Summary of Financial Results for the Third Quarter of Fiscal Year Ending December 31, 2026 [Japanese Standards] (Consolidated)

November 5, 2026

Name of Listed Company: Pigeon Corporation (Stock code: 7956)
Listing: Prime Market, Tokyo Stock Exchange
Website: www.pigeon.com
Representative: Ryo Yano, President and CEO
Contact Person: Nobuo Takubo, Director, Managing Executive Officer, Chief Strategy Officer / Tel: +81-3-3661-4204
Scheduled Commencement Date of Dividend Payments: –
Preparation of Any Additional Explanatory Materials for Financial Results: Yes
Holding of Any Briefing Session for Financial Results: Yes (For analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Business Performance for the Third Quarter of Fiscal Year Ending December 31, 2026 (January 1 to September 30, 2026)

(1) Consolidated Operating Results (cumulative)

(Millions of yen, unless otherwise noted; Percentage figures denote year-on-year changes)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
First three quarters ended September 30, 2026	89,177	10.7%	12,750	27.1%	13,288	24.5%	8,805	25.1%
First three quarters ended September 30, 2025	80,526	5.9%	10,028	18.2%	10,670	20.8%	7,035	29.7%

(Note) Comprehensive income: Third quarter ended September 30, 2026 ¥9,478 million (76.9%)
Third quarter ended September 30, 2025 ¥5,356 million (-27.0%)

	Basic Earnings per Share (¥)	Diluted Earnings per Share (¥)
First three quarters ended September 30, 2026	73.65	–
First three quarters ended September 30, 2025	58.82	–

(2) Consolidated Financial Position

(Millions of yen, unless otherwise noted)

	Total Assets	Net Assets	Equity Ratio (%)
As of September 30, 2026	112,257	85,781	73.9
As of December 31, 2025	110,088	85,887	75.3

(Reference) Equity (Shareholders' equity + Accumulated other comprehensive income)
As of September 30, 2026 ¥82,921 million
As of December 31, 2025 ¥82,916 million

2. Cash Dividends

	Annual Dividend (¥)				
	1Q-end	2Q-end	3Q-end	Year-end	Total
FY ended December 31, 2025	–	38.00	–	38.00	76.00
FY ending December 31, 2026	–	38.00	–		
FY ending December 31, 2026 (Forecast)				38.00	76.00

(Note) Revision of dividend forecast from the most recent announcement: None

3. Consolidated Business Performance Forecast for the Fiscal Year Ending December 31, 2026 (January 1 to December 31, 2026)

(Millions of yen, unless otherwise noted; Percentage figures denote year-on-year changes)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Basic Earnings per Share (¥)
Full year	118,400	8.5%	14,800	12.5%	15,500	13.3%	9,800	14.3%	81.98

(Note) Revision of business performance forecast from the most recent announcement: Yes

Notes

(1) Significant changes in the scope of consolidation during the period under review: None
New: – (Company name: –), Excluded: – (Company name: –)

(2) Application of any accounting procedures specific to preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatements
1) Changes in accounting policies associated with revision of accounting standards: None
2) Changes in accounting policies other than the above 1): None
3) Changes in accounting estimates: None
4) Restatements: None

(4) Number of shares issued (common shares)
1) Number of shares issued at the period-end (including treasury shares)
As of September 30, 2026: 121,653,486 shares
As of December 31, 2025: 121,653,486 shares
2) Number of treasury shares at the period-end
As of September 30, 2026: 2,201,218 shares
As of December 31, 2025: 2,023,423 shares
3) Average number of shares outstanding during the period (cumulative)
First three quarters ended September 30, 2026: 119,547,692 shares
First three quarters ended September 30, 2025: 119,616,517 shares
(Note) The number of treasury shares at the period-end includes the Company shares held by the board incentive plan (BIP) trust for compensation of directors (306,422 shares as of September 30, 2026; 128,887 shares as of December 31, 2025). The Company shares held by the BIP trust for compensation of directors are also included in the treasury shares to be subtracted in the calculation of the average number of shares outstanding during the period.

* Review of the attached quarterly consolidated financial statements by certified public accountants or auditing corporations: None

* Cautionary statement regarding performance forecast
The forecasts and other forward-looking statements in this report are based on information currently available to the Company and on certain assumptions that the Company considers reasonable, and are not intended as a promise by the Company that they will be achieved.

In addition, the actual results could differ significantly from forecast figures depending on a variety of factors. See “(3) Forward-looking Statements Including Consolidated Business Performance Forecast” under “1. Overview of Management Results and Related Matters” on page 5 regarding conditions which are preconditions for business performance forecast and cautions for using the business performance forecast.

Table of Contents of the Appendix

1. Overview of Management Results and Related Matters 2
(1) Overview of Management Results for the Period under Review 2
(2) Overview of Financial Position for the Period under Review 4
(3) Forward-looking Statements Including Consolidated Business Performance Forecast 5
2. Quarterly Consolidated Financial Statements and Main Notes 6
(1) Quarterly Consolidated Balance Sheets 6
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income 8
(3) Notes on Quarterly Consolidated Financial Statements 10
(Notes on Segment Information etc.) 10
(Notes Regarding Substantial Changes in Shareholders' Equity) 10
(Notes Regarding Going Concern Assumptions) 10
(Notes Regarding Quarterly Consolidated Statements of Cash Flows) 11

1. Overview of Management Results and Related Matters

(1) Overview of Management Results for the Period Under Review

1) Performance Overview

During the first-nine-month period under review, the Japanese economy was on a modest recovery path with personal consumption picking up. Meanwhile, close attention continued to be paid to the impact of escalating tensions in the Middle East and natural disasters. In the global economy, while a moderate recovery continued despite sluggishness in some regions, the outlook remained uncertain due to the emergence of geopolitical risks, volatility in financial and capital markets, and U.S. policy developments among other factors.

Against this background, the Pigeon Group has launched its Ninth Medium-Term Management Plan (FY2026–FY2028). Under this plan, we are implementing measures aimed at achieving our new goal of sustained growth with profitability, leveraging the insights gained from our previous business restructuring efforts.

Specifically, based on three basic strategies (product strategy, regional strategy, and reinforcement of management foundations and steady implementation of ESG), we are pursuing a breakthrough in profitability in our existing business fields; concentrating investment to achieve a 20% global market share in the nursing bottle market 10 years from now; and securing profitability through accelerated growth in the Americas and Europe Business and the Singapore Business, as well as stable growth in the Japan Business and the China Business. We are also strengthening our management foundation to ensure strategy execution through swift decision-making.

In addition to pursuing business growth, the Group implemented a range of measures to achieve its purpose, which is “to make the world more baby-friendly by furthering our commitment to understanding and addressing babies’ unique needs.”

During the first-nine-month period under review, net sales increased across all business segments to total ¥89,177 million (up 10.7% YoY), due to strong sales of high-value-added products such as baby care appliances, baby foods, and skincare products in the Japan Business, as well as steady sales of core products including nursing bottles and nipples in overseas segments, primarily in the China Business. On the profit front, higher revenue increased gross profit, and an improvement in the gross profit margin YoY absorbed higher SG&A expenses, including growth investments. As a result, operating profit increased to ¥12,750 million (up 27.1% YoY), ordinary profit to ¥13,288 million (up 24.5% YoY), and profit attributable to owners of parent to ¥8,805 million (up 25.1% YoY).

The principal exchange rates used to translate revenues and expenses of overseas consolidated subsidiaries for the first-nine-month period under review were as follows:

- US$1: 158.53 yen (148.15 yen)
- CNY1: 23.23 yen (20.51 yen)

Note: Figures in parentheses represent the exchange rate in the same period of the previous fiscal year.

2) Segment Review

The Group has a total of four reportable segments: Japan Business, China Business, Singapore Business, and Americas and Europe Business.

Please note that, effective from the first-three-month period of the fiscal year under review, the reportable segment previously presented as the Lansinoh Business has been renamed the Americas and Europe Business. This is a change in segment name and does not affect the segment information.

The overview of each segment’s performance is given below.

Japan Business

This segment consists of businesses such as the Baby Care Business, Childcare Services Business, and Health & Elder Care Business. Net sales for the entire segment amounted to ¥29,522 million

(up 7.0% YoY), and segment profit was ¥2,394 million (up 39.6% YoY).

In the Baby Care Business (childcare and feminine products), sales expanded YoY, buoyed by growth in high-value-added products such as baby care appliances, baby foods, and skincare products. As for new products, we launched "Bonyu Jikkan® Sheer" nursing bottles and nipples featuring a translucent design and using nipples made with silicone from eco-friendly materials, and, beginning in September, "Renji de Ouchi Gohan" (Simmered Daikon with Soboro Meat Sauce and Non-Spicy Mapo Tofu), which enable toddler meals to be prepared easily in a microwave. In addition, we began sales of "Sukusuku Tablets Strawberry Flavor" designed for toddlers who often lack vegetables in their diet; "kaorigocochi," a baby massage oil designed to enrich the time parents and children spend together; and "Mahou no Awa-awa (Magic Foam) Body Wash" and "Mahou no Awa-awa Shampoo" through Pigeon Kids. As such, we are strengthening our efforts to expand LTV (Lifetime Value) by offering 'age-up' products (products for toddlers and preschoolers) beyond baby care items.

In terms of sales channels, offline sales improved, and our own e-commerce platform showed robust growth YoY.

As part of its communication initiatives, the Group has been working to continuously strengthen its brand by promoting products and sales through pre-release product trial events and social-media sites, as well as holding seminars for medical practitioners.

In the Health & Elder Care Business, we enhanced proposals to add value to existing products under our core brand Habinurse and focused on improving profitability through efficient business operations.

Regarding the Childcare Services Business, we currently provide services at 51 in-company childcare facilities.

Overall, earnings in this segment rose significantly YoY, thanks to increased gross profit resulting from expanded sales of high-value-added products and other factors, as well as an improvement in the SG&A expense ratio.

China Business

Net sales in this segment amounted to ¥36,648 million (up 15.5% YoY), and segment profit was ¥9,925 million (up 22.9% YoY).

In mainland China, although sales of some consumables and other products declined, growth in mainstay nursing bottles, nipples, and skincare products as well as drinking cups enabled net sales in local-currency terms to remain at approximately the same level YoY. In addition, we are enhancing competitiveness through new product launches—including nursing bottles and nipples using new nipple materials, as in the Japan Business, UV-care products, shampoos, and a kids line under the well-received "Momo-no-ha (Peach leaves) Series," as well as newly designed drinking cups and highly moisturizing skincare products.

In terms of sales channels, performance remain solid, particularly online. In addition to strengthening promotions for new products and other offerings in preparation for "Double 11," an e-commerce sales event in November, sell-out at our own core stores on major e-commerce platforms and other channels exceeded the level of the same period of the previous fiscal year.

In the South Korean and North American markets (Pigeon brand), where Group operations are managed through this segment, we continued to strengthen our brand and carried out sales and marketing activities starting with our local sales subsidiaries. In particular, in the North American market, sales of Pigeon brand baby care products, particularly nursing bottles and nipples, remained strong.

Overall, earnings in this segment rose YoY, as an increase in gross profit due to higher sales and other factors absorbed SG&A expenses.

Singapore Business

Net sales of the segment amounted to ¥11,185 million (up 0.4% YoY), and segment profit was ¥1,743 million (down 6.8% YoY).

In the ASEAN region, India, and other markets, where Group operations are managed through this segment, although some shipments to the Middle East were suspended due to the situation in the region, shipments are showing signs of a partial recovery, while sales of mainstay products, particularly nursing bottles and nipples, remained solid, and net sales were broadly in line with the same period of the previous fiscal year. In particular, sales in Malaysia and other markets continued to be strong. In addition, promotional activities have been strengthened following the introduction of strategic products in the Indonesian market to strengthen sales of wide-neck nursing bottles. We will continue to target customers in the upper-middle class and higher income brackets, for example by deploying vigorous sales and marketing activities centered on our core products of nursing bottles, nipples, and baby skincare products, and by further driving the penetration of wide-neck nursing bottles and nipples.

Overall, earnings in this segment declined YoY due partly to the impact of the situation in the Middle East, despite an improvement in the gross profit margin, among other factors, driven by the growth in highly profitable wide-neck nursing bottles and nipples.

Americas and Europe Business

Net sales of the segment amounted to ¥18,461 million (up 13.4% YoY), and segment profit was ¥1,805 million (up 78.3% YoY).

In North America, a vital market for this segment, sales of nursing bottles and nipples increased significantly as a result of strengthening promotional initiatives across both online and offline channels, and sales of mainstay products such as nipple creams also remained solid. However, net sales in local-currency terms decreased YoY due to intensifying competition and other factors in the breast-pump category and consumables. In Europe, net sales increased significantly across all major countries, including Germany, the United Kingdom, Turkey, and France. Sales of nursing bottles, nipples, nipple creams, and breast pumps were strong, and net sales in local-currency terms increased YoY.

Overall, earnings in this segment increased YoY, even after absorbing marketing expenses aimed at capturing a larger share of the U.S. market for nursing bottles and nipples.

(2) Overview of Financial Position for the Period Under Review

(Assets)

As of September 30, 2026, the Group recorded total assets of ¥112,257 million, up ¥2,168 million from the end of the previous fiscal year. Current assets increased by ¥2,543 million, while non-current assets decreased by ¥374 million.

Current assets increased mainly due to increases in notes and accounts receivable – trade of ¥2,992 million, merchandise and finished goods of ¥1,396 million, and raw materials and supplies of ¥1,377 million, despite a decrease in cash and deposits of ¥3,516 million.

Non-current assets decreased mainly due to decreases in other property, plant and equipment of ¥447 million and buildings and structures of ¥161 million, despite an increase in investments and other assets of ¥260 million.

(Liabilities)

As of September 30, 2026, the Group recorded total liabilities of ¥26,475 million, up ¥2,274 million from the end of the previous fiscal year. Current liabilities increased by ¥1,776 million, while non-current liabilities increased by ¥497 million.

Current liabilities increased mainly due to increases in notes and accounts payable – trade of ¥1,142 million and provision for bonuses of ¥462 million.

Non-current liabilities increased mainly due to an increase in other non-current liabilities of ¥465 million.

(Net Assets)

As of September 30, 2026, the Group recorded total net assets of ¥85,781 million, down ¥105 million from the end of the previous fiscal year.

Net assets increased mainly due to an increase in foreign currency translation adjustment of ¥644 million.

Net assets decreased mainly due to an increase in treasury shares (a deduction item) of ¥312 million due to the repurchase of the Company's shares, a decrease in retained earnings of ¥319 million, and a decrease in non-controlling interests of ¥111 million.

(3) Forward-looking Statements Including Consolidated Business Performance Forecast

The business environment surrounding the Pigeon Group's core business of childcare and feminine products has been affected by various factors. These include a global decline in the number of births, particularly in Japan and China; rising prices; changes in consumers' values, purchasing behavior, and child-rearing styles; and intensified market competition driven by the emergence of local brands. Additionally, in light of rising geopolitical risks and developments in economic policies across countries, uncertainty about prospects for the global economy is intensifying, and forecasting remains as difficult as ever.

Notwithstanding the above concerns, consumption can be expected to expand over the medium-to-long term in China, which is still a vast market, and in other Asian countries and emerging economies characterized by large numbers of births and continued economic growth. Furthermore, the Group sees considerable room for growth by creating new demand in Japan, making concerted efforts to expand the baby product business in North America and Europe, and developing markets that the Pigeon Group has not yet entered.

The current fiscal year ending December 31, 2026 is the first year of the Group's newly launched 9th Medium-Term Management Plan. In this first year of the Plan, the Group will steadily implement various measures in line with the three basic strategies set forth, aiming to achieve sustainable growth with profitability.

For the full-year business performance forecasts for the current fiscal year, we revised the forecast figures on November 5, 2026, based on the business performance during the nine-month period under review, to net sales of ¥118,400 million (up 4.3% from the previous forecast), operating profit of ¥14,800 million (up 6.5% from the previous forecast), ordinary profit of ¥15,500 million (up 9.5% from the previous forecast), and profit attributable to owners of parent of ¥9,800 million (up 7.2% from the previous forecast).

2. Quarterly Consolidated Financial Statements and Main Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2025	As of September 30, 2026
ASSETS		
I. Current Assets:		
Cash and deposits	39,609	36,093
Notes and accounts receivable – trade	18,642	21,634
Merchandise and finished goods	12,600	13,997
Work in process	658	766
Raw materials and supplies	3,006	4,384
Other	2,097	2,286
Allowance for doubtful accounts	(52)	(57)
Total Current Assets	76,561	79,104
II. Non-current Assets:		
1. Property, Plant and Equipment:		
Buildings and structures, net	12,036	11,875
Land	7,351	7,268
Other, net	10,287	9,840
Total Property, Plant and Equipment	29,676	28,984
2. Intangible Assets:		
Other	1,179	1,236
Total Intangible Assets	1,179	1,236
3. Investments and Other Assets:		
Other	2,671	2,932
Total Investments and Other Assets	2,671	2,932
Total Non-current Assets	33,527	33,152
Total Assets	110,088	112,257
LIABILITIES		
I. Current Liabilities:		
Notes and accounts payable – trade	5,121	6,264
Electronically recorded obligations – operating	366	260
Income taxes payable	1,128	1,527
Provision for bonuses	1,119	1,582
Provision for expenses related to voluntary product recall	144	98
Other	10,246	10,170
Total Current Liabilities	18,127	19,904
II. Non-current Liabilities:		
Retirement benefit liability	752	728
Provision for bonuses	–	55
Provision for share awards	129	130
Other	5,191	5,657
Total Non-current Liabilities	6,073	6,571
Total Liabilities	24,201	26,475

(Millions of yen)

	As of December 31, 2025	As of September 30, 2026
NET ASSETS		
I. Shareholders' Equity:		
Share capital	5,199	5,199
Capital surplus	5,132	5,132
Retained earnings	57,717	57,398
Treasury shares	(1,360)	(1,673)
Total Shareholders' Equity	66,689	66,057
II. Accumulated Other Comprehensive Income:		
Valuation difference on available-for-sale securities	32	24
Foreign currency translation adjustment	16,194	16,839
Total Accumulated Other Comprehensive Income	16,227	16,864
III. Non-controlling Interests	2,970	2,859
Total Net Assets	85,887	85,781
Total Liabilities and Net Assets	110,088	112,257

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Income
(For the Nine-Month Period)

(Millions of yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2026
I. Net Sales	80,526	89,177
II. Cost of Sales	39,758	42,955
Gross Profit	40,767	46,222
III. Selling, General and Administrative Expenses	30,738	33,471
Operating Profit	10,028	12,750
IV. Non-operating Income:		
Interest income	254	220
Dividend income	12	12
Subsidy income	628	551
Other	128	118
Total Non-operating Income	1,024	902
V. Non-operating Expenses:		
Interest expenses	48	53
Foreign exchange losses	308	294
Other	25	17
Total Non-operating Expenses	383	365
Ordinary Profit	10,670	13,288
VI. Extraordinary Income:		
Gain on sale of non-current assets	5	23
Gain on sale of golf club membership	0	–
Compensation for damage	361	–
Total Extraordinary Income	367	23
VII. Extraordinary Losses:		
Loss on sale of non-current assets	0	7
Loss on retirement of non-current assets	31	68
Impairment losses	66	–
Expenses related to voluntary product recall	454	–
Loss on liquidation of business	–	79
Total Extraordinary Losses	551	155
Profit before Income Taxes	10,485	13,155
Income taxes – current	3,354	3,928
Income taxes – deferred	(108)	201
Total Income Taxes	3,246	4,129
Profit	7,239	9,026
Profit Attributable to Non-controlling Interests	203	220
Profit Attributable to Owners of Parent	7,035	8,805

Quarterly Consolidated Statements of Comprehensive Income
(For the Nine-Month Period)

(Millions of yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2026
Profit	7,239	9,026
Other Comprehensive Income		
Valuation difference on available-for-sale securities	(3)	(7)
Foreign currency translation adjustment	(1,878)	459
Total Other Comprehensive Income	(1,882)	452
Comprehensive Income	5,356	9,478
Comprehensive Income Attributable to:		
Owners of parent	5,267	9,442
Non-controlling interests	89	35

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on Segment Information etc.)

Segment Information

I. Nine months ended September 30, 2025

1. Information Regarding Net Sales and Profit (Loss) in Each Reportable Segment

(Millions of yen)

	Reportable Segment				Total	Adjustments (Note 1)	Amount recorded in the quarterly consolidated statement of income (Note 2)
	Japan Business	China Business	Singapore Business	Americas and Europe Business			
Net sales							
Net sales to external customers	26,451	30,454	7,353	16,266	80,526	–	80,526
Internal sales or exchange between segments	1,135	1,279	3,781	14	6,211	(6,211)	–
Total	27,587	31,734	11,135	16,280	86,737	(6,211)	80,526
Segment profit	1,714	8,076	1,870	1,012	12,673	(2,644)	10,028

(Notes)

1. The negative amount of ¥2,644 million of adjustments to segment profit includes negative ¥132 million in elimination of intersegment transactions and negative ¥2,512 million in unallocated operating expenses. Unallocated operating expenses are expenses related to the Company's administrative departments and other functions.
2. Segment profit is adjusted to operating profit in the quarterly consolidated statement of income.

II. Nine months ended September 30, 2026

1. Information Regarding Net Sales and Profit (Loss) in Each Reportable Segment

(Millions of yen)

	Reportable Segment				Total	Adjustments (Note 1)	Amount recorded in the quarterly consolidated statement of income (Note 2)
	Japan Business	China Business	Singapore Business	Americas and Europe Business			
Net sales							
Net sales to external customers	27,949	35,383	7,418	18,426	89,177	–	89,177
Internal sales or exchange between segments	1,572	1,264	3,767	35	6,639	(6,639)	–
Total	29,522	36,648	11,185	18,461	95,817	(6,639)	89,177
Segment profit	2,394	9,925	1,743	1,805	15,868	(3,117)	12,750

(Notes)

1. The negative amount of ¥3,117 million of adjustments to segment profit includes negative ¥130 million in elimination of intersegment transactions and negative ¥2,986 million in unallocated operating expenses. Unallocated operating expenses are expenses related to the Company's administrative departments and other functions.
2. Segment profit is adjusted to operating profit in the quarterly consolidated statement of income.

2. Matters Related to Changes in Reportable Segments

(Change in Segment Name)

Effective from the first-three-month period of the fiscal year under review, the reportable segment previously presented as the Lansinoh Business has been renamed the Americas and Europe Business. This is a change in segment name and does not affect the segment information. In addition, segment information for the corresponding first-nine-month period of the previous year has been restated under the renamed segment name.

(Notes Regarding Substantial Changes in Shareholders' Equity)

Not applicable.

(Notes Regarding Going Concern Assumptions)

Not applicable.

(Notes Regarding Quarterly Consolidated Statements of Cash Flows)

We have not prepared quarterly consolidated statements of cash flows for the first-nine-month period under review. Depreciation and amortization (including amortization of intangible assets other than goodwill) and amortization of goodwill for the first-nine-month period are as follows.

(Millions of yen)

	Nine months ended September 30, 2025	Nine months ended September 30, 2026
Depreciation and amortization	3,421	3,604
Amortization of goodwill	20	–