# Consolidated Financial Result

(For the fiscal year ended December 31, 2015)

February 2, 2016


Company name: **SIOS Technology, Inc.**
Address: 2-12-3 Minami Azabu, Minato-ku, Tokyo 106-0047 Japan
Stock exchange listings: Tokyo Stock Exchange (TSE)
Code number : 3744
URL: http://www.sios.com/
Representative: Nobuo Kita, Representative Director
Contact: Tokutaro Kobayashi, V.P. of Finance & Accounting
Phone: +81-3-6401-5111


Scheduled date of annual shareholders' meeting: March 29, 2016
Scheduled date of financial report FSA filing: March 30, 2016
Scheduled date of dividend payment: -

(Note) All figures in the financial statements are rounded down to the nearest millionth.
'-' indicates a loss or negative figure.

## 1. Consolidated results (January 1, 2015 through December 31, 2015)

(% of change from previous year)

### (1) Consolidated financial results

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|---|---|---|---|---|---|---|---|---|
| | **Million yen** | **%** | **Million yen** | **%** | **Million yen** | **%** | **Million yen** | **%** |
| **FY2015** | **9,362** | **27.1** | **-111** | **-** | **-127** | - | **-179** | - |
| FY2014 | 7,367 | 11.2 | 65 | -73.4 | 81 | -69.3 | 39 | -64.5 |

(Note)Comprehensive income : FY2015:-173million yen/ -% FY2014: 115 million yen/ -50.0%

| | Net income per share - Basic | Net income per share - Diluted | Return on equity | Ratio of ordinary income to total assets | Operating income ratio |
|---|---|---|---|---|---|
| | Yen | Yen | % | % | % |
| **FY2015** | **-20.82** | **-** | **-11.1** | **-2.7** | **-1.2** |
| FY2014 | 4.48 | 3.37 | 2.3 | 2.4 | 0.9 |

(Note) Equity in earnings: FY2015: -46 million yen FY2014: - million yen

### (2) Consolidated financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---|---|---|---|---|
| | Million yen | Million yen | % | Yen |
| **FY2015** | **5,642** | **1,539** | **26.6** | **174.66** |
| FY2014 | 3,651 | 1,733 | 47.1 | 200.26 |

(Note) Equity: As of Dec. 31, 2015:1,502 million yen As of Dec. 31, 2014: 1,720million yen

### (3) Consolidated cash flows

| | Cash flow from operating activities | Cash flow from investing activities | Cash flow from financing activities | Cash and cash equivalents - ending |
|---|---|---|---|---|
| | Million yen | Million yen | Million yen | Million yen |
| **FY2015** | **168** | **-996** | **988** | **2,045** |
| FY2014 | 401 | -223 | -145 | 1,882 |

## 2. Cash dividends

| | Dividend per share | | | | | Total of dividend (annual) | Payout ratio (consolidated) | Net assets dividend ratio (consolidated) |
|---|---|---|---|---|---|---|---|---|
| Record Date | End of Q1 | End of Q2 | End of Q3 | Year-end | Annual | | | |
| | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| FY2014 | - | 0.00 | - | 5.00 | 5.00 | 42 | 111.6 | 2.5 |
| FY2015 | - | 0.00 | - | 0.00 | 0.00 | - | - | - |
| FY2016 (expected) | - | 0.00 | - | 0.00 | 0.00 | | - | |

## 3. Forecast of consolidated results for FY2016 (January 1, 2016 through December 31, 2016)

(% of change from previous year)

| | Net sales | | Operating income | | Ordinary income | | Profit attributable to owners of parent | | Net income per share |
|---|---|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| FY2016 | 10,500 | 12.1 | 140 | - | 100 | - | 50 | - | 5.82 |

## 4. Others

(1) Reclassification of significant subsidiaries during the period (Reclassification due to change in scope of consolidation): Yes
New: 2 companies(Company name: Keyport Solutions,Inc. and Profit Cube, Inc.)
Excluded: **-**(Company name: **-)**

(2) Change in accounting policies, accounting estimates and restatement
(i) Change in accounting policies associated with revision of accounting standards: None
(ii) Change arising from other factors: None
(iii) Change in accounting estimates: None
(iv) Restatement: None

(3) Number of outstanding shares (common shares)

| | | | | |
|---|---|---|---|---|
| (i) Number of outstanding shares (including treasury stock) | FY2015 | 8,874,400 shares | FY2014 | 8,874,400 shares |
| (ii) Number of treasury stock | FY2015 | 274,241 shares | FY2014 | 281,641 shares |
| (iii) Average number of outstanding shares | FY2015 | 8,598,621 shares | FY2014 | 8,773,147 shares |

## (Reference)

### 1. Non-consolidated results (January 1, 2015 through December 31, 2015)

(% of change from previous year)

**(1) Non-consolidated financial results**

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|---|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| **FY2015** | **6,990** | **11.7** | **-63** | **-** | **-52** | **-** | **-102** | **-** |
| FY2014 | 6,256 | 15.0 | 156 | -0.3 | 298 | 14.8 | 150 | - |

| | Net income per share - Basic | Net income per share - Diluted |
|---|---|---|
| | Yen | Yen |
| **FY2015** | **-11.96** | **-** |
| FY2014 | 17.10 | 17.08 |

**(2) Non-consolidated financial position**

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---|---|---|---|---|
| | Million yen | Million yen | % | Yen |
| **FY2015** | **4,756** | **1,901** | **39.9** | **220.68** |
| FY2014 | 3,553 | 2,045 | 57.4 | 237.53 |

(Note) Equity As of Dec. 31, 2015: 1,897 million yen As of Dec. 31, 2014: 2,041 million yen

**Explanation about proper use of forecasts of consolidated financial results and other special notes**

1. Information Regarding the Audit Review Procedure: This report is outside the scope of the procedures for audit of financial statements as required under the financial instruments and Exchange Act of Japan. The aforementioned procedures have not been completed as of the time of disclosure of this document.

2. Forecasts announced by the company referred to above were prepared based on management's assumption with information available at this time and therefore involve known and unknown risks and uncertainties. Please note such risks and uncertainties may cause the actual results to be materially different from the forecasts.

3. This information to above is an UNOFFICIAL English-language translation of the original Japanese-language version. The format and contents of this document are defined by the requirements of the Tokyo Stock Exchange's Mothers.
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