



## 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	44.00 yen	
Q3 end	—	—	
Year-end	43.00		43.00 Yen
Total	86.00		87.00

(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)

(Percentage figures represent changes from previous period.)

	FY ending March 31, 2015	
Net sales	132,000 millions of yen	3.7 %
Operating income	18,400	1.5
Ordinary income	19,000	1.2
Net income	12,500	1.6
Earnings per share	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 change of 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) Change in accounting policies, changes in accounting estimates and retrospective restatement

① Changes in accounting policies associated with revision of accounting standards: Yes

② Changes in accounting policies other than ①: None

③ Changes in accounting estimates: None

④ Retrospective restatement: None

For details, please refer to 2. *Items concerning Summary Information (Notes) (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement* on page 4 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)

Q3 of FY ending March 31, 2015	42,525,000 shares	FY ended March 31, 2014	42,525,000 shares
Q3 of FY ending March 31, 2015	1,807,675 shares	FY ended March 31, 2014	1,577,025 shares
Q3 of FY ending March 31, 2015	40,766,913 shares	Q3 of FY ended March 31, 2014	40,948,297 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 forecasts of business results are based on information available to the Company and assumptions considered reasonable by the Company. Please note that actual business results may differ significantly from the forecast due to various factors. Concerning assumptions for forecasting business results and precautionary statements, please refer to “1. Qualitative Information on Quarterly Results, (3) Explanation of future forecast information, such as forecast of consolidated results” on page 3 of the attachment.

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## 1. Qualitative Information on Quarterly Results

### (1) Explanation of operational results

In the nine-month period 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 revitalize the market and invested in businesses with future growth potential, with the brand slogan, "You make a wish and we make it happen."

Consequently, the Group reported net sales of 97,154 million yen (+1.5% from the previous year), operating income of 14,950 million yen (-0.8%), ordinary income of 15,751 million yen (+1.6%), and net income of 10,672 million yen (+4.1%).

Here are summaries of the business results by segment.

#### Consumer Products Business

The Consumer Products Business launched 25 new products (16 in the spring and 9 in the fall) in the first nine-month period of the fiscal year ending March 31, 2015. In particular, *Dusmock* (a Kampo medicine to clean cigarette-stained bronchial tubes and alleviate persistent coughing and bronchitis), *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 *Inochi No Haha* (a women's health medicine) in the category of OTC pharmaceuticals, *Netsusama Sheet* (a cooling gel sheet for the forehead), *Nodonu-ru Nure Mask* (a humidifying mask to moisten the throat), both in the category of sanitary products, and *Bluelet* (a toilet bowl cleaner) and *Shoshugen Kaoru Stick* (an interior fragrance), both in the category of deodorizing air refreshing agents, grew steadily. In addition, sales of *Ammeltz* (an external anti-inflammatory) in the category of OTC pharmaceuticals and *Netsusama Sheet* in the category of sanitary products marketed in Southeast Asia, as well as body warmers sold in the United States, also increased steadily.

Consequently, the Company posted net sales in the segment of 90,731 million yen (+2.7% from the previous year), segment income (ordinary income) of 14,251 million yen (+3.1%) and operating income of 14,428 million yen (+0.1%). Meanwhile, in the Consumer Product Business, sales in the International Division amounted to 8,569 million yen (+26.1%).

#### (Sales Breakdown)

	Q3 ended December 31, 2013 (April 1, 2013 to December 31, 2013)		Q3 ended December 31, 2014 (April 1, 2014 to December 31, 2014)		Change	
	Amount (millions of yen)	Ratio (%)	Amount (millions of yen)	Ratio (%)	Amount (millions of yen)	Change (%)
Pharmaceutical products	17,282	19.6	17,445	19.2	163	0.9
Oral hygiene products	12,987	14.7	12,665	14.0	-321	-2.5
Sanitary products	13,720	15.5	15,679	17.3	1,958	14.3
Deodorizing air fresheners	25,212	28.5	25,582	28.2	369	1.5
Household sundries	3,704	4.2	3,692	4.0	-12	-0.3
Food products	6,172	7.0	5,725	6.3	-447	-7.2
Body warmers	9,299	10.5	9,940	11.0	641	6.9
Total	88,379	100.0	90,731	100.0	2,351	2.7

(Note) 1. Net sales included inter-segment sales or transfers, amounting to 2,497 million yen in the nine-month period ended December 31, 2013 and 2,249 million yen in the nine-month period ended December 31, 2014.

2. The Company reviewed the classification of some products in the first nine-month period of the fiscal year ending March 31, 2015. Consequently, sales of sanitary products increased by 400 million yen, while sales of food products decreased by 400 million yen in the Company's sales breakdown for the first nine-month period ended December 31, 2013 (April 1, 2013 to December 31, 2013) presented in the *Summary of Financial Statements for the 3rd Quarter of the Fiscal Year Ending March 31, 2014* announced on January 28, 2014.

#### 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 of 6,634 million yen (-15.6% from the previous year), segment income (ordinary income) of 149 million yen (+59.1%) and operating income of 146 million yen (+65.5%).

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

#### Medical Devices Business

The Company scored net sales in the segment of 1,185 million yen (+10.0% from the previous year), segment income (ordinary income) of 645 million yen (-26.3%) and operating income of 130 million yen (-35.9%).

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

#### Other Businesses

Businesses in this segment (transportation, manufacture and sales of synthetic resin containers, insurance agents, property management, advertising design and production, 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 reported net sales of 3,968 million yen (-4.9% from the previous year), segment income (ordinary income) of 830 million yen (-14.6%) and operating income of 212 million yen (-25.6%).

Net sales include inter-segment sales or transfers amounting to 3,265 million yen in the first nine-month period ended December 31, 2013 and 3,116 million yen in the first nine-month period ended December 31, 2014.

#### (2) Explanation of financial position

Total assets increased by 7,233 million yen from the end of the previous consolidated fiscal year to 178,152 million yen. This was mainly due to an increase in notes and accounts receivable-trade (6,323 million yen), a rise in merchandise and finished goods (1,755 million yen), an increase in short-term investment securities (1,296 million yen) and a decrease in cash and deposits (2,909 million yen).

Liabilities grew by 586 million yen from the end of the previous consolidated fiscal year to 44,551 million yen. This was mainly due to an increase in notes and accounts payable-trade (2,049 million yen) and a rise in accrued consumption taxes (879 million yen) and a decrease in provision for bonuses (956 million yen).

Net assets increased by 6,647 million yen from the end of the previous year to 133,600 million yen, with a capital adequacy ratio of 74.9%. This was mainly due to an increase in retained earnings (7,350 million yen) and a rise in the number of shares of treasury stock (1,500 million yen).

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

The Group did not revise its full-year forecasts of consolidated operational results for the year ending March 31, 2015 announced via "Summary of Financial Statements for the Year Ended March 31, 2014" released on April 30, 2014.

## 2. Items 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 at the beginning of the first nine-month period of the consolidated fiscal year ending in March 31, 2015.

As a result, net defined benefit asset increased by 149 million yen; net defined benefit liability fell by 207 million yen; and retained earnings grew by 229 million yen at the beginning of the first nine-month period of the consolidated fiscal year ending March 31, 2015. Effects resulting from the change of the accounting policies on operating income, ordinary income and income before income taxes were minimal in the first nine-month period of the consolidated fiscal year ending March 31, 2015.

### 3. Quarterly Financial Statements

#### (1) Consolidated quarterly balance sheet

(millions of yen)

	Previous consolidated fiscal year (March 31, 2014)	End of 1st nine-month period of FY ending March 2015 (December 31, 2014)
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	51,748	48,839
Notes and accounts receivable-trade	34,428	40,752
Short-term investment securities	3,703	5,000
Merchandise and finished goods	7,515	9,270
Work in process	559	779
Raw materials and supplies	2,457	2,707
Deferred tax assets	3,240	3,265
Other	2,016	2,160
Allowance for doubtful accounts	(56)	(56)
Total current assets	105,614	112,720
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,254	7,177
Machinery, equipment and vehicles, net	2,667	2,609
Tools, furniture and fixtures, net	1,016	1,173
Land	3,374	3,376
Leased assets, net	730	610
Construction in progress	901	553
Total property, plant and equipment	14,945	15,499
Intangible assets		
Goodwill	3,970	3,770
Trademark rights	187	76
Software	924	929
Leased assets	16	2
Other	327	418
Total intangible assets	5,426	5,198
Investments and other assets		
Investment securities	38,877	38,881
Long-term loans receivable	614	595
Deferred tax assets	838	348
Real estate for investment, net	3,059	3,034
Net defined benefit asset	—	210
Other	1,677	1,799
Allowance for doubtful accounts	(135)	(135)
Total investments and other assets	44,932	44,734
Total non-current assets	65,304	65,432
Total assets	170,919	178,152



(millions of yen)

	Previous consolidated fiscal year (March 31, 2014)	End of 1st nine-month period of FY ending March 2015 (December 31, 2014)
<b>LIABILITIES</b>		
Current liabilities		
Notes and accounts payable-trade	11,368	13,418
Electronically recorded obligations—operating	—	43
Short-term loans payable	6	29
Accounts payable-other	13,053	12,870
Lease obligations	158	95
Income taxes payable	3,639	2,851
Accrued consumption taxes	633	1,512
Provision for sales returns	1,501	1,215
Provision for bonuses	1,958	1,001
Provision for loss on business liquidation	355	196
Asset retirement obligations	29	19
Other	1,513	2,204
<b>Total current liabilities</b>	<b>34,216</b>	<b>35,459</b>
Non-current liabilities		
Lease obligations	609	532
Net defined benefit liability	5,861	5,536
Provision for directors' retirement benefits	24	24
Asset retirement obligations	91	92
Other	3,162	2,906
<b>Total non-current liabilities</b>	<b>9,749</b>	<b>9,092</b>
<b>Total liabilities</b>	<b>43,965</b>	<b>44,551</b>
<b>NET ASSETS</b>		
Shareholders' equity		
Capital stock	3,450	3,450
Capital surplus	4,219	4,219
Retained earnings	118,731	126,082
Treasury stock	(4,706)	(6,206)
<b>Total shareholders' equity</b>	<b>121,695</b>	<b>127,545</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,369	5,577
Deferred gains or losses on hedges	1,043	949
Foreign currency translation adjustment	(373)	132
Re-measurements of retirement benefit plans	(864)	(782)
<b>Total accumulated other comprehensive income</b>	<b>5,174</b>	<b>5,877</b>
Subscription rights to shares	83	164
Minority interests	0	13
<b>Total net assets</b>	<b>126,953</b>	<b>133,600</b>
<b>Total liabilities and net assets</b>	<b>170,919</b>	<b>178,152</b>

(2) Consolidated quarterly statements of income and consolidated quarterly statements of comprehensive income  
 (Consolidated quarterly statements of income)  
 (For the first nine-month period of the fiscal year ending March 31, 2015)

(millions of yen)

	Nine-month period ended December 31, 2013 (April 1, 2013 to December 31, 2013)	Nine-month period ended December 31, 2014 (April 1, 2014 to December 31, 2014)
Net sales	95,726	97,154
Cost of sales	39,848	40,542
Gross profit	55,877	56,611
Selling, general and administrative expenses	40,812	41,661
Operating income	15,064	14,950
Non-operating income		
Interest income	170	173
Dividend income	306	300
Royalty income	492	492
Real estate rent	206	214
Equity in earnings of affiliates	121	14
Foreign exchange gains	—	113
Other	135	167
Total non-operating income	1,433	1,476
Non-operating expenses		
Interest expenses	13	19
Sales discounts	571	566
Rent cost of real estate	53	56
Foreign exchange losses	332	—
Other	16	32
Total non-operating expenses	988	675
Ordinary income	15,510	15,751
Extraordinary income		
Gain on sales of non-current assets	0	0
Gain on sales of investment securities	3	—
Gain on sales of subsidiaries and affiliates' stocks	514	—
Compensation income	—	155
Reversal of provision for loss on business liquidation	—	158
Other	39	—
Total extraordinary income	557	313
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	27	29
Impairment loss	28	13
Loss on defective products	20	—
Other	18	1
Total extraordinary loss	94	44
Income before income taxes	15,973	16,020
Income taxes - current	5,441	5,474
Income taxes - deferred	282	(127)
Total income taxes	5,724	5,347
Income before minority interest in income	10,249	10,672
Minority interests in income (loss)	(0)	(0)
Net income	10,249	10,672

(Consolidated quarterly statements of comprehensive income)  
 (For the first nine-month period of the fiscal year ending March 31, 2015)

(millions of yen)

	Nine-month period ended December 31, 2013 (April 1, 2013 to December 31, 2013)	Nine-month period ended December 31, 2014 (April 1, 2014 to December 31, 2014)
Quarterly income before minority interests	10,249	10,672
Other comprehensive income		
Valuation difference on available-for-sale securities	493	208
Deferred gains or losses on hedges	0	170
Foreign currency translation adjustment	1,426	505
Adjustment for retirement benefits	—	81
Share of other comprehensive income of associates accounted for using equity method	237	(263)
Total other comprehensive income	2,157	703
Quarterly comprehensive income	12,407	11,375
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	12,407	11,376
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 significant changes 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 1,500 million yen to 6,206 million yen at the end of the first nine-month period of the consolidated fiscal year ending March 31, 2015.

(Segment information, etc.)

[Segment information]

I. 1st nine-month period ended December 31, 2013 (April 1, 2013 to December 31, 2013)

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

	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	85,882	7,859	1,077	94,819	906	95,726	—	95,726
Inter-segment sales or transfers	2,497	—	—	2,497	3,265	5,762	(5,762)	—
Total	88,379	7,859	1,077	97,317	4,171	101,489	(5,762)	95,726
Segment income	13,819	94	875	14,788	973	15,761	(251)	15,510

(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 251 million yen in segment income are eliminations among segments.
3. Segment income is adjusted with ordinary income in 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. 1st nine-month period ended December 31, 2014 (April 1, 2014 to December 31, 2014)

1. Information on net sales and 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	88,481	6,634	1,185	96,301	852	97,154	—	97,154
Inter-segment sales or transfers	2,249	—	—	2,249	3,116	5,365	(5,365)	—
Total	90,731	6,634	1,185	98,551	3,968	102,520	(5,365)	97,154
Segment income	14,251	149	645	15,046	830	15,877	(126)	15,751

(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. The adjustment of 126 million yen for segment income is the elimination of inter-segment transactions.
3. Segment income is adjusted with ordinary income in 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.

(Significant subsequent events)

Not applicable