

(2) Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	(¥ million)	(¥ million)	%
Nine months ended December 31, 2012	54,474	46,541	79.0
FY 2011	53,328	45,291	78.3

Reference: Shareholders' Equity
 FY2012 Q3: ¥43,043 million FY2011: ¥ 41,748 million

2. Dividends

	Dividend Per Share				
	End Q1	End Q2	End Q3	End FY	FY Total
FY 2011	–	¥30.00	–	¥30.00	¥60.00
FY 2012	–	¥30.00	–		
FY 2012 (Forecast)				¥30.00	¥60.00

Note: Changes in the latest published dividend forecast: None

3. Outlook for Fiscal 2012 (April 1, 2011 – March 31, 2012)

(The percentages are year-on-year increase/decrease rates.)

	Net Sales		Operating Income		Ordinary Income		Net Income		EPS
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
FY2012	60,500	5.7	6,250	8.7	6,450	7.4	3,420	28.0	146.27

Note: Changes in the latest published business outlook: None

4. Other Information

- (1) Changes in consolidation of significant subsidiaries during this consolidated cumulative one-quarter period (changes in consolidation of specific subsidiaries resulting from any change in the scope of consolidation): None
- (2) Application of special accounting methods for preparation of the quarterly consolidated financial statements: Yes
- (3) Accounting policy changes, accounting estimate changes, and restatements
 - 1) Accounting policy changes resulting from change in accounting principle: None
 - 2) Accounting policy changes other than in 1) above: None
 - 3) Accounting estimate changes: None
 - 4) Restatements: None
- (4) Total number of issued shares (common stock)
 - 1) Total number of issued shares at the end of the fiscal year (including treasury stock)
12/12: 24,134,606 3/11: 24,134,606
 - 2) Total number of treasury stocks
12/12: 753,936 3/11: 753,410
 - 3) Average number of stocks during the consolidated period (Q1+Q2+Q3)
12/12: 23,380,824 12/11: 23,381,112

* Information on the status of implementation of quarterly review formalities

The present quarterly report of business results falls outside the scope of quarterly review formalities as defined in the Financial Instruments and Exchange Act of Japan. At the time of publication of the present quarterly report, the quarterly review of the Company's financial statements as defined in the above Act have not been completed.

* Information for the appropriate use of forecast figures, and other special comments

Data and comments relating to performance outlook given hereby are based on the information currently available to Mandom Corporation and on specific facts deemed to be reasonable at the time. Actual performance may differ greatly from the figures

forecast due to various factors. For special notes on using the forecast figures and the assumptions used in making the forecast, refer to p. 8 under 1. Qualitative Analysis of the Quarter's Consolidated Business Results, (3) Consolidated Business Result Forecast: Qualitative Analysis.

1. Qualitative Analysis for the Quarter's Consolidated Business Results

(1) Consolidated Operating Results: Qualitative Analysis

Japan's economy during this third quarter's consolidated cumulative period that ended December 31, 2011, was extremely challenging due to the influence of the devastating Great East Japan Earthquake and Tsunami that occurred on March 11. Currently, signs of recovery are evident as restoration of seriously damaged supply chains progresses, although uncertainties for the future remain due to the slowdown of the world economy and persistence of the strong yen. In Asia, where the Mandom Group conducts its overseas operations, the economy remained mostly strong despite the general tendency of a slight downturn under the influence of struggling world economy.

Under these economic circumstances, the Group focused on achieving sustained growth by ensuring stable expansion in the core business area of men's grooming, further implementing business operations for women's cosmetics, and continued expansion of business overseas, emphasizing Asia as the engine of growth.

The Group's consolidated sales for the same nine-month period ending December 31, 2011 totaled 46,646 million yen (up 5.7% year-on-year). This was mainly due to strong sales of the core brand "Gatsby" in Japan, even though it did not achieve the gain of sales until the previous one, and to the strong expansion of business operations for women's cosmetics in Japan and overseas.

Operating income was 5,876 million yen (up 5.2% year-on-year), with major income increases offsetting a cost rate hike and marketing (sales promotion and advertising) expenses in Japan. As a result, ordinary income totaled 6,103 million yen (up 4.3% year-on-year). Net income for the same period increased to 3,237 million yen (up 16.3% year-on-year) under the influence of corporate and other taxes which were posted in the previous year.

Regional information on business performance:

In Japan, sales amounted to 30,908 million yen (up 6.4% year-on-year), mainly thanks to overall sales expansion buoyed by strong performance of the core brand "Gatsby," centering on summer products such as Facial Paper and Body Paper, and by healthy

business operations in women's cosmetics, despite difficulties in marketing existing products. Operating income increased to 3,864 million yen (up 3.7% year-on-year), despite the cost rate hike and marketing (sales promotion and advertising) expenses accompanying the sales expansion of summer products.

In Indonesia, sales increased slightly, to 9,978 million yen (up 1.0% year-on-year). The reduced value of the yen and lower local currency valuations were factors, although business operations for women's cosmetics in Indonesia were strong on a local currency basis. Operating income was 1,127 million yen (up 6.9% year-on-year). Higher local currency valuations against the dollar and the yen, used to purchase imported raw materials, contributed to cost reductions.

In other overseas markets, sales were 5,760 million yen (up 10.7% year-on-year), mainly thanks to higher performance of the core brand "Gatsby" and strong sales of women's cosmetics in each market. Operating income totaled 883 million yen (up 9.8% year-on-year), as a result of favorable overall income growth.

(2) Consolidated Financial Condition: Qualitative Analysis

Total assets at the end of this third quarter were 54,474 million yen, an increase of 1,145 million yen from the end of the previous financial year, mainly due to increases in inventories and trade receivables.

Liabilities totaled 7,932 million yen, a decrease of 103 million yen from the previous term end, largely because the decrease in payments due exceeded the increase in trade payables and unpaid corporate taxes.

Net assets increased by 1,249 million yen from the previous term end, to 46,541 million yen, with a ratio of owners' equity to total assets of 79.0%. This increase was mainly due to the augmentation of shareholder equity with increased retained earnings.

<Cash Flow>

Net cash provided by operating activities during this third quarter's consolidated cumulative period registered a positive balance of 2,660 million yen, an increase of 390 million yen compared with the same term last year. This is primarily because of, on a year-on-year basis, an increase of 545 million yen in purchase to 528 million yen and an expenditure of corporate taxes limited to 2,109 million yen, as a result of a decrease of 817 million yen, as well as a decrease in inventories by 1,275 million to 1,867 million yen.

Net cash provided by investment activities ended in a negative balance of 2,078 million yen, a year-on-year decrease of 1,595 million yen. This was principally due to a decrease in expenditures of 2,147 million yen compared with the same period last year, accompanied by the acquisition, redemption and sale of marketable and investment securities.

Financial activities ended in a negative cash flow of 1,653 million yen, down 3 million yen from the same period last year. This mainly resulted from an expenditure of 1,645 million yen in the payout of dividends, including those for minority shareholders, down 3 million yen compared with the same period last year.

As a result of all the activities mentioned above, cash and cash equivalents on hand at the end of this third quarter amounted to 9,360 million yen, down 1,190 million yen from the previous financial year-end.

(3) Consolidated Business Result Forecast: Qualitative Analysis

The consolidated business result forecast remains unchanged from the public announcement made on July 29, 2011.

2. Notes on Summary Information (Other Information)

(1) Changes in consolidation of significant subsidiaries during this consolidated cumulative one-quarter period:

No items to report.

(2) Application of special accounting methods for preparation of the quarterly consolidated financial statements:

The Company and its domestic consolidated subsidiaries compute tax expenses by reasonably estimating the effective tax rate after applying deferred tax accounting to pretax current net income for the consolidated fiscal year including this first, second and third quarters, and then multiplying the pretax quarterly net income by the resultant estimated effective tax rate.