

Brief Quarter Report on Settlement of Accounts
For the Term Ending on February 28,2006

August 12, 2005

S K Japan Co., Ltd. Osaka TEL: 06-6765-0670

Stock Code: 7608 (URL http://www.sk_japan.co.jp)

Stock Exchange listing: TSE/OSE First section

Contact: Satoshi Kubo, CEO

Masaru Kawakami, Director Administrative Manager

1. Business Results for the quarter ended in June 2005 (April 1, 2005 to June 30, 2005)

(1) Operating Results (Figures are rounded down to the nearest million yen.)

	Sales		Operating Income		Ordinary Income		Quarterly Net Income	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
1 st Quarter 2005	1,971	(-)23.5	56	(-) 80.2	76	(-)73.4	47	(-)72.4
1 st Quarter 2004	2,576	5.8	283	17.7	286	19.6	172	-
(Ref)Term 2005	9,247		709		702		432	

	Earning per Share	Net Income per Share, fully diluted
1 st Quarter 2005	¥5.89	¥5.80
1 st Quarter 2004	¥23.86	¥23.11
Term 2005	¥52.51	¥51.19

(2) Financial Status (Figures are rounded down to the nearest million yen.)

	Total Assets	Shareholder`s Equity	Shareholder`s Equity Ratio	Shareholder`s Equity Per Share
	¥mn	¥mn	%	
1 st Quarter 2005	4,736	2,694	56.9	¥332.48
1 st Quarter 2004	4,395	2,521	57.4	¥347.91
Term 2005	3,887	2,735	70.4	¥336.18

(Reference)

Forecasts for the February 2006 Term. (April 1, 2005~February 28,2006)

(Figures are rounded down to the nearest million yen)

	Estimated sales	Estimated ordinary Income	Estimated net Income
Interim	5,920 ¥mn	288 ¥mn	166 ¥mn
Full term	13,000	689	402

Reference: Estimated earnings per Share Full term 49.62 Yen

1. Summarized Balance sheets

(Unit: thousand yen)

	2004/06/30	2005/06/30	Comparison	2005/3/31
(Assets)				
I Current assets				
Cash and deposit	1,349,087	1,909,418	560,331	1,310,346
Accounts receivable	1,333,050	1,044,821	-288,229	1,050,464
Inventory	457,772	370,373	-87,398	232,054
Deferred tax assets	103,501	72,256	-31,245	47,131
Others	18,466	154,277	135,811	45,016
Current assets total	3,261,878	3,551,148	289,269	2,685,013
II Fixed assets				
Tangible fixed assets	536,310	538,729	2,419	530,884
Invisible fixed assets	6,125	22,521	16,395	22,544
Investment & others	591,384	623,671	32,287	648,866
Fixed assets total	1,133,820	1,184,921	51,101	1,202,294
Total assets	4,395,698	4,736,070	340,371	3,887,308

(Liabilities)				
I Current liabilities				
Account payable	1,063,317	1,065,686	2,368	666,291
Short-term bond	282,992	544,746	261,754	164,744
Accrued corporate tax	150,673	42,664	-108,009	40,403
Others	313,057	314,490	1,432	202,345
Current liabilities				
Total	1,810,041	1,967,587	157,545	1,073,784
II Fixed liabilities				
Long-term loans	746	-	-746	-
Retirement allowance	63,027	73,775	10,748	78,193
Fixed liabilities total	66,773	73,775	10,002	78,193
Liabilities total	1,873,814	2,041,362	167,548	1,151,977
Shareholders` equities)				
Capital total	2,521,884	2,694,707	172,823	2,735,330
Liabilities and				
Shareholders` equities	4,395,698	4,736,070	340,371	3,887,308
total				

2. Profit & Loss Statements

(thousand of yen)

	End of Previous 1 st quarter	End of 1 st quarter	Comparison	End of previous Term (Apr. 1,2004 -March 31,2005)
I Sales	2,576,067	1,971,496	-604,570	9,247,329
II Cost of sales	1,800,023	1,443,706	-356,317	6,637,854
Gross income	776,043	527,790	-248,253	2,609,474
III Selling, general & Administrative expenses	492,311	471,488	-20,822	1,900,419
Operating income	283,732	56,301	-227,430	709,055
IV Non-operating Income	6,009	23,946	17,937	23,820
V Non-operating expenses	3,046	4,064	1,018	30,433
Ordinary income	286,695	76,183	-210,511	702,442
VI Extraordinary profit	11,870	271	-11,599	47,135
VII Extraordinary loss	-	-	-	510
Pretax net income for The current term	298,566	76,454	-222,111	749,066
Corporate tax expenses	125,582	28,707	-96,874	316,746
Net profit for the current term	172,983	47,747	-125,236	432,319

3. Sales by Commodities

(unit: thousand yen)

	1 st quarter of 2004		1 st quarter of 2005		Former fiscal year	
The goods of originality	327,427	12.7%	267,869	13.6%	1,656,235	17.9%
Purchasing items	2,248,640	87.3	1,703,627	86.4	7,591,093	82.1
Total	2,576,067	100.0	1,971,496	100.0	9,247,329	100.0

(Ref) The above sums are not inclusive the consumption tax and etc.