



November 2, 2022

## Consolidated Business Results (April 1 to September 30, 2022: 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  
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Dividend Payout: December 1, 2022  
 Expected Release Date of Quarterly Report: November 11, 2022  
 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 and Second Quarter of the Fiscal Year Ended March 2023 (April 1 to September 30, 2022)

#### (1) Consolidated Financial Highlights(cumulative) (% = Changes from the same period in the previous fiscal year)

	Net Sales		Operating Profit		Ordinary Profit		Net Income Attributable to Owners of Parent	
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%
1Q+2Q, FYE March 2023	32,652	11.4	1,038	–	1,362	–	974	198.1
1Q+2Q, FYE March 2022	29,311	△12.6	△646	–	△358	–	326	△84.7

Note: Comprehensive Income

1Q+2Q, FYE March 2023 ¥5,463million (547.2%)      1Q+2Q, FYE March 2022 ¥844million (–%)

	Earnings per Share	Diluted Earnings per Share
	yen	yen
1Q+2Q, FYE March 2023	21.66	–
1Q+2Q, FYE March 2022	7.28	–

#### (2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	¥ millions	¥ millions	%
1Q+2Q, FYE March 2023	91,786	73,609	73.2
FYE March 2022	85,767	69,051	73.8

Reference: Shareholders' Equity

1Q+2Q, FYE March 2023 ¥67,201 million  
 FYE March 2022 ¥63,321 million

## 2. Dividends

	Annual Dividend				
	First Quarter End	Second Quarter End	Third Quarter End	Year End	Total
	yen	yen	yen	yen	yen
FYE March 2022	–	18.00	–	18.00	36.00
FYE March 2023	–	19.00			
FYE March 2023 (forecast)			–	19.00	38.00

Note: Changes to most recently reported dividend forecast: None

## 3. Consolidated Earnings Forecast, Fiscal Year Ending March 2022 (April 1, 2022 to March 31, 2023)

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

	Net Sales		Operating Profit		Ordinary Profit		Net Income Attributable to Owners of Parent		Earnings per Share
	¥ millions	%	¥ millions	%	¥ millions	%	¥ millions	%	yen
Full Year	65,000	13.1	1,000	–	1,350	–	750	–	16.67

Note: Changes to most recently reported dividend 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  
a. Changes in accounting methods in connection with changes: None  
b. Changes in accounting methods other than a.: None  
c. Changes in accounting estimates: None  
d. Changes in presentation: None

(4) Issued shares (common stock)

a. Shares outstanding, end of period (including treasury stock)

2Q, FYE March 2023	48,269,212 shares
FYE March 2022	48,269,212 shares

b. Treasury stock, end of period

2Q, FYE March 2023	3,303,630 shares
FYE March 2022	3,285,292 shares

c. Average outstanding shares during the period (cumulative)

2Q, FYE March 2023	44,974,607 shares
2Q, FYE March 2022	44,889,235 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 promising of future performance. Actual earnings may differ significantly from forecasts due to several factors.

## 1. Qualitative Information concerning Quarterly Financial Statements

### (1) Qualitative Information concerning Consolidated Results of Operations

During the cumulative consolidated second quarter, Japan's economy showed signs of a recovery with progress on normalization of economic and social activities as COVID-19-related restrictions on movement were eased. At the same time, raw material prices rose as the conflict in Ukraine became protracted and, against a backdrop of global monetary tightening, there are concerns about the risk of an economic downturn overseas putting downward pressure on the domestic economy. As such, the future is uncertain.

Asia is where the Mandom Group conducts most of its overseas business. Although the business has been impacted by restrictions on movement imposed primarily on China in East Asia in response to a resurgence of COVID-19, overall, economic activity continues to recover in Southeast Asia as such restrictions ease.

Under these economic conditions, the Group is promoting various measures based on the Basic Management Policies of the three-year plan, positioning it as a period of reformation and challenge for achieving VISION 2027. The basic management policies are as follows:

#### Basic Management Policies

- Company-wide marketing innovation for thorough advancement and pursuit of category strategies and improvement of brand value in the midst of a new normal
- Quick completion of restructuring of the business in Indonesia and business model innovation in the Global Business
- Transformation into a company that creates new value through digitalization and open innovation
- Improvement of corporate value and usefulness centered on sustainable management

The Mandom Group recorded cumulative second quarter consolidated net sales of ¥32.652 billion (an 11.4% year-on-year increase). This was mainly due to an increase in net sales of Gatsby owing to the lifting of various restrictions associated with COVID-19 and the subsequent normalization of economic and social activities as well as an increase in the yen equivalent of net sales at overseas subsidiaries arising from the depreciation of the yen.

Operating profit came to ¥1.038 billion (compared to an operating loss of ¥646 million the previous year). This was mainly due to an increase in the gross margin. As a result, ordinary profit amounted to ¥1.362 billion (compared to an ordinary loss of ¥358 million the previous year). Net income attributable to owners of parent amounted to ¥974 million (a 198.1% year-on-year increase).

The results of operations by segment (net sales refers to sales to external customers) are as follows:

Net sales in Japan amounted to ¥18.790 billion, which was a 6.0% year-on-year increase. This was mainly due to an increase in net sales of Gatsby owing to record heat this past summer. Operating profit of ¥681 million was posted (compared to an operating loss of ¥178 million the previous year), primarily due to an increase in the gross margin.

Net sales in Indonesia came to ¥6.089 billion, representing a 17.4% year-on-year increase. This was mainly due to an increase in net sales of PIXY in the women's business and an increase in the yen equivalent of net sales resulting from depreciation of the yen. An operating loss of ¥370 million (compared to ¥593 million the previous year) was posted despite improvement in the cost-to-sales ratio.

Net sales in Overseas, Other amounted to ¥7.773 billion, representing a 21.4% year-on-year increase. This was mainly due to a recovery of net sales in Malaysia and other Southeast Asian countries. Operating profit was up 480.7% year on year to ¥728 million mainly due to an increase in the gross margin.

### (2) Qualitative Information concerning Consolidated Financial Position

(Assets, Liabilities, and Net Assets)

Total consolidated assets at the end of the fiscal second quarter amounted to ¥91.786 billion, representing a ¥6.018 billion increase compared to the end of the prior consolidated fiscal year. This result was mainly due to an increase in cash and deposits. Total liabilities amounted to ¥18.177 billion, representing a ¥1.460 billion increase compared to the end of the prior consolidated fiscal year. This result was mainly due to an increase in notes and accounts payable – trade. Net assets amounted to ¥73.609 billion. This was a ¥4.557 billion increase compared to the end of the prior consolidated fiscal year, due primarily to an increase in foreign currency translation adjustments. Shareholders' equity ratio at the end of the first quarter was 73.2%.

(Cash Flows)

Consolidated cash and cash equivalents (“cash”) for the cumulative second quarter increased by ¥3.527 billion compared to the end of the prior consolidated fiscal year to ¥19.542 billion

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

<Cash Flows from Operating Activities>

Net cash provided by operating activities was ¥3.794 billion (compared to ¥5.233 billion the previous year). Increasing factors mainly included income before income taxes and minority interest of ¥1.324 billion and depreciation and amortization of ¥2.466 billion, while decreasing factors mainly included a ¥556 million decrease in accrued expenses.

<Cash Flows from Investing Activities>

Net cash used in investing activities was ¥516 million (compared to ¥376 million provided by investing activities the previous year). This was mainly a decrease resulting from outlays for the acquisition of tangible fixed assets of ¥706 million.

<Cash Flows from Financing Activities>

Net cash used in financing activities was ¥1.018 billion (compared to ¥4.475 billion the previous year). This was mainly a decrease resulting from dividend payments of ¥813 million.

(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 11, 2022.