Summary of Consolidated Financial Results
For the Six Months Ended July 31, 2013
[Japanese Standards] (Consolidated)

September 2, 2013

Company name: Pigeon Corporation (Stock code: 7956)
Listings: First Section, Tokyo Stock Exchange
Website: www.pigeon.co.jp
Representative: Shigeru Yamashita (President and COO)
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Date of release of Business Report: September 6, 2013
Planned Commencement Date of Dividend Payment: October 7, 2013
Supplementary materials for the quarterly financial results: Yes
Investor conference for the quarterly financial results: Yes (For analysts and institutional investors)

1. Consolidated Financial Results (February 1 – July 31, 2013)

(1) Performance

(¥ millions, rounded down, % figures denote year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income	
Six Months Ended July 31, 2013	36,621	17.3%	4,814	49.3%	5,161	58.0%	3,121	63.3%
Six Months Ended July 31, 2012	31,207	9.8%	3,225	54.5%	3,266	58.2%	1,910	57.3%

(Note) Comprehensive income for six months ended July 31, 2013 ¥5,184 million (141.9%) Comprehensive income for six months ended July 31, 2012 ¥2,143 million (87.0%)

	Net Income per Share (¥)	Diluted Net Income Per Share (¥)
Six Months Ended July 31, 2013	77.98	—
Six Months Ended July 31, 2012	47.73	—

(Note) The Group conducted a stock split at the ratio of 2 shares for every 1 share of common shares. The effective date of the stock split was August 1, 2013. Net income per share was calculated assuming that the stock split was performed at the beginning of the previous fiscal year ended January 31, 2013.

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio (%)
At July 31, 2013	53,349	36,078	66.1
At January 31, 2013	48,538	32,365	65.3

Reference: Equity: ¥ 35,267 million (At July 31, 2013); ¥ 31,671 million (At January 31, 2013)

2. Cash Dividends

	Annual Dividends (¥)				
	1Q	2Q	3Q	Year-end	Full-year
Year Ended January 31, 2013	—	44.00	—	71.00	115.00
Year Ending January 31, 2014	—	66.00			
Year Ending January 31, 2014 (Forecast)			—	37.00	—

(Note) Changes in dividend forecasts from the most recent announcement: Yes
The Group conducted a stock split at the ratio of 2 shares for every 1 share of common shares. The effective date of the stock split was August 1, 2013. The stock split is reflected in the amount of the listed year-end annual dividends for the year ending January 31, 2014 (forecast).

3. Forecast for the Year Ending January 31, 2014 (February 1, 2013 – January 31, 2014)

(¥ millions, rounded down)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share (¥)
Year Ending January 31, 2014 (% figures denote year-on-year change)	76,600	17.7%	9,000	27.0%	9,300	25.9%	5,600	22.4%	139.90

(Note) Changes in performance forecasts from the most recent announcement: Yes

The Group conducted a stock split at the ratio of 2 shares for every 1 share of common shares. The effective date of the stock split was August 1, 2013. The stock split is reflected in the amount of the net income per share listed in the forecast for the year ending January 31, 2014.

* Notes

(1) Changes in significant subsidiaries during the period under review (Change in specific subsidiaries accompanying changes in scope of consolidation): None

(2) Adoption of special accounting methods to preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, restatements

1) Changes in accounting policies pursuant to revision of accounting standards: Yes
2) Changes in accounting policies other than the above: None
3) Changes in accounting estimates: Yes
4) Restatements: None

(Note)

From the first consolidated quarter, the depreciation method has been changed and this change is applicable to “a case when it is difficult to distinguish between a change in an accounting policy and a change in an accounting estimate.” For further information, please refer to “(3) Changes in Accounting Policies, Changes in Accounting Estimates, Restatements in Issues Regarding Summary (Notes) Information on page 5”.

(4) Number of outstanding shares (ordinary shares)

1) Number of shares outstanding at term-end (including treasury shares)
Six Months ended July 31, 2013: 40,551,162
Year ended January 31, 2013: 40,551,162

2) Number of treasury shares at term-end
Six Months ended July 31, 2013: 525,308
Year ended January 31, 2013: 524,218

3) Average number of shares during the period (cumulative figure for consolidated quarterly accounting period)
Six Months ended July 31, 2013: 40,026,390
Six Months ended July 31, 2012: 40,027,770

(Note)

The Group conducted a stock split at the ratio of 2 shares for every 1 share of common shares. The effective date of the stock split was August 1, 2013. The number of shares listed above was calculated assuming that the stock split was performed at the beginning of the previous fiscal year ended January 31, 2013.

*Indication regarding the situation of quarterly review procedures

Financial results for this first quarter is not the subject of a quarterly review procedure based on the Financial Instruments and Exchange Act, and at the point in time when these financial results were disclosed, review procedures for quarterly financial statements based on the Financial Instruments and Exchange Act had not been completed.

*Cautionary Statement Regarding Performance Forecasts

The forecasts and future projections stated in this report have been prepared on the basis of the information and assumption that shall be reasonable as of the date of announcement of this summary information, and the actual results could differ significantly from forecast figures depending on a variety of factors.

For the information regarding performance forecasts, please refer to “(3) Qualitative Information Regarding Consolidated Performance Forecasts” on page 4.

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1. Qualitative Information Regarding the Financial Performance for the Current Quarter

(1) Qualitative Information Regarding Consolidated Business Results

During the consolidated period under review (February 1, 2013 to July 31, 2013), the Japanese economy was expected to recover due to correction of yen appreciation and results of economic measures. Although the country could not completely break away from the deflationary trend, both corporate earnings and personal consumption showed strong improvement. On the other hand, due to the financial and monetary unrest in the European countries, a slowdown of the rate of economic growth in China, as well as the increases in prices for imported materials, fuels, and agricultural products that have been occurring under the impact of the weak yen rates, there is still a risk of domestic economy entering a downward tendency.

Under these circumstances, in the final year of our fourth medium-term business plan “Achieving global business success through company and individual competence,” starting February 2011 and ending January 2014, we have defined the following key issues based on the fundamental policies of this medium-term business plan.

1) Domestic Baby and Mother Care Business
- Ensuring growth and expansion of the large-size product business by releasing new products into the markets
- Establishment of such new fields as the "Pigeon from 1 year and a half" series, and the "Female Wellness" area

2) Child-rearing Support Services
- Improvement of quality of products for nursing and raising the management efficiency of the business

3) Health Care and Nursing Care Business
- Restructure of the business operation system and improvement in profitability through promotion of sales activities centering on facility routes
- Ensuring thoroughness of implementation of the growth strategy centering on the important products group

4) Overseas Business
- Chinese market: further strengthening of the brand name through such measures as ensuring releases of products from the new business areas into the markets and increasing the number of hospitals cooperating
- The U.S. and European markets: releasing new products into the markets and developing the brands (such as mOmma)
- Market expansion: making inroads into new and growing markets of India, Malaysia, Korea, and other countries

We focused on the above issues during the consolidated period under review (February 1, 2013 to July 31, 2013).
As a result, net sales for the period amounted to ¥36,621 million, up 17.3% from the previous corresponding period, due to factors including healthy business expansion in Overseas Business centering China as well as weaker yen. As to earnings, operating income was ¥4,814 million, up 49.3% from the previous corresponding period, due to a sales cost ratio by approximately 1.7 point declined from the previous corresponding period: this sales cost ratio was a result of increased sales and efficient utilization of production bases accompanying business expansion. Ordinary income was ¥5,161 million, up 58.0% from the previous corresponding period, due to an increase in other income from foreign exchange gain, a result of yen moving weaker. Net income was ¥3,121 million, up 63.3% from the previous corresponding period. Each significantly exceeded the previous

corresponding result.

Our business reporting segments are "Domestic Baby and Mother Care Business," "Child-rearing Support Services," "Health Care and Nursing Care Business," and "Overseas Business." Each segment is outlined below.

Domestic Baby and Mother Care Business
Partly as a result of active releases into the market of new products, net sales of the segment went up to ¥12,476 million, up 4.4% from the previous corresponding period. Segment profits were ¥1,628 million, down 8.8% from the previous corresponding period. This resulted from an increase in selling, general and administrative expenses due to marketing for activities including launching new products.
In this segment, we have released such products as a stroller "Mahalo" created to ensure the comfort of the baby by equipping it with Pigeon's original hug seat, six product types in the "UV baby series" making it possible to protect baby from the UV rays in three steps, namely, protecting, removing, and moistening, six product types in the "Genki UP calcium series" of baby snacks made of healthy ingredients in February, and also the "Bonyu Jikkan" series of Pigeon's feeding bottles offering three products with different designs enabling mothers to select the product for best fitting individual tastes in March. Moreover, during the consolidated period under review, we have held 20 events planned as a part of our direct communications program such as our "Premama Class" for women expecting to give birth in the near future and "Mama Class" for those who have just given birth. A total of approximately 1,400 women have participated. We made good progress in attracting new members to “Pigeon Info”—a word-of-mouth community portal that supports women during pregnancy, in childbirth, and those raising children.

Child-rearing Support Services
Sales in this segment amounted to ¥3,289 million, up 4.1% from previous corresponding period. The segment profits amounted to ¥80 million, which is somewhat less (down 2.9%) than the previous corresponding period, and the reason for this decrease is the increase in this quarterly settlement in the qualitative information regarding such items of the selling, general and administrative expenses as the recruitment expenses. We launched three in-house nursery facilities in March and April, and while improving the service quality, the Group is steadily promoting sales.

Health Care and Nursing Care Business
Sales of the segment amounted to ¥3,449 million, down 1.7% from the previous corresponding period, due to an increasingly severe market environment centering on the expendable supplies. As a result of the measures conducted to increase the efficiency of business operation, selling, general and administrative expenses decreased, and the segment profits amounted to ¥202 million, up 54.7% from the previous corresponding period. The Group will continue to focus on marketing products through intensive research on priority categories and carry out sales activities focusing on facility routes.

Overseas Business
Sales of the segment amounted to ¥16,855 million, up 40.3% from the previous corresponding period. Although the selling, general and administrative expenses increased as a result of measures conducted to actively expand the business, the segment profits amounted to ¥4,666 million, up 73.0% from the previous corresponding period. In China, in addition to measures to strengthen marketing activities and activities to spread sales promotion, continuous releases of new products into the market bore fruit, resulting in net sales far exceeding the results of the previous corresponding period. The Company also successfully expanded the scale of production at our two production bases located in China. In India, we are continuing to actively expand sales and

marketing activities with a view to establish our brand on the market. In the future we intend to strengthen the sales/distribution system further and tune up the product supply organization. In North America, we are planning on continuing our business expansion by increasing the number of categories of products offered and other measures.

Others
Sales in this segment amounted to ¥550 million, down 3.4% from the previous corresponding period, due to a slight decrease in OEM product orders. The segment profits amounted to ¥63 million, down 13.7% from the previous corresponding period.

(2) Qualitative Information Regarding Consolidated Financial Position

1) Assets
As of July 31, 2013, total asset amounted to ¥53,349 million, up ¥4,811 million from the previous fiscal year ended January 31, 2013. Current assets had an increase of ¥2,485 million, and fixed assets had an increase of ¥2,325 million.

Current assets increased mainly due to an increase in notes and accounts receivable of ¥2,299 million and goods and products of ¥853 million despite a decrease in cash and deposits of ¥1,487 million.

Fixed assets increased mainly due to an increase in buildings and structures-net of ¥766 million and in machinery, equipment and vehicles of ¥1,740 million as included in other tangible fixed assets-net.

2) Liabilities
As of July 31, 2013, total liabilities amounted to ¥17,271 million, up ¥1,098 million from the fiscal year ended January 31, 2013. Current liabilities had an increase of ¥17 million, and long-term liabilities had an increase of ¥1,080 million.

Current liabilities increased mainly due to an increase in notes and accounts payable of ¥864 million despite a decrease in short-term borrowings of ¥921 million.

Long-term liabilities increased mainly due to an increase in long-term borrowings of ¥754 million.

3) Net Assets
As of July 31, 2013, net assets amounted to ¥36,078 million, up ¥3,712 million from the fiscal year ended January 31, 2013.

(3) Qualitative Information Regarding Consolidated Performance Forecasts
In the fourth medium-term business plan entitled “Achieving global business success through company and individual competence,” the Group aims to revise our business structure and improve profitability by entering new fields and expanding new product categories in the Domestic Baby and Mother Care Business in Japan, as well as by further pursuing priority product categories and establishing new sales channels in the Health Care and Nursing Care Business. In the Overseas Business, by expanding production system and reinforcing business operation structure with aggressive business investments, the Group strives to further develop the markets and expand our businesses by increasing product categories in the existing markets including China and North America. Meanwhile, the Group intends to promote aggressive market development in India, South Korea, and Central and South America. In this consolidated fiscal year, the final year of our fourth medium-term business plan, the followings are defined as the basic policies, and we will strive to ensure completion of our plans.

Basic Policies
1. As this year is the last year of our fourth medium-term business plan, we shall reexamine the strategies for each business, the functional strategy, the progress made with the measures conducted so far and the business results achieved, and strive to find solutions to the tasks we are facing and

achieve the goals set in the medium-term business plan.
2. By steadily implementing the measures and achieving the goals set in the new business plans and new product plans, we will try to connect these activities to the further growth and expansion of the group's business in the next medium-term business plan.
3. We shall concentrate on bringing up staff capable of playing an active part on the global scale, aiming at "Achieving global business success through company and individual competence," at the same time revising the organizational system and allocating managerial resources with a balanced approach, so as to enable further expansion of the Group's business centering on the international market.

For our earnings forecast for fiscal year ending January 2014 that was announced as of March 4, 2013, based on the consolidated financial results for the consolidated period under review (February 1, 2013 to July 31, 2013), we revised the forecast as of September 2, 2013. Our upwardly- revised forecasts are ¥76,600 million for net sales (4.2% increase from previous forecast), ¥9,000 million for operating income (15.4% increase from previous forecast), ¥9,300 million for ordinary income (19.2% increase from previous forecast), and ¥5,600 million for net income (15.5% increase from previous forecast).

2. Issues Regarding Summary (Notes) Information

(1) Significant Changes in Subsidiaries During the Period Under Review

Not applicable.

(2) Adoption of Special Accounting Procedures for Quarterly Consolidated Financial Statements

Not applicable.

(3) Changes in Accounting Policies, Changes in Accounting Estimates, Restatements

(Changes in accounting policies that are difficult to distinguish from changes in accounting estimates)
Following a revision of the Corporation Tax Law, from this first consolidated quarter under review, the Company and its consolidated subsidiaries located in Japan have changed the depreciation method for property, plant and equipment acquired on and after February 1, 2013 to a method in accordance with the Corporation Tax Law after revision. The effect this change has on the operating income, ordinary income, and Income before income taxes for the term under review is negligible.

3. Key Events Regarding Premise of a Going Concern

Not applicable.

4. Quarterly Consolidated Financial Statement
(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	At January 31, 2013	At July 31, 2013
ASSETS		
I. Current Assets:		
Cash and deposits	10,574,326	9,086,537
Notes and accounts receivable	10,540,939	12,840,618
Goods and products	4,816,217	5,669,744
Goods in process	167,286	277,137
Raw material and inventory goods	1,792,836	2,036,376
Other current assets	1,228,961	1,701,137
Allowance for doubtful accounts	(17,213)	(22,241)
Total Current Assets	29,103,354	31,589,310
II. Fixed Assets:		
1. Tangible Fixed Assets:		
Buildings and structures-net	5,221,403	5,988,098
Land	6,015,064	6,320,189
Other tangible fixed assets-net	4,971,671	6,169,518
Total Tangible Fixed Assets	16,208,139	18,477,806
2. Intangible Fixed Assets:		
Goodwill	551,572	503,247
Other intangible fixed assets	624,561	630,498
Total Intangible Fixed Assets	1,176,134	1,133,746
3. Investments and Other Assets:		
Other	2,104,885	2,202,732
Allowance for doubtful accounts	(53,692)	(53,713)
Total Investments and Other Assets	2,051,193	2,149,018
Total Fixed Assets	19,435,468	21,760,571
Total Assets	48,538,822	53,349,882

(Thousands of yen)

	At January 31, 2013	At July 31, 2013
LIABILITIES		
I. Current Liabilities:		
Notes and accounts payable	3,864,039	4,728,594
Short-term borrowings	1,389,610	468,302
Current portion of long-term loans payable	26,327	19,642
Income taxes payable	1,134,047	995,891
Accrued bonuses to employees	606,257	746,881
Returned goods adjustment reserve	44,824	69,033
Other current liabilities	4,550,833	4,604,990
Total Current Liabilities	11,615,940	11,633,336
II. Long-Term Liabilities:		
Long-term borrowings	2,204,365	2,959,143
Employees' retirement benefits	319,324	324,205
Retirement benefits for directors and corporate auditors	389,764	311,766
Other long-term liabilities	1,644,056	2,043,238
Total Long-Term Liabilities	4,557,510	5,638,353
Total Liabilities	16,173,451	17,271,690

NET ASSETS		
I. Shareholders' Equity:		
Capital stock	5,199,597	5,199,597
Additional paid-in capital	5,180,246	5,180,246
Retained earnings	22,686,099	24,386,427
Treasury stock	(450,289)	(454,293)
Total Shareholders' Equity	32,615,653	34,311,978
II. Valuation and Translation Adjustments:		
Net unrealized gains on securities	26,644	37,851
Foreign currency translation adjustment	(970,653)	917,867
Total Valuation and Translation Adjustments	(944,008)	955,718
III. Minority Interests	693,726	810,494
Total Net Assets	32,365,371	36,078,191
Total Liabilities, Minority Interests and Net Assets	48,538,822	53,349,882

(2) Quarterly Consolidated Statements of Income

(Thousands of yen)

	Six months ended July 31, 2012	Six months ended July 31, 2013
I. Net Sales	31,207,554	36,621,704
II. Cost of Sales	17,961,740	20,436,099
Gross profit	13,245,814	16,185,604
Reversal of reserve for returned products	65,095	49,329
Transfer to reserve for returned products	63,753	70,608
Adjusted gross profit	13,247,156	16,164,326
III. Selling, General and Administrative Expenses	10,022,122	11,350,276
Operating Income	3,225,033	4,814,050
IV. Other Income:		
Interest income	24,888	51,136
Equity in earnings of non consolidated subsidiaries and affiliates	22,622	33,092
Foreign exchange gains	85,409	263,418
Other	74,465	151,774
Total Other Income	207,386	499,420
V. Other Expenses:		
Interest expense	39,416	10,814
Sales discounts	107,412	123,496
Other	19,248	17,303
Total Other Expenses	166,078	151,615
Ordinary Income	3,266,341	5,161,855
VI. Extraordinary Income:		
Gain on sales of property	5,131	3,064
Total Extraordinary Income	5,131	3,064
VII. Extraordinary Loss:		
Loss on sales of property	31	68
Loss on disposal of property	26,940	15,143
Total Extraordinary Loss	26,972	15,481
Income before Income Taxes	3,244,501	5,149,438
Income Taxes	1,030,198	1,585,470
Adjustment for Corporate Tax	244,074	355,718
Total Corporate Income Tax	1,274,273	1,941,189
Income before minority interests	1,970,227	3,208,248
Less: Minority Interest in Net Income of Consolidated Subsidiaries	59,307	86,963
Net Income	1,910,919	3,121,285

Quarterly Consolidated Statement of Comprehensive Income
(Six months ended July 31, 2013)

(Thousands of yen)

	Six months ended July 31, 2012	Six months ended July 31, 2013
Quarterly net income before adjusted minority interests income	1,970,227	3,208,248
Other comprehensive income		
Valuation difference on available-for-sale securities	(43)	11,206
Foreign currency translation adjustment	173,026	1,964,907
Total other comprehensive income	172,982	1,976,114
Quarterly comprehensive income	2,143,210	5,184,363
(Break down)		
Quarterly comprehensive income on parent company	2,075,398	5,021,012
Quarterly comprehensive income on minority interests	67,811	163,350

(3) Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	Six months ended July 31, 2012	Six months ended July 31, 2013
I. Cash Flows from Operating Activities:		
Income before income taxes	3,244,501	5,149,438
Depreciation	784,072	831,236
Amortization of goodwill	86,223	100,988
Increase (decrease) in allowance for doubtful accounts	(94,467)	2,809
Increase (decrease) in accrued bonuses to employees	67,140	137,835
Increase (decrease) in employees' retirement benefits	(5,673)	(1,668)
Increase (decrease) in directors' retirement benefits	20,397	(77,997)
Interest and dividend income	(26,338)	(52,787)
Equity in (gains) losses of non consolidated subsidiaries and affiliates	(22,622)	(33,092)
Interest expense	39,416	10,814
Loss (gain) on sale of fixed assets	(5,099)	(2,996)
Loss on disposal of fixed assets	26,940	15,413
Decrease (increase) in trade receivables	(1,139,903)	(1,397,712)
Decrease (increase) in inventories	(41,040)	(712,211)
Increase (decrease) in trade payables	(62,505)	347,571
Increase (decrease) in account payable	211,925	170,521
Increase (decrease) in consumption tax payable	102,133	(252,434)
Decrease (increase) in bankruptcy claims	5	8
Other	(322,523)	(676,527)
Subtotal	2,862,579	3,559,210
Interest and dividends received	27,475	46,661
Interest paid	(46,130)	(2,238)
Income taxes paid	(960,657)	(1,792,696)
Net Cash Provided by Operating Activities	1,883,266	1,810,936
II. Cash Flows from Investing Activities:		
Acquisition of property, plant and equipment	(997,452)	(2,310,039)
Proceeds from sales of property, plant and equipment	10,415	5,668
Acquisition of intangible assets	(69,692)	(62,755)
Acquisition of investment securities	–	(298)
Payment to life insurance fund for directors	(2,850)	(3,168)
Proceeds from cancellation of life insurance fund for directors	–	33,746
Loans advanced	(692)	(931)
Collection of loan receivables	898	563
Payment for lease deposits	(21,963)	(6,572)
Proceeds from recovery of lease deposits	27,975	11,137
Other	(51,097)	(27,781)
Net Cash Used in Investing Activities	(1,104,457)	(2,360,431)

	Six months ended July 31, 2012	Six months ended July 31, 2013
III. Cash Flows from Financing Activities:		
Proceeds from short-term debt	4,737,872	2,890,470
Repayment of short-term debt	(4,638,160)	(3,866,540)
Proceeds from long-term loans payable	—	737,044
Repayment of long-term debt	(11,950)	(14,984)
Payment of cash dividends	(880,730)	(1,418,897)
Payment of cash dividends to minority shareholders	(32,479)	(46,581)
Acquisition of treasury stock	—	(4,004)
Other	(5,535)	(7,524)
Net Cash Used in Financing Activities	(830,983)	(1,731,018)
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	64,597	792,725
V. Net Change in Cash and Cash Equivalents	12,422	(1,487,788)
VI. Cash and Cash Equivalents at Beginning of the Period	7,293,629	10,574,326
VII. Cash and Cash Equivalents at End of the Period	7,306,052	9,086,537

(4) Notes Regarding Going Concern Assumptions

Not applicable.

(5) Notes Regarding Substantial Changes in Shareholders' Equity

Not applicable.

(6) Segment Information

Information Regarding Net Sales and Profit & Loss in Each Report Segment

Six Months Ended July 31, 2012

(Thousands of yen)

	Report Segment					Other (Note) 1	Total	Adjustments (Note) 2	Amount Accounted on Quarterly Consolidated Statements of Income (Note) 3
	Domestic Baby and Mother Care Business	Child-rearing Support Services	Health Care and Nursing Care Business	Overseas Business	Sub Total				
Sales Sales to outside customers	11,954,422	3,159,338	3,510,599	12,013,098	30,637,459	570,095	31,207,554	—	31,207,554
Total	11,954,422	3,159,338	3,510,599	12,013,098	30,637,459	570,095	31,207,554	—	31,207,554
Segment Profits	1,784,809	83,186	130,792	2,697,667	4,696,457	74,146	4,770,603	(1,545,570)	3,225,033

(Note)
1. "Others" are business segments not included in reporting segments and mostly are the Group's production subsidiaries manufacturing and selling products to companies outside the Group.
2. Adjustments in segment profits are operating costs that cannot be allocated, and most are administrative costs.
3. Segment profits are adjusted to operating income in the consolidated statement of income.

Six Months Ended July 31, 2013

(Thousands of yen)

	Report Segment					Other (Note) 1	Total	Adjustments (Note) 2	Amount Accounted on Quarterly Consolidated Statements of Income (Note) 3
	Domestic Baby and Mother Care Business	Child-rearing Support Services	Health Care and Nursing Care Business	Overseas Business	Sub Total				
Sales Sales to outside customers	12,476,737	3,289,330	3,449,546	16,855,254	36,070,868	550,835	36,621,704	—	36,621,764
Total	12,476,737	3,289,330	3,449,546	16,855,254	36,070,868	550,835	36,621,704	—	36,621,764
Segment Profits	1,628,138	80,807	202,294	4,666,863	6,578,103	63,958	6,642,062	(1,828,012)	4,814,050

(Note)
1. "Others" are business segments not included in reporting segments and mostly are the Group's production subsidiaries manufacturing and selling products to companies outside the Group.
2. Adjustments in segment profits are operating costs that cannot be allocated, and most are administrative costs.
3. Segment profits are adjusted to operating income in the consolidated statement of income.

(7) Important Subsequent Events

At the meeting of the Board of Directors held on July 8, 2013, the Company decided to conduct a stock split. The stock split was performed on August 1, 2013.

1. Purpose of Stock Split

   By conducting a share split, thereby reducing the price of each unit of investment, the Company aims to increase the liquidity of Company shares. The objective of this action is to create a more convenient environment for investing in Company shares and widening the field of prospective investors.

2. Overview of Stock Split

   (1) Method of split

   All common shares of Pigeon Corporation held by the shareholders listed in the shareholder registry at the end of July 31, 2013 ("the Base Date") will receive two new shares for each old share.

   (2) Number of shares added as a result of split

1) Total shares outstanding before the split:	20,275,581 shares
2) Number of shares added by the split:	20,275,581 shares
3) Total shares outstanding after the split:	40,551,162 shares
4) Total number of shares issuable after the split:	120,000,000 shares

   (3) Schedule

Date of Announcement of Base Date	July 16, 2013
Base Date	July 31, 2013
Effective Date of Issue	August 1, 2013

3. Effect on Per-Share Information

   See below for net income per share for the six months ended July 31, 2012 and the six months ended July 31, 2013 assuming that the stock split was performed at the beginning of the previous fiscal year ended January 31, 2013.

   Net income per share

Six months ended July 31, 2012	¥47.73
Six months ended July 31, 2013	¥77.98