

Brief Interim Report on Consolidated Settlement of Accounts
For the Term Ending on February 28, 2011

July 14, 2010

S K Japan Co., Ltd. Tel : 06-6765-0670
Stock Code: 7608 (URL <http://www.sk-japan.co.jp>)
Stock exchange listing: TSE/OSE First section

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1. (1) Financial Results for the quarter ended in May 31, 2010 (March 1 to May 31, 2009)

	Sales		Operating income		Ordinary income		Net income 1 st quarter	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
1 st Quarter 2011	2,292	△2.6	127	122.9	129	95.9	15	△93.0
1 st Quarter 2010	2,353	-	57	-	66	-	227	-

(Figures are rounded down to million yen)

	Net profit per share 1 st quarter	After adjustment Net profit per share 1 st quarter
	Yen	
1 st Quarter 2011	1.93	—
1 st Quarter 2010	27.65	—

(2) Financial Statuses

(Figures are rounded down to the nearest million yen)

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio	Shareholders' Equity per Share
	¥mn	¥mn	%	Yen
1 st Quarter 2011	4,057	1,840	45.1	222.39
Term 2010	3,608	1,889	52.1	228.45

2. Consolidated forecast for the Fiscal Year Ending February 2011 (March 1, 2010–February 28, 2011)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	¥mn	%	¥mn	%	¥mn	%	¥mn	%	¥mn
Interim	4,335	△5.0	65	△55.0	67	△60.6	59	△81.9	7.28
Full Year	8,900	△7.2	185	△62.5	188	△64.3	160	△46.8	19.54

(1) Summarized Balance Sheets

(Unit: thousand yen)

	1 st Quarter 2011	February 2010
(Assets)		
I Current assets		
Cash and deposit	1,278,355	823,796
Accounts receivable	1,255,024	1,279,830
Inventory	357,408	364,600
Deferred tax assets	17,602	15,603
Others	74,038	48,869
Current assets total	2,982,428	2,532,700
II Fixed assets		
Tangible fixed assets	678,952	678,613
Invisible fixed assets	5,552	5,722
Securities trust	65,823	64,053
Deferred tax asset	1,263	3,470
Others	323,564	324,271
Fixed assets total	1,075,156	1,076,130
Total assets	4,057,584	3,608,831
(Liabilities)		
I Current liabilities		
Account payable	978,362	651,975
Short-term bond	550,000	350,000
Accrued corporate tax	13,785	194,220
Bonus reserves	88,512	41,611
Others	357,615	235,623
Total current liabilities	1,988,276	1,491,430
II Fixed liabilities		
Retirement allowance	104,474	104,733
Others	124,789	123,327
Total fixed debt	229,264	228,061
Liabilities total	2,217,540	1,719,491
(Net assets)		
Net asset total	1,840,043	1,889,339
Total net assets	4,057,584	3,608,831

(2) Comparative Profit & Loss Statement

(Unit: thousand yen)

	1 st Quarter 2010	1 st Quarter 2011
Sales	2,353,822	2,292,493
Cost of Sales	1,728,654	1,630,751
Total income	625,167	661,742
Selling and general expenses	568,029	534,381
Operating income	57,138	127,361
Non-operating Income	13,385	4,361
Non-operating Expenses	4,238	1,883
Ordinary income	66,284	129,838
Extraordinary Gain	177,224	2,626
Extraordinary loss	36	102,931
Net income before adjustment	243,472	29,533
Tax deductions	16,005	13,628
Net income 1 st Quarter	227,466	15,905

(3) Consolidated cash flows statements

(Unit: thousand yen)

	March 1, 2009 to May 31, 2009	March 1, 2010 to May 31, 2010
I Cash flows from operating activities		
Income before income taxes	243,472	29,533
Reserve for bonus/plus or minus	43,829	46,900
Reserves	1,710	△6,945
Reserves for retirement benefits	△2,613	△258
Interest & dividend incomes	△686	△655
Interest paid	2,684	1,398
Investment securities appraisal loss insertion profit	△9,691	△1,296
Gains from cancellation of insurance	△106,366	—
Plus or minus of trade receivable	△143,251	25,335
Plus or minus of inventories	77,255	7,192
Purchasing debt(plus or minus)	156,139	326,386
Others	6,212	28,062
Sub-total	268,695	455,653
Interest and dividend received	773	832
Interest paid	△2,579	△1,486
Income taxes paid	△1,900	△188,664
Net cash provided by operating activities	264,989	266,335
II Cash flows from investing activities		
Purchases of tangible fixed assets	△15,534	△2,573
Income by cancellation of insurance reserve fund	242,409	—
Others	△8,932	△1,183
Cash flows from investing activities	217,942	△3,757
III Cash flows from financing activities		
Amount of short-term loans payable of pure increase and decrease	150,000	200,000
Net purchases of treasury stocks	△4	△9
Payments for dividends	△3,916	△9,204
Cash flows from financing activities	146,078	190,786
IV Increase in cash and cash equivalents	△938	1,194
V Cash and cash equivalents	628,072	454,558
VI Cash and cash equivalents at beginning of year	472,988	823,796
VII Cash and cash equivalents at end of 1st Quarter	1,101,060	1,278,355