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To whom it may concern

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## Notice Regarding Formulation of Medium-term Business Plan

Marubun Corporation (the “Company”) hereby announces that it has developed a new medium-term business plan, “Marubun Nextage 2027,” that covers the period from FY2025 to FY2027. Details are as follows.

### **1. Vision of the Marubun Group**

Throughout our 180-year history, we have demonstrated the spirit of looking forward and staying ahead that is part of our DNA, and have continued to grow while transforming ourselves to meet the demands of the times. And now, under the [Purpose](#)<sup>\*1</sup> of “Contribute to a brighter future through technologies,” the Marubun Group (the “Group”) aims to maximize the added value as an electronics trading company by leveraging its resources and foundation it has cultivated over its 180 years of history. Starting with the discovery and development of products in specialized fields, through [Marubun Value Cycle](#)<sup>\*2</sup> from procurement, sales, logistics, trading company financing, technical support, and information production, the Group provides comprehensive services and solutions that leverage its unique strengths and initiatives, thereby realizing its management [vision](#)<sup>\*1</sup> of becoming the unrivaled and most trusted electronics trading company with unique and original values.

### **2. Review of the previous medium-term business plan and formulation of the new one**

The Group announced its medium-term business plan, “[Marubun Nextage 2024](#)”<sup>\*\*\*3</sup> (previous medium-term business plan), in May 2022. Although the period covered by the previous medium-term business plan was characterized by a highly uncertain business environment, the Group responded appropriately to its customers' demands and needs and achieved its financial targets (ordinary income of 6 billion yen or more and ROE of 8.0% or higher in FY2024).

The Group will aim to further expand its commercial rights and strengthen its profitability, and continue to actively promote its growth strategy by grasping trends in the electronics market, which is expected to continue growing. It has therefore formulated a new medium-term business plan, “**Marubun Nextage 2027**”, (**the New Medium-term Plan**), as a guideline for achieving this vision. The new plan's slogan, which underscores the Group's Purpose, is “Innovating Together.” Through the new medium-term plan, the Group will strive for further growth as the unrivaled electronics trading company with unique and original values, while contributing

to the development of society by creating social and economic value through responsible business (management approach to sustainable business growth while taking into account social and environmental impacts and the interests of a wide range of stakeholders).

### **3. Outline of the new “Marubun Nextage 2027” medium-term business plan**

#### **1) Target period:**

April 1, 2025 to March 31, 2028

#### **2) Basic policy**

##### **(1) Pursue responsible business:**

The Company will strengthen its initiatives related to [material issues](#)<sup>\*4</sup> (announced in May 2024) and reinforce its sustainability management, aiming to do business in way that helps to bring about a better future.

##### **(2) Achieve profitability in new businesses:**

The Company will establish a profitable business foundation at an early stage to launch new businesses with a spirit of endeavor and persistence. The Company will also actively explore opportunities for strategic alliances and investments.

##### **(3) Expand the foundations in existing businesses:**

The Company will strengthen its business foundations while building resilience by expanding its customer base, strengthening collaboration with suppliers, improving operational excellence, and improving productivity and efficiency.

##### **(4) Reinforce group synergy:**

The Company will respond to the needs of customers and society by providing its unique added value through collaboration between its domestic and overseas group companies, and the development of solutions and promotion of cross-selling between business segments.

##### **(5) Enhance strategic management to promote the value creation model:**

The Company will promote the effective circulation of the Marubun Value Cycle through strengthening strategy and measure management and the enhancement of integrated risk management, thereby establishing a foundation for business growth.

##### **(6) Develop human capital strategy:**

The Company will develop a human capital strategy that aligns with its corporate philosophy and management strategy, build a corporate culture that embraces innovation and challenges without fear of failure, and aim to become a professional human capital organization harboring highly specialized expertise.

The basic policy items listed above are classified as follows: (1) is based on the **responsible business perspective**, (2) to (4) are based on the **business strategy perspective**, and (5) to (6) are based on the **foundation strategy perspective**.

### 3) Financial targets of the new “Marubun Nextage 2027” medium-term business plan

By steadily implementing the above basic policy items, the Company will strive to improve profitability and equity capital efficiency, with the targets of **consolidated ordinary income of 8 billion yen or more and consolidated ROE of 9.0% or higher** in the final year of the target period covered by the new medium-term plan (FY2027).

Consolidated ordinary income	Consolidated ROE
8 billion yen or more	9.0% or higher

Regarding operating cashflow through FY2027, the Company plans to allocate it to capture strategic non-organic growth opportunities and invest in promising venture companies, as well as use it to reduce debt after investing in capital expenditures and paying dividends. The Company will also implement various measures aimed at “[sustainable growth of Marubun corporate value](#)”<sup>\*\*5</sup> and strive to create a virtuous cycle of utilizing internal reserves and achieving sustainable growth. The dividend policy is to pay continuous and stable dividends, with a target consolidated payout ratio of 40% or a dividend on equity (DOE) ratio of 2.5%, whichever is higher.

The Company regards the financial targets for FY2027 described above as intermediate milestones to reach in the medium term, with the long-term aspiration of achieving consolidated ordinary income of 10 billion yen or more and consolidated ROE of 10% or higher by FY2030.

### 4) Strategic themes related to the responsible business perspective

Under the Company's [philosophy structures](#),<sup>\*1</sup> it will leverage its accumulated management resources and management foundation to create not only economic value but also social value through its unique business model and the value creation cycle. While aiming to further build its business resources and strengthen its foundation, the Company will also contribute to solving environmental and social issues by taking into consideration the separately established the [Key Goal Indicators](#)<sup>\*4</sup> and working on the following responsible business themes.

#### <Responsible business themes>

- Contribution to restoration and conservation of the global environment and to its sustainability:  
Promote initiatives for a recirculating society, identify and introduce new clean technologies
- Realization of a safe, prosperous and sustainable society:  
Expand activities to contribute to society and local communities, offer stable supply chain

infrastructure

- Addressing social issues through the development of cutting-edge technologies and solutions:  
Solve problems by providing innovative products and solutions and driving innovation
- Continuously improve stakeholder engagement:  
Effectively implement IR, SR, and PR activities, promotion of sustainability-related initiatives and disclosure

## 5) Strategic themes related to the business strategy perspective

Among the basic policies, the Company provides an overview of the key strategic themes based on the business strategy perspective, which are more direct strategic elements for achieving financial targets, and some examples of related measures by consolidated business.

### <Electronic Devices Business: Distribution business for semiconductors and electronic components>

	FY2024 results	FY2027 target	Growth in target period
Segment sales plan	151.0 billion yen	167.0 billion yen (plan)	3.4 %
Segment operating income	5.8 billion yen	- (Note)	-
Segment ordinary income	3.1 billion yen	3.0 billion yen	(1.4) %

(Note) From FY2025, ordinary income will be used instead of operating income for segment profit targets.

The Company will promote the following initiatives as the Foundation Strengthening Business.

- Select and concentrate on growth areas:  
Explore growth markets and strengthen relationships with key suppliers
- Provide support to expand, maintain, and restructure sales channels:  
Demonstrate the value of using trading companies through highly specialized expertise
- Develop new technologies and products/expand passive component sales:  
Increase Asian products, search for new products
- Achieve group synergy:  
Strengthen collaboration with Arrow Electronics, Inc. of the United States
- Expand sales channels in the mass market:  
Establish and strengthen collaboration with sales partners

### <Electronic Systems Business: Sales and maintenance services for electronic equipment and systems>

	FY2024 results	FY2027 target	Growth in target period
Segment sales plan	57.3 billion yen	67.0 billion yen (plan)	5.3 %
Segment operating income	3.2 billion yen	- (Note)	-
Segment ordinary income	3.3 billion yen	4.0 billion yen	5.7 %

(Note) From FY2025, ordinary income will be used instead of operating income for segment profit targets.

The Company will promote the following initiatives as the Growth Driving Business.

- Develop new businesses/develop new products:  
Promote expansion into alternative energy and industrial robotics
- Expand existing business domains/scale:  
Expand the range of products for industrial DX and medical and scientific fields
- Incorporate businesses related to measures promoted by the national government:  
Expand business in the space and defense-related market
- Strengthen group management/expand business foundations:  
Secure competitive advantage through realizing a collaborative synergy
- Establish overseas operations:  
Promote overseas business development and establish local operations

**<Entrepreneur Business: Development, sales, and maintenance services for cutting-edge solutions>**

	FY2024 results	FY2027 target	Growth in target period
Segment sales plan	2.4 billion yen	6.0 billion yen (plan)	34.1 %
Segment operating income	(0.1) billion yen	- (Note)	-
Segment ordinary income	(0.1) billion yen	1.0 billion yen	-

(Note) From FY2025, ordinary income will be used instead of operating income for segment profit targets.

The Company will promote the following initiatives as the Value Creating Business.

- Develop new businesses:  
Expand new solution technologies and products in prioritized areas
- Demonstrate the uniqueness in value provided:  
Develop solutions that combine multiple products and services
- Develop and expand AI-related products:  
Apply discovery, practical applications, and commercialization of innovative AI solutions
- Pursue strategic collaboration opportunities:  
Make the most of business alliance opportunities and venture capital investment, consider opportunities to utilize fiscal investment and loan programs

## 6) Strategic themes related to the foundation strategy perspective

The Company will work on the following foundation strategy themes to solidify the foundation for sustainable improvement of corporate value through its “[value creation model](#).” <sup>\*2</sup>

### <Foundation strategy themes>

- Enhance human capital strategies in alignment with our Purpose:  
Strengthen recruitment and training of personnel, reinforce employee engagement
- Establish and administer a solidified group governance framework:  
Continuous upgrading of strategic management and risk management, ensure and promote compliance throughout the entire Group
- Develop and operate effective and stable IT systems and infrastructure

## 7) Other matters

The new medium-term plan assumes an exchange rate of 1 USD = 148 JPY for planning purposes.

For information on Marubun Nextage 2027, please refer to the financial results briefing materials scheduled for release on May 16 as well.

<sup>\*1</sup> Philosophy & Principles (Purpose, Vision, Mission, Values) on the Company's website

<https://www.marubun.co.jp/en/corporate/philosophy/>

<sup>\*2</sup> Value Creation Model (Marubun Value Cycle) on the Company's website

[https://www.marubun.co.jp/en/sustainability/value\\_creation\\_model/](https://www.marubun.co.jp/en/sustainability/value_creation_model/)

<sup>\*3</sup> Disclosure document “Notice of Formulation of Medium-term Business Plan” (disclosed on May 13, 2022)

<https://www.marubun.co.jp/en/wp-content/uploads/sites/2/2022/06/e20220513mediumplan.pdf>

<sup>\*4</sup> Determination of Material Issues (Material issues, Key Goal Indicators) on the Company's website

<https://www.marubun.co.jp/en/sustainability/materiality/>

<sup>\*5</sup> Disclosure document “About the Action to Implement Management that is Conscious of Cost of Capital and Stock Price (Updated)” (December 25, 2024)

[https://www.marubun.co.jp/en/wp-content/uploads/sites/2/2025/01/20250115\\_irrelease\\_e.pdf](https://www.marubun.co.jp/en/wp-content/uploads/sites/2/2025/01/20250115_irrelease_e.pdf)

\* Note to forward-looking statements

Financial results forecasts and other forward-looking statements contained in this material are based on information available to the Group as of this moment and certain assumptions that are deemed to be reasonable. Therefore, actual results may differ significantly from these forward-looking statements due to various factors.