



**Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024**  
**<under Japanese GAAP>**

February 7, 2025

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 Listing : Tokyo Stock Exchange  
 Securities Code : 7537  
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Preparation of supplementary material : Yes

Holding of investor meeting : No

**1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 1, 2024 - December 31, 2024)**

(1) Consolidated Operating Results

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the Nine Months ended								
December 31, 2024	151,953	(15.4)	6,735	(33.9)	2,805	(46.3)	1,825	(44.8)
December 31, 2023	179,514	10.0	10,187	16.9	5,221	(18.1)	3,305	(16.6)

(Note)

Comprehensive income	Nine Months ended December 31, 2024	2,052 Millions of Yen	[(63.3)%]
	Nine Months ended December 31, 2023	5,597 Millions of Yen	[(18.8)%]

	Earnings per Share -Basic-	Earnings Per Share -Diluted-
	Yen	Yen
For the Nine Months ended		
December 31, 2024	69.77	-
December 31, 2023	126.42	-

(2) Financial Position

	Total Assets	Total Net Assets	Equity Ratio
	Millions of Yen	Millions of Yen	%
As of December 31, 2024	172,057	56,895	29.8
As of March 31, 2024	174,120	56,433	29.1

(Reference)

Tangible net worth	As of December 31, 2024	51,214 Millions of Yen
	As of March 31, 2024	50,696 Millions of Yen

**2. Dividends**

	Dividend Per Share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	-	25.00	-	27.00	52.00
Year ended March 31, 2024	-	25.00	-		
Year ending March 31, 2024 (Forecast)				27.00	52.00

**3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2025**

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Earnings per Share -Basic-
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Year ending March 31, 2025	210,000	(11.1)	9,050	(30.3)	6,000	6.6	4,150	22.0	158.63

## 1. Summary of operating results for the fiscal year under review

During the first nine months of the consolidated fiscal year under review (April 1, 2024 to December 31, 2024), the Japanese economy gradually recovered, with capital investment picking up and improvements seen in corporate earnings, employment and the income environment. However, the outlook remained uncertain due to factors such as rising prices, US policy trends, and fluctuations in financial and capital markets.

In the electronics sector, to which our Group belongs, the market for PCs and smartphones was sluggish, and inventory of semiconductors for industrial equipment and automobiles remained in an adjustment phase, despite the strong performance of AI servers and AI-related semiconductors due to the spread and expansion of generative AI.

Under these circumstances, the Group's net sales for the first nine months of the consolidated fiscal year under review decreased 15.4% year on year to 151,953 million yen, the result of weak overall demand in the Electronic Devices Business, including PC and computer peripherals as well as semiconductors for automobiles. In terms of profit, operating income decreased 33.9% year on year to 6,735 million yen due to a decrease in sales and an increase in selling, general and administrative expenses. Meanwhile, ordinary income decreased 46.3% year on year to 2,805 million yen, and profit attributable to owners of parent decreased 44.8% year on year to 1,825 million yen, the result of recording foreign exchange losses of 1,248 million yen due to the yen's depreciation in the third quarter of the consolidated fiscal year under review.

Operating results by business segment are as follows:

(Electronic Devices Business)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Change	Change (%)
	Millions of Yen	Millions of Yen	Millions of Yen	%
Net Sales	143,253	112,469	(30,784)	(21.5)
Operating Income	9,180	5,346	(3,834)	(41.8)

In the Electronic Devices Business, business remained sluggish as there was a significant decrease in semiconductors for consumer equipment, and demand for PC and computer peripherals as well as semiconductors for automobiles did not recover due to the impact of supply-and-demand adjustments in the supply chain. As a result, net sales decreased 21.5% year on year to 112,469 million yen. Operating income decreased 41.8% year on year to 5,346 million yen due to the decrease in sales.

(Electronic Systems Business)

	Nine months ended December 31, 2023	Nine months Ended December 31, 2024	Change	Change (%)
	Millions of Yen	Millions of Yen	Millions of Yen	%
Net Sales	34,824	37,935	3,110	8.9
Operating Loss	1,222	1,631	409	33.5

In the Electronic Systems Business, sales of radiation therapy equipment in the medical equipment sector increased significantly, and the space & defense equipment sector grew against the backdrop of the expansion of the space and defense markets. Net sales increased 8.9% year on year to 37,935 million yen, the result of a recovery in demand in the laser equipment sector. Operating income increased 33.5% year on year to 1,631 million yen due to the increase in sales.

(Electronic Solutions Business)

	Nine months ended December 31, 2023	Nine months ended September 31, 2024	Change	Change (%)
	Millions of Yen	Millions of Yen	Millions of Yen	%
Net Sales	1,436	1,548	112	7.8
Operating Loss	(212)	(237)	(25)	—

In the Electronic Solutions Business, net sales increased 7.8% year on year to 1,548 million yen, mainly due to continued steady demand for time synchronization systems for communication infrastructure in the ICT sector. In terms of operating income/loss, an operating loss of 237 million yen was recorded (an operating loss of 212 million yen was recorded in the same period of the previous year) due to an increase in personnel expenses accompanying the strengthening of the sales system for new products.

## 2. Summary of consolidated financial conditions for the fiscal year under review

### (Assets)

At the end of the first nine months of the consolidated fiscal year under review, current assets stood at 158,687 million yen, a decrease of 3,929 million yen compared to the end of the previous consolidated fiscal year. This was mainly due to a decrease of 4,344 million yen in accounts receivable - other. Non-current assets stood at 13,369 million yen, an increase of 1,865 million yen compared to the end of the previous consolidated fiscal year. This was mainly due to an increase of 901 million yen in intangible assets and an increase of 537 million yen in land.

As a result, total assets stood at 172,057 million yen, a decrease of 2,063 million yen compared to the end of the previous consolidated fiscal year.

### (Liabilities)

At the end of the first nine months of the consolidated fiscal year under review, current liabilities stood at 114,179 million yen, a decrease of 2,489 million yen compared to the end of the previous consolidated fiscal year. This was mainly due to a decrease of 10,388 million yen in accounts payable - other and a decrease of 1,766 million yen in notes and accounts payable - trade, despite an increase of 10,416 million yen in short-term borrowings. Non-current liabilities stood at 981 million yen, a decrease of 36 million yen compared to the end of the previous consolidated fiscal year.

As a result, total liabilities stood at 115,161 million yen, a decrease of 2,526 million yen compared to the end of the previous consolidated fiscal year.

### (Net assets)

At the end of the first nine months of the consolidated fiscal year under review, total net assets stood at 56,895 million yen, an increase of 462 million yen compared to the end of the previous consolidated fiscal year. This was mainly due to an increase of 464 million yen in retained earnings.

As a result, the equity ratio was 29.8% (compared to 29.1% at the end of the previous consolidated fiscal year).

## 3. Explanation of forward-looking statements, including consolidated financial forecasts

There has been no revision to the consolidated financial forecasts for the fiscal year ending March 31, 2025, which were announced on October 31, 2024. The forecast of financial results is based on information available to the Group at the time of the publication of this document and certain assumptions that the Group considers to be reasonable, and may differ from the actual results due to various factors. The Group will immediately disclose revisions to the consolidated earnings forecasts if such revisions become necessary in light of future business trends, and other factors.

**Consolidated Financial Statements**

**(1) Consolidated Balance Sheet**

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	23,823	23,049
Notes and accounts receivable - trade	45,432	43,665
Electronically recorded monetary claims - operating	5,422	6,122
Merchandise and finished goods	51,316	52,787
Work in process	135	183
Accounts receivable - other	34,847	30,502
Other	1,677	2,465
Allowance for doubtful accounts	(38)	(90)
<b>Total current assets</b>	<b>162,616</b>	<b>158,687</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,676	3,549
Accumulated depreciation	(2,538)	(2,251)
Buildings and structures, net	1,137	1,298
Machinery, equipment and vehicles	8	7
Accumulated depreciation	(8)	(7)
Machinery, equipment and vehicles, net	0	0
Tools, furniture and fixtures	2,269	2,157
Accumulated depreciation	(1,819)	(1,680)
Tools, furniture and fixtures, net	450	477
Land	1,411	1,949
Leased assets	34	41
Accumulated depreciation	(23)	(24)
Leased assets, net	10	16
Right of use assets	255	262
Accumulated depreciation	(137)	(182)
Right of use assets, net	117	80
Construction in progress	165	37
<b>Total property, plant and equipment</b>	<b>3,293</b>	<b>3,859</b>
Intangible assets	1,356	2,258
Investments and other assets		
Investment securities	3,299	3,669
Deferred tax assets	191	282
Retirement benefit asset	677	725
Other	2,900	2,681
Allowance for doubtful accounts	(214)	(106)
<b>Total investments and other assets</b>	<b>6,854</b>	<b>7,251</b>
<b>Total non-current assets</b>	<b>11,504</b>	<b>13,369</b>
<b>Total assets</b>	<b>174,120</b>	<b>172,057</b>

**(1) Consolidated Balance Sheet**

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	28,243	26,476
Short-term borrowings	59,507	69,923
Current portion of long-term borrowings	5,000	5,000
Lease liabilities	95	88
Accounts payable - other	19,027	8,638
Income taxes payable	853	486
Provision for bonuses	1,040	579
Other	2,900	2,986
Total current liabilities	116,669	114,179
Non-current liabilities		
Lease liabilities	112	76
Deferred tax liabilities	273	261
Retirement benefit liability	327	323
Provision for retirement benefits for directors (and other officers)	116	117
Asset retirement obligations	109	123
Other	77	78
Total non-current liabilities	1,018	981
Total liabilities	117,687	115,161
<b>Net assets</b>		
Shareholders' equity		
Share capital	6,214	6,214
Capital surplus	6,363	6,367
Retained earnings	35,567	36,032
Treasury shares	(1,611)	(1,602)
Total shareholders' equity	46,534	47,012
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,476	1,609
Deferred gains or losses on hedges	128	140
Foreign currency translation adjustment	2,237	2,372
Remeasurements of defined benefit plans	319	79
Total accumulated other comprehensive income	4,162	4,202
Non-controlling interests	5,736	5,681
Total net assets	56,433	56,895
Total liabilities and net assets	174,120	172,057

**(2) Consolidated Statements of Income**

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	179,514	151,953
Cost of sales	157,343	133,012
Gross profit	22,170	18,941
Selling, general and administrative expenses	11,983	12,205
Operating profit	10,187	6,735
Non-operating income		
Interest income	95	152
Dividend income	68	78
Share of profit of entities accounted for using equity method	156	—
Miscellaneous income	61	61
Total non-operating income	382	292
Non-operating expenses		
Interest expenses	2,999	2,458
Loss on sale of trade receivables	473	404
Foreign exchange losses	1,855	1,248
Share of loss of entities accounted for using equity method	—	100
Miscellaneous losses	19	10
Total non-operating expenses	5,348	4,223
Ordinary profit	5,221	2,805
Extraordinary income		
Gain on sale of non-current assets	0	7
Gain on sales of real estate for investment	—	246
Total extraordinary income	0	253
Extraordinary losses		
Loss on sale and retirement of non-current assets	1	7
Total extraordinary losses	1	7
Profit before income taxes	5,221	3,051
Income taxes	1,477	1,167
Profit	3,744	1,884
Profit attributable to non-controlling interests	438	58
Profit attributable to owners of parent	3,305	1,825

**Consolidated statements of comprehensive income**

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	3,744	1,884
Other comprehensive income		
Valuation difference on available-for-sale securities	264	133
Deferred gains or losses on hedges	69	13
Foreign currency translation adjustment	1,477	259
Remeasurements of defined benefit plans, net of tax	44	(240)
Share of other comprehensive income of entities accounted for using equity method	(2)	2
Total other comprehensive income	1,853	168
Comprehensive income	5,597	2,052
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,559	1,865
Comprehensive income attributable to non-controlling interests	1,037	187

**(3) Consolidated Statements of Cash Flows**

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	5,221	3,051
Depreciation	397	301
Increase (decrease) in allowance for doubtful accounts	98	(55)
Increase (decrease) in provision for bonuses	(442)	(461)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	6	1
Increase (decrease) in retirement benefit liability	24	(32)
Decrease (increase) in retirement benefit asset	5	(366)
Interest and dividend income	(164)	(231)
Interest expenses	2,999	2,458
Foreign exchange losses (gains)	3,761	3,119
Share of loss (profit) of entities accounted for using equity method	(156)	100
Loss (gain) on sale and retirement of non-current assets	0	0
Loss (gain) on sales of real estate for investment	—	(246)
Decrease (increase) in trade receivables	8,597	1,081
Decrease (increase) in inventories	1,742	(1,428)
Increase (decrease) in trade payables	(5,616)	(1,780)
Decrease (increase) in accounts receivable - other	5,598	4,343
Increase (decrease) in accounts payable - other	(139)	(10,388)
Other, net	(55)	(584)
Subtotal	21,879	(1,117)
Interest and dividends received	158	226
Interest paid	(3,053)	(2,471)
Income taxes paid	(1,707)	(1,545)
Income taxes refund	10	0
Net cash provided by (used in) operating activities	17,287	(4,909)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(506)	(354)
Proceeds from withdrawal of time deposits	347	515
Purchase of property, plant and equipment	(368)	(916)
Proceeds from sale of property, plant and equipment	1	147
Purchase of intangible assets	(614)	(974)
Proceeds from sale of investment property	—	246
Purchase of investment securities	(25)	(180)
Other, net	(55)	23
Net cash provided by (used in) investing activities	(1,223)	(1,492)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(11,619)	7,502
Repayments of long-term borrowings	(25)	—
Dividends paid	(2,216)	(1,357)
Dividends paid to non-controlling interests	(9)	(242)
Other, net	(55)	(66)
Net cash provided by (used in) financing activities	(13,926)	5,835
Effect of exchange rate change on cash and cash equivalents	908	(43)
Net increase (decrease) in cash and cash equivalents	3,046	(609)
Cash and cash equivalents at beginning of period	20,658	23,026
Cash and cash equivalents at end of period	23,705	22,416

## Consolidated Segment Information

Previous consolidated fiscal year (from April 1, 2023 to December 31, 2023)

(Millions of Yen)

	Reportable segments				Reconciling items	Per quarterly consolidated financial statements
	Electronic Devices business	Electronic Systems business	Electronic Solutions business	Total		
<b>Sales</b>						
Revenues from external customers	143,253	34,824	1,436	179,514	-	179,514
Transactions with other segments	44	282	13	340	(340)	-
Net sales	143,298	35,107	1,450	179,855	(340)	179,514
Operation profit (loss)	9,180	1,222	(212)	10,191	(4)	10,187

Current consolidated fiscal year (from April 1, 2024 to December 31, 2024)

(Millions of Yen)

	Reportable segments				Reconciling items	Per quarterly consolidated financial statements
	Electronic Devices business	Electronic Systems business	Electronic Solutions business	Total		
<b>Sales</b>						
Revenues from external customers	112,469	37,935	1,548	151,953	-	151,953
Transactions with other segments	12	772	1	786	(786)	-
Net sales	112,482	38,707	1,550	152,740	(786)	151,953
Operation profit (loss)	5,346	1,631	(237)	6,740	(4)	6,735