Summary of Consolidated Financial Statements for the Three Months Ended March 31, 2012 [Japanese Standard]

May 8, 2012

Company name: Lion Corporation
Listed stock exchanges: Tokyo Stock Exchange
Code: 4912
URL: http://www.lion.co.jp/

Representative: Itsuo Hama, Representative Director and President
Contact: Yoshiaki Kamao, Director of Finance Department
Telephone: +81-3-3621-6211

Scheduled date of filing of quarterly financial report (Shihanki Houkokusho): May 15, 2012
Start date for payment of dividend: －
Supplementary materials prepared for quarterly results: Yes
Quarterly results information meeting held: No

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

1. Consolidated Results for the Three Months Ended March 31, 2012

(January 1, 2012 – March 31, 2012)

(1)Consolidated Results (cumulative total)

(Percentage figures denote year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three Months Ended Mar. 2012	67,575	2.8	(3,427)	－	(3,203)	－	(2,323)	－
Three Months Ended Mar. 2011	65,703	1.2	(487)	－	(187)	－	(2,725)	－

Note: Comprehensive Income
March 31, 2012: ¥1,770 million [—%], March 31, 2011: ¥(2,890) million [—%]

	EPS	Diluted EPS
	Yen	Yen
Three Months Ended Mar. 2012	(8.65)	－
Three Months Ended Mar. 2011	(10.15)	－

(2)Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity to total assets
	Millions of yen	Millions of yen	%
Three Months Ended March 2012	244,188	105,423	41.6
December 2011	249,272	105,252	40.9

Note: Shareholders' equity: March 31, 2012: ¥101,684 million, December 31, 2011: ¥102,049 million

2. Dividend

	Cash dividend per share / Yen				
Record Date	First Quarter	Second Quarter	Third Quarter	Year-End	Annual
FY2011	—	5.00	—	6.00	11.00
FY2012 actual	—				
FY2012 plan		5.00	—	5.00	10.00

Note: Revision to Cash dividend forecast during period under review: None

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2012 (January 1, 2012 – December 31, 2012)

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

	Net sales		Operating income		Ordinary income		Net income		EPS
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim 2012	155,000	2.3	2,500	(24.8)	3,000	(25.3)	1,500	—	5.59
Fiscal 2012	335,000	2.3	12,000	7.4	13,000	6.7	7,000	71.7	26.07

Note: Revision to consolidated performance forecast during period under review: None

4. Others

(1) Significant changes in scope of consolidation during the period: No
(2) Special accounting treatment for preparation of quarterly consolidated financial statements: No
(3) Changes in Accounting Policies and Changes in and Restatement of Accounting Estimates:
  a. Changes associated with revisions in accounting principles: Yes
  b. Other changes: Yes
  c. Changes in accounting estimates: No
  d. Restatement: No
(4)Number of outstanding shares (common stock)
  a. Number of outstanding shares on balance sheet dates (including treasury stocks):
    As of March 31, 2012: 299,115,346 shares
    As of December 31, 2011: 299,115,346 shares
  b. Number of treasury stocks on balance sheet date:
    As of March 31, 2012: 30,625,760 shares
    As of December 31, 2011: 30,645,932 shares
  c. Average shares outstanding over period (cumulative; consolidated)
    As of March 31, 2012: 268,494,021 shares
    As of March 31, 2011: 268,472,564 shares

Appropriate use of business forecast; other special items

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.
For more details, refer to “(3) Qualitative Information Concerning the Forecast of Consolidated Financial Results” on page 7.

Contents

1. Qualitative Information Concerning the Results of Operations for the First Quarter of the Current Fiscal Year

(1) Qualitative Information Concerning Consolidated Performance

Despite signs of a recovery in personal consumption and production activities, the Japanese economy remained uncertain during the first quarter of the 2012 fiscal year (January 1, 2012 – March 31, 2012). This was mainly attributable a fall in corporate profits amid increases in crude oil prices and a slowdown in the global economy.

The Lion Group faced severe operating conditions in the domestic toiletries industry—the Group's main business domain—due to intensifying competition in stores and higher material prices.

In this harsh environment, the Lion Group has commenced its medium-term management plan, "Vision 2020 Part-1 (V-1 Plan)." Through this plan, Lion aims to "be a company that creates value for lifestyle and spiritual fulfillment," a defining characteristic of the Group's new management vision "Vision 2020."

Consequently, the Group is promoting four strategies: (1) Qualitative growth of domestic businesses; (2) Quantitative Expansion of Overseas Businesses; (3) Development of New Business Value; and (4) Enhancement of Organizational Learning Capabilities.

In the domestic Consumer Products Business, Lion released new, high-value-added products primarily in the Oral Care Products and Fabric Care Products fields while actively investing in marketing activities to cultivate mainstay brands. In addition, Lion worked to expand its functional food products (direct-to-consumer sales products) business, which saw steady increases in regular purchasers. Overseas, the Group promoted the cultivation of key brands in order to increase its position in the oral care and laundry detergent markets, particularly in Thailand and South Korea.

Consequently, consolidated results for the period under review are as follows: Net sales increased 2.8% year on year to ¥67,575 million. The Company recorded an operating loss of ¥3,427 million (compared with a ¥487 million operating loss in the corresponding period of the previous fiscal year) and an ordinary loss of ¥3,203 million (compared with a ¥187 million ordinary loss). Despite a decline in competition costs following last year's disaster, these results were mainly due to the Company increasing competition costs in the period under review, reflecting efforts to cultivate its brands and to promote its new corporate message. Lion experienced a net loss of ¥2,323 million (compared with a ¥2,725 million net loss in the same period of the previous fiscal year, during which a loss on disaster was recorded).

<Consolidated Results> (Millions of yen)

	Three Months Ended Mar. 2012	Ratio to net sales	Three Months Ended Mar. 2011	Ratio to net sales	Increase/ decrease	Change
Net sales	67,575		65,703		1,871	2.8%
Operating income	(3,427)	—	(487)	—	(2,939)	—
Ordinary income	(3,203)	—	(187)	—	(3,016)	—
Net income	(2,323)	—	(2,725)	—	402	—

< Results by Business Segment > (Millions of yen)

	Net sales				Segment income (Operating income)			
	Three Months Ended Mar. 2012	Three Months Ended Mar. 2011	Increase/ decrease	Change	Three Months Ended Mar. 2012	Three Months Ended Mar. 2011	Increase/ decrease	Change
Consumer Products	51,482	50,008	1,473	2.9%	(4,169)	(1,138)	(3,030)	—
Industrial Products	11,371	11,194	177	1.6%	(39)	222	(262)	—
Overseas	14,049	12,900	1,148	8.9%	628	152	476	311.9%
Other	6,333	5,188	1,144	22.1%	195	130	65	50.0%
Subtotal	83,237	79,291	3,945	5.0%	(3,384)	(633)	(2,751)	—
Adjustment	(15,661)	(13,588)	(2,073)	—	(42)	145	(187)	—
Total	67,575	65,703	1,871	2.8%	(3,427)	(487)	(2,939)	—

Results by Business Segments are as follows.

<Consumer Products Business>

The Consumer Products Business segment is divided into the Oral Care Products, Beauty Care Products, Fabric Care Products, Living Care Products, Pharmaceutical Products and Other Products businesses. Segment net sales increased ¥1,473 million compared with the corresponding period of the previous fiscal year. However, segment income fell ¥3,030 million primarily due to higher competition costs attributable to Lion's efforts to cultivate its brands.

(Millions of yen)

	Three Months Ended Mar. 2012	Ratio to net sales	Three Months Ended Mar. 2011	Ratio to net sales	Increase/ decrease	Change
Net sales	51,482		50,008		1,473	2.9%
Segment income	(4,169)	—	(1,138)	—	(3,030)	—

Note: Net sales include internal net sales within and among segments, which amounted to ¥5,378 million in the first quarter of fiscal 2012 and ¥4,707 million in the first quarter of fiscal 2011.

[Net Sales by Products Segment] (Millions of yen)

	Three Months Ended Mar. 2012	Three Months Ended Mar. 2011	Increase/ decrease	Change
Oral Care Products	9,732	9,339	393	4.2%
Beauty Care Products	4,636	4,923	(287)	(5.8%)
Fabric Care Products	14,958	15,069	(111)	(0.7%)
Living Care Products	4,100	4,457	(357)	(8.0%)
Pharmaceutical Products	6,273	6,390	(117)	(1.8%)
Other Products	11,782	9,828	1,954	19.9%

Oral Care Products
In toothpaste, sales were strong for Lion's *Dentor Systema* brand while *Clinica Enamel Pearl*—the new medicated toothpaste that prevents cavities and increases the density of enamel to maintain strong, shiny, white teeth—garnered favorable consumer reviews. As a result, overall sales rose compared with the corresponding period of the previous fiscal year.

In toothbrushes, new-and-improved *Clinica* toothbrushes enjoyed favorable sales while sales of items under Lion's mainstay *Dentor Systema* brand were firm. Consequently, overall sales jumped significantly compared with the same period of the previous fiscal year.

In mouthwashes, despite the impact of intensifying competition, overall year-on-year sales increased slightly owing to strong sales of new-and-improved *Clinica* Dental Rinse.

Beauty Care Products
In hand soaps, *KireiKirei Medicated Foaming Hand Soap* recorded steady sales. Accordingly, overall sales improved compared with the same period of the previous fiscal year.

In antiperspirants and deodorants, despite favorable sales of *Ban Deodorant Roll On*, featuring an improved easy-to-carry plastic bottle, overall sales fell year on year amid sluggish sales of mainstay powder spray brands due to the negative impact of ongoing lower-than-average temperatures.

Fabric Care Products
In laundry detergents, new-and-improved *TOP NANOX* experienced steady sales while new *Kaori Tsuzuku (Long-Lasting Fragrance) TOP plus*—blended with natural essential oils to provide a pleasantly long-lasting, abundant fragrance—received favorable consumer reviews. However, overall year-on-year sales fell due to the negative effect of intensifying competition.

In fabric softeners, overall sales jumped significantly compared with the same period of the previous fiscal year owing to favorable sales of *Kaori to Deodorant no SOFLAN (SOFLAN with Fragrance and Deodorant) Aroma Rich* and firm sales of new-and-improved *Kaori to Deodorant no Soflan (Soflan with Fragrance and Deodorant)*, which features increased antibacterial power.

Living Care Products
In dishwashing detergents, sales of the *CHARMY Awa no Chikara (Power of Suds)* series were sluggish. Consequently, overall sales decreased compared with same period of the previous fiscal year.

In household cleaners, favorable consumer reviews were received for *Toire no Look (toilet bowl cleaner)*, a new product that washes away stubborn uric scale from the deepest crevice under the toilet bowl lip thanks to the newly designed, easy-pour, long-necked bottle. Despite this, overall sales remained flat compared with the corresponding period of the previous fiscal year.

Pharmaceutical Products
In analgesics, *BUFFERIN Luna i*—which delivers quick relief from headaches and menstrual cramps while being easy on the stomach—received favorable consumer reviews. However, intensifying competition caused overall sales to remain unchanged compared with the corresponding period of the previous fiscal year.

In tonics and nutrients, favorable sales of the *Guronsan* health tonic drink brand led to a substantial increase in overall sales year on year.

In eye drops, *Smile Contact AL-W*—a new product that effectively relieves both itchiness and discomfort when wearing contact lenses—garnered favorable consumer reviews. Despite this, overall sales declined compared with the same period of the previous fiscal year because of sluggish sales of *Smile 40EX COOL*.

Other Products
In functional food products, Lion's mainstay *Nice rim essence Lactoferrin*, experienced strong sales. As a result, overall sales doubled compared with the corresponding period of the previous fiscal year.

In pet supplies, firm sales of *Nioi wo Toru Suna (Deodorizing Cat Litter)* led to a significant improvement in overall sales compared with same period of the previous fiscal year.

<Industrial Products Business>
The Industrial Products Business segment engages in the manufacture and sale of activators derived from oils and fats, electro-conductive carbon, detergents for industrial use and other products. Segment net sales increased ¥177 million year on year. Segment income, however, fell ¥262 million year on year mainly due to higher raw material prices.

(Millions of yen)

	Three Months Ended Mar. 2012	Ratio to net sales	Three Months Ended Mar. 2011	Ratio to net sales	Increase/ decrease	Change
Net sales	11,371		11,194		177	1.6%
Segment income	(39)	—	222	2.0%	(262)	—

Note: Net sales include internal net sales within and among segments, which amounted to ¥4,369 million in the first quarter of fiscal 2012 and ¥3,984 million in the first quarter of fiscal 2011.

In activators derived from oil and fats and electro-conductive carbon, overall sales declined compared with the same period of the previous fiscal year because of weak demand and intensifying competition.

In detergents for industrial use, despite strong sales of alcohol sanitizers for kitchens, sluggish hand soap sales caused overall sales to increase only slightly compared with the same period of the previous fiscal year.

<Overseas Business>
The Overseas Business segment comprises businesses operations primarily in Thailand, South Korea and China. Segment net sales increased 8.9% year on year (or in terms of real net sales, which exclude the influence of exchange rate conversions, increased 12.8%). Segment income jumped 311.9% year on year mainly because of improvements in competition cost efficiency.

(Millions of yen)

	Three Months Ended Mar. 2012	Ratio to net sales	Three Months Ended Mar. 2011	Ratio to net sales	Increase/ decrease	Change
Net sales	14,049		12,900		1,148	8.9%
Segment income	628	4.5%	152	1.2%	476	311.9%

Note: Net sales include internal net sales within and among segments, which amounted to ¥677 million in the first quarter of fiscal 2012 and ¥683 million in the first quarter of fiscal 2011.

Conditions in Key Overseas Markets
In Thailand, overall sales increased substantially compared with the same period of the previous fiscal year. This is attributable to favorable sales of *Pao* laundry detergent and *Lipon* dishwashing detergent.

In South Korea, overall sales jumped significantly year on year owing to strong sales of *Charmgreen* dishwasing detergent and *Kireikirei* hand soap brands.

In China, overall sales climbed substantially compared with the corresponding period of the previous fiscal year due to favorable sales of *Systema* brand toothbrushes.

<Other>

(Millions of yen)

	Three Months Ended Mar. 2012	Ratio to net sales	Three Months Ended Mar. 2011	Ratio to net sales	Increase/ decrease	Change
Net sales	6,333		5,188		1,144	22.1%
Segment income	195	3.1%	130	2.5%	65	50.0%

Note: Net sales include internal net sales within and among segments, which amounted to ¥5,236 million in the first quarter of fiscal 2012 and ¥4,213 million in the first quarter of fiscal 2011.

In Other, overall segment sales increased 22.1% year on year to ¥6,333 million amid strong sales in the construction contractor business. In addition, Lion recorded a segment income totaling ¥195 million, a rise of 50.0% compared with the corresponding period of the previous fiscal year.

(2) Qualitative Information Concerning Consolidated Financial Status

Status of Assets, Liabilities, Net Assets for the First Quarter of the Current Fiscal Year
<Consolidated Financial Status >

	Three Months Ended March 31, 2012	Fiscal 2011 Ended Dec. 31, 2011	Increase/ decrease
Total assets (millions of yen)	244,188	249,272	(5,084)
Net assets (millions of yen)	105,423	105,252	170
Shareholders' equity to total assets *1 (%)	41.6	40.9	0.7

*1 Shareholders' equity to total assets = (Net assets – Subscription rights to shares and Minority interests) / Total assets

Total assets fell ¥5,084 million compared with the previous consolidated fiscal year-end to ¥244,188 million. This is primarily attributable to decreases in short-term investment securities and notes and accounts receivable—trade. Net assets increased ¥170 million year on year to ¥105,423 million. Shareholders' equity to total assets stood at 41.6%.

(3) Qualitative Information Concerning the Forecast of Consolidated Financial Results

Consolidated financial results forecasts for the first half of fiscal 2012 and the full fiscal year remain unchanged since being announced on February 10, 2012.

The Japanese economy is expected to remain uncertain for the foreseeable future due to high crude oil prices, severe employment conditions and the negative impact of electric power supply issues on corporate activities. Economic uncertainty persists despite signs of an economic recovery on the back of disaster reconstruction-related demand. The domestic toiletries industry—the Lion Group's main business domain—is expected to remain harsh due largely to intensifying competition and rising raw material costs.

Under these circumstances, the Lion Group aims to improve profitability and strengthen its business foundation by steadily implementing the strategies of the "V-1 Plan", cultivating key brands in Japan and overseas and continually reducing costs.

(Preconditions for the Estimated Figures in Outlook for Fiscal 2012)
Lion adopted the following foreign exchange rates in the calculation of the aforementioned estimated figures:
¥78 = US$1.00
¥2.5 = 1.00 baht

2. Summary (Other) Information

(1) Changes in Important Subsidiaries during the Period

None

(2) Special Accounting Treatment for Preparation of Quarterly Consolidated Financial Statements

None

(3) Changes in Accounting Policies and Changes in and Restatement of Accounting Estimates

(Application of Accounting Principles for Earnings per Share)

From the first quarter of the consolidated fiscal year ending December 31, 2012, Lion Corporation has applied the "Accounting Standard for Earnings per Share" (ASBJ Statement No. 2, June 30, 2010) and the "Guidance on Accounting Standard for Earnings per Share" (ASBJ Guidance No. 4, June 30, 2010) concerning the calculation of earnings per share–fully diluted. Earnings per share–fully diluted for the first quarter of fiscal 2011 and fiscal 2012 have not been disclosed since Lion Corporation recorded a net loss per share for both periods.

(Changes in the Treatment of Reversal of Valuation Loss based on Impairment Loss on Investment Securities)

Reversal of valuation loss based on impairment loss of investment securities recorded at the end of the consolidated quarterly accounting period had previously been calculated using the quarterly cost-or-market method. However, from the first quarter of the consolidated fiscal year ending December 31, 2012, Lion Corporation has applied the quarterly reversal method. This change in accounting method is intended to more appropriately display Lion Corporation's consolidated fiscal year-end financial position and operating results by eliminating the effect of short-term share price fluctuations during the fiscal period caused by a significant deterioration in recent economic conditions.

Retroactive application of the quarterly reversal method will not be undertaken because the effect of this change in accounting methods on impairment loss of investment securities is minimal.

3. Consolidated Quarterly Financial Reporting Statements

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	Fiscal Year Ended December 31, 2011	Three Months Ended March 31, 2012
Assets		
Current assets		
Cash and deposits	25,478	26,084
Notes and accounts receivable-trade	55,193	43,535
Short-term investments securities	10,439	5,003
Merchandise and finished goods	20,277	25,343
Work in process	2,776	3,562
Raw materials and supplies	7,198	7,595
Other	5,913	8,712
Allowance for doubtful accounts	(53)	(50)
Total current assets	127,224	119,786
Noncurrent assets		
Property, plant and equipment	58,503	59,083
Intangible assets		
Right of trademark	18,968	18,087
Other	2,521	2,430
Total intangible assets	21,489	20,518
Investments and other assets		
Investment securities	22,386	25,902
Other	19,708	18,935
Allowance for doubtful accounts	(39)	(39)
Total Investments and other assets	42,055	44,799
Total noncurrent assets	122,048	124,401
Total assets	249,272	244,188
Liabilities		
Current liabilities		
Notes and accounts payable-trade	42,078	41,675
Short-term loans payable	5,140	5,319
Current portion of long-term loans payable	2,416	2,416
Accounts payable-other and accrued expenses	37,885	34,556
Income taxes payable	1,349	878
Provision for bonuses	2,091	1,586
Provision for sales returns	569	566
Provision for sales promotion expenses	450	394
Provision for directors' bonuses	147	55
Other	2,474	3,149
Total current liabilities	94,603	90,598
Noncurrent liabilities		
Long-term loans payable	25,087	23,908
Provision for retirement benefits	19,153	19,060
Provision for directors' retirement benefits	267	288
Asset retirement obligation	323	324
Other	4,584	4,585
Total noncurrent liabilities	49,417	48,166
Total liabilities	144,020	138,765

	Fiscal Year Ended December 31, 2011	Three Months Ended March 31, 2012
Net assets		
Shareholders' equity		
Capital stock	34,433	34,433
Capital surplus	31,499	31,499
Retained earnings	56,755	52,816
Treasury stock	(16,653)	(16,641)
Total shareholders' equity	106,035	102,108
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(351)	2,180
Deferred gains or losses on hedges	(6)	31
Foreign currency translation adjustment	(3,628)	(2,635)
Total accumulated other comprehensive income	(3,986)	(423)
Subscription rights to shares	180	183
Minority interests	3,023	3,554
Total net assets	105,252	105,423
Total liabilities and net assets	249,272	244,188

(2) Consolidated Quarterly Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Quarterly Statements of Income

(Millions of yen)

	Fiscal year Ended March 31, 2011	Fiscal year Ended March 31, 2012
Net sales	65,703	67,575
Cost of sales	28,397	30,194
Gross profit	37,305	37,380
Selling, general and administrative expenses	37,793	40,808
Operating loss	(487)	(3,427)
Non-operating income		
Interest income	22	36
Dividends income	4	4
Equity in earnings of affiliates	320	197
Royalty income	53	45
Foreign exchange gains	30	50
Other	100	87
Total non-operating income	532	423
Non-operating expenses		
Interest expenses	219	178
Other	11	20
Total non-operating expenses	231	199
Ordinary loss	(187)	(3,203)
Extraordinary income		
Reversal of allowance for doubtful accounts	17	-
Total extraordinary income	17	-
Extraordinary loss		
Impairment loss	-	70
Loss on disposal of noncurrent assets	12	17
Loss on disaster	3,395	-
Loss on adjustment for changes of accounting standard for asset retirement obligations	190	-
Other	372	-
Total extraordinary losses	3,970	88
Loss before income taxes	(4,139)	(3,291)
Income taxes-current	427	514
Income taxes-deferred	(2,007)	(1,704)
Total income taxes	(1,580)	(1,189)
Loss before minority interests	(2,559)	(2,102)
Minority interests in income	166	220
Net Loss	(2,725)	(2,323)

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three Months Ended March 31, 2011 (January 1 to March 31, 2011)	Three Months Ended March 31, 2012 (January 1 to March 31, 2012)
Loss before minority interests	(2,559)	(2,102)
Other comprehensive income		
Valuation difference on available-for-sale securities	(772)	2,580
Deferred gains or losses on hedges	32	37
Foreign currency translation adjustment	316	1,079
Share of other comprehensive income of associates accounted for using equity method	92	174
Total other comprehensive income	(331)	3,872
Comprehensive income	(2,890)	1,770
Comprehensive income attributable to:		
Comprehensive income attributable to owner of the parent	(3,136)	1,239
Comprehensive income attributable to minority interests	245	531

(3) Notes Regarding Going Concern Assumptions

None

(4) Segment Information

1. Three Months Ended March 31, 2011 (January 1 to March 31, 2011)

1) Information Regarding Net Sales, Profits and Losses for Each Reportable Segment

(Millions of yen)

	Reportable segments			Other	Total	Adjustment*2	Consolidated total*3
	Consumer Products Business	Industrial Products Business	Overseas Business				
1. Net sales							
(1) Sales to external customers	45,301	7,210	12,217	974	65,703	—	65,703
(2)Intersegment sales*1	4,707	3,984	683	4,213	13,588	(13,588)	—
Total	50,008	11,194	12,900	5,188	79,291	(13,588)	65,703
Segment income (loss)	(1,138)	222	152	130	(633)	145	(487)

Notes: 1. Internal transactions are included within reportable segments.
2. Segment income and losses adjustments totaling ¥145 million are composed mainly of internal transaction eliminations.
3. Segment income and losses are adjusted based on operating income in consolidated quarterly income statements.

2. Three Months Ended March 31, 2012 (January 1 to March 31, 2012)

1) Information Regarding Net Sales, Profits and Losses for Each Reportable Segment

(Millions of yen)

	Reportable segments			Other	Total	Adjustment*2	Consolidated total*3
	Consumer Products Business	Industrial Products Business	Overseas Business				
1. Net sales							
(1) Sales to external customers	46,104	7,002	13,371	1,096	67,575	—	67,575
(2)Intersegment sales*1	5,378	4,369	677	5,236	15,661	(15,661)	—
Total	51,482	11,371	14,049	6,333	83,237	(15,661)	67,575
Segment income (loss)	(4,169)	(39)	628	195	(3,384)	(42)	(3,427)

Notes: 1. Internal transactions are included within reportable segments.
2. Segment income and losses adjustments totaling ¥(42) million are composed mainly of internal transaction eliminations.
3. Segment income and losses are adjusted based on operating income in consolidated quarterly income statements.

(5) Notes in the Event of Significant Changes in Amount of Shareholders' Equity

None

(6) Supplemental Information

From the first quarter of the consolidated fiscal year ending December 31, 2012, Lion Corporation has applied the "Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No.24, December 4, 2009)" and the "Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Guidance No.24, December 4, 2009)" to make changes in accounting principles and correct errors from previous years.