

This notice has been translated from the original Japanese text of the timely disclosure statement dated April 28, 2011 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.

**FY2011 Consolidated Financial Results
for the Fiscal Year Ended March 31, 2011
(April 1, 2010 through March 31, 2011); Flash Report
[Japanese Standards]**



April 28, 2011

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: **Yasushi Akita, Executive Officer, General Manager of Accounting Dpt.**
 Telephone Number: **(03) 3451-5111**
 Planned Date of General Shareholders' Meeting: **June 24, 2011**
 Planned Commencement Date of Dividend Payments: **June 6, 2011**
 Planned Filing Date of Securities Report: **June 27, 2011**
 Preparation of Any Additional Explanatory Documents for Full Year Financial Results: **None**
 Holding of Any Briefing Session for Full Year Financial Results: **Yes**

(Securities Analysts, Institutional Investors)

(Figures are rounded down to the nearest 1 million yen)

1. Consolidated Financial Results for FY2011 (April 1, 2010 through March 31, 2011)

(1) Consolidated financial results

(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	%
FY2011	376,947	5.6	46,561	3.3	43,137	-5.9	33,560	37.2
FY2010	356,825	2.6	45,066	29.2	45,855	45.1	24,463	42.8

(Note) Comprehensive income: FY2011: 32,420 million yen (-1.1%)
 FY2010: 32,772 million yen (— %)

	Net income per share	Net income per share adjusted for residual shares	Net income to Shareholder' equity	Ordinary income to Assets	Operating income to Net sales
	Yen	Yen	%	%	%
FY2011	178.11	168.42	17.4	11.5	12.4
FY2010	385.69	385.66	13.9	15.6	12.6

(Reference) Equity method investment gain or loss: FY2011: 17 million yen
 FY2010: 17 million yen

(Note)

The Company conducted a stock split in which three (3) shares were issued per each outstanding common share on October 1, 2010.

For this reason, net income per share and net income per share adjusted for residual shares in the fiscal year ended March 31, 2011 were estimated by taking into account effect of such stock split, while the corresponding figures for the year ended March 31, 2010 do not account for the effect of the stock split.

(2) Consolidated financial position

	Total assets	Net assets	Ratio of shareholders' equity	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
Fiscal Year Ended March 31, 2011	444,015	219,632	45.5	1,083.21
Fiscal Year Ended March 31, 2010	307,773	207,413	59.7	2,922.16

(Reference) Equity Fiscal Year Ended March 31, 2011: JPY 201.934 billion

Fiscal Year Ended March 31, 2010: JPY 183.888 billion

(Note)

The Company conducted a stock split in which three (3) shares were issued per each outstanding common share on October 1, 2010.

For this reason, net assets per share in the fiscal year ended March 31, 2011 was estimated by taking into account the effect of such stock split, while the corresponding figure for the fiscal year ended March 31, 2010 does not account for the stock split.

(3) Consolidated cash flows

	From operating activities	From investing activities	From financing activities	Cash and cash equivalents at the end of fiscal year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Fiscal Year Ended March 31, 2011	(17,239)	(69,527)	116,972	113,007
Fiscal Year Ended March 31, 2010	55,032	(22,239)	(9,455)	84,270

2. Cash Dividends

	Annual Dividends					Total amount of cash dividends (annual)	Dividends payout ratio (consolidated)	Ratio of total amount of dividends to shareholders' equity (consolidated)
	End 1st Q	End 2nd Q	End 3rd Q	Year-End	Total			
Fiscal Year Ended March 31, 2010	Yen —	Yen 35.00	Yen —	Yen 35.00	Yen 70.00	Millions of Yen 4,430	% 18.1	% 2.5
Fiscal Year Ended March 31, 2011	—	42.00	—	14.00	56.00	5,252	31.4	2.8
Fiscal Year Ending March 31, 2012 (projection)		16.00		16.00	32.00		17.0	

(Notes)

- The Company conducted a stock split in which three (3) shares were issued per each outstanding common share on October 1, 2010. For this reason, projected year-end dividends in the fiscal year ended March 31, 2011 was estimated by taking into account the effect of such stock split. Dividends in the fiscal year ended March 31, 2010 and at the end of the second quarter of the fiscal year ended March 31, 2011 do not account for the stock split. The total dividend for the fiscal year ended March 31, 2011 is the sum of the interim dividend and the year-end dividend.
- Dividends payout ratio (consolidated) and ratio of total amount of dividends to shareholders' equity (consolidated) are calculated based on the sum of the interim dividend and the year-end dividend described in "Total" of "Fiscal Year Ended March 31, 2011" (56.00 yen).
- Year-end dividends per share, annual dividends per share, total amount of cash dividends (annual), dividends payout ratio (consolidated) and ratio of amount of dividends to shareholders' equity (consolidated) are calculated based on planned amount as of April 28, 2011, the date of disclosure.

3. Projected Consolidated Financial Results for the Fiscal Year Ending March 2012 (April 1, 2011 through March 31, 2012)

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

	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
Interim	202,000	10.9	22,200	0.1	20,400	3.2	17,000	-31.0	91.19
Full Year	421,000	11.7	49,000	5.2	46,400	7.6	35,000	4.3	187.75

4. Others

(1) Change in major subsidiaries during the period (or any change of specified subsidiaries accompanying a change in the scope of consolidation): Yes

Number of new consolidated subsidiaries:

Company name:

Number of deconsolidated subsidiaries: 1

Company name: Unicharm PetCare Corporation

(2) Change in accounting policies, procedures or presentation methods, etc.:

(i) Any change arising from revision of accounting standards: Yes

(ii) Any change arising from other factors: None

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

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

As of end of FY2011: 206,944,773 shares

As of end of FY2010: 68,981,591 shares

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

As of end of FY2011: 20,521,968 shares

As of end of FY2010: 6,052,515 shares

(iii) Average number of shares during the period:

Apr - Mar FY2011: 188,421,881 shares

Apr - Mar FY2010: 63,429,560 shares

(* Presentation regarding status of review procedures)

This Financial Results for the Fiscal Year Ended March 31, 2011 Flash Report is not subject to the review procedures under the Financial Instruments and Exchange Law, and as of the date of disclosure hereof, the review procedures for financial statements under the Financial Instruments and Exchange Law are being carried out.

(* Explanation regarding proper use of the projected financial 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. Therefore, actual results may differ for various factors. Please refer to "1. Operating Results" section on page 2 for further details.

In addition, a stock split and partial amendments to the Company's Articles of Incorporation following such stock split were resolved at the meeting of the Board of Directors of the Company held on April 30, 2010, and the Company conducted a stock split in which three (3) shares were issued per each outstanding common share on October 1, 2010 as the effective date thereof.

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Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

1. Operating Results

(1) Analysis of operating results

Comparison with actual results for the preceding fiscal year

	FY2010 (Millions of Yen)	FY2011 (Millions of Yen)	Difference (Millions of Yen)	Rate of difference (%)
Net sales	356,825	376,947	20,121	5.6
Operating income	45,066	46,561	1,494	3.3
Ordinary income	45,855	43,137	(2,717)	-5.9
Net income	24,463	33,560	9,096	37.2

Comparison with projected results

	Projection for FY2011(Note) (Millions of Yen)	FY2011 (Millions of Yen)	Difference (Millions of Yen)	Rate of difference (%)
Net sales	393,000	376,947	(16,052)	-4.1
Operating income	46,000	46,561	561	1.2
Ordinary income	43,000	43,137	137	0.3
Net income	32,000	33,560	1,560	4.9

(Note) The projected results for FY2011 are as described in “Notice regarding the revision of earnings projections” announced on July 30, 2010.

By region

	Net sales (Note)			Operating income		
	FY2010 (Millions of Yen)	FY2011 (Millions of Yen)	Difference (Millions of Yen)	FY2010 (Millions of Yen)	FY2011 (Millions of Yen)	Difference (Millions of Yen)
Japan	220,673	219,064	(1,609)	29,313	25,367	(3,946)
China	34,340	44,740	10,400	5,462	8,158	2,695
Others	101,811	113,142	11,330	10,255	13,151	2,895

(Note) Net sales represent those to external customers.

1. Overview of the overall earnings in the period under review

In light of the economic environment surrounding the Company and its group companies during the fiscal year under review, with respect to overseas markets, demand for personal care products continues to grow in the emerging markets centering on Asia. Meanwhile, although there was a contraction in the domestic market for some personal care and pet care products, demand became solid for high value-added products.

In this management environment, as part of its overseas business initiatives, the Company has expanded its distribution areas as well as product lines in the areas, mainly Asia, the Middle East and North Africa. In the domestic personal care business, the Company has also created new demand by launching high value-added products and by actively investing for marketing activities.

As a result, the Company’s sales, operating income, ordinary income and net income for the consolidated fiscal year under review reached, JPY 376.947 billion (up 5.6% YOY), JPY 46.561 billion (up 3.3% YOY), JPY 43.137 billion (down 5.9% YOY) and JPY 33.560 billion (up 37.2% YOY), respectively.

2. Overview of the operation by main business segment

Financial results by segment are as described below.

Effective from this consolidated fiscal year, the “Accounting Standards for Disclosure of Segment Information, etc.” (Corporate Accounting Standard No. 17, March 27, 2009) and the “Guidelines for Application of the Accounting Standards for Disclosure of Segment Information, etc.” (Corporate Accounting Standards Application Guideline No. 20, March 21, 2008) shall apply hereto.

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Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

1) Personal Care Business

	FY2010 (Millions of Yen)	FY2011 (Millions of Yen)	Difference (Millions of Yen)	Rate of difference (%)
Net sales (Note)	303,352	321,814	18,461	6.1
Operating income	36,179	40,123	3,944	10.9

(Note) Net sales represent those to external customers.

As a result, sales and operating income in personal care businesses for the fiscal year under review were JPY 321.814 billion and JPY 40.123 billion, respectively.

●Baby Care Products

Domestically, the Company expanded its range of *Moony* disposable diapers, by launching *Moony Pants* with the stretchy material *Softretch* which had been developed over 12 years and by adding new sizes to the existing product lineup.

The Company also relaunched the *Mamy Poko* and *Mamy Poko Pants* brand after renewing the brand logo, packaging and design of the disposable diapers to the “Disney characters which are recently popular in the apparel business.”

Overseas in China, meanwhile, the Company launched inexpensive disposable diapers in response to broad-based demand, while also working to boost sales growth and profitability by entering new areas. Further, the Company made its best efforts to increase sales and improve profitability in other target Asian countries.

As a result, sales in baby care products for the fiscal year under review were JPY 160.189 billion.

●Feminine Care Products

In Japan, the Company worked hard to expand sales of high value-added products, including the *Sofy Super-Sound Sleep Guard* and *Center-in Compact* series and to stimulate the sanitary napkin market. Meanwhile, a new product was added to the *Sofy Hada Omoi* series, which was designed for women who have sensitive skin during their periods. The new napkin, *Sofy Hada Omoi Ultra Super Slim*, is fifty percent slimmer, and “prevents skin from tightly contacting the sanitary napkin and has excellent absorption”. The Company also launched *Fuwagokochi Long*, a panty liner that can be worn with confidence by protecting underwear both before and after menstruation, responding to consumers’ needs. With respect to tampons, the Company has promoted “PonKatsu Project” to make tampons pervasive in Japan targeting young women in their teens and 20s, under the slogan “Let’s be active 365 days a year.” The Company launched the improved *Super* (for heavy days) and *Super Plus* (for very heavy days) of *Charm Soft Tampon* brand.

Overseas, in target Asian countries, the Company has been aggressively engaged in sales promotion activities for highly value-added sanitary napkins, including night use and thin sanitary napkins in response to the needs of each country, in order to increase sales and profitability.

As a result, sales of feminine care products for the fiscal year under review were JPY 76.394 billion.

●Health Care Products

As part of *Liferee* incontinence care products for adults, the Company newly introduced the thinnest underwear-type diaper *Liferee Ultra Thin Underwear-Type Diaper* and relaunched the improved *Liferee Yoko More Anshin Tape Dome*, an incontinence diaper made of an odor-eliminating polymer compound for trapping odors, to respond to customers’ needs, and launched promotional campaigns through TV commercials, on its website and in stores for the purpose of achieving higher sales results. In the light incontinence care category, where the market continues to grow, the Company launched *Liferee Comfortable Pad 220cc* and *Liferee Sono Shunkan mo anshin 250cc*, responding to consumers’ needs.

●Clean and Fresh Products

The Company worked to promote sales of *Silcot Moist Spongy Puff*, a skin care cotton product that provides extra moistness to the skin with only half the amount of a normal lotion application, in order to satisfy customers who wish to apply skin lotion in an effective and efficient manner.

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Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

2) Pet Care Business

	FY2010 (Millions of Yen)	FY2011 (Millions of Yen)	Difference (Millions of Yen)	Rate of difference (%)
Net sales (Note)	46,780	47,767	986	2.1
Operating income	8,477	6,139	(2,338)	-27.6

(Note) Net sales represent those to external customers.

As a result, sales and operating income in pet care businesses for the fiscal year under review were JPY 47.767 billion and JPY 6.139 billion, respectively.

The Company has been committed to the development of products reflecting consumer needs and the creation of new markets, by adding product lineups to accommodate four major trends among Japanese pet owners: “indoor pet keeping,” “popularity of smaller dogs,” “aging of pets” and “pet obesity,” and by sales promotion.

In the pet food business, the Company worked to expand sales of the new *Aiken Genki Cup* and *Neko Genki Cup* series of cup-based dog and cat foods in response to the needs of the owners of small dogs and cats for foods that are tasty, have a good nutritional balance, and are easy to serve. The Company also launched sales of dog and cat food in China, where the market is expected to grow.

In the pet toiletry business, the Company intensively promoted sales focusing on pet paper diaper products and other pet waste care products that help create clean living environments for pets, such as including of dog sanitary sheet products such as *Deo Sheet*, *Deo Sheet Super Deodorant* and *Deo Sheet (for small dogs)*, and a system toilet product for cats *1 Week Long Deodorant and Antibacterial Deo Toilet*. Meanwhile, the Company introduced *Deotoilet for Doggies*, a bilayer-structured dog waste disposal product designed to prevent urine leakage and odor by using a newly-developed deodorant filter and deodorant/absorbent sheet.

3) Other Businesses

	FY2010 (Millions of Yen)	FY2011 (Millions of Yen)	Difference (Millions of Yen)	Rate of difference (%)
Net sales (Note)	6,693	7,366	673	10.1
Operating income	365	275	(90)	-24.6

(Note) Net sales represent those to external customers.

As a result, sales and operating income in other businesses for the fiscal year under review were JPY 7.366 billion and JPY 275 million, respectively.

3. Projected results for FY2012

	Projected results for FY2012 (Millions of Yen)	Actual results for FY2011 (Millions of Yen)	Difference (Millions of Yen)	Rate of difference (%)
Net sales	421,000	376,947	44,052	11.7
Operating income	49,000	46,561	2,438	5.2
Ordinary income	46,400	43,137	3,262	7.6
Net income	35,000	33,560	1,439	4.3
Net income per share	187.75	178.11	9.64	5.4

Looking at the environment surrounding the Company and its group companies, markets in target Asian countries and areas are anticipated to grow at the same pace with the fiscal year under review.

In Japan, stable demand for highly value-added products that meet consumer needs is likely to continue.

It is expected that the costs of raw materials will continue to increase due to the surging demand for raw materials in growing emerging economies.

With respect to the Great Eastern Japan Earthquake, although it is possible that the customers' needs may

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Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

vary significantly depending on various possible events in the future, the effects assumed at this writing are factored in this report.

In the baby care business, with respect to the *Moony* brand, the Company aims to stimulate the market for tape type diapers, by incorporating the brand's original *Shunkan Kyushu Sheet* (instant absorbent sheet) to *Umaretate-Jitate* and *Nenne-Jitate* to improve stay-dry performance. As for the *Mamy Poko* and *Mamy Poko Pants* brands, the Company aims to stimulate the market for standard diapers by relaunching *Mamy Poko*, after renewing the brand logo, packaging, and design of the disposable diapers, besides improving the absorbency of the products.

In the feminine care business, the Company will add *Sofy Hada Omoi Ultra Slim* to the *Sofy Hada Omoi* series and will continue to offer products such as "skin care type" and "slim type" in response to women's needs.

In the health care business, as part of *Liferee* incontinence care products for adults, the Company will launch *Liferee 1 Night Anshin Urinary Pad* equipped with the *Sarasara Dry Sheet* which keeps skin dry and prevents diaper rash. As a result, the Company will respond to customers' needs concerning skin problems which may be caused by the prolonged use of diapers.

In the pet care business, the Company will work hard to develop products in response to customers' needs and to create new markets. The Company will also add a "health" trend to the four major trends among Japanese pet owners, and launch the *Aiken Genki Best Life* series for dogs and the *For Healthy Kidney for cats* in the *Neko Genki* and *Silver Spoon* series for cats responding to the surging customers' needs.

As a result of the aforementioned efforts, net sales, operating income, ordinary income and net income for FY2012 are projected to be JPY421.0 billion (up 11.7% YOY), JPY49.0 billion (up 5.2% YOY), JPY46.4 billion (up 7.6% YOY) and JPY35.0 billion (up 4.3% YOY), respectively, on a consolidated basis, meaning that net sales and net income could reach record highs. Consequently, net income per share is forecasted to increase by JPY9.64 over the preceding fiscal year to JPY187.75.

In the meantime, the Company's assumptions on foreign exchange rates for the main currencies are JPY80.20 to the U.S. dollar and JPY114.50 to the Euro.

(2) Analysis of financial position

	FY2010 (Millions of Yen)	FY2011 (Millions of Yen)	Difference (Millions of Yen)
Total assets	307,773	444,015	136,242
Net assets	207,413	219,632	12,218
Ratio of shareholders' equity (%)	59.7	45.5	—

	FY2010 (Millions of Yen)	FY2011 (Millions of Yen)	Difference (Millions of Yen)
Cash flows from operating activities	55,032	(17,239)	(72,272)
Cash flows from investing activities	(22,239)	(69,527)	(47,287)
Cash flows from financing activities	(9,455)	116,972	126,427
Outstanding balance of cash and cash equivalents at the end of the fiscal year	84,270	113,007	28,737

Total assets as of the end of the fiscal year under review were JPY444.015 billion, up by JPY136.242 billion YOY, mainly due to increases in cash and cash equivalents by JPY18.694 billion, goodwill by JPY52.992 billion, deferred tax assets by JPY52.003 billion, and a decrease in construction in progress by JPY5.399 billion. Liabilities were JPY224.383 billion, up by JPY124.023 billion YOY, mainly due to an increase in long-term debt of JPY46.410 billion and the issuance of bonds with share warrants of JPY80.642 billion, etc. Net assets were JPY219.632 billion, up by JPY12.218 billion YOY, mainly due to increases with JPY33.560 billion of net income and JPY7.594 billion of acquisition of treasury stocks, etc.

Consequently, the ratio of shareholders' equity decreased from 59.7% as of the end of the preceding fiscal year

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to 45.5% as of the end of the fiscal year under review.

Net cash used by operating activities amounted to JPY17.239 billion, mainly as the results of JPY43.295 billion in income before taxes and other adjustments, JPY79.288 billion in corporate taxes, etc. paid, and JPY14.620 billion in depreciation charges, etc.

Net cash used by investing activities amounted to JPY69.527 billion, primarily due to JPY63.691 billion in expenditures on the acquisition of stock of affiliated companies and JPY27.439 billion in expenditures on the acquisition of tangible fixed assets.

Net cash provided by financing activities amounted to JPY116.972 billion, primarily because of JPY80.672 billion in the issuance of corporate bonds and JPY70.0 billion in the proceeds of long-term debt.

As a result, the outstanding balance of cash and cash equivalents as of the end of the fiscal year under review amounted to JPY113.007 billion, up JPY28.737 billion over the end of the preceding year.

(Reference) Changes in cash flow-related financial indicators

	As of the end of FY2007	As of the end of FY2008	As of the end of FY2009	As of the end of FY2010	As of the end of FY2011
Ratio of shareholders' equity (%)	60.0	58.9	60.2	59.7	45.5
Ratio of shareholders' equity at market value (%)	178.8	168.7	137.2	184.6	127.0
Ratio of cash flows to interest-bearing debts (year)	0.4	0.2	0.3	0.2	—
Interest coverage ratio (times)	69.1	98.0	68.4	322.3	—

Ratio of shareholders' equity: Shareholders' equity / Total assets

Ratio of shareholders' equity at market value: Market capitalization / Total assets

Ratio of cash flows to interest-bearing debts: Interest-bearing debts / Cash flows

Interest coverage ratio: Cash flows/Payment of interest

Note 1: All the above indicators are calculated using consolidated financial figures.

Note 2: Market capitalization is calculated using the Company's total shares outstanding excluding treasury stocks.

Note 3: Cash flows from operating activities are used for calculations.

Note 4: Interest-bearing debts cover all debts for which interest is paid among those which are included in the consolidated balance sheet.

Note 5: The ratio of cash flows to the interest-bearing debts and interest coverage ratio of the fiscal year under review are not stated, as cash flows from operating activities are negative.

(3) Basic policy regarding profit distribution and dividends for FY2011 and FY2012

The Company recognizes that it is one of its most important management policies to return profits to shareholders, and it is striving to increase corporate value by generating cash flows to achieve it. In addition, the Company will maintain its policy of increasing dividend payments in a stable and continual manner while making efforts for aggressive expansion of business investment toward enhancement and growth of corporate structure to strengthen profitability.

The company has acquired treasury stocks of 2,360,000 shares (with a total acquisition cost of JPY7.580 billion) for the period commencing on February 1, 2011 and ending on February 28, 2011 by means of the “purchase on the market by the trust method at the Tokyo Stock Exchange,” in line with the Company’s policy of returning 50% of net income to shareholders by way of cash dividends and share buy-backs.

For the fiscal year under review, the Company will pay year-end dividends of JPY14 per share, as officially announced previously. As a result, the annual dividends will be JPY56 per share. (The Company conducted a stock split where three (3) shares were issued per each outstanding common share effective October 1, 2010).

For FY2012, the Company’s annual dividends per share will be JPY32 and interim dividends per share will be JPY16.

2. Management Policy

(1) Basic management policy of the Company and (2) Targeted business indicators

Basic management policy of the Company and targeted business indicators are not stated, since there was no significant change from those described in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2010 (released on April 30, 2010).

For the results above, please refer to the following URLs.

Website of the company:

<http://www.unicharm.co.jp/ir/library/earnings/index.html>

Website of the Tokyo Stock Exchange (listed company information search):

<http://www.tse.or.jp/listing/compsearch/index.html>

(3) Medium- and long-term management strategy of the Company

The Company will promote its corporate activities aiming to become Asia's premier company to create a life support industry and World's premier company in the future by providing the world's first and best products and services that will provide all the people in the world with comfort, happiness and joy.

In order to realize the goal, the Company, as its medium- and long-term management target to continue and develop for more than a century, settled on the "Global 20 Plan" as the shape the Company should take in 2020, and it has begun implementing the plan since April 2011.

To execute the above-mentioned strategy, while the Company will promote its business in Asia, the Middle East and North Africa, it aims to expand the share of sales by strengthening the growth potential of the personal care and pet care products. The Company will also aggressively implement various measures for concentrating and selecting management resources, develop a new business model that accommodates environmental changes, and pursue brand value enhancement by strengthening relationships with customers.

(4) Issues facing the Group

Basic management policy of Issues Facing the Group are not stated, since there was no significant change from those described in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2010 (released on April 30, 2010).

For the results above, please refer to the following URLs.

Website of the company:

<http://www.unicharm.co.jp/ir/library/earnings/index.html>

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3. Consolidated Financial Statements, Etc.

(1) Consolidated balance sheet

(Millions of Yen)

	Preceding Consolidated Fiscal Year (as of March 31, 2010)	Consolidated Fiscal Year Under Review (as of March 31, 2011)
Assets		
Current assets		
Cash and deposits	99,875	118,569
Notes and accounts receivable	41,643	46,038
Marketable securities	1,499	701
Merchandise and finished goods	11,607	11,724
Raw materials and supplies	8,205	10,309
Work in progress	273	359
Deferred tax assets	5,485	11,453
Other current assets	3,736	5,597
Allowance for bad debts	(75)	(33)
Total current assets	172,251	204,719
Fixed assets		
Tangible fixed assets		
Buildings and other structures (net)	26,507	31,161
Machinery, equipment and vehicles (net)	44,983	48,525
Land	12,021	11,685
Construction in progress	10,316	4,917
Other tangible fixed assets (net)	1,527	2,100
Total tangible fixed assets	*1 95,356	*1 98,389
Intangible fixed assets		
Goodwill	12,029	65,022
Other intangible fixed assets	2,582	2,467
Total intangible fixed assets	14,612	67,489
Investments and other assets		
Prepaid pension expenses	5,534	5,658
Investments in marketable securities	18,052	13,027
Deferred tax assets	1,103	53,107
Other investments	1,887	1,804
Allowance for bad debts	(1,025)	(182)
Total investments and other assets	25,552	73,416
Total fixed assets	135,521	239,295
Total assets	307,773	444,015

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

(Millions of Yen)

	Preceding Consolidated Fiscal Year (as of March 31, 2010)	Consolidated Fiscal Year Under Review (as of March 31, 2011)
Liabilities		
Current liabilities		
Notes and accounts payable	36,135	37,991
Short-term loans payable	6,305	8,371
Accrued amount payable	28,109	28,422
Accrued corporate taxes, etc.	10,390	1,953
Reserve for bonuses	3,858	3,833
Allowance for loss on disaster	—	639
Other current liabilities	7,525	8,930
Total current liabilities	92,324	90,143
Long-term liabilities		
Bonds with share warrants payable	—	80,642
Long-term loans payable	943	47,354
Deferred tax liabilities	1,378	688
Reserve for severance benefits	2,325	2,623
Other long-term liabilities	3,387	2,931
Total long-term liabilities	8,035	134,240
Total liabilities	100,359	224,383
Net assets		
Shareholders' equity		
Common stock	15,992	15,992
Additional paid-in capital	18,802	18,802
Retained earnings	188,696	217,111
Treasury shares	(36,329)	(43,924)
Total shareholders' equity	187,161	207,981
Valuation and translation adjustments, etc.		
Unrealized gains on available-for-sale securities	2,795	3,276
Gains (losses) on deferred hedges	8	(13)
Land revaluation differences	(618)	(89)
Foreign currency translation adjustments	(5,459)	(9,220)
Total valuation and translation adjustments, etc.	(3,273)	(6,047)
Subscription rights to shares	—	288
Minority interests	23,524	17,408
Total net assets	207,413	219,632
Total liabilities and net assets	307,773	444,015

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

(2) Consolidated statement of income and comprehensive income
Consolidated statement of income

(Millions of Yen)

	Preceding Consolidated Fiscal Year (Apr. 1, 2009 – March 31, 2010)	Consolidated Fiscal Year Under Review (April 1, 2010 – March 31, 2011)
Net sales	356,825	376,947
Cost of sales	193,012	203,394
Gross profits	163,813	173,553
Selling, general and administrative expenses	*1 *2 118,747	*1 *2 126,991
Operating income	45,066	46,561
Non-operating income		
Interest received	502	621
Dividends received	250	246
Foreign exchange gain	2,235	—
Other non-operating income	658	840
Total non-operating income	3,647	1,708
Non-operating expenses		
Interests paid	154	310
Sales discount	2,527	3,296
Foreign exchange losses	—	1,267
Other non-operating expenses	176	258
Total non-operating expenses	2,859	5,132
Ordinary income	45,855	43,137
Extraordinary income		
Gain on sale of fixed assets	81	1,011
Gain on reversal of allowance for bad debts	—	905
Gain on sale of stock of affiliated company	—	1,214
Total extraordinary income	81	3,131
Extraordinary losses		
Losses on disposal of fixed assets	730	794
Loss on sales of invested marketable securities	—	312
Loss on evaluation of invested securities	8	355
Allowance for uncollectable receivables transferred	824	—
Losses caused due to application of accounting standards for asset retirement obligations	—	71
Loss on disaster	—	1,083
Other extraordinary losses	423	354
Total extraordinary losses	1,988	2,973
Income before taxes and other adjustments	43,948	43,295
Corporate tax, inhabitant tax and business tax	16,640	65,647
Refunds of corporate tax, etc.	—	(1,120)
Adjustments on corporate tax, etc.	(2,728)	(58,265)
Total corporate tax, etc.	13,911	6,261
Income before minority interests	—	37,034
Minority interests	5,572	3,473
Net income	24,463	33,560

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

Consolidated statement of comprehensive income

(Millions of Yen)

	Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)	Consolidated Fiscal Year Under Review (April 1, 2010 – March 31, 2011)
Income before minority interests	—	37,034
Other comprehensive income		
Valuation difference on available-for-sale securities	—	475
Gains (losses) on deferred hedges	—	(56)
Foreign currency translation adjustment	—	(5,032)
Total other comprehensive income	—	*2 (4,613)
Comprehensive income	—	*1 32,420
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	—	30,257
Comprehensive income attributable to minority interests	—	2,162

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

(3) Consolidated statement of changes in shareholders' equity

(Millions of Yen)

	Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)	Consolidated Fiscal Year Under Review (April 1, 2010 – March 31, 2011)
Shareholders' Equity		
Capital Stocks		
Balance as of the end of the preceding consolidated fiscal year	15,992	15,992
Balance as of the end of the consolidated fiscal year	15,992	15,992
Additional paid-in capital		
Balance as of the end of preceding consolidated fiscal year	18,802	18,802
Balance as of the end of the consolidated fiscal year	18,802	18,802
Retained earnings		
Balance as of the end of the preceding consolidated fiscal year	168,283	188,696
Changes during the consolidated fiscal year		
Payment of dividends	(3,946)	(4,845)
Net income	24,463	33,560
Reversal of differences in land reappraisal value	71	(300)
Change of the scope of consolidation	(175)	—
Total changes during the consolidated fiscal year	20,413	28,414
Balance as of the end of the consolidated fiscal year	188,696	217,111
Treasury stocks		
Balance as of the end of the preceding consolidated fiscal year	(29,829)	(36,329)
Changes during the consolidated fiscal year		
Acquisition of treasury stocks	(6,500)	(7,594)
Total changes during the consolidated fiscal year	(6,500)	(7,594)
Balance as of the end of the consolidated fiscal year	(36,329)	(43,924)
Total shareholders' equity		
Balance as of the end of the preceding consolidated fiscal year	173,248	187,161
Changes during the consolidated fiscal year		
Payment of dividends	(3,946)	(4,845)
Net income	24,463	33,560
Acquisition of treasury stocks	(6,500)	(7,594)
Reversal of differences in land reappraisal value	71	(300)
Change of the scope of consolidation	(175)	—
Total changes during the consolidated fiscal year	13,913	20,819
Balance as of the end of the consolidated fiscal year	187,161	207,981
Unrealized gains (losses) on available-for-sale securities		
Balance as of the end of the preceding consolidated fiscal year	1,745	2,795
Changes during the consolidated fiscal year		
Changes (net amount) of items other than shareholders' equity during the consolidated fiscal year	1,050	480
Total changes during the consolidated fiscal year	1,050	480
Balance as of the end of the consolidated fiscal year	2,795	3,276

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

(Millions of Yen)

	Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)	Consolidated Fiscal Year Under Review (April 1, 2010 – March 31, 2011)
Gains (losses) on deferred hedges		
Balance as of the end of the preceding consolidated fiscal year	(28)	8
Changes during the consolidated fiscal year		
Changes (net amount) of items other than shareholders' equity during the consolidated fiscal year	37	(22)
Total changes during the consolidated fiscal year	37	(22)
Balance as of the end of the consolidated fiscal year	8	(13)
Land revaluation difference		
Balance as of the end of the preceding consolidated fiscal year	(546)	(618)
Changes during the consolidated fiscal year		
Changes (net amount) of items other than shareholders' equity during the consolidated fiscal year	(71)	528
Total changes during the consolidated fiscal year	(71)	528
Balance as of the end of the consolidated fiscal year	(618)	(89)
Foreign currency translation adjustment		
Balance as of the end of the preceding consolidated fiscal year	(6,751)	(5,459)
Changes during the consolidated fiscal year		
Changes (net amount) of items other than shareholders' equity during the consolidated fiscal year	1,291	(3,761)
Total changes during the consolidated fiscal year	1,291	(3,761)
Balance as of the end of the consolidated fiscal year	(5,459)	(9,220)
Total other comprehensive income		
Balance as of the end of the preceding consolidated fiscal year	(5,580)	(3,273)
Changes during the consolidated fiscal year		
Changes (net amount) of items other than shareholders' equity during the consolidated fiscal year	2,307	(2,773)
Total changes during the consolidated fiscal year	2,307	(2,773)
Balance as of the end of the consolidated fiscal year	(3,273)	(6,047)
Subscription rights to shares		
Balance as of the end of the preceding consolidated fiscal year	—	—3
Changes during the consolidated fiscal year		
Changes (net amount) of items other than shareholders' equity during the consolidated fiscal year	—	288
Total changes during the consolidated fiscal year	—	288
Balance as of the end of the consolidated fiscal year	—	288

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

(Millions of Yen)

	Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)	Consolidated Fiscal Year Under Review (April 1, 2010 – March 31, 2011)
Minority interests		
Balance as of the end of the preceding consolidated fiscal year	17,923	23,524
Changes during the consolidated fiscal year		
Changes (net amount) of items other than shareholders' equity during the consolidated fiscal year	5,601	(6,115)
Total changes during the consolidated fiscal year	5,601	(6,115)
Balance as of the end of the consolidated fiscal year	23,524	17,408
Total net assets		
Balance as of the end of the preceding consolidated fiscal year	185,590	207,413
Changes during the consolidated fiscal year		
Payment of dividends	(3,946)	(4,845)
Net income	24,463	33,560
Acquisition of treasury stocks	(6,500)	(7,594)
Reversal of differences in land reappraisal value	71	(300)
Change of the scope of consolidation	(175)	—
Changes (net amount) of items other than shareholders' equity during the consolidated fiscal year	7,909	(8,600)
Total changes during the consolidated fiscal year	21,822	12,218
Balance as of the end of the consolidated fiscal year	207,413	219,632

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

(4) Consolidated statement of cash flows

(Millions of Yen)

	Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)	Consolidated Fiscal Year Under Review (April 1, 2010 – March 31, 2011)
Cash flows from operating activities		
Income before tax and other adjustments	43,948	43,295
Depreciation charges	16,393	14,620
Amortization of goodwill	—	2,760
Increase (decrease) in allowance for bad debts	852	(884)
Increase (decrease) in reserve for employee severance benefits	(3,852)	367
Gain on sale of Investments in affiliates	—	(1,214)
Receipt of interests and dividends	(753)	(868)
Payment of interests	154	310
Losses (gains) on sale of tangible fixed assets	649	(217)
Losses (gains) on sale and valuation of investment securities	2	668
Decrease (Increase) in trade receivables	573	(5,629)
Decrease (Increase) in inventories	3,044	(2,874)
Increase (decrease) in trade payables	(2,583)	4,649
Increase (decrease) in other current liabilities	4,400	761
Other	(1,474)	1,766
Sub-total	61,356	57,512
Interests and dividends received	696	826
Interests paid	(170)	(355)
Corporate taxes, etc. paid	(10,694)	(79,288)
Refunds of corporate taxes, etc. received	3,845	4,064
Cash flows from operating activities	55,032	(17,239)
Cash flows from investing activities		
Payments into time deposits	(18,297)	(6,900)
Proceeds from withdrawal of time deposits	17,022	16,841
Expenditure on acquisition of marketable securities	(42,325)	(7,600)
Income from sale and redemption of marketable securities	46,057	8,398
Expenditure on acquisition of tangible fixed assets	(24,168)	(27,439)
Income from sale of tangible fixed assets	247	1,701
Expenditure on acquisition of intangible fixed assets	(269)	(381)
Expenditure on acquisition of investment securities	(2,839)	(77)
Income from sale and redemption of investment securities	2,452	4,784
Proceeds from sales of investments in capital of affiliates	—	4,947
Expenditure on purchase of affiliates' stocks	—	(63,691)
Other	(119)	(109)
Cash flows from investing activities	(22,239)	(69,527)

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

(Millions of Yen)

	Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)	Consolidated Fiscal Year Under Review (April 1, 2010 – March 31, 2011)
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	1,532	1,489
Income from incurrence of long-term debt	183	70,000
Expenditure on repayment of long-term debt	(344)	(21,749)
Proceeds from issuance of bonds	—	80,672
Expenditure on acquisition of treasury stocks	(6,500)	(7,594)
Dividends paid	(3,941)	(4,844)
Dividends paid to minority shareholders	(1,036)	(1,181)
Income from payments by minority shareholders	744	262
Other	(92)	(81)
Cash flows from financing activities	(9,455)	116,972
Currency translation effect on cash and cash equivalents	511	(1,467)
Increase (decrease) in cash and cash equivalents	23,848	28,737
Amount of cash and cash equivalents outstanding at beginning of period	60,421	84,270
Amount of cash and cash equivalents outstanding at end of period	84,270	113,007

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

Not applicable

(6) Material accounting policies concerning the preparation of consolidated financial statements

1. Matters related to the scope of consolidation

All subsidiaries of the Company are consolidated.

Number of consolidated subsidiaries: 31

2. Matters related to accounting standards

Allowance for loss on disaster

To prepare for costs or losses which are necessary for the asset restoration required by the damage caused by the Great Eastern Japan Earthquake Disaster, the estimated amount of allowance for loss on disaster is provided based on the amount expected at the end of this consolidated fiscal year under review.

Material matters affecting the preparation of consolidated financial statements, except for "1. Matters related to the scope of consolidation" and "2. Matters related to accounting standard," are not stated as there was no significant change from those described in the most recent securities report (*yukashoukenhoukokusho*, filed on June 25, 2010).

(7) Changes to material accounting policies concerning the preparation of consolidated financial statements

(Application of "Accounting Standards for Asset Retirement Obligations, etc.")

Effective from the fiscal year under review, the "Accounting Standards for Asset Retirement Obligations" (Corporate Accounting Standard No. 18, March 31, 2008) and the "Guidelines for Application of the Accounting Standards for Asset Retirement Obligations" (Corporate Accounting Standards Application Guideline No. 21, March 31, 2008) shall apply hereto.

The effect of the application on the Company's operating income, ordinary income, and income before taxes is minimal.

(Application of "Accounting Standards for Business Combination, etc.")

Effective from the consolidated fiscal year under review, the "Accounting Standards for Business Combination" (Corporate Accounting Standard No. 21, December 26, 2008), the "Accounting Standards for Consolidated Financial Statements" (Corporate Accounting Standard No. 22, December 26, 2008), and the "Guidelines for Application of the Accounting Standards for Business Combination and Business Divestiture, etc." (Corporate Accounting Standards Application Guideline No. 10, December 26, 2008) shall apply hereto.

(8) Change in presentation methods

(Consolidated statement of income)

In the consolidated statement of income for the preceding fiscal year, "loss on the sale of invested marketable securities (the amount for the preceding fiscal year is JPY111 million)" was recognized as "other extraordinary loss" under "extraordinary loss." However, the amount of "loss on the sale of invested marketable securities" for the fiscal year under review accounts for more than ten percent (10%) of the total amount of extraordinary loss, "loss on the sale of invested marketable securities" shall be separately recognized in the consolidated statement of income for the fiscal year under review.

Following the application of the Cabinet Order Concerning Partial Revisions to the Regulations on Financial Statements, etc. (Cabinet Ordinance No. 5, March 24, 2009) pursuant to the "Accounting Standards for Consolidated Financial Statements" (Corporate Accounting Standard No. 22, December 26, 2008), "income before minority interests" is recognized in the consolidated statement of income for the consolidated fiscal year under review.

(Consolidated statement of cash flows)

In the consolidated statement of cash flows for the preceding fiscal year, "amortization of goodwill" was recognized as "depreciation" under "cash flows from operating activities." However, "amortization of goodwill," whose importance has increased, shall be separately recognized in the consolidated statement of cash flows for the consolidated fiscal year under review. "Amortization of goodwill" of "depreciation" for the preceding fiscal year amounted to JPY725 million.

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

(9) Notes to consolidated financial statements
(Consolidated balance sheet)

Preceding Consolidated Fiscal Year (As of March 31, 2010)	Consolidated Fiscal Year under Review (As of March 31, 2011)
*1 Accumulated depreciation of fixed assets	*1 Accumulated depreciation of fixed assets
Accumulated depreciation of tangible fixed assets 145,438 mil	Accumulated depreciation of tangible fixed assets 146,211 mil

(Consolidated statement of income)

(Millions of Yen)

Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)	Consolidated Fiscal Year Under Review (April 1, 2010 – March 31, 2011)
*1 Major items constituting selling, general and administrative expenses	*1 Major items constituting selling, general and administrative expenses
Advertisement costs 13,211 mil	Advertisement costs 12,627 mil
Salaries and bonuses to employees 11,826 mil	Salaries and bonuses to employees 12,128 mil
Allowance for bonuses transferred 1,590 mil	Allowance for bonuses transferred 1,588 mil
Employee retirement benefits 1,372 mil	Employee retirement benefits 1,319 mil
Depreciation charges 1,890 mil	Depreciation charges 1,373 mil
Sales promotion expense 42,873 mil	Sales promotion expense 49,778 mil
Sales-related transportation expense 18,304 mil	Sales-related transportation expense 19,710 mil
*2 Research and development expenses included in selling, general and administrative expenses and manufacturing costs incurred in the Preceding fiscal year were 4,558 mil	*2 Research and development expenses included in selling, general and administrative expenses and manufacturing costs incurred in the fiscal year under review were 4,953 mil

(Consolidated statement of comprehensive income)

For the Consolidated Fiscal Year under Review (April 1, 2010 through March 31, 2011)

*1 Comprehensive income for the preceding consolidated fiscal year	
Comprehensive income attributable to equity holders of the parent	26,843 mil
Comprehensive income attributable to minority interest	5,929 mil
Total	32,772 mil
*2 Other comprehensive income for the preceding consolidated fiscal year	
Loss on valuation of other securities	1,115 mil
Gain/loss on deferred hedge	79 mil
Foreign currency translation adjustment	1,540 mil
Total	2,735 mil

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

(Segment information)

[Segment Information by Business Type]

For Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)

(Millions of Yen)

	Personal care	Pet care	Other	Total	Elimination or Company-wide	Consolidation
I Sales and operating profits/losses						
Sales						
(1) Sales to external customers	299,334	46,780	10,710	356,825	—	356,825
(2) Internal sales or transfers across segments	0	—	3	4	(4)	—
Total	299,335	46,780	10,714	356,830	(4)	356,825
Operating expenses	263,875	38,303	9,629	311,808	(49)	311,759
Operating income	35,459	8,476	1,085	45,021	44	45,066
II Assets, allowance for depreciation, impairment loss and capital expenditure						
Assets	205,151	31,840	25,622	262,614	45,159	307,773
(1) Allowance for depreciation	15,628	499	265	16,393	—	16,393
(2) Capital expenditure	23,078	1,266	405	24,750	—	24,750

(Notes)

1. Method of segmenting businesses

Businesses are segmented based on the sales volume classification of the Company, taking similarities in product, sales market, etc. into account.

2. Main products by business segment

(1) Personal care..... Baby and child care products, feminine care products, health care products, etc.

(2) Pet care..... Pet foods, pet toiletries

(3) Other..... Food-wrapping materials, industrial materials, financing operations, etc.

3. Of the assets at the end of the consolidated fiscal year under review, the main items included in “Elimination or Company-wide” were cash and deposits, marketable securities and investment securities of the parent company and the amount of these items were as follows:

At the end of the preceding consolidated fiscal year: ¥67,671 million.

[Segment Information by Region]

For Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)

(Millions of Yen)

	Japan	Asia	Europe and Middle East	Total	Elimination or Company-wide	Consolidation
I Sales and operating profits/losses						
Sales						
(1) Sales to external customers	220,673	96,041	40,110	356,825	—	356,825
(2) Internal sales or transfers across segments	14,362	2,073	—	16,435	(16,435)	—
Total	235,035	98,114	40,110	373,261	(16,435)	356,825
Operating expenses	205,721	84,628	37,728	328,078	(16,318)	311,759
Operating income	29,313	13,486	2,382	45,183	(116)	45,066
II Assets	170,763	95,690	33,505	299,959	7,813	307,773

(Notes)

1. Classification of country or region is based on geographical proximity.

2. Main countries or areas classified into regions other than Japan:

(1) Asia Taiwan, China, South Korea, Thailand, Australia, etc.

(2) Europe and Middle East The Netherlands and Saudi Arabia

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Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

3. Of the assets at the end of the consolidated fiscal year under review, the main items included in “Elimination or Company-wide” were cash and deposits, marketable securities and investment securities of the parent company and the amount of these items were as follows:
At the end of the preceding consolidated fiscal year: ¥67,671 million.

[Overseas Sales]

For Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)

	Asia	Europe	Middle East, North Africa and North America	Total
I. Overseas sales (Millions of Yen)	96,049	23,272	18,184	137,505
II. Consolidated sales (Millions of Yen)	—	—	—	356,825
III. Overseas sales as a percentage of consolidated sales (%)	26.9	6.5	5.1	38.5

(Notes)

1. Classification of country or region is based on geographical proximity.
2. Main countries/regions belonging to each category:
 - (1) Asia..... Taiwan, China, South Korea, Thailand, Australia, etc.
 - (2) Europe..... The Netherlands, etc.
 - (3) Middle East, North Africa and North America... Saudi Arabia, Egypt, U.S.A., etc.

[Segment Information]

1. Outline of reporting segments

The Company’s reporting segments shall be part of its organizational units whose financial information is individually available, and shall be subject to regular review by its Board of Directors for the purpose of deciding the allocation of its managerial resources and evaluating its business performance.

The Company is composed of three (3) businesses, namely the personal care business, the pet care business and other businesses, as its basic units, and has been engaged in its business activities by comprehensively developing domestic and overseas strategies by business unit.

Therefore, the “personal care business,” the “pet care business,” and “other businesses” constitute the Company’s reporting segments.

The Company has manufactured and sold baby care products, feminine care products, health care products, and clean-and-fresh products in the “personal care business.” In the “pet care business,” the Company has manufactured and sold pet food products and pet toiletry products. In “other businesses,” the Company has manufactured and sold business use products, etc.

2. Methods of calculating the amount of sales, profits/losses, assets, liabilities, and other items by reporting segment

Accounting methods for reporting segments are nearly the same as those of “material matters affecting the preparation of consolidated financial statements” in the most recent securities report (*yukashoukenhoukokusho*, filed June 25, 2010).

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Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

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

For Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)

(Millions of Yen)

	Reporting segment				Elimination or company-wide	Consolidation
	Personal care	Pet care	Other	Total		
Sales						
Sales to external customers	303,352	46,780	6,693	356,825	—	356,825
Internal sales or transfers across segments	—	—	23	23	(23)	—
Total	303,352	46,780	6,716	356,849	(23)	356,825
Operating income	36,179	8,477	365	45,021	44	45,066
Assets	207,747	31,840	23,429	263,017	44,755	307,773
Others						
Depreciation charges	14,988	498	180	15,667	—	15,667
Amortization of goodwill	725	—	—	725	—	725
Increase of tangible and intangible fixed assets	23,154	1,266	329	24,750	—	24,750

For Consolidated Fiscal Year under Review (April 1, 2010 – March 31, 2011)

(Millions of Yen)

	Reporting segment				Elimination or Company-wide	Consolidation
	Personal care	Pet care	Other	Total		
Sales						
Sales to external customers	321,814	47,767	7,366	376,947	—	376,947
Internal sales or transfers across segments	—	—	22	22	(22)	—
Total	321,814	47,767	7,388	376,969	(22)	376,947
Operating income	40,123	6,139	275	46,537	23	46,561
Assets	275,169	66,837	23,966	365,973	78,042	444,015
Others						
Depreciation charge	13,741	656	222	14,620	—	14,620
Amortization of goodwill	700	2,049	10	2,760	—	2,760
Increase in tangible and intangible fixed assets	26,487	56,083	84	82,655	—	82,655

(Additional Information)

Effective from this consolidated fiscal year under review, the “Accounting Standards for Disclosure of Segment Information, etc.” (Corporate Accounting Standard No. 17, March 27, 2009) and the “Guidelines for Application of the Accounting Standards for Disclosure of Segment Information, etc.” (Corporate Accounting Standards Application Guideline No. 20, March 21, 2008) shall apply hereto.

(Business combination etc.)

For Preceding Consolidated Fiscal Year (April 1, 2009 – March 31, 2010)

Not applicable

For Consolidated Fiscal Year under Review (April 1, 2010 – March 31, 2011)

Transactions under common control, etc.

(Merger of Unicharm PetCare Corporation, a subsidiary of the Company)

(1) Outline of business combination

The Company resolved to merge Unicharm PetCare Corporation into the Company (collectively, "Both Companies"), provided that the Company acquires the common stock of UniCharm PetCare through a tender offer (the "Tender Offer"), based on the Financial Instruments and Exchange Law, and completes the Tender Offer, and executed the merger agreement at a meeting of its Board of Directors held on April 30, 2010.

The Company successfully completed the Tender Offer for the period from May 6, 2010 to June 16, 2010 (30 business days).

In addition, the merger was approved in the 50th general shareholders meeting of Unicharm held on June 24, 2010.

Upon such approval, the Company, as the surviving company, completed the merger ("the Merger") of Unicharm PetCare, the dissolved company, effective September 1, 2010.

I. Purpose of the merger

The Company aimed to be more strongly positioned in the domestic market and enhance the prospective overseas business of the Both Companies by enhancing managerial flexibility, optimizing the managerial resources including human resources of the Both Companies, expanding the business through cooperative strategic investments, and achieving more rapid synergy effect. In order to achieve these goals, the Company reached to the conclusion that the Both Companies should operate their business as one entity.

II. Summary information of the merger

1) Schedule

Effective date of the merger	September 1, 2010
Payment date of the consideration for the merger	October 29, 2010

2) Scheme

The merger was executed by the absorption method, whereby the Company became the surviving company and Unicharm PetCare became the dissolved company. Unicharm PetCare was dissolved effective as of September 1, 2010.

3) Consideration

The Company paid in cash ¥3,825 per share (a total of ¥2,848 million for 744,651 shares) to the shareholders of Unicharm Pet Care registered or recorded in the final list of shareholders (excluding Both Companies) just before the merger is effective. Since the merger consideration consists of cash, the Company will neither issue new shares nor allocate treasury stock.

4) Description of the merged company (as of March 31, 2010)

Name:	Unicharm PetCare Corporation
Location:	3-5-27, Mita, Minato-ku, Tokyo
Representative:	President & CEO Gumpei Futagami
Business:	Production and sales of pet food and pet toiletry products
Common stock:	¥ 2,371 million
Founded:	October 6, 1979
Number of the shares issued:	29,360,000
Fiscal year end date:	March 31

(2) Accounting treatment

The merger recorded as the transaction under common control in accordance with ASBJ Statement No.21 "Accounting Standards for Business Combinations" on December 26, 2008 and ASBJ Guidance No.10 "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business divestitures" on December 26, 2008.

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

(Per-share information)

(Yen)

Preceding Consolidated Fiscal Year (from April 1, 2009 – March 31, 2010)	Consolidated Fiscal Year under Review (from April 1, 2010 – March 31, 2011)
Net assets per share 2,922.16	Net assets per share 1,083.21
Net income per share 385.69	Net income per share 178.11
Net income per share-diluted 385.66	Net income per share-diluted 168.42

(Note 1) Calculation basis for net assets per share is as follows:

	The End of Preceding Consolidated Fiscal Year (March 31, 2010)	The End of Consolidated Fiscal Year under Review (March 31, 2011)
Total of net assets reported in the consolidated balance sheet (Millions of Yen)	207,413	219,632
Main items of the difference (Millions of Yen)		
Subscription rights to shares	—	288
Minority interests (Millions of Yen)	23,524	17,408
Net assets relevant to common stock (Millions of Yen)	183,888	201,934
Number of outstanding common stock (Thousands of shares)	68,981	206,944
Number of treasury common stock (Thousands of shares)	6,052	20,521
Number of common stock used to calculate net asset per share (Thousands of shares)	62,929	186,422

(Note 2) The calculation basis for net income per share and net income per share-diluted is as follows:

	Preceding Consolidated Fiscal Year (from April 1, 2009 – March 31, 2010)	Consolidated Fiscal Year under Review (from April 1, 2010 – March 31, 2011)
Net income reported in the consolidated income statement (Millions of Yen)	24,463	33,560
Amount not attributable to common stock holders (Millions of Yen)	—	—
Net income relevant to common stock (Millions of Yen)	24,463	33,560
Average number of common stocks during period (Thousands of shares)	63,429	188,421
Increase in the number of common stock (Thousands of shares)	4	10,734
(Of which the number of stock options)	(4)	—
(Of which the number of convertible bonds with share warrants)	—	(10,734)
Outline of potential stock which, due to the absence of any dilutive effect, was not included in the computation of the amount of net income per share after adjustment for residual income	—	Stock options resolved at the ordinary general meeting of shareholders held on June 24, 2010 Stock options: 25,893 Common stock: 2,589,300

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Unicharm Corporation (8113) Consolidated Financial Results for FY 2011

(Significant subsequent events)

For the preceding consolidated fiscal year (April 1, 2009 through March 31, 2010)

Not applicable

For the consolidated fiscal year under review (April 1, 2010 through March 31, 2011)

Not applicable