



Jan 29 2018

Consolidated Business Results (April 1, 2017 to December 31, 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: February 8, 2018
 Documents Providing Supplemental Information: Yes
 Financial Briefing: None

(Figures rounded down to the nearest million yen)

1. Consolidated Earnings for the First 3 Quarter of the Fiscal Year Ended March 2018 (April 1, 2017 to December 31, 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	%
First 3 Quarters, FYE March 2018	63,294	6.5	8,591	10.0	9,272	11.6	6,015	6.6
First 3 Quarters, FYE March 2017	59,432	4.0	7,813	14.6	8,307	9.4	5,643	△15.5

Note: Comprehensive Income

First 3 Quarters, FYE March 2018 ¥8,172million (146.6%)
 First 3 Quarters, FYE March 2017 ¥3,313million (△46.7%)

	Earnings per Share	Diluted Earnings per Share
	yen	yen
First 3 Quarters, FYE March 2018	128.66	-
First 3 Quarters, FYE March 2017	120.70	-

Note: We conducted a 2-for-1 stock split of common stock on October 1, 2017. Earnings per Share were calculated as though the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	¥ millions	¥ millions	%
First 3 Quarters, FYE March 2018	90,033	75,103	76.4
FYE March 2017	83,835	69,590	75.4

Reference: Shareholders' Equity

First 3 Quarters, FYE March 2018 ¥68,760 million
 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	–	49.00			
FYE March 2018 (forecast)			–	34.50	–

Note: Changes to most recently reported dividend forecast: None

- Breakdown of year-end dividend for the FYE March 2018 (forecast)
Ordinary dividend ¥24.50 90th Anniversary commemorative dividend ¥10.00
- We conducted a 2-for-1 stock split of common stocks on October 1, 2017. The year-end dividends for FYE March 2018 are calculated using the figures after the stock split.

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
Full Year	80,000	3.4	8,000	5.0	8,500	3.9	5,600	0.6	119.78

Note: Changes to most recently reported earnings forecast: None

We conducted a 2-for-1 stock split of common stocks on October 1, 2017. Earnings per Share in the Consolidated Earnings Forecast were calculated taking into account the impact of the stock split.

* 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)

3Q, FYE March 2018	48,269,212 shares
FYE March 2017	48,269,212 shares

b. Treasury stock, end of period

3Q, FYE March 2018	1,516,097 shares
FYE March 2017	1,514,722 shares

c. Average outstanding shares during the period (cumulative)

3Q, FYE March 2018	46,753,781 shares
3Q, FYE March 2017	46,755,677 shares

Note: We conducted a 2-for-1 stock split of common stock on October 1, 2017. Issued shares (common stock) were calculated as though the stock split was conducted at the beginning of the previous fiscal year.

*** 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 third 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 strengthening of the field of women's products
- 3) Strengthening of the overseas business with Indonesia at the core

The Mandom Group recorded third quarter consolidated net sales of ¥63.294 billion (a 6.5% 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 10.0% year on year to ¥8.591 billion. This increase was mainly due to higher revenues. As a result, ordinary income for the consolidated third quarter amounted to ¥9.272 billion, which was an 11.6% year-on-year increase. Net income attributable to owners of parent increased 6.6% year on year to ¥6.015 billion.

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

Net sales in Japan amounted to ¥37.534 billion, which was a 5.1% year-on-year increase. This increase was mainly due to favorable performance of the Bifesta brand and the Barrier Repair brand in the women's business. Operating income was up 9.6% year on year to ¥5.762 billion. This was mainly due to higher revenues and decreased sales expenses associated with efficient marketing activities.

Net sales in Indonesia reached ¥15.021 billion, representing a 10.6% year-on-year increase. This was mainly due to favorable performance in Indonesia of the Gatsby brand. Operating income was up 21.6% year on year to ¥1.168 billion. This was mainly due to higher revenues and decreased sales expenses associated with efficient marketing activities.

Net sales in Overseas, Other amounted to ¥10.738 billion, representing a 6.0% year-on-year increase. This result was mainly due to overall strong performance by each company. Operating income was up 4.3% year on year to ¥1.660 billion. This was mainly due to higher revenues despite increased sales expenses.

(2) Qualitative Information concerning Consolidated Financial Position (Assets, Liabilities, and Net Assets)

Total consolidated assets as of the end of the third fiscal quarter amounted to ¥90.033 billion, representing a ¥6.198 billion increase compared to the end of the prior consolidated fiscal year. This result was mainly due to increases in marketable securities and investment securities. Total liabilities amounted to ¥14.930 billion, representing an increase of ¥685 million compared to the end of the prior consolidated fiscal year, due mainly to increases in accrued income taxes and deferred tax liabilities included in other noncurrent liabilities. Net assets amounted to ¥75.103 billion. This was a ¥5.512 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 third quarter was 76.4%.

(Cash Flows)

Consolidated cash and cash equivalents (“cash”) for the cumulative third quarter increased by ¥129 million compared to the end of the prior consolidated fiscal year to ¥13.009 billion.

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

<Cash Flows from Operating Activities>

Net cash provided by operating activities was ¥8.044 billion. This was mainly an increase resulting from income before income taxes and minority interest of ¥9.239 billion and depreciation and amortization of ¥2.422 billion and a decrease resulting from ¥2.289 billion in corporate and other taxes paid and a ¥1.335 billion increase in accounts receivable.

<Cash Flows from Investing Activities>

Consolidated cash used in investing activities amounted to ¥5.154 billion. This was mainly an increase resulting primarily from ¥20.0 billion in proceeds from sales and redemptions of marketable securities and a decrease resulting primarily from outlays for the acquisition of marketable securities of ¥21.799 billion and outlays for the acquisition of tangible fixed assets of ¥1.798 billion.

<Cash Flows from Financing Activities>

Net cash used in financing activities was ¥2.663 billion. This was mainly a decrease resulting primarily from dividend payments of ¥2.380 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.