

September 4, 2017

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 Interim Dividend and Revision of Dividend Forecast**

At a meeting of the Board of Directors held on September 4, 2017, the Company passed a resolution on dividends for retained earnings (interim dividend) with the record date as of July 31, 2017. Details are listed below. In addition, the Board of Directors decided to revise the forecast of the year-end dividend for the fiscal year ending January 2018, which was released on March 6, 2017, as follows:

### Details

#### 1. 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 Sixth Medium-Term Business Plan (for the period between the fiscal year ending January 2018 and the fiscal year ending January 2020) establishes the target of “a year-on year increase in dividends for each business period” and “a consolidated profit return rate of around 55%.”

Considering the policy and target discussed above, as well as the consolidated business results for the first half of the year ending January 31, 2018 (February 1 to July 31, 2017), we have decided to increase the most recent dividend forecast, by adding 3 yen per share, to an interim dividend of 31 yen per share.

In addition, based on the policy discussed above and on the revision of the forecast of consolidated annual business results announced today, the year-end dividend will also be revised, by adding 3 yen per share in the same way as the interim dividend, to a year-end dividend of 31 yen per share.

2. Details of interim dividends for the fiscal year ending January 31, 2018

|                       | Determined amount                     | Most recent dividend forecast<br>(announced on Mar. 6, 2017) | Dividends in previous fiscal year<br>(first half of fiscal year ended Jan. 31, 2017) |
|-----------------------|---------------------------------------|--|--|
| Record date           | July 31, 2017                         | July 31, 2017  | July 31, 2016  |
| Dividend per share    | 31 yen<br>(Ordinary dividend: 31 yen) | 28 yen<br>(Ordinary dividend: 28 yen)                        | 25 yen<br>(Ordinary dividend: 22 yen)<br>(Commemorative dividend: 3 yen)             |
| Total dividend amount | 3,712 million yen                     | —  | 2,994 million yen  |
| Effective date        | October 10, 2017                      | —  | October 11, 2016   |
| Dividend resource     | Retained earnings                     | —  | Retained earnings  |

3. Details of revised year-end dividend forecast

| Record date  | Dividend per share   |  |  |
|--|--|--|--|
|  | Interim<br>July 31, 2017   | Year-end<br>January 31, 2018   | Annual   |
| Previous forecast<br>(announced on Mar. 6, 2017)           | —  | 28 yen<br>(Ordinary dividend: 28 yen)                                    | 59 yen<br>(Ordinary dividend: 59 yen)                                    |
| Revised forecast   | —  | 31 yen<br>(Ordinary dividend: 31 yen)                                    | 62 yen<br>(Ordinary dividend: 62 yen)                                    |
| Dividends in current fiscal year<br>(ending Jan. 31, 2018) | 31 yen<br>(Ordinary dividend: 31 yen)                                    | —  | —  |
| Dividends in previous fiscal year<br>(ended Jan. 31, 2017) | 25 yen<br>(Ordinary dividend: 22 yen)<br>(Commemorative dividend: 3 yen) | 28 yen<br>(Ordinary dividend: 25 yen)<br>(Commemorative dividend: 3 yen) | 53 yen<br>(Ordinary dividend: 47 yen)<br>(Commemorative dividend: 6 yen) |