

Briefing on Financial Results for the 2nd Quarter of FY2012/3

November 7, 2011

Marubeni Corporation



Agenda

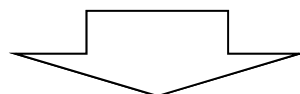
◆FY2012/3 1-2Q Results

1. Business Environment Analysis
2. Earnings Power and Structure
3. Balance Sheets & Cash Flows
4. Yearly Prospects and Dividend Policy

Key Factors of FY2012/3 1-2Q Results

FY2012/3 1-2Q results show strong performance.

- ① Consolidated net income : **103.0 billion yen** (+34.4 billion yen or +50%, year-on-year)
Progress to the yearly prospect of 170.0 billion yen : **61%**
- ② Equity : **900.8 billion yen**
(+69.0 billion yen from FY2011/3 year end; 831.7 billion yen)
Net D/E ratio : **1.95 times**
(up by 0.01 points from FY2011/3 year end; 1.94 times)
- ③ Actual new investment and loans for FY2012/3 1-2Q : Approx. **120.0 billion yen**
New investment plan on SG-12 will shift into high gear.
Initial yearly investment plan of 300.0 billion yen is expected to be surpassed.



- Prospect for yearly net income is set unchanged at 170.0 billion yen, reflecting the murky economic environments.
- Dividend payout ratio is raised to '20% or more' (hitherto set on 15%).

Business Environment Analysis

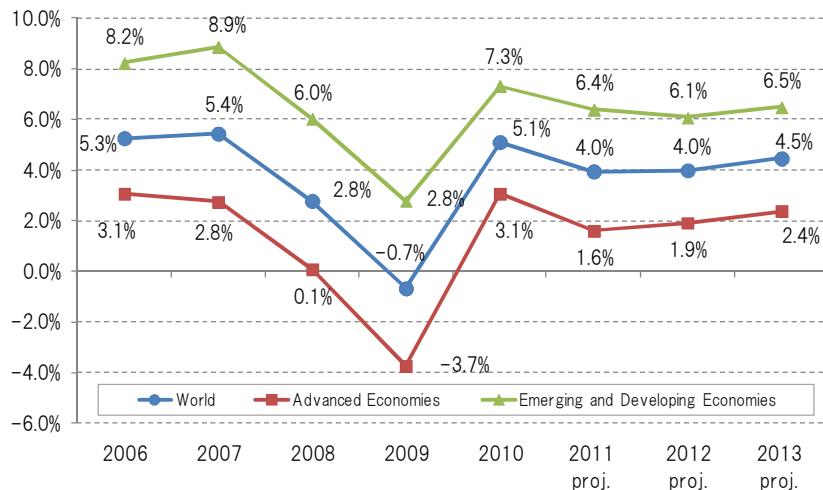
Earnings Power and Structure

Balance Sheets & Cash Flows

Yearly Prospects and Dividend Policy

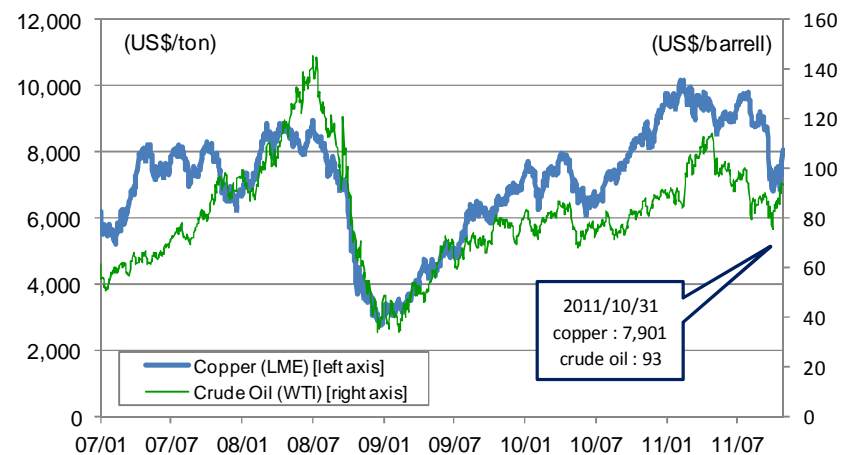
Business Environment Analysis

«World Output»

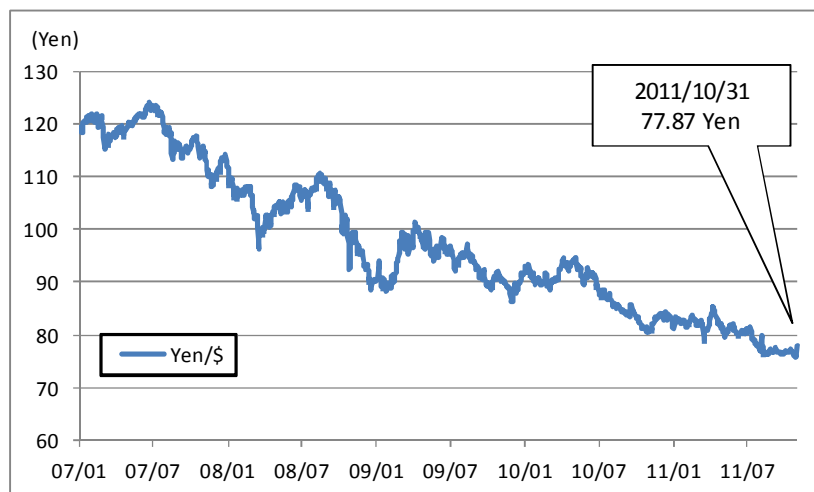


Source : IMF, World Economic Outlook, September 2011

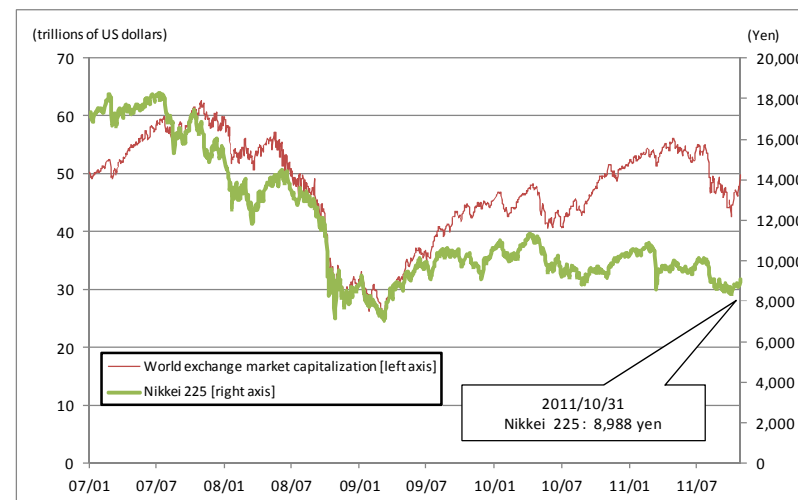
«Crude Oil / Copper price»



«Exchange Rate»



«Stock Prices»



Business Environment Analysis

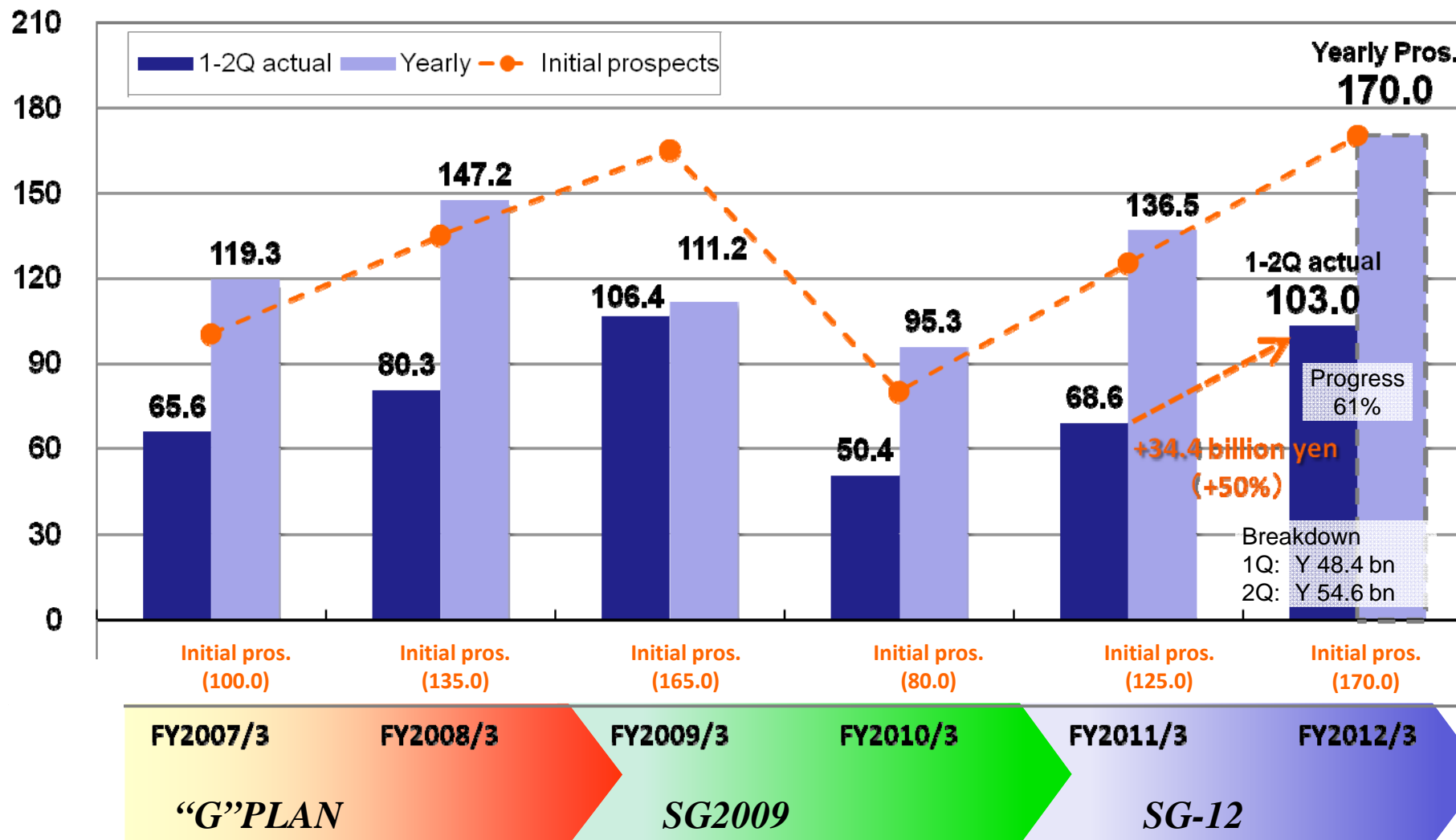
Earnings Power and Structure

Balance Sheets & Cash Flows

Yearly Prospects and Dividend Policy

Net Income

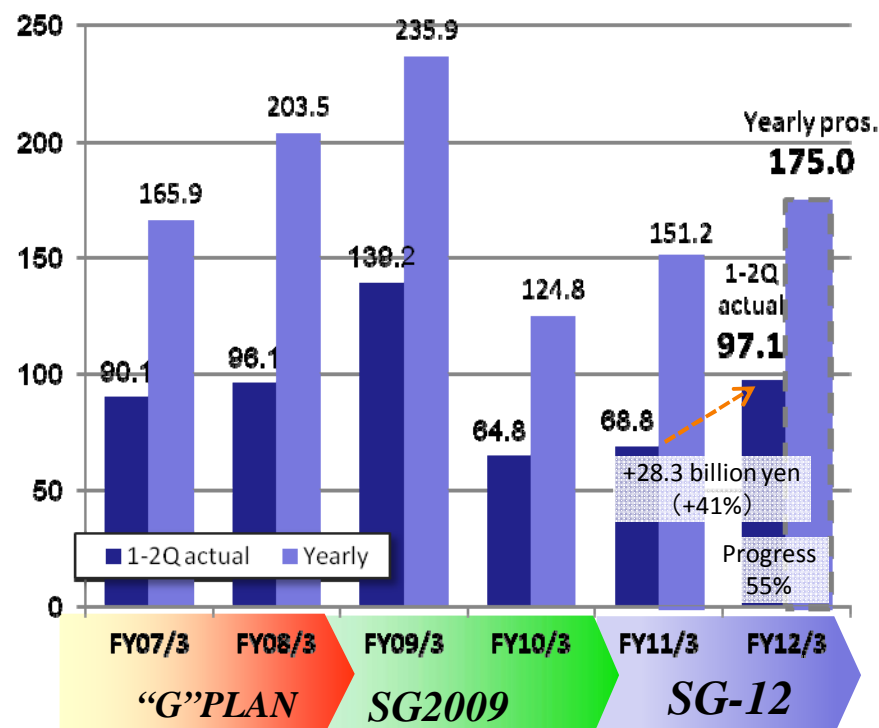
(billions of yen)



Adjusted Operating Profit and Core Earnings

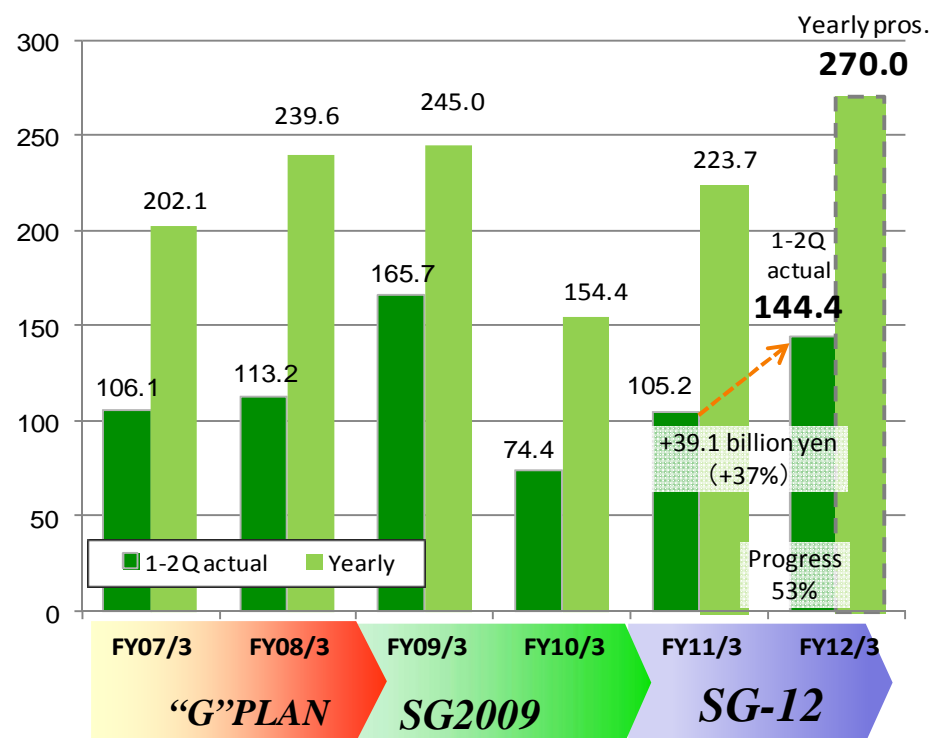
Adjusted Operating Profit

(billions of yen)



Core Earnings

(billions of yen)



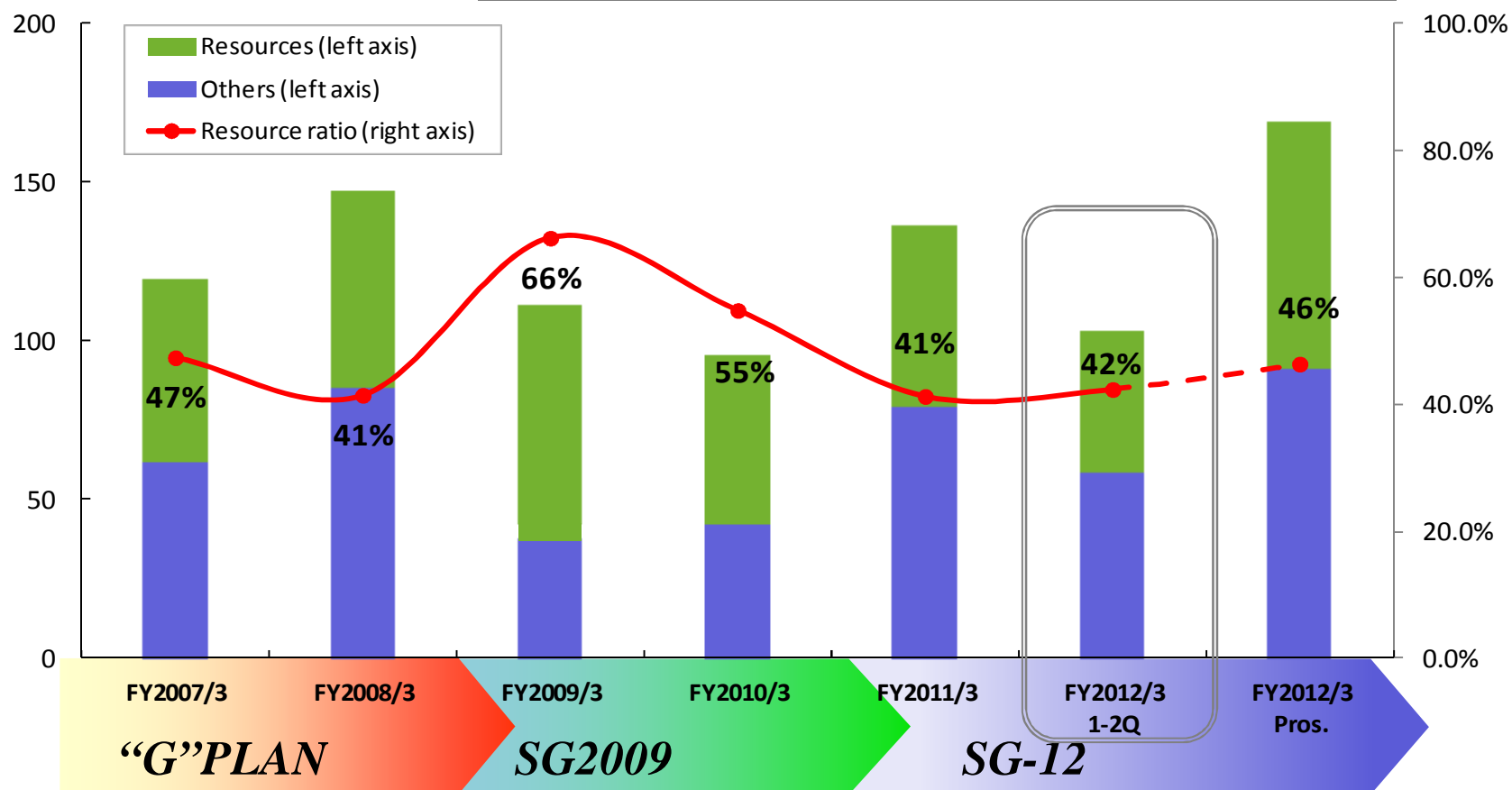
Adjusted Operating Profit = Gross Trading Profit + SGA expenses (excluding restructuring costs in FY2007/3.)

Core Earnings = Adjusted Operating Profit + Interest expense-net + Dividend income + Equity in earnings of affiliated companies

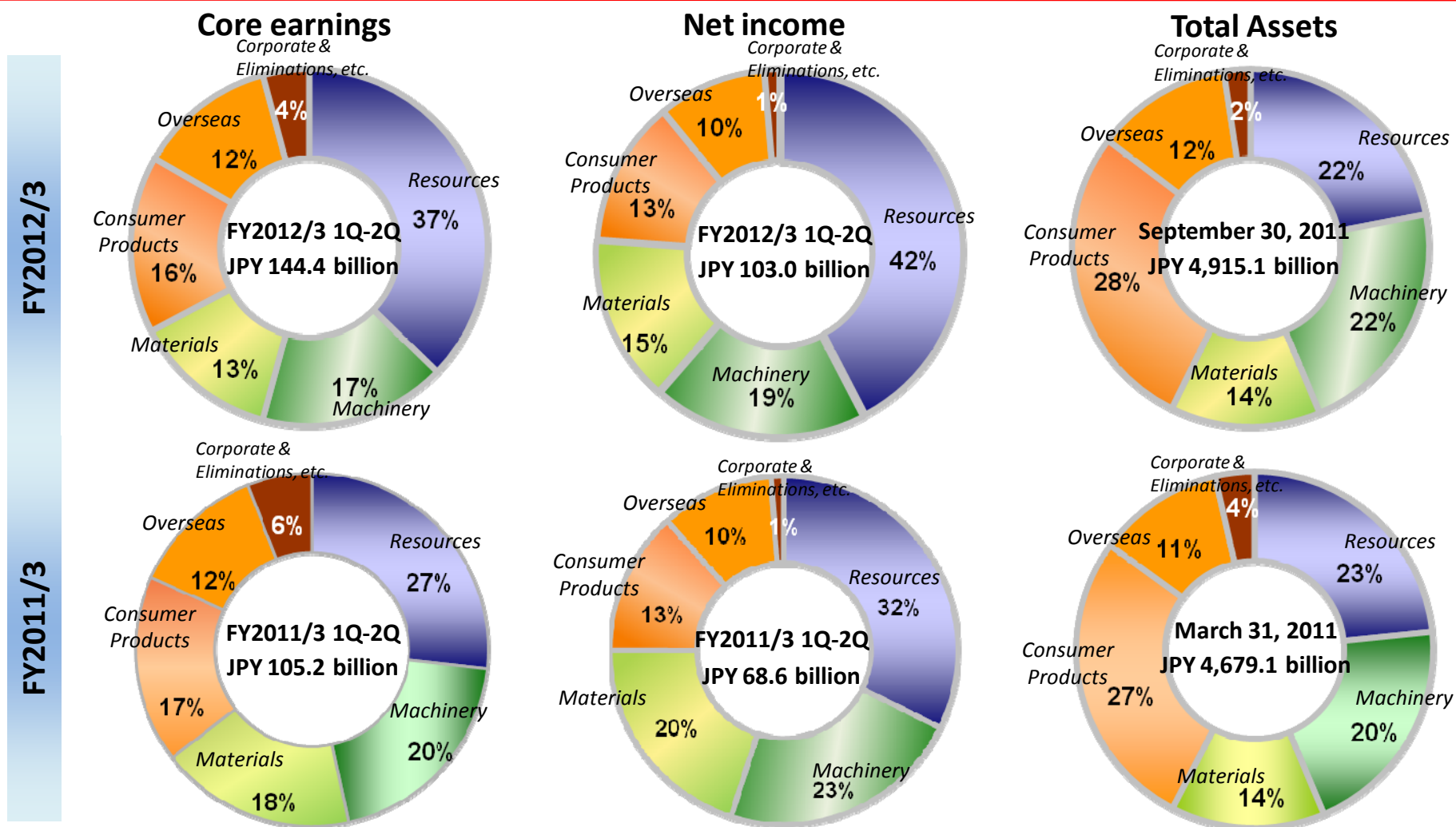
Earnings Structure of Net Income

<Reference> Commodity price	Unit	FY2011/3	FY2012/3		
		Actual	Assumption (Yearly)	1-2Q Actual	3-4Q Assumption
Oil (WTI)	USD/Barrel	80	92	99	85
Copper (LME)	USD/MT	7,539	8,900	9,398	8,300

(billions of yen)



Earnings Structure and Business Portfolio

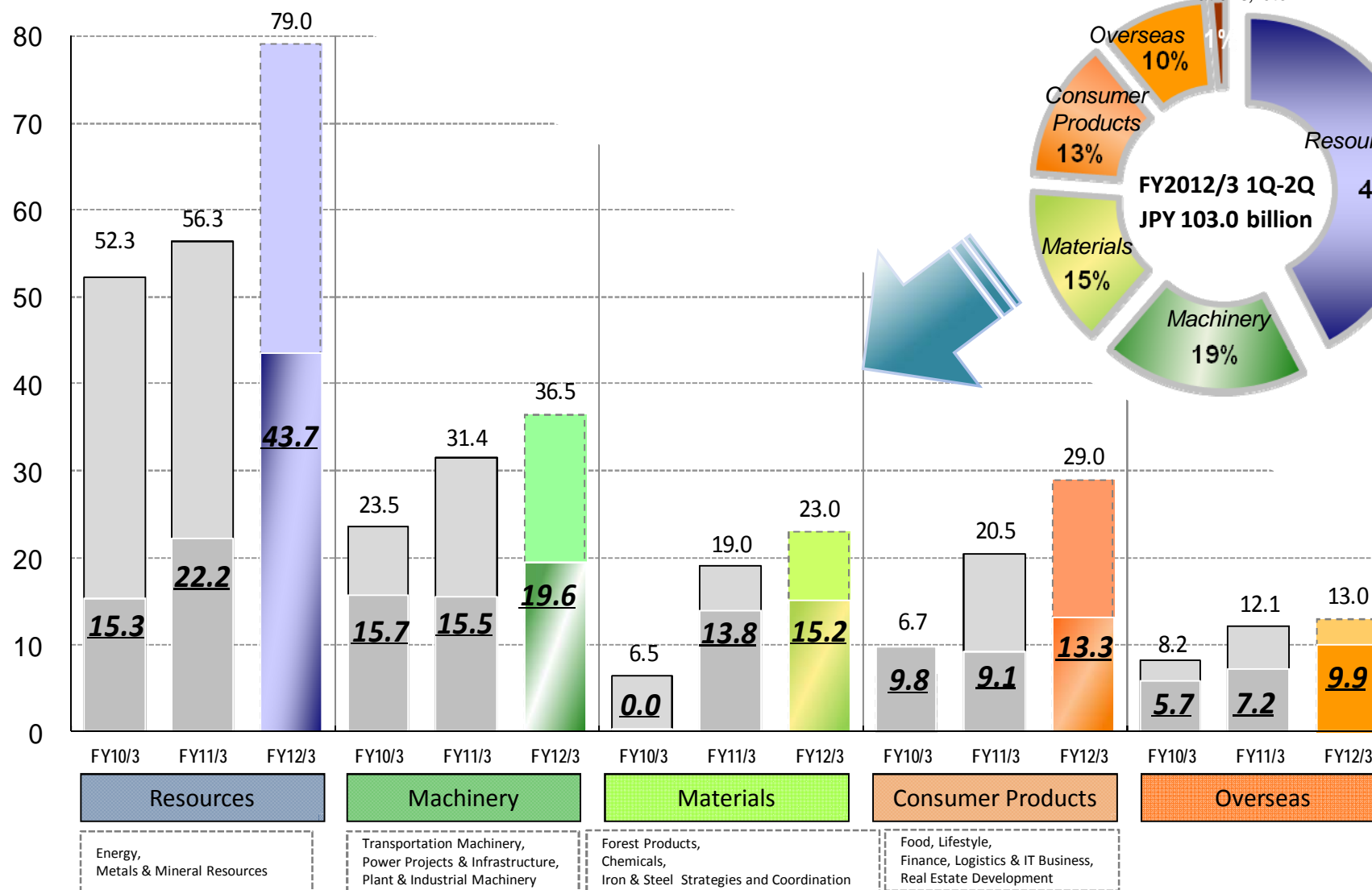


【Category】
 ①Resources: Energy, Metals & Mineral Resources *
 ②Machinery: Transportation Machinery, Power Projects & Infrastructure, Plant & Industrial Machinery
 ③Materials: Forest Products, Chemicals
 ④Consumer Products: Food, Lifestyle, Finance, Logistics & IT Business, Real Estate Development *

*Iron and Steel Strategies and Coordination Business is continuously counted among Materials area though the business was incorporated into Metals and Mineral Resources Segment in FY2011/3.
 *Real Estate Development Business is continuously counted among Consumer Products area though the business was incorporated into Corporate & Eliminations, etc in FY2012/3.

Net Income by Business Category

(billions of yen) * Underlined figures : 1-2Q Unlined : Yearly



Business Environment Analysis

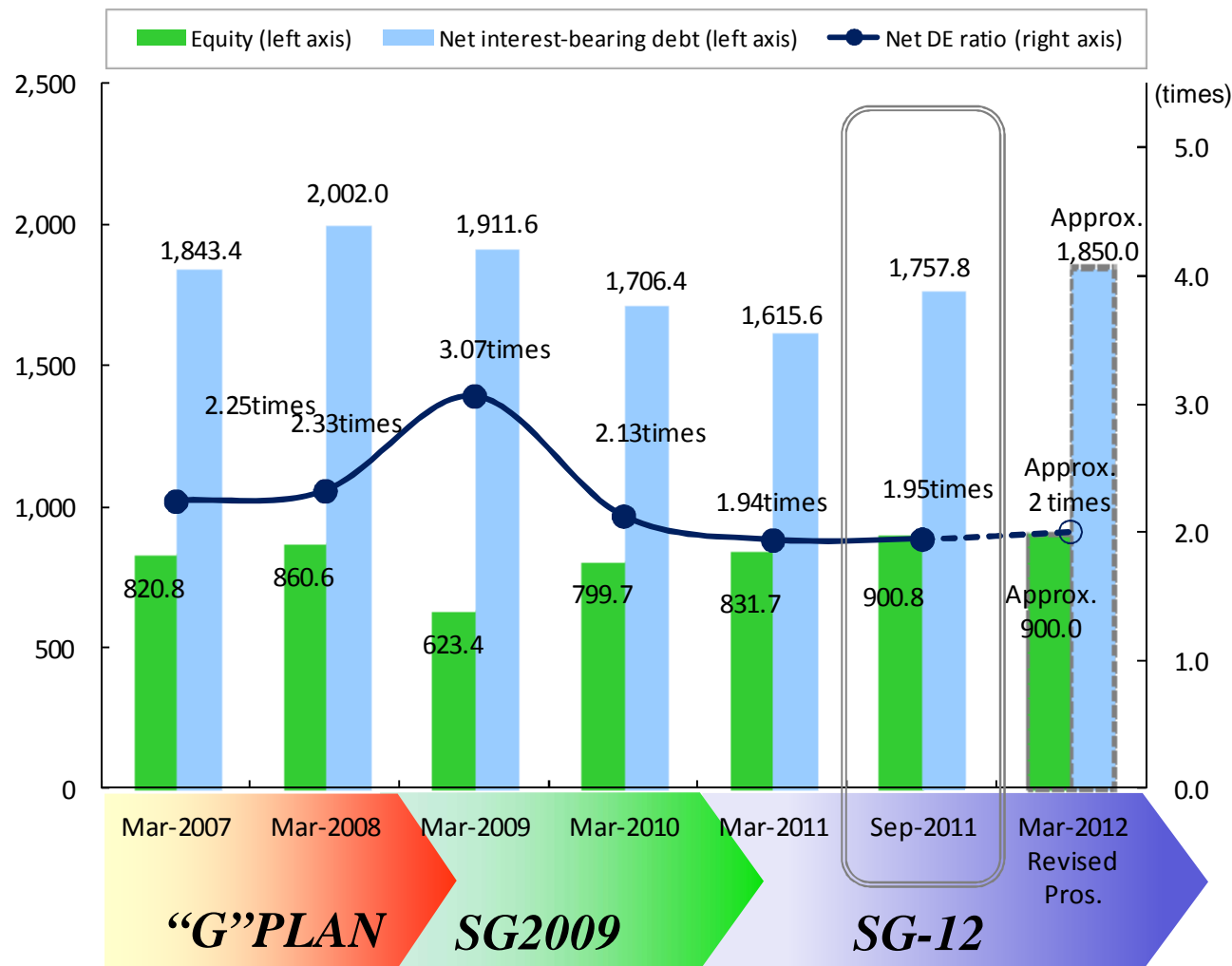
Earnings Power and Structure

Balance Sheets & Cash Flows

Yearly Prospects and Dividend Policy

Equity and Net D/E Ratio

(billions of yen)

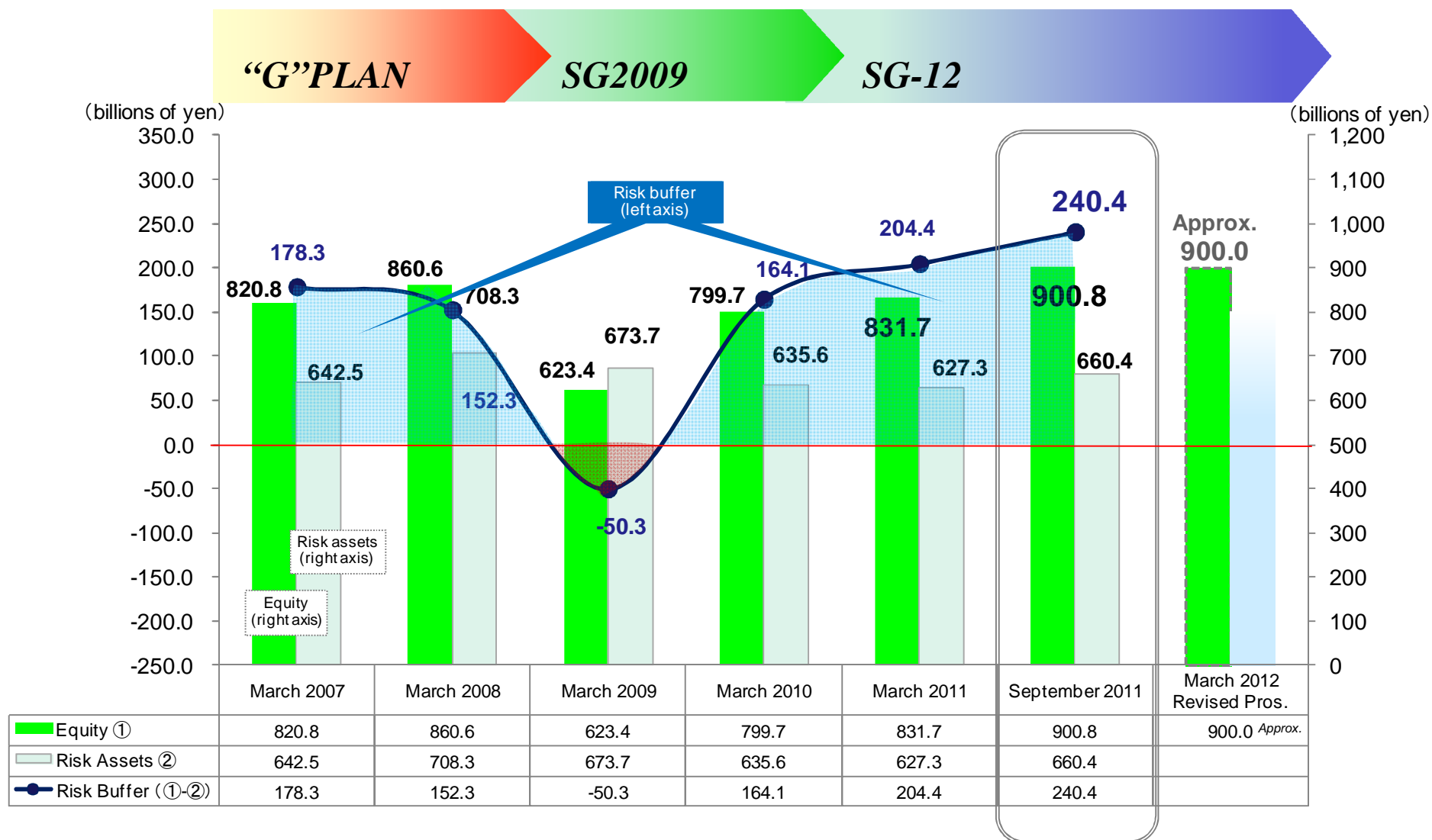


« Reasons for changes in Equity »

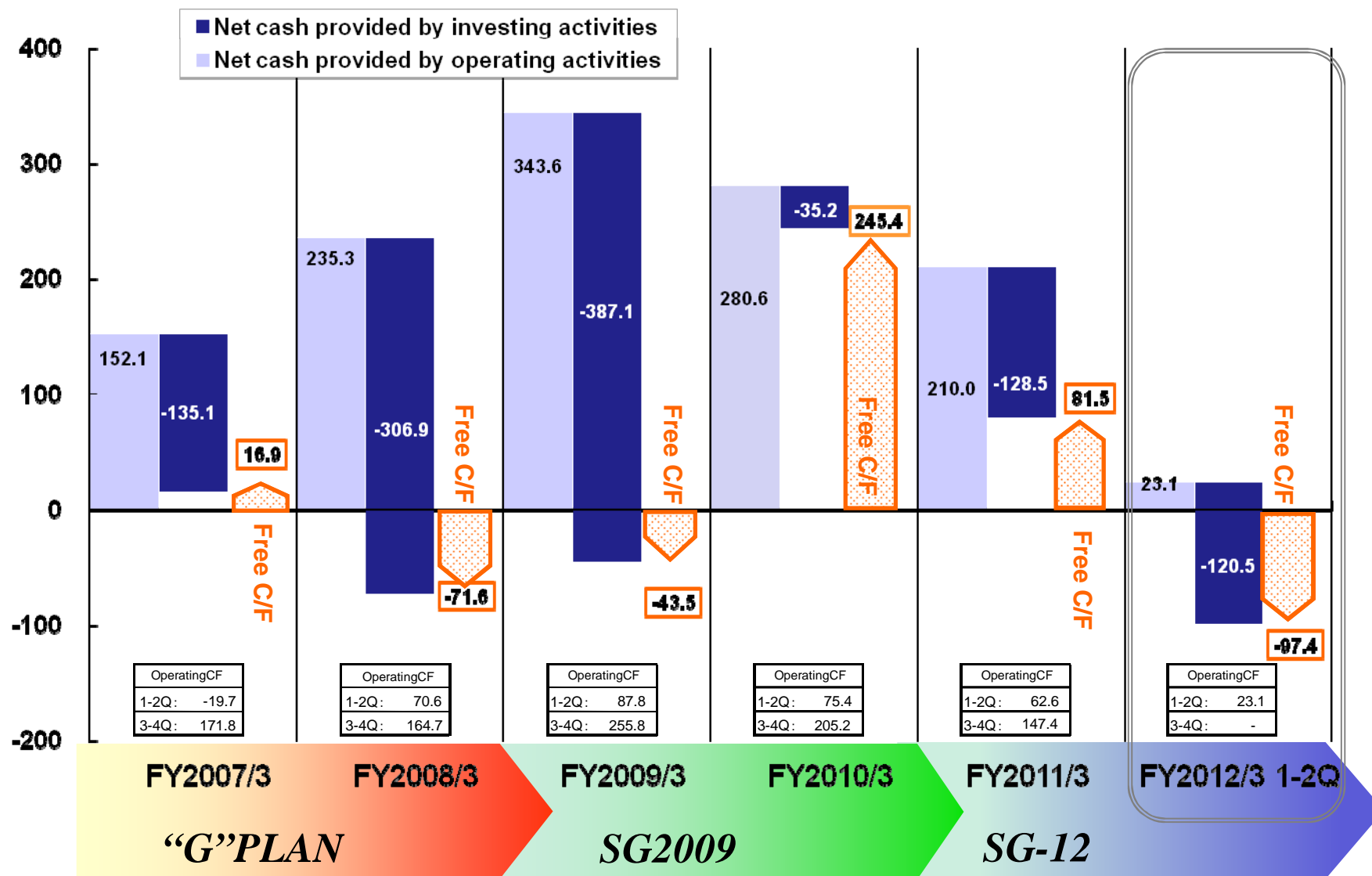
(March-2011 / September-2011 comparison)

- ① Changes in Retained earnings
⇒ +91.7 billion yen
(Net income +103.0 billion yen
Dividends payable -11.3 billion yen)
- ② Changes in Currency translation adjustments
⇒ -11.6 billion yen
USD/JPY :
<End Dec. 2010> ¥81.5 ⇒ <End Jun. 2011> ¥80.7
<End Mar. 2011> ¥83.2 ⇒ <End Sep. 2011> ¥76.7
- ③ Changes in Unrealized gains on investment securities
⇒ -12.5 billion yen
(Nikkei 225 : ¥9,755 ⇒ ¥8,700)

Equity and Risk Assets



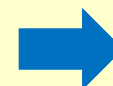
Cash Flows



Priority Allocation of Management Resources

	FY2011/3 Yearly	FY2012/3 1-2Q	SG-12 Period Total	Major Projects
Natural Resources	Approx. 30.0 billion yen	Approx. 45.0 billion yen	Approx. 75.0 billion yen	[FY2011/3] • Oil and Gas Concession (Gulf of Mexico, USA) [FY2012/3] • Niobrara Shale Oil (USA) etc.
Infrastructure	Approx. 80.0 billion yen	Approx. 25.0 billion yen	Approx. 105.0 billion yen	[FY2011/3] • Hsin Tao Power (Taiwan) • Aguas Nuevas water and sewage utility (Chile) • LNG Vessels • Power transmission project (USA) [FY2012/3] • Paiton2 Coal-fired Power Plant (Indonesia) etc.
Environment, Essential Living Commodities and Others	Approx. 50.0 billion yen	Approx. 50.0 billion yen	Approx. 100.0 billion yen	[FY2011/3] • Acecook Vietnam • GS Paper & Packaging (Malaysia) • Aircraft Operating Lease Business [FY2012/3] • Westlake Service - automotive finance (USA) etc.
Total	Approx. 160.0 billion yen	Approx. 120.0 billion yen	Approx. 280.0 billion yen	

Approx. 640.0 billion yen of new investments have been approved including above.



New investment plan on SG-12 will shift into high gear.

Major Projects

Resources

Main activities in FY2012/3

- ▶ Participation in the Niobrara Shale Oil Project (see the column below)
- ▶ Esperanza Copper Mine: ramping up towards full –capacity operation (see the right column)

Participation in the Niobrara Shale Oil Project

- Marubeni has entered into an agreement with Marathon Oil Corporation (“Marathon”), a U.S. major oil and natural gas company to acquire **30%** working interest in the Denver Julesburg Basin Niobrara shale oil play for approx. **US\$270 million**, covering 180 thousand net acres of oil and gas leases pertaining to this deal located in Colorado and Wyoming.
- The Niobrara recently draws the high attention of oil and gas industry as one of the most attractive and promising shale oil resource plays in the U.S., where drilling and production are very active right now.
- Marubeni and Marathon have agreed to jointly acquire additional acreages in the Niobrara shale oil area, where both companies are aiming for the business expansion.

⇒ **Development progress is on target.**
Started shipment in October.

Esperanza Copper Mine

- Esperanza Copper Mine: ramping up towards full - capacity operation with good progress.

【Reference】 Production Volume (Marubeni’s portion)
1Q: 2.2 , 2Q: 6.6, 3Q: 7.6 (thousands of ton)

(thousands of ton)

Copper		Marubeni’s Equity Metal *Capacity		
		Beginning of FY2009/3	FY2011/3	FY2012/3
Los Pelambres Mine	Owned since 1997	30	35	35
El Tesoro Mine	Acquired in FY2009/3		30	30
Esperanza Mine	Acquired in FY2009/3			60
Total		30	65	125

※Los Pelambres Mine has expanded its capacity in 2010.



Major Projects

Resources

Main activities in FY2012/3

- ▶ Acquisition of Interests in Codrilla Deposit (see the column below)
- ▶ Acquisition of Canadian Coal Company, Grande Cache Coal Corporation (see the right column)

Acquisition of Interests in Codrilla Deposit

- Concluded a contract to acquire a **7%** interest in the Codrilla Deposit, which is expected to produce Low Volatile PCI product and planned to enter into production in 2013.

<Codrilla>

Location : Queensland, Australia

Reserves : Minerable reserves 50 Mt

Initial Production : 2013 (Projected)



Acquisition of Canadian Coal Company

- Marubeni has entered into an agreement to acquire all of the issued and outstanding common shares of Grande Cache Coal Corporation, a Canadian metallurgical coal mining company, with Winsway Coking Coal Holdings (China) (“Winsway”). The interest is respectively to be held; **40%** by Marubeni, 60% by Winsway
- Under the current supply environment where supply sources of HCC are heavily concentrated in Australia, it is important from a point of diversification to secure an alternate source of supply of HCC from countries other than Australia to ensure stability of supply to Japanese end users.

【Grande Cache Coal Corporation】

Location : Alberta, Canada

Listed : Toronto Stock Exchange

(millions of ton)

Coal	Marubeni's Equity Coal *Capacity			
	Beginning of FY2009/3	FY2012/3		After FY2014/3
		(Present)	(After acquisition of Grande Cache)	
Grande Cache	-	-	0.8	1.4
Lake Vermont	-	1.3		2.7
Codrilla	-	-		0.2
Others	2.9	4.4		4.8
Total	2.9	5.8	6.6	More than 9.0

Major Projects

Power Projects

Main activities in FY2012/3

- ▶ Sur Power Project (Oman)
- ▶ Paiton 2 Coal-Fired Power Project (Indonesia)
- ▶ Gunfleet Sands Offshore Wind Farm (UK)
(see the right column)

Marubeni Corporation to Co-Own Gunfleet Sands Offshore Wind Farm

- Marubeni Corporation acquired from DONG Energy a **49.9%** stake in 172MW Gunfleet Sands offshore wind farm for **GBP 200 million**. The wind farm went into production in the spring of 2010.
- This is the first case of a Japanese company making a large-scale investment in a wind farm project already in commercial operation.

Marubeni's Net Power Generation Capacity

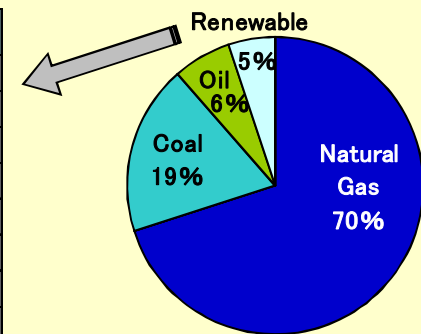
	SG-12 start	Present (Nov. 2011)	After FY2013/3
Marubeni's Net Power Generation Capacity	7,229MW	8,723MW	Continue to expand as a priority business field



Gunfleet Sands Offshore Wind Farm

【Renewable Energy Assets】

Fuel	Project
Wind Power	Hallett 4 (Australia)
	Gangwon (Korea)
	Raleigh (Canada)
	Gunfleet Sands (UK)
	Misaki (Japan)
Water Power	San Roque (Philippines)
	Mibugawa (Japan)
Geothermal Power	Miravalles (Costa Rica)



Net Capacity of Renewable Energy Assets: **450MW (5%)**

⇒ Marubeni aims to increase the proportion of renewable energy assets to **10%** while expanding the total IPP capacity to 11,000MW (net) during SG-12.

Major Projects

Transportation Machinery Business

Main activities in FY2012/3

- ▶ Participation in Management of Westlake(see the column below)
- ▶ Acquisition of ownership interest of LNG Vessels with Teekay Partners(see the right column)

Participation in Management of Westlake

- Decided to undertake 100% of the private placement of new shares issued by Westlake Services, LLC (“Westlake”) for **US\$250 million**. Marubeni acquired a **20%** equity position.
- Westlake finances automobiles to consumer representatives in the U.S. It is the largest independent non-bank lender in the automotive retail finance business in the U.S. With this investment, Marubeni will become a long-term partner to support and accelerate Westlake’s growth and profits.

Acquisition of ownership interest of LNG Vessels

- Marubeni jointly with Teekay LNG Partners L.P. has agreed to acquire the ownership interest of **8 LNG vessels** from A.P.Moller-Maersk A/S(“APMM”) for an aggregate purchase price of **\$1.4 billion**. Marubeni acquired a **48%** equity position.
- These 8 vessels were all built by Samsung Heavy Industries Co., Ltd. in 2004-2010. APMM previously owned 100% interest of 6 vessels(3 are under long-term charters and 3 are under short-term charters) and also 26% interest in the other two vessels that are long term charters.
- Marubeni will continue to seek opportunities to expand in this business as the company is confident in the increasing importance of LNG as energy and LNG vessels as a mode of transportation.



Major Projects

Grain Business

Main activities in FY2012/3

- ▶ Investment in Chinese Feedstuff and Livestock Business
- ▶ Agreement with Sinograin Oil and LIUHE Group (see the right column)

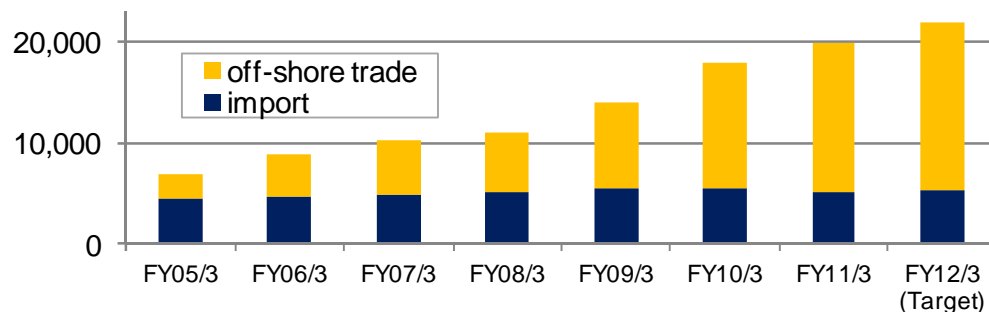
Agreement with Sinograin Oil and LIUHE Group

- Agreed on strategic cooperation with **Sinograin Oil (100% subsidiary of Sinograin)** and **LIUHE Group** to develop joint venture of feedstuff business. For this agreement, Marubeni took an intermediary role between Sinograin Oil and LIUHE Group.
- Seeing the growing demand for feedstuff in China, the three companies aim to set up state-of-the-art feedstuff factories throughout China, expand market share and strengthen the foundation for feedstuff and livestock breeding integrated business.

Grain Trading Volume

FY2011/3 Actual : 20 million tons

**FY2012/3 Target : 22 million tons
(approx. 7% of world trading volume)**



Business Environment Analysis

Earnings Power and Structure

Balance Sheets & Cash Flows

Yearly Prospect and Dividend Policy

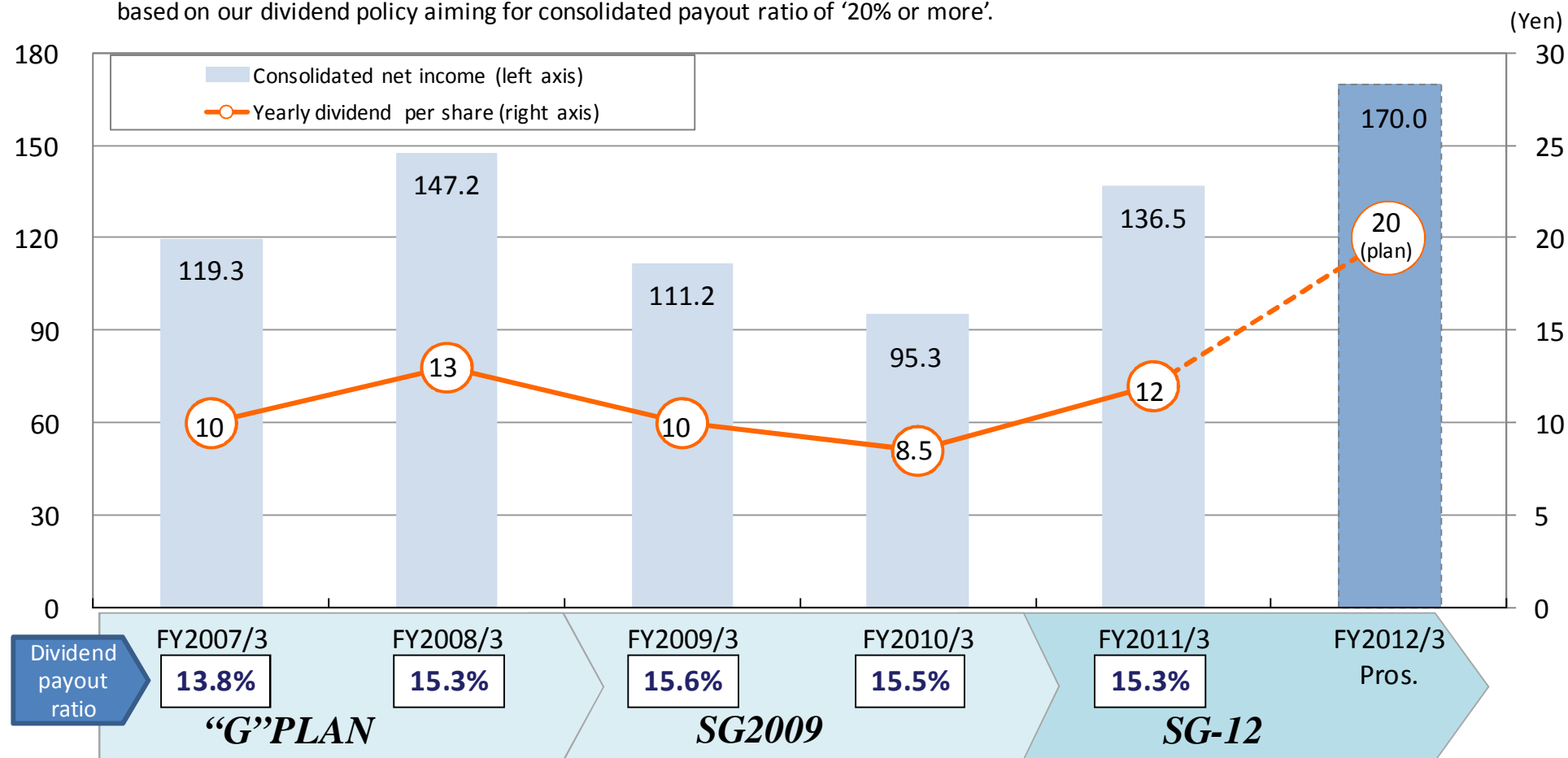
Yearly Prospects and Dividend Policy

➤ **Yearly prospect for FY2012/3**

1-2Q net income amounted to 103.0 billion yen which is 61% of progress to yearly prospect of 170.0 billion yen. Yearly prospect for net income is to be set unchanged reflecting the murky economical environment.

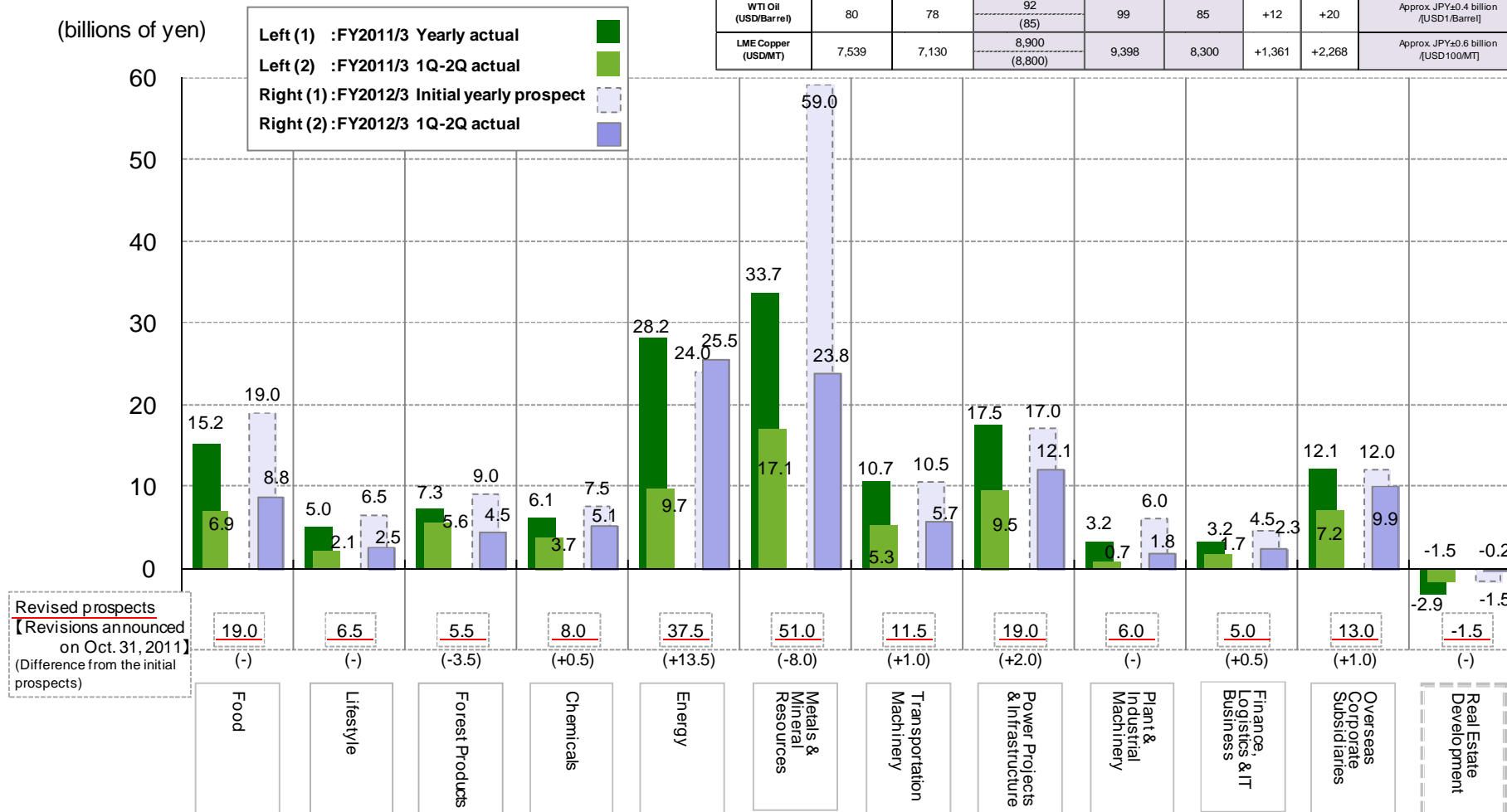
➤ **Dividend policy for FY2012/3**

Yearly dividend for FY2012/3 is projected to be 20 yen per share, of which 10 yen per share for the interim period has been resolved, based on our dividend policy aiming for consolidated payout ratio of '20% or more'.



Reference Prospects of Net Income by Operating Segment for FY2012/3

	(Reference) Major Indexes		FY2012/3		③-①	④-②	FY2012/3 Sensitivity (to Net Income on yearly basis)	
	FY2011/3 Actual ①	1-2Q Actual ② (Jan.-Jun.)	Assumptions (Yearly) Initial Assumption ③	1-2Q Actual ④ (Jan.-Jun.)				3-4Q Assumption (Jul.-Dec.)
Exchange Rate (JPY/USD)	87.8	91.4	80 (85)	82.0	77.0	-8	-9	Approx. JPY±1.1 billion /JPY1/USD
WTI Oil (USD/Barrel)	80	78	92 (85)	99	85	+12	+20	Approx. JPY±0.4 billion /USD1/Barrel
LME Copper (USD/MT)	7,539	7,130	8,900 (8,800)	9,398	8,300	+1,361	+2,268	Approx. JPY±0.6 billion /USD100MT



Note) From FY2012/3, Real Estate Development is included in Corporate and Elimination.

DISCLAIMER REGARDING FORWARD-LOOKING STATEMENTS

THIS DOCUMENT CONTAINS FORWARD-LOOKING STATEMENTS ABOUT THE PERFORMANCE OF MARUBENI AND ITS GROUP COMPANIES, BASED ON MANAGEMENT'S ASSUMPTIONS IN LIGHT OF CURRENT INFORMATION. THE FOLLOWING FACTORS MAY THEREFORE INFLUENCE ACTUAL RESULTS. THESE FACTORS INCLUDE CONSUMER TRENDS IN JAPAN AND IN MAJOR GLOBAL MARKETS, PRIVATE CAPITAL EXPENDITURES, CURRENCY FLUCTUATIONS, NOTABLY AGAINST THE U.S. DOLLAR, MATERIALS PRICES, AND POLITICAL TURMOIL IN CERTAIN COUNTRIES AND REGIONS.