

Consolidated Statements of Income

Marubeni Corporation

Six-month periods ended September 30, 1998 and 1997

	Millions of yen		
	1998	1997	variance
Total volume of trading transactions	5,803,339	6,745,869	-942,530
Gross trading profit	265,318	250,223	15,095
(Profit ratio)	(4.57%)	(3.71%)	
Expenses:			
Selling, general and administrative expenses	-227,239	-215,779	-11,460
Provision for doubtful accounts	-5,810	-1,072	-4,738
Total	-233,049	-216,851	-16,198
Operating profit	32,269	33,372	-1,103
Other Income (expenses):			
Interest expense (net of interest income)	-18,275	-10,929	-7,346
Dividends	3,909	3,854	55
Other -net	7,088	4,707	2,381
Total	-7,278	-2,368	-4,910
Income before income taxes and equity in earnings (losses)	24,991	31,004	-6,013
Provision for income taxes	-17,420	-17,219	-201
Income before equity in earnings (losses)	7,571	13,785	-6,214
Equity in earnings (losses) of affiliated companies - net (after income tax effects)	-401	1,278	-1,679
Net income	7,170	15,063	-7,893

Consolidated Balance Sheets

Marubeni Corporation
At September 30, 1998 and March 31, 1998

	Millions of yen		
	September 30, 1998	March 31, 1998	variance
ASSETS			
Current assets:			
Cash and cash equivalents, time deposits and investment securities	1,559,841	1,682,763	-122,922
Trade receivables, less allowance for doubtful accounts	2,266,872	2,341,157	-74,285
Inventories	747,116	710,375	36,741
Other current assets	325,895	326,300	-405
Total current assets	4,899,724	5,060,595	-160,871
Investments and long-term receivables:			
Investments	940,278	852,040	88,238
Long-term receivables, less allowance for doubtful accounts	836,730	805,657	31,073
Total investments and long-term receivables	1,777,008	1,657,697	119,311
Property and equipment, less accumulated depreciation	573,956	545,622	28,334
Deferred income taxes and other assets	138,486	124,187	14,299
Total assets	7,389,174	7,388,101	1,073
	Millions of yen		
	September 30, 1998	March 31, 1998	variance
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term loans and current portion of long-term debt	2,553,721	2,367,818	185,903
Trade payables	1,316,113	1,403,877	-87,764
Other current liabilities	412,684	474,116	-61,432
Total current liabilities	4,282,518	4,245,811	36,707
Long-term debt, less current portion	2,556,907	2,547,228	9,679
Other liabilities	123,329	119,809	3,520
Shareholders' equity:			
Common stock	194,039	194,039	0
Additional paid-in capital	216,993	216,993	0
Retained earnings	133,949	131,261	2,688
Accumulated other comprehensive losses			
Net unrealized losses on investment securities	-72,976	-6,777	-66,199
Currency translation adjustments and other	-45,585	-60,263	14,678
Total shareholders' equity	426,420	475,253	-48,833
Total liabilities and shareholders' equity	7,389,174	7,388,101	1,073