

(3) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

	Six Months Ended June 30, 2009	Six Months Ended June 30, 2010
Net cash provided by (used in) operating activities		
Income before income taxes	2,111	2,933
Depreciation	6,059	5,992
Impairment loss	488	52
Increase (decrease) in provision for retirement benefits	(557)	684
Interest and dividends income	(226)	(290)
Interest expenses	532	462
Loss (gain) on disposal of noncurrent assets	91	433
Loss (gain) on valuation of investment securities	152	-
Equity in (earnings) losses of affiliates	(548)	(595)
Decrease (increase) in notes and accounts receivable-trade	8,866	2,076
Decrease (increase) in inventories	1,756	(606)
Increase (decrease) in notes and accounts payable-trade	(18,159)	(8,846)
Increase (decrease) in accounts payable-other and accrued expenses	(2516)	(44)
Increase (decrease) in other current liabilities	11	(10)
Decrease (increase) in other current assets	150	(121)
Other, net	364	(1,588)
Subtotal	(1,424)	533
Interest and dividends income received	769	694
Interest expenses paid	(551)	(481)
Income taxes paid	(860)	(921)
Net cash provided by (used in) operating activities	(2,067)	(175)
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(5,438)	(3,147)
Proceeds from sales of property, plant and equipment	56	17
Purchase of intangible assets	(16)	(41)
Purchase of investment securities	(1,375)	(331)
Proceeds from sales of investment securities	11	1
Purchase of investments in subsidiaries	(3)	-
Payments of loans receivable	(21)	(0)
Collection of loans receivable	36	100
Other, net	(6)	(59)
Net cash provided by (used in) investment activities	(6,757)	(3,461)

Lion Corporation (Code 4912): Summary of Financial Statements
for the Interim Period Ended June 30, 2010

	Six Months Ended June 30, 2009	Six Months Ended June 30, 2010
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	4,247	4,764
Decrease in short-term loans payable	(4,390)	(3,829)
Repayment of long-term loans payable	(1,150)	(3,025)
Purchase of treasury stock	(24)	(15)
Proceeds from disposal of treasury stock	34	0
Cash dividends paid	(1,342)	(1,356)
Cash dividends paid to minority shareholders	(148)	(179)
Other, net	(125)	(130)
Net cash provided by (used in) financing activities	(2,899)	(3,772)
Effect of exchange rate change on cash and cash equivalents	83	(111)
Net increase (decrease) in cash and cash equivalents	(11,641)	(7,520)
Cash and cash equivalents at beginning of period	33,098	32,812
Increase in cash and cash equivalents from newly consolidated subsidiary	-	2
Cash and cash equivalents at end of period	21,457	25,293