



July 28 2017

Consolidated Business Results (April 1, 2017 to June 30, 2017: Japanese Standards)

Corporate Name: Mandom Corporation
 Listed Exchange: Tokyo
 Code Number: 4917
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Dividend Payout: -
 Expected Release Date of Quarterly Report: August 8, 2017
 Documents Providing Supplemental Information: Yes
 Financial Briefing: None

(Figures rounded down to the nearest million yen)

1. Consolidated Earnings for the First Quarter of the Fiscal Year Ended March 2018 (April 1, 2017 to June 30, 2017)

(1) Consolidated Financial Highlights(cumulative) (% = Changes from the same period in the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
1Q, FYE March 2018	22,463	6.3	3,893	7.0	4,129	8.6	2,633	6.1
1Q, FYE March 2017	21,130	0.2	3,637	△5.2	3,803	△6.4	2,482	△0.2

Note: Comprehensive Income

1Q, FYE March 2018 ¥3,106million (99.0%)
 1Q, FYE March 2017 ¥1,560million (△37.9%)

	Earnings per Share	Diluted Earnings per Share
	yen	yen
1Q, FYE March 2018	112.67	-
1Q, FYE March 2017	106.19	-

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	¥ millions	¥ millions	%
1Q, FYE March 2018	85,551	71,185	76.1
FYE March 2017	83,835	69,590	75.4

Reference: Shareholders' Equity

1Q, FYE March 2018 ¥65,096million
 FYE March 2017 ¥63,253 million

2. Dividends

	Annual Dividend				
	First Quarter End	Second Quarter End	Third Quarter End	Year End	Total
	yen	yen	yen	yen	yen
FYE March 2017	–	43.00	–	53.00	96.00
FYE March 2018	–				
FYE March 2018 (forecast)		49.00	–	49.00	98.00

Note: Changes to most recently reported dividend forecast: None

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

(% = Changes from the same period in the previous fiscal 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	156.14
Full Year	80,000	3.4	8,000	5.0	8,500	3.9	5,600	0.6	239.55

(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)

1Q, FYE March 2018	24,134,606 shares
FYE March 2017	24,134,606 shares

b. Treasury stock, end of period

1Q, FYE March 2018	757,548 shares
FYE March 2017	757,361 shares

c. Average outstanding shares during the period (cumulative)

1Q, FYE March 2018	23,377,149 shares
1Q, FYE March 2017	23,378,009 shares

*** These quarterly financial statements are exempt from quarterly review procedures**

*** 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.

1. Qualitative Information concerning Quarterly Financial Statements

(1) Qualitative Information concerning Consolidated Results of Operations

During the cumulative consolidated first quarter, Japan's economy showed a gradual recovery against a backdrop of improvements in corporate profits and the employment situation despite concern over uncertainty in the global economy. Additionally, the economies throughout Asia - our main sphere of international operations - showed a gradual recovery despite continued uncertainty about the future.

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

- 1) Maintenance and expansion of the core men's business
- 2) Further strengthen the field of women's products
- 3) Strengthening of the overseas business with Indonesia at the core

The Mandom Group recorded first quarter consolidated net sales of ¥22.463 billion (a 6.3% year-on-year increase). This increase was mainly due to solid performance of the Gatsby brand in the men's business and favorable performance of the Bifesta brand in the women's business.

Operating income was up 7.0% year on year to ¥3.893 billion. This increase was mainly due to higher revenues despite increased sales expenses associated with marketing enhancements. As a result, ordinary income for the consolidated first quarter amounted to ¥4.129 billion, which was an 8.6% year-on-year increase. Net income attributable to owners of parent increased 6.1% year on year to ¥2.633 billion.

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

Net sales in Japan amounted to ¥13.707 billion, which was a 5.0% year-on-year increase. This increase was mainly due to favorable performance of the Bifesta brand and the Lucido brand in the men's business.

Operating income was up 9.2% year on year to ¥2.687 billion. This was mainly due to higher revenues despite increased sales expenses associated with marketing enhancements.

Net sales in Indonesia reached ¥5.379 billion, representing a 15.3% year-on-year increase. This was mainly due to favorable performance in Indonesia of the Gatsby brand. Operating income was up 11.7% year on year to ¥558 million. This was due to higher revenues despite increased sales expenses.

Net sales in Overseas, Other amounted to ¥3.376 billion, representing a 1.0% year-on-year decrease. This result was mainly due to a decrease in foreign-exchange gains resulting from the appreciating yen despite overall strong performance on a local currency basis. Operating income was down 4.2% year on year to ¥647 million, mainly due to high costs.

(2) Qualitative Information concerning Consolidated Financial Position

(Assets, Liabilities, and Net Assets)

Total consolidated assets as of the end of the first fiscal quarter amounted to ¥85.551 billion, representing a ¥1.716 billion increase compared to the end of the prior consolidated fiscal year. This result was mainly due to increases in notes and accounts receivable – trade and investment securities. Total liabilities amounted to ¥14.365 billion, representing an increase of ¥120 million compared to the end of the prior consolidated fiscal year, due mainly to increases in notes and accounts payable-trade. Net assets amounted to ¥71.185 billion. This was a ¥1.595 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 quarter was 76.1% (compared to 75.4% at the end of the prior consolidated fiscal year).

(Cash Flows)

Consolidated cash and cash equivalents (“cash”) for the cumulative first quarter decreased by ¥1.235 billion compared to the end of the prior consolidated fiscal year to ¥11.644 billion.

The following discusses the factors that affected cash flows during the first quarter.

<Cash Flows from Operating Activities>

Net cash provided by operating activities was ¥1.641 billion. This decrease was mainly due to increases resulting from income before income taxes and minority interest of ¥4.114 billion, depreciation and amortization of ¥775 million as well as a ¥1.895 billion increase in accounts receivable and a ¥1.429 billion decrease in accrued expenses.

<Cash Flows from Investing Activities>

Consolidated cash used in investing activities amounted to ¥1.281 billion. This decrease was mainly due to outlays for the acquisition of tangible fixed assets of ¥792 million and outlays for the acquisition of intangible fixed assets of ¥345 million.

<Cash Flows from Financing Activities>

Net cash used in financing activities was ¥1.469 billion. This decrease was mainly due to dividend payments of ¥1.195 billion.

(3) Qualitative Information concerning Forecasts of Consolidated Earnings

The Mandom Group has made no changes to consolidated full-year earnings forecasts as published on May 10, 2017.