

Lion Corporation
President: Itsuo Hama
(Code 4912)

■ Notice Concerning Capital Increase and Acquisition of Additional Shares in Consolidated Subsidiary

Based on a resolution made at today's meeting of the Board of Directors, Lion Corporation announces its decision to increase its capital investment in and acquire additional shares of CJ Lion Corporation (hereafter "CJ Lion"), a consolidated Lion subsidiary.

1. Background and Purpose of the Capital Increase and Additional Share Acquisition

One of Lion's basic strategies under its Vision2020 management vision is the quantitative expansion of overseas businesses. As part of this strategy, Lion has decided to acquire the land on which CJ Lion's Incheon Factory is located, which until now it has rented from CJ CheilJedang Corporation, and to increase the capital of CJ Lion in order to develop it as a manufacturing facility serving Northeast Asia. The Incheon factory will function as an important regional manufacturing base for laundry detergents, dishwashing detergents and other household products.

Furthermore, to increase the speed of both decision making and the implementation of growth strategies in South Korea, Lion will acquire additional shares of CJ Lion from CJ Olive Young Corporation (hereafter CJ Olive Young).

(1) Amount of the capital increase: KRW 22.0 billion (to be subscribed entirely by Lion Corporation).

Reference: KRW 1 = JPY 0.1

(2) Capital increase date: Late June, 2014

(3) Share acquisition: Lion will acquire additional shares from CJ Olive Young. As a result of the capital increase and additional share acquisition, Lion's share of CJ Lion will increase from the present 81% to 99%.

(4) Share acquisition date: Late June, 2014

2. Overview of the Subsidiary

Name: CJ Lion Corporation

Location: Seoul Metropolitan City, Republic of Korea

Representative: Hitoshi Suzuki, Representative Director

Businesses: Manufacture and sale of laundry detergents, dishwashing detergents, toothpastes, toothbrushes, etc.

Capital: Before the capital increase: KRW 5.0 billion
After the capital increase: KRW 27.0 billion

Investment ratio: Before additional acquisition: Lion Corporation 81%, CJ Olive Young 19%
After additional acquisition: Lion Corporation 99%, CJ Olive Young 1%

3. Overview of the Parties Selling Land and Shares

Name: CJ CheilJedang Corporation

Location: Seoul Metropolitan City, Republic of Korea

Representative: Kim Chul Ha, CEO & President

Businesses: Manufacture and sale of food and pharmaceutical products

Name: CJ Olive Young Corporation

Location: Seoul Metropolitan City, Republic of Korea

Representative: Hou Min Ho, Chief Executive Officer

Businesses: Distribution and retail of beauty care products and personal care products

* CJ CheilJedang Corporation and CJ Olive Young Corporation are subsidiaries of the holding company CJ Corporation.

4. Forecasts

This capital increase and additional share acquisition is expected to have only a minor impact on the non-consolidated and consolidated results of the Lion Group during fiscal 2014.