

# Supplementary Material for the first quarter of FY2010

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**MARUBUN CORPORATION**

<http://www.marubun.co.jp/en/index.html>

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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.

## Consolidated Statement of Income (Results)

(Unit: Yen in Million)

	1QFY2010 10/4-6 Results	1QFY2009 09/4-6 Results	Increase /Decrease
Net Sales	51,045	45,240	5,805
Electronic Devices	45,243	40,188	5,055
Electronic Systems	5,802	5,052	750
Cost of Sales	47,311	41,823	5,488
Gross Profit	3,734	3,417	317
Electronic Devices	2,792	2,690	102
Electronic Systems	941	727	214
Selling, general and administrative expenses	3,586	3,723	(137)
Personal expenses	2,209	2,330	(121)
Other	1,377	1,394	(17)
Operating income	147	(306)	453
Non-operating income	130	119	11
Equity in earnings of affiliates	18	6	12
Non-operating expenses	338	446	(108)
Foreign exchange losses	131	243	(112)
Ordinary income	(60)	(633)	573
Extraordinary income	0	34	(34)
Extraordinary loss	169	17	152
Income before income taxes and minority interests	(229)	(616)	387
Total income taxes	(1)	(212)	211
Minority interests in income	40	(29)	69
Net income	(269)	(374)	105
Number of Employees	1,330	1,379	(49)
Gross Profit Margin	7.3%	7.6%	-
Electronic Devices	6.2%	6.7%	-
Electronic Systems	16.2%	14.4%	-
Operating Profit Margin	0.3%	-0.7%	-
Ordinary Profit Margin	-0.1%	-1.4%	-
Net Profit Margin	-0.5%	-0.8%	-

## Consolidated Sales by Segment (Results)

(Unit: Yen in Million)

	1QFY2010 10/4-6 Results	1QFY2009 09/4-6 Results	Increase /Decrease
Total Electronic Devices	45,243	40,188	5,055
Semiconductors	33,994	31,352	2,642
General-Use IC	7,962	6,323	1,639
Memory IC	3,259	4,284	(1,025)
Special-Use IC	20,661	17,951	2,710
Micro Processor	1,992	1,174	818
DSP	1,988	1,707	281
Display Driver IC	335	1,147	(812)
Other	16,346	13,924	2,422
Custom IC	1,160	2,109	(949)
Discrete	899	682	217
Other	53	3	50
Electronic Components	11,249	8,836	2,413
Electrical & Electronic parts	10,777	8,429	2,348
Board Computer, etc.	473	407	66
Total Electronic Systems	5,802	5,052	750
Space & Defense Electronics	995	1,076	(81)
Measurement & Inspection Equipment	1,773	1,378	395
Scientific Equipment	75	36	39
Laser Equipment	549	428	121
Medical Equipment	2,411	2,133	278
Total Net Sales	51,045	45,240	5,805

## Consolidated Balance Sheets (Results) (Unit: Yen in Million)

	FY2010 10/6 Results	FY2009 09/6 Results	Increase /Decrease
<b>Current assets</b>	105,214	98,272	6,942
Cash and deposits	26,456	23,604	2,852
Notes and accounts receivable-trade	55,149	49,018	6,131
Merchandise and finished goods	20,127	22,328	(2,201)
Work in process	28	28	0
Deferred tax assets	1,092	1,089	3
Other	2,391	2,254	137
Allowance for doubtful accounts	(30)	(51)	21
<b>Noncurrent assets</b>	12,199	13,710	(1,511)
Property, plant and equipment	4,761	4,932	(171)
Buildings and structures	1,679	1,686	(7)
Land	2,528	2,528	0
Other	554	717	(163)
Intangible assets	564	900	(336)
Investments and other assets	6,873	7,877	(1,004)
Investment securities	1,372	1,584	(212)
Real estate for investment	1,158	1,220	(62)
Deferred tax assets	2,251	2,310	(59)
Other	2,090	2,762	(672)
<b>Total assets</b>	117,413	111,982	5,431
<b>Current liabilities</b>	57,848	49,659	8,189
Notes and accounts payable-trade	41,936	32,141	9,795
Short-term loans payable	12,273	13,485	(1,212)
Current portion of bonds	1,048	48	1,000
Provision for bonuses	536	446	90
Other	2,052	3,536	(1,484)
<b>Noncurrent liabilities</b>	24,238	27,240	(3,002)
Bonds payable	119	1,168	(1,049)
Bonds with subscription rights to shares	-	4,000	(4,000)
Long-term loans payable	21,632	20,000	1,632
Provision for retirement benefits	1,513	1,237	276
Provision for directors' retirement benefits	563	578	(15)
Other	409	256	153
<b>Total liabilities</b>	82,086	76,899	5,187
<b>Total net assets</b>	35,327	35,083	244
<b>Total liabilities and net assets</b>	117,413	111,982	5,431

## Consolidated Statement of Income (Forecast) (Unit: Yen in Million)

	FY2010 Forecast			FY2009 Results			Increase/Decrease		
	1st Half 10/4-9	2nd Half 10/10-11/3	Full Year 10/4-11/3	1st Half 09/4-9	2nd Half 09/10-10/3	Full Year 09/4-10/3	1st Half	2nd Half	Full Year
<b>Net Sales</b>	102,000	119,000	221,000	100,424	107,524	207,948	1,576	11,476	13,052
Electronic Devices	86,900	96,400	183,300	87,761	86,949	174,710	(861)	9,451	8,590
Electronic Systems	15,100	22,600	37,700	12,663	20,574	33,238	2,437	2,026	4,462
<b>Cost of Sales</b>	94,070	109,380	203,450	92,640	98,374	191,014	1,430	11,006	12,436
<b>Gross Profit</b>	7,930	9,620	17,550	7,784	9,149	16,933	146	471	617
Electronic Devices	5,630	6,250	11,880	5,781	6,129	11,911	(151)	121	(31)
Electronic Systems	2,300	3,370	5,670	2,002	3,019	5,022	298	351	648
<b>Selling, general and administrative expenses</b>	7,180	7,520	14,700	7,399	7,384	14,783	(219)	136	(83)
<b>Operating income</b>	750	2,100	2,850	385	1,764	2,150	365	336	700
<b>Non-operating income</b>	150	150	300	214	214	429	(64)	(64)	(129)
<b>Non-operating expenses</b>	480	420	900	925	618	1,544	(445)	(198)	(644)
<b>Ordinary income</b>	420	1,830	2,250	(325)	1,360	1,035	745	470	1,215
<b>Extraordinary income</b>	0	0	0	34	116	151	(34)	(116)	(151)
<b>Extraordinary loss</b>	0	0	0	131	92	223	(131)	(92)	(223)
<b>Income before income taxes</b>	420	1,830	2,250	(422)	1,384	962	842	446	1,288
<b>Income taxes-current</b>	145	265	410	60	249	309	85	16	101
<b>Income taxes-deferred</b>	50	340	390	(228)	169	(58)	278	171	448
<b>Minority interests in income</b>	130	220	350	25	233	259	105	(13)	91
<b>Net income</b>	95	1,005	1,100	(279)	732	452	374	273	648
<b>Gross Profit Margin</b>	7.8%	8.1%	7.9%	7.8%	8.5%	8.1%	-	-	-
Electronic Devices	6.5%	6.5%	6.5%	6.6%	7.0%	6.8%	-	-	-
Electronic Systems	15.2%	14.9%	15.0%	15.8%	14.7%	15.1%	-	-	-
<b>Operating Profit Margin</b>	0.7%	1.8%	1.3%	0.4%	1.6%	1.0%	-	-	-
<b>Ordinary Profit Margin</b>	0.4%	1.5%	1.0%	-0.3%	1.3%	0.5%	-	-	-
<b>Net Profit Margin</b>	0.1%	0.8%	0.5%	-0.3%	0.7%	0.2%	-	-	-

## Consolidated Statements of Income (Quarterly)

(Unit: Yen in Million)

	FY2009					FY2010
	1Q 09/4-6	2Q 09/7-9	3Q 09/10-12	4Q 10/1-3	Full Year 09/4-10/3	1Q 10/4-6
Net Sales	45,240	55,183	52,143	55,380	207,948	51,045
Electronic Devices	40,188	47,572	44,651	42,297	174,710	45,243
Electronic Systems	5,052	7,610	7,491	13,082	33,238	5,802
Cost of Sales	41,823	50,816	47,827	50,547	191,014	47,311
Gross Profit	3,417	4,367	4,316	4,832	16,933	3,734
Electronic Devices	2,690	3,091	3,133	2,995	11,911	2,792
Electronic Systems	727	1,275	1,182	1,836	5,022	941
Selling, general and administrative expenses	3,723	3,675	3,697	3,686	14,783	3,586
Operating income	(306)	692	619	1,145	2,150	147
Non-operating income	119	95	112	102	429	130
Non-operating expenses	446	479	411	207	1,544	338
Ordinary income	(633)	308	320	1,040	1,035	(60)
Extraordinary income	34	0	113	2	151	0
Extraordinary loss	17	114	25	66	223	169
Income before income taxes and minority interests	(616)	194	408	976	962	(229)
Income taxes	(212)	44	43	374	250	(1)
Minority interests in income	(29)	55	81	152	259	40
Net income	(374)	94	282	449	452	(269)
Gross Profit Margin	7.6%	7.9%	8.3%	8.7%	8.1%	7.3%
Electronic Devices	6.7%	6.5%	7.0%	7.1%	6.8%	6.2%
Electronic Systems	14.4%	16.8%	15.8%	14.0%	15.1%	16.2%
Operating Profit Margin	-0.7%	1.3%	1.2%	2.1%	1.0%	0.3%
Ordinary Profit Margin	-1.4%	0.6%	0.6%	1.9%	0.5%	-0.1%
Net Profit Margin	-0.8%	0.2%	0.5%	0.8%	0.2%	-0.5%

## Consolidated Sales by Segment (Quarterly)

(Unit: Yen in Million)

	FY2009					FY2010
	1Q 09/4-6	2Q 09/7-9	3Q 09/10-12	4Q 10/1-3	Full Year 09/4-10/3	1Q 10/4-6
Total Electronic Devices	40,188	47,572	44,651	42,298	174,710	45,243
Semiconductors	31,352	37,569	33,476	32,982	135,380	33,994
General-Use IC	6,323	7,510	7,170	8,008	29,011	7,962
Memory IC	4,284	3,171	2,258	2,832	12,545	3,259
Special-Use IC	17,951	23,329	20,429	17,648	79,358	20,661
Micro Processor	1,174	1,548	1,648	2,039	6,409	1,992
DSP	1,707	1,987	2,172	2,043	7,909	1,988
Display Driver IC	1,147	1,840	1,065	1,149	5,201	335
Other	13,924	17,954	15,543	12,419	59,840	16,346
Custom IC	2,109	2,762	2,662	3,514	11,047	1,160
Discrete	682	834	888	980	3,384	899
Other	3	(36)	69	(3)	33	53
Electronic Components	8,836	10,003	11,175	9,316	39,330	11,249
Electrical & Electronic parts	8,429	9,638	10,741	8,823	37,631	10,777
Board Computer, etc.	407	365	434	494	1,700	473
Total Electronic Systems	5,052	7,610	7,491	13,084	33,238	5,802
Space & Defense Electronics	1,076	1,532	1,404	1,533	5,545	995
Measurement & Inspection Equipment	1,378	1,672	2,364	3,601	9,016	1,773
Scientific Equipment	36	1,143	35	904	2,118	75
Laser Equipment	428	663	605	1,048	2,744	549
Medical Equipment	2,133	2,600	3,084	5,997	13,815	2,411
Total Net Sales	45,240	55,183	52,143	55,381	207,948	51,045

## Consolidated Balance Sheets (Quarterly)

(Unit: Yen in Million)

	FY2009				FY2010
	09/6	09/9	09/12	10/3	10/6
<b>Current assets</b>	98,272	99,362	98,647	99,204	105,214
Cash and deposits	23,604	20,265	18,660	25,588	26,456
Notes and accounts receivable-trade	49,018	56,891	59,774	53,370	55,149
Merchandise and finished goods	22,328	19,049	17,337	15,535	20,127
Work in process	28	25	38	16	28
Deferred tax assets	1,089	1,179	748	1,709	1,092
Other	2,254	2,001	2,137	3,015	2,391
Allowance for doubtful accounts	(51)	(50)	(49)	(29)	(30)
<b>Noncurrent assets</b>	13,710	12,804	12,649	11,460	12,199
<b>Property, plant and equipment</b>	4,932	4,820	4,748	4,675	4,761
Buildings and structures	1,686	1,616	1,600	1,572	1,679
Land	2,528	2,528	2,528	2,528	2,528
other	717	674	619	573	554
Intangible assets	900	826	710	620	564
Investments and other assets	7,877	7,158	7,189	6,165	6,873
Investment securities	1,584	1,560	1,320	1,513	1,372
Real estate for investment	1,220	1,207	1,184	1,169	1,158
Deferred tax assets	2,310	2,280	2,649	1,431	2,251
Other	2,762	2,109	2,035	2,050	2,090
<b>Total assets</b>	111,982	112,167	111,297	110,665	117,413
<b>Current liabilities</b>	49,659	54,003	53,997	50,845	57,848
Notes and accounts payable-trade	32,141	37,119	36,959	35,233	41,936
Short-term loans payable	13,485	13,770	13,812	12,284	12,273
Current portion of bonds	48	48	1,048	1,048	1,048
Provision for bonuses	446	602	310	588	536
Other	3,536	2,461	1,864	1,691	2,052
<b>Noncurrent liabilities</b>	27,240	23,262	22,374	23,999	24,238
Bonds payable	1,168	1,144	144	119	119
Bonds with subscription rights to shares	4,000	-	-	-	-
Long-term loans payable	20,000	20,000	20,000	21,500	21,632
Provision for retirement benefits	1,237	1,345	1,460	1,578	1,513
Provision for directors' retirement benefits	578	521	532	551	563
Other	256	251	236	250	409
<b>Total liabilities</b>	76,899	77,265	76,371	74,845	82,086
<b>Total net assets</b>	35,083	34,901	34,925	35,819	35,327
<b>Total liabilities and net assets</b>	111,982	112,167	111,297	110,665	117,413

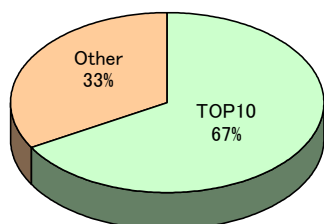
## Consolidated Statements of Cash Flows (Quarterly)

(Unit: Yen in Million)

	FY2009				FY2010
	1Q 09/4-6	2Q 09/4-9	3Q 09/4-12	4Q 09/4-10/3	1Q 10/4-6
<b>Net cash provided by (used in) operating activities</b>	4,034	3,927	2,187	9,188	1,082
Income before income taxes and minority interests	(616)	(422)	(13)	962	(229)
Depreciation and amortization	168	340	532	709	155
Amortization of goodwill	27	54	81	108	-
Equity in (earnings) losses of affiliates	(6)	(13)	(30)	(28)	(18)
Decrease (increase) in notes and accounts receivable-trade	(5,803)	(13,794)	(16,998)	(10,489)	(1,735)
Decrease (increase) in inventories	1,642	4,856	6,370	8,255	(4,587)
Increase (decrease) in notes and accounts payable-trade	6,059	11,070	11,064	9,354	6,693
Other, net	2,702	2,175	1,692	1,119	1,081
Subtotal	4,174	4,267	2,697	9,993	1,358
Interest and dividends income received	11	21	41	49	16
Interest expenses paid	(17)	(264)	(327)	(582)	(31)
Income taxes paid	(141)	(201)	(328)	(376)	(262)
Income taxes refund	7	104	104	104	1
<b>Net cash provided by (used in) investing activities</b>	(373)	(621)	592	573	(41)
<b>Net cash provided by (used in) financing activities</b>	(1,446)	(5,207)	(5,139)	(5,223)	(61)
Effect of exchange rate change on cash and cash equivalents	119	60	(42)	(2)	111
<b>Net increase(decrease) in cash and cash equivalents</b>	2,333	(1,841)	(2,401)	4,535	1,090
<b>Cash and cash equivalents at beginning of period</b>	20,071	20,071	20,071	20,071	24,431
<b>Cash and cash equivalents at end of period</b>	22,404	18,230	17,669	24,607	25,522

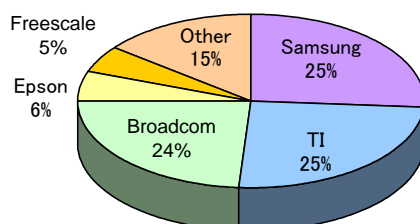
## Consolidated Sales Breakdown (1Q of FY2010)

**Sales by Customer**



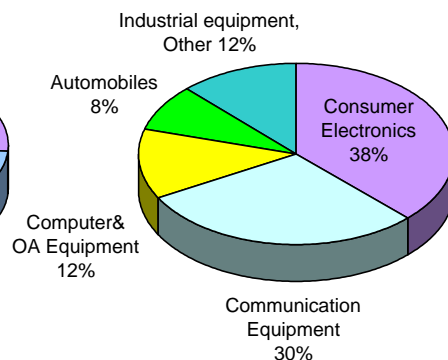
1. Murata Manufacturing Group
2. Toshiba Group
3. Mitsubishi Electric Group
4. Sharp Group
5. Canon Group
6. Sony Group
7. NEC Group
8. Panasonic Group
9. Seiko Epson Group
10. Fuji Xerox Group

**Sales of Electronic Devices by Supplier**



1. Samsung Electronics
2. Texas Instruments
3. Broadcom
4. Epson
5. Freescale

**Sales of Electronic Devices by Application**



## Consolidated Trend in Orders / Sales

(Unit: Yen in Million)

		FY2009					FY2010				
		1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	4Q	Full Year
		09/4-6	09/7-9	09/10-12	10/1-3	09/4-10/3	10/4-6	10/7-9	10/10-12	11/1-3	10/4-11/3
Orders	Electronic Devices	46,737	53,808	39,847	41,554	181,948	57,082				
	Electronic Systems	6,456	8,885	10,709	8,082	34,135	7,058				
	<b>Total</b>	<b>53,194</b>	<b>62,693</b>	<b>50,557</b>	<b>49,637</b>	<b>216,083</b>	<b>64,141</b>				
Sales	Electronic Devices	40,188	47,572	44,651	42,297	174,710	45,243				
	Electronic Systems	5,052	7,610	7,491	13,082	33,238	5,802				
	<b>Total</b>	<b>45,240</b>	<b>55,183</b>	<b>52,143</b>	<b>55,380</b>	<b>207,948</b>	<b>51,045</b>				