



May 11, 2009

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2009
1. Consolidated Financial Results for Fiscal Year Ended March 31, 2009 (April 1,2008 - March 31,2009)
(1) Consolidated Operating Results

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
FY2008	199,943	(18.5)	1,108	(69.6)	49	(98.3)	(1,399)	(257.3)
FY2007	245,289	(11.0)	3,648	(43.9)	2,956	(52.9)	889	(74.5)

	Net Income Per Share	Diluted Net Income Per Share	Return on Equity	Ordinary Income to Total Assets ratio	Operating Income on Net Sales
	Yen	Yen	%	%	%
FY2008	(53.56)	-	-4.4	0.0	0.6
FY2007	33.36	33.35	2.5	2.4	1.5

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	Millions of Yen	Millions of Yen	%	Yen
As of March 31, 2009	105,583	34,686	30.3	1,223.22
As of March 31, 2008	117,338	38,046	29.8	1,339.15

(3) Cash Flows

	Net Cash flow from Operating Activities	Net Cash flow from Investing Activities	Net Cash flow from Financing Activities	Cash and Cash Equivalents at End of Fiscal Year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY2008	14,585	(267)	(291)	20,071
FY2007	13,643	(314)	(13,261)	6,551

2. Dividend

	Dividend Per Share			Dividends in Total (Fiscal Year)	Dividends Payout ratio (Consolidated)	Dividends on Net Assets (Consolidated)
	Interim	Year-End	Fiscal Year End			
	Yen	Yen	Yen	Millions of Yen	%	%
FY2007	12.00	6.00	18.00	479	54.0	1.3
FY2008	8.00	0.00	8.00	209	-	0.5
FY2009 (Forecasts)	3.00	5.00	8.00	-	59.7	-

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2010

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Interim	92,800	(13.7)	(300)	-	(620)	-	(550)	-
Full Year	213,000	6.5	1,800	62.3	1,200	-	350	-
Net Income Per Share								
Yen								
Interim	(21.04)							
Full Year	13.39							

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 consolidated fiscal year under review, the real economy in Japan began to rapidly feel the effects of the appreciation of the yen and falling share prices, in turn a reflection of the financial crisis that emerged from the United States. Faced with a subsequent drop in exports and production, as well as sluggish capital investment, the employment and income situations have become more severe. Meanwhile, the global economy appears to have entered a global recession, given the sudden economic slowdown in emerging countries that had previously enjoyed solid growth, following the downturn in the United States and Europe.

In the electronics industry, demand for television sets and digital cameras began to contract, reflecting weak consumption. The cellular phone market also declined, as a result of a lengthening of the replacement cycle for new handsets. Demand in the car electronics market remained sluggish, because of production adjustments in the automotive sector. In the semiconductor market, market conditions deteriorated rapidly, given the apparent inclination of customers to reduce their inventories, in addition to sluggish demand for a range of electronics equipment.

In this operating environment, the Marubun Group took steps to bolster sales of analog semiconductors, its range of inspection devices, and production equipment, while also adopting initiatives to reduce expenses. However, with the downturn in the market far worse than anticipated, the management environment remained severe.

As a result, net sales achieved by the Group for the consolidated fiscal year under review fell 18.5% from the previous year, to 199,943 million yen.

Consolidated operating income slipped 69.6% year on year, to 1,108 million yen, reflecting lower sales.

Ordinary income fell 98.3% year-on-year, to 49 million yen, given an exchange loss of 520 million yen.

The consolidated net loss stood at 1,399 million yen (compared with a consolidated net income of 889 million yen for the previous fiscal year), as a result of the recording of extraordinary losses of 1,468 million yen, including restructuring charges of 870 million yen, and a loss on valuation of investment securities of 576 million yen.

Operating results by business segment are as follows.

(Electronic Devices business)

In our Electronic Device business, demand for semiconductors for cellular phone modules increased. In contrast, demand for semiconductors for game consoles fell, while that for semiconductors and electronic components for products, such as industrial equipment, in-vehicle equipment, and office automation equipment, also declined, reflecting the economic slowdown. As a result, net sales for the business fell 21.7% from the previous fiscal year, to 160,791 million yen. Operating income for the business declined 51.0% year-on-year, to 2,544 million yen.

(Electronic Systems business)

In our Electronic Systems business, sales for space and defense electronics, including space satellite components, remained strong. Sales also rose for scientific equipment, given strong sales of thin film equipment for LED production. In contrast, sales for medical equipment and measurement inspection equipment declined. As a result, net sales for the business fell 2.1% from the previous fiscal year, to 39,151 million yen, and operating income rose 16.9%, to 2,065 million yen, given an improvement in the gross profit margin.

Operating results by geographic segment are as follows.

(Japan)

In Japan, sales for space and defense electronics, scientific equipment, and semiconductors designed for cellular phone modules increased. However, overall demand for semiconductors and electronic components decreased. As a result, net sales for Japan fell 23.3% from the previous fiscal year, to 155,200 million yen, and operating income dropped 37.7%, to 3,175 million yen.

(Other parts of Asia)

In other parts of Asia, sales for semiconductors designed for game consoles and cellular phones dropped. As a result, net sales for the segment dropped 37.7% from the previous fiscal year, to 44,742 million yen, and operating income slipped 23.1%, to 1,385 million yen.

2. Qualitative information relating to consolidated financial forecasts

The economic outlook for fiscal 2009 suggests that the business environment will remain severe, given worsening global financial crisis and concerns about a further global business slowdown.

In the semiconductor market, there exist some positive signs, on the back of progress in inventory adjustments of final products. However, with consumption likely to remain weak, the market uncertainty will continue.

In this environment, for fiscal 2009, the Group expects stronger sales of semiconductors designed for cellular phone modules in the Electronic Devices business, offsetting an anticipated decline in sales of laser equipment and scientific equipment in the Electronic Systems business. As a result, the Group anticipates net sales of 213,000 million yen, up 6.5% from the previous fiscal year. It also anticipates operating income of 1,800 million yen, rising 62.3%, ordinary income of 1,200 million yen, compared with that of 49 million yen for the previous fiscal year, and net income of 350 million yen, compared with a net loss of 1,399 million yen for the year-ago period, reflecting a reduction in labor costs and general expenses.

3. Qualitative information relating to the consolidated financial position

(1) Assets, liabilities and net assets

Total assets at the end of the consolidated fiscal year under review were 105,583 million yen, down 11,755 million yen from the end of the previous fiscal year. The decline was due primarily to a 12,012 million yen fall in current assets from the end of the previous consolidated fiscal year (with a decline of 18,719 million yen in notes and accounts receivable - trade, and a fall of 7,230 million yen in inventories, offsetting a 13,519 million yen rise in cash and deposits).

Liabilities were 70,897 million yen, down 8,395 million yen from the end of the previous consolidated fiscal year. The decrease resulted mainly from a 28,898 million yen fall in current liabilities from the end of the previous consolidated fiscal year (including a 8,802 million yen decline in notes and accounts payable - trade, and a 20,140 million yen fall in short-term loans payable), offsetting a 20,503 million yen rise in noncurrent liabilities (including a 20,000 million yen rise in long-term loans payable and a 509 million yen increase in provision for retirement benefits).

Net assets amounted to 34,686 million yen, down 3,360 million yen from the end of the previous consolidated fiscal year. The key factors for this decline included a 1,765 million yen fall in retained earnings, and a 868 million yen decrease in foreign currency translation adjustments.

As a result, the equity ratio stood at 30.3%, rising 0.5% from 29.8% at the end of the previous consolidated fiscal year.

(2) Consolidated cash flows

Cash and cash equivalents at the end of the consolidated fiscal year under review were 20,071 million yen, rising 13,519 million yen or 206.3% from the end of the previous consolidated fiscal year, attributable to funds generated from a decrease in accounts receivable and inventories, offsetting funds used for income before income taxes, as well as a decrease in accounts payable, and repayments of short-term loans.

Individual cash flows during the consolidated fiscal year under review and major contributing factors are as follows:

(Cash flows from operating activities)

Funds generated by operating activities totaled 14,585 million yen, up 6.9% year-on-year. These increases were primarily due to a 16,962 million yen decline in accounts receivable and a 6,558 million yen decrease in inventories, offsetting 1,303 million yen in income before income taxes, a 7,566 million reduction in accounts payable, and a 877 million yen of income taxes paid.

(Cash flows from investing activities)

Funds used for investing activities amounted to 267 million yen, down 14.7% year-on-year. Major factors included 283 million yen in payments for the acquisition of property, plant and equipment, and 281 million yen in payments for the acquisition of intangible fixed assets, offsetting 139 million yen in proceeds from the sale of property, plant and equipment, and 216 million yen in proceeds from rental income on invested real estate.

(Cash flows from financing activities)

Funds used for financing activities were 291 million yen, down 97.8% year-on-year. The key contributors to this result were 20,000 million yen in proceeds from long-term loans, and a 19,782 million yen decline in short-term loans.

4. Basic policy regarding earnings appropriation and dividends for fiscal 2008 and 2009

In accordance with the basic policy for the provision of continuous shareholder returns, the Company has adopted a performance-linked dividend payment to actively return earnings in accordance with its operating results, and determines dividend payments by focusing on the dividend payout ratio. Based on this policy, the Company will determine a dividend amount based on a payout ratio of at least 25% on a consolidated basis or a pay ratio of at least 30% on a non-consolidated basis, whichever is higher.

The Company will use retained earnings as funds designed to deliver long-term benefits for shareholders. Namely, it will use these funds to develop new businesses, improve customer services, establish information and logistics systems to streamline operations, bolster working capital in line with growing sales, and enhance its financial strength.

Meanwhile, given the recording of a significant net loss for the consolidated fiscal year under review, the Company regrettably decided to pay no year-end dividends.

The Company anticipates annual dividend payments of 8 yen per share (including interim dividends of 3 yen per share) for fiscal 2009.

5. Medium-term management strategies and issues for the fiscal year ahead

The electronics industry faces extremely severe market conditions, given the rapid deterioration in the global economy since last autumn. Although many countries have responded with significant policy initiatives, the global economy is likely to remain uncertain for the foreseeable future, and competition in the industry is expected to become increasingly severe.

In this environment, the Group will aim to bolster sales of its mainstay analog semiconductors, wireless and in-vehicle businesses, and to expand sales and develop new products in growth markets such as the environment, medical and the information security. The Group will also seek to bolster sales and earnings, while improving customer satisfaction by strengthening its sales structure through organizational restructuring, improving its abilities to propose solutions, and maintaining and improving its quality control structure.

In addition, the Group will take steps to transform its corporate structure into one that can generate profits even in a severe management environment, by appropriately deploying human resources and cutting costs.

The Group remains committed to developing an internal control system that enables sound and highly transparent management.

Consolidated Financial Statements
(1) Consolidated Balance Sheet

(Millions of Yen)

	As of March 31, 2008	As of March 31, 2009
Consolidated balance sheets		
Assets		
Current assets		
Cash and deposits	7,451	20,971
Notes and accounts receivable-trade	61,536	42,817
Short-term investment securities	17	-
Inventories	31,003	-
Merchandise and finished goods	-	23,756
Work in process	-	16
Advance payments-trade	1,054	2,208
Deferred tax assets	1,875	1,233
Other	1,498	1,407
Allowance for doubtful accounts	(48)	(32)
Total current assets	104,390	92,378
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	4,492	4,359
Accumulated depreciation	(2,674)	(2,648)
Buildings and structures, net	1,817	1,710
Machinery, equipment and vehicles	31	30
Accumulated depreciation	(28)	(28)
Machinery, equipment and vehicles, net	3	2
Tools, furniture and fixtures	2,215	2,292
Accumulated depreciation	(1,388)	(1,578)
Tools, furniture and fixtures, net	827	713
Land	2,546	2,528
Lease assets	-	7
Accumulated depreciation	-	(0)
Lease assets, net	-	6
Construction in progress	0	20
Total property, plant and equipment	5,195	4,982
Intangible assets		
Goodwill	272	149
Other	820	848
Total intangible assets	1,093	997
Investments and other assets		
Investment securities	2,130	1,201
Long-term loans receivable	10	9
Deferred tax assets	441	2,114
Real estate for investment	3,128	3,076
Accumulated depreciation	(1,826)	(1,859)
Real estate for investment, net	1,301	1,217
Other	2,776	2,682
Total investments and other assets	6,659	7,225
Total noncurrent assets	12,948	13,205
Total assets	117,338	105,583

	(Millions of Yen)	
	As of March 31, 2008	As of March 31, 2009
Liabilities		
Current liabilities		
Notes and accounts payable-trade	34,734	25,932
Short-term loans payable	34,919	14,778
Current portion of bonds	48	48
Lease obligations	-	1
Income taxes payable	67	92
Deferred tax liabilities	2	3
Provision for bonuses	936	543
Other	1,948	2,358
Total current liabilities	72,658	43,760
Noncurrent liabilities		
Bonds payable	1,217	1,168
Bonds with subscription rights to shares	4,000	4,000
Long-term loans payable	-	20,000
Lease obligations	-	7
Deferred tax liabilities	5	-
Provision for retirement benefits	620	1,129
Provision for directors' retirement benefits	528	566
Other	261	265
Total noncurrent liabilities	6,633	27,136
Total liabilities	79,292	70,897
Net assets		
Shareholders' equity		
Capital stock	6,214	6,214
Capital surplus	6,353	6,353
Retained earnings	23,924	22,158
Treasury stock	(1,634)	(1,629)
Total shareholders' equity	34,857	33,097
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	173	(124)
Deferred gains or losses on hedges	(43)	(138)
Foreign currency translation adjustment	6	(862)
Total valuation and translation adjustments	136	(1,125)
Minority interests	3,052	2,715
Total net assets	38,046	34,686
Total liabilities and net assets	117,338	105,583

(2) Consolidated Statements of Income

(Millions of Yen)

	FY2007	FY2008
Consolidated statements of income		
Net sales	245,289	199,943
Cost of sales	<u>222,970</u>	<u>180,981</u>
Gross profit	<u>22,318</u>	<u>18,961</u>
Selling, general and administrative expenses	<u>18,670</u>	<u>17,852</u>
Operating income	<u>3,648</u>	<u>1,108</u>
Non-operating income		
Interest income	41	32
Dividends income	36	36
Equity in earnings of affiliates	240	158
Rent of real estate for investment	220	218
Rent income on noncurrent assets	47	-
Miscellaneous income	<u>122</u>	<u>143</u>
Total non-operating income	<u>707</u>	<u>589</u>
Non-operating expenses		
Interest expenses	679	591
Expenses incurred for Investments in Real Estates	127	-
Foreign exchange losses	251	520
Loss on sales of accounts receivable	212	-
Commission fee	-	188
Miscellaneous loss	<u>129</u>	<u>348</u>
Total non-operating expenses	<u>1,399</u>	<u>1,648</u>
Ordinary income	<u>2,956</u>	<u>49</u>
Extraordinary income		
Gain on sales of noncurrent assets	-	94
Gain on Sale of Investments in Real Estates	7	11
Reversal of allowance for doubtful accounts	-	8
Other	<u>-</u>	<u>0</u>
Total extraordinary income	<u>7</u>	<u>115</u>
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	95	17
Loss on sales of investment securities	0	-
Loss on valuation of investment securities	7	576
Loss on Disposal of Investments in Real Estates	0	0
Loss on liquidation of subsidiaries and affiliates	13	-
Loss on valuation of Inventories	528	-
Impairment loss	78	-
Business structure improvement expenses	-	870
Other	<u>90</u>	<u>4</u>
Total extraordinary losses	<u>814</u>	<u>1,468</u>
Income (loss) before income taxes and minority interests	<u>2,149</u>	<u>(1,303)</u>
Income taxes-current	741	560
Income taxes for prior periods	-	95
Income taxes-deferred	<u>114</u>	<u>(902)</u>
Total income taxes	<u>856</u>	<u>(245)</u>
Minority interests in income	<u>403</u>	<u>341</u>
Net income (loss)	<u>889</u>	<u>(1,399)</u>

(3) Consolidated Statement of Changes in Net Assets

(Millions of Yen)

	FY2007	FY2008
Consolidated statements of changes in net assets		
Shareholders' equity		
Capital stock		
Balance at the end of previous period	6,214	6,214
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	6,214	6,214
Capital surplus		
Balance at the end of previous period	6,354	6,353
Changes of items during the period		
Disposal of treasury stock	(0)	0
Total changes of items during the period	(0)	0
Balance at the end of current period	6,353	6,353
Retained earnings		
Balance at the end of previous period	23,358	23,924
Changes of items during the period		
Dividends from surplus	(323)	(365)
Net income (loss)	889	(1,399)
Total changes of items during the period	566	(1,765)
Balance at the end of current period	23,924	22,158
Treasury stock		
Balance at the end of previous period	(950)	(1,634)
Changes of items during the period		
Purchase of treasury stock	(695)	(0)
Disposal of treasury stock	10	5
Total changes of items during the period	(684)	4
Balance at the end of current period	(1,634)	(1,629)
Total shareholders' equity		
Balance at the end of previous period	34,976	34,857
Changes of items during the period		
Dividends from surplus	(323)	(365)
Net income (loss)	889	(1,399)
Purchase of treasury stock	(695)	(0)
Disposal of treasury stock	10	5
Total changes of items during the period	(118)	(1,760)
Balance at the end of current period	34,857	33,097
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	762	173
Changes of items during the period		
Net changes of items other than shareholders' equity	(588)	(298)
Total changes of items during the period	(588)	(298)
Balance at the end of current period	173	(124)
Deferred gains or losses on hedges		
Balance at the end of previous period	14	(43)
Changes of items during the period		
Net changes of items other than shareholders' equity	(58)	(94)
Total changes of items during the period	(58)	(94)
Balance at the end of current period	(43)	(138)
Foreign currency translation adjustment		
Balance at the end of previous period	129	6
Changes of items during the period		
Net changes of items other than shareholders' equity	(123)	(868)
Total changes of items during the period	(123)	(868)
Balance at the end of current period	6	(862)
Total valuation and translation adjustments		
Balance at the end of previous period	906	136
Changes of items during the period		
Net changes of items other than shareholders' equity	(770)	(1,262)
Total changes of items during the period	(770)	(1,262)
Balance at the end of current period	136	(1,125)
Minority interests		
Balance at the end of previous period	2,701	3,052
Changes of items during the period		
Net changes of items other than shareholders' equity	350	(337)
Total changes of items during the period	350	(337)
Balance at the end of current period	3,052	2,715
Total net assets		
Balance at the end of previous period	38,584	38,046
Changes of items during the period		
Dividends from surplus	(323)	(365)
Net income (loss)	889	(1,399)
Purchase of treasury stock	(695)	(0)
Disposal of treasury stock	10	5
Net changes of items other than shareholders' equity	(419)	(1,599)
Total changes of items during the period	(537)	(3,360)
Balance at the end of current period	38,046	34,686

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	FY2007	FY2008
Consolidated statements of cash flows		
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	2,149	(1,303)
Depreciation and amortization	1,000	726
Impairment loss	78	-
Amortization of goodwill	105	108
Increase (decrease) in allowance for doubtful accounts	10	(8)
Increase (decrease) in provision for bonuses	24	(393)
Increase (decrease) in provision for directors' retirement benefits	33	37
Increase (decrease) in provision for retirement benefits	(31)	509
Interest and dividends income	(77)	(69)
Interest expenses	679	591
Foreign exchange losses (gains)	51	49
Equity in (earnings) losses of affiliates	(129)	(47)
Gain on Sale of Investments in Real Estates	(7)	(11)
Loss on Disposal of Investments in Real Estates	0	0
Income from Investments in Real Estates	(220)	(218)
Loss (gain) on sales of investment securities	0	-
Loss (gain) on valuation of investment securities	7	576
Expenses incurred for Investments in Real Estates	127	-
Loss (gain) on sales and retirement of noncurrent assets	95	(77)
Decrease (increase) in notes and accounts receivable-trade	7,130	16,962
Decrease (increase) in inventories	2,576	6,558
Decrease (increase) in advance payments	1,227	-
Increase (decrease) in notes and accounts payable-trade	311	(7,566)
Other, net	1,456	(703)
Subtotal	16,599	15,718
Interest and dividends income received	77	69
Interest expenses paid	(674)	(597)
Income taxes paid	(2,359)	(877)
Income taxes refund	-	272
Net cash provided by (used in) operating activities	13,643	14,585
Net cash provided by (used in) investing activities		
Payments into time deposits	(400)	-
Proceeds from withdrawal of time deposits	450	-
Purchase of property, plant and equipment	(462)	(283)
Proceeds from sales of property, plant and equipment	131	139
Purchase of intangible assets	(116)	(281)
Purchase of investment securities	(21)	(21)
Proceeds from sales of investment securities	0	-
Proceeds from sales of investments in real estates	24	36
Proceeds from rental of real estate for investment	222	216
Payment for Expenses Incurred for Invested Real Estates	(62)	-
Payments of loans receivable	(12)	-
Collection of loans receivable	8	2
Other, net	(76)	(76)
Net cash provided by (used in) investing activities	(314)	(267)
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	11,183	5,149
Decrease in short-term loans payable	(20,838)	(24,931)
Proceeds from long-term loans payable	-	20,000
Repayment of long-term loans payable	(2,000)	-
Redemption of bonds	(48)	(48)
Proceeds from sales of treasury stock	10	5
Purchase of treasury stock	(694)	-
Cash dividends paid	(807)	(366)
Cash dividends paid to minority shareholders	(65)	(98)
Other, net	0	(1)
Net cash provided by (used in) financing activities	(13,261)	(291)
Effect of exchange rate change on cash and cash equivalents	(119)	(505)
Net increase (decrease) in cash and cash equivalents	(51)	13,519
Cash and cash equivalents at beginning of period	6,422	6,551
Increase in cash and cash equivalents from newly consolidated subsidiary	181	-
Cash and cash equivalents at end of period	6,551	20,071

Consolidated Segment Information

a. Business Segments

FY2007

(Millions of Yen)

	Electronic Devices	Electronic Systems	Total	Unallocated & Eliminations	Consolidated
Net Sales					
(1) Outside Customers	205,309	39,979	245,289	-	245,289
(2) Inter-segment	1	21	23	(23)	-
Total Sales	205,311	40,001	245,313	(23)	245,289
Operation Expenses	200,113	38,234	238,348	3,292	241,641
Operation Income	5,198	1,766	6,965	(3,316)	3,648
Assets	81,124	18,432	99,557	17,781	117,338
Depreciation and Amortization	97	177	274	788	1,063
Loss on Impairment	-	-	-	78	78
Capital Expenditures	104	218	322	186	509

FY2008

(Millions of Yen)

	Electronic Devices	Electronic Systems	Total	Unallocated & Eliminations	Consolidated
Net Sales					
(1) Outside Customers	160,791	39,151	199,943	-	199,943
(2) Inter-segment	2	19	21	(21)	-
Total Sales	160,793	39,170	199,964	(21)	199,943
Operation Expenses	158,249	37,104	195,353	3,480	198,834
Operation Income	2,544	2,065	4,610	(3,501)	1,108
Assets	57,373	18,747	76,121	29,462	105,583
Depreciation and Amortization	65	169	235	504	739
Loss on Impairment	-	-	-	-	-
Capital Expenditures	73	112	186	434	621

b. Geographic Segments

FY2007

(Millions of Yen)

	Japan	Asia	Other	Total	Unallocated & Eliminations	Consolidated
Net Sales						
(1) Outside Customers	182,157	63,132	-	245,289	-	245,289
(2) Inter-segment	20,060	8,689	-	28,750	(28,750)	-
Total Sales	202,217	71,821	-	274,039	(28,750)	245,289
Operation Expenses	197,118	70,019	6	267,144	(25,503)	241,641
Operation Income	5,099	1,801	(6)	6,895	(3,246)	3,648
Assets	83,788	16,786	765	101,340	15,998	117,338

FY2008

(Millions of Yen)

	Japan	Asia	Other	Total	Unallocated & Eliminations	Consolidated
Net Sales						
(1) Outside Customers	155,200	44,742	-	199,943	-	199,943
(2) Inter-segment	9,192	1,598	-	10,791	(10,791)	-
Total Sales	164,392	46,341	-	210,734	(10,791)	199,943
Operation Expenses	161,216	44,955	4	206,177	(7,343)	198,834
Operation Income	3,175	1,385	(4)	4,556	(3,447)	1,108
Assets	64,486	11,553	728	76,769	28,814	105,583

Notes : Asia : Hong Kong, Singapore, Thailand, Philippine, Taiwan, China, Malaysia;
Other: U.S.A.

c. Net Sales to Overseas Customers

FY2007

(Millions of Yen)

	Asia	Other	Total
Net Sales to Overseas Customers	67,176	602	67,778
Consolidated Net Sales			245,289
Ratio of "Net Sales to Overseas Customers" to "Consolidated Net Sales"	27.4	0.2	27.6

FY2008

(Millions of Yen)

	Asia	Other	Total
Net Sales to Overseas Customers	49,331	160	49,491
Consolidated Net Sales			199,943
Ratio of "Net Sales to Overseas Customers" to "Consolidated Net Sales"	24.7	0.1	24.8

Notes : Asia : Hong Kong, Singapore, Thailand, Philippine, Taiwan, China, Malaysia;
Other: U.S.A.,UK

Non-Consolidated Financial Statements
(1) Non-Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2008	As of March 31, 2009
Balance sheets		
Assets		
Current assets		
Cash and deposits	1,800	12,706
Notes receivable-trade	844	689
Accounts receivable-trade	39,595	26,446
Short-term investment securities	17	-
Merchandise	23,379	14,071
Advance payments-trade	964	2,108
Prepaid expenses	93	97
Deferred tax assets	1,602	868
Income taxes receivable	171	23
Consumption taxes receivable	555	29
Other	326	1,019
Allowance for doubtful accounts	(13)	(11)
Total current assets	69,337	58,049
Noncurrent assets		
Property, plant and equipment		
Buildings	3,413	3,296
Accumulated depreciation	(2,034)	(1,996)
Buildings, net	1,379	1,300
Structures	136	137
Accumulated depreciation	(93)	(95)
Structures, net	42	42
Machinery and equipment	9	8
Accumulated depreciation	(8)	(8)
Machinery and equipment, net	0	0
Vehicles	10	10
Accumulated depreciation	(8)	(9)
Vehicles, net	1	1
Tools, furniture and fixtures	1,885	1,987
Accumulated depreciation	(1,171)	(1,360)
Tools, furniture and fixtures, net	713	627
Land	1,857	1,840
Lease assets	-	7
Accumulated depreciation	-	(0)
Lease assets, net	-	6
Construction in progress	0	20
Total property, plant and equipment	3,996	3,838
Intangible assets		
Goodwill	32	23
Patent right	0	1
Right of trademark	-	0
Software	807	732
Telephone subscription right	27	27
Other	33	106
Total intangible assets	901	891
Investments and other assets		
Investment securities	1,742	956
Stocks of subsidiaries and affiliates	2,154	2,154
Long-term loans receivable from subsidiaries and affiliates	2,010	2,009
Long-term prepaid expenses	78	87
Deferred tax assets	323	1,948
Real estate for investment	3,128	3,076
Accumulated depreciation	(1,826)	(1,859)
Real estate for investment, net	1,301	1,217
Guarantee deposits	439	419
Insurance premium	603	637
Other	528	528
Total investments and other assets	9,182	9,957
Total noncurrent assets	14,080	14,687
Total assets	83,418	72,737

	(Millions of Yen)	
	As of March 31, 2008	As of March 31, 2009
Liabilities		
Current liabilities		
Notes payable-trade	1,959	1,365
Accounts payable-trade	13,735	6,945
Short-term loans payable	31,000	9,600
Lease obligations	-	1
Accounts payable-other	318	531
Accrued expenses	260	242
Accrued business office taxes	24	24
Advances received	140	352
Deposits received	640	662
Provision for bonuses	661	267
Other	143	66
Total current liabilities	<u>48,885</u>	<u>20,061</u>
Noncurrent liabilities		
Bonds payable	1,000	1,000
Bonds with subscription rights to shares	4,000	4,000
Long-term loans payable	-	20,000
Lease obligations	-	5
Provision for retirement benefits	530	1,007
Provision for directors' retirement benefits	412	440
deposit on contract	240	251
Total noncurrent liabilities	<u>6,183</u>	<u>26,705</u>
Total liabilities	<u>55,068</u>	<u>46,766</u>
Net assets		
Shareholders' equity		
Capital stock	6,214	6,214
Capital surplus		
Legal capital surplus	6,351	6,351
Other capital surplus	<u>2</u>	<u>2</u>
Total capital surpluses	<u>6,353</u>	<u>6,353</u>
Retained earnings		
Legal retained earnings	1,553	1,553
Other retained earnings		
Reserve for reduction entry of replaced property	655	453
General reserve	14,100	14,100
Retained earnings brought forward	<u>1,050</u>	<u>(928)</u>
Total earned surpluses	<u>17,359</u>	<u>15,178</u>
Treasury stock	<u>(1,634)</u>	<u>(1,629)</u>
Total shareholders' equity	<u>28,293</u>	<u>26,117</u>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	100	(122)
Deferred gains or losses on hedges	<u>(43)</u>	<u>(23)</u>
Total valuation and translation adjustments	<u>56</u>	<u>(146)</u>
Total net assets	<u>28,349</u>	<u>25,970</u>
Total liabilities and net assets	<u>83,418</u>	<u>72,737</u>

(2) Non-Consolidated Statements of Income

(Millions of Yen)

	FY2007	FY2008
Statements of income		
Net sales	162,745	131,346
Cost of sales		
Beginning goods	26,385	23,379
Cost of purchased goods	145,097	110,104
Total	171,483	133,484
Transfer to other account	536	763
Ending goods	23,379	14,071
Cost of goods sold	147,567	118,648
Gross profit	15,178	12,698
Selling, general and administrative expenses		
Sales expenses	627	499
Directors' compensations	403	356
Employees' salaries	3,760	3,838
Employees' bonuses	622	647
Provision for bonuses	592	267
Provision for retirement benefits	364	898
Provision for directors' retirement benefits	30	31
Welfare expenses	795	729
Traveling and transportation expenses	767	669
Rent expenses	167	133
Business consignment expenses	2,259	2,043
Rent expenses on real estates	759	778
Office taxes	24	24
Depreciation	949	662
Provision of allowance for doubtful accounts	12	-
Other	1,930	1,773
Total selling, general and administrative expenses	14,066	13,354
Operating income (loss)	1,111	(656)
Non-operating income		
Interest income	58	55
Dividends income	430	358
Rent of real estate for investment	220	218
Rent income on noncurrent assets	44	49
Foreign exchange gains	52	-
Miscellaneous income	96	74
Total non-operating income	902	756
Non-operating expenses		
Interest expenses	512	472
Interest on bonds	10	10
Expenses incurred for Investments in Real Estates	127	123
Loss on sales of accounts receivable	212	120
Commission for purchase of treasury stock	2	-
Foreign exchange losses	-	332
Commission fee	-	188
Miscellaneous loss	29	84
Total non-operating expenses	896	1,331
Ordinary income (loss)	1,116	(1,232)
Extraordinary income		
Gain on sales of noncurrent assets	-	95
Gain on Sale of Investments in Real Estates	7	11
Reversal of allowance for doubtful accounts	-	1
Total extraordinary income	7	108
Extraordinary loss		
Loss on sales of noncurrent assets	19	0
Loss on retirement of noncurrent assets	34	14
Loss on sales of investment securities	0	-
Loss on valuation of investment securities	7	550
Loss on redemption of securities	-	4
Loss on Disposal of Investments in Real Estates	0	0
Loss on liquidation of subsidiaries and affiliates	13	-
Impairment loss	78	-
Loss on valuation of Inventories	507	-
Business structure improvement expenses	-	870
Total extraordinary losses	661	1,439
Income (loss) before income taxes	463	(2,563)
Income taxes-current	21	20
Income taxes for prior periods	-	108
Income taxes-deferred	112	(877)
Total income taxes	134	(748)
Net income (loss)	329	(1,815)

(3) Non-Consolidated Statement of Changes in Net Assets

(Millions of Yen)

	FY2007	FY2008
Statements of changes in net assets		
Shareholders' equity		
Capital stock		
Balance at the end of previous period	6,214	6,214
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	6,214	6,214
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	6,351	6,351
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	6,351	6,351
Other capital surplus		
Balance at the end of previous period	2	2
Changes of items during the period		
Disposal of treasury stock	(0)	0
Total changes of items during the period	(0)	0
Balance at the end of current period	2	2
Total capital surplus		
Balance at the end of previous period	6,354	6,353
Changes of items during the period		
Disposal of treasury stock	(0)	0
Total changes of items during the period	(0)	0
Balance at the end of current period	6,353	6,353
Retained earnings		
Legal retained earnings		
Balance at the end of previous period	1,553	1,553
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	1,553	1,553
Other retained earnings		
Reserve for reduction entry of replaced property		
Balance at the end of previous period	675	655
Changes of items during the period		
Reversal of reserve for reduction entry of replaced property	(20)	(201)
Total changes of items during the period	(20)	(201)
Balance at the end of current period	655	453
General reserve		
Balance at the end of previous period	12,500	14,100
Changes of items during the period		
Provision of general reserve	1,600	-
Total changes of items during the period	1,600	-
Balance at the end of current period	14,100	14,100
Retained earnings brought forward		
Balance at the end of previous period	3,108	1,050
Changes of items during the period		
Reversal of reserve for reduction entry of replaced property	20	201
Dividends from surplus	(807)	(365)
Provision of general reserve	(1,600)	-
Net income (loss)	329	(1,815)
Total changes of items during the period	(2,057)	(1,979)
Balance at the end of current period	1,050	(928)
Total retained earnings		
Balance at the end of previous period	17,838	17,359
Changes of items during the period		
Reversal of reserve for reduction entry of replaced property	-	-
Dividends from surplus	(807)	(365)
Provision of general reserve	-	-
Net income (loss)	329	(1,815)
Total changes of items during the period	(478)	(2,181)
Balance at the end of current period	17,359	15,178

	(Millions of Yen)	
	FY2007	FY2008
Treasury stock		
Balance at the end of previous period	(950)	(1,634)
Changes of items during the period		
Purchase of treasury stock	(695)	(0)
Disposal of treasury stock	10	5
Total changes of items during the period	(684)	4
Balance at the end of current period	(1,634)	(1,629)
Total shareholders' equity		
Balance at the end of previous period	29,456	28,293
Changes of items during the period		
Dividends from surplus	(807)	(365)
Net income	329	(1,815)
Purchase of treasury stock	(695)	(0)
Disposal of treasury stock	10	5
Total changes of items during the period	(1,163)	(2,176)
Balance at the end of current period	28,293	26,117
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	617	100
Changes of items during the period		
Net changes of items other than shareholders' equity	(517)	(222)
Total changes of items during the period	(517)	(222)
Balance at the end of current period	100	(122)
Deferred gains or losses on hedges		
Balance at the end of previous period	14	(43)
Changes of items during the period		
Net changes of items other than shareholders' equity	(58)	19
Total changes of items during the period	(58)	19
Balance at the end of current period	(43)	(23)
Total valuation and translation adjustments		
Balance at the end of previous period	632	56
Changes of items during the period		
Net changes of items other than shareholders' equity	(575)	(202)
Total changes of items during the period	(575)	(202)
Balance at the end of current period	56	(146)
Total net assets		
Balance at the end of previous period	30,089	28,349
Changes of items during the period		
Dividends from surplus	(807)	(365)
Net income (loss)	329	(1,815)
Purchase of treasury stock	(695)	(0)
Disposal of treasury stock	10	5
Net changes of items other than shareholders' equity	(575)	(202)
Total changes of items during the period	(1,739)	(2,378)
Balance at the end of current period	28,349	25,970