

Consolidated 3rd quarter Financial Results (Accumulated)
for the Fiscal Year Ended December 31, 2017
(January 1, 2017 to September 30, 2017)

Company name:	SIIX Corporation
Stock code:	7613
Stock exchange listing (Section):	Tokyo Stock Exchange, (First Section)
Head office:	Osaka, Japan
URL:	http://www.siix.co.jp
President:	Yoshihito Kikyo
Contact:	Seiji Ono Executive Officer and General Manager, Finance and Accounting Department
Telephone:	+81-6-6266-6415
Scheduled date of filing quarterly financial statement:	November 10, 2017
Scheduled date of payment of cash dividends:	-

(Amounts rounded down to million yen)

1. Consolidated 3rd quarter Financial Results (January 1, 2017 – September 30, 2017)

(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. 2017	170,407	8.4	6,965	3.9	7,532	11.7
3rd quarter ended Sep. 2016	157,157	(10.1)	6,704	2.3	6,744	0.5

	Profit attributable to owners of parent		Net income per share (basic)	Net income per share (diluted)
	Million yen	YoY change (%)	Yen	Yen
3rd quarter ended Sep. 2017	5,240	(3.0)	212.78	200.60
3rd quarter ended Sep. 2016	5,401	6.0	215.05	202.99

(Note) Comprehensive Income:

3rd quarter ended Sep. 2017:	5,032 million yen; - %
3rd quarter ended Sep. 2016:	(2,301) million yen; - %

(2) Consolidated Financial Position

	Total assets	Net assets	Capital-to-asset ratio
	Million yen	Million yen	%
3rd quarter ended Sep. 2017	125,030	55,261	43.9
Year ended Dec. 2016	109,695	51,573	46.8

(Reference) Stockholders' equity:

3rd quarter ended Sep. 2017:	54,882 million yen
Year ended Dec. 2016:	51,332 million yen

2. Dividends

(Base date)	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	Term-end	Annual dividends
Year ended Dec. 2016	—	Yen 24.00	—	Yen 26.00	Yen 50.00
Year ended Dec. 2017	—	26.00	—	—	—
Year ended Dec. 2017 (forecasts)	—	—	—	26.00	52.00

(note) Changes in Forecasts for Dividends during this quarter: None

(note) Dividend for the year ended Dec 31, 2016 includes commemorative dividend of 2.00 yen.

3. Consolidated Business Performance Forecasts for the Year Ending December 2017 (January 1, 2017 – December 31, 2017)

	Net sales		Operating income		Ordinary income	
	Million yen	YoY change (%)	Million yen	YoY change (%)	Million yen	YoY change (%)
Full year	230,000	8.1	10,500	15.0	10,500	14.8

	Profit attributable to owners of parent		Net income per share (basic)
	Million yen	YoY change (%)	Yen
Full year	7,600	13.5	308.60

(note) Changes in Consolidated Business Performance Forecasts for the Fiscal Year Ending December 2017 during this quarter: None

4. Others

- (1) Transfer of important subsidiaries during the period: Yes
New: SIIX COXON PRECISION PHILS., INC.
- (2) Adoption or non-adoption of a specific method in accounting procedures: None
- (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: None
- (ii) Changes in accounting policy other than those described in (i): None
- (iii) Changes in accounting estimate: None
- (iv) Restatement: None
- (4) Number of outstanding shares (common shares)
- (i) Number of outstanding shares (including treasury stock):
- | | |
|-----------------------------------|-------------------|
| 3rd quarter ended September 2017: | 25,200,000 shares |
| Year ended December 2016: | 25,200,000 shares |
- (ii) Number of treasury stock:
- | | |
|-----------------------------------|----------------|
| 3rd quarter ended September 2017: | 572,827 shares |
| Year ended December 2016: | 573,002 shares |
- (iii) Average number of outstanding shares (quarterly accumulated period)
- | | |
|-----------------------------------|-------------------|
| 3rd quarter ended September 2017: | 24,627,000 shares |
| 3rd quarter ended September 2016: | 25,115,818 shares |

* These quarterly financial statements are exempt from quarterly review procedures.

* 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.

Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(JPY in millions)

	Previous fiscal year As of Dec. 31, 2016	Current 3rd quarter As of Sep. 30, 2017
Assets		
Current assets		
Cash and deposits	8,813	8,889
Notes and accounts receivable-trade	41,873	45,310
Merchandise and finished goods	20,483	22,802
Work in process	1,007	1,166
Raw materials and supplies	7,026	9,567
Other	2,994	4,706
Allowance for doubtful accounts	(34)	(32)
Total current assets	82,164	92,411
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	6,397	7,995
Machinery, equipment and vehicles	6,422	7,858
Land	2,532	2,533
Other	1,526	904
Total property, plant and equipment	16,878	19,291
Intangible assets	454	583
Investments and other assets		
Investment securities	3,192	2,638
Investments in capital	3,969	7,318
Other	3,622	3,372
Allowance for doubtful accounts	(585)	(585)
Total Investments and other assets	10,198	12,743
Total noncurrent assets	27,531	32,618
Total assets	109,695	125,030

TRANSLATION

(JPY in millions)

	Previous fiscal year As of Dec. 31, 2016	Current 3rd quarter As of Sep. 30, 2017
Liabilities		
Current liabilities		
Accounts payable-trade	30,752	32,291
Short-term loans payable	9,569	17,016
Income taxes payable	754	1,003
Other	5,530	7,514
Total current liabilities	46,605	57,826
Noncurrent liabilities		
Convertible bond-type bonds with subscription rights to shares	6,000	5,999
Long-term loans payable	1,602	1,651
Provision for retirement benefits	468	466
Other	3,444	3,826
Total noncurrent liabilities	11,516	11,942
Total liabilities	58,121	69,768
Net assets		
Shareholders' equity		
Capital stock	2,144	2,144
Capital surplus	5,624	5,624
Retained earnings	41,020	44,645
Treasury stock	(2,027)	(2,026)
Total shareholders' equity	46,761	50,387
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	745	682
Deferred gains or losses on hedges	4	2
Foreign currency translation adjustment	4,008	3,969
Adjustment for retirement benefits	(187)	(160)
Total accumulated other comprehensive income	4,570	4,494
Subscription rights to shares	-	24
Non-controlling interests	241	354
Total net assets	51,573	55,261
Total liabilities and net assets	109,695	125,030

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statement of Comprehensive Income
 Quarterly Consolidated Statements of Income [3rd quarter (January 1, 2017 – September 30, 2017)]
 (JPY in millions)

	Previous 3rd quarter Jan. 1, 2016 - Sep. 30, 2016	Current 3rd quarter Jan. 1, 2017 - Sep. 30, 2017
Net sales	157,157	170,407
Cost of sales	142,499	153,895
Gross profit	14,658	16,511
Selling, general and administrative expenses	7,954	9,546
Operating income	6,704	6,965
Non-operating income		
Interest income	62	45
Dividends income	131	73
Equity in earnings of affiliates	141	107
Real estate rent	78	82
Foreign exchange gains	-	161
Gain on sales of goods	25	88
Gain on sales of scraps	87	125
Other	209	189
Total non-operating income	736	873
Non-operating expenses		
Interest expenses	79	130
Foreign exchange losses	527	-
Other	88	176
Total non-operating expenses	695	306
Ordinary income	6,744	7,532
Extraordinary income		
Gain on sales of investment securities	58	-
Total extraordinary income	58	-
Extraordinary loss		
Nonrecurring loss	-	143
Total extraordinary loss	-	143
Net income before income taxes	6,802	7,389
Income taxes-current	1,834	2,172
Income taxes-deferred	(431)	50
Total income taxes-current	1,403	2,222
Net Income before non-controlling interests	5,399	5,166
Non-controlling interests	(1)	(73)
Net income	5,401	5,240

Quarterly Consolidated Statements of Comprehensive Income
 [3rd quarter (January 1, 2017 – September 30, 2017)]

(JPY in millions)

	Previous 3rd quarter Jan. 1, 2016 - Sep. 30, 2016	Current 3rd quarter Jan. 1, 2017 – Sep. 30, 2017
Income before minority interests in income	5,399	5,166
Other comprehensive income		
Valuation difference on available-for-sale securities	(65)	(62)
Deferred gains or losses on hedges	1	(1)
Foreign currency translation adjustment	(7,507)	(42)
Adjustment for retirement benefits	21	25
Equity equivalent of equity method affiliate	(151)	(51)
Total other comprehensive income	(7,700)	(133)
Comprehensive income	(2,301)	5,032
(Content)		
Comprehensive income attributable to owners of parent	(2,263)	5,112
Comprehensive income attributable to non-controlling interests	(37)	(79)