



## 2. Dividends

	Year ended March 2014	Year ending March 2015	Year ending March 2015 (forecasts)
Dividends per share			
Q1 end	—	—	
Q2 end	43.00 yen		43.00 yen
Q3 end	—		—
Year-end	43.00		43.00
Total	86.00		86.00

(Note) Revision of the latest dividend forecast: None

## 3. Forecasts of Consolidated Operational Results for Year Ending March 31, 2015 (April 1, 2014 to March 31, 2015)

(% figures represent changes from same period in previous year)

	6-month period ending September 30, 2014 (accumulation)		FY ending March 31, 2015	
Net sales	60,800 millions of yen	4.4 %	132,000 millions of yen	3.7 %
Operating income	8,400	(2.6)	18,400	1.5
Ordinary income	8,700	(1.6)	19,000	1.2
Net income	5,600	(5.9)	12,500	1.6
Earnings per share	136.76 yen		305.27 yen	

(Note) Revision of the latest forecasts of operational results: None

### \* Notes

(1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries accompanying changes of the scope of consolidation): None

Newly consolidated: — (company name:                   ), Eliminated from the scope of consolidation: — (company name:                   )

(2) Adoption of special accounting methods for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

① Changes in accounting policies due to revisions of accounting standards: Yes

② Changes of accounting policies other than the above: None

③ Changes in accounting estimates: None

④ Retrospective restatement: None

For details, please refer to 2. *Matters concerning Summary Information (Notes) (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement* on page 3 of the attachment.

(4) Issued shares (common shares)

- ① Number of shares issued at period-end (including treasury stock):
- ② Number of shares of treasury stock at period-end
- ③ Average number of shares outstanding during period (consolidated cumulative quarters)

Q1 of FY ending March 31, 2015	42,525,000 shares	FY ended March 31, 2014	42,525,000 shares
Q1 of FY ending March 31, 2015	1,807,525 shares	FY ended March 31, 2014	1,577,025 shares
Q1 of FY ending March 31, 2015	40,866,993 shares	Q1 of FY ended March 31, 2014	40,948,359 shares

\* Information on implementation of quarterly review procedures

This brief report of quarterly financial statements is not subject to audit procedures under the Financial Instruments and Exchange Act. Audit procedures concerning quarterly financial statements have not been completed under the Financial Instruments and Exchange Act at the date of disclosure of this brief report of quarterly financial statements.

\* Explanation on appropriate use of forecasts of business results and other special items

The forward-looking statements in this document concerning forecasting of operational results, etc. are based on currently available information and assumptions considered reasonable by the Company. Actual operational results may be significantly different from these statements due to various factors. For the assumptions used as the basis for forecasts of operational results and important matters when using the forecast of performance, please refer to "1. Qualitative Information on Quarterly Results, (3) Explanation of future forecast information, such as forecast of consolidated results" on page 2 of the attachment.

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## 1. Qualitative Information on Quarterly Results

### (1) Explanation of operational results

In the first quarter of the fiscal year ending March 31, 2015, the Japanese economy was characterized by slack personal spending, which came in the wake of brisk demand for spending ahead of the April 2014 consumption tax hike.

Against this background, the Group launched new products that satisfy customers' needs, strengthened its existing product lineups to accelerate the market and invested in businesses with future growth potential, with the brand slogan, "You make a wish and you make it happen."

Consequently, the Group reported net sales of 27,171 million yen in the quarter under review (-0.1% from the corresponding period of the previous year), operating income of 3,327 million yen (-15.6%), ordinary income of 3,601 million yen (-13.7%), and net income of 2,417 million yen (-18.5%).

Here is an overview of the business results by segment.

#### Consumer Products Business

The Consumer Product Business launched 16 new products in the first quarter. In particular, *Shijirakku* (a herbal medicine to ease shoulder pain and stiffness), *Eaude Muge* (skin care lotion to treat rough skin and pimples), *Men's Keshimin* (a skin care product, aimed at preventing blotches of men) and *Sawaday PINKPINK* (a deodorizer for young women) contributed to the Group's sales growth. Among existing products, sales of the *Netsusama Sheet* (a cooling gel sheet for the forehead) in the category of sanitary products, the *Shoshugen Kaoru Stick* (an interior fragrance) and *Kuruma no Shoshugen Clip* (a fragrant car deodorizer), both in the category of deodorizing air fresheners, and *Sanibon Awa Power* (a pipe cleaner) in the category of household sundries grew smoothly. Sales of body warmers marketed in the United States increased smoothly.

Consequently, the Company posted net sales in the segment of 25,120 million yen (+1.2% from the previous year), segment income (ordinary income) of 3,245 million yen (-14.4%) and operating income of 3,210 million yen (-14.3%). Meanwhile, in the Consumer Product Business, sales in the International Division amounted to 2,731 million yen (+49.9%).

#### (Sales Breakdown)

	Q1 ended June 30, 2013 (April 1, 2013 to June 30, 2013)		Q1 ended June 30, 2014 (April 1, 2014 to June 30, 2014)		Change	
	Amount (millions of yen)	Ratio (%)	Amount (millions of yen)	Ratio (%)	Amount (millions of yen)	Change (%)
Pharmaceutical products	5,027	20.3	5,105	20.3	78	1.6
Oral hygiene products	4,105	16.5	3,683	14.6	(422)	(10.3)
Sanitary products	4,522	18.2	4,688	18.7	165	3.7
Deodorizing air fresheners	7,674	30.9	7,762	30.9	88	1.2
Household sundries	939	3.8	1,180	4.7	240	25.6
Food products	1,931	7.8	1,802	7.2	(128)	(6.7)
Body warmers	622	2.5	897	3.6	275	44.2
Total	24,822	100.0	25,120	100.0	297	1.2

(Note) 1. Net sales include inter-segment sales or transfers, totaling 740 million yen in the first quarter ended June 30, 2013 and 777 million yen in the first quarter ended June 30, 2014.

2. The Company reviewed the classification of some products in the first quarter of the fiscal year ending March 31, 2015. Consequently, sales of sanitary products increased by 249 million yen, while sales of food products decreased by 249 million yen in the Company's sales breakdown for Q1 ended June 30, 2013 presented in the *Summary of Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2014* announced on July 25, 2013.

#### Mail Order Business

The Mail Order Business markets nutritional supplements and skin care products. The Company strived to exploit new customers while encouraging existing customers to continue to place orders for its products through sales promotional campaigns, such as advertisements and direct mails. However, sales of skin care products were sluggish in the quarter under review as consumers shunned active buying after placing brisk orders before the April 2014 consumption tax hike.

As a result, the Company reported net sales in the segment of 2,195 million yen (-11.4% from the previous year), segment loss (ordinary loss) of 1 million yen (compared with segment income of 26 million yen in the previous year) and operating loss of 1 million yen (compared with operating income of 25 million yen in the previous year).

Net sales do not include inter-segment sales or transfers.

#### Medical Devices Business

The Company scored net sales in the segment of 373 million yen (+11.2% from the previous year), segment income (ordinary income) of 174 million yen (-28.9%) and operating income of 42 million yen (-30.2%).

Net sales do not include inter-segment sales or transfers.

#### Other Businesses

Businesses in this segment (transportation business, plastic container manufacture and sale, insurance agency, real estate management, advertisement planning and creation, etc.) support the above-mentioned three businesses. Although companies in this business segment operate individually on a financially independent basis, their business purposes also include contributing to the profits of the three businesses of the Group. Accordingly, their delivery prices of materials and services to the three businesses were reviewed and revised as necessary.

As a result, the Company posted net sales in the segment of 1,319 million yen (+32.2%), segment income (ordinary income) of 300 million yen (-16.2%) and operating income of 65 million yen (-12.7%).

Net sales include inter-segment sales and transfers. Their amount was 683 million yen in the three-month period ended June 30, 2013 and 1,059 million yen in the three-month period ended June 30, 2014.

#### (2) Explanation of financial position

Total assets decreased by 4,803 million yen from the end of the previous consolidated fiscal year to 166,115 million yen. This was mainly due to a decline in cash and deposits (4,062 million yen), a decrease in notes and accounts receivable-trade (3,175 million yen) and an increase in merchandise and finished goods (2,775 million yen).

Liabilities dropped by 3,466 million yen from the end of the previous consolidated fiscal year to 40,499 million yen. This was mainly due to a decrease in accounts payable-other (2,320 million yen), a decline in income taxes payable (2,185 million yen) and an increase in "other" in current liabilities (2,209 million yen).

Net assets fell by 1,337 million yen from the end of the previous consolidated fiscal year to 125,615 million, with a capital adequacy ratio of 75.6%. This was mainly due to an increase in retained earnings (886 million yen) and a rise in the number of shares of treasury stock (1,499 million yen).

#### (3) Explanation of future forecast information, such as forecast of consolidated results

The Group did not revise its forecast of consolidated results for the Fiscal Year ending March 31, 2015, which the Group announced via "Summary of Financial Statements for the Fiscal Year ended March 31, 2014" released on April 30, 2014.

## 2. Matters concerning Summary Information (Notes)

(1) Changes in significant subsidiaries during the period  
Not applicable

(2) Adoption of special accounting methods for preparing quarterly consolidated financial statements  
Not applicable

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement  
(Changes in accounting policies)

(Application of accounting standards concerning retirement benefits)

Accounting standards concerning retirement benefits (stipulated under corporate accounting standard No. 26, adopted on May 17, 2012, and hereinafter referred to as retirement benefit accounting standards), and application guidelines of accounting standards concerning retirement benefits (stipulated under application guidelines No. 25 for corporate accounting standards, adopted on May 17, 2012, and hereinafter referred to as retirement benefit application guidelines) started to be applied in the first quarter of the fiscal year ending in March 2015 in accordance with rules stipulated under the main text of paragraph 35 of the retirement benefit accounting standards and the main text of paragraph 67 of the retirement benefit application guidelines.

The method of calculating the estimated amount of retirement benefits for each accounting term was changed under the retirement benefit accounting standards and the retirement benefit application guidelines mentioned above, from the fixed amount standard to the payment calculation standard. This change was made together with review of the method to calculate liabilities for retirement benefits and prior service cost. The method of setting the discount rate was also changed. In the past, the bond period on which the discount rate is based was determined using the number of years close to the average remaining length of service for employees. However, the bond period is now set using the single weighted average rate of discount, which reflects an expected period before the day of paying retirement benefits and the amount of money for each retirement payment possibility period.

In line with rules set for transitional treatment concerning the application of the retirement benefit accounting standards, stipulated under paragraph 37 of the standards, effects of the change of a method to calculate liabilities for retirement benefits and prior service cost were reflected in retained earnings for the first quarter of the year ending in March 2015.

As a result, assets associated with retirement benefits increased by 149 million yen at the beginning of the first quarter while liabilities associated with such benefits fell by 207 million yen, leading to an increase of 229 million yen in retained earnings. Effects from the change of the accounting policies on operating income, ordinary income and income before income taxes were minimal in the first quarter.

### 3. Quarterly financial statements

#### (1) Consolidated quarterly balance sheet

(millions of yen)

	Previous consolidated fiscal year (March 31, 2014)	Q1 of current fiscal year (June 30, 2014)
<b>ASSETS</b>		
Current assets		
Cash and deposits	51,748	47,686
Notes and accounts receivable-trade	34,428	31,253
Short-term investment securities	3,703	4,002
Merchandise and finished goods	7,515	10,290
Work in process	559	595
Raw materials and supplies	2,457	2,445
Deferred tax assets	3,240	3,327
Other	2,016	1,675
Allowance for doubtful accounts	(56)	(54)
Total current assets	105,614	101,223
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,254	6,240
Machinery, equipment and vehicles, net	2,667	2,588
Tools, furniture and fixtures, net	1,016	1,093
Land	3,374	3,373
Lease assets, net	730	675
Construction in progress	901	1,114
Total property, plant and equipment	14,945	15,086
Intangible assets		
Goodwill	3,970	3,767
Trademark rights	187	149
Software	924	920
Lease assets	16	12
Other	327	322
Total intangible assets	5,426	5,171
Investments and other assets		
Investment securities	38,877	38,416
Long-term loans receivable	614	612
Deferred tax assets	838	834
Real estate for investment, net	3,059	3,051
Assets for retirement benefits	—	170
Other	1,677	1,684
Allowance for doubtful accounts	(135)	(135)
Total investments and other assets	44,932	44,633
Total non-current assets	65,304	64,891
Total assets	170,919	166,115

(millions of yen)

	Previous consolidated fiscal year (March 31, 2014)	Q1 of current fiscal year (June 30, 2014)
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable-trade	11,368	11,871
Short-term loans payable	6	14
Accounts payable-other	13,053	10,733
Lease obligations	158	129
Income taxes payable	3,639	1,454
Accrued consumption taxes	633	627
Provision for sales returns	1,501	942
Provision for bonuses	1,958	1,099
Provision for loss on business liquidation	355	355
Asset retirement obligations	29	19
Other	1,513	3,722
Total current liabilities	34,216	30,969
Non-current liabilities		
Lease obligations	609	574
Net retirement benefit liability	5,861	5,641
Provision for directors' retirement benefits	24	24
Asset retirement obligations	91	91
Other	3,162	3,198
Total non-current liabilities	9,749	9,530
Total liabilities	43,965	40,499
<b>NET ASSETS</b>		
Shareholders' equity		
Capital stock	3,450	3,450
Capital surplus	4,219	4,219
Retained earnings	118,731	119,618
Treasury stock	(4,706)	(6,205)
Total shareholders' equity	121,695	121,082
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,369	5,324
Deferred gains or losses on hedges	1,043	696
Foreign currency translation adjustment	(373)	(762)
Re-measurements of retirement benefit plans	(864)	(836)
Total accumulated other comprehensive income	5,174	4,422
Subscription rights to shares	83	110
Minority interests	0	0
Total net assets	126,953	125,615
Total liabilities and net assets	170,919	166,115

(2) Consolidated quarterly statements of income and consolidated quarterly statements of comprehensive income  
 (Consolidated quarterly statements of income)  
 (Three-month period ended June 30, 2014)

(millions of yen)

	Three-month period ended June 30, 2013 (April 1, 2013 to June 30, 2013)	Three-month period ended June 30, 2014 (April 1, 2014 to June 30, 2014)
Net sales	27,208	27,171
Cost of sales	10,739	10,558
Gross profit	16,469	16,613
Selling, general and administrative expenses	12,526	13,285
Operating income	3,943	3,327
Non-operating income		
Interest income	58	56
Dividend income	168	154
Royalty income	119	119
Real estate rent	68	70
Equity in earnings of affiliates	20	9
Other	42	56
Total non-operating income	477	468
Non-operating expenses		
Interest expenses	4	5
Sales discounts	145	143
Rent cost of real estate	17	18
Foreign exchange losses	74	9
Other	3	15
Total non-operating expenses	246	193
Ordinary income	4,174	3,601
Extraordinary income		
Gain on sales of subsidiaries and affiliates' stocks	514	—
Other	18	—
Total extraordinary income	532	—
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	8	4
Loss on defective products	18	—
Other	4	0
Total extraordinary loss	31	4
Income before income taxes	4,675	3,596
Income taxes - current	1,432	1,269
Income taxes - deferred	279	(89)
Total income taxes	1,711	1,179
Income before minority interest in income	2,964	2,417
Minority interests in income or loss	(0)	0
Net income	2,964	2,417

(Consolidated quarterly statements of comprehensive income)  
 (Three-month period ended June 30, 2014)

(millions of yen)

	Three-month period ended June 30, 2013 (April 1, 2013 to June 30, 2013)	Three-month period ended June 30, 2014 (April 1, 2014 to June 30, 2014)
Income before minority interests	2,964	2,417
Other comprehensive income		
Valuation difference on available-for-sale securities	(288)	(44)
Deferred gains or losses on hedges	(14)	(17)
Adjustment for retirement benefits	—	27
Foreign currency translation adjustment	946	(388)
Share of other comprehensive income of associates accounted for using equity method	364	(327)
Total other comprehensive income	1,008	(751)
Quarterly comprehensive income	3,972	1,665
(Comprehensive income attributable to)		
Quarterly comprehensive income attributable to owners of the parent	3,973	1,665
Quarterly comprehensive income attributable to minority interests	(0)	0

(3) Notes on quarterly consolidated financial statements  
 (Notes on assumption of going concern)  
 Not applicable

(Notes on a significant change in shareholders' equity)

In accordance with a resolution adopted at the Board of Directors meeting held on April 30, 2014, the Company acquired shares of its treasury stock. Consequently, the amount of shares of treasury stock increased by 1,499 million yen to 6,205 million yen at the end of the first quarter of the consolidated fiscal year ending in March 2015.

(Segment information, etc.)

[Segment information]

I. Q1 of previous fiscal year (April 1, 2013 to June 30, 2013)

1. Information on net sales, income or loss by reportable segment

(millions of yen)

	Reportable segment				Other (Note 1)	Grand total	Adjustment (Note 2)	Figures in consolidated statements of income (Note 3)
	Consumer Products Business	Mail Order Business	Medical Devices Business	Total				
Net sales								
Net sales to outside customers	24,081	2,476	335	26,893	315	27,208	—	27,208
Inter-segment sales or transfers	740	—	—	740	683	1,423	(1,423)	—
Total	24,822	2,476	335	27,634	998	28,632	(1,423)	27,208
Segment income	3,791	26	246	4,063	358	4,422	(247)	4,174

(Notes)

1. *Other* represents businesses that are not included in reportable segments, such as transportation, manufacturing and sales of synthetic resin containers, insurance agents, property management, and advertising design and production.
2. Adjustments of 247 million yen in segment income are eliminations among segments.
3. Segment income is adjusted with ordinary income in the quarterly consolidated statements of income.

2. Information concerning impairment loss on noncurrent assets or goodwill by reportable segments

The Group does not provide information concerning impairment loss on noncurrent assets or goodwill because it does not recognize significant impairment loss on noncurrent assets and there is no significant change in the value of goodwill.

II. Q1 of current fiscal year (April 1, 2014 to June 30, 2014)

1. Information on net sales, income or loss by reportable segment

(millions of yen)

	Reportable segment				Other (Note 1)	Grand total	Adjustment (Note 2)	Figures in consolidated statements of income (Note 3)
	Consumer Products Business	Mail Order Business	Medical Devices Business	Total				
Net sales								
Net sales to outside customers	24,343	2,195	373	26,911	260	27,171	—	27,171
Inter-segment sales or transfers	777	—	—	777	1,059	1,836	(1,836)	—
Total	25,120	2,195	373	27,688	1,319	29,007	(1,836)	27,171
Segment income (loss)	3,245	(1)	174	3,419	300	3,719	(117)	3,601

(Notes)

1. *Other* represents businesses that are not included in reportable segments, such as transportation, manufacturing and sales of synthetic resin containers, insurance agents, property management, and advertising design and production.
2. Adjustments of 117 million yen in segment income (loss) are eliminations among segments.
3. Segment income (loss) is adjusted with ordinary income in consolidated statements of income.

2. Information concerning impairment loss on noncurrent assets or goodwill by reportable segments

The Group does not provide information concerning impairment loss on noncurrent assets or goodwill because it does not recognize significant impairment loss on noncurrent assets and there is no significant change in the value of goodwill.

(Significant subsequent events)

Not applicable