

# INVESTOR GUIDEBOOK 2016

(Aug 2016)

## MOL Group Corporate Principles

As a multi-modal transport group, we will:

- actively contribute to global economic growth and development, anticipating the needs of our customers and the challenges of this new era
- strive to maximize corporate value through creativity, operating efficiency and promotion of ethical and transparent management
- nurture and protect the natural environment by maintaining the highest standards of operational safety and navigation

## Long-term Vision

To develop the MOL Group into an excellent and resilient organization that leads the world shipping industry

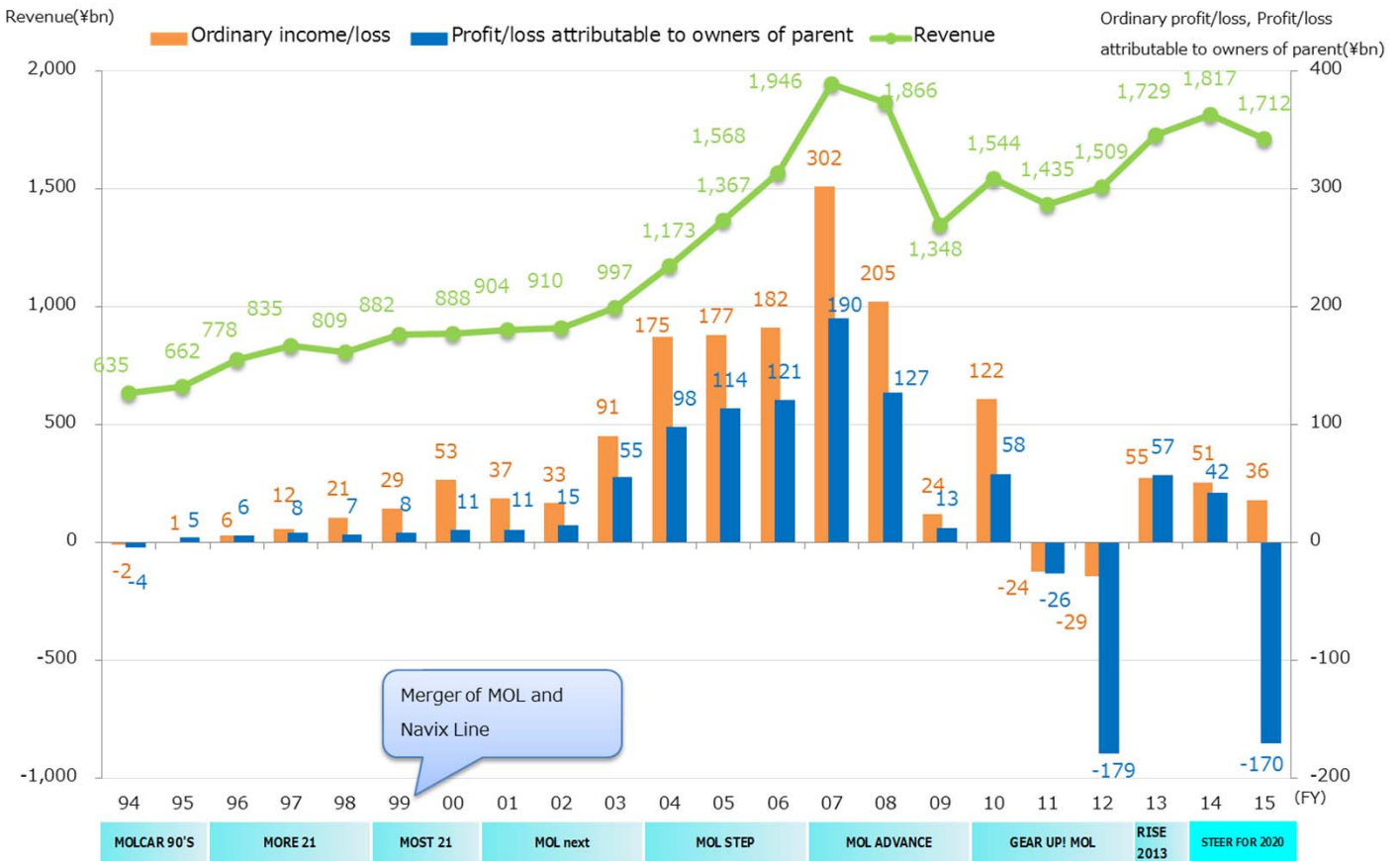


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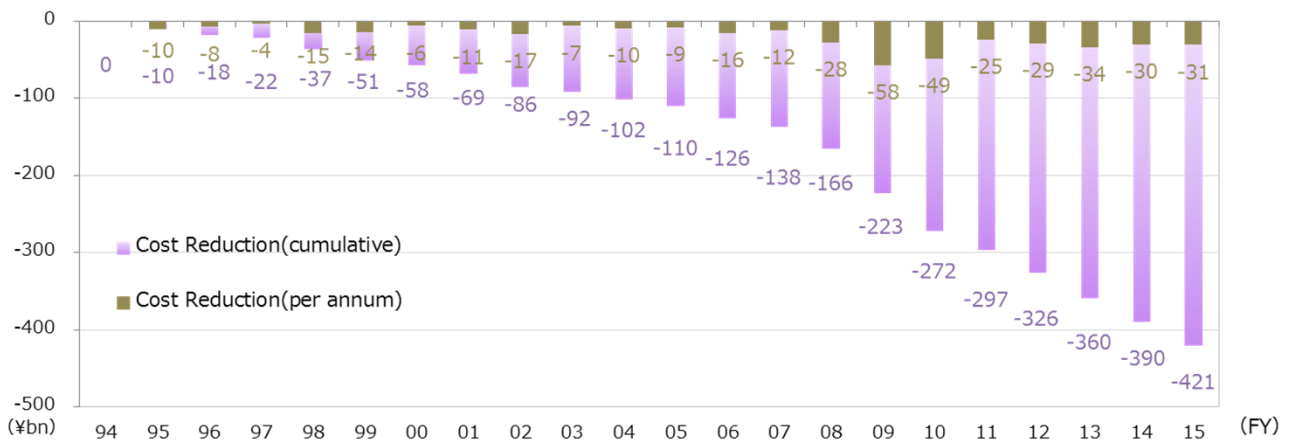
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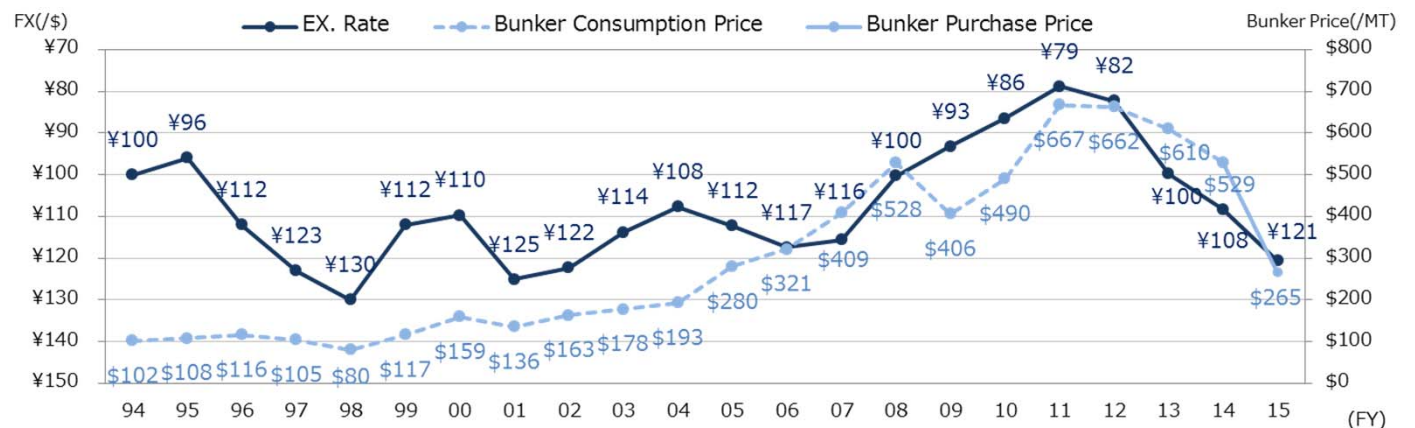
● P/L



● Reinforce Cost Competitiveness



● Exchange Rate & Bunker Price (Fiscal year average)

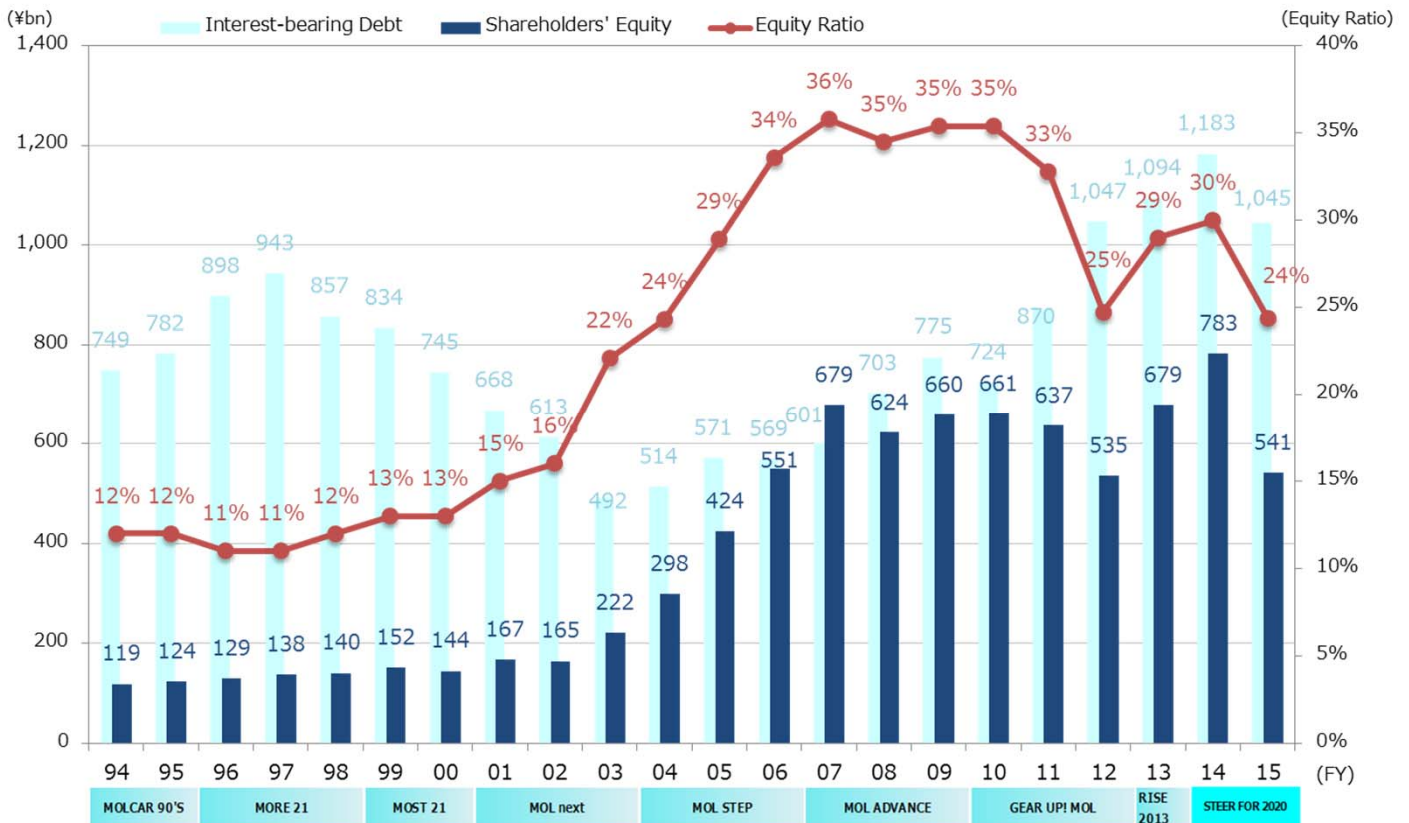


FX Sensitivity(¥bn/¥/\$)	0.8	0.8	1.1	1.6	2.5	2.2	3.3	3.8	1.7	2	2	1.9	2	2.1	1.8
Bunker Price Sensitivity(¥bn/\$/MT)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.17	0.18	0.24	0.19
Effect to Ordinary income/loss(¥bn)	+19	-10	-14	-14	-15	-1	-33	-94	+12	-30	-51	+7	+44	+37	+72

\*Maximum estimation



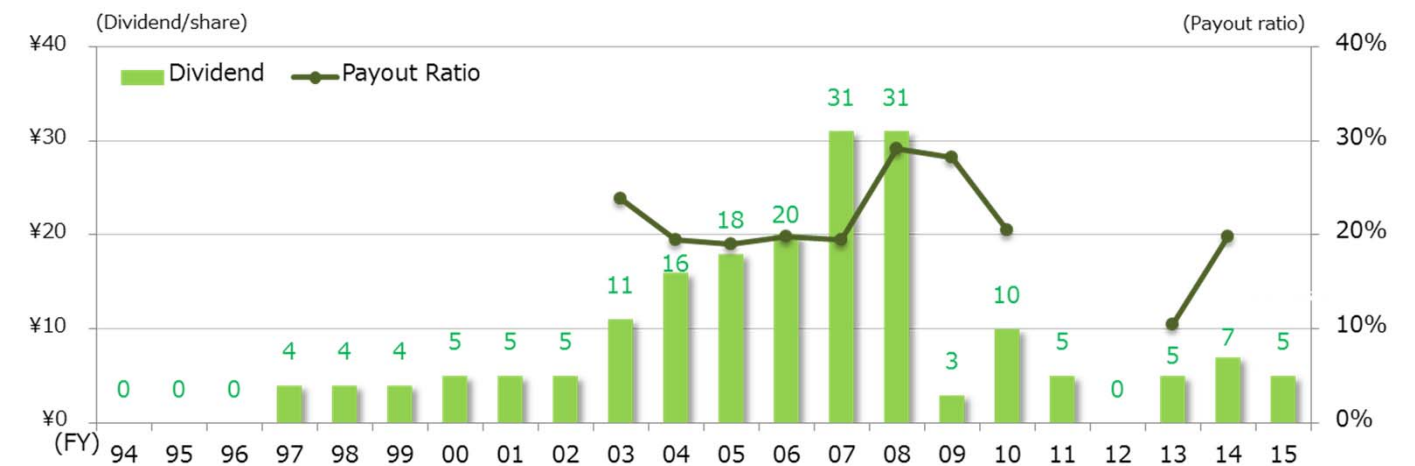
● B/S



Note: "Shareholders' Equity" refers to :

- To FY2005: Shareholders' equity on the consolidated Balance Sheet
- From FY2006: Owners' equity plus accumulated gains/losses from valuation and translation adjustments

● Dividends



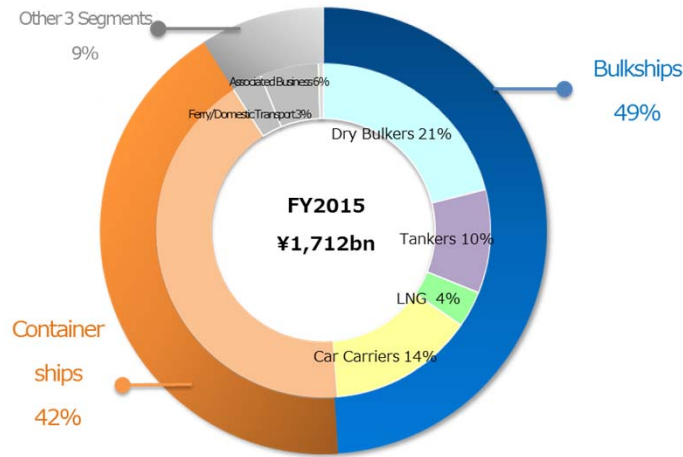
Note: Payout ratio shown after FY2003

(FY2011 & FY2015: paid dividends though posted a loss)

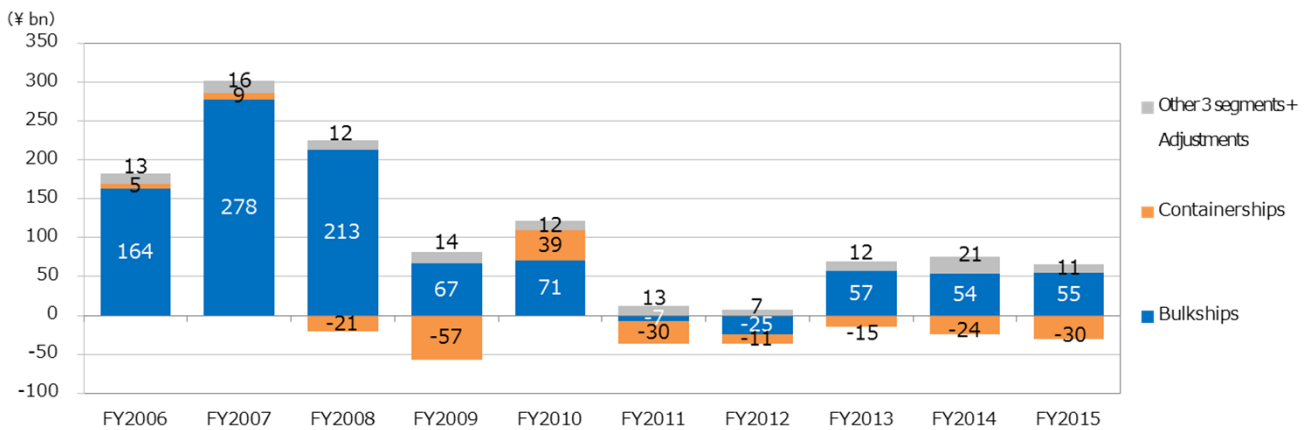
【Dividend Policy】

- ❑ The company recognizes the importance of increasing corporate value through aggressive business investment and returning profits directly to the shareholders through dividends.
- ❑ We are seeking to increase our corporate value per share while utilizing internally reserved funds and solidifying our financial position.
- ❑ In consideration of the above issues, the company will use 20% as a guideline for the dividend payout ratio over the coming terms, and pay dividends in conjunction with consolidated performance. However, MOL will address the need to increase the ratio under its mid-and long-term management policies.

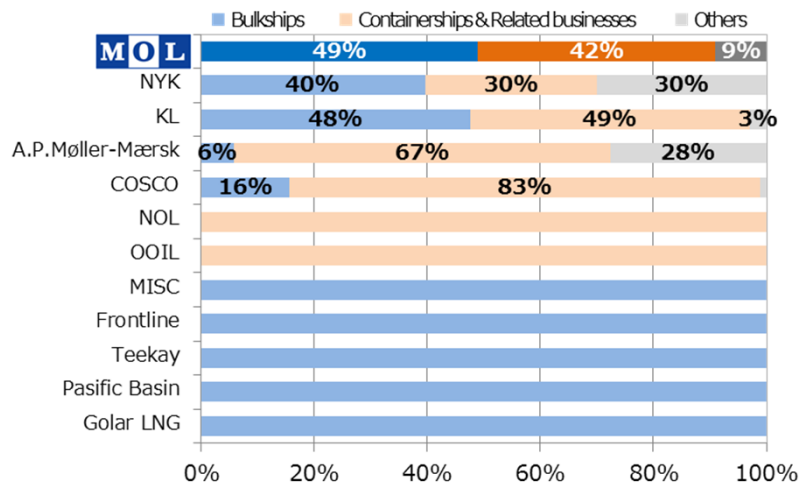
● Revenue by Segment (Consolidated)



● Ordinary Income by Segment (Consolidated)



● Global Major Carriers' Revenue Composition by Segment



Source : MOL internal calculation based on each company's published data and News.

Note: ①MOL's containerships & related business to include revenues from Containerships, Terminal and Logistics ②NYK's others to include revenues from Air freighters and Logistics ③A.P.Møller-Mærsk's containerships & related business to include revenues from Terminal business ④COSCO's containerships & related business to include revenues from Containerships, Terminal business .

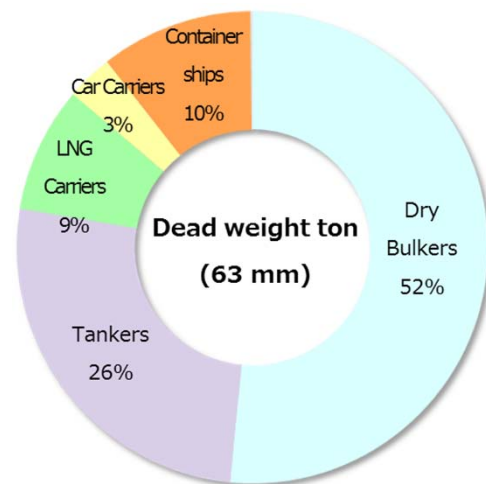
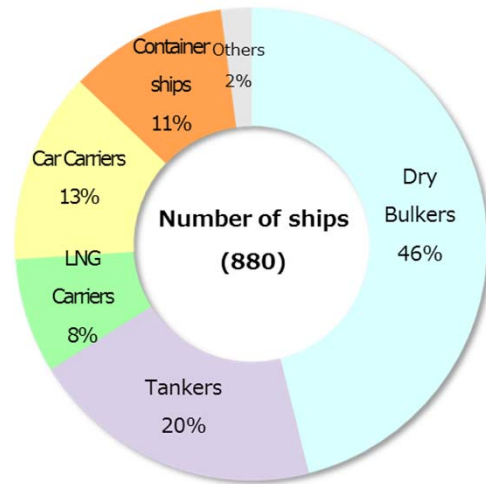
**Fleet Composition**

(Including spot-chartered ships and those owned by joint ventures)

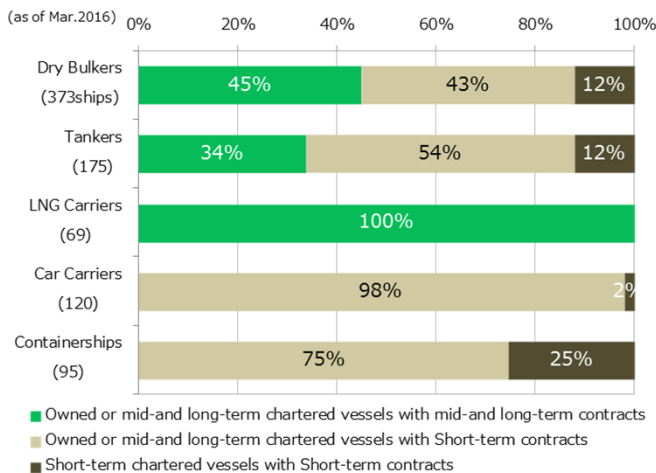
			At the end of Mar.2016		At the end of Mar.2015	
			vessels	k dwt	vessels	k dwt
Dry Bulk Business Unit	Bulk carrier	Capesize	92	17,929	104	20,010
		Panamax	31	2,599	37	3,132
		Handymax	60	3,305	72	3,978
		Small Handy	52	1,780	56	1,896
	Heavy lifter	6	74	6	74	
	Wood chip carrier	41	2,229	43	2,319	
	General cargo carrier	48	811	49	805	
	(Sub total)		330	28,727	367	32,214
Energy Transport Business Unit	Tanker	Crude oil tanker	42	11,093	42	11,093
		Product tanker	45	2,697	50	2,939
		Chemical tanker	79	2,324	75	2,138
		LPG tanker	9	474	9	474
	(Sub total)		175	16,587	176	16,644
	Steaming coal carrier	73	3,992	71	4,089	
LNG carrier	69	5,450	67	5,233		
Offshore(FPSO)	3	-	2	-		
Car carrier		120	2,017	127	2,105	
Containership		95	6,599	118	7,401	
Ferry/Coastal RoRo ship		15	82	16	85	
Cruise ship		1	5	1	5	
Others		2	13	2	13	
<b>Total</b>		<b>883</b>	<b>63,472</b>	<b>947</b>	<b>67,789</b>	

Note: With the segment name change from Ferry & Domestic Transport to Ferry & Coastal RoRo ship, coastal bulkers are included under Steaming coal carrier.

**Composition** (Excluding Offshore business)



**Variation of Procurement and Contract terms**



**Market Exposure % by Vessel type**

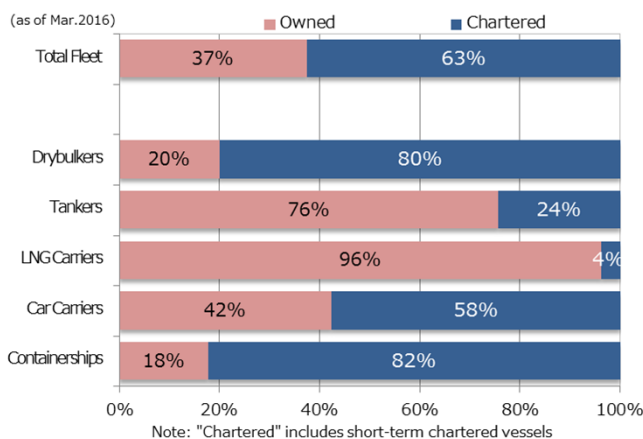
(as of Mar.2016)

Vessel Type	Total number of Fleet	Market Exposure
Capesize	92	26%
Mid-and small-size bulkers	143	52%
VLCC	33	18%
Product Tanker	45	78%
LPG Tanker	9	33%

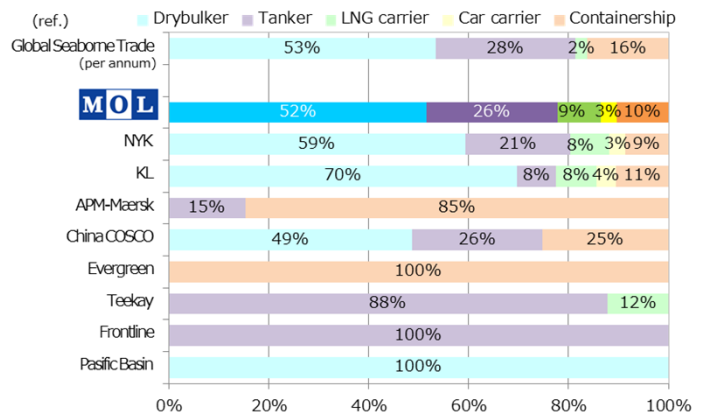
**"Market Exposure"**

Vessels operating under contracts less than two years, which are owned or mid- and long-term chartered vessels. (Includes vessels that combine multiple customers' cargoes.)

**Owned/Chartered Ratio (by DWT)**



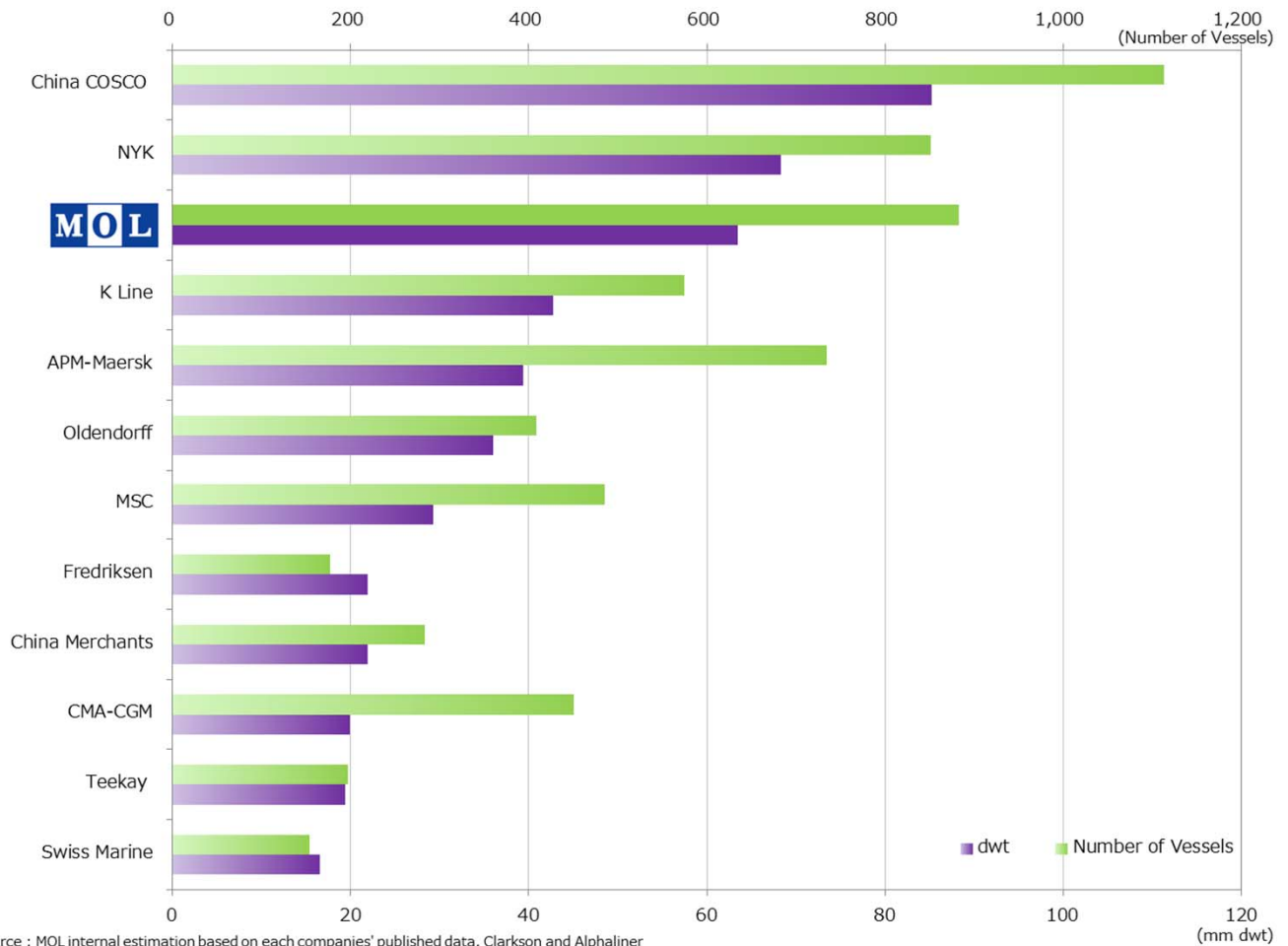
**Global Major Carriers' Fleet Composition (by DWT)**



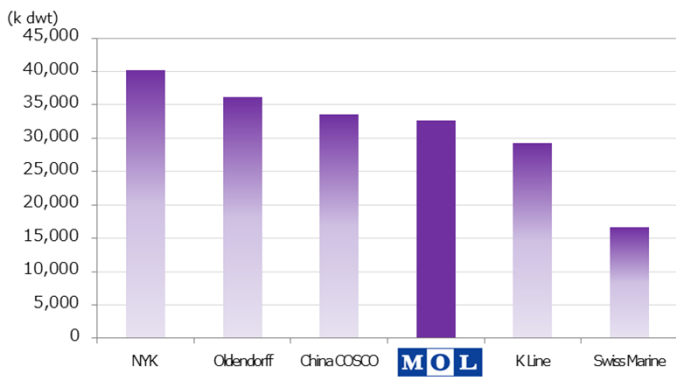
Source : ①World seaborne trade = MOL estimates based on Clarkson data and others ②Fleet composition = MOL estimates based on each company's published data and Clarkson/MDS (Excluding Passenger ship, ferries and tugs)



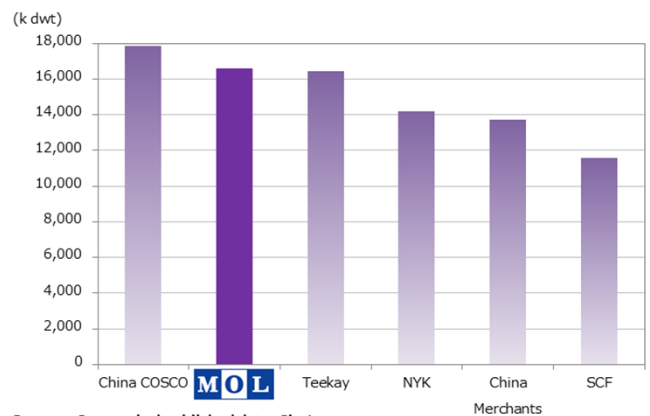
● Fleet Size of Global Major Carriers (All types of ships) (Mar.2016)



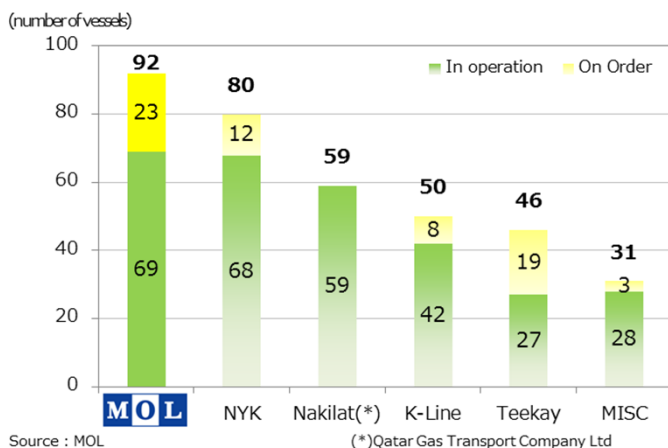
● Dry Bulkers (Mar.2016)



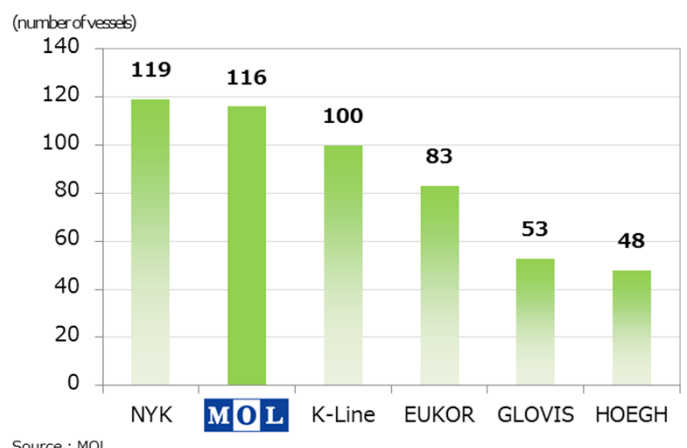
● Tankers (Mar.2016)



● LNG Carriers (Mar.2016)



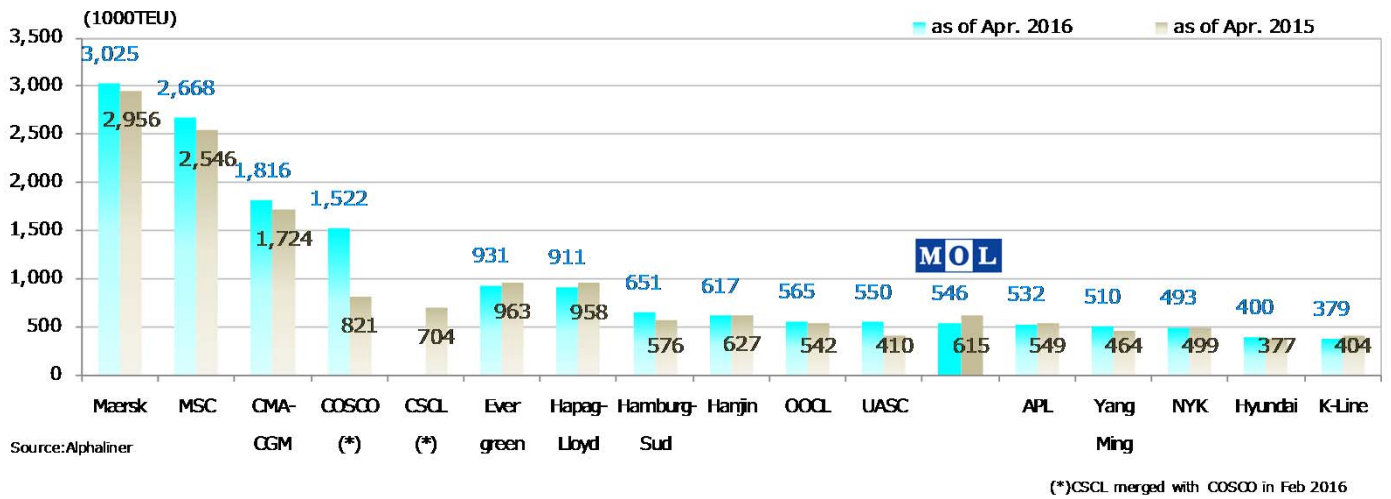
● Car Carriers (Mar.2016)



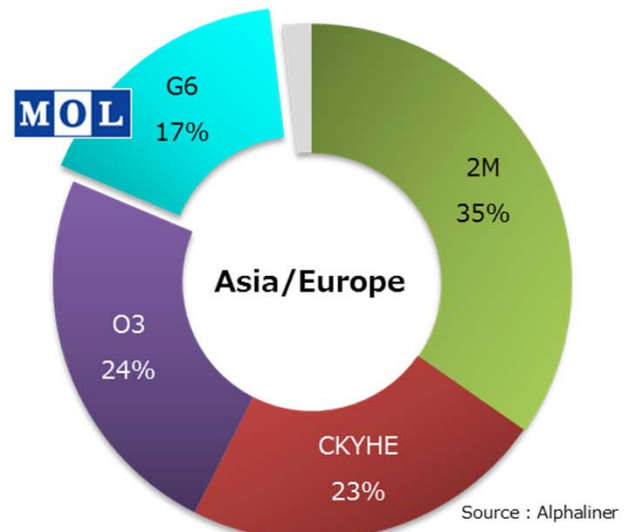
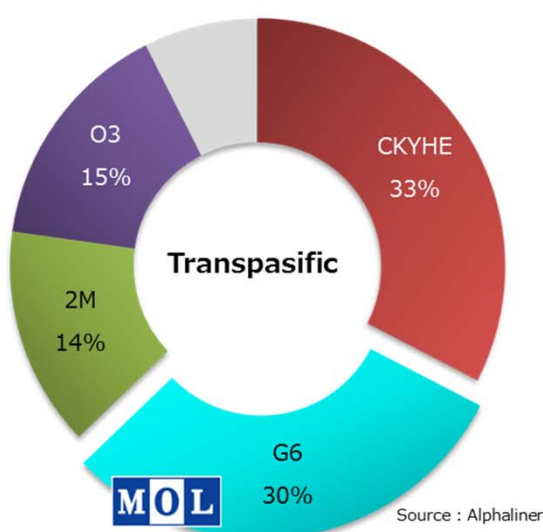
Note: The above numbers include the vessels which are owned by each company (wholly or partially) and the vessels for which vessel operation is entrusted to each company.

(Note) Excluding spot-chartered vessels

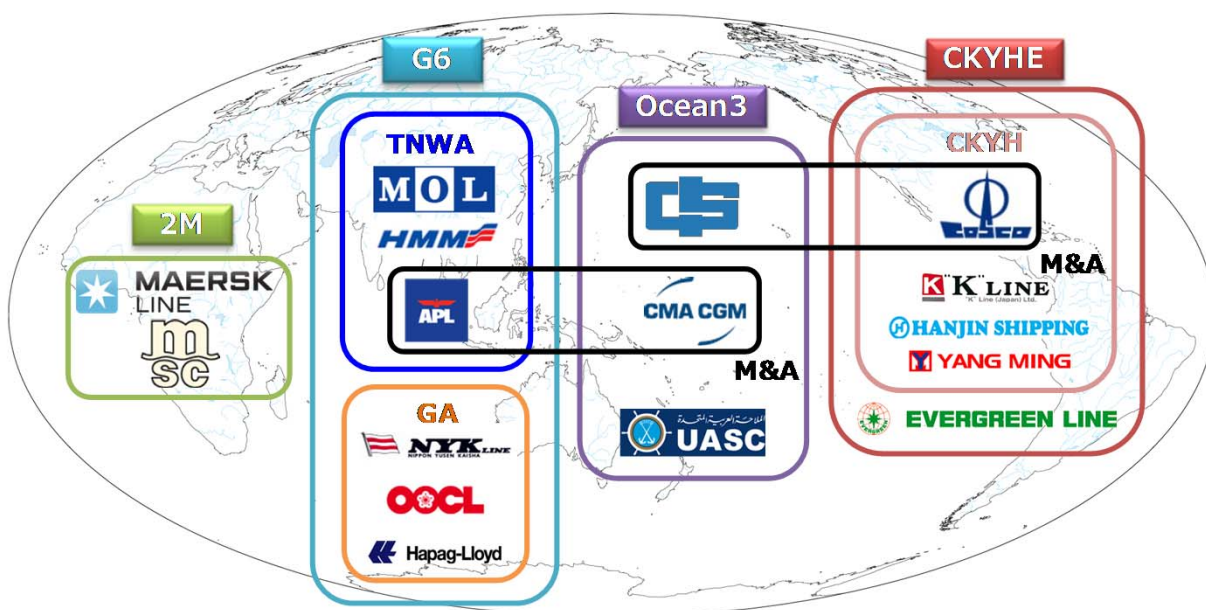
● Containerships (by TEU)



● Containerships : Major Operators/Alliances Share by TEU (Mar.2016)

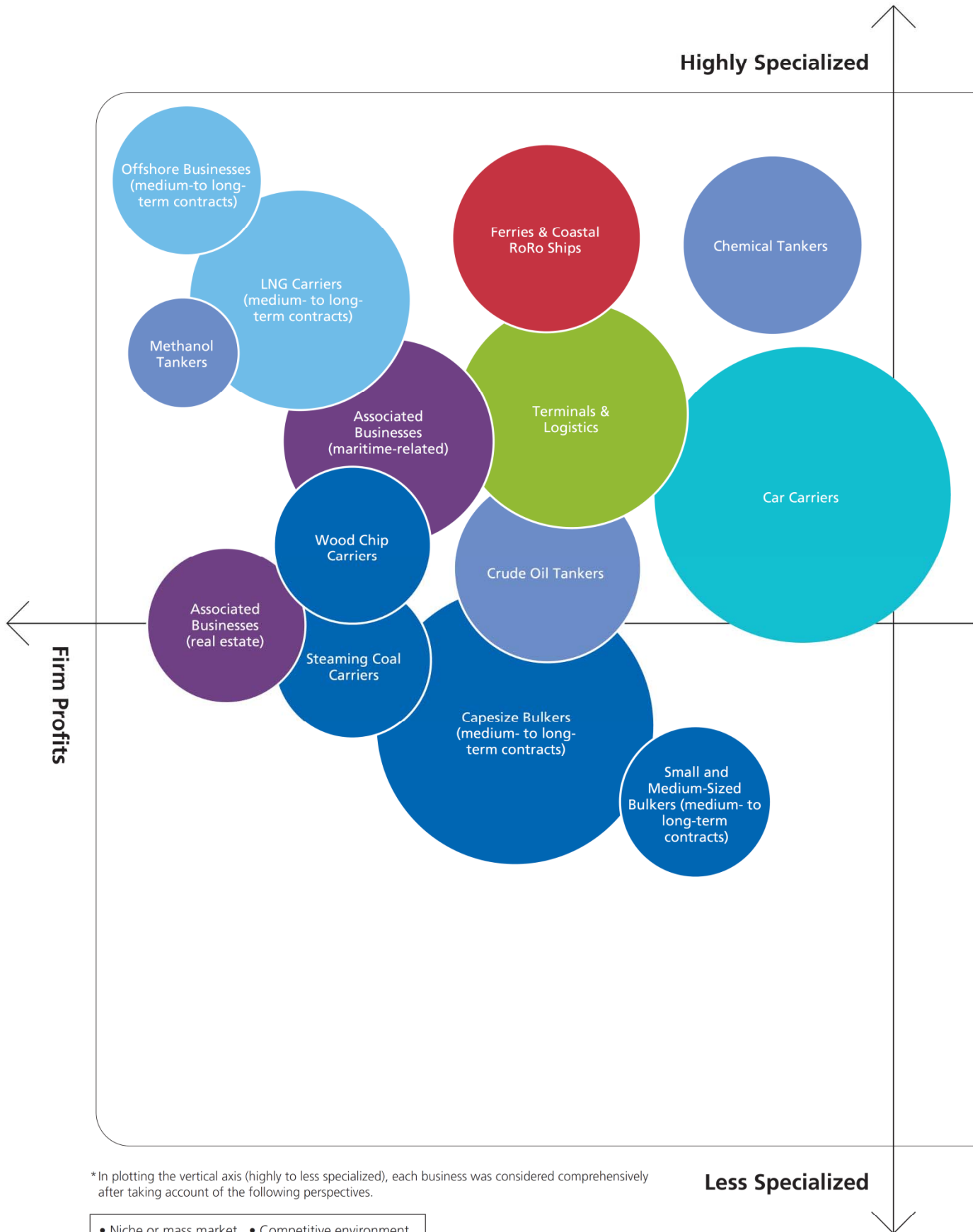


● Greater Alliances



(G6) Services started on AE trade in Mar.2012, expanded to TP trade(USEC) in May 2013, TP trade(USWC) and Atlantic trade in May 2014  
 (2M) Service started in Jan 2015  
 (CKYHE) Service started on AE(including Mediterranean region) in April 2014 and expanded to TP Trade in spring 2015  
 (Ocean3) Service started in 2015

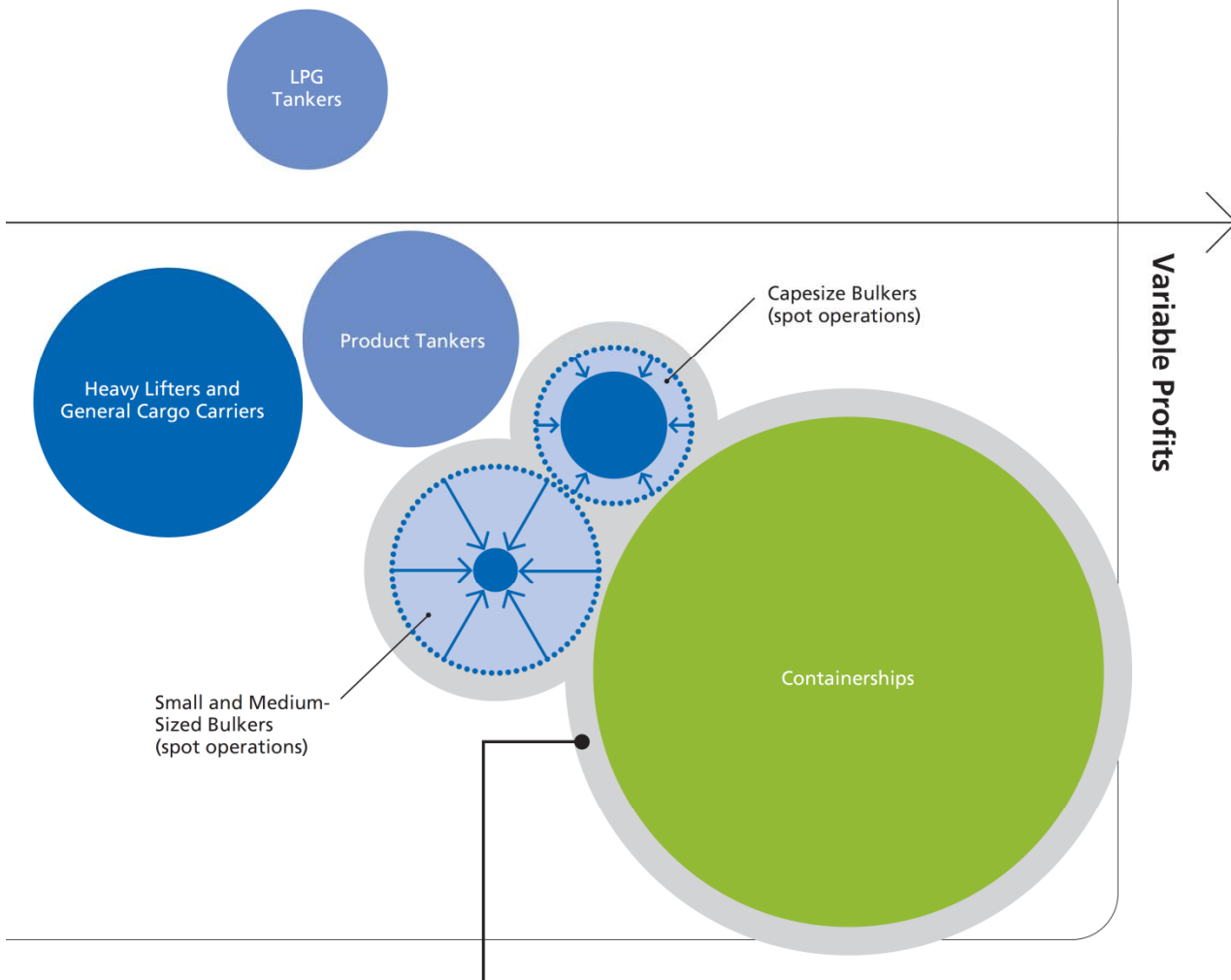
# The MOL Group's Business Portfolio





Our Fleet	As of March 31, 2016	As of March 31, 2017 (Forecast)
	Number of vessels	Number of vessels
<b>Dry bulkers</b> (including steaming coal carriers and coastal bulkers)	403	351
<b>Tankers</b>	175	168
<b>LNG carriers (including ethane carriers)</b>	69	81
<b>Offshore businesses (FPSO)</b>	3	5
<b>Car carriers</b>	120	118
<b>Containerships</b>	95	87
<b>Ferries &amp; coastal RoRo ships</b>	15	
<b>Cruise ships</b>	1	17
<b>Others</b>	2	
<b>Total</b>	<b>883</b>	<b>827</b>

Note. Figures include short-term chartered vessels (five years or less) and vessels owned by joint ventures.



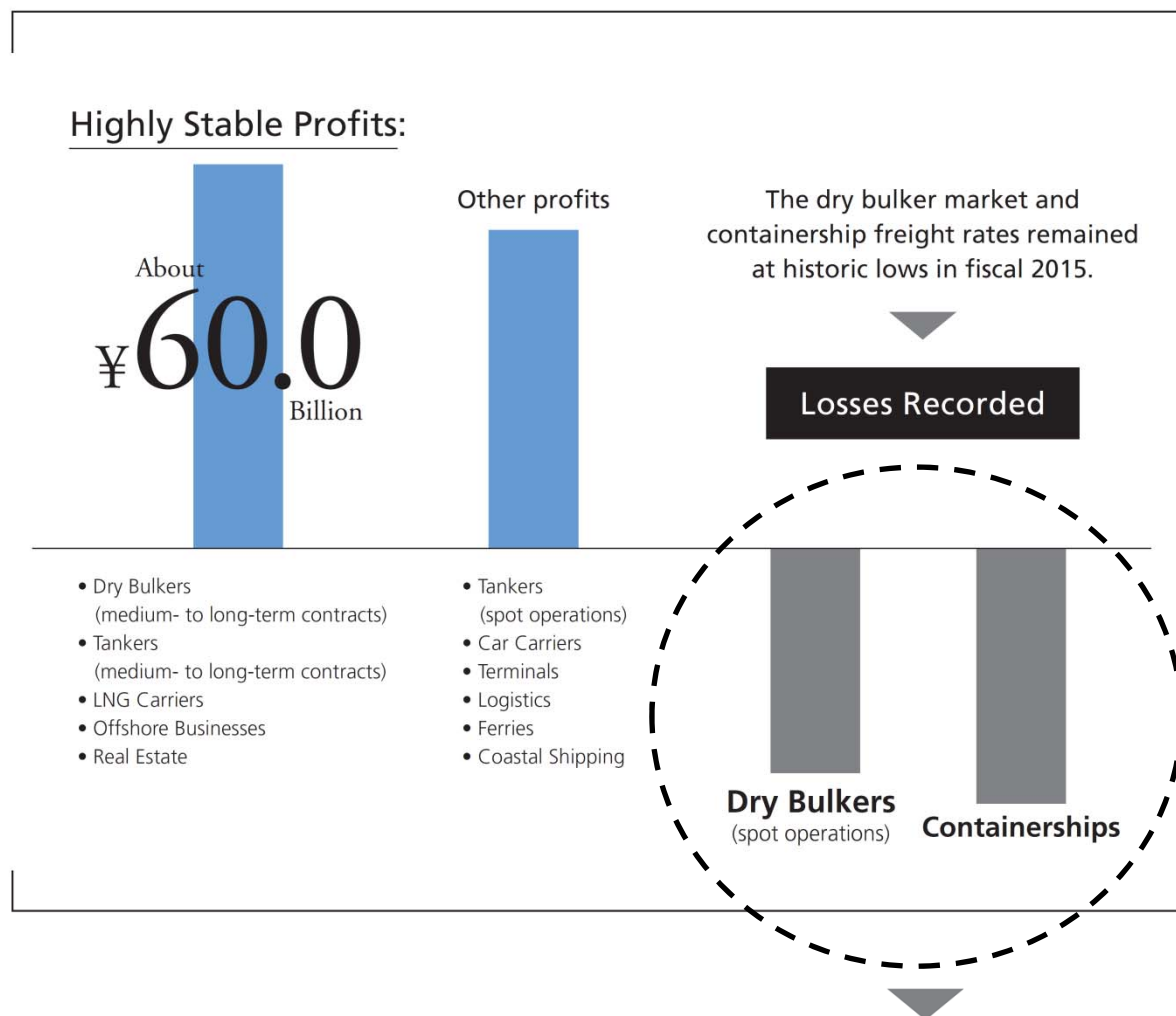
## Implement the Business Structural Reforms

Small and Medium-Sized Bulkers (spot operations)	Basically withdraw from spot operations with no specified cargo
Capesize Bulkers (spot operations)	Downsize the number of vessels on spot operations
Containerships	<ul style="list-style-type: none"> <li>• Greatly reduce owned vessel costs</li> <li>• Dispose of surplus vessels from rationalization of routes</li> <li>• Aim to stabilize profits by enhancing the synergies with the terminal and logistics businesses</li> </ul>

# MOL's Earnings Structure and the Necessity of the Business Structural Reforms

Fiscal 2015 Ordinary Profit:

¥36.2 Billion

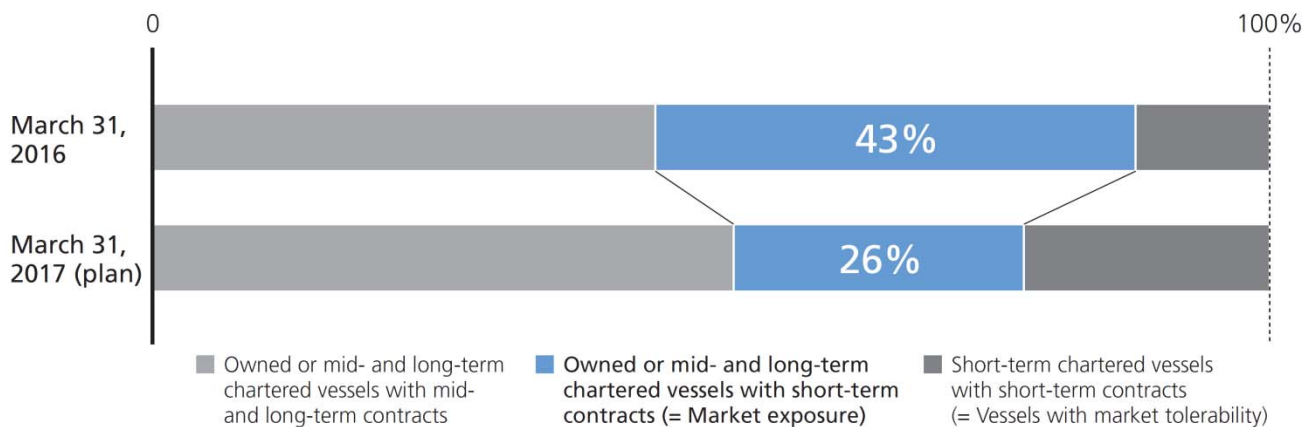


- In addition to highly stable profits mainly from long-term contracts, there were other business, such as car carriers and ferries, that posted profits, but the losses from dry bulkers (the spot operation portion) and containerships sharply cut into them.
- We do not currently foresee a full recovery for either the dry bulker market or containership freight rates. Implementing sweeping measures for these businesses is one of our top priorities.

## Dry Bulkers (Business Structural Reform Expenses ¥117.4 Billion)

- ▶ Greatly downsize market exposure (redeliver chartered vessels and sell owned vessels)
- ▶ Reduce vessel costs on our remaining core fleet of small and medium-sized vessels down to a level in line with the current market

### Market Exposure



Return to profitability in fiscal 2016  
due to the Business Structural Reforms

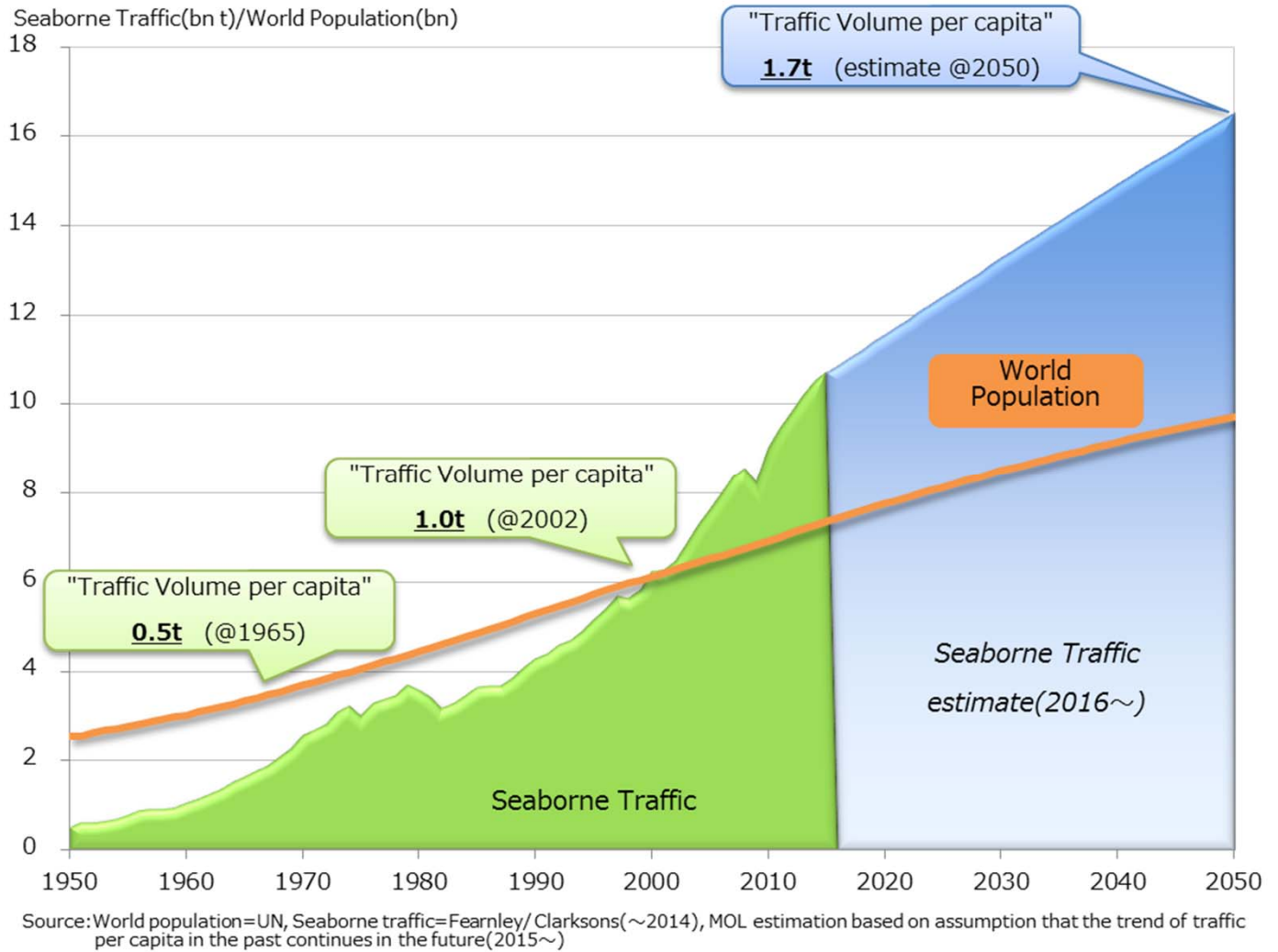
## Containerships (Business Structural Reform Expenses ¥61.9 Billion)

- ▶ Conduct impairment loss on vessels owned by MOL
- ▶ Dispose of surplus vessels after rationalization of routes

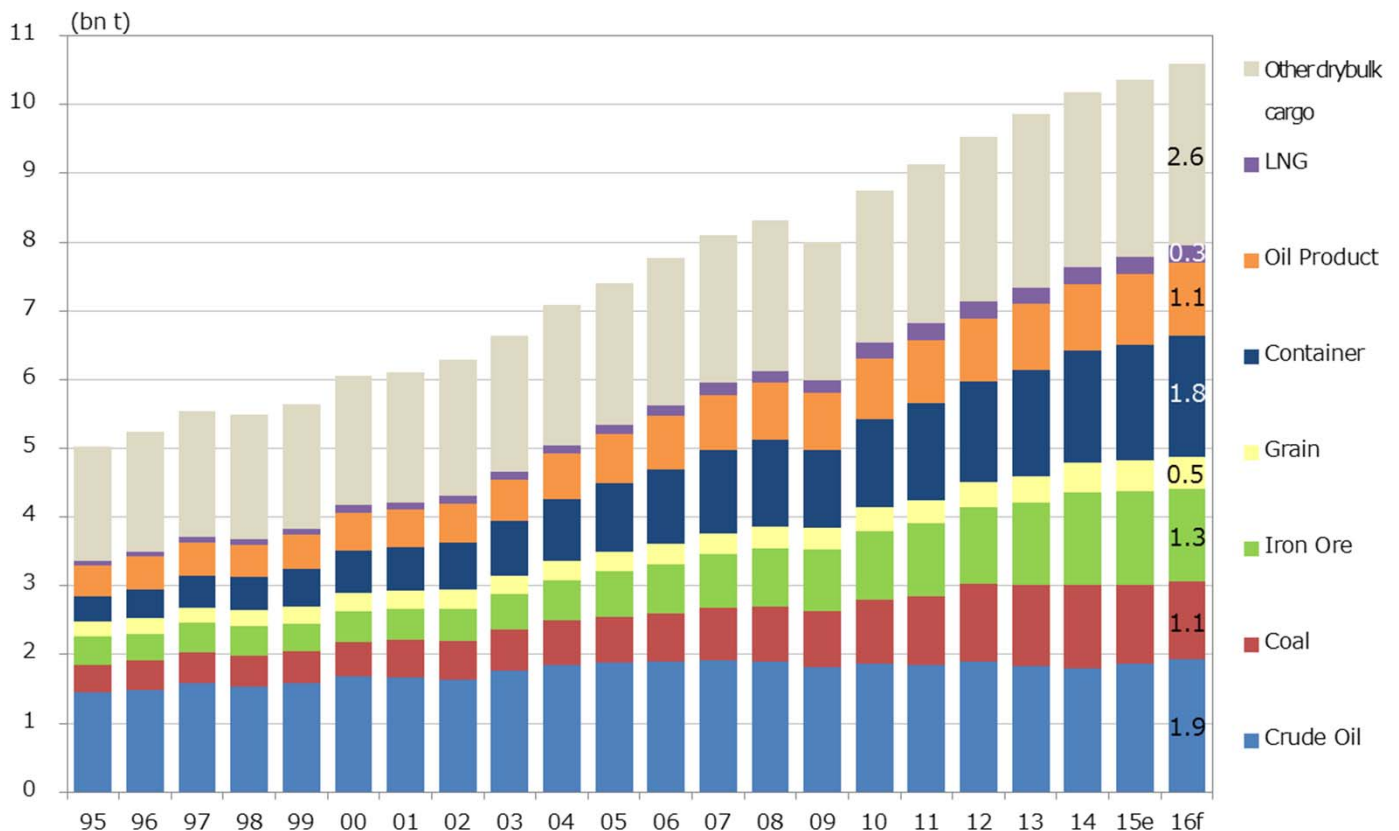
Due to the further worsening of containership freight rates, the division is unlikely to improve its profitability in fiscal 2016, but MOL will greatly eliminate its structural inferiority.



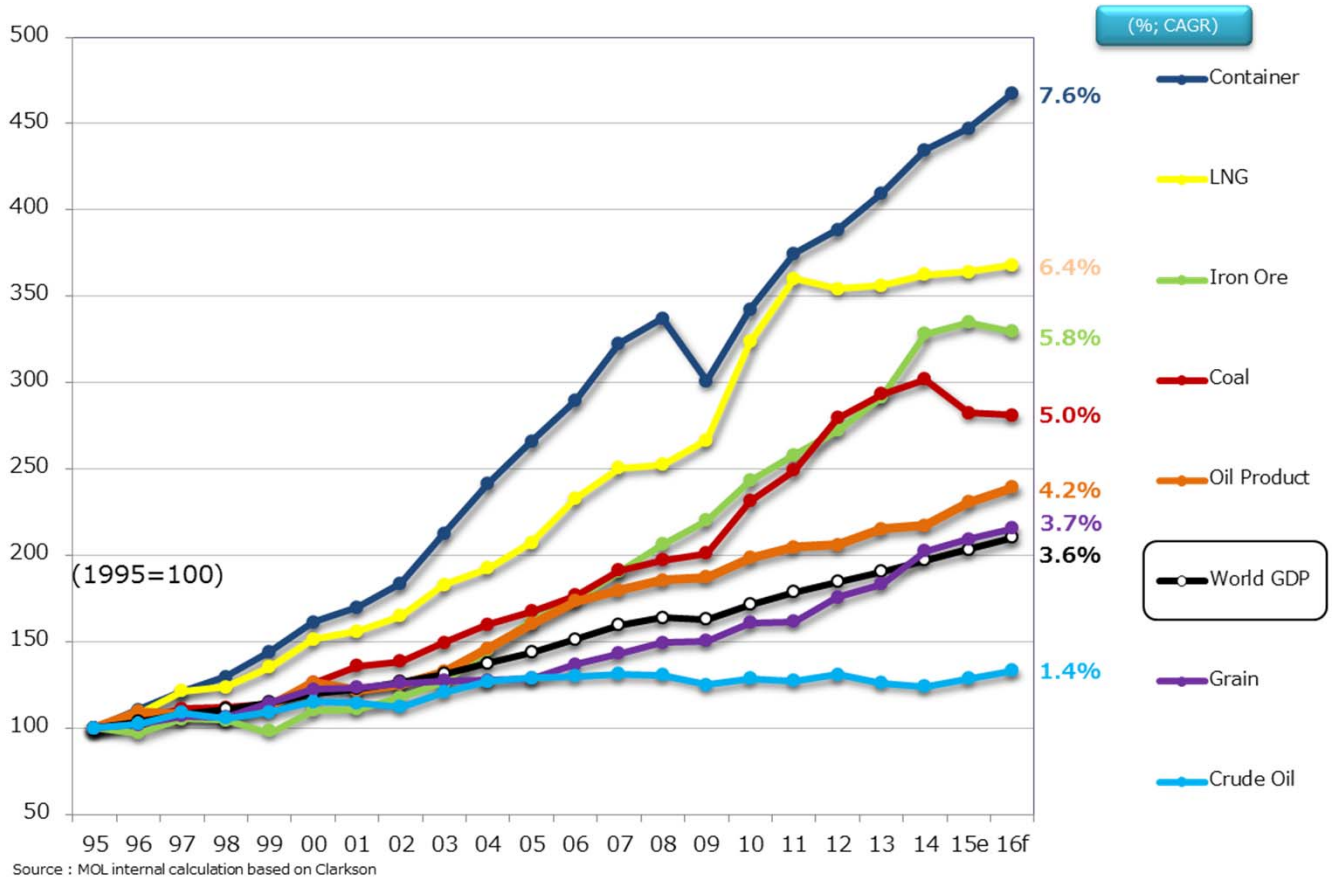
● World Population & Global Seaborne Traffic



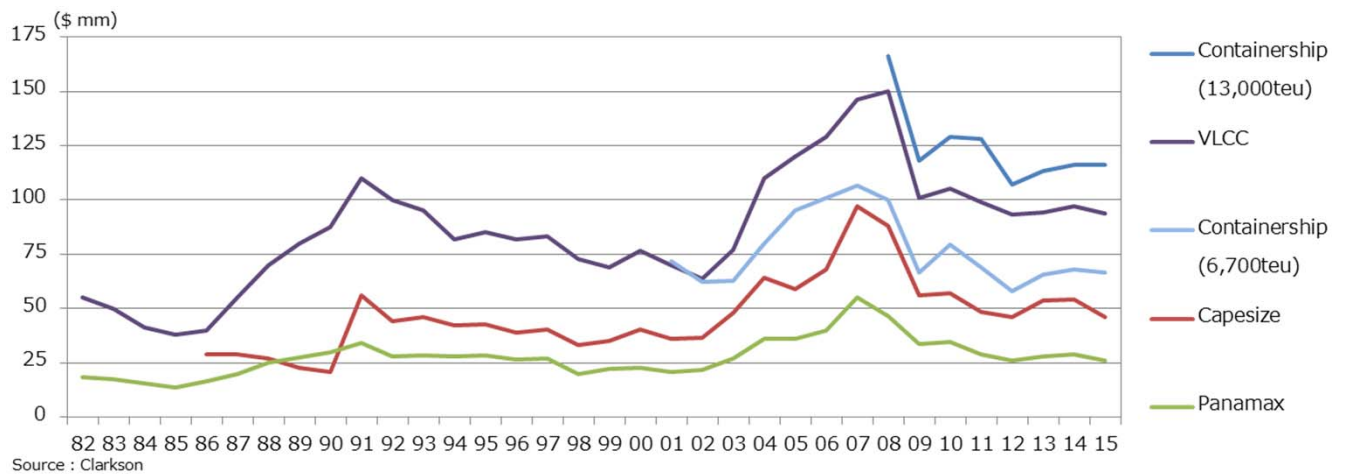
● Seaborne Traffic by Commodity



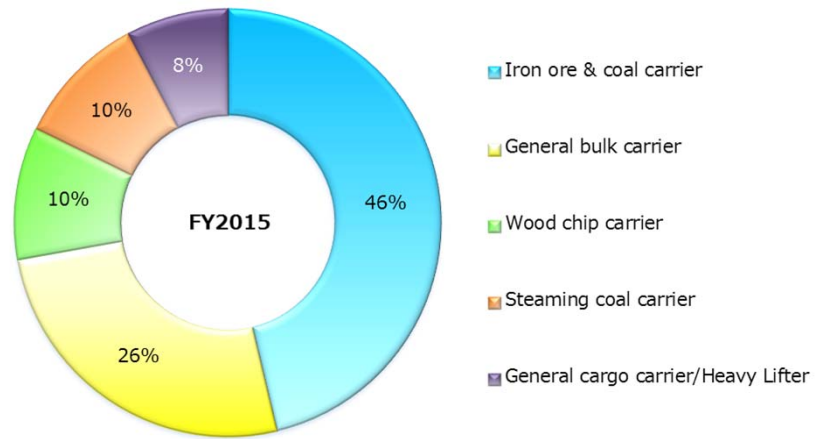
● Growth of World GDP & Seaborne Traffic by Commodity



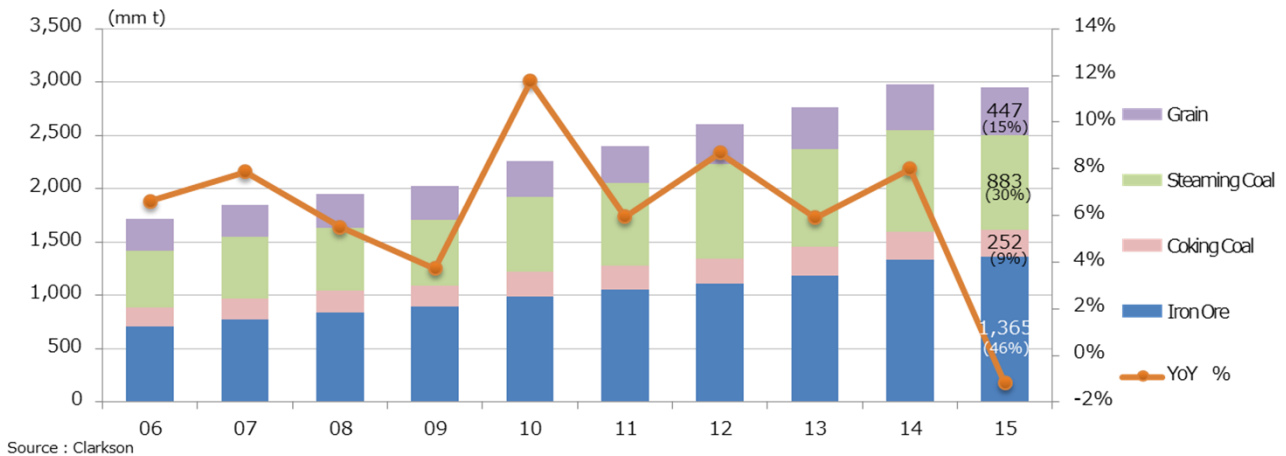
● (Ref.) Ship Prices



● MOL Dry Bulkers : Revenue Breakdown(Consolidated)

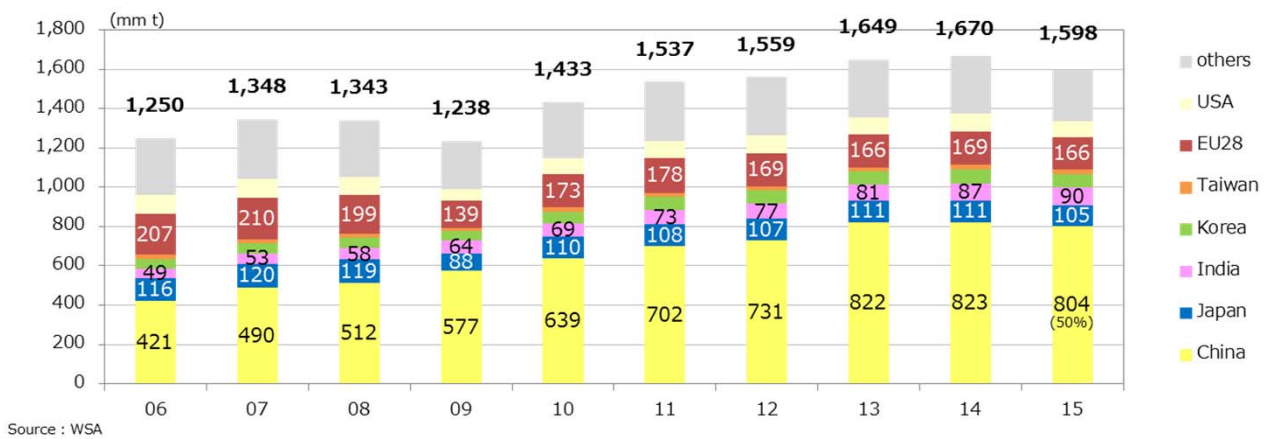


● Global Seaborne Trade of Major Dry Bulk Cargoes



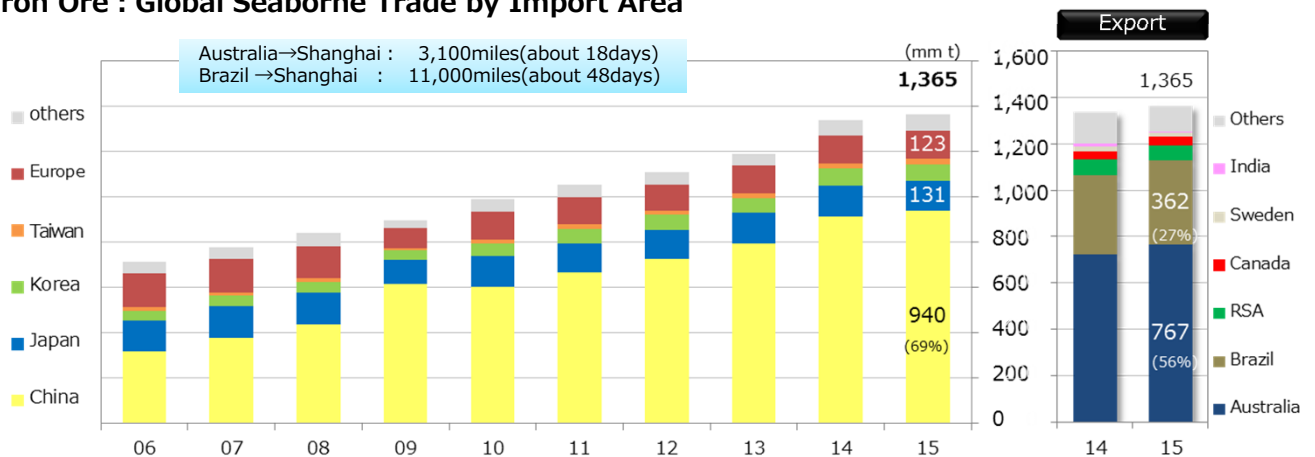
Source : Clarkson

● Crude Steel : Global Production by Area



Source : WSA

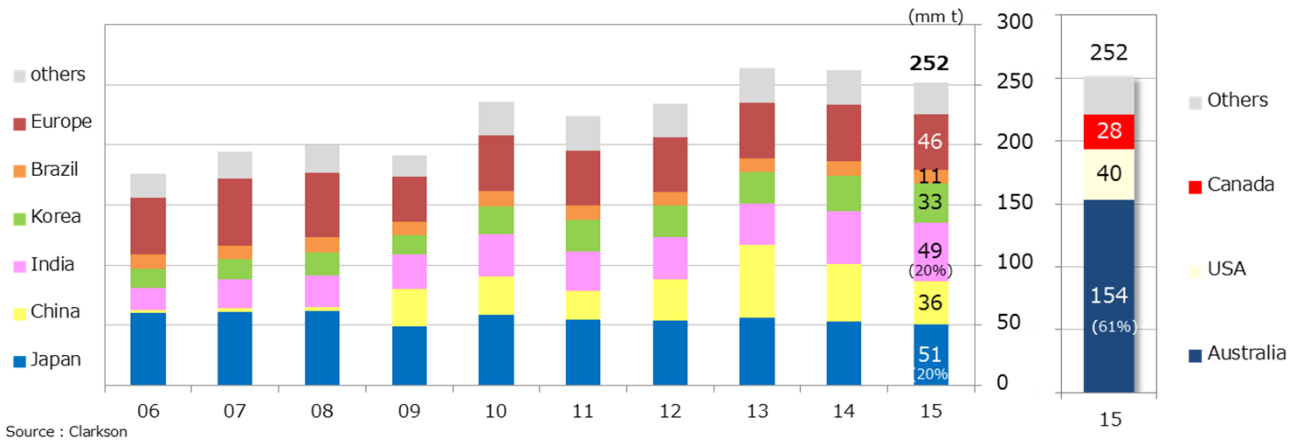
● Iron Ore : Global Seaborne Trade by Import Area



Source : Clarkson

● Coking Coal : Global Seaborne Trade by Import Area

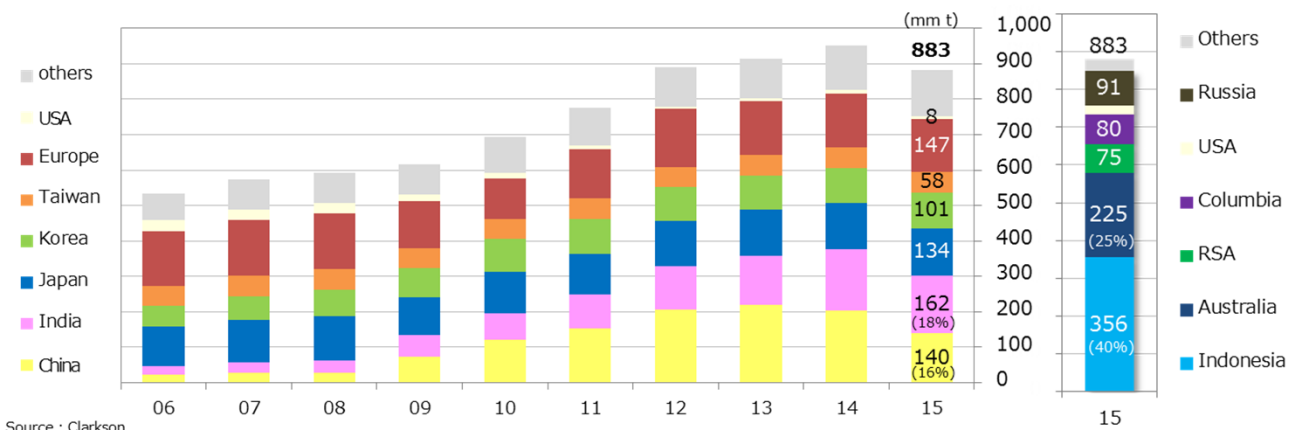
Export



Source : Clarkson

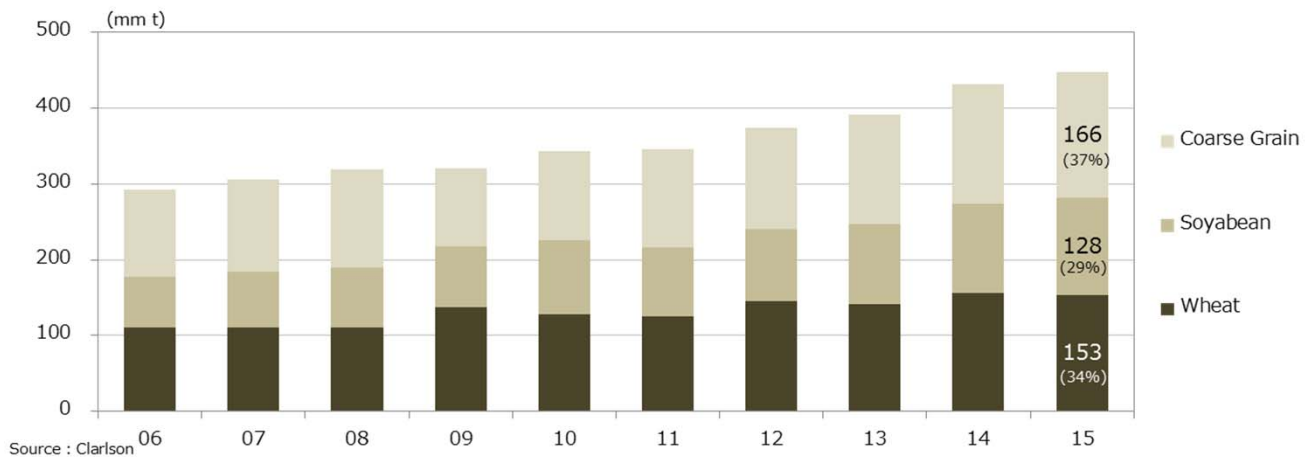
● Steaming Coal : Global Seaborne Trade by Import Area

Export



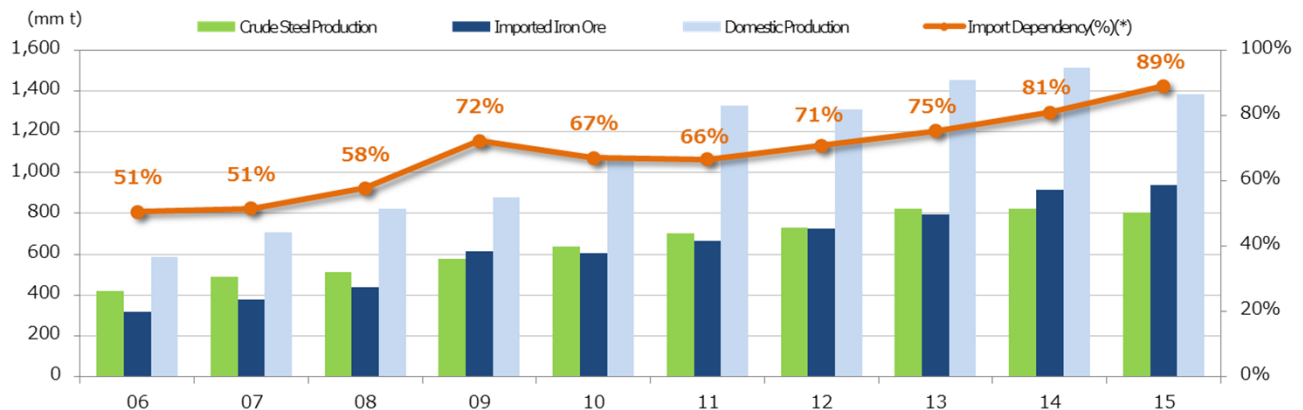
Source : Clarkson

● Grain : Global Seaborne Trade by Commodity



Source : Clarkson

● China : Dependence on Imported Iron Ore

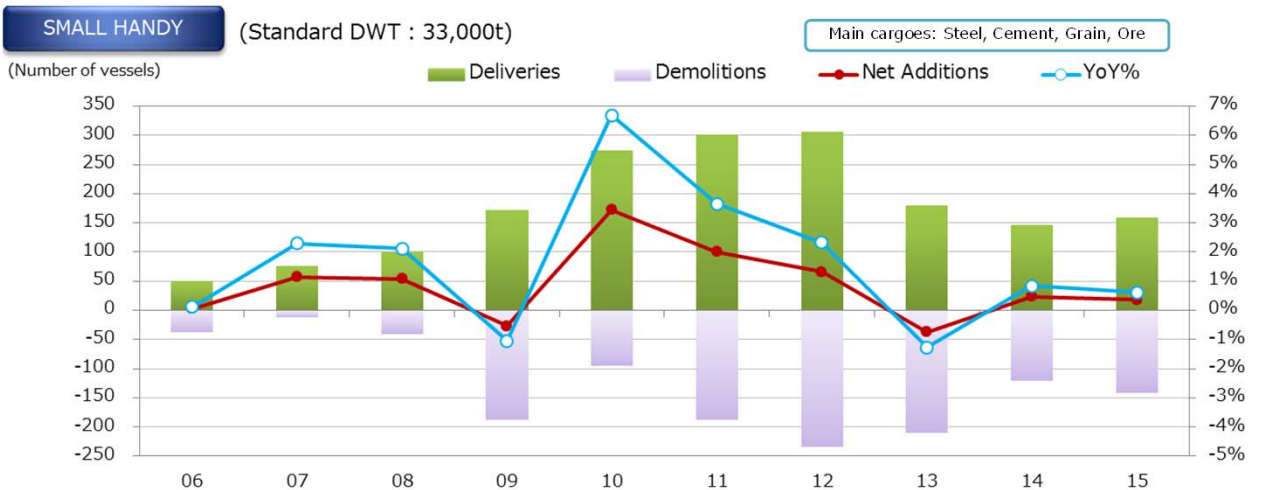
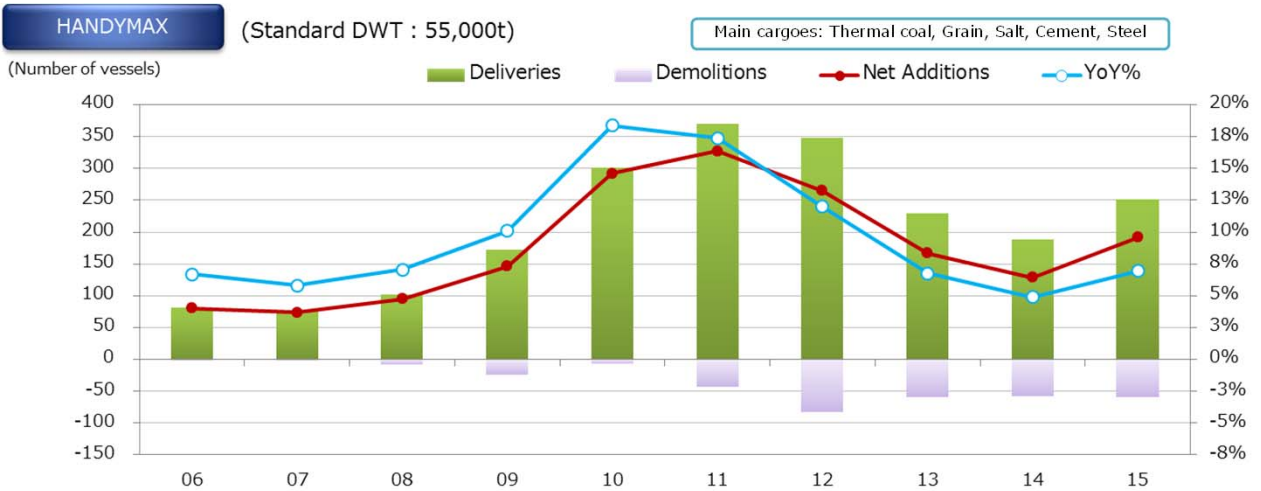
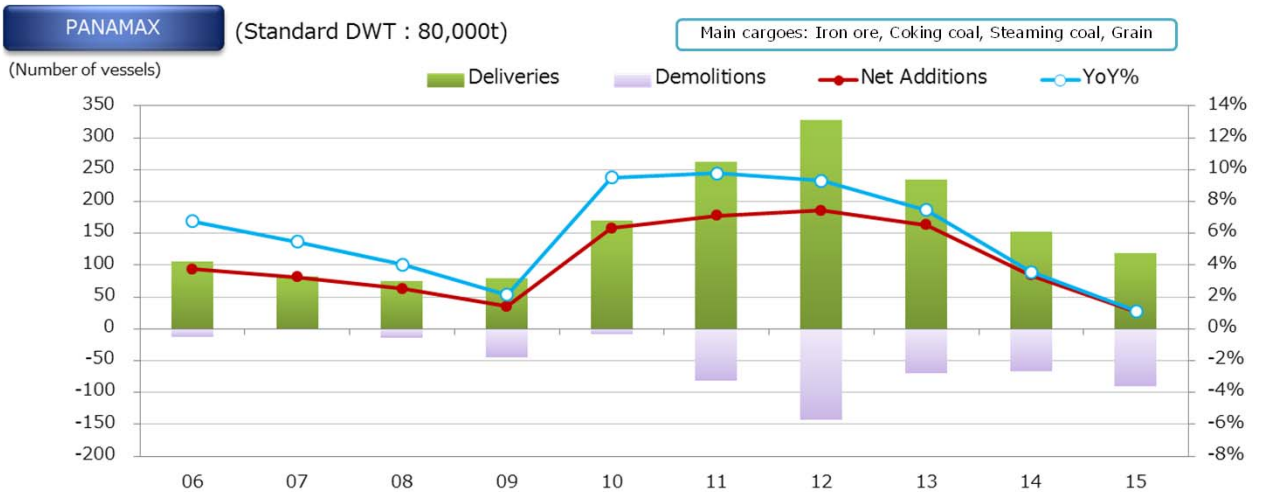
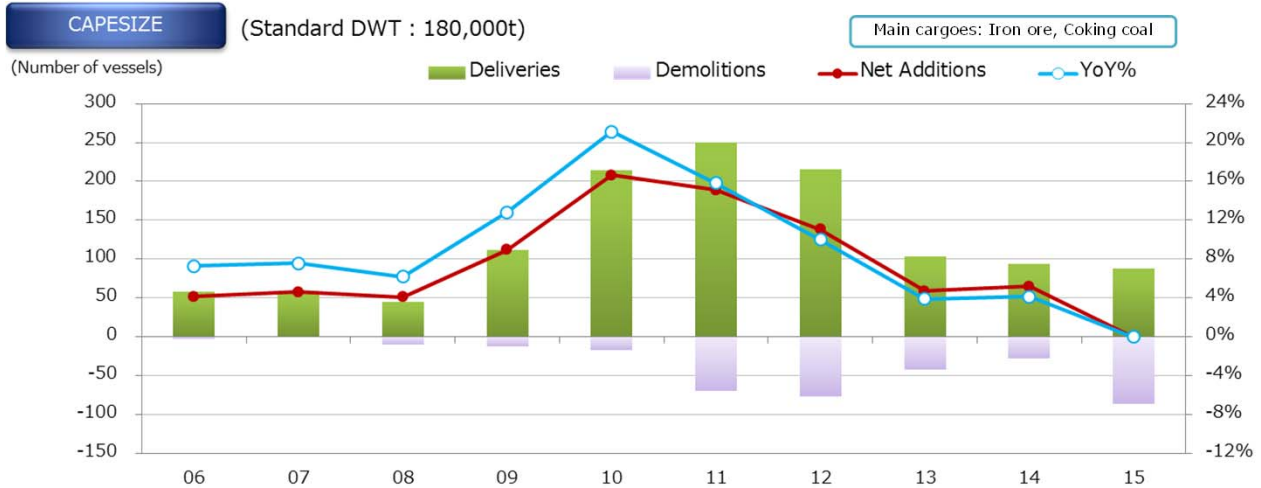


Source : MOL estimation

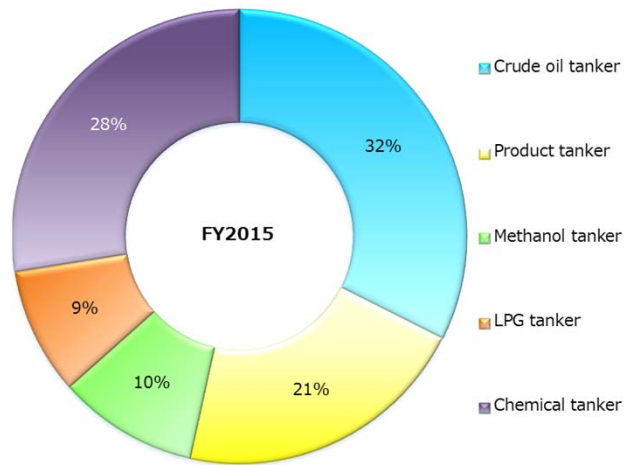
(\*) MOL internal calculation based on the premises of Fe content rates of 96% in pig iron and 62% in imported iron ore



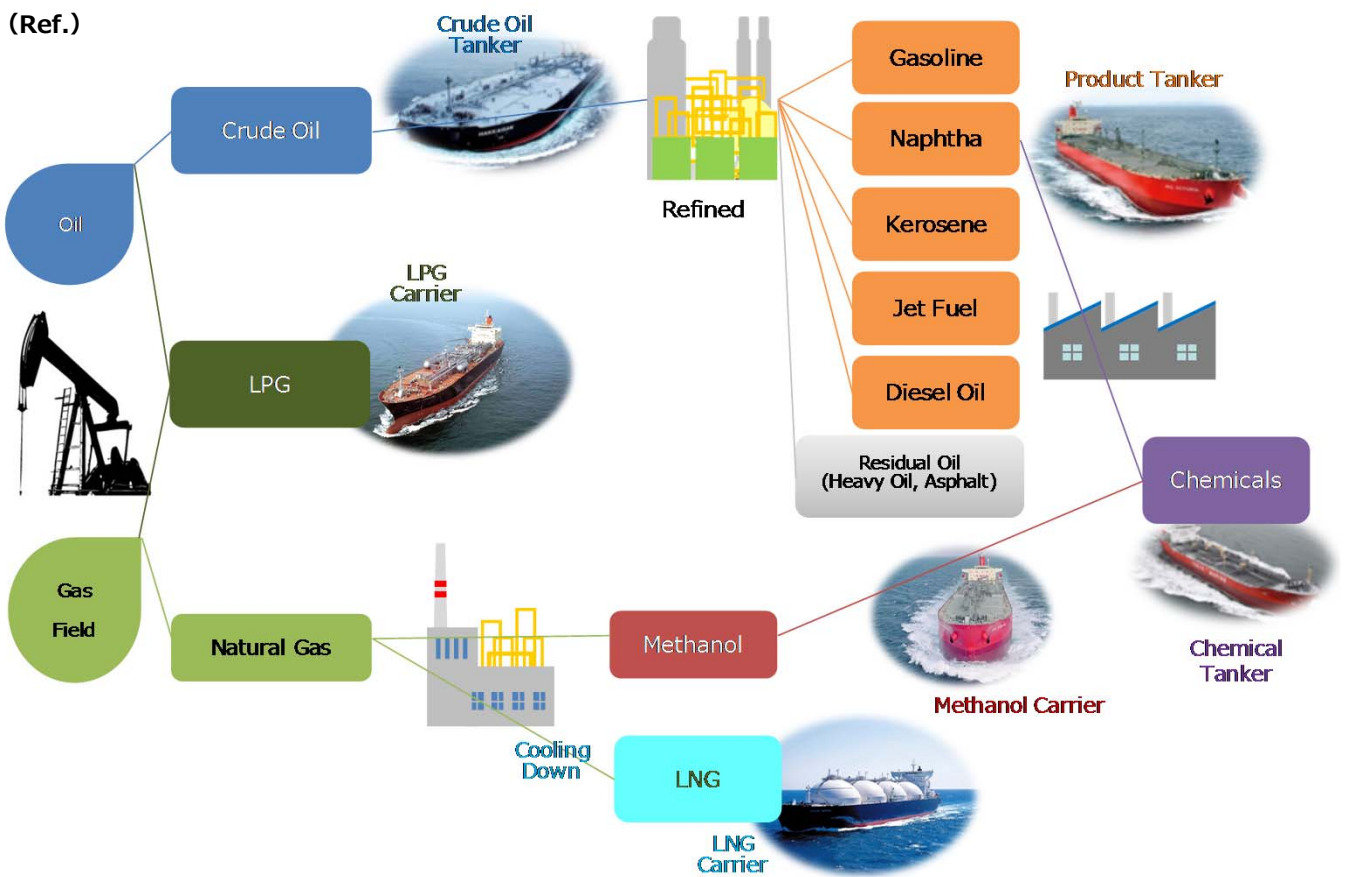
● Vessel Supply (Source : MOL internal calculation based on IHS-Fairplay)



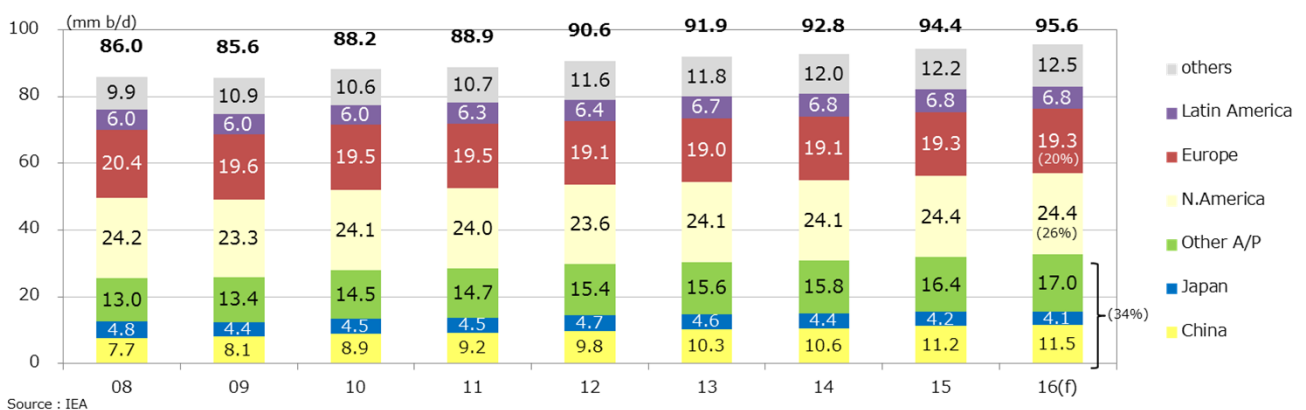
● MOL Tankers : Revenue Breakdown(Consolidated)



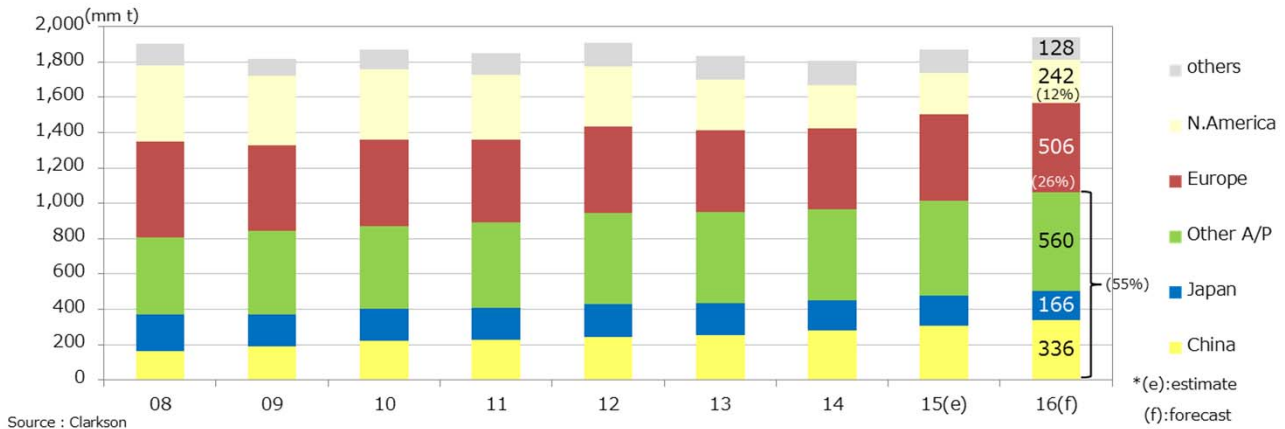
(Ref.)



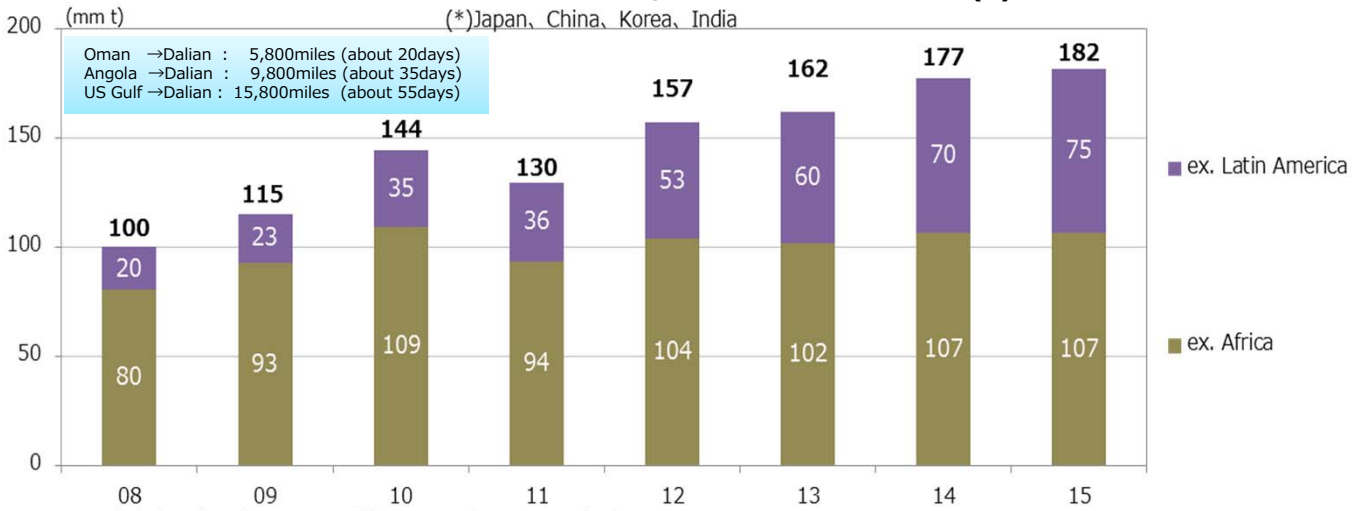
● Oil : Global Demand



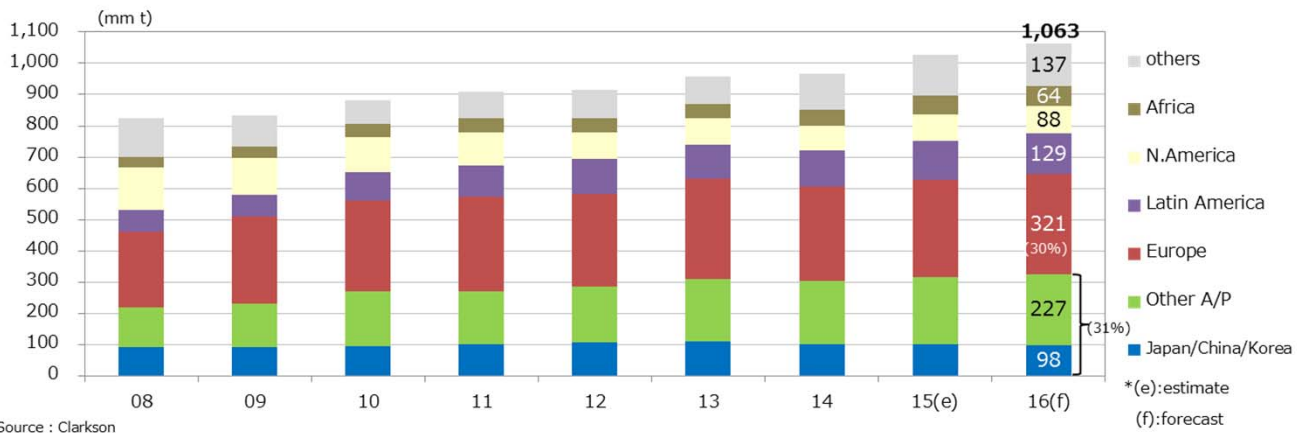
● Crude Oil① : Global Seaborne Trade by Import Area



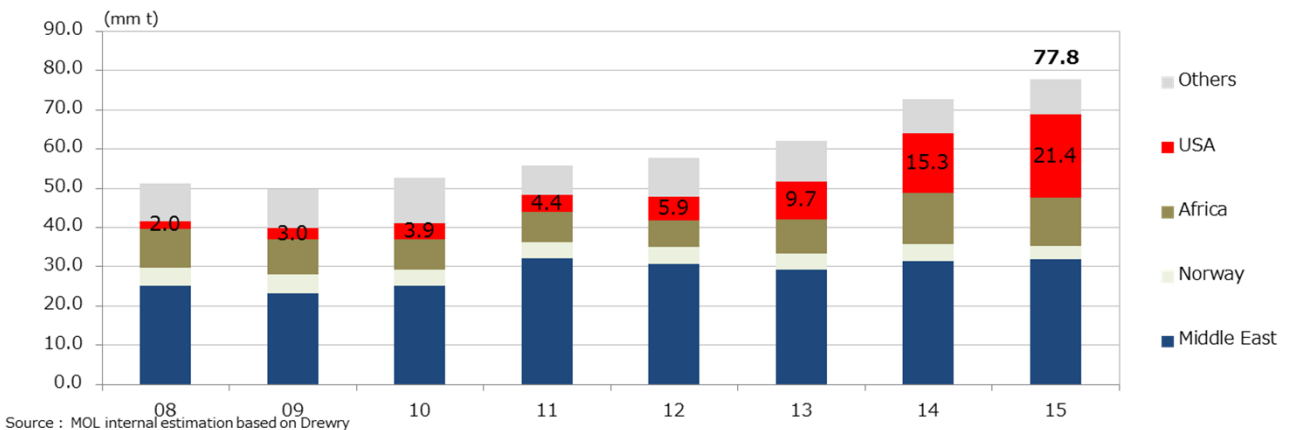
● Crude Oil② : Global Seaborne Trade from Africa/Latin America to Asia(\*)



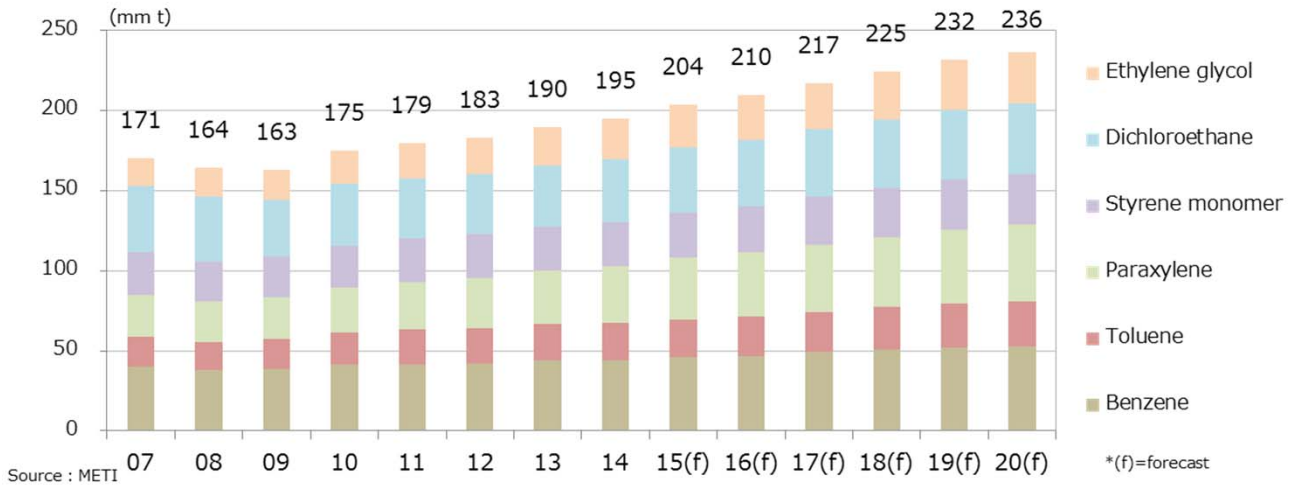
● Petroleum Products : Global Seaborne Trade by Import Area



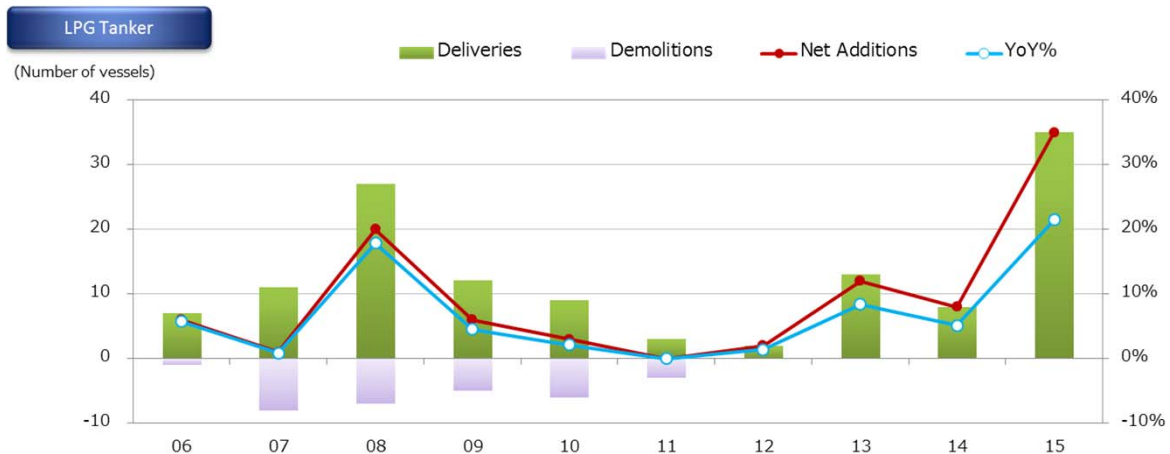
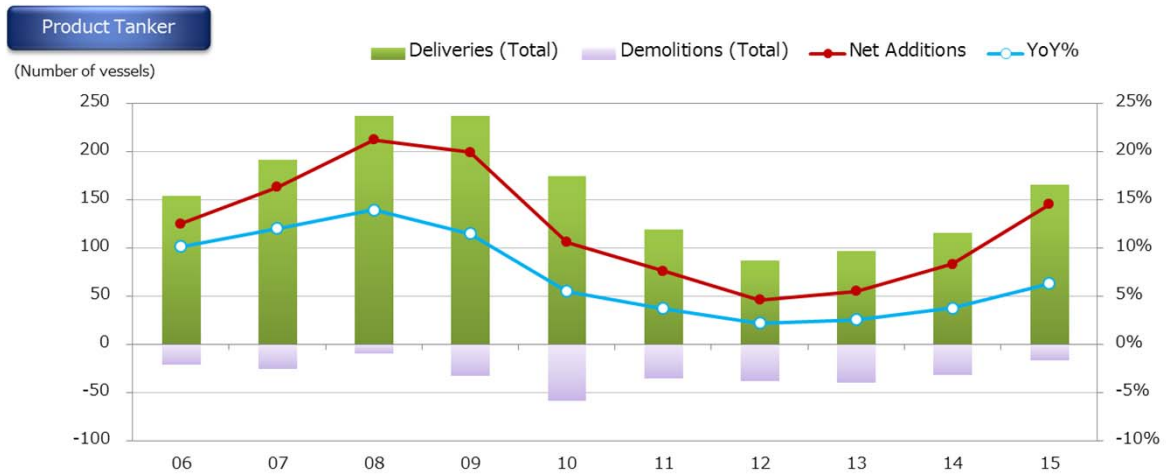
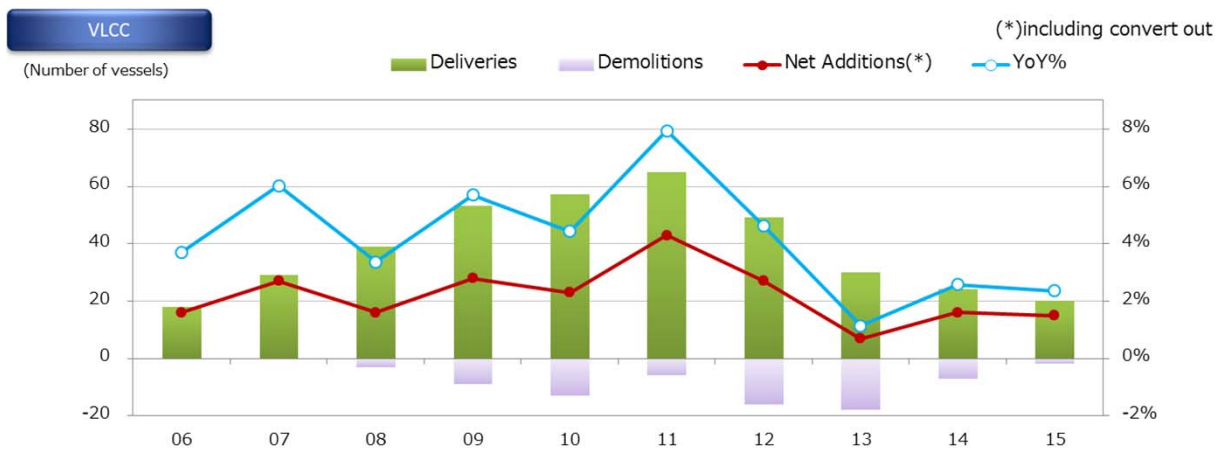
● LPG : Global Seaborne Trade by Export Area



● Chemical Products : Demand Forecast by Product

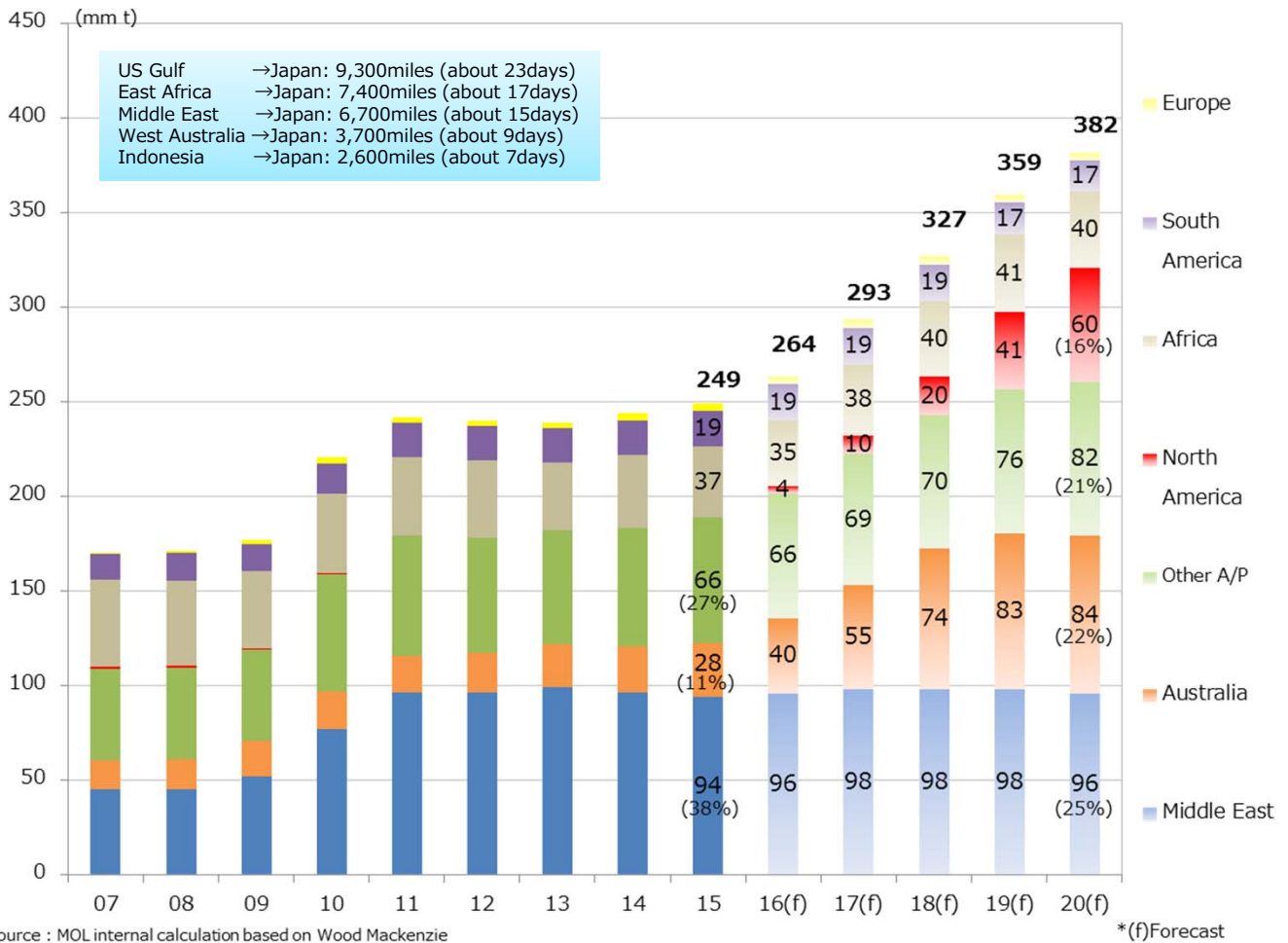


● Vessel Supply (Source : MOL internal calculation based on IHS-Fairplay)

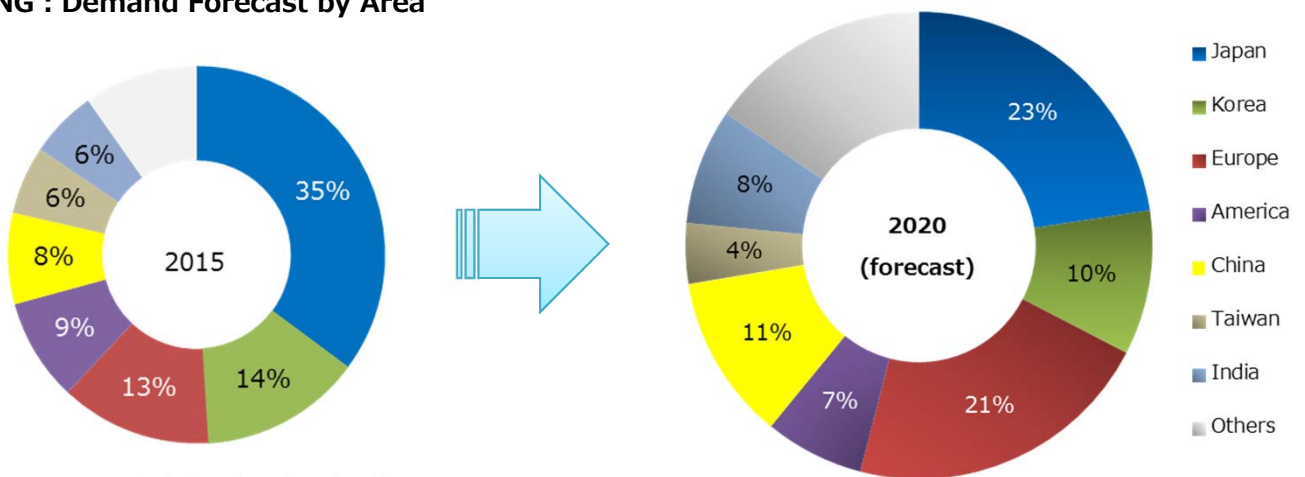




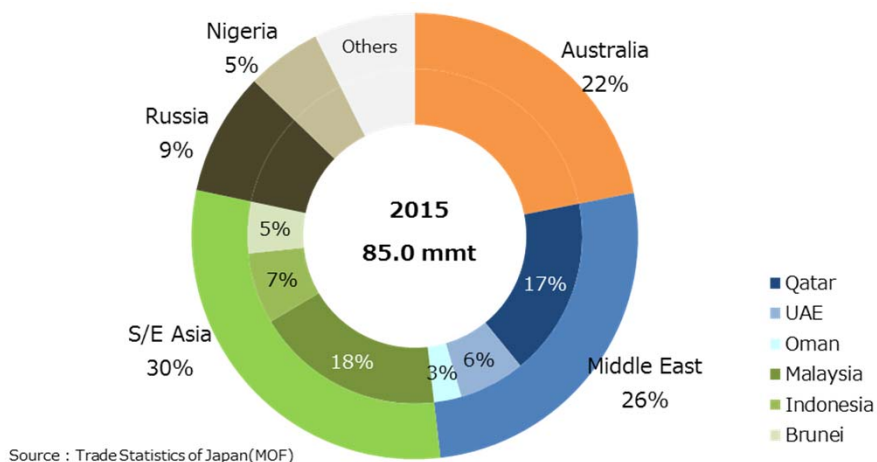
● LNG : Seaborne Trade (Result & Forecast)



● LNG : Demand Forecast by Area



● Japan : Import % of LNG by Nation of Origin



● FPSO



○ An FPSO (Floating Production Storage and Offloading) is a floating production system that receives fluids (crude oil, water and a host of other things) from a subsea reservoir.

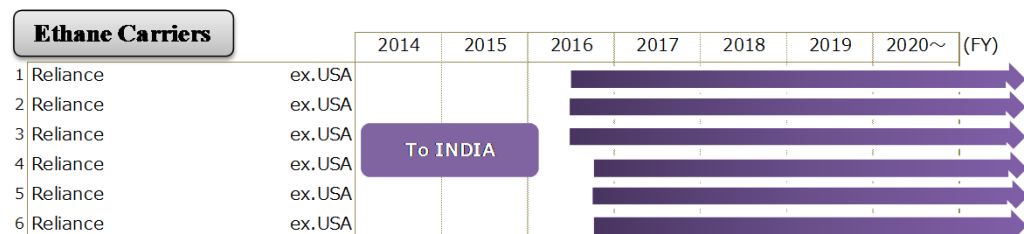
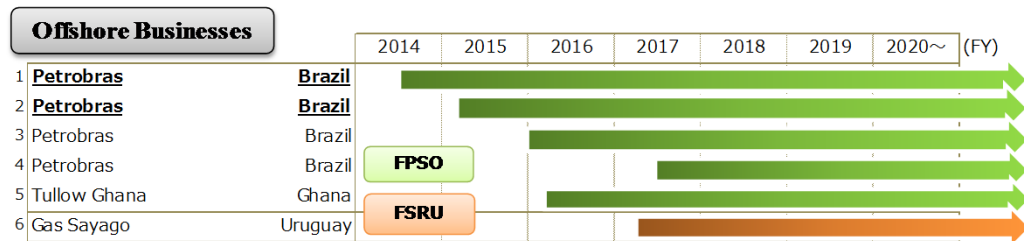
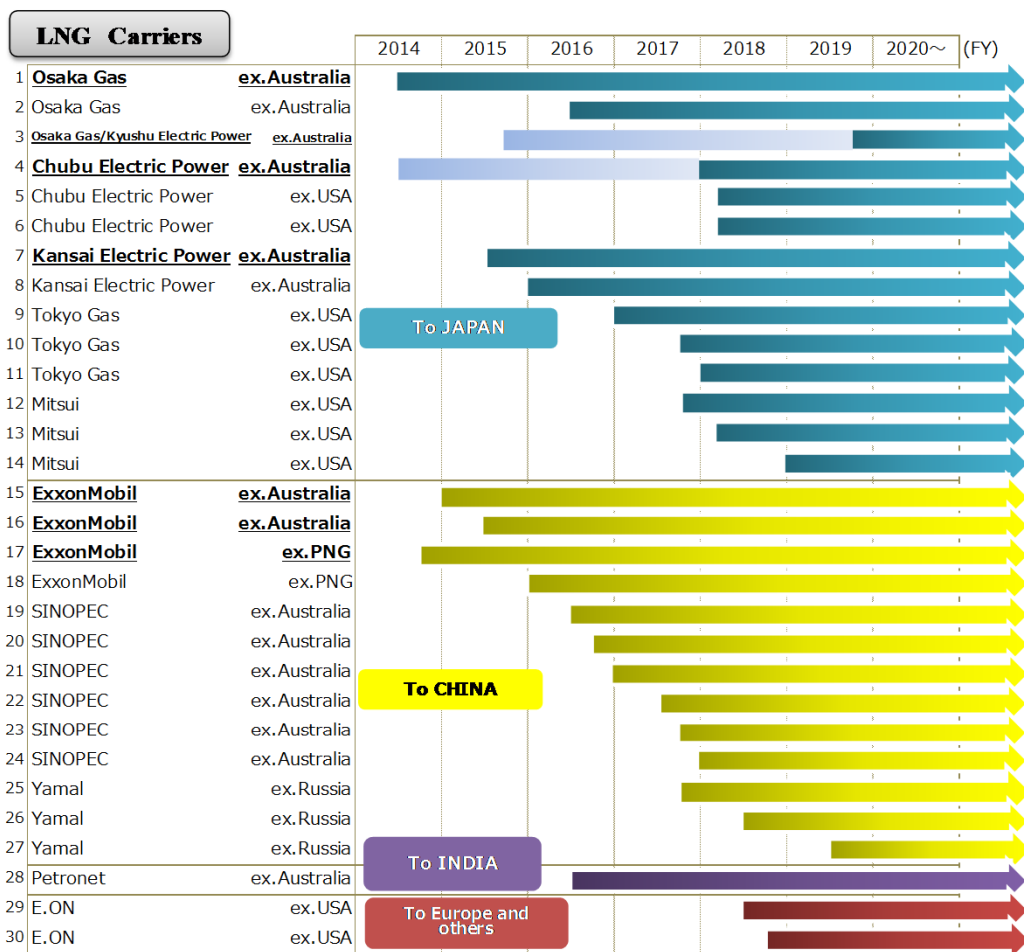
● FSRU



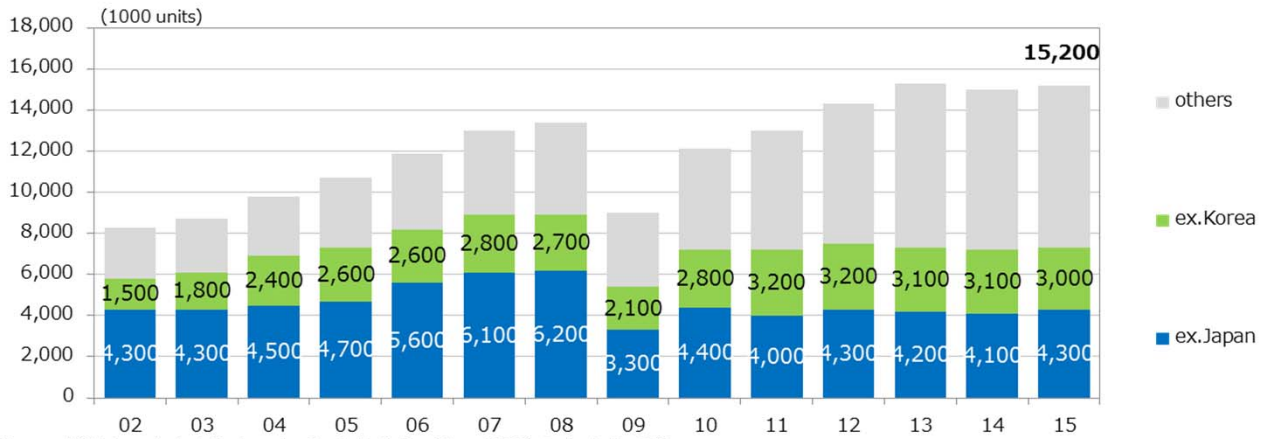
○ An FSRU (Floating Storage & Regasification Unit) is a floating facility for storing and regasifying LNG, which then pressurized and piped ashore.

FSRU(left/image)  
(photo : ENGIE)

● MOL : Signed Long-Term Contracts as of Mar.2016 (to start in/after Apr.2014) \***Bold**=In operation

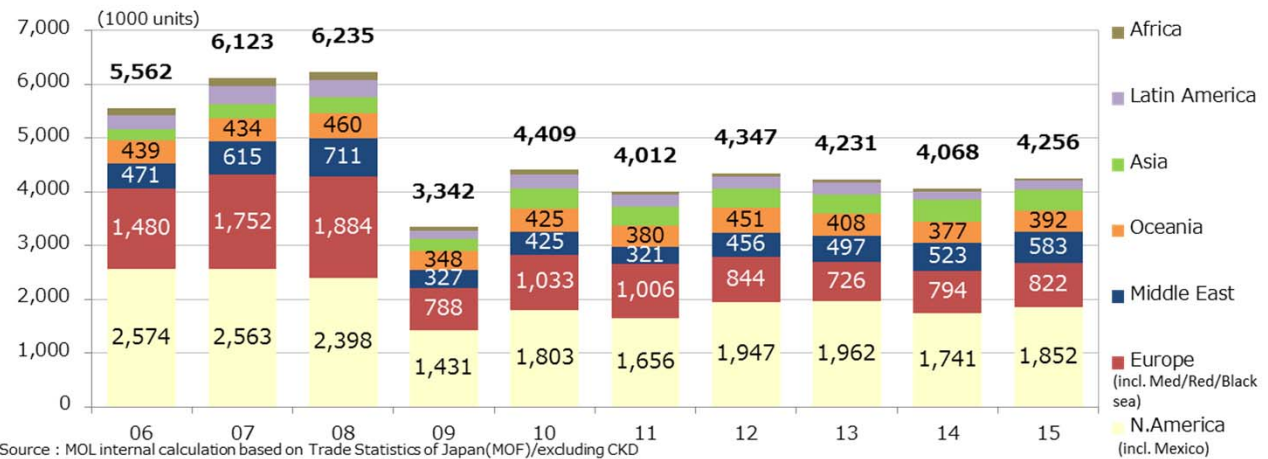


● Global Car Seaborne Trade



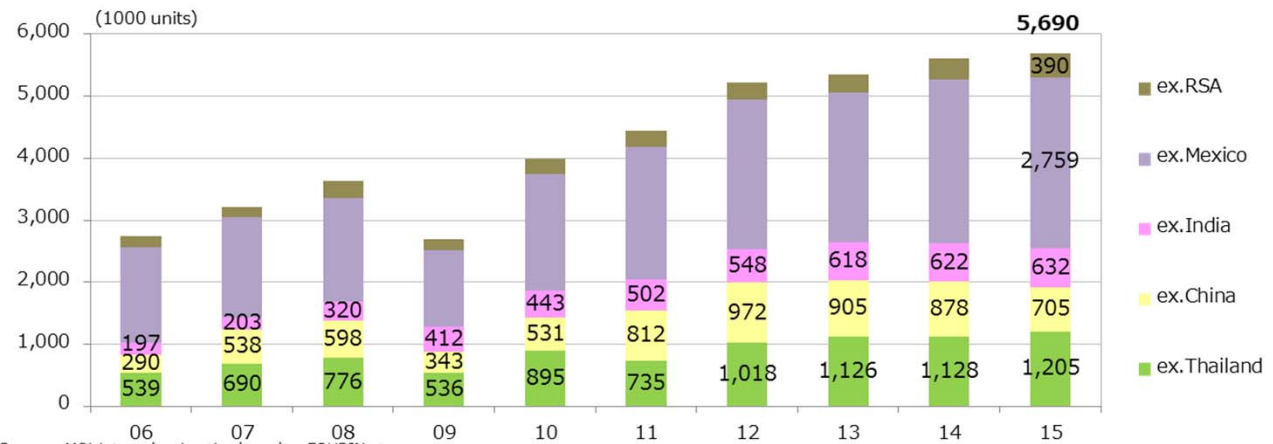
Source : MOL internal calculation based on Trade Statistics of Japan(MOF) etc./excluding CKD

● Car Export from Japan



Source : MOL internal calculation based on Trade Statistics of Japan(MOF)/excluding CKD

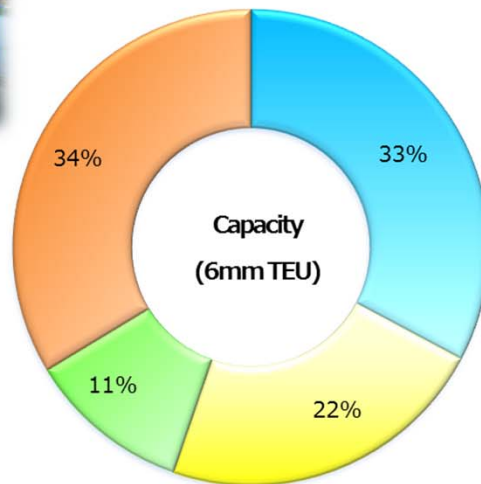
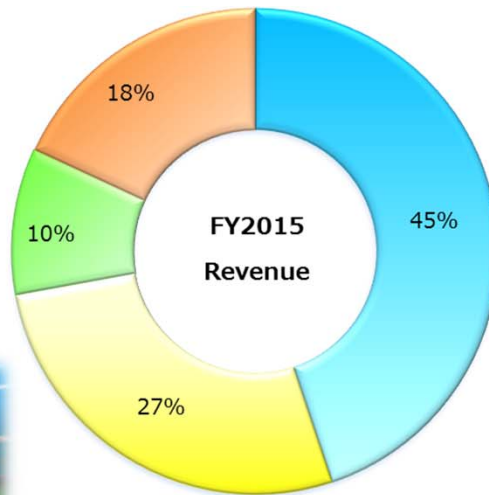
● Car Export from Emerging Countries



Source : MOL internal estimation based on FOURIN etc.



● MOL Containerships : Breakdown by Trade



■ North America Trade (\*1)

■ Europe Trade (\*2)

■ North-South Trade (\*3)

■ Asia Trade (\*4)

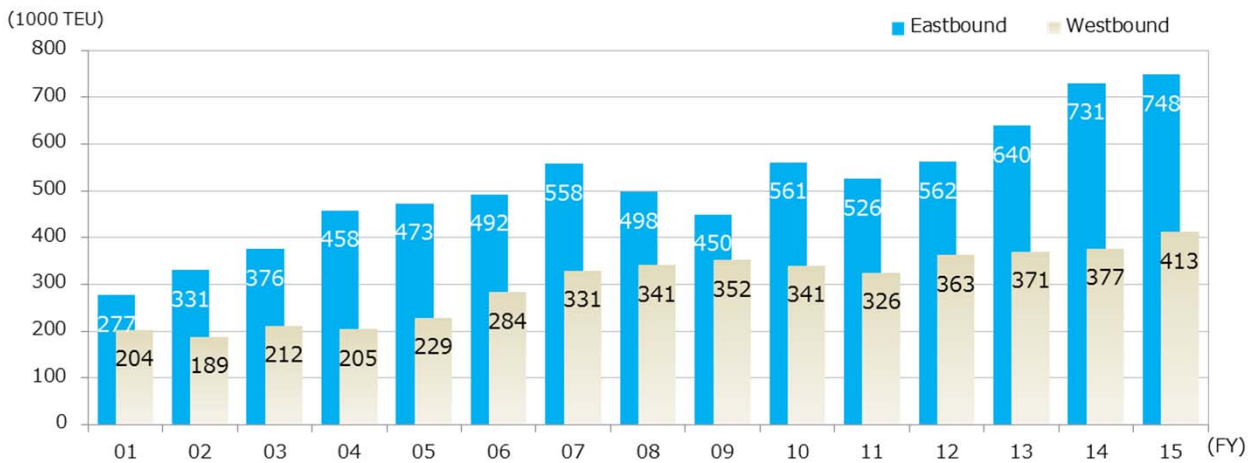
(\*1) Trades from/to North America and Carib, excluding (\*2)

(\*2) Trades from/to Europe

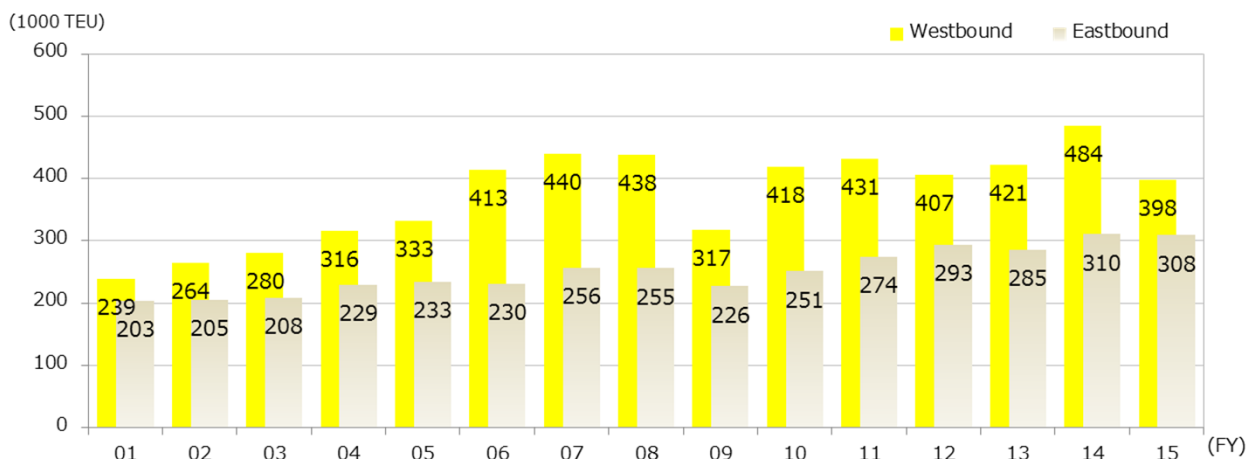
(\*3) Trades from/to South America and Africa, excluding (\*1)(\*2)

(\*4) Intra-Asia(incl. Middle-East) trades, Trades from/to Oceania, excluding (\*1)

● MOL Lifting : Transpacific Trade

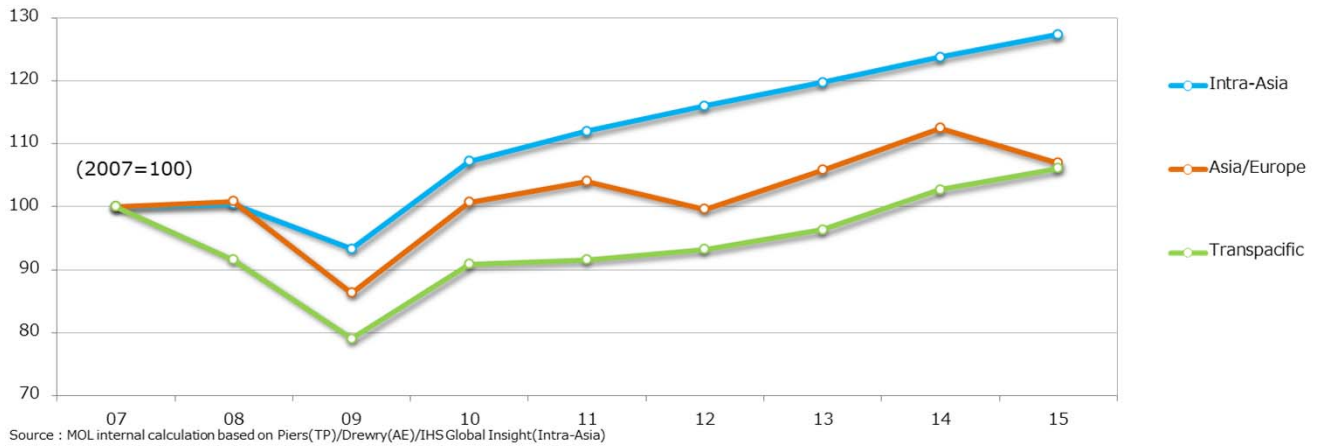


● MOL Lifting : Asia/Europe Trade

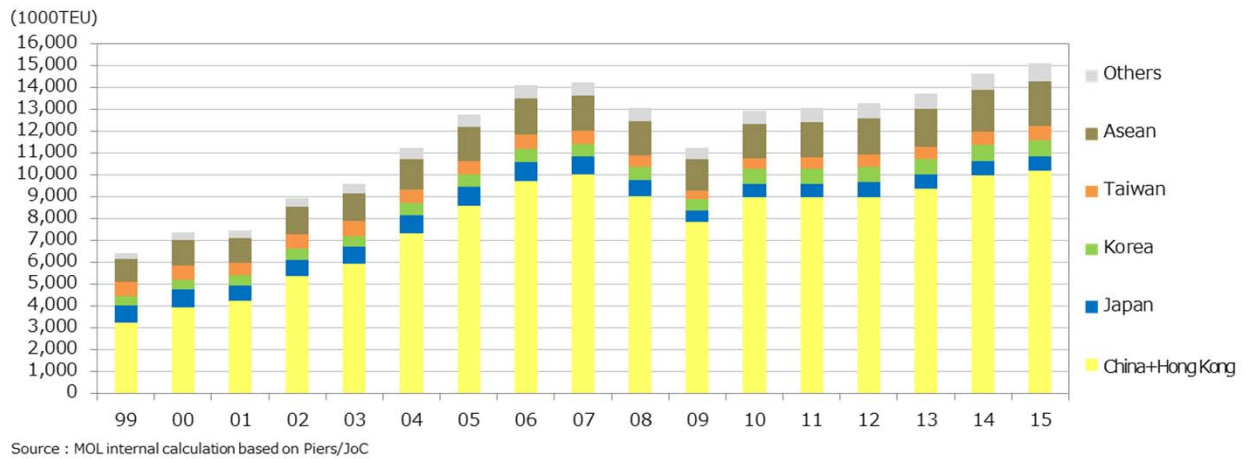




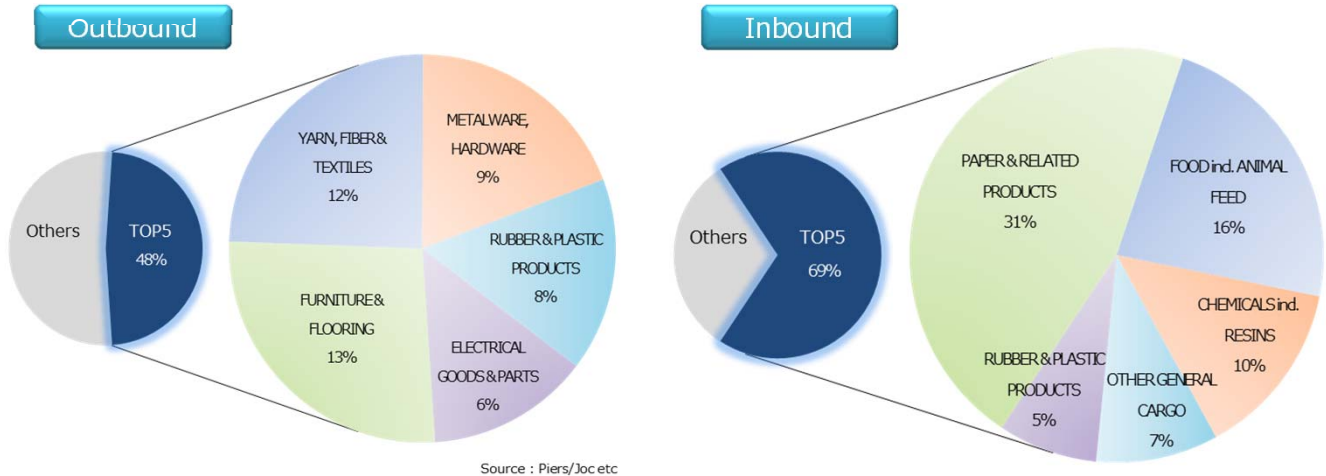
● Cargo Movements in Major Trades (Transpacific · Asia/Europe · Intra-Asia Trades)



● Transpacific Trade : Cargo Movements(Outbound by Export Area)

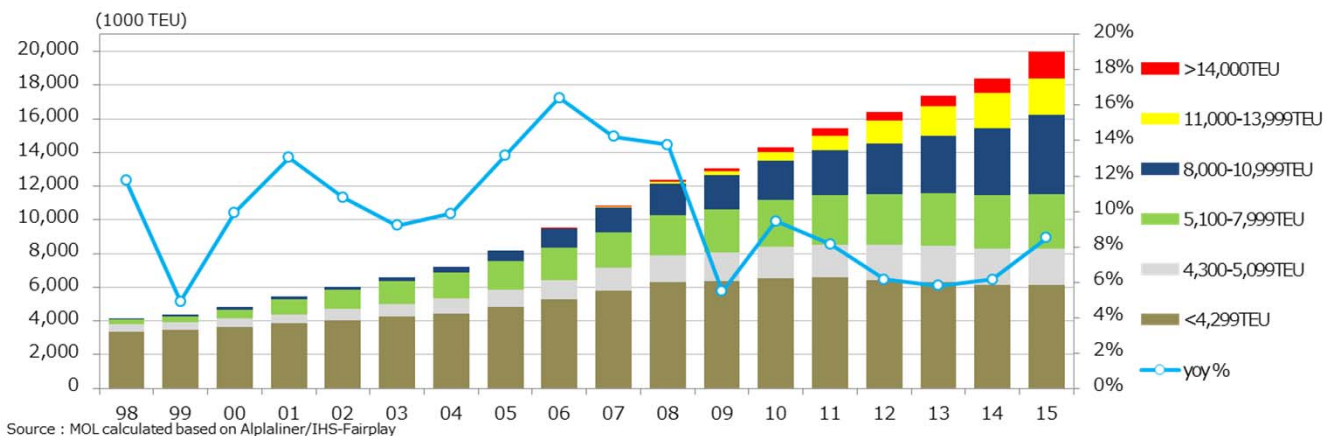


● Transpacific Trade : Cargo Movement by Commodity



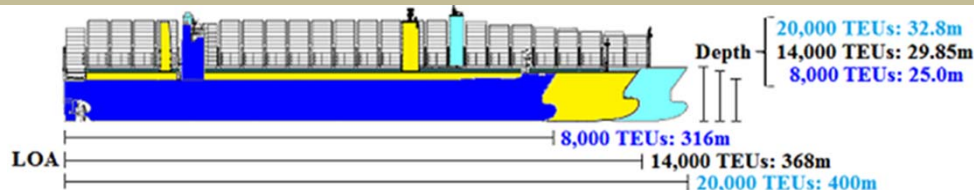
● Global Containership Capacity by TEU size range

Source : Piers/JoC etc

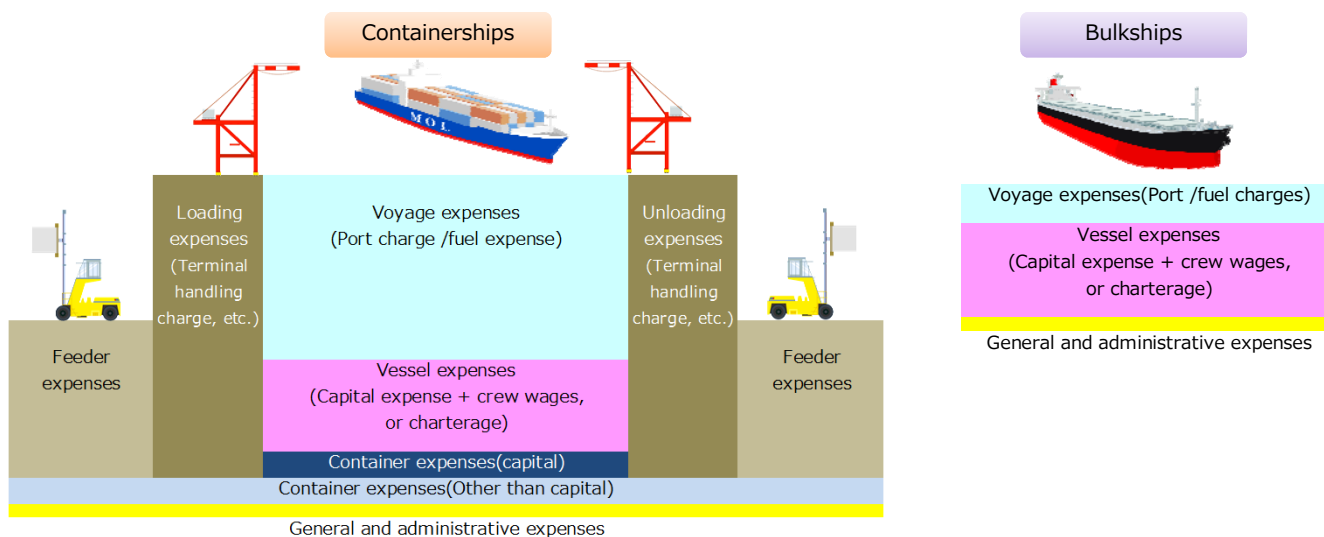


● MOL : ULCS(over 10,000TEUs) delivery schedule (Result/Plan)

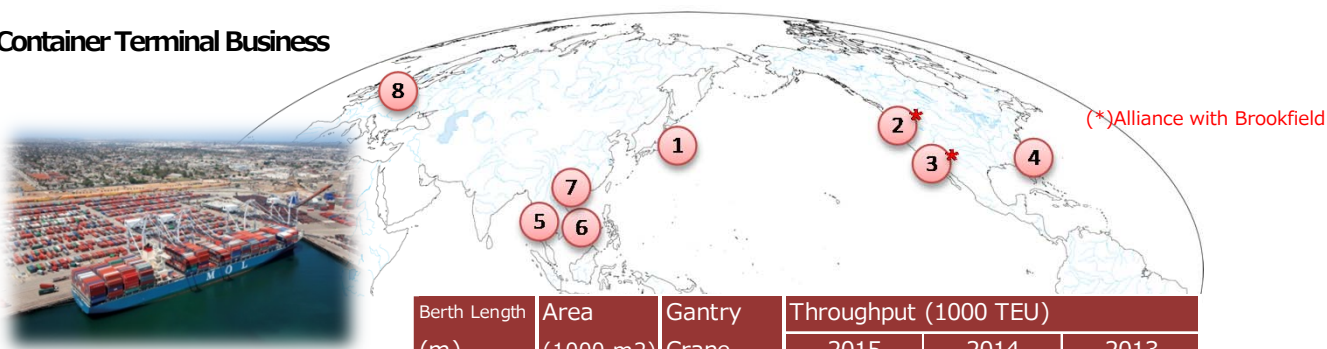
delivery	size(TEU)	number	trade	own/charter
FY2013	14,000	×4	Asia-Europe	charter
FY2014	14,000	×1	Asia-Europe	charter
	10,000	×4	Asia-Europe	charter
FY2015	10,000	×1	Asia-Europe	charter
	10,000	×4	Transpacific	charter
FY2016	10,000	×1	Transpacific	charter
	20,000	×1	Asia-Europe	charter
FY2017	20,000	×5	Asia-Europe	charter



● Cost Items & Structure : Comparison between Containerships and Bulkships



● Container Terminal Business

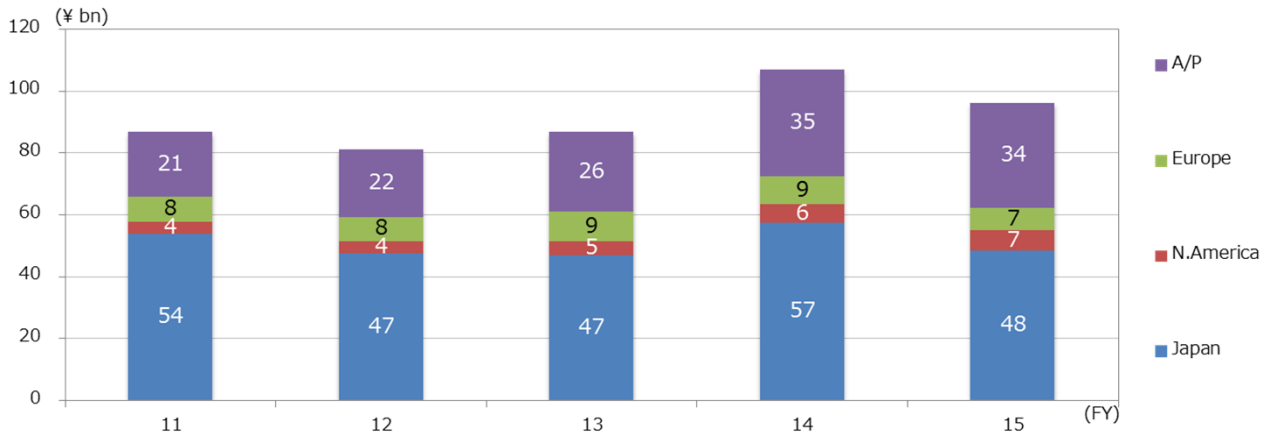


	Berth Length (m)	Area (1000 m <sup>2</sup> )	Gantry Crane	Throughput (1000 TEU)			
				2015	2014	2013	
① Tokyo	Japan	684	277	6	645	689	733
	Yokohama	300	105	3	142	150	145
	Osaka	350	105	2	142	148	155
	Kobe	800	258	5	599	556	534
② LA	USA	930	704	10	828	662	658
③ Oakland		336	136	4	259	257	236
④ Jacksonville		730	647	6	230	233	194
⑤ Laem Chabang	Thailand	300	105	5	777	924	842
⑥ Cai Mep	Vietnam	590	346	6	979	924	644
⑦ Hai Phong		750	450	6	to be opened in 2018		
⑧ Rotterdam(*)	Netherlands	1,900	1,560	14	89		

(\*)Rotterdam World Gateway (RWG) Opened in Q3/2015

● MOL Group Logistics Business

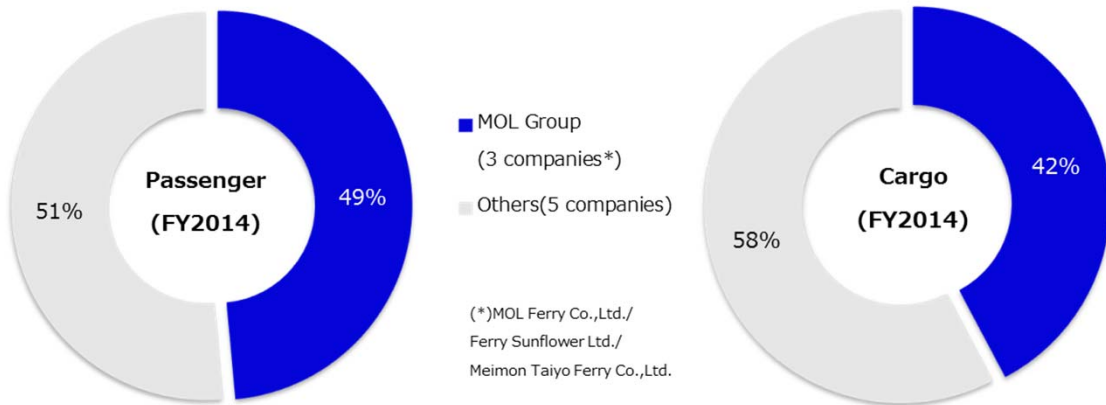
Revenue by Area



Revenue by Segment

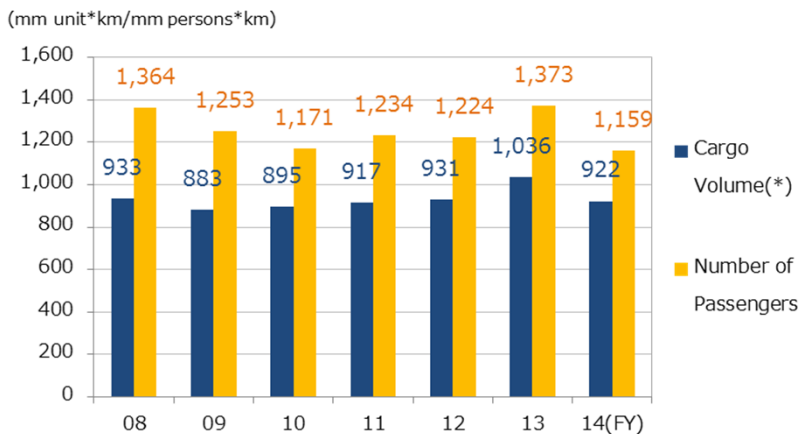


● MOL Group's Share in Long Course Ferry Market in Japan



Source : MOL internal calculation based on JLCFSA

● Traffic Volume by Long Course Ferry Service



Source : MLIT "Maritime Bureau Annual Report"

(\*) 8t Truck equivalent



Associated Businesses	Real Estate	Creating stable profits mainly by Daibiru Corp., the core company in the MOL's real estate business
	Cruise Ship	Operating cruise ship "NIPPON MARU"
	Tugboat	Expanding businesses in foreign ports in addition to domestic ports
	Trading	Selling fuel oil, Ship equipments (PBCF) and materials, etc.
	Others	Travel agent, Temporary staffing, etc.

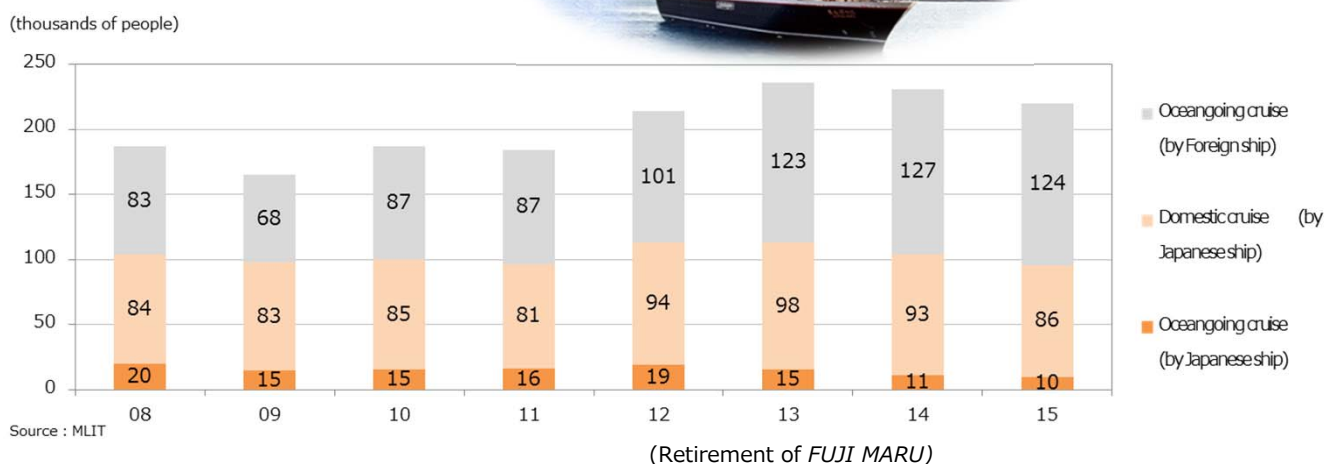
● Daibiru Corp. : Midterm Management Plan "Design100" Project Phase-1



Source : Daibiru Corp.



● Number of Cruise Passengers in Japan

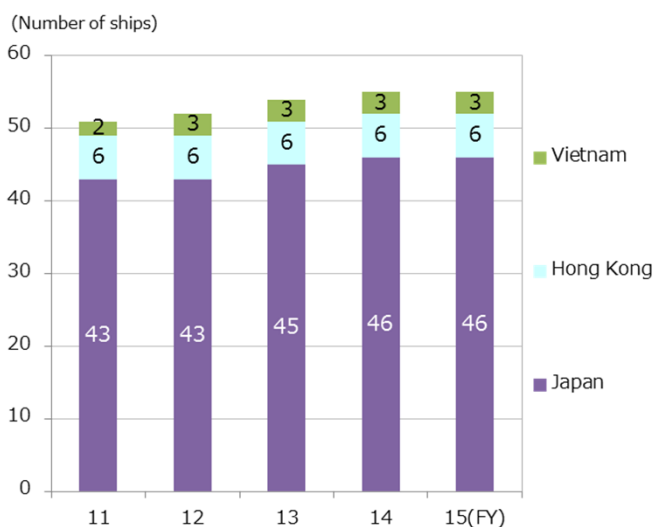


Source : MLIT

(Retirement of FUJI MARU)



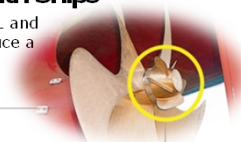
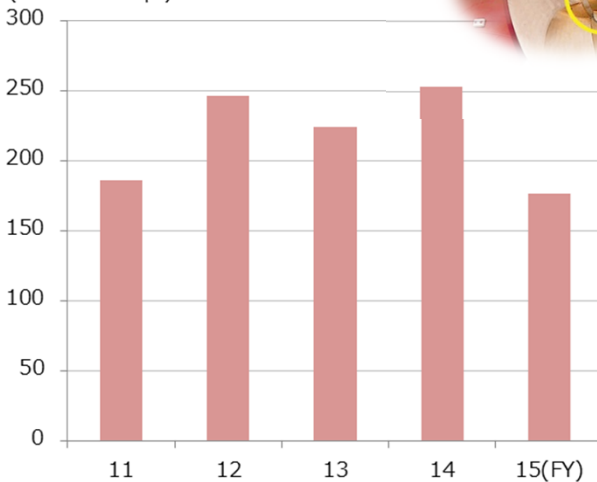
● MOL Group Tugboat Fleet Scale



● Sales Results of PBCF(\*) Installed with Ships

(\*)Propeller Boss Cap Fins, jointly developed by MOL and other parties, improve propeller efficiency and produce a 4% to 5% improvement in fuel efficiency.

(Number of ships)





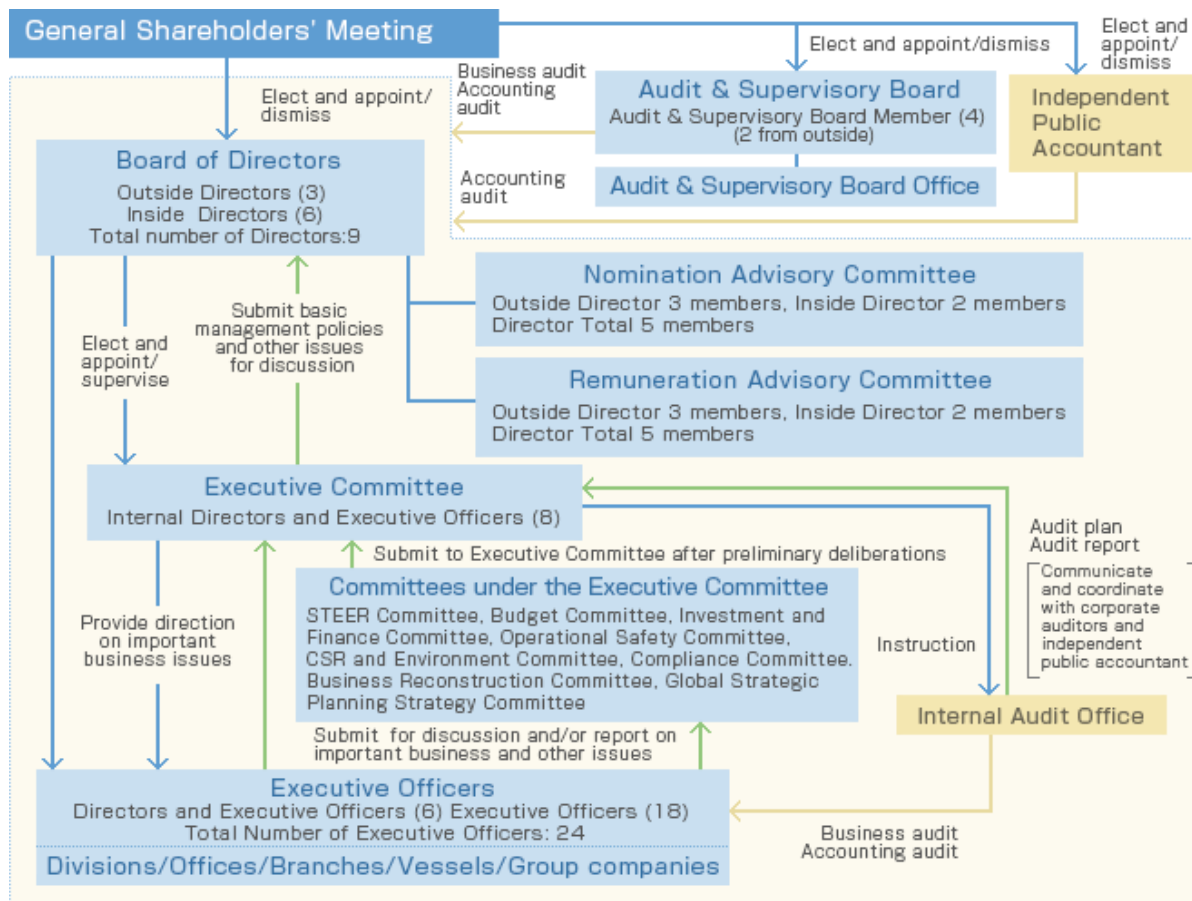
● MOL's Philosophy on Corporate Governance

for further information <http://www.mol.co.jp/en/csr/index.html>

MOL aims to maximize stakeholders' profits through the most appropriate allocation of management resources, with higher transparency of corporate management from the shareholders' viewpoint. This philosophy is set out in the MOL Group Corporate Principles as follows: "We will strive to maximize corporate value by always being creative, continually pursuing higher operating efficiency, and promoting an open and transparent management style that is guided by the highest ethical and social standards."

● Overview of Corporate Governance Organization (as of Jun 21, 2016)

MOL adopts a structure whereby the Board of Directors, with the participation of independent outside directors, supervises and encourages business operations, which are carried out by the president as chief executive officer. The company introduced an outside director system in 2000.



[Corporate Governance System]

Type of system	Company with the corporate auditors
Number of directors	9
Of which, number of outside directors (ratio)	3 (1/3)
Number of corporate auditors	4
Of which, number of outside corporate auditors (ratio)	2 (1/2)
Number of Independent directors/corporate auditors	5
Number of Board Meetings held in FY2015	10 times
Term of office for directors	1 year
Stock Option to Directors	Yes (excluding corporate auditors)
System of retirement benefits	No
Takeover defense measures	No
Compliance policy	Yes

[Compliance System]

MOL believes compliance means not only complying with legislation and internal rules, but also observing voluntarily established internal rules (Rules of Conduct) in carrying out corporate activities, including respecting human rights, refusing to permit discrimination and harassment, and preventing corruption in accordance with social norms and corporate ethics.

**Basic Policies for Compliance**  
(Compliance Rules Article 3)

1. Strive to follow the MOL Corporate Principles and make them a reality.
2. Always recognize the public mission and social responsibilities of MOL's business, and maintain the trust of the company's stakeholders.
3. Strictly comply with laws, regulations, and so on, and conduct fair and transparent corporate activities in the context of social norms and corporate ethics.
4. Never yield to antisocial influence, and never be a party to antisocial acts.

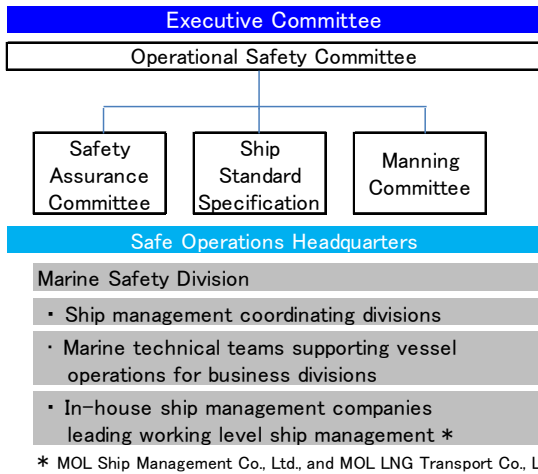
Since MOL conducts business globally, it aims to instill and entrench a compliance-oriented mind-set not only at Head Office, but also at Group companies in Japan and overseas. To this end, it regularly conducts E-learning and in-house training programs.

In fiscal 2012, MOL revised its guidelines on antimonopoly laws in order to further enforce compliance and notified the amendments to Group companies in Japan and overseas.

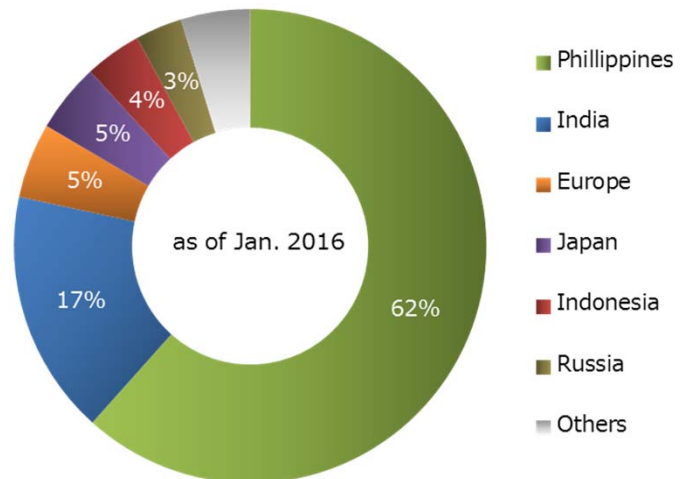
~ Forging Ahead to Become the World Leader in Safe Operation ~

for further information  
<http://www.mol.co.jp/en/csr/index.html>

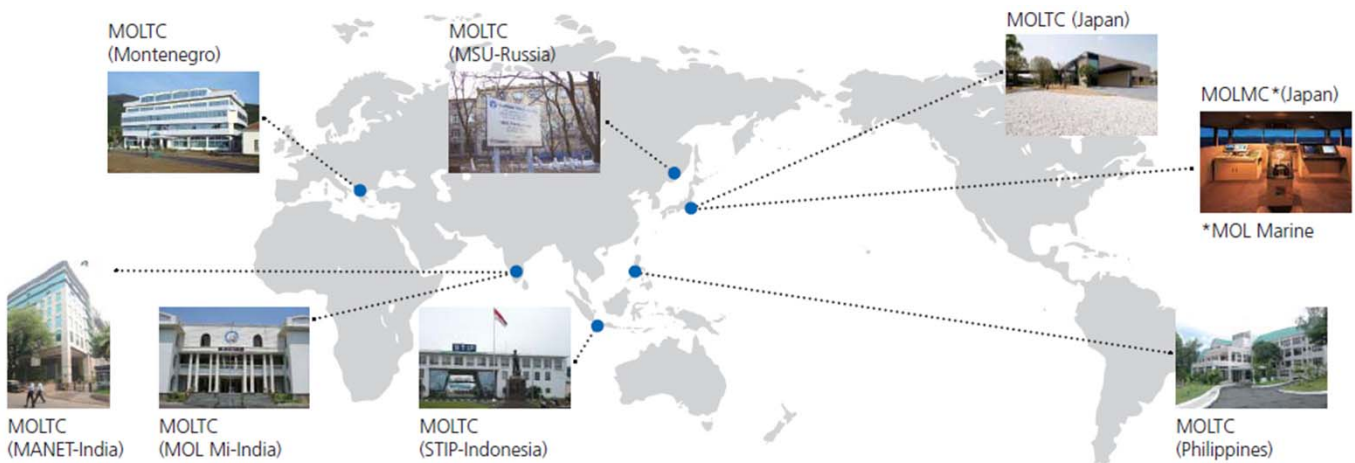
● Safe Operation Management Structure



● Nationality Ratio of Seafarers(MOL owned vessel)



● The MOL Training Centers, where excellent seafarers around the world are trained

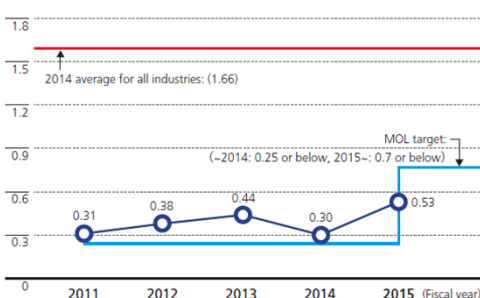


● Making Processes for Realizing Safe Operation Visible

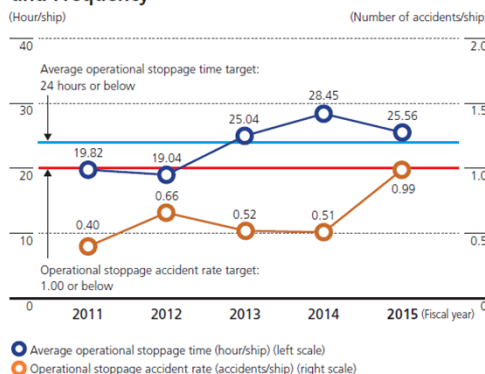
MOL has introduced objective performance indicators for measuring safety levels, and also set the following numerical targets, including the Four Zeroes.

- ① Four Zeroes (an unblemished record in terms of serious marine incidents, oil pollution, fatal accidents and heavy cargo damage)
- ② LTIF(\*1) (Lost Time Injury Frequency) : 0.25 or below
- ③ Operational stoppage time(\*2) : 24 hours/ship or below
- ④ 4.Operational stoppage accident rate(\*3) : 1.0/ship or below

Lost Time Injury Frequency (LTIF)



Operational Stoppage Accidents Average Time and Frequency



(\*1) Number of work-related accidents per one million hours worked that resulted in time lost from work of one day or more. Average for all industries (2014) was 1.66; for shipping industry, 1.33; for transportation equipment manufacturing industry, 0.51. (Source: 2014 Survey on Industrial Accidents issued by the Ministry of Health, Labour and Welfare)

(\*2) Expresses the amount of ship operational stoppage time due to accidents per ship per year.

(\*3) Expresses the number of accidents that result in ship operational stoppage per ship per year.

● **Schedule of Environmental Regulations by IMO,etc.**

for further information  
<http://www.mol.co.jp/en/csr/index.html>

Reduce environmental impact through overall optimization and serving for global environmental protection by engaging in company-wide efforts and response to diverse environmental regulations.

Regulations			2015	2016	2017	2018	2019	2020	2025	
Tackling Global Warming	GHG emissions	EEDI*1	Phase 1					Phase 2	Phase 3	
		SEEMP*2	Required							
		*Introduction of MRV (Monitoring, Reporting and Verification of actual consumption) and MBM (Market-based Measures) is under study toward further reduction of GHG emissions.								
Preventing Air Pollution	Nox emissions*3	General Sea Areas	Tier II							
		ECA*4	Tier II	Tier III						
	Sox emissions*5	General Sea Areas	Sulfur limit 3.5%					Sulfur limit 0.5% *6		
		ECA	Sulfur limit 0.1%							
Marine Environment Protection	Ballast Water Management Convention *7	General Sea Areas	(Adopted in 2004: not ratified)		Required ?					
		Regulation by USCG*8	(Enforced in 2012)	Required						
	Minimizing the transfer of invasive aquatic species by shipping *9		(Guideline adopted in 2011)							
	Ship Recycling Convention *10		(Adopted in 2009: not ratified)							

- (\*1) EEDI(Energy Efficiency Design Index) is a measure of ships energy efficiency (g/ton-mile). The required EEDI of each Phase is as follows : Phase 0=0%, Phase 1= max 10%, Phase 2=max 20% (Applied to new ships)
- (\*2) SEEMP (Ship Energy Efficiency Management Plan) is required to be drawn up to show optimal measures of operation that should be adjusted to the characteristics of individual ships, and to be kept on board a ship. (Applied to both new and existing ships)
- (\*3) The regulation for reduction of NOx in exhaust gases: Tier I is applied to ships laid down in 2000~2010, Tier II to ships laid down in/after 2011, and Tier III to ships laid down in/after 2016.
- (\*4) The existing ECAs (Emission Control Areas) are : ①Within 200 miles off the coast of USA and Canada (NOx/SOx) ②The USA Caribbean Sea area (NOx/SOx) ③The Baltic Sea and the North Sea areas (SOx)
- (\*5) The regulations for reduction of SOx contained in fuel oil (Applied to both new and existing ships)
- (\*6) A review in 2018 on the availability of the required fuel oil may conclude to postpone the application to 2025.
- (\*7) The convention shall enter in force 12 months after the following conditions are met, and it is increasingly likely that it enters into force in 2017. (Applied to both new ships and, after certain grace periods, to existing ships)  
 (Conditions) Ratification by not less than 30 countries representing a combined total G/T of more than 35% of the world's merchant fleet. (As of May 2016, 49 countries representing a combined total G/T of 34.79% have ratified.)
- (\*8) Regional regulation by U.S. Coast Guard.
- (\*9) The guideline aimed at minimizing transfer of invasive aquatic species attaching to the bottom of ships, recommending installation of the systems on vessels to keep the bottom clean without marine organisms and other measures. (It remains as a voluntary guideline during the review period.)
- (\*10) The convention prohibits and restricts the fitting and use of treaty-specified hazardous materials, and requires vessels to prepare, record and update inventory lists showing the quantity and location of hazardous materials on ships over a ship's lifetime. The convention shall enter into force 24 months after the following conditions are met:  
 (Conditions) Ratification by not less than 15 countries representing a combined total G/T of more than 40% of the world's merchant fleet and an annual ship recycling volume not less than 3% of the combined tonnage of the ratifying countries. (As of Mar. 2016, 3 countries have ratified.)

● **Next-generation Car Carriers "FLEXIE" to Feature**



[to be delivered in 2017]  
 The rounded bow shape will minimize wind resistance and is expected to reduce CO2 emissions by about 2% compared to today's car carriers.

● **Environmental Investments** (¥ bn)

(FY)	2014	2015
Environment-related R&D activities	0.7	0.3
Utilization and expansion of existing environmental technologies	2.1	0.9
Response to environmental regulations	0.5	2.2
Initiatives to save bunker fuel	0.9	1.0
Initiatives of Group companies	0.2	3.0
<b>Total</b>	<b>4.3</b>	<b>4.6</b>

**[CO2 and Cost Reductions from Environmental Measures]**

(FY)	2013	2014	2015
CO <sub>2</sub> emission reductions (1,000t)	27.9	34.8	30.3
Cost Reduction (¥ bn)	5.5	5.5	3.1

● **Participating in the UN Global Compact**

▶ for further information <http://www.mol.co.jp/en/csr/index.html>

MOL became the first Japanese shipping company to participate in the United Nations Global Compact in 2005.

**10 Principles of the Global Compact**

<b>Human Right</b>	Principle 1 : The support and respect of the protection of international human rights; Principle 2 : The refusal to participate or condone human rights abuses.
<b>Labour</b>	Principle 3 : The support freedom of association and the recognition of the right to collective bargaining; Principle 4 : The abolition of compulsory labor; Principle 5 : The abolition of child labor; Principle 6 : The elimination of discrimination in employment and occupation.
<b>Environment</b>	Principle 7 : The implementation of a precautionary and effective program to environmental issues; Principle 8 : Initiatives that demonstrate environmental responsibility; Principle 9 : The promotion of the diffusion of environmentally friendly technologies.
<b>Anti-Corruption</b>	Principle 10 : The promotion and adoption of initiatives to counter all forms of corruption, including extortion and bribery.

● **External Recognition**

General CSR Activities-Related(Including SRI)

□ **Selection as a Component in Dow Jones Sustainability Indices**

Since 2003, MOL has been included in the Dow Jones Sustainability Index (DJSI) Asia Pacific. This designation is reserved for companies meeting international criteria for social responsibility in areas such as environmental protection, human rights, corporate governance, and relationships with stakeholders. The component companies are also expected to demonstrate sustainable business practices.

□ **Selection as a Component in FTSE4Good Index**

FTSE is a global index company owned by the London Stock Exchange. Since 2003, FTSE has included MOL in one of its major indices, the FTSE4Good Global Index, which is a socially responsible investment index.

□ **Morningstar Socially Responsible Investment Index (MS-SRI)**

MOL has been included in the MS-SRI since 2003 for its superior social responsibility. The MS-SRI is composed of stocks that have been selected by Morningstar Japan K.K..

□ **Global 100 Most Sustainable Corporations in the World**

In 2011, MOL was included among the "Global 100 Most Sustainable Corporations in the World," a listing announced each year by Canadian publishing company Corporate Knights Inc.

□ **SMBC Sustainability Assessment Loan**

In 2016, MOL received the highest rating for SMBC Sustainability Assessment Loans from Sumitomo Mitsui Banking Corporation (SMBC). The loan program evaluates corporate actions such as disclosure of environmental, social, and corporate governance (ESG) information and initiatives on sustainability.

□ **SMBC Nadeshiko Assessment Loan**

In 2016, MOL became the first Japanese company in the ocean shipping industry to acquire SMBC Nadeshiko Assessment Loan status in recognition of MOL as a growth company in which more women have the opportunity of a career.



FTSE4Good



Safe Operation(Including Recognition of Seafarer Training Program)

□ **Certification from DNV for LNG Carrier Seafarer Training Program**

MOL's LNG Carrier Standard Training Course, which is run in Japan and overseas, acquired certification in 2007 from Det Norske Veritas AS (DNV) for compliance with the LNG carrier crew ability standards advocated by SIGTTO(\*).

(\*Society of International Gas Tanker & Terminal Operators Ltd.

□ **Certification from DNV for Seafarer Education and Training Management Program**

MOL obtained certification in 2012 in its tanker and LNG carrier operations for its independent seafarer education and training program by DNV. The program received certification for compliance with the Competence Management System (CMS), recognizing its effectiveness.

Environmental Related

□ **ISO 14001 Certification**

MOL introduced environmental management system—MOL EMS21—in 2001, and acquired internationally recognized ISO 14001 certification.

□ **DBJ Environmental Ratings**

In 2011, MOL became the first company in the ocean shipping industry to acquire the "DBJ Environmental Ratings" from the Development Bank of Japan Inc. (DBJ). MOL received the highest rating from DBJ, which cited MOL's "particularly forward-looking approaches to environmental consciousness."

□ **Recognized by CDP as leader for Climate Change**

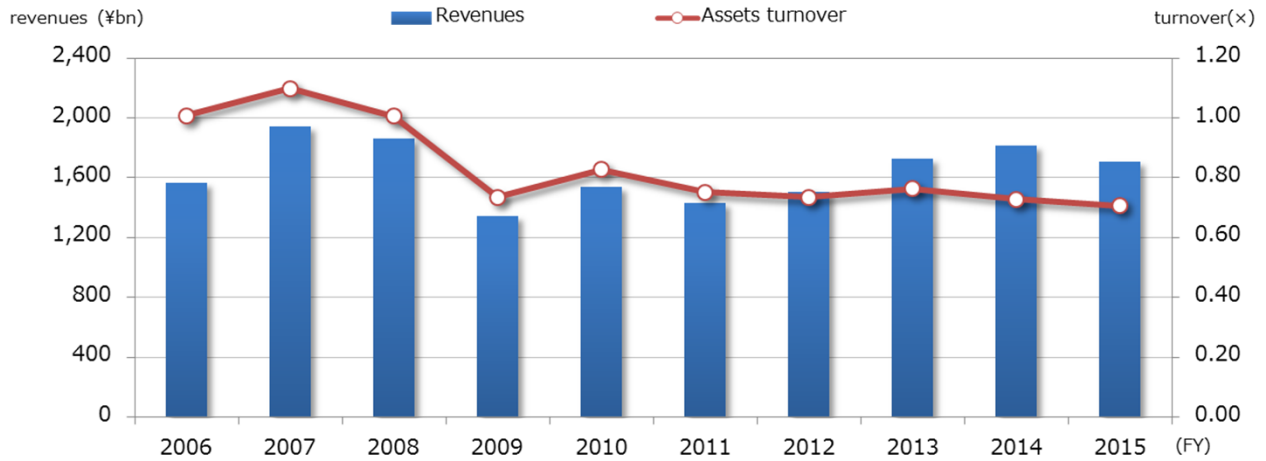
MOL has been recognized as a leader for the depth and quality of climate change data it has disclosed to investors and the global marketplace through CDP global environmental disclosure system for independent assessment. MOL achieved a position in CDP's Japan 500 Climate Disclosure Leadership Index (CDLI).





● Assets Turnover

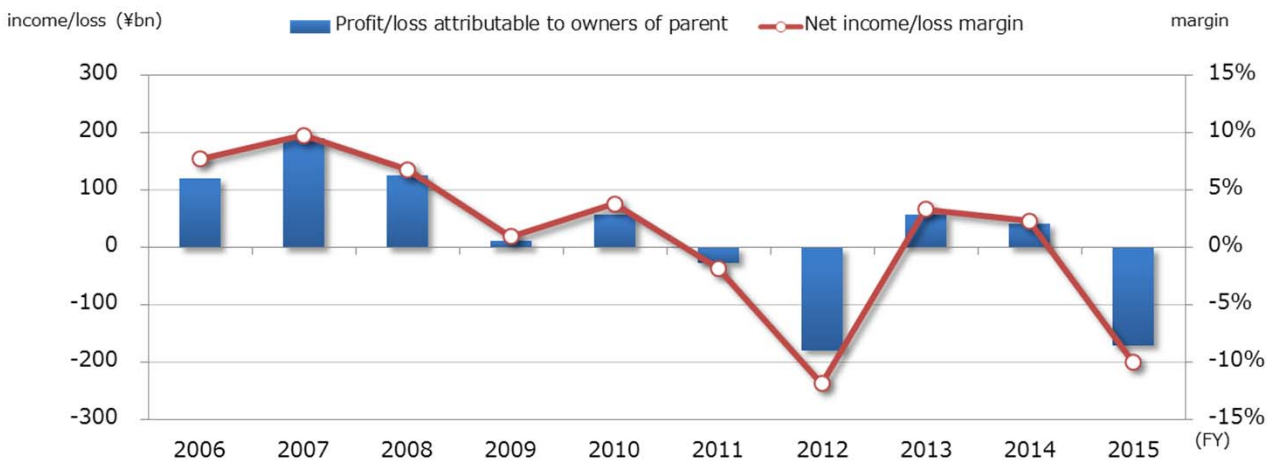
refer to P37 for figures



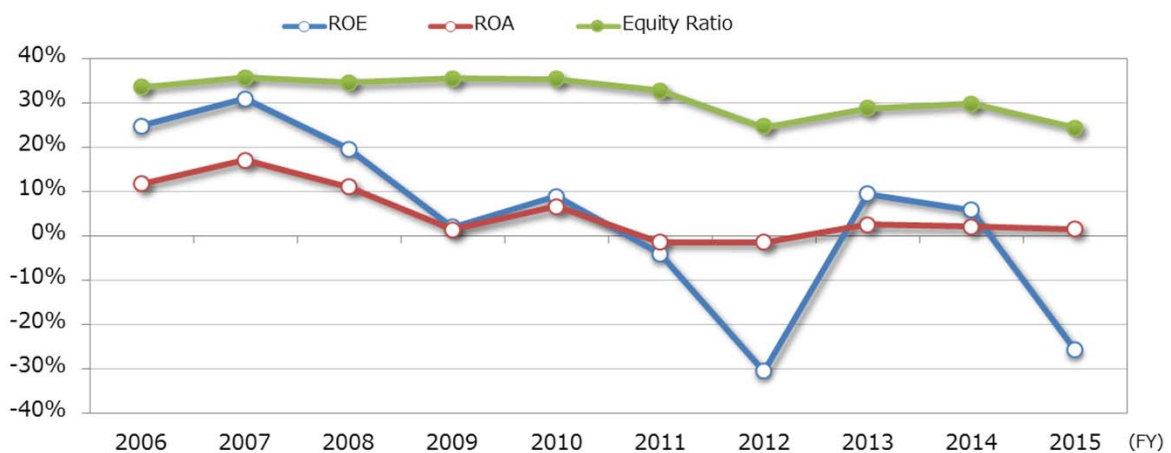
● Ordinary Income(loss) Margin



● Net Income(loss) Margin



● ROE · ROA

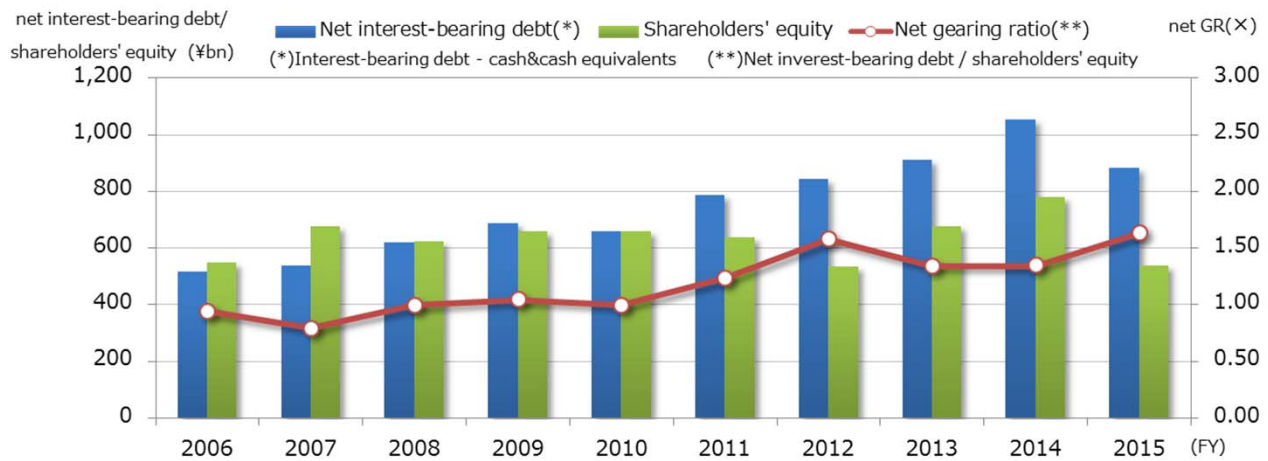


● Interest-bearing Debt · Shareholders' Equity · Gearing Ratio

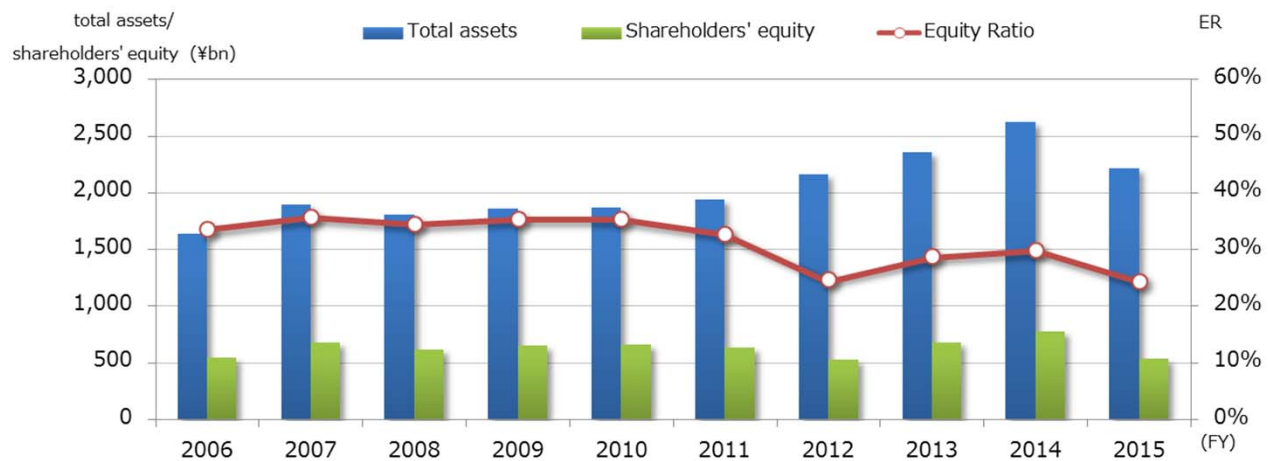
refer to P37 for figures



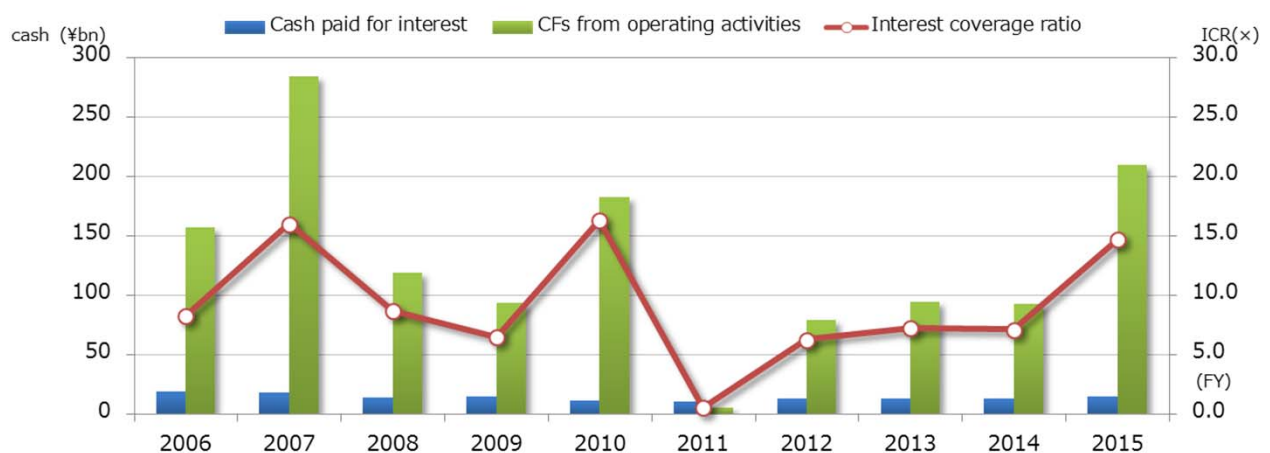
● Net Interest-bearing Debt · Net Gearing Ratio



● Total Assets · Shareholders' Equity · Equity Ratio

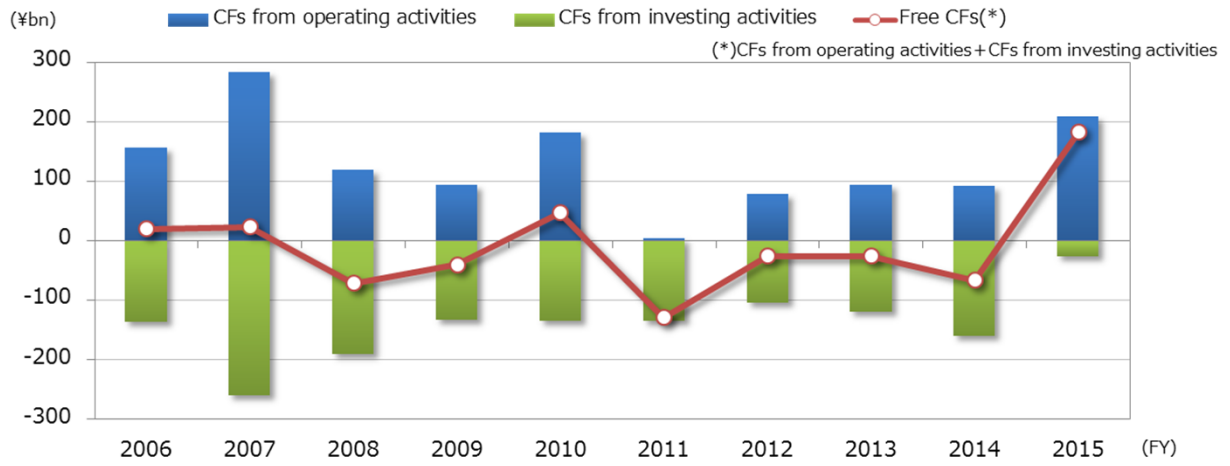


● Cash Paid for Interest · CFs from Operating Activities · Interest Coverage Ratio

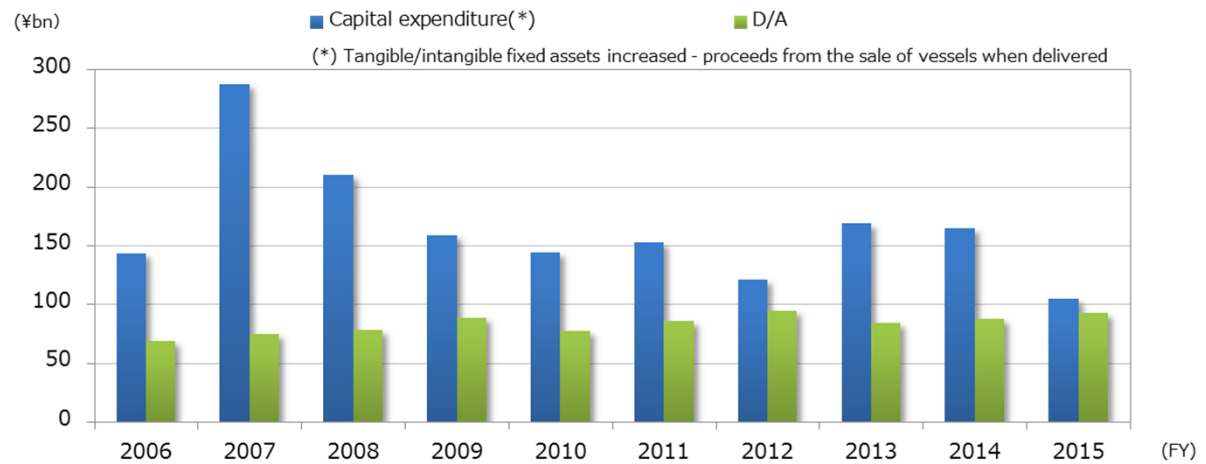


● CFs from Operating Activities · CFs from Investing Activities · Free CFs

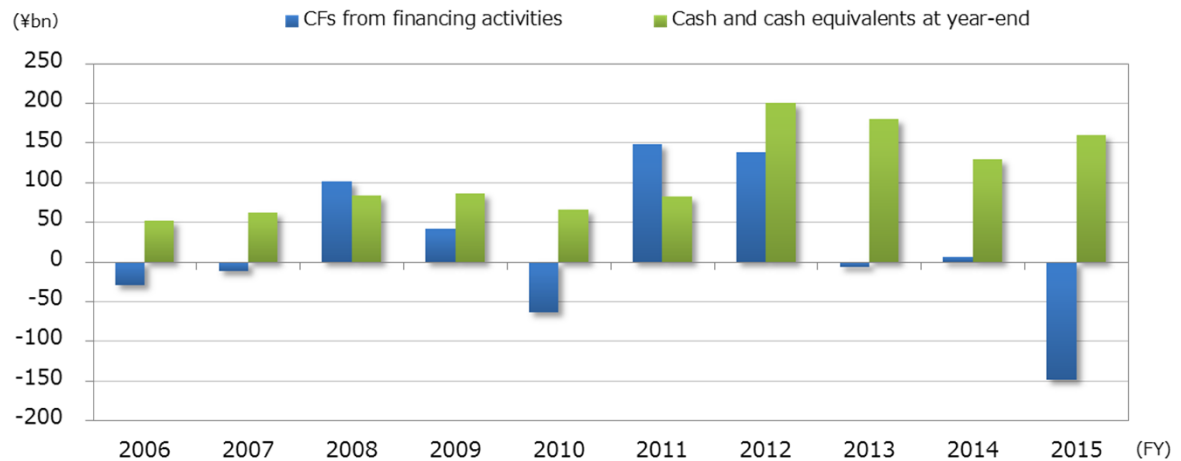
refer to P37 for figures



● Capital Expenditure · Depreciation & Amortization

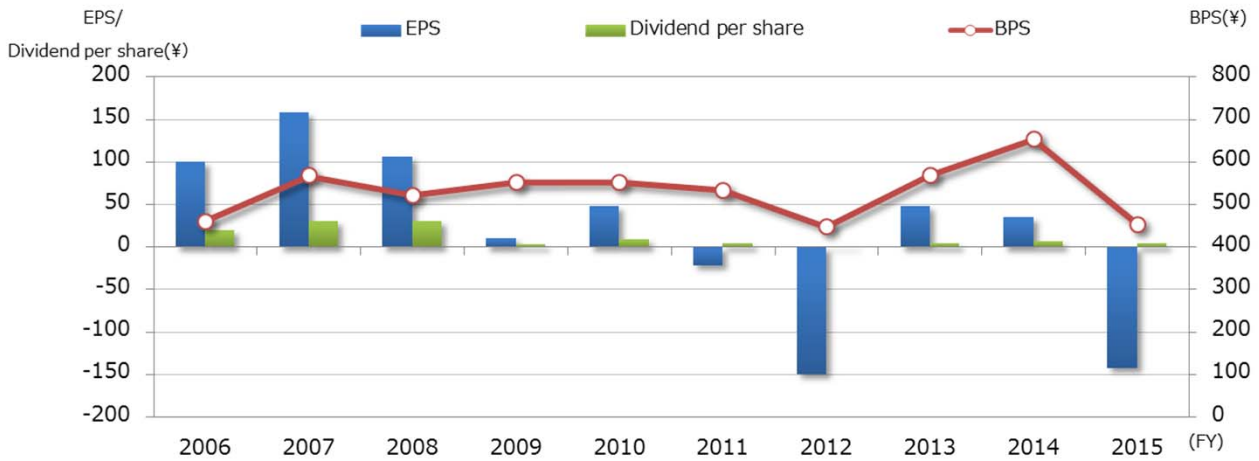


● CFs from Financing Activities · Cash & Cash Equivalents at term end

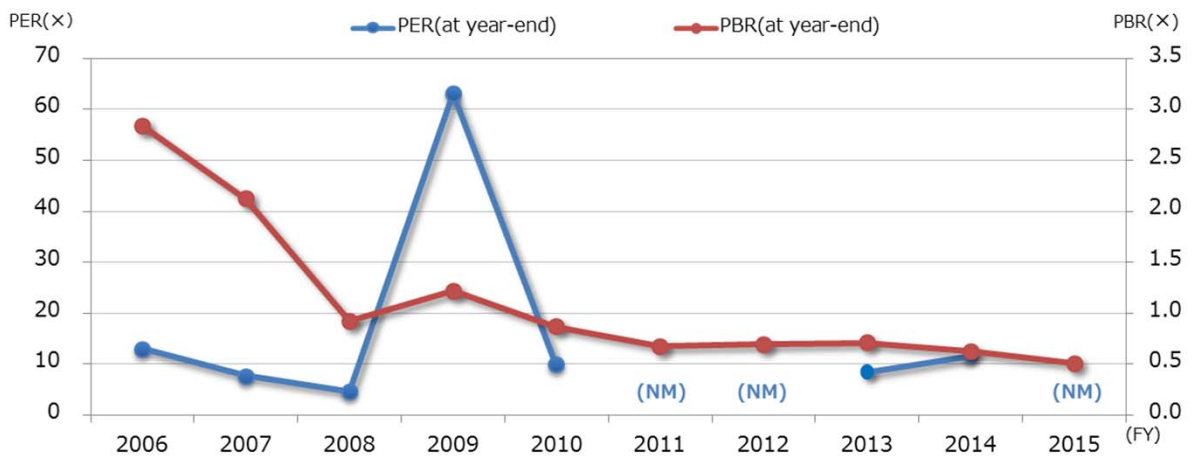


● EPS · Dividend per Share · BPS

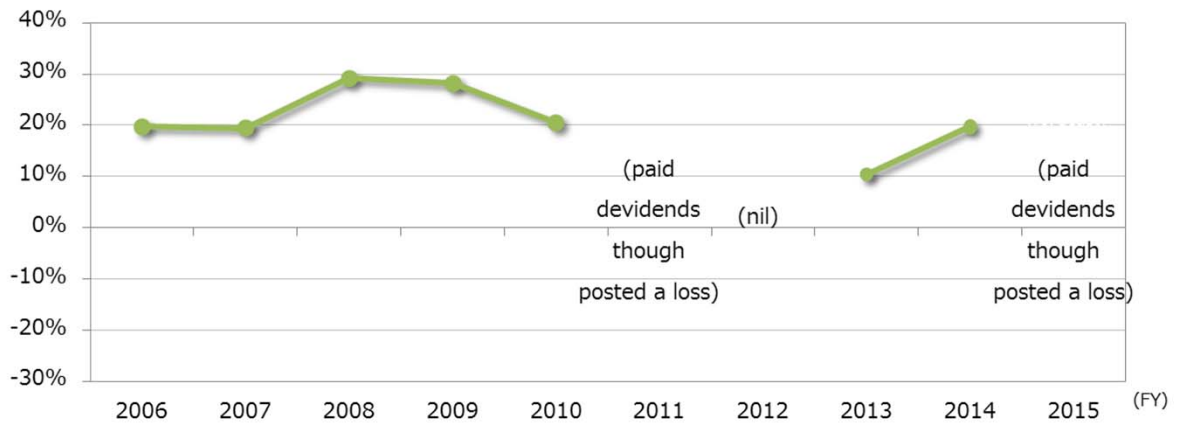
refer to P37 for figures



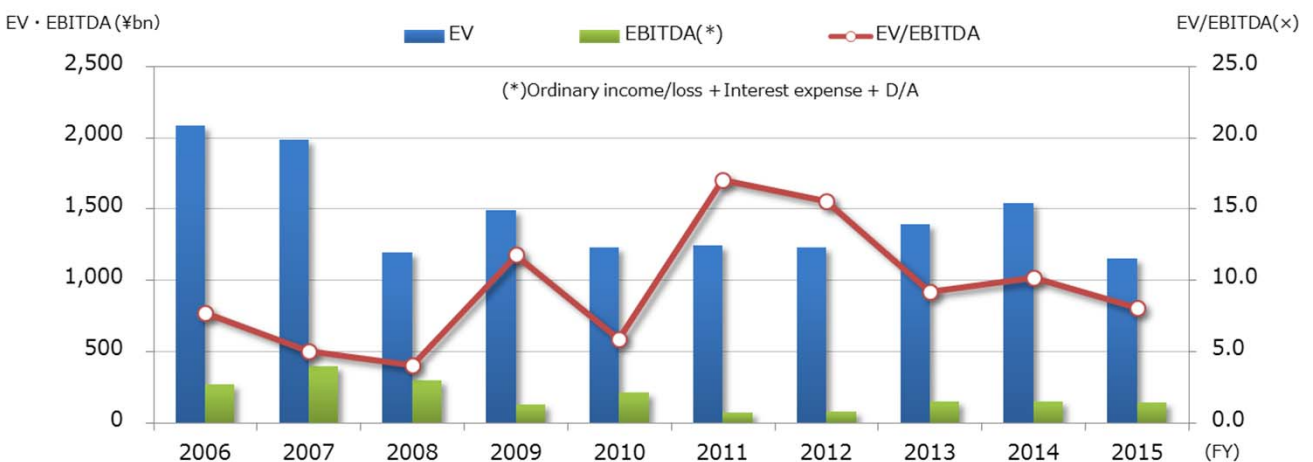
● PER · PBR



● Payout Ratio



● EV · EBITDA





## ● Financial Statements (10-year summary)

(\$ mm)

		(FY)	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
		(Year ended)	Mar.2007	Mar.2008	Mar.2009	Mar.2010	Mar.2011	Mar.2012	Mar.2013	Mar.2014	Mar.2015	Mar.2016
P/L	Shipping and other revenues		1,568,435	1,945,696	1,865,802	1,347,964	1,543,660	1,435,220	1,509,194	1,729,452	1,817,069	1,712,222
	Shipping and other expenses		1,300,038	1,544,109	1,564,485	1,228,478	1,328,959	1,368,794	1,432,014	1,587,902	1,683,795	1,594,568
	D/A		68,581	74,480	78,155	88,366	77,445	85,624	94,685	83,983	87,803	92,771
	Selling,general/administrative expenses		100,323	110,302	104,104	98,546	91,300	90,885	92,946	100,458	116,024	115,330
	<b>Operating income/loss</b>		<b>168,073</b>	<b>291,284</b>	<b>197,211</b>	<b>20,939</b>	<b>123,400</b>	<b>-24,459</b>	<b>-15,766</b>	<b>41,092</b>	<b>17,249</b>	<b>2,323</b>
	Non-operating income		34,806	38,992	31,401	19,996	17,226	17,581	12,304	29,507	48,765	50,747
	Interests and dividends		7,627	8,780	7,959	4,315	5,506	7,957	5,165	9,340	9,624	10,209
	Equity in earnings of affiliates		16,171	18,198	15,999	5,362	8,174	3,300	-	-	4,930	9,178
	FX gains		-	-	-	3,353	-	-	-	11,392	25,523	23,907
	Non-operating expenses		20,391	28,058	24,102	16,701	19,005	17,442	25,105	15,613	14,685	16,803
	Interests		18,275	18,065	13,929	14,175	11,371	11,511	13,020	12,583	12,555	14,576
	Equity in losses of affiliates		-	-	-	-	-	-	4,935	1,234	-	-
	FX losses		-	-	4,610	-	4,584	4,440	3,296	-	-	-
	<b>Ordinary income/loss</b>		<b>182,488</b>	<b>302,219</b>	<b>204,510</b>	<b>24,234</b>	<b>121,621</b>	<b>-24,320</b>	<b>-28,568</b>	<b>54,985</b>	<b>51,330</b>	<b>36,267</b>
	Extraordinary profit		20,551	34,148	20,272	27,559	11,160	14,022	16,064	36,050	26,152	30,011
	Gain on sale of fixed assets		13,771	19,485	12,824	15,565	6,359	11,558	12,253	7,094	16,225	9,430
	Extraordinary loss		5,185	18,164	27,050	24,017	37,415	23,218	125,434	19,325	19,150	220,665
	Loss on sale of fixed assets		363	1,741	354	5,513	2,459	664	3,104	6,510	896	628
	Loss for impairment		-	-	-	-	10,238	5,468	10,978	6,447	10,198	-
	<b>Income/loss before income tax</b>		<b>197,854</b>	<b>318,202</b>	<b>197,732</b>	<b>27,776</b>	<b>95,366</b>	<b>-33,516</b>	<b>-137,938</b>	<b>71,710</b>	<b>58,332</b>	<b>(154,385)</b>
Income taxes-current		63,041	115,183	65,073	8,078	36,431	9,546	11,324	13,796	12,440	11,133	
Income taxes-deferred		7,468	5,693	638	3,763	-2,797	-20,814	24,799	-4,525	-2,577	260	
Profit/loss attributable to non-controlling interests		6,403	7,004	5,032	3,211	3,455	3,761	4,783	5,045	6,113	4,668	
<b>Profit/loss attributable to owners of parent</b>		<b>120,940</b>	<b>190,321</b>	<b>126,987</b>	<b>12,722</b>	<b>58,277</b>	<b>-26,009</b>	<b>-178,846</b>	<b>57,393</b>	<b>42,356</b>	<b>-170,447</b>	
B/S	Total assets		1,639,940	1,900,551	1,807,079	1,861,312	1,868,740	1,946,161	2,164,611	2,364,695	2,624,049	2,219,587
	Current assets		405,473	506,077	428,597	352,030	344,443	386,936	514,246	533,639	511,795	456,475
	Tangible fixed assets		847,660	1,047,824	1,106,746	1,209,175	1,257,823	1,293,802	1,303,967	1,379,244	1,498,028	1,376,431
	Total liabilities		1,018,951	1,148,898	1,112,058	1,125,609	1,128,493	1,228,252	1,545,118	1,581,146	1,731,614	1,572,662
	Current liabilities		482,810	528,390	440,909	355,185	374,268	322,851	425,725	430,045	505,346	463,794
	Interest-bearing debt		569,417	601,174	702,617	775,114	724,259	869,619	1,046,865	1,094,081	1,183,401	1,044,980
	Shareholders' equity *1		550,763	679,315	623,715	659,508	660,795	637,422	535,422	679,160	782,556	540,951
	Ownes' equity		480,091	639,844	727,131	719,532	767,380	732,402	550,714	605,768	636,530	458,121
	Retained earnings		375,443	536,096	623,626	616,736	664,645	629,667	447,829	502,833	533,484	354,179
	Free cash flows : [a]+[b]		20,369	23,291	-71,038	-40,055	46,970	-129,298	-25,285	-25,615	-66,656	182,508
C/F	CFs from operating activities[a]		156,418	283,359	118,984	93,428	181,755	5,014	78,955	94,255	92,494	209,189
	CFs from investing activities[b]		-136,049	-260,068	-190,022	-133,483	-134,785	-134,312	-104,240	-119,870	-159,150	-26,681
	Capital Expenditure *2		143,376	286,973	210,108	158,918	143,579	152,151	120,886	169,028	164,275	104,813
Indices	Ordinary income margin		11.6%	15.5%	11.0%	1.8%	7.9%	-1.7%	-1.9%	3.2%	2.8%	2.1%
	Return on assets(ordinary income)		11.7%	17.1%	11.0%	1.3%	6.5%	-1.3%	-1.4%	2.4%	2.1%	1.5%
	Assets turnover		1.01	1.10	1.01	0.73	0.83	0.75	0.73	0.76	0.73	0.71
	EBITDA *3		269,344	394,764	296,594	126,775	210,437	72,815	79,137	151,551	151,688	143,614
	EV/EBITDA		7.7	5.0	4.0	11.8	5.9	17.0	15.5	9.2	10.15	8.03
	Interest coverage ratio		8.2	15.9	8.6	6.4	16.2	0.5	6.2	7.2	7.1	14.6
	ROE *4		24.8%	30.9%	19.5%	2.0%	8.8%	-4.0%	-30.5%	9.5%	5.8%	-25.8%
	ROA *5		11.7%	17.1%	11.0%	1.3%	6.5%	-1.3%	-1.4%	2.4%	2.1%	1.5%
Gearing ratio *6		103%	88%	113%	118%	110%	136%	196%	161%	151%	193%	
Net gearing ratio *7		94%	79%	99%	105%	100%	123%	158%	135%	135%	164%	
Equity ratio		33.6%	35.7%	34.5%	35.4%	35.4%	32.8%	24.7%	28.7%	29.8%	24.4%	
Per share	EPS( ¥ )		101.20	159.14	106.13	10.63	48.75	-21.76	-149.57	47.99	35.42	(142.50)
	Shareholders' equity per share( ¥ )		459.55	567.74	521.23	551.70	552.83	533.27	447.76	567.90	654.26	452.28
	Dividend per share( ¥ )		20	31	31	3	10	5	0	5	7	5
	PER(at fiscal year-end)		12.92	7.57	4.53	63.12	9.83	NM	NM	8.38	11.52	NM
	PBR(at fiscal year-end)		2.84	2.12	0.92	1.22	0.87	0.68	0.69	0.71	0.62	0.51
	Payout ratio(consolidated)		19.8%	19.5%	29.2%	28.2%	20.5%	NM	NM	10.4%	19.8%	NM
	Cash flows per share( ¥ )		130.9	236.8	99.4	78.2	152.0	4.2	66.0	78.8	77.3	174.9
	Number of shares issued and outstanding at year-end *8		1,195,295,415	1,196,526,410	1,196,629,561	1,195,407,722	1,196,043,380	1,196,052,230	1,196,067,835	1,195,955,286	1,196,111,575	1,196,075,900

\*1 After FY2006: "Owners' equity" + "accumulated gains/losses from valuation and translation adjustments"

\*2 The actual amount calculated by deducting proceeds from the sale of vessels when delivered from "tangible/intangible fixed assets increased"

\*3 Ordinary income(loss) + Interest expense + Depreciation and amortization

\*4 Net income / Average shareholders' equity at the beginning and the end of the fiscal year

\*5 Ordinary income(loss) / Average total assets at the beginning and the end of the fiscal year

\*6 Interest-bearing debt / Shareholders' equity

\*7 (Interest-bearing debt- cash&amp;cash equivalents) / Shareholders' equity

\*8 Excluding "Treasury shares"

## ● Segment Information(10-year summary)

(¥ mm)

(FY)		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Shipping and other revenues	Bulkships	787,039	1,024,797	998,542	721,725	790,572	726,011	731,269	836,408	857,289	838,893
	Containerships	568,590	686,828	639,694	466,378	586,649	542,426	606,588	713,503	787,068	719,108
	Logistics	55,570	61,236	56,270	-	-	-	-	-	-	-
	Ferry/Domestic transport	49,848	53,099	54,534	50,815	50,089	52,134	54,285	55,603	56,032	49,618
	Associated businesses	99,669	108,859	107,033	99,795	108,447	106,709	109,649	116,599	108,388	96,606
	Others	7,716	10,875	9,727	9,250	7,901	7,939	7,401	7,338	8,290	7,996
	<b>Total</b>	<b>1,568,435</b>	<b>1,945,696</b>	<b>1,865,802</b>	<b>1,347,964</b>	<b>1,543,660</b>	<b>1,435,220</b>	<b>1,509,194</b>	<b>1,729,452</b>	<b>1,817,069</b>	<b>1,712,222</b>
Ordinary income/losse	Bulkships	163,580	277,570	213,345	66,986	70,837	-6,921	-24,799	57,121	54,105	54,857
	Containerships	3,150	6,882	-21,329	-56,878	38,853	-29,910	-11,291	-14,553	-24,146	-29,831
	Logistics	2,256	2,215	822	-	-	-	-	-	-	-
	Ferry/Domestic transport	19	497	-888	-2,340	-565	-533	1,282	2,236	4,461	4,424
	Associated businesses	13,073	13,812	12,976	9,712	10,676	9,098	10,745	11,146	10,925	10,171
	Others	3,026	5,005	2,767	1,263	3,361	4,303	2,449	4,576	4,183	3,549
	Adjustment	-2,618	-3,765	-3,183	5,490	-1,542	-356	-6,954	-5,541	1,802	-6,903
<b>Total</b>	<b>182,488</b>	<b>302,219</b>	<b>204,510</b>	<b>24,234</b>	<b>121,621</b>	<b>-24,320</b>	<b>-28,568</b>	<b>54,985</b>	<b>51,330</b>	<b>36,267</b>	
Assets	Bulkships	817,316	989,607	910,659	1,008,724	1,173,526	1,194,813	1,298,682	1,501,313	1,719,713	1,526,582
	Containerships	271,484	352,856	362,536	357,412	386,911	365,975	403,166	449,725	496,486	397,080
	Logistics	56,714	55,960	47,053	-	-	-	-	-	-	-
	Ferry/Domestic transport	50,049	50,686	42,664	42,721	38,407	36,089	36,420	35,088	40,535	44,096
	Associated businesses	300,113	290,991	293,066	315,924	342,748	355,341	379,969	386,851	426,130	416,454
	Others	360,501	412,947	376,655	376,316	317,865	278,060	303,649	325,937	346,182	162,724
	Adjustment	-216,239	-252,498	-225,556	-239,786	-390,718	-284,118	-257,276	-334,220	-404,999	-327,352
<b>Total</b>	<b>1,639,940</b>	<b>1,900,551</b>	<b>1,807,079</b>	<b>1,861,312</b>	<b>1,868,740</b>	<b>1,946,161</b>	<b>2,164,611</b>	<b>2,364,695</b>	<b>2,624,049</b>	<b>2,219,587</b>	
D/A	Bulkships	41,706	46,828	48,949	54,612	50,509	58,370	66,689	55,545	59,234	62,112
	Containerships	11,820	13,523	15,398	17,778	11,776	13,433	14,900	15,014	16,109	16,907
	Logistics	1,468	1,537	1,413	-	-	-	-	-	-	-
	Ferry/Domestic transport	3,578	3,365	3,948	5,231	4,255	3,866	3,530	3,302	2,278	2,022
	Associated businesses	6,416	6,225	6,033	8,640	9,049	8,254	7,963	8,622	8,510	10,090
	Others	3,320	2,775	2,156	1,921	1,604	1,446	410	326	283	272
	Adjustment	270	224	256	183	250	252	1,190	1,171	1,388	1,366
<b>Total</b>	<b>68,581</b>	<b>74,480</b>	<b>78,155</b>	<b>88,366</b>	<b>77,445</b>	<b>85,624</b>	<b>94,685</b>	<b>83,983</b>	<b>87,803</b>	<b>92,771</b>	
tangible/intangible fixed assets increased	Bulkships	109,856	198,809	154,274	146,949	136,262	158,188	128,440	140,188	138,058	87,115
	Containerships	30,327	80,485	36,640	30,592	38,604	8,209	11,462	28,510	21,782	15,525
	Logistics	908	716	971	-	-	-	-	-	-	-
	Ferry/Domestic transport	4,387	10,452	1,082	1,131	1,316	829	1,101	1,424	3,193	5,865
	Associated businesses	8,285	9,736	26,643	24,374	41,187	5,442	20,339	10,484	32,341	5,177
	Others	110	3,401	3,562	1,180	2,342	2,768	621	145	181	123
	Adjustment	-	-28	32	-37	730	289	2,924	5,395	587	1,903
<b>Total</b>	<b>153,876</b>	<b>303,573</b>	<b>223,208</b>	<b>204,190</b>	<b>220,443</b>	<b>175,726</b>	<b>164,890</b>	<b>186,148</b>	<b>196,145</b>	<b>115,712</b>	

Note: Logistics segment has been integrated into Containerships segment since FY2009.

## ● Quarterly Segment Information (two years)

(¥ mm)

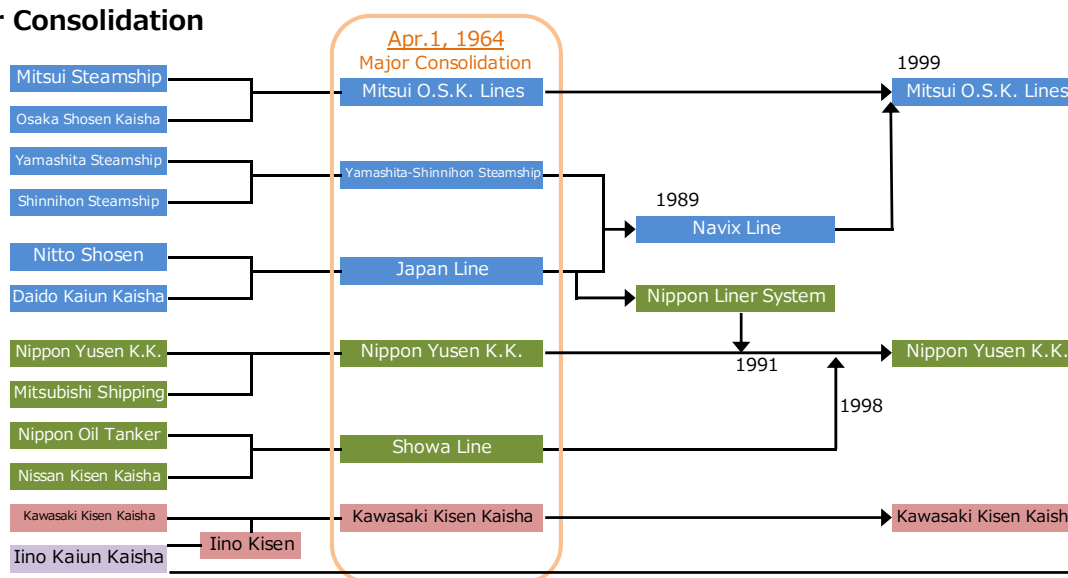
(FY)		2014					2015				
(Quarter)		Q1	Q2	Q3	Q4	Full-year	Q1	Q2	Q3	Q4	Full-year
Shipping and other revenues	Bulkships	212,537	205,279	210,491	228,982	<b>857,289</b>	215,247	221,227	201,949	200,470	<b>838,893</b>
	Containerships	187,311	196,260	201,151	202,346	<b>787,068</b>	194,530	194,619	171,828	158,131	<b>719,108</b>
	Ferry/Domestic transport	13,649	14,613	14,480	13,290	<b>56,032</b>	12,810	13,028	12,553	11,227	<b>49,618</b>
	Associated businesses	28,244	28,216	26,402	25,526	<b>108,388</b>	24,884	24,434	23,877	23,411	<b>96,606</b>
	Others	2,169	1,878	2,224	2,019	<b>8,290</b>	1,962	1,940	2,244	1,850	<b>7,996</b>
	<b>Total</b>	<b>443,913</b>	<b>446,245</b>	<b>454,748</b>	<b>472,163</b>	<b>1,817,069</b>	<b>449,435</b>	<b>455,249</b>	<b>412,450</b>	<b>395,088</b>	<b>1,712,222</b>
Ordinary income/losse	Bulkships	10,874	5,629	15,130	22,472	<b>54,105</b>	10,826	18,294	15,755	9,982	<b>54,857</b>
	Containerships	-7,256	-3,614	-10,079	-3,197	<b>-24,146</b>	-5,001	-4,178	-9,244	-11,408	<b>-29,831</b>
	Ferry/Domestic transport	612	1,482	1,263	1,104	<b>4,461</b>	861	1,577	1,443	543	<b>4,424</b>
	Associated businesses	3,240	2,941	3,131	1,613	<b>10,925</b>	2,521	1,802	2,939	2,909	<b>10,171</b>
	Others	1,049	1,073	1,280	781	<b>4,183</b>	1,385	237	1,769	158	<b>3,549</b>
	Adjustment	-976	-492	4,498	-1,228	<b>1,802</b>	298	-823	-1,670	-4,708	<b>▲ 6,903</b>
<b>Total</b>	<b>7,543</b>	<b>7,018</b>	<b>15,225</b>	<b>21,544</b>	<b>51,330</b>	<b>10,892</b>	<b>16,907</b>	<b>10,993</b>	<b>-2,525</b>	<b>36,267</b>	

## History

- 1884 Osaka Shosen Kaisha(OSK Line) is founded.
- 1930 The high-speed cargo ship *KINAI MARU* is launched, and covers the Yokohama-NYC route in 25 days and 17.5 hours, well below the industry average of 35 days.
- 1939 The *ARGENTINA MARU* and *BRASIL MARU* are built as cargo/passenger liners on the South America route, which represent the state-of-the-art in Japanese shipbuilding at the time.
- 1942 Mitsui & Co., Ltd. spins off its Shipping Department to create Mitsui Steamship Co., Ltd.
- 1961 World's first automated ship, the *KINKASAN MARU*, with an engine room operated entirely from the bridge, is launched.
- 1964 Japan's shipping industry undergoes a major consolidation, with mergers creating six companies; Mitsui O.S.K. Lines(MOL) by a merger of OSK Lines/Mitsui Steamship, Japan Line(JL) by a merger of Nitto Shosen/Daido Kaiun, Yamashita-Shinnihon Steamship(YSL) by a merger of Yamashita Kisen/Shinnihon Kisen.
- 1965 Japan's first specialized car carrier, the *OPPAMA MARU*, is launched.
- 1968 MOL, JL, and YSL launch the full containerhips *AMERICA MARU*, *JAPAN ACE*, and *KASHU MARU*, respectively, on the Japan-California route.
- 1982 MOL enters methanol transport business.
- 1983 MOL enters LNG transport business.
- 1984 MOL expands into product tanker business.
- 1985 The container terminal company TraPac, Inc. is founded in Los Angeles.  
Double-stack container train(DST) operations begin from Los Angeles.
- 1989 Navix Line is established by the merger of JL and YSL.  
Japan's first full-fledged cruise ship, the *FUJI MARU*, is launched, ushering in the era of leisure cruises in Japan.
- 1991 MOL acquires a share in Gearbulk, a Norwegian open-hatch bulker operator.
- 1993 Crew training school is established in Manila.
- 1994 A series of the mid-term management plans calling for "Creative Redesigning" begin.
- 1995 Container route service through a strategic international tie-up called The Global Alliance (TGA), begins.  
The first double hull VLCC the *ATLANTIC LIBERTY*, is launched.
- 1996 MOL acquires a share in chemical tanker operator Tokyo Marine(becomes a consolidated subsidiary of MOL).
- 1998 The New World Alliance (TNWA) is inaugurated.
- 1999 New Mitsui O.S.K. Lines is established by the merger of MOL and Navix Line.
- 2000 Corporate governance system is reformed; introduce executive officer system and invites outside directors.
- 2001 MOL Group Corporate Principles is issued.
- 2004 Mid-term management plan MOL STEP, with the main theme of "Growth" starts.  
Daibiru Corporation becomes a consolidated subsidiary of MOL.
- 2005 MOL forms a strategic tie-up with Kintetsu World Express.
- 2006 Utoc Corporation becomes a consolidated subsidiary of MOL.  
MOL Formulates Measures to Reinforce Safe Operation Structure with the Slogan "Returning to Basics", addressing four marine incidents with utmost seriousness.
- 2007 Mid-term management plan MOL ADVANCE, with the main theme of "Growth with Enhanced Quality" starts.  
The world's largest iron ore carrier, third-generation *BRASIL MARU* is launched.
- 2009 MOL forms the concept for its next generation vessels "ISHIN "Series.  
Japan's first Shuttle and Regasification Vessel(SRV) the *GDF SUEZ NEPTUNE* is launched.
- 2010 Mid-term management plan GEAR UP! MOL, with the main theme of "Challenge to Create New Growth " starts.  
The first participation in FPSO chartering for Petrobras, the Brazilian national oil company.
- 2011 Support Activities by MOL cruise ship and ferry in areas stricken by the Great East Japan earthquake and Tsunami.  
The G6 Alliance is inaugurated in Asia/Europe trade by TNWA and GA(Grand Alliance).  
The LR1 product tanker pool management company "Straits Tankers" is founded.  
The VLCC pool management company "Nova Tankers" is founded.  
MOL wins orders for Indonesia's 1st Coastal LNG Transport Project.
- 2012 World's first Hybrid car carrier *Emerald Ace* is launched.  
MOL receives EVO's Top Award for Container Service. \*Eigen Verladere Organisatie(EVO)
- 2013 Business Structural Reforms executed; Transferred sales and vessel operations of the dry bulker fleet (over 130 vessels) to Singapore.  
The single-year management plan "RISE 2013", with the target of absolutely achieving profitability in FY2013.  
G6 Alliance expands cooperation to Transpacific(Asia/USEC) trade.  
Japan's first participation in FSRU project (Build and charter world's largest FSRU in Uruguay) .  
The chemical tanker pool management company "Milestone Chemical Tankers" is founded by Tokyo Marine.

- 2014 Mid-term management plan STEER FOR 2020, with the main theme of "Solid growth through innovative changes" starts.
  - MOL forms a strategic alliance with Brookfield, aimed at enhancing and expanding MOL's container terminal business.
  - G6 Alliance expands cooperation to Transpacific(Asia/USWC) and Transatlantic trades.
  - MOL signs the first contract for a LNG carrier to transport shale gas from USA to Japan (for Tokyo Gas).
  - MOL signs ship building contracts for ice class LNG carriers for Yamal (Russia) LNG project.
  - MOL establishes a J/V with Viken Shipping and embarks on a shuttletanker business.
  - MOL seals long term shipping deal with Reliance, which makes MOL to be the first shipping company to serve liquefied ethane transportation by very large ethane carriers (VLEC).
  - The MR product tanker pool management company "Clean Products Tankers Alliance" is founded.
- 2015 New LNG carrier Papua delivered - 1st LNG carrier built in China for non-Chinese shipping company
  - The VLGC product tanker pool management company "Helios LPG" is founded.
  - MOL announces building and chartering 6x 20,000TEU containerships, which are the world's largest among existing and on-order containerships.
  - MOL Introduces "MOL CHART"
  - Rotterdam World Gateway (RWG) Opens in Port of Rotterdam
- 2016 MOL Breaks Ground on New Maritime Academy in Philippines

## (Ref.) Major Consolidation



## ● Credit Ratings (as of Jul.2016)

☐ for latest information [http://www.mol.co.jp/ir-e/stock\\_e/rate\\_e.html](http://www.mol.co.jp/ir-e/stock_e/rate_e.html)

Credit Agency	Type of Rating	Rating
JCR	Long-term senior debt(issuer) rating	A-
R&I	Issuer rating	BBB
Moody's	Corporate family rating	Ba1

## ● Bonds (as of Jul.2016)

	Date of issue	Years	Interest Rate	Total amount of issue	Outstanding
Straight bonds No.12	May/27/2009	10 years	1.999%	JPY 20 bn	JPY 18.5 bn
Straight bonds No.13	Dec/17/2009	7 years	1.106%	JPY 20 bn	JPY 20 bn
Straight bonds No.15	Jun/21/2011	10 years	1.361%	JPY 20 bn	JPY 17.8 bn
Straight bonds No.17	Jul/12/2012	5 years	0.461%	JPY 20 bn	JPY 20 bn
Straight bonds No.18	Jul/12/2012	10 years	1.139%	JPY 10 bn	JPY 9.2 bn
Euro USD Zero Coupon Convertible bonds(*1)(*3)	Apr/24/2014	4 years	Zero coupon	USD 300 mm	USD 300 mm
Euro USD Zero Coupon Convertible bonds(*2)(*3)	Apr/24/2014	6 years	Zero coupon	USD 200 mm	USD 200 mm
Straight bonds No.19	Jun/19/2014	10 years	0.970%	JPY 29.6 bn	JPY 29.6 bn

(\*1) Conversion Price USD5.34:However, a bondholder may exercise its stock acquisition rights only if the closing price of the shares is more than 130 per cent of the conversion price for a certain period of time.

(\*2) Conversion Price USD4.80:However, a bondholder may exercise its stock acquisition rights only if the closing price of the shares is more than 130 per cent of the conversion price for a certain period of time.

(\*3) The aggregate anticipated future dilution ratio would be 8.11% (which is the percentage by which the total number of issued shares as of 31 March 2014 would increase in case that the two bonds are fully converted into shares at the above initial conversion prices). However, the Company may give notice to the bondholders, no earlier than three months before the maturity date of each Bond, to acquire from the Bondholders all the Bonds in exchange for an amount equal to 100 per cent of the principal amount of such bonds plus the Acquisition Shares, in order to mitigate the dilutive impact of conversion.

"Acquisition Shares" means such number of Shares per Bonds calculated by dividing (i) the amount by which the Acquisition Share Value exceeds the principal amount of each Bond by (ii) the Average VWAP per Share.

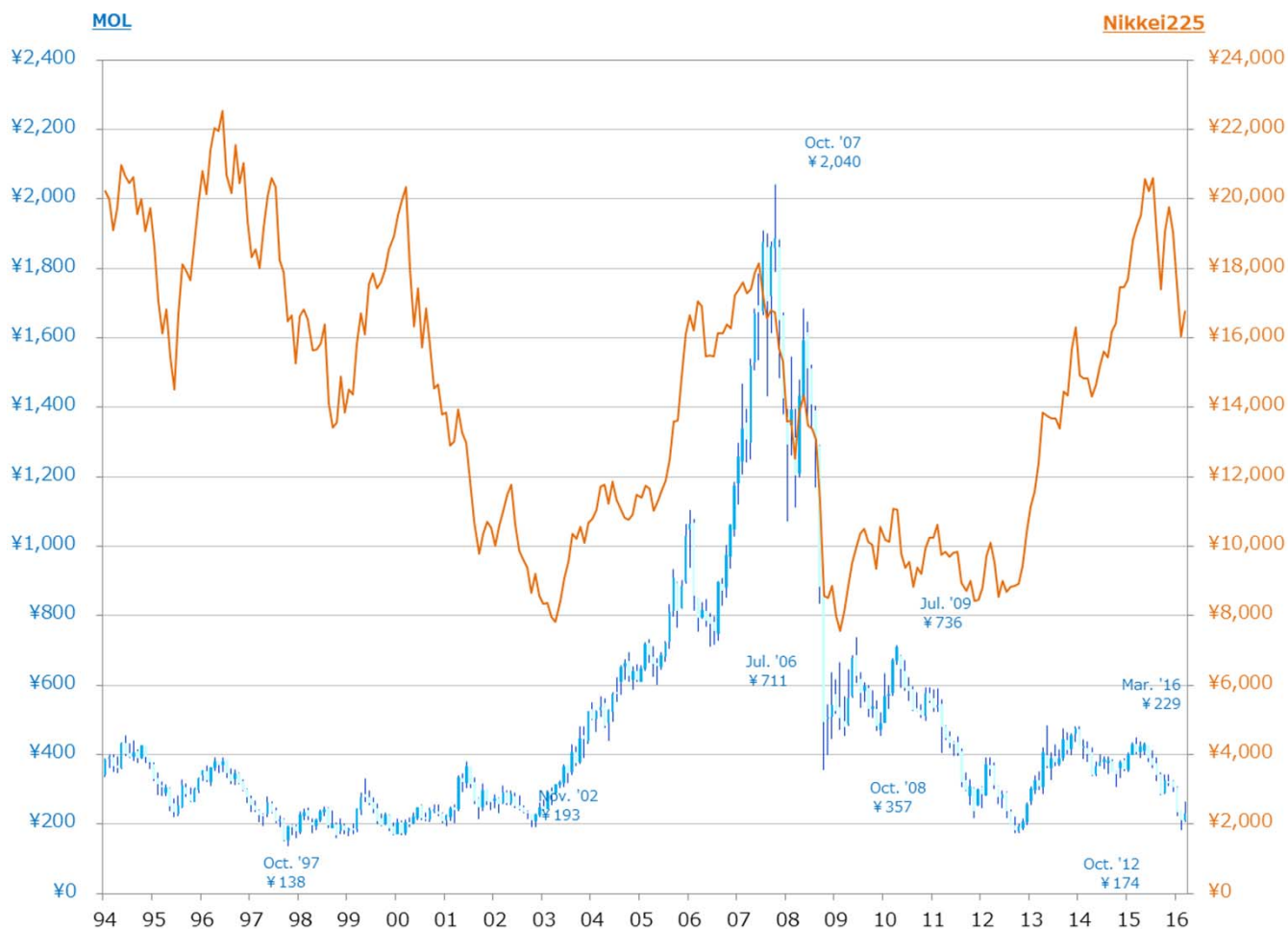
"Acquisition Share Value" means USD amount of the Bond calculated in accordance with the formula below :

Principal amount of the Bond/Conversion Price × Average VWAP per share

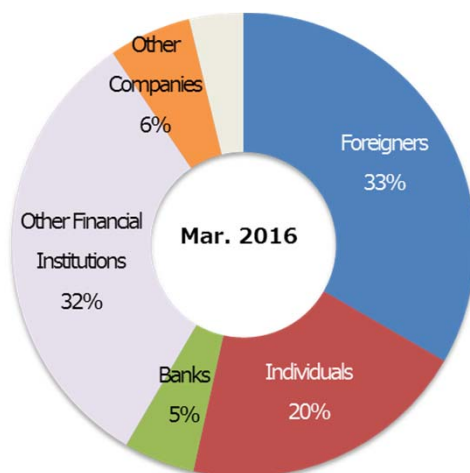
☐ Please refer to our press release of 25/4/2014 for further information.



## ● Share Price



## ● Shareholder Composition



## ● Shareholder Information (as of Mar. 2016)

□ Capital	JPY 65,400,351,028
□ HQ	2-1-1, Toranomon, Minato-ku, Tokyo 105-8688, Japan
□ Number of employees	10,500 (Consolidated)
□ Number of shares authorized	3,154,000,000
□ Number of shares issued	1,206,286,115
□ Trading unit	1,000
□ Dividend record dates	Mar.31 for Year-end dividend / Sep.30 for Interim dividend
□ Number of shareholders	104,202
□ Listed in	Tokyo, Nagoya Stock Exchange (code:9104)
□ Transfer agent	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo

**[Disclaimer]**

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**[Forward-Looking Statements]**

This Investor Guidebook contains forward-looking statements concerning MOL's future plans, strategies and performance. These statements represent assumptions and beliefs based on information currently available and are not historical facts. Furthermore, forward-looking statements are subject to a number of risks and uncertainties that include, but are not limited to, economic conditions, worldwide competition in the shipping industry, customer demand, foreign currency exchange rates, price of bunker, tax laws and other regulations. MOL therefore cautions readers that actual results may differ materially from these predictions.

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(IR Tools)

- Website : <http://www.mol.co.jp/en/ir/index.html>
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