

Consolidated Financial Result of Q3, FY2023

SIIX Corporation

November 2023





Consolidated Financial Result of 3Q, FY2023

• Profit and Loss

	FY2022_Q3		FY2023_Q3		FY2022_Q3 vs. FY2023_Q3		Impact of change in FX	FY2022_Q3 vs. FY2023_Q3, net		
	(JPY in millions)	amount	%	amount	%	diff.		%	diff.(net)	%
Sales		201,917	100.0	229,691	100.0	27,774	13.8	10,210	17,563	8.7
Gross Profit		19,078	9.4	22,791	9.9	3,713	19.5	986	2,726	14.3
SGA		12,513	6.2	13,586	5.9	1,072	8.6	556	516	4.1
Operating Income		6,564	3.3	9,205	4.0	2,640	40.2	430	2,209	33.7
Ordinary Income		6,464	3.2	9,301	4.0	2,837	43.9	Exchange rate		
Extraordinary Income & Loss		-375	-0.2	3	0.0	378	-			
Corporate tax		2,672	1.3	3,211	1.4	538	20.1			
Profit attributable to owners of parent		3,418	1.7	6,089	2.7	2,671	78.1			

	2022_Q3	2023_Q3
USD	128.15	138.04
EUR	136.17	149.46
HKD	16.36	17.62
THB	3.70	4.00
RMB	19.38	19.60

• Scope of Consolidation

	End of	Changes		End of
	FY2022_Q3	Increase	Decrease	FY2023_Q3
Consolidated Subsidiary	22	1	2	21
Equity Method Affiliate	2	1	-	3

* The scope of consolidation has been changed as follows since the first quarter of 2023.

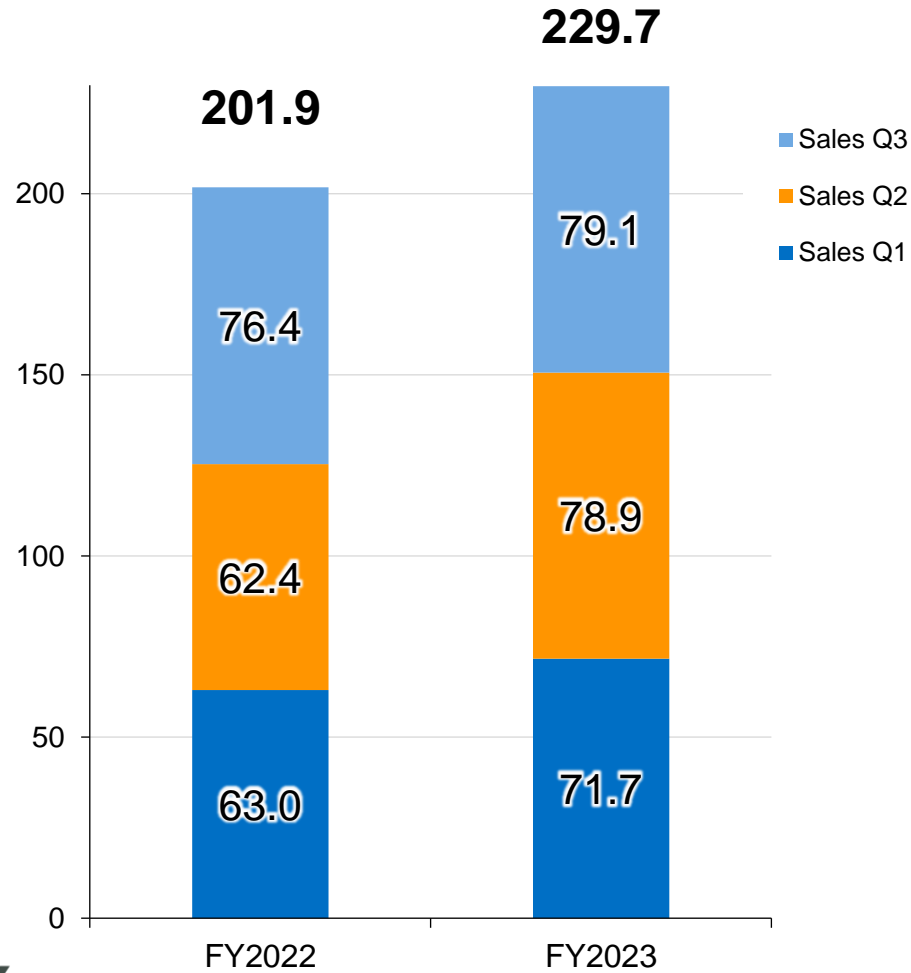
Consolidated subsidiaries +1 (Newly consolidated Malaysian sales subsidiary)
 - 2 (Integration of 3 Philippine subsidiaries)
 Equity method affiliates +1 (Joint venture with Midea Group)



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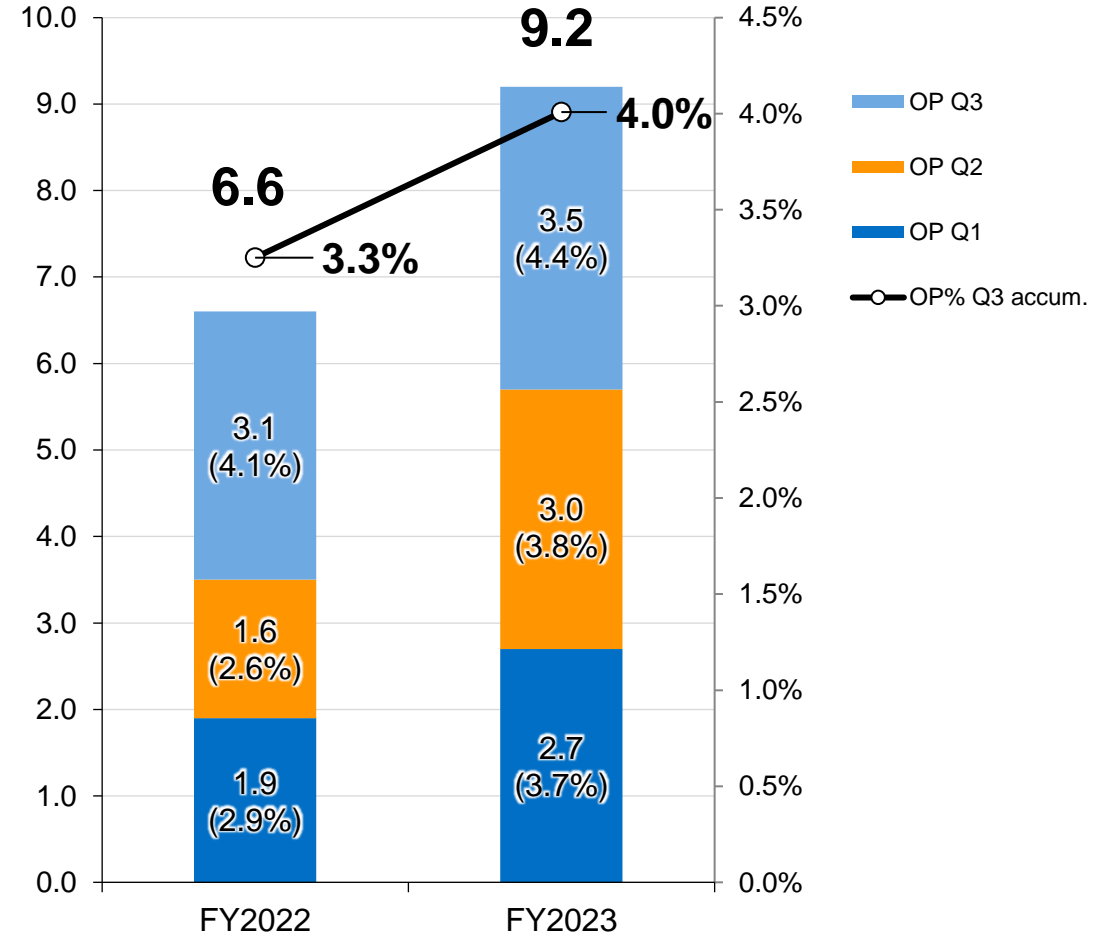
• Sales

(JPY in billions, %)



• Operating Profit

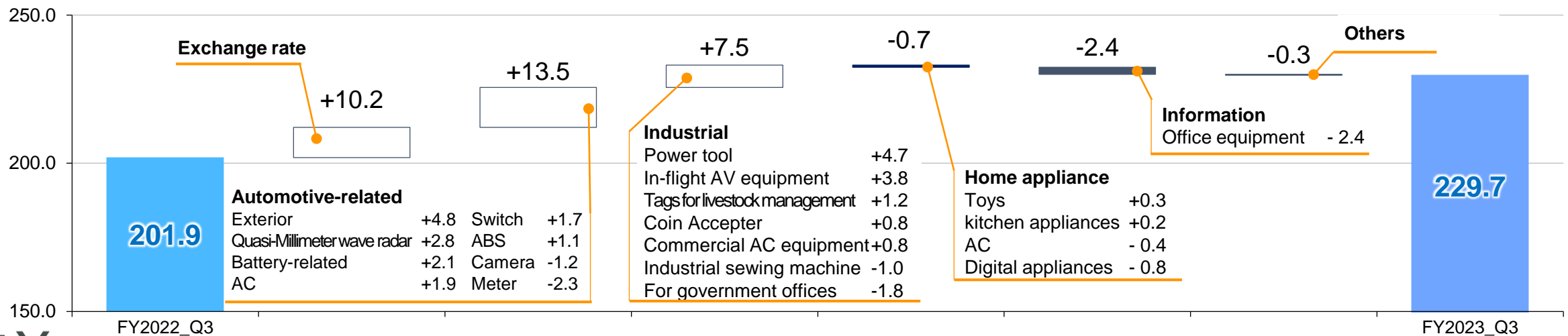
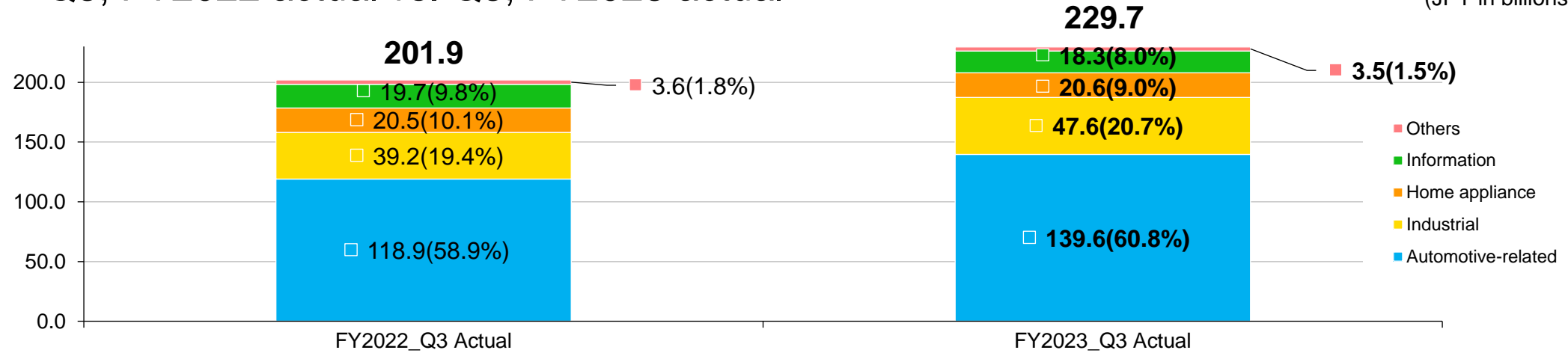
(JPY in billions, %)



Consolidated Sales by Market Sector

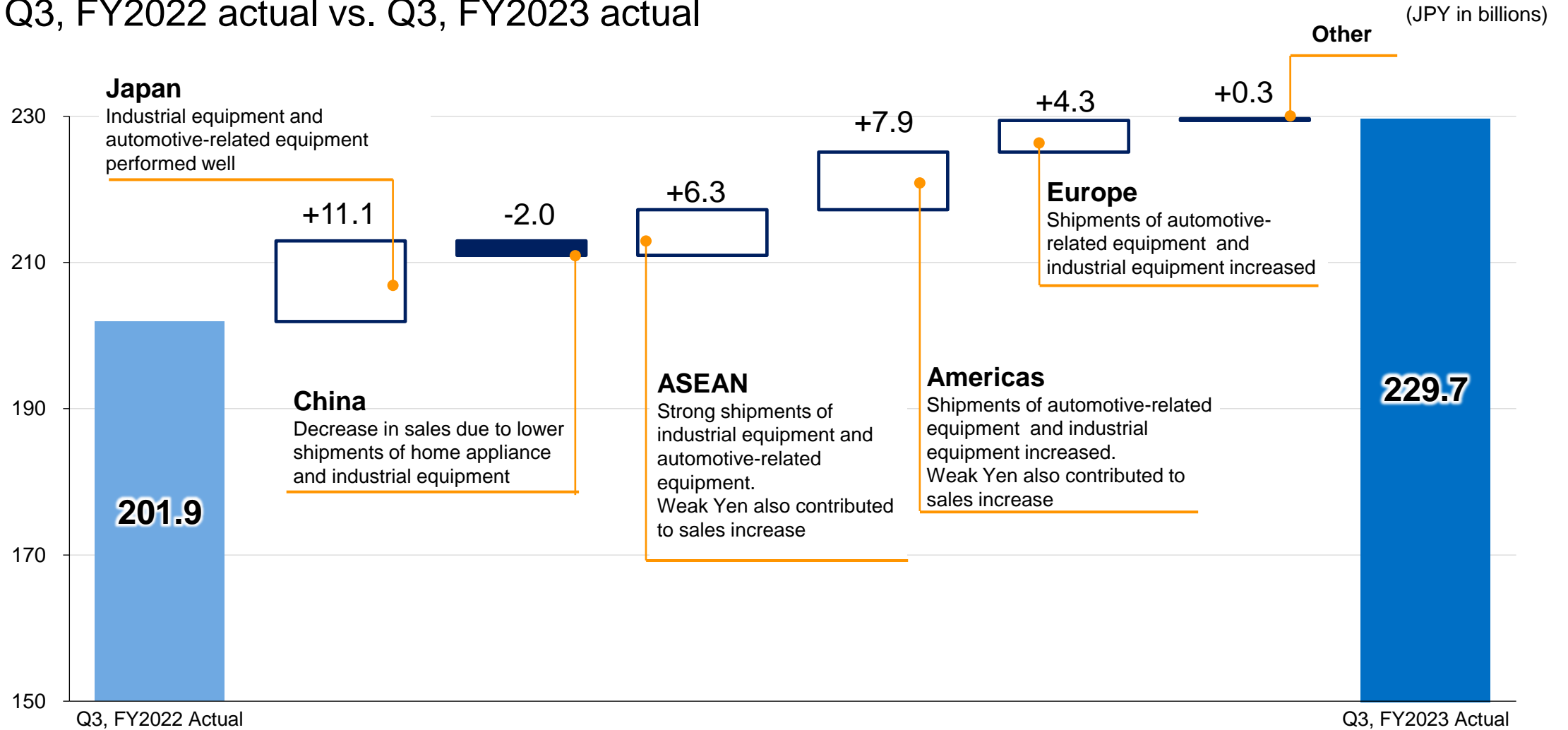
- Q3, FY2022 actual vs. Q3, FY2023 actual

(JPY in billions, %)



Consolidated Sales by Area

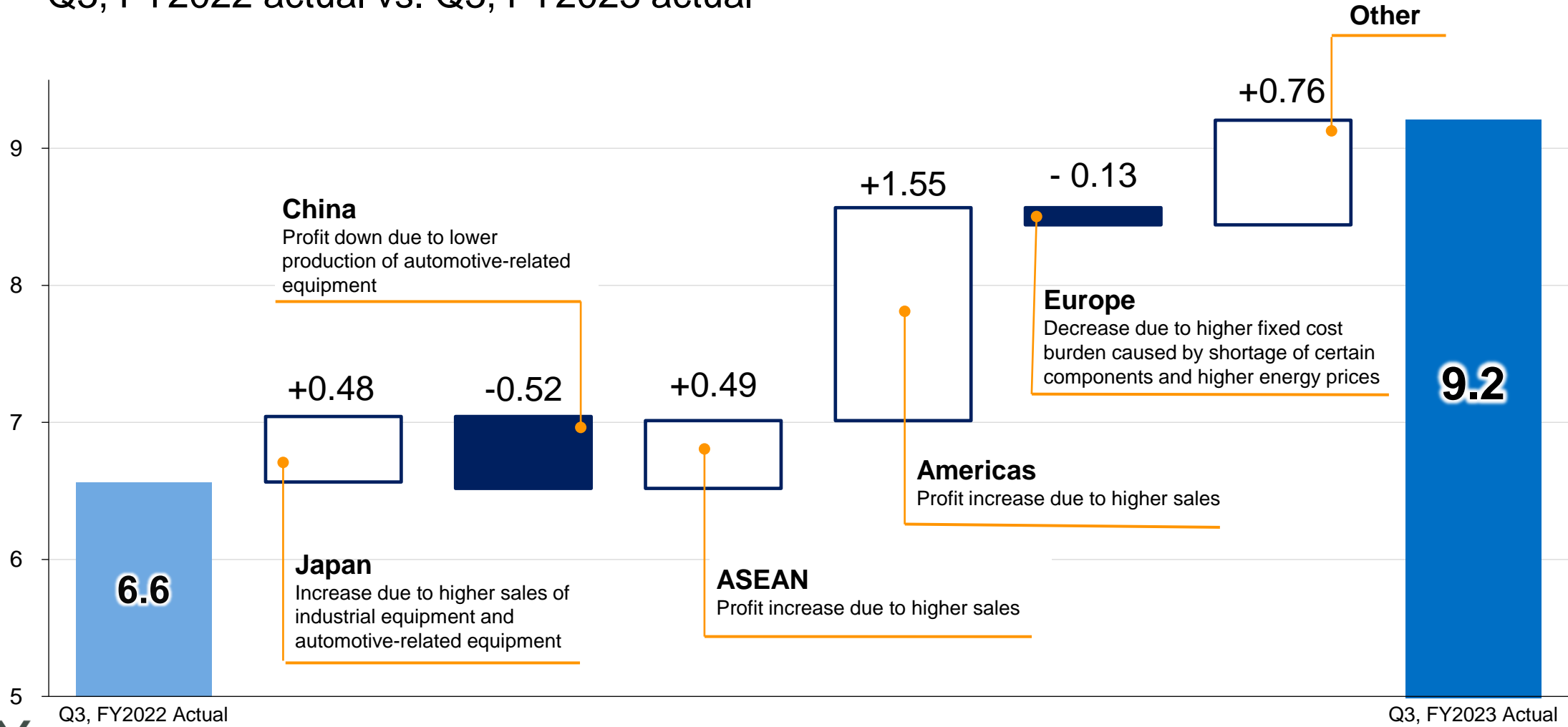
- Q3, FY2022 actual vs. Q3, FY2023 actual



Consolidated Operating Profit by area

- Q3, FY2022 actual vs. Q3, FY2023 actual

(JPY in billions)





Balance Sheet

	End of Q3, FY2022	End of FY2022	End of Q3, FY2023	Changes (Q3, FY2022 vs. Q3, FY2023)		Changes (FY2022 vs. Q3, FY2023)				
				amount	%	amount	%	Impact of exchange rate	net	
(JPY in millions)										
Current assets	158,021	150,275	166,332	8,311	5.3	16,056	10.7	12,216	3,840	
<i>Notes and accounts receivable-trade</i>	63,943	55,091	65,755	1,811	2.8	10,664	19.4	3,987	6,676	
<i>Inventories</i>	74,391	73,428	75,979	1,587	2.1	2,551	3.5	5,933	-3,382	
Noncurrent assets	56,498	54,894	60,046	3,547	6.3	5,152	9.4	4,911	240	
Total asset	214,520	205,170	226,379	11,858	5.5	21,209	10.3	17,127	4,081	
Current liabilities	97,587	96,598	101,224	3,637	3.7	4,626	4.8	6,810	-2,183	
<i>Accounts payable-trade</i>	45,439	41,733	46,057	618	1.4	4,324	10.4	3,308	1,015	
<i>Short-term loans payable</i>	35,477	36,136	36,491	1,013	2.9	354	1.0	2,216	-1,861	
Noncurrent liabilities	35,379	31,182	34,260	-1,119	-3.2	3,077	9.9	1,217	1,860	
Corporate bonds	10,000	10,000	10,000	-	-	-	-	-	-	
Long-term loans payable	19,244	15,125	17,793	-1,451	-7.5	2,667	17.6	1,027	1,640	
Total liability	132,966	127,780	135,485	2,518	1.9	7,704	6.0	8,028	-323	
Net assets	81,553	77,389	90,894	9,340	11.5	13,504	17.4	9,099	4,405	
Minority interests	462	430	466	4	0.9	36	8.5	33	3	
Total asset and liability	214,520	205,170	226,379	11,858	5.5	21,209	10.3	17,127	4,081	
Exchange rate (USD)		¥144.81	¥132.70	¥149.58						



Consolidated Financial Forecast of FY2023

	FY 2021 Actual		FY 2022 Actual		FY 2023 Forecast		FY2022 vs. FY 2023	
	(JPY in millions)	%		%		%	diff.	%
Sales	226,833		277,031		300,000		22,968	8.3
Operating income	4,954	2.2	8,929	3.2	11,300	3.8	2,370	26.5
Ordinary income	5,934	2.6	8,337	3.0	10,200	3.4	1,878	22.5
Profit attributable to owners of parent	4,561	2.0	4,737	1.7	7,700	2.6	3,044	64.3
Net income per share (JPY)	96.53		100.11		162.78		62.67	62.6

Assumption rate(USD)	¥109.95	¥131.22	¥127.00
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Current Situation of Midterm Business Plan

Target	KPI	In 2023	As of the end of Q3, 2023
Expanding business with major global companies	Expansion of non-Japanese ratio	25% of consolidated sales	18.0% of consolidated sales Expansion of business for non-Japanese customers into multiple regions.
	Strengthen Reinforce alliances with technology	5 billion yen of consolidated sales	Demand from public sector calmed down and decreased YoY
	Customer development in the medical field	5 billion yen of consolidated sales	Same level as the previous year due to COVID-19 Continue to develop business opportunities around the world
Contributing to a decarbonized society through our business	Expansion of Non-commodity ratio (Automotive-related and Industrial equipment)	85% of consolidated sales	81.5% of consolidated sales Year-on-year increase in industrial equipment (in-flight AV equipment, etc.) and automotive-related equipment fields.
	Expansion of CASE-related business	35 billion yen of consolidated sales	Increase the number of projects with European customers around the world Negotiations are underway in other areas.
	Expansion of battery-related business	10 billion yen of consolidated sales	Battery peripheral device project is in preparation for mass production. Negotiations underway in portable equipment, medical equipment, and mobility fields
Diversity management	Improvement of local executives' ratio	80%	78.4%
	Improvement of female executives' ratio	50%	32.7%



Initiatives in ESG – Reduction of total CO2 emissions

Environment

	Target (2030)	2021	2022	Total CO2 emissions reduction activities
SCOPE 1		924t	1,658t	<ul style="list-style-type: none"> Considering effective ways to reduce emissions, such as converting company automobiles to EVs.
SCOPE 2	vs 2021 42% cut	69,484t	2,553t vs 2021 96.4% cut	<ul style="list-style-type: none"> Solar panels installed (Shanghai, Dongguan, Mexico, Indonesia); to be installed in Thailand and the Philippines in the future. Switching to electricity derived from renewable energy sources (100% at Sagami-hara Plant and Europe area, 45% in the Philippines) Renewable energy utilization rate: 3.6% in FY2021, 6.6% in FY2022, 14% in the first half of FY2023 Purchase non-fossil certificates to offset non-renewable energy power Zero CO2 emissions outside of Europe and Japan. Promote energy-saving activities (implement energy saving during downtime of solder hardening furnaces, consider energy-saving effects of centralized air conditioner management). Switch production facilities to energy-saving models (add power consumption as a criterion for capital investment).
SCOPE 3	vs 2021 25% cut	583,026t	601,690t	<ul style="list-style-type: none"> In the future, we will conduct regular interviews with suppliers to improve the accuracy of emissions data and reduce CO2 emissions for the entire supply chain.
TOTAL		653,434t	605,901t	<ul style="list-style-type: none"> Obtained third-party assurance (SCOPE 1,2,3) CDP Score: Climate Change B- (FY2021)

Initiatives in ESG

Contributions to Society

Donated through UNHCR for the Turkey-Syria Earthquake
 Hosted an opera performance by the Slovak National Opera in Osaka (fourth time since 2017).
 Announced sponsorship of the "OSAKA Children's Dreams" project in January 2023 and again in 2024.

Social

Human Resource Activity

Local executives ratio

Ratio of local executives in management of all SIIX Group

Target	80%	3Q, 2023	78.4%
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Female executives ratio

Ratio of Female executives in management of all SIIX Group

Target	50%	3Q, 2023	32.7%
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*Executives: Manager and above

Progress in Compliance with Revised Companies Act and Corporate Governance Code

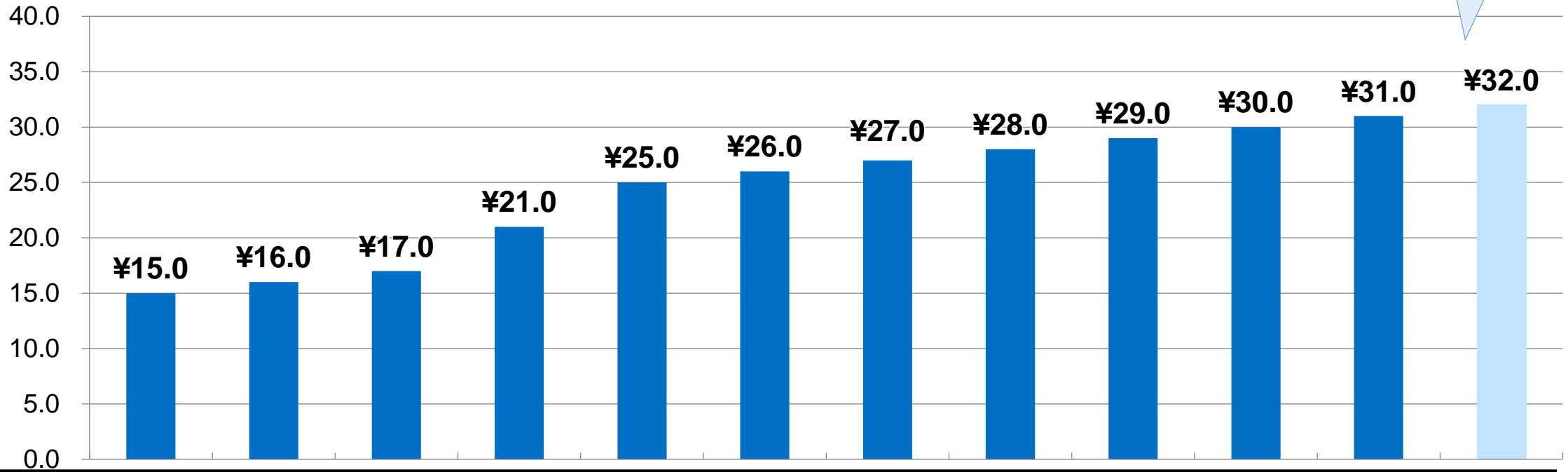
Governance

Diversity	Appointment of female directors (internal) and female corporate auditors (external) at the 2023 General Meeting of Shareholders. 3 out of 18 executive officers (including those concurrently serving as directors) are female.
Disclosure	Already taken action regarding further enhancement of the Directors' skill matrix in the Notice of Convocation of the General Meeting of Shareholders and the establishment of an electronic platform for voting.
Risk Management	Strengthen risk management to ensure the company's sustainable growth and achievement of the medium-term management plan. Specifically, identify risks on a company-wide basis at strategy meetings attended by all group executives, and thoroughly strengthen responses (strategic risk, financial risk, hazard risk, and operational risk).



Shareholder Return

Plans to increase dividends for 17 consecutive fiscal years



	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023 (forecast)
Dividends per share(JPY)	15.0	16.0	17.0	21.0	25.0	26.0	27.0	28.0	29.0	30.0	31.0	32.0
Dividends ratio(%)	23.0	22.7	19.4	15.2	18.7	18.1	20.5	35.8	79.5	31.1	31.0	19.7
# of Treasury Stock Acquisition	-	-	-	-	508,900	-	2,035,700	-	-	-	-	-
Amount of treasury stock acquisition (JPY)	-	-	-	-	2,000 mil.	-	4,000 mil.	-	-	-	-	-



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