

MARUBUN CORPORATION

Head Office : 8-1 Nihonbashi Odenmachi, Chuo-ku, Tokyo, Japan

Code No. : 7537

(URL <http://www.marubun.co.jp>)

Contact : Corporate Planning Dept. , Phone +81-3-3639-3010, Fax +81-3-5644-7693

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Consolidated Financial Results for the Three Months Ended June 30, 2004 (Additional Financial Disclosure)

Summary of Consolidated First Quarter Financial Results

1. Condensed Statements of Cash Flows as of June 30, 2004 and 2003

	Net Cash flow from Operating Activities	Net Cash flow from Investing Activities	Net Cash flow from Financing Activities	Cash and Cash Equivalents at End of Fiscal Year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
June 30, 2004	(3,300)	(15)	3,479	3,352
June 30, 2003	(94)	59	(424)	5,868
March 31, 2004	(790)	277	(2,609)	3,189

Consolidated Statements of Cash Flows

(Millions of Yen)

	Three Months Ended June 30, 2003	Three Months Ended June 30, 2004	Increase/ Decrease	Fiscal Year Ended March 31, 2004
	Amount	Amount		Amount
Cash Flows from Operating Activities				
Income/Loss before Taxes	(88)	621	709	1,958
Depreciation and Amortization	220	226	5	904
Increase/Decrease in Allowance for Doubtful Accounts	(4)	(6)	(1)	14
Increase/Decrease in Allowance for Employees' Bonuses	(308)	(380)	(72)	81
Increase in Allowance for Directors' Retirement Benefits	9	8	(1)	(64)
Increase in Allowance for Employees' Retirement Benefits	93	(39)	(132)	375
Interest and Dividends Earned	(5)	(8)	(2)	(13)
Interest Expenses	70	69	(0)	280
Foreign Currency Translation Gain/Loss	0	(0)	(0)	11
Equity in Net Incomes/Losses of Affiliates	(54)	(5)	49	(390)
Gain on Sale of Long-term Assets	(0)	(43)	(43)	(37)
Gain on Sale of Investment Securities	-	-	-	(87)
Gain on Sale of Investments in Real Estates	-	-	-	(13)
Income from Investments in Real Estates	(75)	(72)	3	(312)
Expenses incurred for Investments in Real Estates	38	35	(2)	154
Loss on Revaluation of Investment in Golf Club	-	-	-	11
Loss on Sale and Disposal of Long-term Assets	0	1	0	62
Increase/Decrease in Accounts Receivable	4,612	2,338	(2,274)	(5,225)
Increase/Decrease in Inventories	(2,881)	(2,162)	719	(1,635)
Increase/Decrease in Accounts Payable	(1,709)	(3,439)	(1,729)	3,722
Bonuses Paid to Directors	(8)	-	8	(18)
Other	730	397	(333)	509
Sub Total	636	(2,461)	(3,097)	287
Interest and Dividends Received	6	8	1	13
Interest Paid	(72)	(55)	16	(306)
Income Taxes Paid	(665)	(791)	(126)	(785)
Net Cash used in Operating Activities	(94)	(3,300)	(3,205)	(790)
Cash Flows from Investing Activities				
Payment for Time Deposits	(3)	(3)	0	(113)
Proceeds from Time Deposits	-	-	-	107
Payment for Acquisition of Tangible Fixed Assets	(21)	(86)	(64)	(240)
Proceeds from Sale of Tangible Fixed Assets	0	71	71	149
Payment for Acquisition of Intangible Fixed Assets	(57)	(43)	13	(182)
Payment for Acquisition of Investment Securities	(29)	(3)	25	(43)
Proceeds from Sale of Investment Securities	-	-	-	169
Payment for Acquisition of Investments in Real Estates	-	-	-	(5)
Proceeds from Sale of Investments in Real Estates	-	-	-	13
Proceeds from Rental Income on Invested Real Estates	75	72	(3)	311
Payment for Expenses Incurred for Invested Real Estates	(36)	(36)	(0)	(51)
Proceeds from Collections on Loans	1	-	(1)	6
Other	130	14	(116)	157
Net Cash provided by Investing Activities	59	(15)	(74)	277
Cash Flows from Financing Activities				
Proceeds from Short-term Loans	18	7,300	7,282	8,202
Repayment of Short-term Loans	(210)	(3,600)	(3,389)	(7,712)
Repayment of Long-term Loans	(27)	(21)	6	(137)
Redemption of Straight Bonds	-	-	-	(2,100)
Payments for Purchases of Treasury Stock	-	-	-	(422)
Dividends Paid	(204)	(199)	4	(439)
Other	(0)	-	0	(0)
Net Cash provided by Financing Activities	(424)	3,479	3,903	(2,609)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(0)	(1)	(0)	(14)
Net Increase/Decrease in Cash and Cash Equivalents	(459)	162	622	(3,137)
Cash and Cash Equivalents at Beginning of Year	6,327	3,189	(3,137)	6,327
Cash and Cash Equivalents at End of Year	5,868	3,352	(2,515)	3,189

Consolidated Segment Information

1. Segment Information by Business Type

Three Months Ended June 30, 2004

(Millions of Yen)

	Electronic Devices	Electronic Systems	Total	Eliminations / Corporate	Consolidated
Net Sales					
(1) Outside Customers	33,095	6,843	39,939	-	39,939
(2) Intersegment	-	-	-	-	-
Total Sales	33,095	6,843	39,939	-	39,939
Operation Expenses	31,847	6,853	38,701	671	39,373
Operation Income	1,248	(9)	1,238	(671)	566

Three Months Ended June 30, 2003

(Millions of Yen)

	Electronic Devices	Electronic Systems	Total	Eliminations / Corporate	Consolidated
Net Sales					
(1) Outside Customers	26,062	6,298	32,361	-	32,361
(2) Intersegment	7	0	7	(7)	-
Total Sales	26,070	6,298	32,368	(7)	32,361
Operation Expenses	25,501	6,386	31,887	626	32,514
Operation Income	569	(87)	481	(634)	(153)

Fiscal year ended March 31, 2004

(Millions of Yen)

	Electronic Devices	Electronic Systems	Total	Eliminations / Corporate	Consolidated
Net Sales					
(1) Outside Customers	119,432	37,878	157,310	-	157,310
(2) Intersegment	17	2	20	(20)	-
Total Sales	119,449	37,881	157,330	(20)	157,310
Operation Expenses	116,733	36,443	153,177	2,497	155,674
Operation Income	2,716	1,437	4,153	(2,517)	1,636

Notes : Business segments are classified on the basis of organization, product type and sales structure.

Main products of each business segment

Electronic Devices : General-Use Ics, Memory Ics, Special-Use Ics, Custom Ics, Discrete, LCD&QD, Board Computer, Software

Electronic Systems : Space & Defense Electronics, Industrial Equipment, Scientific Equipment, Laser Equipment, Information Equipment, Medical Equipment

Consolidated Net Purchases, Orders and Net Sales

1. Net Purchases

(Millions of Yen)

Segments	Three Months Ended		Increase/ Decrease (Percent Change from Previous Year) (%)	Fiscal Year Ended March 31, 2004
	June 30, 2003	June 30, 2004		
Electronic Devices	26,095	31,934	22.4	109,438
Electronic Systems	5,542	5,680	2.5	32,084
Total	31,638	37,614	18.9	141,523

2. Orders

(Millions of Yen)

Segments	Three Months Ended June 30, 2003		Three Months Ended June 30, 2004		Increase/Decrease (Percent Change from Previous Year)		Fiscal Year Ended March 31, 2004	
	Orders	Backlog	Orders	Backlog	Orders	Backlog	Orders	Backlog
Electronic Devices	26,414	11,990	33,640	13,002	27.4	8.4	120,249	12,457
Electronic Systems	8,430	10,682	9,234	11,238	9.5	5.2	38,175	8,848
Total	34,844	22,673	42,875	24,240	23.0	6.9	158,425	21,305

3. Net Sales

(Millions of Yen)

Segments	Three Months Ended		Increase/ Decrease (Percent Change from Previous Year) (%)	Fiscal Year Ended March 31, 2004
	June 30, 2003	June 30, 2004		
Electronic Devices	26,062	33,095	27.0	119,432
Electronic Systems	6,298	6,843	8.7	37,878
Total	32,361	39,939	23.4	157,310

Consolidated Financial Results by the Quarter

Fiscal Year Ending March 31, 2005

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Three Months Ended June 30, 2004	Three Months Ended September 30, 2004	Three Months Ended December 31, 2004	Three Months Ended March 31, 2005
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Net Sales	39,939	-	-	-
Gross Profit	4,488	-	-	-
Operating Income	566	-	-	-
Ordinary Income	572	-	-	-
Income before Taxes	621	-	-	-
Net Income	385	-	-	-
	Yen	Yen	Yen	Yen
Net Income Per Share	14.28	-	-	-
Diluted Net Income Per Share	14.25	-	-	-
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Total Assets	90,742	-	-	-
Shareholder's Equity	29,642	-	-	-
	Yen	Yen	Yen	Yen
Shareholder's Equity Per Share	1,097.98	-	-	-
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Net Cash flow from Operating Activities	(3,300)	-	-	-
Net Cash flow from Investing Activities	(15)	-	-	-
Net Cash flow from Financing Activities	3,479	-	-	-
Cash and Cash Equivalents at End of Fiscal Year	3,352	-	-	-

Fiscal Year Ended March 31, 2004

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Three Months Ended June 30, 2003	Three Months Ended September 30, 2003	Three Months Ended December 31, 2003	Three Months Ended March 31, 2004
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Net Sales	32,361	38,987	38,036	47,924
Gross Profit	3,605	4,084	4,404	5,498
Operating Income	(153)	(32)	609	1,213
Ordinary Income	(92)	223	683	1,257
Income before Taxes	(88)	202	650	1,193
Net Income	(91)	147	392	765
	Yen	Yen	Yen	Yen
Net Income Per Share	(3.30)	5.38	14.41	27.37
Diluted Net Income Per Share	-	5.38	14.41	27.37
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Total Assets	85,483	85,934	84,694	90,960
Shareholder's Equity	28,748	28,588	28,918	29,313
	Yen	Yen	Yen	Yen
Shareholder's Equity Per Share	1,039.48	1,045.68	1,062.95	1,085.80
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Net Cash flow from Operating Activities	(94)	(2,110)	(1,971)	3,384
Net Cash flow from Investing Activities	59	22	66	128
Net Cash flow from Financing Activities	(424)	(25)	647	(2,808)
Cash and Cash Equivalents at End of Fiscal Year	5,868	3,753	2,486	3,189