Financial Results

Summary of Consolidated Financial Results

For the Fiscal Year Ended March 31, 2015

(IFRS basis)

(April 1, 2014 – March 31, 2015)

**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)

May 8, 2015

Summary of Consolidated Financial Statements for the Fiscal Year Ended March 31, 2015 (IFRS basis)

Company name: Marubeni Corporation (URL http://www.marubeni.com) Code number: 8002
Listed: Tokyo, Nagoya
Representative: KOKUBU Fumiya President and CEO, Member of the Board
Inquiries: HANADA Kazuo General Manager, Media Relations Sec. TEL (03) 3282 - 4805
Expected date of Annual meeting of shareholders : June 19, 2015
Expected filing date of annual financial statement report : June 19, 2015
Expected date of the beginning of delivery of dividends: June 1, 2015
Supplementary explanations of yearly business results: Prepared
Briefing on yearly business results: To be held (for institutional investors and analysts)

1. Consolidated financial results for FY2015/3 (April 1, 2014 - March 31, 2015)

(Remarks)
Figures are rounded to the nearest million.
%: change from the previous fiscal year

(1) Consolidated business results

	Total volume of trading transactions		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)	(%)
FY2015/3	13,925,339	2.1	160,688	2.0	124,614	(47.3)	112,729	(47.1)	105,604	(49.9)	211,172	(25.4)
FY2014/3	13,633,520	27.7	157,462	22.6	236,373	50.3	213,286	58.6	210,945	62.1	283,211	(4.2)

	Earnings per share attributable to owners of the parent (basic)	Earnings per share attributable to owners of the parent (diluted)	Profit ratio to equity attributable to owners of the parent	Profit before tax ratio to total assets	Operating profit ratio to total trading transactions
	(yen)	(yen)	(%)	(%)	(%)
FY2015/3	60.85	60.85	7.3	1.7	1.2
FY2014/3	121.52	121.52	16.7	3.5	1.2

(Reference) Share of profits of associates and joint ventures FY2015/3 89,919 million yen
FY2014/3 99,405 million yen

(Note) 1. "Total volume of trading transactions" and "Operating profit" are presented in accordance with Japanese accounting practice for investors' convenience and are not required by IFRS.
2. "Total volume of trading transactions" includes all transactions involving the Company and its consolidated subsidiaries regardless of transaction type.
3. "Operating profit" is the sum of "Gross trading profit", "Selling, general and administrative expenses" and "Provision for doubtful accounts".
4. "Basic and diluted earnings per share attributable to owners of the parent" are based on "profit attributable to owners of the parent".

(2) Consolidated financial conditions

	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, 2015	7,673,064	1,678,713	1,518,515	19.8	875.04
March 31, 2014	7,256,085	1,531,231	1,383,358	19.1	797.14

(3) Consolidated cash flow

	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)
FY2015/3	170,943	(331,411)	(70,705)	469,106
FY2014/3	291,188	(706,585)	196,779	665,498

2. Dividends information

	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	2nd Quarter	3rd Quarter	4th Quarter	Annual			
	(yen)	(yen)	(yen)	(yen)	(yen)	(millions of yen)	(%)	(%)
FY2014/3	-	12.50	-	12.50	25.00	43,397	20.6	3.4
FY2015/3	-	13.00	-	13.00	26.00	45,124	42.7	3.1
FY2016/3 (prospects)	-	10.50	-	10.50	21.00		20.2	

(Remarks)
%: change from the previous fiscal year

3. Prospects of consolidated financial results for FY2016/3 (April 1, 2015-March 31, 2016)

	Total volume of trading transactions		Operating profit		Profit before tax		Profit for the year		Profit attributable to owners of the parent		Earnings per share attributable to owners of the parent (basic)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(yen)
Six months period	-	-	-	-	-	-	-	-	-	-	-
Yearly	14,000,000	0.5	150,000	(6.7)	250,000	100.6	190,000	68.5	180,000	70.4	103.72

(Note) The Company manages its operating performance on a full-year basis, and hence does not make earnings forecasts for six-month periods.

***Note**

(1) Changes to principal subsidiaries during the period : None

(2) Changes to accounting policies and accounting estimates

①Any changes in accounting policies required by IFRS	: Yes
②Any changes other than ①	: None
③Any changes in accounting estimate	: None

(3) Number of outstanding shares (Common shares)

①Number of outstanding shares at the end of the term	March 31, 2015	1,737,940,900
(Treasury shares are included)	March 31, 2014	1,737,940,900
②Number of outstanding treasury shares at the end of the term	March 31, 2015	2,567,510
	March 31, 2014	2,536,562
③Average number of outstanding shares during the term	Year ended March 31, 2015	1,735,387,247
	Year ended March 31, 2014	1,735,902,213

<Indication concerning implementation status of auditing procedure>

These Consolidated Financial Results for FY2015/3 are not subject to the auditing procedure pursuant to the Financial Instruments and Exchange Law.
At the time of disclosing these Consolidated Financial Results for FY2015/3, the auditing procedure for financial statements pursuant to the Financial Instruments and Exchange Law has not been completed.

<Descriptions relating to the proper use of financial prospects and other special notes>

(Notes to the description about future, other)

The descriptions about future such as the above prospects 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.

For cautionary notes concerning assumptions made in the earnings forecast and use of the earnings forecast, please refer to "1. (4) Qualitative Information on Forecast of Consolidated Financial Results" on page 15.

(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 Friday, May 8, 2015.

The Company is scheduled to hold a briefing on business results for institutional investors and analysts on Tuesday, May 12, 2015, and to post the audio file of the briefing together with the materials used at the briefing on the Company's website at the earliest possible time.

【Table of Contents of Attached Materials】

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1. Financial Results

(1) Business Environment

In the fiscal year ended March 31, 2015, the global economy as a whole staged a moderate recovery against a backdrop of a continued, relatively robust recovery in the U.S. coupled with tepid recoveries in Japan and Europe and a slowdown in emerging market economies. Resource prices continued to decline during the fiscal year, with crude oil prices in particular falling sharply from last summer. Resource price declines roiled financial markets in commodity-producing countries, many of which have experienced currency depreciation and equity market selloffs.

The U.S. economy's continued recovery was underpinned by the household sector by virtue of equity market appreciation and benign employment and income environments. Although the Federal Reserve ended its quantitative easing program, U.S. markets were spared from major volatility.

European economic growth slowed, mainly in Italy and other countries forced to adopt fiscal austerity policies, despite continued improvement in the U.K. and German economies. Meanwhile, geopolitical risks continued to escalate, partly due to sanctions against Russia in response to events in the Ukraine. Additionally, the European Central Bank launched a quantitative easing program amid renewed debt problems in Greece.

Asian economic growth slowed overall and economic growth targets were revised downward, partly in response to sluggish investment in China. The Thai economy was weighed down by political factors, most notably a military coup d'état.

The Japanese economy was bolstered by equity market appreciation and economic stimulus, chiefly in the form of public works spending, but it has been slow to recover from domestic demand retrenchment in the wake of the consumption tax hike.

(2) Analysis of Consolidated Financial Results

Under the aforementioned business environment, consolidated financial results for the fiscal year ended March 31, 2015 are as follows:

(millions of yen)

	Fiscal year ended March 31,		Variance
	2015	2014	
Total volume of trading transactions	13,925,339	13,633,520	291,819
Gross trading profit	707,318	651,063	56,255
Operating profit	160,688	157,462	3,226
Share of profits of associates and joint ventures	89,919	99,405	(9,486)
Profit attributable to owners of the parent	105,604	210,945	(105,341)

Revenue	7,834,295	7,055,700	778,595

(Note 1)

Figures are rounded to the nearest million yen unless otherwise stated.

(Note 2)

"Total volume of transactions" and "Operating profit" are presented in accordance with Japanese accounting practice for investors' convenience and are not required by IFRS. "Total volume of trading transactions" includes all transactions involving the Company and its consolidated subsidiaries regardless of transaction type. "Operating profit" is the sum of "Gross trading profit" and "Selling, general and administrative expenses" including "Provision for doubtful accounts".

Total volume of trading transactions during the fiscal year ended March 31, 2015, grew to 13,925.3 billion yen, up 291.8 billion yen (2.1%) from the previous fiscal year, as a result of growth in grain trading volume sufficient to offset a reduction in oil trading revenues due to decreased sales prices. ***Gross trading profit*** increased 56.3 billion yen (8.6%) year on year to 707.3 billion yen in response to the growth of total volume of trading transactions, and ***operating profit*** amounted to 160.7 billion yen with an increase of 3.2 billion yen (2.0%) year on year.

Profit attributable to owners of the parent for the fiscal year ended March 31, 2015 (hereinafter referred to as "***Net profit*** for the fiscal year ended March 31, 2015") decreased 105.3 billion yen (49.9%) year on year to 105.6 billion yen, due to the one time losses mainly on property, plant and equipment.

Meanwhile, "***Revenue***" as defined under IFRS amounted to 7,834.3 billion yen, an increase of 778.6 billion yen (11.0%) year on year.

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Financial results for each operating segment for the fiscal year ended March 31, 2015 are as follows:

Food:

(millions of yen)

	Fiscal year ended March 31,		Variance
	2015	2014	
Total volume of trading transactions	4,725,590	4,020,145	705,445
Gross trading profit	172,264	147,585	24,679
Operating profit	50,621	39,464	11,157
Share of profits of associates and joint ventures	6,013	2,763	3,250
Profit attributable to owners of the parent	11,071	18,336	(7,265)

The total volume of trading transactions during the fiscal year ended March 31, 2015 increased 705.4 billion yen (17.5%) from the period a year earlier to 4,725.6 billion yen. This was mainly due to rises in the volume of grain transactions and the impact of the yen's depreciation. With this increase in transactions, gross trading profit grew 24.7 billion yen (16.7%) year on year to 172.3 billion yen. Operating profit rose 11.2 billion yen (28.3%) year on year to 50.6 billion yen. Despite a valuation gain on the consolidation of U.S. grain export facilities, net profit for the fiscal year under review declined 7.3 billion yen (39.6%) year on year to 11.1 billion yen due to recognition of impairment loss on goodwill of Gavilon.

In the food materials field, Marubeni booked a one-time loss in conjunction with revision of Gavilon's business plan. In the grain trading business, Marubeni focused on expanding grain trading volume by capitalizing on its price competitiveness and proprietary global sales network and grain logistics network, the main hubs of which are Columbia Grain (U.S.) and Terlogs Terminal (Brazil).

In the food products field, Marubeni teamed up with the Aeon Group to establish United Supermarket Holdings, a holding company for the Maruetsu, Kasumi and Maxvalu Kanto supermarket chains. Marubeni aims to enhance the value and expedite the growth of United Supermarket Holdings by leveraging its know-how, information and networks as a Sogo Shosha.

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Chemicals:

(millions of yen)

	Fiscal year ended March 31,		Variance
	2015	2014	
Total volume of trading transactions	1,277,468	1,258,146	19,322
Gross trading profit	36,252	28,351	7,901
Operating profit	8,883	4,106	4,777
Share of profits of associates and joint ventures	2,058	1,580	478
Profit attributable to owners of the parent	4,542	6,414	(1,872)

The total volume of trading transactions stood at 1,277.5 billion yen, an increase of 19.3 billion yen (1.5%) year on year. This was chiefly due to a rise in the volume of transactions in the inorganic and agrochemical business and vinyl chloride alkali-related business at the parent. Gross trading profit grew 7.9 billion yen (27.9%) year on year to 36.3 billion yen, due mainly to the improvement in margins on petrochemical products and vinyl chloride alkali-related products. Operating profit increased 4.8 billion yen (116.3%) year on year to 8.9 billion yen. Net profit for the fiscal year under review decreased 1.9 billion yen (29.2%) year on year to 4.5 billion yen, as a result of recognition of impairment loss on Gavilon according to the segment's equity stake.

The petrochemical and synthetic resin fields earned profits from trading ethylene and other petrochemicals despite major volatility in and an uncertain outlook for prices of crude oil and naphtha, two key petrochemical feedstocks. In the vinyl alkali field, vinyl chloride resin trading volume increased in Asia, Africa and Latin America. In the electronic materials field, solar cell module sales increased as solar power feed-in tariffs remained a tailwind. The inorganic and agricultural chemicals fields expanded its sales network, largely through acquisition of agriculture-related operations.

Energy:

(millions of yen)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2014	Variance
Total volume of trading transactions	3,248,288	3,686,878	(438,590)
Gross trading profit	40,043	49,827	(9,784)
Operating profit	9,290	20,639	(11,349)
Share of profits of associates and joint ventures	(405)	3,030	(3,435)
Profit attributable to owners of the parent	(17,274)	36,464	(53,738)

The total volume of trading transactions amounted to 3,248.3 billion yen, down 438.6 billion yen (11.9%) year on year, due mainly to a fall in selling prices in the oil trading field. Gross trading profit declined 9.8 billion yen (19.6%) year on year to 40.0 billion yen, due chiefly to a drop in oil and gas prices in the oil and gas development field. Operating profit fell 11.3 billion yen (55.0%) year on year to 9.3 billion yen. Net profit for the fiscal year under review deteriorated 53.7 billion yen (-%) year on year to -17.3 billion yen (loss), due to recognition of impairment loss on property, plant and equipment as a result of the significant decline in oil and gas prices, etc.

The upstream resource development field made steady progress in expanding production in the U.S. Gulf of Mexico and U.K. North Sea. In the natural gas liquefaction field, existing projects in Qatar, Equatorial Guinea and Peru performed well while a new project in Papua New Guinea commenced commercial production and continued to operate stably thereafter. The energy trading field stepped up initiatives aimed at increasing its petroleum product and LNG trading profits by better leveraging its domestic and overseas trading infrastructure and networks.

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Metals & Mineral Resources:

(millions of yen)

	Fiscal year ended March 31,		Variance
	2015	2014	
Total volume of trading transactions	809,589	798,727	10,862
Gross trading profit	20,301	15,617	4,684
Operating profit	872	(2,915)	3,787
Share of profits of associates and joint ventures	6,632	21,068	(14,436)
Profit attributable to owners of the parent	(12,136)	20,316	(32,452)

The total volume of trading transactions stood at 809.6 billion yen, an increase of 10.9 billion yen (1.4%) year on year, reflecting an increase in non-ferrous and light metal transactions. Gross trading profit grew 4.7 billion yen (30.0%) year on year to 20.3 billion yen, due mainly to the profit growth as a result of increased transactions in the aluminum-related business. Operating profit improved 3.8 billion yen (- %) year on year to 0.9 billion yen. The share of profits of associates and joint ventures declined 14.4 billion yen (68.5%) year on year to 6.6 billion yen, due to non-recurrence of a gain a year earlier on negative goodwill and recognition of impairment loss on overseas copper and coal operations. Net profit for the fiscal year under review deteriorated 32.5 billion yen (- %) year on year to -12.1 billion yen (loss), as a result of recognition of expected loss in accordance with the decision on the sale of a coal project in Canada.

Among new development projects, development of the Roy Hill Iron Ore Mine in Australia and Antucoya Copper Mine in Chile progressed steadily toward commencement of production in 2015. Meanwhile, Marubeni focused on initiatives to increase the value of existing iron ore, coal, copper and aluminum projects by reducing costs and improving operating efficiency in the aim of increasing productivity and rationalizing management. In one such initiative, Marubeni consolidated two Chilean copper mining ventures, the Esperanza and El Tesoro mines, into a new company, Minera Centinela. At the same time, Marubeni endeavored to strengthen its earnings foundation in terms of both resource development and trading by conservatively assessing projects' profitability and divesting subpar assets while acquiring higher-quality ones .

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Transportation Machinery:

(millions of yen)

	Fiscal year ended March 31, 2015	2014	Variance
Total volume of trading transactions	772,266	694,340	77,926
Gross trading profit	78,082	66,059	12,023
Operating profit	15,110	14,865	245
Share of profits of associates and joint ventures	24,753	17,892	6,861
Profit attributable to owners of the parent	25,627	23,303	2,324

The total volume of trading transactions stood at 772.3 billion yen, an increase of 77.9 billion yen (11.2%) year on year, due to new consolidation of the automotive retail finance business and an increase in new shipbuilding transactions. With the increase in transactions, gross trading profit grew 12.0 billion yen (18.2%) year on year to 78.1 billion yen, and operating profit rose 0.2 billion yen (1.6%) year on year to 15.1 billion yen. The share of profits of associates and joint ventures increased by 6.9 billion yen (38.3%) year on year to 24.8 billion yen, due primarily to the increase in profits in the aircraft-leasing business. As a result, net profit for the fiscal year under review increased 2.3 billion yen (10.0%) year on year to 25.6 billion yen.

In the construction machinery field, Marubeni acquired an equity interest in a Turkish construction machinery dealer. In the automobile field, Marubeni increased its equity stake in a North American automotive retail finance business. In the aircraft field, Marubeni continued to make steady progress in building a stable earnings foundation, aided by the success of a major U.S. aircraft leasing business in which Marubeni acquired an equity stake in the fiscal year ended March 31, 2014. In addition to these investee businesses, Marubeni also focused on strengthening its automobile, equipment, construction and agricultural machinery trading operations. In the ship field, Marubeni focused on likewise expanding its trading operations, brokering the sale of 11 newbuild containerships, among the largest in the world, to a Taiwanese shipping line.

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Power Projects and Infrastructure:

(millions of yen)

	Fiscal year ended March 31,		Variance
	2015	2014	
Total volume of trading transactions	426,366	400,888	25,478
Gross trading profit	29,212	26,644	2,568
Operating profit	(8,031)	(3,638)	(4,393)
Share of profits of associates and joint ventures	45,684	45,659	25
Profit attributable to owners of the parent	31,125	27,227	3,898

The total volume of trading transactions amounted to 426.4 billion yen, an increase of 25.5 billion yen (6.4%) year on year, reflecting an increase in transactions in the power consolidation business in the U.K. With the increase in transactions, gross trading profit increased 2.6 billion yen (9.6%) year on year to 29.2 billion yen. However, operating profit deteriorated 4.4 billion yen (- %) year on year to -8.0 billion yen (loss), due mainly to new consolidation of businesses. Net profit for the fiscal year under review grew 3.9 billion yen (14.3%) year on year to 31.1 billion yen, as a result of sale of existing projects and non-recurrence of one-time loss on an overseas project that was recognized for the previous fiscal year.

Among overseas power projects field, the Sur Thermal Power Plant, one of the largests in Oman, was commissioned into operation. In the U.S., Marubeni joined a natural gas-fired power plant construction and operation project. In the Philippines, construction to enlarge the Pagbilao coal-fired power plant commenced. In the overseas power project EPC (engineering, procurement and construction) field, Marubeni won a contract for a large coal-fired power plant project in Thailand. In the domestic power project field, three mega-solar power plants commenced operation. In the water field, Marubeni acquired Portugal's biggest water utility, becoming the first Japanese company to enter the water utility business in Portugal and Brazil.

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Plant:

(millions of yen)

	Fiscal year ended March 31,		Variance
	2015	2014	
Total volume of trading transactions	192,602	445,971	(253,369)
Gross trading profit	31,532	35,441	(3,909)
Operating profit	6,596	11,763	(5,167)
Share of profits of associates and joint ventures	(2,863)	3,150	(6,013)
Profit attributable to owners of the parent	(8,803)	10,302	(19,105)

The total volume of trading transactions declined 253.4 billion yen (56.8%) year on year to 192.6 billion yen, reflecting decreases in transactions in energy and chemical plant projects and industrial plant projects. Gross trading profit decreased 3.9 billion yen (11.0%) year on year to 31.5 billion yen, due to lower turnover of environmental and industrial machinery projects, and operating profit fell 5.2 billion yen (43.9%) year on year to 6.6 billion yen. The share of profits of associates and joint ventures deteriorated 6.0 billion yen (- %) year on year to -2.9 billion yen (loss), due primarily to recognition of impairment loss on energy and chemical plant operations. In addition, there were losses associated with overseas infrastructure construction projects. As a result, net profit for the fiscal year under review deteriorated 19.1 billion yen (- %) year on year to -8.8 billion yen (loss).

In the plant field, Marubeni expanded its industrial cogeneration business in Europe and signed an agreement to supply a coal conveyor system to a Russian port. Additionally, Marubeni steadily added to its track record in the U.S., launching an offshore oil and gas production and processing service business and an FPSO (floating production storage and offloading) vessel chartering business in Brazil. In the transportation and infrastructure project field, Marubeni won a rail system contract for its second PPP (public-private partnership) project in Australia and began selling industrial park sites in the Thilawa Special Economic Zone in Myanmar. In the environmental and industrial machinery business, Marubeni actively focused on mega-solar power generation projects and sales of photovoltaic systems, parts and materials.

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Lifestyle & Forest Products:

(millions of yen)

	Fiscal year ended March 31,		Variance
	2015	2014	
Total volume of trading transactions	947,745	959,221	(11,476)
Gross trading profit	57,752	58,253	(501)
Operating profit	10,851	12,519	(1,668)
Share of profits (losses) of associates and joint ventures	1,209	1,560	(351)
Profit attributable to owners of the parent	5,570	7,184	(1,614)

The total volume of trading transactions declined 11.5 billion yen (1.2%) year on year to 947.7 billion yen, due mainly to decreases in transactions of building materials and natural rubbers. Despite increases in profits from growth in tire and belt transactions in the rubber field and from chip and pulp-related transactions, gross trading profit fell 0.5 billion yen (0.9%) year on year to 57.8 billion yen, due to deterioration in margins in the Musi Pulp business. Operating profit declined 1.7 billion yen (13.3%) year on year to 10.9 billion yen. Net profit for the fiscal year under review decreased 1.6 billion yen (22.5%) year on year to 5.6 billion yen due to a higher income tax payment.

Marubeni focused on solidifying existing businesses' foundations in the domestic market while building new earnings foundations in overseas markets. In the footwear field, Marubeni acquired an equity stake in ASICS Asia PTE. LTD., a distributor of ASICS athletic shoes in Southeast and South Asia. In the rubber field, Marubeni make further inroads into ASEAN countries, opening 12 new B-Quick retail tire outlets in Thailand and launching the B-Quik chain in Cambodia also. In the paper and pulp field, Oji JK Packaging Private Limited, which processes and sells containerboard products in India, commissioned a new plant.

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<u>ICT, Finance & Insurance, Real Estate Business:</u>

(millions of yen)

	Fiscal year ended March 31,		Variance
	2015	2014	
Total volume of trading transactions	448,245	430,658	17,587
Gross trading profit	92,695	88,098	4,597
Operating profit	18,254	19,645	(1,391)
Share of profits of associates and joint ventures	5,405	1,678	3,727
Profit attributable to owners of the parent	23,105	15,748	7,357

The total volume of trading transactions increased 17.6 billion yen (4.1%) year on year to 448.2 billion yen, due to a profit contribution from the domestic cell-phone retail subsidiary, and gross trading profit grew 4.6 billion yen (5.2%) year on year to 92.7 billion yen. Operating profit declined 1.4 billion yen (7.1%) year on year to 18.3 billion yen, as a result of converting ARTERIA Networks into an associate. In the meantime, the share of profits of associates and joint ventures increased 3.7 billion yen (222.1%) year on year to 5.4 billion yen, and net gains on investment securities increased. As a result, net profit for the fiscal year under review grew 7.4 billion yen (46.7%) year on year to 23.1 billion yen.

In the ICT field, Marubeni expanded its IT service operations by establishing Marubeni IT Solutions Inc., a joint venture with Nomura Research Institute, Ltd., and reorganizing operating companies. In the financial services field, Marubeni entered the private REIT market for the first time and launched Marubeni Private REIT Inc., a diversified private REIT with a mandate to invest in office, retail, hotel and residential properties. In the real estate field, Marubeni began selling condominium units at Grand-Suite Kagurazaka Pias and Grand-Suite Takadanobaba Suwa Mori, two newly constructed condo projects.

Overseas Corporate Subsidiaries and Branches:

(millions of yen)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2014	Variance
Total volume of trading transactions	3,163,705	2,895,626	268,079
Gross trading profit	170,617	150,462	20,155
Operating profit	43,475	42,775	700
Share of profits of associates and joint ventures	1,072	924	148
Profit attributable to owners of the parent	29,557	25,281	4,276

The total volume of trading transactions amounted to 3,163.7 billion yen, an increase of 268.1 billion yen (9.3%) year on year, due to the impact of depreciation of the yen. Gross trading profit grew 20.2 billion yen (13.4%) year on year to 170.6 billion yen, reflecting increased profits at Helena Chemical, an agricultural chemicals and fertilizer products sales subsidiary of Marubeni America Corporation. Operating profit rose 0.7 billion yen (1.6%) year on year to 43.5 billion yen. Net profit for the fiscal year under review increased 4.3 billion yen (16.9%) year on year to 29.6 billion yen, as a result of non-recurrence of a year-earlier loss on valuation of property, plant and equipment.

Although the global economic outlook became increasingly murky amid a slowdown in Chinese growth and slump in resource prices, overseas operations generally performed well, largely by virtue of a continued relatively robust recovery in the U.S. Marubeni America Corporation was the chief driver of overseas earnings growth, aided by yen depreciation and another outsized profit contribution by its subsidiary Helena Chemical. In sub-Saharan Africa, designated a priority region in Marubeni's mid-term management plan, Marubeni substantially increased expat staffing and cultivated new business opportunities in a broad range of sectors such as infrastructure development, marine projects and plant construction in addition to trade in foodstuffs, metals and other goods.

(Note 1)

Effective from the Fiscal Year ended March 31, 2015, "Plant & Industrial Machinery" has been renamed as “Plant”.

(Note 2)

Inter-segment transactions are generally priced in accordance with the prevailing market prices.

(3) Qualitative Information on Consolidated Financial Conditions

①Conditions of Assets, Liabilities and Equity

(billions of yen)

	March 31, 2015	March 31, 2014	Variance
Total assets	7,673.1	7,256.1	417.0
Total equity	1,678.7	1,531.2	147.5
Interest-bearing debt	3,369.0	3,182.4	186.7
Net interest-bearing debt	2,887.6	2,491.0	396.6
Net D/E ratio (times)	1.72	1.63	+0.09 point

(Note)

1. *Figures are rounded to the nearest hundred million yen unless otherwise stated.*
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 increased 417.0 billion yen from the end of the previous fiscal year to 7,673.1 billion yen as the Company made new investments and loans during the fiscal year under review. Net interest-bearing debt grew 396.6 billion yen from the end of the previous fiscal year to 2,887.6 billion yen. Total equity increased 147.5 billion yen from the end of the previous fiscal year to 1,678.7 billion yen, primarily reflecting increased foreign currency translation adjustments due to the depreciation of Japanese yen. Consequently, net D/E ratio stood at 1.72 times.

②Cash Flows

Cash and cash equivalents at the end of the fiscal year under review were 469.1 billion yen, a decline of 196.4 billion yen from the end of the previous fiscal year.

(Operating activities)
Net cash provided by operating activities was 170.9 billion yen, due primarily to robust operating revenue mainly at overseas subsidiaries which offset the increase in working capital.

(Investing activities)
Net cash used in investing activities was 331.4 billion yen, the aggregate of a cash inflow from sales of investment real estates and a cash outflow attributable to the investments in the Roy Hill Iron Ore project in Australia and IPP project in Oman, along with the capital expenditure in overseas resource related businesses.

As a result of the above-mentioned activities, free cash flow (the sum of net cash provided by operating activities and net cash used in investing activities) for the fiscal year under review was negative 160.5 billion yen.

(Financing activities)
Net cash used in financing activities amounted to an outflow of 70.7 billion yen, as a result of repayment of borrowings and redemption of corporate bonds.

(4) Qualitative Information on Forecast of Consolidated Financial Results

The economic outlook for the fiscal year ending March 31, 2016 calls for developed economies to continue recovering against a backdrop of robust U.S. demand. Emerging market economies, by contrast, look likely to perform lacklusterly given their recent slowdown and diminished medium-term growth prospects. While the global economy as a whole is in a moderate recovery, geopolitical risks, resource price trends and U.S. monetary policy require close monitoring. With commodity demand unlikely to recover strongly, commodity markets are expected to remain soft.
The Japanese economy is projected to gradually recover as the April 2014 consumption tax hike's repercussions subside and export growth picks up in the wake of global economic recovery.

The forecasts of consolidated financial results for the fiscal year ending March 31, 2016 are as listed in the following.

<Consolidated Financial Results Forecast>

	Total volume of trading transactions (millions of yen)	Operating profit (millions of yen)	Profit before tax (millions of yen)	Profit attributable to owners of the parent (millions of yen)	Earnings per share attributable to owners of the parent (basic) (yen)
Forecast for FY2016/3	14,000,000	150,000	250,000	180,000	103.72
Results for FY2015/3	13,925,339	160,688	124,614	105,604	60.85

<Assumptions for major indexes for FY2016/3>

Foreign exchange rate: USD1 = JPY118,
JPY TIBOR: 0.2%,
USD LIBOR: 0.6%,
Oil (WTI): USD55 / Barrel,
Copper (LME): USD6,000 / MT

＜Notes to the description about future, other＞

The description about future, such as prospects of financial results, is based upon available information and assumption, at the announcement date, about uncertain factors which would influence upon future businesses. Actual results might be influenced by various factors in the future.

(5) Basic Policy on Profit Distribution and Dividends for the Fiscal Year ended March 31, 2015 and the Fiscal Year ending March 31, 2016

Marubeni recognizes that its important corporate responsibilities lie in paying stable dividends to shareholders in a consistent manner and in maximizing corporate value and competitiveness by building up and effectively utilizing internal reserves.
The Company applies a basic policy to determine dividends aiming for a consolidated payout ratio of 20% or more, based on the principle of linking dividends to the Company's business results for each term, in order to make clearer its stance on redistribution of profits to our shareholders.

As for the frequency of distributing dividends from surplus each fiscal year, Marubeni will maintain its usual policy of paying dividends twice a year: interim and year-end dividends. As the Company's Articles of Incorporation prescribe, pursuant to the provisions of Article 459, Section 1 of the Companies Act, that its Board of Directors is entitled to resolve and distribute surplus, it is our basic policy that payment of each dividend is to be resolved by the Board of Directors.

Marubeni expects the annual dividend per share for the fiscal year ended March 31, 2015 to be 26 yen (interim dividend: 13 yen/already paid, year-end dividend: 13 yen) as announced in 'Notice Regarding Revision of Consolidated Financial Results Forecast and Recognition of Impairment Loss' dated January 26, 2015, notwithstanding the fact that net profit for the fiscal year ended March 31, 2015 amounted to 105.6 billion yen.
The year-end dividend is to be resolved at the Board of Directors' meeting scheduled on May 15, 2015, and the commencement date of payment shall be June 1.
Meanwhile, the Company will appropriate internal reserves for making investments in priority fields and return benefits to shareholders by improving our operating performance into the future.

With respect to the annual dividend per share for the fiscal year ending March 31, 2016, Marubeni plans to distribute 21 yen per share (interim dividend: 10.50 yen, year-end dividend: 10.50 yen) as net profit for the period is forecast to be 180.0 billion yen.

(6) Business Risks

Major risks that could have a serious impact on investor decisions associated with the business operations and other activities of Marubeni Corporation and its consolidated subsidiaries are outlined below. The risks discussed, however, are not inclusive of the full range of possible risks faced in the broad range of activities engaged in by the Group. Any number of additional risks other than those discussed below could also impact business performance. Furthermore, risks considered to have a low likelihood of materializing have also been disclosed, from the perspective of ensuring proactive information disclosure. Forward-looking statements with respect to the risks discussed below reflect the reasonable judgment of the Company’s management based on information available as of March 31, 2015.

① Risks Regarding to Overall Operating Activities

1) Impact of Japanese and Global Economies on the Marubeni Group

The Company is a general trading company engaged in a wide range of business activities through bases in Japan and over 60 other countries. Examples include the production and procurement of natural resources and other primary commodities, as well as the manufacture and sale of finished goods and various commercial and investing activities in Japan and overseas in many industrial fields. As a result, the Group is impacted by the economic conditions prevailing in Japan and other countries where it has operations, as well as by the state of the global economy as a whole. Worsening economic conditions on either of these fronts could adversely affect the operating activities, business results, and financial condition of the Group.

2) Credit Risks Regarding Business Partners

Marubeni and its consolidated subsidiaries extend credit to business partners in the form of accounts receivable, advances, loans, guarantees, and other means. In addition, as a part of its sales activities, the Group concludes merchandise supply, subcontracting, operational outsourcing, and other types of contracts with business partners. The incurrence of credit risk due to the inability of business partners to fulfill their credit obligations or a breach of contract by these business partners could adversely affect the Group’s business results and financial condition. To prevent credit risks from materializing, the Group conducts extensive risk management at the credit screening stage. Nevertheless, the Company is susceptible to a variety of credit risks. In preparation for the incurrence of possible losses when credit risk becomes apparent, the Group establishes allowances for doubtful accounts based on the estimated amount of the loss, the business partner’s creditworthiness, collateral value, and other set factors. In the event of such losses, however, the

Company cannot guarantee that actual losses will not exceed these established allowances.

3) Investment Risk

Marubeni and its consolidated subsidiaries, both independently and in collaboration with other companies, establish new companies and purchase existing enterprises in the course of their business operations. Most of these business investments require sizeable amounts of capital. The Group may be unable to withdraw from such businesses in an optimal manner or time frame, in which case it would be obliged to commit additional capital. In an effort to prevent the occurrence of risks associated with investments and other activities, the Group conducts extensive risk management, including checking new investments to determine whether expected returns are commensurate with the risks involved. Nevertheless, a decline in the value of these investments or the necessity of additional expenditures of capital could adversely affect the Group's business results and financial condition.

4) Concentrated Risk Exposure

As part of their commercial and investment activities, Marubeni and its consolidated subsidiaries are concentrated in specific investment targets, markets, and regions, such as business operations in Indonesia. In the context of the Group's country risk management, the Company classifies countries according to their level of risk, and has established transaction management standards for each country and promotes efforts to ensure optimal portfolio management. Nevertheless, a deteriorating operating environment in these markets or regions could adversely affect the Group's business results and financial condition.

5) Ability to Procure Funds and Funding Cost

Marubeni and its consolidated subsidiaries engage in fund procurement with an emphasis on maintaining an optimal mix of funding in line with the requirements of their respective asset portfolios and ensuring liquidity. However, significant disruptions in major global capital markets, shortages of cash flows from operating activities, declining profitability, failure in asset-liability management, or a sharp downgrade in the credit rating of the Group by ratings agencies could constrain fund procurement or lead to an increase in funding cost, which could adversely affect the Group's business results and financial condition.

6) Market Risks

i. Fluctuations in the Price of Goods and Merchandise

Marubeni and its consolidated subsidiaries handle a variety of merchandise. In order to mitigate the risk of fluctuations in market conditions for certain merchandise, contracts, and scheduled contracts, the Group enters into commodity futures and forward contracts. However, changes in respective market conditions could adversely affect the Group’s business results and financial condition. In addition, the Group participates in energy and natural resource exploration and production (E&P) businesses and other manufacturing businesses. Fluctuations in the markets of the products sold through these activities could adversely affect the Group’s business results and financial condition.

ii. Market Liquidity (Liquidity Risk)

Marubeni and its consolidated subsidiaries hold a variety of assets that are subject to market trading, including financial instruments. Financial market turmoil and other factors can cause the market liquidity of held assets to decline dramatically, a situation that could potentially trigger a precipitous drop in the value of held assets. Such an occurrence could adversely affect the Group’s business results and financial condition.

iii. Fluctuations in Foreign Currency Exchange Rates

Marubeni and its consolidated subsidiaries conduct transactions in a variety of currencies and under a variety of terms. In order to mitigate the risk of exchange rate fluctuations associated with transactions, receivables, and liabilities denominated in foreign currencies, the Group enters into forward exchange contracts and other derivative transactions. Despite these measures, fluctuations in exchange rates could adversely affect the Group’s business results and financial condition.

iv. Fluctuations in Interest Rates

Marubeni and its consolidated subsidiaries procure necessary funds from financial institutions, the issuance of bonds, and other means from capital markets. The major part of the liabilities at floating rates is corresponding to operating assets that are positively affected by changes in interest rates. However, some parts of the liabilities are exposed to interest rate risk.

Among the liabilities procured for interest insensitive assets such as investment securities and fixed assets, the portion at floating rates is categorized as “unhedged” through the Group’s asset-liability management. Monitoring market movements in interest rates, the Group utilizes interest rate swaps and other measures to mitigate the risk of interest rate fluctuations.

There is no guarantee that the Group will be able to completely avoid interest rate risk, even after having implemented those management measures. Therefore, change in market interest rates could adversely affect the Group’s business results and financial condition.

v. Fluctuations in Values of Marketable Securities Subject to Market Volatility

To strengthen business relationships and for other purposes, Marubeni and its consolidated subsidiaries invest in marketable securities that are subject to market volatility. Such securities held by the Group carry the risk of fluctuations in original value due to changes in fair value. Drops in the fair value of these securities could adversely affect the Group’s business results and financial condition.

vi. Risks Regarding Employees' Retirement Benefits

As the Group holds domestic and foreign stocks and bonds as pension assets, sluggish performance in securities markets could decrease the value of those assets or could require it to accumulate additional pension assets. Such an event could adversely affect the Group's business results and financial condition.

7) Impairment of Real Estate, Machinery and

Equipment, and Other Property, Plant and Equipment Marubeni and its consolidated subsidiaries hold real estate, machinery and equipment, and other property, plant and equipment for sale and lease to other parties as well as for their own use. A decline in the value of these assets could potentially require the Group to recognize impairment losses. The Group accounts for impairment of property, plant and equipment in accordance with IFRS. Nevertheless, a dramatic decline in asset value could adversely affect the Group's business results and financial condition.

8) Laws and Regulations

In the course of operations, Marubeni and its consolidated subsidiaries are subject to a broad range of laws and regulations both in Japan and other applicable countries. Changes in or unanticipated interpretations of these laws and regulations could increase the obligations pertaining to legal and regulatory compliance placed on the Group. Accordingly, changes or altered interpretations of laws and regulations may result in punitive measures, including the interruption of operations, lower the Company's credibility, or cause the occurrence of other circumstances that could adversely affect the Group's business results and financial condition.

9) Significant Litigation

In the course of business activities in Japan and overseas, Marubeni and its consolidated subsidiaries may be a party to litigation, disputes, and other legal proceedings. When party to such litigation, predicting the outcome is impossible given the inherent uncertainty of these matters. The Company cannot guarantee that such litigation will not adversely affect the Group's business results and financial condition.

10) Environmental Risk

Marubeni and its consolidated subsidiaries conduct business activities globally across a broad range of industries, and environmental pollution as a result of these activities could result in business stoppage, pollution remediation expenses, and legal fees in response to litigation by local residents. In addition, the Group's social reputation could be damaged. In the year ended March 31, 2000, an environmental management system was introduced to cope with such environmental risks, under which various initiatives have been implemented to assess the potential environmental burden and reduce environmental risk, including environmental impact evaluations for each new financing and development project. In the event, however, that some form of environment impact occurs, it could adversely affect the Group's business results and financial condition.

11) Natural Disaster Risk

Earthquakes and other natural disasters could cause damage and loss to the Group's offices and facilities and inhibit the normal business activities of Marubeni and its consolidated subsidiaries. While every effort has been made to implement appropriate countermeasures, such as the formulation of business continuity plans, earthquake countermeasures, and fire prevention drills, the potential for damage from natural disasters cannot be completely mitigated. Consequently, there is no guarantee that such disasters will not adversely affect the Group's business results and financial condition.

12) Risk Relating to Terrorists and Violent Groups

Marubeni and its consolidated subsidiaries conduct business operations globally, and these operations are therefore exposed to risk from unexpected situations relating to terrorists and violent groups, as well as trends in politics and social factors. The materialization of such risks could adversely affect the Group's business results and financial condition.

13) Other Risks Inherent and Related to Overall Marubeni Operations

Negligence on the part of employees charged with executing business operations, and malfunctions pertaining to computer systems supporting business activities, are among other risks, the materialization of which could adversely affect the Group's business results and financial condition.

② Risk Management

Marubeni and its consolidated subsidiaries make decisions on certain matters (e.g., investments, credit extension) through a bottom-up consensus-building process. For the most important of such matters (e.g., new businesses), Marubeni and its consolidated subsidiaries are committed to avoiding risks by upgrading their risk management. Initiatives to strengthen risk management include establishment of a follow-up procedure that mandates periodic reporting to the Corporate Management Committee to continually monitor progress and expeditiously rectify any problems.

Additionally, from the standpoint of Group-wide risk diversification, Marubeni conducts integrated risk management to ascertain quantifiable (measurable) risks such as market risk, credit risk and investment risk vis-à-vis specific countries, sectors and customers. To do so, Marubeni has instituted basic risk management policies and internal risk management regulations and established organizations, controls, procedures, systems and infrastructure to ensure compliance with such policies and regulations, thereby enabling appropriate decision-making and monitoring.

For unquantifiable (non-measurable) risks such as compliance risk, Marubeni has implemented risk prevention measures in the form of improved corporate governance, internal control systems, and an upgraded compliance regime.

However, Marubeni and its consolidated subsidiaries' risk-management framework may not be capable of fully neutralizing all of the various risks that could arise in their wide-ranging business activities today or in the future. In such an event, Marubeni and its consolidated subsidiaries' earnings performance and/or financial condition could be adversely affected.

③ Mid-Term Management Plan

Marubeni and its consolidated subsidiaries initiated a three-year management plan entitled Global Challenge 2015 in April 2013. The plan's initial targets for the fiscal year ending March 31, 2016, were 250.0-300.0 billion yen of profit for the year attributable to owners of the parent, a consolidated net debt-equity ratio of around 1.50 as of March 31, 2016, stable ROE of at least 15% and ROA of at least 4%. On January 26, 2015, however, Marubeni revised its consolidated earnings forecast for the fiscal year ended March 31, 2015. For details, see (3) Management Targets under 3. Management Policy.

④ Risks Posed by Material Accounting Policies and Estimates

Marubeni prepares its consolidated financial statements in compliance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board. In preparing its consolidated financial statements, Marubeni uses accounting estimates and assumptions to the extent necessary to measure its assets and liabilities as of the last day of the reporting period, disclose contingent assets and liabilities and measure revenues and expenses during the reporting period. These accounting estimates and assumptions are inherently uncertain and may differ from actual outcomes.

Marubeni's management considers its estimates to be reasonable, but in the event of changes that exceed management's assumptions, Marubeni's consolidated financial statements could be materially affected.

2. Business Group

Marubeni and its consolidated subsidiaries conduct diversified business activities such as importing and exporting (including offshore trading), and domestic business transactions, while providing various services and making domestic and overseas business investment and resource development in broad-ranging fields of food, chemicals, energy, metals and mineral resources, machinery, textiles, materials, pulp and paper, finance, logistics, information-related, real estate development fields and other businesses, making the most of our worldwide business bases and information network.
The scope of consolidation of the Marubeni Group comprises a total of 452 companies: 303 consolidated subsidiaries and 149 associates accounted for by the equity method. (*1)(*2)

The Company breaks its businesses into 9 segments identified by product, in addition to overseas corporate subsidiaries and branches. Major businesses and services along with major group companies are listed below.

Effective from the Fiscal Year ended March 31, 2015, "Plant & Industrial Machinery" has been renamed as "Plant".

Food:
This group produces and distributes all sorts of foods such as fodder, soy beans, grain, sugar, processed food and beverages, raw materials, foodstuffs for commercial use, and agricultural and marine products.

Subsidiaries:	Marubeni Nisshin Feed Co., Ltd., Pacific Grain Terminal Co., Ltd., Nacx Nakamura Corporation, Yamaboshiya Co., Ltd., Cia. Iguaçu de Café Solúvel, Columbia Grain, Inc., Gavilon Agriculture Holdings
Associated companies:	Toyo Sugar Refining Co., Ltd., The Nisshin OilliO Group, Ltd., Tobu Store Co., Ltd., SFoods Inc., Aeon Market Investment Co., Ltd. (*3) Acecook Vietnam Joint Stock Company

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Chemicals:

This group handles a wide variety of goods ranging from upstream, such as basic petrochemicals, to downstream, such as electronic materials, specialty chemicals, agrochemicals and fertilizers. Focusing on China, Americas, Middle East, South East Asia and India, as a priority market, this group is conducting business with a balance between investment and trade.

Subsidiaries:	Marubeni Plax Corporation, Marubeni Chemix Corporation
Associated companies:	Katakura Chikkarin Co., Ltd, Dampier Salt Limited, Shen Hua Chemical Industrial Co., Ltd.

Energy:

Both domestically and internationally, this group focuses on products related to energy such as oil and gas, etc. It also takes part in various sorts of businesses which benefit from the development of resources through retail such as gas stations.

Subsidiaries:	Marubeni Energy Corporation, Marubeni Oil & Gas (USA) Inc.
Associated companies:	ENEOS Globe Corporation Shenzhen Sino-Benny LPG Co., Ltd.

Metals and Mineral Resources:

This group produces, processes and sells nonferrous light metals, and is engaged in trading of raw materials for iron and steel and nonferrous light metals, as well as producing, processing and selling steel products in general including steel plates, steel pipes, and special steels, both domestically and internationally. In addition, this group is engaged in the development business for raw materials for production of steel and iron and nonferrous light metals internationally.

Subsidiaries:	Marubeni Metals Corporation, Marubeni Tetsugen Co., Ltd., Marubeni Los Pelambres Investment B.V., Marubeni Aluminium Australia Pty. Ltd., Marubeni Coal Pty. Ltd.
Associated companies:	Marubeni-Itochu Steel Inc., Marubeni Construction Material Lease Co., Ltd., Resource Pacific Holdings Pty Limited

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Transportation Machinery:

This group focuses on domestic and international trade (export and import) in aerospace and defense systems, automotive, construction, agricultural machinery and other transportation-related machinery; wide-ranging loans and investments in the fields such as wholesale, retail, retail finance, leasing business, product development and services related to such transportation machinery; and trading, possessing and chartering various cargo vessels, tankers and LNG carriers.

Subsidiaries:	Marubeni Aerospace Corporation, Scarlet LNG Transport, Marubeni Aviation Services Limited., Marubeni Auto & Construction Machinery America, Inc. Royal Maritime Corporation
Associated companies:	Hitachi Construction Machinery (Australia) Pty. Ltd.

Power Projects & Infrastructure:

This group develops, invests in, and operates power projects and infrastructure projects, especially power generation (including desalinization, co-generation and renewable energy power projects) and water treatment, while undertaking the procurement and installation of generators, power distribution grids, electrical substations, potable water treatment and wastewater treatment.

Subsidiaries:	Marubeni Power Systems Corporation, Marubeni Power Development Co., Japan Offshore Wind Power Co., Ltd. (*4) Axia Power Holdings B.V., Aguas Decima S.A.,
Associated companies:	TeaM Energy Corporation, Lion Power (2008) Pte. Ltd., Southern Cone Water (*5), Mesaieed Power

Plant:

This group deals with equipment procurement and construction of oil, gas, chemical, steel, non-ferrous, cement, textile, sugar, pulp and paper, and other industrial plants, traffic infrastructure development such as railways, airports, ports and industrial complexes, textile machinery, alternative energy facilities, and other industrial machinery; origination and management of projects in domestic and overseas markets.

Subsidiaries:	Marubeni Tekmatex Corporation, Marubeni Protechs Corporation, Marubeni Techno-Systems Corp., Midwest Railcar Corporation
Associated companies:	Eastern Sea Laem Chabang Terminal Co., Ltd. Energy Infrastructure Investment Pty Limited

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Lifestyle & Forest Products:

This group deals with wide-ranging products in the lifestyle field including clothing, footwear, sundry goods, sporting goods, fitness machines and tires. In addition, it operates various businesses from planning, manufacturing, importing, and wholesaling of products to brand development, consulting services and business investment, while providing a variety of services both domestically and internationally. Also in the forest products field, the group manufactures and distributes raw materials for paper production, paper and cardboard, and takes part in afforestation projects and sells housing materials both domestically and internationally.

Subsidiaries:	Koa Kogyo Co., Ltd., Marubeni Intex Co., Ltd., Marubeni Pulp & Paper Sales Co., Ltd., Marubeni Building Materials Co., Ltd., Marubeni Fashion Link, Limited, PT. Tanjungenim Lestari Pulp and Paper
Associated companies:	Marusumi Paper Co., Ltd., Daishowa-Marubeni International Ltd.

ICT, Finance & Insurance, Real Estate Business:

Both domestically and internationally, this group deals with businesses in wide-ranging areas. In communication business area, this group is involved in the system integration business, the data communication network business, the mobile devices sales business and the MVNO business. In logistics area, it operates forwarding business and logistics centers. In the insurance area, it operates an insurance brokerage business, a reinsurance business and other related businesses. In finance area, this group operates various financial businesses such as leasing, non-banking, asset management, fund management, and others, while in real estate development area, this group broadly deals with condominium development, property management and other businesses.

Subsidiaries:	Marubeni Information Systems Co., Ltd., Marubeni Telecom Co., Ltd., MX Mobiling Co., Ltd. Marubeni Logistics Corporation (*6), Marubeni Safenet Co., Ltd, Japan REIT Advisors Co., Ltd. Shanghai House Property Development Co., Ltd.
Associated companies:	MG Leasing Corporation, ARTERIA Networks Corporation Shanghai Jiaoyun Rihong International Logistics Co., Ltd.,

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Overseas corporate subsidiaries and branches:

This group is located around the world including Americas, Europe, and Asia, and is engaged in trading of various commodities and related businesses.

Overseas corporate subsidiaries: Marubeni America Corporation, Marubeni Europe plc.
Marubeni ASEAN Pte. Ltd., Marubeni (China) Co., Ltd.

Corporate and administration, etc.:

This group carries out finance & financial services and group finance, etc.

Subsidiaries: Marubeni Financial Service Corporation,
Marubeni Finance America, Marubeni Finance Europe

*Notes:

1. The number of consolidated subsidiaries and associates accounted for by the equity method only includes companies for which Marubeni directly performs consolidation accounting and excludes associates (407 companies) for which consolidated accounting is performed by consolidated subsidiaries.
2. Associates include joint ventures (jointly controlled entities).
3. Aeon Market Investment Co., Ltd. is the holding company for United Supermarket Holdings Inc. which operates super market business in the Greater Tokyo Area.
4. Japan Offshore Wind Power Co., Ltd. is the holding company for the major UK offshore wind installation company, Seajacks International Limited.
5. Southern Cone Water is the holding company for Aguas Nuevas, Chile’s full-service water utility.
6. Marubeni Logistics Co., which merged with Logi Partners, started operation as Marubeni Logistics Corporation in April 2015.

3. Management Policy

(1) Basic Management Policy

Marubeni and its group companies (the Group) launched a 3-year mid-term management plan called “Global Challenge 2015” in April 2013.

The Group continues to develop a full line of businesses that display the dynamism of the Sogo Shosha -the general trading company- and aggressively extend these businesses globally to capture the world’s economic growth in the mid to long-term striving all the while to maximize our corporate value. In particular, in “Global Challenge 2015” the Group aims to focus on the business fields in which we have strength, expertise, and competitiveness and expand these business fields in which we play a leading role to realize sustainable growth and build strong earnings structure and solid financial base.

(2) Mid to Long-term Management Strategies and Issues to be Addressed

In the “Global Challenge 2015,” the Group has set the following three key measures. To increase the effectiveness of these three key measures, three strategic committees (Portfolio Management Strategic Committee, Global Market Strategic Committee and Human Resources Strategic Committee) have been set up with the CEO as chairman. These three committees will also be linked to ensure the effects of the measures are maximized.

① “Optimize Management Resources”
Analyze the profitability, efficiency and growth of each business in each subdivided business field within each division and Portfolio Unit to distribute and reallocate our management resources more efficiently.

② “Strengthen/Expand Overseas Business”
Will reinforce and expand our overseas business by increasing the Group’s presences in countries and regions with expected high mid to long-term growth.

③ “Further Top-Management Led Human Resources Strategy”
Will strengthen and develop the Group’s human resources by implementing personnel measures centered on the 3 pillars of “Experience”, “Assessment/Incentives” and “Training”.

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The progress of each measure in “Global Challenge 2015” is as described below.

As for measures to “Optimize Management Resources”, the Group analyzed and examined the profitability, efficiency and growth potential of each business field and set out the way to utilize management resources in each field. In line with this, the Group further promotes optimal distribution and reallocation of management resources more efficiently.

Regarding measures to “Strengthen/Expand Overseas Business”, the Group has formulated and promoted regional strategies based on regional information, such as development of new fields and regions and alliances with strategic partners with a view to the current situation and growth potential of each region. In the Sub-Saharan region, which the Group has designated as a priority region, we increased the number of expatriate staff significantly and deployed them from the entire line of operating divisions to develop a framework for developing new merchandise in wide-ranging fields.

As for “Further Top-Management Led Human Resources Strategy”, the Group places particular emphasis on combining “Experience” and “Training” in the development of human resources. Regarding measures for making it mandatory to gain overseas experience, we partially revised the operation rules to achieve greater results. In addition, we partially revised the overseas trainee system to allow for more flexible dispatch of employees, in order to further promote younger general employees gaining overseas experience and field experience through the system. In addition, we considered issues of the assessment/incentives system and promotion of utilization of senior personnel.

In accord with organizational reforms announced on January 26, 2015, Marubeni is pursuing further growth and endeavoring to increase its value under its new organizational structure. The recent organizational reforms' main priorities are as follows.

The first priority is strengthening operating organizations. By splitting operating organizations into smaller units, Marubeni aims to strengthen its front-line operations. Additionally, Marubeni newly established business groups as its highest-level organizational units. By understanding and taking co-ownership of management policies and challenges, the Group CEOs that head the business groups can nimbly manage their groups through such means as investing and financing strategically, upgrading existing assets, and entering new business domains while exiting existing ones.

The second priority is accounting system reform. Marubeni plans to centralize internal management responsibility for budgeting and financial performance in its headquarters operating organizations, vigorously implement a global strategy in each of its business domains, and strengthen and expand overseas businesses.

The third priority is upgrading risk management. In addition to supervision and oversight by Group CEOs and Business Division heads, Marubeni plans to assign Corporate Staff Group personnel to each business group and upgrade its front-line risk management both in Japan and overseas in conjunction with the recent adoption of a group-based organizational structure.

(3) Management Targets

Reflecting the announcement of ‘Notice Regarding Revision of Consolidated Financial Results Forecast and Recognition of Impairment Loss’ dated January 26, 2015, and the various factors such as the recent global economy trend, resource price trends and currency exchange rate fluctuations, numerical targets for the fiscal year ending March 31, 2016 are listed below along with the actual results for the fiscal year ended March 31, 2015.

	Targets for the fiscal year ending March 31, 2016	Actual results for the fiscal year ended March 31, 2015
Profit attributable to owners of the parent	180.0 billion yen for FY2016/3	105.6 billion yen
Consolidated Net D/E ratio	approx. 1.6 times at FY2016/3 end	1.72 times
ROE	approx. 11%	7.28%
ROA	approx. 2.3%	1.41%

Taking the substantial one-time losses recognized this time very seriously, the Group will further strengthen its risk management structure under the new organization and keep striving for the recovery of its business operations for the following fiscal year and beyond.

The Group plans to make new investments of about 1,100 billion yen in the three-year period of “Global Challenge 2015”, excluding the acquisition of Gavilon, to build a strong earnings structure and robust financial base, assuming the assets will be replaced proactively, based on the Corporate Portfolio Strategy.

During the fiscal year ended March 31, 2015, we made new investments in a total of about 370.0

billion yen. The major investment projects were the share acquisition of the IPP business in Oman, the acquisition of an U.S. seafood distributor Eastern Fish Co., an investment in St. Charles natural gas-fired power plant project in the U.S., an asset acquisition of an agricultural materials retailing business in the U.S. and an investment in mega-solar power plant in the Kisozaki reclaimed land in Japan, etc.

4. Basic Rationale behind Choice of Accounting Standards

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

5. Other Information

(1) Changes to Principal Subsidiaries during the Fiscal Year under Review

(Changes in specified subsidiary)
For the fiscal year under review, there are no changes to principal subsidiaries entailing a change of scope of consolidation.

6. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position <Unaudited>

	Millions of yen		
	March 31		
	2015	2014	Variance
Assets			
Current assets:			
Cash and cash equivalents	469,106	665,498	(196,392)
Time deposits	12,310	25,824	(13,514)
Investment securities	601	0	601
Notes, trade accounts and loans receivable	1,350,473	1,414,045	(63,572)
Other current financial assets	219,221	208,768	10,453
Inventories	898,870	778,683	120,187
Assets held-for-sale	64,072	26,805	37,267
Other current assets	246,014	191,403	54,611
Total current assets	3,260,667	3,311,026	(50,359)
Non-current assets:			
Investments in associates and joint ventures	1,819,015	1,587,840	231,175
Other investments	421,434	466,624	(45,190)
Notes, trade accounts and loans receivable	213,042	156,618	56,424
Other non-current financial assets	90,336	94,669	(4,333)
Property, plant and equipment	1,363,776	1,175,046	188,730
Intangible assets	366,185	350,443	15,742
Deferred tax assets	62,223	8,307	53,916
Other non-current assets	76,386	105,512	(29,126)
Total non-current assets	4,412,397	3,945,059	467,338
Total assets	7,673,064	7,256,085	416,979

Marubeni Corporation
Consolidated Financial Statements

	Millions of yen		
	March 31		
	2015	2014	Variance
Liabilities and Equity			
Current liabilities:			
Bonds and borrowings	522,992	482,904	40,088
Notes and trade accounts payable	1,313,165	1,443,064	(129,899)
Other current financial liabilities	447,122	390,876	56,246
Income tax payable	20,955	18,081	2,874
Liabilities directly associated with assets held-for-sale	32,659	10,402	22,257
Other current liabilities	393,116	303,019	90,097
Total current liabilities	2,730,009	2,648,346	81,663
Non-current liabilities:			
Bond and borrowings	2,846,032	2,699,461	146,571
Notes and trade accounts payable	20,549	19,714	835
Other non-current financial liabilities	113,680	117,372	(3,692)
Accrued pension and retirement benefits	76,135	69,014	7,121
Deferred tax liabilities	115,716	99,148	16,568
Other non-current liabilities	92,230	71,799	20,431
Total non-current liabilities	3,264,342	3,076,508	187,834
Total liabilities	5,994,351	5,724,854	269,497
Equity:			
Issued capital	262,686	262,686	—
Capital surplus	148,243	154,054	(5,811)
Treasury stock	(1,361)	(1,338)	(23)
Retained earnings	728,098	699,951	28,147
Other components of equity:			
Gains and losses on financial assets measured at fair value through other comprehensive income	108,256	120,738	(12,482)
Foreign currency translation adjustments	327,782	181,721	146,061
Gains and losses on cash flow hedges	(55,189)	(34,454)	(20,735)
Remeasurements of defined benefit pension plan	—	—	—
Equity attributable to owners of the parent	1,518,515	1,383,358	135,157
Non-controlling interests	160,198	147,873	12,325
Total equity	1,678,713	1,531,231	147,482
Total liabilities and equity	7,673,064	7,256,085	416,979

(2) Consolidated Statements of Comprehensive Income <Unaudited>

	Millions of yen			
	Fiscal year ended March 31,			
	2015	2014	Variance	Ratio (%)
Revenue:				
Sale of goods	7,621,135	6,853,975	767,160	11.2
Commissions on services and trading margins	213,160	201,725	11,435	5.7
Total revenue	7,834,295	7,055,700	778,595	11.0
Cost of goods sold	(7,126,977)	(6,404,637)	(722,340)	11.3
Gross trading profit	707,318	651,063	56,255	8.6
Other income (expenses) :				
Selling, general and administrative expenses	(546,630)	(493,601)	(53,029)	10.7
Gains (losses) on property, plant and equipment				
Impairment losses on non-current assets	(152,835)	(43,452)	(109,383)	251.7
Gains (losses) on sales of property, plant and equipment	7,962	1,956	6,006	307.1
Other – net	7,817	(5,906)	13,723	-
Total other income (expenses)	(683,686)	(541,003)	(142,683)	26.4
Finance income (expenses):				
Interest income	14,509	14,565	(56)	(0.4)
Interest expense	(39,090)	(36,626)	(2,464)	6.7
Dividend income	34,957	34,917	40	0.1
Gains (losses) on investment securities	687	14,052	(13,365)	(95.1)
Total finance income (expenses)	11,063	26,908	(15,845)	(58.9)
Share of profits of associates and joint ventures	89,919	99,405	(9,486)	(9.5)
Profit before tax	124,614	236,373	(111,759)	(47.3)
Provision for income tax	(11,885)	(23,087)	11,202	(48.5)
Profit for the year	112,729	213,286	(100,557)	(47.1)
Profit for the year attributable to:				
Owners of the parent	105,604	210,945	(105,341)	(49.9)
Non-controlling interests	7,125	2,341	4,784	204.4
Other comprehensive income:				
Items that will not be reclassified to profit and loss				
Gains and losses on financial assets measured at fair value through other comprehensive income	(48,924)	(17,911)	(31,013)	173.2
Remeasurements of defined benefit pension plan	(2,248)	(2,523)	275	(10.9)
Changes in other comprehensive income of associates and joint ventures	5,111	1,040	4,071	391.4
Items that will be reclassified to profit and loss				
Foreign currency translation adjustments	144,739	64,361	80,378	124.9
Gains and losses on cash flow hedges	8,084	639	7,445	-
Changes in other comprehensive income of associates and joint ventures	(8,319)	24,319	(32,638)	-
Other comprehensive income, net of tax	98,443	69,925	28,518	40.8
Total comprehensive income for the year	211,172	283,211	(72,039)	(25.4)
Attributable to:				
Owners of the parent	194,838	278,752	(83,914)	(30.1)
Non-controlling interests	16,334	4,459	11,875	266.3
Total volume of trading transactions	13,925,339	13,633,520	291,819	2.1

(Note)
"Total volume of trading transactions" includes all transactions involving the Company and its consolidated subsidiaries regardless of transaction type. "Total volume of trading transactions" is presented in accordance with Japanese accounting practice for investors' convenience and is not required by IFRS.

(3) Consolidated Statements of Changes in Equity <Unaudited>

	Millions of yen	
	Fiscal year ended March 31,	
	2015	2014
Issued capital:		
Balance at beginning of year	262,686	262,686
Balance at end of year	262,686	262,686
Capital surplus:		
Balance at beginning of year	154,054	153,874
Disposition of treasury stock	—	0
Capital and other transactions with non-controlling interests	(5,811)	180
Balance at end of year	148,243	154,054
Treasury stock:		
Balance at beginning of year	(1,338)	(887)
Purchases and sales of treasury stock	(23)	(451)
Balance at end of year	(1,361)	(1,338)
Retained earnings:		
Balance at beginning of year	699,951	550,841
Cumulative effect of applying a new accounting policy	—	(1,955)
Profit for the year attributable to owners of the parent	105,604	210,945
Transfer from other components of equity	(33,200)	(17,343)
Dividends to owners of the parent	(44,257)	(42,537)
Balance at end of year	728,098	699,951
Other components of equity:		
Balance at beginning of year	268,005	182,855
Gains and losses on financial assets measured at fair value through other comprehensive income	(43,955)	(16,630)
Foreign currency translation adjustments	146,061	68,571
Gains and losses on cash flow hedges	(11,145)	18,837
Remeasurements of defined benefit pension plan	(1,727)	(2,971)
Transfer to retained earnings	33,200	17,343
Transfer to non-financial assets and others	(9,590)	-
Balance at end of year	380,849	268,005
Equity attributable to owners of the parent	1,518,515	1,383,358
Non-controlling interests:		
Balance at beginning of year	147,873	53,639
Dividends to non-controlling interests	(5,129)	(3,008)
Equity transactions with non-controlling interests and others	1,120	92,783
Profit for the year attributable to non-controlling interests	7,125	2,341
Other components of equity:		
Gains and losses on financial assets measured at fair value through other comprehensive income	38	115
Foreign currency translation adjustments	9,646	2,005
Gains and losses on cash flow hedges	(58)	(94)
Remeasurements of defined benefit pension plan	(417)	92
Balance at end of year	160,198	147,873
Total equity	1,678,713	1,531,231
Attributable to:		
Owners of the parent	194,838	278,752
Non-controlling interests	16,334	4,459
Total comprehensive income for the year	211,172	283,211

(4) Consolidated Statements of Cash Flows <Unaudited>

	Millions of yen		
	Fiscal year ended March 31,		Variance
	2015	2014	
Operating activities			
Profit for the year	112,729	213,286	(100,557)
Adjustments to reconcile profit for the year to net cash provided by operating activities:			
Depreciation and amortization	118,239	85,855	32,384
Losses (gains) on property, plant and equipment	144,873	41,496	103,377
Net finance expense	(11,063)	(26,908)	15,845
Share of profits of associates and joint ventures	(89,919)	(99,405)	9,486
Provision for income taxes	11,885	23,087	(11,202)
Decrease (increase) in notes accounts receivables	114,444	31,773	82,671
Decrease (increase) in inventories	(32,091)	(47,568)	15,477
Increase (decrease) in notes, acceptances and accounts payable	(209,004)	45,668	(254,672)
Other	10,850	23,904	(13,054)
Net cash provided by operating activities	170,943	291,188	(120,245)
Investing activities			
Changes in:			
Purchases of property, plant and equipment and investment property	(228,656)	(151,486)	(77,170)
Loans made to customers	(25,054)	(505)	(24,549)
Purchases of investment securities	(77,701)	(554,594)	476,893
Net cash used in investing activities	(331,411)	(706,585)	375,174
Financing activities			
Net increase (decrease) in short-term borrowings	165,996	(20,761)	186,757
Increase (decrease) of long-term bonds and borrowings	(182,694)	210,162	(392,856)
Dividends paid	(44,257)	(42,537)	(1,720)
Net cash outflows on purchases and sales of treasury stock	(23)	(451)	428
Other	(9,727)	50,366	(60,093)
Net cash provided by financing activities	(70,705)	196,779	(267,484)
Effect of exchange rate changes on cash and cash equivalents	34,781	18,524	16,257
Net increase (decrease) in cash and cash equivalents	(196,392)	(200,094)	3,702
Cash and cash equivalents at beginning of year	665,498	865,592	(200,094)
Cash and cash equivalents at end of year	469,106	665,498	(196,392)

(5) Occurrence of an Event or Situation that Creates Doubt about Status as a Going Concern

None

(6) Basis of Consolidated Financial Statements

i. Matters Concerning Accounting Standards

①Standards for the preparation of consolidated financial statements

The consolidated financial statements of the Company are prepared in compliance with IFRS.

②Basis of consolidation

The accounts of the Company and its consolidated subsidiaries are consolidated in the consolidated financial statements. Intercompany transactions and accounts between the Company and its consolidated subsidiaries are eliminated from the consolidated financial statements. With respect to any subsidiary whose financial closing date in the financial statements differs from March 31, which is the financial closing date of the Company, due to reasons such as making the financial closing date consistent with that of the Company is impractical under local laws and regulations of where the subsidiary is located, the subsidiary prepares additional financial statements as of the same date as the financial statements of the Company or other adjustments are made.

③Investments in associates and joint ventures

The Company and its consolidated companies account for investments in associates and joint ventures using the equity method. Unrealized gains arising from transactions executed by the Company and its consolidated subsidiaries with associates and joint ventures are eliminated against the equity of the Company and its consolidated subsidiaries in the associates and joint ventures. With respect to any associate or joint venture whose financial closing date in the financial statements used for applying the equity method differs from March 31, which is the financial closing date of the Company, due to relationships with shareholders or other reasons, the associate or joint venture prepares additional financial statements as of the same date as the financial statements of the Company or other adjustments are made.

④Valuation standards and methods for financial assets

(Financial assets measured at amortised cost)
Financial assets are measured by deducting impairment loss from amortised cost using the effective interest rate method. Amortisation based on the effective interest rate method is recognized as financial income (expenses) in the consolidated statements of comprehensive income.

(Financial assets measured at fair value through profit (loss))
Financial assets are measured at fair value, and a change of fair value, dividend income, and interest income are mainly recognized as financial income (expenses) in the consolidated statements of comprehensive income.

(Other financial assets measured at fair value through comprehensive income)
Financial assets are measured at fair value, and a change of fair value is recognized as other comprehensive income, and the accumulated amount is recognized as the other component of equity. Dividend income is recognized as financial income (expenses) in the consolidated statements of comprehensive income.

(Impairment of financial assets measured at amortised cost)
Impairment loss is recognized when there is any objective evidence that a financial asset is impaired as a result of one or more cases arising after initial recognition, and the estimated future cash flow of the financial asset or financial group can be reliably estimated.
The amount of impairment loss is appraised based on the present value of estimated future cash flows discounted at the asset's original effective interest rate, or on the observable market price. In addition to the aforesaid impairment loss, impairment loss based on the actual bad debt ratio calculated in consideration of past experience, etc., or on the estimated recoverable amount is posted after assessing latent risk associated with the debtor and region, etc., relating to the financial asset.

⑤Valuation standards and method for inventories

Inventories, which primarily consist of commodities, merchandise, and real estate held for sale, are measured at the lower of purchase cost (mainly under the identified cost method or the moving average method) or net realizable value.
In case the circumstance that caused a devaluation of inventories no longer exists, or there is

evidence of an increase in net realizable value due to changes in economic conditions, the devaluation is reversed.
If inventories are held with the intention to earn income from fluctuations of short-term market prices, such inventories are measured at fair value after deducting cost of sale, and fluctuations of fair value after deducting cost of sale are recognized as profit (loss) during the period in which the fluctuations occurred.

⑥Depreciation/amortisation method for assets

Depreciation/amortisation cost of property, plant and equipment, investment property, and intangible assets is calculated, after initial recognition, by deducting the amount of accumulated amortisation and depreciation (or accumulated depreciation) and impairment loss from the purchase price using the cost model. Depreciation cost of property, plant and equipment, and investment property is calculated primarily by applying the straight-line method or the production output method for property, plant and equipment and the straight-line method for investment property, and the depreciable amount is allocated to each period throughout the useful life of the assets. Land is not amortised. Depreciation of intangible assets with a useful life (depreciable intangible assets) is calculated by applying the straight-line method and allocating to each period throughout the useful life of the assets. Intangible assets and goodwill for which useful life cannot be determined are not amortised.

⑦Impairment of non-financial assets excluding inventories

Property, plant and equipment, investment property, intangible assets, and goodwill are reviewed as of the end of each reporting period to determine whether there are signs that reflect the possibility of impairment. In case such signs exist, the recoverable amount of the asset is estimated. Intangible assets and goodwill for which the useful life cannot be determined are reviewed periodically, at least once a year, regardless of whether there are signs of impairment, to verify if the book value of each asset has exceeded the recoverable amount or not.

In case the recoverable amount of an asset or a cash-generating unit falls below the book value, the book value of the asset is reduced to the recoverable amount and an impairment loss is recognized.
After recognizing an impairment loss, assets are reviewed at the end of each reporting period to verify whether an impairment loss recognized in the past exists or not, or if there is any sign of a possible decline in value. In case such a sign is noted, the recoverable amount of

the asset is estimated. If the estimated recoverable amount exceeds the book value of the asset, the impairment loss is reversed. The book value after reversal is recognized within the extent of the book value (after deducting accumulated amortisation/depreciation or accumulated depreciation) that assumes no impairment loss was recognized in the past with respect to the asset. An impairment loss recognized for goodwill is not reversed.

⑧Retirement benefits

The net amount of defined benefit assets or liabilities is remeasured and recognized under other comprehensive income and immediately transferred from the other components of equity to retained earnings. Remeasurement comprises the actuarial variance relating to the defined benefit pension plan liability, income relating to pension assets (excluding the amount of interest income relating to pension assets), etc. Past service cost is immediately recognized as profit (loss).

⑨Revenue recognition and total volume of trading transactions

When the Company and its consolidated subsidiaries legally engage in transactions as contracted parties and are deemed to assume obligations principally and bear the overall inventory risk, the Company and its consolidated subsidiaries are regarded as being involved in the transactions as a principle, and revenue is presented in total amount. In transactions other than the above, the Company and its consolidated subsidiaries are regarded as being engaged in transactions as a broker, and revenue is presented in the net amount. The “total volume of trading transactions” includes all transactions involving to the Company and its consolidated subsidiaries regardless of transaction type. It is presented in accordance with Japanese accounting practice for investors’ convenience and is not required by IFRS.

⑩Consumption tax, etc. is processed on a tax-exclusive basis.

(7) Changes of Basic Important Items for Preparation of Consolidated Financial Statements

① Newly applied standards and interpretation guidelines

Beginning from the fiscal year ended March 31, 2015, the Company and its consolidated subsidiaries have applied the following standards.

Accounting standard and interpretive guidance	Outlines
IAS 36: Impairment of Assets	Disclosure of non-financial assets' recoverable amount
IFRIC 21: Levies	Procedure for recognition of liabilities for government-imposed levies

Beginning from the nine-month period ended December 31, 2014, the Company and its consolidated subsidiaries have applied the following standards.

Accounting standard and interpretive guidance	Description
IFRS 9: Financial Instruments (revised November 2013)	Revised hedge accounting standard

The above-mentioned standards and interpretive guidance have no significant impact on the financial results for the fiscal year under review.
Meanwhile, the cumulative effect of applying IFRIC 21 was accounted for as an adjustment to retained earnings.

② Reclassification

Consolidated financial statements for the previous fiscal year have been partially reclassified to conform to the presentation for the fiscal year ended March 31, 2015.

(8) Segment Information

<Operating Segments> (Unaudited)

◆ ***The Fiscal Year Ended March 31, 2015 (April 1,2014 - March 31, 2015)***

Millions of yen

	Food	Chemicals	Energy	Metals & Mineral Resources	Transportation Machinery
Total volume of trading transactions	4,725,590	1,277,468	3,248,288	809,589	772,266
Gross trading profit	172,264	36,252	40,043	20,301	78,082
Operating profit (loss)	50,621	8,883	9,290	872	15,110
Share of profits (losses) of associates and joint ventures	6,013	2,058	(405)	6,632	24,753
Profit (loss) attributable to owners of the parent	11,071	4,542	(17,274)	(12,136)	25,627
Segment assets (as of March 31, 2015)	1,459,310	270,341	1,162,913	985,022	760,109

	Power Projects & Infrastructure	Plant	Lifestyle & Forest Products	ICT, Finance & Insurance, Real Estate Business	Overseas corporate subsidiaries & branches
Total volume of trading transactions	426,366	192,602	947,745	448,245	3,163,705
Gross trading profit	29,212	31,532	57,752	92,695	170,617
Operating profit (loss)	(8,031)	6,596	10,851	18,254	43,475
Share of profits (losses) of associates and joint ventures	45,684	(2,863)	1,209	5,405	1,072
Profit (loss) attributable to owners of the parent	31,125	(8,803)	5,570	23,105	29,557
Segment assets (as of March 31, 2015)	980,515	361,076	506,288	379,577	918,267

	Corporate & elimination, etc.	Consolidated
Total volume of trading transactions	(2,086,525)	13,925,339
Gross trading profit	(21,432)	707,318
Operating profit (loss)	4,767	160,688
Share of profits (losses) of associates and joint ventures	361	89,919
Profit (loss) attributable to owners of the parent	13,220	105,604
Segment assets (as of March 31, 2015)	(110,354)	7,673,064

◆ ***The Fiscal Year Ended March 31, 2014 (April 1,2013 - March 31, 2014)***

Millions of yen

	Food	Chemicals	Energy	Metals & Mineral Resources	Transportation Machinery
Total volume of trading transactions	4,020,145	1,258,146	3,686,878	798,727	694,340
Gross trading profit	147,585	28,351	49,827	15,617	66,059
Operating profit (loss)	39,464	4,106	20,639	(2,915)	14,865
Share of profits (losses) of associates and joint ventures	2,763	1,580	3,030	21,068	17,892
Profit (loss) attributable to owners of the parent	18,336	6,414	36,464	20,316	23,303
Segment assets (as of March 31, 2014)	1,377,530	261,693	1,158,553	933,124	628,369

	Power Projects & Infrastructure	Plant	Lifestyle & Forest Products	ICT, Finance & Insurance, Real Estate Business	Overseas corporate subsidiaries & branches
Total volume of trading transactions	400,888	445,971	959,221	430,658	2,895,626
Gross trading profit	26,644	35,441	58,253	88,098	150,462
Operating profit (loss)	(3,638)	11,763	12,519	19,645	42,775
Share of profits (losses) of associates and joint ventures	45,659	3,150	1,560	1,678	924
Profit (loss) attributable to owners of the parent	27,227	10,302	7,184	15,748	25,281
Segment assets (as of March 31, 2014)	828,918	333,063	490,489	382,490	799,406

	Corporate & elimination, etc.	Consolidated
Total volume of trading transactions	(1,957,080)	13,633,520
Gross trading profit	(15,274)	651,063
Operating profit (loss)	(1,761)	157,462
Share of profits (losses) of associates and joint ventures	101	99,405
Profit (loss) attributable to owners of the parent	20,370	210,945
Segment assets (as of March 31, 2014)	62,450	7,256,085

(Note 1) Effective from the Fiscal Year ended March 31, 2015, "Plant & Industrial Machinery" has been renamed as "Plant". Segment information for the year ended March 31, 2014 has been adjusted accordingly.

(Note 2) "Total volume of trading transactions" and "operating profit" are presented in accordance with Japanese accounting practice for investors' convenience and are not required by IFRS. "Total volume of trading transactions" includes all transactions involving the Company and its consolidated subsidiaries regardless of transaction type. "Operating profit" 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) "Profit (loss) attributable to owners of the parent" of "Corporate & Elimination, etc." includes headquarters expenses that are not allocated to the operating segments and inter segment elimination. "Segment assets" of "Corporate & Elimination, etc." include assets for general corporate purposes that are not allocated to the operating segments and inter segment elimination. The assets for general corporate purposes mainly consist of cash and cash equivalents related to financing, other investments and non-current assets for general corporate purposes.

(9) Earnings per Share

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

	Year ended March 31,	
	2015	2014
Numerator (millions of yen): Numerator for basic and diluted earnings (losses) per share - Profit attributable to owners of the parent	105,604	210,945
Denominator (number of shares): Denominator for basic and diluted earnings (losses) per share - Weighted average common stocks outstanding (after deducting the cost of common stock in treasury)	1,735,387,247	1,735,902,213

yen

Basic and diluted earnings per share (attributable to owners of the parent)	60.85	121.52

(10) Subsequent Events

No material subsequent events have occurred.