

May 9, 2017

**Summary of Financial Results for the First Quarter
Ended March 31, 2017 (Consolidated)**
- Supplementary Information -



Lion Corporation

Firm performance

Continued growth of both sales and profit

(Billions of yen)

	Jan.-Mar. 2017	Jan.-Mar. 2016	Y-o-Y change	
			Amount	%
Net sales	92.2	89.4	2.7	3.1
Operating income	6.7	5.7	0.9	17.1
% of Sales	7.4	6.5		
Ordinary income	7.1	6.1	1.0	17.0
% of Sales	7.8	6.9		
Profit attributable to owners of parent	4.7	3.7	0.9	25.7
% of Sales	5.2	4.2		
EPS (Yen)	16.43	13.25	3.18	24.0

1) Net sales: ¥92.2 billion

(up ¥2.7 billion, or 3.1%, year on year)

(Up 3.6% in terms of real net sales, which exclude the influence of exchange rate conversions)

- Domestically, sales of such new products as *SYSTEMA Haguki (the Gums) Plus toothpaste*, *CLINICA Kid's Toothbrushes*, *hadakara body wash* and *TOP HYGIA laundry detergent* were strong, as were sales of high-value-added products.
- Overseas, sales in such mainstay countries as Thailand, South Korea and China were firm.

2) Operating income: ¥6.7 billion

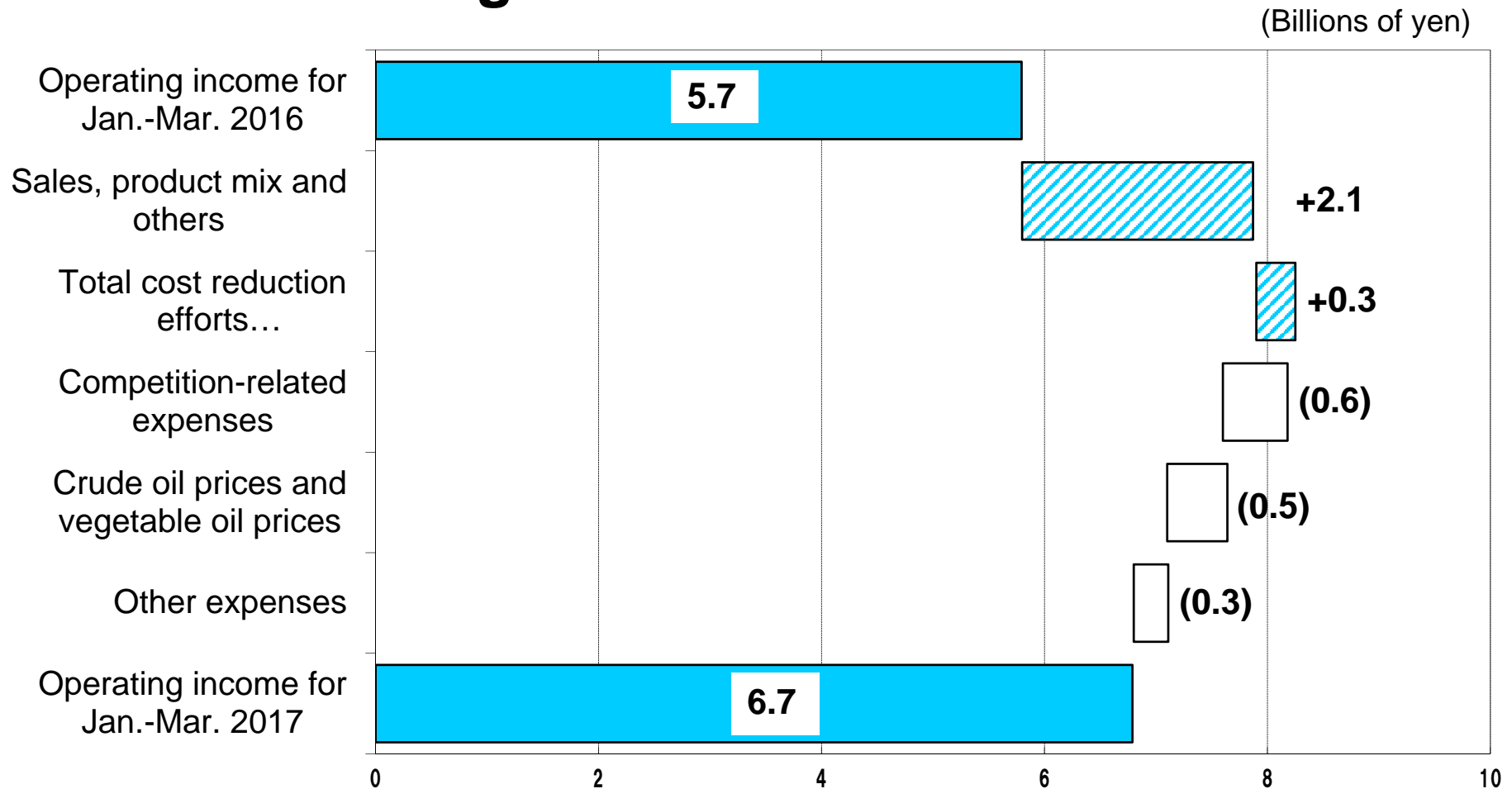
(up ¥0.9 billion, or 17.1%, year on year)

- Secured double-digit operating income growth through sales growth as well as the streamlining of competition-related expenses, for an operating income ratio of 7.4%.
- Despite increases in material costs, the cost of sales ratio decreased 0.4 percentage points year on year thanks to improvements to the sales mix and other factors

3. Year-on-year Changes in Operating Income



Ongoing income growth through sales growth and cost cutting



4. Results by Business Segment



Firm sales both in Japan and overseas

(Billions of yen)

	Sales				Segment income (operating income)			
	Jan.-Mar. 2017	Jan.-Mar. 2016	Y-o-Y change		Jan.-Mar. 2017	Jan.-Mar. 2016	Y-o-Y change	
			Amount	%			Amount	%
Consumer Products	65.4	63.2	2.2	3.5	4.6	3.5	1.0	28.1
Industrial Products	12.7	13.1	(0.4)	(3.2)	0.6	0.6	(0.0)	(4.3)
Overseas	28.6	28.0	0.6	2.2	1.4	1.4	0.0	3.1
Other	6.4	5.4	0.9	17.8	0.2	0.0	0.1	118.5
Subtotal	113.2	109.9	3.3	3.1	6.8	5.7	1.1	19.8
Adjustment	(21.0)	(20.4)	(0.6)	—	(0.0)	0.0	(0.1)	—
Consolidated total	92.2	89.4	2.7	3.1	6.7	5.7	0.9	17.1

Overseas net sales: Real net sales, which exclude the influence of exchange rate conversions, increased 4.2% year on year

5. Sales by Business Segment



(Billions of yen)

	Sales			
	Jan.-Mar. 2017	Jan.-Mar. 2016	Y-o-Y change	
			Amount	%
Consumer Products	65.4	63.2	2.2	3.5
	58.4	56.7	1.6	3.0
Industrial Products	12.7	13.1	(0.4)	(3.2)
	7.3	7.2	0.1	1.9
Overseas	28.6	28.0	0.6	2.2
	25.7	24.8	0.8	3.3
Other	6.4	5.4	0.9	17.8
	0.6	0.5	0.0	16.0
Sales total	113.2	109.9	3.3	3.1
Sales to external customers total	92.2	89.4	2.7	3.1

Upper line: Sales; Lower line: Sales to external customers
 Sales include internal net sales within and among segments.

6. Consumer Products Business



Sales Results by Products

(Billions of yen)

	Jan.-Mar. 2017	Jan.-Mar. 2016	Y-o-Y change	
			Amount	%
Oral Care	14.1	13.3	0.7	5.7
Beauty Care	6.3	5.5	0.7	13.9
Fabric Care	18.2	17.4	0.7	4.4
Living Care	4.2	4.7	(0.4)	(9.5)
Pharmaceutical	8.3	8.5	(0.1)	(1.9)
Other	14.1	13.6	0.5	3.8
Total	65.4	63.2	2.2	3.5

Sales Results by Region

(Billions of yen)

	Jan.-Mar. 2017	Jan.-Mar. 2016	Y-on-Y Change	
			Amount	(%)
Southeast Asia	19.4	19.2	0.2	1.1
Northeast Asia	9.1	8.7	0.3	4.5
Total	28.6	28.0	0.6	2.2

8. 2017 Consolidated Financial Forecast



No changes to financial forecast

(Billions of yen)

	2017	2016	Y-o-Y Change		2017 1H Forecast	2016 1H	Y-o-Y Change	
			Amount	(%)			Amount	(%)
Net Sales	405.0	395.6	9.3	2.4	192.0	188.2	3.7	2.0
Operating Income	27.0	24.5	2.4	10.2	10.5	10.4	0.0	0.7
% of Sales	6.7	6.2			5.5	5.5		
Ordinary Income	28.0	26.2	1.7	6.5	11.5	11.3	0.1	1.4
% of Sales	6.9	6.6			6.0	6.0		
Profit attributable to owners of parent	17.0	15.9	1.0	6.6	7.5	7.1	0.3	4.7
% of Sales	4.2	4.0			3.9	3.8		
EPS (yen)	58.50	55.13	3.37	6.1	25.81	24.86	0.95	3.8

9. Changes in Home Products and OTC Drug Markets



1) Environment of Home Products

Market trend of the total of 38 home product markets in which Lion participates.
(Percentage change over the year-ago period.)

	2012	2013	2014	2015	2016	Jan.-Mar. 2017
Sales value	101	102	102	103	104	100
Unit sales	102	102	100	100	102	98
Average unit price	99	100	102	102	102	102

Source: INTAGE Inc. SRI Survey (Year-on-year data for 2012 is for 42 such markets in which Lion operates; data for 2013 and 2014 is for 40; data for 2015 is for 39; data for 2016 is for 38.)

2) Environment of OTC Drug Market

Market trend of the total of 8 OTC drug markets in which Lion participates.
(Percentage change over the year-ago period.)

	2012	2013	2014	2015	2016	Jan.-Mar. 2017
Sales value	98	99	100	102	101	99
Unit sales	99	99	98	101	100	98
Average unit price	99	100	102	101	101	102

Source: INTAGE Inc. SDI Survey

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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.

Note: Figures are rounded down to the digits that are displayed.