

# KING JIM DATA FILE

## Company Overview (as of Dec 20, 2008)

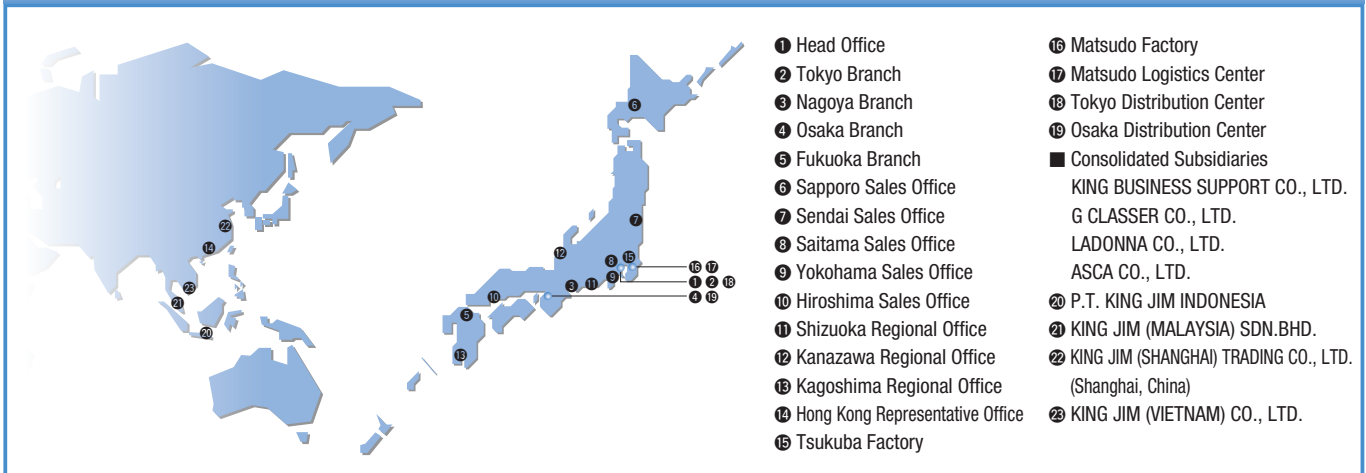
Trade name:	KING JIM CO., LTD.
President & CEO:	Akira Miyamoto
Start of business:	April 1927
Date of incorporation:	August 1948
Capitalization:	¥1,978.69 million
Exchange listing:	Tokyo Stock Exchange, 1st Section Securities code 7962
Number of shares issued:	32,459,692
Number of employees:	528
Location 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. ASCA CO., LTD. P.T. KING JIM INDONESIA KING JIM (MALAYSIA) SDN.BHD. KING JIM (SHANGHAI) TRADING CO., LTD. (China) KING JIM (VIETNAM) CO., LTD.

## Corporate Officers (as of Sep 20, 2008)

President	Akira Miyamoto
*Senior Managing Director	Takaaki Yoshioka
*Managing Director	Hideharu Miyamoto
*Managing Director	Hiroyuki Hashimoto
*Managing Director	Hideto Yokota
*Managing Director	Masatoshi Omote
*Executive Director	Katsuyasu Iwasawa
*Executive Director	Tamotsu Nishio
External Director	Ichiro Innami
Standing Auditor	Kenji Ichimura
Auditor	Noboru Udagawa
External Auditor	Makoto Tanaka
External Auditor	Tsutomu Toyama
Executive Officer	Osamu Hashibe
Executive Officer	Kazutoshi Ito
Executive Officer	Mitsuharu Izumisawa
Executive Officer	Naomichi Hagita
Executive Officer	Shinji Miyagawa

\*indicates directors who double as executive officers.

## Worldwide Network (as of Sep 20, 2008)



## Contact Information

**KING JIM CO., LTD.**  
**Tokyo Head Office (International Dept.)**  
 10-18, 2-Chome, Higashi-Kanda, Chiyoda-ku, Tokyo 101-0031, Japan  
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 Fax: 03-3864-0698  
 URL: <http://www.kingjim.co.jp/>

**Hong Kong Representative Office**  
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 Tel: 2838-0886  
 Fax: 2572-1866

**KING JIM (SHANGHAI) TRADING CO., LTD.**  
 17F, No.728 Xi Zang Rd(M), Shanghai, China, 200001  
 Tel: 021-53082770  
 Fax: 021-53082769  
 URL: <http://www.kingjim.cn/>

**P.T. KING JIM INDONESIA**  
 JL. Rembang Industri II /1 Rembang-kav.  
 Pasuruan 67152 Indonesia  
 Tel: 0343-740167  
 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  
 Fax: 04-442-4951

**KING JIM (VIETNAM) CO., LTD.**  
 The My Phuoc Industrial Park No.3, Ben Cat District, Binh Duong Province

# FINANCIAL DATA

## Consolidated Balance Sheets

KING JIM CO., LTD. and Subsidiaries  
June 20, 2007 and 2008

	Thousands of yen		Thousands of US dollars
	2008	2007	2008
<b>Assets</b>			
Current assets			
Cash on hand and in banks	¥ 6,466,834	¥ 6,866,433	\$59,861
Notes and accounts receivable - trade	4,536,913	4,535,177	41,996
Marketable securities	10,395	10,352	96
Inventories	4,261,455	3,472,587	39,446
Deferred income tax assets	110,817	119,110	1,025
Other	686,284	750,245	6,352
Allowance for doubtful accounts	(12,258)	(8,810)	(113)
Total current assets	16,060,442	15,745,097	148,666
Fixed assets			
Property, plant and equipment	7,315,441	6,900,789	67,716
Intangible fixed assets	713,216	579,703	6,602
Investments and other assets			
Investments securities	2,281,801	2,517,595	21,121
Deferred income tax assets	9,646	8,163	89
Reserves for insurance	845,919	971,669	7,830
Other	1,726,560	887,407	15,982
Allowance for doubtful accounts	(181,822)	(169,269)	(1,683)
Total investments and other assets	4,682,104	4,215,566	43,340
Total assets	28,771,206	27,441,156	266,326
<b>Liabilities</b>			
Current liabilities			
Notes and accounts payable	3,065,472	3,163,484	28,376
Short-term borrowings	4,664,001	470,000	43,173
Income taxes payable	524,440	610,947	4,854
Accounts payable-other	927,042	711,581	8,581
Other	808,080	777,991	7,480
Total current liabilities	9,989,036	5,734,005	92,465
Long-term liabilities			
Reserve for employees' retirement benefits	112,947	54,424	1,045
Reserve for directors' and corporate auditors' retirement benefits	192,944	172,226	1,786
Deferred income taxes	188,433	222,199	1,744
Other	380,025	122,700	3,517
Total long-term liabilities	874,350	571,550	8,093
Total liabilities	10,863,386	6,305,556	100,558
Net assets			
Common stock, no par value			
Authorized shares : 60,000,000 shares			
Shareholders' equity			
Issued : 2008 32,459,692 shares	1,978,690	1,978,690	18,316
Capital surplus	2,706,493	2,725,295	25,053
Retained earnings	17,565,592	17,121,903	162,599
Treasury stock	(4,305,870)	(1,148,814)	(39,858)
Total shareholders' equity	17,944,906	20,677,074	166,110
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	39,818	253,569	368
Translation adjustment	(332,726)	(70,710)	(3,079)
Total valuation and translation adjustments	(292,908)	182,858	(2,711)
Stock acquisition rights	70,384	36,984	651
Minority interests	185,437	238,683	1,716
Total net assets	17,907,819	21,135,600	165,767
Total liabilities and net assets	¥28,771,206	¥27,441,156	\$266,326

## Consolidated Statements of Income

KING JIM CO., LTD. and Subsidiaries  
Years ended June 20, 2007 and 2008

	Thousands of yen		Thousands of US dollars
	2008	2007	2008
Net sales	¥30,166,711	¥30,395,667	\$279,243
Operating costs and expenses			
Cost of sales	19,307,362	19,416,526	178,722
Selling, general and administrative expenses	9,031,879	9,217,084	83,605
Operating income	1,827,469	1,762,057	16,916
Other income			
Interest income	67,140	20,013	621
Dividends income	28,561	23,918	264
Foreign exchange gain	—	32,327	—
Other	77,378	69,966	716
Total other income	173,079	146,226	1,602
Other expenses			
Interest expenses	13,913	7,362	128
Foreign exchange losses	74,665	—	691
Loss on disposal of fixed assets	35,785	67,363	331
Other	61,757	38,851	571
Total other expenses	186,122	113,578	1,722
Income before income taxes	1,814,427	1,794,705	16,795
Total income taxes	758,393	747,928	7,020
Minority interests	—	—	—
Minority loss	9,380	11,653	86
Net income	¥ 1,065,414	¥ 1,058,430	\$9,862

## Consolidated Statements of Changes in Shareholders' Equity

KING JIM CO., LTD. and Subsidiaries  
Years ended June 20, 2007 and 2008

	Shareholders' equity					Thousands of yen
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' equity	
Balance at June 20, 2007	¥1,978,690	¥2,725,295	¥17,121,903	¥(1,148,814)	¥20,677,074	
Changes during the year						
Dividends from surplus			(621,725)		(621,725)	
Net income			1,065,414		1,065,414	
Purchase of treasury stock				(3,190,030)	(3,190,030)	
Disposal of treasury stock		(18,801)		32,974	14,173	
Net changes of items other than shareholders' equity						
Total changes during the year	—	(18,801)	443,689	(3,157,055)	(2,732,167)	
Balance at June 20, 2008	¥1,978,690	¥2,706,493	¥17,565,592	¥(4,305,870)	¥17,944,906	
	Valuation and translation adjustments					Thousands of yen
	Valuation difference on available-for-sale securities	Translation adjustment	Total valuation and translation adjustments	Stock acquisition rights	Minority interests	Total net assets
Balance at June 20, 2007	¥253,569	¥ (70,710)	¥182,858	36,984	¥238,683	¥21,135,600
Changes during the year						
Dividends from surplus						(621,725)
Net income						1,065,414
Purchase of treasury stock						(3,190,030)
Disposal of treasury stock						14,173
Net changes of items other than shareholders' equity	(213,751)	(262,015)	(475,766)	33,400	(53,246)	(495,612)
Total changes during the year	(213,751)	(262,015)	(475,766)	33,400	(53,246)	(3,227,780)
Balance at June 20, 2008	¥ 39,818	¥(332,726)	¥(292,908)	¥70,384	¥185,437	¥17,907,819

## Consolidated Statements of Cash Flows

KING JIM CO., LTD. and Subsidiaries  
Years ended June 20, 2007 and 2008

	Thousands of yen		Thousands of US dollars
	2008	2007	2008
Cash flows from operating activities	¥2,100,357	¥2,039,167	\$19,442
Cash flows from investing activities	(1,727,076)	(598,832)	(15,987)
Cash flows from financing activities	(797,274)	(1,141,950)	(7,380)
Effect of exchange rate changes on cash and cash equivalents	(149,428)	33,823	(1,383)
Increase (Decrease) in cash and cash equivalents	(573,422)	332,209	(5,307)
Beginning balance of cash and cash equivalents	6,691,785	6,359,576	(61,943)
Ending balance of cash and cash equivalents	¥6,118,363	¥6,691,785	\$56,635

## Notes to Consolidated Financial Statements

KING JIM CO., LTD.  
For the year ended June 20, 2008

### 1. Basis of Presenting Financial Statements

- (a) The accompanying financial statements are presented in accordance with the provisions set forth in the Japanese Corporation law and the Securities and Exchange Law of Japan and in conformity with accounting principles and practices generally accepted.
- (b) Under the Japanese Corporation law, 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.
- (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 domes.
- (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 ¥108.03 = US\$1, the exchange rate prevailing at June 20, 2008. The translations should no.
- (e) Items for which there is no applicable amount are indicated by "-".

### 2. Significant Accounting Policies

#### (a) Valuation of securities

##### Other securities

##### Securities with fair market value

— Securities are stated at fair value as of the balance sheets date. Unrealized holding gains or losses on these securities are reported, net of the applicable income taxes, as a separate component of net assets. Costs of securities sold are calculated by the moving average method.

##### Securities with no-available fair market value

— Securities with no-available fair market value are stated at cost determined by the moving average method.

#### (b) Valuation of inventories

##### Merchandise

— Merchandise is stated at cost determined mainly by the first-in, first-out method.

##### Finished goods and work in progress

— Finished goods and work in progress are stated at cost determined by the periodic average method.

##### Raw materials and supplies

— Raw materials and supplies are stated at cost determined by the moving average method.

#### (c) Depreciation and amortization of fixed assets

##### Property, plant, and equipment acquired on or before March 31, 2007

Depreciation is primarily computed by the former declining balance method.

However, the depreciation of buildings (excluding building fixtures) acquired by the Company or domestic consolidated subsidiaries on and after April 1, 1998 is computed by the former straight line method.

##### Property, plant, and equipment acquired on and after April 1, 2007

Depreciation is primarily computed by the declining balance method.

The estimated useful lives of depreciable assets are as follows:

Buildings and structures: 7 to 50 years

Machine and transport equipment: 4 to 11 years

#### (d) Amortization of intangible fixed assets (excluding software)

Amortization of intangible fixed assets (excluding software) is calculated by the straight line method.

#### (e) Amortization of software for sale

Software for sale is reported of the larger at amortization amount based on expected sales volume or the equally allocated amount over the remaining effective period.

#### (f) Amortization of software for internal use

Software for internal use is calculated by the straight line method over expected available period within 5 years.

#### (g) Long-term prepaid expenses

Long-term prepaid expenses is amortized by the straight line method.

#### (h) Accounting for allowance for doubtful accounts

To reserve for loss on doubtful account, general allowances are provided using the actual percentage of collection losses and also specific allowance are provided for the estimated amount considered to be uncollectible after reviewing individual collectability of certain doubtful account.

#### (i) Accounting for allowance for bonuses to directors and corporate auditors

To reserve for the payments of bonuses to directors and corporate auditors, the company recorded the amount to be payable at the end of current fiscal period as an allowance for bonuses to directors and corporate auditors based on the estimated annual amount of payment.

#### (j) Accounting for allowance for retirement benefits

The company provides the amount of retirement benefits that are considered to have been incurred for the current consolidated fiscal year, based on the estimated amount of the projected retirement benefit obligation and the fair value of plan assets at that date.

Prior service cost is charged to an expense in equal amounts over periods (5 years) within the average remaining years of service of the eligible employees when incurred.

Actuarial gains or losses are amortized in equal amount over periods (5 years) within the average remaining of service of the eligible employees, commencing with the following period when incurred.

#### (k) Accounting for allowance for directors' retirement benefits

To provide the payments of directors' retirement benefits, the allowance for directors' retirement benefits is provided with amounts required at the balance sheet date based on the company's regulations concerning directors' retirement benefits.

#### (l) Accounting for lease transactions

Finance lease transactions, are accounted for in the same way as normal rental transactions when the lessees do not transfer ownership of the properties to the lessee by the end of the lease term.

#### (m) Accounting for consumption tax and local consumption tax is based on tax excluded method

Transactions subject to consumption tax and local consumption tax are recorded at amounts exclusive of the related consumption taxes.

### 3. Notes to Consolidated Balance Sheets

#### (a) Accumulated depreciation of fixed assets

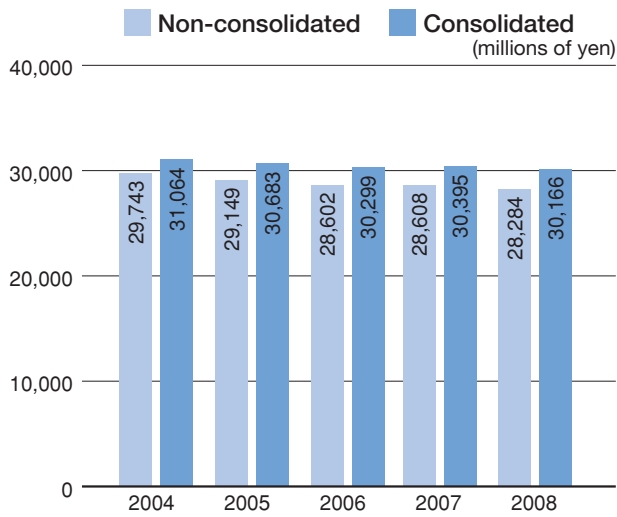
2008	2007
9,243,865 (thousands of yen)	8,687,133 (thousands of yen)

#### (b) Net income per share

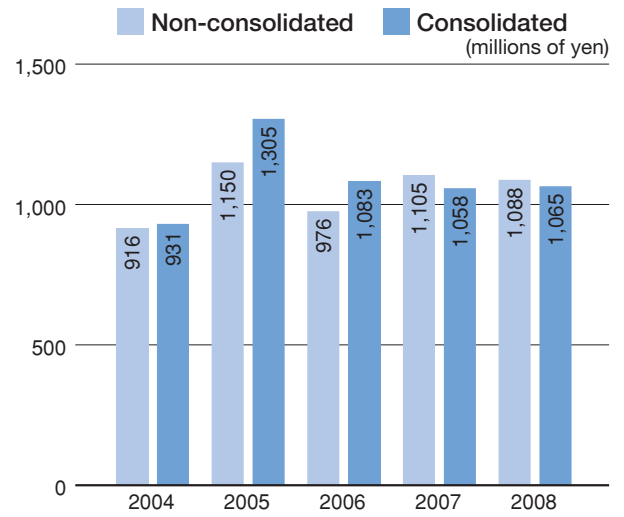
2008	2007
35.10 (yen)	34.07 (yen)

## Changes in Key Financial Indicators and Sales by Category

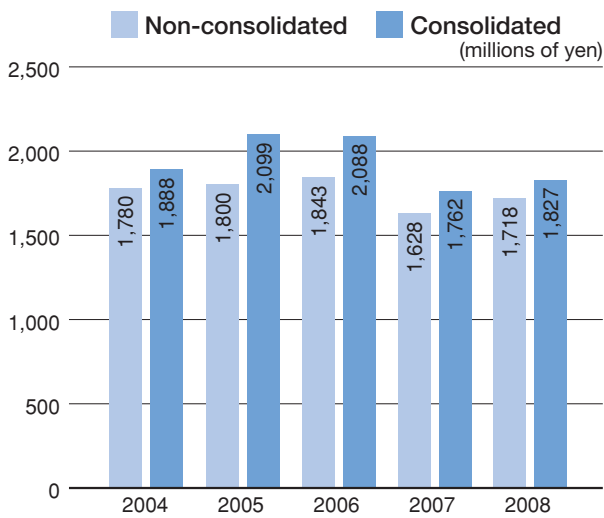
### Changes in net sales



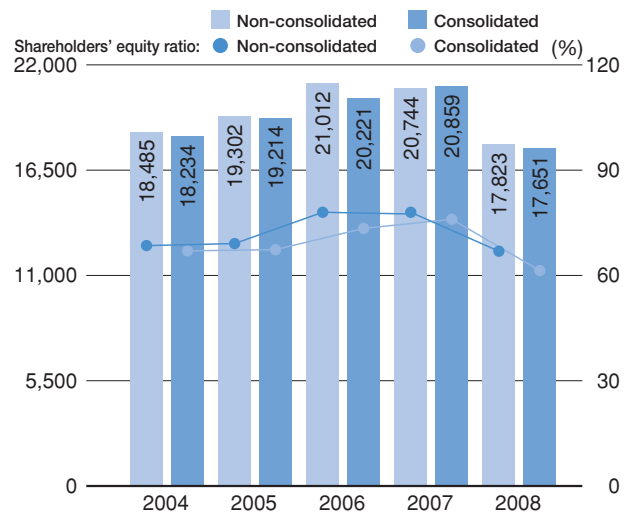
### Changes in net income



### Changes in operating income



### Shareholders' equity and Shareholders' equity ratio



### Non-consolidated sales by category (Consolidated)

