

Financial Results for the Second Quarter Ended August 2009. OCT. 9, 2009

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 Stock Code: 7608 (URL <http://www.sk-japan.co.jp>)
 Stock Exchange listing: TSE/OSE first section
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 US Accounting system not adopted

1.Business Result for the second quarter ended in August 2009.(From March, 2009 to August 31,2009)

(1) Consolidated Results of Operation (Figures are rounded to million yen.)

	Sales		Operating Income		Ordinary Income		Net Income	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
August 2009	4,561	-	146	-	171	-	329	-
August 2008	4,543	△38.8	△202	-	△211	-	△239	-

	Earnings per share	Fully Diluted Earnings per share
	Yen	Yen
August 2009	40.10	-
August 2008	△29.13	-

(2)Fiscal situation,consolidated

	Total Assets	Net Assets	Ratio of equity to Total assets	Book value per share
August 2009	3,602 ¥mn	1,973 ¥mn	54.3 %	237.85 Yen
August 2008	3,587	1,665	46.0	200.73

2.Dividend Payment

	Annual dividend per share		
	Interim	Term end	annual
February 2009	Yen 6.00	Yen 3.00	Yen 9.00
February 2010	6.00	-	12.00
February 2010(Forecast)	-	6.00	

3.Expectation of Consolidated Financial Results (March 1, 2009 to February 28, 2010)

	Estimated sales		Operating Income		Ordinary Income		Net Income		Earnings per share
	¥mn	%	¥mn	%	¥mn	%	¥mn	%	Yen
Full term	9,000	△2.9	180	-	200	-	340	-	41.33

* % — an increase and decrease rate to the previous term

Consolidated(Interim)Balance Sheet

(Unit: thousand yen)

Item	Term	As of August 31, 2009		As of February 28, 2009	
		Amount		Amount	
(Assets)					
I. Current assets					
Cash and deposits		563,845		472,988	
Notes and accounts receivable		1,363,194		1,040,952	
Inventories		441,363		483,636	
Deferred tax assets		12,548		9,952	
Other		61,330		235,556	
allowance for doubtful accounts		(6,298)		(5,905)	
Total Current assets		2,435,983		2,237,180	
II. Fixed assets					
Tangible fixed assets					
Buildings and structures		362,914		368,277	
Land		332,546		332,546	
Other		19,356		18,919	
Total Tangible fixed assets		714,818		719,743	
Total Intangible fixed assets		5,592		5,592	
Investments and other assets					
Investment in securities		127,967		141,715	
Deferred tax assets		2,420		2,857	
Other		335,780		499,503	
Allowance for doubtful accounts		(19,889)		(18,824)	
Total investments and other assets		446,279		625,251	
Total Fixed assets		1,166,690		1,350,289	
Total Assets		3,602,673		3,587,470	

(Figures are rounded to thousand yen.)

Consolidated(Interim)Balance Sheet

(Unit: thousand yen)

Item	Term	As of August 31, 2009		As of February 28, 2009	
		Amount		Amount	
(Liabilities)					
I. Current liabilities					
Trade accounts payable		846,844		812,573	
Short-term loans payable		400,000		670,000	
Accrued income taxes		29,221		1,265	
Reserve for bonuses		45,840		41,006	
Other		204,727		288,930	
Total Current liabilities		1,526,633		1,813,776	
II. Long-term liabilities					
Reserve for retirement benefits		99,154		103,268	
Other		3,865		4,605	
Total Long-term liabilities		103,019		107,874	
Total liabilities		1,629,653		1,921,650	
(Net assets)					
I. Owners' equity					
Paid-in capital		440,948		440,948	
Capital surplus		471,887		471,887	
Earned surplus		1,091,479		786,311	
Treasury stock		(50,999)		(50,995)	
Total Owners' equity		1,953,315		1,648,152	
II. Valuation and translation adjustments					
Valuation difference on available-for-sale securities		5,121		1	
Postponement hedge profit and loss		(1,911)		3,052	
Total Valuation and translation adjustment		3,210		3,054	
III. Equity warrant					
		16,494		14,613	
Total net assets		1,973,020		1,665,819	
Total liabilities and net assets		3,602,673		3,587,470	

(Figures are rounded to thousand yen.)

Comparative Profit & Loss Statements

(thousand of yen)

Item	Term	From March 1 to August 31 2009	
		Amount	
I Sales		4,561,819	
II Cost of sales		3,310,834	
Gross profit		1,250,985	
III Selling, general & administrative expenses		1,104,886	
Operating income		146,098	
IV Non-operating income		41,060	
V Non-operating expenses		15,303	
Ordinary income		171,855	
VI Extraordinary gains		177,224	
VII Extraordinary losses		519	
Pretax net income for the current term		348,560	
Income taxes		27,631	
Income taxes deferred		(8,916)	
Net Income /losses		329,845	

(Figures are rounded to thousand yen.)

Comparative Statements of Cash Flow

(thousand of yen)

Item	Term
	From March 1, 2009 to August 31, 2009
Amount	
I Cash flows from operating activities	
Net income before income taxes	348,560
Amount of increase and decrease of reserve for bonus payment	4,833
Amount of increase and decrease of loan loss reserve	1,456
Amount of increase and decrease of retirement supply reserve	(4,113)
Amount of increase and decrease of guarantee money paid	68,825
Interest income and dividend receivable	(2,115)
Interest expense	4,753
Investment securities appraisal loss insertion profit	(30,036)
Profit by expiration of insurance	(106,366)
Amount of increase and decrease of trade receivable	(322,232)
Amount of increase and decrease of inventory turnover	42,273
Amount of increase and decrease of debt	34,270
Other	(3,557)
Sub total	36,552
Interest income and dividend received	2,130
Interest paid	(4,375)
Income tax paid	(1,799)
Refund of income tax	101,144
Net cash provided by operating activities	133,651
II . Cash flow from investing activities	
Income by clearance of investment in securities	42,916
Proceeds from cancellation of insurance	242,409
Purchases of tangible fixed assets	(20,071)
Other	(9,999)
Net cash provided by investing activities	255,255
III Cash flow from financing activities	
Amount of increase and decrease of short-term loans payable	(270,000)
Repurchases of treasury stocks	(4)
Payments for dividends	(24,786)
Net cash provided by investing activities	(294,790)
IV Effects of exchange rate changes on cash and cash equivalents	(3,259)
V Increase (Decrease)in chash and cash equivalents	90,856
VI Cash and cash equivalents at beginning of term	472,988
VII Cash and cash equivalents at end of term	563,845

(Figures are rounded to thousand yen.)