

---

**Summary of Consolidated Financial Results**  
**For the Three-month Period Ended June 30, 2016**  
**(IFRS basis)**

(April 1, 2016 – June 30, 2016)

---

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

**Marubeni**

(TSE Code: 8002)

## Summary of Consolidated Financial Statements for the Three-Month Period Ended June 30, 2016 (IFRS basis)

Company name: Marubeni Corporation  
Listed: Tokyo, Nagoya

(URL <http://www.marubeni.com>)

Code number: 8002

Representative: KOKUBU Fumiya President and CEO, Member of the Board  
Inquiries: HANADA Kazuo General Manager, Media Relations Sec.  
Expected filing date of quarterly financial statement report: August 10, 2016  
Expected date of the beginning of delivery of dividends: -  
Supplementary explanations of quarterly business results: Prepared  
Briefing on quarterly business results: To be held (for institutional investors and analysts)

TEL (03) 3282 - 4805

### 1. Consolidated financial results for the three-month period ended June 30, 2016 (April 1, 2016 - June 30, 2016)

(Remarks)

Figures are rounded to the nearest million.

%: change from the previous fiscal year

#### (1) Consolidated business results

	Total volume of trading transactions		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of the parent		Comprehensive income for the period	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
Three months ended June 30,												
2016	2,791,713	(16.5)	31,755	(38.2)	64,226	(25.4)	49,500	(31.9)	48,409	(31.8)	(108,153)	-
2015	3,342,291	(9.5)	51,421	(1.8)	86,132	(3.4)	72,699	2.7	71,029	2.8	130,604	132.4

	Earnings per share attributable to owners of the parent (basic)		Earnings per share attributable to owners of the parent (diluted)	
	(yen)	(yen)	(yen)	(yen)
Three months ended June 30,				
2016	27.90	27.90	40.93	40.93
2015	40.93	40.93	40.93	40.93

(Note) 1. "Total volume of trading transactions" and "Operating profit" are presented in accordance with Japanese accounting practice for investors' convenience and are not required by IFRS.

2. "Total volume of trading transactions" includes all transactions involving the Company and its consolidated subsidiaries regardless of transaction type.

3. "Operating profit" is the sum of "Gross trading profit", "Selling, general and administrative expenses" and "Provision for doubtful accounts".

4. Basic and diluted earnings per share attributable to owners of the parent are based on profit attributable to owners of the parent.

#### (2) Consolidated financial conditions

	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent ratio
	(millions of yen)	(millions of yen)	(millions of yen)	(%)
June 30, 2016	6,631,075	1,288,810	1,197,013	18.1
March 31, 2016	7,117,686	1,415,202	1,317,052	18.5

### 2. Dividends information

	Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Annual
	(yen)	(yen)	(yen)	(yen)	(yen)
Year ended March 31, 2016	-	10.50	-	10.50	21.00
Year ending March 31, 2017	-	-	-	-	-
Year ending March 31, 2017 (Forecast)	-	9.50	-	9.50	19.00

(Note) Changes from the latest announced forecasts: None

### 3. Prospects of consolidated financial results for FYE 3/2017 (April 1, 2016 - March 31, 2017)

(Remarks)

%: change from the previous fiscal year

	Total volume of trading transactions		Operating profit		Profit before tax		Profit for the year		Profit attributable to owners of the parent		Earnings per share attributable to owners of the parent (basic)
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)	(yen)
Six months period	-	-	-	-	-	-	-	-	-	-	-
Yearly	12,500,000	2.4	100,000	(4.1)	190,000	109.8	135,000	99.9	130,000	108.8	74.91

(Note) Changes from the latest announced forecasts: None

\* The Company manages its operating performance on a full-year basis, and hence does not make earnings forecasts for six-month periods.

**\*Note**

(1) Changes in principal subsidiaries during the period : None

(2) Changes in accounting principles and accounting estimates

① Changes in accounting principles required by IFRS : None

② Changes other than ① : None

③ Changes in accounting estimate : None

(3) Number of issued shares (Common shares)

① Number of issued shares at the end of the term  
(Treasury stock is included)

June 30, 2016 1,737,940,900

March 31, 2016 1,737,940,900

② Number of treasury stock at the end of the term

June 30, 2016 2,580,709

March 31, 2016 2,580,195

③ Average number of outstanding shares during the term

Three months ended June 30, 2016 1,735,360,448

Three months ended June 30, 2015 1,735,372,678

<Indication concerning implementation status of quarterly review procedure>

These Consolidated Financial Results are not subject to the review procedure pursuant to the Financial Instruments and Exchange Law.

At the time of disclosing these Consolidated Financial Results, the review procedure for financial statements pursuant to the Financial Instruments and Exchange Law has not been completed.

<Descriptions relating to the proper use of financial prospects and other special notes>

(Notes to the description about future, other)

The descriptions about future such as the above prospects are based upon available information and assumptions, as of the time of the announcement date, about uncertain factors which would influence future businesses. Actual results might be influenced by various factors in the future.

(How to access supplementary explanations on business results and the details of briefing on business results)

Supplementary explanations on business results will be made available on the Company's website on Friday, August 5, 2016.

The Company is scheduled to hold a briefing on business results for institutional investors and analysts on Friday, August 5, 2016, and to post the audio file of the briefing along with the materials used in the meeting (translated in English) on the Company's website, at the earliest possible time after the meeting.

## **【Table of Contents of Attached Materials】**

1. Qualitative Information on Consolidated Financial Results for the Three-month Period under Review	2
(1) Qualitative Information on Consolidated Business Results	2
(2) Qualitative Information on Consolidated Financial Conditions	6
(3) Qualitative Information on Forecast of Consolidated Financial Results	7
2. Other Information	7
3. Consolidated Financial Statements	8
(1) Consolidated Statements of Financial Position	8
(2) Consolidated Statements of Comprehensive Income	10
(3) Consolidated Statements of Changes in Equity	11
(4) Consolidated Statements of Cash Flows	12
(5) Occurrence of Event or Situation that Creates Doubt about Status as a Going Concern	12
(6) Segment Information	13
(7) Significant Changes in Equity Attributable to Owners of the Parent	13
(8) Subsequent Events	13

# Marubeni Corporation

## Financial Results

### 1. Qualitative Information on Consolidated Financial Results for the Three-month Period under Review

#### (1) Qualitative Information on Consolidated Business Results

In the three-month period ended June 30, 2016, developed economies, particularly the U.S., generally continued to gradually recover. The global economy, however, slowed in response to weakness in emerging market economies, most notably China. Meanwhile, crude oil and other commodity prices declined before gradually stabilizing. Additionally, financial markets were roiled by passage of the UK's referendum in favor of exiting the EU.

The U.S. economy continued to recover despite softness in capital investment. Its recovery was driven chiefly by personal consumption amid a robust employment environment.

The European economy continued to gradually recover, led by Germany.

Emerging market economies as a whole grew sluggishly amid a Chinese economic slowdown encompassing consumption, investment and exports and continued lackluster demand, both domestic and external, in Brazil, Russia et al.

The Japanese economy was stuck in an anemic recovery as consumer sentiment softened even amid continued improvement in the employment environment.

Under the aforementioned business environment, consolidated financial results for the three-month period ended June 30, 2016 are as follows:

(millions of yen)

	Three-month period ended June 30,		Variance
	2016	2015	
Total volume of trading transactions	2,791,713	3,342,291	(550,578)
Gross trading profit	158,583	186,358	(27,775)
Operating profit	31,755	51,421	(19,666)
Share of profits of associates and joint ventures	24,693	30,416	(5,723)
Profit attributable to owners of the parent	48,409	71,029	(22,620)
Revenue	1,870,637	2,021,563	(150,926)

(Note 1)

Figures are rounded to the nearest million yen unless otherwise stated.

# Marubeni Corporation

## Financial Results

(Note 2)

“Total volume of transactions” and “Operating profit” are presented in accordance with Japanese accounting practice for investors’ convenience and are not required by IFRS. “Total volume of trading transactions” includes all transactions involving the Company and its consolidated subsidiaries regardless of transaction type. “Operating profit” is the sum of “Gross trading profit” and “Selling, general and administrative expenses” including “Provision for doubtful accounts”.

### **Total volume of trading transactions**

Total volume of trading transactions for the three-month period ended June 30, 2016 decreased 550.6 billion yen (16.5%) from the year-earlier period to 2,791.7 billion yen, due to sales price declines in petroleum trading businesses.

Meanwhile, “**Revenue**” as defined under IFRS was 1,870.6 billion yen, a decline of 150.9 billion yen (7.5%) from the year-earlier period.

### **Gross trading profit**

Gross trading profit decreased 27.8 billion yen (14.9%) from the year-earlier period to 158.6 billion yen. By operating segment, profits decreased mainly at *Energy & Metals*, namely by 12.8 billion yen (-%) to a loss of 1.0 billion yen.

### **Operating profit**

Operating profit decreased 19.7 billion yen (38.2%) from the year-earlier period to 31.8 billion yen due to decrease in gross trading profit, notwithstanding a decrease in selling, general and administrative expenses resulted from the Japanese yen appreciation.

### **Share of profits of associates and joint ventures**

Share of profits of associates and joint ventures decreased 5.7 billion yen (18.8%) from the year-earlier period to 24.7 billion yen. By operating segment, profits decreased mainly in *Energy & Metals*

### **Profit attributable to owners of the parent**

Profit attributable to owners of the parent for the three-month period ended June 30, 2016 (also referred to as **net profit** for the three-month period under review) decreased 22.6 billion yen (31.8%) to 48.4 billion yen relative to the year-earlier period. As of the end of the three-month period under review, Marubeni achieved 37.2% of 130.0 billion yen, the yearly prospect for the fiscal year ending March 31, 2017.

# Marubeni Corporation

## Financial Results

Financial results for each operating segment for the three-month period ended June 30, 2016 are as follows:

### **Food & Consumer Products:**

Gross trading profit decreased 3.5 billion yen (4.9%) year on year to 67.5 billion yen, largely as result of deconsolidation of a food-related former subsidiary, now an associate. Net profit likewise decreased, down 5.7 billion yen (27.7%) year on year to 14.9 billion yen, largely as result of nonrecurrence of a year-earlier gain on the sale of an equity stake in an ICT related associate.

### **Chemical & Forest Products:**

Gross trading profit decreased 6.9 billion yen (10.9%) year on year to 56.2 billion yen while net profit was down 3.3 billion yen (19.6%) year on year to 13.6 billion yen. The profit declines were largely attributable to margin deterioration in the woodchip/pulp business and reduction in Helena Chemical's yen-equivalent earnings due to yen appreciation.

### **Energy & Metals:**

Gross trading profit worsened 12.8 billion yen (-%) year on year to a 1.0 billion yen loss, largely because of margin deterioration in the LNG business and lower oil and gas prices in the oil and gas development business. Additionally, net profit worsened 16.1 billion yen (-%) year on year to a 5.0 billion yen loss, mainly as a result of reduced profits from an equity-method investment in a Chilean copper project.

### **Power Projects & Plant:**

Gross trading profit declined 1.4 billion yen (9.1%) year on year to 14.2 billion yen, largely as result of deconsolidation of a former consolidated subsidiary, now an equity-method associate, in the North American freight railcar leasing business. Net profit, by contrast, grew 4.4 billion yen (48.0%) year on year to 13.5 billion yen, chiefly by virtue of nonrecurrence of a year-earlier loss on a Uruguayan LNG receiving terminal project.

### **Transportation & Industrial Machinery:**

Gross trading profit decreased 2.5 billion yen (10.0%) year on year to 22.3 billion yen in the wake of sales declines in automotive, construction machinery and aircraft-related businesses. Net profit, however, increased 6.2 billion yen (80.0%) year on year to 14.0 billion yen, boosted by a gain on the sale of an automotive sector business in North America and improved earnings at equity-method investees in ship-related businesses.

# Marubeni Corporation

## Financial Results

*(Note 1)*

*Businesses of the overseas corporate subsidiaries have all been segmented according to the Company's operating segment effective as of the fiscal year ending March 31, 2017.*

*The figures of each operating segments for the three-month period ended June 30, 2015 have been altered accordingly.*

*(Note 2)*

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



# Marubeni Corporation Financial Results

## (2) Qualitative Information on Consolidated Financial Conditions

### ① Conditions of Assets, Liabilities and Equity

	(billions of yen)		
	June 30, 2016	March 31, 2016	Variance
Total assets	6,631.1	7,117.7	(486.6)
Total equity	1,288.8	1,415.2	(126.4)
Net interest-bearing debt	2,615.4	2,762.5	(147.1)
Net D/E ratio (times)	2.03	1.95	+0.08 points

(Note)

1. Figures are rounded to the nearest hundred million yen unless otherwise stated.
2. Net interest-bearing debt is calculated as cash and cash equivalents and time deposits subtracted from the sum of corporate bonds and current and noncurrent borrowings.

**Total assets** decreased 486.6 billion yen from the end of the previous fiscal year to 6,631.1 billion yen due mainly to decreases in **inventories** and **share of profits of associates and joint ventures**.

**Net interest-bearing debt** decreased 147.1 billion yen from the end of the previous fiscal year to 2,615.4 billion yen.

**Total equity** decreased 126.4 billion yen from the end of the previous fiscal year to 1,288.8 billion yen, reflecting decreased foreign currency translation adjustments led by Japanese yen appreciation. Consequently, **net D/E ratio** stood at 2.03 times.

### ② Cash Flows

Cash and cash equivalents at the end of the period under review were 529.5 billion yen, a decrease of 71.4 billion yen from the end of the previous fiscal year.

(Operating activities)

Net cash provided by operating activities was 36.3 billion yen, due to robust operating incomes in overseas corporate subsidiaries.

(Investing activities)

Net cash used in investing activities was 17.6 billion yen reflecting capital expenditures related to overseas businesses, notwithstanding cash in-flow from gains on sale of investment securities.

# Marubeni Corporation

## Financial Results

As a result of the above-mentioned activities, free cash flow (the sum of net cash provided by operating activities and net cash used in investing activities) for the three-month period under review was positive 18.6 billion yen.

(Financing activities)

Net cash used in financing activities amounted to 72.8 billion yen as a result of dividend payment, repayment of borrowings and redemption of corporate bonds.

### **(3) Qualitative Information on Forecast of Consolidated Financial Results**

The earnings forecasts for the fiscal year ending March 31, 2017 are unchanged from the initial projections announced on May 10, 2016.

*<Notes to the description about future, other >*

*The description about future, such as prospects of financial results, is based upon available information and assumption, at the announcement date. Actual results might be influenced by various factors in the future.*

## **2. Other Information**

None

Marubeni Corporation  
Consolidated Financial Statements

**3. Consolidated Financial Statements**

**(1) Consolidated Statements of Financial Position**

	<i>Millions of yen</i>		
	June 30 2016	March 31 2016	Variance
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents	529,456	600,840	(71,384)
Time deposits	3,080	5,032	(1,952)
Investment securities	10,075	10,075	0
Notes, trade accounts and loans receivable	1,269,414	1,270,284	(870)
Other current financial assets	268,810	219,652	49,158
Inventories	644,078	779,581	(135,503)
Other current assets	229,066	277,116	(48,050)
Total current assets	2,953,979	3,162,580	(208,601)
<b>Non-current assets:</b>			
Investments in associates and joint ventures	1,515,983	1,651,350	(135,367)
Other investments	331,198	348,063	(16,865)
Notes, trade accounts and loans receivable	143,013	168,733	(25,720)
Other non-current financial assets	101,513	91,434	10,079
Property, plant and equipment	1,127,711	1,201,444	(73,733)
Intangible assets	311,837	335,273	(23,436)
Deferred tax assets	90,220	94,113	(3,893)
Other non-current assets	55,621	64,696	(9,075)
Total non-current assets	3,677,096	3,955,106	(278,010)
<b>Total assets</b>	6,631,075	7,117,686	(486,611)

Marubeni Corporation  
Consolidated Financial Statements

	<i>Millions of yen</i>		
	June 30 2016	March 31 2016	Variance
<b>Liabilities and Equity</b>			
<b>Current liabilities:</b>			
Bonds and borrowings	566,188	636,536	(70,348)
Notes and trade accounts payable	1,157,482	1,221,150	(63,668)
Other current financial liabilities	373,260	351,246	22,014
Income tax payable	16,335	15,473	862
Other current liabilities	312,335	369,811	(57,476)
Total current liabilities	2,425,600	2,594,216	(168,616)
<b>Non-current liabilities:</b>			
Bond and borrowings	2,581,712	2,731,789	(150,077)
Notes and trade accounts payable	13,635	17,658	(4,023)
Other non-current financial liabilities	71,770	76,697	(4,927)
Accrued pension and retirement benefits	86,992	91,918	(4,926)
Deferred tax liabilities	81,956	100,617	(18,661)
Other non-current liabilities	80,600	89,589	(8,989)
Total non-current liabilities	2,916,665	3,108,268	(191,603)
Total liabilities	5,342,265	5,702,484	(360,219)
<b>Equity:</b>			
Issued capital	262,686	262,686	—
Capital surplus	141,925	141,504	421
Treasury stock	(1,369)	(1,369)	(0)
Retained earnings	766,442	737,215	29,227
Other components of equity:			
Gains and losses on financial assets measured at fair value through other comprehensive income	40,744	43,066	(2,322)
Foreign currency translation adjustments	54,521	193,608	(139,087)
Gains and losses on cash flow hedges	(67,936)	(59,658)	(8,278)
Remeasurements of defined benefit pension plan	—	—	—
Equity attributable to owners of the parent	1,197,013	1,317,052	(120,039)
Non-controlling interests	91,797	98,150	(6,353)
Total equity	1,288,810	1,415,202	(126,392)
<b>Total liabilities and equity</b>	6,631,075	7,117,686	(486,611)

Marubeni Corporation  
Consolidated Financial Statements

**(2) Consolidated Statements of Comprehensive Income**

	<i>Millions of yen</i>			
	Three-month period ended June 30,			
	2016	2015	Variance	Ratio (%)
<b>Revenue:</b>				
Sale of goods	1,825,505	1,967,778	(142,273)	(7.2)
Commissions on services and trading margins	45,132	53,785	(8,653)	(16.1)
<b>Total revenue</b>	<b>1,870,637</b>	<b>2,021,563</b>	<b>(150,926)</b>	<b>(7.5)</b>
Cost of goods sold	(1,712,054)	(1,835,205)	123,151	(6.7)
Gross trading profit	158,583	186,358	(27,775)	(14.9)
<b>Other income (expenses) :</b>				
Selling, general and administrative expenses	(126,828)	(134,937)	8,109	(6.0)
Gains (losses) on property, plant and equipment				
Impairment losses on non-current assets	-	(1,795)	1,795	(100.0)
Gains (losses) on sales of property, plant and equipment	2,400	(1,254)	3,654	-
Other – net	6,625	(2,112)	8,737	-
<b>Total other income (expenses)</b>	<b>(117,803)</b>	<b>(140,098)</b>	<b>22,295</b>	<b>(15.9)</b>
<b>Finance income (expenses):</b>				
Interest income	3,699	4,698	(999)	(21.3)
Interest expense	(8,245)	(9,009)	764	(8.5)
Dividend income	3,570	4,990	(1,420)	(28.5)
Gains (losses) on investment securities	(271)	8,777	(9,048)	-
<b>Total finance income (expenses)</b>	<b>(1,247)</b>	<b>9,456</b>	<b>(10,703)</b>	<b>-</b>
<b>Share of profits of associates and joint ventures</b>	<b>24,693</b>	<b>30,416</b>	<b>(5,723)</b>	<b>(18.8)</b>
<b>Profit for the period before tax</b>	<b>64,226</b>	<b>86,132</b>	<b>(21,906)</b>	<b>(25.4)</b>
<b>Provision for income tax</b>	<b>(14,726)</b>	<b>(13,433)</b>	<b>(1,293)</b>	<b>9.6</b>
<b>Profit for the period</b>	<b>49,500</b>	<b>72,699</b>	<b>(23,199)</b>	<b>(31.9)</b>
<b>Profit for the period attributable to:</b>				
Owners of the parent	48,409	71,029	(22,620)	(31.8)
Non-controlling interests	1,091	1,670	(579)	(34.7)
<b>Other comprehensive income:</b>				
Items that will not be reclassified to profit and loss				
Gains and losses on financial assets measured at fair value through other comprehensive income	(3,272)	10,745	(14,017)	-
Remeasurements of defined benefit pension plan	1,055	6,033	(4,978)	(82.5)
Changes in other comprehensive income of associates and joint ventures	(916)	1,743	(2,659)	-
Items that will be reclassified to profit and loss				
Foreign currency translation adjustments	(135,943)	28,704	(164,647)	-
Gains and losses on cash flow hedges	(6,419)	4,754	(11,173)	-
Changes in other comprehensive income of associates and joint ventures	(12,158)	5,926	(18,084)	-
Other comprehensive income, net of tax	(157,653)	57,905	(215,558)	-
<b>Total comprehensive income for the period</b>	<b>(108,153)</b>	<b>130,604</b>	<b>(238,757)</b>	<b>-</b>
<b>Attributable to:</b>				
Owners of the parent	(103,961)	127,663	(231,624)	-
Non-controlling interests	(4,192)	2,941	(7,133)	-
<b>Total volume of trading transactions</b>	<b>2,791,713</b>	<b>3,342,291</b>	<b>(550,578)</b>	<b>(16.5)</b>

(Note)

"Total volume of trading transactions" includes all transactions involving the Company and its consolidated subsidiaries regardless of transaction type. "Total volume of trading transactions" is presented in accordance with Japanese accounting practice for investors' convenience and is not required by IFRS.

Marubeni Corporation  
Consolidated Financial Statements

**(3) Consolidated Statements of Changes in Equity**

	<i>Millions of yen</i>	
	Three-month period ended June 30,	
	2016	2015
<b>Issued capital:</b>		
Balance at beginning of period	262,686	262,686
Balance at end of period	262,686	262,686
<b>Capital surplus:</b>		
Balance at beginning of period	141,504	148,243
Capital and other transactions with non-controlling interests	421	(49)
Balance at end of period	141,925	148,194
<b>Treasury stock:</b>		
Balance at beginning of period	(1,369)	(1,361)
Purchases and sales of treasury stock	(0)	(1)
Balance at end of period	(1,369)	(1,362)
<b>Retained earnings:</b>		
Balance at beginning of period	737,215	728,098
Profit for the period attributable to owners of the parent	48,409	71,029
Transfer from other components of equity	(959)	12,821
Dividends to owners of the parent	(18,223)	(22,562)
Balance at end of period	766,442	789,386
<b>Other components of equity:</b>		
Balance at beginning of period	177,016	380,849
Gains and losses on financial assets measured at fair value through other comprehensive income	(4,016)	12,280
Foreign currency translation adjustments	(139,087)	28,798
Gains and losses on cash flow hedges	(10,002)	9,358
Remeasurements of defined benefit pension plan	735	6,198
Transfer to retained earnings	959	(12,821)
Transfer to non-financial assets or non-financial liabilities	1,724	(4,441)
Balance at end of period	27,329	420,221
<b>Equity attributable to owners of the parent</b>	<b>1,197,013</b>	<b>1,619,125</b>
<b>Non-controlling interests:</b>		
Balance at beginning of period	98,150	160,198
Dividends to non-controlling interests	(1,811)	(1,637)
Equity transactions with non-controlling interests and others	(350)	36
Profit for the period attributable to non-controlling interests	1,091	1,670
Other components of equity:		
Gains and losses on financial assets measured at fair value through other comprehensive income	171	33
Foreign currency translation adjustments	(5,439)	1,222
Gains and losses on cash flow hedges	8	6
Remeasurements of defined benefit pension plan	(23)	10
Balance at end of period	91,797	161,538
<b>Total equity</b>	<b>1,288,810</b>	<b>1,780,663</b>
<b>Attributable to:</b>		
Owners of the parent	(103,961)	127,663
Non-controlling interests	(4,192)	2,941
<b>Total comprehensive income for the period</b>	<b>(108,153)</b>	<b>130,604</b>

Marubeni Corporation  
Consolidated Financial Statements

**(4) Consolidated Statements of Cash Flows**

	<i>Millions of yen</i>		
	Three-month period ended June 30,		Variance
	2016	2015	
<b>Operating activities</b>			
Profit for the period	49,500	72,699	(23,199)
Adjustments to reconcile profit for the period to net cash provided by operating activities:			
Depreciation and amortization	29,127	27,335	1,792
Losses (gains) on property, plant and equipment	(2,400)	3,049	(5,449)
Net finance expense	1,247	(9,456)	10,703
Share of profits of associates and joint ventures	(24,693)	(30,416)	5,723
Provision for income taxes	14,726	13,433	1,293
Decrease (increase) in notes accounts receivables	(43,131)	(58,833)	15,702
Decrease (increase) in inventories	92,420	149,266	(56,846)
Increase (decrease) in notes, acceptances and accounts payable	(21,038)	62,376	(83,414)
Other	(59,460)	(100,422)	40,962
<b>Net cash provided by operating activities</b>	<b>36,298</b>	<b>129,031</b>	<b>(92,733)</b>
<b>Investing activities</b>			
Changes in:			
Purchases of property, plant and equipment and investment property	(35,756)	(61,421)	25,665
Loans made to customers	(18,659)	(10,042)	(8,617)
Purchases of investment securities	36,766	36,304	462
<b>Net cash used in investing activities</b>	<b>(17,649)</b>	<b>(35,159)</b>	<b>17,510</b>
<b>Financing activities</b>			
Net increase (decrease) in short-term borrowings	59,233	(11,878)	71,111
Increase (decrease) of long-term bonds and borrowings	(112,118)	(11,614)	(100,504)
Dividends paid	(18,223)	(22,562)	4,339
Net cash outflows on purchases and sales of treasury stock	(1)	(1)	0
Other	(1,701)	(1,734)	33
<b>Net cash used in financing activities</b>	<b>(72,810)</b>	<b>(47,789)</b>	<b>(25,021)</b>
Effect of exchange rate changes on cash and cash equivalents	(17,223)	4,907	(22,130)
Net increase (decrease) in cash and cash equivalents	(71,384)	50,990	(122,374)
Cash and cash equivalents at beginning of period	600,840	469,106	131,734
Cash and cash equivalents at end of period	529,456	520,096	9,360

**(5) Occurrence of Event or Situation that Creates Doubt about Status  
as a Going Concern**

: None

# Marubeni Corporation

## Consolidated Financial Statements

### (6) Segment Information

<Operating Segment>

◆ The Three-Month Period Ended June 30, 2016 (April 1, 2016 - June 30, 2016)

	Millions of yen			
	Food & Consumer Products	Chemical & Forest Products	Energy & Metals	Power Projects & Plant
Total volume of trading transactions	1,262,881	715,374	533,909	95,024
Gross trading profit	67,493	56,167	(1,048)	14,180
Operating profit (loss)	15,827	21,533	(12,494)	948
Share of profits (losses) of associates and joint ventures	3,961	225	1,226	12,254
Profit (loss) attributable to owners of the parent	14,938	13,639	(5,029)	13,501
Segment assets (as of June 30, 2016)	1,809,325	965,994	1,596,225	1,151,976
	Transportation & Industrial Machinery	Corporate & Elimination, etc.	Consolidated	
Total volume of trading transactions	193,183	(8,658)	2,791,713	
Gross trading profit	22,276	(485)	158,583	
Operating profit (loss)	4,892	1,049	31,755	
Share of profits (losses) of associates and joint ventures	7,313	(286)	24,693	
Profit (loss) attributable to owners of the parent	14,027	(2,667)	48,409	
Segment assets (as of June 30, 2016)	725,360	382,195	6,631,075	

◆ The Three-Month Period Ended June 30, 2015 (April 1, 2015 - June 30, 2015)

	Millions of yen			
	Food & Consumer Products	Chemical & Forest Products	Energy & Metals	Power Projects & Plant
Total volume of trading transactions	1,391,350	793,993	775,108	168,200
Gross trading profit	70,980	63,068	11,734	15,603
Operating profit (loss)	16,218	26,929	(156)	775
Share of profits (losses) of associates and joint ventures	4,175	677	5,243	15,716
Profit (loss) attributable to owners of the parent	20,650	16,961	11,027	9,120
Segment assets (as of March 31, 2016)	1,874,173	1,040,441	1,711,361	1,278,555
	Transportation & Industrial Machinery	Corporate & Elimination, etc.	Consolidated	
Total volume of trading transactions	217,588	(3,948)	3,342,291	
Gross trading profit	24,763	210	186,358	
Operating profit (loss)	6,938	717	51,421	
Share of profits (losses) of associates and joint ventures	4,794	(189)	30,416	
Profit (loss) attributable to owners of the parent	7,793	5,478	71,029	
Segment assets (as of March 31, 2016)	806,412	406,744	7,117,686	

(Note 1) Businesses of the overseas corporate subsidiaries have all been segmented according to the Company's operating segment effective as of the fiscal year ending March 31, 2017.

The figures of each operating segments for the three-month period ended June 30, 2015 have been altered accordingly.

(Note 2) "Total volume of trading transactions" and "operating profit (loss)" are presented in accordance with Japanese accounting practice for investors' convenience and are not required by IFRS. "Total volume of trading transactions" includes all transactions involving the Company and its consolidated subsidiaries regardless of transaction type. "Operating profit (loss)" is the sum of "Gross trading profit", "Selling, general and administrative expenses" including "Provision for doubtful accounts".

(Note 3) Inter-segment transactions are generally priced in accordance with the prevailing market prices.

(Note 4) "Profit (loss) attributable to owners of the parent" of "Corporate & elimination, etc." includes headquarters expenses that are not allocated to the operating segments and inter segment elimination. "Segment assets" of "Corporate & elimination, etc." include assets for general corporate purposes that are not allocated to the operating segments and inter segment elimination. The assets for general corporate purposes mainly consist of cash and cash equivalents related to financing, other investments and non-current assets for general corporate purposes.

### (7) Significant Changes in Equity Attributable to Owners of the Parent

: None

### (8) Subsequent Events

The Company's Board of Directors resolved, on August 5, 2016, that the Company is to obtain financing through perpetual subordinated loans in the amount of 250 billion yen (the "Loans"). The Loans will be classified as equity for the purpose of the Company's consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). Execution of this scheme will result in an increase in the Company's "equity" on a consolidated basis.

The Company is scheduled to complete the closing of the Loans by the end of August 2016.