

Summary of Consolidated Financial Statements for the Year Ended December 31, 2005

February 6, 2006

Company name: Lion Corporation

Code: 4912

URL: <http://www.lion.co.jp>

Listed stock exchanges: Tokyo Stock Exchange and Osaka Securities Exchange

Location of head office: Tokyo Prefecture, Japan

Representative: Sadayoshi Fujishige, Representative Director and President

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Board of Directors meeting on fiscal 2005 results: February 6, 2006

Use of U.S. accounting standards: Not used

1. Consolidated Results for the Year Ended December 31, 2005

a) Consolidated Results

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2005	331,798	7.2	6,066	0.7	8,514	2.9
FY 2004	309,514	0.3	6,021	(39.0)	8,271	(26.6)

Note: Figures in this and subsequent tables are rounded down to the nearest million.

	Net income		EPS	Diluted EPS	ROE	ROA	Ratio of ordinary income to net sales
	Millions of yen	%	Yen	Yen	%	%	%
FY 2005	5,473	-	19.10	19.05	5.2	3.5	2.6
FY 2004	(4,723)	-	(16.66)	-	(4.4)	3.4	2.7

Notes:

- Equity in earnings of non-consolidated subsidiaries and affiliates: ¥1,768 million in FY 2005 and ¥1,579 million in FY 2004.
- Average number of outstanding shares during the period (consolidated): 282,420,189 in FY 2005 and 287,030,232 in FY 2004.
- Changes in accounting practices: None
- Percent figures for net sales, operating income, ordinary income, and net income express percentage change over the previous year.

b) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
FY 2005	249,303	109,103	43.8	384.60
FY 2004	235,405	101,021	42.9	356.90

Note: Number of outstanding shares on balance sheet date (consolidated): 283,475,481 for FY 2005 and 282,892,789 for FY 2004.

c) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY 2005	1,865	(9,262)	(1,514)	15,788
FY 2004	4,270	(10,059)	(1,553)	24,480

d) Scope of Consolidation and Equity-Method Companies

Consolidated subsidiaries: 23

Non-consolidated equity-method companies: 4

Equity-method companies: 8

e) Change in Scope of Consolidation and Equity-Method Companies

Consolidated subsidiaries: 2 newly included, none excluded

Equity-method companies: 2 newly included, none excluded

2. Forecast of Consolidated Results for the Year Ending December 31, 2006

	Net sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Interim 2006	165,000	2,500	1,500
FY 2006	350,000	9,000	5,000

Reference: Projected earnings per share of 17.64 for FY 2006.

Refer to pages 30 through 32 in the reference materials regarding the premises for the above forecast and other related matters.