Progress of “SG-12”, Mid-Term Management Plan for FY2010-2012

May 6, 2011

Marubeni Corporation

Reference Translation
# Outline of SG-12

## SG-12 Principles

The Marubeni Group, even in this turbulent world economy, will build strong earnings and a solid financial base to become a “Stronger Marubeni” who challenges sustainable growth beyond all our stakeholders’ expectations.

## SG-12 Key Measures and Quantitative Targets

### SG-12 Key Measures

- Top Management Led Human Resources Strategy
- Priority Allocation of Management Resources
- Accelerate Business in Overseas Market
- Strengthen Financial Base and Upgrade Risk management

### SG-12 Quantitative Targets

- **Consolidated Net Income**
  - FY2010: 125 billion yen
- **Consolidated Net Debt to Equity (D/E) Ratio**
  - Approx. 1.8x
- **Risk Assets**
  - Less than Equity
- **ROE**
  - Over 15% stably

## New Investment Plan, Priority Business Fields and Priority Regions

### New Investment Plan

- **New Investment (Gross)**: Approx. 750 billion yen
- **Total of FY2010-2012 (3 years)**
- **Strategic Divestiture of Assets**: Approx. 150 billion yen
- **New Investment (Net)**: Approx. 600 billion yen

### Priority Business Fields

- Natural Resources
- Infrastructure
- Environment
- Essential Living Commodities

### Priority Regions

- China
- ASEAN
- India
- North America
- South America
## FY2010 Results

<table>
<thead>
<tr>
<th>SG-12 target</th>
<th>FY2010 actual results</th>
<th>status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated Net Income</strong></td>
<td>FY2010: 125.0 billion yen</td>
<td>136.5 billion yen</td>
</tr>
<tr>
<td><strong>Net D/E Ratio</strong></td>
<td>Approx. 1.8x</td>
<td>1.94x</td>
</tr>
<tr>
<td><strong>Risk Assets</strong></td>
<td>Less than Equity</td>
<td>627.3 billion yen (Equity: 831.7 billion yen)</td>
</tr>
<tr>
<td><strong>ROE</strong></td>
<td>Over 15% stably</td>
<td>18.0%</td>
</tr>
</tbody>
</table>

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![Consolidated Net Income and ROE Chart](chart1.png)

- **Consolidated Net Income**:
  - FY2006: 119.3 billion yen
  - FY2007: 147.2 billion yen
  - FY2008: 111.2 billion yen
  - FY2009: 95.3 billion yen
  - FY2010: 136.5 billion yen

- **ROE**:
  - FY2006: 16.9%
  - FY2007: 19.3%
  - FY2008: 16.5%
  - FY2009: 14.5%
  - FY2010: 18.0%

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![Equity, Risk Assets, and D/E Ratio Chart](chart2.png)

- **Equity**:
  - Mar. 2007: 820.8 billion yen
  - Mar. 2008: 642.5 billion yen
  - Mar. 2009: 670.6 billion yen
  - Mar. 2010: 799.7 billion yen
  - Mar. 2011: 831.7 billion yen

- **Risk Assets**:
  - Mar. 2007: 2.25 times
  - Mar. 2008: 2.33 times
  - Mar. 2009: 3.07 times
  - Mar. 2010: 2.13 times
  - Mar. 2011: 1.94 times

- **Net D/E Ratio**:
  - Mar. 2007: 2.25 times
  - Mar. 2008: 2.33 times
  - Mar. 2009: 3.07 times
  - Mar. 2010: 2.13 times
  - Mar. 2011: 1.94 times

*Risk Buffer: +204.4 billion yen*
# Priority Allocation of Management Resources

<table>
<thead>
<tr>
<th>Priority Business Fields</th>
<th>FY2010 actual</th>
<th>Major Projects</th>
</tr>
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<tbody>
<tr>
<td><strong>Natural Resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Metals and Mineral Resources</td>
<td><em>Approx. 30.0 billion yen</em></td>
<td>- Oil and Gas Concession (Gulf of Mexico, USA) (Copper mining right (Mirador, Chile)), etc.</td>
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<tr>
<td>- Energy Resources, etc.</td>
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<td></td>
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<tr>
<td><strong>Infrastructure</strong></td>
<td></td>
<td></td>
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<tr>
<td>- Overseas l(W)PP Projects</td>
<td><em>Approx. 80.0 billion yen</em></td>
<td>- Hsin Tao Power (Taiwan)</td>
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<tr>
<td>- Water-related Projects</td>
<td></td>
<td>- Aguas Nuevas water and sewage utility (Chile)</td>
</tr>
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<td>- Industrial and Social Infrastructure Projects, etc.</td>
<td></td>
<td>- LNG Vessels</td>
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<tr>
<td><strong>Environment, Essential Living Commodities, and Others</strong></td>
<td></td>
<td>- Power transmission project (USA), etc.</td>
</tr>
<tr>
<td>- Forestation Projects</td>
<td><em>Approx. 50.0 billion yen</em></td>
<td>- Tokachi Grain Terminal</td>
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<td>- Clean Energy Projects</td>
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<td>- Acecook Vietnam</td>
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<td>- Emission Credits</td>
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<td>- GS Paper &amp; Packaging (Malaysia)</td>
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<tr>
<td>- Grain, Agriculture-related Materials (fertilizer, agrochemicals, etc.)</td>
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<td>- Raleigh Wind Energy Center Project (Canada)</td>
</tr>
<tr>
<td>- Trade/Distribution (food products, pulp and paper, lifestyle products, motor vehicles, etc.), etc.</td>
<td></td>
<td>- Aircraft Operating Lease Business, etc.</td>
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<tr>
<td><strong>Total</strong></td>
<td><em>Approx. 160.0 billion yen</em></td>
<td></td>
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</tbody>
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Approx. **350.0 billion yen** of new investments have been approved including above. (FY2010 actual : Approx. 160.0 billion yen) New investment plan on SG-12 is proceeding as expected.
# Prospects for FY2011

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## Assumptions for FY2011

- **Currency Exchange Rate**: 85 Yen/US$
- **US$ LIBOR**: 0.6%
- **Yen TIBOR**: 0.5%
- **LME Copper**: US$8,800/t [Jan.-Dec.]
- **Crude Oil (WTI)**: US$85/bbl [Jan.-Dec.]

## FY 2011 Sensitivity to Net Income Prospect on yearly basis

- **Currency Exchange Rate**: Approx. 1.1 billion yen (¥1/US$)
- **LME Copper**: Approx. 0.6 billion yen (US$100/t)
- **Crude Oil & Gas (oil equivalent)**: Approx. 0.4 billion yen (US$1/boe)
Net Income Target for the period of SG-12

To break the highest income record
(FY2007: 147.2 billion yen)

136.5 billion yen

170.0 billion yen

with a view to achieving
200.0 billion yen

Maintaining a good balance of resources and non-resources

FY2010 Actual

FY2011 Prospect

FY2012 Target

Resources
Non-resources
Resource ratio
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