(Unaudited translation of ‘Kessan Tanshin’, provided for reference only)

January 31, 2017

Mitsui O.S.K. Lines,Ltd.

Financial Highlights: TheThird Quarter Ended December 31, 2016

1. Consolidated Financial Highlights (from April 1, 2016 to December 31, 2016)

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

(1) Operating Results

	Q3/FY2016 (￥Million)	Q3/FY2015 (￥Million)	Q3/FY2016 (US$ Thousand)
Revenues	1,081,440	1,317,134	9,283,544
Operating income (loss)	(2,078)	9,586	(17,838)
Ordinary income	13,811	38,792	118,560
Profit attributable to owners of parent	19,026	13,294	163,327
	(￥)	(￥)	(US$)
Net income per share	15.91	11.11	0.137
Diluted net income per share	14.70	10.27	0.126

(2) Financial Position

	Q3/FY2016 (￥Million)	FY2015 (￥Million)	Q3/FY2016 (US$ Thousand)
Total assets	2,191,309	2,219,587	18,811,134
Total net assets	629,444	646,924	5,403,417
Shareholders' equity / Total assets	23.8%	24.4%	
	(￥)	(￥)	(US$)
Shareholders' equity per share	436.43	452.28	3.747

* Shareholders' equity is defined as follows.
Shareholders' equity = Total net assets - (Share subscription rights + Non-controlling interests)

2. Dividends

(￥)

	Dividend per share Q1	Q2	Q3	Year end	Total
FY2015	—	3.50	—	1.50	5.00
FY2016	—	2.00	—		
FY2016 (Forecast)				0.00	2.00

3. Forecast for the Fiscal Year Ending March 31, 2017

	FY2016 (￥Million)	FY2016 (US$ Thousand)
Revenues	1,482,000	13,813,030
Operating loss	(8,000)	(74,564)
Ordinary income	8,000	74,564
Profit attributable to owners of parent	0	0
	FY2016 (￥)	FY2016 (US$)
Net income per share	0.00	0.00

* Underlying Assumption for FY2016 Forecast.
The above forecast is made assuming the exchange rate and the bunker price for FY2016 will be as follows.

4Q/FY2016 (Jan. 1 2017-Mar. 31 2017)
Exchange Rate 1US$=￥110.00 Bunker Price US$ 360/MT

FY2016
Exchange Rate 1US$=￥107.29 Bunker Price US$ 289/MT

(Translation of foreign currencies)
The Japanese yen amounts for Q3/FY2016 have been translated into U.S. dollars using the prevailing exchange rate at December 31, 2016, which was ￥116.49 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)

	Nine months		Year-on-year comparison (variance)
	From Apr. 1 to Dec. 31, 2015	From Apr. 1 to Dec. 31, 2016	
Revenue	1,317.1	1,081.4	(235.6) / (17.9) %
Operating income (loss)	9.5	(2.0)	(11.6) / – %
Ordinary income	38.7	13.8	(24.9) / (64.4) %
Profit attributable to owners of parent	13.2	19.0	5.7 / 43.1 %
Exchange rate (nine-month average)	¥121.60/US$	¥106.38/US$	¥(15.22)/US$
Bunker price (nine-month average)	US$296/MT	US$265/MT	US$(31)/MT

During the first nine months of the fiscal year (FY) 2016 (April 1, 2016 to December 31, 2016), there was uneven performance in the global economy, reflecting the slow pace of recovery in Europe, among other factors, despite a continued trend of firm economic expansion in the U.S. and signs of remission from economic slowdown in some emerging countries such as China. The U.S. economy maintained a trend of expansion, supported by strong personal consumption, which continues to improve amid firm conditions in employment and income environments. In Europe, economic improvement was limited to a mild recovery, despite having gained support from firm personal consumption. In China, economic slowdown appears to be in remission, partially given signs that the previous trend involving slowing fixed asset investment seems to have bottomed out amid a scenario of firm personal consumption. In Japan, meanwhile, economic recovery continued to stall due to weak growth in exports and personal consumption.

Looking at the maritime shipping market conditions, the dry bulker market generally maintained a trend of recovery despite volatility with respect to certain vessel types. The recovery was largely underpinned by factors emerging from the beginning of autumn that included firm iron ore shipments from Brazil and the start of the grain harvest season in North America, with the market having bottomed out largely thanks to positive effects of intensive chartering activities by major shippers in Western Australia and an increase in the volume of coal imports in China. The very large crude oil carrier (VLCC) market continued on a weakening trend until late September, largely due to a decline in cargo volume because of the period of low demand for crude oil over summer, in conjunction with deliveries of new vessels and suspension of crude oil shipments from Nigeria. From the beginning of autumn, however, the market improved substantially amid tailwinds from developments that included the reopening of crude oil shipments from Nigeria and the start of the winter demand period. In the containership freight market, although some improvements in the supply and demand environment on Asia-North America, Asia-Europe and Asia-South America routes facilitated a recovery in the spot freight rates, the market continued to be difficult overall due to significant falls in the one-year contract freight rates at the beginning of the fiscal year, notably on the Asia-North America routes due to the impact of weak market conditions in the previous fiscal year.

The average exchange rate of Japanese yen against the U.S. dollar during the first nine months appreciated by ¥15.22 year on year to ¥106.38. The average bunker price during the first nine months fell by US$31/MT year on year to US$265/MT.

As a result of the above, we recorded revenue of ¥1,081.4 billion, operating loss of ¥2.0 billion, ordinary income of ¥13.8 billion and profit attributable to owners of parent of ¥19.0 billion.

The following is a summary of business conditions including revenue and ordinary income/loss per business segment.

Upper: Revenue, Lower: Segment Income (Loss) (Ordinary Income (Loss)) (Billions of Yen)

	Nine months		Year-on-year comparison (variance)
	From Apr. 1 to Dec. 31, 2015	From Apr. 1 to Dec. 31, 2016	
Bulkships	643.4	531.2	(112.2) / (17.4)%
	44.9	25.8	(19.1) / (42.5)%
Containerships	562.4	447.6	(114.8) / (20.4)%
	(18.4)	(26.1)	(7.7) / – %
Ferries and Coastal RoRo Ships	33.7	32.0	(1.6) / (4.8)%
	3.8	3.8	0 / 2.2%
Associated Businesses	96.9	89.0	(7.8) / (8.1)%
	7.2	9.1	1.9 / 26.2%
Others	10.3	9.6	(0.6) / (6.6)%
	3.3	1.8	(1.5) / (46.9)%

Note: Revenue includes internal sales or transfers among segments.

(A) Bulkships

<Dry Bulkers>

From April onwards, the Capesize bulker market emerged from record low levels prevailing since the beginning of the year, upon having bottomed out owing to increased chartering activities by major shippers in Western Australia. Despite a subsequent scenario of suppression of market price rises, the market remained unchanged year on year at the high end of the US$8,000 per day range on average throughout the period, amid a situation where the market resumed its rise against the backdrop of a shift to favorable market sentiment associated with firm iron ore shipments from major ports in Brazil and rising resource prices from the beginning of autumn onward. In the markets for Panamax on down, mid- and small-sized vessels, a scenario of resistance to higher price levels persisted until around October, despite having followed a trajectory of gentle recovery underpinned by the increase in coal imports in China and other such factors. The market increased substantially upon heading into November, befitting from tailwinds brought about by the start of the North American grain harvest season and firm coal cargo volume, but briefly headed lower through the end of the year largely due to the Christmas holidays. Facing such market conditions, the dry bulker division focused on reducing the fleet of Capesize bulkers under spot operation and fundamentally redesigning our business model for the mid- and small-sized vessels. As a result, segment ordinary income improved year on year.

<Tankers/LNG Carriers/Offshore business>

The very large crude oil carrier (VLCC) market held firm as a result of China actively importing crude oil, but it headed lower until around late September amid a situation where the balance between vessel supply and demand deteriorated upon entering the summer months against a backdrop of a decline in cargo volume resulting from the period of low demand for crude oil and suspension of crude oil shipments from Nigeria due to domestic conflict. The market subsequently improved substantially from the beginning of autumn onward as a result of a tighter balance between vessel supply and demand underpinned by the rush in demand ahead of the Christmas holidays among U.S. and European charterers, amid tailwinds brought about by the reopening of crude oil shipments from Nigeria following the resolution of domestic conflict, and the start of the winter demand period. The product tanker market mounted a rebound in some respects backed by factors such as a rush in demand for some large vessels through year-end and a shift toward shipments of dirty petroleum products. However, the market remained weak throughout the period in part due to sluggish arbitrage-trading between East and West amid a scenario of weakening trade volumes for vegetable oils, etc., and ongoing deliveries of new vessels, as well as burdensome developments that included diminishing refinery margins brought about by a surplus of petroleum product inventories worldwide. In the LPG carrier business, the market fell on account of the ongoing weakening of the balance between vessel supply and demand caused by factors such as pressures of extra supply arising from new vessel deliveries, and also due to limited arbitrage-trading between East and West brought about by diminishing LPG price variations between regions, as well as a decrease in long-distance trade from the U.S. bound for Asia. Facing such market conditions, the tanker division experienced a profit decrease year on year, but nevertheless achieved a certain profit for the first nine months of the fiscal year as a result of stable fulfilment of long-term contracts and ceaseless efforts to improve operating efficiency through pool operations and cost reduction.

The LNG carrier division achieved an increase in ordinary income year on year while continuing to secure stable profits from existing long-term contracts, in addition to launching new projects. The offshore business also achieved an increase in ordinary income year on year owing to the smooth launch of FPSO.

<Car Carriers>

In the car carrier division, transportation of completed cars to the U.S. and Europe was firm. Meanwhile, transportation to resource-producing countries and emerging countries weakened owing to those countries continuing to experience economic slowdown amid low resource prices, etc. As a result, although the division took positive steps to improve operation efficiency in response to changes in the trade pattern, ordinary income/loss deteriorated year on year, and a loss was recorded.

(B) Containerships

The spot freight market on Asia-North America routes fell to record low price levels in the first quarter, but from the second quarter onward largely maintained an upward trend having gained support from the summer demand period amid a scenario where cargo volumes from Asia grew at a pace exceeding record high volumes reached in the same period of the previous fiscal year. The spot freight market on Asia-Europe routes climbed until summer underpinned by firm cargo volumes from Asia, then entered a brief adjustment phase subsequent to the period of high demand, but once again began rising due to robust demand upon entering the winter months. On Asia-South America routes, the spot freight market has stayed at a high level since substantial improvements emerged with respect to the supply and demand balance due to measures taken by each container shipping line, including the Company, to rationalize services. On Intra-Asia routes, the spot freight market slumped amid weak cargo volumes. Meanwhile, the considerable decline in one-year contract freight rates at the beginning of the fiscal year, notably on the Asia-North America routes, due to the impact of stagnation in the spot freight rate in the previous fiscal year weighed on the Containership segment throughout the period. Under this business environment the ordinary loss in the Containerships segment deepened year on year despite efforts not only to reduce vessel costs through Business Structural Reforms, and improve capacity utilization rates through stronger sales capabilities, but also to cut operation costs by continuously reducing the expenses of positioning empty containers through improved yield management.

(C) Ferries and Coastal RoRo Ships

In the ferries and coastal RoRo ships segment, cargo volumes were firm reflecting the continuation of demand for freight transportation against the backdrop of a shortage of truck drivers. Although the Kumamoto Earthquake impacted negatively on some passenger routes, a fall in the bunker price and other factors made it possible for the segment to secure ordinary income at almost the same level year on year.

(D) Associated Businesses

The cruise ship business achieved a year-on-year increase in ordinary income as a result of the Nippon Maru enjoying strong passenger numbers. In the real estate business, ordinary income increased year on year owing mainly to Daibiru Corporation, the core company in the MOL Group’s real estate business, increasing its sales on the back of the firm office leasing market, centered on the Tokyo metropolitan area. Other associated businesses, such as the tugboat and trading businesses, also showed firm performances overall. Consequently, ordinary income of the associated businesses segment increased on a year-on-year basis.

(E) Others

Other businesses, which are mainly cost centers, include ship operations, ship management, ship chartering, financing, and shipbuilding. Ordinary income in this segment decreased year on year.

5. Financial Position

Total assets as of December 31, 2016 decreased by 28.2 billion yen compared to the balance as of the end of the previous fiscal year, to 2,191.3 billion yen. This was primarily due to the decrease in Vessels.

Total liabilities as of December 31, 2016 decreased by 10.7 billion yen compared to the balance as of the end of the previous fiscal year, to 1,561.8 billion yen. This was primarily due to the decrease in Deferred tax liabilities.

Total net assets as of December 31, 2016 decreased by 17.4 billion yen compared to the balance as of the end of the previous fiscal year, to 629.4 billion yen. This was primarily due to the decrease in Foreign currency translation adjustments.

As a result, shareholders’ equity ratio decreased by 0.6% compared to the ratio as of the end of the previous fiscal year, to 23.8%.

6. Outlook for FY2016

For FY2016 (Billions of Yen)

	Previous outlook (When announced on Oct. 31, 2016)	Latest outlook (When announced Q3)	Comparison (variance)
Revenue	1,413.0	1,482.0	69.0 / 4.9%
Operating income (loss)	(15.0)	(8.0)	7.0 / −%
Ordinary income (loss)	(3.0)	8.0	11.0 / −%
Profit attributable to owners of parent	7.0	0	(7.0) / (100.0)%

Exchange rate	¥102.00/US$	¥110.00/US$	¥/8.00US$
Bunker price	US$310/MT	US$360/MT	US$50/MT
	(Assumption for the second half of FY2016)	(Assumption forQ4)	

In the dry bulker market, although affected by the winter period of low demand as usual, we expect the market to remain firm yet follow a downward trajectory, amid a situation where the market is underpinned by a certain level of vessel demand due to factors that include firm demand for iron ore in China, higher resource prices, and increasing grain shipments from South America.

With respect to the very large crude oil carrier (VLCC) market, despite concerns of slowing crude oil cargo volumes from the Middle East stemming from OPEC production cuts initiated beginning in January, the market is drawing support from factors that include increasing long-distance trade from West Africa bound for Asia and a recovery in cargo volumes during the period of winter demand. Accordingly, we foresee a situation where the market gradually weakens, amid a scenario where prices repeatedly fluctuate until early spring when the period of high demand comes to an end. In the product tanker market, we anticipate a scenario of continued suppression of market price rises despite support for the market from the period of winter demand, amid a situation where the weakening of the balance between vessel supply and demand continues due to deliveries of new vessels.

As for containerships, the spot freight market is likely to remain at high levels for some time due to the rush in demand before the Chinese New Year, before subsequently decreasing to a certain extent. We foresee the difficult business environment to continue, and are accordingly taking steps geared to further streamlining our transportation routes looking toward our new alliance to be launched in April, and cutting operation costs through rigorous yield management practices.

In consideration of these prospects, for the full year, we project revenue of ¥1,482.0 billion, operating loss of ¥8.0 billion, ordinary income of ¥80.0 billion and profit attributable to owners of parent of ¥0.0 billion.

As indicated above, changes have been made to the outlook released on October 31, 2016. Please refer to the announcement “Revision of FY2016 Outlook and Year-end Dividend Outlook” released today (January 31, 2017).

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 March 31, 2016	As of December 31, 2016
Assets		
Current assets		
Cash and deposits	146,260	212,958
Trade receivables	130,293	134,775
Marketable securities	20,000	38,400
Inventories	27,860	32,283
Deferred and prepaid expenses	66,101	66,045
Deferred tax assets	1,449	1,134
Other current assets	65,486	66,802
Allowance for doubtful accounts	(975)	(809)
Total current assets	456,475	551,589
Fixed assets		
Tangible fixed assets		
Vessels	822,269	727,488
Buildings and structures	159,483	150,869
Equipment and others	22,827	19,189
Furniture and fixtures	4,481	4,457
Land	221,614	221,240
Construction in progress	143,342	137,640
Other tangible fixed assets	2,412	3,080
Total tangible fixed assets	1,376,431	1,263,966
Intangible fixed assets	33,483	31,627
Investments and other assets		
Investment securities	215,055	205,444
Long-term loans receivable	49,014	53,211
Long-term prepaid expenses	3,565	3,486
Net defined benefit assets	13,291	12,635
Deferred tax assets	4,422	4,059
Other investments and other assets	69,909	67,575
Allowance for doubtful accounts	(2,061)	(2,287)
Total investments and other assets	353,197	344,126
Total fixed assets	1,763,112	1,639,720
Total assets	2,219,587	2,191,309

(￥Million)

	As of March 31, 2016	As of December 31, 2016
Liabilities		
Current liabilities		
Trade payables	127,171	136,306
Short-term bonds	45,000	20,000
Short-term bank loans	107,976	171,559
Accrued income taxes	4,871	4,374
Advances received	29,326	35,595
Deferred tax liabilities	711	862
Allowance for bonuses	4,484	2,572
Allowance for directors' bonuses	130	76
Other current liabilities	144,120	63,939
Total current liabilities	463,794	435,286
Fixed liabilities		
Bonds	220,840	212,745
Long-term bank loans	648,116	699,425
Lease obligations	20,947	17,145
Deferred tax liabilities	81,553	55,390
Directors' and corporate auditors' retirement benefits	1,659	1,377
Reserve for periodic drydocking	14,854	16,258
Net defined benefit liabilities	13,442	12,239
Other fixed liabilities	107,454	111,995
Total fixed liabilities	1,108,868	1,126,578
Total liabilities	1,572,662	1,561,865
Net assets		
Owners' equity		
Common stock	65,400	65,400
Capital surplus	45,388	45,382
Retained earnings	354,179	369,046
Treasury stock	(6,847)	(6,847)
Total owners' equity	458,121	472,981
Accumulated other comprehensive income		
Unrealized holding gains on available-for-sale securities, net of tax	20,950	27,885
Unrealized gains on hedging derivatives, net of tax	35,033	42,522
Foreign currency translation adjustments	26,885	(21,987)
Remeasurements of defined benefit plans, net of tax	(39)	580
Total accumulated other comprehensive income	82,830	49,000
Share subscription rights	2,681	2,452
Non-controlling interests	103,292	105,010
Total net assets	646,924	629,444
Total liabilities and net assets	2,219,587	2,191,309

(2) Consolidated Statements of Income

(￥Million)

	FY2015 (Apr.1, 2015 - Dec.31, 2015)	FY2016 (Apr.1, 2016 - Dec.31, 2016)
Shipping and other revenues	1,317,134	1,081,440
Shipping and other expenses	1,222,218	1,003,208
Gross operating income	94,915	78,231
Selling, general and administrative expenses	85,329	80,309
Operating income (loss)	9,586	(2,078)
Non-operating income		
Interest income	3,324	4,616
Dividend income	4,703	4,510
Equity in earnings of affiliated companies	7,774	3,543
Foreign exchange gains	19,820	15,960
Others	5,970	2,414
Total non-operating income	41,593	31,045
Non-operating expenses		
Interest expense	10,947	13,573
Others	1,440	1,582
Total non-operating expenses	12,388	15,155
Ordinary income	38,792	13,811
Extraordinary income		
Gain on sale of fixed assets	8,170	4,034
Gain on sales of shares of subsidiaries and associates	456	18,445
Others	18,887	6,367
Total extraordinary income	27,514	28,847
Extraordinary losses		
Loss on sale of fixed assets	210	937
Loss on valuation of shares of subsidiaries and associates	26,228	45
Others	12,302	6,383
Total extraordinary losses	38,741	7,366
Income before income taxes and non-controlling interests	27,565	35,292
Income taxes	10,931	11,957
Net income	16,633	23,335
Profit attributable to non-controlling interests	3,338	4,308
Profit attributable to owners of parent	13,294	19,026

(3) Consolidated Statements of Comprehensive Income

(￥Million)

	FY2015 (Apr.1, 2015 - Dec.31, 2015)	FY2016 (Apr.1, 2016 - Dec.31, 2016)
Net income	16,633	23,335
Other comprehensive income		
Unrealized holding gains on available-for-sale securities, net of tax	(13,446)	8,273
Unrealized gains on hedging derivatives, net of tax	(16,117)	11,387
Foreign currency translation adjustments	(3,438)	(35,271)
Remeasurements of defined benefit plans, net of tax	(589)	618
Share of other comprehensive income (loss) of associates accounted for using equity method	(6,227)	(21,030)
Total other comprehensive income	(39,819)	(36,023)
Comprehensive income	(23,186)	(12,688)
(Breakdown)		
Comprehensive income attributable to owners of parent	(25,119)	(14,802)
Comprehensive income attributable to non-controlling interests	1,932	2,114

(4) Consolidated Statements of Cash flows

(￥Millions)

	FY2015 (Apr.1, 2015 –Dec.31, 2015)	FY2016 (Apr.1, 2016 –Dec.31, 2016)
Cash flows from operating activities		
Income before income taxes and non-controlling interests	27,565	35,292
Depreciation and amortization	69,279	62,267
Equity in losses (earnings) of affiliated companies	(7,774)	(3,543)
Various provisions (reversals)	(2,046)	(19,500)
Decrease (Increase) in net defined benefit assets	(357)	1,532
Increase (decrease) in net defined benefit liability	136	(580)
Interest and dividend income	(8,028)	(9,127)
Interest expense	10,947	13,573
Loss (Gain) on sale and retirement of vessels, property and equipment	(7,912)	(2,952)
Loss (gain) on sales of shares of subsidiaries and associates	(406)	(18,431)
Loss on valuation of shares of subsidiaries and associates	26,228	45
Foreign exchange loss (gain), net	(19,144)	(14,798)
Decrease (Increase) in trade receivables	39,212	(10,104)
Decrease (Increase) in inventories	16,824	(5,375)
Increase (Decrease) in trade payables	(41,497)	13,760
Others, net	(3,556)	(40,326)
Sub total	99,468	1,730
Interest and dividend income received	10,363	11,027
Interest expenses paid	(10,994)	(13,005)
Income taxes paid	(12,728)	(7,810)
Net cash provided by (used in) operating activities	86,108	(8,057)
Cash flows from investing activities		
Purchase of investment securities	(1,879)	(3,573)
Proceeds from sale and redemption of investment securities	16,089	25,010
Purchase of vessels and other tangible and intangible fixed assets	(107,466)	(78,367)
Proceeds from sale of vessels and other tangible and intangible fixed assets	56,093	47,656
Net decrease (increase) in short-term loans receivables	(6,105)	(8,380)
Disbursements for long-term loans receivables	(27,380)	(11,601)
Collection of long-term loans receivables	38,490	6,763
Others, net	(2,789)	1,374
Net cash provided by (used in) investing activities	(34,947)	(21,117)

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(￥Millions)

	FY2015 (Apr.1, 2015 –Dec.31, 2015)	FY2016 (Apr.1, 2016 –Dec.31, 2016)
Cash flows from financing activities		
Net increase (decrease) in short-term bank loans	31,608	54,925
Net increase (decrease) in commercial paper	(4,000)	－
Proceeds from long-term bank loans	71,233	200,301
Repayments of long-term bank loans	(111,717)	(91,124)
Proceeds from issuance of bonds	－	10,000
Redemption of bonds	(15,000)	(45,000)
Purchase of treasury stock	(42)	(15)
Sale of treasury stock	22	5
Cash dividends paid by the company	(8,970)	(4,280)
Cash dividends paid to non-controlling interests	(1,044)	(1,017)
Others, net	(4,975)	(1,318)
Net cash provided by (used in) financing activities	(42,884)	122,475
Effect of foreign exchange rate changes on cash and cash equivalents	(1,816)	(5,513)
Net increase (decrease) in cash and cash equivalents	6,460	87,787
Cash and cash equivalents at beginning of year	128,801	159,449
Net cash increase from new consolidation/de-consolidation of subsidiaries	－	37
Cash and cash equivalents at end of quarter	135,262	247,274

(5) Segment Information

Business segment information:

(￥Million)

Q3 / FY2015 (Apr.1 - Dec.31, 2015)	Reportable Segment					Others *1	Total	Adjust-ment *2	Consoli-dated *4
	Bulk-ships	Container - ships	Ferries & Coastal RoRo Ships	Associated Businesses	Sub Total				
Revenues									
1.Revenues from external customers	643,257	560,977	33,557	73,195	1,310,987	6,146	1,317,134	－	1,317,134
2.Inter-segment revenues	214	1,510	148	23,741	25,615	4,174	29,789	(29,789)	－
Total revenues	643,472	562,487	33,706	96,937	1,336,603	10,320	1,346,923	(29,789)	1,317,134
Segment income (loss)	44,953	(18,423)	3,802	7,262	37,595	3,391	40,987	(2,195)	38,792

(￥Million)

Q3 / FY2016 (Apr.1 - Dec.31, 2016)	Reportable Segment					Others *1	Total	Adjust-ment *3	Consoli-dated *4
	Bulk-ships	Container - ships	Ferries & Coastal RoRo Ships	Associated Businesses	Sub Total				
Revenues									
1.Revenues from external customers	531,132	446,268	31,996	66,654	1,076,051	5,388	1,081,440	－	1,081,440
2.Inter-segment revenues	106	1,370	83	22,395	23,956	4,251	28,207	(28,207)	－
Total revenues	531,238	447,638	32,079	89,050	1,100,007	9,639	1,109,647	(28,207)	1,081,440
Segment income (loss)	25,826	(26,134)	3,886	9,165	12,743	1,800	14,543	(731)	13,811

* 1. "Others" primarily consists of business segments that are not included in reportable segments, such as the ship operations business, the ship management business, the ship chartering business, the financing business and the shipbuilding business.

* 2. Adjustment in Segment income (loss) of -2,195 million yen include the following:
-6,237 million yen of corporate profit which is not allocated to segments, 5,398 million yen of adjustment for management accounting and -1,356 million yen of inter-segment transaction elimination.

* 3. Adjustment in Segment income (loss) of -731 million yen include the following:
-4,544 million yen of corporate profit which is not allocated to segments, 4,766 million yen of adjustment for management accounting and -953 million yen of inter-segment transaction elimination.

* 4. Segment income (loss) corresponds to Ordinary income in the consolidated statements of income.

[Supplement]

1. Review of Quarterly Results

<FY 2016>

	Q1 Apr-Jun, 2016	Q2 Jul-Sep, 2016	Q3 Oct-Dec, 2016	Q4 Jan-Mar, 2017
Revenues [￥ Millions]	360,079	353,481	367,880	
Operating income (loss)	(3,573)	1,553	(58)	
Ordinary income	733	4,765	8,313	
Income before income taxes	5,160	24,493	5,639	
Profit attributable to owners of parent	1,401	14,657	2,968	
Net income (*) per share [￥]	1.17	12.26	2.48	
Total Assets [￥ Millions]	2,183,555	2,103,167	2,191,309	
Total Net Assets	619,006	603,685	629,444	

(*) Profit attributable to owners of parent

<FY 2015>

	Q1 Apr-Jun, 2015	Q2 Jul-Sep, 2015	Q3 Oct-Dec, 2015	Q4 Jan-Mar, 2016
Revenues [￥ Millions]	449,435	455,249	412,450	395,088
Operating income (loss)	1,805	6,380	1,401	(7,263)
Ordinary income (loss)	10,892	16,907	10,993	(2,525)
Income (Loss) before income taxes	16,439	(7,832)	18,958	(181,950)
Profit (Loss) attributable to owners of parent	12,783	(13,024)	13,535	(183,741)
Net income (loss) (*) per share [￥]	10.69	(10.89)	11.32	(153.62)
Total Assets [￥ Millions]	2,592,346	2,514,167	2,479,074	2,219,587
Total Net Assets	890,520	873,900	855,717	646,924

(*) Profit (Loss) attributable to owners of parent

2. Depreciation and Amortization

	Nine months ended Dec.31, 2015	Nine months ended Dec.31, 2016	(¥ Millions) Increase / Decrease	(¥ Millions) FY2015
Vessels	52,963	47,013	(5,950)	70,107
Others	16,316	15,254	(1,062)	22,664
Total	69,279	62,267	(7,012)	92,771

3. Interest-bearing Debt

(¥ Millions)

	As of Mar.31, 2016	As of Dec.31, 2016	Increase / Decrease	As of Dec.31, 2015
Bank loans	756,093	870,984	114,891	867,107
Bonds	265,840	232,745	(33,095)	270,405
Commercial paper	—	-	-	1,500
Others	23,046	18,625	(4,421)	23,682
Total	1,044,980	1,122,355	77,375	1,162,694

4. 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	71	5,900	71	10,554	31	2,335	51	839	14	1,062
Chartered	321	25,993	93	4,217	1	78	75	1,299	74	5,336
Others	1	1	1	46	2	143	-	-	-	-
As of Dec.31, 2016	**393**	**31,894**	**165**	**14,817**	**34**	**2,556**	**126**	**2,137**	**88**	**6,397**
As of Mar.31, 2016	403	32,719	165	15,021	29	2,181	120	2,017	95	6,599

	Ferries & Coastal RoRo Ships		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	11	59	1	5	-	-	250	20,754
Chartered	3	19	-	-	2	13	569	36,954
Others	-	-	-	-	-	-	4	190
As of Dec.31, 2016	**14**	**78**	**1**	**5**	**2**	**13**	**823**	**57,898**
As of Mar.31, 2016	15	82	1	5	2	13	830	58,637

(*)including coastal bulkers

5. Exchange Rates

	Nine months ended Dec.31, 2015	Nine months ended Dec.31, 2016	Change	FY2015
Average rates	¥121.60	¥106.38	¥15.22 [12.5%] JPY Appreciated	¥120.62
Term-end rates	¥120.61	¥116.49	¥4.12 [3.4%] JPY Appreciated	¥112.68

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 Sep/30/2015	TTM on Sep/30/2016	Change	TTM on Dec/31/2015
Term-end rates	¥119.96	¥101.12	¥18.84 [15.7%] JPY Appreciated	¥120.61

6. Average Bunker Prices

	Nine months ended Dec.31, 2015	Nine months ended Dec.31, 2016	Increase / Decrease
Purchase Prices	US$296/MT	US$265/MT	US$(31)/MT

7. Market Information

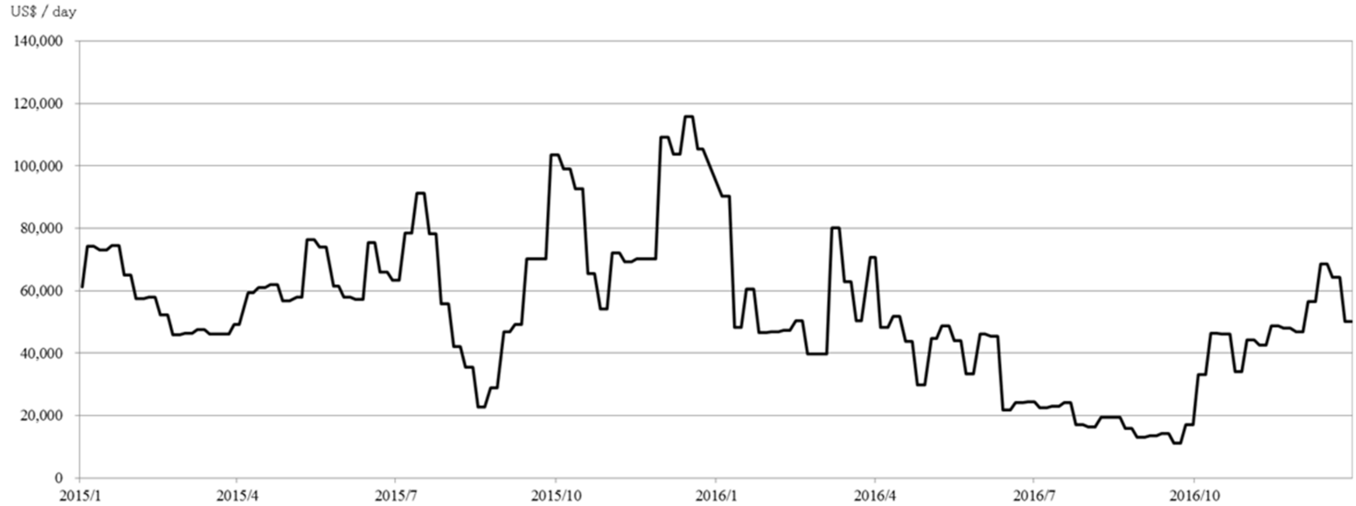
(1) Dry Bulker Market (Baltic Dry Index) (January 1985 = 1,000)

Source : Bloomberg

Monthly Average	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2015	725	539	576	591	597	699	975	1,066	889	793	582	519	713
2016	386	307	383	607	620	608	707	673	828	868	1,072	1,050	676

(2) Tanker Market (Daily Earnings) : VLCC AG/Japan trade

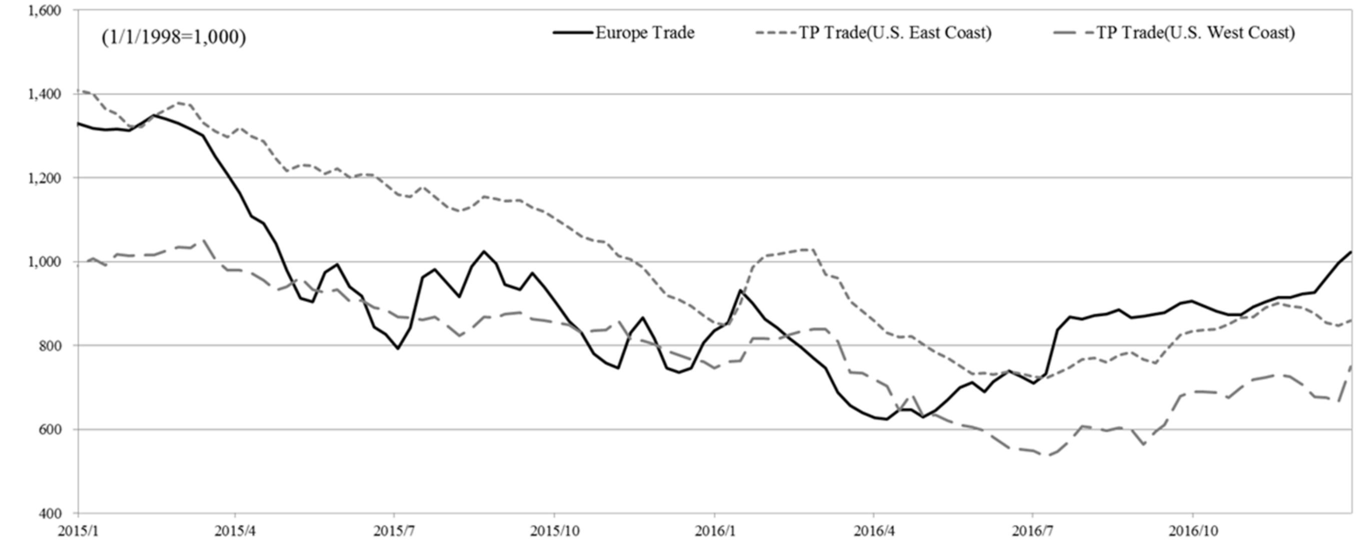
Source : Clarksons Research



Monthly Average	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2015	69,562	53,327	46,591	57,805	65,266	64,160	73,441	32,295	59,114	82,940	70,419	108,529	65,287
2016	69,483	46,099	58,287	48,850	42,633	34,337	22,167	17,719	13,777	39,902	45,857	57,280	41366

(3) Containership Market (China Containerized Freight Index)

Source : Shanghai Shipping Exchange



Note: 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.