

# Financial Results for the March 2006 Term Handout for the Explanatory Meeting

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May 19, 2006

**MARUBUN CORPORATION**

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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.

## Consolidated Statement of Income (Results)

(Unit: Yen in Million)

	FY2005 Results	FY2004 Results	Increase /Decrease
Net Sales	237,508	170,891	66,617
Electronic Devices	201,585	131,633	69,952
Electronic Systems	35,923	39,258	(3,335)
Cost of Sales	214,400	151,673	62,727
Gross Profit	23,108	19,218	3,890
Electronic Devices	17,509	12,827	4,682
Electronic Systems	5,599	6,391	(792)
Selling, General and Administrative Expense	17,893	15,706	2,187
Personnel Expenses	9,461	8,391	1,070
Other	8,432	7,314	1,118
Operating Income	5,215	3,512	1,703
Non-Operating Income	623	929	(306)
Equity in Net Incomes of Affiliates	139	460	(321)
Non-Operating Expenses	787	920	(133)
Ordinary Income	5,050	3,520	1,530
Extraordinary Gains	71	83	(12)
Extraordinary Losses	36	573	(537)
Income before Taxes	5,085	3,029	2,056
Income, Inhabitant and Business Taxes -Current	2,137	1,120	1,017
Income, Inhabitant and Business Taxes -Deferred	(86)	84	(170)
Minority Interest in Losses	360	4	356
Net Income	2,674	1,820	854
Number of Employees (Fiscal year-end)	1,154	1,025	129
Gross Profit Margin	9.7%	11.2%	-
Electronic Devices	8.7%	9.7%	-
Electronic Systems	15.6%	16.3%	-
Operating Profit Margin	2.2%	2.1%	-
Ordinary Profit Margin	2.1%	2.1%	-
Net Profit Margin	1.1%	1.1%	-

## Consolidated Sales by Segment (Results)

(Unit: Yen in Million)

	FY2005 Results	FY2004 Results	Increase /Decrease
Total Electronic Devices	201,585	131,633	69,952
Semiconductors	181,681	118,233	63,448
General-Use ICs	41,578	33,528	8,050
Memory ICs	20,003	6,281	13,722
Special-Use ICs	100,526	62,865	37,661
Micro Processor	7,055	5,942	1,113
DSP	32,080	20,953	11,127
Display Driver	3,510	7,351	(3,841)
Other	57,881	28,619	29,262
Custom ICs	14,879	11,571	3,308
Discrete	5,152	4,330	822
Other	(457)	(342)	(115)
Devices	19,903	13,399	6,504
Electronic Components	16,840	9,874	6,966
Board Computer, etc.	3,063	3,525	(462)
Total Electronic Systems	35,923	39,258	(3,335)
Space and Defense Electronics	2,954	3,610	(656)
Industrial Equipment	12,324	15,119	(2,795)
Scientific Equipment	1,223	2,429	(1,206)
Laser Equipment	4,189	4,598	(409)
Communication & Information Equipmer	3,893	3,411	482
Medical Equipmen	11,339	10,091	1,248
Total Net Sales	237,508	170,891	66,617

## Consolidated Balance Sheets (Results)

(Unit: Yen in Million)

	FY2005 Results	FY2004 Results	Increase /Decrease
<b>Current Assets</b>	101,079	74,614	26,465
Cash and Bank Deposits	8,876	6,720	2,156
Notes and Accounts Receivable, Trade	63,209	45,714	17,495
Inventories	26,537	20,246	6,291
Deferred Tax Assets	627	480	147
Other	1,874	1,479	395
Allowance for Doubtful Accounts	(45)	(27)	(18)
<b>Long-term Assets</b>	16,556	17,126	(570)
<b>Tangible Fixed Assets</b>	5,799	5,388	411
Buildings and Structures	2,134	2,049	85
Land	2,987	2,648	339
Other	677	690	(13)
<b>Intangible Fixed Assets</b>	2,277	2,162	115
<b>Investments and Other Assets</b>	8,479	9,575	(1,096)
Investment Securities	3,188	3,826	(638)
Investments in Real Estates	1,983	2,416	(433)
Deferred Tax Assets	935	1,316	(381)
Other	2,371	2,017	354
<b>Total Assets</b>	117,636	91,740	25,896
<b>Current Liabilities</b>	77,291	57,297	19,994
Notes and Accounts Payable, Trade	41,707	25,378	16,329
Short-term Loans Payable	30,635	27,610	3,025
Allowance for Employees' Bonuses	848	785	63
Other	4,099	3,522	577
<b>Long-term Liabilities</b>	4,787	3,867	920
Bonds Payable	1,000	-	1,000
Long-term Loans Payable	2,000	2,000	-
Allowance for Employees' Retirement Benefits	685	814	(129)
Allowance for Directors' Retirement Benefits	437	429	8
Deferred Tax Liabilities	66	0	66
Other	598	623	(25)
<b>Total Liabilities</b>	82,079	61,165	20,914
<b>Minority Interest</b>	2,340	11	2,329
<b>Common Stock</b>	6,214	6,214	-
<b>Additional Paid-in Capital</b>	6,351	6,351	-
<b>Retained Earnings</b>	20,680	18,722	1,958
<b>Revaluation of Investment Securities</b>	971	390	581
<b>Foreign Currency Translation Adjustments</b>	48	(91)	139
<b>Treasury Stock</b>	(1,051)	(1,023)	(28)
<b>Total Schereholders' Equity</b>	33,215	30,563	2,652
<b>Total Liabilities, Minority Interest and Shareholders' Equity</b>	117,636	91,740	25,896

## Consolidated Statements of Cash Flows (Results)

(Unit: Yen in Million)

	FY2005 Results	FY2004 Results	Increase /Decrease
<b>Cash Flows from Operating Activities</b>			
Income before Taxes	5,085	3,029	2,056
Depreciation and Amortization	929	961	(32)
Amortization of Consolidation Adjustments	108	-	108
Equity in Net Incomes/Losses of Affiliates	(56)	(404)	348
Increase/Decrease in Accounts Receivable	(12,403)	3,235	(15,638)
Increase/Decrease in Inventories	(4,137)	(1,869)	(2,268)
Increase/Decrease in Accounts Payable	13,325	(4,149)	17,474
Other	(883)	1,071	(1,954)
Sub Total	1,969	1,874	95
Interest and Dividends Received	37	17	20
Interest Paid	(305)	(288)	(17)
Income Taxes Paid	(1,418)	(1,290)	(128)
Net Cash used in Operating Activities	284	312	(28)
<b>Cash Flows from Investing Activities:</b>	(1,136)	(217)	(919)
<b>Cash Flows from Financing Activities</b>	1,572	693	879
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	144	(3)	147
<b>Net Increase/Decrease in Cash and Cash Equivalents</b>	864	784	80
<b>Cash and Cash Equivalents at Beginning of Year</b>	3,974	3,189	785
<b>Increase in Cash and Cash Equivalents due to New Consolidated Subsidiaries</b>	1,567	-	1,567
<b>Cash and Cash Equivalents at End of Year</b>	6,406	3,974	2,432

## Consolidated Statement of Income (Forecast)

(Unit: Yen in Million)

	FY2006 Forecast	FY2005 Results	Increase /Decrease
Net Sales	262,000	237,508	24,492
Electronic Devices	219,200	201,585	17,615
Electronic Systems	42,800	35,923	6,877
Cost of Sales	236,700	214,400	22,300
Gross Profit	25,300	23,108	2,192
Electronic Devices	19,000	17,509	1,491
Electronic Systems	6,300	5,599	701
Selling, General and Administrative Expenses	19,600	17,893	1,707
Operating Income	5,700	5,215	485
Non-Operating Income	500	623	(123)
Non-Operating Expenses	900	787	113
Ordinary Income	5,300	5,050	250
Extraordinary Gains	360	71	289
Extraordinary Losses	210	36	174
Income before Taxes	5,450	5,085	365
Income, Inhabitant and Business Taxes -Current	900	2,137	(1,237)
Income, Inhabitant and Business Taxes -Deferred	1,280	(86)	1,366
Minority Interest in Losses	320	360	(40)
Net Income	2,950	2,674	276
Gross Profit Margin	9.7%	9.7%	-
Electronic Devices	8.7%	8.7%	-
Electronic Systems	14.7%	15.6%	-
Operating Profit Margin	2.2%	2.2%	-
Ordinary Profit Margin	2.0%	2.1%	-
Net Profit Margin	1.1%	1.1%	-

## Consolidated Sales by Segment (Forecast)

(Unit: Yen in Million)

	FY2006 Forecast	FY2005 Results	Increase /Decrease
Total Electronic Devices	219,200	201,585	17,615
Semiconductors	199,820	181,681	18,139
General-Use ICs	41,583	41,578	5
Memory ICs	24,334	20,003	4,331
Special-Use ICs	106,720	100,526	6,194
Micro Processor	7,833	7,055	778
DSP	30,263	32,080	(1,817)
Display Driver	6,967	3,510	3,457
Other	61,657	57,881	3,776
Custom ICs	21,456	14,879	6,577
Discrete	5,727	5,152	575
Other	-	(457)	(457)
Devices	19,380	19,903	(523)
Electronic Components	16,766	16,840	(74)
Board Computer, etc.	2,614	3,063	(449)
Total Electronic Systems	42,800	35,923	6,877
Space and Defense Electronics	3,451	2,954	497
Industrial Equipment	15,698	12,324	3,374
Scientific Equipment	3,925	1,223	2,702
Laser Equipment	2,959	4,189	(1,230)
Communication & Information Equipmer	4,141	3,893	248
Medical Equipmen	12,626	11,339	1,287
Total Net Sales	262,000	237,508	24,492

## Consolidated Statements of Income (Quarterly)

(Unit: Yen in Million)

	FY2004					FY2005				
	1st Quarter 04/4-6	2nd Quarter 04/7-9	3rd Quarter 04/10-12	4th Quarter 05/1-3	Full Year 04/4-05/3	1st Quarter 05/4-6	2nd Quarter 05/7-9	3rd Quarter 05/10-12	4th Quarter 06/1-3	Full Year 05/4-06/3
Net Sales	39,939	43,564	42,252	45,134	170,891	49,241	57,999	57,519	72,748	237,508
Cost of Sales	35,451	38,757	37,958	39,505	151,673	44,350	52,351	51,702	65,995	214,400
Gross Profit	4,488	4,807	4,293	5,628	19,218	4,890	5,648	5,817	6,752	23,108
Selling, General and Administrative Expenses	3,922	3,896	3,715	4,172	15,706	4,238	4,356	4,653	4,644	17,893
Operating Income	566	911	578	1,456	3,512	651	1,291	1,163	2,108	5,215
Non-Operating Income	171	224	314	217	929	136	152	124	208	623
Non-Operating Expenses	165	197	87	469	920	246	407	(104)	238	787
Ordinary Income	572	938	805	1,204	3,520	542	1,037	1,392	2,078	5,050
Extraordinary Gains	49	0	41	(9)	83	61	7	2	0	71
Extraordinary Losses	1	9	0	562	573	6	15	1	13	36
Income before Taxes	621	929	846	632	3,029	597	1,028	1,393	2,066	5,085
Income, Inhabitant and Business Taxes	233	389	278	303	1,204	252	449	490	858	2,050
Minority Interest in Losses	2	0	(0)	1	4	51	46	124	137	360
Net Income	385	539	567	327	1,820	293	532	778	1,070	2,674
Number of Employees (Fiscal year-end)	1,021	1,020	995	1,025	1,025	1,147	1,152	1,156	1,154	1,154
Gross Profit Margin	11.2%	11.0%	10.2%	12.5%	11.2%	9.9%	9.7%	10.1%	9.3%	9.7%
Operating Profit Margin	1.4%	2.1%	1.4%	3.2%	2.1%	1.3%	2.2%	2.0%	2.9%	2.2%
Ordinary Profit Margin	1.4%	2.2%	1.9%	2.7%	2.1%	1.1%	1.8%	2.4%	2.9%	2.1%
Net Profit Margin	1.0%	1.2%	1.3%	0.7%	1.1%	0.6%	0.9%	1.4%	1.5%	1.1%

## Consolidated Sales by Segment (Quarterly)

(Unit: Yen in Million)

	FY2004					FY2005				
	1st Quarter 04/4-6	2nd Quarter 04/7-9	3rd Quarter 04/10-12	4th Quarter 05/1-3	Full Year 04/4-05/3	1st Quarter 05/4-6	2nd Quarter 05/7-9	3rd Quarter 05/10-12	4th Quarter 06/1-3	Full Year 05/4-06/3
Total Electronic Devices	33,095	32,360	33,918	32,260	131,633	44,034	48,440	49,225	59,866	201,585
Semiconductors	30,092	28,947	30,616	28,578	118,233	38,230	44,465	44,442	54,544	181,681
General-Use ICs	9,100	8,480	8,335	7,613	33,528	8,772	10,155	10,520	12,131	41,578
Memory ICs	1,453	1,885	1,415	1,528	6,281	4,594	5,555	5,063	4,791	20,003
Special-Use ICs	15,602	14,866	16,935	15,462	62,865	19,940	24,191	23,918	32,477	100,526
Micro Processor	1,498	1,469	1,544	1,431	5,942	1,643	1,748	1,838	1,826	7,055
DSP	4,750	5,172	6,624	4,407	20,953	6,245	6,767	7,118	11,950	32,080
Display Driver	2,669	1,852	1,318	1,512	7,351	1,109	748	983	670	3,510
Other	6,685	6,372	7,450	8,112	28,619	10,943	14,929	13,980	18,029	57,881
Custom ICs	2,656	2,780	3,116	3,019	11,571	3,836	3,712	3,358	3,973	14,879
Discrete	1,398	928	1,028	976	4,330	1,192	1,241	1,411	1,308	5,152
Other	(117)	9	(213)	(21)	(342)	(111)	(381)	171	(136)	(457)
Devices	3,003	3,413	3,303	3,680	13,399	5,803	3,976	4,783	5,341	19,903
Electronic Components	2,305	2,570	2,506	2,493	9,874	5,035	3,252	3,967	4,586	16,840
Board Computer, etc.	698	843	797	1,187	3,525	767	725	816	755	3,063
Total Electronic Systems	6,843	11,204	8,334	12,876	39,258	5,206	9,560	8,293	12,864	35,923
Space and Defense Electronics	546	1,399	575	1,090	3,610	346	745	769	1,094	2,954
Industrial Equipment	2,695	4,581	3,746	4,097	15,119	1,730	3,866	2,744	3,984	12,324
Scientific Equipment	267	481	353	1,328	2,429	47	89	276	811	1,223
Laser Equipment	682	1,093	846	1,977	4,598	489	951	769	1,980	4,189
Communication & Information Equipment	651	990	689	1,081	3,411	738	1,022	891	1,242	3,893
Medical Equipment	2,000	2,663	2,124	3,304	10,091	1,856	2,887	2,845	3,751	11,339
Total Net Sales	39,939	43,564	42,252	45,135	170,891	49,241	58,000	57,519	72,748	237,508

## Consolidated Balance Sheets (Quarterly )

(Unit: Yen in Million)

	FY2004				FY2005			
	1st Quarter 04/6	2nd Quarter 04/9	3rd Quarter 04/12	4th Quarter 05/3	1st Quarter 05/6	2nd Quarter 05/9	3rd Quarter 05/12	4th Quarter 06/3
<b>Current Assets</b>	73,567	77,207	74,689	74,614	82,931	87,573	87,985	101,079
Cash and Bank Deposits	6,101	4,948	5,619	6,720	10,319	8,911	8,621	8,876
Notes and Accounts Receivable, Trade	45,315	46,532	44,672	45,714	48,758	54,491	58,157	63,209
Inventories	19,915	23,319	22,505	20,246	21,675	21,761	19,322	26,537
Deferred Tax Assets	527	474	527	480	488	502	479	627
Other	1,736	1,960	1,389	1,479	1,747	1,957	1,459	1,874
Allowance for Doubtful Accounts	(29)	(28)	(25)	(27)	(58)	(51)	(54)	(45)
<b>Long-term Assets</b>	17,174	16,986	17,080	17,126	15,499	16,233	16,493	16,556
<b>Tangible Fixed Assets</b>	5,438	5,384	5,350	5,388	5,432	5,481	5,521	5,799
Buildings and Structures	2,182	2,132	2,086	2,049	2,029	1,998	2,166	2,134
Land	2,658	2,658	2,648	2,648	2,648	2,648	2,648	2,987
Other	597	593	615	690	753	833	706	677
<b>Intangible Fixed Assets</b>	1,925	1,782	1,665	2,162	2,109	2,288	2,333	2,277
<b>Investments and Other Assets</b>	9,811	9,819	10,064	9,575	7,957	8,464	8,639	8,479
Investment Securities	2,031	3,480	3,779	3,826	2,207	2,423	2,788	3,188
Investments in Real Estates	2,951	2,928	2,904	2,416	2,390	2,364	2,343	1,983
Deferred Tax Assets	1,415	1,446	1,384	1,316	1,275	1,174	1,099	935
Other	3,411	1,963	1,994	2,017	2,085	2,502	2,408	2,371
<b>Total Assets</b>	<b>90,742</b>	<b>94,194</b>	<b>91,770</b>	<b>91,740</b>	<b>98,430</b>	<b>103,806</b>	<b>104,478</b>	<b>117,636</b>
<b>Current Liabilities</b>	56,093	60,279	57,257	57,297	61,901	66,724	65,293	77,291
Notes and Accounts Payable, Trade	24,257	25,929	22,612	25,378	30,602	32,810	30,800	41,707
Short-term Loans Payable	28,721	31,242	32,200	27,610	27,893	30,504	31,686	30,635
Deferred Tax Liabilities	-	-	0	-	0	0	0	-
Allowance for Employees' Bonuses	401	800	407	785	403	868	432	848
Other	2,712	2,306	2,036	3,522	3,000	2,539	2,373	4,099
<b>Long-term Liabilities</b>	4,996	3,936	3,908	3,867	3,868	3,793	4,798	4,787
Bonds Payable	-	-	-	-	-	-	1,000	1,000
Long-term Loans Payable	3,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Allowance for Employees' Retirement Benefits	930	890	852	814	798	754	717	685
Allowance for Directors' Retirement Benefits	409	411	420	429	441	408	424	437
Deferred Tax Liabilities	-	0	0	0	0	25	59	66
Other	656	633	634	623	628	605	597	598
<b>Total Liabilities</b>	<b>61,090</b>	<b>64,215</b>	<b>61,165</b>	<b>61,165</b>	<b>65,769</b>	<b>70,518</b>	<b>70,092</b>	<b>82,079</b>
Minority Interest	9	10	10	11	1,908	1,947	2,119	2,340
Common Stock	6,214	6,214	6,214	6,214	6,214	6,214	6,214	6,214
Additional Paid-in Capital	6,351	6,351	6,351	6,351	6,351	6,351	6,351	6,351
Retained Earnings	17,842	18,130	18,698	18,722	19,015	19,250	20,022	20,680
Revaluation of Investment Securities	281	206	308	390	456	578	778	971
Foreign Currency Translation Adjustments	(220)	(189)	(144)	(91)	(207)	65	(3)	48
Treasury Stock	(827)	(745)	(833)	(1,023)	(1,077)	(1,119)	(1,096)	(1,051)
<b>Total Shareholders' Equity</b>	<b>29,642</b>	<b>29,968</b>	<b>30,593</b>	<b>30,563</b>	<b>30,752</b>	<b>31,340</b>	<b>32,266</b>	<b>33,215</b>
<b>Total Liabilities, Minority Interest and Shareholders' Equity</b>	<b>90,742</b>	<b>94,194</b>	<b>91,770</b>	<b>91,740</b>	<b>98,430</b>	<b>103,806</b>	<b>104,478</b>	<b>117,636</b>

## Consolidated Statement of Cash Flows (Quarterly )

(Unit: Yen in Million)

	FY2004				FY2005			
	1st Quarter 04/6	2nd Quarter 04/9	3rd Quarter 04/12	4th Quarter 05/3	1st Quarter 05/6	2nd Quarter 05/9	3rd Quarter 05/12	4th Quarter 06/3
<b>Cash Flows from Operating Activities</b>								
Income before Taxes	621	1,551	2,397	3,029	597	1,625	3,019	5,085
Depreciation and Amortization	226	464	717	961	223	471	715	929
Amortization of Consolidation Adjustments	-	-	-	-	27	54	81	108
Equity in Net Incomes/Losses of Affiliates	(5)	(112)	(254)	(404)	19	28	(9)	(56)
Increase/Decrease in Accounts Receivable	2,338	1,131	2,997	3,235	1,557	(4,051)	(8,819)	(12,403)
Increase/Decrease in Inventories	(2,162)	(5,565)	(4,750)	(1,869)	479	450	2,972	(4,137)
Increase/Decrease in Accounts Payable	(3,439)	(1,778)	(5,095)	(4,149)	3,069	4,098	3,641	13,325
Other	(39)	(758)	(581)	1,071	(1,131)	(651)	(1,074)	(883)
<b>Sub Total</b>	<b>(2,461)</b>	<b>(5,067)</b>	<b>(4,570)</b>	<b>1,874</b>	<b>4,842</b>	<b>2,026</b>	<b>526</b>	<b>1,969</b>
Interest and Dividends Received	8	10	15	17	10	17	29	37
Interest Paid	(55)	(147)	(196)	(288)	(43)	(145)	(196)	(305)
Income Taxes Paid	(791)	(814)	(1,270)	(1,290)	(741)	(774)	(1,332)	(1,418)
<b>Net Cash used in Operating Activities</b>	<b>(3,300)</b>	<b>(6,017)</b>	<b>(6,022)</b>	<b>312</b>	<b>4,068</b>	<b>1,123</b>	<b>(973)</b>	<b>284</b>
<b>Cash Flows from Investing Activities</b>	<b>(15)</b>	<b>(10)</b>	<b>22</b>	<b>(217)</b>	<b>(381)</b>	<b>(851)</b>	<b>(1,276)</b>	<b>(1,136)</b>
<b>Cash Flows from Financing Activities</b>	<b>3,479</b>	<b>5,031</b>	<b>5,684</b>	<b>693</b>	<b>(1,679)</b>	<b>774</b>	<b>2,692</b>	<b>1,572</b>
Effect of Exchange Rate Changes on Cash an	(1)	3	3	(3)	59	13	67	144
<b>Net Increase/Decrease in Cash and Cash Equivalents</b>	<b>162</b>	<b>(993)</b>	<b>(312)</b>	<b>784</b>	<b>2,066</b>	<b>1,060</b>	<b>509</b>	<b>864</b>
<b>Cash and Cash Equivalents at Beginning of Year</b>	<b>3,189</b>	<b>3,189</b>	<b>3,189</b>	<b>3,189</b>	<b>3,974</b>	<b>3,974</b>	<b>3,974</b>	<b>3,974</b>
<b>Increase in Cash and Cash Equivalents due to New Consolidated Subsidiaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,473</b>	<b>1,567</b>	<b>1,567</b>	<b>1,567</b>
<b>Cash and Cash Equivalents at End of Year</b>	<b>3,352</b>	<b>2,196</b>	<b>2,876</b>	<b>3,974</b>	<b>7,515</b>	<b>6,602</b>	<b>6,052</b>	<b>6,406</b>

## Non-Consolidated statements of Income (Results )

(Unit: Yen in Million)

	FY2005 Results	FY2004 Results	Increase /Decrease
Net Sales	174,197	152,872	21,325
Electronic Devices	156,057	128,176	27,881
Electronic Systems	18,139	24,696	(6,557)
Cost of Sales	157,012	136,342	20,670
Gross Profit	17,184	16,530	654
Electronic Devices	13,911	12,264	1,647
Electronic Systems	3,272	4,265	(993)
Selling, General and Administrative Expenses	13,531	13,758	(227)
Personnel Expenses	6,731	6,514	217
Other	6,800	7,244	(444)
Operating Income	3,653	2,771	882
Non-Operating Income	510	503	7
Equity in Net Incomes of Affiliates	749	617	132
Non-Operating Expenses	3,413	2,657	756
Ordinary Income	68	13	55
Extraordinary Gains	32	569	(537)
Extraordinary Losses	3,450	2,101	1,349
Income before Taxes	1,494	838	656
Income, Inhabitant and Business Taxes -Current	(11)	83	(94)
Income, Inhabitant and Business Taxes -Deferred	1,966	1,179	787
Number of Employees (Fiscal-year end)	729	727	2
Gross Profit Margin	9.9%	10.8%	-
Electronic Devices	8.9%	9.6%	-
Electronic Systems	18.0%	17.3%	-
Operating Profit Margin	2.1%	1.8%	-
Ordinary Profit Margin	2.0%	1.7%	-
Net Profit Margin	1.1%	0.8%	-

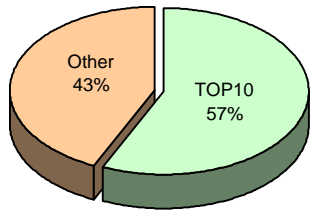
## Non-Consolidated statements of Income (Forecast )

(Unit: Yen in Million)

	FY2006 Forecast	FY2005 Results	Increase /Decrease
Net Sales	184,700	174,197	10,503
Electronic Devices	161,900	156,057	5,843
Electronic Systems	22,800	18,139	4,661
Cost of Sales	166,300	157,012	9,288
Gross Profit	18,400	17,184	1,216
Electronic Devices	14,690	13,911	779
Electronic Systems	3,710	3,272	438
Selling, General and Administrative Expenses	14,600	13,531	1,069
Personnel Expenses	6,816	6,731	85
Other	7,784	6,800	984
Operating Income	3,800	3,653	147
Non-Operating Income	300	510	(210)
Non-Operating Expenses	600	749	(149)
Ordinary Income	3,500	3,413	87
Extraordinary Gains	360	68	292
Extraordinary Losses	210	32	178
Income before Taxes	3,650	3,450	200
Income, Inhabitant and Business Taxes -Current	280	1,494	(1,214)
Income, Inhabitant and Business Taxes -Deferred	1,270	(11)	11
Net Income	2,100	1,966	134
Gross Profit Margin	10.0%	9.9%	-
Electronic Devices	9.1%	8.9%	-
Electronic Systems	16.3%	18.0%	-
Operating Profit Margin	2.1%	2.1%	-
Ordinary Profit Margin	1.9%	2.0%	-
Net Profit Margin	1.1%	1.1%	-

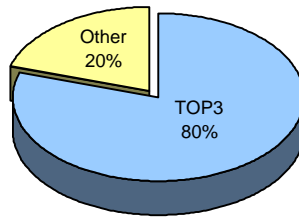
• Consolidated Sales Breakdown (2006/3 Results)

Sales by customer



- 1 SHARP GROUP
- 2 Mitsubishi Electric Group
- 3 Murata Manufacturing
- 4 Sony Group
- 5 NEC Group
- 6 Matsushita Electric Group
- 7 Toshiba Group
- 8 Seiko Epson Group
- 9 Canon Group
- 10 Fuji XEROX Group

Sales of Electronic Devices



- 1 Texas Instruments
- 2 Broadcom
- 3 Sumsung
- 4 Seiko Epson
- 5 Freescale

Sales of Electronic Devices by Application

