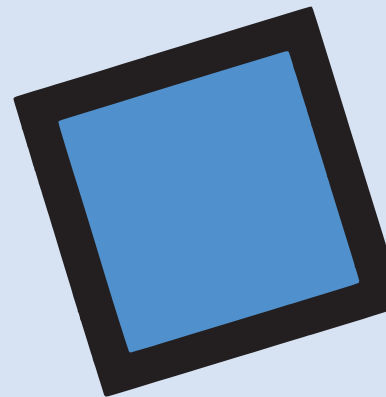


KING JIM DATA FILE



Company Overview (as of June 20, 2018)

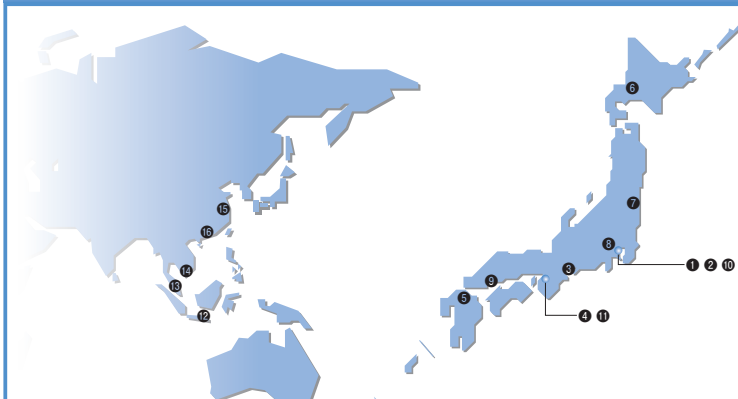
Trade name:	KING JIM CO., LTD.
President & CEO:	Akira Miyamoto
Start of business:	April 1927
Date of incorporation:	August 1948
Capital stock:	¥1,978.69 million
Exchange listing:	Tokyo Stock Exchange, 1st Section Securities code 7962
Number of shares issued:	32,459,692
Number of employees (Consolidated):	2,172
Location of head office:	10-18, Higashi-Kanda 2-chome, Chiyoda-ku, Tokyo
Number of offices:	8 sales offices 2 distribution centers
Consolidated subsidiaries:	KING BUSINESS SUPPORT CO., LTD. LADONNA CO., LTD. ASCA CO., LTD. BON FURNITURE CO., LTD. P.T. KING JIM INDONESIA KING JIM (MALAYSIA) SDN.BHD. KING JIM (VIETNAM) CO., LTD. KING JIM (SHANGHAI) TRADING CO., LTD. KING JIM (HK) CO., LTD.

Corporate Officers (as of Sep.19, 2018)

President	Akira Miyamoto
Senior Managing Director	Naomichi Hagita
*Managing Director	Shinichi Harada
*Managing Director	Takanobu Kameda
*Executive Director	Makoto Takano
*Executive Director	Yasuhiro Furuno
*Executive Director	Takeshi Iwata
*Executive Director	Takuto Inoue
External Director	Naoto Onzo
External Director	Akiko Takagi
Standing Auditor	Kazuto Shimizu
External Auditor	Mina Ota
External Auditor	Keiko Kakiuchi
External Auditor	Takeshi Niwa
Executive Officer	Eishun Kaneko
Executive Officer	Tsukasa Kanzaki
Executive Officer	Ko Kawamura
Executive Officer	Junya Tamura
Executive Officer	Takashi Tateishi

* Indicates directors who also serve as executive officers.

Worldwide Network (as of June 20, 2018)



- ① Head Office
- ② Tokyo Branch
- ③ Nagoya Branch
- ④ Osaka Branch
- ⑤ Fukuoka Branch
- ⑥ Sapporo Sales Office
- ⑦ Sendai Sales Office
- ⑧ Saitama Sales Office
- ⑨ Hiroshima Sales Office
- ⑩ Tokyo Logistics Center
- ⑪ Osaka Distribution Center
- ⑫ P.T. KING JIM INDONESIA
- ⑬ KING JIM (MALAYSIA) SDN.BHD.
- ⑭ KING JIM (VIETNAM) CO., LTD.
- ⑮ KING JIM (SHANGHAI) TRADING CO., LTD.
- ⑯ KING JIM (HK) CO., LTD.

Contact Information

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 Tel: +81-3-3864-5969 Fax: +81-3-3864-0698
 URL: <https://www.kingjim.co.jp/>

KING JIM (SHANGHAI) TRADING CO., LTD.
 21DE, No.728 Xi Zang Rd(M), Shanghai, China, 200001
 Tel: +86-21-53082770 Fax: +86-21-53082769
 URL: <http://www.kingjim.cn/>

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 Room1408, Beverly House, 93-107 Lockhart Road, Wan Chai, Hong Kong
 Tel: +852-2838-0886 Fax: +852-2572-1866

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 Shenzhen, P.R.China
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 Tel: +86-755-8661-6560 Fax: +86-755-8661-6558

P.T. KING JIM INDONESIA

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Jakarta Sales Office
 Gedung MTH Square Jl. Otto Iskandardinata No.390, Lt UG Unit B4A, Cawang, Jakarta
 Timur 13330 Indonesia
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KING JIM (MALAYSIA) SDN.BHD.

Lot 151, Plot1&2, Jalan PKNK3/1, Kawasan Perusahaan Sungai Petani,
 08000 Sungai Petani, Kedah Darul Aman, Malaysia
 Tel: +60-4-442-4952 Fax: +60-4-442-4951

KING JIM (VIETNAM) CO., LTD.

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 URL: <https://www.kingjim.com.vn/>

Ho Chi Minh City Representative Office

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 Tel: +84-28-3939-3922 Fax: +84-28-3939-3923

FINANCIAL DATA

Consolidated Balance Sheets

KING JIM CO., LTD. and Subsidiaries
June 20, 2017 and 2018

	Thousands of yen		Thousands of US dollars
	2017	2018	2018
Assets			
Current assets			
Cash and deposits	¥5,212,988	¥4,702,798	\$42,717
Notes and accounts receivable—trade	4,603,336	4,839,842	43,962
Inventories	6,896,576	7,389,140	67,119
Deferred tax assets	236,848	230,226	2,091
Other	485,999	461,395	4,191
Allowance for doubtful accounts	(2,389)	(2,517)	(22)
Total current assets	17,433,359	17,620,886	160,058
Non-current assets			
Property, plant and equipment	4,948,700	4,819,637	43,779
Intangible assets	605,026	355,703	3,231
Investments and other assets			
Investment securities	2,254,477	2,663,327	24,192
Net defined benefit asset	1,162,221	1,094,760	9,944
Deferred tax assets	107,496	105,954	962
Other	469,895	465,966	4,232
Allowance for doubtful accounts	(9,821)	(8,297)	(75)
Total investments and other assets	3,984,268	4,321,712	39,256
Total non-current assets	9,537,996	9,497,052	86,266
Total assets	26,971,356	27,117,938	246,325
Liabilities			
Current liabilities			
Notes and accounts payable—trade	1,994,809	1,983,097	18,013
Short-term loans payable	720,000	—	—
Current portion of long-term loans payable	286,000	16,000	145
Income taxes payable	407,236	363,042	3,297
Accounts payable—other	561,095	803,673	7,300
Other	1,053,119	820,775	7,455
Total current liabilities	5,022,261	3,986,589	36,212
Non-current liabilities			
Long-term loans payable	16,000	—	—
Deferred tax liabilities	703,041	815,696	7,409
Net defined benefit liability	362,543	363,252	3,299
Asset retirement obligations	17,413	20,937	190
Other	285,566	272,359	2,473
Total non-current liabilities	1,384,565	1,472,246	13,373
Total liabilities	6,406,826	5,458,835	49,585
Net assets			
Shareholders' equity			
Capital stock			
Authorized: 100,000,000 shares			
Issued: 32,459,692 shares	1,978,690	1,978,690	17,973
Capital surplus	2,507,159	2,507,159	22,773
Retained earnings	19,192,631	20,027,025	181,915
Treasury shares	(3,567,564)	(3,567,808)	(32,408)
Total shareholders' equity	20,110,916	20,945,067	190,254
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	616,915	899,770	8,173
Deferred gains or losses on hedges	556	435	3
Foreign currency translation adjustment	(399,328)	(390,540)	(3,547)
Remeasurements of defined benefit plans	(66,904)	(140,628)	(1,277)
Total accumulated other comprehensive income	151,238	369,037	3,352
Subscription rights to shares	51,848	70,847	643
Non-controlling interests	250,526	274,150	2,490
Total net assets	20,564,529	21,659,102	196,739
Total liabilities and net assets	¥26,971,356	¥27,117,938	\$246,325

Consolidated Statements of Income

KING JIM CO., LTD. and Subsidiaries
Years ended June 20, 2017 and 2018

	Thousands of yen		Thousands of US dollars
	2017	2018	2018
Net sales	¥34,627,821	¥34,788,058	\$315,996
Operating cost and expenses			
Cost of sales	21,653,100	21,198,620	192,557
Selling, general and administrative expenses	11,283,751	11,676,825	106,066
Operating income	1,690,969	1,912,612	17,373
Other income			
Interest income	9,534	10,975	99
Dividend income	44,703	45,868	416
Foreign exchange gains	42,730	—	—
Rent income	60,630	156,024	1,417
Other	44,370	35,066	318
Total other income	201,969	247,934	2,252
Other expenses			
Interest expenses	19,783	7,805	70
Foreign exchange losses	—	6,562	59
Cost of lease revenue	32,428	46,977	426
Impairment loss	48,288	106,984	971
Other	16,301	17,481	158
Total other expenses	116,801	185,810	1,687
Income before income taxes	1,776,137	1,974,736	17,937
Total income taxes	552,367	561,380	5,099
Profit	1,223,769	1,413,355	12,838
Profit attributable to non-controlling interests	19,765	10,508	95
Profit attributable to owners of parent	¥1,204,004	¥1,402,847	\$12,742

* Previously, sales transactions of scraps were recorded as "other income," but they have been accounted for as a deduction from "cost of sales" from the current fiscal year. In order to reflect this change, the consolidated statements of income for the year ended June 20, 2017 have been reclassified.

Consolidated Statement of Changes in Equity

KING JIM CO., LTD. and Subsidiaries
Year ended June 20, 2018

	Shareholders' equity					Thousands of yen		
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity			
Balance at June 20, 2017	¥1,978,690	¥2,507,159	¥19,192,631	¥(3,567,564)	¥20,110,916			
Changes of items during period								
Dividends of surplus			(568,453)		(568,453)			
Profit attributable to owners of parent			1,402,847		1,402,847			
Purchase of treasury shares				(243)	(243)			
Net changes of items other than shareholders' equity								
Total changes of items during period	—	—	834,394	(243)	834,150			
Balance at June 20, 2018	¥1,978,690	¥2,507,159	¥20,027,025	¥(3,567,808)	¥20,945,067			

	Accumulated other comprehensive income							Thousands of yen
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Subscription rights to shares	Non-controlling interests	Total net assets
Balance at June 20, 2017	¥616,915	¥556	¥(399,328)	¥(66,904)	¥151,238	¥51,848	¥250,526	¥20,564,529
Changes of items during period								
Dividends of surplus								(568,453)
Profit attributable to owners of parent								1,402,847
Purchase of treasury shares								(243)
Net changes of items other than shareholders' equity	282,854	(120)	8,788	(73,723)	217,799	18,999	23,624	260,423
Total changes of items during period	282,854	(120)	8,788	(73,723)	217,799	18,999	23,624	1,094,573
Balance at June 20, 2018	¥899,770	¥435	¥(390,540)	¥(140,628)	¥369,037	¥70,847	¥274,150	¥21,659,102

Consolidated Statements of Cash Flows

KING JIM CO., LTD. and Subsidiaries
Years ended June 20, 2017 and 2018

	Thousands of yen		Thousands of US dollars
	2017	2018	2018
Cash flows from operating activities	¥3,916,128	¥1,518,810	\$13,796
Cash flows from investing activities	(463,708)	(487,894)	(4,431)
Cash flows from financing activities	(2,464,537)	(1,574,842)	(14,305)
Effect of exchange rate change on cash and cash equivalents	(13,339)	2,861	25
Net increase (decrease) in cash and cash equivalents	974,542	(541,064)	(4,914)
Cash and cash equivalents at beginning of period	4,032,840	5,007,383	45,484
Cash and cash equivalents at end of period	¥5,007,383	¥4,466,318	\$40,569

Notes to Consolidated Financial Statements

KING JIM CO., LTD. and Subsidiaries
For the year ended June 20, 2018

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 Financial Instruments and Exchange Act of Japan and in conformity with accounting principles and practices generally accepted in Japan.
- (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 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.
- (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 ¥110.09 = US\$1, the exchange rate prevailing at June 20, 2018.
- (e) Items for which there is no applicable amount are indicated by “—”.

2. Significant Accounting Policies

- (a) Accounting policy for measuring significant assets

i) Securities

Other securities

Securities with fair market value

- Securities are stated at fair value as of the balance sheet 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.

ii) Derivatives

Derivatives are stated at fair value

iii) Inventories

Merchandise, finished goods and work in process

- Merchandise, finished goods and work in process are stated at cost determined by the periodic average method. (Figures on the balance sheet 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 sheet are calculated based on the method of reducing the book value in accordance with a decline in profitability.)

(b) Accounting policy for depreciation of significant assets

i) Property, plant, and equipment (excluding leased assets)

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

Depreciation is primarily calculated by the former declining balance method.

However, as for the Company and its domestic consolidated subsidiaries, the depreciation of buildings (excluding facilities attached to buildings) acquired on and after April 1, 1998 is calculated by the former straight-line method.

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

Depreciation is primarily calculated by the declining balance method.

However, as for the Company and its domestic consolidated subsidiaries, the depreciation of buildings (excluding facilities attached to buildings) as well as facilities attached to buildings and structures acquired on and after April 1, 2016 is calculated by the straight-line method.

The estimated useful lives of depreciable assets are as follows:

Buildings and structures: 10 to 50 years

Machinery, equipment and vehicles: 4 to 16 years

ii) Intangible assets (excluding software and leased assets)

Amortization of intangible assets is calculated by the straight-line method.

iii) Software for internal use (excluding leased assets)

Amortization of software for internal use is calculated by the straight-line method over expected available period (5 years).

iv) Leased assets

With respect to leased assets relating to finance lease transactions which do not transfer ownership of the leased 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.

v) Long-term prepaid expenses

Amortization of long-term prepaid expenses is calculated by the straight-line method.

(c) Accounting policy for significant provisions

i) Allowance for doubtful accounts

To reserve for loss on doubtful account, the Company and some of its consolidated subsidiaries provide general allowances 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.

ii) Provision for directors' bonuses

To reserve for the payments of bonuses to directors and corporate auditors, the Company and its domestic consolidated subsidiaries record the amount to be payable at the end of current fiscal period as an provision for directors' bonuses based on the estimated annual amount of payment.

(d) Accounting for employee retirement benefits

i) Method for estimating the amount of retirement benefits for the fiscal year

The amount of projected retirement benefits to be paid by the end of the fiscal year is based on the benefit formula basis for the calculation of the retirement benefit obligations.

ii) Method for treating actuarial difference expenses

Actuarial differences are amortized by the straight-line method over a period within the average remaining service period of employees from the fiscal year when the actuarial difference was incurred (5 years), and allocated proportionally from the fiscal year following each respective incurrence.

Unrecognized actuarial differences are recorded in remeasurements of defined benefit plans of accumulated other comprehensive income under net assets, after tax effects have been adjusted.

iii) Adoption of simplified accounting methods by small subsidiaries

Some of the Company's consolidated subsidiaries have adopted simplified accounting for calculating expenses and liabilities related to retirement benefits, and treating the amount of benefits needed for a voluntary retirement of all employees at the fiscal year-end as retirement benefit obligations.

(e) Important hedge accounting methods

i) Hedge accounting method

The Company applies deferred hedge accounting.

ii) Hedging instruments and hedged items

Forward exchange contracts are used as hedging instruments.

Foreign-currency-denominated transactions are subject to hedging.

iii) Hedging policy

The Company carries out forward exchange contracts for the purpose of reducing the impact of fluctuating costs resulting from changes in future exchange rates on forecast profits, and does not conduct hedging for speculative purposes.

iv) Method of assessing the effectiveness of hedges

The Company assesses the effectiveness of hedges based on a comparison between the amount of change in the fair value of futures contracts and the amount of change in the fair value of spot contracts.

(f) Amortization of goodwill

Goodwill is amortized evenly over a period of no more than 20 years during which the effect of the investment is expressed.

However, a small amount of goodwill is amortized as it arises.

(g) Scope of cash and cash equivalents included in the consolidated statement of cash flows

Cash and cash equivalents stated in the consolidated statement of cash flows consist of cash on hand, demand deposits with banks, and short-term investment instruments due within 3 months from the acquisition date that bear only a low risk of price fluctuations, and which are readily convertible into cash.

(h) Accounting for consumption tax and local consumption tax

Accounting for consumption tax and local consumption tax is based on tax exclusion method.

3. Notes to Consolidated Balance Sheets

(a) Accumulated depreciation of property, plant and equipment

2017 (thousands of yen)

7,806,852

2018 (thousands of yen)

7,972,660

(b) Net income per share

2017 (yen)

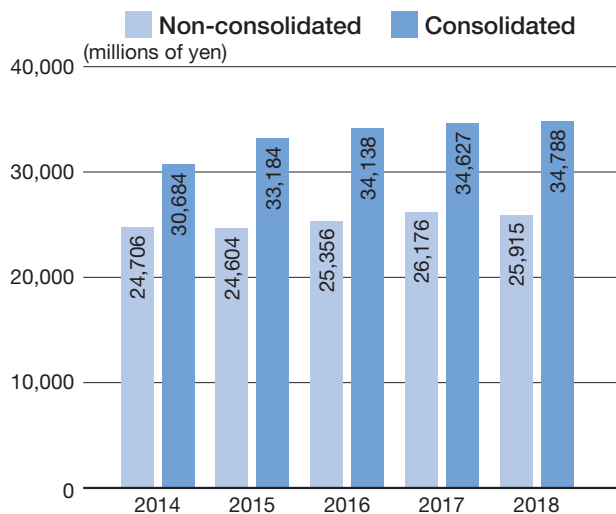
42.36

2018 (yen)

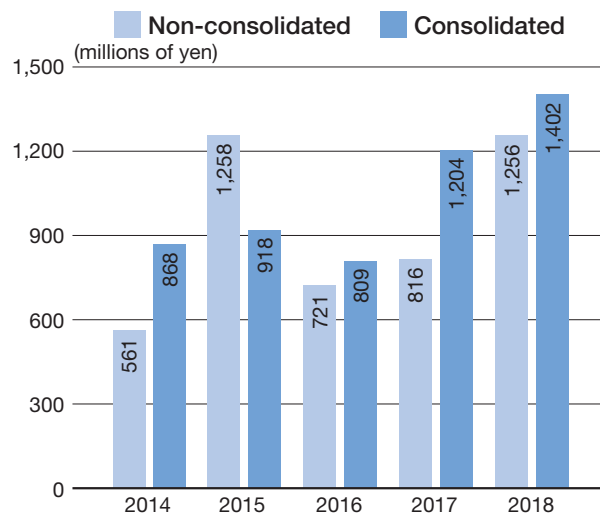
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Key Financial Indicators and Sales by Segment

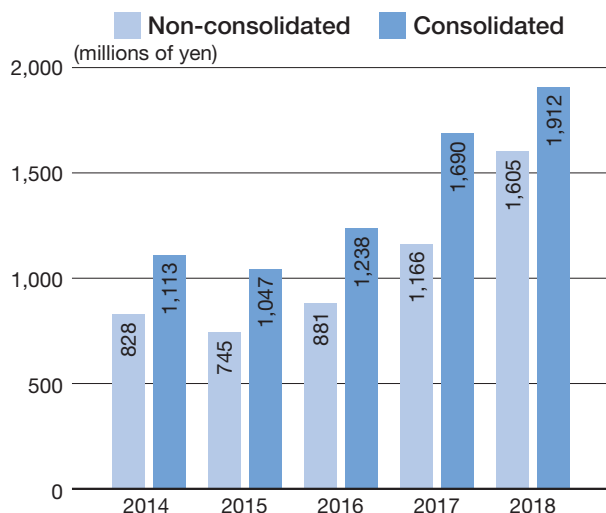
Net sales



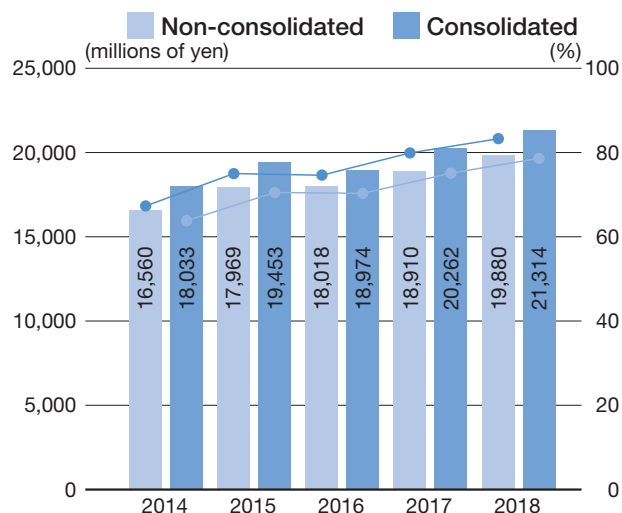
Profit attributable to owners of parent



Operating income



Shareholders' equity and Shareholders' equity ratio



Consolidated sales by segment

Interior lifestyle
(General merchandise and
furniture)
22%

Stationery and
office supply
(Stationery)
33%

Stationery and
office supply
(Electronic product)
45%

