
FACTBOOK

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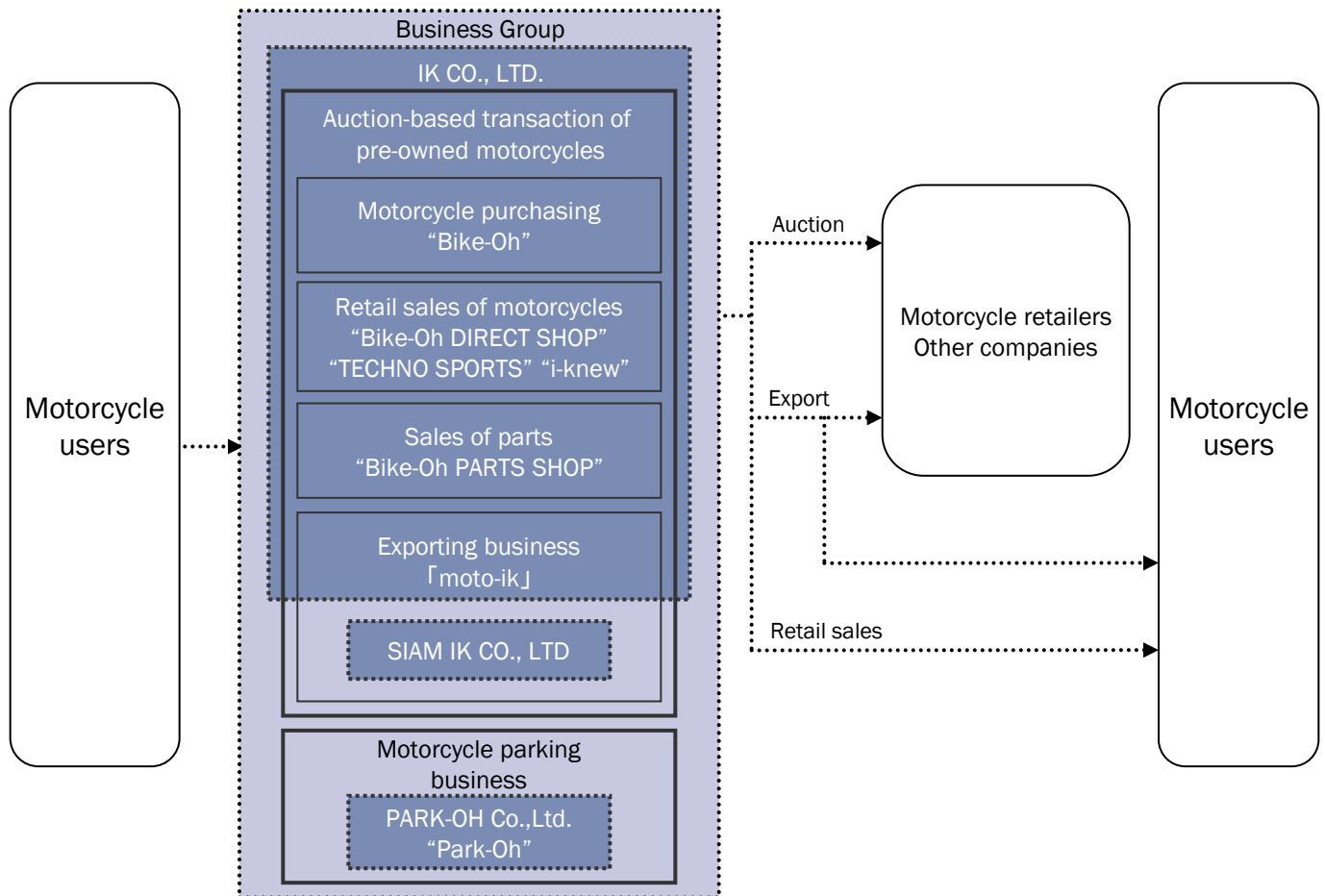
IK CO., LTD.

For the Fiscal Year Ended August 31, 2010



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Company Name	IK CO., LTD.
URL	http://www.ikco.co.jp
Headquarters	Prime-Square (Bldg.), 18th Floor 1-1-39 Hiroo, Shibuya-ku, Tokyo 150-0012 JAPAN TEL.03 (6803) 8811 FAX.03 (3409) 5050
Capital	¥ 585 Million (as of August 31, 2010)
Date of Establishment	September 1998
Representative	Yoshihiro Kato, President & CEO
Main Business	Management of retail/repurchase of motorcycles at specialized outlets, creating a new distribution channel for bikes in Japan <ul style="list-style-type: none"> • Auction-based transaction of pre-owned vehicles • Retail sales of motorcycles • Sales of parts • Motorcycle parking business
Number of Shops	100 Bike-Oh, 10 shops for retail sales, 1 shop for parts sales, 111 shops in total (as of August 31, 2010)
Total Employees	Consolidated: 941 and others 37 (temporary workers average) Non-Consolidated: 935 and others 36(temporary workers average) (as of August 31, 2010)



Consolidated Balance Sheets

IK Co., Ltd. and subsidiaries
for the years ended August 31, 2006-2010



(¥ Thousand)	8/2006	8/2007	8/2008	8/2009	8/2010
Assets					
Total assets	4,690,404	5,556,289	6,364,227	6,350,850	6,402,711
Current assets	3,373,382	3,740,225	4,674,345	4,656,515	4,858,503
Cash and deposits	2,350,316	2,646,758	3,609,602	3,337,456	3,275,038
Accounts receivable-trade	249,158	109,590	103,197	159,202	354,506
Inventories	443,502	584,144	607,251	-	-
Merchandise	-	-	-	772,564	816,935
Supplies	-	-	-	21,955	28,531
Prepaid expenses	242,270	230,086	240,828	234,230	221,978
Deferred tax assets	51,392	66,842	59,763	42,901	61,054
Other	41,331	104,873	53,776	88,627	101,551
Allowance for doubtful accounts	△ 4,586	△ 2,070	△ 73	△ 424	△ 1,091
Noncurrent assets	1,317,021	1,816,064	1,689,881	1,694,335	1,544,207
Property, plant and equipment	567,965	826,321	863,401	895,346	706,942
Buildings and structures	488,716	729,193	862,533	910,347	865,425
Accumulated depreciation	△ 116,111	△ 148,390	△ 233,565	△ 308,365	△ 405,033
Buildings and structures, net	372,605	580,802	628,968	601,982	460,392
Vehicles	67,164	168,805	274,311	342,004	366,112
Accumulated depreciation	△ 24,910	△ 79,743	△ 184,087	△ 279,780	△ 331,991
Vehicles, net	42,253	89,062	90,224	62,224	34,121
Lease assets	-	-	-	160,591	216,905
Accumulated depreciation	-	-	-	△ 21,608	△ 59,562
Lease assets, net	-	-	-	138,983	157,343
Other	144,979	195,968	212,078	246,502	239,840
Accumulated depreciation	△ 50,103	△ 85,880	△ 129,414	△ 166,852	△ 184,754
Other, net	94,876	110,087	82,664	79,650	55,085
Construction in progress	58,230	46,368	61,544	12,506	-
Intangible assets	307,378	533,481	196,899	139,431	150,873
Goodwill	-	251,067	-	-	-
Software	232,000	268,357	171,756	119,605	137,532
Other	75,377	14,055	25,142	19,825	13,340
Investments and other assets	441,678	456,261	629,580	659,557	686,391
Deferred tax assets	43,903	23,283	124,840	104,761	122,223
Lease and guarantee deposits	382,816	422,053	501,732	520,252	527,505
Other	14,958	10,924	8,007	50,112	42,170
Allowance for doubtful accounts	-	-	△ 5,000	△ 15,569	△ 5,508

Consolidated Balance Sheets

IK Co., Ltd. and subsidiaries
for the years ended August 31, 2006-2010



(¥Thousand)	8/2006	8/2007	8/2008	8/2009	8/2010
Liabilities					
Total liabilities	1,583,389	1,711,220	1,738,091	1,622,282	1,754,951
Current liabilities	1,491,427	1,620,341	1,672,737	1,466,106	1,591,707
Accounts payable-trade	61,241	69,861	100,380	83,314	74,699
Short-term loans payable	-	100,000	220,000	238,000	238,000
Current portion of long-term loans payable	14,000	24,000	24,000	-	-
Lease obligations	-	-	-	34,864	47,665
Accounts payable-other	629,055	516,334	493,503	528,048	545,363
Income taxes payable	536,505	624,501	472,327	284,180	334,680
Other	250,624	285,643	362,525	297,699	351,299
Noncurrent liabilities	91,961	90,879	65,353	156,176	163,243
Long-term loans payable	46,000	22,000	-	-	-
Lease obligations	-	-	-	117,418	127,328
Other	45,961	68,879	65,353	38,757	35,915
Net assets					
Total net assets	3,107,015	3,845,068	4,626,136	4,728,568	4,647,759
Shareholders' equity	3,103,315	3,815,443	4,558,752	4,657,154	4,579,357
Capital stock	583,346	584,534	585,650	585,650	585,650
Capital surplus	602,968	604,156	605,272	605,272	605,272
Retained earnings	1,916,999	2,626,751	3,367,829	3,466,230	3,599,487
Treasury stock	-	-	-	-	△ 211,053
Valuation and translation adjustments	-	-	-	△ 1,077	△ 1,515
Foreign currency translation adjustment	-	-	-	△ 1,077	△ 1,515
Subscription rights to shares	-	29,625	67,383	72,492	69,918
Minority interests	3,700	-	-	-	-
Total liabilities and net assets	4,690,404	5,556,289	6,364,227	6,350,850	6,402,711

Non-Consolidated Balance Sheets

IK Co., Ltd.

for the years ended August 31, 2006-2010



(¥ Thousand)	8/2006	8/2007	8/2008	8/2009	8/2010
Assets					
Total assets	4,655,993	5,595,815	6,424,204	6,184,284	6,182,820
Current assets	3,280,145	3,572,393	4,625,243	4,620,576	4,799,739
Cash and deposits	2,296,675	2,454,135	3,587,300	3,325,726	3,255,244
Accounts receivable-trade	249,158	258,475	93,096	157,757	347,589
Merchandise	412,985	480,991	604,403	771,135	816,241
Supplies	3,156	3,906	1,664	21,750	28,316
Prepaid expenses	233,212	211,961	225,880	210,241	192,310
Deferred tax assets	51,392	65,344	59,763	42,901	61,054
Accounts receivable-other	-	-	-	83,480	95,886
Other	38,152	97,578	53,205	7,582	3,717
Allowance for doubtful accounts	△ 4,586	-	△ 69	-	△ 620
Noncurrent assets	1,375,847	2,023,422	1,798,960	1,563,707	1,383,080
Property, plant and equipment	566,935	679,160	853,794	798,377	579,638
Buildings	476,115	576,455	818,673	862,500	815,313
Accumulated depreciation	△ 110,943	△ 138,040	△ 225,724	△ 292,217	△ 379,921
Buildings, net	365,172	438,414	592,949	570,282	435,391
Structures	9,301	10,502	35,377	39,870	37,758
Accumulated depreciation	△ 1,867	△ 2,646	△ 6,210	△ 12,631	△ 19,983
Structures, net	7,433	7,856	29,167	27,239	17,774
Vehicles	65,772	161,621	272,926	340,619	365,702
Accumulated depreciation	△ 24,337	△ 77,314	△ 182,801	△ 278,429	△ 331,683
Vehicles, net	41,434	84,306	90,125	62,190	34,018
Tools, furniture and fixtures	144,697	185,703	207,973	237,756	229,390
Accumulated depreciation	△ 50,032	△ 83,023	△ 127,965	△ 161,849	△ 177,102
Tools, furniture and fixtures, net	94,664	102,680	80,008	75,906	52,287
Lease assets	-	-	-	59,681	63,851
Accumulated depreciation	-	-	-	△ 9,428	△ 23,685
Lease assets, net	-	-	-	50,252	40,166
Construction in progress	58,230	45,901	61,544	12,506	-
Intangible assets	307,378	264,010	196,899	138,611	150,243
Right of trademark	4,094	5,996	5,629	5,023	4,205
Telephone subscription right	3,369	3,369	7,631	7,631	7,631
Software	232,000	254,644	171,756	118,941	137,034
Lease assets	-	-	-	1,058	572
Software in progress	67,912	-	11,881	5,955	800
Investments and other assets	501,534	1,080,251	748,266	626,718	653,198
Stocks of subsidiaries and affiliates	70,000	150,000	-	-	-
Investments in capital	60	140	240	240	230
Long-term loans receivable	-	-	-	5,569	5,508
Long-term loans receivable from employees	2,044	1,623	1,554	1,173	1,053
Long-term loans receivable from subsidiaries and affiliates	-	565,135	-	90,000	169,803
Long-term prepaid expenses	12,853	7,977	6,212	6,938	5,981
Deferred tax assets	43,903	51,773	257,939	104,761	122,223
Lease and guarantee deposits	372,672	373,600	487,319	495,036	494,017
Allowance for doubtful accounts	-	-	△ 5,000	△ 77,000	△ 145,919
Allowance for investment loss	-	△ 70,000	-	-	-
Other	-	-	-	-	300

Non-Consolidated Balance Sheets

IK Co., Ltd.

for the years ended August 31 , 2006-2010



(¥ Thousand)	8/2006	8/2007	8/2008	8/2009	8/2010
Liabilities					
Total liabilities	1,508,580	1,448,441	1,664,865	1,463,371	1,534,765
Current liabilities	1,462,639	1,417,926	1,395,906	1,176,543	1,280,711
Accounts payable-trade	52,296	64,368	100,380	83,314	74,699
Lease obligations	-	-	-	14,506	15,621
Accounts payable-other	624,817	509,231	484,423	523,162	539,245
Accrued expenses	94,568	115,110	169,542	160,771	166,204
Income taxes payable	536,415	623,724	472,147	284,000	334,500
Accrued consumption taxes	99,247	69,440	84,033	8,344	53,896
Advances received	6,081	2,352	21,349	56,573	46,337
Deposits received	49,132	33,403	62,955	38,886	40,660
Other	78	294	1,073	6,984	9,547
Noncurrent liabilities	45,940	30,515	268,958	286,828	254,054
Lease obligations	-	-	-	40,894	29,009
Long-term accounts payable-other	45,940	28,915	12,264	114	13,619
Provision for loss on business of subsidiaries and affiliates	-	-	255,775	241,646	204,793
Other	-	1,600	918	4,172	6,631
Net assets					
Total net assets	3,147,412	4,147,373	4,759,338	4,720,912	4,648,054
Shareholders' equity	3,147,412	4,117,747	4,691,955	4,648,420	4,578,135
Capital stock	583,346	584,534	585,650	585,650	585,650
Capital surplus	602,968	604,156	605,272	605,272	605,272
Legal capital surplus	602,968	604,156	605,272	605,272	605,272
Retained earnings	1,961,097	2,929,056	3,501,031	3,457,497	3,598,266
Legal retained earnings	13,250	13,250	13,250	13,250	13,250
General reserve	1,230,000	1,230,000	1,230,000	1,230,000	1,230,000
Retained earnings brought forward	717,847	1,685,806	2,257,781	2,214,247	2,355,016
Subscription rights to shares	-	29,625	67,383	72,492	69,918
Total liabilities and net assets	4,655,993	5,595,815	6,424,204	6,184,284	6,182,820

Consolidated Statements of Income

IK Co., Ltd. and subsidiaries
for the years ended August 31, 2006-2010



(¥Thousand)	8/2006	8/2007	8/2008	8/2009	8/2010
Net sales	16,709,192	20,379,968	24,588,896	23,502,365	24,176,839
Cost of sales	8,384,562	9,563,845	11,717,608	10,870,124	11,308,810
Gross profit	8,324,629	10,816,122	12,871,288	12,632,240	12,868,028
Selling, general and administrative expenses	7,142,192	9,241,900	11,007,280	11,985,698	12,159,720
Operating income	1,182,437	1,574,222	1,864,008	646,542	708,308
Non-operating income	109,298	32,795	64,021	74,700	94,518
Interest and dividends income	268	3,050	6,024	3,312	2,517
Commission fee	86,004	-	-	-	-
Credit commission income	-	8,204	17,238	30,248	20,871
Subsidy income	-	-	12,862	11,264	31,805
Miscellaneous income	23,025	21,540	27,896	29,876	39,324
Non-operating expenses	26,687	2,501	23,225	49,301	70,482
Interest expenses	2,910	2,200	4,653	7,585	9,819
Provision of allowance for doubtful accounts	-	-	5,000	10,569	-
Equity in losses of affiliates	-	-	-	28,785	56,458
Stock issuance cost	9,276	-	-	-	-
Listing costs	14,000	-	-	-	-
Miscellaneous loss	499	300	13,572	2,361	4,204
Ordinary income	1,265,049	1,604,516	1,904,803	671,941	732,344
Extraordinary income	26,920	4,837	540	1,438	10,661
Gain on sales of noncurrent assets	-	250	493	580	226
Reversal of allowance for doubtful accounts	-	4,586	47	-	7,861
Gain on reversal of subscription rights to shares	-	-	-	857	2,573
Gain on compensation for damage	4,920	-	-	-	-
Compensation for transfer	22,000	-	-	-	-
Extraordinary loss	35,234	56,886	364,868	83,163	135,104
Loss on sales of noncurrent assets	-	8	143	-	138
Loss on retirement of noncurrent assets	10,182	7,610	51,319	15,744	8,095
Non-recurring depreciation on noncurrent assets	25,052	2,545	8,468	-	20,654
Impairment loss	-	46,722	303,771	60,913	95,316
Other	-	-	1,165	6,505	10,900
Income before income taxes	1,256,734	1,552,467	1,540,476	590,216	607,901
Total income taxes	646,791	815,998	692,607	338,959	295,417
Income taxes-current	697,090	810,828	787,084	302,019	331,031
Income taxes-deferred	△ 50,299	5,169	△ 94,477	36,940	△ 35,614
Loss of minority shareholders	6,299	3,700	-	-	-
Net income	616,243	740,169	847,869	251,257	312,484

Non-Consolidated Statements of Income

IK Co., Ltd.

for the years ended August 31, 2006-2010



(¥ Thousand)	8/2006	8/2007	8/2008	8/2009	8/2010
Net sales	16,653,377	20,035,959	23,925,796	23,108,357	23,679,815
Cost of sales	8,334,210	9,315,290	11,335,738	10,524,887	10,881,607
Beginning goods	607,135	412,985	480,991	604,403	771,135
Cost of purchased goods	8,140,059	9,383,296	11,459,150	10,691,620	10,926,713
Total	8,747,195	9,796,281	11,940,141	11,296,023	11,697,849
Ending goods	412,985	480,991	604,403	771,135	816,241
Gross profit	8,319,167	10,720,669	12,590,058	12,583,469	12,798,208
Selling, general and administrative expenses	7,088,089	8,880,871	10,407,495	11,915,747	12,091,987
Operating income	1,231,078	1,839,797	2,182,562	667,722	706,220
Non-operating income	107,854	22,270	32,141	52,622	73,970
Interest and dividends income	264	7,035	11,786	3,737	3,043
Credit commission income	-	-	5,802	30,248	20,871
Subsidy income	-	-	-	-	24,005
Rent income	-	3,006	2,625	3,227	2,088
Insurance income	-	-	5,109	4,004	6,828
Commission fee	86,004	-	-	-	-
Miscellaneous income	21,585	12,228	6,817	11,404	17,133
Non-operating expenses	26,615	176	12,289	14,031	5,671
Interest expenses	2,839	133	-	1,117	1,546
Commission fee	-	-	-	-	3,285
Provision of allowance for doubtful accounts	-	-	5,000	10,569	-
Stock issuance cost	9,276	-	-	-	-
Listing costs	14,000	-	-	-	-
Miscellaneous loss	499	42	7,289	2,344	838
Ordinary income	1,312,317	1,861,891	2,202,414	706,313	774,520
Extraordinary income	26,920	5,747	493	15,567	47,389
Gain on sales of noncurrent assets	-	1,160	493	580	101
Reversal of provision for loss on subsidiaries and affiliates	-	-	-	14,128	36,853
Reversal of allowance for doubtful accounts	-	4,586	-	-	7,861
Gain on reversal of subscription rights to shares	-	-	-	857	2,573
Gain on compensation for damage	4,920	-	-	-	-
Compensation for transfer	22,000	-	-	-	-
Extraordinary loss	32,196	81,084	939,129	140,684	206,678
Loss on sales of noncurrent assets	-	8	-	-	138
Loss on retirement of noncurrent assets	10,182	2,255	14,961	15,744	8,095
Non-recurring depreciation on noncurrent assets	22,013	2,545	8,468	-	20,654
Impairment loss	-	6,275	13,437	51,253	87,910
Loss on liquidation of subsidiaries and affiliates	-	-	646,487	-	-
Reversal of provision for loss on subsidiaries and affiliates	-	-	255,775	-	-
Loss on valuation of stocks of subsidiaries and affiliates	-	-	-	6,054	-
Provision of allowance for investment loss	-	70,000	-	-	-
Provision of allowance for doubtful accounts	-	-	-	61,431	78,979
Other	-	-	-	6,200	10,900
Income before income taxes	1,307,041	1,786,554	1,263,778	581,196	615,231
Total income taxes	646,700	788,177	585,011	471,875	295,235
Income taxes-current	697,000	810,000	785,596	301,835	330,849
Income taxes-deferred	△ 50,299	△ 21,822	△ 200,584	170,039	△ 35,614
Net income	660,340	998,376	678,766	109,321	319,996

Consolidated Statements of Cash Flows

IK Co., Ltd. and subsidiaries
for the years ended August 31, 2006-2010



(¥ Thousand)	8/2006	8/2007	8/2008	8/2009	8/2010
Cash flows from operating activities					
Net cash provided by (used in) operating activities	1,275,437	1,213,733	1,480,365	247,611	588,542
Income before income taxes	1,256,734	1,552,467	1,540,476	590,216	607,901
Depreciation and amortization	152,674	259,049	350,579	359,720	289,661
Amortization of goodwill	-	22,824	27,389	-	-
Non-recurring depreciation on noncurrent assets	25,052	2,545	8,468	-	20,654
Increase (decrease) in allowance for doubtful accounts	4,527	△ 2,516	3,002	10,920	△ 9,394
Share-based compensation expenses	-	29,625	37,757	5,966	-
Interest and dividends income	△ 268	△ 3,050	△ 6,024	△ 3,312	△ 2,517
Interest expenses	2,910	2,200	4,653	7,585	9,819
Gain on sales of noncurrent assets	-	△ 250	△ 493	△ 580	△ 226
Loss on retirement of noncurrent assets	10,182	7,610	51,319	15,744	8,095
Loss on sales of noncurrent assets	-	8	143	-	138
Impairment loss	-	46,722	303,771	60,913	95,316
Equity in (earnings) losses of affiliates	-	-	-	28,785	56,458
Decrease (increase) in notes and accounts receivable-trade	△ 211,975	142,247	6,393	△ 56,005	△ 195,303
Decrease (increase) in inventories	167,287	△ 74,939	△ 23,106	△ 186,836	△ 50,946
Increase (decrease) in notes and accounts payable-trade	21,585	8,619	30,519	△ 17,066	△ 8,614
Increase (decrease) in accounts payable-other	211,285	△ 53,070	△ 23,288	30,120	19,843
Compensation for removal	△ 22,000	-	-	-	-
Bad debts expenses	-	-	-	-	-
Stock issuance cost	9,276	-	-	-	-
Other	135,932	△ 2,262	105,290	△ 105,417	37,185
Subtotal	1,763,205	1,937,831	2,416,852	740,755	878,071
Interest and dividends income received	268	3,049	6,025	3,093	1,145
Interest expenses paid	△ 2,454	△ 2,200	△ 4,282	△ 7,562	△ 9,843
Proceeds from compensation for removal	22,000	-	-	-	-
Income taxes paid	△ 507,582	△ 724,946	△ 938,230	△ 488,675	△ 280,831
Cash flows from investing activities					
Net cash provided by (used in) investing activities	△ 639,068	△ 958,422	△ 494,826	△ 328,447	△ 222,677
Purchase of property, plant and equipment	△ 332,388	△ 424,181	△ 384,753	△ 193,213	△ 80,660
Proceeds from sales of property, plant and equipment	-	2,390	882	736	242
Purchase of intangible assets	△ 63,707	△ 62,237	△ 15,045	△ 37,848	△ 83,538
Payments of loans receivable to subsidiaries and affiliates	-	-	-	△ 69,445	△ 50,000
Collection of loans receivable from subsidiaries and affiliates	-	-	-	9,445	-
Payments for transfer of business	-	△ 462,753	-	-	-
Payments for lease and guarantee deposits	△ 254,023	△ 91,786	△ 118,529	△ 47,428	△ 27,041
Proceeds from refund of lease and guarantee deposits	11,050	80,145	23,870	22,403	17,287
Other	-	-	△ 1,250	△ 13,097	1,032
Cash flows from financing activities					
Net cash provided by (used in) financing activities	△ 82,722	41,131	△ 22,694	△ 191,310	△ 428,283
Increase in short-term loans payable	-	130,000	190,000	118,000	-
Decrease in short-term loans payable	△ 300,000	△ 30,000	△ 70,000	△ 100,000	-
Proceeds from long-term loans payable	60,000	-	-	-	-
Repayment of long-term loans payable	△ 264,000	△ 14,000	△ 22,000	△ 24,000	-
Payments for installment debt	△ 17,025	△ 17,025	△ 16,651	△ 12,149	△ 114
Repayments of lease obligations	-	-	-	△ 21,279	△ 38,677
Proceeds from stock issuance	428,303	2,343	2,232	-	△ 211,053
Cash dividends paid	-	△ 30,185	△ 106,275	△ 151,881	△ 178,436
Proceeds from stock issuance to minority shareholders	10,000	-	-	-	-
Net increase (decrease) in cash and cash equivalents	553,647	296,442	962,843	△ 272,145	△ 62,418
Cash and cash equivalents, beginning of term	1,796,668	2,350,316	2,646,758	3,609,602	3,337,456
Cash and cash equivalents, end of term	2,350,316	2,646,758	3,609,602	3,337,456	3,275,038

Information by Segment

IK Co., Ltd. and subsidiaries
for the years ended August 31, 2006-2010



(¥ Thousand)	8/2006	8/2007	8/2008	8/2009	8/2010
Auction-based transaction of pre-owned motorcycles					
Net Sales	16,653,377	20,237,379	24,373,117	23,108,357	23,679,815
To Total Net Sales	99.7%	99.3%	99.1%	98.3%	97.9%
Internal sales, transfer	-	-	-	-	-
Subtotal	-	20,237,379	24,373,117	23,108,357	23,679,815
Operating expenses	-	18,536,307	22,429,064	22,440,635	22,973,595
Operating Income	-	1,701,071	1,944,053	667,722	706,220
Assets	-	5,505,928	6,290,296	6,191,907	6,182,525
Depreciation	-	281,099	382,561	341,853	260,701
Impairment loss	-	6,275	256,809	51,253	87,910
Capital expenditures	-	853,649	355,381	286,506	157,396
Motorcycle parking business					
Net Sales	55,814	142,588	215,779	394,008	497,023
To Total Net Sales	0.3%	0.7%	0.9%	1.7%	2.1%
Internal sales, transfer	-	150	360	360	780
Subtotal	-	142,738	216,139	394,368	497,803
Operating expenses	-	269,691	296,393	418,905	500,019
Operating Income	-	△ 126,953	△ 80,253	△ 24,537	△ 2,216
Assets	-	50,361	73,931	163,886	221,603
Depreciation	-	774	3,875	17,970	28,959
Impairment loss	-	40,446	46,962	9,659	7,405
Capital expenditures	-	2,414	11,608	110,273	60,190
Total					
Net Sales	16,709,192	20,379,968	24,588,896	23,502,365	24,176,839
Internal sales, transfer	-	150	360	360	780
Subtotal	-	20,380,118	24,589,256	23,502,725	24,177,619
Operating expenses	-	18,805,999	22,725,457	22,859,540	23,473,614
Operating Income	-	1,574,118	1,863,799	643,184	704,004
Assets	-	5,556,289	6,364,227	6,355,794	6,404,128
Depreciation	-	281,873	386,437	359,823	289,661
Impairment loss	-	46,722	303,771	60,913	95,316
Capital expenditures	-	856,063	366,989	396,779	217,586
Elimination/All company					
Net Sales	-	-	-	-	-
Internal sales, transfer	-	△ 150	△ 360	△ 360	△ 780
Subtotal	-	△ 150	△ 360	△ 360	△ 780
Operating expenses	-	△ 254	△ 568	△ 3,717	△ 5,084
Operating Income	-	104	208	3,357	4,304
Assets	-	-	-	△ 4,943	△ 1,417
Depreciation	-	-	-	△ 102	-
Impairment loss	-	-	-	-	-
Capital expenditures	-	-	-	-	-
Consolidated					
Net Sales	16,709,192	20,379,968	24,588,896	23,502,365	24,176,839
Internal sales, transfer	-	-	-	-	-
Subtotal	16,709,192	20,379,968	24,588,896	23,502,365	24,176,839
Operating expenses	15,526,754	18,805,745	22,724,888	22,855,823	23,468,530
Operating Income	1,182,437	1,574,222	1,864,008	646,542	708,308
Assets	4,690,404	5,556,289	6,364,227	6,350,850	6,402,711
Depreciation	-	281,873	386,437	359,720	289,661
Impairment loss	-	46,722	303,771	60,913	95,316
Capital expenditures	-	856,063	366,989	396,779	217,586

Consolidated Statements of Change in Shareholders' Equity

IK Co., Ltd. and subsidiaries

For the years ended August 31, 2009-2010



(¥ Thousand)	8/2009	8/2010
Shareholders' equity		
Capital stock		
Balance at the end of previous year	585,650	585,650
Balance at the end of current year	585,650	585,650
Capital surplus		
Balance at the end of previous year	605,272	605,272
Balance at the end of current year	605,272	605,272
Retained earnings		
Balance at the end of previous year	3,367,829	3,466,230
Changes of items during the period		
Dividends from surplus	△ 152,856	△ 179,227
Net income	251,257	312,484
Total changes of items during the period	98,401	133,256
Balance at the end of current year	3,466,230	3,599,487
Treasury Stock		
Balance at the end of previous year	-	-
Changes of items during the period		
Purchase of treasury stock	-	△ 211,053
Total changes of items during the period	-	△ 211,053
Balance at the end of current year	-	△ 211,053
Total shareholders' equity		
Balance at the end of previous year	4,558,752	4,657,154
Changes of items during the period		
Dividends from surplus	△ 152,856	△ 179,227
Net income	251,257	312,484
Purchase of treasury stock	-	△ 211,053
Total changes of items during the period	98,401	△ 77,796
Balance at the end of current year	4,657,154	4,579,357
Valuation and translation adjustments		
Foreign currency translation adjustment		
Balance at the end of previous year	-	△ 1,077
Changes of items during the period		
Net changes of items other than shareholders' equity	△ 1,077	△ 438
Total changes of items during the period	-	△ 438
Balance at the end of current year	-	△ 1,515
Total valuation and translation adjustments		
Balance at the end of previous year	-	△ 1,077
Changes of items during the period		
Net changes of items other than shareholders' equity	△ 1,077	△ 438
Total changes of items during the period	-	△ 438
Balance at the end of current year	-	△ 1,515

(¥ Thousand)	8/2009	8/2010
Subscription rights to shares		
Balance at the end of previous year	67,383	72,492
Changes of items during the period		
Net changes of items other than shareholders' equity	5,108	△ 2,573
Total changes of items during the period	5,108	△ 2,573
Balance at the end of current year	72,492	69,918
Total net assets		
Balance at the end of previous year	4,626,136	4,728,568
Changes of items during the period		
Dividends from surplus	△ 152,856	△ 179,227
Net income	251,257	312,484
Purchase of treasury stock	-	△ 211,053
Net changes of items other than shareholders' equity	4,031	△ 3,012
Total changes of items during the period	102,432	△ 80,808
Balance at the end of current year	4,728,568	4,647,759

Non-Consolidated Statements of Change in Shareholders' Equity

IK Co., Ltd.

For the years ended August 31, 2009-2010



(¥Thousand)	8/2009	8/2010	(¥Thousand)	8/2009	8/2010
Shareholders' equity			Subscription rights to shares		
Capital stock			Balance at the end of previous year	67,383	72,492
Balance at the end of previous year	585,650	585,650	Changes of items during the period		
Balance at the end of current year	585,650	585,650	Net changes of items other than shareholders' equity	5,108	△ 2,573
Capital surplus			Total changes of items during the period	5,108	△ 2,573
Legal capital surplus			Balance at the end of current year	72,492	69,918
Balance at the end of previous year	605,272	605,272	Total net assets		
Balance at the end of current year	605,272	605,272	Balance at the end of previous year	4,759,338	4,720,912
Total capital surplus			Changes of items during the period		
Balance at the end of previous year	605,272	605,272	Dividends from surplus	△ 152,856	△ 179,227
Balance at the end of current year	605,272	605,272	Net income	109,321	319,996
Retained earnings			Purchase of treasury stock	-	△ 211,053
Legal retained earnings			Net changes of items other than shareholders' equity	5,108	△ 2,573
Balance at the end of previous year	13,250	13,250	Total changes of items during the period	△ 38,425	△ 72,858
Balance at the end of current year	13,250	13,250	Balance at the end of current year	4,720,912	4,648,054
Other retained earnings					
General reserve					
Balance at the end of previous year	1,230,000	1,230,000			
Balance at the end of current year	1,230,000	1,230,000			
Retained earnings brought forward					
Balance at the end of previous year	2,257,781	2,214,247			
Changes of items during the period					
Dividends from surplus	△ 152,856	△ 179,227			
Net income	109,321	319,996			
Total changes of items during the period	△ 43,534	140,769			
Balance at the end of current year	2,214,247	2,355,016			
Total retained earnings					
Balance at the end of previous year	3,501,031	3,457,497			
Changes of items during the period					
Dividends from surplus	△ 152,856	△ 179,227			
Net income	109,321	319,996			
Total changes of items during the period	△ 43,534	140,769			
Balance at the end of current year	3,457,497	3,598,266			
Treasury Stock					
Balance at the end of previous year	-	-			
Changes of items during the period					
Purchase of treasury stock	-	△ 211,053			
Total changes of items during the period	-	△ 211,053			
Balance at the end of current year	-	△ 211,053			
Total shareholders' equity					
Balance at the end of previous year	4,691,955	4,648,420			
Changes of items during the period					
Dividends from surplus	△ 152,856	△ 179,227			
Net income	109,321	319,996			
Purchase of treasury stock	-	△ 211,053			
Total changes of items during the period	△ 43,534	△ 70,284			
Balance at the end of current year	4,648,420	4,578,135			

Profitability Indicators

IK Co., Ltd. and subsidiaries
for the years ended August 31, 2006-2010



(¥ Million)	8/2006	8/2007	8/2008	8/2009	8/2010
Total Assets	4,690	5,556	6,364	6,350	6,402
Equity	3,103	3,815	4,558	4,656	4,577
Net Sales	16,709	20,379	24,588	23,502	24,176
Cost of Sales	8,384	9,563	11,717	10,870	11,308
SG&A Expenses	7,142	9,241	11,007	11,985	12,159
Operating Income	1,182	1,574	1,864	646	708
Net Income	616	740	847	251	312

(%)	8/2006	8/2007	8/2008	8/2009	8/2010
Return on Asset (ROA)	13.1%	13.3%	13.3%	4.0%	4.9%
Return on Equity (ROE)	23.9%	21.4%	20.2%	5.5%	6.8%
Cost of Sales Ratio	50.2%	46.9%	47.7%	46.3%	46.8%
SG&A Ratio	42.7%	45.3%	44.8%	51.0%	50.3%
Operating Margin	7.1%	7.7%	7.6%	2.8%	2.9%
Net Margin	3.7%	3.6%	3.4%	1.1%	1.3%

Return on Asset=Net Income/Total Assets

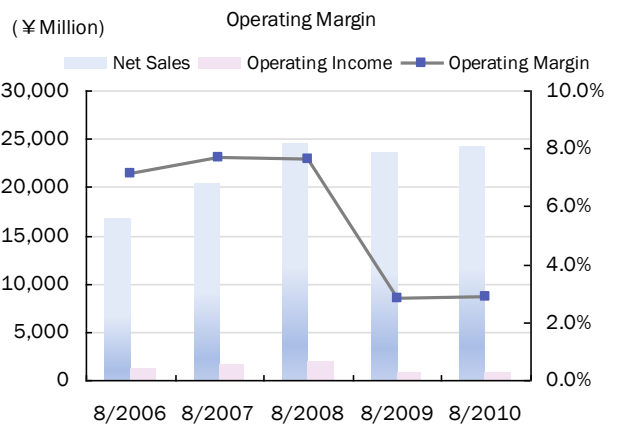
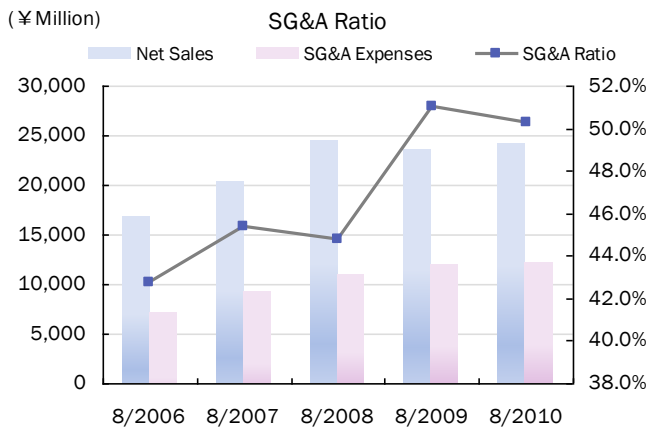
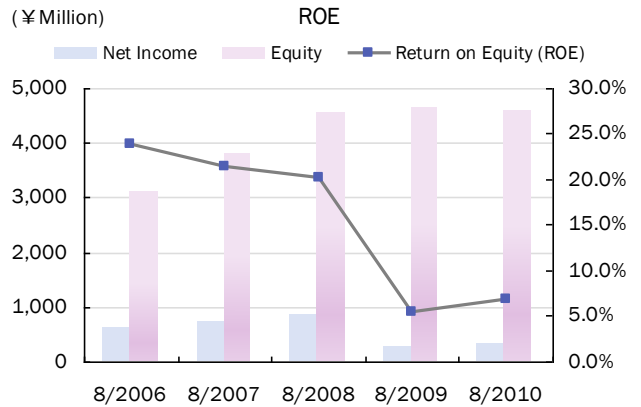
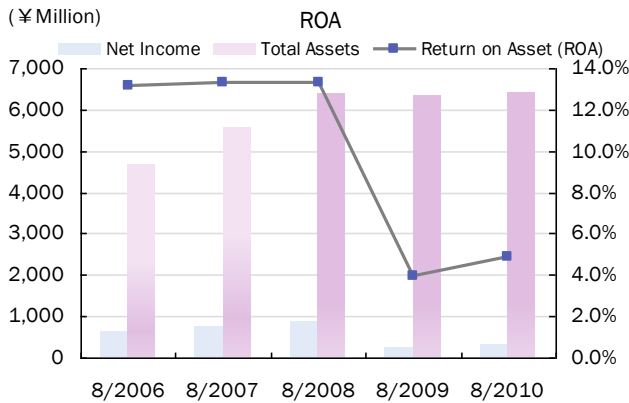
Return on Equity=Net Income/Equity

Cost of Sales Ratio=Cost of Sales/Net Sales

SG&A Expenses Ratio=SG&A Expenses/Net Sales

Operating Margin=Operating Income/Net Sales

Net Margin=Net Income/Net Sales



Efficiency Indicators

IK Co., Ltd. and subsidiaries
for the years ended August 31, 2006-2010



(Times)	8/2006	8/2007	8/2008	8/2009	8/2010
Total Assets Turnover	4.1	4.0	4.1	3.7	3.8
Noncurrent Assets Turnover	15.6	13.0	14.0	13.9	14.9

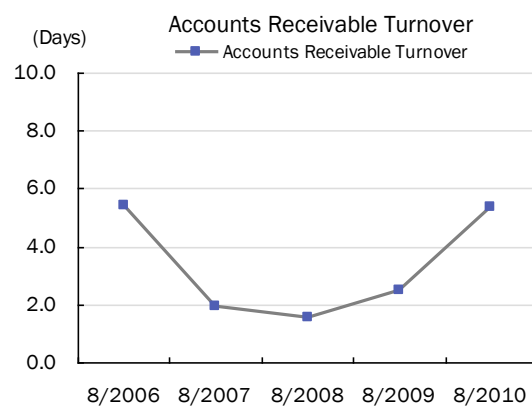
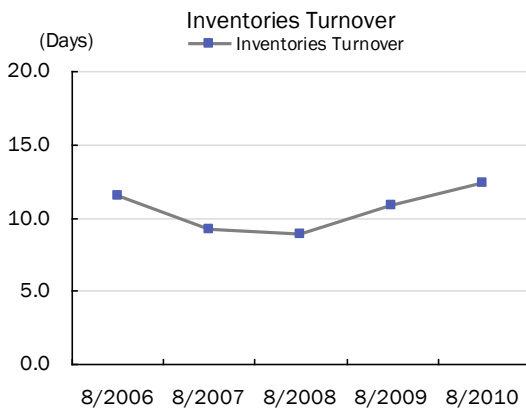
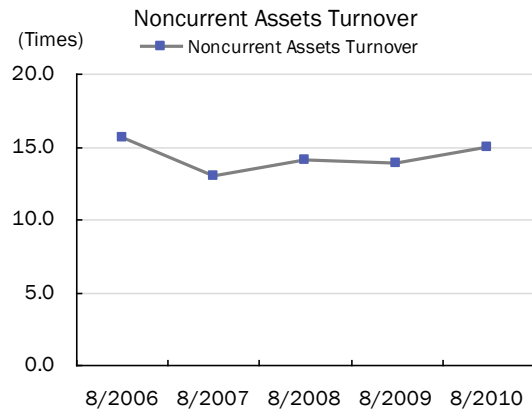
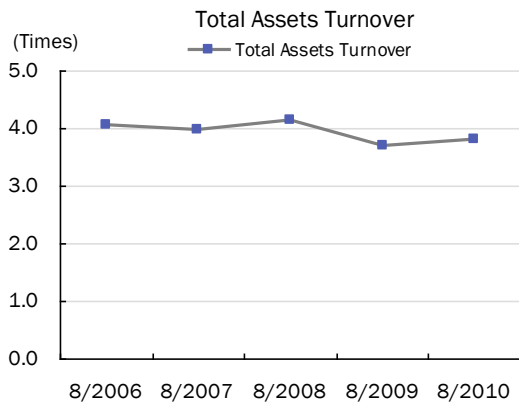
(Days)	8/2006	8/2007	8/2008	8/2009	8/2010
Inventories Turnover	11.5	9.2	8.8	10.9	12.4
Accounts Receivable Turnover	5.4	2.0	1.5	2.5	5.3

Total Assets Turnover=Net Sales/Average Total Assets

Noncurrent Assets Turnover=Net Sales/Average Noncurrent Assets

Inventories Turnover=(Average Inventories/Net Sales)*365

Accounts Receivable Turnover=(Accounts Receivable/Net Sales)*365



Stability Indicators

IK Co., Ltd. and subsidiaries
for the years ended August 31, 2006-2010



(¥ Million)	8/2006	8/2007	8/2008	8/2009	8/2010
Equity	3,103	3,815	4,558	4,656	4,577
Total Assets	4,690	5,556	6,364	6,350	6,402
Noncurrent Assets	1,317	1,816	1,689	1,694	1,544
Current Assets	3,373	3,740	4,674	4,656	4,858
Current Liabilities	1,491	1,620	1,672	1,466	1,591
Interest-Bearing Debt	60	146	244	238	238

(%)	8/2006	8/2007	8/2008	8/2009	8/2010
Equity Ratio	66.1%	68.7%	71.6%	73.3%	71.5%
D/E Ratio	1.9%	3.8%	5.4%	5.1%	5.2%
Fixed Ratio	42.4%	47.6%	37.1%	36.4%	33.7%
Current Ratio	226.2%	230.9%	279.5%	317.6%	305.3%

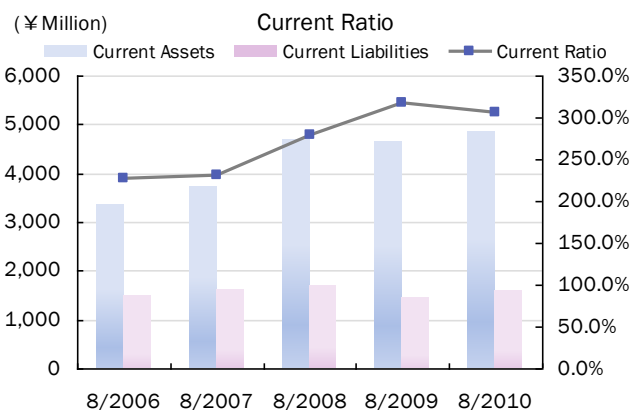
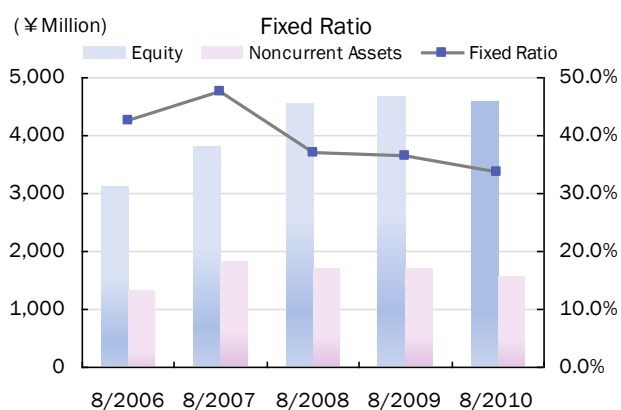
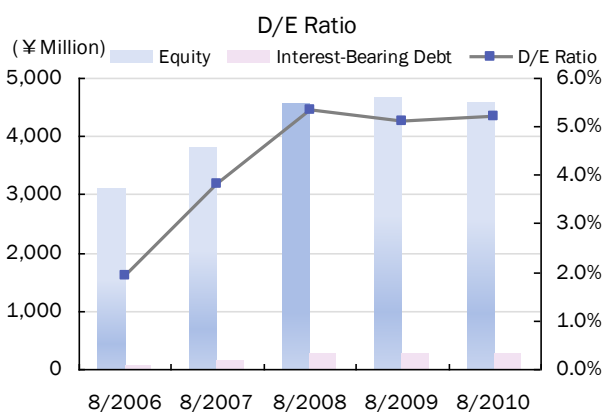
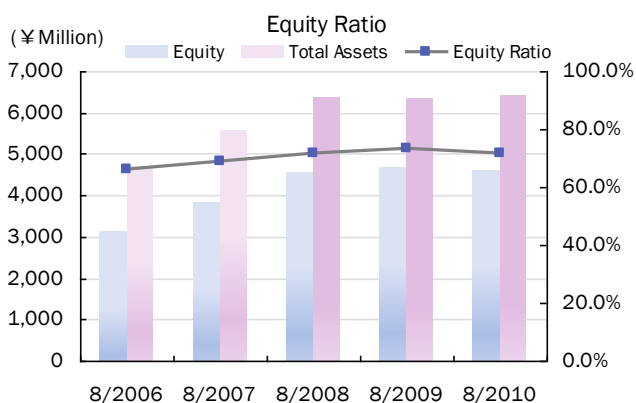
Equity = Shareholders' equity + Valuation and translation adjustments

Equity Ratio=Equity/Total Assets

D/E Ratio=Interest-Bearing Debt/Equity

Fixed Ratio=Noncurrent Assets/Equity

Current Ratio=Current Assets/Current Liabilities



Stock Information

IK Co., Ltd. and subsidiaries
for the years ended August 31, 2006-2010



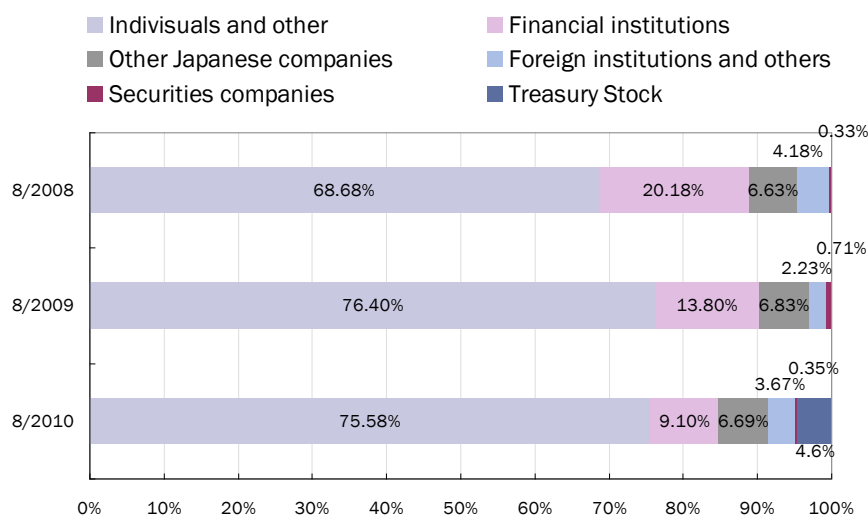
(¥)	8/2006	8/2007	8/2008	8/2009	8/2010
Share price at term-end	-	96,500	35,000	27,510	26,180
Net income per share	12,546.95	4,859.27	5,555.13	1,643.75	2,123.24
Net income per share (fully diluted)	12,280.17	4,841.63	5,547.32	-	-
Net assets per share	61,214.20	25,021.92	29,823.84	30,460.54	31,386.03
Dividend per share	600.00	300.00	800.00	1,200.00	1,200.00

* 1-for-3 stock split in FY8/07

Major Shareholders

As of August 31, 2010

Top 10 Shareholders	Number of Shares	Shareholding Ratio
Ishikawa, Akihiko	39,229	25.66%
Kato, Yoshihiro	35,282	23.08%
Kei Co, Ltd.	9,000	5.89%
The Master Trust Bank of Japan ,Ltd.	8,248	5.40%
Ishikawa, Yukari	7,980	5.22%
IK CO., LTD.	7,000	4.58%
Japan Trustee Services Bank, Ltd.	3,597	2.35%
Employee's Stockholdings	3,025	1.98%
Ohtani, Maki	2,951	1.93%
Kato, Nobuko	2,940	1.92%





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