

# Consolidated Financial Result of Q3, FY2022

SIIX Corporation

November 2022



# Consolidated Financial Result of 3Q, FY2022

- Profit and Loss

	FY2021_Q3		FY2022_Q3		FY2021_Q3 vs. FY2022_Q3		Impact of change in FX	FY2021_Q3 vs. FY2022_Q3, net		
	(JPY in millions)	amount	%	amount	%	diff.		%	diff.(net)	%
Sales		163,807	100.0	<b>201,917</b>	<b>100.0</b>	38,109	23	20,861	17,248	10.5
Gross Profit		14,721	9.0	<b>19,078</b>	<b>9.4</b>	4,357	30			
SGA		11,122	6.8	<b>12,513</b>	<b>6.2</b>	1,391	13			
Operating Income		3,598	2.2	<b>6,564</b>	<b>3.3</b>	2,965	82	500	2,465	68.5
Ordinary Income		4,233	2.6	<b>6,464</b>	<b>3.2</b>	2,230	53			
Extraordinary Income & Loss		0	0.0	<b>-376</b>	<b>-0.2</b>	-376	-			
Corporate tax		955	0.6	<b>2,672</b>	<b>1.3</b>	1,717	180			
Profit attributable to owners of parent		3,274	2.0	<b>3,418</b>	<b>1.7</b>	144	4			

Exchange rate		
	2021_Q3	2022_Q3
USD	108.70	<b>128.15</b>
EUR	129.89	<b>136.17</b>
HKD	14.00	<b>16.36</b>
THB	3.45	<b>3.70</b>
RMB	16.79	<b>19.38</b>

- Scope of Consolidation

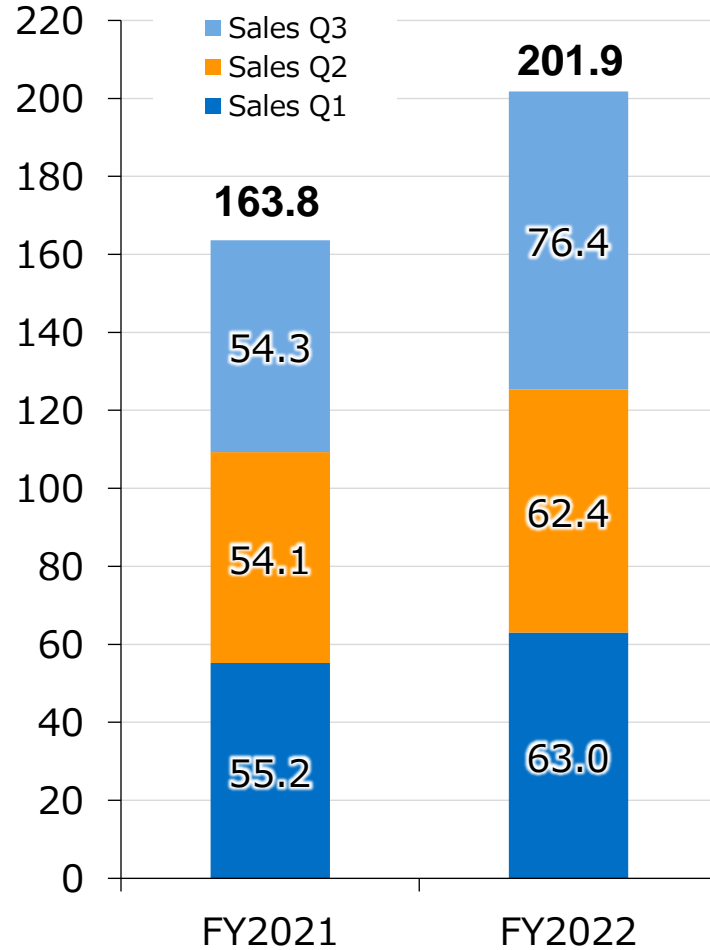
	End of FY2021_Q3	Changes		End of FY2022_Q3
		Increase	Decrease	
Consolidated Subsidiary	22	-	-	<b>22</b>
Equity Method Affiliate	2	-	-	<b>2</b>



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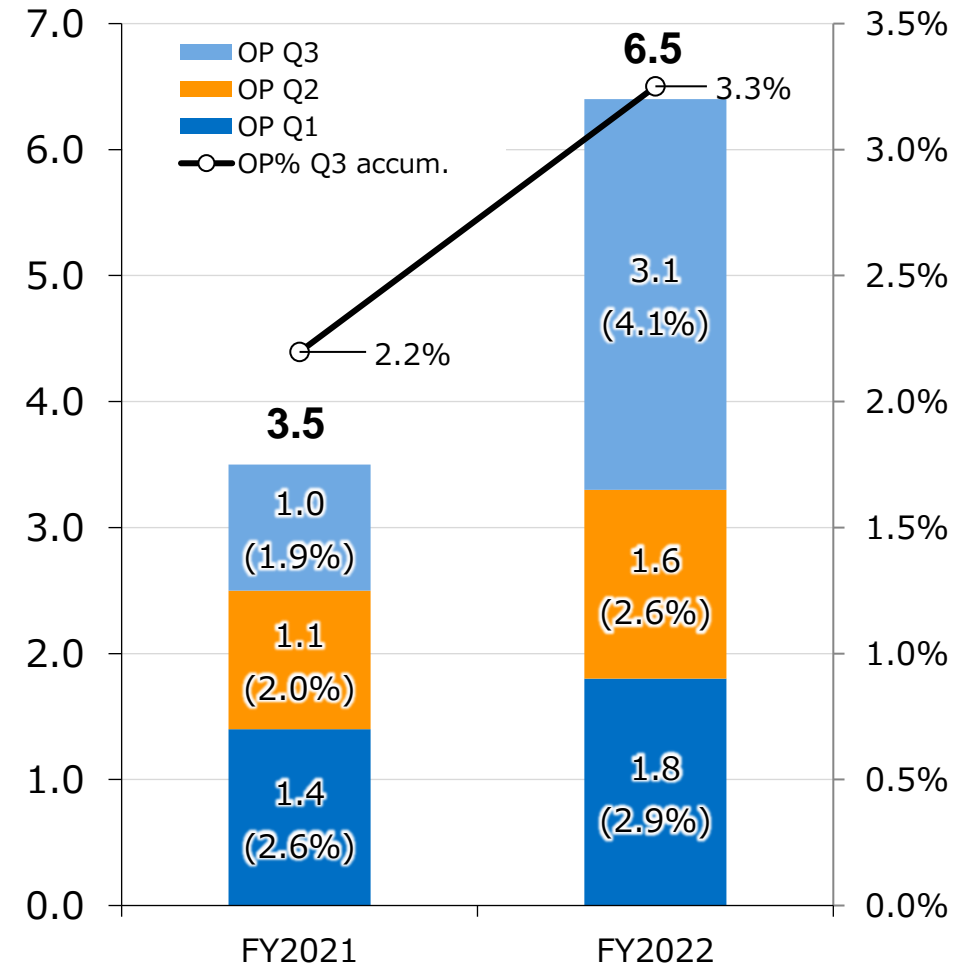
## • Sales

(JPY in billions, %)



## • Operating Profit

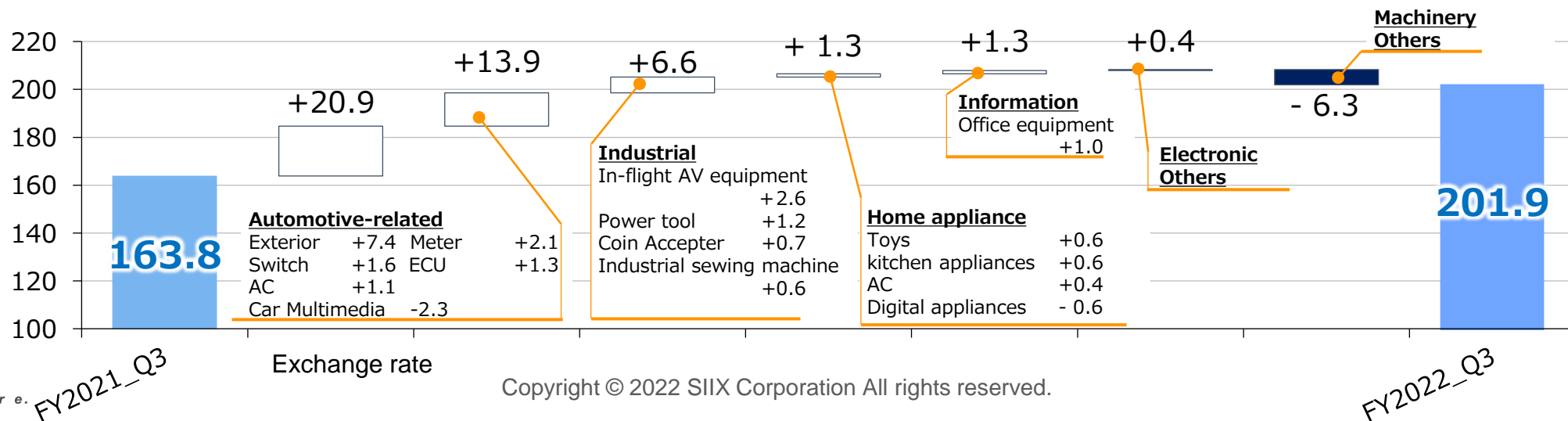
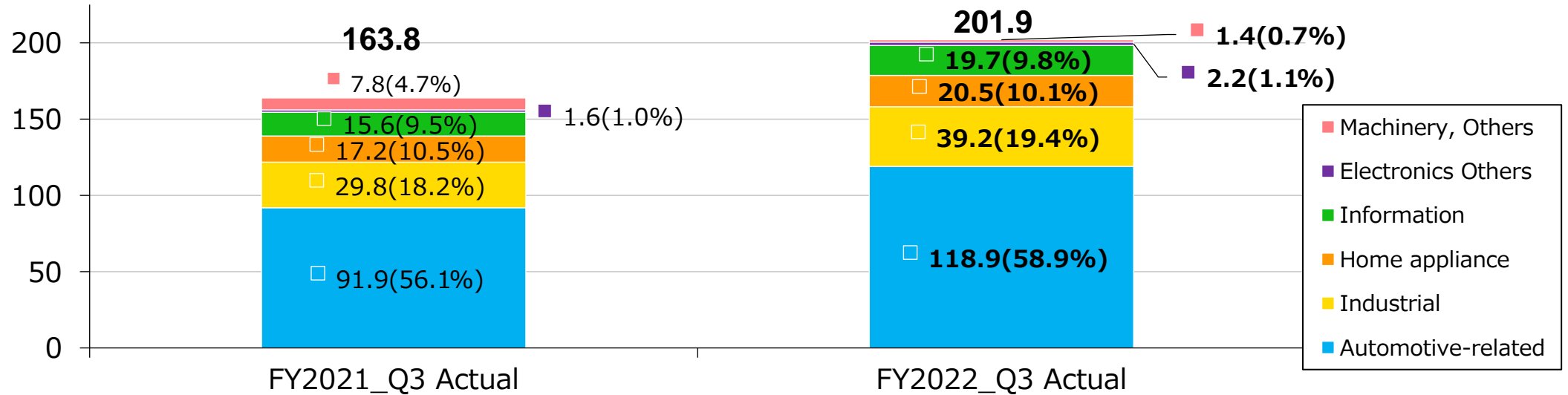
(JPY in billions, %)



# Consolidated Sales by Market Sector

- Q3, FY2021 actual vs. Q3, FY2022 actual

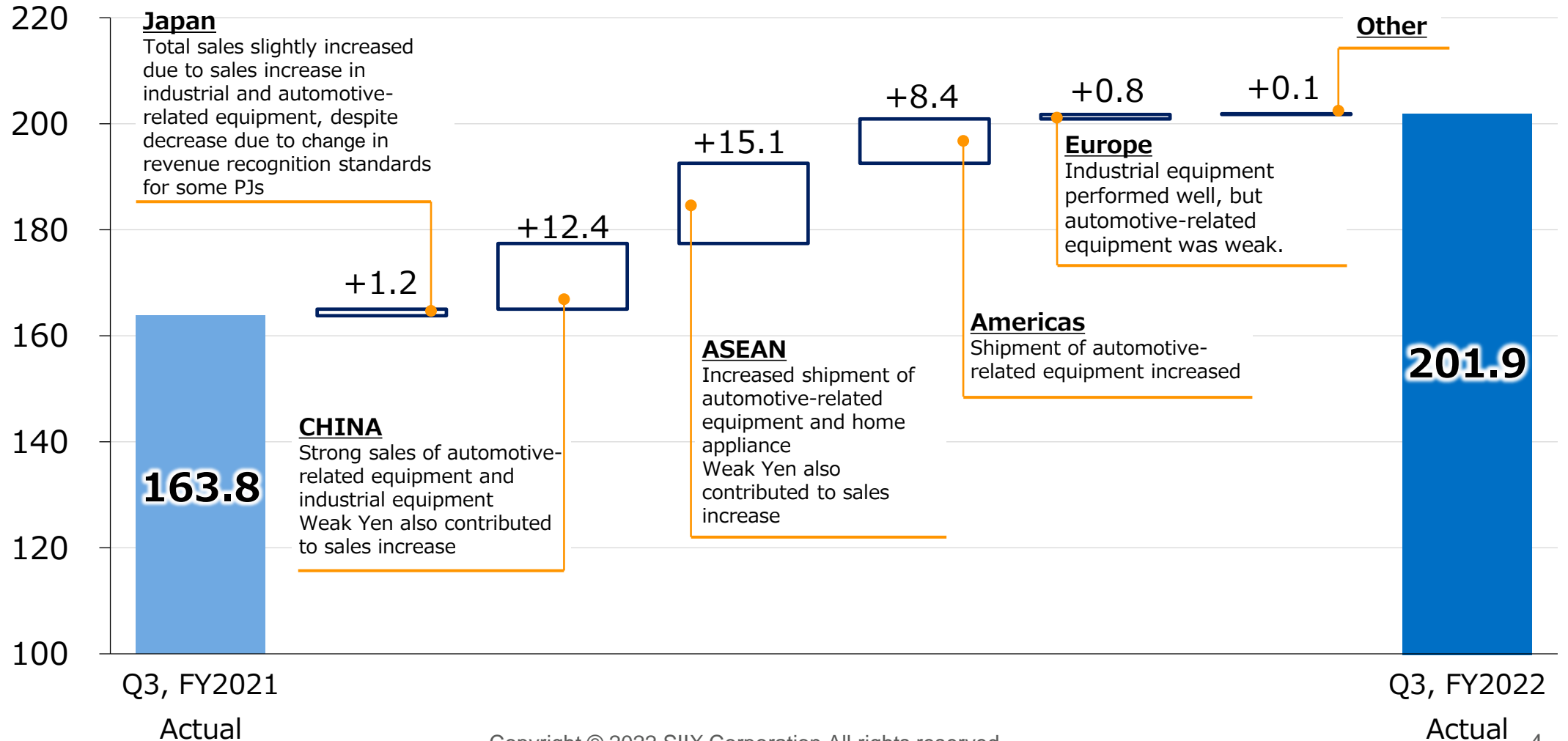
(JPY in billions, %)



# Consolidated Sales by Area

- Q3, FY2021 actual vs. Q3, FY2022 actual

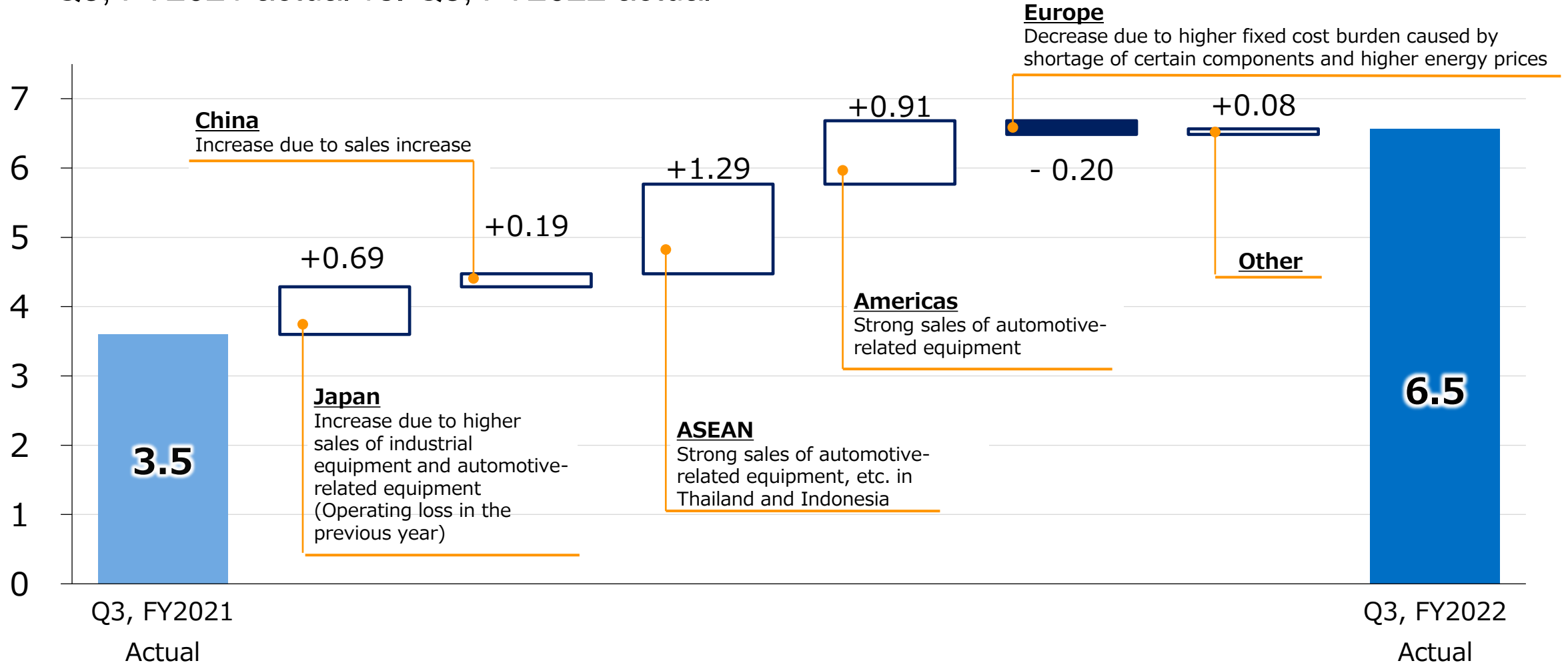
(JPY in billions)



# Consolidated Operating Profit by area

- Q3, FY2021 actual vs. Q3, FY2022 actual

(JPY in billions)





# Consolidated Financial Result of Q3, FY2022

(JPY in millions)	End of	End of	End of	Changes		Changes			
	Q3, FY2021	FY2021	Q3, FY2022	(Q3, FY2021 vs. Q3, FY2022)		(FY2021 vs. Q3, FY2022)			net
				amount	%	amount	%	Impact of exchange rate	
Current assets	111,079	122,797	<b>158,021</b>	46,942	42.3	35,224	28.7	19,306	15,917
<i>Notes and accounts receivable-trade*</i>	41,360	48,044	<b>63,943</b>	22,583	54.6	15,898	33.1	6,608	9,289
<i>Inventories</i>	51,160	58,240	<b>74,391</b>	23,231	45.4	16,151	27.7	9,913	6,237
Noncurrent assets	42,781	47,123	<b>56,498</b>	13,717	32.1	9,375	19.9	7,289	2,085
<b>Total asset</b>	<b>153,861</b>	<b>169,921</b>	<b>214,520</b>	<b>60,659</b>	<b>39.4</b>	<b>44,599</b>	<b>26.2</b>	<b>26,596</b>	<b>18,003</b>
Current liabilities	65,204	79,833	<b>97,587</b>	32,382	49.7	17,754	22.2	10,295	7,459
<i>Accounts payable-trade</i>	34,404	37,298	<b>45,439</b>	11,034	32.1	8,141	21.8	5,554	2,586
<i>Short-term loans payable</i>	20,605	31,561	<b>35,477</b>	14,871	72.2	3,916	12.4	2,947	968
Noncurrent liabilities	26,155	23,718	<b>35,379</b>	9,223	35.3	11,660	49.2	2,541	8,255
Corporate bonds	10,000	10,000	<b>10,000</b>	-	-	-	-	-	-
Long-term loans payable	10,112	8,446	<b>19,244</b>	9,131	90.3	10,797	127.8	2,541	8,255
<b>Total liability</b>	<b>91,360</b>	<b>103,551</b>	<b>132,966</b>	<b>41,606</b>	<b>45.5</b>	<b>29,414</b>	<b>28.4</b>	<b>13,107</b>	<b>16,307</b>
Net assets	62,500	66,369	<b>81,553</b>	19,052	30.5	15,184	22.9	13,488	1,695
Minority interests	391	412	<b>462</b>	71	18.3	50	12.3	52	-1
<b>Total asset and liability</b>	<b>153,861</b>	<b>169,921</b>	<b>214,520</b>	<b>60,659</b>	<b>39.4</b>	<b>44,599</b>	<b>26.2</b>	<b>26,596</b>	<b>18,003</b>

Exchange rate (USD)	¥111.92	¥115.02	¥144.81
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\*Including contract assets



# Consolidated Financial Forecast of FY2022

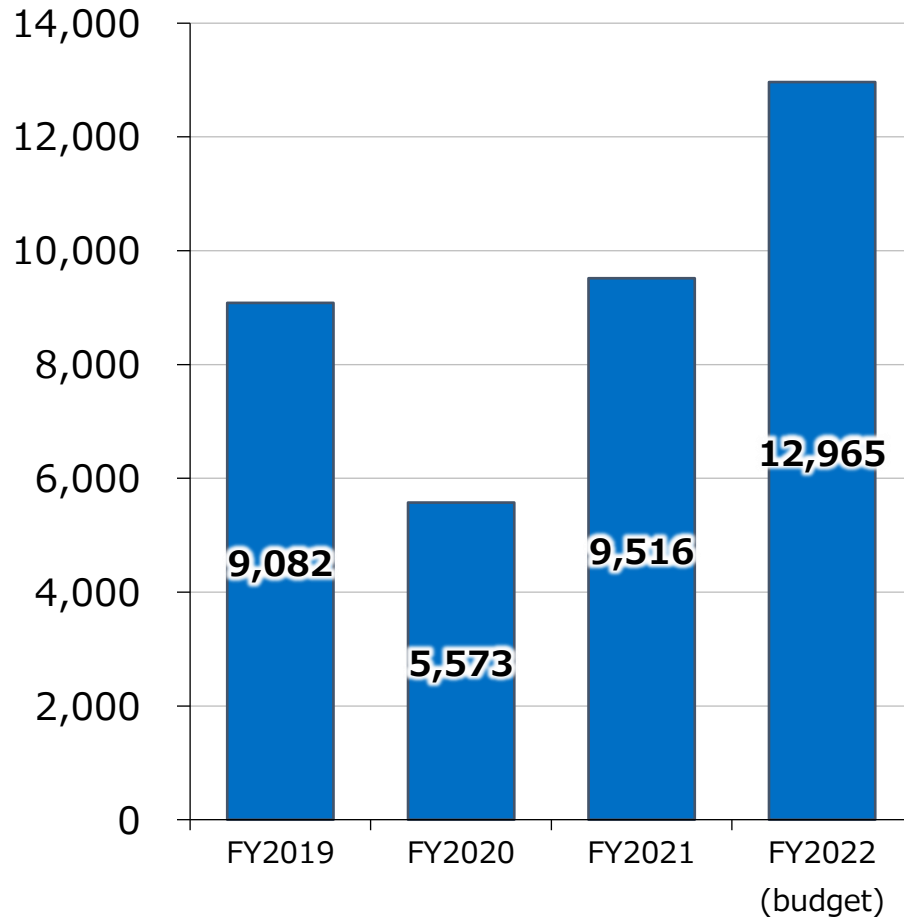
(JPY in millions)	FY 2020 Actual	%	FY 2021 Actual	%	FY 2022 Forecast	%	FY2021 vs. FY 2022 diff.	%
Sales	181,598		226,833		<b>240,000</b>		13,166	5.8
Operating income	4,452	2.5	4,954	2.2	<b>8,000</b>	<b>3.3</b>	3,045	61.5
Ordinary income	4,444	2.4	5,934	2.6	<b>8,000</b>	<b>3.3</b>	2,065	34.8
Profit attributable to owners of parent	1,724	0.9	4,561	2.0	<b>6,000</b>	<b>2.5</b>	1,438	31.5
Net income per share (JPY)	36.48		96.53		<b>126.95</b>		30.42	31.5
Assumption rate(USD)	106.79		109.95		112.00			



# CAPEX & Depreciation

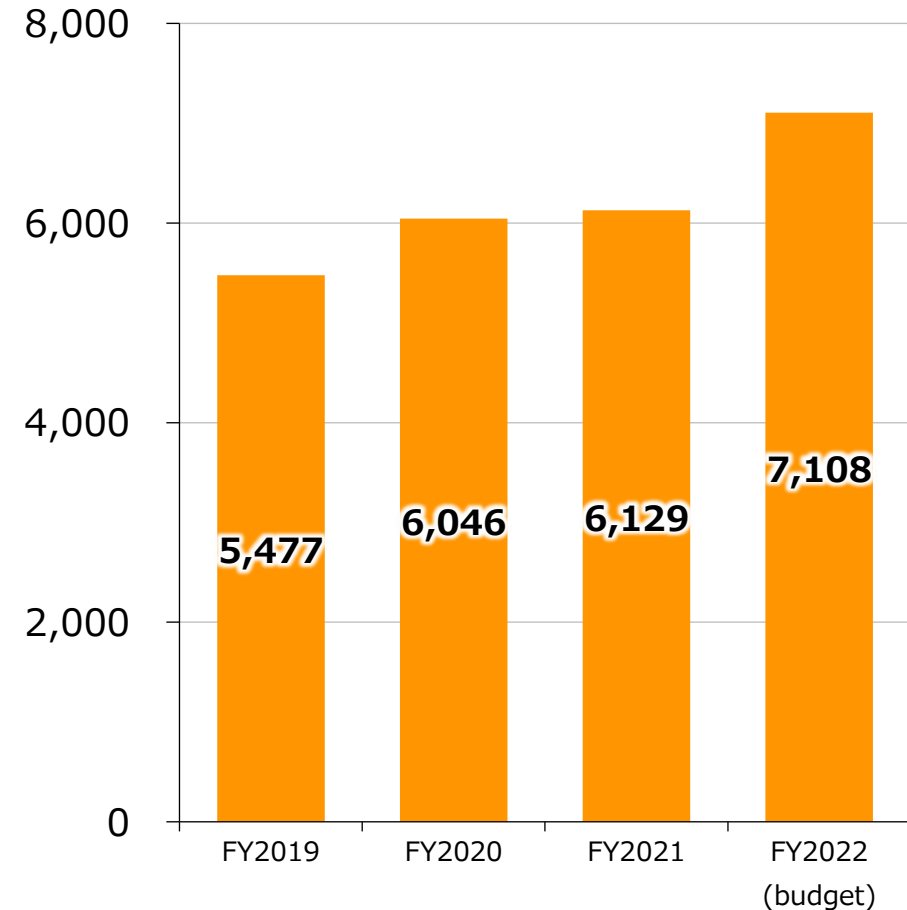
## • CAPEX

(JPY in millions)



## • Depreciation

(JPY in millions)





# KPI for Midterm Business Plan

Target	KPI	In 2023	As of the end of Q3, 2022
<b>Expanding business with major global companies</b>	Expansion of non-Japanese ratio	25% of consolidated sales	<b>15.4% of consolidated sales</b> Expansion of business for non-Japanese customers into multiple regions.
	Strengthen Reinforce alliances with technology	5 billion yen of consolidated sales	<b>Business for government offices declined YoY, but preparing for another new order for 2023</b>
	Customer development in the medical field	5 billion yen of consolidated sales	<b>Same level as the previous year due to COVID-19 Continue to develop business opportunities around the world</b>
<b>Contributing to a decarbonized society through our business</b>	Expansion of Non-commodity ratio (Automotive-related and Industrial equipment)	85% of consolidated sales	<b>78.3% of consolidated sales</b> Demand recovered for in-flight AV equipment and power tools and increased YoY in the automotive-related
	Expansion of CASE-related business	35 billion yen of consolidated sales	<b>Increasing number of European customers worldwide Negotiations are underway in other areas.</b>
	Expansion of battery-related business	10 billion yen of consolidated sales	<b>Increased orders for battery packs</b>
<b>Diversity management</b>	Improvement of local executives' ratio	80%	<b>77.8%</b>
	Improvement of female executives' ratio	50%	<b>32.2%</b>



# Topics

- Recovering from Q2 Lockdown in Shanghai
- Preparing to expand battery business in Mexico
- Expansion of transactions with non-Japanese and Japanese customers
  - Business with European customers is expanding to other regions (ASEAN, Mexico). Business negotiations with many European customers are in progress. Signed a contract with a Japanese customer for an automotive project.
- Expanding business with electronic component manufacturers.
  - Co-creation with component manufacturers for the modularization of components
- Collaboration with Technology Partners
  - Fusion of chemical fields such as conductive inks, coatings, and adhesives with electronic devices and components
  - Creation of IoT-related and battery-related businesses

# Initiatives in ESG

Environment

## Total CO2 emission reduction target for 2030

Target		vs. 2021	FY2021	
SCOPE 1	}	42% cut	SCOPE 1	924t
SCOPE 2			SCOPE 2	69,484t
SCOPE 3			SCOPE 3	583,026t
			TOTAL	653,434t

## [Total CO2 emissions reduction activities]

- Installation of solar panels  
Already in operation in Shanghai, Mexico, Jakarta and Dong Guan, with plans to install in Batam, Philippines, and Thailand in the future.
- Switching Purchased Electricity to Electricity Derived from Renewable Energies
- Conversion to LED lighting
- Switching production facilities to energy-saving models  
Add power consumption as a criterion for capital investment  
etc. under consideration

Social

## Local executives ratio

Ratio of local executives in management of all SIIX Group

Target	80%	3Q, 2022	77.8%
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## Female executives ratio

\*Executives: Manager and above

Ratio of Female executives in management of all SIIX Group

Target	50%	3Q, 2022	32.2%
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Governance

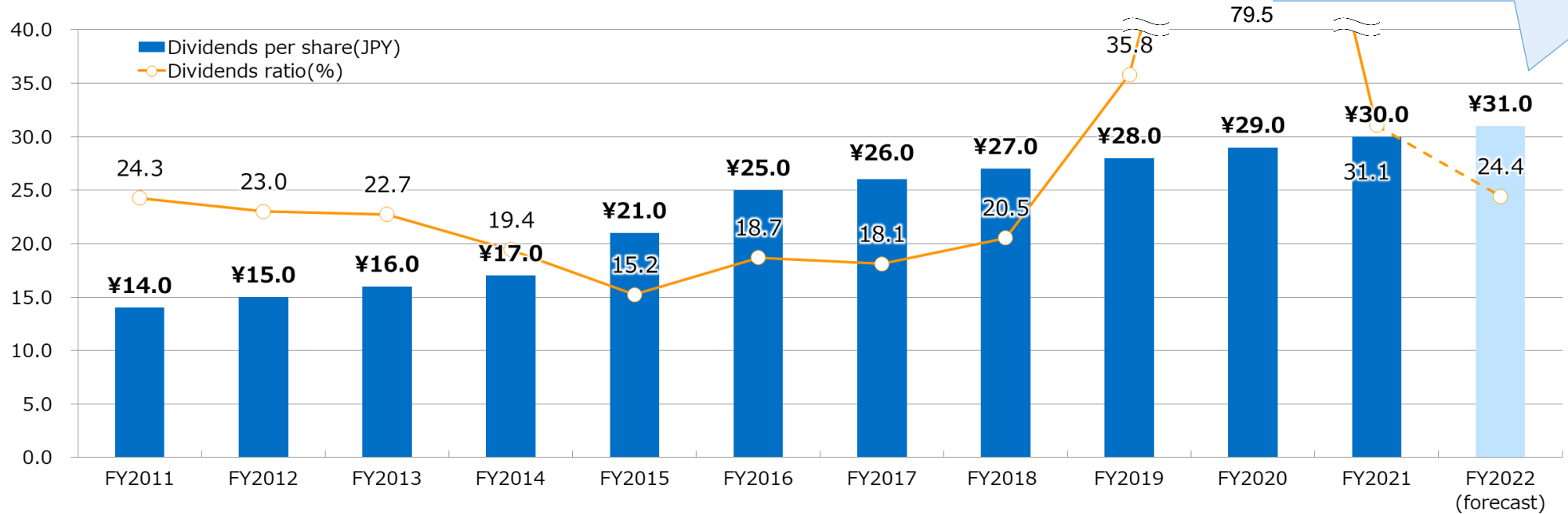
## Complying with the Revised Corporate Governance Code

- Already taken action regarding disclosure of skills matrix, number of independent directors, independence of Nomination and Remuneration Advisory Committee, establishment of electronic platform for voting, etc.
- With regard to diversity, we have traditionally disclosed the ratios of female and non-Japanese executives as our own KPIs.
- Climate change-related disclosures were made in the Integrated Report based on the TCFD. (Reference : [Integrated Report 2022](#))
- Compliance awareness was raised this year at a strategy meeting attended by the entire group's executives.

## Market restructuring

- Listed on the Prime Market in Tokyo Stock Exchange

# Shareholder Return



Plans to increase dividends for 16 consecutive fiscal years

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022 (forecast)
Dividends per share(JPY)	14.0	15.0	16.0	17.0	21.0	※ 25.0	26.0	27.0	28.0	29.0	30.0	31.0
Dividends ratio(%)	24.3	23.0	22.7	19.4	15.2	18.7	18.1	20.5	35.8	79.5	31.1	24.4
# of Treasury Stock Acquisition	-	-	-	-	-	508,900	-	2,035,700	-	-	-	-
Amount of treasury stock acquisition (JPY)	-	-	-	-	-	2,000 mil.	-	4,000 mil.	-	-	-	-

※includes commemorative dividend 1.00 yen



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