



# The 1st Half Year Business Results Briefing

(Fiscal Year Ending March 31, 2021)  
April 1, 2020-September 30, 2020

**Mandom Corporation**  
(Securities Code: 4917)





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## **1. Consolidated Business Results**

## **2. Forecast of Consolidated Business Results for FYE 2021/MAR**

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## Key Topics

### **Amendment of Full-Year Earnings Forecast**

- **Prolonged impact of the spread of COVID-19 infection on Mandom would last**
- **Expecting operating losses on a full-year basis**

# First Half Year of FYE 2021/MAR Key Factor

- Prolonged impact of the spread of COVID-19 infection
- Sluggish sales of summer products in Japan

# Summary of 1<sup>st</sup> Half Year of FYE 2021/MAR

## • **Consolidated Net Sales**

No big difference from forecast

Poor sales of summer products in Japan; the great influence of COVID-19 in Japan and overseas; sales as projected, but with considerable reduction of income year on year

## • **Profit**

Each profit was higher than forecasted

Reduced operating/ordinary income was caused by reduced income, but was higher than forecasted due to efficient/reduced cost of sales

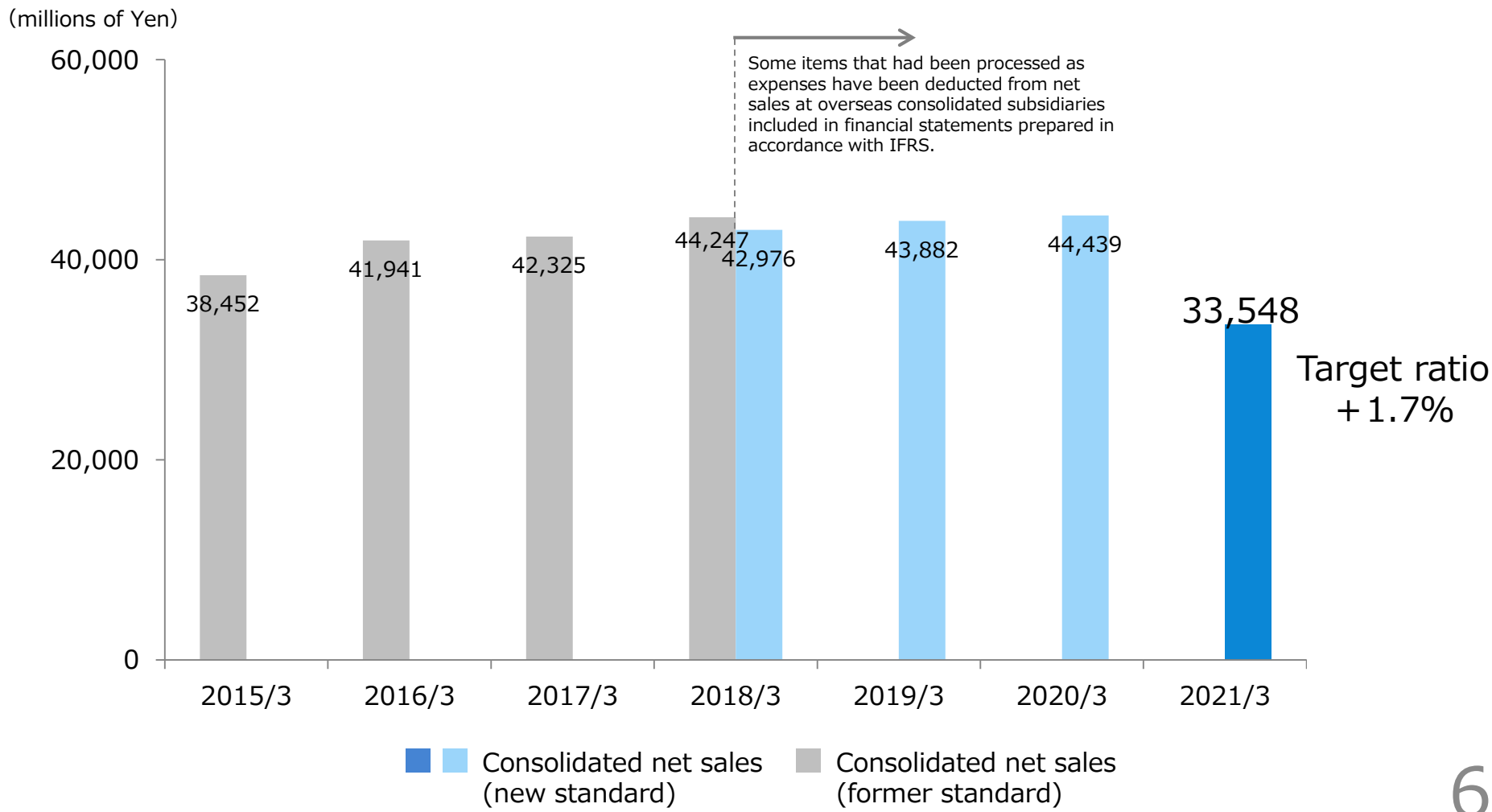
With profit from sale of securities recorded, the income was higher than forecasted

A large fall year on year

# **1. Consolidated Business Results**

# 1. Consolidated Business Results

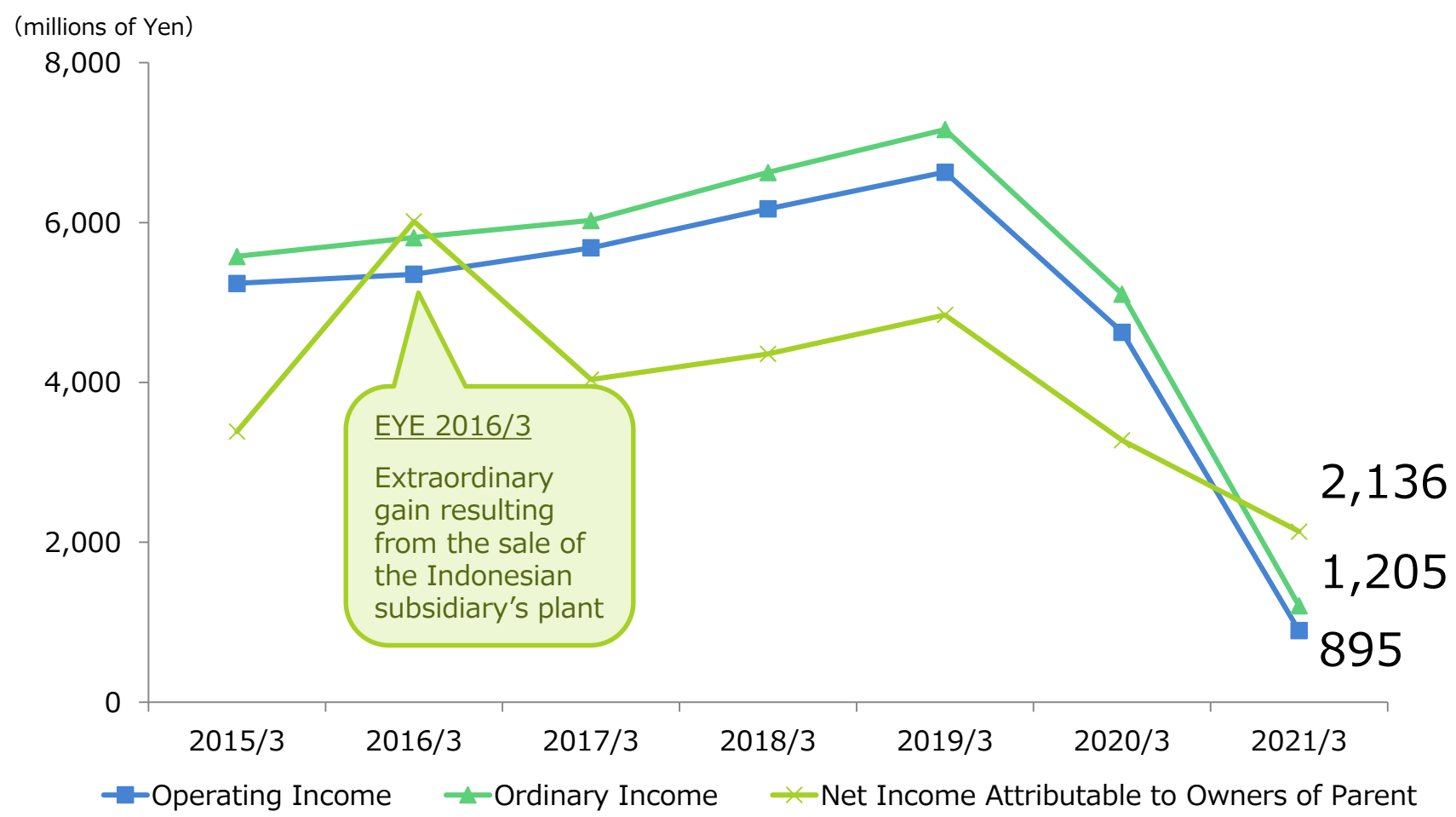
## 1) Due to the impact of COVID-19 infection, sales and incomes declined sharply



# 1. Consolidated Business Results

1) Due to the impact of COVID-19 infection, sales and incomes declined sharply

• Profit from sale of investment securities is recorded as extraordinary income



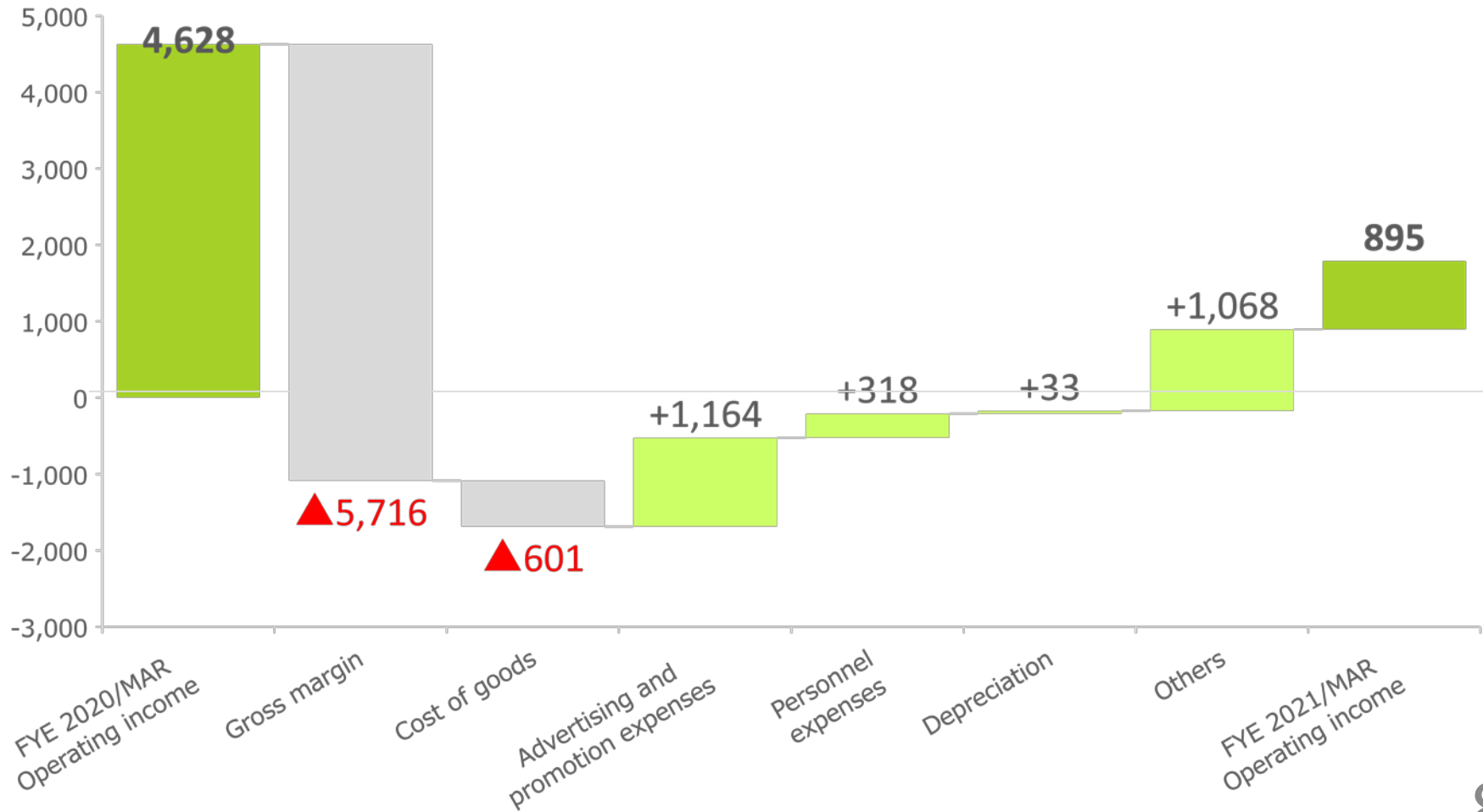


# 1. Consolidated Business Results

1) Due to the impact of COVID-19 infection, sales and incomes declined sharply

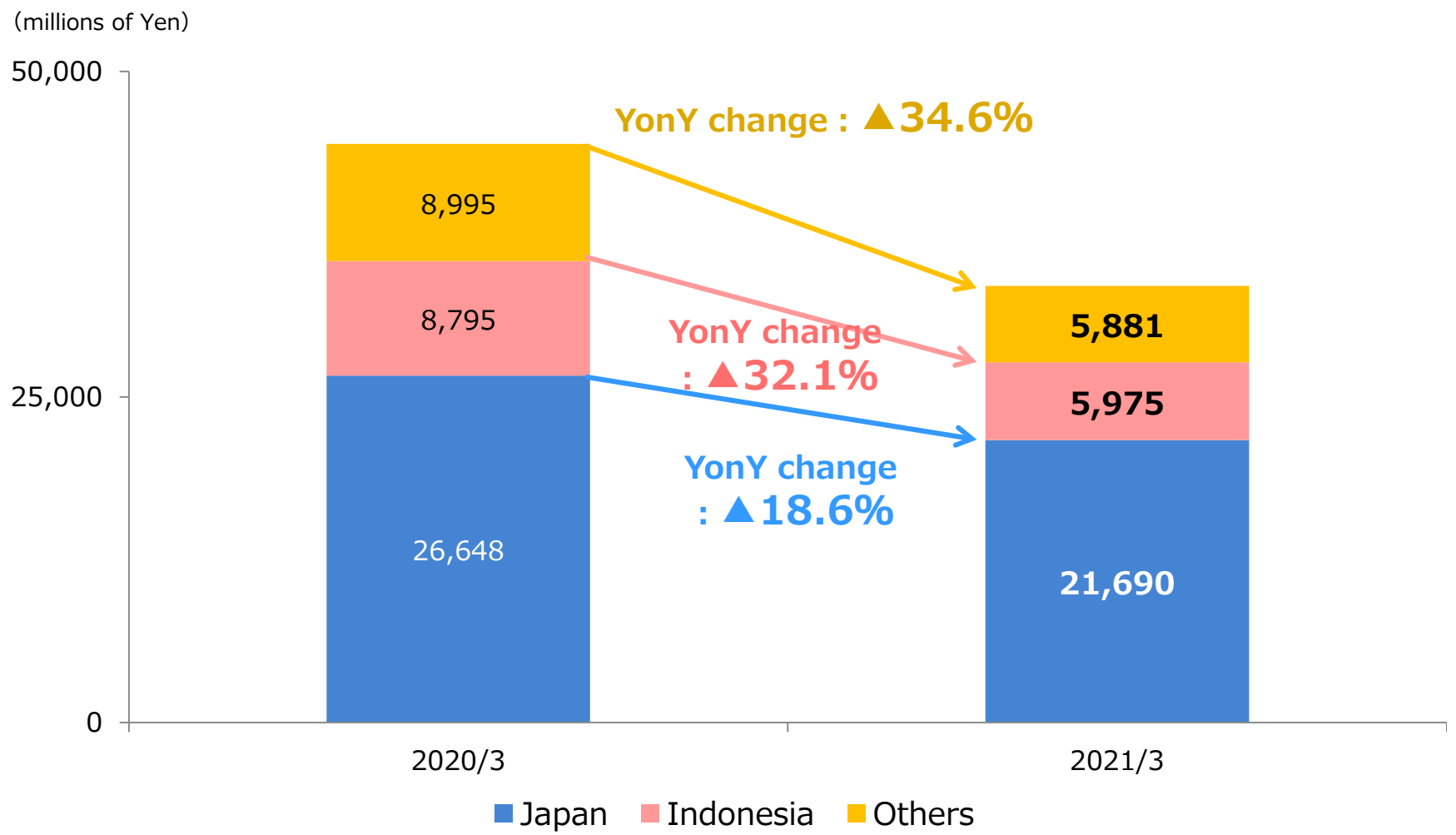
• Revenue and gross profit fell sharply

(millions of Yen)



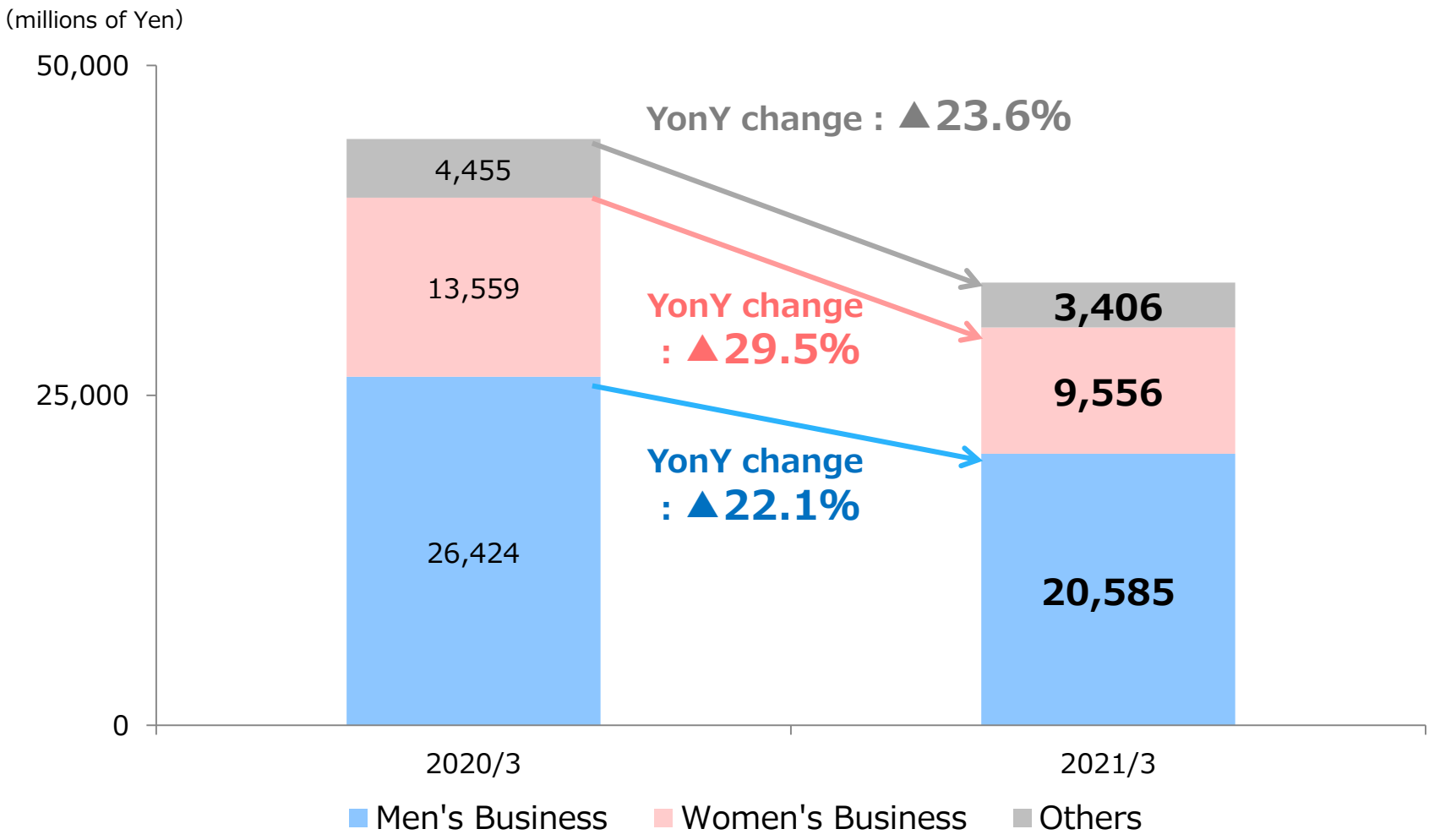
# 1. Consolidated Business Results <Net Sales by Region>

2) Due to the impact of COVID-19 infection, incomes fell both in Japan and abroad



## 3) Both women's business and men's business posted a decline

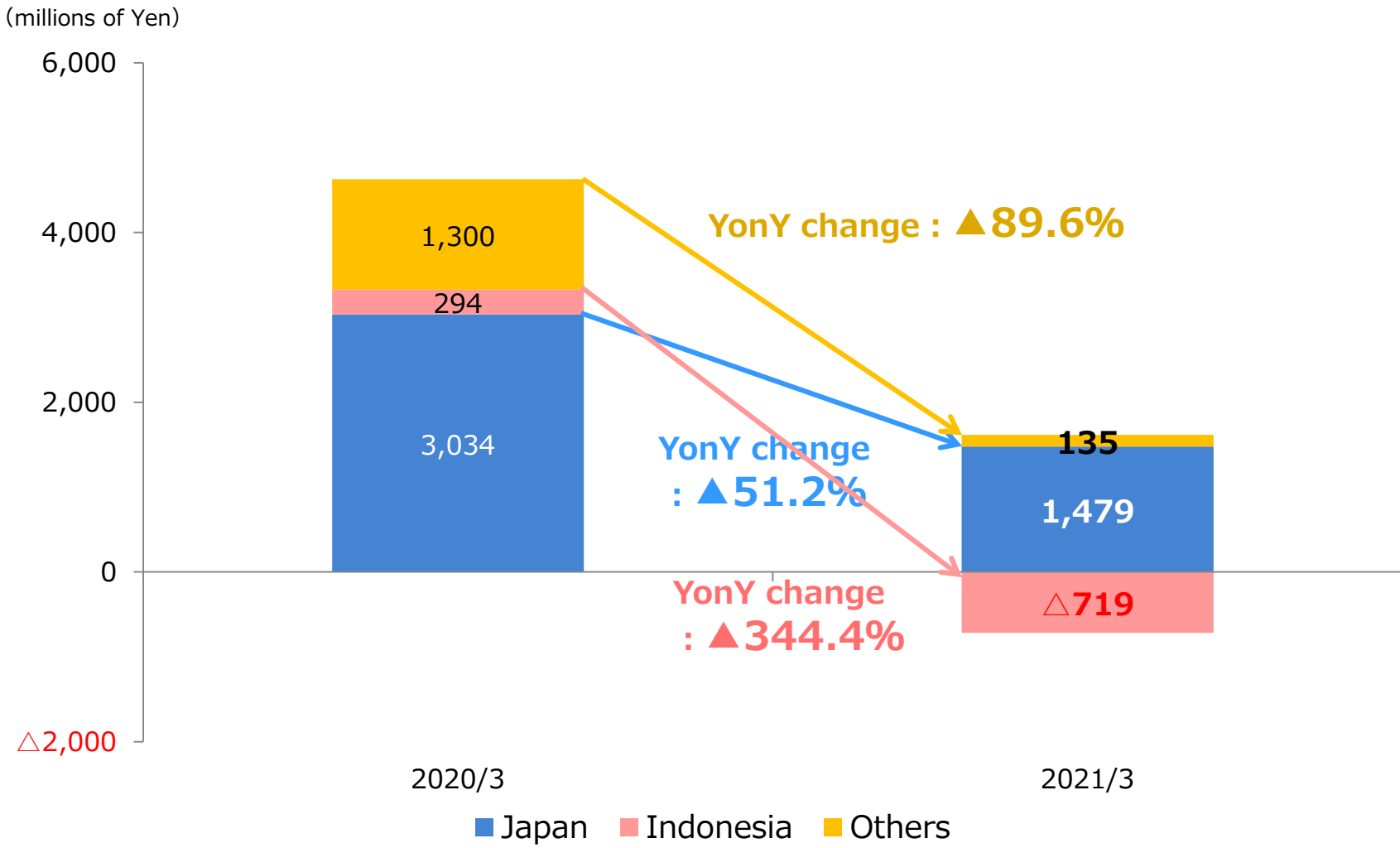
•Hair styling and cleansing items sales decreased



# 1. Consolidated Business Results <Operating Income by Region>

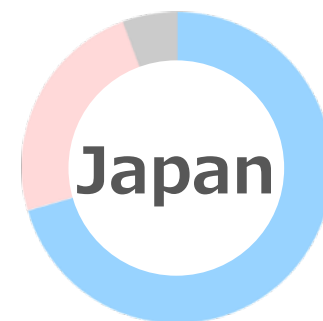
## 4) Revenue and profit fell both in Japan and overseas

•Japan and Others stayed positive, Indonesia became negative



## Business results by brand

Net Sales by Business



- GATSBY sales decreased due to sluggish sales of summer products and the impact of COVID-19 situation
- Barrier Repair and Bifesta continue to stagnate

Status of our major brands

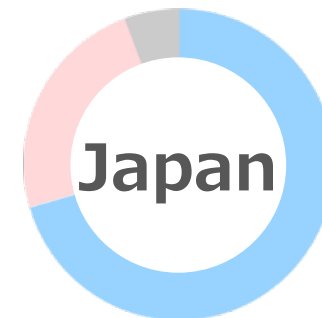
Men's Business	Women's Business
<p><b>GATSBY</b> I'm all ready</p>	<p><b>Bifesta</b> ビフェスタ</p>
<p><b>LÚCIDO</b></p>	<p><b>Barrier Repair</b></p>

# 1. Consolidated Business Results <Summary of Our Strategic Business (JAPAN)>

## Men's Business

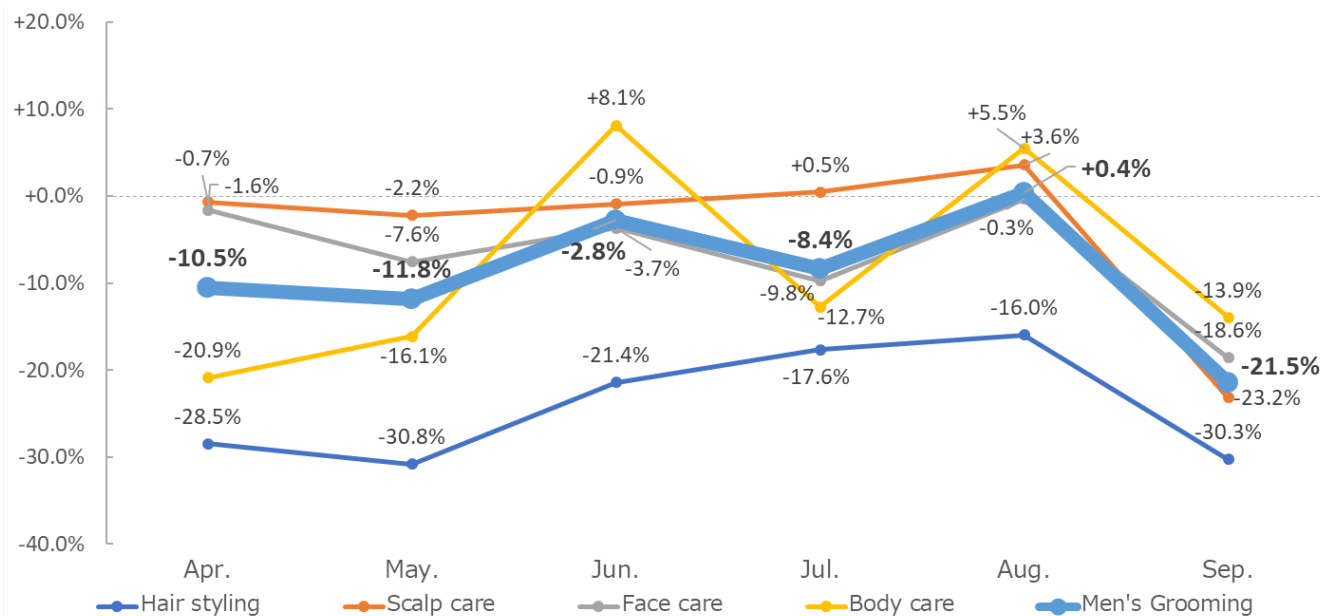


### Net Sales by Business



- Lowest consumption of hairstyling products, etc. due to fewer opportunities to go outside, pressure on people to refrain from going out, and work/study from home arrangements
- Seasonal summer items were sluggish due to record-breaking rainfall in summer

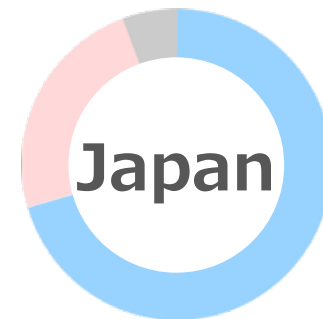
■ Men's grooming market by category YoY (Amount) (market data Mandom survey)



## Men's Business

Net Sales by Business

# LÚCIDO



- Sales of hair styling items are in a slump, but skin care items grew steadily
- Addition of high-performance skincare/makeup products to propose new care practices and expand the skincare market share

### ■ Advanced care series



### ■ New CM for "LUCIDO Ageing Care Wrinkle Cream"



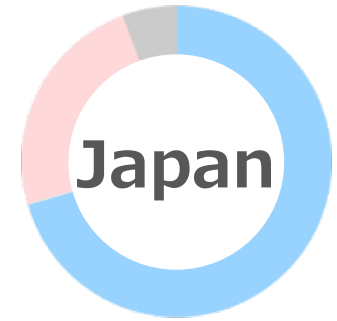
# 1. Consolidated Business Results <Summary of Our Strategic Business (JAPAN)>

## Women's Business

Net Sales by Business



- Sales of cleansing items, especially cleansing sheets, have slumped as people refrain from going outside
- Eye make-up remover suffered sluggish sales due to a reactionary fall of purchases made by inbound travelers
- To Enhance items in cleansing category, we added new items



### ■ Cleansing Sheet



### ■ New Facial Wash

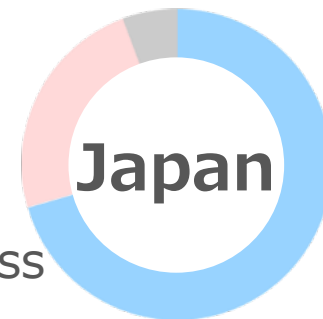




## Women's Business

Net Sales by Business

# LÚCIDO-L



- Although hair styling items have stagnated, Hair care business continued to grow steadily, mainly Argan Oil Treatment items
- It has strengthened by adding a new Argan Oil Treatment item

### ■ オイルトリートメントシリーズ

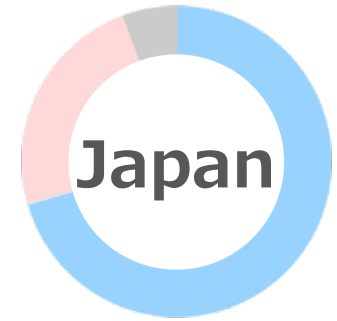


### ■ オイルトリートメント #EXヘアマスク



## Miscellaneous Topics

Net Sales by Business



### 【Inbound sales】

- Almost no sales attributable to tourists visiting Japan, but average monthly sales of about 100 million yen through foreign agents in Japan and global e-commerce

### 【Alcohol-based sanitizer Products】

- A series of sanitizer products coming successively onto the market in and after June

#### ■ Mandom sanitizer series

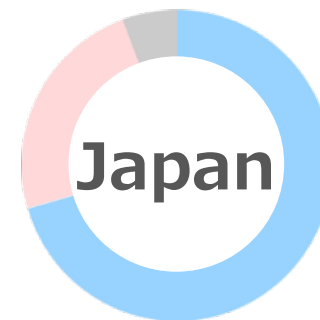


## Miscellaneous Topics

Net Sales by Business

### 【EC】

- Focus on e-commerce channels by offering an e-commerce economy pack/size of best-selling products



#### ■ EC products



#### ■ M4 Direct sensor patch

Launched our new microneedle serum patch  
“M4 Direct sensor patch”  
on our own e-commerce site.






## Business results by brand

Net Sales by Business



- Sluggish sales of all brands in Jakarta where large-scale social restrictions were reinstated due to the spread of COVID-19 infections

Status of our major brands

Men's Business	Women's Business
	
	

# 1. Consolidated Business Results <Summary of Our Strategic Business (INDONESIA)>

## Men's Business

**GATSBY**  
I'm all ready

Net Sales by Business



- Overall sales of hair styling items are in a slump
- For Styling Pomade, we added new items and updated the existing items

### ■ GATSBY Styling Pomade



## Women's Business

Net Sales by Business

# PIXY

My Beauty, My Energy



- Sales decreased for both make-up and skin care products
- Addition of moisturizing hand sanitizer that will not dry skin for consumers increasingly aware of hygiene and new liquid foundation that appeared on the market behind schedule due to the COVID-19 pandemic

### ■ Hand sanitizer



### ■ Liquid foundation



## Supplement

Net Sales by Business



## 【Latest Earnings】

PT Mandom Indonesia Tbk 1Q+2Q+3Q Results  
(Local currency basis)

(Millions of Rp.)

	FYE 2021/MAR	FYE 2020/MAR	Yr/Yr
Net Sales	1,470,417	2,166,886	67.9%
Operating Income	▲85,403	164,455	—
Net Income	▲75,387	134,339	—

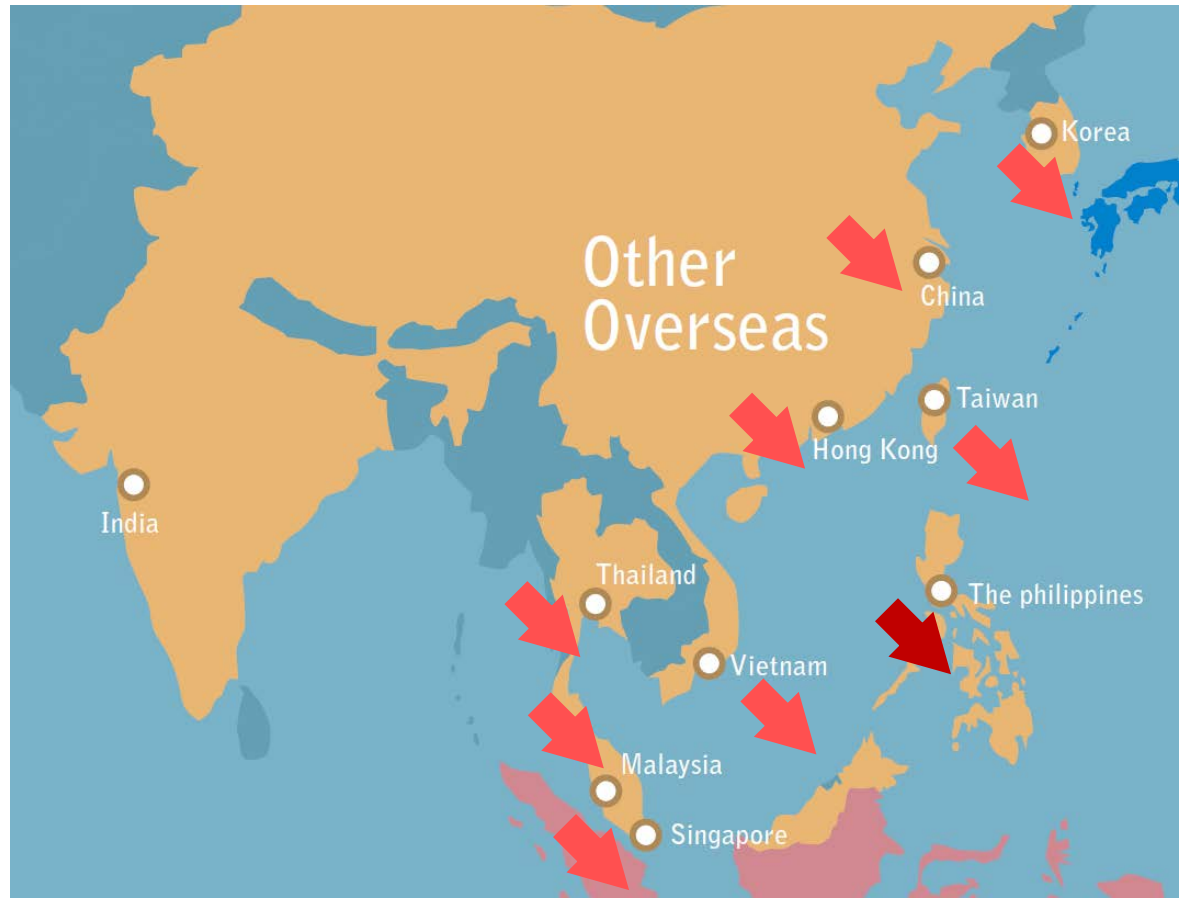
- The large-scale social restrictions that were reinstated in Jakarta on September 14 were relaxed on October 12 to resume economic activity. Still, the infection is spreading, and the future remains uncertain.

# General Status of Business Results

Net Sales by Business



- Significant slowdown in all areas
- Future remains uncertain in Southeast Asian countries





# 1. Consolidated Business Results <Summary of Our Strategic Business (OTHERS)>

## Men's Business



Net Sales by Business



• In China, Taiwan, and other countries, strengthened the GATSBY facial and body paper products, in stores

■ Paper products in the store



## 【China】

**GATSBY**  
I'm all ready

- Use of TikTok video advertisement to promote hair gel wax directly to Tmall online flagship stores, resulting in twice as much sales month on month and “GATSBY gel wax” as the No. 1 at flagship stores

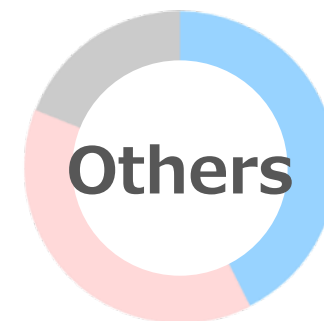
**Bifesta**  
ビフェスタ

- Successful collaboration with Watsons e-commerce to develop sales promotion by live commerce of eye makeup remover, with 20,000 sets (a total of 40,000 products) sold out



## Supplement

Net Sales by Business



### ■ Impact of COVID-19 disease in each country

Area	Impact on sales
East Asia	The pandemic is coming to an end. It was most influential in 1Q. Sales showed signs of recovery in and after 2Q. Note) Hong Kong had a hard time in and after 2Q due to political instability
Indonesia・Philippines	The infection is still spreading. It remains influential in and after 3Q. The future is uncertain.
Southeast Asia (except for Indonesia and Philippines)	The pandemic will not come to an end very soon. It was most influential in 2Q. The prospects for recovery in and after 3Q look dim. The future is uncertain.

## **2. Forecast of Consolidated Business Results for FYE 2021/MAR**

## 2. Forecast of Consolidated Business Results for FYE 2021/MAR

### 1) Amendment of Full-Year Earnings Forecast

(Millions of yen)

	1Q+2Q			3Q+4Q				Annual		
	Result	Initial Plan	Balance	Outlook	Initial Plan	Balance	Yr/Yr	Outlook	Initial Plan	Balance
Net Sales	33,548	33,000	+548	30,451	32,000	▲1,548	81.6%	64,000	65,000	▲1,000
Operating Income	895	400	+495	▲1,695	1,100	▲2,795	—	▲800	1,500	▲2,300
Ordinary Income	1,205	750	+455	▲1,555	1,200	▲2,755	—	▲350	1,950	▲2,300
Net Income Attributable to Owners of Parent	2,136	450	+1,686	▲1,466	750	▲2,216	—	670	1,200	▲530

\*Full year forecast minus first half results

## 2. Forecast of Consolidated Business Results for FYE 2021/MAR

### 1) Amendment of Full-Year Earnings Forecast

- No recovery of sales both in Japan and abroad

[Circumstances of second half of FYE March 2021]

#### ■ Sales

- −) • Slow recovery from depressed domestic/overseas demand for cosmetics
  - Expanding/lasting influence of the pandemic in Southeast Asia, including Indonesia
- ±) • Market trend of new products

#### ■ Operating income

- −) • Decreasing sales and gross income
  - Decreasing production amount and efficiency
  - Increasing depreciation by moving up the scheduled start of operation of the new production building at Fukusaki Factory
  - Investment of A&P expenses to increase sales next year

### Task

- Poor sales of main products and sales in main areas caused decrease in sales during the COVID-19 pandemic  
[Product] hairstyling/cleansing agents  
[Area] Southeast Asia
- Low expectation from the user of main brand, “GATSBY”
- Sluggish “Bifesta”, which should be a sales engine to scale up products for women
- Insufficient return on infrastructure investment due to a gap between forecasted and actual performance

### Construction of Fukusaki Factory

- The building was completed at the end of August. Currently, production facilities and equipment are being installed. While its completion is delayed until next year, start of operation will be moved to December 2020.

■ Current appearance





### Entering the hygiene-related market


- Participation in industry-government-academia collaboration to bring “MA-T,” a next-generation innovative disinfecting agent, onto the market and develop its application technology
- “MA-T Pure” coming onto the market in November, followed by other items

#### ■ MA-T Pure Anti-bacterial Deodorizing Spray



## Promote workstyle reform

- Our initiatives for With Corona era
  - Promoting working from home
  - Eliminated core time from flextime
  - Changed a travel allowance (from commuter pass to actual cost)
  - Provide allowance for working from home (300yen/day)

News Release  株式会社 マンダム  
2020年10月1日

**マンダム、2020年10月1日より  
在宅勤務手当支給などの取り組みを実施  
With コロナ時代の新しい働き方を推進**

株式会社マンダム(本社:大阪市, 社長執行役員:西村元延 以下マンダム)は、「個と会社のHAPPYの実現を目指し」という考えの下、全社員が活躍でき、より働き甲斐のある職場づくりのために、制度整備や職場風土の醸成に取り組んでいます。リモートワークを最大限に活用できる環境整備を行うため、2020年10月1日(木)より在宅勤務手当支給などの新たな取り組みを実施いたします。

新型コロナウイルス感染防止策として、2020年3月から社員の健康と安全確保を第一に、それまでは一部にとどまっていた在宅勤務の対象者を拡大、また、フレックスタイム制のコアタイムをなくすなどの対応を行い、現在も継続実施しております。社内ヒアリングでは「ワークライフバランスが良好」「通勤での疲労感がなく、その分業務に集中できた」「リモートワークでも想像以上に業務を実施できる」などの声が寄せられています。

これらの取り組みを一過性の対応にとどめず、新しい働き方を加速させる機会と捉え、2020年10月1日(木)より下記取り組みを実施いたします。


- (1) 在宅勤務対象者の拡大と取得回数制限の撤廃
- (2) フレックスタイム制におけるコアタイムの撤廃
- (3) 通勤手当の支給方法の変更(定期券購入費用支給から実費支給へ)
- (4) 在宅勤務手当の支給(1日あたり300円)

個と会社の成長のためにはリモートワークやフレックスタイムなどの時間の有効活用ができる環境を最大限に活かし、社員一人一人が自律性を持って、生産性の高い働き方をしていることが一層重要になっています。マンダムでは、今後も「生産性・創造性・働き甲斐」を向上させる「新しい働き方」をさらに推進してまいります。

■新導入制度詳細について  
**(1) 在宅勤務対象者の拡大と取得回数制限の撤廃**  
**【概要】**  
新型コロナウイルス感染拡大防止のため、現在、在宅勤務の対象者・回数を拡大していますが、規定上の対象者は正社員かつ育児勤務者や介護勤務者など一部の社員にとどまっております。取得回数も月5回が上限でした。今回より、雇用形態や

この件に関するお問い合わせ先

株式会社マンダム 広報部	● 大阪本社 ● 青山オフィス ● プレスメール	奥田/栗山/酒井/佐藤実優/佐藤美幸 下川/森原/木村/茂/五嶋/上水(Ai/FaY) press@mandom.com	TEL 06-6767-5021 FAX 06-6767-5045 TEL 03-5766-2485 FAX 03-5766-2486
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■マンダム web サイト  
<https://www.mandom.co.jp> 

### Renewal of key brands

- Regarding GATSBY and Bifesta, the two brands suffering from slow sales, complete renewal of products and marketing communication is scheduled within this year to suit changing consumers' lifestyles and sense of value after the pandemic

**GATSBY**  
— I'm all ready —

**Bifesta**  
ビフェスタ

# ◆ Appendix



## Contents

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- 1. Consolidated Business Results**
- 2. Consolidated Net Sales**
- 3. Consolidated Income**
- 4. Forecast of Consolidated Business Results  
for FYE 2021/MAR**

# 1. Consolidated Business Results

(Millions of yen)

	1Q+2Q					Achiev.
	FYE 2021/MAR	FYE 2020/MAR	Balance	Yr/Yr	Yr/Yr※	
Net Sales	33,548	44,439	▲ 10,891	75.5%	76.3%	101.7%
Operating Income	895	4,628	▲ 3,733	19.4%	—	223.9%
Ordinary Income	1,205	5,107	▲ 3,901	23.6%	—	160.8%
Net Income Attributable to Owners of Parent	2,136	3,276	▲ 1,139	65.2%	—	474.9%

※ Comparison with FYE 2020/MAR rate after adjustment.

EPS	¥47.62	¥71.05
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# 2. Consolidated Net Sales

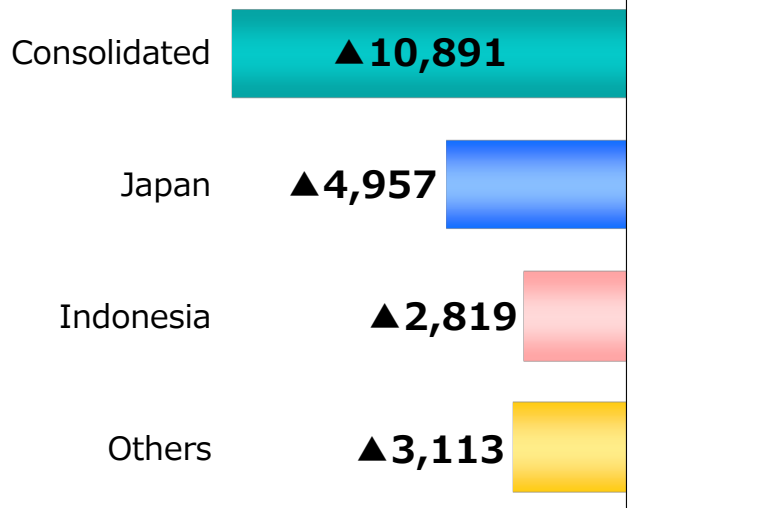
## 2-1. Net Sales by Region

(Millions of yen)

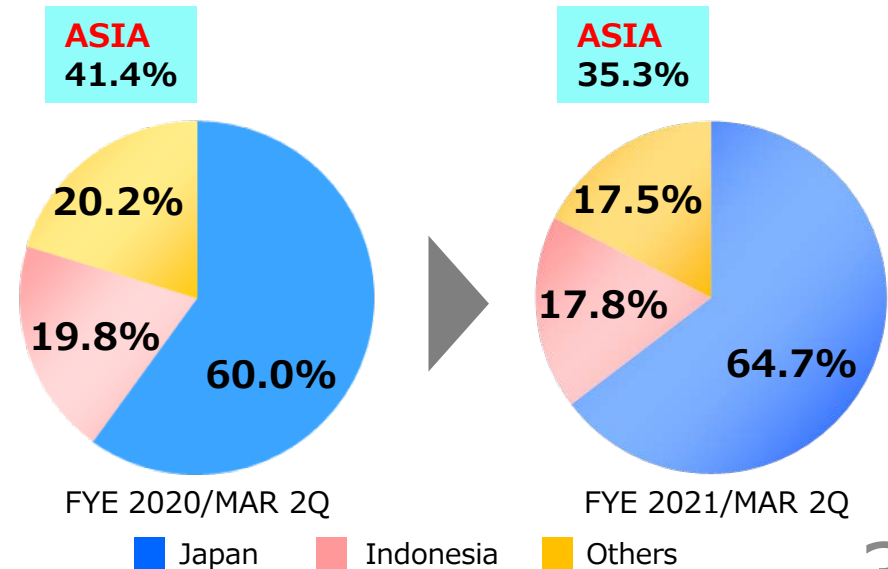
	1Q+2Q			
	FYE 2021/MAR	FYE 2020/MAR	Balance	Yr/Yr
Net Sales	33,548	44,439	▲ 10,891	75.5%
Japan	21,690	26,648	▲ 4,957	81.4%
Indonesia	5,975	8,795	▲ 2,819	67.9%
Others	5,881	8,995	▲ 3,113	65.4%

## 2-2. Net Sales by Region Analysis

(Year-on-Year)  
(Millions of yen)



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



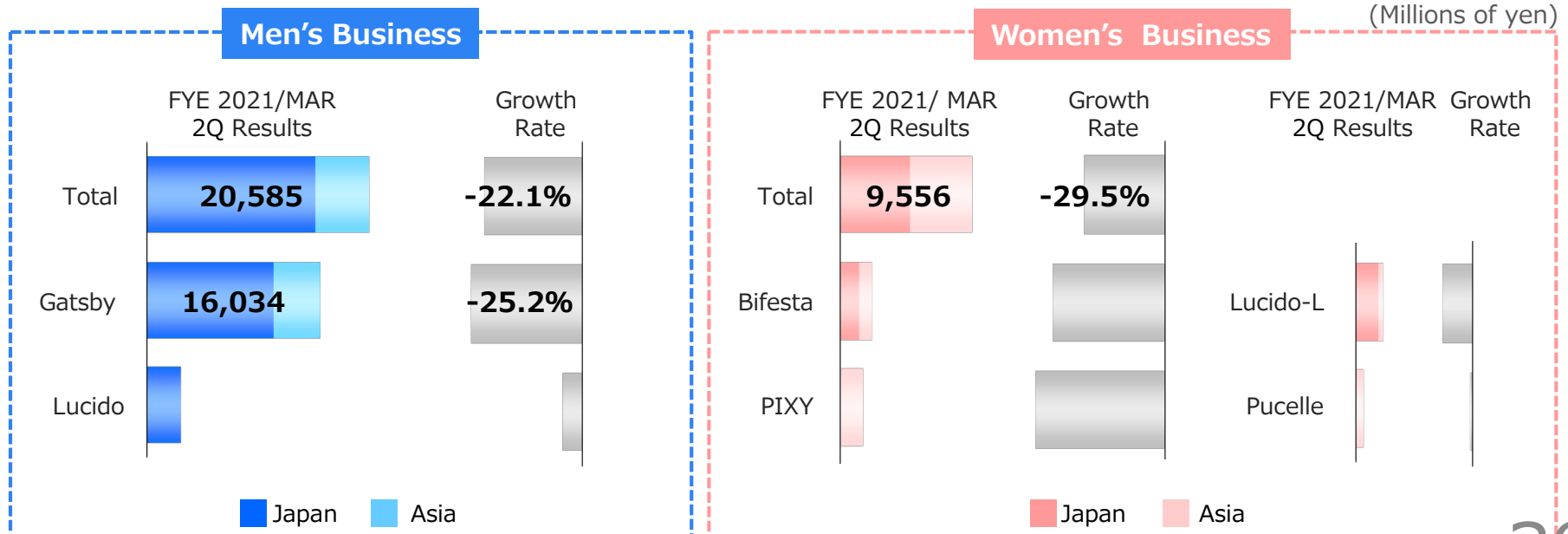
# 2. Consolidated Net Sales

## 2-4. Net Sales by Strategic Business Unit

(Millions of yen)

	1Q+2Q			
	FYE 2021/MAR	FYE 2020/MAR	Balance	Yr/Yr
Net Sales	33,548	44,439	▲ 10,891	75.5%
Men's Business	20,585	26,424	▲ 5,839	77.9%
Gatsby	16,034	21,428	▲ 5,393	74.8%
Women's Business	9,556	13,559	▲ 4,002	70.5%
Other Business	3,406	4,455	▲ 1,049	76.4%

※breakdown :Women's Cosmetics 4,910 Millions of yen (Yr/Yr 54.9%) / Women's Cosmetry 4,646 Millions of yen (Yr/Yr 100.8%)





# 3. Consolidated Income

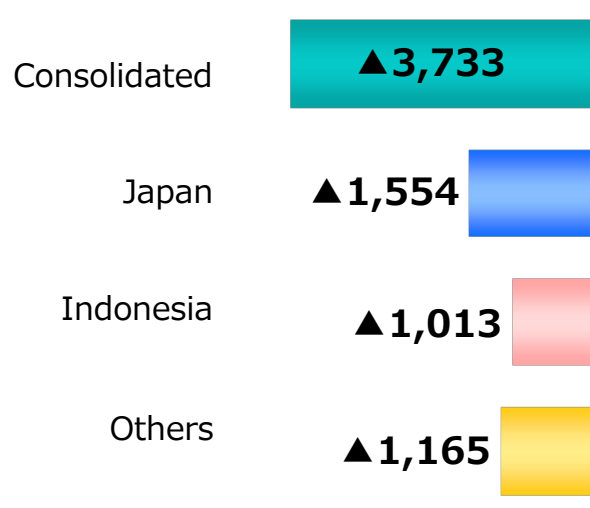
## 3-1. Operating Income by Region

(Millions of yen)

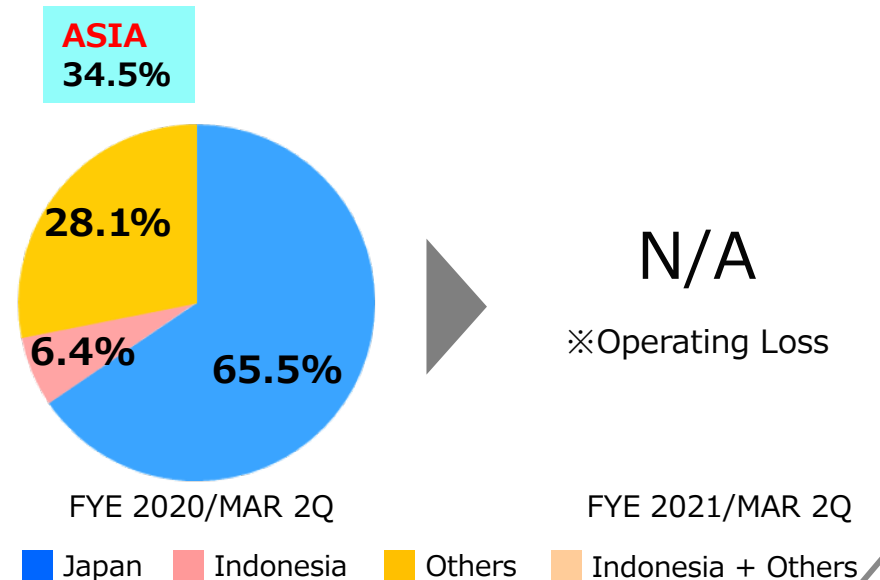
	1Q+2Q					
	FYE 2021/MAR		FYE 2020/MAR		Balance	Yr/Yr
	Result	per Sales	Result	per Sales		
Operating Income	895	2.7%	4,628	10.4%	▲ 3,733	19.4%
Japan	1,479	6.8%	3,034	11.4%	▲ 1,554	48.8%
Indonesia	▲ 719	▲ 12.0%	294	3.3%	▲ 1,013	▲ 244.4%
Others	135	2.3%	1,300	14.5%	▲ 1,165	10.4%

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

(Millions of yen)

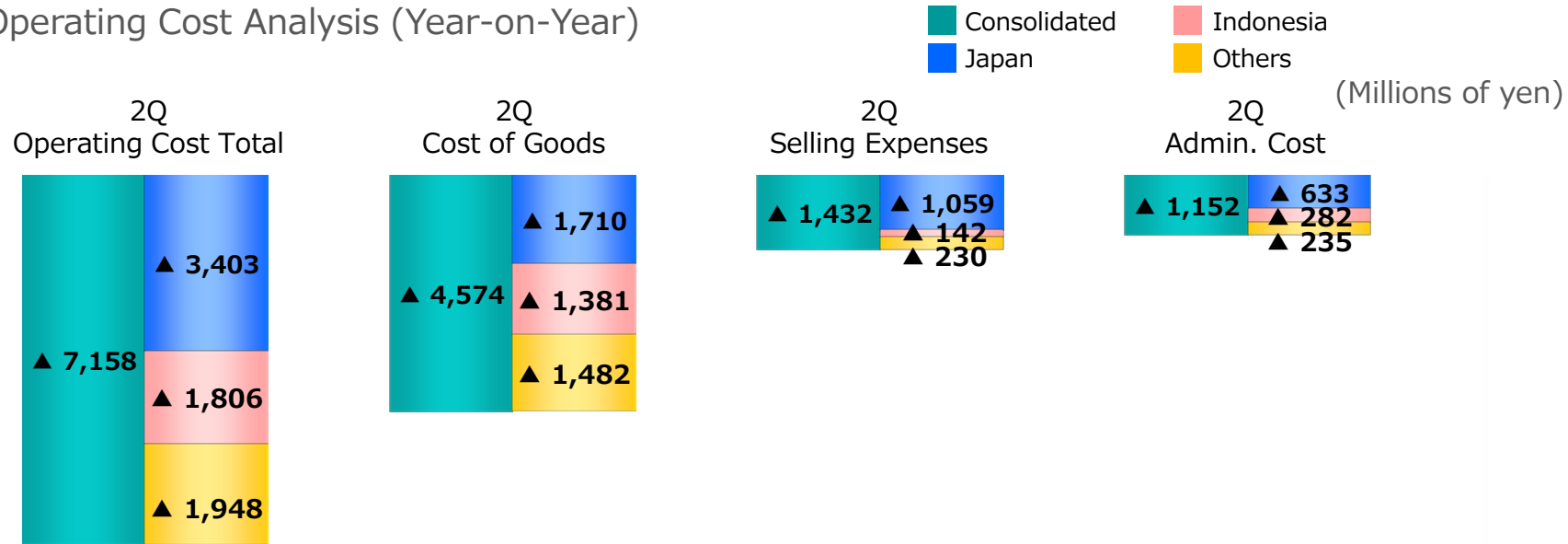


## 3-3. Operating Income/Loss by Region Ratio (Year-on-Year)

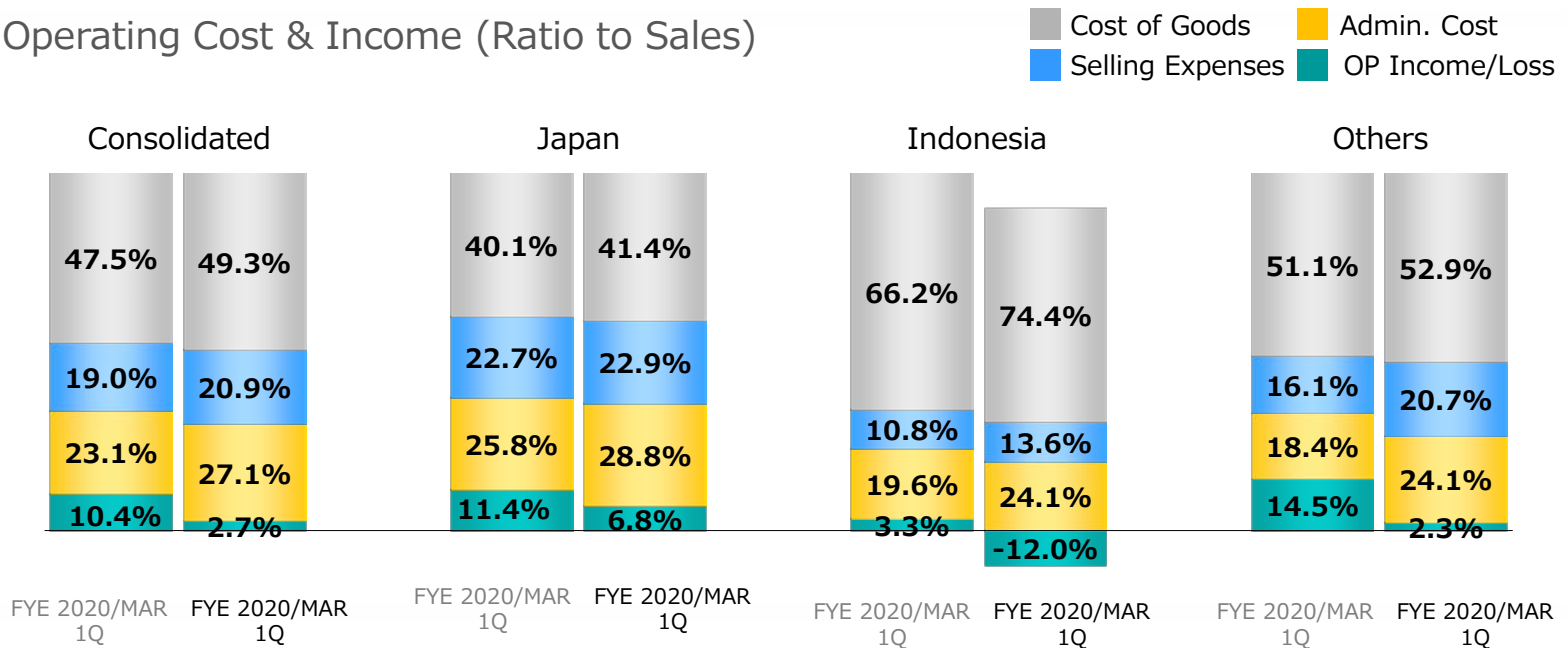


# 3. Consolidated Income

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

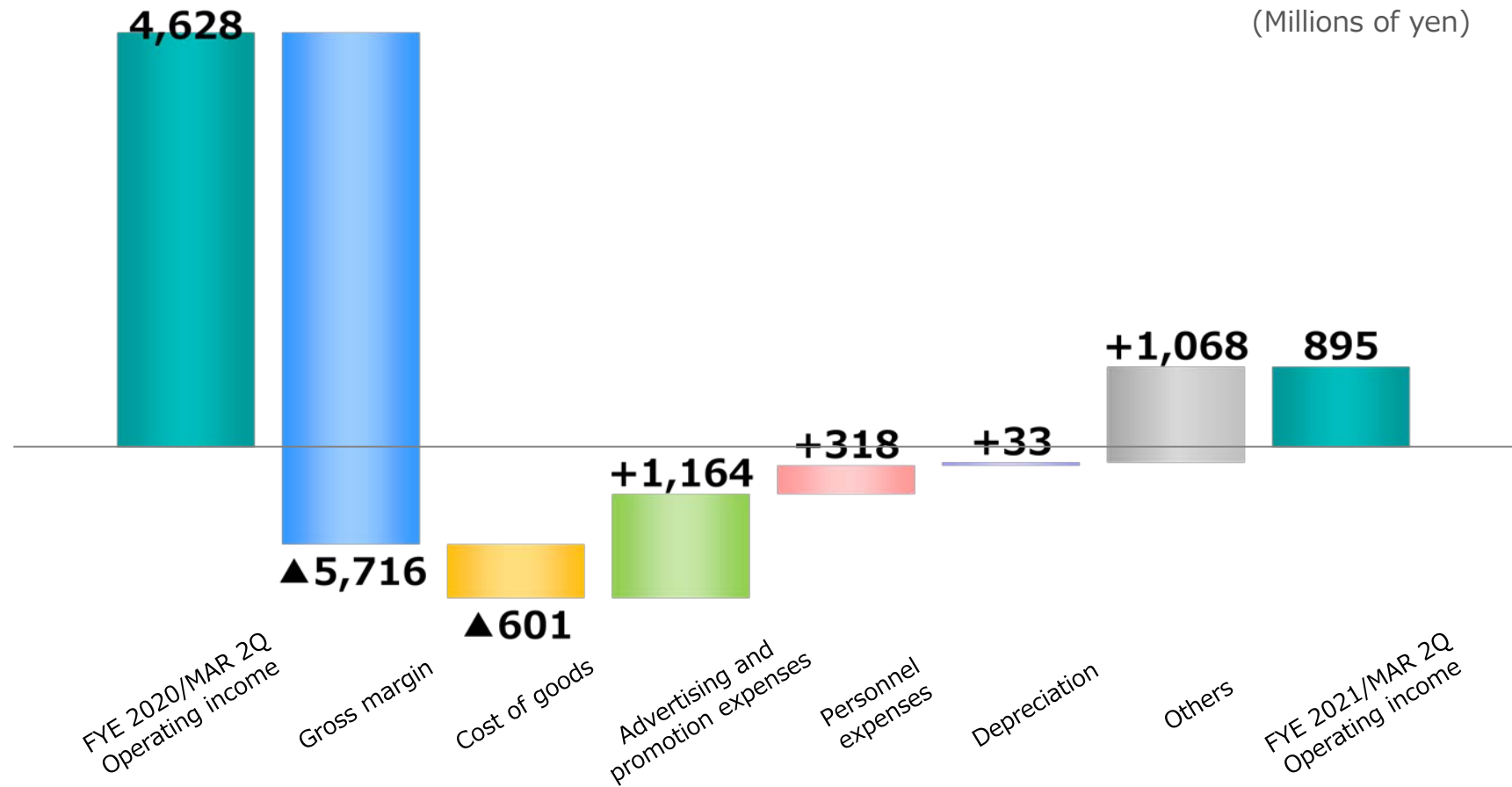


## 3-5. Operating Cost & Income (Ratio to Sales)



# 3. Consolidated Income

## 3-6. Analysis of Change in Consolidated Operating Income



# 3. Consolidated Income

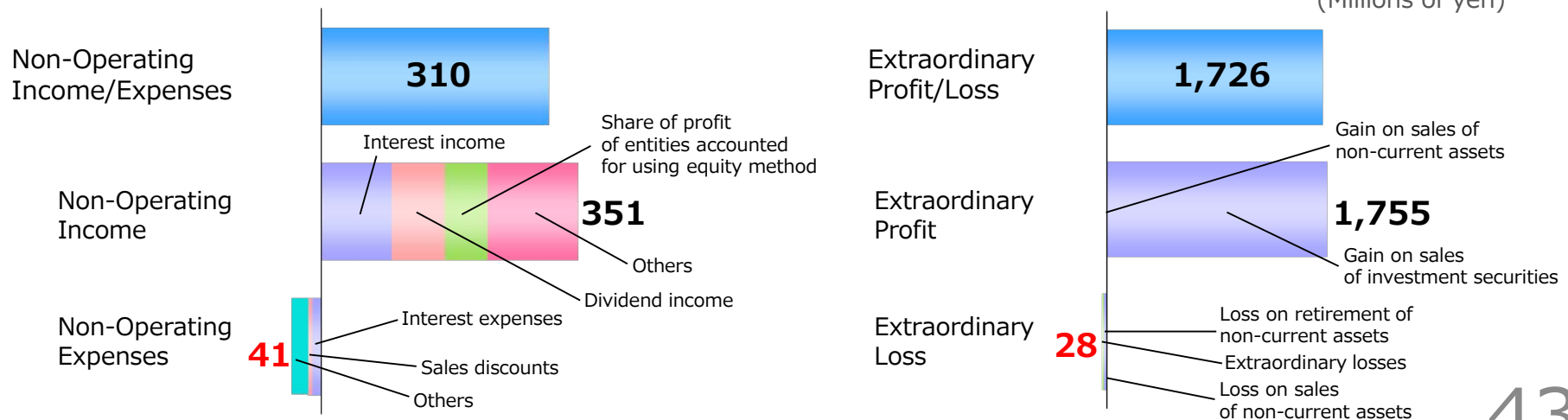
## 3-6. Ordinary Income and Net Income Attributable to Owners of Parent

(Millions of yen)

	1Q+2Q				Balance	Yr/Yr
	FYE 2021/MAR		FYE 2020/MAR			
	Result	per Sales	Result	per Sales		
Non-operating Income/Expenses	310	0.9%	478	1.1%	▲ 168	64.8%
Ordinary Income	1,205	3.6%	5,107	11.5%	▲ 3,901	23.6%
Extraordinary Profit/Loss	1,726	5.1%	91	0.2%	1,635	1897.2%
Income before Income Taxes and Minority Interests	2,932	8.7%	5,198	11.7%	▲ 2,265	56.4%
Income Taxes and Minority Interests	950	2.8%	1,751	3.9%	▲ 800	54.3%
Net Income	1,981	5.9%	3,446	7.8%	▲ 1,464	57.5%
Net Income Attributable to Non-controlling interests	▲ 155	▲0.5%	170	0.4%	▲ 325	▲91.0%
Net Income Attributable to Owners of Parent	2,136	6.4%	3,276	7.4%	▲ 1,139	65.2%

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

(Millions of yen)



## 4. Forecast of Consolidated Business Results for FYE 2021/MAR

### Forecast of Consolidated Business Results for FYE 2021/MAR

(Millions of yen)

	FYE 2021/MAR						FYE 2020/MAR	
	Annual			1Q+2Q			Result	
	Revised Plan	Balance	Yr/Yr	Result	Balance	Yr/Yr	Annual	1Q+2Q
Net Sales	64,000	▲17,774	78.3%	33,548	▲10,891	75.5%	81,774	44,439
Operating Income	▲800	▲6,770	-13.4%	895	▲3,733	19.4%	5,970	4,628
Ordinary Income	▲350	▲7,056	-5.2%	1,205	▲3,901	23.6%	6,706	5,107
Net Income Attributable to Owners of Parent	670	▲3,775	15.1%	2,136	▲1,139	65.2%	4,445	3,276

# ◆ Appendix

## Interim Results of FYE 2021/MAR (P/L of Mandom Corporation, PT Mandom Indonesia Tbk)

### Mandom Corporation

(Millions of yen)

	FYE 2021/MAR 1Q+2Q	FYE 2020/MAR 1Q+2Q	balance	Yr/Yr	Revised Plan
Net sales	23,102	28,769	▲ 5,666	80.3%	42,000
Cost of Goods	10,357	12,926	▲ 2,569	80.1%	—
Cost Ratio	44.8%	44.9%	-0.1P	—	—
Selling, general and administrative expenses	11,047	12,696	▲ 1,648	87.0%	—
Operating Income	1,698	3,147	▲ 1,448	54.0%	—
Non-operating Income/Los	538	520	18	103.6%	—
Ordinary Income	2,236	3,667	▲ 1,430	61.0%	700
Extraordinary Profit/loss	1,727	80	1,646	2136.2%	—
Net Income	3,041	2,736	305	111.2%	1,700

### Depreciation, Capital Investment

#### ■ Consolidated

(Unit : Mln Yen)

	FYE 2021/MAR 1Q+2Q	FYE 2020/MAR 1Q+2Q	balance	FYE 2021/MAR Outlook
Depreciation	2,093	2,118	▲ 25	4,570
Capital investment	6,231	4,976	1,255	10,200

#### ■ Mandom Corp. Only

(Unit : Mln Yen)

	FYE 2021/MAR 1Q+2Q	FYE 2020/MAR 1Q+2Q	balance
Depreciation	1,131	1,204	▲ 73
Capital investment	5,805	4,104	1,700

※Capital investment includes intangible assets

### PT Mandom Indonesia Tbk

Local Currency

(Millions of Rp.)

	FYE 2021/MAR 1Q+2Q	FYE 2020/MAR 1Q+2Q	balance	Yr/Yr
Net sales	996,776	1,411,193	▲ 414,416	70.6%
Cost of Goods	753,077	930,610	▲ 177,532	80.9%
Cost Ratio	75.6%	65.9%	+9.6P	—
Operating Income	▲ 56,663	113,510	▲ 170,173	-49.9%
Net Income	▲ 52,904	94,714	▲ 147,618	-55.9%

Yen Equivalent

(Millions of yen)

	FYE 2021/MAR 1Q+2Q	FYE 2020/MAR 1Q+2Q	balance	Yr/Yr
Net sales	7,475	10,866	▲ 3,390	68.8%
Cost of Goods	5,648	7,165	▲ 1,517	78.8%
Cost Ratio	75.6%	65.9%	+9.6P	—
Operating Income	▲ 424	874	▲ 1,299	-48.6%
Net Income	▲ 396	729	▲ 1,126	-54.4%

Rp.1= ¥ 0.0075 Rp.1= ¥ 0.0077

※Assumption rate FYE 2021/MAR

Rp.1= ¥ 0.0075

# Regarding Forward-Looking Statements

This document contains forward-looking statements concerning Mandom's current plans, strategies, beliefs and performance. These forward-looking statements include statements other than those based on historical fact and represent the assumptions and beliefs of management based on information currently available. Mandom therefore wishes to caution readers that actual results may differ materially from expectations, and that forward-looking statements are subject to a number of foreseen and unforeseen risks and uncertainties. All amounts have been rounded to the nearest whole unit.

