

July 21, 2011

Company name: Pigeon Corporation

Representative: Akio Okoshi (President and COO)

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

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(Managing Officer, Corporate Planning & Administration Division)

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## Notice Regarding Share Acquisition by Subsidiary

Pigeon Corporation hereby announces Lansinoh Laboratories, Inc. (United States), a wholly owned subsidiary of Pigeon Corporation, has acquired all shares of HealthQuest Ltd. (United Kingdom) as of July 20, 2011 as follows.

### Details

#### 1. Reasons for the Share Acquisition

Pigeon Corporation earlier acquired Lansinoh Laboratories, Inc. in the United States as a consolidated subsidiary company in 2004 and launched full scale sales of merchandise for nursery by positioning nipple care cream, breastfeeding pads and breast pumps as our main products in North America and Europe.

Later, Pigeon Corporation took over business related to the Soothies brand and the mOmma brand in 2009 and in 2010 respectively to expand its product categories and sales routes. Now, for the purpose of further business expansion, Pigeon Corporation has acquired all outstanding shares of HealthQuest Ltd. (HealthQuest Ltd. became a sub-subsidiary company). HealthQuest is a distributor of natural organic skincare products mainly in Europe with brands such as “earth friendly baby”.

Lansinoh Laboratories, Inc. is scheduled to integrate HealthQuest Ltd. as of August 31, 2011 and is the surviving company.

\*Outline of Lansinoh Laboratories, Inc.

Corporate Name	Lansinoh Laboratories, Inc.
Location	333 North Fairfax Street, Alexandria, VA, 22314, USA
Capital	US\$1; a firm in the US, 100% injected by our company
Established Date	1984
Business contents	Sales of breastfeeding products
Representative	Kevin Vyse-Peacock

#### 2. Share Acquisition Company Outline

Corporate Name	HealthQuest Ltd.
Location	Premier House 112 Station Road Edgware Middlesex HA8 7BJ, England
Capital	£ 4
Incorporation	August 1998
Business contents	Skincare products manufacturing and sales
Sales size	Results in the period ended August 2010: 1.11 million £ (Approximately 144 million yen) Forecast for the period ending August 2011:

	1.35 million £ (Approximately 175 million yen) *Currency Rate 1 £ = 130yen
Representative	Ashwinkumar Harsukhlal Mehta
Main Shareholder	Ashwinkumar Harsukhlal Mehta
Share Acquisition Date	July 20, 2011
Absorption Date	August 31, 2011 (scheduled)

### 3. Future Outlook

The effect of this share acquisition and absorption on the term ending Jan. 2012 is not significant.