



October 30, 2020

To Whom It May Concern

MARUBUN CORPORATION

Representative Toru Iino, CEO and Representative Director
(Securities code: 7537 TSE, 1st section)
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Notice of Differences Between Forecast and Actual Results for the First Half of the Fiscal Year Ending March 2021 and Revision of Full-Year Financial Results Forecast

The Marubun Group (the “Group”) announces differences between its forecast announced on July 31, 2020 and actual results for the first half of the fiscal year ending March 31, 2021. Details are as follows.

The Group also announces that it has revised its full-year financial results forecast for the fiscal year ending March 31, 2021, as follows. The previous forecast was announced on July 31, 2020.

(1) Difference between consolidated financial results forecast for the first half of the fiscal year ending March 2021 and actual results.(April 1, 2020 - September 30, 2020)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income Per Share
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Yen
Previous Financial Forecast (A)	136,500	70	115	35	1.34
Results (B)	137,268	(579)	18	(64)	(2.48)
Amount of Change (B-A)	768	(649)	(97)	(99)	
Change (%)	0.6	—	(84.3)	—	
Results for the six months ended September 30, 2019	138,703	(71)	323	(110)	(4.23)

Reasons for difference

Net sales exceeded the previous forecast due to an increase in demand for semiconductors for communication equipment and consumer equipment. Operating income was below the previous forecast due to weak sales of products with relatively high profitability and gross profit declined in yen terms due to the appreciation of the yen during the period. Regarding non-operating income, although foreign exchange gain of 867 million yen was recorded due to gains on settlement of foreign currency-denominated debt due to foreign exchange fluctuations, both ordinary income and net income attributable to owners of the parent were lower than the previous forecast.

(2) Consolidated financial results forecast revision for the year ending March 31, 2021 (April 1, 2020- March 31, 2021)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent	Net Income Per Share
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Yen
Previous Financial Forecast (A)	260,000	2,300	2,000	1,235	47.25
Revised Forecast (B)	270,000	1,250	1,550	900	34.44
Amount of Change (B-A)	10,000	(1,050)	(450)	(335)	
Change (%)	3.8	(45.7)	(22.5)	(27.1)	
Results for the year ended March 31, 2020	287,550	2,369	2,006	(75)	(2.89)

Reasons for difference

Although there are signs of a partial recovery in economic activity, which had stagnated due to the spread of the COVID-19, a full-fledged economic recovery is expected to take some time.

Net sales expected to exceed the previous forecasts, given that sales of semiconductors for communication equipment are expected to increase from the initial forecast in the Electronics Devices business, although sales are expected to decline in the Electronic Systems business due to the reduction of capital investment demand. In the term of profit, the Group will revise its forecast as above, taking into account the weak sales of products with relatively high profitability and the impact of foreign exchange rate fluctuations up to the second quarter of this fiscal year.

Note:

The forecast values as described above were judged and calculated by us based on the available information to date. Please be aware that our actual business performance may have different results depending on a variety of factors.