

## FY2007 Consolidated Financial Results for the Year Ended March 31, 2007

(April 1, 2006 through March 31, 2007)

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)  
English translation from the original Japanese-language document "KESSAN TANSHIN"

April 27, 2007

<b>Listed Company Name :</b>	<b>Unicharm Corporation</b>
<b>Listing :</b>	<b>First Section, Tokyo Stock Exchange in Japan</b>
<b>Code Number :</b>	<b>8113</b>
<b>URL :</b>	<b>http://www.unicharm.co.jp</b>
<b>Company Representative :</b>	<b>Takahisa Takahara , President and Chief Executive Officer</b>
<b>Contact Person :</b>	<b>Atsushi Iwata , Executive Officer</b>
<b>Telephone Number :</b>	<b>(03) 3451 - 5111</b>
<b>Date of ordinary general shareholders' meeting</b>	<b>June, 26, 2007</b>
<b>Payment date of cash dividends</b>	<b>June, 11, 2007</b>
<b>Filing date of financial statement</b>	<b>June, 27, 2007</b>

### 1. Consolidated Results of FY2007 ( April 1, 2006 through March 31, 2007)

#### (1) Consolidated financial results

(Amounts less than one million yen are omitted)  
(Percentage of compared with the previous year)

	Net Sales		Operating Income		Ordinary Income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year Ended FY2007	301,880	11.7	29,929	4.9	30,071	4.5	15,058	△ 1.5
Year Ended FY2006	270,380	9.9	28,531	4.6	28,781	2.9	15,287	△ 6.7

	Net income	Net income	Net income to	Ordinary income to	Operating income to
	Per share-basic	Per share-diluted	Shareholder' equity	Assets	Net sales
	Yen	Yen	%	%	%
Year Ended FY2007	232.31	232.17	9.6	11.6	9.9
Year Ended FY2006	229.34	229.00	10.6	12.4	10.6

(Reference) Equity method investment gain or loss:  
 FY 2007 8 million yen  
 FY 2006 33 million yen

#### (2) Consolidated financial position

	Total assets	Shareholders' equity	Ratio of	shareholder' equity
	Million yen	Yen	shareholder' equity	per share
			%	Yen
Year Ended FY2007	268,763	170,049	60.0	2,501.60
Year Ended FY2006	250,355	151,182	60.4	2,309.59

(Reference) Equity at the year-end  
 FY 2007 161,165 Million yen  
 FY 2006 -Million yen

#### (3) Consolidated Cash flows

	From operating activities	From investing activities	From financing activities	Cash and cash equivalents at the end of year
	Million yen	Million yen	Million yen	Million yen
Year Ended FY2007	28,357	△ 20,328	△ 10,795	65,449
Year Ended FY2006	36,888	△ 20,251	△ 6,217	67,649

### 2. Cash dividends

	Cash dividends per share			Total amount of cash dividends(annual)	Dividends payout ratio(consolidated)	Ratio of total amount of dividends to shareholders' equity(consolidated)
	Interim	Year-end	Annual			
	yen	yen	yen	Million yen	%	%
Year Ended FY2006	16.00	16.00	32.00	2,091	14.0	2.8
Year Ended FY2007	22.00	22.00	44.00	2,834	18.9	1.8
Year Ended FY2008	23.00	23.00	46.00		19.1	

### 3. Forecast of consolidated Results for FY2008 (April 1, 2007 through March 31, 2008)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Interim	155,000	8.1	13,500	0.6	13,500	1.4	6,000	△ 8.4
Full Year	328,000	8.7	33,000	10.3	33,000	9.7	15,500	2.9

Reference : Forecast net income per share for the 2008 fiscal year: 240.59 yen

(Notes) : The above-mentioned forecast is based on the information which is able to get hand at present, and including a potential risk and uncertainty. Therefore, actual achievements may differ from these forecast due to many factors.

### 4. Others

#### (1) Changes in significant subsidiaries during FY2007 : No

(Changes in specified subsidiaries resulting in changes in scope of consolidation)

#### (2) Changes in Accounting Principles, Procedure, Presentation method for Consolidation financial results

Changes arising from revision of accounting standards : Yes

Changes arising from revision of other factor : No

#### (3) Number of shares issued and outstanding (common stock)

Number of shares outstanding at year-end (including treasury stock)

FY2007 68,981,591 shares

FY2006 68,981,591 shares

Number of treasury stock at the year-end

FY2007 4,556,375 shares

FY2006 3,611,190 shares

### Reference : Overview of the Unconsolidated Financial Results

#### 1. Unconsolidated results for FY2007 (April 1, 2006 through March 31, 2007)

##### (1) Unconsolidated financial results

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year Ended FY2007	171,663	4.0	11,326	△ 6.5	20,232	23.2	15,037	37.7
Year Ended FY2006	165,125	△ 0.0	12,112	16.9	16,420	11.1	10,920	15.8

	Net Income	Net Income
	Per share-basic	Per share-diluted
Year Ended FY2007	Yen 231.98	Yen —
Year Ended FY2006	164.08	—

##### (2) Unconsolidated financial position

	Total Assets	Shareholders' Equity	Ratio of	Shareholders' Equity
	Million yen	Million yen	shareholders' Equity	per share
Year Ended FY2007	157,286	122,091	77.6	1,895.08
Year Ended FY2006	150,349	114,975	76.5	1,756.87

## Consolidated Balance Sheets

	Year Ended FY2006 (As of March 31,2006)		Year Ended FY2007 (As of March 31,2007)		Increase Decrease	
	Million yen	%	Million yen	%	Million yen	%
<b>(ASSETS)</b>						
I CURRENT ASSETS	134,983	53.9	142,588	53.1	7,604	5.6
II FIXED ASSETS	115,371	46.1	126,175	46.9	10,804	9.4
Net property,plant and equipment	77,110	30.8	86,725	32.2	9,614	12.5
Software and Intangibles	4,265	1.7	4,027	1.5	△238	△5.6
Investments and Other Assets	33,994	13.6	35,422	13.2	1,427	4.2
TOTAL	250,355	100.0	268,763	100.0	18,408	100.0
<b>(LIABILITIES)</b>						
I CURRENT LIABILITIES	72,645	29.0	75,370	28.0	2,725	3.8
II LONG-TERM LIABILITIES	12,223	4.9	16,343	6.1	4,119	33.7
TOTAL LIABILITIES	84,868	33.9	91,714	34.1	6,845	8.1
MINORITY INTERESTS	14,304	5.7	—	—	—	—
<b>(SHAREHOLDERS' EQUITY)</b>						
TOTAL SHAREHOLDERS' EQUITY	151,182	60.4	—	—	—	—
TOTAL	250,355	—	—	—	—	—
<b>(Net Assets)</b>						
I Owners' Equity	—	—	152,010	56.6	—	—
II Valuation, Translation Adjustment and Other	—	—	9,155	3.4	—	—
III Minority Interests	—	—	15,883	5.9	—	—
Total net assets	—	—	177,049	65.9	—	—
Total liabilities, net assets	—	—	268,763	100.0	—	—

## Consolidated Statements of Income

	Year Ended FY2006 (April 1,2005 through March 31,2006)		Year Ended FY2007 (April 1,2006 through March 31,2007)		Increase Decrease	
	Million yen	%	Million yen	%	Million yen	%
I NET SALES	270,380	100.0	301,880	100.0	31,499	11.7
II COST OF SALES	153,264	56.7	173,238	57.4	19,974	13.0
Gross profit	117,116	43.3	128,641	42.6	11,524	9.8
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES						
III ADMINISTRATIVE EXPENSES	88,584	32.7	98,711	32.7	10,126	11.4
Operating income	28,531	10.6	29,929	9.9	1,398	4.9
IV NON-OPERATING INCOME	1,746	0.6	1,897	0.7	151	8.7
V NON-OPERATING EXPENSES	1,496	0.6	1,755	0.6	259	17.4
Ordinary income	28,781	10.6	30,071	10.0	1,289	4.5
VI EXTRAORDINARY INCOME	1,504	0.6	225	0.1	△1,278	△85.0
VII EXTRAORDINARY LOSSES	1,719	0.6	1,218	0.5	△501	△29.2
Income before Income taxes	28,566	10.6	29,078	9.6	512	1.8
Income Taxes - Current	11,013		10,062		△951	△8.6
Income Taxes - Deferred	451		1,890		1,438	318.4
Minority interests in net income	1,813		2,067		253	14.0
Net income	15,287	5.7	15,058	5.0	△228	△1.5

## Consolidated Statements of Cash Flows

	Year Ended FY2006	Year Ended FY2007	Increase Decrease
	(April 1,2005 through March 31,2006)	(April 1,2006 through March 31,2007)	
	Million yen	Million yen	Million yen
I Net cash provided by operating activities	36,888	28,357	△8,531
II Investing activities	△ 20,251	△ 20,328	△76
III Financing activities	△ 6,217	△ 10,795	△4,577
IV Foreign currency translation adjustments on cash and cash equivalents	499	567	67
V Net increase(decrease)in cash and cash equivalents	10,918	△ 2,199	△13,118
VI Cash and cash equivalents, beginning of year	56,359	67,649	11,290
Net increase(decrease) in cash and cash equivalents due to change in subsidiaries' year-	371	—	△371
VII Cash and cash equivalents, end of year	67,649	65,449	△2,199

### Items pertaining to preparation of quarterly consolidated financial statement

#### **Changes in scope of consolidation and equity method**

Consolidated subsidiaries	
(Increase)	1company
(Decrease)	—
Affiliates accounted for under the equity method	
(Increase)	—
(Decrease)	—

Newly included in scope of consolidation

Mieux products Co.,Ltd which was acquired the share by Unicharm's subsidiary Unicharm Product Co.,Ltd