

Mitsui O.S.K. Lines, Ltd.



Financial Highlights: Fiscal Year 2009 Ended March 31, 2010

1. Consolidated Financial Highlights (from April 1, 2009 to March 31, 2010)

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

(1) Operational Results

	(¥ Million)		(US\$ Thousand)
	FY2009	FY2008	FY2009
Revenues	1,347,964	1,865,802	14,488,005
Operating income	20,939	197,211	225,054
Ordinary income	24,234	204,510	260,469
Net income	12,722	126,987	136,737
	(¥)		(US\$)
Net income per share	10.63	106.13	0.114
Diluted net income per share	10.25	102.29	0.110
Rate of return to shareholders' equity	2.0%	19.5%	
Rate of ordinary income to assets	1.3%	11.0%	
Operating income margin ratio	1.6%	10.6%	

(2) Financial Position

	(¥ Million)		(US\$ Thousand)
	FY2009	FY2008	FY2009
Total Assets	1,861,312	1,807,079	20,005,503
Total Net Assets	735,702	695,021	7,907,373
Shareholders' Equity / Total assets	35.4%	34.5%	
	(¥)		(US\$)
Shareholders' Equity per share	551.70	521.23	5.930

* Shareholders' Equity is defined as follows.

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

(3) Cash Flows

	(¥ Million)		(US\$ Thousand)
	FY2009	FY2008	FY2009
Cash flows from operating activities	93,428	118,984	1,004,170
Cash flows from investing activities	(133,483)	(190,022)	(1,434,684)
Cash flows from financing activities	42,227	100,865	453,859
Cash & cash equivalent at the end of year	85,894	83,194	923,194

2. Dividends

	(¥)					(¥ Million)		
	Dividend per share					Total dividends paid (per year)	Dividend pay-out ratio	Dividend ratio to shareholders' equity
	Q1	Q2	Q3	Year end	Total			
FY2008	—	15.50	—	15.50	31.00	37,117	29.2%	5.7%
FY2009	—	0.00	—	3.00	3.00	3,588	28.2%	0.6%
FY2010 (Forecast)	—	5.00	—	5.00	10.00		19.9%	

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

	(¥ Million)		(US\$ Thousand)
	1H/FY2010	FY2010	FY2010
Revenues	770,000	1,550,000	17,222,222
Operating income	52,000	100,000	1,111,111
Ordinary income	52,000	100,000	1,111,111
Net income	32,000	60,000	666,667
	(¥)		(US\$)
Net income per share	26.77	50.19	0.558

* Underlying Assumption of the Forecast for FY2010

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

Exchange Rate 1US\$=¥90.00

Bunker Price US\$ 500/MT

(Translation of foreign currencies)

The Japanese yen amounts for FY2009 have been translated into U.S. dollars using the prevailing exchange rate at March 31, 2010, which was ¥93.04 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.)

(Reference)**1. Non-Consolidated Financial Highlights (from April 1, 2009 to March 31, 2010)**

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

(1) Operational Results

	(¥ Million)		(US\$ Thousand)
	FY2009	FY2008	FY2009
Revenues	1,039,685	1,528,301	11,174,611
Operating income (or loss)	(13,165)	145,805	(141,504)
Ordinary income	17,234	172,988	185,237
Net income	8,266	93,601	88,848
		(¥)	(US\$)
Net income per share	6.90	78.18	0.074
Diluted net income per share	6.66	75.35	0.072

(2) Financial Position

	(¥ Million)		(US\$ Thousand)
	FY2009	FY2008	FY2009
Total Assets	1,009,852	1,008,382	10,853,960
Total Net Assets	562,886	559,168	6,049,944
Shareholders' Equity / Total assets	55.6%	55.3%	
		(¥)	(US\$)
	FY2009	FY2008	FY2009
Shareholders' Equity per share	469.30	465.90	5.044

(Translation of foreign currencies)

The Japanese yen amounts for FY2008 have been translated into U.S. dollars using the prevailing exchange rate at March 31, 2010, which was ¥93.04 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**(1) Business climate during FY2009**

Consolidated financial highlights

(Billions of Yen)

	FY2008 From Apr. 1, 2008 to Mar. 31, 2009	FY2009 From Apr. 1, 2009 to Mar. 31, 2010	Year-on-year comparison (variance)
Revenue	1,865.8	1,347.9	-517.8 / -27.8%
Operating income	197.2	20.9	-176.2 / -89.4%
Ordinary income	204.5	24.2	-180.2 / -88.2%
Net income	126.9	12.7	-114.2 / -90.0%
Exchange rate	¥100.30/US\$	¥93.25/US\$	-¥7.05/US\$
Bunker price	US\$528/MT	US\$406/MT	-US\$122/MT

The fiscal year under review was a transitional period that saw an economic recovery rising from the global recession that followed the September 2008 Lehman Shock. Developed countries in Europe and North America experienced low personal consumption as well as deteriorated hiring conditions, low capital investment, an unfavorable housing market and other factors that led to significant negative growth during the first half of FY2009. However, successful economic stimulus measures implemented by various countries in the latter half resulted in the return of positive growth as seen in the reemergence of personal consumption for such items as cars and home appliances and advances in inventory adjustments. China, along with India, Brazil and other emerging countries, propelled the growth of the global economy. China maintained a high 8.7% annualized level of growth led by internal demand in the form of personal consumption and public infrastructure investments and other factors arising thanks to economic stimulus packages costing RMB4 trillion. Japan, although under the environment of an appreciating yen and deflation, also saw an improved growth rate as personal consumption improved due to economic stimulus measures in the form of “eco-points” and “eco-car” tax credits.

In the dry bulker market, although Cape-size bulker rates plunged in September after having experienced great highs back in June and then pushed up again in November only to drastically come back down at year's end demonstrating a market environment with volatile rate fluctuations, ship sizes from Panamax on down gradually improved showing a steady performance. In the VLCC market, crude oil tankers (VLCC) experienced a turnaround thanks to increased demand starting at the beginning of 2010, in contrast to the sluggish conditions up to the end of 2009 caused by the delivery of

many new ships and the lagged withdrawal of single-hull vessels. Petrochemical product tankers (MR) had constantly low market conditions throughout the year due to a recession in developed countries. The automobile industry saw a recovery in sales volume thanks to car purchase promotion measures in various countries implemented after demand significantly receded in the wake of a deteriorating economy. However, cargo trade improved gradually because of factors such as the shift to local production due to an appreciating yen. Containerships, affected by the economic crisis, saw worsening fleet supply and demand in main East/West routes, among others, and sluggish cargo volume and freight rates resulting in a large deficit estimated at ¥1.5 trillion in the container shipping industry. Nevertheless, freight rates and capacity utilization rates improved and the deficit decreased because of positive effects from space reductions including lay-ups individually effected by container companies in the latter half of the fiscal year as well as recovery in cargo trade.

The average exchange rate against the US dollar during the fiscal year under review was ¥93.25 (a year-on-year increase of ¥7.05) causing income to compress. Meanwhile, bunker prices fell to an annual average of US\$406/MT (down US\$122/MT year on year), however, they are currently moving up gradually.

As a result of the above, revenue amounted to ¥1,347.9 billion while operating income was ¥20.9 billion, ordinary income was ¥24.2 billion and net income was ¥12.7 billion, thus securing a certain amount of profit despite a significant decrease due to a rapid deterioration of the business environment.

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

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

(Billions of Yen)

	FY2008 From Apr. 1, 2008 to Mar. 31, 2009	FY2009 From Apr. 1, 2009 to Mar. 31, 2010	Year-on-year comparison (variance)
Bulkships	1,001.6	723.2	-278.3 / -27.8%
	205.4	69.2	-136.2 / -66.3%
	213.3	66.9	-146.3 / -68.6%
Containerships	687.6	468.0	-219.6 / -31.9%
	-23.6	-58.6	-35.0 / -%
	-20.5	-56.8	-36.3 / -%
Ferry and Domestic Transport	54.7	51.0	-3.6 / -6.7%
	-0.1	-2.3	-2.2 / -%
	-0.8	-2.3	-1.4 / -%

Associated Businesses	137.0	114.6	-22.3 / -16.3%
	11.8	9.6	-2.1 / -18.3%
	13.0	9.7	-3.3 / -25.5%
Others	24.1	17.7	-6.4 / -26.6%
	4.6	2.6	-2.0 / -44.0%
	2.7	1.2	-1.5 / -54.4%

Notes: 1. Revenue includes internal sales or transfers among segments.

2. Business segments were changed from the fiscal year under review. In comparisons with the previous fiscal year, the portion representing the previous fiscal year is included in the new businesses segments.

(A) Bulkships

<Dry Bulkers>

A decrease in crude steel production after the Lehman Shock caused a notable 24% and 30% decrease year on year in Japan and Europe, respectively, in iron ore imports in 2009. Despite this, the crude steel production volume in China, which already represented 38% of the global output in 2008, rose 13% year on year thanks to government economic stimulus measures, with iron ore imports rising 41%. As a result, the China import increase was the main driver in the 7% increase year on year (approx. 900 million tons) in the worldwide iron ore cargo trade during 2009. On the ship supply side, 2009 featured the startup of new shipyards in China, South Korea and other countries that delivered 112 new Cape-size bulkers within that year, a great leap from the 40 to 60 ships annually delivered in past years. However, the aforementioned increase in iron ore cargo trade, the strengthening of ship age and condition qualifications by natural resource mega mining companies, and an increase in prolonged demurrage at loading and discharging ports, among other factors, generally offset ship supply effects resulting in an annual average rates of US\$42,000 despite the 2009 Cape-size market fluctuating drastically within a range US\$20,000 to US\$90,000. The above shows that, although iron ore carriers secured stable profits, revenues and profits decreased compared to the previous fiscal year which enjoyed favorable market conditions prior to the Lehman Shock.

On the other hand, the tramp market from Panamax on down saw an increase in various raw material cargo trade including coal, grain and nonferrous metals in autumn and beyond resulting in a steady increase in market conditions. However, because results stayed at a low level in the first half of the fiscal year, bulk carriers recorded a decrease in revenue and profits. Income from woodchip carriers deteriorated on the heels of lackluster market conditions in the first half of the fiscal year despite efforts to reduce costs such as by revising ship costs and to assign ships effectively. Coal carriers have

secured stable revenues thanks to an expanded fleet with two new ships delivered including one scheduled on a long-term contract, as well as new mid- to long-term contracts.

As a result of the above, although dry bulkers secured stable profits, revenues and profits decreased compared to the previous fiscal year which enjoyed favorable market conditions prior to the Lehman Shock.

<Tankers/LNG Carriers>

Regarding tankers, the global recession pushed down demand for both crude oil and petrochemical product tankers and new ships were delivered one after another resulting in a continuation of unfavorable conditions, despite ups and downs during 2009.

Nevertheless, the start of 2010 saw a recovery in the VLCC tanker market. Under such a market environment, although measures such as the early disposal of aging ships, the return of surplus chartered ships and ship cost reductions were implemented, we saw a year-on-year decrease in revenue and profits.

LNG carriers saw a fleet expansion as four new ships were delivered during the fiscal year. We participated in a new project involving the use of six new ships for overseas customers. Although existing LNG carriers secured stable revenues from long-term contracts, a decrease in profits year on year resulted mainly from the appreciation of the yen.

<Car Carriers>

In the car carrier business, weak demand in major markets such as North America in the first half of the fiscal year continued to push down production due to inventory adjustments, and seaborne trade of completed cars from the Far East dropped to approx. 50% of peak levels. Although a certain level of recovery was seen in the latter half, cargo trade stayed roughly at 60% of peak levels and transportation demand receded substantially throughout the fiscal year. Under such circumstances, we increased our ship assignment efficiency as a Group by greatly reducing the number of ships through disposal or return of aged surplus ships, working to reduce operating costs from slow steaming and other methods and, in September 2009, by making Nissan Motor Car Carrier Co., Ltd. a consolidated subsidiary. However, we posted a significant decrease in profits year on year that resulted in a deficit.

(B) Containerships

This segment was strongly impacted especially in the first half of the fiscal year by the

drop in cargo trade from the latter half of the previous fiscal year (FY2008) and the continued downward trend in freight rates for all routes. We also optimized the fleet size by returning chartered ships and laying up or scrapping surplus ships, etc. In addition, various measures were effected to promote a recovery and improve competitiveness including a revision of charges and costs of terminal handling, feeder, empty container positioning and others, a reduction in fuel costs by slow steaming and improved efficiency through the restructuring of our organization and staff both in Japan and overseas.

Joint operations began for the Asia - North American East Coast route under "The New World Alliance (TNWA)" including us and "Grand Alliance(GA)." We also effectively responded to changes in cargo trade by rerouting Asia - West Africa service from direct to via Europe. We started calling at Da Chan Bay (Shenzhen, China) on the Japan - Hong Kong - Straights - service, and Vietnam was used as a direct port of call by large vessels for the first time on the Asia - North American West Coast route. In addition, a new route was opened linking Chennai, a major market on India's east coast - Thailand - Straights. These and other developments occurred to improve the quality of services to and from growth regions such as China and India for the purpose of meeting various customer needs and thereby improved profitability. Moreover, persistent efforts to gain the understanding of customers led to a partial restoration of freight rates particularly from the latter half of the fiscal year.

Terminal operations saw further preparations aiming for a March 2011 startup of a new joint venture terminal operating company in the Cai Mep Container Terminal Project promoted by the Vietnamese government. Peripheral business including existing independent container terminals at four locations in Japan and three overseas as well as port transport saw a slight decrease in profits domestically, however, an increase in handling volume overseas contributed to an increase in profits year on year.

In Logistics, the air cargo transport business had lower profits year on year despite a modest recovery in the global economy paired by an upward trend in cargo trade with cost reduction and other measures implemented. Domestic logistics business also saw a year-on-year decrease in profits caused by low trade volume. Meanwhile, we have advanced the formulation and strengthening of our buyer's consolidation service (MCS*) and acquired support from multiple major U.S. retail chains, among other measures that steadily expanded handling volume.

As a result of the above, although the containerships segment's full-year consolidated ordinary income saw a record ¥56.8 billion loss, considering this loss on a quarterly basis, we can see a recovery pattern as it gradually contracts from ¥20 billion to ¥17.5

billion to ¥12.5 billion and finally to ¥6.7 billion from the first quarter to the fourth quarter, respectively.

*(note) MOL Consolidation Service: Logistics service supporting direct buyers of products from China and other Asian countries consisting mainly of major retailers and apparel suppliers in Europe and the U.S.

(C) Ferry and Domestic Transport

Ferry business was greatly affected by the economic slump caused by the global recession, despite that bunker price, which had placed substantial pressure on income in the previous fiscal year, was relatively stable. To strengthen our group competitiveness, we made Kansai Kisen Co., Ltd. a wholly-owned subsidiary and effected a business tie-up with Diamond Ferry, Co., Ltd. as well as with the integrated transport business of MOL Ferry Co., Ltd. and Sea-Road Express Corp. In addition, we rationalized operations by reducing the number of services, revising ports of call, saving fuel consumption and so forth. Despite this, we recorded a loss for the fiscal year under review as we could not offset effects from drastic decreases in passengers and cargo volume due to the recession and an increase in highway toll fee discounts.

Even Domestic Transport saw sluggish cargo trade in the first half of the fiscal year due to the downturn as experienced by the Ferry business. Nevertheless, a profit was attained as cargo trade for steel material and other items recovered in the latter half and efforts were made to cut costs by reducing charter fees.

The above resulted in a deficit overall continuing from the previous fiscal year in the Ferry and Domestic Transport segment by the loss of Ferry business.

(D) Associated Businesses

In the real estate business, Daibiru Corporation, the core company in our real estate business, kept vacancy rates low mostly at office buildings in prime central Tokyo locations allowing us to maintain a relatively robust performance, although vacancy rates continued an upward trend overall in the rental office market. The cruise ship business posted losses since the operation of the Nippon Maru was suspended for 4 months due to large-scale renovations. The Nippon Maru restarted operations in March 2010. The trading business did not reach the level of profit seen in the previous fiscal year, which had favorable results, due to the cancellation of new ship constructions, etc. despite a focus on sales and cost reductions. As a result, Associated Businesses overall saw lower profits year on year.

(E) Others

Other businesses, which are mainly cost centers that saw profits go down year on year, include ship operations, ship management, ship chartering, financing, and shipbuilding.

(2) Outlook for FY2010

(Billions of Yen)

	FY2009 From Apr. 1, 2009 to Mar. 31, 2010	Outlook for FY2010 From Apr. 1, 2010 to Mar. 31, 2011	Year-on-year comparison (variance)
Revenue	1,347.9	1,550.0	202.0 / 15.0%
Operating income	20.9	100.0	79.0 / 377.6%
Ordinary income	24.2	100.0	75.7 / 312.6%
Net income	12.7	60.0	47.2 / 371.6%
Exchange rate	¥93.25/US\$	¥90.00/US\$	-¥3.25/US\$
Bunker price	US\$406/MT	US\$500/MT	US\$94/MT
		(Assumption for FY2010)	

In the coming fiscal year, while emerging countries, predominantly China, propel the economy forward and the global economy recovers from the economic crisis, we expect each of the ocean shipping markets, including dry bulkers, tankers and containerships, will further improve. In addition to the expected boost to our profits that we will receive from this positive turnaround in the economy, we plan to recover to a path of growth to raise profits by focusing on acquiring further long-term and stable revenue and by pressing ahead with cost reductions on a group-wide scale of ¥45.0 billion annually.

In the dry bulkers market, although the number of Cape-size vessel deliveries shall further increase, the cargo trade in iron ore, mainly to China, continues to increase firmly. Not only annual cargo trade in iron ore in 2010 is expected to exceed one billion tons but also coal imports to China and India are also trending upwards. Consequently, we expect the demand-supply will generally balance out and the dry bulkers market will continue to proceed firmly. In this environment, we will continue to secure stable profit through long-term contracts with Japanese and overseas mills and natural resource mega mining companies, and target for further growth. In the tanker market, although the petrochemical product tanker market is currently at a low, we expect to see an overall recovery, since the global economy and the demand for energy recover. And we will additionally improve profits by proceeding with measures for reducing high-cost-vessels that shall allow us to keep cost-competitive fleets. With regard to car carriers, as global automobile sales recover, global seaborne trade of completed cars is expected to

pick up gradually, although it would be difficult to return to the peak level soon. By cutting operating costs and improving the efficiency of vessel assignment, we expect to reduce costs sufficiently to make profit in this business. Concerning containerships, as the global economy recovers, we expect there will be an overall recovery in cargo trade, and as a result, an improvement in freight rates. In addition to placing focus on the routes where further growth can be expected, namely, the south-north routes and Asian routes, we aim to vastly improve our profitability and turn in black by further reducing costs by more than ¥20.0 billion.

In consideration of these prospects, we project consolidated revenue for FY2010 of ¥1,550 billion; consolidated operating income of ¥100 billion; consolidated ordinary income of ¥100 billion; and consolidated net income of ¥60 billion.

5. Financial Position

Total assets for the FY2008, ended March 31, 2010, were ¥1,861.3 billion, a increase of ¥54.2 billion from the end of the previous fiscal year. This was mainly due to increase in vessels despite a trade receivables decrease. Total liabilities increased by ¥13.5 billion from the end of the previous fiscal year to ¥1,125.6 billion. This was mainly due to increase in long-term bank loans and bonds despite a decrease in trade payables and short-term bank loans. Total net assets increased by ¥40.6 billion from the end of the previous fiscal year to ¥735.7 billion mainly due to increase in unrealized holding gains on available for-sale-securities and unrealized gains on hedging derivatives despite a decrease in retained earnings. As a result, the shareholders' equity / total assets ratio increased to 35.4%.

6. Cash Flow

Cash and cash equivalents (hereinafter called "cash") at the end of FY2009 totaled ¥85.8 billion, ¥2.7 billion increase from the end of the previous year.

Net cash provided by operating activities during FY2009 totaled ¥93.4 billion, ¥25.5billion decrease from the same period of the previous year. Income before income taxes and minority interests for the fiscal year was ¥27.7 billion, and depreciation and amortization totaled ¥88.3 billion. Income taxes paid totaled ¥16.2 billion.

Net cash used in investing activities during FY2009 totaled ¥133.4 billion, ¥56.5 billion decrease from the same period of the previous year. This result was mainly due to ¥212.3billion for payments for vessels and other tangible and intangible fixed assets.

Net cash provided by financing activities during FY2009 totaled ¥42.2 billion, ¥58.6 billion decrease from the same period of the previous year. This primarily consisted of increase in long-term loans.

7. Basic policy on profit sharing and dividends

Our key management policies are an enhancement of corporate value with proactive capital investment and a direct return of profits to shareholders through dividends. Based on the mid-term management plan GEAR UP! MOL, we will continue our proactive investment stance, mainly in vessels. We will utilize internal capital reserves to cover investment funds, while reinforcing corporate strength, to further raise our per-share corporate value. In consideration of the above issues, the company will use 20% as a guideline for the dividend payout ratio over the coming terms, and pay dividends in conjunction with consolidated performance. However, MOL will address the need to increase the ratio under its mid-and long-term management policies.

In FY2009 (ended March 31, 2010) the global economic crisis that continued from the previous fiscal year had a grave impact on our profitability, vastly reducing our profits. Consequently, we expect to pay year-end dividend of ¥3 per share for FY2009, to pay dividends stably.

Concerning the dividend for FY2010 (ending March 31, 2011), assuming that we are able to achieve the profits that we forecast in FY2010 and based on the consolidated dividend payout ratio of 20%, we expect to pay dividends for the full year of ¥10 per share (including interim dividend of ¥5 per share).

8. Management policies

(1) Fundamental management policies

The MOL Group Corporate Principles, established in April 2001, are as follows.

MOL Group Corporate Principles

- 1) As a multi-modal transport group, we will actively seize opportunities that contribute to global economic growth and development by meeting and responding to our customers' needs and to this new era**

- 2) We will strive to maximize corporate value by always being creative, continually pursuing higher operating efficiency, and promoting an open and visible management style that is guided by the highest ethical and social standards**

- 3) We will promote and protect our environment by maintaining strict, safe operation and navigation standards**

The MOL Group has chosen its long-term vision: “To make the MOL Group an excellent and resilient organization that leads the world shipping industry.” While establishing an unwavering position as a leading company in the resources and energy transportation sector whose core is ocean shipping business, we will work to strengthen our financial position, aiming to be a truly excellent company of the 21st Century that can respond flexibly to changes in the business environment.

(2) Mid- to Long-term Management Strategy and Main Management Goals

We have put all efforts since April 2007 into the three-year plan which ended in FY2009 named “MOL ADVANCE—Mitsui O.S.K Lines' Action and Direction at the Vanguard of Creating Excellence” under the main theme of “Growth with Enhanced Quality.” Under this plan, we nominated “Safety,” “Growth,” “Global,” “Group,” and “Governance” as the overall strategies of the plan. For the three-year period, we prevented major marine incidents, invested ¥1,200 billion in fleet (219 vessels), strengthened our sales efforts in growth regions such as China, proceeded with integration and restructuring of group companies, and constructed an appropriate

internal control system. With respect to profits, we accurately coped with expanding demands for resource transportation to China and during the period from FY2007 to the first half of FY2008, we were successful in securing profits that vastly exceeded initial targets. However, on the back of the global economic recession that followed the Lehman Shock, we were hit by a considerable decline in profits from the latter part of FY2008 onwards. As a result, profit achievement levels based on the plan's targets for the three-year period were 92% for revenue, 86% for ordinary income and 83% for net income. In terms of ordinary income, we fell short of our target by about ¥84.0 billion. Actual results compared against the plan are as follows. Although we invested more than ¥1,100 billion (196 vessels), which was the original plan's amount, we also implemented emergency measures in response to the economic crisis to reduce the size of the fleet such as by disposing aged vessels. Consequently, the size of our shipping operations (including spot-chartered ships and those owned by joint ventures including unconsolidated subsidiaries) as of the end of March 2010 was 905 vessels, less than the 1,000 vessels stated in the initial plan.

(Billions of Yen)

	FY2007		FY2008		FY2009		“MOL ADVANCE” period (cumulative 3 years)	
	Plan	Results	Plan	Results	Plan	Results	Plan	Results
Revenue	1,640.0	1,945.6	1,880.0	1,865.8	2,060.0	1,347.9	5,580.0	5,159.4
Ordinary income	190.0	302.2	205.0	204.5	220.0	24.2	615.0	530.9
Net income	124.0	190.3	133.0	126.9	143.0	12.7	400.0	330.0
Ratio of ordinary income to revenue	12%	16%	11%	11%	11%	2%	11%	10%

Shareholders' equity	860.0	659.5
Shareholders' equity / Total assets	40% or more	35%
Gearing ratio (*1)	100% or less	120%
ROA (*2)	7% or more	0.7%

(*1) Gearing ratio = Interest-bearing debt / Shareholders' equity

(*2) ROA = Net income / Average total assets at the beginning and the end of the fiscal year

In March 2010, we announced the mid-term management plan “GEAR UP! MOL.” Under this plan, which has the main theme of “Challenge to Create New Growth,” we are working to distinguish ourselves from our competitors by placing even greater

priority towards global growing markets, raising transportation quality through the achievement of the highest safety standards in the world, accurately addressing the needs of our customers backed by our credibility, and strengthening business intelligence. Against many challenges facing the shipping industry, we will provide practical solutions such as introducing a strategy on the environmental issues for the next generation. We will never stop our challenges to get back to a path of growth.

MOL Group Midterm Management Plan FY2010 -FY2012

GEAR UP! MOL

Long-term vision: To make the MOL Group an excellent and resilient organization that leads the world shipping industry

Main theme: "Challenge to Create New Growth"

< GEAR UP! MOL Overall Strategies >

[1] Recovery from economic crisis and Acceleration of business development in growing markets

- Tailored response to customers' needs in the world's growing markets
 - Enhance business activities globally
 - Enhance cost competitiveness
 - Restructuring of the containership business
 - Full utilization of the Group's synergized resources

[2] Enhance safe operation

- Forge ahead to become "the world leader in safe operation"
 - Quantify safety and realize the 4 zeroes (zero fatal accidents, zero serious marine incidents, zero oil pollution, and zero cargo damage)
 - Enhance capability to perceive danger, thereby breaking the links in any potential error chain.
 - Invest 24 billion yen over 3 years to enhance safe operation
 - Advance IT use for safer operation
 - Secure skilled seafarers and keep them well trained
 - Enhance countermeasures against piracy and terrorism

[3] Environmental strategy

- Offer transportation solutions with a low environmental burden
 - Introduce vessel innovations to prevent global warming
 - Promote ISHIN project
 - Promote "Eco Sailing" on a larger scale
 - Reduce CO₂ emissions per ton-mile by 10% in FY2015 compared to FY2009
 - Contribute to conservation of biodiversity and protection of the natural environment
 - Positive investment to develop and implement environmental technologies
 - Invest 28 billion yen over 3 years

Consolidated financial targets

(Assumption: Exchange rate ¥90.00/US\$, Bunker price US\$500/MT)

(Billions of Yen)

	FY2010 Plan	FY2011 Plan	FY2012 Plan	FY2015 Target
Revenue	1,550.0	1,700.0	1,800.0	2,000.0
Ordinary income	100.0	120.0	150.0	200.0
Net income	60.0	75.0	110.0	130.0
Ordinary income margin	6.5%	7.1%	8.3%	10.0%

Shareholders' equity	820.0
Equity ratio	40%
Interest-bearing debt	820.0
Gearing ratio (*1)	100%
ROA (*2)	5%
ROE (*3)	14%

(*1) Gearing ratio = Interest-bearing debt / Shareholders' equity

(*2) ROA = Net income / Average total assets at the beginning and the end of the fiscal year

(*3) ROE = Net income / Average shareholders' equity at the beginning and the end of the fiscal year

The above figures include forward-looking statements. Actual results may differ due to risks and uncertainties relating to the global economy and foreign currency exchange fluctuations.

Fleet expansion plan / Fleet scale

(Vessels)

	Fleet scale (Results)	Ships to join MOL fleet	Fleet scale (Plan)	Ships to join MOL fleet	Fleet scale (Target)
	at the end of March 2010	FY2010 to FY2012	at the end of March 2013	FY2013 to FY2015	at the end of March 2016
Bulkships	755	153	890	140	1,025
Container- ships	101	28	110	12	120
Others	49	9	50	8	55
Total	905	190	1,050	160	1,200
Ships' Value		1,200 billion yen equivalent		900 billion yen equivalent	

(Note) Fleet scale at the end of fiscal years includes spot-chartered ships and those owned by joint ventures including unconsolidated subsidiaries.

(3) Issues to be addressed

We expect the management environment surrounding the MOL Group to benefit from continuous, gradual improvement in maritime shipping market conditions from an increase in demand brought on by a modest recovery, despite the risk of deceleration in the global economy. On the other hand, we are aware of uncertainties resulting from a rise in supply as shipbuilding capabilities increase globally. Under such circumstances, we are planning to recover to a path of growth based on “development in growing markets,” “enhancement of safe operation” and “environmental strategy” as mentioned in the “GEAR UP! MOL,” our new midterm management plan. In accordance with this plan, the MOL Group will be excellent and resilient to meet the changing business environment using as a base its stable profits accumulated over many years.

Regarding sales and marketing, we enhance business activities globally in each business segment in an effort to meet transport demand in China, India, Asian countries, South America and other growing markets worldwide. In addition, we are striving to maximize profits and cash flows by not only continuing to promote cost reductions but also restructuring our containership business. In order to achieve the full utilization of the Group’s synergized resources, we will continue to effect the reorganization and integration of Group companies. Through the above activities, we will take advantage over our rivals by continually improving our financial position and enhancing our credibility.

With respect to safety operations, in our aim for setting the highest global standard in safe operation, we have promoted the quantification of safety and worked to realize the “4 Zeroes” approach, namely zero fatal accidents, zero serious marine incidents, zero oil pollution, and zero cargo damage. Moreover, to implement various measures geared towards strengthening our safety operation framework, we will invest ¥24 billion over three years from FY2010 to FY2012. Thanks to past education and training to prevent serious marine incidents and safety operations effected throughout the Group, there were no serious marine incidents in this fiscal year, as same as in the previous fiscal year. We will continue to make every effort without concessions or compromises when formulating necessary measures to ensure safety operations in the future.

In the area of corporate governance, we will enhance the management of effective internal controls to earn the trust of each stakeholder by not only continuing to appropriately operate our internal control system over financial reporting and exacting

controls in accordance with the Japanese Financial Instruments and Exchange Law, but also by linking that system with environmental measures, compliance and other broadly-defined internal control fields.

In terms of our social contribution activities as part of our approach to CSR (Corporate Social Responsibility), we regard transport of aid supplies, monetary contributions, marine and global environmental protection, marine education and international cooperation, as the main area of such activities. We will proactively continue to engage in social contribution activities well related to our business area.

From the perspective of our environmental strategy, we are offering transportation solutions with a lower environmental burden. Specifically, in order to introduce ship innovations to prevent global warming, we are moving forward with our vessel concept ISHIN project (next-generation vessel concept, which will be technically practical in the near future), promoting “ECO SAILING” (our unique fuel efficient steaming measures) geared toward energy savings and a reduction in environmental impact and aiming to reduce CO2 emissions per ton-mile by 10% in FY2015 compared to FY2009. We will increase the employees' awareness of conservation of biodiversity and protection of the natural environment and vigorously promote activities, technological development and social contributions for the target. In addition, we plan to invest ¥28 billion over three years from FY2010 for the development and implementation of environmental technologies. As for our system to promote our environmental measure, we have introduced our unique environmental management system “MOL EMS21” and acquired ISO14001 certification, the international standard for environmental management systems. We also have the original “MOL Group Environmental Target System,” which involves the 60 main domestic Group companies along with 16 overseas companies to advance environmental conservation activities at each company of the Group. And Group companies having acquired the “Green Management Certification” environmental management certification system recommended by the Japanese Ministry of Land, Infrastructure, Transport and Tourism total 16 as of the end of fiscal year 2009.

9. 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, 2010	As of March 31, 2009
Assets		
Current assets		
Cash and cash equivalents	44,147	83,784
Trade receivables	117,483	186,625
Marketable securities	42,482	13
Fuel and supplies	38,531	28,151
Deferred and prepaid expenses	52,538	57,585
Deferred tax assets	5,459	5,128
Other current assets	51,752	67,513
Allowance for doubtful accounts	(365)	(203)
Total Current Assets	352,030	428,597
Fixed assets		
Tangible fixed assets		
Vessels	661,716	609,753
Buildings and structures	136,690	128,113
Equipments, mainly containers	12,739	14,790
Equipments and parts	4,790	5,286
Land	185,053	180,237
Vessels and other property under construction	206,431	165,820
Other tangible fixed assets	1,753	2,743
Total tangible fixed assets	1,209,175	1,106,746
Intangible fixed assets		
Goodwill	—	4,783
Other intangible fixed assets	9,079	9,501
Total intangible fixed assets	9,079	14,285
Investments and other assets		
Investment securities	210,373	180,362
Long-term loans receivable	28,164	39,923
Prepaid expenses	21,327	4,430
Deferred tax assets	5,509	5,755
Other long-term assets	28,108	29,161
Allowance for doubtful accounts	(2,456)	(2,181)
Total investments and other assets	291,027	257,450
Total fixed assets	1,509,282	1,378,482
Total assets	1,861,312	1,807,079

(1) Consolidated Balance Sheets

(¥Million)

	As of March 31, 2010	As of March 31, 2009
Liabilities		
Current liabilities		
Trade payables	114,352	167,471
Short-term bonds	55,998	23,276
Short-term bank loans	99,393	142,804
Accrued income taxes	3,719	8,010
Advances received	23,033	19,378
Deferred tax liabilities	205	416
Allowance		
for provision for bonuses	4,279	5,208
for provisions for director's bonuses	162	343
for provisions for loss on business liquidation	4	88
Commercial paper	8,500	20,500
Other current liabilities	45,535	53,411
Total Current Liabilities	355,185	440,909
Fixed liabilities		
Bonds due	153,425	132,671
Long-term bank loans	441,285	366,521
Deferred tax liabilities	47,192	31,564
Allowance		
for employees' severance and retirement benefits	15,052	14,626
for Directors' and corporate auditors' retirement benefits	2,044	2,242
for provisions for special repairs	18,709	16,091
Other fixed liabilities	92,715	107,429
Total Fixed Liabilities	770,424	671,148
Total Liabilities	1,125,609	1,112,058
Net Assets		
Owners' equity		
Common stock	65,400	65,400
Capital surplus	44,522	44,543
Retained earnings	616,736	623,626
Treasury stock, at cost	(7,126)	(6,438)
Total owners' equity	719,532	727,131
Accumulated gains (losses) from valuation and translation adjustments		
Unrealized holding gains on available-for-sale securities, net of tax	20,999	6,165
Unrealized gains on hedging derivatives, net of tax	(45,454)	(71,459)
Foreign currency translation adjustments	(35,569)	(38,122)
Total accumulated gains (losses) from valuation and translation adjustments	(60,024)	(103,416)
Share subscription rights	1,523	1,306
Minority interests	74,670	70,000
Total Net Assets	735,702	695,021
Total Liabilities and Total Net Assets	1,861,312	1,807,079

(2) Consolidated Statements of Income

(¥Million)

	FY2009 (Apr.1, 2009 - Mar.31, 2010)	FY2008 (Apr.1, 2008 - Mar.31, 2009)
Shipping and other operating revenues	1,347,964	1,865,802
Shipping and other operating expenses	1,228,478	1,564,485
Gross operating income	119,485	301,316
Selling, general and administrative expenses	98,546	104,104
Operating income	20,939	197,211
Non-operating income:		
Interest income	1,526	2,871
Dividend income	2,789	5,088
Equity in earnings of unconsolidated subsidiaries and affiliated companies	5,362	15,999
Exchange gains	3,353	—
Gain on valuation of derivatives	1,885	—
Others	5,078	7,441
Total	19,996	31,401
Non-operating expenses:		
Interest expense	14,175	13,929
Exchange loss	—	4,610
Loss on valuation of derivatives	—	3,750
Others	2,525	1,811
Total	16,701	24,102
Ordinary income	24,234	204,510
Extraordinary profit:		
Gain on sale of fixed assets	15,565	12,284
Gain on sale of investment securities	2,939	21
Cancellation fee for chartered ships	3,015	5,572
Gain on reversal of reserve for special repairs	3,731	—
Others	2,307	2,393
Total	27,559	20,272
Extraordinary loss:		
Loss on sale or disposal of fixed assets	5,513	354
Loss on retirement of fixed assets	3,869	369
Loss on liquidation of affiliates	324	121
Valuation loss on investment securities	—	3,207
Valuation loss on investments in affiliated companies	—	38
Loss on sale of investment securities	—	3
Cancellation fee for chartered ships	6,968	20,123
Provision for allowance for doubtful accounts	—	223
Special retirement expenses	—	111
Others	7,341	2,496
Total	24,017	27,050
Income before income taxes and minority interests	27,776	197,732
Income taxes - current	11,842	65,712
Minority interests in earnings of consolidated subsidiaries	3,211	5,032
Net income	12,722	126,987

(3) Consolidated Statement of Changes in Net Assets

FY2009 (April 1, 2009 - March 31, 2010)

(¥Million)

	Owners' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total owners' equity
Balance at Mar 31, 2009	65,400	44,543	623,626	(6,438)	727,131
Net income			12,722		12,722
Dividends paid			(18,559)		(18,559)
Due to change in consolidated subsidiaries			(812)		(812)
Due to change in affiliated companies accounted for by the equity method			(28)		(28)
Repurchase of treasury stock				(785)	(785)
Disposal of treasury stock		(21)		97	76
Net increase / decrease during the term except in Owners' Equity					
Increase/decrease due to changes in currencies of overseas consolidated companies			(253)		(253)
Increase / decrease in retained earnings due to changes in accounting period of consolidated subsidiaries			42		42
Balance at Mar 31, 2010	65,400	44,522	616,736	(7,126)	719,532

(¥Million)

	Accumulated gains (losses) from valuation and translation adjustments				Share subscription rights	Minority interests	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 Mar 31, 2009	6,165	(71,459)	(38,122)	(103,416)	1,306	70,000	695,021
Net income							12,722
Appropriations							(18,559)
New issue of stocks (Exercise of Share subscription rights)							(812)
Dividends paid							(28)
Due to change in consolidated subsidiaries							(785)
Due to change in affiliated companies accounted for by the equity method							76
Repurchase of treasury stock							(785)
Disposal of treasury stock							76
Net increase / decrease during the term except in Owners' Equity	14,833	26,005	2,553	43,392	217	4,669	48,279
Increase/decrease due to changes in currencies of overseas consolidated companies							(253)
Increase / decrease in retained earnings due to changes in accounting period of consolidated subsidiaries							42
Balance at Mar 31, 2010	20,999	(45,454)	(35,569)	(60,024)	1,523	74,670	735,702

(4) Consolidated statements of Cash flows

(¥ Million)

	Apr.1, 2009- Mar.31, 2010	Apr.1, 2008- Mar.31, 2009
Cash flows from operating activities:		
Income before income taxes and minority interests	27,776	197,732
Depreciation and amortization	88,366	78,155
Equity in earnings of unconsolidated subsidiaries and affiliated companies, net	(5,362)	(15,999)
Loss (gain) on write-down of investment securities	132	3,207
Loss (gain) on write-down of investments in affiliated companies	106	38
Various provisions (reversals)	(352)	1,159
Interest and dividend income	(4,315)	(7,960)
Interest expense	14,175	13,929
Loss (gain) on the sale of investment securities	(2,893)	(18)
Loss (gain) on sale and disposal of vessels, property, plant and equipment	(6,181)	(11,559)
Exchange loss (gain), net	(3,425)	930
Changes in operating assets and liabilities		
- Trade receivables	20,114	19,238
- Fuel and supplies	(9,588)	17,938
- Trade payables	(2,656)	(5,171)
Other, net	(2,150)	(35,304)
Sub total	113,744	256,317
Cash received for interest and dividend	10,516	15,437
Cash paid for interest	(14,551)	(13,794)
Cash paid for corporate income tax, resident tax and enterprise tax	(16,281)	(138,976)
Net cash provided by operating activities	93,428	118,984
Cash flows from investing activities:		
Purchase of marketable and investment securities	(3,209)	(13,839)
Proceeds from sale and redemption of marketable and investment securities	3,821	6,646
Payments for purchases of vessels and other tangible and intangible fixed assets	(212,120)	(209,881)
Proceeds from sale of vessels and other tangible and intangible fixed assets	72,310	34,420
Payments from purchases of subsidiaries' securities due to change in consolidated subsidiaries	(49)	—
Net (increase) decrease in short-term loans receivable	16,337	5,744
Disbursements for loans receivable	(10,559)	(18,656)
Collections of loans receivable	1,604	4,242
Other, net	(1,618)	1,301
Net cash used in investing activities	(133,483)	(190,022)
Cash flows from financing activities:		
Net increase (decrease) in short-term bonds	(1,902)	(15,469)
Net increase (decrease) in short-term bank loans	(38,308)	64,416
Net increase (decrease) in commercial paper	(12,000)	10,500
Proceeds from long-term bank loans	131,293	142,444
Repayments of long-term bank loans	(67,926)	(73,704)
Proceeds from issuance of bonds	88,450	32,036
Redemption of bonds	(34,549)	(17,256)
Purchase of treasury stock	(785)	(1,118)
Sale of treasury stock	76	775
Cash dividends paid by the company	(18,574)	(38,880)
Cash dividends paid to minority interests	(2,155)	(2,434)
Other, net	(1,389)	(442)
Net cash provided by financing activities	42,227	100,865
Effect of exchange rate changes on cash and cash equivalents	458	(8,485)
Net increase (decrease) in cash and cash equivalents	2,630	21,342
Cash and cash equivalents at beginning of year	83,194	61,715
Net cash increase (decrease) from new consolidation/de-consolidation of subsidiaries	2	150
Net cash increase (decrease) in cash from merger of subsidiaries	103	—
Increase(decrease) in cash and cash equivalents due to change in accounting periods for consolidated subsidiaries	(38)	(14)
Cash and cash equivalents at end of period	85,894	83,194

(5) Segment Information

Business segment information:

(¥Million)

FY2008	Bulk-ships	Container-ships	Logistics	Ferry & Domestic Transport	Associated Businesses	Others	Total	Elimination	Consolidated
I.									
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	998,542	639,694	56,270	54,534	107,033	9,727	1,865,802	—	1,865,802
2.Inter-segments revenues	3,111	1,607	1,354	230	19,608	14,463	40,375	(40,375)	—
Total Revenues	1,001,653	641,302	57,625	54,764	126,641	24,190	1,906,177	(40,375)	1,865,802
Operating expenses	796,170	664,644	57,815	54,868	114,878	19,517	1,707,894	(39,303)	1,668,590
Operating income/ (loss)	205,482	(23,342)	(190)	(103)	11,763	4,673	198,283	(1,071)	197,211
Ordinary income/ (loss)	213,345	(21,329)	822	(888)	12,976	2,767	207,694	(3,183)	204,510
II.									
Assets	910,659	362,536	47,053	42,664	293,066	376,655	2,032,636	(225,556)	1,807,079
Depreciation	48,949	15,398	1,413	3,948	6,033	2,156	77,899	256	78,155
Capital expenditures	154,274	36,640	971	1,082	26,643	3,562	223,175	32	223,208

(¥Million)

FY2009	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Others	Total	Elimination	Consolidated
Revenues								
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	721,725	466,378	50,815	99,795	9,250	1,347,964	—	1,347,964
2.Inter-segments revenues	1,548	1,623	259	14,874	8,512	26,818	(26,818)	—
Total Revenues	723,273	468,001	51,074	114,669	17,763	1,374,783	(26,818)	1,347,964
Operating expenses	654,059	526,689	53,425	104,991	15,144	1,354,311	(27,285)	1,327,025
Operating income/ (loss)	69,214	(58,688)	(2,351)	9,678	2,618	20,472	467	20,939
Ordinary income / (loss)	66,986	(56,878)	(2,340)	9,712	1,263	18,743	5,490	24,234
II.								
Assets	1,008,724	357,412	42,721	315,924	376,316	2,101,098	(239,786)	1,861,312
Depreciation	54,612	17,778	5,231	8,640	1,921	88,182	183	88,366
Capital expenditures	146,949	30,592	1,131	24,374	1,180	204,228	(37)	204,190

* Change of business segment

Due to the change of organization, which Logistics division was integrated into Liner division, the number of business segment is changed from six to five including Logistics into Containerships from Q1/2009.

Meanwhile, the business segment information FY2008 based on the above new definition is mentioned as below.

(¥Million)

FY2008	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Others	Total	Elimination	Consolidated
Revenues								
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	998,542	685,848	54,534	117,149	9,727	1,865,802	—	1,865,802
2.Inter-segments revenues	3,111	1,755	230	19,874	14,463	39,435	(39,435)	—
Total Revenues	1,001,653	687,604	54,764	137,024	24,190	1,905,237	(39,435)	1,865,802
Operating expenses	796,170	711,221	54,868	125,173	19,517	1,706,950	(38,359)	1,668,590
Operating income/ (loss)	205,482	(23,616)	(103)	11,851	4,673	198,287	(1,075)	197,211
Ordinary income / (loss)	213,345	(20,557)	(888)	13,029	2,767	207,696	(3,185)	204,510
II.								
Assets	910,659	405,373	42,664	299,192	376,655	2,034,546	(227,466)	1,807,079
Depreciation	48,949	16,653	3,948	6,191	2,156	77,899	256	78,155

2. Geographical segment information:

(¥Million)

FY2008	Japan	North America	Europe	Asia	Other	Total	Elimination	Consolidated
I. Revenues								
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	1,796,589	28,413	13,808	26,920	70	1,865,802	—	1,865,802
2.Inter-segments revenues	5,984	15,868	11,217	10,119	4,599	47,788	(47,788)	—
Total Revenues	1,802,573	44,281	25,026	37,040	4,669	1,913,590	(47,788)	1,865,802
Operating expenses	1,616,452	37,539	21,465	33,948	4,598	1,714,003	(45,413)	1,668,590
Operating income	186,120	6,741	3,561	3,091	71	199,587	(2,375)	197,211
Ordinary income	201,619	7,382	1,141	3,734	123	214,001	(9,490)	204,510
II. Assets	1,712,392	47,342	115,896	35,380	54,954	1,965,966	(158,886)	1,807,079

(¥Million)

FY2009	Japan	North America	Europe	Asia	Other	Total	Elimination	Consolidated
I. Revenues								
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	1,279,630	26,603	16,898	24,674	157	1,347,964	—	1,347,964
2.Inter-segments revenues	7,391	15,854	9,185	7,146	1,894	41,471	(41,471)	—
Total Revenues	1,287,021	42,458	26,084	31,820	2,051	1,389,436	(41,471)	1,347,964
Operating expenses	1,274,024	34,989	23,586	32,176	2,007	1,366,784	(39,759)	1,327,025
Operating income/ (loss)	12,997	7,468	2,497	(356)	44	22,651	(1,712)	20,939
Ordinary income/ (loss)	20,290	7,669	1,418	(238)	102	29,241	(5,006)	24,234
II. Assets	1,774,895	49,974	96,248	49,336	2,509	1,972,964	(111,651)	1,861,312

3. International business information:

(¥Million)

FY2008	North America	Europe	Asia	Latin America	Oceania	Other	Total
I .International revenues	381,426	288,014	365,110	216,350	300,457	125,637	1,676,998
II .Consolidated revenues	—	—	—	—	—	—	1,865,802
III.Ratio of international revenues to consolidated revenues	20.4%	15.4%	19.6%	11.6%	16.1%	6.7%	89.9%

(¥Million)

FY2009	North America	Europe	Asia	Latin America	Oceania	Other	Total
I .International revenues	243,478	196,373	293,160	146,622	228,291	85,435	1,193,362
II .Consolidated revenues	—	—	—	—	—	—	1,347,964
III.Ratio of international revenues to consolidated revenues	18.1%	14.6%	21.7%	10.9%	16.9%	6.3%	88.5%

10. 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 March 31, 2010	As of March 31, 2009
Assets		
Current assets	408,369	467,005
Fixed assets	601,482	541,377
Tangible fixed assets	98,884	101,710
Intangible fixed assets	5,854	10,589
Investments and other long-term assets	496,743	429,077
Total Assets	1,009,852	1,008,382

	As of March 31, 2010	As of March 31, 2009
Liabilities		
Current liabilities	249,940	311,835
Non-current liabilities	197,025	137,378
Total Liabilities	446,965	449,214
Net Assets		
Owners' equity		
Common stock	65,400	65,400
Capital surplus	44,507	44,530
Retained earnings	436,994	447,287
Treasury stock, at cost	(7,007)	(6,320)
Total owners' equity	539,895	550,897
Accumulated gains (losses) from valuation and translation adjustments		
Unrealized holding gains on available for-sale securities, net of tax	20,876	7,792
Unrealized gains on hedging derivatives, net of tax	590	(828)
Total accumulated gains (losses) from valuation and translation adjustments	21,467	6,964
Share subscription rights	1,523	1,306
Total Net Assets	562,886	559,168
Total Liabilities and Total Net Assets	1,009,852	1,008,382

(2) Non-Consolidated Statements of Income

(¥Million)

	FY2009	FY2008
Shipping and other operating revenues	1,039,685	1,528,301
Shipping and other operating expenses	1,021,340	1,349,249
Gross operating income	18,345	179,051
Selling, general and administrative expenses	31,511	33,246
Operating income(or loss)	(13,165)	145,805
Non-operating income:		
Interest and Dividend income	29,253	32,657
Others	6,045	4,916
Total	35,299	37,573
Non-operating expenses:		
Interest expense	2,860	1,818
Others	2,039	8,571
Total	4,899	10,390
Ordinary income	17,234	172,988
Extraordinary profit:		
Gain on sale of fixed assets	24	0
Others	7,194	5,578
Total	7,218	5,578
Extraordinary loss:		
Loss on sale of fixed assets	2	204
Others	14,555	25,988
Total	14,557	26,192
Income before income taxes	9,895	152,373
Income taxes - current	951	53,737
Income taxes - deferred	677	5,035
Net Income	8,266	93,601

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

FY2008 (April 1, 2009 - March 31, 2010)

(¥ Million)

	Owners' Equity									Treasury stock, at cost	Total owners' equity
	Common stock	Capital surplus	Retained earnings								
			Legal earnings reserve	Other retained earnings				Retained earnings brought forward			
				Reserve for special depreciation	Reserve for overseas investment loss	Reserve for advanced depreciation	Other reserve				
Balance at Mar 31, 2009	65,400	44,530	8,527	2,850	37	370	295,630	139,871	(6,320)	550,897	
Net income								8,266		8,266	
Appropriations											
New issue of stocks (Exercise of Share subscription rights)										—	
Dividends paid									(18,559)	(18,559)	
Addition to reserve for special depreciation				1,055					(1,055)	—	
Reversal of reserve for special depreciation				(452)					452	—	
Addition to reserve for overseas investment loss					3				(3)	—	
Reversal of reserve for advanced depreciation						(9)			9	—	
Addition to other reserve							100,000	(100,000)		—	
Repurchase of treasury stock									(785)	(785)	
Disposal of treasury stock		△22							99	76	
Net increase / decrease during the term except in Owners' Equity										—	
Balance at Mar 31, 2010	65,400	44,507	8,527	3,453	41	360	395,630	28,982	(7,007)	539,895	

(¥ Million)

	Accumulated gains from valuation and translation adjustments			Share subscription rights	Total Net Assets
	Unrealized holding gains on available-for-sale securities, net of tax	Unrealized gains on hedging derivatives, net of tax	Total accumulated gains from valuation and translation adjustments		
Balance at Mar 31, 2008	7,792	(828)	6,964	1,306	559,168
Net income					8,266
Appropriations					
New issue of stocks (Exercise of Share subscription rights)					—
Dividends paid					(18,559)
Addition to reserve for special depreciation					—
Reversal of reserve for special depreciation					—
Addition to reserve for overseas investment loss					—
Reversal of reserve for advanced depreciation					—
Addition to other reserve					—
Repurchase of treasury stock					(785)
Disposal of treasury stock					76
Net increase / decrease during the term except in Owners' Equity	13,084	1,418	14,502	217	14,720
Balance at Mar 31, 2009	20,876	590	21,467	1,523	562,886

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	Results	MOL ADVANCE Plan	Results	MOL ADVANCE Plan	Results
Revenues (*1)	1,568	1,640	1,945	1,880	1,865	2,060	1,347
Bulkships(*2)	787	790	1,024	810	998	870	721
Containerships	568	620	686	820	639	910	466
Other segments(*3)	212	230	234	250	227	280	159
Operating Income	168	182	291	197	197	212	20
Ordinary income	182	190	302	205	204	220	24
Bulkships(*2)	163	161	277	164	213	168	66
Containerships	3	10	6	20	△ 21	30	△ 56
Other segments(*3)	18	20	21	22	15	23	8
Elimination	△ 2	△ 1	△ 3	△ 1	△ 3	△ 1	5
Net income	120	124	190	133	126	143	12
Ratio of ordinary income to revenue	11.6%	11.6%	15.5%	10.9%	11.0%	10.7%	1.8%
Av. Ex. Rate	¥117.40/US\$	¥110.00/US\$	¥115.55/US\$	¥110.00/US\$	¥100.30/US\$	¥110.00/US\$	¥93.25/US\$
Av. Bunker price	US\$321/MT	US\$300/MT	US\$409/MT	US\$300/MT	US\$528/MT	US\$300/MT	US\$406/MT

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

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

(*3) Logistics (integrated into Containerships from FY2009), ferry & domestic transport, associated businesses, others

(2) Financial Indices (Guideline)

(¥ Billion)

	2009.3	2010.3	"MOL ADVANCE" Guideline for 2010.3
Shareholders' Equity	623	659	860
Shareholders' Equity /Total assets	34.5%	35.4%	40% or more
Gearing ratio	112.7%	117.5%	100% or less
ROA	6.9%	0.7%	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

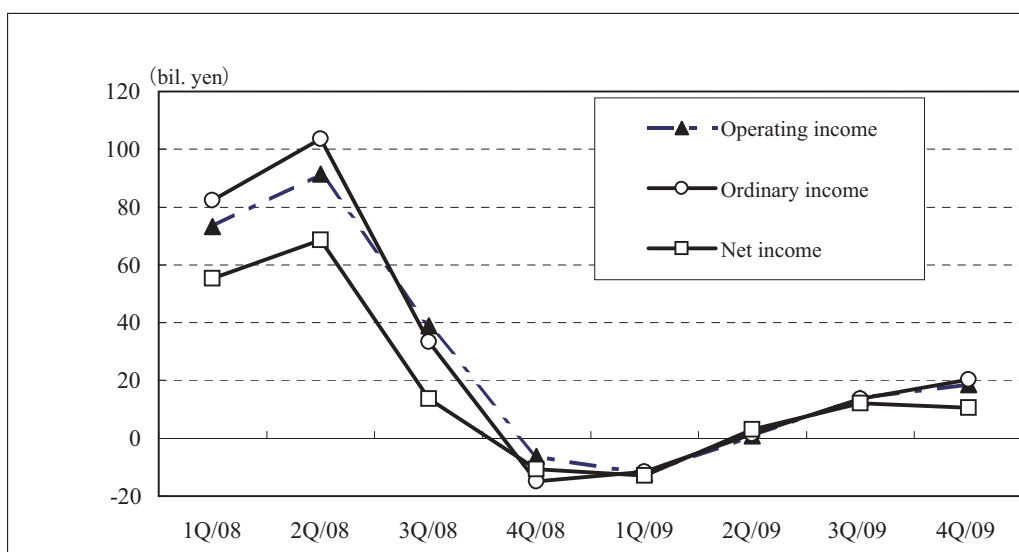
2. Review of Quarterly Results

FY2009

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

FY2008

	1st Quarter Apr.~Jun.,2008	2nd Quarter Jul.~Sep.,2008	3rd Quarter Oct.~Dec.,2008	4th Quarter Jan.~Mar.,2009
Revenues [¥ Million]	507,509	587,257	475,055	295,979
Operating Income	73,218	91,412	38,891	-6,310
Ordinary income	82,263	103,736	33,321	-14,809
Income before income taxes	90,726	107,705	23,196	-23,896
Net income	55,338	68,664	13,647	-10,662
Net income per share [¥]	46.25	57.38	11.41	-8.91
Total assets [¥ Million]	1,865,891	1,990,596	1,970,297	1,807,079
Total net assets	736,289	819,648	788,336	695,021
Shareholders' Equity per share [¥]	553.53	622.96	599.12	521.23



3. Depreciation and Amortization

	(Million yen)		
	FY2008	FY2009	Increase /Decrease
Vessels	59,180	66,218	7,038
Others	18,975	22,147	3,172
Total	78,155	88,366	10,211

4. Interest-bearing Debt

	(Million yen)		
	As of March 31, 2009	As of March 31, 2010	Increase /Decrease
Bank loans	509,326	540,678	31,352
Bonds	155,947	209,424	53,477
Commercial paper	20,500	8,500	△ 12,000
Others	16,843	16,511	△ 332
Total	702,617	775,114	72,497

5. Fleet Capacity (MOL and consolidated subsidiaries)

	Dry bulkers		Tankers		LNG carriers		Car carriers		Containerships	
	No. of ships	1,000MT	No. of ships	1,000MT	No. of ships	1,000MT	No. of ships	1,000MT	No. of ships	1,000MT
Owned	86	7,051	76	11,710	29	1,981	43	657	17	1,033
Chartered	289	26,677	113	5,067	8	610	66	995	84	3,823
Others	-	-	-	-	2	143	-	-	-	-
As of Mar. 31, 2010	375	33,728	189	16,777	39	2,734	109	1,652	101	4,856
As of Mar. 31, 2009	354	31,026	175	14,859	37	2,543	88	1,423	114	5,358

	Ferries/Domestic carriers(*1)		Passenger ships		Others		Total	
	No. of ships	1,000MT	No. of ships	1,000MT	No. of ships	1,000MT	No. of ships	1,000MT
Owned	16	84	1	5	1	6	269	22,527
Chartered	24	72	-	-	2	13	586	37,257
Others	4	5	-	-	-	-	6	148
As of Mar. 31, 2010	44	161	1	5	3	19	861	59,932
As of Mar. 31, 2009	46	160	1	5	6	117	821	55,492

*1:excluding tug boats

6. Exchange Rates

	FY2008	FY2009	Change		
Average rates	¥100.30	¥93.25	¥7.05	(7.0%)	¥ appreciated
Term-end rates	¥98.23	¥93.04	¥5.19	(5.3%)	¥ appreciated

(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 December 31, 2008	TTM on December 31, 2009	Change		
Term-end rates	¥91.03	¥92.10	¥1.07	(1.2%)	¥ weaken

7. Bunker Prices

	FY2008	FY2009	Increase /Decrease
Consumption Prices	US\$528/MT	US\$406/MT	△ US\$122/MT

8. Outlook for FY2010

(¥ Billion)

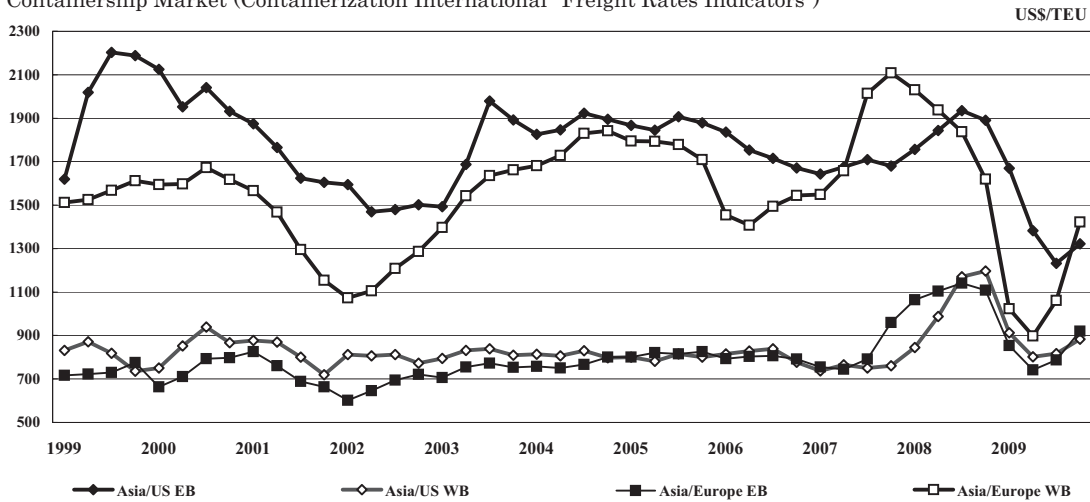
Segments	Revenues(*)	Operating Income	Ordinary Income
Bulkships	830	80	80
Containerships	550	7	5
Ferry /Domestic Transport	53	0	0
Associated Businesses	110	12	10
Others	7	0	1
Elimination	-	0	3
Total	1,550	100	100

<Assumption> exchange rates ¥90.00/US\$
 bunker prices US\$500/MT

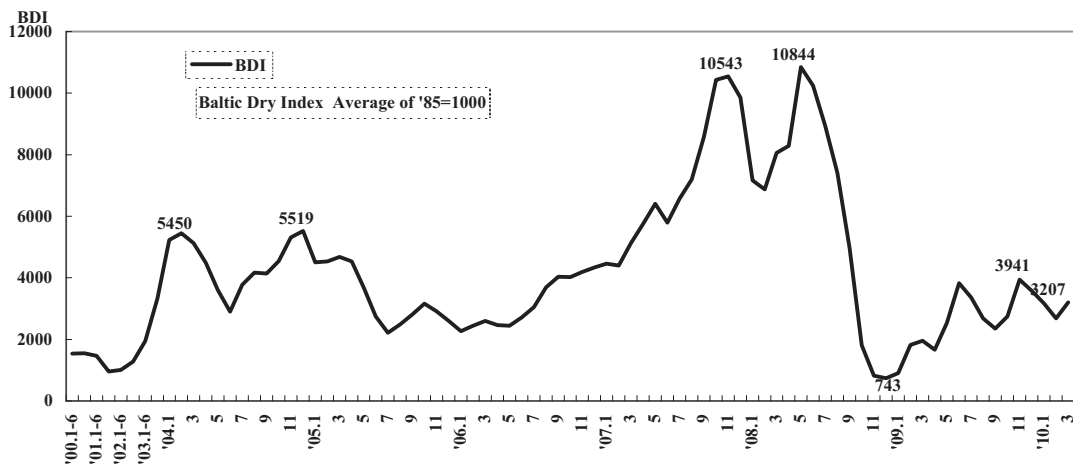
(*) Revenues from customers, unconsolidated subsidiaries and affiliated companies

9. Market Information

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



(2) Dry Bulk Market (Baltic Dry Index)

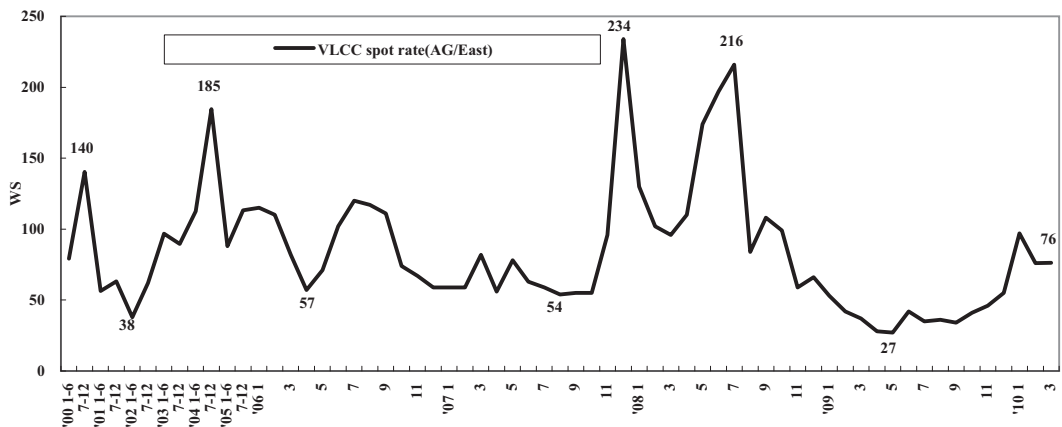


	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Maximum	1,156	1,343	1,734	1,566	1,666	4,609	5,519	4,678	4,336	10,543	10,844	3,941	3,207
Minimum	799	803	1,371	855	931	1,674	2,902	2,220	2,262	4,398	743	905	2,678

**2001-2003 data on the graph are half-yearly averages.

(Jan.~Mar.)

(3) VLCC Market



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Maximum	80	62	168	108	112	149	317	190	120	234	216	54	97
Minimum	47	36	55	35	29	49	89	57	57	54	59	27	76

**1999-2005 data on the graph are half-yearly averages.

(Jan.~Mar.)