

**Mitsui O.S.K. Lines, Ltd.**

Financial Highlights: The Second Quarter Ended September 30, 2010

**1. Consolidated Financial Highlights (from April 1, 2010 to September 30, 2010)**

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

**(1) Operational Results**

	(¥Million)		(US\$ Thousand)
	Q2/ FY2010	Q2/ FY2009	Q2/ FY2010
Revenues	802,839	624,562	9,578,132
Operating income / (loss)	82,625	(11,458)	985,743
Ordinary income / (loss)	80,309	(10,011)	958,113
Net income	48,251	(9,934)	575,650
		(¥)	(US\$)
Net income / (loss) per share	40.36	(8.30)	0.482
Diluted net income per share	38.92	—	0.464

**(2) Financial Position**

	(¥Million)		(US\$ Thousand)
	Q2/ FY2010	FY2009	Q2/ FY2010
Total Assets	1,884,822	1,861,312	22,486,543
Total Net Assets	712,312	735,702	8,498,115
Shareholders' Equity / Total assets	33.6%	35.4%	33.6%
			(US\$)
Shareholders' Equity per share	529.77	551.70	6.320

\* Shareholders' Equity is defined as follows.

Shareholders' Equity = Total Net Assets - ( Share subscription rights + Minority interests )

**2. Dividends**

	(¥)		
	Dividend per share		
	Interim	Year end	Annual
FY2009	0.00	3.00	3.00
FY2010	5.00		
FY2010 (Forecast)		5.00	10.00

**3. Forecast of Consolidated Results for Fiscal Year ending March 31, 2011**

	(¥Million)	(US\$ Thousand)
	FY2010	FY2010
Revenues	1,550,000	18,492,007
Operating income	130,000	1,550,942
Ordinary income	130,000	1,550,942
Net income	65,000	775,471
	(¥)	(US\$)
Net income per share	FY2010 54.38	FY2010 0.649

\* Underlying Assumption of the Forecast for the FY2010

The above forecast is made assuming the exchange rate and the bunker price for the FY2010.

3Q,4Q/FY2010 (Oct.1 2010 - Mar.31 2011)

Exchange Rate 1US\$=¥80.00

Bunker Price US\$ 500/MT

( Translation of foreign currencies )

The Japanese yen amounts for Q2/ FY2010 have been translated into U.S. dollars using the prevailing exchange rate at September, 2010, which was ¥83.82 to U.S. \$1.00, solely for the convenience of readers. (The convenience translations should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at this or any other rate of exchange.)

**4. Business Performance**

(Billions of Yen)

	Six months		Year-on-year comparison (variance)
	From Apr. 1 to Sep. 30, 2009	From Apr. 1 to Sep. 30, 2010	
Revenue	624.5	802.8	178.3/ 28.5 %
Operating income/loss	-11.4	82.6	94.0/ -- %
Ordinary income/loss	-10.0	80.3	90.3/ -- %
Net income/loss	-9.9	48.2	58.1/ -- %
Exchange rate (six-month average)	¥96.03/US\$	¥89.61/US\$	-¥6.42/US\$
Bunker price (six-month average)	US\$354/MT	US\$471/MT	US\$117/MT

	Three months		Year-on-year comparison (variance)
	From Jul. 1 to Sep. 30, 2009	From Jul. 1 to Sep. 30, 2010	
Revenue	327.0	405.8	78.7/ 24.1 %
Operating income	0.8	43.5	42.7/ -- %
Ordinary income	1.4	41.0	39.5/ -- %
Net income	3.0	27.4	24.3/ 790.5 %
Exchange rate (three-month average)	¥94.85/US\$	¥87.78/US\$	-¥7.07/US\$
Bunker price (three-month average)	US\$394/MT	US\$469/MT	US\$75/MT

In the global economy during the second quarter of the fiscal year (FY) 2010 (July 1, 2010 to September 30, 2010), while the pace of the economic recovery slowed mostly in developed countries, the recovery trend was generally maintained. In the U.S., despite maintaining a moderate recovery, the effects of economic stimulus measures faded and other factors delayed any real recovery. In Europe, a somewhat quelling of any looming uncertainties regarding the internal financial problem after results of the stress test of European financial institutions were announced in late July, a hike in exports attributable to a depreciated euro and other factors led to positive performance overall. China saw continued robust growth as apprehensions proved unfounded of a potential slowdown under the weight of government measures to curb a real estate bubble and softened economic performance in developed countries, etc. Here in Japan, the recovery was robbed of some of its momentum due to blunted exports caused by a high yen and a moderate deceleration of the global economic recovery while the effects of government stimulus measures have begun to fade.

Looking at the maritime shipping market conditions, in the dry bulker market, Cape-size bulkers' hire rate largely fluctuated. It was low between early July and early August with cargo trade decreasing as the Chinese iron ore import volume slowed. Nevertheless, a subsequent increase in expectations for iron ore purchases in China led hire rates to temporarily recover to the US\$40,000/day level in mid-September. On the other hand, ship sizes from Panamax on down showed a steady performance. Looking at tankers, both the crude oil (VLCC) tanker and product tanker markets remained low. As for containerships, the strong cargo trade of the first quarter continued, further restoring freight rates.

Regarding crude oil prices, after increasing to the US\$82/barrel level in early August, prices followed a slight downward trend due to fears of a global economic slowdown. Nevertheless, they increased on average year on year. Average bunker prices during the second quarter rose to US\$469/MT from the US\$394/MT in the same period of the previous fiscal year. Meanwhile, the average exchange rate during the second quarter was ¥87.78/US\$ (an appreciation of ¥7.07/US\$ year on year).

As a result of the above, business performance over the second quarter (3-month period) greatly increased compared to the same period of the previous fiscal year. As a result, we saw a vast year on year improvement for the first half of the fiscal year (6-month period).

The chart below shows consolidated revenue and segment income/loss (ordinary income/loss) by segment, along with comparisons to the same period of the previous fiscal year. Following the chart is a segment-by-segment summary of operations.

Upper: Revenue, Lower: Segment Income/Loss (Ordinary Income)

(Billions of Yen)

	Three months		Year-on-year comparison (variance)
	From Jul. 1 to Sep. 30, 2009	From Jul. 1 to Sep. 30, 2010	
Bulkships	175.9	202.0	26.0 / 14.8 %
	15.9	21.7	5.7 / 36.1 %
Containerships	111.9	162.4	50.4 / 45.0 %
	-17.5	17.3	34.9 / -- %
Ferry and Domestic Transport	13.2	13.6	0.3 / 3.0 %
	-0.2	0.6	0.9 / -- %
Associated Businesses	28.0	30.5	2.4 / 8.7 %
	2.4	2.6	0.1 / 7.4 %
Others	4.4	3.4	-0.9 / -21.6 %
	0.4	0.5	0.1 / 27.4 %

(Note) Revenue includes internal sales or transfers among segments.

## (A) Bulkships

### <Dry Bulkers>

In the dry bulker market, Cape-size bulkers' hire rate largely fluctuated. Cargo trade decreased as the Chinese iron ore import volume slowed, keeping hire rates at US\$10,000/day level between early July and early August. Nevertheless, because the iron ore price-cut in the October - December period pushed up expectations for iron ore purchases in China, hire rates temporarily recovered to the US\$40,000/day level in mid-September. Meanwhile, ship sizes from Panamax on down fared well thanks to increases in coal and grain cargo trade to emerging markets. The second quarter saw the aforementioned market-sensitive revenue and the highly stable revenue from medium- to long-term contracts for carriers of iron ore, coal for power generation, wood chips, etc. resulting in the recording of profits lower than the same period of the previous fiscal year mainly due to variances in market levels for Cape-size bulkers.

### <Tankers/LNG Carriers>

Looking at tankers, the market for crude oil (VLCC) tankers was down due to inactive Europe and U.S.-bound cargo trade. Product tanker and LPG carrier markets improved year on year, albeit at a low level, resulting in slight amelioration compared to the same period of the previous fiscal year, despite recording a deficit. The LNG carrier segment was supported by stable revenue from long-term transport contracts, however, the second quarter saw lower profits year on year mainly from the appreciation of the yen.

### <Car Carriers>

In the car carrier business, as we continued to carry out various cost reductions and rationalization measures that were initiated in the first quarter, cargo trade recovered with the modest increase in the global economy, resulting in a vast improvement in the second quarter compared with the same period of the previous fiscal year.

## (B) Containerships

Regarding containerships, from the previous fiscal year (FY2009), we have continued effecting various measures such as cutting costs through fuel savings by slow steaming as well as reducing other cargo expenses, improving efficiency through the optimization of our organization and staff both in Japan and overseas, etc. all in an effort to enhance our cost competitiveness. During the second quarter, in addition to the aforementioned cost reduction measures that have been continuing since the first quarter, we revised and expanded our services to respond to substantial improvements in loading volume and

the freight rate market, resulting in a vast increase in profits compared to the same period of the previous fiscal year as well as the first quarter.

(C) Ferry and Domestic Transport

Regarding the ferry and domestic transport business, the recovery trend varies depending on the ferry route and, despite a delayed recovery in passengers on those routes especially hard hit by highway toll fee discounts, the second quarter saw an increase in profit year on year, consequently returning the segment to profitability.

(D) Associated Businesses

In the real estate business, in which Daibiru Corporation, a major subsidiary, is a central player, a firm performance continuing since the first quarter was demonstrated with the acquisition of trust beneficiary rights in Aoyama Rise Square in April 2010 and other factors. In the travel agency business, a recovery in corporate business travel and efforts to reduce general and administrative expenses resulted in an increase in profits year on year. In the cruise ship business, despite the restart of operations of the Nippon Maru in March 2010, profits decreased year on year as in the first quarter due to higher depreciation expenses from renovations made to the ship. In the trading business, performance was solid overall and profits increased year on year. As a result, profits in the associated businesses segment during the second quarter were greater than those of the same period of the previous fiscal year.

(E) Others

Other businesses, which are mainly cost centers, include ship operations, ship management, ship chartering, financing, and shipbuilding. Overall profits in this segment decreased compared to the same period of the previous fiscal year.

5. Financial Position

Assets for the quarter ended September 30, 2010 was 1,884.8 billion yen, an increase of 23.5 billion yen from the quarter ended March 31, 2010. This increase was primarily due to an increase in trade receivables, cash and deposits with the resumption of business. Also the newly purchased land increased. Liabilities for the quarter ended September 30, 2010 was 1,172.5 billion yen, increased by 46.9 billion yen compared to the quarter ended March 31, 2010. This increase was mainly attributable to the increase in accrued income taxes and bonds for purchasing new land. Net assets for the quarter ended September 30, 2010 was 712.3 billion yen,

a decrease of 23.3 billion yen from the quarter ended March 31, 2010, in consequence of increased unrealized losses on hedging derivatives, in spite of retained earnings increased. As a result of the above transactions, shareholder's equity ratio was 33.6% for the quarter ended September 30, 2010, decreased by 1.8% from the quarter ended March 31, 2010.

**6. Outlook for FY2010**

For FY2010

(Billions of Yen)

	Previous outlook (When announced 1Q)	Latest outlook (When announced 2Q)	Comparison (variance)
Revenue	1,550.0	1,550.0	-- / --%
Operating income	120.0	130.0	10.0 / 8.3%
Ordinary income	120.0	130.0	10.0 / 8.3%
Net income	65.0	65.0	-- / --%

Exchange rate	¥87.00/US\$	¥80.00/US\$	-¥7.00/US\$
Bunker price	US\$500/MT	US\$500/MT	US\$--/MT
	(Assumption for 3/4Q)	(Assumption for 3/4Q)	

For the third quarter and beyond, despite an appreciating yen and other causes for concern, a view held by some that recovery mainly in Europe and the U.S. may not progress favorably, and a possibility of a drop in container cargo trade as the slack winter season starts, we expect a strong dry bulker market buttressed by demand in emerging economies and a recovery in the tanker market as it enters its demand season from the latter half of the fiscal year.

Considering these factors, we project consolidated revenue for FY2010 of ¥1,550 billion, consolidated operating income of ¥130 billion, consolidated ordinary income of ¥130 billion, and consolidated net income of ¥65 billion.



## 7. Consolidated Financial Statements

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

### (1) Consolidated Balance Sheets

(¥Million)

	As of September 30, 2010	As of March 31, 2010
<b>Assets</b>		
Current assets		
Cash and deposits	57,731	44,147
Trade receivables	132,529	117,483
Marketable securities	46,024	42,482
Inventories	39,757	38,531
Deferred and prepaid expenses	53,631	52,538
Deferred tax assets	6,041	5,459
Other current assets	43,577	51,752
Allowance for doubtful accounts	(308)	(365)
<b>Total Current Assets</b>	<b>378,984</b>	<b>352,030</b>
Fixed assets		
Tangible fixed assets		
Vessels	717,287	661,716
Buildings and structures	135,673	136,690
Equipments, mainly containers	11,709	12,739
Equipments and parts	4,435	4,790
Land	216,844	185,053
Vessels and other property under construction	152,440	206,431
Other tangible fixed assets	1,493	1,753
<b>Total tangible fixed assets</b>	<b>1,239,885</b>	<b>1,209,175</b>
Intangible fixed assets	9,265	9,079
Investments and other assets		
Investment securities	184,349	210,373
Long-term loans receivable	24,644	28,164
Prepaid expenses	22,254	21,327
Deferred tax assets	5,768	5,509
Other long-term assets	22,413	28,108
Allowance for doubtful accounts	(2,742)	(2,456)
<b>Total investments and other assets</b>	<b>256,688</b>	<b>291,027</b>
<b>Total fixed assets</b>	<b>1,505,838</b>	<b>1,509,282</b>
<b>Total assets</b>	<b>1,884,822</b>	<b>1,861,312</b>

	(¥Million)	
	As of September 30, 2010	As of March 31, 2010
<b>Liabilities</b>		
Current liabilities		
Trade payables	124,718	114,352
Short-term bonds	55,909	55,998
Short-term bank loans	88,374	99,393
Accrued income taxes	20,586	3,719
Advances received	24,719	23,033
Deferred tax liabilities	243	205
Allowance		
for provision for bonuses	3,490	4,279
for provisions for director's bonuses	30	162
for provisions for loss on business liquidation	-	4
Commercial paper	12,500	8,500
Other current liabilities	50,490	45,535
<b>Total Current Liabilities</b>	<b>381,063</b>	<b>355,185</b>
Fixed liabilities		
Bonds due	167,372	153,425
Long-term bank loans	431,492	441,285
Deferred tax liabilities	27,654	47,192
Allowance		
for employees' severance and retirement benefits	14,719	15,052
for Directors' and corporate auditors' retirement benefits	1,869	2,044
for provisions for special repairs	18,588	18,709
Other fixed liabilities	129,749	92,715
<b>Total Fixed Liabilities</b>	<b>791,446</b>	<b>770,424</b>
<b>Total Liabilities</b>	<b>1,172,509</b>	<b>1,125,609</b>
<b>Net Assets</b>		
Owners' equity		
Common stock	65,400	65,400
Capital surplus	44,519	44,522
Retained earnings	660,842	616,736
Treasury stock, at cost	(7,145)	(7,126)
<b>Total owners' equity</b>	<b>763,617</b>	<b>719,532</b>
Accumulated gains (losses) from valuation and translation adjustments		
Unrealized holding gains on available for-sale-securities, net of tax	11,185	20,999
Unrealized gains (losses) on hedging derivatives, net of tax	(107,199)	(45,454)
Foreign currency translation adjustments	(34,336)	(35,569)
<b>Total accumulated losses from valuation and translation adjustments</b>	<b>(130,349)</b>	<b>(60,024)</b>
Share subscription rights	1,870	1,523
Minority interests	77,173	74,670
<b>Total Net Assets</b>	<b>712,312</b>	<b>735,702</b>
<b>Total Liabilities and Total Net Assets</b>	<b>1,884,822</b>	<b>1,861,312</b>

**(2) Consolidated Statements of Income**

(¥ Million)

	Q2 / FY2009 (Apr.1-Sep.30,2009)	Q2 / FY2010 (Apr.1-Sep.30,2010)
Shipping and other operating revenues	624,562	802,839
Shipping and other operating expenses	585,785	675,970
Gross operating income	38,776	126,869
Selling, general and administrative expenses	50,235	44,243
Operating income (loss)	(11,458)	82,625
Non-operating income:		
Interest income	1,188	682
Dividend income	1,708	1,979
Equity in earnings of unconsolidated subsidiaries and affiliated companies	2,079	5,185
Exchange gains	337	—
Gain on valuation of derivatives	1,403	—
Others	2,906	1,537
Total	9,624	9,384
Non-operating expenses:		
Interest expense	7,342	5,810
Exchange loss	—	3,648
Loss on valuation of derivatives	—	1,495
Others	834	746
Total	8,177	11,700
Ordinary income (loss)	(10,011)	80,309
Extraordinary profit:		
Gain on sale of fixed assets	7,780	3,295
Gain on sale of investment securities	2,399	883
Cancellation fee for chartered ships	1,016	1,430
Others	2,841	935
Total	14,038	6,545
Extraordinary loss:		
Loss on sale or disposal of fixed assets	442	2,620
Loss on retirement of fixed assets	3,620	3,698
Valuation loss on investment securities	131	948
Cancellation fee for chartered ships	6,356	3,704
Provision of allowance for doubtful accounts	27	—
Special retirement expenses	22	—
Others	4,314	2,145
Total	14,193	13,118
Income / (loss) before income taxes and minority interests	(10,887)	73,736
Income taxes	(2,901)	24,181
Income before minority interests	—	49,554
Minority interests in earnings of consolidated subsidiaries	1,947	1,302
Net income / (loss)	(9,934)	48,251

(Presentation of Taxes) As tax expenses for the 2nd quarter from April 1 to September 30 2010, are calculated using the simplified method, the tax adjustment is included in "Income taxes" in the income statements above.

	(¥ Million)	
	Q2 / FY2009 (Jul.1-Sep.30,2009)	Q2 / FY2010 (Jul.1-Sep.30,2010)
Shipping and other operating revenues	327,090	405,857
Shipping and other operating expenses	300,975	340,081
Gross operating income	26,114	65,775
Selling, general and administrative expenses	25,305	22,249
Operating income	808	43,526
Non-operating income:		
Interest income	461	421
Dividend income	224	662
Equity in earnings of unconsolidated subsidiaries and affiliated companies	1,781	2,917
Gain on valuation of derivatives	1,037	-
Others	1,406	840
Total	4,912	4,841
Non-operating expenses:		
Interest expense	3,631	2,878
Exchange loss	308	3,527
Loss on valuation of derivatives	-	560
Others	292	341
Total	4,232	7,307
Ordinary income	1,488	41,060
Extraordinary profit:		
Gain on sale of fixed assets	5,084	740
Gain on sale of investment securities	2,387	883
Cancellation fee for chartered ships	-	1,430
Others	2,601	462
Total	10,073	3,517
Extraordinary loss:		
Loss on sale or disposal of fixed assets	147	1,552
Loss on retirement of fixed assets	2,183	837
Valuation loss on investment securities	114	823
Cancellation fee for chartered ships	-	291
Others	2,778	1,654
Total	5,223	5,158
Income before income taxes and minority interests	6,337	39,419
Income taxes	2,504	11,070
Income before minority interests	-	28,348
Minority interests in earnings of consolidated subsidiaries	752	919
Net income	3,080	27,428

(Presentation of Taxes) As tax expenses for the 2nd quarter from July 1 to September 30 2010, are calculated using the simplified method, the tax adjustment is included in "Income taxes" in the income statements above.

**(3) Consolidated statements of Cash flows**

(¥ Million)

	Q2 / FY2009 (Apr.1-Sep.30,2009)	Q2 / FY2010 (Apr.1-Sep.30,2010)
<b>Cash flows from operating activities:</b>		
Income / (loss) before income taxes and minority interests	(10,887)	73,736
Depreciation and amortization	43,476	38,767
Equity in earnings of unconsolidated subsidiaries and affiliated companies, net	(2,079)	(5,185)
Loss on write-down of investment securities	131	948
Various provisions (reversals)	(1,167)	(1,100)
Interest and dividend income	(2,896)	(2,661)
Interest expense	7,342	5,810
Loss (gain) on the sale of investment securities	(2,399)	(781)
Loss (gain) on sale and disposal of vessels, property, plant and equipment	(3,718)	3,024
Exchange loss, net	659	(333)
Changes in operating assets and liabilities		
— Trade receivables	29,292	(16,668)
— Inventories	(7,096)	(1,391)
— Trade payables	(7,183)	11,840
Other, net	(3,936)	16,711
Sub total	39,537	122,716
Cash received for interest and dividend	4,903	3,961
Cash paid for interest	(7,571)	(5,639)
Cash paid for corporate income tax, resident tax and enterprise tax	(7,193)	(9,744)
Net cash provided by operating activities	29,676	111,293
<b>Cash flows from investing activities:</b>		
Purchase of marketable and investment securities	(1,552)	(1,092)
Proceeds from sale and redemption of marketable and investment securities	3,083	3,983
Payments for purchases of vessels and other tangible and intangible fixed assets	(124,803)	(154,436)
Proceeds from sale of vessels and other tangible and intangible fixed assets	23,683	59,864
Proceeds from purchases of subsidiaries' securities due to change in consolidated subsidiaries	(4,933)	—
Net (increase) decrease in short-term loans receivable	114	(258)
Disbursements for loans receivable	(612)	(1,553)
Collections of loans receivable	611	1,373
Other, net	(1,812)	1,972
Net cash used in investing activities	(106,221)	(90,146)
<b>Cash flows from financing activities:</b>		
Net increase in short-term bonds	1,004	228
Net increase (decrease) in short-term bank loans	(26,286)	(7,918)
Net increase (decrease) in commercial paper	(5,000)	4,000
Proceeds from long-term bank loans	103,924	59,387
Repayments of long-term bank loans	(36,840)	(67,237)
Proceeds from issuance of bonds	64,675	20,000
Redemption of bonds	(20,337)	(4,776)
Purchase of treasury stock	(63)	(33)
Sale of treasury stock	54	12
Cash dividends paid by the company	(18,524)	(3,610)
Cash dividends paid to minority interests	(1,601)	(643)
Other, net	(329)	(650)
Net cash (used in) provided by financing activities	60,674	(1,242)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	1,144	(2,288)
<b>Net increase (decrease) in cash and cash equivalents</b>	(14,725)	17,616
<b>Cash and cash equivalents at beginning of year</b>	83,194	85,894
<b>Net cash increase from new consolidation/de-consolidation of subsidiaries</b>	1	—
<b>Cash and cash equivalents at end of Q2 of year</b>	68,470	103,510

**(4) Segment Information**

(¥ Million)

Q2 / FY2009 (Apr.1 - Sep.30)	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Others	Total	Elimination	Consolidated
Revenues								
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	330,400	215,702	25,476	48,517	4,464	624,562	—	624,562
2.Inter-segments revenues	1,005	624	134	7,473	5,023	14,261	(14,261)	—
<b>Total Revenues</b>	<b>331,406</b>	<b>216,327</b>	<b>25,611</b>	<b>55,991</b>	<b>9,487</b>	<b>638,823</b>	<b>(14,261)</b>	<b>624,562</b>
Operating income/ (loss)	21,711	(38,482)	(1,137)	4,938	1,684	(11,284)	(174)	(11,458)
Ordinary income / (loss)	20,091	(37,592)	(1,136)	5,520	1,357	(11,760)	1,748	(10,011)

(¥ Million)

Q2 / FY2010 (Apr.1 - Sep.30)	Segment report					Others *1	Total	Adjustment *2	Consolidated *3
	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Sub Total				
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	411,547	308,478	25,824	53,526	799,377	3,462	802,839	—	802,839
2.Inter-segments revenues	586	840	99	7,570	9,096	3,502	12,599	(12,599)	—
<b>Total Revenues</b>	<b>412,134</b>	<b>309,318</b>	<b>25,923</b>	<b>61,097</b>	<b>808,473</b>	<b>6,965</b>	<b>815,439</b>	<b>(12,599)</b>	<b>802,839</b>
Segment income/ (loss)	49,703	25,919	(257)	5,265	80,631	1,035	81,666	(1,357)	80,309

\* 1. "Others" consist of the businesses which are not included in "segment report", such as vessels' operation, vessels' management, vessels' chartering business, financial business and shipbuilding business.

\* 2. The adjustment (-1,357 million yen) include both the intersegment transactions (- 290 million yen) and the general corporate revenues and the general corporate expenses (-1,066 million yen) which are not belonging to any segment.

\* 3. The segment income / (loss) is the ordinary income (loss), and the consolidated statements of income mentions the total figure after the adjustment.

\* Additional information:

From Q1/FY2010, "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No.17 27th/Mar/2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No.20 21st/Mar/2008) are applied.

(¥Million)

Q2 / FY2009 (Jul.1 - Sep.30)	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Others	Total	Elimination	Consolidated
Revenues								
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	175,490	111,735	13,207	24,555	2,100	327,090	—	327,090
2.Inter-segments revenues	458	258	85	3,522	2,329	6,654	(6,654)	—
Total Revenues	175,949	111,993	13,293	28,078	4,429	333,744	(6,654)	327,090
Operating income/ (loss)	17,383	(18,700)	(289)	2,247	223	863	(54)	808
Ordinary income / (loss)	15,958	(17,555)	(238)	2,460	405	1,030	457	1,488

(¥Million)

Q2 / FY2010 (Jul.1 - Sep.30)	Segment report					Others *1	Total	Adjustment *2	Consolidated *3
	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Sub Total				
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	201,735	162,042	13,642	26,828	404,248	1,608	405,857	—	405,857
2.Inter-segments revenues	276	395	50	3,703	4,426	1,863	6,289	(6,289)	—
Total Revenues	202,011	162,438	13,692	30,532	408,674	3,471	412,146	(6,289)	405,857
Segment income	21,717	17,393	693	2,643	42,447	516	42,963	(1,902)	41,060

\* 1. "Others" consist of the businesses which are not included in "segment report", such as vessels' operation, vessels' management, vessels' chartering business, financial business and shipbuilding business.

\* 2. The adjustment (-1,902 million yen) include both the intersegment transactions (- 287 million yen) and the general corporate revenues and the general corporate expenses (-1,614 million yen) which are not belonging to any segment.

\* 3. The segment income / (loss) is the ordinary income (loss), and the consolidated statements of income mentions the total figure after the adjustment.

\* Additional information:

From Q1/FY2010, "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No.17 27th/Mar/2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No.20 21st/Mar/2008) are applied.

## Supplement

(For further details please refer to our homepage <http://www.mol.co.jp/ir-e>)

### 1. Comparison with Midterm Management Plan "GEAR UP! MOL"

#### (1) Revenues & Income

(¥ Billion)

	FY2009	FY2010		FY2011	FY2012
	Results	GEAR UP! MOL Plan	Forecast	GEAR UP! MOL Plan	GEAR UP! MOL Plan
Revenues (*1)	1,347	1,550	1,550	1,700	1,800
Bulkships(*2)	721	830	800	920	1,000
Containerships	466	550	580	600	620
Ferry /Domestic Transport	50	53	51	53	53
Associated Businesses	99	110	112	120	120
Others	9	7	7	7	7
Operating Income	20	100	130	120	150
Ordinary income	24	100	130	120	150
Bulkships(*2)	66	80	82	80	100
Containerships	△ 56	5	35	20	30
Ferry /Domestic Transport	△ 2	0	0	3	3
Associated Businesses	9	10	11	11	11
Others	1	1	1	2	2
Adjustments	5	3	1	4	4
Net income	12	60	65	75	110
Ratio of ordinary income to revenue	1.8%	6.5%	8.4%	7.1%	8.3%

Av. Ex. Rate                    ¥93.25/US\$      ¥90.00/US\$      ¥84.81/US\$      ¥90.00/US\$      ¥90.00/US\$

Av. Bunker price              US\$406/MT      US\$500/MT      US\$486/MT      US\$500/MT      US\$500/MT

(\*1)Revenues = Revenues from customers, unconsolidated subsidiaries and affiliated companies

(\*2)Dry bulkers, tankers, LNG carriers and car carriers

#### (2) Financial Indices (Guideline)

(¥ Billion)

	2010.3	2010.9	"GEAR UP! MOL" Guideline for 2013.3
Shareholders' Equity	659	633	820
Shareholders' Equity /Total assets	35.4%	33.6%	40% or more
Gearing ratio	117.5%	121.9%	100% or less
ROA	0.7%		5% or more

Shareholders' Equity = Total Net Assets - (Share subscription rights + Minority interests)

Gearing ratio = Interest-bearing debt ÷ Shareholders' Equity

ROA = Net income ÷ Total Assets



2. Review of Quarterly Results

## FY2010

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Apr.~Jun.,2010	Jul.~Sep.,2010	Oct.~Dec.,2010	Jan.~Mar.,2011
Revenues [¥ Million]	396,982	405,857		
Operating Income	39,099	43,526		
Ordinary income	39,249	41,060		
Income before income taxes	34,317	39,419		
Net income	20,822	27,428		
Net income per share [¥]	17.42	22.95		
Total assets [¥ Million]	1,874,002	1,884,822		
Total net assets	725,405	712,312		
Shareholders' Equity per share [¥]	544.18	529.77		

## FY2009

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Apr.~Jun.,2009	Jul.~Sep.,2009	Oct.~Dec.,2009	Jan.~Mar.,2010
Revenues [¥ Million]	297,472	327,090	360,820	362,582
Operating Income	-12,267	808	13,847	18,550
Ordinary income	-11,499	1,488	13,770	20,475
Income before income taxes	-17,224	6,337	18,291	20,372
Net income	-13,014	3,080	12,141	10,515
Net income per share [¥]	-10.88	2.57	10.15	8.79
Total assets [¥ Million]	1,827,728	1,843,052	1,817,264	1,861,312
Total net assets	733,011	712,877	686,545	735,702
Shareholders' Equity per share [¥]	551.38	532.63	511.42	551.70

**3. Depreciation and Amortization**

	Six months ended September 30, 2009	Six months ended September 30, 2010	Increase /Decrease	(Million yen) FY2009
Vessels	32,632	30,420	△ 2,212	66,218
Others	10,844	8,347	△ 2,497	22,147
<b>Total</b>	<b>43,476</b>	<b>38,767</b>	<b>△ 4,709</b>	<b>88,366</b>

**4. Interest-bearing Debt**

	As of March 31, 2010	As of September 30, 2010	Increase /Decrease	(Million yen) As of September 30, 2009
Bank loans	540,678	519,866	△ 20,812	556,651
Bonds	209,424	223,281	13,857	204,541
Commercial paper	8,500	12,500	4,000	15,500
Others	16,511	16,044	△ 467	17,560
<b>Total</b>	<b>775,114</b>	<b>771,692</b>	<b>△ 3,422</b>	<b>794,253</b>

**5. Fleet Capacity****(MOL and consolidated subsidiaries)**

	Dry bulkers		Tankers		LNG carriers		Car carriers		Containerships	
	No. of ships	1,000MT	No. of ships	1,000MT	No. of ships	1,000MT	No. of ships	1,000MT	No. of ships	1,000MT
Owned	88	6,885	82	13,013	27	1,843	46	739	21	1,348
Chartered	299	27,635	111	4,822	8	610	71	1,104	88	4,061
Others	-	-	-	-	2	143	-	-	-	-
As of Sept. 30, 2010	387	34,520	193	17,835	37	2,596	117	1,843	109	5,409
As of Mar. 31, 2010	375	33,728	189	16,777	39	2,734	109	1,652	101	4,856

	Ferries/Domestic carriers(*1)		Passenger ships		Others		Total	
	No. of ships	1,000MT	No. of ships	1,000MT	No. of ships	1,000MT	No. of ships	1,000MT
Owned	15	80	1	5	1	6	281	23,919
Chartered	24	72	0	0	2	13	603	38,318
Others	3	3	-	-	-	-	5	146
As of Sept. 30, 2010	42	155	1	5	3	19	889	62,383
As of Mar. 31, 2010	44	161	1	5	3	19	861	59,932

\*1:excluding tug boats

**6. Exchange Rates**

	Six months ended September 30, 2009	Six months ended September 30, 2010	Change			FY2009
Average rates	¥96.03	¥89.61	¥6.42	(6.7%)	¥ appreciated	¥93.25
Term-end rates	¥90.21	¥83.82	¥6.39	(7.1%)	¥ appreciated	¥93.04

(Remark) "Average rates" are average of monthly corporate rates in each term, while "term-end rates" are TTM rates on the last day of each term.

## Overseas subsidiaries

	TTM on June 30, 2009	TTM on June 30, 2010	Change			TTM on December 31, 2009
Term-end rates	¥96.01	¥88.48	¥7.53	(7.8%)	¥ appreciated	¥92.10

**7. Bunker Prices**

	Six months ended September 30, 2009	Six months ended September 30, 2010	Increase /Decrease
Consumption Prices	US\$354/MT	US\$471/MT	US\$117/MT

7. Outlook for FY2010

(¥ Billion)

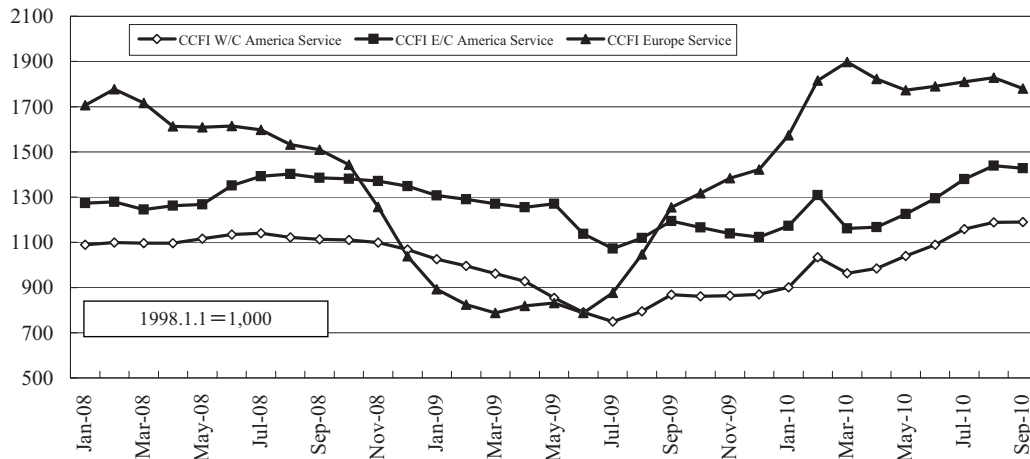
Segments	Revenues(*)	Ordinary Income
Bulkships	800	82
Containerships	580	35
Ferry /Domestic Transport	51	0
Associated Businesses	112	11
Others	7	1
Adjustments	-	1
Total	1,550	130

<Assumption>	Apr. ~ Jun., 2010 (Actual)	Jul. ~ Sep., 2010 (Actual)	Oct.2010 ~ Mar. 2011 (Forecast)	FY2010 (Average)
exchange rates	¥91.44/US\$	¥87.78/US\$	¥80.00/US\$	¥84.81/US\$
bunker prices	US\$474/MT	US\$469/MT	US\$500/MT	US\$486/MT

(\*) Revenues from customers, unconsolidated subsidiaries and affiliated companies

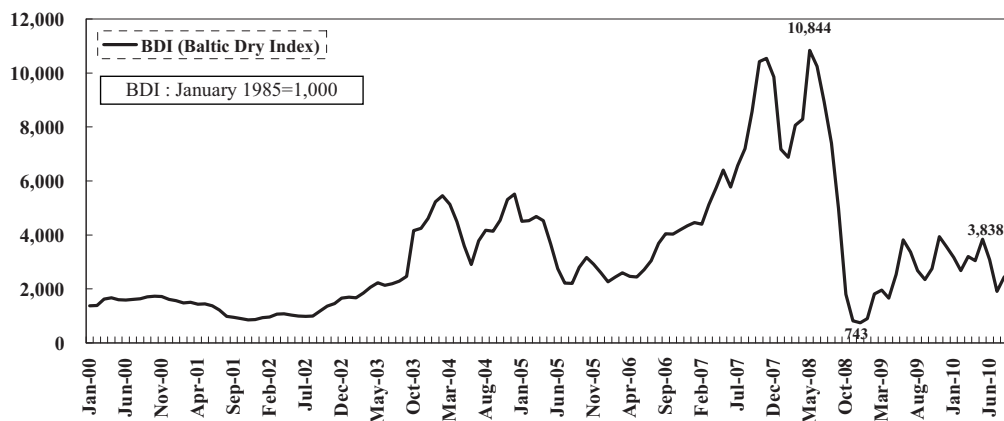
**8. Market Information**

(1) Containership Market (China Containerized Freight Index)



\* CCFI reflects the freight rate trend for container exports from China only, which does not always match the overall trend for container exports from Asia. Therefore, this information is provided and updated only for reference

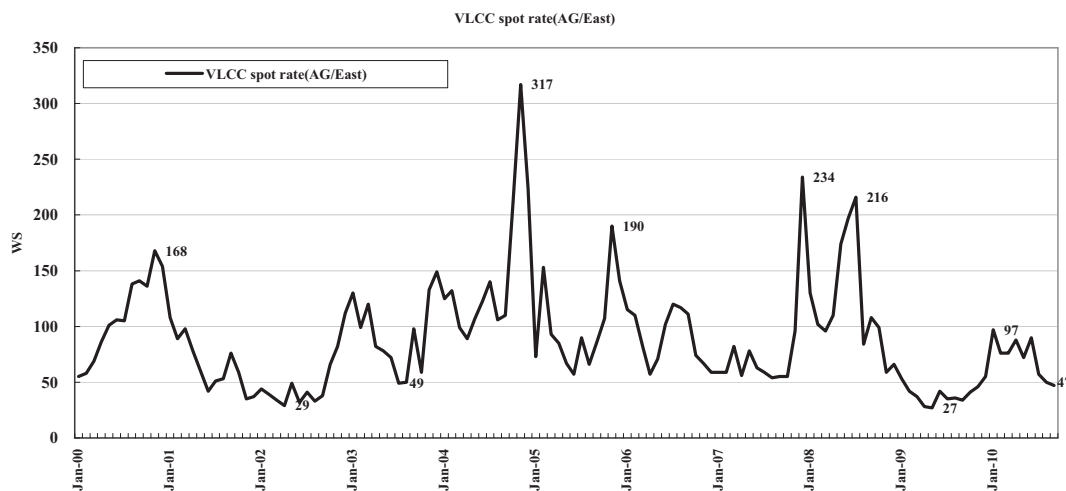
(2) Dry Bulk Market (Baltic Dry Index)



	(Calendar Year)											
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Maximum	1,734	1,566	1,666	4,609	5,519	4,678	4,336	10,543	10,844	3,941	3,838	
Minimum	1,371	855	931	1,674	2,902	2,220	2,262	4,398	743	905	1,910	
Average	1,606	1,215	1,144	2,634	4,521	3,380	3,188	7,090	6,347	2,613	2,898	

(Jan. ~ Sep.)

(3) VLCC Market



	(Calendar Year)											
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Maximum	168	108	112	149	317	190	120	234	216	54	97	
Minimum	55	35	29	49	89	57	57	54	59	27	47	
Average	110	66	50	93	149	101	90	79	120	40	73	

(Jan. ~ Sep.)