

■ Notice Concerning the Posting of an Extraordinary Loss Accompanying the Impairment of Shares of a Subsidiary

Lion Corporation announced the recording of an extraordinary loss in the nonconsolidated results for the first three quarters of fiscal 2014 (January 1, 2014–September 30, 2014). Details are as follows.

1. Reason for Extraordinary Loss

Because the market value of shares held by Lion Corporation in consolidated subsidiary Lion Eco Chemicals Sdn. Bhd. declined, Lion has declared the recording of an impairment loss in accordance with the Accounting Standard for Financial Instruments. As a result, a ¥3,093 million impairment loss on valuation of subsidiaries' stocks has been recorded.

2. Overview of the Subsidiary

Company name: Lion Eco Chemicals Sdn. Bhd.

Location: Johor, Malaysia

Representative: Representative Managing Director Takashi Nakajima

Businesses: Manufacture and sale of surfactants and chemicals

Capital: 201 million Malaysian ringgit.

(wholly owned by Lion Corporation)

3. Impact on Results

The abovementioned loss on valuation has been recorded as an extraordinary loss in the nonconsolidated results, but is eliminated in consolidated results. Accordingly, it has had no impact on consolidated results.