

This notice has been translated from the original Japanese text of the timely disclosure statement dated May 8, 2015 and is for reference purposes only. In the event of any discrepancy between the original Japanese and this translation, the Japanese text shall prevail.

CAUTIONS REGARDING FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements, such as Unicharm Corporation's current plans, strategies, and future performance. These forward-looking statements are based on judgments obtained from currently available information. Please be advised that, for a variety of reasons, actual results may differ materially from those discussed in the forward-looking statements. Events that might affect actual results include, but are not limited to, economic circumstances in which Unicharm Corporation operates, competitive pressures, relevant regulations, changes in product development, and fluctuations in currency exchange rates.

**Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2015
(January 1, 2015 through March 31, 2015); Flash Report
[J-GAAP]**



May 8, 2015

Listed Company Name: **Unicharm Corporation**
 Listing: **First Section, Tokyo Stock Exchange**
 Code Number: **8113**
 URL: **http://www.unicharm.co.jp/**
 Company Representative: **Takahisa Takahara, President and Chief Executive Officer**
 Contact Person: **Shigeru Asada, Executive Officer, General Manager of Accounting Control and Finance Division**
 Telephone Number: **+81-3-3451-5111**
 Planned Filing Date of Quarterly Report: **May 14, 2015**
 Planned Commencement Date of Dividend Payments: **—**
 Preparation of Any Additional Explanatory Documents for Quarterly Financial Results: **Yes**
 Holding of Any Briefing Session for Quarterly Financial Results: **None**

(Amounts less than one million yen have been truncated)

**1. Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2015
(January 1, 2015 through March 31, 2015)**

(1) Consolidated financial results (1Q cumulative)

(Figures in percentage represent increases or decreases from the same period last year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
1Q of Fiscal Year Ending December 31, 2015	177,558	—	17,049	—	13,993	—	5,778	—
1Q of Fiscal Year Ended December 31, 2014	195,709	—	18,517	—	17,001	—	9,080	—

(Note) Comprehensive income: 1Q of Fiscal Year Ending December 31, 2015: ¥9,504 million (—%)
 1Q of Fiscal Year Ended December 31, 2014: ¥3,315 million (—%)

	Net Income Per Share	Net Income Per Share-diluted
	Yen	Yen
1Q of Fiscal Year Ending December 31, 2015	9.62	9.61
1Q of Fiscal Year Ended December 31, 2014	15.03	15.03

1. At the 54th Ordinary General Meeting of Shareholders held on June 25, 2014, the proposal of a “partial amendments of the articles of incorporation” was approved. As a result, from the fiscal year under review, the last day of the fiscal year changed from March 31 to December 31. Consolidated companies whose fiscal year ended in March also changed to December. Accordingly, as the previous fiscal year is a transitional period, the consolidated cumulative first quarter for consolidated companies whose fiscal year ended in March is three months from April 1, 2014 to June 30, 2014, and for consolidated companies whose fiscal year ends in December it is six months from January 1, 2014 to June 30, 2014. As the reporting of accounts for this fiscal year is an anomaly, the rates of change over the previous fiscal year are omitted.

TRANSLATION FOR REFERENCE PURPOSES ONLY

2. The Company carried out a stock split on October 1, 2014, at a ratio of three shares per one common share.

Accordingly, net income per share and net income per share–diluted have been calculated presuming that this stock split was carried out at the start of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total Assets	Net Assets	Ratio of Shareholders' Equity
	Millions of Yen	Millions of Yen	%
As of March 31, 2015	719,520	498,289	58.9
As of December 31, 2014	699,108	492,844	60.0

(Reference) Equity: As of March 31, 2015: ¥423,604 million
As of December 31, 2014: ¥419,652 million

2. Cash Dividends

	Annual Dividends				
	1st Q-End	2nd Q-End	3rd Q-End	Year-End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year Ended December 31, 2014	–	19.00	–	6.40	–
Fiscal Year Ending December 31, 2015	–				
Fiscal Year Ending December 31, 2015 (projection)		7.40	–	7.40	14.80

(Notes) 1. Revision of dividend projections that have been disclosed lastly: None

2. The Company carried out a stock split on October 1, 2014 at a ratio of three shares per one common share. Accordingly, the dividend paid at the end of the second quarter in the fiscal year ended December 31, 2014 reflects the amount prior to the stock split.

3. Projected Consolidated Financial Results for the Fiscal Year Ending December 31, 2015 (January 1, 2015 through December 31, 2015)

(Figures in percentage represent increases or decreases from the preceding period)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
First Half	350,000	–	36,500	–	34,500	–	17,000	–	28.30
Full Year	760,000	–	86,600	–	80,000	–	44,000	–	73.24

(Notes) 1. Revision of projected results that have been disclosed lastly: None

2. The previous consolidated fiscal year (fiscal year ended December 31, 2014) is an irregular settlement of accounts due to changes in the accounting period. Accordingly, rates of change over the previous fiscal year are omitted.

*** Notes**

(1) Change in major subsidiaries during the period (or any change of specified subsidiaries accompanying a change in the scope of consolidation): None

(2) Application of any special accounting method for the preparation of quarterly consolidated financial statements: None

(3) Change in accounting policies or estimates and retrospective restatements

- (i) Change in accounting policies in accordance with revision of accounting standards: None
- (ii) Change in accounting policies other than item (i) above: None
- (iii) Change in accounting estimates: None
- (iv) Retrospective restatements: None

(4) Number of issued and outstanding shares (common shares)

(i) Number of issued and outstanding shares (including treasury shares):

As of March 31, 2015: 620,834,319 shares

As of December 31, 2014: 620,834,319 shares

(ii) Number of treasury shares as of end of period:

As of March 31, 2015: 19,847,933 shares

As of December 31, 2014: 20,036,933 shares

(iii) Average number of shares during the period:

Jan. – Mar. 2015: 600,891,136 shares

Apr. – Jun. 2014: 604,002,438 shares

(Note) The Company carried out a stock split on October 1, 2014, at a ratio of three shares per one common share. Accordingly, the number of issued and outstanding shares (common shares) has been calculated presuming that this stock split was carried out at the start of the previous consolidated fiscal year.

* Presentation regarding status of quarterly review procedures

This quarterly flash report is not subject to the quarterly review procedures under the Financial Instruments and Exchange Law, and as of the date of disclosure hereof, the quarterly review procedures for financial statements under the Financial Instruments and Exchange Law are being carried out.

* Explanation regarding proper use of the projected results and other notes

Projections stated herein are based on the currently available information and the Company's assumptions and beliefs that were deemed valid as of the date of publication, and do not represent the Company's obligation or certainty that they will be achieved. In addition, actual results may differ materially for various reasons.

Please refer to the "Information on future outlooks including projected consolidated financial results, etc." on page 4 for conditions that are prerequisite for the projected results and points to note and other precautions when using the projections.

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2015

Contents of Exhibit

1. Qualitative Information Regarding Consolidated Financial Results at End of First Quarter	2
(1) Operating results	2
(2) Financial position	4
(3) Information on future outlooks including projected consolidated financial results, etc.	4
2. Summary Information (Notes)	4
(1) Change in major subsidiaries during the period	4
(2) Application of any special accounting method for the preparation of quarterly consolidated financial statements	4
(3) Change in accounting policies or estimates and retrospective restatements	4
3. Consolidated Financial Statements, Etc.	5
(1) Consolidated balance sheet	5
(2) Consolidated statements of income and comprehensive income	7
(Consolidated statement of income)	7
(Consolidated statement of comprehensive income)	8
(3) Notes to consolidated financial statements	9
(Note regarding the Company's position as a going concern)	9
(Additional information)	9
(Consolidated statement of income)	9
(Note regarding material changes in shareholders' equity)	9
(Segment information, etc.)	10

1. Qualitative Information Regarding Consolidated Financial Results at End of First Quarter

As the previous consolidated fiscal year was a transitional period, the accounting period for consolidated companies whose fiscal year ended in March was three months from April 1, 2014 to June 30, 2014, and for consolidated companies whose fiscal year ended in December it was six months from January 1, 2014 to June 30, 2014. As the reporting of accounts for this fiscal year is an anomaly, the rates of change over the previous fiscal year have been omitted.

(1) Operating results

In light of the management environment surrounding the Company and its group companies during the consolidated cumulative first quarter (January 1, 2015 to March 31, 2015), overseas sales were solid due to proactive activities aimed at popularizing personal care products, despite the modest pace of economic expansion in China and ASEAN.

Meanwhile, in Japan, the decline in demand following the consumption tax rate hike wound down, and consumer sentiment gradually recovered. On this backdrop, ongoing high value-added proposals for personal care products led to stable sales.

In this environment and under the banner “we constantly provide the world’s No.1 and unprecedented products and services to everybody around the globe, and deliver comfort, impression and satisfaction,” the Company and its group companies continued to develop products to meet the needs of consumers, using unique non-woven fabric processing and forming technology while endeavoring to revitalize the market.

As a result, the Company’s net sales, operating income, ordinary income, and net income for the fiscal period under review reached ¥177,558 million, ¥17,049 million, ¥13,993 million and ¥5,778 million, respectively.

Financial results by segment are as described below.

1) Personal Care Business

● Baby Care Products

Overseas, the Company actively promoted sales in the main countries it is breaking into for products with functions that meet the distinct characteristics of each region. In line with consumer trends in China, which is a key market for the Company, we worked to expand market share with stronger Internet sales and sales at baby care specialty shops. Also in India, where further demand is expected, the Company proactively carried out sales activities for the inexpensive and high value-added pants-type diapers targeting the middle class, and worked to expand its sales area and product usage.

In Japan, the Company continued to make new proposals from its *Moony* brand, which fits comfortably on the baby’s skin while preventing leakage. One example is the *Moony Airfit for Newborns small-size*, which was previously available only in maternity hospitals and is now available in retail stores. With this new product driving the market, the *Mamy Poko* series, which features cute Disney character designs and high absorption, and sub-category products such as pants for children with bed-wetting problems, the Company endeavored to expand its product line-up and strengthen relationships.

● Feminine Care Products

Overseas, the Company expanded sales of high value-added products such as napkins for night-time use giving a high sense of reassurance and slim napkins designed for ultimate comfort, particularly in China, which is a key market. In addition, our brands spread further in India, and earnings were stable.

In Japan, from the *Sofy* brand, the Company refined the *Sofy Super Sound Sleep Guard*, which prevents leakage with a centrally absorbing cushion, by reinforcing leakage prevention in all directions. In addition, the Company launched a new product from the *Sofy Kiyora Fragrance* series of panty liners popular for their high-quality fragrance similar to perfume with *Sofy Kiyora Fragrance Premium*, offering an even higher-quality fragrance with 100% natural ingredients. The Company also released the *Center-in Compact Fragrance Clear Happiness Scent*, a product with a refreshing fragrance, from the *Center-in* brand. The Company will also refine products in the mainstay *Sofy Hada Omoi* series in the second quarter as it proposes new value to meet the diversifying lifestyles of women and works to revitalize the market.

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2015

● Health Care Products

In the continually growing domestic market for health care products and in line with the progression of Japan's aging society, in incontinence care products, the Company worked to expand recognition of its *Lifree Slim Comfortable Pads for Men*, a product exclusively for male incontinence that is unobtrusive and does not stain pants. In addition, the Company launched small-quantity and medium-quantity products for the *Charm Nap Funwari Hada* series, which feel less heavy on the skin, and introduced large packages for the *Charm Nap Kyusui Sarafi* series, which are slim but absorbent. With such products, the Company has continued with its activities to remove resistance to using these products by conveying the message that everyone has light incontinence.

In nursing care products, the Company reduced night-time skin problems with its *Lifree Nighttime Pads*, incontinence pads for night-time use that are comfortable on the skin, and refined products by adding an innovative function that prevents skin friction so that users can use them with peace of mind. As such, the Company led growth in the nursing care products market. Also, the Company has been actively promoting its products through TV commercials, its website, over-the-counter consultations at shops, and by creating shelf space at retailers based on daily activities.

● Clean and Fresh Products

In the domestic market for clean and fresh products, with heightened awareness of cleanliness and changes in living environments and lifestyles, an increasing number of customers want to clean their homes easily and effectively and within a limited time, as well as simply disinfect their living rooms for peace of mind and clean their hands and mouth. Given this, the Company offered its box-type wet tissue in the *Silicot Wet Tissue* series that enables users to clean quickly with just one hand in both the original box and a portable product with a pastel lace design just for spring. Just in time for the pollen season, the Company launched the *Wave Handy Wiper Replacement Sheets* in a mint scent that can clean thoroughly, as well as the *Wave Ultra Hair Bundle Dry Sheets* in a mint fragrance for a limited time. In these ways, the Company endeavored to revitalize the market.

As a result, net sales and segment income (operating income) for the personal care business for the fiscal period under review were ¥156,245 million and ¥16,810 million, respectively.

2) Pet Care Business

With a focus on cat and dog excretions, the Company worked on new proposals to create markets at a faster pace and promote the health and long life of both pets and their owners to address the lower birth rate and aging society and enable people and pets to live together.

In the pet toiletry business, the Company revamped its diapers for pets with diapers exclusively for incontinence care with the aim of eliminating bed-ridden pets, and also launched *Manner Wear for Female Dogs* so that owners can take their pet dogs outside with peace of mind. The Company also worked to revitalize the market for pet deodorizing sheets by adding a deodorizing function with a "floral aroma scent," and creating a new segment with the *Deo Sheet Funwari Deodorizing Design Sheet*, which boasts a chic design. In system toilets for cats, the Company released the *Deo Toilet Funwari Scent Deodorizing Anti-bacterial Sand*, which deodorizes any odor of excretion with a natural green scent when the cat scratches the sand after excreting. In this way, the Company endeavored to create a new segment as it did with pet deodorizing sheets.

The Company reinforced its supplementary food products in the pet food market. In supplementary food for dogs, we launched *Aiken Genki Happy Step*, a supplementary food tailored to the dog's age and growth stage. In addition, from the *Aiken Genki Best Balance* brand, we launched supplementary food aimed at supporting the health of specific dog breeds. In supplementary food for cats, we added *Happy Soft!*, *Happy Puree!* and *Happy Gelee!* to the lineup of food for older cats from the *Happy* series of delicious snacks in the *Silver Spoon* brand. In dog food, we launched domestic ground chicken pouches in the *Aiken Genki Best Balance* series, and released the *Silver Plate Warm Kitchen Plain*, an exclusive recipe of super-gourmet food that can be warmed up in the microwave, to specialty pet stores with the aim of creating markets.

In the North American market, the Company endeavored to energize new markets by expanding our product lineup with *Super Dry* sheets for dogs, which have twice the absorption capacity as well as instantaneous absorption, and deodorizing beads for cats. In cat food, we launched wet-type snacks for cats, the first concept of its kind in the US, as we worked to create new markets.

As a result, net sales and segment income (operating income) in the pet care business for the fiscal period

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2015

under review were ¥20,082 million and ¥205 million, respectively.

3) Other Businesses

In the category of business-use products utilizing its core non-woven fabric and absorber processing and forming technology, the Company focused on promoting the sales of industrial materials.

As a result, net sales and segment income (operating income) in other businesses for the fiscal period under review were ¥1,230 million and ¥33 million, respectively.

(2) Financial position

(Assets)

Total assets as of the end of the first quarter were ¥719,520 million, up ¥20,411 million over the end of the previous consolidated fiscal year. The main increase was ¥50,429 million in other current assets due to an increase in advance payments – other, while the major decreases were in cash and deposits by ¥24,166 million and notes and accounts receivable – trade by ¥6,990 million.

(Liabilities)

Liabilities as of the end of the first quarter were ¥221,231 million, up ¥14,966 million over the end of the previous consolidated fiscal year. The major increase was ¥25,182 million in short-term loans payable, while the major decreases were ¥4,388 million in notes and accounts payable – trade and ¥3,008 million in other current liabilities due to a decrease in accrued consumption taxes.

(Net Assets)

Net assets as of the end of the first quarter were ¥498,289 million, up ¥5,445 million over the end of the previous consolidated fiscal year. The main increases were in net income by ¥5,778 million and valuation difference on available-for-sale securities by ¥2,666 million, while the major decrease was due to ¥3,845 million in dividend payments.

(Shareholder's Equity Ratio)

The shareholder's equity ratio as of the end of the first quarter was 58.9%.

(3) Information on future outlooks including projected consolidated financial results, etc.

The Company's projected consolidated financial results for the fiscal year ending December 31, 2015 are the same as those announced on February 12, 2015.

2. Summary Information (Notes)

(1) Change in major subsidiaries during the period

Not applicable

(2) Application of any special accounting method for the preparation of quarterly consolidated financial statements

Not applicable

(3) Change in accounting policies or estimates and retrospective restatements

Not applicable

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2015

3. Consolidated Financial Statements, Etc.

(1) Consolidated balance sheet

(Millions of Yen)

	Fiscal Year Ended December 31, 2014 (as of December 31, 2014)	1Q of Fiscal Year Ending December 31, 2015 (as of March 31, 2015)
Assets		
Current assets		
Cash and deposits	138,781	114,614
Notes and accounts receivable - trade	88,563	81,573
Merchandise and finished goods	30,654	32,815
Raw materials and supplies	29,972	28,941
Work in process	1,806	1,208
Other	32,115	82,544
Allowance for doubtful accounts	(121)	(120)
Total current assets	321,772	341,577
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	74,355	72,634
Machinery, equipment and vehicles, net	123,235	124,107
Other, net	42,491	44,195
Total property, plant and equipment	240,082	240,937
Intangible assets		
Goodwill	72,148	70,826
Other	24,030	23,544
Total intangible assets	96,178	94,370
Investments and other assets		
Investment securities	24,942	28,033
Deferred tax assets	7,313	5,168
Net defined benefit asset	3,828	4,163
Other	5,081	5,361
Allowance for doubtful accounts	(91)	(91)
Total investments and other assets	41,074	42,635
Total non-current assets	377,336	377,942
Total assets	699,108	719,520

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2015

(Millions of Yen)

	Fiscal Year Ended December 31, 2014 (as of December 31, 2014)	1Q of Fiscal Year Ending December 31, 2015 (as of March 31, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	91,586	87,198
Short-term loans payable	27,979	53,162
Income taxes payable	5,428	4,780
Provision for bonuses	5,027	3,373
Other	60,161	57,152
Total current liabilities	190,183	205,667
Non-current liabilities		
Long-term loans payable	5,420	5,094
Net defined benefit liability	4,348	4,499
Other	6,312	5,969
Total non-current liabilities	16,081	15,563
Total liabilities	206,264	221,231
Net assets		
Shareholders' equity		
Capital stock	15,992	15,992
Capital surplus	46,358	46,327
Retained earnings	334,558	336,492
Treasury shares	(28,667)	(28,396)
Total shareholders' equity	368,242	370,416
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,329	13,995
Deferred gains or losses on hedges	65	65
Revaluation reserve for land	(157)	(157)
Foreign currency translation adjustment	44,426	43,557
Remeasurements of defined benefit plans	(4,254)	(4,273)
Total accumulated other comprehensive income	51,410	53,188
Subscription rights to shares	238	206
Minority interests	72,952	74,479
Total net assets	492,844	498,289
Total liabilities and net assets	699,108	719,520

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2015

(2) Consolidated statements of income and comprehensive income

(Consolidated statement of income)

(For the First Quarter of the Fiscal Year Ending December 31, 2015 Cumulative Consolidated Fiscal Period)

(Millions of Yen)

	1Q of Fiscal Year Ended December 31, 2014 (April 1, 2014 – June 30, 2014)	1Q of Fiscal Year Ending December 31, 2015 (January 1, 2015 – March 31, 2015)
Net sales	195,709	177,558
Cost of sales	110,729	99,327
Gross profit	84,979	78,231
Selling, general and administrative expenses	* 66,461	* 61,181
Operating income	18,517	17,049
Non-operating income		
Interest income	558	414
Dividend income	151	1
Subsidy income	347	7
Gain on forfeiture of unclaimed dividends	–	1,028
Other	480	325
Total non-operating income	1,537	1,777
Non-operating expenses		
Interests expenses	120	145
Sales discounts	1,195	964
Foreign exchange losses	1,550	3,697
Other	186	28
Total non-operating expenses	3,053	4,834
Ordinary income	17,001	13,993
Extraordinary income		
Gain on sales of non-current assets	4	1
Total extraordinary income	4	1
Extraordinary losses		
Loss on disposal of non-current assets	116	26
Total extraordinary losses	116	26
Income before income taxes and minority interests	16,889	13,967
Income taxes - current	3,943	2,789
Income taxes - deferred	1,018	2,933
Total income taxes	4,961	5,723
Income before minority interests	11,928	8,243
Minority interests in income	2,847	2,464
Net income	9,080	5,778

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2015

(Consolidated statement of comprehensive income)

(For the First Quarter of the Fiscal Year Ending December 31, 2015 Cumulative Consolidated Fiscal Period)

(Millions of Yen)

	1Q of Fiscal Year Ended December 31, 2014 (April 1, 2014 – June 30, 2014)	1Q of Fiscal Year Ending December 31, 2015 (January 1, 2015 – March 31, 2015)
Income before minority interests	11,928	8,243
Other comprehensive income		
Valuation difference on available-for-sale securities	706	2,666
Deferred gains or losses on hedges	(4)	(8)
Foreign currency translation adjustment	(9,510)	(1,382)
Remeasurements of defined benefit plans, net of tax	195	(14)
Total other comprehensive income	(8,613)	1,260
Comprehensive income	3,315	9,504
Of which:		
Comprehensive income attributable to owners of parent	2,528	7,557
Comprehensive income attributable to minority interests	787	1,947

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2015

(3) Notes to consolidated financial statements

(Note regarding the Company's position as a going concern)

Not applicable

(Additional information)

(Revision of amounts of deferred tax assets and deferred tax liabilities due to changes in corporate tax rate, etc.)

The Act for Partial Revision of the Income Tax Act, etc. (Act No. 9 of 2015) and the Act for Partial Revision of Local Taxes, etc. (Act No. 2 of 2015) were promulgated on March 31, 2015, and as a result, the corporate tax rate, etc. will be lowered beginning with the consolidated fiscal years beginning on or after April 1, 2015. Accordingly, the effective statutory tax rates used to measure deferred tax assets and deferred tax liabilities will be changed from 35.64% to 33.06% for temporary differences expected to be eliminated in the fiscal years beginning on or after January 1, 2016. Additionally, the effective statutory tax rate used to measure deferred tax assets and deferred tax liabilities will be changed to 32.26% for temporary differences expected to be eliminated in the fiscal years beginning on or after January 1, 2017.

As a result of this change in the tax rate, the amount of deferred tax liabilities (after deducting deferred tax assets) decreased by ¥804 million, the amount of deferred income taxes increased by ¥1,277 million and valuation differences on available-for-sale securities increased by ¥683 million, and the cumulative amount of adjustments for retirement benefits decreased by ¥210 million.

(Consolidated statement of income)

*The main expense items and amounts of selling, general and administrative expenses are as follows.

(Millions of Yen)		
	1Q of Fiscal Year Ended December 31, 2014 (April 1, 2014 – June 30, 2014)	1Q of Fiscal Year Ending December 31, 2015 (January 1, 2015 – March 31, 2015)
Sales fare related expenses	9,323	8,942
Promotion expenses	29,241	29,847
Advertising expenses	6,510	4,566
Employees' salaries and bonuses	5,361	4,516
Provision for bonuses	925	975
Retirement benefit expenses	360	485
Depreciation	825	928

(Note regarding material changes in shareholders' equity)

Not applicable.

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for the First Quarter of the Fiscal Year Ending December 31, 2015

(Segment information, etc.)

[Segment Information]

Cumulative Results at end of the First Quarter of Fiscal Year Ended March 31, 2014 Consolidated Fiscal Period
(April 1, 2014 through June 30, 2014)

Information regarding net sales and income or loss by reporting segment (Millions of Yen)

	Reporting segment				Elimination or Company-wide	Consolidation
	Personal care	Pet care	Other	Total		
Sales						
Sales to external customers	174,881	19,496	1,331	195,709	–	195,709
Internal sales or transfers across segments	–	–	3	3	(3)	–
Total	174,881	19,496	1,335	195,713	(3)	195,709
Segment income (Operating income)	17,512	941	62	18,517	0	18,517

Cumulative Results at end of the First Quarter of Fiscal Year Ending December 31, 2015 Consolidated Fiscal Period
(January 1, 2015 through March 31, 2015)

Information regarding net sales and income or loss by reporting segment (Millions of Yen)

	Reporting segment				Elimination or Company-wide	Consolidation
	Personal care	Pet care	Other	Total		
Sales						
Sales to external customers	156,245	20,082	1,230	177,558	–	177,558
Internal sales or transfers across segments	–	–	4	4	(4)	–
Total	156,245	20,082	1,235	177,563	(4)	177,558
Segment income (Operating income)	16,810	205	33	17,049	–	17,049