

MARUBUN CORPORATION

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October 31, 2012

Summary of Consolidated Financial Results for the Six Months Ended September 30, 2012

1. Consolidated Financial Results for the Six Months Ended September 30, 2012 (April 1, 2012 - September 30, 2012)

(1) Consolidated Operating Results

| | Net Sales | | Operating Income | | Ordinary Income | | Net Income | |
|--|-----------------|-------|------------------|--------|-----------------|--------|-----------------|-------|
| | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % |
| For the Six months ended September 30, 2012 | 103,038 | (0.6) | 517 | (12.8) | 377 | 8.5 | (106) | - |
| September 30, 2011 | 103,703 | (5.5) | 593 | (39.1) | 347 | (34.4) | 131 | 168.8 |

| | Net Income Per Share | Diluted Net Income Per Share |
|--|----------------------|------------------------------|
| | Yen | Yen |
| For the Six months ended September 30, 2012 | (4.09) | - |
| September 30, 2011 | 5.05 | - |

(2) Financial Position

| | Total Assets | Net Assets | Equity Ratio |
|--------------------------|-----------------|-----------------|--------------|
| | Millions of Yen | Millions of Yen | % |
| As of September 30, 2012 | 106,464 | 36,196 | 31.0 |
| As of March 31, 2012 | 121,045 | 36,295 | 27.5 |

2. Dividends

| | Dividend Per Share | | | | |
|---|--------------------|-------------|-------------|-------------|--------|
| | 1st Quarter | 2nd Quarter | 3rd Quarter | 4th Quarter | Annual |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal Year ended March 31, 2012 | - | 5.00 | - | 7.00 | 12.00 |
| Fiscal Year ending March 31, 2013 | - | 6.00 | | | |
| Fiscal Year ending March 31, 2013 (Forecast) | | | - | 9.00 | 15.00 |

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2013

| | Net Sales | | Operating Income | | Ordinary Income | | Net Income | |
|--|-----------------|--------|------------------|------|-----------------|------|-----------------|------|
| | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % |
| For the Fiscal Year ending March 31, 2013 | 214,000 | (11.8) | 3,150 | 10.8 | 3,050 | 28.4 | 1,400 | 37.7 |

| | Net Income Per Share |
|--|----------------------|
| | Yen |
| For the Fiscal Year ending March 31, 2013 | 53.57 |

Note: These Financial Forecasts are based on management's assumptions and beliefs in light of the information currently available to it and therefore you should not place undue reliance on them. Marubun Corporation cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.

1. Qualitative information relating to consolidated operating results

During the first half of the consolidated fiscal year under review (from April 1, 2012 to September 30, 2012), the Japanese economy continued to face uncertainty over its economic outlook, with the persistent strength of the yen, the European debt crisis, and slower growth in the Chinese economy, although signs of a moderate recovery, driven by reconstruction demand in the aftermath of the Great East Japan Earthquake, were in evidence.

In the electronics industry, where the Marubun Group is positioned, demand for smartphones and tablet PCs continued to grow. In contrast, demand for digital cameras lost momentum, and demand for TV sets and game consoles remained weak. The slow recovery in corporate investment in equipment affected orders for semiconductor manufacturing equipment. In the semiconductor and electronic components markets, prices of DRAM and LCD panels remained weak.

In this environment, net sales of the Group during the first half of the consolidated fiscal year under review fell 0.6% from the same period of the previous year, to 103,038 million yen. Consolidated operating income dropped 12.8% year on year, to 517 million yen, while consolidated ordinary income increased 8.5% year on year, to 377 million yen, reflecting a decline in interest expenses under non-operating expenses. A consolidated net loss of 106 million yen (compared to net income of 131 million yen in the same period of the previous fiscal year) was recorded, the result of posting settlement package payments to a supplier of 283 million yen and a loss on valuation of investment securities of 91 million yen as an extraordinary loss.

Operating results by business segment are as follows.

(Electronic Devices business)

In the Electronic Devices business, demand for semiconductor and electronic components for smartphones and cellular phone modules was robust, and sales of semiconductors for automobiles increased, while sales of memory IC declined due to weaker demand for PCs. As a result, net sales in this segment fell 2.3% year on year, to 89,082 million yen, while segment income slipped 42.3% year on year, to 294 million yen.

(Electronic Systems business)

In the Electronic Systems business, sales of artificial satellite components in space and defense electronics and thin-film equipment in scientific equipment increased, and demand for diagnostic imaging equipment in medical equipment expanded. However, demand for measurement and inspection equipment decreased, reflecting a slow recovery in corporate investment in equipment. As a result, net sales in this segment increased 11.3% year on year, to 13,955 million yen, while segment income climbed 158.8%, to 228 million yen.

2. Qualitative information relating to the consolidated financial position

Current assets at the end of the first half of the consolidated fiscal year under review stood at 95,577 million yen, declining 14,977 million yen from the end of the previous fiscal year. This is mainly attributable to decreases in notes and accounts receivable-trade of 13,848 million yen and in cash and deposits of 5,217 million yen, which was partially offset by an increase in short-term investment securities of 3,000 million yen. Noncurrent assets were 10,887 million yen, an increase of 395 million yen from the end of the previous fiscal year. This primarily reflects an increase in deferred tax assets of 291 million yen.

As a result, total assets came to 106,464 million yen, a decrease of 14,581 million yen from the end of the previous fiscal year.

Current liabilities at the end of the first half of the consolidated fiscal year under review were 52,021 million yen, a fall of 14,142 million yen from the end of the previous fiscal year. This figure chiefly reflects decreases in short-term loans payable of 9,855 million yen and notes and accounts payable-trade of 3,959 million yen. Noncurrent liabilities were 18,245 million yen, a decrease of 341 million yen from the end of the previous fiscal year. This is mainly attributable to falls of 261 million yen in the provision for directors' retirement benefits and in the provision for retirement benefits of 75 million yen.

As a result, total liabilities stood at 70,267 million yen, a decrease of 14,483 million yen from the end of the previous fiscal year.

Total net assets at the end of the first half of the consolidated fiscal year under review were 36,196 million yen, a fall of 98 million yen from the end of the previous fiscal year. The decrease was primarily attributable to a fall in retained earnings of 289 million yen, offsetting a rise in minority interests of 141 million yen.

As a result, the equity ratio stood at 31.0% (compared to 27.5% at the end of the previous fiscal year).

3. Qualitative information relating to consolidated financial forecasts

Our full-year consolidated financial results forecast for the fiscal year ending March 2013 has been revised from the financial results forecast announced on May 7, 2012.

Full-year net sales are projected at 214,000 million yen (down 11.8% from the previous fiscal year), in anticipation of declining sales of PCs and memory ICs for consumer appliances. Operating income is projected at 3,150 million yen (up 10.8% from the previous fiscal year), benefiting from a decline in selling, general, and administrative expenses as a result of expense controls, ordinary income at 3,050 million yen (up 28.4% year on year), and net income at 1,400 million yen (up 37.7% year on year).

For details about the revision to the financial results forecast, please refer to the “Notice of Differences Between Forecast and Actual Results for the First Half of the Fiscal Year Ending March 2013 and Revision of Full-Year Financial Results Forecast” announced separately on this date of October 31, 2012.

The Group announced a “Notice of Solicitation for Voluntary Retirement” on October 5, 2012. The number of actual applicants has not been determined and the calculation of its effect is difficult. Therefore, the amount affected has not been incorporated in the revised full-year financial results forecast this time. We will issue a separate notice when the number of applicants is determined.

Consolidated Financial Statements
(1) Consolidated Balance Sheet

(Millions of Yen)

| | As of March 31, 2012 | As of September 30, 2012 |
|--|-----------------------|--------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 18,123 | 12,905 |
| Notes and accounts receivable-trade | 66,611 | 52,763 |
| Short-term investment securities | - | 3,000 |
| Merchandise and finished goods | 22,666 | 24,022 |
| Work in process | 51 | 118 |
| Deferred tax assets | 1,198 | 1,258 |
| Other | 1,934 | 1,584 |
| Allowance for doubtful accounts | (31) | (75) |
| Total current assets | <u>110,554</u> | <u>95,577</u> |
| Noncurrent assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 4,143 | 4,270 |
| Accumulated depreciation | (2,663) | (2,789) |
| Buildings and structures, net | <u>1,480</u> | <u>1,480</u> |
| Machinery, equipment and vehicles | 26 | 26 |
| Accumulated depreciation | (21) | (22) |
| Machinery, equipment and vehicles, net | <u>5</u> | <u>4</u> |
| Tools, furniture and fixtures | 2,261 | 2,313 |
| Accumulated depreciation | (1,859) | (1,861) |
| Tools, furniture and fixtures, net | <u>402</u> | <u>451</u> |
| Land | 2,466 | 2,466 |
| Lease assets | 26 | 37 |
| Accumulated depreciation | (10) | (7) |
| Lease assets, net | <u>16</u> | <u>29</u> |
| Construction in progress | 1 | 20 |
| Total property, plant and equipment | <u>4,372</u> | <u>4,453</u> |
| Intangible assets | | |
| Goodwill | 7 | 6 |
| Other | 314 | 324 |
| Total intangible assets | <u>322</u> | <u>330</u> |
| Investments and other assets | | |
| Investment securities | 1,468 | 1,352 |
| Long-term loans receivable | 5 | 4 |
| Deferred tax assets | 1,575 | 1,866 |
| Real estate for investment | 3,076 | 3,058 |
| Accumulated depreciation | (2,012) | (2,025) |
| Real estate for investment, net | <u>1,064</u> | <u>1,033</u> |
| Other | 1,683 | 1,845 |
| Total investments and other assets | <u>5,796</u> | <u>6,103</u> |
| Total noncurrent assets | <u>10,491</u> | <u>10,887</u> |
| Total assets | <u>121,045</u> | <u>106,464</u> |

(Millions of Yen)

As of March 31, 2012 As of September 30, 2012

| | As of March 31, 2012 | As of September 30, 2012 |
|---|----------------------|--------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable-trade | 42,506 | 38,546 |
| Short-term loans payable | 18,781 | 8,925 |
| Current portion of long-term loans payable | 1,534 | 1,534 |
| Current portion of bonds | 48 | 46 |
| Income taxes payable | 326 | 244 |
| Deferred tax liabilities | 0 | - |
| Provision for bonuses | 718 | 794 |
| Asset retirement obligations | - | 106 |
| Other | 2,246 | 1,823 |
| Total current liabilities | 66,163 | 52,021 |
| Noncurrent liabilities | | |
| Bonds payable | 21 | - |
| Long-term loans payable | 16,072 | 16,054 |
| Provision for retirement benefits | 1,602 | 1,526 |
| Provision for directors' retirement benefits | 492 | 230 |
| Asset retirement obligations | 124 | 108 |
| Other | 273 | 324 |
| Total noncurrent liabilities | 18,586 | 18,245 |
| Total liabilities | 84,750 | 70,267 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 6,214 | 6,214 |
| Capital surplus | 6,353 | 6,353 |
| Retained earnings | 23,579 | 23,289 |
| Treasury stock | (1,630) | (1,630) |
| Total shareholders' equity | 34,517 | 34,227 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 176 | 86 |
| Deferred gains or losses on hedges | (64) | 1 |
| Foreign currency translation adjustment | (1,381) | (1,308) |
| Total accumulated other comprehensive income | (1,269) | (1,220) |
| Minority interests | 3,047 | 3,189 |
| Total net assets | 36,295 | 36,196 |
| Total liabilities and net assets | 121,045 | 106,464 |

(2) Consolidated Statements of Income

(Millions of Yen)

| | Six Months ended September 30, 2011 | Six Months ended September 30, 2012 |
|--|--|--|
| Net sales | 103,703 | 103,038 |
| Cost of sales | 95,620 | 95,033 |
| Gross profit | 8,082 | 8,005 |
| Selling, general and administrative expenses | 7,488 | 7,487 |
| Operating income | 593 | 517 |
| Non-operating income | | |
| Interest income | 4 | 6 |
| Dividends income | 15 | 15 |
| Equity in earnings of affiliates | 31 | 43 |
| Rent of real estate for investment | 102 | 88 |
| Miscellaneous income | 91 | 129 |
| Total non-operating income | 245 | 284 |
| Non-operating expenses | | |
| Interest expenses | 261 | 188 |
| Foreign exchange losses | 67 | 83 |
| Miscellaneous loss | 162 | 151 |
| Total non-operating expenses | 491 | 424 |
| Ordinary income | 347 | 377 |
| Extraordinary income | | |
| Gain on sales of noncurrent assets | 1 | - |
| Gain on sales of investment securities | 78 | - |
| Gain on sales of real estate for investment | - | 2 |
| Total extraordinary income | 79 | 2 |
| Extraordinary loss | | |
| Loss on sales and retirement of noncurrent assets | 34 | 7 |
| Loss on valuation of investment securities | 1 | 91 |
| Settlement package | - | 283 |
| Other | 0 | 4 |
| Total extraordinary losses | 36 | 386 |
| Income (loss) before income taxes and minority interests | 390 | (6) |
| Income taxes | 128 | (66) |
| Income before minority interests | 262 | 60 |
| Minority interests in income | 130 | 167 |
| Net income (loss) | 131 | (106) |

(Consolidated quarterly statements of comprehensive income)

| | | |
|---|-------|------|
| Income before minority interests | 262 | 60 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (164) | (88) |
| Deferred gains or losses on hedges | 325 | 66 |
| Foreign currency translation adjustment | (47) | 129 |
| Share of other comprehensive income of associates accounted for using equity method | (23) | (0) |
| Total other comprehensive income | 89 | 105 |
| Comprehensive income | 351 | 166 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of the parent | 250 | (57) |
| Comprehensive income attributable to minority interests | 100 | 223 |

(3) Consolidated Statements of Cash Flows

(Millions of Yen)

| | Six Months ended September 30, 2011 | Six Months ended September 30, 2012 |
|---|--|--|
| Net cash provided by (used in) operating activities | | |
| Income (loss) before income taxes and minority interests | 390 | (6) |
| Depreciation and amortization | 252 | 256 |
| Increase (decrease) in allowance for doubtful accounts | 10 | 43 |
| Increase (decrease) in provision for bonuses | 29 | 75 |
| Increase (decrease) in provision for directors' retirement benefits | (86) | (261) |
| Increase (decrease) in provision for retirement benefits | (6) | (75) |
| Interest and dividends income | (19) | (22) |
| Interest expenses | 261 | 188 |
| Foreign exchange losses (gains) | 161 | 82 |
| Equity in (earnings) losses of affiliates | (31) | (43) |
| Loss (gain) on sales of real estate investment | - | (2) |
| Rent of real estate for investment | (102) | (88) |
| Loss (gain) on sales of investment securities | (78) | - |
| Loss (gain) on valuation of investment securities | 1 | 91 |
| Loss (gain) on sales and retirement of noncurrent assets | 33 | 7 |
| Settlement package | - | 283 |
| Decrease (increase) in notes and accounts receivable-trade | (11,070) | 13,898 |
| Decrease (increase) in inventories | (1,856) | (1,387) |
| Increase (decrease) in notes and accounts payable-trade | 10,024 | (3,914) |
| Other, net | (549) | (238) |
| Subtotal | (2,635) | 8,885 |
| Interest and dividends income received | 32 | 36 |
| Interest expenses paid | (263) | (198) |
| Income taxes paid | (279) | (378) |
| Income taxes refund | 42 | 33 |
| Net cash provided by (used in) operating activities | (3,103) | 8,378 |
| Net cash provided by (used in) investing activities | | |
| Payments into time deposits | (340) | - |
| Proceeds from withdrawal of time deposits | 94 | 200 |
| Purchase of property, plant and equipment | (77) | (100) |
| Proceeds from sales of property, plant and equipment | 6 | 1 |
| Purchase of intangible assets | (30) | (38) |
| Purchase of investment securities | (23) | (152) |
| Proceeds from sales of investment securities | 88 | - |
| Proceeds from sales of investments in real estates | - | 10 |
| Proceeds from rental of real estate for investment | 89 | 88 |
| Payments for transfer of business | (5,777) | - |
| Other, net | (113) | (99) |
| Net cash provided by (used in) investing activities | (6,084) | (92) |
| Net cash provided by (used in) financing activities | | |
| Net increase (decrease) in short-term loans payable | 3,005 | (9,917) |
| Repayment of long-term loans payable | - | (17) |
| Redemption of bonds | (24) | (24) |
| Cash dividends paid | (156) | (182) |
| Cash dividends paid to minority shareholders | (82) | (81) |
| Other, net | (2) | (4) |
| Net cash provided by (used in) financing activities | 2,739 | (10,228) |
| Effect of exchange rate change on cash and cash equivalents | (186) | (75) |
| Net increase (decrease) in cash and cash equivalents | (6,634) | (2,017) |
| Cash and cash equivalents at beginning of period | 16,078 | 17,923 |
| Cash and cash equivalents at end of period | 9,443 | 15,905 |

Consolidated Segment Information

Business Segments

Six Months ended September 30, 2011

(Millions of Yen)

| | Business segments reported | | | Total | Adjustment | Consolidated Statements of Income |
|-----------------------|----------------------------|--------------------|---------|---------|------------|-----------------------------------|
| | Electronic Devices | Electronic Systems | Total | | | |
| Net Sales | | | | | | |
| (1) Outside Customers | 91,161 | 12,541 | 103,703 | 103,703 | - | 103,703 |
| (2) Inter-segment | 0 | 38 | 39 | 39 | (39) | - |
| Total Sales | 91,162 | 12,580 | 103,742 | 103,742 | (39) | 103,703 |
| Segment Income(loss) | 510 | 88 | 598 | 598 | (4) | 593 |

Six Months ended September 30, 2012

(Millions of Yen)

| | Business segments reported | | | Total | Adjustment | Consolidated Statements of Income |
|-----------------------|----------------------------|--------------------|---------|---------|------------|-----------------------------------|
| | Electronic Devices | Electronic Systems | Total | | | |
| Net Sales | | | | | | |
| (1) Outside Customers | 89,082 | 13,955 | 103,038 | 103,038 | - | 103,038 |
| (2) Inter-segment | 0 | 129 | 129 | 129 | (129) | - |
| Total Sales | 89,082 | 14,085 | 103,168 | 103,168 | (129) | 103,038 |
| Segment Income(loss) | 294 | 228 | 522 | 522 | (4) | 517 |