May 11, 2015

Consolidated Business Results
(April 1, 2014 through March 31, 2015: Japanese Standards)

Corporate Name: Mandom Corporation
Listed Exchange: Tokyo
Code Number: 4917
URL: http://www.mandom.co.jp
Representative: Motonobu Nishimura, Representative Director & President Executive Officer
Contact: Kazunori Koshikawa, Corporate Officer & General Manager, Financial Management Division
TEL (81)-6-6767-5001

Annual General Shareholders' Meeting: June 23, 2015
Dividend Payout: June 24, 2015
Financial Statements Issued: June 24, 2015
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, 2015 (April 1, 2014 to March 31, 2015)

(1) Consolidated Financial Highlights

(% = change vs. PY)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
FYE March 2015	70,925	4.0	6,996	2.1	7,595	3.6	4,425	8.0
FYE March 2014	68,215	12.9	6,853	15.2	7,330	17.4	4,091	13.4

Note: Comprehensive Income
FYE March 2015 ¥7,782million (29.5%)
FYE March 2014 ¥6,011million (7.5%)

	Earnings per Share	Diluted Earnings per Share	Return on Equity	Ordinary Income/Total Assets	Operating Income/Net Sales
	yen	yen	%	%	%
FYE March 2015	189.28	–	8.3	10.6	9.9
FYE March 2014	175.02	–	8.3	11.5	10.0

Reference: Income (loss) in minority interests
FYE March 2015 ¥153 million
FYE March 2014 ¥90 million

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	¥ millions	¥ millions	%	yen
FYE March 2015	75,980	60,980	73.7	2,394.23
FYE March 2014	67,858	55,179	75.2	2,183.09

Reference: Shareholders' Equity

FYE March 2015 ¥55,974million
FYE March 2014 ¥51,038million

(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 2015	5,488	△5,141	△341	11,264
FYE March 2014	7,303	△5,596	△1,833	10,890

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 2014	–	33.00	–	37.00	70.00	1,636	40.0	3.3
FYE March 2015	–	37.00	–	39.00	76.00	1,776	40.2	3.3
FYE March 2016 (forecast)	–	40.00	–	40.00	80.00		26.3	

3. Consolidated Earnings Forecast, Fiscal Year Ending March 2016 (April 1, 2015 to March 31, 2016)

(% = 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)	41,840	8.8	5,250	0.2	5,250	△5.6	5,800	71.3	248.09
Full Year	76,360	7.7	7,360	5.2	7,600	0.1	7,120	60.9	304.55

* 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 2015	24,134,606 shares
FYE March 2014	24,134,606 shares

  b. Treasury stock, end of period

FYE March 2015	755,827 shares
FYE March 2014	755,434 shares

c. Average outstanding shares during the period

FYE March 2015	23,379,045 shares
FYE March 2014	23,379,495 shares

(Reference) Summary of Non-Consolidated Business Results

1. Business Results, FYE March 2015 (April 1, 2014 to March 31, 2015)

(1) Sales and Income

(% = change vs PY)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
FYE March 2015	44,851	2.9	4,899	4.9	5,658	5.5	3,780	19.1
FYE March 2014	43,585	7.0	4,669	13.7	5,365	15.5	3,175	1.7

	Earnings per Share	Earnings per Share (diluted)
	yen	yen
FYE March 2015	161.71	–
FYE March 2014	135.81	–

(2) Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Shareholders' Equity per Share
	¥ millions	¥ millions	%	yen
FYE March 2015	57,106	49,696	87.0	2,125.73
FYE March 2014	55,708	46,938	84.3	2,007.72

(Reference) Treasury Stock FYE March 2015 ¥49,696 million
FYE March 2014 ¥46,938 million

2. FYE March 2016 Forecast (April 1, 2015 to March 31, 2016)

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

	Net Sales		Ordinary Income		Net Income		Earnings per Share
	¥ millions	%	¥ millions	%	¥ millions	%	yen
Second Quarter (cumulative)	26,903	5.3	4,700	6.3	3,270	9.8	139.87
Full Year	46,700	4.1	6,000	6.0	4,170	10.3	178.37

* 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 5, 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 2015	70,925	6,996	7,595	4,425	189.28	8.3
FYE March 2014	68,215	6,853	7,330	4,091	175.02	8.3
Change	4.0%	2.1%	3.6%	8.1%	8.1%	△0.0%

During the consolidated fiscal year, Japan's economy demonstrated a gradual recovery buoyed by government economic and financial policies, but the future remains uncertain due to factors such as stagnant consumer spending resulting from an increase in consumption taxes and the impact of a rapidly weakening yen. Meanwhile, the economies throughout Asia—our main sphere of international operations—continued to recover, exhibiting 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) Accelerated expansion of our women's cosmetics business
3) Continued expansion of our global business as an engine of growth

Net sales increased by ¥2.709 billion year-on-year (4.0% increase), amounting to ¥70.925 billion. Our core Gatsby brand performed favorably overseas, especially in Indonesia, and overall the results were strong in Japan and other countries, so we marked our fifth consecutive year of record sales.

Operating income increased ¥142 million year-on-year (2.1% increase), amounting to ¥6.996 billion owing to efforts at making efficient investments in marketing expenses (sales promotion and advertising expense) in Japan despite an increase in the cost ratio in Japan and aggressive investment in marketing expenses (advertising expense) overseas, primarily in Indonesia. Ordinary income came in at ¥7.595 billion, which was a ¥265 million (3.6%) increase compared to the prior fiscal year. The Company also saw net income gains, recording a ¥333 million (8.1%) year-on-year increase, up to ¥4.425 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	40,945	41,637	1.7%	4,480	4,485	0.1%
Indonesia	15,968	17,172	7.5%	1,147	1,028	△10.4%
Overseas, Other	11,301	12,115	7.2%	1,225	1,482	21.0%

Net sales in Japan amounted to ¥41.637 billion, which was a 1.7% year-on-year increase. This increase was due to favorable performance of Lucido and women's products despite the struggles of the summer products of "Gatsby," our most important product line. Operating income was up 0.1% year-on-year to ¥4.485 billion. This was due primarily to efforts at making efficient investments in marketing expenses (sales promotion and advertising expense), despite an increase in the cost ratio.

Net sales in Indonesia reached ¥17.172 billion, representing a 7.5% year-on-year increase. This result was mainly due to foreign-exchange decreases resulting from local currency devaluation, which was more than offset by performance in Indonesia of our core Gatsby brand and other men's products. Operating income was down 10.4% year-on-year to ¥1.028 billion. We attribute this decrease mainly to the result of aggressive investment in marketing expenses (sales promotion and advertising expense).

Net sales in other overseas regions amounted to ¥12.115 billion, representing a 7.2% year-on-year gain. This result was mainly due to overall favorable performance on a local currency basis and foreign-exchange gains due to the weaker yen. Also, greater revenues led to a 21.0% year-on-year gain in operating income, up to ¥1.482 billion.

b. Next-Period Outlook

(¥ millions) (yen) (%)

	Net Sales	Operating Income	Ordinary Income	Net Income	EPS	ROE
FYE March 2016	76,360	7,360	7,600	7,120	304.55	12.7
FYE March 2015	70,925	6,996	7,595	4,425	189.28	8.3
Change	7.7%	5.2%	0.1%	60.9%	60.9%	53.0%

Japan's economy is expected to continue its gradual recovery in the next period owing in part to the impact of lower oil prices and the effect of various government policies as the hiring and income environment continue to improve despite risks such as economic downturns in other countries. The economy in Asia is also expected to continue slowly expanding even though there is a risk of it being impacted by the financial market. At the same time, competition is expected to intensify in the Asian cosmetics industry despite a continued trend of expansion.

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 our men's grooming business, accelerated expansion of our women's cosmetics business and continued expansion of our global business as an engine of growth.

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, even as we actively invest marketing expenses in our overseas business and women's products and expect an increase in the cost of goods sold ratio. Additionally, there will be a gain on sale of fixed assets from the transfer of fixed assets at a consolidated subsidiary, so we expect that to have the effect of increasing net income attributable to parent company shareholders by around ¥2.5 billion.

We calculated our forecasts assume major foreign exchange rates of ¥118 to the U. S. dollar, 12,800 rupiah to the U. S. dollar, and ¥0.0092 to the rupiah.

Based on the preceding facts, we forecast net sales of ¥76.36 billion (7.7% year-on-year increase), operating income of ¥7.36 billion (5.2% increase), ordinary income of ¥7.6 billion (0.1% increase), and net income of ¥7.12 billion (60.9% increase) for the next fiscal year.

c. Progress of the Current Three-Year Business Plan

Our current three-year business plan (FYE March 2015 through FYE March 2017) is considered a middle-range plan to accelerate growth and launch new businesses in Asia. We aim to establish a competitive advantage by strengthening business development in major markets and to grow sales by developing new markets and businesses while keeping in mind profitability improvement.

Our strategic themes for expanding the sales volume are: 1) sustainable growth in our core men's grooming business, 2) accelerated expansion of our women's cosmetics business and 3) continued expansion of our global business as an engine of growth in our current Group three-year business plan.

In the FYE March 2015, the first year of our current Group three-year business plan, we were unable to achieve the initial targets of the plan because of sluggish performance of summer products due to poor weather in Japan and underperformance in some regions despite the positive effect of the weak yen, expansion of sales in the women's products and achieving stable growth. We will continue to work towards achieving the targets of the middle-range plan.

The following details our progress in each strategic area of the Group three-year business plan just completed (FYE March 2015 through FYE March 2017):

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. Although we increased our share in the styling category in Japan and achieved growth overseas, performance of summer products was sluggish due to poor weather and intensification of competition in Japan. On the other hand, Lucido trended favorably as we strengthened development of aging care products in particular, including odor care. Overall, sales continued to grow in the men's grooming business, but they fell short of the initial targets of the plan.

2) Accelerated expansion of our women's cosmetics business

   In addition to aggressive marketing and stronger selling of our skin care products in Japan, overseas we rolled out domestic products and Indonesian products. These and other efforts were made to expand the business in Asia and globally, and the results surpassed the initial targets of the plan.

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

   In our global business, sales increased steadily on a local currency basis, and the exchange rate produced a positive effect, but performance was sluggish in some regions, so the results fell short of the initial plan.

The Group continued aggressive investments in marketing to continue to grow and expand. At the same time, sales fell short of the initial plan, so although we achieved the highest profits ever at each stage, we did not achieve the initial targets of the plan.

d. Performance on Target Financial Indicators

Our current three-year business plan (FYE March 2015 through FYE March 2017) emphasizes growth potential, and our aim is to increase the sales volume to a greater extent than called for in the previous middle-range plan. Moreover, on the income side, we aim to increase profitability with increased income, and our target in the final year of the plan (FYE March 2017) is to achieve an operating income ratio of at least 10%.

This year, the operating income ratio was 9. 9%.

(2) Financial Status

(Consolidated Financial Position) (¥ millions)

	Prior Year	Current Year	Change
Total Assets	67,858	75,980	8,121
Net Assets	55,179	60,980	5,800
Shareholders’ Equity Ratio	75.2%	73.7%	△1.5%
Shareholders’ Equity per Share	¥2,183.09	¥2,394.23	¥211.14

(Consolidated Cash Flows) (¥ millions)

	Prior Year	Current Year	Change
Cash and Cash Equivalents, Beginning of Period	10,482	10,890	408
Operating cash flows	7,303	5,488	△1,815
Investing cash flows	△5,596	△5,141	455
(Investment in fixed assets)	(△6,778)	(△5,283)	(1,495)
Financing cash flows	△1,833	△341	1,491
Foreign exchange translation adjustment	534	368	△166
Net change in cash and cash equivalents	408	374	△34
Cash and Cash Equivalents, End of Period	10,890	11,264	374
* Income before income taxes and minority interest	7,279	7,529	
* Depreciation and amortization	2,143	2,599	
* Investment in fixed assets			
Tangible fixed assets	6,353	4,884	
Intangible fixed assets	425	398	

a. Assets, Liabilities, and Net Assets

Total assets as of the end of the consolidated fiscal year amounted to ¥75.98 billion, representing a ¥8.121 billion increase compared to the end of the prior consolidated fiscal year. This increase was mainly due to an increase in merchandise and finished goods and construction in progress. Total liabilities amounted to ¥15.0 billion, a ¥2.32 billion increase over the prior fiscal year. This increase was mainly due to increases in short-term borrowings. Net assets amounted to ¥60.98 billion. This was a ¥5.8 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 fiscal year was 73.7%.

b. Cash Flows

Cash and cash equivalents (Cash) as of the end of the consolidated fiscal year amounted to ¥11.264 billion. This represents a ¥374 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)

Cash flows from operating activities amounted to ¥5.488 billion, which was a ¥1.815 billion decrease compared to the prior fiscal year. This result was mainly due to an increase in accounts receivables and inventories, despite an increase in operating income.

(Cash Flows from Investing Activities)

Consolidated cash used in investing activities amounted to ¥5.141 billion, which was a ¥455 million decrease compared to the prior fiscal year. This was mainly due to a decrease in purchases of tangible fixed assets, despite an increase in cash used in time deposits.

(Cash Flows from Financing Activities)

Consolidated cash used in financing activities amounted to ¥341 million, which was a ¥1.491 billion decrease compared to the prior fiscal year. This was primarily due to proceeds from short-term loans.

c. Cash Flow Indicators

	FY 2012 95th Term	FY 2013 96th Term	FY 2014 97th Term	FY 2015 98th Term
Shareholders’ Equity Ratio (%)	78.3	78.2	75.2	73.7
Shareholders’ Equity Ratio, Market Value (%)	87.3	128.2	128.5	135.2
Cash Flows to Interest-Bearing Debt (%)	7.9	4.5	4.9	40.3
Interest Coverage Ratio (times)	2,431.5	5,220.4	3,952.7	3,145.9

(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.

With regards to internal reserve funds, we use them for strategic investments such as capital investments to grow existing businesses, overseas investments, and investment in research and development to improve corporate value. In addition, we view internal reserves as a safety net to deal with various corporate risks. We are also considering the potential for stock buybacks to return profits to shareholders and to improve capital efficiency.

The numerical target for dividends is a dividend payout ratio of at least 40% on a consolidated basis excluding special elements.

We plan to pay a ¥76 per share dividend (40.2% consolidated dividend payout ratio) in annual dividends for the fiscal year under review. Additionally, for the annual dividend in the next period, we plan to pay ¥80 per share (¥40 per share interim dividend) by working to achieve the earnings forecast.

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 25, 2014).

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 current 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, 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

The Mandom Group works to maintain and improve amicable relationships of trust with our stakeholders and develop harmony with society as a good corporate citizen, and we aim to contribute to social development. As part of that endeavor, we have established CSR activities to undertake. 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.

4. 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.