

MOL Investor Guidebook

May 2003

Mitsui O.S.K. Lines, Ltd.

<http://www.mol.co.jp/ir-e/>

MOL Group Corporate Principles

- 1. As a multi-modal transport group, we will actively seize opportunities that contribute to global economic growth and development by meeting and responding to our customers' needs to this new era**
- 2. We will strive to maximize corporate value by always being creative, continually pursuing higher operating efficiency and promoting an open and visible management style that is guided by the highest ethical and social standards**
- 3. We will promote and protect our environment by maintaining strict, safe operation and navigation standards**

Mitsui O.S.K. Lines Group Environmental Policy Statement

As one of the world's leading multi-modal transport groups, Mitsui O.S.K. Lines group is committed to protecting the health of our marine/global environment and therefore promotes and supports policies that:

- 1. Protect all aspects of the marine/global environment and foster safe navigation;**
- 2. Comply with all environmental legislation and regulations that we are required to by law, and all relevant standards and other requirements that we subscribe to. And, whenever possible, further reduce the burden on the environment by setting and achieving even tougher voluntary standards;**
- 3. Periodically review and revise our environmental protection measures on the basis of our framework for setting and reviewing environmental objectives and targets;**
- 4. Conserve energy and materials through recycling and waste reduction programs;**
- 5. Purchase and use environmentally safe goods and materials**
- 6. Promote the development and use of environmentally safe technology**
- 7. Educate and encourage group employees to increase their focus on protection of the environment through enhanced publicity efforts, and communicate our Environmental Policy to group employees;**
- 8. Publish our Environmental Policy Statement and disclose our environmental information on a regular basis;**
- 9. Always strive to ensure that our business activities contribute to and adequately support worthy environmental protection activities.**

= Contents =

MOL Group Corporate Principles

MOL Group Environmental Policy Statement

1. MOL at a glance

| | |
|--|---|
| ① Consolidated Results FY1992 – FY2003 | 2 |
| ② [Non-Consolidated] Cost Reduction | 2 |
| ③ [Consolidated] FY2002 MOL Group Fleet / Revenues & Operating Income by Segment | 3 |
| ④ [Non-Consolidated] FY2002 MOL Fleet / Revenues by Division | 3 |
| ⑤ World Major Carriers Fleet Size Ranking | 4 |
| All Vessel Types | 4 |
| Container Capacity by Alliance Group | 4 |
| Container Capacity by Company | 4 |
| Car Carriers | 5 |
| Bulkers | 5 |
| Tankers | 5 |
| LNG Carriers | 5 |

2. MOLnext

| | |
|-------------------------------------|---|
| ▪ MOL Mid-term Management Plan | 6 |
| ▪ Results & Targets/Strategies | 7 |
| ▪ Expansion Plan | 8 |
| ▪ Cost Reduction | 8 |
| ▪ Enhancement of Financial Strength | 9 |

3. Seaborne Trade — the World — 10

4. Seaborne Trade — Japan — 10

5. Financial Data

| | |
|--|----|
| ▪ Charts | |
| [Consolidated] ROE/ROA | 12 |
| [Consolidated] Interest Coverage Ratio | 12 |
| [Consolidated] EV/EBITDA | 12 |
| [Consolidated] Assets Turnover | 13 |
| [Consolidated] Profit Margin Ratio /Return on Assets | 13 |
| [Consolidated] Assets and Equity | 13 |
| [Consolidated] Earning per Share | 14 |
| [Consolidated] Shareholders' Equity per Share | 14 |
| [Consolidated] Cash Flow per Share | 14 |
| [Consolidated] Revenues by Segment | 15 |
| [Non-Consolidated] Revenues by Division | 15 |
| ▪ [Consolidated] Financial Statements | 16 |
| ▪ [Consolidated] Segment Information | 17 |
| ▪ [Non-Consolidated] Financial Statements | 17 |

Corporate Governance

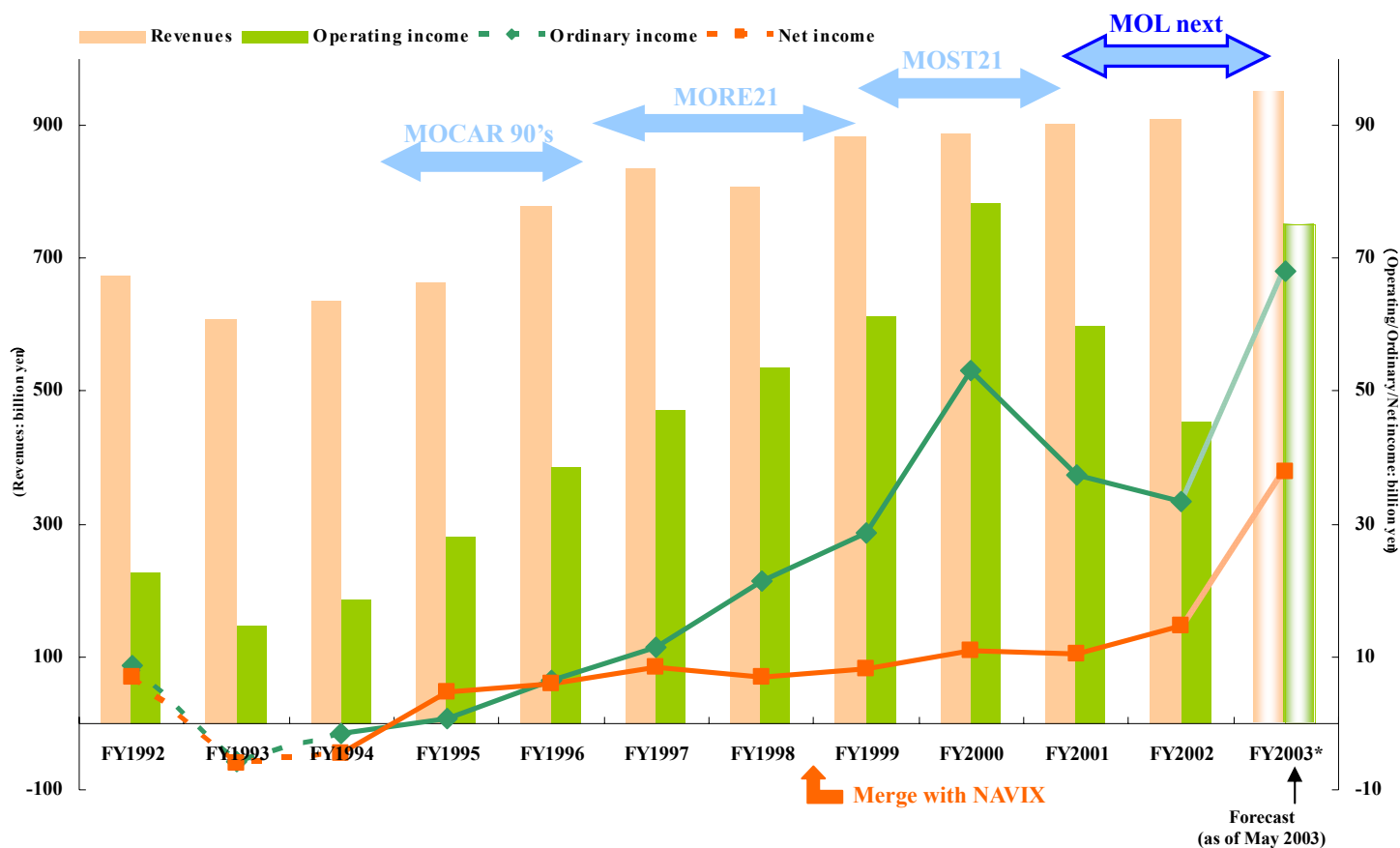
Credit Ratings (FY2002)

Share Prices 1992-2002

MOL IR Tools

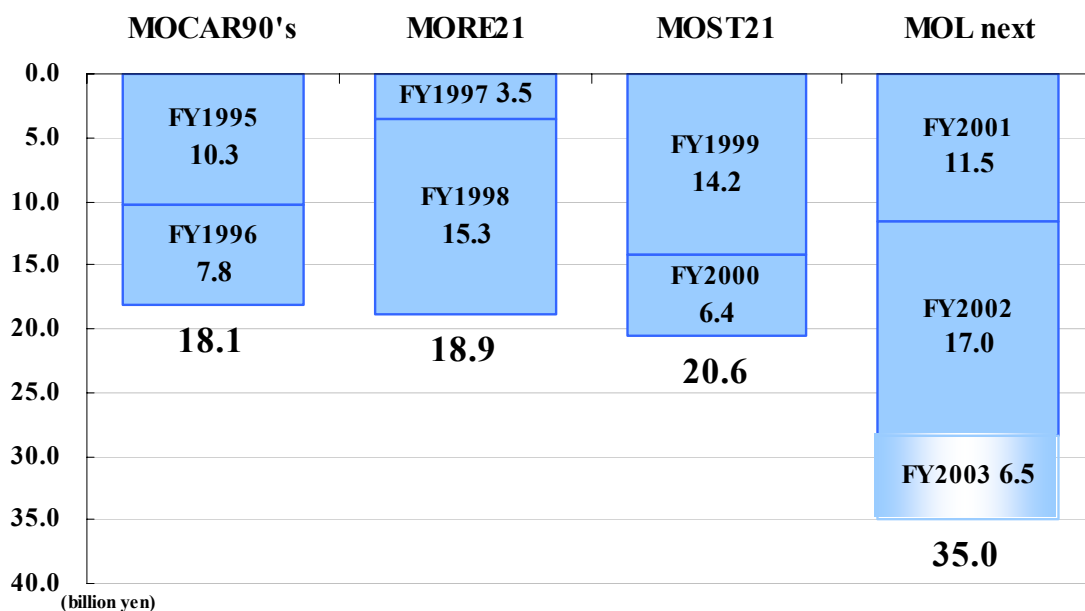
1. MOL at a glance

① Consolidated Results/Forecast FY1992-2003



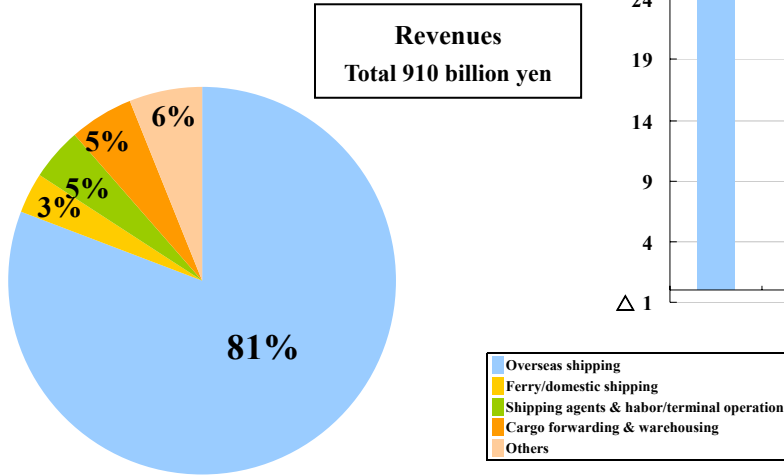
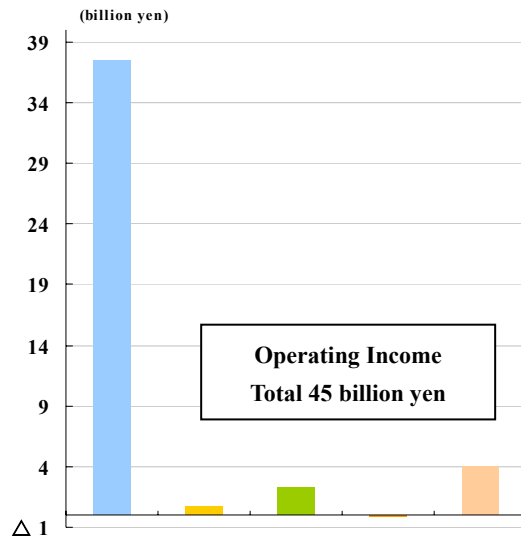
| | FY1992 | FY1993 | FY1994 | FY1995 | FY1996 | FY1997 | FY1998 | FY1999 | FY2000 | FY2001 | FY2002 | FY2003 |
|------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Average Exchange Rate (¥/\$) | 125 | 108 | 100 | 96 | 112 | 123 | 130 | 112 | 110 | 125 | 122 | 115 |
| Average Bunker Price (\$/KT) | 100 | 89 | 102 | 108 | 116 | 105 | 80 | 117 | 159 | 136 | 163 | 150 |

② [Non-Consolidated] Cost Reduction



③ [Consolidated] FY2002 MOL Group Fleet / Revenues & Operating Incomes by Segment

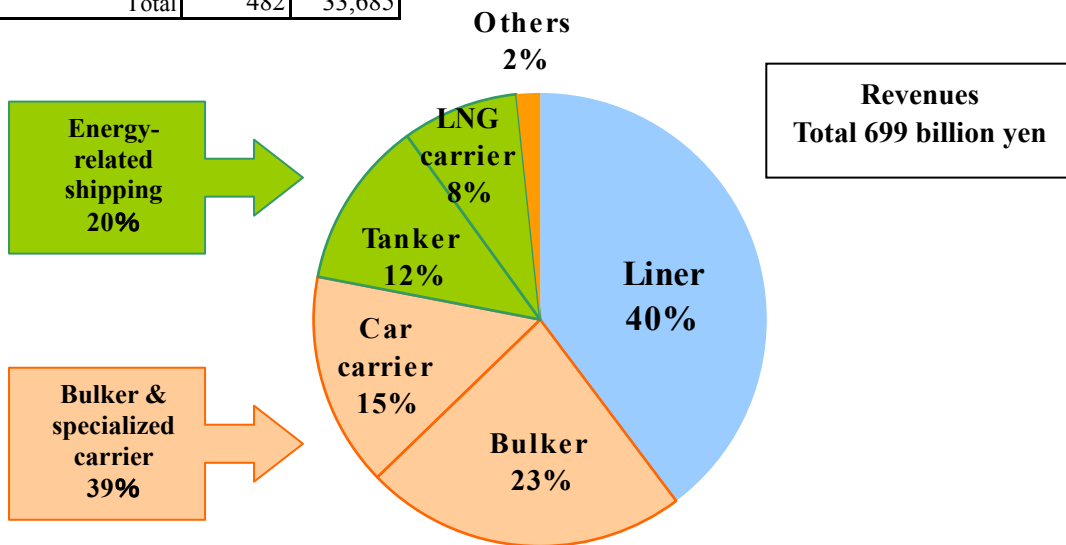
| | Number of vessels | (1000dwt) |
|--------------------------------|-------------------|---------------|
| Overseas Shipping | 557 | 35,592 |
| Liner | 68 | 2,655 |
| Dry bulk/Car carrier | 341 | 19,302 |
| Tanker/LNG Carrier | 146 | 13,625 |
| Cruise ship etc. | 2 | 10 |
| Ferry/Domestic Shipping | | |
| Ferry/Domestic | 42 | 136 |
| Tug boat | 32 | - |



④ [Non-Consolidated] FY2002 MOL Fleet & Revenues by Division

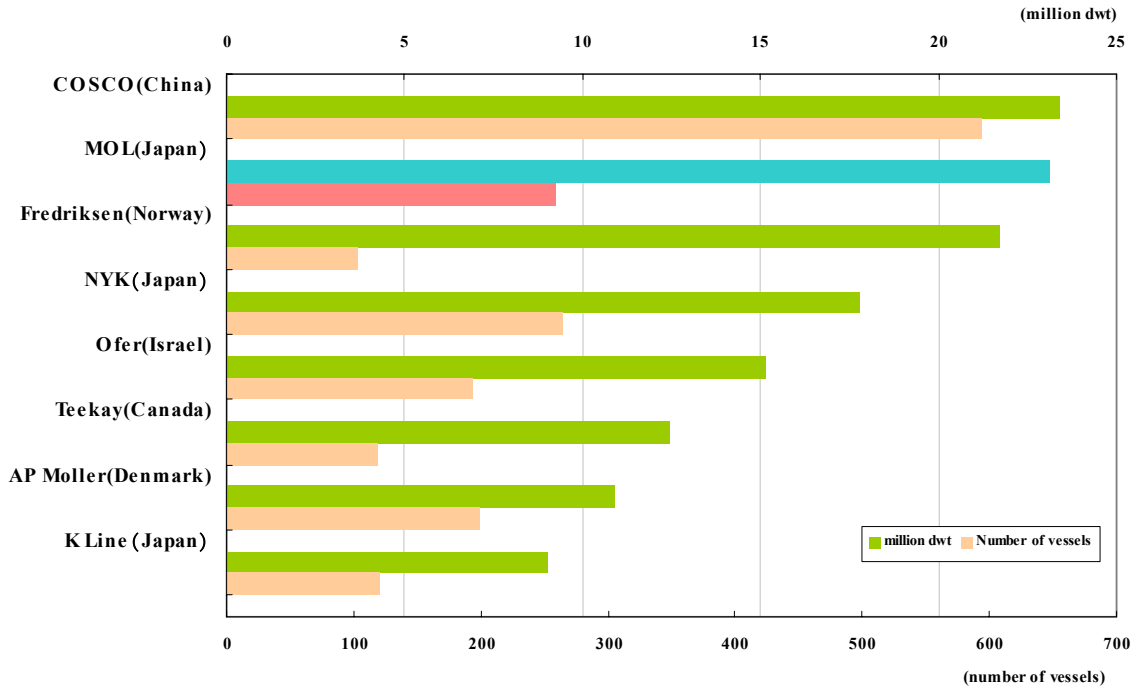
MOL Fleet (including spot-chartered vessels)

| | Number of vessels | (1,000dwt) |
|-------------------------|-------------------|---------------|
| Liner | 68 | 2,670 |
| Bulker | 223 | 17,658 |
| Car carrier | 84 | 1,184 |
| Tanker | 77 | 10,572 |
| LNG Carrier | 23 | 1,561 |
| Cruise ship, Ferry etc. | 7 | 40 |
| Total | 482 | 33,685 |



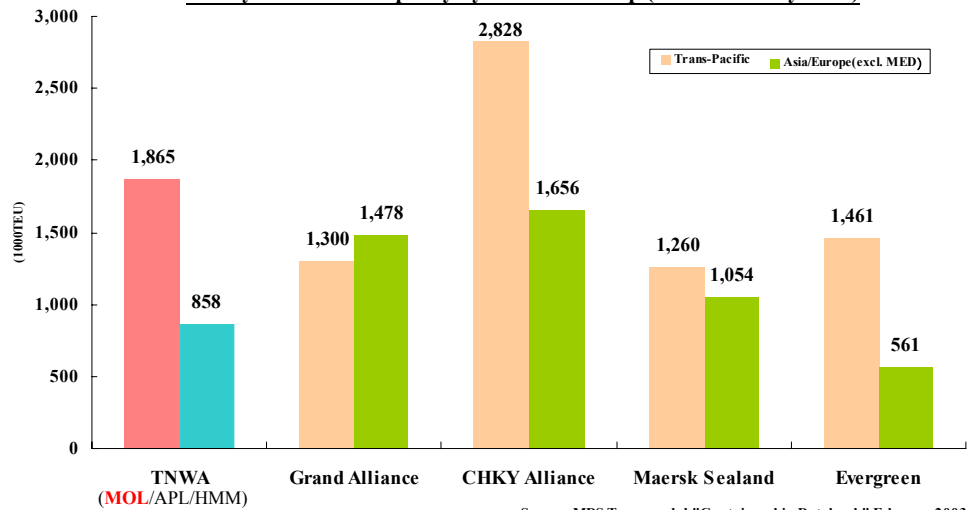
⑤ World Major Carriers Fleet Size Ranking (excluding spot-chartered vessels)

All Vessel Types (Consolidated/Chartered vessels excluded; as of January 2003)



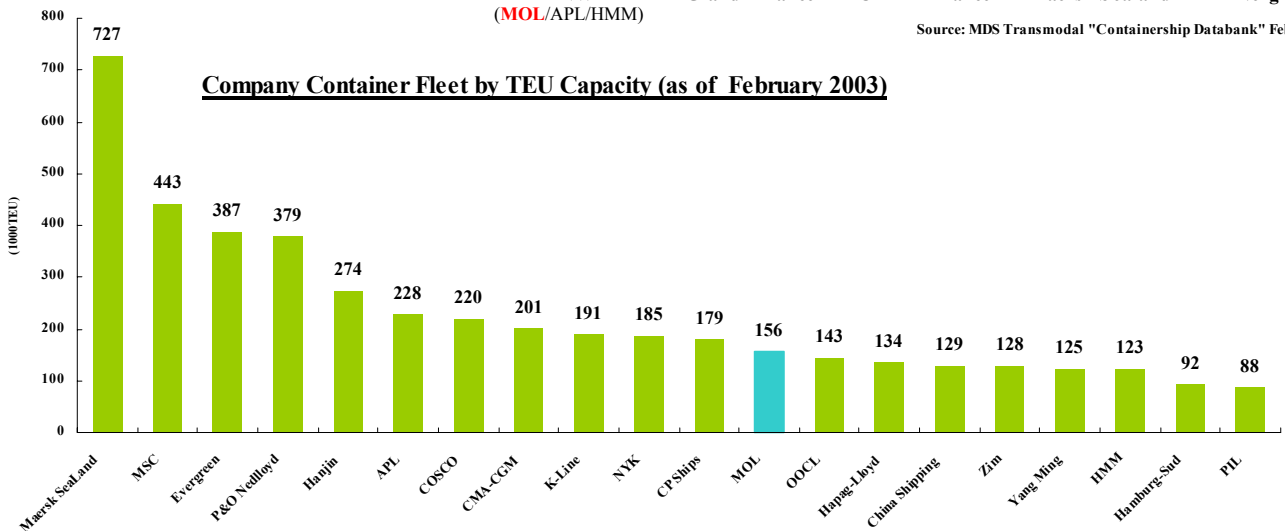
Source: Lloyds Register Fairplay

Yearly Container Capacity by Alliance Group (as of February 2003)

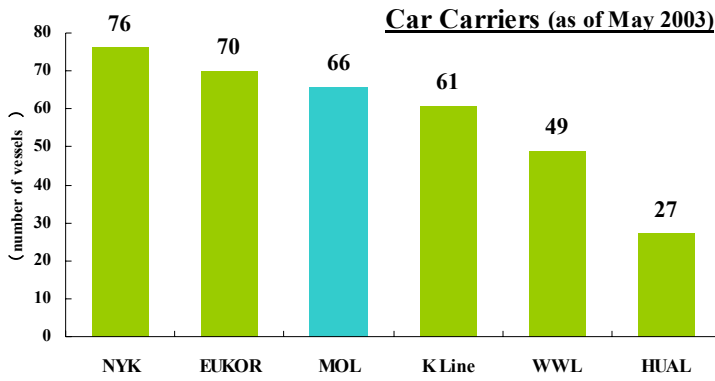


Source: MDS Transmodal "Containership Databank" February 2003

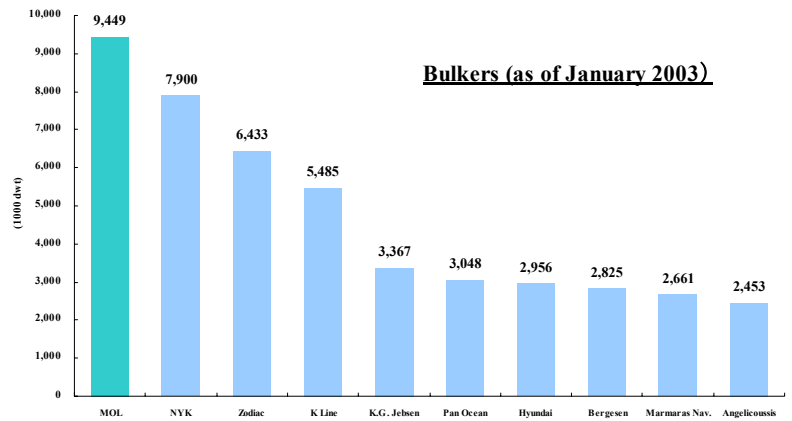
Company Container Fleet by TEU Capacity (as of February 2003)



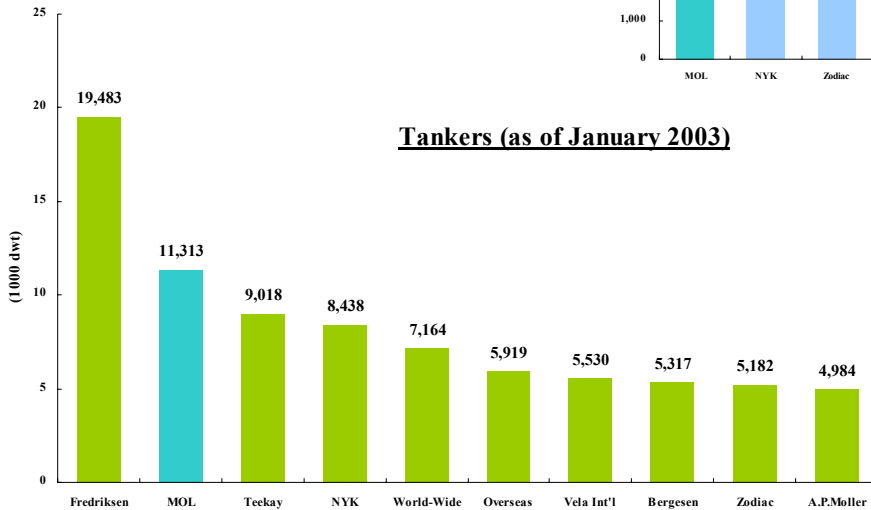
Source: MDS Transmodal "Containership Databank" February 2003



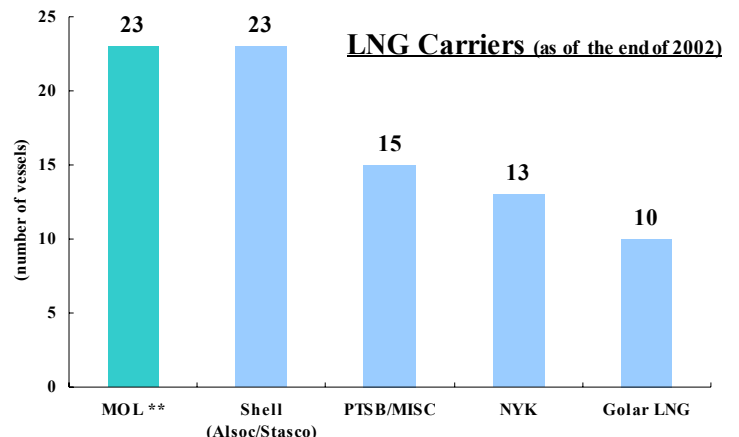
Source: MOL internal calculation based on Fearnleys' July 2002 data



Source: Clarkson Bulkcarrier Register 2003



Source: Clarkson Tanker Register 2003



Source: Barry Rogliano Salles etc.

*Fleet under its management or more than 50% of ownership

**Participation in the projects operating 53 vessels (including planned ones) of the world total about 195 vessels

2. MOL next

MOL Group Mid-term Management Plan

MOL next

= Mitsui O.S.K. Lines' new expansion target

Goal of **MOL next**

To make MOL group excellent and resilient in the world shipping industry

Management/Financial Index (Consolidated)

| | March 2001 | March 2004 |
|-----------------------|----------------|--------------|
| Earning per Share | ¥9.0 ⇒ | ¥28.0 |
| ROE | 7.4% ⇒ | 15.0% |
| Equity Ratio | 12.7% ⇒ | 20.0% |
| Interest-Bearing Debt | ¥745 billion ⇒ | ¥600 billion |

(at ¥110/\$; bunker price \$120/MT)

MOL's Creative and Aggressive Redesigning Project, Phase 1, 2, and 3

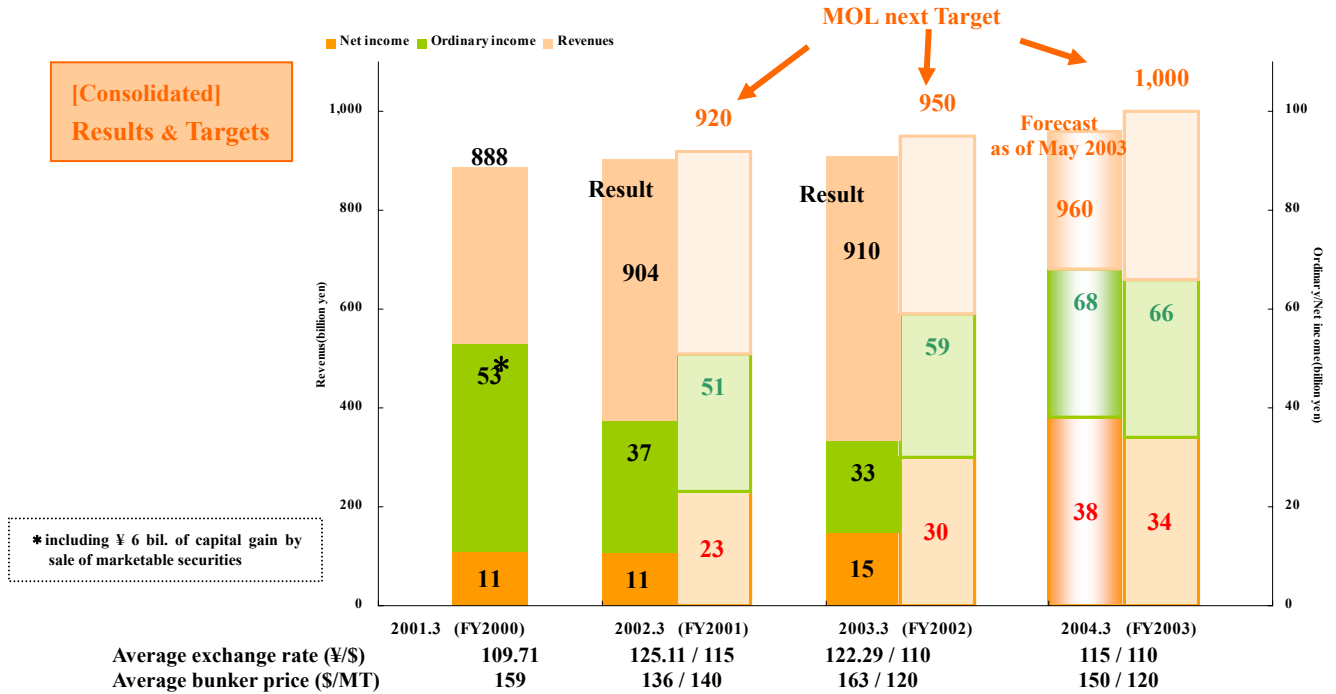
MOL's Creative and Aggressive Redesigning Committee was formed in 1994. Since then, we have worked to strengthen groupwide global competitiveness, expand our investments in energy transport, and create a company structure that can respond quickly to market needs. We set goals incrementally and reviewed them at all stages. Phase 1, **MOCAR90's**, was implemented from September 1994 to March 1996. Phase 2, the **MORE21** project, was started in July 1996 and completed in March 1999. And we reached the goals of Phase 3, **MOST21**, a year ahead of the initial plan. As a result, we developed a new management plan, **MOL next**.

| | | |
|-----------------------------|----------------|---|
| Sept. 1994 | Phase 1 | MOCAR 90's (MOL's Creative & Aggressive Redesigning, 90's) |
| Mar. 1996 | | Target: Strengthen MOL's global competitiveness |
| Jul. 1996 | Phase 2 | MORE21 (Mitsui O.S.K. Lines Redesign for 21) |
| Mar. 1999 | | Target: 1) Build group-wide market competitiveness and strengthen the overall group to maximize consolidated profits. 2) Enhance MOL's non-consolidated international competitiveness to restore dividend payments as soon as possible, and ensure a stayble dividend payment structure. |
| Apr. 1999 | Phase 3 | MOST21 (Mitsui O.S.K. Lines' Strategy Towards 21) |
| Mar. 2001 | | Target: 1) To ensure optimum allocation of Group Management resources and maximize the strength and competitiveness of companies in 2) Maximize the synergistic effects of the merger, and establish a corporate structure that allows dividend rate of more than 10%. 3) Maximize the equity value to the shareholders on MOL Group in its entirety. |
| Apr. 2001 Mar. 2004 | | MOL next (Mitsui O.S.K. Lines' new expansion target) |

Group Management Strategies

1. Assure continued growth by focusing on selected business segments and effective use of management resources
2. Maintain global excellence in both cost competitiveness and service quality to improve profitability
3. Strengthen group corporate governance (emphasis on promoting segment strategies and management control)

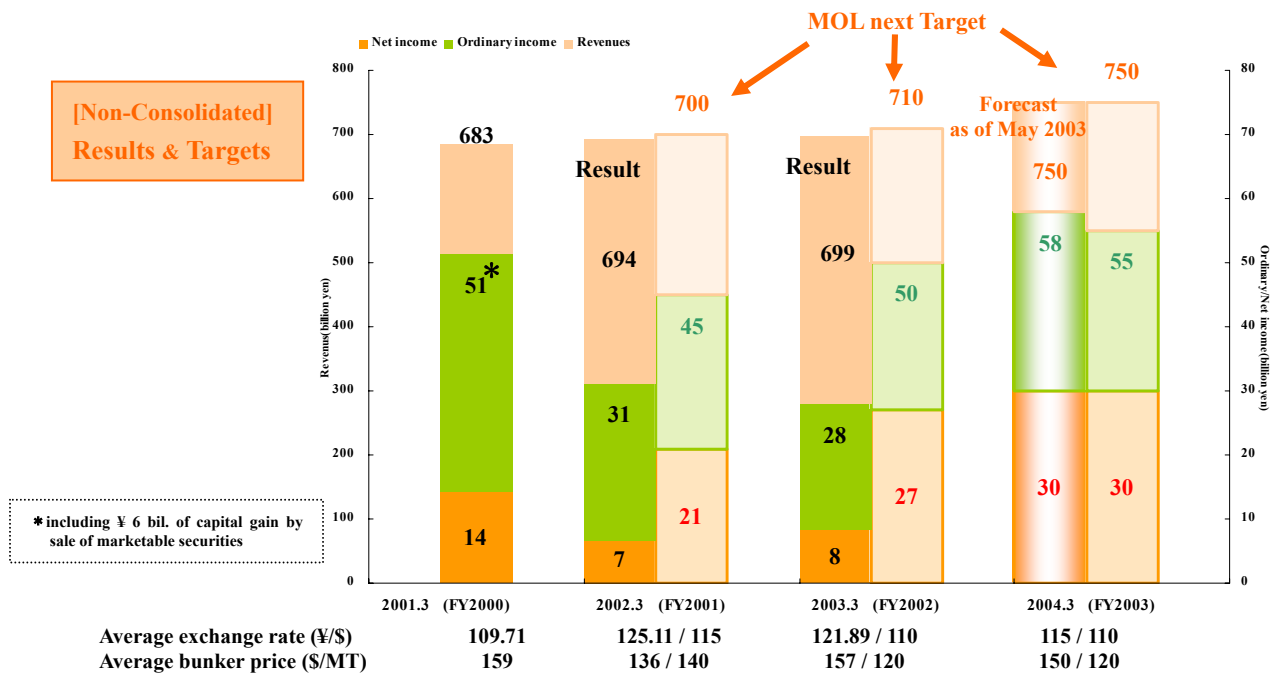
[Consolidated] Results & Targets



MOL Management Strategies

- ① Growth & Expansion
- ② Expansion of non-Japanes trade
- ③ New business
- ④ Promotion of IT strategies
- ⑤ Improvement of competitive edge
- ⑥ Training of human resources
- ⑦ Improvement of financial structure
- ⑧ Management reform
- ⑨ Environmental protection

[Non-Consolidated] Results & Targets

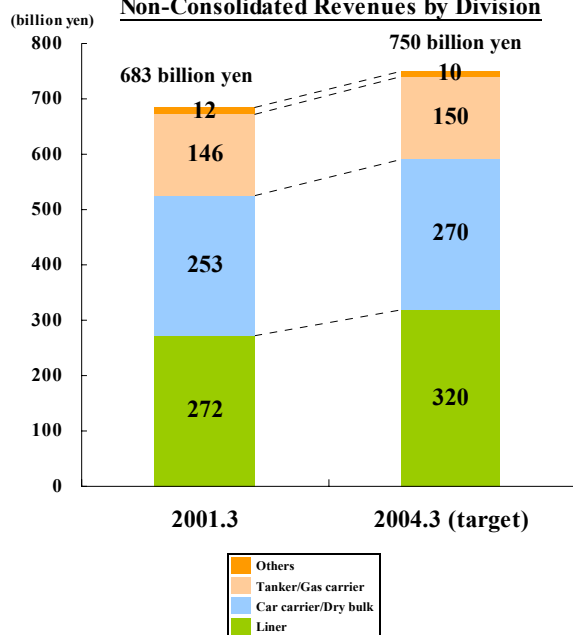


Expansion Plan

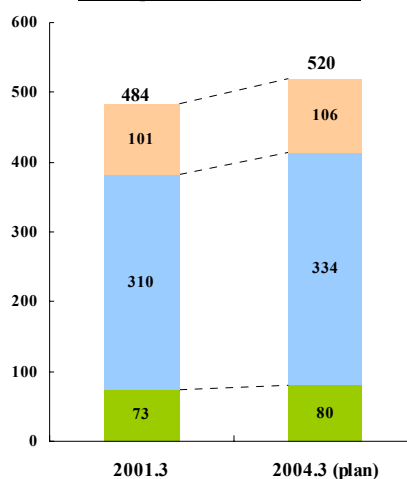
Increase of revenue for 70 billion yen over the next 3 years (FY2001-2003)

- Liner:** Increase capacities, with the introduction of new-building container fleet by FY2003, with the aim of becoming a first-class global container carrier.
- Car carrier:** Be active in the non-Japanese/Korean trade where cargo movement can be expected to grow in the world
- Dry-bulk carrier:** Expand business, mainly in coal transportation, where strong future growth is expected, and in the cape-size bulker business, where we can take advantage of the fact that we have the world's biggest fleet.
- Tanker:** Increase the number of double-hull tankers in our fleet, and utilize the medium-size VLCC strategically in the expanding Asian market.
- LNG:** Enhance marketing and pursue the possibility of new project in growing markets, such as India and China.

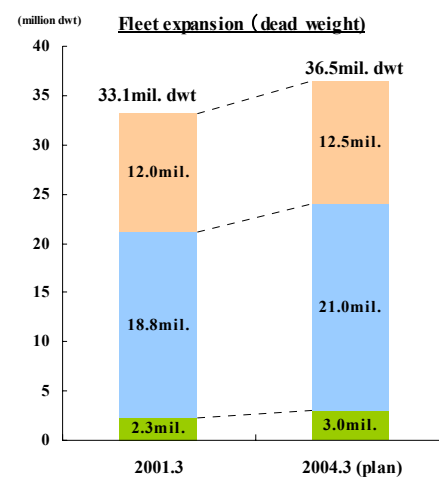
Non-Consolidated Revenues by Division



Fleet expansion (number of vessels)



Fleet expansion (dead weight)



■ Liner
 ■ Car carrier/Dry bulk
 ■ Tanker/Gas carrier

Cost Reduction

Reduction of 15 billion yen over the next 3 years (FY2001-FY2003)

- Sales Divisions:** 8 billion yen, mainly by reducing voyage/cargo-related costs
- Administrative Divisions:** 7 billion yen, mainly by reducing vessel-related costs

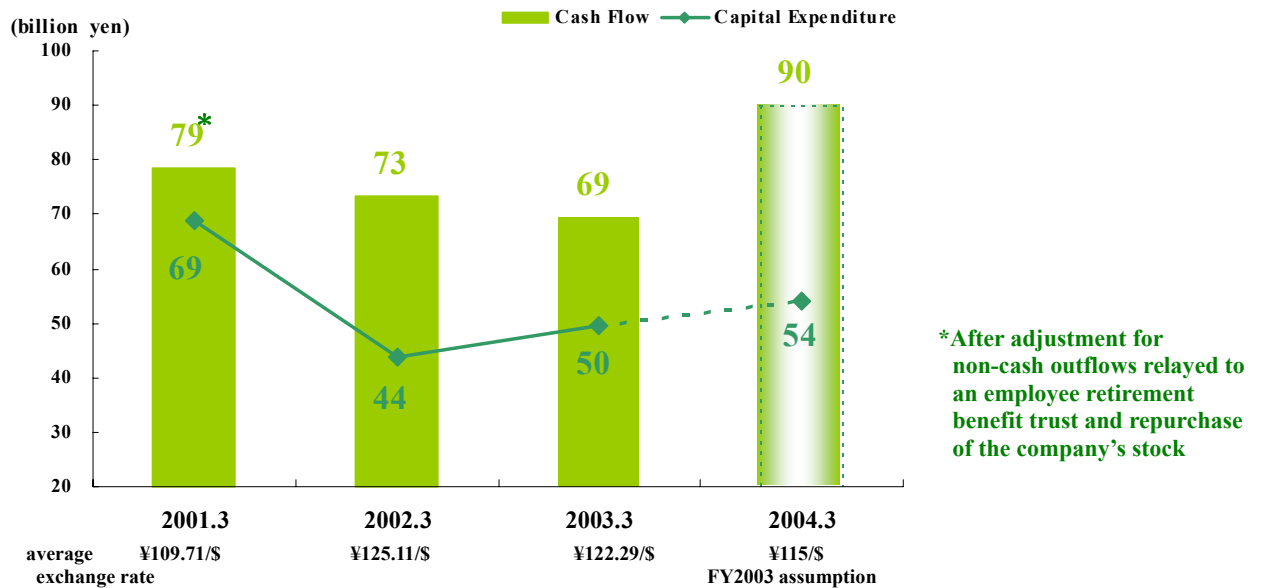
(): MOL next Plan

| | FY2001 (Result) | FY2002 (Result) | FY2003 (Plan) | Total |
|---|--|--|---|---|
| Sales Division <small>(Voyage expenses, Container expenses, etc.)</small> | 9.0 (6.0) | 14.0 (1.0) | (5.0) (1.0) | 28.0 (8.0) |
| Administration Division <small>(Administration expenses, Interest payments, etc.)</small> | 2.5 (2.5) | 3.0 (2.0) | (1.5) (2.5) | 7.0 (7.0) |
| Total | 11.5 (8.5) | 17.0 (3.0) | (6.5) (3.5) | 35.0 (15.0) |

Improvement of financial structure

Strengthen financial structure by reducing interest-bearing debts, and by focusing more on cash flow management.

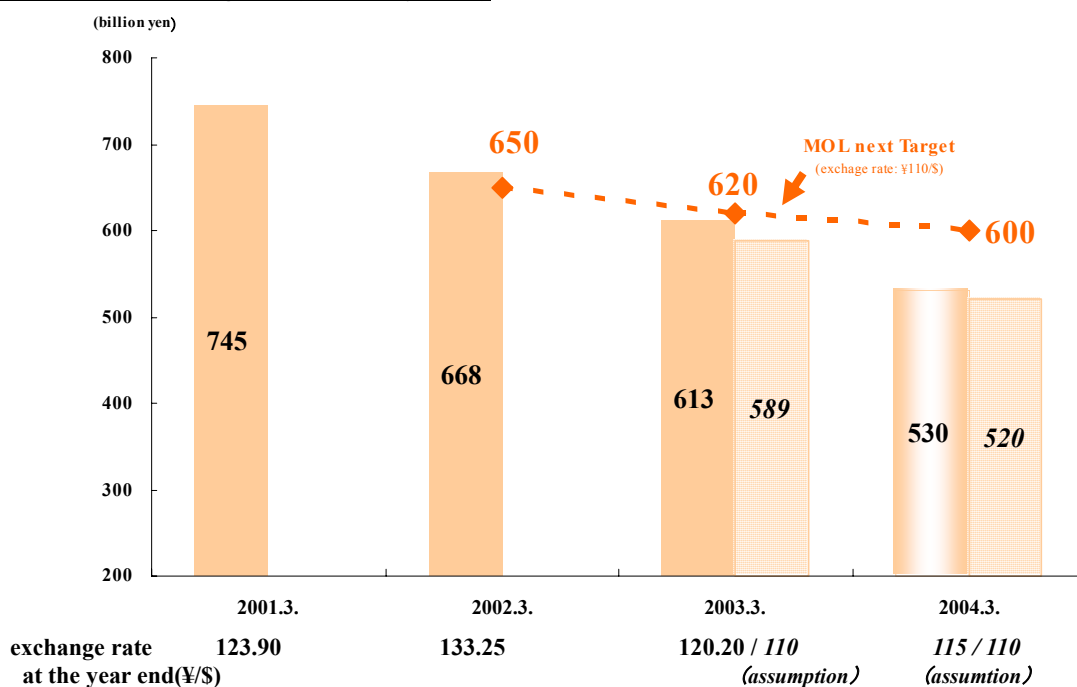
Capital Expenditure Program and Cash Flow (as of May 2003)



$$\text{Cash flows} = \text{Net income} + \text{Depreciation} - \text{Dividend}$$

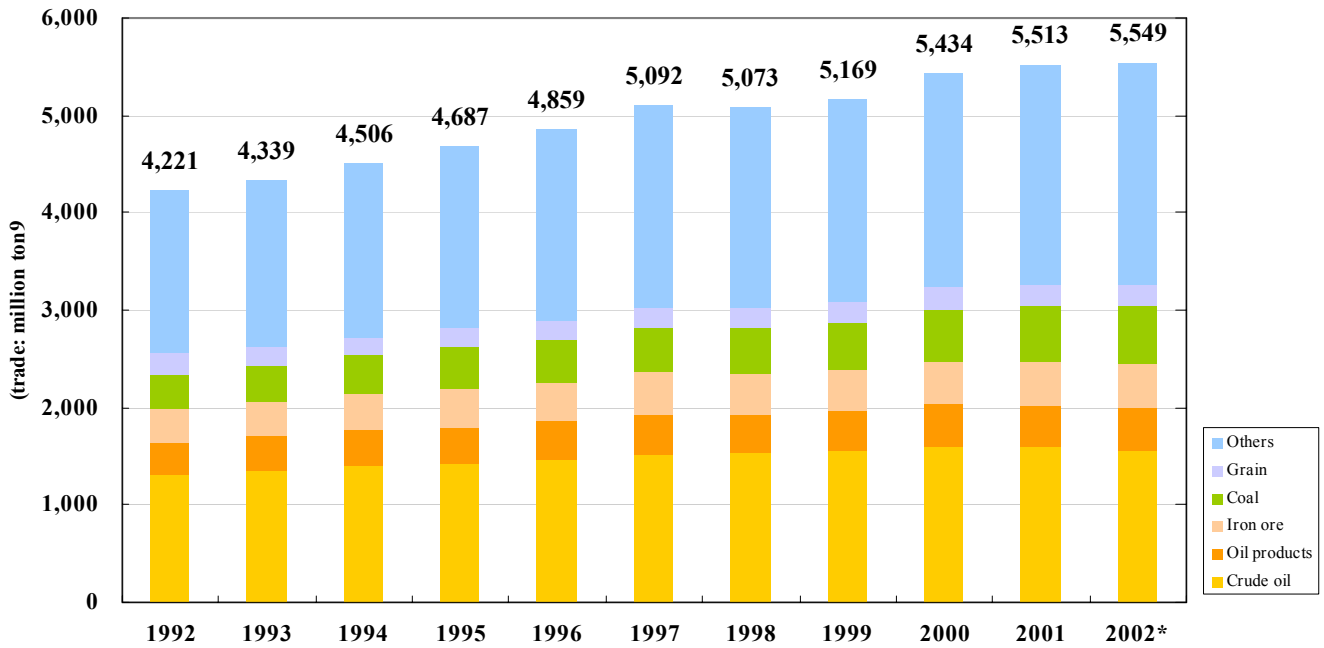
| | (billion yen) | | | |
|--------------|---------------|--------|--------|--------|
| | 2001.3 | 2002.3 | 2003.3 | 2004.3 |
| Net income | 11 | 11 | 15 | 38 |
| Depreciation | 70 | 69 | 61 | 58 |
| Dividend | 5 | 6 | 6 | 6 |

Debt Reduction Program (as of May 2003)



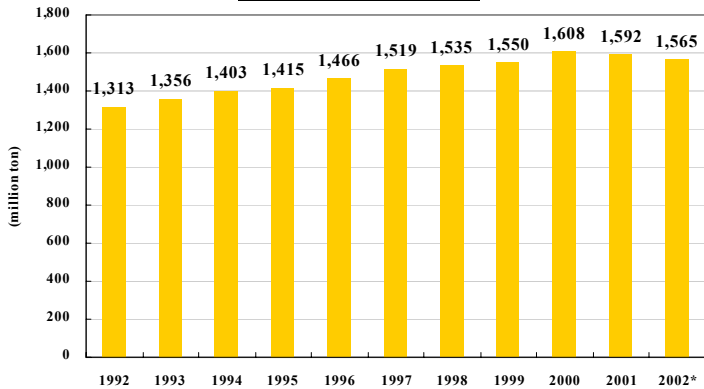
3. Seaborne Trade - the World -

World Seaborne Trade



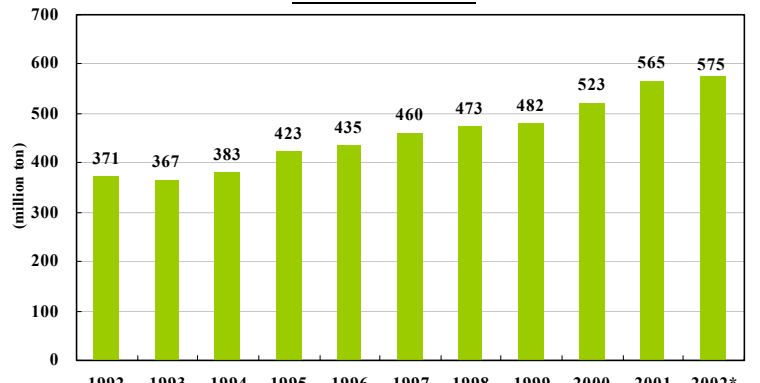
Source: Fearnleys Review 2002 (2002*: forecasted figure)

World Crude Oil Trade



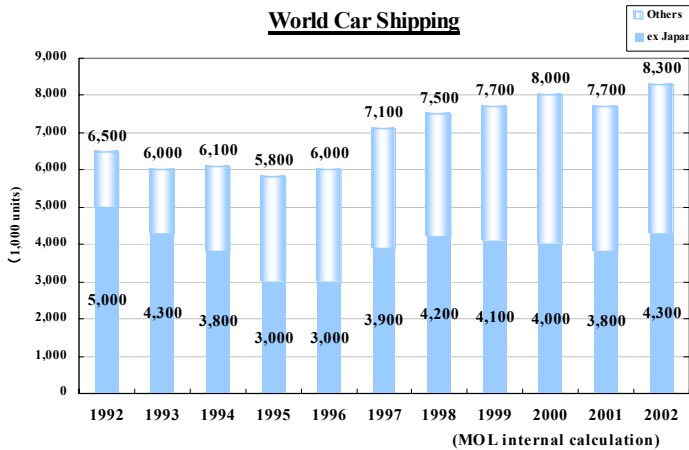
Source: Fearnleys Review 2002 (2002*: forecasted figure)

World Coal Trade

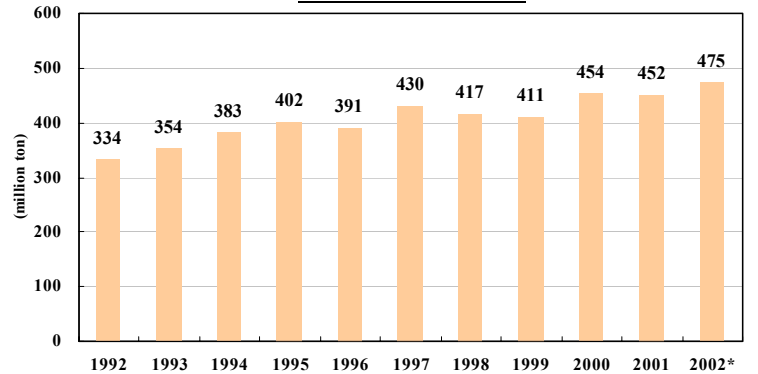


Source: Fearnleys Review 2002 (2002*: forecasted figure)

World Car Shipping



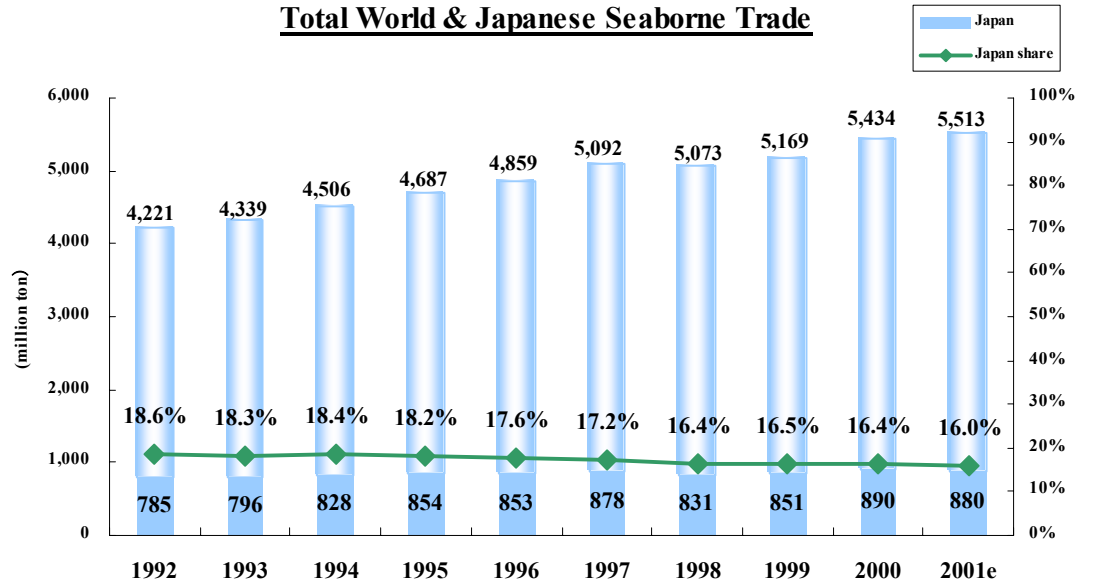
World Iron Ore Trade



Source: Fearnleys Review 2002 (2002*: forecasted figures)

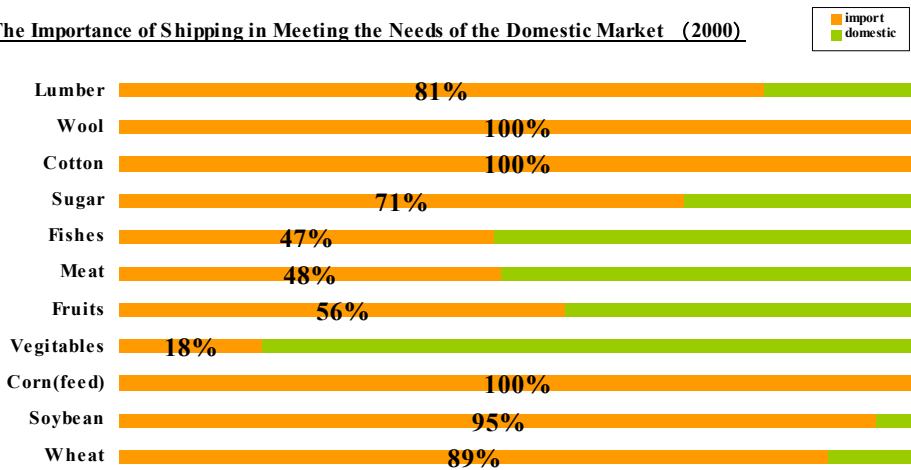
4. Seaborne Trade - Japan -

Total World & Japanese Seaborne Trade



Source: Ministry of Land, Infrastructure & Transport "Kaigi Report H.14" etc.

The Importance of Shipping in Meeting the Needs of the Domestic Market (2000)

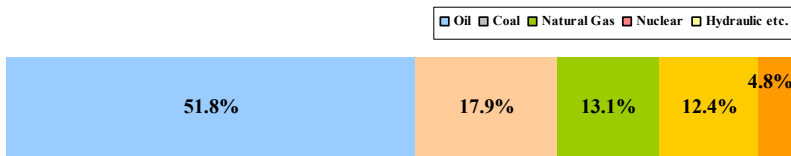


Source: JSA "Shipping Now 2002"

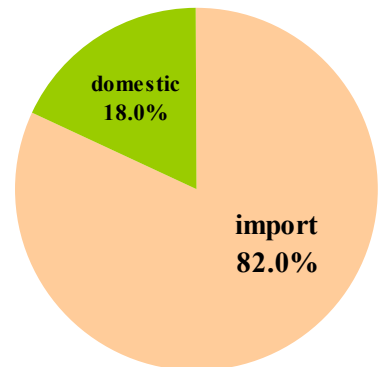
The importance of shipping in meeting the energy demands of Japan

Source: JSA "Shipping Now 2002"

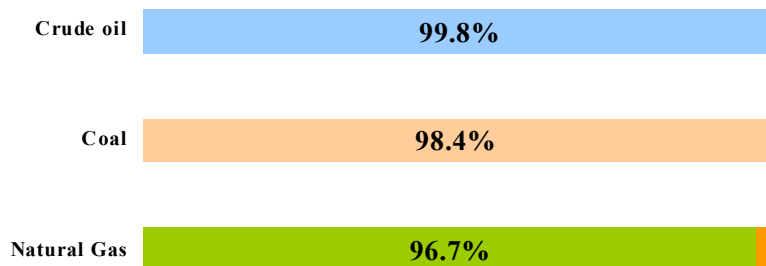
Primary Energy Supply (2000)



Dependence on Import of Primary Energy (2000)

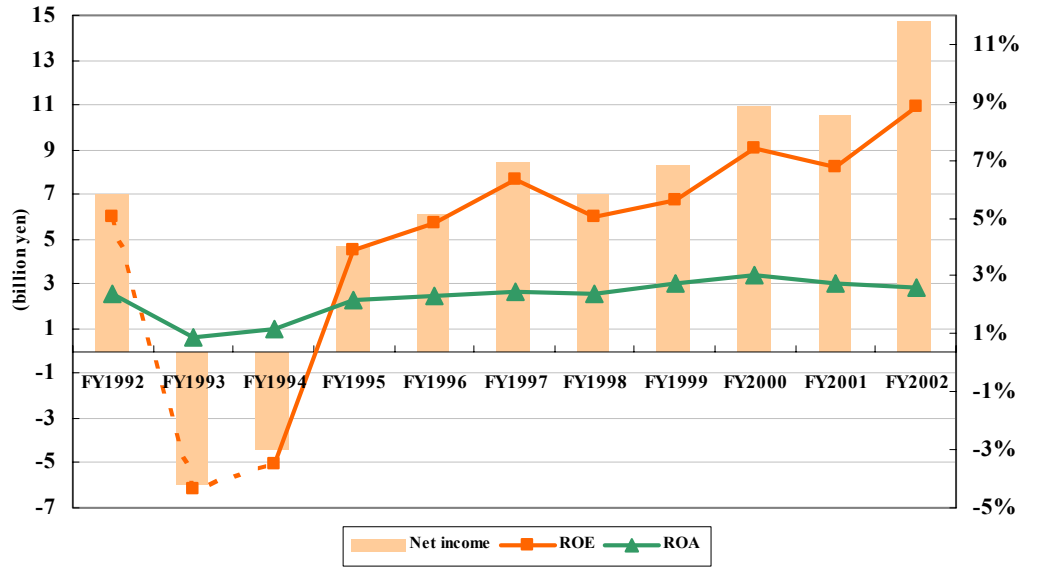


Dependence on Import of Major Energy Source (2000)

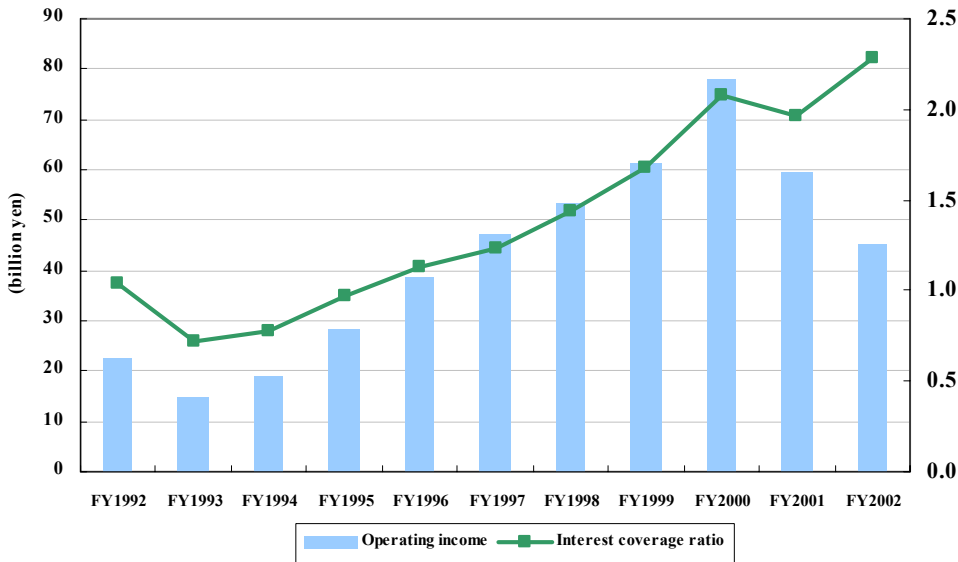


5. Financial Data

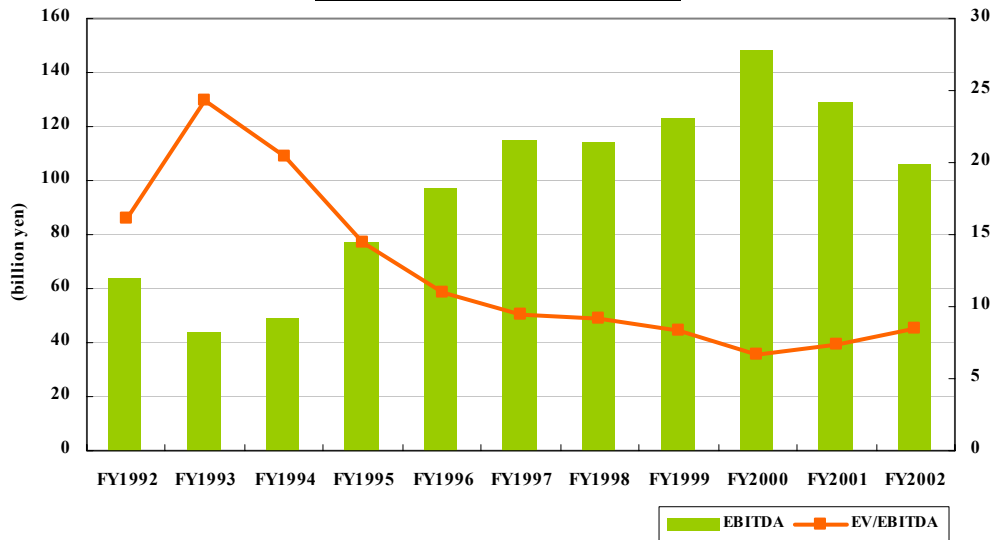
[Consolidated] ROE/ROA



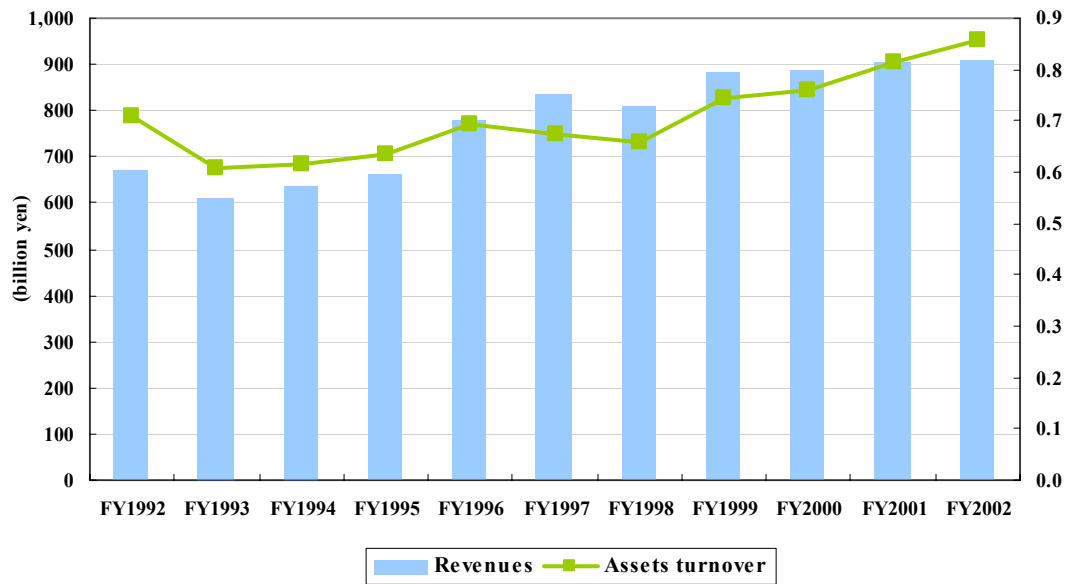
[Consolidated] Interest Coverage Ratio



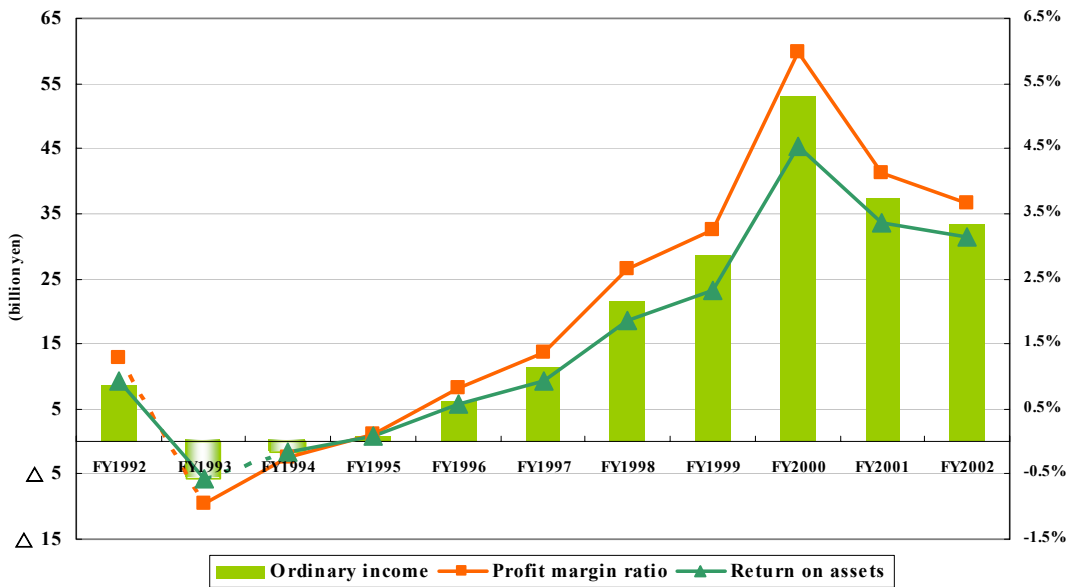
[Consolidated] EV/EBITDA



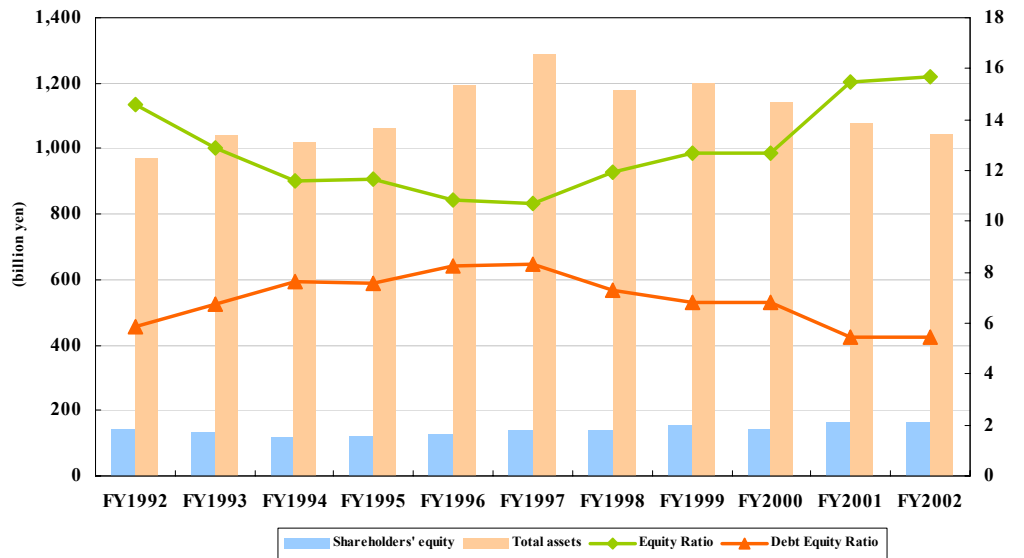
[Consolidated] Assets Turnover



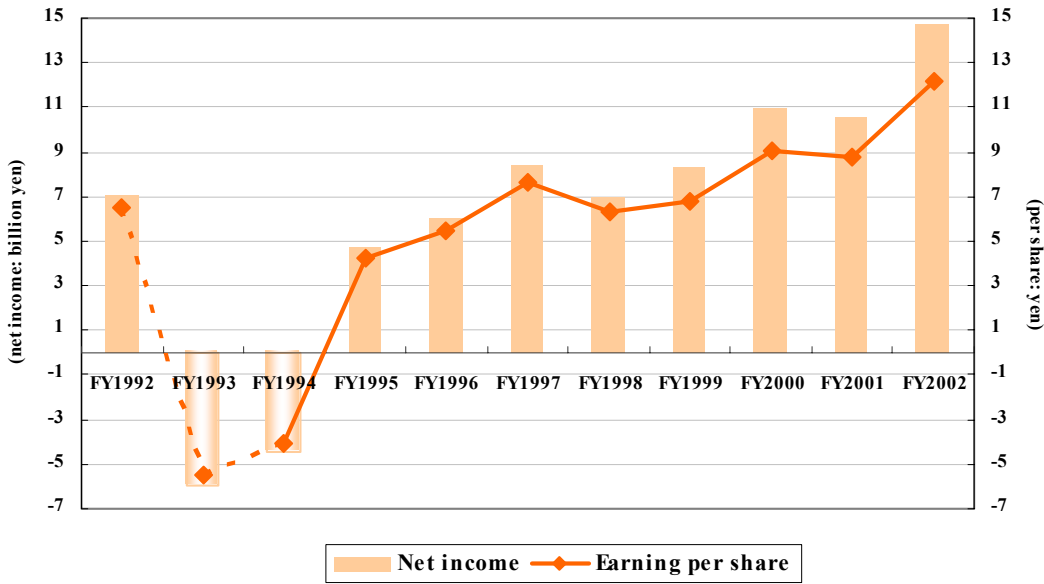
[Consolidated] Profit Margin Ratio/Return on Assets (Ordinary Income)



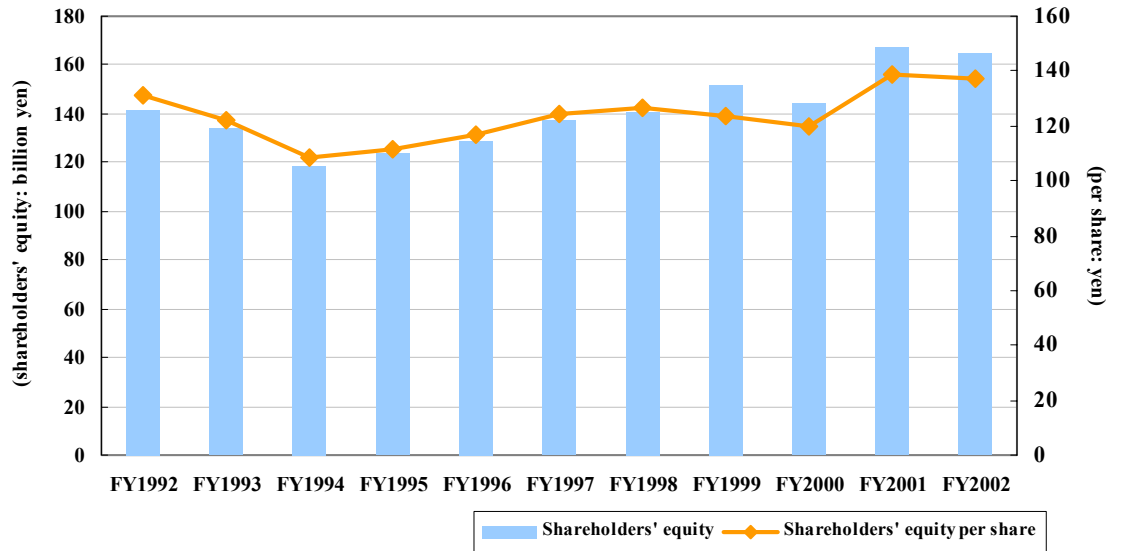
[Consolidated] Assets and Equity



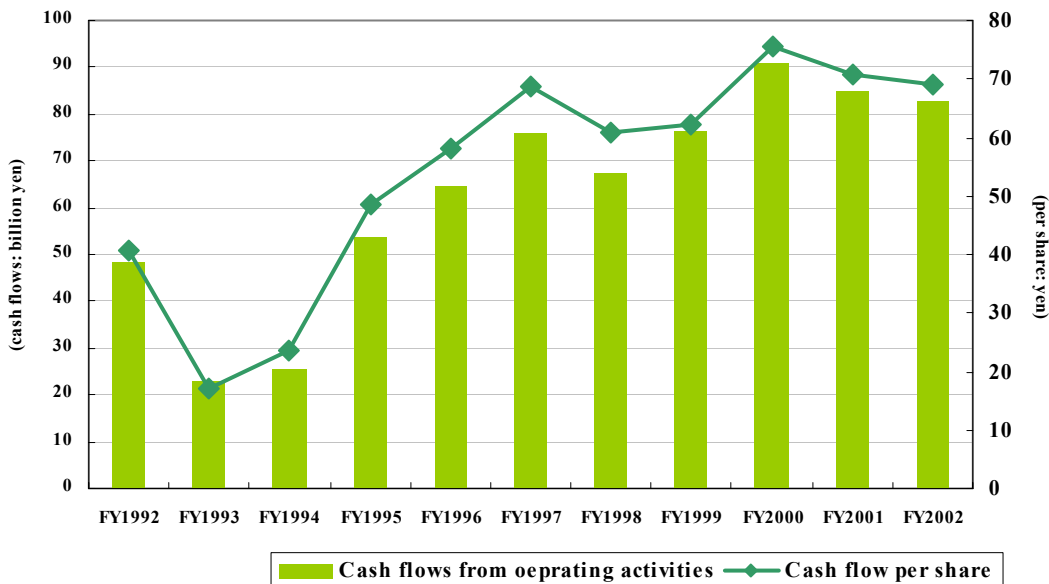
[Consolidated] Earning per Share



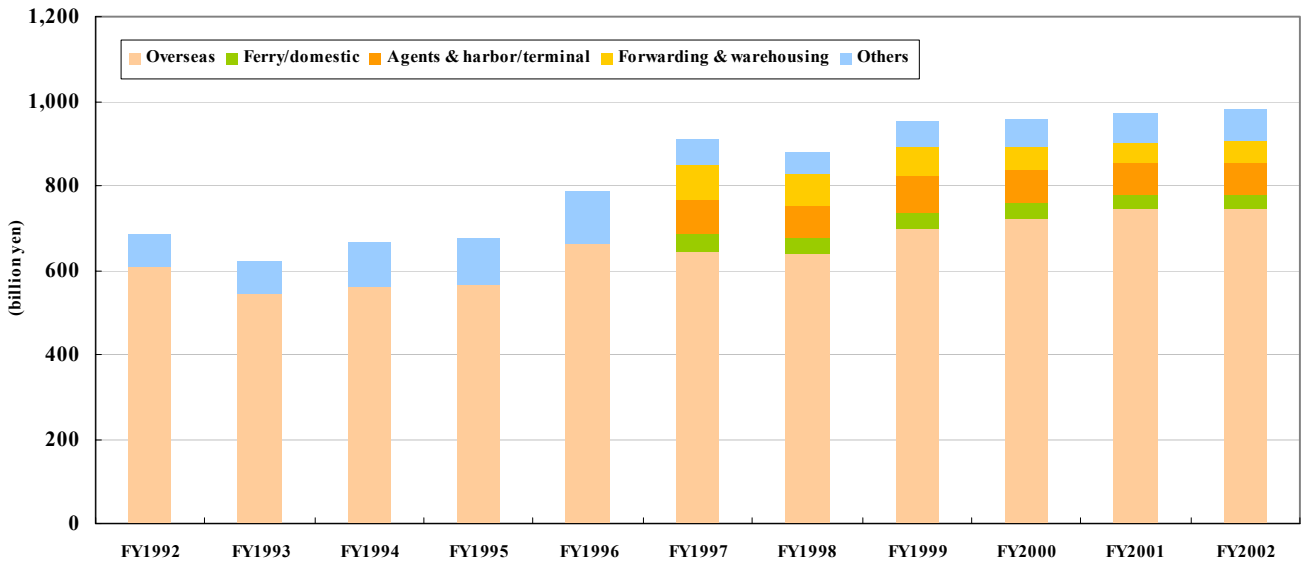
[Consolidated] Shareholders' Equity per Share



[Consolidated] Cash Flow per Share

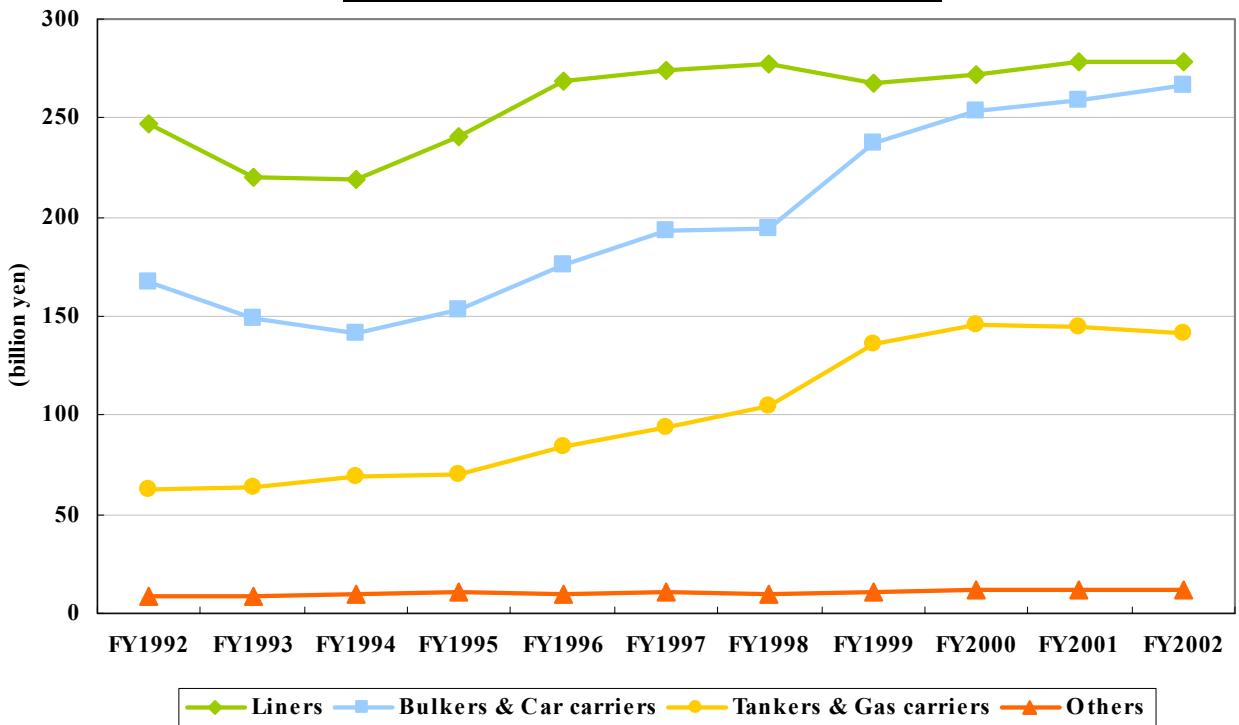


[Consolidated] Revenues by Segment



* From FY1997 onward, "Overseas shipping" have been separated into 4 segments.

[Non-Consolidated] Revenues by Division



[Consolidated] Financial Statements

(million yen)

| | '93.3.31 FY1992 | '94.3.31 FY1993 | '95.3.31 FY1994 | '96.3.31 FY1995 | '97.3.31 FY1996 | '98.3.31 FY1997 | '99.3.31 FY1998*1 | '00.3.31 FY1999 | '01.3.31 FY2000 | '02.3.31 FY2001 | '03.3.31 FY2002 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Shipping and other operating revenues | 673,074 | 608,640 | 635,284 | 662,046 | 777,896 | 834,879 | 809,160 | 881,807 | 887,866 | 903,943 | 910,288 |
| Shipping and other operating expenses (Depreciation and amortization) | 582,141 (41,072) | 525,125 (29,212) | 542,189 (30,245) | 559,452 (49,057) | 664,016 (58,275) | 713,006 (67,842) | 683,041 (60,387) | 746,047 (61,862) | 732,511 (69,826) | 761,507 (68,826) | 787,540 (60,710) |
| General and administrative expenses *2 (amortization of consolidation difference) | 68,355 (361) | 68,806 (387) | 74,339 (208) | 74,421 (143) | 75,353 (59) | 74,707 (513) | 72,581 (563) | 74,439 (582) | 77,115 (663) | 82,663 (588) | 77,391 (446) |
| Operating income | 22,577 | 14,708 | 18,755 | 28,172 | 38,526 | 47,164 | 53,536 | 61,320 | 78,239 | 59,772 | 45,356 |
| Non-operating income *3 | 19,379 | 13,594 | 17,363 | 8,706 | 8,628 | 11,182 | 14,900 | 15,051 | 19,218 | 12,580 | 11,718 |
| Interests and dividends | (8,035) | (5,193) | (5,647) | (4,672) | (4,252) | (5,481) | (4,014) | (4,439) | (3,550) | (3,372) | (2,840) |
| Profits on sale of securities | (8,619) | (4,128) | (8,458) | (1,351) | (206) | (3,211) | (1,669) | (4,481) | (6,309) | (49) | 0 |
| Equity in earnings of affiliated companies | (2,925) | (2,081) | (4,504) | (4,023) | (5,024) | (3,473) | (4,126) | (1,403) | (3,680) | (4,426) | (3,387) |
| Others | (2,724) | (4,269) | (3,256) | (2,681) | (4,167) | (2,488) | (5,089) | (4,727) | (5,677) | (4,731) | (5,490) |
| Non-operating expenses | 33,256 | 34,040 | 37,660 | 36,099 | 40,723 | 46,822 | 46,956 | 47,736 | 44,436 | 34,971 | 23,669 |
| Interests | (29,342) | (27,781) | (31,636) | (33,838) | (37,842) | (42,519) | (40,070) | (39,085) | (39,465) | (32,104) | (21,103) |
| Losses on sale of securities | (56) | (160) | (1,202) | (181) | (132) | (345) | (2,379) | (1,227) | (28) | (25) | 0 |
| Others | (3,856) | (6,098) | (4,820) | (2,078) | (2,747) | (3,958) | (4,506) | (7,422) | (4,942) | (2,840) | (2,566) |
| Ordinary income | 8,701 | △ 5,737 | △ 1,541 | 779 | 6,431 | 11,524 | 21,480 | 28,635 | 53,202 | 37,381 | 33,404 |
| Special profits | 17,950 | 6,205 | 2,678 | 10,008 | 7,267 | 17,629 | 10,665 | 14,879 | 27,605 | 7,178 | 6,330 |
| Special losses | 16,209 | 7,563 | 8,282 | 8,300 | 9,712 | 14,374 | 16,808 | 28,199 | 59,765 | 19,709 | 14,621 |
| Income before income tax | 10,442 | △ 7,095 | △ 7,144 | 2,487 | 3,987 | 14,779 | 15,337 | 15,314 | 20,860 | 24,850 | 25,114 |
| Corporate income tax, residents tax and enterprise tax *4 | 5,849 | 767 | 1,684 | 2,065 | 3,048 | 8,059 | 8,362 | 6,427 | 19,472 | 6,100 | 10,871 |
| Corporate income tax adjustment | - | - | - | - | - | - | - | 529 | △ 7,708 | 6,632 | △ 1,434 |
| Profit/loss(△) on minority interest | △ 115 | 188 | 109 | 384 | 169 | △ 1,257 | 34 | 33 | △ 1,846 | 1,572 | 967 |
| Net income | 7,041 | △ 5,979 | △ 4,423 | 4,686 | 6,072 | 8,422 | 7,009 | 8,324 | 10,943 | 10,544 | 14,709 |
| EBITDA *5 | 63,649 | 43,920 | 49,000 | 77,229 | 96,801 | 115,006 | 113,923 | 123,182 | 148,065 | 128,598 | 106,066 |
| EV/EBITDA | 16.15 | 24.31 | 20.43 | 14.51 | 10.93 | 9.51 | 9.20 | 8.30 | 6.54 | 7.54 | 8.53 |
| Interest Coverage Ratio | 1.0 | 0.7 | 0.8 | 1.0 | 1.1 | 1.2 | 1.4 | 1.7 | 2.1 | 2.0 | 2.3 |
| ROE *6 | 5.0% | -4.3% | -3.5% | 3.9% | 4.8% | 6.3% | 5.0% | 5.6% | 7.4% | 6.8% | 8.9% |
| ROA *7 | 2.4% | 0.9% | 1.2% | 2.2% | 2.3% | 2.5% | 2.4% | 2.7% | 3.0% | 2.7% | 2.6% |
| Profit margin ratio (ordinary income) | 1.3% | -0.9% | -0.2% | 0.1% | 0.8% | 1.4% | 2.7% | 3.2% | 6.0% | 4.1% | 3.7% |
| Return on assets (ordinary income) | 0.9% | -0.6% | -0.1% | 0.1% | 0.6% | 0.9% | 1.8% | 2.3% | 4.5% | 3.4% | 3.1% |
| Assets turnover | 0.7 | 0.6 | 0.6 | 0.6 | 0.7 | 0.7 | 0.7 | 0.7 | 0.8 | 0.8 | 0.9 |
| Total assets | 971,475 | 1,037,584 | 1,020,291 | 1,058,325 | 1,190,871 | 1,286,576 | 1,174,640 | 1,196,474 | 1,140,400 | 1,079,089 | 1,046,611 |
| Current assets | 228,337 | 247,964 | 233,101 | 211,360 | 250,147 | 276,089 | 230,994 | 239,858 | 255,774 | 251,387 | 289,644 |
| Tangible fixed assets | 465,097 | 514,081 | 553,975 | 613,671 | 718,193 | 818,579 | 753,347 | 756,624 | 691,306 | 619,645 | 569,234 |
| Others | 278,041 | 275,539 | 233,215 | 233,294 | 222,531 | 191,908 | 190,299 | 199,992 | 193,320 | 208,057 | 187,733 |
| Total liabilities | 829,446 | 903,587 | 901,736 | 934,811 | 1,061,695 | 1,148,884 | 1,027,367 | 1,036,561 | 988,685 | 908,624 | 874,130 |
| (Interest-bearing debt) | 673,679 | 763,364 | 748,549 | 782,100 | 897,786 | 943,078 | 857,121 | 833,625 | 744,612 | 667,719 | 612,646 |
| Current liabilities | 250,488 | 335,353 | 286,303 | 279,443 | 301,268 | 350,132 | 337,416 | 412,717 | 399,995 | 375,032 | 423,837 |
| Long-term debt | 556,497 | 545,167 | 591,484 | 632,777 | 735,100 | 772,427 | 670,362 | 598,998 | 540,158 | 475,694 | 395,588 |
| Others | 22,461 | 23,067 | 23,949 | 22,591 | 25,327 | 26,325 | 19,589 | 24,846 | 48,532 | 57,898 | 54,705 |
| Shareholders' equity | 142,028 | 133,997 | 118,555 | 123,514 | 129,175 | 137,691 | 140,489 | 151,992 | 144,355 | 166,970 | 164,789 |
| Consolidated surplus at the end of the year | 34,856 | 25,659 | 10,163 | 14,609 | 20,269 | 28,577 | 37,899 | 43,198 | 43,433 | 47,817 | 56,468 |
| Debt Equity Ratio | 5.8 | 6.7 | 7.6 | 7.6 | 8.2 | 8.3 | 7.3 | 6.8 | 6.8 | 5.4 | 5.4 |
| Equity Ratio | 14.6% | 12.9% | 11.6% | 11.7% | 10.8% | 10.7% | 12.0% | 12.7% | 12.7% | 15.5% | 15.7% |
| Free cash flows [(a) - (b)] | △ 20,853 | △ 28,885 | △ 3,719 | △ 61,565 | △ 40,354 | △ 76,187 | 1,825 | 14,598 | 22,321 | 41,274 | 33,382 |
| Cash flows from operating activities (a) *8 | 48,113 | 23,233 | 25,822 | 53,743 | 64,347 | 76,264 | 67,396 | 76,577 | 91,019 | 85,015 | 82,875 |
| Capital expenditure (b) | 68,966 | 47,789 | 29,541 | 115,308 | 104,701 | 152,451 | 65,571 | 61,979 | 68,698 | 43,741 | 49,493 |
| Earning per share | 6.50 | △ 5.50 | △ 4.03 | 4.27 | 5.49 | 7.61 | 6.33 | 6.77 | 9.01 | 8.76 | 12.16 |
| Shareholders' equity per share | 131.21 | 122.18 | 108.08 | 111.58 | 116.69 | 124.28 | 126.81 | 123.63 | 119.88 | 138.78 | 137.44 |
| Dividend per share (non-consolidated) | 4 | - | - | - | - | 4 | 4 | 4 | 5 | 5 | 5 |
| Cash flow per share | 44.4 | 21.2 | 23.5 | 48.5 | 58.1 | 68.8 | 60.8 | 62.3 | 75.6 | 70.7 | 69.2 |
| Number of shares issued and outstanding at the end of the year *9 | 1,082,412,750 | 1,096,702,361 | 1,096,931,233 | 1,106,997,254 | 1,107,006,056 | 1,107,917,146 | 1,107,917,146 | 1,229,410,445 | 1,205,410,445 | 1,203,344,220 | 1,200,874,262 |

* 1: FY1999 to present: total figure of MOL and ex-Navis

* 2: Prior to FY1998: "General and administrative expenses" excluding "Amortization of consolidation difference"

* 3: Prior to FY1998: "Non-operating income" excluding "Equity in earnings of affiliated companies"

* 4: Prior to FY1998: "Corporate income tax, residents tax and enterprise tax" excluding "enterprise tax"

* 5: EBITDA = "Operating income" + "Depreciation and amortization"

* 6: ROE = Net income/Average Shareholders' equity of at the beginning and the end of the fiscal year

* 7: ROA = [Net income + Interest payable X (1- Corporate income tax rate)] / Average total assets of at the beginning and the end of the fiscal year

* 8: Prior to FY1999: "Cash flows from operating activities" = "Net income" + "Depreciation and amortization"

* 9: Prior to FY2001: "Number of shares issued and outstanding at the end of the year" excluding "Treasury shares"

[Consolidated] Segment Information

(million yen)

| | '93.3.31 FY1992 | '94.3.31 FY1993 | '95.3.31 FY1994 | '96.3.31 FY1995 | '97.3.31 FY1996 | '98.3.31 FY1997 | '99.3.31 FY1998 | '00.3.31 FY1999 | '01.3.31 FY2000 | '02.3.31 FY2001 | '03.3.31 FY2002 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Revenues | | | | | | | | | | | |
| Overseas shipping | 606,368 | 542,326 | 560,410 | 565,365 | 663,668 | 641,769 | 639,118 | 698,685 | 720,858 | 744,783 | 742,971 |
| Ferry/domestic shipping | | | | | | 41,705 | 38,355 | 38,193 | 36,788 | 32,714 | 33,455 |
| Shipping agents & harbor/terminal operation | | | | | | 84,583 | 78,133 | 85,869 | 80,375 | 79,285 | 78,854 |
| Cargo forwarding & warehousing | | | | | | 80,464 | 70,492 | 69,959 | 52,846 | 45,158 | 48,379 |
| Others | 79,204 | 78,526 | 106,096 | 108,545 | 124,531 | 63,614 | 52,736 | 58,470 | 63,542 | 69,374 | 74,820 |
| Total | 685,572 | 620,853 | 666,506 | 673,910 | 788,199 | 912,137 | 878,836 | 951,179 | 954,411 | 971,317 | 978,481 |
| Elimination | (12,498) | (12,212) | (31,222) | (11,864) | (10,303) | (77,258) | (69,675) | (69,371) | (66,544) | (67,373) | (68,193) |
| Consolidated | 673,074 | 608,640 | 635,284 | 662,046 | 777,896 | 834,879 | 809,160 | 881,807 | 887,866 | 903,943 | 910,288 |
| Operating Income | | | | | | | | | | | |
| Overseas shipping | 21,656 | 15,439 | 18,988 | 27,024 | 35,785 | 41,811 | 51,170 | 58,077 | 74,018 | 58,673 | 37,457 |
| Ferry/domestic shipping | | | | | | (1,181) | 160 | 441 | (61) | (1,001) | 648 |
| Shipping agents & harbor/terminal operation | | | | | | 1,664 | 1,618 | 1,923 | 3,321 | 1,205 | 2,305 |
| Cargo forwarding & warehousing | | | | | | 1,096 | (15) | 680 | 646 | (336) | (53) |
| Others | 3,690 | 1,300 | 2,990 | 3,787 | 4,578 | 6,078 | 4,572 | 2,859 | 2,910 | 2,614 | 3,978 |
| Total | 25,347 | 16,739 | 21,979 | 30,812 | 40,364 | 49,470 | 57,507 | 63,982 | 80,835 | 61,154 | 44,335 |
| Elimination | (2,769) | (985) | (1,819) | (2,640) | (1,837) | (2,305) | (3,970) | (2,661) | (2,596) | (1,381) | 1,021 |
| Consolidated | 22,577 | 14,708 | 18,755 | 28,172 | 38,526 | 47,164 | 53,536 | 61,320 | 78,239 | 59,772 | 45,356 |

[Non-Consolidated] Financial Statements

(million yen)

| | '93.3.31 FY1992 | '94.3.31 FY1993 | '95.3.31 FY1994 | '96.3.31 FY1995 | '97.3.31 FY1996 | '98.3.31 FY1997 | '99.3.31 FY1998 | '00.3.31 FY1999 | '01.3.31 FY2000 | '02.3.31 FY2001 | '03.3.31 FY2002 |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Operating revenues | 485,166 | 440,851 | 438,656 | 473,907 | 539,460 | 571,735 | 585,514 | 651,936 | 683,167 | 693,854 | 698,831 |
| Liners | 246,697 | 219,840 | 219,575 | 240,720 | 268,873 | 274,602 | 277,009 | 268,048 | 272,428 | 278,747 | 278,043 |
| Bulkers & Car carriers | 167,070 | 148,510 | 141,091 | 152,776 | 176,366 | 192,719 | 193,720 | 237,040 | 253,335 | 259,017 | 266,772 |
| Tankers & Gas carriers | 62,754 | 63,971 | 68,671 | 70,075 | 84,509 | 93,634 | 104,829 | 135,539 | 145,582 | 144,548 | 141,850 |
| Others | 5,284 | 5,048 | 5,990 | 7,800 | 7,337 | 6,829 | 6,250 | 7,826 | 8,341 | 8,342 | 9,142 |
| Other Operation | 3,360 | 3,480 | 3,327 | 2,534 | 2,374 | 3,949 | 3,704 | 3,481 | 3,479 | 3,197 | 3,023 |
| Operating income | 6,034 | 3,706 | 2,922 | 9,411 | 10,873 | 15,874 | 26,606 | 34,044 | 52,096 | 36,206 | 28,607 |
| Ordinary income | 7,804 | 1,637 | 3,876 | 5,330 | 8,021 | 13,417 | 18,150 | 29,153 | 51,336 | 31,192 | 27,990 |
| Net income | 5,173 | △ 2,510 | △ 572 | △ 494 | 2,229 | 5,033 | 9,139 | 8,701 | 14,282 | 6,577 | 8,348 |
| Total assets | 540,068 | 523,973 | 482,246 | 460,514 | 495,548 | 541,394 | 531,537 | 572,183 | 542,886 | 541,977 | 559,120 |
| Total liabilities | 409,729 | 399,807 | 358,601 | 336,849 | 369,651 | 410,256 | 395,691 | 427,034 | 393,776 | 383,944 | 402,372 |
| Shareholders' equity | 130,339 | 124,165 | 123,644 | 123,665 | 125,896 | 131,137 | 135,845 | 145,149 | 149,110 | 158,033 | 156,747 |
| Dividend per share | 4 | - | - | - | - | 4 | 4 | 4 | 5 | 5 | 5 |
| Dividend payout ratio | 83.7% | - | - | - | - | 88.0% | 48.5% | 56.5% | 42.2% | 91.5% | 72.5% |

Corporate Governance

MOL Implemented a corporate governance program in June 2000 for the purpose of creating a governance system capable of maximizing corporate value. The most significant changes were the addition of outside directors and the establishment of the executive officer post. With this program, MOL made its management systems more transparent and separated the roles of directors and executive officers.

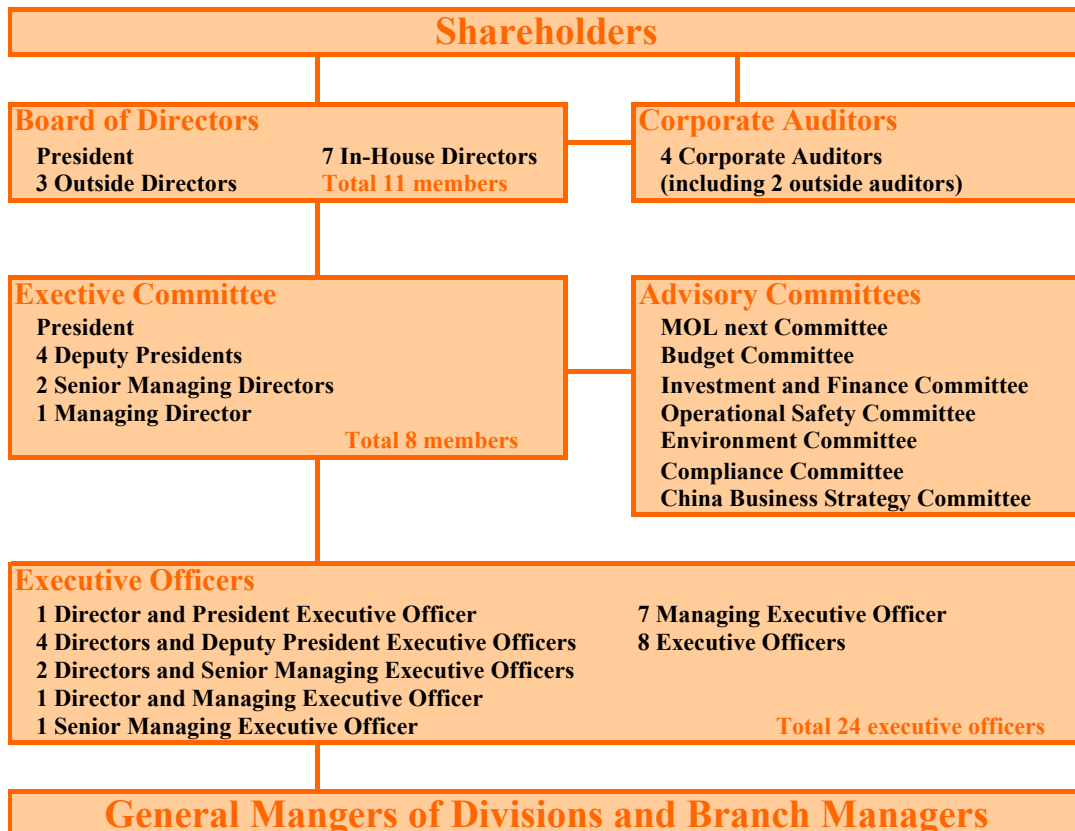
In June 2002, the second stage of this process took place with the decision to alter the functions and authority of the Board of Directors and make changes in how MOL's business operations are managed. The objectives in this case are to establish a purpose-oriented decision-making system and structure management for the most effective implementation of strategies. More specifically, there are four goals of this latest change in MOL's management.

1. Bolster the role of the Board of Directors, which determines fundamental management strategies.
2. Transfer considerably more authority from the Board of Directors to the Executive Committee, which is responsible for the execution of business and management of the company.
3. Increase decision-making authority and speed implementation of business plans by executive officers, who are responsible for specific business areas.
4. Strengthen the executive officer reporting system to better enable the Board of Directors to monitor how business operations are being managed.

These measures are aimed at making management more efficient while enhancing all corporate governance functions. MOL believes that these changes will lead directly to growth in the company's corporate value for shareholders.

[MOL Board Structure]

(at the end of June 2003)



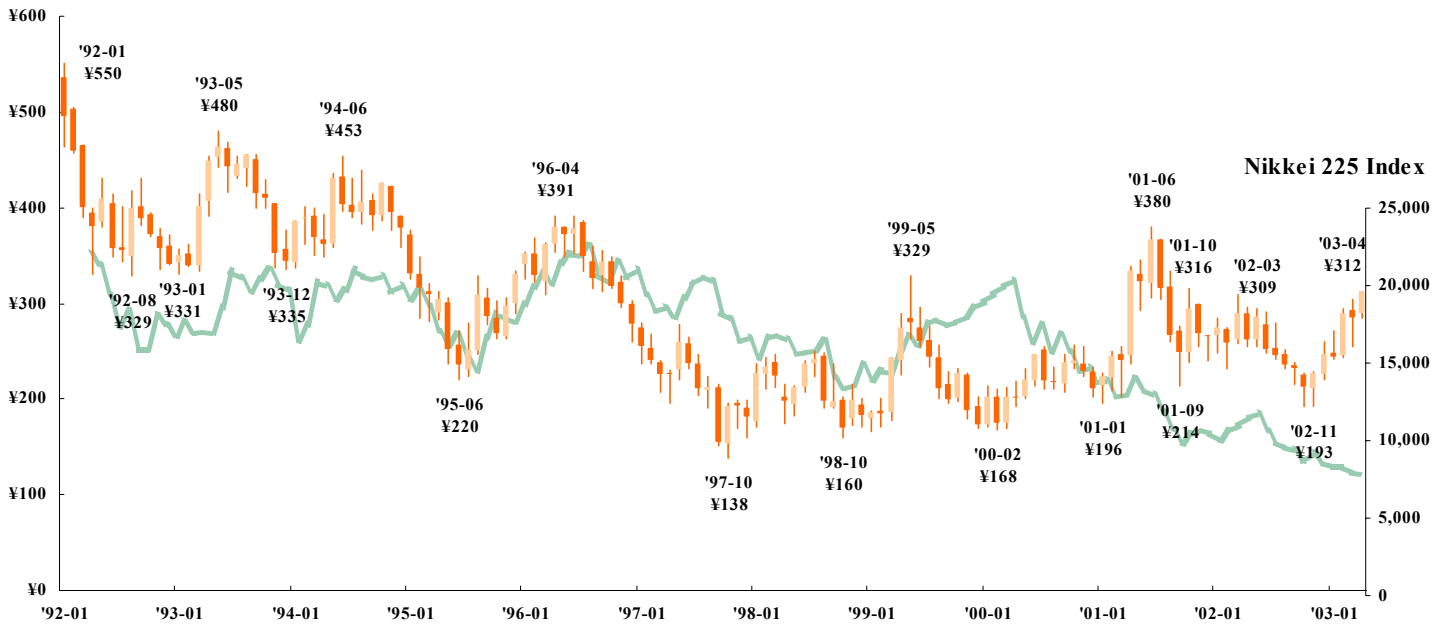
Credit Ratings (FY2002)

| | |
|--------------------|-------|
| JCR | A- |
| R&I | A- |
| Short-term Ratings | |
| Moody's | Ba1 |
| Outlook | |
| Standard & Poors | BB+pi |

*pi: public information

Share Prices 1992-2002

MOL Share Prices



MOL IR Tools

| Tool | Contact: |
|--|---|
| “Investor Relations” web site | Japanese: http://www.mol.co.jp/ir-j/ir-j.html English: http://www.mol.co.jp/ir-e/ir-e.html |
| Annual Report (Japanese/English) | MOL Investor Relations Office e-mail: iromo@mail.mol.co.jp tel: 03-3587-6224 fax: 03-3587-7734 |
| Investor Guidebook (Japanese/English) | |
| Company Brochure (Japanese/English) | MOL Public Relations Office e-mail: pblmo@mail.mol.co.jp tel: 03-3587-7015 fax: 03-3587-7705 |
| Environmental Report (Japanese/English) | MOL Environment and Technology Group e-mail: redmo@mail.mol.co.jp Tel: 03-3587-7063 fax: 03-3587-7798 |