

7 February 2003

MARUWA CO., LTD.
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FOR IMMEDIATE RELEASE

Nagoya- MARUWA CO., LTD. today announced its consolidated business results for the third quarter of fiscal 2003, the three-month period ended 31 December, 2002 is as follows:-

Note: statements of income are unaudited.

1. Financial highlights

JPY million

	Current 1st - 3rdQt from 1st Apr. 2002 to 31st Dec. 2002		Previous 1st - 3rd Qt from 1st Apr. 2001 to 31st Dec. 2001		Changes	
	Amount	% per sales	Amount	% per sales	Amount	%
Net sales	7,875	100.0%	7,422	100.0%	453	6.1%
Cost of sales	6,079	77.2%	5,838	78.7%	241	4.1%
Gross profit	1,796	22.8%	1,584	21.3%	212	13.4%
Selling, general & administrative expenses	1,495	19.0%	1,609	21.7%	-114	-7.1%
Operating income	301	3.8%	(25)	-0.3%	326	--
Other income	10	0.1%	145	2.0%	-135	-93.1%
Net income	154	2.0%	(87)	-1.2%	241	--

2. Sales breakdown

JPY million

	Current 1-3 Q	previous 1-3 Q	Changes	Changes %
Circuit Ceramics	3,488	2,783	705	25.3%
Machinery Ceramics	1,021	863	158	18.3%
Radio Frequency Produc	1,017	839	178	21.2%
EMC Components	2,349	2,937	-588	-20.0%
Total	7,875	7,422	453	6.1%

3. Current annual trend - Sales breakdown

	Fiscal 2002		Fiscal 2003			% to total sales
	3rd Qt	4th Qt	1st Qt	2nd Qt	3rd Qt	
Circuit Ceramics	577	970	1,194	1,157	1,137	46.5%
Machinery Ceramics	298	418	326	407	288	11.8%
Radio Frequency Produc	303	271	421	334	262	10.7%
EMC Components	874	852	856	735	758	31.0%
Total	2,052	2,511	2,797	2,633	2,445	100.0%

4. Summary of the 3rd quarter business environment

The consolidated net sales for the third quarter of fiscal 2003 increased 19% to 2,445 million yen, compared with the third quarter of the previous year, due to firm recovery of the sales of Circuit Ceramics for PCs and digital appliances in the Asian markets. EMC components have been in severe cost-pressure in digital cameras market in overseas, while the domestic power supply market shows a gradual recovery trend. Radio Frequency Products are in a growth phase in the fourth quarter, due to the end of inventory adjustments in Asian market, which affected the sales adversely in the third quarter.

The profits increased slightly, compared with the third quarter of the previous year, resulting in a solid recovery regarding the cumulative total, compared with the previous year. The profits for the third quarter were below slightly the plan. Both sales and profits for the three-month period of the fourth quarter, however, are anticipated to meet the plan since the stability in the sales of Circuit Ceramics and an upturn in Radio Frequency Products are expected.

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