

Consolidated First-Quarter Financial Results

for the Fiscal Year Ended December 31, 2007 (January 1, 2007 to March 31, 2007)

Company name:	SIIX Corporation
Stock code:	7613
Stock exchange listing (Section):	Tokyo Stock Exchange (First Section) Osaka Securities Exchange (First Section)
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1. Matters related to the creation of quarterly financial information

(i) Adoption or non-adoption of a simplified method in accounting procedures: Adoption

The company has adopted simplified procedures in regard to posting standards for corporation tax, etc.

(ii) Change or no change in accounting procedures from the most recent consolidated fiscal year: No change

(iii) Movement or no movement in the scope of application of consolidation and the equity method: Movement

Equity-method affiliates: 1 company excluded

2. Consolidated First-quarter Financial Results (January 1, 2007 - March 31, 2007)

(1) Consolidated Results of Operations

(Fractions less than one million yen are omitted)

	Net sales		Operating income		Ordinary income	
	Million yen	YoY change (%)	Million yen	YoY change (%)	Million yen	YoY change (%)
1st-quarter ended Mar. 2007	39,493	33.6	852	6.0	1,009	28.7
1st-quarter ended Mar. 2006	29,561	14.5	804	83.2	785	72.1
(Ref.) Year ended Dec. 2006	129,333	—	3,097	—	3,126	—

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	YoY change (%)	Yen	Yen
1st-quarter ended Mar. 2007	462	58.8	36.72	—
1st-quarter ended Mar. 2006	291	(82.7)	23.12	—
(Ref.) Year ended Dec. 2006	771	—	61.24	—

Notes

(i) The percentage figures given for net sales, operating income, etc. indicate the rate of change in comparison to the same quarter of the previous fiscal year.

(ii) Average number of shares during the period

First-quarter ended Mar. 2007:	12,599,943 shares
First-quarter ended Mar. 2006:	12,599,970 shares
Year ended Dec. 2006:	12,599,970 shares

[Qualitative information concerning the progress of operating results (consolidated)]

Looking at the domestic and overseas economies during the current first-quarter, although there were unstable elements in the overseas economy, including fears of an economic downturn in the USA and the trend in the price of crude oil, drawn along by a strong China and Euro economic region, economic activity has continued to be

strong. In the Japanese economy too, there was the aftermath of the spontaneous worldwide decline in stock values and the gradual change in the interest rate policy of the Bank of Japan, but against the backdrop of strong economic conditions overseas, corporate results have moved along strongly.

Under such conditions, sales in the current first-quarter finished at 39,493 million yen, an increase of 9,931 million yen (33.6% increase) in comparison to the same quarter of the previous term, due to increased shipments of components for household electrical equipment, centering on digital cameras, and components for communications related equipment. As a result, in terms of profit, operating income finished at 1,009 million yen, an increase of 224 million yen (28.7% increase) over the same period a year earlier, while net income finished at 462 million yen, an increase of 171 million yen (58.8% increase) similarly compared.

(2) Changes in the Company's Consolidated Financial Position

	Total assets	Net assets	Capital-to-asset ratio	Net assets per share
	Million yen	Million yen	%	Yen
1st-quarter ended Mar. 2007	57,646	15,434	26.4	1,209.12
1st-quarter ended Mar. 2006	45,785	13,785	30.1	1,094.09
(Ref.) Year ended Dec. 2006	51,207	14,813	28.6	1,160.85

Notes

(i) Number of outstanding shares at the end of the period

First-quarter ended Mar. 2007:	12,599,930 shares
First-quarter ended Mar. 2006:	12,599,970 shares
Year ended Dec. 2006:	12,599,970 shares

(ii) Number of treasury stock shares at the end of the period

First-quarter ended Mar. 2007:	70 shares
First-quarter ended Mar. 2006:	30 shares
Year ended Dec. 2006:	30 shares

【Consolidated Cash Flows Position】

	Net cash provided by (used in)			Cash and cash equivalents at end of the period
	Operating activities	Investing activities	Financing activities	
	Million yen	Million yen	Million yen	Million yen
1st-quarter ended Mar. 2007	800	(577)	328	5,181
1st-quarter ended Mar. 2006	183	(500)	(441)	4,777
Year ended Dec. 2006	2,739	(2,800)	(959)	4,613

[Qualitative information concerning changes in the company's financial position (consolidated)]

Total assets increased by 6,439 million yen in comparison to the end of the previous consolidated fiscal year to finish at 57,646 million yen. This was mainly due to an increase in accounts receivable, etc., in association with increased sales.

In addition, net assets increased by 620 million yen in comparison to the end of the previous consolidated fiscal year to finish at 15,434 million yen. This resulted in a decrease in the capital adequacy ratio from 28.6% to 26.4%.

(The cash flow situation)

Increased cash and cash equivalents ("funds" below) resulting from business activities were 800 million yen. This was due mainly to an increased value of 4,145 million yen for accounts payable against net income for the quarter before taxes and other adjustments of 1,041 million yen and an increased value of 3,544 million yen for accounts receivable.

Reduced funds resulting from investment activities were 577 million yen. This was due mainly to expenditures of 430 million yen for the acquisition of tangible fixed assets.

Increased funds resulting from financial activities were 328 million yen. This was due mainly to income of 1,050 million yen due to long-term borrowings against expenditures of 434 million yen for repayments of long-term borrowings and a net decrease in short-term borrowings of 119 million yen.

As a result of the activities described above, funds on a consolidated base at the end of the current first-quarter increased by 567 million yen (12.3%) in comparison to the end of the previous consolidated fiscal period to stand at 5,181 million yen.

Attached materials

(Summary) Quarterly consolidated balance sheets

(Summary) Quarterly consolidated statements of income

(Summary) Quarterly consolidated statements of cash flows

Fundamental items for the creation of quarterly financial information

Segment information

[Reference]

Business Performance Forecasts for the Fiscal Year Ending December 2007

(January 1, 2007 - December 31, 2007)

	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
Interim	72,842	1,421	512
Full year	150,537	3,617	1,663

(Reference) Forecast net income per share (full year): 131.98 yen

[Qualitative information concerning the business performance forecast]

The consolidated business performance forecast for the term ending December 2007 released on February 15, 2007 has been amended as shown above.

Due to the increased shipments of components for household electrical equipment, centering on digital cameras, and components for communications related equipment, sales during the current first-quarter have trended strongly, resulting in expectations for sales higher than originally forecast for the interim period. In addition, operating income and current net income have also trended strongly in association with the increase in net sales, and this has also led to expectations above the initial forecast. The figures for the full-year business performance forecasts are revised in consideration of the figures forecast for interim business performance.

*The forecasts given above are based on information available on the day of publication of this document and assumptions of supposable market trends, etc., and thus contain an element of uncertainty. Actual business performance may include results that differ from these forecasts for a variety of future reasons.

(Summary) Quarterly Consolidated Balance Sheets

(Million yen)

Item	Current 1st-quarter As of Mar. 31, 2007		Previous 1st-quarter As of Mar. 31, 2006		Change		Previous fiscal year As of Dec. 31, 2006	
	Amount	(%)	(%)				(%)	
Assets								
I Current assets								
1. Cash and deposits	5,203		4,777		426		4,636	
2. Trade notes and accounts receivable	22,877		16,523		6,354		19,005	
3. Inventories	14,173		9,658		4,515		12,747	
4. Others	2,029		2,396		(367)		2,102	
Provision for doubtful receivables	(712)		(280)		(432)		(719)	
Total current assets	43,571	75.6	33,074	72.2	10,496	31.7	37,772	73.8
II Fixed assets								
1. Tangible fixed assets	10,593		9,427		1,165		10,290	
2. Intangible fixed assets	436		226		209		232	
3. Investments and other assets	3,516		3,366		150		3,305	
Provision for doubtful receivables	(472)		(309)		(162)		(393)	
Total fixed assets	14,074	24.4	12,710	27.8	1,363	10.7	13,434	26.2
Total assets	57,646	100.0	45,785	100.0	11,860	25.9	51,207	100.0
Liabilities								
I Current liabilities								
1. Trade accounts payable	23,588		14,896		8,691		18,681	
2. Short-term borrowings	9,224		8,372		852		9,287	
3. Others	4,313		3,216		1,096		3,709	
Total current liabilities	37,125	64.4	26,485	57.9	10,640	40.2	31,678	61.9
II Fixed liabilities								
1. Long-term liabilities	3,649		3,982		(333)		3,237	
2. Reserve for retirements	101		110		(8)		110	
3. Reserve for retirement benefits for directors	159		138		20		149	
4. Others	1,176		1,134		42		1,216	
Total fixed liabilities	5,086	8.8	5,365	11.7	(279)	(5.2)	4,715	9.2
Total liabilities	42,212	73.2	31,851	69.6	10,360	32.5	36,394	71.1
Minority interests								
Minority interests	—		148	0.3	—		—	
Shareholders' equity								
I Common stock	—		2,144	4.7	—		—	
II Capital surplus	—		1,853	4.0	—		—	
III Retained surplus	—		9,275	20.3	—		—	
IV Net unrealized gains (losses)								
on other securities	—		327	0.7	—		—	
V Foreign currency translation adjustments	—		185	0.4	—		—	
VI Treasury stock	—		(0)	(0.0)	—		—	
Total shareholders' equity	—		13,785	30.1	—		—	
Total liabilities, minority interests and shareholders' equity	—		45,785	100.0	—		—	

(Million yen)

	Current 1st-quarter		Previous 1st-quarter		Change		Previous fiscal year	
	As of Mar. 31, 2007		As of Mar. 31, 2006				As of Dec. 31, 2006	
Net assets								
I Shareholder's equity								
1. Common stock	2,144	3.7	—	—	—	—	2,144	4.2
2. Capital surplus	1,853	3.2	—	—	—	—	1,853	3.6
3. Retained surplus	10,029	17.4	—	—	—	—	9,661	18.9
4. Treasury stock	(0)	(0.0)	—	—	—	—	(0)	(0.0)
Total shareholder's equity	14,026	24.3	—	—	—	—	13,658	26.7
II Difference of valuation, translation, and other adjustments								
1. Net unrealized gains (losses) on other securities	149	0.3	—	—	—	—	167	0.3
2. Net gains (losses) on deferral hedge	7	0.0	—	—	—	—	0	0.0
3. Foreign currency translation adjustments	1,051	1.8	—	—	—	—	800	1.5
Total of difference of appreciation and translation	1,208	2.1	—	—	—	—	968	1.8
III Minority interests	199	0.4	—	—	—	—	186	0.4
Total net assets	15,434	26.8	—	—	—	—	14,813	28.9
Total liabilities and net assets	57,646	100.0	—	—	—	—	51,207	100.0

(Summary) Quarterly Consolidated Statements of Income

(Million yen)

Item	Current 1st-quarter Jan. 1, 2007 – Mar. 31, 2007		Previous 1st-quarter Jan. 1, 2006 – Mar. 31, 2006		Change		Previous fiscal year Jan. 1, 2006 – Dec. 31, 2006	
	Amount	(%)	Amount	(%)	Change	(%)	Amount	(%)
I Net sales	39,493	100.0	29,561	100.0	9,931	33.6	129,333	100.0
II Cost of sales	36,983	93.6	27,393	92.7	9,589	35.0	120,570	93.2
Gross profit	2,510	6.4	2,167	7.3	342	15.8	8,763	6.8
III Selling, general and administrative expenses	1,657	4.2	1,363	4.6	294	21.6	5,666	4.4
Operating income	852	2.2	804	2.7	48	6.0	3,097	2.4
IV Non-operating income	279	0.7	138	0.5	141	101.9	615	0.5
V Non-operating expenses	122	0.3	157	0.5	(35)	(22.2)	586	0.5
Ordinary income	1,009	2.6	785	2.7	224	28.7	3,126	2.4
VI Extraordinary income	47	0.1	7	0.0	40	557.4	22	0.0
VII Extraordinary loss	16	0.1	0	0.0	15	—	690	0.5
Income before income taxes and minority interests	1,041	2.6	792	2.7	249	31.5	2,458	1.9
Income taxes	566	1.4	494	1.7	72	14.6	1,649	1.3
Loss on minority interests	(12)	(0.0)	(6)	(0.0)	(5)	—	(37)	(0.0)
Net income	462	1.2	291	1.0	171	58.8	771	0.6

(Summary) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	Current 1st-quarter Jan. 1, 2007 - Mar. 31, 2007	Previous 1st-quarter Jan. 1, 2006 - Mar. 31, 2006	Previous fiscal year Jan. 1, 2006 - Dec. 31, 2006
Item	Amount	Amount	Amount
I Operating activities			
1. Income before income taxes and minority interests	1,041	792	2,458
2. Depreciation	543	423	1,850
3. (Increase) decrease in trade notes and accounts receivable	(3,544)	(72)	(1,475)
4. (Increase) decrease in inventories	(1,040)	32	(2,312)
5. Increase (decrease) in trade notes and accounts payable	4,145	(1,339)	1,352
6. (Increase) decrease in consumption taxes receivable	(117)	82	192
7. (Increase) decrease in advances received	(96)	274	834
8. Others	420	575	1,826
Subtotal	1,352	768	4,727
9. Income taxes paid	(453)	(525)	(1,682)
10. Others	(99)	(58)	(304)
Net cash provided by operating activities	800	183	2,739
II Investing activities			
1. Purchase of tangible fixed assets	(430)	(499)	(2,651)
2. Purchases of intangible fixed assets	(176)	(4)	(80)
3. Proceeds from recovered loans	0	0	5
4. Others	28	4	(73)
Net cash used in investing activities	(577)	(500)	(2,800)
III Financing activities			
1. (Increase) decrease in short-term borrowings	(119)	(1,720)	(2,653)
2. Proceeds from long-term borrowings	1,050	1,490	3,146
3. Repayment of long-term borrowings	(434)	(204)	(1,285)
4. Others	(168)	(7)	(167)
Net cash used in financing activities	328	(441)	(959)
IV Effect of exchange rate changes on cash and cash equivalents	17	17	115
V Net increase (decrease) in cash and cash equivalents	567	(740)	(904)
VI Cash and cash equivalents at beginning of period	4,613	5,518	5,518
VII Cash and cash equivalents at end of period	5,181	4,777	4,613

Basic items for the creation of quarterly financial information

(Details of simplified procedures)

The company has adopted certain simplified procedures as described below of a scope that will not cause large misjudgments on the part of interested parties such as investors.

Posting standards for corporation tax, etc.:

The company posts corporation tax, etc. at the annual projected tax rate based on the effective tax rate designated in law.

Segment Information

【Information by operating segment】

Current first-quarter period (Jan. 1, 2007 - Mar. 31, 2007)

(Million yen)

	Electronics	Machinery	Other	Total	Eliminations and corporate	Consolidated
Net sales						
(1) Sales — outside customers	37,072	1,932	488	39,493	—	39,493
(2) Sales and transfer — inter-segment	—	451	—	451	(451)	—
Total	37,072	2,383	488	39,945	(451)	39,493
Operating expenses	36,016	2,381	449	38,847	(206)	38,640
Operating income	1,055	2	39	1,097	(244)	852

Previous first-quarter period (Jan. 1, 2006 - Mar. 31, 2006)

(Million yen)

	Electronics	Machinery	Other	Total	Eliminations and corporate	Consolidated
Net sales						
(1) Sales — outside customers	27,043	2,051	466	29,561	—	29,561
(2) Sales and transfer — inter-segment	—	557	—	557	(557)	—
Total	27,043	2,609	466	30,119	(557)	29,561
Operating expenses	25,990	2,583	445	29,019	(262)	28,757
Operating income	1,052	25	21	1,099	(295)	804

Notes:

1. Operating segments are based on product similarities
2. Major products by operating segment

Section	Major products
Electronics section	Finished products, subassemblies, circuit board assemblies, components, and kits in the fields listed below: Communication devices (LCD modules and camera modules for mobile phones, etc.), vehicle-mounted devices (car audios, meters, front panels, etc.), information devices (scanners, printers, peripheral devices, etc.), household appliances (digital cameras, flat screen TVs, air conditioners, healthcare equipment, etc.), industrial equipment (engine ignition systems, commercial AV equipment, etc.) and general electronic products
Machinery section	Motorcycle parts and materials, wire harnesses, electrical components such as spark plugs, general and industrial equipment and related parts and materials
Other section	Printing ink, synthetic chemicals, miscellaneous goods and other items

3. Operating expenses included under the heading “Eliminations and corporate” consist primarily of expenses related to the management divisions, mainly the general affairs and accounting divisions, at the parent company. Operating expenses included under “Eliminations and corporate” were as follows:

First-quarter ended Mar. 2007: 256 million yen

First-quarter ended Mar. 2006: 295 million yen

【Geographical Segment Information】

Current first-quarter period (Jan. 1, 2007 - Mar. 31, 2007)

(Million yen)

	Japan	Asia	Europe	Americas	Total	Eliminations and corporate	Consolidated
Net sales							
(1) Sales — outside customers	8,308	27,997	1,208	1,978	39,493	—	39,493
(2) Sales and transfers — inter-segments	6,565	1,790	120	1,938	10,414	(10,414)	—
Total	14,873	29,788	1,329	3,917	49,908	(10,414)	39,493
Operating expenses	14,401	28,822	1,470	3,726	48,421	(9,780)	38,640
Operating income or operating loss	471	965	(140)	191	1,487	(634)	852

Previous first-quarter period (Jan. 1, 2006 - Mar. 31, 2006)

(Million yen)

	Japan	Asia	Europe	Other	Total	Eliminations and corporate	Consolidated
Net sales							
(1) Sales — outside customers	7,983	19,365	686	1,526	29,561	—	29,561
(2) Sales and transfers — inter-segments	4,990	1,935	114	1,406	8,446	(8,446)	—
Total	12,974	21,300	800	2,932	38,008	(8,446)	29,561
Operating expenses	12,600	20,464	916	2,795	36,777	(8,019)	28,757
Operating income or operating loss	374	836	(116)	136	1,231	(427)	804

Notes:

- Operating expenses included under the heading “Eliminations and corporate” consist primarily of expenses related to the management divisions, mainly the general affairs and accounting divisions, at the parent company. Operating expenses included under “Eliminations and corporate” were as follows:
 - First-quarter ended Mar. 2007: 256 million yen
 - First-quarter ended Mar. 2006: 295 million yen
- Method of geographical segmentation and major countries and regions in individual segments.
 - Method of geographical segmentation:
 - Geographic proximity
 - Major areas and countries in geographical segments:
 - SE Asia: China, Taiwan, Singapore, Thailand, Philippines, and Indonesia
 - Europe: Germany and Slovakia
 - Americas: USA
- Changes in segments in the Geographical Segment Information table

The former segment “Other” was changed to “Americas” because of the increase in the importance of this region due to the high contribution this segment made to net sales in this interim period. With this change, no changes will be made to the location and the details of this geographical segment.