



# **Business Performance in FY2015 and Outlook for FY2016**

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

*April 28, 2016*

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Note1: Fiscal Year = from April 1 to March 31

    Q1 = April to June

    Q2 = July to September

    Q3 = October to December

    Q4 = January to March

Note2: Figures less than JPY 0.1 billion are rounded down.

Note3: Net income/loss = Profit/loss attributable to owners of parent

# FY2015 Full-year Results [Consolidated]

\*as of January 29, 2016

(billion yen)	FY2015 Result					FY2014 Result			FY2015 Previous forecast*	
	Q1	Q2	Q3	Q4	Full-year	Full-year	YoY		Full-year	Variance
Revenue	449.4	455.2	412.4	395.0	1,712.2	1,817.0	- 104.8	-6%	+1,720.0	- 7.7
Operating income/loss	1.8	6.3	1.4	- 7.2	2.3	17.2	- 14.9	-87%	- 5.0	+7.3
Ordinary income/loss	10.8	16.9	10.9	- 2.5	36.2	51.3	- 15.0	-29%	+32.0	+4.2
Net income/loss	12.7	- 13.0	13.5	- 183.7	- 170.4	42.3	- 212.8	-	- 175.0	+4.5
Average exchange rate	¥120.02/\$	¥123.62/\$	¥121.15/\$	¥117.69/\$	¥120.62/\$	¥108.34/\$	+¥12.28/\$		¥120.45/\$	+¥0.17/\$
Average bunker price	\$369/MT	\$286/MT	\$235/MT	\$173/MT	\$265/MT	\$503/MT	-\$238/MT		\$264/MT	+\$1/MT

## 【Ordinary income/loss】YoY Comparison (Major factors)

(¥ billion)

Fluctuation of Foreign Exchange	+24.0	YoY	¥12.28/\$	¥ Weaker
Fluctuation of Bunker Price	+70.0	YoY	\$238/MT	Lower
Fluctuation of Cargo Volume/Freight Rates, Others.	-109.0			
(Total)	-15.0			

## [By segment]

Upper	Revenue
Lower	Ordinary income/loss

\*as of January 29, 2016

(billion yen)	FY2015 Result					FY2014 Result			FY2015 Previous forecast*	
	Q1	Q2	Q3	Q4	Full-year	Full-year	YoY		Full-year	Variance
<b>Bulkships</b>	215.2	221.2	201.9	200.4	838.8	857.2	-18.3	-2%	839.0	-0.1
	10.8	18.2	15.7	9.9	54.8	54.1	+0.7	+1%	50.0	+4.8
<b>Containerships</b>	194.5	194.6	171.8	158.1	719.1	787.0	-67.9	-9%	725.0	-5.8
	-5.0	-4.1	-9.2	-11.4	-29.8	-24.1	-5.6	-	-31.0	+1.1
<b>Ferry&amp; Domestic transport</b>	12.8	13.0	12.5	11.2	49.6	56.0	-6.4	-11%	50.0	-0.3
	0.8	1.5	1.4	0.5	4.4	4.4	0	-1%	4.5	0
<b>Associated businesses</b>	24.8	24.4	23.8	23.4	96.6	108.3	-11.7	-11%	98.0	-1.3
	2.5	1.8	2.9	2.9	10.1	10.9	-0.7	-7%	9.5	+0.6
<b>Others</b>	1.9	1.9	2.2	1.8	7.9	8.2	-0.2	-4%	8.0	0
	1.3	0.2	1.7	0.1	3.5	4.1	-0.6	-15%	3.5	0
<b>Adjustment</b>	-	-	-	-	-	-	-	-	-	-
	0.2	-0.8	-1.6	-4.7	-6.9	1.8	-8.7	-	-4.5	-2.4
<b>Consolidated</b>	449.4	455.2	412.4	395.0	1,712.2	1,817.0	-104.8	-6%	1,720.0	-7.7
	10.8	16.9	10.9	-2.5	36.2	51.3	-15.0	-29%	32.0	+4.2

Note 1: Revenues from customers, unconsolidated subsidiaries and affiliated companies.

Note 2: Bulkships = Dry bulkers, Tankers, LNG carriers/Offshore businesses, Car carriers

Note 3: Associated Businesses = Real estate, Cruise ships, Tug boats, Trading, Temporary staffing, etc.

# Outline of FY2015 Full-year Results (I) [Consolidated]

## [Overall]

- ◆ Ordinary income decreased by 29% from the previous year. Q4 (three months) showed deficits despite securing higher profits for the first nine months (Q1-3) in a year-on-year comparison, resulting in decrease for the full year.
  - ← Deterioration in the containership and dry bulker markets outstripped any gains from low bunker prices, the weaker yen, and the rising tanker market. Downturn in foreign exchange gain on a non-consolidated basis generated in the previous year.
- ◆ Ordinary income ended slightly above the previous outlook (January 29) due to a difference in the number of voyages completed and other factors.
- ◆ Recorded -¥170.4 billion in net loss due to recording of extraordinary loss (-¥179.3 billion) related to business structural reforms in the dry bulker and containership businesses in Q4.

## [By segment] [Ordinary income/loss for FY2015 (year-on-year comparison)]

### Bulkships [¥54.8 billion (+¥0.7 billion)]

#### ■Dry bulkers:

- Vessels on spot contracts: The Capesize market remained lackluster as it was unable to recover even in the peak season as originally expected. Bearish market momentum contributed to the deepening slump, with increasing anxieties over the slowdown of China's economy. Markets for all ships types deteriorated, and the Baltic Dry Index continuously marked new lows since fall.
- Vessels on mid- and long-term transport contracts: Continued to secure stable profits through long-term transport contracts (iron ore, steaming coal, woodchips, etc.)
  - ⇒ Substantially deteriorated compared to the previous year. Recorded a slight deficit for the full year as a result of negative margins on spot operations, which offset stable profits from mid- and long-term cargo contracts.

#### ■Tankers:

- Crude oil tankers: The market was vigorous due to the increase in actual demand resulting from low crude oil prices and increases in strategic reserves. The market remained firm throughout the year. → A large increase in profits compared to the previous year.
- Product tankers remained generally firm due to new operations at Middle East refineries, etc. Profits improved significantly from deficits recorded in the previous year. Both the LPG carrier and chemical tanker markets remained firm.
  - ⇒ Ordinary income increased significantly.

# Outline of FY2015 Full-year Results (II) [Consolidated]

## ■ LNG carriers/Offshore businesses:

- Steadily posted profits within the scope of the initial outlook. New projects, which started in FY2015, contributed to profits.
- ⇒ Significant increase in ordinary income compared to the previous year, when drydocking, etc., generated one-time expenditures.

## ■ Car carriers:

- While trade from Japan mainly to North America was firm, cargo volume to resource-producing countries declined.
- ⇒ Ordinary income decreased compared to the previous year.

## Containerships [-¥29.8 billion (-¥5.6 billion)]

- ◆ Asia-North America route: Demand/supply environment deteriorated due to increase in fleet supply although cargo traffic remained generally firm, and freight rates have fallen to historically low levels since the winter season.
  - ◆ Asia-Europe route, Asia-South America route: Cargo traffic decreased, and freight rates were at historically low levels. Despite an aggressive reduction in sailings on those routes, the lack of any increase in demand precluded a rate increase.
  - ◆ Route rationalization: Implemented a large rationalization including suspension of services, mainly on the North-South route. Reduced capacity on the Asia-South America East Coast route by half, starting in February.
- ⇒ Larger fall in freight rates offset the positive impacts of low bunker prices and route rationalization, resulting in increased losses compared to the previous year.

## Ferry & domestic transport [¥4.4 billion (±0)]

Secured the same level of income as the previous year despite the impact of an accidental fire aboard a ferry that occurred in July 2015.

## Associated businesses [¥10.1 billion (-¥0.7 billion)]

Income decreased due to temporary costs related to the completion of the Shin-Daibiru Building (recorded in Q1).

## Others + Adjustment [-¥3.4 billion (-¥9.3 billion)]

Foreign exchange gain on a non-consolidated basis (+¥6.1 billion) turned to a loss in this fiscal year.

**[Dividend]** ¥5 per share for the full year (interim ¥3.5 already paid + year-end ¥1.5) (Same as the previous announcement)

# FY2016 Full-year Forecast [Consolidated]

(billion yen)	FY2016 Forecast			FY2015 Result			YoY	
	H1	H2	Full-year	H1	H2	Full-year	(Full-year)	
<b>Revenue</b>	<b>759.0</b>	<b>757.0</b>	<b>1,516.0</b>	904.6	807.5	1,712.2	- 196.2	-11%
<b>Operating income/loss</b>	<b>-0.5</b>	<b>3.5</b>	<b>3.0</b>	8.1	-5.8	2.3	+0.6	+29%
<b>Ordinary income/loss</b>	<b>7.5</b>	<b>12.5</b>	<b>20.0</b>	27.7	8.4	36.2	- 16.2	-45%
<b>Net income/loss</b>	<b>7.5</b>	<b>12.5</b>	<b>20.0</b>	-0.2	-170.2	-170.4	+190.4	-112%
Average exchange rate	<b>¥108.00/\$</b>	<b>¥108.00/\$</b>	<b>¥108.00/\$</b>	¥121.82/\$	¥119.42/\$	¥120.62/\$	-¥12.62/\$	
Average bunker price	<b>\$220/MT</b>	<b>\$240/MT</b>	<b>\$230/MT</b>	\$328/MT	\$204/MT	\$265/MT	-\$35/MT	

Note:"Average bunker Price" Consumption price for fiscal results (FY2014), purchase price for the fiscal projection (FY2015):

<b>(cf)Sensitivity against Ordinary income</b>	
FY2016	(Full-year/Max)
FX Rate:	<b>±¥ 1.0 bn/¥1/\$</b>
Bunker Price:	<b>±¥ 0.17 bn/\$1/MT</b>

[By segment]

	Upper	Revenue						
	Lower	Ordinary income/loss						
(billion yen)	FY2016 Forecast			FY2015 Result			YoY	
	H1	H2	Full-year	H1	H2	Full-year	(Full-year)	
<b>Bulkships</b>	<b>360.0</b>	<b>365.0</b>	<b>725.0</b>	436.4	402.4	838.8	- 113.8	-14%
	<b>16.5</b>	<b>18.5</b>	<b>35.0</b>	29.1	25.7	54.8	- 19.8	-36%
<b>Containerships</b>	<b>325.0</b>	<b>320.0</b>	<b>645.0</b>	389.1	329.9	719.1	- 74.1	-10%
	<b>-17.0</b>	<b>-15.0</b>	<b>-32.0</b>	-9.1	-20.6	-29.8	- 2.1	-
<b>Ferries &amp; Coastal RoRo Ships</b>	<b>22.0</b>	<b>21.5</b>	<b>43.5</b>	25.8	23.7	49.6	- 6.1	-12%
	<b>2.5</b>	<b>3.0</b>	<b>5.5</b>	2.4	1.9	4.4	+1.0	+24%
<b>Associated businesses</b>	<b>48.0</b>	<b>47.0</b>	<b>95.0</b>	49.3	47.2	96.6	- 1.6	-2%
	<b>6.0</b>	<b>6.0</b>	<b>12.0</b>	4.3	5.8	10.1	+1.8	+18%
<b>Others</b>	<b>4.0</b>	<b>3.5</b>	<b>7.5</b>	3.9	4.0	7.9	- 0.4	-6%
	<b>0.7</b>	<b>0.8</b>	<b>1.5</b>	1.6	1.9	3.5	- 2.0	-58%
<b>Adjustment</b>	-	-	-	-	-	-	-	-
	<b>-1.2</b>	<b>-0.8</b>	<b>-2.0</b>	-0.5	-6.3	-6.9	+4.9	-
<b>Consolidated</b>	<b>759.0</b>	<b>757.0</b>	<b>1,516.0</b>	904.6	807.5	1,712.2	- 196.2	-11%
	<b>7.5</b>	<b>12.5</b>	<b>20.0</b>	27.7	8.4	36.2	- 16.2	-45%

Note 1:Revenues from customers, unconsolidated subsidiaries and affiliated companies.

Note 2:Bulkships =Dry bulkers, Tankers, LNG carriers/Offshore businesses, Car carriers

Note 3:Associated Businesses =Real estate, Cruise ships, Tug boats, Trading, Temporary staffing, etc.



# Key Points of FY2016 Full-year Forecast (I)

## [Overall]

- ◆ Accomplish Single-year Management Plan/Business Structural Reforms
- Dry bulkers: Significantly scale down market exposure.
- Containerships: Enhance rationalization of unprofitable services, dispose of excess tonnage
- Enhance the quality of businesses, accelerate business development in key strategic countries
- ◆ Assume ongoing severe conditions in the dry bulker and containership markets, and anticipate a certain level of softening from the booming market in the previous year even in the tanker market.
- ◆ Long-term stable profits: ¥55.0 billion

## [By segment]

[FY2016 forecast for ordinary income/loss (year-on-year comparison)]

**Bulkships** [¥35.0 billion (-¥19.8 billion)]

### ■ Dry bulkers:

- Market: The market will not fully recover from stagnated demand due to the deceleration of China's economy, despite accelerated scrapping of vessels, mainly Capesize ships. Anticipate the market will remain at low levels throughout the year.
  - Forge ahead to improve profitability by acquiring profitable cargoes and developing businesses in growing regions, while significantly reducing market exposure through business structural reforms.
- ⇒ Significantly improve from deficits recorded in the previous year and secure profits, although the impact of business structural reforms have diminished to some extent.

### ■ Tankers:

- Forecast softening from the booming market in the previous year despite firm fundamentals overall.
- Crude oil tankers: Supply pressure from the delivery of newbuilding vessels will increase, especially in the second half, though China's strategic reserve will continue to expand and demand in other Asian countries is expected to grow. Forecast softening in the market compared to the previous year. Increase stable profits through mid- and long-term contracts.

## Key Points of FY2016 Full-year Forecast (II)

- Forecast that product tankers and chemical tankers will show firm cargo trade due to continued high operating rate at oil refineries due to low crude oil prices. The market level for LPG carriers will drop significantly from the previous year due to supply pressure from newbuilding vessels.
- ⇒ Continually secure high profits despite forecast that profits will decrease from particularly high levels in the previous year.
- **LNG carriers/Offshore business:** 14 new projects will start operation in this fiscal year (incl. 6 Very Large Ethane Carriers (VLEC)). Steadily record stable profits.
- ⇒ Secure profits at the same level as the previous year despite the impact of the strong yen.
- **Car carriers:** Continued slow trade to resource-dependent countries, although trade to North America is expected to remain firm.
- ⇒ Anticipate that ordinary income will decrease from the previous year, due to impact of the strong yen, etc.

### Containerships [-¥32.0 billion (-¥2.1 billion)]

- ◆ Asia-North America route: Anticipate freight rates will be lower due to renewal of annual contracts in addition to deteriorating spot market, though cargo traffic is expected to be firm backed by the strong U.S. economy. Seeking higher efficiency by launching larger vessels on routes bound for the North America East Coast after expansion of the Panama Canal.
  - ◆ Asia-Europe route: Still no sign for recovery in Asia-Europe cargo traffic, and freight rates are stagnant. Plan reduction of demand and supply imbalance by further rationalization.
  - ◆ North-South East Coast route: Conducted rationalization in the previous year. Profits improved significantly.
  - ◆ Increase in profits of container terminal business: Steadily increase profits by promoting automated operation of Los Angeles terminal.
- ⇒ Impact of deteriorated market will offset the positive impact of the business structural reforms and route rationalization implemented in the previous year, resulting in a further increase in losses from the previous year.

### Ferries & Coastal RoRo (Roll-on/Roll-off) Ships [¥5.5 billion (+1.0 billion)]

Ordinary income will increase from the previous year as the ferry business returns to normal operation.

### Associated businesses [¥12.0 billion (+¥1.8 billion)]

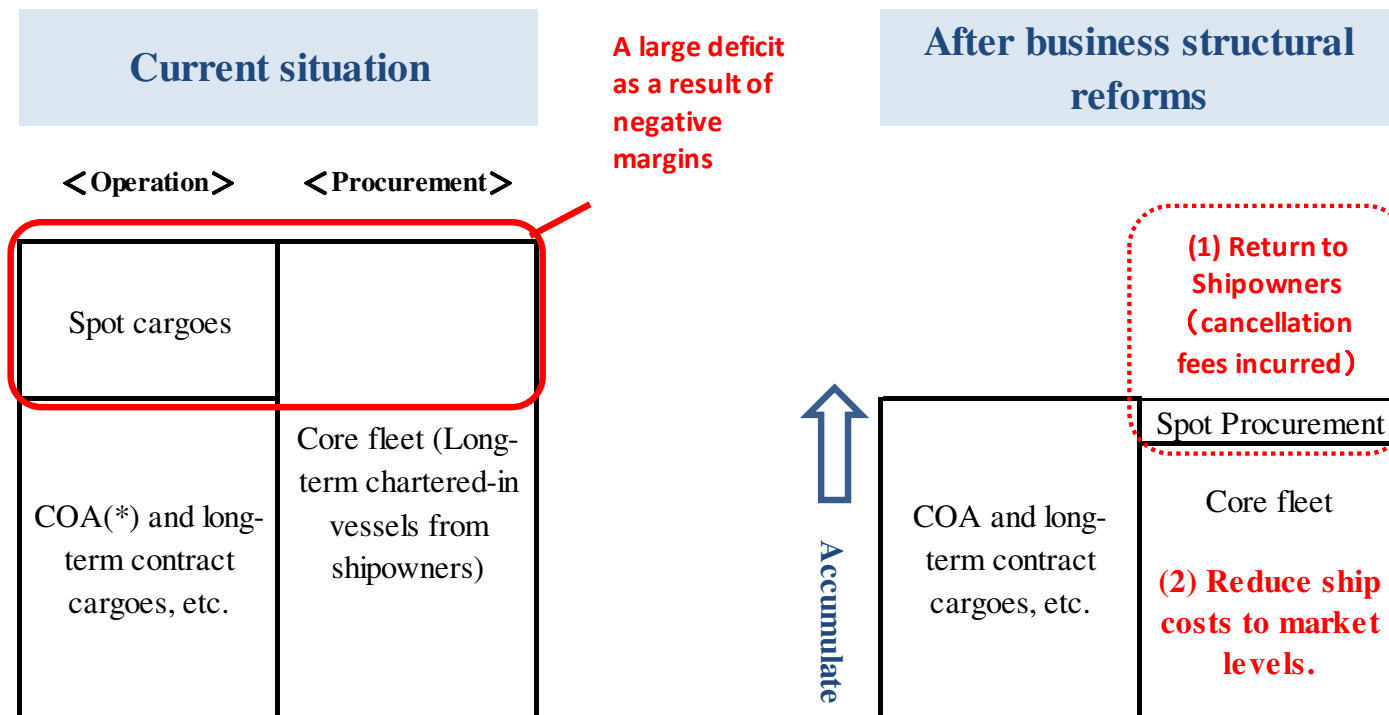
Ordinary income will increase by reaction to recorded initial costs of the Shin-Daibiru Building in the previous year.

**[Dividend]** Plan to pay ¥4 per share for the full year (Interim ¥2 + year end ¥2) (Dividend payout ratio 24%)

# Outline of “Business Structural Reforms” (I)

## Dry bulkers (Mid and small size)

- (1) Return vessels serving in spot cargo transport (and largely responsible for negative margins) to shipowners, and significantly scale down market exposure.
- (2) Reduce ship costs of the core fleet, which is engaged in cargo transport based on long-term stable relationships with customers, to market levels.



(\*) COA: Contract of affreightment



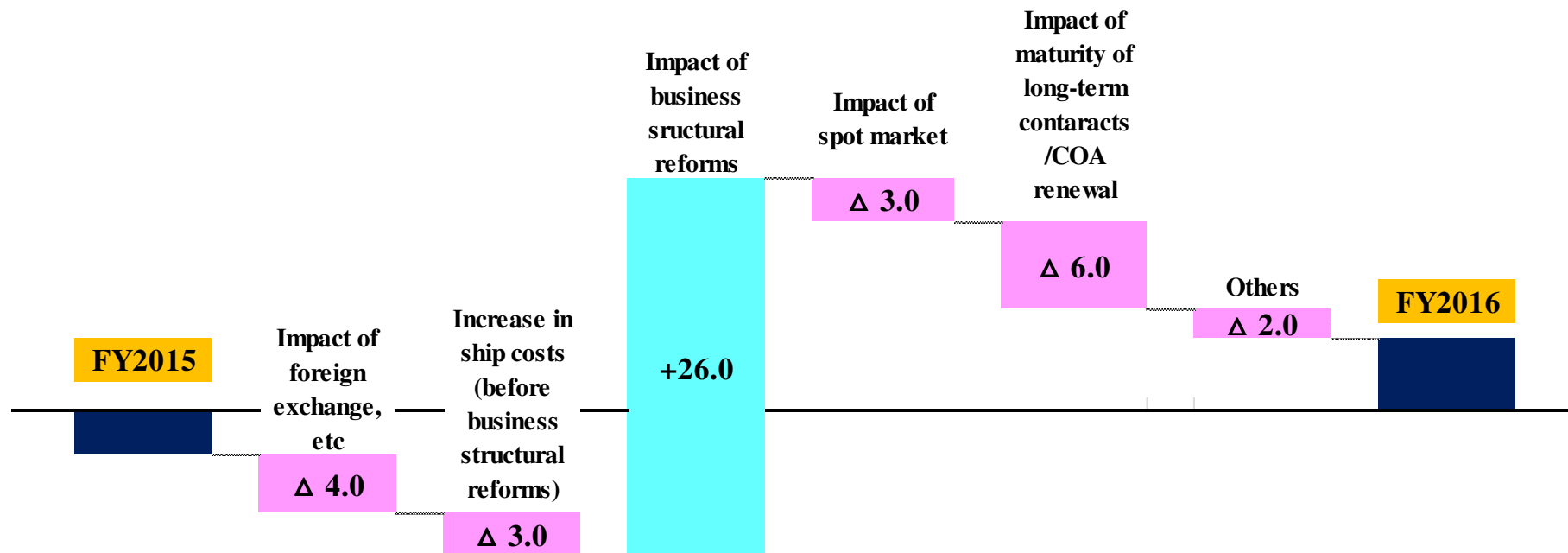
# FY2016 Business Performance: Variable Factors from the Previous Year (I)

## Dry bulkers

- Turn to profitability thanks to impact of business structural reforms.
- Decrease in income due to COA renewal and maturity of long-term cargo contracts under current market conditions will reduce the impact of reforms to some extent.

FY2015⇒FY2016

[Unit : billion]



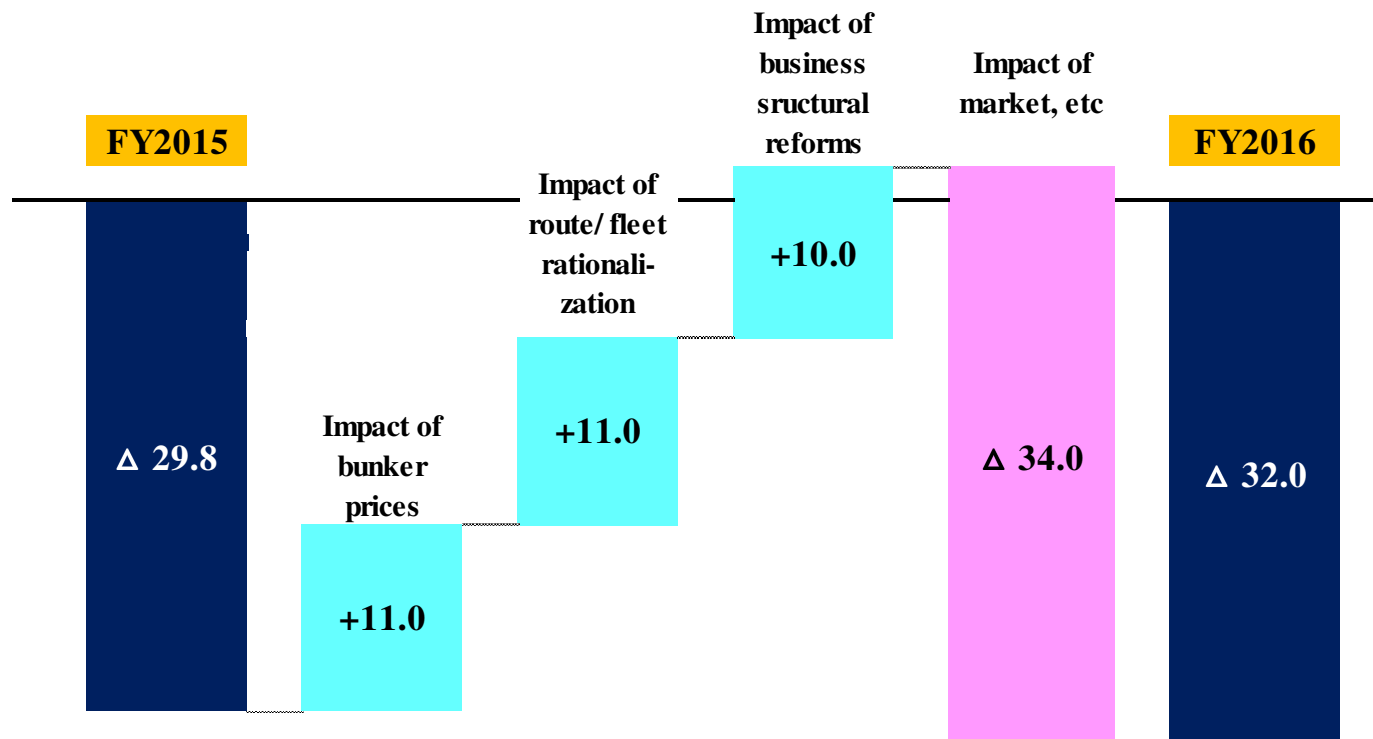
# FY2016 Business Performance: Variable Factors from the Previous Year (II)

## Containerships

- Freight levels of both spot markets and annual cargo contracts declined significantly.
- Profits could not be improved from the previous year because the deterioration of the market will offset the positive impact of business structural reforms, route rationalization, and low bunker prices.

FY2015⇒FY2016

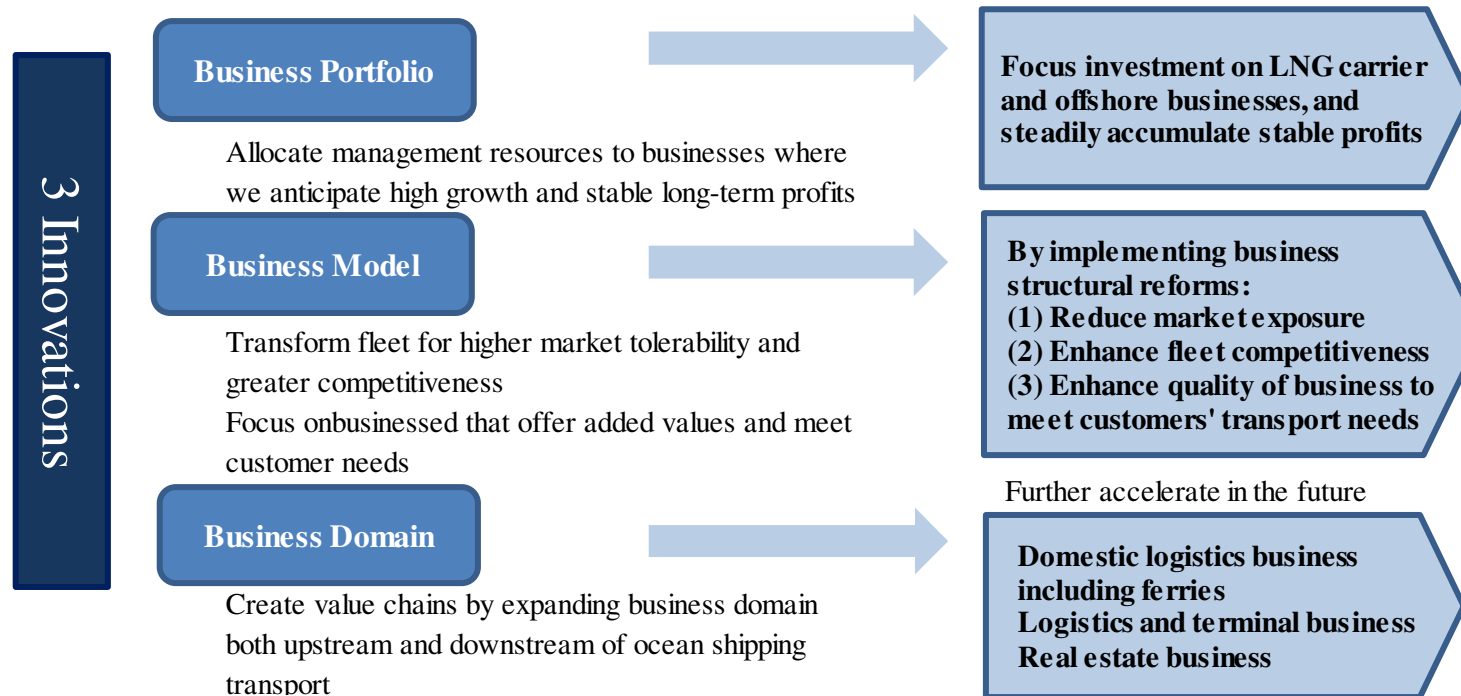
[Unit : billion]



# FY2016 Single-year Management Plan

## Progress of Midterm Management Plan **STEER FOR 2020 (FY2014~2016)**

- ✓ Steady progress on “Innovation of Business Portfolio” in addition to:
- ✓ Significant progress on “Innovation of Business Model” through business structural reforms
- ✓ Accelerate “Innovation of Business Domain” in the future



**Need a large modification in profit and financial plans**

**Highest priority in FY2016 is accomplishment of “Business Structural Reforms”**

**Establish and execute the single-year management plan**

# FY2016 Single-year Management Plan

## Goal: Accomplish “Business Structural Reforms” toward Recovery of Profits

### Profit Recovery Plan

#### ■ Dry bulker business

##### 1. Mid- and small-size bulkers

Withdraw excess tonnage from the free-vessel market, which is not backed by cargo demand, focus on cargo transport based on stable, long-term relationships with customers. Complete early return of surplus charter-in vessels other than the necessary core fleet.

##### 2. Capesize bulkers

Complete early return and sale of surplus fleet, while reducing free vessels and meeting customers’ needs.

#### ■ Containerships

##### 1. Complete early return of surplus fleet as a result of route rationalization

##### 2. Further enhance rationalization of unprofitable routes

##### 3. Conduct a drastic review of yield management and enhance quality of businesses

#### ■ Review ownership of non-core assets

Promote recovery of equity ratio by sale of non-core assets (extraordinary gain)



## Build foundation toward future growth (with core competency in shipping)

### ■ Enhance quality of businesses

#### (1) Restructured organization by business unit

##### <Dry Bulk Business Unit>

Optimize portfolio of the dry bulker fleet and more efficiently allocate management resources.

##### <Energy Transport Business Unit>

Integrate business policies for energy-related customers, and appropriately meet diversified customer needs.

#### (2) Enhance cross-divisional and global cooperation as “One MOL.”

Effective utilization of Chief Executive Representatives and Chief Country Representatives.

### ■ Create business models to meet a changing business climate

#### (1) Speed up “Innovation of Business Domain”

Integrate allocation of management resources for domestic logistics including ferries, in addition to logistics, terminal and real estate businesses in key strategic areas.

#### (2) Meet customer needs through IT and the environmental technologies

# Management Plan for 2016

## Fleet scale

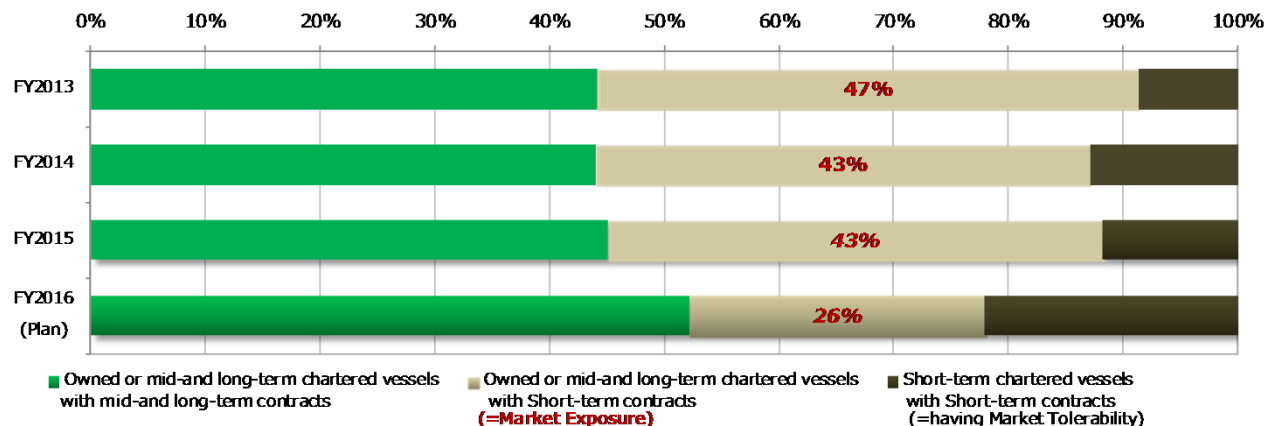
(Unit: Number of vessels)

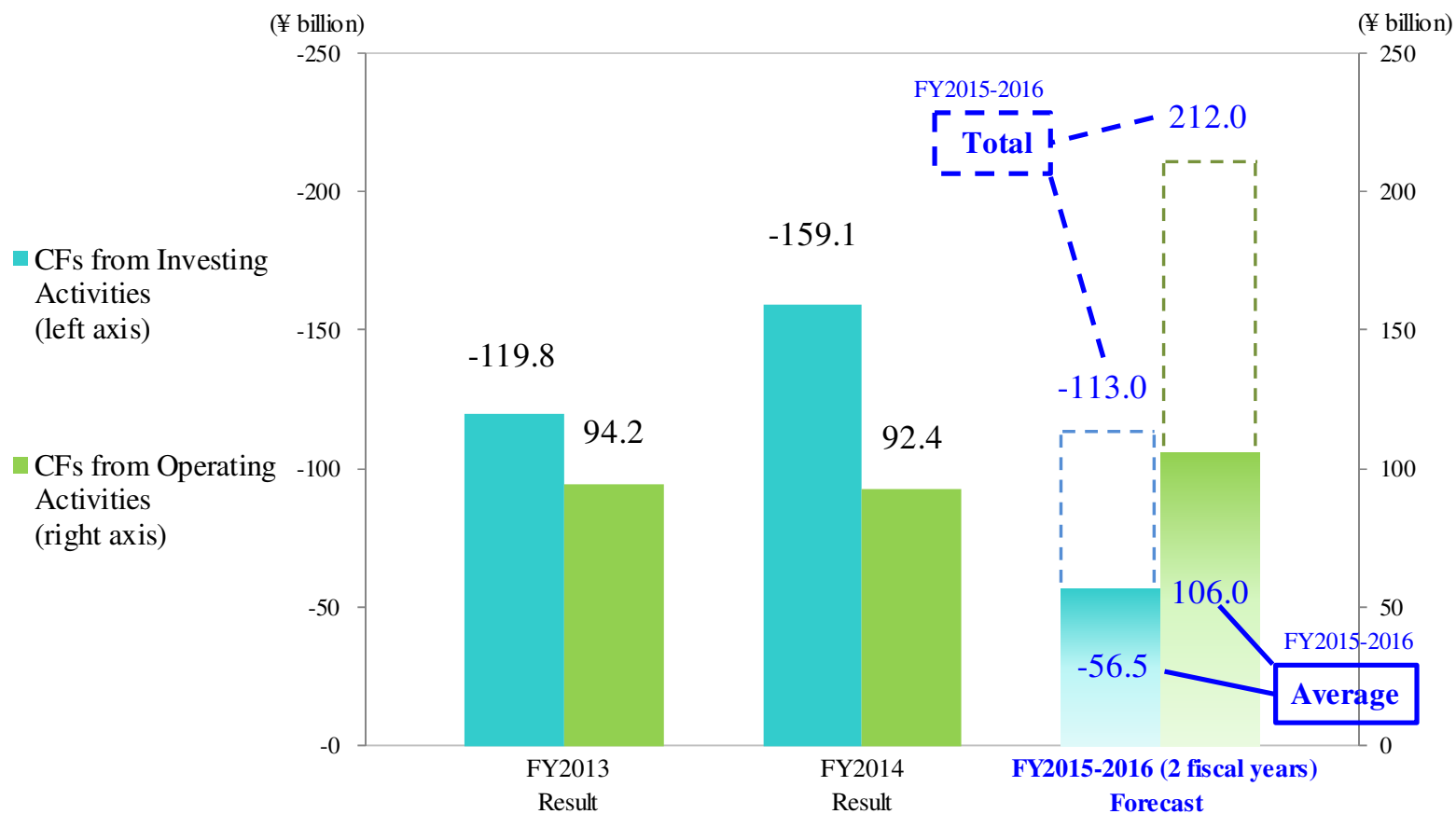
Execution of Business Structural Reforms

		30 Sep, 2015	31 Mar, 2016	31 Mar, 2017
Bulkships	Fleet Scale	763	740	608
	Dry bulkers (incl. Steaming coal carriers)	398	373	322
	Market Exposure	165	161	83
	Tankers	174	175	168
	Market Exposure	102	94	82
	LNG carriers & Offshore business	69	72	86
	Car carriers	122	120	118
Containerships	Fleet Scale	103	95	87
Others	Fleet Scale	48	48	46
Total	Fleet Scale	914	883	827

Note: "Fleet Scale" shows total number of owned vessels (including those owned by joint ventures) and chartered vessels (long, short-term), at each date.

### ● Downsize Market Exposure (Dry bulker and Tanker) : Innovation II (Increasing Market Tolerability)

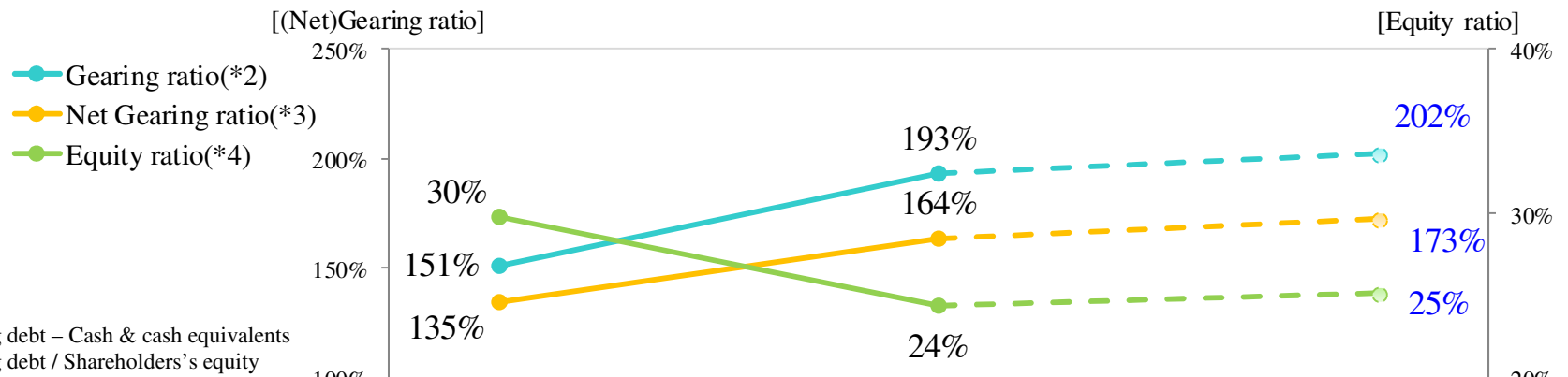
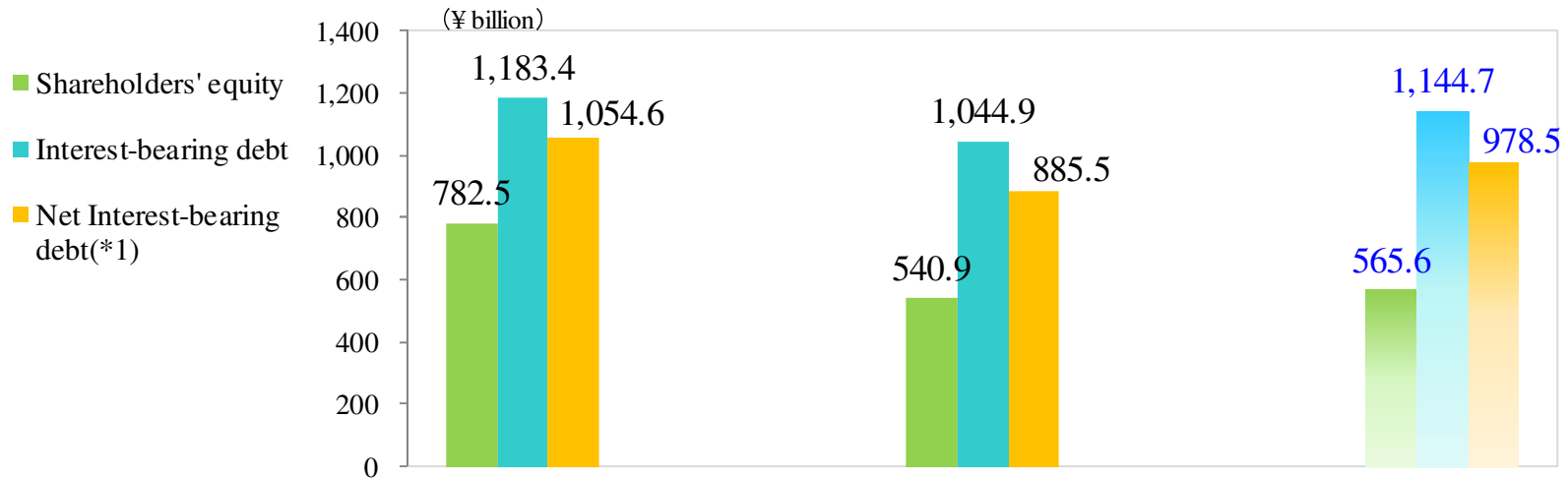




Ordinary Income/Loss( ¥ bn)	54.9	51.3	-
Profit/Loss Attributable to Owners of Parent( ¥ bn)	57.3	42.3	-
Ave. Exchange Rate	¥99.79/\$	¥108.34/\$	-

**Forecast is shown for two years total/average based on cash-in/out for business structural reforms to be generated over FY2015-2016**

Note1:Free Cash Flows (FCFs) = CFs from Operating Activities – CFs from Investing Activities  
 Note2:CFs from Investing Activities are “net” figures. (Gross Investments – Sales of Assets, etc)



(\*1) Interest-bearing debt – Cash & cash equivalents  
 (\*2) Interest-bearing debt / Shareholders's equity  
 (\*3) Net interest-bearing debt / Shareholders's equity  
 (\*4) Shareholders's equity / Total assets

	FY2014 Result	FY2015 Result	FY2016 Year-end Forecast
(Term-end Exchange Rate)			
MOL	¥120.17/\$	¥112.68/\$	¥108.00/\$
Overseas Subsidiaries	¥120.55/\$	¥120.61/\$	¥108.00/\$

# Dry Bulker Market (Spot Charter Rate)

[Supplement #3]

## 1. FY2015 (Result)

(US\$/day)

Size	FY2015						Full-year
	1st Half			2nd Half			
Market for vessels operated by MOL	Apr-Sep, 2015			Oct, 2015 - Mar, 2016			Average
	Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
Capesize	5,800	12,600	9,200	8,200	2,700	5,500	7,300
Market for vessels operated by overseas subsidiaries of MOL	Jan-Jun, 2015			Jul-Dec, 2015			Average
	Jan-Mar	Apr-Jun		Jul-Sep	Oct-Dec		
Capesize	5,700	5,800	5,800	12,600	8,200	10,400	8,100
Panamax	4,800	5,200	5,000	7,600	4,500	6,100	5,500
Handymax	6,400	6,800	6,600	8,800	5,800	7,300	6,900
Small handy	5,300	5,100	5,200	6,300	4,700	5,500	5,400

## 2. FY2016 (Result/Forecast)

(US\$/day)

Size	FY2016						Full-year
	1st Half			2nd Half			
Market for vessels operated by MOL	Apr-Sep, 2016			Oct, 2016 - Mar, 2017			Average
Capesize	7,000			7,000			7,000
Panamax	4,600			5,000			4,800
Handymax				5,500			5,500
Small handy				5,000			5,000
Market for vessels operated by overseas subsidiaries of MOL	Jan-Jun, 2016			Jul-Dec, 2016			Average
	Jan-Mar	Apr-Jun					
Capesize	2,700	5,000	3,900	9,000			6,400
Market for vessels operated by overseas subsidiaries of MOL	Jan-Jun, 2016			Jul-Dec, 2016			Average
	Jan-Mar	Apr-Jun		Jul-Sep			
Panamax	3,100	4,400	3,700	4,800	Sales activities and ship operation to be transferred to Tokyo after Oct, 2016		4,100
Handymax	3,800	4,800	4,300	5,000			4,500
Small handy	3,400	4,200	3,800	4,500			4,000

Notes:

- 1) The general market results are shown in black.
- 2) The forecasts are shown in blue. These are referential charter rates for estimating P/L of free vessels that operates on spot contracts (contract period of less than two years). In case rates have already been agreed, however, such agreed rates are reflected on P/L estimation of the relevant voyages.
- 3) Market for vessels operated by our overseas subsidiaries is shown on Calendar year basis (Jan-Dec), because their fiscal year ends in Dec. and thus their P/L are consolidated three months later.
- 4) Market for Capesize=5TC Average(changed on and after FY2014 financial announcement), Panamax= 4TC Average, Handymax= 5TC Average, Small handy= 6TC Average.

# Tanker Market (Spot Earnings)

[Supplement #4]

## 1 . FY2015(Result)

(US\$/day)

Vessel Type	Trade	FY2015						Full-year
		H1			H2			
Market for vessels operated by MOL		Apr-Sep, 2015			Oct, 2015 - Mar, 2016			Average
		Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
Crude Oil Tanker (VLCC)	Arabian Gulf - Japan (ref : WS)	<b>52,000</b> (89)	<b>48,700</b> (76)	<b>50,400</b> (83)	<b>77,000</b> (103)	<b>46,600</b> (70)	<b>61,800</b> (87)	<b>56,100</b> (85)
Product Tanker (MR)	Singapore - Japan	<b>24,000</b>	<b>27,300</b>	<b>25,600</b>	<b>19,100</b>	<b>17,000</b>	<b>18,100</b>	<b>21,800</b>
Market for vessels operated by overseas subsidiaries of MOL		Jan-Jun, 2015			Jul-Dec, 2015			Average
		Jan-Mar	Apr-Jun		Jul-Sep	Oct-Dec		
LPG Tanker (VLGC)	Arabian Gulf - Japan	<b>85,500</b>	<b>97,400</b>	<b>91,500</b>	<b>102,900</b>	<b>67,200</b>	<b>85,000</b>	<b>88,200</b>

(Source)Product Tanker andLPG Tanker: Clarkson Research Services Limited

## 2 . FY2016 (Result/Forecast)

(US\$/day)

Vessel Type	Trade	FY2016						Full-year
		H1			H2			
Market for vessels operated by MOL		Apr-Sep, 2016			Oct, 2016 - Mar, 2017			Average
Crude Oil Tanker (VLCC)	Arabian Gulf - Japan (ref : WS)		(57)			(64)		(60)
Product Tanker (MR)	Singapore - Japan							
Market for vessels operated by overseas subsidiaries of MOL		Jan-Jun, 2016			Jul-Dec, 2016			Average
		Jan-Mar	Apr-Jun					
LPG Tanker (VLGC)	Arabian Gulf - Japan	<b>45,600</b>						

Notes:

(Source)Product Tanker andLPG Tanker: Clarkson Research Services Limited

1)The general market results are shown in black.

2)The forecasts are shown in blue. These are referential WSfor estimating P/L of free vessels that operates on spot contracts (contract period of less than two years). In case rates have already been agreed, however, such agreed rates are reflected on P/L estimation of the relevant voyages.

3)WS of VLCC for 2015 have been translated by the Flat Rate of 2016.

4)LPG Tankers are operated by our overseas subsidiaries and the market is shown on Calendar year basis (Jan-Dec), because their fiscal year ends in Dec. and thus their P/L are consolidated three months later.

## 1. FY2015(Result)

(1,000 units)

(Completed-voyage basis / including voyage charter)	FY2015						
	1st Half			2nd Half		Total	
	Q1	Q2	Q3	Q4			
<b>Total</b>	934	974	1,908	1,006	994	2,000	3,908

## 2. FY2016(Forecast)

(1,000 units)

(Completed-voyage basis / including voyage charter)	FY2016		
	1st Half	2nd Half	Total
<b>Total</b>	2,039	2,007	4,047

\*The forecasts are shown in blue.

# Containership Major Trades Utilization/Freight Rate

[Supplement #4]

## 1. Utilization

(1,000TEU)

Transpacific		FY2014					FY2015				
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Outbound (E/B)	Capacity	180	208	200	169	757	205	219	204	188	815
	Lifting	181	200	185	165	731	188	208	179	173	748
	Utilization	100%	96%	93%	97%	97%	92%	95%	88%	92%	92%
Inbound (W/B)	Capacity	182	199	189	179	749	194	218	208	194	814
	Lifting	97	84	95	101	377	102	101	103	106	413
	Utilization	53%	42%	50%	56%	50%	53%	46%	50%	55%	51%

Asia-Europe		FY2014					FY2015				
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Outbound (W/B)	Capacity	122	123	121	126	491	120	114	103	112	450
	Lifting	125	127	116	117	484	100	103	96	100	398
	Utilization	102%	104%	96%	93%	99%	83%	90%	93%	89%	88%
Inbound (E/B)	Capacity	120	124	122	127	493	114	121	106	110	451
	Lifting	78	76	79	77	310	76	77	78	76	308
	Utilization	65%	61%	65%	60%	63%	67%	64%	74%	69%	68%

All Trades		FY2014					FY2015				
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Capacity		1,450	1,545	1,502	1,502	5,999	1,538	1,521	1,395	1,345	5,799
Lifting		1,124	1,153	1,098	1,045	4,420	1,036	1,027	972	959	3,994
Utilization		78%	75%	73%	70%	74%	67%	67%	70%	71%	69%

## 2. Average Freight Rates (Index: Q1-FY2008=100)

All Trades	FY2014					FY2015				
	Q1	Q2	Q3	Q4	Full-year	Q1	Q2	Q3	Q4	Full-year
Freight rate index	79.0	80.4	78.2	78.0	78.9	74.2	73.0	67.4	64.7	70.0

(Ref.) Bunker price/(MT)      \$607      \$597      \$469      \$335      \$529      \$369      \$286      \$235      \$173      \$265



# Fleet Composition(incl. Offshore businesses)

[Supplement #7]

		31-Mar, 2015	31-Mar, 2016		31-Mar, 2017 (Forecast)	
			1,000dwt			
Dry Bulk Business Unit	Capesize	104	92	17,929		
	Bulk carrier	Panamax	37	31	2,599	
		Handymax	72	60	3,305	
		Small Handy	56	52	1,780	
		Heavy lifter	6	6	74	
	Wood chip carrier	43	41	2,229		
	General cargo carrier	49	48	811		
	(Sub total)	367	330	28,727	282	
	(Market Exposure)	(168)	(154)	-	(80)	
Energy Transport Business Unit	Crude oil tanker	42	42	11,093		
	Product tanker	50	45	2,697		
	Chemical tanker	75	79	2,324		
	LPG tanker	9	9	474		
	Steaming coal carrier	71	73	3,992		
	(Sub total)	247	248	20,579	237	
		(Market Exposure)	(114)	(101)	-	(85)
	LNG carrier (incl. Ethane carrier)	67	69	5,450	81	
Offshore	FPSO	2	3	-	5	
Car carrier		127	120	2,017	118	
Containership		118	95	6,599	87	
Ferry & Coastal RoRo ship		16	15	82		
Cruise ship		1	1	5	17	
Others		2	2	13		
<b>Total</b>		<b>947</b>	<b>883</b>	<b>63,472</b>	<b>827</b>	

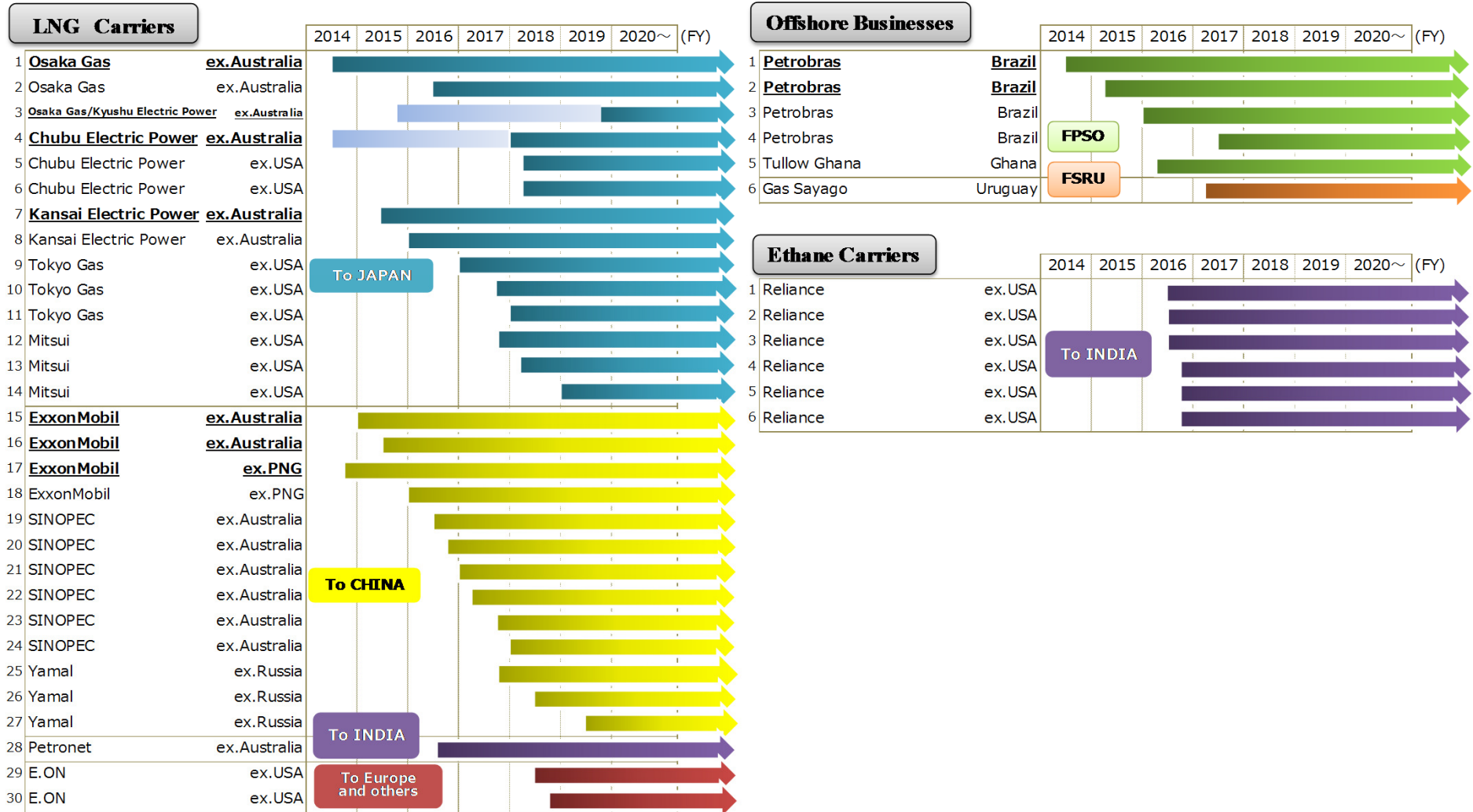
Note 1: Including spot-chartered ships and those owned by joint ventures

Note 2: "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.

Note 3: With the segment name change from Ferry & Domestic Transport to Ferry & Coastal RoRo ship, coastal bulkers are included under Steaming coal carrier.

# LNG Carriers and Offshore businesses: Signed Contracts [Supplement #8]

(to be started after Apr. 2014 onward)



※**Bold** is under operation