

July 28, 2006

Summary of Consolidated Financial Results
for the 1st Quarter of FY2006
(April 1, 2006 – June 30, 2006)

**This document is an English translation of a statement written initially in Japanese.
The original in Japanese should be considered the primary version.*

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, material prices, and political turmoil in certain countries and regions.

Marubeni
CORPORATION

(TSE Code: 8002)

Summary of Consolidated Financial Statements for 1st Quarter FY2006 (US GAAP basis)Company name : Marubeni Corporation (URL <http://www.marubeni.com>)

Code Number : 8002

Listed : Tokyo, Osaka, Nagoya

Head Office: Tokyo

Representative: KATSUMATA, Nobuo President and CEO, Member of the Board

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Adoption of US GAAP: YES

1. Items regarding preparation for the summary of the Quarterly Results

1) Adoption of simplified accounting procedures: None

2) Changes in accounting policies from the latest consolidated fiscal year: None

3) Increase/decrease of consolidated subsidiaries and affiliated companies accounted for by equity method: Yes

Subsidiaries (Newly included) 8 (excluded) 12 Affiliated Companies (Newly included) 5 (excluded) 2

The number of subsidiaries and affiliated companies by equity method

	<u>June 30, 2006</u>	<u>March 31, 2006</u>
Subsidiaries	384	388
Affiliated companies	170	167

2. Consolidated financial results for 1st Quarter FY2006 (April 1, 2006 - June 30, 2006)**(1) Consolidated business results**

	Total volume of trading transactions		Operating profit		Income before income taxes	
	(millions of yen)	(%)	(millions of yen)	(%)	(millions of yen)	(%)
1st Quarter FY2006	2,209,193	12.2	43,786	67.8	59,161	68.0
1st Quarter FY2005	1,968,930	15.9	26,094	34.5	35,206	18.6
(Ref.) FY2005	8,686,532		143,248		133,055	

	Net income		Earnings per Share	Diluted EPS
	(millions of yen)	(%)		(yen)
1st Quarter FY2006	34,822	58.2	21.67	20.17
1st Quarter FY2005	22,013	40.3	14.74	12.80
(Ref.) FY2005	73,801		48.34	40.46

(Note) [1] The results of the 1st Quarter are not audited by independent auditors.

[2] Average number of outstanding 1Q FY2006 (Common Stock) 1,607,197,784 Class I preferred shares 75,500,000 shares for the term (Consolidated basis) 1Q FY2005 (Common Stock) 1,493,152,950 Class I preferred shares 75,500,000 FY2005 (Common Stock) 1,495,360,142 Class I preferred shares 75,500,000

[3] The ratio of Total volume of trading transactions, Operating profit, Income before taxes, and Net income represents the changes from the previous same period.

[4] For Japanese investors' convenience, Total volume of trading transactions and Operating profit are shown according to Japanese accounting practice. Total volume of trading transactions is the sum of those in which Marubeni and its consolidated subsidiaries ("the Companies") act as principal and those in which the Companies act as agent.

[5] In accordance with SFAS No.144 "Accounting for the Impairment or Disposal of Long-Lived Assets", some of the figures for 1st Quarter FY2005 have been reclassified, in relation to operations discontinued during FY2005.

[6] Equity in earnings(losses) of affiliated companies is included within income before taxes from FY2006. Some of the figures for 1st Quarter FY2005 have been reclassified accordingly.

[7] Income before taxes represents the one from continuing operations.

< Qualitative information concerning the progress of business results(consolidated) >

Total volume of trading transactions for the 1st Quarter increased by 12.2% from the same period of the previous year, to 2,209.2 billion yen mainly in Energy, Metals & mineral resources, Overseas corporate subsidiaries & branches, Agri-marine products.

Operating profit increased by 67.8%, to 43.8 billion yen, due to an increase in Gross trading profit mainly in Development & Construction, Energy, and Forest products & general merchandise.

Income before taxes increased by 68.0% from the same period of the previous year, to 59.2 billion yen.

Net income increased by 58.2% from the same period of the previous year, to 34.8 billion yen, due to an increase of Income before taxes.

(2) Consolidated financial conditions

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio	Shareholders' equity per share
	(millions of yen)	(millions of yen)	(%)	(yen)
June 30, 2006	4,416,067	667,331	15.1	368.30
March 31, 2006	4,587,072	663,787	14.5	365.14

<Qualitative information concerning the change of financial conditions(consolidated)>

Total assets was 4,416.1 billion yen, decreased by 171.0 billion yen, or 3.7% from the end of March 2006 mainly due to a decrease of Fixed assets. Net interest bearing debt decreased 37.7 billion yen from the end of March 2006, to 1,838.6 billion yen. Shareholders' equity increased 3.5 billion yen or 0.5% from the end of March 2006, to 667.3 billion yen due to an increase of Net income.

(Reference)Forecast of consolidated financial results for FY2006(April 1,2006-March 31,2007)

Prospects of consolidated financial results for FY2006 is unchanged from that in the announcement on April 26, 2006.

Above prospects are based on the current information available on July 28, 2006 and the assumptions of uncertain factors which have some influence on future financial results. Thus the actual results can be different due to the change of various factors.

Marubeni Corporation
Consolidated Statements of Income

	<i>Millions of yen</i>			
	1st Quarter			
	2006	2005	Variance	Ratio
Revenues:				
Revenues from trading and other activities	¥ 766,472	¥ 658,538	¥ 107,934	16.4%
Commissions on services and trading margins	45,961	44,827	1,134	2.5%
Total	812,433	703,365	109,068	15.5%
Cost of revenues from trading and other activities	-685,355	-593,560	-91,795	15.5%
Gross trading profit	127,078	109,805	17,273	15.7%
Expenses and other:				
Selling, general and administrative expenses	-84,548	-81,464	-3,084	3.8%
Provision for doubtful accounts	1,256	-2,247	3,503	-
Interest income	6,122	5,082	1,040	20.5%
Interest expense	-12,179	-10,954	-1,225	11.2%
Dividends received	3,067	2,883	184	6.4%
Impairment loss on investment securities	-146	-14	-132	942.9%
Gain (loss) on sales of investment securities	2,057	874	1,183	135.4%
Gain (loss) on property and equipment	-153	41	-194	-
Equity in earnings (losses) of affiliated companies-net	14,061	11,900	2,161	18.2%
Other – net	2,546	-700	3,246	-
Total	-67,917	-74,599	6,682	-9.0%
Income (loss) from continuing operations before income taxes	59,161	35,206	23,955	68.0%
Provision for income taxes	-22,357	-11,624	-10,733	92.3%
Income (loss) from continuing operations	36,804	23,582	13,222	56.1%
Minority interests in consolidated subsidiaries	-1,982	-1,185	-797	67.3%
Net income (loss) from continuing operations	34,822	22,397	12,425	55.5%
Loss from Discontinued Operations (after income tax)	-	-384	384	-
Net Income	¥ 34,822	¥ 22,013	¥ 12,809	58.2%
Basic earnings per share (yen)	21.67	14.74	6.93	47.0%
Diluted earnings per share (yen)	20.17	12.08	8.09	67.0%
Total volume of trading transactions (Based on Japanese accounting practice)	2,209,193	1,968,930	240,263	12.2%
Operating profit (Based on Japanese accounting practice)	43,786	26,094	17,692	67.8%

(Note 1) These financial statements are not audited by independent auditors.

(Note 2) These financial statements are based on US GAAP. (Revenue is presented in accordance with FASB Emerging Issue Task Force (EITF) 99-19.)

(Note 3) In accordance with SFAS No.144 "Accounting for the Impairment or Disposal of Long-Lived Assets", some of the figures for 1st Quarter FY2005 have been reclassified, in relation to operations discontinued during FY2005.

(Note 4) Equity in earnings (losses) of affiliated companies is included within income from continuing operations before taxes, starting FY2006. Some of the figures for 1st Quarter FY2005 have been reclassified accordingly.

Marubeni Corporation
Consolidated Balance Sheets

	<i>Millions of yen</i>		
	June 30 2006	March 31 2006	Variance
Assets			
Current assets:			
Cash and cash equivalents	¥ 266,278	¥ 368,936	¥ -102,658
Time deposits	17,058	21,674	-4,616
Investment securities	20,143	20,989	-846
Notes and accounts receivable - trade:			
Notes receivable	104,710	90,973	13,737
Accounts receivable	899,323	896,781	2,542
Due from affiliated companies	76,713	79,553	-2,840
Allowance for doubtful accounts	-17,175	-17,910	735
Inventories	436,592	395,599	40,993
Advance payments to suppliers	126,935	109,330	17,605
Deferred income taxes	33,439	32,048	1,391
Prepaid expenses and other current assets	189,153	170,644	18,509
Total current assets	<u>2,153,169</u>	<u>2,168,617</u>	<u>-15,448</u>
Investments and long-term receivables:			
Affiliated companies	319,972	314,261	5,711
Securities and other investments	589,204	615,361	-26,157
Notes, loans and accounts receivable - trade	178,866	214,763	-35,897
Allowance for doubtful accounts	-72,795	-81,964	9,169
Property leased to others, at cost, less accumulated	159,573	231,747	-72,174
Total investments and long-term receivables	<u>1,174,820</u>	<u>1,294,168</u>	<u>-119,348</u>
Net property and equipment	773,074	780,809	-7,735
Prepaid pension cost	62,748	83,746	-20,998
Deferred income taxes	50,719	52,364	-1,645
Intangible fixed assets	89,680	89,325	355
Goodwill	26,544	27,936	-1,392
Other assets	85,313	90,107	-4,794
Total assets	<u>¥ 4,416,067</u>	<u>¥ 4,587,072</u>	<u>¥ -171,005</u>

*These financial statements are not audited by independent auditors.

*These financial statements are based on US GAAP.

* Increase in Shareholders' equity other than capital transaction for 1st Quarter FY2006 is 12,363 million yen.

Marubeni Corporation
Consolidated Balance Sheets (continued)

	<i>Millions of yen</i>		
	June 30 2006	March 31 2006	Variance
Liabilities and shareholders' equity			
Current liabilities:			
Short-term loans	¥ 206,132	¥ 368,491	¥ -162,359
Current portion of long-term debt	180,070	219,650	-39,580
Notes and accounts payable-trade			
Notes and acceptances payable	181,343	186,741	-5,398
Accounts payable	724,179	715,370	8,809
Due to affiliated companies	38,138	46,432	-8,294
Advance payments received from customers	126,702	97,673	29,029
Income taxes	22,080	16,220	5,860
Deferred income taxes	2,818	3,310	-492
Accrued expenses and other current liabilities	249,202	307,342	-58,140
Total current liabilities	<u>1,730,664</u>	<u>1,961,229</u>	<u>-230,565</u>
Long-term debt, less current portion	1,937,176	1,879,739	57,437
Employees' retirement benefits	10,008	9,129	879
Deferred income taxes	20,892	26,189	-5,297
Minority interests in consolidated subsidiaries	49,996	46,999	2,997
Shareholders' equity:			
Paid-in capital	262,686	262,686	-
Additional paid-in capital	155,903	155,903	-
Retained earnings (losses)	219,802	193,772	26,030
Accumulated other comprehensive loss			
Net unrealized gains (losses) on investment securities, net of reclassification	92,752	109,035	-16,283
Currency translation adjustments, net of reclassification	-57,306	-53,450	-3,856
Net unrealized losses on derivatives	-4,436	-2,116	-2,320
Minimum pension liability adjustment	-1,717	-1,717	-
Cost of common stock in treasury	-353	-326	-27
Total shareholders' equity	<u>667,331</u>	<u>663,787</u>	<u>3,544</u>
Total liabilities and shareholders' equity	<u>¥ 4,416,067</u>	<u>¥ 4,587,072</u>	<u>¥ -171,005</u>

Segment Information

◆ 1st Quarter of FY2006 (April 1, 2006-June 30, 2006)

	<i>Millions of yen</i>					
	Agri-marine products	Textile	Forest Products & General merchandise	Chemicals	Energy	
Total volume of trading transactions	252,927	78,390	197,981	191,571	572,191	
Gross trading profit	17,044	5,529	13,218	8,170	20,547	
Operating profit (loss)	3,388	87	5,309	2,675	13,642	
Equity in earnings (losses) of affiliated companies	1,969	-71	-9	-63	80	
Segment net income (loss)	2,698	-20	2,258	1,236	7,102	
Segment assets (as of June 30,2006)	438,983	125,636	507,874	183,184	628,539	
	Metals & Mineral Resources	Transportation & Industrial Machinery	Power Projects	Plant, Ship & Infrastructure Projects	Information & Communication	
Total volume of trading transactions	229,783	141,446	58,404	154,084	49,323	
Gross trading profit	4,708	13,126	5,575	3,691	6,136	
Operating profit (loss)	4,500	2,989	3,672	114	-454	
Equity in earnings (losses) of affiliated companies	3,527	911	1,447	1,153	-147	
Segment net income (loss)	7,155	2,299	2,968	874	-329	
Segment assets (as of June 30,2006)	291,355	268,298	399,173	275,843	112,700	
	Development & Construction	Finance Logistics & New Business	Iron & Steel Products	overseas corporate subsidiaries & branches	corporate & elimination etc.	consolidated
Total volume of trading transactions	68,626	9,773	191	301,173	-96,670	2,209,193
Gross trading profit	12,072	2,442	191	16,624	-1,995	127,078
Operating profit (loss)	8,026	458	-286	1,144	-1,478	43,786
Equity in earnings (losses) of affiliated companies	225	220	4,519	357	-57	14,061
Segment net income (loss)	4,523	1,968	3,929	1,339	-3,178	34,822
Segment assets (as of June 30,2006)	283,890	93,904	87,540	389,975	329,173	4,416,067

◆ 1st Quarter of FY2005 (April 1, 2005-June 30, 2005)

	<i>Millions of yen</i>					
	Agri-marine products	Textile	Forest Products & General merchandise	Chemicals	Energy	
Total volume of trading transactions	228,300	71,840	192,333	186,792	487,459	
Gross trading profit	18,120	5,071	11,102	7,668	14,936	
Operating profit (loss)	3,445	-29	3,549	2,623	7,850	
Equity in earnings (losses) of affiliated companies	342	-106	58	416	197	
Segment net income (loss)	1,792	-280	2,194	1,952	4,743	
Segment assets (as of June 30,2006)	433,782	130,461	519,785	181,919	603,758	
	Metals & Mineral Resources	Transportation & Industrial Machinery	Power Projects	Plant, Ship & Infrastructure Projects	Information & Communication	
Total volume of trading transactions	170,692	148,279	41,360	170,844	47,120	
Gross trading profit	4,319	12,789	4,610	3,268	6,044	
Operating profit (loss)	2,332	1,932	1,277	-1,651	-662	
Equity in earnings (losses) of affiliated companies	2,486	511	785	1,060	38	
Segment net income (loss)	3,645	1,346	1,671	697	-357	
Segment assets (as of June 30,2006)	265,141	289,936	405,386	274,510	115,575	
	Development & Construction	Finance Logistics & New Business	Iron & Steel Products	overseas corporate subsidiaries & branches	corporate & elimination etc.	consolidated
Total volume of trading transactions	48,222	6,350	292	274,989	-105,942	1,968,930
Gross trading profit	5,580	1,628	292	15,130	-752	109,805
Operating profit (loss)	1,658	103	96	1,186	2,385	26,094
Equity in earnings (losses) of affiliated companies	139	234	5,381	294	65	11,900
Segment net income (loss)	599	1,590	5,007	756	-3,342	22,013
Segment assets (as of June 30,2006)	299,669	97,031	86,075	449,213	434,831	4,587,072

(Note 1) Segment information is not audited by independent auditors.

(Note 2) Effective April 1, 2006, the figures of each operating segment are shown based on US GAAP. Until then, the figures of each segments were shown according to Japanese accounting practice, and therefore the difference between the two standards for the 1st quarter of FY2005 is included in *Corporate & elimination*.

(Note 3) Inter-segment transactions are generally priced in accordance with the prevailing market prices.

(Note 4) Effective April 1, 2006, the segments of *Transportation machinery, Industrial machinery & Information business, and Plant, Power & Infrastructure* have been reorganized as *Transportation & Industrial Machinery, Power Projects, Plant, Ship & Infrastructure Projects, and Information & Communication*. Furthermore, *Domestic Branches & Offices* have been incorporated into *Corporate & elimination* due to its significance. Accordingly, the above segment information has been restated.

(Note 5) In accordance with SFAS No.144, some of the total consolidated figures for the previous fiscal year have been reclassified. Reclassifications to "loss in relation to discontinued operations (after accounting for tax effect)" are included in *Corporate & elimination*.

Marubeni Corporation Consolidated Companies

1. Number of consolidated companies

		June 30 2006	Established Bought	Liquidated Divestiture	March 31 2006	Variance
Subsidiaries	Domestic	145	2	-4	147	-2
	Overseas	239	6	-8	241	-2
	Total	384	8	-12	388	-4
Affiliated companies	Domestic	49	1	-1	49	+0
	Overseas	121	4	-1	118	+3
	Total	170	5	-2	167	+3
	Domestic	194	3	-5	196	-2
	Overseas	360	10	-9	359	+1
	Total	554	13	-14	555	-1

2. Major companies that have been newly included during this term:

<u>Company name</u>	<u>Capital</u>		<u>Marubeni Group's equity portion</u>	<u>Type of business</u>
Hasegawa & Co., Ltd.	JPY	340 mil	35.00%	Confectionary wholesaler
Higashi Ginza Printing and Publishing Co.	JPY	120 mil	71.63%	Planning, design, production and printing of advertisements catalogs and other printed media
Marubeni Energy Alternatives, Inc.	USD	0.51mil	100.00%	Development and investment for new technology and renewable energy business in the U.S.
M&C Shanghai Limited	USD	0.3mil	100.00%	Business consulting service in the east China region
M&C South China Limited	USD	0.4mil	100.00%	Business consulting service in the south China region

3. Major companies that have been excluded during this term:

<u>Company name</u>	<u>Reasons of exclusion</u>		<u>Marubeni Group's equity portion</u>	<u>Type of business</u>
Nasu resort Corporation	Sold		70.00%	Operation of leisure facilities
Liaison Planning Inc.	Partly sold		100.00%	Advertisement planning and production, production of published material
Carlisle Leasing International , LLC	Sold		100.00%	Lease of freezing and refrigerated Containers for sea transport
Marubeni Textile Asia Ltd.	Merger		100.00%	Import, export and domestic trading of textile materials and gar

Profit-making/loss-making consolidated companies

(Unit: billions of yen)

		June 30, 2006			June 30, 2005			Variance		
		Domestic	Overseas	Total	Domestic	Overseas	Total	Domestic	Overseas	Total
Profit-making companies	No. of companies	144	262	406	142	264	406	2	-2	0
	Surplus amount	12.6	20.9	33.4	9.4	17.8	27.2	3.2	3.1	6.3
Loss-making companies	No. of companies	50	98	148	58	85	143	-8	13	5
	Deficit amount	-1.4	-2.3	-3.7	-2.5	-3.2	-5.7	1.1	0.9	2.0
Total	No. of companies	194	360	554	200	349	549	-6	11	5
	Net profit/loss	11.2	18.6	29.8	6.9	14.6	21.5	4.3	4.0	8.3
Surplus company ratio		74.2%	72.8%	73.3%	71.0%	75.6%	74.0%	+3.2 points	-2.8 points	-0.7 points

(Note) Surplus/Deficit amount is based on equity method