

Consolidated Cumulative 2nd quarter Financial Results

for the Fiscal Year Ended December 31, 2013
(January 1, 2013 to June 30, 2013)

Company name:	SIIX Corporation
Stock code:	7613
Stock exchange listing (Section):	Tokyo Stock Exchange, (First Section)
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Submission date of quarterly financial statement:	August 12, 2013
Date of dividend payment:	September 3, 2013

(Amounts rounded down to million yen)

1. Consolidated Cumulative 2nd quarter Financial Results (January 1, 2013 – June 30, 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 (%)
2nd quarter ended Jun. 2013	98,523	8.4	2,205	(14.9)	2,287	(14.5)
2nd quarter ended Jun. 2012	90,871	1.8	2,591	(1.1)	2,676	(8.7)

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	YoY change (%)	Yen	Yen
2nd quarter ended Jun. 2013	1,368	(27.6)	58.00	—
2nd quarter ended Jun. 2012	1,889	1.6	80.06	—

(Note) Comprehensive income

2nd quarter ended June 2013:	4,699 million yen (y/y 99.5%)
2nd quarter ended June 2012:	2,355 million yen (y/y 55.5%)

(2) Consolidated Financial Position

	Total assets	Net assets	Capital-to-asset ratio
	Million yen	Million yen	%
2nd quarter ended Jun. 2013	82,532	29,775	35.8
Year ended Dec. 2012	74,703	25,453	33.8

(Reference) Stockholders' equity:

2nd quarter ended June 2013:	29,583 million yen
Year ended December 2012:	25,277 million yen

2. Dividends

(Base date)	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	Term-end	Annual dividends
Year ended Dec. 2012	—	Yen 14.00	—	Yen 16.00	Yen 30.00
Year ended Dec. 2013	—	16.00			
Year ended Dec. 2013 (forecasts)			—	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 (%)
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
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
- (4) Number of outstanding shares (common shares)
- (i) Number of outstanding shares (including treasury stock):
- 2nd quarter ended June 2013: 25,200,000shares
- Year ended December 2012: 25,200,000shares
- (ii) Number of treasury stock:
- 2nd quarter ended June 2013: 1,600,431shares
- Year ended December 2012: 1,600,431shares
- (iii) Average number of outstanding shares (quarterly accumulated period)
- 2nd quarter ended June 2013: 23,599,569shares
- 2nd quarter ended June 2012: 23,599,569shares

*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 cumulative 2nd quarter under review, the US economy kept moderate recovery with the drop in unemployment and increase in consumer spending. European economy was generally sluggish as a whole with still-rising unemployment while it was seen signs of having bottomed out in European economy. On the other hand, Asian economy was slightly pausing with stagnation of economic growth in China and weak exports in developing countries despite of invigoration of personal spending. Japanese economy steadily recovered because of expectations toward various policies of new administration and increase in exports attributed to yen depreciation.

Under such circumstances, net sales for the consolidated cumulative 2nd quarter under review finished at 98,523 million yen, an increase of 7,652 million yen (8.4% increase) in comparison to the same period of the previous fiscal year. Operating income finished at 2,205 million yen, a decrease of 386 million yen (14.9% decrease) in comparison to the same period of the previous fiscal year. Moreover, ordinary income finished at 2,287 million yen, a decrease of 389 million yen (14.5% decrease) in comparison to the same period of the previous fiscal year. Net income finished at 1,368 million yen, a decrease of 520 million yen (27.6% 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 27,836 million yen, an increase of 275 million yen (1.0% increase) in comparison to the same period of the previous consolidated fiscal year. Segment income finished at 926 million yen, an increase of 131 million yen (16.6% increase) in comparison to the same period of the previous consolidated fiscal year due to increase in sales and yen depreciation.

(ii) Electronics (Asia)

Sales in this section finished at 73,681 million yen, an increase of 11,056 million yen (17.7% increase) in comparison to the same period of the previous consolidated fiscal year due to increase in shipment of components for automobile related equipment and information equipments and yen depreciation. In term of profits, segment income finished at 2,010 million yen, a decrease of 170 million yen (7.8% decrease) in comparison to the same period of the previous consolidated fiscal year due to a decrease of shipment of household equipment caused by inventory adjustment in manufacturing subsidiary in Thailand, and a lower-than-expected performances in newly established manufacturing subsidiaries in Indonesia and Shanghai.

(iii) Electronics (Europe)

New project in sales subsidiary, which shipment of household equipments began in earnest, and yen depreciation influenced this section. Sales in this section finished at 4,203 million yen, an increase of 1,373 million yen (48.5% increase) in comparison to the same period of the previous consolidated fiscal year. Segment loss also remained 124 million yen mainly due to automobile related equipment business remain in low tone and delay in a start-up of some new projects in manufacturing subsidiary (the segment loss in the same period of the previous consolidated fiscal year was 90 million yen).

(iv) Electronics (Americas)

Sales in this section remained at 5,705 million yen, a decrease of 2,054 million yen (26.5% decrease) in comparison to the same period of the previous consolidated fiscal year resulted from disposal of a consolidated subsidiary last year despite of a steady performance of automotive related equipment. Segment income finished at 129 million yen, a decrease of 228 million yen (63.8% decrease) in comparison to the same period of the previous consolidated fiscal year. Considering exclusive of business performance of the disposed consolidated subsidiary, consolidated business result in this section increases both in sales and profit in comparison to the same period of the previous year.

(2) Analysis of the consolidated financial situation

Total assets at the end of this consolidated 2nd quarter under review were 82,532 million yen, an increase of 7,829 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 merchandise and finished goods.

Total liabilities were 52,756 million yen, an increase of 3,506 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 29,775 million yen, an increase of 4,322 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 35.8%.

(Cash flow situation)

As the result of operating activities, we increased cash and cash equivalents (hereinafter, "funds") of 1,534 million yen during this consolidated cumulative 2nd quarter under review. This was mainly due to income before income taxes finished at 2,298 million yen, decreases in notes and accounts receivable trade of 2,823 million yen and 1,439 million yen of depreciation cost despite of decreases of 3,361 million yen in notes and accounts payable-trade and increases of 1,016 million yen in inventories.

As the result of investment activities, we decreased funds of 2,002 million yen during this consolidated cumulative 2nd quarter under review. This was mainly due to expenditure of 1,096 million yen for acquisition of stocks of subsidiaries and affiliates and 697 million yen for acquisition of tangible fixed assets.

As the result of financing activities, we decreased funds of 800 million yen during this consolidated cumulative 2nd quarter under review. This was mainly due to net decrease of 1,330 million yen in short-term borrowings and expenditures of 633 million yen for repayment of long-term borrowings despite of proceeds of 1,583 million yen in long-term borrowings.

As a result of them, funds at the end of this consolidated 2nd quarter under review stood at 5,737 million yen, a decrease of 526 million yen (8.4% decrease) in comparison to the end of the previous consolidated fiscal year.

(3) Qualitative Information on the Consolidated Business Forecast

The company keeps its performance forecasts for the full business year in the fiscal year ending December 2013 released on February 15, 2013, in consideration for new projects fully in progress and influences from currency exchange, although the financial results in this consolidated cumulative 2nd quarter was below forecasts.

The exchange rate assumed in the business performance forecast for this fiscal year is 95 yen per U.S. dollar. (Previously assumed exchange rate was 85 yen per U.S. dollar.)

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 2nd quarter As of Jun. 30, 2013
Assets		
Current assets		
Cash and deposits	6,282	5,758
Notes and accounts receivable-trade	32,353	35,122
Merchandise and finished goods	11,600	13,896
Work in process	810	1,052
Raw materials and supplies	2,998	3,472
Other	1,938	2,279
Allowance for doubtful accounts	(43)	(66)
Total current assets	55,941	61,514
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	4,767	5,356
Machinery, equipment and vehicles	6,246	6,275
Land	2,204	2,293
Other	616	610
Total property, plant and equipment	13,834	14,537
Intangible assets	638	595
Investments and other assets		
Investment securities	2,223	3,147
Investments in capital	280	289
Other	2,356	3,069
Allowance for doubtful accounts	(572)	(621)
Total Investments and other assets	4,288	5,885
Total noncurrent assets	18,761	21,017
Total assets	74,703	82,532

TRANSLATION

(Million yen)

	Previous fiscal year As of Dec. 31, 2012	Current 2nd quarter As of Jun. 30, 2013
Liabilities		
Current liabilities		
Accounts payable-trade	27,015	29,186
Short-term loans payable	10,285	10,038
Income taxes payable	655	626
Other	3,123	3,826
Total current liabilities	41,079	43,678
Noncurrent liabilities		
Long-term loans payable	5,833	6,584
Provision for retirement benefits	109	145
Other	2,226	2,348
Total noncurrent liabilities	8,169	9,078
Total liabilities	49,249	52,756
Net assets		
Shareholders' equity		
Capital stock	2,144	2,144
Capital surplus	1,853	1,853
Retained earnings	23,832	24,823
Treasury stock	(677)	(677)
Total shareholders' equity	27,151	28,142
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	457	337
Deferred gains or losses on hedges	(9)	(2)
Foreign currency translation adjustment	(2,322)	1,106
Total accumulated other comprehensive income	(1,874)	1,441
Minority interests	175	192
Total net assets	25,453	29,775
Total liabilities and net assets	74,703	82,532

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statement of Comprehensive Income
 Quarterly Consolidated Statements of Income
 [2nd quarter cumulative basis (January 1, 2013 – June 30, 2013)]

(Million yen)

	Previous 2nd quarter cumulative basis Jan. 1, 2012 - Jun. 30, 2012	Current 2nd quarter cumulative basis Jan. 1, 2013 - Jun. 30, 2013
Net sales	90,871	98,523
Cost of sales	85,063	92,643
Gross profit	5,807	5,879
Selling, general and administrative expenses	3,216	3,673
Operating income	2,591	2,205
Non-operating income		
Interest income	21	20
Dividends income	9	10
Amortization of negative goodwill	19	-
Real estate rent	34	43
Equity in earnings of affiliates	80	-
Foreign exchange gains	-	10
Gain on sales of goods	46	57
Other	97	143
Total non-operating income	308	284
Non-operating expenses		
Interest expenses	111	104
Equity in losses of affiliates	-	57
Foreign exchange losses	48	-
Other	63	41
Total non-operating expenses	224	203
Ordinary income	2,676	2,287
Extraordinary income		
Gain on sales of noncurrent assets	5	14
Insurance income	206	-
Total extraordinary income	212	14
Extraordinary loss		
Loss on sales of noncurrent assets	0	2
Loss on retirement of noncurrent assets	3	0
Total extraordinary loss	3	3
Income before income taxes	2,885	2,298
Income taxes-current	856	767
Income taxes-deferred	92	172
Total income taxes-current	948	940
Net Income before Minority Interests in Income	1,936	1,358
Minority interests in income	47	(10)
Net income	1,889	1,368

Quarterly Consolidated Statements of Comprehensive Income
 [2nd quarter cumulative basis (January 1, 2013 – June 30, 2013)]

(Million yen)

	Previous 2nd quarter cumulative basis Jan. 1, 2012 - Jun. 30, 2012	Current 2nd quarter cumulative basis Jan. 1, 2013 - Jun. 30, 2013
Income before minority interests in income	1,936	1,358
Other comprehensive income		
Valuation difference on available-for-sale securities	(29)	(120)
Deferred gains or losses on hedges	3	6
Foreign currency translation adjustment	412	3,389
Equity equivalent of equity method affiliate	32	65
Total other comprehensive income	418	3,341
Comprehensive income	2,355	4,699
(Content)		
Comprehensive income for the parent company's shareholders	2,288	4,683
Comprehensive income for minority shareholders	66	16

(3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	Previous 2nd quarter cumulative basis Jan. 1, 2012 - Jun. 30, 2012	Current 2nd quarter cumulative basis Jan. 1, 2013 - Jun. 30, 2013
Net cash provided by (used in) operating activities		
Income before income taxes	2,885	2,298
Depreciation and amortization	1,122	1,439
Amortization of negative goodwill	(19)	-
Increase (decrease) in allowance for doubtful accounts	11	37
Interest and dividends income	(30)	(30)
Interest expenses	111	104
Foreign exchange losses (gains)	19	(30)
Equity in (earnings) losses of affiliates	(80)	57
Decrease (increase) in notes and accounts receivable-trade	(8,780)	2,823
Decrease (increase) in inventories	205	(1,016)
Decrease (increase) in consumption taxes refund receivable	16	46
Increase (decrease) in notes and accounts payable-trade	9,537	(3,361)
Increase (decrease) in advances received	391	532
Other	840	(484)
Subtotal	6,232	2,417
Interest and dividends income received	76	91
Interest expenses paid	(96)	(107)
Income taxes paid	(793)	(868)
Net cash provided by (used in) operating activities	5,419	1,534
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(1,672)	(697)
Proceeds from sales of property, plant and equipment	5	29
Purchase of intangible assets	(50)	(38)
Payments of loans receivable	(0)	(211)
Collection of loans receivable	1	11
Purchase of investments in subsidiaries	(23)	(1,096)
Net cash provided by (used in) investment activities	(1,740)	(2,002)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(2,970)	(1,330)
Proceeds from long-term loans payable	1,050	1,583
Repayment of long-term loans payable	(589)	(633)
Cash dividends paid	(330)	(378)
Cash dividends paid to minority shareholders	(103)	-
Other	392	(42)
Net cash provided by (used in) financing activities	(2,551)	(800)
Effect of exchange rate change on cash and cash equivalents	139	742
Net increase (decrease) in cash and cash equivalents	1,267	(526)
Cash and cash equivalents at beginning of period	4,450	6,263
Cash and cash equivalents at end of period	5,718	5,737

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

(5) Segment Information

I. Previous Consolidated Cumulative 2nd Quarter (January 1, 2012 – June 30, 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	17,682	58,142	2,568	5,564	83,957	6,910	90,868
Sales and transfer-inter segment	9,878	4,483	261	2,194	16,817	706	17,524
Total	27,560	62,625	2,829	7,759	100,775	7,617	108,393
Operating income or operating loss	794	2,180	(90)	358	3,243	41	3,284

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	100,775
Other	7,617
Eliminations-inter segment	(17,521)
Sales in quarterly consolidated statement in income	90,871

Operating Income / Loss	Amount
Reportable Segment	3,243
Other	41
Eliminations-inter segment	41
Corporate expenses (note)	(733)
Operating income in quarterly consolidated statement in income	2,591

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 2nd Quarter (January 1, 2013 – June 30, 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	16,747	68,121	3,705	2,854	91,428	7,082	98,511
Sales and transfer-inter segment	11,089	5,560	497	2,850	19,998	69	20,068
Total	27,836	73,681	4,203	5,705	111,426	7,152	118,579
Operating income or operating loss	926	2,010	(124)	129	2,941	18	2,960

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	111,426
Other	7,152
Eliminations-inter segment	(20,056)
Sales in quarterly consolidated statement in income	98,523

Operating Income / Loss	Amount
Reportable Segment	2,941
Other	18
Eliminations-inter segment	34
Corporate expenses (note)	(789)
Operating income in quarterly consolidated statement in income	2,205

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.

(6) Notes in the Event of Marked Changes in the Value of Shareholders' Equity

No transaction to report

(7) Significant subsequent events

No transaction to report