



Business Results Briefing

(Fiscal Year Ending March 31, 2016)
April 1, 2015-March 31, 2016

Mandom Corporation
(Securities Code: 4917)



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1. Consolidated Business Results

(Unit:MIn Yen)

	Annual					
	FY2016/3	FY2015/3	Balance	Yr/Yr	Yr/Yr※	Achiev.
Net Sales	75,078	70,925	4,153	105.9%	104.4%	100.1%
Operating Income	6,594	6,996	▲ 401	94.3%	–	101.5%
Ordinary Income	7,415	7,595	▲ 180	97.6%	–	101.6%
Net Income Attributable to Owners of Parent	6,383	4,425	1,957	144.2%	–	104.6%

※Comparison with FY 2015/3 ex-change rate after adjustment

ROE	11.0%	8.3%
EPS	¥273.04	¥189.28

Payout Ratio	29.3%	40.2%
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- “Net sales” and “Net income attributable to owners of parent” was updated to the highest.

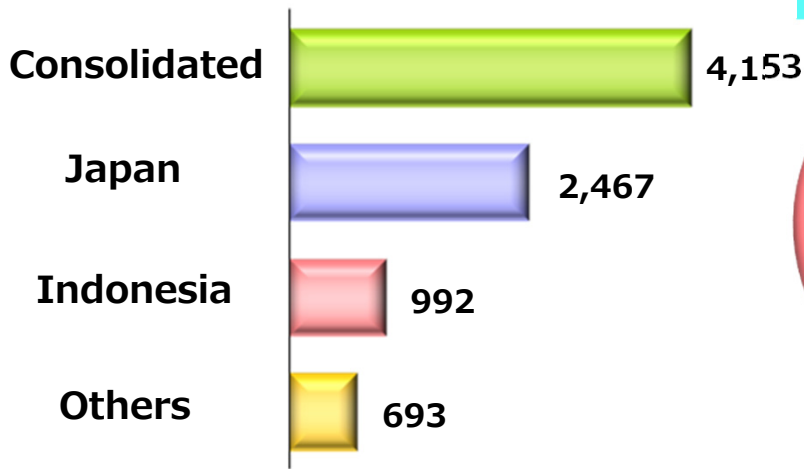
2. Consolidated Net Sales

2-1. Net Sales by Region

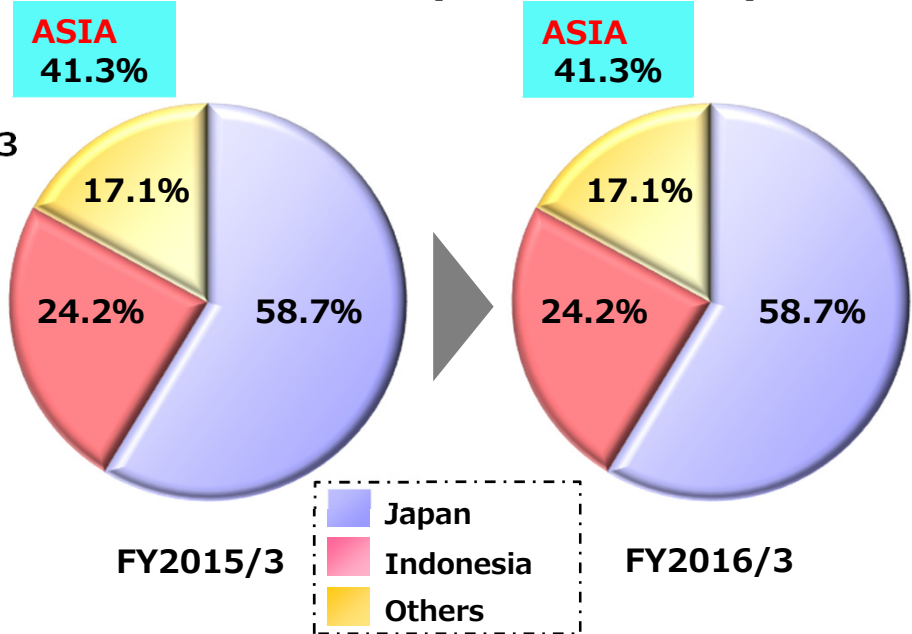
(Unit:MIn Yen)

	Annual			
	FY2016/3	FY2015/3	Balance	Yr/Yr
Net Sales	75,078	70,925	4,153	105.9%
Japan	44,104	41,637	2,467	105.9%
Indonesia	18,164	17,172	992	105.8%
Others	12,809	12,115	693	105.7%

2-2. Net Sales by Region Analysis (Year-on-Year)



2-3. Net Sales by Region Ratio (Year-on-Year)



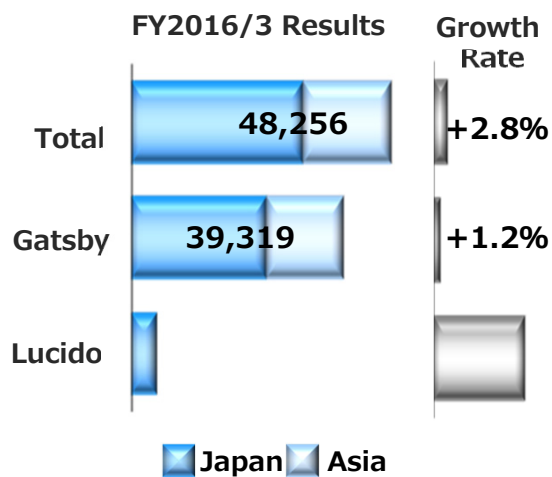
2. Consolidated Net Sales

2-4. Net Sales by Strategic Business Unit

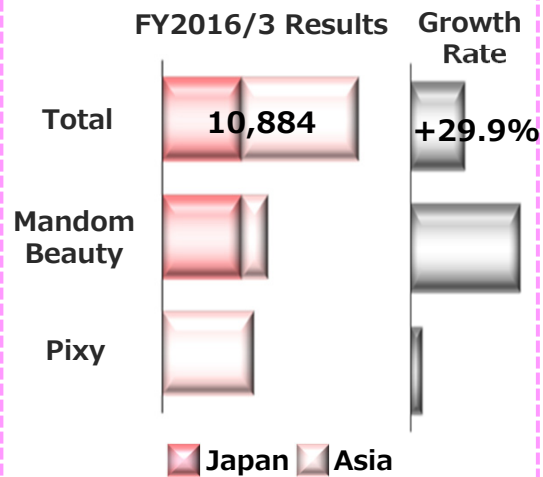
(Unit:Mln Yen)

	Annual			
	FY2016/3	FY2015/3	Balance	Yr/Yr
Net Sales	75,078	70,925	4,153	105.9%
Men's Grooming Business	48,256	46,955	1,300	102.8%
Gatsby	39,319	38,837	481	101.2%
Women's Cosmetics Business	10,884	8,381	2,503	129.9%
Women's Cosmetry Business	8,167	7,790	377	104.8%
Other Business	7,770	7,798	▲ 28	99.6%

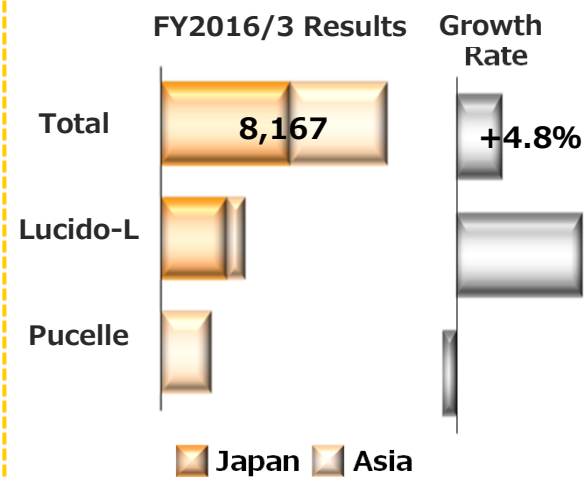
Men's Grooming Business



Women's Cosmetics Business



Women's Cosmetry Business



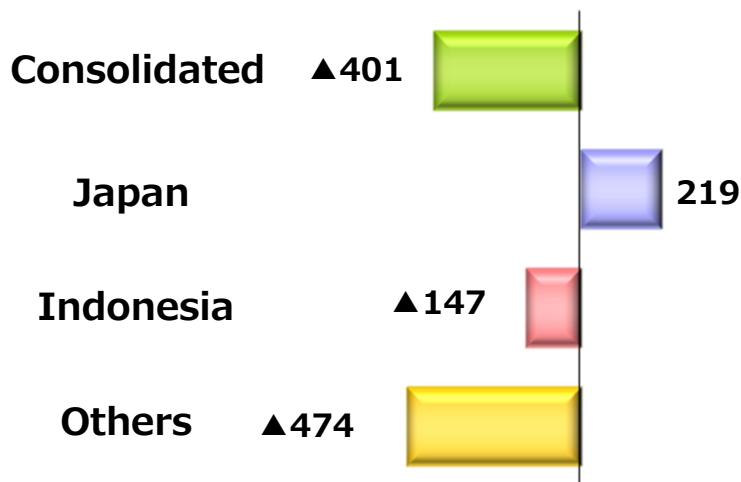
3. Consolidated Incomes

3-1. Operating Income by Region

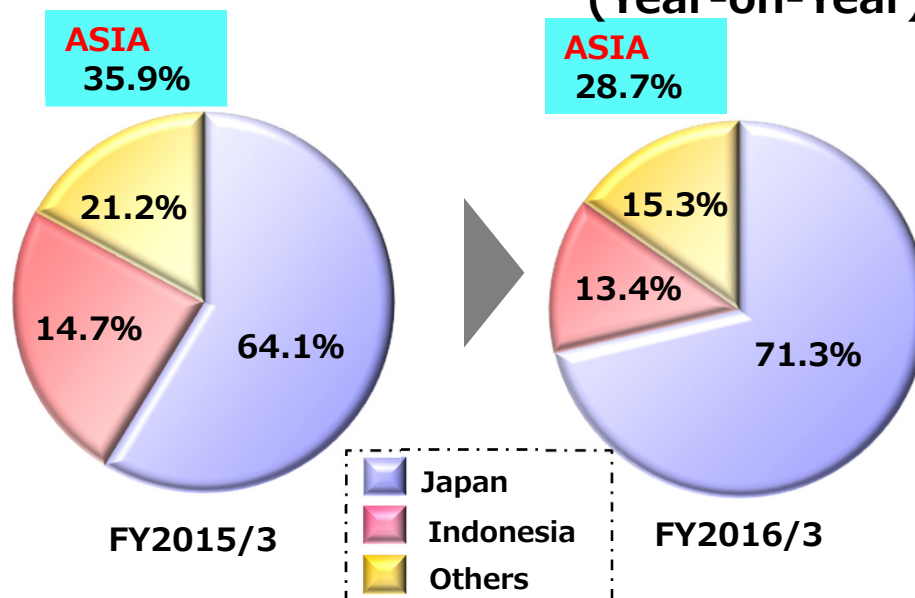
(Unit:MIn Yen)

	Annual					
	FY2016/3		FY2015/3		Balance	Yr/Yr
	Result	per Sales	Result	per Sales		
Operating Income	6,594	8.8%	6,996	9.9%	▲ 401	94.3%
Japan	4,704	10.7%	4,485	10.8%	219	104.9%
Indonesia	880	4.8%	1,028	6.0%	▲ 147	85.6%
Others	1,008	7.9%	1,482	12.2%	▲ 474	68.0%

3-2. Operating Income by Region Analysis (Year-on-Year)

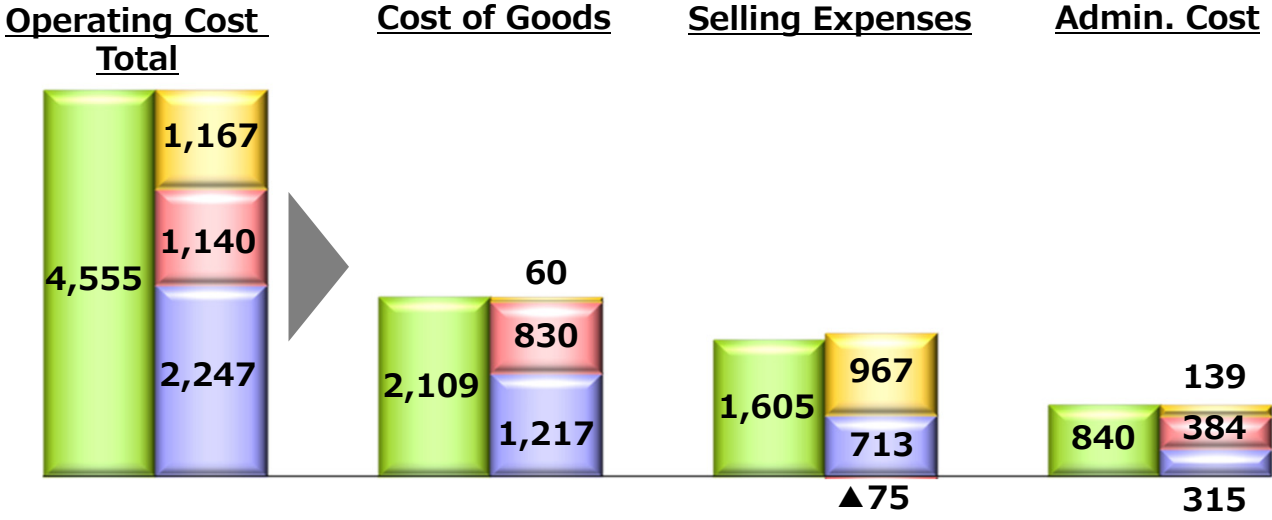


3-3. Operating Income by Region Ratio (Year-on-Year)

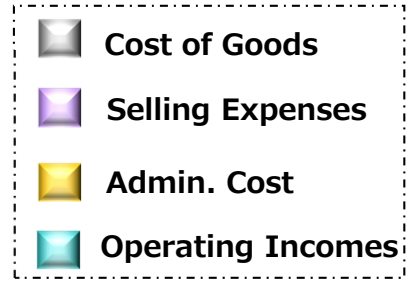
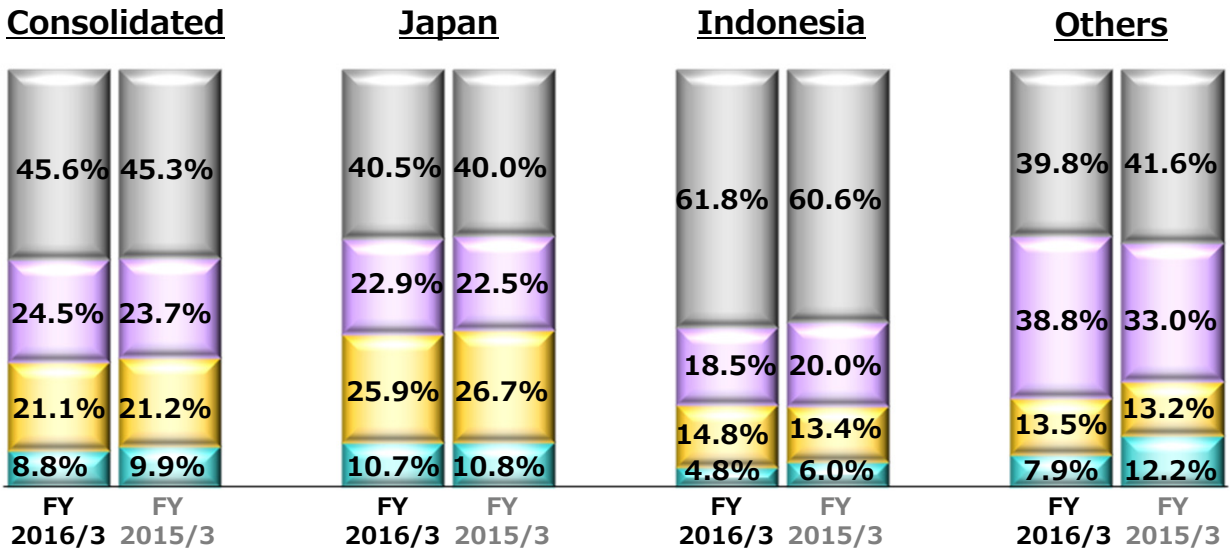


3. Consolidated Incomes

3-4. Operating Cost Analysis (Year-on-Year)



3-5. Operating Cost & Income (Ratio to Sales)



3. Consolidated Incomes

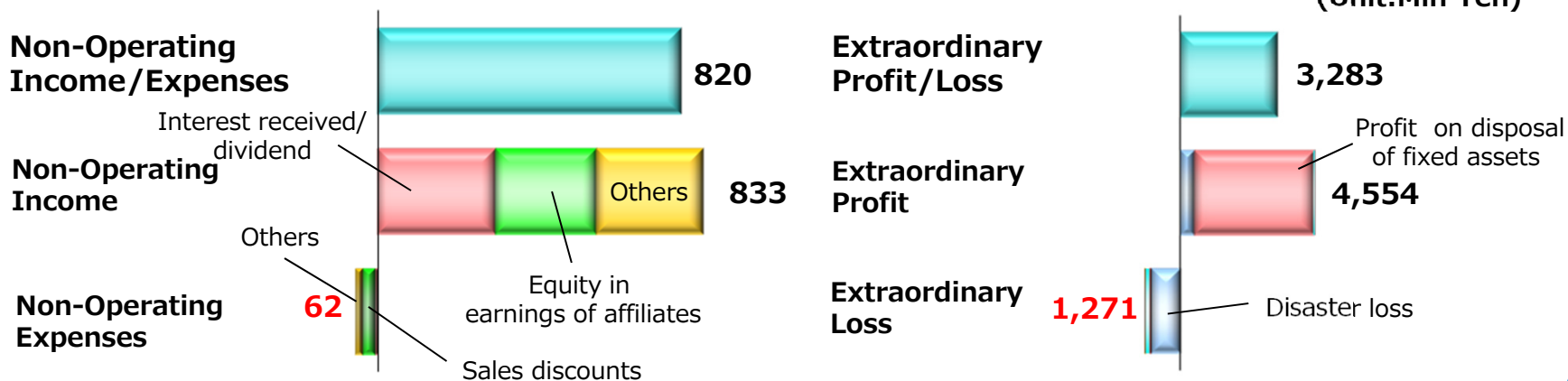
3-6. Ordinary Income and Net Income Attributable to Owners of Parent by Region

(Unit:MIn Yen)

	Annual					
	FY2016/3		FY2015/3		Balance	Yr/Yr
	Result	per Sales	Result	per Sales		
Non-operating Income/Loss	820	1.1%	599	0.8%	221	136.9%
Ordinary Income	7,415	9.9%	7,595	10.7%	▲ 180	97.6%
Extraordinary Profit/Loss	3,283	4.4%	▲ 66	▲0.1%	3,350	▲4922.7%
Income before Income Taxes and Minority Interests	10,698	14.3%	7,529	10.6%	3,169	142.1%
Income Taxes and Minority Interests	2,380	3.2%	2,519	3.6%	▲ 138	94.5%
Net Income	8,317	11.1%	5,009	7.1%	3,308	166.0%
Net Income Attributable to Non-controlling interests	1,934	2.6%	584	0.8%	1,350	331.1%
Net Income Attributable to Owners of Parent	6,383	8.5%	4,425	6.2%	1,957	144.2%

3-7. Non-Operating Income/Expenses & Extraordinary Profit/Loss

(Unit:MIn Yen)



4. Summary of Our Strategic Business

Japan



* Graphs and numbers are from market data calculated by Mandom

Men's Grooming Business

GATSBY

Good performance and market establishment of Styling Grease focusing on style for shine/compactness launched in Autumn '15

LÚCIDO

Odor Care Series: New version TVCM input; also, product renewal in Skin Care Series, Styling Series, leading to steady sales growth

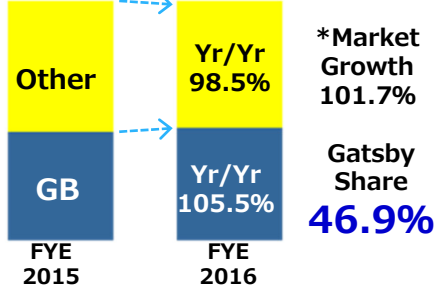
mandom

Scalp care suppli

Launch of new proposal Scalp Care Suppli for 20s + 30s customers worried about future hair-thinning, aimed at generating new market



Men's Hair Styling Market (April to March total)



*Mandom's overall share in men's hair styling market is 63.8%.

Women's Cosmetics Business

Women's Cosmetry Business

Mandom Beauty

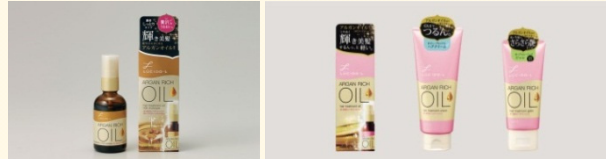
Preparing for rapid rise in demand for Barrier Repair Sheet Mask, Bifesta Cleansing Sheet, both growing in sales thanks to inbound impact, by installing new production facilities in Fukusaki factory.

Barrier Repair Sheet Mask Bifesta Cleansing Sheet



LÚCIDO-L

Core products (Hair Wax, Hair Milk /Cream) doing well, plus Oil Treatment Series contributed strongly to increased sales.



Oil Treatment

4. Summary of Our Strategic Business

Indonesia



Men's Grooming Business

GATSBY

[Hair Styling]

Water Gloss, our category driver, enjoyed healthy sales growth, despite supply disruption due to factory fire. To add to this, NEW pomade targeting young men increased sales steadily.



Water Gloss



Styling Pomade

[Face & Body Care]

■ Face Care
Skin Tonic Wash Series, our leading line, grew in sales.

■ Body Care
Urban Cologne, our key product, delivered good results. In December, mini-size was launched, aimed at further increase in users.



Gatsby products in retail store

Women's Cosmetics Business

PIXY

PIXY Perfect Surprise Campaign started in September. Reinforcement underway, focusing on Two Way Cake



Outdoor ad board, with powerful street impact

Women's Cosmetry Business

Pucelle

Energetically promoting entry into more retail outlets for new series Pink Me



Pucelle products (PinkMe: 3 items on front left)

4. Summary of Our Strategic Business

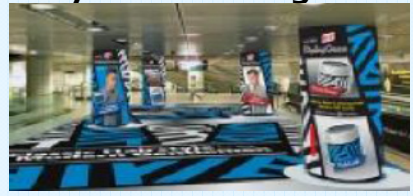
Others



Men's Grooming Business

GATSBY [Gatsby Styling Grease: Global Marketing]

Gatsby Styling Grease launched in Japan in August 2015 transferred overseas to Singapore (September), Taiwan and Korea (October) – speedy marketing horizontal transfer to Asia. Early results are good.



Singapore: Concourse ad



Singapore: Bus wrapping ad



Singapore: Escalator ad

Women's Cosmetics Business

Mandom Beauty [Bifesta Cleansing Water: Extending Oyakudachi to Asian countries]

Bifesta Cleansing Water Series, liked by customers in Japan for its water-based cleansing, has become popular in Asia. Distinctive marketing approaches have been adopted in different countries.



Taiwan: Pop-up street trial events



Korea: TV beauty program feature



Thailand: Train wrapping ad

[New Company News (Vietnam)]

Mandom Vietnam Company Limited – our 12th overseas company started selling products from November, now in full gear.

5. MP-11 Progress Report

MP-11 Year 2 Report

Figures lower than initial targets

Due to fire in Mandom Indonesia, sales target and profitability targets not met

Growth

Due to fire in Mandom Indonesia, initial target for MP-11 Year 2 not met

Consolidated sales
MP-11 final year target: 830million yen
Year 2 result: 750million yen

Profitability

Profitability targets not met due to unmet sales target resulting in income dip, plus big distribution cost input in the Philippines

Consolidated operating margin
MP-11 final year target: 86million yen
Year 2 result: 65million yen

Shareholder Return

Extraordinary factor: sale of old HQ and factory of Md Indonesia

Consolidated payout ratio
MP-11 3-year follow-on target: 40% or more
Year 2 result: 29.6%

MP-11 Final Year Forecast

One year lag from initial plan

Initial targets to be postponed by 1 year: Md Indonesia to recover its 2-digit growth and "Overseas, Other" to maintain growth

Growth

More income through promotion of 3 business operations and Md Indonesia growth recovery

Consolidated sales
Forecast: target unlikely to be met
Final year target: 768million yen

Profitability

Strong marketing investment to continue overseas
 Efficient expenditure input in Japan aimed at increasing operating income

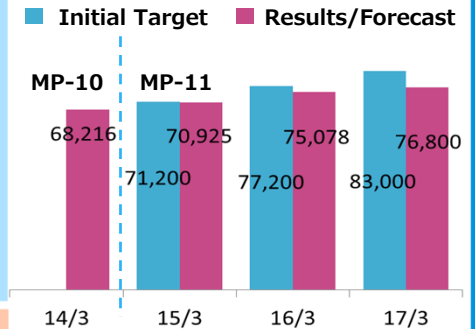
Consolidated operating margin
Forecast: target unlikely to be met
Final year target: 74million yen

Shareholder Return

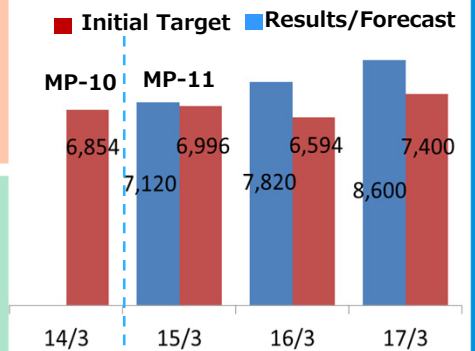
Continued stable and high shareholder return

Consolidated payout ratio
Ensure to meet our target of 40% or above

Net Sales (million yen)



Operating Income (million yen)



5. MP-11 Progress Report

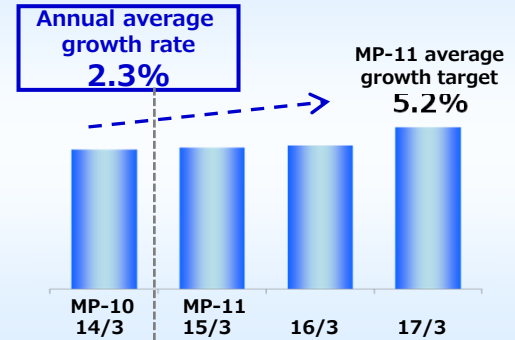
Men's Grooming

Aim for continuous growth as core business, keeping/increasing category share in men's cosmetics market

Year 2 Results:
Sluggish sales of summer products in Japan

Final year forecast:
Targets unlikely to be met

Men's Grooming: Targets and Results



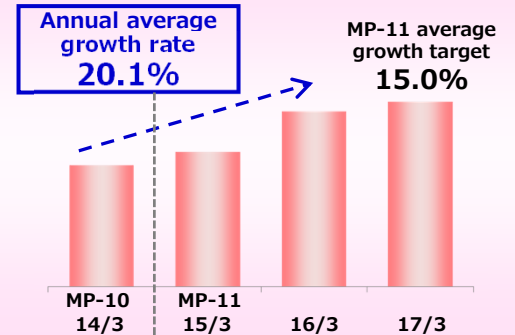
Women's Cosmetics

Focus on Skin Care, Make-up Base categories and aim to speed up marketing in Asia through line-up that matches each country

Year 2 Results:
Big growth of Bifesta both in Japan and overseas

Final year forecast:
Targets likely to be met

Women's Cosmetics: Targets and Results



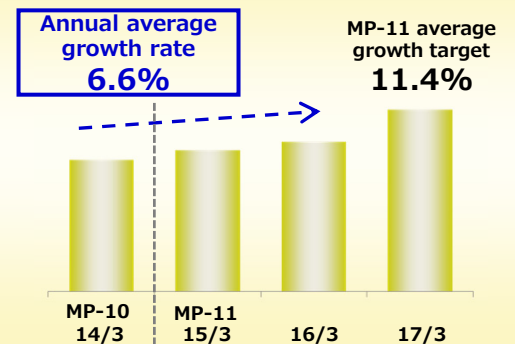
Global Business

Aim to firm base in growth markets: expand scale in our core market Indonesia by boosting activities; build up distribution network in China and Indochina

Year 2 Results:
Sluggish growth due to the fire in Indonesia and excess retail inventory in the Philippines; China, Thailand (under Indochina) doing well

Final year forecast:
Targets unlikely to be met

Global Business: Targets and Results



6. FYE 2017 Forecast

6-1. Basis for FYE March 2017 Consolidated Earnings Forecast (Targets)

Sales Increase: Factors

- + Continued growth of Men's Grooming focusing on Gatsby through aggressive marketing investment overseas
- + Stable growth of Men's Grooming in Japan including opening up of new areas
- + Continued high growth by reinforcing Women's Cosmetics
- + Assured Global Business growth focusing on "Overseas, Other"
- Drop in yen-denominated overseas sales due to foreign exchange (weak local currency)
- Downturn in summer products in Japan due to weather conditions

Income Increase: Factors

- + Increased income due to increased sales
- + Productivity increase from special focus on Indonesia produced items
- + Lower sales cost ratio from more in-house manufacture of paper products
- Continued aggressive marketing investment overseas
- Drop in yen-denominated overseas income due to foreign exchange (weak local currency)

6-2. FYE March 2017: Consolidated Earnings Forecast

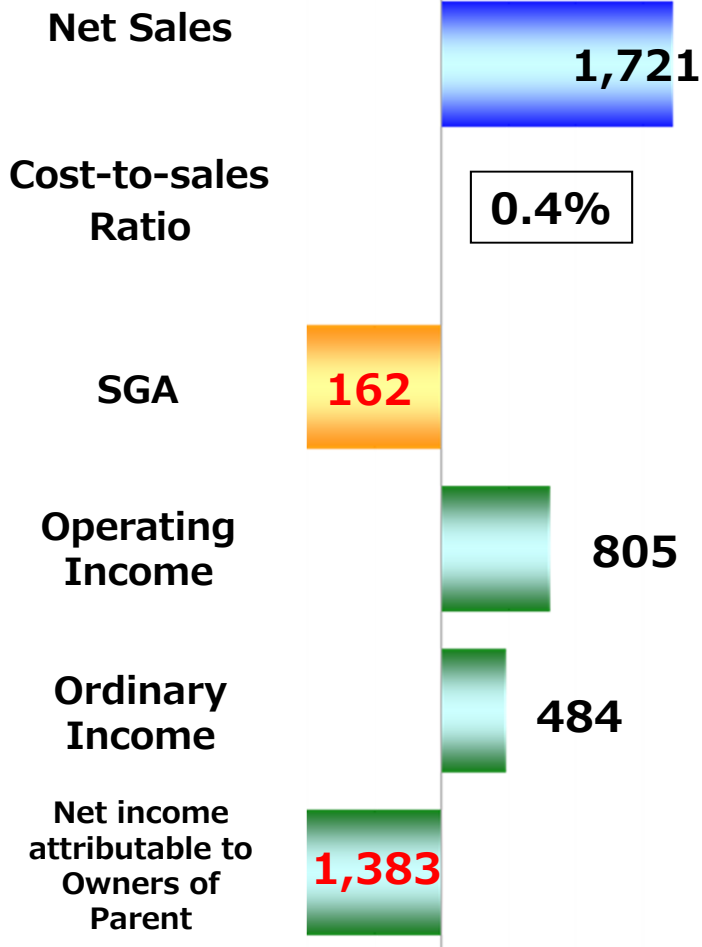
(Unit:Mln Yen)

	FY2017/3						FY2016/3	
	Annual			1Q+2Q			Result	
	Initial Plan	Balance	Yr/Yr	Initial Plan	Balance	Yr/Yr	Annual	1Q+2Q
Net Sales	76,800	1,721	102.3%	41,600	▲341	99.2%	75,078	41,941
Operating Income	7,400	805	112.2%	4,400	▲954	82.2%	6,594	5,354
Ordinary Income	7,900	484	106.5%	4,700	▲1,112	80.9%	7,415	5,812
Net Income Attributable to Owners of Parent	5,000	▲1,383	78.3%	2,900	▲3,115	48.2%	6,383	6,015

6. FYE 2017 Forecast

6-3. FY 2017/3 Outlook of Main Expenses: Breakdown of Increase/Decrease over FY 2016/3

(Unit: Mln Yen)



■ Net sales

Despite impact of foreign exchange, increase revenue

- [Japan] -Reinforcement of Gatsby Face&Body Care
-Continued developmental marketing for Lucido in response to middle-aged consumers
-Continued marketing of Bifesta

- [Overseas] -Marketing to meet condition of each country of Gatsby
-Reinforcement Bifesta and Pixy

■ Cost-to-sales ratio

Cost reduction initiatives worldwide, limit increases in cost ratios

- [Japan] Reduction by the efficiency of production

- [Overseas] Increased production efficiency associated with launch of operations at new plant in Indonesia to reduce costs

■ Selling expenses

Ongoing marketing investments for growth, especially overseas

- [Overseas] Continued aggressive investments for Brand recognition and growth

■ Non-operating income (loss)/extraordinary income (loss)

"Net income attributable to Owners of Parent" decreases in reaction of the increase of the special interest of the last year