Disaster Regarding Forward Looking Statements
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This material is an English language translation of the materials originally written in Japanese. In case of discrepancies, the Japanese version is authoritative and universally valid.

<1st questioner>
Business strategy of Aircastle

Aircastle Limited’s business model is to purchase used commercial aircraft that are roughly five years old and lease them. In general, valuation of used aircraft is more difficult than for new aircraft, but Aircastle’s team is adept at pricing and remarketing of used aircraft. In the macro environment, air passenger demand has increased at a rate of about 6% per year over the last 10 years and is expected to continue growing at around 5% annually. Aircastle has built up an asset base centered on midlife and narrow-body aircraft. In the aircraft market as a whole, the share of narrow-body aircraft has been on the increase, and the percentage of aircraft on lease has been rising rapidly. With the total number of aircraft also increasing, we are formulating a business plan based on the expectation that the share of leased narrow-body aircraft will continue to grow.

Regarding our future business strategy, based in principle on our partnership with the Mizuho Financial Group in the leasing field, we will generally look for project seeds and take charge of managing them, while Mizuho Financial Group will further solidify financing capabilities. We will pursue this combined approach to grow Aircastle. The Aircastle transaction is scheduled to close next year, and we plan to hold a briefing about the details after the closing.

Expected return from Aircastle

In 2013, when we first invested in Aircastle, the company’s credit rating was non-investment grade, but its rating was raised to investment grade last year since it has gained recognition
for producing stable profits and for its disciplined management. Currently, the company’s net profit is in the range of $150–$200 million. Based on our assessment that such a level of profit can be sustained in the market, we decided to make the investment because we believe that leasing will be the main form of asset ownership in the growing aviation industry and that we will be able to increase profits gradually but steadily. Furthermore, the board is comprised of first-rate professionals who are deeply familiar with the aviation industry. While we cannot provide any concrete numbers for expected future return, we are confident that we will be able to gradually increase the company’s profit level.

**Accounting classification of Aircastle**

A key factor in determining the accounting classification is whether Marubeni can control Aircastle on its own. Marubeni and Mizuho Leasing will each hold 50% of the SPC which will own a 50% stake in Aircastle, so we cannot decide anything in our sole discretion. In addition, the number of our designated directors who we plan to send to Aircastle will be less than half, so we will not be able to make all decisions at our sole discretion. Therefore, Aircastle will likely be treated as an equity-method affiliate.

**Net DE ratio in full-year forecast**

The projected amount of new investments is ¥170 billion, and if we include Aircastle and investments that have already been decided, our investment is progressing faster than planned, but we think we can reach our target net DE ratio for this year of around 0.8 times.

<2nd questioner>

**Factors behind year-on-year profit increase in Australian coal business in Metals & Mineral Resources**

Positive factors were increased sales volume and the effect of exchange rates in the coal business. On the other hand, the higher sales volume was accompanied by an increase in costs, and coal prices also fell. The result was that Marubeni Coal posted a net profit increase of ¥1.3 billion from the same period last year.

**Nature of inappropriate transaction at Gavilon**

In business within Italy and Spain, trade positions in prior years were not recognized at market value as they should have been.

**Current situation of Gavilon**

An organizational change was made this fiscal year, and Gavilon was brought under the supervision of the Chief Operating Officer of the Agri Business Division, who is also CEO of Helena. Adverse weather and U.S.–China trade friction are affecting results, but we believe agribusiness will grow in the U.S., which accounts for a significant portion of global agricultural output. We will need to carry on reviewing and making adjustments to business content at Gavilon, Columbia Grain and other companies, but our policy of centering agribusiness on Gavilon will not change. Delays in the movement of grain in the U.S. and a late harvest of U.S. grain due to adverse weather are negative factors, but we will patiently examine each business one-by-one and respond appropriately.
<3rd questioner>

**Excessive competition risk in aircraft leasing market, Aircastle's strengths and Marubeni’s role**

There are two main business models in the aircraft leasing market: using financial power to buy and lease new aircraft, and purchasing used aircraft and leasing them, as Aircastle does. It is a bit tougher to enter into the midlife aircraft market, owing to the difficulty of remarketing and asset valuation for used aircraft, but Aircastle is proficient at both. Because Aircastle also has in-house marketing, legal and technical experts, it stands out from peers in the used aircraft leasing industry. Therefore, we believe the company can conduct its business effectively while differentiating itself even amid fierce competition.

Regarding our role, we participate in management by sending personnel with extensive experience in the aircraft businesses, and the company values our support in the area of financial strategy. Financing is an important element, and we believe that conducting business together with Mizuho Leasing will enable more expeditious support.

<4th questioner>

**Aircastle's risk management**

One of the largest risks at Aircastle is the credit risk of lessees. Recently, the company has been leasing to low-cost carriers, and there is a possibility that defaults could occur. However, Aircastle continues to monitor the condition of lessees even after leasing to them, and if concerns about the lessee’s finances arise, Aircastle responds appropriately, in some cases by repossessing the aircraft and finding new lessees. The worst case would be that Aircastle is unable to repossess aircraft due to the bankruptcy of the lessee, but Aircastle is well-managed, and the probability of such an event is very low. So, we have a high degree of confidence in the company’s risk management.

In the leasing industry, it is very important to accumulate assets with discipline. Like two of our operating companies in the U.S., PLM Trailer Leasing and Westlake Services, LLC, such a disciplined approach is one of the points on which Aircastle is most highly appreciated.

**Approach to capturing return from Aircastle**

How we capture return is something we will have to talk about with Aircastle’s management and Mizuho Leasing. This is a financial asset business, and the optimal extent of return distributions, including dividends, will be discussed for pursuing expansion of the company’s assets to optimize its revenue.

**Expected one-time gains or losses in second-half**

We anticipate one positive item, but how we will be able to absorb any losses that may occur is an issue for the future.

<5th questioner>

**Components of ¥6.0 billion one-time gain factored into second-half forecast in Power Business**

We arrived at this figure by totaling up several factors, including tax-related items, and not
because we are planning any major divestitures.

**Aspects of Marubeni felt to be in need of change after half a year as president**

There is clearly one. In the past, when considering investment proposals, it was typical for management to ask the relevant business division, “Do you have any experience with this kind of business model?” I want to put an end to that. We are encouraging our people to tackle new challenges that we have never taken on as a company. My concern is that if we ask that question, they might not even apply just because they have never done it before. I have started to create an atmosphere in which that kind of question is no longer asked, and in the last few months, more proposals have been prefaced with, “We've never done this before, but ….” In response to concerns about Marubeni taking on these kinds of challenges in new fields, we intend clearly explain our reasoning for undertaking that project and to bear that in mind as we carry it out.

*<6th questioner>*

**Policy for grain-related businesses, including Gavilon**

Reviewing our history in grain trading, our trading business to China was substantial since prior to the Gavilon acquisition. Previously, much of our trade to China was with buyers who had lower creditworthiness, and we incurred significant default losses several years ago. We tightened our credit requirements in response, but of course consequently margins fell. We tried to increase profits by shifting our risk strategy, to ships for example, but losses occurred as a result, including various one-time losses. After careful consideration, we set a policy of drastically reducing our grain trading. That said, Gavilon’s business is different from our grain trading. Gavilon’s business model involves aggregating grain from farmers in the U.S. and selling it to livestock raisers and other customers in the U.S. Although we are scaling back our grain trading, our policy for agribusiness in the U.S. is to continue to do business centered on Helena and Gavilon.

**Thinking regarding future divestments**

We will consider divesting assets whose asset values may be peaking and assets in which we have a minority position and that have no value-improvement function for us. I think it is best to carry out divestments naturally based on that policy and not for the purpose of window dressing.

**Likelihood of achieving cash flow plan and net DE ratio of around 0.8 times**

We may exceed our original target for new investments of ¥170 billion. Since it may be difficult to adhere to the annual planned targets in each individual fiscal year, we will focus on staying within the range for the three years of the medium-term management strategy.

*<7th questioner>*

**Cushion built in at beginning of year**

At the beginning of the fiscal year, we anticipated a negative cushion of more than ¥10.0 billion, but now we have eliminated that and instead we expect it to be slightly positive.
Contents of new investments in Horizon 3

These include an additional investment in Orffa and investments in Power Business. For example, we invested in Azuri Technologies Ltd., which operates an installment sales business selling solar home systems that combine solar panels, battery chargers, LED lighting, radio and television, and in GridMarket, LLC, which harnesses data to pursue energy efficiency in factories and commercial facilities. Currently, none of our Horizon 3 investments are very large, and we are making small investments such as these little by little. Recently I visited WASSHA and the customers of Azuri in Tanzania and I strongly believe that the work of these businesses is very meaningful and that they offer clues to future new businesses. They themselves might not generate massive profits, but I do expect that they will help to increase intangible value in the Marubeni Group, which in turn will lead to growth in tangible value.