LION OFFICE PRODUCTS (423A TSE Standard) **October 23, 2025**

Conducts the manufacture and sales of stationery and office supplies, design and construction of office space and support for ICT equipment introduction

This report is an English translation of part of the report issued on October 21, 2025.
For inquiries concerning the report, please contract info@stock-r.org

【423A LION OFFICE PRODUCTS Sector : Wholesale Trade】

Fiscal Year		Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Sep. 2023		33,021	-2.7	1,012	23.4	1,110	6.1	809	12.7	27.1	357.1	3.0
Sep. 2024		34,894	5.7	1,089	7.6	1,168	5.3	762	-5.8	25.5	382.5	3.0
Sep. 2025	f	36,555	4.8	1,126	3.3	1,212	3.8	816	7.1	27.4	-	5.0

Note: Consolidated basis.Figures for the fiscal year ending September 2025 is the company's forecasts.

Offers Comprehensive Support for Office Environment Setup

LION OFFICE PRODUCTS is a comprehensive office solutions company that manufactures and sells stationery and office supplies, furniture and equipment. The company is an equity-method affiliate of Otsuka Corporation.

For fiscal year ended September 2024, the retail business accounted for 42.4% of net sales, the enterprise business for 32.3% and the education and culture business for 25.2%. Sales from the e-commerce business, which are counted within the retail, enterprise and education and culture business units, collectively accounted for 7.9% of net sales.

1) Retail Business

The retail business is the group’s core business that sells stationery and office supplies to its primary customers, which are retail and wholesale stores around the country. This also includes transactions involving direct sales to entities such as government agencies. While the focus had previously been on stationery sales, office environment diversification and IT advancement have led to an increase in products, including office furniture and equipment and ICT-related products.

2) Enterprise Business

Through the enterprise business, the company primarily sells stationery and office supplies, furniture and equipment to large corporations. Sales channels primarily comprise direct sales by the company as well as wholesale product supply to Otsuka Corporation and other partner companies.

3) Education and Culture Business

Through local governments and boards of education, the education and culture business mainly provides ICT equipment such as computers and tablets, along with maintenance services, to public elementary and junior high schools, primarily through bidding.

In line with the promotion of the GIGA School Program, the deployment of one device per student progressed, resulting in a sharp increase in the company's net sales in fiscal year ended September 2021.

4) E-commerce Business

Through the NAVILION e-commerce platform, the company sells approximately 450,000 items, including stationery, office supplies and consumable goods, to corporate customers.

LION OFFICE PRODUCTS (423A TSE Standard) October 23, 2025

Financial Statements

Statement of income	Fiscal Year	Sep. 2023		Sep. 2024		Nine mounths to Jun. 2025	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		33,021	100.0	34,894	100.0	27,563	100.0
Cost of sales		24,873	75.3	26,244	75.2	20,718	75.2
Gross profit		8,148	24.7	8,650	24.8	6,845	24.8
Selling, general and administrative expenses		7,135	21.6	7,560	21.7	5,903	21.4
Operating profit		1,012	3.1	1,089	3.1	942	3.4
Non-operating income		118	-	115	-	92	-
Non-operating expenses		20	-	36	-	24	-
Ordinary profit		1,110	3.4	1,168	3.3	1,010	3.7
Profit before income taxes		1,112	3.4	1,134	3.2	1,009	3.7
Profit attributable to owners of parent		809	2.4	762	2.2	689	2.5

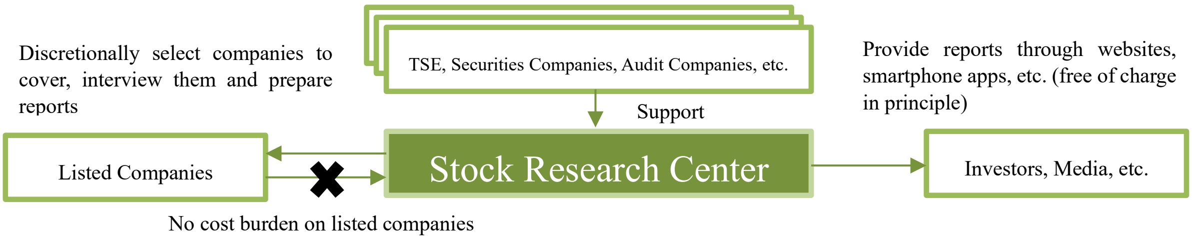
Balance sheet	Fiscal Year	Sep. 2023		Sep. 2024		Jun. 2025	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		15,641	67.0	16,428	70.6	16,918	71.9
Cash and deposits		4,969	21.3	6,498	27.9	7,126	30.3
Trade receivables		6,609	28.3	5,754	24.7	4,554	19.3
Contract asset		3,831	16.4	4,083	17.5	4,953	21.0
Non-current assets		7,702	33.0	6,846	29.4	6,626	28.1
Property, plant and equipment		5,420	23.2	5,265	22.6	5,286	22.5
Intangible assets		669	2.9	531	2.3	424	1.8
Investments and other assets		1,612	6.9	1,049	4.5	915	3.9
Total assets		23,344	100.0	23,275	100.0	23,544	100.0
Current liabilities		9,076	38.9	9,384	40.3	9,180	39.0
Accounts payable - trade		6,785	29.1	6,613	28.4	6,626	28.1
Short-term borrowings		745	3.2	780	3.4	600	2.5
Current portion of long-term borrowings		110	0.5	81	0.3	94	0.4
Non-current liabilities		3,600	15.4	2,465	10.6	2,402	10.2
Long-term borrowings		430	1.8	356	1.5	374	1.6
Net assets		10,666	45.7	11,424	49.1	11,961	50.8
Owners' equity		10,666	45.7	11,424	49.1	11,961	50.8

Statement of cash flows	Fiscal Year	Sep. 2023	Sep. 2024
		(mn yen)	(mn yen)
Cash flows from operating activities		-497	1,753
Depreciation		335	340
Cash flows from investing activities		-354	-126
Cash flows from financing activities		-202	-196
Dividends paid		-59	-89
Net increase in cash and cash equivalents		-884	1,478
Cash and cash equivalents		4,879	6,358

Note:Consolidated
Source: Prepared by Stock Research Center based on the notifiable prospectus.

About Stock Research Center

Stock Research Center is engaged in the preparation of analyst reports, mainly on companies that are not sufficiently covered by analysts, based on a neutral perspective, and broadly disclose the reports to the public with an aim to revitalize the stock market.
Note: Reports prepared by Stock Research Center are created in reference to the Ministry of Economy, Trade and Industry's Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation.



■Supporting Members

Tokyo Stock Exchange, Inc.	SMBC Nikko Securities Inc.	Daiwa Securities Co. Ltd.
Nomura Securities Co., Ltd.	Mizuho Securities Co., Ltd.	Ernst & Young ShinNihon LLC
KPMG AZSA LLC	ICMG Co., Ltd.	Grant Thornton Taiyo LLC
Deloitte Touche Tohmatsu LLC	SBI SECURITIES Co., Ltd.	BDO Sanyu
PricewaterhouseCoopers Japan LLC	Ichiyoshi Securities Co., Ltd.	A&A Partners
GYOSEI & CO.	Avantia G.P.	TAKARA PRINTING CO., LTD.
PRONEXUS INC.	Japan Securities Dealers Association	
The Securities Analysts Association of Japan		

■Endorsement

Nagoya Stock Exchange, Inc.	Sapporo Securities Exchange	
Japan Venture Capital Association	Japan Investor Relations Association	Japan Stewardship Forum
Institutional Investors Collective Engagement Forum		

Certification by Analysts

Analysts indicated in the reports certify that the content indicated in the report precisely reflects the personal opinions of the analysts on all securities and issuer companies discussed in the report. In addition, it is ensured that the opinions directly or indirectly indicated in the report will have no influence on the analyst's compensation in the past, present, and future upon writing the report.

Disclaimer

- The report is prepared by stock analysts affiliated with the Stock Research Center for the purpose of disclosure to a wide range of investors as reference information and not to recommend or solicit to buy or to sell any particular securities or financial instrument.
- The content and indication of the report is based on disclosed information available publicly and is prepared by adding necessary supplementary information gained through interviews by analysts. The writer of the report is, without exception, prohibited to use insider information, or to acquire such information. The information included in the report is believed to be precise and reliable, but its preciseness is not verified objectively. In addition, the report is not intended to comprehensively include all information required by investors.
- The information included in the report may become outdated due to changes in the financial market, economic environment, etc. There are risks that the prices of stocks featured directly or indirectly in the report will fall below the par value due to fluctuations in stock prices, changes in management/financial conditions of the issuers, fluctuations in exchange rates or interest rates, etc. Past performance does not imply or guarantee future performance.
- The opinions indicated in the report are subject to change without notice and the Stock Research Center has no obligation to update the information or opinions included in the report.
- The Stock Research Center does not bear any responsibility for any results, including direct losses, indirect losses, losses of profit and damages, suffered by investors due to using the report or relying on the report. Final investment decisions shall be made by investors themselves and the sole responsibility concerning the investment lies with the investors that viewed the report.
-