

Fiscal year ended March 31, 2023

Summary of Consolidated Financial Results

For the Fiscal Year Ended March 31, 2023

(IFRS basis)

(April 1, 2022 – March 31, 2023)

**This document is an English translation of materials originally prepared in Japanese.*

The Japanese original shall be considered the primary version.

Marubeni

(TSE Code: 8002)

Summary of Consolidated Financial Statements for the Fiscal Year Ended March 31, 2023 (IFRS basis)

Company name: Marubeni Corporation	(URL https://www.marubeni.com/en/)	Listed: Tokyo
Code number: 8002		
Representative: KAKINOKI Masumi	President and CEO, Member of the Board	
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Expected date of annual meeting of shareholders :	June 23, 2023	
Expected filing date of annual financial statement report :	June 23, 2023	
Expected date of the beginning of delivery of dividends:	June 5, 2023	
Supplementary explanations of yearly business results:	Prepared	
IR meeting on financial results:	To be held (for institutional investors and analysts)	

1. Consolidated financial results for the fiscal year ended March 31, 2023 (April 1, 2022 - March 31, 2023)

(Remarks)
Figures are rounded to the nearest million.

(1) Consolidated business results

%: change from the previous fiscal year

Fiscal year ended March 31,	Revenue		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of the parent		Comprehensive income for the period	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
2023	9,190,472	8.0	340,814	19.8	651,745	23.3	552,819	27.1	543,001	28.0	835,793	28.9
2022	8,508,591	34.4	284,490	101.0	528,790	87.7	434,950	88.3	424,320	90.1	648,522	79.2

Fiscal year ended March 31,	Earnings per share (basic)	Earnings per share (diluted)	Profit ratio to equity attributable to owners of the parent	Profit before tax ratio to total assets
	(yen)	(yen)	(%)	(%)
2023	316.11	315.58	22.4	8.0
2022	242.89	242.44	23.0	7.0

(Reference) Share of profits (losses) of associates and joint ventures
 Fiscal year ended March 31, 2023 286,767 million yen
 Fiscal year ended March 31, 2022 236,555 million yen

- (Note) 1. "Operating profit" is presented in accordance with Japanese accounting practice for investors' convenience and are not required by IFRS.
 "Operating profit" is the sum of "Gross trading profit", "Selling, general and administrative expenses" and "Provision for doubtful accounts" stated in Consolidated Statements of Comprehensive Income.
2. "Earnings per share" (basic and diluted) is based on "Profit attributable to owners of the parent" excluding the amount not attributable to ordinary shareholders.
3. "Profit ratio to equity attributable to owners of the parent" is based on "Equity attributable to owners of the parent" and "Profit attributable to owners of the parent", respectively excluding the amounts not attributable to ordinary shareholders.

(2) Consolidated financial position

March 31,	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent ratio	Equity per share attributable to owners of the parent
	(millions of yen)	(millions of yen)	(millions of yen)	(%)	(yen)
2023	7,953,604	2,981,973	2,877,747	36.2	1,610.81
2022	8,255,583	2,338,328	2,242,180	27.2	1,217.00

(Note) "Equity per share attributable to owners of the parent" is based on "Equity attributable to owners of the parent" excluding the amount not attributable to ordinary shareholders.

(3) Consolidated cash flows

Fiscal year ended March 31,	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of year
	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)
2023	606,334	156,805	(766,587)	608,917
2022	311,919	(79,660)	(419,637)	578,636

2. Dividends information

Fiscal year ended/ending	Annual dividends per share					Total amount of cash dividends per annum	Dividend payout ratio (Consolidated)	Dividend on equity attributable to owners of the parent (Consolidated)
	1st Quarter-end	2nd Quarter-end	3rd Quarter-end	4th Quarter-end	Total			
March 31, 2022	-	25.50	-	36.50	62.00	107,170	25.5	5.8
March 31, 2023	-	37.50	-	40.50	78.00	133,039	24.7	5.5
March 31, 2024 (forecast)	-	39.00	-	39.00	78.00		31.6	

(Note) "Dividend on equity attributable to owners of the parent (Consolidated)" is based on "Equity attributable to owners of the parent" excluding amounts not attributable to ordinary shareholders.

3. Consolidated earnings forecast for fiscal year ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(Remarks)

%: change from the previous fiscal year

Fiscal year ending March 31, 2024 (forecast)	Profit attributable to owners of the parent		Earnings per share (basic)
	(millions of yen)	(%)	(yen)
	420,000	(22.7)	246.90

(Note) "Earnings per share (basic)" is based on "Profit attributable to owners of the parent" excluding the amount not attributable to ordinary shareholders.

*Notes

- (1) Changes in significant subsidiaries during the period : Yes
 Excluded companies: Gavilon Agriculture Investment, Inc.
 Marble Gold V, LLC
- (2) Changes in accounting policies and accounting estimates
 ① Changes in accounting policies required by FRS : None
 ② Changes other than ① : None
 ③ Changes in accounting estimate : None
- (3) Number of issued shares (Ordinary shares)
 ① Number of issued shares at the end of the period
 (Treasury stock is included)
 March 31, 2023 1,698,395,498
 March 31, 2022 1,738,475,497
 ② Number of treasury stock at the end of the period
 March 31, 2023 2,367,155
 March 31, 2022 16,360,336
 ③ Average number of outstanding shares during the period
 Fiscal year ended March 31, 2023 1,709,705,857
 Fiscal year ended March 31, 2022 1,734,758,842

(Note)

- (1) Effective May 20, 2022 and February 20, 2023, the Company retired treasury stock, resulting in a decrease of 20,882,000 shares and 19,816,900 shares in the total number of shares issued and outstanding respectively.
- (2) At the meeting of the Board of Directors held on June 24, 2022, the Company resolved to issue new shares using monetary remuneration claims paid as restricted stock compensation as investment assets. As a result, effective July 22, 2022, the total number of shares issued increased 618,901 shares.

(Reference) Overview of non-consolidated business results

Non-consolidated financial results for fiscal year ended March 31, 2023 (April 1, 2022 - March 31, 2023)

(Remarks)

(1) Non-consolidated business results

%: change from the previous fiscal year

Fiscal year ended March 31, 2023 31, 2022	Revenue		Operating profit		Ordinary profit		Net profit for the year	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
	2,244,695	27.9	(39,111)	-	362,602	539.5	339,089	711.1
	1,755,653	-	(85,104)	-	56,703	(45.6)	41,807	(51.1)

Fiscal year ended March 31, 2023 31, 2022	Net profit for the year per share	Net profit for the year per share (diluted)
	(yen)	(yen)
	198.27	198.01
	24.09	24.05

(2) Non-consolidated financial position

Fiscal year ended March 31, 2023 31, 2022	Total assets	Net assets	Equity ratio	Net assets per share
	(millions of yen)	(millions of yen)	(%)	(yen)
	3,327,390	707,679	21.2	416.72
	3,401,021	564,655	16.6	327.24
(Reference) Total equity	Fiscal year ended March 31, 2023	706,820 million yen		
	Fiscal year ended March 31, 2022	563,599 million yen		

※ The Summary of Consolidated Financial Statements is not subject to review by certified accountants or audit firms.

※ Descriptions relating to the proper use of earnings forecast and other special notes

(Notes to the description about future)

The descriptions about future such as the above earnings forecast are based upon available information and assumptions, as of the time of the announcement date, about uncertain factors which would influence future businesses. Actual results might be influenced materially by various factors in the future.

For cautionary notes concerning assumptions made in the earnings forecast and use of the earnings forecast, please refer to p.11 "1. Business Review (5) Outlook for the Fiscal Year Ending March 31, 2024."

(How to access supplementary explanations of quarterly business results and the details of IR meeting of financial results)

Supplementary explanations on business results will be made available on the Company's website on Monday, May 8, 2023.

The Company is scheduled to hold an IR meeting on financial results for institutional investors and analysts on Wednesday, May 10, 2023, and to post the video of the meeting together with the materials used at the briefing on the Company's website at the earliest possible time.

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1. Business Review

(1) Business Environment

The following is an overview of the economic environment for the fiscal year ended March 31, 2023.

The global economy showed increasing signs of slowdown amid the ongoing uncertainty over the situation in the Russia-Ukraine conflict, along with globally rising prices and the implementation of strict quarantine measures against the COVID-19, which had continued in China for an extended period. As for developed countries, economic recovery led by domestic demand continued in Japan, while domestic demand in the United States, which had been expanding relatively steadily until last year, slowed down and the European economy stagnated markedly. In emerging countries, in addition to China, the economy slowed down significantly, especially in Russia, where sanctions by Europe and United States have been tightened.

Prices of primary commodities remained high for many items, particularly energy and food. Crude oil prices which continued to rise until June, subsequently declined due to the influence of weak demand caused by concerns over a global economic slowdown. Softening prices for copper and iron ore, of which China is the world's largest importer, resulting from concerns over the country's economic slowdown, subsequently trended upwards since November.

As many central banks around the world continued to tighten monetary policy to cope with high inflation, interest rates rose markedly in the bond markets of Europe and the United States; however, a respite in the rise has been seen after November. In addition, after the U.S. dollar had rapidly appreciated in the global foreign exchange market, a respite in the rise of U.S. interest rates has led to a weaker U.S. dollar.

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(2) Operating Results

Under the aforementioned business environment, consolidated operating results for the fiscal year ended March 31, 2023, are as follows.

	Fiscal year ended March 31,		Variance
	2022	2023	
Revenue	8,508,591	9,190,472	681,881
Gross trading profit	895,331	1,051,295	155,964
Operating profit	284,490	340,814	56,324
Share of profits (losses) of associates and joint ventures	236,555	286,767	50,212
Profit (loss) for the year attributable to owners of the parent	424,320	543,001	118,681

(Millions of yen)

(Note 1) Figures are rounded to the nearest million yen unless otherwise stated.

(Note 2) "Operating profit" is presented in accordance with Japanese accounting practice for investors' convenience and is not required by IFRS. "Operating profit" is the sum of "Gross trading profit," "Selling, general and administrative expenses" and "Provision for doubtful accounts" stated in Consolidated Statements of Comprehensive Income.

Revenue

Revenue increased by 681.9 billion yen, or 8.0% year on year, to 9,190.5 billion yen. By operating segment, revenue mainly increased in Agri Business, Energy, and Food I, despite a decrease from the sale of Gavilon's grain business in Food II.

Gross trading profit

Gross trading profit increased by 156.0 billion yen, or 17.4% year on year, to 1,051.3 billion yen. Main increases and decreases by operating segment are the following.

-Power: Increase by 70.5 billion yen

Due to an increase in profit from the overseas wholesale and retail of electric power, and a year-on-year decrease in provision for additional costs due to delays in construction and others in the EPC project in Taiwan

- Energy: Increase by 29.8 billion yen

Due to an increase in profit from oil and LNG trading businesses

- Food II: Decrease by 31.7 billion yen

Due to a decrease in profit from business divestitures of Gavilon's grain business

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Operating profit increased by 56.3 billion yen, or 19.8% year on year, to 340.8 billion yen.

Share of profits (losses) of associates and joint ventures

Share of profits (losses) of associates and joint ventures increased by 50.2 billion yen, or 21.2% year on year, to 286.8 billion yen. Main increases and decreases by operating segment are the following:

- Finance, Leasing & Real Estate Business: Increase by 25.7 billion yen

Due to improved profitability of the U.S. aircraft leasing business and an increase in profit of the U.S. used car retail financing business

- Power: Increase by 25.2 billion yen

Due to the absence of one-time loss on IPP projects and impairment loss on investment related to a gas-fired power generation business, both recognized in the previous year, and others

- Forest products: Decrease by 12.0 billion yen

Due to the impairment loss on investment in the domestic paper manufacturing and sales business and others

In addition to the above, upon the completion of the sale of Gavilon's grain business on October 3, 2022, a provisional share transfer price was applied with a gain of 53.9 billion yen recognized in the fiscal year ended March 31, 2023.

As a result, net profit attributable to owners of the parent for the fiscal year ended March 31, 2023 increased by 118.7 billion yen, or 28.0% year on year, to 543.0 billion yen.

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Results (net profit attributable to owners of the parent) for each operating segment for the fiscal year ended March 31, 2023 are as follows:

	Fiscal year ended March 31,		Variance
	2022	2023	
Lifestyle	5,454	4,466	(988)
ICT Business & Logistics	9,150	9,541	391
Food I	14,509	11,553	(2,956)
Food II	46,438	76,934	30,496
Agri Business	59,805	42,732	(17,073)
Forest Products	7,625	(9,382)	(17,007)
Chemicals	17,203	14,264	(2,939)
Metals & Mineral Resources	190,660	199,359	8,699
Energy	37,711	38,252	541
Power	(27,716)	40,252	67,968
Infrastructure Project	7,309	8,977	1,668
Aerospace & Ship	26,642	28,198	1,556
Finance, Leasing & Real Estate Business	7,019	43,775	36,756
Construction, Industrial Machinery & Mobility	22,546	23,846	1,300
Next Generation Business Development	(1,548)	(2,809)	(1,261)
Next Generation Corporate Development	865	(1,979)	(2,844)
Other	648	15,022	14,374
Consolidated	424,320	543,001	118,681

(Note 1) Effective from the fiscal year ended March 31, 2023, "ICT & Real Estate Business" has been renamed "ICT Business & Logistics", and "Finance & Leasing Business" has been renamed "Finance, Leasing & Real Estate Business". Concurrently, certain portions of "ICT & Real Estate Business" have been incorporated into "Finance, Leasing & Real Estate Business", certain portions of "Agri Business" have been incorporated into "Food-II", certain portions of "Power Business" have been incorporated into "Construction, Industrial Machinery & Mobility", and certain portions of "Construction, Industrial Machinery & Mobility" have been incorporated into "Lifestyle". In addition, "Next Generation Corporate Development" has been newly established, and certain portions of "Next Generation Business Development" have been incorporated into "Next Generation Corporate Development." In conjunction with these changes, operating segment information for the fiscal year ended March 31, 2022 has been restated and is presented accordingly.

(Note 2) Inter-segment transactions are generally priced in accordance with the prevailing market prices.

(Note 3) "Other" includes profit/loss such as head office expenses that are not allocated to the operating segments, inter-segment elimination, and others.

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Lifestyle

Net profit attributable to owners of the parent for the fiscal year ended March 31, 2023 (hereinafter referred to as "net profit") decreased by 1.0 billion yen to 4.5 billion yen. This is due to bad debt expense on clothing and other transactions and one-time loss related to the planning, manufacturing, and sales of apparel and other products, despite an increase in profit from tire and rubber materials-related businesses.

ICT Business & Logistics

Net profit increased by 0.4 billion yen to 9.5 billion yen.

Food I

Net profit decreased by 3.0 billion yen to 11.6 billion yen, mainly due to the absence of the gain on the sale of the North American wild salmon business recognized in the previous year.

Food II

Net profit increased by 30.5 billion to 76.9 billion yen, due to the gain on the sale of Gavilon's grain business, despite a decrease in the beef processing and sales business.

Agri Business

Net profit decreased by 17.1 billion yen to 42.7 billion yen, due to decrease in profit of MacroSource caused by lower fertilizer prices, despite an increase in profit of Helena against the backdrop of strong demand for agri-inputs.

Forest Products

Net profit (loss) deteriorated by 17.0 billion yen to (9.4) billion yen. This is mainly due to the impairment loss on fixed asset in the containerboard manufacturing and distribution business in Vietnam due to a decrease in demand and the impairment loss on investment in domestic paper manufacturing and sales business, despite an increase in profit of the MUSI pulp business resulting from the improvement in the pulp market and others.

Chemicals

Net profit decreased by 2.9 billion yen to 14.3 billion yen, due to decrease in profit from petrochemicals trading caused by deteriorated market prices and lower earnings in the feed additive business.

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Metals & Mineral Resources

Net profit increased by 8.7 billion yen to 199.4 billion yen. This is due to an increase in profit of the Australian coking coal business reflecting higher commodity prices, and higher profit in the steel products business, despite a decrease in profit of the Chilean copper business and the Australian iron ore business due to lower commodity prices.

Energy

Net profit increased by 0.5 billion yen to 38.3 billion yen. This is due to an increase in profit from the oil and LNG trading businesses, despite a decrease in dividend income and the worsened net interest expense.

Power

Net profit (loss) improved by 68.0 billion yen to 40.3 billion yen, mainly due to an increase in profit from the overseas wholesale and retail business of electric power, and a year-on-year decrease in provision for additional costs due to delays in construction and others in the power plant EPC project in Taiwan.

Infrastructure Project

Net profit increased by 1.7 billion yen to 9.0 billion yen due to an increase in profit from the FPSO (*) projects and others.

* Floating Production, Storage & Offloading system

Aerospace & Ship

Net profit increased by 1.6 billion yen to 28.2 billion yen, due to an increase in profit of the aviation-related business as a result of recovery in demand.

Finance, Leasing & Real Estate Business

Net profit increased by 36.8 billion yen to 43.8 billion yen due to improved profitability of the U.S. aircraft leasing business and an increase in profit of the U.S. used car retail financing business.

Construction, Industrial Machinery & Mobility

Net profit increased by 1.3 billion yen to 23.8 billion yen due to an increase in profit of the construction machinery business despite the absence of the gain related to domestic solar power generation business recognized in the previous year.

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Next Generation Business Development

Net loss worsened by 1.3 billion yen to 2.8 billion yen.

Next Generation Corporate Development

Net profit (loss) deteriorated by 2.8 billion yen to (2.0) billion yen, due to decrease in appraisal profit/loss on fund investments.

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(3) Cash Flows

Cash and cash equivalents at the end of the fiscal year ended March 31, 2023 were 608.9 billion yen, an increase of 30.3 billion yen from the end of the previous fiscal year.

(Operating activities)

Net cash provided by operating activities was 606.3 billion yen due to operating revenue, dividend income and an improvement in working capital and others.

(Investing activities)

Net cash provided by investing activities was 156.8 billion yen, mainly due to proceeds from the sale of Gavilon's grain business, despite the outflow of a capital expenditure in overseas businesses and acquisition of shares of equity method affiliates and others.

As a result of the above-mentioned activities, free cash flow for the fiscal year ended March 31, 2023 was an inflow of 763.1 billion yen.

(Financing activities)

Net cash used in financing activities amounted to 766.6 billion yen as a result of repayment of corporate bonds and borrowings and others, dividend payments and repurchases of treasury stock.

(4) Financial Position

(Billions of yen)

	March 31, 2022	March 31, 2023	Variance
Total assets	8,255.6	7,953.6	(302.0)
Net interest-bearing debt	1,860.0	1,483.1	(376.9)
Equity attributable to owners of the parent	2,242.2	2,877.7	635.6
Net DE ratio (times)	0.83	0.52	(0.31) points

(Note 1) Figures are rounded to the nearest hundred million yen.

(Note 2) Net interest-bearing debt is calculated as cash and cash equivalents and time deposit subtracted from the sum of bonds and borrowings (current and non-current).

(Note 3) From the fiscal year ended March 31, 2023, the denominator in the formula for calculating the net DE ratio has been changed from "total equity" to "equity attributable to owners of the parent". Accordingly, the net DE ratio at the end of the previous fiscal year is also calculated based on the revised calculation formula.

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Total assets at the end of the fiscal year, decreased by 302.0 billion yen from the end of the previous fiscal year to 7,953.6 billion yen due to decrease from the sale of Gavilon's grain business, despite increases from the Japanese yen depreciation and others. **Net interest-bearing debt** decreased by 376.9 billion yen from the end of the previous fiscal year to 1,483.1 billion yen, due to inflows of free cash, despite the Japanese yen depreciation, dividend payment and others. **Equity attributable to owners of the parent** increased by 635.6 billion yen from the end of the previous fiscal year to 2,877.7 billion yen, due to an increase in retained earnings by net profit accumulation, an increase in foreign currency translation adjustments by the Japanese yen depreciation and an improvement in the valuation difference of cash flow hedges due to rising U.S. dollar interest rates. Consequently, **net DE ratio** stood at 0.52 times.

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(5) Outlook for the Fiscal Year Ending March 31, 2024

Looking at the economic environment for the fiscal year ending March 31, 2024, a further slowdown is expected from persistent inflation and the tightening of the financial environment suppressing economic activity worldwide. In China, the lifting of strict quarantine measures against the COVID-19 is expected to lead to an economic recovery, particularly in service consumption. However, there are concerns that the real estate market will remain sluggish. In the United States, inflation and tight monetary policy are expected to weigh on consumer spending and investment activities, and the economy is expected to slow down as households draw on savings. There is also growing concern that international trade and investment activities will stagnate due to the geopolitical division surrounding the Russia/Ukraine situation and the conflict between the United States and China. Primary commodity prices are expected to be under downward pressure, mainly in terms of energy, due to the decline in demand caused by the economic slowdown. However, attention should be paid to the possibility that economic sanctions and protectionist policies could disrupt markets.

As for the financial environment, there is a concern that capital outflows in emerging countries with fragile economic structures will increase the risk of excessive debt, as central banks of developed countries maintain a high interest rate environment for the present moment to combat inflation. In this environment, the pace of global economic expansion is expected to slow further from the previous fiscal year.

In response to the above, the forecasts for fiscal year ending March 31, 2024, are as follows:

	Results for fiscal year ended March 31, 2023 (A)	Forecasts for fiscal year ending March 31, 2024 (B)	Variance (B-A)	Variance in percentage (%)
Profit attributable to owners of the parent (billions of yen)	543.0	420.0	(123.0)	(22.7%)
Earnings per share attributable to owners of the parent (basic) (yen)	316.11	246.90	(69.21)	(21.9%)

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< Forecasts of Net Profit by Segment for the Fiscal Year Ending March 31, 2024 >

(Billions of yen)

	Results for fiscal year ended March 31, 2023 (A)	Forecasts for fiscal year ending March 31, 2024 (B)	Variance (B-A)
Lifestyle	6.8	10.0	3.2
IT Solutions	9.5	8.0	(1.5)
Food I	11.6	11.0	(0.6)
Food II	76.9	24.0	(52.9)
Agri Business	42.7	45.0	2.3
Forest Products	(9.4)	6.0	15.4
Chemicals	14.3	14.0	(0.3)
Metals & Mineral Resources	199.4	173.0	(26.4)
Energy	38.7	32.0	(6.7)
Power	40.0	34.0	(6.0)
Infrastructure Project	8.8	11.0	2.2
Aerospace & Ship	28.2	20.0	(8.2)
Finance, Leasing & Real Estate Business	43.7	37.0	(6.7)
Construction, Industrial Machinery & Mobility	23.8	23.0	(0.8)
Next Generation Business Development	(5.1)	0.0	5.1
Next Generation Corporate Development	(2.0)	(3.0)	(1.0)
Other	15.1	(25.0)	(40.1)
Consolidated	543.0	420.0	(123.0)

(Note) Effective from the fiscal year ending March 31, 2024, the former operating segment of "ICT Business & Logistics" has been renamed as "IT Solutions". Also, parts of "Lifestyle" have been incorporated into "Finance, Leasing & Real Estate Business" and "Next Generation Business Development," parts of "ICT Business & Logistics" into "Next Generation Corporate Development," parts of "Energy" into "Power," parts of "Next Generation Business Development" into "Chemicals," and parts of "Other" into "IT Solutions" respectively. In conjunction with these organizational changes, operating segment information for the fiscal year ended March 31, 2023 has been reclassified.

Additionally, for "New Energy Business Development Dept." which has been newly established in the fiscal year ending March 31, 2024 incorporating parts of "Energy", "Power" and "Infrastructure Project", the profit/loss and others are allocated to "Energy", "Power" and "Infrastructure Project". In conjunction with these organizational changes, operating segment information for the fiscal year ended March 31, 2023 has been reclassified.

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<Assumptions of Major Financial Indicators for the Fiscal Year Ending March 31, 2024>

	Results for fiscal year ended March 31, 2023 (A)	Forecasts for fiscal year ending March 31, 2024 (B)	Variance (B-A)
Oil WTI: USD/Barrel	90	70	(20)
Copper LME: USD/MT	8,667	9,000	333
JPY TIBOR 3M: %	0.065	0.1	0.035
USD SOFR 3M: %	3.289	5.0	1.711
Foreign exchange rate (full-year average): USD/JPY	135.47	130	(5.47)

<Shareholder Returns Policy for the Fiscal Year Ending March 31, 2024>

As for the dividend for the period of the Mid-Term Management Strategy GC2024 (FYE 3/2023 - FYE 3/2025), the Company adopts a progressive dividend policy to increase its dividends through its medium- and long-term profit growth, and will conduct share buybacks flexibly toward the target of a total payout ratio of around 30%-35%.

The dividend per share for the fiscal year ending March 31, 2024, is forecasted to be 78.00 yen (interim dividend: 39.00 yen, year-end dividend: 39.00 yen).

(Notes to the description about future)

The descriptions about future such as the above earnings forecast are based upon available information and assumptions, as of the time of the announcement date, about uncertain factors which would influence future businesses. Actual results might be influenced by various factors in the future.

2. Basic Rationale behind Choice of Accounting Principles

The Marubeni Group has adopted IFRS to enhance its financial reporting's international comparability and user-friendliness in capital markets.

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3. Consolidated Financial Statements and Notes

(1) Consolidated Statements of Financial Position

	(Millions of yen)		
	March 31 2022	March 31 2023	Variance
Assets			
Current assets:			
Cash and cash equivalents	578,636	608,917	30,281
Time deposits	70	1,394	1,324
Trade and loan receivables	1,344,966	1,337,276	(7,690)
Other current financial assets	793,022	389,141	(403,881)
Inventories	1,429,006	1,157,864	(271,142)
Assets held-for-sale	20,098	-	(20,098)
Other current assets	264,684	265,982	1,298
Total current assets	4,430,482	3,760,574	(669,908)
Non-current assets:			
Investments in associates and joint ventures	1,993,285	2,316,481	323,196
Other investments	235,219	251,788	16,569
Trade and loan receivables	98,431	127,729	29,298
Other non-current financial assets	181,149	172,467	(8,682)
Property, plant and equipment	954,735	947,647	(7,088)
Intangible assets	287,912	300,875	12,963
Deferred tax assets	11,454	8,370	(3,084)
Other non-current assets	62,916	67,673	4,757
Total non-current assets	3,825,101	4,193,030	367,929
Total assets	8,255,583	7,953,604	(301,979)

Marubeni Corporation

Consolidated Financial Results

	(Millions of yen)		
	March 31	March 31	
	2022	2023	Variance
Liabilities and Equity			
Current liabilities:			
Bonds and borrowings	742,365	485,413	(256,952)
Trade and other payables	1,493,526	1,308,657	(184,869)
Other current financial liabilities	874,449	445,155	(429,294)
Income tax payable	28,555	36,537	7,982
Liabilities directly associated with assets held-for-sale	7,558	-	(7,558)
Other current liabilities	526,616	521,608	(5,008)
Total current liabilities	3,673,069	2,797,370	(875,699)
Non-current liabilities:			
Bonds and borrowings	1,696,302	1,607,983	(88,319)
Trade and other payables	1,410	1,006	(404)
Other non-current financial liabilities	322,832	312,917	(9,915)
Accrued pension and retirement benefits	66,139	46,630	(19,509)
Deferred tax liabilities	102,352	146,678	44,326
Other non-current liabilities	55,151	59,047	3,896
Total non-current liabilities	2,244,186	2,174,261	(69,925)
Total liabilities	5,917,255	4,971,631	(945,624)
Equity:			
Issued capital	262,947	263,324	377
Capital surplus	143,653	107,261	(36,392)
Other equity instruments	145,657	145,657	-
Treasury stock	(19,738)	(3,357)	16,381
Retained earnings	1,379,701	1,778,193	398,492
Other components of equity:			
Gains (losses) on financial assets measured at fair value through other comprehensive income	63,505	79,671	16,166
Foreign currency translation adjustments	330,292	456,527	126,235
Gains (losses) on cash flow hedges	(63,837)	50,471	114,308
Equity attributable to owners of the parent	2,242,180	2,877,747	635,567
Non-controlling interests	96,148	104,226	8,078
Total equity	2,338,328	2,981,973	643,645
Total liabilities and equity	8,255,583	7,953,604	(301,979)

Marubeni Corporation

Consolidated Financial Results

(2) Consolidated Statements of Comprehensive Income

	(Millions of yen)			
	Fiscal year ended March 31,			
	2022	2023	Variance	Ratio (%)
Revenue:				
Sale of goods	8,384,760	9,047,228	662,468	7.9
Commissions on services and trading margins	123,831	143,244	19,413	15.7
Total revenue	8,508,591	9,190,472	681,881	8.0
Cost of goods sold	(7,613,260)	(8,139,177)	(525,917)	6.9
Gross trading profit	895,331	1,051,295	155,964	17.4
Other income (expenses) :				
Selling, general and administrative expenses	(606,551)	(704,500)	(97,949)	16.1
Provision for doubtful accounts	(4,290)	(5,981)	(1,691)	39.4
Gains (losses) on property, plant and equipment				
Impairment losses on property, plant and equipment	(7,520)	(19,534)	(12,014)	159.8
Gains (losses) on sales of property, plant and equipment	2,574	3,739	1,165	45.3
Other income	37,371	42,165	4,794	12.8
Other expenses	(49,342)	(38,338)	11,004	(22.3)
Total other income (expenses)	(627,758)	(722,449)	(94,691)	15.1
Finance income (expenses):				
Interest income	10,937	25,059	14,122	129.1
Interest expense	(21,837)	(56,782)	(34,945)	160.0
Dividend income	24,379	10,380	(13,999)	(57.4)
Gains (losses) on investment securities	11,183	57,475	46,292	413.9
Total finance income (expenses)	24,662	36,132	11,470	46.5
Share of profits (losses) of associates and joint ventures	236,555	286,767	50,212	21.2
Profit for the year before tax	528,790	651,745	122,955	23.3
Income taxes	(93,840)	(98,926)	(5,086)	5.4
Profit for the year	434,950	552,819	117,869	27.1
Profit for the year attributable to:				
Owners of the parent	424,320	543,001	118,681	28.0
Non-controlling interests	10,630	9,818	(812)	(7.6)
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss for the year				
Gains (losses) on financial assets measured at fair value through other comprehensive income	(7,891)	12,229	20,120	—
Remeasurements of defined benefit plan	3,136	11,635	8,499	271.0
Changes in other comprehensive income of associates and joint ventures	(1,564)	1,498	3,062	—
Items that may be reclassified subsequently to profit or loss for the year				
Foreign currency translation adjustments	175,838	102,366	(73,472)	(41.8)
Gains (losses) on cash flow hedges	(7,883)	45,128	53,011	—
Changes in other comprehensive income of associates and joint ventures	51,936	110,118	58,182	112.0
Other comprehensive income, net of tax	213,572	282,974	69,402	32.5
Total comprehensive income for the year	648,522	835,793	187,271	28.9
Attributable to:				
Owners of the parent	635,720	826,114	190,394	29.9
Non-controlling interests	12,802	9,679	(3,123)	(24.4)

Marubeni Corporation

Consolidated Financial Results

(3) Consolidated Statements of Changes in Equity

◆ Fiscal year ended March 31, 2022 (April 1, 2021 - March 31, 2022)

(Millions of yen)

	Equity attributable to owners of the parent						
	Issued capital	Capital surplus	Other equity instruments	Treasury stock	Retained earnings	Other components of equity	
						Gains (losses) on financial assets measured at fair value through other comprehensive income	Foreign currency translation adjustments
Balance at beginning of year	262,686	143,667	243,589	(772)	1,067,377	43,864	123,789
Profit for the year					424,320		
Other comprehensive income						(11,536)	206,503
Share-based payment transactions	261	317					
Purchases and sales of treasury stock		15		(18,966)			
Dividends payment					(82,511)		
Equity transactions with non-controlling interests and others		1,722			49		
Distribution to owners of other equity instruments					(3,125)		
Redemption of other equity instruments		(2,068)	(97,932)				
Transfer to retained earnings					(26,409)	31,177	
Transfer to non-financial assets and others							
Balance at end of year	262,947	143,653	145,657	(19,738)	1,379,701	63,505	330,292

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Equity attributable to owners of the parent		
	Gains (losses) on cash flow hedges	Remeasurements of defined benefit pension plan	Other components of equity total			
Balance at beginning of year	(69,407)	-	98,246	1,814,793	92,714	1,907,507
Profit for the year				424,320	10,630	434,950
Other comprehensive income	11,665	4,768	211,400	211,400	2,172	213,572
Share-based payment transactions				578		578
Purchases and sales of treasury stock				(18,951)		(18,951)
Dividends payment				(82,511)	(7,217)	(89,728)
Equity transactions with non-controlling interests and others				1,771	(2,151)	(380)
Distribution to owners of other equity instruments				(3,125)		(3,125)
Redemption of other equity instruments				(100,000)		(100,000)
Transfer to retained earnings		(4,768)	26,409	-		-
Transfer to non-financial assets and others	(6,095)		(6,095)	(6,095)		(6,095)
Balance at end of year	(63,837)	-	329,960	2,242,180	96,148	2,338,328

Marubeni Corporation

Consolidated Financial Results

◆ Fiscal year ended March 31, 2023 (April 1, 2022 - March 31, 2023)

(Millions of yen)

	Equity attributable to owners of the parent						
	Issued capital	Capital surplus	Other equity instruments	Treasury stock	Retained earnings	Other components of equity	
						Gains (losses) on financial assets measured at fair value through other comprehensive income	Foreign currency translation adjustments
Balance at beginning of year	262,947	143,653	145,657	(19,738)	1,379,701	63,505	330,292
Adjustment at the beginning of the fiscal year (hyperinflationary economy)		227					2,047
Profit for the year					543,001		
Other comprehensive income						13,717	124,188
Share-based payment transactions	377	422					
Purchases and sales of treasury stock		(491)		(39,855)			
Cancellation of treasury stock		(31,637)		56,236	(24,599)		
Dividends payment					(127,208)		
Equity transactions with non-controlling interests and others		(4,913)			(2,550)		
Distribution to owners of other equity instruments							
Transfer to retained earnings					9,848	2,449	
Transfer to non-financial assets and others							
Balance at end of year	263,324	107,261	145,657	(3,357)	1,778,193	79,671	456,527

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Equity attributable to owners of the parent		
	Gains (losses) on cash flow hedges	Remeasurements of defined benefit pension plan	Other components of equity total			
Balance at beginning of year	(63,837)	-	329,960	2,242,180	96,148	2,338,328
Adjustment at the beginning of the fiscal year (hyperinflationary economy)			2,047	2,274		2,274
Profit for the year				543,001	9,818	552,819
Other comprehensive income	132,911	12,297	283,113	283,113	(139)	282,974
Share-based payment transactions				799		799
Purchases and sales of treasury stock				(40,346)		(40,346)
Cancellation of treasury stock				-		-
Dividends payment				(127,208)	(7,317)	(134,525)
Equity transactions with non-controlling interests and others				(4,913)	5,716	803
Distribution to owners of other equity instruments				(2,550)		(2,550)
Transfer to retained earnings		(12,297)	(9,848)	-		-
Transfer to non-financial assets and others	(18,603)		(18,603)	(18,603)		(18,603)
Balance at end of year	50,471	-	586,669	2,877,747	104,226	2,981,973

Marubeni Corporation

Consolidated Financial Results

(4) Consolidated Statements of Cash Flows

	(Millions of yen)		
	Fiscal year ended March 31, 2022	2023	Variance
Operating activities			
Profit for the year	434,950	552,819	117,869
Adjustments to reconcile profit for the period to net cash provided by (used in) operating activities:			
Depreciation and amortisation	143,039	156,539	13,500
(Gains) Losses on property, plant and equipment	4,946	15,795	10,849
Finance (income) expenses	(24,662)	(36,132)	(11,470)
Share of profits of associates and joint ventures	(236,555)	(286,767)	(50,212)
Income taxes	93,840	98,926	5,086
Changes in notes and trade accounts receivable	(190,963)	31,779	222,742
Changes in inventories	(341,487)	127,644	469,131
Changes in notes and trade accounts payable	228,877	(160,483)	(389,360)
Other-net	61,217	25,390	(35,827)
Interest received	8,905	21,980	13,075
Interest paid	(21,592)	(53,981)	(32,389)
Dividends received	213,933	194,956	(18,977)
Income taxes paid	(62,529)	(82,131)	(19,602)
Net cash provided by/used in operating activities	311,919	606,334	294,415
Investing activities			
Net (increase) decrease in time deposits	50	(1,209)	(1,259)
Proceeds from sale of property, plant and equipment	14,106	18,033	3,927
Collection of loans receivable	36,423	12,299	(24,124)
Proceeds from sale of subsidiaries, net of cash and cash equivalents disposed of	9,115	330,086	320,971
Proceeds from sale of investments in associates and joint ventures, and other investments	69,865	44,096	(25,769)
Purchase of property, plant and equipment	(101,805)	(104,260)	(2,455)
Loans provided to customers	(41,630)	(33,477)	8,153
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(7,804)	(8,065)	(261)
Purchase of investments in associates and joint ventures, and other investments	(57,980)	(100,698)	(42,718)
Net cash provided by/used in investing activities	(79,660)	156,805	236,465
Financing activities			
Net increase (decrease) in short-term borrowings	77,224	(386,812)	(464,036)
Proceeds from long-term bonds and borrowings	287,649	234,195	(53,454)
Repayments of long-term bonds and borrowings	(569,406)	(442,890)	126,516
Dividends paid to owners of the parent	(82,511)	(127,208)	(44,697)
Net cash outflows on purchases and sales of treasury stock	(19,212)	(40,965)	(21,753)
Capital contribution from non-controlling interests	1,055	8,015	6,960
Acquisition of equity portion of subsidiary from non-controlling interests	(4,271)	(1,046)	3,225
Distribution to owners of other equity instruments	(3,125)	(2,550)	575
Redemption of other equity instruments	(100,000)	-	100,000
Other	(7,040)	(7,326)	(286)
Net cash provided by/used in financing activities	(419,637)	(766,587)	(346,950)
Effect of exchange rate changes on cash and cash equivalents	19,343	33,638	14,295
Net increase (decrease) in cash and cash equivalents	(168,035)	30,190	198,225
Cash and cash equivalents at beginning of period	745,858	578,636	(167,222)
Increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale	813	91	(722)
Cash and cash equivalents at end of year	578,636	608,917	30,281

(5) Notes Related to Going Concern Assumptions

: None

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Consolidated Financial Results

(6) Segment Information

<Operating Segment>

◆ Fiscal year ended March 31, 2022 (April 1, 2021 - March 31, 2022)

(Millions of yen)

	Lifestyle	ICT Business & Logistics	Food I	Food II	Agri Business	Forest Products	Chemicals	Metals & Mineral Resources	Energy
Revenue	153,997	334,677	740,203	3,556,089	1,140,245	200,599	558,816	425,106	714,719
Gross trading profit (loss)	40,020	94,284	51,444	125,187	234,780	38,176	42,167	67,732	66,990
Operating profit (loss)	7,849	16,083	8,563	64,573	88,172	15,787	20,479	48,620	34,330
Share of profits (losses) of associates and joint ventures	482	283	4,694	6,046	572	642	2,115	158,881	5,205
Profit (loss) attributable to owners of the parent	5,454	9,150	14,509	46,438	59,805	7,625	17,203	190,660	37,711
Segment assets (as of March 31, 2022)	155,424	351,164	403,281	1,344,527	988,646	315,535	313,061	1,070,061	718,198

	Power	Infrastructure Project	Aerospace & Ship	Finance, Leasing & Real Estate Business	Construction, Industrial Machinery & Mobility	Next Generation Business Development	Next Generation Corporate Development	Other	Consolidated
Revenue	187,489	23,086	85,998	54,045	340,836	3,046	16	(10,376)	8,508,591
Gross trading profit (loss)	(9,013)	10,594	31,321	27,262	82,820	2,041	10	(10,484)	895,331
Operating profit (loss)	(48,762)	(5,898)	19,940	4,366	21,059	(1,501)	(606)	(8,564)	284,490
Share of profits (losses) of associates and joint ventures	15,454	10,484	7,836	17,745	6,022	87	(75)	82	236,555
Profit (loss) attributable to owners of the parent	(27,716)	7,309	26,642	7,019	22,546	(1,548)	865	648	424,320
Segment assets (as of March 31, 2022)	1,122,239	237,836	296,020	494,759	315,921	16,657	11,145	101,109	8,255,583

◆ Fiscal year ended March 31, 2023 (April 1, 2022 - March 31, 2023)

(Millions of yen)

	Lifestyle	ICT Business & Logistics	Food I	Food II	Agri Business	Forest Products	Chemicals	Metals & Mineral Resources	Energy
Revenue	181,607	356,597	891,037	2,909,585	1,494,468	267,498	675,245	521,927	931,916
Gross trading profit (loss)	50,019	99,060	56,890	93,502	231,447	50,174	45,551	89,281	96,838
Operating profit (loss)	9,851	17,704	10,085	32,844	50,235	24,047	19,438	68,110	58,722
Share of profits (losses) of associates and joint ventures	(19)	547	4,738	3,562	1,202	(11,328)	2,461	155,004	10,009
Profit (loss) attributable to owners of the parent	4,466	9,541	11,553	76,934	42,732	(9,382)	14,264	199,359	38,252
Segment assets (as of March 31, 2023)	183,678	371,985	425,999	560,361	1,099,277	323,206	322,871	1,209,495	554,999

	Power	Infrastructure Project	Aerospace & Ship	Finance, Leasing & Real Estate Business	Construction, Industrial Machinery & Mobility	Next Generation Business Development	Next Generation Corporate Development	Other	Consolidated
Revenue	334,172	23,102	116,416	50,380	441,476	4,393	-	(9,347)	9,190,472
Gross trading profit (loss)	61,437	12,797	39,098	25,737	106,176	2,828	-	(9,540)	1,051,295
Operating profit (loss)	8,180	(6,163)	25,898	648	28,537	(1,327)	(1,535)	(4,460)	340,814
Share of profits (losses) of associates and joint ventures	40,651	15,876	11,517	43,396	8,779	650	(371)	93	286,767
Profit (loss) attributable to owners of the parent	40,252	8,977	28,198	43,775	23,846	(2,809)	(1,979)	15,022	543,001
Segment assets (as of March 31, 2023)	1,179,566	282,195	334,644	550,354	379,750	28,143	13,448	133,633	7,953,604

(Note 1) Effective from the fiscal year ended March 31, 2023, "ICT & Real Estate Business" has been renamed "ICT Business & Logistics", and "Finance & Leasing Business" has been renamed "Finance, Leasing & Real Estate Business". Concurrently, certain portions of "ICT & Real Estate Business" have been incorporated into "Finance, Leasing & Real Estate Business", certain portions of "Agri Business" have been incorporated into "Food-II", certain portions of "Power Business" have been incorporated into "Construction, Industrial Machinery & Mobility", and certain portions of "Construction, Industrial Machinery & Mobility" have been incorporated into "Lifestyle". In addition, "Next Generation Corporate Development" has been newly established, and certain portions of "Next Generation Business Development" have been incorporated into "Next Generation Corporate Development." In conjunction with these changes, operating segment information for the fiscal year ended March 31, 2022 has been restated and is presented accordingly.

(Note 2) "Operating profit (loss)" is presented in accordance with Japanese accounting practice for investors' convenience and is not required by IFRS. "Operating profit (loss)" is the sum of "Gross trading profit", "Selling, general and administrative expenses" and "Provision for doubtful accounts".

(Note 3) Inter-segment transactions are generally priced in accordance with the prevailing market prices.

(Note 4) "Other" includes profit/loss such as head office expenses that are not allocated to the operating segments, inter-segment elimination, and assets such as cash and cash equivalents related to financing held for general corporate purposes that are not allocated to the operating segments.

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Consolidated Financial Results

(7) Earnings per Share

The following table sets forth the calculation of basic and diluted earnings per share attributable to owners of the parent:

	Fiscal year ended March 31,	
	2022	2023
Numerator (millions of yen):		
Profit for the year attributable to owners of the parent	424,320	543,001
Adjustment amount used for calculation of earnings per share attributable to owners of the parent (basic)		
Amount not attributable to owners of the parent	2,971	2,550
Profit for the year used for calculation of earnings per share attributable to owners of the parent (basic)	421,349	540,451
Adjustment amount used for calculation of earnings per share attributable to owners of the parent (diluted)	(2)	(3)
Profit for the year used for the calculation of earnings per share attributable to owners of the parent (diluted)	421,347	540,448
Denominator (number of shares):		
Weighted average number of ordinary shares used for the calculation of earnings (losses) per share attributable to owners of the parent (basic)	1,734,758,842	1,709,705,857
Effect of dilution		
Adjustment concerning stock acquisition rights	2,425,755	1,827,219
Adjustment concerning restricted stock	534,597	618,901
Adjustment concerning restricted stock with market capitalisation condition	201,943	385,034
Weighted average number of ordinary shares used for the calculation of earnings per share attributable owners of the parent (diluted)	1,737,921,137	1,712,537,011
Basic earnings per share attributable to owners of the parent (yen)	242.89	316.11
Diluted earnings per share attributable to owners of the parent (yen)	242.44	315.58

(8) Material Subsequent Events

<Share Buybacks and Cancellation of Treasury Stock>

To implement a flexible capital policy and enhance shareholder returns, the Company has decided to repurchase shares of its common stock on the Tokyo Stock Exchange, up to 30.0 billion yen or 35 million shares during the period from May 9, 2023 to July 31, 2023.

All shares repurchased are scheduled to be canceled on August 25, 2023.

For the details, please refer to the Company released titled as " Notice Regarding Share Repurchases and Cancellation of Treasury Stock" announced on May 8, 2023.