

MARUBUN CORPORATION

Financial Information Meeting for FY 2007

May 14, 2008

Within the presentation, information on the future performance such as results forecasts is based on the data available at the time this presentation was prepared that the Company assumes reasonable. Actual performance depends on various important factors and may differ significantly from the estimates contained herein.

[Introduction]

- I would like to report on results for the fiscal year ended March 2008, and explain the forecasts and priority policies.

FY2007 Consolidated Financial Results

(Million yen)

	FY2007 (Result)	FY2006 (Result)	Change
Net Sales	245,289	275,661	(11.0%)
Gross Profit	22,318	25,589	(12.8%)
Operating Income	3,648	6,498	(43.9%)
Ordinary Income	2,956	6,280	(52.9%)
Net Income	889	3,483	(74.5%)

www.marubun.co.jp

MARUBUN CORPORATION

1

[FY2007 Consolidated Business Results]

- First of all, I would like to provide a summary of the business results of 2007.
- In FY2007, our net sales decreased 11% year on year, to 245.2 billion yen, and ordinary income decreased 53%, to 2.9 billion yen.
- The decline in sales was mostly the result of a decline in sales in the electronic devices business.
- The decline in gross profits was the result of increases in loss on write-down of inventories that are included in cost of sales being recorded at one billion yen with the progression of the sharp appreciation of the yen during the end of the term in addition to the causes of decline in sales.
- In addition, our current income declined by 75% year on year to 800 million yen because we reported loss on write-down of inventories of 500 million yen as extraordinary losses with the early application of the “Accounting Standards for Measurement of Inventories”.

Sales by Segment

(Million yen)

	FY2007 (Result)	FY2006 (Result)	Change
Consolidated Net Sales	245,289	275,661	(30,372)
Electronic Devices	205,309	234,408	(29,099)
Electronic Systems	39,979	41,252	(1,273)

www.marubun.co.jp

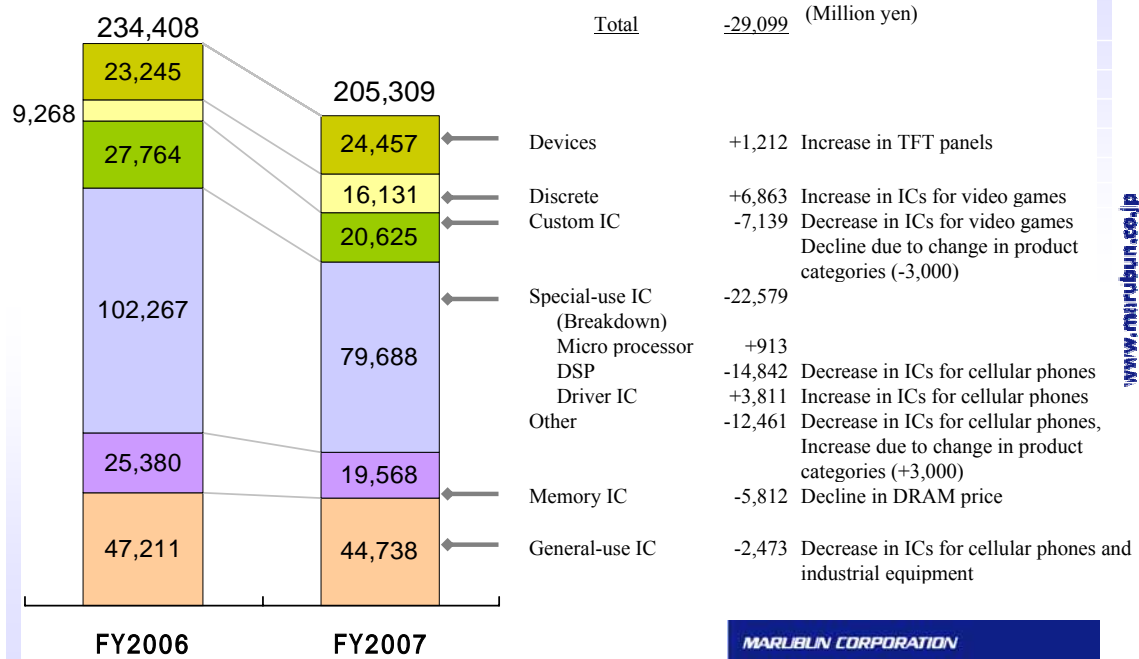
MARUBUN CORPORATION

2

[Net Sales By Segment]

- I would like to next provide an explanation of the sales by segment.
- In our electronic devices business, although an increase was seen in sales of devices for products such as electronic home appliances and those for in-vehicle electronics, there was a year on year decrease of 29 billion yen because substantially decline for cellular phone device and weak transitions in industrial equipments seen from the beginning of this year.
- The decrease in the electronic systems business was due to the lowered demand for medical equipment.

Electronic Devices Sales by Product



3

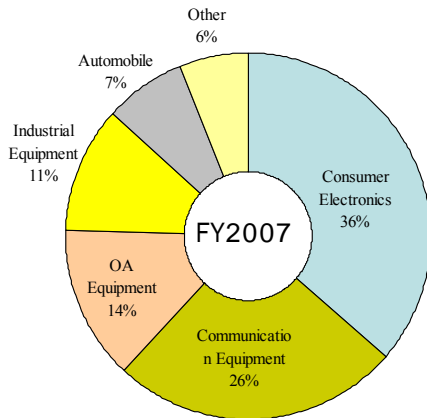
[Electronic Devices Net Sales by Products]

- I would now like to discuss net sales by products for the electronic devices business.
- The decline in sales of memory ICs is mostly due to a fall in the price of DRAMs.
- As for special-use ICs, sales of DSPs for cellular phones and bluetooth ICs fell greatly although there was an increase in sales of display driver ICs.
- The decrease with custom ICs was due to the decrease in video games.
- As for discrete ICs, there was an increase with video games.

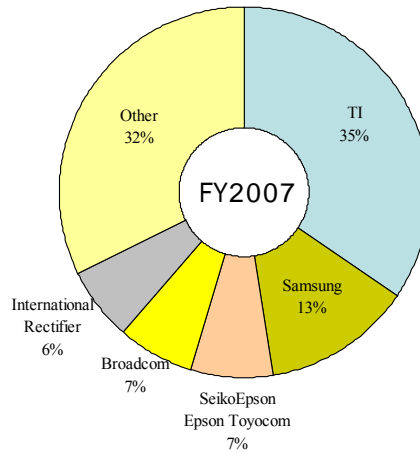
DSP (Digital Signal Processor)

Electronic Devices Sales by Application and Supplier

Sales by Application



Sales by Supplier



MARUBUN CORPORATION

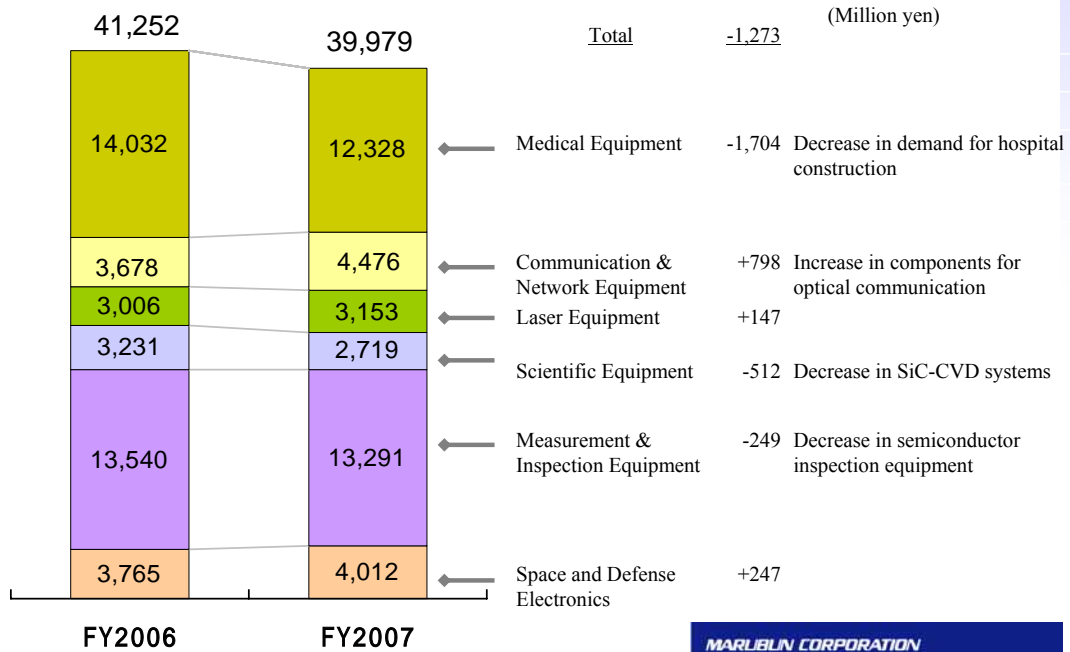
www.marubun.co.jp

4

[Electronic Devices Net Sales by Application and Supplier]

- In terms of application, consumer electronics increased and accounted for 36% as a result of an increase in sales of video games.
- Meanwhile, communications equipment, which accounted for 37% last year, dropped to 26% due to the decrease in products for cellular phones.
- As for suppliers, shares for the leading Texas Instruments, Inc. became 35% due to a decrease in areas such as the DSP area. Meanwhile, International Rectifier Corporation saw its ratio rise.

Electronic Systems –Sales by Products

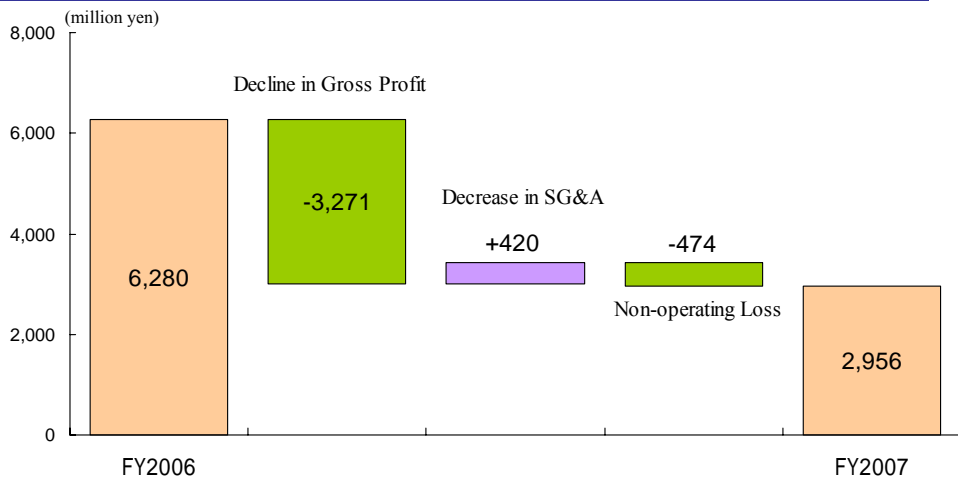


5

[Electronic Systems - Sales by Products]

- In the electronic systems business, sales of communication & network equipment increased, but those for medical equipment fell and sales of other fields stayed almost the same as in the previous term.
- As for measurement & inspection equipment, sales of semiconductor inspection equipment declined.
- As for communication & network equipment, sales of optical communication components were firm.
- The decline in medical equipment was due to less demand for hospital construction.

Factors Effecting Ordinary Income



[Gross Profit] Decrease from decline in sales, increase of loss on write-down of inventories+694 million yen

[SG&A Expenses] Agent service fees are expected to decline 460 million yen

[Non-operating Loss] Foreign exchange gain on 07/3, 259 million yen

foreign exchange loss on 08/3, 251 million yen

MARUBIN CORPORATION

6

[Factors Effecting Ordinary Income]

- I would like to look at the factors effecting ordinary income.
- Decrease in gross profit is due to declines in sales and increases in loss on write-down of inventories.
- As for the SG&A expenses, there was a decrease of 400 million yen year on year.
- This is mostly due to the decline in agent service fees involving information systems.
- Therefore, the ordinary income decreased 3.3 billion yen year on year and became 2.9 billion yen.

Consolidated Balance Sheet

	08/3	07/3	Change
Current Assets	104,390	115,899	(11,509)
Cash on Hand and Cash in Banks	7,451	7,372	79
Receivable: Trade Notes and Accounts	61,536	68,578	(7,042)
Inventories	31,003	33,624	(2,621)
Deferred tax assets	1,875	678	1,197
Other	2,570	5,683	(3,113)
Allowance for doubtful accounts	(48)	(38)	(10)
Long-term Assets	12,948	15,673	(2,725)
Total assets	117,338	131,573	(14,235)
Current liabilities	72,658	86,570	(13,912)
Payable: Trade Notes and Accounts	34,734	34,707	27
Short-term Bank Loans	34,919	46,575	(11,656)
Other	3,004	5,288	(2,284)
Long-term liabilities	6,633	6,417	216
Bonds	1,217	1,000	217
Bonds with stock acquisition rights	4,000	4,000	0
Defferd tax liabilities	5	50	(45)
Other	1,410	1,367	43
Total Liabilities	79,292	92,988	(13,696)
Total Net Assets	38,046	38,584	(538)
Total Liabilities and Net Assets	117,338	131,573	(14,235)

(million yen)

Reasons for major changes

[Current assets]

- Decline in receivables accompanying decline in sales

[Liabilities]

- Decline in short-term bank loans due to a fall in demand for working capital

www.marubun.co.jp

MARUBUN CORPORATION

7

[Consolidated Balance Sheet]

- I would like to next explain the major items of the balance sheet.
- Total assets fell 14.2 billion yen year on year due to a decline in current assets.
- The decline in current assets was due to a fall in accounts receivable accompanying a fall in sales.
- Inventories shrank 2.6 billion yen to 31 billion yen, which is equivalent to 1.5 months of sales.
- As for liabilities, short-term bank loans decreased 11.6 billion yen year on year.

Consolidated Statement of Cash flows

(million yen)

	FY2007	FY2006	Change	Main reason for changes
Income before Income Taxes	2,149	6,108	(3,959)	[Cash flows from operating activities] · Decline in receivables and inventory assets
Depreciation and Amortization	1,000	1,069	(69)	
Goodwill Depreciation	105	108	(3)	
Exchange Gain/Loss	(129)	(165)	36	
Increase/decrease in accounts receivable	7,130	(5,309)	12,439	[Cash flows from financing activities] · Net fall in short-term bank loans of 9,654 million yen
Increase/decrease in inventories	2,576	(7,061)	9,637	
Increase/decrease in accounts payable	311	(7,150)	7,461	
Other	3,455	(2,951)	6,406	
Subtotal	16,599	(15,352)	31,951	
Interest and dividends received	77	51	26	
Interest paid	(674)	(585)	(89)	
Income Taxes paid	(2,359)	(2,588)	229	
Net Cash provided by Operating Activities	13,643	(18,475)	32,118	
Net Cash provided by Investing Activities	(314)	1,095	(1,409)	
Net Cash provided by Financing Activities	(13,261)	17,366	(30,627)	
Cash and cash equivalents at end of year	6,551	6,422	129	

www.marubun.co.jp

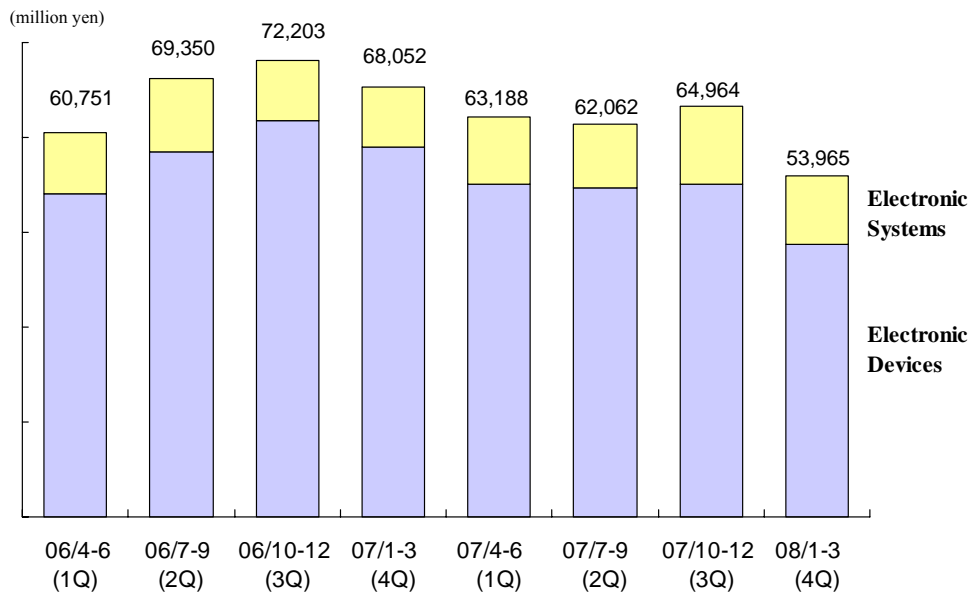
MARUBUN CORPORATION

8

[Consolidated Statement of Cash flows]

- I would like to now go over cash flows.
- Cash flows from operating activities resulted in a net inflow of 13.6 billion yen. This is due to the decline in receivables and inventory.
- As for cash flows from financing activities, there was a net outflow of 13.2 billion yen as a result of factors including 9.6 billion yen in net reductions from short-term bank loans.
- As a result of the above, cash and cash equivalents at the end of period remained almost the same as the prior, at 6.5 billion yen.

Trends in Orders



MARUBUN CORPORATION

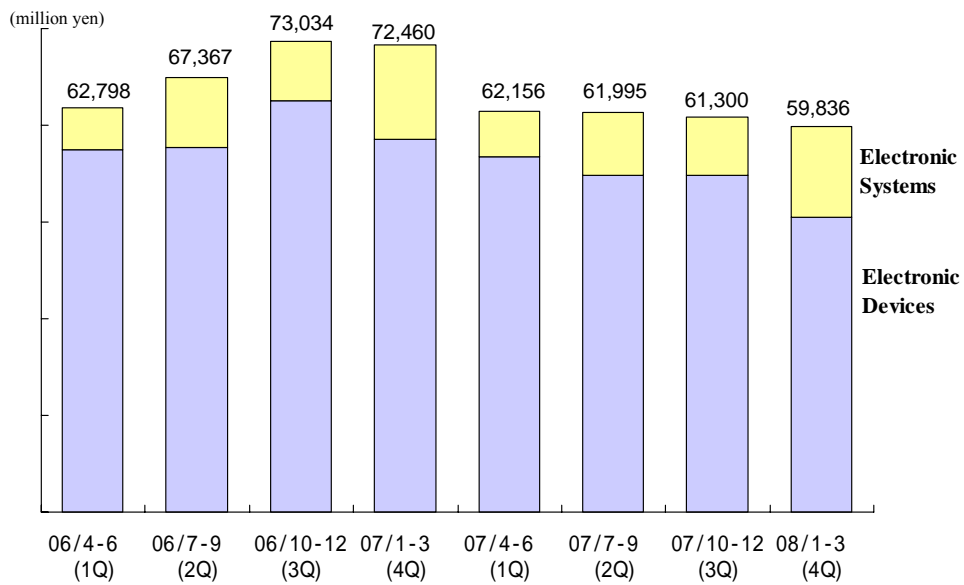
www.marubun.co.jp

9

[Trends in Orders]

- The graph shows orders for recent quarters.
- Orders for 4Q were 17% lower than those for 3Q because the demand for devices for consumer electronics, industrial equipments, etc. decreased after the turn of the year.

Trends in Net Sales



www.marubun.co.jp

MARUBUN CORPORATION

10

[Trends in Net Sales]

- The graph shows recent sales.

FY2008 Consolidated Results Forecasts

(Million yen)

	FY2008(Forecast)	FY2007 (Result)	Change
Net Sales	250,000	245,289	+1.9%
Gross Profit	24,200	22,318	+8.4%
Operating Income	4,200	3,648	+15.1%
Ordinary Income	3,800	2,956	+28.6%
Net Income	1,950	889	+119.3%

www.marubun.co.jp

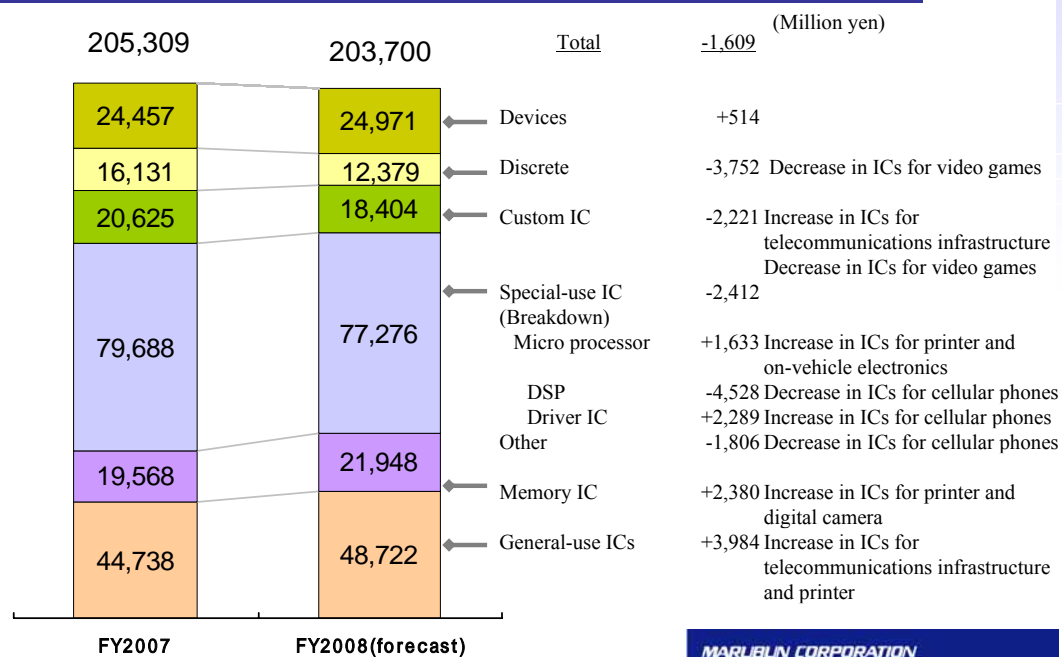
MARUBUN CORPORATION

11

[FY2008 Consolidated Results Forecast]

- Next, I would like to explain forecasts for the current fiscal year.
- Consolidated sales are expected to increase by 4.7 billion yen year on year to 250 billion yen and ordinary income is projected to increase by 800 million yen to 3.8 billion yen.

Electronic Devices - Sales Projections by Products

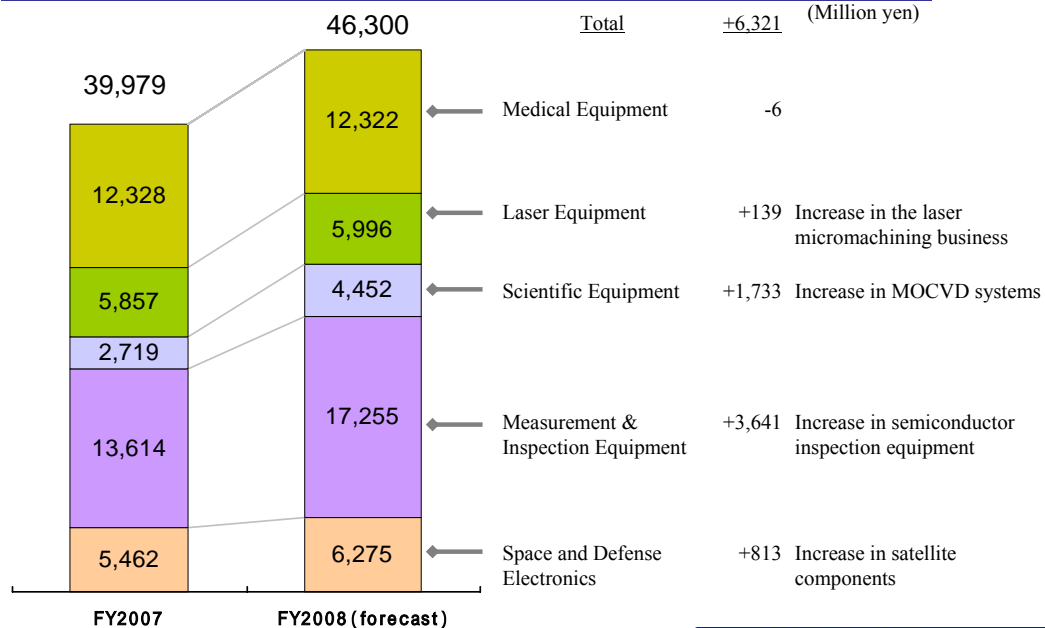


12

[Electronic Devices – Sales Projections by Products]

- The electronic devices business is expected to see a 1.6 billion yen decrease year on year to 203.7 billion yen.
- As for general use ICs, an increase in ICs for telecommunications infrastructure, printers, etc. is expected.
- The increase in memory ICs is due to the increase in ICs for printers, digital cameras, etc.
- As for special-use ICs, we are expecting a decrease in ICs for cellular phones.
- And for discrete ICs, we are expecting a decrease in ICs for video games.

Electronic Systems - Sales Projections by Products



*Changes in product categories will be made in March 2009 where "communication & networks equipment" will be divided into "space and defense electronics", "measurement & inspection equipment", and "laser equipment". The graph above shows the results of March 2008 in the new categories.

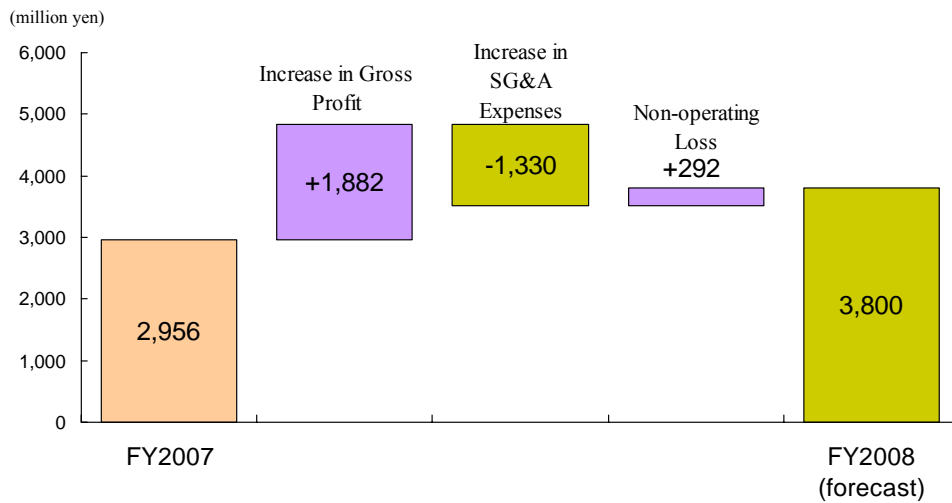
www.marubun.co.jp

13

[Electronic Systems Sales Projections by Products]

- As for the electronic systems business, a sales budget with an increase of 6.3 billion yen to 46.3 billion yen was formulated because the backlog of orders at the end of the term showed a year on year increase of 4.1 billion yen.
- As for space and defense electronics, an increase in satellite components can be expected.
- The increase in measurement & inspection equipment is due to the increase in semiconductor inspection equipment.
- As for scientific equipment, an increase in thin film equipment used for producing LEDs can be expected.

Factors Effecting Ordinary Income



[Gross profit] Improvements in the gross profit margin, decreases in loss on write-down of inventories resulted in -700 million yen

[SG&A expenses] Increases in labor costs such as retirement benefit costs

MARUBIN CORPORATION

14

[Factors Effecting Ordinary Income]

- I would now like to explain the factors that will effect income.
- As for gross profits, an increase of 1.8 billion yen can be expected due to an improvement in the gross profit margin.
- As for SG&A expenses, a 1.3 billion yen increase year on year can be expected.
- This is due to the year on year 500 million yen increase in retirement benefit costs and the increase in salary and bonuses.
- Therefore, an increase of 800 million yen year on year to 3.8 billion yen for ordinary income is forecasted.

Electronic Devices Business Strategy

■ Establish a foundation for stable growth

▶ Expanding sales of analog ICs

- Deepening the market for ICs, especially for industrial equipment

▶ Increase sales in the in-vehicle market

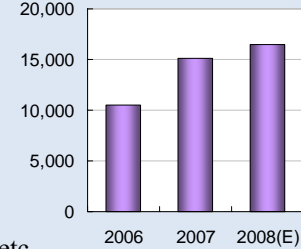
- The establishing of the “Utsunomiya Car Electronics Office”
- Providing S/W, H/W support, consulting services, etc.

▶ Developing the fields of information

security, environment, health, and medicine

- The adoption of AuthenTec’s fingerprint recognition sensors are progressing
- Design-in of security cameras, medical instruments, even with the existing line cards

million yen
Sales transitions in the in-vehicle business



AuthenTec fingerprint recognition sensors

MARUBUN CORPORATION

www.marubun.co.jp

15

[Electronic devices business strategy]

- Next, I would like to move on to the strategies of the electronic devices business.
- As for the electronic devices business, efforts will be made to establish a foundation for stable growth, to focus on growing markets worldwide, and to strengthen overseas businesses.
- In light of the “Establish a foundation for stable growth,” we are making efforts through the following three points.
- First, on the expansion of analog ICs, we are advancing sales of ICs made by Texas Instruments, Inc. and Maxim Integrated Products, Inc. etc.
- Plans for expanding sales centering on ICs for industrial equipment during the fiscal year are being implemented.
- Secondly, on the in-vehicle business, an office that specializes in the in-vehicle business was established in October last year in Utsunomiya City, where the automobile industry is centered.
- At the Utsunomiya Office, plans for giving technical assistance related to automobile development such as development assistance and consulting services for both hardware and software during the early stages of development are being conducted.
- With this, we aim for further expansions in the in-vehicle business.
- Thirdly, on the developing of fields of information security and health and medicine, the adoption of the fingerprint recognition sensors by Authen Tec, Inc. that we concluded an agency agreement last year are progressing for products such as PCs and cellular phones.
- Even with existing line cards, we plan to advance with proposals that are combined with our abundant line cards.

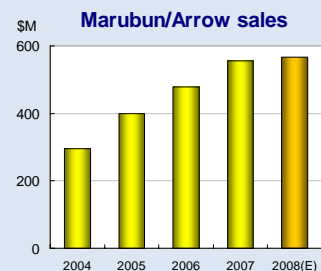
Electronic Devices Business Strategy

■ Focus on the growing markets

- ▶ Focus on the cellular phone and flat panel TV and digital camera markets
 - Expanding sales of modules and system LSIs
- ▶ Developing the next-generation communications infrastructure market (NGN, WiMax)
- ▶ Promoting the development of new businesses
 - Advancing into the MEMS market

■ Strengthening and promoting of overseas businesses

- ▶ Overseas sales for 2007 was 67.7 billion yen (14% over previous term)
- ▶ Establishing an overseas businesses promotion Division
- ▶ Dispatching overseas representatives to Europe



MARUBUN CORPORATION

www.marubun.co.jp

16

[Electronic devices business strategy]

- On the “Focus on the growing markets”, we are making efforts through the following three points.
- First is the expanding of sales in the cellular phone, TV sets, and digital camera markets.
- These markets are large on a global scale and have the potential for sustainable growth. Sales of products such as modular products and system LSIs are being expanded for these markets.
- Secondly, we will make developments in the next-generation communications infrastructure market.
- Thirdly, on our efforts in new businesses, we are considering handling of MEMS products in addition to the semiconductor products up to now.
- On the “Strengthening and promoting of overseas businesses”, an overseas businesses promotion division was established and the system has been reinforced.
- Also, on the advance into Europe, overseas representatives have been dispatched and marketing research is being conducted there.
- We would like to flexibly establish a base to meet customer needs and continue maintaining our growth in our overseas businesses.

Electronic Systems Business Strategy

■ Promoting the system integration business / strategic alliance

▶ Laser equipment field

- Laser micromachining: Developing new applications in addition to those for displays
- Laser heat processing: Promoting expansions for automobiles

▶ Measurement & Inspection equipment field

Launch Wafer Inspection Project

- Jointly develop new inspection systems and carryind technology for ultra-thin wafers
- Establish a demonstration room in the offices



Wafer Inspection model room

■ Strengthen the maintenance service business

- Improving calibrating and maintenance services in coalition with Foresight Techno Co.,Ltd.

■ Efforts in growing markets for existing businesses

- Reorganizing organizations by market
- Focusing on the development of the LED market and the space and defense market

MARUBUN CORPORATION

www.marubun.co.jp

17

[Electronic system business strategy]

- In the electronic systems business efforts are being made in the promotion of the system integration business, strategic alliances, etc. with equipment such as laser equipment and measurement & inspection equipment and the maintenance service business is being reinforced.
- In the laser equipment field, we are implementing measures for the launching of a laser micromachining business and in the promoting of the laser heat processing business.
- As for the laser micromachining business, we are starting developments that can be used for new applications in addition to efforts made for display processing.
- As for laser heat processing, sales activities centering on the automobile industry are being conducted.
- In the measurement & Inspection equipment field, a “wafer inspection project” is now going underway and developments are being made in devices such as various wafer inspection devices and carrier devices together with cooperative manufacturers.
- A demonstration room was established in February this year. Demonstrations have already been given to thirty companies and we are making plans for expanding sales of equipment while we are making the best use of the demonstration room.
- In the maintenance business, the system of the maintenance service business is being upgraded and we are striving to establish a steady revenue base in coalition with our subsidiary Foresight Techno Co., Ltd.
- In addition, in the electronic systems business, organizations have been reorganized by market in order to accelerate business expansions.
- This is for the early launching of new businesses and the strengthening of efforts made in the growing markets of existing businesses with a market-driven selling system.
- We would like to penetrate each market while trying to enhance our product menu.

Return to Shareholders

■ Expected Dividend

	FY 2006 Actual	FY 2007 Actual	FY 2008 (Projection)
Annual Dividend Per Share	30 yen	18 yen	18 yen
Interim Dividend	12 yen	12 yen	8 yen
End of the year Dividend	18 yen	6 yen	10 yen

www.marubun.co.jp

MARUBUN CORPORATION

18

[Return to shareholders]

- Finally, I would like to discuss the return of profits to shareholders.
- As for the dividends at the end of the March 2008 term, we must unfortunately discuss the dividends per share being reduced by 12 yen to 6 yen from the previous term during the shareholders' meeting in June.
- We are expecting the interim dividends will be 8 yen and end of the year dividends will be 10 yen this term.
- We would like to continue working toward improving our business performance and meeting the expectations of our shareholders and investors.