

Consolidated 1st quarter Financial Results for the Fiscal Year Ended December 31, 2016 (January 1, 2016 to March 31, 2016)

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:	Yoshihito Kikyo
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Submission date of quarterly financial statement:	May 10, 2016

(Amounts rounded down to million yen)

1. Consolidated 1st quarter Financial Results (January 1, 2016 – March 31, 2016)

(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. 2016	56,573	0.4	2,404	12.6	2,525	17.6
1st quarter ended Mar. 2015	56,344	16.8	2,134	88.6	2,146	86.8

	Net Income Attributable to Owners of Parent		Net income per share (basic)	Net income per share (diluted)
	Million yen	YoY change (%)	Yen	Yen
1st quarter ended Mar. 2016	1,975	24.9	78.60	74.20
1st quarter ended Mar. 2015	1,581	84.7	67.01	-

(Note) Comprehensive Income:

1st quarter ended March 2016:	-632 million yen (- %)
1st quarter ended March 2015:	1,414 million yen (- %)

(2) Consolidated Financial Position

	Total assets	Net assets	Capital-to-asset ratio
	Million yen	Million yen	%
1st quarter ended Mar. 2016	104,561	48,503	46.3
Year ended Dec. 2015	109,957	49,739	45.1

(Reference) Stockholders' equity:

1st quarter ended March 2016:	48,360 million yen
Year ended December 2015:	49,585 million yen

2. Dividends

(Base date)	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	Term-end	Annual dividends
Year ended Dec. 2015	—	Yen 18.00	—	Yen 24.00	Yen 42.00
Year ended Dec. 2016	—				
Year ended Dec. 2016 (forecasts)		24.00	—	24.00	48.00

(note) Changes in Forecasts for Dividends during this quarter: None

3. Consolidated Business Performance Forecasts for the Year Ending December 2016 (January 1, 2016 – December 31, 2016)

	Net sales		Operating income		Ordinary income	
	Million yen	YoY change (%)	Million yen	YoY change (%)	Million yen	YoY change (%)
Full year	240,000	2.1	9,500	6.6	9,600	6.6

	Net Income Attributable to Owners of Parent		Net income per share (basic)
	Million yen	YoY change (%)	Yen
Full year	7,000	4.2	278.49

(note) Changes in Consolidated Business Performance Forecasts for the Fiscal Year Ending December 2016 during this quarter: None

4. Others

- (1) Transfer of important subsidiaries during the period: None
- (2) Adoption or non-adoption of a specific method in accounting procedures: None
- (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: Yes
- (ii) Changes in accounting policy other than those described in (i): None
- (iii) Changes in accounting estimate: None
- (iv) Restatement: None
- (4) Number of outstanding shares (common shares)
- (i) Number of outstanding shares (including treasury stock):
- | | |
|-------------------------------|-------------------|
| 1st quarter ended March 2016: | 25,200,000 shares |
| Year ended December 2015: | 25,200,000 shares |
- (ii) Number of treasury stock:
- | | |
|-------------------------------|---------------|
| 1st quarter ended March 2016: | 64,000 shares |
| Year ended December 2015: | 64,000 shares |
- (iii) Average number of outstanding shares (quarterly accumulated period)
- | | |
|-------------------------------|-------------------|
| 1st quarter ended March 2016: | 25,136,000 shares |
| 1st quarter ended March 2015: | 23,599,548 shares |

*Indication regarding implementation status of quarterly review procedures

These quarterly financial statements have already reviewed pursuant to the Financial Instruments and Exchange Act (FIEA) because quarterly financial report, which needs to be prepared for the purpose of quarterly review, will also be disclosed at the same day as of the release of these quarterly financial statements, even though these statements are exempt from quarterly review procedures.

*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

(JPY in millions)

	Previous fiscal year As of Dec. 31, 2015	Current 1st quarter As of Mar. 31, 2016
Assets		
Current assets		
Cash and deposits	12,510	11,275
Notes and accounts receivable-trade	43,847	41,073
Merchandise and finished goods	18,771	17,098
Work in process	1,231	1,258
Raw materials and supplies	5,990	5,627
Other	2,872	3,198
Allowance for doubtful accounts	-463	-30
Total current assets	84,759	79,501
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	6,387	6,217
Machinery, equipment and vehicles	6,466	5,702
Land	2,576	2,521
Other	1,013	1,015
Total property, plant and equipment	16,444	15,456
Intangible assets	491	479
Investments and other assets		
Investment securities	3,151	3,253
Investments in capital	2,333	3,511
Other	3,236	3,237
Allowance for doubtful accounts	-459	-878
Total Investments and other assets	8,261	9,123
Total noncurrent assets	25,197	25,060
Total assets	109,957	104,561

TRANSLATION

(JPY in millions)

	Previous fiscal year As of Dec. 31, 2015	Current 1st quarter As of Mar. 31, 2016
Liabilities		
Current liabilities		
Accounts payable-trade	32,198	31,388
Short-term loans payable	9,141	6,898
Income taxes payable	887	1,159
Other	4,939	4,096
Total current liabilities	47,166	43,543
Noncurrent liabilities		
Convertible bond-type bonds with subscription rights to shares	6,000	6,000
Long-term loans payable	3,245	2,930
Provision for retirement benefits	470	457
Other	3,334	3,126
Total noncurrent liabilities	13,050	12,514
Total liabilities	60,217	56,057
Net assets		
Shareholders' equity		
Capital stock	2,144	2,144
Capital surplus	5,624	5,624
Retained earnings	35,528	36,900
Treasury stock	-27	-27
Total shareholders' equity	43,269	44,642
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	610	725
Deferred gains or losses on hedges	4	5
Foreign currency translation adjustment	5,916	3,194
Adjustment for retirement benefits	-215	-208
Total accumulated other comprehensive income	6,316	3,717
Non-controlling interests	154	143
Total net assets	49,739	48,503
Total liabilities and net assets	109,957	104,561

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statement of
 Comprehensive Income
 Quarterly Consolidated Statements of Income [1st quarter (January 1, 2016 – March 31, 2016)]
 (JPY in millions)

	Previous 1st quarter Jan. 1, 2015 - Mar. 31, 2015	Current 1st quarter Jan. 1, 2016 - Mar. 31, 2016
Net sales	56,344	56,573
Cost of sales	51,754	51,607
Gross profit	4,590	4,965
Selling, general and administrative expenses	2,455	2,561
Operating income	2,134	2,404
Non-operating income		
Interest income	13	13
Dividends income	3	87
Equity in earnings of affiliates	65	68
Real estate rent	26	27
Gain on sales of goods	17	16
Gain on sales of scraps	33	18
Other	48	86
Total non-operating income	209	318
Non-operating expenses		
Interest expenses	47	30
Foreign exchange losses	129	136
Other	20	31
Total non-operating expenses	197	197
Ordinary income	2,146	2,525
Income before income taxes	2,146	2,525
Income taxes-current	694	777
Income taxes-deferred	-123	-225
Total income taxes-current	570	552
Net Income before Minority Interests in Income	1,576	1,973
Net income attributable to non-controlling interests	-5	-2
Net income attributable to owners of parent	1,581	1,975

Quarterly Consolidated Statements of Comprehensive Income
 [1st quarter (January 1, 2016 – March 31, 2016)]

(JPY in millions)

	Previous 1st quarter Jan. 1, 2015 - Mar. 31, 2015	Current 1st quarter Jan. 1, 2016 - Mar. 31, 2016
Income before minority interests in income	1,576	1,973
Other comprehensive income		
Valuation difference on available-for-sale securities	-11	115
Deferred gains or losses on hedges	11	0
Foreign currency translation adjustment	-158	-2,694
Adjustment for retirement benefits	0	5
Equity equivalent of equity method affiliate	-2	-33
Total other comprehensive income	-161	-2,606
Comprehensive income	1,414	-632
(Content)		
Comprehensive income attributable to owners of parent	1,419	-622
Comprehensive income attributable to non-controlling interests	-5	-10