

Financial Highlights

\* This document is an English translation of materials originally prepared in Japanese. The Japanese original shall be considered the primary version.

May 10, 2016  
Marubeni Corporation

Consolidated Financial Results for FYE 3/2016 and Yearly Prospects for FYE 3/2017 (IFRS Basis)

(Unit: Billions of yen)

Operating Results	FYE 3/2016 Results	FYE 3/2015 Results	Variance	Variance in Percentage	Prospects for FYE 3/2017	
						Variance from FYE 3/2016
Total volume of trading transactions (*1)	¥ 12,208.0	¥ 13,925.3	-1,717.4	-12%	¥ 12,500.0	+292.0
<b>Gross trading profit</b>	<b>670.1</b>	<b>707.3</b>	<b>-37.2</b>	<b>-5%</b>	<b>655.0</b>	<b>-15.1</b>
Selling, general and administrative expenses	(553.3)	(540.5)	-12.9	-	(550.0)	-
Provision for doubtful accounts	(12.5)	(6.2)	-6.4	-	(5.0)	-
<b>Operating profit (*1)</b>	<b>104.2</b>	<b>160.7</b>	<b>-56.5</b>	<b>-35%</b>	<b>100.0</b>	<b>-4.2</b>
Interest expense, net of interest income	(19.0)	(24.6)	+5.6	-	(30.0)	-
Dividend income	18.6	35.0	-16.4	-	15.0	-
Gain (loss) on investment securities	74.3	0.7	+73.6	-	} (10.0)	-
Gain (loss) on property, plant and equipment	(103.3)	(144.9)	+41.6	-		-
Other-net	(16.0)	7.8	-23.9	-	-	-
Share of profits of associates and joint ventures	31.8	89.9	-58.1	-	115.0	-
<b>Profit before tax</b>	<b>90.6</b>	<b>124.6</b>	<b>-34.1</b>	<b>-27%</b>	<b>190.0</b>	<b>+99.4</b>
Tax expense	(23.0)	(11.9)	-11.1	-	(55.0)	-
<b>Profit for the year</b>	<b>67.5</b>	<b>112.7</b>	<b>-45.2</b>	<b>-40%</b>	<b>135.0</b>	<b>+67.5</b>
<b>Profit attributable to owners of the parent</b>	<b>62.3</b>	<b>105.6</b>	<b>-43.3</b>	<b>-41%</b>	<b>130.0</b>	<b>+67.7</b>
Profit attributable to non-controlling interests	5.3	7.1	-1.9	-	5.0	-
<b>Revenue</b>	<b>7,300.3</b>	<b>7,834.3</b>	<b>-534.0</b>	<b>-7%</b>		
<b>Adjusted operating profit (*2)</b>	<b>116.7</b>	<b>166.8</b>	<b>-50.1</b>	<b>-30%</b>	<b>105.0</b>	<b>-11.7</b>
<b>Core earnings (*3)</b>	<b>148.1</b>	<b>267.1</b>	<b>-119.0</b>	<b>-45%</b>	<b>205.0</b>	<b>+56.9</b>

(\*1) Total volume of trading transactions includes all transactions involving the Company and its consolidated subsidiaries regardless of transaction type. 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) Adjusted operating profit = Gross trading profit + SGA expenses

(\*3) Core earnings = Adjusted operating profit + Interest expense-net + Dividend income + Share of profits of associates and joint ventures

(Unit: Billions of yen, unless otherwise stated)

Financial Position	March 31, 2016	March 31, 2015	Variance	Main reason for increase/decrease	Prospects for March 31, 2017
<b>Total assets</b>	7,117.7	7,673.1	-555.4	<b>Total assets</b> increased in cash and cash equivalent, whereas decreased in inventories, investments in associates and joint ventures and property, plant and equipment.	-
Current assets	3,162.6	3,260.7	-98.1		-
Non-current assets	3,955.1	4,412.4	-457.3		-
<b>Total equity</b>	1,415.2	1,678.7	-263.5	<b>Total equity</b> decreased foreign currency translation adjustments due to yen appreciation.	approx. 1,500.0
Equity attributable to owners of the parent	1,317.1	1,518.5	-201.5		-
Net interest-bearing debt	2,762.5	2,887.6	-125.2	<b>Net interest-bearing debt</b> decreased due to improvement in free cash flow	approx. 2,600.0 less than 1.7 times
<b>Net D/E ratio (*4)</b>	1.95 times	1.72 times	+0.23 points		

(\*4) Net D/E ratio = Net interest-bearing debt / Total equity

(Unit: Billions of yen)

Cash Flow	FYE 3/2016	FYE 3/2015	Major Financial Indicators	FYE 3/2016	FYE 3/2015	Variance	Assumptions for FYE 3/2017
Cash flow from operating activities	359.1	170.9	Foreign Exchange Rate (YEN/USD) Apr.-Mar. avg. End Mar.	120.14	109.93	Yen depreciation by 10.21 yen (9%)	113
Cash flow from investing activities	(174.6)	(331.4)	JPY TIBOR(%) Apr.-Mar. avg.	0.160	0.196	down by 0.036 % points (18%)	0.2
<b>Free Cash Flow</b>	<b>184.5</b>	<b>(160.5)</b>	USD LIBOR(%) Apr.-Mar. avg.	0.406	0.240	up by 0.166 % points (69%)	0.7
Cash flow from financing activities	(36.3)	(70.7)	Oil (USD/Barrel) WTI Apr.-Mar. avg.	45	81	down by USD 36/barrel (44%)	44
Effect of exchange rate changes	(16.5)	34.8	Copper (USD/MT) LME Apr.-Mar. avg.	5,211	6,558	down by USD 1,347/MT (21%)	5,300
Changes in cash and cash equivalents	131.7	(196.4)					

Outline of Yearly Prospect for FYE 3/2017

- ◎ The prospect for yearly profit attributable to owners of the parent is set to be at 130.0 billion yen.
- ◎ Reflecting our targeted dividend payout ratio of '25% or more', yearly dividend for FYE 3/2017 is projected to be 19 yen per share, including interim dividend of 9.5 yen per share, according to the yearly prospect for profit attributable to owners of the parent of 130.0 billion yen.

Outline of Financial Results for FYE 3/2016

Outlines	7) Gains (losses) on property, plant and equipment ... -103.3 billion yen (+41.6 billion yen year on year)
<p>○ Profit attributable to owners of the parent for FYE 3/2016 was 62.3 billion yen (-43.3 billion yen year on year), as we recognized impairment losses mainly caused by the deteriorated resource prices.</p> <p>○ Albeit the yearly profit attributable to owners of the parent result of 62.3 billion yen, year-end dividend for FYE 3/2016 is projected to be 10.5 yen per share as announced on April 18, 2016.</p> <p><b>Main Items</b></p> <p>1) Total volume of trading transactions ... 12,208.0 billion yen (-1,717.4 billion yen year on year) Sales prices in oil trading business declined. Japanese yen depreciation resulted in an increase of approximately 550.0 billion yen. Major decrease: Energy &amp; Metals -1,293.8 billion yen</p> <p>2) Gross trading profit ... 670.1 billion yen (-37.2 billion yen year on year) Japanese yen depreciation resulted in an increase of approximately 18.0 billion yen. Please see the chart below for the details.</p> <p>3) Selling, general, and administrative expenses ... -553.3 billion yen (-12.9 billion yen year on year) Japanese yen depreciation resulted in an increase of approximately 15.0 billion yen.</p> <p>4) Interest expense, net of interest income ... -19.0 billion yen (+5.6 billion yen year on year) *Interest expense -33.6 billion yen (+5.5 billion yen year on year) *Interest income 14.6 billion yen (+0.1 billion yen year on year)</p> <p>5) Dividend income ... 18.6 billion yen (-16.4 billion yen year on year) Decreased in energy businesses.</p> <p>6) Gains (losses) on investment securities ... 74.3 billion yen (+73.6 billion yen year on year) One time gains on fair value measurement of investment assets on a Chinese sewerage treatment business (39.8 billion yen), and a North American freight railcar leasing business (30.1 billion yen). A reactionary increase stemming from an impairment loss (-26.0 billion yen) recognized a year earlier on a Canadian coal business.</p>	<p>Recognition of impairment losses (-110.3 billion yen) on oil &amp; gas development businesses. For comparison, impairment losses (-97.9 billion yen) on oil &amp; gas development business were recognized a year earlier as well. A reactionary increase stemming from an impairment loss (-48.1 billion yen) on goodwill recognized a year earlier on Gavilon. *Losses on fair value of property, plant and equipment -114.7 billion yen (+38.2 billion yen year on year) *Gains on sales of property, plant and equipment 11.4 billion yen (+3.4 billion yen year on year)</p> <p>8) Other-net ... -16.0 billion yen (-23.9 billion yen year on year) Recognition of a loss (-15.4 billion yen) on discontinuation of LNG receiving terminal operations in Uruguay. Provision for losses on overseas plant projects. A reactionary decrease stemming from appraisal gains (33.1 billion yen) recognized a year earlier on consolidation of grain export facilities in the U.S.</p> <p>9) Share of profits of associates and joint ventures ... 31.8 billion yen (-58.1 billion yen year on year) Profit decline due to impairment loss (-35.9 billion yen) on the copper business in Chile and impairment loss (-20.2 billion yen) on the iron ore business in Australia. Major items: * Overseas IPP businesses 51.2 billion yen (+12.1 billion yen year on year) * Marubeni-Itochu Steel Inc. 6.6 billion yen (-6.2 billion yen year on year) * Copper business in Chile -46.3 billion yen (-43.6 billion yen year on year) * Iron Ore business in Australia -20.9 billion yen (-21.9 billion yen year on year)</p> <p><b>(Reference) Consolidated Net Profit of Major Subsidiary</b> * Gavilon (Food: 85%, Chemical Products: 15%) 5.4 billion yen (+36.9 billion yen year on year) * Helena Chemical (Helena Business: 85%, Chemical Products: 15%) 19.5 billion yen (-0.6 billion yen year on year)</p>

(Unit: Billions of yen)

Operating Segment	Gross trading profit			Profit attributable to owners of the parent			Main reasons for increase/decrease
	FYE 3/16	FYE 3/15	Variance	FYE 3/16	FYE 3/15	Variance	
<b>Food &amp; Consumer Products</b>	<b>301.0</b>	<b>306.6</b>	<b>-5.6</b>	<b>55.8</b>	<b>46.0</b>	<b>+9.8</b>	(Food) *Decreased in gross trading profit due to the downturn grain prices. *A reactionary increase stemming from the total of the one-time items recognized a year earlier, i.e., an impairment loss on goodwill on Gavilon and appraisal gains on consolidation of grain export facilities in the U.S. (Lifestyle, ICT&Logistics, Insurance & Real Estate Businesses) *Loss on investment securities in the insurance related business.
Food (Grain & Food Products)	164.6	173.1	-8.5	26.9	14.4	+12.6	
Lifestyle, ICT & Logistics, Insurance & Real Estate Business	136.4	133.5	+2.9	28.9	31.6	-2.7	
<b>Chemical &amp; Forest Products</b>	<b>190.8</b>	<b>176.3</b>	<b>+14.5</b>	<b>31.0</b>	<b>18.8</b>	<b>+12.2</b>	(Chemical Products, Forest Products) *Profit increase due to improved margins on petrochemical products and inorganic/agricultural chemical products. *A reactionary increase stemming from an impairment loss recognized a year earlier on the segmental stake in Gavilon.
Helena Business	127.5	116.5	+11.0	16.1	16.9	-0.8	
Chemical Products, Forest Products	63.4	59.8	+3.5	14.9	1.9	+13.0	
<b>Energy &amp; Metals</b>	<b>17.0</b>	<b>62.2</b>	<b>-45.1</b>	<b>(144.0)</b>	<b>(30.7)</b>	<b>-113.3</b>	(Energy) *Fall in oil and gas development business effected by lower prices. *Recognition of impairment losses in oil and gas development businesses, a higher tax burden. (Metals & Mineral Resources) *Impairment losses on the copper business in Chile and the iron ore business in Australia.
Energy	12.0	40.1	-28.0	(85.1)	(19.2)	-65.8	
Steel Products	0.2	0.2	-0.0	6.9	12.6	-5.8	
Metals & Mineral Resources	4.8	21.9	-17.1	(65.8)	(24.1)	-41.7	
<b>Power Projects &amp; Plant</b>	<b>53.9</b>	<b>57.0</b>	<b>-3.0</b>	<b>66.4</b>	<b>22.6</b>	<b>+43.8</b>	(Power Projects) *Increase in share of profits of associates and joint ventures in overseas IPP businesses. (Energy & Environment Infrastructure, Plant) *Gains on fair value measurement of investment assets on a Chinese sewerage treatment business and a North American freight railcar leasing business. *Recognition of a loss on discontinuation of LNG receiving terminal operations in Uruguay. *Provision for losses on overseas plant projects.
Power Projects	29.4	27.1	+2.3	39.7	29.2	+10.5	
Energy & Environment Infrastructure, Plant	24.5	29.9	-5.3	26.7	(6.6)	+33.3	
<b>Transportation &amp; Industrial Machinery</b>	<b>98.4</b>	<b>94.3</b>	<b>+4.1</b>	<b>23.8</b>	<b>29.9</b>	<b>-6.1</b>	*Decrease in share of profits of associates and joint ventures in ship-related business.
Aerospace & Ship, Automotive & Leasing, Construction & Industrial Machinery							
<b>Corporate &amp; Elimination, etc.</b>	<b>8.9</b>	<b>11.0</b>	<b>-2.1</b>	<b>29.1</b>	<b>18.9</b>	<b>+10.2</b>	*Increased profit in parts of the overseas corporate subsidiaries and branches.
Part of Overseas Corporate Subsidiaries and Branches	34.2	31.0	+3.2	10.7	5.7	+5.0	
<b>Consolidated</b>	<b>670.1</b>	<b>707.3</b>	<b>-37.2</b>	<b>62.3</b>	<b>105.6</b>	<b>-43.3</b>	
<b>Resources Total</b>				<b>(150.8)</b>	<b>(43.3)</b>	<b>-107.5</b>	
<b>Non-resources Total</b>				<b>213.1</b>	<b>148.9</b>	<b>+64.2</b>	
<b>Non-resource Ratio</b>							

\* Marubeni reorganized the 10 operating segments, namely the "Food", "Chemicals", "Energy", "Metals & Mineral Resources", "Transportation Machinery", "Power Projects & Infrastructure", "Plant", "Lifestyle & Forest Products", "ICT, Finance & Insurance, Real Estate Business", and "Overseas Corporate Subsidiaries and Branches" into five segments, specifically the "Food & Consumer Products", "Chemical & Forest Products", "Energy & Metals", "Power Projects & Plant", and "Transportation & Industrial Machinery" effective as of the fiscal year ended March 31, 2016. Moreover, some "Overseas Corporate Subsidiaries and Branches" have been incorporated into "Corporate & Elimination, etc." In conjunction with this revision, operating segment information for the fiscal year ended March 31, 2015 has been reclassified.

The forecast and prospects on this document are based upon available information and assumptions as of the announcement date, about uncertain factors which would influence upon future businesses. Actual results might be influenced by various factors in the future.