

Summary of Consolidated Financial Statements for the First Quarter Ended March 31, 2016 [Japanese Standard]

May 9, 2016

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

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Scheduled date of filing of quarterly financial report (Shihanki Houkokusho): May 13, 2016

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 First Quarter Ended March 31, 2016

(January 1, 2016 – March 31, 2016)

(1) Consolidated Results (cumulative total)

(Percentage figures denote year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First Quarter Ended Mar. 2016	89,485	7.9	5,795	171.1	6,130	169.6	3,797	234.1
First Quarter Ended Mar. 2015	82,925	(7.4)	2,137	(40.9)	2,273	(41.6)	1,136	(51.6)

Note: Comprehensive income: March 31, 2016: ¥2,867 million (-3.5%)

March 31, 2015: ¥2,969 million (277.0%)

	EPS	Diluted EPS
	Yen	Yen
First Quarter Ended Mar. 2016	13.25	13.06
First Quarter Ended Mar. 2015	4.23	3.97

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity to total assets
	Millions of yen	Millions of yen	%
First Quarter Ended March 2016	258,905	144,170	52.4
December 2015	282,434	142,730	47.6

Note: Shareholders' equity: March 31, 2016: ¥135,660 million, December 31, 2015: ¥134,453 million

2. Dividend

Record Date	Cash dividend per share / Yen				
	First Quarter	Second Quarter	Third Quarter	Year-End	Annual
FY2015	—	5.00	—	5.00	10.00
FY2016 actual	—				
FY2016 plan		5.00	—	6.00	11.00

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

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2016 (January 1, 2016 – December 31, 2016)

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		Profit (loss) attributable to owners of parent		EPS
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim 2016	190,000	5.4	8,000	40.4	9,000	35.4	5,000	28.3	17.44
Fiscal 2016	395,000	4.3	19,000	16.0	20,000	10.5	11,500	7.7	40.11

Note: Revision to consolidated performance forecast during period under review: Yes

Notes

- (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, 2016: 299,115,346 shares
 - As of December 31, 2015: 299,115,346 shares
 - b. Number of treasury stocks on balance sheet date:
 - As of March 31, 2016: 12,482,076 shares
 - As of December 31, 2015: 12,469,748 shares
 - c. Average shares outstanding over period (cumulative; consolidated)
 - As of March 31, 2016: 286,637,600 shares
 - As of March 31, 2015: 268,146,663 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.

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

(1) Qualitative Information Concerning Consolidated Performance

During the first quarter of the current fiscal year (January 1, 2016–March 31, 2016), net sales amounted to ¥89,485 million, a year-on-year increase of 7.9% (or an increase of 10.8% in terms of real net sales, which exclude the influence of exchange rate conversions). The Company recorded operating income of ¥5,795 million, up 171.1% from the corresponding period of the previous fiscal year, and ordinary income of ¥6,130 million, up 169.6%. Net income attributable to owners of the parent for the first quarter of the current fiscal year amounted to ¥3,797 million, a year-on-year increase of 234.1%.

During the fiscal period under review, the Lion Group implemented its medium-term management plan, the V-2 Plan (Vision2020 Part-2). The Lion Group is advancing initiatives based on the four strategies of this plan: (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.

Domestically, Lion introduced new products in its mainstay laundry detergent brands and launched such new, high-value-added products as toothpastes, antiperspirants and deodorants and antipyretic analgesics. The Company worked to cultivate markets for these products using aggressive marketing.

Overseas, focusing mainly on the personal care field, including oral care and beauty care products, the Group sought to cultivate markets for its key brands as part of efforts to expand its business.

<Consolidated Results>

(Millions of yen)

	First Quarter Ended Mar. 2016	Ratio to net sales	First Quarter Ended Mar. 2015	Ratio to net sales	Increase/decrease	Change
Net sales	89,485		82,925		6,560	7.9%
Operating income	5,795	6.5%	2,137	2.6%	3,657	171.1%
Ordinary income	6,130	6.9%	2,273	2.7%	3,857	169.6%
Profit attributable to owners of parent	3,797	4.2%	1,136	1.4%	2,661	234.1%

< Results by Business Segment >

(Millions of yen)

	Net sales				Segment income (Operating income)			
	First Quarter Ended Mar. 2016	First Quarter Ended Mar. 2015	Increase/decrease	Change	First Quarter Ended Mar. 2016	First Quarter Ended Mar. 2015	Increase/decrease	Change
Consumer Products	63,277	58,027	5,250	9.0%	3,591	330	3,261	988.4%
Industrial Products	13,183	14,327	(1,144)	(8.0%)	644	392	252	64.5%
Overseas	28,016	23,520	4,496	19.1%	1,410	983	427	43.5%
Other	5,432	6,559	(1,126)	(17.2%)	93	176	(83)	(47.3%)
Subtotal	109,910	102,434	7,475	7.3%	5,740	1,881	3,858	205.1%
Adjustment	(20,424)	(19,509)	(915)	—	54	256	(201)	(78.6%)
Total	89,485	82,925	6,560	7.9%	5,795	2,137	3,657	171.1%

Results by business segment 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 9.0% compared with the same period of the previous fiscal year. Segment income increased 988.4% due to strong sales of high-value-added products and decreases in raw materials costs.

(Millions of yen)

	First Quarter Ended Mar. 2016	Ratio to net sales	First Quarter Ended Mar. 2015	Ratio to net sales	Increase/decrease	Change
Net sales	63,277		58,027		5,250	9.0%
Segment income	3,591	5.7%	330	0.6%	3,261	988.4%

Note: Net sales include internal net sales within and among segments, which amounted to ¥6,480 million in the first quarter of fiscal 2016 and ¥6,293 million in the first quarter of fiscal 2015.

[Net Sales by Products Segment]

(Millions of yen)

	First Quarter Ended Mar. 2016	First Quarter Ended Mar. 2015	Increase/decrease	Change
Oral Care Products	13,356	12,020	1,336	11.1%
Beauty Care Products	5,549	5,032	517	10.3%
Fabric Care Products	17,439	15,912	1,527	9.6%
Living Care Products	4,741	5,210	(468)	(9.0%)
Pharmaceutical Products	8,551	7,298	1,253	17.2%
Other Products	13,639	12,553	1,085	8.6%

Oral Care Products

In toothpastes, Lion released new and improved *CLINICA ADVANTAGE Toothpaste*, which combines the three preventive dentistry essentials of removing plaque, helping fluoride remain on teeth and reducing bacterial growth. Sales of the *SYSTEMA Haguki (the Gums) Plus* series grew to three times the level recorded in the same period of the previous fiscal year, and overall sales were up significantly year on year.

In toothbrushes, sales of the *CLINICA ADVANTAGE Toothbrush* and *SYSTEMA Haguki (the Gums) Plus Toothbrush* were strong. Overall sales were up year on year.

In mouthwashes, Lion released new and improved *CLINICA ADVANTAGE Dental Rinse*, which features a new antibacterial coating function to fight bacteria and suppress the growth of problem-causing germs, helping to prevent cavities, inflamed gums and bad breath. Overall sales were substantially higher than in the same period of the previous fiscal year.

Beauty Care Products

In hand soaps, sales of *KireiKirei Medicated Foaming Hand Soap*, featuring a new antimicrobial pump head to suppress bacterial growth, were strong, and overall sales increased significantly year on year.

In antiperspirants and deodorants, new *Ban Sweat-Blocking Roll-On Premium Label*, formulated with a new ingredient that creates a waterproof film and featuring a nano ion blocking effect that blocks underarm sweat glands, thereby stopping sweat before it emerges, received favorable consumer reviews. However, sales of *Ban Deodorant Powder Spray* were sluggish, and overall sales fell year on year.

Fabric Care Products

In laundry detergents, new *TOP SUPER NANOX*, a super-concentrated liquid laundry detergent that thoroughly cleans grime off every fiber with super-nano washing for excellent detergency, received favorable consumer reviews. Sales of *ACRON* laundry detergent for fashionable clothing, including new varieties featuring mild scents, were strong. Overall sales were up substantially year on year.

In fabric softeners, sales of the *Kaori to Deodorant no SOFLAN (SOFLAN with Fragrance and Deodorant)* were firm, and overall sales grew year on year.

Living Care Products

In dishwashing detergents, Lion added new antibacterial and unscented varieties to the *CHARMY Magica* lineup released to favorable consumer reviews in fiscal 2015, and worked to develop the product's market. Overall sales, however, were down year on year.

In household cleaners, sales of bathroom fungicide *LOOK Bath Antimold Fogger* and *LOOK Mame-Pika Toilet Cleaner* were favorable, and overall sales were up from the same period of the previous fiscal year.

Pharmaceutical Products

In antipyretic analgesics, sales of mainstay *BUFFERIN A* and *BUFFERIN PREMIUM* were strong, and new *BUFFERIN EX*, which acts quickly to relieve various kinds of pain, including headaches, back pain and joint pain, while being easy on the stomach, received favorable consumer reviews. Overall sales were up significantly year on year.

In eye drops, sales of *Smile40 Premium* and *Smile40 EX GOLD Mild* were favorable. Overall sales

increased substantially year on year.

Other Products

In direct-to-consumer sales products, sales of *Nice rim essence Lactoferrin* were favorable, and overall sales were significantly greater than in the corresponding period of the previous fiscal year.

In pet supplies, sales of *Nioi wo Toru Suna (Deodorizing Cat Litter)* were firm, and overall sales rose year on year.

<Industrial Products Business>

The Industrial Products Business segment includes the Electrical and Electronics, Lifestyle-Related Industry and Detergents for Institutional Use businesses. These businesses handle products including electro-conductive carbon, surfactants, and detergents for institutional and kitchen use, respectively. Segment net sales decreased 8.0% compared with same period of the previous fiscal year. Segment income increased 64.5%, reflecting changes in the product mix.

(Millions of yen)

	First Quarter Ended Mar. 2016	Ratio to net sales	First Quarter Ended Mar. 2015	Ratio to net sales	Increase/ decrease	Change
Net sales	13,183		14,327		(1,144)	(8.0%)
Segment income	644	4.9%	392	2.7%	252	64.5%

Note: Net sales include internal net sales within and among segments, which amounted to ¥5,944 million in the first quarter of fiscal 2016 and ¥7,222 million in the first quarter of fiscal 2015.

In Electrical and Electronics, sales of adhesives for smartphones and other mobile devices were sluggish, and overall sales fell year on year.

In Lifestyle-Related Industry, sales of raw materials for hair conditioners and fabric softeners were strong, and overall sales were higher than in the same period of the previous fiscal year.

In Detergents for Institutional Use, sales of alcohol sanitizers for kitchens were favorable, while those of hand soaps were firm, and overall sales increased year on year.

<Overseas Business>

The Overseas Business segment comprises mainly consumer products business operations located in Southeast Asia, including Thailand and Malaysia, and Northeast Asia, including South Korea and China. Overall segment net sales increased 19.1% year on year (or in terms of real net sales, which exclude the influence of exchange rate conversions, increased 30.8%). Segment income increased 43.5% year on year due in part to growth in sales of personal care products.

(Millions of yen)

	First Quarter Ended Mar. 2016	Ratio to net sales	First Quarter Ended Mar. 2015	Ratio to net sales	Increase/ decrease	Change
Net sales	28,016		23,520		4,496	19.1%
Segment income	1,410	5.0%	983	4.2%	427	43.5%

Note: Net sales include internal net sales within and among segments, which amounted to ¥3,121 million in the first quarter of fiscal 2016 and ¥1,192 million in the first quarter of fiscal 2015.

[Sales by Region]

	First Quarter Ended Mar. 2016	First Quarter Ended Mar. 2015	Increase/ decrease	Change
Southeast Asia	19,238	15,435	3,803	24.6%
Northeast Asia	8,777	8,084	692	8.6%

(Sales by Region)

In Southeast Asia, overall sales were up 24.6% year on year.

In Thailand, sales of the *KODOMO* brand oral care series were favorable, and those of *Shokubutsu-Monogatari body wash* were firm, but, due to exchange rate fluctuations, overall sales after yen conversions were flat year on year

In Malaysia, due to the conversion of Southern Lion Sdn. Bhd. to a consolidated subsidiary at the end of the third quarter of fiscal 2015, overall sales after yen conversions increased substantially year on year.

In Northeast Asia, overall sales rose 8.6% year on year.

In South Korea, sales of *Systema toothpaste* and *KireiKirei hand soap* were favorable. However, due to exchange rate fluctuations, overall sales after yen conversions were flat year on year.

In China, sales of *Systema toothpaste* were firm and sales of imported Japanese products increased. However, due to exchange rate fluctuations, overall sales after yen conversions were flat year on year.

<Other>

(Millions of yen)

	First Quarter Ended Mar. 2016	Ratio to net sales	First Quarter Ended Mar. 2015	Ratio to net sales	Increase/ decrease	Change
Net sales	5,432		6,559		(1,126)	(17.2%)
Segment income	93	1.7%	176	2.7%	(83)	(47.3%)

Note: Net sales include internal net sales within and among segments, which amounted to ¥4,877 million in the first quarter of fiscal 2016 and ¥4,800 million in the first quarter of fiscal 2015.

(2) Financial Status

Status of Assets, Liabilities, Net Assets for the First Quarter of the Current Fiscal Year

<Consolidated Financial Status >

	First Quarter Ended March 31, 2016	Fiscal 2015 Ended Dec. 31, 2015	Increase/ decrease
Total assets (millions of yen)	258,905	282,434	(23,528)
Net assets (millions of yen)	144,170	142,730	1,439
Shareholders' equity to total assets * (%)	52.4	47.6	4.8

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

Total assets decreased ¥23,528 million compared with the previous consolidated fiscal year-end to ¥258,905 million due in part to a decrease in notes and accounts receivable—trade. Net assets increased ¥1,439 million to ¥144,170 million. Shareholder's equity to total assets stood at 52.4%.

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

As announced on May 9, 2016, consolidated financial results forecasts for the first half of the fiscal year under review and for the full fiscal year have been revised since the release of initial forecasts on February 10, 2016.

For details, please refer to the May 9, 2016 press release, "Lion Revises Performance Forecasts."

(Assumptions for the Fiscal 2016 Forecasts)

Lion adopted the following foreign exchange rates in the calculation of the aforementioned estimated figures:

¥112 = US\$1.00

¥3.15 = 1.00 baht

2. Summary (Other) Information and Note

(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 Standards for Business Combinations, etc.)

The Group has adopted the Accounting Standard for Business Combinations (Accounting Standards Board of Japan (ASBJ) Statement No. 21, issued on September 13, 2013), Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, issued on September 13, 2013) and Accounting Standard for Business Divestitures (ASBJ Statement No. 7, issued on September 13, 2013) from the consolidated quarterly fiscal accounting period under review.

Accordingly, the Group now records differences arising from changes in its equity in subsidiaries under its ongoing control as capital surplus while posting business acquisition costs as expenses for the fiscal year in which such acquisition was executed. In addition, with regard to business combinations that come into effect at the commencement of the first quarter of the fiscal year ending December 31, 2016 or later, after the allocation of acquisition costs under provisional accounting treatment is finalized, said allocation shall be retrospectively reflected in the consolidated quarterly financial statements for the fiscal period in which such business combinations take effect.

Moreover, the adoption of the aforementioned accounting standards led to a change in methods for presenting net income in addition to the relabeling of minority interests as noncontrolling interests. To reflect these changes, certain items presented in the consolidated financial statements regarding the first quarter and full-year operating results for the previous fiscal year have been reclassified.

The adoption of these standards is effective from the beginning of the consolidated quarterly fiscal accounting period under review and subject to the transitional treatment stipulated by Item 4, Paragraph 2, Article 58 of the Accounting Standard for Business Combinations; Item 4, Paragraph 5, Article 44 of the Accounting Standard for Consolidated Financial Statements; and Item 4, Paragraph 4, Article 57 of the Accounting Standard for Business Divestitures. The aforementioned changes in accounting methods had no impact on the Company's consolidated quarterly financial statements for the first quarter of the fiscal year ending December 31, 2016.

(Change in Valuation Method for Inventories)

Previously, the valuation method for inventories of merchandise and finished products used by the Lion Group has mainly been to state inventories at cost using the first in, first out method. However, in September 2015, Southern Lion Sdn. Bhd. was made a consolidated subsidiary based on one of the basic strategies of the Vision2020 management vision, "Quantitative Expansion of Overseas Businesses." As a result of this and other factors, the share of said inventories accounted for by overseas subsidiaries on the consolidated financial statements is rising. In light of this, the Group has reconsidered its valuation method for inventories and determined that it would be best to align the Group's accounting policy with that used at its overseas subsidiaries. Accordingly, from the quarterly fiscal period under review, Lion Corporation and some domestic consolidated subsidiaries now state inventories at cost using the moving-average method.

The impact of this change is minor, and it has not been applied retroactively.

3. Consolidated Quarterly Financial Reporting Statements
(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	First Quarter Ended March 31, 2015	First Quarter Ended March 31, 2016
Assets		
Current assets		
Cash and deposits	18,584	17,741
Notes and accounts receivable-trade	58,655	51,269
Short-term investments securities	45,919	30,398
Merchandise and finished goods	24,233	27,751
Work in process	3,169	2,813
Raw materials and supplies	10,151	10,062
Other	6,214	3,136
Allowance for doubtful accounts	(98)	(87)
Total current assets	166,830	146,087
Noncurrent assets		
Property, plant and equipment	75,060	73,472
Intangible assets		
Right of trademark	4,428	3,736
Other	1,492	1,330
Total intangible assets	5,921	5,066
Investments and other assets		
Investment securities	21,116	20,884
Other	13,721	13,601
Allowance for doubtful accounts	(215)	(207)
Total Investments and other assets	34,622	34,278
Total noncurrent assets	115,603	112,818
Total assets	282,434	258,905

(Millions of yen)

	First Quarter Ended March 31, 2015	First Quarter Ended March 31, 2016
Liabilities		
Current liabilities		
Notes and accounts payable-trade	49,620	41,000
Short-term loans payable	9,772	7,088
Current portion of long-term loans payable	226	190
Accounts payable-other and accrued expenses	47,521	37,212
Income taxes payable	4,614	1,941
Provision for bonuses	2,992	2,253
Provision for sales returns	447	449
Provision for sales promotion expenses	2,491	2,250
Provision for directors' bonuses	336	124
Other	3,224	3,756
Total current liabilities	121,247	96,268
Noncurrent liabilities		
Bonds with subscription rights to shares	2,426	2,432
Long-term loans payable	2,082	1,987
Provision for directors' retirement benefits	414	328
Net defined benefit liability	8,751	8,898
Asset retirement obligation	346	344
Other	4,434	4,475
Total noncurrent liabilities	18,455	18,466
Total liabilities	139,703	114,735
Net assets		
Shareholders' equity		
Capital stock	34,433	34,433
Capital surplus	34,029	34,029
Retained earnings	69,414	71,778
Treasury stock	(6,800)	(6,814)
Total shareholders' equity	131,077	133,427
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,983	5,681
Deferred gains or losses on hedges	(0)	(21)
Foreign currency translation adjustment	1,748	799
Remeasurements of defined benefit plans	(4,356)	(4,227)
Total accumulated other comprehensive income	3,375	2,232
Subscription rights to shares	403	423
Non-controlling interests	7,873	8,087
Total net assets	142,730	144,170
Total liabilities and net assets	282,434	258,905

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

Consolidated Quarterly Statements of Income

(Millions of yen)

	Ended March 31, 2015 (Jan. 1 to Mar. 31, 2015)	Ended March 31, 2016 (Jan. 1 to Mar. 31, 2016)
Net sales	82,925	89,485
Cost of sales	36,654	36,914
Gross profit	46,270	52,571
Selling, general and administrative expenses	44,132	46,776
Operating income	2,137	5,795
Non-operating income		
Interest income	31	42
Dividends income	5	4
Share of profit of entities accounted for using equity method	100	251
Royalty income	67	52
Foreign exchange gains	9	37
Other	83	109
Total non-operating income	299	497
Non-operating expenses		
Interest expenses	111	105
Interest on bonds	32	5
Other	19	50
Total non-operating expenses	163	161
Ordinary income	2,273	6,130
Extraordinary income		
Gain on sales of investment securities	110	-
Total extraordinary income	110	-
Extraordinary loss		
Loss on disposal of noncurrent assets	20	31
Impairment loss	-	3
Total extraordinary losses	20	34
Income before income taxes	2,363	6,095
Income taxes-current	590	1,330
Income taxes-deferred	337	539
Total income taxes	927	1,869
Profit	1,436	4,225
Profit attributable to non-controlling interests	299	428
Profit attributable to owners of parent	1,136	3,797

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Ended March 31, 2015 (Jan. 1 to Mar. 31, 2015)	Ended March 31, 2016 (Jan. 1 to Mar. 31, 2016)
Profit	1,436	4,225
Other comprehensive income		
Valuation difference on available-for-sale securities	1,910	(292)
Deferred gains or losses on hedges	0	(20)
Foreign currency translation adjustment	(148)	(1,131)
Remeasurements of defined benefit plans, net of tax	(53)	128
Share of other comprehensive income of associates accounted for using equity method	(175)	(42)
Total other comprehensive income	1,533	(1,358)
Comprehensive income	2,969	2,867
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	2,609	2,653
Comprehensive income attributable to non-controlling interests	360	213

**(3) Consolidated Quarterly Financial Reporting Statements
(Notes Regarding Going Concern Assumptions)**

None

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

None

(Segment Information)

1. First Quarter Ended March 31, 2015 (January 1 to March 31, 2015)

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	51,733	7,105	22,328	1,758	82,925	—	82,925
(2) Intersegment sales ^{*1}	6,293	7,222	1,192	4,800	19,509	(19,509)	—
Total	58,027	14,327	23,520	6,559	102,434	(19,509)	82,925
Segment income	330	392	983	176	1,881	256	2,137

Notes: 1. Internal transactions are included within reportable segments.

2. Segment income and losses adjustments totaling ¥256 million are composed mainly of internal transaction eliminations.

3. Segment income and losses are adjusted based on operating loss in consolidated quarterly income statements.

2. First Quarter Ended March 31, 2016 (January 1 to March 31, 2016)

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	56,796	7,239	24,894	554	89,485	—	89,485
(2) Intersegment sales ^{*1}	6,480	5,944	3,121	4,877	20,424	(20,424)	—
Total	63,277	13,183	28,016	5,432	109,910	(20,424)	89,485
Segment income	3,591	644	1,410	93	5,740	54	5,795

Notes: 1. Internal transactions are included within reportable segments.

2. Segment income and losses adjustments totaling ¥54 million are composed mainly of internal transaction eliminations.

3. Segment income and losses are adjusted based on operating loss in consolidated quarterly income statements.