

GLOBAL
CROSSVALUE
PLATFORM

Marubeni

2021.12

Consolidated Financial Results
Q3 FYE 3/2022

February 3, 2022 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 February 3, 2022
- * 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 Q2 FYE 3/2022, the Marubeni Group moved to adopt earlier application of the amendments to International Accounting Standard 12 "Income Taxes" (issued in May 2021; hereinafter "IAS 12"). With regard to this application, results for FYE 3/2021 and figures as of Mar-31-2021, have been re-presented retrospectively.
- * 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-Q3 FYE 3/2022

(billion yen)						
	Q1-Q3 FYE 3/2021	Q1-Q3 FYE 3/2022	Variance	FYE 3/2022 Forecast announced on		Change
				Nov-2-2021	Feb-3-2022	
Net profit	162.0	327.4 (progress 82%)*1	+ 165.5 (+102%)	350.0	400.0	+50.0
Adjusted net profit	176.0	361.0 (progress 80%)*1	+ 185.0 (+105%)	370.0	450.0	+80.0
One-time items	- 14.0	- 33.0	- 19.0	-	-	-
				One-time items, cushions, etc.		
Core operating cash flow	+272.9	+419.6 (progress 78%)*1	+ 146.6 (+54%)	+460.0	+540.0	+80.0
Free cash flow after shareholder distributions	- 1.5	+103.6	+105.1	+85.0	+100.0	+15.0
*1) Progress ratio to the forecast announced on February 3, 2022						
	Mar-31-2021	Dec-31-2021	Variance	Mar-31-22 Forecast announced on		Change
				Nov-2-2021	Feb-3-2022	
Net DE ratio	0.88 times	0.84 times	improved 0.04 points	approx. 0.8 times	approx. 0.8 times	-
	Year-end Dividend			Annual Dividend		
	Forecast on Nov-2-2021	Forecast on Feb-3-2022	Change from Nov-2-2021	Forecast on Nov-2-2021	Forecast on Feb-3-2022	Change from Nov-2-2021
FYE 3/2022 Dividend per share	25.5 yen	32.5 yen	+ 7.0 yen	51.0 yen	58.0 yen	+7.0 yen

- Due to earlier application of Amendments to IAS 12, results for FYE 3/2021 and figures as of Mar-31-2021, have been re-presented retrospectively.

01 Key Factors of Q1-Q3 FYE 3/2022

Key Factors of Q1-Q3 FYE 3/2022

- **Net profit** amounted **¥327.4bn**, a +¥165.5bn (+102%) increase year on year, as a result of higher commodity prices, enhancement and improved profitability of existing businesses
- **Adjusted net profit** was approx. **¥361.0bn** (approx. ¥226.0bn/¥140.0bn, non-resources/resources) a +¥185.0bn (+105%) increase year on year
 - Historical high for net profit and adjusted net profit
 - Adjusted net profit for non-resources significantly increased mainly in *Agri Business, Aerospace & Ship, and Food* segments
 - One-time losses increased approx. ¥19.0bn [¥14.0bn in FYE 3/2021 → ¥33.0bn in FYE 3/2022]
- **Core operating cash flow** was **+¥419.6bn**, a +¥146.6bn increase year on year
- **Net DE ratio** stood at **0.84times**, improved 0.04 points from the previous fiscal year-end

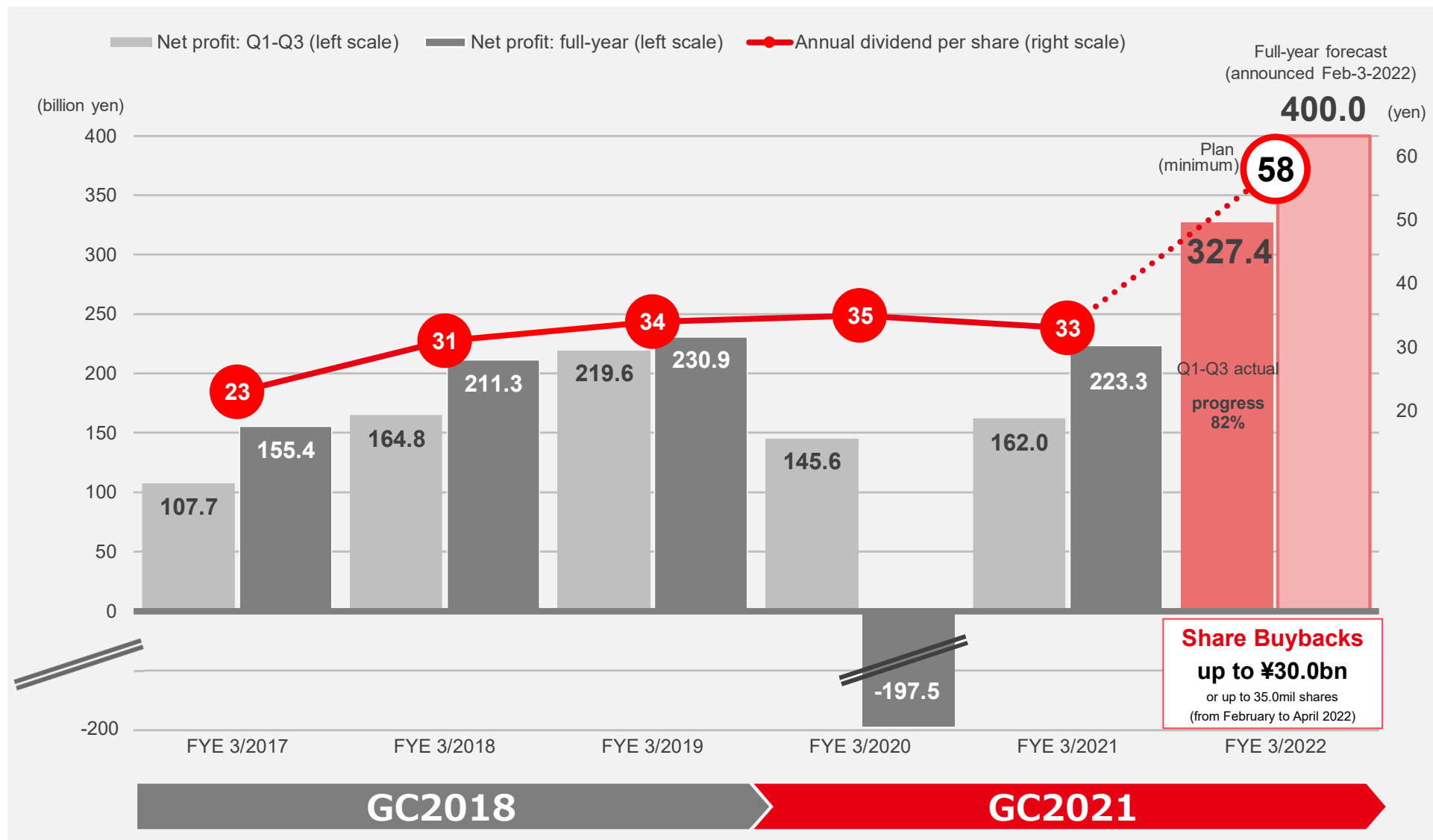
Forecast for FYE 3/2022

- **Net profit: ¥400.0bn**, a **+¥50.0bn upward revision** from the previous forecast (announced on November 2, 2021) due to the solid performance
- **Core operating cash flow: ¥540.0bn**, a **+¥80.0bn upward revision**
- **Net DE ratio: approx. 0.8times** for March 31, 2022

Shareholder Returns

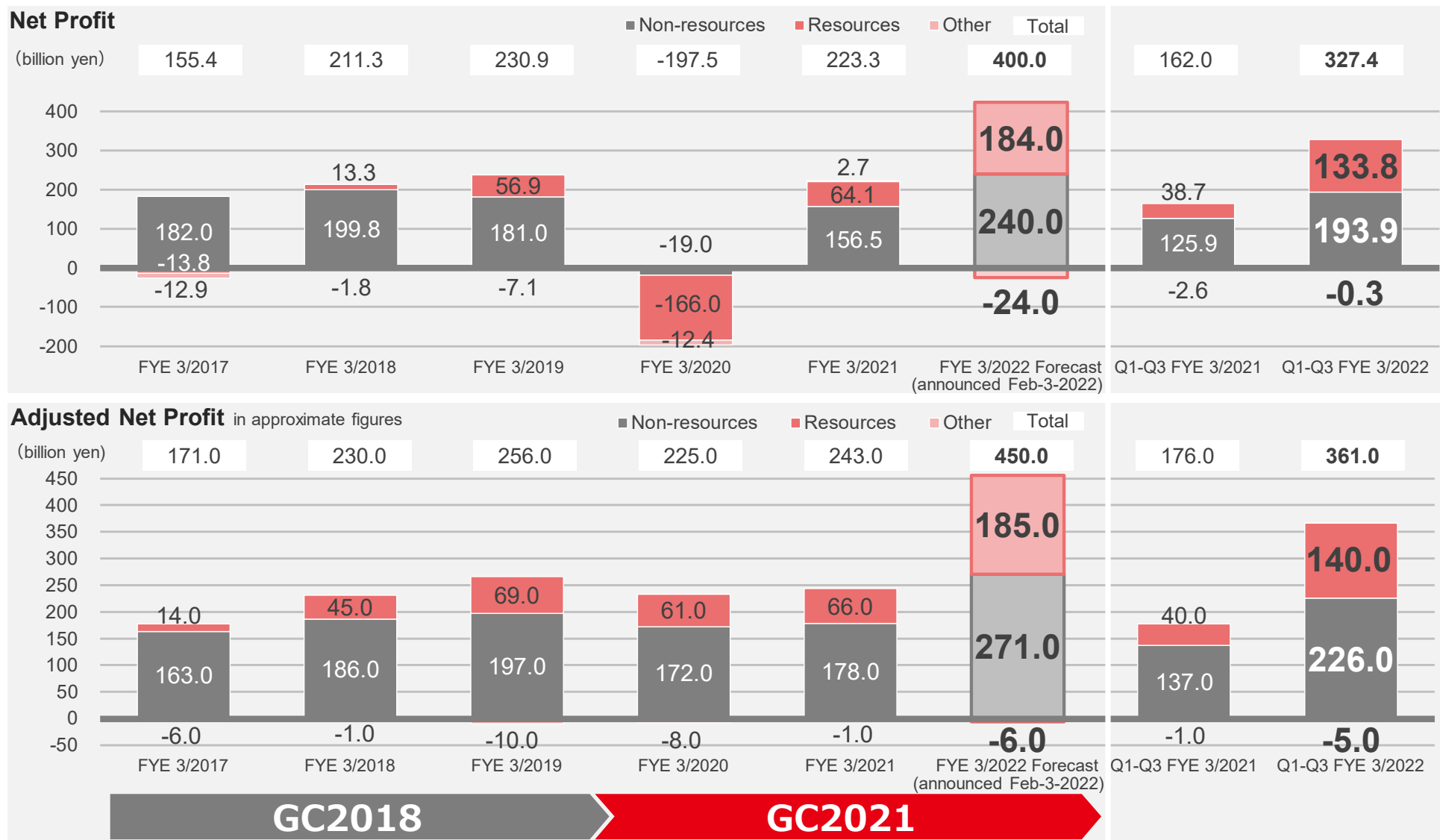
- Based on the Company's current basic dividend policy (dividend payout ratio of '25% or more'), **annual dividend** for FYE 3/2022 is projected to be **¥58 per share, a ¥7 increase** from ¥51 in the forecast announced on November 2, 2021, and set as the minimum
Year-end dividend is projected to be revised upward to **¥32.5** per share from ¥25.5, accordingly
- Decided **share buybacks** up to **¥30.0bn** (or 35.0mil shares) (during the period from February to April 2022)

02 Net Profit and Shareholder Returns



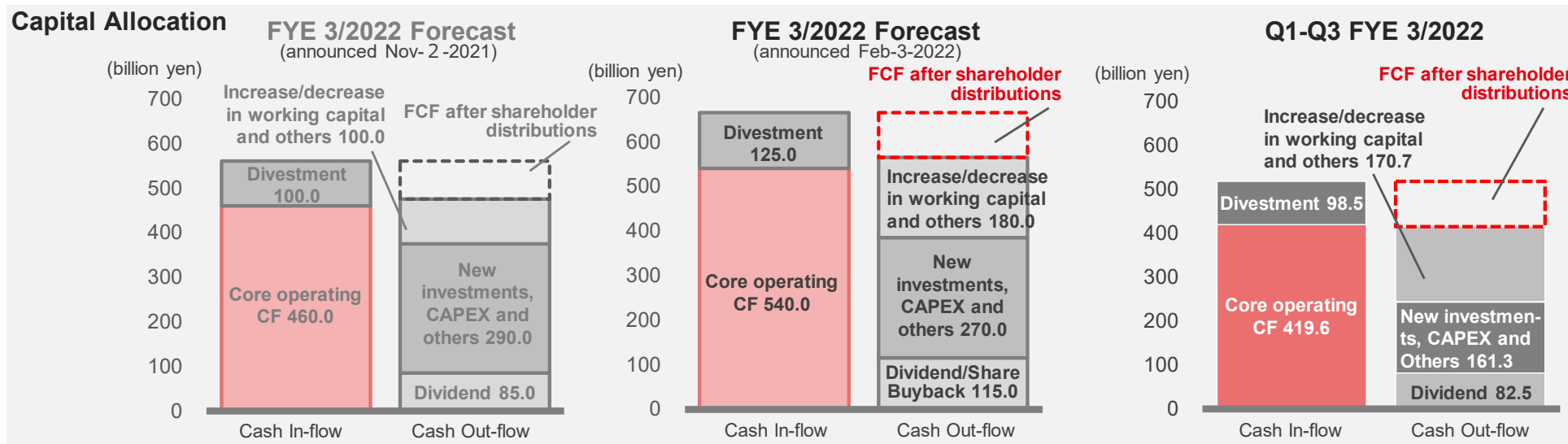
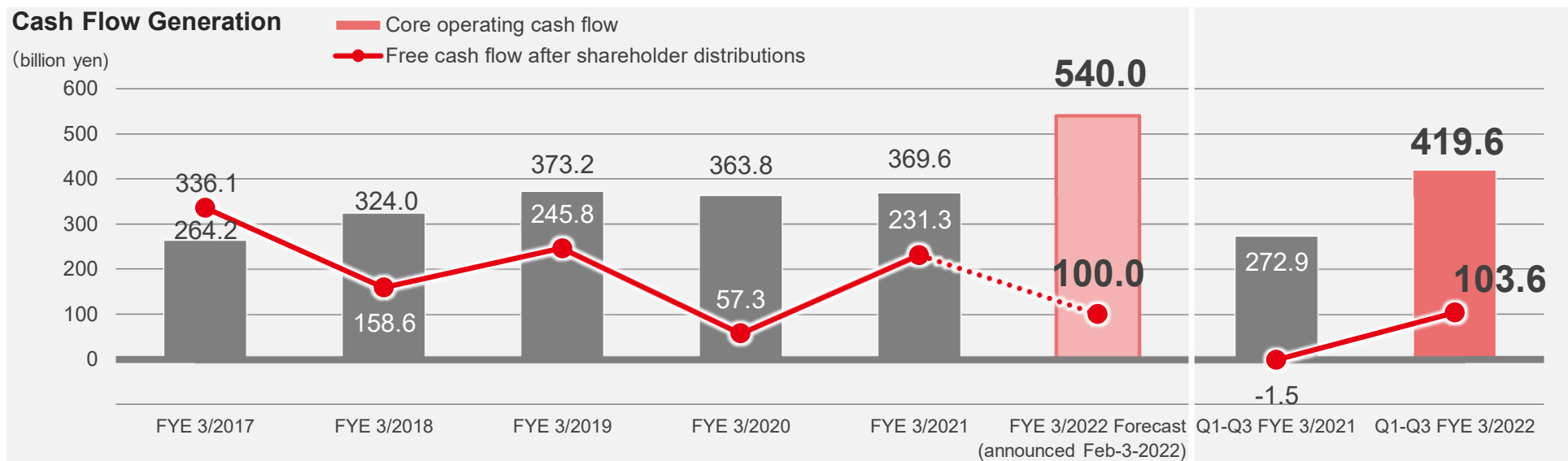
• Due to earlier application of Amendments to IAS 12, results for FYE 3/2021 have been re-presented retrospectively.

03 Net Profit and Adjusted Net Profit



• Due to earlier application of Amendments to IAS 12, results for FYE 3/2021 have been re-presented retrospectively.

04 Cash Flow Generation and Capital Allocation



05 New Investments and Divestment Main Items for Q1-Q3 FYE 3/2022

(billion yen)

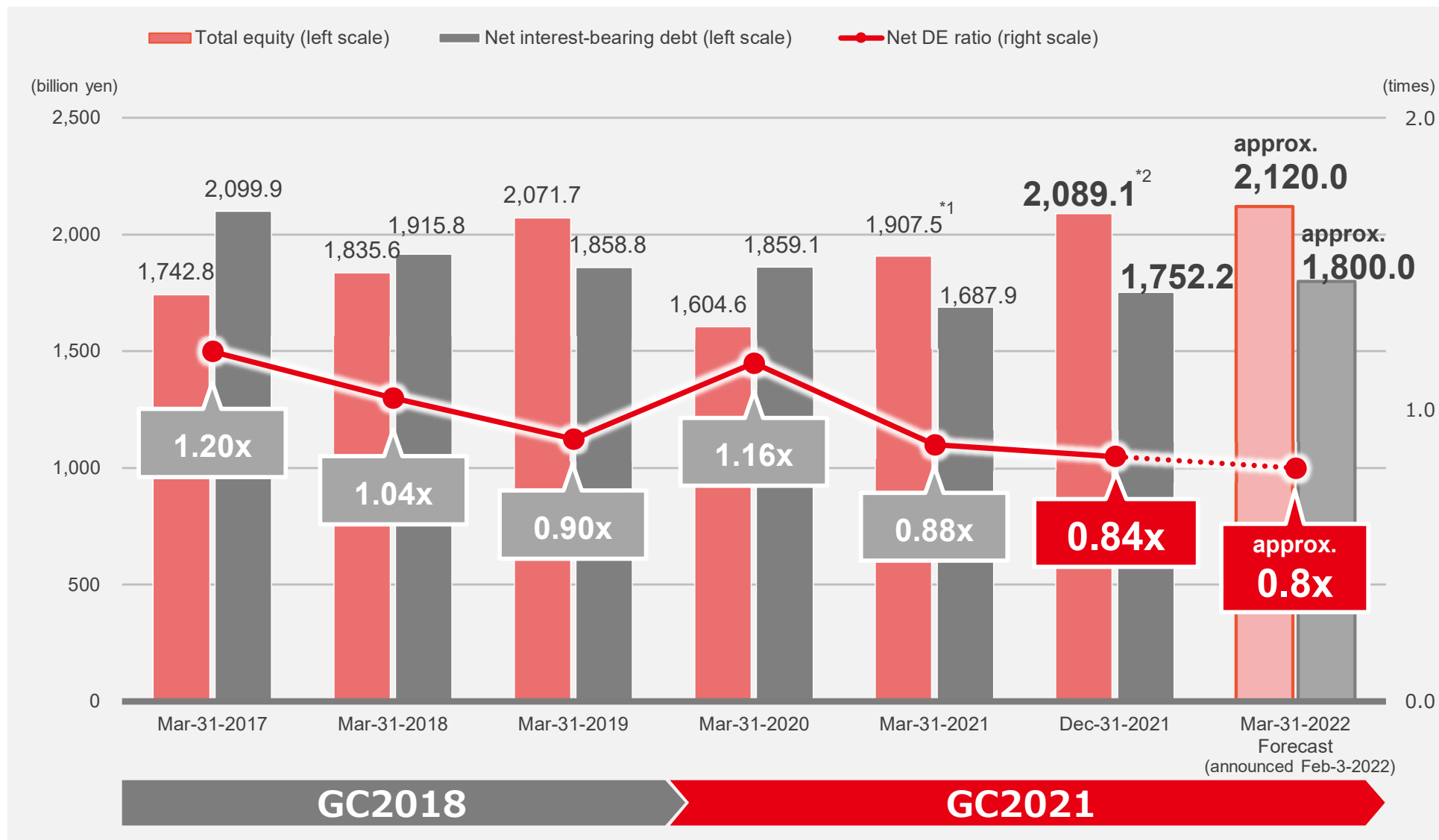
	Q1-Q3 FYE 3/2022 ^{*1}				Q1-Q3 FYE 3/2022 Main item	FYE 3/2022 Forecast (announced Feb-3-2022)	
		Horizon 1	Horizon 2	Horizon 3			
New Investments + CAPEX and others	- 161.3	- 88.1	- 67.4	- 5.8		- 270.0	
New Investments	- 64.4	Distribution Business	- 24.8	- 20.8	- 4.0	<ul style="list-style-type: none"> • Conveyor belt distribution business (Rematech, Canada) • Manufacturing and sales of instant coffee (Iguacu Vietnam, Vietnam) • Agri-input related business (Helena, USA) 	- 130.0
		Finance Business	- 7.1	- 5.3	- 1.8		
		Stable Earnings-Type Business	- 32.5	- 32.5	-	<ul style="list-style-type: none"> • Power generation business • FPSO project (Brazil) 	
		Natural Resource Investments	- 0.0	- 0.0	-		
CAPEX and others	- 96.8	excluding Natural Resource Investments	- 88.0	- 88.0	-	<ul style="list-style-type: none"> • Agri-input related business (Helena, USA) *2 • Solar power generation business (Chenya Energy, Taiwan) • MUSI pulp business (Indonesia) 	- 140.0
		Natural Resource Investments	- 8.8	- 0.0	- 8.7		
Divestment	+98.5				<ul style="list-style-type: none"> • North American wild salmon business (North Pacific Seafoods, USA) • Power generation business • Cross-shareholdings • Shareholder loan for copper mining business (Chile) 	+125.0	
Total	- 62.8					- 145.0	

*1) 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

*2) Including approximately -24.0 billion yen of short-term agriculture loan which Helena (USA) offered to customers

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

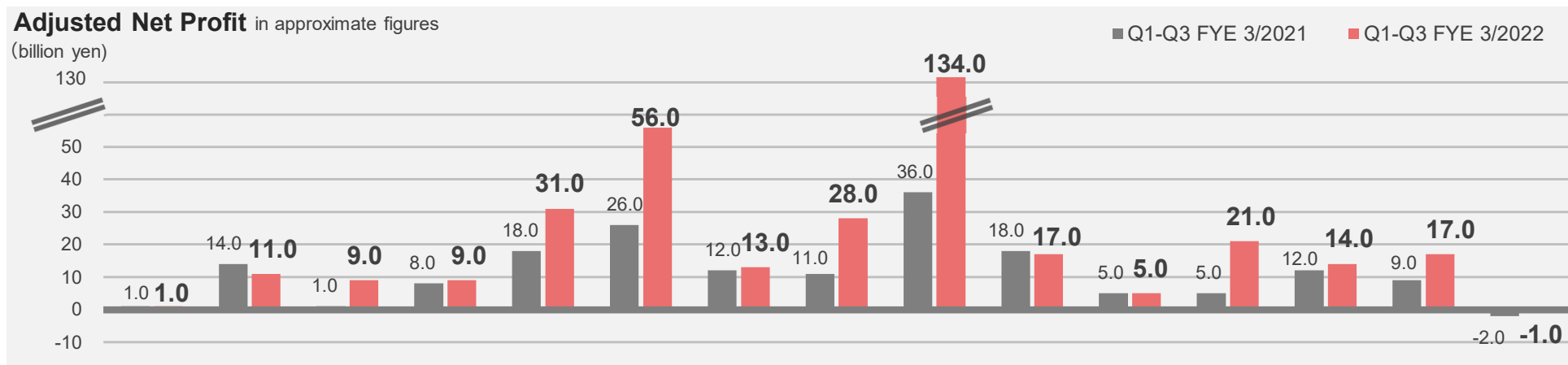
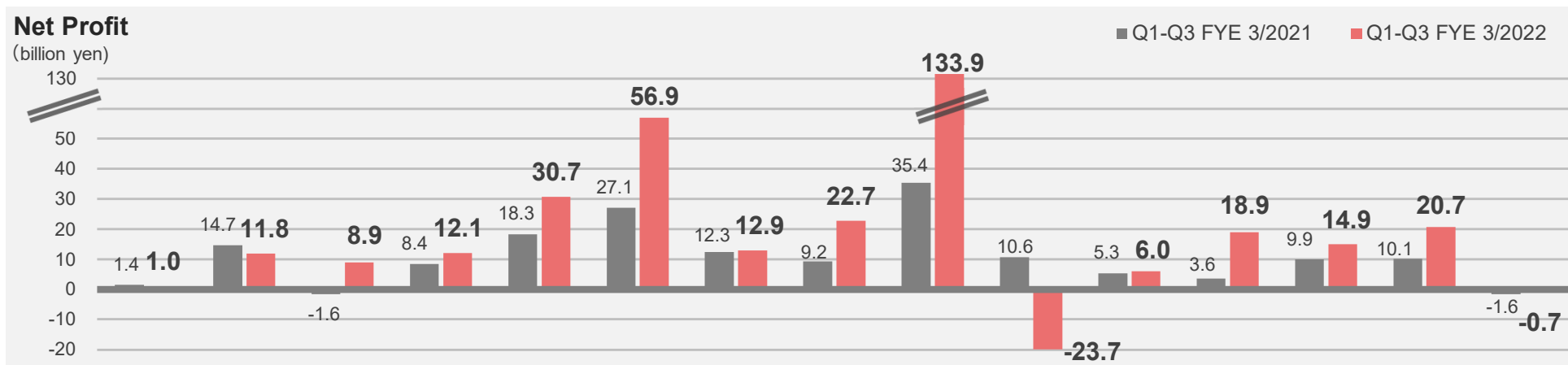
06 Net DE Ratio



*1) Due to earlier application of Amendments to IAS 12, figures as of Mar-31-2021, have been re-presented retrospectively.

*2) The Company made an optional repayment of a total of ¥100.0bn on August 16, 2021, for the perpetual subordinated loan (total amount: ¥250.0bn) which the Company financed on August 16, 2016. As a result, total equity decreased ¥100.0bn.

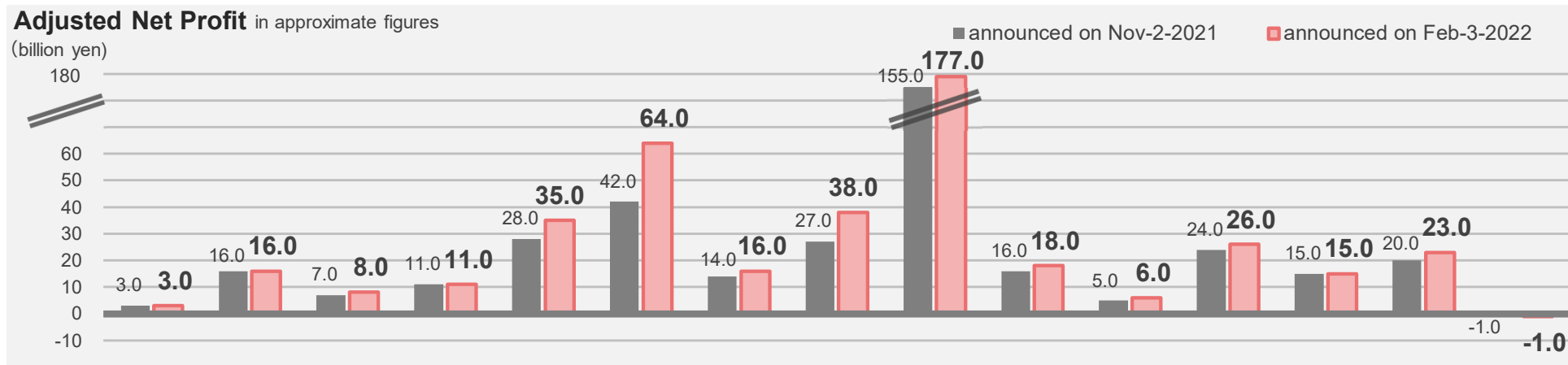
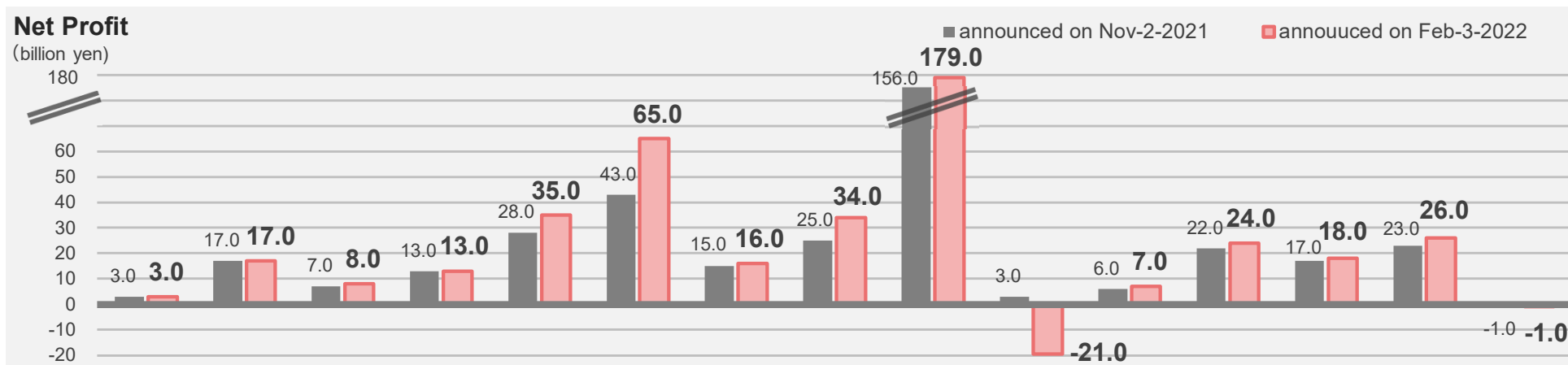
07 Profit by Segment Q1-Q3 FYE 3/2022 vs Q1-Q3 FYE 3/2021



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

• Due to earlier application of Amendments to IAS 12, results for FYE 3/2021 have been re-presented retrospectively.

08 Full-year Profit Forecast by Segment announced on Feb-3-2022 vs Nov-2-2021



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

09 Markets and Commodity Volumes

Markets		FYE 3/2021 Q1-Q3 Ave.	FYE 3/2022 Q1-Q3 Ave.	Variance	FYE 3/2021 Full-year	FYE 3/2022 Full-year Assumption for the Forecast announced on		Sensitivity to *4 Net Profit
						Nov-2-2021	Feb-3-2022	
Oil	WTI (USD/bbl)	37	71	+ 34	42	67	73 (Q4: 80)	approx. JPY0.5bn/[USD1/bbl]*5
Copper	LME (USD/ton) *1	6,059	9,533	+ 3,474	6,560	9,200	9,600 (Q4: 9,800)	approx. JPY1.1bn/[USD100/ton]
Interest Rate	JPY TIBOR 3mo (%)	0.073	0.061	- 0.012 points	0.074	0.1	0.1 (Q4: 0.1)	
	USD LIBOR 3mo (%)	0.353	0.148	- 0.205 points	0.315	0.2	0.2 (Q4: 0.2)	
Currency	USD/JPY Term Average (yen)	106.11	111.10	JPY depreciation by 4.99yen	106.06	109	111 (Q4: 112)	approx. JPY1.3bn/[JPY1/USD]
	USD/JPY Term-end (yen)	Mar-31-2021 110.71	Dec-31-2021 115.02	JPY depreciation by 4.31yen	Mar-31-2021 110.71	Mar-31-2022 109	Mar-31-2022 112	
Commodity Volumes		FYE 3/2021 Q1-Q3	FYE 3/2022 Q1-Q3	Variance	FYE 3/2021 Full-year	FYE 3/2022 Initial Plan		
Oil, Gas	Equity Production Volume (K boe/day)	23	20	- 3	23	22		
	Upper: [Oil and Gas E&P] *2 Lower: [Total] *3	27	24	- 3	27	25		
Copper	Equity Sales Volume (K ton)	96	100	+ 4	129			
Coking Coal	Equity Sales Volume (K ton)	4,462	4,565	+ 103	5,852			

*1 March-to-November average for Q1-Q3, 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