



May 10, 2017

Consolidated Business Results (April 1, 2016 through March 31, 2017: Japanese Standards)

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 Listed Exchange: Tokyo
 Code Number: 4917
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Annual General Shareholders' Meeting: June 23, 2017
 Dividend Payout: June 26, 2017
 Financial Statements Issued: June 26, 2017
 Documents Providing Supplemental Information: Yes
 Financial Briefing: Yes (for institutional investors and analysts)

(Figures rounded down to the nearest million yen)

1. Consolidated Earnings for the Fiscal Year Ended March 31, 2017 (April 1, 2016 to March 31, 2017)

(1) Consolidated Financial Highlights

(% = change vs. PY)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
FYE March 2017	77,351	3.0	7,617	15.5	8,183	10.4	5,566	△12.8
FYE March 2016	75,078	5.9	6,594	△5.7	7,415	△2.4	6,383	44.2

Note: Comprehensive Income
 FYE March 2017 ¥5,939million (△15.3%)
 FYE March 2016 ¥7,011million (△9.9%)

	Earnings per Share	Diluted Earnings per Share	Return on Equity	Ordinary Income/Total Assets	Operating Income/Net Sales
	yen	yen	%	%	%
FYE March 2017	238.10	—	9.1	10.0	9.8
FYE March 2016	273.04	—	11.0	9.5	8.8

Reference: Income (loss) in minority interests
 FYE March 2017 ¥235 million
 FYE March 2016 ¥273 million

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	¥ millions	¥ millions	%	yen
FYE March 2017	83,835	69,590	75.4	2,705.76
FYE March 2016	79,821	65,856	74.8	2,554.01

Reference: Shareholders' Equity
 FYE March 2017 ¥63,253million
 FYE March 2016 ¥59,707million

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents, End of Period
	¥ millions	¥ millions	¥ millions	¥ millions
FYE March 2017	9,045	△5,920	△2,215	12,880
FYE March 2016	7,232	△2,383	△3,534	12,200

2. Dividends

	Annual Dividend					Total Dividend (total)	Dividend Payout Ratio (consolidated)	Dividend on Equity Ratio (consolidated)
	First Quarter End	Second Quarter End	Third Quarter End	Year End	Total			
	yen	yen	yen	yen	yen	¥ millions	%	%
FYE March 2016	–	40.00	–	40.00	80.00	1,870	29.3	3.2
FYE March 2017	–	43.00	–	53.00	96.00	2,244	40.3	3.7
FYE March 2018 (forecast)	–	49.00	–	49.00	98.00		40.9	

3. Consolidated Earnings Forecast, Fiscal Year Ending March 2018 (April 1, 2017 to March 31, 2018)

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

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent		Earnings per Share
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	yen
Second Quarter (cumulative)	43,000	1.6	5,100	△10.3	5,400	△10.4	3,650	△9.6	156.13
Full Year	80,000	3.4	8,000	5.0	8,500	3.9	5,600	0.6	239.55

* Notes

- (1) Changes in significant consolidated subsidiaries during the period (changes in consolidation of specific subsidiaries): None
- (2) Changes in accounting estimates, methods, or presentation
 - a. Changes in accounting methods in connection with changes in accounting standards: Yes
 - b. Changes in accounting methods other than a.: None
 - c. Changes in accounting estimates: None
 - d. Changes in presentation: None

(3) Issued shares (common stock)

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

FYE March 2017	24,134,606 shares
FYE March 2016	24,134,606 shares

b. Treasury stock, end of period

FYE March 2017	757,361 shares
FYE March 2016	756,548 shares

c. Average outstanding shares during the period

FYE March 2017	23,377,714 shares
FYE March 2016	23,378,404 shares

(Reference) Summary of Non-Consolidated Business Results

**1. Business Results, FYE March 2017
(April 1, 2016 to March 31, 2017)**

(1) Sales and Income

(% = change vs PY)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
FYE March 2017	49,604	4.5	5,393	5.8	6,151	3.6	4,517	23.2
FYE March 2016	47,469	5.8	5,095	4.0	5,939	5.0	3,666	△3.0

	Earnings per Share		Earnings per Share (diluted)	
	yen		yen	
FYE March 2017	193.24		-	
FYE March 2016	156.83		-	

(2) Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Shareholders' Equity per Share
	¥ millions	¥ millions	%	yen
FYE March 2017	63,972	55,320	86.5	2,366.44
FYE March 2016	60,939	52,331	85.9	2,238.48

(Reference) Treasury Stock FYE March 2017 ¥55,320 million
FYE March 2016 ¥52,331 million

**2. FYE March 2018 Forecast
(April 1, 2017 to March 31, 2018)**

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

	Net Sales		Ordinary Income		Net Income		Earnings per Share
	¥ millions	%	¥ millions	%	¥ millions	%	yen
Second Quarter (cumulative)	28,900	2.7	4,750	1.9	3,450	3.0	147.58
Full Year	51,000	2.8	6,300	2.4	4,550	0.7	194.63

* Disclosure related to audit procedures

This financial report is not subject to audit procedures required by the Financial Instruments and Exchange Act. Consolidated Financial statement audit procedures based on the Financial Instruments and Exchange Act had not been completed as of the publication of this financial report.

* Explanation of the appropriate use of forecasts, other matters

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 6, 1-(4) Future Outlook" for more regarding forecasts and underlying assumptions.

1. Overview of Results of Operations, etc.

(1) Results of Operations

(Financial Highlights)

(¥millions)

	Net Sales	Operating Income	Ordinary Income	Net Income Attributable to Owners of Parent
FYE March 2017	77,351	7,617	8,183	5,566
FYE March 2016	75,078	6,594	7,415	6,383
Change	3.0%	15.5%	10.4%	(12.8%)

During the consolidated fiscal year, Japan's economy showed a gradual recovery buoyed by strong corporate profits and improvement in the employment situation despite concern over uncertainty in the global economy. Additionally, the economies throughout Asia - our main sphere of international operations - showed a modest expansion despite signs of an overall slowdown.

Given these economic conditions, the Mandom Group is pursuing initiatives which we believe will lead to sustained growth: 1) Sustainable growth in our core men's grooming business

2) Accelerated expansion of our women's cosmetics business

3) Continued expansion of our global business as an engine of growth

Net sales increased by ¥2.272 billion year on year (3.0% increase), amounting to ¥77.351 billion. Sales of the Gatsby brand in the men's grooming business were steady, and sales of the Bifesta brand in the women's cosmetics business were strong. As a result, we marked our seventh consecutive year of record sales.

Operating income was up ¥1.023 billion (15.5%) year on year to ¥7.617 billion. This result was due to lower cost ratios and an increase in profits at the Indonesian subsidiary owing to a recovery despite aggressive investment in marketing expenses (sales promotion and advertising expense) in Japan. Ordinary income came in at ¥8.183 billion, which was a ¥768 million (10.4%) increase compared to the prior fiscal year. Due to recording of a gain from sale of fixed assets at the Indonesian subsidiary in the prior fiscal year, net income attributable to owners of parent decreased ¥816 million (12.8%) year on year to ¥5.566 billion.

Group earnings by segment are as provided below. (Net sales refers to sales to external customers.)

(Performance by Segment)

(units: ¥ millions)

Location	Net Sales			Operating Income		
	Prior Year	Current Year	Change	Prior Year	Current Year	Change
Japan	44,104	45,945	4.2%	4,704	5,077	7.9%
Indonesia	18,164	18,323	0.9%	880	925	5.1%
Overseas, Other	12,809	13,081	2.1%	1,008	1,614	60.0%

Net sales in Japan amounted to ¥45.945 billion, which was a 4.2% year-on-year increase. This increase was mainly due to favorable performance of Bifesta brand and Lucido brand in the men's grooming business. Operating income was up 7.9% year on year to ¥5.077 billion. This was mainly due to lower cost ratios despite aggressive investment in marketing expenses (sales promotion and advertising expense).

Net sales in Indonesia reached ¥18.323 billion, representing a 0.9% year-on-year increase. This increase was mainly due to favorable performance of the Gatsby brand in Indonesia, which made up for the decrease in sales of women's products. Operating income was up 5.1% year on year to ¥925 million, mainly due to recovery from the fire accident in the prior fiscal year.

Net sales in Overseas, Other amounted to ¥13.081 billion, representing a 2.1% year-on-year gain. This result was mainly due to overall strong performance by each company despite a decrease in foreign-exchange gains resulting from the appreciating yen. Operating income was up 60.0% year on year to ¥1.614 billion, mainly due to decreased sales expenses.

(2) Financial Position

(Assets) Current assets as of the end of the consolidated fiscal year amounted to ¥54.130 billion, representing a ¥2.674 billion increase compared to the end of the prior consolidated fiscal year. This increase was mainly due to a ¥1.999 billion increase in marketable securities and a ¥1.258 billion increase in merchandise and finished goods. Noncurrent assets were at ¥29.704 billion, an increase of ¥1.339 billion compared to the end of the prior consolidated fiscal year. This increase was mainly due to a ¥681 million increase in investment securities.

As a result, total assets amounted to ¥83.835 billion, representing an increase of ¥4.013 billion compared to the end of the prior consolidated fiscal year.

(Liabilities) Current liabilities as of the end of the consolidated fiscal year amounted to ¥10.177 billion, representing a ¥186 million decrease compared to the end of the prior consolidated fiscal year. This decrease was mainly due to a ¥202 million decrease in notes and accounts payable-trade. Noncurrent liabilities amounted to ¥4.067 billion, representing an increase of ¥466 million compared to the end of the prior consolidated fiscal year. This increase was mainly due to a ¥228 million increase in retirement benefit obligation.

As a result, total liabilities amounted to ¥14.245 billion, representing an increase of ¥279 million compared to the end of the prior consolidated fiscal year.

(Net assets) Net assets as of the end of the consolidated fiscal year amounted to ¥69.590 billion, representing a ¥3.734 billion increase compared to the end of the prior consolidated fiscal year. This increase was mainly due to ¥5.566 billion in net income attributable to owners of parent and a ¥1.940 billion dividend of surplus.

As a result, shareholders' equity ratio was 75.4% (compared to 74.8% at the end of the prior consolidated fiscal year).

(3) Cash Flows

Cash and cash equivalents (Cash) as of the end of the consolidated fiscal year amounted to ¥12.880 billion. This represents a ¥679 million increase compared to the end of the prior consolidated fiscal year. This increase was mainly because accounts receivable and repayment of short-term borrowings decreased despite income before income taxes and minority interest being down to ¥8.377 billion (a 21.7% decrease year on year).

The following discusses the factors that affected cash flows during the consolidated fiscal year.

(Cash Flows from Operating Activities)

Net cash provided by operating activities was ¥9.045 billion (a 25.1% increase year on year). This was mainly due to ¥8.377 billion in income before income taxes and minority interest, ¥3.165 billion in depreciation and amortization and ¥2.311 billion in corporate and other taxes paid.

(Cash Flows from Investing Activities)

Net cash used in investing activities was ¥5.920 billion (a 148.5% increase year on year). This was mainly due to ¥19.699 billion in outlays for the acquisition of marketable securities and ¥3.301 billion in outlays for the acquisition of tangible fixed assets, despite ¥17.700 billion in cash generated from sales and redemptions of marketable securities.

(Cash Flows from Financing Activities)

Net cash used in financing activities was ¥2.215 billion (a 37.3% decrease year on year). This was mainly due to dividend payments of ¥1.939 billion.

(4) Future Outlook

(¥millions)

	Net Sales	Operating Income	Ordinary Income	Net Income Attributable to Owners of Parent
FYE March 2018	80,000	8,000	8,500	5,600
FYE March 2017	77,351	7,617	8,183	5,566
Change	3.4%	5.0%	3.9%	0.6%

The economy in Japan is expected to continue a moderate recovery against a backdrop of improvements in the hiring and income environment and the effects of various government policies. Nevertheless, the future remains unpredictable due to increased uncertainty in the global economy. The economy in Asia is also expected to show a modest expansion, but the future is increasingly uncertain due to concern about economic downturns and other factors.

In light of these conditions, the Mandom Group is working to maintain and expand the men's business, further strengthen the field of women's products and strengthen the overseas business with Indonesia at the core in the aim of increasing revenue. We are also engaging in aggressive marketing investment to increase brand value. At the same time, we aim to increase profits at each stage by making continuing efforts to drive down costs and leverage our SG&A expenses more effectively.

We calculated our forecasts assume major foreign exchange rates of ¥110 to the U. S. dollar, 13,200 rupiah to the U. S. dollar, and ¥0.0083 to the rupiah.

Based on the preceding facts, we forecast net sales of ¥80.0 billion (3.4% year-on-year increase), operating income of ¥8.0 billion (5.0% increase), ordinary income of ¥8.5 billion (3.9% increase), and net income attributable to owners of parent of ¥5.6 billion (0.6% increase) for the next fiscal year.

2. Basic Thinking on Selection of Accounting Standards

For the foreseeable future, the policy of the Mandom Group is to prepare consolidated financial statements according to Japanese accounting standards in consideration of comparability of consolidated financial statements between periods and between companies.

We will address the application of international accounting standards as appropriate, taking into account the situations in Japan and other countries.