

GLOBAL
CROSSVALUE
PLATFORM

Marubeni

2021.06

Consolidated Financial Results
Q1 FYE 3/2022

August 3, 2021

TSE Code: 8002

Disclaimer Regarding Forward Looking Statements and Original Language

This material contains forward-looking statements about the future performance, events or management plans of Marubeni Corporation and its Group companies (the Company) based on the available information, certain assumptions and expectations at the point of disclosure, of which many are beyond the Company's control. These are subject to a number of risks, uncertainties and factors, including, but not limited to, economic and financial conditions, factors that may affect the level of demand and financial performance of the major industries and customers we serve, interest rates and currency fluctuations, availability and cost of funding, fluctuations in commodity and materials prices, political turmoil in certain countries and regions, litigation claims, changes in laws, regulations and tax rules, and other factors. Actual results, performances and achievements may differ materially from those described explicitly or implicitly in the relevant forward-looking statements.

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This material is an English language translation of the materials originally written in Japanese. In case of discrepancies, the Japanese version is authoritative and universally valid.

(Notes)

- * FYE: Fiscal Year Ending/Ended * Profit attributable to owners of the parent is described as *"Net profit"*.
- * FYE 3/2022 forecast / Mar-31-2022 forecast: Forecasts announced on May 6, 2021
- * 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
From Q3 FYE 3/2019, the elements of core operating cash flow have been altered. The figures for the past fiscal years have been revised accordingly.
- * From FYE 3/2021, the calculation method for "New investments", "CAPEX and others", "Divestment", has been changed to a method of calculating items recognized in investing cash flow.
- * CAPEX and others: additional capital spending to maintain/improve business values of existing projects and others
- * P4 "03 Net Profit and Adjusted Net Profit": Business fields for and before FYE 3/2018 are based on "the organization as of FYE 3/2019", for FYE 3/2019, based on "the organization as of FYE 3/2020", for FYE 3/2020, based on "the organization as of FYE 3/2021", and for FYE 3/2021 and for the forecasts for FYE 3/2022, they are based on "the new organization from FYE 3/2022".
Business fields
Resources: "Organization as of FYE 3/2020", "Organization as of FYE 3/2021", "New organization from FYE 3/2022" = the total of "Energy" and "Metals & Mineral Resources" excluding "Steel Products Dept."
"Organization as of FYE 3/2019" = "Energy & Metals" group excluding "Steel Products" sub-segment
Other: "Organization as of FYE 3/2020", "Organization as of FYE 3/2021", "New organization from FYE 3/2022" = the total of "Next Generation Business Development" and "Other"
"Organization as of FYE 3/2019" = "Other" segment
Non-resources: other than the above

"New organization from FYE 3/2022": From FYE 3/2022, the former operating segments of "Food" has been divided into "Food I" and "Food II" segments, parts of "Energy" and "Infrastructure Project" have been reorganized, parts of "Infrastructure Project" and "Aerospace & Ship" have been incorporated into "Metals & Mineral Resources", a part of "Construction, Industrial Machinery & Mobility" has been incorporated into "Finance & Leasing Business".
- * P8 "07 Profit by Segment: From FYE 3/2022, the former operating segments of "Food" has been divided into "Food I" and "Food II" segments, parts of "Energy" and "Infrastructure Project" have been reorganized, parts of "Infrastructure Project" and "Aerospace & Ship" have been incorporated into "Metals & Mineral Resources", a part of "Construction, Industrial Machinery & Mobility" has been incorporated into "Finance & Leasing Business". In conjunction with these organizational changes, operating segment information for FYE 3/2021 has been reclassified.

01 Key Factors of Q1 FYE 3/2022

(billion yen)

	Q1 FYE 3/2021	Q1 FYE 3/2022	Variance	FYE 3/2022 Forecast announced on May-6-2021
Net profit	58.1	112.1	+54.0 (+93%)	230.0
Adjusted net profit	59.0	114.0	+55.0 (+93%)	240.0
One-time items	-1.0	-2.0	-1.0 (-100%)	- *One-time items, cushions, etc.
Core operating cash flow	+94.5	+129.5	+35.0 (+37%)	+350.0
Free cash flow after delivery of shareholder returns	+4.1	-123.5	-127.7	+60.0
	Mar-31-2021	Jun-30-2021	Variance	Mar-31-2022 Forecast announced on May-6-2021
Net DE ratio	0.88 times	0.94 times	0.06 points UP	approx. 0.9 times
	Annual dividend for FYE 3/2021			FYE 3/2022 Forecast (set as the minimum)
Dividend per share	33.0 yen			34.0 yen

01 Key Factors of Q1 FYE 3/2022

Key Factors of Q1 FYE 3/2022

Net profit amounted ¥112.1bn, with a +¥54.0bn (+93%) increase year on year

Adjusted net profit was approx. ¥114.0bn, a +¥55.0bn (+93%) increase year on year

Record highs for quarterly profits; net profit, adjusted net profit

Breakdown of the +¥54.0bn net profit increase

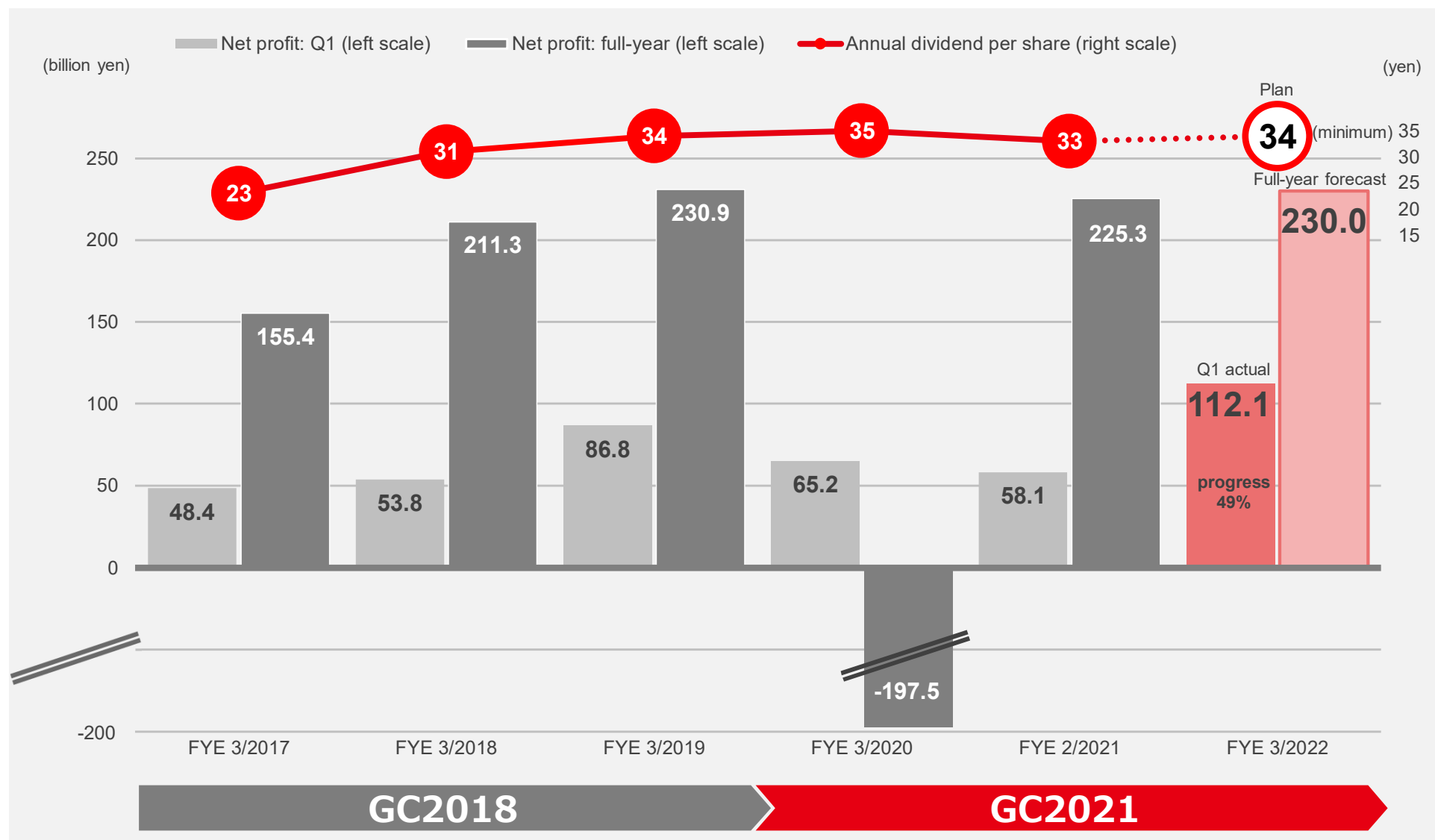
- Increase in adjusted net profit: +¥55.0bn (+93%)
 - Non-resources +¥29.0bn increase mainly in *Agri Business, Construction, Industrial Machinery & Mobility, Finance & Leasing Business, Aerospace & Ship, Forest Products*
 - Resources +¥29.0bn increase in *Metals & Mineral Resources* due to higher commodity prices
 - Other -¥3.0bn decrease
- Decrease regarding one-time items: approx. -¥1.0bn [Q1 FYE 3/2021: approx. -¥1.0bn → Q1 FYE 3/2022: approx. -¥2.0bn]

Net DE ratio stood at 0.94 times, 0.06 points up from the previous fiscal year-end

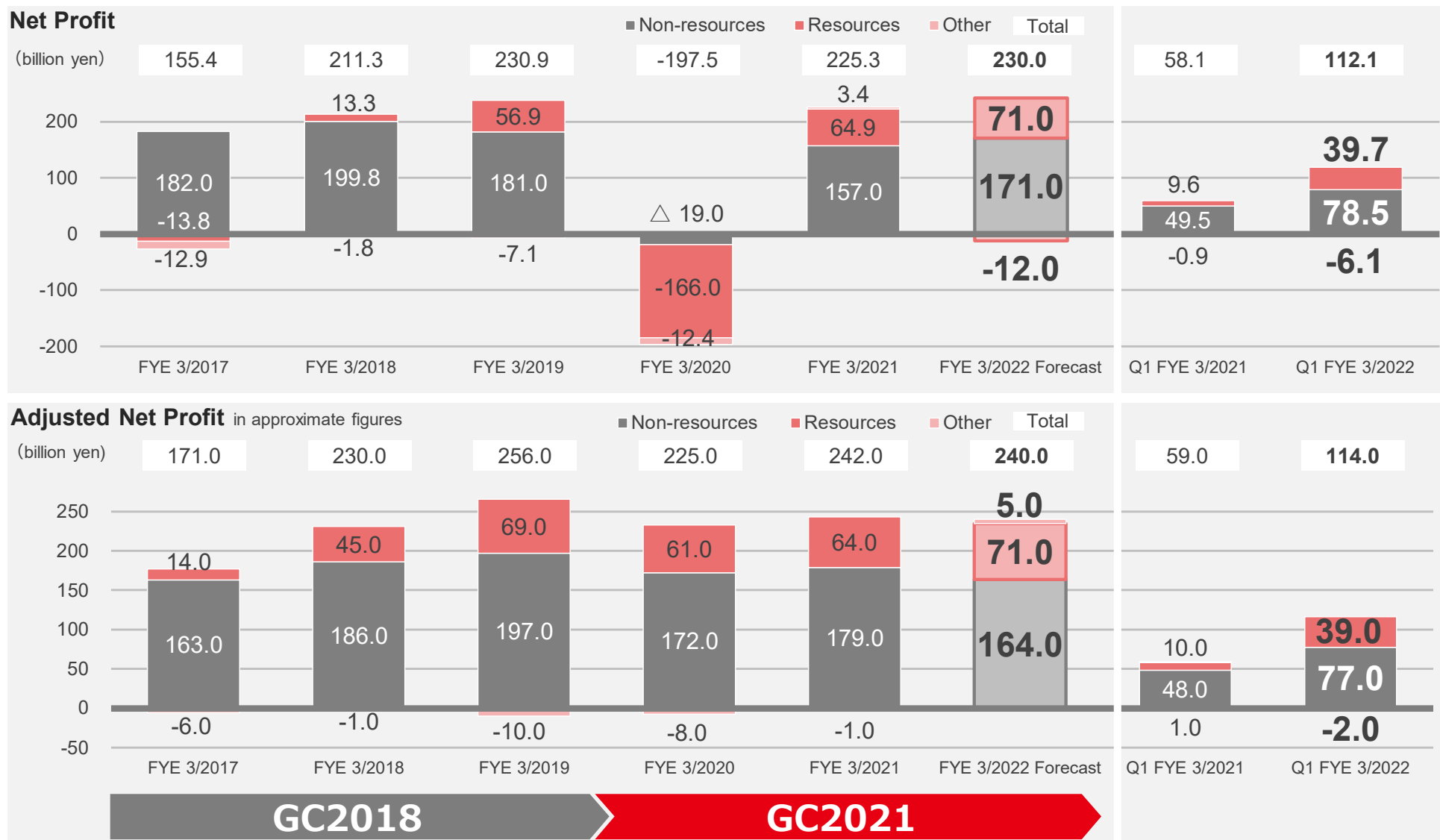
- Core operating cash flow: +¥129.5bn, a +¥35.0bn increase year on year

- Free cash flow after delivery of shareholder returns: -¥123.5bn, a -¥127.7bn decrease year on year

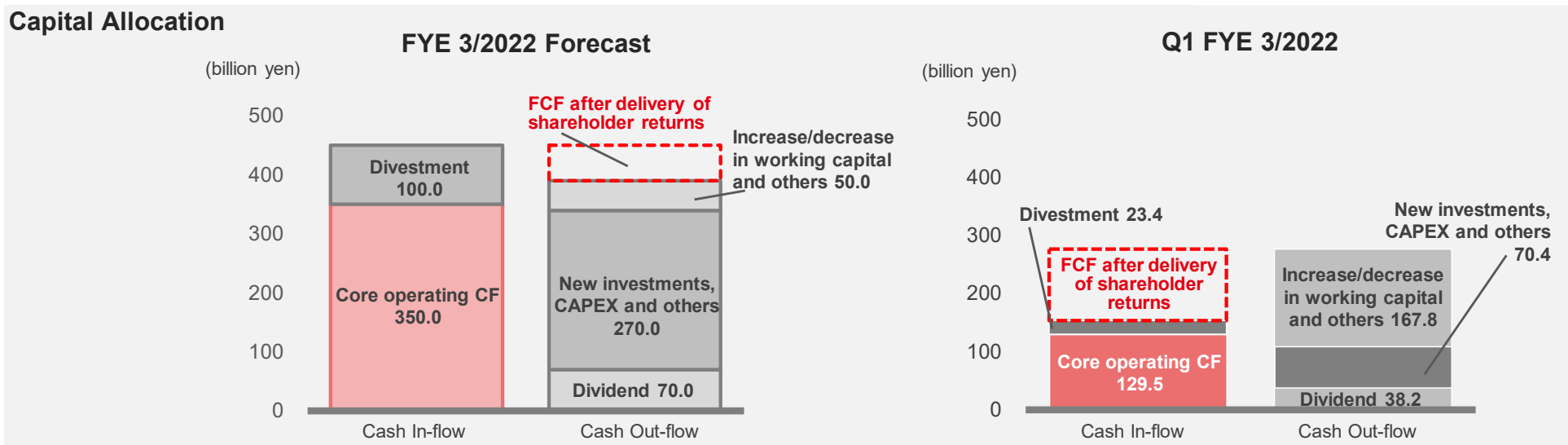
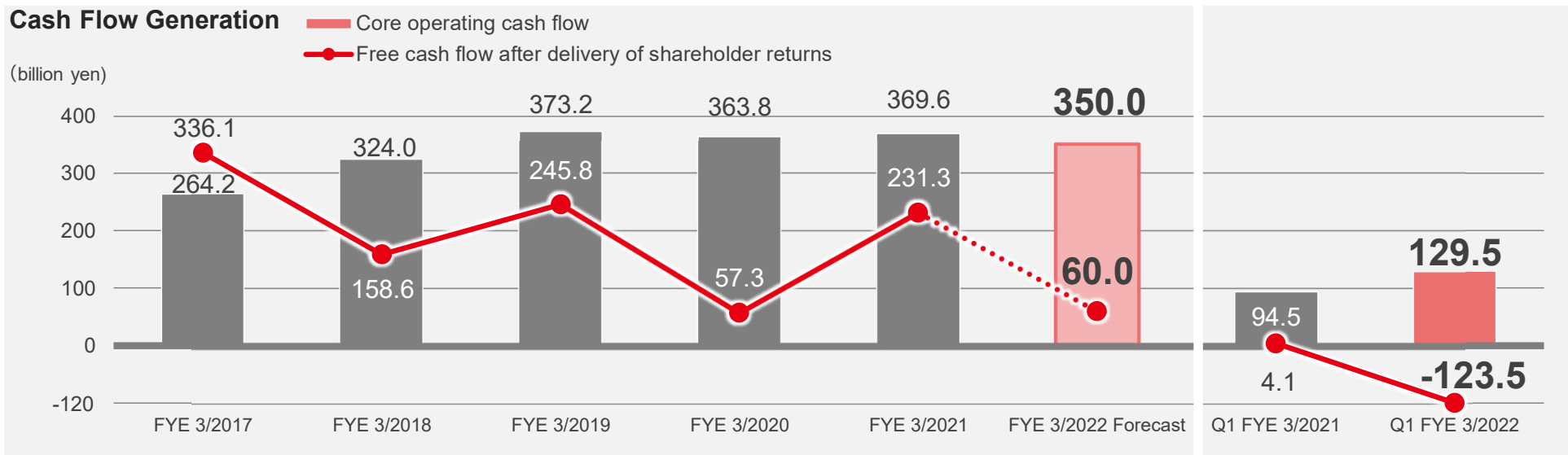
02 Net Profit and Annual Dividend



03 Net Profit and Adjusted Net Profit



04 Cash Flow Generation and Capital Allocation



05 New Investments and Divestment Main Items for Q1 FYE 3/2022

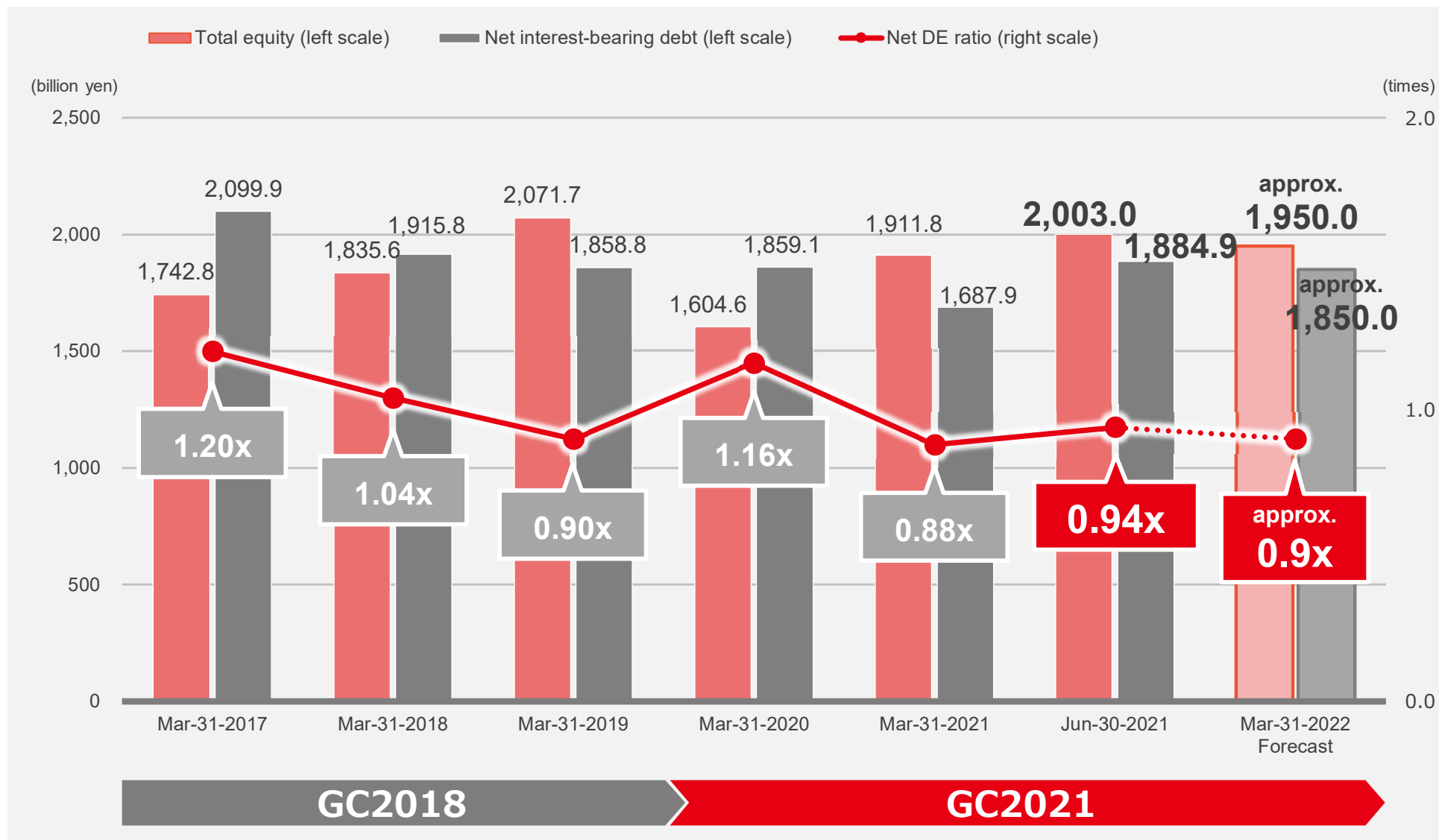
(billion yen)

	Q1 FYE 3/2022 *				Q1 FYE 3/2022 Main item	FYE 3/2022 Forecast	
	Horizon 1	Horizon 2	Horizon 3				
New Investments + CAPEX and others	- 70.4	- 57.5	- 11.0	- 2.0		- 270.0	
New Investments	- 10.6	Distribution Business	- 5.5	- 4.2	- 1.3	<ul style="list-style-type: none"> • Conveyor belt distribution business (Rematech, Canada) • Manufacturing and sales of instant coffee (Iguacu Vietnam, Vietnam) 	- 150.0
		Finance Business	- 4.4	- 3.8	- 0.6		
		Stable Earnings-Type Business	- 0.7	- 0.7	- 0.0		
		Natural Resource Investments	- 0.0	- 0.0	-		
CAPEX and others	- 59.8	excluding Natural Resource Investments	- 57.5	- 57.5	-	• Agri-input related business (Helena, USA)	- 120.0
		Natural Resource Investments	- 2.3	- 0.0	- 2.3		
Divestment	+23.4				<ul style="list-style-type: none"> • North American wild salmon business (North Pacific Seafoods, USA) • Power generation business 	+100.0	
Total	- 47.0					- 170.0	

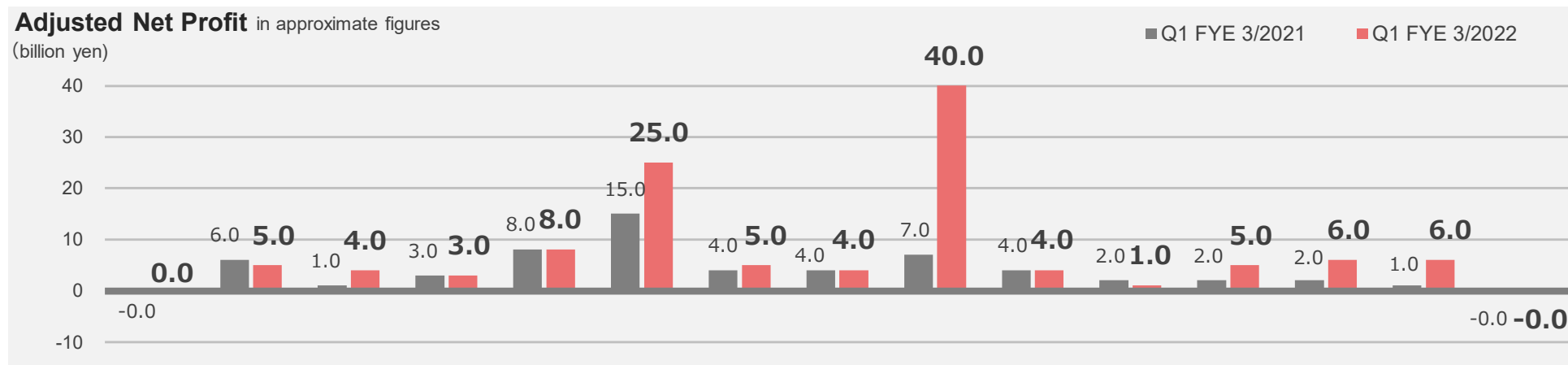
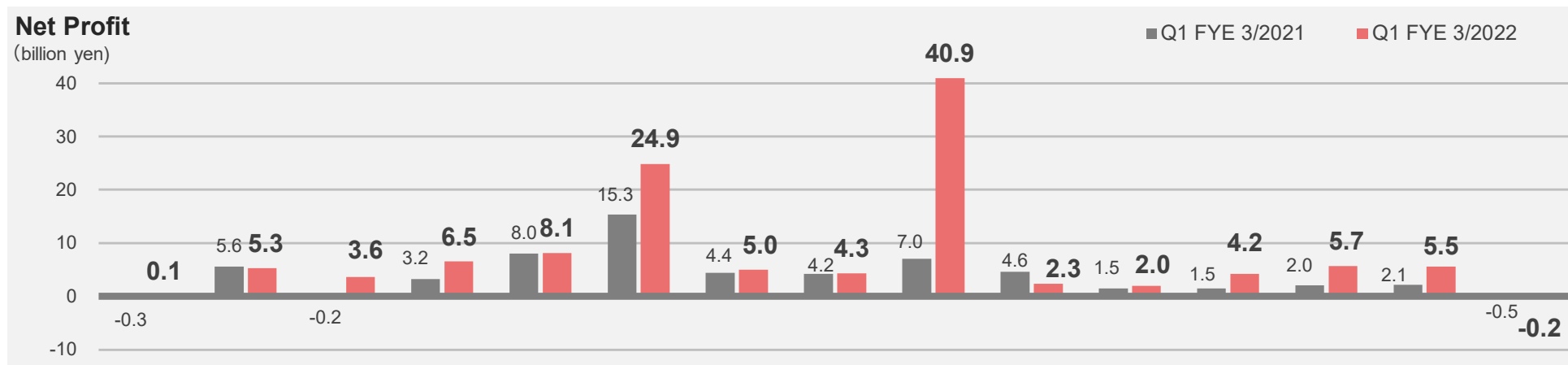
* Horizon 1: improvement of existing businesses, Horizon 2: pursuit of strategies in existing business domains, Horizon 3: new business models and growth domains currently not yet focused on

* Sum of individual numbers may not accord with the figure for total due to rounding errors.

06 Net DE Ratio



07 Profit by Segment Q1 FYE 3/2022 vs Q1 FYE 3/2021



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

08 Markets and Commodity Volumes

Markets		FYE 3/2021 Q1	FYE 3/2022 Q1	Variance	FYE 3/2022 Full-year Assumption	Sensitivity to *4 Net Profit
Oil	WTI (USD/bbl)	28	66	+ 38	55	approx. JPY0.5bn/[USD1/bbl]*5
Copper	LME (USD/ton) *1	5,154	9,508	+ 4,354	8,000	approx. JPY1.1bn/[USD100/ton]
Interest Rate	JPY TIBOR 3mo (%)	0.069	0.069	+ 0 points	0.1	
	USD LIBOR 3mo (%)	0.596	0.156	- 0.440 points	0.3	
Currency	USD/JPY Term Average (yen)	107.62	109.49	JPY depreciation by 1.87yen	109	approx. JPY1.3bn/[JPY1/USD]
	USD/JPY Term-end (yen)	Mar-31-2021 110.71	Jun-30-2021 110.58	JPY appreciation by 0.13yen	Mar-31-2022 109	
Commodity Volume		FYE 3/2020 Full-year	FYE 3/2021 Full-year	FYE 3/2022 Plan		
Oil, Gas	Equity Production Volume (K boe/day)	29	23	22		
	Upper: [Oil & Gas Development] *2 Lower: [Total] *3	32	27	25		
Copper	Equity Sales Volume (K ton)	140	129			
Coking Coal	Equity Sales Volume (K ton)	6,347	5,852			

*1 March-to-May average for Q1, March-to-February average for full-year

*2 Total of oil and gas E&P at Gulf of Mexico (USA), North Sea (UK), Indian Sea

*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 announced on May 6, 2021

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