

**Condensed Transcript of Q&A Session Regarding Results Briefing for the
Three-Month Period Ended June 30, 2016 (August 2, 2016)**

Q. What are your thoughts with regard to gross profit in the three-month period ended June 30, 2016?

A. While there is some disparity between segments, gross profit in the three-month period ended June 30, 2016, was more or less in line with our targets when looking at the Company as a whole.

Q. Could you please summarize the one-time income and loss movements seen during the three-month period ended June 30, 2016, including the gain on real estate sales recognized in the Retail Division?

A. With regard to the gain on sales of real estate held for sale in Japan in the Retail Division, this gain came in the form of capital gains on shopping centers and commercial facilities realized after their value was increased through operation by a subsidiary. Contract facility operation is one area of our main business, and we therefore do not view this gain as a one-time phenomenon. One-time income and loss movements during the three-month period ended June 30, 2016, amounted to a loss of ¥0.5 billion comprised of impairment losses on ships of ¥0.3 billion and loss on reorganization of subsidiaries/associates of ¥0.2 billion recorded under other income and expenses.

Q. Was any part of the ¥5.0 billion in asset replacement costs forecast for the year ending March 31, 2017, incurred during the three-month period ended June 30, 2016?

A. No asset replacement costs were recognized during the three-month period ended June 30, 2016.

Q. Could you please elaborate on the ship-related impairment losses? While the amount of these losses was low, I would like to know the current status of fleet operation. Is there any risk of such one-time losses occurring again in the future?

A. Market prices are continuing to decline only for small handy size vessels, which was the class that was subject to the impairment losses. However, conditions related to chartering for other vessels in our fleet are improving, and we currently feel that there is little risk of future impairment losses.

Q. Gross loss was recorded in the Energy Division during the three-month period ended June 30, 2016. Was this outcome due to one-time losses? Given the full-year forecast of loss for the year of ¥2.0 billion, should we assume that this outcome was in line with forecasts?

A. The gross loss in the Energy Division was not due to one-time losses. We began increasing hedging measures after April 2016, and, as of June 30, 2016, we had hedges in place for nearly 80% of the transaction volume anticipated for the year. Accordingly, we feel that we should be able to more or less achieve our full-year forecasts.

Q. Loss for the period was recorded in the Metals & Coal Division in the three-month period ended June 30, 2016. Was this loss a result of extraordinary factors? Also, do you expect performance to recover during the second half of the fiscal year?

A. Commodity prices for metal resources are currently higher than they were when we formulated our initial targets for the year. Investment accounted for using the equity method Metal One Corporation is expected to see brisk shipments of materials related to the construction of facilities for the upcoming 2020 Olympic and Paralympic Games in Tokyo continuing on into the second half of the fiscal year. For this reason, we do not anticipate a need to lower our initial targets.

Q. Profit for the three-month period ended June 30, 2016, was down in the Chemicals Division year on year. What trends are currently seen in this business? Also, what led to this decrease and do you expect to be able to compensate for this downturn in the second half of the fiscal year?

A. The prices of naphtha and methanol are proving slightly sluggish. Conversely though, robust automobile production is being seen in Thailand alongside brisk motorcycle sales in Indonesia. We expect these factors to compensate for the lower prices, and we therefore anticipate that full-year performance will generally be as forecast.

Q. What are your forecasts for cash flows? I understand that you conducted investments and loans of ¥16.0 billion in the three-month period ended June 30, 2016, and still intend to devote ¥125.0 billion to investments and loans on a full-year basis, as initially planned. Have there been any updates to this plan in light of changes over the past couple of months?

A. Our initial forecast of a negative ¥35.0 billion for free cash flow in the year ending March 31, 2017, remains unchanged.