

# Supplementary Financial Information for the first quarter of fiscal year ending March 2020

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**MARUBUN CORPORATION**

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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

(Millions of Yen)	FY2018 18/4-6 Results	FY2019 19/4-6 Results	Increase /Decrease
<b>Net Sales</b>	<b>71,211</b>	<b>59,182</b>	<b>(12,029)</b>
Electronic Devices	60,920	49,906	(11,014)
Electronic Systems	10,291	9,275	(1,016)
Cost of Sales	65,682	55,371	(10,311)
<b>Gross Profit</b>	<b>5,529</b>	<b>3,810</b>	<b>(1,719)</b>
Electronic Devices	3,967	2,251	(1,716)
Electronic Systems	1,562	1,559	(3)
Selling, general and administrative expenses	4,314	4,109	(205)
Personal expenses	2,630	2,530	(100)
Other	1,684	1,579	(105)
<b>Operating income</b>	<b>1,214</b>	<b>(298)</b>	<b>(1,512)</b>
Electronic Devices	1,128	(256)	(1,384)
Electronic Systems	88	(40)	(128)
Non-operating income	152	986	834
Foreign exchange gains	-	900	900
Equity in earnings of affiliates	88	16	(72)
Non-operating expenses	1,440	386	(1,054)
Foreign exchange losses	1,146	-	(1,146)
<b>Ordinary income</b>	<b>(73)</b>	<b>301</b>	<b>374</b>
Extraordinary income	3	-	(3)
Extraordinary loss	0	202	202
<b>Income before income taxes and minority interests</b>	<b>(70)</b>	<b>99</b>	<b>169</b>
Income taxes	(44)	91	135
Profit attributable to non-controlling interests	44	66	22
<b>Profit attributable to owners of parent</b>	<b>(70)</b>	<b>(58)</b>	<b>12</b>
Number of Employees	1,390	1,364	(26)
Gross Profit Margin	7.8%	6.4%	-
Electronic Devices	6.5%	4.5%	-
Electronic Systems	15.2%	16.8%	-
Operating Profit Margin	1.7%	-	-
Electronic Devices	1.9%	-	-
Electronic Systems	0.9%	-	-
Ordinary Profit Margin	-	0.5%	-
Net Profit Margin	-	-	-

## Consolidated Sales by Segment

(Millions of Yen)	FY2018 18/4-6 Results	FY2019 19/4-6 Results	Increase /Decrease
<b>Total Electronic Devices</b>	<b>60,920</b>	<b>49,906</b>	<b>(11,014)</b>
<b>Semiconductors</b>	<b>57,167</b>	<b>45,824</b>	<b>(11,343)</b>
Analog IC	15,093	13,211	(1,882)
Standard Logic IC	764	565	(199)
Memory IC	4,834	1,130	(3,705)
Micro-Processor	3,956	2,259	(1,697)
Special-Use IC	29,618	27,062	(2,556)
Custom IC	2,541	1,361	(1,180)
Other	362	236	(125)
<b>Electronic Components</b>	<b>3,753</b>	<b>4,082</b>	<b>329</b>
<b>Total Electronic Systems</b>	<b>10,291</b>	<b>9,275</b>	<b>(1,016)</b>
Space & Defense Electronics	997	955	(42)
Industrial Equipment	4,348	3,604	(744)
Laser Equipment	1,015	927	(87)
Information and communication Equipment	375	587	213
Medical Equipment	3,557	3,202	(355)
<b>Total Net Sales</b>	<b>71,211</b>	<b>59,182</b>	<b>(12,029)</b>

## Consolidated Balance Sheets

(Millions of Yen)	FY2018 19/3 Results	FY2019 19/6 Results	Increase /Decrease
<b>Current assets</b>	<b>113,985</b>	<b>115,752</b>	<b>1,767</b>
Cash and deposits	16,348	23,420	7,072
Notes and accounts receivable-trade	52,866	48,688	(4,178)
Merchandise and finished goods	43,020	42,256	(764)
Work in process	199	283	84
Other	1,567	1,116	(451)
Allowance for doubtful accounts	(16)	(13)	3
<b>Noncurrent assets</b>	<b>14,177</b>	<b>13,872</b>	<b>(305)</b>
Property, plant and equipment	3,634	3,781	147
Intangible assets	1,533	1,252	(281)
Investments and other assets	9,009	8,838	(171)
<b>Total assets</b>	<b>128,163</b>	<b>129,624</b>	<b>1,461</b>
<b>Current liabilities</b>	<b>75,623</b>	<b>77,673</b>	<b>2,050</b>
Notes and accounts payable-trade	25,443	28,164	2,721
Short-term loans payable	38,934	38,475	(459)
Current portion of long-term loans payable	7,550	7,550	0
Provision for bonuses	1,038	529	(509)
Other	2,657	2,955	298
<b>Noncurrent liabilities</b>	<b>2,813</b>	<b>2,826</b>	<b>13</b>
Long-term loans payable	1,175	1,162	(13)
Net defined benefit liability	1,201	1,136	(65)
Provision for directors' retirement benefits	97	93	(4)
Other	339	433	94
<b>Total liabilities</b>	<b>78,436</b>	<b>80,500</b>	<b>2,064</b>
Shareholders' equity	42,453	41,872	(581)
Accumulated other comprehensive income	1,056	955	(101)
Non-controlling interests	6,216	6,296	80
<b>Total net assets</b>	<b>49,726</b>	<b>49,124</b>	<b>(602)</b>
<b>Total liabilities and net assets</b>	<b>128,163</b>	<b>129,624</b>	<b>1,461</b>

## Consolidated Statements of Cash Flows

(Millions of Yen)	FY2018 18/4-6 Results	FY2019 19/4-6 Results
<b>Net cash provided by (used in) operating activities</b>	<b>(189)</b>	<b>7,141</b>
Income before income taxes and minority interests	(70)	99
Depreciation and amortization	99	157
Foreign exchange losses (gains)	1,262	(891)
Equity in (earnings) losses of affiliates	(88)	(16)
Decrease (increase) in notes and accounts receivable-trade	(2)	4,192
Decrease (increase) in inventories	1,175	680
Increase (decrease) in notes and accounts payable-trade	(2,969)	2,710
Other, net	912	699
Subtotal	319	7,634
Interest and dividends income received	96	53
Interest expenses paid	(226)	(307)
Income taxes paid	(379)	(256)
Income taxes refund	1	17
<b>Net cash provided by (used in) investing activities</b>	<b>(262)</b>	<b>(143)</b>
<b>Net cash provided by (used in) financing activities</b>	<b>3,699</b>	<b>(48)</b>
Effect of exchange rate change on cash and cash equivalents	(3)	37
Net increase(decrease) in cash and cash equivalents	3,243	6,986
Cash and cash equivalents at beginning of period	13,715	16,044
<b>Cash and cash equivalents at end of period</b>	<b>16,574</b>	<b>23,031</b>

## Consolidated Statement of Income (1st Half)

(Millions of Yen)	FY2018	FY2019	Increase
	1st Half	1st Half	/Decrease
	Results	Forecast	
<b>Net Sales</b>	<b>166,434</b>	<b>140,000</b>	<b>(26,434)</b>
Electronic Devices	145,394	117,000	(28,394)
Electronic Systems	21,040	23,000	1,960
Cost of Sales	155,052	130,550	(24,502)
<b>Gross Profit</b>	<b>11,382</b>	<b>9,450</b>	<b>(1,932)</b>
Electronic Devices	8,094	5,850	(2,244)
Electronic Systems	3,289	3,600	311
Selling, general and administrative expenses	8,807	8,800	(7)
<b>Operating income</b>	<b>2,575</b>	<b>650</b>	<b>(1,925)</b>
<b>Ordinary income</b>	<b>617</b>	<b>250</b>	<b>(367)</b>
<b>Income before income taxes and minority interests</b>	<b>623</b>	<b>250</b>	<b>(373)</b>
<b>Profit attributable to owners of parent</b>	<b>133</b>	<b>(185)</b>	<b>(318)</b>
Gross Profit Margin	6.8%	6.8%	-
Electronic Devices	5.6%	5.0%	-
Electronic Systems	15.6%	15.7%	-
Operating Profit Margin	1.5%	0.5%	-
Ordinary Profit Margin	0.4%	0.2%	-
Net Profit Margin	0.1%	-	-

## Consolidated Statement of Income (Full Year)

(Millions of Yen)	FY2018	FY2019	Increase
	Results	Forecast	/Decrease
<b>Net Sales</b>	<b>326,694</b>	<b>291,500</b>	<b>(35,194)</b>
Electronic Devices	275,073	236,000	(39,073)
Electronic Systems	51,621	55,500	3,879
Cost of Sales	303,927	270,000	(33,927)
<b>Gross Profit</b>	<b>22,767</b>	<b>21,500</b>	<b>(1,267)</b>
Electronic Devices	14,380	12,400	(1,980)
Electronic Systems	8,386	9,100	714
Selling, general and administrative expenses	17,719	17,500	(219)
<b>Operating income</b>	<b>5,048</b>	<b>4,000</b>	<b>(1,048)</b>
<b>Ordinary income</b>	<b>3,020</b>	<b>3,150</b>	<b>130</b>
<b>Income before income taxes and minority interests</b>	<b>2,981</b>	<b>3,150</b>	<b>169</b>
<b>Profit attributable to owners of parent</b>	<b>1,636</b>	<b>1,750</b>	<b>114</b>
Gross Profit Margin	7.0%	7.4%	-
Electronic Devices	5.2%	5.3%	-
Electronic Systems	16.2%	16.4%	-
Operating Profit Margin	1.5%	1.4%	-
Ordinary Profit Margin	0.9%	1.1%	-
Net Profit Margin	0.5%	0.6%	-

## Consolidated Sales by Segment (Full Year)

(Millions of Yen)	FY2018	FY2019	Increase
	Results	Forecast	/Decrease
<b>Total Electronic Devices</b>	<b>275,073</b>	<b>236,000</b>	<b>(39,073)</b>
<b>Semiconductors</b>	<b>257,769</b>	<b>213,191</b>	<b>(44,577)</b>
Analog IC	59,034	59,187	153
Standard Logic IC	2,833	2,393	(441)
Memory IC	12,478	5,385	(7,093)
Micro-Processor	12,431	9,281	(3,150)
Special-Use IC	162,361	129,997	(32,364)
Custom IC	8,248	6,949	(1,299)
Other	384	-	(384)
<b>Electronic Components</b>	<b>17,305</b>	<b>22,809</b>	<b>5,504</b>
<b>Total Electronic Systems</b>	<b>51,621</b>	<b>55,500</b>	<b>3,879</b>
Space & Defense Electronics	6,582	6,043	(539)
Industrial Equipment	19,462	21,234	1,772
Laser Equipment	5,431	6,968	1,537
Information and communication Equipment	1,787	2,456	669
Medical Equipment	18,359	18,800	441
<b>Total Net Sales</b>	<b>326,694</b>	<b>291,500</b>	<b>(35,194)</b>

## Consolidated Statements of Income (Quarterly)

(Millions of Yen)	FY2018					FY2019
	1Q	2Q	3Q	4Q	Full Year	1Q
<b>Net Sales</b>	<b>71,211</b>	<b>95,222</b>	<b>91,565</b>	<b>68,694</b>	<b>326,694</b>	<b>59,182</b>
Electronic Devices	60,920	84,473	79,356	50,323	275,073	49,906
Electronic Systems	10,291	10,749	12,209	18,371	51,621	9,275
Cost of Sales	65,682	89,369	85,881	62,993	303,927	55,371
<b>Gross Profit</b>	<b>5,529</b>	<b>5,853</b>	<b>5,683</b>	<b>5,700</b>	<b>22,767</b>	<b>3,810</b>
Electronic Devices	3,966	4,126	3,669	2,618	14,380	2,251
Electronic Systems	1,562	1,726	2,014	3,082	8,386	1,559
Selling, general and administrative expenses	4,314	4,492	4,395	4,515	17,719	4,109
<b>Operating income</b>	<b>1,214</b>	<b>1,360</b>	<b>1,287</b>	<b>1,185</b>	<b>5,048</b>	<b>(298)</b>
Electronic Devices	1,128	1,059	739	(337)	2,590	(256)
Electronic Systems	88	303	550	1,524	2,467	(40)
Non-operating income	152	144	161	109	568	986
Non-operating expenses	1,440	813	(49)	391	2,596	386
<b>Ordinary income</b>	<b>(73)</b>	<b>691</b>	<b>1,499</b>	<b>903</b>	<b>3,020</b>	<b>301</b>
Extraordinary income	3	19	17	(2)	38	-
Extraordinary loss	0	16	28	30	76	202
<b>Income before income taxes and minority interests</b>	<b>(70)</b>	<b>694</b>	<b>1,488</b>	<b>870</b>	<b>2,981</b>	<b>99</b>
Income taxes	(44)	388	349	258	952	91
Profit attributable to non-controlling interests	44	100	117	129	392	66
<b>Profit attributable to owners of parent</b>	<b>(70)</b>	<b>204</b>	<b>1,020</b>	<b>481</b>	<b>1,636</b>	<b>(58)</b>
Gross Profit Margin	7.8%	6.1%	6.2%	8.3%	7.0%	6.4%
Electronic Devices	6.5%	4.9%	4.6%	5.2%	5.2%	4.5%
Electronic Systems	15.2%	16.1%	16.5%	16.8%	16.2%	16.8%
Operating Profit Margin	1.7%	1.4%	1.4%	1.7%	1.5%	-
Ordinary Profit Margin	-	0.7%	1.6%	1.3%	0.9%	0.5%
Net Profit Margin	-	0.2%	1.1%	0.7%	0.5%	-

## Consolidated Sales by Segment (Quarterly)

(Millions of Yen)	FY2018					FY2019
	1Q	2Q	3Q	4Q	Full Year	1Q
<b>Total Electronic Devices</b>	<b>60,920</b>	<b>84,473</b>	<b>79,356</b>	<b>50,323</b>	<b>275,073</b>	<b>49,906</b>
<b>Semiconductors</b>	<b>57,167</b>	<b>80,225</b>	<b>74,608</b>	<b>45,768</b>	<b>257,769</b>	<b>45,824</b>
Analog IC	15,093	16,373	14,772	12,795	59,034	13,211
Standard Logic IC	764	833	661	575	2,833	565
Memory IC	4,834	3,793	2,431	1,419	12,478	1,130
Micro-Processor	3,956	3,717	2,330	2,428	12,431	2,259
Special-Use IC	29,618	52,737	52,524	27,482	162,361	27,062
Custom IC	2,541	2,430	2,092	1,185	8,248	1,361
Other	362	341	(202)	(117)	384	236
<b>Electronic Components</b>	<b>3,753</b>	<b>4,248</b>	<b>4,747</b>	<b>4,556</b>	<b>17,305</b>	<b>4,082</b>
<b>Total Electronic Systems</b>	<b>10,291</b>	<b>10,749</b>	<b>12,209</b>	<b>18,371</b>	<b>51,621</b>	<b>9,275</b>
Space & Defense Electronics	997	1,425	1,867	2,293	6,582	955
Industrial Equipment	4,348	4,328	4,204	6,582	19,462	3,604
Laser Equipment	1,015	1,228	1,288	1,900	5,431	927
Information and communication Equipment	375	183	631	598	1,787	587
Medical Equipment	3,557	3,586	4,219	6,997	18,359	3,202
<b>Total Net Sales</b>	<b>71,211</b>	<b>95,222</b>	<b>91,565</b>	<b>68,694</b>	<b>326,694</b>	<b>59,182</b>

## Consolidated Balance Sheets (Quarterly)

(Millions of Yen)	FY2018				FY2019
	Jun.30,2018	Sep.30,2018	Dec.31,2018	Mar.31,2019	Jun.30,2019
<b>Current assets</b>	<b>123,333</b>	<b>123,569</b>	<b>111,876</b>	<b>113,985</b>	<b>115,752</b>
Cash and deposits	16,813	14,196	14,178	16,348	23,420
Notes and accounts receivable-trade	60,738	66,174	56,838	52,866	48,688
Merchandise and finished goods	43,523	38,044	35,217	43,020	42,256
Work in process	186	310	546	199	283
Other	2,086	4,860	5,112	1,567	1,116
Allowance for doubtful accounts	(14)	(17)	(16)	(16)	(13)
<b>Noncurrent assets</b>	<b>13,436</b>	<b>13,746</b>	<b>13,785</b>	<b>14,177</b>	<b>13,872</b>
<b>Property, plant and equipment</b>	3,485	3,549	3,634	3,634	3,781
<b>Intangible assets</b>	1,682	1,696	1,619	1,533	1,252
<b>Investments and other assets</b>	8,268	8,499	8,530	9,009	8,838
<b>Total assets</b>	<b>136,770</b>	<b>137,315</b>	<b>125,661</b>	<b>128,163</b>	<b>129,624</b>
<b>Current liabilities</b>	<b>78,185</b>	<b>78,220</b>	<b>65,977</b>	<b>75,623</b>	<b>77,673</b>
Notes and accounts payable-trade	34,122	39,133	29,651	25,443	28,164
Short-term loans payable	40,272	35,498	33,196	38,934	38,475
Current portion of long-term loans payable	112	50	50	7,550	7,550
Provision for bonuses	539	1,040	578	1,038	529
Other	3,138	2,498	2,501	2,657	2,955
<b>Noncurrent liabilities</b>	<b>10,695</b>	<b>10,448</b>	<b>10,394</b>	<b>2,813</b>	<b>2,826</b>
Long-term loans payable	8,847	8,700	8,687	1,175	1,162
Net defined benefit liability	1,353	1,274	1,225	1,201	1,136
Provision for directors' retirement benefits	111	115	118	97	93
Other	382	358	362	339	433
<b>Total liabilities</b>	<b>88,881</b>	<b>88,669</b>	<b>76,372</b>	<b>78,436</b>	<b>80,500</b>
Shareholders' equity	41,007	41,212	41,971	42,453	41,872
Accumulated other comprehensive income	1,015	1,337	1,087	1,056	955
Non-controlling interests	5,866	6,096	6,229	6,216	6,296
<b>Total net assets</b>	<b>47,889</b>	<b>48,646</b>	<b>49,289</b>	<b>49,726</b>	<b>49,124</b>
<b>Total liabilities and net assets</b>	<b>136,770</b>	<b>137,315</b>	<b>125,661</b>	<b>128,163</b>	<b>129,624</b>

## Consolidated Statements of Cash Flows (Quarterly)

(Millions of Yen)	FY2018				FY2019
	1Q	2Q	3Q	4Q	1Q
<b>Net cash provided by (used in) operating activities</b>	<b>(189)</b>	<b>5,765</b>	<b>8,181</b>	<b>1,992</b>	<b>7,141</b>
Income before income taxes and minority interests	(70)	623	2,111	2,981	99
Depreciation and amortization	99	228	374	547	157
Foreign exchange losses (gains)	1,262	1,976	1,458	1,656	(891)
Equity in (earnings) losses of affiliates	(88)	(169)	(249)	(258)	(16)
Decrease (increase) in notes and accounts receivable-trade	(2)	(5,135)	4,426	8,177	4,192
Decrease (increase) in inventories	1,175	6,695	8,523	986	680
Increase (decrease) in notes and accounts payable-trade	(2,969)	1,882	(7,666)	(11,795)	2,710
Other, net	912	508	628	1,524	699
Subtotal	319	6,609	9,607	3,820	7,634
Interest and dividends income received	96	109	160	185	53
Interest expenses paid	(226)	(456)	(707)	(992)	(307)
Income taxes paid	(379)	(499)	(849)	(990)	(256)
Income taxes refund	1	2	2	2	17
Extra retirement payments	-	-	(33)	(33)	-
<b>Net cash provided by (used in) investing activities</b>	<b>(262)</b>	<b>(2,950)</b>	<b>(3,393)</b>	<b>(495)</b>	<b>(143)</b>
<b>Net cash provided by (used in) financing activities</b>	<b>3,699</b>	<b>(2,225)</b>	<b>(4,274)</b>	<b>1,243</b>	<b>(48)</b>
Effect of exchange rate change on cash and cash equivalents	(3)	17	69	(25)	37
Net increase(decrease) in cash and cash equivalents	3,243	607	583	2,714	6,986
Cash and cash equivalents at beginning of period	13,715	13,715	13,715	13,715	16,044
<b>Cash and cash equivalents at end of period</b>	<b>16,574</b>	<b>13,937</b>	<b>13,913</b>	<b>16,044</b>	<b>23,031</b>