Condensed Transcript of Question and Answer Session

Briefing on Consolidated Results for Fiscal Year Ended March 31, 2016

Date: May 12, 2016 (Thursday)

Location: Tokyo International Forum – Hall B5

Those Present: Fumiya Kokubu, President and CEO

Nobuhiro Yabe, Managing Executive Officer, CFO

Kazuro Gunji, Managing Executive Officer, General Manager, Corporate Accounting Dept.

Main Questions and Answers

Reason for the sharp decline of FYE 3/2016 profits in the non-resource businesses about three months after the announcement of the new mid-term management plan

- The decline in profits mainly reflects the larger-than-expected downturn in the grain business, centered on Gavilon, compared with our outlook in February when the mid-term management plan was announced. In addition, profits decreased in the steel products business, as well as in construction machinery, ship-related and other businesses that were impacted indirectly by resource prices.

Significance of FYE 3/2017 in the GC2018 mid-term management plan

- We recognize that FYE 3/2017 is an extremely important year for putting us on the road to achieve the targets set out for FYE 3/2019, the final year of GC2018. We will be focusing on upgrading assets and improving the balance sheet.

Net debt/equity ratio forecast

- We aim to achieve a net debt/equity ratio of less than 1.7 times by the end of FYE 3/2017. Moreover, we will strive to achieve the GC2018 net debt/equity ratio target of approximately 1.3 times as early as possible.

Outlook for cash flow in FYE 3/2017

- In FYE 3/2017, we aim to achieve over positive ¥150 billion in free cash flow after dividends. Our forecast is based on expectations for roughly ¥250 billion in operating cash flow and an investing cash flow of about ¥50 billion (about ¥200 billion in new investments, about ¥150 billion in capital expenditures, and about ¥300 billion from recoupment of existing investments).

Breakdown of planned new investments for FYE 3/2017 (around ¥200 billion at most)

- We do not necessarily intend to spend the full amount of ¥200 billion. We will adjust spending while monitoring the decline in interest-bearing debt and cash flow trend each quarter. Approximately ¥100 billion worth of such spending has been approved already.

Balancing investments needed to improve our financial structure and achieve the profit targets of the mid-term management plan

- Marubeni is more highly leveraged compared with other peers, and as such, our top priority is to improve this situation. In addition, we think we can hold down spending on new investments and at the same time achieve our profit targets by bolstering weakly performing businesses among the investments already made, to the extent that profit growth can be expected.

Withdrawal from non-core businesses

- We do not hesitate to exit from projects that appear likely to incur losses.

One-time items to be considered for resource businesses in FYE 3/2017

- A one-time extraordinary charge of about ¥7 billion is included for the reversal of deferred tax assets due to tax revisions in the U.K.. Moreover, while not recognized as a one-time item, an increase in expenditures (about ¥6 billion) is anticipated for oil and gas interests in the U.S. arising from the start of production at a certain oil well.

Rationale behind forecast for sharp improvement in share of profits of associates and joint ventures in the fiscal year ending 3/2017 compared with the fiscal year ended 3/2016 results

- The forecast is predominantly attributable to the absence of one-time losses, including impairment losses incurred in FYE 3/2016 in the copper business in Chile and in the iron ore business in Australia.

Measures for improving earnings at Gavilon

- The macroeconomic environment surrounding the grain business is severe. Under these conditions, while continuing to promote cost cutting, the priority will be to boost the competitiveness of its grain operation in North America by strengthening cooperation between Gavilon and our other existing grain-related businesses, such as Columbia Grain. In addition, with respect to the fertilizer business, we plan to rebuild our overall agricultural materials business, centered on Helena Chemical.

Business outlook for the Roy Hill iron ore project

- We forecast a profit for the Roy Hill project alone. However, we anticipate a slight loss on our consolidated basis after considering interest expense and other factors. At this time, we expect full capacity production at the mine from the end of the year into next year, and our iron ore price assumptions are based on current price levels.

Plans for the Musi Pulp project

- Afforestation assets, which have been replanted after suffering damage from wildlife, are recovering smoothly due to measures taken to introduce different tree species and strengthen quality controls. Looking forward, we aim to make this project profitable during GC2018 by propelling the manufacture of pulp using the materials from our own forested site.

Our position on corporate governance

- In order to clarify the respective roles of management and executives as well as to promote transparent management, we plan to reduce the number of directors on the board from 12 directors (including 2 independent directors) last year to a total of 10. We will also increase the number of independent directors from 2 to 4. The 10-member Board of Directors will thus be comprised of 6 directors and independent directors. In addition, from the current fiscal year, we have newly established as advisory bodies to the board the Nominating Committee and the Governance and Remuneration Committee, both of which are composed of a majority of independent directors.

Dividend policy

- In principle, we plan to determine the dividend amount based on the dividend payout ratio (25%) with respect to consolidated net profit.
- Although the FYE 3/2017 forecast includes a cushion of roughly ¥20 billion, we aim to increase the dividend by boosting earnings without relying on the cushion as much as possible.