



***Briefing on Consolidated Financial Results
for the 3rd Quarter of Fiscal Year Ending March 31, 2016
&
New Mid-Term Management Plan***

Marubeni

(TSE Code: 8002)

February 8, 2016

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

Agenda

- ◆ Key Factors of Q3 FYE 3/2016 Results
 - Net Profit
 - Earnings Structure (Non-resource Ratio)
 - One-time Items
 - Cash Flows

- ◆ Operating Segment Information Actual & Prospects

- ◆ New Mid-Term Management Plan

* “Profit attributable to owners of the parent” is hereinafter described as “Net profit”.

DISCLAIMER REGARDING FORWARD-LOOKING STATEMENTS

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.

◆ *Key Factors of Q3 FYE 3/2016 Results*

Financial Results for Q1-Q3 FYE 3/2016

- ① Net Profit: **121.8 billion yen** (+44.7 billion yen year on year)
(Progress to yearly prospect for FYE 3/2016 of 180.0 billion yen is 68%.)
- ② Net D/E ratio: **1.77 times** (+0.05 points from March 31, 2015)
Total Equity: 1,673.9 billion yen (-4.8 billion yen from March 31, 2015)
Net Interest-bearing Debt: 2,967.4 billion yen (+79.8 billion yen from March 31, 2015)
- ③ Free Cash Flow: **15.7 billion yen (positive)**

Prospects for FYE 3/2016

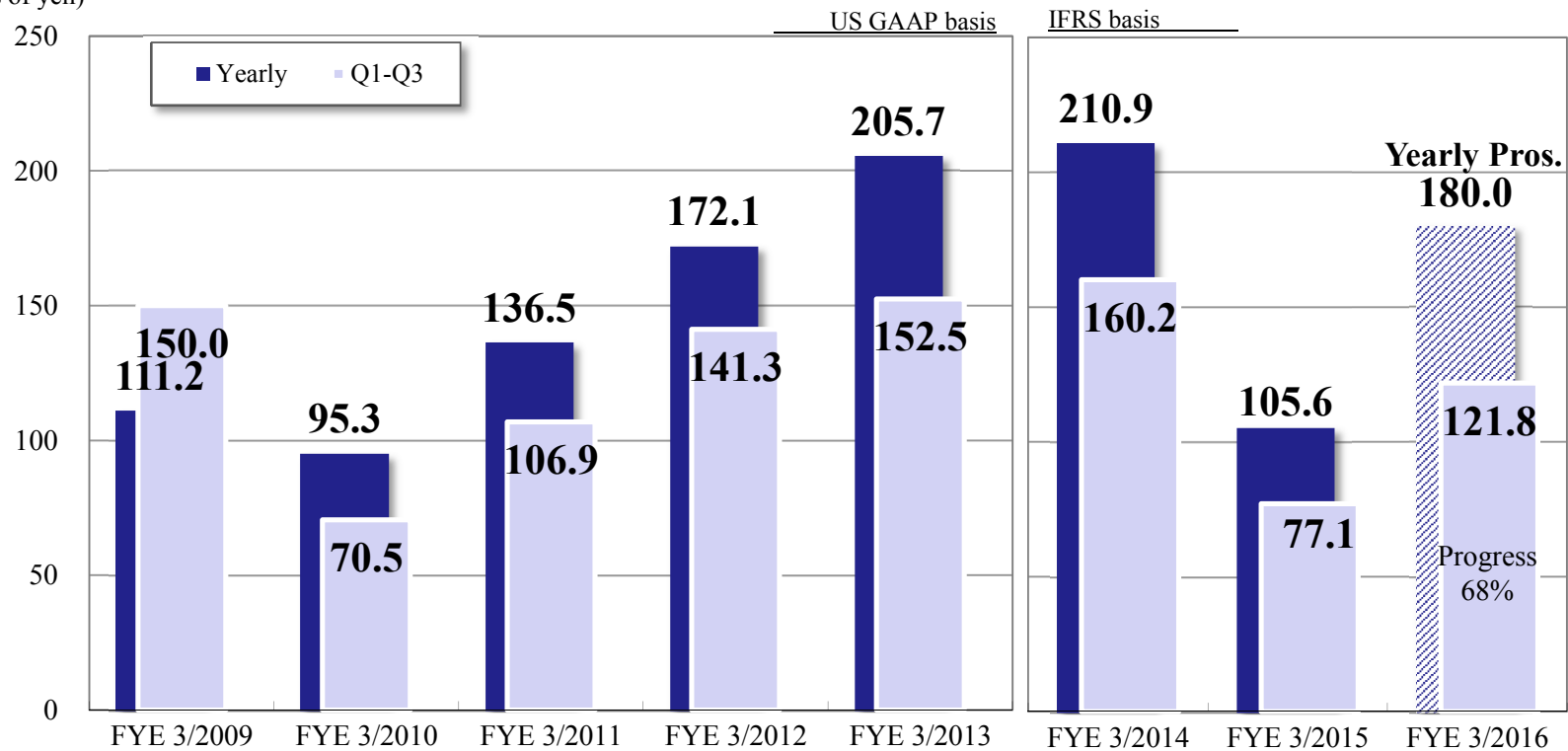
- ① Net profit: **180.0 billion yen**
- ② Net D/E ratio: **approx. 1.7 times**
- ③ Free Cash Flow: **Positive Free Cash Flow**

Net Profit

<Q1-Q3 FYE 3/2016>

- Increased +44.7 billion yen or +58% year on year.
- Progress to yearly prospect for FYE 3/2016 is 68%.

(billions of yen)



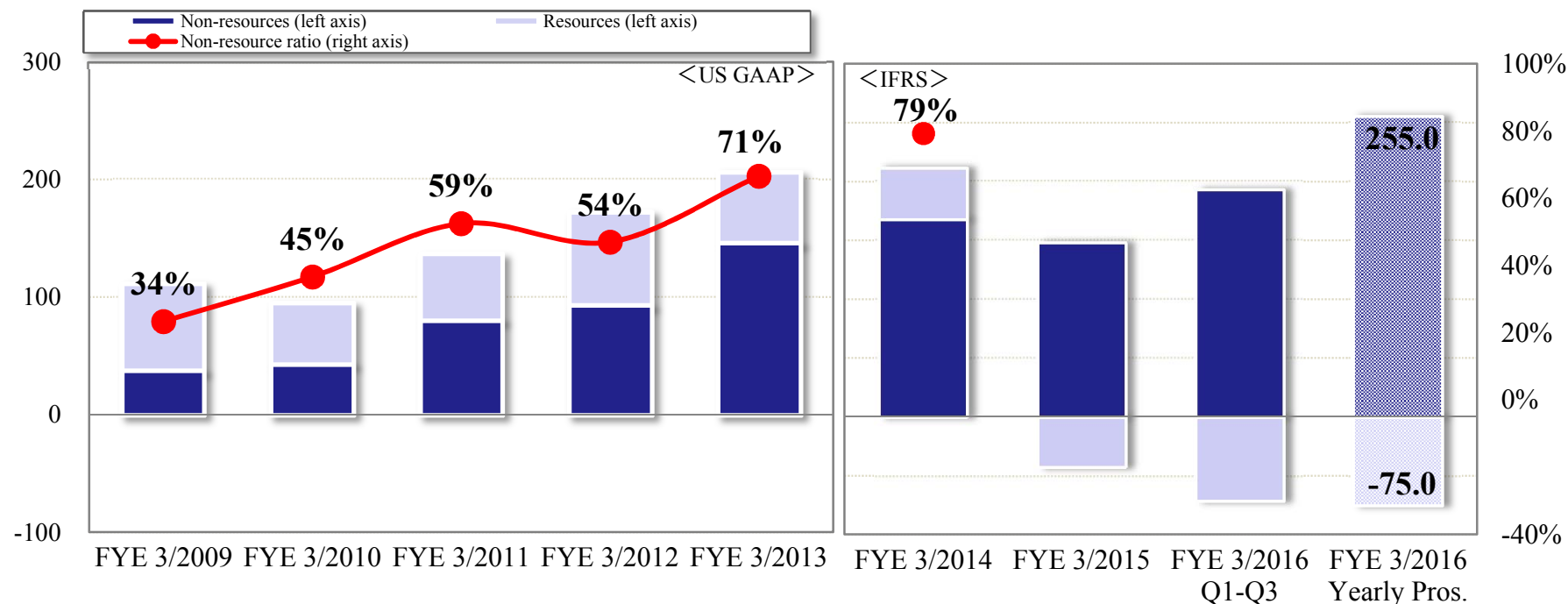
	FYE 3/2009	FYE 3/2010	FYE 3/2011	FYE 3/2012	FYE 3/2013	FYE 3/2014	FYE 3/2015	FYE 3/2016
<Dividend per share>	JPY 10.0	JPY 8.5	JPY 12.0	JPY 20.0	JPY 24.0	JPY 25.0	JPY 26.0	JPY 21.0 –plan-
(interim dividend -inclusive)	(JPY 7.0)	(JPY 3.5)	(JPY 5.5)	(JPY 10.0)	(JPY 12.0)	(JPY 12.5)	(JPY 13.0)	(JPY 10.5)

Earnings Structure (Non-resource Ratio)

【Category】
 Resources: Energy & Metals Group excluding Steel Products Div.
 Non-resources : Other than listed above

<Reference> Commodity price	Unit	FYE 3/2015	FYE 3/2016	
		Actual (Apr.-Mar.)	Q1-Q3 Actual (Apr.-Dec.)	Q4 Assumption (Jan.-Mar.)
Oil(WTI)	USD/Barrel	81	49	30
Copper(LME)	USD/MT	6,558	5,387	4,400

(billions of yen)

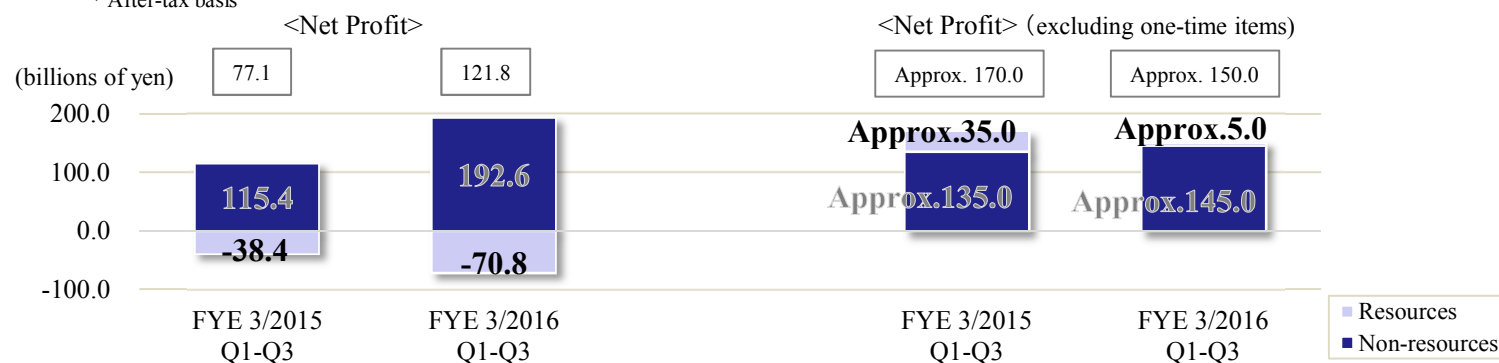


One-time Items

(billions of yen)

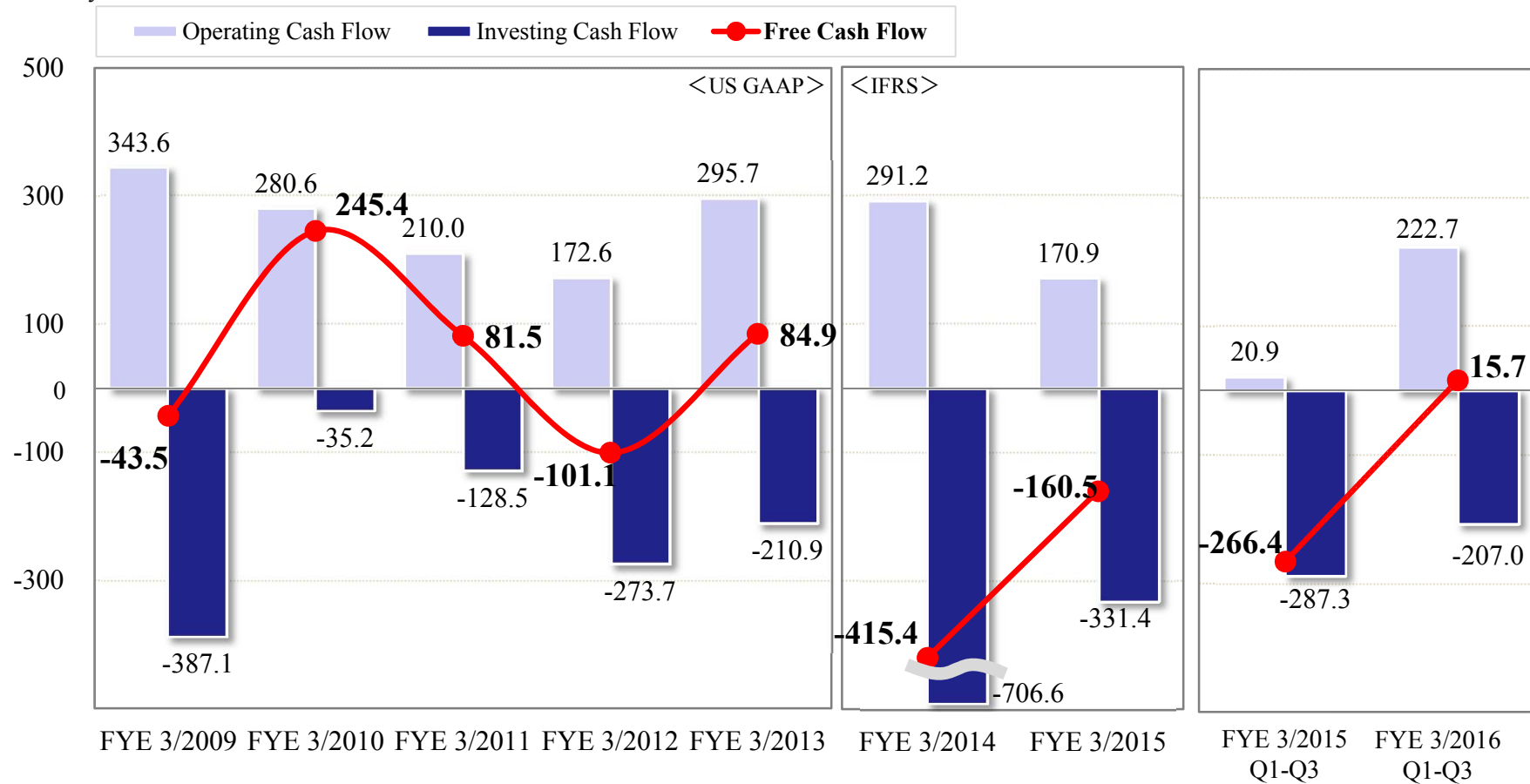
1Q-3Q FYE 3/2015		1Q-3Q FYE 3/2016	
Approx. -96.0		Approx. -27.0	
[Non-resources]	Approx. -22.0	[Non-resources]	Approx. +46.0
(Main items)		(Main items)	
-Gain on fair value measurement on consolidation of grain export facilities in the U.S.	+21.0	-Gain on fair value measurement of a railroad freight car leasing business in North America	+26.0
-Impairment loss on Gavilon	-48.0	-Gain on fair value measurement of a Chinese sewerage treatment business	+22.0
		-Profit on sales of real estate in Japan	+3.0
		-Loss on discontinuation of LNG receiving terminal operations in Uruguay.	-15.0
[Resources]	Approx. -74.0	[Resources]	Approx. -73.0
(Main items) Impairment losses on;		(Main items) Impairment losses on;	
-North Sea (Oil & Gas)	-24.0	-Gulf of Mexico (Oil & Gas)	-42.0
-Gulf of Mexico (Oil & Gas)	-12.0	-North Sea (Oil & Gas)	-30.0
-Grande Cashe Coal	-11.0		
-Shale Oil	-10.0		
-Copper Business in Chile	-10.0		
-Coal Business in Australia	-6.0		

* After-tax basis



Cash Flows

(billions of yen)

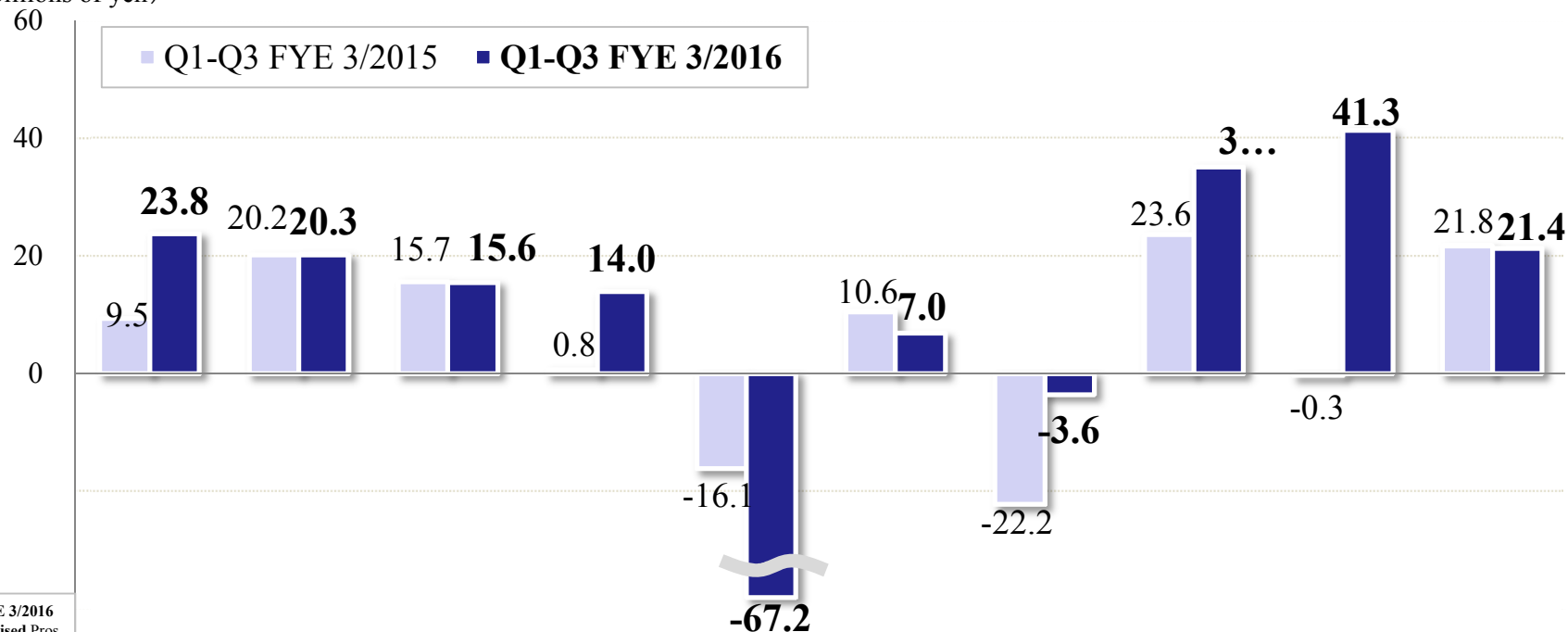


◆ *Operating Segment Information*

Actual Results for Q1-Q3 FYE 3/2016 & Prospects for FYE 3/2016

Net Profit by Sub-segment

(billions of yen)



FYE 3/2016 Revised Pros. as of Feb.5, 2016

FYE 3/2016 Pros. as of Nov. 5, 2015

31.0	30.0	16.0	15.0	-70.0	9.0	-5.0	42.0	32.0	34.0
32.0	27.0	14.0	12.0	-20.0	12.0	-6.0	31.0	10.0	31.0
Food (Grain, Food Products)	Lifestyle, ICT & Logistics, Insurance & Real Estate Business	Helena Business	Chemical Products, Forest Products	Energy I, Energy II	Steel Products	Metals & Mineral Resources	Power Projects	Energy & Environment Infrastructure, Plant	Aerospace & Ship, Automotive & Leasing, Construction & Industrial Machinery
Food & Consumer Products		Chemical & Forest Products		Energy & Metals		Power Projects & Plant		Transportation & Industrial Machinery	



Mid-Term Management Plan

2016-2018

(FYE 3/2017 – FYE 3/2019)

*FYE: Fiscal Year Ending/Ended

GCC 2018

Global Challenge 2018

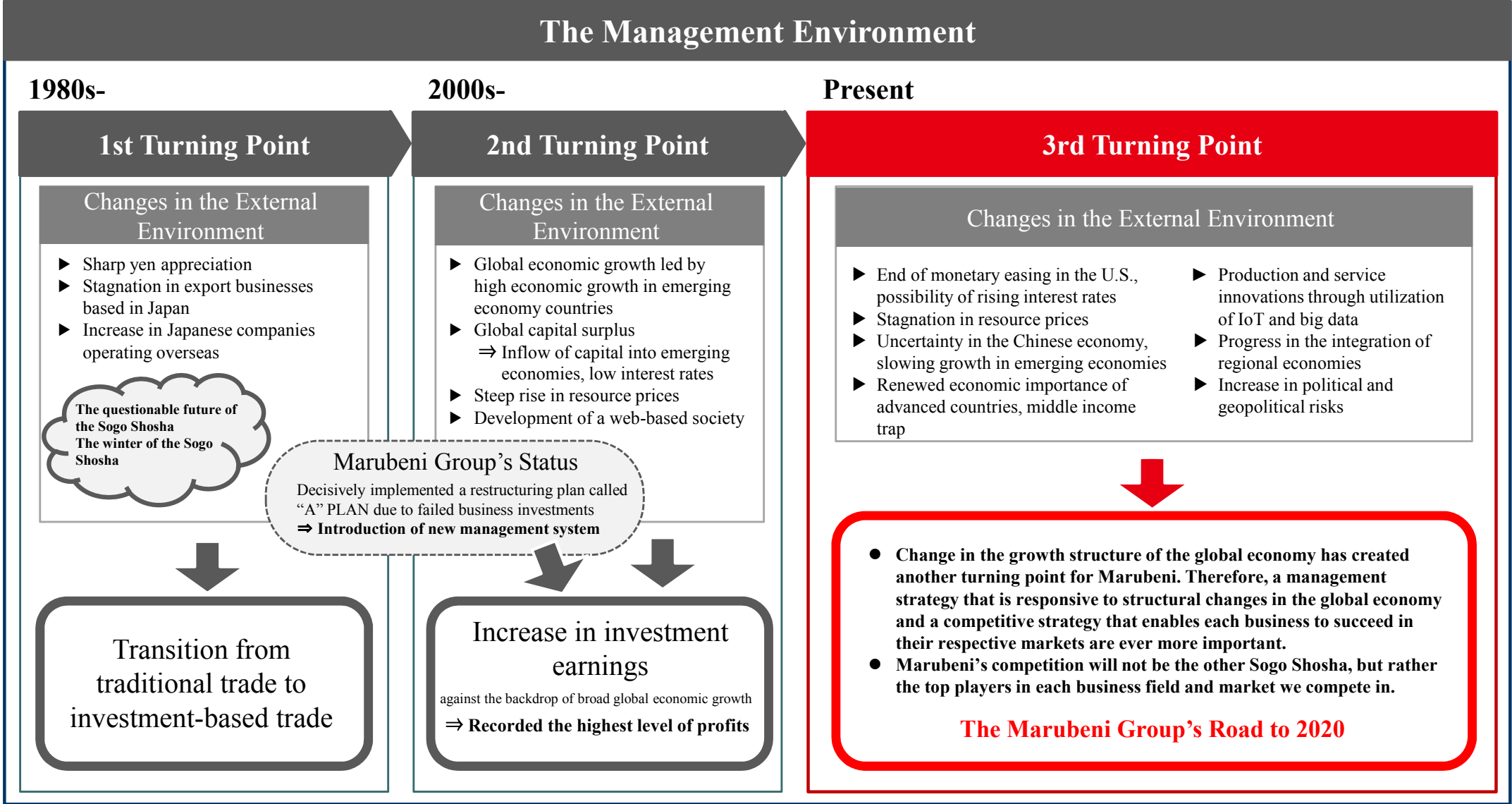
The Road to 2020

February 5, 2016

Marubeni

1. Positioning the New Mid-Term Management Plan

The Marubeni Group is currently facing another turning point in its management strategy. Accordingly, the Marubeni Group has established a new Mid-Term Management Plan (2016-2018) that specifies what the Group aims to be five years from now in 2020 as well as its new management policies.



**The Marubeni Group will work to outperform
the top players in business fields and markets
across the world,
aiming to become a true global company that
contributes to both regional economies and society.**

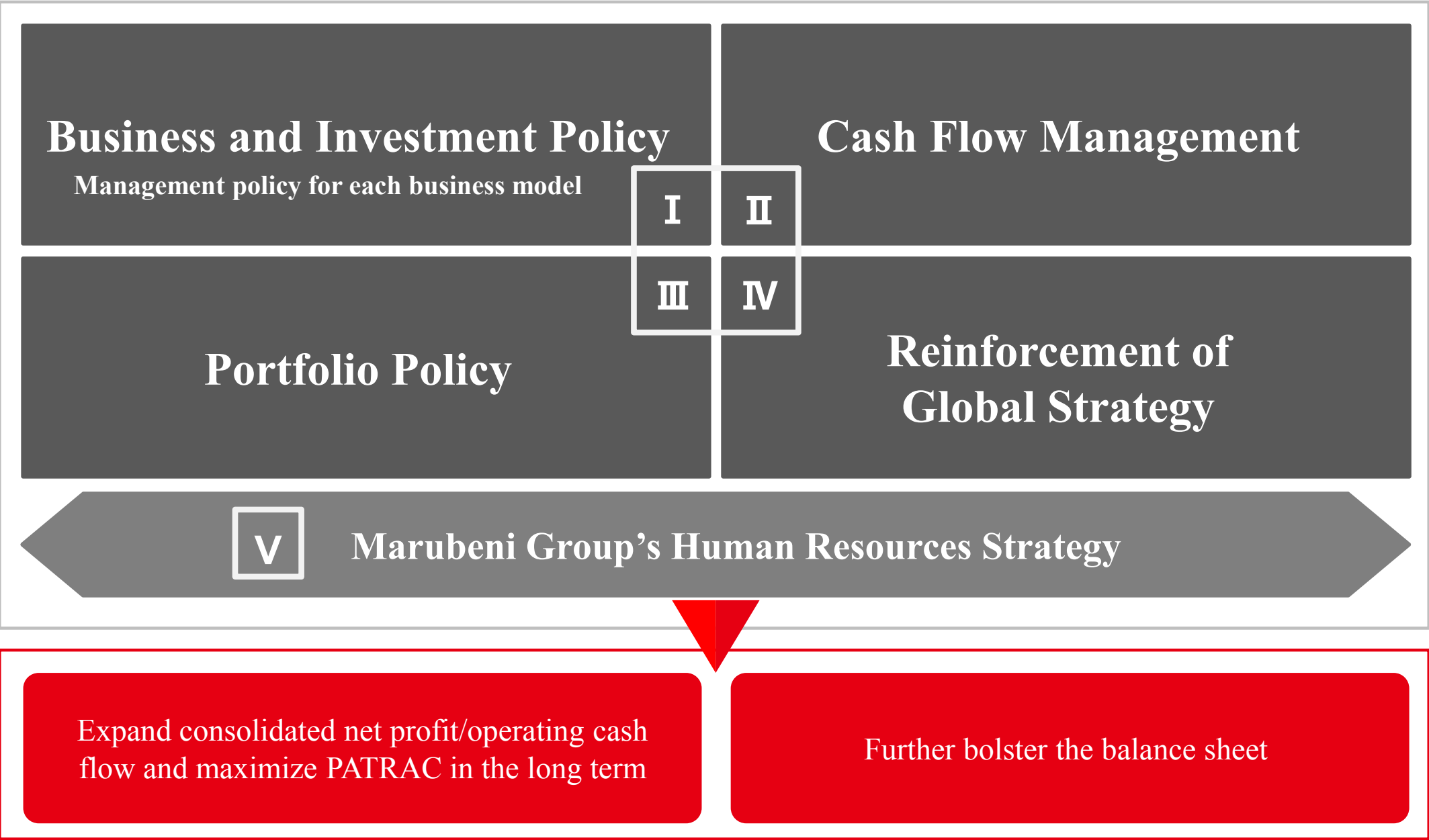
Combining all our individual strengths to create a more powerful Marubeni Group

Growing talent and businesses around the world, the Marubeni Group will increase our core of promising talent and businesses to further build a global platform.

The Marubeni Group will work to optimize and expand its existing businesses while strategically promoting new businesses that have the potential to become the core of the Group's future. In this way, the Marubeni Group will realize sustained growth.



3. Management Policies Based on The Road to 2020



4. Quantitative Targets (2016-2018)

Consolidated Net Profit

2018 (FYE 3/2019) ¥250.0 billion

(Non-Natural Resources ¥230.0 billion or more)

**Free Cash Flow
(after dividends)**

Cumulative total for 2016-2018 (FYE 3/2017 – FYE 3/2019)

Positive free cash flow

(⇒ Approximately 1.3 times the net D/E ratio as of March 31, 2019)

ROE

10% or more

New Investments

2016-2018 (FYE 3/2017 – FYE 3/2019) ¥1 trillion

(Breakdown)

Distribution Businesses 30%

Finance Businesses 20%

Stable Earnings-Type Businesses 40%

Natural Resource Investments 10%

**Consolidated Dividend
Payout Ratio**

25% or more of consolidated net profit

5-I. Business and Investment Policy

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

⇒ Clarify and implement management policy by business model

Distribution Businesses

- Focus on such domestic-demand oriented businesses as value-added distribution and agri-related businesses worldwide (food, chemicals, transport).
- Promote platform-type business models in regions, fields and product areas that are expecting growth through M&A and organic growth to expand earnings and improve profitability over the long term.
- Primarily take majority investment.

Finance Businesses

- Concentrate on leasing and sales finance businesses.
- Promote platform-type business models in regions, fields and product areas that are expecting growth through M&A and organic growth to expand earnings and improve profitability over the long term.
- Primarily take majority investment. However, allow for minority investment stakes when large-scale investment is required.

Stable Earnings-Type Businesses (Infrastructure, etc.)

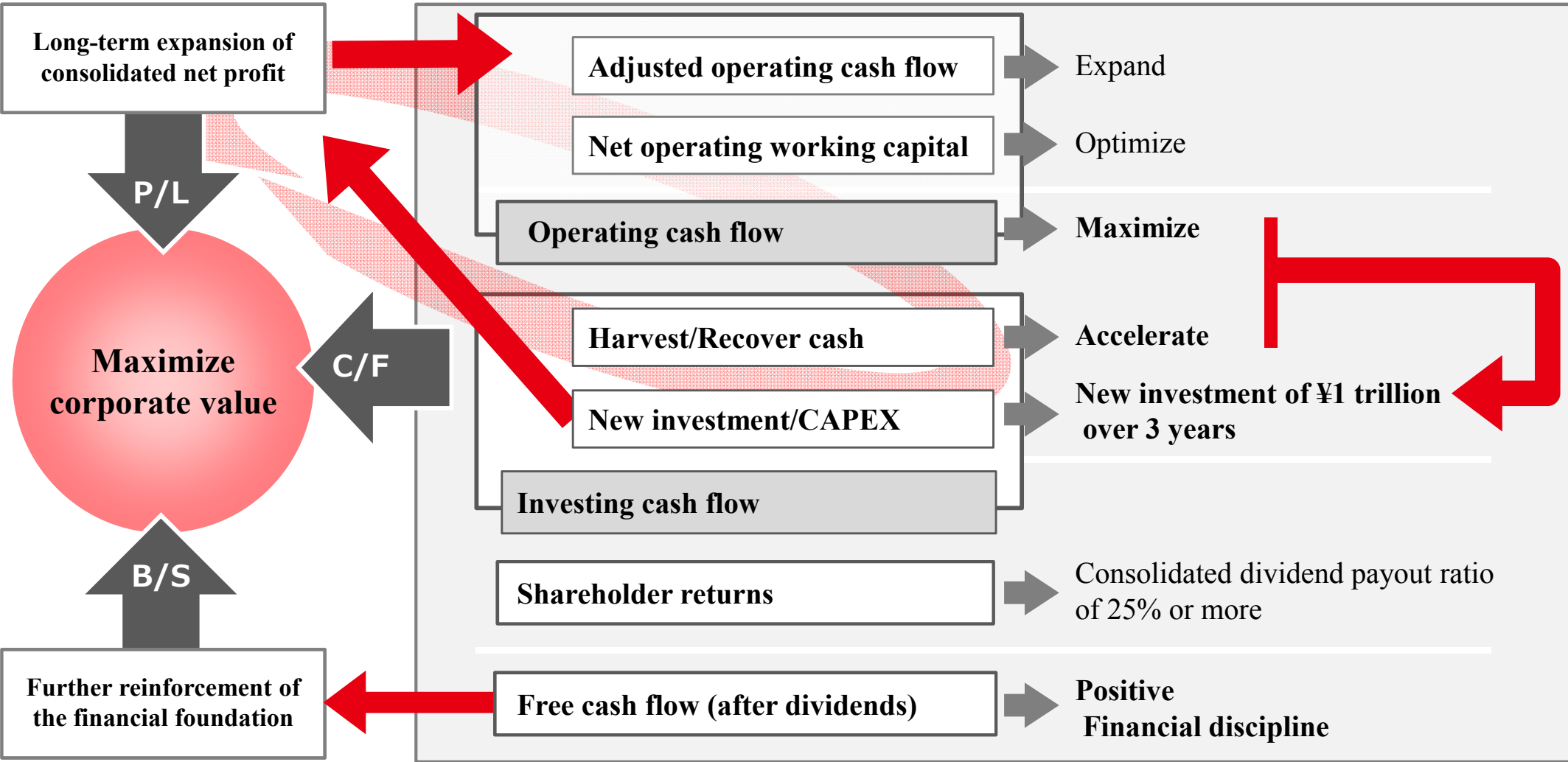
- Focus on new investment in stable-earning infrastructure businesses that are backed by long-term contracts, such as IPP with PPAs, water treatment and sewage services and other PPPs to grow earnings.
- As investments in these businesses require large amounts of capital, have a limited upside and high dividend payout ratios, take minority investment stakes as a matter of policy.
- Take active role in projects even when in a minority investment position.

Natural Resource Investments

- Maintain assets based on a long-term perspective. Focus efforts on an early start of production for projects that are already in the process of being implemented. At the same time, center on long-term projects with a high level of cost competitiveness when making new investments.
- As the dividend payout ratio is high and investment amounts are large, make participation as a minority stakeholder in projects with operators that are reliable for investing.
- Establish a framework to balance the Group's cumulative investment in order to stabilize fluctuating profits at a certain level due to volatile and unstable resource prices.

5-II. Cash Flow Management

- ▶ Increase available funds for growth investments by **maximizing operating cash flow**. Work to maximize corporate value through the further generation of profits and cash from new business investments.
- ▶ Better utilize cash flow within the Group. Reinvest cash generated from businesses that are not expecting significant growth into next-generation growth businesses.



Improvement in the net D/E ratio

5-III. Portfolio Policy

- ▶ While looking to maintain a balance in our portfolio of growth businesses, stable earnings businesses and higher volatility/higher upside businesses, the Marubeni Group will construct a portfolio that can grow earnings over the long term and secure a consolidated net income of ¥300.0 billion even in a severe business environment.
- ▶ By strengthening the earnings power of existing businesses each business will be able to reliably achieve their growth targets and increase the value of the business as well. At the same time, the Group will exit non-core businesses (unprofitable businesses, businesses that are expected to peak, businesses we have minority investment positions in that are not expected to grow, etc.) to **improve the quality of assets**.

Target for 2018 (FYE 3/2019)

Business Model	Total Assets	Net Profit
Distribution Businesses	¥4.5 trillion	¥140.0 billion
Finance Businesses	¥1.0 trillion	¥40.0 billion
Stable Earnings-Type Businesses (Infrastructure, etc.)	¥1.0 trillion	¥50.0 billion
Sub-Total for Non-Natural Resources	¥6.5 trillion	¥230.0 billion
Natural Resource Investments	¥1.5 trillion	¥20.0 billion
Total (includes headquarters accounts)	¥9.0 trillion	¥250.0 billion

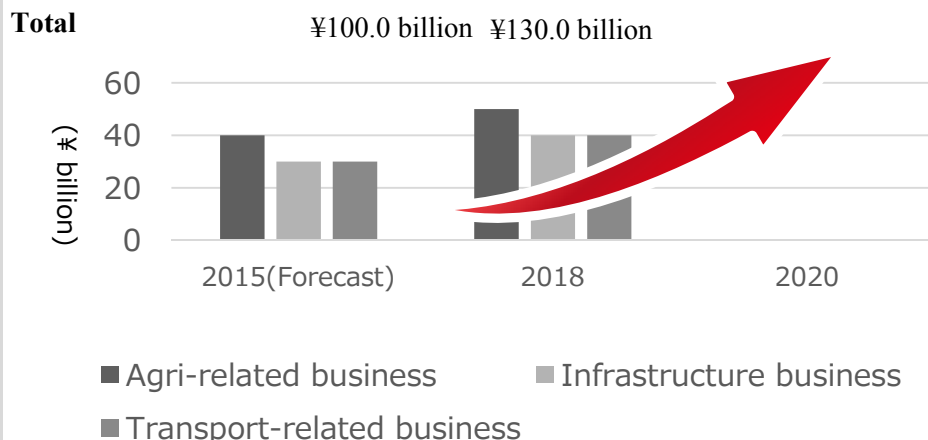
* Assumptions for 2018: crude oil US\$60/bbl, copper US\$6,000/t

5-IV. Reinforcement of Global Strategy

- ▶ In order to leverage the Marubeni Group’s capabilities, we will promote integrated, multi-layered initiatives centered on our various individual strengths.
- ▶ The Marubeni Group views the advanced countries centered on the U.S., and ASEAN, with its growing middle-class, as key markets and is also actively pursuing opportunities in the sub-Saharan region in order to lay the groundwork for future business.
- ▶ Specifically, the Marubeni Group will further reinforce the business fields it excels in (agri-related business, infrastructure business, and transport-related business) while strategically advancing into new businesses.

Further Reinforce Strong Business Fields

<u>Consolidated net profit</u>	2015 (FYE 3/2016) [Forecast]	2018 (FYE 3/2019) [Target]	Main business fields
Agri-related business	¥40.0 billion	¥50.0 billion	Grain origination/sales, agricultural material sales
Infrastructure business	¥30.0 billion	¥40.0 billion	IPP with PPAs, water treatment/sewage services, PPPs
Transport-related business	¥30.0 billion	¥40.0 billion	Sales financing, lease business, aftermarket auto parts sales



Strategically Advance into New Businesses

- Find projects and businesses with strong potential by fully utilizing Marubeni Group’s global network.
- Target growing domestic demand in overseas regions and countries by expanding investment in community-based businesses and local markets.
- Promote platform-type business models to expand into new regions, fields and product areas that are expecting growth.
- Strengthen our earnings base by accumulating steady, stable profits from infrastructure businesses, etc.

- ▶ **Recruit and develop human resources that can succeed on a global scale.**
- ▶ **Continue to promote diversity within the Group, and recruit and position diverse human resources.**

⇒ Aim to be an organization where all personnel can take pride in their work and find their work rewarding.

Marubeni Group wants talent who:

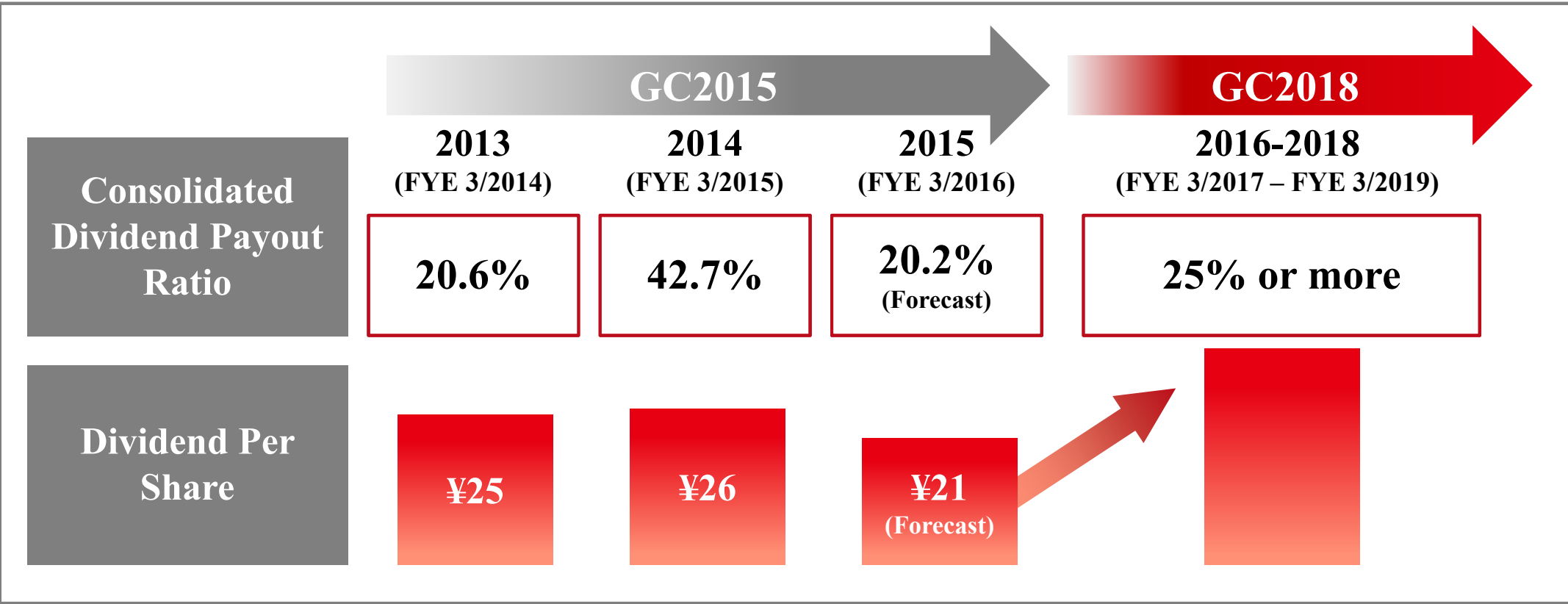
- **Constantly pursue challenges and innovations with high aspirations and curiosity**
- **Accomplish their personal goals at a high level**
- **Think and act on their own when executing their duties**

Marubeni Group seeks business leaders who, after understanding Group-wide policies and strategies, can:

- **Maximize business value**
- **Respond appropriately to changes with sharp insight toward future trends on both a micro and macro level**
- **Create new businesses**
- **Display leadership and enhance the strength of the organization**

6. Shareholder Return Policy

- ▶ The Marubeni Group will increase retained earnings through growth in consolidated net profit and create a sound financial foundation. At the same time, the Group will increase corporate value, profit growth and operating cash flow by reinforcing existing businesses and promoting new strategic investments.
- ▶ Marubeni recognizes that its mission as a company is to continue to make contributions to shareholders by raising share prices and increasing dividends. Accordingly, Marubeni will raise the consolidated dividend payout ratio to 25% or more from 2016 (FYE 3/2017) onward.



◆ Disclaimer Regarding Forward-looking Statements

This material contains forward-looking statements (including figures) concerning corporate strategies, objectives, and forecasts of Marubeni Corp. and its group companies, based on current assumptions made by the management with available information. The following factors, without limitation, may therefore cause actual results to differ materially from those presented: Changes in general industry and market conditions, changes in the competitive environment, fluctuations in currency exchange rates, the outcome of pending and future litigation, and political turmoil in certain countries and regions.