



July 31 2023

Consolidated Business Results (April 1, 2023 to June 30, 2023: Japanese Standards)

Corporate Name: Mandom Corporation
 Listed Exchange: TSE Prime Market
 Code Number: 4917
 URL: <https://www.mandom.co.jp>
 Representative: Ken Nishimura, President Executive Officer & Director
 Contact: Masanori Sawada, Executive Officer & General Manager, Finance Division
 TEL (81)-6-6767-5001

Dividend Payout: -
 Expected Release Date of Quarterly Report: August 10, 2023
 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 First Quarter of the Fiscal Year Ended March 2024 (April 1, 2023 to June 30, 2023)

(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 2024	18,455	15.0	1,033	48.7	1,230	55.9	911	42.7
1Q, FYE March 2023	16,050	11.6	694	-	789	-	638	-

Note: Comprehensive Income

1Q, FYE March 2024 ¥2,382million (-4.8%) 1Q, FYE March 2023 ¥2,503million (152.9%)

	Earnings per Share		Diluted Earnings per Share	
	yen		yen	
1Q, FYE March 2024	20.27		-	
1Q, FYE March 2023	14.20		-	

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	¥ millions	¥ millions	%
1Q, FYE March 2024	91,718	72,654	72.4
FYE March 2023	91,005	71,184	71.6

Reference: Shareholders' Equity

1Q, FYE March 2024 ¥66,396 million FYE March 2023 ¥65,125 million

2. Dividends

	Annual Dividend				
	First Quarter End	Second Quarter End	Third Quarter End	Year End	Total
	yen				
FYE March 2023	-	19.00	-	19.00	38.00
FYE March 2024	-				
FYE March 2024(forecast)		20.00	-	20.00	40.00

Note: Changes to most recently reported dividend forecast: None

3. Consolidated Earnings Forecast, Fiscal Year Ending March 2024 (April 1, 2023 to March 31, 2024)

(% = 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)	35,500	8.7	1,420	36.7	1,750	28.5	1,300	33.4	28.91
Full Year	71,000	5.9	2,100	49.0	2,590	17.3	1,660	73.2	36.92

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 2024	48,269,212 shares
FYE March 2023	48,269,212 shares

b. Treasury stock, end of period

1Q, FYE March 2024	3,303,802 shares
FYE March 2023	3,303,802 shares

c. Average outstanding shares during the period (cumulative)

1Q, FYE March 2024	44,965,410 shares
1Q, FYE March 2023	44,983,719 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.

1. Qualitative Information concerning Quarterly Financial Statements

(1) Qualitative Information concerning Consolidated Results of Operations

During the first three-month period of the consolidated fiscal year under review, the Japanese economy showed a mild recovery on the back of further progress on normalization of social and economic activities, including a turnaround in personal spending, as COVID-19 was reclassified as a Category 5 Infectious Disease under the Infectious Diseases Control Act. On the other hand, the outlook remains unclear since wage growth has not caught up with price increases, and there are concerns about the risk of downward pressure on personal spending.

Economies in Asia, where the Mandom Group conducts most of its overseas business, remained robust in general, especially in Southeast Asia, while the economic recovery in East Asia as a whole was delayed.

Under these economic conditions, the Group is promoting various measures based on the Basic Management Policies of the Middle-Range Plan, positioning it as a period of “Changes and Challenges” for achieving “VISION2027,” our future goal. The basic management policies are as follows:

Basic Management Policies

- Developing and introducing a category strategy and innovating company-wide marketing to ensure improved brand value in the age of the New Normal
- Speedy completion of the restructuring of the Indonesian business and business model innovation in overseas operations
- Changing to a company that creates new value through digitalization and open innovation
- Enhancing corporate value and promoting Dedication to Service with sustainable management at the core

During the period under review, net sales were up 15.0% year on year to ¥18,455 million. This was mainly attributable to robust sales in the women’s business in Overseas, Other.

Operating profit was ¥1,033 million (up 48.7% year on year). This result primarily reflects an increase in gross profit. As a result, ordinary profit and profit attributable to owners of parent were ¥1,230 million (up 55.9% year on year) and ¥911 million (up 42.7% year on year), respectively.

Operating results by business segment are as follows (Net sales represents sales to external customers):

Sales in Japan were ¥9,719 million (up 3.3% year on year). This is mainly attributable to robust sales of the “Bifesta” brand and other products in the women’s business on the back of social and economic activities that have further normalized, reflecting the transition of the reclassification of COVID-19 under Category 5 of the Infectious Diseases Control Act, and increased opportunities for people to go out. In terms of profits, operating profit was ¥132 million (down 69.6% year on year), mainly due to an increase in advertising expenses associated with marketing investments for new spring and summer products.

Sales in Indonesia reached ¥3,270 million, representing a 8.6% year-on-year increase. This was mainly due to an increase in sales converted into Japanese yen, reflecting the weaker yen. In terms of profits, operating loss fell to ¥402 million (compared with operating loss of ¥145 million in the same period of the previous year), owing primarily to deterioration in the cost of sales ratio.

Sales in Overseas, Other soared to ¥5,465 million (up 50.6% year on year). This was mainly attributable to an increase in sales in the women’s business in Malaysia and other Southeast Asian countries. In terms of profits, operating profit recorded a year-on-year surge of 222.9% to ¥1,302 million mainly due to an increase in gross profit.

(2) Qualitative Information concerning Consolidated Financial Position

(Assets, Liabilities, and Net Assets)

Total assets at the end of the first quarter of the consolidated fiscal year under review amounted to ¥91,718 million, an increase of ¥713 million from the end of the previous consolidated fiscal year, due to an increase in merchandise and finished goods. Total liabilities decreased by ¥756 million from the end of the previous fiscal year to ¥19,064 million due to a decrease in accounts payable-other included in current liabilities. Total net assets increased by ¥1,470 million from the end of the previous fiscal year to ¥72,654 million due to factors such as an increase in foreign currency translation adjustments, resulting in an equity ratio of 72.4% (compared with 71.6% at the end of the previous consolidated fiscal year).

(Cash Flows)

Cash and cash equivalents (“cash”) for the first three months of the consolidated fiscal year under review decreased by ¥1,013 million from the end of the previous consolidated fiscal year, to ¥16,468 million.

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 ¥390 million (compared with ¥249 million in the same period of previous year). Increase factors mainly included ¥1,233 million in income before income taxes, ¥1,117 million in depreciation and amortization, and ¥665 million in inventories, while decrease factors mainly included ¥673 million in accounts payable - other and payment of ¥645 million for business structure improvement expenses.

<Cash Flows from Investing Activities>

Net cash used in investing activities was ¥758 million (compared with ¥557 million in the same period of the previous year). This was mainly attributable to a decrease resulting from the acquisition of property, plant and equipment of ¥481 million.

<Cash Flows from Financing Activities>

Net cash used in financing activities was ¥943 million (compared with ¥847 million in the same period of the previous year). This was mainly attributable to a decrease resulting from dividend payments of ¥828 million.

(3) Qualitative Information concerning Forecasts of Consolidated Earnings

There is no change in the consolidated earnings forecast announced on May 12, 2023.