



January 27, 2021

Company Name : Marubeni Corporation
(URL <https://www.marubeni.com/en/>)
TSE Code : 8002
Listed : Tokyo, Nagoya
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Notice Regarding Hybrid Financing

Marubeni Corporation (“the Company”) hereby announces that the Company filed an amended shelf registration statement regarding the public offering of corporate hybrid bonds (subordinated debt) (“the Bonds”) today, as a part of its hybrid financing (“the Finance”) with the Director-General of the Kanto Local Finance Bureau.

1. Purpose and Background of the Finance

Under GC2021, the Company’s Medium-Term Management Strategy, one of the management policies is to rebuild and strengthen the Company’s financial foundation. As such, the Company is considering raising a total of 100 billion yen through the Bonds and hybrid loans (subordinated debt) (“the Loans”). Use of the proceeds will be optional repayment for perpetual subordinated loans (Tranche A 100 billion yen) financed on August 16, 2016 (planning to repay in August 2021).

2. Features of the Finance

The Finance has features of both equity and debt, while the Finance will not cause dilution to stockholders in light of debt aspects, it contains attributes and features resembling equity such as an optional deferral of interest payments, extremely long-term redemption periods and subordination in liquidation or bankruptcy proceedings. Therefore, the Company expects that rating agencies (Japan Credit Rating Agency, Ltd., Rating and Investment Information, Inc. and S&P Global Ratings Japan Inc.) will regard 50% of the funds raised in the Finance as equity for the purposes of their ratings.

3. Schedule

Regarding the Bonds, the Company plans to determine the terms and conditions, including the issue amount and the rate of interest, considering investor demand and market conditions, and to announce the details promptly thereafter. In addition to the Bonds, the Company is also considering procurement of the Loans, however the details are not determined as of today.

(Notes)

This notice has been prepared to publicly disclose Hybrid Financing only, and is not intended to constitute, represent or form part of any offer, invitation or solicitation of an offer to purchase or sell securities or related financial instruments.