



The 1st Half Year Business Results Briefing

(Fiscal Year Ending March 31,2017)

April 1,2016-September 30,2016

Mandom Corporation

(Securities Code: 4917)



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1. Consolidated Business Results

(Unit:MIn Yen)

	1Q+2Q					Achiev.
	FY2017/3	FY2016/3	Balance	Yr/Yr	Yr/Yr ※	
Net Sales	42,325	41,941	383	100.9%	105.6%	101.7%
Operating Income	5,684	5,354	330	106.2%	–	129.2%
Ordinary Income	6,027	5,812	214	103.7%	–	128.2%
Net Income Attributable to Owners of Parent	4,037	6,015	▲ 1,977	67.1%	–	139.2%

※ Comparison with FY 2016/3 rate after adjustment.

2. Consolidated Net Sales

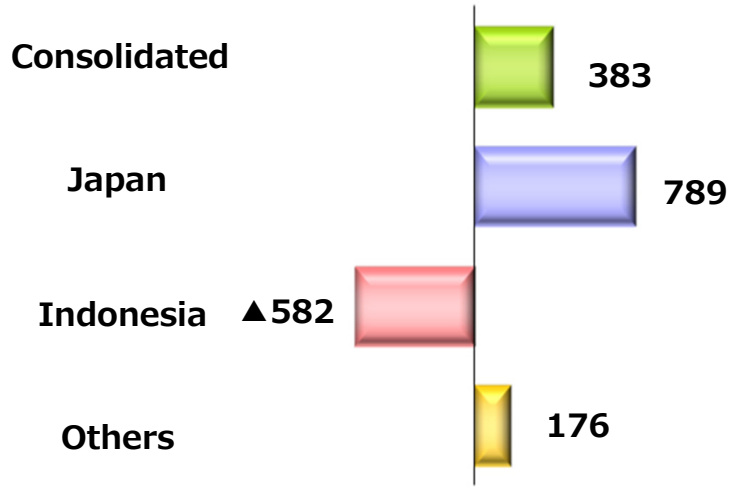
2-1. Net Sales by Region

(Unit:Mln Yen)

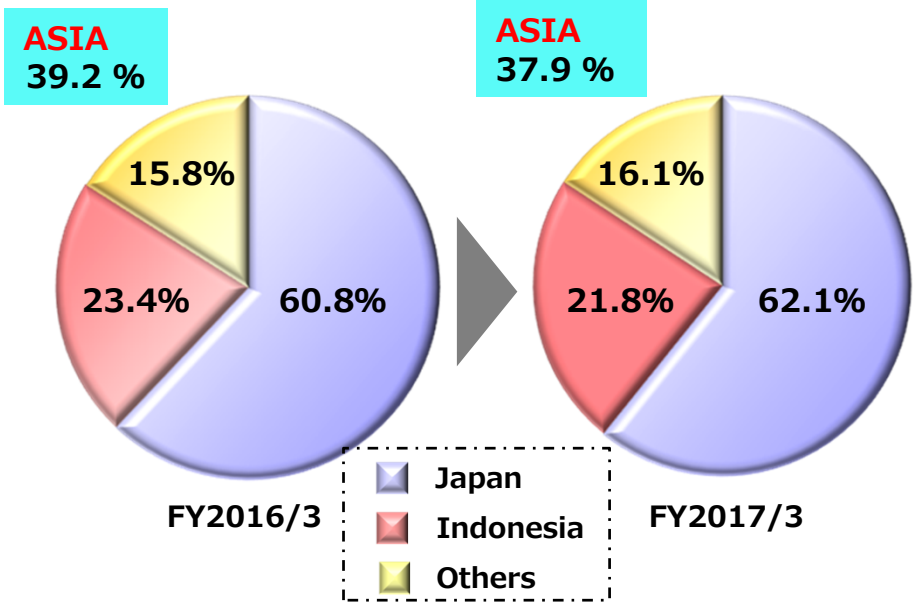
	1Q+2Q			
	FY2017/3	FY2016/3	Balance	Yr/Yr
Net Sales	42,325	41,941	383	100.9%
Japan	26,269	25,479	789	103.1%
Indonesia	9,226	9,808	▲ 582	94.1%
Others	6,829	6,652	176	102.7%

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

(Unit:Mln Yen)



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



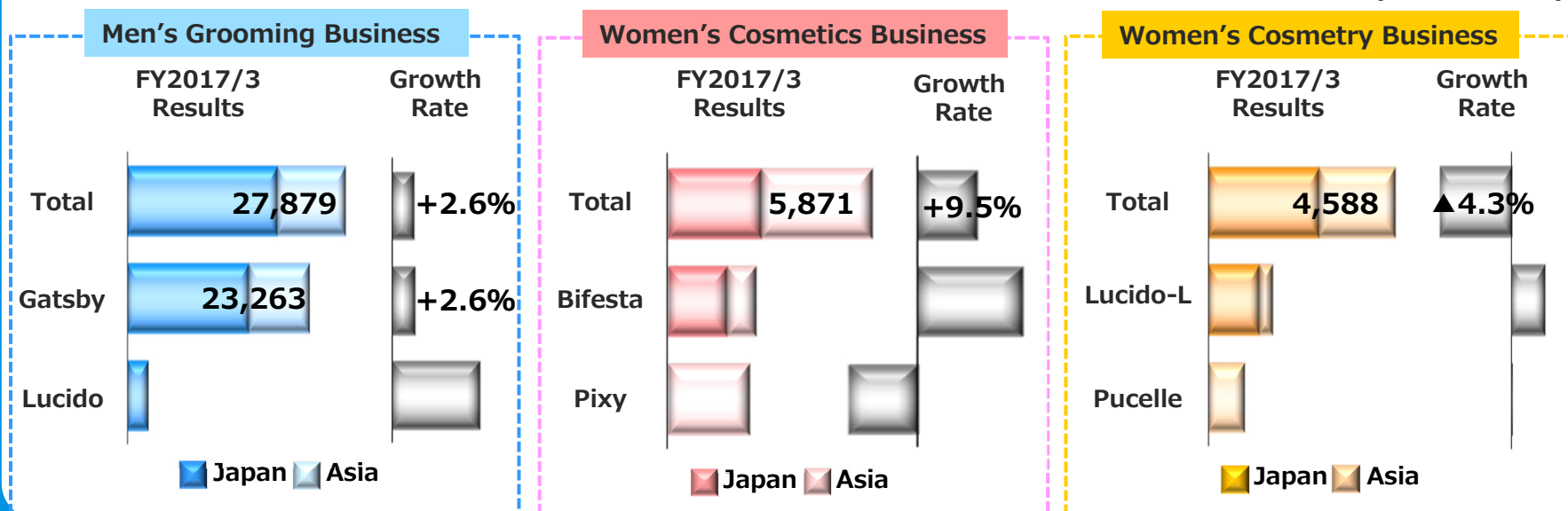
2. Consolidated Net Sales

2-4. Net Sales by Strategic Business Unit

(Unit:MIn Yen)

	1Q+2Q			
	FY2017/3	FY2016/3	Balance	Yr/Yr
Net Sales	42,325	41,941	383	100.9%
Men's Grooming Business	27,879	27,181	698	102.6%
Gatsby	23,263	22,678	584	102.6%
Women's Cosmetics Business	5,871	5,362	508	109.5%
Women's Cosmetry Business	4,588	4,792	▲ 204	95.7%
Other Business	3,985	4,605	▲ 619	86.6%

(Unit:MIn Yen)



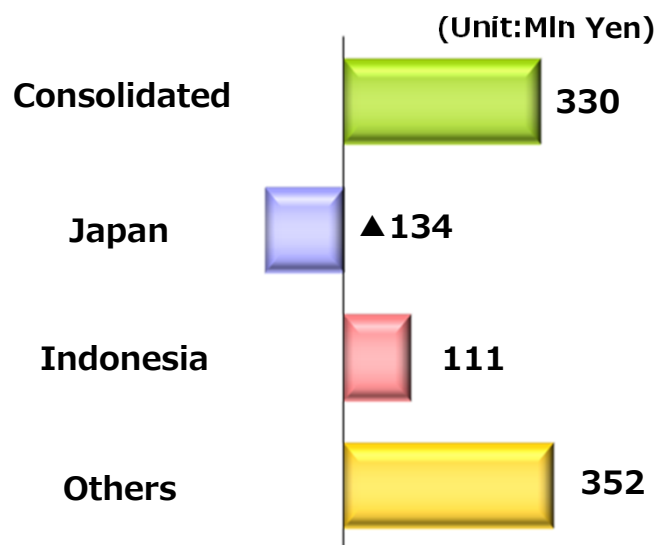
3. Consolidated Income

3-1. Operating Income by Region

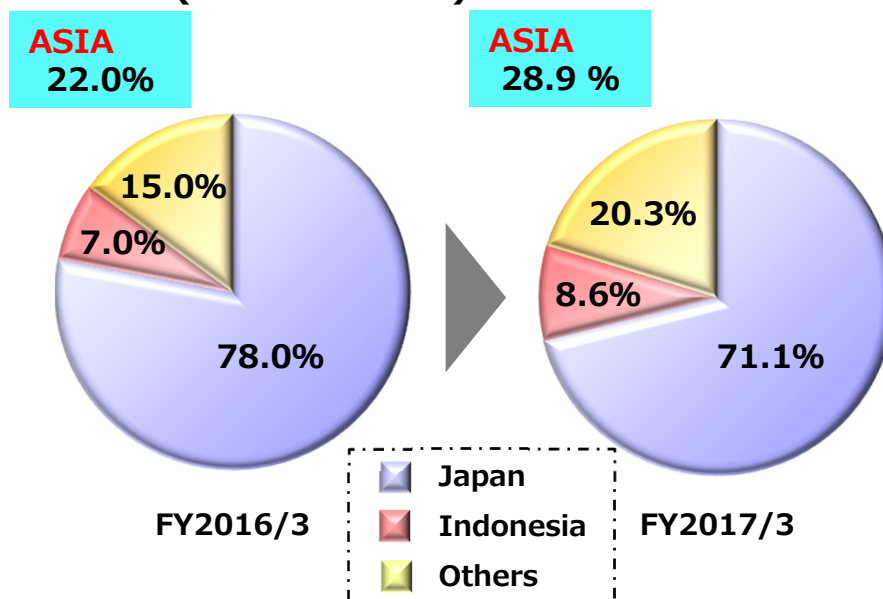
(Unit:Mln Yen)

	1Q+2Q					
	FY2017/3		FY2016/3		Balance	Yr/Yr
	Result	per Sales	Result	per Sales		
Operating Income	5,684	13.4%	5,354	12.8%	330	106.2%
Japan	4,043	15.4%	4,177	16.4%	▲ 134	96.8%
Indonesia	489	5.3%	377	3.8%	111	129.7%
Others	1,152	16.9%	800	12.0%	352	144.0%

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

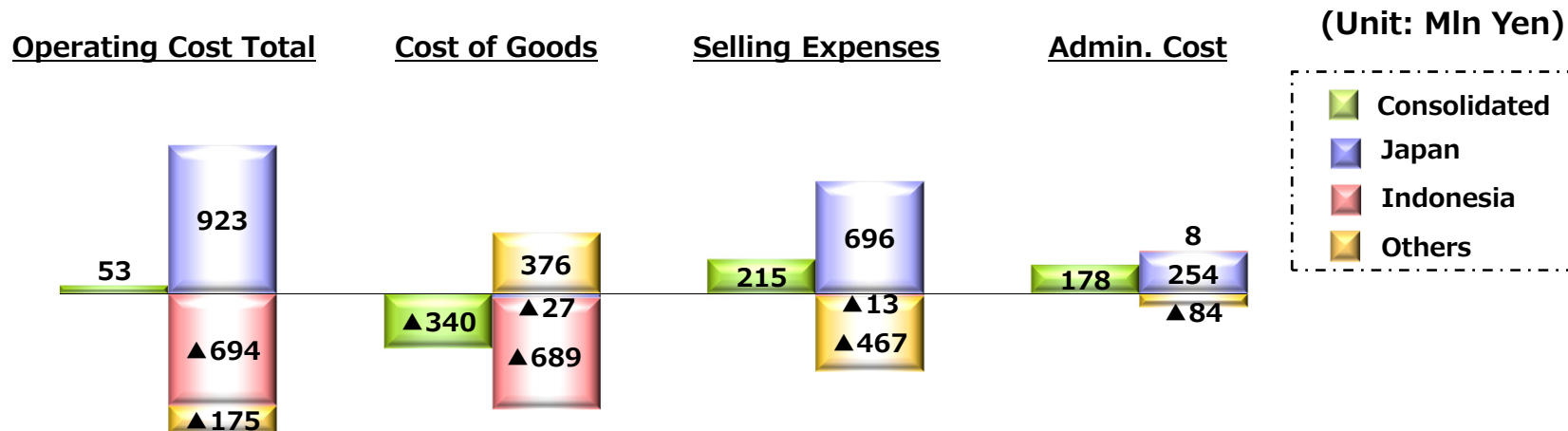


3-3. Operating Income by Region Ratio (Year-on-Year)

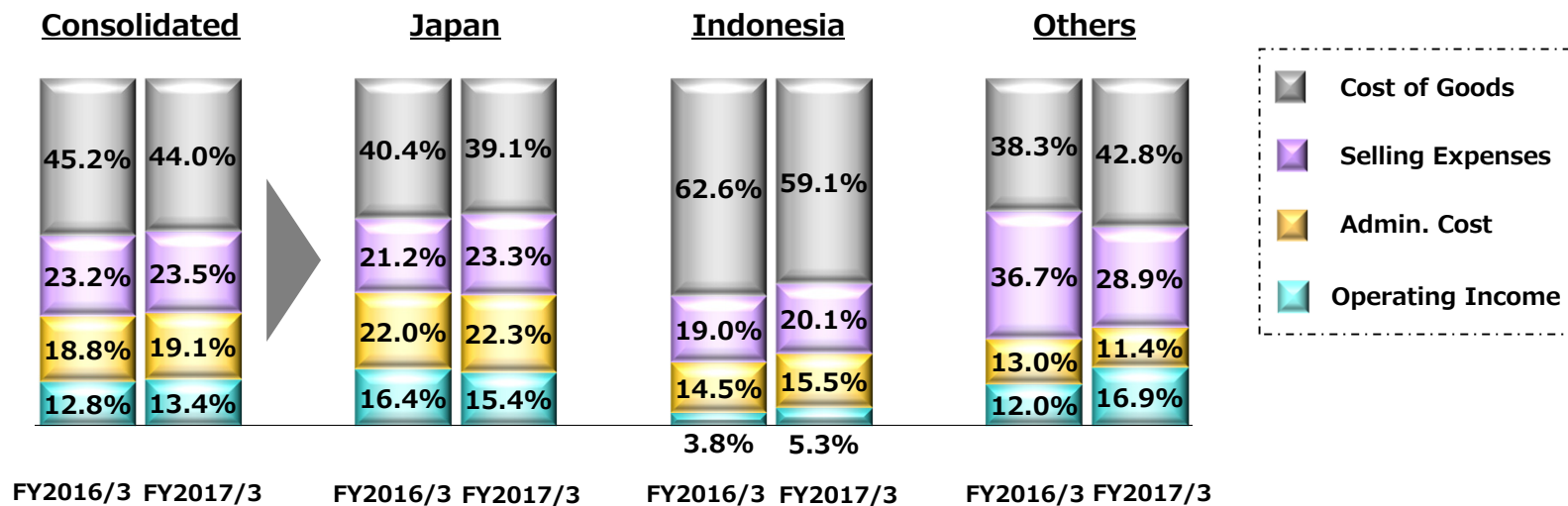


3. Consolidated Income

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



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



3. Consolidated Income

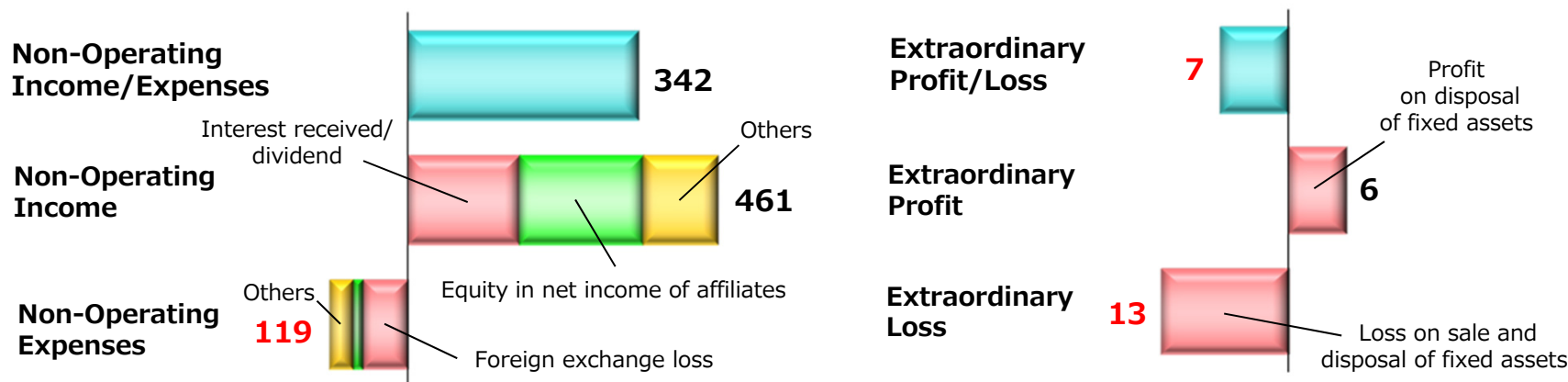
3-6. Ordinary Income and Net Income Attributable to Owners of Parent

(Unit:MIn Yen)

	1Q+2Q					
	FY2017/3		FY2016/3		Balance	Yr/Yr
	Result	per Sales	Result	per Sales		
Non-operating Income/Loss	342	0.8%	457	1.1%	▲ 115	74.8%
Ordinary Income	6,027	14.2%	5,812	13.9%	214	103.7%
Extraordinary Profit/Loss	▲ 7	▲0.0%	3,872	9.2%	▲ 3,879	▲0.2%
Income before Income Taxes and Minority Interests	6,020	14.2%	9,684	23.1%	▲ 3,664	62.2%
Income Taxes and Minority Interests	1,707	4.0%	1,837	4.4%	▲ 129	92.9%
Net Income	4,312	10.2%	7,847	18.7%	▲ 3,534	55.0%
Net Income Attributable to Non-controlling interests	275	0.7%	1,832	4.4%	▲ 1,556	15.0%
Net Income Attributable to Owners of Parent	4,037	9.5%	6,015	14.3%	▲ 1,977	67.1%

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

(Unit:MIn Yen)



4. Summary of Our Strategic Business

Japan

Composition of sales by segment



*Market data calculated by Mandom

Men's Grooming Business

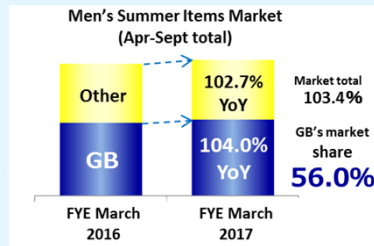
GATSBY

【Hair Styling】

Styling Grease performed well. A new styling series to create neat and clean styles with silky texture was launched in August.

【Face and body】

Sales of summer products, mainly body paper, were strong. In the face care category, "Tsurunto Hada" series for skin-conscious young men was launched.



LUCIDO

Sales of Lucido brand targeting middle-aged men were brisk. One Push Care Color Series for gray hair sold well, partly due to its popularity among foreign travelers to Japan. In addition, Volume Up Color Treatment was launched in August as gradual-effect after-shampoo gray hair cover.



One Push Care Color



Volume Up Color Treatment

Women's Cosmetics Business

Bifesta
ビフェスタ

Bifesta has been a good steady performer. To expand product category, Bifesta Foaming Whip was launched. This new cleansing foam has been growing in sales.



Carbonated Foam Whip

Women's Cosmetry Business

Happy Deo, Mandom's summer product, faced tough competition this year. To recover sales, we launched for autumn/winter from Dear Flora Series the Flower Body Oil and Hand & Nail Cream with moisturizing effect.



Dear Flora Flower Body Oil

4. Summary of Our Strategic Business

Indonesia



Men's Grooming Business

GATSBY

[Hair Styling]

TV commercial of Styling Pomade went on air in May: sales have continued being strong. We aim for further increase in sales by launching additional items. Furthermore, Water Gloss and Wax both posted more than two-digit growth year on year.



TV commercial of Styling Pomade



Outdoor ad of Styling Pomade

[Face and body]

TV commercial went on air featuring Urban Cologne, recording a strong growth. We saw more than two-digit sales increase year on year.



Store display of Urban Cologne

Women's Cosmetics Business

PIXY

Two-way cake faced touch competition. A new product "Cover Smooth" was launched from the series in June. TV commercial went on air in the 2nd half of the year. We expect to see an increase in sales.



Two-way cake Cover Smooth

Women's Cosmety Business

Picelle

Sales were robust for Mist Cologne, a major item in the Pink Me line-up, led by good performance of the series.



Store event of Pink Me series

4. Summary of Our Strategic Business

Other markets



China

Both GATSBY and Bifesta enjoyed healthy growth in sales

GATSBY's major items, hair spray and wax, both posted more than two-digit growth. For Bifesta we made proactive efforts of making store display more attractive and developed promotional campaigns mainly for the Eye Makeup Remover, which is Bifesta's leading product.

Indochina

Vietnam First ad campaign launched in June 2016

Wrap advertising was launched on buses and taxis in Ho Chi Minh City, the largest city in Vietnam, to enhance recognition of hair wax. Wrap ad is a fresh advertising medium in this country where ad regulation is strict.



Cambodia Increasing GATSBY fans on Facebook



In addition to providing product information, we proposed a fresh culture of grooming to consumers on GATSBY Facebook to arouse interest in the culture and to tap into a new market.

Singapore

Bifesta gained the largest market share*

*Survey by Nielsen: Jan-Jun 2016

We launched a new TV commercial featuring a new brand ambassador. At the same time, we developed integrated marketing linking SNS, radio, outdoor advertising and sampling events. We have gained new users and secured the largest share in the makeup cleansing market following on our success in Thailand.

5. Forecast of Consolidated Business Results for FY2017/3

(Unit:Mln Yen)

	1Q+2Q			3Q+4Q			Annual		
	Result	FY2016/3	Yr/Yr	Outlook	FY2016/3	Yr/Yr	Outlook	FY2016/3	Yr/Yr
Net Sales	42,325	41,941	100.9%	34,474	33,137	104.0%	76,800	75,078	102.3%
Operating Income	5,684	5,354	106.2%	1,715	1,239	138.4%	7,400	6,594	112.2%
Ordinary Income	6,027	5,812	103.7%	1,872	1,602	116.8%	7,900	7,415	106.5%
Net Income Attributable to Owners of Parent	4,037	6,015	67.1%	962	367	261.6%	5,000	6,383	78.3%

Second Half year of FYE March 2017 : Forecasts, issues and actions

Factors in the second half of the year

- Sales**
- A decline in yen equivalent due to weakening local currencies
 - Fiercer competition in the Japanese face care market
 - A decline in export sales due to the worsening market conditions in Indonesia's export destination markets
 - Rebound from decreased profit due to the factory fire in Indonesia
- Profit**
- A rise in marketing costs outside Japan

Challenges

- Japan**
- Steady buildup of the market by using marketing costs efficiently to achieve cost effectiveness
- Indonesia**
- Active use of marketing costs for the strengthening of PIXY, our core cosmetics brand for women
- Others**
- Continued use of marketing costs proactively to further accelerate growth in each country