Summary of Consolidated Financial Results
For the Six Months Ended July 31, 2010
[Japanese Standards] (Consolidated)

September 1, 2010

Company name: Pigeon Corporation (Stock code: 7956)
Listings: First Section, Tokyo Stock Exchange
Website: www.pigeon.co.jp
Representative: Akio Okoshi (President and COO)
Contact: Tsutomu Matsunaga (Managing Officer, Corporate Planning & Administration Division)//Tel: +81-3-3661-4188
Date of release of Business Report: September 13, 2010
Planned Commencement Date of Dividend Payment: October 12
Supplementary materials for the quarterly financial results: Yes
Investor conference for the quarterly financial results: Yes (For annalists and institutional investors)

1. Consolidated Financial Results (February 1 –July 31, 2010)

(1) Performance

(¥ millions, rounded down, % figures denote year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income	
Six Months Ended July 31, 2010	27,236	3.7%	1,715	(20.4)%	1,755	(19.5)%	1,098	(16.0)%
Six Months Ended July 31, 2009	26,258	−%	2,154	−%	2,180	−%	1,307	−%

	Net Income per Share (¥)	Diluted Net Income Per Share (¥)
Six Months Ended July 31, 2010	54.88	−
Six Months Ended July 31, 2009	65.30	−

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets Per Share (¥)
At July 31, 2010	40,655	26,317	63.6	1,290.92
At January 31, 2010	39,493	26,264	65.3	1,288.14

Reference: Equity: ¥25,837 million (At July 31, 2010); ¥25,781 million (At January 31, 2010)

2. Cash Dividends

	Annual Dividends (¥)				
	1Q	2Q	3Q	Year-end	Full-year
Year Ended January 31, 2010	−	32.00	−	32.00	64.00
Year Ending January 31, 2011	−	44.00			
Year Ending January 31, 2011 (Forecast)			−	44.00	88.00

(Note) Changes in dividend forecasts during the quarter under review: None

3. Forecast for the Year Ending January 31, 2011 (February 1, 2010 –January 31, 2011)

(¥ millions, rounded down)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share (¥)
Year Ending January 31, 2011 (% figures denote year-on-year change)	60,700	13.6%	5,500	19.5%	5,400	17.2%	3,500	23.2%	174.87

(Note) Changes in projections during the quarter under review: None

4. Other (For details, please see “Other Information” on page 5 of “Appendix.”)

(1) Changes in important subsidiaries during the period: No
  (Note) Whether or not specified subsidiaries were changed resulting in the changes in scope of consolidation during the period.

(2) Application of simplified methods of accounting and specific accounting methods: Yes
  (Note) Whether or not the simplified accounting methods or the accounting methods specific for producing quarterly consolidated financial statements was applied.

(3) Changes in accounting principles, processes, presentation methods, etc.
  1) Changes due to revisions to accounting standards, etc.: No
  2) Changes other than 1): No
  (Note) Whether or not accounting principles, processes and presentation methods associated with producing of quarterly consolidated financial statements were changed. These are indicated in changes to important items that form the basis for preparation of quarterly consolidated financial statements.

(4) Number of outstanding shares (ordinary shares)
  1) Number of shares outstanding at term-end (including treasury shares)
    Six months ended July 31, 2010: 20,275,581
    Year ended January 31, 2010: 20,275,581
  2) Number of treasury shares at term-end
    Six months ended July 31, 2010: 261,042
    Year ended January 31, 2010: 260,934
  3) Average number of shares during the period (cumulative figure for consolidated quarterly accounting period)
    Six months ended July 31, 2010: 20,014,613
    Six months ended July 31, 2009:20,015,496

*Indication regarding the situation of quarterly review procedures
Financial results for this second quarter is not the subject of a quarterly review procedure based on the Financial Instruments and Exchange Act, and at the point in time when these financial results was disclosed, review procedures for quarterly financial statements based on the Financial Instruments and Exchange Act had not been completed.

*Cautionary Statement Regarding Performance Forecasts
The forecasts and future projections stated in this report have been prepared on the basis of the information and assumption that shall be reasonable as of the date of announcement of this summary information, and the actual results could differ significantly from forecast figures depending on a variety of factors.
For details on the conditions that form the assumptions used for earnings forecasts, and notes on using earnings forecasts, please refer to appendix page 4, “Qualitative Information Regarding Consolidated Performance Forecasts”

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1. Qualitative Information Regarding the Financial Performance for the Current Quarter

(1) Qualitative Information Regarding Consolidated Business Results

Overview of Performance

In the second quarter under review—six months ended July 31, 2010—the Japanese economy showed signs of recovery, including a bottoming-out of capital expenditures amid improved corporate earnings and a turnaround in personal consumption. However, the situation remains challenging and relatively unsustainable as moderate deflation continues and unemployment rates remain at high levels. The Pigeon Group continued facing difficult business conditions due to languishing personal consumption, especially for some consumables.

The current fiscal period, ending January 2011, is the final year of the Group's third medium-term management plan, entitled "Becoming a Global Company: Challenges and Independence." During the year, we will pursue initiatives described below.

Baby and Child Care

Domestic Baby and Child Care Products:

Through swift implementation of effective strategies, we will reinforce existing businesses and nurture new ones. At the same time, we will re-establish and improve our competitive edge and brand loyalty in the markets through a rigorous, ongoing direct communications program. In addition, we will work to enhance profitability by pursuing widespread cost reductions.

Overseas Business:

We will continue prioritizing allocation of managerial resources to our overseas business, which we regard as a key growth driver for the Group. Guided by optimal marketing strategies, we will strive to reinforce and expand brand loyalty in overseas markets while actively broadening our businesses in existing markets. We will place particular emphasis on China, where we will continue building a sales foundation and extending and upgrading our production facilities. In new markets, we will work in India to build our brand and expand our sales system, while in South Korea and Russia we will actively pursue new initiatives.

Child-Rearing Support Services:

Here, we will upgrade our personnel development system while broadening the scope of our services, with the aim of improving the quality of both personnel and services.

Healthcare

In this segment, we will reinforce our sales and marketing capabilities through a Group-based business operating system. With respect to the Recoup brand of anti-aging products that encourage people to remain active in their old age, we will continue upgrading our lineup of offerings and expand our network of Recoup sections in retail stores. In these ways, we will promote branding and actively open up new sales channels.

In the first two quarters under review, the Pigeon Group pursued business operations according to the aforementioned strategies. As a result, consolidated net sales for the period amounted to ¥27,236 million, up 3.7% from the previous corresponding period. With respect to earnings, gross profit improved year-on-year thanks to higher revenue and cost-reduction efforts. However, selling, general, and administrative expenses increased, due largely to the Group's focus on marketing activities. These included tapping new markets in our overseas business and launching new business in our domestic operations. Accordingly, operating income fell 20.4%, to ¥1,715 million, and ordinary income declined 19.5%, to ¥1,755 million. In China, where we expect renewed growth in the future, we decided to dissolve two consolidated subsidiaries in the business of providing child-minding services—Pigeon Land (Shanghai) Co., Ltd. and Shanghai Changning Pigeon Land Education Training Center—following a series of inconsistent performances. This reflected our commitment to specializing in product manufacture and sales in China. We also decided to dissolve equity-method affiliate Kuraflex Ibaraki Co., Ltd., which makes non-woven fabric for use in wet tissues, following a review of our raw materials procurement structure. Together, these actions incurred ¥92 million in extraordinary losses. As a result, net income for the period declined 16.0%, to ¥1,098 million.

The performances of each business segment; Baby and Child Care, Healthcare, and Others are summarized below.

Baby and Child Care
Sales in this segment amounted to ¥22,099 million, up 5.1% year-on-year. Operating income edged down 9.4%, to ¥2,996 million. This segment consists of three categories: Domestic Baby and Child Care Products, Overseas Business, and Child-Rearing Support Services.

Domestic Baby and Child Care Products:
To address the diversified needs of customers, for the first time we included scented items in our lineup of foam-based baby skincare products, with the addition of Baby Flower Scent Full-Body Foam Soap and Baby Flower Scent Foam Shampoo. For newborns, we unveiled UV Baby Water Milk, a skincare-type sunscreen that can be applied every day. Based on our breastfeeding-related research over more than 50 years, we launched a newly improved baby bottle called Bonyu Jikkan, as well as Straw Bottle Tall, aimed at long-term use from small babies to toddlers. We also unveiled a baby stroller called Pixy-turn. In addition, we promoted our direct communications program aimed at strengthening brand loyalty. As part of this program, we held 20 maternity events during the quarter under review, attracting more than 1,300 participants. Meanwhile, we made good progress in attracting new members to “Pigeon Info”—a word-of-mouth community portal that supports women during pregnancy, in childbirth, and when raising children. Membership has thus been rising steadily. With respect to Mamas & Papas, a U.K. designer brand of baby products, in March 2010 we commenced full-scale sales via mail-order catalog and the Internet.

Overseas Business:
Amid a moderate turnaround in the world economy, the Pigeon Group generated year-on-year sales increases in local-currency terms, centering on China and the United States. In China, we conducted marketing activities with a focus on further strengthening the appeal of the Pigeon brand. These included holding maternity-related events, stepping up product proliferation activities in hospitals, and running television commercials. With respect to reinforcing our production facilities, consolidated subsidiary Pigeon Industries (Changzhou) Co., Ltd., located in Changzhou, Jiangsu Province, made good progress in Phase I of its plant construction project, with completion scheduled for November 2010. During the period, we also expanded our network of Pigeon Breastfeeding Advice Offices to 188 hospitals as a joint project under the Chinese government’s campaign to promote breastfeeding and increase the breastfeeding rate. This was under a joint collaboration between consolidated subsidiary Pigeon (Shanghai) Co., Ltd. and China’s Ministry of Health. In the United States, we reinforced our lineup of breastfeeding-related products and otherwise pursued steady sales activities. Meanwhile, Pigeon India Pvt. Ltd., a consolidated subsidiary established in Mumbai to tap new markets in India, conducted full-scale sales and marketing activities. In April 2010, for example, it launched a line of skincare products.

Child-Rearing Support Services:
In this category, we continued sales initiatives, including business involving in-company child-minding facilities. We were entrusted with the operation of one daycare facilities in February, two in March, one in April and one in July, 2010.

Healthcare
In this segment, sales declined 2.4% year on year, to ¥3,247 million, while operating income fell 56.3%, to ¥58 million. With respect to the Recoup brand of anti-aging products, which are designed to encourage people to remain active in their twilight years, we continued advancing a broad range of

initiatives, such as recruiting actress Yoshiko Kayama to be the brand's image character, holding events, and producing posters and dedicated catalogs. In product development, we launched new products, including Walking Support Shoes (women's shoes specially designed for walking that are also easy to put on and remove) and super absorption incontinence pads and incontinence underpants (cloth pads and underpants that provide peace of mind and comfort without having to use paper diapers). With respect mail-order sales, a new channel that we are pursuing, we paid particular attention to TV shopping, which led to an increase in sales of Recoup products. However, total mail-order sales declined year-on-year, due mainly to problems associated with new products. These included belated product recognition and delays in shipping products to stores. Going forward, we will seek to enhance brand recognition by holding events and stepping up information dissemination. At the same time, we will actively expand product rollouts and procure new sales channels.

Regarding the Habinurse brand of nursing-care products, we launched the Mimamori Sensor Series of protective sensors designed to help staff at elderly care institutions quickly respond when patients slip or fall over, and also to help staff monitor the movements of patients.

Others

Sales in this segment declined 0.5%, to ¥1,889 million, and operating income declined 14.3%, to ¥279 million. During the period, we launched Zakutto Cookie, a snack that can be eaten every day for pregnant women who are discerning about food, nutrition, and their weight.

(2) Qualitative Information Regarding Consolidated Financial Position

1) Assets

As of July 31, 2010, Pigeon had consolidated total assets of ¥40,655 million, up ¥1,161 million from a year earlier. Within this amount, total current assets increased ¥1,038 million, and total fixed assets rose ¥123 million.

The major factor boosting current assets was a ¥1,129 million increase in notes and accounts receivable.

The main reasons for the rise in fixed assets were construction of a new plant by consolidated subsidiary Pigeon Industries (Thailand) Co., Ltd., a production base in Thailand, and construction of a plant by consolidated subsidiary Pigeon Industries (Changzhou) Co., Ltd., established in 2009 as a new production base in China.

2) Liabilities

Total liabilities as of July 31, 2010 stood at ¥14,338 million, up ¥1,109 million from the previous fiscal year-end. Current liabilities increased ¥1,055 million, and long-term liabilities rose ¥53 million.

Main factors boosting current liabilities were a ¥324 million increase in notes and accounts payable and a ¥503 million rise in short-term borrowings.

3) Net Assets

At July 31, 2010, consolidated net assets amounted to ¥26,317 million, up ¥52 million from January 31.

(3) Qualitative Information Regarding Consolidated Performance Forecasts

The year ending January 2011 is the final year of the Group's third medium-term management plan, entitled "Becoming a Global Company: Challenges and Independence." During the year, we will strive to achieve the objectives of the plan by steadily implementing measures that reflect the core priorities of each business segment.

The Group has not changed its full-year forecasts for the fiscal year ending January 2011. (Those forecasts were announced on March 5, 2010.)

2. Other Information

(1) Overview of major changes among subsidiaries

Not applicable.

(2) Overview of simplified accounting method or specific method

1) Simplified Accounting Method

- Calculation of estimated bad debt losses on general receivables
  For the end of the quarter under review, the Company has used the estimated bad debt loss ratio that was used for the end of the previous fiscal year, recognizing that no significant changes have arisen since that time.
- Valuation of inventory assets
  The value of inventories at the end of the quarter under review is calculated using a rational method, based on physical inventories at the end of the previous fiscal year, rather than physical inventories at the end of the quarter under review. The Company has reduced the book price of certain inventory assets that were clearly deemed to be declining in profitability, after estimating the net selling value of such assets.
- Method of calculating depreciation of fixed assets
  For fixed assets that are depreciated using the declining-balance method, the depreciation expense is computed by the proportional distribution of the depreciation expense for the fiscal year.
- Determining recoverability of deferred tax assets
  In judging the recoverability of deferred tax assets, the Corporation employs a method using future performance forecasts using results from the previous fiscal year, as well as tax planning, having confirmed that that no significant changes in the operating environment or temporary differences have occurred since the end of the previous fiscal year.

2) Special accounting treatment applied in preparation of quarterly financial statements

Not applicable.

(3) Overview of changes in accounting principles, processes and presentation methods

Not applicable.

3. Quarterly Consolidated Financial Statement
(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	At July 31, 2010	At January 31, 2010
ASSETS		
I. Current Assets:		
Cash and time deposit	5,907,449	6,905,541
Notes and accounts receivable	9,886,920	8,757,897
Goods and products	4,888,138	4,358,658
Goods in process	35,723	57,058
Raw material and inventory goods	1,277,527	1,091,958
Other current assets	1,450,975	1,214,030
Allowance for doubtful accounts	(135,392)	(112,497)
Total Current Assets	**23,311,342**	**22,272,647**
II. Fixed Assets:		
1. Tangible Fixed Assets:		
Buildings and structures-net	4,666,615	4,638,994
Land	5,892,756	5,897,038
Other tangible fixed assets-net	3,792,833	3,503,514
Total Tangible Fixed Assets	**14,352,206**	**14,039,547**
2. Intangible Fixed Assets:		
Goodwill	357,710	521,156
Other intangible fixed assets	624,279	709,791
Total Intangible Fixed Assets	**981,990**	**1,230,947**
3. Investments and Other Assets:		
Other	2,090,217	2,031,153
Allowance for doubtful accounts	(80,115)	(80,638)
Total Investments and Other Assets	**2,010,101**	**1,950,515**
Total Fixed Assets	**17,344,298**	**17,221,009**
Total Assets	**40,655,640**	**39,493,657**

(Thousands of yen)

	At July 31, 2010	At January 31, 2010
LIABILITIES		
I. Current Liabilities:		
Notes and accounts payable	4,635,959	4,311,892
Short-term borrowings	1,865,582	1,361,900
Income taxes payable	430,522	682,976
Accrued bonuses to employees	572,272	531,445
Returned goods adjustment reserve	69,219	63,109
Other current liabilities	4,176,052	3,742,807
Total Current Liabilities	**11,749,609**	**10,694,132**
II. Long-Term Liabilities:		
Long-term borrowings	1,000,000	1,000,000
Employees' retirement benefits	236,414	221,399
Retirement benefits for directors and corporate auditors	311,899	298,386
Other long-term liabilities	1,040,497	1,015,414
Total Long-Term Liabilities	**2,588,811**	**2,535,200**
Total Liabilities	**14,338,420**	**13,229,333**
NET ASSETS		
I. Shareholders' Equity:		
Capital stock	5,199,597	5,199,597
Additional paid-in capital	5,180,246	5,180,246
Retained earnings	17,502,119	17,044,069
Treasury stock	(446,873)	(446,523)
Total Shareholders' Equity	**27,435,090**	**26,977,390**
II. Valuation and Translation Adjustments:		
Net unrealized gains on securities	14,339	7,563
Foreign currency translation adjustment	(1,612,184)	(1,203,267)
Total Valuation and Translation Adjustments	**(1,597,845)**	**(1,195,704)**
III. Minority Interests	**479,975**	**482,638**
Total Net Assets	**26,317,220**	**26,264,324**
Total Liabilities, Minority Interests and Net Assets	**40,655,640**	**39,493,657**

(2) Quarterly Consolidated Statements of Income

(Thousands of yen)

	Six months ended July 31, 2009	Six months ended July 31, 2010
I. Net Sales	**26,258,759**	**27,236,867**
II. Cost of Sales	**16,114,857**	**16,068,686**
Gross profit	**10,143,901**	**11,168,180**
Reversal of reserve for returned products	76,526	62,818
Transfer to reserve for returned products	74,518	70,231
Adjusted gross profit	**10,145,909**	**11,160,767**
III. Selling, General and Administrative Expenses	**7,991,305**	**9,444,891**
Operating Income	**2,154,604**	**1,715,876**
IV. Other Income:		
Interest income	16,843	14,947
Rental income	60,517	58,733
Equity in earnings of non consolidated subsidiaries and affiliates	23,022	42,779
Refund of consumption tax	60,058	52,092
Other	51,811	68,966
Total Other Income	**212,253**	**237,518**
V. Other Expenses:		
Interest expense	31,834	25,014
Sales discounts	98,097	106,255
Rental income-related costs	40,505	34,087
Other	16,301	32,397
Total Other Expenses	**186,739**	**197,754**
Ordinary Income	**2,180,118**	**1,755,640**
VI. Extraordinary Income:		
Gain on sales of property	4,466	520
Other	278	544
Total Extraordinary Income	**4,744**	**1,065**
VII. Extraordinary Loss:		
Loss on sales of property	3,074	433
Loss on disposal of property	12,744	7,192
Transfer to allowance for doubtful accounts	380,838	—
Loss on liquidation of subsidiaries and affiliates	—	71,769
Other	6,732	12,949
Total Extraordinary Loss	**403,388**	**92,344**
Income before Income Taxes	**1,781,475**	**1,664,361**
Income Taxes	610,611	595,884
Adjustment for Corporate Tax	(197,833)	(79,152)
Total Corporate Income Tax	**412,777**	**516,732**
Less: Minority Interest in Net Income of Consolidated Subsidiaries	61,562	49,111
Net Income	**1,307,135**	**1,098,518**

(3) Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	Six months ended July 31, 2009	Six months ended July 31, 2010
I. Cash Flows from Operating Activities:		
Income before income taxes	1,781,475	1,664,361
Depreciation	705,348	804,204
Amortization of goodwill	157,473	158,269
Increase (decrease) in allowance for doubtful accounts	460,178	23,333
Increase (decrease) in accrued bonuses to employees	16,740	41,868
Increase (decrease) in employees' retirement benefits	4,889	15,014
Increase (decrease) in directors' retirement benefits	195	13,512
Interest and dividend income	(17,803)	(16,363)
Equity in (gains) losses of non consolidated subsidiaries and affiliates	(23,022)	(42,779)
Interest expense	31,834	25,014
Loss (gain) on sale of fixed assets	(1,392)	(87)
Loss on disposal of fixed assets	12,744	7,192
Loss (gain) on liquidation of subsidiaries and affiliates	—	71,769
Decrease (increase) in trade receivables	1,039,662	(1,274,477)
Decrease (increase) in inventories	(470,275)	(779,172)
Increase (decrease) in trade payables	265,024	405,761
Increase (decrease) in account payable	(3,531)	435,327
Increase (decrease) in consumption tax payable	(6,289)	(1,201)
Decrease (increase) in bankruptcy claims	(397,603)	568
Other	(536,061)	(252,263)
Subtotal	**3,019,586**	**1,299,854**
Interest and dividends received	19,389	16,410
Interest paid	(33,438)	(25,980)
Income taxes paid	(540,538)	(843,321)
Net Cash Provided by Operating Activities	**2,464,998**	**446,962**
II. Cash Flows from Investing Activities:		
Acquisition of property, plant and equipment	(696,297)	(1,015,924)
Proceeds from sales of property, plant and equipment	7,269	11,215
Acquisition of intangible assets	(110,193)	(69,630)
Purchase of insurance funds	(4,597)	(2,680)
Proceeds from cancellation of insurance funds	20,774	—
Loans advanced	(1,385)	(1,534)
Collection of loan receivables	974	1,576
Payment for lease deposits	(10,244)	(8,929)
Proceeds from recovery of lease deposits	26,828	17,069
Other	(10,478)	(7,041)
Net Cash Used in Investing Activities	**(777,350)**	**(1,075,879)**
III. Cash Flows from Financing Activities:		
Proceeds from short-term debt	2,452,038	1,731,773
Repayment of short-term debt	(2,679,912)	(1,201,890)
Repayment of long-term debt	(111,840)	(107,040)
Payment of cash dividends	(639,019)	(639,382)
Payment of cash dividends to minority shareholders	(50,393)	(44,733)
Acquisition of treasury stock	(1,187)	(350)
Other	—	(2,400)
Net Cash Used in Financing Activities	**(1,030,314)**	**(264,023)**
IV. Effect of Exchange Rate Changes on Cash and Cash Equivalents	**198,100**	**(105,152)**
V. Net Change in Cash and Cash Equivalents	**855,433**	**(998,092)**
VI. Cash and Cash Equivalents at Beginning of the Period	**5,972,743**	**6,905,541**
VII. Cash and Cash Equivalents at End of the Period	**6,828,177**	**5,907,449**

(4) Notes Regarding Going Concern Assumptions

Not applicable.

(5) Segment Information

Performance by Business Segment

Six Months Ended July 31, 2009 (¥ thousands)

	Baby and child care	Healthcare	Others	Total	Eliminations or corporate	Consolidated
Sales						
(1) Sales to outside customers	21,032,063	3,327,021	1,899,674	26,258,759	—	26,258,759
(2) Intersegment sales	—	—	—	—	(—)	—
Total	21,032,063	3,327,021	1,899,674	26,258,759	(—)	26,258,759
Operating income	3,306,130	133,189	326,014	3,765,334	(1,610,729)	2,154,604

Six Months Ended July 31, 2010 (¥ thousands)

	Baby and child care	Healthcare	Others	Total	Eliminations or corporate	Consolidated
Sales						
(1) Sales to outside customers	22,099,925	3,247,094	1,889,846	27,236,867	—	27,236,867
(2) Intersegment sales	—	—	—	—	(—)	—
Total	22,099,925	3,247,094	1,889,846	27,236,867	(—)	27,236,867
Operating income	2,996,359	58,156	279,301	3,333,817	(1,617,941)	1,715,876

Notes:

1. The Company’s business is segmented for internal control purposes.
2. Main products/services of each segment are shown below.

Segment	Main products/services
Baby and child care	Breastfeeding and weaning products, skincare products, child-rearing support services, other
Healthcare	Nursing-care products, nursing-care support services, other
Others	Women’s care products (supplements, maternity products, etc.), wet tissues, other

Performance by Geographic Region

Six Months Ended July 31, 2009 (¥ thousands)

	Japan	East Asia	Others	Total	Eliminations or corporate	Consolidated
Sales						
(1) Sales to outside customers	19,113,703	4,878,172	2,266,883	26,258,759	—	26,258,759
(2) Inter-segment sales	1,053,975	1,071,763	—	2,125,738	(2,125,738)	—
Total	20,167,679	5,949,936	2,266,883	28,384,498	(2,125,738)	26,258,759
Operating income	2,642,931	1,100,509	165,377	3,908,818	(1,754,214)	2,154,604

Notes:
1. Segmentation of countries and regions is based on geographic proximity.
2. Major countries and regions are as follows:
   (1) East Asia: Singapore, Thailand, China
   (2) Other: United States, etc.

Six Months Ended July 31, 2010 (¥ thousands)

	Japan	Asia	Others	Total	Eliminations or corporate	Consolidated
Sales						
(1) Sales to outside customers	19,649,201	5,129,075	2,458,590	27,236,867	—	27,236,867
(2) Inter-segment sales	1,102,835	1,178,217	—	2,281,052	(2,281,052)	—
Total	20,752,036	6,307,292	2,458,590	29,517,919	(2,281,052)	27,236,867
Operating income	2,457,160	720,397	203,235	3,380,793	(1,664,917)	1,715,876

Notes:
1. Segmentation of countries and regions is based on geographic proximity.
2. Major countries and regions are as follows:
   (1) Asia: Singapore, Thailand, China, India
   (2) Other: United States, etc.
3. Geographical Segment Name Change
   In conjunction with the establishment in November 2009 of consolidated subsidiary Pigeon India Pvt. Ltd., the Group has changed the name of the “East Asia” geographical segment to “Asia.”

Oversea Sales

Six Months Ended July 31, 2009 (¥ thousand)

	East Asia	North America	Middle East	Other	Total
Overseas sales	5,295,648	1,912,095	584,970	725,870	8,518,584
Consolidated net sales	—	—	—	—	26,258,759
Share of overseas sales in consolidated net sales (%)	20.1	7.3	2.2	2.8	32.4

Notes:

1. Segmentation of countries and regions is based on geographic proximity.
2. Major countries and regions are as follows:
   (1) East Asia: China, South Korea, Singapore, etc.
   (2) North America: United States, Canada, etc.
   (3) Middle East: United Arab Emirates, etc.
   (4) Other: Panama, United Kingdom, South Africa, etc.
3. Overseas sales refer to sales in countries or regions outside of Japan reported by the Company and its consolidated subsidiaries.

Six Months Ended July 31, 2010 (¥ thousands)

	Asia	North America	Middle East	Other	Total
Overseas sales	5,426,862	1,957,926	672,490	768,472	8,825,751
Consolidated net sales	—	—	—	—	27,236,867
Share of overseas sales in consolidated net sales (%)	19.9	7.2	2.5	2.8	32.4

Notes:

1. Segmentation of countries and regions is based on geographic proximity.
2. Major countries and regions are as follows:
   (1) Asia: China, Singapore, South Korea, etc.
   (2) North America: United States, Canada, etc.
   (3) Middle East: United Arab Emirates, etc.
   (4) Other: United Kingdom, Panama, South Africa, etc.
3. Overseas sales refer to sales in countries or regions outside of Japan reported by the Company and its consolidated subsidiaries.
4. Geographical Segment Name Change
   In conjunction with the establishment in November 2009 of consolidated subsidiary Pigeon India Pvt. Ltd., the Group has changed the name of the "East Asia" geographical segment to "Asia."

(6) Notes Regarding Substantial Changes in Shareholders' Equity

Not applicable.