

PRESS RELEASE

Company name	Mandom Corporation
Head office	5-12 Juniken-cho, Chuo-ku, Osaka, Japan
President	Motonobu Nishimura
Stock listing	Tokyo Stock Exchange 1st Section 4917
Contact	Katsutoshi Shigemura, IR Office (TEL.06-6767-5020)

**Revision of Consolidated Earnings Forecast, Fiscal Year Ending March 2016;
Extraordinary Loss Posted Due to Outbreak of Fire at Consolidated Subsidiary**

On July 10, 2015, a fire broke out at a factory of PT Mandom Indonesia Tbk, Mandom Corporation's consolidated subsidiary in Indonesia. We express our sincere apologies to all neighboring residents as well as many others who were affected by the fire for the inconvenience and concerns that it caused.

We calculated estimates from the information available at present and came to the conclusion that the fire will have an impact on our business results. We hereby notify the following revision of the Consolidated Earnings Forecast for the Fiscal Year Ending March 2016 (April 1, 2015 to March 31, 2016) as announced on May 11, 2015 and a forecast on the impact (in value) of the fire. Recent sales trends have also been taken into account.

I. Revision of Consolidated Earnings Forecast, Fiscal Year Ending March 2016

Full year (April 1, 2015 to March 31, 2016)

	Net Sales	Operating Income	Ordinary Income	Net Income Attributable to Shareholders of the Parent	Earnings per Share
	Yen in millions	Yen in millions	Yen in millions	Yen in millions	Yen
Before Revision (A)	76,360	7,360	7,600	7,120	304.55
After Revision (B)	73,200	5,000	5,800	5,600	239.54
Change (B - A)	-3,160	-2,360	-1,800	-1,520	—
Rate of Change (%)	-4.1	-32.1	-23.7	-21.3	—
<Reference> FYE March 2015	70,925	6,996	7,595	4,425	189.28

Reasons for the Revision

Net sales are expected to decrease because that operation is still suspended in the aerosol production line which was affected by the fire at PT Mandom Indonesia Tbk, the consolidated subsidiary concerned, and that the manufacture of other products is also expected to decrease due to underperforming target values for a certain length of time. In addition, the Indonesian economic scene is not favourable: the rupiah is weak, inflation has risen due to the cutback in fuel subsidy, employment has been impacted by the tightening of monetary policy, and personal spending has slowed down due to a fall in income. Therefore, we foresee our results not meeting our original targets. We are also revising the forecasts for operating, ordinary and net incomes as shown above because the impact of the said decrease in net sales in Indonesia, higher cost-to-sales ratio due to a reduction in production volume at PT Mandom Indonesia Tbk, and extraordinary loss due to the fire will be expected.

(Note) This revised earnings forecasts are based on information currently available. Actual performance may differ significantly from the forecasts due to various factors.

II. Extraordinary Loss Posted Due to Outbreak of Fire at Consolidated Subsidiary, PT Mandom Indonesia Tbk

1. The Overview of the Accident

On July 10, 2015 at around 9:18 am local time (around 11:18 am JST), a fire broke out due to a gas explosion at the aerosol production line in Building No. 2 of Factory 1. The production area was destroyed in the fire. The cause of the fire is currently under investigation.

With regard to the supply of products, the production of non-aerosol products has restarted. Aerosol products are being supplied by transferring manufacturing process to contract manufacturers for the time being.

2. Forecast of the Impact on Business Results

It is still difficult to make a rational estimate of the impact of the fire in sum total. However, we are assuming that, based on information available and certain assumptions deemed reasonable, the approximate total cost that we will be posting as extraordinary loss due to the accident will be roughly 1.5 billion yen (see Note) in our consolidated business results for the fiscal year ending March 2016.

(Note) Forecasts were calculated assuming a foreign exchange rate of 0.0093 yen to 1 Indonesian rupiah (average rate for the fiscal year as of August 31, 2015).

(Note) These calculations shown above are based on information currently available. Actual calculations may differ from the forecasts due to various factors.

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