

TRANSLATION FOR REFERENCE PURPOSES ONLY

Unicharm Corporation (8113) Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2018

This notice has been translated from the original Japanese text of the timely disclosure statement dated November 5, 2018 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.

**Summary of Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2018 (January 1, 2018 through September 30, 2018); Flash Report [IFRS]**



November 5, 2018

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: **Atsushi Iwata, Senior Executive Officer, General Manager of Accounting Control and Finance Division**  
 Telephone Number: **+81-3-3451-5111**  
 Scheduled Date to Submit Quarterly Securities Report: **November 7, 2018**  
 Scheduled Date to Commence Dividend Payments: **—**  
 Preparation of Supplementary Material on Quarterly Financial Results: **Yes**  
 Holding of Quarterly Financial Results Presentation Meeting: **Yes (Securities Analysts, Institutional Investors)**

(Amounts are rounded to the nearest million yen)

**1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2018 (January 1, 2018 through September 30, 2018)**

**(1) Consolidated financial results (Q3 cumulative)**

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

|                                            | Net Sales       |     | Core Operating Income |      | Profit Before Tax |      | Profit for the Period |      | Profit Attributable to Owners of Parent |      | Total Comprehensive Income |        |
|--------------------------------------------|-----------------|-----|-----------------------|------|-------------------|------|-----------------------|------|-----------------------------------------|------|----------------------------|--------|
|                                            | Millions of Yen | %   | Millions of Yen       | %    | Millions of Yen   | %    | Millions of Yen       | %    | Millions of Yen                         | %    | Millions of Yen            | %      |
| Q3 of Fiscal Year Ending December 31, 2018 | 498,115         | 7.0 | 75,808                | 13.8 | 73,905            | 10.4 | 52,475                | 8.9  | 47,086                                  | 7.9  | 44,805                     | (14.6) |
| Q3 of Fiscal Year Ended December 31, 2017  | 465,592         | 7.5 | 66,632                | 26.0 | 66,966            | 37.7 | 48,177                | 36.0 | 43,622                                  | 34.7 | 52,441                     | —      |

(Note) Core operating income is calculated by deducting selling, general and administrative expenses from gross profit.

|                                            | Basic Earnings Per Share | Diluted Earnings Per Share |
|--------------------------------------------|--------------------------|----------------------------|
|                                            | Yen                      | Yen                        |
| Q3 of Fiscal Year Ending December 31, 2018 | 79.85                    | 77.80                      |
| Q3 of Fiscal Year Ended December 31, 2017  | 74.21                    | 71.89                      |

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**(2) Consolidated financial position**

|                          | Total Assets    | Total Equity    | Equity Attributable to Owners of Parent | Ratio of Equity Attributable to Owners of Parent |
|--------------------------|-----------------|-----------------|-----------------------------------------|--------------------------------------------------|
|                          | Millions of Yen | Millions of Yen | Millions of Yen                         | %                                                |
| As of September 30, 2018 | 788,950         | 507,194         | 444,206                                 | 56.3                                             |
| As of December 31, 2017  | 736,644         | 453,029         | 387,567                                 | 52.6                                             |

**2. Cash Dividends**

|                                                 | Annual Dividends |           |           |          |       |
|-------------------------------------------------|------------------|-----------|-----------|----------|-------|
|                                                 | 1st Q-End        | 2nd Q-End | 3rd Q-End | Year-End | Total |
|                                                 | Yen              | Yen       | Yen       | Yen      | Yen   |
| Fiscal Year Ended December 31, 2017             | —                | 9.00      | —         | 11.00    | 20.00 |
| Fiscal Year Ending December 31, 2018            | —                | 12.00     | —         |          |       |
| Fiscal Year Ending December 31, 2018 (forecast) |                  |           |           | 12.00    | 24.00 |

(Note) Changes in dividend forecasts recently disclosed: None

**3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2018  
(January 1, 2018 through December 31, 2018)**

(Figures in percentage represent increases or decreases from the previous fiscal year)

|           | Net Sales       |     | Core Operating Income |     | Profit Before Tax |     | Profit Attributable to Owners of Parent |      | Basic Earnings Per Share |
|-----------|-----------------|-----|-----------------------|-----|-------------------|-----|-----------------------------------------|------|--------------------------|
|           | Millions of Yen | %   | Millions of Yen       | %   | Millions of Yen   | %   | Millions of Yen                         | %    | Yen                      |
| Full Year | 687,000         | 7.1 | 94,000                | 8.2 | 93,000            | 0.1 | 59,000                                  | 11.8 | 98.91                    |

(Note) Changes in results forecasts recently disclosed: None

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**\* Notes**

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

Newly included: 1 company

Company name: DSG International (Thailand) Public Company Limited

**(2) Changes in accounting policies and accounting estimates**

(i) Changes in accounting policies required by IFRS: Yes

(ii) Changes in accounting policies other than item (i) above: None

(iii) Changes in accounting estimates: None

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

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

As of September 30, 2018: 620,834,319 shares

As of December 31, 2017: 620,834,319 shares

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

As of September 30, 2018: 24,346,661 shares

As of December 31, 2017: 35,097,927 shares

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

Q3 of Fiscal Year Ending December 31, 2018: 589,711,446 shares

Q3 of Fiscal Year Ended December 31, 2017: 587,798,053 shares

\* The quarterly financial results report is exempt from quarterly review by certified public accountants or an audit corporation.

\* Explanation regarding proper use of the forecasts of financial results and other notes

(1) While the core operating income disclosed by the Company is not an indicator defined in IFRS, the Company voluntarily discloses this as it is believed to be a valuable benchmark for measuring the Company's recurring business performance.

(2) Forecasts stated herein are based on the currently available information and the Company's assumptions that were judged to be valid as of the announcement date hereof, and are not intended to be a promise by the Company to achieve these forecasts. Therefore, actual results may differ for various factors.