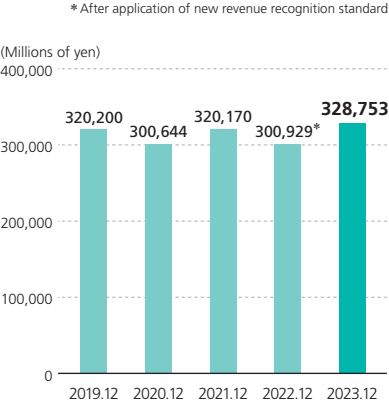


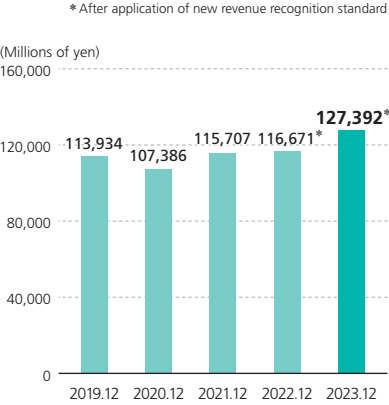
Financial and Non-Financial Highlights

Financial Highlights (Consolidated)

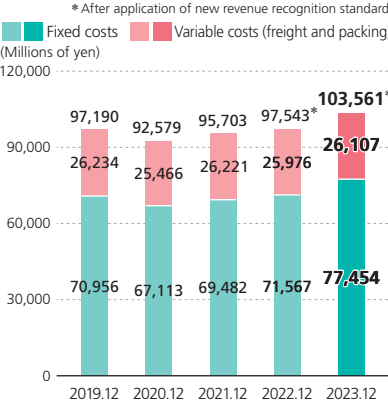
Net sales



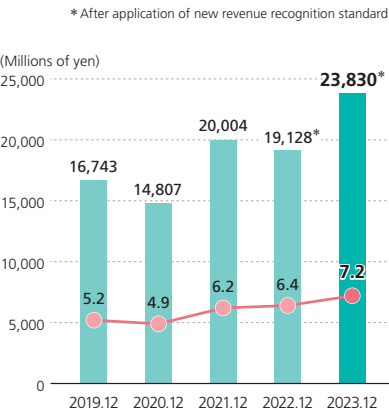
Gross profit



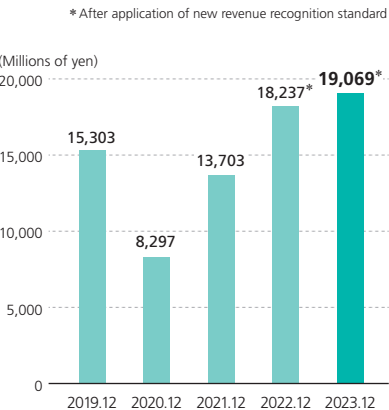
Selling, general and administrative expenses



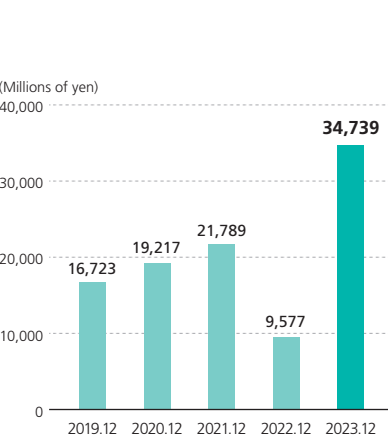
Operating income, Operating income ratio



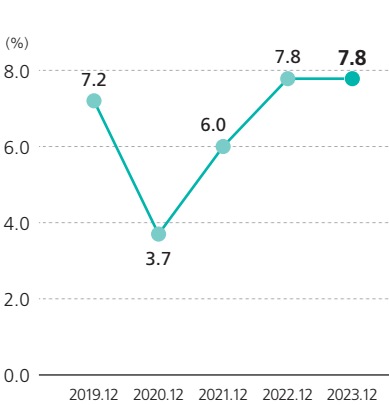
Net income attributable to owners of parent



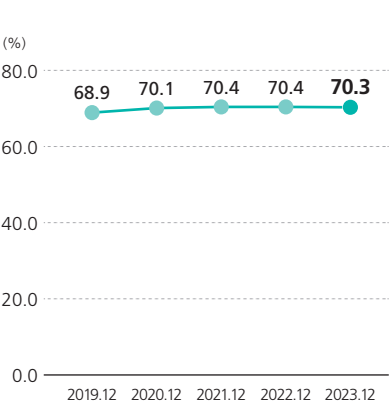
Cash flows from operating activities



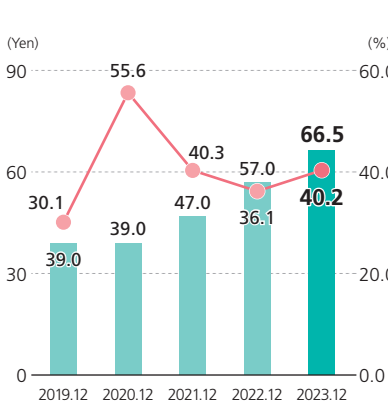
Return on equity



Equity ratio

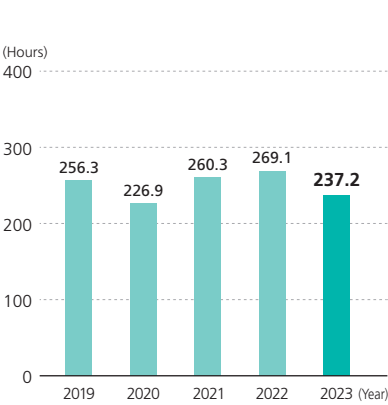


Payout ratio, dividend per share



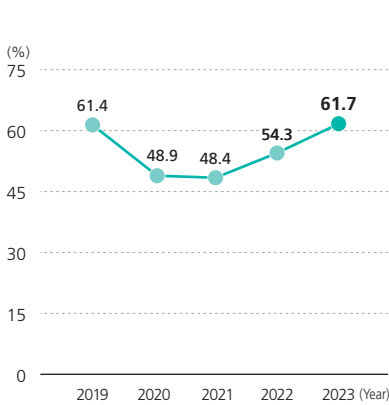
Non-Financial Highlights (Consolidated)

Annual overtime



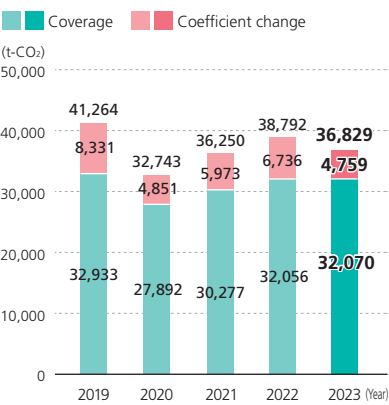
* The five main group companies are: Kokuyo Co., Ltd., Kaunet Co., Ltd., Kokuyo Marketing Co., Ltd., Kokuyo Supply Logistics Co., Ltd., and Kokuyo Logitem Co., Ltd.

Paid leave uptake rate



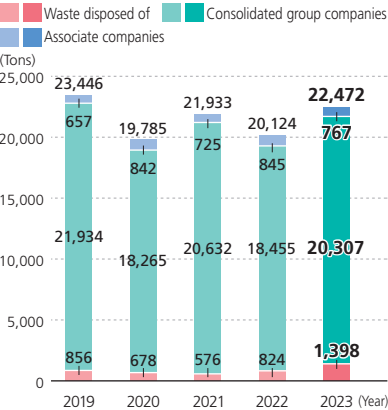
* The five main group companies are: Kokuyo Co., Ltd., Kaunet Co., Ltd., Kokuyo Marketing Co., Ltd., Kokuyo Supply Logistics Co., Ltd., and Kokuyo Logitem Co., Ltd.

CO₂ emissions

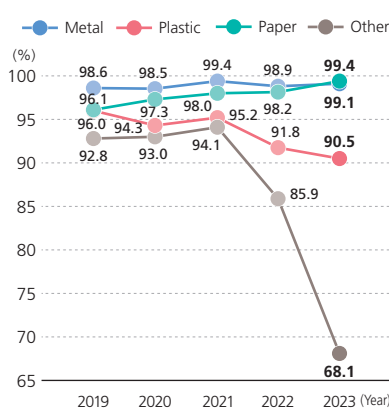


* Coverage: Kokuyo Co., Ltd., 34 consolidated subsidiaries, six non-consolidated affiliates

Amount of waste recycled versus amount of waste disposed of

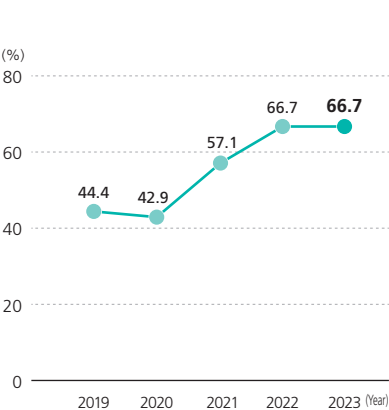


Recycling percentage by waste category



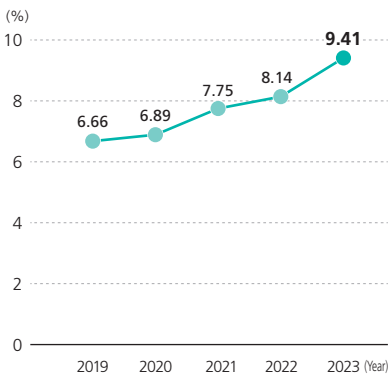
* The sharp drop in recycling of "other" waste reflects the increase in number of consolidated subsidiaries.

Percentage of board members who are outside directors

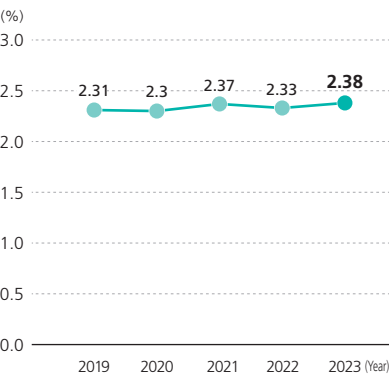


(As of March 30)

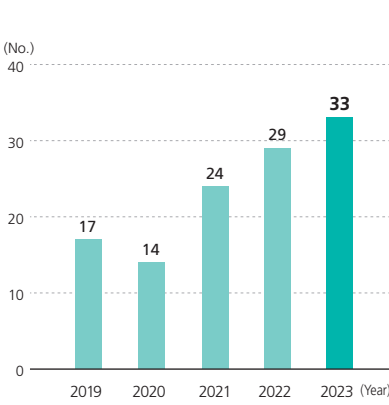
Percentage of management posts held by women



Percentage of employees who have a disability



No. of third-party accolades



* Third-party accolades: iF Design Award, Red Dot Award, Good Design Award, Kukan Design Award

Eleven-Year Summary

	2013.12	2014.12	2015.12	2016.12	2017.12	2018.12	2019.12	2020.12	2021.12	2022.12	2023.12
For the year (Millions of yen):											
Net sales	288,083	293,054	304,276	307,625	315,622	315,155	320,200	300,644	320,170	300,929	328,753
Gross profit	93,408	96,450	101,009	105,465	110,126	112,630	113,934	107,386	115,707	116,671	127,392
Selling, general and administrative expenses	86,981	88,851	89,906	90,026	92,535	94,334	97,190	92,579	95,703	97,543	103,561
Operating income	6,426	7,598	11,102	15,438	17,591	18,296	16,743	14,807	20,004	19,128	23,830
Net income attributable to owners of parent	4,804	5,065	6,312	12,182	15,000	14,231	15,303	8,297	13,703	18,237	19,069
Capital expenditure	5,876	7,386	6,962	6,879	5,396	5,458	5,588	7,459	7,434	6,677	7,288
Depreciation	6,917	7,138	7,167	6,480	6,483	6,335	6,075	6,119	6,898	6,926	7,485
Cash flows from operating activities	10,921	15,882	12,054	23,725	17,500	20,880	16,723	19,217	21,789	9,577	34,739
Cash flows from investing activities	(2,190)	(702)	(3,186)	784	(1,660)	(2,427)	(9,693)	(6,111)	2,563	(3,320)	(3,798)
Cash flows from financing activities	(7,560)	(9,106)	(5,616)	(3,919)	(14,636)	(4,585)	(5,829)	(5,946)	(15,059)	(8,991)	(14,442)
At year-end (Millions of yen):											
Total assets	270,738	273,772	284,807	292,793	303,646	304,748	318,416	320,296	324,576	337,538	358,412
Total liabilities	105,081	103,419	104,014	104,753	99,153	94,738	97,136	93,960	94,470	97,920	104,985
Interest-bearing debt	31,911	25,898	24,299	23,687	13,759	13,893	13,201	12,965	9,320	9,467	9,238
Net assets	165,656	170,352	180,793	188,040	204,493	208,962	221,279	226,335	230,105	239,617	253,426
Non-controlling interests	2,040	2,078	1,821	1,767	1,891	1,800	1,865	1,719	1,635	1,873	1,585
Equity	163,616	168,274	178,972	186,272	202,602	207,161	219,414	224,616	228,470	237,744	251,841
Per share data (yen):											
Basic net income (loss)	40.62	42.83	53.37	103.01	126.83	120.34	129.39	70.13	116.76	157.78	165.60
Cash dividends applicable to the year	15.00	15.00	17.50	22.00	29.00	32.00	39.00	39.00	47.00	57.00	66.50
Net assets	1,383.34	1,422.75	1,513.23	1,574.99	1,713.11	1,751.69	1,854.91	1,898.42	1,967.60	2,058.11	2,209.32
Ratios (%):											
Operating income ratio	2.2	2.6	3.6	5.0	5.6	5.8	5.2	4.9	6.2	6.4	7.2
Gross profit ratio	32.4	32.9	33.2	34.3	34.9	35.7	35.6	35.7	36.1	38.8	38.8
Selling, general and administrative expenses ratio	30.2	30.3	29.5	29.3	29.3	29.9	30.4	30.8	29.9	32.4	31.5
Return on equity	3.1	3.1	3.6	6.7	7.7	6.9	7.2	3.7	6.0	7.8	7.8
Return on assets	1.8	1.9	2.3	4.2	5.0	4.7	4.9	2.6	4.2	5.5	5.5
Equity ratio	60.4	61.5	62.5	63.4	66.4	68.2	68.9	70.1	70.4	70.4	70.3
Debt-to-equity ratio (multiple)	0.2	0.15	0.14	0.13	0.07	0.07	0.06	0.06	0.04	0.04	0.04
Payout ratio	36.9	35.0	32.8	21.4	22.9	26.6	30.1	55.6	40.3	36.1	40.2

Consolidated Balance Sheets

	2018.12	2019.12	2020.12	2021.12	2022.12	2023.12
(Millions of yen)						
Assets						
Current assets	184,216	187,640	189,182	203,154	215,001	230,157
Cash and deposits	76,718	65,565	65,785	70,688	68,467	85,533
Notes and accounts receivable-trade and contract assets	63,440	64,672	62,680	63,913	68,997	68,551
Securities	7,797	18,498	24,998	30,604	29,996	30,086
Merchandise and finished goods	26,183	28,949	26,246	27,362	31,822	31,458
Work in process	1,828	1,468	1,673	2,031	2,394	2,177
Raw materials and supplies	3,736	3,676	3,421	3,853	5,789	6,082
Other	4,621	4,915	4,512	4,814	7,639	6,358
Allowance for doubtful accounts	(108)	(104)	(135)	(114)	(106)	(91)
Non-current assets	119,483	130,776	131,114	121,421	122,537	128,254
Property, plant and equipment	61,014	59,927	58,547	59,577	61,105	61,542
Buildings and structures, net	19,468	18,716	18,229	21,053	20,569	21,360
Machinery, equipment and vehicles, net	5,624	5,464	5,380	5,279	6,399	6,814
Land	31,731	31,595	29,997	28,814	28,298	28,305
Construction in progress	179	415	1,285	312	710	290
Other, net	4,010	3,735	3,654	4,117	5,126	4,770
Intangible assets	7,489	7,544	7,402	7,260	16,505	16,614
Goodwill	176	143	105	86	5,316	5,416
Software	4,538	4,841	5,530	5,372	5,339	5,263
Other	2,774	2,559	1,766	1,801	5,849	5,934
Investments and other assets	50,979	63,303	65,164	54,584	44,926	50,098
Investment securities	43,486	54,670	55,533	45,040	35,574	40,112
Long-term loans receivable	100	91	191	305	332	350
Retirement benefit asset	2,968	4,218	4,749	4,766	4,002	4,559
Deferred tax assets	272	366	400	479	800	721
Other	4,660	4,043	4,364	4,166	4,589	4,708
Allowance for doubtful accounts	(509)	(85)	(75)	(173)	(373)	(354)
Total assets	303,700	318,416	320,296	324,576	337,538	358,412

	2018.12	2019.12	2020.12	2021.12	2022.12	2023.12
(Millions of yen)						
Liabilities						
Current liabilities	74,345	77,004	76,291	77,487	79,494	91,281
Notes and accounts payable - trade	51,594	53,792	51,469	52,475	53,971	55,157
Short-term loans payable	5,326	4,726	4,602	4,081	4,329	4,238
Current portion of long-term loans payable	87	86	3,148	120	138	5,000
Income taxes payable	2,480	3,685	1,187	5,976	818	6,548
Provision for bonuses	770	780	740	807	1,158	979
Other	14,084	13,932	15,144	14,025	19,077	19,357
Non-current liabilities	20,394	20,132	17,668	16,983	18,426	13,704
Long-term loans payable	8,480	8,389	5,215	5,119	5,000	—
Long-term guarantee deposited	5,880	5,567	5,497	5,375	5,450	5,257
Provision for loss on business of subsidiaries and associates	—	—	—	28	20	14
Retirement benefit liability	74	83	79	77	82	83
Deferred tax liabilities	3,128	3,520	4,764	3,865	4,732	5,631
Other	2,830	2,571	2,112	2,516	3,141	2,717
Total liabilities	94,738	97,136	93,960	94,470	97,920	104,985
Net assets						
Shareholders' equity	191,680	202,943	206,551	211,517	222,532	232,455
Capital	15,847	15,847	15,847	15,847	15,847	15,847
Capital surplus	18,099	18,105	18,109	18,127	18,127	18,136
Retained earnings	172,090	183,313	186,877	195,747	207,772	210,677
Treasury shares	(14,355)	(14,322)	(14,282)	(18,204)	(19,215)	(12,206)
Accumulated other comprehensive income	15,480	16,470	18,064	16,953	15,212	19,386
Valuation difference on available-for-sale securities	14,391	14,480	16,477	14,314	13,109	15,912
Deferred gains or losses on hedges	4	26	(13)	4	(34)	(22)
Foreign currency translation adjustment	866	789	176	1,314	1,755	2,905
Remeasurements of defined benefit plans	218	1,174	1,424	1,319	380	590
Non-controlling interests	1,800	1,865	1,719	1,635	1,873	1,585
Total net assets	208,962	221,279	226,335	230,105	239,617	253,426
Total liabilities and net assets	303,700	318,416	320,296	324,576	337,538	358,412

Consolidated Statements of Income

	2018.12	2019.12	2020.12	2021.12	2022.12	2023.12
Net sales	315,155	320,200	300,644	320,170	300,929	328,753
Cost of sales	202,524	206,265	193,257	204,462	184,258	201,360
Gross profit	112,630	113,934	107,386	115,707	116,671	127,392
Selling, general and administrative expenses	94,334	97,190	92,579	95,703	97,543	103,561
Operating income	18,296	16,743	14,807	20,004	19,128	23,830
Non-operating income	2,295	2,711	1,950	3,045	2,853	2,924
Interest income	103	94	77	105	131	159
Dividend income	815	1,366	685	742	735	757
Real estate rent	972	961	959	926	879	839
Share of profit of entities accounted for using equity method	71	66	—	—	570	223
Foreign exchange gains	—	—	19	999	162	452
Other	332	221	209	272	373	492
Non-operating expenses	1,413	1,256	2,584	6,634	820	765
Interest expenses	257	249	213	174	183	194
Rent expenses on real estates	256	237	233	209	196	199
Loss on abandonment of non-current assets	42	44	77	301	178	52
Nonrecoverable tax	—	86	58	324	104	11
Other	856	638	2,001	5,624	158	308
Ordinary income	19,178	18,198	14,173	16,415	21,161	25,989
Extraordinary income	1,080	4,114	688	6,467	2,487	2,042
Gain on change in equity	—	—	—	—	33	—
Gain on sales of investment securities	—	2,980	—	3,597	1,946	1,944
Gain on sales of non-current assets	—	1,133	525	2,856	376	77
Reversal of allowance for doubtful accounts	—	—	—	13	13	6
Reversal of provision for loss on business of subsidiaries and associates	—	—	—	—	8	6
Subsidy income	—	—	—	—	108	—
Gain on reversal of asset retirement obligations	—	—	—	—	—	8
Other	1,080	—	163	—	—	—
Extraordinary losses	44	689	2,519	1,082	477	238
Provision for dismantling of non-current assets	—	—	—	—	186	—
Impairment loss	25	347	2,479	5	30	112
Loss on valuation of investment securities	—	—	—	6	63	14
Provision of allowance for doubtful accounts	—	—	—	100	140	25
Loss on valuation of shares of subsidiaries and associates	—	—	—	827	55	—
Costs for addressing system malfunction	—	—	—	—	—	86
Other	18	339	39	142	—	—
Net income before income taxes	20,214	21,623	12,342	21,800	23,171	27,793
Income taxes - current	4,938	6,456	3,772	7,923	3,808	8,706
Income taxes - deferred	975	(220)	337	70	941	(189)
Total income taxes	5,913	6,235	4,109	7,993	4,750	8,517
Net income	14,301	15,387	8,233	13,806	18,421	19,276
Net income (loss) attributable to non-controlling interests	69	83	(64)	103	184	206
Net income attributable to owners of parent	14,231	15,303	8,297	13,703	18,237	19,069

Consolidated Statements of Cash Flows

	2018.12	2019.12	2020.12	2021.12	2022.12	2023.12
Cash flows from operating activities	20,880	16,723	19,217	21,789	9,577	34,739
Net income before income taxes	20,214	21,623	12,342	21,800	23,171	27,793
Depreciation	6,335	6,075	6,119	6,898	6,926	7,485
Impairment loss	25	347	2,479	5	30	112
Amortization of goodwill	30	29	27	27	176	605
Increase (decrease) in allowance for doubtful accounts	13	(356)	25	64	129	(42)
Increase (decrease) in provision for bonuses	24	10	(39)	65	73	(199)
Increase (decrease) in retirement benefit asset	(90)	139	(82)	(335)	(460)	(240)
Increase (decrease) in provision for loss on business of subsidiaries and associates	—	—	—	28	(8)	(6)
Provision for dismantling of non-current assets	—	—	—	—	186	—
Interest and dividend income	(919)	(1,461)	(762)	(847)	(867)	(917)
Interest expenses	257	249	213	174	183	194
Share of loss (profit) of entities accounted for using equity method	(71)	(66)	1,604	5,202	(570)	(223)
Loss (gain) on sales of non-current assets	(3)	(1,140)	(537)	(2,858)	(372)	(81)
Loss on abandonment of non-current assets	42	44	77	301	178	52
Loss (gain) on sales of investment securities	(0)	(2,802)	(2)	(3,405)	(1,947)	(1,960)
Loss (gain) on valuation of investment securities	—	—	—	6	63	14
Loss on valuation of shares of subsidiaries and associates	—	—	—	827	55	—
Subsidy income	—	—	—	—	(108)	—
Costs for addressing system malfunction	—	—	—	—	—	86
Gain on reversal of asset retirement obligations	—	—	—	—	—	(8)
Decrease (increase) in notes and accounts receivable - trade	1,882	(889)	1,958	(790)	(1,387)	592
Decrease (increase) in inventories	(1,208)	(2,512)	2,494	(1,280)	(5,690)	931
Increase in notes and accounts payable - trade	(790)	2,285	(2,232)	686	104	951
Other	(142)	(867)	1,217	(2,324)	(919)	1,049
Subtotal	25,600	20,708	24,904	24,247	18,948	36,189
Interest and dividend income received	992	1,519	811	860	872	908
Interest expenses paid	(248)	(261)	(215)	(161)	(231)	(199)
Income taxes paid	(5,464)	(5,242)	(6,282)	(3,157)	(10,011)	(2,078)
Paid costs for addressing system malfunction	—	—	—	—	—	(81)
Cash flows from investing activities	(2,427)	(9,693)	(6,111)	2,563	(3,320)	(3,798)
Net decrease (increase) in time deposits	(79)	286	(107)	115	(2)	(258)
Purchase of property, plant and equipment	(2,406)	(2,496)	(4,315)	(3,988)	(3,263)	(4,373)
Proceeds from sales of property, plant and equipment	7	1,285	758	4,164	1,130	781
Expenditure for dismantling of non-current assets	—	—	—	—	(120)	—
Purchase of intangible assets	(1,692)	(2,354)	(2,312)	(2,050)	(2,264)	(1,976)
Proceeds from sales of non-current intangible assets	—	—	—	—	9	2
Purchase of investment securities	(27)	(526)	(261)	(153)	(139)	(4)
Proceeds from sales and redemption of investment securities	1,593	6,882	514	5,646	2,092	4,041
Purchase of shares of subsidiaries and associates	—	(2,928)	(227)	(917)	(87)	—
Proceeds from sales of shares of subsidiaries and associates	—	—	211	—	7,962	—
Purchase of shares in non-consolidated subsidiaries	—	—	—	—	—	(686)
Purchase of shares resulting in changes in scope of consolidation	—	(9,934)	—	—	(8,464)	—
Net decrease (increase) in short-term loans receivable	16	15	15	(50)	77	(63)
Collection of long-term loans receivable	19	155	3	6	6	3
Subsidy received	—	—	—	—	108	—
Payments for acquisition of businesses	—	—	—	—	—	(720)
Other	142	(78)	(390)	(208)	(366)	(543)
Cash flows from financing activities	(4,585)	(5,829)	(5,946)	(15,059)	(8,991)	(14,442)
Net increase (decrease) in short-term loans payable	85	(567)	(7)	(586)	197	(160)
Repayments of lease obligations	(1,213)	(1,100)	(1,138)	(1,254)	(1,250)	(1,488)
Proceeds from long-term loans payable	354	—	—	—	—	—
Repayments of long-term loans payable	(88)	(88)	(76)	(3,128)	(1,751)	(138)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	—	—	(270)	—	(509)
Share buybacks	(4)	(2)	(1)	(3,956)	(1,048)	(3,358)
Decrease (increase) in cash segregated as deposits for share buybacks	—	—	—	(1,042)	1,042	(1,685)
Cash dividends paid	(3,717)	(4,070)	(4,722)	(4,820)	(6,181)	(7,078)
Dividends paid to non-controlling interests	—	—	—	—	—	(22)
Effect of exchange rate change on cash and cash equivalents	(162)	(69)	(38)	703	510	311
Net increase (decrease) in cash and cash equivalents	13,704	1,131	7,121	9,997	(2,223)	16,810
Cash and cash equivalents at beginning of period	68,620	82,324	83,456	90,577	100,575	98,351
Cash and cash equivalents at end of period	82,324	83,456	90,577	100,575	98,351	115,161

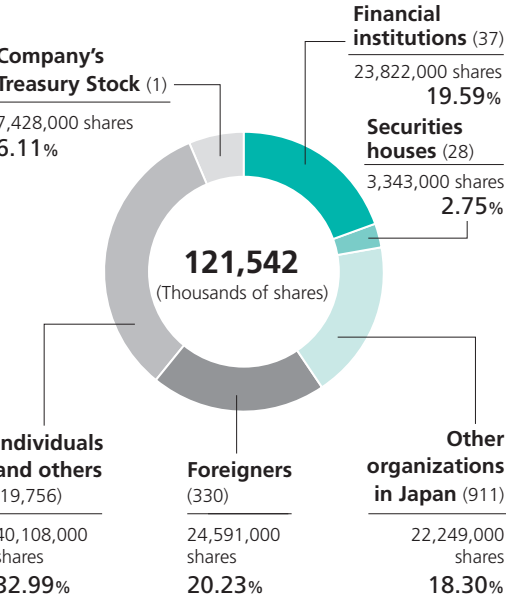
Stock Information (As of December 31, 2023)

Principal Shareholders

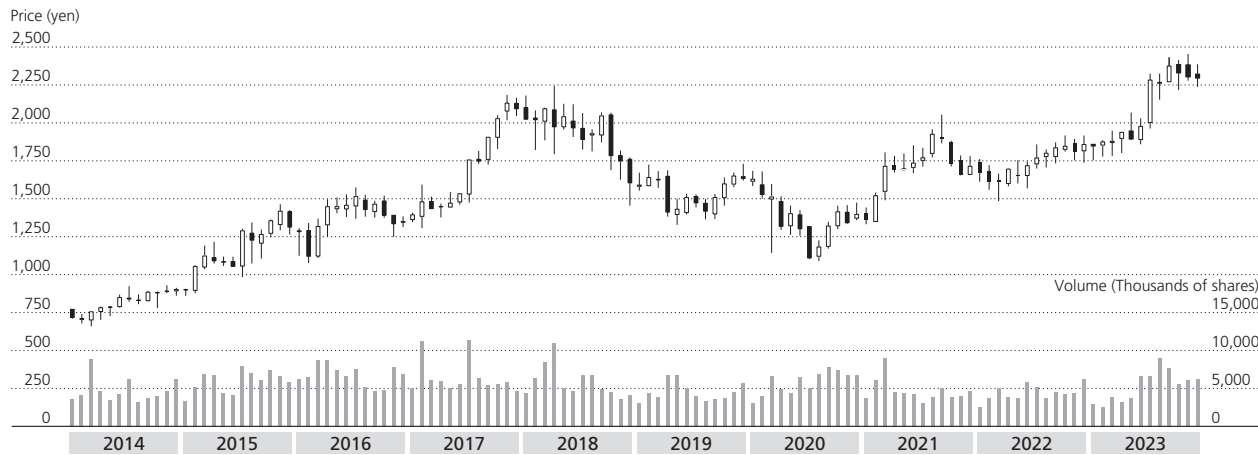
Name	Number of shares held (Thousands of shares)	Ratio of shareholding (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	12,211	10.70
KOKUYO Kyoeikai Association	9,818	8.60
Kuroda & Sons Co., Ltd.	4,331	3.80
Kuroda Afforestation Promotion Corporation Donation	3,603	3.16
Custody Bank of Japan, Ltd. (Trust account)	3,439	3.01
KOKUYO Kyowa Association	3,017	2.64
Akihiro Kuroda	1,959	1.72
Yasuhiro Kuroda	1,633	1.43
Koji Kuroda	1,631	1.43
State Street Bank and Trust Company 505001	1,629	1.43
Total	43,275	37.92

* The above list of principal shareholders excludes Kokuyo, which holds treasury shares.
* "Ratio of shareholding" indicates the percentage share of outstanding stock (which does not include treasury shares).

Breakdown of Shareholders by Number of Shares Held



Stock Price and Volume by Year



Total shareholder return

Performance period	3 year	5 year	10 year
Kokuyo	176.4%	158.4%	344.7%
TOPIX (with dividend)	141.1%	178.9%	227.8%

*Total shareholder return (TSR) indicates the total amount shareholders gain from their investment, factoring in capital gains and dividends. TSR for each performance period as of the end of FY2023 was calculated using the formula specified by Cabinet Order. "3 year" means the TSR for an investment whose performance period began at the end of FY2020, "5 year" means the TSR for an investment whose performance period began at the end of FY2018, and "10 year" means the TSR for an investment whose performance period began at the end of FY2013.

Dividend, payout ratio, dividend on equity (DOE)

Fiscal year	Dividend (yen)	Payout ratio (%)	Dividend on equity (DOE) (%)
2023	66.5	40.2	3.1
2022	57.0	36.1	2.8
2021	47.0	40.3	2.4
2020	39.0	55.6	2.1
2019	39.0	30.1	2.2
2018	32.0	26.6	1.9
2017	29.0	22.9	1.8
2016	22.0	21.4	1.4
2015	17.5	32.8	1.2
2014	15.0	35.0	1.1

Corporate Data (As of December 31, 2023)

Company name	KOKUYO Co., Ltd.	
Representative	Hidekuni Kuroda	
Head office	6-1-1 Oimazato-minami, Higashinari-ku, Osaka-shi, Osaka 537-8686, Japan	
Established	October 1905	
Capital	15.8 billion yen	
Number of employees	6,931(consolidated) / 2,142 (parent company)	
Business description	Stationery manufacturing, purchasing and sales; office furniture manufacturing, purchasing and sales; space design and consultation, etc.	
Business / production sites	Head office	6-1-1 Oimazato-minami, Higashinari-ku, Osaka-shi, Osaka 537-8686, Japan
	Osaka Umeda Office	Floor 12, Tower C, Knowledge Capital, Grand Front Osaka, 3-1 Ohfuka-cho, Kita-ku, Osaka-shi, Osaka 530-0011, Japan
	Tokyo Shinagawa office (THE CAMPUS)	1-8-35 Konan, Minato-ku, Tokyo, 108-8710, Japan
	Tokyo Kasumigaseki Office	Floor 18, Kasumigaseki Building, 3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo, 100-6018, Japan
	Nagoya Office	Floor 36, JP Tower Nagoya, Meieki, Nakamura-ku, Nagoya-shi, Aichi, 450-0002, Japan
	Mie Plant	2012 Nishitawara, Nabari-shi, Mie, 518-0609, Japan
	Shibayama Plant	Shibayama No.2 Industrial Estate, 3155-4 Ohdai, Shibayama-machi, Sanbu-gun, Chiba, 289-1605, Japan
	Business areas	Tokyo, Osaka
	Production areas	Mie, Chiba, Shiga, Tottori
Overseas business / production areas	China, Thailand, Malaysia, Vietnam, India, Indonesia	

Shareholder benefit program (as of December 31, 2023)

We provide a shareholder benefit program to give shareholders a better understanding of our businesses and of the products and services we deliver.

In December 2022, we added an option to make a charitable donation so that shareholders can support our efforts to address material issues. The program is available to shareholders in the shareholder registry holding at least 5 units (500 shares) as of the end of December. If you are eligible, please select option A, B, or C.

Shareholder benefits	Eligible shareholders	
	Shareholders holding between 500 and 999 shares	Shareholders holding at least 1,000 shares
A. Receive a Kokuyo gift pack	Worth 4,000 yen	Worth 7,000 yen
B. Donate to a cause related to the material issue (materiality) of improving Wellbeing among employees and external stakeholders.	4,000 yen	7,000 yen
C. Donate to a cause related to the material issue (materiality) of safeguarding the planet as a place for work and life	4,000 yen	7,000 yen

https://www.kokuyo.co.jp/ir/shareholder/benefit_program.html

KOKUYO

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