

Notice of the 96th Ordinary General Meeting of Shareholders

10:00 A.M., Friday, June 19, 2020

◆ Matters for Resolution:

Agenda No. 1: To partially amend the Articles of Incorporation

Agenda No. 2: To elect 11 Directors (Members of the Board)

Agenda No. 3: To elect 2 Audit & Supervisory Board Members

Agenda No. 4: To revise the amount of remuneration and other payments for Directors (Members of the Board)

The Corporation will no longer provide gifts to shareholders who are attending the meeting. We appreciate your understanding.

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 96th 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 offer our sincere condolences to those who lost their lives due to COVID-19 and pray for the earliest possible recovery for those who have been affected by COVID-19.

We have decided to convene the 96th Ordinary General Meeting of Shareholders of Marubeni Corporation on Friday, June 19, 2020.

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, 2019 to March 31, 2020.

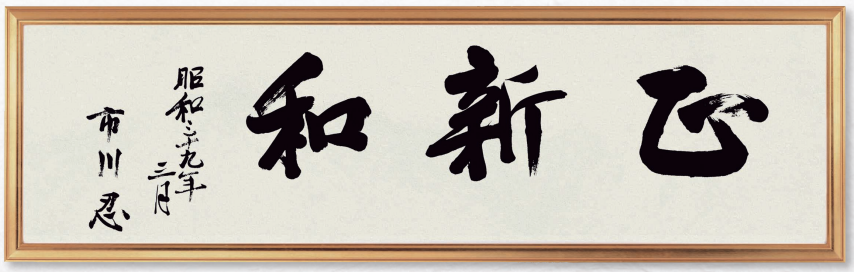
June 2020

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.

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

Business Report: Systems necessary to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation; Other systems necessary to ensure the properness of operations; Summary of Operating Status of Internal Control Systems; Matters Concerning the Corporation's Subscription Rights to Shares; Matters Concerning Accounting Auditor

Consolidated Financial Statements: Consolidated Statement of Changes in Equity, Notes to Consolidated Financial Statements, (Reference) Consolidated Statements of Cash Flows

Non-consolidated Financial Statements: Non-consolidated Statement of Changes in Equity, Notes to Non-consolidated Financial Statements

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



Cover:
Uchikake with design of Gosyodoki (The Tale of Genji)
Early 1900s
Collection of Marubeni Corporation

(Stock Exchange Code No. 8002)
June 4, 2020

To our shareholders:

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

Notice of the 96th Ordinary General Meeting of Shareholders

We wish to inform you that the 96th Ordinary General Meeting of Shareholders will be held as set forth below.
In order to prevent the spread of COVID-19, the Japanese government and prefectural governors have issued strong statements requesting people to stay at home. In these circumstances, after careful consideration, we have decided to hold the General Meeting of Shareholders while implementing appropriate infection prevention measures.
In view of the strong calls for people to stay at home and from the viewpoint of preventing the spread of infection, you are advised to refrain from attending the General Meeting of Shareholders regardless of your health condition and instead to exercise your voting rights in writing or via the Internet in advance.
Please review the attached Reference Materials for the General Meeting of Shareholders attached hereto, and exercise your voting rights by 5:30 P.M., Thursday, June 18, 2020.

■ If exercising your voting rights in writing:
Please indicate your vote for or against the items on the agenda on the enclosed voting form and return it by mail so that it arrives at the Corporation 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" on Page 23 and exercise your voting rights by the exercise deadline set forth above.

Date and Time:	10:00 A.M., Friday, June 19, 2020 (Doors open at 8:30 A.M.)
Venue:	Palace Hotel Tokyo, Aoi Room (2F) 1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo (In the case that Aoi Room is filled to capacity, please note that you will be escorted to another conference room.)
Agenda:	Matters to Report: 1. Reports on Business Report for the 96th Business Year (from April 1, 2019 to March 31, 2020) and Consolidated Financial Statements and the Audit Reports of the Accounting Auditor and the Audit & Supervisory Board for Consolidated Financial Statements for the 96th Fiscal Year (from April 1, 2019 to March 31, 2020) 2. Reports on Non-consolidated Financial Statements for the 96th Business Year (from April 1, 2019 to March 31, 2020)

Agenda:	Matters for Resolution: Agenda No. 1: To partially amend the Articles of Incorporation Agenda No. 2: To elect 11 Directors (Members of the Board) Agenda No. 3: To elect 2 Audit & Supervisory Board Members Agenda No. 4: To revise the amount of remuneration and other payments for Directors (Members of the Board)

- 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 booklet for your reference at the meeting.
- 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.
- **The Corporation will no longer provide gifts to shareholders who are attending the meeting. We appreciate your understanding.**

Payment of Year-end Dividends for the 96th Business Year

In accordance with the provisions of the Articles of Incorporation, at the Board of Directors meeting of May 20, 2020, the Corporation decided that the year-end dividend will be 17.50 yen per share and that the effective date (the payment commencement date) will be June 5, 2020.

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 96th 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 96th 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 96th Business Year" during the period from Friday, June 5, 2020 to Friday, July 17, 2020.

Reference Materials for the General Meeting of Shareholders

Agenda and Related Matters

Agenda No. 1: To partially amend the Articles of Incorporation

We propose partial amendments to the Articles of Incorporation as described below.

1. Reasons for amendments

The principal office of the Corporation will be relocated upon completion of the reconstruction of the principal office building. Accordingly, it is proposed to change the location of the principal office specified in Article 3 of the current Articles of Incorporation from Chuo-ku, Tokyo to Chiyoda-ku, Tokyo.

This change will take effect as of the date of relocation of the principal office, which will be decided at a meeting of the Board of Directors to be held before the 97th Ordinary General Meeting of Shareholders to be held in 2021, and a supplementary provision will be established to clarify this matter. The supplementary provision will be removed following the lapse of the effective date of relocation of the principal office.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
Article 3. Location of principal office The principal office of the Corporation shall be located in Chuo-ku, Tokyo.	Article 3. Location of principal office The principal office of the Corporation shall be located in Chiyoda-ku, Tokyo.
(Newly established)	Supplementary Provision The change to Article 3 shall take effect as of the date of relocation of the principal office, which will be decided at a meeting of the Board of Directors to be held before the 97th Ordinary General Meeting of Shareholders to be held in 2021. This supplementary provision shall be removed following the lapse of the effective date of the relocation of the principal office.

Agenda No. 2: To elect 11 Directors (Members of the Board)

The terms of office of all 8 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 11 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	100% (17/17)	8 years
2	Ichiro Takahara	Reappointment Internal Director	Vice Chairman, Member of the Board	100% (13/13)	1 year
3	Masumi Kakinoki	Reappointment Internal Director	President and CEO, Member of the Board	100% (17/17)	2 years
4	Mutsumi Ishizuki	New appointment Internal Director	Senior Managing Executive Officer; Chief Administrative Officer (CAO); Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Vice Chairman of Investment and Credit Committee; Chief Compliance Officer (CCO); Chairman of Internal Control Committee; Chief Information Officer (CIO)	—	—
5	Kenichiro Oikawa	New appointment Internal Director	Managing Executive Officer; Chief Digital Innovation Officer (CDIO); Chief Strategy Officer (CSO); Regional CEO for East Asia; Regional CEO for Japan Business; Vice Chairman of Investment and Credit Committee	—	—
6	Takayuki Furuya	New appointment Internal Director	Managing Executive Officer; Chief Financial Officer (CFO); Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Investment and Credit Committee; Chief Sustainable Development Officer (CSDO); Chairman of Disclosure Committee	—	—
7	Takao Kitabata	Reappointment Outside Director Independent Director	Member of the Board	94.1% (16/17)	7 years
8	Kyohei Takahashi	Reappointment Outside Director Independent Director	Member of the Board	100% (17/17)	4 years
9	Yuri Okina	Reappointment Outside Director Independent Director	Member of the Board	100% (17/17)	3 years
10	Takashi Hatchoji	New appointment Outside Director Independent Director	Audit & Supervisory Board Member	—	—
11	Masato Kitera	New appointment Outside Director Independent Director	—	—	—

Notes: 1. The attendance at meetings of the Board of Directors indicated for Mr. Ichiro Takahara pertains to the Meetings of the Board of Directors held following his assumption of office as Director on June 21, 2019.
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): 8 years

Current shareholdings in the Corporation: 213,939 shares

Subscription rights to shares held: 1,536 rights

Attendance at meetings of the Board of Directors: 100% (17/17)

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)

Status of Important Concurrent Occupations or Positions at Other Organizations

Member of the Board, TAISEI CORPORATION

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 2019, Mr. Kokubu supervised management of the Corporation, taking into consideration all stakeholders, as the Chairman of the Board without representative rights and authority for business execution.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to reappoint him as a candidate for Director.

2. Ichiro Takahara (Date of Birth: Jun. 8, 1956)

Reappointment



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

Current shareholdings in the Corporation: 21,635 shares

Subscription rights to shares held: 1,053 rights

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

*The attendance at meetings held following his assumption of office as Director on June 21, 2019

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
Jun. 2019: Senior Executive Vice President, Member of the Board; Chief Executive Officer, Power Business, Energy & Metals Group
Apr. 2020: Vice Chairman, Member of the Board (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 Vice Chairman, Member of the Board 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 contribution to the Corporation. In fiscal 2019, utilizing his expertise, he played an appropriate role as a Director, including in decision-making 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.

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

Reappointment



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

Current shareholdings in the Corporation: 86,600 shares

Subscription rights to shares held: 1,308 rights

Attendance at meetings of the Board of Directors: 100% (17/17)

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 2019, as President and CEO, Mr. Kakinoki formulated and implemented the Medium-Term Management Strategy "Global crossvalue platform 2021" whose objective is to realize "a value creation company going beyond the boundaries of the current Sogo Shosha" and worked to further expand the existing businesses while leading management to create a new business model that can become the Group's core in the future. As a Director, he played an appropriate role, including in decision-making 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.

4. Mutsumi Ishizuki (Date of Birth: Feb. 4, 1958)

New appointment



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

Current shareholdings in the Corporation: 57,900 shares

Subscription rights to shares held: 865 rights

Career Overview

Apr. 1981: Joined the Corporation
Apr. 2006: General Manager, Non-Ferrous Metals & Ores Dept.
Apr. 2009: Senior Operating Officer, Metals & Mineral Resources Div.; General Manager, Non-Ferrous Metals & Ores Dept.
Apr. 2010: Senior Operating Officer, Metals & Mineral Resources Div.; General Manager, Metals & Mineral Resources Project Management Dept.
Apr. 2011: Executive Officer, Senior Operating Officer, Metals & Mineral Resources Div.
Apr. 2012: Executive Officer, Chief Operating Officer, Metals & Mineral Resources Div.
Apr. 2013: Executive Officer, Chief Operating Officer, Metals & Mineral Resources Div.-II
Apr. 2014: Managing Executive Officer, Chief Operating Officer, Metals & Mineral Resources Div.-II
Apr. 2015: Managing Executive Officer, Chief Operating Officer, Metals & Mineral Resources Div.
Apr. 2018: Managing Executive Officer, Regional CEO for Europe & CIS; Regional COO for Europe; Managing Director and CEO, Marubeni Europe plc
Apr. 2020: Senior Managing Executive Officer; CAO; Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Vice Chairman of Investment and Credit Committee; Chief Compliance Officer (CCO); Chairman of Internal Control Committee; Chief Information Officer (CIO) (Present Position)

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

Since Mr. Ishizuki joined the Corporation, he has mainly engaged in metals-related operations, and is presently Senior Managing Executive Officer; CAO; Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Vice Chairman of Investment and Credit Committee; Chief Compliance Officer (CCO); Chairman of Internal Control Committee; and Chief Information Officer (CIO) after having served as Managing Executive Officer, Regional CEO for Europe & CIS; Regional COO for Europe; Managing Director and CEO, Marubeni Europe plc. He has excellent expertise and in-depth knowledge of overall management of a general trading company and global business management, in addition to abundant business experience, past achievements and significant contributions to the Corporation.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint him as a new candidate for Director.

Note: The "Chief 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.

5. Kenichiro Oikawa (Date of Birth: Jan. 19, 1964)

New appointment



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

Current shareholdings in the Corporation: 7,500 shares

Subscription rights to shares held: 756 rights

Career Overview

Apr. 1986: Joined the Corporation
Apr. 2011: General Manager, Asset Management Sec. Real Estate Business Dept.
Nov. 2011: Chief Investment Officer, Japan REIT Advisors Co., Ltd. (Seconded)
Jun. 2012: President, Member of the Board, Japan REIT Advisors Co., Ltd.
Apr. 2014: General Manager, ICT, Finance & Insurance, Real Estate Business Administration Dept.
Apr. 2015: Chief Operating Officer, Insurance, Finance & Real Estate Business Div.
Apr. 2016: Executive Officer, Chief Operating Officer, Insurance, Finance & Real Estate Business Div.
Apr. 2019: Managing Executive Officer, Chief Operating Officer, Finance & Leasing Business Div.
Apr. 2020: Managing Executive Officer, CDIO; CSO; Regional CEO for East Asia; Regional CEO for Japan Business; Vice Chairman of Investment and Credit Committee (Present Position)

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

Since Mr. Oikawa joined the Corporation, he has mainly engaged in operations related to real estate, ICT, and finance, and is presently Managing Executive Officer, CDIO; CSO; Regional CEO for East Asia; Regional CEO for Japan Business; 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.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint him as a new candidate for Director.

Note: The "Chief Digital Innovation Officer (CDIO)" is the Chief Operating Officer of Next Generation Business Development Div. and 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.

6. Takayuki Furuya (Date of Birth: Aug. 16, 1964)

New appointment



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

Current shareholdings in the Corporation: 14,900 shares

Subscription rights to shares held: 422 rights

Career Overview

Apr. 1987: Joined the Corporation
Apr. 2016: General Manager, Corporate Planning & Strategy Dept.
Apr. 2017: General Manager, Corporate Planning & Strategy Dept.; General Manger, IoT & Big Data Strategy Dept.
Apr. 2018: Executive Officer, General Manager, Corporate Planning & Strategy Dept.; General Manger, Digital Innovation Dept.
Apr. 2019: Executive Officer; General Manager, Corporate Planning & Strategy Dept.
Apr. 2020: Managing Executive Officer; CFO; Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Investment and Credit Committee; Chief Sustainable Development Officer (CSDO); Chairman of Disclosure Committee (Present Position)

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

Since Mr. Furuya joined the Corporation, he has mainly engaged in finance- and accounting-related operations and is presently Managing Executive Officer; CFO; Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Investment and Credit Committee; Chief Sustainable Development Officer (CSDO); and Chairman of Disclosure Committee after having served as General Manager, Corporate Planning & Strategy Dept. He has excellent expertise and in-depth knowledge of overall management of a general trading company and global business management, in addition to abundant business experience, past achievements and significant contributions to the Corporation.
In view of the above and the report by the Nomination Committee, the Board of Directors decided to appoint him as a new candidate for Director.

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

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): 7 years
Current shareholdings in the Corporation: 0 shares
Attendance at meetings of the Board of Directors: 94.1% (16/17)

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)
Apr. 2020: President, KAISHI PROFESSIONAL UNIVERSITY, Niigata Sogo Gakuin Academic Corporation (Present Position)

Status of Important Concurrent Occupations or Positions at Other Organizations

Director, Kobe Steel, Ltd.
Director, SEIREN Co., Ltd.
Director, Zeon Corporation
President, KAISHI PROFESSIONAL UNIVERSITY, Niigata Sogo Gakuin Academic 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 17). Hence, the Corporation has appointed him as an Independent Director stipulated by the financial instruments exchanges and notified the financial instruments 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 financial instruments exchanges of such designation.

(2) Attributes of Independent Director/Auditor:
Mr. Kitabata concurrently serves as President, KAISHI PROFESSIONAL UNIVERSITY, Niigata Sogo Gakuin Academic Corporation, with which the Corporation has no transactions.

(3) Mr. Kitabata has been serving as Director of Kobe Steel, Ltd. (Kobe Steel) since June 2010. It 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): 4 years

Current shareholdings in the Corporation: 0 shares

Attendance at meetings of the Board of Directors: 100% (17/17)

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 result in conflicts of interest that could harm the interests of the general shareholders, 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 17). Hence, the Corporation has appointed him as an Independent Director stipulated by the financial instruments exchanges and notified the financial instruments 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 financial instruments 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 2016 to fiscal year 2018 account for 0.02% of the consolidated revenue of the Corporation during said three-year period, whereas net sales of Showa Denko to the Corporation account for 0.12% 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. 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): 3 years

Current shareholdings in the Corporation: 0 shares

Attendance at meetings of the Board of Directors: 100% (17/17)

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 17). Hence, the Corporation has appointed her as an Independent Director stipulated by the financial instruments exchanges and notified the financial instruments 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 financial instruments 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 and the Financial System Council. 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 expressing her opinions as an advisor to 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.

10. Takashi Hatchoji (Date of Birth: Jan. 27, 1947)

Outside Director
New appointment Independent Director



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

Current shareholdings in the Corporation: 0 shares

Career Overview

Apr. 1970: Joined Hitachi, Ltd.
Feb. 1995: General Manager, Business Planning Department, Electrical Apparatus Division, Hitachi, Ltd.
Jun. 2003: Vice President and Executive Officer, Hitachi, Ltd.
Apr. 2004: Senior Vice President and Executive Officer, Hitachi, Ltd.
Apr. 2006: Representative Executive Officer, Executive Vice President and Executive Officer, Hitachi, Ltd.
Jun. 2007: President and Representative Director, Hitachi Research Institute
Apr. 2009: Representative Executive Officer, Executive Vice President and Executive Officer, Hitachi, Ltd.
Jun. 2011: Director, Hitachi, Ltd.
Jun. 2015: Director, Nitto Denko Corporation (Present Position)
Jun. 2017: Director, KONICA MINOLTA, INC. (Present Position)
Audit & Supervisory Board Member of the Corporation (Present Position)

Status of Important Concurrent Occupations or Positions at Other Organizations

Director, Nitto Denko Corporation
Director, KONICA MINOLTA, INC.

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. Hatchoji and the Corporation result in conflicts of interest that could harm the interests of the general shareholders, 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 17). Hence, if his appointment is approved at this General Meeting of Shareholders, the Corporation plans to appoint him as an Independent Director stipulated by the financial instruments exchanges and notify the financial instruments exchanges of such designation.

(2) Attributes of Independent Director/Auditor:
Mr. Hatchoji was an executive of Hitachi, Ltd. There is a continuous transaction relationship between the Hitachi Group and the Corporation in diverse areas, such as sales and purchases of products and construction contracts. Net sales of the Corporation to Hitachi, Ltd. for the three business years from fiscal year 2016 to fiscal year 2018 account for 0.06% of the consolidated revenue of the Corporation during said three-year period, whereas net sales of Hitachi, Ltd. to the Corporation account for 0.02% of the consolidated revenue of the Corporation during said three-year period; both of these percentages are insignificant.

(3) Mr. Hatchoji is currently an Outside Audit & Supervisory Board Member of the Corporation but he intends to resign from that position at the time of close of this General Meeting of Shareholders. Three years would have passed at the time of close of this General Meeting of Shareholders since his assumption of office as Outside Audit & Supervisory Board Member.

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

Mr. Hatchoji has profound insight cultivated through his involvement in corporate management at an international company and has a wealth of experience in providing advice for and supervising business execution, serving as an outside officer of other companies. He has been an Outside Audit & Supervisory Board Member of the Corporation since June 2017. He has a good knowledge of the Corporation's business and has been providing advice to management and appropriately supervising business execution from objective and specialist perspectives with an emphasis on practicality, in order to enhance soundness, transparency, and efficiency of the Corporation's management. Additionally, he has been proactively expressing his opinions as an advisor to 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 appoint him as a new candidate for Outside Director.

11. Masato Kitera (Date of Birth: Oct. 10, 1952)

Outside Director
New appointment Independent Director



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

Current shareholdings in the Corporation: 0 shares

Career Overview

Apr. 1976: Joined the Ministry of Foreign Affairs
Apr. 1993: General Manager, ODA Division, Economic Cooperation Bureau
Jul. 1995: Minister's Secretariat; Cabinet Official; Secretary to Minister of State Igarashi
Aug. 1995: Secretary to Minister of State Nosaka
Jan. 1996: Secretary to Minister of State Kajiyama
Jul. 1997: Minister, Japanese Embassy in Thailand
May 2000: General Manager, Accounts Division, Minister's Secretariat
Mar. 2001: Minister's Secretariat
May 2001: Minister, Japanese Embassy in France
Mar. 2002: Minister, The Permanent Mission of Japan to the International Organizations in Geneva
Sep. 2005: Deputy Assistant Minister, Minister's Secretariat; Economic Affairs Bureau
Aug. 2006: Deputy Assistant Minister, Minister's Secretariat; Ambassador, Foreign Policy Bureau
Jan. 2008: Deputy Assistant Minister for Africa, Middle Eastern and African Affairs Bureau; Secretary-General for TICAD4
Jul. 2008: Director-General, International Cooperation Bureau
Jan. 2010: Deputy Minister
Sep. 2012: Assistant Chief Cabinet Secretary
Nov. 2012: Ambassador and Plenipotentiary to People's Republic of China
Apr. 2016: Ambassador to France
Jun. 2016: Ambassador to France, Andorra, and Monaco (Resigned in Dec. 2019)

Status of Important Concurrent Occupations or Positions at Other Organizations

None

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. Kitera 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 17). Hence, if his appointment is approved at this General Meeting of Shareholders, the Corporation plans to appoint him as an Independent Director stipulated by the financial instruments exchanges and notify the financial instruments exchanges of such designation.

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

Mr. Kitera served in key positions in the government, mainly in the Ministry of Foreign Affairs. He has a wealth of international experience and profound insight concerning international affairs cultivated through his involvement in diplomacy. He also has in-depth understanding of diversity, which is indispensable in management of the Corporation. The Corporation believes that he will be able to provide advice to management and appropriately supervise business execution 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 appoint him as a new 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, 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 Mr. Takao Kitabata, Mr. Kyohei Takahashi, and Ms. Yuri Okina and enter into a limitation of liability agreement with each of Mr. Takashi Hatchoji and Mr. Masato Kitera.

Agenda No. 3: To elect 2 Audit & Supervisory Board Members

The term of office of Mr. Shuichi Yoshikai will expire at the time of close of this General Meeting of Shareholders in accordance with the Articles of Incorporation and Mr. Takashi Hatchoji will resign from the position of Audit & Supervisory Board Member at the time of close of this General Meeting of Shareholders. Accordingly, we propose the election of 2 Audit & Supervisory Board Members.

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

The candidates for Audit & Supervisory Board Member are as follows.

(For details of the Audit & Supervisory Board Member Election Standards, please refer to page 17.)

1. Yoichi Kikuchi (Date of Birth: Aug. 27, 1953)

Outside Audit & Supervisory Board Member

New appointment | Independent Auditor



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

Current shareholdings in the Corporation: 0 shares

Career Overview

Apr. 1978: Assistant Judge, Tokyo District Court
Sep. 1983: Civil Affairs Bureau, Ministry of Justice
Feb. 1988: First Secretary, Embassy of Japan in the Netherlands
Jul. 1993: Chief of Civil Division 4, Civil Affairs Bureau, Ministry of Justice
Oct. 1994: Counselor for Civil Affairs, Ministry of Justice
Apr. 2000: Chief Judge of Division, Tokyo District Court
Jun. 2006: Director-General of the Judicial System Department, Ministry of Justice
Mar. 2010: Head of Tokushima District Court & Family Court
Sep. 2011: Head of Kyoto District Court
Jun. 2013: Chief Judge of Division, Tokyo High Court
Oct. 2017: Head of Hiroshima High Court (Resigned in Aug. 2018)
Nov. 2018: Registered as attorney-at-law (Present Position)

Status of Important Concurrent Occupations or Positions at Other Organizations

Attorney-at-law

Special notes on the candidate for the position of Outside Audit & Supervisory Board Member

Submission of the "Independent Director/Auditor Notification":
No personal, capital or transaction relationships between Mr. Kikuchi 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 17). Hence, if his appointment is approved at this General Meeting of Shareholders, the Corporation plans to appoint him as an Independent Auditor stipulated by the financial instruments exchanges and notify the financial instruments exchanges of such designation.

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

Mr. Kikuchi has a wealth of experience in legal circles and excellent expertise and profound insight cultivated through his experience. The Corporation believes that he will appropriately fulfill duties as an Outside Audit & Supervisory Board Member in monitoring and supervision of management and contribute to improvement of corporate governance of the Corporation and enrichment 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 Outside Audit & Supervisory Board Member.

2. Shigeru Nishiyama (Date of Birth: Oct. 27, 1961)

Outside Audit & Supervisory Board Member | New appointment | Independent Auditor



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

Current shareholdings in the Corporation: 0 shares

Career Overview

Apr. 1984: Joined Sanwa & Co. (Currently, Deloitte Touche Tohmatsu LLC)
Sep. 1995: Representative Director, Nishiyama Associates
Apr. 1998: Part-time lecturer, Kyushu Institute of Technology Graduate School
Apr. 2002: Associate Professor, Waseda University Graduate School (Business School) (Currently, Waseda Business School (Graduate School of Business and Finance))
Apr. 2003: Audit & Supervisory Board Member, Pigeon Corporation
Apr. 2006: Professor, Waseda University Graduate School (Business School) (Currently, Waseda Business School (Graduate School of Business and Finance)) (Present Position)
Jun. 2010: Auditor of the Board (Outside), Mitsui Sumitomo Insurance Company, Limited (Present Position)
Sep. 2010: Visiting Professor, Stanford University
Jun. 2012: Corporate Auditor, Astellas Pharma Inc.
Jun. 2015: Corporate Auditor, UNIPRES CORPORATION
Jun. 2016: Member of the Board/Audit and Supervisory Committee Member, UNIPRES CORPORATION (Present Position)
Audit and Supervisory Board Member, Ricoh Company, Ltd. (Present Position)
Aug. 2018: Specially Appointed Professor, Shizenkan University Graduate School of Leadership & Innovation (Present Position)
Sep. 2018: Director, Chairman of the Audit Committee, Macromill, Inc. (Present Position)

Status of Important Concurrent Occupations or Positions at Other Organizations

Professor, Waseda Business School (Graduate School of Business and Finance)
Auditor of the Board (Outside), Mitsui Sumitomo Insurance Company, Limited
Member of the Board/Audit and Supervisory Committee Member, UNIPRES CORPORATION
Audit and Supervisory Board Member, Ricoh Company, Ltd.
Director, Chairman of the Audit Committee, Macromill, Inc.

Special notes on the candidate for the position of Outside Audit & Supervisory Board Member

Submission of the "Independent Director/Auditor Notification":

(1) No personal, capital or transaction relationships between Mr. Nishiyama and the Corporation result in conflicts of interest that could harm the interests of the general shareholders, 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 17). If his appointment is approved at this General Meeting of Shareholders, the Corporation plans to appoint him as an Independent Auditor stipulated by the financial instruments exchanges and notify the financial instruments exchanges of such designation.

(2) Attributes of Independent Director/Auditor:
Mr. Nishiyama is a professor of Waseda Business School (Graduate School of Business and Finance). There is a transaction relationship between Waseda University and the Corporation, in which the Corporation is contracted by the said university for services and sells samples for research to it and so on. Net sales of the Corporation to Waseda University for the three business years from fiscal year 2016 to fiscal year 2018 account for 0. 00007% of the consolidated revenue of the Corporation during said three-year period, and this percentage is insignificant. Waseda University recorded no sales to the Corporation during said three-year period.

(3) Mr. Nishiyama will resign from office as an Audit and Supervisory Board Member of Ricoh Company, Ltd. at the time of close of the General Meeting of Shareholders of the said company to be held on June, 2020.

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

Mr. Nishiyama has a high degree of expertise and a wealth of experience in accounting and finance and profound insight cultivated through such experience, as well as abundant experience as outside director/auditor of various companies. The Corporation believes that he will appropriately fulfill duties as an Outside Audit & Supervisory Board Member in monitoring and supervision of management and contribute to improvement of corporate governance of the Corporation and enrichment 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 Outside Audit & Supervisory Board Member.

Notes: 1. The above candidates have no specific conflict of interest with the Corporation.
2. Limitation of Liability Agreement with candidates for the position of Outside Audit & Supervisory Board Member:
If this agenda is approved, in order to enable Mr. Yoichi Kikuchi and Mr. Shigeru Nishiyama to fully perform their duties as Outside Audit & Supervisory Board Members, the Corporation intends to enter into an agreement with each of then 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 duties.

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	3 years
Hikaru Minami	Internal Audit & Supervisory Board Member	1 year
Tsuyoshi Yoneda	Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	3 years
Yoichi Kikuchi	New appointment Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	—
Shigeru Nishiyama	New appointment Outside Audit & Supervisory Board Member Independent Audit & Supervisory Board Member	—

Agenda No. 4: To revise the amount of remuneration and other payments for Directors (Members of the Board)

The current amount of remuneration and other payments for Directors (Members of the Board) of the Corporation was resolved to be up to a maximum of 1.1 billion yen (including up to a maximum of 60 million yen for Outside Directors) per year at the 92nd Ordinary General Meeting of Shareholders held on June 24, 2016. In view of the fact that, if Agenda No. 2 is approved, the number of Outside Directors will be increased by 1 (one) in order to further strengthen corporate governance, and in order to be prepared for any further increase of the number of Outside Directors in the future, we propose to change the maximum amount for Outside Directors included in the amount of remuneration and other payments for Directors from up to a maximum of 60 million yen to up to a maximum of 120 million yen. The maximum amount of remuneration and other payments for Directors (including Outside Directors) shall be up to a maximum of 1.1 billion yen per year, unchanged from the current amount.

The Corporation has 8 (eight) incumbent Directors including 4 (four) Outside Directors. If Agenda No. 2 is approved, the Corporation will have 11 (eleven) Directors including 5 (five) Outside Directors.

(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.

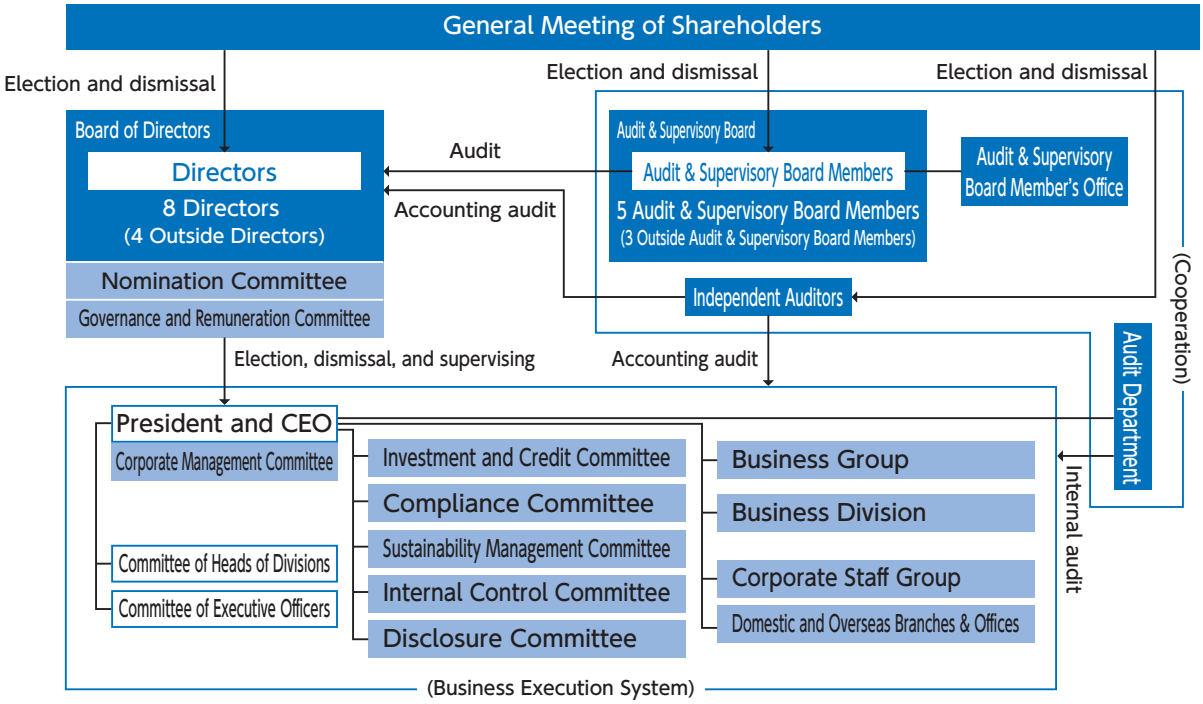
Even if a person falls under any of the items 1–7 above, if the Corporation judges that said person substantially maintains his/her independence, the Corporation shall explain and disclose the reason for his/her election as a candidate for Outside Director/Audit & Supervisory Board Member.
*An "executing 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, 2020)

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, 2020)

Chairman: Kyohei Takahashi, Outside Director
Committee members: Masumi Kakinoki, President and CEO, Member of the Board
Yukihiko Matsumura, Senior Consultant, 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.
For evaluation of effectiveness of the Board of Directors for fiscal year 2019, extensive revisions were made to the questionnaire survey format that had been used until the previous fiscal year, in terms of the nature of the questions and the content, such as an increase in the number of questions requiring narrative responses, in order to ensure evaluation responding to the change in the environment surrounding corporate governance in recent years:

Ⅰ. Evaluation framework and method

1. Persons subject to evaluation

All Directors (9 persons) and Audit & Supervisory Board Members (5 persons) *Incumbent as of January 2020

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; Quality and expertise of Directors and of the Board of Directors
(4) Deliberation by the Board of Directors
(5) Relationship and dialogue with shareholders
(6) Engagement with stakeholders other than shareholders
(7) General and other items

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.
On the other hand, from the viewpoint of enhancement of corporate value over the medium to long term, strengthening of oversight and monitoring concerning management policies and enrichment of discussion, reflecting feedback of shareholders' expectations of the Corporation to the Board of Directors, were recognized as issues concerning the Board of Directors.
The Corporation will work to maintain and improve effectiveness of the Board of Directors, centering on the issues mentioned above, reflecting the results of evaluation and review.

Regarding group governance, the Corporation established the Marubeni Group Governance Policy on April 1, 2017. The objective of the Marubeni Group Governance Policy is to strengthen governance through sharing and inculcation of the Group's management policies and clarification of the roles, authority, and responsibilities of the Corporation and operating companies so as to maximize the Group's corporate value and sustainable growth. Since its establishment, the Marubeni Group Governance Policy has become inculcated and a certain level of group governance has been maintained. Through monitoring by the Board of Directors, the Corporation will promote further inculcation and implementation of the Marubeni Group Governance Policy.

(Reference)

Sustainability at the Group

Toward sustainable enhancement of corporate value

"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." This is the Group's Management Philosophy. The Corporation believes that sustainability of the Group means living by its Management Philosophy, proactively providing solutions while creating its own innovative business model in anticipation of environmental and social issues. The Corporation believes that this approach will lead to sustainable enhancement of corporate value.

History to date

Based on these convictions, the Corporation established the Sustainability Management Committee under the supervision of the President in April 2018 to strengthen the structure for Group-wide initiatives. Involving Outside Directors and Outside Audit & Supervisory Board Members in advisory roles and external advisors, the Corporation clarified afresh the Group's views on sustainability, identified key issues (materiality*[1]) and formulated a policy for the relevant initiatives. For example, in September 2018, the Corporation announced a policy that the Group will no longer participate in any new coal-fired power generation business, in principle. Subsequently, the Corporation is periodically reporting on the progress of the process of withdrawal from coal-fired power generation and involvement in renewable energy generation business*[2].



For details, please refer to the "Sustainability" section of the Corporation's website.

https://www.marubeni.com/en/sustainability/



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*1 Key issues (materiality) in sustainability
The Group identified three categories of "Fundamental Materiality" as the most important elements for achieving sustainable growth: 1. Human Capital with High Social Value, 2. Robust Management Foundation, and 3. Governance for Coexistence with Society.
The Group identified four categories of "Environmental & Social Materiality" to be addressed by utilizing its "Fundamental Materiality": 1. Climate Change, 2. Sustainable Forestry, 3. Human Rights & Co-development with Communities, and 4. Sustainable & Resilient Value Chains.

*2 Notification Regarding Business Policies & Progress Pertaining to Sustainability
(Update to Coal-Fired Power Generation Business and Renewable Energy Generation Business)
https://www.marubeni.com/en/news/2019/release/201910041E.pdf

In fiscal year 2019, in order to address Group-wide the environmental and social issues identified as materiality, including climate change, the Corporation clarified the current situation and examined and formulated action plans for resolving the issues, after having held 10 meetings of the Sustainable Management Committee.

Initiatives from now on

Going forward, the Corporation will drill down the formulated action plans into business strategies for implementation. As part of this initiative, a survey will be conducted in order to clarify the current situation and share the issues. The survey will cover the Corporation and its consolidated subsidiaries, which constitute the starting point of the supply chain. We will continue to offer education and training and create opportunities for exchange of opinions within the Group in order to inculcate the Group's views and policy on sustainability and to enhance literacy concerning sustainability. Through these initiatives the Corporation will foster stakeholders' sense of trust that says, "With Marubeni, You're in Good Hands" and broaden new business opportunities.

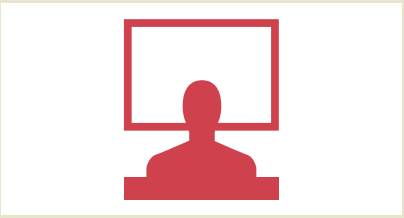
Fundamental Materiality



Environmental & Social Materiality



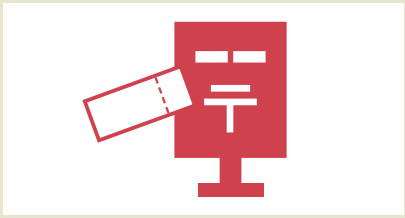
Guide to Exercising Your Voting Rights



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 18, 2020.**



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 18, 2020.**

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 18, 2020**, 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, 2019 to March 31, 2020)

I. Current Status of the Group

Business progress and results of the Group

Business Environment

In the fiscal year ended March 31, 2020, a slowdown in developed economies and the Chinese economy was compounded by a slowdown in developing economies in response to deterioration of business confidence from continued U.S.-China trade tensions, beginning at the start of the fiscal year. Given this situation, central banks across much of the world, most notably in the U.S., shifted to an easing bias, and furthermore, partial agreement was reached at U.S.-China trade talks in December, thereby temporarily preventing further deterioration of business confidence.

However, the global economy started to decline due to the spread of COVID-19 that started at the beginning of 2020 from China to the rest of the world. As COVID-19 spread, measures such as lockdown were taken in various countries to prevent further escalation of the pandemic. As a result, economic activities in countries were significantly restricted and the global economy rapidly shrank, with financial market turmoil and prices of primary products starting to drop. The crude oil price, among others, suddenly dropped amid traveling restrictions, concerns over declining demand along with the economic downturn and breach of an agreement on declaration of cooperation at OPEC plus discussions. The copper price also dropped amid concerns about a decrease in Chinese demand, which accounts for half of the overall consumption of copper, and with automakers suspending production one after another. Under these circumstances, countries' governments and central banks have reached for various policy instruments including but not limited to fiscal action on an unprecedented scale in order to support households, businesses, and financial markets.

Business Results

Loss attributable to owners of the parent for the business year under review amounted to 197.5 billion yen, a deterioration of 428.3 billion yen from profit attributable to owners of the parent amounting to 230.9 billion yen for the previous business year. This was owing to recording of one-time losses such as impairment losses as a result of revaluation of the assets owned by each business in view of the deterioration of the business environment due to the spread of COVID-19, including a rapid fall of the crude oil price.

Revenue

Revenue was down 573.6 billion yen (7.8%) year on year to 6,827.6 billion yen. By operating segment, revenue decreased mainly in *Food*, *Chemicals* and *Agri Business*, which offset increases mainly in *ICT & Real Estate Business*.

Gross trading profit

Gross trading profit decreased 32.9 billion yen (4.5%) from the year-earlier period to 696.8 billion yen. By operating segment, profits decreased mainly in *Energy*, *Agri Business*, and *Chemicals*, which offset increases mainly in *ICT & Real Estate Business*.

Operating profit

Operating profit decreased 39.1 billion yen (22.6%) from the year-earlier period to 133.9 billion yen as a result of a decrease in gross trading profit.

Share of profits of associates and joint ventures

Share of profits of associates and joint ventures decreased 140.4 billion yen (- %) from the year-earlier period to negative 55.2 billion yen, mainly as a result of impairment loss in *Metals & Mineral Resources* and *Finance & Leasing Business*.

Profit (loss) attributable to owners of the parent

Profit (loss) attributable to owners of the parent for the fiscal year ended March 31, 2020 (also referred to as net profit for the year under review) decreased 428.3 billion yen (- %) to negative 197.5 billion yen relative to the year-earlier period due to the decrease in operating profit and one-time losses such as impairment loss.

Major impairment losses (after tax) are as follows.

(billions of yen)

Impairment loss on oil and gas E&P in the U.S. Gulf of Mexico	94.0
Impairment loss of goodwill, intangible assets and such in Gavilon's grain business recognized at the time of acquisition	78.3
Impairment loss on investment in Chilean copper mining business	60.3
Impairment loss of property, plant and equipment and reversal of deferred tax assets on oil and gas E&P in the U.K. North Sea	57.5
Impairment loss on investment in aircraft leasing business in the U.S.	39.2

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

Total assets at the end of March 31, 2020 were 6,320.0 billion yen, a 489.0 billion yen decrease from the previous fiscal year end. Net interest-bearing debt increased 0.3 billion yen from the end of the previous fiscal year to 1,859.1 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.

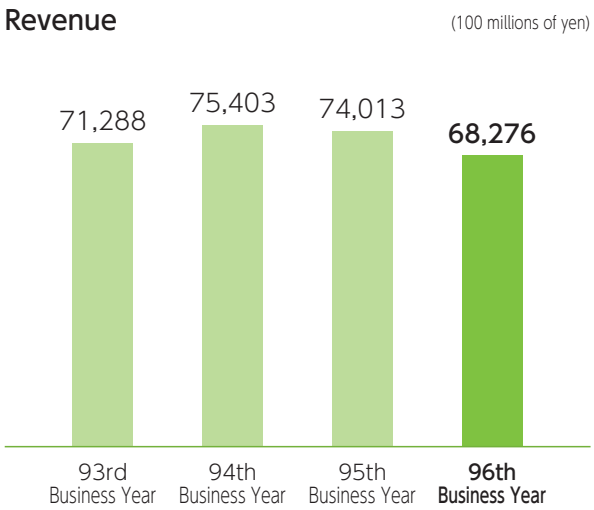
Trends in assets, profits and losses

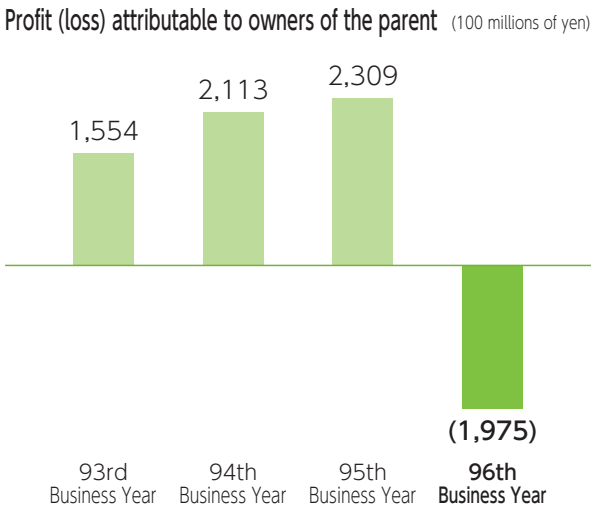
Trends in assets, profits and losses of the Group

(Millions of yen, unless otherwise stated)

Item	93rd Business Year	94th Business Year	95th Business Year	96th Business Year
Revenue	7,128,805	7,540,337	7,401,256	6,827,641
Profit (loss) attributable to owners of the parent	155,350	211,259	230,891	(197,450)
Basic earnings (loss) per share attributable to owners of the parent	¥88.08	¥119.43	¥130.74	(¥116.03)
Total assets	6,896,733	6,877,117	6,809,077	6,320,037
Equity	1,742,758	1,835,637	2,071,726	1,604,600

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 (loss) 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 (loss) 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

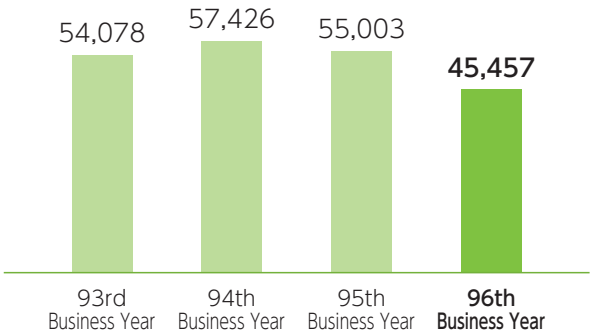
(Millions of yen, unless otherwise stated)

Item	93rd Business Year	94th Business Year	95th Business Year	96th Business Year
Sales	5,407,811	5,742,601	5,500,313	4,545,685
Net income	63,565	67,369	119,302	10,447
Net income per share	¥36.63	¥38.82	¥68.74	¥6.02
Total assets	3,747,100	3,664,028	3,392,806	3,262380
Net assets	592,074	622,759	677,638	619,819

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

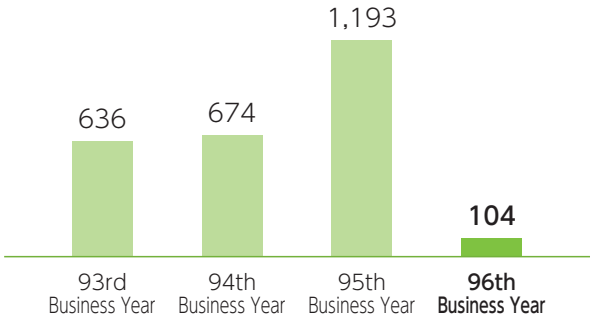
Sales

(100 millions of yen)



Net income

(100 millions of yen)



Operating Segments

		Lifestyle	ICT & Real Estate Business	Forest Products	Food	Agri Business	Chemicals	Power Business
96th Business Year	Revenue	164,040	254,287	266,461	1,675,498	2,767,156	426,956	162,812
	Gross trading profit	22,602	117,294	32,424	102,313	169,146	29,913	23,628
	Operating profit (loss)	4,202	27,924	11,683	31,557	27,235	5,385	(13,916)
	Share of profits of associates and joint ventures	437	2,003	(1,227)	6,307	(24,966)	1,468	17,781
	Profit (loss) attributable to owners of the parent	4,127	11,944	3,298	19,467	(77,062)	4,091	8,976
	Segment assets	102,770	483,014	266,786	679,664	1,164,784	267,098	704,279
95th Business Year	Revenue	170,345	174,772	287,213	2,078,825	2,849,001	610,707	165,463
	Gross trading profit	23,610	98,539	41,159	97,933	185,194	39,958	30,567
	Operating profit (loss)	5,269	18,308	19,792	23,796	43,183	16,803	(10,210)
	Share of profits of associates and joint ventures	728	5,577	2,361	5,237	(29,411)	1,739	3,570
	Profit (loss) attributable to owners of the parent	5,191	31,365	16,213	19,639	672	11,448	15,021
	Segment assets	122,188	447,106	266,855	762,628	1,233,343	351,427	712,176

Notes: 1. Effective as of the 96th business year, the operating segments, which consisted of "Food," "Consumer Products," "Chemical & Forest Products," "Energy & Metals," "Power Business & Plant," and "Transportation & Industrial Machinery," were reorganized into "Lifestyle," "ICT & Real Estate Business," "Forest Products," "Food," "Agri Business," "Chemicals," "Power Business," "Energy," "Metals & Mineral Resources," "Plant," "Aerospace & Ship," "Finance & Leasing Business," "Construction, Auto & Industrial Machinery," and "Next Generation Business Development."

2. In line with the above, the figures of operating segments for the 95th business year have been reclassified accordingly.

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.

(Millions of yen, unless otherwise stated)

Energy	Metals & Mineral Resources	Plant	Aerospace & Ship	Finance & Leasing Business	Construction, Auto & Industrial Machinery	Next Generation Business Development	Other	Consolidated
469,722	337,664	23,112	80,996	25,095	318,260	60	(144,478)	6,827,641
37,343	30,412	14,126	26,220	11,025	89,559	32	(9,229)	696,808
3,345	11,719	(4,545)	14,058	(492)	20,017	(4,368)	71	133,875
(13,228)	(16,547)	(16,619)	2,832	(20,092)	6,027	2	672	(55,150)
(149,335)	(5,719)	(27,783)	11,641	(7,424)	19,561	(3,676)	(9,556)	(197,450)
572,001	758,594	243,833	274,961	306,915	359,864	7,314	128,160	6,320,037
404,591	386,325	29,854	76,283	24,774	318,131	8	(175,036)	7,401,256
55,054	32,667	14,844	23,391	10,740	86,476	4	(10,461)	729,675
20,010	13,672	(3,378)	11,302	1,011	18,676	(2,112)	(3,113)	173,009
958	41,012	17,522	5,073	22,288	8,675	8	(59)	85,278
26,646	41,740	15,565	13,990	18,337	22,131	(2,155)	(4,912)	230,891
787,524	853,100	343,588	245,707	250,097	340,728	643	91,967	6,809,077

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, and 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 "Lifestyle," "ICT & Real Estate Business," "Forest Products," "Food," "Agri Business," "Chemicals," "Power Business," "Energy," "Metals & Mineral Resources," "Plant," "Aerospace & Ship," "Finance & Leasing Business," "Construction, Auto & Industrial Machinery," and "Next Generation Business Development" operating segments and other diverse fields, through its worldwide business bases and information network.

The Group's business by operating segment

Consumer Products Group

Lifestyle

■Revenue
164,040 million yen

■Profit attributable to owners of the parent
4,127 million yen



Raw textile materials in the recycling process of TYTON BioSciences

The mass disposal of textile products such as apparel has emerged as a major social problem around the world. To contribute to solving this problem, the Group invested in TYTON BioSciences, which has textile products recycling technology. The Group seeks to construct a global, circular supply chain by combining the technology of TYTON BioSciences with the sales channels and other functions that the Corporation and Saide Tekstil Sanayi ve Ticaret Anonim Sirketi possess.

Marubeni Footwear focused on direct sales for consumers, such as the introduction of a foot measurement app for "IFME," its children's shoes brand, and the opening of directly managed stores for "MERRELL," an American outdoor brand. With increasing brand recognition, sales were strong.

ICT & Real Estate Business

■Revenue
254,287 million yen

■Profit attributable to owners of the parent
11,944 million yen



MID TOWER GRAND (Tokyo)
* Digital rendering of the completed building

In the ICT field, the Group started to provide a global IoT communications service that enables high-speed communication at low cost by connecting with local carriers while following the regulations and laws of each country. The Group also launched a new high-valued-added wireless communication service since it has become possible to issue its own SIM cards as a full MVNO* with subscriber information management systems.

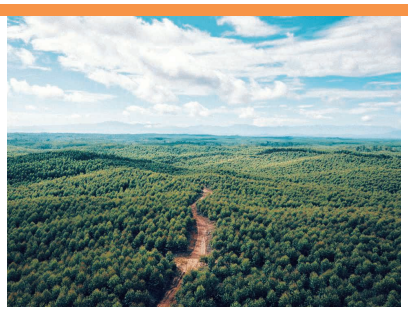
In the real estate field, sales of "MID TOWER GRAND" (Tsukishima, Chuo-ku, Tokyo) as well as sales of residential property in Jiaxing (near Shanghai) and in Changchun in China were robust. The Corporation actively invested in hotels, logistics centers, etc. through publicly traded and private real estate investment trusts (REITs).

*MVNO stands for Mobile Virtual Network Operator.

Forest Products

■Revenue
266,461 million yen

■Profit attributable to owners of the parent
3,298 million yen



Afforestation by PT. Musi Hutan Persada (Indonesia)

Competitiveness of the afforestation and pulp production and sales business in Indonesia was strengthened through steady operation. The paperboard manufacturing and sales business in Japan achieved higher profit due to higher revenue as a result of the containerboard price increase implemented in the second half of fiscal year 2018. 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. Furthermore, the Corporation promoted construction of a containerboard manufacturing plant in Vietnam with the aim of commencing commercial production in the second half of 2020. In the sanitary paper field, the Corporation decided to acquire Santher - Fábrica de Papel Santa Therezinha S.A., a sanitary goods manufacturer in Brazil, the fourth largest home & personal care market in the world. As well as entering the H&PC business in Brazil, the Corporation intends to pursue business development in other regions, too.

Food

■Revenue
1,675,498 million yen

■Profit attributable to owners of the parent
19,467 million yen



Beef processed by Creekstone Farms Premium Beef LLC

In May 2019 the Corporation established Iguacu Vietnam Co., Ltd., an instant coffee manufacturing and sales company wholly owned by the Corporation, in Vietnam, to expand business in the Chinese and ASEAN markets where demand for instant coffee is growing. Commercial operation is scheduled to start in 2022. At Creekstone Farms Premium Beef LLC, a beef processing and sales company in the U.S., capital investment was executed to further strengthen its business foundation as a supply base for high-quality beef whose demand is expected to grow globally. The Corporation will continue to promote business expansion and sustainable growth based on a strategy focused on strengthening marketing of premium beef and other specialty products and strengthening of production functions.

Agri Business

■Revenue
2,767,156 million yen

■Loss attributable to owners of the parent
-77,062 million yen



Applying pesticide (U.S.)

In the agri-input field, while continuing initiatives to strengthen the customer base in the Americas, Europe, and Asia through acquisition of assets and other means, the Corporation invested in Adubos Real S.A., a company that sells agri-input products in Brazil, a major source of agricultural produce.
In addition to greater geographical coverage of its business, the Corporation is strengthening provision of IT-based solutions to customers to further expand business.
In the North American grain business field, the Corporation will promote enrichment of the existing business of collection, storage, and transportation operated by Gavilon and Columbia Grain, while at the same time tackling a new business in view of the growing awareness about food safety and health.

Chemicals

■Revenue
426,956 million yen

■Profit attributable to owners of the parent
4,091 million yen



Livestock feed additive distribution business (Netherlands)

The Corporation is sharpening the effectiveness of its functions to adjust supply and demand for the trade of petroleum chemicals for which it has been maintaining a leading position in the industry and is enriching its solutions-provision business inside and outside Japan for specialty products in the electronics field, such as batteries, displays, and solar power generation modules. The Corporation is also working to create a new system in new fields, going beyond the boundary of chemical products. Initiatives include business expansion in the life sciences field where sustainable growth is expected in line with population increase through Orffa International Holding B.V., a livestock feed additive distributor, and entry in the digital health field, such as AI-based image diagnoses.

Power Business

■Revenue
162,812 million yen

■Profit attributable to owners of the parent
8,976 million yen



Sweihan Photovoltaic Independent Power Project (United Arab Emirates)

In the renewable energy generation field, the Corporation received an order for the Al Kharsaah Solar PV IPP Project, the first large-scale photovoltaic power generation project in Qatar and signed an agreement to acquire Chenya Energy Co., Ltd., a solar power developer and operator in Taiwan, and its affiliated businesses. In Japan, the Corporation concluded a loan agreement for an offshore wind farm project at Akita Port and Noshiro Port in Akita Prefecture, the first large-scale offshore wind power project in Japan established on a commercial basis, and a loan agreement for a biomass power generation project in Gamagori City in Aichi Prefecture. Commercial operation of the Sweihan Photovoltaic Independent Power Project began. Moreover, the Corporation is also working to expand the thermal power generation business and the electric power service business. Developments include the securing of orders for Fujairah F3 Independent Power Project for a combined cycle gas turbine plant in the UAE and a 500 KV gas insulated switchgear (GIS) substation construction project in Myanmar, entry into the solar home systems business in Africa through the investment in Azuri Technologies Ltd, business development of SmartestEnergy Ltd in the U.S. and other countries, and strengthening of the retail business through SmartestEnergy's acquisition of Dual Energy Direct Ltd of the UK.

Energy

■Revenue
469,722 million yen

■Loss attributable to owners of the parent
-149,335 million yen



Liquefied hydrogen carrier (Australia) (photo courtesy of Kawasaki Heavy Industries, Ltd.)

As global warming is becoming a serious issue, in the natural gas and LNG business field, the Corporation is steadily implementing initiatives to contribute to enrichment of the supply chain of low-carbon resources, including measures for stable operation and higher efficiency of the existing projects in Qatar etc., consideration of their expansion, and development of demand. In the alternative energy field, projects for production and supply of hydrogen and ammonia began in Australia, the U.S., and Japan, which will lead to elimination of CO_2 emissions, and feasibility study and demonstration of a biomass fuel business started. Moreover, in the trade and marketing field, in which the Corporation has a competitive edge, revenue increased for petroleum products, natural gas, LNG, uranium, and other products. The Corporation is striving to provide services that meet customer needs as well as social needs in various business fields.

Metals & Mineral Resources

■Revenue
337,664 million yen

■Loss attributable to owners of the parent
-5,719 million yen



Roy Hill Iron Mine (Australia)

At Roy Hill Iron Mine in Australia; Jellinbah East Coal Mine in Queensland, Australia and other coal mines for coking coal; and copper mines, such as Centinela Copper Mine and other copper mines in Chile co-owned with Antofagasta plc., the Corporation is striving to enhance profitability through optimization of production, strict cost control, and introduction of AI and other advanced technologies. The Corporation is also pursuing new and additional acquisition of excellent assets and development of new mining areas. The Corporation's efforts to resolve global environmental issues include strengthening of the initiatives in the recycling business, such as participation in a business to produce magnesium from mine waste in Quebec, Canada, and the supply of raw materials essential for the spread of electric vehicles.

Plant

■Revenue
23,112 million yen

■Loss attributable to owners of the parent
-27,783 million yen



Sydney Metro North West Line (Australia)

In the water infrastructure field, the Corporation acquired 100% ownership of Administração e Gestão de Sistemas de Salubridade, S.A. (AGS), a water service company in Portugal. In the energy infrastructure field, the Corporation participated in the seventh and eighth long-term charter projects for an FPSO*1 system in Brazil. In the public transportation field, the Corporation secured a right to participate in the Sydney Metro City & South West Line public private partnership (PPP) project, which will be an extension of the Sydney Metro North West Line for which the Corporation received an order in 2014. In the infrastructure funds field, the Corporation is steadily accumulating gas and transportation infrastructure assets. In the low-carbon, circular economy field, the Corporation entered into a carbon capture and utilization business through investment in Carbon Clean Solutions Ltd. of the UK.

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

Aerospace & Ship

■Revenue
80,996 million yen

■Profit attributable to owners of the parent
11,641 million yen



Newly built bulker for which the Corporation acted as a broker

In the aerospace field, the parts trading business, the aircraft asset management business, and the airport ground handling business strongly expanded against the background of buoyant passenger demand. The Corporation is also expanding business fields with an eye on the future, such as the business jet business, introduction of unmanned ground vehicles at airports, and entry to the space business through a capital alliance with a rocket development company. In the ship field, despite unstable market conditions, performance of both the trade and independent ship businesses and the LNG ship business was robust, maintaining resilience. In addition, the Corporation entered into a bulker shipping pool business with a partner and investment in a ship ownership fund. Moreover, the Corporation is promoting maximization of the organizing functions of a trading company, including the quest for new initiatives in view of digitization.

Finance & Leasing Business

■Revenue
25,095 million yen

■Loss attributable to owners of the parent
-7,424 million yen



Aircraft leasing business (U.S.)

For the aircraft leasing business, the Corporation, in partnership with Mizuho Leasing Company, Limited, acquired all the outstanding common shares of Aircastle Limited, an equity-method affiliate in the U.S., whose growth is continuing against the background of medium- to long-term demand for passenger aircraft. For the temperature-controlled trailer leasing and rental business, the Corporation sold a part of the equity in the Corporation's subsidiary in the U.S. to Mizuho Leasing and strengthened joint development of overseas business with Mizuho Leasing. For the aircraft engine leasing business, the Corporation concluded a contract with Total Engine Asset Management Pte. Ltd. (TEAM) for secured bond issuance backed by TEAM's portfolio of aircraft engines. This is the first aircraft engine securitization transaction originated by a lessor headquartered in the Asia Pacific region. Regarding the automotive financing business in the U.S., the Corporation focused on reduction of bad debts and expansion of sales channels by thorough data utilization.

Transportation & Industrial Machinery, Financial Business Group

Construction, Auto & Industrial Machinery

■Revenue
318,260 million yen

■Profit attributable to owners of the parent
19,561 million yen



Construction machinery distribution business (Turkey)

In the construction machinery field, the Corporation made a construction machinery distributor in Turkey a consolidated subsidiary as part of efforts to strengthen and expand the earnings foundation of the distributor business and related businesses. In the automobile field, as well as working to expand the after-market business in the U.S., such as parts sales and vehicle maintenance, the Corporation is making multifaceted efforts to address the needs associated with vehicle electrification, such as EV battery management and feasibility study of EV battery recycling. In the tire and rubber materials field, the Corporation expanded networks of tire retail stores in Thailand and Mexico. In the industrial machinery field, the Corporation worked to promote diffusion of distributed energy resources and began demonstration of predictive maintenance of structures through an investee.

CDIO

Next Generation Business Development

■Revenue
60 million yen

■Loss attributable to owners of the parent
-3,676 million yen



PT Siloam International Hospitals Tbk (Indonesia)

The Next Generation Business Development Division was launched in April 2019 to identify growth themes in the world and develop new business models that will lay the earnings foundation for the next generation. In the healthcare field, performance of the pharmaceuticals and related products distribution business in China was strong and the Corporation became involved in a hospital business in Indonesia through acquisition of a stake in the country's largest private hospital operator. Moreover, in addition to establishment of a corporate venture capital (CVC) firm in order to accelerate development of new business by embracing innovative technologies and business models, the Corporation invested in a fund owned by Temasek Holdings (Private) Ltd., a Singaporean sovereign wealth fund. The Corporation is also vigorously promoting business development targeting the middle class in Asia and smart city development.

Future issues for the Group

Economic overview

Looking at the economic environment for the fiscal year ending March 31, 2021, the global economy is currently faced with the worst crisis since WWII due to the vast spread of COVID-19 and movement restrictions as well as economic stagnation as a result of this virus. Therefore the outlook for the business environment, which depends on the situation of COVID-19, is highly uncertain. Despite various possible policy instruments used by governments and central banks, economic downsizing is expected due to the contractions of demand and supply. As a result, there are concerns about a credit crunch and financial turmoil as unemployment and bankruptcy increase. In addition, as commodity prices are expected to remain extremely low, countries, businesses and financial institutions heavily impacted by this are expected to be affected negatively.

Even if the spread of COVID-19 were to peak during the first half of the fiscal year ending March 31, 2021 and henceforth gradually abate, the recovery of the global economy is likely to remain sluggish throughout the fiscal year ending March 31, 2021 as an ample amount of time would be required until the supply-demand balance returned to an appropriate level due to the deterioration of balance sheets and the cautious stance of both households and businesses, disruption of supply chains, and labor shortages.

(1) Impact of the spread of COVID-19

The spread of COVID-19 is likely to have various impacts on the Group, which is conducting multifaceted businesses in diverse fields. For the finance & leasing business; transportation-related businesses; and businesses concerning oil and gas development and iron ore, coal, and copper mine development, the impacts of COVID-19 will likely be complex and unavoidable.
On the other hand, businesses that are sources of stable earnings, such as the power and infrastructure business, and the lifeline-related businesses essential for daily living, such as the agri business and the food business, are expected to contribute to the Corporation's earnings. The trade businesses, such as chemicals and energy businesses, which support all industries, are likely to experience a decrease in profit because of declining trading volume, but are expected to continue to contribute to the Corporation's earnings.

These forecasts are based on the assumption that although the spread of COVID-19 will peak during the first half of the fiscal year ending March 31, 2021 and henceforth gradually abate, ample time will be required for a recovery trend of the global economy to gain traction. Specifically, it is assumed that the recovery will be moderate even after the second half of the fiscal year ending March 31, 2021 and the impact of economic stagnation will remain until the fiscal year ending March 31, 2022.

(2) Revision of Medium-Term Management Strategy GC2021

The Group 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. Owing to the recording of a huge loss in fiscal 2019, the Group needs to restore its financial foundation as soon as possible. In addition, the substantial deterioration of the business environment due to the spread of COVID-19 as stated above is likely to have an impact on the Group's business activities for a lengthy period. Bearing this in mind, in order to commit to strengthening of the management foundation and re-establishment while according the top priority to ensuring safety of the Group's employees, customers, and partners worldwide, the Group announced the Basic Policy of GC2021 Management Strategy and Shareholder Return Policy on May 7, 2020, as follows.

Basic Policy of GC2021 Management Strategy

Rebuild and Strengthen Financial Foundation

- As a result of a huge loss in FYE 3/2020, our top priority is to focus on cash flow management in order to rebuild and strengthen our financial foundation.
- Prioritize repayment of debt by accumulating positive free cash flow after delivery of shareholder returns during the GC2021 period and achieve net D/E ratio of around 1.0 times at the end of March 2022.

Enhancement of Business Strategies

- Maintain the Basic Policy of Management Strategy in GC2021
- "Corporate value enhancement in the medium to long term by strengthening existing business and creating new business models"
  - Focus on preserving and improving existing businesses including cost reduction measures and establish sustainable and stronger business foundation.
  - Envisage what a post COVID-19 world will look like, including the economy, social issues, growth domains and change of business models; proactively recycle assets and enhance the value of assets.
  - Assessment of past business and investment performance to further enhance and strengthen our risk management practices.

Shareholder Return Policy

- Current dividend policy maintained; Consolidated dividend payout ratio of 25% or more, based on the forecast announced at the beginning of the fiscal year as a minimum.
- The dividend for FYE 3/2021 will be set at ¥15/share (interim dividend of ¥7.5 per share, year-end dividend of ¥7.5 per share) as a minimum.
- Prioritize maintaining and enhancing the value of existing businesses. There will be no share buybacks during the period of the GC2021 medium-term management strategy.

(3) Specific risks to which the Group's businesses are exposed

Specific risks that may have significant impacts on the Group's business results and financial condition are described below.

<Risks associated with long-lived assets>

The Group holds real estate, machinery and equipment, and other property, plant and equipment for sale and lease to third parties as well as for its own use. Moreover, in order to expand the business, the Group acquires shares and equity stakes in entities and is involved in management of such entities. Such entities include those whose business requires a large amount of capital expenditure, such as resource exploration and production businesses, and those in which the Corporation is involved through investment accounted for under the equity method (equity-method investment) without having a majority. Long-lived assets potentially have risks, including decline in asset value, irrecoverability of investment, and incurring of an additional loss upon withdrawal.

The Group applies appropriate impairment accounting to such long-lived assets in a timely manner in accordance with IFRS. Nevertheless, a significant decline in asset value for reasons, such as future revision to the business plan and change of the policy on holding of such assets, may adversely affect the Group's business results and financial condition.

Moreover, the Group reports a considerable amount of intangible assets, including goodwill, on its consolidated statement of financial position, as a result of acquisitions. In accordance with IFRS, periodic amortization is not applied to goodwill and intangible assets with indefinite useful lives. The Group considers that such goodwill

and intangible assets appropriately reflect their business value and future economic benefits, which are expected to be obtainable when synergy from business combination is achieved in the future. However, if it is judged that expected results are unobtainable because of change in the business environment and competition, or if a higher discount rate is to be applied, an impairment loss may be incurred and may adversely affect the Group's business results and financial condition.

Oil and gas development businesses
Prices of oil and natural gas produced and sold by oil and gas development businesses in which the Group is involved are subject to change due to factors that the Group cannot control, including but not limited to worldwide supply/demand imbalance or supply/demand imbalance in each region, economic fluctuations, inventory adjustment, foreign currency exchange rate fluctuations, political and geopolitical situations in major oil producing countries, and the above-mentioned impact of the spread of COVID-19.

Long-lived assets of the oil and gas development businesses in which the Group is involved amount to approx. 120 billion yen, consisting mainly of property, plant and equipment (in the Gulf of Mexico, the U.S., the British North Sea, etc.)

Deposits, production output, operating expenses, development expenses for boring production wells, constructing production facilities, etc., exploration expenses, and expenses for mine closures, etc. and business plans that are based on assumptions of these items may be revised owing to fluctuation of product prices and technological and economic factors, as well as the policies of the partners leading the projects, the weather and the environment, procurement, financing, the impact of regulations by the authorities, etc.

Copper and iron ore businesses
In the copper and iron ore businesses in which the Group is involved, commodity prices, such as copper prices and iron ore prices are subject to change due to factors that the Group cannot control, including but not limited to, worldwide supply/demand imbalance or supply/demand imbalance in each region, economic fluctuations, foreign currency exchange rate fluctuations, geopolitical situations, and the above-mentioned impact of the spread of COVID-19.

Long-lived assets of the copper business in which the Group is involved amount to approx. 220 billion yen, consisting mainly of equity-method investments (in Los Pelambres Copper Mine, Centinela Copper Mine, and Antucoya Copper Mine in Chile). Long-lived assets of the iron ore business amount to approx. 120 billion yen, consisting mainly of equity-method investments (in Roy Hill Iron Mine in Australia).

The Group evaluates these equity-method investments based on the business plans formulated by the Group, using price forecasts, taking into consideration data provided by third parties, market conditions, fundamentals, and other factors. However, in the event of fluctuations of product prices and production outputs, sharp increases in capital expenditure and operating expenditure associated with maintenance of production and transportation facilities, change in the business environment, or occurrence of operational problems attributable to infrastructure, such as electricity and water, the business plans may be revised.

Investment in Aircastle Limited ("Aircastle")
Aircastle, an equity-method affiliated company of the Group, leases aircraft to airlines worldwide. Therefore, if air passenger demand deteriorates, if solvency of the airlines deteriorates significantly due to sharp increases in fuel prices, foreign exchange rate fluctuation, etc., or they go bankrupt, or if lease rates decrease and asset value of aircraft owned by Aircastle significantly decreases, the business results and financial condition of Aircastle may be adversely affected.

Factors that could deteriorate air passenger demand include wars, terrorism, infectious diseases, natural disasters, and aircraft accidents. Moreover, airlines that are lessees of Aircastle are based in various countries worldwide and may be affected by change in local laws and regulations of the countries in which they are based or international laws and regulations and geopolitical risks such as economic sanctions.

Regarding investment in Aircastle, the Group conducted an evaluation based on the business plan, assuming that growth of Aircastle will continue, supported by medium- to long-term growth of air passenger demand, while taking into consideration temporary deterioration of financial performance due to the factors mentioned above. If aircraft demand remains sluggish for a long time owing to the spread of COVID-19, Aircastle's profitability deteriorates due to intensifying competition and a decline in the aircraft value in line with such situation, and Aircastle's growth becomes slower than the Corporation's assumption, the business plan may be revised.
The Group's investment in Aircastle amounts to approx. 146.5 billion yen.

<Significant Lawsuits (Sugar Lawsuits)>
In the course of business activities in Japan and overseas, the Group may be a party to litigation, disputes, and other legal proceedings (collectively, "Lawsuits"). When the Group is a party to Lawsuits, predicting the outcome is impossible given the inherent uncertainty of Lawsuits. Lawsuits may adversely affect the Group's business results and financial condition of the Group.

The Sugar Group, comprised of a group of Indonesian companies, filed a lawsuit against the Corporation, and the Supreme Court of Indonesia ("Supreme Court") ruled in favor of the Corporation in 2011 ("Previous Case"). However, Sugar Group filed another series of lawsuits against the Corporation in which substantially the same claims as those in the Previous Case were made ("South Jakarta Case" and "Gunung Sugih Case"). The Supreme Court ruled against the Corporation in the South Jakarta Case and the Gunung Sugih Case and the decisions by the Supreme Court are formally binding on the Corporation. However, the Corporation filed applications for judicial review before the Supreme Court concerning the South Jakarta Case and the Gunung Sugih Case and the Corporation is still pursuing these applications.

Separately, the Corporation filed a lawsuit against Sugar Group to seek damages for, among other matters, reputational damages suffered by the Corporation caused by Sugar Group's torts ("New Case"). In response to the Corporation's claims in the New Case, Sugar Group filed a counterclaim against the Corporation seeking damages on the grounds that the Corporation's filing of the New Case allegedly constitutes a tort against Sugar Group ("Counterclaim"). The New Case is pending before the Central Jakarta District Court.

Depending on developments in the South Jakarta Case and the Gunung Sugih Case (where the Supreme Court ruled against the Corporation) and the Counterclaim (which is pending before the Central Jakarta District Court) and judicial procedure, the Corporation might be obliged to pay damages based on the rulings against the Corporation, interest, and court costs (in whole or in part) and suffer losses which may adversely affect the Corporation's business results and financial condition. (Note)
For details of each lawsuit, please refer to "Other important matters concerning the Group's current status."

Note: The South Jakarta Case's defendants include Marubeni Europe PLC. Thus, the lawsuit may adversely affect Marubeni Europe's business results and financial condition.

Fund procurement

The Group procures funds mainly through the Corporation or a domestic financial subsidiary Marubeni Financial Service Corporation. The Corporation issued a yen-denominated unsecured bond in the total amount of 10 billion yen and 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 and issuing of short-term bonds (electronic commercial paper). Marubeni Financial Service and the Corporation's overseas corporate subsidiaries, financial subsidiaries and other consolidated subsidiaries raised funds through borrowings from financial institutions.
Net interest-bearing debt increased by 0.3 billion yen from the end of the previous business year to 1,859.1 billion yen.

Major lenders

(Millions of yen)

Lender name	Balance of borrowings at end of 96th business year
Meiji Yasuda Life Insurance Company	151,542
Mizuho Bank, Ltd.	127,322
Development Bank of Japan Inc.	118,000
Nippon Life Insurance Company	107,224
Sumitomo Mitsui Banking Corporation	93,516
The Dai-ichi Life Insurance Company, Limited	88,883
MUFG Bank, Ltd.	86,384
Japan Bank for International Cooperation	61,777
Sumitomo Mitsui Trust Bank, Limited	58,078
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.
The Corporation plans to relocate its head office from Chuo-ku, Tokyo where it is currently located to Chiyoda-ku, Tokyo and has entered into a leasing contract concerning the office building to which the head office will be relocated.

Status of major subsidiaries and consolidation of major businesses

Status of major subsidiaries and affiliates

Operating Segment

Company name		Holding ratio (%)	Main businesses
Lifestyle			
Marubeni Intex Co., Ltd.	Subsidiary	100.00	Sales of textiles for industrial and consumer applications and lifestyle goods
Marubeni Fashion Link, Ltd.	Subsidiary	100.00	Planning, production, and sales of textile products
Saide Tekstil Sanayi ve Ticaret A.S.	Affiliate	45.49	Planning, manufacturing, and sales of apparel and miscellaneous goods
ICT & Real Estate Business			
Japan REIT Advisors Co., Ltd.	Subsidiary	100.00	Asset management services for investment corporations
Marubeni Information Systems Co., Ltd.	Subsidiary	100.00	Provision of full range of IT solutions for computing, networking, and information systems
MX Mobiling Co., Ltd.	Subsidiary	100.00	Sales of mobile phones and related products
ARTERIA Networks Corporation	Subsidiary	50.00	Data communication services for business and for condominiums
Forest Products			
Marubeni Pulp & Paper Co., Ltd.	Subsidiary	100.00	Wholesale of all types of paper
KOA KOGYO CO., LTD.	Subsidiary	79.95	Manufacturing and sales of paper and paperboard
PT. Tanjungenim Lestari Pulp and Paper	Subsidiary	85.06	Manufacturing and sales of pulp
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	Manufacturing and sales of feed
Aeon Market Investment Inc.	Affiliate	28.18	Investment company for United Super Markets Holdings Inc.
Agri Business			
Gavilon Agriculture Investment, Inc.	Subsidiary	100.00	Holding company for the Gavilon Group (collection of goods and sale of grain, fertilizer, etc.)
Helena Agri-Enterprises, LLC	Subsidiary	100.00	Sales of agricultural materials and provision of various services
Katakura & Co-op Agri Corporation	Affiliate	21.27	Manufacturing and sales of fertilizer and sales of feed and goods
Chemicals			
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
Power Business			
Axia Power Holdings B.V.	Subsidiary	100.00	Overseas power assets holding company
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
Energy			
Marubeni Energy Corporation	Subsidiary	66.60	Sales of petroleum and petrochemical products, management and leasing of terminals and service stations
Marubeni Oil & Gas (USA) LLC	Subsidiary	100.00	Exploration, development, production and sales of crude oil and natural gas
Metals & Mineral Resources			
Marubeni Coal Pty. Ltd.	Subsidiary	100.00	Investment in coal business in Australia
Marubeni Iron Ore Australia Pty. Ltd.	Subsidiary	100.00	Investment in iron ore business in Australia
Marubeni LP Holding B.V.	Subsidiary	100.00	Investment in copper business in Chile
Marubeni-Itochu Steel Inc.	Affiliate	50.00	Import/export, sales and processing of steel products
Plant			
Marubeni Protechs Corporation	Subsidiary	100.00	Sales of plant and machinery for steel and nonferrous industry, environmental business including sales of environmental equipment, overseas plant construction and engineering work as well as logistics for machinery and equipment
MM Capital Partners Co., Ltd.	Subsidiary	90.00	Management and operation of infrastructure equity fund
Aguas Decima S.A.	Subsidiary	100.00	Provision of full water and wastewater services in Chile

Company name		Holding ratio (%)	Main businesses
Aerospace & Ship			
Marubeni Aerospace Corporation	Subsidiary	100.00	Import and sales of aircraft and related parts
MMSL Japan Ltd.	Subsidiary	100.00	Operation and management of ships
Marubeni Aviation Parts Trading LLC	Subsidiary	100.00	Investment in aviation parts trading business
Finance & Leasing Business			
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
Marubeni SuMiT Rail Transport Inc.	Affiliate	50.00	Holding company for the rolling stock leasing business in North America
PLM Fleet, LLC	Affiliate	50.00	Refrigerated trailer leasing and rental business
Construction, Auto & Industrial Machinery			
Marubeni Techno-Systems Corp.	Subsidiary	100.00	Domestic sales and import/export of various kinds of industrial machinery
Marubeni Auto Investment (UK) Limited	Subsidiary	100.00	Investment in car dealership business
Temsa Is Makinalari Imalat Pazarlama Ve Satis A.S.	Subsidiary	90.00	Distributor of construction machinery manufactured by Komatsu
Next Generation Business Development			
Marubeni Ventures Inc.	Subsidiary	100.00	Investing in startup companies

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. The Corporation owns a majority of voting rights for ARTERIA Networks Corporation.
4. Marubeni Iron Ore Australia Pty. Ltd. is a holding company of Roy Hill Holdings Pty Ltd that operates iron ore business in Australia.
5. MAI Holding LLC is a holding company of Westlake Services, LLC that operates automotive finance business in the U.S.
6. Marubeni Aviation Holding Cooperatief U.A. is a holding company of Aircastle Limited that operates aircraft operating leasing business in the U.S.
7. MAC Trailer Leasing, Inc., which was owned by the Group, changed its trade name to PLM Fleet, LLC on March 9, 2020. PLM Fleet, LLC became an affiliate of the Corporation on March 30, 2020 as a result of sale of a part of the Group's equity interest in it.
8. Temsa Is Makinalari Imalat Pazarlama Ve Satis A.S. became a consolidated subsidiary of the Corporation on August 2, 2019 as a result of additional purchase of its shares.

Status of business consolidation

	93rd Business Year	94th Business Year	95th Business Year	96th Business Year
Consolidated subsidiaries	285	276	282	309
Equity-method affiliated companies	153	154	149	144

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	57 branches and offices including Johannesburg, Istanbul, Singapore, Kuala Lumpur, Bangkok and Manila branches
Overseas corporate subsidiaries	29 overseas corporate subsidiaries including Marubeni America Corporation, Marubeni Europe plc, Marubeni ASEAN Pte. Ltd. and Marubeni (China) Co., Ltd., and 38 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 40 of this booklet.
2. The number of the Corporation's overseas branches and offices totals 58 as a result of the organizational change on April 1, 2020.
3. The number of branches and offices of the Corporation's overseas corporate subsidiaries totals 37 as a result of the organizational change on April 1, 2020.

Employees of the Group

Number of employees of the Group

Operating Segments	Number of employees	
Lifestyle	1,454	[93]
ICT & Real Estate Business	8,476	[2,722]
Forest Products	2,969	[477]
Food	5,981	[1,228]
Agri Business	8,035	[1,087]
Chemicals	1,072	[58]
Power Business	1,553	[333]
Energy	976	[1,112]
Metals & Mineral Resources	449	[22]
Plant	932	[52]
Aerospace & Ship	400	[15]
Finance & Leasing Business	377	[3]
Construction, Auto & Industrial Machinery	10,206	[312]
Next Generation Business Development	80	[9]
Other (Corporate Staff Group, administration, etc.)	2,675	[237]
Total	45,635	[7,760]

Notes: 1. In the case of certain consolidated subsidiaries, the number of employees is not as of the end of the business year under review.
2. Secondees are included in the number of employees of the segment to which the organizations they are seconded belong.
3. The average annual number of temporary employees is described in the parenthesis without including it in the number of employees.

Number of employees of the Corporation

Operating Segments	Number of employees
Lifestyle	173
ICT & Real Estate Business	269
Forest Products	162
Food	377
Agri Business	62
Chemicals	268
Power Business	344
Energy	245
Metals & Mineral Resources	201
Plant	237
Aerospace & Ship	117
Finance & Leasing Business	105
Construction, Auto & Industrial Machinery	267
Next Generation Business Development	68
Other (Corporate Staff Group, administration, etc.)	1,509
Total	4,404

Note: The number of employees including local employees of overseas branches, offices and corporate subsidiaries (434 persons) and secondees from other companies (124 persons) and excluding secondees to other companies (1,354 persons) was 3,608.

Other important matters concerning the Group's current status

Significant 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 the South Jakarta District Court and the 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

The court 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

The court 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 ("Judicial Review Application"), the Corporation received on February 3, 2020 the official decision ("Decision") of the Supreme Court that the Judicial Review Application was not accepted. As mentioned above, the Corporation received the ruling of the Supreme Court on September 14, 2017 and filed the Judicial Review Application on February 6, 2018, before the deadline for filing a judicial review application, which had to be filed within 180 days from the date of receipt of the ruling. The Decision found that the Corporation's receipt of the ruling of the Supreme Court was on December 8, 2016 and the Judicial Review Application was not accepted because the Judicial Review Application was filed on February 6, 2018 after the deadline.

However, although it is obvious from the notice of the ruling received by the Corporation that the date of the Corporation's receipt of the ruling of the Supreme Court was on September 14, 2017, the Decision does not present the evidence on which the Supreme Court determined that the date of the Corporation's receipt of the ruling of the Supreme Court is December 8, 2016. Therefore, the Corporation considers the Decision to be unjust based on an apparent mistake of fact. The Corporation analyzed the content of the Decision and examined available legal measures that it could take with respect to the Decision under the judicial review system pursuant to the law by the Supreme Court of Indonesia. Subsequently, the Corporation intends to file an application for the second Judicial Review with the Supreme Court by the prescribed deadline for filing a judicial review application. In light of the above situation, there is no information that requires the Corporation to change its belief that the Supreme Court's rulings on the Two Current Cases will probably become invalid, and the Corporation recognizes no provision for loss on litigation concerning the Two Current Cases as of March 31, 2020.

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 the Central Jakarta District Court on April 26, 2017 to seek damages of approximately US$1.6 billion for, among other matters, reputational damages suffered by the Corporation caused by Sugar Group's torts ("New Case"). In response to the New Case, on April 30, 2019, Sugar Group filed a counterclaim against the Corporation seeking damages of US$7.75 billion in the aggregate on the grounds that the Corporation's filing of the New Case allegedly constitutes a tort against Sugar Group ("Counterclaim"). The Corporation will continue to pursue the New Case and to defend the Counterclaim in due course with a view to obtaining 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.

II. Matters Concerning the Corporation's Shares

Total number of issuable shares

4,300,000,000

Total number of shares issued

93rd Business Year	94th Business Year	95th Business Year	96th Business Year
1,737,940,900	1,737,940,900	1,737,940,900	1,737,940,900

Total number of shareholders

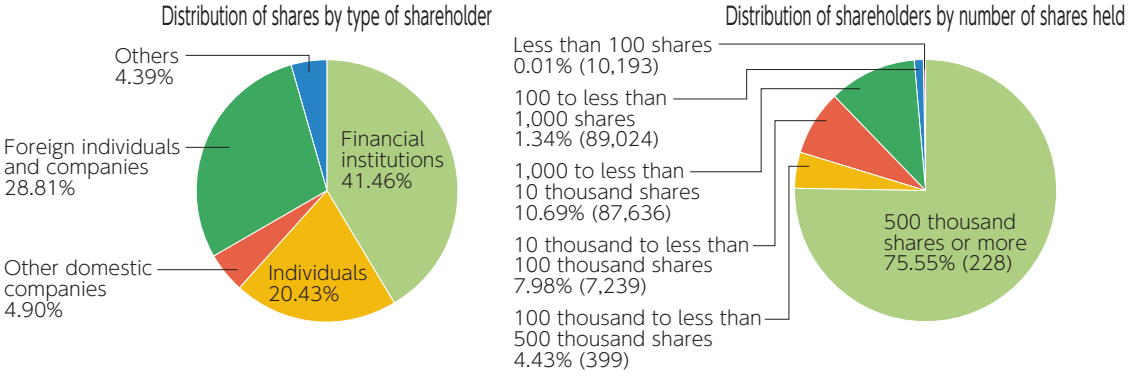
93rd Business Year	94th Business Year	95th Business Year	96th Business Year
189,437	174,746	171,841	194,719

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)	144,607	8.33
Japan Trustee Services Bank, Ltd. (Trust account)	110,175	6.35
BNYM RE NORWEST/WELLS FARGO OMNIBUS	69,529	4.01
Meiji Yasuda Life Insurance Company	41,818	2.41
Japan Trustee Services Bank, Ltd. (Trust account 5)	41,745	2.40
Japan Trustee Services Bank, Ltd. (Trust account 9)	37,491	2.16
Mizuho Bank, Ltd.	30,000	1.73
Sompo Japan Nipponkoa Insurance Inc.	30,000	1.73
Japan Trustee Services Bank, Ltd. (Trust account 7)	28,802	1.66
JPMorgan Chase Bank 385151	27,369	1.58

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.
3. The shareholding ratio was calculated by excluding treasury shares.

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, 2020)

Status	Name	Area(s) of responsibility and Status of important concurrent occupations or positions at other organizations
Chairman of the Board	Fumiya Kokubu	Member of the Board, TAISEI CORPORATION
* President and CEO, Member of the Board	Masumi Kakinoki	
* Member of the Board	Yukihiko Matsumura	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 (COO); Chairman of Internal Control Committee; Chairman of IT Strategy Committee (CIO)
◇ * Member of the Board	Ichiro Takahara	Chief Executive Officer, Power Business, Energy & Metals Group
* Member of the Board	Nobuhiro Yabe	Chief Financial Officer (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; Director, Mizuho Leasing Company, Limited
Member of the Board	Takao Kitabata	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
Member of the Board	Yuri Okina	Chairman, The Japan Research Institute, Limited; Director, Bridgestone Corporation
Full-time Audit & Supervisory Board Member	Kazuro Gunji	
◇ Full-time Audit & Supervisory Board Member	Hikaru Minami	
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 95th Ordinary General Meeting of Shareholders held on June 21, 2019, 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 17 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 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.
(ii) Audit & Supervisory Board Member Mr. Hikaru Minami served as Managing Executive Officer, Member of the Board; CAO; Senior Operating Officer, Audit Dept. Hence, he has considerable knowledge about finance and accounting.
7. Mr. Teruo Asada retired from office of Director at the close of the 95th Ordinary General Meeting of Shareholders held on June 21, 2019. Mr. Kaoru Kuzume retired from office of Audit & Supervisory Board Member at the close of the 95th Ordinary General Meeting of Shareholders held on June 21, 2019.
8. Mr. Hirohisa Miyata's ceased to serve as Member of the Board on January 24, 2020 because he passed away.
9. "Power Business, Energy & Metals Group" collectively refers to Power Business Div., Energy Div., and Metals & Mineral Resources 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., Finance Dept. and Sustainability Management Dept.

11. The changes in 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	Fumiya Kokubu	Assumed office of Member of the Board, TAISEI CORPORATION	June 26, 2019
Member of the Board	Nobuhiro Yabe	Assumed office of Director, Mizuho Leasing Company, Limited (former IBJ Leasing Company, Limited) and resigned from the office	Assumption of office: June 25, 2019 Resignation: March 31, 2020
Member of the Board	Susumu Fukuda	Resigned from office of Audit & Supervisory Board Member, Tokio Marine & Nichido Fire Insurance Co., Ltd.	June 24, 2019

12. The names, status and area(s) of responsibility of Executive Officers as of April 1, 2020 are as follows.

Executive Officers

(As of April 1, 2020)

Status	Name	Area(s) of responsibility
* President and CEO	Masumi Kakinoki	
Senior Executive Vice President	Akira Terakawa	Chief Executive Officer, Food, Agriculture & Chemicals Group; Chief Operating Officer, Food Div.
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	Hajime Kawamura	Chief Executive Officer, Transportation & Industrial Machinery, Financial Business Group
Senior Managing Executive Officer	Nobuhiro Yabe	Regional CEO for Europe & CIS; Regional COO for Europe; Managing Director and CEO, Marubeni Europe plc
Senior Managing Executive Officer	Mutsumi Ishizuki	Chief Administrative Officer (CAO); Senior Operating Officer, Audit Dept.; Senior Operating Officer, Executive Secretariat; Senior Operating Officer, New Office Building Project Dept.; Vice Chairman of Investment and Credit Committee; Chief Compliance Officer (CCO); Chairman of Internal Control Committee; Chief Information Officer (CIO)
Managing Executive Officer	Michael McCarty	Chief Operating Officer, Agri Business Div.; President & CEO, Helena AgriEnterprises LLC
Managing Executive Officer	Akihiko Sagara	Chief Executive Officer, Energy & Metals Group
Managing Executive Officer	Shinichi Kobayashi	Regional CEO for Oceania; Managing Director, Marubeni Australia Ltd.
Managing Executive Officer	Jun Horie	Regional CEO for the Americas; Regional COO for North & Central America; President and CEO, Marubeni America Corporation; President and CEO, Marubeni Canada Ltd.
Managing Executive Officer	Kenichiro Oikawa	Chief Digital Innovation Officer (CDIO); Chief Strategy Officer (CSO); Regional CEO for East Asia; Regional CEO for Japan Business; Vice Chairman of Investment and Credit Committee
Managing Executive Officer	Takayuki Furuya	Chief Financial Officer (CFO); Chief Operating Officer, Investor Relations and Credit Ratings; Chairman of Investment and Credit Committee; Chief Sustainable Development Officer (CDSO); Chairman of Disclosure Committee
Managing Executive Officer	Jun Hirasawa	Chief Executive Officer, Consumer Products Group
Managing Executive Officer	Yoshiaki Yokota	Chief Executive Officer, Power Business & Infrastructure Group

Notes: 1. The person marked with * is the Representative Director.

2. "Food, Agriculture & Chemicals Group" collectively refers to Food Div., Agri Business Div., and Chemicals Div. "Machinery, Infrastructure & Financial Business Group" collectively refers to Aerospace & Ship Div., Finance & Leasing Business Div., and Construction, Industrial Machinery & Mobility Div. "Energy & Metals Group" collectively refers to Energy Div. and Metals & Mineral Resources Div. "Consumer Products Group" collectively refers to Lifestyle Div., ICT & Real Estate Business Div., and Forest Products Div. "Power Business & Infrastructure Group" collectively refers to Power Business Div. and Infrastructure Project 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 Digital Innovation Officer (CDIO)" is the Chief Operating Officer of Digital Innovation Dept. and 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. 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.

Executive Officers

(As of April 1, 2020)

Status	Name	Area(s) of responsibility
Executive Officer	Soji Sakai	General Manager, Chubu Branch
Executive Officer	Minoru Tomita	General Manager, Osaka Branch
Executive Officer	Hidekazu Futai	Senior Operating Officer, Agri Business Div.
Executive Officer	Yuichi Ohira	Chief Operating Officer, Lifestyle Div.
Executive Officer	Jiro Itai	Chief Operating Officer, Construction, Industrial Machinery & Mobility Div.
Executive Officer	Kosuke Takechi	Chief Operating Officer, Aerospace & Ship Div.
Executive Officer	Takao Ando	General Manager, Risk Management Dept.
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
Executive Officer	Tatsuya Abe	Chief Operating Officer, ICT & Real Estate Business Div.
Executive Officer	Takashi Yao	Chief Operating Officer, Infrastructure Project Div.
Executive Officer	Yoshinori Ogawa	Regional CEO for China; President, Marubeni (China) Co., Ltd.
Executive Officer	Koichi Ariizumi	General Manager, Legal Dept.
Executive Officer	Seiichi Kuwata	Chief Operating Officer, Metals & Mineral Resources Div.
Executive Officer	Koji Kashima	General Manager, Human Resources Dept.
Executive Officer	Taro Kawabe	Chief Operating Officer, Finance & Leasing Business Div.
Executive Officer	Koichi Uchida	Chief Operating Officer, Energy Div.
Executive Officer	Satoru Harada	Chief Operating Officer, Power Business Div.
Executive Officer	Masayuki Omoto	Chief Operating Officer, Next Generation Business Development Div.

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

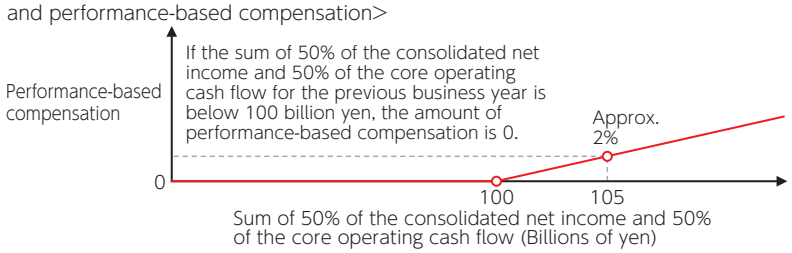
(1) Policy to determine the remuneration paid to Directors and Audit & Supervisory Board Members

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.

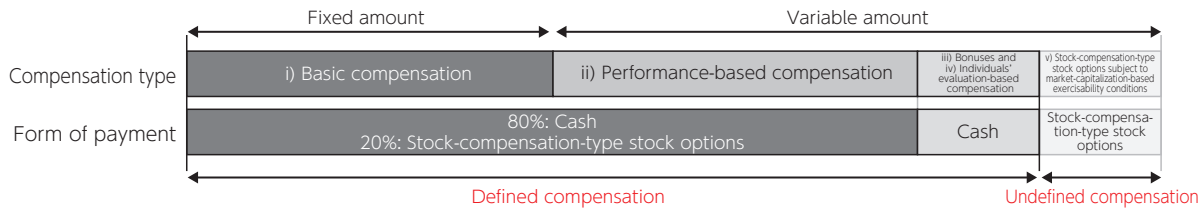
1) Remuneration and other payments for Directors
<Directors (Internal)>
Remuneration for Directors other than Outside Directors consists of the following:

Type	Description	Fixed/Variable	Form of payment
i) Basic compensation	• Basic compensation corresponding to each Director's position	Fixed	80%: Cash 20%: Stock-compensation-type stock options
ii) Performance-based compensation	• Compensation linked to consolidated business performance in the previous business year • Performance-based compensation is an amount of basic compensation multiplied by a factor. • If the sum of 50% of the consolidated net income and 50% of the core operating cash flow for the previous business year is below 100 billion yen, the amount of performance-based compensation is 0. If the sum of 50% of the consolidated net income and 50% of the core operating cash flow for the previous business year is 100 billion yen or more, the amount of performance-based compensation is an amount of basic compensation multiplied by a factor that proportionally increases corresponding to the business results (approx. an increase of 2 percentage points per increase of 5 billion yen).	Variable	
iii) Bonuses	• Director bonuses *Representative directors are paid representative director bonuses in addition to director bonuses.	Fixed	Cash
iv) Individuals' evaluation-based compensation	• Reflects quantitative and qualitative evaluation of an individual	Variable	
v) Stock-compensation-type stock options subject to market-capitalization-based exercisability conditions	• Up to 1.5 times an amount equivalent to 10% of basic compensation is allotted as subscription rights to shares on top of the basic 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).	Variable	Stock-compensation-type stock options

<Reference: Correlation between the "sum of 50% of the consolidated net income and 50% of the core operating cash flow" and performance-based compensation>



<Reference: Composition of remuneration>



From fiscal year 2019, in addition to consolidated net income (profit attributable to owners of the parent), core operating cash flow is used as an additional indicator for calculation of performance-based compensation in order to strengthen the alignment 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 35.

Moreover, 20% of the sum of basic compensation and performance-based compensation 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.

Furthermore, in order to increase incentives for higher market capitalization in the future, stock-compensation-type stock options subject to market-capitalization-based exercisability conditions were introduced from fiscal year 2019.
<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	11	864 million yen
Audit & Supervisory Board Member	6	133 million yen
Total	17 (including 7 Outside Directors and Audit & Supervisory Board Members)	997 million yen (including 106 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 7 Directors (excluding Outside Directors) during the business year under review and charged to expenses during the business year under review amounting to 178 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. Regarding Directors/Audit & Supervisory Board Members eligible to receive a final payment in relation to the abolition of the Retirement Remuneration plan, retirement remuneration amounting to 13 million yen was paid to 1 Director in the business year under review.

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	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	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 16 meetings of the Board of Directors out of a total of 17 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 13 meetings of the Audit & Supervisory Board out of a total of 15 meetings held during the business year under review and made comments as needed based primarily on his wide experience in legal services and his profound knowledge accumulated through such experience.
Outside Audit & Supervisory Board Member	Takashi Hatchoji	Participated in all meetings of the Board of Directors and all meetings of the Audit & Supervisory Board o 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 14 meetings of the Audit & Supervisory Board out of a total of 15 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

Directors execute business in accordance with laws and regulations and the Articles of Incorporation. The Board of Directors, the Audit & Supervisory Board, and Audit & Supervisory Board Members determine important matters and supervise and audit Directors' execution of business. Effective and efficient corporate governance structure is in place and maintained by means of the appointment of Outside Directors, adoption of the executive officer system, and other measures.
In response to the amendment to the Labor Standards Act in April 2019, the Corporation strengthened the attendance management system's functions in order to ensure control of overtime and mandatory taking of annual paid leave.

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 28 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.
To prevent the spread of COVID-19, the Corporation implemented necessary measures, such as teleworking and cancellation of nonessential and non-urgent business trips and meetings.

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

The Corporation launched the Medium-Term Management Strategy "Global crossvalue platform 2021" (GC2021) in which the pursuit of enhancement of corporate value over the long term toward 2030 is set as the basic policy on which the management strategy is based.
The Corporate Management Committee meetings were held 34 times during the business year under review to deliberate on important matters. In addition, the Divisional Management Committee meetings of each business division were held to manage the specific targets established for each organization 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 each Group company in accordance with the "Regulation for Group Company."
The Group companies are required to comply with the "Marubeni Group Governance Policy" (enforced in April 2017). The Corporation has concluded an agreement with its listed subsidiary whereby they are required to report important matters concerning internal control to Marubeni and ask Marubeni's opinions in advance in

order to enhance corporate value and achieve sustainable growth of the Marubeni Group.
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 also obtained pledges signed by presidents of overseas corporate 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 a 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

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 term 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.

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)	Subscription rights to shares as stock-compensation-type stock options 1,325 rights	132,500 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)	Subscription rights to shares as stock-compensation-type stock options 2,852 rights	285,200 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)	Subscription rights to shares as stock-compensation-type stock options 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)	Subscription rights to shares as stock-compensation-type stock options 3,526 rights	352,600 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
Fiscal year ended March 31, 2020 (March 27, 2019)	Subscription rights to shares as stock-compensation-type stock options 166 rights	16,600 shares of common stock	69,600 yen for each subscription right to shares	1 yen per share	From April 27, 2019 to April 26, 2052
Fiscal year ended March 31, 2020 (June 21, 2019)	Subscription rights to shares as stock-compensation-type stock options 7,079 rights	707,900 shares of common stock	64,000 yen for each subscription right to shares	1 yen per share	From July 10, 2019 to July 9, 2052
Fiscal year ended March 31, 2020 (June 21, 2019)	Subscription rights to shares as stock-compensation-type stock options subject to market-capitalization-based exercisability conditions 2,830 rights	283,000 shares of common stock	13,600 yen for each subscription right to shares	1 yen per share	From July 10, 2022 to July 9, 2052

<Breakdown by classification>

(Subscription rights to shares as stock-compensation-type stock options)

Year of issuance (Resolution date)	Directors (excluding Outside Directors)		Audit & Supervisory Board Members		Executive Officers	
Fiscal year ended March 31, 2017 (June 24, 2016)	143 rights	1 person	0 rights	0 persons	1,182 rights	9 persons
Fiscal year ended March 31, 2018 (June 23, 2017)	964 rights	4 persons	0 rights	0 persons	1,888 rights	12 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)	1,195 rights	5 persons	0 rights	0 persons	2,331 rights	17 persons
Fiscal year ended March 31, 2020 (March 27, 2019)	0 rights	0 persons	0 rights	0 persons	166 rights	1 person
Fiscal year ended March 31, 2020 (June 21, 2019)	2,211 rights	5 persons	0 rights	0 persons	4,868 rights	21 persons

(Subscription rights to shares as stock-compensation-type stock options subject to market-capitalization-based exercisability conditions)

Fiscal year ended March 31, 2020 (June 21, 2019)	876 rights	5 persons	27 rights	1 person	1,927 rights	21 persons

Notes: 1. Executive Officers who concurrently serve as Director are included in Directors.

2. The class and number of shares to be issued as of March 31, 2020 (including those held by retired persons) is 2,013,300 shares of common stock for subscription rights to shares as stock-compensation-type stock options and 298,100 shares of common stock for subscription rights to shares as stock-compensation-type stock options subject to market-capitalization-based exercisability conditions.

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

<(a-1) Subscription rights to shares as stock-compensation-type stock options (stock options allotted on April 26, 2019)>

Date of resolution for issuance	March 27, 2019
Number of subscription rights to shares	166 rights
Number of persons to whom subscription rights to shares were granted and the number of subscription rights to shares granted	1 Executive Officer of the Corporation: 166 rights
Class and number of shares to be issued	16,600 shares of common stock (100 shares for each subscription right to shares)
Amount to be paid in for subscription rights to shares	69,600 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 27, 2019 to April 26, 2052
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 one Executive Officer and issuance had been reserved during his service overseas.

<(a-2) Subscription rights to shares as stock-compensation-type stock options (stock options allotted on July 9, 2019)>

Date of resolution for issuance	June 21, 2019
Number of subscription rights to shares	7,368 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: 2,483 rights 22 Executive Officers* of the Corporation: 4,885 rights *Including one person who served as an Executive Officer until April 16, 2019.
Class and number of shares to be issued	736,800 shares of common stock (100 shares for each subscription right to shares)
Amount to be paid in for subscription rights to shares	64,000 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, 2019 to July 9, 2052
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: Of the above-mentioned subscription rights to shares, 45 rights expired owing to the retirement of one Director.

<(b) Subscription rights to shares as stock-compensation-type stock options subject to market-capitalization-based exercisability conditions (stock options allotted on July 9, 2019)>

Date of resolution for issuance	June 21, 2019
Number of subscription rights to shares	2,999 rights
Number of persons to whom subscription rights to shares were granted and the number of subscription rights to shares granted	7 Directors* of the Corporation: 1,037 rights *Including one person who served as a Director until June 21, 2019. 23 Executive Officers* of the Corporation: 1,962 rights * Including one person who served as an Executive Officer until April 16, 2019 and one person who served as an Executive Officer until June 21, 2019.
Class and number of shares to be issued	299,900 shares of common stock (100 shares for each subscription right to shares)
Amount to be paid in for subscription rights to shares	13,600 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, 2022 to July 9, 2052
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. (2) Notwithstanding above (1), if, during the above-stated subscription rights to shares exercise period, 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) Exercise of subscription rights to shares by a person who holds subscription rights to shares is subject to market-capitalization-based exercisability conditions (See below.). (4) The provision in above (1) shall not apply to persons who succeeded to subscription rights to shares by inheritance. (5) If a person waives subscription rights to shares, he/she becomes unable to exercise such subscription rights to shares. (6) 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.

Notes: 1. Of the above-mentioned subscription rights to shares, 18 rights were expired owing to the retirement of one Director.

2. <Details of the market-capitalization-based exercisability conditions>

a) If the Corporation's market capitalization growth rate*1 is below the growth rate of TOPIX (Tokyo Stock Price Index)*2, persons holding subscription rights to shares cannot exercise any of the subscription rights to shares allotted.

b) If the Corporation's market capitalization growth rate equals or exceeds the TOPIX growth rate, persons holding subscription rights to shares can exercise subscription rights to shares under the following conditions:

(i) When the Corporation's market capitalization growth rate exceeds 150%, persons holding subscription rights to shares can exercise all the subscription rights to shares.

(ii) When the Corporation's market capitalization growth rate exceeds 100% and does not exceed 150%, persons holding subscription rights to shares can exercise part*3 of the subscription rights to shares allotted.

(iii) When the Corporation's market capitalization growth rate is 100% or below, persons holding subscription rights to shares cannot exercise any of the subscription rights to shares allotted.

*1) The Corporation's market capitalization growth rate in three years from the share subscription rights allotment date to the first date of the exercise period calculated by the formula below:

A: The average market capitalization calculated by multiplying the closing price of shares of the Corporation's common stock on the Tokyo Stock Exchange and the number of outstanding shares excluding the number of shares of treasury stock on each day for the three months immediately before the day before the first date of the exercise period.

B: The average market capitalization calculated by multiplying the closing price of shares of the Corporation's common stock on the Tokyo Stock Exchange and the number of outstanding shares excluding the number of shares of treasury stock on each day for the three months immediately before the day before the share subscription rights allotment date.

The Corporation's market capitalization growth rate = A / B

*2) The TOPIX growth rate in three years from the share subscription rights allotment date to the first date of the exercise period calculated by the formula below:

A: The average closing price of TOPIX on the Tokyo Stock Exchange on each day for the three months immediately before the day before the first date of the exercise period.

B: The average closing price of TOPIX on the Tokyo Stock Exchange on each day for the three months immediately before the day before the share subscription rights allotment date.

The TOPIX growth rate = C / D

*3) Number of exercisable subscription rights to shares = Number of subscription rights to shares allotted × Corporation's market capitalization growth rate / 150%

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	605 million yen
2) Total amount of money or other economic benefits to be paid by the Corporation and its subsidiaries to the Accounting Auditor	1,138 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, MAI Holding LLC, Marubeni Auto Investment (UK) Limited, Marubeni Coal Pty. Ltd., Marubeni LP Holding B.V., Marubeni Oil & Gas (USA) LLC, PT. Tanjungenim Lestari Pulp and Paper, and Temsa Is Makinalari Imalat Pazarlama Ve Satis A.S. are audited by audit corporations other than the Accounting Auditor of the Corporation.
3. The Audit & Supervisory Board reviewed the audit plans and performance statuses and the trend of the time spent on auditing and other matters in the past years and evaluated the appropriateness of the estimated remuneration for the business year under review. As a result, the Audit & Supervisory Board agreed on the remuneration to be paid to the Accounting Auditor.

Non-audit services

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

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

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

Consolidated Financial Statements

Consolidated Statement of Financial Position

Item	96th Business Year (As of March 31, 2020)	Ref: 95th Business Year (As of March 31, 2019)
Assets	Millions of yen	Millions of yen
Current assets:		
Cash and cash equivalents	522,523	509,288
Time deposits	140	250
Investment securities	67	151
Notes, trade accounts and loans receivable	1,056,938	1,289,196
Other current financial assets	315,861	182,208
Inventories	852,927	900,472
Assets held-for-sale	19,344	35,438
Other current assets	235,255	241,546
Total current assets	3,003,055	3,158,549
Non-current assets:		
Investments in associates and joint ventures	1,601,298	1,732,712
Other investments	229,080	292,752
Notes, trade accounts and loans receivable	103,367	132,328
Other non-current financial assets	98,002	79,511
Property, plant and equipment	902,423	926,092
Intangible assets	288,992	379,941
Deferred tax assets	32,555	45,806
Other non-current assets	61,265	61,386
Total non-current assets	3,316,982	3,650,528
Total assets	6,320,037	6,809,077

Item	96th Business Year (As of March 31, 2020)	Ref: 95th Business Year (As of March 31, 2019)
Liabilities and equity	Millions of yen	Millions of yen
Current liabilities:		
Bonds and borrowings	620,020	478,387
Notes and trade accounts payable	1,085,616	1,273,196
Other current financial liabilities	367,971	275,217
Income tax payable	16,360	17,778
Liabilities directly associated with assets held-for-sale	417	359
Other current liabilities	370,566	421,489
Total current liabilities	2,460,950	2,466,426
Non-current liabilities:		
Bonds and borrowings	1,761,768	1,889,990
Notes and trade accounts payable	5,245	11,566
Other non-current financial liabilities	231,116	74,404
Net defined benefit liability	109,143	89,764
Deferred tax liabilities	63,073	107,783
Other non-current liabilities	84,142	97,418
Total non-current liabilities	2,254,487	2,270,925
Total liabilities	4,715,437	4,737,351
Equity:		
Issued capital	262,686	262,686
Capital surplus	143,189	139,898
Other equity financial instruments	243,589	243,589
Treasury stock	(1,172)	(1,384)
Retained earnings	866,140	1,163,472
Other components of equity:		
Gains (losses) on financial assets measured at fair value through other comprehensive income	22,718	71,912
Foreign currency translation adjustments	41,247	131,178
Gains (losses) on cash flow hedges	(62,922)	(33,610)
Equity attributable to owners of the parent	1,515,475	1,977,741
Non-controlling interests	89,125	93,985
Total equity	1,604,600	2,071,726
Total liabilities and equity	6,320,037	6,809,077

Consolidated Statement of Comprehensive Income

Item	96th Business Year (from April 1, 2019 to March 31, 2020)	Ref: 95th Business Year (from April 1, 2018 to March 31, 2019)
	Millions of yen	Millions of yen
Revenue:		
Sales of goods	6,638,184	7,197,705
Commissions on services and trading margins	189,457	203,551
Total revenue	6,827,641	7,401,256
Cost of goods sold	(6,130,833)	(6,671,581)
Gross trading profit	696,808	729,675
Other income (expenses):		
Selling, general and administrative expenses	(558,487)	(549,014)
Gains (losses) on allowance for doubtful accounts	(4,446)	(7,652)
Gains (losses) on property, plant and equipment:		
Impairment losses	(251,639)	(17,803)
Gains (losses) on sales of property, plant and equipment	678	2,597
Other-net	(15,098)	10,742
Total other income (expenses)	(828,992)	(561,130)
Finance income (expenses):		
Interest income	16,382	15,950
Interest expenses	(47,737)	(46,807)
Dividend income	27,631	37,336
Gains (losses) on investment securities	25,123	28,517
Total finance income (expenses)	21,399	34,996
Share of profits (losses) of associates and joint ventures	(55,150)	85,278
Profit (loss) before tax	(165,935)	288,819
Income taxes	(24,256)	(49,535)
Profit (loss) for the year	(190,191)	239,284
Profit (loss) for the year attributable to:		
Owners of the parent	(197,450)	230,891
Non-controlling interests	7,259	8,393
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	(53,880)	(12,485)
Remeasurements of defined benefit plan	(19,080)	(7,301)
Changes in other comprehensive income of associates and joint ventures	(5,627)	(5,659)
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation adjustments	(85,117)	47,308
Gains (losses) on cash flow hedges	(5,425)	4,777
Changes in other comprehensive income of associates and joint ventures	(29,009)	13,639
Other comprehensive income, net of tax	(198,138)	40,279
Total comprehensive income for the year	(388,329)	279,563
Total comprehensive income for the year attributable to:		
Owners of the parent	(394,355)	270,904
Non-controlling interests	6,026	8,659

Consolidated Statement of Changes in Equity

96th Business Year (from April 1, 2019 to March 31, 2020)

	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	139,898	243,589	(1,384)	1,163,472	71,912	131,178
Cumulative effect of applying new accounting standards and interpretations					(6,674)		
Profit (loss) for the year					(197,450)		
Other comprehensive income						(58,875)	(89,931)
Purchases and sales of treasury stock		(14)		212			
Dividends to owners of the parent					(59,878)		
Equity transactions with non-controlling interests and others		3,305			(42)		
Distribution to owners of other equity financial instruments					(3,902)		
Transfer to retained earnings					(29,386)	9,681	
Transfer to non-financial assets or non-financial liabilities							
Balance at end of year	262,686	143,189	243,589	(1,172)	866,140	22,718	41,247

	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	(33,610)	—	169,480	1,977,741	93,985	2,071,726
Cumulative effect of applying new accounting standards and interpretations				(6,674)		(6,674)
Profit (loss) for the year				(197,450)	7,259	(190,191)
Other comprehensive income	(28,394)	(19,705)	(196,905)	(196,905)	(1,233)	(198,138)
Purchases and sales of treasury stock				198		198
Dividends to owners of the parent				(59,878)	(6,640)	(66,518)
Equity transactions with non-controlling interests and others				3,263	(4,246)	(983)
Distribution to owners of other equity financial instruments				(3,902)		(3,902)
Transfer to retained earnings		19,705	29,386	—		—
Transfer to non-financial assets or non-financial liabilities	(918)		(918)	(918)		(918)
Balance at end of year	(62,922)	—	1,043	1,515,475	89,125	1,604,600

Ref: 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

Notes to Consolidated Financial Statements

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

1. Basis of Consolidated Financial Statements

The Company's Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") pursuant to the first paragraph 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: 309

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: 144

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 (375 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) Accounting for leases

(i) Accounting as lessee

At the commencement date of the lease, the Companies recognise a right-of-use asset that represents the Companies' right to use an underlying asset and a lease liability that represents the obligation to pay lease payments. The right-of-use asset is measured at cost, which is comprised of: the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date of the lease; any initial direct costs; and an estimate of costs to be incurred in restoring the underlying asset to the condition required by the lease. The Companies depreciate the right-of-use asset over the lease term in principle. The lease term is determined as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Companies are reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Companies are reasonably certain not to exercise that option.

The Companies measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Companies use their incremental borrowing rate.

(ii) Accounting as lessor

For finance leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset, at the commencement date of the lease, the Companies derecognise the underlying asset subject to the lease, and recognises an asset held under a finance lease in the Consolidated Statement of Financial Position. Such assets are presented as lease receivables at an amount equal to the net investment in the lease.

For operating leases, the Companies present underlying assets subject to operating leases in the Consolidated Statement of Financial Position according to the nature of the underlying asset and the depreciation policy for such underlying assets is consistent with the Companies' normal depreciation policy for similar assets.

(5) 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.

(6) 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.

(7) 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.

(8) 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

(9) 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: 35; excluded: 8
Associates and joint ventures accounted for under the equity method: newly included: 13; excluded: 18

(2) Newly applied standards and interpretations

From the year ended March 31, 2020, the Companies have applied the following standards and interpretations

Standards and Interpretations	Description
IFRS 16 *Leases*	Changes in lease accounting

The primary impact of the application of IFRS 16 Leases in the Consolidated Financial Statements is, in principle, for all leases, right-of-use assets representing the right to use the underlying assets, and lease liabilities representing the obligation for the related lease payments, are recognised in the Consolidated Statement of Financial Position. In addition, depreciation and amortisation of such right-of-use assets, and finance charges for such lease liabilities are recognised in the Consolidated Statement of Comprehensive Income. Due to the application of this standard, "Property, plant and equipment", "Intangible assets", "Notes, trade accounts and loans receivable" and "Other non-current assets" increased by 235,170 million yen in total and "Other financial liabilities (current and non-current)" increased by 237,958 million yen, respectively, at the date of initial application, but there was no material impact on the Consolidated Statement of Comprehensive Income.

The cumulative effect of applying the above standards and interpretations was that retained earnings at the date of initial application decreased by 6,674 million yen.

(3) Changes in presentation

From the year ended March 31, 2020, to offer greater transparency in the presentation of the Consolidated Financial Statements, "Impairment losses on trade accounts receivable" previously included in "Selling, general and administrative expenses" is presented separately as "Gains (losses) on allowance for doubtful accounts".

(4) 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	61 million yen
Inventories	174 million yen
Investments in associates and joint ventures	36,262 million yen
Property, plant and equipment (after deducting accumulated depreciation)	34,620 million yen
Other	25,052 million yen
Total	96,169 million yen

2. Allowance for doubtful accounts directly deducted from assets:

Notes, trade accounts and loans receivable (current)
19,265 million yen
Notes, trade accounts and loans receivable (non-current)
31,879 million yen

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

1,607,108 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 342,604 million yen, and 15,903 million yen which exclude the amount secured by secondary guarantees provided for the Company by the third parties of 326,701 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 companies which belong to the Indonesian enterprise group Sugar Group—and requested payment from such receivables. However, in response, the companies belonging to the Sugar Group,

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.
To find four out of the six defendants, including the Company and Marubeni Europe PLC, jointly liable for damages in a total amount of US$250 million to the plaintiffs, i.e., five companies belonging to the 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.
To find five out of the seven defendants, including the Company, jointly liable for damages in a total amount of US$250 million to the plaintiffs, i.e., four companies belonging to the 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 the claims of the companies belonging to Sugar Group 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, for the Gunung Sugih case, on February 3, 2020, the Company received a decision from the Gunung Sugih District Court rejecting the application for judicial review (retrial) (hereinafter referred to as "Decision"). As aforementioned, the Company received the ruling of the Supreme Court on September 14, 2017, and filed an application for judicial review (retrial) on February 6, 2018, which is within 180 days from the date of receipt of the ruling of the Supreme Court. However, in this Decision, the Company's date of receipt of the ruling of the Supreme Court was certified to be December 8, 2016, and the application for judicial review (retrial) filed on February 6, 2018, was rejected as deemed to be filed after the application deadline.
However, while it is evident from the Notice of Ruling that the Company's date of receipt of the ruling of the Supreme Court is September 14, 2017, the evidence adopted by the Supreme Court to certify that the Company's date of receipt of the Supreme Court ruling as December 8, 2016, was not expressly set forth in this Decision and this Decision is presumed to be unreasonable based on obvious misconceptions regarding matters of fact. The Company analysed the contents of the Decision, and after considering the legal course of action available to the Company based on judicial review (retrial) system pursuant to Indonesian Supreme Court legislation in response to the Supreme Court's decision, a second application for judicial review (retrial) will be submitted by the prescribed application deadline. Considering the above situation, 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 case will be overturned. Thus, the Company did not recognise any provisions for litigation in regard to the aforementioned case at March 31, 2020.

Also, in the Previous Case, although the validity of the Company's receivables and security interest owed by PT. Indolampung Perkasa and PT. Sweet Indolampung -both of which belong to the Sugar Group- was affirmed, the Sugar Group companies, PT. Indolampung Perkasa, PT. Sweet Indolampung, PT. Gula Putih Mataram, PT. Indolampung Distillery, and PT. Garuda Pancaarta (hereinafter referred to in this paragraph as the "Sugar Group Defendant") denied such validity. Therefore, on April 26, 2017, the Company filed a lawsuit in the District Court for Central Jakarta, Indonesia, seeking damages of approximately US$1.6 billion, the reputation of the Company caused by the tort of the Sugar Group Defendant, against the Sugar Group Defendant. In response, the Sugar Group Defendant alleged in the course of case proceedings that the lawsuit filed by the Company constituted tort and filed a lawsuit ("Counterclaim") seeking payment for damages totalling US$7.75 billion on April 30, 2019. The Company has estimated that there is a low possibility that losses might be incurred as a result of this Counterclaim.

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, 2020, 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. Impairment losses on property, plant and equipment

For the year ended March 31, 2020, "Impairment losses" included the following items.

(1) An impairment loss of 118,944 million yen on property, plant and equipment of the oil and gas E&P in the U.S. Gulf of Mexico was recognised due to the precipitous decline in crude oil prices and the review of the oil production and excavation plan.

(2) An impairment loss of 37,657 million yen on property, plant and equipment of the oil and gas E&P in the U.K. North Sea was recognised due to the precipitous decline in crude oil prices.

(3) Although the environment for the grain related business has shown some signs of recovery in several factors placing downward pressure on revenue, such as U.S.-China trade tensions and unfavourable weather in North America, there has only been gradual recovery. The business plan was reviewed based on the judgment that it would be difficult to expect significant growth in profit in the grain related business of Gavilon due to increasing uncertainty about the business environment accompanying the spread of COVID-19 and other factors. Accordingly, the Company recognised an impairment loss of 88,416 million yen on the unrecoverable

amount of goodwill and intangible assets recognised on the acquisition of the grain related business of Gavilon.

2. Gains (losses) on investment securities

For the year ended March 31, 2020, the Company sold a portion of its interest in a subsidiary operating leasing and rental business of refrigerated trailers in the U.S. As a result of assessing the fair value of the residual investment subsequent to the loss of control over the entity, a gain of 17,412 million yen was recognised as "Gains(losses) on investment securities".

3. Share of profits (losses) of associates and joint ventures

For the year ended March 31, 2020, "Share of profits (losses) of associates and joint ventures" included the following items.

(1) The future business plan for the Chilean copper mining business was reviewed based on the decline in copper prices due to decreasing demand in China caused by the spread of COVID-19. As a result, an impairment loss of 60,251 million yen was recognised on the unrecoverable amount of investment in some of the mining areas under the copper business.

(2) The Companies incorporated the uncertainty of achieving the financial targets for a certain period time into the future business plan for the aircraft leasing business in the U.S. based on the deterioration of the business environment caused by the spread of COVID-19. As a result, an impairment loss of 42,113 million yen was recognised on the unrecoverable amount of investment in the business.

(3) When the future business plan was reviewed at the end of the previous fiscal year, the grain export business in the West Coast of the U.S. was expected to bounce back from the revenue drop mainly resulting from U.S.-China trade tensions. However, the Companies determined that the recovery of the business was unlikely in the short term partly due to the uncertainty in the business environment brought about by the spread of COVID-19, and other factors, and revisited the future business plan again. As a result, an impairment loss of 26,062 million yen was recognised on the unrecoverable amount of investment in the business.

(4) The Companies considered the uncertainty in achieving the business plan due to the revisions of contract with customers for the infrastructure business in Philippines. As a result, an impairment loss of 22,975 million yen was recognised on the unrecoverable amount of investment in the business.

(5) For the offshore wind power installation business in the U.K., maintenance services for offshore oil and gas are also provided. Due to the decline in demand for this service, the future business plan was reviewed. As a result, an impairment loss of 15,451 million yen was recognised on the unrecoverable amount of investment in the business.

(6) Based on a review of the future business plan for the LNG business in Papua New Guinea, as a result of the precipitous decline in crude oil prices, an impairment loss of 13,590 million yen was recognised on the unrecoverable amount of investment in the business.

4. Income taxes

For the year ended March 31, 2020, "Income taxes" included the following items.

(1) As profitability of the oil and gas E&P in the U.K. North Sea deteriorated due to the precipitous decline in crude oil price, the amount of tax loss carryforwards of deferred tax assets that would not be anticipated to be used were reversed. With this as the main factor, tax expenses were recognised in the amount of 19,830 million yen.

(2) For the recoverability of deferred tax assets in the Company and subsidiaries filing a consolidated tax return, as a result of the impact from the deterioration of the business environment due to the spread of COVID-19 was incorporated into the future taxable profit plan, tax expenses were recognised in the amount of 10,070 million yen following a reversal of deferred tax assets recognised for deductible temporary differences.

5. Additional information

For the year ended March 31, 2020, impairment losses and tax expenses following a reversal of deferred tax assets are recognised in view of direct or indirect effects from the spread of COVID-19.

Key assumptions considered in recognising these items are as follows.

(1) Oil and gas E&P

The amount of impairment loss on property, plant and equipment in the oil and gas E&P in the U.S. Gulf of Mexico and the U.K. North Sea is based on the recoverable amount measured at value in use based on the discounted future cash flows of the mining properties where an indication of impairment was identified. The short-term forecast of crude oil prices in the future business plan, which is used for the calculation of value in use for each mining property, is determined by reference to the future market prices of WTI crude oil (the U.S. Gulf of Mexico) and Brent crude oil (the U.K. North Sea) as at the end of the current fiscal year. The long-term forecast, on the other hand, is determined after a certain adjustment is made to the forecast for these crude oil prices published by external agencies.

The forecast of the estimated weighted-average crude oil prices based on oil production for the U.S. Gulf of Mexico is US$37 per barrel from the fiscal year ending March 2021 to the fiscal year ending March 2024 and US$46 per barrel throughout the whole operation periods, whereas that for the U.K. North Sea is US$41 per barrel and US$50 per barrel for the same periods respectively.

(2) Grain related businesses in North America

The amounts of the following impairment losses were based on the recoverable amounts calculated as the value in use based on the discounted future cash flows: the impairment loss on the goodwill recognised in accompanying the acquisition of the Gavilon grain business and intangible assets of this business; and the impairment loss on the investment in the grain export business on the U.S. West Coast, which was recognised as "Share of profits (losses) of associates and joint ventures". In developing the future business plan used for the calculation of the value in use, factors such as trading volume, prices, and margins were

considered as main assumptions. At the same time, recovery from the current profit level is assumed to be gradual due to increased uncertainty in the global business environment associated with the spread of COVID-19 and other factors, while ensuring consistency with past experience and external information.

(3) Chilean copper mining business

For investments in the certain mining properties in the Chilean copper mining business, the impairment loss recognised as "Share of profits (losses) of associates and joint ventures" was calculated using the recoverable amount measured at value in use based on discounted future cash flows. The short-term forecast of copper price applied in the future business plan used for the calculation of value in use is determined by reference to the future market price of copper at the end of the current fiscal year, and the long-term forecasts is determined by reference to the copper price forecast published by external agencies.

The assumed copper prices from the fiscal year ending March 2021 to the fiscal year ending March 2023 is approximately US$5,000 per ton. Prices are scheduled to increase up to approximately US$5,500 per ton for the fiscal year ending March 2025, US$6,200 per ton for the fiscal year ending March 2028, and US$7,050 per ton in the fiscal year ending March 2030.

(4) Aircraft leasing business in the U.S.

For investments in the aircraft leasing business in the U.S., the impairment loss recognised as "Share of profits (losses) of associates and joint ventures" was calculated using the recoverable amount measured at value in use based on discounted future cash flows. The future business plan used for calculating the value in use, considers the asset portfolios, leasing fees, and proceeds from the sale of assets as key assumptions.

In addition, as effects from future uncertainties, the risks from decrease in income from lease payments, deterioration in the business environment of the aircraft industry, declines in air passenger demand, and decrease in sales value of aircrafts were factored. Such factors are weighted over three years, reflecting the impact of the spread of COVID-19 and the corresponding recovery.

(5) Judgement on the recoverability of deferred tax assets in the Company and subsidiaries filing a consolidated tax return

Judgement on the recoverability of deferred tax assets is based on the future taxable profit plan. This taxable profit plan has been formulated based on the assumption that the impact of the spread of COVID-19 will remain until the fiscal year ending March 2022.

<Notes to the Consolidated Statement of Changes in Equity>

1.Type and number of outstanding shares at March 31, 2020:

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, 2019	Common stock	29,504 million yen	17.00 yen	March 31, 2019	June 3, 2019
The Board of Directors meeting held on November 5, 2019	Common stock	30,374 million yen	17.50 yen	September 30, 2019	December 2, 2019

(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 20, 2020	Common stock	30,378 million yen	Retained earnings	17.50 yen	March 31, 2020	June 5, 2020

3. Type and number of shares underlying stock acquisition rights at March 31, 2020 (excluding those yet to become exercisable):

Type of shares	Common stock
Number of shares	575,700 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)	1,160,305 million yen	1,160,998 million yen
Investment securities and other investments (2)	229,147 million yen	229,147 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:
731.72 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	1,515,475
Adjustment amount used for the calculation of equity per share attributable to owners of the parent	
Amount not attributable to owners of the parent	245,402
Equity used for calculation of equity per share attributable to owners of the parent	1,270,073
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	1,735,726,318

2. Basic earnings per share attributable to owners of the parent:
(116.3) yen
Diluted earnings per share attributable to owners of the parent:
(116.3) yen
As the conversions of stock acquisition rights decrease loss for the year attributable to owners of the parent per share, adjustments to the dilutive effects have not been conducted.

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

Numerator (millions of yen)	
Loss for the year attributable to owners of the parent	(197,450)
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	3,920
Loss for the year used for the calculation of earnings per share attributable to owners of the parent (basic)	(201,370)
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)	1,735,465,904

(Reference) Consolidated Statement of Cash Flows <Unaudited>

Item	96th Business Year (from April 1, 2019 to March 31, 2020)	95th Business Year (from April 1, 2018 to March 31, 2019)
	Millions of yen	Millions of yen
Operating activities:		
Profit (loss) for the year	(190,191)	239,284
Adjustments to reconcile profit for the year to net cash provided by (used in) operating activities:		
Depreciation and amortisation	166,922	113,541
Gains (losses) on property, plant and equipment	250,961	15,206
Finance income (expenses)	(21,399)	(34,996)
Share of profits (losses) of associates and joint ventures	55,150	(85,278)
Income taxes	24,256	49,535
Changes in notes and trade accounts receivable	231,157	65,190
Changes in inventories	32,103	(42,777)
Changes in notes and trade accounts payable	(188,141)	(127,896)
Other-net	(92,406)	14,096
Interest received	11,701	11,414
Interest paid	(48,890)	(44,202)
Dividends received	120,504	152,765
Income taxes paid	(24,746)	(40,987)
Net cash provided by operating activities	**326,981**	**284,895**
Investing activities :		
Net increase (decrease) in time deposits	108	803
Proceeds from sale of property, plant and equipment	8,712	5,968
Proceeds from sale of investment property	154	544
Collection of loans receivable	32,584	33,061
Proceeds from sale of subsidiaries, net of cash and cash equivalents disposed	15,778	12,022
Proceeds from sale of investments in associates and joint ventures, and other investments	66,413	123,279
Purchase of property, plant and equipment	(109,878)	(93,221)
Purchase of investment property	(114)	(69)
Loans provided to customers	(8,920)	(14,872)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(15,414)	7,172
Purchase of investments in associates and joint ventures, and other investments	(199,213)	(52,159)
Net cash provided by (used in) investing activities	**(209,790)**	**22,528**
Financing activities :		
Net increase (decrease) in short-term borrowings	74,877	(163,088)
Proceeds from long-term bonds and borrowings	258,016	254,166
Repayments of long-term bonds and borrowings	(347,484)	(436,146)
Dividends paid to shareholders of the parent	(59,878)	(61,611)
Net cash outflows on purchases and sales of treasury stock	(7)	(9)
Capital contribution from non-controlling interests	116	79
Acquisition of additional interests in subsidiaries from non-controlling interests	(7,727)	(9,425)
Payments of distributions to owners of other equity financial instruments	(3,902)	(4,035)
Other	(7,272)	(7,351)
Net cash (used in) financing activities	**(93,261)**	**(427,420)**
Effect of exchange rate changes on cash and cash equivalents	(10,695)	3,451
Net increase (decrease) in cash and cash equivalents	13,235	(116,546)
Cash and cash equivalents at beginning of year	509,288	625,834
Cash and cash equivalents at end of year	522,523	509,288

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

Item	96th Business Year (As of March 31, 2020)	Ref: 95th Business Year (As of March 31, 2019)
ASSETS	Millions of yen	Millions of yen
Current assets:	1,078,819	1,082,506
Cash on hand and in banks	281,113	286,735
Notes receivable-trade	5,043	3,618
Accounts receivable-trade	338,155	437,943
Marketable investment securities	67	151
Inventories	106,149	101,523
Advance payments to suppliers	85,307	103,751
Short-term loans receivable	148,983	50,706
Other current assets	126,442	108,605
Allowance for doubtful accounts	(12,440)	(10,526)
Fixed assets:	2,182,568	2,309,417
Property and equipment	16,480	19,544
Buildings	6,353	7,495
Structures	950	886
Machinery and equipment	957	2,387
Vessels	625	817
Vehicles	627	643
Furniture and fixtures	1,731	2,079
Land	5,237	5,237
Intangible assets	21,975	19,050
Computer software	21,418	18,428
Other intangible assets	557	622
Investments and others	2,144,113	2,270,823
Investment securities	148,794	186,514
Investments in subsidiaries and affiliates	1,739,198	1,794,880
Other investment securities in subsidiaries and affiliates	2,622	2,450
Investments in capital	2,975	3,160
Other investments in subsidiaries and affiliates	59,828	53,400
Long-term loans receivable	186,326	214,891
Doubtful accounts	8,323	7,044
Deferred tax assets	23,288	28,971
Other investment	35,015	28,325
Allowance for doubtful accounts	(50,196)	(29,789)
Allowance for investment loss	(12,060)	(19,023)
Deferred charges	993	883
Bond issuance costs	993	883
Total assets	3,262,380	3,392,806

Item	96th Business Year (As of March 31, 2020)	Ref: 95th Business Year (As of March 31, 2019)
LIABILITIES	Millions of yen	Millions of yen
Current liabilities:	1,218,237	1,319,263
Notes and acceptances payable-trade	119,800	181,711
Accounts payable-trade	318,740	352,366
Short-term loans payable	179,744	140,867
Current portion of bonds	50,000	40,000
Other payables	18,871	46,288
Advance payments received from customers	50,499	69,126
Provision for loss on construction contracts	6	147
Deposits received	406,527	433,604
Other current liabilities	74,050	55,154
Long-term liabilities:	1,424,324	1,395,905
Bonds	296,701	283,321
Long-term loans payable	1,070,747	1,086,339
Accrued pension and retirement benefits	7,225	5,107
Allowance for contingency loss	39,602	10,090
Other long-term liabilities	10,049	11,048
Total liabilities	2,642,561	2,715,168
NET ASSETS		
Shareholders' equity	688,548	737,781
Capital stock	262,686	262,686
Capital surplus		
Additional paid-in capital	91,073	91,073
Other capital surplus	32,075	32,089
Retained earnings		
Other Retained earnings		
Retained earnings	303,861	353,292
Common stock in treasury	(1,147)	(1,359)
Valuation and translation adjustments	(70,065)	(61,145)
Unrealised gains or losses on other securities	22,967	45,432
Deferred gains or losses on hedges	(93,032)	(106,577)
Stock acquisition rights	1,336	1,002
Stock acquisition rights	1,336	1,002
Total equity	619,819	677,638
Total liabilities and net assets	3,262,380	3,392,806

Non-consolidated Statement of Income

Item	96th Business Year (from April 1, 2019 to March 31, 2020)		Ref: 95th Business Year (from April 1, 2018 to March 31, 2019)	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Sales		4,545,685		5,500,313
Cost of sales		4,451,110		5,396,772
Gross profit		94,575		103,541
Selling, general and administrative expenses		143,294		145,463
Operating loss		(48,719)		(41,922)
Non-operating income		199,910		227,949
Interest income	10,430		10,226	
Interest on securities	3		3	
Dividend income	183,777		205,344	
Miscellaneous income	5,700		12,376	
Non-operating expenses		47,920		44,779
Interest expense	20,758		22,888	
Interest on bonds	4,235		2,653	
Exchange loss	7,015		1,756	
Miscellaneous expenses	15,912		17,482	
Ordinary income		103,271		141,248
Extraordinary gains		19,944		18,199
Gain on sales of property and equipment	47		16	
Gain on sales of investment securities	2,420		5,343	
Gain on sales of subsidiaries and affiliates' stocks	17,125		12,840	
Gain on transfer of business	352		—	
Extraordinary losses		113,815		48,697
Loss on sales of property and equipment	147		68	
Loss on sales of investment securities	1,667		372	
Loss on sales of subsidiaries and affiliates' stocks	203		91	
Loss on valuation of investment securities	5,087		25	
Loss on valuation of subsidiaries and affiliates' stocks	53,898		33,214	
Provision for loss on business of subsidiaries and affiliates	52,813		14,927	
Income before income taxes		9,400		110,750
Provision for income taxes – current		(7,917)		(6,399)
Provision for income taxes – deferred		6,870		(2,153)
Net income		10,447		119,302

Non-consolidated Statement of Changes in Net Assets

96th Business Year (from April 1, 2019 to March 31, 2020)

	Shareholders' equity						Valuation and translation adjustments				
	Capital stock	Capital surplus		Retained earnings	Common stock in treasury	Total share holders' equity	Unrealised gains or losses on other securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	Stock acquisition rights	Total equity
		Additional paid-in capital	Other capital surplus	Other Retained earnings / Retained earnings brought forward							
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance on March 31, 2019	262,686	91,073	32,089	353,292	(1,359)	737,781	45,432	(106,577)	(61,145)	1,002	677,638
Changes of items during the Business Year											
Dividends				(59,878)		(59,878)					(59,878)
Net income				10,447		10,447					10,447
Treasury stock purchased					(4)	(4)					(4)
Treasury stock sold			(14)		216	202					202
Net changes of items other than shareholders' equity							(22,465)	13,545	(8,920)	334	(8,586)
Total changes of items during the Business Year	—	—	(14)	(49,431)	212	(49,233)	(22,465)	13,545	(8,920)	334	(57,819)
Balance on March 31, 2020	262,686	91,073	32,075	303,861	(1,147)	688,548	22,967	(93,032)	(70,065)	1,336	619,819

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

	Shareholders' equity						Valuation and translation adjustments				
	Capital stock	Capital surplus		Retained earnings	Common stock in treasury	Total share holders' equity	Unrealised gains or losses on other securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	Stock acquisition rights	Total equity
		Additional paid-in capital	Other capital surplus	Other Retained earnings / Retained earnings brought forward							
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance on March 31, 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

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. 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 consolidated taxation system is applied. In regard to the items for which the review of the non-consolidated taxation system was carried out together with the transition to the Group Tax Sharing System established in the "Partial Amendment of the Income Tax Act" (Act No. 8 of 2020), based on Article 3 of the "Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System" (PITF No.39, 31 March 2020) the provisions set forth in Article 44 of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, February 16, 2018) are not applied, and the amounts of deferred tax assets and deferred tax liabilities are based on the provisions of the tax law before revisions.

<Notes to Balance Sheet>

1. Accounts receivable from and payable to affiliated companies

Due from subsidiaries and affiliates	
Current	322,568 million yen
Non-current	185,794 million yen
Due to subsidiaries and affiliates	
Current	464,716 million yen
Non-current	917 million yen

2. Accumulated depreciation on property and equipment

31,510 million yen

3. Assets pledged as collateral

Assets pledged as collateral	
Investment securities and investments in subsidiaries and affiliates	49,139 million yen
Other current assets	2,163 million yen
Related liabilities	
Other current liabilities	10 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	404,868 million yen
Marubeni America	301,076 million yen
Marubeni Iron Ore Australia	135,466 million yen
Others (151 companies)	612,199 million yen
Total	1,453,609 million yen

Elimination of duplication (69,312 million yen) is included in "Others".

Commitments to guarantees for bank loans	
Marubeni Finance Europe	49,602 million yen
Others (4 companies)	(48,738) million yen
Total	864 million yen

Elimination of duplication (50,922 million yen) is included in "Others".

Guarantees for client debt are included above.

Export bills of exchange discounted	21,225 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, 2020 and on which the Company bears credit risk of domestic subsidiaries and affiliates based on the contract with MFS are as follows:

Marubeni Aviation	43,882 million yen
Others (27 companies)	165,981 million yen
Total	209,863 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	878,580 million yen
Purchases	1,506,138 million yen
Non-operating transactions	185,485 million yen

2. Loss on valuation of subsidiaries and affiliates' stocks and Provision for loss on business of subsidiaries and affiliates

For the year ended March 31, 2020, the major "Loss on valuation of subsidiaries and affiliates' stocks" and "Provision for loss on business of subsidiaries and affiliates" are as summarised below.

(1) Extraordinary losses of 24,140 million yen and 27,993 million yen were recorded as "Loss on valuation of subsidiaries and affiliates' stocks" and "Provision for loss on business of subsidiaries and affiliates", respectively, as a result of the deteriorated financial position of Marubeni North Sea Ltd., a subsidiary operating the oil and gas E&P in the U.K. North Sea.

(2) An extraordinary loss of 17,993 million yen was recorded as a "Provision for loss on business of subsidiaries and affiliates", as a result of the deteriorated financial position of the offshore wind installation business in the U.K.

(3) As the recoverability of the reduced net asset value of the investment in the business for manufacturing and distributing of bleached hardwood kraft pulp in Indonesia is not expected, an extraordinary loss of 14,173 million yen was recorded as a "Loss on valuation of subsidiaries and affiliates' stocks" for the reduced net asset value.

(4) As the recoverability of the reduced net asset value of the investment in the LNG business in Papua New Guinea is not expected, an extraordinary loss of 12,849 million yen was recognised as a "Loss on valuation of subsidiaries and affiliates' stocks" for the reduced net asset value.

<Notes to Statement of Changes in Net Assets>

Type and number of treasury stock at March 31, 2020:

Type of shares	Common stock
Number of shares	2,036,195 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.

The recoverability of the deferred tax assets was based on the future taxable plan for the Company and subsidiaries filing a consolidated tax return. The taxable profit plan has been developed on the assumption that the negative impact from the deterioration of the business environment due to the spread of COVID-19 is likely to remain until the fiscal year ending March 31, 2022. As a result, 10,341 million yen of valuation allowance was deducted from deferred tax assets.

<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, 2020
Subsidiary	JAPAN OFFSHORE WIND POWER CO., LTD.	Direct: 100%	Financial assistance	Lending of funds *1	—	Long-term loans receivable	34,446
Subsidiary	MARUBENI PETROLEUM	Direct: 100%	Import and offshore trade etc.	Import and offshore trade etc. *2	789,290	Accounts payable Other payables Others	6,341 1,194 239
			Debt guarantee	Debt guarantee *3	63,996	—	—
Subsidiary	MARUBENI NORTH SEA	Direct: 100%	Debt guarantee	Debt guarantee *3	36,540	—	—
Subsidiary	MARUBENI IRON ORE AUSTRALIA	Direct: 100%	Debt guarantee	Debt guarantee *3	135,466	—	—
Subsidiary	MARUBENI LP HOLDING	Direct: 100%	Financial assistance	Lending of funds *1	—	Long-term loans receivable	98,812
Subsidiary	MMSL	Direct: 100%	Debt guarantee	Debt guarantee *3	72,314	—	—
Subsidiary	MARUBENI AVIATION	Direct: 100%	Financial assistance	Lending of funds *1	122,805	Short-term loans receivable	122,669
Subsidiary	MARUBENI FINANCIAL SERVICE	Direct: 100%	Debt guarantee	Debt guarantee *3	404,868	—	—
			Financial assistance	Lending of funds *4	33,926	Short-term loans receivable	17,563
			Deposit	Deposit *5	367,135	Deposits received	352,887
Subsidiary	MARUBENI FINANCE EUROPE	Direct: 100%	Debt guarantee	Debt guarantee *3	76,483	—	—
Subsidiary	MARUBENI AMERICA	Direct: 100%	Import and offshore trade etc.	Import and offshore trade etc. *2	265,240	Accounts payable Other payables Deposits received Others	24,553 1,414 10 22,742
			Debt guarantee	Debt guarantee *3	301,076	—	—

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

1. 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.
2. The trading prices and other terms and conditions are determined by negotiation based on the current market prices, etc.
3. 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.
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 356.29 yen

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

Numerator (millions of yen)	
Total net assets	619,819
Amount deducted from total net assets	
Stock acquisition rights	1,336
Total net assets concerning ordinary shares	618,483
Denominator (number of shares)	
Number of ordinary shares at end of period	1,735,904,705

2. Earnings per share 6.02 yen

Diluted earnings per share 6.01 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	10,447
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	10,446
Denominator (number of shares)	
Average number of ordinary shares during period used for the calculation of earnings per share	1,735,643,795
Adjustment of number of dilutive shares	
Adjustment concerning stock acquisition rights	1,813,986
Average number of ordinary shares during period used for the calculation of diluted earnings per share	1,737,457,781

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

Independent Auditor's Report

May 19, 2020

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)

Opinion

Pursuant to the fourth paragraph of Article 444 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 fiscal year from April 1, 2019 through March 31, 2020.
In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position and results of operations of the Group, which consisted of the Company and its consolidated subsidiaries, applicable to the fiscal year ended March 31, 2020, in accordance with International Financial Reporting Standards with some omissions of disclosure items pursuant to the latter part of the first paragraph of Article 120 of the Ordinance for Company Accounting.

Basis for opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management, Corporate Auditor and Board of Corporate Auditors 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 first paragraph of Article 120 of the Ordinance for Company Accounting , and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by International Financial Reporting Standards with some omissions of disclosure items pursuant to the latter part of the first paragraph of Article 120 of the Ordinance for Company Accounting, matters related to going concern.
Corporate Auditor and Board of Corporate Auditors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- In making those risk assessments, we consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with International Financial Reporting Standards with some omissions of disclosure items pursuant to the latter part of the first paragraph of Article 120 of the Ordinance for Company Accounting.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Corporate Auditor and Board of Corporate Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Corporate Auditor and Board of Corporate Auditors with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Conflicts of Interest

We have no interest in the Company and its consolidated subsidiaries 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, 2020. 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 19, 2020

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)

Opinion

Pursuant to the first item, second paragraph of Article 436 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 96th business year from April 1, 2019 through March 31, 2020.
In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position and results of operations of the Company, applicable to the fiscal year ended March 31, 2020, in accordance with auditing standards generally accepted in Japan.

Basis for opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management, Corporate Auditor and Board of Corporate Auditors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with auditing standards generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by auditing standards generally accepted in Japan, matters related to going concern.
Corporate Auditor and Board of Corporate Auditors are responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- In making those risk assessments, we consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the financial statements is not expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with auditing standards generally accepted in Japan.

We communicate with the Corporate Auditor and Board of Corporate Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Corporate Auditor and Board of Corporate Auditors with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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, 2020. 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 96th Business Year from April 1, 2019 to March 31, 2020 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 20, 2020

The Audit & Supervisory Board, Marubeni Corporation

Full-time Audit & Supervisory Board Member	Kazuro Gunji (Seal)
Full-time Audit & Supervisory Board Member	Hikaru Minami (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.

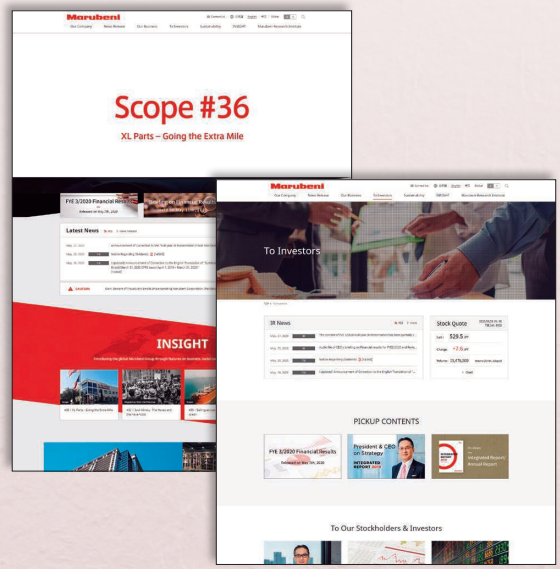
◆ **Contact address:**

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/en/



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 19, 2020

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

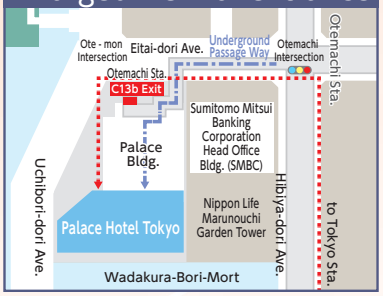
※The Corporation will no longer provide gifts to shareholders who are attending the meeting. We appreciate your understanding.

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

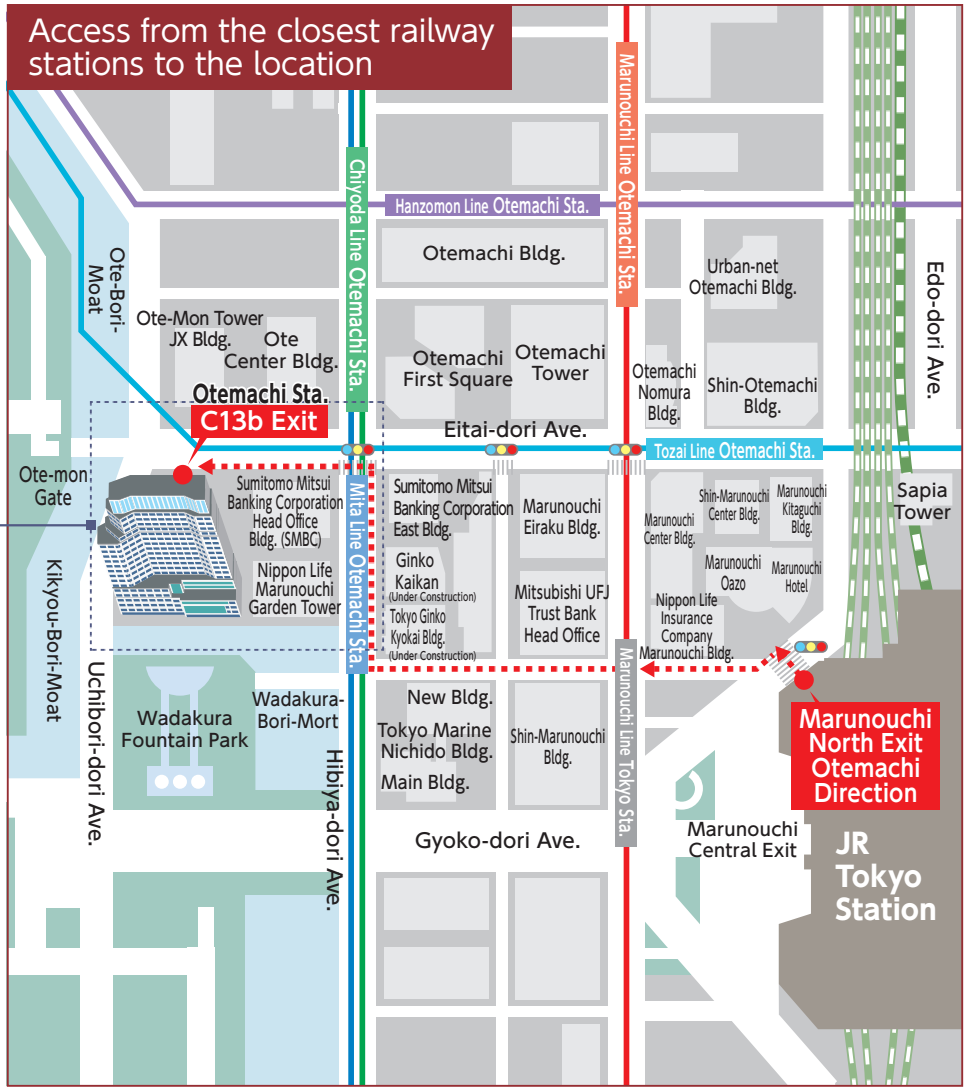
Tokyo Metro
- Chiyoda Line
- Hanzomon Line
- Marunouchi Line
- Tozai Line

Toei Subway
- Mita Line

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

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

Access from the closest railway stations to the location



UD FONT

Easy to read universal design fonts that are used.