

Financial Results for the Third Quarter Ended November 2011.

JAN. 12, 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 the filing of the quarterly consolidated financial statements:JAN. 13, 2012
 US Accounting system not adopted

1.Business Result for the third quarter ended in November 2011.(From March 1, 2011 to November 30,2011)

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

	Sales		Operating Income		Ordinary Income		Net Income	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
November 2011	6,579	△8.3	195	△32.0	189	△34.0	132	12.3
November 2010	7,176	4.3	287	15.8	287	2.0	118	△68.0

	Earnings per share	Fully Diluted Earnings per share
	Yen	Yen
November 2011	16.13	-
November 2010	14.36	-

(2)Fiscal situation,consolidated

	Total Assets	Net Assets	Ratio of equity to Total assets	Book value per share
	¥mn	¥mn	%	Yen
November 2011	4,036	1,952	47.9	234.93
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	-	-
February 2012(Forecast)	-	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
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(Interim)Balance Sheet

(Unit: thousand yen)

Item	Term	As of November 30, 2011		As of February 28, 2011	
		Amount		Amount	
(Assets)					
I.Current assets					
Cash and deposits		976,547		871,000	
Notes and accounts receivable		1,465,877		982,039	
Inventories		503,591		327,970	
Deferred tax assets		22,008		18,960	
Other		103,461		143,364	
allowance for doubtful accounts		(9,777)		(5,861)	
Total Current assets		3,061,708		2,337,474	
II.Fixed assets					
Tangible fixed assets					
Buildings and structures		276,243		278,223	
Land		266,356		266,356	
Other		17,406		21,931	
Total Tangible fixed assets		560,006		566,511	
Total Intangible fixed assets		8,222		7,206	
Investments and other assets					
Investment in securities		46,915		50,497	
Deferred tax assets		3,865		3,792	
Other		372,357		352,602	
Allowance for doubtful accounts		(16,339)		(17,098)	
Total investments and other assets		406,799		389,793	
Total Fixed assets		975,029		963,511	
Total Assets		4,036,737		3,300,986	

(Figures are rounded to thousand yen.)

Consolidated(Interim)Balance Sheet

(Unit: thousand yen)

Item	Term	As of November 30, 2011		As of February 28, 2011	
		Amount		Amount	
(Liabilities)					
I. Current liabilities					
Trade accounts payable		1,085,443		661,112	
Short-term loans payable		500,000		350,000	
Accrued income taxes		31,264		46,398	
Reserve for bonuses		82,930		43,774	
Other		235,017		146,069	
Total Current liabilities		1,934,655		1,247,356	
II. Long-term liabilities					
Reserve for retirement benefits		4,394		10,645	
The reserve for retirement benefits for directors and corporate auditors		133,326		127,883	
Other		11,891		1,254	
Total Long-term liabilities		149,612		139,784	
Total liabilities		2,084,268		1,387,140	
(Net assets)					
I. Owners' equity					
Paid-in capital		440,948		440,948	
Capital surplus		471,887		471,887	
Earned surplus		1,072,648		1,038,677	
Treasury stock		(51,200)		(51,190)	
Total Owners' equity		1,934,285		1,900,323	
II. Valuation and translation adjustments					
Valuation difference on available-for-sale securities		576		4,165	
Postponement hedge profit and loss		(20)		(291)	
Exchange conversion adjustment calculation		(2,500)		(1,950)	
Total Valuation and translation adjustment		(1,945)		1,923	
III. Equity warrant					
		20,130		11,598	
Total net assets		1,952,469		1,913,845	
Total liabilities and net assets		4,036,737		3,300,986	

(Figures are rounded to thousand yen.)

Comparative Profit & Loss Statements

(thousand of yen)

Item	Term	From March 1 to November 30 2010	From March 1 to November 30 2011
		Amount	Amount
I Sales		7,176,277	6,579,284
II Cost of sales		5,222,517	4,788,086
Gross profit		1,953,760	1,791,197
III Selling, general & administrative expenses		1,666,451	1,595,854
Operating income		287,308	195,343
IV Non-operating income		11,032	7,835
V Non-operating expenses		10,794	13,462
Ordinary income		287,546	189,716
VI Extraordinary gains		7,329	3,760
VII Extraordinary losses		102,740	6,221
Pretax net income for the current term		192,134	187,256
Income taxes		75,637	62,018
Income taxes deferred		(1,624)	(7,437)
Net Income /losses		118,122	132,674

(Figures are rounded to thousand yen.)

Comparative Statements of Cash Flow

(thousand of yen)

Item	Term	From March 1, 2010 to November 30, 2010	From March 1, 2011 to November 30, 2011
		Amount	Amount
I	Cash flows from operating activities		
	Net income before income taxes	192,134	187,256
	Amount of increase and decrease of reserve for bonus payment	54,728	39,155
	Amount of increase and decrease of director retirement special service bonus	5,428	5,442
	Amount of increase and decrease of loan loss reserve	78	3,156
	Amount of increase and decrease of retirement supply reserve	12,467	(6,250)
	Amount of increase and decrease of guarantee money paid	23,399	1,386
	Interest income and dividend receivable	(1,257)	(1,697)
	Interest expense	4,246	2,978
	Investment securities appraisal loss insertion profit	1,832	2,210
	Amount of increase and decrease of trade receivable	(84,833)	(483,958)
	Amount of increase and decrease of inventory turnover	(144,437)	(175,714)
	Amount of increase and decrease of debt	512,002	424,616
	Other	(94,840)	63,010
	Sub total	480,950	61,592
	Interest income and dividend received	1,424	1,749
	Interest paid	(4,242)	(3,001)
	Income tax paid	(285,998)	(81,437)
	Refund of income tax	-	77,025
	Net cash provided by operating activities	192,133	55,928
II	Cash flow from investing activities		
	Income by clearance of investment in securities	18,819	-
	Purchases of tangible fixed assets	(20,930)	(10,909)
	Other	(4,300)	(27,058)
	Net cash provided by investing activities	(6,411)	(37,967)
III	Cash flow from financing activities		
	Amount of increase and decrease of short-term loans payable	150,000	150,000
	Repurchases of treasury stocks	(11)	(9)
	Payments for dividends	(74,802)	(59,198)
	Net cash provided by investing activities	75,185	90,791
IV	Effects of exchange rate changes on cash and cash equivalents	(5,585)	(3,205)
V	Increase (Decrease)in chash and cash equivalents	255,321	105,546
VI	Cash and cash equivalents at beginning of term	823,796	871,000
VII	Cash and cash equivalents at end of term	1,079,117	976,547

(Figures are rounded to thousand yen.)