
Summary of Consolidated Financial Results
For the Six-month Period Ended September 30, 2016
(IFRS basis)

(April 1, 2016 – September 30, 2016)

**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)

Summary of Consolidated Financial Statements for the Six-month Period Ended September 30, 2016 (IFRS basis)

Company name: Marubeni Corporation
Listed: Tokyo, Nagoya

(URL <http://www.marubeni.com>)

Code number: 8002

Representative: KOKUBU Fumiya President and CEO, Member of the Board
Inquiries: HANADA Kazuo General Manager, Media Relations Sec.
Expected filing date of quarterly financial statement report: November 10, 2016
Expected date of the beginning of delivery of dividends: December 2, 2016
Supplementary explanations of quarterly business results: Prepared
Briefing on quarterly business results: To be held (for institutional investors and analysts)

TEL (03) 3282 - 4805

(Remarks)

Amounts are rounded to the nearest million.

1. Consolidated financial results for the six-month period ended September 30, 2016 (April 1, 2016 - September 30, 2016)

(Remarks)

(1) Consolidated business results

%: change from the same period of previous fiscal year

	Total volume of trading transactions		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of the parent		Comprehensive income for the period	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
Six months ended September 30,												
2016	5,337,218	(18.2)	45,360	(39.2)	115,629	(1.5)	82,473	(20.8)	80,517	(20.5)	(116,932)	-
2015	6,524,221	(8.2)	74,592	(19.3)	117,392	(31.2)	104,139	(22.2)	101,218	(22.3)	49,982	(75.5)

	Earnings per share (basic)		Earnings per share (diluted)	
	(yen)	(yen)	(yen)	(yen)
Six months ended September 30,				
2016	46.11	46.11	46.11	46.11
2015	58.33	58.33	58.33	58.33

(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 are based on profit attributable to owners of the parent excluding the portion of which is not attributable to the Company's ordinary shareholders.

(2) Consolidated financial conditions

	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent ratio
	(millions of yen)	(millions of yen)	(millions of yen)	(%)
September 30, 2016	6,662,248	1,530,492	1,440,611	21.6
March 31, 2016	7,117,686	1,415,202	1,317,052	18.5

2. Dividends information

	Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
	(yen)	(yen)	(yen)	(yen)	(yen)
Year ended March 31, 2016	-	10.50	-	10.50	21.00
Year ending March 31, 2017	-	9.50	-	-	-
Year ending March 31, 2017 (Forecast)	-	-	-	9.50	19.00

(Note) Changes from the latest announced forecasts: None

3. Prospects of consolidated financial results for FYE3/2017 (April 1, 2016 - March 31, 2017)

%: change from the previous fiscal year

	Total volume of trading transactions		Operating profit		Profit before tax		Profit for the year		Profit attributable to owners of the parent		Earnings per share (basic)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(yen)
Year ending March 31, 2017											
Yearly	11,500,000	(5.8)	90,000	(13.7)	190,000	109.8	135,000	99.9	130,000	108.8	73.46

(Note) Changes from the latest announced forecasts: Yes

***Note**

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

(2) Changes in accounting principles and accounting estimates

① Changes in accounting principles required by IFRS : None

② Changes other than ① : None

③ Changes in accounting estimate : None

(3) Number of issued shares (Common shares)

① Number of issued shares at the end of the term September 30, 2016 1,737,940,900

(Treasury stock is included) March 31, 2016 1,737,940,900

② Number of treasury stock at the end of the term September 30, 2016 2,581,690

March 31, 2016 2,580,195

③ Average number of outstanding shares during the term Six months ended September 30, 2016 1,735,360,074

Six months ended September 30, 2015 1,735,371,878

<Indication concerning implementation status of quarterly review procedure>

These Consolidated Financial Results are not subject to the review procedure pursuant to the Financial Instruments and Exchange Law.

At the time of disclosing these Consolidated Financial Results, the review 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.

(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, November 4, 2016.

The Company is scheduled to hold a briefing on business results for institutional investors and analysts on Tuesday, November 8, 2016,

and to post the audio file of the briefing (English dubbed) along with the materials used in the meeting (translated in English) on the Company's website, at the earliest possible time after the meeting.

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Marubeni Corporation

Financial Results

1. Qualitative Information on Consolidated Financial Results for the Six-month Period under Review

(1) Qualitative Information on Consolidated Business Results

In the six-month period ended September 30, 2016, developed economies, particularly the U.S., generally continued to gradually recover. The global economy, however, slowed in response to weakness in emerging market economies, most notably in China. Crude oil and other commodity prices gradually stabilized after declining earlier in the period. Meanwhile, financial markets were temporarily roiled by passage of the UK's referendum in favor of exiting the EU, but they have since generally stabilized.

The U.S. economy continued to recover, driven chiefly by personal consumption encompassed by a robust employment environment.

The European economy continued to gradually recover, led by Germany.

Emerging market economies as a whole grew sluggishly amid a Chinese economic slowdown encompassing consumption, investment and exports and continued lackluster demand, both domestic and external, in Brazil, Russia et al.

The Japanese economy was stuck in an anemic recovery as consumer sentiment softened even amid continued improvement in the employment environment.

Under the aforementioned business environment, consolidated financial results for the six-month period ended September 30, 2016 are as follows:

	Six-month period ended September 30,		Variance
	2016	2015	
Total volume of trading transactions	5,337,218	6,524,221	(1,187,003)
Gross trading profit	294,772	346,109	(51,337)
Operating profit	45,360	74,592	(29,232)
Share of profits of associates and joint ventures	50,787	54,383	(3,596)
Profit attributable to owners of the parent	80,517	101,218	(20,701)
Revenue	3,453,591	3,875,225	(421,634)

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Financial Results

(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

Total volume of trading transactions for the six-month period ended September 30, 2016 decreased 1,187.0 billion yen (18.2%) from the year-earlier period to 5,337.2 billion yen, due to sales quantity and sales price declines in petroleum trading businesses.

Meanwhile, “**Revenue**” as defined under IFRS was 3,453.6 billion yen, a decline of 421.6 billion yen (10.9%) from the year-earlier period.

Gross trading profit

Gross trading profit decreased 51.3 billion yen (14.8%) from the year-earlier period to 294.8 billion yen. By operating segment, profits decreased mainly at *Chemical & Forest Products* and *Energy & Metals*.

Operating profit

Operating profit decreased 29.2 billion yen (39.2%) from the year-earlier period to 45.4 billion yen due to decrease in gross trading profit, notwithstanding a decrease in selling, general and administrative expenses resulted from the Japanese yen appreciation.

Share of profits of associates and joint ventures

Share of profits of associates and joint ventures decreased 3.6 billion yen (6.6%) from the year-earlier period to 50.8 billion yen. By operating segment, profits decreased mainly in *Power Projects & Plant, Energy & Metals*.

Profit attributable to owners of the parent

Profit attributable to owners of the parent for the six-month period ended September 30, 2016 (also referred to as *net profit* for the six-month period under review) decreased 20.7 billion yen (20.5%) to 80.5 billion yen relative to the year-earlier period. As of the end of the six-month period under review, Marubeni achieved 61.9% of 130.0 billion yen, the yearly prospect for the fiscal year ending March 31, 2017.

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Financial results for each operating segment for the six-month period ended September 30, 2016 are as follows:

Food & Consumer Products

Gross trading profit decreased 11.8 billion yen (8.0%) year on year to 136.1 billion yen, mainly as a result of deconsolidation of a food-related former subsidiary, now an equity-method associate. Net profit likewise decreased, down 4.2 billion yen (12.2%) year on year to 30.1 billion yen, largely as a result of nonrecurrence of a year-earlier gain on the sale of an equity stake in a former ICT-related associate.

Chemical & Forest Products

Gross trading profit decreased 15.5 billion yen (15.0%) year on year to 87.8 billion yen while net profit was down 5.5 billion yen (25.9%) year on year to 15.8 billion yen. The profit declines were largely attributable to reduction in *Helena Chemical's* yen-equivalent earnings due to yen appreciation and margin deterioration in the woodchip/pulp business due to lower pulp prices.

Energy & Metals

Gross trading profit decreased 14.0 billion yen (94.2%) year on year to 0.9 billion yen, largely because of margin deterioration in the LNG business and lower oil and gas prices in the oil and gas development business. Despite nonrecurrence of a year-earlier impairment loss in the oil and gas development business, net loss worsened 9.0 billion yen (-%) year on year to 11.6 billion yen (loss), mainly as a result of an increased corporate tax expense and reduced profits from equity-method investments in a Chilean copper project and a steel products business.

Power Projects & Plant

Gross trading profit declined 2.3 billion yen (7.4%) year on year to 28.6 billion yen, largely as a result of deconsolidation of a former consolidated subsidiary, now an equity-method associate, in the North American freight railcar leasing business. Net profit, by contrast, grew 12.4 billion yen (73.9%) year on year to 29.1 billion yen, chiefly by virtue of nonrecurrence of a year-earlier loss on withdrawal from a Uruguayan LNG receiving terminal project.

Transportation & Industrial Machinery

Gross trading profit decreased 7.0 billion yen (13.7%) year on year to 43.7 billion yen in the wake of yen appreciation and a decline in sales for construction machinery related businesses. Net profit, however, increased 4.2 billion yen (29.6%) year on year to 18.4 billion yen, boosted by a gain on the sale of a North American automotive sector business.

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Financial Results

(Note 1)

Businesses of the overseas corporate subsidiaries have all been segmented according to the Company's operating segment effective as of the fiscal year ending March 31, 2017.

The figures of each operating segments for the six-month period ended September 30, 2015 have been altered accordingly.

(Note 2)

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

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Financial Results

(2) Qualitative Information on Consolidated Financial Conditions

① Conditions of Assets, Liabilities and Equity

	(billions of yen)		
	September 30, 2016	March 31, 2016	Variance
Total assets	6,662.2	7,117.7	(455.4)
Total equity	1,530.5	1,415.2	115.3
Net interest-bearing debt	2,346.1	2,762.5	(416.4)
Net D/E ratio (times)	1.53	1.95	-0.42 points

(Note 1)

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

(Note 2)

Net interest-bearing debt is calculated as **cash and cash equivalents** and **time deposits** subtracted from the sum of current and non-current **bonds and borrowings**.

Despite an increase in *cash and cash equivalent*, **Total assets** decreased 455.4 billion yen from the end of the previous fiscal year to 6,662.2 billion yen mainly due to decreases in *inventories*, *trade receivables*, and *investments in associates and joint ventures*. **Net interest-bearing debt** decreased 416.4 billion yen from the end of the previous fiscal year to 2,346.1 billion yen.

Total equity increased 115.3 billion yen from the end of the previous fiscal year to 1,530.5 billion yen, mainly due to the financing through *perpetual subordinated loans*, despite decreases in *foreign currency translation adjustments* led by Japanese yen appreciation. Consequently, **net D/E ratio** stood at 1.53 times.

② Cash Flows

Cash and cash equivalents at the end of the six-month period under review were 789.6 billion yen, an increase of 188.7 billion yen from the end of the previous fiscal year.

(Operating activities)

Net cash provided from operating activities was 83.4 billion yen due to steady operating revenue mainly at overseas subsidiaries.

(Investing activities)

Net cash used in investing activities was 64.6 billion yen due mainly to capital expenditures related to overseas businesses, despite gains from disposal of investment securities.

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Financial Results

As a result of the above-mentioned activities, free cash flow (the sum of net cash provided from operating activities and net cash used in investing activities) for the six-month period under review was positive 18.8 billion yen.

(Financing activities)

Despite reimbursements mainly through long-term borrowings and corporate bonds, net cash provided from financing activities amounted to 189.6 billion yen as a result of financing through perpetual subordinated loans.

(3) Qualitative Information on Forecast of Consolidated Financial Results

Profit attributable to owners of the parent for the six-month period ended September 30, 2016 amounted to 80.5 billion yen, with the achievement of 61.9% in the yearly prospect of 130.0 billion yen for the fiscal year ending March 31, 2017.

As for earnings forecasts for the fiscal year ending March 31, 2017, we have estimated the total volume of trading transactions to be 11.5 trillion yen, a decrease of 1.0 trillion yen from the initial projections announced on May 10, 2016. Operating profit has been estimated to fall below the initial projections by 10.0 billion yen to 90.0 billion yen mainly due to a decline in gross trading profit led by a fall in total volume of trading transactions. The forecast of profit before tax and profit for the year remain unchanged from the initial announcement on May 10, 2016 for improvement in interest expense-net is anticipated. The forecasts of profit attributable to owners of the parent for the fiscal year ending March 31, 2017 also remains unchanged at 130.0 billion yen from the initial projections announced on May 10, 2016.

(4) Basic Policy on Profit Distribution and Dividends for the Fiscal Year Ending March 31, 2017

Marubeni works to implement and maximize corporate value by effectively utilizing internal reserves and building up strong financial base, as well as strengthening existing businesses and advancing on new investing strategies.

The Company applies a basic policy to determine dividends based on the principle of linking dividends to the Company's business results for each term, in order to further clarify its stance on redistribution of profits to our shareholders. The actual dividend is to be determined basically aiming for a consolidated payout ratio of 25% or more.

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With respect to the annual dividend per share for the fiscal year ending March 31, 2017, Marubeni plans to distribute 19 yen (interim dividend already resolved: 9.50 yen) as profit attributable to owners of the parent for the period is forecast to be 130.0 billion yen.

<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 have influences upon future businesses. Actual results might be influenced by various factors in the future.

2. Other Information

None

Marubeni Corporation
Consolidated Financial Statements

3. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position <Unaudited>

	<i>Millions of yen</i>		
	September 30 2016	March 31 2016	Variance
Assets			
Current assets:			
Cash and cash equivalents	789,588	600,840	188,748
Time deposits	2,346	5,032	(2,686)
Investment securities	10,075	10,075	0
Notes, trade accounts and loans receivable	1,142,281	1,270,284	(128,003)
Other current financial assets	182,448	219,652	(37,204)
Inventories	638,467	779,581	(141,114)
Assets held-for-sale	67,172	63,308	3,864
Other current assets	174,349	213,808	(39,459)
Total current assets	3,006,726	3,162,580	(155,854)
Non-current assets:			
Investments in associates and joint ventures	1,529,221	1,651,350	(122,129)
Other investments	315,423	348,063	(32,640)
Notes, trade accounts and loans receivable	138,332	168,733	(30,401)
Other non-current financial assets	97,470	91,434	6,036
Property, plant and equipment	1,127,084	1,201,444	(74,360)
Intangible assets	307,573	335,273	(27,700)
Deferred tax assets	83,058	94,113	(11,055)
Other non-current assets	57,361	64,696	(7,335)
Total non-current assets	3,655,522	3,955,106	(299,584)
Total assets	6,662,248	7,117,686	(455,438)

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	<i>Millions of yen</i>		
	September 30	March 31	
	2016	2016	Variance
Liabilities and Equity			
Current liabilities:			
Bonds and borrowings	833,545	636,536	197,009
Notes and trade accounts payable	1,029,740	1,221,150	(191,410)
Other current financial liabilities	298,345	351,246	(52,901)
Income tax payable	17,415	15,473	1,942
Liabilities directly associated with assets held-for-sale	37,470	1,873	35,597
Other current liabilities	278,535	367,938	(89,403)
Total current liabilities	2,495,050	2,594,216	(99,166)
Non-current liabilities:			
Bond and borrowings	2,304,481	2,731,789	(427,308)
Notes and trade accounts payable	13,256	17,658	(4,402)
Other non-current financial liabilities	68,575	76,697	(8,122)
Accrued pension and retirement benefits	82,243	91,918	(9,675)
Deferred tax liabilities	94,106	100,617	(6,511)
Other non-current liabilities	74,045	89,589	(15,544)
Total non-current liabilities	2,636,706	3,108,268	(471,562)
Total liabilities	5,131,756	5,702,484	(570,728)
Equity:			
Issued capital	262,686	262,686	—
Capital surplus	143,548	141,504	2,044
Other equity financial instruments	243,589	—	243,589
Treasury stock	(1,370)	(1,369)	(1)
Retained earnings	799,064	737,215	61,849
Other components of equity:			
Gains and losses on financial assets measured at fair value through other comprehensive income	39,146	43,066	(3,920)
Foreign currency translation adjustments	20,061	193,608	(173,547)
Gains and losses on cash flow hedges	(66,113)	(59,658)	(6,455)
Remeasurements of defined benefit pension plan	—	—	—
Equity attributable to owners of the parent	1,440,611	1,317,052	123,559
Non-controlling interests	89,881	98,150	(8,269)
Total equity	1,530,492	1,415,202	115,290
Total liabilities and equity	6,662,248	7,117,686	(455,438)

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Consolidated Financial Statements

(2) Consolidated Statements of Comprehensive Income <Unaudited>

	<i>Millions of yen</i>			
	Six-month period ended September 30,			
	2016	2015	Variance	Ratio (%)
Revenue:				
Sale of goods	3,358,935	3,765,916	(406,981)	(10.8)
Commissions on services and trading margins	94,656	109,309	(14,653)	(13.4)
Total revenue	3,453,591	3,875,225	(421,634)	(10.9)
Cost of goods sold	(3,158,819)	(3,529,116)	370,297	(10.5)
Gross trading profit	294,772	346,109	(51,337)	(14.8)
Other income (expenses) :				
Selling, general and administrative expenses	(249,412)	(271,517)	22,105	(8.1)
Gains (losses) on property, plant and equipment				
Impairment losses on non-current assets	-	(22,836)	22,836	(100.0)
Gains (losses) on sales of property, plant and equipment	2,288	4,717	(2,429)	(51.5)
Other – net	16,884	(3,718)	20,602	-
Total other income (expenses)	(230,240)	(293,354)	63,114	(21.5)
Finance income (expenses):				
Interest income	7,187	8,046	(859)	(10.7)
Interest expense	(15,216)	(16,754)	1,538	(9.2)
Dividend income	7,569	10,502	(2,933)	(27.9)
Gains (losses) on investment securities	770	8,460	(7,690)	(90.9)
Total finance income (expenses)	310	10,254	(9,944)	(97.0)
Share of profits of associates and joint ventures	50,787	54,383	(3,596)	(6.6)
Profit for the period before tax	115,629	117,392	(1,763)	(1.5)
Provision for income tax	(33,156)	(13,253)	(19,903)	150.2
Profit for the period	82,473	104,139	(21,666)	(20.8)
Profit for the period attributable to:				
Owners of the parent	80,517	101,218	(20,701)	(20.5)
Non-controlling interests	1,956	2,921	(965)	(33.0)
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	(7,245)	(12,786)	5,541	(43.3)
Remeasurements of defined benefit pension plan	2,953	(402)	3,355	-
Changes in other comprehensive income of associates and joint ventures	82	(1,817)	1,899	-
Items that will be reclassified to profit and loss				
Foreign currency translation adjustments	(168,924)	(37,916)	(131,008)	345.5
Gains and losses on cash flow hedges	(11,517)	4,156	(15,673)	-
Changes in other comprehensive income of associates and joint ventures	(14,754)	(5,392)	(9,362)	173.6
Other comprehensive income, net of tax	(199,405)	(54,157)	(145,248)	268.2
Total comprehensive income for the period	(116,932)	49,982	(166,914)	-
Attributable to:				
Owners of the parent	(111,959)	47,826	(159,785)	-
Non-controlling interests	(4,973)	2,156	(7,129)	-
Total volume of trading transactions	5,337,218	6,524,221	(1,187,003)	(18.2)

(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.

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Consolidated Financial Statements

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

	<i>Millions of yen</i>	
	Six-month period ended September 30,	
	2016	2015
Issued capital:		
Balance at beginning of period	262,686	262,686
Balance at end of period	262,686	262,686
Capital surplus:		
Balance at beginning of period	141,504	148,243
Capital and other transactions with non-controlling interests	2,044	(603)
Balance at end of period	143,548	147,640
Other equity financial instruments:		
Balance at beginning of period	-	-
Issuance of other equity financial instruments	243,589	-
Balance at end of period	243,589	-
Treasury stock:		
Balance at beginning of period	(1,369)	(1,361)
Purchases and sales of treasury stock	(1)	(2)
Balance at end of period	(1,370)	(1,363)
Retained earnings:		
Balance at beginning of period	737,215	728,098
Profit for the period attributable to owners of the parent	80,517	101,218
Transfer from other components of equity	(445)	5,353
Dividends to owners of the parent	(18,223)	(22,562)
Balance at end of period	799,064	812,107
Other components of equity:		
Balance at beginning of period	177,016	380,849
Gains and losses on financial assets measured at fair value through other comprehensive income	(7,146)	(14,813)
Foreign currency translation adjustments	(173,547)	(38,960)
Gains and losses on cash flow hedges	(14,564)	510
Remeasurements of defined benefit pension plan	2,781	(129)
Transfer to retained earnings	445	(5,353)
Transfer to non-financial assets or non-financial liabilities	8,109	(9,578)
Balance at end of period	(6,906)	312,526
Equity attributable to owners of the parent	1,440,611	1,533,596
Non-controlling interests:		
Balance at beginning of period	98,150	160,198
Dividends to non-controlling interests	(2,135)	(6,113)
Equity transactions with non-controlling interests and others	(1,161)	290
Profit for the period attributable to non-controlling interests	1,956	2,921
Other components of equity:		
Gains and losses on financial assets measured at fair value through other comprehensive income	179	(20)
Foreign currency translation adjustments	(7,159)	(733)
Gains and losses on cash flow hedges	75	31
Remeasurements of defined benefit pension plan	(24)	(43)
Balance at end of period	89,881	156,531
Total equity	1,530,492	1,690,127
Attributable to:		
Owners of the parent	(111,959)	47,826
Non-controlling interests	(4,973)	2,156
Total comprehensive income for the period	(116,932)	49,982

Marubeni Corporation

Consolidated Financial Statements

(4) Consolidated Statements of Cash Flows <Unaudited>

	<i>Millions of yen</i>		
	Six-month period ended September 30,		Variance
	2016	2015	
Operating activities			
Profit for the period	82,473	104,139	(21,666)
Adjustments to reconcile profit for the period to net cash provided by (used in) operating activities:			
Depreciation and amortisation	57,178	56,829	349
(Gains) losses on property, plant and equipment	(2,288)	18,119	(20,407)
Finance (income) expenses	(310)	(10,254)	9,944
Share of profits of associates and joint ventures	(50,787)	(54,383)	3,596
Income taxes	33,156	13,253	19,903
Changes in notes accounts receivable	48,924	(15,973)	64,897
Changes in inventories	92,620	133,255	(40,635)
Changes in notes and trade accounts payable	(114,603)	(65,439)	(49,164)
Other-net	(85,690)	(65,590)	(20,100)
Interest received	6,134	8,826	(2,692)
Interest paid	(15,412)	(17,950)	2,538
Dividends received	40,888	53,894	(13,006)
Income taxes paid	(8,872)	(21,685)	12,813
Net cash provided by operating activities	83,411	137,041	(53,630)
Investing activities			
Net (increase) decrease in time deposits	2,386	4,247	(1,861)
Proceeds from sale of property, plant and equipment	6,135	17,515	(11,380)
Proceeds from sale of investment property	450	365	85
Collection of loans receivable	9,275	5,368	3,907
Proceeds from sale of subsidiaries, net of cash and cash equivalents disposed of	653	17,182	(16,529)
Proceeds from sale of investments in associates and joint ventures, and other investments	64,043	58,471	5,572
Purchase of property, plant and equipment	(70,584)	(116,602)	46,018
Purchase of investment property	(54)	(189)	135
Loans provided to customers	(32,080)	(37,187)	5,107
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(3,529)	(237)	(3,292)
Purchase of investments in associates and joint ventures, and other investments	(41,279)	(40,617)	(662)
Net cash used in investing activities	(64,584)	(91,684)	27,100
Financing activities			
Net increase (decrease) in short-term borrowings	159,830	(17,146)	176,976
Proceeds from long-term bonds and borrowings	35,632	261,572	(225,940)
Repayments of long-term bonds and borrowings	(227,775)	(182,953)	(44,822)
Dividends paid to owners of the parent	(18,223)	(22,562)	4,339
Net cash outflows on purchases and sales of treasury stock	(3)	(2)	(1)
Capital contribution from non-controlling interests	110	—	110
Proceeds from issuance of other equity financial instruments	243,589	—	243,589
Other	(3,572)	(5,808)	2,236
Net provided by financing activities	189,588	33,101	156,487
Effect of exchange rate changes on cash and cash equivalents	(19,667)	(5,609)	(14,058)
Net increase (decrease) in cash and cash equivalents	188,748	72,849	115,899
Cash and cash equivalents at beginning of period	600,840	469,106	131,734
Cash and cash equivalents at end of period	789,588	541,955	247,633

(5) Notes Related to Going Concern Assumptions

: None

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(6) Segment Information

<Operating Segment> (Unaudited)

◆ The Six-Month Period Ended September 30, 2016 (April 1, 2016 - September 30, 2016)

Millions of yen

	Food & Consumer Products	Chemical & Forest Products	Energy & Metals	Power Projects & Plant
Total volume of trading transactions	2,436,809	1,245,659	1,097,483	195,176
Gross trading profit	136,103	87,762	860	28,639
Operating profit (loss)	34,090	21,593	(22,155)	1,769
Share of profits (losses) of associates and joint ventures	7,112	1,815	1,640	28,777
Profit (loss) attributable to owners of the parent	30,108	15,825	(11,594)	29,065
Segment assets (as of September 30, 2016)	1,746,341	884,656	1,580,468	1,148,444
	Transportation & Industrial Machinery	Corporate & Elimination, etc.	Consolidated	
Total volume of trading transactions	379,790	(17,699)	5,337,218	
Gross trading profit	43,732	(2,324)	294,772	
Operating profit (loss)	8,796	1,267	45,360	
Share of profits (losses) of associates and joint ventures	11,533	(90)	50,787	
Profit (loss) attributable to owners of the parent	18,403	(1,290)	80,517	
Segment assets (as of September 30, 2016)	718,827	583,512	6,662,248	

◆ The Six-Month Period Ended September 30, 2015 (April 1, 2015 - September 30, 2015)

Millions of yen

	Food & Consumer Products	Chemical & Forest Products	Energy & Metals	Power Projects & Plant
Total volume of trading transactions	2,752,618	1,414,414	1,573,296	352,348
Gross trading profit	147,914	103,259	14,836	30,925
Operating profit (loss)	37,723	32,092	(9,276)	(1,661)
Share of profits (losses) of associates and joint ventures	6,475	1,813	4,439	32,121
Profit (loss) attributable to owners of the parent	34,305	21,370	(2,616)	16,713
Segment assets (as of March 31, 2016)	1,874,173	1,040,441	1,711,361	1,278,555
	Transportation & Industrial Machinery	Corporate & Elimination, etc.	Consolidated	
Total volume of trading transactions	443,551	(12,006)	6,524,221	
Gross trading profit	50,691	(1,516)	346,109	
Operating profit (loss)	14,921	793	74,592	
Share of profits (losses) of associates and joint ventures	9,391	144	54,383	
Profit (loss) attributable to owners of the parent	14,195	17,251	101,218	
Segment assets (as of March 31, 2016)	806,412	406,744	7,117,686	

(Note 1) *Businesses of the overseas corporate subsidiaries have all been segmented according to the Company's operating segment effective as of the fiscal year ending March 31, 2017.*

The figures of each operating segments for the six-month period ended September 30, 2015 have been altered accordingly.

(Note 2) *"Total volume of trading transactions" and "operating profit (loss)" 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 (loss)" is the sum of "Gross trading profit", "Selling, general and administrative expenses" including "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.*

(7) Significant Changes in Equity Attributable to Owners of the Parent

On August 16, 2016, the Company has obtained financing through perpetual subordinated loans (the "Loans") for the purpose of further strengthening of its financial base. As the Loans are classified as equity for the purpose of the Company's consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), execution of this scheme resulted in an increase of 243,589 million yen in the Company's "other equity financial instruments" on a consolidated basis.