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**Summary of Consolidated Financial Results**  
**For the Fiscal Year Ended March 31, 2020**  
**(IFRS basis)**

(April 1, 2019 – March 31, 2020)

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*\*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)

(Updated) Correction to the English Translation of “Summary of Consolidated Financial Results For the Fiscal Year Ended March 31, 2020 (IFRS basis) (April 1, 2019 – March 31, 2020)”

Parts of the English translation of “Summary of Consolidated Financial Results For the Fiscal Year Ended March 31, 2020 (IFRS basis) (April 1, 2019 - March 31, 2020)” disclosed on May 7, 2020 ( “Summary of Consolidated Financial Results” ) are corrected as stated below.

The Japanese original text of the Summary of Consolidated Financial Results is correct and therefore no correction of the Japanese original text will be provided.

Corrected Contents (the corrected part is underlined).

- “1. Consolidated financial results for FYE 3/2020 (April 1, 2019 - March 31, 2020)” under “Summary of Consolidated Financial Statements for the Fiscal Year Ended March 31, 2020 (IFRS basis)” on Cover page. The year stated on 1. is corrected as below:

[Before Correction]

“Consolidated financial results for FYE 3/2019 (April 1, 2019 - March 31, 2020)”

[After Correction]

“Consolidated financial results for FYE 3/2020 (April 1, 2019 - March 31, 2020)”

- “ICT & Real Estate Business” under “(2) Operating Results” of “1. Business Review” on Page 4. A part is added to the first sentence of the first paragraph as below:

[Before Correction]

“Gross trading profit increased 18.8 billion yen (19.0%) year on year to 117.3 billion yen as a result of a consolidation of a subsidiary, ARTERIA Networks (also referred to as ARTE consolidation) that was previously an equity-method associate, and operating profit increased 9.6 billion yen (52.5%) year on year to 27.9 billion yen.”

[After Correction]

“Gross trading profit increased 18.8 billion yen (19.0%) year on year to 117.3 billion yen as a result of a consolidation of a subsidiary, ARTERIA Networks (also referred to as ARTE consolidation) that was previously an equity-method associate, as well as a sales increase in domestic real estate business, and operating profit increased 9.6 billion yen (52.5%) year on year to 27.9 billion yen.”

- “Agri Business” under “(2) Operating Results” of “1. Business Review” on Page 6. A sentence stated on the fourth line of the first paragraph is deleted as below:

[Before Correction]

“accounted impairment losses as a result a year-earlier.”

[After Correction]

~~“accounted impairment losses as a result a year-earlier.”~~

- “(5) Outlook for the Fiscal Year Ending March 31, 2021” under “1. Business Review” on Page 12. The year stated on the first line of the fourth paragraph is corrected as below:

[Before Correction]

“The forecasts of consolidated earnings for the fiscal year ending March 31, 2020”

[After Correction]

“The forecasts of consolidated earnings for the fiscal year ending March 31, 2021”

All other parts remain unchanged.

## Summary of Consolidated Financial Statements for the Fiscal Year Ended March 31, 2020 (IFRS basis)

Company name: Marubeni Corporation (URL <https://www.marubeni.com/en/>) Code number: 8002  
 Listed: Tokyo, Nagoya  
 Representative: KAKINOKI Masumi President and CEO, Member of the Board  
 Inquiries: TACHIBANA Masato General Manager, Media Relations Sec., Corporate Communications Dept. TEL (03) 3282 - 4803  
 Expected date of annual meeting of shareholders: June 19, 2020  
 Expected filing date of annual financial statement report: June 19, 2020  
 Expected date of the beginning of delivery of dividends: June 5, 2020  
 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 FYE 3/2020 (April 1, 2019 - March 31, 2020)

(Remarks)

Figures are rounded to the nearest million.

%: change from the previous fiscal year

#### (1) Consolidated business results

	Revenue		Operating profit		Profit before tax		Profit for the year		Profit attributable to owners of the parent		Comprehensive income for the year	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
FYE 3/2020	6,827,641	(7.8)	133,875	(22.6)	(165,935)	-	(190,191)	-	(197,450)	-	(388,329)	-
FYE 3/2019	7,401,256	(1.8)	173,009	46.6	288,819	13.3	239,284	10.5	230,891	9.3	279,563	85.1

	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)	(%)	(%)	(%)	(%)	(%)
FYE 3/2020	(116.03)	(13.4)	(116.03)	(13.4)	(13.4)	(13.4)	(2.5)	(2.5)
FYE 3/2019	130.74	13.9	130.62	13.9	13.9	13.9	4.2	4.2

(Reference) Share of profits of associates and joint ventures  
 FYE 3/2020 (55,150) million yen  
 FYE 3/2019 85,278 million yen

- (Note) 1. "Operating profit" are 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" and "Selling, general and administrative expenses" including "Provision for doubtful accounts".  
 2. "Basic and diluted earnings per share attributable to owners of the parent" are 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

	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)	(%)
March 31, 2020	6,320,037		1,604,600		1,515,475		24.0		731.72	
March 31, 2019	6,809,077		2,071,726		1,977,741		29.0		998.47	

(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

	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)	(%)
FYE 3/2020	326,981		(209,790)		(93,261)		522,523	
FYE 3/2019	284,895		22,528		(427,420)		509,288	

### 2. Dividends information

	Yearly 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	Annual			
	(yen)	(yen)	(yen)	(yen)	(yen)	(millions of yen)	(%)	(%)
FYE 3/2019	-	17.00	-	17.00	34.00	59,008	26.0	3.6
FYE 3/2020	-	17.50	-	17.50	35.00	60,752	-	4.0
FYE 3/2021 (forecast)	-	7.50	-	7.50	15.00	-	27.1	-

(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 FYE 3/2021 (April 1, 2020-March 31, 2021)

(Remarks)  
 %: change from the previous fiscal year

	Profit attributable to owners of the parent		Earnings per share attributable to owners of the parent (basic)	
	(millions of yen)	(%)	(yen)	(%)
Yearly	100,000	-	55.33	-

(Note) \*1 Forecasts for FYE 3/2021 and March 31, 2021 are based on the assumption that although the spread of COVID-19 would peak during the first half of FYE 3/2021 and henceforth gradually end, ample amount of time would be required for the global economy to return to a recovery trend. Specifically, it is assumed that the recovery will be moderate even after the second half of FYE 3/2021 and the impact of economic stagnation will remain until FYE 3/2022. Revisions to the forecasts will be announced promptly when needed depending on the situation of COVID-19.

\*2 Earnings per share attributable to owners of the parent (basic) is based on "Profit attributable to owners of the parent" excluding the amount not attributable to ordinary shareholders.

**\*Notes**

- (1) Changes in principal subsidiaries during the period : Yes  
 Excluded companies: Gavilon Holdings, LLC  
 Marubeni Coal Cananda Ltd.
- (2) Changes in accounting principles and accounting estimates : Yes  
 ① Changes in accounting principles required by IFRS : Yes  
 ② Changes other than ① : None  
 ③ Changes in accounting estimate : None  
 (Note) Please refer to p.20 "3. Consolidated Financial Statements and Notes, (6) Changes in Accounting Principles" for details.

(3) Number of issued shares (Common shares)		
① Number of issued shares at the end of the term	March 31, 2020	1,737,940,900
(Treasury stock is included)	March 31, 2019	1,737,940,900
② Number of treasury stock at the end of the term	March 31, 2020	2,214,582
	March 31, 2019	2,590,013
③ Average number of outstanding shares during the term	Year ended March 31, 2020	1,735,465,904
	Year ended March 31, 2019	1,735,354,008

**(Reference) Overview of non-consolidated business results**

**Non-consolidated financial results for FYE 3/2020 (April 1, 2019 - March 31, 2020)**

(Remarks)

**(1) Non-consolidated business results**

%: change from the previous fiscal year

	Total volume of trading transactions	Operating profit	Ordinary profit	Net profit for the year
	(millions of yen) (%)	(millions of yen) (%)	(millions of yen) (%)	(millions of yen) (%)
FYE 3/2020	4,545,685 (17.4)	(48,719) -	103,271 (26.9)	10,447 (91.2)
FYE 3/2019	5,500,313 (4.2)	(41,922) -	141,248 157.2	119,302 77.1

	Net profit for the year per share	Net profit for the year per share (diluted)
	(yen)	(yen)
FYE 3/2020	6.02	6.01
FYE 3/2019	68.74	68.68

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity ratio	Net assets per share
	(millions of yen)	(millions of yen)	(%)	(yen)
FYE 3/2020	3,262,380	619,819	19.0	356.29
FYE 3/2019	3,392,806	677,638	19.9	389.87

(Reference) Total equity FYE 3/2020 618,483 million yen  
 FYE 3/2019 676,636 million yen

※The Summary of Consolidated Financial Statements is not subject to the auditing procedure.

※Descriptions relating to the proper use of financial forecasts and other special notes

(Notes to the description about future, other)

The descriptions about future such as the above forecasts 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.12 "1. (5) Outlook for FYE 3/2021" .

(How to access supplementary explanations on business results and the details of briefing on business results)

Supplementary explanations on business results will be made available on the Company's website on Thursday, May 7, 2020.

The Company is scheduled to hold an IR meeting on financial results for institutional investors and analysts on Monday, May 11, 2020, and to post the audio file 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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# Marubeni Corporation

## Consolidated Financial Results

### 1. Business Review

#### (1) Business Environment

In the fiscal year ended March 31, 2020, a slowdown in developed economies and the Chinese economy was compounded by a slowdown in developing economies in response to deterioration of business confidence from continued U.S.-China trade tensions, beginning in the start of the fiscal year. Given this situation, central banks across much of the world, most notably in the U.S., shifted to an easing bias, and on top, partial agreement was reached at U.S.-China trade talks in December thereby temporarily preventing further deterioration of business confidence.

However, global economy started to decline due to the spread of COVID-19 which started in the beginning of 2020 from China to the rest of the world. As the COVID-19 spreads, measures such as lockdown were made in various countries to prevent further escalation of the virus. As a result, economic activities in countries were significantly restricted and global economy rapidly shrank, with financial market turmoil and price drop in primary products starting to take place. Crude oil price, among others, saw a sudden drop as traveling restrictions, concerns over declined demand along with the economic downturn and breach of agreement on declaration of cooperation at OPEC plus discussion took place. Copper price was also met with a drop with the concerning decrease in Chinese demand, which accounts for half of the overall consumption of copper, and with the production suspension of automotive one after the other. Under these circumstances, governments and central banks of each country have undertaken various policy instruments including but not limited to fiscal action of an unprecedented scale in order to support households, businesses, and financial market.

#### (2) Operating Results

Under the aforementioned business environment, consolidated operating results for the fiscal year ended March 31, 2020 are as follows.

	Fiscal year ended March 31,		(millions of yen)
	2019	2020	Variance
Revenue	7,401,256	6,827,641	(573,615)
Gross trading profit	729,675	696,808	(32,867)
Operating profit	173,009	133,875	(39,134)
Share of profits (losses) of associates and joint ventures	85,278	(55,150)	(140,428)
Profit (loss) attributable to owners of the parent	230,891	(197,450)	(428,341)

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

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(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" and "Selling, general and administrative expenses" including "Provision for doubtful accounts".

### **Revenue**

Revenue was down 573.6 billion yen (7.8%) year on year to 6,827.6 billion yen. By operating segment, revenue decreased mainly in *Food, Chemicals* and *Agri Business*, which offset increases mainly in *ICT & Real Estate Business*.

### **Gross trading profit**

Gross trading profit decreased 32.9 billion yen (4.5%) from the year-earlier period to 696.8 billion yen. By operating segment, profits decreased mainly in *Energy, Agri Business*, and *Chemicals* which offset increases mainly in *ICT & Real Estate Business*.

### **Operating profit**

Operating profit decreased 39.1 billion yen (22.6%) from the year-earlier period to 133.9 billion yen as a result of decrease in gross trading profit.

### **Share of profits of associates and joint ventures**

Share of profits of associates and joint ventures decreased 140.4 billion yen ( - %) from the year-earlier period to negative 55.2 billion yen, mainly as a result of one-time losses in *Metals & Mineral Resources* and *Finance & Leasing Business*.

### **Profit attributable to owners of the parent**

Profit attributable to owners of the parent for the fiscal year ended March 31, 2020 (also referred to as **net profit** for the year under review) decreased 428.3 billion yen ( - %) to negative 197.5 billion yen relative to the year-earlier period due the decrease in operating profit and one-time losses such as impairment losses.

Major impairment losses (after tax) are as follows.

	(billions of yen)
Impairment loss on oil and gas E&P in the U.S. Gulf of Mexico	94.0
Impairment loss of goodwill, intangible assets and such in Gavilon's grain business recognized at the time of acquisition	78.3
Impairment loss on investment in Chilean copper mining business	60.3
Impairment loss of property, plant and equipment and reversal of deferred tax assets on oil and gas E&P in the U.K. North Sea	57.5
Impairment loss on investment in aircraft leasing business in the U.S.	39.2



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Results for each operating segment for the fiscal year ended March 31, 2020 are as follows.

### **Lifestyle**

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	170,345	164,040	(6,305)
Gross trading profit	23,610	22,602	(1,008)
Operating profit	5,269	4,202	(1,067)
Share of profits (losses) of associates and joint ventures	728	437	(291)
Profit attributable to owners of the parent	5,191	4,127	(1,064)
Segment assets (reference)	122,188	102,770	(19,418)

Gross trading profit decreased 1.0 billion yen (4.3%) year on year to 22.6 billion yen and operating profit decreased 1.1 billion yen (20.3%) year on year to 4.2 billion yen, largely in response to reduced sales of apparel and such. Share of profit of associates and joint ventures decreased 0.3 billion yen (40.0%) year on year to 0.4 billion yen as a result of reduced profit from planning, production and sales of apparel. Net profit was down 1.1 billion yen (20.5%) year on year to 4.1 billion yen.

### **ICT & Real Estate Business**

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	174,772	254,287	79,515
Gross trading profit	98,539	117,294	18,755
Operating profit	18,308	27,924	9,616
Share of profits (losses) of associates and joint ventures	5,577	2,003	(3,574)
Profit attributable to owners of the parent	31,365	11,944	(19,421)
Segment assets (reference)	447,106	483,014	35,908

Gross trading profit increased 18.8 billion yen (19.0%) year on year to 117.3 billion yen as a result of a consolidation of a subsidiary, ARTERIA Networks (also referred to as ARTE consolidation) that was previously an equity-method associate, as well as a sales increase in domestic real estate business, and operating profit increased 9.6 billion yen (52.5%) year on year to 27.9 billion yen. Share of profits of associates and joint ventures decreased 3.6 billion yen (64.1%) year on year to 2.0 billion yen due to an effect from ARTE consolidation and a decrease in profit of a Chinese real estate sales business. Net profit, including the above, decreased 19.4 billion yen (61.9%) year on year to 11.9 billion yen as a result of a loss related to reinsurance business and a non-recurrence of a year-earlier mark-to-market valuation gain on ARTE consolidation.

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### **Forest Products**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	287,213	266,461	(20,752)
Gross trading profit	41,159	32,424	(8,735)
Operating profit	19,792	11,683	(8,109)
Share of profits (losses) of associates and joint ventures	2,361	(1,227)	(3,588)
Profit attributable to owners of the parent	16,213	3,298	(12,915)
Segment assets (reference)	266,855	266,786	(69)

Gross trading profit decreased 8.7 billion yen (21.2%) year on year to 32.4 billion yen as a result of worsened pulp market prices and such, and operating profit decreased 8.1 billion yen (41.0%) year on year to 11.7 billion yen. Share of profits of associates and joint ventures decreased 3.6 billion yen ( - %) year on year to negative 1.2 billion yen as a result of an impairment loss on part of plant for production on an equity-method associate and an effect from a year-earlier deconsolidation of an equity-method associate. In addition to the above, as a result of reversal of deferred tax assets of a MUSI pulp project, net profit decreased 12.9 billion yen (79.9%) year on year to 3.3 billion yen.

### **Food**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	2,078,825	1,675,498	(403,327)
Gross trading profit	97,933	102,313	4,380
Operating profit	23,796	31,557	7,761
Share of profits (losses) of associates and joint ventures	5,237	6,307	1,070
Profit attributable to owners of the parent	19,639	19,467	(172)
Segment assets (reference)	762,628	679,664	(82,964)

Gross trading profit increased 4.4 billion yen (4.5%) year on year to 102.3 billion yen, as a result of improved margins in grain trading and such. In addition, operating profit increased 7.8 billion yen (32.6%) year on year to 31.6 billion yen as a result of decreases in expenses. However, as a result of decreased profit from deterioration of foreign exchange rate and an impairment loss on tangible assets of a North American wild salmon trout business and such, net profit decreased 0.2 billion yen (0.9%) year on year to 19.5 billion yen.

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### **Agri Business**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	2,849,001	2,767,156	(81,845)
Gross trading profit	185,194	169,146	(16,048)
Operating profit	43,183	27,235	(15,948)
Share of profits (losses) of associates and joint ventures	(29,411)	(24,966)	4,445
Profit (loss) attributable to owners of the parent	672	(77,062)	(77,734)
Segment assets (reference)	1,233,343	1,164,784	(68,559)

Gross trading profit decreased 16.0 billion yen (8.7%) year on year to 169.1 billion yen, as a result of a profit decrease in Gavilon due to poor weather conditions and deteriorated market conditions of fertilizers and such. Operating profit decreased 15.9 billion yen (36.9%) year on year to 27.2 billion yen. There was a year-earlier impairment loss for share of profits of associates and joint ventures regarding investment on a grain export business on the U.S. West Coast. Another impairment loss on the same business was recognized for the fiscal year ended March 31, 2020 as a result of reevaluation of the business plan for the future considering the current deterioration in the business environment. Net profit, including the above, decreased 77.7 billion yen ( - %) year on year to negative 77.1 billion yen, as a result of the impairment losses from goodwill and intangible assets recognized at the time of acquisition of Gavilon's grain business, and an impairment loss on prior-year adjustments related to inappropriate transactions within the Italy and Spain business of Gavilon.

### **Chemicals**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	610,707	426,956	(183,751)
Gross trading profit	39,958	29,913	(10,045)
Operating profit	16,803	5,385	(11,418)
Share of profits (losses) of associates and joint ventures	1,739	1,468	(271)
Profit attributable to owners of the parent	11,448	4,091	(7,357)
Segment assets (reference)	351,427	267,098	(84,329)

Gross trading profit decreased 10.0 billion yen (25.1%) year on year to 29.9 billion yen, largely as a result of declined margins in the petrochemical products and decrease in the handling volume of feed additive business. Operating profit decreased 11.4 billion yen (68.0%) year on year to 5.4 billion yen as a result of an increase in provision for doubtful account and such. Net profit decreased 7.4 billion yen (64.3%) year on year to 4.1 billion yen consequently.

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### **Power Business**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	165,463	162,812	(2,651)
Gross trading profit	30,567	23,628	(6,939)
Operating loss	(10,210)	(13,916)	(3,706)
Share of profits (losses) of associates and joint ventures	3,570	17,781	14,211
Profit attributable to owners of the parent	15,021	8,976	(6,045)
Segment assets (reference)	712,176	704,279	(7,897)

Gross trading profit decreased 6.9 billion yen (22.7%) year on year to 23.6 billion yen, as a result of declined profits in U.K. electricity wholesaling/retailing business and such. Operating loss worsened 3.7 billion yen ( - %) year on year to negative 13.9 billion yen. Share of profits of associates and joint ventures increased 14.2 billion yen (398.1%) to 17.8 billion yen as a result of a non-recurrence of a year-earlier impairment loss on investment of power generating business in Singapore and such which offset an impairment loss of investment on offshore wind power installation business in the U.K. and such. However, net profit decreased 6.0 billion yen (40.2%) year on year to 9.0 billion yen, as a result of a non-recurrence of a gain recognized in the year-earlier period on the sale of a domestic power generating business.

### **Energy**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	404,591	469,722	65,131
Gross trading profit	55,054	37,343	(17,711)
Operating profit	20,010	3,345	(16,665)
Share of profits (losses) of associates and joint ventures	958	(13,228)	(14,186)
Profit (loss) attributable to owners of the parent	26,646	(149,335)	(175,981)
Segment assets (reference)	787,524	572,001	(215,523)

Gross trading profit decreased 17.7 billion yen (32.2%) year on year to 37.3 billion yen, as a result of price fall and such in the oil and gas E&P and decreased profit in oil & gas trading business. Operating profit decreased 16.7 billion yen (83.3%) year on year to 3.3 billion yen. Share of profits of associates and joint ventures decreased 14.2 billion yen ( - %) year on year to negative 13.2 billion yen as a result of an impairment loss of investment on LNG business in Papua New Guinea and such. Net profit, including the above, decreased 176.0 billion yen ( - %) year on year to negative 149.3 billion yen, as a result of the impairment loss from property, plant and equipment in the oil and gas E&P in the U.S. Gulf of Mexico, as well as an impairment loss on property, plant and equipment, and reversal of deferred tax assets on oil and gas E&P in the U.K. North Sea and such.

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### **Metals & Mineral Resources**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	386,325	337,664	(48,661)
Gross trading profit	32,667	30,412	(2,255)
Operating profit	13,672	11,719	(1,953)
Share of profits (losses) of associates and joint ventures	41,012	(16,547)	(57,559)
Profit (loss) attributable to owners of the parent	41,740	(5,719)	(47,459)
Segment assets (reference)	853,100	758,594	(94,506)

Gross trading profit decreased 2.3 billion yen (6.9%) year on year to 30.4 billion yen, as a result of fall of prices and such in the Australian coal business. Operating profit decreased 2.0 billion yen (14.3%) year on year to 11.7 billion yen. Share of profits of associates and joint ventures decreased 57.6 billion yen ( - %) year on year to negative 16.5 billion yen as a result of an impairment loss of investment on Chilean copper mining business which offset a profit increase of an Australian iron ore business. As a result, net profit decreased 47.5 billion yen ( - %) year on year to negative 5.7 billion yen.

### **Plant**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	29,854	23,112	(6,742)
Gross trading profit	14,844	14,126	(718)
Operating loss	(3,378)	(4,545)	(1,167)
Share of profits (losses) of associates and joint ventures	17,522	(16,619)	(34,141)
Profit (loss) attributable to owners of the parent	15,565	(27,783)	(43,348)
Segment assets (reference)	343,588	243,833	(99,755)

Gross trading profit decreased 0.7 billion yen (4.8%) year on year to 14.1 billion yen, as a result of decrease in the handling volume of overseas plant project, and operating loss worsened 1.2 billion yen ( - %) year on year to negative 4.5 billion yen. Share of profits of associates and joint ventures decreased 34.1 billion yen ( - %) year on year to negative 16.6 billion yen as a result of impairment losses on infrastructure business in the Philippines and North American oil and gas E&P related business and such. Net profit, including the above, worsened 43.3 billion yen ( - %) year on year to negative 27.8 billion yen, due to the impairment loss in overseas infrastructure business and such.

# Marubeni Corporation

## Consolidated Financial Results

### **Aerospace & Ship**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	76,283	80,996	4,713
Gross trading profit	23,391	26,220	2,829
Operating profit	11,302	14,058	2,756
Share of profits (losses) of associates and joint ventures	5,073	2,832	(2,241)
Profit attributable to owners of the parent	13,990	11,641	(2,349)
Segment assets (reference)	245,707	274,961	29,254

Gross trading profit increased 2.8 billion yen (12.1%) year on year to 26.2 billion yen, mainly due to increase in ship-related business' earnings and such. Operating profit increased 2.8 billion yen (24.4%) year on year to 14.1 billion yen. Share of profits of associates and joint ventures decreased 2.2 billion yen (44.2%) year on year to 2.8 billion yen as a result of an impairment loss of investment on offshore wind power installation business in the U.K. which offset the profit increase in ship-related business. Consequently, net profit decreased 2.3 billion yen (16.8%) year on year to 11.6 billion yen.

### **Finance & Leasing Business**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	24,774	25,095	321
Gross trading profit	10,740	11,025	285
Operating profit (loss)	1,011	(492)	(1,503)
Share of profits (losses) of associates and joint ventures	22,288	(20,092)	(42,380)
Profit (loss) attributable to owners of the parent	18,337	(7,424)	(25,761)
Segment assets (reference)	250,097	306,915	56,818

Gross trading profit remained almost unchanged year on year, while operating profit decreased 1.5 billion yen ( - %) year on year to negative 0.5 billion yen as a result of an increase in expenses. Share of profits (losses) of associates and joint ventures worsened 42.4 billion yen ( - %) year on year to negative 20.1 billion yen as a result of an impairment loss on aircraft leasing business in the U.S., which offset an increased profit from automotive sales finance business. Net profit worsened 25.8 billion yen ( - %) year on year to negative 7.4 billion yen as a result of worsening of share of profits of associates and joint ventures, which offset an gains from sale of securities by a partial sale of leasing and rental of refrigerated trailers in the U.S.

# Marubeni Corporation

## Consolidated Financial Results

### **Construction, Auto & Industrial Machinery**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	318,131	318,260	129
Gross trading profit	86,476	89,559	3,083
Operating profit	18,676	20,017	1,341
Share of profits (losses) of associates and joint ventures	8,675	6,027	(2,648)
Profit attributable to owners of the parent	22,131	19,561	(2,570)
Segment assets (reference)	340,728	359,864	19,136

Gross trading profit increased 3.1 billion yen (3.6%) year on year to 89.6 billion yen, as results of profit growths in the automotive related business, construction machinery sales business and tire, rubber materials business and such. Operating profit increased 1.3 billion yen (7.2%) year on year to 20.0 billion yen. Share of profits of associates and joint ventures decreased 2.6 billion yen (30.5%) year on year to 6.0 billion yen as results of non-recurrence of a gain recognized in the year-earlier period on the sale of a domestic power generating business and such. As a result, net profit decreased 2.6 billion yen (11.6%) year on year to 19.6 billion yen.

### **Next Generation Business Development**

(millions of yen)

	Fiscal year ended March 31,		Variance
	2019	2020	
Revenue	8	60	52
Gross trading profit	4	32	28
Operating loss	(2,112)	(4,368)	(2,256)
Share of profits (losses) of associates and joint ventures	8	2	(6)
Loss attributable to owners of the parent	(2,155)	(3,676)	(1,521)
Segment assets (reference)	643	7,314	6,671

Operating loss worsened 2.3 billion yen ( - %) year on year to negative 4.4 billion yen as a result of an increase in expenses such as personnel and research expenses for creation and development of new business models. As a result, net loss worsened 1.5 billion yen ( - %) year on year to negative 3.7 billion yen.

(Note 1) From the FYE 3/2020, "Food", "Consumer Products", "Chemical & Forest Products", "Energy & Metals", "Power Business & Plant" and "Transportation & Industrial Machinery" have been reclassified into "Lifestyle", "ICT & Real Estate Business", "Forest Products", "Food", "Agri Business", "Chemicals", "Power Business", "Energy", "Metals & Mineral Resources", "Plant", "Aerospace & Ship", "Finance & Leasing Business", "Construction, Auto & Industrial Machinery" and "Next Generation Business Development" divisions. In conjunction with these organizational changes, operating segment information for the year-earlier period has been reclassified.

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

# Marubeni Corporation

## Consolidated Financial Results

### (3) Financial Position

	March 31, 2019	March 31, 2020	(billions of yen) Variance
Total assets	6,809.1	6,320.0	(489.0)
Total equity	2,071.7	1,604.6	(467.1)
Net interest-bearing debt	1,858.8	1,859.1	0.3
Net D/E ratio (times)	0.90	1.16	0.26 points

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

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

**Total assets** decreased 489.0 billion yen from the end of the previous fiscal year to 6,320.0 billion yen, due to impairment losses on oil and gas E&P and decreases in trade receivables and loans mainly for grain trading and petrochemical products business, which offset increases in property, plant and equipment and such, caused by the adoption of new accounting policy. **Net interest-bearing debt** increased 0.3 billion yen from the end of the previous fiscal year to 1,859.1 billion yen, due to the payment on lease liability and dividend payment and such which offset the free cash inflow. **Total equity** decreased 467.1 billion yen from the end of the previous fiscal year to 1,604.6 billion yen due to a decrease in retained earnings and foreign currency translation adjustments due to yen appreciation. Consequently, **Net D/E ratio** stood at 1.16 times.

### (4) Cash Flows

Cash and cash equivalents at the end of the fiscal year under review were 522.5 billion yen, an increase of 13.2 billion yen from the end of the previous fiscal year.

(Operating activities)

Net cash provided by operating activities was 327.0 billion yen due to operating revenue, dividend income and such, despite an increase in working capital and such.

(Investing activities)

Net cash used in investing activities was 209.8 billion yen as a result of share acquisition accounted for by the equity method and capital expenditure in overseas businesses, despite the inflow from sales of investment securities.



# Marubeni Corporation

## Consolidated Financial Results

As a result of the above-mentioned activities, free cash flow for the fiscal year under review was an inflow of 117.2 billion yen.

(Financing activities)

Net cash used in financing activities amounted to 93.3 billion yen as results of redemption of corporate bonds, repayment long-term borrowings and dividend payment.

### (5) Outlook for the Fiscal Year Ending March 31, 2021

Looking at the economic environment for fiscal year ending March 31, 2021, the global economy is currently faced with the worst crisis since WWII due to the vast spread of COVID-19 and movement restrictions as well as an economic stagnation as a result of this virus. Therefore the outlook for the business environment is highly uncertain, which depends on the situation of COVID-19.

Despite various possible policy instruments taken by governments and central banks, economic downsize is expected due to the contractions of demand and supply. As a result, there are concerns about credit crunch and financial turmoil as unemployment and bankruptcy increase. In addition, as commodity prices are expected to remain extremely low, countries, businesses and financial institutions impacted hard by this are expected to be affected negatively.

Even if the spread of COVID-19 would peak during the first half of the fiscal year ending March 31, 2021 and henceforth gradually end, the recovery of global economy is likely to remain sluggish throughout the fiscal year ending March 31, 2021 as ample amount of time would be required until the supply-demand balance would return to be at an appropriate level due to the deterioration of balance sheet and cautious stance of both households and businesses, disruption of the supply chains and labor shortage.

The forecasts of consolidated earnings for the fiscal year ending March 31, 2021 are as follows.

#### <Consolidated Earnings Forecasts>

	Profit attributable to owners of the parent (millions of yen)	Earnings per share attributable to owners of the parent (basic) (yen)
Forecasts for FYE 3/2021	100,000	55.33
Results for FYE 3/2020	(197,450)	(116.03)

# Marubeni Corporation

## Consolidated Financial Results

Forecasts for the fiscal year ending March 31, 2021 and March 31, 2021 are based on the assumption that although the spread of COVID-19 would peak during the first half of the fiscal year ending March 31, 2021 and henceforth gradually end, ample amount of time would be required for the global economy to return to a recovery trend. Specifically, it is assumed that the recovery will be moderate even after the second half of the fiscal year ending March 31, 2021 and the impact of economic stagnation will remain until the fiscal year ending March 31, 2022. Revisions to the forecasts will be announced promptly when needed depending on the situation of the COVID-19.

<Assumptions of major financial indicators for the above forecasts>

Foreign exchange rate: 110 YEN/USD

JPY TIBOR: 0.1%

USD LIBOR: 0.8%

Oil WTI: 20 USD/Barrel

Copper LME: 5,000 USD/MT

<Dividend Forecasts for the Fiscal Year Ending March 31, 2021>

Dividend for FYE 3/2021 is forecasted to be a minimum of 15 yen per share, including the interim dividend of 7.5 yen per share.

(Notes to the description about future, other)

The descriptions about future such as the above forecasts 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.

Marubeni Corporation  
Consolidated Financial Results

### 3. Consolidated Financial Statements and Notes

#### (1) Consolidated Statements of Financial Position

	<i>Millions of yen</i>		
	March 31		
	2019	2020	Variance
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents	509,288	522,523	13,235
Time deposits	250	140	(110)
Investment securities	151	67	(84)
Trade and loan receivables	1,289,196	1,056,938	(232,258)
Other current financial assets	182,208	315,861	133,653
Inventories	900,472	852,927	(47,545)
Assets held-for-sale	35,438	19,344	(16,094)
Other current assets	241,546	235,255	(6,291)
Total current assets	3,158,549	3,003,055	(155,494)
<b>Non-current assets:</b>			
Investments in associates and joint ventures	1,732,712	1,601,298	(131,414)
Other investments	292,752	229,080	(63,672)
Trade and loan receivables	132,328	103,367	(28,961)
Other non-current financial assets	79,511	98,002	18,491
Property, plant and equipment	926,092	902,423	(23,669)
Intangible assets	379,941	288,992	(90,949)
Deferred tax assets	45,806	32,555	(13,251)
Other non-current assets	61,386	61,265	(121)
Total non-current assets	3,650,528	3,316,982	(333,546)
<b>Total assets</b>	<b>6,809,077</b>	<b>6,320,037</b>	<b>(489,040)</b>

# Marubeni Corporation

## Consolidated Financial Results

<i>Millions of yen</i>			
March 31			
	2019	2020	Variance
<b>Liabilities and Equity</b>			
<b>Current liabilities:</b>			
Bonds and borrowings	478,387	620,020	141,633
Trade and other payables	1,273,196	1,085,616	(187,580)
Other current financial liabilities	275,217	367,971	92,754
Income tax payable	17,778	16,360	(1,418)
Liabilities directly associated with assets held-for-sale	359	417	58
Other current liabilities	421,489	370,566	(50,923)
Total current liabilities	2,466,426	2,460,950	(5,476)
<b>Non-current liabilities:</b>			
Bond and borrowings	1,889,990	1,761,768	(128,222)
Trade and other payables	11,566	5,245	(6,321)
Other non-current financial liabilities	74,404	231,116	156,712
Accrued pension and retirement benefits	89,764	109,143	19,379
Deferred tax liabilities	107,783	63,073	(44,710)
Other non-current liabilities	97,418	84,142	(13,276)
Total non-current liabilities	2,270,925	2,254,487	(16,438)
Total liabilities	4,737,351	4,715,437	(21,914)
<b>Equity:</b>			
Issued capital	262,686	262,686	—
Capital surplus	139,898	143,189	3,291
Other equity instruments	243,589	243,589	—
Treasury stock	(1,384)	(1,172)	212
Retained earnings	1,163,472	866,140	(297,332)
Other components of equity:			
Gains (losses) on financial assets measured at fair value through other comprehensive income	71,912	22,718	(49,194)
Foreign currency translation adjustments	131,178	41,247	(89,931)
Gains (losses) on cash flow hedges	(33,610)	(62,922)	(29,312)
Equity attributable to owners of the parent	1,977,741	1,515,475	(462,266)
Non-controlling interests	93,985	89,125	(4,860)
Total equity	2,071,726	1,604,600	(467,126)
<b>Total liabilities and equity</b>	6,809,077	6,320,037	(489,040)

Marubeni Corporation  
Consolidated Financial Results

**(2) Consolidated Statements of Comprehensive Income**

	<i>Millions of yen</i>			
	Fiscal year ended March 31,		Variance	Ratio (%)
	2019	2020		
<b>Revenue:</b>				
Sale of goods	7,197,705	6,638,184	(559,521)	(7.8)
Commissions on services and trading margins	203,551	189,457	(14,094)	(6.9)
<b>Total revenue</b>	<b>7,401,256</b>	<b>6,827,641</b>	<b>(573,615)</b>	<b>(7.8)</b>
Cost of goods sold	(6,671,581)	(6,130,833)	540,748	(8.1)
Gross trading profit	729,675	696,808	(32,867)	(4.5)
<b>Other income (expenses) :</b>				
Selling, general and administrative expenses	(549,014)	(558,487)	(9,473)	1.7
Provision for doubtful accounts	(7,652)	(4,446)	3,206	(41.9)
Gains (losses) on property, plant and equipment				
Impairment losses on property, plant and equipment	(17,803)	(251,639)	(233,836)	—
Gains (losses) on sales of property, plant and equipment	2,597	678	(1,919)	(73.9)
Other – net	10,742	(15,098)	(25,840)	—
<b>Total other income (expenses)</b>	<b>(561,130)</b>	<b>(828,992)</b>	<b>(267,862)</b>	<b>47.7</b>
<b>Finance income (expenses):</b>				
Interest income	15,950	16,382	432	2.7
Interest expense	(46,807)	(47,737)	(930)	2.0
Dividend income	37,336	27,631	(9,705)	(26.0)
Gains (losses) on investment securities	28,517	25,123	(3,394)	(11.9)
<b>Total finance income (expenses)</b>	<b>34,996</b>	<b>21,399</b>	<b>(13,597)</b>	<b>(38.9)</b>
<b>Share of profits of associates and joint ventures</b>	<b>85,278</b>	<b>(55,150)</b>	<b>(140,428)</b>	<b>—</b>
<b>Profit (loss) for the year before tax</b>	<b>288,819</b>	<b>(165,935)</b>	<b>(454,754)</b>	<b>—</b>
<b>Provision for income tax</b>	<b>(49,535)</b>	<b>(24,256)</b>	<b>25,279</b>	<b>(51.0)</b>
<b>Profit (loss) for the year</b>	<b>239,284</b>	<b>(190,191)</b>	<b>(429,475)</b>	<b>—</b>
<b>Profit (loss) for the year attributable to:</b>				
Owners of the parent	230,891	(197,450)	(428,341)	—
Non-controlling interests	8,393	7,259	(1,134)	(13.5)
<b>Other comprehensive income:</b>				
Items that will not be retransferred to profit and loss for the year				
Gains (losses) on financial assets measured at fair value through other comprehensive income	(12,485)	(53,880)	(41,395)	331.6
Remeasurements of defined benefit pension plan	(7,301)	(19,080)	(11,779)	161.3
Changes in other comprehensive income of associates and joint ventures	(5,659)	(5,627)	32	(0.6)
Items that will be retransferred to profit and loss for the year				
Foreign currency translation adjustments	47,308	(85,117)	(132,425)	—
Gains (losses) on cash flow hedges	4,777	(5,425)	(10,202)	—
Changes in other comprehensive income of associates and joint ventures	13,639	(29,009)	(42,648)	—
Other comprehensive income, net of tax	40,279	(198,138)	(238,417)	—
<b>Total comprehensive income for the year</b>	<b>279,563</b>	<b>(388,329)</b>	<b>(667,892)</b>	<b>—</b>
<b>Attributable to:</b>				
Owners of the parent	270,904	(394,355)	(665,259)	—
Non-controlling interests	8,659	6,026	(2,633)	(30.4)

# Marubeni Corporation

## Consolidated Financial Statements

### (3) Consolidated Statements of Changes in Equity

◆ The Fiscal Year Ended March 31, 2019 (April 1, 2018 - March 31, 2019)

(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	135,295	243,589	(1,379)	1,014,709	82,596	76,253
Cumulative effects of new accounting policy adopted					(1,117)		
Profit (loss) for the year					230,891		
Other comprehensive income						(17,594)	54,925
Purchases and sales of treasury stock		0		(5)			
Dividends payment					(61,611)		
Equity transactions with non-controlling interests and others		4,603			(748)		
Distribution to owners of other equity instruments					(4,035)		
Transfer to retained earnings					(14,617)	6,910	
Transfer to non-financial assets and others							
Balance at end of year	262,686	139,898	243,589	(1,384)	1,163,472	71,912	131,178

	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	(42,274)	—	116,575	1,771,475	64,162	1,835,637
Cumulative effects of new accounting policy adopted				(1,117)		(1,117)
Profit (loss) for the year				230,891	8,393	239,284
Other comprehensive income	10,389	(7,707)	40,013	40,013	266	40,279
Purchases and sales of treasury stock				(5)		(5)
Dividends payment				(61,611)	(7,350)	(68,961)
Equity transactions with non-controlling interests and others				3,855	28,514	32,369
Distribution to owners of other equity instruments				(4,035)		(4,035)
Transfer to retained earnings		7,707	14,617	—		—
Transfer to non-financial assets and others	(1,725)		(1,725)	(1,725)		(1,725)
Balance at end of year	(33,610)	—	169,480	1,977,741	93,985	2,071,726

# Marubeni Corporation

## Consolidated Financial Statements

◆ The Fiscal Year Ended March 31, 2020 (April 1, 2019 - March 31, 2020)

(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	139,898	243,589	(1,384)	1,163,472	71,912	131,178
Cumulative effects of new accounting policy adopted					(6,674)		
Profit (loss) for the year					(197,450)		
Other comprehensive income						(58,875)	(89,931)
Purchases and sales of treasury stock		(14)		212			
Dividends payment					(59,878)		
Equity transactions with non-controlling interests and others		3,305			(42)		
Distribution to owners of other equity instruments					(3,902)		
Transfer to retained earnings					(29,386)	9,681	
Transfer to non-financial assets and others							
Balance at end of year	262,686	143,189	243,589	(1,172)	866,140	22,718	41,247

	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	(33,610)	—	169,480	1,977,741	93,985	2,071,726
Cumulative effects of new accounting policy adopted				(6,674)		(6,674)
Profit (loss) for the year				(197,450)	7,259	(190,191)
Other comprehensive income	(28,394)	(19,705)	(196,905)	(196,905)	(1,233)	(198,138)
Purchases and sales of treasury stock				198		198
Dividends payment				(59,878)	(6,640)	(66,518)
Equity transactions with non-controlling interests and others				3,263	(4,246)	(983)
Distribution to owners of other equity instruments				(3,902)		(3,902)
Transfer to retained earnings		19,705	29,386	—		—
Transfer to non-financial assets and others	(918)		(918)	(918)		(918)
Balance at end of year	(62,922)	—	1,043	1,515,475	89,125	1,604,600

# Marubeni Corporation

## Consolidated Financial Statements

### (4) Consolidated Statements of Cash Flows

	<i>Millions of yen</i>		
	Fiscal year ended March 31, 2019	2020	Variance
<b>Operating activities</b>			
Profit (loss) for the year	239,284	(190,191)	(429,475)
Adjustments to reconcile profit for the year to net cash provided by (used in) operating activities:			
Depreciation and amortisation	113,541	166,922	53,381
Losses (Gains) on property, plant and equipment	15,206	250,961	235,755
Finance expenses (income)	(34,996)	(21,399)	13,597
Share of profits of associates and joint ventures	(85,278)	55,150	140,428
Income taxes	49,535	24,256	(25,279)
Changes in notes accounts receivable	65,190	231,157	165,967
Changes in inventories	(42,777)	32,103	74,880
Changes in notes and trade accounts payable	(127,896)	(188,141)	(60,245)
Other-net	14,096	(92,406)	(106,502)
Interest received	11,414	11,701	287
Interest paid	(44,202)	(48,890)	(4,688)
Dividends received	152,765	120,504	(32,261)
Income taxes paid	(40,987)	(24,746)	16,241
<b>Net cash provided by/ used in operating activities</b>	<b>284,895</b>	<b>326,981</b>	<b>42,086</b>
<b>Investing activities</b>			
Net decrease (increase) in time deposits	803	108	(695)
Proceeds from sale of property, plant and equipment	5,968	8,712	2,744
Proceeds from sale of investment property	544	154	(390)
Collection of loans receivable	33,061	32,584	(477)
Proceeds from sale of subsidiaries, net of cash and cash equivalents disposed of	12,022	15,778	3,756
Proceeds from sale of investments in associates and joint ventures, and other investments	123,279	66,413	(56,866)
Purchase of property, plant and equipment	(93,221)	(109,878)	(16,657)
Purchase of investment property	(69)	(114)	(45)
Loans provided to customers	(14,872)	(8,920)	5,952
Acquisition of subsidiaries, net of cash and cash equivalents acquired	7,172	(15,414)	(22,586)
Purchase of investments in associates and joint ventures, and other investments	(52,159)	(199,213)	(147,054)
<b>Net cash provided by/used in investing activities</b>	<b>22,528</b>	<b>(209,790)</b>	<b>(232,318)</b>
<b>Financing activities</b>			
Net increase (decrease) in short-term borrowings	(163,088)	74,877	237,965
Proceeds from long-term bonds and borrowings	254,166	258,016	3,850
Repayments of long-term bonds and borrowings	(436,146)	(347,484)	88,662
Dividends paid to owners of the parent	(61,611)	(59,878)	1,733
Net cash outflows on purchases and sales of treasury stock	(9)	(7)	2
Capital contribution from non-controlling interests	79	116	37
Acquisition of equity portion of subsidiary from non-controlling interests	(9,425)	(7,727)	1,698
Distribution to owners of other equity instruments	(4,035)	(3,902)	133
Other	(7,351)	(7,272)	79
<b>Net cash provided by/used in financing activities</b>	<b>(427,420)</b>	<b>(93,261)</b>	<b>334,159</b>
Effect of exchange rate changes on cash and cash equivalents	3,451	(10,695)	(14,146)
Net increase (decrease) in cash and cash equivalents	(116,546)	13,235	129,781
Cash and cash equivalents at beginning of year	625,834	509,288	(116,546)
Cash and cash equivalents at end of year	509,288	522,523	13,235



# Marubeni Corporation

## Consolidated Financial Results

### (5) Notes Related to Going Concern Assumptions

None

### (6) Changes in Accounting Principles

Except for the changes disclosed below, significant accounting policies applied to the consolidated financial statements herein are identical to the accounting policies applied to consolidated financial statements for the previous fiscal year.

#### Newly Adopted Standards and Interpretive Guidance

The Company and its consolidated subsidiaries have adopted the following accounting standards effective from the first quarter of the current fiscal year.

Standard and Interpretive Guidance	Summary
IFRS 16 <i>Leases</i>	Revisions concerning lease accounting

Application of IFRS 16 *Leases* has two main effects on the consolidated financial statements. First, for all leases, a right-of-use asset representing the right to use the underlying asset and a lease liability representing the obligation to pay lease payments are newly recognized in the Consolidated Statement of Financial Position as a general rule. Second, depreciation charges on right-of-use assets and finance costs on lease liabilities are recognized in the Consolidated Statement of Comprehensive Income for all leases as a general rule. Application of IFRS 16 resulted in a 235,170 million yen increase in the sum of “property, plant and equipment”, “intangible assets”, “trade and loan receivables”, and “other non-current assets” and 237,958 million yen increase in other financial liabilities (current and non-current) at the date of initial application. Application of IFRS 16 did not have a significant effect on the Consolidated Statement of Comprehensive Income.

The difference between the lease liabilities recognized at IFRS 16’s initial application date and the discounted value of total minimum lease payments under non-cancelable operating leases that was disclosed at the end of the previous fiscal year is mainly attributable to revision of lease durations. Lease liabilities are measured at the present value of remaining lease payments at the date of initial application, discounted using the lessee’s incremental borrowing rate at the same date.

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## Consolidated Financial Results

As the cumulative effect of application of IFRS 16 and interpretive guidance pertaining thereto, retained earnings at the date of initial application decreased by 6,674 million yen.

Significant accounting policies related to the above standards and interpretive guidance are as follows.

### IFRS 16 *Leases*

Whether a contract is, or contains, a lease, the Companies assess, at inception date of the lease, whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Accounting as lessee

At the commencement date of the lease, a lessee recognizes a right-of-use asset that represents lessee's right to use an underlying asset and a lease liability that represents the obligation to pay lease payments. The right-of-use asset is measured at cost and the cost comprise the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, any initial direct costs and an estimate of costs to be incurred in restoring the underlying asset to the condition. The lessee depreciates the right-of-use asset over the lease term in principle. Lease term is determined during the periods covered by an option to extend the lease and periods covered by an option to terminate the lease within the non-cancellable period, if the lessee is reasonably certain to exercise that option.

A lessee measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee uses the lessee's incremental borrowing rate. Lessee's incremental borrowing rate shall be determined by the length of the lease period, credibility of the lessee, and collateral, guarantee or the nature of the underlying asset. Interest on the lease liability is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

As a lessee, the Company recognizes lease payments associated with leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value as an expense on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern of its benefit as lessee.

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## Consolidated Financial Results

### Accounting as lessor

For finance leases that transfers substantially all the risks and rewards incidental to ownership of an underlying asset, at the commencement date of the lease, a lessor derecognises the underlying asset subject to the lease, and recognises assets held under a finance lease and present them as a lease receivable at an amount equal to the net investment in the lease. Initial direct costs are included in the initial measurement of the net investment in the lease in principle.

For operating leases in which the Company is the lessor, the Company presents the leases' underlying assets in its Consolidated Statement of Financial Position according to the nature of the underlying asset. Its depreciation policy for operating leases' underlying assets is consistent with its depreciation policy for similar assets. A lessor recognises the lease income on a straight-line basis over the lease term unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. It adds initial direct costs incurred in obtaining a lease contract to the carrying amount of the underlying asset and recognizes those costs as an expense over the lease term on the same basis as the lease income.

### Restated Comparative Information

Where the method of presentation of the consolidated financial statements or notes to the consolidated financial statements has changed, comparative information is restated accordingly.

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## Consolidated Financial Results

### (7) Segment Information

<Operating Segment>

◆ The Fiscal Year Ended March 31, 2019 (April 1, 2018 - March 31, 2019)

Millions of yen

	Lifestyle	ICT & Real Estate Business	Forest Products	Food	Agri Business	Chemicals	Power Business	Energy
Revenue	170,345	174,772	287,213	2,078,825	2,849,001	610,707	165,463	404,591
Gross trading profit (loss)	23,610	98,539	41,159	97,933	185,194	39,958	30,567	55,054
Operating profit (loss)	5,269	18,308	19,792	23,796	43,183	16,803	(10,210)	20,010
Share of profits (losses) of associates and joint ventures	728	5,577	2,361	5,237	(29,411)	1,739	3,570	958
Profit (loss) attributable to owners of the parent	5,191	31,365	16,213	19,639	672	11,448	15,021	26,646
Segment assets	122,188	447,106	266,855	762,628	1,233,343	351,427	712,176	787,524

  

	Metals & Mineral Resources	Plant	Aerospace & Ship	Finance & Leasing Business	Construction, Auto & Industrial Machinery	Next Generation Business Development	Other	Consolidated
Revenue	386,325	29,854	76,283	24,774	318,131	8	(175,036)	7,401,256
Gross trading profit (loss)	32,667	14,844	23,391	10,740	86,476	4	(10,461)	729,675
Operating profit (loss)	13,672	(3,378)	11,302	1,011	18,676	(2,112)	(3,113)	173,009
Share of profits (losses) of associates and joint ventures	41,012	17,522	5,073	22,288	8,675	8	(59)	85,278
Profit (loss) attributable to owners of the parent	41,740	15,565	13,990	18,337	22,131	(2,155)	(4,912)	230,891
Segment assets	853,100	343,588	245,707	250,097	340,728	643	91,967	6,809,077

◆ The Fiscal Year Ended March 31, 2020 (April 1, 2019 - March 31, 2020)

Millions of yen

	Lifestyle	ICT & Real Estate Business	Forest Products	Food	Agri Business	Chemicals	Power Business	Energy
Revenue	164,040	254,287	266,461	1,675,498	2,767,156	426,956	162,812	469,722
Gross trading profit (loss)	22,602	117,294	32,424	102,313	169,146	29,913	23,628	37,343
Operating profit (loss)	4,202	27,924	11,683	31,557	27,235	5,385	(13,916)	3,345
Share of profits (losses) of associates and joint ventures	437	2,003	(1,227)	6,307	(24,966)	1,468	17,781	(13,228)
Profit (loss) attributable to owners of the parent	4,127	11,944	3,298	19,467	(77,062)	4,091	8,976	(149,335)
Segment assets	102,770	483,014	266,786	679,664	1,164,784	267,098	704,279	572,001

  

	Metals & Mineral Resources	Plant	Aerospace & Ship	Finance & Leasing Business	Construction, Auto & Industrial Machinery	Next Generation Business Development	Other	Consolidated
Revenue	337,664	23,112	80,996	25,095	318,260	60	(144,478)	6,827,641
Gross trading profit (loss)	30,412	14,126	26,220	11,025	89,559	32	(9,229)	696,808
Operating profit (loss)	11,719	(4,545)	14,058	(492)	20,017	(4,368)	71	133,875
Share of profits (losses) of associates and joint ventures	(16,547)	(16,619)	2,832	(20,092)	6,027	2	672	(55,150)
Profit (loss) attributable to owners of the parent	(5,719)	(27,783)	11,641	(7,424)	19,561	(3,676)	(9,556)	(195,482)
Segment assets	758,594	243,833	274,961	306,915	359,864	7,314	128,160	6,320,037

(Note 1) From the FYE 3/2020, "Food", "Consumer Products", "Chemical & Forest Products", "Energy & Metals", "Power Business & Plant" and "Transportation & Industrial Machinery" have been reclassified into "Lifestyle", "ICT & Real Estate Business", "Forest Products", "Food", "Agri Business", "Chemicals", "Power Business", "Energy", "Metals & Mineral Resources", "Plant", "Aerospace & Ship", "Finance & Leasing Business", "Construction, Auto & Industrial Machinery" and "Next Generation Business Development" divisions.

(Note 2) In conjunction with these revisions, operating segment information for the year-earlier period and FYE 3/2019 has been reclassified.

(Note 3) "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" and "Selling, general and administrative expenses" including "Provision for doubtful accounts".

(Note 4) Inter-segment transactions are generally priced in accordance with the prevailing market prices.

(Note 5) "Other" includes headquarters expenses that are not allocated to the operating segments and inter segment elimination, cash and cash equivalents related to financing held for general corporate purposes that are not allocated to the operating segments.

# Marubeni Corporation

## Consolidated Financial Statements

### (8) Earnings per Share

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

	Year ended March 31,	
	2019	2020
Numerator (millions of yen):		
<b>Profit (loss) for the year attributable to owners of the parent</b>	<b>230,891</b>	<b>(197,450)</b>
Adjustment amount used for calculation of earnings (losses) per share attributable to owners of the parent (basic)		
<b>Amount not attributable to owners of the parent</b>	<b>4,015</b>	<b>3,920</b>
<b>Profit (loss) for the year used for calculation of earnings (losses) per share attributable to owners of the parent (basic)</b>	<b>226,876</b>	<b>(201,370)</b>
Adjustment amount used for calculation of earnings (losses) per share attributable to owners of the parent (diluted)		
<b>Adjustment concerning stock acquisition rights</b>	<b>(1)</b>	<b>—</b>
<b>Profit (loss) for the year used for the calculation of earnings (losses) per share attributable to owners of the parent (diluted)</b>	<b>226,875</b>	<b>(201,370)</b>
Denominator (number of shares):		
<b>Weighted average number of ordinary shares used for the calculation of earnings (losses) per share attributable to owners of the parent (basic)</b>	<b>1,735,354,008</b>	<b>1,735,465,904</b>
Effect of dilution		
<b>Adjustment concerning stock acquisition rights</b>	<b>1,503,080</b>	<b>—</b>
<b>Weighted average number of ordinary shares used for the calculation of earnings (losses) per share attributable owners of the parent (diluted)</b>	<b>1,736,857,088</b>	<b>1,735,465,904</b>

	<i>yen</i>	
<b>Basic earnings (losses) per share attributable to owners of the parent</b>	<b>130.74</b>	<b>(116.03)</b>
<b>Diluted earnings (losses) per share attributable to owners of the parent</b>	<b>130.62</b>	<b>(116.03)</b>

(Note) For the fiscal year ended March 31, 2020, conversion of stock acquisition rights is not included in the dilution adjustment because it reduces losses per share attributable to owners of the parent.

### (9) Material Subsequent Events

None