

January 13, 2015

Company name: Pigeon Corporation

Representative: Shigeru Yamashita (President and COO)

Listings: First Section, Tokyo Stock Exchange (Stock Code: 7956)

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(Managing Officer, Corporate Administration Division)

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Notice Regarding Change of Name of Chinese Subsidiary, Increase in Capital Participation in Said Subsidiary and Change of its Business Format to Management Corporation

Pigeon Corporation (“the Company”) has changed the business format of its wholly owned China subsidiary, Pigeon (Shanghai) Co., Ltd., to “regional headquarters and management corporation of a transnational enterprise*,” having received approval to do so from the Shanghai Municipal Commission of Commerce on December 9, 2014. The purposes of the change are to strengthen the operating base of the Pigeon Group (“the Group”) in response to the growth of its operations in China and to bolster supervision and management of Group operations. To fulfill the requirements for this change, the Company is changing the trade name of the subsidiary in Chinese and Japanese and increasing its capital participation. The trade name in English will remain unchanged.

With these changes, the Company aims to concentrate its management of the funding and financial affairs of Group companies in region, in addition to existing sales, import and export operations, and to provide a wide range of support functions. These changes will enable the Company to optimize its Group operating framework and reinforce risk-management functions.

* Regional headquarters of a foreign transnational enterprise as stipulated in “Provisions of Shanghai Municipality on Encouraging Transnational Corporations to Establish Regional Headquarters ([2011] No. 98)” promulgated by Shanghai Municipal People’s Government in December 2011.

Overview of the Subsidiary

Trade name	Pigeon (Shanghai) Co., Ltd. Date of change of trade name in Chinese and Japanese: Mid-January to mid-February 2015 (tentative)
Location	Shanghai, People’s Republic of China
New capitalization	US\$2 million (wholly owned subsidiary) Former capitalization: US\$950,000 Timing of increase in capital participation: Mid-January to mid-February 2015 (tentative)
Date established	April 23, 2002
Operations	Sale of infant-care, childcare and maternity products
Representatives	Chairman and CEO, Norimasa Kitazawa (serves concurrently as Director, Senior Managing Executive Officer at the Company) Director and General Manager, Ye Fang Ying