

# Supplementary Financial Information for the third quarter of fiscal year ending March 2019

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**MARUBUN CORPORATION**

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Information on future performance contained within this document material, such as the results forecasts, is based on the data available and assumptions judged to be reasonable as of when the Company prepared this document material.

## Consolidated Statement of Income

(Millions of Yen)	FY2017 17/4-12 Results	FY2018 18/4-12 Results	Increase /Decrease
<b>Net Sales</b>	<b>269,722</b>	<b>258,000</b>	<b>(11,722)</b>
Electronic Devices	238,587	224,750	(13,837)
Electronic Systems	31,135	33,249	2,114
Cost of Sales	253,606	240,933	(12,673)
<b>Gross Profit</b>	<b>16,116</b>	<b>17,066</b>	<b>950</b>
Electronic Devices	10,753	11,763	1,010
Electronic Systems	5,363	5,304	(59)
Selling, general and administrative expenses	12,902	13,203	301
Personal expenses	7,766	7,928	162
Other	5,136	5,274	138
<b>Operating income</b>	<b>3,213</b>	<b>3,863</b>	<b>650</b>
Electronic Devices	2,004	2,927	923
Electronic Systems	1,216	943	(273)
Non-operating income	472	458	(14)
Equity in earnings of affiliates	296	249	(47)
Non-operating expenses	1,069	2,204	1,135
Foreign exchange losses	47	1,188	1,141
<b>Ordinary income</b>	<b>2,616</b>	<b>2,116</b>	<b>(500)</b>
Extraordinary income	6	40	34
Extraordinary loss	225	46	(179)
<b>Income before income taxes and minority interests</b>	<b>2,396</b>	<b>2,111</b>	<b>(285)</b>
Income taxes	835	693	(142)
Profit attributable to non-controlling interests	367	263	(104)
<b>Profit attributable to owners of parent</b>	<b>1,193</b>	<b>1,154</b>	<b>(39)</b>
Number of Employees	1,400	1,346	(54)
Gross Profit Margin	6.0%	6.6%	
Electronic Devices	4.5%	5.2%	
Electronic Systems	17.2%	16.0%	
Operating Profit Margin	1.2%	1.5%	
Electronic Devices	0.8%	1.3%	
Electronic Systems	3.9%	2.8%	
Ordinary Profit Margin	1.0%	0.8%	
Net Profit Margin	0.4%	0.4%	

## Consolidated Sales by Segment

(Millions of Yen)	FY2017 17/4-12 Results	FY2018 18/4-12 Results	Increase /Decrease
<b>Total Electronic Devices</b>	<b>238,587</b>	<b>224,750</b>	<b>(13,837)</b>
<b>Semiconductors</b>	<b>226,022</b>	<b>212,001</b>	<b>(14,021)</b>
Analog IC	47,275	46,238	(1,036)
Standard Logic IC	2,472	2,258	(214)
Memory IC	16,124	11,059	(5,066)
Micro-Processor	10,835	10,003	(832)
Special-Use IC	139,989	134,879	(5,110)
Custom IC	8,719	7,063	(1,656)
Other	607	500	(107)
<b>Electronic Components</b>	<b>12,565</b>	<b>12,749</b>	<b>184</b>
<b>Total Electronic Systems</b>	<b>31,135</b>	<b>33,249</b>	<b>2,114</b>
Space & Defense Electronics	3,165	4,289	1,123
Industrial Equipment	12,674	12,880	206
Laser Equipment	3,707	3,531	(176)
Information and communication Equipment	910	1,189	279
Medical Equipment	10,679	11,362	683
<b>Total Net Sales</b>	<b>269,722</b>	<b>258,000</b>	<b>(11,722)</b>

## Consolidated Statement of Income

(Millions of Yen)	FY2017 17/10-12 Results	FY2018 18/10-12 Results	Increase /Decrease
<b>Net Sales</b>	<b>99,847</b>	<b>91,565</b>	<b>(8,282)</b>
Electronic Devices	88,225	79,356	(8,869)
Electronic Systems	11,622	12,209	587
Cost of Sales	94,003	85,881	(8,122)
<b>Gross Profit</b>	<b>5,844</b>	<b>5,683</b>	<b>(161)</b>
Electronic Devices	4,006	3,669	(337)
Electronic Systems	1,837	2,014	177
Selling, general and administrative expenses	4,384	4,395	11
Personal expenses	2,606	2,636	30
Other	1,777	1,759	(18)
<b>Operating income</b>	<b>1,459</b>	<b>1,287</b>	<b>(172)</b>
Electronic Devices	1,036	739	(297)
Electronic Systems	426	550	124
Non-operating income	153	161	8
Equity in earnings of affiliates	102	79	(23)
Non-operating expenses	311	(49)	(360)
Foreign exchange losses	53	(424)	(477)
<b>Ordinary income</b>	<b>1,301</b>	<b>1,499</b>	<b>198</b>
Extraordinary income	5	17	12
Extraordinary loss	14	28	14
<b>Income before income taxes and minority interests</b>	<b>1,292</b>	<b>1,488</b>	<b>196</b>
Income taxes	367	349	(18)
Profit attributable to non-controlling interests	121	117	(4)
<b>Profit attributable to owners of parent</b>	<b>803</b>	<b>1,020</b>	<b>217</b>
Gross Profit Margin	5.9%	6.2%	
Electronic Devices	4.5%	4.6%	
Electronic Systems	15.8%	16.5%	
Operating Profit Margin	1.5%	1.4%	
Electronic Devices	1.2%	0.9%	
Electronic Systems	3.7%	4.5%	
Ordinary Profit Margin	1.3%	1.6%	
Net Profit Margin	0.8%	1.1%	

## Consolidated Sales by Segment

(Millions of Yen)	FY2017 17/10-12 Results	FY2018 18/10-12 Results	Increase /Decrease
<b>Total Electronic Devices</b>	<b>88,225</b>	<b>79,356</b>	<b>(8,869)</b>
<b>Semiconductors</b>	<b>83,272</b>	<b>74,608</b>	<b>(8,663)</b>
Analog IC	16,227	14,772	(1,454)
Standard Logic IC	805	661	(144)
Memory IC	4,193	2,431	(1,762)
Micro-Processor	4,149	2,330	(1,819)
Special-Use IC	54,816	52,524	(2,292)
Custom IC	2,911	2,092	(819)
Other	171	(202)	(373)
<b>Electronic Components</b>	<b>4,954</b>	<b>4,747</b>	<b>(207)</b>
<b>Total Electronic Systems</b>	<b>11,622</b>	<b>12,209</b>	<b>587</b>
Space & Defense Electronics	1,200	1,867	667
Industrial Equipment	4,392	4,204	(188)
Laser Equipment	1,374	1,288	(86)
Information and communication Equipment	322	631	309
Medical Equipment	4,333	4,219	(114)
<b>Total Net Sales</b>	<b>99,847</b>	<b>91,565</b>	<b>(8,282)</b>

## Consolidated Statement of Income (Forecast)

(Millions of Yen)	FY2017 Results	FY2018 Forecast	Increase /Decrease
<b>Net Sales</b>	<b>347,508</b>	<b>325,000</b>	<b>(22,508)</b>
Electronic Devices	296,524	272,000	(24,524)
Electronic Systems	50,983	53,000	2,017
Cost of Sales	326,346	301,700	(24,646)
<b>Gross Profit</b>	<b>21,161</b>	<b>23,300</b>	<b>2,139</b>
Electronic Devices	12,988	14,750	1,762
Electronic Systems	8,173	8,550	377
Selling, general and administrative expenses	17,390	17,500	110
<b>Operating income</b>	<b>3,771</b>	<b>5,800</b>	<b>2,029</b>
Non-operating income	1,773	550	(1,223)
Non-operating expenses	1,327	2,900	1,573
<b>Ordinary income</b>	<b>4,218</b>	<b>3,450</b>	<b>(768)</b>
Extraordinary income	6	25	19
Extraordinary loss	311	25	(286)
<b>Income before income taxes and minority interests</b>	<b>3,912</b>	<b>3,450</b>	<b>(462)</b>
Income taxes	1,373	900	(473)
Profit attributable to non-controlling interests	461	450	(11)
<b>Profit attributable to owners of parent</b>	<b>2,077</b>	<b>1,800</b>	<b>(277)</b>
Gross Profit Margin	6.1%	7.2%	
Electronic Devices	4.4%	5.4%	
Electronic Systems	16.0%	16.1%	
Operating Profit Margin	1.1%	1.8%	
Ordinary Profit Margin	1.2%	1.1%	
Net Profit Margin	0.6%	0.6%	

## Consolidated Sales by Segment (Forecast)

(Millions of Yen)	FY2017 Results	FY2018 Forecast	Increase /Decrease
<b>Total Electronic Devices</b>	<b>296,524</b>	<b>272,000</b>	<b>(24,524)</b>
<b>Semiconductors</b>	<b>279,472</b>	<b>251,419</b>	<b>(28,053)</b>
Analog IC	62,728	59,499	(3,229)
Standard Logic IC	3,273	2,870	(403)
Memory IC	19,914	11,241	(8,673)
Micro-Processor	14,142	12,274	(1,868)
Special-Use IC	167,998	157,984	(10,013)
Custom IC	10,943	7,040	(3,904)
Other	473	511	39
<b>Electronic Components</b>	<b>17,053</b>	<b>20,581</b>	<b>3,528</b>
<b>Total Electronic Systems</b>	<b>50,983</b>	<b>53,000</b>	<b>2,017</b>
Space & Defense Electronics	5,409	6,462	1,053
Industrial Equipment	19,763	20,379	617
Laser Equipment	5,186	6,156	971
Information and communication Equipment	1,514	1,733	219
Medical Equipment	19,116	18,270	(846)
<b>Total Net Sales</b>	<b>347,508</b>	<b>325,000</b>	<b>(22,508)</b>

## Consolidated Statements of Income (Quarterly)

(Millions of Yen)	FY2017					FY2018		
	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q
<b>Net Sales</b>	<b>70,464</b>	<b>99,410</b>	<b>99,847</b>	<b>77,785</b>	<b>347,508</b>	<b>71,211</b>	<b>95,222</b>	<b>91,565</b>
Electronic Devices	62,118	88,243	88,225	57,937	296,524	60,920	84,473	79,356
Electronic Systems	8,345	11,167	11,622	19,848	50,983	10,291	10,749	12,209
Cost of Sales	65,594	94,008	94,003	72,740	326,346	65,682	89,369	85,881
<b>Gross Profit</b>	<b>4,869</b>	<b>5,402</b>	<b>5,844</b>	<b>5,045</b>	<b>21,161</b>	<b>5,529</b>	<b>5,853</b>	<b>5,683</b>
Electronic Devices	3,384	3,360	4,006	2,236	12,988	3,966	4,126	3,669
Electronic Systems	1,485	2,041	1,837	2,809	8,173	1,562	1,726	2,014
Selling, general and administrative expenses	4,218	4,300	4,384	4,487	17,390	4,314	4,492	4,395
<b>Operating income</b>	<b>651</b>	<b>1,102</b>	<b>1,459</b>	<b>558</b>	<b>3,771</b>	<b>1,214</b>	<b>1,360</b>	<b>1,287</b>
Electronic Devices	541	426	1,036	(764)	1,239	1,128	1,059	739
Electronic Systems	112	678	426	1,325	2,542	88	303	550
Non-operating income	167	151	153	1,301	1,773	152	144	161
Non-operating expenses	166	591	311	258	1,327	1,440	813	(49)
<b>Ordinary income</b>	<b>652</b>	<b>662</b>	<b>1,301</b>	<b>1,601</b>	<b>4,218</b>	<b>(73)</b>	<b>691</b>	<b>1,499</b>
Extraordinary income	0	(0)	5	0	6	3	19	17
Extraordinary loss	17	193	14	86	311	0	16	28
<b>Income before income taxes and minority interests</b>	<b>635</b>	<b>468</b>	<b>1,292</b>	<b>1,515</b>	<b>3,912</b>	<b>(70)</b>	<b>694</b>	<b>1,488</b>
Income taxes	204	263	367	537	1,373	(44)	388	349
Profit attributable to non-controlling interests	128	117	121	94	461	44	100	117
<b>Profit attributable to owners of parent</b>	<b>302</b>	<b>87</b>	<b>803</b>	<b>883</b>	<b>2,077</b>	<b>(70)</b>	<b>204</b>	<b>1,020</b>
Gross Profit Margin	6.9%	5.4%	5.9%	6.5%	6.1%	7.8%	6.1%	6.2%
Electronic Devices	5.4%	3.8%	4.5%	3.9%	4.4%	6.5%	4.9%	4.6%
Electronic Systems	17.8%	18.3%	15.8%	14.2%	16.0%	15.2%	16.1%	16.5%
Operating Profit Margin	0.9%	1.1%	1.5%	0.7%	1.1%	1.7%	1.4%	1.4%
Ordinary Profit Margin	0.9%	0.7%	1.3%	2.1%	1.2%	-	0.7%	1.6%
Net Profit Margin	0.4%	0.1%	0.8%	1.1%	0.6%	-	0.2%	1.1%

## Consolidated Sales by Segment (Quarterly)

(Millions of Yen)	FY2017					FY2018		
	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q
<b>Total Electronic Devices</b>	<b>62,118</b>	<b>88,243</b>	<b>88,225</b>	<b>57,937</b>	<b>296,524</b>	<b>60,920</b>	<b>84,473</b>	<b>79,356</b>
<b>Semiconductors</b>	<b>58,222</b>	<b>84,528</b>	<b>83,272</b>	<b>53,450</b>	<b>279,472</b>	<b>57,167</b>	<b>80,225</b>	<b>74,608</b>
Analog IC	15,449	15,599	16,227	15,453	62,728	15,093	16,373	14,772
Standard Logic IC	859	808	805	801	3,273	764	833	661
Memory IC	5,437	6,494	4,193	3,790	19,914	4,834	3,793	2,431
Micro-Processor	3,436	3,250	4,149	3,307	14,142	3,956	3,717	2,330
Special-Use IC	30,076	55,097	54,816	28,009	167,999	29,618	52,737	52,524
Custom IC	2,843	2,965	2,911	2,224	10,943	2,541	2,430	2,092
Other	122	314	171	(134)	473	362	341	(202)
<b>Electronic Components</b>	<b>3,896</b>	<b>3,715</b>	<b>4,954</b>	<b>4,488</b>	<b>17,053</b>	<b>3,753</b>	<b>4,248</b>	<b>4,747</b>
<b>Total Electronic Systems</b>	<b>8,345</b>	<b>11,167</b>	<b>11,622</b>	<b>19,848</b>	<b>50,983</b>	<b>10,291</b>	<b>10,749</b>	<b>12,209</b>
Space & Defense Electronics	897	1,068	1,200	2,244	5,409	997	1,425	1,867
Industrial Equipment	3,659	4,623	4,392	7,089	19,763	4,348	4,328	4,204
Laser Equipment	865	1,468	1,374	1,479	5,186	1,015	1,228	1,288
Information and communication Equipment	293	294	322	604	1,514	375	183	631
Medical Equipment	2,631	3,715	4,333	8,437	19,116	3,557	3,586	4,219
<b>Total Net Sales</b>	<b>70,464</b>	<b>99,410</b>	<b>99,847</b>	<b>77,785</b>	<b>347,508</b>	<b>71,211</b>	<b>95,222</b>	<b>91,565</b>

## Consolidated Balance Sheets (Quarterly)

(Millions of Yen)	FY2017				FY2018		
	Jun.30,2017	Sep.30,2017	Dec.31,2017	Mar.31,2018	Jun.30,2018	Sep.30,2018	Dec.31,2018
<b>Current assets</b>	<b>112,428</b>	<b>132,509</b>	<b>122,835</b>	<b>123,322</b>	<b>123,333</b>	<b>123,569</b>	<b>111,876</b>
Cash and deposits	13,482	15,840	11,813	13,989	16,813	14,196	14,178
Notes and accounts receivable-trade	63,827	78,373	72,641	60,820	60,738	66,174	56,838
Merchandise and finished goods	30,172	33,094	34,251	44,987	43,523	38,044	35,217
Work in process	427	408	286	126	186	310	546
Deferred tax assets	1,040	1,156	1,016	1,024	-	-	-
Other	3,565	3,652	2,838	2,386	2,086	4,860	5,112
Allowance for doubtful accounts	(87)	(17)	(12)	(13)	(14)	(17)	(16)
<b>Noncurrent assets</b>	<b>12,341</b>	<b>12,263</b>	<b>12,590</b>	<b>12,474</b>	<b>13,436</b>	<b>13,746</b>	<b>13,785</b>
Property, plant and equipment	3,511	3,523	3,521	3,529	3,485	3,549	3,634
Intangible assets	1,253	1,407	1,512	1,601	1,682	1,696	1,619
Investments and other assets	7,577	7,332	7,557	7,342	8,268	8,499	8,530
<b>Total assets</b>	<b>124,770</b>	<b>144,773</b>	<b>135,426</b>	<b>135,796</b>	<b>136,770</b>	<b>137,315</b>	<b>125,661</b>
<b>Current liabilities</b>	<b>66,542</b>	<b>86,334</b>	<b>76,109</b>	<b>75,765</b>	<b>78,185</b>	<b>78,220</b>	<b>65,977</b>
Notes and accounts payable-trade	34,829	40,171	40,498	37,247	34,122	39,133	29,651
Short-term loans payable	27,636	42,572	32,491	34,687	40,272	35,498	33,196
Current portion of long-term loans payable	112	112	112	112	112	50	50
Provision for bonuses	705	1,027	564	1,044	539	1,040	578
Other	3,258	2,450	2,442	2,672	3,138	2,498	2,501
<b>Noncurrent liabilities</b>	<b>11,093</b>	<b>11,032</b>	<b>11,005</b>	<b>10,854</b>	<b>10,695</b>	<b>10,448</b>	<b>10,394</b>
Long-term loans payable	8,960	8,932	8,904	8,875	8,847	8,700	8,687
Net defined benefit liability	1,555	1,510	1,477	1,388	1,353	1,274	1,225
Provision for directors' retirement benefits	100	101	104	108	111	115	118
Other	477	489	518	481	382	358	362
<b>Total liabilities</b>	<b>77,636</b>	<b>97,367</b>	<b>87,114</b>	<b>86,619</b>	<b>88,881</b>	<b>88,669</b>	<b>76,372</b>
Shareholders' equity	40,083	40,171	40,713	41,596	41,007	41,212	41,971
Accumulated other comprehensive income	1,376	1,427	1,603	1,439	1,015	1,337	1,087
Non-controlling interests	5,673	5,807	5,995	6,140	5,866	6,096	6,229
<b>Total net assets</b>	<b>47,134</b>	<b>47,406</b>	<b>48,311</b>	<b>49,177</b>	<b>47,889</b>	<b>48,646</b>	<b>49,289</b>
<b>Total liabilities and net assets</b>	<b>124,770</b>	<b>144,773</b>	<b>135,426</b>	<b>135,796</b>	<b>136,770</b>	<b>137,315</b>	<b>125,661</b>

## Consolidated Statements of Cash Flows (Quarterly)

(Millions of Yen)	FY2017				FY2018		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
<b>Net cash provided by (used in) operating activities</b>	<b>(728)</b>	<b>(12,672)</b>	<b>(6,060)</b>	<b>(7,619)</b>	<b>(189)</b>	<b>5,765</b>	<b>8,181</b>
Income before income taxes and minority interests	635	1,104	2,396	3,912	(70)	623	2,111
Depreciation and amortization	99	199	301	406	99	228	374
Foreign exchange losses (gains)	(7)	356	425	(1,283)	1,262	1,976	1,458
Equity in (earnings) losses of affiliates	(89)	(193)	(296)	(397)	(88)	(169)	(249)
Decrease (increase) in notes and accounts receivable-trade	1,315	(13,240)	(7,454)	4,326	(2)	(5,135)	4,426
Decrease (increase) in inventories	(1,077)	(4,000)	(5,008)	(15,582)	1,175	6,695	8,523
Increase (decrease) in notes and accounts payable-trade	(3,016)	2,340	2,652	(492)	(2,969)	1,882	(7,666)
Other, net	1,643	1,258	1,883	2,659	912	508	628
Subtotal	(497)	(12,174)	(5,100)	(6,450)	319	6,609	9,607
Interest and dividends income received	204	215	296	314	96	109	160
Interest expenses paid	(119)	(280)	(468)	(653)	(226)	(456)	(707)
Income taxes paid	(317)	(441)	(799)	(841)	(379)	(499)	(849)
Income taxes refund	2	9	11	11	1	2	2
<b>Net cash provided by (used in) investing activities</b>	<b>(359)</b>	<b>(557)</b>	<b>(749)</b>	<b>(964)</b>	<b>(262)</b>	<b>(2,950)</b>	<b>(3,393)</b>
<b>Net cash provided by (used in) financing activities</b>	<b>2,074</b>	<b>16,564</b>	<b>6,199</b>	<b>10,374</b>	<b>3,699</b>	<b>(2,225)</b>	<b>(4,274)</b>
Effect of exchange rate change on cash and cash equivalents	(75)	(19)	(20)	(248)	(3)	17	69
Net increase(decrease) in cash and cash equivalents	910	3,316	(631)	1,542	3,243	607	583
Cash and cash equivalents at beginning of period	12,216	12,216	12,216	12,216	13,715	13,715	13,715
<b>Cash and cash equivalents at end of period</b>	<b>13,084</b>	<b>15,489</b>	<b>11,541</b>	<b>13,715</b>	<b>16,574</b>	<b>13,937</b>	<b>13,913</b>