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Consolidated Financial Results for the Three Months Ended September 20, 2026 (Under Japanese GAAP)

October 29, 2026

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
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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 three months ended September 20, 2026 (from June 21, 2026 to September 20, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 20, 2026	8,892	7.8	(38)	-	73	-	(30)	-
September 20, 2025	8,251	(6.1)	(213)	-	(135)	-	(298)	-

Note: Comprehensive income For the three months ended September 20, 2026: ¥ 285 million [63.8%]
For the three months ended September 20, 2025: ¥ 174 million [-%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
September 20, 2026	(1.07)	-
September 20, 2025	(10.63)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 20, 2026	37,406	26,293	70.1	930.61
June 20, 2026	37,352	26,232	70.0	928.46

Reference: Equity
As of September 20, 2026: ¥ 26,206 million
As of June 20, 2026: ¥ 26,145 million

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 20, 2026	-	7.00	-	8.00	15.00
Fiscal year ending June 20, 2027	-				
Fiscal year ending June 20, 2027 (Forecast)		7.00	-	8.00	15.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial result forecasts for the fiscal year ending June 20, 2027 (from June 21, 2026 to June 20, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	19,300	7.4	200	0.6	385	0.6	200	625.9	7.10
Full year	42,000	7.3	1,440	27.6	1,620	7.2	1,055	5.5	37.46

Note: Revisions to the financial result forecast most recently announced: 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: None
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)
   September 20, 2026: 31,459,692 shares
   June 20, 2026: 31,459,692 shares

2) Number of treasury shares at the end of the period
   September 20, 2026: 3,299,537 shares
   June 20, 2026: 3,299,537 shares

3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)
   Three months ended September 20, 2026: 28,160,155 shares
   Three months ended September 20, 2025: 28,126,176 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 three months ended September 20, 2026, the Japanese economy was on a moderate recovery track against the backdrop of improvements in the employment and income environment. However, in addition to rising import prices for crude oil and other commodities and persistently high prices, there were also concerns regarding the impact of exchange rate fluctuations and overseas conditions on economic activity, and the outlook remained uncertain.

Under these circumstances, KING JIM CO., LTD. (the "Company") has been implementing measures to achieve the goals of its 11th Medium-Term Management Plan (fiscal year ended 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." In the fiscal year ending June 20, 2027, the final year of the plan, as part of efforts to further strengthen its existing businesses, the Company will advance a development strategy of meeting the needs of workplaces and living in response to social changes, as well as a sales strategy of offering products through sales channels suited to the unique properties of customers and products. At the same time, the Company will continue to advance its three fundamental policies, namely, expansion into the service business, expansion of the lifestyle field centered on the Group companies, and strengthening of overseas business.

As for the consolidated business results for the three months ended September 20, 2026, net sales amounted to ¥8,892.91 million (up 7.8% year on year). In terms of profit, despite a decrease in the gross profit margin, losses narrowed on account of an increase in net sales and an improvement in the selling, general and administrative expenses ratio. As a result, operating loss amounted to ¥38.85 million (loss of ¥213.78 million in the same period of the previous fiscal year), ordinary profit was ¥73.00 million (loss of ¥135.26 million in the same period of the previous fiscal year), and loss attributable to owners of parent was ¥30.18 million (loss of ¥298.94 million in the same period of the previous fiscal year).

A. Stationery and office supplies business

Net sales amounted to ¥5,138.66 million (up 4.4% year on year) due to factors such as increased sales of stationery and growth in the overseas business. In terms of profit, the loss narrowed on account of an increase in net sales and improvements in the gross profit margin and the selling, general and administrative expenses ratio. As a result, operating loss amounted to ¥208.32 million (loss of ¥338.17 million in the same period of the previous fiscal year).

The main details for each domain are as follows.

In TEPRA, we launched TEPRA PRO "MARK" SR-MK2, a label printer that allows users to create labels from smartphones and PCs. As the successor to the SR-MK1, this model adds a PC support function and is equipped with a 360 dpi high-definition head equivalent to that of the top-of-the-line model in the TEPRA PRO series, and is designed to be used in a wide range of settings, from home to the office. Furthermore, by offering color options to suit different usage scenarios and combining design appeal with functionality, we will work to uncover new demand for TEPRA and expand the market. In addition, with the aim of creating demand for TEPRA in the industry market, we published feature articles on tips for using TEPRA on the websites of our sales partners related to electrical materials and tools.

In office and living environment products, we expanded the lineup of our disaster preparedness brand KOKOBO, and launched a foldable disaster preparedness bed that helps people rest in evacuation centers and other locations during disasters. In addition, against the backdrop of growing demand for disaster preparation and stockpiling, we worked to expand sales of disaster preparedness products through proposal activities targeting local governments and companies, participation in exhibitions, and other activities.

In stationery, for the fourth installment of KING MINI, a series of miniature versions of our products, we carried out the series' first collaboration, releasing items with dictionary motifs in partnership with three publishers: Iwanami Shoten, SANSEIDO, and TAISHUKAN. Furthermore, by developing JIM Mart, a playful stationery series featuring motifs of store staples such as rice balls and hot snacks sold at convenience stores, we advanced product development to meet diversifying needs by providing the "fun of collecting" and "fun of giving" in addition to the "fun of using."

In the EC business, sales at our own direct sales EC site showed growth, driven by accepting reservation orders for new products and introducing EC-original products such as TEPRA EC-exclusive colors, stickers, and stamps. In the Latuna business, we added to our product lineup to drive sales growth. We also made efforts to improve profitability by raising prices in line with higher purchase prices and reducing advertising expenses.

In the overseas business, sales in China remained strong, and sales in Vietnam and other ASEAN countries increased. In China, we continued to launch products from our original stationery brand KELITA series and actively launched products that capture market needs. As a result, net sales increased significantly. In other regions, we rolled out the English-compatible label printer TEPRA PRO SR-R5600GS in ASEAN countries, and promoted the development and cultivation of B-to-B distribution channels. In addition, we worked to expand sales of kitchen appliances by leveraging synergies of the Group. These factors, including strong sales in Taiwan and a decision to launch sales in South Korea, contributed to the growth of net sales.

B. Lifestyle products business

Net sales for the lifestyle products business were ¥3,754.24 million (up 12.8% year on year) partly due to the strong sales at Life on Products, Inc. and LADONNA CO., LTD. In terms of profit, despite a decrease in the gross profit margin, operating profit amounted to ¥161.04 million (up 33.9% year on year), on account of an increase in net sales and an improvement in the selling, general and administrative expenses ratio.

The main details for each subsidiary company are as follows.

At Life on Products, Inc., sales increased, driven by strong sales of summer products. In particular, the Mini Turbo Handy Fan contributed to sales thanks to its ability to deliver powerful airflow despite its compact size, as well as the effect of media exposure. In terms of profit, profit decreased slightly due to the recording of expenses associated with the start of operation of a retirement benefit plan.

At LADONNA CO., LTD., sales increased thanks to contributions from strong sales of microwave cooking appliances and OEM deliveries in its mainstay kitchen goods category, as well as robust performance in the direct sales EC business. In terms of profit, profit increased thanks to an improvement in the gross profit margin driven by the direct sales EC business, a decrease in mold amortization expenses, and the curbing of selling, general and administrative expenses.

At ASCA COMPANY, LTD., sales of flower materials were flat year on year, but greenery plants and ornamental plants continued to perform well, resulting in an increase in sales. In terms of profit, profit increased due to an increase in sales and the curbing of selling, general and administrative expenses.

At WINCESS CORPORATION, demand from the semiconductor- and electronic-components-related industries, its main purchasers, continued to remain at a high level, and sales of gloves for the electronic component industry grew. However, sales decreased due to the failure to win a large order for cotton gloves in the latter half of the previous fiscal year. In terms of profit, profit decreased, reflecting a shortfall in net sales, as well as a decline in the gross profit margin due to an increase in material prices and the weaker yen.

At BON FURNITURE CO., LTD., several measures contributed to sales, including expanded sales of lighting, its focus category, efforts to increase sales in the hometown tax payment market centered on finished-product services, and partnering with housing supply companies to expand B-to-B sales channels. However, difficult conditions persisted due to rising delivery costs for large products and increased competition, and sales decreased. In terms of profit, performance was on an improving trend, driven by an improvement in the gross profit margin due to the review of its pricing policies and the curbing of discounts, as well as the effects of a reduction in storage costs through logistics reorganization.

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

Total assets as of September 20, 2026 increased by ¥54.75 million from the end of the previous fiscal year to ¥37,406.83 million. This is mainly attributable to increases in merchandise and finished goods and investment securities, despite a decrease in accounts receivable - trade.

Total liabilities decreased by ¥5.88 million from the end of the previous fiscal year to ¥11,113.51 million. This is mainly attributable to a decrease in income taxes payable, despite an increase in short-term borrowings due to working capital needs.

Total net assets increased by ¥60.63 million from the end of the previous fiscal year to ¥26,293.32 million. This is mainly attributable to an increase in valuation difference on available-for-sale securities, despite a decrease in retained earnings due to the payment of year-end dividends for the 78th fiscal year and the posting of loss attributable to owners of parent.

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

We have not revised the consolidated financial results forecasts announced on July 30, 2026.

2.Quarterly Consolidated Financial Statements and Primary Notes

(1)Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of June 20, 2026	As of September 20, 2026
Assets		
Current assets		
Cash and deposits	6,832,976	6,760,915
Notes receivable - trade	195,956	605,338
Accounts receivable - trade	5,405,640	3,611,545
Merchandise and finished goods	9,232,373	10,227,675
Work in process	349,684	362,202
Raw materials and supplies	1,399,888	1,610,542
Other	890,170	815,591
Allowance for doubtful accounts	(1,223)	(1,021)
Total current assets	24,305,467	23,992,788
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,453,964	6,449,233
Accumulated depreciation	(4,504,984)	(4,534,054)
Buildings and structures, net	1,948,979	1,915,179
Machinery, equipment and vehicles	3,849,137	3,845,368
Accumulated depreciation	(3,583,344)	(3,593,213)
Machinery, equipment and vehicles, net	265,792	252,155
Land	1,570,022	1,570,022
Construction in progress	117,566	133,522
Other	3,247,537	3,227,339
Accumulated depreciation	(2,960,357)	(2,956,067)
Other, net	287,179	271,272
Total property, plant and equipment	4,189,540	4,142,151
Intangible assets		
Goodwill	575,224	534,137
Other	1,071,477	1,053,769
Total intangible assets	1,646,702	1,587,907
Investments and other assets		
Investment securities	4,103,598	4,563,676
Retirement benefit asset	2,395,627	2,451,231
Deferred tax assets	216,289	188,538
Other	496,133	482,138
Allowance for doubtful accounts	(1,272)	(1,592)
Total investments and other assets	7,210,375	7,683,991
Total non-current assets	13,046,618	13,414,050
Total assets	37,352,086	37,406,839

(Thousands of yen)

	As of June 20, 2026	As of September 20, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,311,242	1,551,163
Short-term borrowings	3,500,000	3,740,000
Current portion of long-term borrowings	437,806	599,233
Income taxes payable	388,614	108,811
Accounts payable - other	726,973	647,150
Contract liabilities	58,509	32,994
Provision for bonuses for directors (and other officers)	11,839	1,000
Provision for shareholder benefit program	42,167	42,167
Asset retirement obligations	15,000	-
Other	1,184,228	986,376
Total current liabilities	7,676,381	7,708,895
Non-current liabilities		
Long-term borrowings	862,676	646,083
Deferred tax liabilities	1,504,450	1,623,317
Retirement benefit liability	549,291	612,641
Asset retirement obligations	49,315	49,288
Other	477,277	473,284
Total non-current liabilities	3,443,010	3,404,615
Total liabilities	11,119,391	11,113,511
Net assets		
Shareholders' equity		
Share capital	1,978,690	1,978,690
Capital surplus	1,717,704	1,717,704
Retained earnings	22,198,821	21,943,358
Treasury shares	(2,917,261)	(2,917,261)
Total shareholders' equity	22,977,955	22,722,492
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,909,244	2,223,472
Deferred gains or losses on hedges	2,471	(3,390)
Foreign currency translation adjustment	875,430	883,955
Remeasurements of defined benefit plans	380,504	379,710
Total accumulated other comprehensive income	3,167,651	3,483,747
Share acquisition rights	87,088	87,088
Total net assets	26,232,694	26,293,328
Total liabilities and net assets	37,352,086	37,406,839

(2)Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income(For the three months)

(Thousands of yen)

	For the three months ended September 20, 2025	For the three months ended September 20, 2026
Net sales	8,251,473	8,892,915
Cost of sales	5,035,836	5,476,331
Gross profit	3,215,636	3,416,584
Selling, general and administrative expenses	3,429,424	3,455,443
Operating loss	(213,787)	(38,859)
Non-operating income		
Interest income	3,175	4,095
Dividend income	68,798	62,407
Foreign exchange gains	-	15,221
Rental income	37,254	37,329
Other	27,031	27,193
Total non-operating income	136,259	146,247
Non-operating expenses		
Interest expenses	18,455	20,007
Foreign exchange losses	26,084	-
Rental costs	12,607	12,771
Other	593	1,605
Total non-operating expenses	57,741	34,384
Ordinary profit (loss)	(135,269)	73,004
Extraordinary income		
Gain on sale of non-current assets	-	14
Total extraordinary income	-	14
Extraordinary losses		
Loss on sale of non-current assets	139	-
Loss on retirement of non-current assets	90	57
Extra retirement payments	20,102	-
Total extraordinary losses	20,332	57
Profit (loss) before income taxes	(155,602)	72,961
Income taxes - current	98,641	99,096
Income taxes - deferred	(60,958)	4,047
Income taxes for prior periods	105,657	-
Total income taxes	143,340	103,143
Loss	(298,942)	(30,181)
Loss attributable to owners of parent	(298,942)	(30,181)

Quarterly Consolidated Statement of Comprehensive Income (For the three months)

(Thousands of yen)

	For the three months ended September 20, 2025	For the three months ended September 20, 2026
Loss	(298,942)	(30,181)
Other comprehensive income		
Valuation difference on available-for-sale securities	426,347	314,228
Deferred gains or losses on hedges	(2,292)	(5,862)
Foreign currency translation adjustment	62,936	8,524
Remeasurements of defined benefit plans, net of tax	(13,532)	(793)
Total other comprehensive income	473,459	316,096
Comprehensive income	174,516	285,914
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	174,516	285,914

(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 statements of cash flows)

Quarterly consolidated statements of cash flows have not been prepared for the three months ended September 20, 2026. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the three months ended September 20 are as follows.

(Thousands of yen)

	For the three months ended September 20, 2025	For the three months ended September 20, 2026
Depreciation	151,345	142,505
Amortization of goodwill	41,087	41,087

(Notes on segment information, etc.)

Segment information

1. For the three months ended September 20, 2025 (June 21, 2025 to September 20, 2025)

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	4,922,836	3,328,637	8,251,473	–	8,251,473
Inter-segment net sales or transfers	63,093	24,424	87,518	(87,518)	–
Total	4,985,930	3,353,061	8,338,991	(87,518)	8,251,473
Segment profit (loss)	(338,173)	120,255	(217,918)	4,130	(213,787)

(Notes) 1. Adjustment of segment profit (loss) of ¥4,130 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 three months ended September 20, 2026 (June 21, 2026 to September 20, 2026)

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	5,138,668	3,754,247	8,892,915	–	8,892,915
Inter-segment net sales or transfers	37,462	15,420	52,882	(52,882)	–
Total	5,176,131	3,769,667	8,945,798	(52,882)	8,892,915
Segment profit (loss)	(208,326)	161,046	(47,280)	8,421	(38,859)

(Notes) 1. Adjustment of segment profit (loss) of ¥8,421 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.