



May 8, 2018

Consolidated Business Results (April 1, 2017 through March 31, 2018: Japanese Standards)

Corporate Name: Mandom Corporation
 Listed Exchange: Tokyo
 Code Number: 4917
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 Representative: Motonobu Nishimura, President Executive Officer & Director
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Annual General Shareholders' Meeting: June 22, 2018
 Dividend Payout: June 25, 2018
 Financial Statements Issued: June 25, 2018
 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 Fiscal Year Ended March 31, 2018 (April 1, 2017 to March 31, 2018)

(1) Consolidated Financial Highlights

(% = change vs. PY)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent	
	\ millions	%	\ millions	%	\ millions	%	\ millions	%
FYE March 2018	81,386	5.2	8,457	11.0	9,264	13.2	6,086	9.4
FYE March 2017	77,351	3.0	7,617	15.5	8,183	10.4	5,566	Δ12.8

Note: Comprehensive Income
 FYE March 2018 \8,818million (48.5%) FYE March 2017 \5,939million (Δ15.3%)

	Earnings per Share	Diluted Earnings per Share	Return on Equity	Ordinary Income/Total Assets	Operating Income/Net Sales
	yen	yen	%	%	%
FYE March 2018	130.19	—	9.2	10.5	10.4
FYE March 2017	119.05	—	9.1	10.0	9.8

Reference: Income (loss) in minority interests
 FYE March 2018 \307million FYE March 2017 \235 million

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	Net Assets per Share
	\ millions	\ millions	%	yen
FYE March 2018	93,195	75,749	74.5	1,484.67
FYE March 2017	83,835	69,590	75.4	1,352.88

Reference: Shareholders' Equity
 FYE March 2018 \69,412million FYE March 2016 \63,253million

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.

(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 2018	10,246	Δ6,776	Δ2,669	13,640
FYE March 2017	9,045	Δ5,920	Δ2,215	12,880

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 2017	-	43.00	-	53.00	96.00	2,244	40.3	3.7
FYE March 2018	-	49.00	-	34.50	-	2,758	45.3	4.2
FYE March 2019 (forecast)	-	30.00	-	30.00	60.00		48.4	

Note: 1. Breakdown of year-end dividend for the FYE March 2018)

Ordinary dividend ¥24.50 90th Anniversary commemorative dividend ¥10.00

2. 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 2019 (April 1, 2018 to March 31, 2019)

(% = 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)	43,000	Δ2.8	5,950	Δ3.6	6,350	Δ4.2	4,000	Δ8.2	85.56
Full Year	80,000	Δ1.7	8,600	1.7	9,300	0.4	5,800	Δ4.7	124.06

* 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: None
 - 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 2018	48,269,212 shares
FYE March 2017	48,269,212 shares

b. Treasury stock, end of period

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

c. Average outstanding shares during the period

FYE March 2018	46,753,617 shares
FYE March 2017	46,755,428 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.

(Reference) Summary of Non-Consolidated Business Results

**1. Business Results, FYE March 2018
(April 1, 2017 to March 31, 2018)**

(1) Sales and Income

(% = change vs PY)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	\ millions	%	\ millions	%	\ millions	%	\ millions	%
FYE March 2018	51,646	4.1	5,887	9.2	6,696	8.8	4,944	9.4
FYE March 2017	49,604	4.5	5,393	5.8	6,151	3.6	4,517	23.2

	Earnings per Share		Earnings per Share (diluted)	
	yen		yen	
FYE March 2018	105.75		-	
FYE March 2017	96.62		-	

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) Financial Position

	Total Assets		Net Assets		Shareholders' Equity Ratio		Shareholders' Equity per Share	
	\ millions	%	\ millions	%	%		yen	
FYE March 2018	71,407		60,497		84.7		1,293.98	
FYE March 2017	63,972		55,320		86.5		1,183.22	

(Reference) Treasury Stock FYE March 2018 \60,497 million
FYE March 2017 \55,320 million

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

**2. FYE March 2019 Forecast
(April 1, 2018 to March 31, 2019)**

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

	Net Sales		Ordinary Income		Net Income		Earnings per Share	
	\ millions	%	\ millions	%	\ millions	%	yen	
Second Quarter (cumulative)	30,500	3.7	5,200	Δ0.4	3,500	Δ6.4	74.86	
Full Year	53,500	3.6	6,650	Δ0.7	4,550	Δ8.0	97.32	

* **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. Overview of Results of Operations, etc., (4) Future Outlook" for important notes concerning assumptions used for earnings forecasts and the appropriate use of earnings forecasts.

1. Overview of Results of Operations, etc.

(1) Results of Operations

(Financial Highlights)

	Net Sales	Operating Income	Ordinary Income	Net Income Attributable to Owners of Parent
FYE March 2018	81,386	8,457	9,264	6,086
FYE March 2017	77,351	7,617	8,183	5,566
Change	5.2%	11.0%	13.2%	9.4%

During the consolidated fiscal year, 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

Net sales increased by ¥4.035 billion year on year (5.2% increase), amounting to ¥81.386 billion. Sales of the Gatsby brand in the men's business were steady, and sales of the Bifesta brand in the women's business were strong. As a result, we marked our eight consecutive year of record sales.

With higher revenues, operating income was up ¥840 million (11.0%) year on year to ¥8.457 billion. Ordinary income came in at ¥9.264 billion, which was a ¥1.080 billion (13.2%) increase compared to the prior fiscal year. Net income attributable to owners of parent increased ¥520 million (9.4%) year on year to ¥6.086 billion.

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

(Performance by Segment)

Location	Net Sales			Operating Income		
	Prior Year	Current Year	Change	Prior Year	Current Year	Change
Japan	45,945	47,739	3.9%	5,077	5,525	8.8%
Indonesia	18,323	19,616	7.1%	925	1,181	27.7%
Overseas, Other	13,081	14,030	7.3%	1,614	1,750	8.4%

Net sales in Japan amounted to ¥47.739 billion, which was a 3.9% 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 8.8% year on year to ¥5.525 billion, mainly due to higher revenues.

Net sales in Indonesia reached ¥19.616 billion, representing a 7.1% year-on-year increase. This increase was mainly due to favorable performance of the Gatsby brand in Indonesia. Operating income was up 27.7% year on year to ¥1.181 billion. This was mainly due to higher revenues and decreased sales expenses associated with efficient marketing activities.

Net sales in Overseas, Other amounted to ¥14.030 billion, representing a 7.3% year-on-year gain. This result was mainly due to overall strong performance by each company. Operating income was up 8.4% year on year to ¥1.750 billion. This was mainly due to higher revenues despite increased sales expenses.

(2) Financial Position

(Assets) Current assets as of the end of the consolidated fiscal year amounted to ¥59.247 billion, representing a ¥5.116 billion increase compared to the end of the prior consolidated fiscal year. This increase was mainly due to a ¥2.299 billion increase in marketable securities and a ¥1.732 billion increase in cash and deposits. Noncurrent assets amounted to ¥33.947 billion, representing an increase of ¥4.243 billion compared to the end of the prior consolidated fiscal year. This increase was mainly due to a ¥3.857 billion increase in investment securities.

As a result, total assets amounted to ¥93.195 billion, representing an increase of ¥9.359 billion compared to the end of the prior consolidated fiscal year.

(Liabilities) Current liabilities as of the end of the consolidated fiscal year amounted to ¥11.755 billion, representing a 1.577 billion increase compared to the end of the prior consolidated fiscal year. This increase was mainly due to a ¥1.164 billion increase in accrued expenses. Noncurrent liabilities amounted to ¥5.690 billion, representing an increase of ¥1.622 billion compared to the end of the prior consolidated fiscal year. This increase was mainly due to a ¥1.271 billion increase in deferred tax liabilities.

As a result, total liabilities amounted to ¥17.445 billion, representing an increase of ¥3.2 billion compared to the end of the prior consolidated fiscal year.

(Net assets) Net assets as of the end of the consolidated fiscal year amounted to ¥75.749 billion, representing a ¥6.159 billion increase compared to the end of the prior consolidated fiscal year. This increase was mainly due to a ¥3.702 billion increase in retained earnings resulting from increases in a ¥6.086 billion net income attributable to owners of parent and a ¥2.384 billion dividend of surplus.

As a result, shareholders' equity ratio was 74.5% (compared to 75.4% at the end of the prior consolidated fiscal year).

(3) Cash Flows

Cash and cash equivalents (Cash) as of the end of the consolidated fiscal year amounted to ¥13.640 billion. This represents a ¥760 million increase compared to the end of the prior consolidated fiscal year. This increase was mainly due to income before income taxes and minority interest being up to ¥9.218 billion (a 10.0% increase year on year).

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

(Cash Flows from Operating Activities)

Net cash provided by operating activities was ¥10.246 billion. This was mainly an increase resulting from income before income taxes and minority interest of ¥9.218 billion and depreciation and amortization of ¥3.315 billion and a decrease resulting from ¥2.353 billion in corporate and other taxes paid and a ¥1.065 billion increase in accounts receivable.

(Cash Flows from Investing Activities)

Net cash used in investing activities was ¥6.776 billion. This was mainly an increase resulting from ¥27.0 billion in proceeds from redemptions and sales of marketable securities and a decrease resulting from outlays for the acquisition of marketable securities of ¥29.299 billion and outlays for the acquisition of tangible fixed assets of ¥2.572 billion.

(Cash Flows from Financing Activities)

Net cash used in financing activities was ¥2.669 billion. This was mainly a decrease resulting from dividend payments of ¥2.383 billion.

(4) Future Outlook

(¥millions)

	Net Sales	Operating Income	Ordinary Income	Net Income Attributable to Owners of Parent
FYE March 2019	80,000	8,600	9,300	5,800
FYE March 2018	81,386	8,457	9,264	6,086
Change	-1.7%	1.7%	0.4%	-4.7%

The economy in Japan is expected to continue a moderate recovery overall with improvements in the hiring and income environment. Nevertheless, the future remains unpredictable due to increased uncertainty in the global economy and fluctuations in the financial and capital markets. The economy in Asia is also expected to show a modest expansion, but there will continue to be a great deal of uncertainty regarding the future due to concern about economic downturns and other factors.

In light of these conditions, the Mandom Group is working to maintain and expand the men's business, further strengthen the field of women's products and strengthen the overseas business with Indonesia at the core.

We calculated our forecasts assume major foreign exchange rates of ¥106 to the U. S. dollar, 13,750 rupiah to the U. S. dollar, and ¥0. 0077 to the rupiah.

Beginning with the fiscal year ending March 31, 2019, some items that were previously processed as expenses will be deducted from net sales at overseas consolidated subsidiaries included in financial statements prepared in accordance with International Financial Reporting Standards. When using the same standards to calculate net sales for the fiscal year ended March 31, 2018, we expect a roughly 3% year-on-year increase. (The net sales figure for the fiscal year ended March 31, 2018 used to calculate this year-on-year comparison was an estimate, so it is subject to change depending on the results of the accounting audit.)

Based on the preceding facts, we forecast net sales of ¥80.0 billion (1.7% year-on-year decrease), operating income of ¥8.6 billion (1.7% increase), ordinary income of ¥9.3 billion (0.4% increase), and net income attributable to owners of parent of ¥5.8 billion (4.7% decrease) for the next fiscal year.

2. 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 the International Financial Reporting Standards as appropriate, taking into account the situations in Japan and other countries.