

July 30, 2021

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Representative Director,  
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Code: 4912  
Tokyo Stock Exchange

## Lion Revises Performance Forecasts

Lion Corporation has revised its consolidated performance forecasts announced on February 12, 2021, in light of recent business performance. Details are as follows.

- Performance Forecast Revisions

Revision of Consolidated Forecasts for the First Half of Fiscal 2021 (January 1 – June 30, 2021)

(Millions of yen)

|   | Net sales | Operating profit | Profit for the period attributable to owners of the parent | EPS       |
|---|-----------|------------------|--|-----------|
| Previous forecast (A)   | 173,000   | 11,500           | 8,000  | 27.52 yen |
| Current revision (B)  | 173,200   | 14,100           | 10,800   | 37.15 yen |
| Change (B – A)  | 200       | 2,600            | 2,800  |           |
| Percentage change   | 0.1       | 22.6             | 35.0   |           |
| Reference: Final figures for the six months ended June 30, 2020 | 169,111   | 25,968           | 18,623   | 64.06 yen |

Revision of Consolidated Forecasts for Fiscal 2021 (January 1 – December 31, 2021)

(Millions of yen)

|   | Net sales | Operating profit | Profit for the period attributable to owners of the parent | EPS        |
|---|-----------|------------------|--|------------|
| Previous forecast (A)   | 365,000   | 30,000           | 21,000   | 72.24 yen  |
| Current revision (B)  | 365,000   | 30,000           | 21,500   | 73.95 yen  |
| Change (B – A)  | —         | —                | 500  |            |
| Percentage change   | —         | —                | 2.4  |            |
| Reference: Final figures for the year ended December 31, 2020 | 355,352   | 44,074           | 29,870   | 102.75 yen |

Note: Revision of Consolidated Forecasts for the First Half of Fiscal 2021 (January 1 – June 30, 2021)

The previous forecast for core operating income was ¥11,500 million, and the current revision is ¥14,000 million (a change of 21.7%). The final figure for core operating income for the first half of fiscal 2020 was ¥16,372 million. Core operating income is an earnings indicator the Company uses to measure regular business performance by subtracting selling, general and administrative expenses from gross profit.

## Reasons for the Revisions

### 1. First Half of Fiscal 2021 (January 1 – June 30, 2021)

Core operating income and operating profit are expected to exceed the previous forecasts due to cost reduction efforts and a decrease in expenses. In addition, profit for the period attributable to owners of the parent is expected to exceed the previous forecast due to an increase in the transfer of shares in affiliated companies, resulting in an increase in share of profit of investments accounted for using the equity method.

### 2. Fiscal 2021 (January 1 – December 31, 2021)

The previous forecasts for net sales, core operating income and operating profit remain unchanged in light of rising raw material costs and the effects of the COVID-19 pandemic. The forecast for profit for the period attributable to owners of the parent has been revised based on the conditions of the first half of fiscal 2021.

There is no change in the forecast for the per-share annual dividend announced on February 12, 2021 (¥24 annual dividend comprising the ¥12 interim dividend and ¥12 year-end dividend).

#### Note:

The above forecasts and projected operating results are based on information available at the time of preparation and thus involve inherent risks and uncertainties that could result in such forecasts and projections differing from actual results.