

KING JIM DATA FILE

Company Overview (as of Dec. 20, 2009)

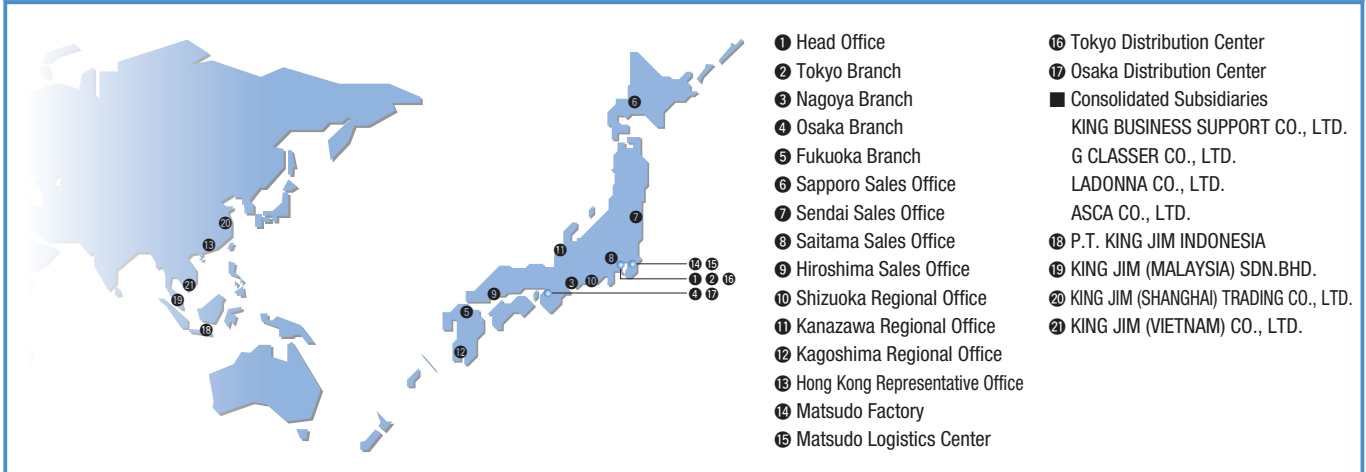
Trade name:	KING JIM CO., LTD.
President & CEO:	Akira Miyamoto
Start of business:	April 1927
Date of incorporation:	August 1948
Capitalization:	¥1,978.69 milion
Exchange listing:	Tokyo Stock Exchange, 1st Section Securities code 7962
Number of shares issued:	32,459,692
Number of employees:	502
Location of head office:	10-18, 2-chome, Higashi-Kanda, Chiyoda-ku, Tokyo
Number of offices:	12 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 Sept. 20, 2009)

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
External Auditor	Makoto Tanaka
External Auditor	Tsutomu Toyama
External Auditor	Atsuhiko Yachi
Executive Officer	Kazutoshi Ito
Executive Officer	Mitsuharu Izumisawa
Executive Officer	Naomichi Hagita
Executive Officer	Shinji Miyagawa
Executive Officer	Yoshiharu Shirakashi

*indicates directors who double as executive officers.

Worldwide Network (as of Sept. 20, 2009)



Contact Information

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 JL. Rembang Industri II /1 Rembang-kav.
 Pasuruan 67152 Indonesia
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KING JIM (VIETNAM) CO., LTD.
 The My Phuoc Industrial Park No.3, Ben Cat District, Binh Duong Province, Vietnam

FINANCIAL DATA

Consolidated Balance Sheets

KING JIM CO., LTD. and Subsidiaries
June 20, 2008 and 2009

	Thousands of yen		Thousands of US dollars
	2009	2008	2009
Assets			
Current assets			
Cash on hand and in banks	¥ 3,459,819	¥ 6,466,834	\$ 35,775
Notes and accounts receivable—trade	4,507,031	4,536,913	46,603
Marketable securities	210,652	10,395	2,178
Inventories	5,239,465	4,261,455	54,177
Deferred income tax assets	256,953	110,817	2,656
Other	722,143	686,284	7,467
Allowance for doubtful accounts	(33,037)	(12,258)	(341)
Total current assets	14,363,028	16,060,442	148,516
Fixed assets			
Property, plant and equipment	6,564,313	7,315,441	67,876
Intangible fixed assets	528,797	713,216	5,467
Investments and other assets			
Investments securities	1,660,721	2,281,801	17,172
Deferred income tax assets	458,705	9,646	4,743
Reserves for insurance	455,730	845,919	4,712
Other	1,836,719	1,726,560	18,992
Allowance for doubtful accounts	(193,049)	(181,822)	(1,996)
Total investments and other assets	4,218,827	4,682,104	43,623
Total assets	25,674,967	28,771,206	265,484
Liabilities			
Current liabilities			
Notes and accounts payable	2,514,499	3,065,472	26,000
Short-term loans payable	—	4,664,001	—
Current portion of long-term loans payable	680,000	—	7,031
Income taxes payable	109,460	524,440	1,131
Accounts payable—other	1,193,487	927,042	12,340
Provision for business structure improvement	66,591	0	688
Other	707,805	808,080	7,318
Total current liabilities	5,271,844	9,989,036	54,511
Long-term liabilities			
Long-term loans payable	3,720,000	—	38,465
Reserve for employees' retirement benefits	102,961	112,947	1,064
Reserve for directors' and corporate auditors' retirement benefits	213,659	192,944	2,209
Deferred income taxes	22,002	188,433	227
Other	139,321	380,025	1,440
Total long-term liabilities	4,197,944	874,350	43,407
Total liabilities	9,469,789	10,863,386	97,919
Net assets			
Common stock, no par value			
Authorized shares: 60,000,000 shares			
Shareholders' equity			
Issued: 2009 32,459,692 shares	1,978,690	1,978,690	20,460
Capital surplus	2,698,747	2,706,493	27,905
Retained earnings	16,137,924	17,565,592	166,869
Treasury stock	(4,293,628)	(4,305,870)	(44,396)
Total shareholders' equity	16,521,733	17,944,906	170,837
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	(151,383)	39,818	(1,565)
Translation adjustment	(414,543)	(332,726)	(4,286)
Total valuation and translation adjustments	(565,926)	(292,908)	(5,851)
Stock acquisition rights	70,384	70,384	727
Minority interests	178,986	185,437	1,850
Total net assets	16,205,177	17,907,819	167,564
Total liabilities and net assets	¥25,674,967	¥28,771,206	\$265,484

Consolidated Statements of Income

KING JIM CO., LTD. and Subsidiaries
Years ended June 20, 2008 and 2009

	Thousands of yen		Thousands of US dollars
	2009	2008	2009
Net sales	¥29,291,908	¥30,166,711	\$302,883
Operating costs and expenses			
Cost of sales	18,684,396	19,307,362	193,200
Selling, general and administrative expenses	9,705,479	9,031,879	100,356
Operating income	902,032	1,827,469	9,327
Other income			
Interest income	32,755	67,140	338
Dividends income	35,341	28,561	365
Other	269,337	77,378	2,784
Total other income	337,434	173,079	3,489
Other expenses			
Interest expenses	52,001	13,913	537
Foreign exchange losses	131,016	74,665	1,354
Loss on disposal of fixed assets	25,407	35,785	262
Loss on valuation of investment securities	120,855	—	1,249
Contribution for withdrawal from employees pension fund	1,526,918	—	15,788
Restructuring loss	754,022	—	7,796
Other	94,685	61,757	979
Total other expenses	2,704,907	186,122	27,969
Income before income taxes	(1,465,440)	1,814,427	(15,152)
Total income taxes	(473,656)	758,393	(4,897)
Minority interests	22,860	—	236
Minority loss	—	9,380	—
Net income	¥ (1,014,644)	¥ 1,065,414	\$ (10,491)

Consolidated Statements of Changes in Shareholders' Equity

KING JIM CO., LTD. and Subsidiaries
Years ended June 20, 2008 and 2009

	Shareholders' equity				Thousands of yen	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' equity	
Balance at June 20, 2008	¥1,978,690	¥2,706,493	¥17,538,871	¥(4,305,870)	¥17,918,185	
Changes during the year						
Dividends from surplus			(386,302)		(386,302)	
Net income			(1,014,644)		(1,014,644)	
Purchase of treasury stock				(2,059)	(2,059)	
Disposal of treasury stock		(7,746)		14,301	6,554	
Net changes of items other than shareholders' equity					—	
Total changes during the year	—	(7,746)	(1,400,947)	12,241	(1,396,452)	
Balance at June 20, 2009	¥1,978,690	¥2,698,747	¥16,137,924	¥(4,293,628)	¥16,521,733	
	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, 2008	¥ 39,818	¥(332,726)	¥(292,908)	¥70,384	¥180,722	¥17,876,383
Changes during the year						
Dividends from surplus						(386,302)
Net income						(1,014,644)
Purchase of treasury stock						(2,059)
Disposal of treasury stock						6,554
Net changes of items other than shareholders' equity	(191,201)	(81,817)	(273,018)		(1,735)	(274,753)
Total changes during the year	(191,201)	(81,817)	(273,018)	—	(1,735)	(1,671,206)
Balance at June 20, 2009	¥(151,383)	¥(414,543)	¥(565,926)	¥70,384	¥178,986	¥16,205,177

Consolidated Statements of Cash Flows

KING JIM CO., LTD. and Subsidiaries
Years ended June 20, 2008 and 2009

	Thousands of yen		Thousands of US dollars
	2009	2008	2009
Cash flows from operating activities	¥(1,877,593)	¥2,100,357	\$(19,414)
Cash flows from investing activities	(269,193)	(1,727,076)	(2,783)
Cash flows from financing activities	(752,181)	(797,274)	(7,777)
Effect of exchange rate changes on cash and cash equivalents	(20,622)	(149,428)	(213)
Increase (Decrease) in cash and cash equivalents	(2,919,590)	(573,422)	(30,189)
Beginning balance of cash and cash equivalents	6,118,363	6,691,785	63,265
Ending balance of cash and cash equivalents	¥ 3,198,773	¥6,118,363	\$ 33,075

Notes to Consolidated Financial Statements

KING JIM CO., LTD.

For the year ended June 20, 2009

1. Basis of Presenting Financial Statements

- (a) The accompanying financial statements are presented in accordance with the provisions set forth in the Japanese Companies Act and the Securities and Exchange Law of Japan and in conformity with accounting principles and practices generally accepted.
- (b) Under the Japanese Companies Act, 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.
- (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 ¥96.71 = US\$1, the exchange rate prevailing at June 20, 2009.
- (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, 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. (Figures on the balance sheets are calculated based on the method of reducing the book value in accordance with a decline in profitability.)

Finished goods and work in progress

— Finished goods and work in progress are stated at cost determined by the periodic average method. (Figures on the balance sheets are calculated based on the method of reducing the book value in accordance with a decline in profitability.)

Raw materials and supplies

— Raw materials and supplies are stated at cost determined by the moving average method. (Figures on the balance sheets are calculated based on the method of reducing the book value in accordance with a decline in profitability.)

(c) Depreciation and amortization of fixed assets

Property, plant, and equipment (excluding lease assets) 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 (excluding lease assets) 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 and lease assets)

Amortization of intangible fixed assets (excluding software and lease assets) 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 (Excluding lease assets)

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

(g) Lease assets

With respect to lease assets relating to finance lease transactions which do not transfer ownership of the lease assets to the lessee, the Company has adopted the straight-line method on the assumption that the lease period is the useful life of the assets and the residual value is zero.

Meanwhile, lease transactions whose commencement date is prior to June 20, 2008 are accounted for in the same way as normal rental transactions.

(h) Long-term prepaid expenses

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

(i) 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 allowances are provided for the estimated amount considered to be uncollectible after reviewing individual collectability of certain doubtful account.

(j) Accounting for allowance for bonuses to directors and corporate auditors

To reserve for the payments of bonuses to directors and corporate auditors, the company records 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.

(k) 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 years of service of the eligible employees, commencing with the following period when incurred.

(l) 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.

(m) Provision for business structure improvement

Expenses associated with business restructuring are provided with amounts that are reasonably estimated.

(n) 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

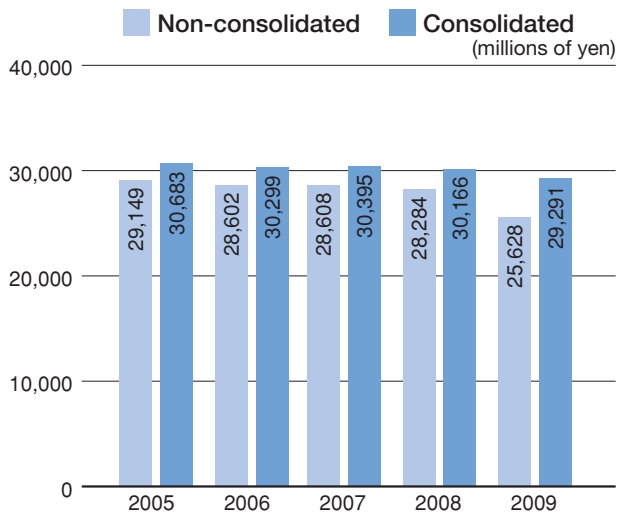
2009 (thousands of yen)	2008 (thousands of yen)
9,673,540	9,243,865

(b) Net income per share

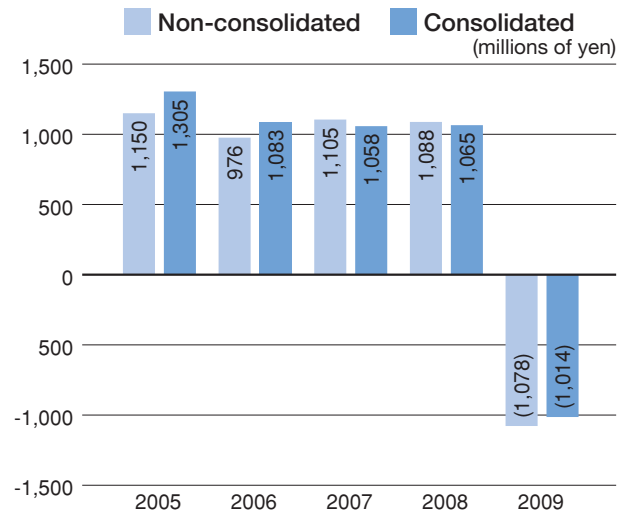
2009 (yen)	2008 (yen)
(36.77)	35.10

Changes in Key Financial Indicators and Sales by Category

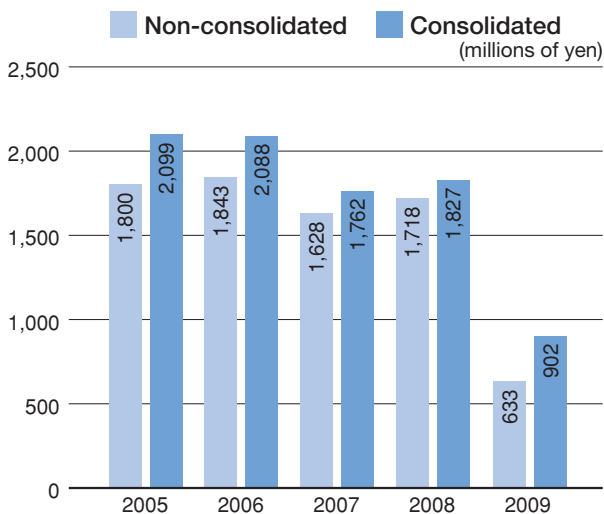
Changes in net sales



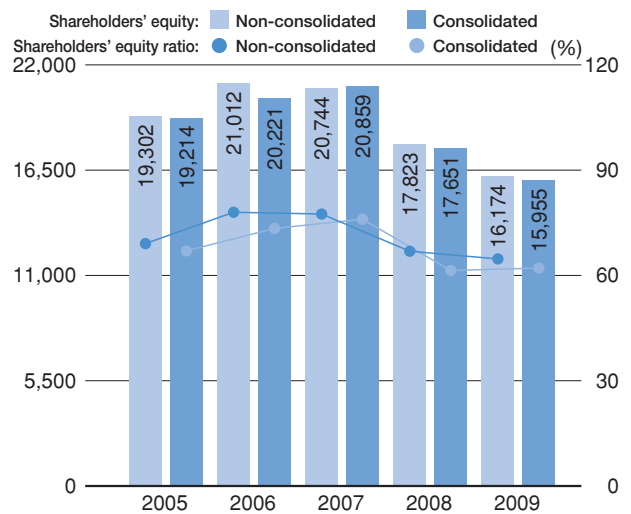
Changes in net income



Changes in operating income



Shareholders' equity and Shareholders' equity ratio



Consolidated sales by category

Interior and general merchandise

11.9%

Electronic stationery

48.9%

General stationery

39.2%

