



Financial Results for Q1 / FY Dec. 2026 (YTD 3 months - January to March)

Pigeon Corporation

May 14, 2026

Stock Code: 7956

Celebrate babies the way they are





Agenda

- **Financial Results for Q1 / FY Dec. 2026 (YTD 3 months sales)** P3-6
- **Review by Business Segment** P7-10
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FY2026 Q1 Earnings

Q1 of New Mid-term Management Plan: Both sales and operating income exceeded both the prior-year figures and budgeted figures, marking a strong start

- **Consolidated Results:** Both sales and operating income exceeded the previous year's figures and the budgeted figures.
Although net income was on par with the previous year due to taxes and other factors, the profitability of our core business has steadily improved.
- **By Business Segment:** All segments achieved sales growth.
- "Growth investments for market penetration" in North America was offset by profit growth in other regions, and consolidated operating income also exceeded the plan.

Sales

27,707 million yen
YoY **+9.8 %**

Operating Income

3,645 million yen
YoY **+14.1 %** OP Margin **13.2%**

Outlook for Q2 and Beyond

- **Prompt Response to Geopolitical Risks:**
We are closely monitoring the impact of the situation in the Middle East and are actively exploring measures to take in response, including securing alternative materials and diversifying procurement channels. We are focused on minimizing the impact on our business performance.
- **Capturing Demand and Strengthening Profitability:**
Boost profitability through a review of our cost structure while reliably capturing solid demand.
- **Striving to Achieve Mid-Term Management Plan:**
We will execute resilient growth strategies in North America, China, and other regions. The entire company will work as one to achieve our full-year targets and Mid-Term Management Plan.

Both sales and operating profit exceeded both the prior-year figures and the budgeted figures

While net income remained on par with the previous year due to taxes and other factors, the profitability of the core business improved steadily.

(Unit: Million JPY)	Q1 / Dec. 2025		Q1 / Dec. 2026		
	Actual	% of Total	Actual	% of Total	YoY Change
Net Sales	25,227	100.0%	27,707	100.0%	109.8%
Cost of Sales	12,331	48.9%	13,493	48.7%	109.4%
Gross Profit	12,896	51.1%	14,214	51.3%	110.2%
SG&A Expenses	9,702	38.5%	10,569	38.1%	108.9%
Operating Income	3,193	12.7%	3,645	13.2%	114.2%
Ordinary Income	3,214	12.7%	3,697	13.3%	115.0%
Net Income Attributable to Owners of Parent	2,331	9.2%	2,309	8.3%	99.1%

* Currency Rates: FY2026 Q1 results: US\$1 = JPY 156.89, CNY 1 = JPY 22.65; FY2025 Q1 results: US\$1 = JPY 152.62, CNY 1 = JPY 20.97

Revenue increased YoY across all business segments

The Baby Care segment in Japan also posted strong sales growth despite a declining birth rate.

"Growth investments for market penetration" in North America were offset by profit growth in other regions, resulting in a YoY increase in consolidated operating income.

(Unit: Million JPY)	Q1 / Dec. 2025 YTD				Q1 / Dec. 2026 YTD				
	Net Sales	% of Total	Gross Margin	Segment Profit	Net Sales	% of Total	YoY Change	Gross Margin	Segment Profit
Consolidated Net Sales	25,227	—	51.1%	3,193	27,707	—	109.8%	51.3%	3,645
Japan Business	8,635	34.2%	33.9%	441	9,437	34.1%	109.3%	35.2%	815
China Business	9,372	37.2%	57.6%	2,719	10,953	39.5%	116.9%	55.7%	2,904
Singapore Business	3,454	13.7%	41.9%	504	3,585	12.9%	103.8%	43.2%	510
Americas and Europe Business	5,643	22.4%	56.0%	465	6,146	22.2%	108.9%	54.3%	453
Elimination of inter-segment transactions	(1,877)	(7.4%)	—	—	(2,415)	-8.7%	—	—	—

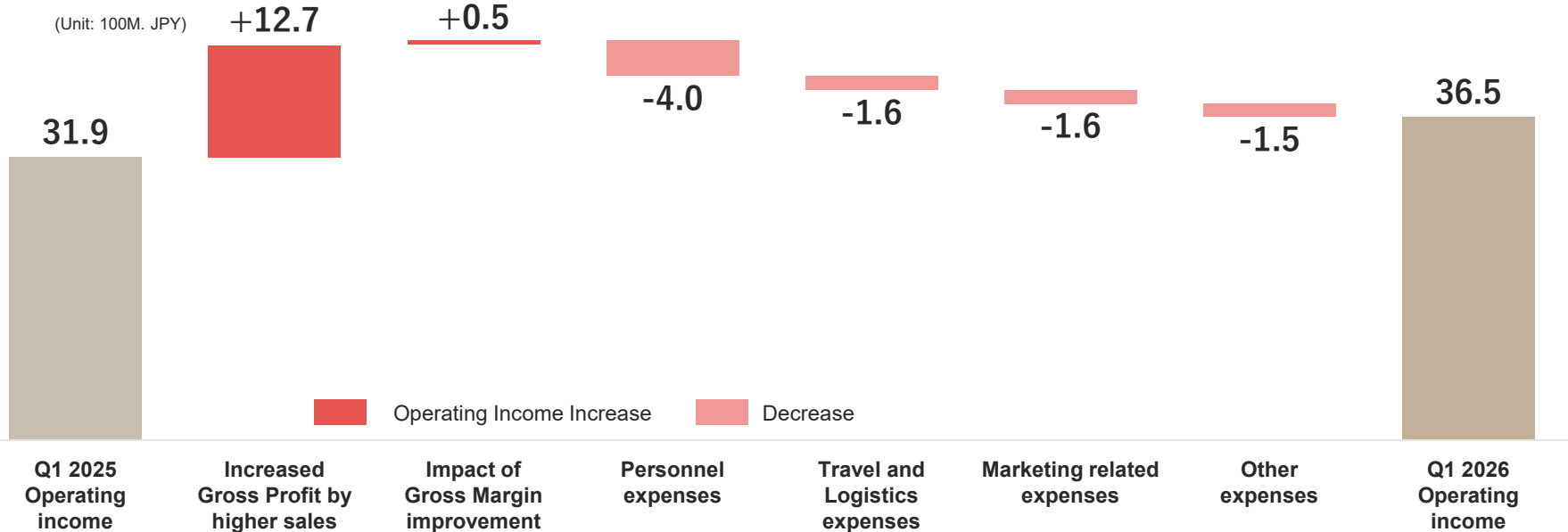
[Reference] Breakdown of Japan Business

Baby Care	6,463	—	37.9%	503	6,922	—	107.1%	40.5%	817
Childcare Services	879	—	17.5%	59	877	—	99.8%	18.4%	62
Health & Elder Care	850	—	33.7%	22	959	—	112.8%	31.4%	42

Consolidated operating income increased due to higher sales and an improved gross margin

This increase of approximately 500 million yen in operating income covered the costs of growth investments in each business segment.

(Unit: 100M. JPY)



Japan Business

Sales and profits increased thanks to continued strong performance in baby care appliances, baby food, and skincare products.

Sales

9,437 million yen
YoY **109.3%**

Segment profit

815 million yen
YoY **184.7%**

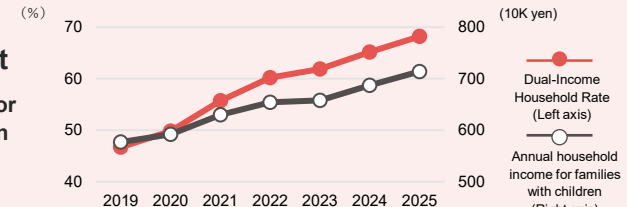
Point

- **Sales Trends (by Product Category)**
 - ✓ Driven by high-value-added products: Growth in baby care appliances, baby food, and skincare
 - ✓ Price adjustments: Price adjustments implemented for some baby food products (starting in March)
- **Sales Channel Trends**
 - ✓ Company-owned EC: Sales showed strong YoY growth
 - ✓ Other channels: Offline sales improved YoY
- **PL Trends**
 - ✓ Profit growth achieved: Gross profit and operating profit increased due to the expansion of high-value-added products and improved factory profit margins. Operating profit margin improved by 3.5pt
 - ✓ Portfolio review: Discontinued production and sales of strollers and bouncers

Topic

Market Environment

- Household income for families with children on an upward trend



Trends in Average Annual Household Income for Dual-Income and Child-Rearing Households in Japan Source: Pigeon

China Business

Higher sales and profits driven by the steady growth of core products. **Higher** gross profit driven by revenue growth offset upfront investments for E-commerce sales events from Q2 onwards.

Sales

10,953 million yen
YoY **116.9%**

Segment profit

2,904 million yen
YoY **106.8%**

Point

- **Sales Trends (by Product Category)**
 - ✓ Strong performance of core products (Mainland China): Growth in both nursing bottles/nipples and skincare
 - ✓ Skincare: Accelerating recovery with new series launched last year
 - ✓ The Pigeon brand in North America* also saw dramatic YoY growth of approximately 120%
- **Sales Channel Trends**
 - ✓ Market share of core nursing bottles/nipples: Continued growth
 - ✓ EC and sell-out: Strong performance maintained, particularly online
 - ✓ Sales event performance: Strong results for “Women’s Day” with GMV up approximately 20% YoY
- **PL Trends**
 - ✓ Achieved profit growth: Despite upfront investments for the EC sales season starting in Q2 and new product promotions

Topic

Market Environment



China: The decline in birth rate is slowing.



South Korea: The total fertility rate rebounded to 0.8 in 2025 and reach 0.82 in Q1 2026. Signs of a recovery in the birth rate.

*Note: The Pigeon brand in North America is included in the China Business segment.

Singapore Business

Thanks to the steady progress of our strategy to shift toward wide-neck bottles, we achieved both **increased sales and higher profits.**

Sales

3,585 million yen

YoY **103.8%**

Segment profit

510 million yen

YoY **101.3%**

Point

- **Sales Trends (by Region)**

- ✓ Malaysia and Australia: Strong sales of bottles/nipples, etc. in Q1
- ✓ Trends in key countries:
 - India: Growth driven by QC (express delivery) and MT (pharmacy chains)
 - Indonesia: Sales on par with the previous year due to shipment timing. Sales of wide-neck nursing bottles growing
- ✓ Impact of the Middle East situation: Decline in March sales due to Middle East market conditions

- **Sales Channel Trends**

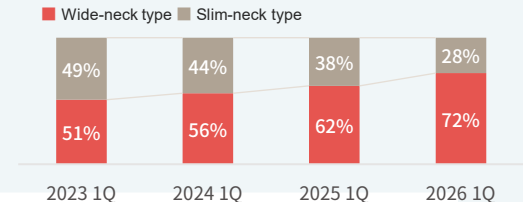
- ✓ Indonesia: Plans to introduce strategic products targeting the upper-middle class to major CVS chains in June

- **PL Trends**

- ✓ Profit growth achieved: Gross margin improved by 1.3pt due to the shift to wide-neck bottles

Topic

Singapore Business:
Trends in Sales
Composition of Nursing
Bottles/Nipples



Americas and Europe Business

Sales increased due to strong sales of nursing bottles and other products in the Americas and Europe.

Although profits declined slightly due to upfront marketing expenses, they remained in line with projections.

Sales

6,146 million yen
YoY **108.9%**

Segment profit

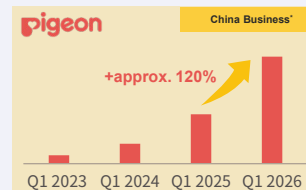
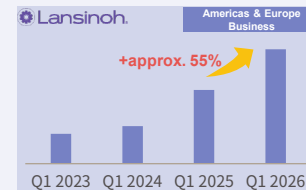
453 million yen
YoY **97.5%**

Point

- **Sales Trends (by Region and Product Category)**
 - ✓ Nursing bottles in North America: **Significant growth compared to both the previous period and the budget.** Strengthening promotional initiatives to acquire new customers and raise brand awareness
 - ✓ Other products in North America: Nipple care cream sales were steady
 - ✓ Europe: Double-digit growth in all major countries (Germany, UK, Turkey, France, etc.). Nursing bottles, nipples, and breast pumps performed particularly well
- **Sales Channel Trends**
 - ✓ Major North American retailers: Secured new shelf space in nursing bottle and nipple sections
- **PL Trends**
 - ✓ Progressing in line with plan: Upfront investment in marketing expenses to penetrate the U.S. market

Topic

Sales Trends for Nursing Bottles and Nipples in North America*



*Note: The Pigeon brand in North America is included in the China Business segment.

[Reference] FY Dec. 2026 Earnings Forecast - Consolidated P&L

(Unit: Million JPY)	Dec. 2025		Dec. 2026		
	Actual	% of Total	Forecast	% of Total	YoY Change
Net Sales	109,170	100.0%	113,500	100.0%	104.0%
Cost of Sales	54,331	49.8%	55,000	48.5%	101.2%
Gross Profit	54,839	50.2%	58,500	51.5%	106.7%
SG&A Expenses	41,680	38.2%	44,600	39.3%	107.0%
Operating Income	13,158	12.1%	13,900^{*2}	12.2%	105.6%
Ordinary Income	13,681	12.5%	14,150^{*2}	12.5%	103.4%
Net Income Attributable to Owners of Parent	8,570	7.9%	9,140	8.1%	106.7%

* Currency Rates: FY2026/12 (Forecast): US\$1 = JPY 150.00, CNY 1 = JPY 21.50; FY2025/12 (Actual): US\$1 = JPY 149.66, CNY 1 = JPY 20.82

*2 Subsidy income not included

Business Impact of the Middle East Situation and Company-wide Countermeasures

Rapid decision-making by management and a global response framework

Global meetings led by President and CEO, the Head of Supply Chain Strategy, and the Head of Management Strategy are being held. In response to the constantly changing external environment, **we are continuing to take agile measures to assess and minimize impact** through a global-level project structure.

Emerging Business Impacts

Impact on Top-Line Revenue

- Decline in sales to the Middle East from the Singapore Business

Impact on Supply Chains and Costs

- Risk of raw material shortage
- Risk of soaring raw material prices

Impact Control and Minimization

Company-wide responses

Supply Chain Response

1. Diversify raw material sourcing and improve inventory tracking, while clarifying supply priorities and concentrating resources
2. Shift to strategic alternative raw materials
3. Flexible utilization and reallocation of global manufacturing sites

Management and Cost Defense

1. Implementation of thorough cost-cutting measures across the entire company
2. Close collaboration between factories and sales companies to absorb rising raw material costs and adjust prices

Appendix

Sales by Region and Country

(単位：百万円) (Unit: ¥millions)

地域 Regions	25/12期 第1四半期 FY Dec. 2025 Q1	26/12期 第1四半期 FY Dec. 2026 Q1	前期比 YoY Change
中国 (含む香港) China (incl.Hong Kong)	7,823	8,874	113.4%
その他アジア Other Asian Countries	2,538	2,967	116.9%
アジア合計 Total of Asian Countries	10,361	11,842	114.3%
北米 North America	3,820	3,774	98.8%
欧州 Europe	1,458	1,999	137.1%
中南米 Latin America	134	182	135.7%
中近東 Near and Middle East	796	721	90.5%
その他地域 Other Regions	314	398	126.8%

Breakdown by Major Asian Countries

(単位：百万円) (Unit: ¥millions)

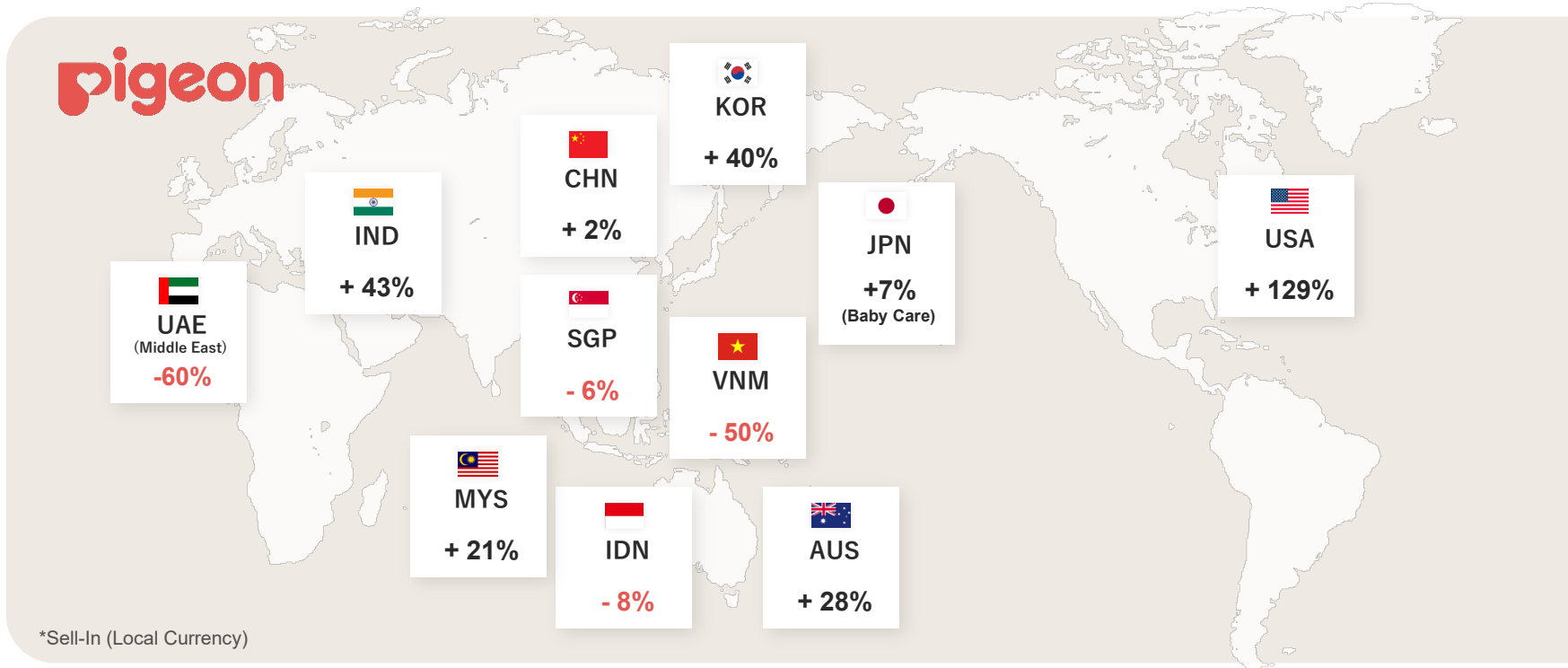
国 / 地域 Countries / Regions	25/12期 第1四半期 FY Dec. 2025 Q1	26/12期 第1四半期 FY Dec. 2026 Q1	前期比 YoY Change
台湾 Chinese Taipei	130	120	92.1%
韓国 Korea	670	953	142.2%
シンガポール Singapore	236	240	101.8%
マレーシア Malaysia	295	401	135.8%
インドネシア Indonesia	483	443	91.7%
タイ Thailand	244	234	96.0%
インド India	175	243	138.8%

FY2026 Q1 Results – By Business Segment (Details)

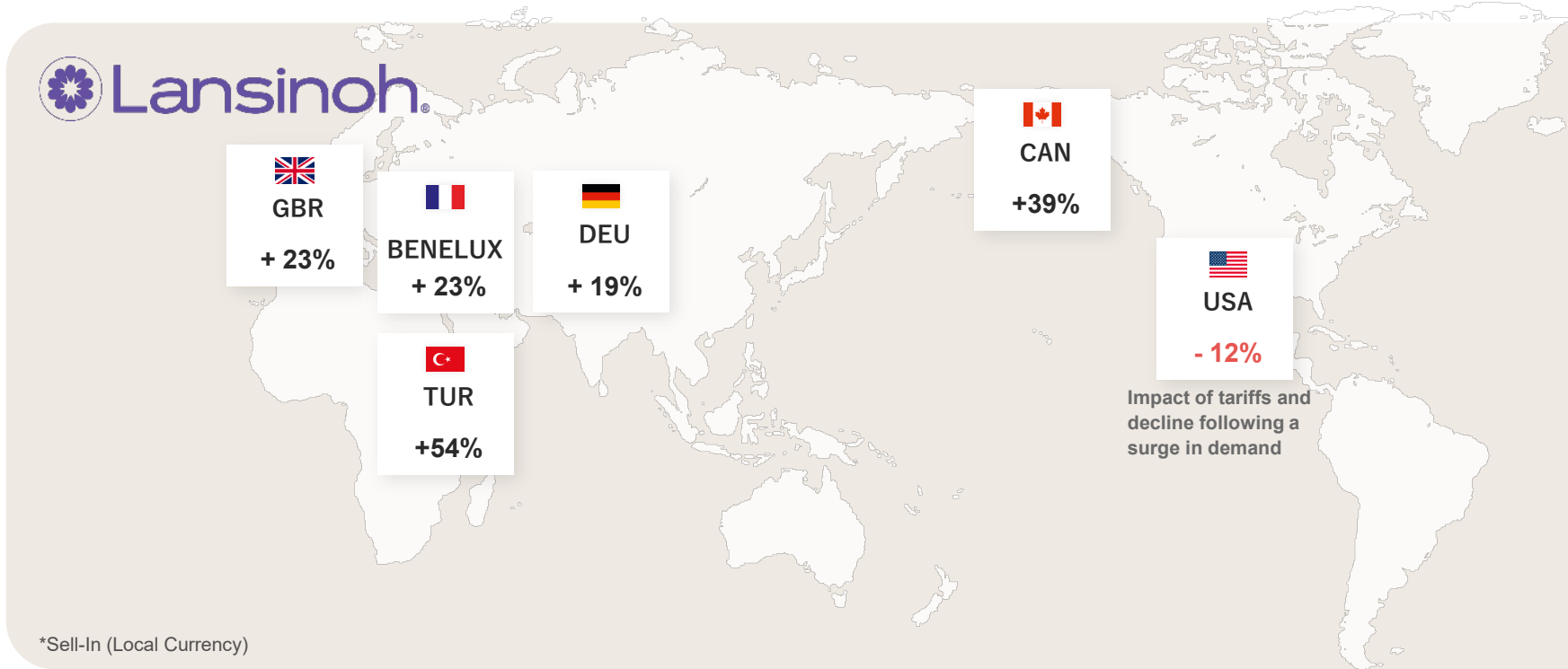


(単位：百万円) (¥ millions)	2025年12月期 第1四半期 FY 2025 Q1 Results						2026年12月期 第1四半期 FY 2026 Q1 Results						
	売上高 Net Sales	構成比 % of total	総利益 Gross Profit	総利益率 GP margin (%)	セグメント 利益 Segment Income	セグメント 利益率 OP margin (%)	売上高 Net Sales	構成比 % of total	前期比：率 % of growth	総利益 Gross Profit	総利益率 GP margin (%)	セグメント 利益 Segment Income	セグメント 利益率 OP margin (%)
連結計上額	25,227	—	12,896	51.1%	3,193	12.7%	27,707	—	109.8%	14,214	51.3%	3,645	13.2%
日本事業 Japan Business	8,635	34.2%	2,925	33.9%	441	5.1%	9,437	34.1%	109.3%	3,324	35.2%	815	8.6%
中国事業 China Business	9,372	37.2%	5,394	57.6%	2,719	29.0%	10,953	39.5%	116.9%	6,098	55.7%	2,904	26.5%
シンガポール事業 Singapore Business	3,454	13.7%	1,448	41.9%	504	14.6%	3,585	12.9%	103.8%	1,550	43.2%	510	14.2%
米州・欧州事業 Americas and Europe Business	5,643	22.4%	3,162	56.0%	465	8.2%	6,146	22.2%	108.9%	3,340	54.3%	453	7.4%
セグメント間取引消去 Elimination of internal trading between segments	▲1,877	▲7.4%	—	—	—	—	▲2,415	▲8.7%	—	—	—	—	—
以下参考試算値 Reference													
ベビーケア Baby Care Business	6,463	—	2,451	37.9%	503	7.8%	6,922	—	107.1%	2,805	40.5%	817	11.8%
子育て支援 Child Care Services Business	879	—	153	17.5%	59	6.8%	877	—	99.8%	161	18.4%	62	7.2%
ヘルスケア・介護 Health & Elder Care Business	850	—	286	33.7%	22	2.7%	959	—	112.8%	301	31.4%	42	4.4%

FY2026 Q1 Results - Pigeon Sales* by Region (YoY)

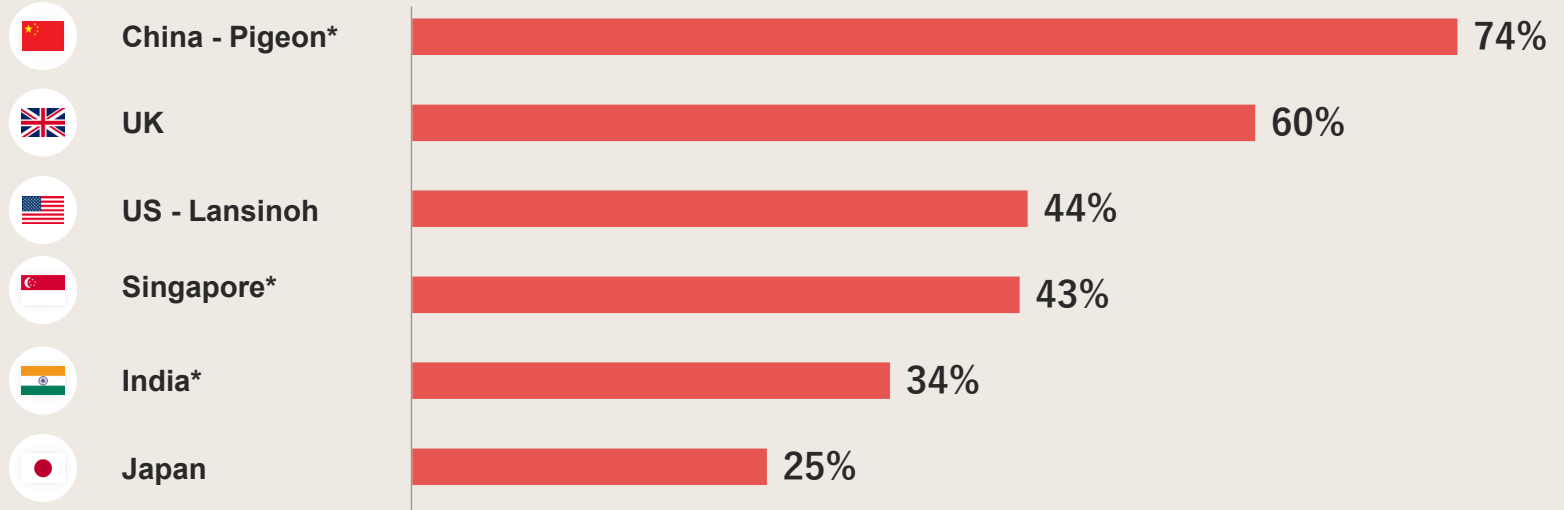


FY2026 Q1 Results - Lansinoh Sales* by Region (YoY)



FY2026 Q1 Results - EC Sales Ratio in Key Markets

[E-commerce sales ratio of Pigeon / Lansinoh]



*Sell-out, Others: Sell-in

FY2026 Forecast – By Business Segment (Details)



(単位：百万円) (¥ millions)	2025年12月期 実績 FY 2025 Results						2026年12月期 業績見通し FY 2026 Forecast						
	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	109,170	—	54,839	50.2%	13,158	12.1%	113,500	—	104.0%	58,500	51.5%	13,900	12.2%
日本事業 Japan Business	37,806	34.6%	13,149	34.8%	2,596	6.9%	37,900	33.4%	100.2%	13,490	35.6%	2,730	7.2%
中国事業 China Business	42,902	39.3%	23,332	54.4%	10,496	24.5%	45,400	40.0%	105.8%	24,840	54.7%	11,210	24.7%
シンガポール事業 Singapore Business	14,920	13.7%	6,374	42.7%	2,124	14.2%	16,000	14.1%	107.2%	6,850	42.8%	2,290	14.3%
米州・欧州事業 Americas and Europe Business	21,904	20.1%	12,179	55.6%	1,517	6.9%	23,200	20.4%	105.9%	13,300	57.3%	1,950	8.4%
セグメント間取引消去 Elimination of internal trading between segments	▲8,363	▲7.7%	—	—	—	—	▲9,000	▲7.9%	—	—	—	—	—
以下参考試算値 Reference													
ベビーケア Baby Care Business	28,787	—	11,153	38.7%	2,851	9.9%	28,910	—	100.4%	11,530	39.9%	3,165	10.9%
子育て支援 Child Care Services Business	3,313	—	530	16.0%	91	2.8%	3,300	—	99.6%	540	16.4%	163	4.9%
ヘルスケア・介護 Health & Elder Care Business	3,948	—	1,321	33.5%	230	5.8%	4,100	—	103.9%	1,335	32.6%	200	4.9%

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 relate 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 known and unknown risks, uncertainties and other factors, which may affect the statements made in this material.

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Celebrate babies the way they are



pigeon