

Mitsui O.S.K. Lines, Ltd.

Financial Highlights: The First Quarter Ended June 30, 2007

1. Consolidated Financial Highlights (from April 1, 2007 to June 30, 2007)

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

(1) Operational Results

	(¥Million)			(US\$ Thousand)
	Q1/ FY2007	Q1/ FY2006	FY2006	Q1/ FY2007
Revenues	445,885	370,643	1,568,435	3,617,435
Operating income	58,642	31,734	168,073	475,759
Ordinary income	64,493	35,381	182,488	523,227
Net income	33,945	22,642	120,940	275,393

	(¥)			(US\$)
	Q1/ FY2007	Q1/ FY2006	FY2006	Q1/ FY2007
Net income per share	28.40	18.95	101.20	0.230
Diluted net income per share	27.32	18.25	97.41	0.222

(2) Financial Position

	(¥Million)			(US\$ Thousand)
	Q1/ FY2007	Q1/ FY2006	FY2006	Q1/ FY2007
Total Assets	1,736,856	1,467,081	1,639,940	14,090,995
Interest-bearing debt	599,547	590,990	569,417	4,864,084
Total Net Assets	647,840	505,854	620,989	5,255,882
Shareholders' Equity / Total assets	33.2%	29.8%	33.6%	33.2%
Shareholders' Equity per share	481.95	365.32	460.78	3.910

* Shareholders' Equity is defined as follows.

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

(3) Dividends

	Dividend per share	
	Interim	Year-end
FY2007 (Forecast)	10.00	10.00
FY2006	9.00	11.00

(4) Forecast of Operational Results for Fiscal Year ending March 31, 2008

	(¥Million)		(US\$ Thousand)
	1H / FY2007	FY2007	FY2007
Revenues	912,000	1,830,000	14,846,666
Operating income	110,000	210,000	1,703,716
Ordinary income	124,000	230,000	1,865,974
Net income	80,000	145,000	1,176,375
Net income per share	66.93	121.31	0.984

* Underlying Assumption of the Forecast for FY2007

The above forecast is made assuming the following translation rates and bunker price for FY2007.

2Q/FY2007

Exchange Rate 1US\$=¥120.70

Bunker Price US\$ 390/MT

2H/FY2007

Exchange Rate 1US\$=¥117.50

Bunker Price US\$ 390/MT

(Translation of foreign currencies)

The Japanese yen amounts for Q1/ FY2007 have been translated into U.S. dollars using the prevailing exchange rate at June 30, 2007, which was ¥123.26 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.)

2. Non-Consolidated Financial Highlights (from April 1, 2007 to June 30, 2007)

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

(1) Operational Results

	(¥ Million)			(US\$ Thousand)
	Q1/ FY2007	Q1/FY 2006	FY2006	Q1/ FY2007
Revenues	359,992	292,681	1,243,985	2,920,591
Operating income	46,198	19,990	111,708	374,801
Ordinary income	55,657	25,250	128,983	451,541
Net income	37,939	16,311	81,334	307,797
			(¥)	(US\$)
Net income per share	31.72	13.63	68.00	0.257
Diluted net income per share	30.52	13.13	65.46	0.248

(2) Forecast of Operational Results for Fiscal Year ending March 31, 2008

	(¥ Million)		(US\$ Thousand)
	1H / FY2007	FY2007	FY2007
Revenues	740,000	1,480,000	12,007,139
Operating income	85,000	160,000	1,298,069
Ordinary income	100,000	185,000	1,500,892
Net income	68,000	124,000	1,006,004
		(¥)	(US\$)
Net income per share	56.85	103.67	0.841

* Underlying Assumption of the Forecast for the FY2007

The above forecast is made assuming the following translation rates and bunker price for FY2007.

2Q/FY2007

Exchange Rate 1US\$=¥120.70

Bunker US\$ 390/MT

2H/FY2007

Exchange Rate 1US\$=¥117.50

Bunker US\$ 390/MT

(Translation of foreign currencies)

The Japanese yen amounts for Q1/ FY2007 have been translated into U.S. dollars using the prevailing exchange rate at June 30, 2007, which was ¥123.26 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.)

3. Business Performance (1st quarter of FY2006)

<Overall>

While the world economy during the first quarter of fiscal year (FY) 2007, the three months from April 1 through June 30, 2007, saw continued modest growth in Europe, Japan, and the United States, China showed ongoing high growth backed by active investment. Looking at ocean shipping, the dry bulk market increased sharply due to tight fleet demand, while the very large crude oil tanker (VLCC) market remained same as the same period of the previous year result. In the containership segment, the company generally benefited from an initial freight rate recovery mainly on European routes.

Overall, crude oil and bunker prices remained at high levels, as during the same period of the previous year. While the bunker price was assumed at US\$330/MT at the beginning of FY2007, the average was US\$331/MT. The average of the exchange rate was ¥119.32/US\$, compared to an assumption of ¥115/US\$ at the beginning of FY2007.

Consolidated financial results for the first quarter, and comparisons with the same period of the previous term are as follows:

(Unit: ¥billion)

	FY2006 1 st Q (three months from April to June, 2006)	FY2007 1 st Q (three months from April to June, 2007)	Increased amount/%
Revenue	370.6	445.8	75.2 / 20.3%
Operating Income	31.7	58.6	26.9 / 84.8%
Ordinary Income	35.3	64.4	29.1 / 82.3%
Net Income	22.6	33.9	11.3 / 49.9%
Exchange rate (average of three months)	¥115.46/US\$	¥119.32/US\$	¥3.86/US\$
Bunker price (average of three months)	US\$338/MT	US\$331/MT	△US\$7/MT

Revenue, operating income, and ordinary income by segment for the first quarter of FY2007, and these comparisons are as follows:

Upper: Revenue, Middle: Operating Income, Lower: Ordinary income

(Unit: ¥billion)

	FY2006 1 st Q (3 months from Apr. to Jun., 2006)	FY2007 1 st Q (3 months from Apr. to Jun., 2007)	Increased amount/%
Bulkships	185.6	229.1	43.4 / 23.4%
	29.7	53.0	23.2 / 78.1%
	31.8	56.0	24.2 / 76.3%
Containerships	133.3	162.8	29.5 / 22.2%
	△3.1	△0.3	2.7 / —%
	△2.0	0.8	2.8 / —%
Logistics	14.1	14.7	0.6 / 4.3%
	0.2	0.2	△0 / △13.1%
	0.3	0.3	△0 / △7.7%
Ferry and Domestic Transport	12.0	12.6	0.6 / 5.8%
	△0.2	△0.1	0.1 / —%
	△0.4	△0.2	0.1 / —%
Associated Businesses	29.9	30.7	0.7 / 2.5%
	2.8	3.3	0.4 / 16.1%
	3.4	3.7	0.3 / 8.9%
Others	3.9	5.3	1.4 / 35.9%
	1.1	1.2	0.1 / 5.7%
	1.0	1.5	0.4 / 49.6%

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

<By segment>

a) Bulkship Business**-- Dry bulkers, car carriers --**

In dry bulk businesses, stable earnings from long-term contracts for iron ore carriers, coal carriers, and wood chip carriers contributed to satisfactory performance, and the spot market increased due to active demand for transport. As a result, the Baltic Dry Index (BDI) marked an all-time record high, absorbing high bunker prices and leading to a significant increase in earnings for the first quarter of FY2007 compared to the same period of the previous year.

Both revenue and earnings in the car carrier business increased compared to the same period of the previous year, thanks to brisk cargo traffic from the Japan/Far East and efficient operation in cross-trades.

--Tankers and LNG Carriers--

Tanker and LNG carrier businesses showed stable earnings through long-term contracts for crude-oil tankers, methanol carriers, and LNG carriers. Spot markets for crude oil tankers remained at the same level as the same period of previous year, while petroleum product tankers operations showed favorable result. Thus in general, these businesses remained strong. As a result, this segment during the first quarter of FY2007 showed a slight increase in earnings from the same period of previous year.

b) Containerships

As a result of freight rate negotiations held during the first quarter of FY2007, the company moved toward a recovery in freight rates although there were some variations depending on the route. Particularly, freight rates on the Asia-Europe routes (westbound) recovered to where it was before the steep decline in 2005. Rates on north-south routes and Asian routes also rose. And trade volume increased on almost all routes. These increases contributed to major growth in revenue during the first quarter of FY2007, compared to the same period of the previous year. Associated business such as container terminal operation and shipping agency businesses remained favorable thanks to active trade on most routes. Looking at costs, in addition to bunker prices increase, costs for inland transport in the United States and Europe moved higher, and canal tolls both in Suez and Panama increased. These factors compressed earnings. However, increased revenue from cargo increase on all routes and especially the reduction of container repositioning costs in the U.S.A. offset these increased costs, resulting in increase in earnings during the first quarter of FY2007 compared to the same period of last year, and turning ordinary income to black ink.

c) Logistics

In the air cargo forwarding business, the company kept working hard to enhance group-wide sales strength and cost reduction, and maintained earnings at the same level of the first quarter of the previous term, although export cargo from Japan saw sluggish growth.

d) Ferry and Domestic Transport

Number of Ferry passengers showed a declining trend, and skyrocketing bunker prices compressed earnings. However, movement of the long-distance trucks showed continued strength, and the company executed rationalization such as withdrawal of unprofitable routes. As a result, earnings for

the first quarter improved compared to the same period of the previous year. Domestic shipping business remained firm, resulting in an increase from the same period of the previous year.

MOL Ferry Co., Ltd. and Kyushu Kyuko Ferry Co, Ltd. merged effective June 1, 2007, and The Diamond Ferry Co., Ltd. and Blue Highway Line Nishinohon Corporation merged effective July 1, 2007. These companies have now started operations as the new MOL Ferry and the new Diamond Ferry, respectively.

e) Associated Businesses

Daibiru Corp., which is the core company in our real estate business, showed generally strong performance, maintaining first quarter earnings at the same level as the same period of previous year. In this segment, Daibiru made real estate management company Mitsui O.S.K. Kosan a subsidiary. This move was a part of an effort to enhance group-wide business.

In the cruise ship business, our cruise business such as the “Paradise in the South Seas Cruise” showed favorable sales, resulting in higher earnings. And sales of fuel and machinery for vessels in our trading business continued to post steady performance.

Overall, associated businesses showed increased profits compared to the same period of the previous year.

f) Others

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

4. Financial Position

Total assets at the end of the first quarter of FY2007 were ¥1,736.8 billion, an increase of ¥96.9 billion from the end of FY2006. This was due to an increase in other marketable securities in addition to vessels and trade receivables. Total liabilities increased by ¥ 70.0 billion from the end of FY2006 to ¥1,089 billion, due to an increase in interest-bearing debts and trade liabilities. Total net assets increased by ¥26.8 billion from the end of FY2006 to ¥647.8 billion. As a result, the net worth/total assets ratio was 33.2%.

5. Outlook for FY2007

Consolidated (Interim) (Unit: ¥billion)

	New forecast (as of announcement of 1 st Q financial results)	Initial forecast (announced on April 27, 2007)	Increased amount/%
Revenue	912.0	840.0	72.0 / 8.6%
Operating Income	110.0	98.0	12.0 / 12.2%
Ordinary Income	124.0	104.0	20.0 / 19.2%
Net income	80.0	67.0	13.0 / 19.4%

Exchange Rate	¥120.70/US\$	¥115.00/US\$	¥ 5.70/US\$
Bunker Price	US\$390/MT	US\$330/MT	US\$ 60/MT

(Assumption of 2nd Q) (Assumption of 1st
half)

Consolidated (Full year) (Unit: ¥billion)

	New forecast (as of announcement of 1 st Q financial results)	Initial forecast (announced on April 27, 2007)	Increased amount/%
Revenue	1,830.0	1,700.0	130.0 / 7.6%
Operating Income	210.0	190.0	20.0 / 10.5%
Ordinary Income	230.0	200.0	30.0 / 15.0%
Net income	145.0	130.0	15.0 / 11.5%

Exchange Rate	¥117.50/US\$	¥115.00/US\$	¥ 2.50/US\$
Bunker Price	US\$390/MT	US\$330/MT	US\$ 60/MT

(Assumption of 2nd half) (Assumption of 2nd
half)

Looking ahead to the second quarter and later, there are uncertain factors such as further increases in bunker prices, continued yen appreciation, and an economic slowdown in major nations. But we forecast higher earnings in the bulkship segment than our initial forecast. The containership segment shows stable cargo traffic on all routes and our earnings outlook remains the same as our initial plan at the beginning of FY2007 the term.

Considering these outlooks, the company projects consolidated revenue for the first half of FY2007 of ¥912 billion, consolidated operating income of ¥110 billion, ordinary income of ¥124 billion, and

net income of ¥80 billion. We forecast the following consolidated results throughout FY2007, ending March 31, 2008: Consolidated revenue of ¥1,830 billion, operating income of ¥210 billion, ordinary income of ¥230 billion, and net income of ¥145 billion.

The company plans to pay an annual dividend of ¥20 per share (including an interim dividend of ¥10 per share).

6. Others

- (1) Transfers of major subsidiaries (acquisition or sale of shares of consolidated subsidiaries) during the term : No issues
- (2) Adoption of quick methods in the accounting procedure : No issues.
- (3) Change of accounting method from recent consolidated fiscal year
Special repair reserves were appropriated for major consolidated subsidiaries starting with the first quarter of FY2007, considering the importance of expenditures related to future large-scale repairs due to recent fleet expansion. This reduces operating income and ordinary income by ¥698 million, and income before income taxes and minority interests by ¥11,545 million in the first quarter of FY2007.

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 June 30,2007		As of March 31,2007		Increase/ (Decrease)	As of June 30,2006	
	Amount	%	Amount	%		Amount	%
Assets							
Current assets	456,383	26.3	405,473	24.7	50,910	351,535	24.0
Fixed assets	1,280,472	73.7	1,234,466	75.3	46,006	1,115,546	76.0
Tangible fixed assets	878,761	50.6	847,660	51.7	31,101	781,227	53.2
Intangible fixed assets	18,409	1.0	19,318	1.2	(909)	20,910	1.4
Investments and other long-term assets	383,301	22.1	367,487	22.4	15,814	313,407	21.4
Total Assets	1,736,856	100.0	1,639,940	100.0	96,916	1,467,081	100.0

(¥Million)

	As of June 30,2007		As of March 31,2007		Increase/ (Decrease)	As of June 30,2006	
	Amount	%	Amount	%		Amount	%
Liabilities							
Current liabilities	511,457	29.4	482,810	29.4	28,647	447,274	30.5
Non-current liabilities	577,558	33.3	536,140	32.7	41,418	513,953	35.0
Total Liabilities	1,089,015	62.7	1,018,951	62.1	70,064	961,227	65.5
Net Assets							
Owners' equity							
Common stock	64,915	3.8	64,915	4.0	—	64,915	4.4
Capital surplus	43,904	2.5	43,886	2.7	18	43,886	3.0
Retained earnings	396,628	22.8	375,443	22.9	21,185	288,054	19.7
Treasury stock, at cost	(4,322)	(0.2)	(4,153)	(0.3)	(169)	(4,062)	(0.3)
Total owners' equity	501,126	28.9	480,091	29.3	21,035	392,794	26.8
Accumulated gains (losses) from valuation and translation adjustments							
Unrealized holding gains on available for-sale securities, net of tax	67,253	3.9	57,771	3.5	9,482	42,205	2.9
Unrealized gains on hedging derivatives, net of tax	11,106	0.6	15,897	1.0	(4,791)	7,028	0.5
Foreign currency translation adjustments	(3,402)	(0.2)	(2,996)	(0.2)	(406)	(5,409)	(0.4)
Total accumulated gains (losses) from valuation and translation adjustments	74,957	4.3	70,672	4.3	4,285	43,823	3.0
Share subscription rights	365	0.0	365	0.0	—	—	—
Minority interests	71,390	4.1	69,859	4.3	1,531	69,235	4.7
Total Net Assets	647,840	37.3	620,989	37.9	26,851	505,854	34.5
Total Liabilities and Total Net Assets	1,736,856	100.0	1,639,940	100.0	96,916	1,467,081	100.0

(2) Consolidated Statements of Income

(¥Million)

	Q1/ FY2007		Q1 / FY2006		Increase/(Decrease)		FY2006	
	Amount	%	Amount	%	Amount	%	Amount	%
Shipping and other operating revenues	445,885	100.0	370,643	100.0	75,242	20.3	1,568,435	100.0
Shipping and other operating expenses	361,676	81.1	315,046	85.0	46,630	14.8	1,300,038	82.9
Gross operating income	84,208	18.9	55,597	15.0	28,611	51.5	268,396	17.1
Selling, general and administrative expenses	25,566	5.7	23,862	6.4	1,704	7.1	100,323	6.4
Operating income	58,642	13.2	31,734	8.6	26,908	84.8	168,073	10.7
Non-operating income:								
Interest income	1,021		789		232		3,663	
Dividend income	1,777		1,313		464		3,964	
Equity in earnings of unconsolidated subsidiaries and affiliated companies	4,344		3,514		830		16,171	
Others	4,012		2,757		1,255		11,006	
Total	11,155	2.5	8,375	2.2	2,780	33.2	34,806	2.2
Non-operating expenses:								
Interest expense	4,646		4,369		277		18,275	
Others	657		359		298		2,115	
Total	5,304	1.2	4,728	1.3	576	12.2	20,391	1.3
Ordinary income	64,493	14.5	35,381	9.5	29,112	82.3	182,488	11.6
Extraordinary profit:								
Gain on sale of fixed assets	8,439		3,990		4,449		13,771	
Gain on sale of investment securities	48		319		(271)		6,146	
Others	515		114		401		633	
Total	9,004	2.0	4,424	1.2	4,580	103.5	20,551	1.3
Extraordinary loss:								
Loss on sale or disposal of fixed assets	18		116		(98)		363	
Loss on sale of investment securities	0		0		0		138	
Valuation loss on investment securities	—		—		—		210	
Others	11,139		282		10,857		4,474	
Total	11,157	2.5	399	0.1	10,758	—	5,185	0.3
Income before income taxes and minority interests	62,339	14.0	39,406	10.6	22,933	58.2	197,854	12.6
Income taxes - current	26,606	6.0	14,768	4.0	11,838	80.2	63,041	4.0
Income taxes - deferred	—	—	—	—	—	—	7,468	0.5
Minority interests in earnings of consolidated subsidiaries	1,787	0.4	1,994	0.5	(207)	(10.4)	6,403	0.4
Net income	33,945	7.6	22,642	6.1	11,303	49.9	120,940	7.7

(Presentation of Taxes) As tax expenses for the first quarter ended June 30, 2007, and June 30, 2006, are calculated using the simplified method, the tax adjustment is included in "Income taxes-current" in the income statements above.

(3) Consolidated Statement of Changes in Net Assets

Q1/FY2007 (April 1, 2007 - June 30, 2007)

(¥Million)

	Owners' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total owners' equity
Balance at March 31,2007	64,915	43,886	375,443	(4,153)	480,091
Net income			33,945		33,945
Appropriations					
Dividends paid			(13,156)		(13,156)
Due to change in consolidated subsidiaries			396		396
Due to change in affiliated companies accounted for by the equity method			0		0
Repurchases of treasury stocks				(309)	(309)
Disposal of treasury stocks		18		140	158
Net increase / decrease during the term except in Owners' Equity					—
Balance at June 30,2007	64,915	43,904	396,628	(4,322)	501,126

(¥Million)

	Accumulated gains (losses) from valuation and translation adjustments				Share subscription rights	Minority intersts	Total Net Assets
	Unrealized holding gains on available-for-sale securities, net of tax	Unrealized gains on hedging derivatives, net of tax	Foreign currency translation adjustments	Total accumulated gains (losses) from valuation and translation adjustments			
Balance at March 31,2007	57,771	15,897	(2,996)	70,672	365	69,859	620,989
Net income							33,945
Appropriations							
Dividends paid							(13,156)
Due to change in consolidated subsidiaries							396
Due to change in affiliated companies accounted for by the equity method							0
Repurchases of treasury stocks							(309)
Disposal of treasury stocks							158
Net increase / decrease during the term except in Owners' Equity	9,482	(4,791)	(405)	4,285	—	1,531	5,816
Balance at June 30,2007	67,253	11,106	(3,402)	74,957	365	71,390	647,840

(4) Segment Information

Business segment information:

(¥Million)

Q1 / FY2007	Bulk-ships	Container-ships	Logistics	Ferry & Domestic transport	Associated businesses	Others	Total	Elimination	Consolidated
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	228,554	162,475	14,424	12,660	25,718	2,051	445,885	—	445,885
2.Inter-segments revenues	559	424	351	33	5,040	3,297	9,706	(9,706)	—
Total Revenues	229,113	162,899	14,776	12,694	30,759	5,348	455,592	(9,706)	445,885
Operating expenses	176,046	163,222	14,523	12,800	27,438	4,134	398,166	(10,922)	387,243
Operating income / (loss)	53,066	(322)	252	(106)	3,321	1,214	57,425	1,216	58,642
Ordinary income / (loss)	56,076	801	348	(295)	3,760	1,506	62,198	2,295	64,493

(¥Million)

Q1 / FY2006	Bulk-ships	Container-ships	Logistics	Ferry & Domestic transport	Associated businesses	Others	Total	Elimination	Consolidated
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	185,599	132,763	13,787	11,950	24,947	1,595	370,643	—	370,643
2.Inter-segments revenues	100	551	380	52	5,049	2,340	8,475	(8,475)	—
Total Revenues	185,699	133,315	14,167	12,003	29,997	3,936	379,119	(8,475)	370,643
Operating expenses	155,906	136,418	13,877	12,222	27,136	2,786	348,347	(9,438)	338,908
Operating income / (loss)	29,793	(3,103)	290	(219)	2,860	1,149	30,771	962	31,734
Ordinary income / (loss)	31,809	(2,030)	377	(424)	3,453	1,007	34,192	1,189	35,381

(¥Million)

FY2006	Bulk-ships	Container-ships	Logistics	Ferry & Domestic transport	Associated businesses	Others	Total	Elimination	Consolidated
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	787,039	568,590	55,570	49,848	99,669	7,716	1,568,435	—	1,568,435
2.Inter-segments revenues	2,193	2,429	1,514	144	20,294	11,352	37,928	(37,928)	—
Total Revenues	789,232	571,020	57,084	49,993	119,964	19,068	1,606,363	(37,928)	1,568,435
Operating expenses	635,251	573,973	55,657	49,532	108,304	13,681	1,436,402	(36,040)	1,400,361
Operating income / (loss)	153,981	(2,953)	1,426	460	11,660	5,386	169,961	(1,888)	168,073
Ordinary income	163,580	3,150	2,256	19	13,073	3,026	185,106	(2,618)	182,488

8. Non-Consolidated Financial Statements

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

(1) Non-Consolidated Balance Sheets

(¥Million)

	As of June 30, 2007		As of March 31, 2007		Increase/ (Decrease)	As of June 30, 2006	
	Amount	%	Amount	%		Amount	%
Assets							
Current assets	405,418	44.7	368,228	44.0	37,190	320,834	43.5
Fixed assets	501,467	55.3	469,184	56.0	32,283	416,543	56.5
Tangible fixed assets	97,174	10.7	99,316	11.9	(2,142)	106,044	14.4
Intangible fixed assets	17,538	1.9	18,646	2.2	(1,108)	19,957	2.7
Investments and other long-term assets	386,754	42.7	351,221	41.9	35,533	290,541	39.4
Total Assets	906,885	100.0	837,412	100.0	69,473	737,378	100.0

(¥Million)

	As of June 30, 2007		As of March 31, 2007		Increase/ (Decrease)	As of June 30, 2006	
	Amount	%	Amount	%		Amount	%
Liabilities							
Current liabilities	361,017	39.8	330,569	39.5	30,448	287,040	38.9
Non-current liabilities	109,371	12.1	102,836	12.3	6,535	114,868	15.6
Total Liabilities	470,389	51.9	433,405	51.8	36,984	401,909	54.5
Net Assets							
Owners' equity							
Common stock	64,915	7.2	64,915	7.8	—	64,915	
Capital surplus	43,904	4.8	43,886	5.2	18	43,886	
Retained earnings	274,003	30.2	249,220	29.8	24,783	194,969	
Treasury stock, at cost	(5,696)	(0.6)	(5,528)	(0.7)	(168)	(4,662)	
Total owners' equity	377,127	41.6	352,494	42.1	24,633	299,109	40.6
Accumulated gains (losses) from valuation and translation adjustments							
Unrealized holding gains on available for-sale securities, net of tax	59,304	6.5	50,368	6.0	8,936	35,834	
Unrealized gains (losses) on hedging derivatives, net of tax	(301)	(0.0)	778	0.1	(1,079)	524	
Total accumulated gains (losses) from valuation and translation adjustments	59,002	6.5	51,147	6.1	7,855	36,359	4.9
Share subscription rights	365	0.0	365	0.0	—	—	—
Total Net Assets	436,496	48.1	404,007	48.2	32,489	335,468	45.5
Total Liabilities and Total Net Assets	906,885	100.0	837,412	100.0	69,473	737,378	100.0

(2) Non-Consolidated Statements of Income

(¥Million)

	Q1 / FY2007		Q1 / FY2006		Increase/(Decrease)		FY2006	
	Amount	%	Amount	%	Amount	%	Amount	%
Shipping and other operating revenues	359,992	100.0	292,681	100.0	67,311	23.0	1,243,985	100.0
Shipping and other operating expenses	306,927	85.3	266,213	91.0	40,714	15.3	1,104,015	88.7
Gross operating income	53,064	14.7	26,467	9.0	26,597	100.5	139,969	11.3
Selling, general and administrative expenses	6,866	1.9	6,477	2.2	389	6.0	28,260	2.3
Operating income	46,198	12.8	19,990	6.8	26,208	131.1	111,708	9.0
Non-operating income:								
Interest and Dividends income	9,084		5,489		3,595		20,440	
Others	1,692		1,930		(238)		6,167	
Total	10,776	3.1	7,419	2.5	3,357	45.2	26,608	2.2
Non-operating expenses:								
Interest expense	1,180		988		192		4,234	
Others	137		1,170		(1,033)		5,098	
Total	1,317	0.4	2,159	0.7	(842)	(39.0)	9,333	0.8
Ordinary income	55,657	15.5	25,250	8.6	30,407	120.4	128,983	10.4
Extraordinary profit:								
Gain on sale of fixed assets	1		10		(9)		29	
Others	4,027		147		3,880		1,015	
Total	4,028	1.0	157	0.0	3,871	2,465.6	1,045	0.0
Extraordinary loss:								
Loss on sale of fixed assets	8		45		(37)		51	
Others	110		89		21		1,563	
Total	119	0.0	135	0.0	(16)	(11.9)	1,615	0.1
Income before income taxes	59,566	16.5	25,273	8.6	34,293	135.7	128,414	10.3
Income taxes - current	21,627	6.0	8,961	3.0	12,666	141.3	51,105	4.1
Income taxes - deferred	—	—	—	—	—	—	(4,026)	(0.3)
Net Income	37,939	10.5	16,311	5.6	21,628	132.6	81,334	6.5

(Presentation of Taxes) As tax expenses for the first quarter ended June 30, 2007, and June 30, 2006, are calculated using the simplified method, the tax adjustment is included in "Income taxes-current" in the income statements above

(3) Non-Consolidated Statement of Changes in Net Assets

Q1/FY2007 (April 1, 2007 - June 30, 2007)

(¥Million)

	Owners' Equity									
	Common stock	Capital surplus	Retained earnings						Treasury stock, at cost	Total owners' equity
			Legal earnings reserve	Other retained earnings						
				Reserve for special depreciation	Reserve for overseas investment loss	Reserve for advanced depreciation	Other reserve	Retained earnings brought forward		
Balance at March 31, 2007	64,915	43,886	8,527	377	20	514	125,630	114,150	(5,528)	352,494
Net income								37,939		37,939
Appropriations										
Dividends paid								(13,156)		(13,156)
Transfer to reserve for special depreciation										—
Reversal of reserve for special depreciation										—
Transfer to reserve for overseas investment loss										—
Addition to reserve for advanced depreciation										—
Reversal of reserve for advanced depreciation										—
Addition to other reserve							50,000	(50,000)		—
Repurchases of treasury stocks									(308)	(308)
Disposal of treasury stocks		18							140	158
Net increase / decrease during the term except in Owners' Equity										—
Balance at June 30, 2007	64,915	43,904	8,527	377	20	514	175,630	88,933	(5,696)	377,127

(¥Million)

	Accumulated gains (losses) from valuation and translation adjustments			Share Subscription Rights	Total Net Assets
	Unrealized holding gains on available for sale securities, net of tax	Unrealized gains (losses) on hedging derivatives, net of tax	Total accumulated gains (losses) from valuation and translation adjustments		
Balance at March 31, 2007	50,368	778	51,147	365	404,007
Net income					37,939
Appropriations					
Dividends paid					(13,156)
Transfer to reserve for special depreciation					—
Reversal of reserve for special depreciation					—
Transfer to reserve for overseas investment loss					—
Addition to reserve for advanced depreciation					—
Reversal of reserve for advanced depreciation					—
Addition to other reserve					—
Repurchases of treasury stocks					(308)
Disposal of treasury stocks					158
Net increase / decrease during the term except in Owners' Equity	8,935	(1,079)	7,855	—	7,855
Balance at June 30, 2007	59,304	(301)	59,002	365	436,496

Supplement

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

1. Comparison with Midterm Management Plan "MOL ADVANCE"

(1) Revenues & Income

(¥ Billion)

	FY2006	FY2007		FY2008	FY2009
	Results	MOL ADVANCE Plan	Forecast	MOL ADVANCE Plan	MOL ADVANCE Plan
Revenues (*1)	1,568	1,640	1,830	1,880	2,060
Bulkships	787	790	920	810	870
Containerships	568	620	682	820	910
Other 4 segments(*2)	212	230	228	250	280
Operating Income	168	182	210	197	212
Ordinary income	182	190	230	205	220
Bulkships	163	161	209	164	168
Containerships	3	10	10	20	30
Other 4 segments(*2)	18	20	20	22	23
Elimination	△ 2	△ 1	△ 9	△ 1	△ 1
Net income	120	124	145	133	143
Ratio of ordinary income to revenue	11.6%	11.6%	12.6%	10.9%	10.7%

Av. Ex. Rate ¥117.40/US\$ ¥110.00/US\$ ¥118.76/US\$ ¥110.00/US\$ ¥110.00/US\$

Av. Bunker price US\$321/MT US\$300/MT US\$375/MT US\$300/MT US\$300/MT

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

(*2)Logistics, ferry & domestic transport, associated businesses, others

(2) Financial Indices (Guideline)

	2007.3	2007.6	"MOL ADVANCE" Guideline for 2010.3
Shareholders' Equity	5,507	5,760	8,600
Shareholders' Equity /Total assets	33.6%	33.2%	40% or more
Gearing ratio	103.4%	104.1%	100% or less
ROA	7.8%		7% 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

FY2007

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Apr. ~ Jun., 2007	Jul. ~ Sep., 2007	Oct. ~ Dec., 2007	Jan. ~ Mar., 2008
Revenues [¥ Million]	445,885			
Operating Income	58,642			
Ordinary income	64,493			
Income before income taxes	62,339			
Net income	33,945			
Net income per share [¥]	28.40			
Total assets [¥ Million]	1,736,856			
Total net assets	647,840			
Shareholders' Equity per share [¥]	481.95			

FY2006

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Apr. ~ Jun., 2006	Jul. ~ Sep., 2006	Oct. ~ Dec., 2006	Jan. ~ Mar., 2007
Revenues [¥ Million]	370,643	388,875	402,225	406,692
Operating Income	31,734	41,225	47,366	47,748
Ordinary income	35,381	43,087	50,208	53,812
Income before income taxes	39,406	41,515	59,399	57,534
Net income	22,642	25,092	39,820	33,386
Net income per share [¥]	18.95	20.99	33.32	27.94
Total assets [¥ Million]	1,467,081	1,537,133	1,596,410	1,639,940
Total net assets	505,854	532,226	571,720	620,989
Shareholders' Equity per share [¥]	365.32	387.09	420.53	460.78

3. Depreciation and Amortization

	Three months ended June 30, 2006	Three months ended June 30, 2007	Increase /Decrease	(Million yen) FY2006
Vessels	12,114	13,213	1,099	49,327
Others	2,946	4,604	1,658	19,254
Total	15,061	17,818	2,757	68,581

4. Interest-bearing Debt

	As of March 31, 2007	As of June 30, 2007	Increase /Decrease	(Million yen) As of June 30, 2006
Bank loans	420,855	433,153	12,298	396,843
Bonds	136,562	139,893	3,331	140,646
Commercial paper	12,000	26,500	14,500	53,500
Total	569,417	599,547	30,130	590,990

5. Exchange Rates

	Three months ended June 30, 2006	Three months ended June 30, 2007	Change		
Average rates	¥115.46	¥119.32	¥3.86	(3.2%)	¥ weaken
Term-end rates	¥115.24	¥123.26	¥8.02	(6.5%)	¥ weaken

(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 March 31,2006	TTM on March 31,2007	Change		
Term-end rates	¥117.47	¥118.05	¥0.58	(0.5%)	¥ weaken

6. Bunker Prices

	Three months ended June 30, 2006	Three months ended June 30, 2007	Increase /Decrease	FY2006
Consumption Prices	US\$338/MT	US\$331/MT	△ US\$7.0/MT	US\$321/MT

7. Outlook for FY2007

(¥ Billion)

Segments	Revenues(*)	Operating Income	Ordinary Income
Bulkships	920	197	209
Containerships	682	7	10
Logistics	66	1	2
Ferry /Domestic Transport	52	0	0
Associated Businesses	102	12	13
Others	8	2	4
Elimination	-	△ 11	△ 9
Total	1,830	210	230

<Assumption>	Apr. ~ Jun., 2007 (Actual)	Jul. ~ Sep., 2007	Oct., 2007 ~ Mar., 2008
exchange rates	¥119.32/US\$	¥120.70/US\$	¥117.50/US\$
bunker prices	US\$331/MT	US\$390/MT	US\$390/MT

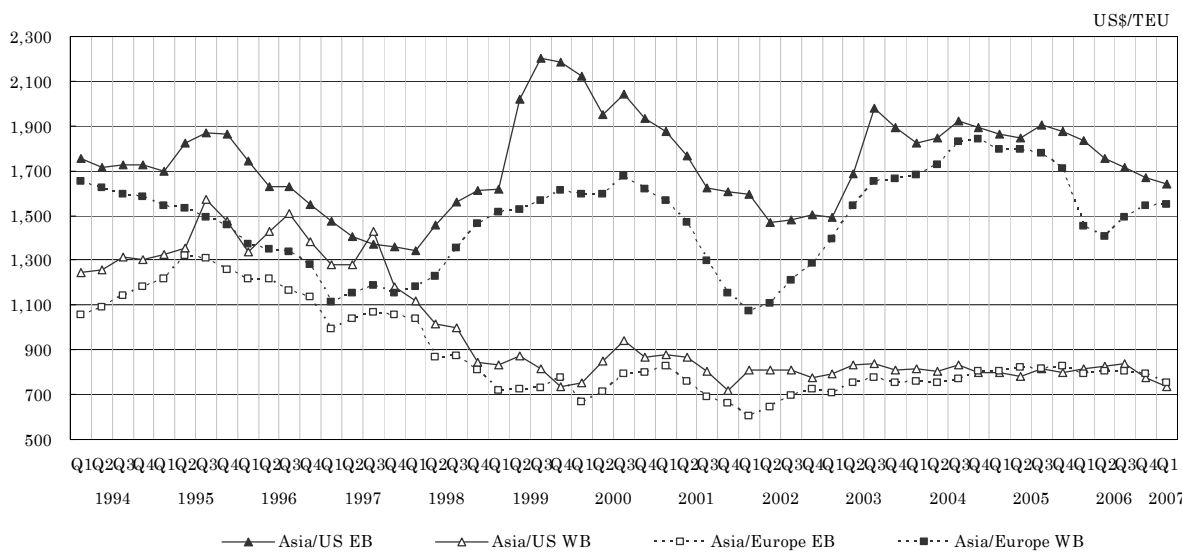
(*) Revenues from customers, unconsolidated subsidiaries and affiliated companies

8. Containerships' Capacity, Lifting and Utilization

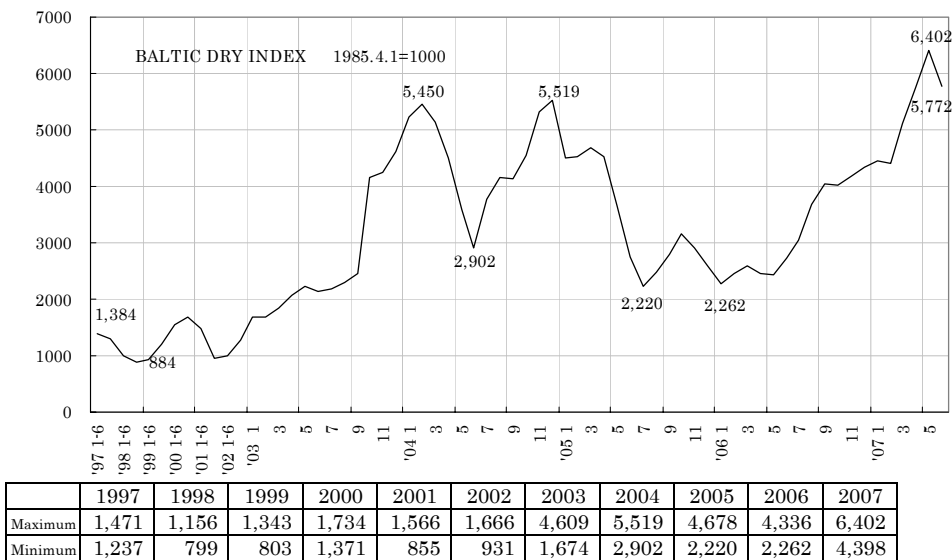
			Capacity(1000TEU)	Lifting(1000TEU)	Utilization
Asia -North America Trade	Outbound	FY2007 1Q (3 months)	142	138	97%
		FY2006 1Q (3 months)	134	120	90%
	Inbound	FY2007 1Q (3 months)	139	82	59%
		FY2006 1Q (3 months)	133	67	50%
Asia -Europe Trade	Outbound	FY2007 1Q (3 months)	110	109	99%
		FY2006 1Q (3 months)	100	94	94%
	Inbound	FY2007 1Q (3 months)	105	65	62%
		FY2006 1Q (3 months)	96	57	59%
Total: All Trades		FY2007 1Q (3 months)	1,026	800	78%
		FY2006 1Q (3 months)	896	665	74%

9. Market Information

(1) Containership Market (Containerization International "Freight Rates Indicators")

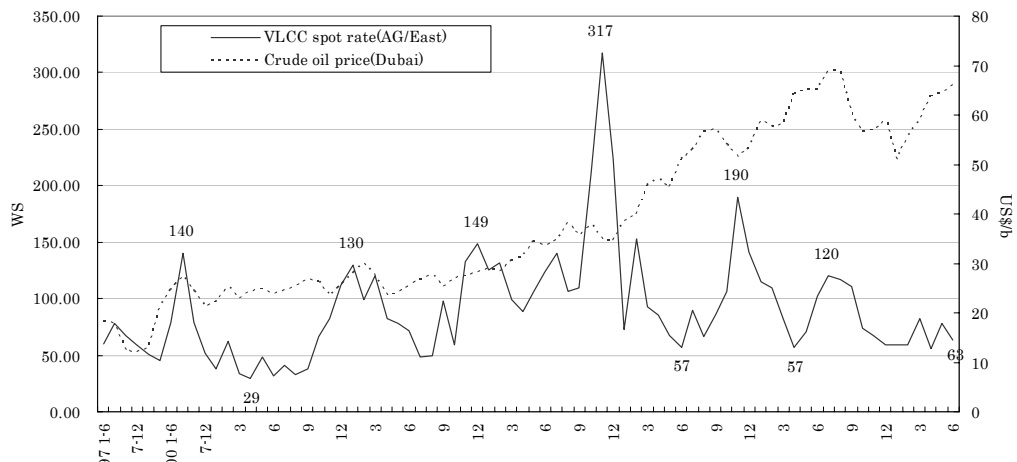


(2) Dry Bulk Market (Baltic Dry Index)



**1997-2002 data on the graph are half-yearly averages. (Jan.~Jun.)

(3) VLCC Market



	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Maximum	94	80	62	168	108	112	149	317	190	120	82
Minimum	52	47	36	55	35	29	49	91	57	57	56

**1997-2002 data on the graph are half-yearly averages. (Jan.~Jun.)