



May 12, 2011

## Consolidated 1st Quarter Financial Results for the Fiscal Year Ended December 31, 2011 (January 1, 2011 to March 31, 2011)

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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Submission date of quarterly financial statement:	May 13, 2011
Date of dividend payment:	-

(Amounts rounded down to million yen)

### 1. Consolidated 1st quarter Financial Results (January 1, 2011 – March 31, 2011)

#### (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 (%)
1st quarter ended Mar. 2011	47,045	26.7	1,577	42.6	1,805	53.7
1st quarter ended Mar. 2010	37,119	68.1	1,105	676.0	1,175	309.4

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	YoY change (%)	Yen	Yen
1st quarter ended Mar. 2011	1,089	42.4	46.17	—
1st quarter ended Mar. 2010	765	(48.7)	32.42	—

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital-to-asset ratio	Net assets per share
	Million yen	Million yen	%	Yen
1st quarter ended Mar. 2011	69,400	21,019	29.7	874.27
Year ended Dec. 2010	62,787	19,770	30.8	819.88

(Reference) Stockholders' equity:

1st quarter ended March 2011:	20,632 million yen
Year ended December 2010:	19,348 million yen

### 2. Dividends

(Base date)	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	Term-end	Annual dividends
		Yen		Yen	Yen
Year ended Dec. 2010	—	8.00	—	14.00	22.00
Year ended Dec. 2011	—				
Year ended Dec. 2011 (forecasts)		14.00	—	14.00	28.00

(note) Changes in Forecasts for Dividends during this quarter:

No change

### 3. Consolidated Business Performance Forecasts for the Year Ending December 2011 (January 1, 2011 – December 31, 2011)

	Net sales		Operating income		Ordinary income	
	Million yen	YoY change (%)	Million yen	YoY change (%)	Million yen	YoY change (%)
2nd quarter ending Jun. 2011	84,450	5.2	2,620	5.3	2,760	3.8
Full year	172,000	3.3	5,560	4.3	5,760	2.0

	Net income		Net income per share (basic)
	Million yen	YoY change (%)	Yen
2nd quarter ending Jun. 2011	1,860	0.7	78.81
Full year	3,800	16.2	161.02

(note) Changes in Consolidated Business Performance Forecasts for the Fiscal Year Ending December 2011 during this quarter: No

### 4. Others

(1) Transfer of important subsidiaries during the period (transfer of specific subsidiaries in association with changes in the scope of consolidation): No

(2) Adoption or non-adoption of a simplified method in accounting procedures and a specific method in accounting procedures for quarterly consolidated financial statements: Adoption

(3) Changes in principles/procedures, display methods, etc. of accounts processing related to the creation of consolidated financial statements (information included in changes in important, basic items for the creation of consolidated financial statements)

(i) Changes associated with the revision of accounting standards: Change  
(ii) Changes other than those described in (i): No Change

(4) Number of outstanding shares (common shares)

(i) Number of outstanding shares (including treasury stock):

1st quarter ended March 2011: 25,200,000shares  
Year ended December 2010: 25,200,000shares

(ii) Number of treasury stock:

1st quarter ended March 2011: 1,600,364shares  
Year ended December 2010: 1,600,364shares

(iii) Average number of outstanding shares (quarterly accumulated period)

1st quarter ended March 2011: 23,599,636shares  
1st quarter ended March 2010: 23,599,677shares

#### \*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 business environment during this consolidated 1st quarter under review, it was in a recovery phase, mainly increase in exports to China and developing countries. After eastern-Japan earthquake occurred on March 11, 2011, however, production capacity declined because of damage of plant and premises, logistic network disruption and electricity shortage. Also, delays of reconstruction came from the rolling blackouts and less personal consumption came from self-control increased a sense of uncertainty. Meanwhile, as for economic situation in western countries, pickup in personal consumption supported by tax cut policy and improvement in employment in the U.S.A. and recovery of the external demand in main countries in Europe drove a gradual economic upturn. Besides, in Asian countries, it kept steady as a whole even though aftermaths of the disaster were seen in some part.

In such circumstances, without a serious damage to the company's manufacturing capacity from the disaster of The Tohoku Earthquake, sales for this consolidated 1st quarter under review were 47,045 million yen, an increase of 9,926 million yen (26.7% increases) in comparison to the same period of the previous consolidated fiscal year mainly due to shipment of digital household electrical equipment and materials for automobile-related equipment and household electrical equipment continued to ride high in Asian countries. In terms of profits, operating income finished at 1,577 million yen, an increase of 471 million yen (42.6% increases) in comparison to the same period of the previous consolidated fiscal year, caused from an increase in sales. Also, ordinary income was 1,805 million yen, an increase of 630 million yen (53.7% increases) in comparison to the same period of the previous consolidated fiscal year. Net income was 1,089 million yen, an increase of 324 million yen (42.4% increases) in comparison to the same period of the previous consolidated fiscal year.

### (2) Analysis of the consolidated financial situation

Total assets at the end of this consolidated 1st quarter under review were 69,400 million yen, an increase of 6,612 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 inventories.

Total liabilities were 48,381 million yen, an increase of 5,363 million yen in comparison to the end of the previous consolidated fiscal year mainly due to an increase of accounts payable-trade and short-term loans payable.

Net assets were 21,019 million yen, an increase of 1,248 million yen in comparison to the end of the previous consolidated fiscal year. As a result of this, the capital-to-asset ratio lowered from 30.8% to 29.7%.

#### (Cash flow situation)

As the result of operating activities, we increased cash and cash equivalents (hereinafter, "funds") of 1,359 million yen during this consolidated 1st quarter under review. This was mainly due to income before income taxes finished at 1,805 million yen, increase in accounts payable turnover of 3,111 million yen and depreciation cost of 459 million yen despite increases of 2,790 million yen in trade receivables and of 694 million yen in inventories.

As the result of investment activities, we decreased funds of 1,152 million yen during this consolidated 1st quarter under review. This was mainly due to expenditure of 986 million yen for acquisition of tangible fixed assets and payments of 101 million yen for purchases of investment securities.

As the result of financing activities, we increased funds of 404 million yen during this consolidated 1st quarter under review. This was mainly due to net increase of 1,060 million yen in short-term borrowings despite payment of 308 million yen as dividends and expenditures of 266 million yen for repayment of long-term borrowings.

As a result of them, funds at the end of this consolidated 1st quarter under review stood at 6,258 million yen, an increase of 732 million yen (13.3% increases) in comparison to the end of the previous consolidated fiscal year.

(3) Qualitative Information on the Consolidated Business Forecast

The performance forecasts for the full business year in the fiscal year ending December 2011 released on February 15, 2011, have been not changed because it would be achievable even though a certain influence from The Tohoku Earthquake occurred on March 11, 2011 has been seen in procurement process etc. If and when revision of the performance forecasts is needed hereafter, the company will announce the revised forecasts as soon as possible.

**2. Other**

(1) Transfer of important subsidiaries during the period (transfer of specific subsidiaries in association with changes in the scope of consolidation)

No transactions to report

(2) A simplified method in accounting procedures and a specific method in accounting procedures

(i) A simplified method in accounting procedures

(Method for Calculation of the Estimate of Doubtful General Receivables)

Because no marked changes have been observed in the general receivables loan loss ratio, etc., at domestic consolidated companies at the end of this consolidated 1st quarter from the figures calculated at the end of the previous consolidated fiscal year, the company has used the loan loss ratio, etc., as of the end of the previous consolidated fiscal year to calculate the estimate of doubtful general receivables.

(Method for Valuation of Inventories)

The company has calculated the value of inventories as of the end of this consolidated 1st quarter using a reasonable method based on physical stocktaking undertaken at the end of the previous consolidated fiscal year and without conducting further physical stocktaking.

(Method for Calculation of Deferred Tax Assets and Deferred Tax Liabilities)

Because no marked changes have been observed in the management environment, etc., since the previous consolidated fiscal year or in the occurrence of temporary differentials, the company has judged the collectability of deferred tax assets based on a method using the future business forecasts employed during the previous consolidated fiscal year and tax planning.

(ii) A specific method in accounting procedures

No transactions to report

(3) Changes in principles/procedures, display methods, etc. of accounts processing related to the creation of quarterly consolidated financial statements

The company is applying the Cabinet Ordinance for a Partial Revision of the Regulation for Financial Statements (Cabinet Ordinance No.5, March 24, 2009) based on the "Accounting Standard for Consolidated Financial Reporting" (ASBJ Statement No.22, December 26, 2008), and indicating "Net Income before Minority Interests in Income" on Statements of income as for this consolidated 1st quarter.

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

(Million yen)

	Current 1st quarter As of Mar. 31, 2011	Previous fiscal year As of Dec. 31, 2010
<b>Assets</b>		
Current assets		
Cash and deposits	6,276	5,543
Notes and accounts receivable-trade	31,305	27,635
Merchandise and finished goods	11,170	10,514
Work in process	981	616
Raw materials and supplies	2,299	2,316
Other	1,416	1,348
Allowance for doubtful accounts	(70)	(61)
Total current assets	53,378	47,912
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	4,211	4,193
Machinery, equipment and vehicles	3,555	2,852
Land	2,196	2,182
Other	509	396
Total property, plant and equipment	10,472	9,624
Intangible assets	853	845
Investments and other assets		
Investment securities	3,232	2,975
Investments in capital	507	501
Other	1,361	1,329
Allowance for doubtful accounts	(405)	(401)
Total Investments and other assets	4,695	4,404
Total noncurrent assets	16,021	14,874
Total assets	69,400	62,787

## TRANSLATION

(Million yen)

	Current 1st quarter As of Mar. 31, 2011	Previous fiscal year As of Dec. 31, 2010
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	28,034	24,018
Short-term loans payable	12,320	11,137
Income taxes payable	1,099	673
Other	2,977	3,137
<b>Total current liabilities</b>	<b>44,432</b>	<b>38,966</b>
Noncurrent liabilities		
Long-term loans payable	2,230	2,496
Provision for retirement benefits	79	71
Other	1,639	1,483
<b>Total noncurrent liabilities</b>	<b>3,948</b>	<b>4,050</b>
<b>Total liabilities</b>	<b>48,381</b>	<b>43,017</b>
Net assets		
Shareholders' equity		
Capital stock	2,144	2,144
Capital surplus	1,853	1,853
Retained earnings	20,148	19,388
Treasury stock	(677)	(677)
<b>Total shareholders' equity</b>	<b>23,467</b>	<b>22,708</b>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,125	1,003
Deferred gains or losses on hedges	9	16
Foreign currency translation adjustment	(3,970)	(4,379)
<b>Total valuation and translation adjustments</b>	<b>(2,835)</b>	<b>(3,359)</b>
Minority interests	386	421
<b>Total net assets</b>	<b>21,019</b>	<b>19,770</b>
<b>Total liabilities and net assets</b>	<b>69,400</b>	<b>62,787</b>

(2) Quarterly Consolidated Statements of Income  
 [1st quarter (January 1, 2011 – March 31, 2011)]

(Million yen)

	Previous 1st quarter Jan. 1, 2010 - Mar. 31, 2010	Current 1st quarter Jan. 1, 2011 - Mar. 31, 2011
Net sales	37,119	47,045
Cost of sales	34,581	43,974
Gross profit	2,537	3,070
Selling, general and administrative expenses	1,431	1,493
Operating income	1,105	1,577
Non-operating income		
Interest income	7	8
Dividends income	0	1
Amortization of negative goodwill	9	9
Real estate rent	18	18
Equity in earnings of affiliates	38	38
Foreign exchange gains	1	80
Other	40	129
Total non-operating income	118	286
Non-operating expenses		
Interest expenses	35	45
Other	13	11
Total non-operating expenses	48	57
Ordinary income	1,175	1,805
Extraordinary income		
Reversal of allowance for doubtful accounts	0	0
Gain on sales of noncurrent assets	1	0
Total extraordinary income	1	0
Extraordinary loss		
Loss on sales of noncurrent assets	0	0
Total extraordinary loss	0	0
Income before income taxes	1,176	1,805
Income taxes-current	402	605
Income taxes-deferred	(13)	71
Total income taxes-current	388	677
Net Income before Minority Interests in Income	-	1,128
Minority interests in income	22	38
Net income	765	1,089



## (3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	Previous 1st quarter Jan. 1, 2010 - Mar. 31, 2010	Current 1st quarter Jan. 1, 2011 - Mar. 31, 2011
<b>Net cash provided by (used in) operating activities</b>		
Income before income taxes	1,176	1,805
Depreciation and amortization	471	459
Amortization of negative goodwill	(9)	(9)
Increase (decrease) in allowance for doubtful accounts	8	8
Interest and dividends income	(8)	(9)
Interest expenses	35	45
Foreign exchange losses (gains)	(0)	(47)
Equity in (earnings) losses of affiliates	(38)	(38)
Decrease (increase) in notes and accounts receivable-trade	251	(2,790)
Decrease (increase) in inventories	(2,100)	(694)
Decrease (increase) in consumption taxes refund receivable	(67)	(56)
Increase (decrease) in notes and accounts payable-trade	608	3,111
Increase (decrease) in advances received	(243)	(222)
Other	164	(20)
Subtotal	246	1,540
Interest and dividends income received	8	9
Interest expenses paid	(30)	(43)
Income taxes paid	(246)	(147)
Net cash provided by (used in) operating activities	(22)	1,359
<b>Net cash provided by (used in) investment activities</b>		
Purchase of property, plant and equipment	(478)	(986)
Proceeds from sales of property, plant and equipment	6	2
Purchase of intangible assets	(36)	(58)
Purchase of investment securities	-	(101)
Proceeds from sales of investment securities	67	-
Payments of loans receivable	(770)	(9)
Collection of loans receivable	0	0
Payments for investments in capital of subsidiaries and affiliates	(23)	-
Purchase of investments in subsidiaries	(80)	-
Proceeds from liquidation of subsidiaries	96	-
Net cash provided by (used in) investment activities	(1,218)	(1,152)
<b>Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in short-term loans payable	(688)	1,060
Proceeds from long-term loans payable	600	-
Repayment of long-term loans payable	(191)	(266)
Cash dividends paid	(176)	(308)
Cash dividends paid to minority shareholders	(80)	(81)
Other	(44)	(0)
Net cash provided by (used in) financing activities	(580)	404
Effect of exchange rate change on cash and cash equivalents	156	121
Net increase (decrease) in cash and cash equivalents	(1,665)	732
Cash and cash equivalents at beginning of period	9,474	5,526
Cash and cash equivalents at end of period	7,808	6,258

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

(5) Segment Information

**Information by operating segment**

Previous year (January 1, 2010 – March 31, 2010)

(Million yen)

	Electronics	Machinery	Other	Total	Eliminations and corporate	Consolidated
Net sales						
(1) Sales – outside customers	34,798	2,206	113	37,119	-	37,119
(2) Sales and transfer-inter-segment	-	541	-	541	(541)	-
Total	34,798	2,748	113	37,660	(541)	37,119
Operating income or operating loss	1,434	13	1	1,449	(344)	1,105

Notes:

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

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

**Geographical Segment Information**

Previous year (January 1, 2010 – March 31, 2010)

(Million yen)

	Japan	Asia	Europe	Americas	Total	Eliminations and corporate	Consolidated
Net sales							
(1) Sales – outside customers	9,475	23,833	1,119	2,691	37,119	-	37,119
(2) Sales and transfer-inter segment	5,415	2,357	143	709	8,625	(8,625)	-
Total	14,890	26,190	1,262	3,401	45,744	(8,625)	37,119
Operating income or operating loss	412	1,066	(124)	102	1,457	(351)	1,105

Notes:

1. 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: Asia: China, Taiwan, Singapore, Thailand, Philippines, and Indonesia  
Europe: Germany and Slovakia  
Americas: USA

**Overseas Sales**

Previous year (January 1, 2010 – March 31, 2010)

(Million yen)

	Asia	Europe	N. America	Other	Total
I Overseas sales (million yen)	22,125	1,753	2,456	909	27,243
II Consolidated sales (million yen)					37,119
III Share of overseas sales in consolidated sales (%)	59.6	4.7	6.6	2.5	73.4

Notes:

- 1 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: Asia: China, Taiwan, Singapore, Thailand, Philippines, and Indonesia  
Europe: Romania, Czech, Germany, and France  
North America: USA  
Other: Central and South America, Oceania

**Segment Information****[1] Summary of reportable segment**

Each reportable segment is independent entity in SIIX group which can be measured by separated financial information and should be reviewed with regularity by board of directors for the purpose of decision of distribution of management resource and performance evaluation.

SIIX group is covering procurement, manufacture and sale of finished products, subassemblies, circuit board assemblies, components and kits relating to communication equipment, automotive-related equipment, information equipment, household electrical equipment, industrial equipment and general electronic products and devices. SIIX Corp. and independent subsidiary in Japan, and several independent local subsidiaries in each area of Asia, Europe, and America are engaged in these businesses.

Each subsidiary is independent entity and draws up a comprehensive strategy and develops its business activity to handle merchandise and goods for accommodation to clients' foreign business development according to market characteristics in each area.

Therefore, SIIX group classifies the reportable segment to "Electronic (Japan)", "Electronics (Asia)", "Electronics (Europe)", and "Electronics (Americas)".

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

Current Year (January 1, 2011 – March 31, 2011)

(Million yen)

	Reportable Segment					Other (notes)	Total
	Electronics (Japan)	Electronics (Asia)	Electronics (Europe)	Electronics (Americas)	Total		
Net sales							
Sales – outside customers	7,047	33,087	1,326	2,937	44,399	2,646	47,045
Sales and transfers-inter segments	4,791	1,824	91	897	7,605	437	8,042
Total	11,839	34,912	1,417	3,835	52,004	3,084	55,088
Operating income or operating loss	297	1,448	(36)	166	1,876	15	1,891

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.

**[3] 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)

Operating Income / Loss	Amount
Reportable Segment	1,876
Other	15
Eliminations-inter segment	31
Corporate expenses (note)	(345)
Operating income in quarterly consolidated statement in income	1,577

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.

**(Additional information)**

The company is applying "Accounting Standards for Disclosure of Segment Information" (ASBJ Statement No.17, March 27, 2009) and "Guideline for Application of Accounting Standards for Disclosure of Segment Information" (ASBJ Guideline No.20, March 21, 2008).

- (6) Notes in the Event of Marked Changes in the Value of Shareholders' Equity  
No transactions to report