



July 16, 2019

To whom it may concern,

Company           MARUBUN CORPORATION  
Representative   Shoji Mizuno CEO and Representative Director  
                          (Securities Code:7537 TSE, 1st section)  
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### Announcement of Termination of Distributorship Agreement with a Main Business Partner

Marubun hereby announces that the distributorship agreement with Texas Instruments Incorporated (hereinafter referred to as "TI") will terminate on September 30, 2020.

#### Detail

##### 1. Background of Termination

Marubun has been selling various semiconductors manufactured by TI as a distributor. TI has requested Marubun terminate their distributorship agreement. After some consultation, Marubun and TI have agreed that their distributorship agreement will terminate on September 30, 2020.

##### 2. Summary of TI

(1) Name	Texas Instruments Incorporated	
(2) Location	Texas, USA	
(3) Business	Design, manufacture, and sale of analog IC and embedded processing products	
(4) Relationship with Marubun	Capital ties	Not applicable.
	Personal relationship	Not applicable.
	Transactional relationship	Purchase and sale of the company's products
	Whether TI is Marubun's related party	Not applicable.

##### 3. Transaction

Type of transaction	Sales Amount of TI products (Fiscal year ended March 31, 2019)	Percentage in consolidated sales amount (Fiscal year ended March 31, 2019)
Purchase and sale of semiconductor products	53,267 million JPY	16.3%

#### 4. Future outlook

Under the current medium-term management plan, Marubun is now (i) cultivating the sales of existing product lines; (ii) expanding its business in growing markets such as automobiles, healthcare, and robotics; (iii) expanding the overseas network through cooperation with Arrow Electronics Inc. in the United States; and (iv) strengthening the ability to compete by offering differentiated products and services focusing on systems products. By accelerating these efforts, Marubun will strive to minimize the impact of the termination of the distributorship agreement with TI and improve Marubun's business results.

Marubun will announce the impact of this incident on its forecast of consolidated business results after confirming the details, if necessary.

#### (Relevant Information)

Consolidated financial forecasts for the current fiscal year (published on May 10, 2019) and consolidated financial results for the previous fiscal year

(Unit: Million JPY)

	Sale amount	Operating profits	Ordinary profits	Profit attributable to owners of parent
Consolidated financial forecasts for the current fiscal year (Fiscal Year ending March 31, 2020)	291,500	4,000	3,150	1,750
Consolidated financial results for the previous fiscal year (Fiscal Year ended March 31, 2019)	326,694	5,048	3,020	1,636