To Our Shareholders

In fiscal 2007, we posted net income of ¥190.3 billion, far surpassing our first-year target for MOL ADVANCE, our current midterm management plan initiated last year. This was our sixth successive year of higher bottom-line earnings. A paradigm shift in the global economy is today driving rapid growth in the marine transport sector. As a leading presence in this dynamic industry, we are determined to grow our earnings even more and share our achievements with the owners of this company.

Kunio Suzuki *Chairman*

Akimitsu Ashida *President*

Enhanced Earnings Power and Financial Strength

On top of our record-breaking net income, ordinary income, one of our key earnings indicators, also soared to a new high of ¥302.2 billion. We couldn't have made a better start to our midterm management plan.

The gearing ratio was another historic milestone for our company. It was only 0.88 as of March 31, 2008. MOL invests vast sums of money in its fleet, so achieving a gearing ratio* under 1.0 is a long-cherished goal of ours. And shareholders' equity** exceeded ¥680.0 billion, this too showing just how far we have come as a global corporation; we now have the sort of capital that befits an industry leader.

The past few years have seen us deliver some impressive performances. One of the single biggest reasons for this is that we have skillfully navigated the changing undercurrents of the global shipping industry, especially in dry bulkers. MOL was quick to read structural shifts in the marine transport industry and we anticipated customers' future needs. We executed our strategy with no hesitation after weighing up the risks and opportunities. The benefits of those actions can now be seen in our earnings.

So, our calculated management approach has translated into significant earnings, which in turn has given us a robust balance sheet. With this strength has also come considerable confidence that we can sustain growth moving forward. Marine transport demand worldwide is surging and with our industry-leading operating base, we are determined to continue active business development in various domains. This should generate even greater returns for our shareholders.

* "Gearing ratio" = Interest-bearing Debt / Shareholders' Equity

** "Shareholders' equity" comprises the total of owners' equity and accumulated gains from valuation and translation adjustments.

Overcoming Headwinds, Challenging Ourselves More

We don't expect to see any basic change in the brisk demand for shipping services. However, not everything is plain sailing. In the fourth quarter of fiscal 2007, we began to see some headwinds building. One is soaring fuel prices. Another is the yen's appreciation. The price of fuel remains above US$500/MT, which has added several tens of billions of yen to our costs. In addition to this strong headwind, a shortage of seafarers and rising lubricating oil prices and repair expenses are now also pressuring marine transporter earnings.

Nonetheless, we see this as just one of the hurdles we must overcome in our growth drive. It is already within our ability to continue delivering the level of earnings we did in fiscal 2007, even under difficult conditions. We are determined to grow MOL by accurately capturing customer needs and actively taking on risk with excellent control of our business portfolio. We will also continue to take up the challenge of bolstering seafarer, dry dock and other resources through our own actions so that they don't hamper MOL's growth.

The current multi-polar growth in the global economy is heralding a new era for the marine transport business. Emboldened by this belief, management will bring MOL's full capabilities to bear in satisfying customers' growing and diversifying needs. That, we believe, is the key to also fulfilling the expectations of our shareholders.

June 24, 2008

Kunio Suzuki — *Chairman*

Akimitsu Ashida — *President*