

The slide features a large background graphic consisting of overlapping red and white curved shapes. The Marubeni logo is positioned on the left side of the slide.

Marubeni

Marubeni IR Day 2025

Reinforcing Cash Flow Management and Capital Allocation Policy

Representative Director,
Member of the Board,
Senior Managing Executive Officer,
CFO

Takayuki Furuya

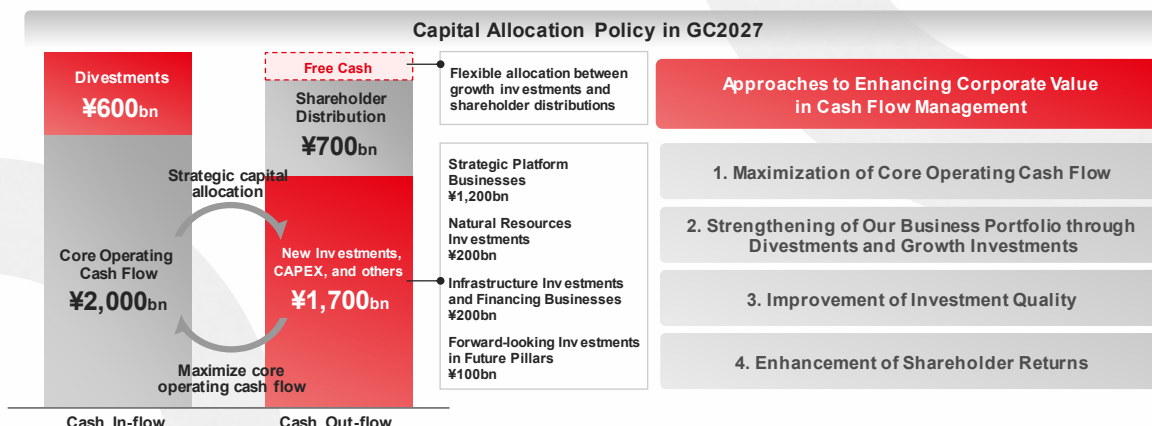
- Hello. I am Takayuki Furuya, CFO of Marubeni.
- Today I will be talking about our efforts to improve our corporate value and stock price, focusing on reinforcing our cash flow management and capital allocation policy.

Capital Allocation Policy (Reinforcing Cash Flow Management)

Marubeni

Capital Allocation: The Core Component of Our Management Strategy for Enhancing Corporate Value

- Pursue maximization of cash inflows through maximizing core operating cash flow and accelerating divestments
- The generated cash will be allocated primarily to growth investments, while further strengthening shareholder returns



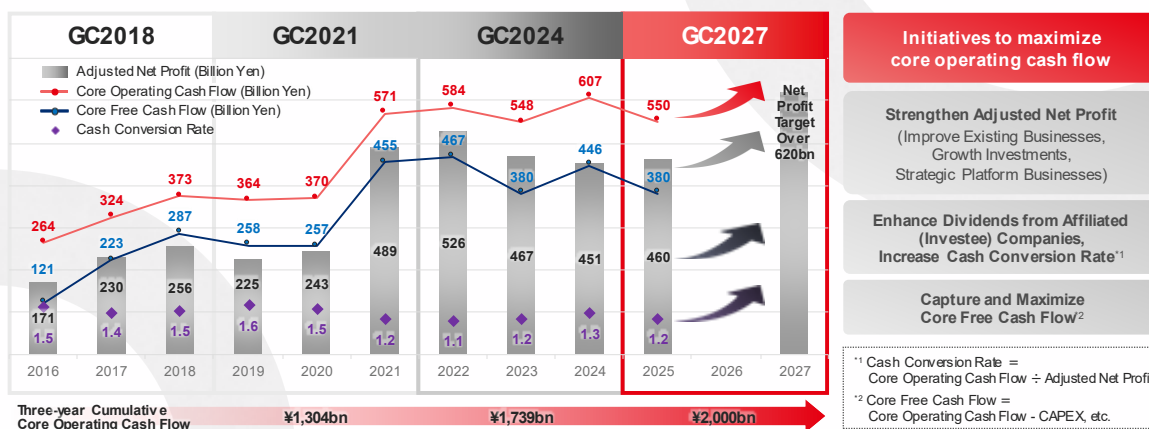
© Marubeni Corporation All Rights Reserved.

9

- We believe that capital allocation is the core aspect of our management strategy for enhancing corporate value.
- Under GC2027, we aim to reinforce and accelerate divestments to maximize cash inflows and cash generation. We will prioritize the allocation of this generated cash toward growth investments, primarily in our Strategic Platform Businesses, while also further strengthening shareholder returns.
- You may ask, how will we specifically approach cash flow management to increase our share price? As shown on the right, our approach involves four initiatives:
- (1) maximizing core operating cash flow, (2) strengthening our portfolio through divestments and growth investments, (3) improving investment quality, and (4) enhancing shareholder returns. I will explain each of these initiatives in turn.

Maximizing Core Operating Cash Flow is Key to Enhancing Corporate Value

- Core operating cash flow increased at a CAGR of 11% from FYE 3/2017 to FYE 3/2025 (8 years)
- Continue efforts to maximize core operating cash flow



© Marubeni Corporation All Rights Reserved.

10

- As I stated, we are working to maximize our core operating cash flow.
- We believe that maximizing core operating cash flow is key to improving our corporate value and share price.
- Over the eight years since the announcement of GC2018, we have steadily increased core operating cash flow at a CAGR of 11%. In GC2027, we're aiming for a cumulative core operating cash flow of ¥2 trillion, exceeding the approximately ¥1.74 trillion achieved in GC2024.
- To achieve this, we have three main initiatives. The first and most important is strengthening adjusted net profit. That is, we will improve our existing businesses, which are the growth drivers of GC2027, and strengthen our Strategic Platform Businesses through growth investments. This will raise the level of adjusted net profit toward our GC2027 net profit target of ¥620 billion. We aim to increase both adjusted net profit and core operating cash flow, which form the basis of our profits and cash flow.
- The second is strengthening dividends from affiliate companies and strengthening cash conversion. While we are involved with many affiliate companies, particularly natural resources investments, infrastructure investments, and financing businesses, for balance sheet management, we aim to accumulate core operating cash flow not only through equity earnings from these investments but also through dividends and other means.
- Third, we are working to capture and maximize core free cash flow. Core free cash flow is an indicator of how much core operating cash flow is generated using CAPEX in existing businesses, and we will continue to maximize the efficiency of CAPEX.
- We believe that maximizing core operating cash flow through these measures will lead to increased corporate value and an improved share price.

Strengthening Business Portfolio through Divestments and Growth Investment

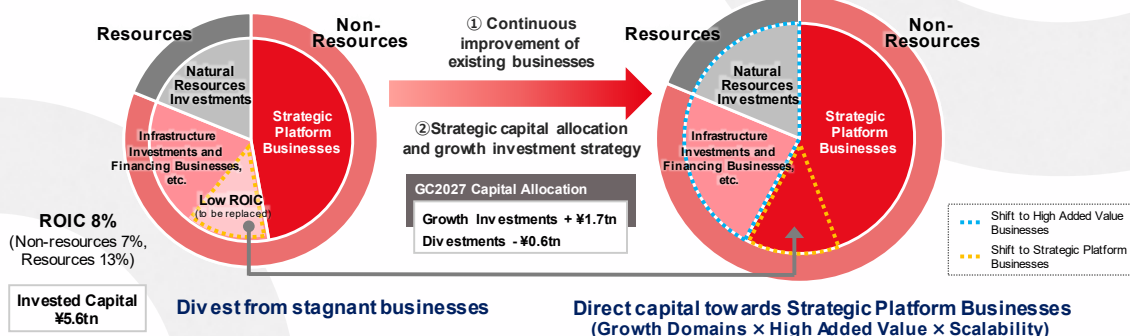
Marubeni

Shifting Toward a Robust Business Portfolio of Strategic Platform Businesses and High Value-Added Businesses

- Accelerate divestments from stagnant/low capital efficiency businesses + prioritize investments in Strategic Platform Businesses
- Target non-resources ROIC of 10% or more by FYE 3/2031

FYE 3/2025

FYE 3/2028



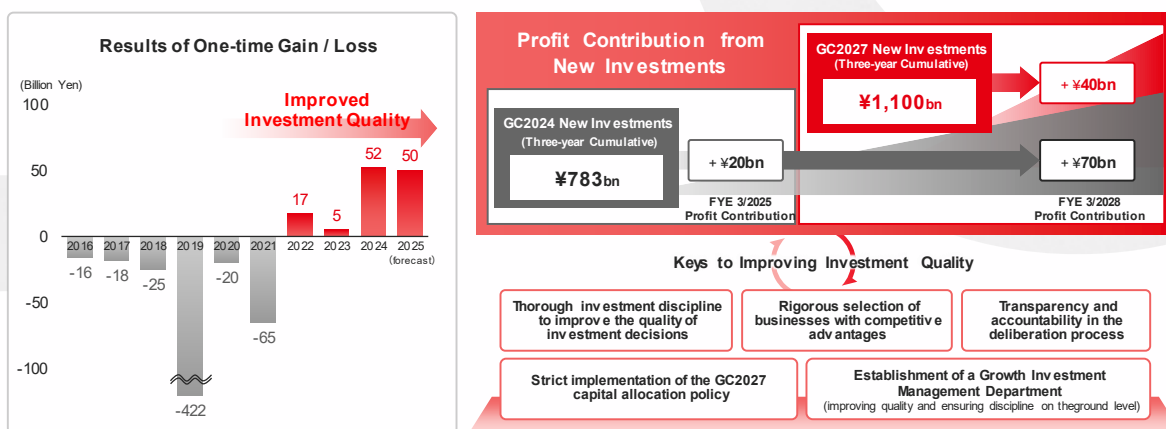
© Marubeni Corporation All Rights Reserved.

11

- I will now go over how we will strengthen our business portfolio through divestments and growth investments.
- In addition to “improving and expanding existing businesses,” one of the growth drivers of GC2027, our “Capital Allocation and Investment Strategy for Growth” aims to promote divestment from stagnant and low-ROIC businesses, while prioritizing growth investment in Strategic Platform Businesses.
- Specifically, over the three years of GC2027, we will divest a cumulative ¥600 billion of our total invested capital of ¥5.6 trillion, and make growth investments of ¥1.7 trillion, primarily in Strategic Platform Businesses. This will accelerate asset recycling and strengthen our portfolio as we aim for a non-resources ROIC of 10% by FYE 3/2031.
- At the same time, we will expand our infrastructure investments and financing businesses into high-value-added service businesses, strengthen our cost competitiveness in natural resources investments and expand into peripheral high-value-added businesses, and continue to capture inorganic growth through forward-looking investments. By doing so, we aim to transform our business portfolio into one that is resilient, comprised of Strategic Platform Businesses and high-value-added businesses.

Improving Investment Quality is Essential to Enhancing Corporate Value

- By improving the quality of investments, we have enhanced asset quality (one-time losses → asset replacement gains), and steadily accumulated profit from new investments



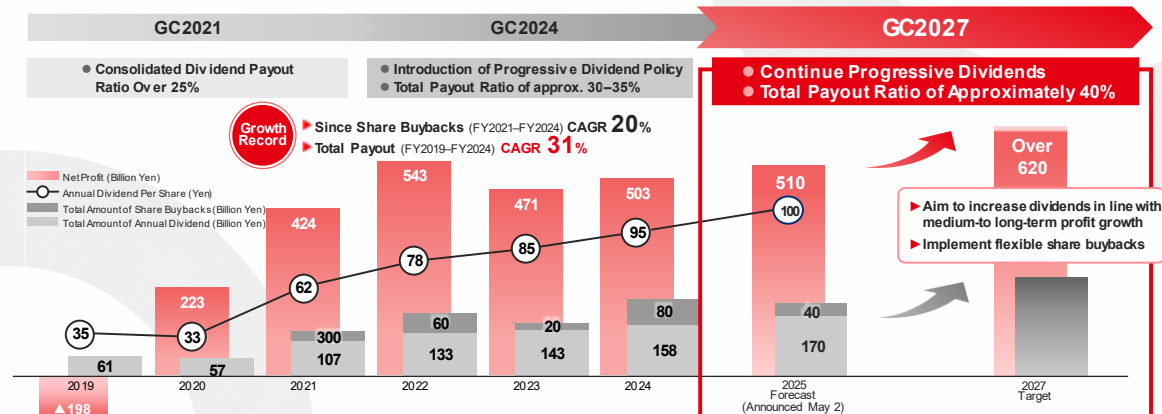
© Marubeni Corporation All Rights Reserved.

12

- Next, I would like to talk about improving investment quality.
- As we seek to strengthen our business portfolio through divestments and growth investments, improving the quality of our investments—in other words, reducing performance volatility and achieving stable profit and cash flow growth—is essential to increasing our corporate value and share price.
- While we have experienced large impairment losses in the past, in recent years, due to improved investment strategies, the quality of our assets has improved, and we expect a steady accumulation of profits from new investments.
- To improve the quality of our investments, we believe that not only are our organizational and business investment capabilities important, but also our corporate culture and mindset. Learning from past failures, we feel that an awareness of viewing investment not as a goal, but rather prioritizing a “strategy first” approach, has permeated the entire Group.
- Furthermore, the keys to improving the quality of our investments are: (1) thorough investment discipline and improving the quality of investment decisions, (2) rigorously selecting businesses with competitive advantages, and (3) transparency and accountability in the deliberation process. In addition, (4) strict implementation of the GC2027 capital allocation policy and (5) the establishment of a Growth Investment Management Department within each business division, in order to improve quality and ensure discipline at the ground level, will also aid in improving investment quality.

Pursuing Greater Shareholder Returns through Continuous Growth in Profits and Cash Flow

- Continuous strengthening of shareholder returns is critical to enhancing corporate value
- Total payout has increased at a CAGR of 31% from FYE 3/2020 to FYE 3/2025 (5 years); we will continue to pursue greater shareholder returns



© Marubeni Corporation All Rights Reserved.

13

- Finally, I will briefly touch on shareholder returns.
- We believe that continuously strengthening shareholder returns is important to improving our corporate value and stock price.
- Over the past six years, the CAGR of total shareholder returns has been 31%, a high growth rate achieved by growing profits, cash flow, and increasing our payout ratio. We will continue to strengthen shareholder returns going forward.
- Additionally, our GC2027 shareholder return policy of continuing progressive dividends and raising the total payout ratio to approximately 40% will ensure a disciplined approach to shareholder returns and contribute to improving our corporate value and stock price, through factors, such as reducing our cost of shareholders' equity.
- In terms of capital allocation, under GC2027, we will pursue further strengthening of shareholder returns by improving existing businesses and making growth investments to achieve profit and cash flow growth.
- To reiterate, we aim to achieve a market capitalization of 10 trillion yen by FY2030 and
- will pursue profit growth and stock valuation improvement. To achieve this, reinforcing our cash flow management and capital allocation policy are some of our most important management strategies.
- By steadily implementing the specific initiatives I have discussed today, we hope to achieve further improvements in our corporate value and stock price.