

MARUBUN CORPORATION

Financial Information Briefing for First Half of Fiscal Year Ending March 31, 2009

November 11, 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]

- We would like to report on the results for the first half of the fiscal year ending March 31, 2009, and explain the forecasts and priority policies.

Fiscal 2008 First-Half Consolidated Financial Results

(Million yen)

	Sep/08 (Result)	Sep/07 (Result)	Change
Net Sales	107,425	124,152	(13.5%)
Gross Profit	10,615	11,547	(8.1%)
Operating Income	1,071	2,150	(50.2%)
Ordinary Income	882	1,861	(52.6%)
Net Income	369	884	(58.3%)

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1

[FY2008 First-Half Consolidated Business Results]

- First, we would like to provide a summary of the business results for the first half of fiscal 2008.
- Consolidated sales in the first half under review decreased 13% year on year to 107.4 billion yen.
- This is primarily due to the decline of semiconductor sales of ICs for video games and cellular phones.
- Because of the decrease in sales, operating income dropped 50% from a year earlier to 1.0 billion yen, and ordinary income decreased 53% year on year to 800 million yen.

Sales by Segment

(Million yen)

	Sep/08 (Result)	Sep/07 (Result)	Change
Consolidated Net Sales	107,425	124,152	(16,727)
Electronic Devices	90,899	107,487	(16,588)
Electronic Systems	16,526	16,664	(138)

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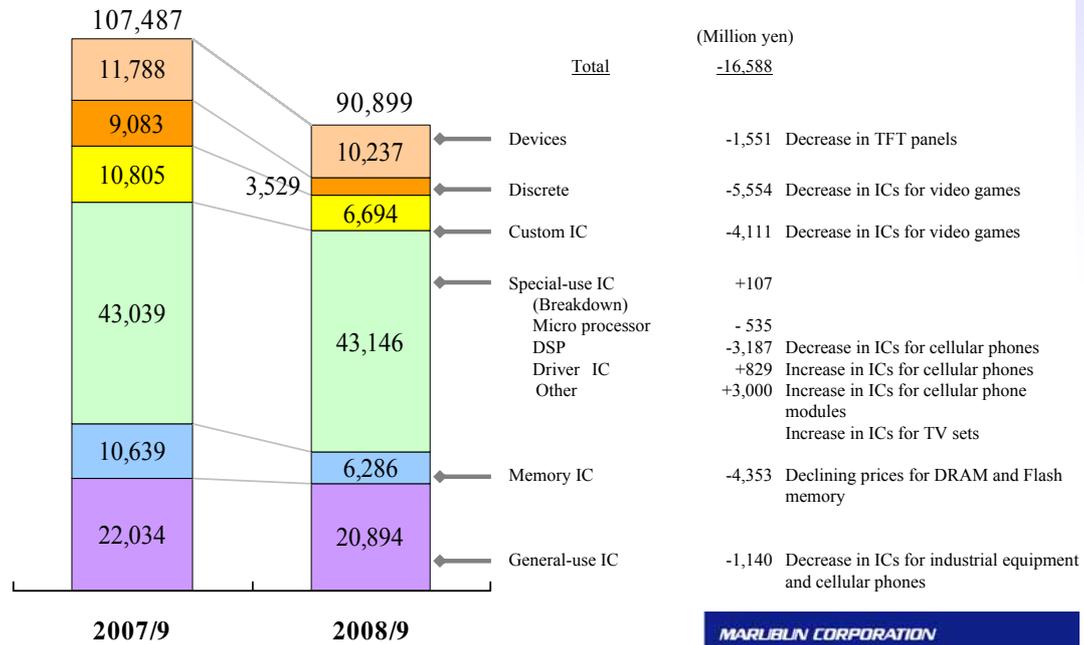
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2

[Net Sales By Segment]

- We would next like to provide an explanation of the sales by segment.
- Sales in the electronic devices segment declined 16.5 billion yen compared to the first half of the previous fiscal year, to 90.8 billion yen. Meanwhile, the electronic systems segment was almost unchanged from a year earlier at 16.5 billion yen, as favorable sales of products for space and defense electronics offset the drop in sales of scientific equipment.

Electronic Devices Sales by Product

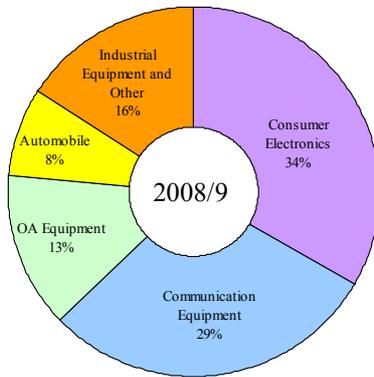


[Electronic Devices – Net Sales by Product]

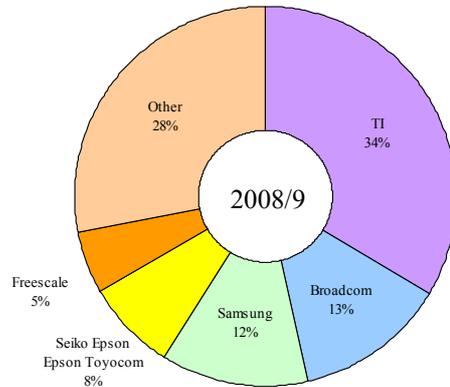
- We would now like to discuss net sales by product for the electronic devices business.
- Sale of general-use ICs declined year on year due to the sluggish market, especially for industrial equipment and cellular phones.
- The drop in memory IC sales was mainly caused by the falling prices of DRAM and flash memory.
- Although sales of special-use ICs for DSP decreased, sales of special-use ICs for cellular phone modules were favorable.
- With regard to sales of custom ICs, products for video games decreased.
- In addition, sales of discrete ICs for video games plummeted, marking a 60% year-on-year decline.

Electronic Devices Sales by Application and Supplier

Sales by Application



Sales by Supplier



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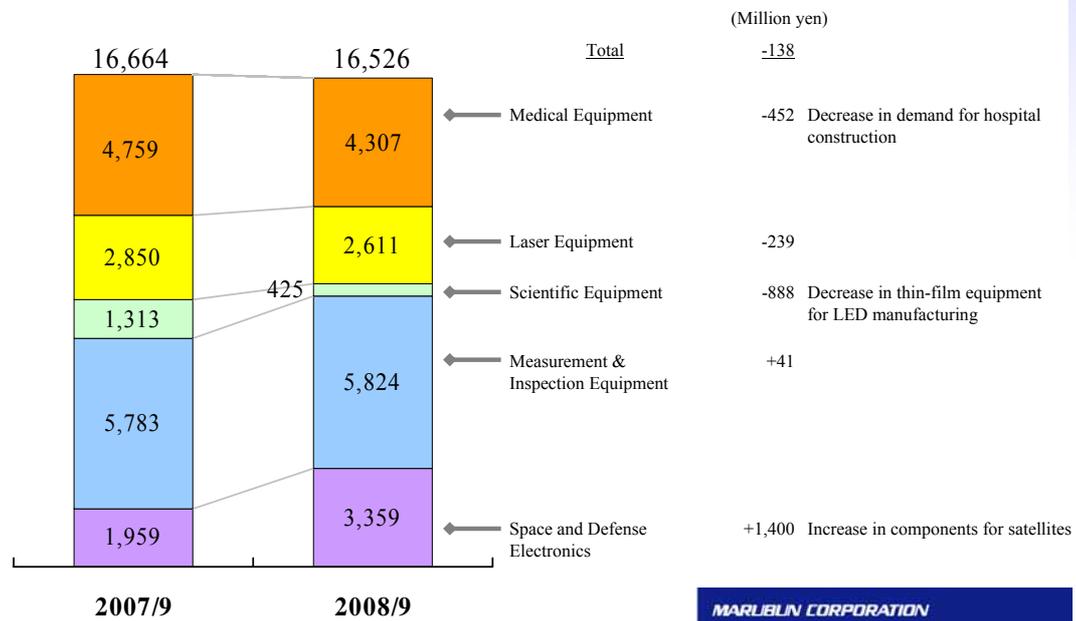
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4

[Electronic Devices – Net Sales by Application and Supplier]

- With regard to sales by application, consumer electronics as a percentage of total sales declined from 37% in the first half of the previous fiscal year to 34%.
- This is due to the significant decline in sales of ICs for video games, despite the increase in sales of ICs for TV sets.
- In addition, memory IC sales for PCs and office automation equipment decreased. With regard to sales of ICs for industrial equipment, ICs for FA equipment performed favorably, but ICs for semiconductor inspection equipment were sluggish.
- Looking at sales by supplier, Texas Instruments, Inc. accounted for 34% of total sales, Broadcom Corporation 13%, and Samsung 12%.
- Although sales of analog ICs were favorable for Texas Instruments, Inc products, sales of ICs or DSP dropped.
- With regard to Broadcom Corporation, sales of ICs for cellular phone modules and TV sets were favorable.
- As for Samsung, despite the increase in sales of display driver ICs, sales of memory ICs decreased.

Electronic Systems – Sales by Product



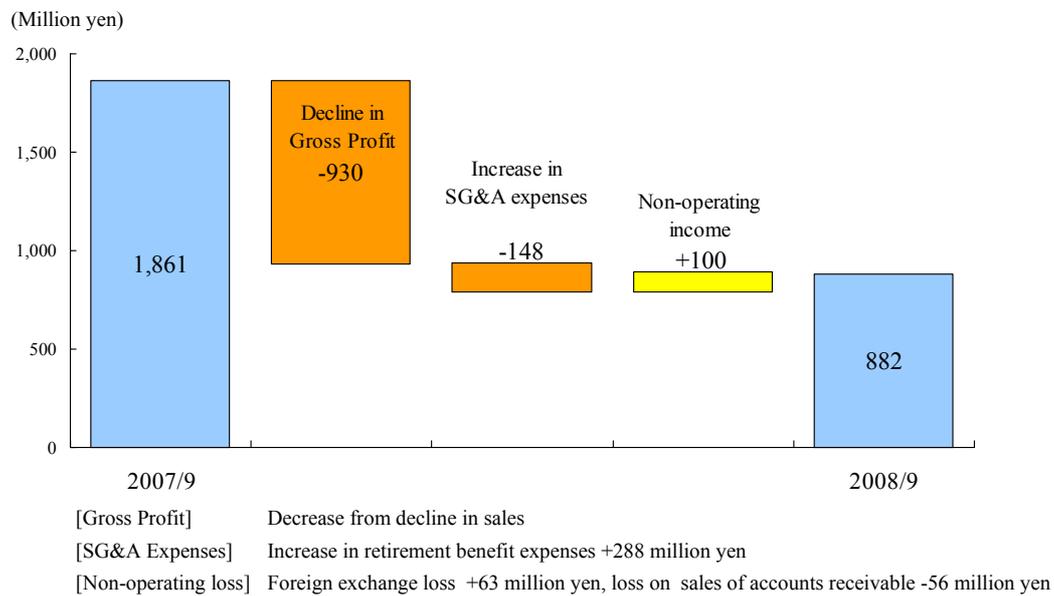
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5

[Electronic Systems – Sales by Product]

- Sales in the electronics systems segment by product are as shown in the graphs.
- With regard to space and defense electronics, sales of highly-reliable components for satellites increased.
- In terms of scientific equipment, orders for thin-film equipment for LED manufacturing were favorable, but overall sales declined from a year earlier.
- The decline in medical equipment was due to reduced demand for hospital construction.

Factors Affecting Ordinary Income



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6

[Factors Affecting Ordinary Income]

- We would like to look at the factors affecting ordinary income.
- Although the gross profit margin improved from 9.3% a year earlier to 9.9%, the gross profit on sales decreased 900 million yen year on year due to a decrease in sales.
- The increase in SG&A expenses is due to the rise in retirement benefit and other personal expenses.
- With respect to the non-operating loss, the loss on the sales of accounts receivable declined from 120 million yen in the first half of the previous fiscal year to 60 million yen.
- As a result of the above, ordinary income stood at 880 million yen.

Consolidated Balance Sheet

(Million yen)

	2008/9	2008/3	Change
Current Assets	101,857	104,390	-2,533
Cash and deposits	9,254	7,451	1,803
Notes and accounts receivable-trade	55,517	61,536	-6,019
Merchandise	31,315	30,978	337
Work in process	72	25	47
Deferred tax assets	1,816	1,875	-59
Other	3,937	2,570	1,367
Allowance for doubtful accounts	-56	-48	-8
Noncurrent assets	12,621	12,948	-327
Total Assets	114,479	117,338	-2,859
Current Liabilities	69,892	72,658	-2,766
Notes and accounts payable-trade	30,692	34,734	-4,042
Short-term loans payable	35,024	34,919	105
Other	4,175	3,004	1,171
Noncurrent liabilities	6,875	6,633	242
Bonds payable	1,193	1,217	-24
Bonds with subscription rights to shares	4,000	4,000	0
Deferred tax liabilities	-	5	-5
Other	1,682	1,410	272
Total Liabilities	76,768	79,292	-2,524
Total Net Assets	37,710	38,046	-336
Total Liabilities and Net Assets	114,479	117,338	-2,859

Reasons for major changes

[Current assets]

- Decline in receivables accompanying decline in sales

[Liabilities]

- Decline in accounts payable due to reduced demand in the electronic devices segment

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7

[Consolidated Balance Sheet]

- We would next like to explain the major items on the balance sheet.
- Total assets decreased 2.8 billion yen compared to the end of the previous fiscal year due to a decline in current assets.
- The decline in current assets reflects the decrease in accounts receivable due to the drop in sales.
- Inventories stood at 31.3 billion yen, which is equivalent to 1.7 months of sales.
- With regard to liabilities, accounts payable decreased 4.0 billion yen from the end of the previous fiscal year.

Consolidated Statement of Cash Flows

(Million yen)

	08/9	07/9	Change	
Income before income taxes	822	1,811	-989	
Depreciation and amortization	356	591	-235	
Amortization of goodwill	54	50	4	
Equity in (earnings) losses of affiliates	-60	-49	-11	
Decrease (increase) in notes and accounts receivable-trade	5,490	8,265	-2,775	[Cash flows from operating activities]
Decrease (increase) in inventories	-602	986	-1,588	· Decrease in accounts receivable and accounts payable
Increase (decrease) in notes and accounts payable-trade	-3,707	-5,812	2,105	[Cash flows from financing activities]
Other	11	3,084	-3,073	· Net increase in Short-term loans payable: 225 million yen
Subtotal	2,362	8,928	-6,566	· Dividend payment: 254 million yen
Interest and dividends income received	41	40	1	
Interest expenses paid	-310	-330	20	
Income taxes paid	-440	-1,718	1,278	
Income taxes refund	272	-	272	
Net Cash provided by Operating Activities	1,925	6,920	-4,995	
Net Cash provided by Investing Activities	-18	42	-60	
Net Cash provided by Financing Activities	-49	-6,243	6,194	
Cash and cash equivalents at end of term	8,354	7,487	867	

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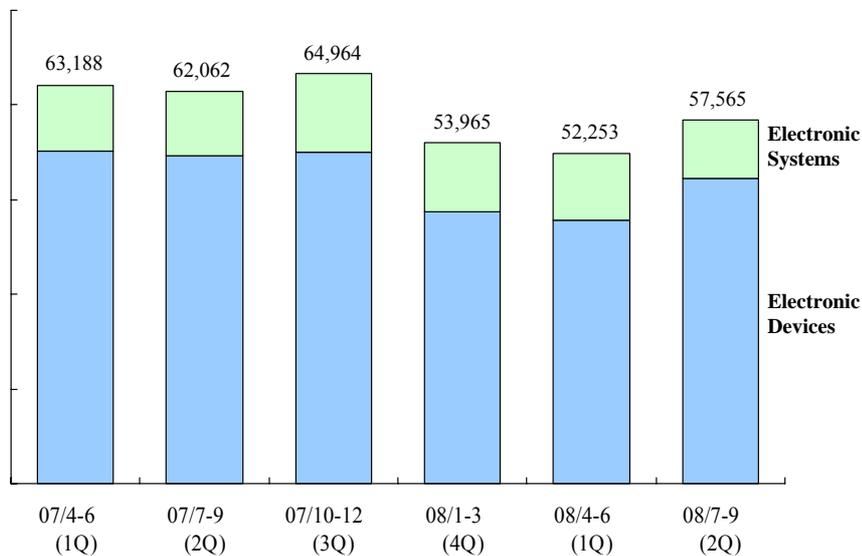
8

[Consolidated Statement of Cash Flows]

- We would now like to go over cash flows.
- Cash flows from operating activities in the first half of fiscal 2008 saw a net increase in capital of 1.9 billion yen. This is mainly due to a decrease in accounts receivable and accounts payable.
- As for cash flows from financing activities, the net decrease in capital was 40 million yen due to a net increase in short-term loans payable of 225 million yen, and dividend payments of 254 million yen.
- As a result of the above, the outstanding balance of cash and cash equivalents at the end of the first half stood at 8.3 billion yen.

Trends in Orders

(Million yen)



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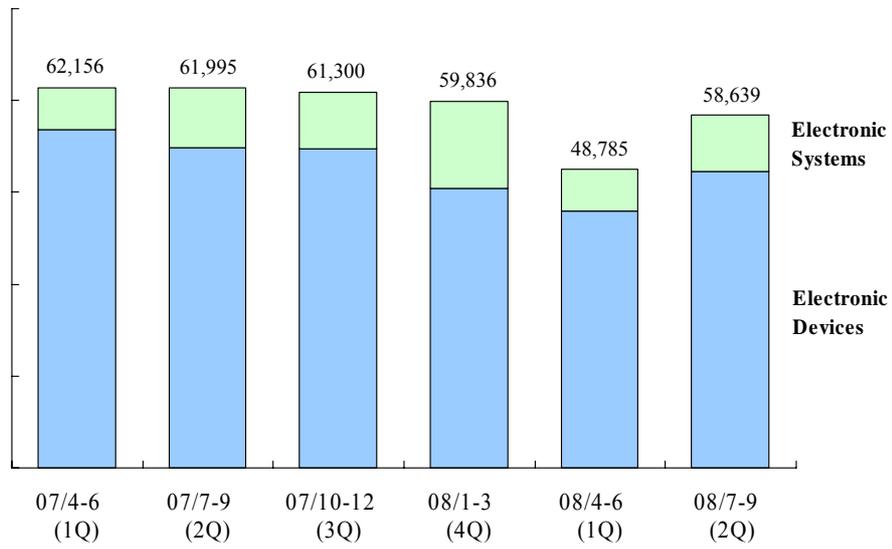
9

[Trends in Orders]

- The graph shows orders for recent quarters.
- Since the beginning of 2008, demand for electronic devices for consumer electronics and industrial equipment has continued to decline. However, orders in the second quarter of fiscal 2008 rose 10% compared with orders in the first quarter due to the increase in demand for ICs for cellular phone modules.

Trends in Net Sales

(Million yen)



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[Trends in Net Sales]

- The graph shows recent sales.

FY2008 Consolidated Results Forecasts

(Million yen)

	FY 2008 (Forecast)	FY 2007 (Result)	Change
Net Sales	229,000	245,289	(6.6%)
Gross Profit	22,500	22,318	+0.8%
Operating Income	3,400	3,648	(6.8%)
Ordinary Income	3,050	2,956	+3.2%
Net Income	1,450	889	+63.1%

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11

[FY2008 Consolidated Results Forecast]

- Consolidated sales for fiscal 2008 are expected to decrease 7% year on year to 229.0 billion yen.
- Because of the decline in sales, operating income is also expected to decline 7% from a year earlier to 3.4 billion yen. However, ordinary income is projected to increase 3% year on year to 3.0 billion yen, and net income is expected to rise 63% to 1.4 billion yen.
- The reason for the increase in net income is the posting of a 500 million yen appraisal loss for inventories as an extraordinary loss in the previous fiscal year.

FY2008 Consolidated Results Forecasts (Comparison with initial forecast)

(Million yen)

	FY 2008 Revised forecast	FY 2008 Initial forecast	Change
Net Sales	229,000	250,000	(8.4%)
Gross Profit	22,500	24,200	(7.0%)
Operating Income	3,400	4,200	(19.0%)
Ordinary Income	3,050	3,800	(19.7%)
Net Income	1,450	1,950	(25.6%)

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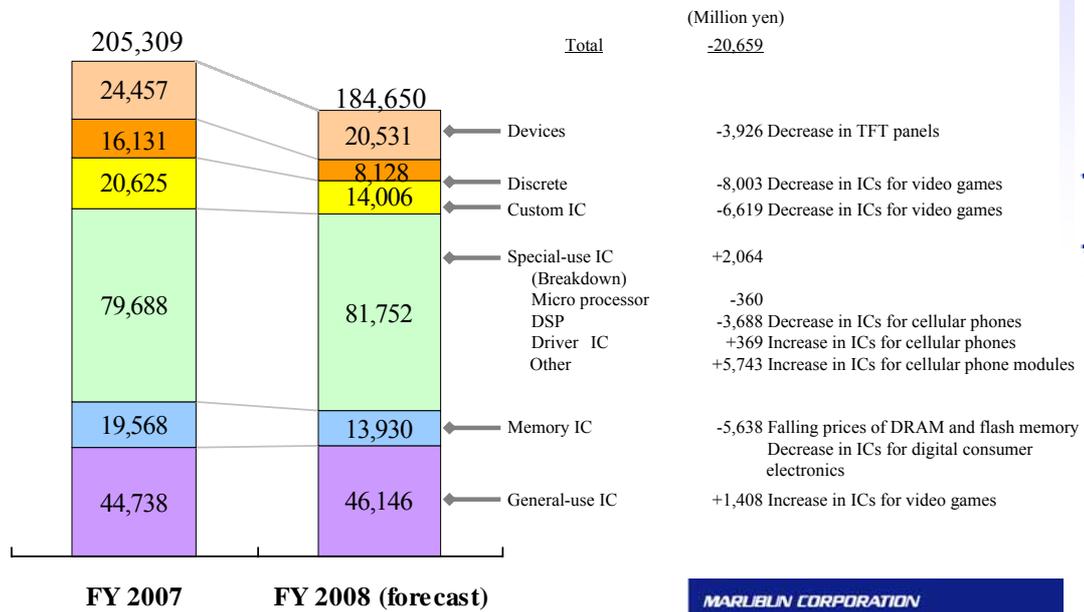
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12

[FY2008 Consolidated Results Forecast (Comparison with initial forecast)]

- The chart shows the difference between the initial consolidated results forecast and the revised forecast.
- In the revised forecast, sales are reduced by 8% compared to the initial forecast.
- The main reason for the lowered sales forecast is the decline in sales in the electronic devices segment.
- At the beginning of fiscal 2008, we expected a gradual economic recovery toward the end of the fiscal year. However, the financial crisis that originated with the subprime loan issue has spread further and led to a global economic slowdown. Due to the negative effects of this situation, demand for our products in general is expected to remain sluggish, including those for consumer electronics, such as video games, communications, industrial equipment and automobiles. For this reason, we have revised our forecast downward.
- With regard to income, operating income is expected to decline 19% from the initial forecast. Although SG&A expenses are projected to be slashed by 900 million yen as a result of cost cutting, that alone will not be sufficient to cover the decrease in sales.

Electronic Devices – Sales Projections by Product



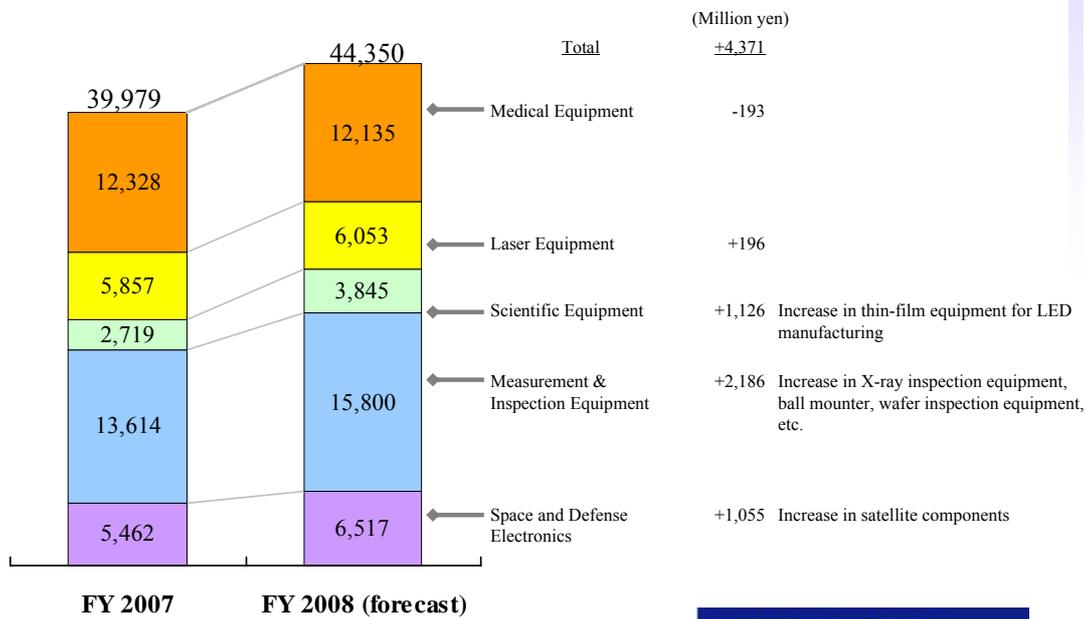
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13

[Electronic Devices – Sales Projections by Product]

- Sales in the electronic device segment are expected to decrease by 20.6 billion yen from a year earlier to 184.6 billion yen.
- The decrease in memory ICs is due to the drop in DRAM and flash memory prices, as well as the shrinking demand for ICs for consumer electronics.
- With regard to special-use ICs, we expect an increase in sales of ICs for cellular phone modules.
- The decline in customized ICs is due to the drop in sales of ICs for video games.
- As for discrete ICs, sales of ICs for video games are expected to decrease significantly.
- In addition, in electronic components, TFT panels are expected to decline.

Electronic Systems – Sales Projections by Product

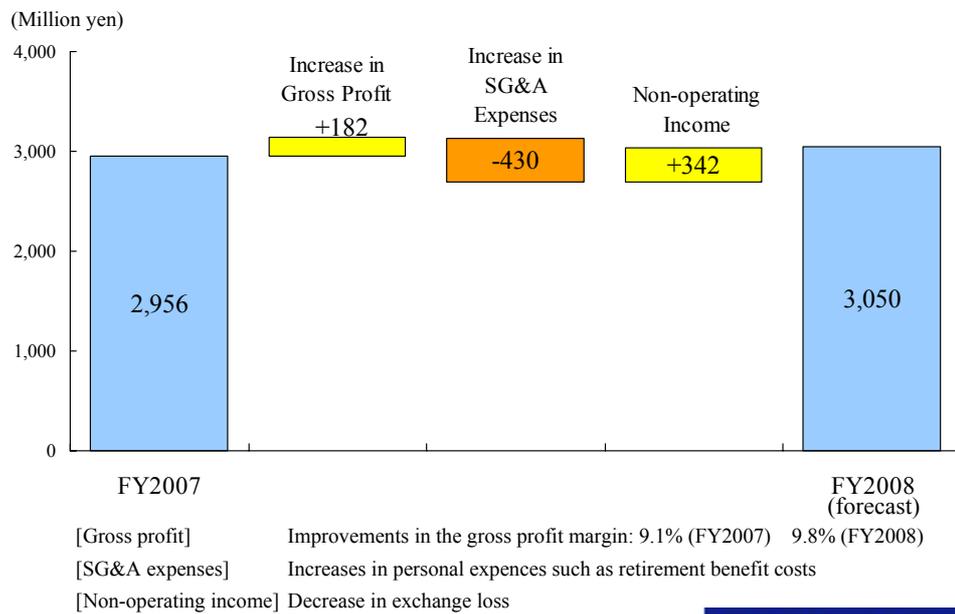


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[Electronic Systems – Sales Projections by Product]

- Sales in the electronic systems segment are expected to increase 4.3 billion yen to 44.3 billion yen.
- The increase in space and defense electronics is due to the rise in satellite components.
- For measurement and inspection equipment, we expect an increase in sales of X-ray inspection equipment and wafer inspection-related equipment.
- As for scientific equipment, we expect a 40% rise in sales due to the increase in thin-film equipment used for producing LEDs.

Factors Affecting Ordinary Income



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15

[Factors Affecting Ordinary Income]

- We would now like to explain the factors that will affect income.
- With regard to gross profit on sales, we project that we will be able to secure the same level of profits as the previous fiscal year due to the favorable sales of space and defense electronics, which has a relatively higher profit ratio.
- SG&A expenses are expected to increase 400 million yen year on year due to factors such as the 500 million yen rise in retirement benefit expenses.

Electronic Devices Business Strategy

■ Establish a foundation for stable growth

▶ Expanding sales of analog ICs

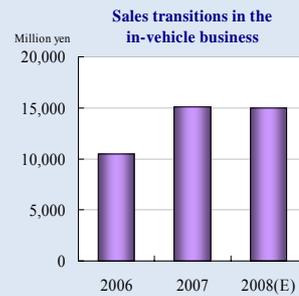
- Expansion of sales of ICs mainly for industrial equipment
- Sales expected to increase 20% year on year for Texas Instruments, Inc. analog products

▶ Increase sales in the in-vehicle market

- A new office for ICs for automobiles is expected to open in the Kansai area

▶ Developing the fields of information security, environment, health, and medicine

- A major PC manufacturer has decided to use AuthenTec's fingerprint sensor



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16

[Electronic Devices Business Strategy]

- Next, we would like to move on to the strategies of the electronic devices business.
- In the electronic devices segment, we are working to establish a stable growth foundation, focusing on growth markets and strengthening overseas operations.
- With regard to the first task of establishing a stable growth foundation, we are taking steps to expand sales of analog ICs, strengthen sales in the automobile market, and develop new fields.
- Sales of analog ICs have progressed in the industrial equipment market through the increased use of analog ICs. In fiscal 2008, we expect around 20% year-on-year growth, mainly from sales of TI products.
- As for the automobile market, we have been collaborating with our semiconductor manufacturers to support hardware and software development from an early stage of development.
- The automobile electronics office, which we opened in October 2007 in Utsunomiya, Tochigi Prefecture, has been well received because of its customer-oriented development support. In the second half of fiscal 2008, we plan to open another office in the Kansai area.
- In addition, with regard to development in new fields, we are undertaking projects in the information security market. One of the achievements is a major Japanese PC manufacturer's decision to use the fingerprint sensors developed by AuthenTec, Inc. of the United States.

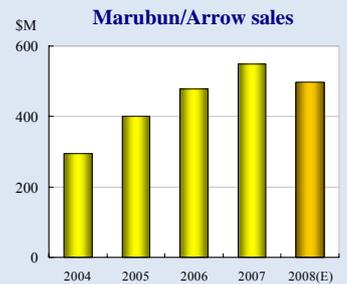
Electronic Devices Business Strategy

■ Focus on the growing markets

- ▶ Focus on the cellular phone and flat panel TV and digital camera markets
 - Surge in sales of Broadcom communication module ICs
- ▶ Developing the next-generation communications infrastructure market (NGN, WiMax)
- ▶ Promoting the development of new businesses
 - Signed an agent agreement with ELAN Microelectronics Corp.
 - Expanding sales of touch-screen modules

■ Strengthening and promoting overseas businesses

- ▶ Establishing an overseas businesses promotion division
- ▶ Dispatching overseas representatives to Europe
 - Launched support for thin television sets



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17

[Electronic Devices Business Strategy]

- In terms of the second task of focusing on growth markets, sales of Broadcom's ICs for cellular phone module surged in the first half under review. Further sales expansion is expected to occur in the near future.
- With respect to products for NGN and WiMax, which have attracted attention as candidates for next-generation communications infrastructure, a decision has been made to utilize Altera Corporation products, and a full-scale launch is expected in the second half of fiscal 2008.
- In addition, we have signed an agency agreement with ELAN Microelectronics Corp. of Taiwan for their new product materials.
- ELAN Microelectronics Corp. is one of the manufacturers holding touch panel-related master patents, and we are in the process of proposing the use of touch panel modules in cellular phones.
- Turning to the third task of strengthening overseas operations, we set up the Overseas Businesses Promotion Division at the beginning of fiscal 2008 to undertake integrated domestic-overseas sales activities.
- In addition, we have assigned expatriate employees in Europe to provide support to flat panel TV manufacturers.
- Sales of Marubun/Arrow are expected to decrease year on year due to the decline in sales of ICs for cellular phones and video games. Meanwhile, the shift of production overseas on the back of the recent appreciation of the Japanese currency is expected to further accelerate in the near future.
- We plan to continue strengthening our overseas networks.

Electronic Systems Business Strategy

■ Promoting the system integration business/strategic alliance

▶ Laser Micromachining Project

- Technological development for mass production phase is ongoing

▶ Wafer Inspection Project

- Joint development of new inspection equipment for super-thin wafer and transportation technology with manufacturers
- Demonstrations were conducted for about 40 potential customers in the first half



Equipment for automatic inspection and transfer of super-thin wafers

■ Efforts in growing markets for existing businesses

▶ Strengthening sales in the LED market and energy-related market

■ Strengthen the maintenance service business

▶ Collaborated with Foresight Techno Co., Ltd. to offer correction and maintenance services

[Electronic System Business Strategy]

- The profit ratio in the electronic systems business has progressed with the introduction of the Value Up Plan, which was launched in 2007.
- We are currently undertaking the technical development of laser micromachining for mass production.
- With respect to the wafer inspection project, we have opened a demonstration room where inspection and transportation equipment for super-thin wafers is displayed to increase sales.
- In the first half under review, we carried out demonstrations for about 40 potential customers.
- To boost sales of X-Line Corp., an in-line X-ray inspection venture business in which Marubun invested in April 2007, we are focusing on products for the automobile market.
- In addition, in existing business, we have strengthened sales in the LED market, where the market is expanding, as well as energy-related products.
- In terms of products for the LED market, we have signed an agency agreement with Toshiba Machine Co., Ltd. over nano-inprint equipment sales, in addition to the existing agreement with Aixtron AG. We plan to promote sales of nano-inprint equipment for high-brightness LED manufacturing in the LED market.
- In addition, we will boost sales of solar panels and solar battery inspection equipment in the energy market.

Return to Shareholders

■ Expected Dividend

	FY2007 Actual	FY2008 (Projection)
Annual Dividend Per Share	18 yen	14 yen
Interim Dividend	12 yen	8 yen
End of Year Dividend	6 yen	6 yen

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19

[Return to Shareholders]

- Finally, we would like to discuss the return of profits to shareholders.
- We sincerely regret that the dividend for the fiscal year ending March 31, 2009 is reduced by 4 yen per share from a year earlier, to 14 yen.
- We expect that the business environment will continue to be challenging for the remainder of fiscal 2008 and into fiscal 2009 as well, because of the recession.
- We plan to maintain and improve our profitability by furthering the business strategies that we have outlined, and we will institute comprehensive cost controls so we can meet the expectations of our valued shareholders and investors.