



SEMI ANNUAL REPORT 2008

For the six months ended September 30, 2008



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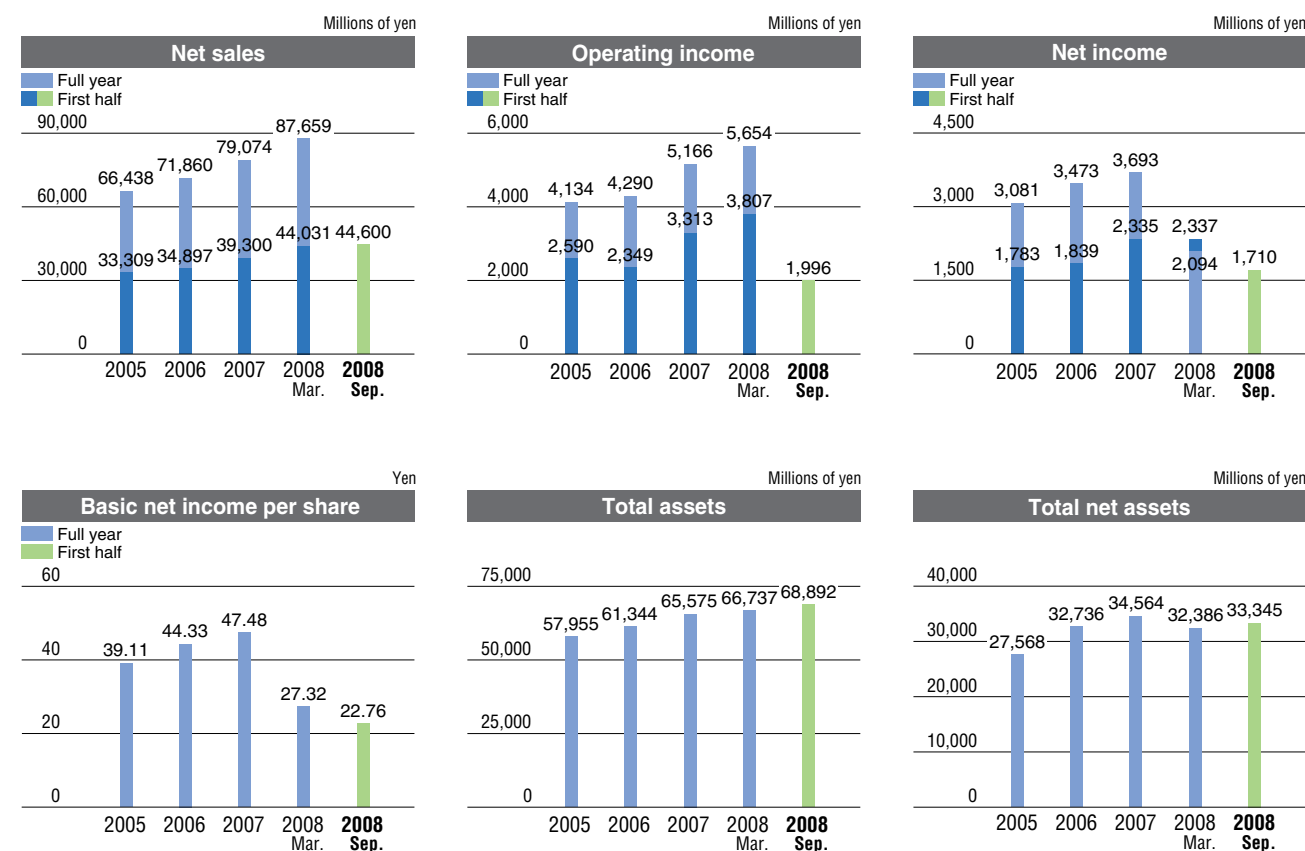


SMK CORPORATION

SMK Corporation and Consolidated Subsidiaries

Six months ended September 30	Millions of yen		Thousands of U.S. dollars	Millions of yen
	2007	2008	2008	2008
Operating Results				
Net sales	¥ 44,031	¥ 44,600	\$ 430,634	¥ 87,659
Operating income	3,807	1,996	19,278	5,654
Net income	2,337	1,710	16,516	2,094
Financial Position				
Total assets	¥ 71,551	¥ 68,892	\$ 665,175	¥ 66,737
Total net assets	35,075	33,345	321,965	32,386
Per Share Data				
Net income				
Basic	¥ 30.44	¥ 22.76	\$ 0.22	¥ 27.32
Diluted	30.41	22.76	0.22	27.30

Note: The U.S. dollar amounts represent translations of Japanese yen, for convenience only, at the rate of ¥103.57 = U.S.\$1.00.



Performance Overview

During the interim term under review, uncertainty emerged concerning the global economy, raising the specter of a worldwide recession. The influence of the slowdown in the United States Economy, triggered by the subprime loan crisis, has expanded into Europe and Asia. The financial crisis stemming from the series of difficulties suffered by major U.S. financial institutions has expanded globally, and the economic outlook is now quite gloomy. In the Japanese economy, inflation and uncertainty have led to an apparent slowdown in consumer spending, and there has been growing concern about the impact of the financial crisis on the real economy. The electronics industry has been facing increasingly severe conditions due to the wild fluctuations in raw material costs, a decline in the prices of end products, and other factors.

In this environment, the consolidated performance of the SMK Group in this interim term posted growth in sales and decrease in profits compared to the same term last year. To improve profitability, we will continue to take the lead in the shift to overseas countries, increase the ratio of internal manufacturing, and improve productivity in all aspects from design to delivery. We will also devote ourselves to differentiating our products from those of other companies, so that we can market attractive products, by utilizing our technological capabilities.

Initiatives to Meet Our Management Objectives

In this term, we focused on three management objectives: “enhancement of SMK brand power,” “quality improvement (Zero Defect),” and “another challenge in product creation.” In particular, we have promoted a variety of measures to master core technologies and pass them down to the next generation, and to enhance our technological ability, based on our belief of “scrupulous parts, scrupulous final products.” We also held the SMK Technical Exposition TEXPO2008 at the Hotel Pacific Tokyo over the three days from June 4 until June 6. We hold this technology exhibition, to which our customers are invited, every four years. This year, all SMK employees promoted our technological ability and the competitiveness of our products in a positive and united manner under the slogan, “Vision to Creation, It’s Our Challenge.” We will continue to implement various measures to enhance the SMK brand and to expand our business.

Environmental Initiatives

We at SMK regard compatibility with the global environment as a corporate duty and have positioned it



Terutaka Ikeda Chairman and Chief Executive Officer
Tetsuya Nakamura President and Chief Operating Officer

as a key management objective. We will continue to promote green procurement in a positive manner and bolster our capabilities to comply with laws and regulations including the RoHS Directive. As we provide for the unified deployment of measures to save energy and resources at SMK sites around the world, it will be vital for us to see that each and every employee shares the same ideals and to align their awareness of the issues. We believe this is essential for improving the effectiveness of our corporate activities. We will continue to make diligent, concerted efforts to preserve the global environment.

The market environment surrounding our company has been changing rapidly, and the situation has become increasingly difficult. However, we are determined to devote all our efforts to working toward improving our corporate value and expanding our profits by responding flexibly to the changes in our business environment and capitalizing on even the smallest opportunity. We hope that we can continue to count on the understanding and support of our shareholders as we pursue these goals.

December 2008

Terutaka Ikeda
Chairman and Chief Executive Officer

Tetsuya Nakamura
President and Chief Operating Officer

(April 1, 2008 to September 30, 2008)

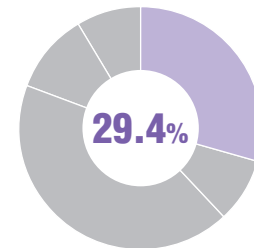
Net Sales Millions of yen

2007 2008 Mar. 2008 Sep.

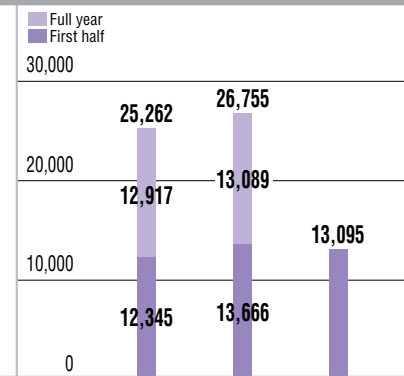
Audio-Visual



HDMI Standard Type A receptacle



Audio-visual parts
13,095 million yen

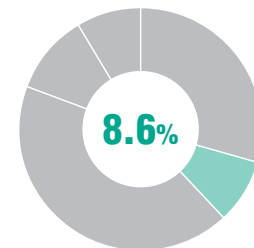


Although sales of remote controls remained robust due to the expansion of the flat-panel television market, we had a difficult period because sales of remote controls for set-top boxes and of audio and visual parts remained stagnant. By anticipating future market trends, we will actively develop products including RF remote controls, products geared for the increasingly popular wireless technologies used in audio and visual equipment, connectors for high-speed transmission, and so on.

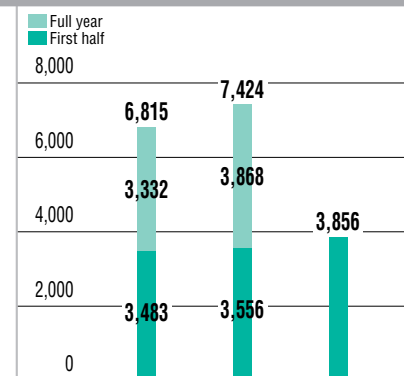
Car Electronics



"Force-feedback" touch panels

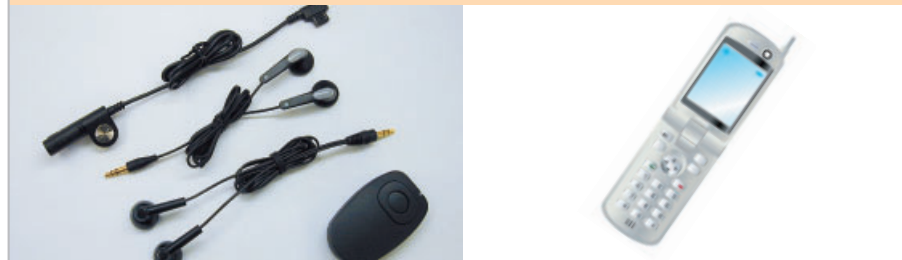


Electronic instruments
3,856 million yen

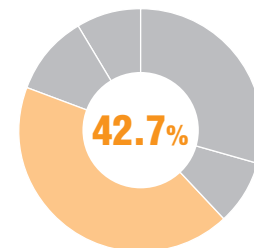


Due to the widespread popularity of vehicle-on-board devices for receiving terrestrial digital broadcasting, sales of antenna connectors for digital tuners have started to contribute to our overall sales. Sales of parts for rear-seat entertainment systems and car navigation systems also remained robust. We will continue to focus on expanding our lineup of vehicle-on-board connectors, parts for vehicle-on-board cameras, parts used in operating systems, and others.

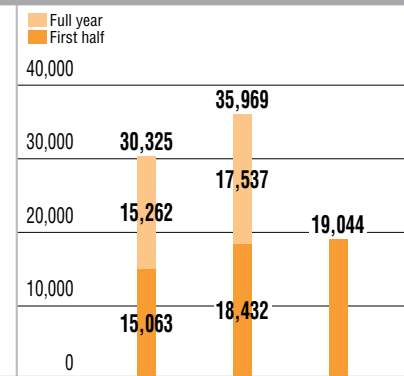
Communication



Stereo earphone-microphone and Bluetooth unit



Communications parts
19,044 million yen

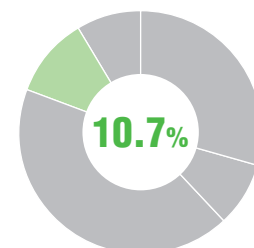


Sales of connectors and switches contributed to overall sales due to the increasing demand for smart phones, mainly in the North American market. While the growth of demand for mobile phones has been slowing, we will continue to respond to our customers' latest needs by enhancing the user-friendliness of parts used in operating systems—including switches and connectors of lighter weight, slimmer dimensions, and smaller size—and by developing products that are compatible with the next generation of communication networks.

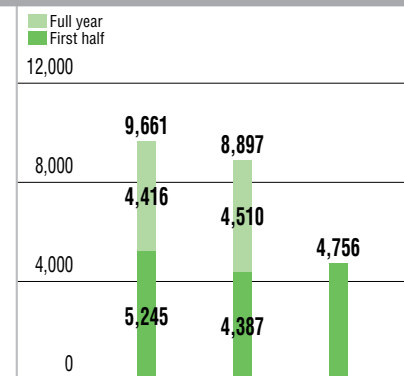
Information



xD-4in1 card connectors

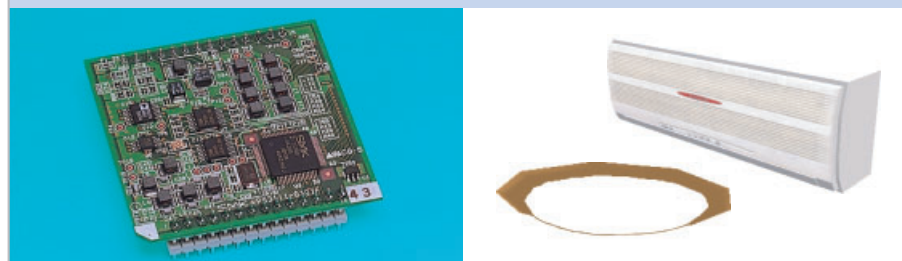


Information, office equipment parts
4,756 million yen

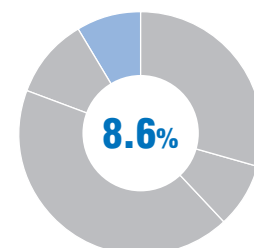


Sales of ATM touch panels for overseas markets and remote controls for the PC market remained robust. In information equipment, demand has been growing for new parts used in operating systems and for parts that are compatible with the next generation of high-frequency standards. We will strive to strengthen our initiatives for products for markets that are expected to continue to grow, such as mobile PCs and digital still cameras.

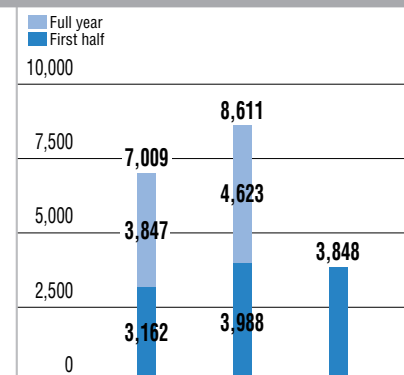
Home Electronics



DS-SS Modulation/Demodulation Engine for PLC



Electronic toys, home electronics and other parts
3,848 million yen



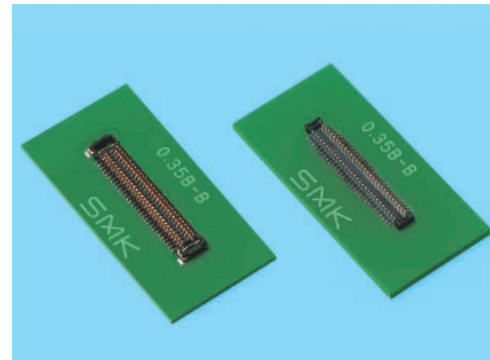
Although sales of remote controls for air-conditioners remained robust, backed up by demand both in Japan and overseas, we had a difficult period because sales of parts for video game consoles remained stagnant. We are currently entering the market for lighting equipment parts, which is a new field. We will also actively promote our connectors and other devices in the solar battery market, which has been growing rapidly due to the increasing awareness of environmental issues around the world.

Development of the Industry's Smallest Mounting Area, the 0.35mm Pitch Board-to-board PB-35 Series

We previously developed the 0.4mm narrow pitch and low profile board-to-board PB-4 series connectors for portable equipment, gaining a solid market reputation. We have now developed and commenced shipment of samples of the 0.35mm pitch PB-35 series, board-to-board connector, which has the industry's smallest mounting area.

With the trend in recent years toward designing portable equipment such as mobile phones and PDAs to be smaller and more functional, there have been increased requirements for internal connectors with narrower pitch, smaller size, lower profile, and higher density mountability.

This new series of connectors has been developed to respond to such market requirements, with the industry's smallest mounting area, a narrow 0.35mm pitch and a low 0.7mm profile when mated. This has been made possible by taking advantage of the technologies cultivated during our previous successful development of the PB-4 series connector. The mounting area is reduced by about 40% from that of the 60P version of the PB-4 series. A narrow 0.35mm pitch makes possible higher density mounting and reduction of the PWB mounting area for further downsized equipment design.



0.35mm pitch board-to-board connector, PB-35 series

New-concept Remote Control Units Developed to Expand the Remote Control Business

We have developed new products for the remote control market, of which we have the greatest share. These products are new-concept remote control units featuring futuristic designs—our suggestions for how remote controls in the future should look. We made the new remote control units public at the SMK Technical Exposition TEXPO2008, and customers who visited the event were highly impressed with the units. Home electronics have been rapidly moving in the direction of higher performance, computerization, networking capabilities, and personalization. We are moving ahead of these changes in electronics and striving to expand our remote control business with new-concept remote controls which incorporate new devices and unprecedented operating methods.



Twelve types of new-concept remote controls



[Left] Stationary LCD type remote control unit. This unit permits control of multiple units with a small number of keys and key operations.

[Right] Easy to operate egg-shaped remote control unit. This unit features a cute design and easy "shaking" operation.

[Right] Palm remote control unit. It features a rotating operation and a design intended for personal use.

[Left] Crystal-key remote control unit. This unit features touch-and-trace operation with illuminated keys.



Force Feedback (FFB) Type Touch Panel for Small Portable Equipment Developed

We have developed and commenced marketing of force feedback (FFB) type touch panels for mobile equipment. Having started production in 2004 of force feedback touch panels that provide the sensation of pressing buttons when touching the screen, we have enjoyed excellent market acceptance, mainly from the automotive industry.

In recent years, mobile devices that operate by users touching the touch-panel screen have rapidly won popularity, especially in the mobile phone and smart phone market. For mobile use, input by touching the touch panel screen enhances user-friendliness, permitting quick and intuitive operation. On another front, however, market demand remains strong for the sensation of pressing buttons, which many equipment users have been accustomed to.

Low consumption current, slim dimensions, and a wide variety of designs are required for mobile devices. The new products we have developed employ a low-voltage driving circuit to reduce the current consumption to one-third of our previous equivalent products.

We have also succeeded in downsizing the circuit. Additionally, a decorative printable sheet is allocated to the operating surface, and making the surface fully flat provides resistance to dust and drips and allows for a fashionable, bezel-free design.

We will continue to promote the sale of this new panel so that it will enjoy a wider scope of application.



for mobile equipment
The force feedback (FFB) touch panel

Bluetooth® Audio Module BT505A Developed

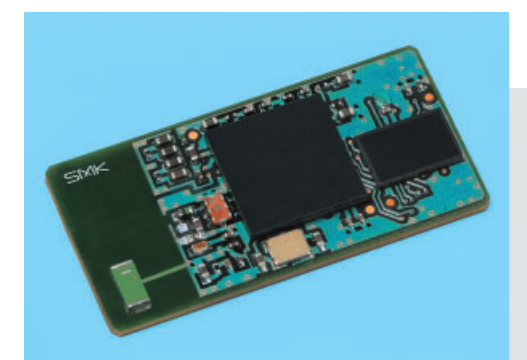
We have developed and commenced marketing of the Bluetooth® Audio Module BT505A. It is a recent market trend for more and more cellular phones or portable digital audio players to be loaded with Bluetooth® A2DP (Advanced Audio Distribution Profile) for supporting wireless music sound transmission.

To meet this trend, audio equipment manufacturers are focusing their attention upon wireless transmission as a new music source, but they still market very few speakers or audio devices equipped with Bluetooth® audio reception functions. Consequently, there is increasing demand amongst end users for speakers and audio devices that support these functions.

The BT505A for audio equipment is a product of our accurate understanding of such market requirements, and responds to such requests from end users.

This product is a wireless communication module that realizes short-distance wireless transmission of stereo audio signals. Embedded into speakers or stereo equipment, the BT505A will receive and reproduce audio signals transmitted by cellular phones via Bluetooth®.

Note: Bluetooth® is a trademark owned by Bluetooth SIG, Inc. SMK has been given permission to apply this trademark.



Bluetooth® Audio Module BT505A

SMK Technical Exposition TEXPO2008

We held the SMK Technical Exposition TEXPO2008 at the Hotel Pacific Tokyo for three days from June 4 until June 6. Under the slogan "Vision to Creation, It's Our Challenge," we displayed and demonstrated approximately 350 items representing our new products and new technologies, which are the fruit of our research and development efforts, as well as near-future technologies and evaluation technologies for various analyses. This event attracted approximately 3,000 people.

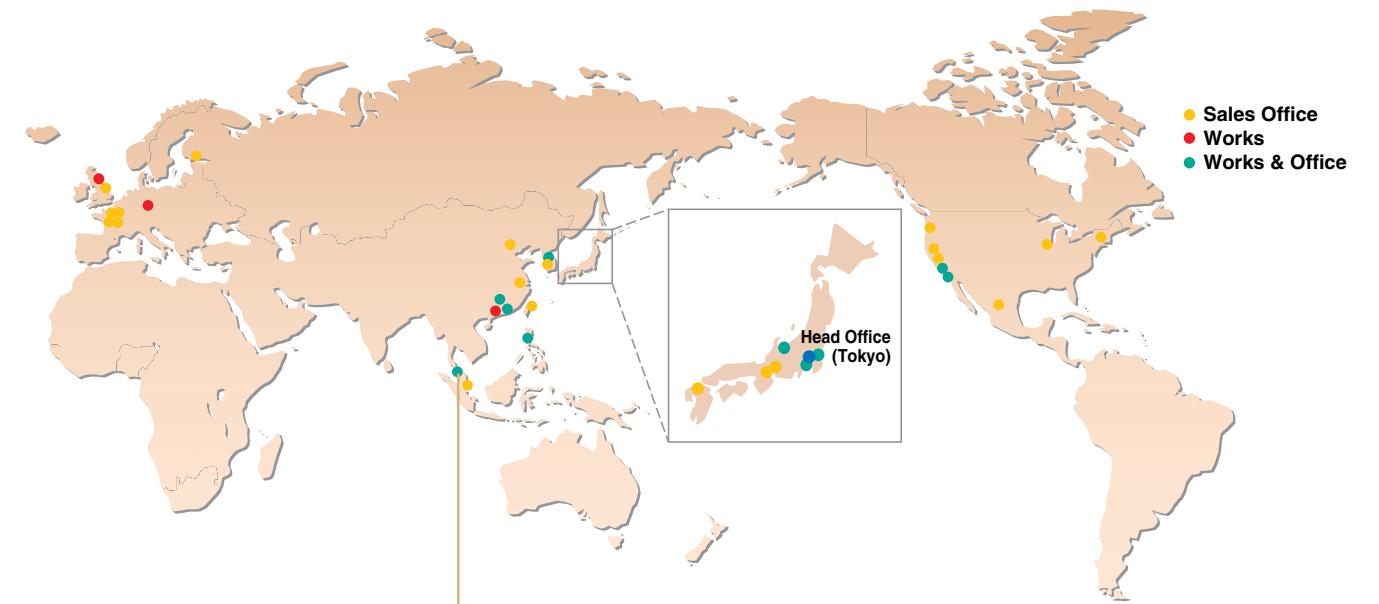
The exhibits were separated into zones according to category, and our creative ideas were reflected throughout the venue in the way we provided visitors with the information they desired. At the automotive electronics booth, a dummy vehicle with three rows of seats were set up at the center of the booth, and visitors were able to experience the force feedback touch panel and curved-surface touch panel. In the digital entertainment zone, we conducted demonstrations of the new concept remote controls, including our egg-shaped RF remote control, the Shake-an-Egg, which attracted the attention of many visitors.

During the 3-day TEXPO period we also held seminars, inviting prominent lecturers from various fields. The lectures were given on distinct topics, which allowed us to review manufacturing activities from various points of view, and were favorably received by the visitors.



Exhibiting at CEATEC JAPAN 2008

We exhibited at CEATEC JAPAN 2008, one of Asia's largest comprehensive IT and electronics exhibitions, held at Makuhari Messe in Chiba from September 30 to October 4. At the SMK booth, we demonstrated the Bluetooth® wireless audio signal transmissions and high-speed transmissions using the FPC connector. We actively promoted our technological abilities to the large number of visitors to enhance the SMK brand and to expand our future businesses.



Beranang, Malaysia

SMK Electronics (Malaysia) Sdn. Bhd.



ASIA

- SMK High-Tech Taiwan Trading Co., Ltd.
- SMK Electronics (H.K.) Ltd.
- SMK Trading (H.K.) Ltd.
- SMK Dongguan Gaobu Factory
- SMK Electronics (Shenzhen) Co., Ltd.
- SMK Electronics Trading (H.K.) Ltd. Shenzhen Office
- SMK Electronics Trading (Shanghai) Co., Ltd.
- SMK Electronics Trading (Shanghai) Co., Ltd. Beijing Office
- SMK Electronics Int'l Trading (Shanghai) Co., Ltd.
- SMK Electronics Singapore Pte. Ltd.
- SMK Electronics (Malaysia) Sdn. Bhd.
- SMK Electronics (Phils.) Corporation
- SMK Korea Co., Ltd.
- SMK Korea Co., Ltd. Seoul Office

EUROPE

- SMK Europe N.V.
- SMK Europe N.V., U.K. Branch
- SMK Europe N.V., France Branch
- SMK Europe N.V., Munich Office
- SMK Europe N.V., Dortmund Office
- SMK (U.K.) Ltd.
- SMK Hungary Kft.
- SMK Corporation Helsinki Office

NORTH AMERICA

- SMK Electronics Corporation U.S.A.
- SMK-Link Electronics Corporation
- SMK Electronics Corporation U.S.A., East Office
- SMK Electronics Corporation U.S.A., San Jose Office
- SMK Electronics Corporation U.S.A., Los Angeles Office
- SMK Electronics Corporation U.S.A., Seattle Office
- SMK Electronics Corporation U.S.A., Guadalajara Office
- SMK Electronics Corporation U.S.A., Chicago Office
- SMK Mexicana S.R.L. de C.V.
- SMK Manufacturing, Inc.
- SMK Electronica S.A. de C.V.

Consolidated Balance Sheets

SMK Corporation and Consolidated Subsidiaries
As of September 30

Assets	Millions of yen		Thousands of U.S. dollars	Millions of yen
	2007	2008	2008	As of March 31 2008
Current assets				
Cash and cash equivalents	¥ 8,486	¥ 8,185	\$ 79,029	¥ 7,073
Time deposits	762	431	4,164	145
Notes and accounts receivable, trade	23,820	22,946	221,548	20,830
Allowance for doubtful accounts	(63)	(71)	(685)	(66)
Inventories	8,533	8,123	78,434	8,207
Deferred tax assets	815	883	8,528	849
Other current assets	1,854	1,617	15,614	2,495
	44,207	42,114	406,632	39,533
Investments and long-term loans				
Investment securities	3,694	2,958	28,565	3,906
Long-term loans receivable	1,179	856	8,262	852
Other investments	1,526	1,553	14,996	1,779
Allowance for doubtful accounts	(295)	(268)	(2,592)	(269)
	6,104	5,099	49,231	6,268
Property, plant and equipment				
Land	4,373	4,460	43,059	4,365
Buildings	16,206	16,970	163,849	16,274
Machinery and vehicles	17,052	18,250	176,212	16,815
Tooling and office furnitures	24,118	24,562	237,153	23,677
Construction in progress	39	6	61	28
	61,788	64,248	620,334	61,159
Less-Accumulated depreciation	(42,593)	(44,155)	(426,334)	(41,959)
	19,195	20,093	194,000	19,200
Other assets				
Deferred tax assets	1,036	670	6,472	827
Intangible assets	1,009	916	8,840	909
	2,045	1,586	15,312	1,736
Total assets	¥ 71,551	¥ 68,892	\$ 665,175	¥ 66,737

Note: The U.S. dollar amounts represent translations of Japanese yen, for convenience only, at the rate of ¥103.57 = U.S.\$1.00.

Liabilities and net assets	Millions of yen		Thousands of U.S. dollars	Millions of yen
	2007	2008	2008	As of March 31 2008
Current liabilities				
Short-term loans payable	¥ 13,791	¥ 13,557	\$ 130,897	¥ 13,638
Notes and accounts payable, trade	6,404	5,121	49,444	4,864
Accrued income taxes	1,122	796	7,683	283
Accrued bonuses	881	1,018	9,826	977
Accounts payable, non trade	7,128	6,400	61,796	6,922
Other current liabilities	1,238	1,230	11,879	1,466
	30,564	28,122	271,525	28,150
Long-term liabilities				
Corporate bond	300	300	2,897	300
Long-term debt	4,787	6,313	60,958	5,042
Accrued employees' retirement benefits	31	14	135	13
Accrued directors' and officers' retirement benefits	366	359	3,460	388
Other long-term liabilities	428	439	4,235	458
	5,912	7,425	71,685	6,201
Net assets				
Shareholders' equity				
Common stock				
Authorized: 195,961,274 shares				
Issued and outstanding: 79,000,000 shares	7,996	7,996	77,211	7,996
Capital surplus	12,382	12,366	119,394	12,370
Retained earnings	17,521	17,743	171,310	16,741
Treasury stock	(1,743)	(2,635)	(25,442)	(2,264)
	36,156	35,470	342,473	34,843
Valuation, translation adjustments and other				
Net unrealized gains (losses) on other securities	87	(324)	(3,130)	(161)
Foreign currency translation adjustments	(1,176)	(1,844)	(17,806)	(2,304)
	(1,089)	(2,168)	(20,936)	(2,465)
Subscription rights to shares	—	25	245	—
Minority interests	8	18	183	8
	35,075	33,345	321,965	32,386
Total liabilities and net assets	¥ 71,551	¥ 68,892	\$ 665,175	¥ 66,737

Consolidated Statements of Income

SMK Corporation and Consolidated Subsidiaries
Six months ended September 30

	Millions of yen		Thousands of U.S. dollars	Millions of yen
	2007	2008	2008	Year ended March 31 2008
Net sales	¥ 44,031	¥ 44,600	\$ 430,634	¥ 87,659
Cost of sales	35,894	37,680	363,810	73,002
Selling, general and administrative expenses	4,330	4,924	47,546	9,003
Operating income	3,807	1,996	19,278	5,654
Other income				
Interest and dividend income	205	104	1,005	317
Rent income	440	446	4,303	889
Foreign exchange gain, net	—	859	8,295	—
Gain on sales of fixed assets	76	37	354	92
Other	128	160	1,539	350
Total other income	849	1,606	15,496	1,648
Other expenses				
Interest expenses	135	158	1,529	285
Foreign exchange loss, net	345	—	—	2,148
Loss on disposal of fixed assets	28	29	278	229
Impairment loss	125	—	—	179
Other	189	389	3,755	456
Total other expenses	822	576	5,562	3,297
Income before income taxes and minority interests	3,834	3,026	29,212	4,005
Income taxes				
Current	1,147	1,108	10,693	1,256
Deferred	349	207	1,998	654
Minority interests	1	1	5	1
Net income	¥ 2,337	¥ 1,710	\$ 16,516	¥ 2,094
	Yen		U.S. dollars	Yen
Per share data				
Net income				
Basic	¥ 30.44	¥ 22.76	\$ 0.22	¥ 27.32
Diluted	30.41	22.76	0.22	27.30

Note: The U.S. dollar amounts represent translations of Japanese yen, for convenience only, at the rate of ¥103.57 = U.S.\$1.00.

Consolidated Statements of Cash Flows

SMK Corporation and Consolidated Subsidiaries
Six months ended September 30

	Millions of yen		Thousands of U.S. dollars	Millions of yen
	2007	2008	2008	Year ended March 31 2008
Cash flows from operating activities				
Income before income taxes and minority interests	¥ 3,834	¥ 3,026	\$ 29,212	¥ 4,005
Depreciation and amortization	2,081	2,670	25,779	5,048
Decrease in accrued directors' bonuses	(95)	(83)	(801)	(12)
Increase (decrease) in accrued employees' retirement benefits	(414)	2	17	(430)
Increase in prepaid pension costs	—	(424)	(4,097)	(377)
Increase (decrease) in accrued directors' retirement benefits	21	(30)	(287)	44
Interest and dividend income	(205)	(104)	(1,005)	(317)
Interest expenses	135	158	1,529	285
Loss on disposal of fixed assets	28	29	278	229
Impairment loss	125	—	—	179
Increase in notes and accounts receivable, trade	(2,227)	(1,943)	(18,762)	(657)
Increase (decrease) in inventories	(1,812)	261	2,521	(2,199)
Increase (decrease) in notes and accounts payable, trade	1,567	(101)	(974)	1,751
Other	1,666	(4)	(35)	1,128
Subtotal	4,704	3,457	33,375	8,677
Receipts for interest and dividend income	200	111	1,079	317
Payments of interest expenses	(135)	(169)	(1,629)	(276)
Payments of income taxes	(1,264)	(129)	(1,248)	(2,648)
Net cash provided by operating activities	3,505	3,270	31,577	6,070
Cash flows from investing activities				
Payments into time deposits	(764)	—	—	(953)
Proceeds from time deposits	1,002	20	193	1,791
Purchases of fixed assets	(3,093)	(3,180)	(30,707)	(5,940)
Proceeds from sales of fixed assets	257	51	493	202
Purchases of investment securities	(109)	(13)	(128)	(740)
Proceeds from sales of investment securities	—	505	4,879	195
Payment on loans receivable	(119)	(28)	(272)	(299)
Proceeds from loans receivable	71	27	258	343
Payment for business transfer	(1,327)	—	—	(1,317)
Other	(9)	(96)	(923)	(101)
Net cash used in investing activities	(4,091)	(2,714)	(26,207)	(6,819)
Cash flows from financing activities				
Increase in short-term loans payable	791	1,429	13,795	609
Proceeds from long-term debt	3,350	1,500	14,483	3,890
Payments of long-term debt	(1,266)	(1,738)	(16,784)	(1,520)
Purchases of treasury stock	(772)	(400)	(3,857)	(1,328)
Proceeds from sales of treasury stock	13	13	124	37
Dividends paid	(604)	(519)	(5,013)	(1,155)
Net cash provided by financing activities	1,512	285	2,748	533
Effect of exchange rate changes on cash and cash equivalents	2	136	1,313	(269)
Increase (decrease) in cash and cash equivalents	928	977	9,431	(485)
Cash and cash equivalents at beginning of year	7,562	7,073	68,296	7,562
Increase in cash and cash equivalents arising from inclusion of subsidiaries in consolidation	—	135	1,302	—
Decrease in cash and cash equivalents due to exclusion of subsidiaries from consolidation	(4)	—	—	(4)
Cash and cash equivalents at end of six months and year	¥ 8,486	¥ 8,185	\$ 79,029	¥ 7,073

Note: The U.S. dollar amounts represent translations of Japanese yen, for convenience only, at the rate of ¥103.57 = U.S.\$1.00.

(As of September 30, 2008)

DIRECTORS



Tetsuya Nakamura
President and COO

Terutaka Ikeda
Chairman and CEO

Yasumitsu Ikeda
Executive Deputy President
Sales Division



Hajime Yamada
Director, Executive Vice President
Chief Financial Officer

Tadashi Yamoto
Director, Senior Executive Vice President
Chief Technology Officer

Yuji Tanahashi
Director

AUDITORS



Jun Sugimoto
Auditor

Shigenobu Oyashiki
Auditor

Kenji Kobayashi
Auditor

Hidefumi Kobayashi
Auditor

Kouichiro Sugihara
Auditor

Naru Nakashima
Auditor

CORPORATE EXECUTIVE OFFICERS



Makoto Irisawa
Executive Vice President
Human Resources
and General Affairs

Yoshiyuki Kaku
Executive Vice President
Connection System
Division

Yoshio Sakurai
Executive Vice President
Production Engineering and
Environmental Protection

Hirozumi Kawabata
Vice President
Secretarial Department

Hideo Matsumoto
Vice President
Sales Division, Europe



Akira Utazaki
Vice President
Deputy Division Director
of Sales Division

Mikio Wakabayashi
Vice President
Functional Components
Division

Paul Evans
Vice President
Sales Division, Americas

Tsutomu Isoda
Vice President
Research and Development

Hiroshi Miyakawa
Vice President
Sales Division

Corporate Data

(As of September 30, 2008)

Name:	SMK Corporation
Established:	January 15, 1929
Primary business:	Manufacture and sale of various electronic machinery and parts used in power, communications and electronic equipment, other industrial machinery, information equipment, etc.
Capital:	7,996,828,021 yen
Stock exchange listing:	Tokyo Stock Exchange
Administrator of shareholders register:	Mitsubishi UFJ Trust and Banking Corporation
Independent auditors:	Ernst & Young ShinNihon Tokyo, Japan
Employees (SMK-Group):	15,410
Head office:	5-5, Togoshi 6-chome, Shinagawa-ku, Tokyo 142-8511, Japan TEL 81-3-3785-1111 FAX 81-3-3785-1878

Subsidiaries & affiliates:	
Domestic:	Subsidiaries - 6 companies Affiliates - 3 companies
Overseas:	Subsidiaries - 21 companies

Website: <http://www.smk.co.jp/>

• Shares and Shareholders

Authorized shares:	195,961,274
Issued shares:	79,000,000
Number of shareholders:	11,026

Major Shareholders (top ten)	Shares Owned (1,000 shares)	Percentage of Shares (%)
Japan Trustee Services Bank, Ltd.	6,700	8.48
Nippon Life Insurance Company	4,036	5.11
Mizuho Corporate Bank, Ltd.	3,722	4.71
Dai Nippon Printing Co., Ltd.	3,200	4.05
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,134	3.97
SMK Cooperating Company Share Holding Association	2,245	2.84
Mitsubishi UFJ Trust and Banking Corporation	1,951	2.47
Terutaka Ikeda	1,938	2.45
Goldman Sachs International	1,661	2.10
Meiji Yasuda Life Insurance Company	1,601	2.03

Note: Of the above shares owned by major shareholders, the following number of shares are held in trust operations:
Japan Trustee Services Bank, Ltd. : 6,700 thousand shares
Mitsubishi UFJ Trust and Banking Corporation : 14 thousand