

November 7, 2008

## Summary of Consolidated Financial Results for the First Half Ended September 30, 2008

### 1. Consolidated Financial Results for First Half Ended September 30, 2008 (April 1, 2008 - September 30, 2008)

#### (1) Consolidated Operating Results

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
1st Half of FY2008	107,425	-	1,071	-	882	-	369	-
1st Half of FY2007	124,152	(4.6)	2,150	(14.8)	1,861	(28.7)	884	(44.7)

	Net Income Per Share	Diluted Net Income Per Share
	Yen	Yen
1st Half of FY2008	14.12	-
1st Half of FY2007	32.85	32.84

#### (2) Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	Millions of Yen	Millions of Yen	%	Yen
As of September 30, 2008	114,479	37,710	30.4	1,332.01
As of March 31, 2008	117,338	38,046	29.8	1,339.15

### 2. Dividend

	Dividend Per Share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Full Year
	Yen	Yen	Yen	Yen	Yen
FY2007	-	12.00	-	6.00	18.00
FY2008	-	8.00	-	-	-
FY2008(Forecast)	-	-	-	10.00	18.00

### 3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2009

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Full Year	229,000	(6.6)	3,400	(6.8)	3,050	3.2	1,450	63.1
	Net Income Per Share							
Full Year	Yen							
	55.48							

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, 2008 to September 30, 2008), the Japanese economy faced difficult conditions as the financial turmoil stemming from the sub-prime crisis in the United States continued to spread, high raw material prices impacted negatively on corporate earnings and household budgets, and both exports and production continued to decline. Outside Japan, although the Chinese economy continued to grow, the risk of a global recession became more apparent as the economies slowed in the United States and Europe.

In the electronics industry, to which the Marubun Group belongs, demand for flat panel televisions continued to grow. However, growth in the sales of personal computers and digital cameras, which had been performing strongly, started to stall. Demand for cellular phones declined as a result of the replacement cycle for new handsets becoming longer. In the semiconductor market there was a renewed fall in DRAM prices after a brief lull, and overall demand remained sluggish.

In this operating environment, net sales achieved by the Group in the first half of the fiscal year under review fell 13.5% from the same period of the previous year, to 107,425 million yen, on the back of lower results for the Electronic Devices business. Reflecting the net sales decline, consolidated operating income fell 50.2% year on year, to 1,071 million yen, consolidated ordinary income declined 52.6% year on year, to 882 million yen, and first-half consolidated net income decreased 58.3% year on year, to 369 million yen.

Operating results by business segment are as follows.  
(Electronic Devices business)

In our Electronic Devices business, demand for semiconductors for cellular phone modules and flat panel televisions remained strong, while demand for semiconductors for game consoles and cellular phones decreased. As a result of these developments, net sales for the business fell 15.4% from the same period of the previous year, to 90,899 million yen, and operating income for the business declined 28.9% year on year, to 2,401 million yen.

(Electronic Systems business)

In our Electronic System business, net sales increased for space and defense electronics, including space satellite components. However, net sales declined for medical and scientific equipment. Net sales for laser equipment also remained sluggish. As a result of these developments, net sales for the business fell 0.8% from the same period of the previous year, to 16,526 million yen. Meanwhile, the business generated operating income of 503 million yen, up 25.8% year on year, with an improvement in gross profit.

Operating results by geographic segment are as follows.  
(Japan)

In Japan, net sales rose for semiconductors designed for space and defense electronics and cellular phone modules. However, net sales decreased for semiconductors for game consoles and industrial equipment. As a result of these factors, net sales for Japan fell 8.9% from the same period of the previous year, to 81,291 million yen, and operating income for the segment declined 48.6% year on year, to 1,351 million yen.

(Other parts of Asia)

In other parts of Asia, net sales declined for semiconductors designed for game consoles and cellular phones. As a result, net sales for the segment fell 25.1% from the same period of the previous year, to 26,134 million yen. Meanwhile, given an improvement in the gross profit margin and lower selling, general and administrative expenses, operating income for the segment rose 40.9%, to 1,576 million yen.

## 2. Qualitative information relating to the consolidated financial position

### (1) Assets, liabilities and net assets

Total assets at the end of the first half of the consolidated fiscal year under review were 114,479 million yen, down 2,859 million yen from the end of the previous consolidated fiscal year. The decline was due primarily to a 2,532 million yen fall in current assets from the end of the previous year (with a decline of 1,802 million yen in notes and accounts receivable - trade, offsetting a 1,589 million yen rise in cash and deposits and a 6,019 million yen increase in advanced money).

Liabilities totaled 76,768 million yen, down 2,523 million yen from the end of the previous consolidated fiscal year. The decrease resulted mainly from a 2,765 million yen fall in current liabilities from the previous consolidated fiscal year (including a 4,042 million yen decline in notes and accounts payable - trade).

Net assets amounted to 37,710 million yen, down 335 million yen from the end of the previous consolidated fiscal year. The key factors for this decline included a 396 million yen fall in valuation and conversion adjustments and a 156 million yen decline in minority interests, offsetting a rise of 211 million yen in retained earnings.

(2) Consolidated cash flows

Cash and cash equivalents at the end of the first half of the consolidated fiscal year under review were 8,354 million yen, rising 1,802 million yen from the end of the previous consolidated fiscal year.

Individual cash flows during the first half under review and major contributing factors are as follows.

(Cash flows from operating activities)

Funds generated by operating activities totaled 1,925 million yen. The increases were primarily due to a 3,707 million yen reduction in accounts payable, and a 5,490 million yen decrease in accounts receivable.

(Cash flows from investing activities)

Funds used for investing activities amounted to 18 million yen. Major factors included 139 million yen of proceeds from the sale of property, plant and equipment, 125 million yen for the purchase of property, plant and equipment, and 102 million yen for the purchase of intangible assets.

(Cash flows from financing activities)

Funds used for financing activities were 49 million yen. The key contributor to this result was a rise in net short-term loans payable of 225 million yen, and the distribution of dividends of 157 million yen.

3. Qualitative information relating to consolidated financial forecasts

The economic outlook for fiscal year 2008 appears to point to severe conditions, with the global development of the financial crisis, which originated in the United States, beginning to have an impact on the real economy.

In the semiconductor market, while the negative effects of the economic slowdown are becoming apparent with a lack of applications that could lead the market, the market is expected to continue to face very tough conditions.

In this environment, the Group anticipates higher sales of space and defense electronics and scientific equipment in the Electronic Systems business. It expects general demand to decline in the Electronic Devices business, reflecting the anticipated economic slowdown. As a result, the Group anticipates net sales of 229,000 million yen, down 6.6% from the previous year, operating income of 3,400 million yen, falling 6.8%, ordinary income of 3,050 million yen, up 3.2%, and net income of 1,450 million yen, an increase of 63.1%.

**Consolidated Financial Statements**  
**(1) Consolidated Balance Sheet**

(Millions of Yen)

	As of September 30, 2008	As of March 31, 2008
<b>(Assets)</b>		
<b>Current assets</b>		
Cash and deposits	9,254	7,451
Notes and accounts receivable-trade	55,517	61,536
Short-term investment securities	14	17
Merchandise	31,315	30,978
Work in process	72	25
Deferred tax assets	1,816	1,875
Other	3,922	2,552
Allowance for doubtful accounts	(56)	(48)
<b>Total current assets</b>	<b>101,857</b>	<b>104,390</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	4,370	4,492
Accumulated depreciation	(2,619)	(2,674)
Buildings and structures, net	1,750	1,817
Machinery, equipment and vehicles	30	31
Accumulated depreciation	(28)	(28)
Machinery, equipment and vehicles, net	2	3
Tools, furniture and fixtures	2,290	2,215
Accumulated depreciation	(1,509)	(1,388)
Tools, furniture and fixtures, net	781	827
Land	2,528	2,546
Lease assets	7	-
Accumulated depreciation	(0)	-
Lease assets, net	6	-
Construction in progress	8	0
<b>Total property, plant and equipment</b>	<b>5,079</b>	<b>5,195</b>
<b>Intangible assets</b>		
Goodwill	210	272
Software	643	750
Other	142	69
<b>Total intangible assets</b>	<b>996</b>	<b>1,093</b>
<b>Investments and other assets</b>		
Investment securities	1,837	2,130
Deferred tax assets	659	441
Real estate for investment	3,094	3,128
Accumulated depreciation	(1,839)	(1,826)
Real estate for investment, net	1,255	1,301
Other	2,792	2,786
<b>Total investments and other assets</b>	<b>6,545</b>	<b>6,659</b>
<b>Total noncurrent assets</b>	<b>12,621</b>	<b>12,948</b>
<b>Total assets</b>	<b>114,479</b>	<b>117,338</b>

(Millions of Yen)

	As of September 30, 2008	As of March 31, 2008
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	30,692	34,734
Short-term loans payable	35,024	34,919
Income taxes payable	277	67
Deferred tax liabilities	-	2
Provision for bonuses	1,010	936
Other	2,887	1,997
Total current liabilities	69,892	72,658
Noncurrent liabilities		
Bonds payable	1,193	1,217
Bonds with subscription rights to shares	4,000	4,000
Deferred tax liabilities	-	5
Provision for retirement benefits	875	620
Provision for directors' and corporate auditors' retirement benefits	540	528
Other	266	261
Total noncurrent liabilities	6,875	6,633
Total liabilities	76,768	79,292
Net assets		
Shareholders' equity		
Capital stock	6,214	6,214
Capital surplus	6,353	6,353
Retained earnings	24,143	23,924
Treasury stock	(1,629)	(1,634)
Total shareholders' equity	35,074	34,857
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	85	173
Deferred gains or losses on hedges	(111)	(43)
Foreign currency translation adjustment	(234)	6
Total valuation and translation adjustments	(260)	136
Minority interests	2,896	3,052
Total net assets	37,710	38,046
Total liabilities and net assets	114,479	117,338

**(2) Consolidated Statements of Income**

(Millions of Yen)

	1st Half of FY2008 (The six Month)	1st Half of FY2007 (The six Month)
Net sales	107,425	124,152
Cost of sales	96,809	112,604
Gross profit	10,615	11,547
Selling, general and administrative expenses	9,544	9,396
Operating income	1,071	2,150
Non-operating income		
Interest income	20	25
Dividends income	20	14
Equity in earnings of affiliates	116	104
Rent of real estate for investment	110	109
Miscellaneous income	78	76
Total non-operating income	346	329
Non-operating expenses		
Interest expenses	302	331
Miscellaneous loss	232	287
Total non-operating expenses	534	619
Ordinary income	882	1,861
Extraordinary income		
Gain on sales of noncurrent assets	95	0
Gain on sales of real estate for investment	7	7
Reversal of allowance for doubtful accounts	-	2
Other	-	1
Total extraordinary income	102	11
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	2	47
Loss on valuation of investment securities	159	-
Loss on retirement of real estate for investment	0	-
Loss on liquidation of subsidiaries and affiliates	-	13
Total extraordinary losses	162	61
Income before income taxes and minority interests	822	1,811
Income taxes	328	708
Minority interests in income	124	219
Net income	369	884

**(3) Consolidated Statements of Cash Flows**

(Millions of Yen)

	1st Half of FY2008 (The six Month)	1st Half of FY2007 (The six Month)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	822	1,811
Depreciation and amortization	356	591
Amortization of goodwill	54	50
Increase (decrease) in allowance for doubtful accounts	9	(3)
Increase (decrease) in provision for bonuses	74	32
Increase (decrease) in provision for directors' retirement benefits	11	7
Increase (decrease) in provision for retirement benefits	248	(18)
Interest and dividends income	(41)	(39)
Interest expenses	302	331
Equity in (earnings) losses of affiliates	(60)	(49)
Loss (gain) on sales of property, plant and equipment	(95)	22
Loss (gain) on sales of real estate investment	(7)	(7)
Rent of real estate for investment	(110)	(109)
Loss on retirement of real estate investment	0	-
Loss (gain) on valuation of investment securities	159	-
Loss on retirement of property, plant and equipment	2	15
Decrease (increase) in notes and accounts receivable-trade	5,490	8,265
Decrease (increase) in inventories	(602)	986
Increase (decrease) in notes and accounts payable-trade	(3,707)	(5,812)
Other, net	(545)	2,853
Subtotal	2,362	8,928
Interest and dividends income received	41	40
Interest expenses paid	(310)	(330)
Income taxes paid	(440)	(1,718)
Income taxes refund	272	-
Net cash provided by (used in) operating activities	1,925	6,920
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(125)	(260)
Proceeds from sales of property, plant and equipment	139	89
Purchase of intangible assets	(102)	(38)
Purchase of investment securities	(11)	(15)
Proceeds from sales of investments in real estates	23	24
Proceeds from rental of real estate for investment	110	111
Collection of loans receivable	1	6
Other, net	(55)	125
Net cash provided by (used in) investment activities	(18)	42
Net cash provided by (used in) financing activities		
Increase in short-term loans payable	3,859	14,492
Decrease in short-term loans payable	(3,634)	(20,165)
Redemption of bonds	(24)	(24)
Proceeds from sales of treasury stock	5	10
Cash dividends paid	(157)	(484)
Cash dividends paid to minority shareholders	(98)	(71)
Other, net	(0)	(0)
Net cash provided by (used in) financing activities	(49)	(6,243)
Effect of exchange rate change on cash and cash equivalents	(55)	164
Net increase (decrease) in cash and cash equivalents	1,802	884
Cash and cash equivalents at beginning of period	6,551	6,422
Increase in cash and cash equivalents from newly consolidated subsidiary	-	181
Cash and cash equivalents at end of period	8,354	7,487

## Consolidated Segment Information

### a. Business Segments

#### 1st Half of FY2008(The Six Month)

(Millions of Yen)

	Electronic Devices	Electronic Systems	Total	Unallocated & Eliminations	Consolidated
Net Sales					
(1) Outside Customers	90,899	16,526	107,425	-	107,425
(2) Inter-segment	0	10	10	(10)	-
Total Sales	90,899	16,536	107,435	(10)	107,425
Operation Income	2,401	503	2,905	(1,834)	1,071

#### 1st Half of FY2007(The Six Month)

(Millions of Yen)

	Electronic Devices	Electronic Systems	Total	Unallocated & Eliminations	Consolidated
Net Sales					
(1) Outside Customers	107,487	16,664	124,152	-	124,152
(2) Inter-segment	1	11	13	(13)	-
Total Sales	107,489	16,676	124,166	(13)	124,152
Operation Income	3,377	400	3,777	(1,626)	2,150

### b. Geographic Segments

#### 1st Half of FY2008(The Six Month)

(Millions of Yen)

	Japan	Asia	Other	Total	Unallocated & Eliminations	Consolidated
Net Sales						
(1) Outside Customers	81,291	26,134	-	107,425	-	107,425
(2) Inter-segment	6,397	1,254	-	7,652	(7,652)	-
Total Sales	87,689	27,388	-	115,077	(7,652)	107,425
Operation Income	1,351	1,576	(2)	2,926	(1,854)	1,071

#### 1st Half of FY2007(The Six Month)

(Millions of Yen)

	Japan	Asia	Other	Total	Unallocated & Eliminations	Consolidated
Net Sales						
(1) Outside Customers	89,244	34,908	-	124,152	-	124,152
(2) Inter-segment	10,796	5,808	-	16,605	(16,605)	-
Total Sales	100,040	40,716	-	140,757	(16,605)	124,152
Operation Income	2,628	1,119	(2)	3,744	(1,593)	2,150

### c. Net Sales to Overseas Customers

#### 1st Half of FY2008(The Six Month)

(Millions of Yen)

	Asia	Other	Total
Net Sales to Overseas Customers	28,752	88	28,841
Consolidated Net Sales	-	-	107,425
Ratio of "Net Sales to Overseas Customers" to "Consolidated Net Sales" (%)	26.7	0.1	26.8

#### 1st Half of FY2007(The Six Month)

(Millions of Yen)

	Asia	Other	Total
Net Sales to Overseas Customers	39,298	359	37,658
Consolidated Net Sales	-	-	124,152
Ratio of "Net Sales to Overseas Customers" to "Consolidated Net Sales" (%)	30.0	0.3	30.3