

Financial Results of Q1 / Dec. 2025

(YTD 3 months - January to March)

Pigeon Corporation

(Securities Code: 7956)

May 13, 2025

Celebrate babies the way they are



Q1 / December 2025

Q1 Financial Results (YTD 3 months sales)	P. 3 - 5
Q1 Review by Business Segment	P. 6 - 9
Sales by Region, EC ratio in Key Markets	P. 10 - 12
[Reference] Press release announced today	P. 13
[Reference] Full-Year Forecast	P. 14
Appendix (by Region and Country, by Business Segment)	P. 15 - 17

Agenda

FY2025 Q1 Results - Consolidated P&L (YTD 3 months)

Net sales increased 6.2% YoY driven by China, Lansinoh, and Singapore business. Operating income increased by double digits YoY, mainly due to an increase in gross profit from higher sales, despite an increase in SG&A expenses from continued aggressive investment in growth in mainland China.

Unit: Million JPY	Q1 / Dec. 2024 YTD		Q1 / Dec. 2025 YTD		
	Actual	% of Total	Actual	% of Total	YoY Change
Net Sales	23,749	—	25,227	—	106.2%
Cost of Sales	12,110	51.0%	12,331	48.9%	101.8%
Gross Profit	11,639	49.0%	12,896	51.1%	110.8%
SG&A Expenses	8,941	37.6%	9,702	38.5%	108.5%
Operating Income	2,697	11.4%	3,193	12.7%	118.4%
Ordinary Income	2,963	12.5%	3,214	12.7%	108.5%
Net Income Attributable to Owners of Parent	1,906	8.0%	2,331	9.2%	122.3%

[Currency Rates] 2025 Q1 Results: US\$1 = JPY 152.62 CNY 1 = JPY 20.97
2024 Q1 Results: US\$1 = JPY 148.43 CNY 1 = JPY 20.65

FY2025 Q1 Results - By Business Segment (YTD 3 months)

Sales and profits increased in the China, Lansinoh, and Singapore businesses with double-digit YoY growth in sales. Japan business posted lower sales and profit, but Baby Care sales were strong.

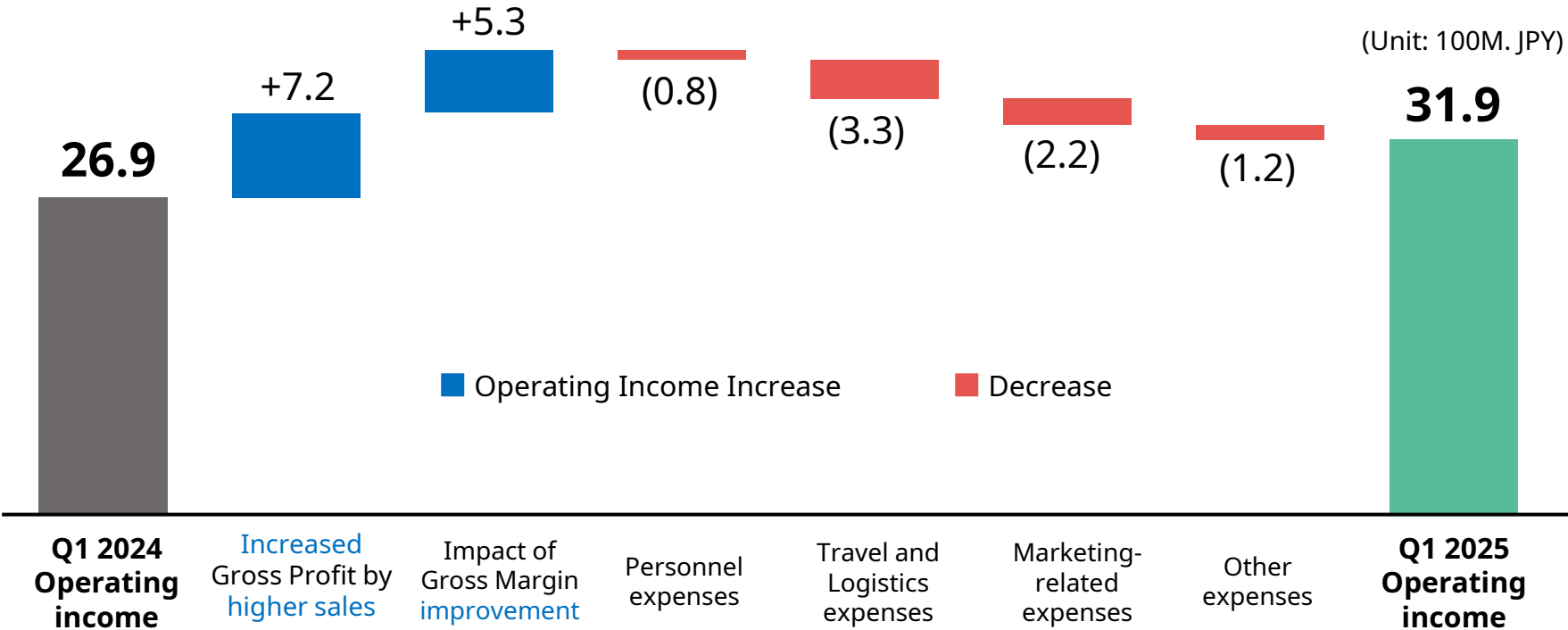
Unit: Million JPY	Q1 / Dec. 2024 YTD				Q1 / Dec. 2025 YTD				
	Net Sales	% of Total	Gross Margin	Segment Profit	Net Sales	% of Total	YoY Change	Gross Margin	Segment Profit
Consolidated Net Sales	23,749	—	49.0%	2,697	25,227	—	106.2%	51.1%	3,193
Japan Business	8,734	36.8%	33.0%	523	8,635	34.2%	98.9%	33.9%	441
China Business	8,356	35.2%	55.8%	2,324	9,372	37.2%	112.2%	57.6%	2,719
Singapore Business	3,115	13.1%	39.8%	353	3,454	13.7%	110.9%	41.9%	504
Lansinoh Business	5,068	21.3%	57.8%	432	5,643	22.4%	111.3%	56.0%	465
Elimination of inter-segment transactions	(1,525)	(6.4%)	—	—	(1,877)	(7.4%)	—	—	—

▼[Reference] Breakdown of Japan Business

Unit: Million JPY	Q1 / Dec. 2024 YTD				Q1 / Dec. 2025 YTD				
	Net Sales	% of Total	Gross Margin	Segment Profit	Net Sales	% of Total	YoY Change	Gross Margin	Segment Profit
Baby Care	6,287	—	37.8%	550	6,463	—	102.8%	37.9%	503
Childcare Services	880	—	11.2%	13	879	—	99.9%	17.5%	59
Health & Elder Care	1,174	—	31.0%	93	850	—	72.5%	33.7%	22

FY2025 Q1 Results - Change in Operating Income (YoY)

SG&A expenses increased by 760 million yen from the previous year due to a large increase in logistics and marketing related expenses, especially in the China and Lansinoh businesses. Operating income increased 490 million yen YoY due to increased revenue and improved gross margin, offsetting an increase in SG&A expenses.



FY 2025 Q1 Results - Review by Business Segment

Strategy for 2025: Improve profitability through new value creation by leveraging the company's strengths and uniqueness

*Sales: Sell-in on a local currency basis, *1 Source: Pigeon

Japan Business

Sales and income down due to exclusion of consolidated subsidiaries and soaring logistics costs, despite strong sales of baby care products

- Baby Care sales increased 2.8% YoY.
- Sales of nursing bottles/nipples and baby skincare were lower than the previous year due in part to a reaction to the first shipment of new products in the previous year, but overall Baby Care sales progressed largely in line with the internal plan.
- Sales of the new Age-Up product in the new domain, "Puchi Kids Hair Care Series", were strong.
- In the childcare appliance category, sales continued to be strong as in the previous year. The "Electric Baby Nail File" launched in August of the previous year also won the No. 1 market share in value*1.
- Gross profit margin of Baby Care business improved by 0.1pt YoY due to contribution from factory operations, etc., despite the impact of COGS increase due to yen depreciation, etc.
- Health & Elder Care sales decreased by 0.3 billion yen from the previous fiscal year, partly due to the exclusion of a consolidated subsidiary that provides elder care services as of April 1, 2024.
- Announced price revisions in March for some baby-related products including nursing bottles/nipples (implemented from June).

Strengthening of existing areas

Capturing changes in lifestyles and in existing areas
Diverse new products introduced throughout the year



New area: Babycare appliances and Age-Up products

Sales of high unit-price childcare appliances such as Electric Baby Nail File were strong.
Age-Up products launched "Puchi Kids Hair Care Series" in February.



FY 2025 Q1 Results - Review by Business Segment

Strategy for 2025: Aim for stable growth in both sales and profits by continuing to invest thoroughly in our core products of nursing bottles/nipples, and skincare

*Sales: Sell-in on a local currency basis

China Business

Increased sales and profit. Continued aggressive investment in growth from the previous year, with strong sell-outs (EC and offline) in mainland China

- Mainland China sales* (CNY) ended +9% YoY.
- Sales of nursing bottles/nipples increased 25% YoY, and baby skincare sales increased 8% YoY. The market share of nursing bottles/nipples continued to recover from the previous year.
- New products launched include 450ml/750ml drinking cups for kids from Age-Up products.
- Sell-out grew 15% YoY, with EC up 17% YoY and offline up 9% YoY, both EC and offline performing well. EC ratio is 74%.
- Continued growth in GMV on Tiktok and Redbook due to brand exposure and enhanced communication focused on nursing bottles/nipples, baby skincare, etc.
- Gross margin (JPY) of China business improved by 1.8 pt YoY due to an increase in the sales composition of high-margin nursing bottles/nipples.

Strengthening of existing areas

New nursing bottles/nipples were launched incorporating local trends



New area: Age-Up products

Expanded lineup of drinking cups



Brand: Communication

Short video on Tiktok and more.



FY 2025 Q1 Results - Review by Business Segment

Strategy for 2025: Expanding the scale of business centered on core products such as nursing bottles/nipples, and skincare products will be a top priority

*Sales: Sell-in on a local currency basis

Singapore Business

Shift to wide-neck nursing bottles, mainly in major countries. Sales and income increased partly due to recovery from shipment adjustment.

- Sales* in Indonesia increased 18% YoY, Middle East +23%, Vietnam +56%, India -1%, Malaysia -15%.
- Sell-out increased YoY in India, Middle East, Australia, etc.
- In nursing bottles/nipples, the sales ratio of wide-neck nursing bottles increased YoY in Indonesia and the Middle East, where the SofTouch™ series was rebranded, and contributed to profit margin. In Malaysia and other markets, brand renewal will be implemented sequentially from Q2 onward.
- In the Natural Botanical skincare business, sales of "Diaper Cream," a new product introduced in the previous year, were strong.
- New product is "Silicone Paladai Baby Feeder" launched in India in March. Strengthening brand power through products born from the voices of hospital maternity hospitals
- Gross margin (JPY) of Singapore business improved by 2.1 pt YoY due to sales growth of sales companies and improvement in factory operations, etc.

Strengthening core products: wide-neck nursing bottles

The rebranded SofTouch™ series has been won "Product of the Year" in the Middle East

Pigeon SofTouch bottles have been



New product

Silicone Paladai Baby Feeder in India, etc.



Strengthening Core Products: Skincare

Increased exposure and new series development of Natural Botanical skin care



FY 2025 Q1 Results - Review by Business Segment

Strategy for 2025:Aiming for strong growth through full-scale development of "breast pumps" in the existing area and "nursing bottles/nipples" in the new area

*Sales: Sell-in on a local currency basis

Lansinoh Business

Sales and income increased due to strong sales of mainstay products in North America and breast pumps in Europe

- Lansinoh Group sales* (USD) +9.6% YoY.
- Sales in North America increased 4.9% YoY. Sales of breast pumps fell below the previous year's level, but sales of core products such as Milk Storage Bags and nursing pads, nursing bottles/nipples grew.
- In Europe, sales increased mainly due to the initial shipping effect of breast pumps (Wearable Pumps) and strong performance of nipple creams.
- Sales of prenatal and postpartum care products grew by double digits YoY. Strong growth continued mainly in Germany, UK and Benelux.
- Sales of nursing bottles/nipples in the U.S. and European markets grew by more than 30% YoY. In the U.S., sales of multiple bottles were particularly strong, in line with market needs.
- Gross margin (JPY) of Lansinoh business deteriorated by -1.8 pt YoY, but operating income increased, partly due to higher gross profit from increased sales.

Strengthening of existing areas

New products are introduced as needed in breastfeeding-related products.



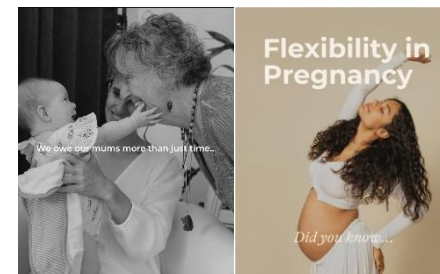
New area: prenatal and postpartum care

Continued high growth mainly in Europe

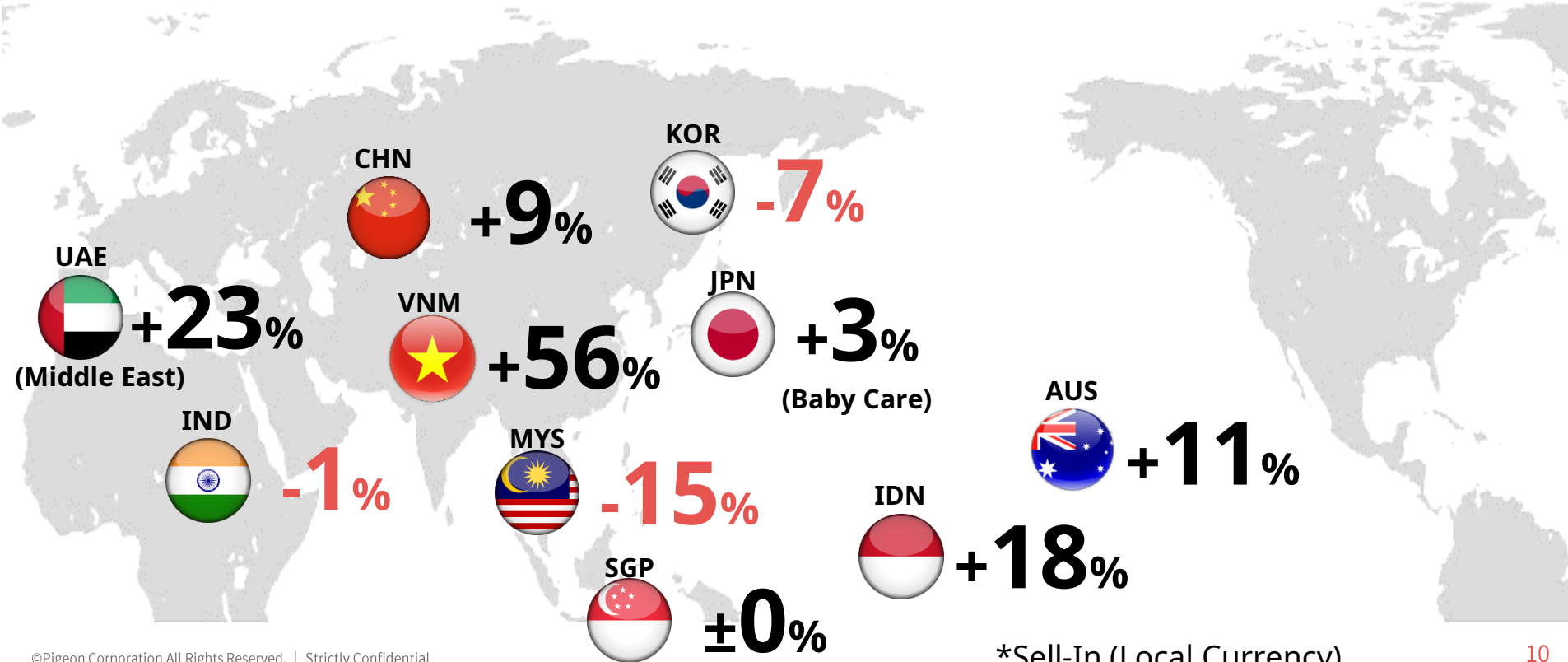


Brand: Communication

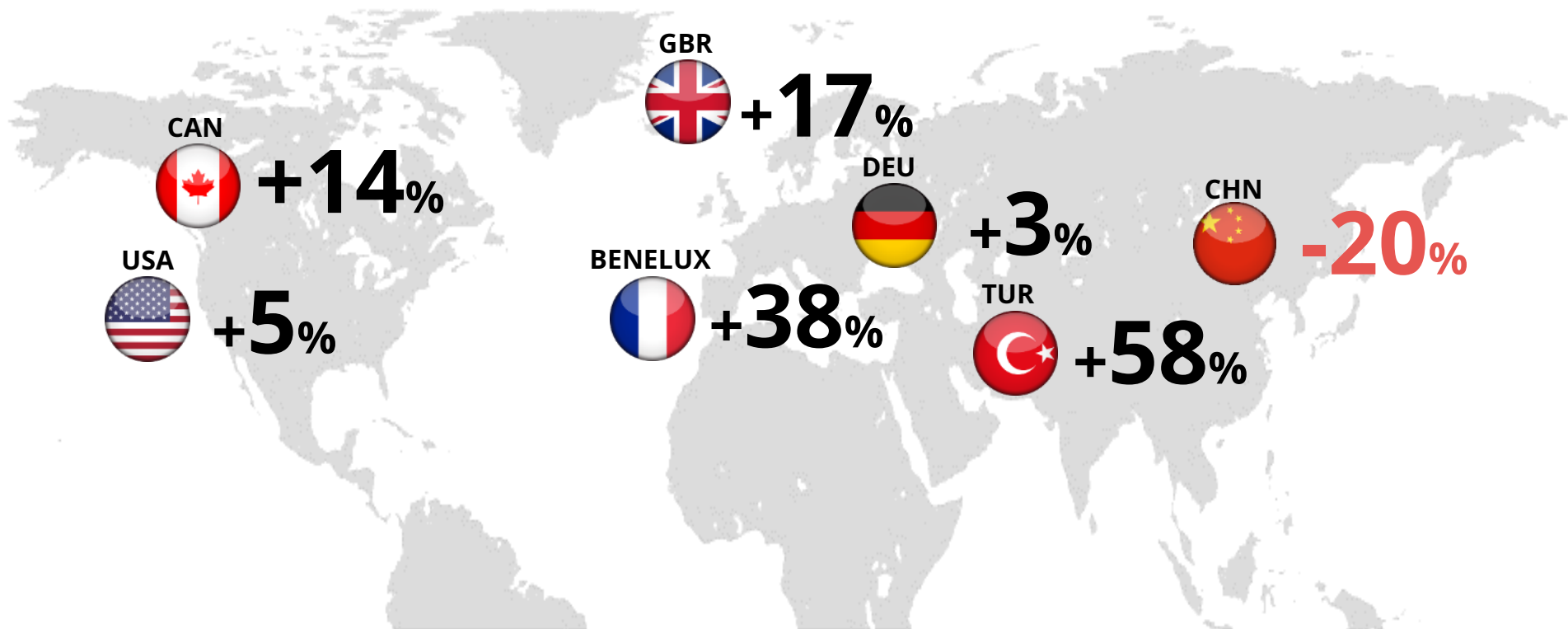
Strengthen information dissemination through SNS



FY 2025 Q1 Results - Pigeon Sales* by Region (YoY)

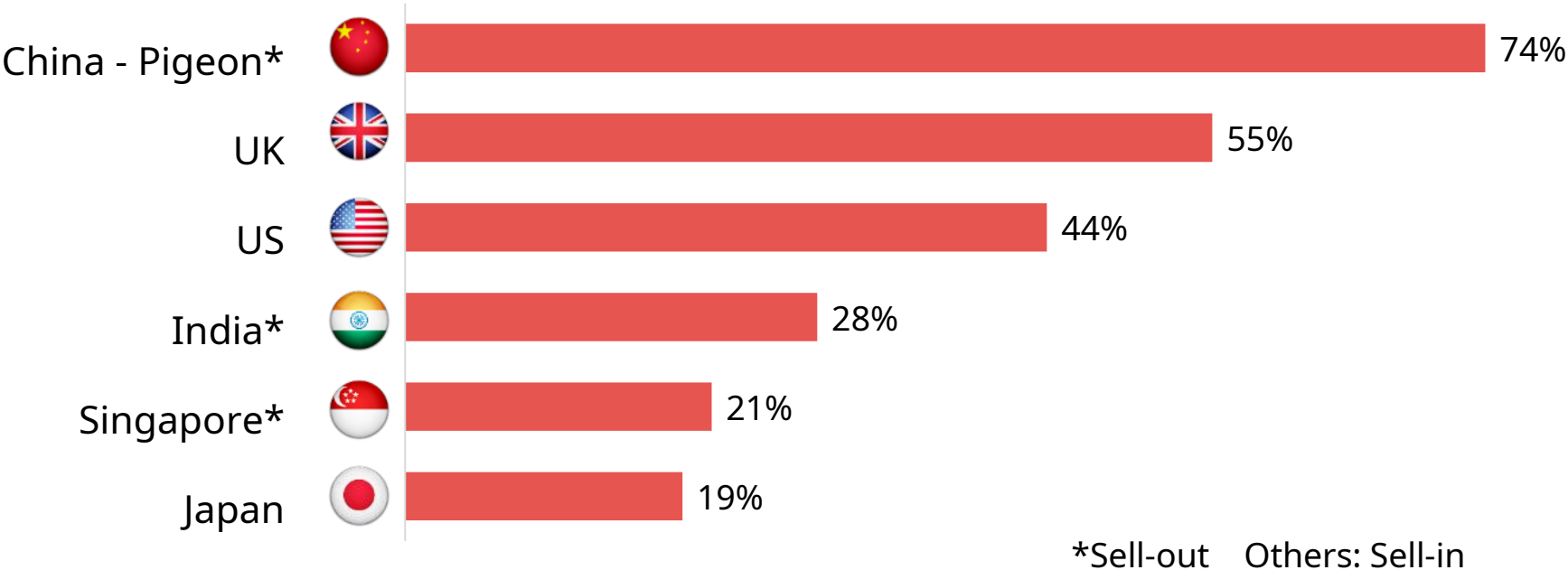


FY 2025 Q1 Results - Lansinoh Sales* by Region (YoY)



FY2025 Q1 Results - EC Sales Ratio in Key Markets

[E-commerce sales ratio of Pigeon / Lansinoh]



[Reference] Press release announced today (May 13)

Signed a partnership agreement (“the agreement”) with Japan Activation Capital, Inc. (“JAC”) to enhance corporate value

Purpose of the Agreement

To achieve our purpose, which is “to make the world more baby-friendly by furthering our commitment to understanding and addressing babies’ unique needs,” we will strengthen and accelerate the execution of our strategy of strengthening existing areas and taking on challenges in new areas by making maximum use of JAC’s strategic resources, deep expertise and extensive network, and aim to achieve sustainable growth and long-term corporate value creation.

JAC has already become a shareholder of Pigeon.

Overview of JAC

JAC is a fund that invests in TSE-listed companies, providing support as a significant shareholder for sustainable enhancement of corporate value based on mutual trust with company management.

[Reference] FY Dec. 2025 Earnings Forecast - Consolidated P&L

Full-year forecasts remain unchanged. Although it is difficult to calculate the impact of the U.S. tariffs at this time, we will closely monitor the situation and consider countermeasures to minimize the impact (e.g., change production sites, accelerate procurement, consider shifting prices).

Unit: Million JPY	Dec. 2024		Dec. 2025		
	Actual	% of Total	Forecast	% of Total	YoY Change
Net Sales	104,171	100.0%	109,700	100.0%	105.3%
Cost of Sales	52,799	50.7%	55,400	50.5%	104.9%
Gross Profit	51,372	49.3%	54,300	49.5%	105.7%
SG&A Expenses	39,233	37.7%	41,400	37.7%	105.5%
Operating income	12,139	11.7%	12,900*	11.8%	106.3%
Ordinary income	13,282	12.8%	12,900*	11.8%	97.1%
Net Income Attributable to Owners of Parent	8,371	8.0%	8,400	7.7%	100.3%

* Subsidy income not included

[Currency Rates]

2025 Forecast: US\$1 = JPY 147.00

2024 Results: US\$1 = JPY 151.48

CNY 1 = JPY 21.00

CNY 1 = JPY 21.04

Appendix



FY2025 Q1 Results – Sales by Region and Country

(単位：百万円) (Unit: ¥millions)

地域 Regions	24/12期 第1四半期 FY Dec. 2024 Q1	25/12期 第1四半期 FY Dec. 2025 Q1	前期比 YoY Change
中国(含む香港) China (incl.Hong Kong)	7,215	7,823	108.4%
その他アジア Other Asian Countries	2,541	2,538	99.9%
アジア合計 Total of Asian Countries	9,757	10,361	106.2%
北米 North America	3,447	3,820	110.8%
欧州 Europe	1,171	1,458	124.5%
中南米 Latin America	105	134	127.7%
中近東 Near and Middle East	592	796	134.4%
その他地域 Other Regions	283	314	111.0%

(単位：百万円) (Unit: ¥millions)

国 / 地域 Countries / Regions	24/12期 第1四半期 FY Dec. 2024 Q1	25/12期 第1四半期 FY Dec. 2025 Q1	前期比 YoY Change
台湾 Chinese Taipei	127	130	102.2%
韓国 Korea	767	670	87.4%
シンガポール Singapore	232	236	101.7%
マレーシア Malaysia	310	295	95.2%
インドネシア Indonesia	414	483	116.8%
タイ Thailand	263	244	92.7%
インド India	178	175	98.2%

FY2025 Q1 Results – P&L by Business Segment (Details)

	2024年12月期 第1四半期累計 FY 2024 Q1 YTD Results						2025年12月期 第1四半期累計 FY 2025 Q1 YTD Results						
	売上高 Net Sales	構成比 % of total	総利益 Gross Profit	総利益率 GP margin (%)	セグメント利益 Segment Income	セグメント利益率 OP margin (%)	売上高 Net Sales	構成比 % of total	前期比：率 % of growth	総利益 Gross Profit	総利益率 GP margin (%)	セグメント利益 Segment Income	セグメント利益率 OP margin (%)
連結計上額	23,749	100.0%	11,639	49.0%	2,697	11.4%	25,227	100.0%	106.2%	12,896	51.1%	3,193	12.7%
日本事業 Japan Business	8,734	36.8%	2,881	33.0%	523	6.0%	8,635	34.2%	98.9%	2,925	33.9%	441	5.1%
中国事業 China Business	8,356	35.2%	4,663	55.8%	2,324	27.8%	9,372	37.2%	112.2%	5,394	57.6%	2,719	29.0%
シンガポール事業 Singapore Business	3,115	13.1%	1,239	39.8%	353	11.4%	3,454	13.7%	110.9%	1,448	41.9%	504	14.6%
ランシノ事業 Lansinoh Business*	5,068	21.3%	2,929	57.8%	432	8.5%	5,643	22.4%	111.3%	3,162	56.0%	465	8.2%
セグメント間取引消去 Elimination of internal trading between segments	▲1,525	▲6.4%	—	—	—	—	▲1,877	▲7.4%	—	—	—	—	—
ベビーケア事業 Baby Care Business	6,287	—	2,374	37.8%	550	8.8%	6,463	—	102.8%	2,451	37.9%	503	7.8%
子育て支援事業 Child Care Services Business	880	—	98	11.2%	13	1.6%	879	—	99.9%	153	17.5%	59	6.8%
ヘルスケア・介護事業 Health & Elder Care Business	1,174	—	363	31.0%	93	7.9%	850	—	72.5%	286	33.7%	22	2.7%

Disclaimer on Forward-Looking Statements

This material includes certain forward-looking statements about the Pigeon Group. To the extent that statements in this material do not related to historical or current facts, they constitute forward-looking statements.

These forward-looking statements are based on the current assumptions and judgments of the Pigeon Group in light of the information currently available to it, and involve know and unknown risks, uncertainties and other factors, which may affect the statements made in this material.

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