

Notice of the 95th Ordinary General Meeting of Shareholders

10:00 A.M., Friday, June 21, 2019

◆ Matters for Resolution:

Agenda No. 1: To elect 10 Directors (Members of the Board)

Agenda No. 2: To elect 1 Audit & Supervisory Board Member

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 operations", "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 95th 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 95th Ordinary General Meeting of Shareholders of Marubeni Corporation on Friday, June 21, 2019.

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, 2018 to March 31, 2019.

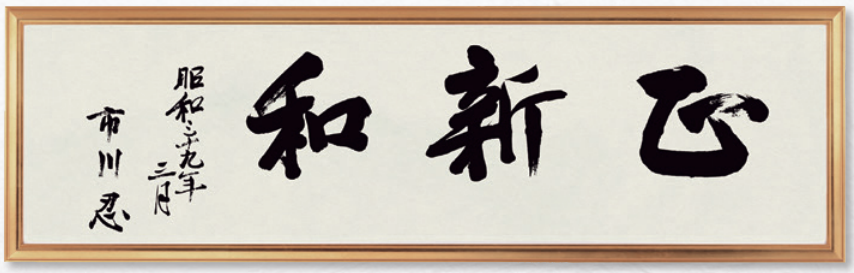
May 2019



Masumi Kakinoki, 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 Net Assets, Notes to Non-consolidated Financial Statements

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



Cover:
Kosode with design of wisteria, pine trees and craggy rocks
Dyeing and embroidery on white figured silk satin (*rinzu*)
Late 1690s (Early Edo period)
Collection of Marubeni Corporation

(Stock Exchange Code No. 8002)
May 31, 2019

To our shareholders:

7-1, Nihonbashi 2-chome, Chuo-ku, Tokyo
Marubeni Corporation
Representative Director
President and CEO
Masumi Kakinoki

Notice of the 95th Ordinary General Meeting of Shareholders

Notice is hereby given that the 95th 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 20, 2019 (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 21 and exercise your voting rights by the exercise deadline set forth above.

Date and Time:	10:00 A.M., Friday, June 21, 2019 (meeting place opens at 8:30 A.M.) ※Please come early to the venue as the reception area will become congested just before the starting time of the General Meeting of Shareholders.
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 95th Business Year (from April 1, 2018 to March 31, 2019) and Consolidated Financial Statements and the Audit Reports of the Accounting Auditor and the Board of Corporate Auditors for Consolidated Financial Statements for the 95th Fiscal Year (from April 1, 2018 to March 31, 2019) 2. Reports on Non-consolidated Financial Statements for the 95th Business Year (from April 1, 2018 to March 31, 2019)

Agenda:	Matters for Resolution: Agenda No. 1: To elect 10 Directors (Members of the Board) Agenda No. 2: To elect 1 Audit & Supervisory Board Member
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 95th Business Year

In accordance with the provisions of the Articles of Incorporation, at the Board of Directors meeting of May 15, 2019, the Corporation decided that the year-end dividend will be 17 Yen per share and that the effective date (the payment commencement date) will be June 3, 2019.

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 95th 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 95th 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 95th Business Year" during the period from June 3, 2019 (Monday) to July 12, 2019 (Friday).

Reference Materials for the General Meeting of Shareholders

Agenda and Related Matters

Agenda No.1: 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	Fumiya Kokubu	Reappointment Internal Director	Chairman of the Board	94.7% (18/19)	7 years
2	Masumi Kakinoki	Reappointment Internal Director	President and CEO, Member of the Board	100% (15/15)	1 year
3	Yukihiko Matsumura	Reappointment Internal Director	Senior Executive Vice President, Member of the Board; Chief Administrative Officer (CAO); Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Chairman of Compliance Committee (Chief Compliance Officer (CCO)); Chairman of Internal Control Committee; Chairman of IT Strategy Committee (Chief Information Officer (CIO))	100% (15/15)	1 year
4	Ichiro Takahara	New appointment Internal Director	Senior Executive Vice President, Chief Executive Officer, Power Business, Energy & Metals Group	—	—
5	Nobuhiro Yabe	Reappointment Internal Director	Senior 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 (Chief Sustainable Development Officer (CSDO)); Chairman of Disclosure Committee	100% (19/19)	3 years
6	Hirohisa Miyata	Reappointment Internal Director	Managing Executive Officer, Member of the Board; Chief Digital Innovation Officer (CDIO); Chief Strategy Officer (CSO); Regional CEO for East Asia; Vice Chairman of Investment and Credit Committee	100% (15/15)	1 year
7	Takao Kitabata	Reappointment Outside Director Independent Director	Member of the Board	94.7% (18/19)	6 years
8	Kyohei Takahashi	Reappointment Outside Director Independent Director	Member of the Board	100% (19/19)	3 years
9	Susumu Fukuda	Reappointment Outside Director Independent Director	Member of the Board	100% (19/19)	3 years
10	Yuri Okina	Reappointment Outside Director Independent Director	Member of the Board	100% (19/19)	2 years

Notes: 1. The Attendance at meetings of the Board of Directors indicated for Mr. Masumi Kakinoki, Mr. Yukihiko Matsumura, and Mr. Hirohisa Miyata pertains to the Meetings of the Board of Directors held following their assumption of office as Director on June 22, 2018.
2. The number of years served as Director indicates the most recent continuous term of office as Director.

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

Reappointment



No. of years served as Director (at the close of this General Meeting of Shareholders): 7 years
Current shareholdings in the Corporation: 169,618 shares
Subscription rights to shares held: 1,237 rights
Attendance at meetings of the Board of Directors: 94.7% (18/19)

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
Apr. 2019: Chairman 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 served as the President and CEO, Member of the Board from April 2013 to March 2019 after having served as Managing Executive Officer, Senior Managing Executive Officer and Senior Executive Vice President, Member of the Board. He has been the Chairman of the Board since April 2019. 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 2018, 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.

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

Reappointment



No. of years served as Director (at the close of this General Meeting of Shareholders): 1 year
Current shareholdings in the Corporation: 72,300 shares
Subscription rights to shares held: 572 rights
Attendance at meetings of the Board of Directors: 100% (15/15)
*The attendance at meetings held following his assumption of office as Director on June 22, 2018

Career Overview

Apr. 1980: Joined the Corporation.
Apr. 2010: Executive Officer
Apr. 2013: Managing Executive Officer
Jun. 2013: Managing Executive Officer, Member of the Board
Apr. 2014: Managing Executive Officer
Apr. 2017: Senior Managing Executive Officer
Apr. 2018: Senior Executive Vice President
Jun. 2018: Senior Executive Vice President, Member of the Board
Apr. 2019: President and CEO, Member of the Board (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 has been the President and CEO, Member of the Board since April 2019 after having served as Managing Executive Officer; Managing Executive Officer, Member of the Board; Managing Executive Officer; Senior Managing Executive Officer; Senior Executive Vice President; 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 2018, Mr. Kakinoki worked to further expand the existing businesses in the Power Business & Plant Group while vigorously promoting new businesses. 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 "Power Business & Plant Group" collectively refers to the Power Business Div. and the Plant Div.

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

Reappointment



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

Current shareholdings in the Corporation: 90,373 shares

Subscription rights to shares held: 595 rights

Attendance at meetings of the Board of Directors: 100% (15/15)

*The attendance at meetings held following his assumption of office as Director on June 22, 2018

Career Overview

Apr. 1980: Joined the Corporation
Apr. 2009: Executive Officer
Apr. 2012: Managing Executive Officer
Jun. 2012: Managing Executive Officer, Member of the Board
Apr. 2015: Senior Managing Executive Officer, Member of the Board
Apr. 2016: Senior Managing Executive Officer
Apr. 2018: Senior Executive Vice President
Jun. 2018: Senior Executive Vice President, Member of the Board
Apr. 2019: Senior Executive Vice President, Member of the Board; CAO; Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Chairman of Compliance Committee (CCO); Chairman of Internal Control Committee; Chairman of IT Strategy Committee (CIO) (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, Member of the Board; CAO; Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Chairman of Compliance Committee (CCO); Chairman of Internal Control Committee; and Chairman of IT Strategy Committee (CIO) after having served as Managing Executive Officer; Managing Executive Officer, Member of the Board; and Senior Managing Executive Officer, Member of the Board; and Senior Executive Vice President. 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 2018, as CAO, CCO, and CIO, Mr. Matsumura dealt with important lawsuits and vigorously promoted strengthening of systems for ensuring compliance with the Antimonopoly Act. 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 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. Ichiro Takahara (Date of Birth: Jun. 8, 1956)

New appointment



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

Current shareholdings in the Corporation: 21,635 shares

Subscription rights to shares held: 540 rights

Career Overview

Apr. 1979: Joined the Ministry of International Trade and Industry (MITI)
Oct. 2003: Director, Regional Economic and Industrial Policy Division, Economic and Industrial Bureau, Ministry of Economy, Trade and Industry (METI)
Apr. 2004: Director, Budget and Accounts Division, Minister's Secretariat, METI
Jul. 2009: Director-General, Kanto Bureau of Economy, Trade and Industry, METI
Jul. 2010: Commission, Small and Medium Enterprise Agency, METI
Sep. 2011: Commission, Agency for Natural Resources and Energy, METI (Resigned in Jun. 2013)
Oct. 2013: Advisor of the Corporation
Apr. 2014: Managing Executive Officer, Advisor to the President, Chief Operating Officer, Global Strategy & Coordination Dept. and Research Institute, Advisor to the President for Lifestyle, Forest Products, ICT & Realty Group
Jun. 2014: Managing Executive Officer, Member of the Board, Advisor to the President, Chief Operating Officer, Global Strategy & Coordination Dept. and Research Institute, Advisor to the President for Lifestyle, Forest Products, ICT & Realty Group
Apr. 2015: Managing Executive Officer, Member of the Board; Chief Executive Officer, Chemical & Forest Products Group
Apr. 2016: Managing Executive Officer, Member of the Board; Chief Executive Officer, Energy & Metals Group
Jun. 2016: Managing Executive Officer; Chief Executive Officer, Energy & Metals Group
Apr. 2017: Senior Managing Executive Officer; Chief Executive Officer, Energy & Metals Group
Apr. 2019: Senior Executive Vice President, Chief Executive Officer, Power Business, Energy & Metals Group (Present Position)

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

Mr. Takahara served in key positions in the government. Since he joined the Corporation as Advisor in October 2013, he has mainly engaged in operations related to chemical & forest products and energy & metals and is presently Senior Executive Vice President and Chief Executive Officer, Power Business, Energy & Metals 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 contribution 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.

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): 3 years

Current shareholdings in the Corporation: 55,700 shares

Subscription rights to shares held: 533 rights

Attendance at meetings of the Board of Directors: 100% (19/19)

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. 2019: 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 Sustainability Management Committee (CSDO); 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 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 Sustainability Management Committee (CSDO); and Chairman of Disclosure Committee after having served as Managing Executive Officer and then as 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 fiscal year 2018, 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., Finance Dept., and Sustainability Management Dept.

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

Reappointment



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

Current shareholdings in the Corporation: 37,600 shares

Subscription rights to shares held: 485 rights

Attendance at meetings of the Board of Directors: 100% (15/15)

*The attendance at meetings held following his assumption of office as Director on June 22, 2018

Career Overview

Apr. 1983: Joined the Corporation
Apr. 2013: Executive Officer
Apr. 2016: Managing Executive Officer
Jun. 2018: Managing Executive Officer, Member of the Board
Apr. 2019: Managing Executive Officer, Member of the Board; CDIO; CSO; Regional CEO for East Asia; 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 Managing Executive Officer, Member of the Board; CDIO; CSO; Regional CEO for East Asia; and Vice Chairman of Investment and Credit 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 2018, Mr. Miyata vigorously promoted formulation of the new Medium-Term Management Strategy "Global crossvalue platform 2021" as CSO and sufficiently fulfilled his duties. 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 Digital Innovation Officer (CDIO)" is the Chief Operating Officer of Next Generation Business Development Division. The "Chief Strategy Officer (CSO)" is the Chief Operating Officer of Corporate Planning & Strategy Dept., Regional Coordination & Administration Dept., 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): 6 years
Current shareholdings in the Corporation: 0 shares
Attendance at meetings of the Board of Directors: 94.7% (18/19)

Career Overview

Apr. 1972: Joined Ministry of International Trade and Industry (MITI)
Jul. 1995: Director, Planning Office of Ministry's Secretariat, MITI
Dec. 1996: Director, Policy Planning and Coordination Division of Ministry's Secretariat, MITI
Jun. 2000: Deputy Director-General, for Policy Coordination of Ministry's Secretariat, MITI
Jul. 2002: Deputy Vice-Minister of Ministry's Secretariat, Ministry of Economy, Trade and Industry (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
Jun. 2014: Director, SEIREN Co., Ltd. (Present Position)
Director, Zeon Corporation (Present Position)

Status of Important Concurrent Occupations or Positions at Other Organizations

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 15). 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) Mr. Kitabata has been serving as Director of Kobe Steel, Ltd. (Kobe Steel) since June 2010. It was announced 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, and was convicted of violating the Unfair Competition Prevention Act in March 2019 for part of the misconduct. 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 contributed to formulation of measures to prevent recurrence of the misconduct. Since June 2018 he has been serving as Chairman of the Board of Directors at Kobe Steel. At the Board of Directors' meetings of Kobe Steel, he receives periodic reports on the progress of implementation of the recurrence prevention measures, while stating his opinions about the implementation of recurrence prevention measures and Kobe Steel's initiatives for recovering trust, such as corporate governance reform and reform of employees' mentality. As such, he is appropriately monitoring Kobe Steel's various initiatives.

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: Jul. 17, 1944)

Outside Director | Reappointment | Independent Director



No. of years served as Director (at the close of this General Meeting of Shareholders): 3 years

Current shareholdings in the Corporation: 0 shares

Attendance at meetings of the Board of Directors: 100% (19/19)

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 15). 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 2015 to fiscal year 2017 account for 0.01% of the consolidated revenue of the Corporation during said three-year period, whereas net sales of Showa Denko to the Corporation account for 0.08% 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): 3 years

Current shareholdings in the Corporation: 0 shares

Attendance at meetings of the Board of Directors: 100% (19/19)

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
Jun. 2015: Audit & Supervisory Board Member, Tokio Marine & Nichido Fire Insurance Co., Ltd.
Jun. 2016: Member of the Board of the Corporation (Present Position)
Nov. 2017: Representative Director and Chairman, Japan Real Estate Institute (Present Position)
May 2019: Vice Chairman (Representative Director), Japan Tax Association (Present Position)

Status of Important Concurrent Occupations or Positions at Other Organizations

Representative Director and Chairman, Japan Real Estate Institute

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 15). 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): 2 years

Current shareholdings in the Corporation: 0 shares

Attendance at meetings of the Board of Directors: 100% (19/19)

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 15). 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. Additionally, she has been proactively express her opinions as a member of the Sustainability Management Committee to reinforce the Corporation's sustainability promotion structure.
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.

Agenda No.2: To elect 1 Audit & Supervisory Board Member

The term of office of Mr. Kaoru Kuzume 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 1 Audit & Supervisory Board Member.

This proposal has gained consent of the Audit & Supervisory Board.

The candidate for Audit & Supervisory Board Member is as follows.

(For details of the Audit & Supervisory Board Member Election Standards, please refer to page 15.)

Hikaru Minami (Date of Birth: Feb. 25, 1957)

New appointment



No. of years served as Audit & Supervisory Board Member (at the close of this General Meeting of Shareholders): —

Current shareholdings in the Corporation: 60,158 shares

Subscription rights to shares held: 533 rights

Career Overview

Apr. 1979: Joined the Corporation
Apr. 2005: Advisor, The Daiei Inc.
May 2005: Director, The Daiei Inc.
Apr. 2008: Senior Operating Officer, FT, LT, IT & Innovative Business Division
Apr. 2009: Senior Operating Officer, Finance, Logistics & IT Business Division
Apr. 2010: Executive Officer; Chief Operating Officer, Finance, Logistics & IT Business Division
Apr. 2013: Managing Executive Officer; Chief Operating Officer, ICT, Finance & Insurance, Real Estate Business Division
Apr. 2015: Managing Executive Officer; CAO; CIO; Senior Operating Officer, Audit Dept.; Chairman of Compliance Committee; Chairman of Internal Control Committee; Chairman of IT Strategy Committee; Vice Chairman of Investment and Credit Committee
Jun. 2015: Managing Executive Officer, Member of the Board; CAO; CIO; Senior Operating Officer, Audit Dept.; Chairman of Compliance Committee; Chairman of Internal Control Committee; Chairman of IT Strategy Committee; Vice Chairman of Investment and Credit Committee
Nov. 2017: Managing Executive Officer, Member of the Board; CAO; 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
Apr. 2018: Managing Executive Officer, Member of the Board; Chief Executive Officer, Consumer Products Group
Jun. 2018: Managing Executive Officer; Chief Executive Officer, Consumer Products Group
Apr. 2019: Managing Executive Officer (Present Position)

Reasons for the appointment of the candidate for the position of Audit & Supervisory Board Member

Since Mr. Minami joined the Corporation, he has mainly engaged in operations related to finance, accounting, logistics, IT, and real estate, and is presently a Managing Executive Officer after having served as Managing Executive Officer and then as Managing Executive Officer, Member of the Board.
He has excellent expertise and a wealth of experience in finance and accounting and in-depth knowledge of overall management of a general trading company and global business management, in addition to abundant business experience at the Corporation. Thus, the Corporation believes that he will appropriately fulfill duties as an Audit & Supervisory Board Member of the Corporation and contribute to improvement of corporate governance and enforcement of audits by the Audit & Supervisory Board.
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 Audit & Supervisory Board Member.

If this proposal is approved as originally proposed, the structure of the Audit & Supervisory Board will be as follows:

Name		No. of years served as Audit & Supervisory Board Member
Kazuro Gunji	Internal Audit & Supervisory Board Member	2 years
Hikaru Minami	New appointment Internal Audit & Supervisory Board Member	—
Shuichi Yoshikai	Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	3 years
Takashi Hatchoji	Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	2 years
Tsuyoshi Yoneda	Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	2 years

(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.

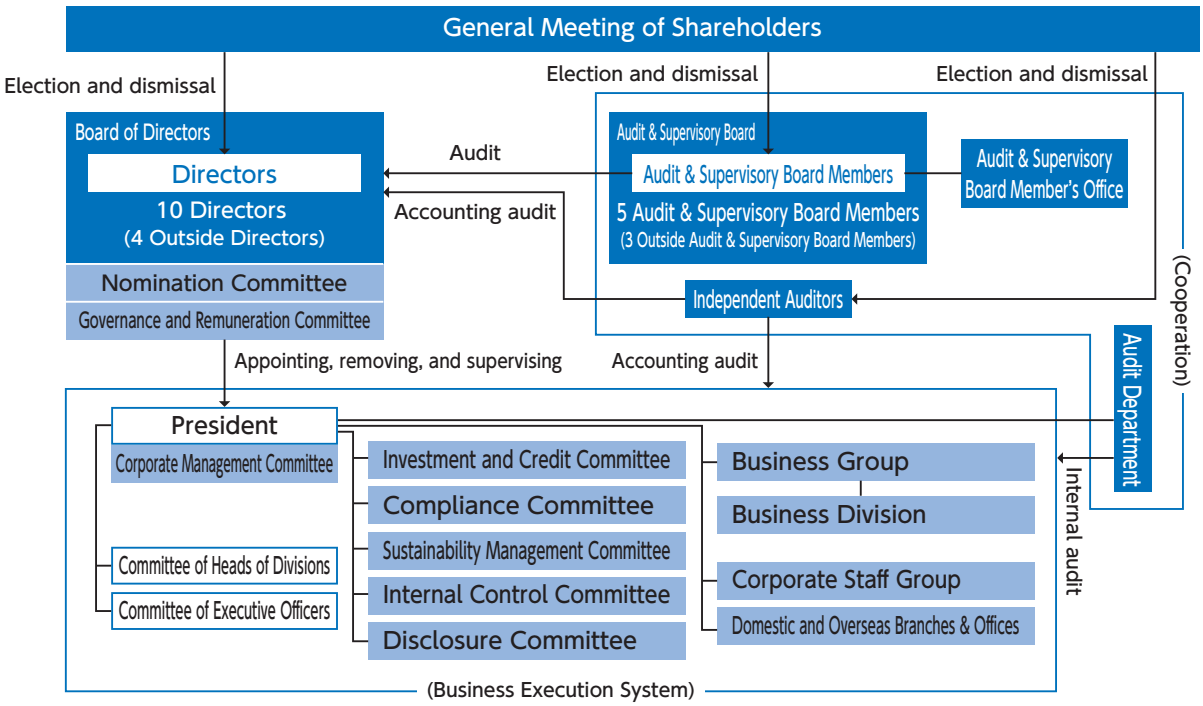
Even if a person falls under any of the items 1–7 above, if the Corporation judges that said person substantially maintains his/her independence, the Corporation shall explain and disclose the reason for his/her election as a candidate for Outside Director/Audit & Supervisory Board Member.
*An "executing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

(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, 2019)

Chairman:	Takao Kitabata, Outside Director
Committee members:	Masumi Kakinoki, 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, 2019)

Chairman:	Kyohei Takahashi, Outside Director
Committee members:	Masumi Kakinoki, President and CEO, Member of the Board
	Yukihiko Matsumura, Senior Executive Vice President, Member of the Board
	Susumu Fukuda, Outside Director
	Shuichi Yoshikai, Outside Audit & Supervisory Board Member
	Tsuyoshi Yoneda, 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 2018 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 2018

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
(8) Situation of improvement of issues identified in the previous fiscal year

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.
Regarding "further enrichment of deliberation of important matters," which was recognized as an issue by the evaluation conducted in the previous year, while measures implemented during fiscal year 2018 (improvements of reporting on business execution by Members of the Board, revision of the standards for matters to be referred to the Board of Directors with respect to individual projects, etc.) were well regarded, there were opinions stating that further initiatives are desired to be implemented in order to enhance substantive discussion of the corporate-wide management policy.
The Corporation will work to maintain and improve effectiveness of the Board of Directors, reflecting the results of evaluation and review.

(Reference)

Sustainability at Marubeni Group
"Building a Better Tomorrow"

The Marubeni Group (the Group) has re-clarified its basic views on sustainability in order to further strengthen and promote the Group's sustainability activities. The Group identified three categories of "Fundamental Materiality" as the most important elements for "Building a Better Tomorrow," and four categories of "Environmental & Social Materiality" in order to contribute to resolving environmental and social issues by utilizing its "Fundamental Materiality". The Group has also newly formulated and revised its relevant policies.
The Group believes that sustainability is living by its Management Philosophy: "In accordance with the spirit of the Company Creed of 'Fairness, Innovation and Harmony', the Group is proudly committed to social and economic development and safeguarding the global environment through fair and upright corporate activities." The Group will proactively engage in environmental and social issues, create innovation and provide solutions through innovation for "Building a Better Tomorrow."

Sustainability Management Organization

As a part of its organization to promote sustainability initiatives, the Group has Sustainability Management Committee under the supervision of the President, which includes Outside Directors and Outside Audit & Supervisory Board Members in advisory roles.
Starting April 1, 2019, as a part of efforts to enhance its sustainability management organization, the Corporation appointed the head of the Sustainability Management Committee as Chief Sustainable Development Officer and newly established a Sustainability Management Department. Moreover, a Sustainability Leader in charge of sustainability management has been appointed in each business division, each department within the Corporate Staff Group, and at each branch, office and overseas corporate subsidiary and a Sustainability Manager has been appointed in each business department. The Group is making a concerted effort to further promote initiatives for sustainability.



A meeting of the Sustainability Management Committee

For details, please refer to the "Sustainability" section of the Marubeni Website.
Sustainable Development Report 2019: https://www.marubeni.com/en/sustainability/report/
Movie "Building a Better Tomorrow": https://www.marubeni.com/en/sustainability/movie/
Marubeni Sustainability Information Session: https://www.marubeni.com/jp/sustainability/group/session/ (in Japanese)

Fundamental Materiality



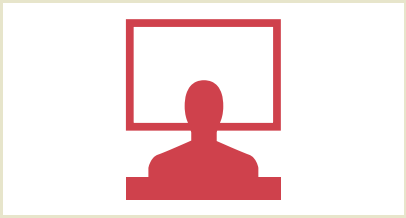
1. **Human Capital with High Social Value**
   The Group will nurture individuals essential to society and thereby bring about innovation and provide solutions.
2. **Robust Management Foundation**
   The Group will establish a truly robust management foundation such as a strong brand presence, reputation, financial footing, and a corporate climate and culture for maximizing the potential of its human capital.
3. **Governance for Coexistence with Society**
   The Group will deepen its engagement with diverse stakeholders, enhance the effectiveness of the Board of Directors' oversight function, and bring greater transparency to its management in order to build a governance framework that allows for improved coexistence with society.

Environmental & Social Materiality



1. **Climate Change**
   The Group has business operations throughout the world, and views climate change as a serious risk. However, the Group also believe that it presents business opportunities. As a "citizen" of the Earth, the Group will engage in the fight against climate change through its business activities.
2. **Sustainable Forestry**
   The Group clarifies its basic policies, including anti-deforestation, consideration of the impact on biodiversity, and sourcing wood from properly managed forests. In doing so, the Group will help protect the irreplaceable forests of the Earth.
3. **Human Rights & Co-development with Communities**
4. **Sustainable & Resilient Value Chains**
   The Group will respect human rights in every facet of its business, work toward co-developing with communities around the world, and create Sustainable and Resilient Value Chains in tandem with its many business partners.
   The Group will broaden new business opportunities by reinforcing the sense of trust that says, "With Marubeni, You're in Good Hands."

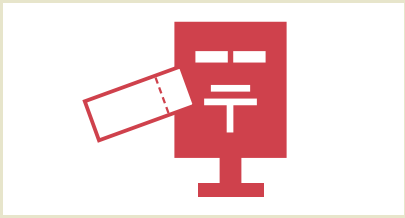
Guide to Exercising Your Voting Rights



Exercise of voting rights by attending the meeting

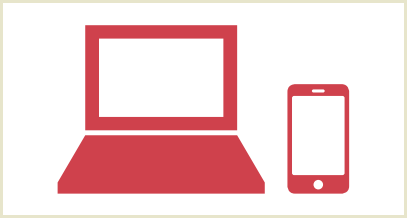
Please submit the enclosed voting form at the reception desk.

*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 20, 2019.**



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 20, 2019.**

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 20, 2019**, 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 20, 2019 (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 either of the following methods:

Exercise of Voting Rights by Accessing the Website to Exercise Voting Rights (URL below)

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.

Exercise of Voting Rights by Reading the QR Code for Smartphones ("Smart Exercise")

1 Please scan the QR Code printed on the lower right of the enclosed Voting Rights Exercise Form with your smartphone, access "Smart Exercise," follow the instructions on the screen, and exercise your voting rights. (You need to enter neither the code for exercising voting rights (ID) nor the password.)

2 You can exercise your voting rights by "Smart Exercise" only once.

*For details, please refer to the enclosed leaflet.

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, 2018 to March 31, 2019)

I. Current Status of the Group

Business progress and results of the Group

Business Environment

In the fiscal year ended March 31, 2019, the global economy generally maintained a stable growth trajectory amid continued stable expansion in developed economies, most notably the U.S., and a continued growth in emerging market economies such as China. However, the global economic outlook turned increasingly murky in late 2018 in the wake of financial market volatility, a slowdown in the Chinese economy and economic sluggishness in Europe due to U.S.-China trade frictions and recognition that international financial conditions were tightening. In response, the pace of monetary tightening was revised, mainly in the U.S. Meanwhile, crude oil and other commodity prices fluctuated with respect to each commodity in response to supply - side factors and the effects of trade frictions, mainly between the U.S. and China.

The U.S. economic expansion continued against a backdrop of a solid employment environment and tax reform's stimulus effects. The Federal Reserve Board ("FRB") continued to raise its policy rate and reduce its asset holdings amid mild inflation as the prices moderately increased. From October, however, U.S. equity markets turned downward in response to tighter financial conditions and trade frictions. From December into January, economic uncertainty was exacerbated by several factors, including financial market volatility and a partial government shutdown. In response, FRB revised the pace of its monetary tightening.

The European economy also went through periods of heightened uncertainty due to fraught Brexit negotiations and consternation over Italy's fiscal policy, but it generally maintained a stable growth trajectory in the first half of the fiscal year. In late 2018, however, the European Central Bank announced it would discontinue quantitative easing but keep its policy rate at an accommodative level amid a distinct deceleration in economic growth.

Emerging market economies generally continued to expand, though their growth was restrained by tighter international financial conditions and trade frictions, among other factors. Several emerging market currencies, most notably the Turkish Lira and Argentine Peso, depreciated precipitously in summer 2018. In the second half of the year, the Chinese economy slowed markedly, largely as a result of the U.S.-China trade frictions.

The Japanese economy continued to benefit from stable growth in both domestic and external demand amid continued improvement in employment, though inflationary pressures remained weak and a series of natural disaster in some areas dampened economic activity. Additionally, exports weakened from mid-2018 in response to tighter international financial conditions, trade frictions and global economic deceleration. The Japanese equity market continued to sell off into year-end and financial market volatility persisted into early January, but further deterioration in markets was averted by FRB's policy pivot.

Business Results

Profit attributable to owners of the parent for the business year under review increased by 19.6 billion yen from 211.3 billion yen for the previous business year to 230.9 billion yen, the highest ever for the second consecutive year. Looking at the results by operating segment, profit increased in *Energy & Metals* largely as a result of increased trading volume in the oil and gas development business, higher prices of crude oil and gas, and improved margins in the oil and gas trading business.

Revenue

Revenue was down 139.1 billion yen (1.8%) from the year-earlier period to 7,401.3 billion yen. By operating segment, revenue was down mainly in *Chemical & Forest Products* and *Transportation & Industrial Machinery*.

Gross trading profit

Gross trading profit increased 52.4 billion yen (7.7%) from the year-earlier period to 729.7 billion yen. By operating segment, profits increased mainly in *Energy & Metals* and *Chemical & Forest Products*.

Operating profit

Operating profit increased 55.0 billion yen (46.6%) from the year-earlier period to 173.0 billion yen.

Share of profits of associates and joint ventures

Share of profits of associates and joint ventures decreased 63.2 billion yen (42.6%) from the year-earlier period to 85.3 billion yen. By operating segment, profits decreased mainly in *Power Business & Plant* and *Food*.

Profit attributable to owners of the parent

Profit attributable to owners of the parent for the fiscal year ended March 31, 2019 (also referred to as net profit for the year under review) increased 19.6 billion yen (9.3%) to 230.9 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, 2019 was at 6,809.1 billion yen, a 68.0 billion yen decrease from the previous fiscal year end. Net interest-bearing debt decreased 57.0 billion yen from the end of the previous fiscal year to 1,858.8 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.

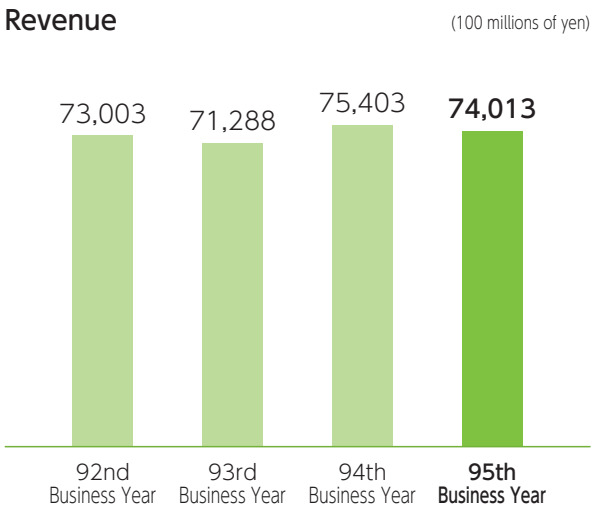
Trends in assets, profits and losses

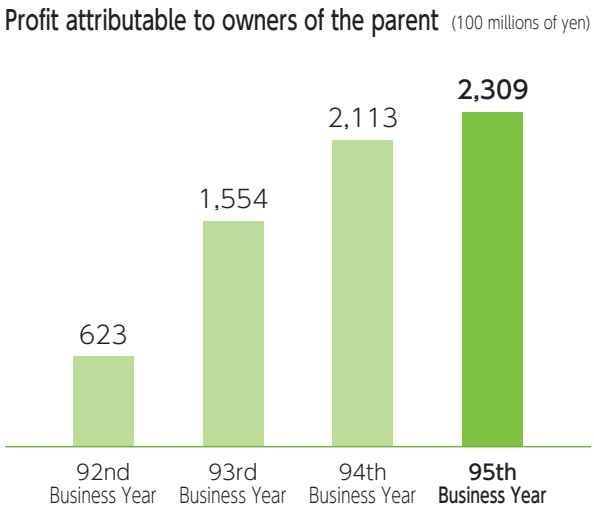
Trends in assets, profits and losses of the Group

(Millions of yen, unless otherwise stated)

Item	92nd Business Year	93rd Business Year	94th Business Year	95th Business Year
Revenue	7,300,299	7,128,805	7,540,337	7,401,256
Profit attributable to owners of the parent	62,264	155,350	211,259	230,891
Basic earnings per share attributable to owners of the parent	¥35.88	¥88.08	¥119.43	¥130.74
Total assets	7,117,686	6,896,733	6,877,117	6,809,077
Equity	1,415,202	1,742,758	1,835,637	2,071,726

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. "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.
3. The amounts below 1 million yen are rounded off.



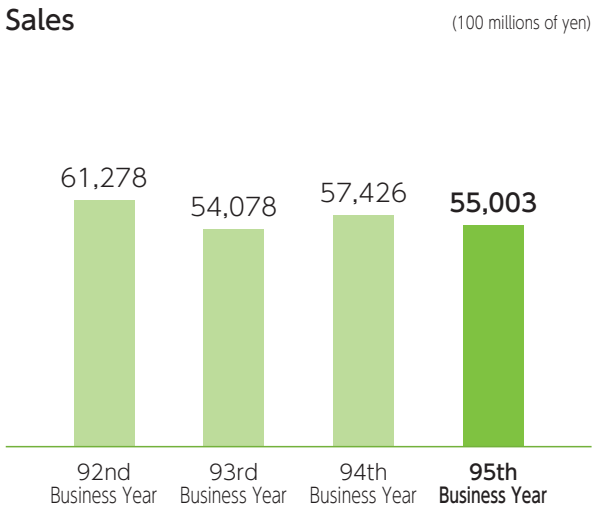


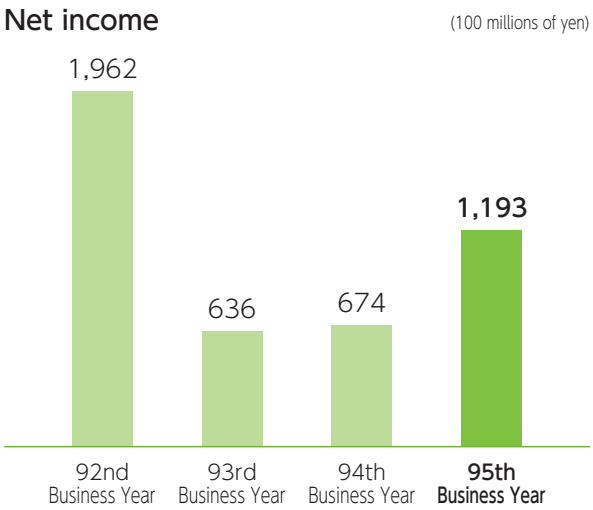
Trends in assets, profits and losses of the Corporation

(Millions of yen, unless otherwise stated)

Item	92nd Business Year	93rd Business Year	94th Business Year	95th Business Year
Sales	6,127,775	5,407,811	5,742,601	5,500,313
Net income	196,212	63,565	67,369	119,302
Net income per share	¥113.05	¥36.63	¥38.82	¥68.74
Total assets	3,696,698	3,747,100	3,664,028	3,392,806
Net assets	562,495	592,074	622,759	677,638

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. Effective as of the 95th business year, the Corporation adopted the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) and related implementation guidance. Accordingly, for the 94th business year, figures are presented after retrospective application of the said accounting standard.
3. The amounts below 1 million yen are rounded off.





Operating Segments

(Millions of yen)

		Food	Consumer Products	Chemical & Forest Products	Energy & Metals	Power Business & Plant	Transportation & Industrial Machinery	Other	Consolidated
95th Business Year	Revenue	3,987,255	346,522	1,674,204	789,083	195,586	417,484	(8,878)	7,401,256
	Gross trading profit	139,023	123,640	226,357	86,419	45,519	118,823	(10,106)	729,675
	Operating profit (loss)	37,606	23,041	66,828	32,776	(13,792)	30,972	(4,422)	173,009
	Share of profits of associates and joint ventures	(24,669)	7,624	4,595	41,970	22,142	33,675	(59)	85,278
	Profit (loss) attributable to owners of the parent	(3,069)	37,341	51,540	67,855	30,758	52,022	(5,556)	230,891
	Segment assets	1,378,571	578,017	1,218,202	1,634,844	1,078,380	804,755	116,308	6,809,077
94th Business Year	Revenue	3,983,575	401,974	1,753,440	705,528	211,292	491,777	(7,249)	7,540,337
	Gross trading profit	135,181	117,343	203,219	58,016	39,871	131,487	(7,880)	677,237
	Operating profit (loss)	28,697	20,634	48,979	7,214	(15,826)	32,163	(3,807)	118,054
	Share of profits of associates and joint ventures	8,472	5,742	3,801	38,582	64,989	26,705	212	148,503
	Profit attributable to owners of the parent	42,321	27,029	41,868	21,936	38,900	41,031	(1,826)	211,259
	Segment assets	1,437,817	451,816	1,180,020	1,613,397	1,111,024	784,248	298,795	6,877,117

Notes: 1. Effective as of the 95th business year, "Food & Consumer Products" have been divided into "Food" and "Consumer Products." Also, parts of "Food & Consumer Products" and parts of "Power Business & Plant" have been included in "Transportation & Industrial Machinery." In line with these changes, the figures of operating segments for the 94th business year have been reclassified accordingly.

2. The marketing organization of the Corporation consists of six groups and 16 divisions, and each group of the Corporation corresponds to an operating segment. "Food Group" consists of Grain Div. and Food Products Div. "Consumer Products Group" consists of 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.

3. "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.

4. Inter-segment transactions are generally priced in accordance with the prevailing market prices.

5. The "Other" segment includes headquarters expenses that are not allocated to the operating segments, inter-segment eliminations, assets for general corporate purposes that are not allocated to the operating segments. 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.

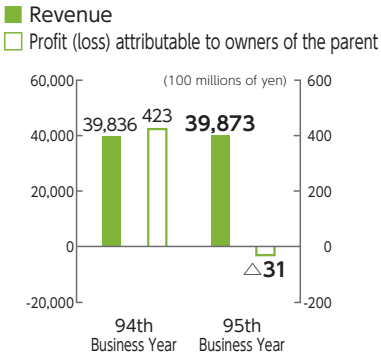
6. The amounts below 1 million yen are rounded off.

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 "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

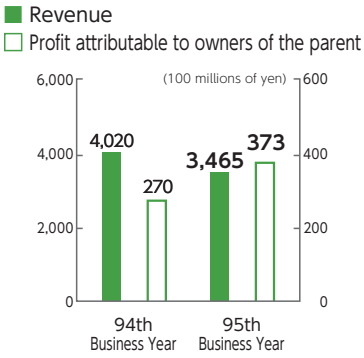
Food



In the grain field, the Corporation is functionally utilizing collection, storage, and transportation capacities of Gavilon (U.S.), Columbia Grain (U.S.) and Terlogs Terminal (Brazil) to procure grain from around the world with an emphasis on North America and South America. Moreover, the Corporation is working to reinforce its earnings capability not only by stable supply of internationally competitive grain in Japan but also flexible supply to other regions in the world with demand for grain via the silos of Pacific Grain Terminal Co., Ltd., etc. across Japan for imported grain. In the food products field, Creekstone Farms Premium Beef LLC a beef processing and sales company in the U.S. in which the Corporation acquired a stake in the previous year, achieved a strong performance. The Corporation also vigorously tackled development of producers of Argentine beef whose import to Japan has become possible since the business year under review. Capital investment in Iguaçu de Café Solúvel (Brazil), a manufacturer/dealer of instant coffee materials, has been decided in order to boost production to meet ever increasing coffee demand worldwide and the new facilities are scheduled to come on stream in business year 2020.


Beef processed by Creekstone Farms

Consumer Products



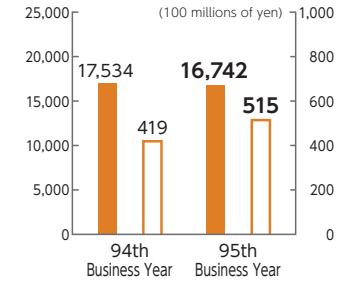
In the apparel field, in addition to the Japanese market, the Corporation strove to strengthen and expand sales in the European market through Saide Tekstil Sanayi ve Ticaret Anonim Sirketi (Saide). By achieving synergy with Saide, the Corporation is promoting sales expansion in the global apparel market. In the footwear field, sales of shoes of "IFME", a children's shoes brand of Marubeni Footwear, and of "MERRELL", an American brand, were brisk and earnings increased in line with the enhancement of the brand recognition. In the ICT & logistics field, the performance of key operating companies, such as MX Mobiling, ARTERIA Networks, and MARUBENI INFORMATION SYSTEMS, was robust. Moreover, the Corporation promoted a digital SCM service that achieves visibility and optimization of supply chains through integration of logistics and digital technology. In the healthcare field, a joint venture established in China between the Corporation and Fosun Pharma to engage in the pharmaceuticals and related products distribution business has started operation. 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 TOWER YOKOHAMA KITANAKA" (Naka-ku, Yokohama-City, Kanagawa Prefecture) was sold out and sales of "MID TOWER GRAND" (Tsukishima, Chuo-ku, Tokyo) started. Overseas, the Corporation joined a residential property development project in Jiaxing (near Shanghai) in China.


THE TOWER YOKOHAMA KITANAKA (Kanagawa Prefecture)
* Digital rendering of the completed building

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Chemical & Forest Products

■ Revenue
□ Profit attributable to owners of the parent

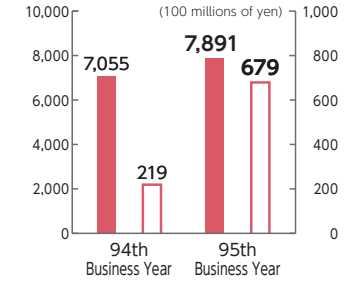



Applying pesticide (U.S.)

In the agri-input field, the U.S. sees farmers' incomes remain sluggish. Despite such a harsh environment, Helena Agri-Enterprise, LLC continued to cultivate new customers and enhanced services through asset acquisition. The Corporation is also expanding business globally through retailers, pesticide and fertilizer manufacturers and sellers in Europe and Asia. In the chemical products field, the Corporation is sharpening the effectiveness of its functions to adjust supply and demand for the trade of olefin and other petroleum chemicals and is enriching its solutions-provision business inside and outside Japan for inorganic resources and specialty products in the electronics field, such as semiconductors, displays, and solar power generation modules. The Corporation is also working to expand its business in the life sciences field through Orffa International Holding B.V., a livestock feed additive distributor. In the forest products field, the Corporation achieved steady operation of its afforestation and pulp production business in Indonesia and increased profit from the paper and paperboard manufacturing and sales business in Japan. 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. Furthermore, the Corporation has decided to enter the business of containerboard manufacturing and packaging material sales in Vietnam with the aim of expanding its business in the packaging market in the rapidly growing country.

Energy & Metals

■ Revenue
□ Profit attributable to owners of the parent



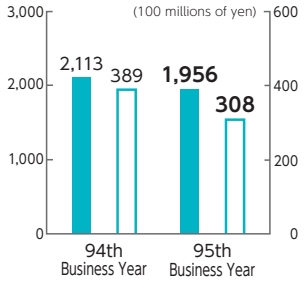

Natural gas liquefaction project (Qatar)

In the metals & mineral resources field, the Corporation is aiming to increase the earning capability of its businesses, such as iron mines, copper mines, coking coal mines, and aluminum refining through strict cost controls and the introduction of advanced technologies such as AI, while also promoting acquisition of new superior assets, additions to existing ones, and development of new mining areas. In the oil, natural gas, and LNG fields, besides working to enhance asset value through stabilizing and streamlining the operation of existing projects, the Corporation is working on new projects that lead toward expansion and the creation of demand. In the alternative energy field, the Corporation is participating in a demonstration project contributing to the construction of a CO_2-free supply chain. In the trade and marketing field, in addition to efforts to expand trading profits from petroleum products, natural gas, LNG, uranium, steel products, iron ore, coal, and non-ferrous metals by offering products and services that meet customer needs by capitalizing on infrastructure and networks in Japan and overseas, the Corporation is exploring new merchandise. Global issues such as climate change are also being addressed through the supply of raw materials essential for the expansion of the recycling trade business*1 and the spread of electric vehicles. Centering on the above-mentioned fields, the Group is endeavoring to expand earnings of its existing businesses and to cultivate new businesses from a medium- to long-term viewpoint in terms of both resource development and trading.

*1 Business related to reuse and recycling of metal scrap and waste

Power Business & Plant

■ Revenue
□ Profit attributable to owners of the parent



In the electric power field, the Corporation has received orders for the DaTan Combined Cycle Power Plant Expansion Project for Units 8&9 in Taiwan; the Amin Solar PV IPP Project in Oman; and the Olkaria I Geothermal Power Station Unit 6 Project in Kenya. The Corporation has also signed financing agreements and commenced two projects in Indonesia, namely, the Jawa 1 LNG-to-Power IPP Project, which is the first large-scale Fuel-to-Power project*1 in Indonesia and the Rantau Dedap Geothermal Independent Power Plant Project, as well as the Nghi Son 2 Coal-Fired Power Project in Vietnam. In new initiatives, in addition to the establishment of Marubeni Ina Mirai Denki, which develops community-based service operations centering on the retail electricity business, the Corporation is engaged in the electric power service business through investment in WASSHA Inc., a provider of electricity sources for off-grid areas in Africa.

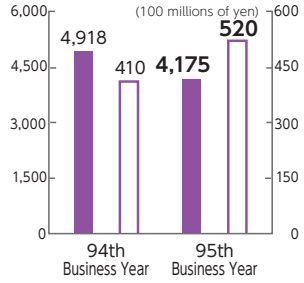

Jawa 1 Gas-Fired IPP Project (Indonesia)
* Digital rendering of the completed project

In the plant and energy infrastructure field, the Corporation is involved in a gas distribution service business in Chile and a long-term charter project for provision of a floating production, storage, and offloading (FPSO)*2 system for use in the Mero field off the coast of Brazil and invested in Fulcrum BioEnergy Inc., which produces jet biofuels*3 in the U.S. In the public transportation field, the Corporation received orders for the Dhaka MRT Line 6, Bangladesh's first mass rapid transit system, and for the Manila LRT Line 2 East Extension Project in the Philippines. In the water infrastructure field, the Corporation participated in the Shuqaiq 3 Independent Water Project in Saudi Arabia. Additionally, the Corporation has launched a fund to make equity investments in transportation and infrastructure assets overseas.

*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 Jet biofuel: A jet fuel not derived from petroleum that is highly effective in reducing greenhouse gas emissions

Transportation & Industrial Machinery

■ Revenue
□ Profit attributable to owners of the parent



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 due to increasing demand for aircraft. In the ship field, performance was robust centering on the trade and independent ship businesses and the LNG ship business, which is on a recovery trend. In the automotive and leasing business field, which is undergoing a once-in-a-century transformation, the Corporation focused on development of a fleet management business combining the underlying technologies of financing and leasing with IoT. In China, the Corporation agreed to establish a joint venture with local IoT service company known as G7 for leasing temperature-controlled trailers. In the automotive parts sales business in the U.S. aftermarket, the Corporation is expanding its bases and started a demonstration project for automating delivery of automotive parts. In the construction machinery field, the Company is working to strengthen and expand the earnings foundation of the distributor business and related businesses, while closely monitoring the economic fluctuations and other conditions of the mining industry in emerging markets. In the tire and rubber materials field, the Corporation expanded networks of tire retail stores in Thailand and Mexico and established a tire sales company for mining equipment in Russia. In the industrial machinery field, the Corporation invested in Acellent Technologies, Inc., a U.S. company that possesses AI-based structural health monitoring technology for detecting abnormalities, and became involved in predictive maintenance of construction equipment and social infrastructure.



Aftermarket automotive parts sales business (U.S.)

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Future issues for the Group

Economic overview

With the global economy expected to slow in the fiscal year ending March 2020, the risk of economic headwinds intensifying in response to catalysts such as U.S.-China trade frictions, European political turmoil and deterioration in certain emerging market economies needs to be closely monitored.

In the U.S., personal consumption should hold firm but the economy will likely slow as tax cuts' stimulus effects fade. Europe's ongoing economic slowdown will likely continue amid domestic demand weakness partly caused by political turmoil and sluggishness in external demand due to the global economic slowdown. However, both the U.S. and Europe will likely be able to avert a severe slowdown by virtue of cautious monetary policy stewardship.

Among emerging market economies, China's economy is expected to continue to slow under the weight of financial regulation and U.S.-China trade frictions, but the Chinese government is expected to shore up the economy with fiscal stimulus. Other emerging market economies should no longer be restrained by tightening financial conditions but they will likely decelerate mildly in the wake of slower growth in developed countries and China.

Commodity prices will likely be generally stable, but downside risks to global economic growth and geopolitical risks have the potential to trigger commodity price volatility.

In Japan, the adverse economic impacts of a consumption tax hike scheduled to take effect in October 2019 are expected to be mitigated by fiscal stimulus measures, but with external demand likely to stagnate amid the global economic slowdown, the Japanese economy is expected to slow.

Former mid-term management plan "Global Challenge 2018"

The Corporation and its group companies (the Group) implemented the three-year mid-term management plan called "Global Challenge 2018" (GC2018) from April 2016. With the aim of becoming a truly global enterprise that prevails in competition against leading global contenders and contributes to regional economies and society, under GC2018, the Group established and implemented five management policies: "Business and Investment Policy," "Cash Flow Management," "Portfolio Policy," "Reinforcement of Global Strategy," and "Marubeni Group's Human Resources Strategy."

In the revised mid-term management plan announced in May 2017, the Group revised the quantitative targets and clarified the continuation of further reinforcement of our financial foundation as the top priority and the pursuit of the evolving business strategy.

Quantitative targets revised on May 9, 2017 and their results are as follows.

Key performance indicators	Quantitative targets (revised)	Results
Profit attributable to owners of the parent	2018 (FYE 3/2019) 200.0 billion yen (Non-natural resources 180.0 billion yen or more)	2018 (FYE 3/2019) 230.9 billion yen (Non-natural resources 180.4 billion yen)
Free cash flow (after dividends)	Cumulative total for 2016-2018 (FYE 3/2017-FYE 3/2019) Free cash flow (after dividends) of 400.0-500.0 billion yen	Cumulative total for 2016-2018 (FYE 3/2017-FYE 3/2019) Free cash flow (after dividends) of 740.4 billion yen
Net D/E ratio	Approximately 1.0 times as of March 31, 2019	0.90 times as of March 31, 2019
ROE	10% or more	2018 (FYE 3/2019) 13.9%
New investments	2016-2018 (FYE 3/2017-FYE 3/2019) 400.0-500.0 billion yen	2016-2018 (FYE 3/2017-FYE 3/2019) 287.3 billion yen

The Group invested 287.3 billion yen during the three years of GC2018. Main investments were the natural gas-fired thermal power generation business in the U.S., the electricity, water, and steam supply business in the Middle East, and the FPSO (floating production, storage and offloading) chartering business in Brazil, the gas distribution business in Portugal, the beef production and sales business in the U.S., the apparel planning, manufacturing, and sales business in Turkey, the biomass power generation business in Japan, the gas distribution business in Chile, and the acquisition of additional interest in the coking coal business in Australia.

Medium-Term Management Strategy "Global crossvalue platform 2021"

The Group has defined its vision to be a "Global crossvalue platform" and formulated a three-year Medium-Term Management Strategy "Global crossvalue platform 2021" (GC2021) in which "Corporate Value Enhancement toward 2030" is set as the basic policy of the management strategy. GC2021 was launched in 2019.

Group's vision: Global crossvalue platform

- We anticipate the issues and challenges facing society and create innovative solutions for our customers and for the world, breaking down barriers between sectors, between internal and external, crossing borders, through vertical evolution and horizontal expansion.
- We will generate new value by freely combining our Group's strengths, internal and external expertise, individual dreams and visions, taking the Marubeni Group as one single platform.

GC2021 sets the long-term direction of the Group to become a "value creation company going beyond the boundaries of the current Sogo Shosha" and a management strategy for the three years as the first stage in the pursuit of enhancement of corporate value over the long term toward 2030. The prerequisite is to build and maintain a strong financial foundation for growth. On that basis, the Group aims to achieve both sustained growth by strengthening existing businesses and explosive growth by creating new business models looking 10 years ahead in the future.
GC2021 has three key elements: "Cash Flow Management (Capital Allocation Policy)," "New Business Policies (SPP)," and "Growth Strategy according to Growth Horizons."

Cash Flow Management (Capital Allocation Policy)
While pursuing maximization of core operating cash flow, the Group implements the capital allocation policy that emphasizes strengthening of the financial foundation and enhancement of shareholder returns as well as allocation of capital to growth.

New Business Policies (SPP)
The new business policies, SPP, stands for Strategy × Prime × Platform. In accordance with the new business policies, the Group pursues maximization of Marubeni's business portfolio value by strategically selecting new investments and strengthening existing businesses, expediting divestment and reallocating assets.

Growth Strategy according to Growth Horizons
In order to tackle both sustained growth and explosive growth, which have different timeframes, the Group has introduced the concept of three horizons: Horizon 1 (Improvement of existing businesses), Horizon 2 (Pursuit of strategies in existing business domains), and Horizon 3 (Pursuit of White Space). While strengthening and expanding existing businesses, the Group will also address new business models and growth domains currently not yet focused on by the Group (white space).

To facilitate implementation of the growth strategy, the Corporation carried out organization reforms in April 2019. By minimizing the chain of command from four levels to three, the new organizational structure enables business groups to efficiently execute strategies. In addition, the Next Generation Business Development Division was established to create new business models from the point of view of group-wide optimization.

Sustainability and Corporate Governance

The Group emphasizes sustainability and corporate governance as the foundation for development of the Global crossvalue platform and long-term corporate value enhancement. Regarding sustainability, the Corporation implements initiatives to create solutions to address key issues threatening sustainability of the global environment and society. Regarding corporate governance, as well as enhancement of effectiveness and transparency, enhancement of Group governance throughout the Marubeni Group will be pursued.

Marubeni Group HR Strategy

The Group will execute the Marubeni Group HR strategy where every single Marubeni Group employee is involved in creating new value as part of the "Global crossvalue platform" in a corporate culture that nurtures Human Capital with High Social Value, values diversity & inclusion, and is conducive to individuals' development and productivity.

Key performance indicators

GC2021's quantitative targets are indicated below.

Profit attributable to owners of the parent		2021 (FYE 3/2022)	300.0 billion yen
Cash flow	Core operating cash flow	Cumulative total for 2019-2021 (FYE 3/2020-FYE 3/2022)	1,200.0 billion yen
	Free cash flow (after dividends)	Cumulative total for 2019-2021 (FYE 3/2020-FYE 3/2022)	100.0 billion yen or more (Net D/E ratio of approximately 0.7 times as of March 31, 2022)
New investments (including CAPEX)		Cumulative total for 2019-2021 (FYE 3/2020-FYE 3/2022)	Approximately 900.0 billion yen Horizon 3: 200.0 billion yen Horizon 2: 500.0 billion yen Horizon 1: 200.0 billion yen (On the condition of achieving targeted free cash flow after dividends)
ROE		10% or more	

The Corporation's shareholder returns policy is to maintain the consolidated dividend payout ratio of 25% or more and to pay a dividend with the lower limit of the forecast dividend amount announced at the beginning of the fiscal year. Once the net D/E ratio of approximately 0.8 times is achieved, the Corporation intends to flexibly implement share buybacks depending on the state of core operating cash flow and investment pipeline, among other factors.

Fund procurement

The Group procures funds mainly through the Corporation or a domestic financial subsidiary Marubeni Financial Service Corporation. The Corporation issued a dollar-denominated unsecured bond in the total amount of 500 million U.S. dollars, in addition to procuring funds through short-term and long-term borrowings from financial institutions. Marubeni Financial Service Corporation 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 57.0 billion yen from the end of the previous business year to 1,858.8 billion yen.

Major lenders

(Millions of yen)

Lender name	Balance of borrowings at end of 95th business year
Meiji Yasuda Life Insurance Company	161,650
Development Bank of Japan Inc.	118,000
Nippon Life Insurance Company	113,328
Mizuho Bank, Ltd.	92,977
The Dai-ichi Life Insurance Company, Limited	91,099
Sumitomo Mitsui Banking Corporation	82,901
Japan Bank for International Cooperation	71,349
MUFG Bank, Ltd.	67,212
Sumitomo Mitsui Trust Bank, Limited	62,520
SUMITOMO LIFE INSURANCE COMPANY	52,900

Notes: 1. The balances of borrowings are the total balances of borrowings of Marubeni Corporation and Marubeni Financial Service Corporation.
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

Operating Segment	Company name		Holding ratio (%)	Main businesses
Food	Wellfam Foods Corporation	Subsidiary	100.00	Production, processing, and sales of meat products
	Yamaboshiya Co., Ltd.	Subsidiary	75.62	Wholesale of confectionery products
	Marubeni Nisshin Feed Co., Ltd.	Subsidiary	60.00	Manufacture and sale of feed
	Gavilon Agriculture Investment, Inc.	Subsidiary	100.00	Holding company for the Gavilon Group (collection of goods and sale of grain, fertilizer, etc.)
	Aeon Market Investment Inc.	Affiliate	28.18	Investment company for United Super Markets Holdings Inc.
Consumer Products	MX Mobiling Co., Ltd.	Subsidiary	100.00	Sale of mobile phones and related products
	Japan REIT Advisors Co., Ltd.	Subsidiary	100.00	Asset management services for investment corporations
	Marubeni Intex Co., Ltd.	Subsidiary	100.00	Sales of textiles for industrial and consumer applications and lifestyle goods
	Marubeni Information Systems Co., Ltd.	Subsidiary	100.00	Provision of full range of IT solutions for computing, networking, and information systems
	ARTERIA Networks Corporation	Subsidiary	50.00	Data communication services for business and for condominiums
Chemical & Forest Products	Marubeni Pulp & Paper Co., Ltd.	Subsidiary	100.00	Wholesale of all types of paper
	Marubeni Chemix Corporation	Subsidiary	100.00	Domestic sales and foreign trade of organic chemicals and functional chemicals
	Marubeni Plax Corporation	Subsidiary	100.00	Domestic sales and foreign trade of plastic resins and products
	Helena Agri-Enterprises, LLC	Subsidiary	100.00	Sales of agricultural materials and provision of various services
	Katakura & Co-op Agri Corporation	Affiliate	20.61	Manufacture and sale of fertilizer and sale of feed and goods
Energy & Metals	Marubeni Energy Corporation	Subsidiary	66.60	Sale of petroleum and petrochemical products, management and leasing of terminals and service stations
	Marubeni Coal Pty. Ltd.	Subsidiary	100.00	Investment in coal business in Australia
	Marubeni LP Holding B.V.	Subsidiary	100.00	Investment in copper business in Chile
	Marubeni Oil & Gas (USA) LLC	Subsidiary	100.00	Exploration, development, production and sale of crude oil and natural gas
	Marubeni-Itochu Steel Inc.	Affiliate	50.00	Import/export, sale and processing of steel products
Power Business & Plant	Aguas Decima S.A.	Subsidiary	100.00	Provision of full water and wastewater services in Chile
	Axia Power Holdings B.V.	Subsidiary	100.00	Overseas power assets holding company
	Marubeni SuMiT Rail Transport Inc.	Affiliate	50.00	Holding company for the rolling stock leasing business in North America
	TeaM Energy Corporation	Affiliate	50.00	Power generation business in the Philippines
	TrustEnergy B.V.	Affiliate	50.00	Investment company for power generation business in Portugal
Transportation & Industrial Machinery	Marubeni Techno-Systems Corp.	Subsidiary	100.00	Domestic sales and import/export of various kinds of industrial machinery
	MAC Trailer Leasing, Inc.	Subsidiary	100.00	Refrigerated trailer leasing
	MAI Holding LLC	Subsidiary	100.00	Investment in automotive financing business
	Marubeni Aviation Holding Cooperatief U.A.	Subsidiary	100.00	Investment in aircraft operating leasing business
	Temsa Is Makinalari Imalat Pazarlama Ve Satis A.S.	Affiliate	49.00	Distributor of construction machinery manufactured by Komatsu

Notes: 1. "Subsidiary" means a consolidated subsidiary and "Affiliate" means an equity-method affiliate.
2. The holding ratio includes the ratio of interests held through the Corporation's consolidated subsidiaries and equity-method affiliates.
3. On December 12, 2018, shares of common stock of ARTERIA Networks Corporation ("ARTERIA") in which the Corporation owns 50% of voting rights became listed on the First Section of Tokyo Stock Exchange. As other shareholders sold ARTERIA's common stock through the offering associated with the public listing, their voting rights decreased and shareholders with voting rights became dispersed and the Corporation gained substantial control of ARTERIA. Therefore, ARTERIA has become a consolidated subsidiary. Additionally, the Corporation purchased one unit (100 shares) of ARTERIA's common stock on the market after the listing and holds majority voting rights in ARTERIA.

Status of business consolidation

	92nd Business Year	93rd Business Year	94th Business Year	95th Business Year
Consolidated subsidiaries	299	285	276	282
Equity-method affiliated companies	149	153	154	149

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, Chubu, Osaka, Chugoku and Kyushu branches

Overseas

The Corporation's branches and offices	56 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 34 branches and offices of these subsidiaries

Notes: 1. The status of major companies of the Group is as described in "Status of major subsidiaries and consolidation of major businesses" on page 27 of this booklet.
2. The number of the Corporation's overseas branches and offices totals 57 as a result of the organizational change on April 1, 2019.

Employees of the Group

Number of employees of the Group

Operating Segments	Number of employees	
Food	8,136	[1,485]
Consumer Products	9,747	[2,949]
Chemical & Forest Products	9,283	[1,287]
Energy & Metals	1,485	[1,107]
Power Business & Plant	2,159	[358]
Transportation & Industrial Machinery	9,743	[214]
Other (Corporate Staff Group, administration, etc.)	2,329	[258]
Total	42,882	[7,658]

Notes: 1. Secondees are included in the number of employees of the segment to which the organizations they are seconded belong.
2. 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	496
Consumer Products	540
Chemical & Forest Products	550
Energy & Metals	500
Power Business & Plant	659
Transportation & Industrial Machinery	515
Other (Corporate Staff Group, administration, etc.)	1,158
Total	4,418

Note: The number of employees including local employees of overseas branches, offices and corporate subsidiaries (432 persons) and secondees from other companies (120 persons) and excluding secondees to other companies (1,351 persons) was 3,619.

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 filed before the Indonesian courts by "Sugar Group", an Indonesian corporate group.

Sugar Group filed lawsuits against the Corporation before South Jakarta District Court and Gunung Sugih District Court (together, "Two Current Cases", or individually, "South Jakarta Case" and "Gunung Sugih Case"), in which substantially the same claims including a claim for compensation for damages were made in a lawsuit on which the Corporation received the ruling of the Supreme Court of Indonesia ("Supreme Court") in favor of the Corporation on March 17, 2011 ("Previous Case"). As the first instance court and the second instance court partially ruled in favor of Sugar Group in the Two Current Cases, the Corporation appealed to the Supreme Court. The Corporation received the Supreme Court's rulings on the South Jakarta Case and the Gunung Sugih Case on May 17, 2017 and September 14, 2017, respectively.

South Jakarta Case

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

Gunung Sugih Case

Found five of the seven 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).

The Corporation notes that the Two Current Cases consist of substantially the same claims as previously decided by the Supreme Court in the Previous Case. Therefore, the Supreme Court's rulings on the Two Current Cases contradict its own ruling on the Previous Case that rejected all of the Sugar Group' claims. Thus, pursuant to Indonesian Supreme Court legislation, the Corporation filed applications for Judicial Review before the Supreme Court concerning the South Jakarta Case and the Gunung Sugih Case on October 24, 2017 and February 6, 2018, respectively. With respect to the Corporation's application for Judicial Review of the Gunung Sugih Case ("Gunung Sugih Judicial Review Application"), a notice was uploaded onto the website of the Supreme Court stating that on October 8, 2018 the Supreme Court decided that the Gunung Sugih Judicial Review Application was not acceptable. However, the website of the Supreme Court states that this notice is not an official record of the Supreme Court. As of May 16, 2019, the Corporation has not yet received the official decision of the Supreme Court in relation to the Gunung Sugih Judicial Review Application and an explanation of the reason for the decision has not been uploaded onto the website of the Supreme Court.

Sugar Group denied the validity of the finances provided by the Corporation to Sugar Group and the validity of accompanying security interests that were confirmed by the Supreme Court in the Previous Case. In response, the Corporation filed a lawsuit against Sugar Group before Central Jakarta District Court on April 26, 2017 to seek damages of approximately US$1.6 billion for, among other matters, reputational harm suffered by the Corporation caused by Sugar Group's torts ("This Case"). In response to This Case, on April 30, 2019, in the court procedure of This Case, Sugar Group filed a counterclaim against the Corporation to seek damages of US$7.75 billion in the aggregate on the grounds that the Corporation's filing of This Case allegedly constitutes a tort against Sugar Group ("Counterclaim"). The Corporation will continue to pursue This Case in due course to obtain a ruling by the competent Indonesian court in the Corporation's favor to admit the Corporation's claims and to dismiss Sugar Group's Counterclaim through the court procedure of This Case.

(2) Announcement by the Japan Fair Trade Commission

In July 2018, concerning sales of uniforms ordered by All Nippon Airways Co., Ltd., the Japan Fair Trade Commission (JFTC) announced that Marubeni Mates Ltd., a subsidiary of the Corporation, committed an act in violation of the Antimonopoly Act. In October 2018, concerning the competitive bids for uniforms for the docomo Shops held by NTT DOCOMO, INC., JFTC announced that the Corporation and Marubeni Mates Ltd. 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

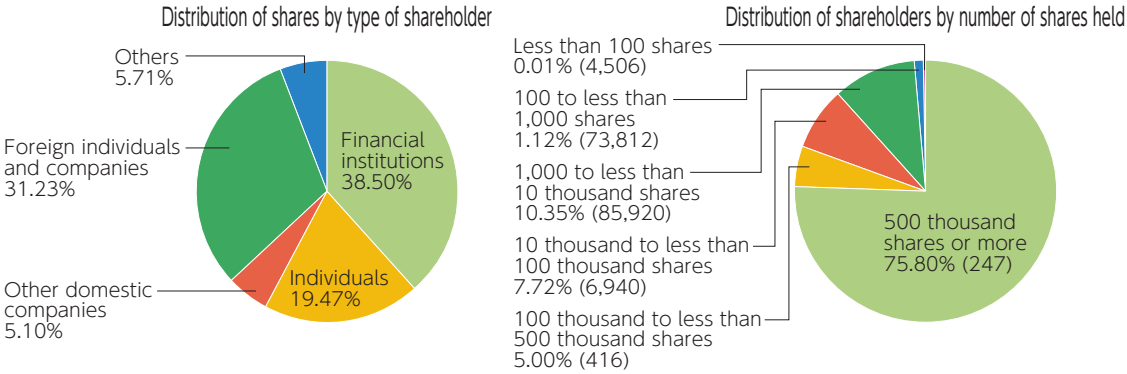
Total number of shareholders 171,841

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)	117,801	6.79
Japan Trustee Services Bank, Ltd. (Trust account)	97,397	5.61
Meiji Yasuda Life Insurance Company	41,818	2.41
Japan Trustee Service Bank, Ltd. (Trust account 5)	38,109	2.20
Japan Trustee Service Bank, Ltd. (Trust account 9)	32,940	1.90
Mizuho Bank, Ltd.	30,000	1.73
Sompo Japan Nipponkoa Insurance Inc.	30,000	1.73
Japan Trustee Service Bank, Ltd. (Trust account 7)	26,476	1.53
State Street Bank West Client - Treaty 505234	26,174	1.51
Japan Trustee Service Bank, Ltd. (Trust account 1)	25,412	1.46

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



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, 2019)

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	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
◇ Member of the Board	Masumi Kakinoki	Chief Executive Officer, Power Business & Plant Group
* Member of the Board	Nobuhiro Yabe	Chief Financial Officer; Chief Operating Officer, Investor Relations & Credit Ratings; Chairman of Investment and Credit Committee; Chairman of Sustainability Management Committee; Chairman of Disclosure Committee
◇ Member of the Board	Hirohisa Miyata	Chief Digital Innovation Officer; Chief Strategy Officer; Vice Chairman of Investment and Credit 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	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	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 94th Ordinary General Meeting of Shareholders held on June 22, 2018, 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 15 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. Mr. Mitsuru Akiyoshi, Mr. Shigeru Yamazoe, and Mr. Hikaru Minami retired from office of Director at the close of the 94th Ordinary General Meeting of Shareholders held on June 22, 2018.
8. Mr. Fumiya Kokubu returned the representative right on April 1, 2019.
9. "Power Business & Plant Group" collectively refers to Power Business Div. and Plant Div.
10. 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. 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 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.

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	Yuri Okina	The position changed from Vice Chairman, The Japan Research Institute to Chairman, The Japan Research Institute	April 1, 2018
Audit & Supervisory Board Member	Shuichi Yoshikai	Resigned from office of Audit & Supervisory Board Member, The Shoko Chukin Bank, Ltd.	June 21, 2018

12. The names, status and area(s) of responsibility of Executive Officers as of April 1, 2019 are as follows.

Executive Officers

(As of April 1, 2019)

Status	Name	Area(s) of responsibility
* President and CEO	Masumi Kakinoki	
* Senior Executive Vice President	Yukihiko Matsumura	Chief Administrative Officer; Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Chairman of Compliance Committee (COO); Chairman of Internal Control Committee; Chairman of IT Strategy Committee (CIO)
Senior Executive Vice President	Ichiro Takahara	Chief Executive Officer, Power Business, Energy & Metals Group
* Senior 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 (CSDO); Chairman of Disclosure Committee
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	Akira Terakawa	Chief Executive Officer, Food, Agriculture & Chemicals Group, Vice Chairman of Investment and Credit Committee
Senior Managing Executive Officer	Hajime Kawamura	Chief Executive Officer, Machinery, Infrastructure & Financial Business Group
* Managing Executive Officer	Hirohisa Miyata	Chief Digital Innovation Officer; Chief Strategy Officer; Regional CEO for East Asia; Vice Chairman of Investment and Credit Committee
Managing Executive Officer	Hikaru Minami	
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, Consumer Products Group
Managing Executive Officer	Michael McCarty	Chief Operating Officer, Agri Business Div.; President & CEO, Helena Agri-Enterprises LLC
Managing Executive Officer	Akihiko Sagara	Chief Operating Officer, Energy Div.
Managing Executive Officer	Shinichi Kobayashi	Chief Operating Officer, Metals & Mineral Resources Div.
Managing Executive Officer	Jun Horie	Regional CEO for the Americas; Regional COO for North & Central America; President and CEO, Marubeni America Corporation
Managing Executive Officer	Kenichiro Oikawa	Chief Operating Officer, Finance & Leasing Business Div.

Notes: 1. Persons marked with * are Representative Directors.

2. "Power Business, Energy & Metals Group" collectively refers to Power Business Div., Energy Div., and Metals & Mineral Resources Div. "Food, Agriculture & Chemicals Group" collectively refers to Food Div., Agri Business Div., and Chemicals Div. "Machinery, Infrastructure & Financial Business Group" collectively refers to Plant Div., Aerospace & Ship Div., Finance & Leasing Business Div., and Construction, Auto & Industrial Machinery Div. "Consumer Products Group" collectively refers to Lifestyle Div., ICT & Real Estate Business Div., and Forest Products Div.

3. 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. The "Chief Financial Officer (CFO)" is the Chief Operating Officer of Corporate Communications Dept., Corporate Accounting Dept., Business Accounting Dept., Finance Dept. and Sustainability Management Dept. The "Chief Digital Innovation Officer (CDIO)" is the Chief Operating Officer of the Next Generation Business Development Div. The "Chief Strategy Officer (CSO)" is the Chief Operating Officer of Corporate Planning & Strategy Dept., Regional Coordination & Administration Dept., and Research Institute.

Executive Officers

(As of April 1, 2019)

Status	Name	Area(s) of responsibility
Executive Officer	Koji Kabumoto	Chief Operating Officer, ICT & Real Estate Business 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	Hidekazu Futai	Senior Operating Officer, Agri Business Div.
Executive Officer	Hidenobu Kumada	Chief Operating Officer, Food 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.
Executive Officer	Yoshiaki Yokota	Chief Operating Officer, Power Business Div.
Executive Officer	Jiro Itai	Chief Operating Officer, Construction, Auto & Industrial Machinery Div.
Executive Officer	Kosuke Takechi	Chief Operating Officer, Aerospace & Ship Div.
Executive Officer	Takao Ando	General Manager, Risk Management Div.
Executive Officer	Tsuyoshi Teragaki	Chief Operating Officer, Forest Products Div.
Executive Officer	Satoru Ichinokawa	Chief Operating Officer, Chemicals Div.
Executive Officer	Takashi Imamura	General Manager, Research Institute

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)>

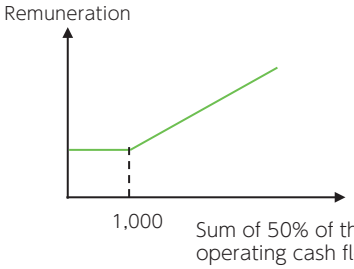
Remuneration for Directors other than Outside Directors consists of basic compensation, which is a fixed amount corresponding to each Director's position; performance-based compensation, which is linked to business performance in the previous business year; Director bonus; and compensation that reflects quantitative and qualitative evaluation of an individual. 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 sum of 50% of the consolidated net income (profit attributable to owners of the parent) and 50% of the core operating cash flow for the previous fiscal year is below 100 billion yen: 0
- If the sum of 50% of the consolidated net income (profit attributable to owners of the parent) and 50% of the core operating cash flow for the previous fiscal year is 100 billion yen or more:
  An amount of basic compensation multiplied by a factor that proportionally increases corresponding to the business results

Whereas only consolidated net income (profit attributable to owners of the parent) was used as an indicator until the previous fiscal year ended March 31, 2019, core operating cash flow will be added from the fiscal year ending March 31, 2020 in order to strengthen the link between financial targets of the Medium-Term Management Strategy "Global crossvalue platform 2021" (GC2021) and the compensation plan. For financial targets of GC2021, please refer to "Future issues for the Group" on page 30.

<Reference: Correlation between the "sum of 50% of the consolidated net income and 50% of the core operating cash flow" and the amount of remuneration>



20% of the sum 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 Corporation's stock price and corporate value. From the fiscal year ending March 31, 2020, in order to increase incentives for higher market capitalization in the future, an amount equivalent to 10% of basic compensation will be allotted as subscription rights to shares on top of the current compensation. The subscription rights to shares become exercisable after three years from the allotment, provided that the Corporation's market capitalization increased in the three years and the growth rate of the Corporation's market capitalization is higher than the growth rate of TOPIX (Tokyo Stock Price Index).

<Outside Directors>

Remuneration for Outside Directors, all of whom are completely independent from business execution, consists entirely of fixed basic compensation and no performance-based 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-based 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	13	668 million yen
Audit & Supervisory Board Member	5	124 million yen
Total	18 (including 7 Outside Directors and Audit & Supervisory Board Members)	792 million yen (including 101 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 110 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	Chairman, The Japan Research Institute, Limited; Director, Bridgestone Corporation	There is no special relationship.
Outside Audit & Supervisory Board Member	Shuichi Yoshikai	Attorney at law	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 18 meetings of the Board of Directors out of a total of 19 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 during the business year under review 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 all meetings of the Board of Directors 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 18 meetings of the Board of Directors out of a total of 19 meetings and 9 meetings of the Audit & Supervisory Board out of a total of 10 meetings 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 Audit & Supervisory Board Member	Tsuyoshi Yoneda	Participated in all meetings of the Board of Directors and 9 meetings of the Audit & Supervisory Board out of a total of 10 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.

(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 "Marubeni Hotline", "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
- 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

- Transfer of the authority to Group CEOs and Division COOs
- 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 "Marubeni Hotline", "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, Group CEOs, Division COOs 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 24, 2019

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

In order to ensure compliance with antitrust laws, the Corporation has established a workflow for management of contacts with competitors and a workflow for information control and started their operation.
As well as ensuring appropriate treatment of reporting to and consulting with the compliance reporting and consulting point and to facilitate its use, the Corporation changed its name (from "Door of Courage" to "Marubeni Hotline") and created a logo. The icon and the banner of the hotline are displayed on the intranet site. A video clip introducing the hotline has been produced to raise awareness among all officers and employees and posters encouraging use of the hotline have been placed at the Corporation's offices in Japan (including operating companies). Moreover, the content of frequently asked questions in the Compliance Manual was revised and explanation of the policy for protecting whistleblowers and the flow after reporting and consulting is presented in an easy-to-understand manner.

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

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 the "Regulation for Management of Information Assets" to enhance the information security level and is working to ensure that it is thoroughly communicated and adhered to. The Corporation has established rules for operation in order to prevent leakage of information assets and has maintained stringent management, by such means as restriction of persons authorized to access confidential information, including information on financial closing, on a high-security file sharing system.

3. Internal regulations for the 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."
The Investment and Credit Committee, which deliberates on individual projects such as important investment projects, met 22 times during the business year under review. In addition to reporting of the status of execution of the projects to be approved, monitoring and follow-up of the projects were performed in order to facilitate early detection of any divergence from the content of the application and the conditions for approval of each project and to ensure swift response to any issues.
The Investment and Credit Committee continued to examine new investment and financing projects with reference to analysis by relevant Corporate Staff Groups, in addition to the quantitative standards such as the PATRAC and IRR guidelines.
During the business year under review, the Corporation partially revised the investment criteria to achieve both of the following:

1) Correct over reliance on the quantitative standards and seek deeper discussion and understanding of the strategic bearing of the project in question and the essence of the business model.
2) Ensure adherence to certain investment principles and thoroughly analyze and identify risks Marubeni can take and possible returns.

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

The Corporation regularly held GC2018 Promotion Committee Meetings in order to achieve quantitative targets of the mid-term management plan "Global Challenge 2018 (GC2018)" (FY2016 through FY2018).
The Corporate Management Committee Meetings were held 32 times during the business year under review to deliberate on important matters. In addition, the Corporate Management Committee by each business group was held twice to manage the specific targets established for each business group and the progress status of such targets.
The area of responsibility of each Director is decided by resolution of the Board of Directors. Efficient decision-making and the execution of duties are done in accordance with rules on roles of individual officers and employees, authority, responsibilities and decision-making stipulated by the "Regulation of Authority and Duties" and other regulations.

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."
The Group companies are striving to enhance the Group's corporate value and achieve sustained growth by ensuring that they share and comply with the "Marubeni Group Governance Policy" (enforced in April 2017).
The Corporation has obtained pledges signed by the presidents of the operating companies in Japan for compliance with the Compliance Manual and the Anti-bribery Handbook. Before signing the pledge, they are required to watch a training video on the Compliance Manual.
The Corporation has obtained pledges signed by presidents of overseas subsidiaries and overseas operating companies for compliance with the Anti-bribery Handbook.
The Marubeni Group Accounting Policy and the accounting regulations, detailed rules, notifications, and procedures as well as other internal rules, such as internal procedures for consolidated financial closing have been established and updated and are thoroughly communicated.

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, the Director in charge of human resources consults Audit & Supervisory Board Members 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. Moreover, the Corporate Accounting Dept. provided briefing on the details of financial closing to Audit & Supervisory Board Members every quarter.

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, audit implementation status, and results of audits, including those of subsidiaries, as well as the status of internal control over financial reporting.
Liaison 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 and maintain a robust financial foundation as the basis for growth and concurrently pursue strengthening of the foundation of existing businesses and creation of a new business model with a 10-year time horizon with the aim of enhancing corporate value over the long term. Based on the principle of linking dividends to the Corporation's business results for each term, the Corporation's basic policy is that a consolidated payout ratio shall be about 25% or more and the forecast dividend amount announced at the beginning of the fiscal year shall be the lower limit. 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.
Once the net D/E ratio of approximately 0.8 times is achieved, the Corporation intends to flexibly implement share buybacks depending on the state of core operating cash flow and investment pipeline, among other factors.

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)	3,762 rights	376,200 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)	4,081 rights	408,100 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
Fiscal year ended March 31, 2019 (March 27, 2018)	753 rights	75,300 shares of common stock	71,500 yen for each subscription right to shares	1 yen per share	From April 12, 2018 to April 11, 2051
Fiscal year ended March 31, 2019 (June 22, 2018)	4,645 rights	464,500 shares of common stock	75,100 yen for each subscription right to shares	1 yen per share	From July 10, 2018 to July 9, 2051

<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)	1,294 rights	5 persons	143 rights	1 person	2,325 rights	18 persons
Fiscal year ended March 31, 2018 (June 23, 2017)	1,309 rights	5 persons	44 rights	1 person	2,728 rights	17 persons
Fiscal year ended March 31, 2019 (March 27, 2018)	370 rights	1 person	0 rights	0 persons	383 rights	2 persons
Fiscal year ended March 31, 2019 (June 22, 2018)	1,494 rights	6 persons	0 rights	0 persons	3,151 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, 2019 is 1,645,300 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 11, 2018)>

Date of resolution for issuance	March 27, 2018
Number of subscription rights to shares	1,761 rights
Number of persons to whom subscription rights to shares were granted and the number of subscription rights to shares granted	6 Executive Officers of the Corporation: 1,761 rights
Class and number of shares to be issued	176,100 shares of common stock (100 shares for each subscription right to shares)
Amount to be paid in for subscription rights to shares	71,500 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 12, 2018 to April 11, 2051
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: These are issued to six Executive Officers, including three Executive Officers who retired on March 31, 2018, and issuance had been reserved during their service overseas.

<Subscription rights to shares as stock-compensation-type stock options (stock options allotted on July 9, 2018)>

Date of resolution for issuance	June 22, 2018
Number of subscription rights to shares	4,645 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: 1,494 rights 22 Executive Officers of the Corporation: 3,151 rights
Class and number of shares to be issued	464,500 shares of common stock (100 shares for each subscription right to shares)
Amount to be paid in for subscription rights to shares	75,100 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 10, 2018 to July 9, 2051
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	601 million yen
2) Total amount of money or other economic benefits to be paid by the Corporation and its subsidiaries to the Accounting Auditor	1,070 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, Aguas Decima S.A., Axia Power Holdings B.V., Gavilon Agriculture Investment, Inc., Helena Agri-Enterprises, LLC, MAC Trailer Leasing, Inc., MAI Holding 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 “comfort letter preparation 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	95th Business Year (As of March 31, 2019)	Ref: 94th Business Year (As of March 31, 2018)
Assets	Millions of yen	Millions of yen
Current assets:		
Cash and cash equivalents	509,288	625,834
Time deposits	250	1,046
Investment securities	151	0
Notes, trade accounts and loans receivable	1,289,196	1,315,336
Other current financial assets	182,208	213,941
Inventories	900,472	835,021
Assets held-for-sale	35,438	61,452
Other current assets	241,546	226,141
Total current assets	3,158,549	3,278,771
Non-current assets:		
Investments in associates and joint ventures	1,732,712	1,764,169
Other investments	292,752	322,628
Notes, trade accounts and loans receivable	132,328	138,715
Other non-current financial assets	79,511	72,492
Property, plant and equipment	926,092	905,479
Intangible assets	379,941	293,583
Deferred tax assets	45,806	45,233
Other non-current assets	61,386	56,047
Total non-current assets	3,650,528	3,598,346
Total assets	6,809,077	6,877,117

Item	95th Business Year (As of March 31, 2019)	Ref: 94th Business Year (As of March 31, 2018)
Liabilities and equity	Millions of yen	Millions of yen
Current liabilities:		
Bonds and borrowings	478,387	611,756
Notes and trade accounts payable	1,273,196	1,374,022
Other current financial liabilities	275,217	370,103
Income tax payable	17,778	17,858
Liabilities directly associated with assets held-for-sale	359	—
Other current liabilities	421,489	387,975
Total current liabilities	2,466,426	2,761,714
Non-current liabilities:		
Bonds and borrowings	1,889,990	1,930,948
Notes and trade accounts payable	11,566	16,713
Other non-current financial liabilities	74,404	66,316
Net defined benefit liability	89,764	79,099
Deferred tax liabilities	107,783	95,944
Other non-current liabilities	97,418	90,746
Total non-current liabilities	2,270,925	2,279,766
Total liabilities	4,737,351	5,041,480
Equity:		
Issued capital	262,686	262,686
Capital surplus	139,898	135,295
Other equity financial instruments	243,589	243,589
Treasury stock	(1,384)	(1,379)
Retained earnings	1,163,472	1,014,709
Other components of equity:		
Gains (losses) on financial assets measured at fair value through other comprehensive income	71,912	82,596
Foreign currency translation adjustments	131,178	76,253
Gains (losses) on cash flow hedges	(33,610)	(42,274)
Equity attributable to owners of the parent	1,977,741	1,771,475
Non-controlling interests	93,985	64,162
Total equity	2,071,726	1,835,637
Total liabilities and equity	6,809,077	6,877,117

Consolidated Statement of Comprehensive Income

Item	95th Business Year (from April 1, 2018 to March 31, 2019)	Ref: 94th Business Year (from April 1, 2017 to March 31, 2018)
	Millions of yen	Millions of yen
Revenue:		
Sales of goods	7,197,705	7,361,808
Commissions on services and trading margins	203,551	178,529
Total revenue	7,401,256	7,540,337
Cost of goods sold	(6,671,581)	(6,863,100)
Gross trading profit	729,675	677,237
Other income (expenses):		
Selling, general and administrative expenses	(556,666)	(559,183)
Gains (losses) on property, plant and equipment:		
Impairment losses	(17,803)	(5,197)
Gains (losses) on sales of property, plant and equipment	2,597	3,728
Other-net	10,742	(35,063)
Total other income (expenses)	(561,130)	(595,715)
Finance income (expenses):		
Interest income	15,950	13,526
Interest expenses	(46,807)	(34,948)
Dividend income	37,336	21,254
Gains (losses) on investment securities	28,517	25,147
Total finance income (expenses)	34,996	24,979
Share of profits of associates and joint ventures	85,278	148,503
Profit before tax	288,819	255,004
Income taxes	(49,535)	(38,429)
Profit for the year	239,284	216,575
Profit for the year attributable to:		
Owners of the parent	230,891	211,259
Non-controlling interests	8,393	5,316
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	(12,485)	18,191
Remeasurements of defined benefit plan	(7,301)	3,916
Changes in other comprehensive income of associates and joint ventures	(5,659)	2,070
Items that will be reclassified to profit or loss:		
Foreign currency translation adjustments	47,308	(86,554)
Gains (losses) on cash flow hedges	4,777	(2,779)
Changes in other comprehensive income of associates and joint ventures	13,639	(413)
Other comprehensive income, net of tax	40,279	(65,569)
Total comprehensive income for the year	279,563	151,006
Total comprehensive income for the year attributable to:		
Owners of the parent	270,904	145,671
Non-controlling interests	8,659	5,335

Consolidated Statement of Changes in Equity

95th Business Year (from April 1, 2018 to March 31, 2019)

	Equity attributable to owners of the parent						
						Other components of equity	
	Issued capital	Capital surplus	Other equity instruments	Treasury stock	Retained earnings	Gains (losses) on financial assets measured at fair value through other comprehensive income	Foreign currency translation adjustments
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance at beginning of year	262,686	135,295	243,589	(1,379)	1,014,709	82,596	76,253
Cumulative effect of applying new accounting standards and interpretations					(1,117)		
Profit for the year					230,891		
Other comprehensive income						(17,594)	54,925
Purchases and sales of treasury stock		0		(5)			
Dividends to owners of the parent					(61,611)		
Equity transactions with non-controlling interests and others		4,603			(748)		
Distribution to owners of other equity financial instruments					(4,035)		
Transfer to retained earnings					(14,617)	6,910	
Transfer to non-financial assets or non-financial liabilities							
Balance at end of year	262,686	139,898	243,589	(1,384)	1,163,472	71,912	131,178

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity					
	Gains (losses) on cash flow hedges	Remeasurements of defined benefit plan	Other components of equity	Total equity attributable to owners of the parent		
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance at beginning of year	(42,274)	—	116,575	1,771,475	64,162	1,835,637
Cumulative effect of applying new accounting standards and interpretations				(1,117)		(1,117)
Profit for the year				230,891	8,393	239,284
Other comprehensive income	10,389	(7,707)	40,013	40,013	266	40,279
Purchases and sales of treasury stock				(5)		(5)
Dividends to owners of the parent				(61,611)	(7,350)	(68,961)
Equity transactions with non-controlling interests and others				3,855	28,514	32,369
Distribution to owners of other equity financial instruments				(4,035)		(4,035)
Transfer to retained earnings		7,707	14,617	—		—
Transfer to non-financial assets or non-financial liabilities	(1,725)		(1,725)	(1,725)		(1,725)
Balance at end of year	(33,610)	—	169,480	1,977,741	93,985	2,071,726

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

	Equity attributable to owners of the parent						
						Other components of equity	
	Issued capital	Capital surplus	Other equity instruments	Treasury stock	Retained earnings	Gains (losses) on financial assets measured at fair value through other comprehensive income	Foreign currency translation adjustments
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance at beginning of year	262,686	142,881	243,589	(1,374)	856,647	54,606	165,310
Profit for the year					211,259		
Other comprehensive income						20,397	(89,057)
Purchases and sales of treasury stock		1		(5)			
Dividends to owners of the parent					(45,124)		
Equity transactions with non-controlling interests and others		(7,587)					
Distribution to owners of other equity financial instruments					(4,010)		
Transfer to retained earnings					(4,063)	7,593	
Transfer to non-financial assets or non-financial liabilities							
Balance at end of year	262,686	135,295	243,589	(1,379)	1,014,709	82,596	76,253

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity					
	Gains (losses) on cash flow hedges	Remeasurements of defined benefit plan	Other components of equity	Total equity attributable to owners of the parent		
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance at beginning of year	(40,622)	—	179,294	1,683,723	59,035	1,742,758
Profit for the year				211,259	5,316	216,575
Other comprehensive income	(458)	3,530	(65,588)	(65,588)	19	(65,569)
Purchases and sales of treasury stock				(4)		(4)
Dividends to owners of the parent				(45,124)	(5,802)	(50,926)
Equity transactions with non-controlling interests and others				(7,587)	5,594	(1,993)
Distribution to owners of other equity financial instruments				(4,010)		(4,010)
Transfer to retained earnings		(3,530)	4,063	—		—
Transfer to non-financial assets or non-financial liabilities	(1,194)		(1,194)	(1,194)		(1,194)
Balance at end of year	(42,274)	—	116,575	1,771,475	64,162	1,835,637

<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: 282

Names of major consolidated subsidiaries: See <I. Current Status of the Group "Status of major subsidiaries and consolidation of major businesses"> in Business Report.

(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: 149

Names of major companies accounted for under the equity method: See <I. Current Status of the Group "Status of major subsidiaries and consolidation of major businesses"> in Business Report.

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 (352 companies) are excluded from this number.

3. Significant accounting policies

(1) Valuation standards and methods for financial assets

(i) Debt instrument financial assets measured at amortised cost:

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

(ii) Debt instrument financial assets measured at fair value through other comprehensive income ("Debt instrument financial assets measured at FVTOCI"):

Debt instrument financial assets measured at FVTOCI are measured at fair value plus transaction costs at initial recognition. After initial recognition, Debt instrument 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, interest arising from Debt instrument financial assets measured at FVTOCI is recognised as part of finance income (or expenses) in the Consolidated Statement of Comprehensive Income.

(iii) Debt instrument financial assets measured at fair value through profit or loss ("Debt instrument financial assets measured at FVTPL"):

Debt instrument financial assets measured at FVTPL are measured at fair value. Changes in the fair values are mainly recognised as part of revenue or finance income (or expenses) in the Consolidated Statement of Comprehensive Income.

(iv) Equity instrument financial assets measured at fair value through other comprehensive income ("Equity instrument financial assets measured at FVTOCI"):

Equity instrument financial assets measured at FVTOCI are measured at fair value plus transaction costs at initial recognition. After initial recognition, Equity instrument 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 instrument financial assets measured at FVTOCI is recognised as part of finance income (or expenses) in the Consolidated Statement of Comprehensive Income.

(v) Equity instrument financial assets measured at fair value through profit or loss ("Equity instrument financial assets measured at FVTPL"):

Equity instrument financial assets measured at FVTPL are measured at fair value. Changes in the fair values, together with the related dividend, are mainly recognised as part of finance income (or expenses) in the Consolidated Statement of Comprehensive Income.

(vi) Impairment of Debt instrument financial assets measured at amortised cost and Debt instrument financial assets measured at FVTOCI:

The Company and its consolidated subsidiaries ("The Companies") recognise the allowance for doubtful accounts on expected credit losses for financial assets classified as debt instrument financial assets measured at amortised cost and Debt instrument financial assets measured at FVTOCI, etc. If, at each reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Companies measure the allowance for doubtful accounts at an amount equal to the expected credit losses that result from default events possible within the 12 months after each reporting date ("12-month expected credit losses"). At each reporting date, the Companies measure the allowance for doubtful accounts at an amount equal to the expected credit losses that result from all possible default events over the expected life of the financial instrument. ("lifetime expected credit losses") if the credit risk on the financial instrument has increased significantly since initial recognition. However, the Companies always measure the allowance for doubtful accounts at an amount equal to lifetime expected credit losses for trade accounts receivable, etc.

(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 methods 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 Companies 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 Companies 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 Companies 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) Recognition of revenue

With the exception of interest, dividend and other income recognised in accordance with IFRS 9 *Financial Instruments*, the Companies recognise revenue based on the following five-step approach if it is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Step 1: Identify the contract with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

(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: 26; excluded: 20
Associates and joint ventures accounted for under the equity method: newly included: 11; excluded: 16

(2) Newly applied standards and interpretations

From the year ended March 31, 2019, the Companies have applied the following standards and interpretations

Standards and Interpretations	Description
IFRS 9 *Financial Instruments (amended July 2014)*	Changes in qualifying criteria for impairment accounting, classification and measurement of financial assets
IFRS 15 *Revenue from Contracts with Customers*	Accounting for and disclosure of revenue recognition

The above-mentioned standards and interpretations were applied pursuant to their respective provisions; however, they did not have a material impact on the Consolidated Financial Statements. The cumulative effect of applying the above standards and interpretations were accounted for as adjustments to retained earnings at the date of initial application.

(3) 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

Notes, trade accounts and loans receivable	71 million yen
Inventories	656 million yen
Investments in associates and joint ventures	35,137 million yen
Property, plant and equipment (after deducting accumulated depreciation)	35,826 million yen
Other	17,159 million yen
Total	88,849 million yen

2. Allowance for doubtful receivables directly deducted from assets:

Notes, trade accounts and loans receivable (current) 20,506 million yen

Notes, trade accounts and loans receivable (non-current) 30,635 million yen

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

1,294,782 million yen

4. Contingent liabilities

Guarantee obligation

The Companies 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 277,444 million yen, and 3,489 million yen which exclude the amount secured by secondary guarantees provided for the Company by the third parties of 273,955 million yen at the end of 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 fulfilment of the obligations.

Lawsuits, etc.

After the Supreme Court of Indonesia ("Supreme Court") ruled in favour 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 favour 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 US Dollars 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 US Dollars 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.

Of such applications, a notice related to the Gunung Sugih case was posted on the website of the Supreme Court as of October 8, 2018, stating that the Company's application for judicial review (retrial) was rejected (with the note, however, that any information posted on the website shall not be regarded as an official record of the Supreme Court), whereas the Company has not received any decision from the Supreme Court regarding such rejection and, furthermore, no reason for such rejection has been posted on the website of the Supreme Court.

As of the end of fiscal year, there was no information available requiring the Company to revise its existing position based on the determination that there is a high possibility that the ruling by the Supreme Court on the aforementioned cases will be overturned, and thus, the Company did not recognise any provisions for litigation in regard to the aforementioned cases.

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 at March 31, 2019, the outcome of these cannot be determined at this time except the projects 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

For the year ended March 31, 2019, the Company recognised a gain of 17,661 million yen arising from remeasurement of the Company's equity interest held before the acquisition date in ARTERIA Networks Corporation("ARTE") based on the fair value at the acquisition date following the consolidation of ARTE, of which the Company had owned 50% of the voting rights and which was classified as an investment in a joint venture before the acquisition date, as the Company's consolidated subsidiary. Such a gain was included in "Gains (losses) on investment securities" in the Consolidated Statement of Comprehensive Income.

2. Other-net

For the year ended March 31, 2019, the Companies recognised gains of 13,593 million yen arising from the sale of a portion of the domestic power generation business. Such gains were included in "Other-net" in the Consolidated Statement of Comprehensive Income.

3. Share of profits of associates and joint ventures

For the year ended March 31, 2019, "Share of profits of associates and joint ventures" included the following items.

(1) As a result of the business plan revisions due to a downtrend in the grain export business including soybeans on the U.S. West Coast, the Companies recognised, as an estimated non-recoverable amount of investments in the business, impairment losses of 30,079 million yen. Such losses were included in "Share of profits of associates and joint ventures" in the Consolidated Statement of Comprehensive Income.

(2) Due to the decline in power prices, the Companies recognised, as an estimated non-recoverable amount of investments in the power generation business in Singapore, an impairment loss of 22,916 million yen. Such a loss was included in "Share of profits of associates and joint ventures" in the Consolidated Statement of Comprehensive Income.

<Notes to the Consolidated Statement of Changes in Equity>

1. Type and number of outstanding shares at March 31, 2019:

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 15, 2018	Common stock	32,107 million yen	18.50 yen	March 31, 2018	June 1, 2018
The Board of Directors meeting held on November 2, 2018	Common stock	29,504 million yen	17.00 yen	September 30, 2018	December 3, 2018

(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, 2019	Common stock	29,504 million yen	Retained earnings	17.00 yen	March 31, 2019	June 3, 2019

3. Type and number of shares underlying stock acquisition rights at March 31, 2019 (excluding those yet to become exercisable):

Type of shares	Common stock
Number of shares	339,900 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 Companies invest in various types of financial instruments. Debt instrument financial assets are classified as either Debt instrument financial assets measured at amortised cost or Debt instrument financial assets measured at FVTOCI or Debt instrument financial assets measured at FVTPL, and equity financial assets are classified as either Equity instrument financial assets measured at FVTOCI or Equity instrument financial assets measured at FVTPL. 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 Companies 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 Companies 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 Companies 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 Companies also enter into derivative transactions for trading purposes. The Companies 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 are as follows:

	Amounts recognised on the Consolidated Statement of Financial Position	Fair values
Notes, trade accounts and loans receivable (1)	1,421,524 million yen	1,421,591 million yen
Investment securities and other investments (2)	292,903 million yen	292,903 million yen

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 Companies have 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 instruments classified as Financial assets measured at FVTOCI or 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 carrying amounts of cash and cash equivalents, and time deposits in the Consolidated Statement of Financial Position approximated fair value.

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

(5) The carrying amounts of bonds and borrowings 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.

<Recognition of revenue>

The Companies are involved in various forms of transactions including: transactions to provide goods or services to customers and to settle such transactions; and transactions in which the consideration is settled directly between the buyer and the seller, with the Companies receiving commission fees from the buyer, the seller or both.

The Companies separately present revenue arising from these transactions based on the contracts with customers as either "Sales of goods" or "Commissions on services and trading margins" . Revenue is included in "Sales of goods" as principal transactions where the Companies control the goods or services before the transfer thereof to customers, and in all other cases the net amount, after deduction of amounts due to third parties from the transaction consideration, is included in "Commissions on services and trading margins" as agent transactions.

For sales of goods where the Companies arrange shipping, revenue is recognised when the delivery obligations specified in the contract have been fulfilled, such as when a bill of lading, warehouse receipt, delivery order, etc., is delivered to the buyer, or when the inspection of goods is completed, and there are substantially no further obligations to perform, and the customer has the receipt of goods. In most transactions based on sales contracts of goods, performance obligations are satisfied at a point in time. The amount of revenue that includes a variable consideration or repurchase obligations is immaterial.

For construction contracts that create or enhance the value of customers' assets, the Companies recognise contract revenue progressively over several accounting periods by measuring the progress towards satisfaction of the performance obligations in the contract. Progress towards satisfaction of the performance obligations is generally measured based on the percentage of contract costs incurred by the end of each reporting period compared to the expected total contract costs. If such progress cannot be reasonably measured, the Companies recognise

revenue to the extent of incurred costs. Revenue arising from construction contracts is immaterial and is presented within "Sales of goods".
Commissions on services and trading margins are mainly commissions receivable when the Companies are agents in transactions. The Companies recognise revenue upon the completion of service which is judged to give rise to the right to consideration from customers based on contracts and related legislation, legal precedents, customary business practices, etc.

<Earnings per Share>

1. Equity per share attributable to owners of the parent:
   998.47 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	1,977,741
Adjustment amount used for the calculation of equity per share attributable to owners of the parent	
Amount not attributable to owners of the parent	245,050
Equity used for calculation of equity per share attributable to owners of the parent	1,732,691
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	1,735,350,887

2. Basic earnings per share attributable to owners of the parent:
   130.74 yen
   Diluted earnings per share attributable to owners of the parent:
   130.62 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	230,891
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	4,015
Profit for the year used for the calculation of earnings per share attributable to owners of the parent (basic)	226,876
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)	226,875
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)	1,735,354,008
Weighted average number of shares Effect of dilution	
Adjustment concerning stock acquisition rights	1,503,080
Weighted average number of ordinary shares used for the calculation of earnings per share attributable to owners of the parent (diluted)	1,736,857,088

<Notes on significant subsequent events>

1. Bonds
   The Company issued bonds as follows.
   <USD unsecured bonds, second issue>
   1. Total amount of bonds issued: 500 million US Dollars
   2. Interest rate: 3.56% per annum
   3. Issue price: 100% of par value
   4. Closing date: April 26, 2019
   5. Maturity date: April 26, 2024
   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

2. New Lawsuit
   Sugar Group denied the validity of the finances provided for "Sugar Group" by the Company and accompanying security interests which were confirmed by the Supreme Court on March 17, 2011*. In response, the Company filed a lawsuit against Sugar Group with Central Jakarta District Court, Indonesia, on April 26, 2017 to seek damages of approximately 1.6 billion US Dollars to, among others, the reputation of the Company caused by Sugar Group's torts ("This Case").
   In response to the Company's claim in This Case, on April 30, 2019 Sugar Group filed a counterclaim against the Company through the court procedure of This Case to seek damages of 7.75 billion US Dollars in the aggregate on the ground that the Company's filling This Case itself allegedly constitutes our tort against Sugar Group companies ("Counterclaim").
   The Company has estimated that there is a low possibility that losses might be incurred as a result of this Counterclaim.

   (*) See <Notes to the Consolidated Statement of Financial Position> 4. Contingent liabilities "Lawsuits, etc." "Previous Case"*.

(Reference) Consolidated Statement of Cash Flows <Unaudited>

Item	95th Business Year (from April 1, 2018 to March 31, 2019)	94th Business Year (from April 1, 2017 to March 31, 2018)
	Millions of yen	Millions of yen
Operating activities:		
Profit for the year	239,284	216,575
Adjustments to reconcile profit for the year to net cash provided by (used in) operating activities:		
Depreciation and amortisation	113,541	120,331
Gains (losses) on property, plant and equipment	15,206	1,469
Finance income (expenses)	(34,996)	(24,979)
Share of profits of associates and joint ventures	(85,278)	(148,503)
Income taxes	49,535	38,429
Changes in notes and accounts receivable	65,190	(135,801)
Changes in inventories	(42,777)	(102,626)
Changes in notes and trade accounts payable	(127,896)	158,159
Other-net	14,096	56,719
Interest received	11,414	9,607
Interest paid	(44,202)	(35,069)
Dividends received	152,765	126,086
Income taxes paid	(40,987)	(26,974)
Net cash provided by operating activities	**284,895**	**253,423**
Investing activities :		
Net increase (decrease) in time deposits	803	171
Proceeds from sale of property, plant and equipment	5,968	15,647
Proceeds from sale of investment property	544	246
Collection of loans receivable	33,061	31,658
Proceeds from sale of subsidiaries, net of cash and cash equivalents disposed of	12,022	51,722
Proceeds from sale of investments in associates and joint ventures, and other investments	123,279	63,366
Purchase of property, plant and equipment	(93,221)	(103,176)
Purchase of investment property	(69)	(406)
Loans provided to customers	(14,872)	(11,488)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	7,172	(22,990)
Purchase of investments in associates and joint ventures, and other investments	(52,159)	(74,492)
Net cash used in investing activities	**22,528**	**(49,742)**
Financing activities :		
Net increase (decrease) in short-term borrowings	(163,088)	41,733
Proceeds from long-term bonds and borrowings	254,166	229,867
Repayments of long-term bonds and borrowings	(436,146)	(487,202)
Dividends paid to shareholders of the parent	(61,611)	(45,124)
Net cash outflows on purchases and sales of treasury stock	(9)	(15)
Capital contribution from non-controlling interests	79	2,420
Acquisition of additional interests in subsidiaries from non-controlling interests	(9,425)	(1,375)
Payments of distributions to owners of other equity financial instruments	(4,035)	(4,010)
Other	(7,351)	(5,801)
Net cash used in financing activities	**(427,420)**	**(269,507)**
Effect of exchange rate changes on cash and cash equivalents	3,451	(13,312)
Net increase (decrease) in cash and cash equivalents	(116,546)	(79,138)
Cash and cash equivalents at beginning of year	625,834	704,972
Cash and cash equivalents at end of year	509,288	625,834

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

Item	95th Business Year (As of March 31, 2019)	Ref: 94th Business Year (As of March 31, 2018)
ASSETS	Millions of yen	Millions of yen
Current assets:	1,082,506	1,277,448
Cash on hand and in banks	286,735	361,295
Notes receivable-trade	3,618	3,790
Accounts receivable-trade	437,943	557,118
Marketable investment securities	151	0
Inventories	101,523	112,939
Advance payments to suppliers	103,751	114,141
Short-term loans receivable	50,706	10,458
Other current assets	108,605	128,235
Allowance for doubtful accounts	(10,526)	(10,528)
Fixed assets:	2,309,417	2,385,764
Property and equipment	19,544	20,374
Buildings	7,495	8,695
Structures	886	841
Machinery and equipment	2,387	1,536
Vessels	817	1,009
Vehicles	643	516
Furniture and fixtures	2,079	2,560
Land	5,237	5,217
Intangible assets	19,050	18,151
Computer software	18,428	17,407
Other intangible assets	622	744
Investments and others	2,270,823	2,347,239
Investment securities	186,514	193,967
Investments in subsidiaries and affiliates	1,794,880	1,836,408
Bonds of subsidiaries and affiliates	—	532
Other investment securities in subsidiaries and affiliates	2,450	2,738
Investments in capital	3,160	3,162
Other investments in subsidiaries and affiliates	53,400	69,844
Long-term loans receivable	214,891	213,417
Doubtful accounts	7,044	13,019
Deferred tax assets	28,971	27,924
Other investment	28,325	27,657
Allowance for doubtful accounts	(29,789)	(27,369)
Allowance for investment loss	(19,023)	(14,060)
Deferred charges	883	816
Bond issuance costs	883	816
Total assets	3,392,806	3,664,028

Item	95th Business Year (As of March 31, 2019)	Ref: 94th Business Year (As of March 31, 2018)
LIABILITIES	Millions of yen	Millions of yen
Current liabilities:	1,319,263	1,655,482
Notes and acceptances payable-trade	181,711	213,266
Accounts payable-trade	352,366	475,640
Short-term loans payable	140,867	212,944
Current portion of bonds	40,000	50,000
Other payables	46,288	40,260
Advance payments received from customers	69,126	83,949
Provision for loss on construction contracts	147	6
Deposits received	433,604	526,549
Other current liabilities	55,154	52,868
Long-term liabilities:	1,395,905	1,385,787
Bonds	283,321	268,000
Long-term loans payable	1,086,339	1,087,312
Accrued pension and retirement benefits	5,107	3,242
Allowance for contingency loss	10,090	11,688
Other long-term liabilities	11,048	15,545
Total liabilities	2,715,168	3,041,269
NET ASSETS		
Shareholders' equity	737,781	680,095
Capital stock	262,686	262,686
Capital surplus		
Additional paid-in capital	91,073	91,073
Other capital surplus	32,089	32,089
Retained earnings		
Other Retained earnings		
Retained earnings	353,292	295,601
Common stock in treasury	(1,359)	(1,354)
Valuation and translation adjustments	(61,145)	(57,864)
Unrealised gains or losses on other securities	45,432	51,189
Deferred gains or losses on hedges	(106,577)	(109,053)
Stock acquisition rights	1,002	528
Stock acquisition rights	1,002	528
Total equity	677,638	622,759
Total liabilities and net assets	3,392,806	3,664,028

Non-consolidated Statement of Income

Item	95th Business Year (from April 1, 2018 to March 31, 2019)		Ref: 94th Business Year (from April 1, 2017 to March 31, 2018)	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Sales		5,500,313		5,742,601
Cost of sales		5,396,772		5,655,420
Gross profit		103,541		87,181
Selling, general and administrative expenses		145,463		140,487
Operating loss		(41,922)		(53,306)
Non-operating income		227,949		155,356
Interest income	10,226		8,968	
Interest on securities	3		11	
Dividend income	205,344		139,963	
Exchange gain	—		2,621	
Miscellaneous income	12,376		3,793	
Non-operating expenses		44,779		47,136
Interest expense	22,888		18,730	
Interest on bonds	2,653		853	
Exchange loss	1,756		—	
Miscellaneous expenses	17,482		27,553	
Ordinary income		141,248		54,914
Extraordinary gains		18,199		29,788
Gain on sales of property and equipment	16		1,689	
Gain on sales of investment securities	5,343		14,985	
Gain on sales of subsidiaries and affiliates' stocks	12,840		13,100	
Gain on transfer of business	—		14	
Extraordinary losses		48,697		28,189
Loss on sales of property and equipment	68		385	
Loss on sales of investment securities	372		160	
Loss on sales of subsidiaries and affiliates' stocks	91		259	
Loss on valuation of investment securities	25		16	
Loss on valuation of subsidiaries and affiliates' stocks	33,214		16,903	
Provision for loss on business of subsidiaries and affiliates	14,927		10,466	
Income before income taxes		110,750		56,513
Provision for income taxes – current		(6,399)		(6,551)
Provision for income taxes – deferred		(2,153)		(4,305)
Net income		119,302		67,369

Non-consolidated Statement of Changes in Net Assets

95th Business Year (from April 1, 2018 to March 31, 2019)

	Shareholders' equity						Valuation and translation adjustments			Stock acquisition rights	Total equity
	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		
		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, 2018	262,686	91,073	32,089	295,601	(1,354)	680,095	51,189	(109,053)	(57,864)	528	622,759
Changes of items during the Business Year											
Dividends				(61,611)		(61,611)					(61,611)
Net income				119,302		119,302					119,302
Treasury stock purchased					(5)	(5)					(5)
Treasury stock sold			0		0	0					0
Net changes of items other than shareholders' equity							(5,757)	2,476	(3,281)	474	(2,807)
Total changes of items during the Business Year	—	—	0	57,691	(5)	57,686	(5,757)	2,476	(3,281)	474	54,879
Balance on March 31, 2019	262,686	91,073	32,089	353,292	(1,359)	737,781	45,432	(106,577)	(61,145)	1,002	677,638

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

	Shareholders' equity						Valuation and translation adjustments			Stock acquisition rights	Total equity
	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		
		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
Cumulative effect of changing accounting policies				90		90					90
Adjusted balance on March 31,2017	262,686	91,073	32,088	273,356	(1,347)	657,856	47,456	(113,328)	(65,872)	180	592,164
Changes of items during the Business Year											
Dividends				(45,124)		(45,124)					(45,124)
Net income				67,369		67,369					67,369
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	22,245	(7)	22,239	3,733	4,275	8,008	348	30,595
Balance on March 31, 2018	262,686	91,073	32,089	295,601	(1,354)	680,095	51,189	(109,053)	(57,864)	528	622,759

Notes to Non-consolidated Financial Statements

<Significant Accounting Policies>

1. Valuation standards and methods for 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. Valuation standards and methods for 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. Depreciation methods for 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 (14.9 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 yen) are capitalised as part of the development costs of related real estate.

9. The Company files a consolidated income tax return.

<Notes to change in accounting policies>

(Change in accordance with revision of "Implementation Guidance on Tax Effect Accounting")

"Implementation Guidance on Tax Effect Accounting" (Accounting Standards Board of Japan (ASBJ) Guidance No. 28, February 16, 2018)" was applied from the fiscal year ended March 31, 2019. The Company recognises deferred tax liabilities for taxable temporary differences related to shares of subsidiaries, etc., except when it has no plans to sell the shares in the foreseeable future, based on the treatment prescribed in the implementation guidance. This change in accounting policy is applied retrospectively. Comparative information in the Non-consolidated Financial Statements has been restated. As a result, retained earnings on April 1, 2017 in Non-consolidated Statement of Changes in Net Assets has increased by 90 million yen, deferred tax assets included in "Investments and others" in Non-consolidated Balance Sheets on March 31, 2018 has increased by 459 million yen and provision for income taxes - deferred in Non-consolidated Statement of Income for the year ended March 31, 2018 has decreased by 369 million yen.

<Notes to change in presentation>

(Change in accordance with revision of Ordinance for Company Accounting)

The Company has applied the revision of Ordinance for Company Accounting (Ordinance of the Ministry of Justice No. 5, March 26, 2018), issued in accordance with "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, February 16, 2018), from the fiscal year ended March 31, 2019. Accordingly, deferred tax assets are not separately included in "Current Assets" and "Investments and others" but only included in " Investments and others." Deferred tax liabilities are not separately included in "Current Liabilities " and "Long-term Liabilities" but only included in "Long-term Liabilities". As a result, in the Non-consolidated Balance Sheet of the previous fiscal year, deferred tax assets of 2,140 million yen under "Current Assets" is included in deferred tax assets of 27,924 million yen under "Investments and others".

<Notes to Balance Sheet>

1. Accounts receivable from and payable to affiliated companies

Due from subsidiaries and affiliates		
	Current	223,004 million yen
	Non-current	214,687 million yen
Due to subsidiaries and affiliates		
	Current	550,918 million yen
	Non-current	914 million yen

2. Accumulated depreciation on property and equipment

29,332 million yen

3. Assets pledged as collateral

Assets pledged as collateral

Investment securities and investments in subsidiaries and affiliates	52,089 million yen
Other current assets	1,344 million yen

Related liabilities

Other current liabilities	469 million yen

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

4. Contingent liabilities

Guarantees for bank loans

Marubeni Financial Service	398,527 million yen
Marubeni America	347,506 million yen
Marubeni Iron Ore Australia	158,503 million yen
Others (160 companies)	671,479 million yen
Total	1,576,015 million yen

Elimination of duplication (61,113 million yen) is included in "Others".

Commitments to guarantees for bank loans

Marubeni Finance Europe	8,450 million yen
Others (5 companies)	(6,872 million yen)
Total	1,578 million yen

Elimination of duplication (8,467 million yen) is included in "Others".

Guarantees for client debt are included above.

Export bills of exchange discounted	25,229 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, 2019 and on which the Company bears credit risk of domestic subsidiaries and affiliates based on the contract with MFS are as follows:

Marubeni Aviation	44,753 million yen
Others (24 companies)	131,406 million yen
Total	176,159 million yen

Lawsuits, etc.

See <Notes to the Consolidated Statement of Financial Position> in Notes to Consolidated Financial Statements 4. Contingent liabilities "Lawsuits, etc.".

<Notes to Statement of Income>

1. Operating and non-operating transactions with subsidiaries and affiliates

Sales	1,214,572 million yen
Purchases	1,991,348 million yen
Non-operating transactions	204,961 million yen

2. Loss on valuation of subsidiaries and affiliates' stocks

The substantial stock value of Lion Power (2008) Pte. Ltd., an investment company in Singapore's power generation business, has declined. Due to the low possibility of a rebound in the stock value, the company recognised a loss of 23,716 million yen, which was included in "Loss on valuation of subsidiaries and affiliates' stocks" in the Non-consolidated Statement of Income for the current fiscal year.

<Notes to Statement of Changes in Net Assets>

Type and number of treasury stock at March 31, 2019:

Type of shares	Common stock
Number of shares	2,412,420 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, 2019
Subsidiary	Marubeni Petroleum	Direct: 100%	Import and offshore trade etc.	Import and offshore trade etc. *1	881,141	Accounts payable Other payables Others	6,296 2,097 9
			Debt guarantee	Debt guarantee *2	59,766	—	—
Subsidiary	MARUBENI NORTH SEA	Direct: 100%	Debt guarantee	Debt guarantee *2	76,250	—	—
Subsidiary	MARUBENI IRON ORE AUSTRALIA	Direct: 100%	Debt guarantee	Debt guarantee *2	158,503	—	—
Subsidiary	MARUBENI LP HOLDING	Direct: 100%	Financial assistance	Lending of funds *3	—	Long-term loans receivable	124,117
Subsidiary	Japan Offshore Wind Power Co., Ltd.	Direct: 100%	Financial assistance	Lending of funds *3	—	Long-term loans receivable	34,111
Subsidiary	MMSL	Direct: 100%	Debt guarantee	Debt guarantee *2	84,379	—	—
Subsidiary	Marubeni Financial Service	Direct: 100%	Debt guarantee	Debt guarantee *2	398,527	—	—
			Financial assistance	Lending of funds *4	13,629	Short-term loans receivable	40,887
			Deposit	Deposit *5	427,941	Deposits received	401,484
Subsidiary	Marubeni Finance Europe	Direct: 100%	Debt guarantee	Debt guarantee *2	45,028	—	—
Subsidiary	Marubeni America	Direct: 100%	Import and offshore trade etc.	Import and offshore trade etc. *1	474,847	Accounts payable Other payables Deposits received Others	24,153 412 13 9,300
			Debt guarantee	Debt guarantee *2	347,506	—	—

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 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.
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. The transaction amount of lending of funds is displayed as an average balance over this business year.
5. The interest rates for deposits from the subsidiary are determined based on the market rates. The transaction amount of deposits is displayed as an average balance over this business year.

<Notes to per share>

1. Net assets per share 389.87 yen

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

Numerator (millions of yen)	
Total net assets	677,638
Amount deducted from total net assets	
Stock acquisition rights	1,002
Total net assets concerning ordinary shares	676,636
Denominator (number of shares)	
Number of ordinary shares at end of period	1,735,528,480

2. Earnings per share 68.74 yen

Diluted earnings per share 68.68 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	119,302
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	119,301
Denominator (number of shares)	
Average number of ordinary shares during period used for the calculation of earnings per share	1,735,531,642
Adjustment of number of dilutive shares	
Adjustment concerning stock acquisition rights	1,503,080
Average number of ordinary shares during period used for the calculation of diluted earnings per share	1,737,034,722

<Notes on significant subsequent events>

See <Notes on significant subsequent events> in Notes to Consolidated Financial Statements.

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

Independent Auditor's Report

May 14, 2019

The Board of Directors
Marubeni Corporation

Ernst & Young ShinNihon LLC

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

Kenji Takagi
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 95th fiscal year from April 1, 2018 through March 31, 2019.

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, 2019.

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, 2019. 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, 2019

The Board of Directors
Marubeni Corporation

Ernst & Young ShinNihon LLC

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

Kenji Takagi
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 95th fiscal year from April 1, 2018 through March 31, 2019.

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 95th fiscal year ended March 31, 2019 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, 2019. 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 95th Business Year from April 1, 2018 to March 31, 2019 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, 2019

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 https://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 21, 2019

(doors open at 8:30 A.M.)

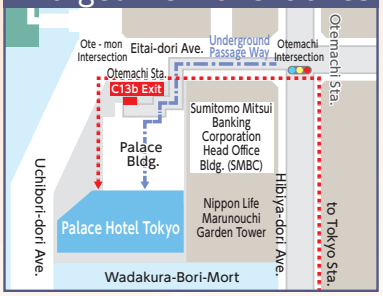
※Please come early to the venue as the reception area will become congested just before the starting time of the General Meeting of Shareholders.

Location

Palace Hotel Tokyo
2 F
「Aoi Room」

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

Enlarged view of entrance





Access

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

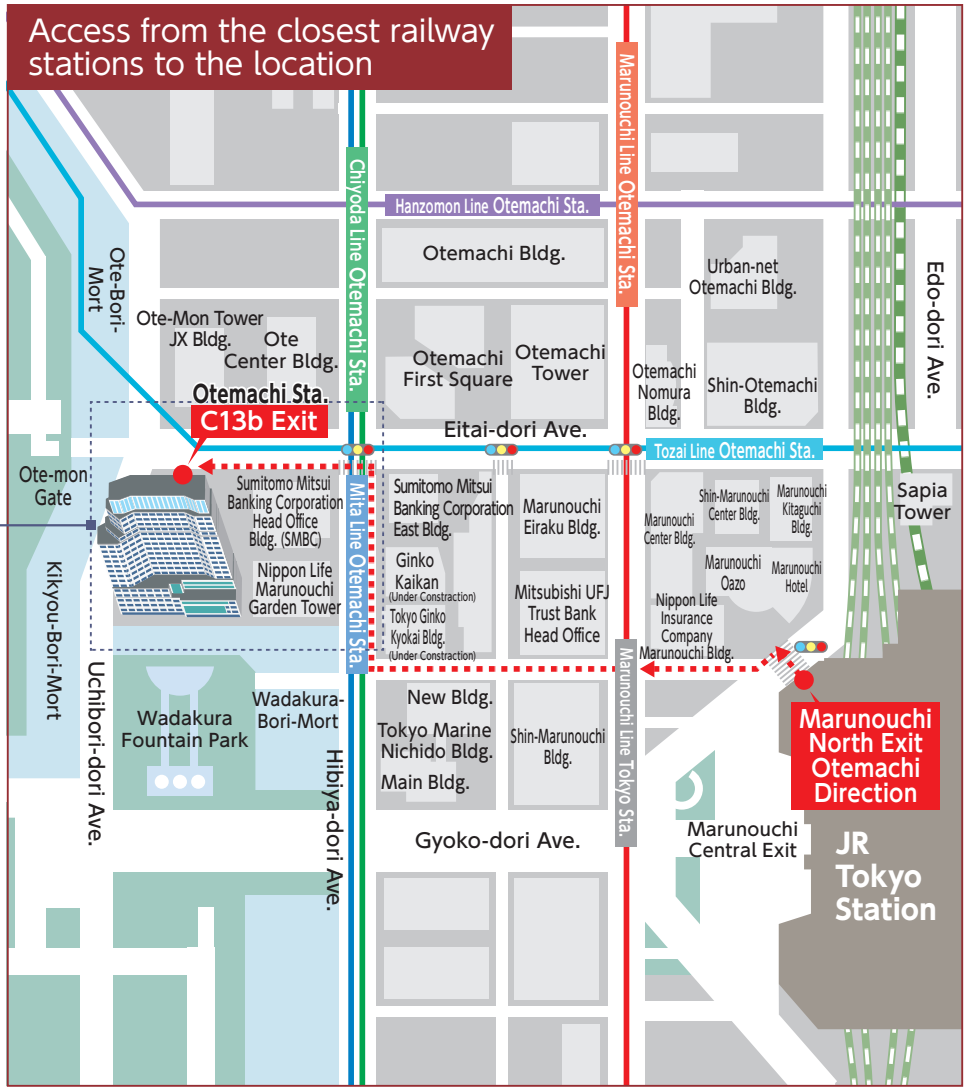
Tokyo Metro
- Chiyoda Line
- Marunouchi Line
- Hanzomon Line
- Tozai Line

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.

Access from the closest railway stations to the location



UD FONT

Easy to read universal design fonts that are used.