

Pigeon Corporation (TSE: 7956)

Price (as of Dec. 31, 2024): **¥1,456** (retroactively adjusted) **P/E (forward): 20.7** **EPS (CE): ¥70.24**

Sector: Manufacturing of baby and mother care products

The accounting standard for revenue recognition has been changed from FY 2021/12. See the notes for details.

Fundamentals	Dec. 2024
Market Cap (¥M)	177,127
PE Forward (times)	20.7
Dividend Yield (%)	5.2

	Dec. 2024
Net Sales (¥M)	104,171
Operating Income (¥M)	12,139
Net Income (¥M)	8,371

	Dec. 2024
Total Assets (¥M)	108,308
Total Shareholders' Equity (¥M)	67,145
Interest-Bearing Debt (¥M)	—
Retained Earnings (¥M)	58,303

Key Financial Indicators	Dec. 2024
Gross Profit/Net Sales (%)	49.3
Operating Income/Net Sales (%)	11.7
Net Income/Net Sales (%)	8.0
SG&A/Net Sales (%)	37.7
Equity Ratio (%)	74.9

Segment Information	Dec. 2024
Japan Business (¥M)	36,500
China Business (¥M)	39,027
Singapore Business (¥M)	14,277
Lansinoh Business (¥M)	21,430

Shareholder Profile	Dec. 2024
Financial Institutions (%)	39.5
Individuals and Others (%)	32.6
Non-Japanese Corporations (%)	20.8
Japanese Corporations (%)	5.6
Treasury Stock (%)	1.6

Note: "Shareholder Profile" is rounded to the first decimal place.

Stock Data	Dec.2024
Number of Shares Outstanding	121,653,486
Number of Shareholders	74,034

Business Profile

Global #1 market share for Nursing Bottles. For more than 60 years since its establishment, the Pigeon Group has continued conducting intensive R&D with the aim of bringing happiness to babies and their families. We offer highly competitive products and services and are now expanding our business over 90 markets around the world.

We are promoting the "8th Mid-Term Business Plan" starting in 2023 to flexibly respond to the rapidly changing global business environment and to ensure sustainable growth. In addition to sustained growth in existing business areas, we are aggressively restructuring our business structure by focusing on exploring and nurturing new growth areas where we can leverage our knowledge and expertise.

Performance Overview (4th Quarter)

In the consolidated accounting year under review, overseas operations provided the engine for net sales growth, powered by factors such as depreciation of the yen. Net sales increased to ¥104,171 million (up 10.3% YOY). In earnings, a rise in gross profit due to the increase in revenue and a 1.2-point improvement in gross profit margin were sufficient to absorb an increase in selling, general and administrative expenses. Operating income lifted to ¥12,139 million (up 13.2% YOY), ordinary income rose to ¥13,282 million (up 15.3% YOY) and net income attributable to owners of parent reached ¥8,371 million (up 12.8% YOY).

Forecast

A: Actual; CE: Company Estimate **Currency exchange rate for 2025 (CE): \$1 = ¥147.00**

	¥ Million		\$ Thousand	YOY Change (%)
	2024(A) Dec.	2025(CE) Dec.	2025(CE) Dec.	
Net Sales	104,171	109,700	746,259	5.3
Operating Income	12,139	12,900	87,755	6.3
Net Income	8,371	8,400	57,143	0.3

	¥		\$	YOY Change (%)
	2024(A) Dec.	2025(CE) Dec.	2025(CE) Dec.	
EPS	70.00	70.24	0.5	0.3
Cash Dividend per Share	76.00	76.00	0.5	0.0

Note:

The Group has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29; March 31, 2020; hereinafter, "Accounting Standard for Revenue Recognition") from the consolidated accounting period of fiscal year 2021. In accordance with the Accounting Standard for Revenue Recognition, when control of a promised good or service is transferred to the customer, revenue will be recognized at the amount expected to be received in exchange for the good or service.

Strengths

- Japanese baby and mother care products brand well known in the world.
- Number one baby products brand in Japan, China and growing in emerging markets.
- Number one breastfeeding products brand in US and Europe (Lansinoh brand)

Disclaimers:

This report may contain information pertaining to forward-looking statements, such as projected results. Consequently, it is possible that the actual results may vary significantly from such projections due to a wide range of factors such as social, economic and industry conditions. Readers of this report are requested to make decisions on investment after referring to financial materials submitted by issuing companies, such as reports on securities, and based on his/her individual judgment. Pigeon Corporation bears no liability whatsoever should any damage or injury be caused by any errors contained in information or content contained in this report.



Summary Financial Data

*1 Years ended Dec. 31 *2 Nine months ended Sep. 30

Profit and Loss	¥ Million				\$ Thousand	YOY Change (%)	¥ Million			\$ Thousand	YOY Change (%)
	2022 ^{*1}	2023 ^{*1}	2024 ^{*1}	2024 ^{*1}	2023 ^{*2}		2024 ^{*2}	2024 ^{*2}			
Net Sales	94,921	94,461	104,171	687,688	10.3	72,942	76,037	501,961	4.2		
Cost of Sales	50,087	49,008	52,799	348,554	7.7	37,016	38,485	254,060	4.0		
Gross Profit	44,834	45,452	51,372	339,134	13.0	35,925	37,551	247,894	4.5		
SG&A Expenses	32,638	34,726	39,233	258,998	13.0	25,741	29,069	191,900	12.9		
Operating Income	12,195	10,726	12,139	80,136	13.2	10,183	8,481	55,988	(16.7)		
Other Income (Loss)	1,269	797	1,144	7,552	43.5	966	352	2,324	(63.6)		
Ordinary Income	13,465	11,522	13,282	87,682	15.3	11,149	8,833	58,311	(20.8)		
Extraordinary Income (Loss)	(322)	(368)	(411)	(2,713)	11.7	(9)	(401)	(2,647)	4,355.6		
Net Income Attributable to Non-controlling Interests	179	137	184	1,215	34.3	131	119	786	(9.2)		
Net Income Attributable to Owners of Parent	8,581	7,423	8,371	55,261	12.8	7,281	5,426	35,820	(25.5)		

Profit and Loss	¥				\$	YOY Change (%)	¥			\$	YOY Change (%)
	2022 ^{*1}	2023 ^{*1}	2024 ^{*1}	2024 ^{*1}	2023 ^{*2}		2024 ^{*2}	2024 ^{*2}			
EPS	71.72	62.06	70.00	0.5	12.8	60.86	45.38	0.3	(25.4)		
Cash Dividend per Share	76.00	76.00	76.00	0.5	0.0	-	-	-	-		

Balance Sheet	¥ Million				\$ Thousand	YOY Change (%)	¥ Million			\$ Thousand	YOY Change (%)
	2022 ^{*1}	2023 ^{*1}	2024 ^{*1}	2024 ^{*1}	2023 ^{*2}		2024 ^{*2}	2024 ^{*2}			
Cash and Time Deposits	34,283	34,357	39,201	258,787	14.1	31,103	33,172	218,986	6.7		
Notes and Accounts Receivable	15,975	14,412	18,392	121,415	27.6	18,799	16,397	108,245	(12.8)		
Inventories	15,318	13,535	14,012	92,501	3.5	16,009	15,050	99,353	(6.0)		
Tangible Fixed Assets	30,132	31,952	30,841	203,598	(3.5)	33,154	29,729	196,257	(10.3)		
Intangible Fixed Assets	2,308	1,483	1,295	8,549	(12.7)	1,801	1,201	7,928	(33.3)		
Total Assets	101,733	100,440	108,308	714,999	7.8	105,432	99,975	659,988	(5.2)		
Notes and Accounts Payable	5,066	3,643	5,195	34,295	42.6	4,290	5,229	34,519	21.9		
Interest-Bearing Debt	-	76	-	-	-	72	-	-	-		
Total Net Assets	79,952	81,087	84,607	558,536	4.3	82,414	78,764	519,963	(4.4)		
Total Shareholders' Equity	69,706	67,876	67,145	443,260	(1.1)	67,733	64,200	423,818	(5.2)		
Equity Ratio (%)	75.4	77.2	74.9		(3.0)	74.8	75.5		0.9		

Currency exchange rate (as of Dec. 31, 2024) : \$1 = ¥151.48

Corporate Data

(As of December 31, 2024)

Head Office

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<https://www.pigeon.com/>

Established

August 15, 1957

Paid-in Capital

¥5,199,597 thousand

Number of Employees

3,066 (Worldwide, Includes Part-time employees)

341 (Japan, Full-time employees)

Fiscal Year-End

December 31

Annual Shareholders' Meeting

March 27

Stock Trading Unit

100 shares

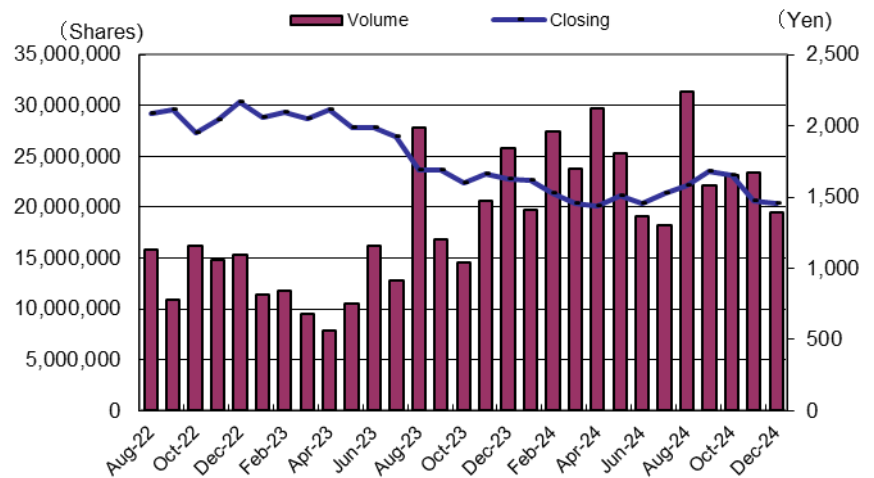
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