

Financial Results for the Year Ended February 2011.

APR. 14, 2011

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 of Administrative Manager

Date of Board of Directors for term Settlement:APR. 14, 2011
 Date of Regular General Shareholder's Metting:MAY.28,2011

1.Interim Financial Results(From March 1,2010 to February 28,2011)

(1) Consolidated Results of Operation

(Figures are rounded to million yen.)

	Sales		Operating Income		Ordinary Income		Net Income	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
February 2011	9,458	△1.3	286	△41.8	287	△45.6	139	△53.9
February 2010	9,585	3.5	493	-	527	-	302	-

	Earnings per share	Fully Diluted Earnings per share	Equity Capital Net Income rate	Total Assets Ordinary Income ratio	Operating profit on sales
	Yen	Yen	%	%	%
November 2011	16.94	-	7.4	8.3	3.0
November 2010	36.74	-	17.1	14.7	5.1

(2)Fiscal situation,consolidated

	Total Assets	Net Assets	Ratio of equity to Total assets	Book value per share
	¥mn	¥mn	%	Yen
February 2011	3,300	1,913	57.6	231.27
February 2010	3,608	1,889	52.1	228.45

2.Dividend Payment

	Annual dividend per share		
	Interim	Term end	annual
	Yen	Yen	Yen
February 2010	6.00	8.00	14.00
February 2011	6.00	6.00	12.00
February 2012(Forecast)	6.00	6.00	12.00

3.Expectation of Consolidated Financial Results (March 1, 2011 to February 29, 2012)

	Estimated sales		Operating Income		Ordinary Income		Net Income		Earnings per share
	¥mn	%	¥mn	%	¥mn	%	¥mn	%	Yen
Interim	4,675	△4.2	122	△47.0	123	△46.2	108	25.7	13.13
Full term	9,500	0.4	288	0.4	290	1.0	245	76.0	29.81

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

Consolidated Balance Sheet

(Unit: thousand yen)

Item	Term	As of February 28,	
		2010	2011
		Amount	Amount
(Assets)			
I. Current assets			
Cash and deposits		823,796	871,000
Notes and accounts receivable		1,279,830	982,039
Inventories		364,600	327,970
Deferred tax assets		15,603	18,960
Other		55,922	143,364
allowance for doubtful accounts		(7,053)	(5,861)
Total Current assets		2,532,700	2,337,474
II. Fixed assets			
Tangible fixed assets			
Buildings and structures		341,087	278,223
Land		322,546	266,356
Other		14,979	21,931
Total Tangible fixed assets		678,613	566,511
Total Intangible fixed assets		5,722	7,206
Investments and other assets			
Investment in securities		64,053	50,497
Deferred tax assets		3,470	3,792
Other		345,199	352,601
Allowance for doubtful accounts		(20,928)	(17,098)
Total investments and other assets		391,794	389,793
Total Fixed assets		1,076,130	963,511
Total Assets		3,608,831	3,300,986

(Figures are rounded to thousand yen.)

Consolidated Balance Sheet

(Unit: thousand yen)

Item	Term	As of February 28,	
		2010	2011
		Amount	Amount
(Liabilities)			
I. Current liabilities			
Trade accounts payable		651,975	661,112
Short-term loans payable		350,000	350,000
Accrued income taxes		194,220	46,398
Reserve for bonuses		41,611	43,774
Other		253,623	146,068
Total Current liabilities		1,491,430	1,247,356
II. Long-term liabilities			
Reserve for retirement benefits		104,733	10,645
The reserve for retirement benefits for directors and corporate auditors		120,645	127,883
Other		2,682	1,254
Total Long-term liabilities		228,061	139,784
Total liabilities		1,719,491	1,387,140
(Net assets)			
I. Owners' equity			
Paid-in capital		440,948	440,948
Capital surplus		471,887	471,887
Earned surplus		1,014,501	1,038,677
Treasury stock		(51,122)	(51,190)
Total Owners' equity		1,876,215	1,900,323
II. Valuation and translation adjustments			
Valuation difference on available-for-sale securities		4,246	4,165
Postponement hedge profit and loss		(1,340)	(291)
Exchange conversion adjustment calculation		-	(1,950)
Total Valuation and translation adjustment		2,905	1,923
III. Equity warrant			
		10,218	11,598
Total net assets		1,889,339	1,913,845
Total liabilities and net assets		3,608,831	3,300,986

(Figures are rounded to thousand yen.)

Comparative Profit & Loss Statements

(thousand of yen)

Item	Term	From March 1 to February 28 2010		From March 1 to February 28 2011	
		Amount		Amount	
I Sales		9,585,731		9,458,512	
II Cost of sales		6,865,927		6,934,145	
Gross profit		2,719,804		2,524,366	
III Selling, general & administrative expenses		2,226,650		2,237,550	
Operating income		493,153		286,816	
IV Non-operating income		48,801		13,674	
V Non-operating expenses		14,408		13,255	
Ordinary income		527,547		287,235	
VI Extraordinary gains		185,306		118,772	
VII Extraordinary losses		231,902		195,330	
Pretax net income for the current term		480,951		210,677	
Income taxes		191,750		69,401	
Income taxes deferred		(13,021)		1,942	
Net Income		302,222		139,333	

(Figures are rounded to thousand yen.)

Comparative Statements of Cash Flow

(thousand of yen)

Item	Term	From March 1, 2009 to February 28, 2010	From March 1, 2010 to February 28, 2011
		Amount	Amount
I Cash flows from operating activities			
Net income before income taxes		480,951	210,677
Amount of increase and decrease of reserve for bonus payment		604	2,163
Amount of increase and decrease of director retirement special service bonus		120,645	7,238
Amount of increase and decrease of loan loss reserve		3,251	(5,022)
Amount of increase and decrease of retirement supply reserve		1,465	(94,087)
Amount of increase and decrease of guarantee money paid		69,046	15,409
Interest income and dividend receivable		(4,264)	(1,518)
Interest expense		8,194	5,373
Investment securities appraisal loss insertion profit		(30,768)	(101)
Profit by expiration of insurance		(107,105)	-
Amount of increase and decrease of trade receivable		(238,452)	297,623
Amount of increase and decrease of inventory turnover		119,035	36,495
Amount of increase and decrease of debt		(160,598)	9,276
Other		95,733	(8,188)
Sub total		357,740	475,338
Interest income and dividend received		4,230	1,655
Interest paid		(7,818)	(5,364)
Income tax paid		(4,437)	(286,014)
Refund of income tax		101,144	-
Net cash provided by operating activities		450,859	185,615
II Cash flow from investing activities			
Income by clearance of investment in securities		126,091	18,819
Proceeds from cancellation of insurance		261,245	-
Purchases of tangible fixed assets		(35,008)	(29,107)
Other		(52,676)	(5,742)
Net cash provided by investing activities		299,653	(16,030)
III Cash flow from financing activities			
Amount of increase and decrease of short-term loans payable		(320,000)	-
Repurchases of treasury stocks		(127)	(67)
Payments for dividends		(74,052)	(114,834)
Net cash provided by investing activities		(394,179)	(114,902)
IV Effects of exchange rate changes on cash and cash equivalents		(5,525)	(7,478)
V Increase (Decrease)in chash and cash equivalents		350,807	47,204
VI Cash and cash equivalents at beginning of term		472,988	823,796
VII Cash and cash equivalents at end of term		823,796	871,000

(Figures are rounded to thousand yen.)