

March 7, 2016

Company name: Pigeon Corporation

Representative: Shigeru Yamashita (President and COO)

Listings: First Section, Tokyo Stock Exchange (Stock Code: 7956)

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**Notice Regarding Dividends (Dividends Increase) for Retained Earnings
in the Year Ended January 31, 2016**

At the meeting of the Board of Directors held on March 7, 2016, the Company passed a resolution on dividends for retained earnings with the record date as of January 31, 2016. Details are listed below. This matter is subject to official ratification upon approval at the General Meeting of Shareholders scheduled for April 27, 2016.

Details

1. Details of year-end dividends for the year ended January 31, 2016

	Determined amount	Recent dividend forecast (announced on Sept. 7, 2015)	Dividends in previous year (ended Jan. 31, 2015)
Record date	January 31, 2016	January 31, 2016	January 31, 2015
Dividend per share	22 yen	20 yen	60 yen
Total dividend amount	2,634 million yen	-	2,395 million yen
Effective date	April 28, 2016	-	April 30, 2015
Dividend resource	Retained earnings	-	Retained earnings

2. Reason

The Company positions the return of profits to shareholders as one of its key management policies. Based on consideration of changes in the mid-term management environment and the Group business strategy, our fundamental policy is to actively return profits through dividends while also enhancing our financial structure.

The 5th Mid-Term Management Plan (January 2015 to January 2017) establishes the target of a year-on year increase in dividends for each business period to a consolidated profit return rate of around 45% to 50%.

Based on the policy discussed above and considering performance for the year ended January 31,

2016, our Company is increasing the dividend per share to 22 yen, a 2 yen increase from the most recent dividend forecast.

As a result of this revision, the annual dividend per share for the year ended January 31, 2016 is 42 yen, a substantial increase of 7 yen compared to the previous year, due to an adjustment in the number of shares after carrying out a 3-for-1 split, effective as of May 1, 2015.

[Reference #1: Breakdown of annual dividend]

Record date	Dividend per share (yen)		
	2Q-end	Year-end	Annual
January 31, 2015	45 yen (15 yen)	60 yen (20 yen)	- (35 yen)
January 31, 2016	20 yen	22 yen	42 yen

(Note) Effective May 5, 2015, the Company has executed a 3-for-1 split of common shares. In the table above, the figures in parentheses were calculated on the basis of the number of shares after the share split.

[Reference #2: Forecasted annual dividend for the year ending January 31, 2017]

As stated in today's brief announcement of the most recent financial statement, the forecasted annual dividend for the year ending January 31, 2017 is determined considering forecasted performance for the entire year and is based on the target of a consolidated profit return rate at around 45 % to 50% for each business period as stated in the Company's 5th Mid-Term Management Plan (January 2015 to January 2017).

Record date	Dividend per share (yen)		
	2Q-end	Year-end	Annual
January 31, 2017 (forecast)	22 yen	22 yen	44 yen