

Consolidated Financial Report for the Three Months Ended June 30, 2010
(April 1, 2010–June 30, 2010)

August 6, 2010

Company name: **FALCO SD HOLDINGS Co., Ltd.**
 Stock exchange listing: Tokyo Stock Exchange, 1st Section
 Osaka Securities Exchange, 1st Section
 Stock code: 4671
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 Scheduled filing date for quarterly reports: August 13, 2010
 Scheduled dividend payment date: —

(Figures less than one million yen are rounded down.)

1. Consolidated Business Results for the Three Months Ended June 30, 2010
(April 1, 2010–June 30, 2010)

(1) Business Results (Cumulative)

(Each “YoY change” represents the relevant change in percentage figures relative to the same period of the previous year.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million Yen	YoY change (%)	Million Yen	YoY change (%)	Million Yen	YoY Change (%)	Million Yen	YoY change (%)
Three months ended June 30, 2010	14,377	—	292	—	276	—	20	—
Three months ended December 20, 2009	9,753	(0.9)	395	(13.4)	355	(12.6)	79	—

	Net Income per Share (Basic)	Net Income per Share (Diluted)
	Yen	Yen
Three months ended June 30, 2010	1.59	—
Three months ended December 20, 2009	6.67	—

(Note) From the year ended March 31, 2010, the Company has changed its fiscal year end from September 20 to March 31. For this reason, the first three months of the year ending March 31, 2011 (April 1–June 30) are not comparable with the first three months of the year ended March 31, 2010 (September 21–December 20). Accordingly, percentages of the YoY change for the three months ended June 30, 2010 are not included.

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million Yen	Million Yen	%	Yen
As of June 30, 2010	39,256	12,439	31.7	958.90
As of March 31, 2010	32,827	11,585	35.3	969.62

(Reference) Equity capital As of June 30, 2010 ¥12,439 million
As of March 31, 2010 ¥11,585 million

2. Dividends

(Record date)	Dividend per share				
	End Q1	End Q2	End Q3	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2010	—	0.00	—	10.00	10.00
Year ending March 31, 2011	—				
Year ending March 31, 2011 (Forecast)		10.00	—	10.00	20.00

(Note) Revisions of dividend forecast during the period under review: None

3. Consolidated Forecasts for Fiscal Year Ending March 31, 2011 (April 1, 2010–March 31, 2011)

(Each “YoY change” represents the relevant change in percentage figures relative to the same period of the previous year.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Million Yen	YoY change (%)	Million Yen	YoY change (%)	Million Yen	YoY change (%)	Million Yen	YoY change (%)	Yen
First half	30,000	—	1,200	—	1,100	—	500	—	38.54
Full year	60,000	—	2,000	—	1,900	—	900	—	69.38

(Note) Revisions of consolidated forecast figures during the period under review: None

Because the year ended March 31, 2010 (from September 21, 2009 to March 31, 2010) is a transitional period for the change of accounting term, percentage figures relative to the previous year and to the same period of the previous year are not included.

4. Other

- (1) Number of shares outstanding (common stock)
 - 1) Number of shares outstanding at term-end (including treasury stock)

Three months ended June 30, 2010	12,980,177 shares
Year ended March 31, 2010	12,356,177 shares
 - 2) Number of treasury shares at term-end

Three months ended June 30, 2010	7,424 shares
Year ended March 31, 2010	407,377 shares
 - 3) Average number of shares through accounting period (quarterly consolidated accumulative period)

Three months ended June 30, 2010	12,972,778 shares
Three months ended December 20, 2009	11,948,872 shares

• Explanations regarding the appropriate use of earnings forecasts and other special note

All matters contained in these materials regarding future developments, such as earnings forecasts, are recorded based on information currently held by the company and certain assumptions considered to be rational at the time, but there is the possibility of large variations with outcomes due to a variety of factors, including business results.