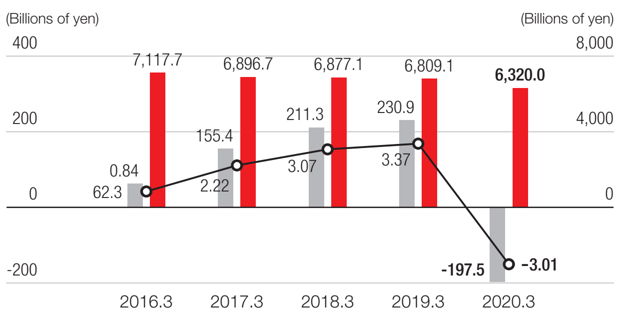
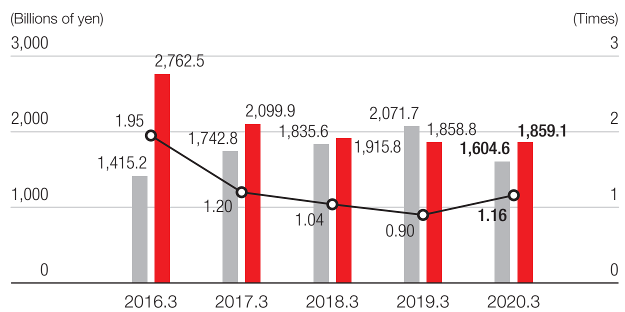
Performance Highlights

Financial Data

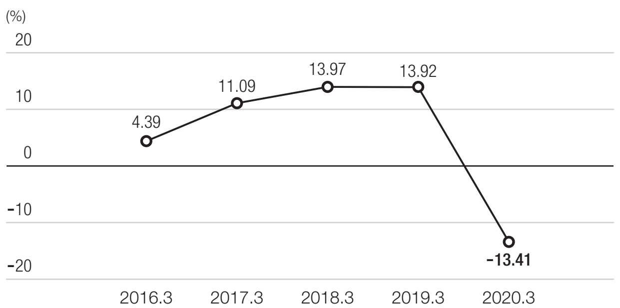
Net Profit (loss)/Total Assets/ROA



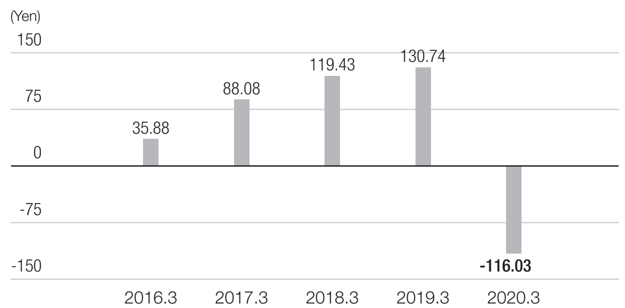
Total Equity/Net Interest-Bearing Debt/Net Debt/Equity (DE) Ratio



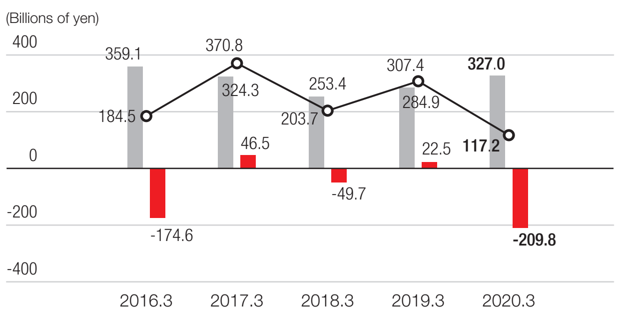
ROE



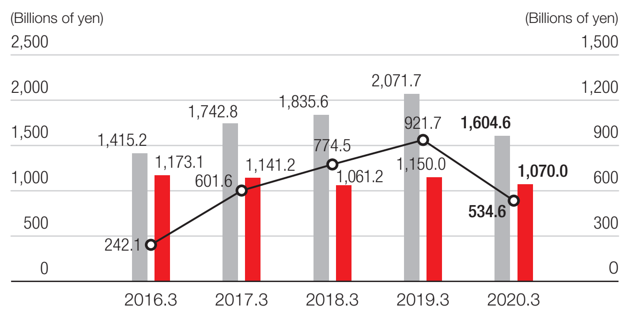
Net Profit per Share (basic)



Cash Flows

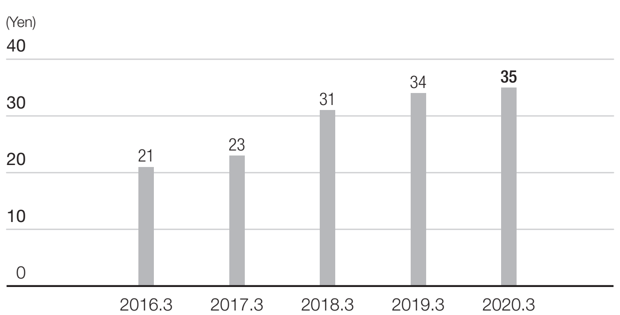


Total Equity/Risk Assets/Risk Buffer*

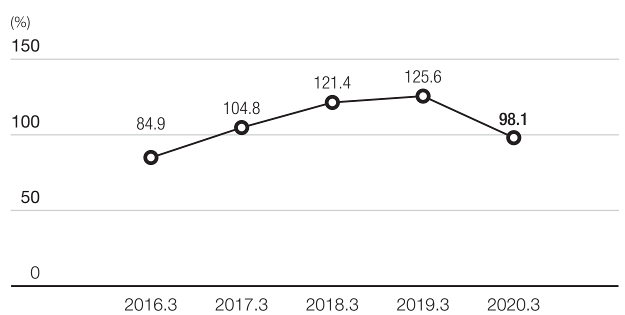


* Risk buffer = Total equity – Risk assets

Annual Dividend per Share



Total Shareholder Return*



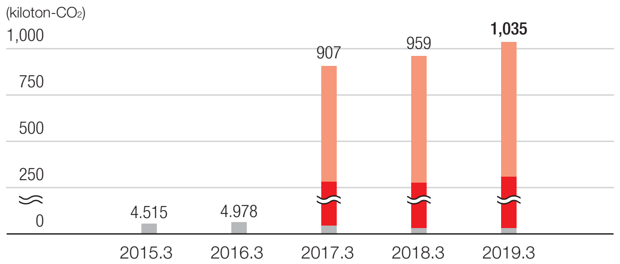
* Total shareholder return for fiscal year N = (Share price at the end of fiscal year N + cumulative amount of dividends per share of up to fiscal year N from four fiscal years prior to FYE 3/2020)/share price at the end of the five fiscal years prior to FYE 3/2020
(fiscal year N = any fiscal year between FYE 3/2016 and FYE 3/2020)

Non-Financial Data

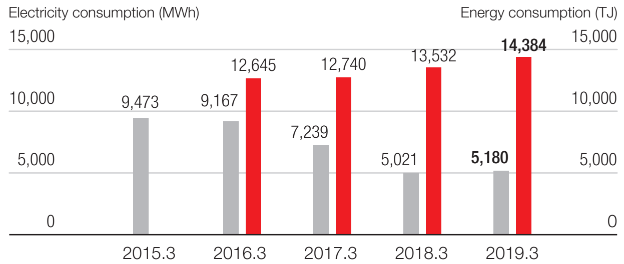
ENVIRONMENTAL DATA*1

For details, please refer to the website:
https://www.marubeni.com/en/sustainability/environment/env_data/

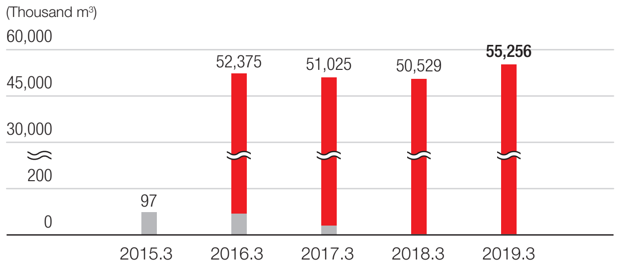
Greenhouse Gas (CO_2) Emissions (Energy-Related) *2



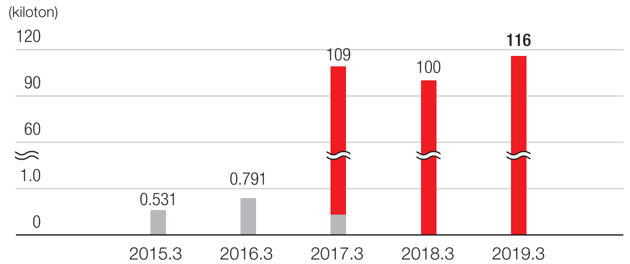
Energy Consumption*3



Water Withdrawal



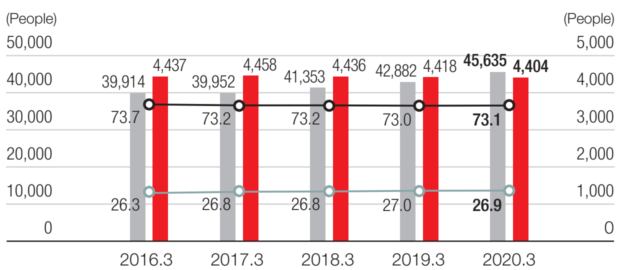
Waste Generated*4



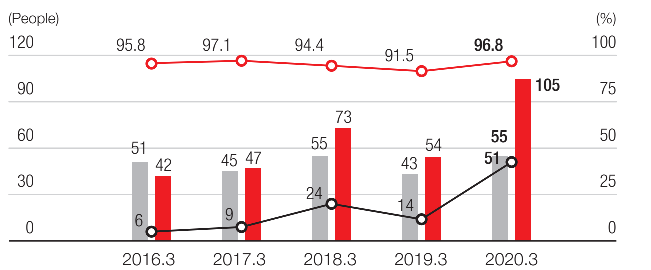
SOCIAL DATA

For details, please refer to the website:
https://www.marubeni.com/en/sustainability/social/employee/

No. of Employees (Consolidated)*5/ No. of Employees (Non-consolidated)*6/Percentage of Males and Females*7



No. of Employees Who Took Maternity Leave*8/ No. of Employees Who Took Childcare Leave*9



***1. The boundaries of the environmental data:**
- For FYE 3/2015 - FYE 3/2016 .... Marubeni Corporation's six principal offices (Tokyo Head Office, plus Hokkaido, Chubu, Osaka, Kyushu, and Shizuoka Branches). Due to the relocation of the Osaka Branch in July 2015, the energy consumption of the office in July is calculated based on figures at both its previous and current site for FYE 3/2016 data.
- From FYE 3/2017 .... Marubeni Corporation and its domestic and international consolidated subsidiaries, excluding Helena Agri-Enterprises, LLC, and the subsidiaries that are designated to be liquidated or sold.
  From FYE 3/2019, the grain procurement and export company based in northern U.S., which was not included in FYE 3/2017 and FYE 3/2018, has been included.
- In FYE 3/2020 .... Because the COVID-19 outbreak caused delays in investigation and assurance procedures in FYE 3/2020 at consolidated subsidiaries related to the Group's environmental data, data from FYE 3/2019 is shown. As of August 2020, environmental data for FYE 3/2020 continues to be examined and assured, and will be released on our website as soon as assurance by a third party is completed.
  https://www.marubeni.com/en/sustainability/environment/env_data/

***2. Greenhouse gas (CO_2) emissions (energy-related):**
- CO_2 emission factors stipulated by the Act on Promotion of Global Warming Countermeasures are used for fuel and steam.
- Emission factors for electricity .... Emission factors for each electric power provider released by the Ministry of the Environment (actual emission factors) are used for Marubeni Corporation. International Energy Agency (IEA) 2016 emission factors by country (CO_2 emissions per kWh from electricity generation) are used for the domestic and international consolidated subsidiaries.
- CO_2 emission factors for city gas .... For FYE 3/2015, emission factors released by the gas companies in each location of the six principal offices are used. From FYE 3/2016, the emission factor stipulated by the Act on Promotion of Global Warming Countermeasures is used.
- From FYE 3/2018, kerosene, diesel oil and gasoline are included. In FYE 3/2018, CO_2 emissions associated with consumption of kerosene, diesel and gasoline totaled 25 thousand metric tons of CO_2.

***3. Energy Consumption**
- 3.6 GJ/MWh is used for heat value per unit for electricity.
- The heat values per unit described in the Act on Promotion of Global Warming Countermeasures are used for fuel.
- Biomass energy is not included.

***4. Waste Generated**
- Materials with resale or reuse value are not included.

***5.** As of March 31.

***6.** Total figures include the number of Marubeni employees assigned to other companies and exclude secondees to Marubeni from other companies (as of March 31).

***7.** Figures for Marubeni Corporation (non-consolidated basis as of March 31).

***8.** Figures for Marubeni Corporation. Indicate the total number of people who used leave in the fiscal year, including those who used the leave continuously from the previous fiscal year.

***9.** Figures for Marubeni Corporation. Indicate the total number of people who started using leave in the applicable fiscal year.

***10.** Figures for Marubeni Corporation. Indicates the ratio of people who returned to work of those who ended using the childcare leave in the fiscal year.

Message from the CFO

We will take steps to improve our financial foundation at an early stage while strategically allocating capital with a view to enhancing our corporate value over the medium to long term.

Takayuki Furuya

Managing Executive Officer, Member of the Board
CFO;
Chief Operating Officer, Investor Relations and Credit Ratings;
Chairman of Investment and Credit Committee;
Chief Sustainable Development Officer; Chairman of Disclosure Committee

Q1. Have you altered your approach toward financial discipline after posting a substantial impairment loss in the fiscal year ended March 31, 2020?

A1. Our top priority is to rebuild and strengthen our financial foundation.

In light of the deterioration in our operating environment, including the spread of COVID-19 worldwide, a sharp drop in crude oil prices and an outlook that business conditions will continue to worsen, Marubeni posted an impairment and other one-time losses in the fiscal year ended March 31, 2020. As a result, the Company reported a consolidated net loss of ¥197.5 billion in the fiscal year under review, a negative turnaround of ¥428.3 billion compared with the previous fiscal year.

In response, we outlined details of a revision to our GC2021 Medium-Term Management Strategy, which began in the fiscal year ended March 31, 2020, at the time of our consolidated financial statement announcement. Under this revision, our top priority is to focus on rebuilding and strengthening our financial foundation. With this in mind, we will place an even greater emphasis on cash flow management. In specific terms, we will prioritize the repayment of interest-bearing debt by accumulating positive free cash flow after the delivery of shareholder returns during the three-year period of GC2021 and work to lower our net debt/equity ratio to around 1.0 times at the end of March 31, 2022.

Buffeted by such factors as the drop in natural resource prices, Marubeni posted a net one-time loss in excess of ¥200.0 billion over the cumulative two fiscal year period from the fiscal year ended March 31, 2015 and over the fiscal year ended March 31, 2016. Over the ensuing period, we have been focusing on improving our financial position. Under these circumstances, we set the goal of achieving a net debt/equity ratio of around 0.8 times at the end of the fiscal year ended March 31, 2020, and had planned to introduce a new capital allocation policy after achieving this goal. However, after posting a substantial loss and damaging shareholders' equity in the fiscal year ended March 31, 2020, we decided to renew our focus on cash flow and to rebuild and strengthen our financial foundation.

A sound financial foundation is a prerequisite for achieving growth. This reflects our belief that the maintenance and improvement of our creditworthiness and procurement ability of quality funds are key sources of our competitive advantage. Those aspects provide the underlying support and foundation for growth. Amid the probability of further downside scenarios in the global economy, such as the risk of a prolonged global battle against COVID-19, we recognize the urgent need to rebuild and strengthen our financial foundation by focusing on cash flow management in order to maintain a stable credit standing and the strength in quality fund procurement.

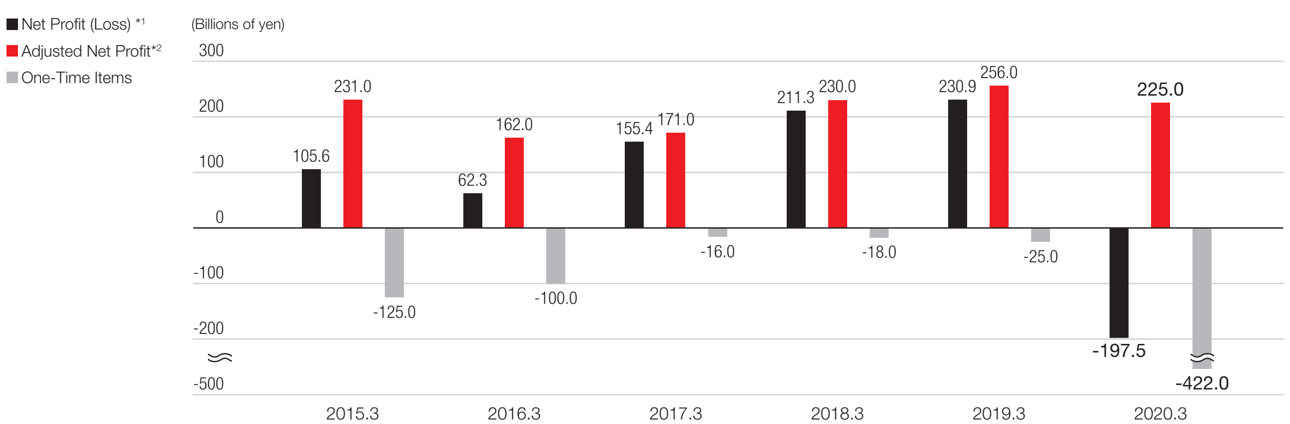
By working to promptly rebuild our financial foundation and then continuing to invest in growth with an eye on the future, we are committed to enhancing our corporate value over the medium to long term, which in turn will lead to an improvement in shareholder value.

Q2. What are your business and investment strategies for the future?

A2. We will improve the performance of our investments by staying intensely strategy-focused. We will also pursue the creation of new business models while at the same time enhancing the strength of our existing businesses.

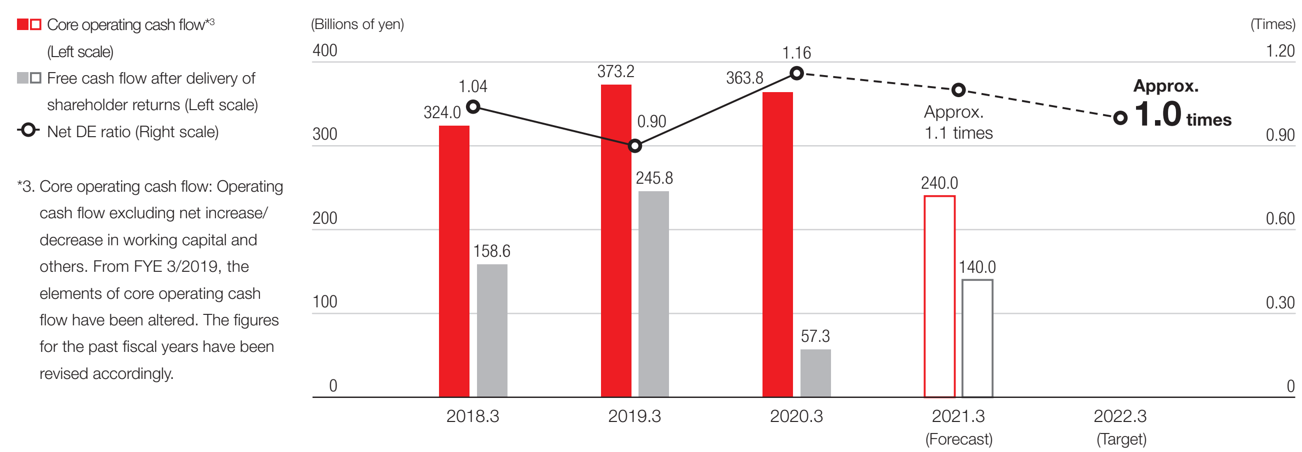
Over the three-year period of the medium-term management plan GC2018, which began in the fiscal year ended March

Adjusted Net Profit/One-Time Items



*1. Net profit (loss): Profit (loss) attributable to owners of the parent.
*2. Adjusted net profit: Net profit excluding one-time items, shown in an approximate figure.

Cash Flows/Net DE Ratio



*3. Core operating cash flow: Operating cash flow excluding net increase/decrease in working capital and others. From FYE 3/2019, the elements of core operating cash flow have been altered. The figures for the past fiscal years have been revised accordingly.

31, 2017, in-depth discussions were held to analyze the investments that resulted in impairment losses and improve the performance of investments. As a result of these discussions, we have clarified the concept of “staying strategy-focused” without making investment itself an objective and put in place strategies by business division. Under this “staying strategy-focused” concept, we hone in on the business strategy that is most likely to ensure that we achieve our vision. On this basis, investment is the only means to execute that strategy.

As part of the process to implement the strategies set out in GC2018 described above, we explicitly incorporated the “staying strategy-focused” concept into our Strategy, Prime, Platform (SPP)*4 business policies under GC2021, and will increase business value by thoroughly pursuing business strategies.

Despite a deterioration in the business environment due to the global spread of COVID-19, we will strengthen and improve existing businesses, including cost savings, while at the same time working to create new business models with an eye on the future. To further improve and strengthen risk management, we will clarify business strategies based on the SPP business policies, and upgrade and expand our organizational capacity for business investment and business management, including the establishment of a rigorous management governance system after investments are made. We need to vigorously pursue these initiatives to put in place a positive cycle of continuous business value improvement.

By enforcing investment discipline based on the SPP business policies, we will avoid the short-sighted pursuit and emphasis placed on profit, and increase the repeatability of success while looking at medium- and long-term growth.

The entire workforce is encouraged to share the lessons learned from past mistakes. As a result of the “staying strategy-focused” concept firmly taking hold, the investment projects undertaken since GC2018 have generated a steady accumulation of earnings. Looking ahead, we will continue to engage in business operations by staying intensely strategy-focused with the aim of further improving the performance of our investments.

See P.14 for information on the SPP business policies.

Q3. What is your capital allocation policy going forward?

A3. **We will focus on cash flow to improve our financial foundation at an early stage. In addition, we will continue to invest in growth with an eye on the future and aim to increase corporate value.**

As I explained in my answer to the first question, our top priority during the period of GC2021, is to rebuild and strengthen our financial foundation following the impairment loss posted in the fiscal year ended March 31, 2020. At the same time, we plan to improve our net debt/equity ratio to around 1.0 times by the end of the fiscal year ending March 31, 2022. Accordingly, the Company has announced details of its shareholder returns policy under which it will look to maintain a consolidated dividend payout ratio of 25% or more and its decision not to undertake the buyback of shares during the period of GC2021.

Along with enhancing the strength of existing businesses, it is also important to invest in future growth in order to increase our ability to generate cash. The investments that we have made in the past are steadily evolving into businesses that support our current earnings base. While working to rebuild and strengthen our financial foundation, we will reinforce those businesses that are capable of generating future cash by continuing to engage in carefully selected growth investment based on the “staying strategy-focused” concept to ensure that we do not fall into a diminishing equilibrium.

The question remains, “how can we efficiently use the equity entrusted to us by shareholders as well as the interest-bearing debt procured from financial institutions and capital markets to maximize profits?” Our goal is not only to reduce funding costs, but also to reduce the cost of equity by rebuilding and strengthening our financial foundation, which is the platform of our business, improving investment efficiency, and fostering the expectation of growth, thereby maximizing returns for our shareholders.

As chairman of the Investment and Credit Committee, I will further increase the risk-return on strategic investments that are on track for improvement, and as CFO, I will engage in management to increase shareholder value over the medium to long term by allocating capital appropriately and efficiently.

Concerning the Decision-making Processes for New Investments and Asset Recycling

As previously explained, Marubeni continues to work to improve the performance of its investments, but the decision-making process for new investments and asset recycling has not changed significantly. Projects submitted by the Business Group are analyzed both qualitatively and quantitatively by the Investment and Credit Committee, and decisions are made after deliberation by the Corporate Management Committee and more important projects by the Board of Directors.

Quantitative indicators, such as the internal rates of return (IRR), payback period, and PATRAC,* continue to be important criteria, but what has been more important for new investments under GC2018 and GC2021 is qualitative evaluation. Before making a final decision, we will spend more time in discussions based on the concept of the SPP business policies to deepen the level of understanding of the project business model, for example on what strategies we will utilize to leverage Marubeni’s strengths and improve business value, how we will analyze the external environment and industry outlook and how we will respond, and how to strengthen the governance of business management after the investment is made. As a result, the hurdles for obtaining approval are higher than before, but the performance of investment projects that have gone through this process has been improving.

The same way of thinking applies to asset recycling. We will replace assets as part of our efforts to strengthen and improve the overall quality of our existing businesses. The post-investment process is important in achieving strategic growth, and stringent checks are made of the state of progress by regular monitoring. If an assumption made at the time of an investment were to change, we would revise the strategy each time. We are targeting asset recycling for projects that we think are past their peaks or for which no strategic significance can be found, even if those projects are currently performing well.

* PATRAC (Profit After Tax less Risk Asset Cost): A performance indicator developed by Marubeni to measure the extent to which returns exceed a minimum risk-adjusted return target.

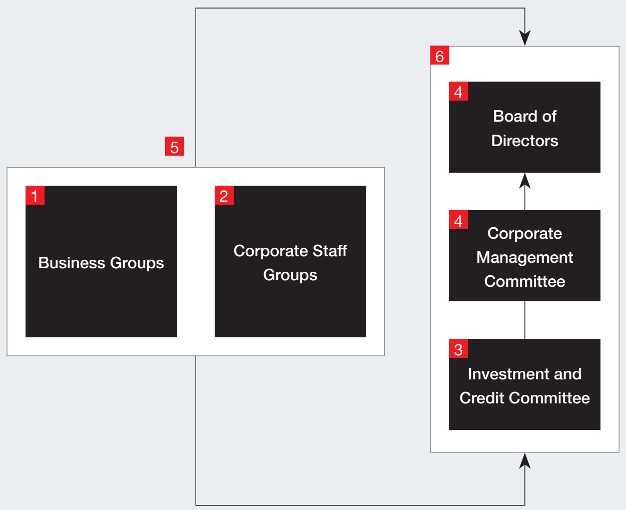
PATRAC (Profit After Tax less Risk Asset Cost)

PATRAC (Targets long-term expansion) = **Consolidated net profit** − **Risk assets** (Required shareholders’ equity) × **10% risk asset cost** (Hurdle rate based on cost of capital)

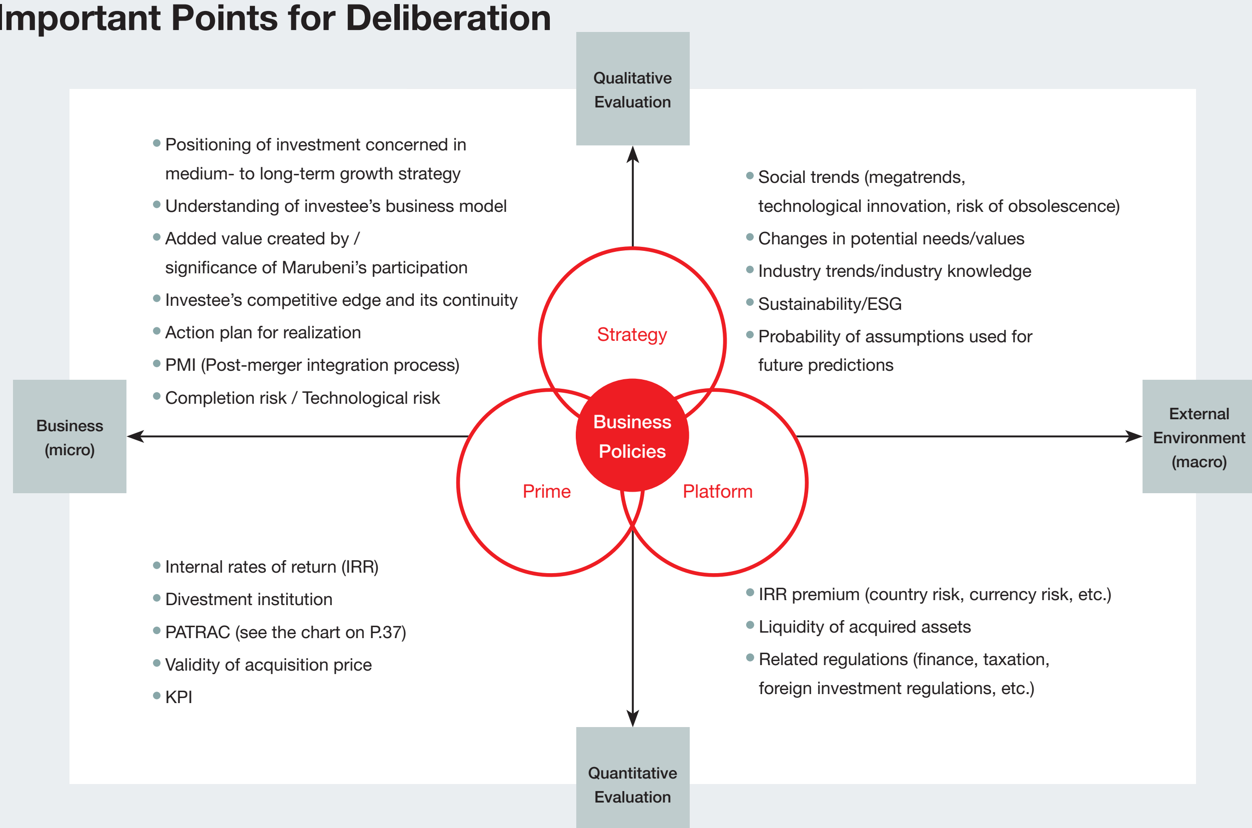
Investment Decision-Making Process

For individual projects such as significant business investments, Marubeni has a risk management regime, i.e., decision-making system (Ringi system) and monitoring process that spans every step from entry through exit.

1. With regard to new investment projects, Business Groups must first submit project summaries and business plans.
2. In response, the relevant Corporate Staff Group submits opinions on the result of risk analyses from both a quantitative and qualitative perspective.
3. While applying PATRAC, the risk-adjusted profit after tax, as one guideline for quantitatively evaluating a project, the Investment and Credit Committee holds discussions that take into account the feasibility and risk analyses of individual projects, and company-wide concentration risks.
4. The project is then forwarded to the Corporate Management Committee for further scrutiny and approved by the President. Projects that exceed a certain materiality threshold are approved by a Board of Directors' resolution.
5. Once an investment and financing are in place, new investment projects and highly material investments are monitored more closely to facilitate early problem detection and the planning of corrective action. The Investment and Credit Committee, Corporate Management Committee and the Board of Directors periodically receive reports on the current status of those investments.
6. With regard to those projects that are the subject of reports and have issues, consideration is given to various factors, and decisions made on whether to revise and move forward or withdraw in accordance with a decision-making system process (Ringi system).



Important Points for Deliberation



HORIZON 2-CASE 1

Special Feature

Business Strategies Based on SPP Business Policies

HORIZON 2 Expanding and Enhancing the Strength of Existing Business Domains CASE 1

U.S.

Agri-input Retailing Business

» **Helena Agri-Enterprises, LLC** (Helena)

Agri Business Division

Agri-input retailing company that boasts the second-largest share of U.S. market

Wholly owned by the Marubeni Group, Helena Agri-Enterprises, LLC (Helena) is engaged in the agri-input retailing business (pesticides, fertilizers, seeds and own-brand products) in the U.S., the world's largest agricultural powerhouse. In a country that has an arable land area of around 150 million hectares, which is almost four times the total land area of Japan, the U.S. market's needs for agri-inputs are extremely diversified, and it can be said that it is at the forefront of the global agribusiness market.

Operating at about 100 locations at the time of its acquisition by Marubeni in 1987, Helena has currently expanded to about 500 locations within the U.S. By having this base network and about 5,000 employees consisting of specialists in sales, technology, agriculture and management specialized in the agri-input business, Helena has established a solid position in the industry as a top-class agri-input retailing company in the U.S. The company is also seeking to evolve in response to the changing market environment. To enhance the competitiveness of consulting services that involve the sale of agri-inputs, Helena is currently expanding its business by providing "AGRIntelligence" (an analysis and diagnostic tool that utilizes data) in accordance with customer needs.

Accelerating growth through network expansion and creating a platform of performance and experience

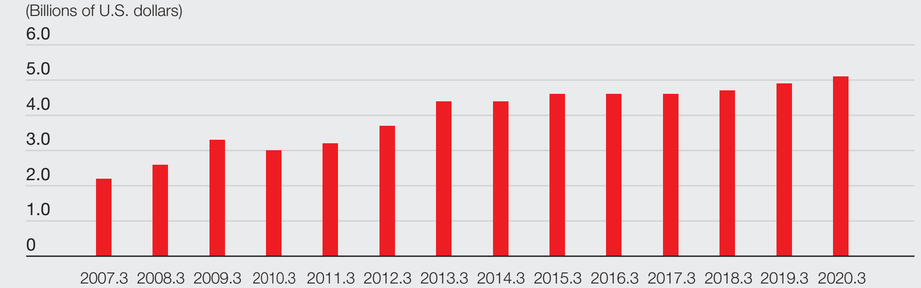
Helena works to differentiate its strengths (including products, services and functions) and engages in the creation of added value not from a product starting point but from a customer starting point. To further grow its community-based consulting business, which is one of its strengths, the company is working to build and expand its network of bases and gain a deep understanding of the needs of agricultural operators across the U.S., thereby enhancing its competitive edge.

While the environment surrounding U.S. agriculture remains harsh, including the U.S.-China trade friction, Helena's business performance is solid. In the years to come, the company will leverage the strong local networks at its disposal and its organization to enhance its track record, experience, and ability to make proposals to customers, while accelerating growth by providing customers with its own product lines and consulting services. At the same time, Marubeni will deploy the knowledge and know-how gained from Helena's innovation across the world and work to create further value.

Please refer to the Agri Business Division on PP.76-77 for more details about further value creation initiatives in the agri business.

Helena Total Volume of Trading Transactions

(Billions of U.S. dollars)



HORIZON 2 - CASE 2

HORIZON 2 | Expanding and Enhancing the Strength of Existing Business Domains CASE 2

U.S.

Beef Processing Business

» Creekstone Farms Premium Beef LLC (Creekstone Farms)

Food Division

Creekstone Farms × Marubeni Aiming to maximize synergies

In 2017, Marubeni made investments in Creekstone Farms Premium Beef LLC (Creekstone Farms), which engages in the beef cattle processing and sales business in the U.S.

Processing beef cattle at its own factory in the state of Kansas, Creekstone Farms sells beef to high-end steakhouses and mass retailers across the U.S. and also exports to Asia, Europe and the Middle East. The only beef handled by the company is high-quality Black Angus beef that has been fattened in the U.S. using grain-based feed, and the company is building a business model that features the supply of high-value-added products.

Meanwhile, Marubeni's operations cover safe and reliable meat products based on strict production management cultivated in the global market. These operations include the fattening of high-quality beef cattle and sales business at Australian company Rangers Valley Cattle Station Pty., Ltd. (Rangers Valley), which possesses the experience and know-how to sell to mass retailers, the restaurant industry and livestock processing manufacturers.

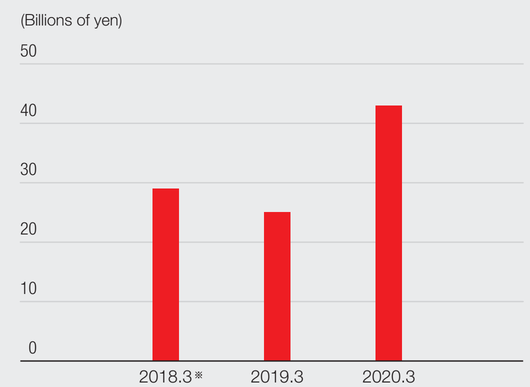
At the present time, Marubeni is implementing initiatives that combine Creekstone Farms' strengths with its own, such as expanding sales of high-quality beef from Creekstone Farms to Asia, including Japan, using Rangers Valley sales channels. The tariff reductions on U.S. beef imports into Japan following the trade agreement between Japan and the U.S. are expected to give added impetus to this initiative.

Please refer to PP.74-75 for more details about the Food Division's business strategies.

Accelerating growth by leveraging huge volume sales chains and outsourced processing trade transactions

From the time when Marubeni made its investment, Creekstone Farms has been steadily outperforming its initial plans. Aiming to further expand operations, in the fiscal year ended March 31, 2020, Marubeni invested approximately ¥12.0 billion and carried out expansion investments, such as for additional factory processing lines and a newly established distribution warehouse. Outsourced processing trade transactions with Walmart Inc. (Walmart), which is the largest volume sales chain in the U.S., started in October 2019, and the beef cattle procured by Walmart are processed efficiently and hygienically at the new Creekstone Farms facility. Creekstone Farms is targeting further growth by means of expansion investments.

Creekstone Farms Profit
(Profit attributable to Marubeni)



* Consolidated from second quarter

HORIZON 2 - CASE 3

HORIZON 2 | Expanding and Enhancing the Strength of Existing Business Domains CASE 3

Vietnam

Containerboard Manufacturing Business

» KRAFT OF ASIA PAPERBOARD & PACKAGING CO., LTD (Kraft of Asia)

Forest Products Division

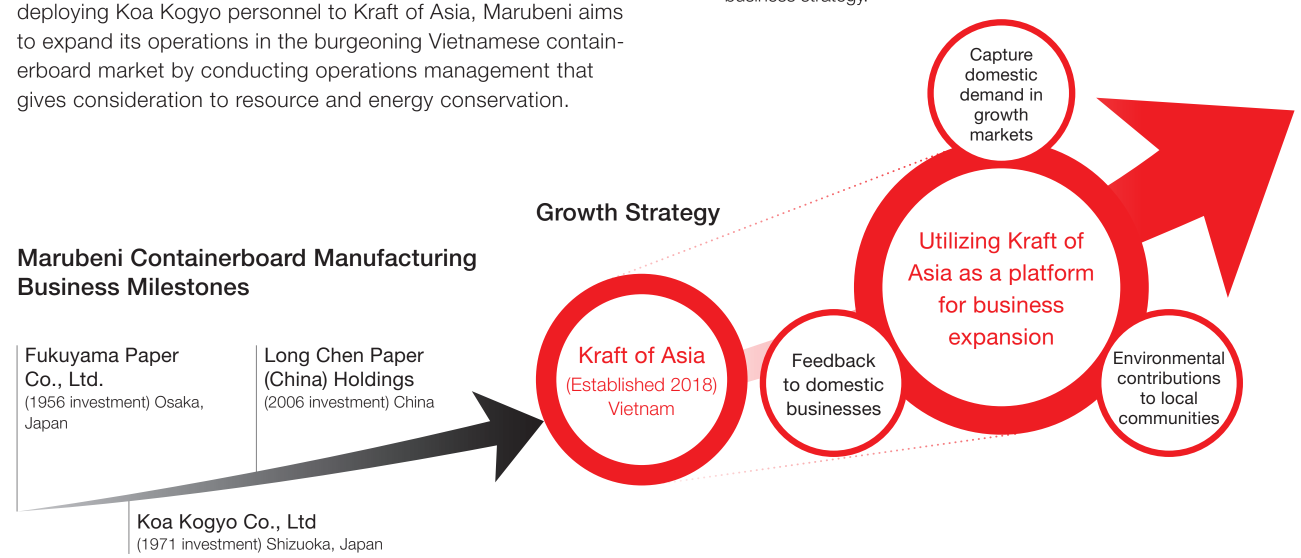
Wholly owned containerboard manufacturing base established in Vietnam

In 2018, Marubeni established wholly owned KRAFT OF ASIA PAPERBOARD & PACKAGING CO., LTD (Kraft of Asia), which engages in the containerboard manufacturing and packaging materials sales businesses, in Ba Ria-Vung Tau Province in Vietnam. Construction of the plant began in February 2019, and commercial operations are scheduled to commence in the second half of the fiscal year ending March 2021. The plant is slated to have an annual production capacity of 350,000 tons when fully operational in 2022. Marubeni has been involved in the containerboard manufacturing business for more than 60 years. In addition to the management and operating experience gained with Koa Kogyo Co., Ltd. (79.95% Marubeni investment) and Fukuyama Paper Co., Ltd. (55%) in Japan, the Company has also been accumulating knowledge of the containerboard business overseas. Leveraging Koa Kogyo's production skills and know-how and its own sales network, for example by deploying Koa Kogyo personnel to Kraft of Asia, Marubeni aims to expand its operations in the burgeoning Vietnamese containerboard market by conducting operations management that gives consideration to resource and energy conservation.

Capture growing demand for containerboard in Vietnam, where economic growth is remarkable

Global demand for containerboard is expected to remain firm in the years to come due to factors that include the expansion of economic scale and the increase of electronic commerce. Of the ASEAN member countries, Vietnam's population of more than 94 million is the third-largest, domestic demand is expanding in line with the increase in national income, and solid economic growth is being achieved by attracting many foreign-owned export sectors. In terms of demand for containerboard, growth is at an annual rate of 7% or more, surpassing other advanced paper manufacturing countries in ASEAN, such as Thailand and Indonesia, and Vietnam is expected to become the largest consumer of containerboard in ASEAN in the first half of the 2020s.

More details about this business can be found on PP.72-73. Please refer to those pages in conjunction with the Forest Products Division's business strategy.



HORIZON 3-CASE 1

HORIZON 3 | White Space CASE 1

U.S.

Textile Products Recycling Business

» **TYTON BioSciences LLC** (TYTON)

Lifestyle Division

Aiming to build a business model for a sustainable recycling-oriented economy with innovative fiber recycling technology

In 2019, Marubeni invested in the U.S. company TYTON BioSciences LLC (TYTON), which possesses the technologies to recycle textile products such as fabrics into textile raw materials.

Amid the trend for price reductions for various products and the ongoing increase in supply due to the growth of the global economy, incineration and disposal in landfills have become major social issues even in the case of textile products, which include fabrics.

TYTON's technologies utilize the hydrolysis method, which minimizes the use of chemicals while reducing the environmental load by recycling cotton and polyester products into polyester raw materials and cellulose fiber raw materials. Since its fiber recycling efficiency is high, this epoch-making technology contributes to waste reduction and the circular economy*1.

At the same time as responding to the preferences of consumers who show increasing environmental awareness with every passing year and to the needs of related companies such as SPA*2, which provides products to such consumers, the Marubeni Group aims to build a business model that achieves a sustainable circular economy.

Globally developing recycling-type supply chains by capitalizing on Marubeni Group platforms

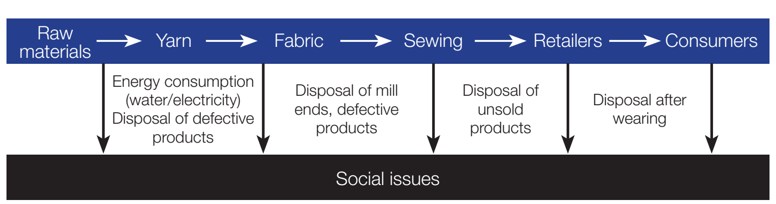
Marubeni has long built strong relationships with leading companies at each stage of the supply chain, including raw material manufacturers, spinning and cotton mills, and sewing factories in Asia. In 2017, Marubeni gained access to the sales channels of global European SPA companies by investing in Turkey's Saide Tekstil Sanayi ve Ticaret Anonim Sirketi, which plans, manufactures and sells clothing and other products. Capitalizing on these Marubeni Group global networks as a platform in combination with TYTON's technical prowess, we will build a global supply chain in the major markets of the Americas and Europe as well as in Asia, which is a production base and a promising market for the future.

*1 Circular economy: Rather than a one-way economic system that collects and disposes of resources, an economic system that cyclically utilizes resources, or a business model that maximizes the utilization of products, parts, and resources and continues recycling and reusing them.

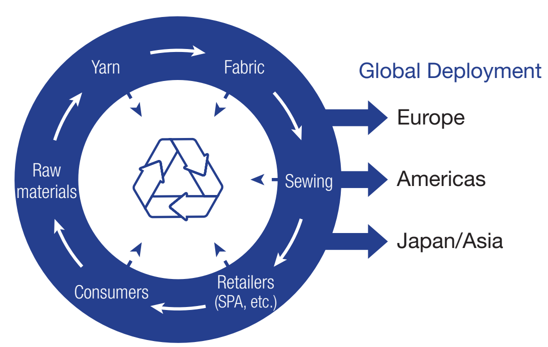
*2 Specialty store retailer of Private label Apparel: A retail business that consistently handles all aspects, from product planning to manufacturing and sales.

Please refer to PP.68-69 for more details about the Lifestyle Division's business strategies.

Existing Supply Chain



Circular Supply Chain



HORIZON 3-CASE 2

HORIZON 3 | White Space CASE 2

U.S.

Structural Health Monitoring System Business

» **Acellent Technologies, Inc.** (Acellent)

Construction, Industrial Machinery & Mobility Division

Aiming for safe and secure social environments

In 2018, Marubeni invested in Acellent Technologies, Inc. (Acellent), a U.S. company that designs, develops, and sells structural health monitoring (SHM) systems.

In recent years, frequent collapses and damage due to the aging of social infrastructure, such as railways and other transportation equipment, large-scale production facilities, power plants and highways, have become a major social issue. SHM systems incorporate technologies that can build up a picture, in real time, of any damage or deterioration in structures (transport aircraft and mechanical equipment, infrastructure) as well as changes caused by stress.

A venture company from Stanford University in the U.S., Acellent developed a stick-on sensor called SMART Layer and a high-precision analysis technology that eliminates noise (signal interference) in high-vibration environments. This enabled the use of SHM systems in the areas of transport aircraft and mechanical equipment, where their application had previously been beset with difficulties.

Capitalizing on its networks that extend all over the world, Marubeni aims for safe and secure social environments by developing applications for all structures based on Acellent's technologies.

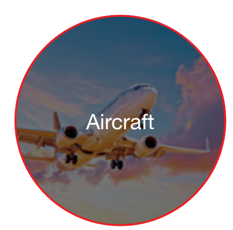
Pursuing new business models using SHM technology with Marubeni as the platform

It can be expected that Acellent's technology will be utilized in a variety of industries. By combining SHM technology with Marubeni's worldwide network and points of contact with a range of industries in one platform, the Company is aiming to provide not only simple abnormality detection systems but also services, such as flat-rate monitoring of mechanical equipment for cracks and corrosion, and services that formulate optimal maintenance plans based on monitored information.

Over the medium to long term, Marubeni will examine the possibilities of a new business model that could be called "SHM as a Service." This business would cover, for example, machine sales that guarantee the minimum utilization rates for equipment by preventing the occurrence of sudden downtime, and development of insurance products that would cover the loss of profits due to equipment failures.

More details about this business can be found on PP.92-93. Please refer to those pages in conjunction with the Construction, Industrial Machinery & Mobility Division's business strategy.

Examples of SHM System Utilization (Application Examples)



Will detect the occurrence of damage, such as airframe cracks, at an early stage and thereby improve safety

Will detect cracks at an early stage, thereby improving machinery utilization rates and reducing lost opportunities

By replacing visual inspections, will improve maintainability by detecting the occurrence of corrosion and cracks

Will automatically detect an object in the event of a collision (pedestrian protection by linking to an external airbag)