

*This notice has been translated from the original Japanese text of the timely disclosure statement dated November 8, 2024 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 Nine Months Ended September 30, 2024; Flash Report  
[IFRS]**



MEMBERSHIP

November 8, 2024

Listed Company Name: **Unicharm Corporation**  
 Listing: **Tokyo Stock Exchange**  
 Code Number: **8113**  
 URL: **https://www.unicharm.co.jp/**  
 Company Representative: **Takahisa Takahara, Representative Director, President and Chief Executive Officer**  
 Contact Person: **Hirotatsu Shimada, Managing Executive Officer, General Manager of Accounting Control and Finance Division**  
 Telephone Number: **+81-3-3451-5111**  
 Scheduled Date to Commence Dividend Payments: –  
 Preparation of Supplementary Material on Financial Results: **Yes**  
 Holding of Financial Results Presentation Meeting: **Yes (Securities Analysts, Institutional Investors)**

(Amounts are rounded to the nearest million yen)

**1. Consolidated Financial Results for the Nine Months Ended September 30, 2024  
(January 1, 2024 through September 30, 2024)**

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

(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	%
Nine Months Ended September 30, 2024	722,052	5.0	103,590	11.7	100,787	(0.3)	69,594	(0.7)	59,552	(2.4)	86,061	(28.6)
Nine Months Ended September 30, 2023	687,431	5.0	92,736	1.2	101,042	10.5	70,064	14.1	60,993	16.2	120,555	(8.2)

	Basic Earnings Per Share	Diluted Earnings Per Share
	Yen	Yen
Nine Months Ended September 30, 2024	101.23	–
Nine Months Ended September 30, 2023	102.99	–

(Note) Core operating income information is a valuable benchmark for measuring the Group's recurring business performance. It is calculated by deducting selling, general and administrative expenses from gross profit.

*TRANSLATION FOR REFERENCE PURPOSES ONLY*

Unicharm Corporation (8113) Consolidated Financial Results for the Nine Months Ended September 30, 2024

**(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, 2024	1,164,538	820,244	727,759	62.5
As of December 31, 2023	1,133,627	788,250	695,719	61.4

**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, 2023	–	20.00	–	20.00	40.00
Fiscal Year Ending December 31, 2024	–	22.00	–		
Fiscal Year Ending December 31, 2024 (forecast)				22.00	44.00

(Note) Changes in dividend forecasts recently disclosed: None

**3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2024 (January 1, 2024 through December 31, 2024)**

(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	1,006,000	6.8	144,000	12.5	144,000	8.8	90,000	4.6	153.49

(Note) Changes in results forecasts recently disclosed: None

**\* Notes****(1) Significant changes in the scope of consolidation during the period: None****(2) Changes in accounting policies and accounting estimates**

- (i) Changes in accounting policies required by IFRS: None
- (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, 2024:	620,834,319 shares
As of December 31, 2023:	620,834,319 shares
- (ii) Number of treasury shares as of end of period:
 

As of September 30, 2024:	34,458,522 shares
As of December 31, 2023:	30,605,773 shares
- (iii) Average number of shares during the period (accumulated total):
 

Nine Months Ended September 30, 2024:	588,301,550 shares
Nine Months Ended September 30, 2023:	592,236,783 shares

\* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an auditing firm: None

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

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. Please refer to "1. Overview of the Operating Results, Etc., (3) Explanation of future estimate information such as forecast of consolidated financial results" section on page 5 for more information concerning the assumptions used for forecasts of financial results and other notes on proper use.

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## 1. Overview of the Operating Results, Etc.

### (1) Overview of the operating results for the fiscal period under review

During the nine months ended September 30, 2024 (January 1, 2024 to September 30, 2024), the operating environment of the Group was characterized by differences in economic sentiments between countries/regions, persistent geopolitical risks and instability in exchange rates. As a result, the future outlook remains difficult to predict.

Overseas, while the situation varies by country, region and segment, the economy shows signs of recovery in many of the key target markets, and our strategic initiatives generally progressed as planned.

In Japan, despite there were concerns about issues such as the 2024 problem in logistics, sales growth has remained strong because the products the Company handles are daily necessities, and the practice of passing on increasing costs to prices has been established through successive proposals of value-added products that meet consumers' needs.

In these environments 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,” and taking the opportunity to create a new corporate brand essence, “Love Your Possibilities” in the fiscal year ending December 31, 2024, the first year of the 12th Medium-term Management Plan, the Company and its group companies have worked to create a “Cohesive Society” with social inclusion, as a society where people around the world are equal, unencumbered, respectful of each other’s individuality, and support each other with kindness, making heart-to-heart connections.

As a result, net sales, core operating income, profit before tax, profit for the period, and profit attributable to owners of parent in the nine months ended September 30, 2024 reached ¥722,052 million (up 5.0% year on year), ¥103,590 million (up 11.7% year on year), ¥100,787 million (down 0.3% year on year), ¥69,594 million (down 0.7% year on year), and ¥59,552 million (down 2.4% year on year), respectively.

Financial results by segment are as described below.

#### 1) Personal Care Business

##### ● Wellness Care Business

Looking at overseas markets, in countries in the Southeast Asian region such as Thailand, Indonesia, and Vietnam, where demand for adult excretion care products is rising, the Company has made efforts to expand its product lineup and promote the Japanese care model by using both pad-type products and disposable underwear. In China, where the population is aging even faster than in Japan, there is a large target market for adult excretion care products, and there is a lack of awareness and adoption of specialized products, the Company continued to actively invest in marketing of product lineups that meet local needs.

In Japan, under the concept of “Can increase what one can do, one by one,” the Company has continued to meet the diverse needs of consumers with a wide range of products, focusing primarily on light to moderate incontinence products that help extend healthy life expectancy. Among these, the Company achieved high sales growth in light incontinence products in particular, as a result of its focus on raising awareness of male-specific products, in addition to those for women. For moderate incontinence products, the new value proposition the Company made in the 2023 launch of disposable underpants that features “ultrasonic bonding” related patented technology in the waist area of the underpants was well received and drove overall sales growth.

In the mask category, the Company revitalized the market by the various products lineup in both the *Chokaiteki* and *Chorittai* brands. The Company will continue to aim to expand its market share by continuously launching new products to meet consumer needs from autumn through spring, when demand for products related to infectious diseases and pollen increases.

##### ● Feminine Care Business

Overseas, we achieved high net sales growth by developing unique, high value-added products tailored to the characteristics and consumer needs of each region and by gradually rolling out these products to other countries and regions.

In China, although the economic outlook remains uncertain, distribution inventories have remained stable at low levels. Under these circumstances, we have launched many new products intermittently, starting with the Women’s Day event on March 8. In particular, the new concept of a shorts-shaped napkin for daytime use was well received, and we achieved stable sales growth. We will work to improve consumer satisfaction

and gain market share by continuing to launch new products, especially premium products, expand retail sales area and the number of stores selling our products, with a focus on coastal cities, and promote sales through utilizing new platforms such as quick commerce.

In the Asian countries of Thailand and Indonesia, we achieved steady net sales growth by expanding the offering of high value-added products, including cooling sanitary napkins that provide a cool and refreshing feeling of comfort and activated charcoal blended sanitary napkins.

In India, where the penetration rate of sanitary products is low, we achieved high sales growth and established profitability as a result of our efforts to deploy products that meet local needs, such as products based on the concept of anti-bacterial, mainly in urban areas, and to expand the number of stores selling our products.

In the Middle East, domestic sales in Saudi Arabia remained steady and exports to countries neighboring Saudi Arabia expanded thanks to aggressive investments in marketing, like the promotion of new products containing olive oil that have been tailored to local customs.

In Japan, despite a decrease in the target population, the Company continued to develop high value-added products that cater to the growing emphasis on health and peace of mind. In addition to proposing in-store displays, we also promoted a strategy of continuous communication with consumers via social media. As a result, we achieved high net sales growth. We also launched the *Sofy Be* service, a menstrual management app that monitors the health condition by focusing on hormonal changes. We aim to maximize the lifetime value of women by providing comprehensive support not only during their menstrual periods but throughout their daily lives, empowering each woman to manage her mind and body and thereby improve her health and quality of life.

- Baby Care Business

Overseas, we promoted the use of our products, particularly our pants-type disposable diapers, which are one of our strengths, as well as the deployment of unique products. In India, where the use of disposable diapers is still low, even compared to other target countries, as a result of endeavors to promote the use of pants type disposable diapers and expand the sales areas, the Company achieved high net sales growth and improved profitability.

In regions where market growth remains sluggish, such as Thailand, Vietnam and Indonesia, we are pursuing a two-brand strategy, targeting premium-conscious consumers with the high-end *Mamy Poko* brand, and price-conscious consumers with the brand of DSG (Cayman) Limited acquired in 2018.

In Vietnam, we launched the world's first\*<sup>1</sup> pants-type disposable diapers for newborns that can be opened and closed on one side last year, and implemented initiatives to raise awareness of disposable diapers and accelerate their earlier use. Furthermore, in August, we added products in larger sizes for older babies for price-conscious consumers, among other efforts, thereby meeting diverse needs with our two brands.

In China, amid a continued severe competitive environment with a declining birth rate and emerging local companies, profitability improved as a result of a shift to the *moony* brand, a new concept of premium product made in China to meet the unique needs of the Chinese market. We aim to achieve further growth and improve profitability by continuing to offer products with unique value that meet the needs of Chinese consumers.

In the Middle East, where domestic sales in Saudi Arabia are strong and exports to neighboring countries are also steady, the Company achieved high net sales growth and market share expansion by continuing to invest aggressively in marketing including for new products that contain olive oil tailored to local customs.

In Japan, where the market is shrinking with lower birth rates, we have continued to convey our value through the two brands, *moony* and *Mamy Poko*, based on our business philosophy of “giving parents more enjoyment as they raise their babies.” For *moony* series, the “bottom fit guide” introduced in S size products for newborns last year, which makes it easy for even first-time users to correctly put a diaper on a baby, was well received, and achieved high net sales growth. For *Mamy Poko* series, *MamyPoko Overnight Diapers* launched in 2022 continued to sell well, and baby care products in Japan achieved stable net sales growth and improved profitability.

We also actively worked to improve consumer satisfaction and reduce environmental impact through both products and services. For example, nursery facilities that have introduced the *Tebura Toen* (Hands-free handbag-free nursery facilities)\*<sup>2</sup> service developed in collaboration with BABY JOB Inc., we promoted

the introduction of *Mamy Poko RefF*<sup>\*3</sup>, the nursery facility-exclusive product that uses recycled pulp extracted from used paper diapers.

As a result, net sales and segment profit (core operating income) for the personal care business for the fiscal period under review were ¥604,078 million (up 4.8% year on year) and ¥82,334 million (up 10.8% year on year), respectively.

\*1 For brands of pants-type disposable diapers for babies sold by major global manufacturers, this provides the ability to open and close the side of the girth, moreover, the structure has one side longer than the other. (Survey by Unicharm Corporation, October 2022)

\*2 *Tebura Toen*® is a flat-rate subscription service for nursery facilities designed to reduce the burden on both parents and childcare workers, including the need for parents to prepare disposable diapers and wipes, carry bulky items to the facility, and for childcare workers to manage disposable diapers and wipes.

\*3 This coined word meaning “Recycle for the Future” is the name of a project that aims to create a future that eliminates the one-time-use model of sanitary supplies.

- Kirei Care Business

From the fiscal year under review, the Company has abolished the Global Kirei Care Marketing Division. Up until now, the Company has promoted its business in Japan mainly through the *Silcot* brand. In the future, as the use of Kirei Care is expected to take root not only in Japan but also worldwide due to increased hygiene awareness, the functions of the Global Kirei Care Marketing Division will be transferred to the Wellness Care, Feminine Care, and Baby Care respective Marketing Divisions, aiming to accelerate global expansion.

## 2) Pet Care Business

Under the slogan “More together, forever together,” the pet care business aims to create a society where dogs and cats can live happy lives while staying connected to society.

In the pet food business in Japan, we responded to the growing demand among pet owners for their dogs and cats to enjoy a variety of textures and flavors, as well as the increased health consciousness, by offering treats that also serve as complete nutrition meals. We launched unique new products such as *Silver Spoon Treats Fish-flavored cream donuts* for cats, and *Gran Deli Sapporopotato for Dogs* for dogs, achieving high net sales growth with an extensive product lineup that meets diverse needs.

In the domestic pet toiletry business, we worked to revitalize the market, including the launch of toilet systems for cats that responds to the growing demand for designs that harmonize with interior decor.

We also launched the *Food Matching* service, which utilizes AI to suggest cat food as a solution for pet owners’ concerns about their cats’ eating habits, alongside our existing Q&A service for pets, *DOQAT*. We will continue to revitalize the market through both our products and services.

In North America, the Company achieved high net sales growth as a result of continued brisk sales of products incorporating Japanese technology and new concepts, such as wet-type snacks for cats.

In China, which is the second largest market in the world after North America and is expected to continue to grow, in November 2022, our consolidated subsidiary in China entered into a capital and business alliance with Jiangsu Jijia Pet Products Co., Ltd. (“JIA PETS”), and we expanded our lineup of pet food products incorporating our original concepts.

By continuing to leverage combining the Group’s manufacturing technology and know-how on production management, which have been endorsed by consumers in Japan, with JIA PETS’ production and R&D capacities, as well as sales capabilities in its e-commerce channel, the Company aims to achieve the No. 1 market share in the priority cities.

Also, in the Southeast Asia region, where future market growth is expected, the Company aims to achieve dramatic business growth by proactively investing management resources in the emerging pet care markets in Thailand, Indonesia, and Vietnam, etc.

As a result, net sales and segment profit (core operating income) for the pet care business for the fiscal period under review were ¥107,857 million (up 6.5% year on year) and ¥20,095 million (up 14.8% year on year), respectively.

3) Other Businesses

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

As a result, net sales and segment profit (core operating income) in other businesses for the fiscal period under review were ¥10,118 million (up 6.7% year on year) and ¥1,160 million (up 21.7% year on year), respectively.

(2) Overview of the financial position for the fiscal period under review

1) Status of assets, liabilities and equity

(Assets)

Total assets as of September 30, 2024 were ¥1,164,538 million (up 2.7% compared with the end of the previous fiscal year). The major increases were ¥51,453 million in other current and non-current financial assets mainly due to debt securities and time deposits with deposit terms exceeding three months and ¥18,276 million in inventories, and the major decreases were ¥30,663 million in cash and cash equivalents and ¥11,935 million in trade and other receivables.

(Liabilities)

Total liabilities as of September 30, 2024 were ¥344,293 million (down 0.3% compared with the end of the previous fiscal year). The major increases were ¥10,706 million in trade and other payables, ¥1,322 million in other current and non-current financial liabilities mainly due to lease liabilities, ¥1,083 million in deferred tax liabilities, and ¥587 million in retirement benefit liabilities, and the major decreases were ¥6,974 million in borrowings, ¥6,110 million in income tax payables, ¥1,167 million in other non-current liabilities, and ¥530 million in other current liabilities including accrued expenses.

(Equity)

Total equity as of September 30, 2024 was ¥820,244 million (up 4.1% compared with the end of the previous fiscal year). The major increase was ¥59,552 million in profit attributable to owners of parent, and the major decreases were ¥24,705 million in dividends paid to owners of parent and ¥18,825 million in increase in treasury shares.

(Ratio of equity attributable to owners of parent)

Ratio of equity attributable to owners of parent as of September 30, 2024 was 62.5%.

2) Status of cash flows

Cash and cash equivalents as of September 30, 2024 were ¥223,108 million, a decrease of ¥30,663 million from the end of the previous fiscal year. The respective cash flow positions for the nine months ended September 30, 2024 were as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was ¥107,143 million (¥114,325 million was provided in the same period of the previous fiscal year). The main inflow was due to profit before tax.

(Cash flows from investing activities)

Net cash used in investing activities was ¥71,568 million (¥90,198 million was used in the same period of the previous fiscal year). The main inflows were due to proceeds from withdrawal of time deposits and proceeds from sale and redemption of financial assets, and the main outflows were due to payments into time deposits, purchase of financial assets, and purchase of property, plant and equipment, and intangible assets.

(Cash flows from financing activities)

Net cash used in financing activities was ¥67,932 million (¥64,474 million was used in the same period of the previous fiscal year). The main outflows were due to dividends paid to owners of parent, payments for purchase of treasury shares, and dividends paid to non-controlling interests.

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

Regarding forecast of full-year financial results, there were no changes from the announcement made on February 7, 2024.



## 2. Condensed Consolidated Financial Statements and Significant Notes Thereto

### (1) Condensed consolidated statement of financial position

(Millions of Yen)

	Notes	Fiscal Year Ended December 31, 2023 (as of December 31, 2023)	Nine Months Ended September 30, 2024 (as of September 30, 2024)
Assets			
Current assets			
Cash and cash equivalents		253,770	223,108
Trade and other receivables		151,561	139,626
Inventories		102,965	121,241
Other current financial assets		106,445	121,170
Other current assets		24,160	16,397
Total current assets		638,902	621,542
Non-current assets			
Property, plant and equipment		285,585	283,106
Intangible assets		95,727	98,314
Deferred tax assets		13,894	13,354
Investments accounted for using equity method		18,165	17,742
Other non-current financial assets		72,486	109,214
Other non-current assets		8,868	21,265
Total non-current assets		494,726	542,995
Total assets		1,133,627	1,164,538

*TRANSLATION FOR REFERENCE PURPOSES ONLY*  
Unicharm Corporation (8113) Consolidated Financial Results for the Nine Months Ended September 30, 2024

(Millions of Yen)

	Notes	Fiscal Year Ended December 31, 2023 (as of December 31, 2023)	Nine Months Ended September 30, 2024 (as of September 30, 2024)
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables		194,172	204,878
Borrowings		14,977	20,222
Income tax payables		15,607	9,496
Other current financial liabilities		6,362	7,141
Other current liabilities		38,956	38,426
Total current liabilities		270,073	280,164
Non-current liabilities			
Borrowings		13,588	1,368
Deferred tax liabilities		18,025	19,108
Retirement benefit liabilities		12,340	12,927
Other non-current financial liabilities		25,084	25,626
Other non-current liabilities		6,267	5,099
Total non-current liabilities		75,304	64,129
Total liabilities		345,377	344,293
Equity			
Equity attributable to owners of parent			
Capital stock		15,993	15,993
Share premium		10,259	11,063
Retained earnings		710,792	745,509
Treasury shares		(100,572)	(119,396)
Other components of equity		59,246	74,590
Total equity attributable to owners of parent		695,719	727,759
Non-controlling interests		92,531	92,486
Total equity		788,250	820,244
Total liabilities and equity		1,133,627	1,164,538

(2) Condensed consolidated statement of income and Condensed consolidated statement of comprehensive income

(Condensed consolidated statement of income)

(Millions of Yen)

	Notes	Nine Months Ended September 30, 2023 (January 1, 2023 – September 30, 2023)	Nine Months Ended September 30, 2024 (January 1, 2024 – September 30, 2024)
Net sales	4	687,431	722,052
Cost of sales		(434,173)	(437,410)
Gross profit		253,258	284,642
Selling, general and administrative expenses	5	(160,522)	(181,053)
Other income		7,064	1,837
Other expenses		(1,474)	(2,209)
Financial income		5,915	9,473
Financial costs		(3,199)	(11,904)
Profit before tax		101,042	100,787
Income tax expenses		(30,979)	(31,192)
Profit for the period		70,064	69,594
Profit attributable to			
Owners of parent		60,993	59,552
Non-controlling interests		9,071	10,042
Profit for the period		70,064	69,594
Earnings per share attributable to owners of parent			
Basic earnings per share (Yen)		102.99	101.23
Diluted earnings per share (Yen)		–	–

Reconciliation of changes from gross profit to core operating income

(Millions of Yen)

Gross profit	253,258	284,642
Selling, general and administrative expenses	(160,522)	(181,053)
Core operating income	92,736	103,590

(Condensed consolidated statement of comprehensive income)

(Millions of Yen)

	Notes	Nine Months Ended September 30, 2023 (January 1, 2023 – September 30, 2023)	Nine Months Ended September 30, 2024 (January 1, 2024 – September 30, 2024)
Profit for the period		70,064	69,594
Other comprehensive income, net of tax			
Items that will not be reclassified to profit or loss			
Net changes in equity instruments measured at fair value through other comprehensive income		1,865	3,712
Remeasurements related to net defined benefit liabilities (assets)		176	(49)
Subtotal		2,041	3,663
Items that may be reclassified to profit or loss			
Net changes in debt instruments measured at fair value through other comprehensive income		(47)	(94)
Changes in fair value of cash flow hedges		36	7
Exchange differences on translation in foreign operations		47,179	12,404
Share of other comprehensive income of investments accounted for using equity method		1,282	487
Subtotal		48,450	12,804
Total other comprehensive income, net of tax		50,491	16,467
Total comprehensive income		120,555	86,061
Total comprehensive income attributable to			
Owners of parent		102,263	74,766
Non-controlling interests		18,292	11,295
Total comprehensive income		120,555	86,061

(3) Condensed consolidated statement of changes in equity

Nine Months Ended September 30, 2023 (January 1, 2023 – September 30, 2023)

(Millions of Yen)

	Notes	Equity attributable to owners of parent						Non-controlling interests	Total equity
		Capital stock	Share premium	Retained earnings	Treasury shares	Other components of equity	Total		
Balance at January 1, 2023		15,993	15,209	644,859	(83,699)	26,521	618,883	89,730	708,613
Profit for the period		–	–	60,993	–	–	60,993	9,071	70,064
Other comprehensive income		–	–	–	–	41,270	41,270	9,221	50,491
Total comprehensive income		–	–	60,993	–	41,270	102,263	18,292	120,555
Purchase of treasury shares		–	–	–	(17,001)	–	(17,001)	–	(17,001)
Dividends		–	–	(23,101)	–	–	(23,101)	(7,708)	(30,810)
Equity transactions with non-controlling interests		–	(6,140)	–	–	1,389	(4,751)	(7,259)	(12,010)
Share-based payment transactions		–	842	–	153	–	995	–	995
Transfer from other components of equity to retained earnings		–	–	93	–	(93)	–	–	–
Total transactions with owners		–	(5,298)	(23,009)	(16,848)	1,296	(43,859)	(14,968)	(58,826)
Balance at September 30, 2023		15,993	9,911	682,843	(100,547)	69,087	677,287	93,054	770,341

Nine Months Ended September 30, 2024 (January 1, 2024 – September 30, 2024)

(Millions of Yen)

	Notes	Equity attributable to owners of parent						Non-controlling interests	Total equity
		Capital stock	Share premium	Retained earnings	Treasury shares	Other components of equity	Total		
Balance at January 1, 2024		15,993	10,259	710,792	(100,572)	59,246	695,719	92,531	788,250
Profit for the period		–	–	59,552	–	–	59,552	10,042	69,594
Other comprehensive income		–	–	–	–	15,214	15,214	1,253	16,467
Total comprehensive income		–	–	59,552	–	15,214	74,766	11,295	86,061
Purchase of treasury shares		–	–	–	(19,000)	–	(19,000)	–	(19,000)
Dividends		–	–	(24,705)	–	–	(24,705)	(11,453)	(36,158)
Equity transactions with non-controlling interests		–	37	–	–	–	37	112	149
Share-based payment transactions		–	767	–	175	–	943	–	943
Transfer from other components of equity to retained earnings		–	–	(130)	–	130	–	–	–
Total transactions with owners		–	804	(24,835)	(18,825)	130	(42,726)	(11,341)	(54,067)
Balance at September 30, 2024		15,993	11,063	745,509	(119,396)	74,590	727,759	92,486	820,244

(4) Condensed consolidated statement of cash flows

(Millions of Yen)

	Notes	Nine Months Ended September 30, 2023 (January 1, 2023 – September 30, 2023)	Nine Months Ended September 30, 2024 (January 1, 2024 – September 30, 2024)
<b>Cash flows from operating activities</b>			
Profit before tax		101,042	100,787
Depreciation and amortization expenses		31,741	34,526
Interest income		(3,861)	(6,394)
Dividend income		(678)	(767)
Interest expenses		2,347	2,210
Foreign exchange loss (gain)		(1,219)	4,816
Loss (gain) on sale and retirement of fixed assets		753	466
Decrease (increase) in trade and other receivables		22,243	13,319
Decrease (increase) in inventories		10,536	(18,421)
Increase (decrease) in trade and other payables		(16,578)	11,417
Increase (decrease) in other current liabilities		439	5,319
Decrease (increase) in other non-current assets		(675)	(108)
Other, net		419	(3,382)
Subtotal		146,509	143,788
Interest received		3,674	6,406
Dividends received		718	804
Interest paid		(2,331)	(1,878)
Income taxes refund		846	435
Income taxes paid		(35,091)	(42,412)
Net cash provided by (used in) operating activities		114,325	107,143
<b>Cash flows from investing activities</b>			
Payments into time deposits		(94,477)	(112,465)
Proceeds from withdrawal of time deposits		63,011	93,017
Purchase of property, plant and equipment, and intangible assets		(27,936)	(30,152)
Proceeds from sale of property, plant and equipment, and intangible assets		53	70
Long-term loan advances		(21)	(34)
Purchase of financial assets		(41,182)	(53,479)
Proceeds from sale and redemption of financial assets		21,320	31,200
Purchase of shares of subsidiaries and associates		(11,117)	–
Other, net		151	276
Net cash provided by (used in) investing activities		(90,198)	(71,568)

*TRANSLATION FOR REFERENCE PURPOSES ONLY*  
Unicharm Corporation (8113) Consolidated Financial Results for the Nine Months Ended September 30, 2024

(Millions of Yen)

	Notes	Nine Months Ended September 30, 2023 (January 1, 2023 – September 30, 2023)	Nine Months Ended September 30, 2024 (January 1, 2024 – September 30, 2024)
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings		85	(7,528)
Proceeds from long-term borrowings		–	1,456
Repayments of long-term borrowings		–	(1,217)
Repayments of lease liabilities		(4,816)	(5,569)
Purchase of investments in subsidiaries not resulting in change in scope of consolidation		(12,090)	–
Payments for purchase of treasury shares		(17,001)	(19,000)
Dividends paid to owners of parent		(23,107)	(24,717)
Dividends paid to non-controlling interests		(7,626)	(11,357)
Proceeds from share issuance to non-controlling interests		81	–
Net cash provided by (used in) financing activities		(64,474)	(67,932)
Effect of exchange rate changes on cash and cash equivalents		11,786	1,694
Net increase (decrease) in cash and cash equivalents		(28,562)	(30,663)
Cash and cash equivalents at beginning of period		217,153	253,770
Cash and cash equivalents at end of period		188,590	223,108

(5) Notes to the condensed consolidated financial statements

1. Notes regarding going concern assumptions

None.

2. Material accounting policies

Material accounting policies adopted for these condensed consolidated financial statements are the same as those adopted to the consolidated financial statements for the fiscal year ended December 31, 2023.

3. Changes in the presentation method

(Condensed consolidated statement of financial position)

Liabilities related to sales promotion expenses were included in “other current liabilities” in the fiscal year ended December 31, 2023, but from the first quarter of the fiscal year ending December 31, 2024, they are included in “trade and other payables” to present the actual situation more clearly. As a result, “trade and other payables” of ¥168,867 million and “other current liabilities” of ¥64,261 million presented under current liabilities in the fiscal year ended December 31, 2023, have been restated as “trade and other payables” of ¥194,172 million and “other current liabilities” of ¥38,956 million.

(Condensed consolidated statement of cash flows)

Liabilities related to sales promotion expenses were included in “increase (decrease) in other current liabilities” under cash flows from operating activities in the nine months ended September 30, 2023, but from the first quarter of the fiscal year ending December 31, 2024, they are included in “increase (decrease) in trade and other payables” to present the actual situation more clearly. As a result, ¥(15,485) million presented as “increase (decrease) in trade and other payables” and ¥(654) million presented as “increase (decrease) in other current liabilities” under cash flows from operating activities in the nine months ended September 30, 2023, have been restated as “increase (decrease) in trade and other payables” of ¥(16,578) million and “increase (decrease) in other current liabilities” of ¥439 million.

“Purchase of financial assets measured at amortized cost,” “purchase of financial assets measured at fair value through profit or loss,” “purchase of equity instruments measured at fair value through other comprehensive income,” and “purchase of debt instruments measured at fair value through other comprehensive income,” which were presented separately under cash flows from investing activities in the nine months ended September 30, 2023, have been combined and presented as “purchase of financial assets” from the six months ended June 30, 2024 in order to clarify the presentation. In addition, “proceeds from sale and redemption of financial assets measured at amortized cost,” “proceeds from sale and redemption of financial assets measured at fair value through profit or loss,” “proceeds from sale and redemption of equity instruments measured at fair value through other comprehensive income,” and “proceeds from sale and redemption of debt instruments measured at fair value through other comprehensive income,” which were presented separately under cash flows from investing activities in the nine months ended September 30, 2023, have been combined and presented as “proceeds from sale and redemption of financial assets” from the six months ended June 30, 2024 in order to clarify the presentation. To reflect these changes in presentation, the condensed consolidated financial statements for the nine months ended September 30, 2023 have been restated. As a result, in the condensed consolidated statement of cash flows for the nine months ended September 30, 2023, “purchase of financial assets measured at fair value through profit or loss” of ¥(21,666) million, “purchase of equity instruments measured at fair value through other comprehensive income” of ¥(9) million, and “purchase of debt instruments measured at fair value through other comprehensive income” of ¥(19,508) million under cash flows from investing activities were reclassified as “purchase of financial assets” of ¥(41,182) million under cash flows from investing activities. In addition, in the condensed consolidated statement of cash flows for the nine months ended September 30, 2023, “proceeds from sale and redemption of financial assets measured at amortized cost” of ¥7,900 million, “proceeds from sale and redemption of financial assets measured at fair value through profit or loss” of ¥7,000 million, “proceeds from sale and redemption of equity instruments measured at fair value through other comprehensive income” of ¥120 million, and “proceeds from sale and redemption of debt instruments measured at fair value through other comprehensive income” of ¥6,300 million under cash flows from investing activities were reclassified as “proceeds from sale and redemption of financial assets” of ¥21,320 million under cash flows from investing activities.



#### 4. Segment information

##### (1) Overview of reportable segments

The Group's reportable segments are part of its organizational units whose financial information is individually available, and are subject to regular review by its Board of Directors, the chief operating decision maker, for the purpose of deciding the allocation of its managerial resources and evaluating its business performance.

The Group is composed of three 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 Group's reportable segments.

In the personal care business, the Group manufactures and sells wellness care products, feminine care products, and baby care products. In the pet care business, the Group manufactures and sells pet food products and pet toiletry products. In other businesses, the Group manufactures and sells industrial materials related products, etc.

The accounting policies for the reportable segments are the same as for the condensed consolidated financial statements.

##### (Matters related to changes in reportable segments)

From the six months ended June 30, 2024, the paper-related business operated by some of our overseas group companies, which was previously included in the "personal care business," is now included in the "other businesses" due to a review of performance management categories within the Group.

The segment information for the nine months ended September 30, 2023 is disclosed based on the reportable segments classification after the change.

(2) Sales and results by reportable segment

Sales and results by reportable segment are as follows.

(Millions of Yen)

	Nine Months Ended September 30, 2023 (January 1, 2023 – September 30, 2023)					
	Reportable segments				Adjustments	Amounts reported in condensed consolidated statements
	Personal care	Pet care	Other	Total		
Sales to external customers	576,668	101,284	9,479	687,431	–	687,431
Sales across segments	–	–	343	343	(343)	–
Total segment sales	576,668	101,284	9,822	687,774	(343)	687,431
Segment profit (Core operating income)	74,276	17,507	953	92,736	–	92,736
Other income						7,064
Other expenses						(1,474)
Financial income						5,915
Financial costs						(3,199)
Profit before tax						101,042

(Millions of Yen)

	Nine Months Ended September 30, 2024 (January 1, 2024 – September 30, 2024)					
	Reportable segments				Adjustments	Amounts reported in condensed consolidated statements
	Personal care	Pet care	Other	Total		
Sales to external customers	604,078	107,857	10,118	722,052	–	722,052
Sales across segments	–	–	108	108	(108)	–
Total segment sales	604,078	107,857	10,226	722,160	(108)	722,052
Segment profit (Core operating income)	82,334	20,095	1,160	103,590	–	103,590
Other income						1,837
Other expenses						(2,209)
Financial income						9,473
Financial costs						(11,904)
Profit before tax						100,787

5. Selling, general and administrative expenses

The breakdown of selling, general and administrative expenses is as follows.

(Millions of Yen)

	Nine Months Ended September 30, 2023 (January 1, 2023 – September 30, 2023)	Nine Months Ended September 30, 2024 (January 1, 2024 – September 30, 2024)
Freight-out expenses	44,043	48,642
Sales promotion expenses	20,264	23,625
Advertising expenses	21,046	25,212
Employee benefit expenses	36,309	39,768
Depreciation and amortization expenses	8,120	9,923
Research and development expenses	6,832	7,268
Others	23,907	26,615
Total	160,522	181,053