

Consolidated Cumulative 3rd quarter Financial Results for the Fiscal Year Ended December 31, 2013 (January 1, 2013 to September 30, 2013)

Company name:	SIIX Corporation
Stock code:	7613
Stock exchange listing (Section):	Tokyo Stock Exchange, (First Section)
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Submission date of quarterly financial statement:	November 12, 2013

(Amounts rounded down to million yen)

1. Consolidated Cumulative 3rd quarter Financial Results (January 1, 2013 – September 30, 2013)

(1) Consolidated Results of Operations

(The percentages in the table below represent changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income	
	Million yen	YoY change (%)	Million yen	YoY change (%)	Million yen	YoY change (%)
3rd quarter ended Sep. 2013	152,578	9.0	3,531	(5.6)	3,780	(2.6)
3rd quarter ended Sep. 2012	139,922	3.1	3,741	2.0	3,879	(3.7)

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	YoY change (%)	Yen	Yen
3rd quarter ended Sep. 2013	2,430	(7.4)	102.99	-
3rd quarter ended Sep. 2012	2,624	1.1	111.21	-

(Note) Comprehensive Income:

3rd quarter ended September 2013:	5,559 million yen	(84.5%)
3rd quarter ended September 2012:	3,012 million yen	(342.6%)

(2) Consolidated Financial Position

	Total assets	Net assets	Capital-to-asset ratio
	Million yen	Million yen	%
3rd quarter ended Sep. 2013	85,560	30,257	35.1
Year ended Dec. 2012	74,703	25,453	33.8

(Reference) Stockholders' equity:

3rd quarter ended September 2013:	30,073 million yen
Year ended December 2012:	25,277 million yen

2. Dividends

(Base date)	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	Term-end	Annual dividends
Year ended Dec. 2012	—	Yen 14.00	—	Yen 16.00	Yen 30.00
Year ended Dec. 2013	—	16.00	—		
Year ended Dec. 2013 (forecasts)				16.00	32.00

(note) Changes in Forecasts for Dividends during this quarter: No change

3. Consolidated Business Performance Forecasts for the Year Ending December 2013 (January 1, 2013 – December 31, 2013)

	Net sales		Operating income		Ordinary income	
	Million yen	YoY change (%)	Million yen	YoY change (%)	Million yen	YoY change (%)
Full year	214,000	12.2	5,330	14.7	5,380	8.2

	Net income		Net income per share (basic)
	Million yen	YoY change (%)	Yen
Full year	3,580	25.1	163.14

(note) Changes in Consolidated Business Performance Forecasts for the Fiscal Year Ending December 2013 during this quarter: No change

4. Others

- (1) Transfer of important subsidiaries during the period: No transfer
- (2) Adoption or non-adoption of a specific method in accounting procedures: No adoption
- (3) Changes in accounting policy and accounting estimate, and restatement related to consolidated financial statements
- (i) Changes in accounting policy associated with the revision of accounting standards: No change
- (ii) Changes in accounting policy other than those described in (i): No change
- (iii) Changes in accounting estimate: No change
- (iv) Restatement: No restatement
- (4) Number of outstanding shares (common shares)
- (i) Number of outstanding shares (including treasury stock):
- | | |
|-----------------------------------|-------------------|
| 3rd quarter ended September 2013: | 25,200,000 shares |
| Year ended December 2012: | 25,200,000 shares |
- (ii) Number of treasury stock:
- | | |
|-----------------------------------|------------------|
| 3rd quarter ended September 2013: | 1,600,431 shares |
| Year ended December 2012: | 1,600,431 shares |
- (iii) Average number of outstanding shares (quarterly accumulated period)
- | | |
|-----------------------------------|-------------------|
| 3rd quarter ended September 2013: | 23,599,569 shares |
| 3rd quarter ended September 2012: | 23,599,569 shares |

*Indication regarding implementation status of quarterly review procedures

These quarterly financial statements have not been prepared for the purpose of quarterly review procedures pursuant to the Financial Instruments and Exchange Act (FIEA). Review procedures for quarterly financial statements were in the process of being implemented as of the release of these quarterly financial statements.

*Explanations and other special notes concerning the appropriate use of business performance forecasts

The consolidated business performance forecasts given above are based on the information available at the current time and assumptions of supposable market trends, etc., and thus may greatly differ from future performance for a variety of future reasons. For postulate and special notes concerning the appropriate use of business performance forecasts, please refer page 5.

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1. Qualitative Information / Financial Statements, etc.

(1) Qualitative information on Consolidated Operating Results

Looking back over the economic environment during the consolidated cumulative 3rd quarter under review, the US economy gradually recovered with ongoingly falling unemployment rate and steady individual consumption. Although the economies in main European countries touched the bottom, there still remained sovereign risk. On the other hand, in Asian countries, Chinese economy moderately expanded with steady individual consumption, and also developing countries' economy sort of recovered. In Japan, various policies carried by new administration began to exert steady effect and it showed that employment situation and individual consumption recovered. As a result, Japanese economy mildly recovered in whole.

Under such circumstances, net sales for the consolidated cumulative 3rd quarter under review finished at 152,578 million yen, an increase of 12,655 million yen (9.0% increase) in comparison to the same period of the previous fiscal year. Operating income finished at 3,531 million yen, a decrease of 209 million yen (5.6% decrease) in comparison to the same period of the previous fiscal year. Moreover, ordinary income finished at 3,780 million yen, a decrease of 99 million yen (2.6% decrease) in comparison to the same period of the previous fiscal year. Net income finished at 2,430 million yen, a decrease of 194 million yen (7.4% decrease) in comparison to the same period of the previous fiscal year.

Segment results were as follows:

Segment Income or loss is calculated based on operating income in quarterly consolidated statements in income.

(i) Electronics (Japan)

Sales in this section finished at 43,300 million yen, an increase of 898 million yen (2.1% increase) in comparison to the same period of the previous consolidated fiscal year due to shipment of circuit board assemblies for industrial equipments increased. Segment income finished at 1,345 million yen, an increase of 77 million yen (6.1% increase) in comparison to the same period of the previous consolidated fiscal year as sales increased.

(ii) Electronics (Asia)

Sales in this section finished at 113,501 million yen, an increase of 15,582 million yen (15.9% increase) in comparison to the same period of the previous consolidated fiscal year mainly due to shipment of components for automotive related equipment and information equipments increased, and yen depreciation. In term of profit, profit earned by sales subsidiaries exceeded from the same period of the previous consolidated fiscal year with their good sales. In contrast, manufacturing subsidiary in Thailand was forced to decrease the shipment of household equipments by their customer's production adjustment. In addition, manufacturing subsidiaries in Indonesia (Java) and Shanghai performed lower than their plan. As a result of these factors, segment income finished at 3,161 million yen, a decrease of 1 million yen (0.0% decrease) in comparison to the same period of the previous consolidated fiscal year.

(iii) Electronics (Europe)

Sales in this section finished at 6,644 million yen, an increase of 2,638 million yen (65.9% increase) in comparison to the same period of the previous consolidated fiscal year due to shipment of household equipments for new business fully in progress at sales subsidiary and yen depreciation. Segment loss also remained 107 million yen mainly due to a weak sales of automotive related equipments influenced by a protracted economic recession in European countries even though the manufacturing subsidiary reduced their deficit by cost-cutting efforts (the segment loss in the same period of the previous consolidated fiscal year was 152 million yen).

(iv) Electronics (Americas)

While shipments of automotive related equipments were going strong, one of consolidated subsidiaries in this section was sold at the end of last year and unconsolidated since this consolidated fiscal year. As a result, sales in this section remained at 9,527 million yen, a decrease of 1,822 million yen (16.1% decrease) in comparison to the same period of the previous consolidated fiscal year. Segment income finished at 230 million yen, a decrease of 314 million yen (57.7% decrease) in comparison to the same period of the previous consolidated fiscal year. Furthermore, sales and income in this section increased in comparison to the same period of the previous consolidated fiscal year with

exclusion of the performance of the sold consolidated subsidiary from consolidated business result of the previous fiscal year.

(2) Analysis of the consolidated financial situation

Total assets at the end of this consolidated 3rd quarter under review were 85,560 million yen, an increase of 10,857 million yen in comparison to the end of the previous consolidated fiscal year mainly due to an increase of notes and accounts receivable-trade and merchandise and finished goods.

Total liabilities were 55,302 million yen, an increase of 6,053 million yen in comparison to the end of the previous consolidated fiscal year mainly due to an increase of accounts payable-trade.

Net assets were 30,257 million yen, an increase of 4,804 million yen in comparison to the end of the previous consolidated fiscal year. As a result of this, the capital-to-asset ratio rose from 33.8% to 35.1%.

(3) Qualitative Information on the Consolidated Business Forecast

The performance forecasts for the full business year in the fiscal year ending December 2013 released on February 15, 2013, have not been revised.

Also, the exchange rate assumed in the business performance forecast for this fiscal year is 95 yen per U.S. dollar.

2. Other

(1) Transfer of important subsidiaries during the period

No transaction to report.

(2) Adoption of a specific method in accounting procedures

No transaction to report.

(3) Changes in accounting policy and accounting estimate, and restatement

No transaction to report.

(4) Additional Information

No transaction to report.

3. Consolidated Financial Statements**(1) Quarterly Consolidated Balance Sheets**

(Million yen)

	Previous fiscal year As of Dec. 31, 2012	Current 3rd quarter As of Sep. 30, 2013
Assets		
Current assets		
Cash and deposits	6,282	5,513
Notes and accounts receivable-trade	32,353	37,648
Merchandise and finished goods	11,600	14,571
Work in process	810	800
Raw materials and supplies	2,998	4,168
Other	1,938	2,046
Allowance for doubtful accounts	(43)	(41)
Total current assets	55,941	64,706
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	4,767	5,238
Machinery, equipment and vehicles	6,246	5,825
Land	2,204	2,284
Other	616	679
Total property, plant and equipment	13,834	14,026
Intangible assets	638	533
Investments and other assets		
Investment securities	2,223	3,270
Investments in capital	280	582
Other	2,356	3,046
Allowance for doubtful accounts	(572)	(606)
Total Investments and other assets	4,288	6,293
Total noncurrent assets	18,761	20,854
Total assets	74,703	85,560

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(Million yen)

	Previous fiscal year As of Dec. 31, 2012	Current 3rd quarter As of Sep. 30, 2013
Liabilities		
Current liabilities		
Accounts payable-trade	27,015	31,967
Short-term loans payable	10,285	10,467
Income taxes payable	655	571
Other	3,123	4,055
Total current liabilities	41,079	47,062
Noncurrent liabilities		
Long-term loans payable	5,833	5,636
Provision for retirement benefits	109	141
Other	2,226	2,462
Total noncurrent liabilities	8,169	8,240
Total liabilities	49,249	55,302
Net assets		
Shareholders' equity		
Capital stock	2,144	2,144
Capital surplus	1,853	1,853
Retained earnings	23,832	25,507
Treasury stock	(677)	(677)
Total shareholders' equity	27,151	28,826
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	457	419
Deferred gains or losses on hedges	(9)	7
Foreign currency translation adjustment	(2,322)	819
Total accumulated other comprehensive income	(1,874)	1,246
Minority interests	175	184
Total net assets	25,453	30,257
Total liabilities and net assets	74,703	85,560

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statement of Comprehensive Income
 Quarterly Consolidated Statements of Income
 [3rd quarter cumulative basis (January 1, 2013 – September 30, 2013)]

(Million yen)

	Previous 3rd quarter cumulative basis Jan. 1, 2012 - Sep. 30, 2012	Current 3rd quarter cumulative basis Jan. 1, 2013 - Sep. 30, 2013
Net sales	139,922	152,578
Cost of sales	131,259	143,478
Gross profit	8,662	9,099
Selling, general and administrative expenses	4,921	5,567
Operating income	3,741	3,531
Non-operating income		
Interest income	27	31
Dividends income	14	29
Amortization of negative goodwill	28	-
Real estate rent	52	67
Equity in earnings of affiliates	112	-
Foreign exchange gains	-	108
Gain on sales of goods	66	95
Other	169	194
Total non-operating income	471	526
Non-operating expenses		
Interest expenses	158	157
Equity in losses of affiliates	-	44
Foreign exchange losses	100	-
Other	73	76
Total non-operating expenses	332	278
Ordinary income	3,879	3,780
Extraordinary income		
Gain on sales of noncurrent assets	12	14
Insurance income	205	-
Total extraordinary income	217	14
Extraordinary loss		
Loss on sales of noncurrent assets	0	2
Loss on retirement of noncurrent assets	4	0
Total extraordinary loss	4	3
Income before income taxes	4,092	3,792
Income taxes-current	1,252	1,113
Income taxes-deferred	142	265
Total income taxes-current	1,395	1,379
Net Income before Minority Interests in Income	2,696	2,412
Minority interests in income	72	(17)
Net income	2,624	2,430

Quarterly Consolidated Statements of Comprehensive Income
 [3rd quarter cumulative basis (January 1, 2013 – September 30, 2013)]

(Million yen)

	Previous 3rd quarter cumulative basis Jan. 1, 2012 - Sep. 30, 2012	Current 3rd quarter cumulative basis Jan. 1, 2013 - Sep. 30, 2013
Income before minority interests in income	2,696	2,412
Other comprehensive income		
Valuation difference on available-for-sale securities	62	(37)
Deferred gains or losses on hedges	3	17
Foreign currency translation adjustment	223	3,105
Equity equivalent of equity method affiliate	26	62
Total other comprehensive income	315	3,146
Comprehensive income	3,012	5,559
(Content)		
Comprehensive income for the parent company's shareholders	2,933	5,551
Comprehensive income for minority shareholders	79	8

(3) Notes on the Assumption of the Company as a Going Concern
No transactions to report

(4) Segment Information

I. Previous Consolidated Cumulative 3rd Quarter (January 1, 2012 – September 30, 2012)

[1] Sales and income/loss information for each reportable segment

(Million yen)

	Reportable Segment					Other (note)	Total
	Electronics (Japan)	Electronics (Asia)	Electronics (Europe)	Electronics (Americas)	Total		
Net sales							
Sales - outside customers	27,174	91,249	3,638	7,952	130,015	9,898	139,913
Sales and transfer-inter segment	15,227	6,669	367	3,398	25,661	936	26,597
Total	42,402	97,918	4,005	11,350	155,676	10,834	166,511
Operating income or operating loss	1,268	3,162	(152)	544	4,822	57	4,879

Notes: "Other" is not included in the reportable segment. Major products of "Other" section are wire harnesses, materials for motorcycle, equipment machines, printing ink and etc.

[2] The difference between the amount of operating income or loss in reportable segment and in quarterly consolidated statement of income, and the details

(Million yen)

Sales	Amount
Reportable Segment	155,676
Other	10,834
Eliminations-inter segment	(26,588)
Sales in quarterly consolidated statement in income	139,922

Operating Income / Loss	Amount
Reportable Segment	4,822
Other	57
Eliminations-inter segment	32
Corporate expenses (note)	(1,170)
Operating income in quarterly consolidated statement in income	3,741

Notes: Corporate expenses mainly consist of expenses related to the headquarters, the general affairs and accounting divisions, at the parent company which do not belong to reportable segment.

II Current Consolidated 3rd Quarter (January 1, 2013 – September 30, 2013)

[1] Sales and income/loss information for each reportable segment

(Million yen)

	Reportable Segment					Other (note)	Total
	Electronics (Japan)	Electronics (Asia)	Electronics (Europe)	Electronics (Americas)	Total		
Net sales							
Sales - outside customers	26,424	104,222	5,897	4,895	141,439	11,123	152,563
Sales and transfer-inter segment	16,875	9,278	746	4,632	31,533	194	31,728
Total	43,300	113,501	6,644	9,527	172,973	11,318	184,291
Operating income or operating loss	1,345	3,161	(107)	230	4,628	30	4,658

Notes: "Other" is not included in the reportable segment. Major products of "Other" section are wire harnesses, materials for motorcycle, equipment machines, printing ink and etc.

[2] The difference between the amount of operating income or loss in reportable segment and in quarterly consolidated statement of income, and the details

(Million yen)

Sales	Amount
Reportable Segment	172,973
Other	11,318
Eliminations-inter segment	(31,713)
Sales in quarterly consolidated statement in income	152,578

Operating Income / Loss	Amount
Reportable Segment	4,628
Other	30
Eliminations-inter segment	48
Corporate expenses (note)	(1,175)
Operating income in quarterly consolidated statement in income	3,531

Notes: Corporate expenses mainly consist of expenses related to the headquarters, the general affairs and accounting divisions, at the parent company which do not belong to reportable segment.

(5) Notes in the Event of Marked Changes in the Value of Shareholders' Equity

No transactions to report

(6) Significant subsequent events

No transactions to report