bonuses	648	696
Retirement benefit expenses	391	381
Depreciation	1,409	1,540
Amortization of goodwill	216	225
Research and development expenses	1,480	1,855
Other	5,922	7,469
Total selling, general and administrative expenses	30,221	36,310
Operating profit (loss)	(793)	5,970
Non-operating income		
Interest income	199	243
Dividend income	131	142
Share of profit of entities accounted for using equity method	95	273
Other	212	194
Total non-operating income	638	853
Non-operating expenses		
Interest expenses	23	26
Commitment fees	15	—
Sales discounts	11	15
Commission for purchase of treasury shares	0	30
Compensation expenses	34	19
Foreign exchange losses	13	0
Other	20	27
Total non-operating expenses	118	117
Ordinary profit (loss)	(273)	6,706
Extraordinary income		
Gain on sale of non-current assets	1	16
Gain on sale of investment securities	1,791	95
Total extraordinary income	1,793	112
Extraordinary losses		
Loss on sale of non-current assets	4	1
Loss on retirement of non-current assets	291	17
Impairment losses	2	—
Loss on sale of investment securities	1	—
Total extraordinary losses	299	19
Profit before income taxes	1,221	6,799
Income taxes - current	777	1,719
Income taxes - deferred	(280)	134
Total income taxes	496	1,854
Profit	724	4,945
Profit (loss) attributable to non-controlling interests	(136)	499
Profit attributable to owners of parent	¥ 860	¥ 4,445

Consolidated Statement of Comprehensive Income

MANDOM CORPORATION and Its Consolidated Subsidiaries
For the Year Ended March 31, 2021

	Millions of Yen	
	2021	2020
Profit	¥ 724	¥ 4,945
Other comprehensive income (loss)		
Valuation difference on available-for-sale securities	(553)	(28)
Foreign currency translation adjustment	(1,796)	529
Remeasurements of defined benefit plans, net of tax	277	(100)
Share of other comprehensive income of entities accounted for using equity method	(44)	(3)
Total other comprehensive income (loss)	^{*)} (2,117)	^{*)} 396
Comprehensive income (loss)	¥ (1,393)	¥ 5,342
Comprehensive income (loss) attributable to		
Comprehensive income attributable to owners of parent	¥ (785)	¥ 4,688
Comprehensive income attributable to non-controlling interests	(608)	653

Consolidated Financial Statements

Consolidated Statement of Changes in Equity

MANDOM CORPORATION and Its Consolidated Subsidiaries
For the Year Ended March 31, 2020

Millions of Yen

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,394	11,016	50,037	(1,828)	70,620	5,407	(5,878)	(148)	(620)	5,809	75,810
Cumulative effects of changes in accounting policies			230		230		(44)		(44)	119	305
Restated balance	11,394	11,016	50,267	(1,828)	70,850	5,407	(5,923)	(148)	(664)	5,929	76,115
Changes during period											
Dividends of surplus			(2,801)		(2,801)						(2,801)
Profit attributable to owners of parent			4,445		4,445						4,445
Purchase of treasury shares				(5,000)	(5,000)						(5,000)
Disposal of treasury shares		1		2	4						4
Change in ownership interest of parent due to transactions with non-controlling interests		(4)	(0)		(4)						(4)
Net changes in items other than shareholders' equity						(28)	380	(65)	287	406	693
Total changes during period	—	(2)	1,644	(4,997)	(3,355)	(28)	380	(65)	287	406	(2,662)
Balance at end of period	11,394	11,013	51,911	(6,826)	67,494	5,379	(5,542)	(213)	(377)	6,335	73,452

For the Year Ended March 31, 2021

Millions of Yen

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,394	11,013	51,911	(6,826)	67,494	5,379	(5,542)	(213)	(377)	6,335	73,452
Changes during period											
Dividends of surplus			(2,109)		(2,109)						(2,109)
Profit attributable to owners of parent			860		860						860
Purchase of treasury shares				(0)	(0)						(0)
Disposal of treasury shares		(0)		0	0						0
Net changes in items other than shareholders' equity						(553)	(1,391)	299	(1,645)	(843)	(2,489)
Total changes during period	—	(0)	(1,249)	(0)	(1,249)	(553)	(1,391)	299	(1,645)	(843)	(3,739)
Balance at end of period	11,394	11,013	50,662	(6,826)	66,245	4,825	(6,933)	85	(2,023)	5,491	69,713

Consolidated Statement of Cash Flows

MANDOM CORPORATION and Its Consolidated Subsidiaries
For the Year Ended March 31, 2021

Millions of Yen

	2021	2020
Cash flows from operating activities		
Profit before income taxes	¥ 1,221	¥ 6,799
Depreciation	4,818	4,369
Amortization of goodwill	216	225
Impairment losses	2	—
Increase (decrease) in allowance for doubtful accounts	(4)	(8)
Increase (decrease) in provision for sales returns	303	(186)
Increase (decrease) in provision for bonuses	(45)	(71)
Increase (decrease) in retirement benefit liability	212	314
Interest and dividend income	(330)	(385)
Foreign exchange losses (gains)	(174)	154
Share of loss (profit) of entities accounted for using equity method	(95)	(273)
Loss on retirement of property, plant and equipment	291	17
Loss (gain) on sale of investment securities	(1,790)	(95)
Loss (gain) on sale of non-current assets	2	(14)
Decrease (increase) in trade receivables	2,494	(9)
Decrease (increase) in inventories	2,364	(1,492)
Increase (decrease) in trade payables	(1,045)	345
Increase (decrease) in accounts payable - other	(1,128)	(305)
Other, net	(458)	(409)
Subtotal	6,853	8,973
Interest and dividends received	459	392
Interest paid	(23)	(26)
Income taxes paid	(1,080)	(2,402)
Net cash provided by (used in) operating activities	6,208	6,937
Cash flows from investing activities		
Payments into time deposits	(3,346)	(4,386)
Proceeds from withdrawal of time deposits	4,259	3,800
Purchase of property, plant and equipment	(8,219)	(8,386)
Purchase of intangible assets	(660)	(1,082)
Purchase of investment securities	(8)	(31)
Proceeds from sale and redemption of investment securities	2,344	202
Other, net	(49)	46
Net cash provided by (used in) investing activities	(5,680)	(9,836)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	3,650	(63)
Purchase of treasury shares	(0)	(5,000)
Repayments of lease obligations	(178)	(170)
Dividends paid	(2,109)	(2,802)
Dividends paid to non-controlling interests	(235)	(246)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(24)
Other, net	0	—
Net cash provided by (used in) financing activities	1,125	(8,307)
Effect of exchange rate change on cash and cash equivalents	(270)	84
Net increase (decrease) in cash and cash equivalents	1,383	(11,122)
Cash and cash equivalents at beginning of period	11,657	22,779
Cash and cash equivalents at end of period	¥ 13,040	¥ 11,657

Philosophy & History

Strategy

Strengths to Achieve Strategy

Foundation to Achieve Strategy

Performance for FY2020

Others