

# Business Performance in FY2020-3<sup>rd</sup> Quarter

Mitsui O.S.K. Lines, Ltd.  
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**Note 1: Fiscal Year = from April 1 to March 31**

**Q1 = April to June**

**Q2 = July to September**

**Q3 = October to December**

**Q4 = January to March**

**Note 2: Amounts are rounded down to the nearest 100 million yen.**

**Note 3: Net income/loss = Profit/loss attributable to owners of parent**

**Disclaimer:**

The performance forecasts and management indicators stated in this material are based on the best available information. Forecasts, by their nature, are not certain, so the information should be used as a guide only, and any decisions concerning investments made under your own judgement and volition with the knowledge that actual performance may differ from the forecasts.

# 1. FY2020-3<sup>rd</sup> Quarter Results [Consolidated]

(¥ billion)	FY2020 Result				FY2019 Result				YoY	
	Q1	Q2	Q3	Apr.-Dec.	Q1	Q2	Q3	Apr.-Dec.		
<b>Revenue</b>	<b>251.4</b>	<b>233.2</b>	<b>246.9</b>	<b>731.6</b>	283.1	291.2	292.9	867.2	-135.5	-16%
<b>Operating profit/loss</b>	<b>-5.1</b>	<b>0.9</b>	<b>3.1</b>	<b>-1.0</b>	6.8	5.1	12.2	24.3	-25.3	—
<b>Ordinary profit/loss</b>	<b>7.3</b>	<b>25.3</b>	<b>40.2</b>	<b>72.9</b>	14.0	14.1	21.1	49.2	+23.7	+48%
<b>Net income/loss</b>	<b>5.4</b>	<b>24.7</b>	<b>34.1</b>	<b>64.4</b>	12.2	13.3	22.8	48.4	+15.9	+33%
<b>Average exchange rate</b>	<b>¥108.11/\$</b>	<b>¥106.62/\$</b>	<b>¥104.86/\$</b>	<b>¥106.53/\$</b>	¥111.22/\$	¥107.55/\$	¥108.49/\$	¥109.09/\$	-¥2.56/\$	-2%
<b>Average bunker price(all grades)*</b>	<b>\$255/MT</b>	<b>\$335/MT</b>	<b>\$347/MT</b>	<b>\$315/MT</b>	\$441/MT	\$435/MT	\$512/MT	\$464/MT	-\$149/MT	-32%

\*Purchase Prices

# 1. FY2020-3<sup>rd</sup> Quarter Results [By segment]

	Upper		Revenue							
	Lower		Ordinary profit/loss							
(¥ billion)	FY2020 Result				FY2019 Result				YoY	
	Q1	Q2	Q3	Apr.-Dec.	Q1	Q2	Q3	Apr.-Dec.		
<b>Dry Bulk Business</b>	<b>57.6</b>	<b>52.8</b>	<b>52.3</b>	<b>162.7</b>	67.2	69.5	71.4	208.2	-45.4	-22%
(excluding; Steaming Coal Carriers)	<b>0.4</b>	<b>-0.4</b>	<b>1.2</b>	<b>1.2</b>	2.4	2.8	5.5	10.7	-9.5	-89%
<b>Energy Transport Business</b>	<b>77.5</b>	<b>70.0</b>	<b>66.2</b>	<b>213.7</b>	68.9	70.2	74.5	213.8	-0.1	-0%
(Tankers, Steaming Coal Carriers, LNG Carriers, Offshore business)	<b>8.4</b>	<b>11.9</b>	<b>6.2</b>	<b>26.5</b>	6.0	5.6	8.8	20.4	+6.0	+30%
<b>Product Transport Business</b>	<b>92.6</b>	<b>86.6</b>	<b>104.8</b>	<b>284.0</b>	119.1	123.0	117.6	359.7	-75.7	-21%
(PCC, Containerships, Ferries & Coastal RoRo Ships)	<b>-3.3</b>	<b>12.6</b>	<b>30.7</b>	<b>40.0</b>	2.7	3.9	3.1	9.8	+30.2	+307%
Containerships only	<b>51.0</b>	<b>51.5</b>	<b>54.7</b>	<b>157.2</b>	58.3	55.8	56.9	171.1	-13.9	-8%
	<b>5.9</b>	<b>17.7</b>	<b>29.6</b>	<b>53.3</b>	1.7	3.8	0.3	5.9	+47.3	+790%
<b>Associated businesses</b>	<b>19.8</b>	<b>20.0</b>	<b>19.4</b>	<b>59.2</b>	23.8	24.4	24.7	73.0	-13.7	-19%
(Real estate, Cruise ship, Tug boats, Trading, etc.)	<b>2.6</b>	<b>2.2</b>	<b>2.6</b>	<b>7.5</b>	3.6	2.7	3.6	10.0	-2.5	-25%
<b>Others</b>	<b>3.7</b>	<b>3.9</b>	<b>4.1</b>	<b>11.8</b>	3.9	3.9	4.5	12.3	-0.5	-5%
	<b>0.6</b>	<b>0.3</b>	<b>1.4</b>	<b>2.3</b>	0.8	0.1	2.0	3.0	-0.6	-21%
<b>Adjustment</b>	—	—	—	—	—	—	—	—	—	—
	<b>-1.4</b>	<b>-1.3</b>	<b>-2.0</b>	<b>-4.7</b>	-1.7	-1.0	-2.0	-4.9	+0.1	—
<b>Consolidated</b>	<b>251.4</b>	<b>233.2</b>	<b>246.9</b>	<b>731.6</b>	283.1	291.2	292.9	867.2	-135.5	-16%
	<b>7.3</b>	<b>25.4</b>	<b>40.2</b>	<b>72.9</b>	14.0	14.1	21.1	49.2	+23.7	+48%

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

## 2. Outline of FY2020 Q3 Results (I) [Consolidated]

### [Overall]

- ◆ **Revenue:** Decreased in a year-on-year comparison. This was due mainly to a decrease in transport volume by car carriers for the first half of the fiscal year and a market downturn for dry bulkers from the previous year.
- ◆ **Ordinary profit:** A ¥23.7 billion increase in a year-on-year comparison.
- **Dry Bulk Business:** Overall the market deteriorated from the previous year, while we saw temporary improvement occasionally. As a result, profit decreased year-on-year.
- **Energy Transport Business:** Profit increased year-on-year due to a favorable tanker market and accumulated gains from long-term LNG carrier contracts.
- **Product Transport Business:** Container cargo movement increased from the previous year, mainly on Asia/North America routes and container freight rates, including those on other routes, surged, resulting in a uplift of the profit in containership segment substantially. Despite a profit decrease in the car carrier business caused by a considerable drop in the number of units transported during H1, overall profit increased significantly.

### [By Segment] [Ordinary profit for FY2020 Q3 (year-on-year comparison)]

#### **Dry Bulk Business** [¥ 1.2 billion (-¥ 9.5 billion)]

- **Capesize bulkers:** Profit decreased because the market generally remained sluggish since H1, even though it showed a temporary upward phase in early fall.
- **Small- and medium-sized bulkers:** The market was weaker year on year, although it remained resilient after September 2020. However, profit decreased by only a small margin because our market exposure is limited.
- **Specialized bulkers:** Profit for open hatch bulkers and wood chip carriers that are not under long-term contracts deteriorated significantly despite signs of improvement in cargo movement and market conditions.

#### **Energy Transport Business** [¥ 26.5 billion (+¥ 6.0 billion)]

##### ■ Tankers

- **Crude oil tankers:** The market surged in early spring as low crude oil prices spurred an upswing in demand for offshore storage. Success in securing several favorable short-term contracts during this surging market contributed to profitability mainly for H1, and as a result, along with stable profits from medium- and long-term contracts, overall profit for the first three quarters increased significantly.
- **Product tankers:** Profit improved year on year as the strong crude oil tanker market trickled down and product tanker market became more favorable in early spring.
- **Other:** Profit for LPG tankers and chemical tankers also improved due to strong markets. Methanol tankers continued to earn stable profits.

## 2. Outline of FY2020 Q3 Results (II) [Consolidated]

### ■ LNG Carriers and Offshore Businesses

- LNG carriers steadily accumulated stable profits as three newbuilding vessels were delivered. Profit in the offshore businesses deteriorated due to a temporary allocation of an FSRU to a short-term contract.
- ⇒ Overall profit in the Energy Transport Business increased in a year-on-year comparison due to growth in stable profits from LNG carriers, in addition to increased profits from tankers.

### **Product Transport Business** [¥40.0 billion (+¥ 30.2 billion)]

#### ■ Containerships [¥53.3billion (+¥47.3 billion)]

- ONE: Cargo movement and freight rates increased significantly, mainly on Asia/North America route during Q2, and continued even in Q3. Freight rates also reached a historic high level on other routes, due mainly to the effect of a shortage in container boxes in addition to recovered cargo movements. As a result, ONE achieved a significant increase in profit.
- Others (besides ONE): Profits from the terminal and logistics businesses decreased by a small margin due to a decline in overall cargo volume, although it varied among regions and businesses.

#### ■ Car carriers

Transport volumes, which decreased and hit bottom in April and May, recovered to the previous year's level on a shipment basis after September. Although the profit deteriorated significantly in a year-on-year comparison, the car carrier business managed to turn into the black for Q3 through efforts such as reducing the fleet by 12 vessels during H1.

#### ■ Ferries and Coastal RoRo ships

Cargo transport remained resilient, although there was a slight decrease in volume. Ferry passenger traffic saw temporary recovery but as a whole decreased significantly. Overall, profit decreased year-on-year.

⇒ Profit in the Product Transport Business increased overall because the significant increase in containerships surpassed the downturn for the car carriers and ferries/RoRo ships.

### **Associated Businesses** [¥7.5 billion (-¥2.5 billion)]

The real estate business steadily contributed to overall profit. Cruise ship service resumed in November, but measures to combat the COVID-19 pandemic has prevented full-scale operations. A significant decrease in demand for travel affected the travel agency business. Altogether, the profit decreased.

# 3. FY2020 Full-year Forecast

\* as of October 30, 2020

(¥ billion)	FY2020							FY2019	YoY
	1st Half Result	2nd Half		Full-year Forecast	Previous Forecast*	Variance	Full-year Result		
		Q3 Result	Q4 Forecast					Forecast	
<b>Revenue</b>	<b>484.6</b>	<b>246.9</b>	<b>253.3</b>	<b>500.3</b>	<b>985.0</b>	975.0	+10.0	1,155.4	-170.4
<b>Operating profit/loss</b>	<b>- 4.2</b>	<b>3.1</b>	<b>-0.9</b>	<b>2.2</b>	<b>- 2.0</b>	- 13.0	+11.0	23.7	-25.7
<b>Ordinary profit/loss</b>	<b>32.7</b>	<b>40.2</b>	<b>22.0</b>	<b>62.2</b>	<b>95.0</b>	40.0	+55.0	55.0	+39.9
<b>Net income/loss</b>	<b>30.2</b>	<b>34.1</b>	<b>-4.4</b>	<b>29.7</b>	<b>60.0</b>	20.0	+40.0	32.6	+27.3

Average exchange rate	¥107.37/\$	¥104.86/\$	¥100.00/\$	¥102.43/\$	¥104.90/\$	¥106.18/\$	-¥1.28/\$	¥109.28/\$	-¥4.38/\$
Average bunker price(all grades)*	\$296/MT	\$347/MT	-	-	-	-	-	\$467/MT	-

\*Purchase Prices

### 【Assumptions】

	Previous		Latest
Average exchange rate	¥ 105.00/\$ (Q3/Q4)	→	¥ 100.00/\$ (Q4)
Average bunker price(HSFO)	\$300/MT (Q3/Q4)	→	\$350/MT (Q4)
Average bunker price(VLSFO)	\$380/MT (Q3/Q4)	→	\$410/MT (Q4)

(cf) FY2019 Result	1st Half	2nd Half		Full-year	
		Q3	Q4		
Revenue	574.3	292.9	288.1	581.0	1,155.4
Operating profit/loss	12.0	12.2	-0.5	11.7	23.7
Ordinary profit/loss	28.1	21.1	5.8	26.9	55.0
Net income/loss	25.6	22.8	-15.8	6.9	32.6

Average exchange rate	¥109.39/\$	¥108.49/\$	¥109.87/\$	¥109.18/\$	¥109.28/\$
Average bunker price*	\$438/MT	\$512/MT	\$478/MT	\$496/MT	\$467/MT

(cf)Sensitivity against Ordinary Profit	
<b>FY2020</b>	
FX Rate:	<b>±¥ 0.40 bn/¥1/\$</b> (for 3 months)
Bunker Price:	<b>±¥ 0.01 bn/\$1/MT</b> (for 3 months)

# 3. FY2020 Full-year Forecast

	Upper		Revenue					* as of October 30, 2020	
	Lower		Ordinary profit/loss						
(¥ billion)	FY2020							FY2019	Y o Y
	1st Half Result	Q3 Result	Q4 Forecast	2nd Half Forecast	Full-year Forecast	Previous Forecast*	Variance	Full-year Result	
<b>Dry Bulk Business</b>	110.4	<b>52.3</b>	<b>62.2</b>	<b>114.5</b>	<b>225.0</b>	225.0	0.0	277.1	-52.1
(excluding; Steaming Coal Carriers)	-0.0	<b>1.2</b>	<b>-0.2</b>	<b>1.0</b>	<b>1.0</b>	-1.0	+2.0	12.0	-11.0
<b>Energy Transport Business</b>	147.5	<b>66.2</b>	<b>66.2</b>	<b>132.4</b>	<b>280.0</b>	275.0	+5.0	289.3	-9.3
(Tankers, Steaming Coal Carriers, LNG Carriers, Offshore business)	20.3	<b>6.2</b>	<b>1.4</b>	<b>7.6</b>	<b>28.0</b>	25.0	+3.0	25.4	+2.5
<b>Product Transport Business</b>	179.2	<b>104.8</b>	<b>100.9</b>	<b>205.7</b>	<b>385.0</b>	380.0	+5.0	475.4	-90.4
(PCC, Containerships, Ferries & Coastal RoRo Ships)	9.3	<b>30.7</b>	<b>21.9</b>	<b>52.6</b>	<b>62.0</b>	13.0	+49.0	6.7	+55.2
Containerships only	102.5	<b>54.7</b>	<b>52.7</b>	<b>107.4</b>	<b>210.0</b>	210.0	0.0	226.4	-16.4
	23.6	<b>29.6</b>	<b>21.6</b>	<b>51.3</b>	<b>75.0</b>	30.0	+45.0	4.1	+70.8
<b>Associated businesses</b>	39.8	<b>19.4</b>	<b>20.7</b>	<b>40.1</b>	<b>80.0</b>	80.0	0.0	96.5	-16.5
(Real estate, Cruise ship, Tug boats, Trading, etc.)	4.8	<b>2.6</b>	<b>0.4</b>	<b>3.1</b>	<b>8.0</b>	8.0	0.0	12.3	-4.3
<b>Others</b>	7.6	<b>4.1</b>	<b>3.1</b>	<b>7.3</b>	<b>15.0</b>	15.0	0.0	16.8	-1.8
	0.9	<b>1.4</b>	<b>-0.3</b>	<b>1.0</b>	<b>2.0</b>	1.0	+1.0	3.4	-1.4
<b>Adjustment</b>	-	-	-	-	-	-	-	-	-
	-2.7	<b>-2.0</b>	<b>-1.2</b>	<b>-3.2</b>	<b>-6.0</b>	-6.0	0.0	-4.9	-1.0
<b>Consolidated</b>	484.6	<b>246.9</b>	<b>253.3</b>	<b>500.3</b>	<b>985.0</b>	975.0	+10.0	1,155.4	-170.4
	32.7	<b>40.2</b>	<b>22.0</b>	<b>62.2</b>	<b>95.0</b>	40.0	+55.0	55.0	+39.9

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

(cf)FY2019 Result	1st Half	Q3	Q4	2nd Half	Full-year
<b>Dry Bulk Business</b>	136.7	71.4	68.8	140.3	277.1
(excluding; Steaming Coal Carriers)	5.2	5.5	1.2	6.7	12.0
<b>Energy Transport Business</b>	139.2	74.5	75.5	150.1	289.3
(Tankers, Steaming Coal Carriers, LNG Carriers, Offshore business)	11.6	8.8	4.9	13.7	25.4
<b>Product Transport Business</b>	242.1	117.6	115.6	233.3	475.4
(PCC, Containerships, Ferries & Coastal RoRo Ships)	6.7	3.1	-3.1	0.0	6.7
Containerships	114.2	56.9	55.2	112.1	226.4
	5.6	0.3	-1.8	-1.5	4.1
<b>Associated businesses</b>	48.2	24.7	23.5	48.2	96.5
(Real estate, Cruise ship, Tug boats, Trading, etc.)	6.3	3.6	2.2	5.9	12.3
<b>Others</b>	7.8	4.5	4.4	8.9	16.8
	0.9	2.0	0.4	2.4	3.4
<b>Adjustment</b>	-	-	-	-	-
	-2.8	-2.0	0.0	-2.0	-4.9
<b>Consolidated</b>	574.3	292.9	288.1	581.0	1,155.4
	28.1	21.1	5.8	26.9	55.0

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



## 4. Key Points of FY2020 Forecast (I) [Consolidated]

### [Overall/Digest]

**Full year:** Ordinary profit is projected at ¥95 billion.

- Made a significant upward revision in the forecast from ¥40 billion in the previous announcement on October 30, 2020. (Reference: Forecast was -¥10 billion ~ -¥40 billion in the April 30, 2020 announcement and ±¥0 billion in the June 17, 2020 announcement)
- Made an upward revision in the forecasts for Dry Bulk Business, Energy Transport Business, and Car Carriers, in addition to a significant increase in Containerships.

### ■ Market assumption:

- Dry Bulk Business: Made an upward revision in the Capesize and Panamax market forecasts for Q4 from the previously announced outlook.
- Tankers: Made a downward revision in the market outlook for both crude oil tankers and product tankers, considering the current weak market, despite the demand season in winter.

### ■ Assumptions of foreign exchange rate/Bunker prices:

Changed assumption of foreign exchange rate from ¥105/\$ to ¥100/\$, and bunker prices (VLSFO) from \$380/MT to \$410/MT.

**[By Segment]**[FY2020 forecast for ordinary profit (increase/decrease from the October 30 forecast)]

**Dry Bulk Business** [¥1.0 billion (+¥2.0 billion)]

- Capesize bulkers: Made an upward revision in the forecast as the current market is stronger compared to an average year due mainly to firm cargo movement and port congestion in China.
- Small- and medium-sized bulkers: Anticipating solid business performance based on expectations that the market will remain relatively firm, and the fact that our market exposure is limited.
- Specialized bulkers: Although profits for open hatch bulkers and wood chip carriers have improved from the previous announcement due to recovery in cargo movement for China, etc., anticipating a significant deterioration in full year profits in comparison with the previous year.

**Energy Transport Business** [¥28.0 billion (+¥3.0 billion)]

### ■ Tankers

- Crude oil tankers: Despite a downturn in the market outlook, full-year profit is expected to increase from the previous year because some profitable short-term contracts secured in early spring will contribute to profitability, along with stable profits from medium-to-long-term contracts.

## 4. Key Points of FY2020 Forecast (II) [Consolidated]

- Product tankers: Anticipating an increase in the full-year profit from the previous year, even though we made a downward revision in the market outlook.
- Others: Expecting improved profit for chemical tankers compared to the previous year. Also anticipating to secure stable profits from long-term contracts for methanol tankers.

### ■ LNG carriers and offshore businesses

- LNG carriers: Expecting to secure stable profits based on long-term contracts, including profits accumulated from five newbuilding vessels scheduled for delivery this fiscal year.
- Offshore businesses: Expecting a decrease in profit from the previous year despite stable earnings from FPSOs, as an FSRU went into service under a short-term contract.

### **Product Transport Business** [¥62.0 billion (+¥49.0 billion)]

- **Containerships** [¥75.0 billion (+¥45.0 billion)]: Short-term freight rates are currently still at a historic high level. Despite some anxiety over decline after China's lunar new year holidays, anticipating overall cargo movement to remain firm. Expecting a significant increase in profit for the full year due in part to the accumulation of solid results until Q3.
- **Car carriers**: Anticipating a significant deficit in full-year profit and loss, though the degree of deficit has moderated due to the effects of fleet reduction during H1 and recovery of cargo movement to the similar level of the previous year after September. Only a minor impact is expected from decrease in car production resulting from a shortage of semiconductors on the business performance for this fiscal year.
- **Ferries and coastal RoRo ships**: Anticipating an improvement in ferry passenger traffic in comparison with the previous outlook due to temporary demand spurred by Japanese government's "Go to Travel" campaign.

### **Associated Businesses, Others and Adjustment** [¥8.0 billion (±¥0.0 billion)]:

Anticipating severe business conditions in cruise ship and travel agency businesses due to rebound spread of COVID-19 infection, while expecting steady profits in the real estate business.

### [Dividend]

We plan to pay ¥85 per share as a year-end dividend (¥20 at the previous announcement), making the annual total dividend ¥100 per share (¥35 in the previous announcement).

(¥15 per share already paid as an interim dividend.)

## 5. Comparison of Mega Trend Forecasts in the “Rolling Plan 2020” with Our Latest Forecasts

Cargo Name	MOL’s Mega Trend Forecast for 2020 y-o-y % growth		Situation
	Formulated in May /announced in Jun. 2020	Formulated in Dec. 2020	
Iron ore	-4.2%	+ 2.1%	Overall, an year-on-year growth is anticipated. Cargo movements to China increased significantly with the early recovery of the Chinese economy, making up for a drop in demand in Japan, Korea and Europe.
Coal (Coking coal)	-3.6%	-13.9%	Sluggish demand due to lower crude steel production in Japan, India and Korea. An increase in demand in China, which is highly self-sufficient in coking coal, does not lead to increased transportation demand.
Coal (Steaming coal)	-6.3%	-11.1%	Cargo movements to Europe, India and China dropped sharply. However, that to Japan, which is MOL’s mainstay, decreased only slightly.
Grains	-0.1%	+ 5.1%	China's soybean imports surged. Soybeans, corn and wheat transport for the Middle East, ASEAN, and other regions were also steady.
Crude oil	-7.6%	-8.0%	China increased imports on the back of low crude oil prices, but transport demand for other regions is sluggish.
LNG	-1.5%	+ 2.2%	In the first half of 2020, low LNG prices stimulated demand. In the second half, demand remained firm despite price increases.
Automobiles	-25.0% to -35.2%	-23.0%	Automobile sales in Europe and North America bottomed out in April and has been recovering. Recovery in transport volume is almost in line with expectations.
Containers	-25.0%	-2.0%	Cargo movements for daily necessities remained firm, while demand for transportation newly generated by the COVID-19 (stay-at-home-related products, home appliances, household-related, and quarantine products such as masks) was strong.

## 6. Regarding the "WAKASHIO" Accident in off Mauritius

### Our Basic Stance

As a charterer who was using the vessel, we are deeply aware of the great impact the vessel had on the lives of local people and the precious natural environment. We will strive to prevent the recurrence of similar incidents, and fulfill our social responsibilities by restoring the environment and contributing to the local community.

#### Impact on the current fiscal year results

About ¥100 to 200 million cost is estimated in total for environmental recovery/ community contribution (establishment of a representative office, travel and personnel expenses, provision of materials and equipment, support to local NGOs, etc.) and recurrence prevention measures.

#### Company's Initiatives

##### <So far>

1. Sent a total of 20 MOL Group employees to the site.
2. Provided and transported for free oil adsorbents, protective clothing, work T-shirts, etc.
3. Donated of a reefer container in response to local requests.
4. Established a dedicated team within the Corporate Planning Division (Sep. 1).
5. Dispatched two experts to the site to promote restoration of the natural environment (Mangroves, coral reefs and seabirds) (Oct.24) and an additional expert in fisheries (Nov. 29).
6. Established a representative office in Mauritius (Oct. 29).
7. Announced measures to prevent recurrence (Dec. 18). Efforts will be made to enhance crew education, involvement with shipowners, support from land, hardware, etc.

##### <Going forward>

- Establishment of the Mauritius Natural Environment Recovery Fund (tentative name) and contributions to other local funds.
- Continue implementation of recurrence prevention measures, and contribution to environmental recovery and local communities.

# Dry Bulker Market (Spot Charter Rate)

[Supplement #1]

## 1. FY2019 (Result)

(US\$/day)

Size	FY2019						Full-year
	1st Half			2nd Half			
Market for vessels operated by MOL	Apr-Sep, 2019			Oct, 2019 - Mar, 2020			Average
	Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
Capesize	11,400	29,300	20,400	22,200	4,600	13,400	16,900
Panamax	9,500	15,900	12,700	11,700	5,700	8,700	10,700
Handymax	8,500	12,500	10,500	10,800	6,600	8,700	9,600
Small handy	6,100	8,400	7,300	8,200	4,500	6,400	6,800
Market for vessels operated by overseas subsidiaries of MOL	Jan-Jun, 2019			Jul-Dec, 2019			Average
	Jan-Mar	Apr-Jun		Jul-Sep	Oct-Dec		
Capesize	8,700	11,400	10,100	29,300	22,200	25,700	17,900

## 2. FY2020 (Result/Forecast)

(US\$/day)

Size	FY2020						Full-year
	1st Half			2nd Half			
Market for vessels operated by MOL	Apr-Sep, 2020			Oct, 2020 - Mar, 2021			Average
	Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
Capesize	10,400	20,800	15,600	16,900	15,000	16,000	15,800
Panamax	6,200	11,800	9,000	10,700	10,000	10,400	9,700
Handymax	5,600	9,900	7,800	10,700	10,000	10,400	9,100
Small handy	3,300	7,200	5,300	9,200	9,000	9,100	7,200
Market for vessels operated by overseas subsidiaries of MOL	Jan-Jun, 2020			Jul-Dec, 2020			Average
	Jan-Mar	Apr-Jun		Jul-Sep	Oct-Dec		
Capesize	4,600	10,400	7,500	20,800	16,900	18,900	13,200

### Notes:

1) The general market results are shown in black.

2) **The forecasts are shown in blue.** These are referential charter rates for estimating P/L of free vessels that operates on spot contracts (contract period of less than two years).

In case rates have already been agreed, however, such agreed rates are reflected on P/L estimation of the relevant voyages.

3) Market for vessels operated by our overseas subsidiaries is shown on Calendar year basis (Jan-Dec), because their fiscal year ends in Dec. and thus their P/L are consolidated three months

4) Market for Capesize=5TC Average(changed on and after FY2014 financial announcement), Panamax= 4TC Average, Handymax= 5TC Average, Small handy= 6TC Average.

# Tanker Market (Spot Earning)

[Supplement #2]

## 1. FY2019 (Result)

(US\$/day)

Vessel Type	Trade	FY2019						Full-year
		1st Half			2nd Half			
Market for vessels operated by MOL		Apr-Sep, 2019			Oct, 2019- Mar, 2020			Average
		Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
Crude Oil Tanker	Arabian Gulf - Far East	<b>13,800</b>	<b>26,900</b>	<b>20,400</b>	<b>96,600</b>	<b>89,200</b>	<b>92,900</b>	<b>56,600</b>
Product Tanker (MR)	Main 5 Trades	<b>11,600</b>	<b>10,600</b>	<b>11,100</b>	<b>20,200</b>	<b>17,700</b>	<b>19,000</b>	<b>15,000</b>
Market for vessels operated by overseas		Jan-Jun, 2019			Jul-Dec, 2019			Average
		Jan-Mar	Apr-Jun		Jul-Sep	Oct-Dec		
LPG Tanker (VLGC)	Arabian Gulf - Japan	<b>13,900</b>	<b>50,300</b>	<b>32,100</b>	<b>53,600</b>	<b>66,300</b>	<b>59,900</b>	<b>46,000</b>

(Source)Product Tanker and LPG Tanker: Clarkson Research Services Limited

## 2. FY2020 (Result/Forecast)

(US\$/day)

Vessel Type	Trade	FY2020						Full-year
		1st Half			2nd Half			
Market for vessels operated by MOL		Apr-Sep, 2020			Oct, 2020- Mar, 2021			Average
		Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
Crude Oil Tanker	Arabian Gulf - Far East	<b>92,900</b>	<b>19,900</b>	<b>56,400</b>	<b>10,300</b>	<b>10,000</b>	<b>10,200</b>	<b>33,300</b>
Product Tanker (MR)	Main 5 Trades	<b>25,200</b>	<b>7,500</b>	<b>16,400</b>	<b>6,900</b>			
Market for vessels operated by overseas		Jan-Jun, 2020			Jul-Dec, 2020			Average
		Jan-Mar	Apr-Jun		Jul-Sep	Oct-Dec		
LPG Tanker (VLGC)	Arabian Gulf - Japan	<b>50,600</b>	<b>33,400</b>	<b>42,000</b>	<b>39,700</b>	<b>66,900</b>	<b>53,300</b>	<b>47,700</b>

(Source)Product Tanker and LPG Tanker: Clarkson Research Services Limited

Note 1: The general market results are shown in black.

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

Note 3: VLCC Market is for Arabian Gulf - China trade.

Note 4: Product Tanker market is simple average of main 5 trades: Europe - US, US - Europe, Singapore - Australia, South Korea - Singapore, and India - Japan.

Note 5: LPG Tankers are operated by our overseas subsidiaries and the market is shown on Calendar year basis (Jan-Dec), because their fiscal year ends in Dec. and thus their P/L are consolidated three months later.

# Containerized Freight Index (CCFI\*)

[Supplement #3]

## 1. FY2019 (Result)

(Jan 1, 1998=1,000)

Trade	FY2019						
	1st Half Apr-Sep, 2019			2nd Half Oct, 2019 - Mar, 2020			Full-year Average
	Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
U.S. West Coast	675	703	689	685	713	699	694
U.S. East Coast	877	904	891	878	932	905	898
Europe	975	985	980	959	1,097	1,028	1,004
South America	539	632	586	646	676	661	623

## 2. FY2020 (Result)

(Jan 1, 1998=1,000)

Trade	FY2020						
	1st Half Apr-Sep, 2020			2nd Half Oct, 2020 - Mar, 2021			Full-year Average
	Apr-Jun	Jul-Sep		Oct-Dec	Jan-Mar		
U.S. West Coast	741	937	839	1,150			
U.S. East Coast	930	1,034	982	1,275			
Europe	1,007	1,056	1,032	1,471			
South America	524	549	536	1,190			

\*China Containerized Freight Index

# Car Carrier Loading Volume

[Supplement #4]

## 1. FY2019 (Result)

(1,000 units)

(Completed-voyage basis / including voyage charter)	FY2019						
	1st Half			2nd Half		Total	
	Q1	Q2	Q3	Q4			
<b>Total</b> (Includes Intra-European trade)	1,016	972	1,988	884	899	1,783	3,771

## 2. FY2020 (Result/Forecast)

(1,000 units)

(Completed-voyage basis / including voyage charter)	FY2020						
	1st Half			2nd Half		Total	
	Q1	Q2	Q3	Q4			
<b>Total</b> (Includes Intra-European trade)	610	478	1,088	779	831	1,610	2,697

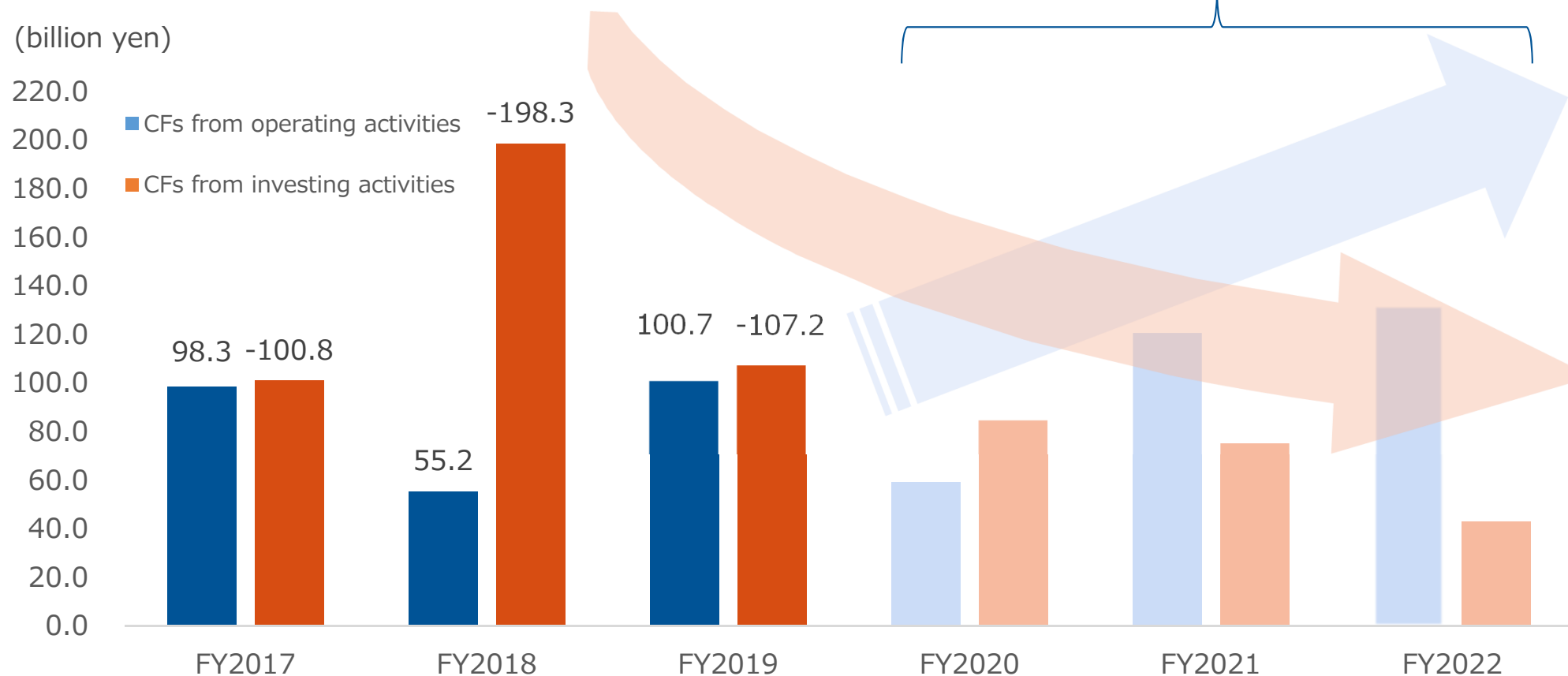
\*The forecasts are shown in blue.

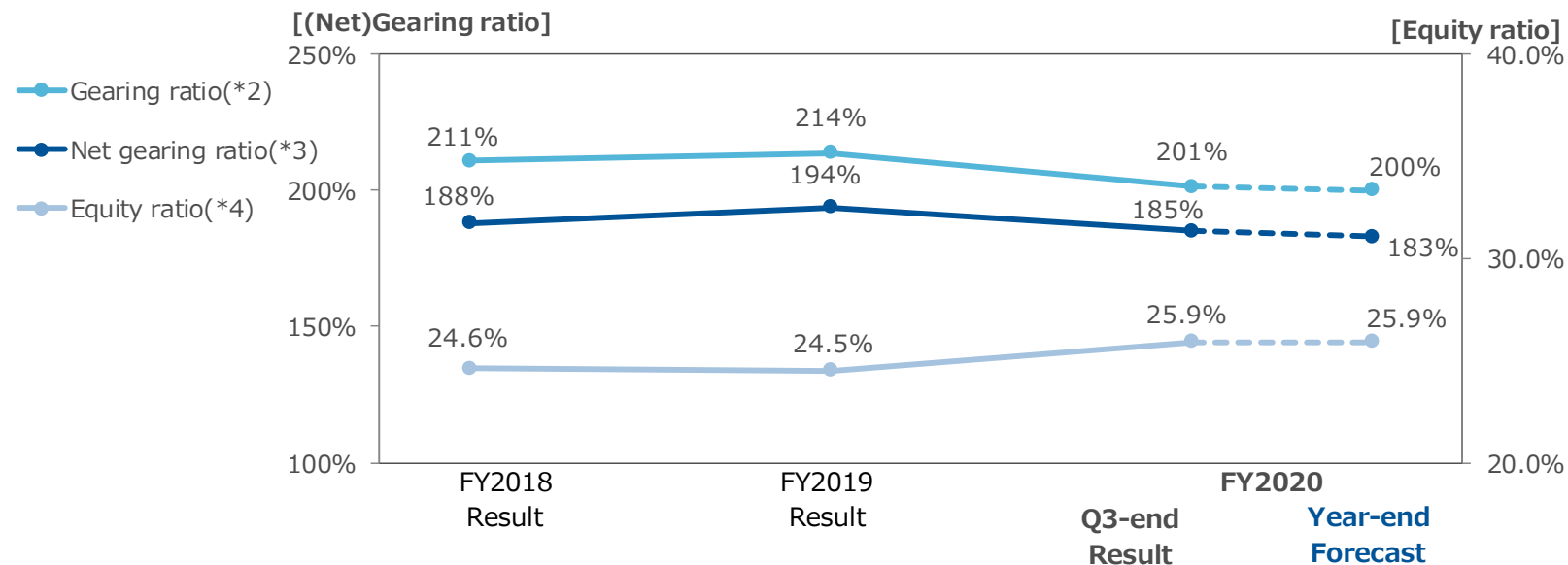
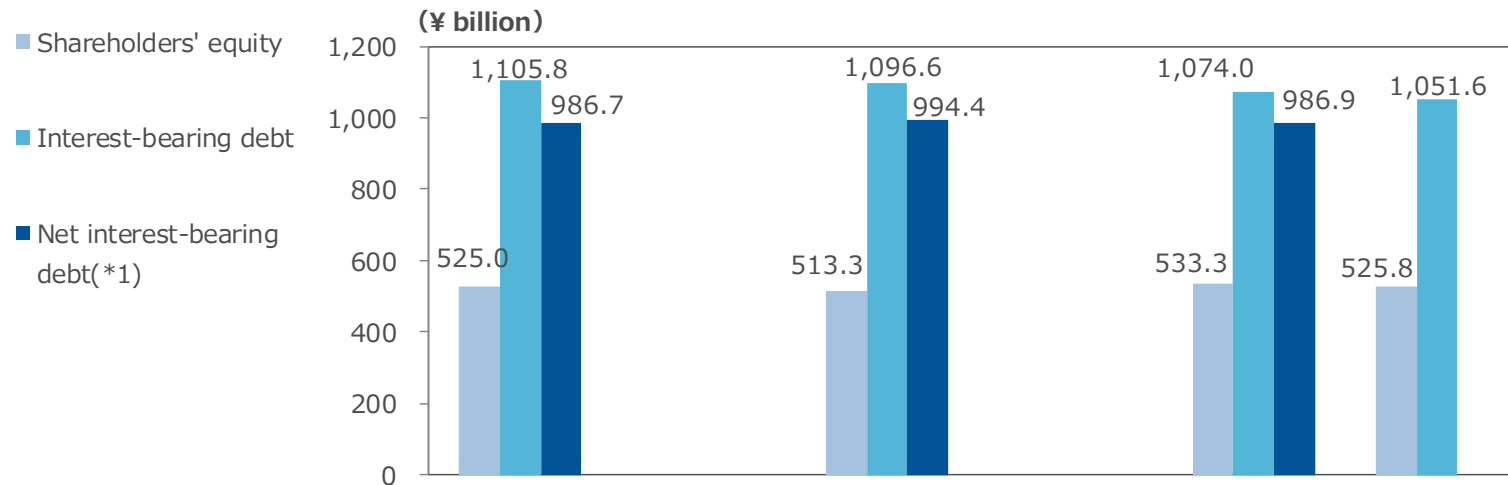


## Financial strategies/Investment plans

- Reduce the level of CFs from investing activities from decisions to be made going forward to a total of ¥100 billion in three years
- Take steps to generate cash from assets, businesses, and projects

### Secure ¥ 100 billion Free CF in three years





(Term-end Exchange Rate)

MOL	¥110.99/\$	¥108.83/\$	¥103.50/\$	¥100.00/\$
Overseas Subsidiaries	¥111.00/\$	¥109.56/\$	¥105.80/\$	¥103.50/\$

(\*1) Interest-bearing debt – Cash & cash equivalents

(\*2) Interest-bearing debt / Shareholders' equity

(\*3) Net interest-bearing debt / Shareholders' equity

(\*4) Shareholders' equity / Total assets

# Fleet Composition (incl. Offshore business)

[Supplement #7]

		31-Mar, 2020	30-Sep, 2020	31-Dec, 2020		31-Mar, 2021	
				1,000dwt		(Forecast)	
<b>Dry Bulk Business</b>	Capesize	84	79	80	15,886	82	
	Small and medium-sized bulkers	Panamax	18	18	23	1,868	24
		Handymax	54	51	53	2,959	54
		Small Handy	26	25	25	924	32
		(Sub total)	98	94	101	5,750	110
	Wood chip carriers	36	36	36	2,012	35	
	Short sea ships	45	44	42	788	43	
	(Sub total)	263	253	259	24,436	270	
	<b>(Market Exposure)</b>	<b>(69)</b>	<b>(65)</b>	-	-	<b>(71)</b>	
<b>Energy Transport Business</b>	Tankers	Crude oil tankers	41	41	42	11,331	40
		Product tankers	22	24	24	1,539	23
		Chemical tankers (incl. Methanol tankers)	106	108	107	3,052	108
		LPG tankers	9	9	9	502	9
		(Sub total)	178	182	182	16,423	180
	Steaming coal carriers	48	44	47	4,379	39	
	SEP vessels (from fiscal 2020 2nd quarter)	-	5	5	14	5	
	(Sub total)	226	231	234	20,815	224	
		<b>(Market Exposure)</b>	<b>(89)</b>	<b>(95)</b>	-	-	<b>(97)</b>
	LNG carriers (incl. LNG bunker and Ethane carriers)	95	97	96	7,739	97	
	Offshore	FPSO	6	6	6	1,689	6
LNG-to-Powership		0	1	1	19	1	
FSU/FSRU		3	3	3	314	3	
Subsea support vessels		3	3	3	27	3	
Coastal ships (excl. Coastal RoRo ships)	30	27	29	108	28		
<b>Product Transport Business</b>	Car carriers	107	94	94	1,626	94	
	Ferries & Coastal RoRo ships	15	15	15	85	15	
<b>Associated Businesses and Others</b>	Cruise ships	1	1	1	4	1	
	Others	2	2	2	12	2	
<b>Sub total</b>		751	733	743	56,874	744	
<b>Product Transport Business</b>	Containerships	64	61	61	5,681	60	
<b>Total</b>		815	794	804	62,555	804	

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

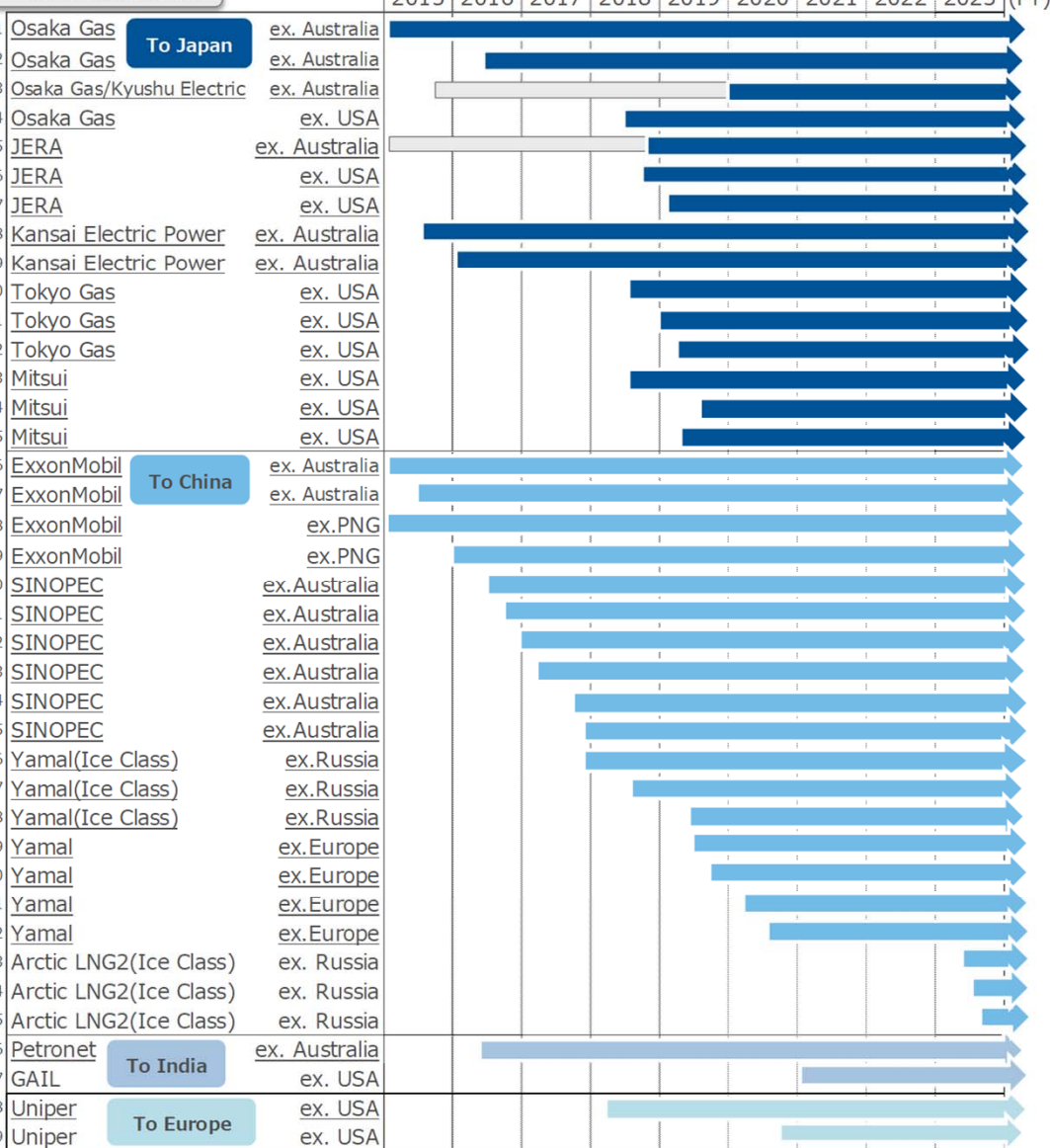
Note 2: "Market Exposure"=Vessels operating under contracts less than two years, which are owned or mid-and long-term chartered vessels.

Note 3: Containerships are operated by ONE.

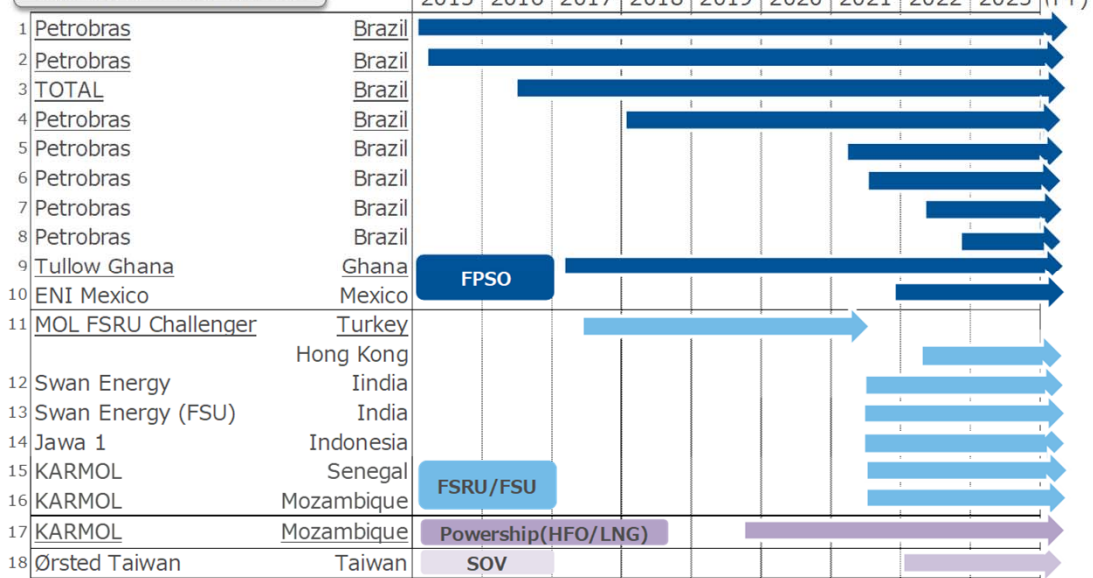
# LNG Carriers and Offshore businesses (Delivery FY2015 onwards)

[Supplement #8]

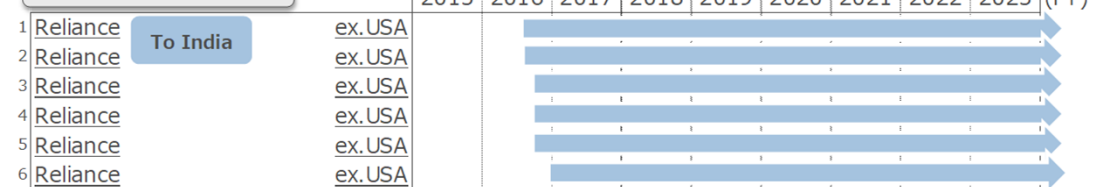
## LNG Carriers



## Offshore Business



## Ethane Carriers



## LNG Bunker Vessel



\*Underline is under operation as of Dec.30, 2020