



Consolidated Financial Results for the Nine Months Ended March 20, 2025 [Japanese GAAP]

April 24, 2025

Company name: KING JIM CO., LTD.

Listing: Tokyo Stock Exchange

Securities code: 7962

URL: <https://www.kingjim.co.jp/english/>

Representative: Miyoko Kimura

President & CEO

Inquiries: Shinichi Harada

Director and Senior Managing Executive Officer, General Manager,
Administration Division & CFO

Telephone: +81-3-3864-5883

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Nine Months Ended March 20, 2025 (June 21, 2024 to March 20, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended March 20, 2025	28,781	0.7	386	-	715	-	388	-
March 20, 2024	28,590	(1.2)	(245)	-	24	(90.0)	(73)	-

(Note) Comprehensive income: Nine months ended March 20, 2025: ¥ 316 million [(6.0) %]

Nine months ended March 20, 2024: ¥ 337 million [(47.3) %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended March 20, 2025	13.83	13.77
March 20, 2024	(2.59)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 20, 2025	38,311	24,252	63.1	859.17
June 20, 2024	35,025	24,301	69.1	861.90

(Reference) Equity: As of March 20, 2025: ¥ 24,165 million

As of June 20, 2024: ¥ 24,214 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 20, 2024	-	7.00	-	7.00	14.00
Fiscal year ending June 20, 2025	-	7.00	-		
Fiscal year ending June 20, 2025 (Forecast)				7.00	14.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 20, 2025(June 21, 2024 to June 20, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	41,000	3.7	530	-	700	437.3	490	-	17.44

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 20, 2025: 31,459,692 shares

June 20, 2024: 31,459,692 shares

2) Number of treasury shares at the end of the period:

March 20, 2025: 3,333,516 shares

June 20, 2024: 3,365,785 shares

3) Average number of shares outstanding during the period:

Nine months ended March 20, 2025: 28,108,838 shares

Nine months ended March 20, 2024: 28,547,942 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Explanation of the proper use of financial results forecast and other notes

- The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable as of the date of publication of this document, and are not intended as a guarantee by the Company that they will be achieved. Actual results may differ significantly from these forecasts due to a wide range of factors. For assumptions underlying the financial results forecast and precautions regarding their use, please refer to “1. Overview of Business Results, etc. (3) Explanation of Consolidated Financial Results Forecasts and Other Forward-looking Statements” on page 4.

- Supplementary briefing materials for the financial results will be posted on the Company’s website today.

Supplementary briefing material (Japanese only): <https://www.kingjim.co.jp/ir/library/tansin.html>

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1. Overview of Business Results, etc.

(1) Overview of Business Results for the Quarter Under Review

During the nine months ended March 20, 2025, the outlook for the Japanese economy remained uncertain due to the impact of continuous rising prices, as well as volatile foreign exchange rates against the backdrop of global monetary tightening policies. The environment in which the Company operates has been greatly affected by changes in work styles, such as a decline in the working-age population in the domestic market, flexible work environments, and increased operational efficiency. Under these circumstances, King Jim Co., Ltd. (the “Company”) will implement measures to achieve the goals of its 11th Medium-Term Management Plan (fiscal year ending June 20, 2025 to fiscal year ending June 20, 2027), which is themed, “Taking the wave of social change as an opportunity to move toward new growth.” While strengthening its existing businesses, the Company will carry out three fundamental policies, namely, expansion into the service business, expansion of the lifestyle field, and strengthening of overseas business. The Company will continue active product development in tune with customer requests and the needs of the times and strive for further expansion in demand.

As for the consolidated business results for the nine months ended March 20, 2025, net sales amounted to ¥28,781.81 million (up 0.7% year on year). In terms of profit, owing to an improved gross profit margin (up 1.5 percentage points year on year), and improvement of the ratio of selling, general and administrative expenses (down 0.6 percentage points year on year), operating profit amounted to ¥386.76 million (loss of ¥245.90 million in the same period of the previous fiscal year) and ordinary profit was ¥715.64 million (profit of ¥24.43 million in the same period of the previous fiscal year), and profit attributable to owners of parent was ¥388.72 million (loss of ¥73.89 million in the same period of the previous fiscal year).

Business results by segment are as follows.

From the three months ended September 20, 2024, the Company changed the name of what had been the “interior lifestyle business” to the “lifestyle products business.” In line with this, we have reviewed business management classifications and have reclassified Wince Corporation, a consolidated subsidiary of the Company which had been included in the stationery and office supplies business, into the lifestyle products business.

Comparisons with the previous fiscal year are based on the classification after the change.

A. Stationery and office supplies business

Sales of TEPPRA and disaster preparedness products increased, while a decline in stationery sales resulted in net sales of ¥18,211.98 million (down 1.5% year on year). In terms of profit, an improved gross profit margin, the Distribution Cost Reduction Project, and other efforts led to a reduction in selling, general and administrative expenses, which in turn resulted in operating profit of ¥259.17 million (loss of ¥440.66 million in the same period of the previous fiscal year).

The main details for each domain are as follows.

In the label writer “TEPPRA”, we launched TEPPRA PRO SR-R560, the first in the TEPPRA PRO series with a unit that employs environmentally friendly recycled materials and with the installed universal design fonts. In addition, we released “#askTEPPRA” video that summarizes how to use TEPPRA at work sites to make work and lifestyles easier. The video and photos introduce how TEPPRA and its dedicated labeling software for Windows “TEPPRA Label Editor SPC10” are used to solve issues and concerns in the workplace. We will continue to gather feedback on the concerns held by working people and make proposals that leverage the versatility of TEPPRA.

In stationery, we added to our lineup TEFRENU NEO, a ring notebook type of TEFRENU, that adopts the trendy “Y2K design” of today’s young generation, and “TEFRENU 4-hole Punch” for easily binding the printouts distributed at schools, etc. in TEFRENU.

In style stationery, we released a ring notebook type of HITOTOKI NOTE series, and new products of KITTA series, a masking tape series which is compact and can be carried easily.

Furthermore, we exhibited at Tokyo International Gift Show Spring 2025 in February of the same year,

introducing the Company's products to a wide range of industries.

In the EC business, we operate a number of EC stores both on our own EC site and in EC malls. At our own EC site, sales grew on the back of increased demand for disaster preparedness products and higher sales of products that generated buzz on social media, in addition to the effects of a sale and acceptance of reservation orders for new products. The "Latuna" business experienced strong sales of new merchandise such as cutting boards and dining mats, while on the other hand, sales declined for existing merchandise due to price competition at each mall.

In the overseas business, even while the Company's exports to overseas markets increased amid worldwide economic uncertainties, certain overseas locations are struggling with external sales. The 11th Medium-Term Management Plan takes special note of China and the ASEAN countries, particularly Vietnam, as the most important regions for our overseas business strategy. In China, sales are favorable for stationery brands mainly targeting women, such as HITOTOKI and the Chinese original brand KELITA. Following these, we plan products that adopt designs by local Chinese creators who are popular with the country's youths, and are pushing forward on plans for value-added products in designs that incorporate China's fashion trends. In Vietnam, since the release of the TEPRO SR5900GS unit dedicated for PC connection in December 2023, both units and tapes have seen a significant expansion in sales. In addition, we commenced sales of "pomera" DM250US, a new model of digital memo for the U.S. based on the Japanese model "pomera" DM250. We conducted a sales campaign on Indiegogo, a crowdfunding site in the U.S., and received support from our backers.

B. Life style products business

Net sales for the lifestyle products business were ¥10,569.82 million (up 4.7% year on year) owing to the favorable sales performance of Life on Products, Inc. and Asca Co., Ltd., and also due to year-on-year increases in sales by all domestic subsidiary companies. In terms of profit, operating profit amounted to ¥114.01 million (down 35.6% year on year), on account of a decline in gross profit margin caused by the depreciation of the yen and soaring raw material prices, as well as a substantial rise in selling, general and administrative expenses at Bon Furniture Co., Ltd.

The main details for each subsidiary company are as follows.

At Bon Furniture Co., Ltd., by mall, sales on Amazon significantly exceeded those of the previous year. By product, mainstay storage furniture grew due to PUTUPUTU series, a new brand that caters to the youth demographic, and Pretend Cooking Set. Also contributing to sales were the lighting fixtures category, pet-related products, and other items. In addition, we began sales, which remained strong, of wooden multi-racks and other products manufactured at PT. King Jim Indonesia, the Company's factory. Profit declined, however, as a result of rising costs due to depreciation of the yen and soaring raw material prices, as well as increased promotional expenses, inventory storage fees, and other factors.

Life on Products, Inc. strengthened the development of its room fragrance brand "mercyu" products and introduced new merchandise in line with gift demand, such as reed diffusers designed with the Valentine's Day season in mind, and reasonably sized aroma candles, which performed well. Despite the impact of yen depreciation, the cost of sales ratio improved, and significantly higher sales also increased profit.

At Ladonna Co., Ltd., recovery trend for the mainstay kitchen goods continued, owing to favorable large-scale introduction of microwave grill pans and new collections of kitchen appliances contributing to a sales increase. Furthermore, sales of humidifiers turned in a strong performance due to cooler temperatures from the end of the year to the beginning of the new year, resulting in higher year-on-year sales; however, profit fell due to rising costs on account of yen depreciation and other factors, as well as increased selling, general and administrative expenses.

Asca Co., Ltd. experienced continued favorable performance of office interior and bridal-related interior decoration mainly in the Kanto region. In the previous year, the mainstay Greenery plants saw both interior decoration projects decline and stockouts; however, this year sales were favorable with various interior decoration projects that could be accommodated as there were no major stockouts. Profit increased on a substantial rise in sales, despite rising costs on account of yen depreciation and other factors.

At Winess Corporation, a gradual increase in shipping volumes of products for principal markets, owing to a rebound in the electronics industry, led to ongoing growth in EC sales, and new sales routes are still being cultivated. Profit increased on higher sales, despite rising costs on account of yen depreciation and other factors.

(2) Overview of Financial Position for the Quarter Under Review

Total assets as of March 20, 2025 increased by ¥3,286.75 million from the end of the previous fiscal year to ¥38,311.78 million. This is mainly attributable to increases in cash and deposits and merchandise and finished goods.

Total liabilities increased by ¥3,335.77 million from the end of the previous fiscal year to ¥14,059.46 million. This is mainly attributable to an increase in short-term borrowings due to working capital needs and others.

Total net assets decreased by ¥49.02 million from the end of the previous fiscal year to ¥24,252.31 million. This is mainly attributable to decreases in foreign currency translation adjustment and remeasurements of defined benefit plans, despite an increase in valuation difference on available-for-sale securities.

(3) Explanation of Consolidated Financial Results Forecasts and Other Forward-looking Statements

We have not revised the consolidated financial results forecasts announced on August 1, 2024.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of June 20, 2024	As of March 20, 2025
Assets		
Current assets		
Cash and deposits	6,081,388	7,742,985
Notes receivable - trade	228,134	210,874
Accounts receivable - trade	5,109,797	5,192,359
Merchandise and finished goods	9,692,136	10,767,404
Work in process	361,939	339,076
Raw materials and supplies	1,301,432	1,280,269
Other	581,215	815,545
Allowance for doubtful accounts	(463)	(650)
Total current assets	23,355,581	26,347,865
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,203,924	6,204,703
Accumulated depreciation	(4,208,512)	(4,289,350)
Buildings and structures, net	1,995,412	1,915,352
Machinery, equipment and vehicles	3,594,239	3,540,732
Accumulated depreciation	(3,248,704)	(3,237,671)
Machinery, equipment and vehicles, net	345,535	303,060
Land	1,570,022	1,570,022
Construction in progress	51,955	42,688
Other	3,225,175	3,266,826
Accumulated depreciation	(2,896,175)	(2,876,552)
Other, net	329,000	390,273
Total property, plant and equipment	4,291,925	4,221,397
Intangible assets		
Goodwill	1,055,692	905,647
Other	801,511	1,126,433
Total intangible assets	1,857,203	2,032,081
Investments and other assets		
Investment securities	3,116,368	3,185,057
Retirement benefit asset	1,787,241	1,882,380
Deferred tax assets	146,151	149,039
Other	474,928	495,224
Allowance for doubtful accounts	(4,367)	(1,260)
Total investments and other assets	5,520,322	5,710,441
Total non-current assets	11,669,451	11,963,919
Total assets	35,025,032	38,311,785

(Thousands of yen)

	As of June 20, 2024	As of March 20, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	901,078	1,702,479
Short-term borrowings	3,530,000	6,440,000
Current portion of long-term borrowings	437,806	599,233
Income taxes payable	269,430	148,871
Accounts payable - other	808,057	791,967
Provision for bonuses for directors (and other officers)	11,387	6,398
Contract liabilities	38,730	49,691
Other	1,137,192	1,058,033
Total current liabilities	7,133,682	10,796,674
Non-current liabilities		
Long-term borrowings	1,738,288	1,302,792
Deferred tax liabilities	913,146	986,615
Retirement benefit liability	500,213	500,154
Asset retirement obligations	30,270	36,749
Other	408,088	436,482
Total non-current liabilities	3,590,007	3,262,793
Total liabilities	10,723,690	14,059,468
Net assets		
Shareholders' equity		
Share capital	1,978,690	1,978,690
Capital surplus	1,718,919	1,717,975
Retained earnings	21,562,202	21,557,382
Treasury shares	(2,975,833)	(2,947,298)
Total shareholders' equity	22,283,979	22,306,750
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,165,269	1,212,672
Deferred gains or losses on hedges	2,677	(3,673)
Foreign currency translation adjustment	555,801	487,021
Remeasurements of defined benefit plans	206,525	162,458
Total accumulated other comprehensive income	1,930,274	1,858,478
Share acquisition rights	87,088	87,088
Total net assets	24,301,342	24,252,317
Total liabilities and net assets	35,025,032	38,311,785

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Thousands of yen)

	For the nine months ended March 20, 2024	For the nine months ended March 20, 2025
Net sales	28,590,364	28,781,813
Cost of sales	17,961,800	17,641,168
Gross profit	10,628,563	11,140,645
Selling, general and administrative expenses	10,874,469	10,753,875
Operating profit (loss)	(245,905)	386,769
Non-operating income		
Interest income	17,728	17,813
Dividend income	102,989	97,527
Foreign exchange gains	71,509	70,542
Rental income	111,925	112,447
Other	33,987	113,423
Total non-operating income	338,141	411,754
Non-operating expenses		
Interest expenses	33,345	44,190
Rental costs	33,265	35,034
Other	1,185	3,654
Total non-operating expenses	67,796	82,880
Ordinary profit	24,438	715,643
Extraordinary income		
Gain on sale of non-current assets	137,747	-
Total extraordinary income	137,747	-
Extraordinary losses		
Loss on sale of non-current assets	7	-
Loss on retirement of non-current assets	3,228	195
Extra retirement payments	49,868	-
Total extraordinary losses	53,104	195
Profit before income taxes	109,081	715,447
Income taxes - current	173,945	251,226
Income taxes - deferred	12,671	70,574
Income taxes for prior periods	(3,644)	4,925
Total income taxes	182,972	326,726
Profit (loss)	(73,891)	388,721
Profit (loss) attributable to owners of parent	(73,891)	388,721

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Thousands of yen)

	For the nine months ended March 20, 2024	For the nine months ended March 20, 2025
Profit (loss)	(73,891)	388,721
Other comprehensive income		
Valuation difference on available-for-sale securities	219,814	47,403
Deferred gains or losses on hedges	(3,854)	(6,350)
Foreign currency translation adjustment	207,483	(68,780)
Remeasurements of defined benefit plans, net of tax	(12,412)	(44,067)
Total other comprehensive income	411,030	(71,795)
Comprehensive income	337,139	316,926
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	337,139	316,926

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes in case of significant changes in shareholders' equity)

There is no relevant information.

(Notes on changes in accounting policies)

(Application of "Accounting Standard for Current Income Taxes," etc.)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereafter referred to as the "Revised Accounting Standard of 2022") and other relevant standards from the beginning of the first quarter of the current fiscal year.

With regard to revisions to categories for recording current income taxes (taxation on other comprehensive income), the Company complies with the transitional treatment stipulated in the proviso to paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatment stipulated in the proviso to paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereafter referred to as the "Revised Guidance of 2022"). These changes in the accounting policy do not affect the quarterly consolidated financial statements.

In addition, since the beginning of the first quarter of the current fiscal year, the Revised Guidance of 2022 has also been applied to the amendments related to the review of the treatment in consolidated financial statements when gains or losses arising from the sale of subsidiary shares, etc. between consolidated companies are deferred for tax purposes. These changes in the accounting policy have been applied retroactively, and the quarterly consolidated financial statements and the consolidated financial statements for the previous fiscal year reflect the changes that have been applied retroactively. These changes in the accounting policy do not affect the quarterly consolidated financial statements and the consolidated financial statements for the previous fiscal year.

(Notes on statements of cash flows)

Quarterly consolidated statements of cash flows have not been prepared for the nine months ended March 20, 2025. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the nine months ended March 20 are as follows.

(Thousands of yen)		
	For the nine months ended March 20, 2024	For the nine months ended March 20, 2025
Depreciation	466,950	524,132
Amortization of goodwill	180,420	150,044

(Notes on segment information, etc.)

Segment information

1. For the nine months ended March 20, 2024 (June 21, 2023 to March 20, 2024)

1. Information on net sales and profit (loss) by reportable segment

(Thousands of yen)

	Reportable segment			Adjustment (Note 1)	Amount recorded in the quarterly consolidated statements of income (Note 2)
	Stationery and office supplies	Lifestyle products	Total		
Sales					
Sales to outside customers	18,496,240	10,094,124	28,590,364	–	28,590,364
Inter-segment net sales or transfers	57,760	176,107	233,867	(233,867)	–
Total	18,554,000	10,270,231	28,824,231	(233,867)	28,590,364
Segment profit (loss)	(440,667)	177,182	(263,484)	17,579	(245,905)

(Notes) 1. Adjustment of segment profit (loss) of ¥17,579 thousand is an adjustment, etc., associated with elimination of inter-segment transactions.

2. Segment profit (loss) is adjusted with operating loss in the quarterly consolidated statements of income.

2. For the nine months ended March 20, 2025 (June 21, 2024 to March 20, 2025)

1. Information on net sales and profit (loss) by reportable segment

(Thousands of yen)

	Reportable segment			Adjustment (Note 1)	Amount recorded in the quarterly consolidated statements of income (Note 2)
	Stationery and office supplies	Lifestyle products	Total		
Sales					
Sales to outside customers	18,211,987	10,569,826	28,781,813	–	28,781,813
Inter-segment net sales or transfers	70,391	226,372	296,763	(296,763)	–
Total	18,282,378	10,796,198	29,078,577	(296,763)	28,781,813
Segment profit	259,176	114,018	373,195	13,574	386,769

(Notes) 1. Adjustment of segment profit of ¥13,574 thousand is an adjustment, etc., associated with elimination of inter-segment transactions.

2. Segment profit is adjusted with operating profit in the quarterly consolidated statements of income.

2. Matters relating to changes in reportable segments etc.

From the three months ended September 20, 2024, the Company changed the name of what had been the “interior lifestyle business” to the “lifestyle products business.” In line with this, we have reviewed business management classifications and have reclassified Wincess Corporation, a consolidated subsidiary of the Company which had been included in the stationery and office supplies business, into the lifestyle products business.

Segment information for the nine months ended March 20, 2024 has been prepared based on the name and classification after the change.