

Financial Results for 1st Quarter FY2007 (US GAAP Basis)

(Unit: billions of yen)

| Operating Results | 1st Quarter FY2007 Results | 1st Quarter FY2006 Results | FY06/07 1Q Variance | | Prospects for FY2007 | |
|---|----------------------------------|----------------------------------|---------------------------|-----|----------------------|-----|
| | | | Variance in Percentage | | Progress Ratio | |
| Total volume of trading transactions (*1) | ¥ 2,399.6 | ¥ 2,209.2 | ¥ 190.4 | 9% | ¥ 10,500.0 | 23% |
| Gross trading profit | 133.5 | 127.1 | 6.4 | 5% | 570.0 | 23% |
| Selling, general and administrative expenses | -89.6 | -84.5 | -5.1 | - | -388.0 | - |
| Provision for doubtful accounts | -0.2 | 1.3 | -1.4 | - | -2.0 | - |
| Operating profit (*1) | 43.7 | 43.8 | -0.1 | -0% | 180.0 | 24% |
| Interest expense, net of interest income | -10.5 | -6.1 | -4.4 | - | -44.0 | - |
| Dividends | 7.5 | 3.1 | 4.4 | - | 15.0 | - |
| Gain (loss) on investment securities | 8.5 | 1.9 | 6.6 | - | 5.0 | - |
| Gain (loss) on property and equipment | 0.4 | -0.2 | 0.6 | - | | |
| Other-net | 3.6 | 2.5 | 1.1 | - | | |
| Equity in earnings (losses) of affiliated companies | 13.7 | 14.1 | -0.4 | - | 59.0 | - |
| Income (loss) before income taxes | 67.0 | 59.2 | 7.8 | 13% | 215.0 | 31% |
| Provision (benefit) for income taxes | -21.4 | -22.4 | 0.9 | - | -74.0 | - |
| Minority interests in consolidated subsidiaries | -1.4 | -2.0 | 0.6 | - | -6.0 | - |
| Net income (loss) | 44.1 | 34.8 | 9.3 | 27% | 135.0 | 33% |

(*1) For Japanese investors' convenience, Total volume of trading transactions and Operating profit are shown according to Japanese accounting practice.

| | | | | |
|---------------------|-------|-------|-------|-----|
| Revenue (*2) | 954.7 | 812.4 | 142.3 | 18% |
|---------------------|-------|-------|-------|-----|

(*2) Revenue is presented in accordance with FASB Emerging Issue Task Force (EITF) 99-19.

| | | | | | | |
|---------------------------------------|------|------|-----|----|-------|-----|
| Adjusted operating profit (*3) | 43.9 | 42.5 | 1.3 | 3% | 182.0 | 24% |
| Core earnings (*4) | 65.1 | 59.7 | 5.4 | 9% | 256.0 | 25% |

(*3) Adjusted operating profit = Gross trading profit - SGA expenses (excluding restructuring costs)

(*4) Core earnings = Adjusted operating profit + Dividend income ± Equity in earnings of affiliated companies (excluding restructuring costs)

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| Financial Condition | June 30, 2007 | March 31, 2007 | Variance from March 31 |
|----------------------------------|------------------|-------------------|---------------------------|
| Total assets | 4,896.5 | 4,873.3 | 23.2 |
| (Current assets) | (2,433.9) | (2,502.6) | (-68.7) |
| (Fixed assets) | (2,462.6) | (2,370.7) | (91.9) |
| Shareholders' equity | 788.0 | 745.5 | 42.6 |
| Interest-bearing debt | 2,297.6 | 2,278.4 | 19.2 |
| Net interest bearing debt | 1,964.7 | 1,843.4 | 121.2 |
| D/E ratio (*5) | 2.49 x | 2.47 x | 0.02 points |

(*5) D/E ratio is calculated based on net interest-bearing debt

| Increase/Decrease in the Surplus/Deficit of Consolidated Companies | 1st Quarter FY2007 | 1st Quarter FY2006 | Variance |
|--|-----------------------|-----------------------|-------------|
| No. of profit making companies | 403 | 406 | -3 |
| Surplus amount | 40.5 | 33.4 | 7.1 |
| No. of loss making companies | 161 | 148 | 13 |
| Deficit amount | -3.6 | -3.7 | 0.0 |
| No. of companies, total | 564 | 554 | 10 |
| Net Income (loss) | 36.9 | 29.8 | 7.1 |
| Ratio of profit making companies | 71.5% | 73.3% | -1.8 points |

| Major Financial Indicators | 1st Quarter FY2007 | 1st Quarter FY2006 | Variance |
|------------------------------------|-----------------------|-----------------------|-------------------------|
| Foreign Exchange Rate (YEN/USD) | 120.79 | 114.50 | Yen down by 6.29 yen |
| JPY TIBOR(%) | 0.670 | 0.215 | +0.455 |
| USD LIBOR(%) | 5.358 | 5.224 | +0.134 |
| Oil(USD/BBL) *North Sea Brent | 58 | 62 | -4 |
| Copper (USD/MT) *LME | 5,941 | 4,944 | +997 |

Note) Figures for North Sea Brent oil and LME copper prices are the average of actual prices for January to March, respectively.

Outline of Financial Results for 1st Quarter FY2007

Highlights of 1st Quarter FY2007 Financial Results

○ Net income for the period was 44.1 billion yen, which was 9.3 billion yen (27%) higher than that of the 1st Quarter in the previous fiscal year. The result reaches 33% of the yearly target.

○ Adjusted operating profit increased 1.3 billion yen (3%) to 43.9 billion yen, and core earnings increased 5.4 billion yen (9%) to 65.1 billion yen, respectively, from the same period in the previous fiscal year.

○ Shareholders' equity increased 42.6 billion yen from the end of the previous fiscal year to 788.0 billion yen from the buildup of net income for the period along with increase in unrealized gains (losses) on investment securities.

○ Net interest-bearing debt increased 121.2 billion yen from the end of the previous fiscal year to 1,964.7 billion yen, due to new investments and increase in operating capital. The D/E ratio was 2.49 times, which is at the same level as the end of the previous fiscal year.

Main Items

1) Total volume of trading transactions ... 2,399.6 billion yen

Total trading transactions increased 190.4 billion yen over the same period in the previous fiscal year. By segment, growth was recorded in Agri-Marine Products (+68.7), Energy (+63.2), Overseas Branches & Offices (+59.4).

In addition, the impact of the weaker yen resulted in improvement by 60 billion yen.

(Note: the amounts in parentheses are in billions of yen)

2) Gross trading profit ... 133.5 billion yen

Year-on-year growth was 6.4 billion yen. See below for the figures by segment.

3) Selling, general and administrative expenses ... -89.6 billion yen

This item increased by 5.1 billion yen over the previous year, mainly due to rising personnel expenses.

4) Provision for doubtful accounts ... -0.2 billion yen

Reversal of the provision for doubtful account in the same period last year caused the deterioration by 1.4 billion yen in this period.

5) Interest expense, net of interest income ... -10.5 billion yen

This item increased 4.4 billion yen over the same period the previous fiscal year, which is caused by rising JPY interest rate and capital needs in new investments. Also there was the collection of interest from overseas trade receivables in the same period the previous fiscal year.

6) Dividends ... 7.5 billion yen

Over the same period the previous fiscal year, there was an increase of 4.4 billion yen mainly in Energy.

7) Gain (Loss) on investment securities ... 8.5 billion yen

• Gain on sales of investment securities 8.8 billion yen (+6.8 billion yen year-on-year)

• Valuation loss on investment securities -0.3 billion yen (-0.2 billion yen year-on-year)

The net gain increased by 6.6 billion yen over the same period the previous fiscal year, mainly due to gain on sale of overseas projects.

8) Gain on property and equipment ... 0.4 billion yen

• Gain on sale of property and equipment 0.6 billion yen (+0.1 billion yen year-on-year)

• Loss on sale /Valuation loss of property and equipment -0.2 billion yen (+0.5 billion yen year-on-year)

The net gain grew 0.6 billion yen from the previous year.

9) Other-net ... 3.6 billion yen

This item increased by 1.1 billion yen year-on-year, due to increase in currency exchange.

10) Equity in earnings (losses) of affiliated companies ... 13.7 billion yen

This item decreased by 0.4 billion yen year-on-year. Main items are provided below.

Marubeni-Itochu Steel Inc. 3.2 billion yen (-0.1 billion yen year-on-year)

Nippon LP Resources 2.7 billion yen (-0.6 billion yen year-on-year)

Uni-Mar Enerji Yatirimlari 0.7 billion yen (+0.0 billion yen year-on-year)

Daishowa-Marubeni International 0.3 billion yen (+0.5 billion yen year-on-year)

(Unit: billions of yen)

| Operating Segments | Gross trading profit | | | Net income (loss) | | | Main reasons for increase/decrease |
|--|----------------------|--------------|------------|-------------------|-------------|------------|--|
| | 1Q FY07 | 1Q FY06 | Variance | 1Q FY07 | 1Q FY06 | Variance | |
| Agri-Marine Products | 18.3 | 17.0 | 1.3 | 4.3 | 2.7 | 1.6 | In addition to gross trading profit growth mainly in feedstuff, reflecting a gain on sales of marketable securities, segment net income increased remarkably. |
| Textile | 5.7 | 5.5 | 0.2 | 0.2 | -0.0 | 0.2 | Because of the improvement of profit ratio both for apparel products and materials, gross trading profit and net income for the period increased. |
| Forest Products & General Merchandise | 13.2 | 13.2 | - | 2.9 | 2.3 | 0.7 | While gross trading profit was at the same level as the same period previous year, net income for the period increased due to improvement in equity in earnings for an overseas pulp manufacturing affiliate. |
| Chemicals | 7.6 | 8.2 | -0.6 | 1.2 | 1.2 | - | While gross trading profit decreased from the impact of sales of an agricultural material-related subsidiary, SG&A expenses also decreased, which resulted net income staying flat as the same period last year. |
| Energy | 22.5 | 20.5 | 1.9 | 10.0 | 7.1 | 2.9 | On top of growth in gross trading profit mainly from concessions in natural resources and petroleum products trading, increase in dividend buoyed net income for the period. |
| Metals & Mineral Resources | 4.9 | 4.7 | 0.2 | 4.5 | 7.2 | -2.7 | While gross trading profit increased, net income for the period decreased influenced by the reversal of provision for doubtful accounts posted in the previous fiscal year caused by collection of receivables. |
| Transportation & Industrial Machinery | 14.7 | 13.1 | 1.6 | 7.2 | 2.3 | 4.9 | Increase in gross trading profit in automobile and construction machinery related business, sale of overseas automobile-related business, and decrease in income tax boosted up segment net income for the period. |
| Power Projects | 6.0 | 5.6 | 0.4 | 2.7 | 3.0 | -0.3 | Gross trading profit increased mainly in an overseas EPC business. Segment net income for the period decreased influenced by the reversal of provision for doubtful accounts in the previous fiscal year, inspite of gains from sale of overseas power producing |
| Plant, Ship & Infrastructure Projects | 5.2 | 3.7 | 1.5 | 1.9 | 0.9 | 1.0 | Gross trading profit increased due to growth in ship business, which also lead to an increase in net income for the period. |
| Information & Communication | 5.9 | 6.1 | -0.2 | -0.3 | -0.3 | 0.1 | Segment gross trading profit decreased in the information-related subsidiary, but SG&A expenses declined at the same time. Segment net loss shrunked consequently. |
| Development & Construction | 8.0 | 12.1 | -4.1 | 1.8 | 4.5 | -2.7 | Both gross trading profit and net income decreased in connection with a large scaled transaction posted in the previous year. |
| Finance, Logistics & New Business | 2.4 | 2.4 | - | 1.6 | 2.0 | -0.4 | Gross trading profit stayed at the same level as the previous year, but segment net income decreased due to profit decline in investment funds. |
| Iron & Steel Strategies and Coordination | 0.2 | 0.2 | 0.1 | 3.1 | 3.9 | -0.8 | Net income for the period dropped due to decreased equity earnings of affiliated companies. |
| Overseas corporate subsidiaries & branches | 19.7 | 16.6 | 3.0 | 0.7 | 1.3 | -0.6 | Gross trading profit rose supported by Marubeni America Corporation, however net income was lowered by increased interest expenses. |
| Corporate & elimination | -0.9 | -2.0 | 1.1 | 2.3 | -3.2 | 5.5 | |
| Consolidated | 133.5 | 127.1 | 6.4 | 44.1 | 34.8 | 9.3 | |

The forecast and prospects on this document are based upon available information and assumptions as of the announcement date, about uncertain factors which would influence upon future businesses.

Actual results might be influenced by various factors in the future.