

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

## Consolidated Financial Results for the 1st Quarter of FYE 3/2019 (IFRS Basis)

(Unit: Billions of yen)

Operating Results	FYE 3/2019 Q1 Results	FYE 3/2018 Q1 Results	Variance	Variance in Percentage	Forecasts for FYE 3/2019	
					(announced on May 8, 2018)	Progress in percentage
Revenue	¥ 2,169.3	¥ 1,922.9	+246.4	13%		
<b>Gross trading profit</b>	<b>194.2</b>	<b>159.3</b>	<b>+34.9</b>	<b>22%</b>	<b>720.0</b>	<b>27%</b>
Selling, general and administrative expenses	(131.6)	(127.2)	-4.4	-	(570.0)	-
Provision for doubtful accounts	(3.1)	(1.0)	-2.1	-	(5.0)	-
<b>Operating profit (*1)</b>	<b>59.5</b>	<b>31.1</b>	<b>+28.4</b>	<b>91%</b>	<b>145.0</b>	<b>41%</b>
Interest expense, net of interest income	(6.4)	(4.3)	-2.1	-	(30.0)	-
Dividend income	6.3	5.9	+0.5	-	20.0	-
Gain (loss) on investment securities	4.3	0.5	+3.8	-	5.0	-
Gain (loss) on property, plant and equipment	0.1	2.0	-1.9	-		
Other-net	10.1	4.1	+6.0	-		
Share of profits of associates and joint ventures	37.2	30.1	+7.1	-	150.0	-
<b>Profit before tax</b>	<b>111.1</b>	<b>69.4</b>	<b>+41.7</b>	<b>60%</b>	<b>290.0</b>	<b>38%</b>
Corporate income tax	(22.1)	(14.7)	-7.5	-	(55.0)	-
<b>Profit for the year</b>	<b>89.0</b>	<b>54.7</b>	<b>+34.2</b>	<b>63%</b>	<b>235.0</b>	<b>38%</b>
<b>Profit attributable to owners of the parent</b>	<b>86.8</b>	<b>53.8</b>	<b>+33.1</b>	<b>62%</b>	<b>230.0</b>	<b>38%</b>
Profit attributable to non-controlling interests	2.1	1.0	+1.2	-	5.0	-

(\*1) Operating profit is presented in accordance with Japanese accounting practice for investors' convenience and is not required by IFRS.

(Unit: Billions of yen, unless otherwise stated)

Financial Position	June 30, 2018	March 31, 2018	Variance	Forecasts for March 31, 2019 (announced on May 8, 2018)
<b>Total assets</b>	6,970.2	6,877.1	+93.1	-
Current assets	3,309.7	3,278.8	+30.9	-
Non-current assets	3,660.5	3,598.3	+62.2	-
<b>Total equity</b>	1,959.4	1,835.6	+123.8	approx. 2,090.0
Equity attributable to owners of the parent	1,897.6	1,771.5	+126.1	-
<b>Net interest-bearing debt</b>	2,049.3	1,915.8	+133.4	approx. 1,930.0
<b>Net DE ratio (*2)</b>	1.05 times	1.04 times	+0.01 points	approx. 0.9 times

(\*2) Net D/E ratio = Net interest-bearing debt / Total equity

(Unit: Billions of yen)

Cash Flows	FYE 3/2019		Major Financial Indicators	FYE 3/2019		Variance	Assumptions for FYE 3/2019
	Q1	Q1		Q1	Q1		
Cash flow from operating activities	(11.2)	(8.2)	Foreign Exchange Rate (YEN/USD) Apr.-Jun. avg. End Jun.	109.07	111.09	Yen appreciation by 2.02 yen (2%)	110
Cash flow from investing activities	4.7	(41.6)	JPY TIBOR(%) Apr.-Jun. avg.	0.069	0.057	up by 0.012 % points (21%)	0.1
<b>Free Cash Flow</b>	<b>(6.6)</b>	<b>(49.8)</b>	USD LIBOR(%) Apr.-Jun. avg.	2.338	1.206	up by 1.132 % points (94%)	2.3
Cash flow from financing activities	(94.9)	31.7	Oil (USD/Barrel) WTI Apr.-Jun. avg.	68	48	up by USD 20/barrel (42%)	60
Effect of exchange rate changes	3.7	0.5	Copper (USD/MT) LME Mar.-May avg.	6,819	5,704	up by USD 1,115/MT (20%)	7,000
Changes in cash and cash equivalents	(97.8)	(17.6)					

From the FYE 3/2019, "Food & Consumer Products" has been divided into "Food" and "Consumer Products". Parts of "Lifestyle" division of "Consumer Products" and "Plant" division of "Power Business & Plant" have been incorporated into "Construction & Industrial Machinery" division of the "Transportation & Industrial Machinery". In addition, parts of "Agri-Input Business" division has been incorporated into "Chemical Products" division. In conjunction with these revisions, operating segment information for the year-earlier has been reclassified.

The forecasts 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.

## Outline of Financial Results for the 1st Quarter of FYE 3/2019

## Outlines

- Profit attributable to owners of the parent for Q1 FYE 3/2019 amounted to 86.8 billion yen, a record high for a three-month period, with 33.1 billion yen or 62% year-on-year increase. The progress to FYE 3/2019 yearly forecast of 230.0 billion yen is 38%.
- Total equity amounted to 1,959.4 billion yen with 123.8 billion yen increase from the end of the previous fiscal year. Net interest-bearing debt amounted to 2,049.3 billion yen with 133.4 billion yen increase from the end of the previous fiscal year. As a result, Net D/E ratio stood at 1.05 times with 0.01 points up from the end of the previous fiscal year.
- Free cash flow was negative 6.6 billion yen.

## Main Items

- Revenue... 2,169.3 billion yen (+246.4 billion yen year on year)**  
Increased mainly in Food.  
Japanese yen appreciation resulted in a decrease of approximately -16.0 billion yen.
- Gross trading profit... 194.2 billion yen (+34.9 billion yen year on year)**  
Please see the chart below.  
Japanese yen appreciation resulted in a decrease of approximately -1.0 billion yen.
- Selling, general and administrative expenses... -131.6 billion yen (-4.4 billion yen year on year)**  
Increased mainly due to personnel expenses.
- Provision for doubtful accounts... -3.1 billion yen (-2.1 billion yen year on year)**  
Recognition of provision mainly for overseas projects.
- Interest expense, net of interest income... -6.4 billion yen (-2.1 billion yen year on year)**  
Deteriorated due to increase in interest rates.
- Dividend income... 6.3 billion yen (+0.5 billion yen year on year)**  
Increased in energy businesses.
- Gains (losses) on investment securities... 4.3 billion yen (+3.8 billion yen year on year)**  
Recognition of gains from appreciation of securities of overseas power generating business.
- Gains (losses) on property, plant and equipment... 0.1 billion yen (-1.9 billion yen year on year)**  
Reactionary deterioration from a year-earlier gains from sale of property, plant and equipment.
- Other-net... 10.1 billion yen (+6.0 billion yen year on year)**  
Recognition of gains from the sale of domestic power generating business and such.
- Share of profits of associates and joint ventures... 37.2 billion yen (+7.1 billion yen year on year)**  
Major items;  
  - Overseas IPP businesses 9.4 billion yen (+0.6 billion yen year on year)
  - JELLINBAH GROUP (Coal business in Australia) 4.7 billion yen (+1.6 billion yen year on year)
  - Copper business in Chile 0.4 billion yen (-1.1 billion yen year on year)
  - Marubeni-Itochu Steel Inc. 4.2 billion yen (+1.8 billion yen year on year)

## \*(Reference) Consolidated Net Profit of Major Subsidiaries

- Gavilon  
Grain business (Grain:100%): 1.2 billion yen (+0.4 billion yen year on year)
- Fertilizer business (Agri-Input Business: 100%): 1.1 billion yen (+1.5 billion yen year on year)
- Helena (Agri-Input Business: 100%): 14.5 billion yen (+3.0 billion yen year on year)

(Unit: Billions of yen)

Operating Segment (*3)	Gross trading profit			Profit attributable to owners of the parent			Main reasons for increase/decrease
	FYE 3/19 Q1	FYE 3/18 Q1	Variance	FYE 3/19 Q1	FYE 3/18 Q1	Variance	
<b>Food</b>	<b>35.2</b>	<b>30.6</b>	<b>+4.6</b>	<b>4.1</b>	<b>6.0</b>	<b>-1.9</b>	• Decreased profit in grain business.
Grain/ Food Products							
<b>Consumer Products</b>	<b>27.6</b>	<b>27.0</b>	<b>+0.6</b>	<b>4.2</b>	<b>2.7</b>	<b>+1.5</b>	• Increased profit due to sales increase in domestic real estate.
Lifestyle/ ICT, Logistics & Healthcare/ Insurance, Finance & Real Estate Business							
<b>Chemical &amp; Forest Products</b>	<b>71.2</b>	<b>57.6</b>	<b>+13.7</b>	<b>24.7</b>	<b>13.6</b>	<b>+11.0</b>	(Agri-Input Business) • Increased profit in Helena due to sales increase and such. (Chemical Products/ Forest Products) • Improvement in pulp business due to an improvement in the market condition of pulp.
Agri-Input Business	50.7	45.4	+5.3	16.3	11.8	+4.5	
Chemical Products/ Forest Products	20.6	12.2	+8.4	8.4	1.8	+6.6	
<b>Energy &amp; Metals</b>	<b>21.3</b>	<b>6.9</b>	<b>+14.5</b>	<b>16.7</b>	<b>7.2</b>	<b>+9.5</b>	(Energy) • Improvement in oil and gas development business due to increases in oil price, handling volume and such. • Increased profit due to margin improvements in oil trading and LNG fields. (Steel Products) • Increased profit in Marubeni-Itochu Steel Inc.. (Metals & Mineral Resources) • Increased profit in Australian coal business due to increases in the handling volume, selling price and such.
Energy	11.6	1.0	+10.6	3.8	(1.0)	+4.7	
Steel Products	0.0	0.0	+0.0	4.1	2.4	+1.7	
Metals & Mineral Resources	9.6	5.8	+3.8	8.9	5.8	+3.1	
<b>Power Business &amp; Plant</b>	<b>12.1</b>	<b>8.9</b>	<b>+3.2</b>	<b>21.4</b>	<b>9.5</b>	<b>+11.8</b>	(Power Business) • Gains from the sale of domestic power generating business and such. (Plant) • Increased profit in overseas plant business and such.
Power Business	8.0	7.1	+0.9	17.0	7.7	+9.3	
Plant	4.1	1.8	+2.3	4.3	1.8	+2.5	
<b>Transportation &amp; Industrial Machinery</b>	<b>28.0</b>	<b>30.7</b>	<b>-2.7</b>	<b>14.7</b>	<b>11.5</b>	<b>+3.3</b>	• Recognition of gains from the sale of domestic power generating business, increased profit in automotive related business and such.
Aerospace & Ship/ Automotive & Leasing/ Construction & Industrial Machinery							
<b>Other</b>	<b>(1.4)</b>	<b>(2.3)</b>	<b>+0.9</b>	<b>1.0</b>	<b>3.2</b>	<b>-2.2</b>	• Reactionary decrease from an year-earlier gains of property, plant and equipment.
<b>Consolidated</b>	<b>194.2</b>	<b>159.3</b>	<b>+34.9</b>	<b>86.8</b>	<b>53.8</b>	<b>+33.1</b>	
<b>Resources Total</b>				<b>12.6</b>	<b>4.8</b>	<b>+7.8</b>	
<b>Non-resources Total</b>				<b>74.2</b>	<b>48.9</b>	<b>+25.3</b>	
<b>Non-resources Ratio</b>				<b>85%</b>	<b>91%</b>	<b>-6%</b>	

(\*3) Indicated numbers have eliminated the transactions within the operating segment.