



Financial Results for the Fiscal Year Ending March 31, 2023

18 May 2023



Agenda

1. FY3/23 Summary of Consolidated Financial Results

2. FY3/24 Summary of Consolidated Financial Forecasts

3. Shareholder Returns

4. FY2022-2024 Medium-term Business Plan Initiatives

5. About Marubun

1. FY3/23 Summary of Consolidated Financial Results

FY3/23 Summary of Consolidated Financial Results (Year-on-Year)

Confidential

- ▶ Net sales increased due to growth in semiconductors, electronic components for consumer and industrial equipment.
- ▶ In terms of profits, in addition to the increase in sales, the yen's depreciation boosted gross profit on a yen-equivalent basis, and all profits reached the highest level since the company was listed on the stock exchange.

	FY 3 /22		FY 3 /23		YoY Changes
	Actual	Composition Ratio	Actual	Composition Ratio	
(Millions of Yen)					
Net sales	167,794	—	226,171	—	+58,377 (+34.8%)
Gross profit	20,251	12.1%	27,264	12.1%	+7,013 (+34.6%)
SG&A expenses	14,257	8.5%	16,267	7.2%	+2,010 (+14.1%)
Operating income	5,994	3.6%	10,997	4.9%	+5,003 (+83.5%)
Ordinary income	4,106	2.4%	7,909	3.5%	+3,803 (+92.6%)
Profit attributable to owners of parent	2,437	1.5%	5,201	2.3%	+2,764 (+113.4%)

FY3/23 Summary of Consolidated Financial Results (Compared to forecast)

Confidential

- ▶ Sales were boosted by strong sales of semiconductors for consumer equipment.
- ▶ Operating income, ordinary income, and net income exceeded forecasts due to sales increase

(Millions of Yen)	FY3/23 (Forecast) (Announced in January 2023)		FY 3 /23		Compared to forecast
	Forecast	Composition Ratio	Actual	Composition Ratio	
Net sales	220,000	—	226,171	—	+6,171
Gross profit	26,500	12.0%	27,264	12.1%	+764
SG&A expenses	16,500	7.5%	16,267	7.2%	△233
Operating income	10,000	4.5%	10,997	4.9%	+997
Ordinary income	7,000	3.2%	7,909	3.5%	+909
Profit attributable to owners of parent	4,350	2.0%	5,201	2.3%	+851

FY3/23 Performance Summary by Business

※ Figures for the fiscal year ended March 31, 2022 have been revised the reorganization of the three business segments.

Electronic Devices Business

(Millions of Yen)	FY 3 /22※	FY 3 /23	YoY Changes
Net sales	117,442	168,872	+51,430 (+43.8%)

Electronic Systems Business

(Millions of Yen)	FY 3 /22※	FY 3 /23	YoY Changes
Net sales	48,230	54,494	+6,264 (+13.0%)

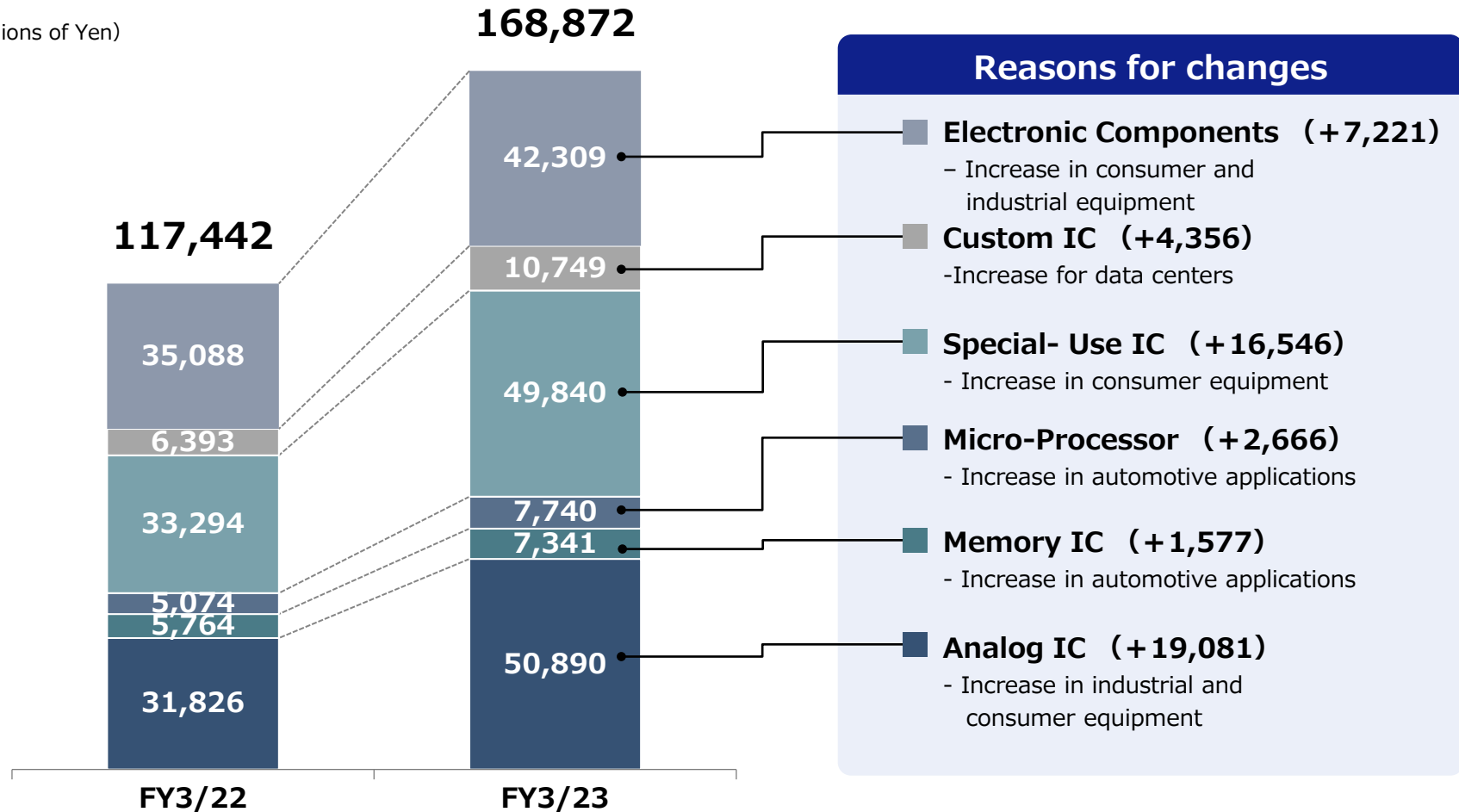
Electronic Solutions Business

(Millions of Yen)	FY 3 /22※	FY 3 /23	YoY Changes
Net sales	2,121	2,805	+684 (+32.2%)

FY3/23 Electronic Devices Business Net Sales Breakdown by Product Category

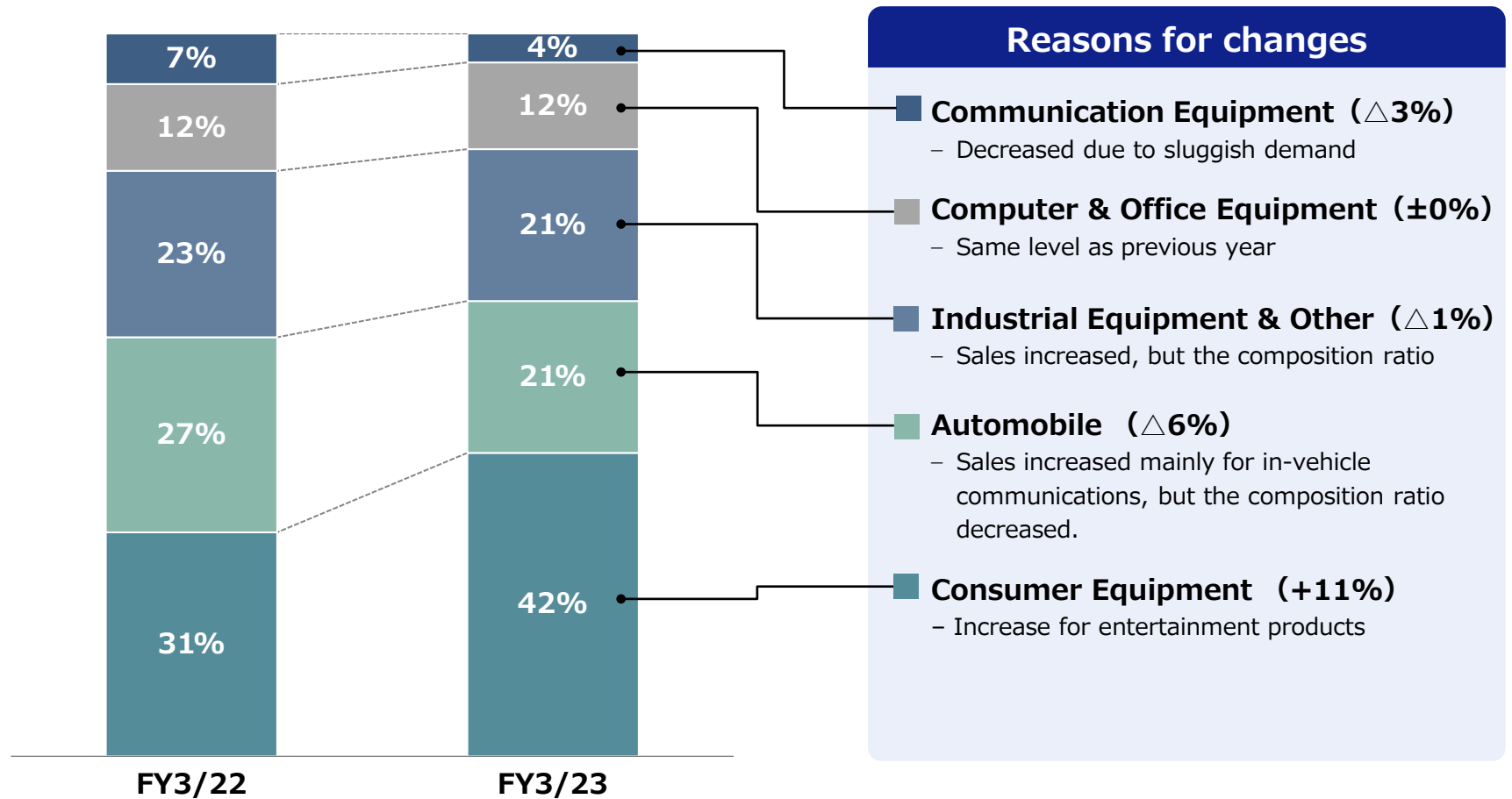
Confidential

(Millions of Yen)



FY3/23 Electronic Devices Business Market Trend by Application

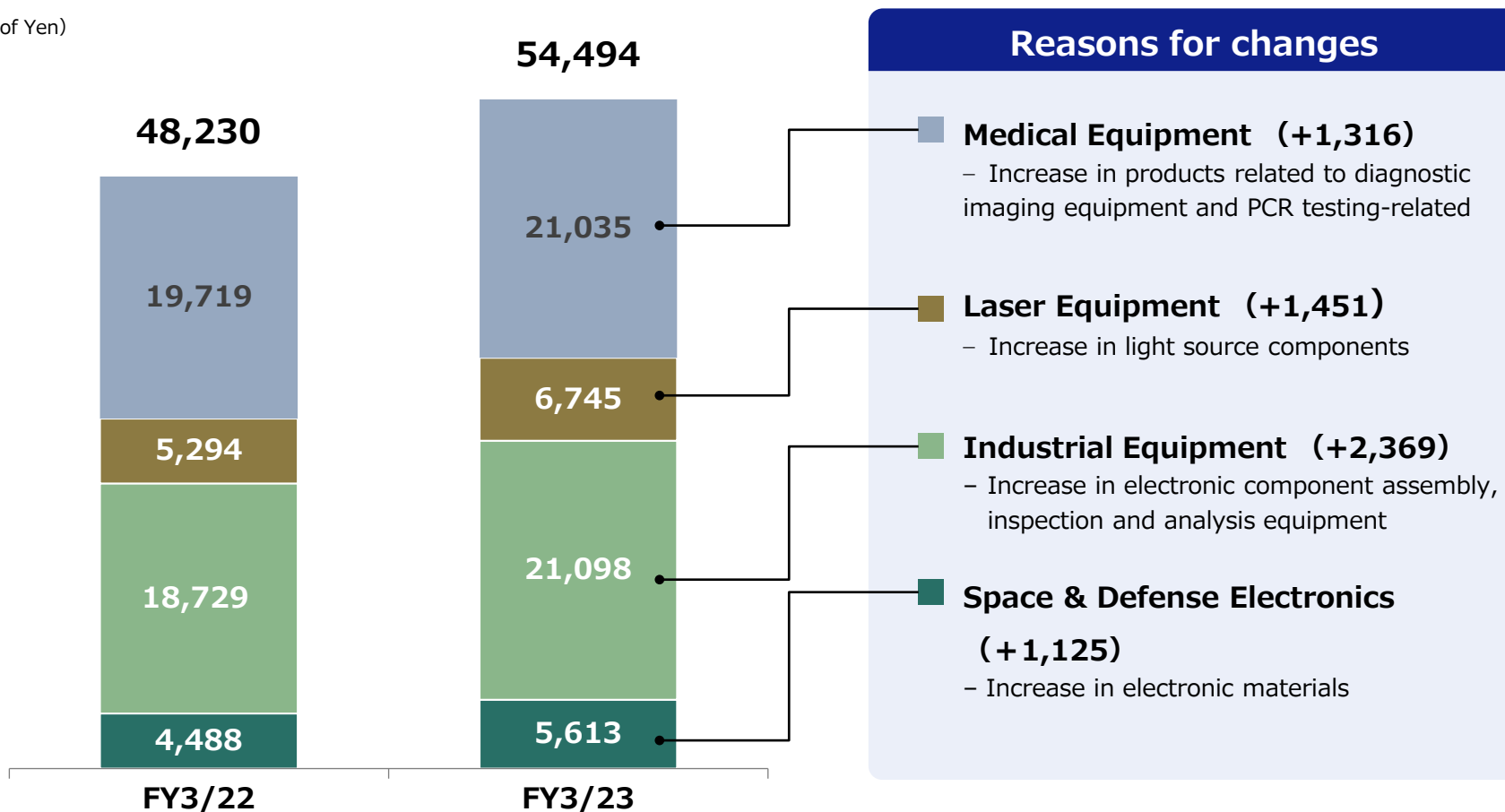
Confidential



FY3/23 Electronic Systems Business Net Sales Breakdown by Product

Confidential

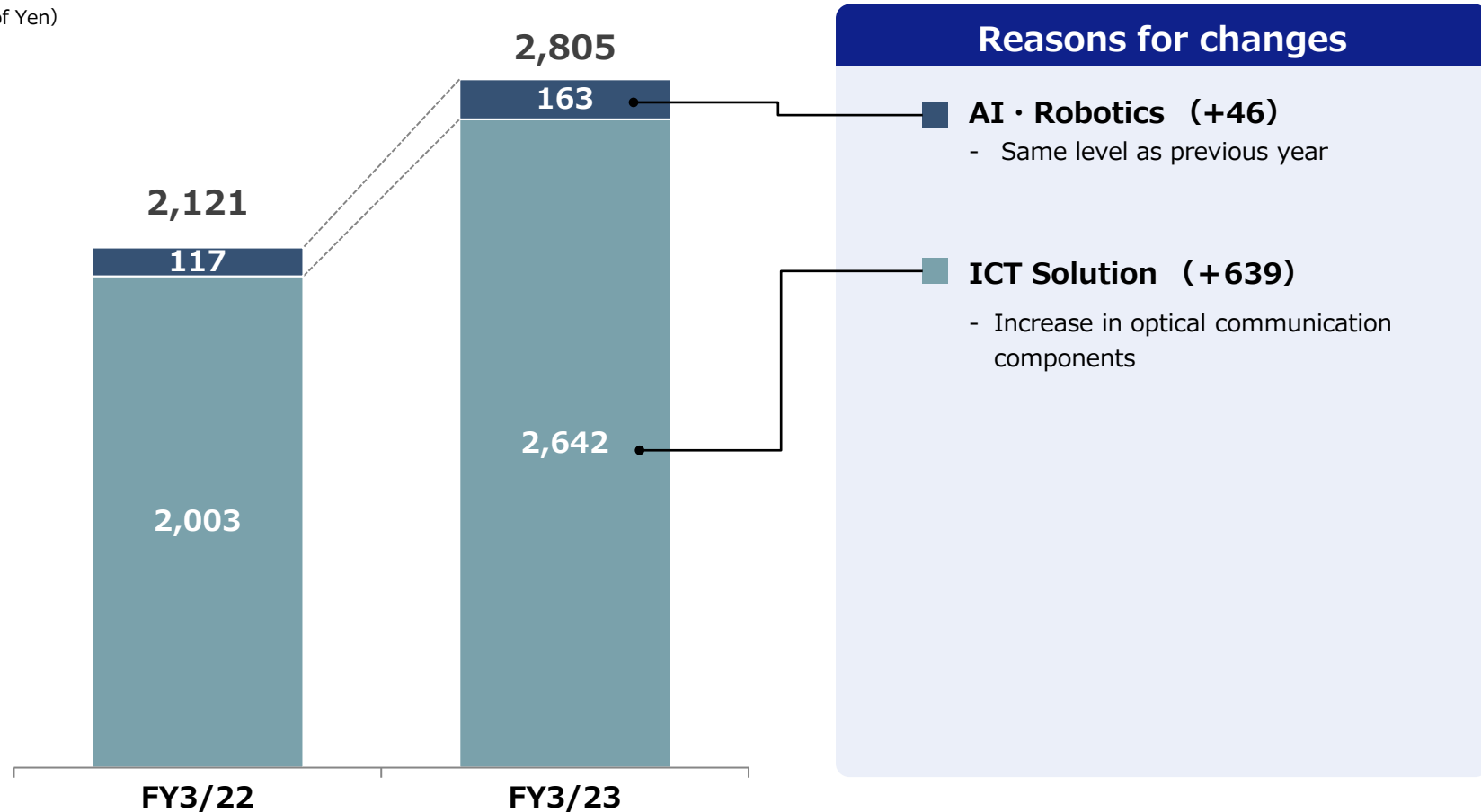
(Millions of Yen)



FY3/23 Electronic Solutions Business Net Sales Breakdown by Product

Confidential

(Millions of Yen)



FY3/23 Summary of Balance Sheets

- ▶ Total assets increased by 27.8 billion yen from the end of the previous fiscal year due to increases in merchandise and finished goods, and notes and accounts receivable-trade.
- ▶ Total liabilities increased by 22.6 billion yen from the end of the previous fiscal year due to an increase in short-term loans payable.

(Millions of Yen)	FY3/22	FY3/23	Changes Amount
Total assets	148,179	175,998	+27,819
Current assets	137,604	166,143	+28,539
Cash and deposits	25,245	21,253	△3,992
Notes and accounts receivable - trade	44,215	59,415	+15,200
Merchandise and finished goods	30,313	54,558	+24,245
Accounts receivable - other	35,087	28,914	△6,173
Noncurrent assets	10,575	9,855	△720
Total liabilities	100,604	122,913	+22,308
Current liabilities	94,746	117,089	+22,343
Notes and accounts payable - trade	21,121	28,005	+6,884
Short-term borrowings	48,672	69,423	+20,751
Accounts payable - other	21,855	14,738	△7,117
Non-current liabilities	5,858	5,824	△34
Total net assets	47,574	53,084	+5,510

2. FY3/24 Summary of Consolidated Financial Forecasts

FY3/24 Summary of Consolidated Financial Forecasts

Confidential

- ▶ Sales are expected to increase for semiconductors for consumer and industrial equipment and medical equipment
- ▶ Excluding the effect of exchange rate fluctuations, gross profit is expected to increase due to higher sales.
- ▶ However, profits are expected to decrease due to the loss of the positive effect on gross profit from the previous year's depreciation of the yen and an increase in interest expenses resulting from the rise in U.S. dollar interest rates.

(Millions of Yen)

	FY2023		FY2024		YoY Changes
	results	Composition Ratio	Forecast	Composition Ratio	
Net sales	226,171	—	236,000	—	+ 9,829 (+4.3%)
Gross profit	27,264	12.1%	25,500	10.8%	△ 1,764 (△6.5%)
SG&A expenses	16,267	7.2%	16,750	7.1%	+ 483 (+3.0%)
Operating income	10,997	4.9%	8,750	3.7%	△ 2,247 (△20.4%)
Ordinary income	7,909	3.5%	5,000	2.1%	△ 2,909 (△36.8%)
Profit attributable to owners of parent	5,201	2.3%	3,000	1.3%	△ 2,201 (△42.3%)

FY3/24 Summary of Business Forecast by Business Segment

Confidential

Electronic Devices Business

(Millions of Yen)

	FY3/23	FY3/24	YoY Changes
Net Sales	168,872	176,500	+7,628 (+4.5%)

Electronic Systems Business

(Millions of Yen)

	FY3/23	FY3/24	YoY Changes
Net Sales	54,494	56,000	+1,506 (+2.8%)

Electronic Solutions business

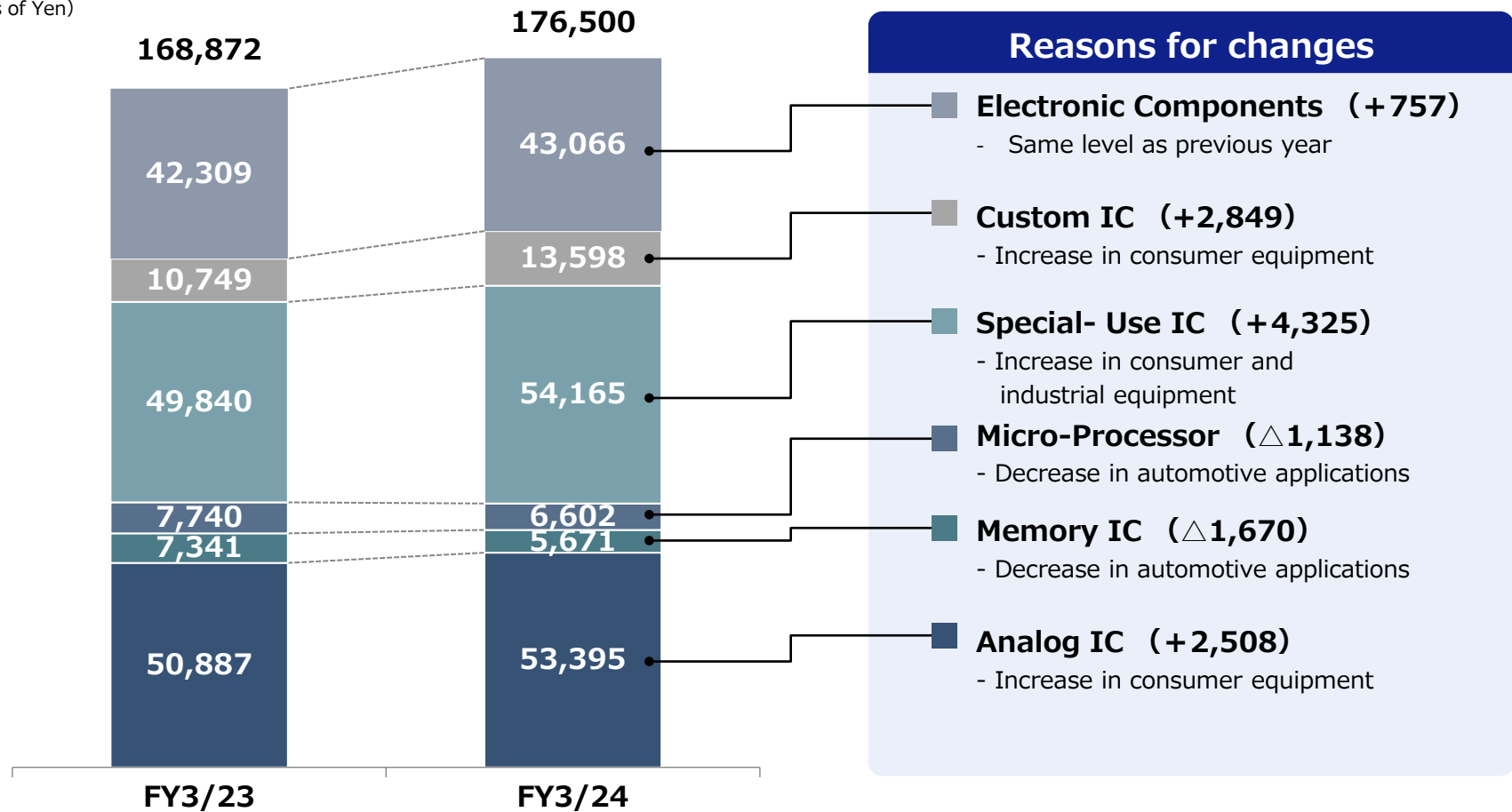
(Millions of Yen)

	FY3/23	FY3/24	YoY Changes
Net Sales	2,805	3,500	+695 (+24.8%)

FY3/24 Electronic Devices Business Net Sales Forecast Breakdown by Product Category

Confidential

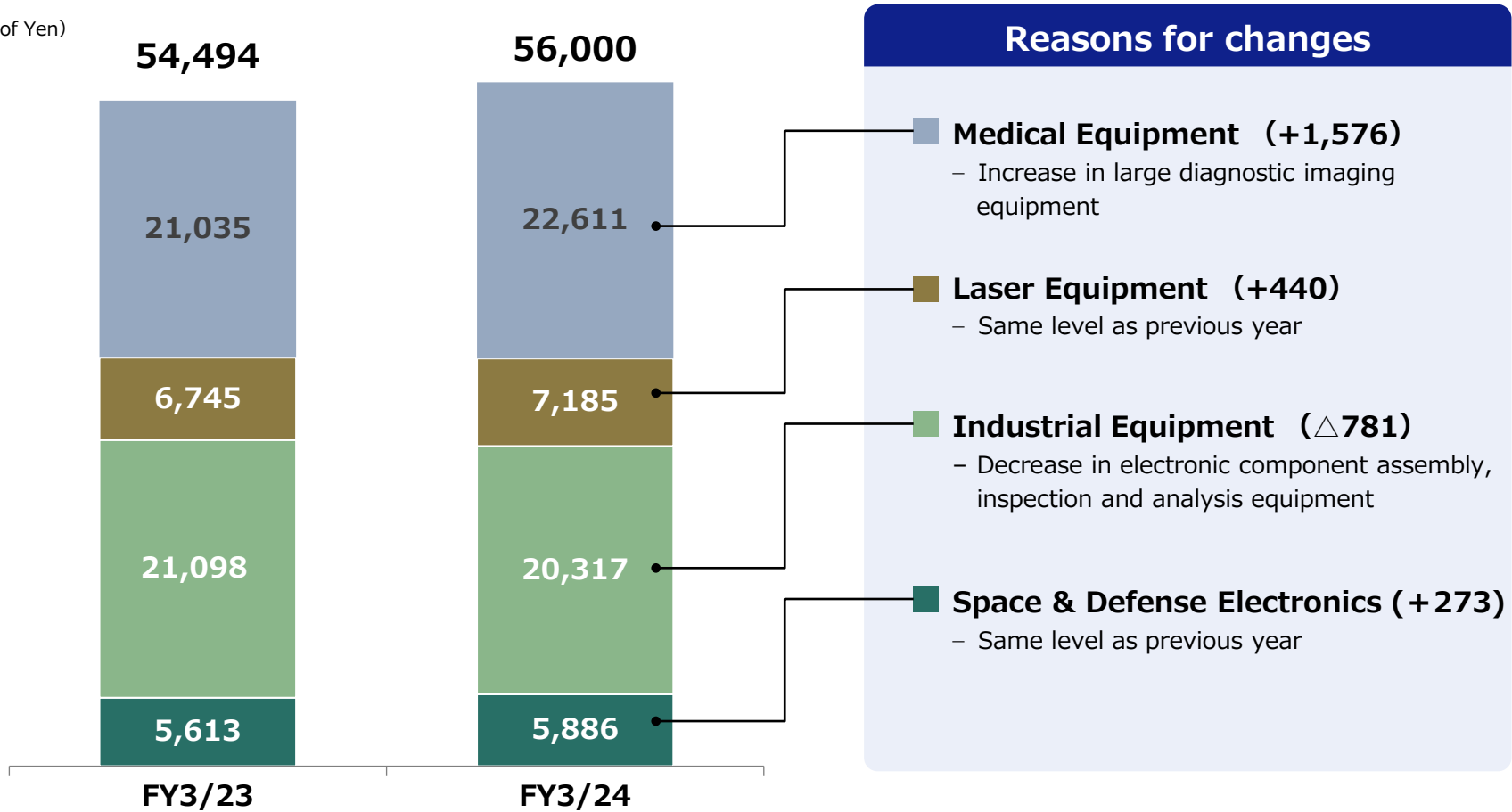
(Millions of Yen)



FY3/24 Electronic Systems Business Net Sales Forecast Breakdown by Product Category

Confidential

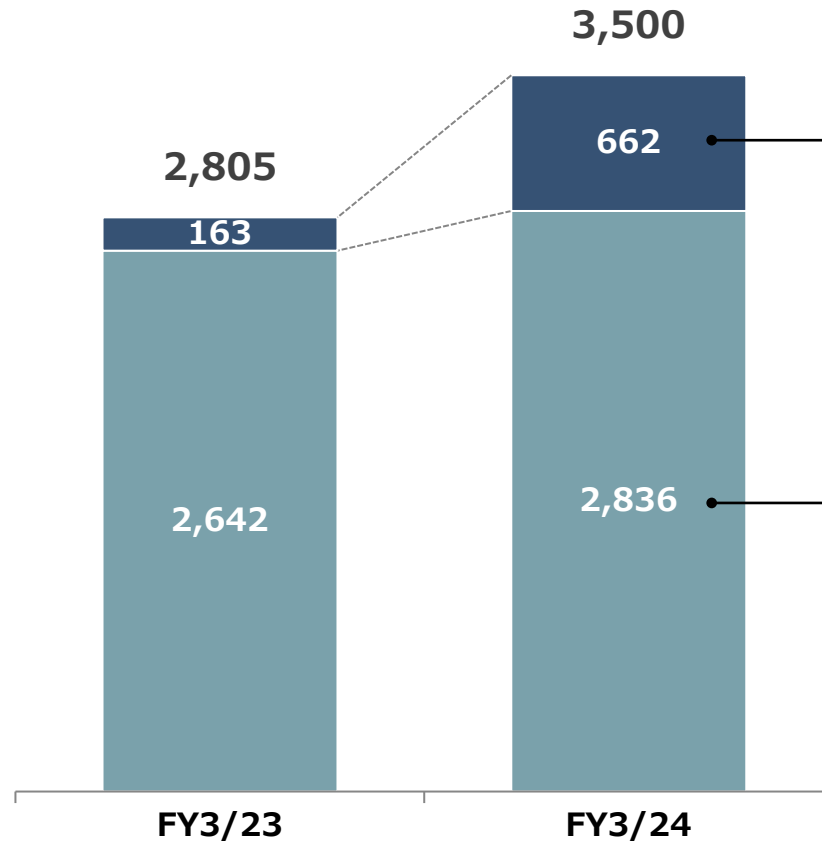
(Millions of Yen)



FY3/24 Electronic Solutions Business Net Sales Forecast Breakdown by Product Category

Confidential

(Millions of Yen)



Reasons for changes

AI · Robotics (+499)

- Increase in medical solutions

ICT Solution (+194)

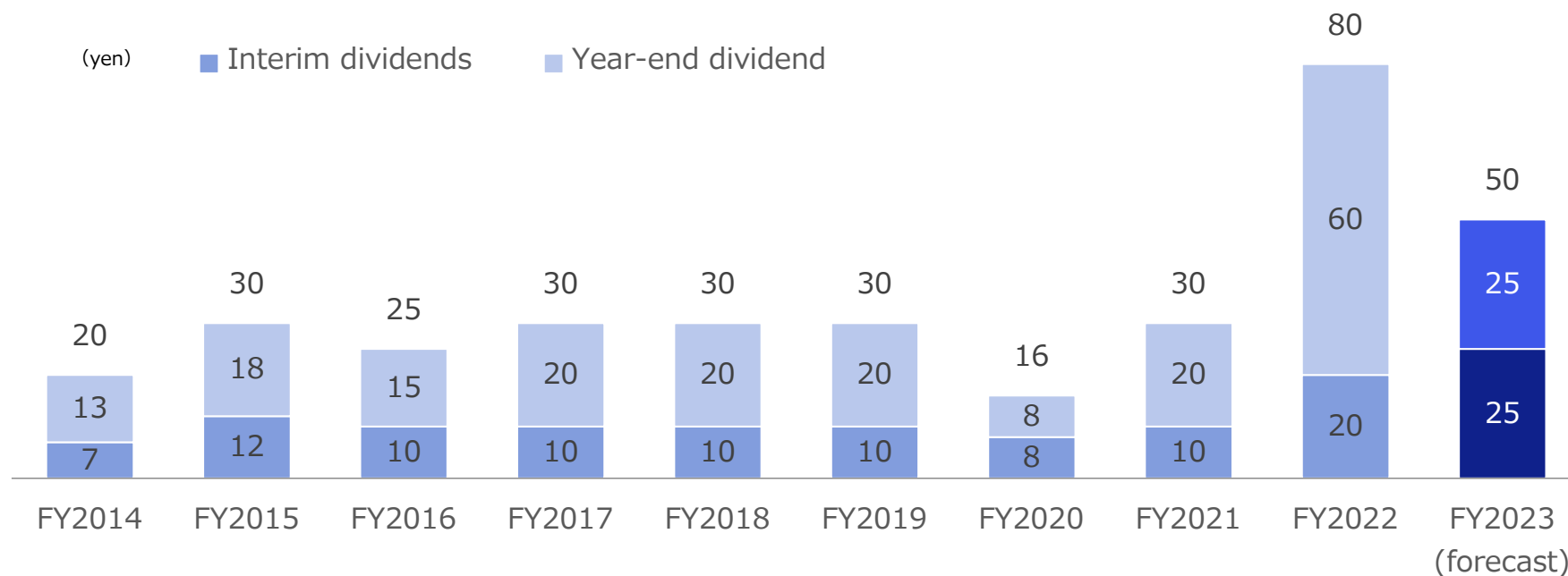
- Same level as previous year

3. Shareholder Returns

Dividend Policy

- ▶ Dividend policy: To pay dividends continuously and in accordance with business performance, with a consolidated dividend payout ratio of 40% or higher as a benchmark.

Annual dividend: 80 yen
(Expected to increase by 50 yen from the previous year)



2. FY2022-2024 Medium-term Business Plan Initiatives

Outline of the Medium-Term Business Plan “Marubun Nextage 2024”

Confidential

Corporate Slogan

『Link with the Future, Connect with Technologies』

Basic Policy of “Marubun Nextage 2024”

- **Promotion of sustainability management**

The Group will promote ESG/SDGs (Sustainable Development Goals) initiatives toward the realization of sustainable growth and will pursue social values through the enhancement of cooperation with stakeholders and the conduct of mission-oriented business.

- **Foray into new business fields and creation of platform for growth**

The Group will continuously pursue new opportunities for business growth by boldly taking on challenges in new markets and fields.

- **Promotion of selection and concentration in existing business and enhancement of solution development**

The Group will accelerate solution development from customer’s perspectives and work to enhance competitive strength through a process of selection and concentration in existing business.

- **Enhancement of Group management**

The Group will create added values through cooperation among segments (Electronic Devices, Electronic Systems and Electronic Solutions businesses) and global synergy through cooperation among group companies in Japan and overseas and will return the benefits of its efforts to customers.

- **Improvement of business operation base and internal processes**

The Group will improve productivity and efficiency through the enhancement of infrastructure for business operations, the improvement of operational processes, human resources development and the reform of working practices.

Initiatives of Electronic Devices Business

Business Strategies

- Development of new commercial products and new commercial rights
- Maintenance and improvement of profitability of existing business

■ Development of new commercial products and new commercial rights

- ▶ Signed a distributorship agreement with Analog Devices, Inc. to achieve significant growth in sales, mainly of products for consumer equipment
- ▶ Acquiring new customers of products for automotive and industrial equipment applications with commercial products from Nuvoton Technology Corporation
- ▶ Increasing business involving products from suppliers added in recent years, including Synaptics Inc. and Monolithic Power Systems. Inc.



nuvoTon

MPS

synaptics



■ Maintenance and improvement of profitability of existing business

- ▶ Achieving sales growth by offering more commercial products from existing suppliers and increasing sales destinations
- ▶ Discovering potential demand through digital marketing and developing projects



Initiatives of Electronic Systems Business

Business Strategies

- Expansion of business scale and earnings base in new business domains
- Enhancement of competitive advantage in existing domains
- Strengthening Group collaboration

Initiatives by Sector



Space & Defense Electronics

- ▶ Starting to offer high-reliability components for satellites, transmission components, and commercial products for satellite communications for terrestrial base stations
- ▶ Enhancing other initiatives in the field of satellite communications, such as making system proposals



Industrial Equipment

- ▶ Increasing business, reflecting growth in demand for high-precision semiconductor inspection and mounting equipment
- ▶ Further enhancing the lineup of commercial products related to the introduction of IoT to manufacturing sites and DX



Initiatives of Electronic Systems Business

Business Strategies

- Expansion of business scale and earnings base in new business domains
- Enhancement of competitive advantage in existing domains
- Strengthening Group collaboration

Initiatives by Sector



Laser Equipment

- ▶ Proposing a metal-joining technology using blue laser to the automotive market
- ▶ Selling resin-bonded components using 2-micron long-wavelength laser to the healthcare market
- ▶ Starting sales activities targeting Japanese companies that have entered the ASEAN region



Medical Equipment

- ▶ Adding new products to the lineup, including ultrasound diagnostic equipment and endoscopes as well as large diagnostic imaging equipment as the mainstay
- ▶ Improving the structure for selling radiation therapy equipment
- ▶ Developing the market by working on business area expansion



*The image is from the website of Siemens Healthcare K.K.

Initiatives of Electronic Solutions business

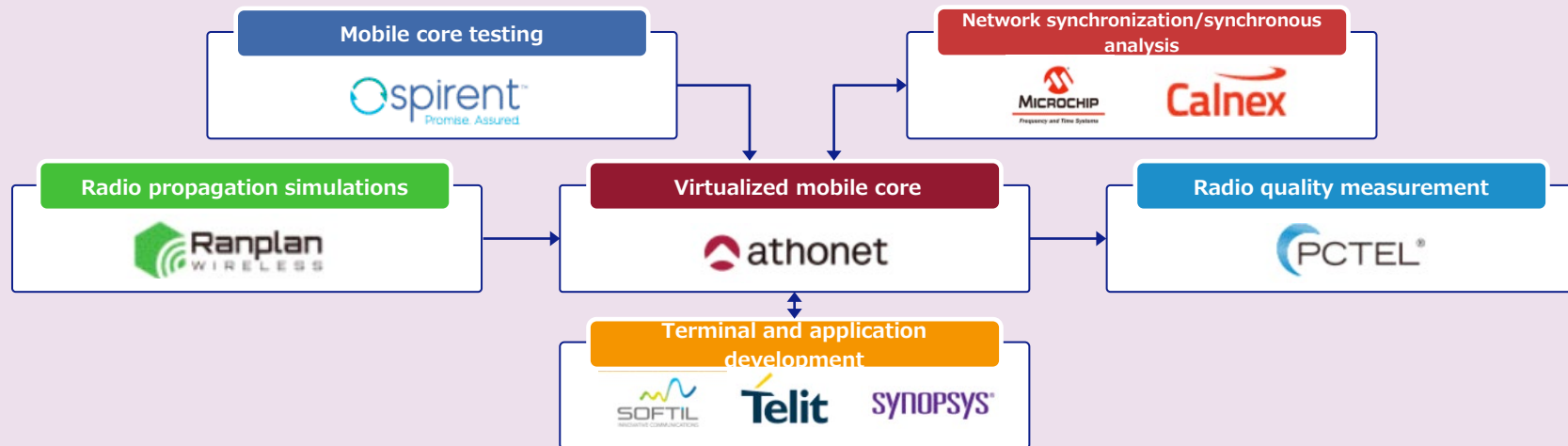
Business Strategies

- Development and promotion of high added values business
- Creation and expansion of new business models
- Improvement of solution development capabilities and creation of group synergy

ICT Solution Initiatives

- ▶ Enhancing commercial products and services aiming to establish the operation of local 5G
- ▶ A local 5G base station is being built at the headquarters, with a plan to launch it in the 2nd quarter of 2023.

Overview of local 5G-related products and solutions



Initiatives of Electronic Solutions business

Business Strategies

- Development and promotion of high added values business
- Creation and expansion of new business models
- Improvement of solution development capabilities and creation of group synergy

AI and IoT Solution Initiatives

- ▶ Driving function enhancement of humanoid AI robots and planning expansion to the security industry and accommodation facilities

- ▶ Established a hands-on demonstration room for wireless power supply technologies. System enhancement is also being considered.

Deployment Image



Experience Demo Room

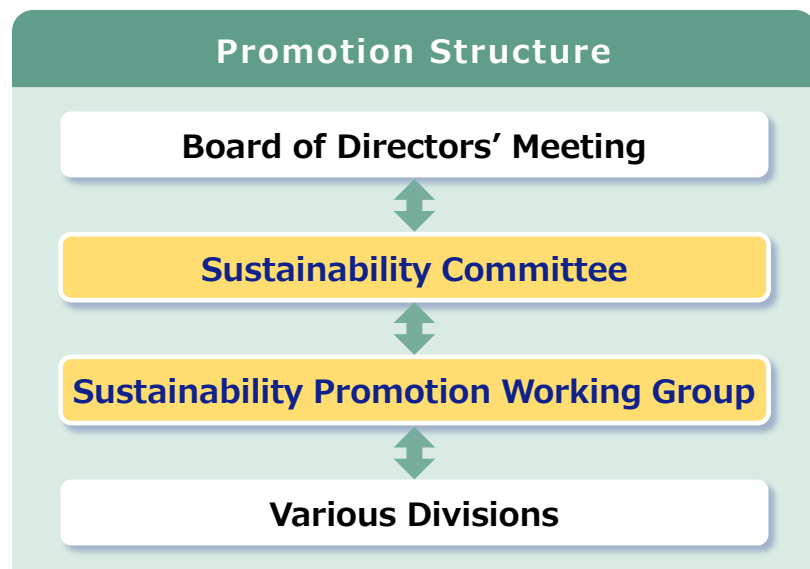


Sustainability Initiatives- Disclosure based on TCFD recommendations -

- Based on the TCFD Recommendations, we are tackling climate change, covering the following items.

Governance

- Established the Sustainability Committee for discussion and deliberations under the supervision of the Board of Directors

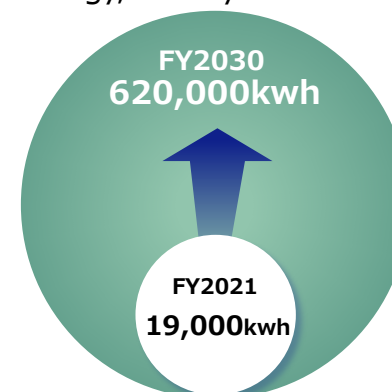


Strategy/Risk Management

- Comprehensively evaluating climate change risks and opportunities and factoring them into the company-wide risk management plan

Indicator/Target

- Advancing measures to switch power, which accounts for around 80% of our CO₂ emissions, to green energy, one by one



Green power consumption

Sustainability Initiatives- Human Capital -

- We respect diversity and take various measures to improve employees' skills and capabilities.

■ Permitting employees to balance work and family life

- ▶ Introduced a work-from-home program and hourly paid leave
- ▶ Established family care and childcare leave programs, etc.



■ Promoting active participation of female employees

- ▶ Introduced a program for working only at specific locations, staggered working hours, etc.
- ▶ Providing manager candidates with opportunities to learn organizational management and an environment for practicing it
- ▶ Increasing the female management ratio

Female Management Ratio Target

8.0%

Financial targets

- ▶ Aiming for consolidated ordinary income of at least 6.0 billion yen and ROE of 8%, we will work to improve profitability and capital efficiency.
- ▶ Continue to achieve the financial targets of the medium-term management plan in order to become a stable and profitable company in a rapidly changing market environment.

FY2024 Target

Consolidated
net sales

210

Billions of Yen

Ordinary Income

No less than

6.0

Billions of Yen

ROE

8.0 %

or higher

(Reference)

Fiscal Year	Consolidated Net Sales	Ordinary Income	ROE
FY2023	226 Billions of Yen	7 Billions of Yen	11.5 %
FY2024(forecast)	236 Billions of Yen	5 Billions of Yen	6.2 %



Marubun Since 1844

5. About Marubun

Company Profile

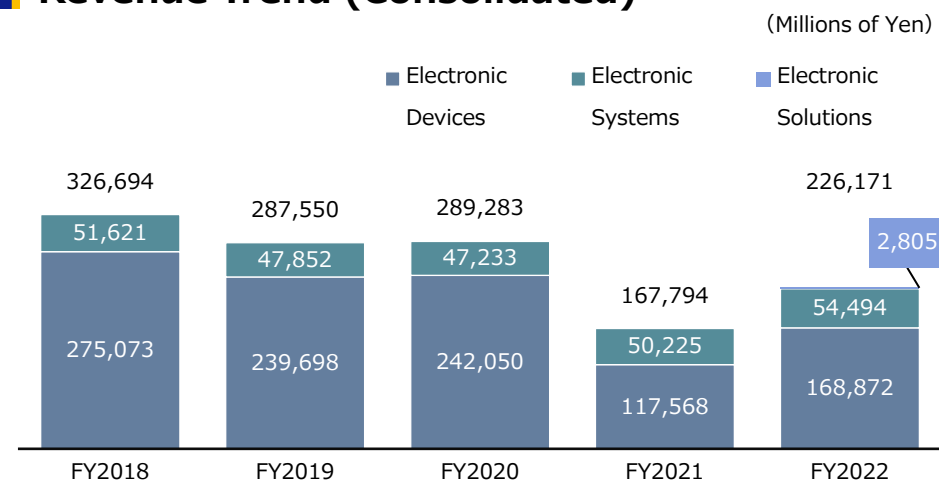
Profile

Founded	1844
Incorporated	July 1947
Head Office	8-1, Niihonbashi Odenmacho, Chuo-ku, Tokyo
Capital	6,214 million yen
Fiscal Year	Apr.1-Mar.31
CEO	Toru Iino
Revenue	Consolidated : 226,171 million yen (FY22) Non-consolidated : 175,060 million yen (FY22)
Employees	Consolidated : 1,117 (end of Mar.2023) Non-consolidated : 588 (end of Mar.2023)
Listed	Tokyo Stock Exchange Prime Market (Code: 7537)

Business Domains

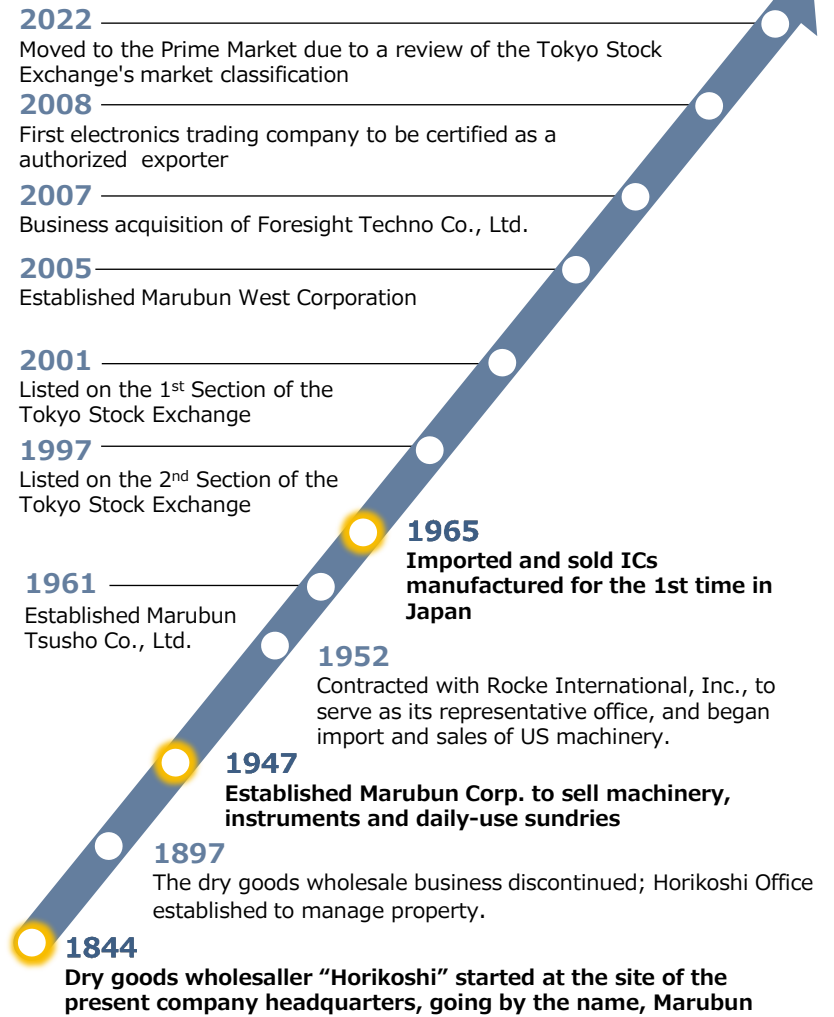
Electronic Devices Business	Electronic Systems Business	Electronic Solutions Business
<ul style="list-style-type: none"> Semiconductors Electronic Components 	<ul style="list-style-type: none"> Space & Defense Electronics Industrial Equipment Laser Equipment Medical Equipment 	<ul style="list-style-type: none"> ICT Solution AI & Robotics

Revenue Trend (Consolidated)

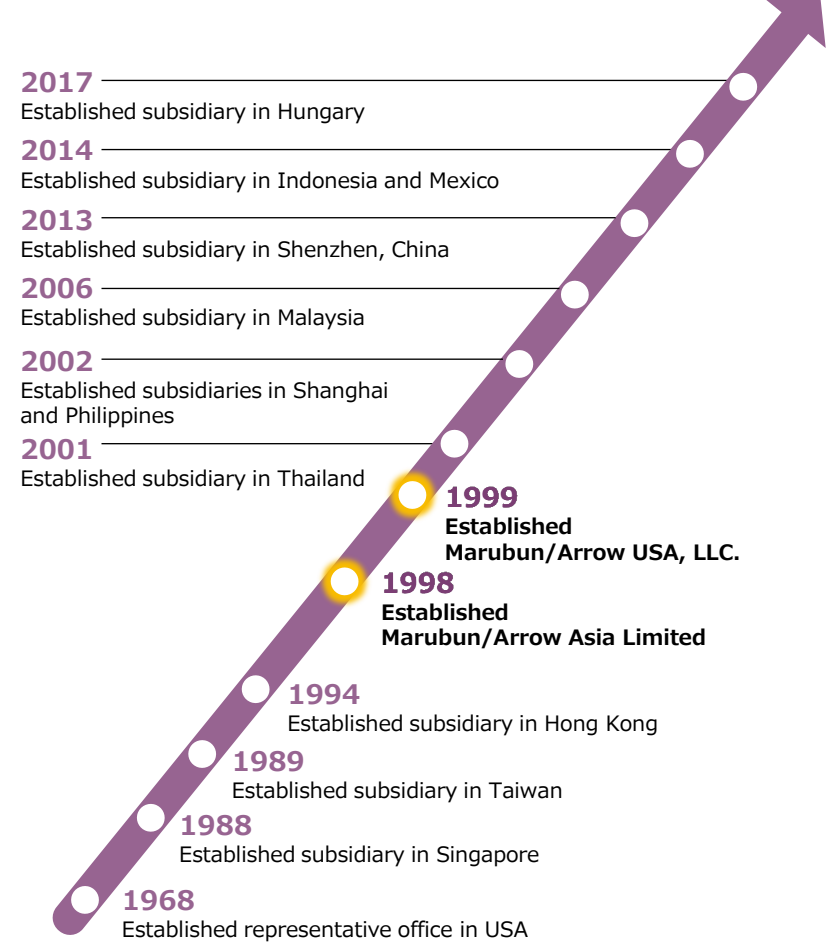


Corporate History

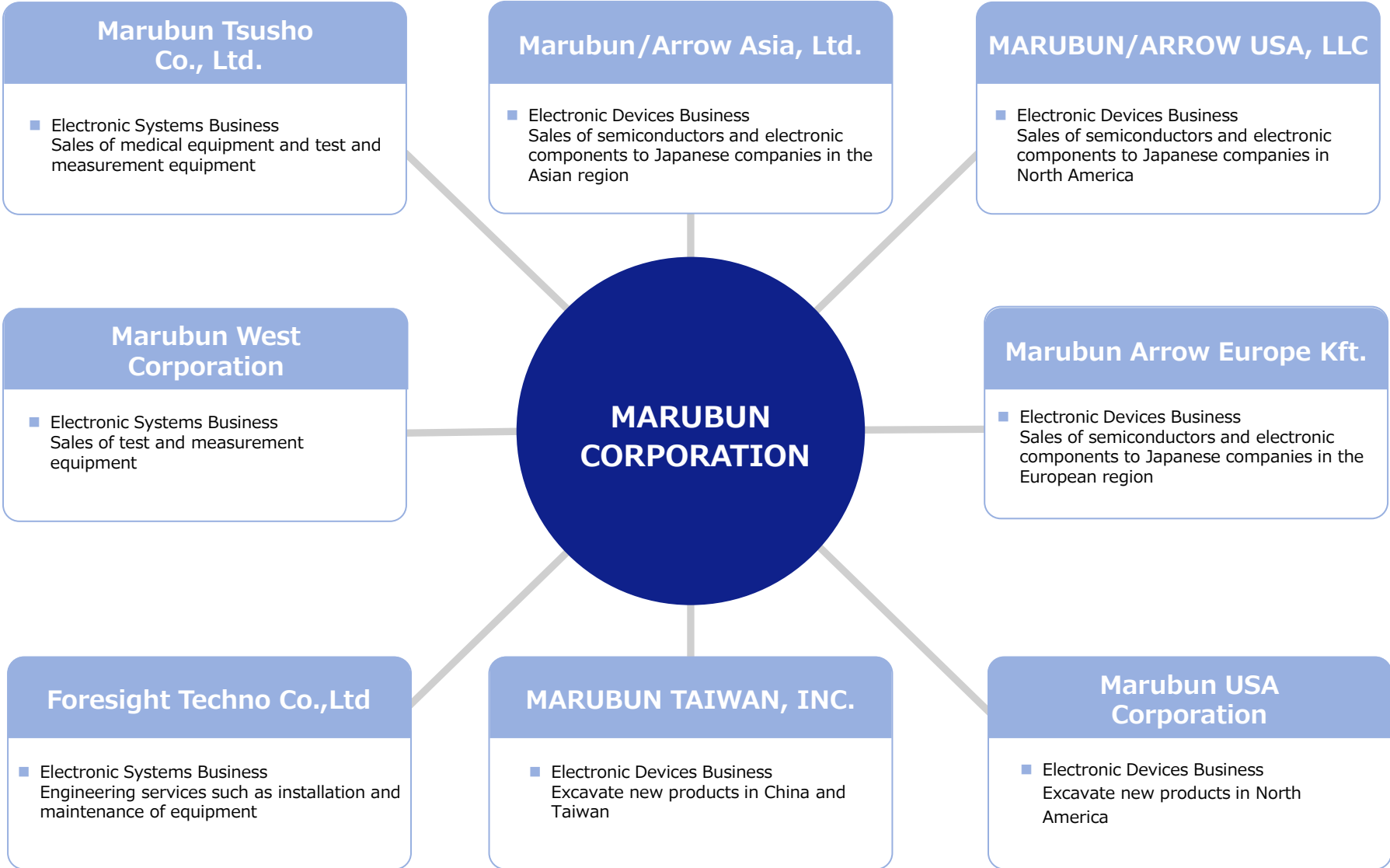
Japan



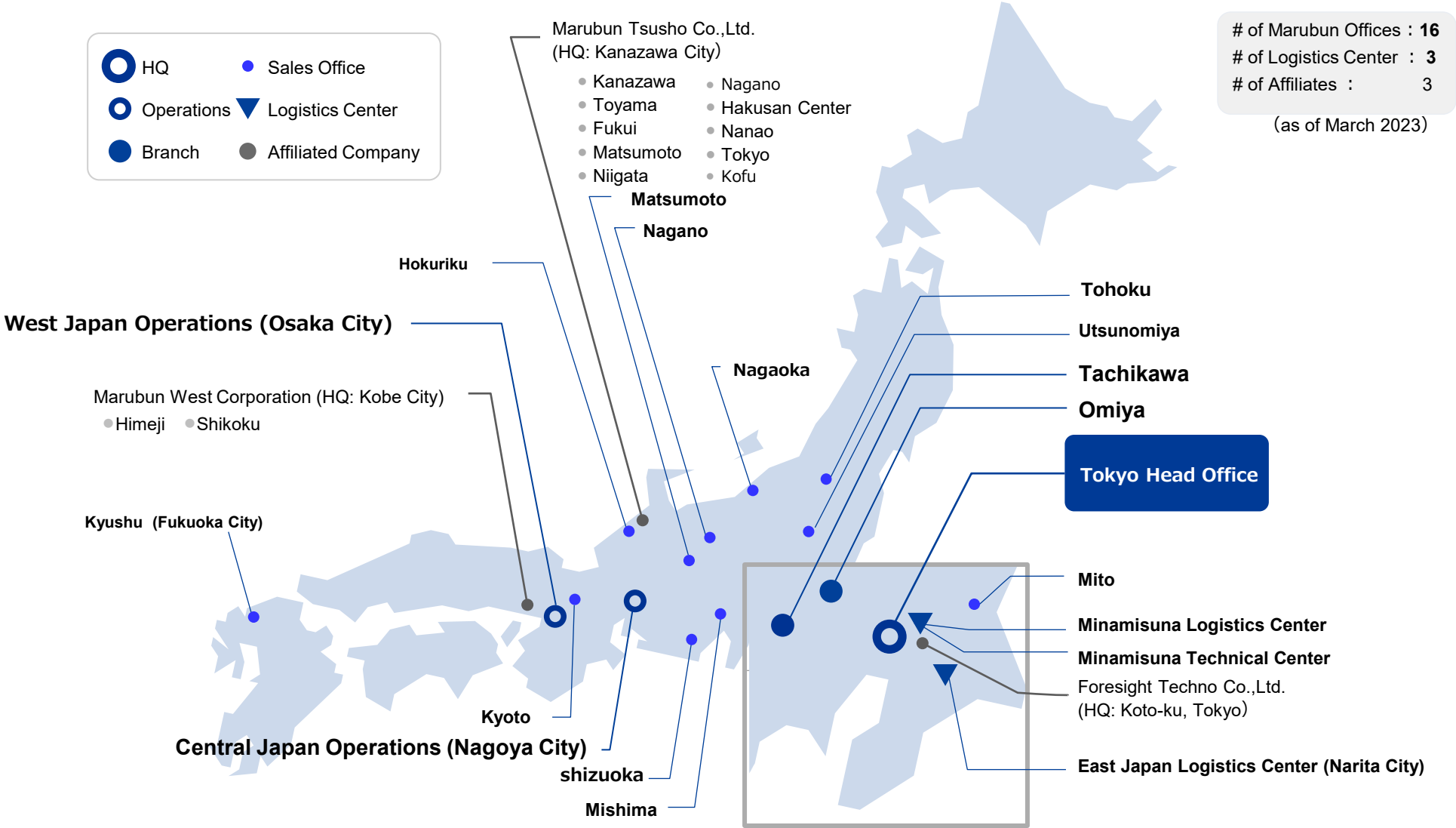
Overseas



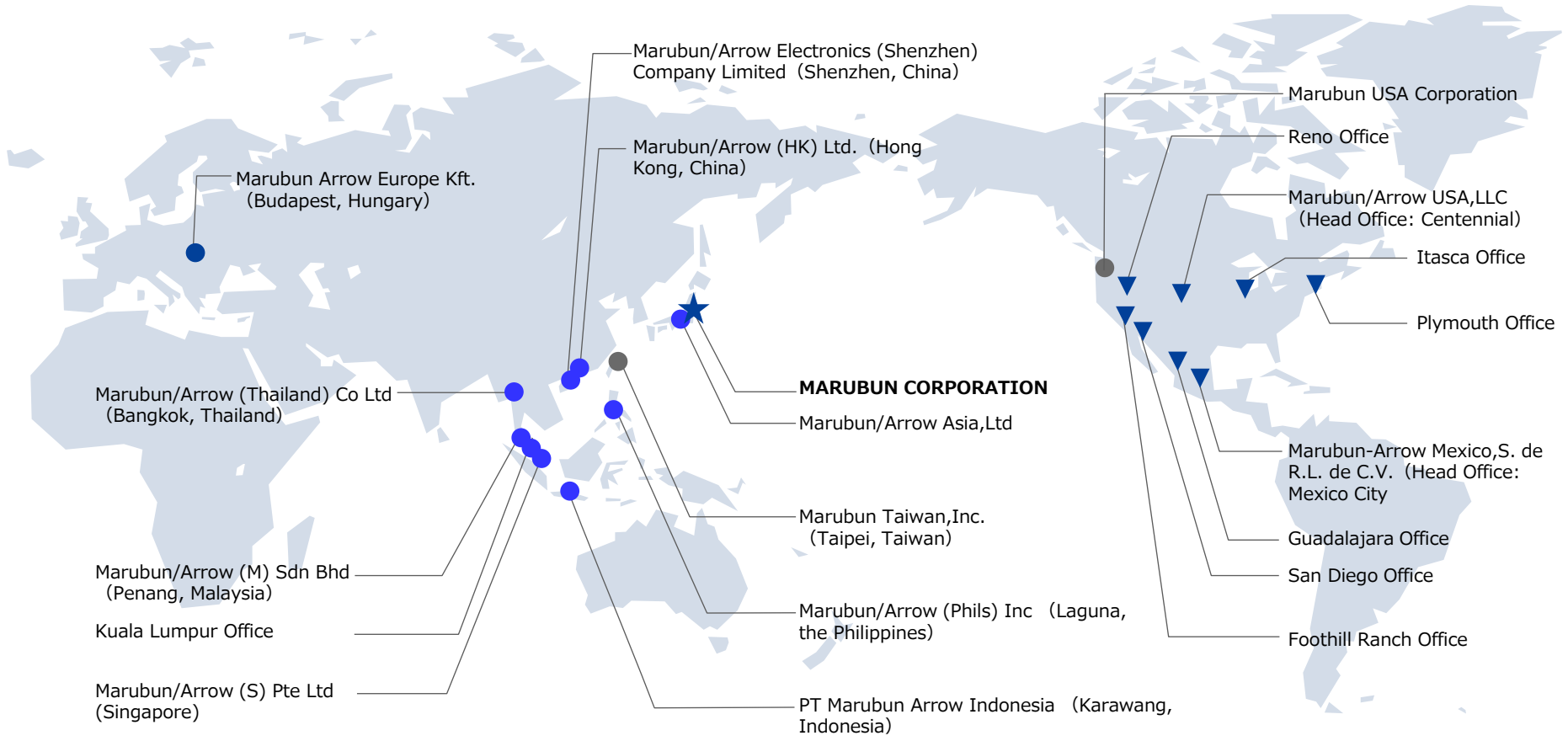
Group Company



Japan Officers & Affiliates



Global Network

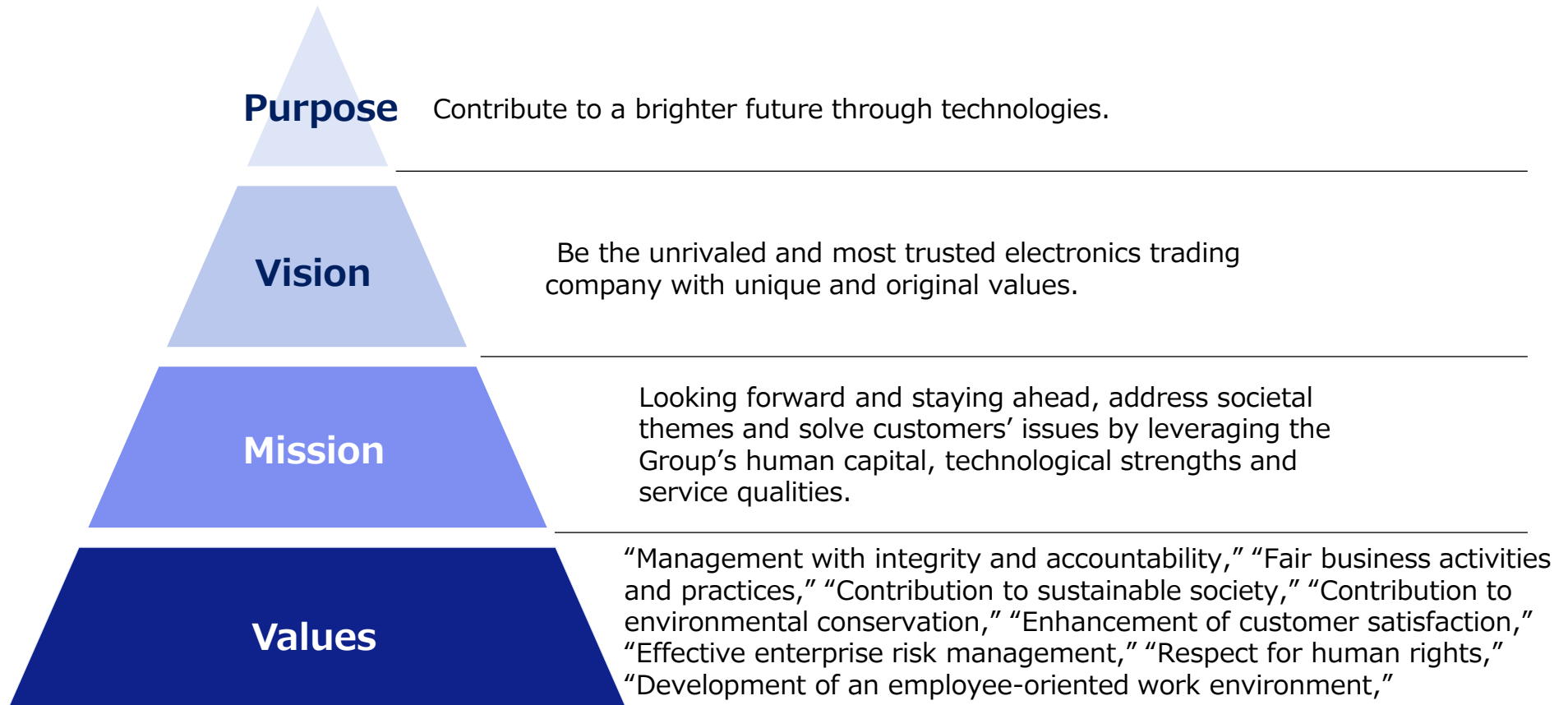


★ Marubun Corporation
 ● Marubun/Arrow Asia, Ltd.
 ▼ Marubun/Arrow USA, LLC.
 ● Other

of Asian Offices : 10
 # of NA Office : 9
 # of Europe Office : 1

(as of May. 2023)

Philosophy & Principles



Business segments

- ▶ Marubun's six functions provide consistent support to our valued customers for their procurement, manufacturing and all relevant operations.
- ▶ As an electronics trading company, we provide solutions that directly benefit our customers in most optimized manner.



Main Products -Electronic Devices-

Suppliers \ Item	Semiconductors					Electronic components		
	Analog IC	Memory IC	Microprocessor	Special-use IC	Custom IC	Electronic Components	Electrical Equipment	Other
	Analog, Sensor, Discrete	Flash Memory, DRAM	MPU, MCU, DSP	ASSP, LED	Custom, ASIC, FPGA	Display, Crystal Device, Connector, Switch, PCB	IoT, Device&Solution, Medical Equipment	Power supply, Board PC, Software, IP licensing
ABLIC	●	●						
Allegro MicroSystems	●							
Analog Devices	●		●	●		●		
Asahi Kasei Microdevices	●		●	●	●			
Broadcom	●			●	●		●	●
eYs3D				●			●	
GOWIN					●			
indie Semiconductor				●				
Infineon Technologies	●	●	●	●				
ISSI	●	●		●				
Microchip	●	●	●	●	●	●		
Molex						●		
MPS※	●							
Nuvoton	●		●	●	●			
Qorvo	●			●				
Seiko Epson			●	●	●	●	●	
SEMTECH	●			●				
Synaptics			●	●				
TE Connectivity	●					●		
Telit						●		
VISHAY	●			●				●
Western Digital		●						
Wolfspeed	●							

※ : Monolithic Power Systems, Inc.

Main Products -Electronic Systems-

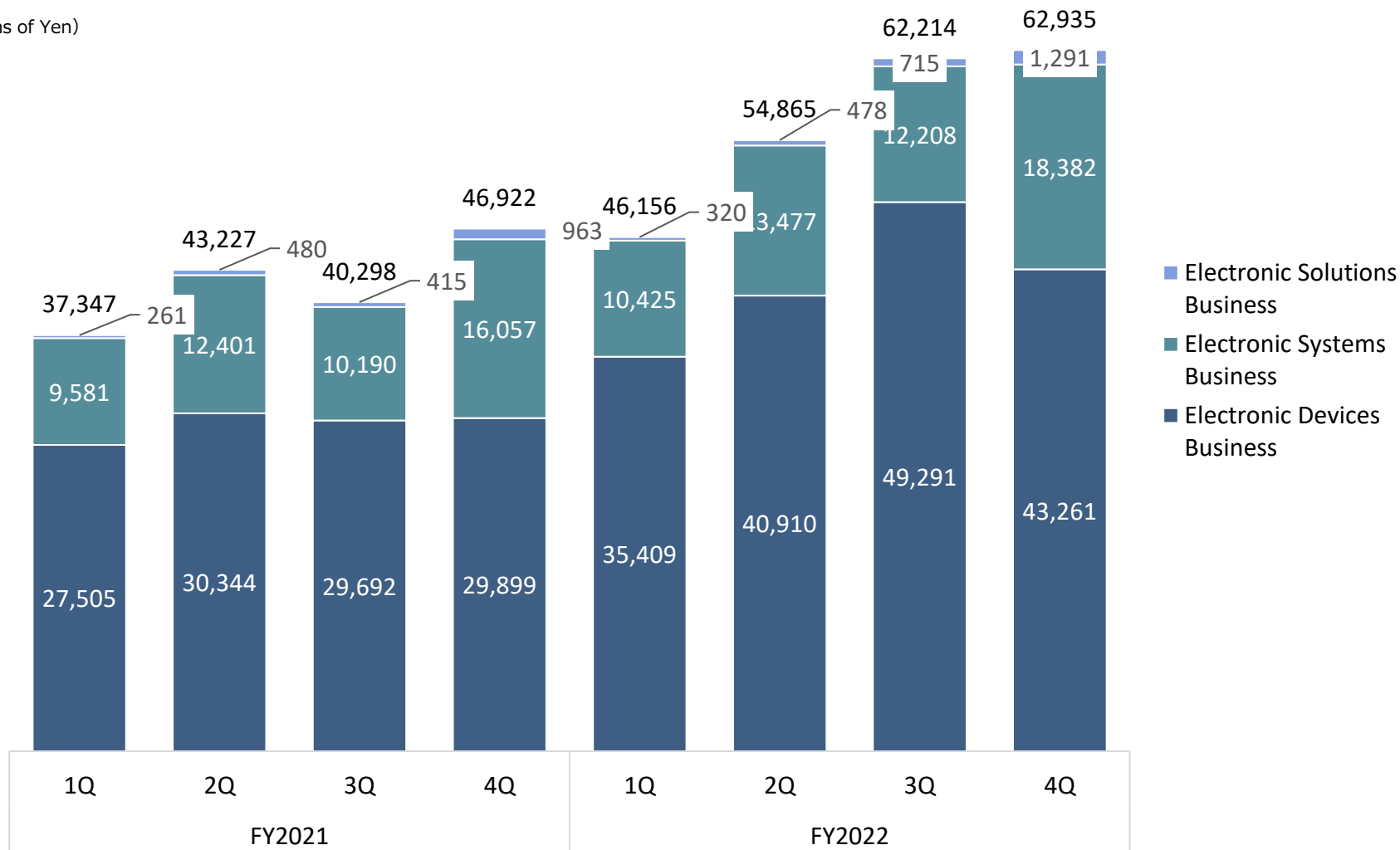
Segment	Major products	Major supplier
Space and Defense Electronics		
Avionics equipment	Naval ESM System, Boresight calibration system, Telemetry processing/acquisition system, Tracking antenna, High definition display, Flight/Driving simulator, Tethered Aerostars	SAAB AB, TEXTRON Systems, L3Harris Technologies Telemetry & RF Products, Communication & Power Industries, ScioTeq bvba, TREALITY SVS Belgium BV, Ansible Motion, Raven Aerostar
Space equipment	High-reliability components, Optical encoder, Embedded Computer and PCI board	Comtech Mission-Critical Technologies, Sensitron Semiconductor, Syrlinks,, BEI Precision Systems & Space, Aitech Defense Systems, STMicroelectronics
Microwave equipment	Klystron, TWT, Amplifier, Earth Station Antenna, Wattmeter	Communication & Power Industries, Bird Electronic
Measurement System & Sensor	Sensor (Accelerometer, Pressure, Load cell, Microphone, Angular rate, Inclinator) , Proximity Switch, Data Acquisition and Analysis System, Honeycomb Barrier, Partial Discharge Monitoring System	ENDEVCO, Baker Hughes, Honeywell Japan, DTS, G.R.A.S. Sound & Vibration A/S, mg-sensor, Applied Electronics, PLASCORE, IRIS Power
Industrial & Inspection		
Inspection System	High resolution 3D X-ray CT system, Enhanced lock-in thermal emission, Wafer defect inspector, Automated test system, Optical spark plug sensor(ICOS), Highest-resolution spectrometer	U.H.SYSTEM, FEI Company Japan, Baker Hughes, HIMEC, LaVision
Manufacturing & Assembling equipment	Electric components assembling & transfer system, Temperature feature Testing equipment, Surface reforming machine by atmospheric pressure plasma	Akim, YAMAOKA SEISAKUSHO, Nippon Avionics, FUJI, HELLER Industries, SET
Embedded Solutions	BUS CPU board, PC board, AI Solutions	ADLINK TECHNOLOGY, ASUS IoT, AAEON, AVALDATA, ASRock, DFI, TechNexion, SMART Embedded Computing, Aitech Systems
Laser equipment		
Laser diode & Laser processing systems	High efficiency LD system, Industrial Fiber Laser, Industrial Femto second laser,Laser material processing system	nLIGHT, Laserline, Amplitude, NUTECH, FUTONICS, Scansonic
Optical components	LED, Laser Diode, Flashlamps, Xenon lamps, Sensor device, Optical module, Lighting Systems	Excelitas Technologies, Luminus, First Sensor AG/ TE, Connectivity Young Optics, ViALUX, Visitech Engineering, United Power Research Technology
Medical equipment		
Diagnostic imaging equipment	Magnetic resonance imaging, Computed tomography, Digital radiography/X-ray, Ultra sound systems	Shimadzu, Siemens Healthcare, Konica Minolta Japan, FUJIFILM Healthcare
Hemo dialysis equipment	Hemo dialysis machine, Hollow fiber dialyzer, Plasmapheresis & Hemo filtration machine	Nikkiso, Asahi Kasei Medical, Kaneka Medix
Clinical laboratory equipment	Clinical laboratory machine	Siemens Healthcare Diagnostics, Beckmancouiter

Main Products -Electronic Solutions-

Segment	Major products	Major supplier
ICT Solutions	RF · IP communication ,GNSS Positioning, Network Synchronization, Security, IoT	Microchip Technology,Spirent Communications, HUBER+SUHNER Polatis,Coherent,Calnex Solutions, PCTEL,Accedian,Ranplan Wireless, Bristol Instruments,Septentrio
AI·Robotics	Humanoid AI Robot, Millimeter Wave Radar Module, Ultra-small power module, Carbon nanotube, Wireless Power Supply License, Electronic stethoscope, Flexible PCB	Aeolus, Stakaya, Acconeer, FINsix, Nanoramic, OSSIA, StethoMe, Elephantech

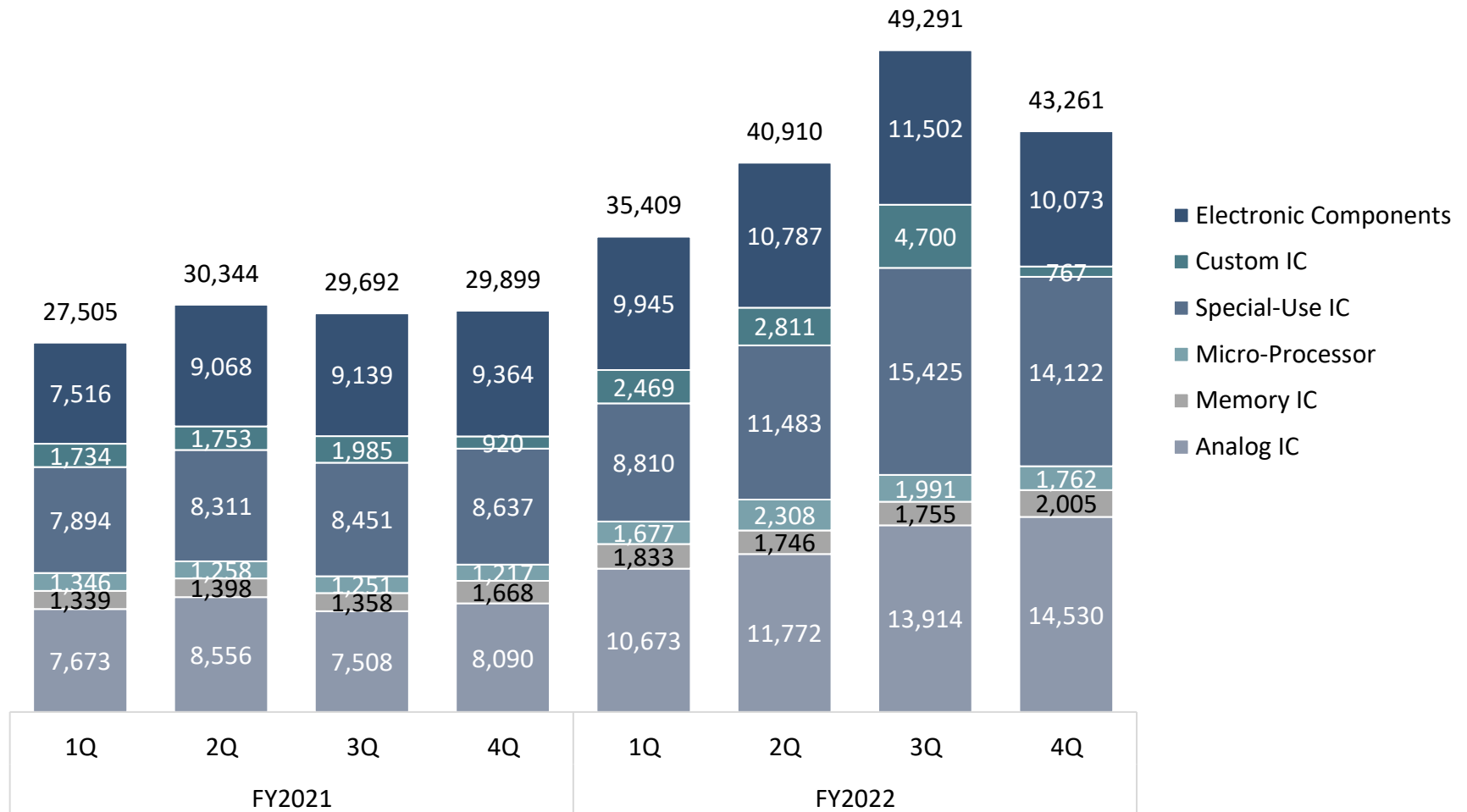
Quarterly Trend in Sales by Business

(Millions of Yen)



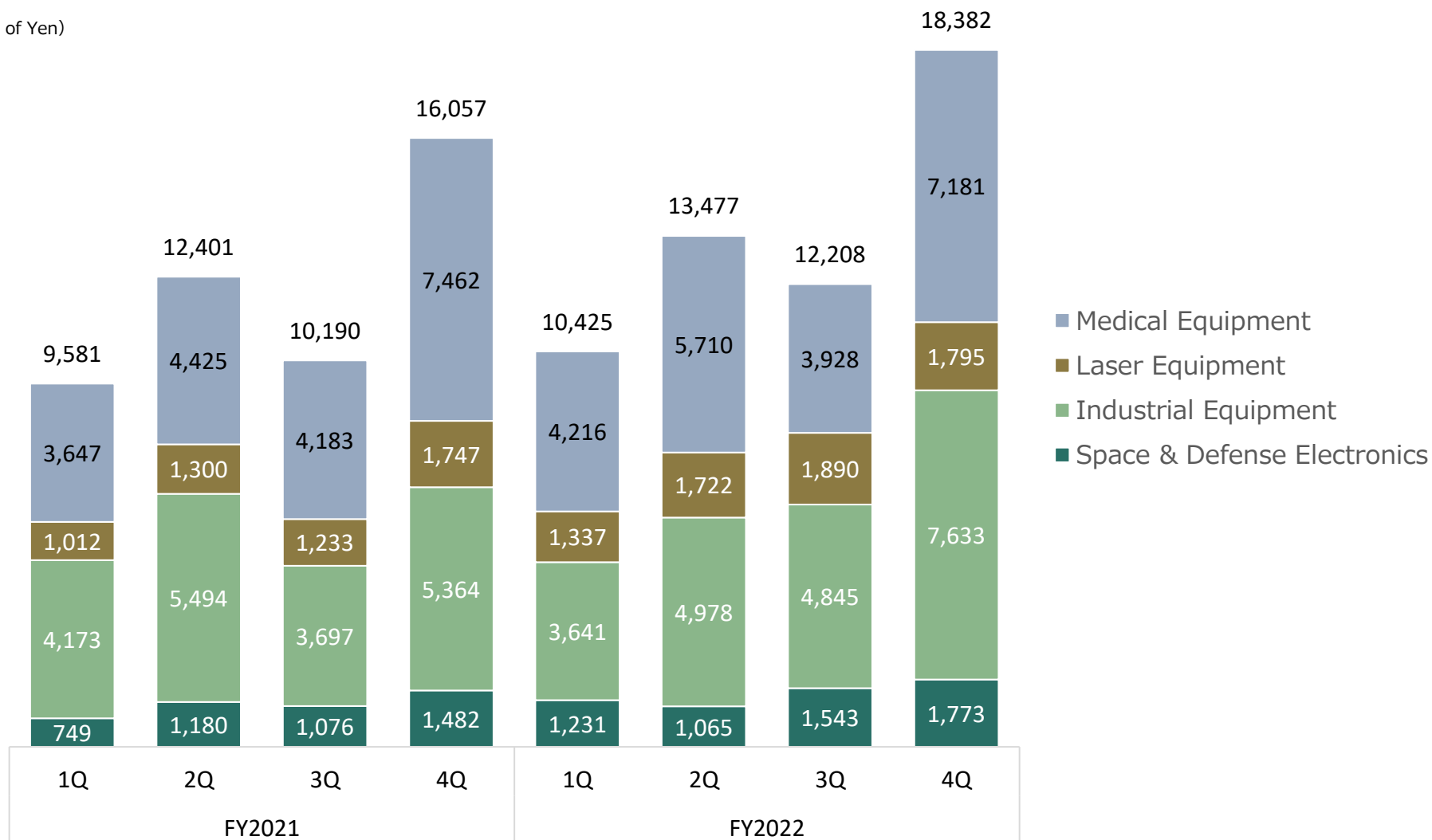
Quarterly Trend in Sales of Electronic Devices

(Millions of Yen)



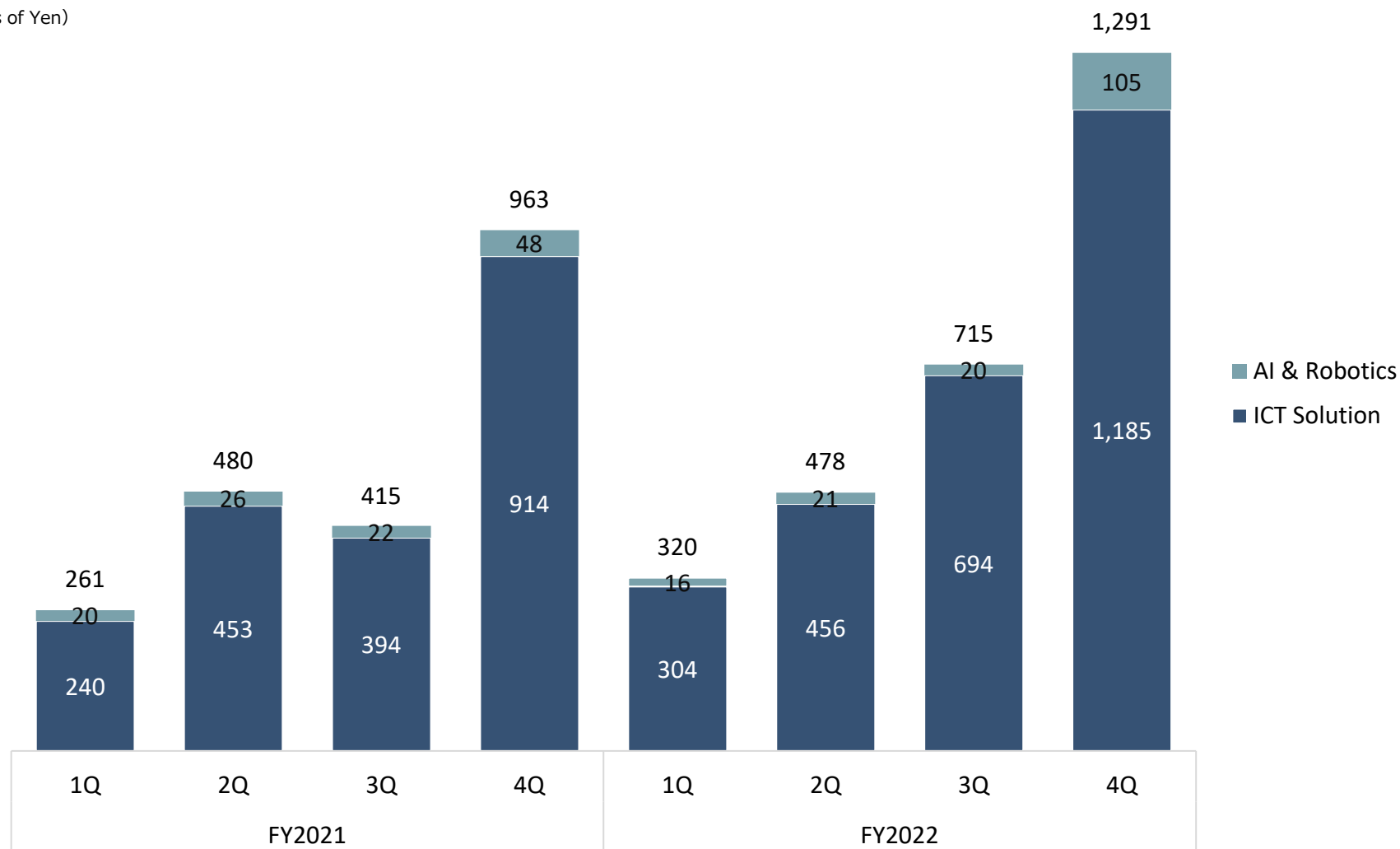
Quarterly Trend in Sales of Electronic Systems

(Millions of Yen)



Quarterly Trend in Sales of Electronic Solutions

(Millions of Yen)



Cautionary Statement

Information on future performance contained within this presentation material, such as the results forecasts, is based on the data available and assumptions judged to be reasonable as of when the Company prepared this presentation material.

Contact

MARUBUN CORPORATION
CORPORATE PLANNING Dept.
E-mail ir@marubun.co.jp