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Interim Financial Results for the March 2004 Term Handout for the Explanatory Meeting

November 21, 2003

MARUBUN CORPORATION

Statements made in this handout with respect to Marubun Corporation's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Marubun Corporation. These statements are based on management's assumptions and beliefs in light of the information currently available to it and therefore you should not place undue reliance on them. Marubun Corporation cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.

1. Recent Changes in Consolidated Results

(Unit: Yen in Million, %)

	FY1998		FY1999			FY2000			FY2001			FY2002		
		Share of		Share of	Growth Rate		Share of	Growth Rate		Share of	Growth Rate		Share of	Growth Rate
Net Sales	126,918	100.0	135,694	100.0	6.9	174,079	100.0	28.3	138,146	100.0	20.6	151,798	100.0	9.9
Electronic Devices	77,717	61.2	85,881	63.3	10.5	115,880	66.6	34.9	87,753	63.5	24.3	102,987	67.8	17.4
Electronic Systems	48,860	38.5	49,477	36.5	1.3	57,864	33.2	17.0	50,059	36.2	13.5	48,810	32.2	2.5
Real Estate	340	0.3	335	0.2	1.5	335	0.2	0.0	333	0.2	0.6			
Gross Profit	15,565	12.3	17,504	12.9	12.5	22,718	13.1	29.8	16,150	11.7	28.9	16,356	10.8	1.3
Selling, General and Administrative Expenses	14,257	11.2	14,481	10.7	1.6	15,197	8.7	4.9	14,693	10.6	3.3	14,811	9.8	0.8
Operating Income	1,307	1.0	3,022	2.2	131.2	7,521	4.3	148.9	1,456	1.1	80.6	1,544	1.0	6.0
Non-Operating Income/Expenses	192		1,046			1,123			202			328	0.2	
Ordinary Income	1,115	0.9	1,976	1.5	77.2	6,397	3.7	223.7	1,254	0.9	80.4	1,216	0.8	3.0
Extraordinary Gains/Losses	265	0.2	234			272			2,511			218	0.1	
Income before Taxes	1,381	1.1	1,742	1.3	26.1	6,125	3.5	251.6	1,256	0.9	120.5	1,434	0.9	
Income and Inhabitant Taxes - Current	965	0.8	1,108	0.8	14.8	3,273	1.9	195.4	323	0.2	90.1	780	0.5	141.5
Income, Inhabitant and Business Taxes - Deferred			104	0.1		519	0.3		1,164	0.8		88	0.1	
Minority Interest in Losses												3	0.0	
Net Income	415	0.3	738	0.5	77.8	3,370	1.9	356.6	415	0.3		746	0.5	
Total Assets	79,616	100.0	92,812	100.0	16.6	107,227	100.0	15.5	85,011	100.0	20.7	87,902	100.0	3.4
Shareholders' Equity	21,684	27.2	22,200	23.9	2.4	29,763	27.8	34.1	29,047	34.2	2.4	28,759	32.7	1.0
Number of Shares Outstanding (Thousand shares)	15,729		15,729			23,195			27,876			27,656		
Net Income per Share (Yen)	26.41		46.93			160.75			14.92			26.23		
Shareholders' Equity per Share (Yen)	1,378.55		1,411.43			1,283.15			1,041.99			1,039.89		
Cash Dividends per Share(Yen)	16		16			16			14			16		
Payout Ratio (%)	60.6		34.1			10.5						59.3		
Dividends on Equity (%)	1.16		1.13			1.19			1.34			1.54		
Number of Employees (Fiscal year-end)	1,037		1,035			1,027			1,107			1,085		

Note:1 The average number of outstanding shares was used to calculate the current-term net income per share and the equity capital per share.

2 Per adjusted share data have been retroactively adjusted for stock split.

2. Consolidated Statements of Income (Results)

(Unit: Yen in Million, %)

	FY2003 1H Results		FY2002 1H Results		Increase/Decrease		Comments
		Share of		Share of	Amount	%	
Net Sales	71,349	100.0%	72,042	100.0%	693	1.0%	
Electronic Devices	56,230	78.8%	55,777	77.4%	453	0.8%	
Electronic Systems	15,119	21.2%	16,264	22.6%	1,145	7.0%	
Cost of Sales	63,658	89.2%	64,492	89.5%	834	1.3%	Gross Profit Margin
Gross Profit	7,690	10.8%	7,549	10.5%	141	1.9%	FY03-1H 10.8% FY02-1H 10.5%
Electronic Devices	5,239		5,052		187	3.7%	FY03-1H 9.3% FY02-1H 9.1%
Electronic Systems	2,450		2,497		47	1.9%	FY03-1H 16.2% FY02-1H 15.4%
Selling, General and Administrative Expenses	7,876	11.0%	7,295	10.1%	581	8.0%	
Personnel Expenses	4,489	6.3%	4,145	5.8%	344	8.3%	
Other	3,387	4.7%	3,149	4.4%	238	7.6%	
Operating Income	186	0.3%	254	0.4%	440		
Non-Operating Income	592	0.8%	263	0.4%	329	125.1%	
Interest Income	0	0.0%	3	0.0%	3	100.0%	
Equity in Net Incomes of Affiliates	184	0.3%					
Income from Investments in Real Estates	152	0.2%	158	0.2%	6	3.8%	
Other	253	0.4%	102	0.1%	151	148.0%	
Non-Operating Expenses	275	0.4%	649	0.9%	374	57.6%	
Interest Expenses	139	0.2%	209	0.3%	70	33.5%	
Expenses incurred for Investments in Real Estates	76	0.1%	81	0.1%	5	6.2%	
Equity in Net Losses of Affiliates			96	0.1%			
Other	58	0.1%	262	0.4%	204	77.9%	
Ordinary Income	130	0.2%	132	0.2%	262		
Extraordinary Gains	47	0.1%	229	0.3%	182	79.5%	
Extraordinary Losses	63	0.1%	151	0.2%	88	58.3%	
Income before Taxes	114	0.2%	54	0.1%	168		
Income, Inhabitant and Business Taxes -Current	109	0.2%	135	0.2%	26	19.3%	
Income, Inhabitant and Business Taxes -Deferred	52	0.1%	25	0.0%	27		
Minority Interest in Losses	1	0.0%	7	0.0%	6		
Net Income	56	0.1%	157	0.2%	213		
Number of Employees (Interim Fiscal-year end)	1,090		1,112		22	2.0%	

Notice:

Although two businesses units, which deal with DLP Sub-System(Texas Instruments, Inc.) and Power semiconductor(International Rectifier Corporation), were classified as Electronic Systems segment in the past, the company started to categorize them as Electronic Devices segment from the second half of FY2002.

In the financial results of FY2002 stated above, the company includes the results of the business units in Electronic Devices segment for the sake of comparison with financial forecasts.

3. Consolidated Balance Sheets (Results)

(Unit: Yen in Million, %)

	FY2003 1H Results		FY2002 1H Results		Increase/Decrease		Comments
		Share of		Share of	Amount	%	
Current Assets	68,463	79.7%	65,138	78.7%	3,325	5.1%	
Cash and Bank Deposits	6,601	7.7%	6,862	8.3%	261	3.8%	
Notes and Accounts Receivable, Trade	40,176	46.8%	38,543	46.6%	1,633	4.2%	
Inventories	18,773	21.8%	17,816	21.5%	957	5.4%	
Deferred Tax Assets	476	0.6%	387	0.5%	89	23.0%	
Other	2,465	2.9%	1,617	2.0%	848	52.4%	
Allowance for Doubtful Accounts	29	0.0%	88	0.1%	59		
Long-term Assets	17,470	20.3%	17,655	21.3%	185	1.0%	
Tangible Fixed Assets	5,542	6.4%	5,821	7.0%	279	4.8%	
Buildings and Structures	2,286	2.7%	2,509	3.0%	223	8.9%	
Land	2,675	3.1%	2,698	3.3%	23	0.9%	
Other	580	0.7%	613	0.7%	33	5.4%	
Intangible Fixed Assets	2,227	2.6%	2,436	2.9%	209	8.6%	
Investments and Other Assets	9,700	11.3%	9,397	11.3%	303	3.2%	
Investment Securities	3,237	3.8%	2,634	3.2%	603	22.9%	
Investments in Real Estates	3,017	3.5%	3,021	3.6%	4	0.1%	
Deferred Tax Assets	1,454	1.7%	1,472	1.8%	18	1.2%	
Other	1,991	2.3%	2,267	2.7%	276	12.2%	
Total Assets	85,934	100.0%	82,794	100.0%	3,140	3.8%	
Current Liabilities	51,544	60.0%	48,671	58.8%	2,873	5.9%	
Notes and Accounts Payable, Trade	22,564	26.3%	22,484	27.2%	80	0.4%	
Short-term Loans Payable	23,686	27.6%	23,118	27.9%	568	2.5%	
Current Portion of Bonds Payable	2,100	2.4%			2,100		
Other	3,193	3.7%	3,069	3.7%	124	4.0%	
Long-term Liabilities	5,795	6.7%	5,862	7.1%	67	1.1%	
Bonds Payable			2,100	2.5%	2,100		
Long-term Loans Payable	4,010	4.7%	2,129	2.6%	1,881	88.4%	
Other	1,785	2.1%	1,633	2.0%	152	9.3%	
Total Liabilities	57,339	66.7%	54,534	65.9%	2,805	5.1%	
Minority Interest	6	0.0%	1	0.0%	5	500.0%	
Common Stock	6,214	7.2%	6,214	7.5%			
Additional Paid-in Capital	6,351	7.4%	6,351	7.7%			
Retained Earnings	16,564	19.3%	16,063	19.4%	501	3.1%	
Revaluation of Investment Securities	126	0.1%	55	0.1%	71	129.1%	
Foreign Currency Translation Adjustments	61	0.1%	21	0.0%	40		
Treasury Stock	607	0.7%	404	0.5%	203		
Total Shareholders' Equity	28,588	33.3%	28,258	34.1%	330	1.2%	
Total Liabilities, Minority Interest and Shareholders' Equity	85,934	100.0%	82,794	100.0%	3,140	3.8%	

4 . Consolidated Statements of Cash Flows (Results)

(Unit: Yen in Million)

	FY2003 1H Results	FY2002 1H Results	Increase/ Decrease	Comments
Cash Flows from Operating Activities				
Income before Taxes	114	54	168	
Depreciation and Amortization	459	277	182	
Equity in Net Incomes/Losses of Affiliates	172	135	307	
Increase/Decrease in Accounts Receivable	2,306	2,498	192	
Increase/Decrease in Inventories	2,652	3,363	711	
Increase/Decrease in Accounts Payable	1,433	876	2,309	
Other	24	307	283	
Sub Total	1,354	675	2,029	
Interest and Dividends Received	8	10	2	
Interest Paid	161	212	51	
Income Taxes Paid	696	178	518	
Net Cash used in Operating Activities	2,204	294	2,498	
Cash Flows from Investing Activities				
Payment for Time Deposits	106	606	500	
Proceeds from Time Deposits		1,100	1,100	
Payment for Tangible Fixed Assets	70	272	202	
Payment for Intangible Fixed Assets	105	796	691	
Payment for Investment Securities	35	9	26	
Other	400	305	95	
Net Cash Provided by Investing Activities	82	280	362	
Cash Flows from Financing Activities				
Proceeds from Short-term loans	306	3,258	2,952	
Repayment of Short-term loans	210	4,055	3,845	
Proceeds from Long-term loans		1,000	1,000	
Repayment of Long-term Loans	94	1,075	981	
Payments for Purchases of Treasury Stock	202	157	45	
Dividends Paid	248	194	54	
Other	0		0	
Net Cash Provided by Financing Activities	449	1,223	774	
Effect of Exchange Rate Changes on Cash and Cash Equivalents	2	161	159	
Net Increase/Decrease in Cash and Cash Equivalents	2,573	1,371	1,202	
Cash and Cash Equivalents at Beginning of Year	6,327	5,488	839	
Cash and Cash Equivalents at End of Year	3,753	4,116	363	

5. Consolidated Statements of Income (Forecast)

(Unit: Yen in Million, %)

	FY2003 Forecast		FY2002 Results		Increase/Decrease		Comments
		Share of		Share of	Amount	%	
Net Sales	156,700	100.0%	151,798	100.0%	4,902	3.2%	
Electronic Devices	118,945	75.9%	113,119	74.5%	5,826	5.2%	
Electronic Systems	37,755	24.1%	38,679	25.5%	924	2.4%	
Cost of Sales	139,450	89.0%	135,442	89.2%	4,008	3.0%	Gross Profit Margin
Gross Profit	17,250	11.0%	16,356	10.8%	894	5.5%	FY03 11.0% FY02 10.8%
Electronic Devices	11,260		10,485		775	7.4%	FY03 9.5% FY02 9.3%
Electronic Systems	5,990		5,870		120	2.0%	FY03 15.9% FY02 15.2%
Selling, General and Administrative Expenses	16,140	10.3%	14,811	9.8%	1,329	9.0%	
Personnel Expenses	8,900	5.7%	8,289	5.5%	611	7.4%	
Other	7,240	4.6%	6,521	4.3%	719	11.0%	
Operating Income	1,110	0.7%	1,544	1.0%	434	28.1%	
Non-Operating Income	920	0.6%	604	0.4%	316	52.3%	
Interest Income	1	0.0%	4	0.0%	3	75.0%	
Equity in Net Incomes of Affiliates	375	0.2%	64	0.0%	311	485.9%	
Income from Investments in Real Estates	305	0.2%	315	0.2%	10	3.2%	
Other	239	0.2%	220	0.1%	19	8.6%	
Non-Operating Expenses	580	0.4%	933	0.6%	353	37.8%	
Interest Expenses	270	0.2%	396	0.3%	126	31.8%	
Expenses incurred for Investments in Real Estates	155	0.1%	166	0.1%	11	6.6%	
Other	155	0.1%	370	0.2%	215	58.1%	
Ordinary Income	1,450	0.9%	1,216	0.8%	234	19.2%	
Extraordinary Gains	60	0.0%	353	0.2%	293	83.0%	
Extraordinary Losses	110	0.1%	135	0.1%	25	18.5%	
Income before Taxes	1,400	0.9%	1,434	0.9%	34	2.4%	
Income, Inhabitant and Business Taxes -Current	660	0.4%	780	0.5%	120	15.4%	
Income, Inhabitant and Business Taxes -Deferred	100	0.1%	88	0.1%	12	13.6%	
Minority Interest in Losses	0	0.0%	3	0.0%	3	100.0%	
Net Income	840	0.5%	746	0.5%	94	12.6%	
Number of Employees (Fiscal-year end)	1,040		1,085		45	4.1%	

Notice:

Although two businesses units, which deal with DLP Sub-System(Texas Instruments, Inc.) and Power semiconductor(International Rectifier Corporation), were classified as Electronic Systems segment in the past, the company started to categorize them as Electronic Devices segment from the second half of FY2002.

In the financial results of FY2002 stated above, the company includes the results of the business units in Electronic Devices segment for the sake of comparison with financial forecasts.

6. Consolidated Sales by Segment (Results & Forecast)

(Unit: Yen in Million)

	FY2003 Forecast			FY2002 Results			Increase/Decrease					
	1H Results	2H Forecast	Year-end Forecast	1H Results	2H Results	Year-end Results	Amount			%		
							1H	2H	Year-end	1H	2H	Year-end
Semiconductors	49,929	55,721	105,650	48,643	51,008	99,651	1,286	4,713	5,999	2.6%	9.2%	6.0%
General-Use IC	19,375	20,228	39,603	22,575	20,475	43,050	3,200	247	3,447	14.2%	1.2%	8.0%
Memory IC	2,545	3,906	6,451	2,900	2,500	5,400	355	1,406	1,051	12.2%	56.2%	19.5%
Special-Use IC	18,450	20,885	39,335	16,813	18,180	34,993	1,637	2,705	4,342	9.7%	14.9%	12.4%
Micro Processor	2,930	3,220	6,150	2,977	3,200	6,177	47	20	27	1.6%	0.6%	0.4%
DSP	5,198	5,462	10,660	3,469	4,730	8,199	1,729	732	2,461	49.8%	15.5%	30.0%
LCD Driver IC	3,134	3,296	6,430	2,567	3,094	5,661	567	202	769	22.1%	6.5%	13.6%
Other	7,188	8,907	16,095	7,800	7,156	14,956	612	1,751	1,139	7.8%	24.5%	7.6%
Custom IC	7,634	8,301	15,935	4,416	7,665	12,081	3,218	636	3,854	72.9%	8.3%	31.9%
Discrete	1,565	2,170	3,735	1,221	1,537	2,758	344	633	977	28.2%	41.2%	35.4%
Other	360	230	590	718	648	1,366	358	418	776	49.9%	64.5%	56.8%
Devices	6,301	6,994	13,295	7,133	6,334	13,467	832	660	172	11.7%	10.4%	1.3%
Electronic Components	5,015	5,645	10,660	6,032	4,902	10,934	1,017	743	274	16.9%	15.2%	2.5%
Board Computer, etc.	1,286	1,349	2,635	1,101	1,431	2,532	185	82	103	16.8%	5.7%	4.1%
Total Electronic Devices	56,230	62,715	118,945	55,777	57,342	113,119	453	5,373	5,826	0.8%	9.4%	5.2%
Space and Defense Electronics	1,770	2,896	4,666	3,777	4,219	7,996	2,007	1,323	3,330	53.1%	31.4%	41.6%
Mesaurement & Insection Equipment (FY2002:Industrial Equipment)	4,914	7,335	12,249	4,662	7,095	11,757	252	240	492	5.4%	3.4%	4.2%
Scientific Equipment	497	879	1,376	783	842	1,625	286	37	249	36.5%	4.4%	15.3%
Laser Equipment	1,772	3,461	5,233	2,045	2,794	4,839	273	667	394	13.3%	23.9%	8.1%
(FY2002:C&I Equipment+Visual Equipment)	1,614	1,773	3,387	904	981	1,885	710	792	1,502	78.5%	80.7%	79.7%
Medical Equipment	4,551	6,292	10,843	4,093	6,483	10,576	458	191	267	11.2%	2.9%	2.5%
Total Electronic Systems	15,119	22,636	37,755	16,264	22,414	38,679	1,145	222	924	7.0%	1.0%	2.4%
Total Net Sales	71,349	85,351	156,700	72,042	79,756	151,798	693	5,595	4,902	1.0%	7.0%	3.2%

Notice:

Although two businesses units, which deal with DLP Sub-System(Texas Instruments, Inc.) and Power semiconductor(International Rectifier Corporation), were classified as Electronic Systems segment in the past, the company started to categorize them as Electronic Devices segment from the second half of FY2002.

In the financial results of FY2002 stated above, the company includes the results of the business units in Electronic Devices segment for the sake of comparison with financial forecasts.

7. Non-Consolidated Statements of Income (Results)

(Unit: Yen in Million, %)

	FY2003 1H Results		FY2002 1H Results		Increase/Decrease		Comments
		Share of		Share of	Amount	%	
Net Sales	63,494	100.0%	64,688	100.0%	1,194	1.8%	
Electronic Devices	54,570	85.9%	53,702	83.0%	868	1.6%	
Electronic Systems	8,924	14.1%	10,986	17.0%	2,062	18.8%	
Cost of Sales	56,831	89.5%	58,199	90.0%	1,368	2.4%	Gross Profit Margin
Gross Profit	6,663	10.5%	6,489	10.0%	174	2.7%	FY03-1H 10.5% FY02-1H 10.0%
Electronic Devices	5,145		4,824		321	6.7%	FY03-1H 9.4% FY02-1H 9.0%
Electronic Systems	1,518		1,664		146	8.8%	FY03-1H 17.0% FY02-1H 15.1%
Selling, General and Administrative Expenses	6,829	10.8%	6,270	9.7%	559	8.9%	
Personnel Expenses	3,527	5.6%	3,374	5.2%	153	4.5%	
Other	3,302	5.2%	2,896	4.5%	406	14.0%	
Operating Income	166	0.3%	218	0.3%	384		
Non-Operating Income	298	0.5%	284	0.4%	14	4.9%	
Interest Income	0	0.0%	2	0.0%	2	100.0%	
Other	298	0.5%	281	0.4%	17	6.0%	
Non-Operating Expenses	243	0.4%	537	0.8%	294	54.7%	
Interest Expenses	124	0.2%	192	0.3%	68	35.4%	
Other	119	0.2%	345	0.5%	226	65.5%	
Ordinary Income	111	0.2%	34	0.1%	77		
Extraordinary Gains	1	0.0%	223	0.3%	222	99.6%	
Extraordinary Losses	59	0.1%	150	0.2%	91	60.7%	
Income before Taxes	169	0.3%	38	0.1%	207		
Income, Inhabitant and Business Taxes -Current	12	0.0%	18	0.0%	6	33.3%	
Income, Inhabitant and Business Taxes -Deferred	41	0.0%	38	0.1%	79		
Net Income	140	0.2%	18	0.0%	122		
Number of Employees (Fiscal-year end)	810		851		41	4.8%	

Notice:

Although two businesses units, which deal with DLP Sub-System(Texas Instruments, Inc.) and Power semiconductor(International Rectifier Corporation), were classified as Electronic Systems segment in the past, the company started to categorize them as Electronic Devices segment from the second half of FY2002.

In the financial results of FY2002 stated above, the company includes the results of the business units in Electronic Devices segment for the sake of comparison with financial forecasts.

8. Non-Consolidated Balance Sheets (Results)

(Unit: Yen in Million, %)

	FY2003 1H Results		FY2002 1H Results		Increase/Decrease		Comments
		Share of		Share of	Amount	%	
Current Assets	61,914	80.0%	59,391	78.7%	2,523	4.2%	
Cash and Bank Deposits	5,350	6.9%	5,626	7.5%	276	4.9%	
Notes Receivable, Trade	4,205	5.4%	4,545	6.0%	340	7.5%	
Accounts Receivable, Trade	31,198	40.3%	30,066	39.9%	1,132	3.8%	
Inventories	18,413	23.8%	17,417	23.1%	996	5.7%	
Deferred Tax Assets	381	0.5%	312	0.4%	69	22.1%	
Other	2,388	3.1%	1,501	2.0%	887	59.1%	
Allowance for Doubtful Accounts	23	0.0%	79	0.1%	56		
Long-term Assets	15,517	20.0%	16,034	21.3%	517	3.2%	
Tangible Fixed Assets	4,644	6.0%	4,813	6.4%	169	3.5%	
Buildings	1,778	2.3%	1,914	2.5%	136	7.1%	
Land	2,300	3.0%	2,300	3.0%			
Other	564	0.7%	598	0.8%	34	5.7%	
Intangible Fixed Assets	2,346	3.0%	2,474	3.3%	128	5.2%	
Investments and Other Assets	8,526	11.0%	8,746	11.6%	220	2.5%	
Investment Securities	1,687	2.2%	1,372	1.8%	315	23.0%	
Investments in Subsidiaries and Affiliates	1,082	1.4%	1,275	1.7%	193	15.1%	
Investments in Real EstateS	3,017	3.9%	3,021	4.0%	4	0.1%	
Deferred Tax Assets	1,374	1.8%	1,375	1.8%	1	0.1%	
Other	1,364	1.8%	1,699	2.3%	335	19.7%	
Total Assets	77,432	100.0%	75,426	100.0%	2,006	2.7%	
Current Liabilities	45,991	59.4%	43,782	58.0%	2,209	5.0%	
Notes Payable, Trade	2,377	3.1%	2,072	2.7%	305	14.7%	
Accounts Payable, Trade	15,602	20.1%	16,647	22.1%	1,045	6.3%	
Short-term Loans Payable	23,300	30.1%	22,600	30.0%	700	3.1%	
Current Portion of Bonds Payable	2,100	2.7%			2,100		
Other	2,612	3.4%	2,462	3.3%	150	6.1%	
Long-term Liabilities	5,727	7.4%	5,624	7.5%	103	1.8%	
Bonds Payable			2,100	2.8%	2,100		
Long-term Loans Payable	4,000	5.2%	2,000	2.7%	2,000	100.0%	
Other	1,727	2.2%	1,524	2.0%	203	13.3%	
Total Liabilities	51,719	66.8%	49,407	65.5%	2,312	4.7%	
Common Stock	6,214	8.0%	6,214	8.2%			
Additional Paid-in Capital	6,351	8.2%	6,351	8.4%			
Retained Earnings	13,646	17.6%	13,805	18.3%	159	1.2%	
Revaluation of Investment in Securities	108	0.1%	51	0.1%	57	111.8%	
Treasury Stock	607	0.8%	404	0.5%	203		
Total Shareholders' Equity	25,713	33.2%	26,018	34.5%	305	1.2%	
Total Liabilities and Shareholders' Equity	77,432	100.0%	75,426	100.0%	2,006	2.7%	

9. Non-Consolidated Statements of Income (Forecast)

(Unit: Yen in Million, %)

	FY2003 Forecast		FY2002 Results		Increase/Decrease		Comments
		Share of		Share of	Amount	%	
Net Sales	138,100	100.0%	133,322	100.0%	4,778	3.6%	
Electronic Devices	114,860	83.2%	108,980	81.7%	5,880	5.4%	
Electronic Systems	23,240	16.8%	24,341	18.3%	1,102	4.5%	
Cost of Sales	123,320	89.3%	119,418	89.6%	3,902	3.3%	Gross Profit Margin
Gross Profit	14,780	10.7%	13,903	10.4%	877	6.3%	FY03 10.7% FY02 10.4%
Electronic Devices	10,805		9,997		808	8.1%	FY03 9.4% FY02 9.2%
Electronic Systems	3,975		3,906		69	1.8%	FY03 17.1% FY02 16.0%
Selling, General and Administrative Expenses	14,000	10.1%	12,712	9.5%	1,288	10.1%	
Personnel Expenses	7,150	5.2%	6,697	5.0%	453	6.8%	
Other	6,850	5.0%	6,015	4.5%	835	13.9%	
Operating Income	780	0.6%	1,190	0.9%	410	34.5%	
Non-Operating Income	510	0.4%	558	0.4%	48	8.6%	
Interest Income	1	0.0%	3	0.0%	2	66.7%	
Other	509	0.4%	555	0.4%	46	8.3%	
Non-Operating Expenses	540	0.4%	870	0.7%	330	37.9%	
Interest Expenses	265	0.2%	360	0.3%	95	26.4%	
Other	275	0.2%	509	0.4%	234	46.0%	
Ordinary Income	750	0.5%	879	0.7%	129	14.7%	
Extraordinary Gains	15	0.0%	348	0.3%	348	95.7%	
Extraordinary Losses	65	0.0%	304	0.2%	239	78.6%	
Income before Taxes	700	0.5%	923	0.7%	223	24.2%	
Income, Inhabitant and Business Taxes -Current	510	0.4%	532	0.4%	22	4.1%	
Income, Inhabitant and Business Taxes -Deferred	100	0.1%	24	0.0%	76		
Net Income	290	0.2%	414	0.3%	124	30.0%	
Number of Employees (Fiscal-year end)	800		826		26	3.1%	

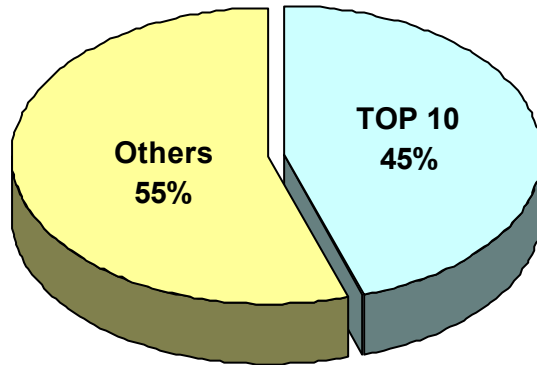
Notice:

Although two businesses units, which deal with DLP Sub-System(Texas Instruments, Inc.) and Power semiconductor(International Rectifier Corporation), were classified as Electronic Systems segment in the past, the company started to categorize them as Electronic Devices segment from the second half of FY2002.

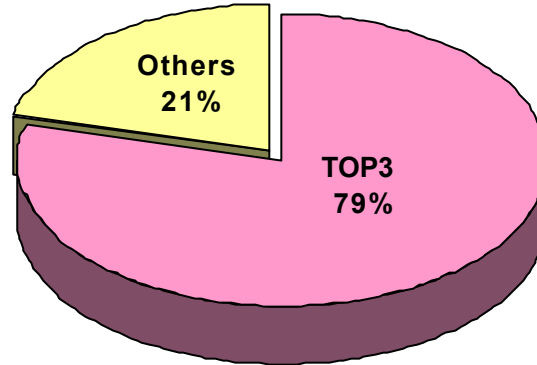
In the financial results of FY2002 stated above, the company includes the results of the business units in Electronic Devices segment for the sake of comparison with financial forecasts.

• Non-Consolidated Sales Breakdown (2003/9 Results)

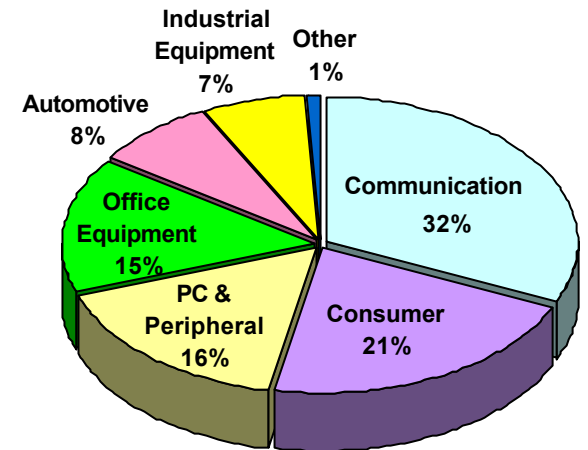
Sales by customer



Sales of Electronic Devices



Sales of Electronic Devices by Application



1	mitsubishi electric group
2	NEC GROUP
3	TOSHIBA GROUP
4	SANYO ELECTRIC GROUP
5	CHINON
6	SONY GROUP
7	CANON GROUP
8	SEIKO EPSON GROUP

1	Texas Instruments
2	Seiko Epson
3	Motorola