

Nov. 5, 2010

**Summary of Business Results for the Nine Months
Ended September 30, 2010 (Consolidated)**
- Supplementary Information -



Lion Corporation

1) Net Sales

- ◇ Net sales rose 2.8% compared with the corresponding period of the previous fiscal year to ¥234,728 million. This increase is primarily attributable to favorable sales of new products released in the domestic toiletries market, a recovery in industrial demand and a rise in net sales of overseas businesses.
- ◇ In Japan, sales were sluggish in the Health Care Products Business due to the subsiding of the new H1N1 strain of influenza and the shrinkage of the OTC drug market. Despite this, Lion experienced steady sales owing to a year-on-year rise in sales in the Household Products Business, which recorded strong sales of such liquid laundry detergents as the new product, TOP NANOX; the Chemical Products Business, which benefited from a recovery of industrial demand; and in the Others Businesses, which is centered on construction contractor business operations. Overall sales increased 1.4% compared with the corresponding period of the previous fiscal year.
- ◇ Overseas, the Lion Group promoted common global brands and original local brands primarily for laundry detergents and in the oral care segment. This resulted in a double-digit growth in sales year on year.

2) Operating Income

- ◇ Operating income increased 19.8% compared with the same period of the previous fiscal year to ¥3,798 million, despite a rise in competition-related expenses stemming from Lion's active investment in the marketing of new products. This result was attributable to improvements in domestic and overseas sales and the proactive implementation of total cost reduction measures, focusing on manufacturing costs and distribution expenses.

2. Financial Highlight for the Nine Months Ended Sep. 2010 (Consolidated)

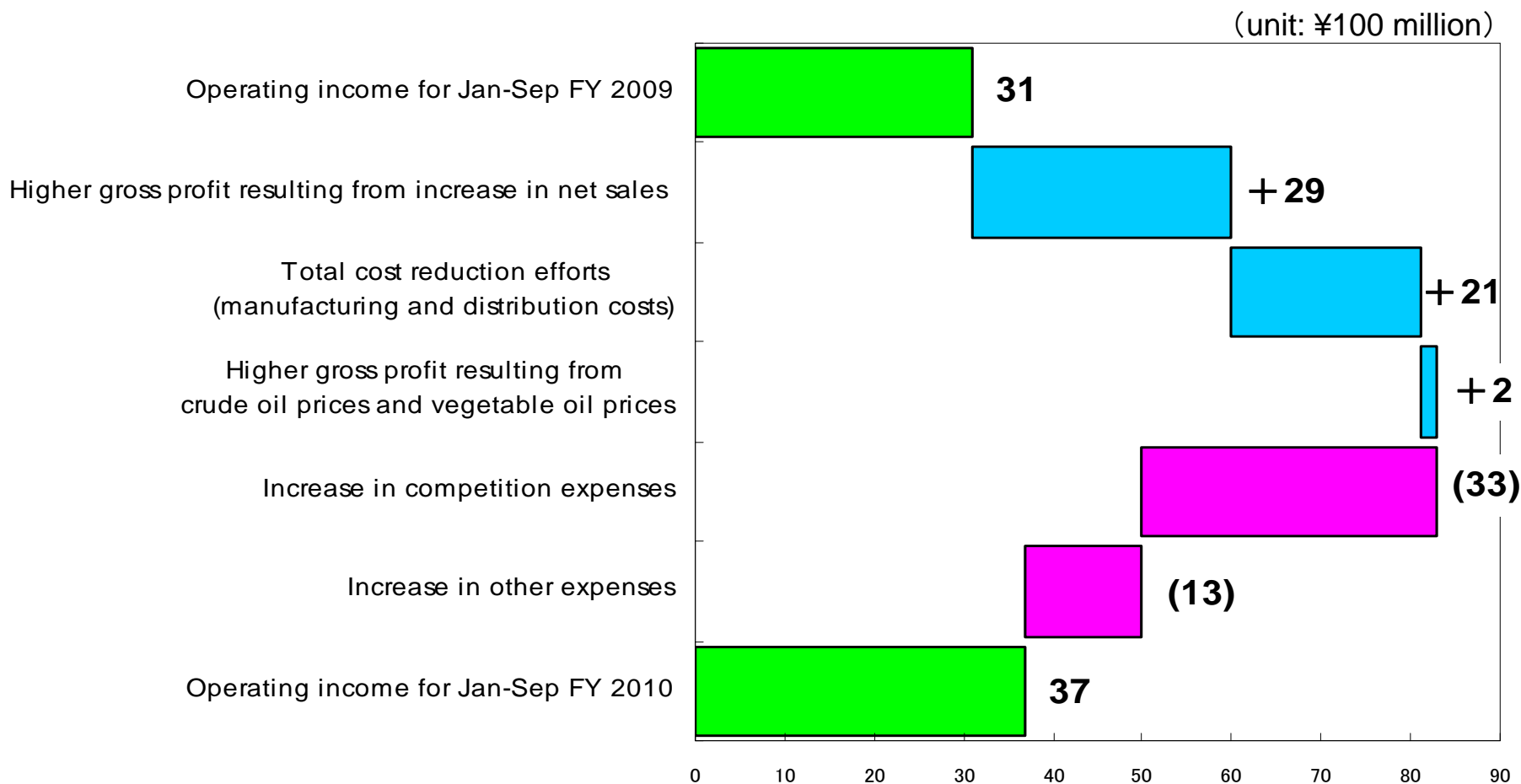


Performance overview

(unit: ¥100 million)

	Jan. –Sep. 2009	Jan. –Sep. 2010	Y on Y Change	Y on Y Change (%)
Net Sales	2,283.9	2,347.2	63.3	2.8
Operating Income	31.7	37.9	6.2	19.8
Ordinary Income	40.0	47.4	7.3	18.4
Net Income	15.2	14.5	(0.7)	(4.8)
EPS (Yen)	5.65	5.39	(0.26)	(4.7)

3. Financial Highlight Y o Y Changes in Operating Income



◇ Although Lion recorded a rise in competition-related expenses resulting from its active investment in the marketing of new products in Japan and overseas, operating income increased ¥600 million year on year thanks to a rise in gross profit based on improved sales, as well as the promotion of cost reduction measures, focusing on manufacturing costs and distribution expenses.

4. Financial Highlight for the Nine Months Ended Sep. 2010 (Consolidated)



Results by geographical segment

(unit: ¥ 100 million)

	Net Sales				Operating Income			
	Jan-Sep 2009	Jan-Sep 2010	Y on Y Change	Y on Y Change (%)	Jan-Sep 2009	Jan-Sep 2010	Y on Y Change	Y on Y Change (%)
Japan	1,951.1	1,978.8	27.7	1.4	15.3	31.3	16.0	104.3
Overseas	332.8	368.4	35.5	10.7	13.9	4.0	(9.8)	(70.9)
Total	2,283.9	2,347.2	63.3	2.8	29.2	35.4	6.1	21.0
Eliminations and corporate	—	—	—	—	2.4	2.5	0.1	5.3
Consolidated Total	2,283.9	2,347.2	63.3	2.8	31.7	37.9	6.2	19.8

◇ Domestic net sales rose ¥2,700 million owing to strong sales of new products in the Household Products Business as well as favorable sales in the Chemical Products Business and the Others Business.

◇ Overseas net sales increased 10.7% compared with the corresponding period of the previous fiscal year due to favorable sales of laundry detergents and oral care products (both of which are priority areas for Lion) primarily in Thailand.

5. Financial Highlight for the Nine Months Ended Sep. 2010 (Consolidated)



Results by business segment

(unit: ¥ 100 million)

	Net Sales				Operating Income			
	Jan-Sep 2009	Jan-Sep 2010	Y on Y Change	Y on Y Change (%)	Jan-Sep 2009	Jan-Sep 2010	Y on Y Change	Y on Y Change (%)
Health Care	969.0	947.2	(21.8)	(2.3)	33.2	26.7	(6.4)	(19.4)
Household	1,134.6	1,169.7	35.1	3.1	5.3	14.5	9.1	171.0
Chemical	159.8	186.2	26.4	16.5	(7.9)	(6.1)	1.7	—
Other	20.4	44.0	23.5	115.1	(0.1)	2.3	2.5	—
Eliminations and corporate	—	—	—	—	1.2	0.4	(0.8)	(67.1)
Consolidated Total	2,283.9	2,347.2	63.3	2.8	31.7	37.9	6.2	19.8

◇In the Health Care Products Business, despite an increase in sales in the Oral Care Products Division, reflecting favorable sales of new products, the Beauty Care Products Division recorded a significant drop in sales due to the subsiding of the new H1N1 influenza strain. Consequently, overall sales fell.

◇In the Household Products Business, domestic sales in the Fabric Care Products Division, which enjoyed strong sales of new high-value-added products, rose substantially, while overseas sales benefited from improved sales of laundry detergents in Thailand and Singapore. As a result, overall sales and profits increased.

◇In the Chemical Products Business, overall sales rose ¥2,600 million in the wake of a recovery of demand in the manufacturing industry in Japan and overseas.

◇In the Others Businesses, sales increased significantly year on year owing to strong operations in Lion's construction contractor business.

6.Fiscal 2010 Consolidated Financial Forecast (Consolidated)



(unit: ¥100 million)

	FY2009	FY2010	Change	Change (%)
Net Sales	3,219.4	3,300.0	80.5	2.5
Operating Income % of Sales	100.3 3.1%	100.0 3.0%	(0.3)	(0.4)
Ordinary Income % of Sales	111.4 3.5%	105.0 3.2%	(6.4)	(5.8)
Net Income % of Sales	54.6 1.7%	55.0 1.7%	0.3	0.6

There are no changes to consolidated financial results forecasts for the fiscal 2010 announced on February 10, 2010.

Environment of Home Products Market

Market trend of the total of 44 home product markets in which Lion participates. (percentage change over the year-ago period.)

	FY2005	FY2006	FY2007	FY2008	FY2009	Jan-Sep 2010
Sales value	102	102	103	100	102	102
Unit sales	102	103	103	100	103	103
Average unit price	99	99	100	100	99	98

Source: INTAGE Inc. SRI Survey

Environment of OTC Drug Market

Market trend of the total of 8 OTC drug markets in which Lion participates. (percentage change over the year-ago period.)

	FY2006	FY2007	FY2008	FY2009	Jan-Sep 2010
Sales value	99	103	98	101	95
Unit sales	98	102	99	101	98
Average unit price	101	100	100	100	97

Source: Lion

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.

Note: Figures are rounded down to the digits that are displayed.

from Good Morning to Good Night

More Dreams for Your Life

LION