

2023.06

Consolidated Financial Results Q1 FYE 3/2024

August 4, 2023

TSE Code: 8002

Disclaimer Regarding Forward Looking Statements and Original Language

This material contains forward-looking statements about the future performance, events or management plans of Marubeni Corporation and its Group companies (the Company) based on the available information, certain assumptions and expectations at the point of disclosure, of which many are beyond the Company's control. These are subject to a number of risks, uncertainties and factors, including, but not limited to, economic and financial conditions, factors that may affect the level of demand and financial performance of the major industries and customers we serve, interest rates and currency fluctuations, availability and cost of funding, fluctuations in commodity and materials prices, political turmoil in certain countries and regions, litigation claims, changes in laws, regulations and tax rules, and other factors. Actual results, performances and achievements may differ materially from those described explicitly or implicitly in the relevant forward-looking statements. The Company has no responsibility for any possible damages arising from the use of information on this material, nor does the Company have any obligation to update these statements, information, future events or otherwise.

This material is an English language translation of the materials originally written in Japanese. In case of discrepancies, the Japanese version is authoritative and universally valid.

01 Key Factors of Q1 FYE 3/2024

- **Net profit** amounted **¥141.3bn (-¥60.4bn year on year)** Progress to the full-year net profit forecast for FYE 3/2024 is **34%**
- **Adjusted net profit** was **¥134.0bn (-¥64.0bn year on year)** Progress likewise is **30%**

- Non-resources (-¥21.0bn year on year): Increased in *Power* and others, decreased in *Agri Business* and others due mainly to the normalization in business environment
- Resources (-¥46.0bn year on year): Decreased in the coking coal and the copper businesses, due to lower coking coal and copper prices

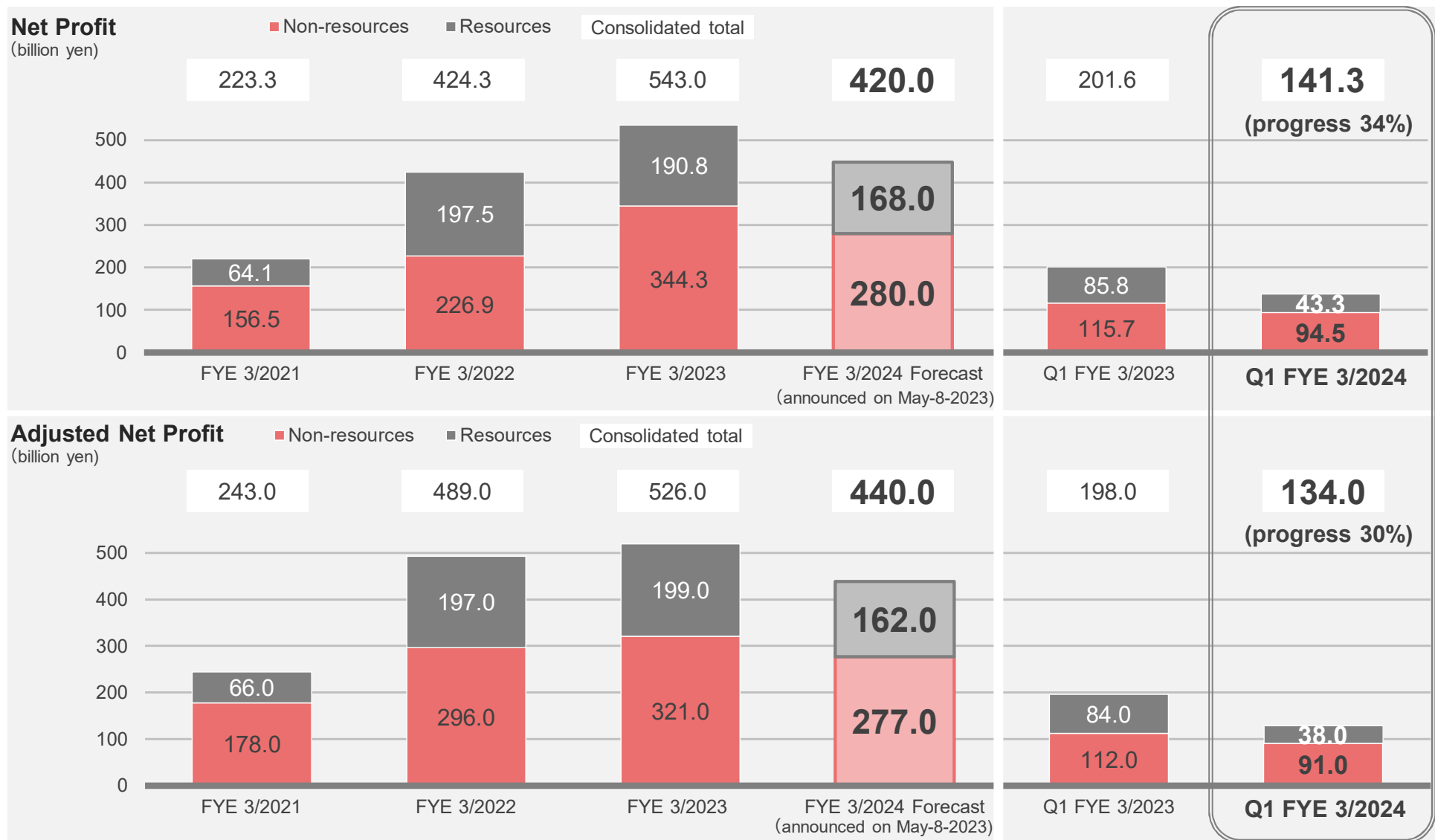
- **Core operating cash flow** was **¥141.8bn (-¥64.7bn)**

(billion yen)	Q1 FYE 3/2023	Q1 FYE 3/2024	Change	FYE 3/2024 Forecast (announced on May-8-2023)
Net profit	201.6	141.3 (progress 34%)	-60.4	420.0
Adjusted net profit	198.0	134.0 (progress 30%)	-64.0	440.0
Core operating cash flow	+206.4	+141.8	-64.7	+510.0
Free cash flow after shareholder distributions (excluding changes in working capital and others)	+39.6	-67.5	-107.0	±0.0
	Mar-31-2023	Jun-30-2023	Change	Mar-31-2024 Forecast
Net DE ratio	0.52 times	0.52 times	+0.00 points	approx. 0.6~0.7 times
	FYE 3/2023			FYE 3/2024 Forecast
Dividend per share (annual)	78 yen			78 yen

* Adjusted net profit: net profit excluding one-time items, shown in an approximate figure. For one-time items, please refer to P3 of "IR Supplementary Information"

* Core operating cash flow: operating cash flow excluding net increase/decrease in working capital and others

02 Net Profit and Adjusted Net Profit

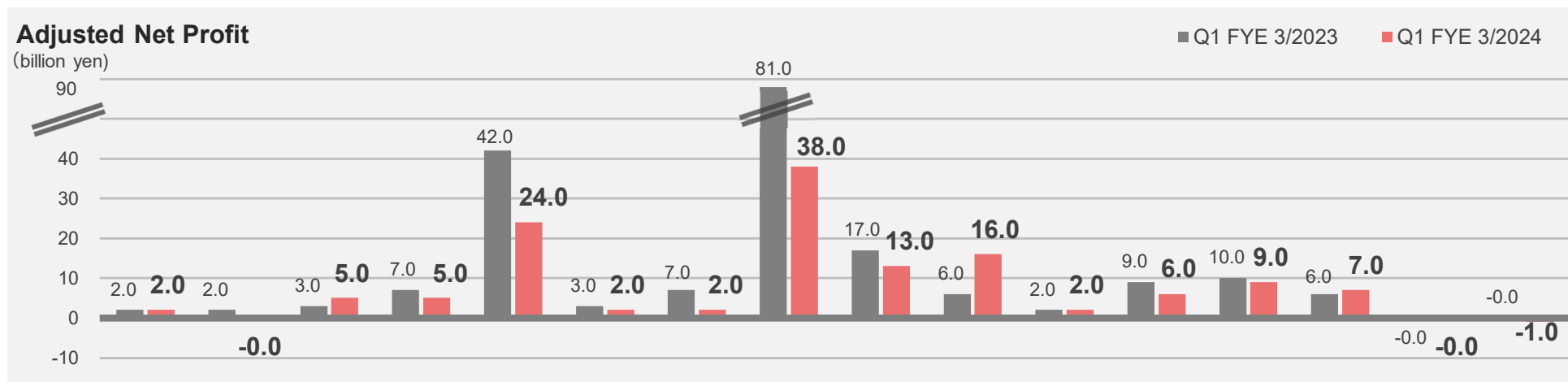
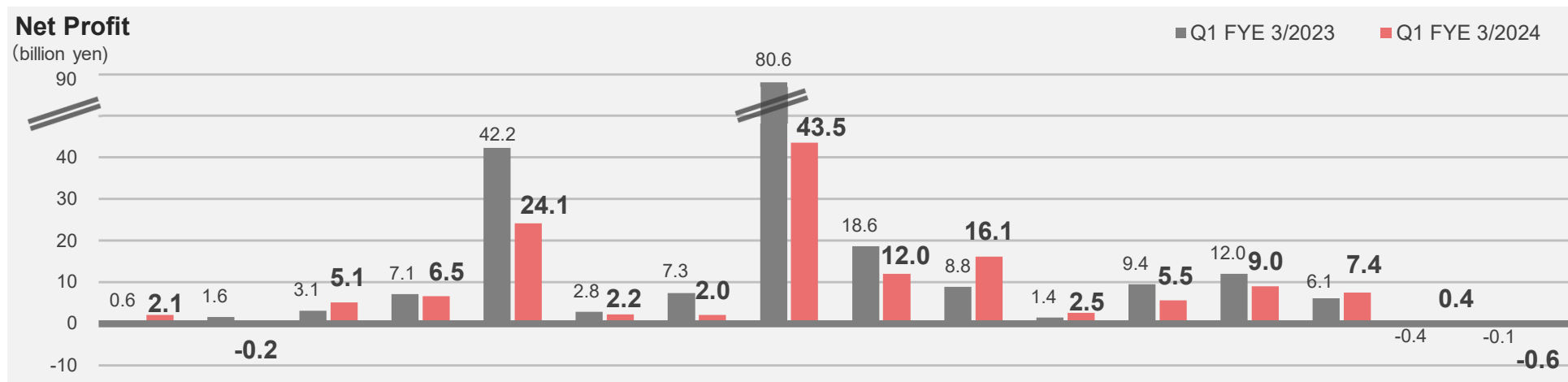


* Resources: Total of "Energy" and "Metals & Mineral Resources" excluding "Steel Products Dept."
 Other: Total of "Next Generation Business Development", "Next Generation Corporate Development" and "Other"
 Non-resources: Other than the above

* "Other"

(billion yen)	FYE 3/2021	FYE 3/2022	FYE 3/2023	FYE 3/2024 Forecast	FYE 3/2023 Q1	FYE 3/2024 Q1
Net profit	2.7	-0.0	7.9	-28.0	0.1	3.5
Adjusted net profit	-1.0	-4.0	6.0	1.0	2.0	5.0

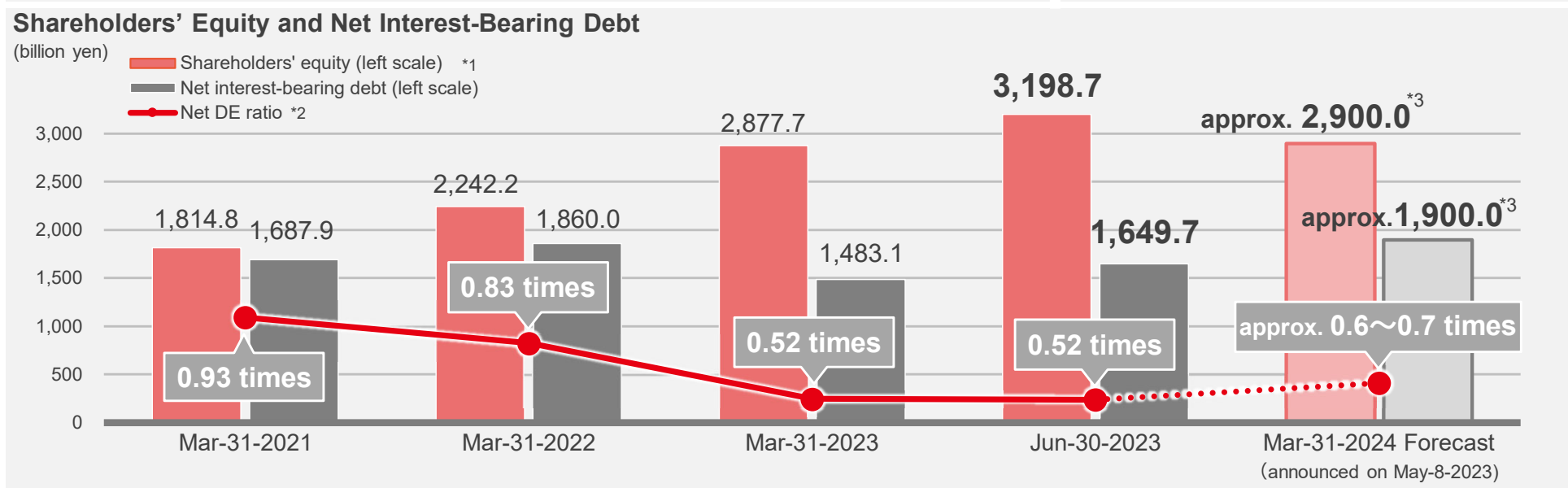
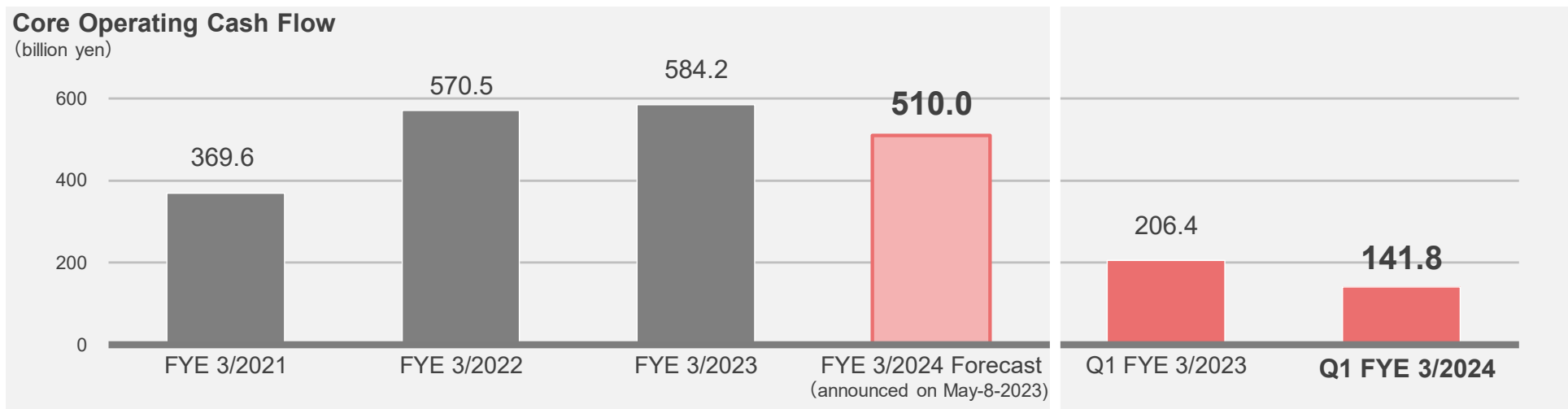
03 Profit by Segment Q1 FYE 3/2024 vs Q1 FYE 3/2023



Lifestyle	IT Solutions	Food I	Food II	Agri Business	Forest Products	Chemicals	Metals & Mineral Resources	Energy	Power	Infrastructure Project	Aerospace & Ship	Finance, Leasing & Real Estate Business	Construction, Industrial Machinery & Mobility	Next Generation Business Development	Next Generation Corporate Development
Consumer Products				Materials			Energy & Infrastructure Solution			Transportation & Industrial Machinery, Financial Business			CDIO		

* Operating segment information for FYE 3/2023 has been reclassified due to organizational changes. Please refer to P2 of "IR Supplementary Information" for the details

04 Cash Flow Generation/Shareholders' Equity/Net Interest-Bearing Debt



*1 "Equity attributable to owners of the parent" is described as "shareholders' equity" in this material

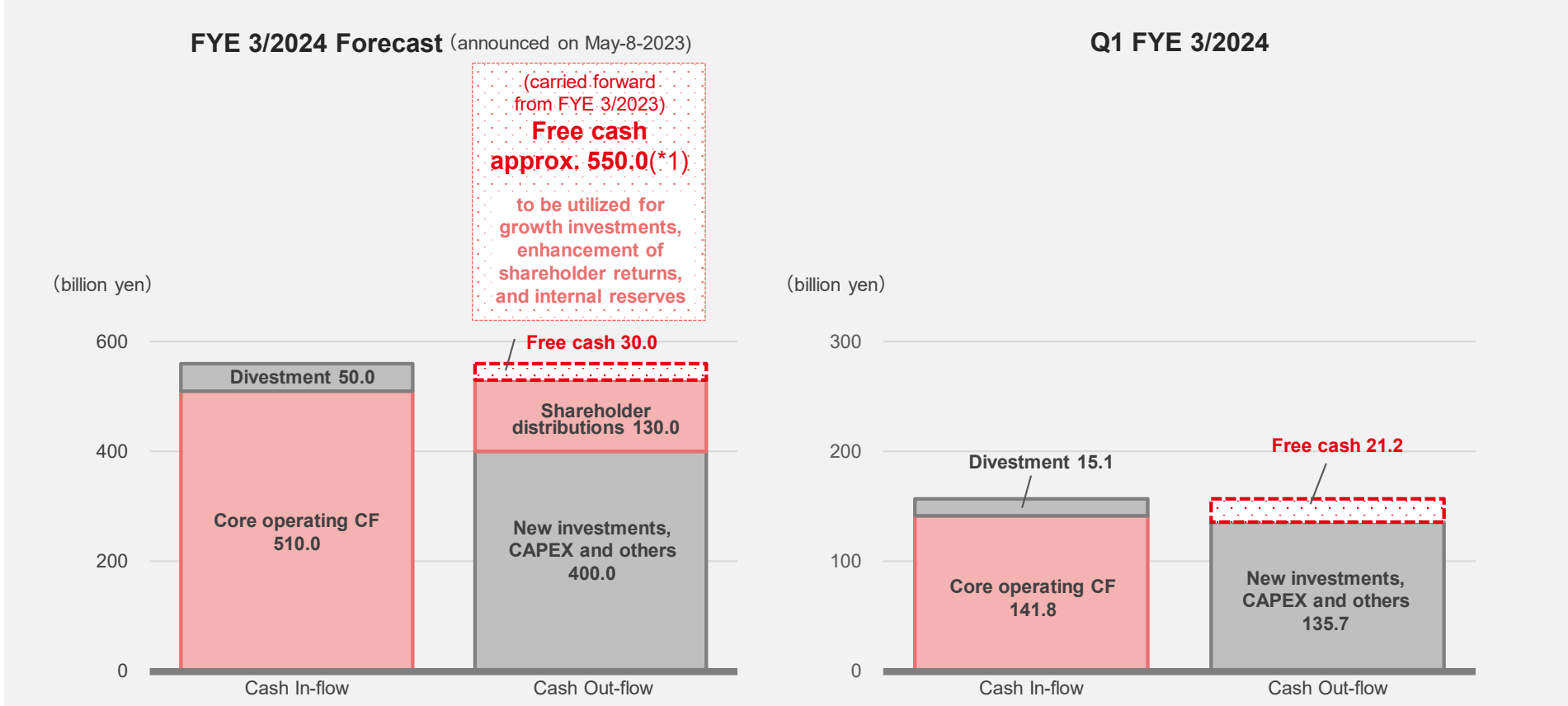
*2 "For FYE 3/2023 and beyond, the denominator to calculate net DE ratio has been changed from "total equity" to "shareholders' equity." Net DE ratio for previous fiscal years have been re-presented accordingly

*3 Factoring in the repayment of ¥150.0bn of the perpetual subordinated loan. (Shareholders' equity is expected to decrease and net interest-bearing debt to increase respectively, by the same amount)

05 Capital Allocation

- Free cash carried forward from FYE 3/2023 amounts approx. ¥550.0bn, excluding ¥30.0bn of share buybacks resolved in May-2023
- Free cash will be utilized for growth investments, enhancement of shareholder returns, and internal reserves
- For FYE 3/2024, growth investments to promote the growth strategies in each business domain are enhanced. For Q1, a total of ¥135.7bn of new investments and CAPEX were allocated. A good progress toward the full-year target of ¥400.0bn

Capital Allocation (* excluding changes in working capital and others. Figures for shareholder distributions are aggregated in the fiscal year to which the profit i.e. the source of funds is attributed, and are different from cash flow.)



*1 Includes funds collected through the sale of Gavilon's grain business (approx. ¥330.0bn)

06 New Investments and Divestments Main Items for Q1 FYE 3/2024

(billion yen)	Q1 FYE 3/2024 ^{*2}				Q1 FYE 3/2024 Main items	FYE 3/2024 Forecast (announced on May-8-2023)	
	Q1 FYE 3/2024		Horizon 1	Horizon 2			Horizon 3
New Investments + CAPEX and others *1	- 135.7		- 68.4	- 48.1	- 19.2	- 400.0	
New Invest- ments	- 62.8	Distribution Business	- 55.2	- 36.3	- 18.9	Horizon 2 <ul style="list-style-type: none"> • Aircraft surplus parts distributor (Diversified Aero Services, USA) • Automotive aftermarket business (MAIHOU related, USA) • Confectionery manufacture and sales (Atrion, Japan) • Agri-inputs related business (Aubos Real related, Brazil) Horizon 3 <ul style="list-style-type: none"> • Healthcare turnkey solutions provider (Lunatus, UAE) • Developer and manufacturer of supercapacitors (Skeleton, Estonia) 	- 250.0
		Finance Business	- 2.9	- 2.7	- 0.3		
		Stable Earnings- Type Business	- 4.5	- 4.5	-	• Power generation business (renewable energy, etc.)	
		Natural Resource Investments	- 0.1	- 0.1	-		
		CAPEX and others	- 72.9	- 68.3	- 68.3	-	
		- 4.5	- 0.0	- 4.5			
Divestment	+15.1					+50.0	
Total	- 120.6					- 350.0	

*1 CAPEX and others: additional capital expenditure and others in order to maintain and improve values of existing investments and loans

*2 Horizon 1: improvement of existing businesses, Horizon 2: pursuit of strategies in existing business domains, Horizon 3: new business models and growth domains currently not yet focused on

*3 Including approximately -32.0 billion yen of short-term agriculture loan which Helena (USA) provided to customers

07 Markets and Commodity Volumes

Markets		FYE 3/2023 Q1	FYE 3/2024 Q1	Change	FYE 3/2024 Full-year Assumption	Sensitivity to *3 Net Profit
Oil	WTI (USD/bbl)	109	74	- 35	70	approx. JPY0.3bn/[USD1/bbl]*4
Copper	LME (USD/ton) *1	9,927	8,627	- 1,300	9,000	approx. JPY1.3bn/[USD100/ton]
Interest Rate	JPY TIBOR 3 months (%)	0.067	0.074	+ 0.007 points	0.1	
	USD SOFR 3 months (%)	1.315	5.127	+ 3.812 points	5.0	
Currency	USD/JPY Term Average (yen)	129.57	137.37	JPY depreciation by 7.80yen	130	approx. JPY1.6bn/[JPY1/USD]
	USD/JPY Term-end (yen)	Mar-31-2023 133.53	June-30-2023 144.99	JPY depreciation by 11.46yen	Mar-31-2024 130	
Commodity Volumes		FYE 3/2023 Q1	FYE 3/2024 Q1	Change	FYE 3/2023 Full-year	FYE 3/2024 Initial Plan
Oil, Gas	Equity Production Volume (K boe/day) *2	11	11	- 0	12	11
Copper	Equity Sales Volume (K ton)	29	30	+ 1	124	
Coking Coal	Equity Sales Volume (K ton)	1,725	1,510	- 215	5,780	

*1 March-to-May average for Q1, March-to-February average for full-year

*2 Total of oil and gas E&P at Gulf of Mexico (USA), US onshore (USA), and Indian Sea

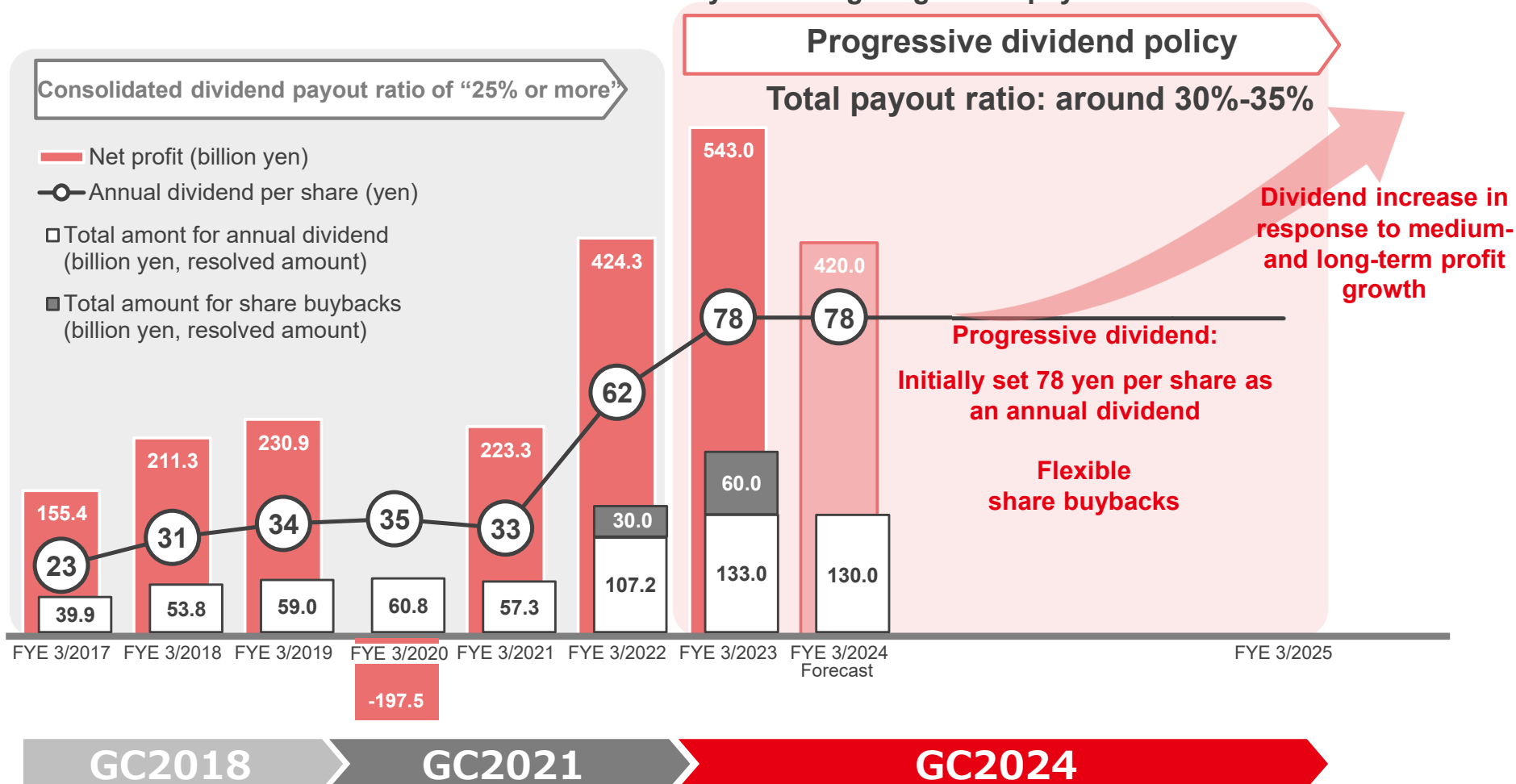
(According to the revision of the calculation method, as of FYE 3/2023, US onshore projects have been added to the scope of Oil and Gas E&P. Figures for Q1 FYE 3/2023 are also restated)

*3 Sensitivity to the full-year forecast for FYE 3/2024

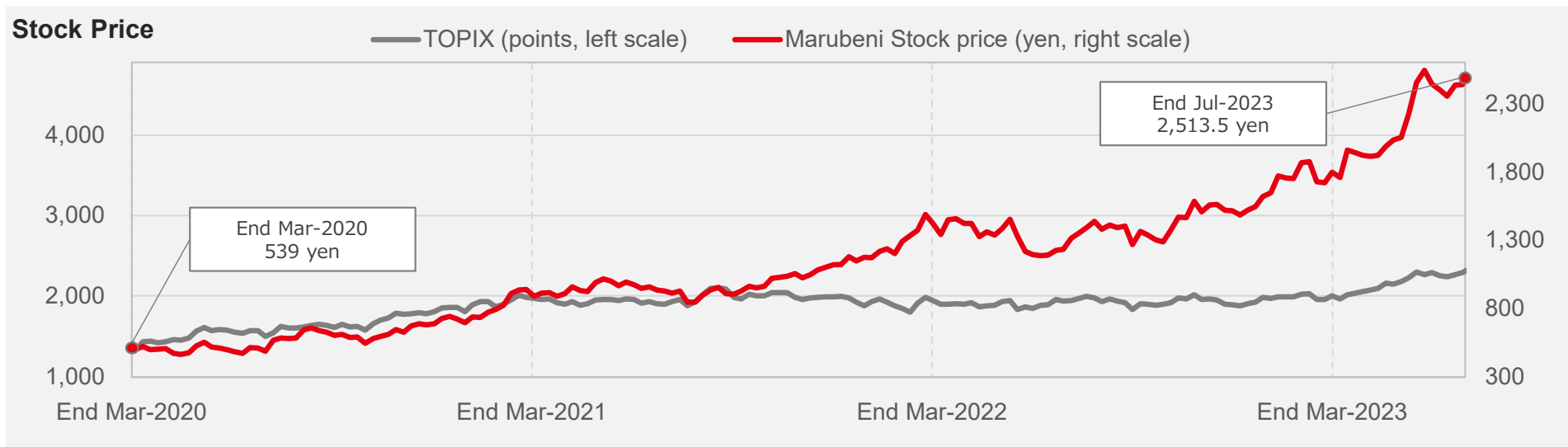
*4 Sensitivity to oil prices (WTI and Brent) in Oil and Gas E&P

Ref.Shareholder Returns for GC2024 (announced on Feb-3-2023)

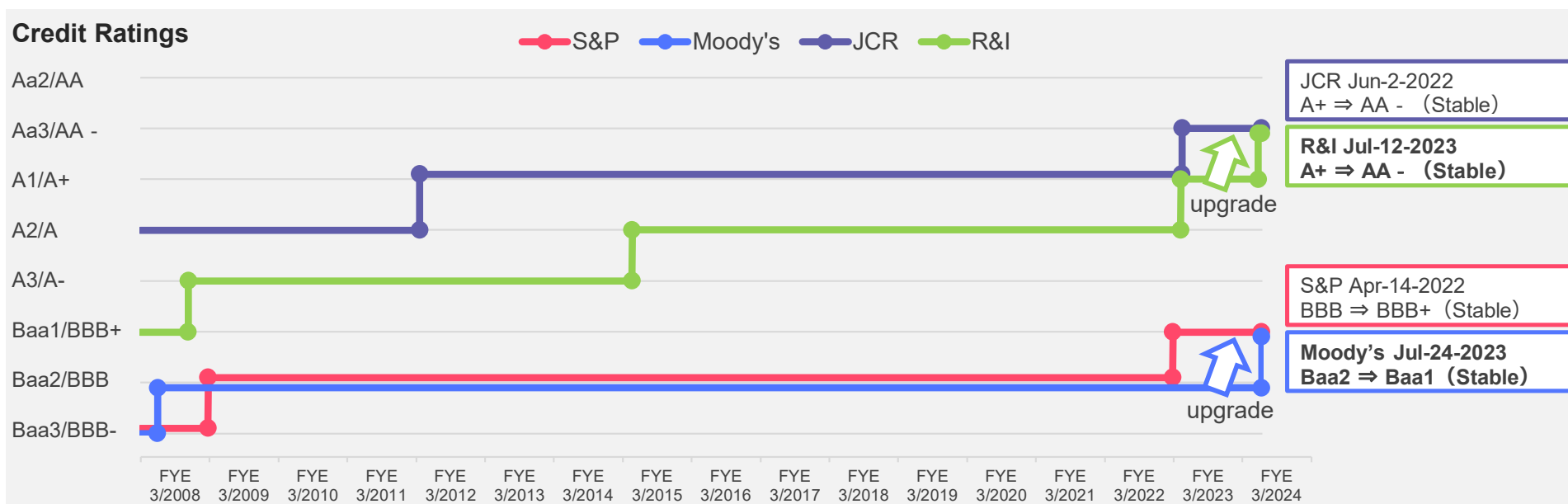
- **Basic policy** to pay a **stable dividend** over the long term and to **increase dividends** in response to medium- and long-term profit growth
- Under the GC2024 Mid-Term Management Strategy (FYE 3/2023-FYE 3/2025), adopt a **progressive dividend policy** not to reduce dividends and **conduct flexible share buybacks** targeting a total payout ratio of around 30%-35%



Ref. Stock Price and Credit Ratings



- R&I and Moody's raised Marubeni's credit ratings on Jul-12-2023 and on Jul-24-2023 respectively





Global crossvalue platform

Marubeni