

February 6, 2004

Brief Interim Report on Consolidated Settlement of  
Accounts for the Term Ending on March 31, 2004

Name of Company Listed SK Japan Co., Ltd.

Stock Exchange (Section) Listed TSE and OSE Second section

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1. Business Performance for the Interim Period ended December 2003  
(4/1/2003-12/31/2003)

(Unit: Thousand yen)

Period	Previous year of 3 <sup>rd</sup> Quarter 2003	Current year ended December 31, 2003	Comparison with previous year	Previous April 1,2002 To March 31, 2003
Sales	6,123,413	7,777,583	27.0%	7,968,650
Ordinary Income	477,029	801,697	68.1%	526,158
Net Income	466,097	797,593	71.1%	494,590

2 Sales performance

1) Sales for each business

			April 1, 2002 to Dec. 31, 2002		April 1, 2003 to Dec. 31, 2003		April 1, 2003 to March 31, 2003	
			Sales	%	Sales	%	Sales	%
Amusement facilities	Operators	Manufacturers	346,758	5.6	402,501	5.2	426,870	5.4
		Mass merchandisers	317,750	5.2	472,307	6.1	419,993	5.3
		Shopping malls	591,449	9.6	801,546	10.3	786,795	9.9
		Arcade stores	3,384,670	55.3	4,030,555	51.8	4,405,641	55.3
		Amusement parks	71,591	1.2	52,721	0.7	83,503	1.0
	Distributors	342,937	5.6	409,367	5.3	435,795	5.5	
	SP Section	133,297	2.2	129,503	1.7	167,902	2.1	
Subtotal			5,188,455	84.7	6,299,503	81.1	6,726,501	84.5
Fancy store	Wholesalers	132,871	2.2	252,882	3.2	169,402	2.1	
	Retail shops	795,226	13.0	1,193,989	15.3	1,044,045	13.1	
Subtotal			928,098	15.2	1,446,873	18.5	1,213,448	15.2
Others			6,860	0.1	31,206	0.4	28,700	0.3
Total			6,123,413	100.0	7,777,583	100.0	7,968,650	100.0

Notes:

1. Manufactures are enterprises that manufacture amusement apparatuses.
2. Mass merchandisers are amusement sections in superstores such as supermarkets.
3. Shopping malls are enterprises that develop stores as tenants in superstores and shopping centers.
4. Distributors are those corporations or persons that specialize in selling amusement apparatus and Prizes to amusement facilities, and that do not operate amusement facilities themselves.
5. The SP section, representing Sales Promotion section, treats planning and selling of premium goods.
6. Consumption taxes are excluded from the amounts described above.

2) Sales for each product

	April 1, 2002 to Dec. 31, 2002		April 1, 2003 to Dec. 31, 2003		April 1, 2002 to March 31, 2003	
	Sales	%	Sales	%	Sales	%
Company's original products	101,164	1.7	132,813	1.7	120,683	1.5
Character goods	1,194,693	19.5	891,509	11.5	1,353,768	17.0
Purchased goods	4,827,555	78.8	6,753,260	86.8	6,494,198	81.5
Total	6,123,413	100.	7,777,583	100.0	7,968,650	100.0

Note: Consumption taxes are excluded from the above described above.

## (3) Comparative Balance Sheets

(Unit: thousand yen)

Items	April 1, 2003 to Dec. 31,2003	Plus or Minus	End of previous Term
(Assets)			
Cash & deposit	1,533,720	584,255	949,464
Accounts receivable	2,080,738	879,288	1,201,450
Store goods	354,870	117,775	237,094
Deferred Tax Assets	114,230	68,473	45,757
Securities	196,603	49,747	146,856
(Liabilities)			
Accounts payable	1,572,027	680,656	891,371
Short-term loans	496,994	319,292	177,702
Accrued corporate tax	288,210	143,528	144,682

3. Business performance of 3<sup>rd</sup> quarter

## (1) Sales for both business fields like as Amusement Game Centers and Cash and Carry business

Are well proceeding and expanding satisfactorily and marked 7,777 Million Yen (27.0% increased than the previous year) and net income showed 797 Million Yen (71.1% higher than the last year).

(2) Sales of Amusement Game field Even the surrounding situation were mostly nothing of Hit characters, the sales activities would lead by the good composition of variety merchandise and by the quick response to fulfil the desires from the corresponding customers, it get the market shares. Also, Compound Sales facilities in the outskirts gathered many consumers and the Greater Scale of Amusement Game Centers lately installed in the middle of cities marked the sufficient turnover And, finally, the mass market Operators marked 48.6% increment and Shopping Mall's Operators showed 35.5% increment of sales volume if comparison with last year. Concerning the SP Section received the special orders from Pin Ball Game Machines Operators but they stopped Catalogue sales and this reads reduction of business record by 2.9% than the last year in this period. Then, our total sales record in this period is 6,299 Million Yen (in comparison with the former year Plus 21.4% increment).

## 4. Expectation of Consolidated Interim Financial Result for the Year Ending March 2004

(April 1, 2003 to March 31, 2004)

	Sales	Ordinary Income	Net Income
April 1, 2003 to March 31, 2004	9,300 Million Yen	795 Million Yen	427 Million Yen

(Expectation of Business Record) As to the 3<sup>rd</sup> Quarter, the result expanded than our original issued dated August 8, 2003 and we have amended as above.

(Reference) Individual expectation of Interim Report on Settlement of Accounts for the Term Ending on March 31, 2004 (April 1, 2003 to March 31, 2004)

	Sales	Ordinal Income	Net Income	Annual Dividend per share		
				Middle	Term Ending	
April, 1, 2003 to March 31, 2004	7,700 Million Yen	782 Million Yen	427 Million Yen	8 Yen	6 Yen	14 Yen

(Note) Summary of middle of Dividend Ordinary allotment 6 Yen  
Commemoration of allotment 2 Yen