

## Summary of Consolidated Financial Results for the Fiscal Year Ended April 30, 2016

[Japanese GAAP]

Company name: YA-MAN LTD.

Listing: TSE (1<sup>st</sup> section)

Stock code: 6630

URL: <http://www.ya-man.com/>

Representative: Kimiyo Yamazaki, President and Representative Director

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Scheduled date of Annual General Meeting of Shareholders: July 28, 2016

Scheduled date of payment of dividend: July 29, 2016

Scheduled date of filing of Annual Securities Report: July 28, 2016

Preparation of supplementary materials for financial results: None

Holding of financial results meeting: None

(All amounts are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Fiscal Year Ended April 30, 2016 (May 1, 2015 – April 30, 2016)

(1) Consolidated results of operations (Percentages shown for net sales and incomes represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Apr. 30, 2016	16,310	22.1	1,028	58.8	1,002	94.7	591	89.7
Fiscal year ended Apr. 30, 2015	13,363	(7.0)	647	73.6	514	37.6	311	41.9

Note: Comprehensive income (million yen) Fiscal year ended Apr. 30, 2016: 582 (up 83.7%)

Fiscal year ended Apr. 30, 2015: 316 (up 61.6%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary income on total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended Apr. 30, 2016	101.55	-	8.7	9.3	6.3
Fiscal year ended Apr. 30, 2015	53.44	-	4.7	5.0	4.8

Reference: Equity in earnings of affiliates (million yen) Fiscal year ended Apr. 30, 2016: - Fiscal year ended Apr. 30, 2015: -

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Apr. 30, 2016	11,373	6,817	59.9	1,195.42
As of Apr. 30, 2015	10,295	6,738	65.4	1,154.81

Reference: Shareholders' equity (million yen) As of Apr. 30, 2016: 6,817 As of Apr. 30, 2015: 6,738

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Apr. 30, 2016	2,211	(159)	27	5,219
Fiscal year ended Apr. 30, 2015	1,013	(81)	(651)	3,145

### 2. Dividends

	Dividend per share					Total dividends	Payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Apr. 30, 2015	-	18.00	-	18.00	36.00	210	67.4	3.1
Fiscal year ended Apr. 30, 2016	-	18.00	-	18.00	36.00	207	35.5	3.1
Fiscal year ending Apr. 30, 2017 (forecasts)	-	18.00	-	18.00	36.00		28.0	

### 3. Consolidated Earnings Forecast for the Fiscal Year Ending April 30, 2017 (May 1, 2016 – April 30, 2017)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	8,545	2.2	637	3.1	625	6.9	389	12.8	68.23
Full year	17,101	4.8	1,201	16.8	1,179	17.7	733	23.9	128.53

**\* Notes**

(1) Changes in significant subsidiaries during the period (changes in scope of consolidation): Yes

Newly added: 1 (YA-MAN U.S.A Ltd.) Excluded: -

(2) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: Yes

3) Changes in accounting-based estimates: Yes

4) Restatements: None

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Apr. 30, 2016: 5,834,888 shares As of Apr. 30, 2015: 5,834,888 shares

2) Number of treasury shares at the end of the period

As of Apr. 30, 2016: 132,039 shares As of Apr. 30, 2015: 152 shares

3) Average number of shares outstanding during the period

Fiscal year ended Apr. 30, 2016: 5,824,998 shares Fiscal year ended Apr. 30, 2015: 5,834,736 shares

**Reference: Summary of Non-consolidated Financial Results**

**1. Non-consolidated Financial Results for the Fiscal Year Ended April 30, 2016 (May 1, 2015 – April 30, 2016)**

(1) Non-consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Apr. 30, 2016	16,192	21.7	1,122	81.5	1,138	119.6	724	129.5
Fiscal year ended Apr. 30, 2015	13,308	(6.0)	618	132.5	518	73.1	315	78.3

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Apr. 30, 2016	124.37	-
Fiscal year ended Apr. 30, 2015	54.10	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Apr. 30, 2016	11,287	6,759	59.9	1,185.33
As of Apr. 30, 2015	10,190	6,542	64.2	1,121.36

Reference: Shareholders' equity (million yen) As of Apr. 30, 2016: 6,759 As of Apr. 30, 2015: 6,542

**\* Disclosure regarding the implementation of audit procedures**

At the time of disclosure of this summary report, the audit procedures for the financial statements based on the Financial Instruments and Exchange Act have not been completed.

**\* Cautionary statement with respect to forward-looking statements and other special items**

Forecasts regarding future performance in these materials are based on certain assumptions judged to be valid and information currently available to the Company. Actual performance may differ significantly from these forecasts for a number of reasons. For discussion of the assumptions for forecasts and notes of caution for usage in preparing the above projections, please refer to "1. (1) Analysis of Results of Operations" on page 1 of the attachments.

## 1. Analysis of Results of Operations and Financial Position

### (1) Analysis of Results of Operations

#### Summary of the fiscal year

The Japanese economy recovered slowly during the fiscal year as companies reported higher earnings and there were improvements in employment and personal income data. However, the outlook remains unclear because of instability in many areas of the world, volatile foreign exchange rates and stock prices, and other reasons.

The YA-MAN Group cut costs, reduced inventories and took other actions during the fiscal year. There were also extensive measures to grow overseas and improve the public's perception of the YA-MAN brand. The goal of these actions was building a more powerful framework for business operations.

As a result, consolidated net sales increased 22.1% year-on-year to 16,310 million yen, operating income increased 58.8% year-on-year to 1,028 million yen, ordinary income increased 94.7% year-on-year to 1,002 million yen and profit attributable to owners of parent was up 89.7% year-on-year to 591 million yen.

#### 1) Mail-order sales

Sales in this segment represent sales to individuals by TV shopping channels, sales to catalog sales companies, and sales to companies that sell products exclusively on the Internet.

Sales to TV shopping, catalog sales companies and companies that sell products exclusively on the Internet all performed well but did not surpass sales in the previous fiscal year. As a result, sales decreased 10.6% year-on-year to 4,770 million yen, and segment profits decreased 26.0% year-on-year to 1,367 million yen.

#### 2) Store sales

Sales in this segment represent mainly sales of products at home appliance stores, major department stores and variety shops.

Segment sales were higher as we signed up a new major client in the direct wholesale business with major home appliance stores, and supported by strong sales of products to foreign tourists in Japan. As a result, sales increased 24.8% year-on-year to 4,364 million yen and segment profits increased 38.8% year-on-year to 1,393 million yen.

#### 3) Direct sales

Sales in this segment are derived from sales of products to individuals by using infomercials, magazines, newspapers, the Internet and other channels.

We have continued our policy of maintaining a certain level of spending on infomercials and all kinds of media advertising while focusing on sales effectiveness of each media. As a result, sales increased 59.1% year-on-year to 6,406 million yen and segment profits increased 230.0% year-on-year to 1,546 million yen.

### Outlook

Although there are numerous sources of concern about the outlook for the fiscal year ending on April 30, 2017, the Japanese economy is expected to continue to recover at a moderate pace.

In the beauty and health care sector, which is the primary market for the YA-MAN Group, the outlook is for growth to continue as competition becomes more intense.

We will continue to concentrate on quickly identifying customers' needs so that we can create products that customers will choose from among the large number and variety of merchandise that is available. Raising public awareness of the YA-MAN brand is another priority as we aim for medium to long-term growth.

In the fiscal year ending April 30, 2017, we forecast net sales of 17,101 million yen, operating income of 1,201 million yen, ordinary income of 1,179 million yen and profit attributable to owners of parent of 733 million yen.

*This summary report is solely a translation of "Kessan Tanshin" (in Japanese, including the attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*