



October 30, 2013

Consolidated Business Results (April 1, 2013 to September 30, 2013: Japanese Standards)

Corporate Name: **Mandom Corporation**
 Listed Exchange: Tokyo
 Code Number: 4917
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Dividend Payout: December 6, 2013
 Expected Release Date of Quarterly Report: November 8, 2013
 Documents Providing Supplemental Information: Yes
 Financial Briefing: Yes (for institutional investors)

(Figures rounded down to the nearest million yen)

1. Consolidated Earnings for the First Quarter and Second Quarter of the Fiscal Year Ended March 2014 (April 1, 2013 to September 30, 2013)

(1) Consolidated Financial Highlights(cumulative) (% = change vs. same period in prior year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
1Q+2Q, FYE March 2014	37,043	9.4	5,356	13.0	5,593	13.8	3,302	8.3
1Q+2Q, FYE March 2013	33,851	△0.3	4,739	△3.1	4,916	△3.2	3,049	11.2

Note: Comprehensive Income
 1Q+2Q, FYE March 2014 ¥5,769million (104.2%)
 1Q+2Q, FYE March 2013 ¥2,825 million (△15.9%)

	Earnings per Share	Diluted Earnings per Share
	yen	yen
1Q+2Q, FYE March 2014	141.27	-
1Q+2Q, FYE March 2013	130.41	-

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	¥ millions	¥ millions	%
1Q+2Q, FYE March 2014	67,661	55,757	75.8
FYE March 2013	60,163	51,037	78.2

Reference: Shareholders' Equity
 1Q+2Q, FYE March 2014 ¥51,268million
 FYE March 2013 ¥47,019 million

2. Dividends

	Annual Dividend				
	First Quarter End	Second Quarter End	Third Quarter End	Year End	Total
	yen	yen	yen	yen	yen
FYE March 2013	-	30.00	-	32.00	62.00
FYE March 2014	-	33.00			
FYE March 2014 (forecast)			-	33.00	66.00

Note: Changes to most recently reported dividend forecast: None

3. Consolidated Earnings Forecast, Fiscal Year Ending March 2014 (April 1, 2013 to March 31, 2014)

(% = change vs. same period in prior year)

	Net Sales		Operating Income		Ordinary Income		Net Income		Earnings per Share
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	yen
Full Year	66,500	10.1	6,650	11.8	6,860	9.9	3,800	5.3	162.54

(Note) Changes to most recently reported earnings forecast: None

* Notes

(1) Changes in consolidation of significant subsidiaries during the cumulative consolidated quarter (changes in consolidation of specific subsidiaries): None

(2) Application of special accounting treatment in the preparation of quarterly financial statements: Yes

(3) Changes in accounting estimates, methods, or presentation

- Changes in accounting methods in connection with changes: None
- Changes in accounting methods other than a.: None
- Changes in accounting estimates: None
- Changes in presentation: None

(4) Issued shares (common stock)

a. Shares outstanding, end of period (including treasury stock)

2Q, FYE March 2014	24,134,606shares
FYE March 2013	24,134,606shares

b. Treasury stock, end of period

2Q, FYE March 2014	755,157shares
FYE March 2013	754,463shares

c. Average outstanding shares during the period

2Q, FYE March 2014	23,379,661shares
2Q, FYE March 2013	23,380,632shares

*Implementation Status of Quarterly Review Procedures

These quarterly financial statements are exempt from quarterly review procedures required under the Financial Instruments and Exchange Act. At the time of disclosure, quarterly financial statement review procedures for these quarterly financial statements had not been completed.

***Appropriate Use of Business Forecasts ; Other Special Items**

Information in this report concerning future performance is based on information available and certain assumptions deemed reasonable. Forecasts are not promises of future performance. Actual earnings may differ significantly from forecasts due to a number of factors.

See page 5. of the attached materials, “1. Qualitative Information concerning Quarterly Financial Statements, (3) Qualitative Information concerning Forecast of Consolidated Earnings” for important notes concerning assumptions used for earnings forecasts and the appropriate use of earnings forecasts.

< Attachment >

1. Qualitative Information concerning Quarterly Financial Statements

(1) Qualitative Information concerning Consolidated Results of Operations

During the cumulative consolidated second quarter, Japan's economy showed signs of overall improvement buoyed by government economic and financial policies. However, doubts remain as to the stability of the global economy, making it difficult to predict the future with any certainty. Meanwhile, the economies throughout Asia — our main sphere of international operations — are cooling off in general due to worries about the lingering financial crisis in Europe.

Given these economic conditions, the Mandom Group is pursuing initiatives which we believe will lead to sustained growth:

Stable growth in our core men's grooming business

Expansion of our women's cosmetics business

Continued expansion of overseas sales, emphasizing Asia as an engine of growth

The Mandom Group recorded second quarter consolidated net sales of ¥37.043 billion (a 9.4% year-on-year increase). This increase was mainly due to solid performance in our core Gatsby brand in Japan and overseas, as well as an increase in yen conversion exchange gains due to the weaker yen when converting overseas subsidiary net sales.

Operating income amounted to ¥5.356 billion, which was a 13.0% year-on-year gain. This was mainly due to higher revenues as a result of aggressive investment in domestic and international marketing expenses (sales promotion and advertising expense). As a result, ordinary income for the consolidated second quarter amounted to ¥5.593 billion, representing a 13.8% increase. Net income increased 8.3% year-on-year to ¥3.302 billion.

Group earnings by segments are as provided below (sales shown are net sales to external clients).

Net sales in Japan amounted to ¥23.292 billion, which was a 4.3% year-on-year increase. This increase was mainly due to strong performance in our most important product line, Gatsby and women's summer-season products. Operating income was up 12.7% year-on-year to ¥3.868 billion. We attribute this increase mainly to the result of aggressive investment in marketing expenses (sales promotion and advertising expense) and lower costs.

Net sales in Indonesia reached ¥8.039 billion, representing a 13.7% year-on-year increase. This result was mainly to stronger sales within the country as well as foreign-exchange gains due to the weaker yen. Despite increased payroll and other general and administrative expenses, higher revenues led to a 23.2% year-on-year gain in operating income to ¥607 million.

Net sales in other overseas regions amounted to ¥5.712 billion, representing a 28.5% year-on-year gain. This result was mainly due to strong sales in Gatsby line, our most important product line, as well as foreign-exchange gains due to the weaker yen. Despite higher SG&A expenses, greater revenues led to an 8.2% year-on-year gain in operating income, up to ¥880 million.

(2) Qualitative Information concerning Consolidated Financial Position

(Assets, Liabilities, and Net Assets)

Total consolidated assets as of the end of the second fiscal quarter amounted to ¥67.661 billion, representing a ¥7.497 billion increase compared to the end of the prior consolidated fiscal year. This increase was mainly due to increases in marketable securities and construction in progress. With higher other accounts payable in connection with capital investments, total liabilities increased ¥2.777 billion compared to the end of the prior consolidated fiscal year, up to ¥11.904 billion. Net assets amounted to ¥55.757 billion. This was a ¥4.720 billion increase compared to the end of the prior consolidated fiscal year, owing in part to higher retained earnings. Shareholders' equity ratio at the end of the first second was 75.8%.

(Cash Flows)

Consolidated cash and cash equivalents ("cash") for the cumulative second fiscal quarter increased by ¥397 million compared to the end of the prior consolidated fiscal year to ¥10.879 billion.

The following details the main factors affecting cash flows during the second quarter.

<Cash Flows from Operating Activities>

Cash flows from operating activities amounted to ¥6.903 billion, which was a ¥1.490 billion increase compared to the same period in the prior fiscal year. This increase was mainly due to higher operating income and decreases in trade receivables.

<Cash Flows from Investing Activities>

Consolidated cash used in investing activities amounted to ¥5.831 billion, which was a ¥1.813 billion increase compared to the same period in the prior fiscal year. This increase stemmed from higher cash outlays for tangible fixed assets.

<Cash Flows from Financing Activities>

Consolidated cash used in financing activities amounted to ¥1.055 billion, which was a ¥116 million increase compared to the same period in the prior fiscal year. This result was due to an increase in dividend payments, including payments to minority interest holders.

(3) Qualitative Information concerning Forecast of Consolidated Earnings

The Mandom Group has made no changes to consolidated full-year earnings forecasts as published on May 9, 2013.

2. Summary Information (Notes)

(1) Application of Special Accounting Treatment in the Preparation of Quarterly Financial Statements

The Company has made reasonable estimates of effective tax rates after applying tax-effect accounting to net income before income taxes for the consolidated fiscal period including the consolidated second fiscal quarter for the Company and domestic consolidated subsidiaries. Income tax expense has been calculated by multiplying quarterly net income before income taxes by the estimated effective tax rate.