



# Consolidated financial results of YR 2014

SIIX Corporation

(Securities code: 7613, 1<sup>st</sup> Section, Tokyo Stock Exchange)

February 23, 2015



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- Consolidated Financial Forecast for YR 2015
- Business Lines
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# Consolidated Financial Results for of YR 2014

- Consolidation Scope

		End of YR 2013	Changes		End of YR 2014
			Increase	Decrease	
Consolidated Subsidiary	1	16	2	-	18
Equity Method Affiliate	2	1	-	-	1

- SIIX EMS PHILIPPINES, INC. and SIIX REALTY HOLDINGS, INC. have been consolidated since 1st quarter of this consolidated fiscal year.
- All consolidated subsidiaries and equity method affiliate, except for SIIX Electronics, Co., Ltd., are foreign corporations.



# Consolidated Financial Results for of YR 2014

- Profit and Loss

(Unit: Million JPY)		YR2013		YR2014		Change (YR2013 vs. YR2014)	
		amount	%	amount	%	amount	%
Sales	1	207,009	100.0	209,755	100.0	2,746	1.3
Gross profit	2	13,083	6.3	15,123	7.2	2,040	15.6
Selling, general and administrative expenses	3	8,072	3.9	8,889	4.2	817	10.1
Operating income	4	5,011	2.4	6,233	3.0	1,222	24.4
Non-operating income/expenses	5	416	0.2	226	0.1	-190	-45.6
Ordinary income	6	5,427	2.6	6,460	3.1	1,032	19.0
Extraordinary income/loss	7	13	0.0	76	0.0	63	483.3
Income tax	8	2,138	1.0	2,438	1.2	300	14.0
Minority interests	9	-18	- 0.0	-32	- 0.0	-14	76.6
Net income	10	3,321	1.6	4,131	2.0	810	24.4



# Consolidated Financial Results for of YR 2014

- Exchange Rate

(Unit: JPY)		YR2013 Average	YR2014 Average	YR2015 Average(forecast)
USD	1	97.69	106.04	110.00
THB	2	3.18	3.27	3.35
EUR	3	129.89	140.53	138.00
HKD	4	12.59	13.67	14.10
RMB	5	15.92	17.22	18.00

The influence of exchange rate (y/y)

Sales: 8.8bil. JPY increase

Operating income: 0.3bil. JPY increase

Influence breakdown(Sales) by currency

USD: 3.1bil. JPY increase

RMB: 1.8bil. JPY increase

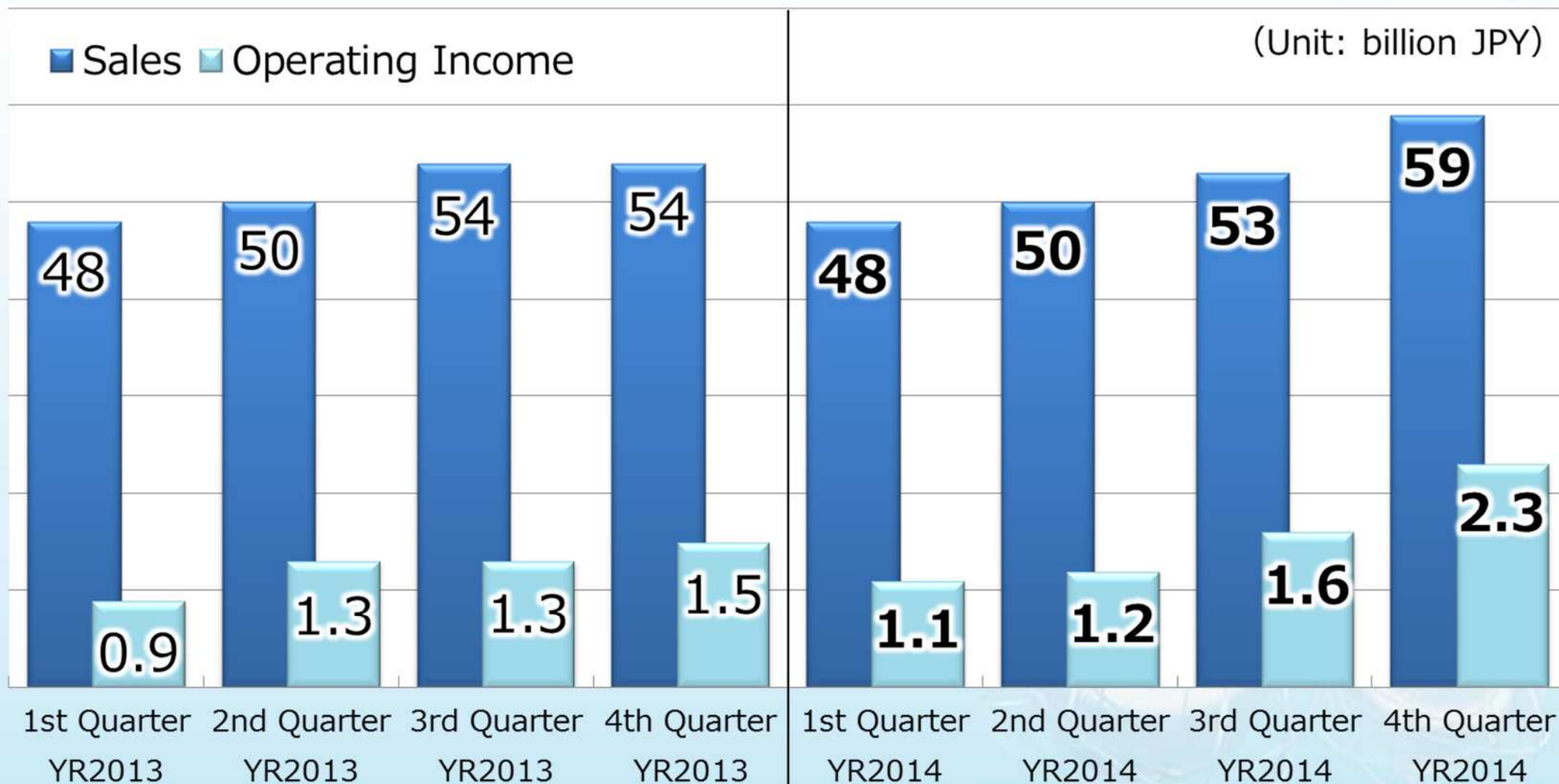
HKD: 1.4bil. JPY increase

THB: 1.8bil. JPY increase



# Consolidated Financial Results for of YR 2014

- Sale and Operating income (Quarterly basis)



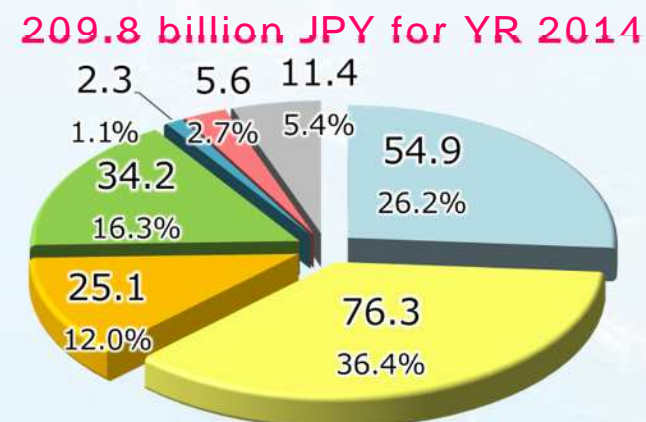
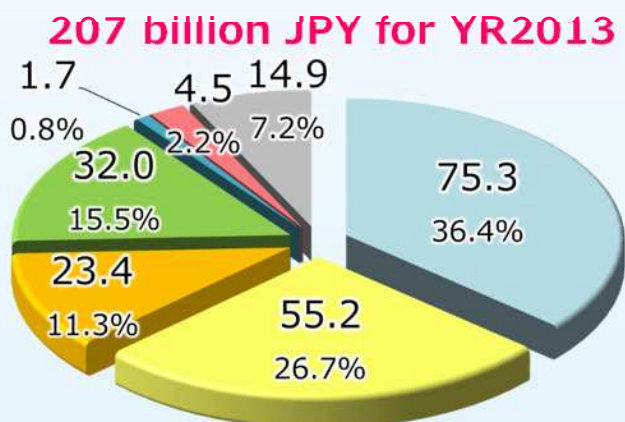
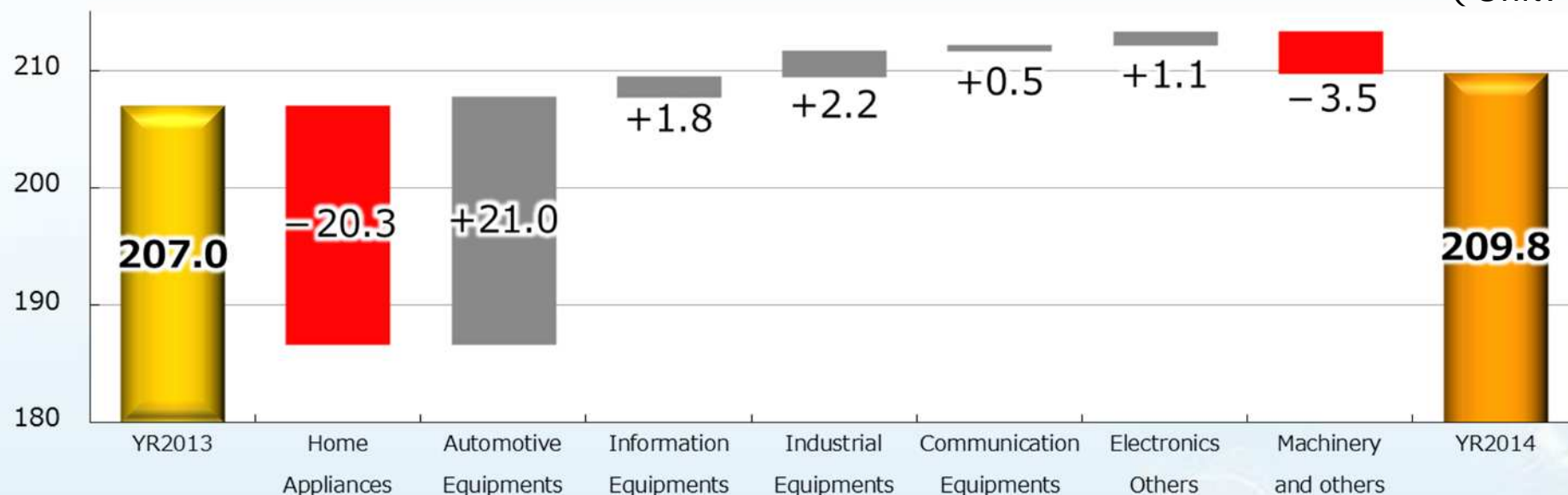




# Consolidated Financial Results for of YR 2014

- Changes on sales by market sector

(Unit: billion JPY)



Home Appliance 
 Automotive 
 Information 
 Industrial 
 Communication 
 Others 
 Machinery



# Consolidated Financial Results for of YR 2014

- Manufacturing cost

(Unit: Million JPY)		YR2013		YR2014		Changes	
		amount	%	amount	%	amount	%
Marginal Profit	1	13,729	100.0	14,814	100.0	1,085	7.9
Labor cost	2	5,745	41.8	6,510	43.9	765	13.3
Depreciation	3	2,311	16.8	2,522	17.0	211	9.1
Lease	4	0	0.0	30	0.2	30	-
Other	5	3,132	22.8	3,300	22.3	168	5.4
Manufacturing cost	6	11,190	81.5	12,364	83.5	1,174	10.5
Number of consolidated subsidiary		7		8		+ 1	





# Consolidated Financial Results for of YR 2014

- Selling, general and administrative expenses

(Unit: Million JPY)		YR2013		YR2014		Changes	
		amount	%	amount	%	amount	%
Personnel expenses	1	3,975	1.9	4,476	2.1	501	12.6
Traveling and communication	2	385	0.2	437	0.2	52	13.6
Freightage and packing expenses	3	484	0.2	701	0.3	216	44.6
Commission fee	4	495	0.2	528	0.3	33	6.7
Rent expenses on real estates	5	358	0.2	404	0.2	46	13.0
Depreciation	6	614	0.3	655	0.3	41	6.7
Other expense	7	1,758	0.8	1,685	0.8	-72	-4.2
Total	8	8,072	3.9	8,889	4.2	817	10.1



# Consolidated Financial Results for of YR 2014

- Balance sheet

(Unit: Million JPY)		End of YR2013	End of YR2014	Changes (YR2013 vs. YR2014)	
				amount	%
Current assets	1	67,293	78,855	11,562	17.2
Notes and accounts receivable-trade	2	39,518	44,516	4,998	12.6
Inventories	3	18,590	25,555	6,965	37.5
Noncurrent assets	4	21,911	24,574	2,663	12.2
Total asset	5	89,204	103,429	14,225	15.9
Current liabilities	6	47,409	53,398	5,990	12.6
Accounts payable-trade	7	29,829	33,575	3,746	12.6
Short-term loans payable	8	12,564	14,119	1,555	12.4
Noncurrent liabilities	9	8,610	8,533	-77	-0.9
Long-term loans payable	10	5,675	4,717	-958	-16.9
Total liability	11	56,019	61,932	5,913	10.6
Net assets	12	33,185	41,497	8,312	25.0
Minority interests	13	199	187	-12	-6.2
Total asset and liability	14	89,204	103,429	14,225	15.9



# Consolidated Financial Results for of YR 2014

- Cash flow

( Unit: Million JPY)		YR2013	YR2014	Changes
Cash flows from operating activities	1	3,438	2,374	1,064
Cash flows from investing activities	2	3,216	2,827	389
Free cash flow	3	222	453	675
Cash flows from financing activities	4	105	1,286	1,181
Effect of exchange rate change on cash and cash equivalents	5	1,137	692	445
Increase in cash and cash equivalents from newly consolidated subsidiary	6	-	26	26
Cash and cash equivalents	7	7,518	6,497	1,021



# Consolidated Financial Forecast for YR 2015

- Financial results and forecast

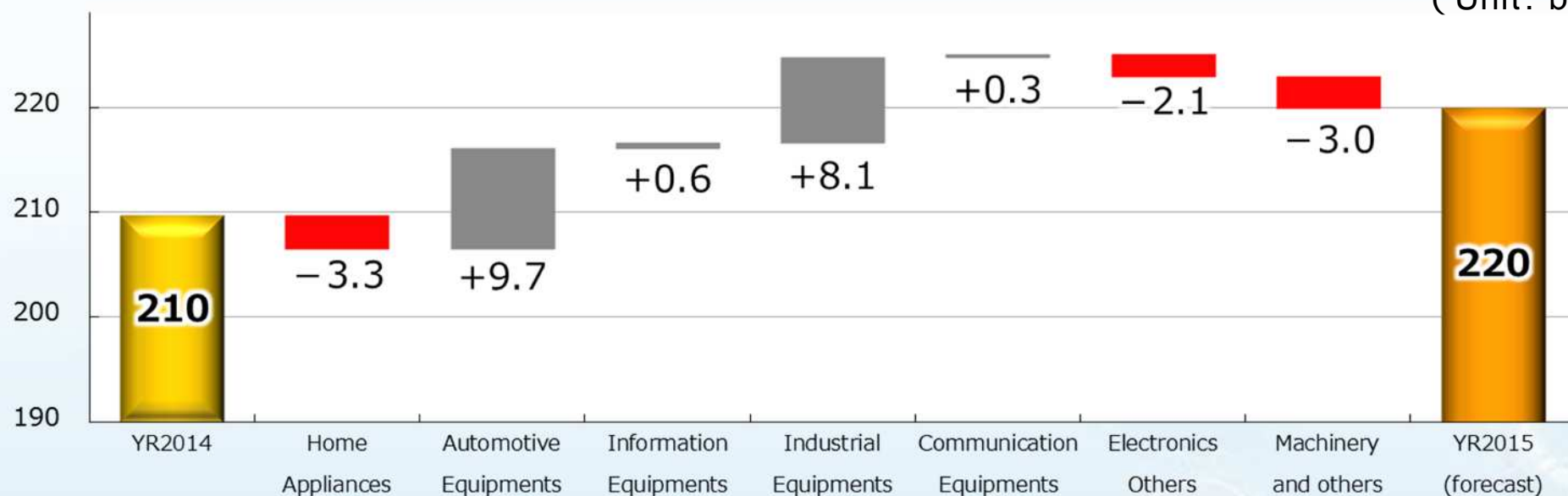
(Unit: Million JPY)		YR 2013	YR 2014	YR 2015 (forecast)	Changes	
					YR2014 vs. YR2015	%
Sales	1	207,009	209,755	220,000	10,245	4.9
Operating income	2	5,011	6,233	7,300	1,067	17.1
Ordinary income	3	5,427	6,460	7,400	940	14.6
Net income	4	3,321	4,131	4,800	669	16.2
Net income per share (JPY)	5	140.73	175.06	203.39	28.33	16.2
CAPEX	6	1,134	2,857	3,900	1,043	36.5
Depreciation	7	2,916	3,166	3,600	434	13.7
USD		¥97.69	¥106.04	¥110.00	+ ¥3.96	3.7
THB		¥3.18	¥3.27	¥3.35	+ ¥0.08	2.4
EUR		¥129.89	¥140.53	¥138.00	- ¥2.53	-1.8
HKD		¥12.59	¥13.67	¥14.10	+ ¥0.43	3.1
RMB		¥15.92	¥17.20	¥18.00	+ ¥0.80	4.7



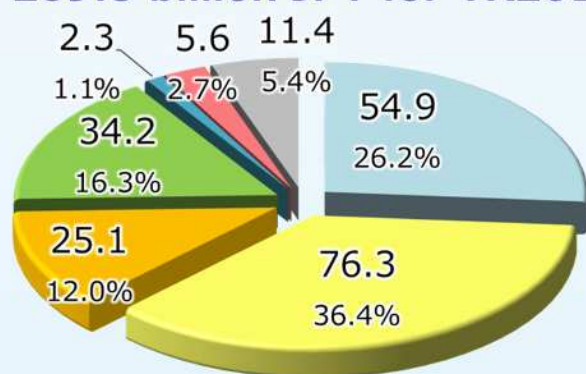
# Consolidated Financial Forecast for YR 2015

- Changes on sales by market sector

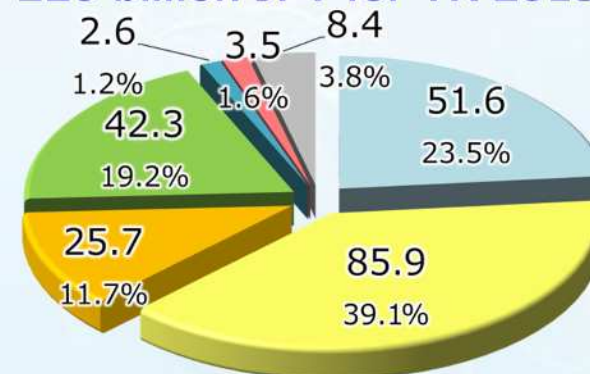
(Unit: billion JPY)



209.8 billion JPY for YR2014



220 billion JPY for YR 2015



Home Appliance Automotive Information Industrial Communication Others Machinery

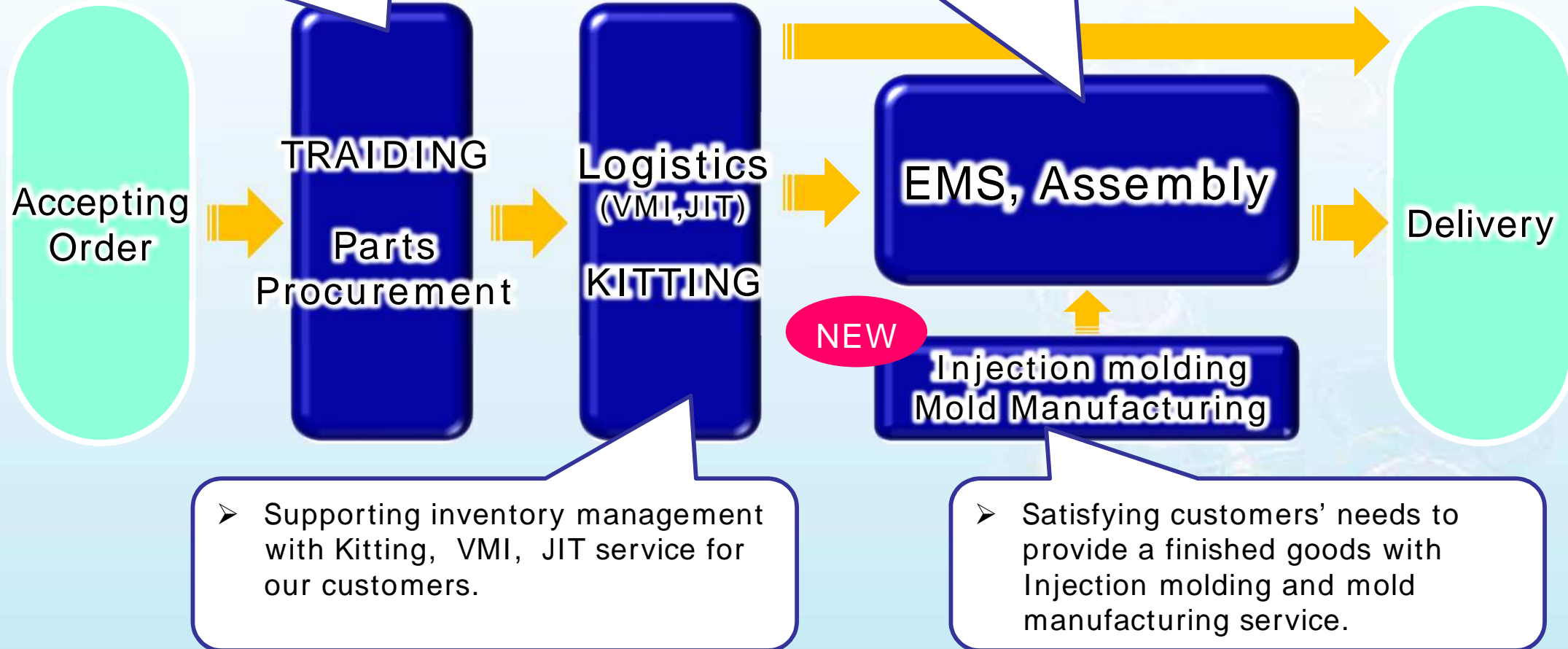




# Business Lines

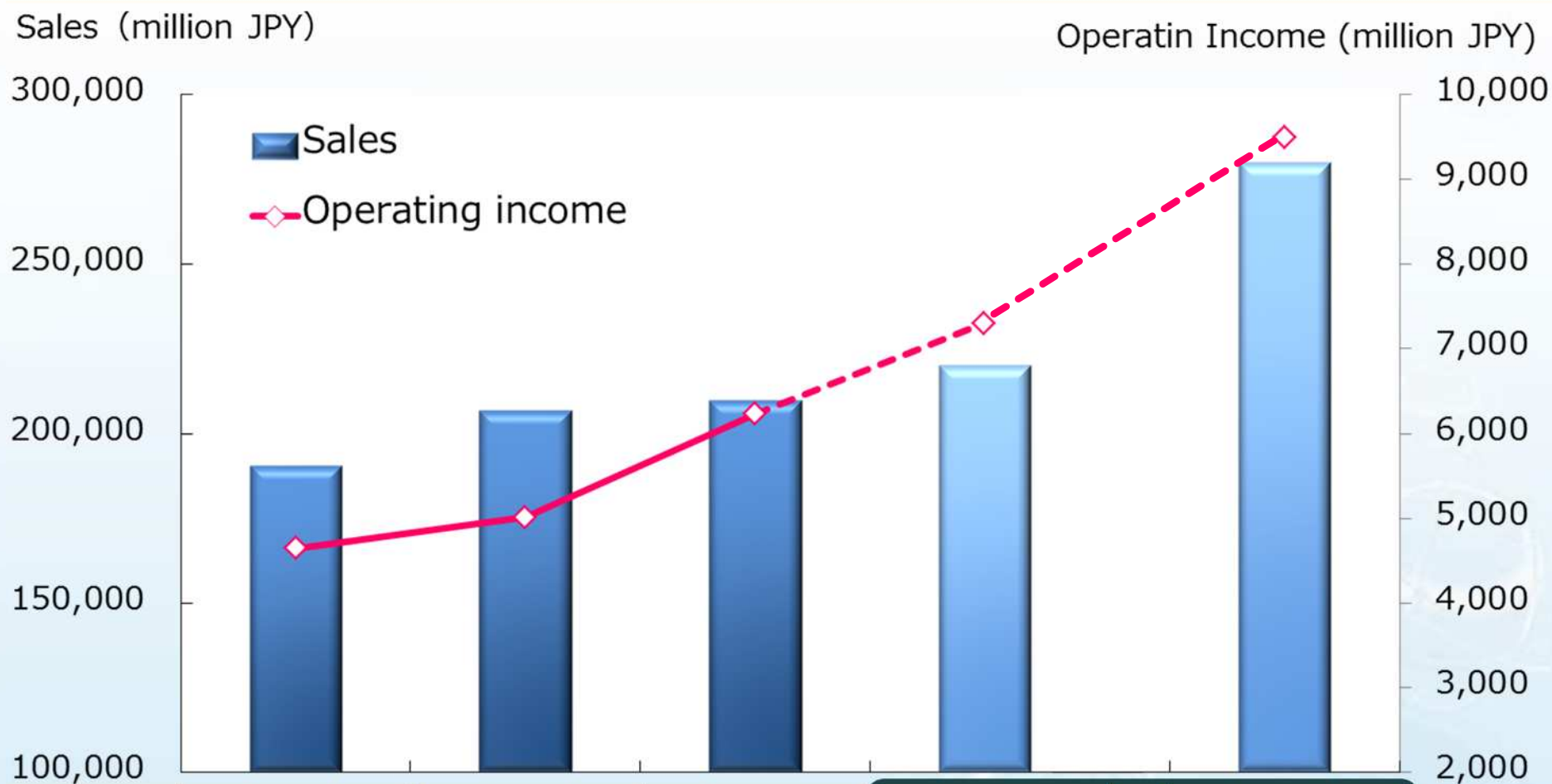
- Proposing high-quality and inexpensive parts to our customer to take advantage of long experience in international business.

- Utilizing SIIX global network for “local production for local consumption”.
- Developing manufacturing quality and standardizing it for stable production at all SIIX manufacturing factories.





# Midterm Plan

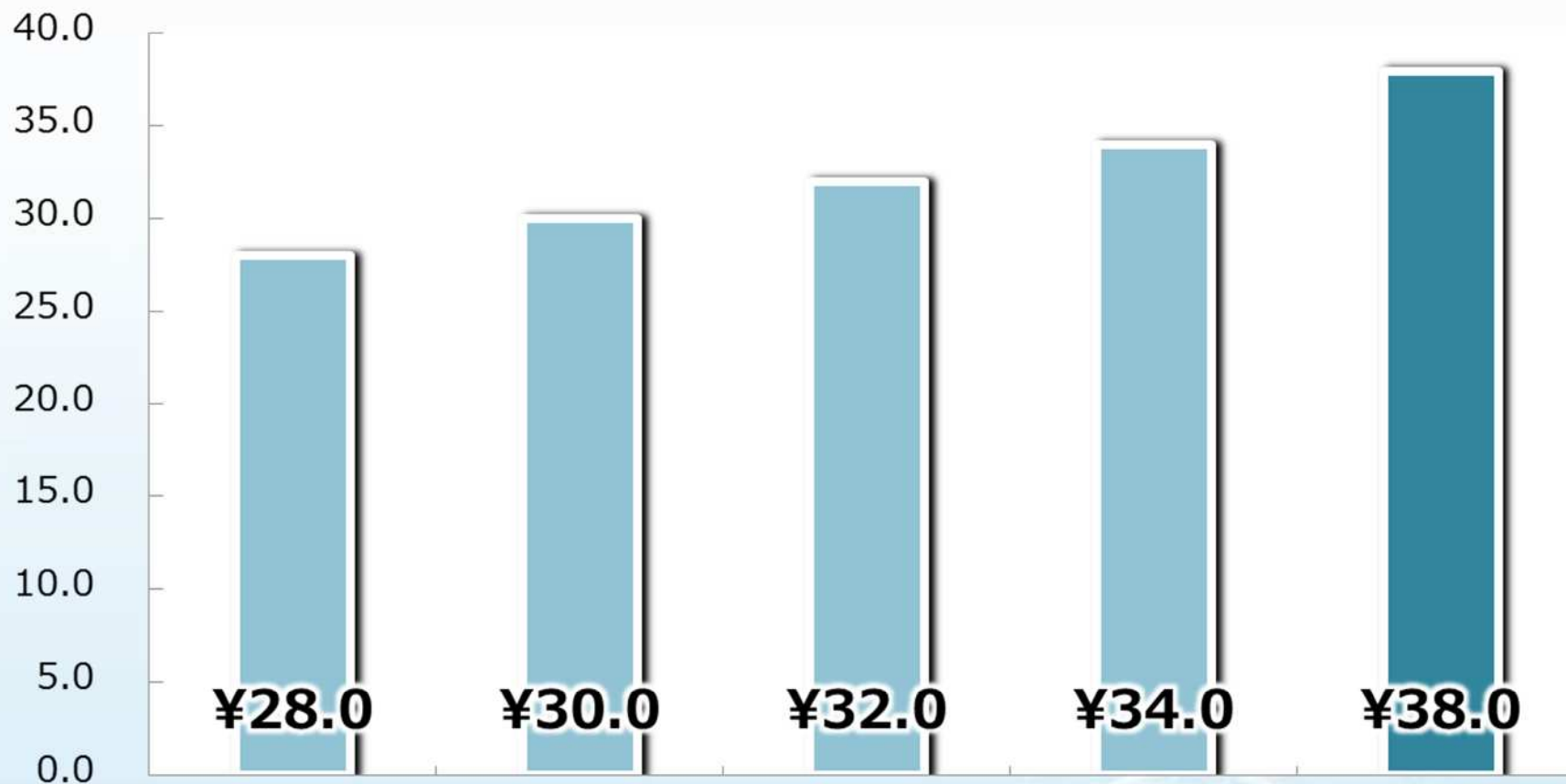


(Unit: Million JPY)		YR2012	YR2013	YR2014	YR2015 (forecast)	YR2017 (forecast)
Sales	1	190,692	207,009	209,755	220,000	280,000
Operating income	2	4,647	5,011	6,233	7,300	9,500



# Shareholder Return

Dividends per share(JPY)



		YR2011	YR2012	YR2013	YR2014	YR2015 (forecast)
Dividends per share(JPY)	1	28.0	30.0	32.0	34.0	38.0
Dividends ratio(%)	2	24.3	23.0	22.7	19.4	18.7



## Note

- 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, such as economic, market, exchange rate, taxation, sovereign risk, etc..

SiIX



We care.

Thank you





## Focusing area ~Mexico~

- SIIX EMS MEXICO S de RL de C.V



Address :	San Luis Potosi
Total floor area :	5,490m <sup>2</sup>
Total land area :	28,985m <sup>2</sup>
Product line :	Automotive equipment

Additionally required an adjacent area on 2014 (doubled land area).  
Facility expansion are planned on 2015 to meet our customers' needs.

# Consolidated financial results for YR 2014

## 《Track Records》

**SIIX Corporation**  
(Securities Code: 7613)

February 23, 2015

# Financial results

(Unit: Million JPY)		YR2010	YR2011	YR2012	YR2013	YR2014
Net sales	1	166,481	167,825	190,692	207,009	209,755
Operating income	2	5,331	4,027	4,647	5,011	6,233
Operating income ratio (%)	3	3.2	2.4	2.4	2.4	3.0
Ordinary income	4	5,645	4,582	4,973	5,427	6,460
Ordinary income ratio (%)	5	3.4	2.7	2.6	2.6	3.1
Net income	6	3,270	2,723	3,076	3,321	4,131
Net income ratio (%)	7	2.0	1.6	1.6	1.6	2.0
Consolidated subsidiaries	8	15	16	16	16	18
Equity method affiliates	9	2	1	1	1	1
Employees	10	7,609	8,301	9,029	8,641	9,545

# Capital structure

(Unit: Million JPY)		YR2010	YR2011	YR2012	YR2013	YR2014
Total asset	1	62,787	59,471	74,703	89,204	103,429
Liability	2	43,017	39,344	49,249	56,019	61,932
interest-bearing debt	3	13,637	16,865	16,511	18,546	19,128
Net asset	4	19,770	20,126	25,453	33,185	41,497
Capital-to-asset ratio (%)	5	30.8	33.1	33.8	37.0	39.9
Closing stock price (JPY)	6	957	980	998	1,277	2,549
Capital-to-asset ratio at market value (%)	7	36.0	38.9	31.5	33.8	58.2
Issued stock (thousand)	8	25,200	25,200	25,200	25,200	25,200
BPS	9	819.88	834.77	1,071.09	1,397.73	1,750.47

# Cash flow

(Unit: Million JPY)		YR2010	YR2011	YR2012	YR2013	YR2014
Net cash from operating activities	1	1,068	163	7,546	3,438	2,374
Net cash from investing activities	2	3,043	3,851	4,598	3,216	2,827
Net cash from financing activities	3	716	2,608	1,932	105	1,286
Cash and cash equivalents	4	5,526	4,450	6,263	7,518	6,497
Debt to annual cash flow ratio (years)	5	-	83.7	2.2	5.1	7.9
Interest coverage ratio (X)	6	-	0.9	36.0	15.6	12.1



# Sales by market sector

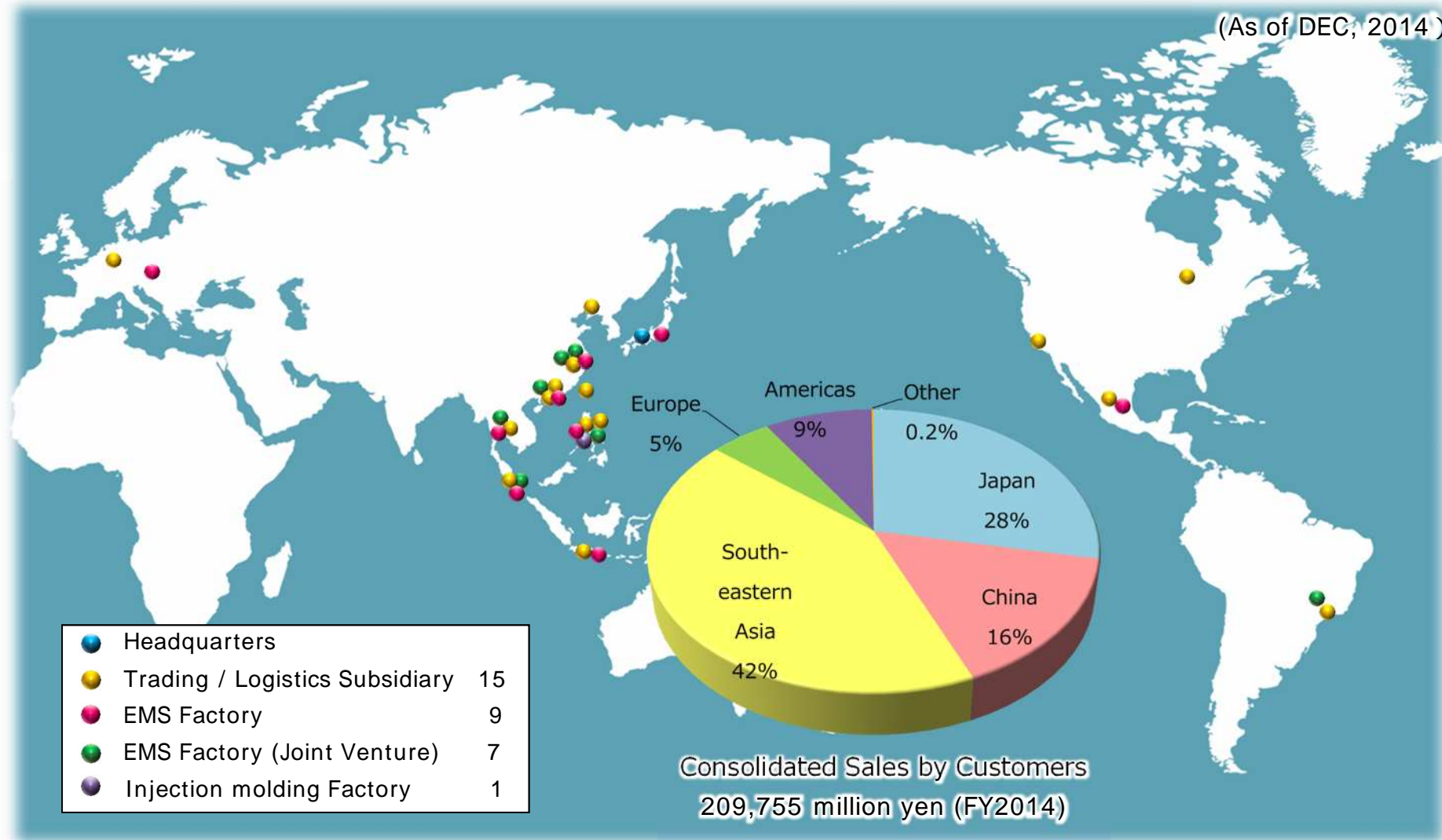
(Unit: Million JPY, %)		YR2013				YR2014			
		1st half	2nd half	full year		1st half	2nd half	full year	
Automotive-related equipments	1	25,324	29,887	55,211	26.7	34,396	41,864	76,260	36.4
Home appliances	2	37,940	37,331	75,271	36.4	26,702	28,243	54,945	26.2
Industrial equipments	3	14,673	17,363	32,036	15.5	16,267	17,960	34,227	16.3
Information equipments	4	11,180	12,176	23,356	11.3	11,681	13,435	25,116	12.0
Communication equipments	5	763	981	1,744	0.8	734	1,527	2,261	1.1
Electronics others	6	1,491	2,991	4,482	2.2	2,640	2,924	5,564	2.7
Machinery and others	7	7,152	7,756	14,908	7.2	5,721	5,662	11,383	5.4
Total	8	98,523	108,486	207,009	100.0	98,142	111,613	209,755	100.0

# Management benchmark

			YR2010	YR2011	YR2012	YR2013	YR2014
ROE	( % )	1	17.9	13.9	13.7	11.4	11.1
ROA	( % )	2	9.5	7.5	7.4	6.6	6.7
Total asset turnover		3	2.8	2.7	2.8	2.5	2.2
Net interest-bearing debts/Net asset	( % )	4	41.8	47.4	40.5	33.2	30.5
Current ratio	( % )	5	123.0	131.1	136.2	141.9	147.7
Accounts receivable turnover ratio	(day)	6	54.6	55.3	53.2	63.4	73.1
Inventory turnover ratio	(day)	7	24.6	30.1	28.3	30.0	38.4
PBR	(X)	8	1.2	1.2	0.9	0.9	1.5
PER	(X)	9	6.9	8.5	7.7	9.1	14.6





# Global Network

(As of DEC, 2014)



# Global Network

## Japan / China Area

 Headquarters  
  EMS Factory  
  Trading / Logistics Subsidiary  
 EMS Factory (Joint Venture)

(As of DEC, 2014)

### NOTE

- Total Floor Area(m<sup>2</sup>)
- SMT line
- Employees
- Production Item
- ISO



China (Panyu) / PKS



China (Shanghai) / SKE



China (Shanghai) / TSE



China (Dalian) / SXD  
(SX Dalian Branch)



China (Shanghai) / SX



China (Dong Guan) / SED

- 25,293m<sup>2</sup>
- 20 lines
- 2,162 employees
- Scanner, Air Conditioner
- Automobile-related Equipment, etc.
- ISO9001, ISO14001, TS16949



China (Shanghai) / SJC

- 12,366m<sup>2</sup>
- 5 lines
- 446 employees
- Industrial Devices, Household Appliances, Automobile-related equipment etc.
- ISO9001, ISO14001, TS16949



Japan (Kanagawa) / SEJ

- 5,914m<sup>2</sup>
- 4 lines
- 66 employees
- Industrial Devices, Automobile-related Equipment, Medical Equipment etc.
- ISO9001, ISO14001, ISO13485, TS16949 certificate of Pharmaceutical Affairs Law



Hong Kong / SH



China (Dong Guan) / SDC



Taiwan / SP



# Global Network

## ASEAN Area (Thailand, Indonesia)

- EMS Factory
- Trading / Logistics Subsidiary
- EMS Factory (Joint Venture)

(As of DEC, 2014)  
NOTE

- Total Floor Area(m<sup>2</sup>)
- SMT line
- Employees
- Production Item
- ISO

Singapore/SS



Indonesia(Batam)/SEI

- 12,239m<sup>2</sup>
- 11 lines
- 1,848 employees
- Scanner, Automobile-related Equipment, Toy etc
- ISO9001, ISO14001, TS16949



Indonesia(Batam)/GPI



Thailand(Bangkok)/ST

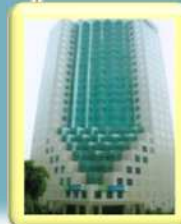


Thailand(Samut Prakan)/SET

- 26,958m<sup>2</sup>
- 34 lines
- 2,240 employees
- Digital Home Appliances, Car Audio, Automobile-related Equipment, etc.
- ISO9001, ISO14001, TS16949, AS9100



Thailand(Ayutthaya)/STARS



Indonesia(Jakarta)/SI



Indonesia(Jakarta)/SEK

- 10,924m<sup>2</sup>
- 7 lines
- 1,268 employees
- Automobile-related Equipment, Household Appliances.
- ISO9001, ISO14001, TS16949



# Global Network

## ASEAN Area (Philippines)

- EMS Factory    ● Trading / Logistics Subsidiary
- EMS Factory (Joint Venture)    ● Injection molding Factory

(As of DEC, 2014)  
NOTE

- Total Floor Area(m<sup>2</sup>)
- SMT line
- Employees
- Production Item
- ISO



**Philippines/SLP**



**Philippines/SM**



**Philippines/SEP**

- 21,476m<sup>2</sup>
- 9 lines
- 276 employees
- Automobile-related Equipment, Industrial Equipment, Information Equipment etc.
- ISO9001, ISO14001



**Philippines/IMI**



**Philippines/SCP**

- started mass production on Nov. 2014
- 5,983m<sup>2</sup>
- 22employees
- Mold Manufacturing and injection molding

# Global Network

## Europe/America Area

- EMS Factory
- EMS Factory (Joint Venture)
- Trading / Logistics Subsidiary

(As of DEC, 2014)  
NOTE

- Total Floor Area(m<sup>2</sup>)
- SMT line
- Employees
- Production Item
- ISO

USA(Irvine)/SJ



USA(Chicago)/SC



Mexico(Monterrey)/SMX



Brazil(Sao Paulo)/CLIPTECH



Mexico(San Luis Potosi)/SEM

- started mass production on Nov. 2014
- 5,542m<sup>2</sup>
- 2 lines
- 62 employees
- Automobile-related Equipment, Industrial Equipment etc.



Brazil(Sao Paulo)/SB



Slovakia(Nitra)/SES

- 8,216m<sup>2</sup>
- 9 lines
- 469 employees
- Automobile-related Equipment, Industrial Equipment etc.
- ISO9001, ISO14001, TS16949



Slovakia(Nitra)/SDL (SD Logistics Center)

Germany(Dusseldorf)/SD

