

CEO Message



“We will carry the spirit of “looking forward” and “staying ahead” forward into the future as we strive to realize sustainable growth and enhancement of our corporate value.”

Hiroshi Horikoshi

President and Representative Director, Chief Executive Officer (CEO)
Chief Operating Officer (COO)

Taking up the baton passed down to me, I will make it a driving force toward a new era as we tackle bold challenges without fear of change and carve out a new chapter for the Marubun Group.

To all of our shareholders, investors, and other stakeholders, I would like to express my heartfelt gratitude for the extraordinary support and favor you have demonstrated toward the Marubun Group. My name is Hiroshi Horikoshi. I assumed the role of President and Representative Director, Chief Executive Officer (CEO), Chief Operating Officer (COO) on April 1, 2025. I have been handed the management baton from former President Iino. With this, I will fulfill the heavy responsibility of carrying into the future the history and trust built up over nearly 180 years since our founding in 1847, as well as the spirit of “looking forward” and “staying ahead” that forms the DNA of the Company. I feel the strong weight of responsibility to realize sustainable growth for

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the Marubun Group and enhance its corporate value. At the same time, in this era of rapid change, I feel strongly motivated to make the most of our potential in pioneering a new future. Having assumed the office as president, I would like to present my background, my thoughts on management, the vision the Marubun Group is aiming for, and the path toward realizing it.

Drawing on the expertise and values cultivated in overcoming challenges to contribute to the continued development of the Marubun Group

I studied financial engineering at university and joined a securities company in 2002. There I started working in retail asset management and later engaged in recruitment and HR, along with wide-ranging activities including corporate finance and M&A advisory for client companies. This period helped me develop the ability to view issues from multiple angles, which I consider an important asset in my career.

In 2009, I joined Marubun in search of a new challenge. Japan is a technology-driven nation, and Marubun is an electronics trading company that shapes Japan's future by proposing advanced technologies to customers. I aspired to join the Company out of a wish to experience this firsthand.

My first role here was as Director of the Audit Office, where I was responsible for objectively assessing the Group's overall management situation and governance system from an auditing perspective. This experience was valuable in helping me understand the importance of transparency and discipline in corporate management. I subsequently transferred to the Company's core Electronic Devices Business, where I gained insight into business profitability and key management figures through managerial accounting. I was also involved in advancing the digital transformation (DX) essential for operational efficiency and advancement, including the design and implementation of new

core systems. Through these experiences, I developed the ability to understand corporate activities both from the ground level and from a management control perspective.

A major turning point in my career was my assignment to serve as CEO of Marubun Arrow Asia (Hong Kong), a joint venture with major U.S.-based semiconductor and electronic component distributor Arrow Electronics. My mission was to oversee business spanning six Asian countries, centered on Hong Kong. Each country and region had its own legal systems, business practices, cultures, religions, and employment environments, requiring finely tuned strategies and management adapted to the characteristics of each market. By visiting the front lines and engaging directly with employees to deeply understand their values and ways of thinking, I learned the essence of global business.

During my time stationed in Hong Kong, I also faced a series of events that truly tested my capabilities as a manager. I encountered major challenges such as typhoons, large-scale protests in Hong Kong, and the outbreak of the COVID-19 pandemic, an unprecedented crisis across the globe. These were external factors beyond our control as a company. Day by day we had to face daunting issues including how to protect the safety of our employees, fulfill our supply responsibilities to customers, and continue and grow our business under the circumstances. Through these experiences, I was once again reminded of the importance of quick and accurate initial response in times of crisis; thorough, transparent, and sincere communication both inside and outside the company; and, above all, management that truly values people. It is vital to constantly collect and analyze up-to-date information from multiple angles, quickly detect signs of change, and make swift and accurate decisions. And no matter how difficult the circumstances, a company must always prioritize the physical and mental health and safety of our employees and safeguard environments in which they can demonstrate their abilities free of worry. These have become the fundamental principles of my current management approach. During my

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time overseas, I also strongly realized the importance of maintaining a global perspective—not only viewing things from within Japan, but also looking at Japan from abroad and taking a broader, more global outlook on matters. Amid global trends including the rise of geopolitical risks and the restructuring of global supply chains, I believe that maintaining this global perspective and understanding diverse values are essential elements in driving our Company's sustainable growth strategy.

I eventually returned to Japan, where from 2022 I served as the General Manager of the Electronic Devices Business and oversaw the formulation and execution of business strategies. I have now been appointed Representative Director and President. Leveraging my diverse experiences and the knowledge and values I developed through overcoming difficulties, I am committed to contributing to the further development of the Marubun Group.

Remaining both a sustainability-focused company and an innovative company

The Marubun Group has set “Contribute to a brighter future through technologies” as its Purpose. To guide our efforts in realizing this Purpose, we established a Vision: “Be the unrivaled and most trusted electronics trading company with unique and original values.” Our Purpose and Vision serve as basic guidelines that indicate the values we act upon each day and the goals we pursue through our business activities.

Last year, the Company celebrated the major milestone of its 180th anniversary. Throughout that long history, we have striven to meet the changing needs of society, always providing leading-edge electronics technologies and products and building trust among our customers and society at large. Our deep expertise, extensive network, and, above all, the stakeholder trust nurtured over this history are irreplaceable assets that form the foundation of the Company as a sustainability-focused

enterprise. Preserving this tradition and trust, and reliably passing them on to the next generation, are among my most important responsibilities.

At the same time, however, we must not become satisfied with our current state. We must always look to the future and continue to challenge ourselves to create new value as an innovation-driven company. Advancements in electronics technology are accelerating daily, and customers' needs are becoming increasingly sophisticated and diverse. To continue contributing to society and achieve ongoing growth in such a rapidly changing era, we must constantly grasp the latest technological trends and leverage them in generating groundbreaking solutions and services.

The stability and trust of being a sustainability-focused company, and the challenge and transformation of being an innovation-driven company. I believe that the Marubun Group's ideal future lies in achieving these two attributes at a high level and moving forward with both as driving forces. While cherishing our history and traditions, we must always be willing to take on new challenges, never fearing the future. Putting this “ambidextrous management” into practice and vigorously leading the Marubun Group toward our 190th and 200th anniversaries is the great responsibility that has been placed upon me.

Fostering an open organizational culture in which all employees can maximize their potential

Companies with a long history can become tied to their past successes and established conventions, leading to slow adaptation to change. I recognize the necessity for transformation, and I see boldly tackling change as an essential requirement for the Marubun Group today. I have taken on the responsibilities of president at an age about 20 years younger than my predecessor, President Iino. I want to make good use of this position to serve as a driving force for embracing change and boldly taking on new challenges without fear. However, true

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transformation cannot be achieved solely through top-down measures. I believe that the cues and the energy for transformation can be found in the voices of individual employee working day by day on the front lines of business. Taking on the role of president, I intend to first ask all employees what aspects of Marubun should change and how we ought to change. I will listen carefully to this feedback and reflect it in management decisions.

As a personal note, I prioritize a stance of always being humble, fair, and open to everything. It is essential that we build a psychologically safe workplace where all are free to express their opinions and engage in constructive discussion, regardless of position or seniority. As an example, ensuring that everyone uses the honorific “-san” in everyday email and meetings may seem trivial, but I believe that such actions, meticulously carried out one by one, foster a flat, transparent, and open corporate culture throughout the organization.

Why do I value this kind of corporate culture? It is because I believe in the potential of each and every employee. Creating an environment that fully draws out that potential and allows individual talents to be demonstrated to the fullest is one of my key responsibilities as a leader. To achieve that, it is essential that every employee have a sense of ownership, that is, a management perspective of “We are the ones who build this company.” That means viewing the Company’s performance and issues as personal matters, proactively thinking about how to design the Company’s future, and taking action. I want to nurture fertile ground for such people to grow.

Transforming risks into opportunities and achieving new value creation

The business environment surrounding the electronics sector has become increasingly complex and uncertain amid rising geopolitical tensions, more complicated supply chains, and the rapid rise of

technologies such as AI. Although robust demand growth is expected in the semiconductor market that is the main cornerstone of our business, the market is also characterized by susceptibility to supply and demand fluctuations in the medium to long term and to the impacts of technological innovation cycles in the short term. We must always maintain awareness of risks that include currency and interest rate fluctuations, changes in laws and regulations, difficulties securing human resources, and natural disasters.

However, I see these risks not merely as threats but also as sources of new business opportunities. As an example, trade friction and technological rivalry between the US and China are causing significant changes to our customers’ procurement strategies. For a specialized



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trading company with a global network and a broad product lineup like Marubun, customers' needs to avoid the risk of dependency on specific regions and to diversify and strengthen their supply chains present new opportunities for offering added value. The same applies to fluctuations in semiconductor supply and demand. Even if short-term market adjustments occur, the volume of semiconductors used is predicted to increase because of the advance of DX and GX. It is vital that we capture this long-term trend and reinforce our allocation of resources to growth fields. Technological innovation, too, presents us with major opportunities. The evolution of AI is constantly generating new markets such as robotics and edge computing. By providing semiconductors and electronic components for these new technologies, together with solutions that utilize them, we can expand our possibilities for value creation.

Refining Marubun's unique strengths and aiming for our next stage through the Group's collective power

The competitive environment surrounding electronics trading companies is intense, making clear differentiation from competitors no easy

task. To remain the choice of customers as a true "one-of-a-kind" partner, we must further hone Marubun's unique strengths and leverage them to the fullest. Our greatest strengths lie in the relationships of trust we have built with over 3,000 customers for over 180 years since our founding, our extensive network of over 800 outstanding domestic and international suppliers, our global business structure spanning about 50 locations worldwide, and our workforce of approximately 1,200 people across the consolidated Group.

In the Marubun Nextage 2027 Medium-Term Business Plan formulated in May 2025, we set the maximum use of these human resources and the pursuit of synergies across the Group as key themes. Notably, the core of our strategic differentiation lies in a strong focus on two key fields: aerospace and defence and medical/healthcare. In the aerospace and defence field, we boast a track record of over 50 years of experience and have accumulated solid trust from our customers and unique know-how. In the medical/healthcare field, too, we will cultivate new growth drivers by effectively linking the technological seeds and the expert personnel distributed throughout our Group. To drive these Group synergies in concrete ways, we actively discuss new business opportunities that span business segments and group companies at monthly Marubun Collaboration Forum meetings, and are steadily executing concrete action plans. We are also advancing initiatives for providing higher value-added services through collaboration among domestic and overseas Group companies, as seen in the online maintenance services offered by IRIS Company in the Entrepreneur Business.

We also view talent development as one of our strengths. We place particular emphasis on recruiting new graduates, with about 30 talented young people joining our team every year. A growing turnover rate among young people has become an issue in Japan, but our Company maintains a low turnover rate and enjoys increasingly strong retention of younger employees. To rapidly strengthen the capabilities of these employees and nurture them as future leaders who will drive



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the Marubun Group forward, we are making efforts to enhance our training and development programs. I particularly expect our younger employees to develop a management perspective. Through opportunities to tackle responsible work and diverse experiences, I want these employees to grow into individuals who can think, make decisions, and take action independently.

Practicing sustainability management with “Innovating Together” as our corporate slogan

In the Marubun Nextage 2027 Medium-Term Business Plan, we adopted the slogan “Innovating Together.” This slogan resonates deeply with our Purpose of “Contribute to a brighter future through technologies.” Since our founding, our mission has been to quickly discover cutting-edge technologies and products in the world, deliver these to customers, and work with customers to help solve their issues and make their dreams reality. Always returning to this origin and continuing our endeavors as an innovation-driven company is fundamental to our

approach to sustainability management.

We have positioned sustainability as one of our key management priorities and identified five material issues, actively addressing each of these through initiatives. Among these, I see “Increasing our corporate value through enhancement of human capital strategies” as particularly vital. For a trading company, people are the most vital management resource. Enhancing the expertise, creativity, and engagement of every employee leads directly to greater corporate value.

To concretely drive this human capital strategy, we established a Human Capital Committee that continuously monitors progress and implements improvements on key themes such as strengthening recruitment and development programs, raising engagement, and promoting diversity, equity & inclusion at the management level. We are especially committed to developing a personnel evaluation system in which people with a spirit of challenge are more fairly rewarded, using HR technology to help create a virtuous cycle by which every employee truly feels that effort pays off. By openly sharing the progress and results of these efforts with employees through town hall meetings and other forums, we are ensuring transparency and encouraging greater involvement in transformation.

We are also taking a step forward in shifting from work style reform to job satisfaction reform. We have introduced initiatives that include skill training for management and staff to enhance psychological safety, our in-house multiple Jobs Program to support diverse career formation for employees, and extended retirement age that allows experienced veteran employees to continue contributing. As one indicator for measuring the effectiveness of these initiatives, we regularly conduct Net Promoter Score (eNPS) surveys. We achieved a solid improvement of 9.3 points year on year in the latest survey and continue to improve steadily. To address labor shortages through means beyond strengthened recruitment, our Electronic Devices Business is fast-tracking full productivity in new graduates through a proprietary training program

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known as the Terakoya Method. We are also advancing digitalization, including the active adoption of generative AI company-wide and the use of Robotic Process Automation (RPA) to automate routine tasks and quantify reductions in labor hours. As we advance DX, however, I believe we must remain mindful that it is only a means and not an end goal. As an example, reducing labor hours through efficiency is not the goal; rather, enabling employees to spend more

time on higher value-added work is the true goal. On the front lines of business, however, there is a tendency for means to become ends in themselves. Accordingly, we need to always keep an eye on whether our efforts are heading in the right direction, and make course adjustments as necessary.

Uniting with shareholders and investors to enhance our corporate value

We will continue striving to meet the expectations of our shareholders and investors by achieving sustainable improvement in corporate value and stable, ongoing shareholder returns. From FY2023, we supplemented our existing consolidated dividend payout ratio of 40% with a new dividend policy indicator, a DOE (dividend on equity) of 2.5%. Shifting to a policy of enhanced commitment to shareholder returns, we will apply the higher of these two measures. Another significant recent change that I want to communicate to shareholders is our introduction of a restricted stock-based compensation plan. This plan enables

the payment of a portion of executive compensation in the form of the Company's stock. I have held shares for some time as a member of the founding family, but I have also long wished for other executives, and more employees in the future, to unite with shareholders in spirit and move as one toward our shared goals. Based on my experience at a securities firm, I am convinced that such a plan is extremely important for enhancing corporate value and have advocated for its introduction. Although it took some time, we were finally able to realize this in 2023. I expect that the move will further heighten executives' awareness and motivation to enhance the Company's stock price. Looking ahead, I hope to undertake further initiatives that will let shareholders, executives, and employees unite in aiming for increased corporate value.

Embracing our rich history and pioneering the future without fear of change

A key challenge that top management faces today is how to realize group-wide synergies as early and as fully as possible. I recognize this as a major challenge that was left unresolved in our previous Marubun Nextage 2024 Medium-Term Business Plan. Overcoming differences in culture and systems among Group companies to concentrate the full power of the Group will require considerable time and effort. Toward that end, rejuvenating our human resources and revitalizing major positions are essential. We are actively appointing younger personnel to key positions such as division and department heads to accelerate generational change. We have also set specific numerical targets, such as increasing the ratio of managers in their 40s. I believe that leadership by personnel who hold new ideas and sensibilities in line with the times will transform the organization's mindset and greatly accelerate the pace of transformation.

As the head of the Marubun Group, I am committed to firmly taking up the vital baton of trust passed down for over 180 years and to

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maintaining a spirit of constant endeavor that pioneers the future without fear of change. Guided by our Purpose of “Contribute to a brighter future through technologies” and working toward our Vision of “Be the unrivaled and most trusted electronics trading company with unique and original values,” our Company will forge ahead as one.

We will deliver value that exceeds customers' expectations, foster a corporate culture in which employees can thrive, and contribute to the sustainable development of society as a whole. As we work to make that a reality, I invite you to hold high expectations for the Marubun

group's new endeavors. I sincerely thank you for your continued support, guidance, and encouragement.

Hiroshi Horikoshi

September 2025

MARUBUN CORPORATION

President and Representative Director,
Chief Executive Officer (CEO), Chief Operating Officer (COO)

Entrusting Hopes to the Next Generation of Leadership

The electronics sector to which we belong is the industry undergoing the most intense changes, driven by the trends of digitalization and green transformation.

The widespread adoption of high-speed, large-capacity communication networks has accelerated IoT technology, and as adoption of AI technology advances, there are growing expectations for even more advanced technologies and broader applications to address societal challenges. To reliably adapt to these rapidly changing market conditions, launch our next growth strategy, and continue moving forward while maintaining resilience and agility, I believe that perceptive young leaders who can further shift the gears of progress are more necessary than ever.

President Horikoshi possesses the inclusiveness to listen to all employees, the ability to calmly assess situations, and the persistence to see things through to the end. His approach to management based on his own values and beliefs, his clear vision that drives action, and his sincere everyday commitment define the leader that we seek.

I expect that he will fully demonstrate leadership through new ideas and bold execution and, even under a drastically changing environment, will unhesitatingly enhance Marubun's unique corporate value as it strives to become a 200-year company.

Toru Iino

Senior Corporate Advisor (Former President and Representative Director, Chief Executive Officer (CEO))

