

Summary of Financial Statements for Interim 2007

September 14, 2007

Company name: Lion Corporation

Code: 4912

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

Listed stock exchanges: Tokyo Stock Exchange and Osaka Securities Exchange

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Start date for payment of interim dividend: September 5, 2007

1. Consolidated Results for the Interim Period Ended June 30, 2007 (January 1, 2007 – June 30, 2007)

a) Consolidated Results

	Net sales		Operating income		Ordinary income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Interim 2007	159,617	(2.3)	2,431	81.0	3,744	49.2	<u>1,862</u>	<u>5.2</u>
Interim 2006	163,295	2.1	1,343	(57.8)	2,508	(43.4)	1,770	(33.4)
Fiscal 2006	330,380	—	343	—	2,427	—	5,540	—

Notes:

1. Figures in this and subsequent tables are rounded down to the nearest million.
2. Percent figures for net sales, operating income, ordinary income, and net income express percentage change over the year-ago period.

	EPS	Diluted EPS
	Yen	Yen
Interim 2007	<u>6.89</u>	<u>6.88</u>
Interim 2006	6.24	6.22
Fiscal 2006	19.60	19.52

Note: Equity in earnings of non-consolidated subsidiaries and affiliates: ¥936 million in interim 2007, ¥814 million in interim 2006, and ¥1,555 million in FY 2006.

b) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
June 30, 2007	<u>246,851</u>	<u>106,914</u>	<u>41.7</u>	<u>380.46</u>
June 30, 2006	249,418	112,955	44.2	388.05
December 31, 2006	246,327	105,133	41.3	376.76

Note: Shareholders' equity: ¥102,882 million in interim 2007, ¥110,206 million in interim 2006, and ¥101,778 million in FY 2006.

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 2007	8,353	(6,237)	(3,479)	25,633
Interim 2006	(4,976)	(1,135)	6,843	16,520
Fiscal 2006	3,343	11,092	(3,610)	26,782

2. Dividend

Record Date	Cash dividend per share / Yen		
	Interim	Year-end	Annual
Fiscal 2006	5.00	5.00	10.00
Fiscal 2007 actual	5.00		10.00
Fiscal 2007 plan		5.00	

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

Fiscal 2007	Net sales		Operating income		Ordinary income		Net income		EPS
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	340,000	2.9	8,000	—	10,000	312.0	5,500	(0.7)	20.35

4. Others

a) Significant Change in Scope of Consolidation during Period: No

b) Change in Accounting Principals, Procedures, Presentation methods, etc., concerning Preparation of Consolidated Interim Financial Statements (To be stated as Changes in Significant Matters in the Presentation of Consolidated Interim Financial Statements):

1. Changes accompany with reversion in accounting standards: No

2. Other changes: No

c) Number of Outstanding Shares (Common Stocks)

1. Number of outstanding shares on balance sheet date (including treasury stocks): 299,115,346 for interim 2007; 313,515,346 for interim 2006; and 299,115,346 for FY 2006.

2. Number of treasury stocks on balance sheet date: 28,700,894 for interim 2007; 29,516,309 for interim 2006; and 28,974,638 for FY 2006.

Note: Please see "Per-Share Information" on page 50 regarding the number of shares used in calculating interim and full-term consolidated net income per share.

Reference: Summary of Non-consolidated Financial Statements

1. Non-consolidated Results for the Interim Period Ended June 30, 2007 (January 1, 2007 – June 30, 2007)

a) Non-consolidated Results

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Interim 2007	124,812	(1.6)	578	272.1	4,646	39.1	<u>2,909</u>	<u>16.6</u>
Interim 2006	126,839	(2.6)	155	(88.6)	3,339	(24.4)	2,494	(29.9)
FY 2006	257,471	—	(2,108)	—	1,630	—	5,869	—

	EPS
	Yen
Interim 2007	<u>10.76</u>
Interim 2006	8.79
Fiscal 2006	20.76

Notes: Percent figures for net sales, operating income, ordinary income, and net income express percentage change over the year-ago period.

b) Non-consolidated Financial Position

	Total assets	Net Assets	Shareholders' equity to total assets	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
June 30, 2007	<u>211,825</u>	<u>90,934</u>	<u>42.9</u>	<u>336.19</u>
June 30, 2006	220,036	98,842	44.9	348.04
December 31, 2006	212,806	89,421	42.0	331.02

Note: Shareholders' equity: ¥90,909 million in interim 2007, ¥98,842 million in interim 2006, and ¥89,421 million in FY 2006.

2. Forecast of Non-consolidated Results for the Year Ending December 31, 2007 (January 1, 2007 – December 31, 2007)

Fiscal	Net sales		Operating income		Ordinary income		Net income		EPS
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
2007	272,000	5.6	5,000	—	9,200	464.2	6,200	5.6	22.94

The forecasts and projected operating results contained in this report are based on information available at the time of preparation, and thus involve inherent risks and uncertainties.

Accordingly, readers are cautioned that actual results may differ materially from those projected as a result of a variety of factors.

Refer to pages 5 through 15 regarding the above forecast.