

## Consolidated 3rd quarter Financial Results (Accumulated) for the Fiscal Year Ended December 31, 2018 (January 1, 2018 to September 30, 2018)

Company name:	SIIX Corporation
Stock code:	7613
Stock exchange listing (Section):	Tokyo Stock Exchange, (First Section)
Head office:	Osaka, Japan
URL:	<a href="http://www.siix.co.jp">http://www.siix.co.jp</a>
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 12, 2018
Scheduled date of payment of cash dividends:	-

*(Amounts rounded down to million yen)*

### 1. Consolidated 3rd quarter Financial Results (January 1, 2018 – September 30, 2018)

#### (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. 2018	182,629	7.2	6,760	(2.9)	6,895	(8.5)
3rd quarter ended Sep. 2017	170,407	8.4	6,965	3.9	7,532	11.7

	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. 2018	5,038	(3.9)	102.68	96.78
3rd quarter ended Sep. 2017	5,240	(3.0)	106.39	100.30

(Note) The Company conducted a two-for-one stock split of its common stock on April 1, 2018. Consequently, net income per share (basic) and net income per share (diluted) is calculated on the assumption that the said stock split had been carried out at the beginning of the previous fiscal year.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital-to-asset ratio
	Million yen	Million yen	%
3rd quarter ended Sep. 2018	142,594	58,457	40.7
Year ended Dec. 2017	130,526	57,609	43.9

(Reference) Stockholders' equity:

3rd quarter ended September 2018: 58,101 million yen  
Year ended December 2017: 57,252 million yen

### 2. Dividends

(Base date)	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	Term-end	Annual dividends
Year ended Dec. 2017	—	Yen 26.00	—	Yen 26.00	Yen 52.00
Year ended Dec. 2018	—	13.50	—		
Year ended Dec. 2018 (forecasts)				13.50	27.00

(note) 1. Changes in Forecasts for Dividends during this quarter: None

2. Annual dividends per share for the year ended Dec.2018 indicate amounts calculated in consideration of the stock split which had been carried out on April 1, 2018.

### 3. Consolidated Business Performance Forecasts for the Year Ending December 2018 (January 1, 2018 – December 31, 2018)

	Net sales		Operating income		Ordinary income	
	Million yen	YoY change (%)	Million yen	YoY change (%)	Million yen	YoY change (%)
Full year	243,000	4.2	8,000	(17.6)	8,100	(23.0)

	Profit attributable to owners of parent		Net income per share (basic)
	Million yen	YoY change (%)	Yen
Full year	5,700	(19.6)	115.72

(note) 1. Changes in Consolidated Business Performance Forecasts for the Fiscal Year Ending December 2018 during this quarter: Change

2. Net income per share (basic) on the Consolidate Business Performance Forecasts for the year ending Dec.2018 indicates amounts calculated in consideration of the stock split which had been carried out on April 1, 2018.

### 4. Others

- (1) Transfer of important subsidiaries during the period: Transfer  
(Newly consolidated: SIIX HUBEI Co., Ltd., SIIX Hungary Kft., SIIX EMS MEXICO S de RL de C.V)
- (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: Change
- (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 2018: | 50,400,000 shares |
| Year ended December 2017:         | 50,400,000 shares |
- (ii) Number of treasury stock:
- |                                   |                  |
|-----------------------------------|------------------|
| 3rd quarter ended September 2018: | 1,968,256 shares |
| Year ended December 2017:         | 1,143,860 shares |
- (iii) Average number of outstanding shares (quarterly accumulated period)
- |                                   |                   |
|-----------------------------------|-------------------|
| 3rd quarter ended September 2018: | 49,066,449 shares |
| 3rd quarter ended September 2017: | 49,254,000 shares |

(note) Number of outstanding shares (common shares) is calculated on the assumption that the stock split had been carried out at the beginning of the previous fiscal year.

\* 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, 2017	Current 3rd quarter As of Sep. 30, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	10,645	8,491
Notes and accounts receivable-trade	47,131	46,887
Merchandise and finished goods	23,599	33,302
Work in process	1,456	1,579
Raw materials and supplies	9,375	12,720
Other	4,311	5,453
Allowance for doubtful accounts	(41)	(32)
Total current assets	96,477	108,402
Non-current assets		
Property, plant and equipment		
Buildings and structures	8,003	11,661
Machinery, equipment and vehicles	7,964	9,609
Land	2,550	3,253
Other	1,317	2,000
Total property, plant and equipment	19,835	26,524
Intangible assets	929	1,469
Investments and other assets		
Investment securities	2,568	2,219
Investments in capital	7,659	912
Other	3,640	3,577
Allowance for doubtful accounts	(585)	(512)
Total Investments and other assets	13,283	6,197
Total non-current assets	34,048	34,192
Total assets	130,526	142,594

TRANSLATION
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(JPY in millions)

	Previous fiscal year As of Dec. 31, 2017	Current 3rd quarter As of Sep. 30, 2018
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	33,988	38,837
Short-term loans payable	13,383	20,238
Income taxes payable	1,438	1,315
Other	7,738	6,918
Total current liabilities	56,549	67,310
Non-current liabilities		
Bonds with share acquisition rights	5,995	5,948
Long-term loans payable	5,819	6,645
Net defined benefit liability	516	517
Other	4,036	3,714
Total non-current liabilities	16,367	16,826
Total liabilities	72,916	84,136
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,144	2,144
Capital surplus	5,625	5,629
Retained earnings	46,498	49,807
Treasury shares	(2,023)	(3,980)
Total shareholders' equity	52,244	53,600
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	555	302
Deferred gains or losses on hedges	11	(1)
Foreign currency translation adjustment	4,602	4,331
Remeasurements of defined benefit plans	(161)	(130)
Total accumulated other comprehensive income	5,008	4,501
Share acquisition rights	31	47
Non-controlling interests	326	308
Total net assets	57,609	58,457
Total liabilities and net assets	130,526	142,594

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statement of Comprehensive Income  
 Quarterly Consolidated Statements of Income [3rd quarter (January 1, 2018 – Sep 30, 2018)]  
 (JPY in millions)

	Previous 3rd quarter Jan. 1, 2017 - Sep. 30, 2017	Current 3rd quarter Jan. 1, 2018 - Sep. 30, 2018
Net sales	170,407	182,629
Cost of sales	153,895	166,956
Gross profit	16,511	15,672
Selling, general and administrative expenses	9,546	8,912
Operating profit	6,965	6,760
Non-operating income		
Interest income	45	55
Dividend income	73	109
Share of profit of entities accounted for using equity method	107	153
Real estate rent	82	80
Foreign exchange gains	161	-
Gain on sales of goods	88	68
Gain on sales of scraps	125	172
Other	189	321
Total non-operating income	873	962
Non-operating expenses		
Interest expenses	130	206
Foreign exchange losses	-	434
Other	176	185
Total non-operating expenses	306	826
Ordinary profit	7,532	6,895
Extraordinary losses		
Nonrecurring loss	143	-
Total extraordinary losses	143	-
Profit before income taxes	7,389	6,895
Income taxes-current	2,172	2,093
Income taxes-deferred	50	(231)
Total income taxes	2,222	1,862
Profit	5,166	5,033
Profit (loss) attributable to non-controlling interests	(73)	(4)
Profit (loss) attributable to owners of parent	5,240	5,038

Quarterly Consolidated Statements of Comprehensive Income  
 [3rd quarter (January 1, 2018 – September 30, 2018)]

(JPY in millions)

	Previous 3rd quarter Jan. 1, 2017 - Sep. 30, 2017	Current 3rd quarter Jan. 1, 2018 – Sep. 30, 2018
Profit	5,166	5,033
Other comprehensive income		
Valuation difference on available-for-sale securities	(62)	(253)
Deferred gains or losses on hedges	(1)	(13)
Foreign currency translation adjustment	(42)	(396)
Remeasurements of defined benefit plan, net of tax	25	28
Share of other comprehensive income of entities accounted for using equity method	(51)	(82)
Total other comprehensive income	(133)	(716)
Comprehensive income	5,032	4,317
(Content)		
Comprehensive income attributable to owners of parent	5,112	4,335
Comprehensive income attributable to non-controlling interests	(79)	(17)