

KING JIM DATA FILE

Company Overview (as of December 20, 2005)

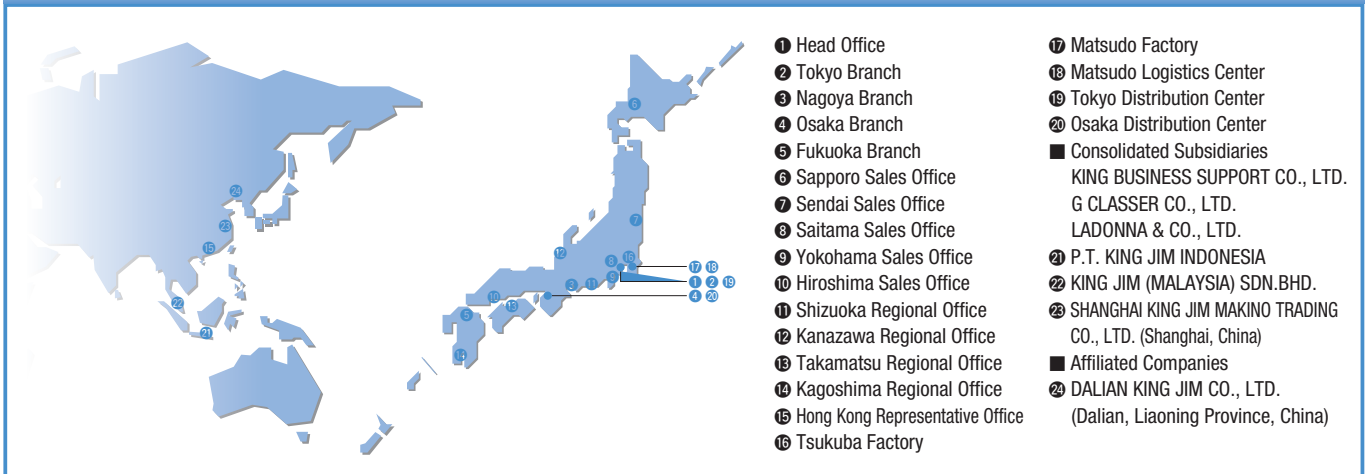
Trade name:	KING JIM CO., LTD.
President & CEO:	Akira Miyamoto
Start of business:	April 1927
Date of incorporation:	August 1948
Capitalization:	¥1,978.69 million
Exchange listing:	Tokyo Stock Exchange, 1st Section Securities code 7962
Number of shares issued:	32,459,000
Number of employees:	556
Location of head office:	10-18, 2-chome, Higashi-Kanda, Chiyoda-ku, Tokyo
Number of offices:	13 sales offices, 2 factories 3 distribution centers
Consolidated subsidiaries:	KING BUSINESS SUPPORT CO., LTD. G CLASSER CO., LTD. LADONNA & CO., LTD. P.T. KING JIM INDONESIA KING JIM (MALAYSIA) SDN.BHD. SHANGHAI KING JIM MAKINO TRADING CO., LTD. (China)
Affiliated companies:	DALIAN KING JIM CO., LTD. (China)

Corporate Officers

President & CEO	Akira Miyamoto
*Senior Managing Director	Hiroyuki Hara
*Managing Director	Hideharu Miyamoto
*Managing Director	Noboru Udagawa
*Managing Director	Hiroyuki Hashimoto
*Managing Director	Takaaki Yoshioka
*Director	Katsuyasu Iwasawa
External Director	Ichiro Innami
Standing Auditor	Kenji Ichimura
Auditor	Toshiro Honda
Auditor	Makoto Tanaka
Auditor	Tsutomu Toyama
Executive Officer	Katsuaki Nishiyama
Executive Officer	Toshio Aoyagi
Executive Officer	Osamu Hashibe
Executive Officer	Tamotsu Nishio
Executive Officer	Hidetō Yokota

*indicates directors who double as executive officers.

Worldwide Network



Contact Information

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Fax: 2572-1866
URL: <http://www.kingjim.com.hk>

SHANGHAI KING JIM MAKINO TRADING CO., LTD.
17F, No.728 Xi Zang Rd(M), Shanghai, China, 200001
Tel: 021-53082770, 63607110-21
Fax: 021-53082769

P.T. KING JIM INDONESIA
JL. Rembang Industri II/1 Rembang-kav.
Pasuruan 67152 Indonesia
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Fax: 0343-740165

KING JIM (MALAYSIA) SDN.BHD.
Lot 151, Plot1&2, Jalan PKNK3/1, Kawasan Perusahaan Sungai Petani,
08000 Sungai Petani, Kedah Darul Aman, Malaysia
Tel: 04-442-4952-4
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Consolidated Balance Sheets

KING JIM CO., LTD. and Subsidiaries
June 20, 2004 and 2005

	Thousands of yen		Thousands of US dollars
	2005	2004	2005
Assets:			
Current assets			
Cash and cash equivalents	¥ 9,178,219	¥ 8,140,786	\$ 84,273
Notes and accounts receivable - trade	4,298,653	4,277,843	39,470
Inventories	3,403,056	3,673,063	31,247
Deferred income tax assets	108,162	106,976	993
Other current assets	738,276	743,940	6,779
Allowance for doubtful accounts	(19,260)	(17,173)	(177)
Total current assets	17,707,108	16,925,437	162,585
Fixed assets			
Property, plant and equipment	5,575,583	5,781,785	51,194
Intangible fixed assets	699,480	797,002	6,423
Investments and other assets			
Securities investments	2,336,014	1,941,808	21,449
Deferred income tax assets	155,766	160,616	1,430
Reserves for insurance	1,115,878	957,610	10,246
Other assets	1,095,399	947,972	10,058
Total investments and other assets	4,703,058	4,008,008	43,183
Total assets	28,685,229	27,512,233	263,385
Liabilities and shareholders' equity			
Current liabilities			
Notes and accounts payable	5,990,076	6,359,868	55,000
Short-term borrowings	530,529	499,742	4,871
Accrued income and other taxes	604,746	204,561	5,553
Amount in arrears	924,699	793,084	8,490
Other current liabilities	753,123	757,941	6,915
Total current liabilities	8,803,175	8,615,198	80,830
Long-term liabilities			
Employees' retirement allowance	139,406	181,167	1,280
Allowance for directors' retirement benefits	188,920	165,982	1,735
Deferred income taxes	4,927	7,006	45
Other long-term liabilities	120,497	115,279	1,106
Total long-term liabilities	453,752	469,435	4,166
Total liabilities	9,256,928	9,084,634	84,996
Minority interests	213,682	193,416	1,962
Shareholders' equity			
Common stock, no par value			
Authorized shares : 60,000,000 shares			
Issued : 2005 32,459,692 shares	1,978,690		18,168
2004 16,229,846 shares		1,978,690	
Capital surplus	1,840,956	1,840,985	16,903
Retained earnings	16,058,050	15,117,702	147,443
Net unrealized holding loss on securities	124,274	118,425	1,141
Currency translation adjustment	(201,921)	(211,946)	(1,854)
Treasury stock	(585,432)	(609,674)	(5,375)
Total shareholders' equity	19,214,618	18,234,182	176,427
Total liabilities and shareholders' equity	¥ 28,685,229	¥ 27,512,233	\$ 263,385

Consolidated Statements of Income

KING JIM CO., LTD. and Subsidiaries
Years ended June 20, 2004 and 2005

	Thousands of yen		Thousands of US dollars
	2005	2004	2005
Net sales	¥ 30,683,764	¥ 31,064,705	\$ 281,735
Operating costs and expenses			
Cost of sales	19,411,034	19,993,616	178,230
Selling and general administrative	9,173,127	9,182,807	84,227
Operating profit	2,099,602	1,888,281	19,278
Other income			
Interest received	11,366	19,720	104
Dividends received	10,752	6,622	99
Foreign exchange gain	3,592	0	33
Other	63,071	140,678	579
Total other income	88,783	167,021	815
Other expense			
Interest paid	4,825	4,401	44
Foreign exchange loss	0	90,919	0
Loss from disposal of fixed assets	49,004	279,648	450
Loss from write-down of investment in securities	18,000	3,093	165
Other	52,635	73,733	483
Total other expense	124,465	451,795	1,143
Income before taxes	2,063,919	1,603,506	18,951
Income taxes	752,601	674,882	6,910
Minority interest	6,002	0	55
Minority loss	0	3,332	0
Net income	¥ 1,305,316	¥ 931,956	\$ 11,985

Consolidated Statements of Cash Flows

KING JIM CO., LTD. and Subsidiaries
Years ended June 20, 2004 and 2005

	Thousands of yen		Thousands of US dollars
	2005	2004	2005
Cash flows from operating activities	¥ 2,765,236	¥ 1,932,355	\$ 25,390
Cash flows from investing activities	(1,413,063)	222,779	(12,975)
Cash flows from financing activities	(285,535)	(783,053)	(2,622)
Foreign currency translation adjustments on cash and cash equivalents	10,795	19,492	99
Increase (Decrease) in cash and cash equivalents	1,077,433	1,391,573	9,893
Beginning balance of cash and cash equivalents	7,915,786	6,524,212	72,682
Ending balance of cash and cash equivalents	¥ 8,993,219	¥ 7,915,786	\$ 82,575

Notes to Consolidated Financial Statements

KING JIM CO., LTD.

For the year ended June 20, 2005

1. Basis of Presenting Financial Statements

(a) The accompanying financial statements are presented in accordance with the provisions set forth in the Japanese Commercial Code and the Securities and Exchange Law of Japan and in conformity with accounting principles and practices generally accepted in Japan.

(b) Under the Japanese Commercial Code, reported amounts of less than one thousand yen have been omitted. As a result, the totals in yen and U.S. dollars shown in the consolidated financial statements do not necessarily agree with the sum of the individual amounts.

(c) The company, a Japanese corporation, maintains its records and prepares its financial statements in yen. In preparing the consolidated financial statements, certain reclassifications have been made to the consolidated financial statements issued domestically in order to present them in a form that is more familiar to readers outside Japan.

(d) The accompanying U.S. dollar financial statements have been translated from yen for convenience, and as a matter of arithmetical computation only, at the rate of ¥108.91 = US\$1, the exchange rate prevailing at June 20, 2005. The translations should not be construed as representations that yen have been or could be converted into U.S. dollars at the rate.

(e) Items for which there is no applicable amount are indicated by “-”.

2. Significant Accounting Policies

(a) Valuation of securities

Marketable securities are stated at fair value (unrealized holding gains and losses excluded from earnings and reported in a separate component of shareholders equity. The cost of securities sold determined based on the average cost of all shares of such securities held at the time of sale.)

(b) Valuation of inventories

Finished goods and work in process are stated at cost determined by the average-cost method.

(c) Depreciation and amortization of fixed assets

Depreciation of property, plant and equipment is computed by the declining-balance method at rates based on estimated useful lives of the respective assets and long-term prepaid expenses are computed by the straight-line method as stipulated by the Corporation Tax Law.

(d) Allowance for directors' retirement benefits

The allowance for directors' retirement benefits is provided with amounts required at the balance sheet date based on the bylaws of the company for directors' retirement benefits.

(e) Accounting for lease transactions

Finance lease transactions, other than those where the ownership of the leased property is regarded as being transferred to the lessees, are accounted for as normal rental transactions.

(f) Accounting for consumption tax

Consumption tax is excluded from net sales.

(g) Qualified pension plan

Retirement benefits for all employees are covered by the qualified pension plan.

3. Notes to Consolidated Balance Sheets

(a) Accumulated depreciation of fixed assets

2005	2004
8,447,166 (thousands of yen)	8,139,959 (thousands of yen)

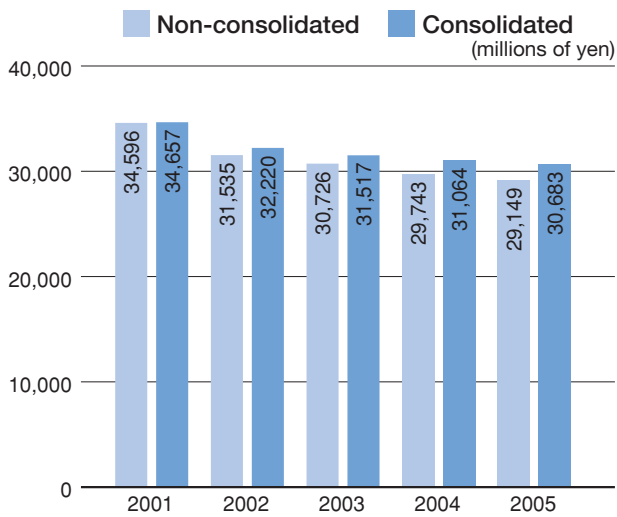
(b) Net income per share

2005	2004
41.55 (yen)	57.46 (yen)

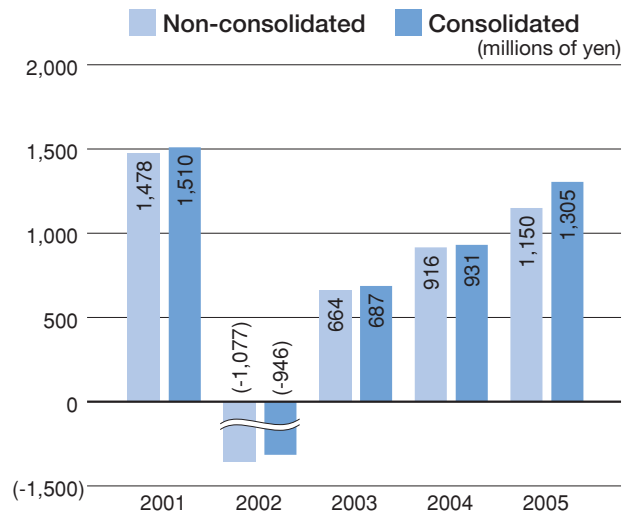
(c) The Company split its stock at the ratio of 1:2 on August 6, 2005. Its calculations of earnings per share assume that the stock split occurred at the beginning of the term.

Changes in Key Financial Indicators and Sales by Category

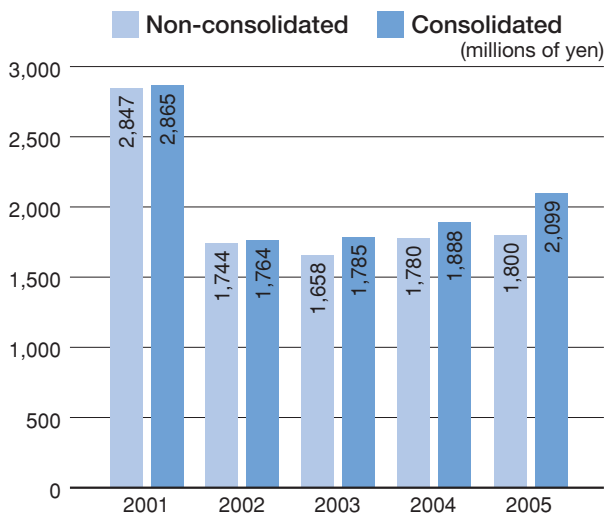
Changes in net sales



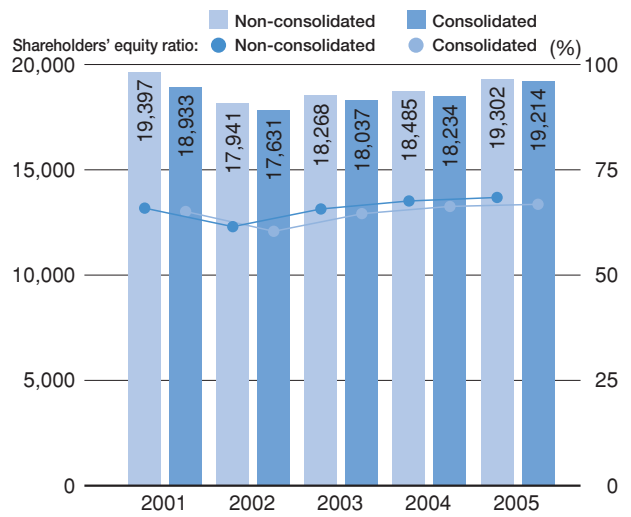
Changes in net income



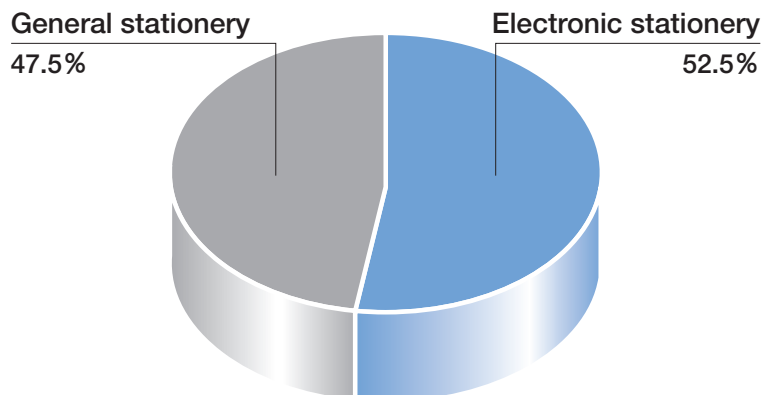
Changes in operating income



Shareholders' equity and Shareholders' equity ratio



Non-consolidated sales by category (Consolidated)



Topics

Listing on the First Section of Tokyo Stock Exchange

Thanks to everyone's support, we were listed on the First Section of Tokyo Stock Exchange as of December 1, 2005.

We have thus far produced KING FILE, TEPPA and other top-selling products reflecting our company philosophy of "contributing to society by developing creative products and creating new culture."

We are committed to sustained efforts to achieve a further expansion in our business performance and improved company value.



Scene of the ceremony for the presentation of the notification of First Section designation

Development of new business for the solution of office problems

We realized the full-scale launch of the Solution Business in February 2005 as a new business venture.

For our line of Clock-On work attendance management systems, we are proposing simple work attendance systems using IC cards and innovative attendance management systems for temporary work utilizing mobile telephones and QR code.

We are furthermore developing a diversity of products in assistant work support, important file management systems and other fields.

We will continue to offer proposals for solution business that one would expect of KING JIM as well as new products and services capable of gaining strong customer satisfaction.



QR clock type "Clock-On"



Time recorder type "Clock-On"

Conversion of joint venture sales company in Shanghai to a subsidiary

We have boosted our capital share in SHANGHAI KING JIM MAKINO TRADING CO., LTD. (KING JIM Shanghai), established in a joint venture with a local Shanghai firm in December 2002 as a base for sales in the Chinese market, from 49% to 80%, bringing it under the group umbrella as a consolidated subsidiary.

We are aiming for an aggressive expansion in sales centered in our thick-type pipe files, a major product, and intend to promote rapid and dynamic sales strategies and business decisions in response to increased demand for stationary and office supplies in China, stimulated by persistent economic growth, while pursuing latent demand.



Leading department store in China