

## Consolidated 1st quarter Financial Results for the Fiscal Year Ended December 31, 2013 (January 1, 2013 to March 31, 2013)

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, 2013

(Amounts rounded down to million yen)

### 1. Consolidated 1st quarter Financial Results (January 1, 2013 – March 31, 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 (%)
1st quarter ended Mar. 2013	48,192	9.9	884	(25.5)	824	(30.8)
1st quarter ended Mar. 2012	43,850	(6.8)	1,187	(24.7)	1,192	(34.0)

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	YoY change (%)	Yen	Yen
1st quarter ended Mar. 2013	361	(57.5)	15.33	-
1st quarter ended Mar. 2012	850	(22.0)	36.02	-

(Note) Comprehensive Income:

1st quarter ended March 2013:	3,129 million yen	(27.5%)
1st quarter ended March 2012:	2,454 million yen	( - %)

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital-to-asset ratio
	Million yen	Million yen	%
1st quarter ended Mar. 2013	78,684	28,204	35.6
Year ended Dec. 2012	74,703	25,453	33.8

(Reference) Stockholders' equity:

1st quarter ended March 2013:	28,016 million yen
Year ended December 2012:	25,277 million yen

### 2. Dividends

(Base date)	Annual dividends per share				
	1st quarter	2nd quarter	1st quarter	Term-end	Annual dividends
Year ended Dec. 2012	—	Yen 14.00	—	Yen 16.00	Yen 30.00
Year ended Dec. 2013	—				
Year ended Dec. 2013 (forecasts)		16.00	—	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 (%)
2nd quarter ending Jun. 2013	99,530	9.5	2,380	(8.2)	2,450	(8.5)
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
2nd quarter ending Jun. 2013	1,710	(9.5)	72.46
Full year	3,850	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
- (note) For details, please refer "2. Other (3) Changes in accounting policy and accounting estimate, and restatement" on page 5.
- (4) Number of outstanding shares (common shares)
- (i) Number of outstanding shares (including treasury stock):
- |                               |                   |
|-------------------------------|-------------------|
| 1st quarter ended March 2013: | 25,200,000 shares |
| Year ended December 2012:     | 25,200,000 shares |
- (ii) Number of treasury stock:
- |                               |                  |
|-------------------------------|------------------|
| 1st quarter ended March 2013: | 1,600,431 shares |
| Year ended December 2012:     | 1,600,431 shares |
- (iii) Average number of outstanding shares (quarterly accumulated period)
- |                               |                   |
|-------------------------------|-------------------|
| 1st quarter ended March 2013: | 23,599,569 shares |
| 1st quarter ended March 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 1st quarter under review, the U.S. economy gradually recovered with its steady domestic demand and falling unemployment rate. In Europe, the economic recession bottom out but economic downturn in March caused continued economic anxiety. In contrast, Chinese and ASEAN economy have seen a positive trends toward economic recovery. Also Japanese economy has recovered individual consumption due to the correction of the yen appreciation and rising share value since the change in administration last year.

Under such circumstances, net sales for the consolidated 1st quarter under review finished at 48,192 million yen, an increase of 4,341 million yen (9.9% increase) in comparison to the same period of the previous fiscal year. In term of profit, however, operating income finished at 884 million yen, a decrease of 302 million yen (25.5% decrease) in comparison to the same period of the previous fiscal year. Moreover, ordinary income finished at 824 million yen, a decrease of 367 million yen (30.8% decrease) in comparison to the same period of the previous fiscal year. Net income finished at 361 million yen, a decrease of 488 million yen (57.5% 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 14,899 million yen, a decrease of 132 million yen (0.9% decrease) in comparison to the same period of the previous consolidated fiscal year. Meanwhile, segment income finished at 448 million yen, an increase of 51 million yen (13.1% increase) in comparison to the same period of the previous consolidated fiscal year mainly due to yen depreciation contributed to an exports of electronic components.

#### (ii) Electronics (Asia)

Shipment of components for automobile related equipments increased and yen depreciation contributed to increase of sales in this section. As a result, sales in this section finished at 34,862 million yen, an increase of 6,434 million yen (22.6% increase) in comparison to the same period of the previous consolidated fiscal year. In term of profit, however, the company tried to reduce the impact by improving the productive efficiency against drastically rising labor cost in Thailand and Indonesia, but still in the process of remedy. Also, newly-established factories in Indonesia and Shanghai as a developing market, couldn't achieve their plan. As a result, segment income finished at 820 million yen, a decrease of 144 million yen (15.0% decrease) in comparison to the same period of the previous consolidated fiscal year.

#### (iii) Electronics (Europe)

Sales in this section finished at 1,673 million yen, an increase of 189 million yen (12.8% increase) in comparison to the same period of the previous consolidated fiscal year. Segment loss also remained 62 million yen mainly due to delay of startup business in the manufacturing subsidiary. (the segment loss in the same period of the previous consolidated fiscal year was 37 million yen).

#### (iv) Electronics (Americas)

While shipment of components for industrial equipments and automotive related equipments increased, one of consolidated subsidiaries which affiliated with this section were sold at the end of last year. As a result, sales in this section finished at 2,569 million yen, a decrease of 1,310 million yen (33.8% decrease) in comparison to the same period of the previous consolidated fiscal year. Segment income finished at 52 million yen, a decrease of 143 million yen (73.3% decrease) 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 78,684 million yen, an increase of 3,981 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 an increase of merchandise and finished goods.

Total liabilities were 50,479 million yen, an increase of 1,230 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 28,204 million yen, an increase of 2,751 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 35.6%.

(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.

**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 1st quarter As of Mar. 31, 2013
<b>Assets</b>		
Current assets		
Cash and deposits	6,282	5,913
Notes and accounts receivable-trade	32,353	33,957
Merchandise and finished goods	11,600	12,940
Work in process	810	1,204
Raw materials and supplies	2,998	2,811
Other	1,938	2,150
Allowance for doubtful accounts	(43)	(53)
Total current assets	55,941	58,923
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	4,767	4,999
Machinery, equipment and vehicles	6,246	6,493
Land	2,204	2,284
Other	616	715
Total property, plant and equipment	13,834	14,494
Intangible assets	638	632
Investments and other assets		
Investment securities	2,223	2,406
Investments in capital	280	286
Other	2,356	2,560
Allowance for doubtful accounts	(572)	(618)
Total Investments and other assets	4,288	4,634
Total noncurrent assets	18,761	19,761
Total assets	74,703	78,684

## TRANSLATION

(Million yen)

	Previous fiscal year As of Dec. 31, 2012	Current 1st quarter As of Mar. 31, 2013
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	27,015	28,478
Short-term loans payable	10,285	9,114
Income taxes payable	655	864
Other	3,123	3,730
<b>Total current liabilities</b>	<b>41,079</b>	<b>42,188</b>
Noncurrent liabilities		
Long-term loans payable	5,833	5,845
Provision for retirement benefits	109	130
Other	2,226	2,314
<b>Total noncurrent liabilities</b>	<b>8,169</b>	<b>8,291</b>
<b>Total liabilities</b>	<b>49,249</b>	<b>50,479</b>
Net assets		
Shareholders' equity		
Capital stock	2,144	2,144
Capital surplus	1,853	1,853
Retained earnings	23,832	23,816
Treasury stock	(677)	(677)
<b>Total shareholders' equity</b>	<b>27,151</b>	<b>27,135</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	457	529
Deferred gains or losses on hedges	(9)	(0)
Foreign currency translation adjustment	(2,322)	352
<b>Total accumulated other comprehensive income</b>	<b>(1,874)</b>	<b>881</b>
Minority interests	175	187
<b>Total net assets</b>	<b>25,453</b>	<b>28,204</b>
<b>Total liabilities and net assets</b>	<b>74,703</b>	<b>78,684</b>

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statement of  
 Comprehensive Income  
 Quarterly Consolidated Statements of Income [1st quarter (January 1, 2013 – March 31, 2013)]  
 (Million yen)

	Previous 1st quarter Jan. 1, 2012 - Mar. 31, 2012	Current 1st quarter Jan. 1, 2013 - Mar. 31, 2013
Net sales	43,850	48,192
Cost of sales	41,080	45,541
Gross profit	2,770	2,651
Selling, general and administrative expenses	1,583	1,766
Operating income	1,187	884
Non-operating income		
Interest income	2	12
Dividends income	1	0
Amortization of negative goodwill	9	-
Real estate rent	17	20
Equity in earnings of affiliates	40	-
Gain on sales of goods	21	34
Other	39	98
Total non-operating income	132	167
Non-operating expenses		
Interest expenses	58	52
Equity in losses of affiliates	-	79
Foreign exchange losses	26	72
Other	42	23
Total non-operating expenses	127	227
Ordinary income	1,192	824
Extraordinary income		
Gain on sales of noncurrent assets	5	0
Insurance income	206	-
Total extraordinary income	211	0
Extraordinary loss		
Loss on retirement of noncurrent assets	0	0
Total extraordinary loss	0	0
Income before income taxes	1,403	824
Income taxes-current	425	360
Income taxes-deferred	103	106
Total income taxes-current	529	466
Net Income before Minority Interests in Income	874	357
Minority interests in income	24	(3)
Net income	850	361



Quarterly Consolidated Statements of Comprehensive Income  
 [1st quarter (January 1, 2013 – March 31, 2013)]

(Million yen)

	Previous 1st quarter Jan. 1, 2012 - Mar. 31, 2012	Current 1st quarter Jan. 1, 2013 - Mar. 31, 2013
Income before minority interests in income	874	357
Other comprehensive income		
Valuation difference on available-for-sale securities	85	71
Deferred gains or losses on hedges	(1)	8
Foreign currency translation adjustment	1,452	2,621
Equity equivalent of equity method affiliate	43	68
Total other comprehensive income	1,580	2,771
Comprehensive income	2,454	3,129
(Content)		
Comprehensive income for the parent company's shareholders	2,390	3,117
Comprehensive income for minority shareholders	63	11

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

(4) Segment Information

**I. Previous Consolidated 1st Quarter (January 1, 2012 – March 31, 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	10,227	26,176	1,339	2,831	40,574	3,275	43,849
Sales and transfer-inter segment	4,805	2,251	144	1,048	8,249	309	8,558
Total	15,032	28,428	1,483	3,880	48,824	3,584	52,408
Operating income or operating loss	397	965	(37)	195	1,521	15	1,536

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	48,824
Other	3,584
Eliminations-inter segment	(8,557)
Sales in quarterly consolidated statement in income	43,850

Operating Income / Loss	Amount
Reportable Segment	1,521
Other	15
Eliminations-inter segment	19
Corporate expenses (note)	(368)
Operating income in quarterly consolidated statement in income	1,187

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 1st Quarter (January 1, 2013 – March 31, 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	9,703	32,503	1,505	1,248	44,961	3,226	48,187
Sales and transfer-inter segment	5,195	2,359	168	1,320	9,044	55	9,100
Total	14,899	34,862	1,673	2,569	54,005	3,282	57,287
Operating income or operating loss	448	820	(62)	52	1,259	7	1,266

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	54,005
Other	3,282
Eliminations-inter segment	(9,094)
Sales in quarterly consolidated statement in income	48,192

Operating Income / Loss	Amount
Reportable Segment	1,259
Other	7
Eliminations-inter segment	13
Corporate expenses (note)	(395)
Operating income in quarterly consolidated statement in income	884

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

The company has decided at its board of directors' meeting held on May 8, 2013 to establish a manufacturing subsidiary in Philippines, which is supposed to assemble and manufacture circuit boards, electronic components, devices and etc.

## [1] Purpose of establishment of subsidiary

To expand our businesses with Japanese and non-Japanese electronics companies which expand their businesses in Philippines against the backdrop of its stable and continuous economic development and hospitable investment climate.

## [2] Summary of establishment

Company name	SIIX EMS PHILIPPINES, INC. (tentative name)
Description of business	Assembly and Manufacture of circuit boards, electronic components, devices and etc.
Representatives	Shigeru Ochiai
Incorporated	Calamba, Laguna, Philippines
Established	May, 2013 (planned)
Capital	US\$11 million
	SIIX Corporation will own 100% of its share.(planned)
Beginning of operation	July, 2013 (planned)