

Consolidated 1st quarter Financial Results for the Fiscal Year Ended December 31, 2014 (January 1, 2014 to March 31, 2014)

Company name:	SIIX Corporation
Stock code:	7613
Stock exchange listing (Section):	Tokyo Stock Exchange, (First Section)
Head office:	Osaka, Japan
URL:	http://www.siix.co.jp
President & COO:	Yoshihito Kikyo
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Submission date of quarterly financial statement:	May 12, 2014

(Amounts rounded down to million yen)

1. Consolidated 1st quarter Financial Results (January 1, 2014 – March 31, 2014)

(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. 2014	48,257	0.1	1,131	27.9	1,149	39.4
1st quarter ended Mar. 2013	48,192	9.9	884	(25.5)	824	(30.8)

	Net income		Net income per share (basic)	Net income per share (diluted)
	Million yen	YoY change (%)	Yen	Yen
1st quarter ended Mar. 2014	856	136.7	36.28	-
1st quarter ended Mar. 2013	361	(57.5)	15.33	-

(Note) Comprehensive Income:

1st quarter ended March 2014:	18 million yen	(-99.4%)
1st quarter ended March 2013:	3,129 million yen	(27.5%)

(2) Consolidated Financial Position

	Total assets	Net assets	Capital-to-asset ratio
	Million yen	Million yen	%
1st quarter ended Mar. 2014	85,642	32,739	38.0
Year ended Dec. 2013	89,204	33,185	37.0

(Reference) Stockholders' equity:

1st quarter ended March 2014:	32,558 million yen
Year ended December 2013:	32,985 million yen

2. Dividends

(Base date)	Annual dividends per share				
	1st quarter	2nd quarter	1st quarter	Term-end	Annual dividends
Year ended Dec. 2013	—	Yen 16.00	—	Yen 16.00	Yen 32.00
Year ended Dec. 2014	—				
Year ended Dec. 2014 (forecasts)		16.00	—	18.00	34.00

(note) Changes in Forecasts for Dividends during this quarter: No change

3. Consolidated Business Performance Forecasts for the Year Ending December 2014 (January 1, 2014 – December 31, 2014)

	Net sales		Operating income		Ordinary income	
	Million yen	YoY change (%)	Million yen	YoY change (%)	Million yen	YoY change (%)
Full year	225,000	8.7	6,000	19.7	5,900	8.7

	Net income		Net income per share (basic)
	Million yen	YoY change (%)	Yen
Full year	4,100	23.4	173.73

(note) Changes in Consolidated Business Performance Forecasts for the Fiscal Year Ending December 2014 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 2014: | 25,200,000 shares |
| Year ended December 2013: | 25,200,000 shares |
- (ii) Number of treasury stock:
- | | |
|-------------------------------|------------------|
| 1st quarter ended March 2014: | 1,600,431 shares |
| Year ended December 2013: | 1,600,431 shares |
- (iii) Average number of outstanding shares (quarterly accumulated period)
- | | |
|-------------------------------|-------------------|
| 1st quarter ended March 2014: | 23,599,569 shares |
| 1st quarter ended March 2013: | 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.

Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	Previous fiscal year As of Dec. 31, 2013	Current 1st quarter As of Mar. 31, 2014
Assets		
Current assets		
Cash and deposits	7,603	7,650
Notes and accounts receivable-trade	39,518	35,884
Merchandise and finished goods	14,450	14,479
Work in process	752	741
Raw materials and supplies	3,387	3,321
Other	2,056	2,159
Allowance for doubtful accounts	(475)	(475)
Total current assets	67,293	63,762
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	5,531	6,201
Machinery, equipment and vehicles	5,914	5,890
Land	2,322	2,462
Other	639	930
Total property, plant and equipment	14,409	15,485
Intangible assets	516	474
Investments and other assets		
Investment securities	3,449	2,633
Investments in capital	927	910
Other	3,056	2,821
Allowance for doubtful accounts	(448)	(445)
Total Investments and other assets	6,985	5,920
Total noncurrent assets	21,911	21,880
Total assets	89,204	85,642

TRANSLATION

(Million yen)

	Previous fiscal year As of Dec. 31, 2013	Current 1st quarter As of Mar. 31, 2014
Liabilities		
Current liabilities		
Accounts payable-trade	29,829	27,423
Short-term loans payable	12,564	11,303
Income taxes payable	691	843
Other	4,323	4,653
Total current liabilities	47,409	44,223
Noncurrent liabilities		
Long-term loans payable	5,675	5,851
Provision for retirement benefits	141	157
Other	2,792	2,671
Total noncurrent liabilities	8,610	8,679
Total liabilities	56,019	52,903
Net assets		
Shareholders' equity		
Capital stock	2,144	2,144
Capital surplus	1,853	1,853
Retained earnings	26,398	26,730
Treasury stock	(677)	(677)
Total shareholders' equity	29,717	30,049
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	474	503
Deferred gains or losses on hedges	(5)	3
Foreign currency translation adjustment	2,799	2,000
Total accumulated other comprehensive income	3,268	2,508
Minority interests	199	181
Total net assets	33,185	32,739
Total liabilities and net assets	89,204	85,642

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statement of
 Comprehensive Income
 Quarterly Consolidated Statements of Income [1st quarter (January 1, 2014 – March 31, 2014)]

(Million yen)

	Previous 1st quarter Jan. 1, 2013 - Mar. 31, 2013	Current 1st quarter Jan. 1, 2014 - Mar. 31, 2014
Net sales	48,192	48,257
Cost of sales	45,541	45,076
Gross profit	2,651	3,180
Selling, general and administrative expenses	1,766	2,048
Operating income	884	1,131
Non-operating income		
Interest income	12	17
Dividends income	0	1
Amortization of negative goodwill	-	37
Real estate rent	20	22
Gain on sales of goods	34	9
Other	98	60
Total non-operating income	167	148
Non-operating expenses		
Interest expenses	52	50
Equity in losses of affiliates	79	-
Foreign exchange losses	72	61
Purchase of goods	16	4
Other	6	14
Total non-operating expenses	227	131
Ordinary income	824	1,149
Extraordinary income		
Gain on sales of noncurrent assets	0	-
Total extraordinary income	0	-
Extraordinary loss		
Loss on retirement of noncurrent assets	0	-
Total extraordinary loss	0	-
Income before income taxes	824	1,149
Income taxes-current	360	485
Income taxes-deferred	106	(180)
Total income taxes-current	466	304
Net Income before Minority Interests in Income	357	845
Minority interests in income	(3)	(11)
Net income	361	856

Quarterly Consolidated Statements of Comprehensive Income
 [1st quarter (January 1, 2014 – March 31, 2014)]

(Million yen)

	Previous 1st quarter Jan. 1, 2013 - Mar. 31, 2013	Current 1st quarter Jan. 1, 2014 - Mar. 31, 2014
Income before minority interests in income	357	845
Other comprehensive income		
Valuation difference on available-for-sale securities	71	28
Deferred gains or losses on hedges	8	9
Foreign currency translation adjustment	2,621	(837)
Equity equivalent of equity method affiliate	68	(27)
Total other comprehensive income	2,771	(826)
Comprehensive income	3,129	18
(Content)		
Comprehensive income for the parent company's shareholders	3,117	38
Comprehensive income for minority shareholders	11	(19)