

Consolidated Statements of Income

Marubeni Corporation
Years ended March 31, 1998 and 1997

	Millions of yen		
	1998	1997	variance
Total volume of trading transactions	13,640,517	13,969,977	-329,460
Gross trading profit	534,485	496,550	37,935
(Profit ratio)	(3.92%)	(3.55%)	
Selling, general and administrative expenses	-449,082	-434,269	-14,813
Operating profit	85,403	62,281	23,122
Other Income and expenses			
Interest-net	-27,448	-22,711	-4,737
Dividends	6,502	5,234	1,268
Other income-net	-9,535	12,700	-22,235
Total other income and expenses	-30,481	-4,777	-25,704
Income before income taxes and equity in earnings	54,922	57,504	-2,582
Provision for income taxes	-30,671	-38,541	7,870
Income before equity in earnings	24,251	18,963	5,288
Equity in earnings of affiliated companies-net(after income tax effect)	-7,021	1,150	-8,171
Net income	17,230	20,113	-2,883

Consolidated Balance Sheets

Marubeni Corporation
At March 31, 1998 and 1997

ASSETS	Millions of yen		
	1998	1997	variance
Current assets:			
Cash and cash equivalents, and time deposits	482,887	380,109	102,778
Investment securities	1,199,876	1,272,281	-72,405
Notes and accounts receivable - trade			
-- Notes receivable	395,074	460,258	-65,184
-- Accounts receivable	1,837,435	2,063,879	-226,444
-- Due from affiliated companies	129,934	133,596	-3,662
Allowance for doubtful accounts	-21,286	-21,030	-256
Inventories	710,375	635,633	74,742
Advance payments to suppliers	188,343	229,296	-40,953
Prepaid expenses and other current assets	137,957	119,727	18,230
Total current assets	5,060,595	5,273,749	-213,154
Investments and long-term receivables:			
Affiliated companies	248,918	234,905	14,013
Securities and other investments	370,196	459,012	-88,816
Notes, loans and accounts receivable - trade	805,657	781,251	24,406
Property leased to others, less accumulated depreciation	232,926	208,336	24,590
Total investments and long-term receivables	1,657,697	1,683,504	-25,807
Property and equipment, less accumulated depreciation	545,622	513,210	32,412
Deferred income taxes	55,881	27,483	28,398
Other assets	68,306	52,401	15,905
Total assets	7,388,101	7,550,347	-162,246
-			
-			
LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of yen		
	1998	1997	variance
Current liabilities			
Short-term loans	1,813,365	1,873,213	-59,848
Current portion of long-term debt	554,453	547,073	7,380
Notes and accounts payable - trade	-	-	-
-- Notes and acceptances payable - trade	482,169	483,238	-1,069
-- Accounts payable - trade	873,316	971,320	-98,004
-- Due to affiliated companies	48,392	43,644	4,748
Advance payments received from customers	173,048	182,937	-9,889
Income taxes	8,491	9,669	-1,178
Deferred Income taxes	56,387	74,705	-18,318
Accrued and other current liabilities	236,190	228,432	7,758
Total current liabilities	4,245,811	4,414,231	-168,420
Long-term debt, less current portion	2,547,228	2,515,031	32,197
Employees' retirement benefits	80,465	63,506	16,959
Deferred income taxes	14,293	13,727	566
Minority interest in consolidated subsidiaries	25,051	30,923	-5,872
-			
Shareholders' equity			
Common stock	194,039	194,039	0
Additional paid-in capital	216,993	216,993	0
Retained earnings	131,261	122,995	8,266
Net unrealized gains (-losses) on investment securities	-6,777	40,414	-47,191
Currency translation adjustments and other	-60,263	-61,512	1,249
Total shareholders' equity	475,253	512,929	-37,676
Total liabilities and shareholders' equity	7,388,101	7,550,347	-162,246