

Supplementary Financial Information for the first quarter of fiscal year ending March 2015

MARUBUN CORPORATION

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

http://www.marubun.co.jp/en/ir_e/index.html (IR Website)

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

(Unit: Yen in Million)

	FY2013 13/4-9 Results	FY2014 14/4-9 Results	Increase /Decrease
Net Sales	55,796	54,276	(1,520)
Electronic Devices	50,550	47,636	(2,914)
Electronic Systems	5,246	6,640	1,394
Cost of Sales	51,888	50,512	(1,376)
Gross Profit	3,908	3,764	(144)
Electronic Devices	3,061	2,808	(253)
Electronic Systems	848	956	108
Selling, general and administrative expenses	3,635	3,601	(34)
Personal expenses	2,257	2,273	16
Other	1,377	1,328	(49)
Operating income	273	163	(110)
Electronic Devices	579	341	(238)
Electronic Systems	(302)	(175)	127
Non-operating income	180	253	73
Foreign exchange gains	-	65	65
Equity in earnings of affiliates	44	51	7
Non-operating expenses	187	124	(63)
Foreign exchange losses	49	-	(49)
Ordinary income	267	293	26
Extraordinary income	1	-	(1)
Extraordinary loss	20	3	(17)
Income before income taxes and minority interests	247	290	43
Income taxes	47	94	47
Minority interests in income	95	68	(27)
Net income	104	127	23
Number of Employees	1,278	1,275	(3)
Gross Profit Margin	7.0%	6.9%	-
Electronic Devices	6.1%	5.9%	-
Electronic Systems	16.2%	14.4%	-
Operating Profit Margin	0.5%	0.3%	-
Electronic Devices	1.1%	0.7%	-
Electronic Systems	-	-	-
Ordinary Profit Margin	0.5%	0.5%	-
Net Profit Margin	0.2%	0.2%	-

Consolidated Sales by Segment

(Unit: Yen in Million)

	FY2013 13/4-6 Results	FY2014 14/4-6 Results	Increase /Decrease
Total Electronic Devices	50,550	47,636	(2,914)
Semiconductors	43,584	42,097	(1,487)
Analog IC	6,571	7,998	1,427
Standard Logic IC	842	945	103
Memory IC	8,376	6,348	(2,028)
Micro-Processor	2,729	3,248	519
Special-Use IC	22,750	18,722	(4,028)
Custom IC	2,163	4,795	2,632
Other	153	43	(110)
Electronic Components	6,966	5,538	(1,428)
Total Electronic Systems	5,246	6,640	1,394
Space & Defense Electronics	605	501	(104)
Measurement & Inspection Equipment	1,835	2,935	1,100
Scientific Equipment	43	402	359
Laser Equipment	681	584	(97)
Medical Equipment	2,082	2,218	136
Total Net Sales	55,796	54,276	(1,520)

Consolidated Balance Sheets

(Unit: Yen in Million)

	FY2013 14/3 Results	FY2014 14/6 Results	Increase /Decrease
Current assets	99,510	95,619	(3,891)
Cash and deposits	19,151	23,897	4,746
Notes and accounts receivable-trade	60,944	48,497	(12,447)
Merchandise and finished goods	16,860	19,576	2,716
Work in process	70	155	85
Deferred tax assets	1,070	1,024	(46)
Other	1,430	2,483	1,053
Allowance for doubtful accounts	(17)	(15)	2
Noncurrent assets	11,124	11,428	304
Property, plant and equipment	4,277	4,254	(23)
Buildings and structures	1,343	1,321	(22)
Land	2,510	2,510	0
other	423	422	(1)
Intangible assets	402	375	(27)
Investments and other assets	6,445	6,798	353
Investment securities	2,171	2,450	279
Real estate for investment	950	939	(11)
Deferred tax assets	990	1,046	56
Other	2,332	2,361	29
Total assets	110,635	107,048	(3,587)
Current liabilities	65,114	61,948	(3,166)
Notes and accounts payable-trade	39,910	36,141	(3,769)
Short-term loans payable	7,100	7,723	623
Current portion of long-term loans payable	15,043	15,028	(15)
Provision for bonuses	789	570	(219)
Other	2,271	2,483	212
Noncurrent liabilities	3,050	3,111	61
Long-term loans payable	1,013	1,014	1
Net defined benefit liability	1,330	1,392	62
Provision for directors' retirement benefits	225	230	5
Other	481	474	(7)
Total liabilities	68,165	65,059	(3,106)
Total net assets	42,469	41,988	(481)
Total liabilities and net assets	110,635	107,048	(3,587)

Consolidated Statements of Cash Flows

(Unit: Yen in Million)

	FY2013 13/4-6 Results	FY2014 14/4-6 Results
Net cash provided by (used in) operating activities	3,884	5,294
Income before income taxes and minority interests	247	290
Depreciation and amortization	100	89
Equity in (earnings) losses of affiliates	(44)	(51)
Decrease (increase) in notes and accounts receivable-trade	3,174	12,224
Decrease (increase) in inventories	2,968	(2,872)
Increase (decrease) in notes and accounts payable-trade	(1,898)	(3,639)
Other, net	(362)	(223)
Subtotal	4,184	5,817
Interest and dividends income received	16	19
Interest expenses paid	(74)	(58)
Income taxes paid	(241)	(483)
Income taxes refund	0	-
Net cash provided by (used in) investing activities	(78)	(66)
Net cash provided by (used in) financing activities	2,645	231
Effect of exchange rate change on cash and cash equivalents	474	(198)
Net increase(decrease) in cash and cash equivalents	6,926	5,260
Cash and cash equivalents at beginning of period	17,410	18,976
Cash and cash equivalents at end of period	24,336	24,236

Consolidated Statement of Income (1st Half)

(Unit: Yen in Million)

	FY2013 1st Half Results	FY2014 1st Half Forecast	Increase /Decrease
Net Sales	119,373	114,000	(5,373)
Electronic Devices	104,950	100,000	(4,950)
Electronic Systems	14,423	14,000	(423)
Cost of Sales	110,925	106,200	(4,725)
Gross Profit	8,448	7,800	(648)
Electronic Devices	6,089	5,550	(539)
Electronic Systems	2,358	2,250	(108)
Selling, general and administrative expenses	7,274	7,500	226
Operating income	1,174	300	(874)
Ordinary income	1,173	350	(823)
Income before income taxes and minority interests	1,139	350	(789)
Income taxes	374	100	(274)
Minority interests in income	178	200	22
Net income	585	100	(485)
Gross Profit Margin	7.1%	6.8%	-
Electronic Devices	5.8%	5.6%	-
Electronic Systems	16.3%	16.1%	-
Operating Profit Margin	1.0%	0.3%	-
Ordinary Profit Margin	1.0%	0.3%	-
Net Profit Margin	0.5%	0.1%	-

Consolidated Statement of Income (Full Year)

(Unit: Yen in Million)

	FY2013 Results	FY2014 Forecast	Increase /Decrease
Net Sales	260,424	263,000	2,576
Electronic Devices	220,325	224,000	3,675
Electronic Systems	40,098	39,000	(1,098)
Cost of Sales	241,581	243,900	2,319
Gross Profit	18,842	19,100	258
Electronic Devices	12,656	12,950	294
Electronic Systems	6,185	6,150	(35)
Selling, general and administrative expenses	14,930	15,000	70
Operating income	3,912	4,100	188
Ordinary income	3,944	4,000	56
Income before income taxes and minority interests	3,886	3,950	64
Income taxes	1,423	1,350	(73)
Minority interests in income	454	500	46
Net income	2,008	2,100	92
Gross Profit Margin	7.2%	7.3%	-
Electronic Devices	5.7%	5.8%	-
Electronic Systems	15.4%	15.8%	-
Operating Profit Margin	1.5%	1.6%	-
Ordinary Profit Margin	1.5%	1.5%	-
Net Profit Margin	0.8%	0.8%	-

Consolidated Sales by Segment (Full Year)

(Unit: Yen in Million)

	FY2013 Results	FY2014 Forecast	Increase /Decrease
Total Electronic Devices	220,325	224,000	3,675
Semiconductors	184,600	185,126	526
Analog IC	33,511	37,400	3,889
Standard Logic IC	2,285	1,656	(630)
Memory IC	35,959	32,845	(3,114)
Micro-Processor	11,572	17,073	5,501
Special-Use IC	89,255	81,507	(7,748)
Custom IC	11,688	13,387	1,700
Other	329	1,258	928
Electronic Components	35,725	38,874	3,148
Total Electronic Systems	40,098	39,000	(1,098)
Space & Defense Electronics	4,983	4,503	(480)
Measurement & Inspection Equipment	13,425	13,913	488
Scientific Equipment	341	1,736	1,396
Laser Equipment	4,099	3,548	(551)
Medical Equipment	17,251	15,300	(1,951)
Total Net Sales	260,424	263,000	2,576

Consolidated Statements of Income (Quarterly)

(Unit: Yen in Million)

	FY2013					FY2014
	1Q	2Q	3Q	4Q	Full Year	1Q
Net Sales	55,796	63,576	68,073	72,976	260,424	54,276
Electronic Devices	50,550	54,399	59,038	56,337	220,325	47,636
Electronic Systems	5,246	9,177	9,035	16,638	40,098	6,640
Cost of Sales	51,888	59,037	63,438	67,217	241,581	50,512
Gross Profit	3,908	4,539	4,635	5,758	18,842	3,764
Electronic Devices	3,061	3,028	3,325	3,241	12,656	2,808
Electronic Systems	848	1,511	1,309	2,517	6,185	956
Selling, general and administrative expenses	3,635	3,638	3,651	4,005	14,930	3,601
Operating income	273	900	984	1,753	3,912	163
Electronic Devices	579	514	807	574	2,475	341
Electronic Systems	(302)	387	181	1,183	1,450	(175)
Non-operating income	180	178	163	184	708	253
Non-operating expenses	187	172	296	18	675	124
Ordinary income	267	906	851	1,919	3,944	293
Extraordinary income	1	2	8	0	12	-
Extraordinary loss	20	16	29	3	70	3
Income before income taxes and minority interests	247	891	830	1,917	3,886	290
Income taxes	47	327	292	755	1,423	94
Minority interests in income	95	83	71	204	454	68
Net income	104	480	466	957	2,008	127
Gross Profit Margin	7.0%	7.1%	6.8%	7.9%	7.2%	6.9%
Electronic Devices	6.1%	5.6%	5.6%	5.8%	5.7%	5.9%
Electronic Systems	16.2%	16.5%	14.5%	15.1%	15.4%	14.4%
Operating Profit Margin	0.5%	1.4%	1.4%	2.4%	1.5%	0.3%
Ordinary Profit Margin	0.5%	1.4%	1.3%	2.6%	1.5%	0.5%
Net Profit Margin	0.2%	0.8%	0.7%	1.3%	0.8%	0.2%

Consolidated Sales by Segment (Quarterly)

(Unit: Yen in Million)

	FY2013					FY2014
	1Q	2Q	3Q	4Q	Full Year	1Q
Total Electronic Devices	50,550	54,399	59,038	56,337	220,325	47,636
Semiconductors	43,584	45,918	47,956	47,141	184,600	42,097
Analog IC	6,571	7,621	8,437	10,882	33,511	7,998
Standard Logic IC	842	589	490	364	2,285	945
Memory IC	8,376	8,869	8,635	10,078	35,959	6,348
Micro-Processor	2,729	2,680	2,830	3,332	11,572	3,248
Special-Use IC	22,750	22,453	24,618	19,434	89,255	18,722
Custom IC	2,163	3,431	2,803	3,290	11,688	4,795
Other	153	275	143	(240)	329	43
Electronic Components	6,966	8,482	11,082	9,196	35,725	5,538
Total Electronic Systems	5,246	9,177	9,035	16,638	40,098	6,640
Space & Defense Electronics	605	1,046	1,226	2,105	4,983	501
Measurement & Inspection Equipment	1,835	3,192	3,310	5,087	13,425	2,935
Scientific Equipment	43	73	60	164	341	402
Laser Equipment	681	984	805	1,628	4,099	584
Medical Equipment	2,082	3,881	3,635	7,653	17,251	2,218
Total Net Sales	55,796	63,576	68,073	72,976	260,424	54,276

Consolidated Balance Sheets (Quarterly)

(Unit: Yen in Million)

	FY2013				FY2014
	Jun.30,2013	Sep.30,2013	Dec.31,2013	Mar.31,2014	Sep.30,2014
Current assets	96,385	101,968	104,757	99,510	95,619
Cash and deposits	22,522	19,942	22,412	19,151	23,897
Notes and accounts receivable-trade	46,291	53,046	58,537	60,944	48,497
Merchandise and finished goods	22,579	25,911	20,746	16,860	19,576
Work in process	119	34	79	70	155
Deferred tax assets	1,523	1,556	1,451	1,070	1,024
Other	3,377	1,503	1,547	1,430	2,483
Allowance for doubtful accounts	(28)	(26)	(18)	(17)	(15)
Noncurrent assets	11,333	11,285	11,524	11,124	11,428
Property, plant and equipment	4,346	4,320	4,287	4,277	4,254
Buildings and structures	1,385	1,372	1,362	1,343	1,321
Land	2,510	2,510	2,510	2,510	2,510
other	450	437	414	423	422
Intangible assets	393	414	416	402	375
Investments and other assets	6,593	6,550	6,820	6,445	6,798
Investment securities	1,894	2,003	2,254	2,171	2,450
Real estate for investment	999	978	957	950	939
Deferred tax assets	1,668	1,440	1,389	990	1,046
Other	2,030	2,127	2,220	2,332	2,361
Total assets	107,718	113,254	116,281	110,635	107,048
Current liabilities	51,129	55,562	58,177	65,114	61,948
Notes and accounts payable-trade	32,697	40,081	42,933	39,910	36,141
Short-term loans payable	14,705	11,988	11,674	7,100	7,723
Current portion of long-term loans payable	34	34	34	15,043	15,028
Current portion of bonds	21	-	-	-	-
Provision for bonuses	567	794	427	789	570
Other	3,102	2,663	3,107	2,271	2,483
Noncurrent liabilities	18,291	18,249	18,257	3,050	3,111
Long-term loans payable	16,101	16,072	16,032	1,013	1,014
Provision for retirement benefits	1,502	1,529	1,561	-	-
Net defined benefit liability	-	-	-	1,330	1,392
Provision for directors' retirement benefits	260	211	218	225	230
Other	426	436	444	481	474
Total liabilities	69,421	73,812	76,434	68,165	65,059
Total net assets	38,297	39,441	39,846	42,469	41,988
Total liabilities and net assets	107,718	113,254	116,281	110,635	107,048

Consolidated Statements of Cash Flows (Quarterly)

(Unit: Yen in Million)

	FY2013				FY2014
	1Q	2Q	3Q	4Q	1Q
Net cash provided by (used in) operating activities	3,884	2,114	4,553	5,999	5,294
Income before income taxes and minority interests	247	1,139	1,969	3,886	290
Depreciation and amortization	100	200	299	403	89
Equity in (earnings) losses of affiliates	(44)	(106)	(178)	(270)	(51)
Decrease (increase) in notes and accounts receivable-trade	3,174	(3,179)	(8,693)	(10,445)	12,224
Decrease (increase) in inventories	2,968	(146)	4,977	9,089	(2,872)
Increase (decrease) in notes and accounts payable-trade	(1,898)	5,219	8,030	4,604	(3,639)
Other, net	(362)	(704)	(1,295)	(588)	(223)
Subtotal	4,184	2,421	5,108	6,678	5,817
Interest and dividends income received	16	25	63	159	19
Interest expenses paid	(74)	(147)	(217)	(282)	(58)
Income taxes paid	(241)	(358)	(575)	(730)	(483)
Income taxes refund	0	174	174	174	-
Net cash provided by (used in) investing activities	(78)	(94)	(77)	(162)	(66)
Net cash provided by (used in) financing activities	2,645	(205)	(717)	(5,382)	231
Effect of exchange rate change on cash and cash equivalents	474	550	1,133	1,110	(198)
Net increase(decrease) in cash and cash equivalents	6,926	2,364	4,892	1,565	5,260
Cash and cash equivalents at beginning of period	17,410	17,410	17,410	17,410	18,976
Cash and cash equivalents at end of period	24,336	19,774	22,303	18,976	24,236