

This notice has been translated from the original Japanese text of the timely disclosure statement dated November 6, 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 Third Quarter of the Fiscal Year Ending December 31, 2015
(January 1, 2015 through September 30, 2015); Flash Report
[J-GAAP]**



November 6, 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 Securities Report: **November 13, 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: **No**

(Amounts of less than one million yen have been truncated)

**1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2015
(January 1, 2015 through September 30, 2015)**

(1) Consolidated financial results (3Q cumulative)

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

	Net Sales		Operating Income		Ordinary Income		Quarterly Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
3Q of Fiscal Year Ending Dec. 31, 2015	529,071	—	49,878	—	40,486	—	17,576	—
3Q of Fiscal Year Ended Dec. 31, 2014	—	—	—	—	—	—	—	—

(Note) Comprehensive income: 3Q of Fiscal Year Ending December 31, 2015: ¥12,105 million (—%)

3Q of Fiscal Year Ended December 31, 2014: ¥— (—%)

	Net Income Per Share	Net Income Per Share-diluted
	Yen	Yen
3Q of Fiscal Year Ending Dec. 31, 2015	29.26	29.13
3Q of Fiscal Year Ended Dec. 31, 2014	—	—

(Notes) 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 consolidated financial statements for the third quarter of the fiscal year ended in December 31, 2014 have not been created, there is no applicable

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information for the rates of change for the same period of the year previous to the third quarter of the fiscal year ending December 31, 2015, as well as consolidated financial results (cumulative total) of the third quarter of the fiscal year ended in December 31, 2014.

(2) Consolidated financial position

	Total Assets	Net Assets	Ratio of Shareholders' Equity
	Millions of Yen	Millions of Yen	%
As of September 30, 2015	670,370	436,662	55.9
As of December 31, 2014	699,108	492,844	60.0

(Reference) Equity: As of September 30, 2015: ¥374,938 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 Dec. 31, 2014	—	19.00	—	6.40	—
Fiscal Year Ending Dec. 31, 2015	—	7.40	—	—	—
Fiscal Year Ending Dec. 31, 2015 (projection)	—	—	—	7.40	14.80

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

2. The Company has carried out a stock split on October 1, 2014, at a ratio of three shares per one common share. Accordingly, the fiscal year-end dividend amount for the end of the second quarter of the fiscal year ended December 31, 2014 does not reflect the result of this stock split..

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

(Figures in percentages 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
Full Year	760,000	—	86,000	—	80,000	—	44,000	—	73.56

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

2. The consolidated fiscal year under review (fiscal year ended December 31, 2014) is an irregular settlement of accounts due to changes in the fiscal period. Accordingly, rates of change over the previous fiscal year are not listed.

* Notes

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

(2) Application of special accounting to the creation 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 September 30, 2015: 620,834,319 shares

Fiscal Year Ended December 31, 2014: 620,834,319 shares

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

As of September 30, 2015 2015 Q3: 22,722,907 shares

Fiscal Year Ended December 31, 2014: 20,036,933 shares

(iii) Average number of shares during the period (quarterly accumulated total):

As of September 30, 2015: 600,705,237 shares

Fiscal Year Ended December 31, 2014 Q3: — shares

(Note) The Company has 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 Consolidated Financial Results is not subject to the quarterly review procedures under the Financial Instruments and Exchange Act, and as of the date of disclosure hereof, the quarterly review procedures for financial statements under the Financial Instruments and Exchange Act 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 judged to be valid as of the announcement date hereof. The projections do not refer to a promise by the Company to fulfill thereof. Furthermore, actual results may differ for various factors. Please refer to the "Explanation of future estimate information such as consolidated financial results projections" section on page 4 of the exhibit for further details on the conditions that form the basis for financial results projections and their use.

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

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1. Qualitative Information on the Quarterly Financial Results

The company has changed its settlement date from March 31 to December 31 as of the fiscal year ended on December 31, 2014. Accordingly, as the consolidated financial statements for the third quarter of the fiscal year ended in December 31, 2014 have not been created, rates of change over the previous fiscal year are not listed.

(1) Explanation of operating results

In light of the management environment surrounding the Company and its group companies during the third quarter consolidated term (January 1, 2015-September 30, 2015) under review, as for overseas operations, there was increased currency depreciation in developing countries due to factors such as a sense of uncertainty about the future of the Chinese economy and worries about changes in USA's economic policies. However, as a result of proactive efforts to disseminate products related to personal care, the sales market expanded.

Meanwhile in Japan, amid signs of modest, continued economic recovery, as a result of implementing continuous proposals of high value-added personal care products, steady sales were successfully achieved.

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 technology while endeavoring to expand the total assets in the industry.

As a result, the Company's net sales, operating income, ordinary income, and quarterly net income for the third quarter consolidated period under review reached ¥529,071 million, ¥49,878 million, ¥40,486 million and ¥17,576 million, respectively.

Financial results by segment are as described below.

1) Personal Care Business

● Baby Care Products

For overseas, in the essential market of China, the company reinforced its initiatives with internet sales and baby care specialized stores, in addition to actively expanding the sales of products with functions that meet the distinct characteristics of each region in developing countries, in an endeavor to increase market share and promote market prevalence.

In Japan, in response to needs for being able to change diapers quickly and easily while being gentle on the skin, the Company adopted the *Air Silky* material, for its small-size, crawling-type, and medium-size *Moony Man Air Fit*, a soft diaper with a secure fit to feel secure about leakage, and the Company promoted beginning early use of a disposable pants-type baby diaper. In addition, by adopting the *Mamy Poko* with a charming Disney character design and superior absorbency, and sub-category products such as pants-type products for children with bed-wetting problems, the Company endeavored in creating a powerful lineup and strengthening relations.

● Feminine Care Products

Overseas, the Company's high-quality products featuring cute designs remain highly popular with the younger Chinese generation. In addition to this, as a result of promoting high value added products in the emerging markets, sales have expanded and business performance has remained steady.

In Japan, in addition to a renewed design of the *Center-in Compact* series, which has been well-received as a compact sanitary napkin with a charming design, with a new design to match the tastes of a young generation, the Company has also improved its design and absorbency by increasing the number of its unique central absorbers called *absorbent polymers*. In this way, the Company has been proposing new value to meet the diversifying lifestyles of women, and is working to revitalize the market.

**Absorbency improvement* refers to the improvement of the absorption amount of menstrual blood.

- Health Care Products

In the continually growing domestic market for health care products in line with the progression of Japan's aging society, the company has been active in promoting products that support an unchanging lifestyle that suits each individual. In addition to new improvements to enhance deodorant properties of a portion of its urine-care *Charm Nap Absorbent SaraFi* product series, the Company also continued its efforts to remove resistance to using these products by conveying that everyone can get "light incontinence." The Company has been leading the market growth for light incontinence and urine leakage care products along with the *Lifree* incontinence product series. Additionally, 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, as living environments and lifestyles change, an increasing numbers of customers want to clean their homes easily and within a limited time. The Company worked to expand sales and revitalize the market with a box-type wet tissue in the *Silicot Wet Tissues* series that enables users to clean quickly with just one hand, and the *Wave Handy Wiper* series, convenient wipes for cleaning the entire house.

As a result, net sales and segment income (operating income) for the Personal Care business for the fiscal year under review were ¥463,860 million and ¥48,350 million, respectively.

2) Pet Care Business

As coexistence between pets and humans gets closer, with dog and cat raising environments moving from outside into the living room, and a greater need from consumers for high value-added products, the Company has been putting effort into creating new demand for a society of human-pet coexistence and aging pets.

In domestic pet toiletries, the Company launched a limited-edition *Marine Blue Scent* for its Light Scent Deodorizing *Deo-Sheet* product, and endeavored to expand sales. For its cat Deo-Toilet product, it improved the replaceable sheets to be able to check for urine, and implemented a health check function for lower urinary tract disease.

In domestic pet food, in addition to creating the *Aiken Genki Grand Deli - Pouch* dog food with handmade style ingredients such as domestic chicken breast, the Company launched the *Aiken Genki Best Balance – Soft Shredded Chicken Breast*", and engaged on other efforts to fix dietary problems of small dogs. In the *Gin no Spoon* and *Neko Genki* brands of cat food, the Company has been putting effort into creating a high value-added market by launching *Maintaining a Healthy Kidney for Wellness even After 20 years old* for aging pets.

In the North American market, with initiatives such as launching a light-type cat litter and adding a shrimp-containing snack to its lineup of wet-type cat foods, the Company has created a new market and expanded sales.

As a result, net sales and segment income (operating income) for the pet care business for the fiscal year under review were ¥61,377 million and ¥1,351 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 year under review were ¥3,833 million and ¥175 million, respectively.

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

(2) Explanation of financial position

(Assets)

Total assets as of the end of the third quarter consolidated calculation period under review were ¥670,370 million, a decrease of ¥28,738 million compared to the end of the previous consolidated calculation, a primary increase was ¥6,030 million for goods and products, and primary decreases were due to increases of ¥16,051 million in cash and deposits, ¥12,069 million in notes and accounts receivable, and ¥5,178 million in deferred tax assets.

(Liabilities)

Liabilities as of the end of the third quarter consolidated calculation period under review increased from the previous year by ¥27,442 million, to a total of ¥233,707 million in liabilities, a primary increase was ¥54,667 million for convertible bonds with stock acquisition rights, while primary decreases were ¥20,171 million for short-term loans payable, ¥6,265 million for current liabilities due to decrease in outstanding accounts, etc., and ¥3,492 million for notes and accounts payable.

(Net Assets)

Net assets as of the end of the third quarter consolidated calculation period under review decreased by ¥56,181 million year on year, totaling ¥436,662 million, mainly due to decreases of ¥39,534 million in capital surplus and ¥10,135 million in foreign currency translation adjustments.

(Capital Equity Ratio)

The capital equity ratio as of the end of the third quarter consolidated calculation period under review was 55.9%

(3) Explanation of future estimate information such as consolidated financial results projections

Regarding full-year financials results projections there were no changes from the announcement made on February 12, 2015.

2. Matters Related to Summary Information (Notes)

(1) Change in major subsidiaries during the quarterly consolidated term

No applicable items.

(2) Application of special accounting to the creation of quarterly consolidated financial statements

No applicable items.

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

Change in accounting policies

(Application of Business Combination Accounting Standards, etc.)

The Business Combination Accounting Standards (Business Accounting Standards No. 21, September 13, 2013, hereinafter, "Business Combination Accounting Standards"), Consolidated Financial Statement Accounting Standards (Business Accounting Standards No. 22, September 13, 2013, hereinafter, "Consolidated Accounting Standards"), and Business Divestiture Accounting Standards (Business Accounting Standards No. 7, September 13, 2013, hereinafter, "Business Divestiture Accounting Standards), etc., can be applied from the start of the consolidated fiscal year, which begins on April 1, 2014. Accordingly, from the first quarter consolidated accounting term, these accounting standards etc. (however, this excludes the stipulation of Item 39 of the Consolidated Accounting Standards) are applied early, and the calculation method has been changed in such a way that the difference occurred due to changes in our Company's equity ratio in regards to subsidiaries in which our control continues is added up to capital surplus as well as acquisition-related expenses are included in expenses during the consolidated fiscal year in which they occur. Furthermore, regarding business combinations implemented after the start of the first quarter consolidated

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fiscal period, reviews of acquisition price allocations due to settlement of provisional accounting are reflected to quarterly consolidated financial statements for the quarterly consolidated fiscal period under which the combination date falls.

Regarding application of Business Combination Accounting Standards, etc., the company adheres to the transitional handling stipulated in accordance with Article 58, Clause 2 (4) of the Business Combination Accounting Standards, Article 44, Clause 5 (4) of the Consolidated Accounting Standards, and Article 57, Clause 4 (4) of the Business Divestiture Accounting Standards, and applying them from the start of the first quarter consolidated fiscal period into the future.

As a result, capital surplus decreased ¥39,477 million yen as of the end of the third quarter consolidated fiscal period under review.

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

3. Quarterly Consolidated Financial Statements, Etc.

(1) Quarterly consolidated balance sheet

(Millions of Yen)

	Previous Consolidated Fiscal Year (as of December 31, 2014)	3Q Consolidated Fiscal period (as of September 30, 2015)
Assets		
Current assets		
Cash and deposits	138,781	122,730
Notes and accounts receivable - trade	88,563	76,494
Merchandise and finished goods	30,654	36,684
Raw materials and supplies	29,972	29,305
Work in process	1,806	1,141
Other	32,115	31,646
Allowance for doubtful accounts	(121)	(125)
Total current assets	321,772	297,876
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	74,355	76,245
Machinery, equipment and vehicles, net	123,235	125,825
Other, net	42,491	40,567
Total property, plant and equipment	240,082	242,638
Intangible assets		
Goodwill	72,148	68,391
Other	24,030	22,528
Total intangible assets	96,178	90,919
Investments and other assets		
Investment securities	24,942	26,596
Deferred tax assets	7,313	2,135
Net defined benefit asset	3,828	4,837
Other	5,081	5,457
Allowance for doubtful accounts	(91)	(91)
Total investments and other assets	41,074	38,935
Total non-current assets	377,336	372,494
Total assets	699,108	670,370

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	Previous Consolidated Fiscal Year (as of December 31, 2014)	3Q Consolidated Fiscal period (as of September 30, 2015)
(Millions of Yen)		
Liabilities		
Current liabilities		
Notes and accounts payable - trade	91,586	88,094
Short-term loans payable	27,979	7,808
Income taxes payable	5,428	4,102
Provision for bonuses	5,027	3,176
Other	60,161	53,896
Total current liabilities	190,183	157,078
Non-current liabilities		
Convertible bonds with stock acquisition rights	-	54,667
Long-term loans payable	5,420	11,060
Net defined benefit liability	4,348	4,768
Other	6,312	6,132
Total non-current liabilities	16,081	76,629
Total liabilities	206,264	233,707
Net assets		
Shareholders' equity		
Capital stock	15,992	15,992
Capital surplus	46,358	6,823
Retained earnings	334,558	343,842
Treasury shares	(28,667)	(34,953)
Total shareholders' equity	368,242	331,705
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,329	13,016
Deferred gains or losses on hedges	65	17
Revaluation reserve for land	(157)	(157)
Foreign currency translation adjustment	44,426	34,291
Remeasurements of defined benefit plans	(4,254)	(3,934)
Total accumulated other comprehensive income	51,410	43,233
Subscription rights to shares	238	256
Minority interests	72,952	61,466
Total net assets	492,844	436,662
Total liabilities and net assets	699,108	670,370

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- (2) Quarterly consolidated statements of income and quarterly consolidated comprehensive income
 (Quarterly consolidated statement of income)
 (Third quarter consolidated calculation period)

	3Q of Fiscal Year Ending December 31, 2015
Net sales	529,071
Cost of sales	294,042
Gross profit	235,028
Selling, general and administrative expenses	* 185,150
Operating income	49,878
Non-operating income	
Interest income	1,315
Dividend income	214
Subsidy income	741
Gain on forfeiture of unclaimed dividends	1,048
Other	1,622
Total non-operating income	4,942
Non-operating expenses	
Interest expenses	478
Sales discounts	2,802
Foreign exchange losses	10,897
Other	156
Total non-operating expenses	14,335
Ordinary income	40,486
Extraordinary income	
Gain on sales of non-current assets	40
Total extraordinary income	40
Extraordinary losses	
Loss on disposal of non-current assets	296
Total extraordinary losses	296
Net income before income taxes and minority interests	40,229
Income taxes – current	9,860
Income taxes – deferred	7,395
Total income taxes	17,256
Net income before minority interests	22,973
Minority interests in income	5,396
Net income	17,576

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

Quarterly consolidated statement of comprehensive income
(Third quarter consolidated calculation period)

	3Q of Fiscal Year Ending December 31, 2015
Income before minority interests	22,973
Other comprehensive income	
Valuation difference on available-for-sale securities	1,687
Deferred gains or losses on hedges	(97)
Foreign currency translation adjustment	(12,787)
Remeasurements of defined benefit plans, net of tax	330
Total other comprehensive income	(10,868)
Comprehensive income	12,105
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	9,400
Comprehensive income attributable to minority interests	2,704

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Unicharm Corporation (8113) Consolidated Financial Results for the Third 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)

(Correction of deferred tax assets and deferred tax liabilities due to changes in corporate tax rates, etc.)

The "Act on Partial Revision of the Income Tax Act" (Act No. 9 of 2015) and the "Act on Partial Revision of the Local Tax Act" (Act No. 2 of 2015) were issued on March 31, 2015 and implementation of the lowering of corporate tax rates, etc. started from the consolidated fiscal year after April 1, 2015. Accordingly, legal effective tax rate used to calculate deferred tax assets and deferred tax liabilities went from 35.64% to 33.06% for temporary differences, etc. expected to be resolved in the consolidated fiscal year beginning on January 1, 2016, and to 32.26% for temporary differences, etc. expected to be resolved in or after the consolidated fiscal year beginning on January 1, 2017.

Due to these changes in tax rates, deferred tax assets (the amount after deducting deferred tax liabilities) went down by ¥954 million, and the income tax adjustment amount and the valuation difference on securities, have both gone up by ¥1,403 million and ¥634 million, respectively, and the accumulated amount of retirement benefit plans have gone down by ¥185 million.

(Quarterly consolidated statement of income)

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

(Millions of Yen)

3Q of Fiscal Year Ending December 31, 2015	
Sales-related transportation expense	27,752
Sales promotion expense	87,407
Advertisement costs	15,607
Salaries and bonuses to employees	16,462
Allowance for bonuses transferred	979
Employee retirement benefits	1,598
Depreciation	2,848

(Notes in the event of changes in shareholders' equity)

The company has acquired additional shares of Unicharm Gulf Hygienic Industries, Ltd., and other consolidated subsidiaries of the Company. As a result of early application of "Business Combination Accounting Standards", the amount of capital surplus as of the end of the third quarter consolidated fiscal period under review has fallen by ¥39,477 million.

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(Segment information, etc.)

[Segment Information]

Third quarter consolidated calculation period (January 1, 2015 – September 30, 2015)

Information concerning the amount of sales, profits/losses, assets, liabilities and other items by reporting segment

(Millions of Yen)

	Reporting segment				Elimination or company-wide	Amount of quarterly consolidated comprehensive income statement
	Personal care	Pet care	Other	Total		
Sales						
Sales to external customers	463,860	61,377	3,833	529,071	—	529,071
Internal sales or transfers across segments	—	—	16	16	(16)	—
Total	463,860	61,377	3,850	529,088	(16)	529,071
Segment income (Operating income)	48,350	1,351	175	49,878	—	49,878

(Business combinations)

Business transactions, etc. under common control

Additional subsidiary share acquisition

1. Summary of combination procedure

(1) Company name and business description at time of combination

 Name: Unicharm Gulf Hygienic Industries Ltd

 Business description: Sanitary goods, disposable baby diaper sale and manufacturing

(2) Business combination date

 June 30, 2015

(3) Legal format of business combination

 Share acquisition from minority shareholders

(4) Company name after combination

 No change.

(5) Other matters related to transaction summary

 Additional Unicharm Gulf Hygienic Industries Ltd shares were acquired in order to reinforce collaboration within the Company's Group, and further improve the overall Group's corporate value and management efficiency.

2. Summary of implemented accounting

 Based on "Business Combination Accounting Standards" (Business Accounting Standards No. 21, September 13, 2013) and "Application Policies for Business Combination Accounting Standards and Business Divestiture Standards, Etc." (Business Accounting Standards Application Policies No. 10, September 13, 2013), the business combination was processed as minority shareholder combination among transactions under common control.

3. Matters related to additional subsidiary share acquisition

 Acquired company acquisition cost and details

 Cash and savings ¥50,694 million