

Summary of Consolidated Financial Results for the Fiscal Year Ended April 30, 2018**[Japanese GAAP]**

Company name: YA-MAN LTD.

Stock code: 6630

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Listing: TSE (1st section)URL: <https://corporate.ya-man.com/>

Scheduled date of Annual General Meeting of Shareholders: July 27, 2018

Scheduled date of payment of dividend: July 30, 2018

Scheduled date of filing of Annual Securities Report: July 27, 2018

Preparation of supplementary materials for financial results: Yes

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, 2018 (May 1, 2017 – April 30, 2018)****(1) Consolidated results of operations***(Percentages represent year-on-year changes)*

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Apr. 30, 2018	23,030	15.3	5,385	53.7	5,345	51.3	3,399	49.8
Fiscal year ended Apr. 30, 2017	19,969	22.4	3,503	240.6	3,533	252.6	2,269	283.6

Note: Comprehensive income (million yen)

Fiscal year ended Apr. 30, 2018: 3,403 (up 49.7%)

Fiscal year ended Apr. 30, 2017: 2,273 (up 290.5%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended Apr. 30, 2018	59.62	-	32.7	35.1	23.4
Fiscal year ended Apr. 30, 2017	39.79	-	28.9	27.9	17.5

Reference: Equity in earnings of affiliates (million yen) Fiscal year ended Apr. 30, 2018: - Fiscal year ended Apr. 30, 2017: -

Note: YA-MAN conducted a ten-for-one common stock split effective on November 1, 2017. Net income per share is calculated as if this stock split had taken place at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Apr. 30, 2018	16,524	11,877	71.9	208.27
As of Apr. 30, 2017	13,947	8,884	63.7	155.80

Reference: Shareholders' equity (million yen)

As of Apr. 30, 2018: 11,877

As of Apr. 30, 2017: 8,884

Note: YA-MAN conducted a ten-for-one common stock split effective on November 1, 2017. Net assets per share is calculated as if this stock split had taken place at the beginning of the previous fiscal year.

(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, 2018	3,047	(419)	(897)	9,523
Fiscal year ended Apr. 30, 2017	3,464	(176)	(698)	7,815

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, 2017	-	18.00	-	54.00	72.00	410	18.1	5.2
Fiscal year ended Apr. 30, 2018	-	18.00	-	5.80	-	433	12.7	4.2
Fiscal year ending Apr. 30, 2019 (forecasts)	-	1.80	-	1.80	3.60		7.2	

Notes: 1. Breakdown of the year-end dividend for the fiscal year ended April 30, 2017: Ordinary dividend: 18.00 yen

Special dividend: 36.00 yen

2. Breakdown of the year-end dividend for the fiscal year ended April 30, 2018: Ordinary dividend: 1.80 yen

Special dividend: 4.00 yen

3. YA-MAN conducted a ten-for-one common stock split effective on November 1, 2017.

3. Consolidated Earnings Forecast for the Fiscal Year Ending April 30, 2019 (May 1, 2018 – April 30, 2019)*(Percentages represent year-on-year changes)*

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	12,938	6.4	2,647	(20.1)	2,639	(20.4)	1,663	(21.4)	29.17
Full year	25,101	9.0	5,015	(6.9)	4,999	(6.5)	3,150	(7.3)	55.24

* Notes

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

Newly added: -

Excluded: -

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

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

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, 2018: 58,348,880 shares As of Apr. 30, 2017: 58,348,880 shares

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

As of Apr. 30, 2018: 1,320,690 shares As of Apr. 30, 2017: 1,320,690 shares

3) Average number of shares outstanding during the period

Fiscal year ended Apr. 30, 2018: 57,028,190 shares Fiscal year ended Apr. 30, 2017: 57,028,300 shares

Note: YA-MAN conducted a ten-for-one common stock split effective on November 1, 2017. The number of shares outstanding is calculated as if this stock split had taken place at the beginning of the previous fiscal year.

Reference: Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended April 30, 2018 (May 1, 2017 – April 30, 2018)

(1) Non-consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Apr. 30, 2018	22,953	15.9	5,486	53.3	5,488	50.4	3,306	38.2
Fiscal year ended Apr. 30, 2017	19,795	22.3	3,578	218.9	3,649	220.5	2,391	230.2

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Apr. 30, 2018	57.98	-
Fiscal year ended Apr. 30, 2017	41.94	-

Note: YA-MAN conducted a ten-for-one common stock split effective on November 1, 2017. Net income per share is calculated as if this stock split had taken place at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Apr. 30, 2018	16,491	11,849	71.9	207.79
As of Apr. 30, 2017	13,996	8,949	63.9	156.93

Reference: Shareholders' equity (million yen) As of Apr. 30, 2018: 11,849 As of Apr. 30, 2017: 8,949

Note: YA-MAN conducted a ten-for-one common stock split effective on November 1, 2017. Net assets per share is calculated as if this stock split had taken place at the beginning of the previous fiscal year.

* The current financial report is not subject to audit by certified public accountants or auditing firms.

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

Cautionary statement with respect to forecasts

Forecasts regarding future performance in these materials are based on certain assumptions judged to be valid and information currently available to YA-MAN. 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 "Overview of Results of Operations" on page 1 of the attachments.

How to view supplementary materials for financial results

Supplementary materials for the financial results will be available on YA-MAN website on Wednesday, June 13, 2018.

Stock split

YA-MAN conducted a ten-for-one common stock split effective on November 1, 2017. Net income per share and the number of shares outstanding are calculated as if this stock split had taken place at the beginning of the previous fiscal year.

1. Overview of Results of Operations

(1) Results of Operations

The Japanese economy recovered slowly during the fiscal year supported by higher corporate earnings and a brighter employment picture. However, the outlook remains unclear mainly due to concerns about instability in many areas of the world and policies of the U.S. government.

The YA-MAN Group channeled substantial resources to a number of initiatives for growth overseas and reinforcing the YA-MAN brand. There were also measures to cut costs, create a stronger organizational framework and make other improvements to build a sound infrastructure for business operations.

As a result, sales and earnings rose to all-time highs. Consolidated net sales increased 15.3% year-on-year to 23,030 million yen, operating profit increased 53.7% year-on-year to 5,385 million yen, ordinary profit increased 51.3% year-on-year to 5,345 million yen, and profit attributable to owners of parent was up 49.8% year-on-year to 3,399 million yen.

As the scale of business operations continues to increase, many improvements are needed regarding recruiting and branding activities. Taking the steps needed to achieve these improvements will be one of the priorities of the next fiscal year and afterward.

Business segment performance was as follows.

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 in the mail-order market decreased, and sales via TV shopping channels and sales to terrestrial TV shopping and catalog sales companies remained weak. As a result, sales decreased 18.2% year-on-year to 3,816 million yen, and segment profits decreased 23.0% year-on-year to 1,514 million yen.

2) Store sales

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

Sales increased mainly because of higher wholesale sales to duty-free shops due to strong demand for YA-MAN products among foreign tourists in Japan. As a result, there was a substantial increase of 45.6% year-on-year in sales to 10,058 million yen and segment profits increased 44.3% year-on-year to 4,460 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 the sales effectiveness of each advertising channel. As a result, sales decreased 3.3% year-on-year to 5,572 million yen and segment profits increased 30.3% year-on-year to 2,068 million yen.

4) Overseas operations

Sales in this segment represent mainly sales to mail-order companies, wholesale companies and individuals.

Sales were higher because sales in China remained strong and sales increased in South Korea, where operations were recently started. As a result, sales increased 39.8% year-on-year to 3,510 million yen and segment profits increased 133.1% year-on-year to 1,354 million yen.

Outlook

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.

The primary goals of the YA-MAN Group are increasing sales to continue growing and maintaining the current level of profitability. We plan to make substantial up-front investments for more growth and to take actions for solving a variety of issues in order to reach our operating margin target of 20%.

In the fiscal year ending in April 2019, we will speed up the opening of shop-in-shop locations and directly operated stores. We also plan to increase expenditures for recruiting skilled people and advertising and marketing activities to reinforce our branding. These actions are aimed at building a foundation capable of raising sales to 30 billion yen as soon as possible.

In the fiscal year ending on April 30, 2019, we forecast net sales of 25,101 million yen, operating profit of 5,015 million yen (operating margin of 20%), ordinary profit of 4,999 million yen and profit attributable to owners of parent of 3,150 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.