

Supplementary Financial Information for the third quarter of fiscal year ending March 2020

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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)	FY2018 18/4-12 Results	FY2019 19/4-12 Results	Increase /Decrease
Net Sales	258,000	211,434	(46,566)
Electronic Devices	224,750	179,832	(44,918)
Electronic Systems	33,249	31,601	(1,648)
Cost of Sales	240,933	198,587	(42,346)
Gross Profit	17,066	12,847	(4,219)
Electronic Devices	11,763	7,510	(4,253)
Electronic Systems	5,304	5,336	32
Selling, general and administrative expenses	13,203	12,390	(813)
Personal expenses	7,928	7,668	(260)
Other	5,274	4,721	(553)
Operating income	3,863	457	(3,406)
Electronic Devices	2,927	(102)	(3,029)
Electronic Systems	943	565	(378)
Non-operating income	458	789	331
Foreign exchange gains	-	564	564
Equity in earnings of affiliates	249	67	(182)
Non-operating expenses	2,204	1,021	(1,183)
Foreign exchange losses	1,188	-	(118)
Ordinary income	2,116	224	(1,892)
Extraordinary income	40	4	(36)
Extraordinary losses	46	233	187
Profit(loss)before income taxes	2,111	(4)	(2,115)
Income taxes	693	58	(635)
Profit attributable to non-controlling interests	263	124	(139)
Profit(loss)attributable to owners of parent	1,154	(187)	(1,341)
Number of Employees	1,346	1,341	(5)
Gross Profit Margin	6.6%	6.1%	
Electronic Devices	5.2%	4.2%	
Electronic Systems	16.0%	16.9%	
Operating Profit Margin	1.5%	0.2%	
Electronic Devices	1.3%	-	
Electronic Systems	2.8%	1.8%	
Ordinary Profit Margin	0.8%	0.1%	
Net Profit Margin	0.4%	-	

Consolidated Sales by Segment

(Millions of Yen)	FY2018 18/4-12 Results	FY2019 19/4-12 Results	Increase /Decrease
Total Electronic Devices	224,750	179,832	(44,918)
Semiconductors	212,001	166,994	(45,007)
Analog IC	46,238	38,021	(8,217)
Standard Logic IC	2,258	1,612	(646)
Memory IC	11,059	3,323	(7,736)
Micro-Processor	10,003	5,579	(4,424)
Special-Use IC	134,879	113,828	(21,051)
Custom IC	7,063	3,943	(3,120)
Other	500	687	187
Electronic Components	12,749	12,838	89
Total Electronic Systems	33,249	31,601	(1,648)
Space & Defense Electronics	4,289	3,328	(960)
Industrial Equipment	12,880	11,405	(1,475)
Laser Equipment	3,531	3,111	(420)
Information and communication Equipment	1,189	1,232	43
Medical Equipment	11,362	12,525	1,163
Total Net Sales	258,000	211,434	(46,566)

Consolidated Statement of Income

(Millions of Yen)	FY2018 18/10-12 Results	FY2019 19/10-12 Results	Increase /Decrease
Net Sales	91,565	72,731	(18,834)
Electronic Devices	79,356	62,812	(16,544)
Electronic Systems	12,209	9,918	(2,291)
Cost of Sales	85,881	67,870	(18,011)
Gross Profit	5,683	4,861	(822)
Electronic Devices	3,669	3,031	(638)
Electronic Systems	2,014	1,830	(184)
Selling, general and administrative expenses	4,395	4,332	(63)
Personal expenses	2,636	2,562	(74)
Other	1,759	1,769	10
Operating income	1,287	528	(759)
Electronic Devices	739	301	(438)
Electronic Systems	550	229	(321)
Non-operating income	161	(356)	(517)
Foreign exchange gains	-	(423)	(423)
Equity in earnings of affiliates	79	18	(61)
Non-operating expenses	(49)	270	319
Foreign exchange losses	(424)	-	424
Ordinary income	1,499	(98)	(1,597)
Extraordinary income	17	-	(17)
Extraordinary losses	28	(3)	(31)
Profit(loss)before income taxes	1,488	(94)	(1,582)
Income taxes	349	(53)	(402)
Profit attributable to non-controlling interests	117	35	(82)
Profit(loss)attributable to owners of parent	1,020	(77)	(1,097)
Gross Profit Margin	6.2%	6.7%	
Electronic Devices	4.6%	4.8%	
Electronic Systems	16.5%	18.5%	
Operating Profit Margin	1.4%	0.7%	
Electronic Devices	0.9%	0.5%	
Electronic Systems	4.5%	2.3%	
Ordinary Profit Margin	1.6%	-	
Net Profit Margin	1.1%	-	

Consolidated Sales by Segment

(Millions of Yen)	FY2018 18/10-12 Results	FY2019 19/10-12 Results	Increase /Decrease
Total Electronic Devices	79,356	62,812	(16,544)
Semiconductors	74,608	58,568	(16,041)
Analog IC	14,772	12,135	(2,637)
Standard Logic IC	661	478	(183)
Memory IC	2,431	980	(1,451)
Micro-Processor	2,330	1,807	(523)
Special-Use IC	52,524	41,101	(11,423)
Custom IC	2,092	1,399	(693)
Other	(202)	667	869
Electronic Components	4,747	4,244	(503)
Total Electronic Systems	12,209	9,918	(2,291)
Space & Defense Electronics	1,867	1,307	(560)
Industrial Equipment	4,204	3,653	(551)
Laser Equipment	1,288	1,189	(99)
Information and communication Equipment	631	391	(240)
Medical Equipment	4,219	3,379	(840)
Total Net Sales	91,565	72,731	(18,834)

Consolidated Statement of Income (Forecast)

(Millions of Yen)	FY2018 Results	FY2019 Forecast	Increase /Decrease
Net Sales	326,694	285,000	(41,694)
Electronic Devices	275,073	233,300	(41,773)
Electronic Systems	51,621	51,700	79
Cost of Sales	303,927	265,700	(38,227)
Gross Profit	22,767	19,300	(3,467)
Electronic Devices	14,380	10,600	(3,780)
Electronic Systems	8,386	8,700	314
Selling, general and administrative expenses	17,719	16,400	(1,319)
Operating income	5,048	2,900	(2,148)
Non-operating income	568	1,300	732
Non-operating expenses	2,596	1,400	(1,196)
Ordinary income	3,020	2,800	(220)
Extraordinary income	38	5	(33)
Extraordinary losses	76	250	174
Profit(loss)before income taxes	2,981	2,555	(426)
Income taxes	952	850	(102)
Profit attributable to non-controlling interests	392	355	(37)
Profit(loss)attributable to owners of parent	1,636	1,350	(286)
Gross Profit Margin	7.0%	6.8%	
Electronic Devices	5.2%	4.5%	
Electronic Systems	16.2%	16.8%	
Operating Profit Margin	1.5%	1.0%	
Ordinary Profit Margin	0.9%	1.0%	
Net Profit Margin	0.5%	0.5%	

Consolidated Sales by Segment (Forecast)

(Millions of Yen)	FY2018 Results	FY2019 Forecast	Increase /Decrease
Total Electronic Devices	275,073	233,300	(41,773)
Semiconductors	257,769	213,912	(43,857)
Analog IC	59,034	54,926	(4,108)
Standard Logic IC	2,833	2,301	(533)
Memory IC	12,478	6,421	(6,057)
Micro-Processor	12,431	9,644	(2,786)
Special-Use IC	162,361	134,648	(27,713)
Custom IC	8,248	5,810	(2,439)
Other	384	163	(221)
Electronic Components	17,305	19,388	2,083
Total Electronic Systems	51,621	51,700	79
Space & Defense Electronics	6,582	5,948	(634)
Industrial Equipment	19,462	18,867	(595)
Laser Equipment	5,431	5,731	301
Information and communication Equipment	1,787	2,322	535
Medical Equipment	18,359	18,832	473
Total Net Sales	326,694	285,000	(41,694)

Consolidated Statements of Income (Quarterly)

(Millions of Yen)	FY2018					FY2019		
	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q
Net Sales	71,211	95,222	91,565	68,694	326,694	59,182	79,520	72,731
Electronic Devices	60,920	84,473	79,356	50,323	275,073	49,906	67,113	62,812
Electronic Systems	10,291	10,749	12,209	18,371	51,621	9,275	12,407	9,918
Cost of Sales	65,682	89,369	85,881	62,993	303,927	55,371	75,345	67,870
Gross Profit	5,529	5,853	5,683	5,700	22,767	3,810	4,175	4,861
Electronic Devices	3,966	4,126	3,669	2,618	14,380	2,251	2,227	3,031
Electronic Systems	1,562	1,726	2,014	3,082	8,386	1,559	1,947	1,830
Selling, general and administrative expenses	4,314	4,492	4,395	4,515	17,719	4,109	3,947	4,332
Operating income	1,214	1,360	1,287	1,185	5,048	(298)	227	528
Electronic Devices	1,128	1,059	739	(337)	2,590	(256)	(146)	301
Electronic Systems	88	303	550	1,524	2,467	(40)	376	229
Non-operating income	152	144	161	109	568	986	160	(356)
Non-operating expenses	1,440	813	(49)	391	2,596	386	364	270
Ordinary income	(73)	691	1,499	903	3,020	301	22	(98)
Extraordinary income	3	19	17	(2)	38	-	4	-
Extraordinary losses	0	16	28	30	76	202	35	(3)
Profit(loss)before income taxes	(70)	694	1,488	870	2,981	99	(9)	(94)
Income taxes	(44)	388	349	258	952	91	20	(53)
Profit attributable to non-controlling interests	44	100	117	129	392	66	22	35
Profit(loss)attributable to owners of parent	(70)	204	1,020	481	1,636	(58)	(52)	(77)
Gross Profit Margin	7.8%	6.1%	6.2%	8.3%	7.0%	6.4%	5.3%	6.7%
Electronic Devices	6.5%	4.9%	4.6%	5.2%	5.2%	4.5%	3.3%	4.8%
Electronic Systems	15.2%	16.1%	16.5%	16.8%	16.2%	16.8%	15.7%	18.5%
Operating Profit Margin	1.7%	1.4%	1.4%	1.7%	1.5%	-	0.3%	0.7%
Ordinary Profit Margin	-	0.7%	1.6%	1.3%	0.9%	0.5%	0.0%	-
Net Profit Margin	-	0.2%	1.1%	0.7%	0.5%	-	-	-

Consolidated Sales by Segment (Quarterly)

(Millions of Yen)	FY2018					FY2019		
	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q
Total Electronic Devices	60,920	84,473	79,356	50,323	275,073	49,906	67,113	62,812
Semiconductors	57,167	80,225	74,608	45,768	257,769	45,824	62,602	58,568
Analog IC	15,093	16,373	14,772	12,795	59,034	13,211	12,675	12,135
Standard Logic IC	764	833	661	575	2,833	565	569	478
Memory IC	4,834	3,793	2,431	1,419	12,478	1,130	1,213	980
Micro-Processor	3,956	3,717	2,330	2,428	12,431	2,259	1,513	1,807
Special-Use IC	29,618	52,737	52,524	27,482	162,361	27,062	45,666	41,101
Custom IC	2,541	2,430	2,092	1,185	8,248	1,361	1,184	1,399
Other	362	341	(202)	(117)	384	236	(217)	667
Electronic Components	3,753	4,248	4,747	4,556	17,305	4,082	4,512	4,244
Total Electronic Systems	10,291	10,749	12,209	18,371	51,621	9,275	12,407	9,918
Space & Defense Electronics	997	1,425	1,867	2,293	6,582	955	1,067	1,307
Industrial Equipment	4,348	4,328	4,204	6,582	19,462	3,604	4,148	3,653
Laser Equipment	1,015	1,228	1,288	1,900	5,431	927	995	1,189
Information and communication Equipment	375	183	631	598	1,787	587	254	391
Medical Equipment	3,557	3,586	4,219	6,997	18,359	3,202	5,944	3,379
Total Net Sales	71,211	95,222	91,565	68,694	326,694	59,182	79,520	72,731

Consolidated Balance Sheets (Quarterly)

(Millions of Yen)	FY2018				FY2019		
	Jun.30,2018	Sep.30,2018	Dec.31,2018	Mar.31,2019	Jun.30,2019	Sep.30,2019	Dec.31,2019
Current assets	123,333	123,569	111,876	113,985	115,752	109,167	114,858
Cash and deposits	16,813	14,196	14,178	16,348	23,420	24,386	20,527
Notes and accounts receivable-trade	60,738	66,174	56,838	52,866	48,688	49,319	49,571
Merchandise and finished goods	43,523	38,044	35,217	43,020	42,256	33,236	41,754
Work in process	186	310	546	199	283	477	423
Other	2,086	4,860	5,112	1,567	1,116	1,761	2,596
Allowance for doubtful accounts	(14)	(17)	(16)	(16)	(13)	(12)	(15)
Noncurrent assets	13,436	13,746	13,785	14,177	13,872	14,014	14,322
Property, plant and equipment	3,485	3,549	3,634	3,634	3,781	3,855	3,892
Intangible assets	1,682	1,696	1,619	1,533	1,252	1,243	1,199
Investments and other assets	8,268	8,499	8,530	9,009	8,838	8,915	9,231
Total assets	136,770	137,315	125,661	128,163	129,624	123,182	129,181
Current liabilities	78,185	78,220	65,977	75,623	77,673	71,847	78,053
Notes and accounts payable-trade	34,122	39,133	29,651	25,443	28,164	26,821	50,991
Short-term borrowings	40,272	35,498	33,196	38,934	38,475	34,362	16,402
Current portion of long-term borrowings	112	50	50	7,550	7,550	7,550	7,550
Provision for bonuses	539	1,040	578	1,038	529	985	542
Other	3,138	2,498	2,501	2,657	2,955	2,128	2,566
Noncurrent liabilities	10,695	10,448	10,394	2,813	2,826	2,637	2,620
Long-term borrowings	8,847	8,700	8,687	1,175	1,162	1,150	1,137
Net defined benefit liability	1,353	1,274	1,225	1,201	1,136	1,031	984
Provision for retirement benefits of directors	111	115	118	97	93	89	100
Other	382	358	362	339	433	366	398
Total liabilities	88,881	88,669	76,372	78,436	80,500	74,485	80,673
Shareholders' equity	41,007	41,212	41,971	42,453	41,872	41,820	41,481
Accumulated other comprehensive income	1,015	1,337	1,087	1,056	955	709	903
Non-controlling interests	5,866	6,096	6,229	6,216	6,296	6,167	6,123
Total net assets	47,889	48,646	49,289	49,726	49,124	48,696	48,508
Total liabilities and net assets	136,770	137,315	125,661	128,163	129,624	123,182	129,181

Consolidated Statements of Cash Flows (Quarterly)

(Millions of Yen)	FY2018				FY2019		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Net cash provided by (used in) operating activities	(189)	5,765	8,181	1,992	7,141	12,664	27,657
Income before income taxes and minority interests	(70)	623	2,111	2,981	99	90	(4)
Depreciation and amortization	99	228	374	547	157	332	508
Foreign exchange losses (gains)	1,262	1,976	1,458	1,656	(891)	(847)	(531)
Equity in (earnings) losses of affiliates	(88)	(169)	(249)	(258)	(16)	(49)	(67)
Decrease (increase) in notes and accounts receivable-trade	(2)	(5,135)	4,426	8,177	4,192	3,315	3,057
Decrease (increase) in inventories	1,175	6,695	8,523	986	680	9,388	938
Increase (decrease) in notes and accounts payable-trade	(2,969)	1,882	(7,666)	(11,795)	2,710	1,494	25,667
Other, net	912	508	628	1,524	699	(236)	(552)
Subtotal	319	6,609	9,607	3,820	7,634	13,487	29,015
Interest and dividends income received	96	109	160	185	53	69	97
Interest expenses paid	(226)	(456)	(707)	(992)	(307)	(575)	(764)
Income taxes paid	(379)	(499)	(849)	(990)	(256)	(359)	(715)
Income taxes refund	1	2	2	2	17	42	43
Extra retirement payments	-	-	(33)	(33)	-	-	(19)
Net cash provided by (used in) investing activities	(262)	(2,950)	(3,393)	(495)	(143)	(369)	(550)
Net cash provided by (used in) financing activities	3,699	(2,225)	(4,274)	1,243	(48)	(4,314)	(22,974)
Effect of exchange rate change on cash and cash equivalents	(3)	17	69	(25)	37	(37)	(53)
Net increase(decrease) in cash and cash equivalents	3,243	607	583	2,714	6,986	7,942	4,078
Cash and cash equivalents at beginning of period	13,715	13,715	13,715	13,715	16,044	16,044	16,044
Cash and cash equivalents at end of period	16,574	13,937	13,913	16,044	23,031	23,987	20,123