

Financial Results for the Year Ended February 2012.

APR. 13, 2012

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. 13, 2012

Date of Regular General Shareholder's Meeting:MAY.19,2012

1.Interim Financial Results(From March 1,2011 to February 29,2012)

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

	Sales		Operating Income		Ordinary Income		Net Income	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
February 2012	8,825	△6.7	233	△18.5	234	△18.4	165	18.6
February 2011	9,458	△1.3	286	△41.8	287	△45.6	139	△53.9

	Earnings per share	Fully Diluted Earnings per share	Equity Capital Net Income rate	Total Assets Ordinary Income ratio	Operating profit on sales
	Yen	Yen	%	%	%
February 2012	20.09	20.08	8.5	7.1	2.6
February 2011	16.94	-	7.4	8.3	3.0

(2)Fiscal situation,consolidated

	Total Assets	Net Assets	Ratio of equity to Total assets	Book value per share
	¥mn	¥mn	%	Yen
February 2012	3,269	1,986	60.2	239.20
February 2011	3,300	1,913	57.6	231.27

2.Dividend Payment

	Annual dividend per share		
	Interim	Term end	annual
	Yen	Yen	Yen
February 2011	6.00	6.00	12.00
February 2012	6.00	6.00	12.00
February 2013(Forecast)	6.00	6.00	12.00

3.Expectation of Consolidated Financial Results (March 1, 2012 to February 28, 2013)

	Estimated sales		Operating Income		Ordinary Income		Net Income		Earnings per share
	¥mn	%	¥mn	%	¥mn	%	¥mn	%	Yen
Interim	4,460	3.7	112	29.4	112	37.6	88	76.0	10.80
Full term	9,300	5.4	300	28.3	300	28.0	217	31.3	26.38

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

Consolidated Balance Sheet

(Unit: thousand yen)

Item	Term	As of February 28, 2011		As of February 29, 2012	
		Amount		Amount	
(Assets)					
I. Current assets					
Cash and deposits		871,000		775,960	
Notes and accounts receivable		982,039		998,980	
Inventories		327,970		339,147	
Deferred tax assets		18,960		20,606	
Other		143,364		82,959	
allowance for doubtful accounts		(5,861)		(5,134)	
Total Current assets		2,337,474		2,212,520	
II. Fixed assets					
Tangible fixed assets					
Buildings and structures		278,223		261,792	
Land		266,356		266,356	
Other		21,931		97,514	
Total Tangible fixed assets		566,511		625,663	
Total Intangible fixed assets		7,206		16,472	
Investments and other assets					
Investment in securities		50,497		51,998	
Deferred tax assets		3,792		5,741	
Other		352,601		372,938	
Allowance for doubtful accounts		(17,098)		(15,997)	
Total investments and other assets		389,793		414,682	
Total Fixed assets		963,511		1,056,819	
Total Assets		3,300,986		3,269,339	

(Figures are rounded to thousand yen.)

Consolidated Balance Sheet

(Unit: thousand yen)

Item	Term	As of February 28,		As of February 29,	
		2011		2012	
		Amount		Amount	
(Liabilities)					
I. Current liabilities					
Trade accounts payable		661,112		537,731	
Short-term loans payable		350,000		350,000	
Accrued income taxes		46,398		35,410	
Reserve for bonuses		43,774		37,482	
Other		146,068		176,271	
Total Current liabilities		1,247,356		1,136,897	
II. Long-term liabilities					
Reserve for retirement benefits		10,645		3,142	
The reserve for retirement benefits for directors and corporate auditors		127,883		132,119	
Other		1,254		11,107	
Total Long-term liabilities		139,784		146,370	
Total liabilities		1,387,140		1,283,268	
(Net assets)					
I. Owners' equity					
Paid-in capital		440,948		440,948	
Capital surplus		471,887		471,887	
Earned surplus		1,038,677		1,105,241	
Treasury stock		(51,190)		(51,200)	
Total Owners' equity		1,900,323		1,966,877	
II. Valuation and translation adjustments					
Valuation difference on available-for-sale securities		4,165		2,597	
Postponement hedge profit and loss		(291)		228	
Exchange conversion adjustment calculation		(1,950)		(2,238)	
Total Valuation and translation adjustment		1,923		587	
III. Equity warrant					
		11,598		18,606	
Total net assets		1,913,845		1,986,071	
Total liabilities and net assets		3,300,986		3,269,339	

(Figures are rounded to thousand yen.)

Comparative Profit & Loss Statements

(thousand of yen)

Item	Term	From March 1 2010 to February 28 2011		From March 1 2011 to February 29 2012	
		Amount		Amount	
I Sales		9,458,512		8,825,224	
II Cost of sales		6,934,145		6,454,324	
Gross profit		2,524,366		2,370,899	
III Selling, general & administrative expenses		2,237,550		2,137,146	
Operating income		286,816		233,752	
IV Non-operating income		13,674		10,588	
V Non-operating expenses		13,255		9,915	
Ordinary income		287,235		234,425	
VI Extraordinary gains		118,772		8,849	
VII Extraordinary losses		195,330		21,717	
Pretax net income for the current term		210,677		221,557	
Income taxes		69,401		65,183	
Income taxes deferred		1,942		(8,893)	
Net Income		139,333		165,267	

(Figures are rounded to thousand yen.)

Comparative Statements of Cash Flow

(thousand of yen)

Item	Term	From March 1, 2010 to February 28, 2011	From March 1, 2011 to February 29, 2012
		Amount	Amount
I	Cash flows from operating activities		
	Net income before income taxes	210,677	221,557
	Amount of increase and decrease of reserve for bonus payment	2,163	(6,292)
	Amount of increase and decrease of director retirement special service bonus	7,238	4,236
	Amount of increase and decrease of loan loss reserve	(5,022)	(1,828)
	Amount of increase and decrease of retirement supply reserve	(94,087)	(7,502)
	Amount of increase and decrease of guarantee money paid	15,409	504
	Interest income and dividend receivable	(1,518)	(1,973)
	Interest expense	5,373	4,192
	Investment securities appraisal loss insertion profit	(101)	119
	Amount of increase and decrease of trade receivable	297,623	(17,049)
	Amount of increase and decrease of inventory turnover	36,495	(11,225)
	Amount of increase and decrease of debt	9,276	(123,331)
	Other	(8,188)	74,894
	Sub total	475,338	136,303
	Interest income and dividend received	1,655	2,003
	Interest paid	(5,364)	(4,221)
	Income tax paid	(286,014)	(81,456)
	Refund of income tax	-	77,025
	Net cash provided by operating activities	185,615	129,655
II	Cash flow from investing activities		
	Income by clearance of investment in securities	18,819	-
	Purchases of tangible fixed assets	(29,107)	(98,106)
	Other	(5,742)	(27,860)
	Net cash provided by investing activities	(16,030)	(125,967)
III	Cash flow from financing activities		
	Repurchases of treasury stocks	(67)	(9)
	Payments for dividends	(114,834)	(98,268)
	Net cash provided by investing activities	(114,902)	(98,278)
IV	Effects of exchange rate changes on cash and cash equivalents	(7,478)	(448)
V	Increase (Decrease)in chash and cash equivalents	47,204	(95,039)
VI	Cash and cash equivalents at beginning of term	823,796	871,000
VII	Cash and cash equivalents at end of term	871,000	775,960

(Figures are rounded to thousand yen.)