

Summary of Consolidated Financial Statements for the Nine Months Ended September 30, 2016 [Japanese Standard]

November 4, 2016

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

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Scheduled date of filing of quarterly financial report (Shihanki Houkokusho): November 11, 2016
Start date for payment of dividend: —
Supplementary materials prepared for quarterly results: Yes
Quarterly results information meeting held: None

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

1. Consolidated Results for the Nine Months Ended September 30, 2016

(January 1, 2016 – September 30, 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	%
Nine Months ended Sep. 2016	290,134	5.9	19,064	72.2	20,237	65.0	13,043	75.9
Nine Months ended Sep. 2015	274,027	3.3	11,070	50.8	12,265	49.5	7,413	51.4

Note: Comprehensive Income

September 30, 2016: ¥9,740 million [32.2%], September 30, 2015: ¥7,366 million [22.6%]

	EPS	Diluted EPS
	Yen	Yen
September 30, 2016	45.15	45.09
September 30, 2015	27.57	25.67

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity to total assets
	Millions of yen	Millions of yen	%
September 30, 2016	271,940	151,472	52.9
December 31, 2015	282,434	142,730	47.6

Note: Shareholders' equity: September 30, 2016: ¥143,827 million, December 31, 2015: ¥134,453 million

2. Dividend

	Cash dividend per share / Yen				
	First Quarter	Second Quarter	Third Quarter	Year-End	Annual
FY2015	—	5.00	—	5.00	10.00
FY2016 actual	—	5.00	—		
FY2016 plan				8.00	13.00

Note: Revision to Cash dividend forecast during period under review: Yes

For details about the dividend forecast revision, please refer to the November 4, 2016 press release, "Lion Revises Performance and Dividend Forecasts."

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 profit attributable to owners of parent express percentage change over the year-ago period.

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		EPS
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal 2016	390,000	3.0	24,000	46.6	25,000	38.1	15,000	40.4	51.61

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

For further details about the consolidated performance forecast revision, please refer to the November 4, 2016 press release, "Lion Revises Performance and Dividend Forecasts."

Notes

- (1) Significant changes in scope of consolidation 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:
 - a. Changes associated with revisions in accounting principles: Yes
 - b. Other changes: Yes
 - c. Changes in accounting estimates: None
 - d. Restatement: None
- (4) Number of outstanding shares (common stock)
 - a. Number of outstanding shares on balance sheet dates (including treasury stocks):
 - As of September 30, 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 September 30, 2016: 8,507,853 shares
 - As of December 31, 2015: 12,469,748 shares
 - c. Average shares outstanding over period (cumulative; consolidated)
 - As of September 30, 2016: 288,893,269 shares
 - As of September 30, 2015: 268,822,112 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 6.

Contents

1. Qualitative Information Concerning the Results of Operations for the Nine Months of the Current Fiscal Year -----	2
(1) Qualitative Information Concerning Consolidated Performance -----	2
(2) Financial Status -----	6
(3) Qualitative Information Concerning the Forecast of Consolidated Financial Results -----	6
2. Summary (Other) Information and Note-----	7
(1) Changes in Important Subsidiaries during the Period-----	7
(2) Special Accounting Treatment for Preparation of Quarterly Consolidated Financial Statements -----	7
(3) Changes in Accounting Policies and Changes in and Restatement of Accounting Estimates -----	7
3. Consolidated Quarterly Financial Reporting Statements-----	8
(1) Consolidated Quarterly Balance Sheets-----	8
(2) Consolidated Quarterly Statements of Income and Consolidated Statements of Comprehensive Income -----	10
(3) Notes Concerning Consolidated Quarterly Financial Statements-----	12
(Notes Regarding Going Concern Assumptions)-----	12
(Notes in the Event of Significant Changes in Amount of Shareholders' Equity -----	12
(Segment Information)-----	12

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

(1) Qualitative Information Concerning Consolidated Performance

During the first nine months of fiscal 2016 (January 1, 2016–September 30, 2016), net sales amounted to ¥290,134 million, a year-on-year increase of 5.9% (or an increase of 9.4% in terms of real net sales, which exclude the influence of exchange rate conversions). The Company recorded operating income of ¥19,064 million, up 72.2% from the corresponding period of the previous fiscal year, and ordinary income of ¥20,237 million, up 65.0%. Profit attributable to owners of parent for the first nine months of the current fiscal year amounted to ¥13,043 million, a year-on-year increase of 75.9%.

During the fiscal period under review, the Lion Group implemented its medium-term management plan, called 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.

In its domestic operations, Lion introduced new toothpastes, body soaps, laundry detergents, fabric softeners and other products and worked to cultivate markets for these products through aggressive marketing, focusing mainly on high-value-added products.

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

<Consolidated Results>

(Millions of yen)

	Nine Months Ended Sep. 2016	Ratio to net sales	Nine Months Ended Sep. 2015	Ratio to net sales	Increase/decrease	Change
Net sales	290,134		274,027		16,106	5.9%
Operating income	19,064	6.6%	11,070	4.0%	7,994	72.2%
Ordinary income	20,237	7.0%	12,265	4.5%	7,972	65.0%
Profit attributable to owners of parent	13,043	4.5%	7,413	2.7%	5,630	75.9%

< Results by Business Segment >

(Millions of yen)

	Net sales				Segment income (Operating income)			
	Nine Months Ended Sep. 2016	Nine Months Ended Sep. 2015	Increase/decrease	Change	Nine Months Ended Sep. 2016	Nine Months Ended Sep. 2015	Increase/decrease	Change
Consumer Products	209,652	197,243	12,409	6.3%	12,620	6,596	6,024	91.3%
Industrial Products	39,892	42,253	(2,361)	(5.6%)	1,838	942	895	95.0%
Overseas	83,354	73,423	9,931	13.5%	3,601	2,497	1,103	44.2%
Other	18,916	21,581	(2,664)	(12.3%)	523	717	(193)	(27.0%)
Subtotal	351,816	334,501	17,315	5.2%	18,584	10,754	7,830	72.8%
Adjustment	(61,682)	(60,473)	(1,208)	—	480	315	164	52.1%
Total	290,134	274,027	16,106	5.9%	19,064	11,070	7,994	72.2%

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 6.3% compared with the same period of the previous fiscal year. Segment income increased 91.3% due to the increase in sales as well as a decrease in the sales cost ratio and other factors.

(Millions of yen)

	Nine Months Ended Sep. 2016	Ratio to net sales	Nine Months Ended Sep. 2015	Ratio to net sales	Increase/decrease	Change
Net sales	209,652		197,243		12,409	6.3%
Segment income	12,620	6.0%	6,596	3.3%	6,024	91.3%

Note: Net sales include internal net sales within and among segments, which amounted to ¥19,357 million in the nine months of fiscal 2016 and ¥19,004 million in the nine months of fiscal 2015.

[Net Sales by Products Segment]

(Millions of yen)

	Nine Months Ended Sep. 2016	Nine Months Ended Sep. 2015	Increase/decrease	Change
Oral Care Products	44,794	41,726	3,067	7.4%
Beauty Care Products	17,502	15,477	2,024	13.1%
Fabric Care Products	58,997	55,985	3,012	5.4%
Living Care Products	15,153	15,103	49	0.3%
Pharmaceutical Products	30,001	28,210	1,790	6.3%
Other Products	43,203	40,739	2,464	6.0%

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 were favorable, including those of *SYSTEMA Haguki (the Gums) Plus Night Care Gel*, a new product that helps strengthen the defenses of users' gums while they sleep to prevent gum disease. Overall sales were up year on year.

In toothbrushes, sales of the *CLINICA ADVANTAGE Toothbrush* and *SYSTEMA Haguki (the Gums) Plus Toothbrush* were favorable. 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.

In addition, sales of dental care products, including *CLINICA ADVANTAGE Dental Floss Y-Type*, were up substantially year on year.

Beauty Care Products

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

In antiperspirants and deodorants, new *Ban Sweat-Blocking Roll-On Premium Label* received favorable consumer reviews. However, sales of *Ban Deodorant Powder Spray* were sluggish, and overall sales fell year on year.

In addition, new *hadakara Body Soap*, which is highly moisturizing thanks to a moisture-adsorbing formula that ensures moisturizer isn't washed away.

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 firm. Overall sales were up year on year.

In fabric softeners, *Soflan Queen's Silk*, a new product that gives clothing a luscious, smooth feel on the skin, received favorable consumer reviews, and sales of *SOFLAN Aroma Rich*, featuring two new fragrances, were strong. Overall sales were up substantially year on year.

Living Care Products

In dishwashing detergents, Lion added new antibacterial and unscented varieties to the *CHARMY Magica* series released to favorable consumer reviews in fiscal 2015, and overall sales were up year on year.

In household cleaners, sales of bathroom fungicide *LOOK Bath Antimold Fogger* were favorable, and those of *LOOK MamePika Toilet Cleaner* were firm. However, sales of bath cleaners were sluggish, and overall sales were flat year on year.

Pharmaceutical Products

In antipyretic analgesics, sales of *BUFFERIN A* and *BUFFERIN PREMIUM* were favorable, overall sales were up significantly year on year.

In eye drops, new *Smile Whitéye*, which alleviates bloodshot eyes and helps keep the whites of the eyes healthy and clear, received favorable consumer reviews, and sales of *Smile40 Premium* were favorable. Overall sales increased year on year.

Other Products

In direct-to-consumer sales products, sales of *Nice rim essence Lactoferrin* and *Gussumin Yeast NO CHIKARA* were favorable. Overall sales were significantly higher compared with same period of the

previous fiscal year.

In pet supplies, sales of *Nioi wo Toru Suna (Deodorizing Cat Litter)* were steady, 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 5.6% compared with same period of the previous fiscal year. Segment income increased 95.0%, reflecting changes in the product mix.

(Millions of yen)

	Nine Months Ended Sep. 2016	Ratio to net sales	Nine Months Ended Sep. 2015	Ratio to net sales	Increase/decrease	Change
Net sales	39,892		42,253		(2,361)	(5.6%)
Segment income	1,838	4.6%	942	2.2%	895	95.0%

Note: Net sales include internal net sales within and among segments, which amounted to ¥16,958 million in the Nine Months of fiscal 2016 and ¥19,624 million in the Nine Months of fiscal 2015.

In the Electrical and Electronics category, sales of adhesives for liquid crystal films used in smartphones and other applications were sluggish, and overall sales fell year on year.

In the Lifestyle-Related Industry category, sales of raw materials for fabric softeners were firm, but sales of raw materials for laundry detergents were sluggish. Overall sales were flat year on year.

In the Detergents for Institutional Use category, sales of alcohol sanitizers for kitchens were favorable, while those of hand soaps were steady, 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. Due in part to strong sales in Thailand and other mainstay countries as well as the consolidation of Southern Lion Sdn. Bhd. of Malaysia at the end of the third quarter of fiscal 2015, segment net sales increased 13.5% year on year (or in terms of real net sales, which exclude the influence of exchange rate conversions, increased 28.4%). Segment income increased 44.2% year on year.

(Millions of yen)

	Nine Months Ended Sep. 2016	Ratio to net sales	Nine Months Ended Sep. 2015	Ratio to net sales	Increase/decrease	Change
Net sales	83,354		73,423		9,931	13.5%
Segment income	3,601	4.3%	2,497	3.4%	1,103	44.2%

Note: Net sales include internal net sales within and among segments, which amounted to ¥8,730 million in the Nine Months of fiscal 2016 and ¥4,911 million in the Nine Months of fiscal 2015.

[Sales by Region]

(Millions of yen)

	Nine Months Ended Sep. 2016	Nine Months Ended Sep. 2015	Increase/decrease	Change
Southeast Asia	56,940	48,060	8,880	18.5%
Northeast Asia	26,414	25,363	1,051	4.1%

(Sales by Region)

In Southeast Asia, overall sales were up 18.5% year on year.

In Thailand, sales of *SYSTEMA* toothbrushes were firm, and those of *Shokubutsu-Monogatari* body wash

were favorable. However, due to exchange rate fluctuations, overall sales after yen conversions were down year on year.

In Northeast Asia, overall sales were up 4.1% year on year.

In South Korea, sales of *KireiKirei* hand soap and liquid *Beat* laundry detergent were strong. However, due to exchange rate fluctuations, overall sales after yen conversions were down year on year.

In China, sales of *SYSTEMA* toothpaste were favorable, and sales of imported Japanese products increased. Overall sales after yen conversions were up year on year.

<Other> (The Construction Contracting Business, Etc.)

(Millions of yen)

	Nine Months Ended Sep. 2016	Ratio to net sales	Nine Months Ended Sep. 2015	Ratio to net sales	Increase/decrease	Change
Net sales	18,916		21,581		(2,664)	(12.3%)
Segment income	523	2.8%	717	3.3%	(193)	(27.0%)

Note: Net sales include internal net sales within and among segments, which amounted to ¥16,636 million in the Nine Months of fiscal 2016 and ¥16,933 million in the Nine Months of fiscal 2015.

(2) Financial Status

1) Status of Assets, Liabilities, Net Assets for the Nine Months Ended September 30, 2016

<Consolidated Financial Status >

	Nine Months Ended September 30, 2016	Fiscal 2015 Ended Dec. 31, 2015	Increase/Decrease
Total assets (millions of yen)	271,940	282,434	(10,493)
Net assets (millions of yen)	151,472	142,730	8,741
Shareholders' equity to total assets * (%)	52.9	47.6	5.3

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

Total assets decreased ¥10,493 million compared with the previous consolidated fiscal year-end to ¥271,940 million due in part to a decrease in notes and accounts receivable—trade. Net assets increased ¥8,741 million to ¥151,472 million. Ratio of shareholders' equity to total assets stood at 52.9%.

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

As announced on November 4, 2016, the consolidated financial results forecasts for the full fiscal year have been revised since the release of previous forecasts on July 29, 2016. Dividend forecasts have also been revised.

For details, please refer to the November 4, 2016 press release “Lion Revises Performance and Dividend Forecasts.”

(Assumptions for the Fiscal 2016 Forecasts)

Lion adopted the following foreign exchange rates in the calculation of the aforementioned estimated figures for the third quarter of the current fiscal year and onward:

¥105 = US\$1.00

¥3.00 = 1.00 baht

2. Summary (Other) Information and Note

(1) Changes in Important Subsidiaries during the Period

None

Note that, while it does not constitute a change in specified subsidiaries, on July 14, 2016, Lion Corporation sold all its shares in its joint venture consolidated subsidiary PEERLESS LION CORPORATION to its partner in the joint venture, PEERLESS PRODUCTS MANUFACTURING CORPORATION, and dissolved the joint venture contract. Accordingly, PEERLESS LION CORPORATION has been excluded from the scope of consolidation.

(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 first consolidated quarterly fiscal accounting period of the fiscal year ending December 31, 2016.

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 operating results for the first nine months of the previous fiscal year and the full previous fiscal year have been reclassified.

These standards have been applied prospectively from the beginning of the first consolidated quarterly fiscal accounting period of the fiscal year ending December 31, 2016, 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 nine months 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)

	Fiscal Year Ended December 31, 2015	Nine Months Ended September 30, 2016
Assets		
Current assets		
Cash and deposits	18,584	16,904
Notes and accounts receivable-trade	58,655	53,819
Short-term investments securities	45,919	44,628
Merchandise and finished goods	24,233	26,841
Work in process	3,169	3,191
Raw materials and supplies	10,151	10,212
Other	6,214	6,389
Allowance for doubtful accounts	(98)	(89)
Total current assets	166,830	161,897
Non-current assets		
Property, plant and equipment	75,060	72,474
Intangible assets		
Trademark right	4,428	2,350
Other	1,492	1,149
Total intangible assets	5,921	3,500
Investments and other assets		
Investment securities	21,116	20,608
Other	13,721	13,666
Allowance for doubtful accounts	(215)	(207)
Total Investments and other assets	34,622	34,068
Total non-current assets	115,603	110,043
Total assets	282,434	271,940

(Millions of yen)

	Fiscal Year Ended December 31, 2015	Nine Months Ended September 30, 2016
Liabilities		
Current liabilities		
Notes and accounts payable-trade	49,620	43,411
Short-term loans payable	9,772	4,269
Current portion of long-term loans payable	226	246
Accounts payable-other and accrued expenses	47,521	41,856
Income taxes payable	4,614	3,247
Provision for bonuses	2,992	4,336
Provision for sales returns	447	422
Provision for sales promotion expenses	2,491	2,614
Provision for directors' bonuses	336	289
Other	3,224	3,686
Total current liabilities	121,247	104,381
Non-current liabilities		
Bonds with subscription rights to shares	2,426	-
Long-term loans payable	2,082	1,725
Provision for directors' retirement benefits	414	305
Net defined benefit liability	8,751	9,303
Asset retirement obligation	346	348
Other	4,434	4,403
Total non-current liabilities	18,455	16,086
Total liabilities	139,703	120,467
Net assets		
Shareholders' equity		
Capital stock	34,433	34,433
Capital surplus	34,029	34,507
Retained earnings	69,414	79,571
Treasury stock	(6,800)	(4,701)
Total shareholders' equity	131,077	143,811
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,983	5,606
Deferred gains or losses on hedges	(0)	(22)
Foreign currency translation adjustment	1,748	(1,815)
Remeasurements of defined benefit plans	(4,356)	(3,752)
Total accumulated other comprehensive income	3,375	15
Subscription rights to shares	403	202
Non-controlling interests	7,873	7,443
Total net assets	142,730	151,472
Total liabilities and net assets	282,434	271,940

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

Consolidated Quarterly Statements of Income (cumulative)

(Millions of yen)

	Nine Months Ended September 30, 2015 (Jan. 1 to Sep. 30)	Nine Months Ended September 30, 2016 (Jan. 1 to Sep. 30)
Net sales	274,027	290,134
Cost of sales	118,844	119,179
Gross profit	155,182	170,954
Selling, general and administrative expenses	144,112	151,889
Operating income	11,070	19,064
Non-operating income		
Interest income	94	109
Dividends income	449	311
Share of profit of entities accounted for using equity method	542	528
Royalty income	222	166
Foreign exchange gains	85	70
Other	366	377
Total non-operating income	1,761	1,563
Non-operating expenses		
Interest expenses	328	231
Interest on bonds	95	9
Other	143	150
Total non-operating expenses	566	390
Ordinary income	12,265	20,237
Extraordinary income		
Gain on sales of investment securities	141	31
Gain on disposal of non-current assets	625	-
Total extraordinary income	766	31
Extraordinary loss		
Loss on disposal of non-current assets	824	488
Impairment loss	196	71
Loss on step acquisitions	178	-
Loss on liquidation of subsidiaries and associates	-	303
Total extraordinary losses	1,199	863
Profit before income taxes	11,832	19,405
Income taxes-current	3,947	5,738
Income taxes-deferred	(482)	(418)
Total income taxes	3,465	5,320
Profit	8,366	14,084
Profit attributable to non-controlling interests	953	1,041
Profit attributable to owners of parent	7,413	13,043

Consolidated Statement of Comprehensive Income (cumulative)

(Millions of yen)

	Nine Months Ended September 30, 2015 (Jan. 1 to Sep. 30)	Nine Months Ended September 30, 2016 (Jan. 1 to Sep. 30)
Profit	8,366	14,084
Other comprehensive income		
Valuation difference on available-for-sale securities	1,472	(385)
Deferred gains or losses on hedges	(11)	(22)
Foreign currency translation adjustment	(2,634)	(4,332)
Remeasurements of defined benefit plans, net of tax	434	603
Share of other comprehensive income of entities accounted for using equity method	(261)	(207)
Total other comprehensive income	(1,000)	(4,344)
Comprehensive income	7,366	9,740
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	6,976	9,683
Comprehensive income attributable to non-controlling interests	389	56

**(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. Nine Months Ended September 30, 2015 (January 1 to September 30, 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	178,239	22,628	68,511	4,647	274,027	-	274,027
(2) Intersegment sales ^{*1}	19,004	19,624	4,911	16,933	60,473	(60,473)	-
Total	197,243	42,253	73,423	21,581	334,501	(60,473)	274,027
Segment income	6,596	942	2,497	717	10,754	315	11,070

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

2. Segment income adjustments totaling ¥315 million are composed mainly of internal transaction eliminations.

3. Segment income is adjusted based on operating income in consolidated quarterly income statements.

2. Nine Months Ended September 30, 2016 (January 1 to September 30, 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	190,295	22,933	74,624	2,280	290,134	-	290,134
(2) Intersegment sales ^{*1}	19,357	16,958	8,730	16,636	61,682	(61,682)	-
Total	209,652	39,892	83,354	18,916	351,816	(61,682)	290,134
Segment income	12,620	1,838	3,601	523	18,584	480	19,064

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

2. Segment income adjustments totaling ¥480 million are composed mainly of internal transaction eliminations.

3. Segment income is adjusted based on operating income in consolidated quarterly income statements.