



**Fiscal Year Ended June 20, 2022  
(74th fiscal year)**

**Financial Results**

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**August 25, 2022**

**President & CEO Akira Miyamoto**

**KING JIM CO., LTD.**

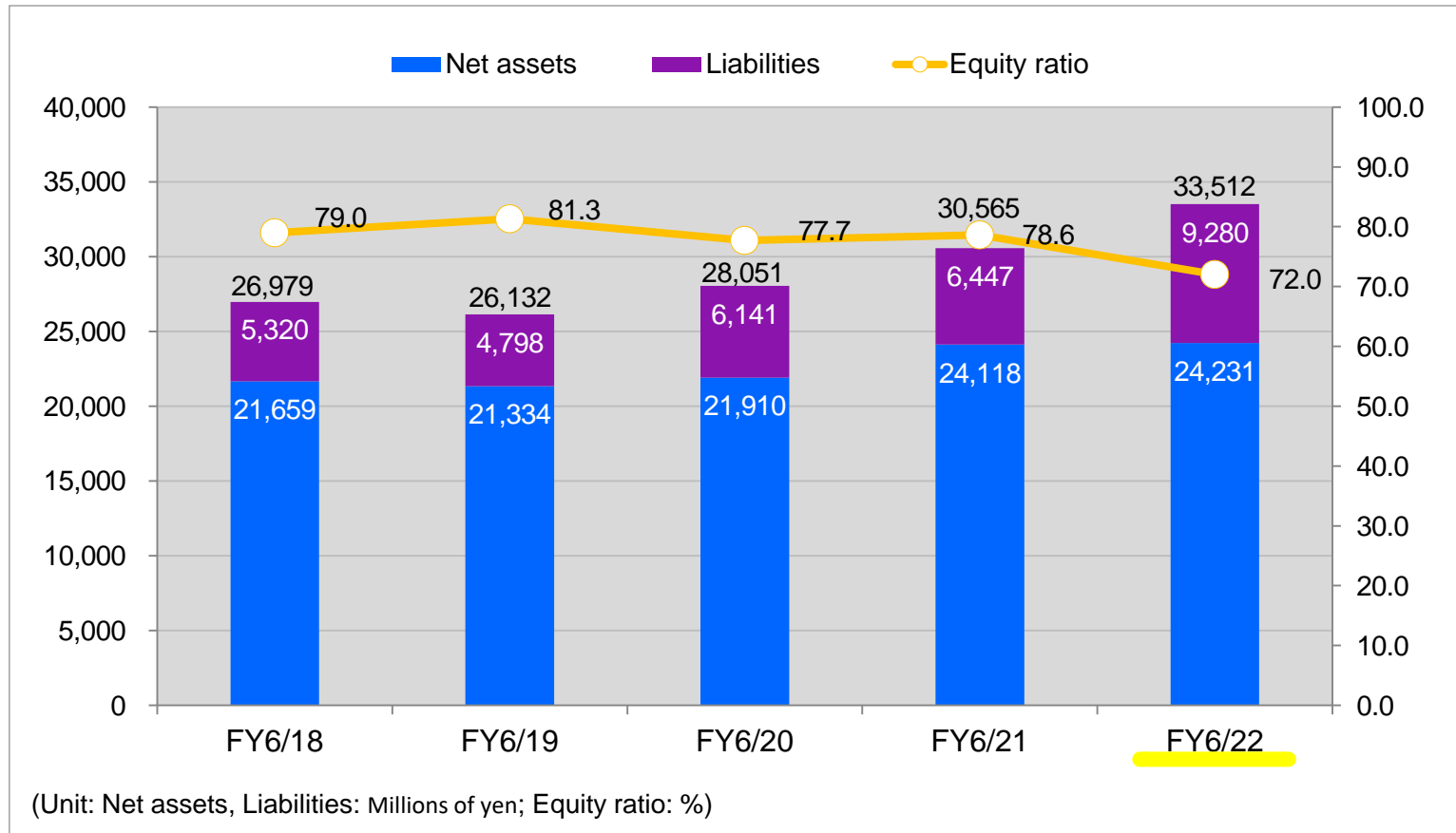
## Consolidated Operating Results

(Unit: Millions of yen)


	FY6/21	FY6/22	Difference		
Net sales	36,319	36,636	+317		+0.9%
Operating profit	2,416	1,007	-1,409		-58.3%
Ordinary profit	2,755	1,338	-1,416		-51.4%
Profit attributable to owners of parent	1,963	788	-1,174		-59.8%

**Increase in sales,  
decrease in profit**


## Balance sheets and Equity ratio



Total assets :

Up appx. ¥2.9 billion 

Equity ratio:

Down to 72.0% 

Life on Products, Inc. was acquired in Nov 2021 and made full subsidiary

Goodwill and loans both increased

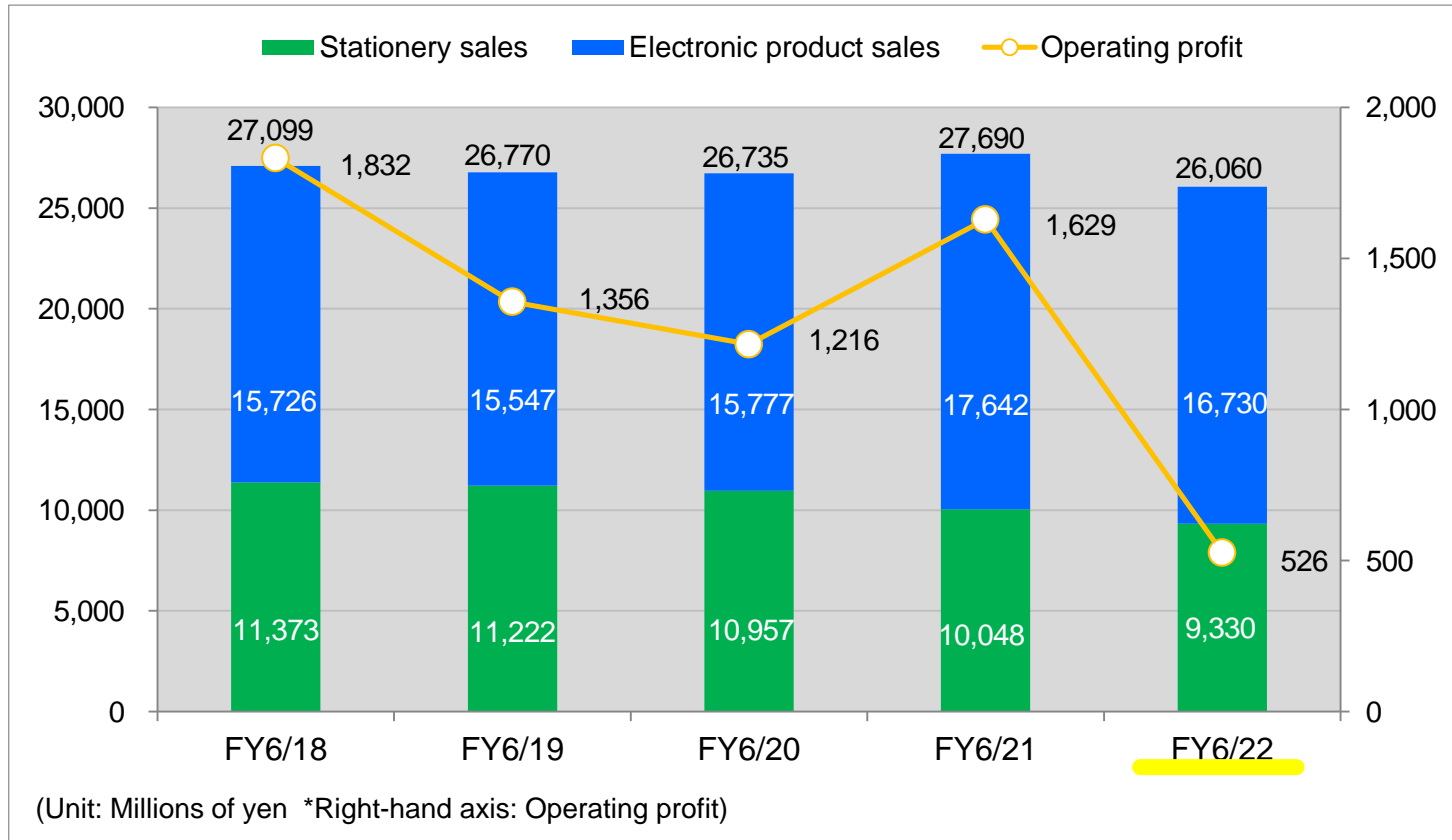
## Consolidated cash flows

(Unit: Millions of yen)

	FY6/18	FY6/19	FY6/20	FY6/21	FY6/22
Cash flows from operating activities	1,518	1,323	1,989	3,108	-1,278
Cash flows from investing activities	-487	-504	-1,357	-492	-3,578
Cash flows from financing activities	-1,574	-900	456	-1,382	3,206
Effect of exchange rate change on cash and cash equivalents	2	-17	-46	74	254
Net increase (decrease) in cash and cash equivalents	-541	-98	1,042	1,308	-1,395
Increase in cash and cash equivalents from inclusion of subsidiaries in consolidation	-	-	-	314	-
Cash and cash equivalents at end of period	4,466	4,368	5,410	7,032	5,637

- **Cash flows from operating activities** ... Increase in inventory assets; payment of corporate taxes
- **Cash flows from investing activities** ... Payment for acquisition of subsidiary
- **Cash flows from financing activities** ... Loan for acquisition of subsidiary

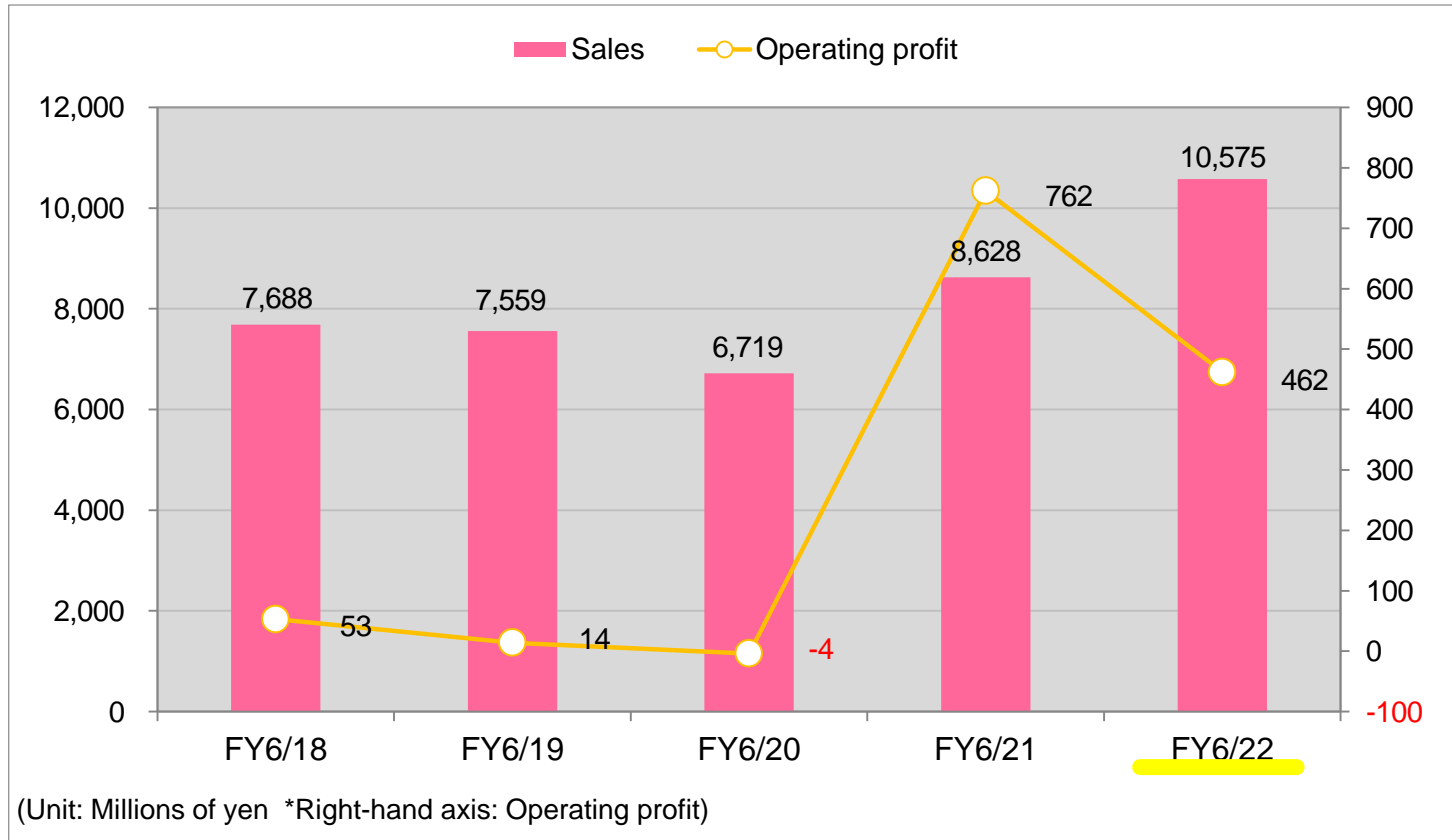
## Segment sales & operating profit: Stationery and office supply





Sales: Down on stock depletions for TEPPRA (due to semiconductor shortage) and filing tools (due to lockdowns in country of production) ↘

Operating profit: Down on plunge in yen and soaring costs for raw materials and logistics ↘

## Segment sales & operating profit: Interior lifestyle



**Sales:** Despite backlash from last year's buoyant performance at BON FURNITURE, revenues grew thanks to higher sales at LADONNA and ASCA and half-year contribution of Life on Products, Inc. 

**Operating profit:** Profits fell due to dramatic depreciation in the yen, higher input costs, and listing of acquisition cost for Life on Products, Inc. 

## Impact of semiconductor shortage

Products were badly hurt by tight semiconductor supply worldwide

### Main electronic product: TEPRA

Stocks depleted despite efforts like spec changes and substitute offerings

⇒ Opportunity loss



### New product development

Spec changes and schedule revisions



## Impact of pandemic-related lockdowns

- Main stationary product: KING FILE

Lockdowns in factory sites in Vietnam and Malaysia



Curfew during lockdowns



Introduced sleep-over shifts with cooperation of local employees

⇒ Stocks depleted in high-demand season





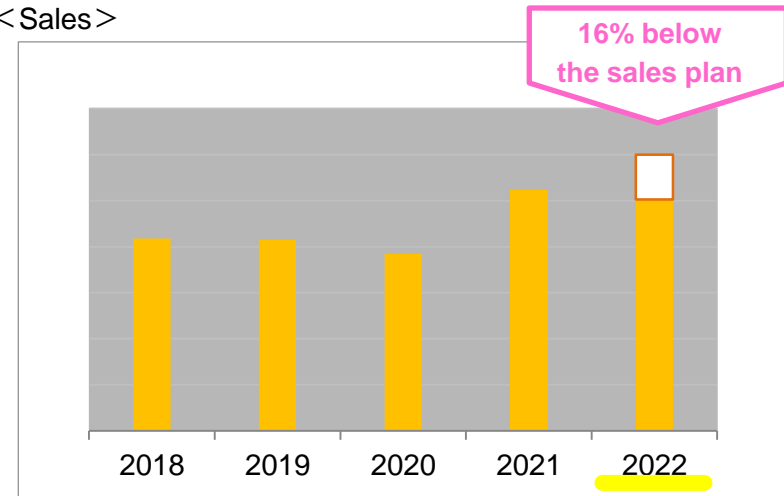
## ■ Backlash from stay-at-home demand

### • BON FURNITURE CO.,LTD.

Sales fell in backlash from previous year's robust stay-at-home demand  
Sales significantly fell short of the sales plan



< Sales >

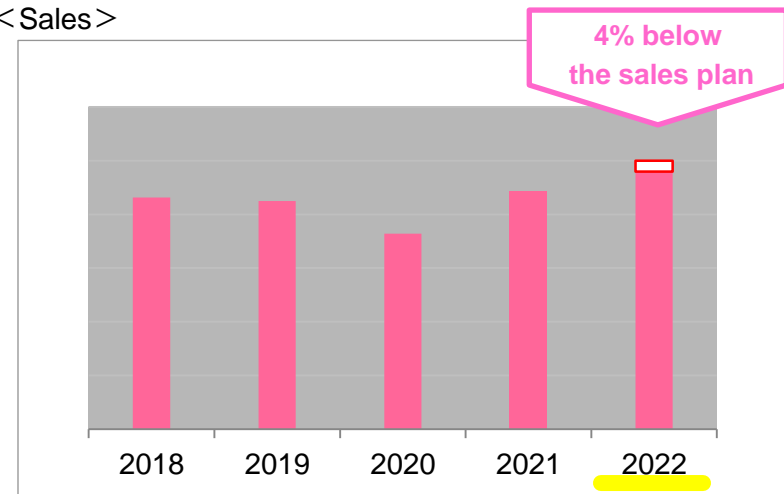


### • LADONNA CO.,LTD.

Sales rose but ended below the sales plan due to weak demand for seasonal products (portable fans, humidifiers), aroma products and relaxation goods.



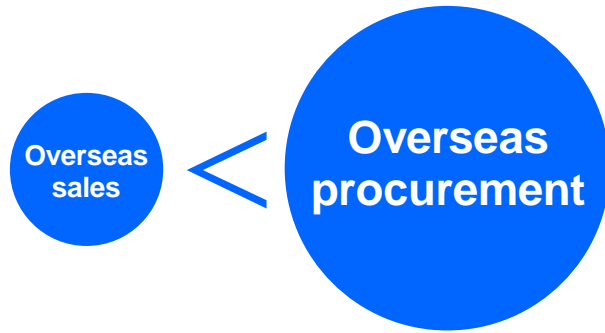
< Sales >



**FX and surge in raw material prices**

**(1) FX**

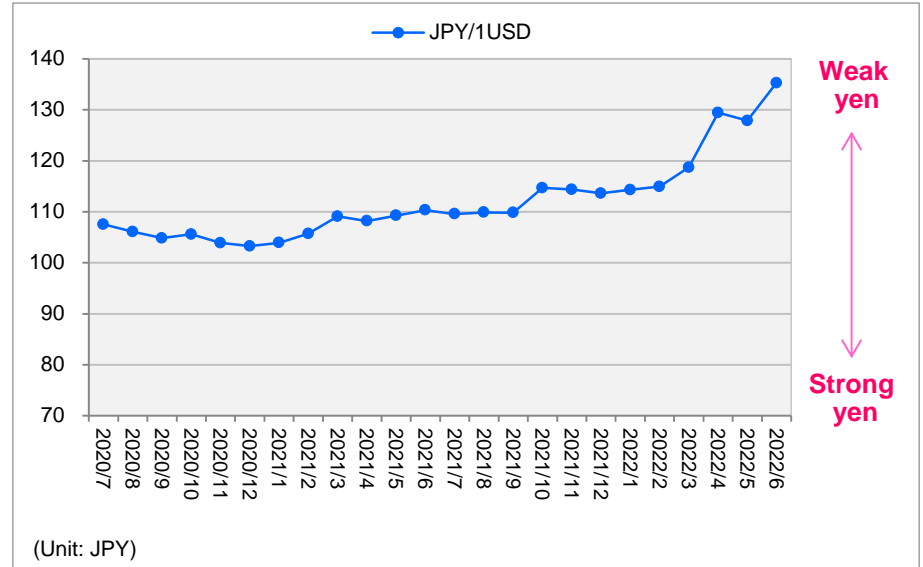
A decline in the yen hurts profits company-wide.



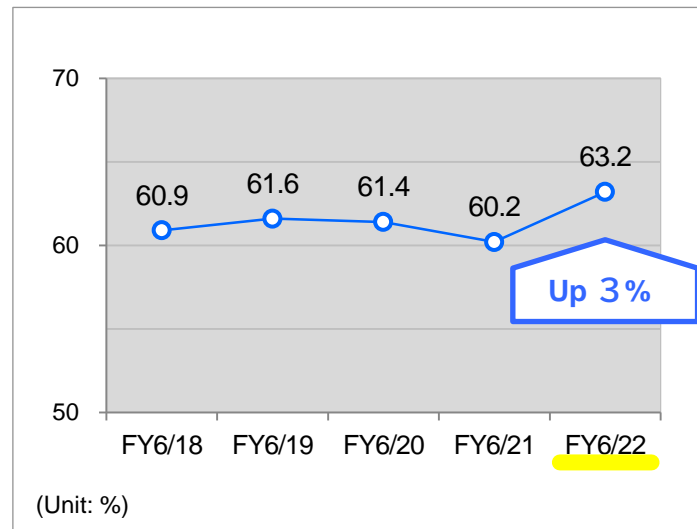
**(2) Surge in raw material prices**

Prices surged for raw materials (PP, steel) used in our key products.

<FX>



<Cost of sales>



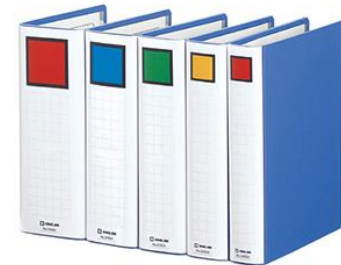
## Impact of semiconductor shortage

- Impact of semiconductor shortage is easing for some products.
- We will continue to respond as needed while monitoring semiconductor market developments.



## ■ Impact of pandemic-related lockdowns

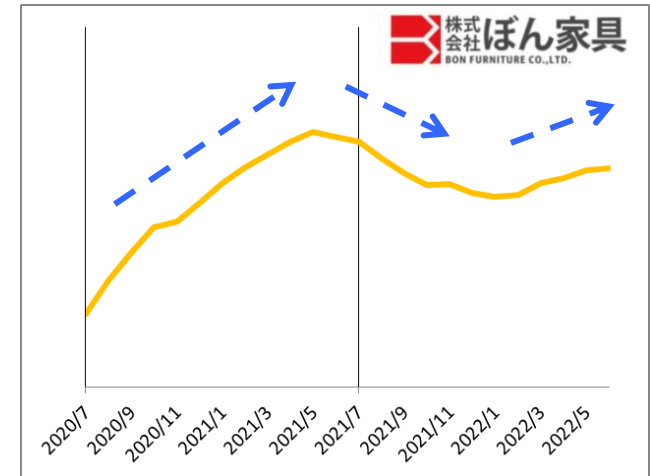
- Lockdowns have been lifted no further impact anticipated.
- Production and inventories back to normal



### ■ Backlash from stay-at-home demand

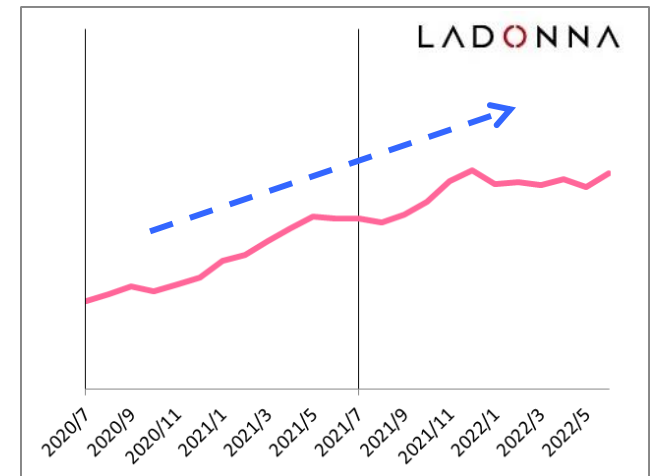
- **BON FURNITURE CO.,LTD.**

Sales in the second half of the current fiscal year exceeded sales in the second half of the previous fiscal year  
Strong sales of storage & organization products



- **LADONNA CO.,LTD.**

Mainstay kitchen appliances remain steady  
Expansion of sales channel to boost growth (EC stores)



We anticipate solid growth ahead

## Impact of FX and surge in raw material prices

We have worked to maintain our prices via cost cuts and productivity gains, but this is no longer possible through our efforts alone.







### < Price revisions >

		(price hike)
12/21/2021	KING FILE	Average 5%
6/21/2022	TEPRA PRO and various options	Average 13%
9/21/2022	Almost all items, including PP files	Average 13%

**Working to realize price revisions to improve profitability**

## Year to June 20, 2023 (75th fiscal year) earnings forecast

(Unit: Millions of yen)

	FY6/22 actual	FY6/23 forecast	Difference		
Net sales	36,636	42,000	+5,363		+14.6%
Operating profit	1,007	1,570	+562		+55.8%
Ordinary profit	1,338	1,750	+411		+30.7%
Profit attributable to owners of parent	788	1,210	+421		+53.4%

**Growth in both sales and profit**

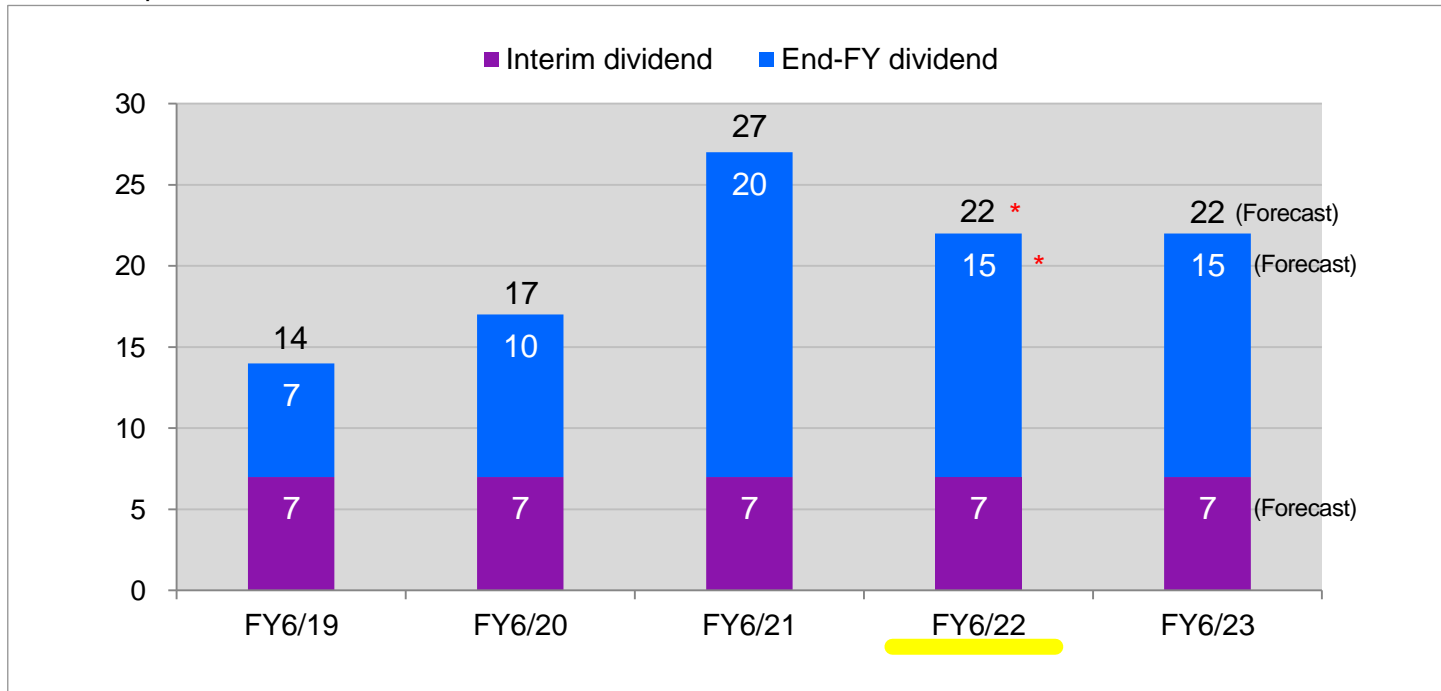
Full-year contribution from Life on Products, Inc.

**Sales should exceed ¥40.0 billion for first time**

## ■ Dividend policy

Target payout ratio is 40%, aiming for stable dividends

<Dividend per share>



\* For the fiscal year ended June 20, 2022, we plan to propose an ordinary dividend of 15 yen per share at the annual general shareholders meeting scheduled on September 15, 2022.

<Payout ratio>

	FY6/19	FY6/20	FY6/21	FY6/22	FY6/23
Payout ratio	41.3%	44.7%	39.1%	79.5% *	51.8% (forecast)



10th Medium-term Management Plan : Business targets

FY6/24	
Net sales	¥48.0 billion
Ordinary profit	¥3.4 billion
Ordinary profit ratio	7%
ROE	9%

**Break away** from file-dependent earnings structure

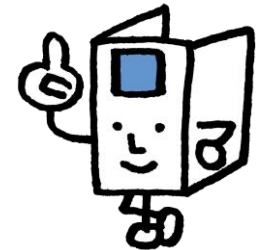


- Expand the business domain**
- Develop products for new lifestyles and ways of working
  - Shift from paper storage to stuff storage  
Expand sundry and household goods
  - Further develop the Group through mergers and acquisitions

September 2021	Sustainability Committee established
March 2022	Basic Sustainability Policy of the King Jim Group formulated
	Materiality identified
	Switch from Our Corporate Charter of the Environment to Environmental Policy
December 2022 (planned)	Integrated Report to be published

### Efforts to Improve Employee Awareness of SDGs

- We conduct study sessions, promote company campaigns joined by all employees, and display posters throughout the office.
- We distribute the "Pattan" convenience store eco-bag to all of our employees to help achieve SDGs in our daily lives.



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**We "KING JIM"**

**will be enhancing your work and personal life,  
and focusing on the originality.**

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Disclaimer: The earnings forecasts in this presentation are based on information available to the Company at the time of writing. The actual performance may differ from these figures due to a variety of factors in the future.