Notice of the 94th Ordinary General Meeting of Shareholders

10:00 A.M., Friday, June 22, 2018

◆ Matters for Resolution:

Agenda : To elect 10 Directors (Members of the Board)



Note: This is an unofficial translation of the Japanese language original version. It is provided for your convenience only, without any warranty as to its accuracy or as to the completeness of the information. The Japanese original version is the sole official version. This English translation has not been audited by independent auditors or the Audit & Supervisory Board. Also, for your convenience, this translation includes "Systems necessary to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation, Other systems necessary to ensure the properness of "Summary of Operating Status of Internal Control Systems", "Matters Concerning the Corporation's Subscription Rights to Shares", "Matters Concerning Accounting Auditor", "Consolidated Statement of Changes in Equity", "Notes to Consolidated Financial Statements", "(Reference) Consolidated Statements of Cash Flows","Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements", the Japanese original versions of which are listed separately from "Notice of the 94th Ordinary General Meeting of Shareholders" on the Corporation's website.

Marubeni

(Stock Exchange Code No.8002)

To Our Shareholders

We would like to take the opportunity to express our heartfelt appreciation for your continued support of the Marubeni Group.

We have decided to convene the 94th Ordinary General Meeting of Shareholders of Marubeni Corporation on Friday, June 22, 2018.

Accordingly, we hereby present you such notice of the Meeting which explains the agendas that will be put before the Meeting, and includes the current status of the Group and other matters for the Business Year from April 1, 2017 to March 31, 2018.

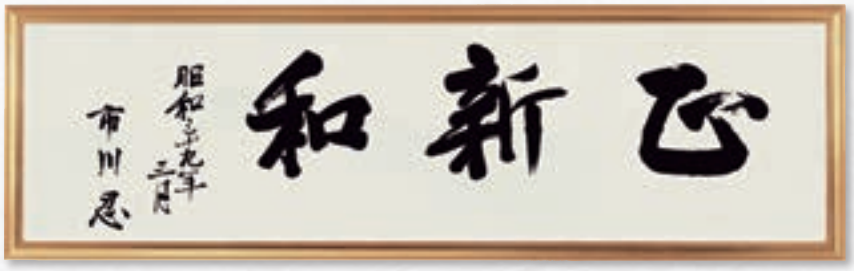
May 2018



Fumiya Kokubu, President and CEO, Member of the Board

Company Creed

Marubeni puts up the Company Creed of "Fairness, Innovation and Harmony."



The Marubeni Management Philosophy

In accordance with the spirit grounded in the Company Creed of "Fairness, Innovation and Harmony," the Marubeni Group is proudly committed to contribute to social and economic development and to safeguard global environment by conducting fair and upright corporate activities.

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◎If any revisions are required to matters contained in the Reference Materials for the General Meeting of Shareholders, the Business Report and the Consolidated and the Non-consolidated Financial Statements, such revisions will be posted on the Corporation's website.

◎Of the Business Report and the Consolidated and the Non-consolidated Financial Statements (excluding (Reference)), which have been audited by the Audit & Supervisory Board and the Accounting Auditor, this Notice of the General Meeting of Shareholders does not contain the items listed below.
Pursuant to the relevant laws and regulations and Article 14 of the Articles of Incorporation of the Corporation, these items are posted on the Corporation's website.

Business Report: Systems necessary to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation; Other systems necessary to ensure the properness of operations; Summary of Operating Status of Internal Control Systems; Matters Concerning the Corporation's Subscription Rights to Shares; Matters Concerning Accounting Auditor
Consolidated Financial Statements: Consolidated Statement of Changes in Equity, Notes to Consolidated Financial Statements, (Reference) Consolidated Statements of Cash Flows
Non-consolidated Financial Statements: Non-consolidated Statement of Changes in Equity, Notes to Non-consolidated Financial Statements

The Corporation's website https://www.marubeni.com/en/ir/stock/meeting/



Cover:
Furisode with narrative design (*gosho-doki*) of scenes from the Noh song entitled "*Ashi-kari*"
Dyeing and embroidery on purple silk crepe (*chirimen*)
The second quarter of the nineteenth century (Late Edo period)
Size: Length 175 cm
Sleeve plus shoulder width 64 cm
Collection of Marubeni Corporation

(Stock Exchange Code No. 8002)
May 31, 2018

To our shareholders:

Notice of the 94th Ordinary General Meeting of Shareholders

Notice is hereby given that the 94th Ordinary General Meeting of Shareholders will be held as set forth below. Your attendance at the meeting is cordially requested.
If you are unable to attend the meeting, you may exercise your voting rights by either of the methods below. Please review the Reference Materials for the General Meeting of Shareholders attached hereto, and exercise your voting rights by 5:30, P.M., June 21, 2018 (Thursday).

■ If exercising your voting rights in written form:
Please send us the enclosed voting form indicating your approval or disapproval of the agenda by return mail by the exercise deadline set forth above.

■ If exercising your voting rights via the Internet:
Please refer to the "Guide to Exercising Your Voting Rights Via the Internet" described in Page 17 and exercise your voting rights by the exercise deadline set forth above.

Date and Time:	10:00 A.M., Friday, June 22, 2018 (meeting place opens at 8:30 A.M.)
Place:	Palace Hotel Tokyo, Aoi Room (2F) 1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo (In case Aoi Room is filled up to capacity, please note that you will be escorted to another conference room. In addition, please come early to the venue since the reception counter becomes crowded immediately before the opening of the meeting.)
Agenda:	Matters to Report: 1. Reports on Business Report for the 94th Business Year (from April 1, 2017 to March 31, 2018) and Consolidated Financial Statements and the Audit Reports of the Accounting Auditor and the Board of Corporate Auditors for Consolidated Financial Statements for the 94th Fiscal Year (from April 1, 2017 to March 31, 2018) 2. Reports on Non-consolidated Financial Statements for the 94th Business Year (from April 1, 2017 to March 31, 2018)

Agenda:	Matters for Resolution: Agenda : To elect 10 Directors (Members of the Board)
Decisions upon Convocation	(1) If you are attending the meeting, please bring the enclosed voting form and submit it to the receptionist for the purpose of your identification. You are also requested to bring with you this document for your reference at the meeting. (2) To exercise voting rights through a proxy, you may exercise your voting rights through a single proxy who is a shareholder of the Corporation with voting rights upon submitting power of attorney.

Payment of Year-end Dividends for the 94th Business Year

In accordance with the provisions of the Articles of Incorporation, at the Board of Directors meeting of May 15, 2018, the Corporation decided that the year-end dividend will be 18.5 Yen per share and that the effective date (the payment commencement date) will be June 1, 2018.

If you have requested to transfer dividends to your bank account or your savings account of Japan Post Bank Co., Ltd., please confirm the details specified in the enclosed "Statement of Year-end Dividends for the 94th Business Year" and "Bank Accounts in Which to Transfer."

If you have requested Allocation Based on the Number of Shares Method (kabushikisu hirei haibun hoshiki), then please confirm the details specified in the enclosed "Statement of Year-end Dividends for the 94th Business Year" and "Method of Receiving your Year-end Dividends."

If you have not indicated either of the above, then please collect the dividends at your local post office or Japan Post Bank headquarters, branch, or sub-branch office by using the enclosed "Receipt of Year-end Dividends for the 94th Business Year" during the period from June 1, 2018 (Friday) to July 13, 2018 (Friday).

Reference Materials for the General Meeting of Shareholders

Agenda and Related Matters

Agenda: To elect 10 Directors (Members of the Board)

The terms of office of all 10 incumbent Directors will expire at the time of close of this General Meeting of Shareholders in accordance with the Articles of Incorporation. Accordingly, we propose the election of 10 Directors.
The candidates for Director are as follows:

No.	Name		Present Positions and Responsibilities at the Corporation	Attendance at meetings of the Board of Directors	No. of years served as Director
1	Teruo Asada	Reappointment Internal Director	Chairman of the Board	94.4% (17/18)	13 years
2	Fumiya Kokubu	Reappointment Internal Director	President and CEO, Member of the Board	100% (18/18)	6 years
3	Yukihiko Matsumura	New appointment Internal Director	Senior Executive Vice President, Chief Administrative Officer (CAO); Chief Information Officer (CIO); Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Chairman of Compliance Committee; Chairman of Internal Control Committee; Chairman of IT Strategy Committee	—	—
4	Masumi Kakinoki	New appointment Internal Director	Senior Executive Vice President, Chief Executive Officer, Power Business & Plant Group	—	—
5	Nobuhiro Yabe	Reappointment Internal Director	Managing Executive Officer, Member of the Board; Chief Financial Officer (CFO); Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Investment and Credit Committee; Chairman of Sustainability Management Committee; Chairman of Disclosure Committee	100% (18/18)	2 years
6	Hirohisa Miyata	New appointment Internal Director	Managing Executive Officer, Chief Digital Innovation Officer (CDIO); Chief Strategy Officer (CSO); Vice Chairman of Investment and Credit Committee	—	—
7	Takao Kitabata	Reappointment Outside Director Independent Director	Member of the Board	94.4% (17/18)	5 years
8	Kyohei Takahashi	Reappointment Outside Director Independent Director	Member of the Board	100% (18/18)	2 years
9	Susumu Fukuda	Reappointment Outside Director Independent Director	Member of the Board	100% (18/18)	2 years
10	Yuri Okina	Reappointment Outside Director Independent Director	Member of the Board	100% (13/13)	1 year

Notes: 1. The Attendance at meetings of the Board of Directors indicated for Ms. Yuri Okina pertains to the Meetings of the Board of Directors held following her assumption of office as Director on June 23, 2017.
2. The number of years served as Director indicates the most recent continuous term of office as Director.

(Reference)

Policy for Election of Candidates for the Positions of Director and Audit & Supervisory Board Member

[Director Election Standards]
In order to ensure swift and efficient decision-making and appropriate supervisory function of the Corporation's management, a person who has a wealth of experience of the Corporation's diverse business activities or in his/her professional field and who has profound insight and expertise cultivated through such experience shall be elected as a Director from inside or outside the Corporation.

[Audit & Supervisory Board Member Election Standards]
In order to ensure appropriate supervisory function, a person who has knowledge of the Corporation's management or a high degree of expertise in such fields as finance, accounting, law, and risk management as well as a wealth of experience shall be elected as an Audit & Supervisory Member from inside or outside the Corporation.

Standards and Policies for the Independence of Outside Directors/Audit & Supervisory Board Members of the Corporation

The Corporation shall determine that a person who is a candidate for Outside Director/Audit & Supervisory Board Member is not independent if he/she currently falls, or in the past three business years has fallen, under any of the following items 1–7, as well as any provision of the standards for independence set forth by the financial instruments exchanges, such as the Tokyo Stock Exchange, on which the Corporation's stock is listed.

1. A major shareholder of the Corporation (who directly or indirectly holds 10% or more of the voting rights in the Corporation) or an executing person thereof*.
2. An executing person of a lender, from which the borrowed amount exceeds 2% of the Corporation's consolidated total assets.
3. An executing person of a business partner with which the transaction amount exceeds 2% of the Corporation's consolidated revenue.
4. A representative partner or a partner of the auditing firm that is the Accounting Auditor of the Corporation.
5. A person who receives money from the Corporation of which the value exceeds 10 million yen per business year, which derives from a business consultancy and/or an advisory agreement.
6. A person who belongs to an organization that has received a donation from the Corporation of which the amount exceeds 10 million yen per business year.
7. A Director/Executive Officer/Corporate Officer among the executing persons of the Corporation and its subsidiaries, as well as a coresident or relative within the second degree of kinship of such Director/Executive Officer/Audit & Supervisory Board Member.

Even if a person falls under any of the items 1–7 above, if the Corporation judges that said person substantially maintains his/her independence, the Corporation shall explain and disclose the reason for his/her election as a candidate for Outside Director/Audit & Supervisory Board Member.
*An "executing person" refers to an Executive Director, an Executive Officer, an employee or any other personnel.

1. Teruo Asada (Date of Birth: Oct. 13, 1948)

Reappointment



No. of years served as Director (at the close of this General Meeting of Shareholders): 13 years
Current shareholdings in the Corporation: 233,264 shares
Subscription rights to shares held: 719 rights
Attendance at meetings of the Board of Directors: 94.4% (17/18)

Career Overview

Apr. 1972: Joined the Corporation
Apr. 2002: Executive Officer
Apr. 2004: Managing Executive Officer
Jun. 2005: Managing Executive Officer, Member of the Board
Apr. 2006: Senior Managing Executive Officer, Member of the Board
Apr. 2008: President and CEO, Member of the Board
Apr. 2013: Chairman of the Board (Present Position)

Reasons for the appointment of the candidate for the position of Director

Since Mr. Asada joined the Corporation, he has mainly engaged in finance- and accounting-related operations, and has been the Chairman of the Board since 2013 after having served as Managing Executive Officer, Senior Managing Executive Officer, and President and CEO, Member of the Board, from 2008 through 2013. He has excellent expertise and in-depth knowledge of overall management of a general trading company and global business management, in addition to abundant business experience, past achievements and significant contributions to the Corporation. Moreover, he has a sufficient track record as a Director.
In fiscal year 2017, Mr. Asada supervised management of the Corporation, taking into consideration all stakeholders, as the Chairman of the Board without representative rights and the authority for business execution.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Director.

2. Fumiya Kokubu (Date of Birth: Oct. 6, 1952)

Reappointment



No. of years served as Director (at the close of this General Meeting of Shareholders): 6 years
Current shareholdings in the Corporation: 169,597 shares
Subscription rights to shares held: 851 rights
Attendance at meetings of the Board of Directors: 100% (18/18)

Career Overview

Apr. 1975: Joined the Corporation
Apr. 2005: Executive Officer
Apr. 2008: Managing Executive Officer
Jun. 2008: Managing Executive Officer, Member of the Board
Apr. 2010: Senior Managing Executive Officer
Apr. 2012: Senior Executive Vice President
Jun. 2012: Senior Executive Vice President, Member of the Board
Apr. 2013: President and CEO, Member of the Board (Present Position)

Reasons for the appointment of the candidate for the position of Director

Since Mr. Kokubu joined the Corporation, he has mainly engaged in energy-related operations, and has been the President and CEO, Member of the Board since 2013 after having served as Managing Executive Officer, Senior Managing Executive Officer and Senior Executive Vice President, Member of the Board. He has excellent expertise and in-depth knowledge of overall management of a general trading company and global business management, in addition to abundant business experience, past achievements and significant contributions to the Corporation. Moreover, he has a sufficient track record as a Director.
In fiscal year 2017, Mr. Kokubu worked to further expand the existing businesses while strategically promoting new businesses that can become the core of the Group in the future. He exercised strong leadership to respond to changes in the competitive environment and supervised management of the Corporation.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Director.

3. Yukihiko Matsumura (Date of Birth: Oct. 27, 1956)

New appointment



No. of years served as Director (at the close of this General Meeting of Shareholders): —

Current shareholdings in the Corporation: 90,242 shares

Subscription rights to shares held: 370 rights

Career Overview

Apr. 1980: Joined the Corporation
Apr. 2006: CFO & CAO, Marubeni America Corporation
Apr. 2009: Executive Officer, General Manager, Finance Dept.
Apr. 2011: Executive Officer, Senior Operating Officer, Finance Dept.; Senior Operating Officer, Investor Relations; General Manager, Finance Dept.
Apr. 2012: Managing Executive Officer, CFO; Chief Operating Officer, Corporate Accounting Dept., Finance Dept., and Risk Management Dept.; Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Disclosure Committee; Vice Chairman of Investment and Credit Committee
Jun. 2012: Managing Executive Officer, Member of the Board, CFO; Chief Operating Officer, Corporate Accounting Dept., Finance Dept., and Risk Management Dept.; Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Disclosure Committee; Vice Chairman of Investment and Credit Committee
Apr. 2013: Managing Executive Officer, Member of the Board, CFO; Chief Operating Officer, Corporate Accounting Dept., Business Accounting Dept., Finance Dept., and Risk Management Dept.; Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Disclosure Committee; Vice Chairman of Investment and Credit Committee
Apr. 2015: Senior Managing Executive Officer, Member of the Board; CFO; Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Investment and Credit Committee; Chairman of CSR & Environment Committee; Chairman of Disclosure Committee
Apr. 2016: Senior Managing Executive Officer, Regional CEO for Americas; Regional COO for North & Central America; President and CEO, Marubeni America Corporation
Apr. 2018: Senior Executive Vice President, CAO; CIO; Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Chairman of Compliance Committee; Chairman of Internal Control Committee; Chairman of IT Strategy Committee (Present Position)

Reasons for the appointment of the candidate for the position of Director

Since Mr. Matsumura joined the Corporation, he has mainly engaged in operations related to finance and accounting, and is presently Senior Executive Vice President, CAO; CIO; Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Chairman of Compliance Committee; Chairman of Internal Control Committee; and Chairman of IT Strategy Committee after having served as Managing Executive Officer; Managing Executive Officer, Member of the Board; and Senior Managing Executive Officer, Member of the Board. He has excellent expertise and in-depth knowledge of overall management of a general trading company and global business management, in addition to abundant business experience, past achievements and significant contributions to the Corporation. Moreover, he has a sufficient track record as a Director.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint him as a new candidate for Director.

Note: The "Chief Administrative Officer (CAO)" is the Chief Operating Officer of Human Resources Dept., General Affairs Dept., Information Strategy Dept., Risk Management Dept., Legal Dept. and Compliance Control Dept.

4. Masumi Kakinoki (Date of Birth: Apr. 23, 1957)

New appointment



No. of years served as Director (at the close of this General Meeting of Shareholders): —

Current shareholdings in the Corporation: 72,300 shares

Subscription rights to shares held: 347 rights

Career Overview

Apr. 1980: Joined the Corporation.
Apr. 2006: General Manager, Overseas Power Project Dept.-Ⅱ; President & CEO, Marubeni Power Development Corporation
Apr. 2008: Senior Operating Officer, Power Projects & Infrastructure Div.
Jun. 2009: Senior Operating Officer, Power Projects & Infrastructure Div.; Senior Corporate Officer, Abu Dhabi Trade House Project Dept.
Apr. 2010: Executive Officer, Chief Operating Officer, Power Projects & Infrastructure Div.
Apr. 2013: Managing Executive Officer, Chief Operating Officer, Corporate Planning & Strategy Dept., Global Strategy & Coordination Dept., and Research Institute; Chairman of Internal Control Committee; Vice Chairman of Investment and Credit Committee
Jun. 2013: Managing Executive Officer, Member of the Board; Chief Operating Officer, Corporate Planning & Strategy Dept., Global Strategy & Coordination Dept., and Research Institute; Chairman of Internal Control Committee; Vice Chairman of Investment and Credit Committee
Apr. 2014: Managing Executive Officer, Regional CEO for North & Central America; Advisor to the President for South America; President and CEO, Marubeni America Corporation
Apr. 2015: Managing Executive Officer, Regional CEO for North & Central America; President and CEO, Marubeni America Corporation
Apr. 2016: Managing Executive Officer, Chief Executive Officer, Power Projects & Plant Group
Apr. 2017: Senior Managing Executive Officer, Chief Executive Officer, Power Projects & Plant Group
Apr. 2018: Senior Executive Vice President, Chief Executive Officer, Power Business & Plant Group (Present Position)

Reasons for the appointment of the candidate for the position of Director

Since Mr. Kakinoki joined the Corporation, he has mainly engaged in power- and machinery-related operations, and is presently Senior Executive Vice President, Chief Executive Officer, Power Business & Plant Group after having served as Managing Executive Officer; Managing Executive Officer, Member of the Board; Managing Executive Officer; and Senior Managing Executive Officer. He has excellent expertise and in-depth knowledge of overall management of a general trading company and global business management, in addition to abundant business experience, past achievements and significant contributions to the Corporation. Moreover, he has a sufficient track record as a Director.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint him as a new candidate for Director.

Note: The "Power Business & Plant Group" collectively refers to the Power Business Div. and the Plant Div.

5. Nobuhiro Yabe (Date of Birth: Jan. 22, 1960)

Reappointment



No. of years served as Director (at the close of this General Meeting of Shareholders): 2 years

Current shareholdings in the Corporation: 55,700 shares

Subscription rights to shares held: 367 rights

Attendance at meetings of the Board of Directors: 100% (18/18)

Career Overview

Apr. 1982: Joined the Corporation
Apr. 2012: Executive Officer
Apr. 2016: Managing Executive Officer
Jun. 2016: Managing Executive Officer, Member of the Board
Apr. 2018: Managing Executive Officer, Member of the Board; CFO; Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Investment and Credit Committee; Chairman of Sustainability Management Committee; Chairman of Disclosure Committee (Present Position)

Reasons for the appointment of the candidate for the position of Director

Since Mr. Yabe joined the Corporation, he has mainly engaged in finance- and accounting-related operations and is presently the Managing Executive Officer, Member of the Board; CFO; Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Investment and Credit Committee; Chairman of Sustainability Management Committee; and Chairman of Disclosure Committee after having served as Managing Executive Officer. He has excellent expertise and in-depth knowledge of overall management of a general trading company and global business management, in addition to abundant business experience, past achievements and significant contributions to the Corporation. Moreover, he has a sufficient track record as a Director.
In fiscal year 2017, Mr. Yabe vigorously promoted strengthening of the Corporation's financial position as CFO. As the chairman of the above-mentioned committees, he sufficiently fulfilled his duties in providing recommendations and in formulating and implementing measures, reflecting the opinions of committee members. As a Director of the Corporation, he vigorously stated opinions at meetings of the Board of Directors and played an appropriate role, including in decision-making on important management matters and supervision of business execution.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Director.

Note: The "Chief Financial Officer (CFO)" is the Chief Operating Officer of Corporate Communication Dept., Corporate Accounting Dept., Business Accounting Dept. and Finance Dept.

6. Hirohisa Miyata (Date of Birth: Nov. 8, 1960)

New appointment



No. of years served as Director (at the close of this General Meeting of Shareholders): —

Current shareholdings in the Corporation: 37,600 shares

Subscription rights to shares held: 319 rights

Career Overview

Apr. 1983: Joined the Corporation
Apr. 2008: General Manager, Overseas Power Project Dept.-II; President & CEO, Marubeni Power Development Corporation
Apr. 2011: Senior Operating Officer, Power Projects & Infrastructure Div.; General Manager, Overseas Power Project Dept.-IV
Apr. 2012: Deputy Operating Officer, Power Projects & Infrastructure Div.
Apr. 2013: Executive Officer, Chief Operating Officer, Power Projects & Infrastructure Div.
Apr. 2015: Executive Officer, Chief Operating Officer, Power Projects Div.
Apr. 2016: Managing Executive Officer, Chief Operating Officer, Power Projects Div.
Apr. 2018: Managing Executive Officer, CDIO; CSO; Vice Chairman of Investment and Credit Committee (Present Position)

Reasons for the appointment of the candidate for the position of Director

Since Mr. Miyata joined the Corporation, he has mainly engaged in power- and machinery-related operations, and is presently CDIO; CSO; Vice Chairman of Investment and Credit Committee in addition to having served as Managing Executive Officer. He has excellent expertise and in-depth knowledge of overall management of a general trading company and global business management, in addition to abundant business experience, past achievements and significant contributions to the Corporation.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint him as a new candidate for Director.

Note: The "Chief Digital Innovation Officer (CDIO)" is the Chief Operating Officer of Digital Innovation Dept. The "Chief Strategy Officer (CSO)" is the Chief Operating Officer of Corporate Planning & Strategy Dept., Regional Coordination & Administration Dept., Research Institute, and Research Institute.

7. Takao Kitabata (Date of Birth: Jan. 10, 1950)

Outside Director | Reappointment | Independent Director



No. of years served as Director (at the close of this General Meeting of Shareholders): 5 years

Current shareholdings in the Corporation: 0 shares

Attendance at meetings of the Board of Directors: 94.4% (17/18)

Career Overview

Apr. 1972: Joined Ministry of International Trade and Industry (METI)
Jul. 1995: Director, Planning Office of Ministry's Secretariat, METI
Dec. 1996: Director, Policy Planning and Coordination Division of Ministry's Secretariat, METI
Jun. 2000: Deputy Director-General, for Policy Coordination of Ministry's Secretariat, METI
Jul. 2002: Deputy Vice-Minister of Ministry's Secretariat, METI
Jun. 2004: Director-General, Economic and Industrial Policy Bureau of METI
Jul. 2006: Vice-Minister of Economy, Trade, and Industry (Resigned in Jul. 2008)
Jun. 2010: Director, Kobe Steel, Ltd. (Present Position)
Audit & Supervisory Board Member of the Corporation
Jun. 2013: Member of the Board of the Corporation (Present Position)
Chairman of the Board, SANDA GAKUEN Junior High School & High School (Present Position)
Jun. 2014: Director, SEIREN Co., Ltd. (Present Position)
Director, Zeon Corporation (Present Position)

Status of Important Concurrent Occupations or Positions at Other Organizations

Chairman of the Board, SANDA GAKUEN Junior High School & High School
Director, Kobe Steel, Ltd.
Director, SEIREN Co., Ltd.
Director, Zeon Corporation

Special notes on the candidate for the position of Outside Director

(1) Submission of the "Independent Director/Auditor Notification":
No personal, capital or transaction relationships between Mr. Kitabata and the Corporation existed in the past or exist currently, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/Audit & Supervisory Board Members of the Corporation" (as set forth on page 5). Hence, the Corporation has appointed him as an Independent Director stipulated by the domestic stock exchanges and notified the exchanges of such designation. If his reappointment is approved at this General Meeting of Shareholders, the Corporation plans to reappoint him as an Independent Director and notify the domestic stock exchanges of such designation.

(2) Attributes of Independent Director/Auditor:
Mr. Kitabata concurrently serves as Chairman of the Board, SANDA GAKUEN Junior High School & High School, with which the Corporation has no transactions.

(3) Mr. Kitabata has been serving as Director of Kobe Steel, Ltd. (Kobe Steel) since June 2010. It came to light in October 2017 that Kobe Steel and its Group companies had engaged in an act of falsifying or fabricating inspection data for products falling short of public standards or customer specifications, and shipping or delivering those products to customers as if they conformed to the public standards or customer specifications. Although Mr. Kitabata had been unaware of this fact until the said fact came to light, he has noted the importance of corporate ethics and made proposals from the viewpoint of legal compliance at the Board of Directors' meetings of Kobe Steel and on other occasions. After the detection of the said fact, he stated various opinions on the investigation of causes and verification of safety as well as on the appropriateness and validity of the investigation method at the Board of Directors' meetings of Kobe Steel. In addition, as a member of the Quality Governance Restructuring Deliberation Committee of Kobe Steel, he proactively stated constructive opinions about measures for Kobe Steel, including its Group companies to strengthen quality governance, organizational reform, reform of the mentality, utilization of external human resources, strengthening of functions of overseas regional headquarters, and other matters based on his experience and knowledge, and contributed to formulation of measures to prevent recurrence of the misconduct.

Reasons for the appointment of the candidate for the position of Outside Director

Mr. Kitabata served in key positions in the government and has profound insight about economic trends in Japan and overseas. He vigorously stated opinions at meetings of the Board of Directors from an objective, specialist viewpoint. As the Chief Outside Director of the Corporation, he has been providing advice to management and appropriately supervising business execution. He is also well-versed in corporate governance. As the chairman of the Nomination Committee, he vigorously stated opinions in order to enhance soundness, transparency, and efficiency of the Corporation's management.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Director.

8. Kyohei Takahashi (Date of Birth: July 17, 1944)

Outside Director | Reappointment | Independent Director



No. of years served as Director (at the close of this General Meeting of Shareholders): 2 years

Current shareholdings in the Corporation: 0 shares

Attendance at meetings of the Board of Directors: 100% (18/18)

Career Overview

Apr. 1968: Joined Showa Denko K.K.
Oct. 1995: General Manager of Planning Department of the Headquarters, Japan Polyolefins Corporation
Jun. 1996: President & CEO, Montell JPO Co., Ltd.
Jun. 1999: Executive Vice President, Montell SDK Sunrise Ltd. (Currently, SunAllomer Ltd.)
Mar. 2002: Managing Director, Showa Denko K.K.
Mar. 2004: Senior Managing Director, Showa Denko K.K.
Jan. 2005: Representative Director, President, Showa Denko K.K.
Jan. 2007: Representative Director, President and Chief Executive Officer (CEO), Showa Denko K.K.
Jan. 2011: Representative Director, Chairman of the Board, Showa Denko K.K.
Jun. 2014: Audit & Supervisory Board Member of the Corporation
Mar. 2015: Director, Chairman of the Board, Showa Denko K.K.
Jun. 2016: Member of the Board of the Corporation (Present Position)
Jul. 2016: Audit & Supervisory Board Member, Fukoku Mutual Life Insurance Company (Present Position)
Jan. 2017: Director, Showa Denko K.K.
Mar. 2017: Advisor, Showa Denko K.K. (Present Position)

Status of Important Concurrent Occupations or Positions at Other Organizations

Advisor, Showa Denko K.K.
Audit & Supervisory Board Member, Fukoku Mutual Life Insurance Company

Special notes on the candidate for the position of Outside Director

(1) Submission of the "Independent Director/Auditor Notification":
No personal, capital or transaction relationships between Mr. Takahashi and the Corporation existed in the past or exist currently, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/Audit & Supervisory Board Members of the Corporation" (as set forth on page 5). Hence, the Corporation has appointed him as an Independent Director stipulated by the domestic stock exchanges and notified the exchanges of such designation. If his reappointment is approved at this General Meeting of Shareholders, the Corporation plans to reappoint him as an Independent Director and notify the domestic stock exchanges of such designation.

(2) Attributes of Independent Director/Auditor:
Mr. Takahashi was an executive of Showa Denko K.K. There is a continuous transaction relationship between Showa Denko and the Corporation, in which the Corporation sells raw materials to Showa Denko and the Corporation purchases Showa Denko's products and so on. Net sales of the Corporation to Showa Denko for the three business years from fiscal year 2014 to fiscal year 2016 account for 0.02% of the consolidated revenue of the Corporation during said three-year period, whereas net sales of Showa Denko to the Corporation account for 0.1% of the consolidated revenue of the Corporation during said three-year period; both of these percentages are insignificant.

Reasons for the appointment of the candidate for the position of Outside Director

Mr. Takahashi has profound insight cultivated through involvement in corporate management at an international company. He vigorously stated opinions at meetings of the Board of Directors from a practical viewpoint. As an Outside Director of the Corporation, he has been providing advice to management and appropriately supervising business execution. He is also well-versed in corporate governance. As the chairman of the Governance and Remuneration Committee and a member of the Nomination Committee, he vigorously stated opinions in order to enhance soundness, transparency, and efficiency of the Corporation's management.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Director.

9. Susumu Fukuda (Date of Birth: Aug. 26, 1948)

Outside Director | Reappointment | Independent Director



No. of years served as Director (at the close of this General Meeting of Shareholders): 2 years

Current shareholdings in the Corporation: 0 shares

Attendance at meetings of the Board of Directors: 100% (18/18)

Career Overview

Jul. 1971: Joined Ministry of Finance
Jul. 2003: Director-General, Policy Research Institute, Ministry of Finance
Jul. 2004: Director-General, Tax Bureau of the Ministry
Jul. 2006: Commissioner, National Tax Agency (Resigned in Jul. 2007)
Sep. 2007: Vice-Chairman, The General Insurance Association of Japan
Sep. 2008: Assistant Chief Cabinet Secretary
Aug. 2010: Advisor, The Sumitomo Trust and Banking Co., Ltd. (Currently, Sumitomo Mitsui Trust Bank Limited); Advisor, Nitori Holdings Co., Ltd.
Dec. 2010: Advisor, Nipponkoa Insurance Co., Ltd. (Currently, Sompo Japan Nipponkoa Insurance Inc.)
Nov. 2012: Representative Director and Chief Director, Japan Real Estate Institute
Jan. 2015: Member of National Tax Council, Ministry of Finance (Present Position)
Jun. 2015: Audit & Supervisory Board Member, Tokio Marine & Nichido Fire Insurance Co., Ltd. (Present Position)
Jun. 2016: Member of the Board of the Corporation (Present Position)
Nov. 2017: Representative Director and Chairman, Japan Real Estate Institute (Present Position)

Status of Important Concurrent Occupations or Positions at Other Organizations

Representative Director and Chairman, Japan Real Estate Institute
Audit & Supervisory Board Member, Tokio Marine & Nichido Fire Insurance Co., Ltd.

Special notes on the candidate for the position of Outside Director

Submission of the "Independent Director/Auditor Notification":
No personal, capital or transaction relationships between Mr. Fukuda and the Corporation existed in the past or exist currently, and he satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/Audit & Supervisory Board Members of the Corporation" (as set forth on page 5). Hence, the Corporation has appointed him as an Independent Director stipulated by the domestic stock exchanges and notified the exchanges of such designation. If his reappointment is approved at this General Meeting of Shareholders, the Corporation plans to reappoint him as an Independent Director and notify the domestic stock exchanges of such designation.

Reasons for the appointment of the candidate for the position of Outside Director

Mr. Fukuda served in key positions in the government and has profound insight about finance and tax affairs and a wealth of experience serving as an outside officer at various companies. He vigorously stated opinions at meetings of the Board of Directors from an objective, specialist viewpoint in order to enhance soundness, transparency, and efficiency of the Corporation's management. As an Outside Director of the Corporation, he has been providing advice to management and appropriately supervising business execution. He is also well-versed in corporate governance. As a member of the Governance and Remuneration Committee, he vigorously stated opinions in order to enhance soundness, transparency, and efficiency of the Corporation's management.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Outside Director.

10. Yuri Okina (Date of Birth: Mar. 25, 1960)

Outside Director

Reappointment | Independent Director



No. of years served as Director (at the close of this General Meeting of Shareholders): 1 year

Current shareholdings in the Corporation: 0 shares

Attendance at meetings of the Board of Directors: 100% (13/13)

*The attendance at meetings held following her assumption of office as Director on June 23, 2017

Career Overview

Apr. 1984: Joined the Bank of Japan
Apr. 1992: Joined The Japan Research Institute, Limited
Apr. 1994: Senior Researcher, The Japan Research Institute, Limited
Jul. 2000: Executive Researcher, The Japan Research Institute, Limited
Jun. 2006: Counselor, The Japan Research Institute, Limited
Jun. 2008: Director, Nippon Yusen Kabushiki Kaisha
Jun. 2013: Director, Seven Bank, Ltd.
Mar. 2014: Director, Bridgestone Corporation (Present Position)
Jun. 2014: Vice Chairman, The Japan Research Institute, Limited
Jun. 2017: Member of the Board of the Corporation (Present Position)
Apr. 2018: Chairman, The Japan Research Institute, Limited (Present Position)

Status of Important Concurrent Occupations or Positions at Other Organizations

Chairman, The Japan Research Institute, Limited
Director, Bridgestone Corporation

Special notes on the candidate for the position of Outside Director

(1) Submission of the "Independent Director/Auditor Notification":
No personal, capital or transaction relationships between Ms. Okina and the Corporation existed in the past or exist currently, and she satisfies the requirements in the "Standards and Policies for the Independence of Outside Directors/Audit & Supervisory Board Members of the Corporation" (as set forth on page 5). Hence, the Corporation has appointed her as an Independent Director stipulated by the domestic stock exchanges and notified the exchanges of such designation. If her reappointment is approved at this General Meeting of Shareholders, the Corporation plans to reappoint her as an Independent Director and notify the domestic stock exchanges of such designation.

(2) Ms. Okina served as an Outside Director of Nippon Yusen Kabushiki Kaisha (NYK) from June 2008 to June 2017. NYK received a cease and desist order etc. from the Japan Fair Trade Commission in 2014 concerning violation of the Antimonopoly Act related to ocean shipping services for vehicles. NYK entered into a plea agreement with the U.S. Department of Justice, agreeing to pay a fine concerning its violation of U.S. anti-trust laws. In 2015, NYK was notified by the National Development and Reform Commission (NDRC) of China that NYK's action violated China's anti-monopoly law. Although Ms. Okina had been unaware of such violations until they came to light, she had been stating her opinions about legal compliance. After the fact was recognized, she strove, for instance, to further strengthen NYK's legal compliance systems in order to eliminate and prevent recurrence of any violations of anti-trust laws of Japan and other jurisdictions and fulfilled her duties.

Reasons for the appointment of the candidate for the position of Outside Director

Ms. Okina has profound insight about economic and financial matters cultivated through her many years of research at a research institute. She also has experience as an outside officer at various companies, and experience based on extensive activities as a member of government committees, such as the Industrial Structure Council, the Financial System Council, and the Tax Commission. She vigorously stated opinions at meetings of the Board of Directors from a specialist and multifaceted viewpoint in order to enhance soundness, transparency, and efficiency of the Corporation's management. As an Outside Director of the Corporation, she has been providing advice to management and appropriately supervising business execution.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to reappoint her as a candidate for Outside Director.

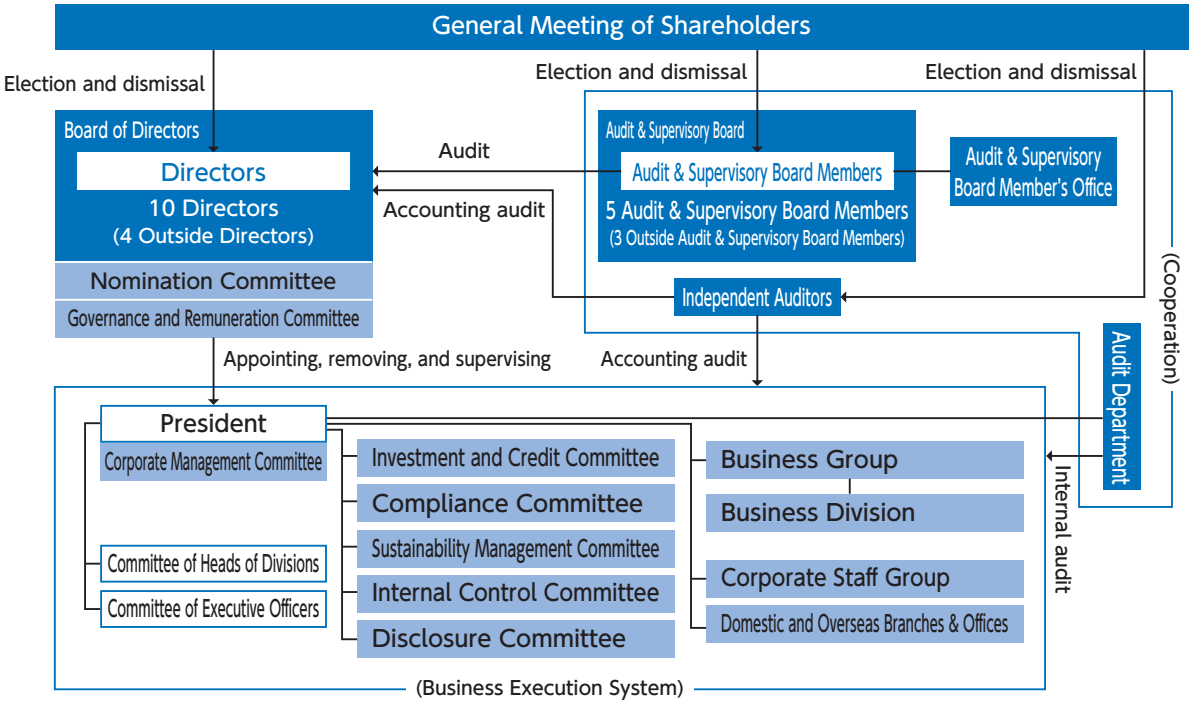
Notes: 1. The above candidates have no specific conflict of interest with the Corporation.
2. In accordance with Article 17 of the current Articles of Incorporation, the election of Directors shall not be conducted by cumulative voting.
3. Limitation of Liability Agreement with candidates for the position of Outside Director:
In order to enable Mr. Takao Kitabata, Mr. Kyohei Takahashi, Mr. Susumu Fukuda, and Ms. Yuri Okina among the candidates for the position of Outside Director to fully perform their duties as Outside Directors, the Corporation has entered into an agreement with each of them in which the liability for damages provided for in Article 423, Paragraph 1 of the Companies Act is limited to the sum of the amounts specified in each item of Article 425, Paragraph 1 of the Companies Act, if the person in question has acted in good faith and without gross negligence in performing his/her duties. If this agenda is approved, the Corporation intends to continue the said limitation of liability agreement with each of them.

(Reference)

Corporate Governance Structure

The Corporation operates under a corporate audit governance system, adhering closely to the Companies Act, with a control structure designed to facilitate a clearly defined decision-making process, business execution system, and supervisory system. The Corporation has established the structure as shown in the diagram below.

Corporate Governance Structure Diagram



The Corporation conducts a diverse range of businesses globally. Accordingly, the Corporation has established a corporate audit governance model with a Board of Directors consisting of Internal Directors and Outside Directors in order to ensure rapid and efficient decision-making and appropriate supervisory functions in management. The Corporation has determined that this governance model is functioning effectively as set forth in items (a) and (b) below. Therefore, the Corporation will retain the current governance structure.

(a) **Ensuring rapid and efficient decision-making**
The Corporation ensures rapid and efficient decision-making by having Directors who serve concurrently as Executive Officers and well-versed in the Corporation's diverse business activities.

(b) **Ensuring appropriate supervisory functions**
The Corporation ensures appropriate supervisory functions by implementing various measures, including appointing Outside Directors sufficient to account for one-third or more of the members of the Board; establishing the Audit & Supervisory Board Member's Office; fostering collaboration among the Audit & Supervisory Board Members, the Audit Department, and the Accounting Auditor; and implementing advance briefings on matters referred to the Board of Directors for both Outside Directors and Outside Audit & Supervisory Board Members on the same occasions.

(Reference)

Advisory bodies to the Board of Directors (voluntary committees)

Nomination Committee (to be held as necessary): The Nomination Committee is an advisory body to the Board of Directors and the majority of its members are Outside Directors/Audit & Supervisory Board Members. The Nomination Committee deliberates on nomination of candidates for the positions of Director and Audit & Supervisory Board Member and reports to the Board of Directors.

Nomination Committee's composition (as of April 1, 2018)

Chairman: Takao Kitabata, Outside Director
Committee members: Fumiya Kokubu, President and CEO, Member of the Board
Kyohei Takahashi, Outside Director
Takashi Hatchoji, Outside Audit & Supervisory Board Member

Governance and Remuneration Committee (to be held as necessary): The Governance and Remuneration Committee is an advisory body to the Board of Directors and the majority of its members are Outside Directors/Audit & Supervisory Board Members. The Governance and Remuneration Committee deliberates on the policy for determining remuneration for Directors and Executive Officers as well as appropriateness of the level of remuneration, and reports to the Board of Directors. The Governance and Remuneration Committee also conducts evaluation and review concerning the overall Board of Directors, including its composition and operation, and reports to the Board of Directors.

Governance and Remuneration Committee's composition (as of April 1, 2018)

Chairman: Kyohei Takahashi, Outside Director
Committee members: Fumiya Kokubu, President and CEO, Member of the Board
Hikaru Minami, Managing Executive Officer, Member of the Board
Susumu Fukuda, Outside Director
Shuichi Yoshikai, Outside Audit & Supervisory Board Member

Evaluation of effectiveness of the Board of Directors

At the Corporation, the Governance and Remuneration Committee, an advisory body to the Board of Directors, the majority of whose members are Outside Directors/Audit & Supervisory Board Members, conducts evaluation and review concerning the overall Board of Directors, including its composition and operation, and reports to the Board of Directors. The Corporation discloses the overview of the results of evaluation following the deliberation by the Board of Directors and utilizes these results in improvement of the Board of Directors, including its operation.
Evaluation of effectiveness of the Board of Directors for fiscal year 2017 was conducted as follows:

Ⅰ. Evaluation framework and method

1. Persons subject to evaluation

All Directors (10 persons) and Audit & Supervisory Board Members (5 persons) *Incumbent as of December 2017

2. Method

A questionnaire survey was conducted. (anonymous responses) *An external specialized agency was requested for implementation.

3. Evaluation items

(1) Roles and responsibilities of the Board of Directors
(2) Relationship between the Board of Directors and senior executives
(3) Organizational design and composition of the Board of Directors and other bodies
(4) Quality and expertise of Directors and of the Board of Directors
(5) Deliberation by the Board of Directors
(6) Relationship and dialogue with shareholders
(7) Engagement with stakeholders other than shareholders

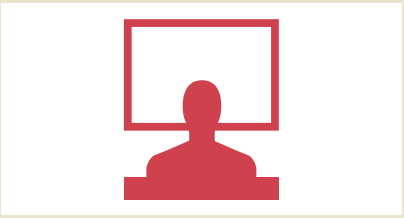
4. Evaluation process

The Board of Directors deliberated in view of the results of evaluation and review concerning the overall Board of Directors by the Governance and Remuneration Committee, including its composition and operation, based on the responses to the questionnaire.

Ⅱ. Overview of the results of evaluation

The Board of Directors deliberated in view of the results of evaluation and review by the Governance and Remuneration Committee and confirmed that, overall, the Board of Directors is effectively operated. The Corporation will work to maintain and improve effectiveness of the Board of Directors, reflecting the results of evaluation and review.

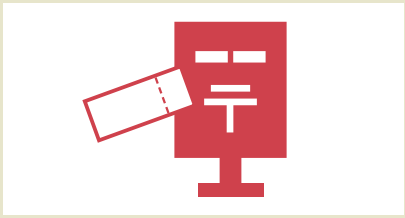
Guide to Exercising Your Voting Rights



Exercise of voting rights by attending the meeting

Please submit the enclosed voting form at the reception desk.

*If you are attending the meeting, you do not need to submit the voting form by mail or exercise your voting rights via the Internet.



Exercise of voting rights in writing

Please indicate your vote for or against the agendas on the enclosed voting form and return it by mail so that it arrives at the Corporation by **5:30 p.m. on Thursday, June 21, 2018.**



Exercise of voting rights via the Internet

Please refer to the Guide to Exercising Your Voting Rights Via the Internet on the next page and exercise your voting rights by **5:30 p.m. on Thursday, June 21, 2018.**

For nominee shareholders, such as trust and banking corporations responsible for administration (including standing proxy):

If shareholders apply in advance for the use of the electronic voting platform operated by a joint venture incorporated by the Tokyo Stock Exchange and other parties, they may be able to utilize said platform as a method for exercising voting rights for the General Meeting of Shareholders of the Corporation in electronic media in addition to the exercise of voting rights via the Internet as specified above.

Inquiries Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.

Inquiries regarding the method of operation of a personal computer in order to exercise voting rights via the Internet

Telephone: **(0120) 768−524**

(9:00 A.M. to 9:00 P.M., except Saturdays, Sundays and national holidays)

Other Inquiries

Telephone: **(0120) 288−324**

(9:00 A.M. to 5:00 P.M., except Saturdays, Sundays and national holidays)

Guide to Exercising Your Voting Rights Via the Internet

Exercising Your Voting Rights Via the Internet

When exercising your voting rights via the Internet, the Corporation requests your understanding on the following matters.

- Your voting rights may be exercised by PC or mobile phone only via the website that the Corporation specifies (hereinafter referred to as the "Website to Exercise Voting Rights"). If you exercise your voting rights via the Internet, you will need the voting right code and the password described in the enclosed voting form.
- Exercise of voting rights via the Internet will be accepted **until 5:30 P.M., Thursday, June 21, 2018**, a day before the General Meeting of Shareholders. Please also be aware that you will not be able to exercise your voting rights via the Internet after 5:30 P.M. on June 21, 2018 (Thursday) and therefore you will need to complete the input by such time. We ask you to exercise your voting rights promptly.

▶ If you exercise multiple votes via the Internet for the same agenda, then the last vote which arrives at the Corporation shall be deemed the valid vote.

▶ If you exercise your votes both by way of submitting the voting form and via the Internet, for the same agenda, then the vote via the Internet shall be deemed the valid vote.

Specific Method to Exercise Voting Rights via the Internet

The Corporation requests you to exercise your voting rights via the Internet using the following method:



1 Please access the **Website to Exercise Voting Rights.**

Website to Exercise Voting Rights https://soukai.mizuho-tb.co.jp/

＊You can access the Website to Exercise Voting Rights by using mobile phones with barcode reader function and by reading the QR code at the right side. Please see the instruction manual of your mobile phone for details of operations.

2 Please enter your voting right code and click the "Proceed" button.

3 Please enter your password following the instructions on the screen.

＊To ensure security, you need to change the password when you first log into the website.

4 Please follow the instructions on the screen in order to exercise your voting rights.

Notes

- Please be assured that voting information will not be manipulated or wiretapped, as we use encryption technology (SHA-2). The voting right code and the password described in the voting form are important in authenticating each shareholder. Please do not divulge this information to anyone. There will be no occasions where the Corporation asks a shareholder about his/her password.
- If you use a commercial Internet provider, you need to bear the communication expenses, including those to connect to the Internet provider and to communicate with telecommunication companies (such as phone charges), for using the Website to Exercise Voting Rights.

Business Report (from April 1, 2017 to March 31, 2018)

I. Current Status of the Group

Business progress and results of the Group

Business Environment

In the fiscal year ended March 31, 2018, the global economy generally grew at a stable pace amid continued gradual recovery in developed economies, particularly the U.S., and a pickup in growth in China and other emerging market economies. Meanwhile, crude oil and other commodity prices which were previously weak, rebounded.

The U.S. economic expansion continued, supported by a robust employment environment. In response, the Federal Reserve continued to raise its policy rate and has started to reduce its asset holdings.

The European economy continued to grow at a stable pace. Political risk has subsided for the time being in response to the outcomes of recent key elections, most notably the French presidential election.

Emerging economies such as China, Brazil and Russia seemed to regain growth momentum.

The Japanese economy continued to grow at a stable pace, driven chiefly by external demand while domestic demand held steady, bolstered by continued improvement in employment.

Business Results

Profit attributable to owners of the parent for the business year under review increased by 55.9 billion yen from 155.4 billion yen for the previous business year to 211.3 billion yen, the highest ever. Looking at the results by operating segment, profit increased at Energy & Metals due to increases in coal and copper prices.

Revenue

Revenue was up 411.5 billion yen (5.8%) year on year to 7,540.3 billion yen, due mainly to an increase in Food & Consumer Products.

Gross trading profit

Gross trading profit increased 63.4 billion yen (10.3%) from the year-earlier period to 677.2 billion yen. By operating segment, profits increased mainly at Energy & Metals and Chemical & Forest Products.

Operating profit

Operating profit increased 26.5 billion yen (28.9%) from the year-earlier period to 118.1 billion yen.

Share of profits of associates and joint ventures

Share of profits of associates and joint ventures increased 33.8 billion yen (29.4%) from the year-earlier period to 148.5 billion yen. By operating segment, profits increased mainly in Energy & Metals.

Profit attributable to owners of the parent

Profit attributable to owners of the parent for the fiscal year ended March 31, 2018 (also referred to as net profit for the year under review) increased 55.9 billion yen (36.0%) to 211.3 billion yen relative to the year-earlier period.

Total assets and net interest-bearing debt on a consolidated basis (*)

Total assets at the end of March 31, 2018 was at 6,877.1 billion yen, a 19.6 billion yen decrease from the previous fiscal year end. Net interest-bearing debt decreased 184.1 billion yen from the end of the previous fiscal year to 1,915.8 billion yen.

(*) Net interest-bearing debt is calculated as cash and cash equivalents and time deposits subtracted from the sum of corporate bonds and current and non-current borrowings.

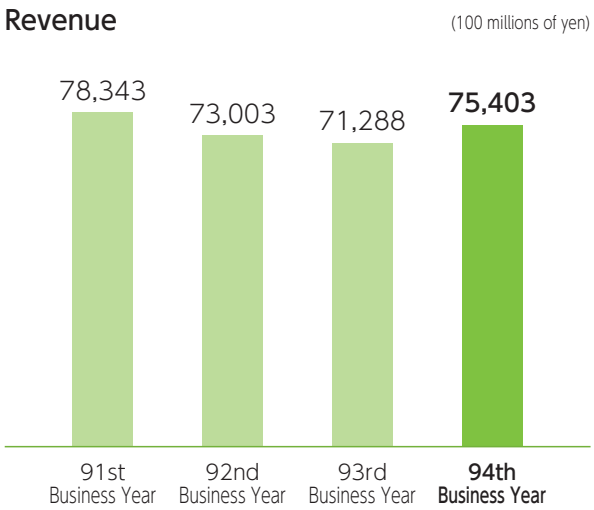
Trends in assets, profits and losses

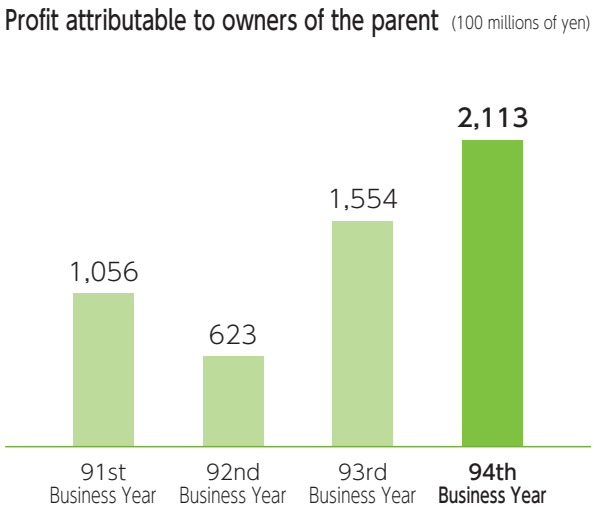
Trends in assets, profits and losses of the Group

(Millions of yen, unless otherwise stated)

Item	91st Business Year	92nd Business Year	93rd Business Year	94th Business Year
Revenue	7,834,295	7,300,299	7,128,805	7,540,337
Profit attributable to owners of the parent	105,604	62,264	155,350	211,259
Basic earnings per share attributable to owners of the parent	¥60.85	¥35.88	¥88.08	¥119.43
Total assets	7,673,064	7,117,686	6,896,733	6,877,117
Equity	1,678,713	1,415,202	1,742,758	1,835,637

Notes: 1. The Corporation's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) pursuant to the provisions of Article 120, Paragraph 1 of the Ordinance on Accounting of Companies.
2. Effective as of the 94th business year, "Revenue" is presented for trends in assets, profits and losses of the Group.
3. "Basic earnings per share attributable to owners of the parent" has been calculated based on the average number of outstanding common shares during the period (after deducting the number of treasury shares) and "profit attributable to owners of the parent" excluding the amount not attributable to ordinary shareholders.
4. The amounts below 1 million yen are rounded off.





Trends in assets, profits and losses of the Corporation

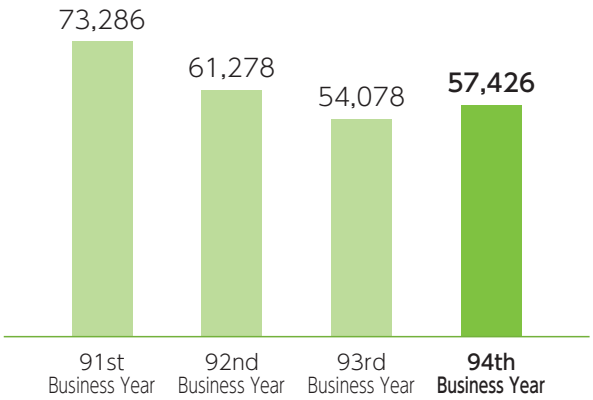
(Millions of yen, unless otherwise stated)

Item	91st Business Year	92nd Business Year	93rd Business Year	94th Business Year
Sales	7,328,553	6,127,775	5,407,811	5,742,601
Net income	6,650	196,212	63,565	67,000
Net income per share	¥3.83	¥113.05	¥36.63	¥38.60
Total assets	3,672,122	3,696,698	3,747,100	3,663,569
Net assets	378,071	562,495	592,074	622,300

Notes: 1. Net income per share has been calculated based on the average number of outstanding common shares during the business year (after deducting the number of treasury shares) and net income.
2. The amounts below 1 million yen are rounded off.

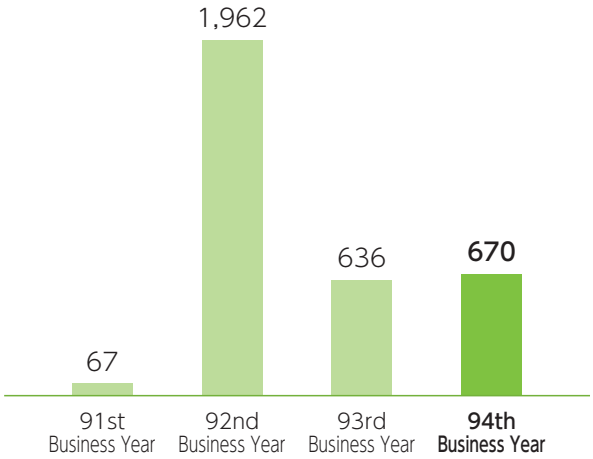
Sales

(100 millions of yen)



Net income

(100 millions of yen)



Operating Segments

(Millions of yen)

		Food & Consumer Products	Chemical & Forest Products	Energy & Metals	Power Business & Plant	Transportation & Industrial Machinery	Other	Consolidated
94th Business Year	Revenue	4,426,730	1,753,440	705,528	225,783	435,598	(6,742)	7,540,337
	Gross trading profit	271,649	203,219	58,016	41,910	110,184	(7,741)	677,237
	Operating profit (loss)	55,554	48,979	7,214	(15,061)	25,188	(3,820)	118,054
	Share of profits of associates and joint ventures	14,336	3,801	38,582	64,989	26,583	212	148,503
	Profit attributable to owners of the parent	73,529	41,868	21,936	39,614	36,138	(1,826)	211,259
	Segment assets	1,941,822	1,180,020	1,613,397	1,120,314	722,153	299,411	6,877,117
93rd Business Year	Revenue	4,068,358	1,811,006	660,836	236,594	361,337	(9,326)	7,128,805
	Gross trading profit	272,129	185,219	26,155	45,279	93,316	(8,218)	613,880
	Operating profit (loss)	66,017	40,696	(21,357)	(11,438)	19,718	(2,039)	91,597
	Share of profits of associates and joint ventures	14,034	2,436	19,429	61,097	18,211	(482)	114,725
	Profit (loss) attributable to owners of the parent	58,729	30,646	(6,240)	56,508	28,615	(12,908)	155,350
	Segment assets	1,765,541	1,120,223	1,691,231	1,117,558	797,380	404,800	6,896,733

Notes: 1. Effective as of the 94th business year, "Revenue" is presented for operating segment information.
2. Effective as of the 94th business year, parts of "Food & Consumer Products" have been included in "Chemical & Forest Products" and parts of "Other" have been included in "Food & Consumer Products." In line with these changes, the figures of operating segments for the 93rd business year have been reclassified accordingly.
3. The marketing organization of the Corporation consists of five groups and 16 divisions, and each group of the Corporation corresponds to an operating segment. "Food & Consumer Products Group" consists of Grain Div., Food Products Div., Lifestyle Div., ICT, Logistics & Healthcare Div. and Insurance, Finance & Real Estate Business Div. "Chemical & Forest Products Group" consists of Agri-Input Business Div., Chemical Products Div., and Forest Products Div. "Energy & Metals Group" consists of Energy Div., Steel Products Div. and Metals & Mineral Resources Div. "Power Business & Plant Group" consists of Power Business Div. and Plant Div. "Transportation & Industrial Machinery Group" consists of Aerospace & Ship Div., Automotive & Leasing Div. and Construction & Industrial Machinery Div.
4. "Operating profit (loss)" is presented in accordance with Japanese accounting practice for investors' convenience and is not required by the IFRS. "Operating profit (loss)" is the sum of "Gross trading profit" and "Selling, general and administrative expenses" including "Provision for doubtful accounts" in the consolidated statement of comprehensive income.
5. Inter-segment transactions are generally priced in accordance with the prevailing market prices.
6. "Profit (loss) attributable to owners of the parent" of "Other" includes headquarters expenses that are not allocated to the operating segments and inter-segment eliminations. "Segment assets" of "Other" include assets for general corporate purposes that are not allocated to the operating segments and inter segment-elimination. The assets for general corporate purposes mainly consist of cash and cash equivalents related to financing, other investments and non-current assets for general corporate purposes.
7. The amounts below 1 million yen are rounded off.

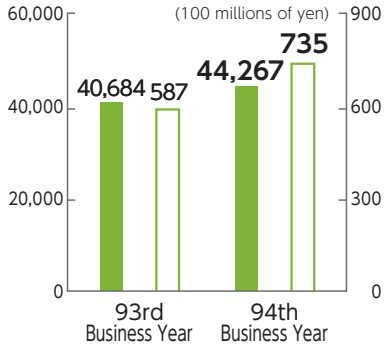
Main businesses of the Group

The Group conducts diversified business activities such as importing and exporting (including offshore trading) and domestic business transactions, while providing various services and making domestic and overseas business investment and resource development in “Food & Consumer Products,” “Chemical & Forest Products,” “Energy & Metals,” “Power Business & Plant” and “Transportation & Industrial Machinery” operating segments, through our worldwide business bases and information network.

The Group’s business by operating segment

Food & Consumer Products

■ Revenue
□ Profit attributable to owners of the parent



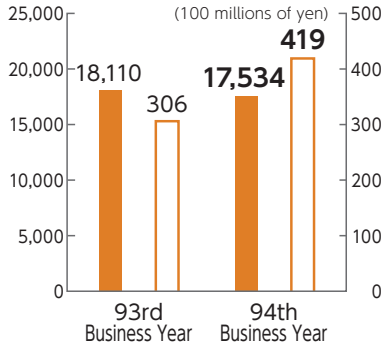


Collection terminal of Columbia Grain (U.S.)

In the grain field, the Corporation is working to reinforce its earnings capability by functionally utilizing collection, storage, and transportation capacities of Gavilon (U.S.), Columbia Grain (U.S.) and Terlogs Terminal (Brazil) and expanding sales in the markets where the Corporation has a solid sales base. In the food products field, the Corporation acquired Creekstone Farms Premium Beef, which is a beef processing and sales company in the U.S. focused on supplying high-quality beef produced from Black Angus cattle, and has established a structure to meet needs for beef not only in the U.S. but worldwide. In the apparel field, the Corporation acquired 45.5% of the shares of Saide Tekstil Sanayi ve Ticaret, which conducts planning, manufacturing, sales of apparel, and other activities in Turkey. By achieving synergy, such as constructing a short-lead-time production system for Asian customers, the Corporation aims to expand sales in the worldwide apparel market. In the ICT & logistics field, performance of key domestic operating companies, such as MX Mobiling and MARUBENI INFORMATION SYSTEMS, was robust. Moreover, the Corporation launched a digital SCM service that achieves visibility and optimization of supply chains through integration of logistics and digital technology. In the finance field, the Corporation actively invested in office buildings, logistics centers, and hotels through private equity funds and publicly traded and private real estate investment trusts (REITs). In the real estate field, the Corporation started large-scale complex development projects, including MID TOWER GRAND (Tsukishima, Chuo-ku, Tokyo).

Chemical & Forest Products

■ Revenue
□ Profit attributable to owners of the parent



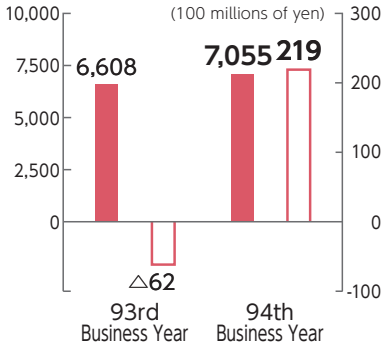


Salt field of Dampier Salt (Australia)

In the agricultural materials field, in addition to acquiring assets through Helena Agri-Enterprises (U.S.) in order to cultivate new customers and enhance services, the Corporation continues to expand its business globally. The Corporation currently has equity stakes in large retailers in the UK and the Netherlands, an agricultural chemical manufacturing and sales company in Malaysia, and a fertilizer manufacturing and sales company in Myanmar. In the fertilizer raw materials field, capitalizing on distribution using sulfur carrier ships and long-term, stable relationships with suppliers, the Corporation is expanding trade. In the chemical products field, the Corporation is developing domestic and international business in various fields, including raw materials such as oil and natural gas and derivatives including plastics and other petrochemicals, inorganic resources such as salt, boric acid, and iodine, and electronics mainly including semiconductors, liquid crystal displays, and solar power generation modules. The Corporation is also working to create added value that meets customer needs also in the life sciences field. Initiatives in this regard include the acquisition of an equity stake in Orffa International Holding, a livestock feed additive distributor, in April 2017. In the forest products field, while intensifying efforts in various areas, from forestation to manufacturing of paper products and trade, as part of efforts to promote efficient use of forest resources the Corporation is addressing the biomass fuel business, through means such as the development of its own sources for wood pellets, and has started trading.

Energy & Metals

■ Revenue
□ Profit attributable to owners of the parent

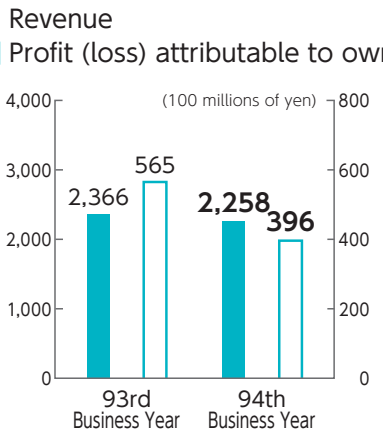




Minera Los Pelambres Copper Mine (Chile)

In the metals & mineral resources field, the Roy Hill Iron Ore Mine in Australia shifted to full production. The Corporation acquired an additional interest in Minera Los Pelambres Copper Mine in Chile. The Corporation is aiming to increase the value and earning capability of its businesses, such as coal mines, copper mines, and aluminum refining by reducing costs and improving operational efficiency. In the oil and gas development field, the Corporation is focusing on increasing asset value through appropriate cost management and improvement of operational efficiency of each of its interests in the U.S. Gulf of Mexico and the UK North Sea. In the natural gas liquification business, while maintaining stable operation of projects in Qatar, Equatorial Guinea, Peru, and Papua New Guinea, the Corporation is implementing initiatives to enhance operational efficiency. In the trading and marketing field, while deepening relationships with existing clients, acquiring new clients and diversifying suppliers, the Corporation is also strengthening efforts aimed at earnings growth from petroleum products, LNG, uranium, iron and steel products, iron ore, coal, and raw non-ferrous metals and discovery of new merchandise by making use of its domestic and foreign trading infrastructure and networks. Centering on the above-mentioned fields, the Group is endeavoring to strengthen the earnings foundation of its existing businesses and to cultivate new businesses from a medium- to long-term viewpoint in terms of both resource development and trading.

Power Business & Plant





Sweihan solar project (United Arab Emirates)

In the overseas power project field, the Corporation began a combined cycle power plant project in Jamaica, which is a pioneering fuel-to-power project*1 and concluded a project finance agreement for the Sweihan Photovoltaic Independent Power Project in the United Arab Emirates, one of the world's largest solar power generation projects. In the overseas electricity EPC field, the Corporation was awarded the Tambak Lorok Combined Cycle Power Plant Block 3 Project from the state-owned power utility company in Indonesia and an overhaul project for the Tharkayta Combined Cycle Power Plant from Myanmar Electric Power Enterprise. In the domestic power projects field, a biomass power plant in Tsuruga City, Fukui Prefecture, and two small hydro power plants in Chino City, Nagano Prefecture, were completed. In addition, the Corporation participated in a biomass co-firing power project in Shunan City, Yamaguchi Prefecture. Moreover, the Corporation is vigorously addressing projects to optimize operations and predictive plant maintenance by utilizing the Internet of Things (IoT) in Japan and overseas.

In the plant field, the Corporation was awarded construction of a waste-to-energy power plant in Thailand. In the energy infrastructure field, the Corporation participated in a long-term charter business for providing a floating production, storage, and offloading (FPSO)*2 system for use in the Sepia Area off the coast of Brazil. In the public transportation field, the Corporation was chosen by Myanmar Railways to procure 24 cars of Diesel Electric Multiple Unit. In addition, a tram extension in Gold Coast, Australia through a Public-Private Partnership (PPP)*3 was completed and operation started. In the environmental infrastructure field, Maynilad Water Services, a water and sewerage company in the Philippines, signed credit agreements with the Japan International Cooperation Agency and with Japanese commercial banks for business growth and service improvement.

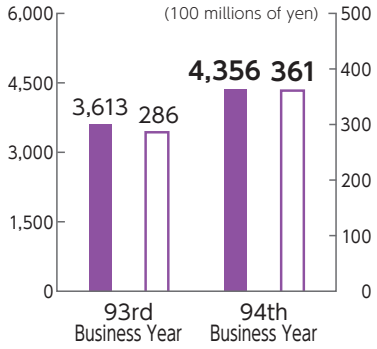
*1 Fuel-to-power project: A development project encompassing fuel procurement through to power generation

*2 FPSO: Floating production, storage, and offloading (a floating system used for offshore production, storage, and offloading oil and gas)

*3 PPP: Public-Private Partnership (a collaborative arrangement between public and private sectors for development and operation of social infrastructure)

Transportation & Industrial Machinery

■ Revenue
□ Profit attributable to owners of the parent





Business jet airplane handled by the Corporation as a distributor in Japan

In the aircraft field, the Corporation further strengthened its earnings foundation in the U.S. aircraft leasing business, which continued to make steady progress, by steadily increasing the number of aircraft owned by the Corporation against the backdrop of increasing demand for aircraft. In the ship field, with the market on a recovery trend, performance was robust centering on the trade and independent ship businesses and LNG ship business. In the automotive field, the Corporation began demonstration for a mobility service in response to transformation of the automotive industry. In the leasing business field, the Corporation is working to strengthen competitive advantage by utilizing telematics devices* in the lease/rental business of refrigeration and freezing trailers in the U.S. In the construction machinery field, the market is recovering in general and revenue is expanding. The Corporation is endeavoring to further strengthen the earnings foundation of the distributor business. In the industrial machinery field, in addition to trading operations for rapid rechargers and machine tools, the Corporation is also taking steps to reinforce its earnings capability in the distributed power source field centering on renewables, such as acquisition of an equity stake in a company that conducts certification tests for solar panels in North America. Centering on all the aforementioned businesses, the Corporation will further strengthen the profit structure that is less susceptible to the impact of economic fluctuations and vigorously work to create business in new technology fields group-wide.

*Telematics devices: In-vehicle information service terminals

Future issues for the Group

Economic overview

In the fiscal year ending March 31, 2019, developed economies will likely continue to grow against the backdrop of a robust U.S. economic environment. Meanwhile, emerging market economies will likely recover, bolstered by stable commodity prices. While the overall global economy should generally continue to steadily expand, the U.S. administration's actions, U.S. mid-term elections, Brexit negotiations and geopolitical risks in East Asia and the Middle East need to be closely monitored. Commodity prices will likely remain stable in the wake of global economic recovery.
The Japanese economy is expected to stably expand, driven chiefly by external demand, amid continued improvement in the employment environment.

Mid-term management plan "Global Challenge 2018"

(1) Progress of key measures by the end of the year under review

The Corporation and its group companies (the Group) launched the three year mid-term management plan called "Global Challenge 2018" in April 2016 that specifies what the Group aims to be in 2020 as well as its new management policies. The top priority under the "Global Challenge 2018" is to reinforce the Group's financial foundation. Moreover, the Group will work to optimize and expand its existing businesses while strategically promoting new businesses that have the potential to become the core of the Group's future. In this way, the Group will realize sustained growth.

Based on The Road to 2020, the "Global Challenge 2018" has set out five management policies: "Business and Investment Policy," "Cash Flow Management," "Portfolio Policy," "Reinforcement of Global Strategy," and "Marubeni Group's Human Resources Strategy." The outline of each policy is as follows.

Business and Investment Policy: Based on the foundation of long-term earnings expansion in each country and region of operations, the Group will promote businesses and investments strategically to respond to the differing operating environment and business characteristics of each business model.

Cash Flow Management: The Group is to increase available funds for growth investments by maximizing operating cash flow. While working to maximize corporate value through the further generation of profits and cash from new business investments, the Group aims to reinvest cash generated from businesses that are not expecting significant growth into next-generation growth businesses.

Portfolio Policy: While looking to maintain a balance in our portfolio of growth businesses, stable earnings businesses and higher volatility/higher upside businesses, the Group will construct a portfolio that can grow earnings over the long term even in a severe business environment. By strengthening the earnings power of existing businesses each business will be able to reliably achieve their growth targets and increase the value of the business as well. At the same time, the Group will exit non-core businesses to improve the quality of assets.

Reinforcement of Global Strategy: The Group views the advanced countries centered on the United States, and ASEAN, with its growing middle-class, as key markets and is also actively pursuing opportunities in the sub-Saharan region in order to lay the groundwork for future business.

Marubeni Group's Human Resources Strategy: The Group is to recruit and develop human resources that can succeed on a global scale, to continue to promote diversity within the Group, and to recruit and position diverse

human resources. The Group aims to be an organization where all personnel can take pride in their work and find their work rewarding.

The progress of these measures by the end of the year under review is as follows.

Regarding the "Business and Investment Policy," having classified its businesses into four business models, namely "Distribution Businesses," "Finance Businesses," "Stable Earnings-Type Businesses," and "Natural Resource Investments," the Corporation implemented the business and investment strategy corresponding to the operating environment and business characteristics of each business model.
Regarding "Cash Flow Management," free cash flow was significantly positive for two consecutive years because of expansion of adjusted operating cash flow, optimization of net operating working capital, and accelerated collection of cash.
With respect to the "Portfolio Policy," looking to maintain a balance in its portfolio of growth businesses, stable earnings businesses and higher volatility/higher upside businesses, the Corporation carefully selected new investments while promoting reshuffling of asset holdings through collection by strategic exits of businesses.
As for "Reinforcement of Global Strategy," in view of the present status and potential of each region, the Corporation formulated and implemented regional strategies in which local views are reflected, including cultivation of new fields and regions and collaboration with strategic partners. The Corporation assigned more expatriates in the sub-Saharan region to strengthen the initiatives.
Regarding the "Marubeni Group's Human Resources Strategy," the Corporation partially revised its personnel system and implemented new measures in order to promote recruitment and assignment of the optimum human resources who can contribute to maximization of the Group's value.

(2) Revised quantitative targets

The Corporation revised the quantitative targets of the "Global Challenge 2018" on May 9, 2017 and clarified that "Further Reinforcement of Our Financial Foundation" will continue to be the top priority and the Corporation will pursue "Evolving Business Strategy," in accordance with the "Revised GC2018 Management Policy."

<Basic policies for the revised mid-term management plan>
"Further Reinforcement of Our Financial Foundation"

- Continue to reinforce our financial foundation as our top priority and achieve a net D/E ratio of 0.8 times by March 31, 2021 at the latest
- Enhance Cash Flow Management
  - Maximize adjusted operating cash flow
  - Accelerate asset recycling, execute strategic exit of non-core businesses
  - Generate after dividend free cash flow of 400-500 billion yen (over three years) and repay debt
  - Deploy new investment capital in strict strategic terms in the amount of around 400-500 billion yen over three years

"Evolving Business Strategy"

- Strategically select businesses, pursue competitive advantages in each business area and maximize the value of each business
- Group company management
  - Appoint the best management talent to maximize the value of our business
  - Promote clarity about our role as subsidiary company owners
- Continue to execute and strengthen our business model-based portfolio management (including new investment allocation for each business model)

<Revision of quantitative targets>

Key performance indicators	GC2018	Revised GC2018
Profit attributable to owners of the parent	2018 (FYE 3/2019) 250.0 billion yen (Non-natural resources 230.0 billion yen or more)	2018 (FYE 3/2019) 200.0 billion yen (Non-natural resources 180.0 billion yen or more)
Free cash flow (after dividends)	Cumulative total for 2016-2018 (FYE 3/2017-FYE 3/2019) Positive free cash flow (Net D/E ratio of approximately 1.3 times as of March 31, 2019)	Cumulative total for 2016-2018 (FYE 3/2017-FYE 3/2019) Free cash flow (after dividends) of 400.0-500.0 billion yen (Net D/E ratio of approximately 1.0 times as of March 31, 2019)
ROE	10% or more	10% or more
New investments	2016-2018 (FYE 3/2017-FYE 3/2019) 1 trillion yen (Breakdown) Distribution Businesses 30% Finance Businesses 20% Stable Earnings-Type Businesses 40% Natural Resource Investments 10%	2016-2018 (FYE 3/2017-FYE 3/2019) 400.0-500.0 billion yen Strictly evaluate new investments in strong strategic terms mainly in non-natural resources
Consolidated dividend payout ratio	25% or more of profit attributable to owners of the parent	25% or more of profit attributable to owners of the parent

(3) Forecast for the year ending March 31, 2019 and results for the year ended March 31, 2018

The forecast for the year ending March 31, 2019 and results for the year ended March 31, 2018 are as follows.

Performance indicator	Forecast for the year ending March 31, 2019	Results for the year ended March 31, 2018
Profit attributable to owners of the parent	230.0 billion yen	211.3 billion yen
Net D/E ratio	Approximately 0.9 times as of March 31, 2019	1.04 times as of March 31, 2018

The Group plans to invest 400-500 billion yen during the three years of the "Global Challenge 2018" in the following four business models: Distribution Businesses, Finance Businesses, Stable Earnings-Type Businesses (Infrastructure, etc.), and Natural Resource Investments. During the year ended March 31, 2017, the Corporation made new investments totaling some 110.0 billion yen. Main investments were the natural gas-fired thermal power generation business in the United States, the electricity, water, and steam supply business in the Middle East, and the FPSO (floating production, storage and offloading) chartering business in Brazil, and the gas distribution business in Portugal. During the year ended March 31, 2018, the Corporation made new investments totaling some 110.0 billion yen. Main investments were the beef production and sales business in the United States, the apparel planning, manufacturing, and sales business in Turkey, and the biomass power generation business in Japan.

Fund procurement

The Group procures funds mainly through the Corporation or a domestic financial subsidiary Marubeni Financial Service Corporation. The Corporation issued a yen-denominated unsecured bond in the total amount of 30 billion yen, in addition to procuring funds through short-term and long-term borrowings from financial institutions. Marubeni Financial Service and the Corporation's overseas corporate subsidiaries, financial subsidiaries and other consolidated subsidiaries raised funds through borrowings from financial institutions.
Net interest-bearing debt decreased by 184.1 billion yen from the end of the previous business year to 1,915.8 billion yen.

Major lenders

(Millions of yen)

Lender name	Balance of borrowings at end of 94th business year
Meiji Yasuda Life Insurance Company	161,412
Mizuho Bank, Ltd.	156,662
Development Bank of Japan Inc.	123,000
Nippon Life Insurance Company	117,100
Sumitomo Mitsui Banking Corporation	113,388
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	102,783
The Dai-ichi Life Insurance Company, Limited	100,624
Japan Bank for International Cooperation	73,442
SUMITOMO LIFE INSURANCE COMPANY	52,900
Sumitomo Mitsui Trust Bank, Limited	51,779

Notes: 1. The balances of borrowings are the total balances of borrowings of Marubeni and Marubeni Financial Service
2. The amounts below 1 million yen are rounded off.

Status of capital investment, etc.

The Corporation made no major capital investment in the business year under review.

Status of major subsidiaries and consolidation of major businesses

Status of major subsidiaries and affiliates

Subsidiaries	Paid-in capital	Holding ratio	Main businesses
(Domestic)	Millions of yen	%	
MX Mobiling Co., Ltd.	1,000	100.00	Sale of mobile phones and related products
Yamaboshiya Co., Ltd.	2,200	75.62	Wholesale of confectionery products
Marubeni Energy Corporation	2,350	66.60	Sale of petroleum and petrochemical products, management and leasing of terminals and service stations
Marubeni Nisshin Feed Co., Ltd.	5,500	60.00	Manufacture and sale of feed
(Overseas)	Thousands of	%	
Axia Power Holdings B.V.	US$ 27	100.00	Overseas power assets holding company
Gavilon Agriculture Investment, Inc.	US$ 0	100.00	Controlling company of the Gavilon Group (collection of goods and sale of grain, fertilizer, etc.)
Helena Agri-Enterprises, LLC	US$ 0	100.00	Sales of agricultural materials and provision of various services
Marubeni Coal Pty. Ltd.	AU$ 329,110	100.00	Investment in coal business in Australia
Marubeni LP Holding B.V.	US$ 80,581	100.00	Investment in copper business in Chile
Marubeni Oil & Gas (USA) LLC	US$ 0	100.00	Exploration, development, production and sale of crude oil and natural gas

Notes: 1. As for paid-in capital, the amounts in yen below 1 million yen are rounded off, and fractions below the shown amounts in foreign currency are rounded off.
2. The holding ratio includes the ratio of interests held through the Corporation's consolidated subsidiaries and equity-method affiliates.
3. Helena Chemical Company, which has been the Corporations' subsidiary, changed its trade name to Helena Agri-Enterprises, LLC on March 31, 2018.
4. For Gavilon Agriculture Investment, Inc., the amount of paid-in capital (face value) is presented effective from the 94th business year.
5. Helena Agri-Enterprises, LLC and Marubeni Oil & Gas (USA) LLC changed their company format from joint-stock corporation to LLC. The amount corresponding to the amount of paid-in capital (face value) for the previous format is presented.

Affiliated companies	Paid-in capital	Holding ratio	Main businesses
(Domestic)	Millions of yen	%	
Marubeni-Itochu Steel Inc.	30,000	50.00	Import/export, sale and processing of steel products
TOBU STORE CO., LTD.	9,022	33.51	Retail
Aeon Market Investment Inc.	100	28.18	Investment purpose company for United Super Markets Holdings Inc.
Katakura & Co-op Agri Corporation	4,214	20.21	Manufacture and sale of fertilizer and sale of feed and goods
(Overseas)	Thousands of	%	
TeaM Energy Corporation	US$ 12,162	50.00	Power generation business in the Philippines
TrustEnergy B.V.	EUR 50	50.00	Investment purpose company for power generation business in Portugal

Notes: 1. As for paid-in capital, the amounts in yen below 1 million yen are rounded off, and fractions below the shown amounts in foreign currency are rounded off.
2. The holding ratio includes the ratio of interests held through the Corporation's consolidated subsidiaries and equity-method affiliates.

Status of business consolidation

	91st Business Year	92nd Business Year	93rd Business Year	94th Business Year
Consolidated subsidiaries	303	299	285	276
Equity-method affiliated companies	149	149	153	154

Note: The number of consolidated subsidiaries and equity-method affiliated companies has been representing companies which the Corporation directly consolidates or to which the Corporation applies the equity method. Affiliates consolidated by consolidated subsidiaries are excluded from this number.

Major business bases of the Group

Domestic

The Corporation's Head Office	7-1, Nihonbashi 2-chome, Chuo-ku, Tokyo
The Corporation's branches and offices	11 branches and offices including Hokkaido, Tohoku, Nagoya, Osaka, Chugoku and Kyushu branches

Overseas

The Corporation's branches and offices	57 branches and offices including Johannesburg, Istanbul, Singapore, Kuala Lumpur, Bangkok and Manila branches
Overseas corporate subsidiaries	29 overseas corporate subsidiaries including Marubeni America Corporation, Marubeni Europe plc, Marubeni ASEAN Pte. Ltd. and Marubeni (China) Co., Ltd., and 33 branches and offices of these subsidiaries

Note: The status of major companies of the Group is as described in "Status of major subsidiaries and consolidation of major businesses" on page 32 of this booklet.

Employees of the Group

Number of employees of the Group

Operating Segments	Number of employees	
Food & Consumer Products	19,561	[4,519]
Chemical & Forest Products	9,108	[1,531]
Energy & Metals	1,477	[932]
Power Business & Plant	2,119	[367]
Transportation & Industrial Machinery	6,728	[175]
Other (Corporate Staff Group, administration, etc.)	2,360	[248]
Total	41,353	[7,772]

Notes: 1. The numbers of employees of certain consolidated subsidiaries were as of dates that differ from the consolidated balance sheet date.
2. Secondees are included in the number of employees of the segment to which the organizations they are seconded belong.
3. The average annual number of temporary employees is described in the parenthesis without including it in the number of employees.

Employees of the Corporation

Operating Segments	Number of employees
Food & Consumer Products	1,111
Chemical & Forest Products	536
Energy & Metals	509
Power Business & Plant	670
Transportation & Industrial Machinery	455
Other (Corporate Staff Group, administration, etc.)	1,155
Total	4,436

Note: The number of employees including local employees of overseas branches, offices and corporate subsidiaries (443 persons) and secondees from other companies (106 persons) and excluding secondees to other companies (1,370 persons) was 3,615.

Other important matters concerning the Group's current status

(1) Important lawsuits

Please be advised of the following summary of the current state of the two lawsuits ("Two Current Cases") involving the Corporation brought before the Indonesian courts by "Sugar Group", an Indonesian corporate group.

After the Supreme Court of Indonesia ("Supreme Court") ruled in favor of the Corporation in a lawsuit on March 17, 2011 (hereinafter referred to as the "Previous Case"), lawsuits were filed against the Corporation in South Jakarta and Gunung Sugih (hereinafter collectively referred to as the "Two Current Cases"), in which substantially the same claims were made as in the Previous Case, including a claim for compensation for damages. As the lower courts partially ruled in favor of the plaintiffs, the Corporation appealed to the Supreme Court. The Supreme Court' handed down its rulings on the South Jakarta case and the Gunung Sugih case on May 17, 2017 and September 14, 2017, respectively.

South Jakarta Case

To find four defendants, including the Corporation and Marubeni Europe PLC, jointly liable for damages in a total amount of US$250 million to five Sugar Group companies (PT. Indolampung Perkasa, PT. Sweet Indolampung, PT. Gula Putih Mataram, PT. Indolampung Distillery and PT. Garuda Pancaarta).

Gunung Sugih Case

To find five defendants, including the Corporation, jointly liable for damages in a total amount of US$250 million to the plaintiffs, i.e., four Sugar Group companies (PT. Indolampung Perkasa, PT. Sweet Indolampung, PT. Gula Putih Mataram and PT. Indolampung Distillery).

We note that the Two Current Cases consist of substantially the same claims as previously decided before the Supreme Court of Indonesia. Therefore, the Supreme Court of Indonesia's rulings on the Two Current Cases contradict its own ruling on the Previous Case that rejected all of the Sugar Group companies' claims. Thus, pursuant to Indonesian Supreme Court legislation, the Corporation filed applications for Judicial Review with the Indonesian Supreme Court concerning the South Jakarta case and the Gunung Sugih case on October 24, 2017 and February 6, 2018, respectively.

(2) On-site inspection by the Japan Fair Trade Commission

In December 2017, concerning participants in a bid for personal protective tools to be ordered by the Tokyo Metropolitan Government, the Japan Fair Trade Commission (JFTC) announced that the Corporation committed an act in violation of the Antimonopoly Act. In January 2018, Marubeni Mates Ltd., a subsidiary of the Corporation, received a cease and desist order and an administrative surcharge payment order (7,420,000 yen) from the JFTC for an act in violation of the Antimonopoly Act concerning transactions related to uniforms for East Japan Railway Company and West Japan Railway Company. In February 2018, concerning participants in a bid for workwear to be ordered by Nippon Telegraph and Telephone East Corporation, the JFTC announced that Marubeni Mates committed an act in violation of the Antimonopoly Act. We apologize for the great concern and inconvenience caused to our shareholders.

The Group has been striving to ensure compliance with laws and regulations. Having received a series of on-site inspections by the JFTC concerning the above, the Group conducted an internal investigation in cooperation with an external law firm and is implementing initiatives to further strengthen compliance and to prevent recurrence, including review of internal rules and reeducation of employees about compliance, including the Antimonopoly Act.

II. Matters Concerning the Corporation's Shares

Total number of issuable shares 4,300,000,000

Total number of shares issued 1,737,940,900

Total number of shareholders 174,746

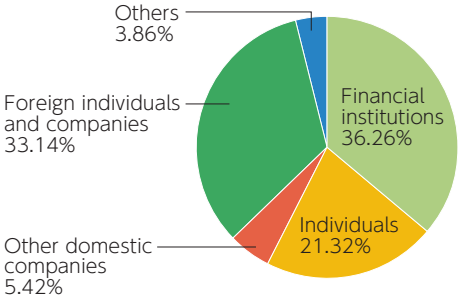
Major shareholders

Name of shareholder	Stake in the Corporation	
	Number of shares held	Shareholding Ratio
	thousands of shares	%
The Master Trust Bank of Japan, Ltd. (Trust account)	88,763	5.11
Japan Trustee Services Bank, Ltd. (Trust account)	76,370	4.40
Meiji Yasuda Life Insurance Company	41,818	2.41
Sompo Japan Nipponkoa Insurance Inc.	40,000	2.30
Japan Trustee Service Bank, Ltd. (Trust account 9)	35,426	2.04
State Street Bank West Client - Treaty 505234	31,657	1.82
Japan Trustee Service Bank, Ltd. (Trust account 5)	30,930	1.78
Mizuho Bank, Ltd.	30,000	1.73
Tokio Marine & Nichido Fire Insurance Co., Ltd.	24,930	1.44
The Dai-ichi Life Insurance Company, Limited	24,859	1.43

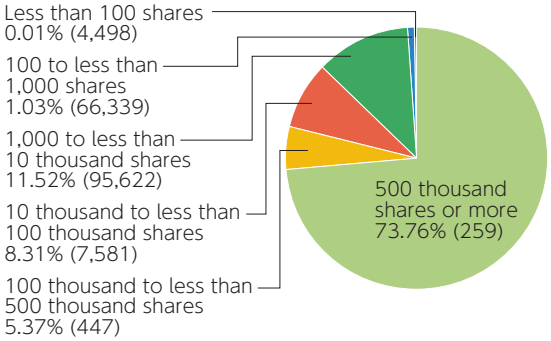
Notes: 1. The number of shares held of less than 1,000 shares was discarded.
2. As for the shareholding ratio, all numbers after the second decimal place were discarded.

Distribution of shareholders

Distribution of shares by type of shareholder



Distribution of shareholders by number of shares held



Note: The sum of each ratio may not be 100% because each ratio has been rounded off.

III. Matters Concerning the Corporation's Officers

Name and other information of Directors and Audit & Supervisory Board Members

(As of March 31, 2018)

Status	Name	Area(s) of responsibility and Status of important concurrent occupations or positions at other organizations
Chairman of the Board	Teruo Asada	
* President and CEO, Member of the Board	Fumiya Kokubu	
* Member of the Board	Mitsuru Akiyoshi	Chief Executive Officer, Food & Consumer Products Group; Director, United Super Markets Holdings Inc.
* Member of the Board	Shigeru Yamazoe	Chief Strategy Officer; Senior Operating Officer, Executive Secretariat; Regional CEO for East Asia; Vice Chairman of Investment and Credit Committee
* Member of the Board	Hikaru Minami	Chief Administrative Officer; CIO; Senior Operating Officer, Audit Dept.; Senior Operating Officer, New Office Building Project Dept.; Chairman of Compliance Committee; Chairman of Internal Control Committee; Chairman of IT Strategy Committee; Vice Chairman of Investment and Credit Committee
* Member of the Board	Nobuhiro Yabe	Chief Financial Officer; Chief Operating Officer, Investor Relations & Credit Ratings; Chairman of Investment and Credit Committee; Chairman of CSR & Environment Committee; Chairman of Disclosure Committee
Member of the Board	Takao Kitabata	Chairman of the Board, SANDA GAKUEN Junior High School & High School; Director, Kobe Steel, Ltd.; Director, SEIREN Co., Ltd.; Director, Zeon Corporation
Member of the Board	Kyohei Takahashi	Advisor, Showa Denko K.K.; Audit & Supervisory Board Member, Fukoku Mutual Life Insurance Company
Member of the Board	Susumu Fukuda	Representative Director and Chairman, Japan Real Estate Institute; Audit & Supervisory Board Member, Tokio Marine & Nichido Fire Insurance Co., Ltd.
◇ Member of the Board	Yuri Okina	Vice Chairman, The Japan Research Institute, Limited; Director, Bridgestone Corporation
Full-time Audit & Supervisory Board Member	Kaoru Kuzume	
◇ Full-time Audit & Supervisory Board Member	Kazuro Gunji	
Audit & Supervisory Board Member	Shuichi Yoshikai	Attorney at law; Audit & Supervisory Board Member, The Shoko Chukin Bank, Ltd.
◇ Audit & Supervisory Board Member	Takashi Hatchoji	Director, Nitto Denko Corporation; Director, KONIKA MINOLTA, INC.
◇ Audit & Supervisory Board Member	Tsuyoshi Yoneda	Director, Japan Exchange Group, Inc.

Notes: 1. Persons marked with * are Representative Directors.
2. Persons marked with ◇ were newly elected at the 93rd Ordinary General Meeting of Shareholders held on June 23, 2017, and assumed office.
3. Mr. Takao Kitabata, Mr. Kyohei Takahashi, Mr. Susumu Fukuda, and Ms. Yuri Okina are Outside Directors.
4. Mr. Shuichi Yoshikai, Mr. Takashi Hatchoji, and Mr. Tsuyoshi Yoneda are Outside Audit & Supervisory Board Members.
5. Mr. Takao Kitabata, Mr. Kyohei Takahashi, Mr. Susumu Fukuda, Ms. Yuri Okina, Mr. Shuichi Yoshikai, Mr. Takashi Hatchoji, and Mr. Tsuyoshi Yoneda meet the requirements for Independent Directors/Auditors set forth by domestic financial instruments exchanges and in the "Standards and Policies for the Independence of Outside Directors/Audit & Supervisory Board Members of the Corporation" on page 5 of the booklet; hence, the Corporation has appointed them as Independent Directors/Auditor and notified their appointment to the domestic stock exchanges on which the Corporation is listed.
6. (i) Audit & Supervisory Board Member Kaoru Kuzume has been engaged in screening a wide variety of projects and transactions of the Group from the perspectives of finance and accounting by successively holding various posts in the Corporation, including Executive Officer, General Manager of Human Resources Dept., and Executive Officer, General Manager of Audit Dept., in addition to a broad range of practical business experience. Hence, he has considerable knowledge about finance and accounting.
(ii) Audit & Supervisory Board Member Mr. Kazuro Gunji served as CFO of Marubeni Europe plc and Managing Executive Officer, General Manager of Corporate Accounting Dept. of the Corporation. Hence, he has considerable knowledge about finance and accounting.
7. Ms. Yukiko Kuroda retired from office of Director at the close of the 93rd Ordinary General Meeting of Shareholders held on June 23, 2017. Mr. Masahiro Enoki, Mr. Takashi Suetsuna, and Mr. Yoshizumi Nezu retired from office of Audit & Supervisory Board Member at the close of the 93rd Ordinary General Meeting of Shareholders held on June 23, 2017.
8. Mr. Mitsuru Akiyoshi and Mr. Shigeru Yamazoe resigned from office of Representative Director on April 1, 2018.
9. "Food & Consumer Products Group" collectively refers to Grain Div., Food Products Div., Lifestyle Div., ICT, Logistics & Healthcare Div., and Insurance, Finance & Real Estate Business Div.
10. The "Chief Strategy Officer (CSO)" is the Chief Operating Officer of Human Resources Dept., Corporate Planning & Strategy Dept., Regional Coordination & Administration Dept., Research Institute, and IoT•Big Data Strategy Dept. The "Chief Financial Officer (CFO)" is the Chief Operating Officer of Corporate Communication, Dept., Corporate Accounting Dept., Business Accounting Dept. and Finance Dept. The "Chief Administrative Officer (CAO)" is the Chief Operating Officer of General Affairs Dept., Information Strategy Dept., Risk Management Dept., Legal Dept. and Compliance Control Dept.

11. The changes in Board Members' and Audit & Supervisory Board Members' Status of Important Concurrent Occupations or Positions at Other Organizations during the business year under review are as follows.

Status	Name	Detail of change	Date of change
Member of the Board	Susumu Fukuda	The position changed from Representative Director and Chief Director, Japan Real Estate Institute to Representative Director and Chairman, Japan Real Estate Institute	November 29, 2017
Audit & Supervisory Board Member	Shuichi Yoshikai	Assumed office of Audit & Supervisory Board Member, The Shoko Chukin Bank, Ltd.	June 22, 2017

12. The names, status and area(s) of responsibility of Executive Officers as of April 1, 2018 are as follows.

Executive Officers

(As of April 1, 2018)

Status	Name	Area(s) of responsibility
* President and CEO	Fumiya Kokubu	
Senior Executive Vice President	Yukihiko Matsumura	Chief Administrative Officer; CIO; Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Chairman of Compliance Committee; Chairman of Internal Control Committee; Chairman of IT Strategy Committee
Senior Executive Vice President	Masumi Kakinoki	Chief Executive Officer, Power Business & Plant Group
Senior Managing Executive Officer	Kaoru Iwasa	Regional CEO for ASEAN & Southwest Asia; Regional COO for ASEAN; Managing Director, Marubeni ASEAN Pte. Ltd.
Senior Managing Executive Officer	Ichiro Takahara	Chief Executive Officer, Energy & Metals Group
Senior Managing Executive Officer	Akira Terakawa	Chief Executive Officer, Food Group, Regional CEO for East Asia; Vice Chairman of Investment and Credit Committee
* Managing Executive Officer	Hikaru Minami	Chief Executive Officer, Consumer Products Group
Managing Executive Officer	Mutsumi Ishizuki	Regional CEO for Europe & CIS; Regional COO for Europe; Managing Director and CEO, Marubeni Europe plc
Managing Executive Officer	Takeo Kobayashi	Chief Executive Officer, Chemical & Forest Products Group
Managing Executive Officer	Hajime Kawamura	Regional CEO for the Americas; Regional COO for North & Central America; President and CEO, Marubeni America Corporation
* Managing Executive Officer	Nobuhiro Yabe	Chief Financial Officer; Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Investment and Credit Committee; Chairman of Sustainability Management Committee; Chairman of Disclosure Committee
Managing Executive Officer	Hirohisa Miyata	Chief Digital Innovation Officer; Chief Strategy Officer; Vice Chairman of Investment and Credit Committee
Managing Executive Officer	Koji Yamazaki	Chief Operating Officer, Food Products Div.
Managing Executive Officer	Michael McCarty	Chief Operating Officer, Agri-Input Business Div.; President and CEO, Helena Agri-Enterprises LLC
Managing Executive Officer	Toshiaki Ujiie	Chief Executive Officer, Transportation & Industrial Machinery Group
Managing Executive Officer	Akihiko Sagara	Chief Operating Officer, Energy Div.

Note: Persons marked with * are Representative Directors.

Executive Officers

(As of April 1, 2018)

Status	Name	Area(s) of responsibility
Executive Officer	Shinichi Kobayashi	Chief Operating Officer, Metals & Mineral Resources Div.
Executive Officer	Koji Kabumoto	Chief Operating Officer, ICT, Logistics & Healthcare Div.
Executive Officer	Eiji Okada	Chief Operating Officer, Plant Div.
Executive Officer	Soji Sakai	Senior Operating Officer for ASEAN & Southwest Asia; President, Marubeni Thailand Co., Ltd.; General Manager, Bangkok Branch
Executive Officer	Hisamichi Koga	General Manager, Chubu Branch
Executive Officer	Yutaka Shimazaki	General Manager, Executive Secretariat; General Manager, Corporate Communications Dept.
Executive Officer	Minoru Tomita	General Manager, Osaka Branch
Executive Officer	Jun Horie	Chief Operating Officer, Chemical Products Div.
Executive Officer	Kenichiro Oikawa	Chief Operating Officer, Insurance, Finance & Real Estate Business Div.
Executive Officer	Hidekazu Futai	Senior Operating Officer, Agri-Input Business Div.
Executive Officer	Hidenobu Kumada	Chief Operating Officer, Grain Div.
Executive Officer	Jun Hirasawa	Regional CEO for China; President, Marubeni (China) Co., Ltd.
Executive Officer	Makoto Sato	Regional CEO for Middle East
Executive Officer	Yuichi Ohira	Chief Operating Officer, Lifestyle Div.
Executive Officer	Takayuki Furuya	General Manager, Corporate Planning & Strategy Dept.; General Manager, Digital Innovation Dept.
Executive Officer	Yoshiaki Yokota	Chief Operating Officer, Power Business Div.
Executive Officer	Jiro Itai	Chief Operating Officer, Construction & Industrial Machinery Div.
Executive Officer	Kosuke Takechi	Chief Operating Officer, Aerospace & Ship Div.

Note: "Food Group" collectively refers to Grain Div. and Food Products Div. "Consumer Products Group" collectively refers to Lifestyle Div., ICT, Logistics & Healthcare Div., and Insurance, Finance & Real Estate Business Div. "Chemical & Forest Products Group" collectively refers to Agri-Input Business Div., Chemical Products Div., and Forest Products Div. "Energy & Metals Group" collectively refers to Energy Div., Steel Products Div. and Metals & Mineral Resources Div. "Power Business & Plant Group" collectively refers to Power Business Div. and Plant Div. "Transportation & Industrial Machinery Group" collectively refers to Aerospace & Ship Div., Automotive & Leasing Div. and Construction & Industrial Machinery Div.
The "Chief Digital Innovation Officer (CDIO)" is the Chief Operating Officer of the Digital Innovation Dept. The "Chief Strategy Officer (CSO)" is the Chief Operating Officer of Corporate Planning & Strategy Dept., Regional Coordination & Administration Dept., and Research Institute. The "Chief Financial Officer (CFO)" is the Chief Operating Officer of Corporate Communications Dept., Corporate Accounting Dept., Business Accounting Dept. and Finance Dept. The "Chief Administrative Officer (CAO)" is the Chief Operating Officer of Human Resources Dept., General Affairs Dept., Information Strategy Dept., Risk Management Dept., Legal Dept. and Compliance Control Dept.

Remuneration and other payments for Directors and Audit & Supervisory Board Members

(1) Policy to determine the remuneration paid to Directors and Audit & Supervisory Board Members

The maximum total remuneration shall be determined for all the Directors and all the Audit & Supervisory Board Members, respectively, by resolution at a General Meeting of Shareholders. As for the remuneration for Directors, the Governance and Remuneration Committee with the majority of its members consisting of independent Outside Directors/Audit & Supervisory Board Members deliberates on the policies for compensation decisions and the appropriateness of the compensation levels, and provides reports to the Board of Directors. The remuneration amount is determined by resolution of the Board of Directors. The remuneration amount for Audit & Supervisory Board Members is determined through discussions among the Audit & Supervisory Board Members.

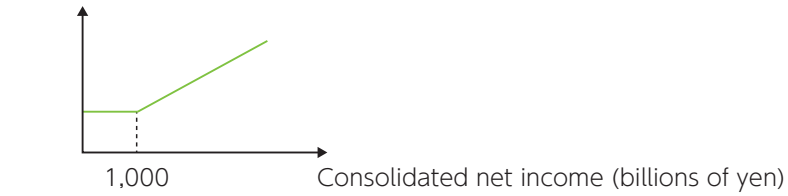
1) Remuneration and other payments for Directors

<Directors (Internal)>

Remuneration for Directors other than Outside Directors consists of basic compensation, which is a fixed amount corresponding to each Director's position, and variable compensation, which is linked to business performance in the previous business year. The amount of basic compensation is determined by reflecting quantitative and qualitative evaluation of each Director. The performance-based compensation is calculated based on the following method.

- If the consolidated net income (profit attributable to owners of the parent) for the previous business year is below 100 billion yen: 0
- If the consolidated net income for the previous business year is 100 billion yen or more:
  An amount of the base amount multiplied by a factor that proportionally increases corresponding to the consolidated net income

<Reference: Correlation between consolidated net income and remuneration>



A 20% of the aggregation of basic compensation and performance-based compensation for Directors other than Outside Directors is granted as stock-compensation-type stock options, instead of cash, in order to share the benefits and risks of stock price fluctuations with shareholders and heighten the motivation to improve the Company's stock price and corporate value.

<Outside Directors>

Remuneration for Outside Directors, all of whom are completely independent from business execution, consists entirely of fixed basic compensation and no performance-linked compensation is paid.

<Audit & Supervisory Board Members >

Remuneration for Audit & Supervisory Board Members, all of whom are completely independent from business execution, consists entirely of fixed basic compensation and no performance-linked compensation is paid.

(2) Remuneration and other payments paid to Directors and Audit & Supervisory Board Members in the business year under review

Title	Number of recipients	Amount of payment
Director	11	561 million yen
Audit & Supervisory Board Member	8	112 million yen
Total	19 (including 10 Outside Directors and Audit & Supervisory Board Members)	672 million yen (including 84 million yen paid to Outside Directors and Audit & Supervisory Board Members)

Notes: 1. The amounts below 1 million yen are rounded off.
2. By resolution of the 92nd Ordinary General Meeting of Shareholders held on June 24, 2016, the maximum annual amount of remuneration for Directors was set at 1,100 million yen (including 60 million yen for Outside Directors) of which the maximum annual amount of compensation concerning stock acquisition rights as stock options for Directors (excluding Outside Directors) is 220 million yen. By resolution of the 88th Ordinary General Meeting of Shareholders held on June 22, 2012, the maximum monthly remuneration for Audit & Supervisory Board Members was set at 12 million yen.
3. The above-stated amounts of remuneration and other payments include compensation concerning stock acquisition rights granted as stock options to 6 Directors (excluding Outside Directors) during the business year under review and charged to expenses during the business year under review amounting to 98 million yen.
4. The agenda to abolish the retirement remuneration plan at the close of the 83rd Ordinary General Meeting of Shareholders held on June 22, 2007, and make a final payment of retirement remuneration was duly resolved. In accordance with the resolution, the Corporation decided to pay retirement remuneration to each Director who is eligible to receive the final payment either at the time of retirement as Director or at the time of retirement as Executive Officer, whichever is later, and to each Audit & Supervisory Board Member who is eligible to receive the final payment at the time of retirement as Audit & Supervisory Board Member. In the business year under review, retirement remuneration was not paid to Directors/Audit & Supervisory Board Members who are eligible to receive a final payment in relation to the abolition of the Retirement Remuneration plan.

Matters concerning Outside Directors and Outside Audit & Supervisory Board Members

(1) Important concurrent occupations or positions at other organizations and relationships between these organizations and the Corporation

Title	Name	Status of important concurrent occupations or positions at other organizations	Relationships between organizations at which concurrent occupations or positions are held and the Corporation
Outside Director	Takao Kitabata	Chairman of the Board, SANDA GAKUEN Junior High School & High School; Director, Kobe Steel, Ltd.; Director, SEIREN Co., Ltd.; Director, Zeon Corporation	There is no special relationship.
Outside Director	Kyohei Takahashi	Advisor, Showa Denko K.K.; Audit & Supervisory Board Member, Fukoku Mutual Life Insurance Company	There is no special relationship.
Outside Director	Susumu Fukuda	Representative Director and Chairman, Japan Real Estate Institute; Audit & Supervisory Board Member, Tokio Marine & Nichido Fire Insurance Co., Ltd.	There is no special relationship.
Outside Director	Yuri Okina	Vice Chairman, The Japan Research Institute, Limited; Director, Bridgestone Corporation	There is no special relationship.
Outside Audit & Supervisory Board Member	Shuichi Yoshikai	Attorney at law; Audit & Supervisory Board Member, The Shoko Chukin Bank, Ltd.	There is no special relationship.
Outside Audit & Supervisory Board Member	Takashi Hatchoji	Director, Nitto Denko Corporation; Director, KONIKA MINOLTA, INC.	There is no special relationship.
Outside Audit & Supervisory Board Member	Tsuyoshi Yoneda	Director, Japan Exchange Group, Inc.	There is no special relationship.

(2) Major activities

Title	Name	Major activities
Outside Director	Takao Kitabata	Participated in 17 meetings of the Board of Directors out of a total of 18 meetings held during the business year under review and made comments as needed based primarily on his wide experience in government services and his profound knowledge accumulated through such experience.
Outside Director	Kyohei Takahashi	Participated in all meetings of the Board of Directors held during the business year under review and made comments as needed based primarily on his wide experience from having been an executive of various corporate entities and his profound knowledge accumulated through such experience.
Outside Director	Susumu Fukuda	Participated in all meetings of the Board of Directors held during the business year under review and made comments as needed based primarily on his wide experience in government services and his profound knowledge accumulated through such experience.
Outside Director	Yuri Okina	Participated in all meetings of the Board of Directors held since her assumption of office on June 23, 2017 and made comments as needed based primarily on her wide experience at a research institute and her profound knowledge accumulated through such experience.
Outside Audit & Supervisory Board Member	Shuichi Yoshikai	Participated in 17 meetings of the Board of Directors out of a total of 18 meetings and all meetings of the Audit & Supervisory Board held during the business year under review and made comments as needed based primarily on his wide experience in legal services and his profound knowledge accumulated through such experience.
Outside Audit & Supervisory Board Member	Takashi Hatchoji	Participated in all meetings of the Board of Directors and all meetings of the Audit & Supervisory Board held since his assumption of office on June 23, 2017 and made comments as needed based primarily on his wide experience from having been an executive of various corporate entities and his profound knowledge accumulated through such experience.
Outside Audit & Supervisory Board Member	Tsuyoshi Yoneda	Participated in all meetings of the Board of Directors and all meetings of the Audit & Supervisory Board held since his assumption of office on June 23, 2017 and made comments as needed based primarily on his wide experience in government services and his profound knowledge accumulated through such experience.

(3) Summary of limitation of liability agreement

In order to enable each of the Outside Directors/Audit & Supervisory Board Members to fully perform his or her duty as Outside Director or Outside Audit & Supervisory Board Member, the Corporation has entered into an agreement with each of them in which the liability for damages provided for in Article 423, Paragraph 1 of the Companies Act is limited to the sum of the amounts specified in each item of Article 425, Paragraph 1 of the Companies Act, if he or she has acted in good faith and without gross negligence in performing his or her duties.

IV. The Corporation's Systems and Policies

Systems necessary to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation Other systems necessary to ensure the properness of operations

The Corporation shall develop the basic policies on the systems necessary to ensure the properness of operations of the Corporation and operations of the corporate group, consisting of the Corporation and the Group companies (which refer to consolidated subsidiaries of the Corporation and companies which the Corporation regards as being substantially equivalent to its subsidiaries) (the "Marubeni Group") as described below (the "basic internal control policy"), in accordance with the Companies Act and the Enforcement Regulations of the Companies Act, in order to raise corporate value and build a stable and sustainable group corporate structure through corporate activities conforming to the Company Creed and the Management Philosophy*. The Corporation shall make its systems more appropriate and efficient by constantly reviewing the basic internal control policy in response to changes in society.

(i) System necessary to ensure that the execution of duties by Directors and employees complies with laws and regulations and the Articles of Incorporation

(1) Corporate governance

(i) Directors and Board of Directors

- Board of Directors' supervision of Directors
- In principle, Appointment of Chairman without representative rights and the authority for execution of operations as chairman of the Board of Directors
- Board of Directors' decision on responsibilities of areas of Directors
- Directors' reports to the Board of Directors on execution of duties (more than once in 3 months)
- Terms of office of Directors: 1 year
- Election of Outside Directors
- Efficient execution under the Executive Officer system, participation in the overall management of the Corporation by Group CEOs, and supervision of the overall operations of the Group for which each Group CEOs is in charge

(ii) Audit & Supervisory Board Members and Audit & Supervisory Board

- Audits of the appropriateness of Directors' execution of duties by Audit & Supervisory Board Members and the Audit & Supervisory Board

(2) Compliance

(i) Compliance System

- Formulation of the norm of conduct commonly applicable to the Group including Company Doctrine and Compliance Manual
- Various measures implemented by varied committees such as the Compliance Committee

(ii) Internal whistle-blowing system

- Establishment of the "Door of Courage", "Marubeni Anti-Corruption Hotline"

(iii) Cutting off relations with antisocial forces

- Cutting off all relations with antisocial activities and forces

(3) Internal audits

- Internal audits by Audit Dept. under the direct control of President, company-wide self-inspection, and Reports to the Board of Directors regarding internal audits by Audit Dept.

(4) Disciplinary action

- Severe punishment after conferring with the Governance and Remuneration Consultative Committee and the Award and Disciplinary Committee

(ii) Systems to preserve and manage information related to the execution of duties by Directors

(1) Preservation and management of information and prevention of information leakage

- Formulation of "Regulation for Management of Information Assets" of the Corporation; and the designation of documents and other material to be kept, the retention period and administrators of documents and other material.

(2) Perusal of information

- Officers and Audit & Supervisory Board Members permitted to peruse information assets kept at any time

(iii) Internal regulations for the risk management of losses and other related systems

(1) Principle of authority

- Clear definition of the authority of officers and employees

(2) System for internal approval procedure

- Deliberation on individual projects at the Investment and Credit Committee in accordance with "Regulation of Authority and Duties" and "Regulation for Internal Approval Procedure" of the Corporation; referring the projects to the Corporate Management Committee for discussion; and approval by President. Further approval by the Board of Directors according to the degree of importance and other matters of the projects. Follow-up of important projects; and reporting the projects regularly to the Corporate Management Committee

(3) Risk assessment

- Comprehensive risk management of measurable risks
- Management of qualitative risks through enhancement of the compliance system and other means.

(4) Crisis management

- Formulation of business continuity plans to cope with material events such as natural disasters; and prompt drawing up and implementation of specific measures for minimizing damages and losses

(iv) Systems necessary to ensure the efficient execution of duties by Directors

(1) Management policy, strategy and plan

- Establishment of targets common to all officers and employees of the Marubeni Group

(2) Corporate Management Committee

- Establishment of the Corporate Management Committee to deliberate the supreme plan for management and company-wide important matters

(3) Business and Corporate Staff Groups

- Introduction of the business group system and transfer of the authority to Group CEOs
- Corporate Staff Group's management, check and support of the business group in each specialty field

(4) Clarification of authorities and duties

- Establishment by the Board of Directors and in various internal regulations of officers' responsibilities of areas, each officer's and each employee's division of rules, authorities and responsibilities, and the decision-making rules

*Company Creed : Fairness (To be fair and bright)
Innovation (To be active and innovative)
Harmony (To respect each other and cooperative)

Management Philosophy : In accordance with the spirit grounded in "Fairness, Innovation and Harmony," the Marubeni Group is proudly committed to contribute to social and economic development and to safeguard global environment by conducting fair and upright corporate activities.

(v) Systems necessary to ensure the appropriateness of operations by the group

(1) The Marubeni Group's operating system

- Assignment of the person in charge of grasping the situation of, directing and supervising each Group company's management
- Establishment of the guidelines for Group companies' management systems
- Proper Reporting to the Corporation on matters regarding execution of duties by Directors etc., at each Group company
- Proper management of risk of loss at each Group company
- Ensuring of the efficient execution of duties by Directors etc., at each Group company
- Ensuring of legal compliance at each Group company

(2) Compliance

- Support and direction of Group companies' compliance activities by the Compliance Committee
- Opening the "Door of Courage", "Marubeni Anti-Corruption Hotline" to all Group employees

(3) Establishment of a system necessary to ensure the appropriateness of financial reporting and asset safeguarding

- Establishment of systems necessary to ensure the reliability of, and continued monitoring of financial reports including consolidated financial statements through the activities of the Internal Control Committee and other activities
- Establishment of a system to ensure the appropriate acquisition, retention and disposal of assets held by Group companies
- Establishment of the Disclosure Committee to disclose information in a timely and appropriate manner

(4) Audits

- Audit Dept.'s on-site audits of Marubeni Group companies
- Audits and accounting audits of each Marubeni Group company by Audit & Supervisory Board Members and the Accounting Auditor

(vi) Matters concerning employees assisting the duties of Audit & Supervisory Board Members, and matters concerning the independence of these employees from Directors

(1) Establishment of Audit & Supervisory Board Member's office

- Establishment of the Corporate Auditor's office and a full-time person to support the duties of Audit & Supervisory Board Members

(2) Personnel matters of Audit & Supervisory Board Member`s office

- Acquisition of prior consent of Audit & Supervisory Board Member on personnel matters (reassignment, appraisal, punishment,etc) of Audit & Supervisory Board Member's office

(vii) Systems for Directors and employees to report to Audit & Supervisory Board Members and other systems for reports to Audit & Supervisory Board Members

(1) Audit & Supervisory Board Member's attendance at important meetings

- Audit & Supervisory Board Members' attendance at meetings of Board of Directors, meetings of Corporate Management Committee, and other important meetings

(2) Reporting to Audit & Supervisory Board Members by officers and employees

- Holding of meetings between President and Audit & Supervisory Board Members on a regular basis
- Reporting to Audit & Supervisory Board Members on execution of duties by Directors, Chief Executive Officer of each Group, Chief Operating Officer of each Division and General Manager of each Department in Corporate Staff Group
- Reporting to Audit & Supervisory Board Members by officers in case of discovery of any fact that may cause significant damages to the Corporation
- Establishment of a system to provide material reports directly or indirectly to Audit & Supervisory Board Members of the Corporation from Directors, Audit & Supervisory Board Members and employees etc. of each Group company or persons who have received reports from such Directors, Audit & Supervisory Board Members or employees etc.
- Cooperation on reporting requested by Audit & Supervisory Board Members
- Establishment of a system to ensure that persons, who have provided such reports to Audit & Supervisory Board Members, are not treated unfairly at Marubeni or any Group company because of the report

(viii) Other systems necessary to ensure effective audits by Audit & Supervisory Board Members

(1) Coordination among Audit Dept., the Accounting Auditor and the Marubeni Group companies' Audit & Supervisory Board Members

- Prior receipt by Audit & Supervisory Board Members of the auditing plans of Audit Dept. and the Accounting Auditor, and exchange of opinions concerning audit policies and audit results reports at regular meetings
- Coordination between Audit & Supervisory Board Members and each Marubeni Group company's Audit & Supervisory Board Members

(2) Appointment of outside specialists

- Appointment by Audit & Supervisory Board Members of outside advisors such as lawyers

(3) Audit related expenses

- Budget setting to cover fees for outside specialists and other expenses for execution of duties by Audit & Supervisory Board Members upon request of Audit & Supervisory Board Members

Enacted on May 12, 2006
Amended on April 26, 2017

Summary of Operating Status of Internal Control Systems

1. Systems necessary to ensure that the execution of duties by Directors and employees complies with laws and regulations and the Articles of Incorporation

The Corporation's stance on compliance is "When you are faced with a choice between integrity and profit, choose integrity without hesitation." The Corporation reviews the Compliance Manual every year to keep up to date on regulatory changes and economic and social trends. During the business year under review, the Corporation revised the Compliance Manual and all the Corporation's employees and executives submitted written pledges to adhere to the code expressed in this compliance manual.

In particular, in order to ensure compliance with antitrust laws, the Corporation has implemented various initiatives to further strengthen systems, such as revision of internal rules and reeducation of employees about compliance including antitrust laws. Moreover, the Corporation has established guidelines for appropriate management of working hours and is continuing activities to raise awareness in the Corporation.

2. Systems to preserve and manage information related to the execution of duties by Directors

The Corporation is striving to enhance the information security level while improving operational efficiency concerning preparation of information assets, and handling and management of information assets, such as safekeeping, storage, and disposal. The Corporation has established rules for operation in order to prevent leakage of information assets and has implemented stringent management of confidential information, such as information on financial closing, including insider information, by such means as restriction of persons authorized to access confidential information on a cloud-based file sharing system.

3. Internal regulations for risk management of losses and other related systems

The officers and executives of the Corporation implemented risk management related to their duties and business operations in accordance with the areas of responsibility of their business, which is defined by the resolution of the Board of Directors, as well as by the "Regulation of Authority and Duties" and the" Regulation for Segregation of Duties."

During the business year under review, the Investment and Credit Committee met 24 times to examine new investment and financing projects with reference to analysis by the Corporate Staff Groups, in addition to the quantitative standards such as the PATRAC and IRR guidelines.

Regarding risks that can be quantified, the Corporation is reinforcing integrated risk management to identify Group-wide risks, in addition to management of each type of risks, such as credit risk, country risk, and market risk, concerning the entire Group's exposure.

4. Systems necessary to ensure the efficient execution of duties by Directors

The Corporation announced the revised mid-term management plan "Global Challenge 2018 (GC2018)" (FY2016 through FY2018) and worked to inculcate the revised plan through the holding of GC2018 Promotion Committee meetings on a continuous basis in order to achieve quantitative targets of the revised plan.

The Corporate Management Committee meetings were held 30 times during the business year under review to deliberate on important Group-wide matters. In addition, the Corporate Management Committee by each business group was held twice to establish specific targets of each business group and manage the progress status of such targets.

The area of responsibility of each Director, the selection of Executive Officers and their areas of responsibility are decided by resolution of the Board of Directors. Efficient decision-making and the execution of duties are done in accordance with the Regulation of Authority and Duties.

5. Systems necessary to ensure the appropriateness of operations by the Group

The Corporation strives to understand the actual management circumstances of the respective Group companies, and then instructs and supervises them in accordance with the "Regulation for Group Company".
During the business year under review, the Corporation implemented measures to inculcate the "Marubeni Group Governance Policy" established in the previous business year. The objective is to enhance the Group's corporate value and achieve sustainable growth by ensuring that Group companies share and comply with this policy.

6. Matters concerning employees assisting the duties of Audit & Supervisory Board Members, and matters concerning the independence of these employees from Directors

Personnel in the Audit & Supervisory Board Member's Office assist the Audit & Supervisory Board Members' execution of duties. Regarding determination of personnel matters of personnel in the Audit & Supervisory Board Member's Office, Audit & Supervisory Board Members are consulted in advance and their consent is obtained.

7. Systems for Directors and employees to report to Audit & Supervisory Board Members and other systems for reports to Audit & Supervisory Board Members

Meetings between the President and Audit & Supervisory Board Members were held on a regular basis to report the execution of duties and exchange opinions. Directors, Group CEOs, the Chief Operating Officer of each Division and the General Manager of each Department in Corporate Staff Group reported to the Audit & Supervisory Board Members on the execution of duties.

8. Other systems necessary to ensure effective audits by Audit & Supervisory Board Members

Meetings between Audit & Supervisory Board Members and the Accounting Auditor, as well as between Audit & Supervisory Board Members and the Audit Dept., were held monthly for the exchange of information and opinions concerning audit planning, results of audits, including those of subsidiaries, and the status of internal control over financial reporting.
Meetings between Audit & Supervisory Board Members and their counterparts of the Group companies were also held regularly to facilitate their collaboration and they exchanged information and opinions concerning the status of design and application of internal control at each company.

Policy concerning decision to distribute surplus by way of dividend and other matters

The Corporation intends to establish a robust financial foundation by expanding internal reserves to establish a strong financial foundation, and enhance its corporate value by strengthening existing businesses and promoting a new investment policy.
To further clarify its stance on redistributing profits to shareholders, the Corporation applies a basic policy to determine dividends. Such policy aims for a consolidated payout ratio of about 25% or more, based on the principle of linking dividends to the Corporation's business results for each term. As for the frequency of dividend distribution of surplus for each business year, the Corporation maintains its traditional policy of paying dividends twice each year, consisting of a mid-year dividend and a year-end dividend. As the Corporation's Articles of Incorporation provide that, pursuant to the provisions of Article 459, paragraph 1 of the Companies Act, its Board of Directors is entitled to resolve dividend distribution of surplus, it is the Corporation's basic policy that payment of each dividend is to be resolved at meetings of the Board of Directors.

V. Matters Concerning the Corporation's Subscription Rights to Shares

Status of subscription rights to shares held by the Corporation's officers, etc. at the end of the business year under review

Year of issuance (Resolution date)	Number of subscription rights to shares	Class and number of shares to be issued	Amount to be paid in for subscription rights to shares	Value of assets to be contributed upon exercise of rights	Exercise period
Fiscal year ended March 31, 2017 (June 24, 2016)	4,724 rights	472,400 shares of common stock	41,900 yen for each subscription right to shares	1 yen per share	From July 12, 2016 to July 11, 2049
Fiscal year ended March 31, 2018 (June 23, 2017)	5,101 rights	510,100 shares of common stock	67,400 yen for each subscription right to shares	1 yen per share	From July 11, 2017 to July 10, 2050

Note: Other conditions of exercise of the subscription rights to shares is as described in the table <Subscription rights to shares as stock-compensation-type stock options (stock options allotted on April 17, 2017)> and <Subscription rights to shares as stock-compensation-type stock options (stock options allotted on July 10, 2017)> below.

<Breakdown by classification>

Year of issuance (Resolution date)	Directors (excluding Outside Directors)		Audit & Supervisory Board Members		Executive Officers	
Fiscal year ended March 31, 2017 (June 24, 2016)	1,717 rights	6 persons	143 rights	1 person	2,864 rights	23 persons
Fiscal year ended March 31, 2018 (June 23, 2017)	1,581 rights	6 persons	44 rights	1 person	3,476 rights	22 persons

Notes: 1. Executive Officers who concurrently serve as Director are included in Directors.
2. Subscription rights to shares held by the Audit & Supervisory Board Member are those issued as consideration for business execution during the term of office as Executive Directors.
3. The class and number of shares to be issued as of March 31, 2018 is 1,004,700 shares of common stock.

Status of subscription rights to shares issued to the Corporation's employees, etc. during the business year under review

<Subscription rights to shares as stock-compensation-type stock options (stock options allotted on April 17, 2017)>

Date of resolution for issuance	March 29, 2017
Number of subscription rights to shares	222 rights
Number of persons to whom subscription rights to shares were granted and the number of subscription rights to shares granted	2 Executive Officers of the Corporation: 222 rights
Class and number of shares to be issued	22,200 shares of common stock (100 shares for each subscription right to shares)
Amount to be paid in for subscription rights to shares	59,700 yen for each subscription right to shares
Value of assets to be contributed upon exercise of rights	1 yen per share
Exercise period	From April 18, 2017 to April 17, 2050
Other conditions for exercise of subscription rights to shares	(1) A person holding subscription rights to shares may exercise the subscription rights to shares starting on the date on which 3 years have passed from the date following the date on which the subscription rights to shares were allotted to him/her or starting on the date following the date on which he/she loses his/her position as Director or Executive Officer of the Corporation, which ever the earlier. (2) Notwithstanding (1) above, if an agenda item for approval of a merger agreement under which the Corporation becomes the absorbed company or an agenda item for approval of a share transfer agreement or a share transfer plan under which the Corporation becomes a wholly owned subsidiary is approved at a General Meeting of Shareholders (resolution is passed by a meeting of the Board of Directors in the case that resolution by a General meeting of Shareholders is not required), a person holding subscription rights to shares may exercise the subscription rights within 15 days from the date following the date of approval of such agenda item. (However, this provision shall not apply if the merger agreement, share transfer agreement, or share transfer plan specifies that subscription rights to shares of the surviving company or the parent company will be granted to persons holding subscription rights to shares.) (3) The provision in above (1) shall not apply to persons who succeeded to subscription rights to shares by inheritance. (4) If a person waives subscription rights to shares, he/she becomes unable to exercise such subscription rights to shares. (5) When 10 years have passed from the date following the date on which a person holding subscription rights to shares loses his/her position as Director or Executive Officer of the Corporation, he/she becomes unable to exercise subscription rights to shares, and it is deemed that he/she waives the unexercised subscription rights to shares at this point in time.

Note: There are issued to two Executive Officers who retired on March 31, 2017, and issuance had been reserved during their service overseas.

<Subscription rights to shares as stock-compensation-type stock options (stock options allotted on July 10, 2017)>

Date of resolution for issuance	June 23, 2017
Number of subscription rights to shares	5,101 rights
Number of persons to whom subscription rights to shares were granted and the number of subscription rights to shares granted	6 Directors of the Corporation: 1,581 rights 23 (*) Executive Officers of the Corporation: 3,520 rights (*) Includes one Executive Officer who assumed office as the Corporation's Audit & Supervisory Board Member at the 93rd Ordinary General Meeting of Shareholders held on the same date.
Class and number of shares to be issued	510,100 shares of common stock (100 shares for each subscription right to shares)
Amount to be paid in for subscription rights to shares	67,400 yen for each subscription right to shares
Value of assets to be contributed upon exercise of rights	1 yen per share
Exercise period	From July 11, 2017 to July 10, 2050
Other conditions for exercise of subscription rights to shares	(1) A person holding subscription rights to shares may exercise the subscription rights to shares starting on the date on which 3 years have passed from the date following the date on which the subscription rights to shares were allotted to him/her or starting on the date following the date on which he/she loses his/her position as Director or Executive Officer of the Corporation, which ever the earlier. (2) Notwithstanding (1) above, if an agenda item for approval of a merger agreement under which the Corporation becomes the absorbed company or an agenda item for approval of a share transfer agreement or a share transfer plan under which the Corporation becomes a wholly owned subsidiary is approved at a General Meeting of Shareholders (resolution is passed by a meeting of the Board of Directors in the case that resolution by a General meeting of Shareholders is not required), a person holding subscription rights to shares may exercise the subscription rights within 15 days from the date following the date of approval of such agenda item. (However, this provision shall not apply if the merger agreement, share transfer agreement, or share transfer plan specifies that subscription rights to shares of the surviving company or the parent company will be granted to persons holding subscription rights to shares.) (3) The provision in above (1) shall not apply to persons who succeeded to subscription rights to shares by inheritance. (4) If a person waives subscription rights to shares, he/she becomes unable to exercise such subscription rights to shares. (5) When 10 years have passed from the date following the date on which a person holding subscription rights to shares loses his/her position as Director or Executive Officer of the Corporation, he/she becomes unable to exercise subscription rights to shares, and it is deemed that he/she waives the unexercised subscription rights to shares at this point in time.

VI. Matters Concerning Accounting Auditor

Name of the Accounting Auditor

Ernst & Young ShinNihon LLC

Remuneration to be paid to the Accounting Auditor

1) Amount of remuneration to be paid by the Corporation to the Accounting Auditor for the services under Article 2, Paragraph 1 of the Certified Public Accountants Act	585 million yen
2) Total amount of money or other economic benefits to be paid by the Corporation and its subsidiaries to the Accounting Auditor	985 million yen

Notes: 1. The audit agreement between the Corporation and the Accounting Auditor does not separate remuneration concerning the audit under the Companies Act from remuneration concerning the audit under the Financial Instruments and Exchange Act.
2. Among major subsidiaries of the Corporation, Axia Power Holdings B.V., Gavilon Agriculture Investment, Inc., Helena Agri-Enterprises, LLC, Marubeni Coal Pty. Ltd., Marubeni LP Holding B.V., and Marubeni Oil & Gas (USA) LLC are audited by audit corporations other than the Accounting Auditor of the Corporation.
3. The Audit & Supervisory Board reviewed the audit plans and performance statuses and the trend of the time spent on auditing and other matters in the past years and evaluated the appropriateness of the estimated remuneration for the business year under review. As a result, the Audit & Supervisory Board agreed on the remuneration to be paid to the Accounting Auditor.

Non-audit services

The Corporation commissions the Accounting Auditor to provide non-audit services other than the services under Article 2, Paragraph 1 of the Certified Public Accountants Act, such as "sustainability risk assessment support services."

Policy for deciding dismissal or non-reappointment of the Accounting Auditor

If the Accounting Auditor is deemed to fall under any of the items of Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Board will dismiss the Accounting Auditor subject to the unanimous consent of the Audit & Supervisory Board Members. In addition, in principle, if it is deemed to be difficult for the Accounting Auditor to perform appropriate audit, the Audit & Supervisory Board will propose the dismissal or non-reappointment of the Accounting Auditor as an agenda item at the General Meeting of Shareholders based on the decision of the majority of the Audit & Supervisory Board Members.

Consolidated Financial Statements

Consolidated Statement of Financial Position

Item	94th Business Year (As of March 31, 2018)	Ref: 93rd Business Year (As of March 31, 2017)
Assets	Millions of yen	Millions of yen
Current assets:		
Cash and cash equivalents	625,834	704,972
Time deposits	1,046	1,227
Investment securities	0	10,075
Notes, trade accounts and loans receivable	1,315,336	1,235,392
Other current financial assets	213,941	200,560
Inventories	835,021	767,365
Assets held-for-sale	61,452	36,689
Other current assets	226,141	208,206
Total current assets	3,278,771	3,164,486
Non-current assets:		
Investments in associates and joint ventures	1,764,169	1,755,952
Other investments	322,628	334,441
Notes, trade accounts and loans receivable	138,715	162,961
Other non-current financial assets	72,492	85,799
Property, plant and equipment	905,479	968,392
Intangible assets	293,583	289,334
Deferred tax assets	45,233	88,216
Other non-current assets	56,047	47,152
Total non-current assets	3,598,346	3,732,247
Total assets	6,877,117	6,896,733

Item	94th Business Year (As of March 31, 2018)	Ref: 93rd Business Year (As of March 31, 2017)
Liabilities and equity	Millions of yen	Millions of yen
Current liabilities:		
Bonds and borrowings	611,756	643,049
Notes and trade accounts payable	1,374,022	1,243,087
Other current financial liabilities	370,103	361,768
Income tax payable	17,858	19,454
Liabilities directly associated with assets held-for-sale	—	4,086
Other current liabilities	387,975	344,761
Total current liabilities	2,761,714	2,616,205
Non-current liabilities:		
Bonds and borrowings	1,930,948	2,163,089
Notes and trade accounts payable	16,713	18,349
Other non-current financial liabilities	66,316	70,285
Net defined benefit liability	79,099	83,468
Deferred tax liabilities	95,944	105,630
Other non-current liabilities	90,746	96,949
Total non-current liabilities	2,279,766	2,537,770
Total liabilities	5,041,480	5,153,975
Equity:		
Issued capital	262,686	262,686
Capital surplus	135,295	142,881
Other equity financial instruments	243,589	243,589
Treasury stock	(1,379)	(1,374)
Retained earnings	1,014,709	856,647
Other components of equity:		
Gains (losses) on financial assets measured at fair value through other comprehensive income	82,596	54,606
Foreign currency translation adjustments	76,253	165,310
Gains (losses) on cash flow hedges	(42,274)	(40,622)
Remeasurements of defined benefit plan	—	—
Equity attributable to owners of the parent	1,771,475	1,683,723
Non-controlling interests	64,162	59,035
Total equity	1,835,637	1,742,758
Total liabilities and equity	6,877,117	6,896,733

Consolidated Statement of Comprehensive Income

Item	94th Business Year (from April 1, 2017 to March 31, 2018)	Ref: 93rd Business Year (from April 1, 2016 to March 31, 2017)
	Millions of yen	Millions of yen
Revenue:		
Sales of goods	7,361,808	6,940,332
Commissions on services and trading margins	178,529	188,473
Total revenue	7,540,337	7,128,805
Cost of goods sold	(6,863,100)	(6,514,925)
Gross trading profit	677,237	613,880
Other income (expenses):		
Selling, general and administrative expenses	(559,183)	(522,283)
Gains (losses) on property, plant and equipment:		
Impairment losses	(5,197)	(69,246)
Gains (losses) on sales of property, plant and equipment	3,728	5,852
Other-net	(35,063)	45,934
Total other income (expenses)	(595,715)	(539,743)
Finance income (expenses):		
Interest income	13,526	16,213
Interest expenses	(34,948)	(33,318)
Dividend income	21,254	17,512
Gains (losses) on investment securities	25,147	11,002
Total finance income (expenses)	24,979	11,409
Share of profits of associates and joint ventures	148,503	114,725
Profit before tax	255,004	200,271
Income tax (expense)	(38,429)	(44,485)
Profit for the year	216,575	155,786
Profit for the year attributable to:		
Owners of the parent	211,259	155,350
Non-controlling interests	5,316	436
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Gains (losses) on financial assets measured at fair value through other comprehensive income	18,191	7,998
Remeasurements of defined benefit plan	3,916	1,207
Changes in other comprehensive income of associates and joint ventures	2,070	3,384
Items that will be reclassified to profit or loss:		
Foreign currency translation adjustments	(86,554)	(27,860)
Gains (losses) on cash flow hedges	(2,779)	4,185
Changes in other comprehensive income of associates and joint ventures	(413)	7,809
Other comprehensive income, net of tax	(65,569)	(3,277)
Total comprehensive income for the year	151,006	152,509
Total comprehensive income for the year attributable to:		
Owners of the parent	145,671	153,449
Non-controlling interests	5,335	(940)

Consolidated Statement of Changes in Equity

Item	94th Business Year (from April 1, 2017 to March 31, 2018)	Ref: 93rd Business Year (from April 1, 2016 to March 31, 2017)
	Millions of yen	Millions of yen
Issued capital:		
Balance at beginning of year	262,686	262,686
Balance at end of year	262,686	262,686
Capital surplus:		
Balance at beginning of year	142,881	141,504
Disposal of treasury stock	1	(1)
Equity transactions with non-controlling interests and others	(7,587)	1,378
Balance at end of year	135,295	142,881
Other equity instruments:		
Balance at beginning of year	243,589	—
Issuance of other equity financial instruments	—	243,589
Balance at end of year	243,589	243,589
Treasury stock:		
Balance at beginning of year	(1,374)	(1,369)
Purchases and sales of treasury stock	(5)	(5)
Balance at end of year	(1,379)	(1,374)
Retained earnings:		
Balance at beginning of year	856,647	737,215
Profit for the year attributable to owners of the parent	211,259	155,350
Transfer from other components of equity	(4,063)	803
Dividends to owners of the parent	(45,124)	(34,711)
Distribution to owners of other equity financial instruments	(4,010)	(2,010)
Balance at end of year	1,014,709	856,647
Other components of equity:		
Balance at beginning of year	179,294	177,016
Gains (losses) on financial assets measured at fair value through other comprehensive income	20,397	11,212
Foreign currency translation adjustments	(89,057)	(28,298)
Gains (losses) on cash flow hedges	(458)	14,054
Remeasurements of defined benefit plan	3,530	1,131
Transfer to retained earnings	4,063	(803)
Transfer to non-financial assets or non-financial liabilities	(1,194)	4,982
Balance at end of year	116,575	179,294
Equity attributable to owners of the parent	1,771,475	1,683,723
Non-controlling interests:		
Balance at beginning of year	59,035	98,150
Dividends to non-controlling interests	(5,802)	(3,480)
Equity transactions with non-controlling interests and others	5,594	(34,695)
Profit for the year attributable to non-controlling interests	5,316	436
Other components of equity:		
Gains (losses) on financial assets measured at fair value through other comprehensive income	167	235
Foreign currency translation adjustments	(258)	(1,716)
Gains (losses) on cash flow hedges	27	94
Remeasurements of defined benefit plan	83	11
Balance at end of year	64,162	59,035
Total equity	1,835,637	1,742,758
Total comprehensive income for the year attributable to:		
Owners of the parent	145,671	153,449
Non-controlling interests	5,335	(940)
Total comprehensive income for the year	151,006	152,509

Notes to Consolidated Financial Statements

<Notes to significant matters which constitute the basis for preparation of the Consolidated Financial Statements>

1. Basis of Consolidated Financial Statements

The Company's Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") pursuant to the Paragraph 1 of Article 120 of the Ordinance for Company Accounting. However, pursuant to the latter part, certain disclosure that is required on the basis of IFRSs is omitted.

2. Scope of consolidation and application of the equity method

(1) Number of consolidated subsidiaries and names of major consolidated subsidiaries

Number of consolidated subsidiaries: 276

MX Mobiling Co., Ltd., Yamaboshiya Co., Ltd., Marubeni Energy Corporation, Marubeni Nisshin Feed Co., Ltd., Axia Power Holdings B.V., Gavilon Agriculture Investment, Inc., Helena Agri-Enterprises, LLC, Marubeni Coal Pty. Ltd., Marubeni LP Holding B.V., Marubeni Oil & Gas (USA) LLC.

(2) Number of associates and joint ventures accounted for under the equity method and names of major companies accounted for under the equity method

Number of associates and joint ventures accounted for under the equity method: 154

Marubeni-Itochu Steel Inc., Tobu Store Co., Ltd., Aeon Market Investment Inc., Katakura & Co-op Agri Corporation, TeaM Energy Corporation, TrustEnergy B.V.

The number above represents those companies which the Company directly consolidates or to which the Company applies the equity method. Companies which are sub-consolidated or accounted for under the equity method by other subsidiaries (371 companies) are excluded from this number.

3. Significant accounting policies

(1) Valuation standards and methods for financial assets (The Company and its consolidated subsidiaries apply IFRS 9 *Financial Instruments*)

Financial assets measured at amortised cost:

Financial assets measured at amortised cost are measured at fair value plus transaction costs at initial recognition. After initial recognition, financial assets measured at amortised cost are measured at amortised cost calculated using the effective interest method less any impairment losses. Amortisation using the effective interest method is recognised as part of finance income in the Consolidated Statement of Comprehensive Income.

Financial assets measured at fair value through profit or loss ("Financial assets measured at FVTPL"):

Financial assets measured at FVTPL are measured at fair value. Changes in the fair values, together with the related dividend and interest income, are mainly recognised as part of finance income in the Consolidated Statement of Comprehensive Income.

Financial assets measured at fair value through other comprehensive income ("Financial assets measured at FVTOCI"):

Financial assets measured at FVTOCI are measured at fair value plus transaction costs at initial recognition. After initial recognition, Financial assets measured at FVTOCI are measured at fair value with any change in fair value recognised in other comprehensive income. The cumulative amount of the change in fair value recognised in other comprehensive income is recognised in other components of equity. However, dividend income arising from equity financial assets measured at FVTOCI is recognised as part of finance income (or expenses) in the Consolidated Statement of Comprehensive Income.

Impairment of financial assets measured at amortised cost:

The Company and its consolidated subsidiaries judge that a financial asset measured at amortised cost is impaired only if there is objective evidence of impairment as a result of one or more events that occur after the initial recognition of the asset, and such an event or events have an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The amount of an impairment loss is estimated based on the present value of estimated future cash flows discounted at the financial asset's original effective interest rate or observable market prices of the financial asset. In addition to the impairment losses recognised in the manner described above, the Company and its consolidated subsidiaries recognise impairment losses on financial assets based on historical credit loss rates calculated in consideration of past experience, etc. or estimated recoverable amounts after evaluating potential risks associated with the obligors, geographic areas, etc. pertaining to the financial assets.

(2) Valuation standards and methods for inventories

Inventories, which mainly consist of commodities, merchandise, and real estate held for sale, are measured at the lower of cost (mainly specific or moving average cost) and net realisable value.

When the cause of a write-down no longer exists, or when there is clear evidence of an increase in net realisable value due to changes in economic conditions, reversals of such write-downs are recognised.

Inventories held for generating profits from short-term fluctuations in market prices are measured at fair value less costs to sell, with fluctuations in fair value less costs to sell recognised in profit or loss in the period in which such fluctuations occur.

(3) Depreciation method for assets

The depreciable amount of items of property, plant and equipment is allocated over each period for the useful life of each item through depreciation, mainly on a straight-line basis over the useful life of each item, or the units of production method based on reserve estimation. Land is not depreciated. The amount of intangible assets with finite useful lives subject to amortisation is allocated as an expense over each period for the useful life of each asset through amortisation, mainly on a straight-line basis. Intangible assets judged to have indefinite useful lives and goodwill are not subject to amortisation.

(4) Impairment of non-financial assets other than inventories

Property, plant and equipment, intangible assets, and goodwill are assessed, at the end of each reporting period, whether there is an indication that an asset may be impaired. If there is an indication that an asset may be impaired, the recoverable amount of the asset is estimated. Intangible assets with indefinite useful lives and goodwill are evaluated whether the carrying amount of an asset exceeds its

recoverable amount on a regular basis (at least annually), irrespective of whether there is any indication that an asset may be impaired. If the recoverable amount of an asset or cash-generating unit is less than its carrying amount, the carrying amount is reduced to the recoverable amount and that reduction is recognised as an impairment loss.

The Company and its consolidated subsidiaries assess, at the end of each reporting period, whether there is an indication that the recognised impairment losses in prior periods for an asset may no longer exist or may have decreased. If there is such an indication, the Company and its consolidated subsidiaries estimate the recoverable amount of the asset. If the estimated recoverable amount exceeds the carrying amount of the asset, a reversal of impairment losses is recognised to the extent that the carrying amount after the reversal does exceed the carrying amount (after deducting accumulated depreciation or accumulated amortisation) that would have been determined had the impairment losses not been recognised previously. However, impairment losses recognised in respect of goodwill are not reversed under any circumstances.

(5) Provisions

The Company and its consolidated subsidiaries recognise a provision when (i) they have a present obligation (legal or constructive) as a result of a past event, (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and (iii) a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the amount of a provision is measured at the present value of the expenditure expected to be required to settle the obligation, discounted at a discount rate reflecting the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance expenses.

(6) Post-employment benefits

The effect of the remeasurement of a net defined benefit asset or liability is recognised in other comprehensive income and is immediately reclassified from other components of equity to retained earnings. Such remeasurement consists of actuarial gains and losses on the defined benefit obligation and the return on plan assets (excluding the amount of interest income on plan assets). Past service cost is recognised immediately in profit or loss.

(7) Presentation of revenue

The Company and its consolidated subsidiaries are deemed to be performing transactions as a principal when they have exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, and the total amount of transactions is presented as revenue. The Company and its consolidated subsidiaries are deemed to be performing transactions as an agent when they do not have exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, and the net amount, after deduction of amounts due to third parties from the consideration earned on the transactions, is presented as revenue.

(8) Consumption taxes

Revenues, cost and expenses in the Consolidated Statement of Comprehensive Income do not include consumption taxes.

4. Changes in significant accounting policies

(1) Change in the scope of consolidation and application of the equity method

Consolidated subsidiaries: newly included: 15; excluded: 24
Associates and joint ventures accounted for under the equity method: newly included: 12; excluded: 11

(2) Reclassifications

In cases where the presentation method of the consolidated financial statements has been modified, reclassifications and format changes have been made to comparative information.

<Notes to the Consolidated Statement of Financial Position>

1. Pledged assets

Cash and cash equivalents, and time deposits	941 million yen
Notes, trade accounts and loans receivable (current and non-current)	68 million yen
Inventories	49,879 million yen
Investments in associates and joint ventures	27,861 million yen
Property, plant and equipment (after deducting accumulated depreciation)	37,856 million yen
Other	24,656 million yen
Total	141,261 million yen

2. Allowance for doubtful receivables directly deducted from assets:

Notes, trade accounts and loans receivable (current)
18,353 million yen
Notes, trade accounts and loans receivable (non-current)
31,039 million yen

3. Accumulated depreciation and impairment losses on property, plant and equipment

1,227,761 million yen

4. Contingent liabilities

Guarantee obligation

The Company and its consolidated subsidiaries provide various types of guarantees for the obligations of their associates and customers in the ordinary course of business. The guarantees mainly relate to the repayment of borrowings to third parties.

The outstanding balances of guarantees were 260,973 million yen, and 5,934 million yen which exclude the amount secured by secondary guarantees provided for the Company by the third parties of 255,039 million yen at the end of the fiscal year.

Outstanding guarantees (total of guarantee payable) represent the maximum potential amount of future payments in which the guarantee could be performed without consideration of the possibilities of fulfillment of the obligations.

Lawsuits, etc.

After the Supreme Court of Indonesia ("Supreme Court") ruled in favor of the Company in a lawsuit on March 17, 2011 (hereinafter referred to as the "Previous Case"*), lawsuits were filed against the Company in South Jakarta and Gunung Sugih (hereinafter collectively referred to as the "Two Current Cases"), in which substantially the same claims were made as in the Previous Case, including a claim for compensation for damages. As the lower courts partially ruled in favor of the plaintiffs, the Company appealed to the Supreme Court. The Supreme Court handed down a ruling on the South Jakarta case on May 17,

2017, and the Gunung Sugih case on September 14, 2017, respectively.

* The Company had receivables owed by PT. Indolampung Perkasa and PT. Sweet Indolampung-both of which belong to the Indonesian enterprise group Sugar Group-and requested payment from such receivables. However, in response, Sugar Group companies including the aforementioned two debtors (PT. Indolampung Perkasa, PT. Sweet Indolampung, PT. Gula Putih Mataram, PT. Indolampung Distillery and PT. Garuda Pancaarta) sued the defendants including the Company for damages and sought affirmation of the invalidity of the Company's receivables and security interest.

The Supreme Court's decision on the South Jakarta case is as summarised below.

South Jakarta case:
To find four out of the six defendants, including the Company and Marubeni Europe PLC, jointly liable for damages in a total amount of $250 million to the plaintiffs, i.e., five companies belonging to Indonesian enterprise group Sugar Group (PT. Indolampung Perkasa, PT. Sweet Indolampung, PT. Gula Putih Mataram, PT. Indolampung Distillery and PT. Garuda Pancaarta).

The Supreme Court's decision on the Gunung Sugih case is as summarised below.

Gunung Sugih case:
To find five out of the seven defendants, including the Company, jointly liable for damages in a total amount of $250 million to the plaintiffs, i.e., four companies belonging to Indonesian enterprise group Sugar Group (PT. Indolampung Perkasa, PT. Sweet Indolampung, PT. Gula Putih Mataram and PT. Indolampung Distillery).

The Two Current Cases were brought before the courts again by the Sugar Group against the defendants including the Company, making substantially the same claims as in the Previous Case. The decision above is deemed to contradict with the ruling on the Previous Case by the Supreme Court itself, in which Sugar Group's claims were rejected. Pursuant to Indonesian Supreme Court legislation, the Company filed an application for judicial review (retrial) with respect to the South Jakarta case on October 24, 2017 and the Gunung Sugih case on February 6, 2018, respectively.

The Company did not recognise any provisions for litigation in regards to the South Jakarta and Gunung Sugih cases as at March 31, 2018, having determined that there is a high possibility that the aforementioned ruling will be overturned as a result of such judicial review (retrial).

In addition to the above, although there are certain outstanding litigations such as those relating to compensation for damages and collection of receivables regarding infrastructure projects overseas as at March 31, 2018, the outcome of these cannot be determined at this time except the project for which the Company has recognised losses. The Company provides no further disclosures on these litigations since the Company believes that such disclosures would prejudice seriously the outcome of the proceedings.

<Notes to the Consolidated Statement of Comprehensive Income>

1. Gains (losses) on investment securities
In the fiscal year under review, the Company recognised a gain on sale in the amount of ¥11,177 million associated with the sale of its offshore wind farm business in the U.K.

2. Other-net
In the fiscal year under review, "Other-net" includes losses incurred from infrastructure projects overseas.

<Notes to the Consolidated Statement of Changes in Equity>

1. Type and number of outstanding shares at March 31, 2018:

Type of shares	Common stock
Number of shares	1,737,940,900 shares

2. Dividends
(1) Amount of dividends paid

Resolution	Types of stock	Total amount of dividends paid	Dividend per share	Record date	Effective date
The Board of Directors meeting held on May 12, 2017	Common stock	23,430 million yen	13.50 yen	March 31, 2017	June 2, 2017
The Board of Directors meeting held on November 2, 2017	Common stock	21,694 million yen	12.50 yen	September 30, 2017	December 1, 2017

(2) Dividends whose record date was included in the current fiscal year, those whose effective date occurs after the current fiscal year.

Resolution	Types of stock	Total amount of dividends paid	Dividend resources	Dividend per share	Record date	Effective date
The Board of Directors meeting held on May 15, 2018	Common stock	32,107 million yen	Retained earnings	18.50 yen	March 31, 2018	June 1, 2018

3. Type and number of shares underlying stock acquisition rights at March 31, 2018 (excluding those yet to become exercisable):

Type of shares	Common stock
Number of shares	40,900 shares

4. Other equity financial instruments
In August 2016, the Company obtained financing from domestic financial institutions through perpetual subordinated loans ("Loans") in order to bolster its balance sheet.
As the Loans are classified as equity instruments in accordance with IFRSs, 243,589 million yen (after deducting transaction costs of 6,411 million yen) has been recorded in "other equity financial instruments" in the "equity" classification.

Overview of the Loans

(i) Total amount of financing obtained	250 billion yen (Tranche A: 100 billion yen, Tranche B: 150 billion yen)
(ii) Due date of final repayment	No specific maturity has been set. However, the Company has the option to make early repayments of the principal of Tranche A on August 16, 2021 and subsequent interest payment dates and the principal of Tranche B on August 16, 2023 and subsequent interest payment dates, by giving prior notice.
(iii) Restrictions on interest	The Company is allowed to suspend and defer interest payments at its discretion by giving prior notice. However, if dividends for common stock, etc. have arisen, feasible and reasonable efforts will be made for the payment of such interest subject to discretionary payment suspension and the additional interest associated therewith.
(iv) Subordination clause	If a subordination event (e.g., liquidation) provided for in the contract has arisen, the order of repayment of the Loans will be subordinated to all senior creditors.
(v) Applicable interest rate	Tranche A: 0.25% increase on and after interest payment dates in August 2026 and another 0.75% increase on and after interest payment dates in August 2041 Tranche B: 0.25% increase on and after interest payment dates in August 2026 and another 0.75% increase on and after interest payment dates in August 2043

<Financial instruments>

1. Conditions of financial instruments

To strengthen business relationships and for other purposes, the Company and its consolidated subsidiaries invest in various types of financial instruments. Debt instrument financial assets are classified as either financial assets measured at amortised cost or Financial assets measured at FVTPL, and equity financial assets are classified as either Financial assets measured at FVTPL or Financial assets measured at FVTOCI. The fair value of financial instruments is measured based on the market price in an active market. If the market in which a financial instrument is traded is not active or no active market exists for the financial instrument, fair value is determined by using an appropriate valuation technique.

The Company and its consolidated subsidiaries conduct extensive risk management at the credit screening in order to prevent credit risks from materialising regarding customers that relate to Notes, trade accounts and loans receivable.

The fundamental policy of the Company and its consolidated subsidiaries is to maintain an optimal mix of funding in line with the requirements of the asset portfolio. Funding sources include indirect financial procurement firstly from banks and other financial institutions, as well as direct procurement through the issuance of bonds, commercial paper and other means.

The Company and its consolidated subsidiaries are exposed to market risks such as foreign exchange, interest rate and commodity price and enter into derivative transactions, including non-derivative financial instruments which are designated as hedging instruments, to hedge the risks. The Company and its consolidated subsidiaries also enter into derivative transactions for trading purposes. The Company and its consolidated subsidiaries have internal regulations regarding position and loss limits and the actual positions and gains/losses are periodically reported to management.

2. Fair values of financial instruments

Amounts recognised on the Consolidated Statement of Financial Position and fair values as of the end of fiscal year under review are as follows:

	Amounts recognised on the Consolidated Statement of Financial Position (*)	Fair values
Notes, trade accounts and loans receivable (1)	1,454,051 million yen	1,454,080 million yen
Investment securities and other investments (2)	322,628 million yen	322,628 million yen
Bonds and borrowing (3)	(2,542,704 million yen)	(2,542,717 million yen)

(*) Those recognised as liabilities are put in brackets.

Notes: Matters regarding method of calculating fair values of financial instruments and securities and derivative instruments

The estimated fair value of the financial instruments of the Company and its consolidated subsidiaries has been determined using available market information or other appropriate valuation methodologies.

(1) The fair value of notes, trade accounts and loans receivable is estimated using discounted future cash flows based mainly on the interest rates at the year end applicable to notes.

(2) The fair value of investment securities in active markets is measured on the basis of quoted prices at the year end.

The fair value of equity securities in markets that are not active and debt securities classified as Financial assets measured at FVTPL is measured on the basis of discounted future cash flows, third-party valuations and other valuation methods.

The fair value of debt securities measured at amortised cost is estimated using discounted future cash flows based on the market interest rates at the year end applicable to debt securities with identical remaining periods and similar credit ratings.

(3) The fair value of bonds and borrowings is estimated using discounted future cash flows based on the interest rates at the year end applicable to similar loan agreements with identical remaining periods.

(4) The carrying amounts of cash and cash equivalents, and time deposits in the Consolidated Statement of Financial Position approximated fair value.

(5) The carrying amounts of notes and trade accounts payable in the Consolidated Statement of Financial Position approximated fair value.

(6) The carrying amounts of derivative assets classified as “Other financial assets” and derivative liabilities classified as “Other financial liabilities” reflected in the Consolidated Statement of Financial Position represent fair value. The carrying amount of non-derivative assets classified as “Other financial assets” and non-derivative liabilities “Other financial liabilities” in the Consolidated Statement of Financial Position approximated fair value.

<Earnings per Share>

1. Equity per share attributable to owners of the parent: 879.86 yen

The following sets forth the basis of the calculation of equity per share attributable to owners of the parent.

Numerator (millions of yen)	
Total equity attributable to owners of the parent	1,771,475
Adjustment amount used for the calculation of equity per share attributable to owners of the parent	
Amount not attributable to owners of the parent	244,596
Equity used for calculation of equity per share attributable to owners of the parent	1,526,879
Denominator (number of shares)	
Number of ordinary shares at end of period used for the calculation of equity per share attributable to owners of the parent	1,735,356,581

2. Basic earnings per share attributable to owners of the parent: 119.43 yen

Diluted earnings per share attributable to owners of the parent: 119.37 yen

The following table sets forth the calculation of basic and diluted earnings per share attributable to owners of the parent.

Numerator (millions of yen)	
Profit for the year attributable to owners of the parent	211,259
Adjustment amount used for the calculation of earnings per share attributable to owners of the parent (basic)	
Amount not attributable to owners of the parent	4,000
Profit for the year used for the calculation of earnings per share attributable to owners of the parent (basic)	207,259
Adjustment amount used for the calculation of earnings per share attributable to owners of the parent (diluted)	
Adjustment concerning stock acquisition rights	(1)
Profit for the year used for the calculation of earnings per share attributable to owners of the parent (diluted)	207,258
Denominator (number of shares)	
Weighted average number of ordinary shares used for the calculation of earnings per share attributable to owners of the parent (basic)	1,735,359,061
Weighted average number of shares Effect of dilution	
Adjustment concerning stock acquisition rights	849,138
Weighted average number of ordinary shares used for the calculation of earnings per share attributable to owners of the parent (diluted)	1,736,208,198

<Notes on significant subsequent events>

The Company issued bonds as follows.

<USD unsecured bonds, first issue>

1. Total amount of bonds issued: US$ 500 million
2. Interest rate: 3.75% per annum
3. Issue price: 99.612% of par value
4. Closing date: April 17, 2018
5. Maturity date: April 17, 2023
6. Redemption method: Bullet (redemption in full at maturity)
7. Use of proceeds: The net proceeds of the issue of the bonds will be used for general corporate purposes

(Reference) Consolidated Statement of Cash Flows <Unaudited>

Item	94th Business Year (from April 1, 2017 to March 31, 2018)	93rd Business Year (from April 1, 2016 to March 31, 2017)
	Millions of yen	Millions of yen
Operating activities:		
Profit for the year	216,575	155,786
Adjustments to reconcile profit for the year to net cash provided by (used in) operating activities:		
Depreciation and amortisation	120,331	111,682
Gains (losses) on property, plant and equipment	1,469	63,394
Finance income (expenses)	(24,979)	(11,409)
Share of profits of associates and joint ventures	(148,503)	(114,725)
Income taxes	38,429	44,485
Changes in notes and accounts receivable	(135,801)	(25,820)
Changes in inventories	(102,626)	24,791
Changes in notes and trade accounts payable	158,159	64,793
Other-net	56,719	(45,474)
Interest received	9,607	13,425
Interest paid	(35,069)	(33,358)
Dividends received	126,086	102,467
Income taxes paid	(26,974)	(25,774)
Net cash provided by operating activities	**253,423**	**324,263**
Investing activities :		
Net increase (decrease) in time deposits	171	3,665
Proceeds from sale of property, plant and equipment	15,647	89,684
Proceeds from sale of investment property	246	13,446
Collection of loans receivable	31,658	30,005
Proceeds from sale of subsidiaries, net of cash and cash equivalents disposed of	51,722	56,622
Proceeds from sale of investments in associates and joint ventures, and other investments	63,366	105,816
Purchase of property, plant and equipment	(103,176)	(130,987)
Purchase of investment property	(406)	(181)
Loans provided to customers	(11,488)	(21,052)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(22,990)	(10,705)
Purchase of investments in associates and joint ventures, and other investments	(74,492)	(89,809)
Net cash used in investing activities	**(49,742)**	**46,504**
Financing activities :		
Net increase (decrease) in short-term borrowings	41,733	(135,725)
Proceeds from long-term bonds and borrowings	229,867	126,589
Repayments of long-term bonds and borrowings	(487,202)	(450,820)
Dividends paid to shareholders of the parent	(45,124)	(34,711)
Net cash outflows on purchases and sales of treasury stock	(15)	(8)
Capital contribution from non-controlling interests	2,420	374
Acquisition of additional interests in subsidiaries from non-controlling interests	(1,375)	(1,656)
Proceeds from issuance of other equity financial instruments	—	243,589
Payments of distributions to owners of other equity financial instruments	(4,010)	(2,010)
Other	(5,801)	(3,745)
Net cash used in financing activities	**(269,507)**	**(258,123)**
Effect of exchange rate changes on cash and cash equivalents	(13,312)	(8,512)
Net increase (decrease) in cash and cash equivalents	(79,138)	104,132
Cash and cash equivalents at beginning of year	704,972	600,840
Cash and cash equivalents at end of year	625,834	704,972

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

Item	94th Business Year (As of March 31, 2018)	Ref: 93rd Business Year (As of March 31, 2017)
ASSETS	Millions of yen	Millions of yen
Current assets:	1,279,588	1,425,581
Cash on hand and in banks	361,295	391,774
Notes receivable-trade	3,790	6,715
Accounts receivable-trade	557,118	463,649
Marketable investment securities	0	10,075
Inventories	112,939	122,992
Advance payments to suppliers	114,141	92,816
Deferred income taxes	2,140	1,011
Short-term loans receivable	10,458	210,111
Other current assets	128,235	130,560
Allowance for doubtful accounts	(10,528)	(4,122)
Fixed assets:	2,383,165	2,320,632
Property and equipment	20,374	22,476
Buildings	8,695	10,025
Structures	841	844
Machinery and equipment	1,536	2,117
Vessels	1,009	1,201
Vehicles	516	388
Furniture and fixtures	2,560	2,589
Land	5,217	5,312
Intangible assets	18,151	14,501
Computer software	17,407	13,638
Other intangible assets	744	863
Investments and others	2,344,640	2,283,655
Investment securities	193,967	194,404
Investments in subsidiaries and affiliates	1,836,408	1,818,819
Bonds of subsidiaries and affiliates	532	532
Other investment securities in subsidiaries and affiliates	2,738	2,327
Investments in capital	3,162	3,733
Other investments in subsidiaries and affiliates	69,844	54,505
Long-term loans receivable	213,417	182,440
Doubtful accounts	13,019	10,966
Prepaid pension cost	–	2,250
Deferred income taxes	25,325	24,799
Other investment	27,657	21,587
Allowance for doubtful accounts	(27,369)	(20,588)
Allowance for investment loss	(14,060)	(12,119)
Deferred charges	816	887
Bond issuance costs	816	887
Total assets	3,663,569	3,747,100

Item	94th Business Year (As of March 31, 2018)	Ref: 93rd Business Year (As of March 31, 2017)
LIABILITIES	Millions of yen	Millions of yen
Current liabilities:	1,655,482	1,586,715
Notes and acceptances payable-trade	213,266	168,912
Accounts payable-trade	475,640	423,473
Short-term loans payable	212,944	250,534
Current portion of bonds	50,000	79,442
Other payables	40,260	27,043
Advance payments received from customers	83,949	55,613
Provision for loss on construction contracts	6	190
Deposits received	526,549	498,630
Other current liabilities	52,868	82,878
Long-term liabilities:	1,385,787	1,568,311
Bonds	268,000	288,000
Long-term loans payable	1,087,312	1,193,469
Accrued pension and retirement benefits	3,242	—
Allowance for contingency loss	11,688	73,506
Other long-term liabilities	15,545	13,336
Total liabilities	3,041,269	3,155,026
NET ASSETS		
Shareholders' equity	679,636	657,766
Capital stock	262,686	262,686
Capital surplus		
Additional paid-in capital	91,073	91,073
Other capital surplus	32,089	32,088
Retained earnings		
Other Retained earnings		
Retained earnings	295,142	273,266
Common stock in treasury	(1,354)	(1,347)
Valuation and translation adjustments	(57,864)	(65,872)
Unrealised gains or losses on other securities	51,189	47,456
Deferred gains or losses on hedges	(109,053)	(113,328)
Stock acquisition rights	528	180
Stock acquisition rights	528	180
Total equity	622,300	592,074
Total liabilities and net assets	3,663,569	3,747,100

Non-consolidated Statement of Income

Item	94th Business Year (from April 1, 2017 to March 31, 2018)		Ref: 93rd Business Year (from April 1, 2016 to March 31, 2017)	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Sales		5,742,601		5,407,811
Cost of sales		5,655,420		5,319,101
Gross profit		**87,181**		**88,710**
Selling, general and administrative expenses		140,487		134,462
Operating loss		**(53,306)**		**(45,752)**
Non-operating income		155,356		128,689
Interest income	8,968		10,291	
Interest on securities	11		37	
Dividend income	139,963		101,235	
Exchange gain	2,621		12,865	
Miscellaneous income	3,793		4,261	
Non-operating expenses		47,136		40,408
Interest expense	18,730		16,380	
Interest on bonds	853		1,268	
Miscellaneous expenses	27,553		22,760	
Ordinary income		**54,914**		**42,529**
Extraordinary gains		29,788		67,634
Gain on sales of property and equipment	1,689		1,944	
Gain on sales of investment securities	14,985		9,438	
Gain on sales of subsidiaries and affiliates' stocks	13,100		33,010	
Gain on transfer of business	14		23,069	
Gain on extinguishment of tie-in shares	—		173	
Extraordinary losses		28,189		45,655
Loss on sales of property and equipment	385		137	
Loss on sales of investment securities	160		1,226	
Loss on sales of subsidiaries and affiliates' stocks	259		6,622	
Loss on valuation of investment securities	16		2,366	
Loss on valuation of subsidiaries and affiliates' stocks	16,903		9,398	
Provision for loss on business of subsidiaries and affiliates	10,466		25,814	
Impairment losses	—		92	
Income before income taxes		**56,513**		**64,508**
Provision for income taxes – current		(6,551)		(5,175)
Provision for income taxes – deferred		(3,936)		6,118
Net income		**67,000**		**63,565**

Non-consolidated Statement of Changes in Net Assets

94th Business Year (from April 1, 2017 to March 31, 2018)

	Shareholders' equity						Valuation and translation adjustments				
	Capital stock	Capital surplus		Retained earnings	Common stock in treasury	Total share holders' equity	Unrealised gains or losses on other securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	Stock acquisition rights	Total equity
		Additional paid-in capital	Other capital surplus	Other Retained earnings / Retained earnings brought forward							
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance on March 31, 2017	262,686	91,073	32,088	273,266	(1,347)	657,766	47,456	(113,328)	(65,872)	180	592,074
Changes of items during the Business Year											
Dividends				(45,124)		(45,124)					(45,124)
Net income				67,000		67,000					67,000
Treasury stock purchased					(7)	(7)					(7)
Treasury stock sold			1		0	1					1
Net changes of items other than shareholders' equity							3,733	4,275	8,008	348	8,356
Total changes of items during the Business Year	—	—	1	21,876	(7)	21,870	3,733	4,275	8,008	348	30,226
Balance on March 31, 2018	262,686	91,073	32,089	295,142	(1,354)	679,636	51,189	(109,053)	(57,864)	528	622,300

Ref: 93rd Business Year (from April 1, 2016 to March 31, 2017)

	Shareholders' equity						Valuation and translation adjustments				
	Capital stock	Capital surplus		Retained earnings	Common stock in treasury	Total share holders' equity	Unrealised gains or losses on other securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	Stock acquisition rights	Total equity
		Additional paid-in capital	Other capital surplus	Other Retained earnings / Retained earnings brought forward							
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance on March 31, 2016	262,686	91,073	37,516	244,412	(1,342)	634,345	37,356	(109,206)	(71,850)	—	562,495
Changes of items during the Business Year											
Dividends				(34,711)		(34,711)					(34,711)
Net income				63,565		63,565					63,565
Treasury stock purchased					(6)	(6)					(6)
Treasury stock sold			(1)		1	0					0
Decrease by corporate division			(5,427)			(5,427)					(5,427)
Net changes of items other than shareholders' equity							10,100	(4,122)	5,978	180	6,158
Total changes of items during the Business Year	—	—	(5,428)	28,854	(5)	23,421	10,100	(4,122)	5,978	180	29,579
Balance on March 31, 2017	262,686	91,073	32,088	273,266	(1,347)	657,766	47,456	(113,328)	(65,872)	180	592,074

Notes to Non-consolidated Financial Statements

<Significant Accounting Policies>

1. Method of valuation of inventories

(1) Inventories held for sale in the ordinary course of business:

Inventories held for sale in the ordinary course of business are stated at cost mainly determined by the moving average method or the specific identification method. However, in the case that the net selling value falls below the acquisition cost, inventories are stated at the net selling value on the balance sheet, regarded as the decreased profitability of assets.

(2) Inventories held for trading purposes:

Inventories held for trading purposes are stated at fair value.

2. Method of valuation of assets other than inventories

(1) Securities:

(i) Trading securities:

Trading securities are stated at fair value. Cost of securities sold is determined by the moving average method.

(ii) Held-to-maturity debt securities:

Held-to-maturity debt securities are stated at amortised cost.

(iii) Investments in subsidiaries and affiliates:

Investments in subsidiaries and affiliates are stated at cost determined by the moving average method.

(iv) Other securities:

(Marketable securities):

Other marketable securities are stated at fair value primarily based on market value at the date of the fiscal year-end. The unrealised gains or losses, net of applicable income taxes, are reported directly in net assets and costs of securities sold are determined by the moving average method.

(Non-marketable securities):

Other non-marketable securities are stated at cost determined by the moving average method.

(2) Derivative instruments:

Derivative instruments are stated at fair value.

3. Method of depreciation of fixed assets

(1) Property and equipment:

(i) Property and equipment other than lease assets:

Amortisation of intangible assets is determined by the straight-line method.

(ii) Lease assets:

(Lease assets regarding finance leases which transfer ownership):

Depreciation of lease assets regarding finance leases which transfer ownership is determined in the same manner as property and equipment owned by the Company.

(Lease assets regarding finance leases which do not transfer ownership):

Depreciation of lease assets regarding finance leases which do not transfer ownership is determined by the straight-line method, with the lease term substituted for useful lives and zero substituted for salvage value.

(2) Intangible assets:

(i) Intangible assets other than lease assets

Amortisation of intangible assets is determined by the straight-line method. Amortisation of computer software for internal use is determined by the straight-line method over its useful life of mainly 5 years in principle.

(ii) Lease assets

(Lease assets regarding finance leases which transfer ownership):

Depreciation of lease assets regarding finance leases which transfer ownership is determined in the same manner as intangible assets owned by the Company.

(Lease assets regarding finance leases which do not transfer ownership):

Depreciation of lease assets regarding finance leases which do not transfer ownership is determined by the straight-line method, with the lease term substituted for useful lives and zero substituted for salvage value.

4. Stock issuance costs and bond issuance costs

(1) Stock issuance costs:

The Company expenses stock issuance costs as they are incurred.

(2) Bond issuance costs:

The Company amortises bond issuance costs equally until maturity.

5. Allowances

(1) Allowance for doubtful accounts:

Allowance for doubtful accounts is determined based on past experience for normal receivables and on an estimate of the collectability of receivables from companies in financial difficulty.

(2) Allowance for investment loss:

In case the real value of a subsidiary's stock declines, allowance for investment loss is determined based on a review of their recoverability.

(3) Provision for loss on construction contracts:

In preparation for future losses regarding construction contracts, provision for loss on construction contracts is determined based on the estimated loss from the next fiscal year and beyond for constructions which are undelivered at the date of the fiscal year-end.

(4) Employees' retirement benefits:

Employees' retirement benefits are recognised by accrual basis, which is determined based on the projected benefit obligation and estimated fair value of plan assets at the date of the fiscal year-end. The method of attributing expected retirement benefits to accounting periods is determined by the benefit formula basis. Prior service costs are amortised as they are incurred over a defined period, not exceeding the average remaining period of employment (mainly 15.0 years), by the straight-line method and accounted for as deductions of pension costs. Unrecognised actuarial gains or losses are amortised over the defined period, not exceeding the average remaining period of employment (mainly 14.1 years), by the straight-line method and are accounted for as the additions to or the deductions of pension costs from the fiscal year following the fiscal year in which those are incurred.

(5) Allowance for contingency loss:

Allowance for contingency loss from the guarantee of debt for subsidiaries and others is determined based on the financial conditions of guaranteed subsidiaries and others.

6. Accounting for hedges

(1) Accounting for hedges:

The deferred method is generally applied. The special treatment for interest rate swap agreements is applied when the defined conditions are met. When forward foreign exchange contracts are to hedge foreign currency risks on foreign currency denominated receivables and payables, such receivables and payables are recorded at the forward exchange contract rates.

(2) Hedging instruments and hedged items:

Forward foreign exchange contracts, interest rate swap agreements, and commodity future contracts are, separately or collectively, utilised to hedge market risks such as foreign currency exchange rates, interest rates and market price risks.

(3) Hedge policies:

Hedging activities on foreign currency exchange rates, interest rates and commodity price risks are utilised according to the risk management policies established by each Business Group.

(4) Method of assessment of hedge effectiveness:

The Company assesses hedge effectiveness primarily based on the ratio analysis before and after the hedge transactions, depending on the hedged items or hedging instruments.

7. The transactions subject to consumption tax are recorded at amounts exclusive of consumption tax.

8. Interest expenses incurred during the ordinary development period of large-sized real estate development projects (projects with development periods of over 2 years and costs exceeding ¥5,000 million) are capitalized as part of the development costs of related real estate.

9. The Company files a consolidated income tax return.

<Notes to Balance Sheet>

1. Accounts receivable from and payable to affiliated companies

Due from subsidiaries and affiliates		
	Current	289,466 million yen
	Non-current	213,094 million yen
Due to subsidiaries and affiliates		
	Current	727,050 million yen
	Non-current	1,005 million yen

2. Accumulated depreciation on property and equipment

27,201 million yen

3. Assets pledged as collateral

Assets pledged as collateral

Investment securities and investments in subsidiaries and affiliates	57,293 million yen
Other current assets	1,476 million yen

The Company's assets which were provided as collateral were for loans payable of subsidiaries and affiliates.

4. Contingent liabilities

Guarantees for bank loans

Marubeni Financial Service	526,849 million yen
Marubeni America Corporation	271,907 million yen
Marubeni Iron Ore Australia	161,752 million yen
Others (158 companies)	668,699 million yen
Total	1,629,207 million yen

Elimination of duplication (¥86,045 million) is included in "Others".

Commitments to guarantees for bank loans

Marubeni Hong Kong & South China Ltd.	4,266 million yen
Others (3 companies)	(2,867 million yen)
Total	7,133 million yen

Elimination of duplication (¥2,109 million) is included in "Others".

Guarantees for client debt are included above.

Export bills of exchange discounted	29,344 million yen

The Company loans funds to Marubeni Financial Service Corporation (MFS) which manages intra-group finance. The loans to MFS which are included in the balance of "Guarantee for bank loans" on the balance sheet at March 31, 2018 and on which the Company bears credit risk of domestic subsidiaries and affiliates based on the contract with MFS are as follows:

Marubeni Aviation	42,838 million yen
Others (22 companies)	130,533 million yen
Total	173,371 million yen

Lawsuits, etc.

After the Supreme Court of Indonesia ("Supreme Court") ruled in favor of the Company in a lawsuit on March 17, 2011 (hereinafter referred to as the "Previous Case"*), lawsuits were filed against the Company in South Jakarta and Gunung Sugih (hereinafter collectively referred to as the "Two Current Cases"), in which substantially the same claims were made as in the Previous Case, including a claim for compensation for damages. As the lower courts partially ruled in favor of the plaintiffs, the Company appealed to the Supreme Court. The Supreme Court handed down a ruling on the South Jakarta case on May 17, 2017, and the Gunung Sugih case on September 14, 2017, respectively.

* The Company had receivables owed by PT. Indolampung Perkasa and PT. Sweet Indolampung-both of which belong to the Indonesian enterprise group Sugar Group-and requested payment from such receivables. However, in response, Sugar Group companies including the aforementioned two debtors (PT. Indolampung Perkasa, PT. Sweet Indolampung, PT. Gula Putih Mataram, PT. Indolampung Distillery and PT. Garuda Pancaarta) sued the defendants including the Company for damages and sought affirmation of the invalidity of the Company's receivables and security interest.

The Supreme Court's decision on the South Jakarta case is as summarised below.

South Jakarta case:

To find four out of the six defendants, including the Company and Marubeni Europe PLC, jointly liable for damages in a total amount of $250 million to the plaintiffs, i.e., five companies belonging to Indonesian enterprise group Sugar Group (PT. Indolampung Perkasa, PT. Sweet Indolampung, PT. Gula Putih Mataram, PT. Indolampung Distillery and PT. Garuda Pancaarta).

The Supreme Court's decision on the Gunung Sugih case is as summarised below.

Gunung Sugih case:

To find five out of the seven defendants, including the Company, jointly liable for damages in a total amount of $250 million to the plaintiffs, i.e., four companies belonging to Indonesian enterprise group Sugar Group (PT. Indolampung Perkasa, PT. Sweet Indolampung, PT. Gula Putih Mataram and PT. Indolampung Distillery).

The Two Current Cases were brought before the courts again by the Sugar Group against the defendants including the Company, making substantially the same claims as in the Previous Case. The decision above is deemed to contradict with the ruling on the Previous Case by the Supreme Court itself, in which Sugar Group's claims were rejected. Pursuant to Indonesian Supreme Court legislation, the Company filed an application for judicial review (retrial) with respect to the South Jakarta case on October 24, 2017 and the Gunung Sugih case on February 6, 2018, respectively.

The Company did not recognise any provisions for litigation in regards to the South Jakarta and Gunung Sugih cases as at March 31, 2018, having determined that there is a high possibility that the aforementioned ruling will be overturned as a result of such judicial review (retrial).

In addition to the above, although there are certain outstanding litigations such as those relating to compensation for damages and collection of receivables regarding infrastructure projects overseas as at March 31, 2018, the outcome of these cannot be determined at this time except the project for which the Company has recognised losses. The Company provides no further disclosures on these litigations since the Company believes that such disclosures would prejudice seriously the outcome of the proceedings.

<Notes to Statement of Income>

Operating and non-operating transactions with subsidiaries and affiliates

Sales	1,750,592 million yen
Purchases	2,376,324 million yen
Non-operating transactions	142,414 million yen

<Notes to Statement of Changes in Net Assets>

Type and number of treasury stock at March 31, 2018:

Type of shares	Common stock
Number of shares	2,406,660 shares

<Notes to deferred tax assets and deferred tax liabilities>

The major components of deferred tax assets are losses on devaluation of assets, reorganisation transaction and others. The major components of deferred tax liabilities are unrealised gains or losses on other securities.

<Notes to related party transactions>

Subsidiaries and affiliates:

(Unit: millions of yen)

Attribute	Company name	Ownership	Business relationship	Transaction	Transaction amount	Account	Balance on March 31, 2018
Subsidiary	Columbia Grain Trading	Indirect: 100%	Offshore trade etc.	Offshore trade etc. *1	685,700	Accounts receivable Others	73,250 2,679
Subsidiary	Marubeni Petroleum	Direct: 100%	Import and offshore trade etc. Debt guarantee	Import and offshore trade etc. *1 Debt guarantee *2	808,594 60,111	Accounts payable Other payables Others —	7,269 2,490 82 —
Subsidiary	MARUBENI NORTH SEA	Direct: 100%	Paid-in capital increase Debt guarantee	Paid-in capital increase *3 Debt guarantee *2	102,069 91,685	— —	— —
Subsidiary	MARUBENI IRON ORE AUSTRALIA	Direct: 100%	Debt guarantee	Debt guarantee *2	161,752	—	—
Subsidiary	MARUBENI LP HOLDING	Direct: 100%	Financial assistance	Lending of funds *4	—	Long-term loans receivable	116,781
Subsidiary	MMSL	Direct: 100%	Debt guarantee	Debt guarantee *2	87,268	—	—
Subsidiary	Marubeni Financial Service	Direct: 100%	Debt guarantee Deposit	Debt guarantee *2 Deposit *5	526,849 461,601	— Deposits received	— 479,559
Subsidiary	Marubeni Finance Europe	Direct: 100%	Debt guarantee	Debt guarantee *2	69,774	—	—
Subsidiary	Marubeni America	Direct: 100%	Import and offshore trade etc. Debt guarantee Financial assistance	Import and offshore trade etc. *1 Debt guarantee *2 Lending of funds *4	958,301 271,907 100,000	Accounts payable Other payables Deposits received Others — —	99,192 4,397 9 11,297 — —

Terms and conditions of the transactions and policies in determining terms and conditions of transaction:

1. The trading prices and other terms and conditions are determined by negotiation based on the current market prices, etc.
2. The Company has provided a guarantee for bank loans and other debts of the subsidiary, and the rate of the guarantee premium is determined by considering the creditworthiness and other factors of the subsidiaries.
3. The Company subscribed to the capital increase of the subsidiary.
4. The interest rates for lending of funds to the subsidiary are determined based on the market rates. No security is required for the lending of funds.
5. The interest rates for deposits from the subsidiary are determined based on the market rates. The transaction amount of the deposits is displayed as an average balance over this business year.

<Notes to per share>

1. Net assets per share 358.26 yen

The following sets forth the basis of the calculation of net assets per share.

Numerator (millions of yen)	
Total net assets	622,300
Amount deducted from total net assets	
Stock acquisition rights	528
Total net assets concerning ordinary shares	621,772
Denominator (number of shares)	
Number of ordinary shares at end of period	1,735,534,240

2. Earnings per share 38.60 yen

Diluted earnings per share 38.59 yen

The following sets forth the basis of the calculation of earnings per share and diluted earnings per share.

Numerator (millions of yen)	
Profit for the year	67,000
Adjustment amount used for the calculation of diluted earnings per share	
Adjustment concerning stock acquisition rights	(1)
Profit for the year used for the calculation of diluted earnings per share	66,999
Denominator (number of shares)	
Average number of ordinary shares during period used for the calculation of earnings per share	1,735,539,122
Adjustment of number of dilutive shares	
Adjustment concerning stock acquisition rights	849,138
Average number of ordinary shares during period used for the calculation of diluted earnings per share	1,736,388,259

<Notes on significant subsequent events>

The Company issued bonds as follows.

<USD unsecured bonds, first issue>

1. Total amount of bonds issued: US$ 500 million
2. Interest rate: 3.75% per annum
3. Issue price: 99.612% of par value
4. Closing date: April 17, 2018
5. Maturity date: April 17, 2023
6. Redemption method: Bullet (redemption in full at maturity)
7. Use of proceeds: The net proceeds of the issue of the bonds will be used for general corporate purposes

<Other notes>

Notes maturing at the end of the Company's current fiscal year have been eliminated at the date of clearing.

The end of the Company's current fiscal year was a holiday for financial institutions, so the following notes are included in the non-consolidated balance sheet.

Notes receivable	322 million yen
Notes and acceptances payable	457 million yen

Audit Report of the Accounting Auditor for the Consolidated Financial Statements (COPY)

Independent Auditor's Report

May 14, 2018

The Board of Directors
Marubeni Corporation

Ernst & Young ShinNihon LLC

Nobuyuki Shimizu
Certified Public Accountant
Designated and Engagement Partner (Seal)

Yoshifumi Mitsugi
Certified Public Accountant
Designated and Engagement Partner (Seal)

Hironori Ogawa
Certified Public Accountant
Designated and Engagement Partner (Seal)

Pursuant to Article 444, Section 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the notes to the consolidated financial statements of Marubeni Corporation (the"Company") applicable to the 94th fiscal year from April 1, 2017 through March 31, 2018.

Management's Responsibility for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards with some omissions of disclosure items pursuant to the latter part of the Paragraph 1, Article 120 of the Ordinance for Company Accounting, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the consolidated financial statements prepared in accordance with International Financial Reporting Standards with certain disclosure items omitted pursuant to the latter part of the Paragraph 1, Article 120 of the Ordinance for Company Accounting referred to above present fairly, in all material respects, the financial position and results of operations of the Marubeni Corporation and its consolidated subsidiaries, applicable to the fiscal year ended March 31, 2018.

Conflicts of Interest
We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

(Note)
This is an English translation of the Japanese language Independent Auditor's Report issued by Ernst & Young ShinNihon LLC in connection with the audit of the consolidated financial statements of the Company prepared in Japanese, for the year ended March 31, 2018. Ernst & Young ShinNihon LLC have not audited the English language version of the consolidated financial statements for the above-mentioned year.

Audit Report of the Accounting Auditor (COPY)

Independent Auditor's Report

May 14, 2018

The Board of Directors
Marubeni Corporation

Ernst & Young ShinNihon LLC

Nobuyuki Shimizu
Certified Public Accountant
Designated and Engagement Partner (Seal)

Yoshifumi Mitsugi
Certified Public Accountant
Designated and Engagement Partner (Seal)

Hironori Ogawa
Certified Public Accountant
Designated and Engagement Partner (Seal)

Pursuant to Article 436, Section 2, Paragraph 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, the notes to the financial statements and the related supplementary schedules of Marubeni Corporation (the "Company") applicable to the 94th fiscal year from April 1, 2017 through March 31, 2018.

Management's Responsibility for the Financial Statements and the Related Supplementary Schedules
Management is responsible for the preparation and fair presentation of these financial statements and the related supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the related supplementary schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements and the related supplementary schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the related supplementary schedules are free from material misstatement.
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the related supplementary schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and the related supplementary schedules, whether due to fraud or error. The purpose of an audit of the financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements and the related supplementary schedules in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the related supplementary schedules.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements and the related supplementary schedules referred to above present fairly, in all material respects, the financial position and results of operations of Marubeni Corporation applicable to the 94th fiscal year ended March 31, 2018 in conformity with accounting principles generally accepted in Japan.

Conflicts of Interest
We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

(Note)
This is an English translation of the Japanese language Independent Auditor's Report issued by Ernst & Young ShinNihon LLC in connection with the audit of the financial statements of the Company prepared in Japanese, for the year ended March 31, 2018. Ernst & Young ShinNihon LLC have not audited the English language version of the financial statements for the above-mentioned year.
The related supplementary schedules referred to in this report are not included in the attached translated version of financial documents.

Audit Report of the Audit & Supervisory Board (COPY)

Audit Report

The Audit & Supervisory Board discussed on the execution of Directors' duties for the 94th Business Year from April 1, 2017 to March 31, 2018 based on the audit report prepared by each of the Audit & Supervisory Board Members, prepared this report and reports as follows.

1. Audit Method and Details by Audit & Supervisory Board Members and the Audit & Supervisory Board

(1) The Audit & Supervisory Board established audit policies, plans and other matters, received reports on the status of performance and results of audit from each Audit & Supervisory Board Member, and reports on the status of execution of duties by Directors, the Accounting Auditor and other staff, and requested explanation when necessary.

(2) In accordance with audit policies, plans and other matters established by the Audit & Supervisory Board, each Audit & Supervisory Board Member held dialogues with Directors, Chief Operating Officer of each Business Division and General Manager of each Department in Corporate Staff Division including Audit Department and other staff, strived to collect information and develop its audit environment and conducted its audit as following method.

(i) Each Audit & Supervisory Board Member attended meetings of the Board of Directors and other important meetings, received reports from Directors and other staff on the execution of their duties, requested explanations when necessary, inspected important written approvals and other documents, and examined the status of operations and assets at the headquarters and major other offices.
With regard to the Corporation's subsidiaries, each Audit & Supervisory Board Member held dialogues with directors, audit & supervisory board members and other staff of subsidiaries, exchanged information, and requested reports on their businesses when necessary.

(ii) Each Audit & Supervisory Board Member also received reports from and requested explanations when necessary from Directors and other staff on the details of the resolution by the Board of Directors concerning the development of systems necessary to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation, and other systems provided for in Article 100, Paragraph 1 and Paragraph 3 of the Enforcement Regulations of the Companies Act as systems necessary to ensure the properness of operations of a Corporate Group, consisting of a Stock Company and its group companies, and the status of development and operation of the systems established based on the resolution of the Board of Directors above (internal control system).

(iii) The Audit & Supervisory Board monitored and verified whether the Accounting Auditor maintains its independent position and executes its proper audit, and received reports and explanation on the status of execution of the Accounting Auditor's duties, and exchanged opinions when necessary. Furthermore, the Audit & Supervisory Board received notice from the Accounting Auditor that "Systems necessary to ensure that duties are executed properly" (matters set forth in each item of Article 131 of the Corporation Accounting Regulations) had been developed in accordance with the "Quality Management Standards Regarding Audits" (Business Accounting Council; October 28, 2005) and other standards, and requested explanation when necessary.

Based on the above method, the Audit & Supervisory Board examined the Business Report and the Supplementary Schedules thereof, the Non-consolidated Financial Statements (Non-consolidated Balance Sheets, Non-consolidated Statements of Income, Non-consolidated Statements of Changes in Net Assets, and Notes to Non-consolidated Financial Statements) and the supplementary schedules thereof, and the Consolidated Financial Statements (the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the notes to the consolidated financial statements) for the Business Year under review.

2. Audit Results

(1) Audit Results of Business Report and Others

(i) The Audit & Supervisory Board confirms that the Business Report and the Supplementary Schedules thereof correctly present the Corporation's situation in accordance with laws and regulations and the Articles of Incorporation.

(ii) With regard to the execution of duties by Directors, the Audit & Supervisory Board confirms that there was no significant instance of wrongful acts, nor violations of laws or regulations, or the Articles of Incorporation.

(iii) The Audit & Supervisory Board confirms that the details of the resolution by the Board of Directors concerning the internal control system are appropriate and adequate. In addition, the Audit & Supervisory Board confirms that there is no matter on which to remark with regard to the execution of duties by Directors regarding the internal control system.

(2) Audit Results on the Non-consolidated Financial Statements and the Supplementary Schedules thereof

The Audit & Supervisory Board confirms that the audit method of the Accounting Auditor, Ernst & Young ShinNihon LLC, and the results of audit thereof are appropriate and adequate.

(3) Audit Results on the Consolidated Financial Statements

The Audit & Supervisory Board confirms that the audit method of the Accounting Auditor, Ernst & Young ShinNihon LLC, and the results of audit thereof are appropriate and adequate.

May 15, 2018

The Audit & Supervisory Board, Marubeni Corporation

Full-time Audit & Supervisory Board Member	Kaoru Kuzume (Seal)
Full-time Audit & Supervisory Board Member	Kazuro Gunji (Seal)
Outside Audit & Supervisory Board Member	Shuichi Yoshikai (Seal)
Outside Audit & Supervisory Board Member	Takashi Hatchoji (Seal)
Outside Audit & Supervisory Board Member	Tsuyoshi Yoneda (Seal)

Notes to Shareholders

Business Year:	From April 1 to March 31 on the following calendar year
Ordinary General Meeting of Shareholders:	June every year
Date when shareholders that the Corporation pays the year-end dividends are confirmed:	March 31 every year
Date when shareholders that the Corporation pays the interim dividends are confirmed:	September 30 every year
Administrator of shareholders' register and organization to manage special accounts:	Mizuho Trust & Banking Co., Ltd. 2-1, Yaesu 1-chome, Chuo-ku, Tokyo 103-8670
Transfer agent:	Mizuho Trust & Banking Co., Ltd. Stock Transfer Agency Department, Headquarters 2-1, Yaesu 1-chome, Chuo-ku, Tokyo 103-8670 Telephone No.: (0120)288-324
The number of shares as a Tangen unit:	100 shares
Listed stock exchanges:	Tokyo and Nagoya
Method of giving public notices:	Electronic public notice (The Corporation's electronic public notices are given within the Corporation's website at the URL below. However, in the event such electronic public notices are not available due to some accidents or other unavoidable circumstances, such notice shall be given within the Nihon Keizai Shimbun.) https://www.marubeni.com/jp/koukoku.html

Introduction to share administration

Contact address of the Corporation's share administration is as follows.

◆ **Payment of unpaid dividends**

Requests for the payment of unpaid dividends can be processed at the head offices and all Japanese branches of Mizuho Trust & Banking and Mizuho Bank.

* The head office and all Japanese branches of Mizuho Securities will serve as agents for processing requests for the payment of unpaid dividends

◆ **Issuance of payment details**

Please direct your inquiries to the contact address below at Mizuho Trust & Banking.

◆ **Procedures following the change in address, the request for purchase of shares less than a Tangen Unit by the Corporation or purchase of additional shares less than a Tangen Unit by shareholders, specification of method to receive dividends, filing an income tax return or inheritance**

Shareholders who have accounts with securities firms:
Please direct your inquiries to the securities firm that you have accounts with.
Shareholders who do not have accounts with securities firms (shareholders who are registered in special accounts):
Please direct your inquiries to the following contact address at Mizuho Trust & Banking.

* At the time of filing an income tax return, shareholders who selected a method to receive dividends other than Allocation Based on the Number of Shares Method (*kabushikisu hirei haibun hoshiki*) can use the enclosed "Statement of Year-end Dividends."
For shareholders who selected Allocation Based on the Number of Shares Method (*kabushikisu hirei haibun hoshiki*), please confirm details at the securities firm that you have accounts with.

◆ **Contact address:**

8-4, Izumi 2-chome, Suginami-ku, Tokyo 168-8507
Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd.
Toll free: 0120-288-324

Introduction to the Corporation's website

marubeni search

URL http://www.marubeni.com/jp/



The Corporation's website provides not only the corporate overview, business domains, press releases and other basic information, but also IR information, CSR, global environment and other wide variety of contents.
Please visit our website.

Marubeni
(Stock Exchange Code No. 8002)
7-1, Nihonbashi 2-chome, Chuo-ku, Tokyo 103-6060, Japan
[81](3)3282-2111

Map to Location of General Meeting of Shareholders

Date and Time

10:00 A.M., Friday, June 22, 2018
(doors open at 8:30 A.M.)

Location

Palace Hotel Tokyo
2 F
「Aoi Room」

1-1 Marunouchi 1-chome, Chiyoda-ku, Tokyo
Tel: 03-3211-5211

Access

JR「Tokyo sta.」 : 8 minutes walk from **Marunouchi North Exit**

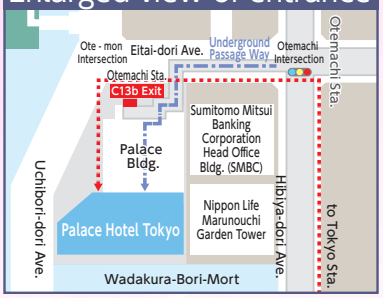
Tokyo Metro
- Chiyoda Line
- Hanzomon Line
- Marunouchi Line
- Tozai Line

Toei Subway
- Mita Line

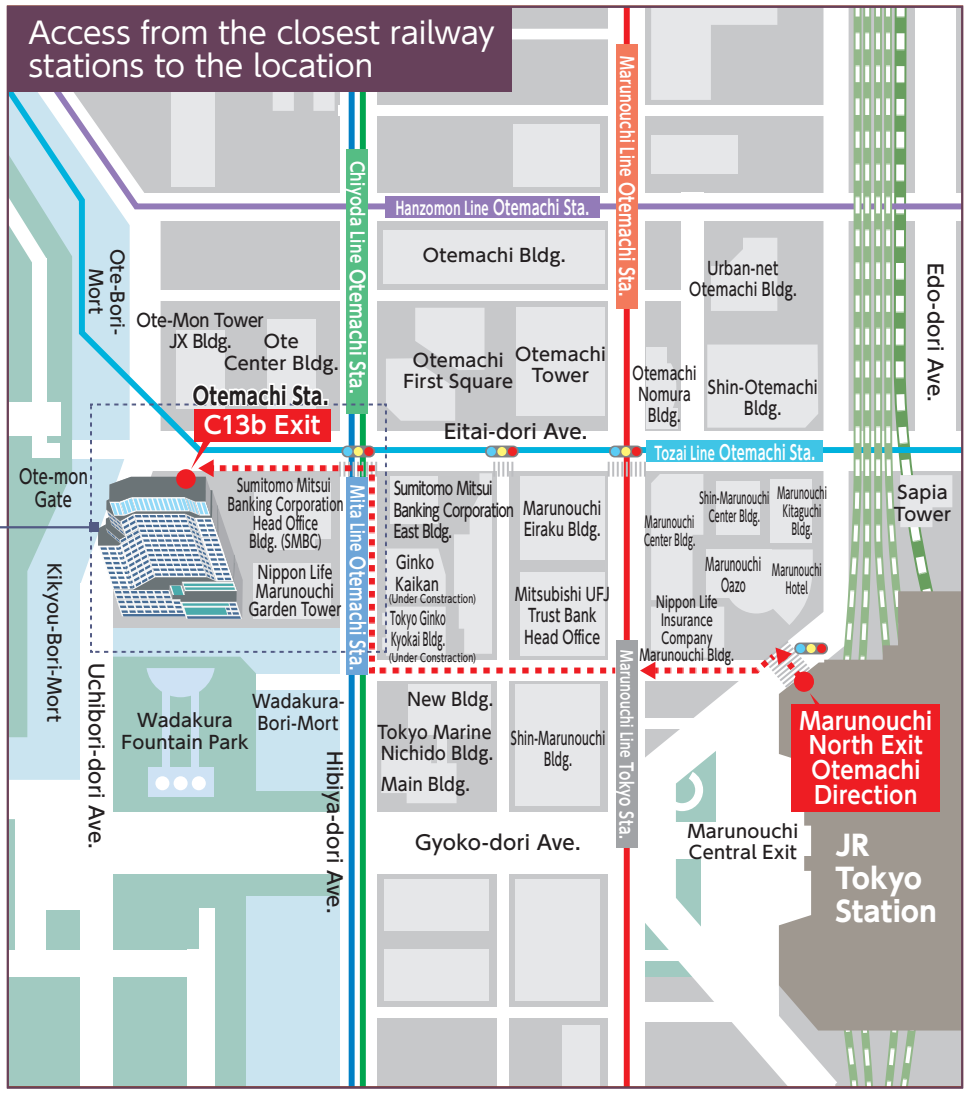
「Otemachi Sta.」
Direct access from **#C13b Exit**
via underground passage way

※Please abstain from coming to the location by car as the streets in the surrounding area and the parking area are expected to be congested with traffic.

Enlarged view of entrance



Access from the closest railway stations to the location





UD FONT

Easy to read universal design fonts that are used.