

Supplementary Financial Information for the first quarter of fiscal year ending March 2022

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MARUBUN CORPORATION

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<https://www.marubun.co.jp/en/index.html>

https://www.marubun.co.jp/en/ir_e/index.html (IR Website)

Within the presentation, information on the future performance such as results forecasts is based on the data available at the time this presentation was prepared that the Company assumes reasonable. Actual performance depends on various important factors and may differ significantly from the estimates contained herein.

Consolidated Statement of Income

(Millions of Yen)	FY2020 20/4-6 Results	FY2021 21/4-6 Results (Previous method)	Increase /Decrease	FY2021 21/4-6 Results (Revenue recognition accounting standards)
Net Sales	62,238	68,629	6,391	37,347
Electronic Devices	54,191	58,585	4,394	27,525
Electronic Systems	8,046	10,043	1,997	9,822
Cost of Sales	59,106	64,137	5,031	33,013
Gross Profit	3,131	4,491	1,360	4,334
Electronic Devices	1,854	2,856	1,002	2,698
Electronic Systems	1,276	1,635	359	1,635
Selling, general and administrative expenses	3,735	3,258	(477)	3,258
Personal expenses	2,435	1,893	(542)	1,893
Other	1,299	1,364	65	1,364
Operating profit (loss)	(603)	1,233	1,836	1,076
Electronic Devices	(439)	1,030	1,469	872
Electronic Systems	(162)	205	367	205
Non-operating income	458	50	(408)	50
Foreign exchange gains	355	-	(355)	-
Share of profit of entities accounted for using equity method	57	6	(51)	6
Non-operating expenses	224	40	(184)	121
Foreign exchange losses	-	(79)	(79)	1
Ordinary profit (loss)	(369)	1,243	1,612	1,005
Extraordinary income	-	22	22	22
Extraordinary losses	112	1	(111)	1
Profit (loss) before income taxes	(481)	1,264	1,745	1,026
Income taxes	(102)	405	507	405
Profit (loss) attributable to non-controlling interests	(68)	63	131	63
Profit (loss) attributable to owners of parent	(310)	795	1,105	557
Number of Employees	1,325	1,142	(183)	1,142
Gross Profit Margin	5.0%	6.5%	-	11.6%
Electronic Devices	3.4%	4.9%	-	9.8%
Electronic Systems	15.9%	16.3%	-	16.6%
Operating Profit Margin	-	1.8%	-	2.9%
Electronic Devices	-	1.8%	-	3.2%
Electronic Systems	-	2.0%	-	2.1%
Ordinary Profit Margin	-	1.8%	-	2.7%
Net Profit Margin	-	1.2%	-	1.5%

Consolidated Sales by Segment

(Millions of Yen)	FY2020 20/4-6 Results	FY2021 21/4-6 Results (previous method)	Increase /Decrease	FY2021 21/4-6 Results (Revenue recognition accounting standards)
Total Electronic Devices	54,191	58,585	4,394	27,525
Semiconductors	49,389	49,739	350	19,988
Analog IC	10,767	7,623	(3,145)	7,623
Standard Logic IC	413	10	(403)	10
Memory IC	1,002	1,339	338	1,339
Micro-Processor	1,404	1,337	(67)	1,337
Special-Use IC	34,907	36,949	2,043	7,895
Custom IC	888	1,734	846	1,734
Other	9	746	738	50
Electronic Components	4,802	8,846	4,044	7,537
Total Electronic Systems	8,046	10,044	1,998	9,822
Space & Defense Electronics	657	763	106	749
Industrial Equipment	3,053	4,373	1,321	4,224
Laser Equipment	613	1,012	399	956
Information and communication Equipment	213	247	33	247
Medical Equipment	3,511	3,649	138	3,647
Total Net Sales	62,238	68,629	6,391	37,347

(Note)

MARUBUN Corporation has applied the "Accounting Standard for Revenue Recognition" etc. from the beginning of the first quarter of the current fiscal year. However, for comparison with the same period of the previous fiscal year, the amounts calculated using the previous method are shown on the center of the table in the FY2021 results (previous method). The amounts after the application of the "Accounting Standard for Revenue Recognition" are shown on the right side of the table in the FY2021 results (Revenue Recognition Standard).

Consolidated Balance Sheets

(Millions of Yen)	FY2020 21/3 Results	FY2021 21/6 Results	Increase /Decrease
Current assets	114,804	121,999	7,195
Cash and deposits	26,874	27,525	651
Notes and accounts receivable-trade	51,058	37,316	(13,742)
Merchandise and finished goods	34,174	25,211	(8,963)
Work in process	34	62	28
Accounts receivable - other	596	29,134	28,538
Other	2,077	2,761	684
Allowance for doubtful accounts	(11)	(12)	(1)
Noncurrent assets	12,202	11,675	(527)
Property, plant and equipment	4,221	3,868	(353)
Intangible assets	925	842	(83)
Investments and other assets	7,055	6,964	(91)
Total assets	127,006	133,674	6,668
Current liabilities	76,165	81,378	5,213
Notes and accounts payable-trade	30,298	16,632	(13,666)
Short-term borrowings	42,194	45,467	3,273
Current portion of long-term borrowings	50	50	0
Accounts payable - other	1,349	16,228	14,879
Provision for bonuses	631	340	(291)
Other	1,641	2,659	1,018
Noncurrent liabilities	5,801	5,845	44
Long-term borrowings	5,075	5,062	(13)
Net defined benefit liability	261	308	47
Provision for retirement benefits for directors (and other officers)	95	98	3
Other	369	375	6
Total liabilities	81,966	87,224	5,258
Shareholders' equity	38,791	39,549	758
Accumulated other comprehensive income	1,224	1,549	325
Non-controlling interests	5,024	5,350	326
Total net assets	45,040	46,450	1,410
Total liabilities and net assets	127,006	133,674	6,668

Consolidated Statements of Cash Flows

(Millions of Yen)	FY2020 20/4-6 Results	FY2021 21/4-6 Results
Net cash provided by (used in) operating activities	4,910	(2,828)
Profit (loss) before income taxes	(481)	1,026
Depreciation	189	180
Foreign exchange losses (gains)	(348)	(20)
Share of loss (profit) of entities accounted for using equity method	(57)	(6)
Decrease (increase) in trade receivables	6,810	14,122
Decrease (increase) in inventories	2,317	475
Increase (decrease) in trade payables	(2,116)	(13,980)
Other, net	(1,076)	(4,358)
Subtotal	5,236	(2,560)
Interest and dividends received	28	22
Interest paid	(140)	(77)
Income taxes paid	(123)	(236)
Income taxes refund	8	24
Net cash provided by (used in) investing activities	(177)	21
Net cash provided by (used in) financing activities	(3,466)	3,030
Effect of exchange rate change on cash and cash equivalents	(365)	381
Net increase(decrease) in cash and cash equivalents	900	605
Cash and cash equivalents at beginning of period	20,473	26,274
Cash and cash equivalents at end of period	21,374	26,879

Consolidated Statement of Income (Forecast)

	FY2020 Results	FY2021 Forecast (Previous method)	Increase /Decrease	FY2021 Forecast (Revenue recognition accounting standards)
Net Sales	289,283	238,000	(51,283)	153,000
Electronic Devices	242,050	188,000	(54,050)	103,500
Electronic Systems	47,233	50,000	2,767	49,500
Cost of Sales	273,066	221,000	(52,066)	136,000
Gross Profit	16,217	17,000	783	17,000
Electronic Devices	7,915	8,400	485	8,400
Electronic Systems	8,302	8,600	298	8,600
Selling, general and administrative expenses	15,193	13,800	(1,393)	13,800
Operating profit (loss)	1,023	3,200	2,177	3,200
Non-operating income	160	350	190	350
Non-operating expenses	1,149	550	(599)	550
Ordinary profit (loss)	33	3,000	2,967	3,000
Profit (loss) before income taxes	(2,537)	3,000	5,537	3,000
Income taxes	(386)	950	1,336	950
Minority interests in income	(17)	150	167	150
Profit (loss) attributable to owners of parent	(2,133)	1,900	4,033	1,900

Gross Profit Margin	5.6%	7.1%	1.5%	11.1%
Electronic Devices	3.3%	4.5%	1.2%	8.1%
Electronic Systems	17.6%	17.2%	-0.4%	17.4%
Operating Profit Margin	0.4%	1.3%	1.0%	2.1%
Ordinary Profit Margin	0.0%	1.3%	1.2%	2.0%
Net Profit Margin	-	0.8%	0.8%	1.2%

Consolidated Sales by Segment (Forecast)

	FY2020 Results	FY2021 Forecast (previous method)	Increase /Decrease	FY2021 Forecast (Revenue recognition accounting standards)
Total Electronic Devices	242,050	188,000	(54,050)	103,500
Semiconductors	215,787	157,839	(57,949)	77,831
Analog IC	34,791	36,372	1,582	36,372
Standard Logic IC	758	74	(684)	74
Memory IC	5,018	5,623	605	5,623
Micro-Processor	5,612	7,719	2,107	7,719
Special-Use IC	165,057	106,894	(58,163)	26,887
Custom IC	4,550	1,155	(3,395)	1,155
Electronic Components	26,264	30,162	3,898	23,747
Total Electronic Systems	47,233	50,000	2,767	49,500
Space & Defense Electronics	4,355	4,947	592	4,947
Industrial Equipment	18,207	18,790	582	18,390
Laser Equipment	3,642	4,186	544	4,186
Information and communication Equipment	1,820	1,978	158	1,978
Medical Equipment	19,208	20,100	892	20,000
Total Net Sales	289,283	238,000	(51,283)	153,000

(Note)

MARUBUN Corporation has applied the "Accounting Standard for Revenue Recognition" etc. from the beginning of the first quarter of the current fiscal year.

However, for comparison with the same period of the previous fiscal year, the amounts calculated using the previous method are shown on the center of the table in the FY2021 results (previous method). The amounts after the application of the "Accounting Standard for Revenue Recognition" are shown on the right side of the table in the FY2021 results (Revenue Recognition Standard).

Consolidated Statements of Income (Quarterly)

(Millions of Yen)	FY2020					FY2021
	1Q	2Q	3Q	4Q	Full Year	1Q
Net Sales	62,238	75,030	79,044	72,971	289,283	37,347
Electronic Devices	54,191	64,790	68,646	54,422	242,050	27,525
Electronic Systems	8,046	10,239	10,398	18,549	47,233	9,822
Cost of Sales	59,106	71,256	75,163	67,539	273,066	33,013
Gross Profit	3,131	3,773	3,880	5,431	16,217	4,334
Electronic Devices	1,854	1,956	1,957	2,146	7,915	2,698
Electronic Systems	1,276	1,817	1,923	3,285	8,302	1,635
Selling, general and administrative expenses	3,735	3,749	3,838	3,870	15,193	3,258
Operating profit (loss)	(603)	24	41	1,561	1,023	1,076
Electronic Devices	(439)	(276)	(351)	115	(951)	872
Electronic Systems	(162)	302	395	1,447	1,983	205
Non-operating income	458	534	457	(1,290)	160	50
Non-operating expenses	224	170	212	541	1,149	121
Ordinary profit (loss)	(369)	388	286	(270)	33	1,005
Extraordinary income	-	-	31	0	31	22
Extraordinary losses	112	4	2,484	2	2,603	1
Profit (loss) before income taxes	(481)	383	(2,166)	(272)	(2,537)	1,026
Income taxes	(102)	141	(207)	(217)	(386)	405
Profit (loss) attributable to non-controlling interests	(68)	(4)	22	32	(17)	63
Profit (loss) attributable to owners of parent	(310)	246	(1,981)	(87)	(2,133)	557
Gross Profit Margin	5.0%	5.0%	4.9%	7.4%	5.6%	11.6%
Electronic Devices	3.4%	3.0%	2.9%	3.9%	3.3%	9.8%
Electronic Systems	15.9%	17.7%	18.5%	17.7%	17.6%	16.6%
Operating Profit Margin	-	0.0%	0.1%	2.1%	0.4%	2.9%
Ordinary Profit Margin	-	0.5%	0.4%	-	0.0%	2.7%
Net Profit Margin	-	0.3%	-	-	-	1.5%

Consolidated Sales by Segment (Quarterly)

(Millions of Yen)	FY2020					FY2021
	1Q	2Q	3Q	4Q	Full Year	1Q
Total Electronic Devices	54,191	64,790	68,646	54,422	242,050	27,525
Semiconductors	49,389	59,254	61,279	45,866	215,787	19,988
Analog IC	10,767	9,492	8,770	5,762	34,791	7,623
Standard Logic IC	413	268	64	13	758	10
Memory IC	1,002	949	1,616	1,452	5,018	1,339
Micro-Processor	1,404	1,605	1,104	1,500	5,612	1,337
Special-Use IC	34,907	45,648	48,531	35,971	165,057	7,895
Custom IC	888	1,269	1,082	1,312	4,550	1,734
Other	9	23	112	(143)	0	50
Electronic Components	4,802	5,537	7,367	8,557	26,264	7,537
Total Electronic Systems	8,046	10,239	10,398	18,549	47,233	9,822
Space & Defense Electronics	657	717	992	1,989	4,355	749
Industrial Equipment	3,053	4,501	4,345	6,309	18,207	4,224
Laser Equipment	613	988	861	1,180	3,642	956
Information and communication Equipment	213	278	473	856	1,820	247
Medical Equipment	3,511	3,755	3,727	8,215	19,208	3,647
Total Net Sales	62,238	75,030	79,044	72,971	289,283	37,347

Consolidated Balance Sheets (Quarterly)

(Millions of Yen)	FY2020				FY2021
	Jun.30,2020	Sep.30,2020	Dec.31,2020	Mar.31,2021	Jun.30,2021
Current assets	112,078	113,350	112,668	114,804	121,999
Cash and deposits	21,608	24,623	27,733	26,874	27,525
Notes and accounts receivable-trade	48,520	50,648	52,303	51,058	37,316
Merchandise and finished goods	38,241	35,450	30,430	34,174	25,211
Work in process	164	62	67	34	62
Accounts receivable - other	1,213	1,420	290	596	29,134
Other	3,553	2,584	2,148	2,673	2,761
Allowance for doubtful accounts	(10)	(18)	(15)	(11)	(12)
Noncurrent assets	13,026	12,824	11,698	12,202	11,675
Property, plant and equipment	4,045	4,012	3,998	4,221	3,868
Intangible assets	1,122	1,079	1,003	925	842
Investments and other assets	7,858	7,731	6,695	7,055	6,964
Total assets	125,104	126,175	124,366	127,006	133,674
Current liabilities	71,427	72,773	73,268	76,165	81,378
Notes and accounts payable-trade	23,287	24,934	28,289	30,298	16,632
Short-term borrowings	43,978	44,008	40,035	42,194	45,467
Current portion of long-term borrowings	1,050	1,050	1,050	50	50
Accounts payable - other	656	756	832	1,349	16,228
Provision for bonuses	393	729	373	631	340
Other	2,718	2,050	3,520	2,990	2,659
Noncurrent liabilities	6,621	6,534	6,470	5,801	5,845
Long-term borrowings	5,112	5,100	5,087	5,075	5,062
Net defined benefit liability	1,022	963	919	261	308
Provision for retirement benefits for directors (and other officers)	88	90	93	95	98
Other	398	380	369	369	375
Total liabilities	78,048	79,307	79,739	81,966	87,224
Shareholders' equity	40,760	41,069	38,878	38,791	39,549
Accumulated other comprehensive income	601	574	611	1,224	1,549
Non-controlling interests	5,694	5,223	5,136	5,024	5,350
Total net assets	47,055	46,867	44,626	45,040	46,450
Total liabilities and net assets	125,104	126,175	124,366	127,006	133,674

Consolidated Statements of Cash Flows (Quarterly)

(Millions of Yen)	FY2020				FY2021
	1Q	2Q	3Q	4Q	1Q
Net cash provided by (used in) operating activities	4,910	7,987	14,778	15,205	(2,828)
Profit (loss) before income taxes	(481)	(98)	(2,264)	(2,537)	1,026
Depreciation and amortization	189	375	566	762	180
Foreign exchange losses (gains)	(348)	(836)	(1,535)	661	(20)
Share of loss (profit) of entities accounted for using equity	(57)	(37)	16	68	(6)
Decrease (increase) in trade receivables	6,810	4,615	2,804	3,969	14,122
Decrease (increase) in inventories	2,317	5,185	10,169	6,399	475
Increase (decrease) in trade payables	(2,116)	(438)	3,003	5,093	(13,980)
Other, net	(1,076)	(1,372)	2,487	2,458	(4,358)
Subtotal	5,236	8,228	15,247	16,877	(2,560)
Interest and dividends income received	28	37	57	63	22
Interest expenses paid	(140)	(226)	(310)	(390)	(77)
Income taxes paid	(123)	(140)	(296)	(321)	(236)
Income taxes refund	8	191	191	191	24
Extra retirement payments	(99)	(102)	(110)	(1,214)	-
Net cash provided by (used in) investing activities	(177)	(261)	(304)	(790)	21
Net cash provided by (used in) financing activities	(3,466)	(3,342)	(6,720)	(8,188)	3,030
Effect of exchange rate change on cash and cash equivalents	(365)	(440)	(690)	(426)	381
Net increase(decrease) in cash and cash equivalents	900	3,942	7,063	5,800	605
Cash and cash equivalents at beginning of period	20,473	20,473	20,473	20,473	26,274
Cash and cash equivalents at end of period	21,374	24,416	27,537	26,274	26,879