

Summary of Consolidated Financial Statements for the Year Ended December 31, 2006

February 9, 2007

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, Executive Officer, Director of Finance Department

Telephone: +81-3-3621-6211

Board of Directors meeting on fiscal 2006 results: February 9, 2007

Use of U.S. accounting standards: Not used

1. Consolidated Results for the Year Ended December 31, 2006 (January 1, 2006 – December 31, 2006)

a) Consolidated Results

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2006	330,380	(0.4)	343	(94.3)	2,427	(71.5)
Fiscal 2005	331,798	7.2	6,066	0.7	8,514	2.9

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

	Net income		EPS	Diluted EPS	Return on equity	Ratio of ordinary income to total assets	Ratio of ordinary income to net sales
	Millions of yen	%	Yen	Yen	%	%	%
Fiscal 2006	5,540	1.2	19.60	19.52	5.3	1.0	0.7
Fiscal 2005	5,473	-	19.10	19.05	5.2	3.5	2.6

Notes:

- Equity in earnings of non-consolidated subsidiaries and affiliates: ¥1,555 million in FY 2006 and ¥1,768 million in FY 2005.
- Average number of outstanding shares during the period (consolidated): 282,721,340 in FY 2006 and 282,420,189 in FY 2005.
- Changes in accounting practices: Yes
- 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	Net assets	Shareholders' equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
December 31, 2006	246,327	105,133	41.3	376.76
December 31, 2005	249,303	109,103	43.8	384.60

Note: Number of outstanding shares on balance sheet date (consolidated): 270,140,708 for FY 2006 and 283,475,481 for FY 2005.

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
Fiscal 2006	3,343	11,092	(3,610)	26,782
Fiscal 2005	1,865	(9,262)	(1,514)	15,788

d) Scope of Consolidation and Equity-Method Companies

Consolidated subsidiaries: 21

Non-consolidated equity-method subsidiaries: 3

Equity-method companies: 8

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

Consolidated subsidiaries: None included, Two excluded

Equity-method companies: None included, One excluded

2. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2007 (January 1, 2007 – December 31, 2007)

	Net sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Interim 2007	158,000	2,000	1,000
Fiscal 2007	340,000	10,000	5,500

Reference: Projected earnings per share of 20.36 for FY 2007.

Refer to pages 23 through 25 in the reference materials regarding the premises for the above forecast and other related matters.