May 8, 2014

Consolidated Business Results
(April 1, 2013 through March 31, 2014: Japanese Standards)

Corporate Name: **Mandom Corporation**
Listed Exchange: Tokyo
Code Number: 4917
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Annual General Shareholders' Meeting: June 24, 2014
Dividend Payout: June 25, 2014
Financial Statements Issued: June 25, 2014
Documents Providing Supplemental Information: Yes
Financial Briefing: Yes (for institutional investors)

(Figures rounded down to the nearest million yen)

1. Consolidated Earnings for the Fiscal Year Ended March 31, 2014 (April 1, 2013 to March 31, 2014)

(1) Consolidated Financial Highlights

(% = change vs. PY)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
FYE March 2014	68,215	12.9	6,853	15.2	7,330	17.4	4,091	13.4
FYE March 2013	60,427	1.0	5,947	△1.7	6,241	△1.1	3,607	9.3

Note: Comprehensive Income
FYE March 2014 ¥6,011million (7.5%)
FYE March 2013 ¥5,593million (62.2%)

	Earnings per Share	Diluted Earnings per Share	Return on Equity	Ordinary Income/Total Assets	Operating Income/Net Sales
	yen	yen	%	%	%
FYE March 2014	175.02	–	8.3	11.5	10.0
FYE March 2013	154.29	–	8.0	10.8	9.8

Reference: Income (loss) in minority interests
FYE March 2014 ¥90 million
FYE March 2013 ¥34 million

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	¥ millions	¥ millions	%	yen
FYE March 2014	67,858	55,179	75.2	2,183.09
FYE March 2013	60,163	51,037	78.2	2,011.09

Reference: Shareholders' Equity
FYE March 2014 ¥51,038 million
FYE March 2013 ¥47,019million

(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 2014	7,303	△5,596	△1,833	10,890
FYE March 2013	7,605	△5,387	△1,646	10,482

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 2013	–	30.00	–	32.00	62.00	1,449	40.2	3.2
FYE March 2014	–	33.00	–	37.00	70.00	1,636	40.0	3.3
FYE March 2015 (forecast)	–	37.00	–	38.00	75.00		40.3	

3. Consolidated Earnings Forecast, Fiscal Year Ending March 2015 (April 1, 2014 to March 31, 2015)

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

	Net Sales		Operating Income		Ordinary Income		Net Income		Earnings per Share
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	yen
Second Quarter (cumulative)	39,000	5.3	4,800	△10.4	4,980	△11.0	2,890	△12.5	123.61
Full Year	71,300	4.5	7,170	4.6	7,460	1.8	4,350	6.3	186.06

* 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 2014	24,134,606 shares
FYE March 2013	24,134,606 shares

b. Treasury stock, end of period

FYE March 2014	755,434 shares
FYE March 2013	754,463 shares

c. Average outstanding shares during the period

FYE March 2014	23,379,495 shares
FYE March 2013	23,380,506 shares

(Reference) Summary of Non-Consolidated Business Results

1. Business Results, FYE March 2014 (April 1, 2013 to March 31, 2014)

(1) Sales and Income

(% = change vs PY)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
FYE March 2014	43,585	7.0	4,669	13.7	5,365	15.5	3,175	1.7
FYE March 2013	40,722	△1.3	4,106	1.8	4,647	1.2	3,121	14.2

	Earnings per Share	Earnings per Share (diluted)
	yen	yen
FYE March 2014	135.81	–
FYE March 2013	133.50	–

(2) Financial Position

	Total Assets	Net Assets	Shareholders’ Equity Ratio	Shareholders’ Equity per Share
	¥ millions	¥ millions	%	yen
FYE March 2014	55,708	46,938	84.3	2,007.72
FYE March 2013	51,340	44,756	87.2	1,914.32

(Reference) Treasury Stock FYE March 2014 ¥46,938 million
FYE March 2013 ¥44,756 million

2. FYE March 2015 Forecast (April 1, 2014 to March 31, 2015)

(% = change vs PY)

	Net Sales		Ordinary Income		Net Income		Earnings per Share
	¥ millions	%	¥ millions	%	¥ millions	%	yen
Second Quarter (cumulative)	25,390	2.6	4,200	△8.1	2,816	△6.6	120.45
Full Year	44,300	1.6	5,380	0.3	3,600	13.4	153.98

* 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. Actual performance may differ significantly from forecasts due to various factors. See "Page 4, 1-(1)-b Next-Period Outlook" for more regarding forecasts and underlying assumptions.

1. Results of Operations and Financial Position

(1) Review of Operations

a. Business Operations

(Financial Highlights)

(¥ millions) (yen) (%)

	Net Sales	Operating Income	Ordinary Income	Net Income	EPS	ROE
FYE March 2014	68,215	6,853	7,330	4,091	175.02	8.3
FYE March 2013	60,427	5,947	6,241	3,607	154.29	8.0
Change	12.9%	15.2%	17.4%	13.4%	13.4%	3.8%

The Japanese government's economic and fiscal policies during the consolidated fiscal year led to overall improved sentiment and a slight recovery in the Japan's economy. Meanwhile, the economy of Asia—a focus of the Mandom Group's overseas business—also experienced a gradual recovery in the global economy, showing signs of growth and overall strength.

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) Expansion of our women's cosmetics business

3) Continued expansion of our global business, emphasizing Asia as an engine of growth.

Net sales increased by ¥7.788 billion year-on-year (12.9% increase), amounting to ¥68.215 billion, which marked our fourth consecutive year of record sales. In Japan, sales of our core Gatsby brand were strong, while sales as a whole overseas were also quite favorable. A weaker yen led to higher yen conversion combined with higher revenues.

Despite a significant investment in marketing (sales promotion and advertising expense) both in Japan and overseas, higher revenues led to operating income of ¥6.853 billion, a ¥906 million increase (15.2%) year-on-year. Ordinary income came in at ¥7.33 billion, which was a ¥1.088 billion (17.4%) increase compared to the prior fiscal year. The Company also saw net income gains, recording a ¥484 million (13.4%) year-on-year increase, up to ¥4.091 billion. Each profit measure was a historical high for the Company.

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	38,208	40,945	7.2%	3,921	4,480	14.3%
Indonesia	13,510	15,968	18.2%	1,117	1,147	2.6%
Overseas, Other	8,708	11,301	29.8%	908	1,225	34.9%

Net sales in Japan amounted to ¥40.945 billion (7.2% year-on-year increase). This result was mainly driven by sales of the core Gatsby brand of men's styling products, as well as the introduction of the new Lucido deodorant product targeting middle-aged men, which also contributed significantly to overall strong performance. Higher marketing costs (sales promotion and advertising expense) were more than offset by revenue gains, leading to ¥4.480 billion in operating income (14.3% year-on-year gain).

The Company recorded ¥15.968 billion in net sales in Indonesia, representing an 18.2% year-on-year gain. This result was mainly due to strong women's product sales within Indonesia, as well as foreign-exchange gains due to the weaker yen. Operating income came in at ¥1.147 billion (2.6%) increase, reflecting higher investments in marketing (sales promotion and advertising expense) and increases in payroll and other general and administrative expenses.

Net sales in other overseas locations amounted to ¥11.301 billion, which was a 29.8% increase year-on-year. This result was mainly due to strong sales in our core Gastby brand of products and foreign-exchange gains due to the weaker yen. Aggressive marketing investments led to higher sales promotion and advertising expenses; however, operating income grew 34.9% year-on-year to ¥1.225 billion, owing to higher revenues.

b. Next-Period Outlook

(¥millions) (yen) (%)

	Net Sales	Operating Income	Ordinary Income	Net Income	EPS	ROE
Fiscal Year Ending March 2015	71,200	7,120	7,420	4,320	184.78	8.5
FYE March 2014	68,215	6,853	7,330	4,091	175.02	8.3
Change	4.4%	3.9%	1.2%	5.6%	5.6%	2.4%

While we expect government policies will help maintain the upward-looking economy trend in Japan, we cannot say which direction the markets will take with any certainty, particularly given concerns about the global economy and the next-period effects of prior fiscal year's jump in consumer purchasing in advance of the increase in consumption taxes. We do see gradual growth in Asia, despite the impact of the ongoing European financial crisis.

In light of these conditions, the Mandom Group is pursuing the integration of domestic and international Group companies as a way toward sustained growth.

The Mandom Group will be looking for higher revenues, driven by three major factors: sustainable growth in the men's grooming business, stronger initiatives in the women's cosmetics business (particularly in skin care), and double-digit growth overseas, led by growth in Asia. While we will aggressively invest in market expenses for overseas and women's products, we will also make continuing efforts to drive down costs and leverage our SG&A expenses more effectively, which will lead to increased operating, ordinary, and net income.

We calculated our forecasts assume major foreign exchange rates of ¥100 to the U. S. dollar, 11,800 rupiah to the U. S. dollar, and ¥0.0085 to the rupiah.

Based on the preceding facts, we forecast net sales of ¥71.2 billion (4.4% year-on-year increase), operating income of ¥7.120 billion (3.9% increase), ordinary income of ¥7.420 billion (1.2% increase), and net income of ¥4.320 billion (5.6% increase) for the next fiscal year.

c. Progress of the Current Three-Year Business Plan

The strategy of our current Group three-year business plan (FYE March 2012 through FYE March 2014) focuses on sustainable Group growth. We will continue to follow a policy of careful investment of management resources toward the steady growth of the Group's businesses leading to sustainable expansion of revenues and profits, pursuing the three following strategic themes: 1) Sustainable growth in our core men's grooming business, 2) faster expansion of our women's cosmetics business through the Asian market, and 3) continued expansion of our global business, emphasizing Asia as an engine of growth.

The past three years of our current Group three-year business plan included wide exchange rate fluctuations, the financial crisis in Europe, and other factors driving down on global economy. In addition, Japan experienced the March 11 earthquake and tsunami and other natural disasters during the past three years. Despite these major negative factors, we saw policy-backed economic gains, which helped us record revenues and profits during the fiscal year ended March 2014. Based on this performance, we were able to reach our business plan goals for the final year of the plan.

The following details our progress in each strategic area of the Group three-year business plan just completed (FYE March 2012 through FYE March 2014):

These figures refer to progress as measured against the Group three-year business plan targets.

1)Sustainable growth in our core men's grooming business

The Gatsby brand of products is our most important. Despite inclement weather and increasing competition in Japan, we saw growth in our summer season products for the Gatsby line, as well as continued growth for existing products and a contribution from newly introduced products in the styling category. This performance helped us achieve our business plan targets. Overseas, net sales growth, driven mainly by styling products, and favorable exchange rates led to the achievement of plan goals in this area. Meanwhile, the Lucido line showed an improvement in the downward earnings trend, supported by stronger promotion of aging care products over the past three years and added sales from new product category introductions. Despite the improvement, we were not able to meet plan goal for this line. Overall, the men’s grooming business continued to grow in terms of net sales, achieving plan goal.

2)Faster expansion of our women's cosmetics business through the Asian market

In Japan, aggressive marketing and stronger selling of our skin care products led to higher net sales. However, we were not able to meet plan goals. We also underperformed plan goals overseas, despite the fact that the rollout of Japanese and Indonesian products led to sales growth in Asia and globally.

3)Continued expansion of our global business

Except for a few regions, we achieved growth in net sales in Indonesia and other global regions on a local currency basis every year, continuing to expand our business operations. We averaged two-digit annual growth on a yen-equivalent basis, owed in part to favorable exchange rates for the final year of the plan, outperforming plan.

The Group continued aggressive investments in marketing to continue to grow and expand. At the same time, we made follow-on investments in capital equipment to strengthen our production structure. These investments meant higher cost of sales and SG&A expenses in the final year of our three-year plan. However, revenue growth also led to profit growth, helping us achieve our final-year plan targets.

d. Performance on Target Financial Indicators

Our current three-year business plan (FYE March 2012 through FYE March 2014) defines operating income as a focus indicator of profitability for the Company. We set a target of at least a 10% operating income ratio for the final year of our plan (fiscal year ended March 2014).

We recorded an operating income ratio of 10% for the final year of the plan (FYE March 2014).

(2) Financial Status

(Consolidated Financial Position) (¥ millions)

	Prior Year	Current Year	Change
Total Assets	60,163	67,858	7,694
Net Assets	51,037	55,179	4,141
Shareholders' Equity Ratio	78.2%	75.2%	△3.0%
Shareholders' Equity per Share	¥2,011.09	¥2,183.09	¥172.00

(Consolidated Cash Flows) (¥ millions)

	Prior Year	Current Year	Change
Cash and Cash Equivalents, Beginning of Period	9,792	10,482	689
Operating cash flows	7,605	7,303	△301
Investing cash flows	△5,387	△5,596	△209
[Investment in fixed assets]	[△1,873]	[△6,778]	[△4,904]
Financing cash flows	△1,646	△1,833	△186
Foreign exchange translation adjustment	118	534	416
Net change in cash and cash equivalents	689	408	△281
Cash and Cash Equivalents, End of Period	10,482	10,890	408
* Income before income taxes and minority interest	6,272	7,279	
* Depreciation and amortization	2,165	2,143	
* Investment in fixed assets			
Tangible fixed assets	1,810	6,353	
Intangible fixed assets	63	425	

a. Assets, Liabilities, and Net Assets

Total assets as of the end of the consolidated fiscal year amounted to ¥67.858 billion. This was an increase of ¥7.694 billion compared to the end of the prior fiscal year, mainly due to increased tangible fixed assets. Total liabilities amounted to ¥12.679 billion, a ¥3.552 billion increase over the prior fiscal year. This increase was mainly due to increases in accounts payable, other. Increased retained earnings contributed to higher total net assets, which amounted to ¥55.179 billion as of the end of the fiscal year. This was a ¥4.141 billion increase over the prior fiscal year. Shareholders' Equity Ratio as of the end of the fiscal year was 75.2%.

b. Cash Flows

Cash and cash equivalents (Cash) as of the end of the consolidated fiscal year amounted to ¥10.890 billion. This represents a ¥408 million increase compared to the end of the prior fiscal year.

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

(Cash Flows from Operating Activities)

Consolidated operating cash flows amounted to ¥7.303 billion, representing a ¥301 million decrease compared to the prior fiscal year. This was mainly due to increased inventories and corporate and other taxes paid, more than offsetting higher operating income.

(Cash Flows from Investing Activities)

Consolidated cash used in investing activities amounted to ¥5.596 billion, which was a ¥209 million increase compared to the prior fiscal year. This was mainly due to outlays for the acquisition of tangible fixed assets and investment securities, offset by cash generated from sales and redemptions of investment securities and repayments of time deposits.

(Cash Flows from Financing Activities)

Consolidated cash used in financing activities amounted to ¥1.833 billion, representing a ¥186 million increase compared to the prior fiscal year. This increase was mainly due to dividends paid to minority interest holders and others.

c. Cash Flow Indicators

	FY 2011 94th Term	FY 2012 95th Term	FY 2013 96th Term	FY 2014 97th Term
Shareholders' Equity Ratio (%)	78.3	78.3	78.2	75.2
Shareholders' Equity Ratio, Market Value (%)	89.0	87.3	128.2	128.5
Cash Flows to Interest-Bearing Debt (%)	7.5	7.9	4.5	4.9
Interest Coverage Ratio (times)	2,431.3	2,431.5	5,220.4	3,952.7

(Note) Shareholders' Equity Ratio: Shareholders' Equity/Total Assets
Shareholders' Equity Ratio, Market Value: Market Capitalization/Total Assets
Cash Flows to Interest-Bearing Debt: Interest-Bearing Debt/Cash Flows
Interest Coverage Ratio: Cash Flows/Interest Payments

* Each indicator was calculated based on consolidated financial figures.
* Market capitalization was calculated as closing price on the last day of the fiscal year multiplied by outstanding shares as of the last day of the fiscal year (after eliminating treasury shares).
* Cash flows represent operating cash flows.
* Interest-bearing debt represents all liabilities recorded on the consolidated balance sheets on which the Group pays interest. Interest payments represents the amount of interest paid as reflected in the consolidated statements of cash flows.

(3) Earnings Distribution Policy, Current and Next-Period Dividends

We believe that returning profits to our shareholders is an important management responsibility. Our basic policy is to prioritize dividend payments while carefully balancing the need for internal reserves for long-term growth, for starting new business, and to respond to corporate risk.

We have set a numerical target of a 40% payout ratio or greater on a consolidated basis for the fiscal year under review. We intend to maintain a 40% payout ratio target on a consolidated basis through fiscal period 98 (fiscal year ending March 2015).

We use internal reserves for strategic capital investments to expand our business, as well as for research and development to improve corporate value. In addition, we view internal reserves as a safety net to deal with corporate risk in this difficult business environment. We are also considering the potential for stock buybacks to return profits to shareholders and to improve capital efficiency. We plan to pay a ¥70 per share dividend (40.0% consolidated payout ratio) in annual dividends for the fiscal year under review.

While we know we cannot project future developments in the business environment with certainty, we do plan to issue a dividend of ¥74 per share (¥37 per share interim dividend) for the next fiscal year, as we work to achieve earnings targets.

2. Group Companies

Further information omitted as there have been no significant changes in roles of Group companies (business activities) or status of affiliates per the latest securities report (filed June 24, 2013).

3. Management Policies

(1) Basic management policy

The Mandom Group’s values are the starting point of our corporate activities. We aim to embody our mission to provide a comfortable lifestyle supported by health and beauty. Our values are what guide us in fulfilling our mission: (1) Creating lifestyle value with consumers, for consumers; (2) manage with active employee participation; and (3) social responsibility and sustainability. By conscientiously and promptly meeting the economic and social responsibilities required of us by our stakeholders, we keep and build strong relationships of trust. This is how we aim to maximize customer satisfaction.

To instill our values within our organization, we have established principles that we keep in the forefront of our mind as we engage in our work. These principles guide us toward a unique Only One Management model driving us to create even greater levels of corporate value.

(2) Target management indicators

Our new three-year business plan (FYE March 2015 through FYE March 2017) is designed to help us compete and win on the global stage, building out from Asia. This new plan outlines initiatives for building a stronger foundation supporting expansion and growth for promising business lines in terms of products and regions. Accordingly, growth is our highest focus—we aim for revenue growth and continuing profits that exceed our prior business plan, while at the same time exercising management that emphasizes operating income ratios as a measure of profitability.

(3) Medium-Term Business Strategy

The Medium-Term Business Strategy focuses on sustainable Group growth. We will continue to follow a policy of careful investment of management resources toward the steady growth of the Group’s businesses leading to sustainable expansion of revenues and profits, pursuing the three following strategic themes: 1) sustainable growth in our core men’s grooming business, 2) faster expansion of our women’s cosmetics business through the Asian market, and 3) continued expansion of our global business, emphasizing Asia as an engine of growth.

In executing on our strategies, we plan to make opportunistic use of external resources from mergers, acquisitions, and business partnerships.

a. Sustainable growth in our core men's grooming business

The Gatsby product line is the core brand of the Mandom business. We intend to build Gatsby into an even stronger Asian global brand for the benefit of the men who live in the countries where we operate. In the Japanese market, we target young customers as our core target to drive growth in our styling and face & body category products. Overseas, as well, we will focus mainly on the styling category while building a stronger presence in the face & body category to drive growth.

Lucido is an aging care concept targeting middle-aged consumers, a new category starting out with a deodorant product for people whose body chemistry has changed with age.

b. Faster expansion of our women's cosmetics business through the Asian market

The Mandom Group is focusing on the skin care and makeup base categories as drivers of growth in the Asian women’s cosmetics business. In the Japanese market, and particularly the cleansing market, we aim to expand our market share through better consumer education, which we will tie to growth in women’s cosmetics sales. Overseas, we plan to roll out more Japanese products in parallel to expand our sales reach. At the same time, we will extend and support the regions in which we sell our makeup base products, aiming to grow our cosmetics business as a whole.

c. Continued expansion of our global business

We believe that our overseas business will continue to be the engine of growth for the Mandom Group. Our main overseas market is Indonesia, with China, India, and Indochina identified as emerging markets. We will concentrate resources on marketing, while building markets in each individual region from the perspective of the consumer, which we believe will allow us to create further growth in our overseas business as a whole.

(4) Management issues

The Mandom Group has identified the following as important management issues:

a. Men’s Grooming Business and Women’s Products

The men’s grooming business is the core business of the Mandom Group. We are seeing greater levels of competition in Japan and overseas from traditional market competitors and new competitors from other markets. We expect that the market environment will only become more intensely competitive in the future. We believe that our men’s grooming business can win a 50% or greater share of this market—even 60% or greater for the Japanese domestic market. Uncovering more needs and wants from the perspective of the customer will be key in building a base that supports revenue growth and helps us build a structure from which to launch new products and new categories for growth.

At the same time, we intend to build a stronger business in the skin care and makeup base categories for women—another growth area for the Group.

b. Human Resources Training

The Mandom Group intends to grow our global business through activity in Asia. To accomplish this, we believe that it is more important than ever to find and train employees capable of understanding and achieving our goals in each market. To train a generation of employees who can lead us to success across Asia, our education programs will encompass communication skills, as well as an understanding and commitment to the culture, customs, and values in each market.

c. Social Contribution Activities

Social responsibility and sustainability is one of our corporate values. The Mandom Group believes that corporate social responsibility initiatives are one way to put this value into practice. As we continue to improve our quality assurance and lower our environmental footprint, we also intend to create a structure that allows us to participate in social contribution activities as a Group to demonstrate our commitment to being a good corporate citizen.