

SANIX

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FOR SANITARY AMENITY
Commercial Photovoltaic Solution
Home Sanitation
Establishment Sanitation
Environmental Resources Development

Consolidated Financial Summary For the FY2012(Ended March 31, 2013)

SANIX INCORPORATED

MAY 15, 2013

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Disclaimer

This material contains certain forward-looking statements. Such forward-looking statements are not intended to provide guarantees of our future performance and are based on certain assumptions and management's judgment based on currently available information. Therefore, actual results in future earnings and operating results may materially differ from those contained in the forward-looking statements.

The following items are among the factors that could cause actual results to differ materially from the forward-looking statements in this material:

changes in economic environment in Japan and abroad, business condition in Japanese manufacturing industry, competition with other manufacturers, changing technology, regulatory environment, new legislation and any other factors which are beyond our control.

In addition, this presentation is not intended to solicit investment to securities issued by us. We assume no responsibility for any losses and liabilities that may be incurred because of information contained in this material.

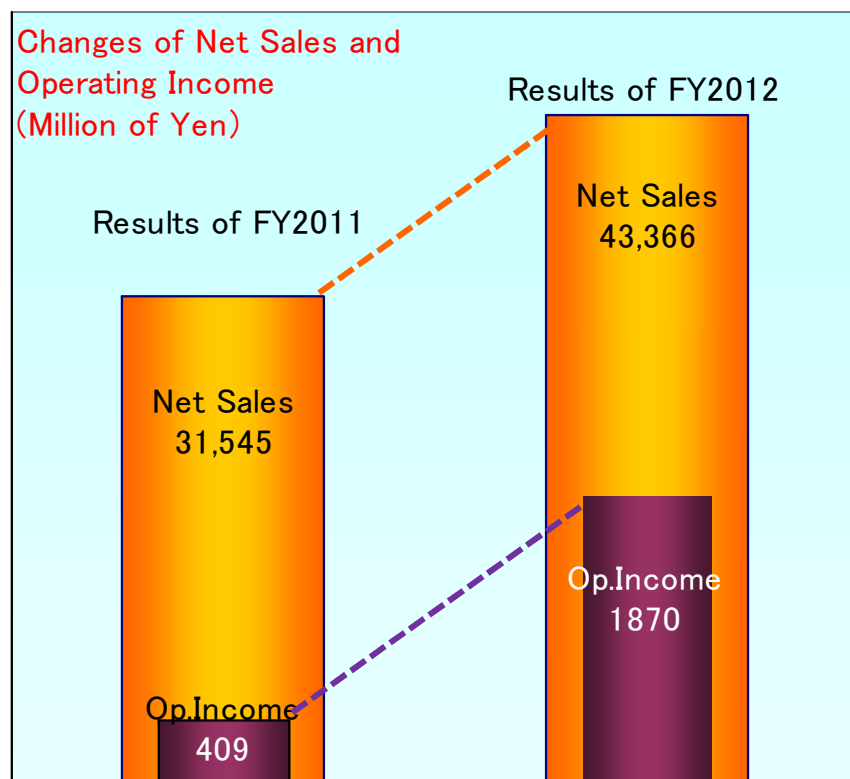
(Note) Numbers are rounded off to the nearest whole number.



Consolidated Financial Results for FY2012 (Ended March 31, 2013)

Since the commercial solar power business starts to contribute to the financial state from the current fiscal year(FY2012), we newly add the “Commercial Photovoltaic Solution (CPS) Division” in addition to the existing “Home Sanitation (HS) Division,” “Establishment Sanitation (ES) Division” and “Environmental Resources Development (ERD) Division” as the four business divisions to be disclosed. Consequently, new business segments are applied for the figures compared with a year earlier in the comparison table of this material.

(Millions of Yen)	FY2011	FY2012		YOY		Difference between Forecasts	
	Actual	Forecasts	Results	Ratio	Amounts	Ratio	Amounts
Net Sales	31,454	43,500	43,366	137.9%	11,911	99.7%	(133)
Operating Income	409	2,600	1,870	456.4%	1,460	71.9%	(729)
Ordinary Income	347	2,480	1,788	514.1%	1,440	72.1%	(691)
Net Income	13	2,100	1,575	–	1,561	75.0%	(524)



(1) Sales

Many of the business resources were transferred to the CPS Division, and revenue from the Resource recycling power generation increased. Net Sales of the entire group were 43,366 million yen.

(2) Income

Group's Operating Income reached to 1,870MY due to increase in Net Sales and cost reduction.

(Millions of Yen)	FY2011 Actual	FY2012		YOY	
		Results	propotion	Ratio	Amounts
Net Sales	31,454	43,366	100.0%	137.9%	11,911
CPS Division	1,411	9,617	22.2%	681.6%	8,206
HS Division	15,395	14,814	34.2%	96.2%	(580)
ES Division	2,757	3,965	9.1%	143.8%	1,208
ERD Division	11,890	14,967	34.5%	125.9%	3,077
Operating Income	409	1,870	4.3%	456.4%	1,460
CPS Division	(265)	320	3.3%	–	586
HS Division	2,482	1,775	12.0%	71.5%	(707)
ES Division	41	139	3.5%	340.4%	98
ERD Division	287	1,567	10.5%	544.8%	1,279
Group	(2,135)	△ 1,932	–	–	203
Ordinary Income	347	1,788	4.1%	514.1%	1,440
Net Income	13	1,575	3.6%	–	1,561

Beginning with the 4th quarter of FY2012, “Commercial Photovoltaic Solution(CPS)” is added as a new operating segment, in which results of sales of Commercial Photovoltaic system, wholesale of components for Photovoltaic system are reported.

Statement of Net Sales and Income(quarterly)

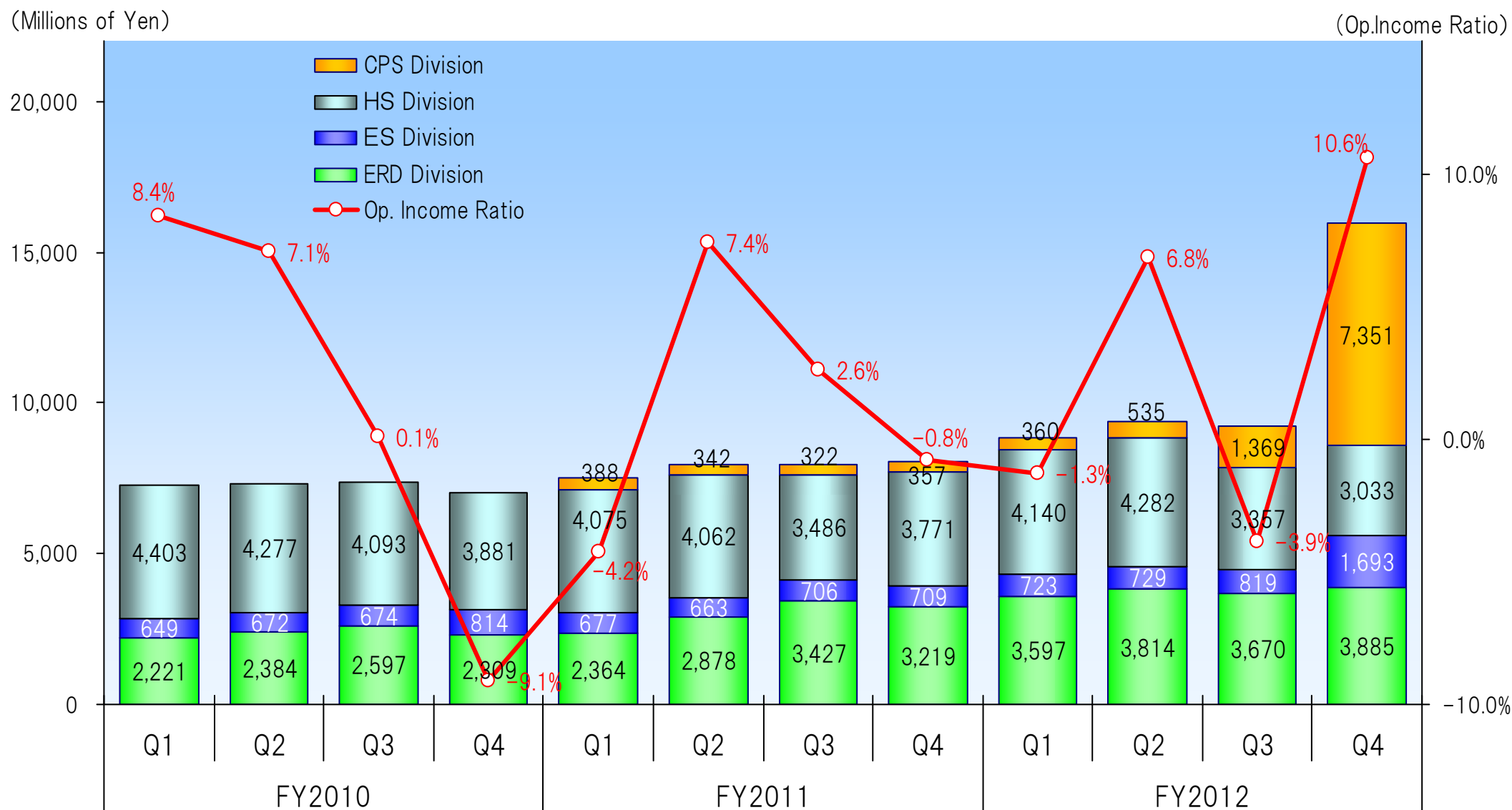
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FY2012	Q 1		Q 2		Q 3		Q 4	
(Millions of Yen)	Results	YOY	Results	YOY	Results	YOY	Results	YOY
Net Sales	8,822	1,317	9,361	1,414	9,217	1,274	15,963	7,905
CPS Division	360	(27)	535	193	1,369	1,047	7,351	6,993
HS Division	4,140	65	4,282	220	3,357	(128)	3,033	(738)
ES Division	723	46	729	65	819	112	1,693	984
ERD Division	3,597	1,232	3,814	935	3,670	242	3,885	665
Operating Income	(115)	202	639	55	(358)	(562)	1,704	1,766
CPS Division	(43)	33	(16)	57	(613)	(546)	993	1,041
HS Division	164	(680)	711	(233)	727	391	171	(185)
ES Division	11	23	39	39	(1)	(13)	89	48
ERD Division	294	786	498	277	134	(298)	640	514
Group	(542)	39	(593)	(85)	(604)	(96)	(191)	346
Ordinary Income	(115)	209	624	61	(424)	(614)	1,704	1,784
Net Income	(170)	268	549	110	(505)	(553)	1,700	1,735

FY2012		Q1		Q2		Q3		Q4	
Millions of Yen		Results	YOY	Results	YOY	Results	YOY	Results	YOY
CPS Division	Net Sales	360	(27)	535	193	1,369	1,047	7,351	6,993
	Gross Profit	58	11	104	58	261	221	1,961	1,907
	Op. Income	(43)	33	(16)	57	(613)	(546)	993	1,041
HS Division	Net Sales	4,140	65	4,282	220	3,357	(128)	3,033	(738)
	Gross Profit	1,413	(725)	1,880	(365)	1,719	187	1,148	(317)
	Op. Income	164	(680)	711	(233)	727	391	171	(185)
ES Division	Net Sales	723	46	729	65	819	112	1,693	984
	Gross Profit	223	9	252	40	243	19	362	115
	Op. Income	11	23	39	39	(1)	(13)	89	48
ERD Division	Net Sales	3,597	1,232	3,814	935	3,670	242	3,885	665
	Gross Profit	857	962	1,055	462	677	(173)	1,149	513
	Op. Income	294	786	498	277	134	(298)	640	514
Group	Op. Income	(542)	39	(593)	(85)	(604)	(96)	(191)	346
TOTAL	Net Sales	8,822	1,317	9,361	1,414	9,217	1,274	15,963	7,905
	Gross Profit	2,554	258	3,292	196	2,902	254	4,621	2,219
	Op. Income	(115)	202	639	55	(358)	(562)	1,704	1,766

Operating loss posted on 3rd quarters due to sales promotion expenses for CPS division.
Increase in operating income largely having the effects of these expenses on 4th quarters.

Changes Net Sales and Operating Income on each segment



Many of the business resources, including human resources, were transferred from the HS Division to the CPS Division as part of the restructure, and in the 4th quarter of the current fiscal year, the sales of commercial solar power system started to contribute fully to the overall revenues, including the wholesales of commercial solar power modules and other components. As a result, the sales increased 581.6% to 9,617 million yen compared to the year-earlier period.

The operating income was 320 million yen compared to the loss of 265 million yen in the same period of a year earlier, absorbing initial costs for sales and advertising costs for newspaper ads and others.

CPS Division		FY2011		FY2012			
Millions of Yen		Actual	Results	YOY	Forecasts	% to Forecasts	Difference to Forecasts
Net Sales		1,411	9,617	681.6%	10,240	93.9%	(622)
Sales of PV system		—	6,073	—	6,920	87.8%	(846)
Wholesale of PV component		1,411	3,544	251.2%	3,320	106.8%	224
Others		—	—	—	—	—	—
Gross Profit		187	2,386	—	2,667	89.5%	(280)
SG&A		452	2,066	456.2%	1,792	115.3%	274
Operating Income		(265)	320	—	875	36.6%	(554)

The sales of residential solar power system increased 52.7% compared to last year. Revenues of the existing products, on the other hand, such as “termite control” and “sub-floor/roof ventilation system,” decreased 31.2% compared to last year with the personnel transferred to the CPS Division. As a result, the Net Sales of the division decreased 3.8% to 14,814 million yen compared to the year-earlier period.

The operating income decreased 28.5% to 1,775 million yen compared to the same period of a year earlier, due to the decrease in sales of existing products with worse net sales raw material ratio.

HS Division Millions of Yen	FY2011	FY2012				
	Actual	Results	YOY	Forecastst	% to Forecasts	Difference to Forecasts
Net Sales	15,395	14,814	96.2%	14,760	100.4%	54
PV system	5,031	7,683	152.7%	7,760	99.0%	(76)
Termite Eradication Service	3,498	2,690	76.9%	2,600	103.5%	90
Under-Floor/-Roof Ventiration System	2,092	1,310	62.6%	1,250	104.9%	60
Foundation Repairing Treatment / House	1,614	831	51.5%	830	100.2%	1
others	3,158	2,298	72.8%	2,320	99.1%	(21)
Gross Profit	7,381	6,161	83.5%	6,720	91.7%	(558)
SG&A	4,899	4,385	89.5%	4,430	99.0%	(44)
Operationg Income	2,482	1,775	71.5%	2,290	77.5%	(514)

The sales of solar power system increased 324.5% compared to the year earlier period after reinforcing the sales activities for corporate customers and the construction structure. Works on buildings and condominiums related to maintenance and management, on the other hand, decreased 4.3%. As a result, the Net Sales increased 43.8% to 3,965 million yen compared to last year.

The operating income increased 240.4% to 139 million yen compared to a year earlier, due to significant increase in sales.

ES Division	FY2011	FY2012				
	Actual	Results	YOY	Forecasts	% to Forecasts	Difference to Forecasts
Millions of Yen						
Net Sales	2,757	3,965	143.8%	3,465	114.4%	500
PV system	403	1,713	424.5%	1,300	131.8%	413
Anti-Rust Equipment Installation	473	600	126.8%	600	100.1%	0
Repair of Building Waterworks	855	762	89.2%	705	108.2%	57
Waterproofing of building	384	300	78.1%	310	96.8%	(10)
Others	639	588	91.9%	550	107.0%	38
Gross Profit	898	1,083	120.5%	1,081	100.2%	2
SG&A	857	943	110.0%	898	105.1%	45
Operating Income	40	139	340.4%	183	76.2%	(43)

The sales from plastic fuel increased in terms of volume and unit price for collection, resulting in 29.8% increase compared to the year-earlier period. The revenues from electricity sales showed a significant increase of 46.3% compared to a year earlier, due to the start of stable power generation at Sanix Energy's Tomakomai Power Plant as well as higher unit prices for electricity sales. As a result, the net sales increased 25.9% to 14,967 million yen compared to the year earlier.

The operating income increased 444.8% to 1,567 million yen, along with the division turning profitable due to stable inauguration of Tomakomai Power Plant, increase in revenues in "plastic fuel" and enhancement of profitability as a result of cost reduction.

ERD division (Millions of Yen)	FY2011	FY2012				
	actual	Results	YOY	Forecast	% to Forecasts	Difference to Forecasts
Net Sales	11,890	14,967	125.9%	15,035	99.5%	(68)
Waste Plastic Recycled	6,673	8,665	129.8%	8,890	97.5%	(224)
Power Generation	2,303	3,370	146.3%	3,350	100.6%	20
Organic Waste Water Recycled	1,595	1,602	100.4%	1,560	102.7%	42
Final Disposal	706	607	86.0%	605	100.4%	2
Others	611	722	118.2%	630	114.7%	92
Gross Profit	1,974	3,739	189.4%	3,862	96.8%	(122)
SG&A	1,686	2,171	128.8%	2,266	95.8%	(94)
Operating Income	287	1,567	544.8%	1,596	98.2%	(28)

■ Overview : Differences of Net Sales and Operating Income (FY2012)

Millions of Yen

FY2012		Results	Forecasts	Changes to Forecasts	Difference to forecasts
TOTAL	Net Sales	43,366	43,500	99.7%	(133)
	Cost Price	29,995	29,170	102.8%	825
	SG&A	11,500	11,730	98.0%	(229)
	Op. Income	1,870	2,600	71.9%	(729)

■ Net Sales reached 99.7% to forecasts .

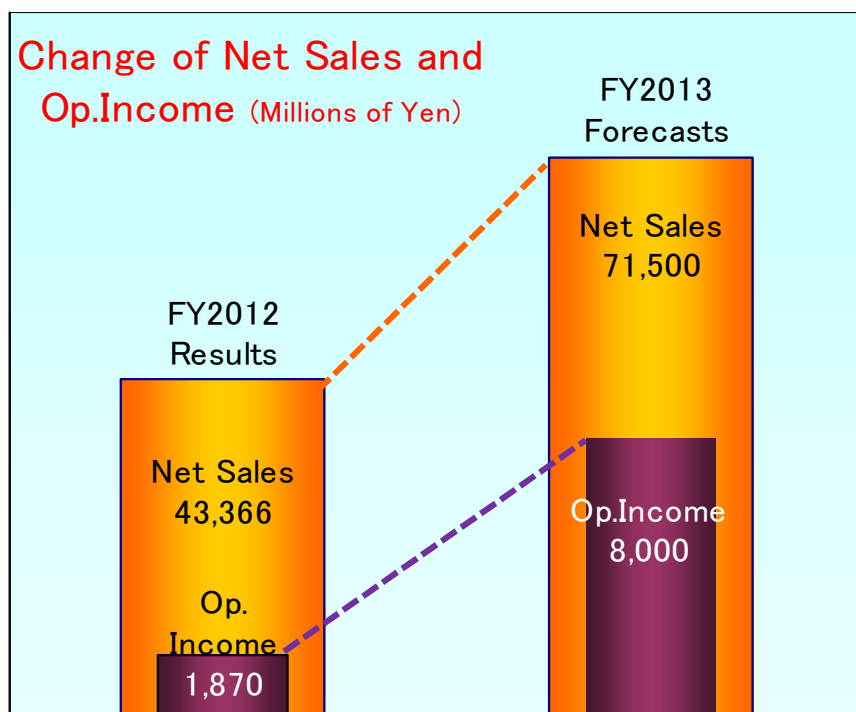
■ Main Reason of decrease of Operating Income is Cost-up of Solar Power system.

- | | |
|---|-----------------|
| (1) Underestimate amount of some equipments on solar power system | app.300 MY |
| (2) Over outsourcing for shortage of Power-Conditioner | app.250 MY |
| (3) Cost up due to shortage of Power-Conditioner | app.30 MY |
| (4) Cost up due to low exchange rate of Japanese yen against USD | app.40 MY |
| (5) Others | app.110 MY |
| | <hr/> app.730MY |

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**Consolidated
Forecasts for FY2013
(Ending March 31, 2014)**

Millions of Yen	FY2012 Results	FY2013 Forecasts	YOY Ratio	YOY Difference
Net Sales	43,366	71,500	164.9%	28,133
Operating Income	1,870	8,000	427.7%	6,129
Ordinary Income	1,788	7,950	444.4%	6,161
Net Income	1,575	5,100	323.8%	3,524



(1) Sales

CPS division is expected to generate a significant sales increase as a main business unit of our group by starting our sales promotion in full scale. Whole group Net Sales is forecasted increase 64.9% to 71,500MY.

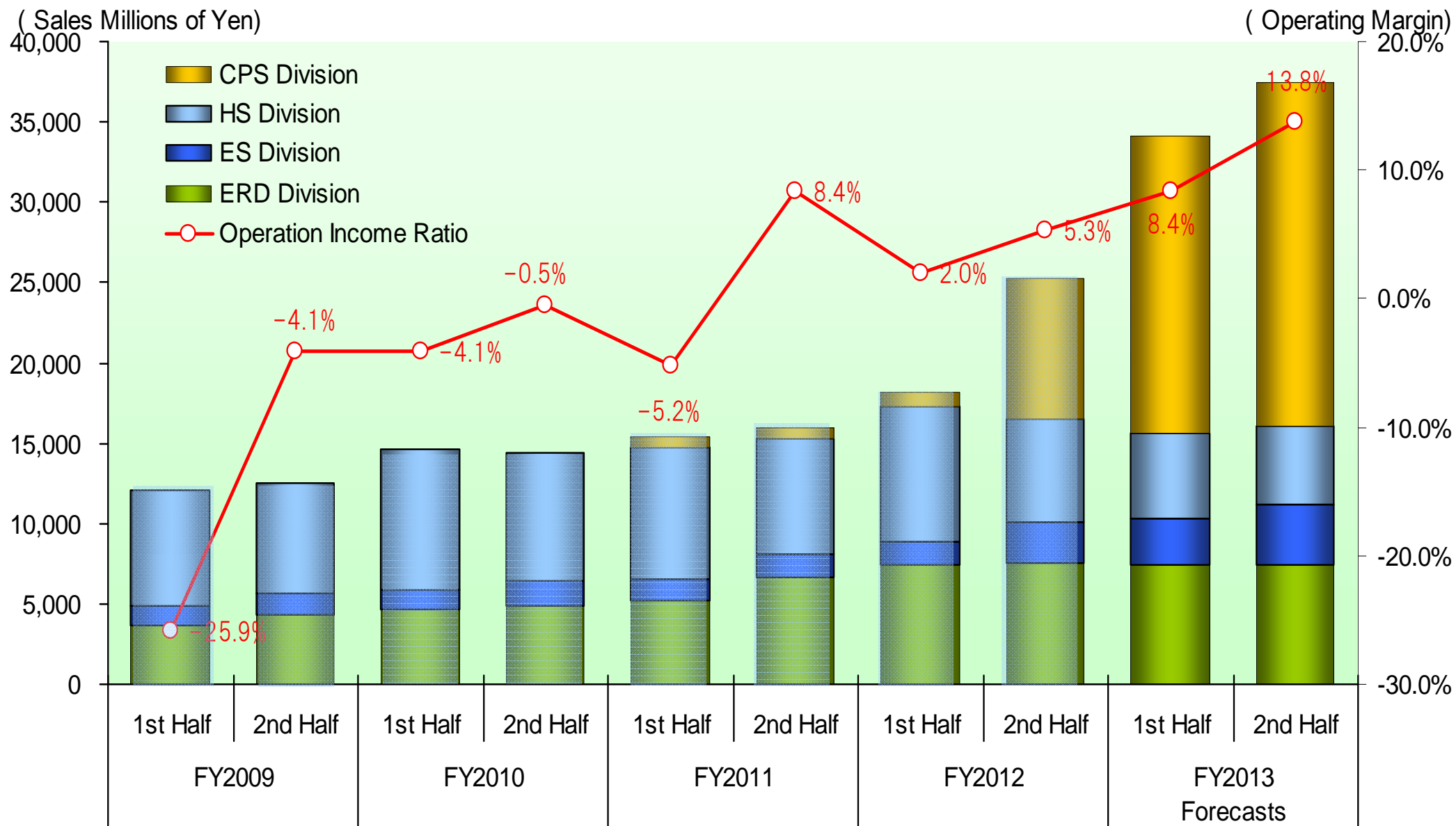
(2) Income

The Group's operating income forecast increase 327.7% , reach to 8,000MY due to the increase in Net Sales and more cost reduction.

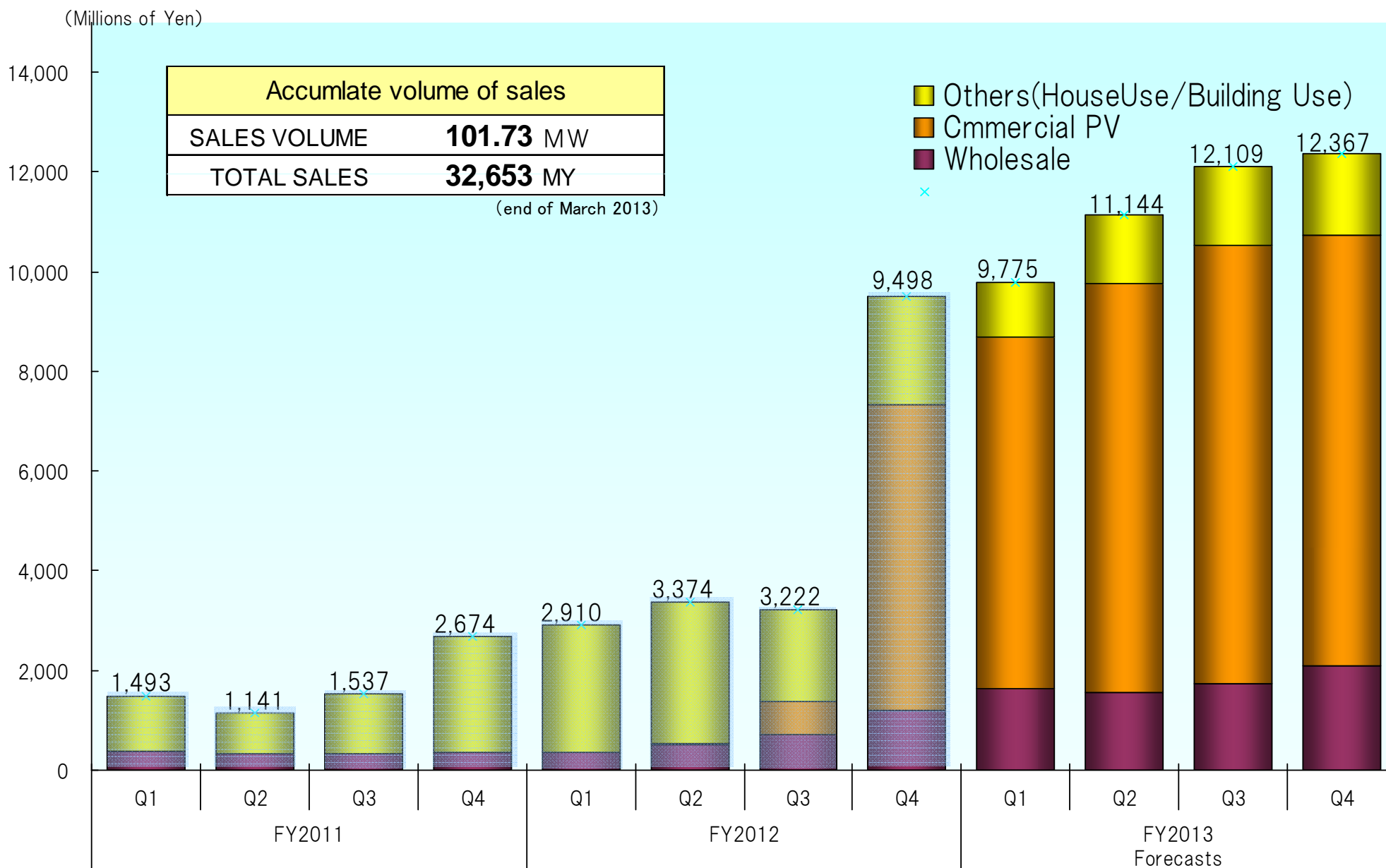
The “Renewable Energy Feed in Tariff Purchasing Program” continues to be in effect, although the purchasing unit price was modified in April 2013 from 42 yen to 37.8 yen for 10kw or more, and our group will still be able to deploy our business actively. Therefore, we are considering that it is a good opportunity to make a significant expansion of our green energy business with electricity sales business.

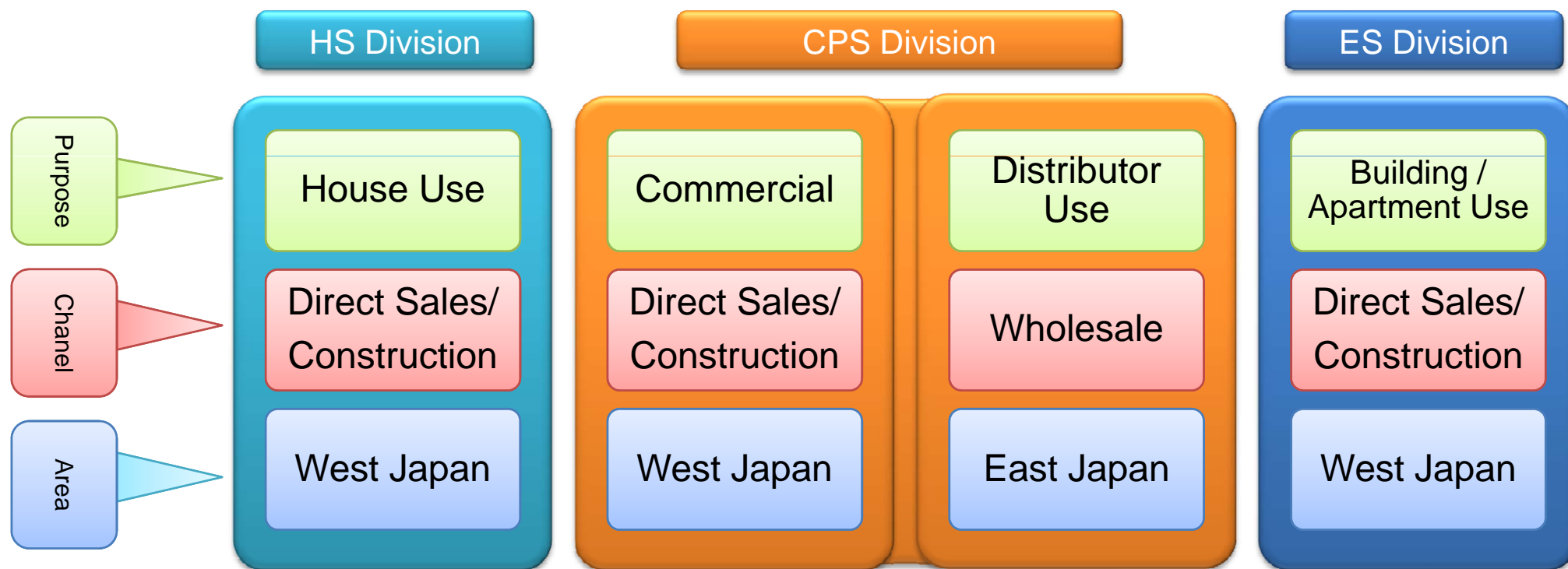
FY2013 Forecasts	First Half			Full Year			
	(Millions of Yen)	Forecasts	YOY (Ratio)	YOY(Amounts)	Forecasts	YOY (Ratio)	YOY(Amounts)
Net Sales		34,100	187.5%	15,915	71,500	164.9%	28,133
CPS division		18,481	–	17,584	39,764	413.4%	30,146
HS division		5,368	63.7%	(3,055)	10,273	69.3%	(4,541)
ES division		2,853	196.4%	1,400	6,613	166.8%	2,647
ERD division		7,398	99.8%	(13)	14,850	99.2%	(117)
Op. Income		2,825	538.8%	2,300	8,000	427.7%	6,129
CPS division		2,220	–	2,279	5,983	–	5,662
HS division		1,180	134.7%	303	2,250	126.7%	474
ES division		249	487.8%	197	646	463.1%	506
ERD division		520	65.6%	(272)	1,720	109.7%	152
Group		(1,344)	–	(207)	(2,599)	–	(667)
Ordinary Income		2,800	550.4%	2,291	7,950	444.4%	6,161
Net Income		1,680	442.9%	1,300	5,100	323.8%	3,524

Net Sales and operating margin by each segment (Results and Forecasts)



Changes of Sales of PV system





Number of Working Staff on ended March 31 2013

Sales	143	46	12	12
Engineering	297	277	—	14

In the CPS Division, we will continue our efforts to reduce cost for solar power modules and other components and to enhance efficiency in construction works to avoid occurrence of any disadvantages on the part of main contractor during the remaining payout time due to lower purchasing prices of commercial solar power. In addition, the division is expected to generate a significant profit increase as a main business unit of our group by starting our sales promotion in full scale.

CPS Division Millions of Yen	FY2012 Results	FY2013 Forecasts	YOY Ratio	YOY Difference
Net Sales	9,617	39,764	413.4%	30,146
Gross Profit	2,386	12,013	503.4%	9,626
SG&A	2,066	6,030	291.8%	3,963
Operating Income	320	5,983	-	5,662

The HS Division is expected to record decrease in sales, despite our efforts in providing undivided follow-ups, including maintenance of “solar power system”, “termite control” and “sub-floor / roof ventilation system”, for existing customers of our residential services.

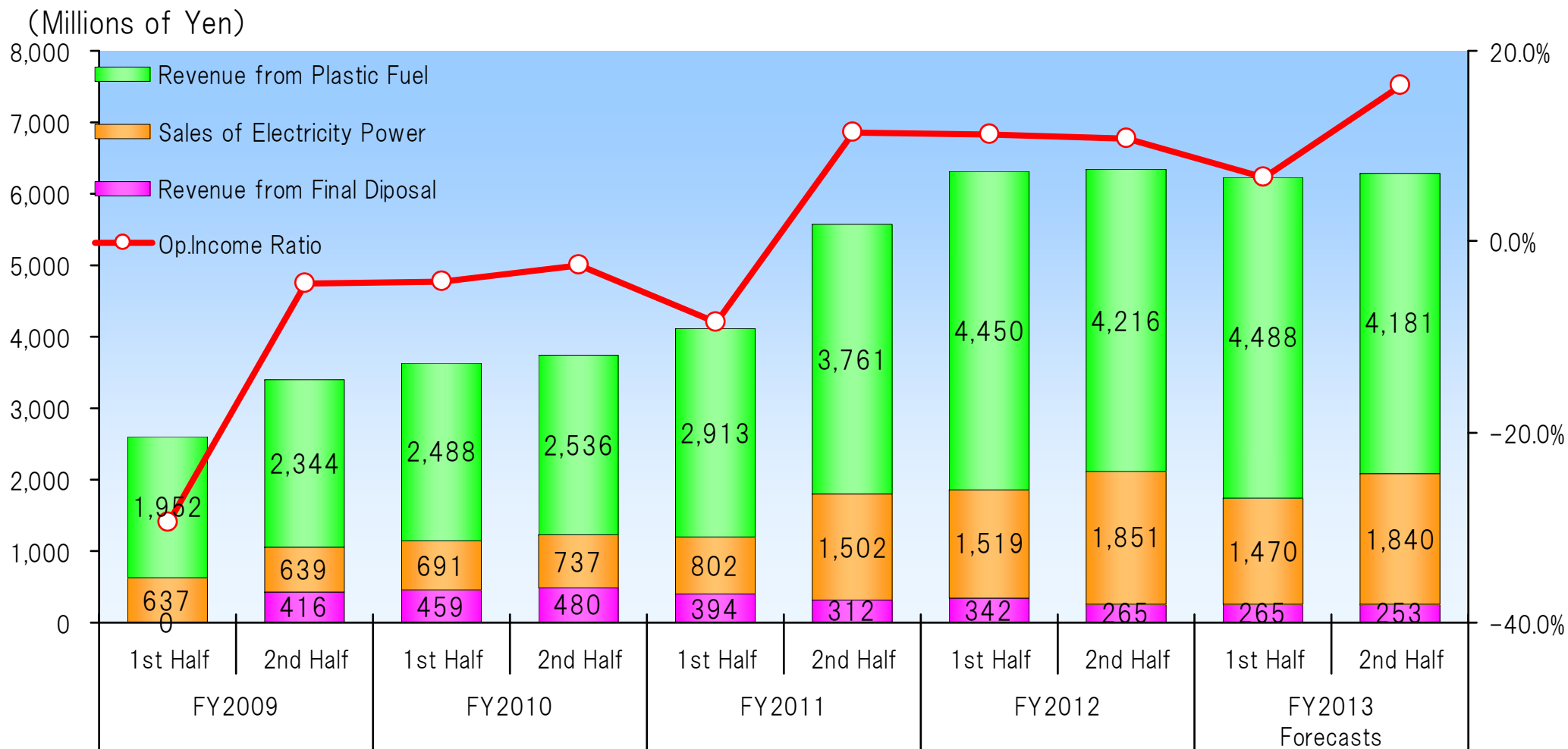
HS Division Millions of Yen	FY2012 Results	FY2013 Forecasts	YOY Ratio	YOY Difference
Net Sales	14,814	10,273	69.3%	(4541)
Gross Profit	6,161	5,722	92.9%	(439)
SG&A	4,385	3,472	79.2%	(913)
Operating Income	1,775	2,250	126.7%	474

The ES Division is expected to generate increased profit and better profitability, while engaged in sales and construction of the commercial solar power system for corporate customers owning buildings and condominiums.

ES Divison Millions of Yen	FY2012 Results	FY2013 Forecasts	YOY Ratio	YOY Difference
Net Sales	3,965	6,613	166.8%	2,647
Gross Profit	1,083	1,816	166.7%	732
SG&A	943	1,170	124.0%	226
Operatong Income	139	646	463.1%	506

the revenues from plastic fuel will be same level compared to a year earlier, the unit prices of electricity are expected to fall, and it will be a major renovation of the power plant once at two years, so the revenues from electricity sales are expected to decrease.

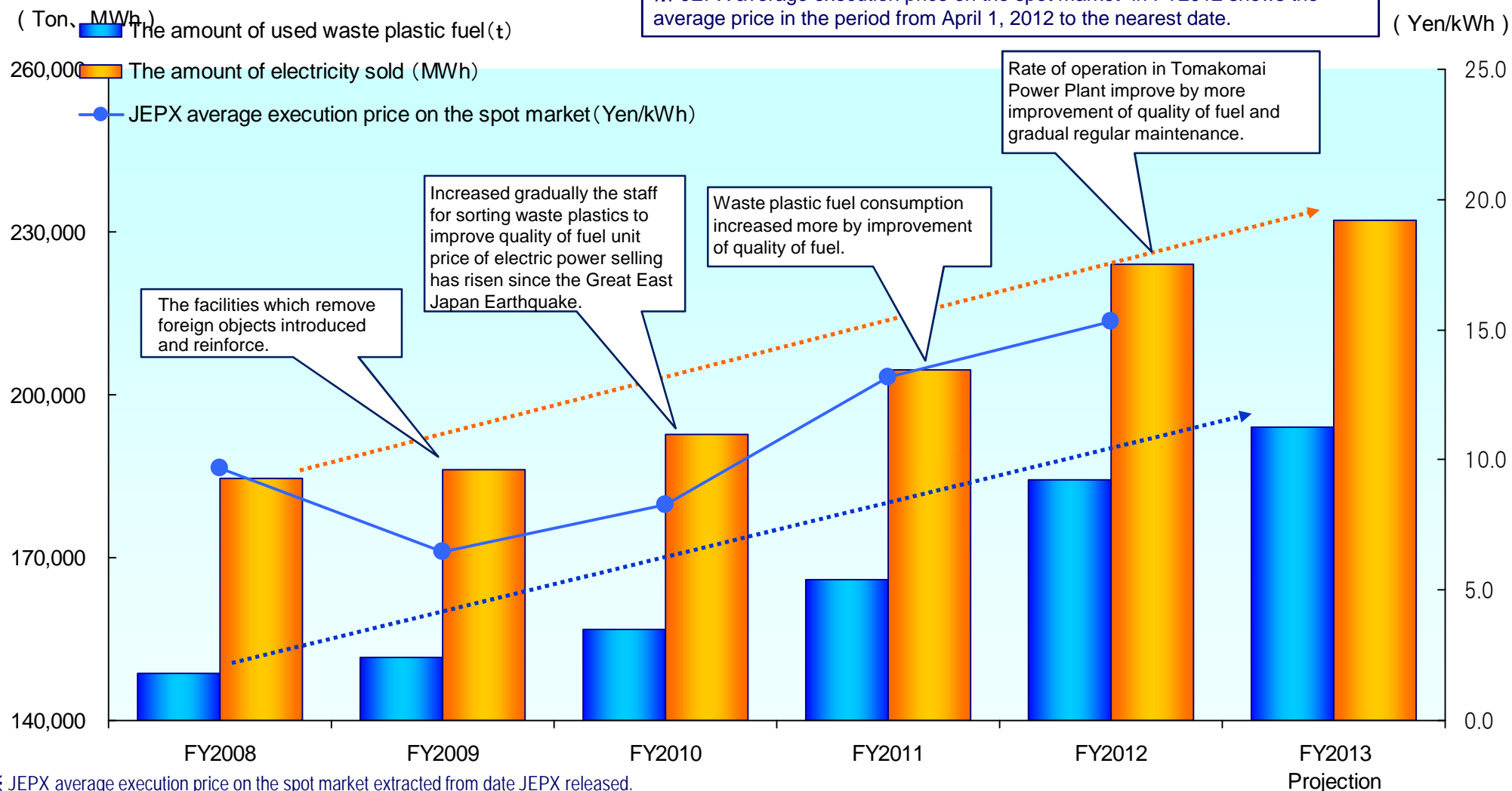
Sales of Plastic fuel and Sales of electric power (Result and Forecast)



The amount of used plastic fuel on Power plant and electricity sold are growing up steadily. Operating availability factor on TOMAKOMAI Power Plant was on track.

TOMAKOMAI Power Plant (Electric Power Generation)

※「JEPX」...General incorporated association Japan Electric Power Exchange
 ※「JEPX average execution price on the spot market」 in FY2012 shows the average price in the period from April 1, 2012 to the nearest date.



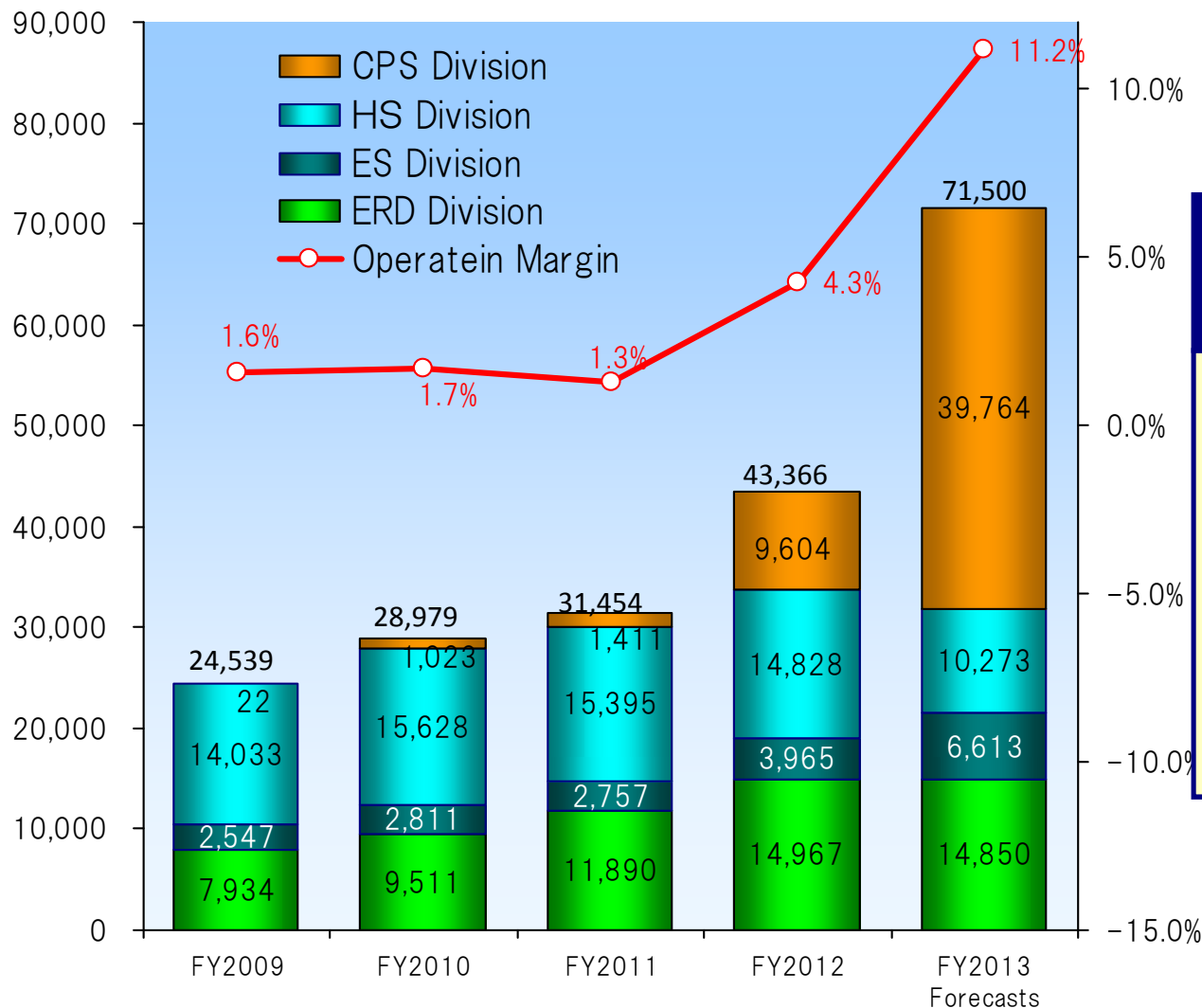
※ JEPX average execution price on the spot market extracted from date JEPX released.

In the ERD Division, we will continuously be working on enhancing the quality of plastic fuel for a better efficiency in power generation of Tomakomai Power Plant. Although the revenues from plastic fuel will be same level compared to a year earlier, the unit prices of electricity are expected to fall, and it will be a major renovation of the power plant once at two years, so the revenues from electricity sales are expected to decrease.

ERD Division Millions of Yen	FY2012 Results	FY2013 Forecasts	YOY Ratio	YOY Difference
Net Sales	14,967	14,850	99.2%	(117)
Gross Profit	3,739	3,829	102.4%	89
SG&A	2,171	2,109	97.1%	(62)
Operating Income	1,567	1,720	109.7%	152

Net Sales and operating margin

(単位:百万円)



Forecasts for FY2013
(ending March 31, 2014)

Net Sales : 71,500MY

Operating Income : 8,000MY

Operating Margin : 11.2%

**Net Sales reach to 71,500MY and Operating Income will be 8,000MY
Both as Record-high Level**