

# Financial Results for the Second Quarter Ended November 2014.

JAN. 14, 2015

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

## 1.Business Result for the second quarter ended in November 2014.(From March 1, 2014 to November 30,2014)

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

	Sales		Operating Income		Ordinary Income		Net Income	
	¥mn	%	¥mn	%	¥mn	%	¥mn	%
November 2014	5,318	6.2	-68	—	-63	—	-17	—
November 2013	5,006	-19.8	-164	—	-164	—	-166	—

	Earnings per share	Fully Diluted Earnings per share
	Yen	Yen
November 2014	-2.10	—
November 2013	-20.21	—

### (2)Fiscal situation,consolidated

	Total Assets	Net Assets	Ratio of equity to Total assets
	¥mn	¥mn	%
November 2014	3,717	1,680	44.7
February 2014	3,464	1,740	49.6

### 2.Dividend Payment

	Annual dividend per share		
	Interim	Term end	annual
	Yen	Yen	Yen
February 2014	6.00	3.00	9.00
February 2014	2.50	—	5.00
February 2014(Forecast)	—	2.50	

### 3.Expectation of Consolidated Financial Results ( March 1, 2014 to February 28, 2015 )

	Estimated sales		Operating Income		Ordinary Income		Net Income		Earnings per share
	¥mn	%	¥mn	%	¥mn	%	¥mn	%	Yen
Full term	6,841	△2.6	△97	—	△97	—	△34	—	△4.18

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

**Consolidated Balance Sheet**

(Unit: thousand yen)

<div> <div>Term</div> <div>Item</div> </div>	As of February 28, 2014		As of November 30, 2014	
	Amount		Amount	
<b>( Assets )</b>				
<b>I.Current assets</b>				
Cash and deposits	642,454		745,566	
Notes and accounts receivable	898,332		993,189	
Inventories	374,734		562,553	
Deferred tax assets	3,922		4,369	
Other	181,814		265,447	
allowance for doubtful accounts	(4,481)		(7,802)	
Total Current assets	2,096,777		2,563,323	
<b>II .Fixed assets</b>				
Tangible fixed assets				
Buildings and structures	338,288		327,356	
Land	539,494		539,494	
Other	24,265		24,331	
Total Tangible fixed assets	902,048		891,182	
Total Intangible fixed assets	116,513		100,315	
Investments and other assets				
Investment in securities	59,779		52,198	
Deferred tax assets	1,446		1,523	
Other	295,655		122,689	
Allowance for doubtful accounts	(7,910)		(13,489)	
Total investments and other assets	348,971		162,922	
<b>Total Fixed assets</b>	1,367,533		1,154,420	
<b>Total Assets</b>	3,464,310		3,717,744	

(Figures are rounded to thousand yen.)

## Consolidated Balance Sheet

(Unit: thousand yen)

Term Item	As of February 28, 2014		As of November 30, 2014	
	Amount		Amount	
<b>( Liabilities )</b>				
<b>I. Current liabilities</b>				
Trade accounts payable	483,667		699,601	
Short-term loans payable	920,000		950,000	
Accrued income taxes	1,206		15,300	
Reserve for bonuses	30,169		19,318	
Other	136,545		205,093	
Total Current liabilities	1,571,589		1,889,314	
<b>II. Long-term liabilities</b>				
The reserve for retirement benefits for directors and corporate auditors	144,396		135,872	
Other	7,875		11,638	
Total Long-term liabilities	152,271		147,511	
Total liabilities	1,723,861		2,036,825	
<b>(Net assets)</b>				
<b>I. Owners' equity</b>				
Paid-in capital	441,550		441,550	
Capital surplus	472,489		472,489	
Earned surplus	846,447		783,938	
Treasury stock	(51,244)		(51,265)	
Total Owners' equity	1,709,243		1,646,713	
<b>II. Valuation and translation adjustments</b>				
Valuation difference on available-for-sale securities	14,312		13,954	
Postponement hedge profit and loss	(2,827)		3,933	
Exchange conversion adjustment calculation	(1,974)		(3,436)	
The other amount of the comprehensive income total	9,510		14,450	
<b>III. Equity warrant</b>	21,694		19,754	
<b>Total net assets</b>	1,740,449		1,680,918	
<b>Total liabilities and net assets</b>	3,464,310		3,717,744	

(Figures are rounded to thousand yen.)

**Comparative Profit & Loss Statements**

(thousand of yen)

<div> <div>Term</div> <div>Item</div> </div>	From March 1 to November 30 2013		From March 1 to November 30 2014	
	Amount		Amount	
I Sales	5,006,098		5,318,596	
II Cost of sales	3,761,280		4,041,187	
Gross profit	1,244,818		1,277,409	
III Selling, general & administrative expenses	1,409,344		1,346,309	
Operating income	(164,526)		(68,899)	
IV Non-operating income	11,720		18,443	
V Non-operating expenses	11,256		13,384	
Ordinary income	(164,061)		(63,841)	
VI Extraordinary gains	1,076		122,162	
VII Extraordinary losses	—		59,589	
Pretax net income for the current term	(162,985)		(1,268)	
Income taxes	1,752		13,519	
Income taxes deferred	1,452		2,460	
Net Income /losses	(166,191)		(17,249)	

( Figures are rounded to thousand yen.)