

2022.12

Consolidated Financial Results Q3 FYE 3/2023

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01 Key Factors of Q1-Q3 FYE 3/2023

- **Net profit** amounted **¥463.5bn (+¥136.0bn year on year)** Adjusted net profit was **¥431.0bn (+¥70.0bn year on year)**
 - Driven by profit growth in *non-resources*, both net profit and adjusted net profit marked record highs by a large margin
 - Progress to the previous full-year net profit forecast (announced on Nov-4-2022) is 91%
 - The gain on the sale of Gavilon's grain business ¥56.9bn* was recorded in the third quarter
- **Core operating cash flow** grew to a record high of **+¥466.7bn (+¥47.2bn year on year)**
- **Shareholders' equity** was **¥2.7tn (approx. +¥490.0bn from the previous fiscal year-end)** due mainly to increase in retained earnings. Additionally, because of the lowered net interest-bearing debt in response to the sale of Gavilon's grain business, **net DE ratio** stood at 0.58 times (improved by 0.25 points from the previous fiscal year-end)

* Amount based on provisional share transfer price

(billion yen)	Q1-Q3 FYE 3/2022	Q1-Q3 FYE 3/2023	Variance
Net profit	327.4	463.5	+136.0 (+42%)
Adjusted net profit	361.0	431.0	+70.0 (+19%)
Core operating cash flow	+419.6	+466.7	+47.2 (+11%)
Free cash flow after shareholder distributions (excluding changes in working capital and others)	—	+461.5	—

	Mar-31-2022	Dec-31-2022	Variance
Net DE ratio	0.83 times	0.58 times	improved 0.25 points

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

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

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

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

02 Full-year Forecast for FYE 3/2023

- Net profit: **¥530.0bn (+¥20.0bn upward revision)** Adjusted net profit: **¥520.0bn (+¥30.0bn upward revision)**

- Reflecting the favorable earnings progress, the full-year forecasts have been revised upward
- Net profit forecast includes an approx. -¥20.0bn cushion to prepare for a contingency

- Forecast for **annual dividend per share** has been revised **upward to ¥78.0** (+3.0 per share from the previous forecast announced on Nov-4-2022) according to the upward revision of the net profit forecast

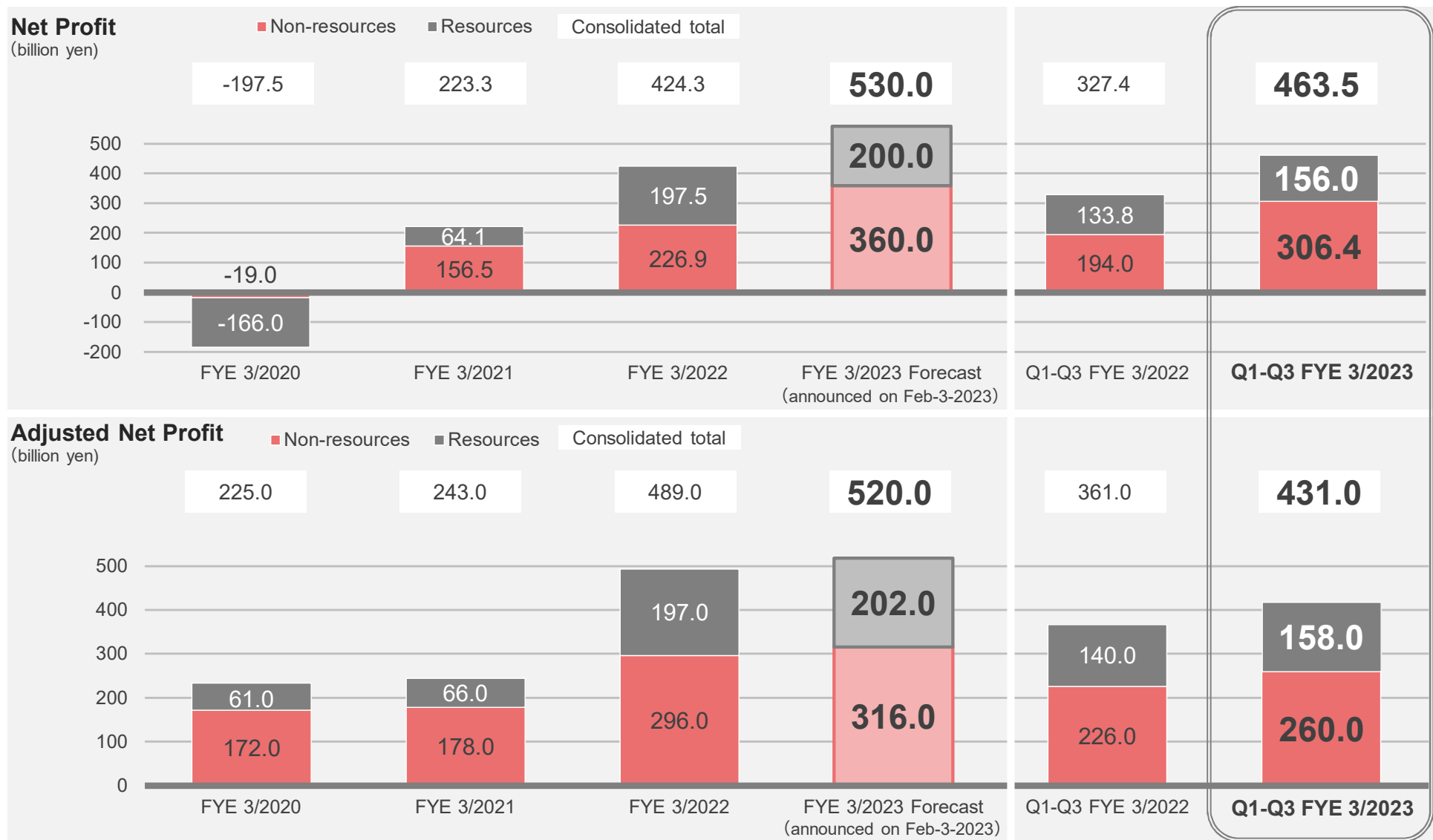
New Shareholder Returns Policy
(→PP.10-11)

- **Basic policy to pay a stable dividend** over the long term **while increasing dividends through the Company's medium- and long-term profit growth**
- For the period of the GC2024 Mid-Term Management Strategy (FYE 3/2023 - FYE 3/2025), adopt a **progressive dividend policy** with no reduction in dividends, and conduct **flexible share buybacks targeting a total payout ratio of around 30%-35%**

(billion yen)	FYE 3/2023 forecast announced on		Change
	Nov-4-2022	Feb-3-2023	
Net profit	510.0	530.0	+20.0
Adjusted net profit	490.0	520.0	+30.0
Core operating cash flow	+570.0	+580.0	+10.0
Free cash flow after shareholder distributions (excluding changes in working capital and others)	+450.0	+470.0	+20.0
ROE	approx. 20%	approx. 20%	—
Net DE ratio	approx. 0.6~0.7 times	approx. 0.6 times	—
Dividend per share (annual)	75.0 yen (minimum) interim(paid) 37.5 yen, year-end(forecast) 37.5 yen	78.0 yen* interim(paid) 37.5 yen, year-end(forecast) 40.5 yen	+3.0 yen

* Initially set as an annual dividend under the progressive dividend policy

03 Net Profit and Adjusted Net Profit

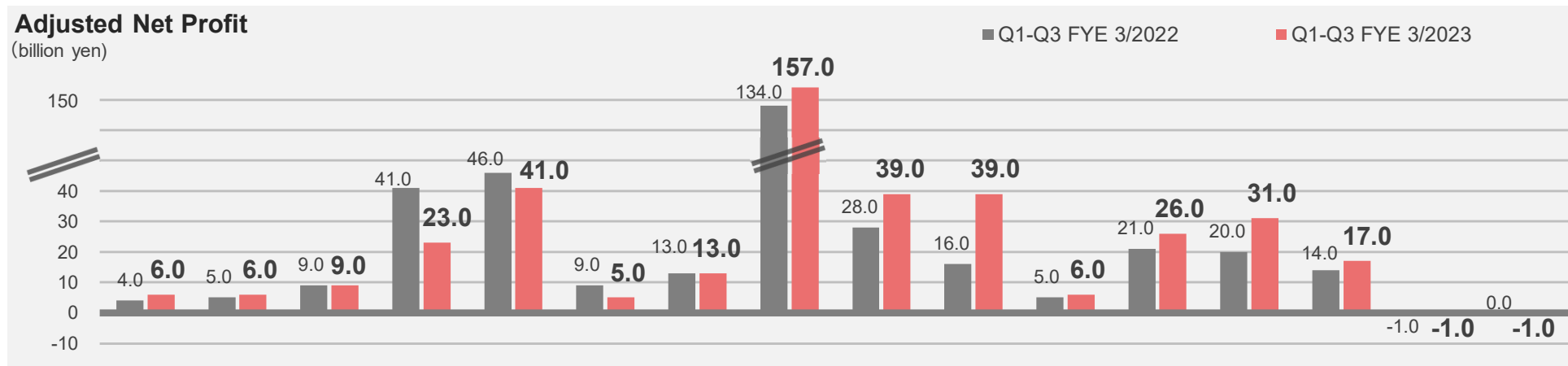
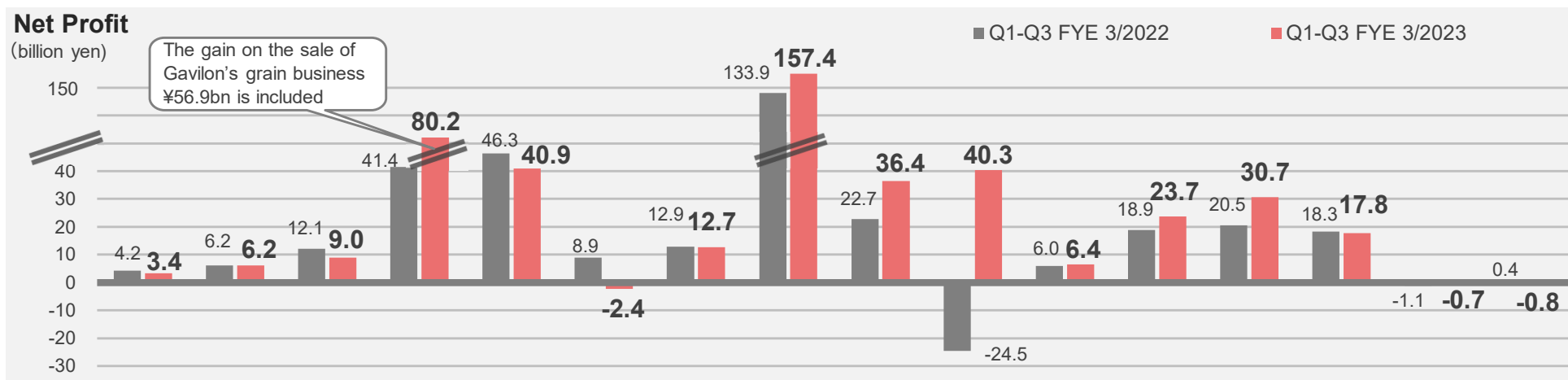


* Resources: Total of "Energy" and "Metals & Mineral Resources" excluding "Steel Products Dept."
 Other: Total of "Next Generation Business Development", "Next Generation Corporate Development" and "Other"
 Non-resources: Other than the above

* "Other"

(billion yen)	FYE 3/2020	FYE 3/2021	FYE 3/2022	FYE 3/2023 Forecast (announced on Feb-3-2023)	FYE 3/2022 Q1-Q3	FYE 3/2023 Q1-Q3
Net profit	-12.4	2.7	-0.0	-30.0	-0.3	1.0
Adjusted net profit	-8.0	-1.0	-4.0	2.0	-5.0	13.0

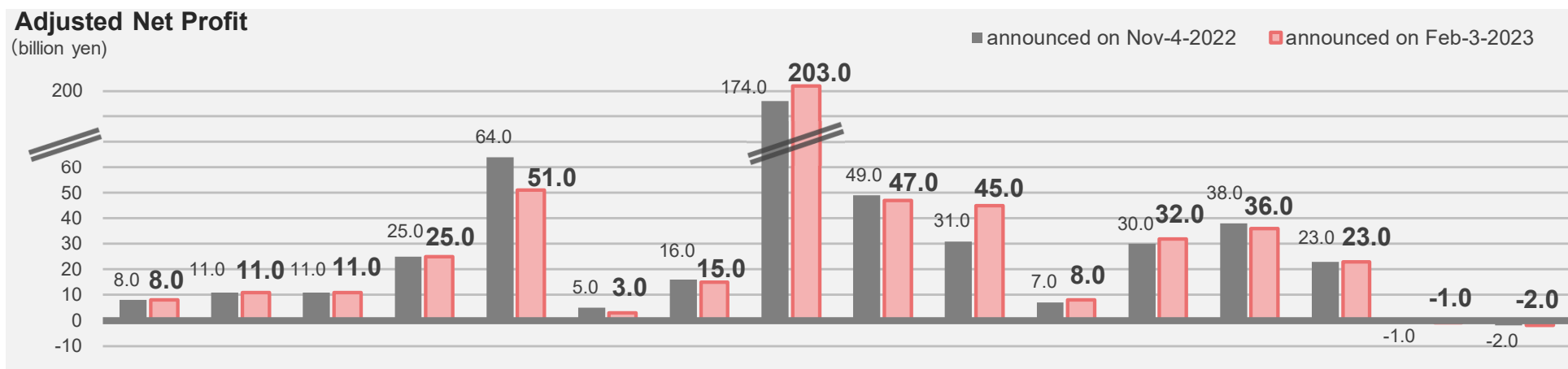
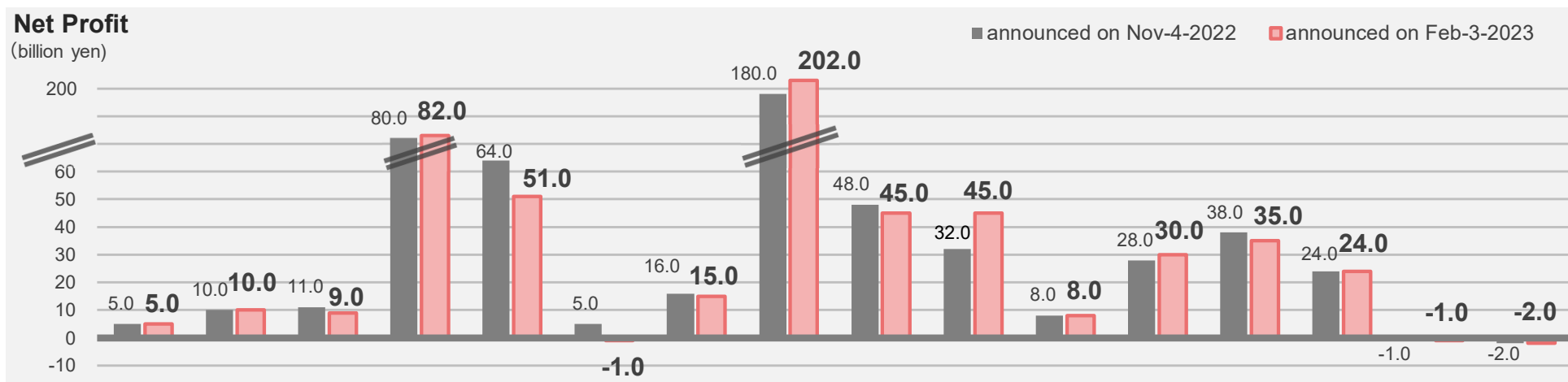
04 Profit by Segment Q1-Q3 FYE 3/2023 vs Q1-Q3 FYE 3/2022



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

* Operating segment information for FYE 3/2022 has been reclassified due to organizational changes. Please refer to P2 of "IR Supplementary Information" for the details

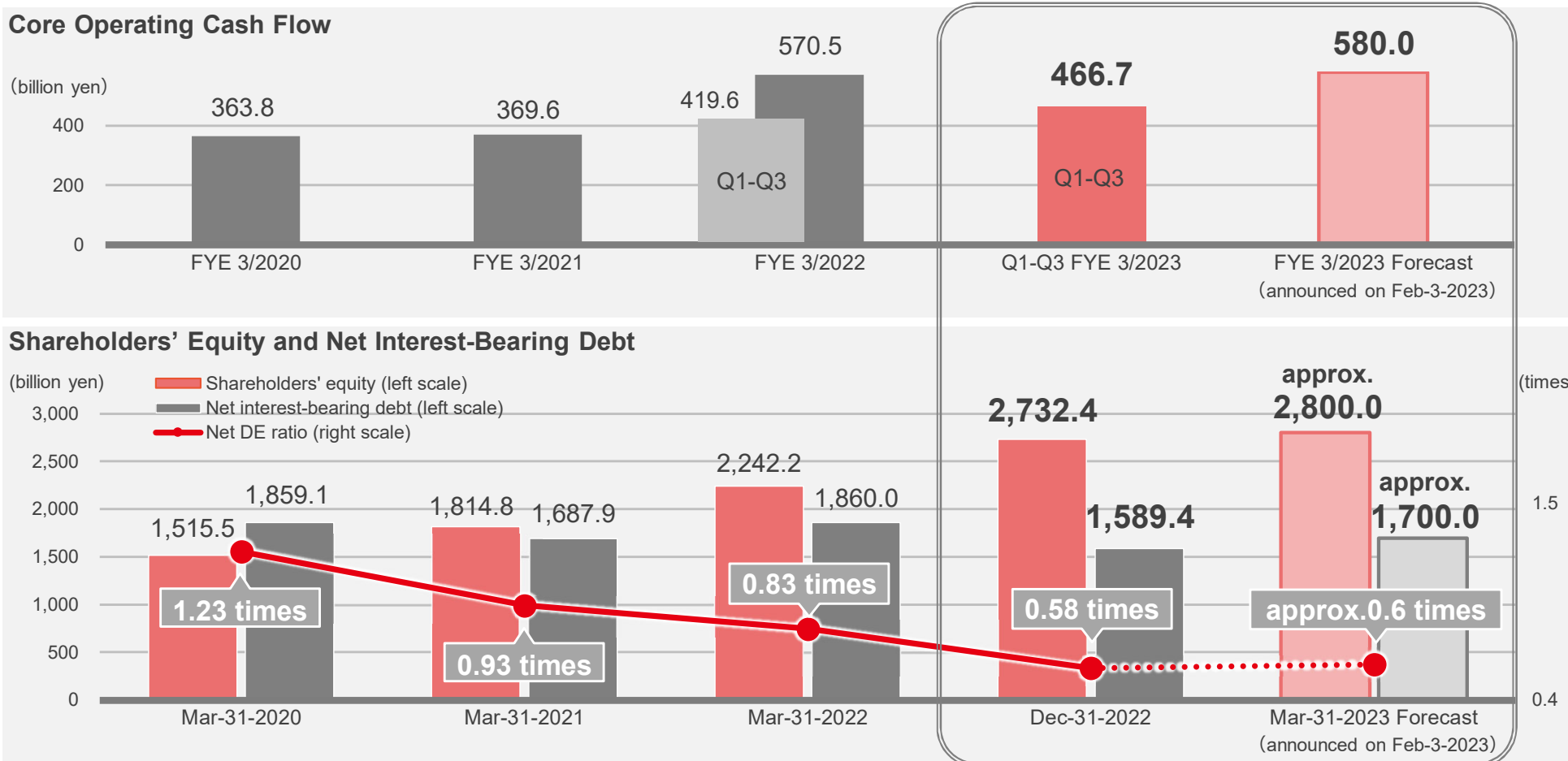
05 Profit Forecast by Segment announced on Feb-3-2023 vs Nov-4-2022



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

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

- Core operating cash flow forecast for FYE 3/2023 has been revised upward to ¥580.0bn (+¥10.0bn from the previous forecast announced on Nov-4-2022)
- Funds collected through the sale of Gavilon's grain business have been used for debt repayment, lowering the net DE ratio forecast for Mar-31-2023 to approx. 0.6 times. Management with rigorous financial discipline will be maintained

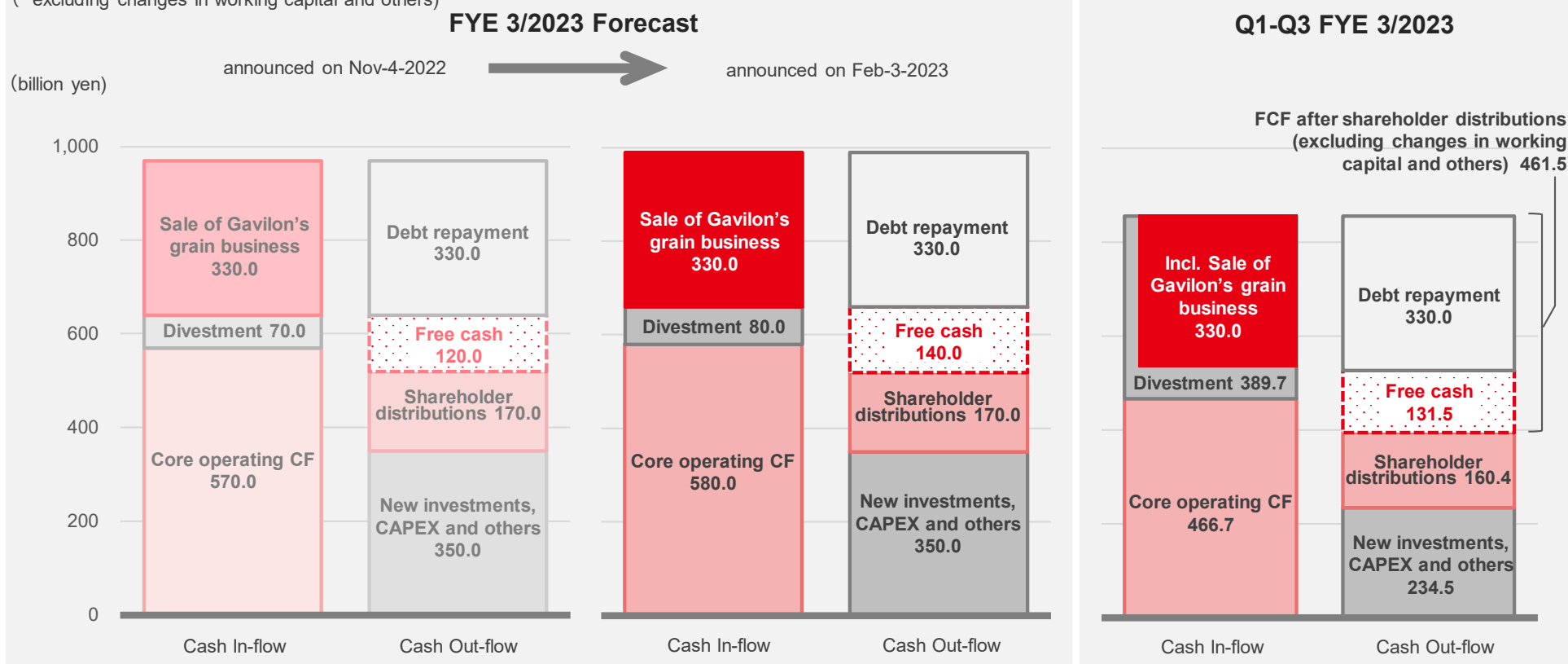


07 Capital Allocation

- Funds collected through the sale of Gavilon's grain business (approx. ¥330.0bn *) have been used for debt repayment
 - * Amount based on provisional share transfer price
- After the allocation, free cash in FYE 3/2023 is estimated to be ¥140.0bn. Further optimal capital allocation will be pursued
 - Free cash: allocated to new investments, share buybacks or retained for future investment, etc.

Capital Allocation

(* excluding changes in working capital and others)



08 New Investments and Divestments Main Items for Q1-Q3 FYE 3/2023

		(billion yen)					
		*2					
		Q1-Q3 FYE 3/2023				Q1-Q3 FYE 3/2023 Main items	FYE 3/2023 Forecast (announced on Feb-3-2023)
			Horizon 1	Horizon 2	Horizon 3		
New Investments + CAPEX and others *1		- 234.5	- 112.3	- 95.2	- 27.0		- 350.0
New Investments	Distribution Business	- 113.5	- 38.2	- 12.1	- 26.1	<ul style="list-style-type: none"> · Manufacturing and sales of spices and seasonings (Euroma, Netherland) · Healthcare turnkey solutions provider(Lunatus, UAE) · Agri-input related business (Helena, USA) · Manufacturing and sales of instant coffee (Iguacu Vietnam, Vietnam) · Beef processing and sales business (Creekstone, USA) · Marketing of livestock, meats and processed products (Wellfam Foods, Japan) 	- 200.0
	Finance Business		- 9.0	- 8.1	- 0.9		
	Stable Earnings-Type Business		- 64.3	- 64.3	-	<ul style="list-style-type: none"> · Power generation business (renewable energy, etc.) · FPSO projects (Brazil) 	
	Natural Resource Investments		- 2.0	- 2.0	-		
CAPEX and others	excluding Natural Resource Investments	- 121.1	- 112.2	- 112.2	-	<ul style="list-style-type: none"> · Agri-input related business (Helena, USA) *3 · MUSI pulp business (Indonesia) · Beef processing and sales business (Creekstone, USA) 	- 150.0
	Natural Resource Investments		- 8.8	- 0.1	- 8.8		
Divestment		+389.7				<ul style="list-style-type: none"> · Gavilon's grain business (approx. 330.0 billion yen) · Oil and Gas E&P (Gulf of Mexico, USA) · Shareholder loan for copper mining business (Chile) · Cross-shareholdings 	+410.0
Total		+155.2					+60.0

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

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

*3) Including approximately -42.0 billion yen of short-term agriculture loan which Helena (USA) provided to customers

09 Markets and Commodity Volumes

Markets		FYE 3/2022 Q1-Q3 Ave.	FYE 3/2023 Q1-Q3 Ave.	Variance	FYE 3/2022 Full-year	FYE 3/2023 Full-year Assumption for the Forecast announced on		Sensitivity to *4 Net Profit
						Nov-4-2022	Feb-3-2023	
Oil	WTI (USD/bbl)	71	94	+ 23	77	92	91 (Q4: 80)	approx. JPY0.3bn/[USD1/bbl]*5
Copper	LME (USD/ton) *1	9,533	8,632	- 901	9,588	8,525	8,700 (Q4: 8,800)	approx. JPY1.1bn/[USD100/ton]
Interest Rate	JPY TIBOR 3 months (%)	0.061	0.062	+ 0.001 points	0.063	0.1	0.1 (Q4: 0.1)	
	USD LIBOR 3 months (%)	0.148	3.038	+ 2.890 points	0.242	3.5	3.6 (Q4: 5.2)	
Currency	USD/JPY Term Average (yen)	111.10	136.51	JPY depreciation by 25.41yen	112.38	134	136 (Q4: 134)	approx. JPY1.8bn/[JPY1/USD]
	USD/JPY Term-end (yen)	Mar-31-2022 122.39	Dec-31-2022 132.70	JPY depreciation by 10.31yen	Mar-31-2022 122.39	Mar-31-2023 134	Mar-31-2023 134	
Commodity Volumes		FYE 3/2022 Q1-Q3	FYE 3/2023 Q1-Q3	Variance	FYE 3/2022 Full-year	FYE 3/2023 Initial Plan		
Oil, Gas	Equity Production Volume (K boe/day)	20	10	- 10	19	11		
	Upper: [Oil and Gas E&P] *2 Lower: [Total] *3	24	12	- 12	22	14		
Copper	Equity Sales Volume (K ton)	100	91	- 9	133			
Coking Coal	Equity Sales Volume (K ton)	4,565	4,547	- 18	5,916			

*1) March-to-November average for Q1-Q3, March-to-February average for full-year

*2) Total of oil and gas E&P at Gulf of Mexico (USA) and Indian Sea. North Sea (UK) divested in Q4 FYE 3/2022

*3) Total of equity volume based on production sharing contracts on the consolidated basis, including above Oil and Gas E&P

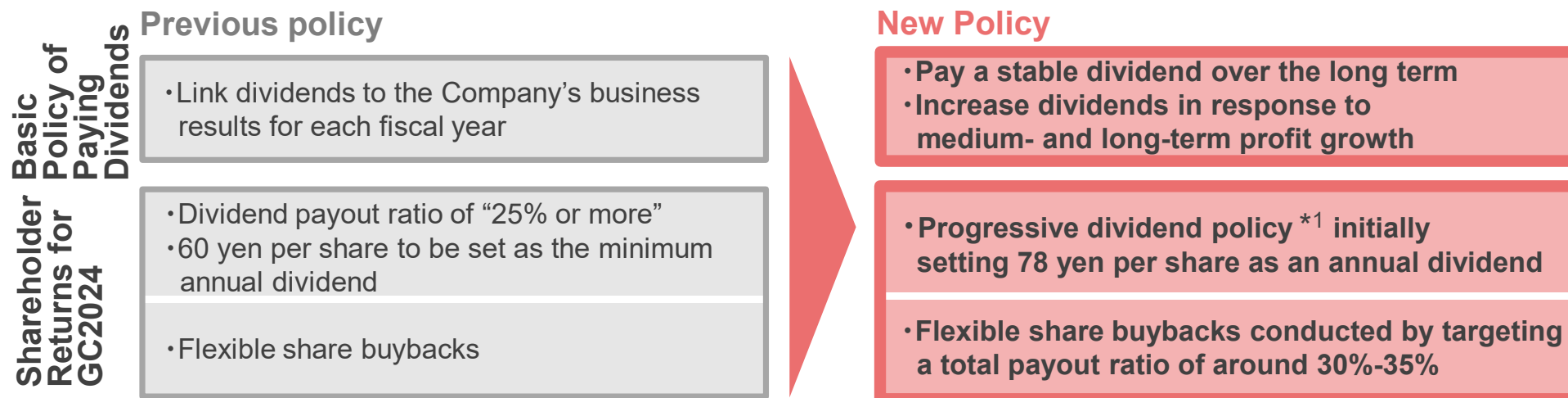
*4) Sensitivity to the full-year forecast for FYE 3/2023 announced on May 6, 2022

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

New Shareholder Returns Policy

**Basic Policy of Paying Dividends
Shareholder Returns for GC2024**

○ New Shareholder Returns Policy



Improve shareholder returns based on the progress in enhancement and strengthening of earnings and financial bases

Adopt a progressive dividend policy aiming to pay a stable dividend over the long term

Continue to strive for **medium- to long-term profit growth** and **improvement of TSR^{*2}** through optimal capital allocation and strategy implementation

Reference: Marubeni's business progress (FYE 3/2023)

Earnings Base

- ✓ Achieved record high profit for two consecutive years. Net profit is forecasted to grow to 530.0 billion yen
- ✓ Targeting a record high core operating cash flow of 580.0 billion yen with the non-resource businesses as a growth driver

Financial Base

- ✓ Collected funds of approx. 330.0 billion yen through the sale of Gavilon's grain business (October 2022)
- Net DE ratio is forecasted to be approx. 0.6 times at the historical lowest level, shareholder equity to be the largest level of approx. 2.8 trillion yen (both for Mar-31-2023)
- ✓ Improved credit ratings (S&P, R&I, and JCR upgraded the credit ratings, Moody's changed the outlook to "positive")

*1) Progressive dividend policy: No reduction in dividends, but maintenance or increase of dividends

*2) Total Shareholder Return: (Capital gains + Dividends) / Purchase price (Invested amount)

Shareholder Returns for GC2024

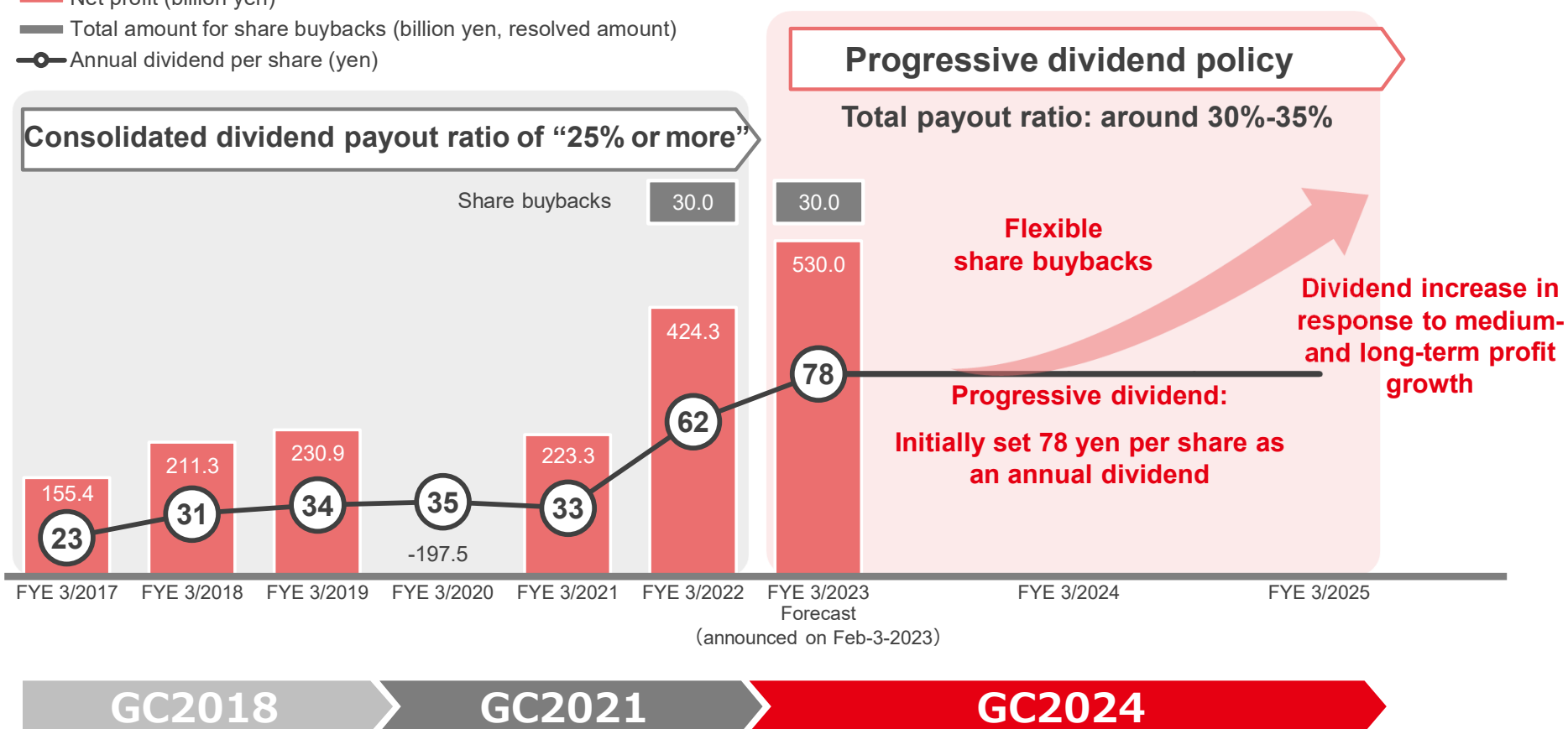
FYE 3/2023

Adopt a **progressive dividend policy**. Initially set 78 yen per share as an annual dividend
Based on the financial results for the Q4, **share buybacks will be considered** targeting a **total payout ratio of around 30%-35%**

FYE 3/2024~

Aim to increase dividend through profit growth
Conduct **flexible share buybacks** targeting a total payout ratio of around 30%-35%

- Net profit (billion yen)
- Total amount for share buybacks (billion yen, resolved amount)
- Annual dividend per share (yen)





Global crossvalue platform

Marubeni