

## Summary of Consolidated Financial Statements for Interim 2005

August 1, 2005

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

Contact: Shinjiro Iwahori, Director of Finance Department

Telephone: +81-3-3621-6211

Board of Directors meeting on interim period 2005: August 1, 2005

Use of U.S. accounting standards: Not used

### 1. Consolidated Results for the Interim Period Ended June 30, 2005

#### a) Consolidated Results

|              | Net sales       |     | Operating income |        | Ordinary income |       |
|--------------|-----------------|-----|------------------|--------|-----------------|-------|
|              | Millions of yen | %   | Millions of yen  | %      | Millions of yen | %     |
| Interim 2005 | 159,882         | 5.9 | 3,179            | (17.9) | 4,432           | (6.9) |
| Interim 2004 | 151,001         | 4.1 | 3,873            | 4.6    | 4,762           | 5.5   |
| Fiscal 2004  | 309,514         |     | 6,021            |        | 8,271           |       |

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

|              | Net sales       |       | EPS     | Diluted EPS |
|--------------|-----------------|-------|---------|-------------|
|              | Millions of yen | %     | Yen     | Yen         |
| Interim 2005 | 2,659           | 32.3  | 9.43    | 9.42        |
| Interim 2004 | 2,010           | 182.7 | 6.96    | 6.94        |
| Fiscal 2004  | (4,723)         |       | (16.66) | —           |

#### Notes:

1. Equity in earnings of non-consolidated subsidiaries and affiliates: ¥798 million in interim 2005, ¥604 million in interim 2004, and ¥1,579 million in FY 2004.
2. Average number of outstanding shares during the period (consolidated): 281,988,135 in interim 2005; 288,795,429 in interim 2004; and 287,030,232 in fiscal 2004.
3. Changes in accounting practices: None
4. 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                            |
| Interim 2005 | 234,692         | 103,077              | 43.9                       | 365.40                         |
| Interim 2004 | 231,659         | 111,963              | 48.3                       | 389.52                         |
| Fiscal 2004  | 235,405         | 101,021              | 42.9                       | 356.90                         |

Note: Number of outstanding shares on balance sheet date (consolidated): 282,093,105 for interim 2005; 287,438,915 for interim 2004; 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                            |
| Interim 2005 | (9,584)                              | (1,908)                              | 6,064                                | 19,173                                     |
| Interim 2004 | (2,710)                              | 5,911                                | (2,708)                              | 32,160                                     |
| Fiscal 2004  | 4,270                                | (10,059)                             | (1,553)                              | 24,480                                     |

d) Scope of Consolidation and Equity-Method Companies

Consolidated subsidiaries: 23

Non-consolidated equity-method subsidiaries: 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, 2005**

|             | Net sales       | Ordinary income | Net income      |
|-------------|-----------------|-----------------|-----------------|
|             | Millions of yen | Millions of yen | Millions of yen |
| Fiscal 2005 | 335,000         | 9,500           | 5,500           |

Reference: Projected earnings per share of 19.50 for fiscal 2005.

Refer to pages 26 through 27 in the reference materials regarding the premises for the above forecast and other related matters.