

Mitsui O.S.K. Lines, Ltd.

Financial Highlights: The First Quarter Ended June 30, 2012

1. Consolidated Financial Highlights (from April 1, 2012 to June 30, 2012)

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

(1) Operational Results

	(¥ Million)		(US\$ Thousand)
	Q1/FY2012	Q1/FY2011	Q1/FY2012
Revenues	378,850	349,113	4,776,825
Operating income (loss)	(503)	(8,643)	(6,342)
Ordinary income (loss)	(1,538)	(8,356)	(19,392)
Net income (loss)	(5,020)	(8,047)	(63,296)
		(¥)	(US\$)
Net income (loss) per share	(4.20)	(6.73)	(0.053)
Diluted net income per share	—	—	—

(2) Financial Position

	(¥ Million)		(US\$ Thousand)
	Q1/FY2012	FY2011	Q1/FY2012
Total Assets	1,988,564	1,946,161	25,073,307
Total Net Assets	698,541	717,909	8,807,729
Shareholders' Equity / Total assets	31.0%	32.8%	

* Shareholders' Equity is defined as follows.

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

2. Dividends

	(¥)				
	Dividend per share				
	Q1	Q2	Q3	Year end	Total
FY2011	—	2.50	—	2.50	5.00
FY2012	—				
FY2012 (Forecast)	—	—	—	—	—

* Forecast of dividends has yet to be determined.

3. Forecast of Consolidated Results for Fiscal Year ending March 31, 2013

	(¥ Million)		(US\$ Thousand)
	1H/FY2012	FY2012	FY2012
Revenues	770,000	1,550,000	19,375,000
Operating income (loss)	1,000	16,000	200,000
Ordinary income (loss)	(3,000)	10,000	125,000
Net income (loss)	(2,000)	3,000	37,500
		(¥)	(US\$)
Net income (loss) per share	(1.67)	2.51	0.031

* Underlying Assumption of the Forecast for FY2012

The above forecast is made assuming the exchange rate and the bunker price for FY2012.

Q2/FY2012

Exchange Rate 1US\$=¥79.00

Bunker Price US\$ 630/MT

2H/FY2012

Exchange Rate 1US\$=¥80.00

Bunker Price US\$ 630/MT

(Translation of foreign currencies)

The Japanese yen amounts for Q1/FY2012 have been translated into U.S. dollars using the prevailing exchange rate at June 30, 2012, which was ¥79.31 to U.S. \$1.00, solely for the convenience of readers. (The convenience translations should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at this or any other rate of exchange.)

4. Business Performance

(Billions of Yen)

	Three months		Year-on-year comparison (variance)
	From Apr. 1 to Jun. 30, 2011	From Apr. 1 to Jun. 30, 2012	
Revenue	349.1	378.8	29.7/ 8.5%
Operating income (loss)	(8.6)	(0.5)	8.1/ —%
Ordinary income (loss)	(8.3)	(1.5)	6.8/ —%
Net income (loss)	(8.0)	(5.0)	3.0/ —%
Exchange rate (three-month average)	¥81.80/US\$	¥81.34/US\$	¥(0.46)/US\$
Bunker price (three-month average)	US\$625/MT	US\$695/MT	US\$70/MT

During the first quarter of the fiscal year (FY) 2012 (April 1, 2012 to June 30, 2012), a sense of unease towards the sovereign debt crisis of southern European countries cast a shadow over the global economy, including the emerging countries, and this limited economic recovery to a gradual pace.

In Europe, a crisis in the financial system was averted for the time being by the re-election held in Greece, which resulted in a victory by the parties supporting austere fiscal policies, and by the EU responses, which included financial support measures for Spain. Nevertheless, austere fiscal policies and high unemployment rates dampened capital investment and consumption, causing Europe to slip into recession.

In the U.S., despite a lagging employment recovery, moderate growth continued against a backdrop of a housing market recovery, favorable automobile sales, and energy price decline.

In China, the pace of economic growth mildly weakened due to the impact of monetary tightening measures, implemented since last year for price control purposes, and weakening exports to Europe.

In Japan, the automobile industry experienced strong domestic sales due to the government subsidy program for eco-friendly cars. In addition, exports were steady, particularly to the U.S., and expansion in restoration demand related to the Great East Japan Earthquake brought about a gentle tone of economic recovery.

Looking at the maritime shipping market conditions, in the dry bulker market, the Capesize bulker market has been stuck at bottom levels, mainly due to the continuous supply pressure exerted on the market by deliveries of new vessels, and is yet to recover. In the tanker market, the crude oil tanker (VLCC) market had proceeded firmly at the beginning of spring due to the impact of the dispersion of the procurement sources of oil consuming countries caused by the unstable conditions in the Middle East. From late April, however, it started to slide and ended at weak levels, because of the supply pressure of new vessels. As for containerships, cargo volume gradually recovered from the beginning of spring, and freight rate levels proceeded firmly, lifted by the improved supply and demand environment.

The average exchange rate against the U.S. dollar during the first quarter appreciated by ¥0.46 year on year to ¥81.34. Furthermore, the average bunker price during the first quarter rose by US\$70/MT to US\$695/MT.

As a result of the above, we recorded a loss in our business performance over the first quarter, despite making an improvement in our bottom line compared with the same period of the previous fiscal year. The following is a summary of business conditions including revenue and ordinary income/loss per business segment.

Upper: Revenue, Lower: Segment Income (Loss) (Ordinary Income (Loss))

(Billions of Yen)

	Three months		Year-on-year comparison (variance)
	From Apr. 1 to Jun. 30, 2011	From Apr. 1 to Jun. 30, 2012	
Bulkships	170.8	189.1	18.3/ 10.8%
	(4.7)	(2.3)	2.4/ -%
Containerships	139.6	148.8	9.1/ 6.6%
	(5.4)	(2.4)	2.9/ -%
Ferry and Domestic Transport	11.4	12.8	1.3/ 11.6%
	(1.4)	(0.2)	1.2/ -%
Associated Businesses	30.3	31.8	1.4/ 4.7%
	2.3	2.9	0.6/ 29.0%
Others	3.5	3.6	0.0/ 2.4%
	0.5	0.5	(0.0)/(0.8%)

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

(A) Bulkships

<Dry Bulkers>

In the dry bulker market, the Capesize bulker market remained at low-freight-rate levels, although shipments from main loading ports in Brazil and Australia were generally firm throughout the first quarter, and market recovery did not eventuate on account of the continuing concern of a potential economic slowdown in the U.S., Europe and China, and the supply pressure caused by deliveries of new vessels. In the tramp market from Panamax on down, although the freight rates temporarily rose in mid-April on the back of comparatively firm grain transportation on Pacific Ocean routes and expectations of an increase in coal export volumes from the U.S., freight rates weakened afterwards in a similar way to the Capesize bulker market due to the impact of the supply pressure of new vessels and the slowdown in the Chinese economy.

As a result of the above, despite stable profits from long-term contracts for carriers of iron ore, woodchips, steaming coal, etc., and efforts to reduce costs through efficient vessel operation, a loss was recorded in the first quarter due to a slowdown in the market.

<Tankers/LNG Carriers>

Regarding the tanker segment, the crude oil tanker (VLCC) market proceeded firmly until late April. This was the result of increased demand for long-distance transportation due to the impact of the dispersion of the procurement sources of oil consuming countries such as China and India, which was caused by the unstable conditions in the Middle East, and the increase in vessel procurement by China on the spot market. After April, the crude oil tanker (VLCC) market began to deteriorate due to a renewed awareness of the supply pressure of newly delivered vessels. This was triggered by the seasonal factor of a non-demand period that occurred when oil refineries in multiple Asian countries underwent periodic maintenance.

In the product tanker market, despite the fundamental balance of supply and demand trending towards improvement, the market weakened due to a drop in naphtha cargo trade in the Asia region and fewer arbitrage-trading volumes as a result of the Europe and U.S. economic slowdown causing a perceived notion that there is an oversupply of vessels.

Although we responded to this situation by continuing to reduce fuel costs by enhancing slow steaming and improving operation efficiency by setting up pools with other operators, a loss was recorded in the tanker segment for the first quarter.

The LNG carrier segment proceeded firmly as a result of few new vessels and stable LNG demand in Japan. In terms of segment profit for the first quarter, stable revenue was secured from long-term transport contracts, and we recorded the same level of revenue as the same period of the previous fiscal year.

<Car Carriers>

In the car carrier segment, shipments of completed cars generally recovered after dropping significantly in

(Unaudited translation of 'kessan tanshin', provided for reference only)

July 31, 2012

the previous fiscal year, particularly from Japan following the Great East Japan Earthquake. In addition, firm performance from cross trade and Asia-bound transport from Europe and the U.S. contributed towards a significant year-on-year improvement in the ordinary income/loss.

(B) Containerships

Regarding containerships, amid the supply pressure caused by deliveries of new vessels, we strove to rationalize our services while maintaining quality through measures such as expanding alliances. Cargo trade gradually recovered from the beginning of spring, the supply and demand environment improved, and freight rate levels proceeded firmly. On the other hand, despite continuing to reduce fuel costs by enhancing slow steaming, the rise in bunker prices restricted improvement in the ordinary income/loss. Eventually, although year-on-year improvement was achieved, loss was recorded for the first quarter.

(C) Ferry and Domestic Transport

The ferry business showed a large improvement in the ordinary income/loss compared with the same period of the previous fiscal year. This was the result of the return to normal operations of the Oarai Ferry Terminal in Ibaraki Prefecture on the Hokkaido route in the current fiscal year. The terminal was damaged in the Great East Japan Earthquake, making it unusable until early June in the previous fiscal year. The domestic transport business secured ordinary income/loss on par with the same period of the previous fiscal year because the energy transportation-related field continued to yield strong results. For the ferry and domestic transport segment as a whole, a considerable year-on-year improvement was achieved in the ordinary income/loss.

(D) Associated Businesses

In the real estate business, while the rental office market failed to reach a full-fledged recovery, Daibiru Corporation, the core company in the MOL Group's real estate business, maintained low vacancy rates, allowing us to sustain a stable performance. In the cruise ship business, although we have been strengthening sales activities in response to signs of a recovery in the cruise market since the previous fiscal year, we have been unable as yet to secure a sufficient number of passengers. Consequently, despite achieving year-on-year improvement, a loss was recorded. Apart from the cruise ship business, results from other associated businesses were firm overall. As a result, segment income in the associated businesses segment as a whole increased year on year.

(E) Others

Other businesses, which are mainly cost centers, include ship operations, ship management, financing, and shipbuilding. Overall revenue in this segment during the first quarter was on par with the same period of the previous fiscal year.

5. Financial Position

Total assets for the quarter ended on June 30, 2012, was 1,988.5 billion yen, an increase of 42.4 billion yen from the end of the previous fiscal year. In spite of the investment securities reduced, the above mentioned increase was materialized primarily due to an increase in vessels by delivery of newly completed vessels. Liabilities for the quarter ended on June 30, 2012, was 1,290.0 billion yen, increased by 61.7 billion yen compares to the end of the previous fiscal year. This increase was mainly attributable to long-term bank loans for the newly completed vessels' delivery. Net assets for the quarter ended on June 30, 2012, was 698.5 billion yen, a decrease of 19.3 billion yen from the end of the previous fiscal year, in consequence of reduced retained earnings, unrealized holding gains on available-for-sale securities and increased unrealized losses on hedging derivatives. As a result of the above transactions, shareholder's equity ratio dropped to 31.0%, reduced 1.8% compares to the end of the previous fiscal year.

6. Outlook for FY2012

For the first half of FY2012

(Billions of Yen)

	Initial outlook (When announced on April 27, 2012)	Latest outlook (When announced 1Q)	Comparison (variance)
Revenue	790.0	770.0	(20.0)/(2.5%)
Operating income (loss)	(1.0)	1.0	2.0/—%
Ordinary income (loss)	(5.0)	(3.0)	2.0/—%
Net income (loss)	(2.0)	(2.0)	0.0/—%

Exchange rate	¥82.00/US\$	¥79.00/US\$	¥(3.00)/US\$
Bunker price	US\$710/MT	US\$630/MT	US\$(80)/MT
	(Assumption for the first half of FY2012)	(Assumption for 2Q)	

For FY2012

(Billions of Yen)

	Initial outlook (When announced on April 27, 2012)	Latest outlook (When announced 1Q)	Comparison (variance)
Revenue	1,600.0	1,550.0	(50.0)/(3.1%)
Operating income (loss)	16.0	16.0	0.0/0.0%
Ordinary income (loss)	10.0	10.0	0.0/0.0%
Net income (loss)	3.0	3.0	0.0/0.0%

Exchange rate	¥82.00/US\$	¥80.00/US\$	¥(2.00)/US\$
Bunker price	US\$710/MT	US\$630/MT	US\$(80)/MT
	(Assumption for FY2012)	(Assumption for the second half of FY2012)	

For the second quarter and beyond, although there are causes for concern such as the strong yen, European crisis, and delays in recovery of the dry bulker and the tanker markets, we expect improvement in freight rate levels in the containership business and bunker prices to remain lower than initial expectations.

In consideration of these prospects, we project consolidated revenue for the first half of the fiscal year ending March 31, 2013, of ¥770.0 billion, consolidated operating income of ¥1.0 billion, consolidated ordinary loss of ¥3.0 billion and consolidated net loss of ¥2.0 billion. For FY2012, we project consolidated revenue of ¥1,550.0 billion, consolidated operating income of ¥16.0 billion, consolidated ordinary income of ¥10.0 billion, and consolidated net income of ¥3.0 billion.

Please note that, as mentioned above, changes have been made to the outlook released on April 27, 2012. See “Announcement of Revision of FY2012 Outlook (1st Half) released today (July 31, 2012).

7. Consolidated Financial Statements

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

(1) Consolidated Balance Sheets

(¥Million)

	As of March 31, 2012	As of June 30, 2012
Assets		
Current assets		
Cash and deposits	50,864	44,821
Trade receivables	130,921	139,074
Marketable securities	10,023	10,026
Inventories	54,335	54,288
Deferred and prepaid expenses	53,744	58,485
Deferred tax assets	4,594	6,161
Other current assets	82,852	77,865
Allowance for doubtful accounts	(401)	(473)
Total Current Assets	386,936	390,248
Fixed assets		
Tangible fixed assets		
Vessels	822,280	864,358
Buildings and structures	124,294	123,773
Equipments, mainly containers	9,210	9,040
Equipments and parts	3,597	3,814
Land	215,958	215,982
Vessels and other property under construction	116,724	109,083
Other tangible fixed assets	1,735	2,071
Total tangible fixed assets	1,293,802	1,328,125
Intangible fixed assets	16,193	20,541
Investments and other assets		
Investment securities	172,746	162,043
Long-term loans receivable	19,166	22,363
Prepaid expenses	20,479	20,479
Deferred tax assets	11,692	19,475
Other long-term assets	27,696	27,573
Allowance for doubtful accounts	(2,551)	(2,286)
Total investments and other assets	249,228	249,649
Total fixed assets	1,559,225	1,598,316
Total assets	1,946,161	1,988,564

(¥Million)

	As of March 31, 2012	As of June 30, 2012
Liabilities		
Current liabilities		
Trade payables	133,599	125,742
Short-term bonds	4,190	5,882
Short-term bank loans	101,012	102,113
Accrued income taxes	6,112	2,942
Advances received	19,808	25,807
Deferred tax liabilities	902	979
Allowance for provision for bonuses	3,928	2,798
Allowance for provision for directors' bonuses	152	17
Allowance for provision for loss related to U.S. antitrust matter	151	145
Commercial paper	5,000	4,500
Other current liabilities	47,993	51,849
Total Current Liabilities	322,851	322,779
Fixed liabilities		
Bonds	187,030	185,753
Long-term bank loans	552,156	600,472
Lease obligations	19,011	20,109
Deferred tax liabilities	18,732	18,135
Allowance for employees' severance and retirement benefits	13,766	13,619
Allowance for directors' and corporate auditors' retirement benefits	2,159	1,906
Allowance for provision for special repairs	14,058	15,199
Other fixed liabilities	98,484	112,047
Total Fixed Liabilities	905,401	967,243
Total Liabilities	1,228,252	1,290,023
Net Assets		
Owners' equity		
Common stock	65,400	65,400
Capital surplus	44,486	44,514
Retained earnings	629,667	621,655
Treasury stock, at cost	(7,151)	(7,029)
Total owners' equity	732,402	724,541
Accumulated gains (losses) from valuation and translation adjustments		
Unrealized holding gains on available for-sale-securities, net of tax	16,888	11,452
Unrealized gains (losses) on hedging derivatives, net of tax	(54,936)	(68,718)
Foreign currency translation adjustments	(56,932)	(49,829)
Total accumulated losses from valuation and translation adjustments	(94,980)	(107,096)
Share subscription rights	2,005	2,005
Minority interests	78,481	79,090
Total Net Assets	717,909	698,541
Total Liabilities and Total Net Assets	1,946,161	1,988,564

(2) Consolidated Statements of Income

(¥Million)

	Q1 / FY2011 (Apr.1 - Jun.30, 2011)	Q1 / FY2012 (Apr.1 - Jun.30, 2012)
Shipping and other operating revenues	349,113	378,850
Shipping and other operating expenses	334,400	357,533
Gross operating income	14,713	21,317
Selling, general and administrative expenses	23,356	21,820
Operating income (loss)	(8,643)	(503)
Non-operating income:		
Interest income	106	340
Dividend income	1,378	1,543
Equity in earnings of unconsolidated subsidiaries and affiliated companies	1,072	—
Gain on sale of containers	1,026	1,888
Others	759	729
Total	4,343	4,501
Non-operating expenses:		
Interest expense	2,646	3,176
Equity in losses of unconsolidated subsidiaries and affiliated companies	—	1,289
Exchange loss	406	411
Loss on valuation of derivatives	601	335
Others	403	323
Total	4,056	5,536
Ordinary income (loss)	(8,356)	(1,538)
Extraordinary profit:		
Gain on sale of fixed assets	2,440	301
Cancellation fee for chartered ships	62	861
Insurance income	—	966
Others	1,728	132
Total	4,230	2,261
Extraordinary loss:		
Loss on sale of fixed assets	737	1,643
Loss on retirement of fixed assets	24	360
Loss on valuation of investment securities	181	4,321
Others	575	209
Total	1,518	6,534
Income (loss) before income taxes and minority interests	(5,643)	(5,811)
Income taxes	1,650	(1,446)
Income (loss) before minority interests	(7,293)	(4,365)
Minority interests in earnings of consolidated subsidiaries	753	655
Net income (loss)	(8,047)	(5,020)

(3) Consolidated Statements of Comprehensive Income

(¥Million)

	Q1 / FY2011 (Apr.1 - Jun.30, 2011)	Q1 / FY2012 (Apr.1 - Jun.30, 2012)
Income (Loss) before minority interests	(7,293)	(4,365)
Other comprehensive income		
Unrealized holding gains (losses) on available-for-sale securities, net of tax	(3,017)	(5,327)
Unrealized gains (losses) on hedging derivatives, net of tax	(8,296)	(14,677)
Foreign currency translation adjustments	4,486	6,703
Share of other comprehensive income of associates accounted for using equity method	1,584	1,576
Total	(5,242)	(11,725)
Comprehensive income	(12,536)	(16,090)
(Breakdown)		
Comprehensive income attributable to owners of the parent	(13,265)	(17,135)
Comprehensive income attributable to minority interests	728	1,045

(4) Consolidated statements of Cash flows

(¥ Million)

	Q1 / FY2011 (Apr.1 - Jun.30, 2011)	Q1 / FY2012 (Apr.1 - Jun.30, 2012)
Cash flows from operating activities:		
Income (loss) before income taxes and minority interests	(5,643)	(5,811)
Depreciation and amortization	20,625	22,566
Equity in (earnings) losses of affiliates	(1,072)	1,289
Loss on valuation of investment securities	181	4,321
Various provisions (reversals)	(2,268)	(928)
Interest and dividend income	(1,485)	(1,883)
Interest expense	2,646	3,176
Loss (gain) on the sale of investment securities	(226)	16
Loss (gain) on sale and retirement of vessels, property, plant and equipment	(1,678)	1,702
Exchange (earning) loss, net	632	1,157
Changes in operating assets and liabilities		
— Trade receivables	(2,432)	(6,533)
— Inventories	(2,326)	245
— Trade payables	(2,168)	(9,057)
Other, net	(1,829)	(2,595)
Sub total	2,952	7,664
Cash received from interest and dividend	3,682	3,403
Cash paid for interest	(2,988)	(4,113)
Cash paid for corporate income tax, resident tax and enterprise tax	(26,832)	(5,756)
Net cash provided by (used in) operating activities	(23,185)	1,198
Cash flows from investing activities:		
Purchase of investment securities	(552)	(818)
Proceeds from sale and redemption of investment securities	649	36
Payments for purchases of vessels and other tangible / intangible fixed assets	(33,542)	(63,803)
Proceeds from sale of vessels and other tangible / intangible fixed assets	14,332	14,093
Net (increase) decrease in short-term loans receivable	208	529
Disbursements for loans receivable	(734)	(4,162)
Collections of loans receivable	3,537	408
Other, net	(1,502)	(217)
Net cash provided by (used in) investing activities	(17,605)	(53,934)
Cash flows from financing activities:		
Net increase (decrease) in short-term bonds	(93)	—
Net increase (decrease) in short-term bank loans	(6,242)	(12,370)
Net increase (decrease) in commercial paper	(13,000)	(500)
Proceeds from long-term bank loans	63,184	72,647
Repayments of long-term bank loans	(17,823)	(19,072)
Proceeds from issuance of bonds	30,000	—
Redemption of bonds	(828)	—
Purchase of treasury stock	(12)	(2)
Sale of treasury stock	8	6
Cash dividends paid by the company	(5,988)	(2,995)
Cash dividends paid to minority interests	(380)	(435)
Other, net	(198)	(318)
Net cash provided by (used in) financing activities	48,627	36,958
Effect of exchange rate changes on cash and cash equivalents	857	1,706
Net increase (decrease) in cash and cash equivalents	8,693	(14,070)
Cash and cash equivalents at beginning of year	65,477	82,837
Cash and cash equivalents at end of the Q1 of the year	74,170	68,766

(5) Segment Information

Business segment information:

(¥ Million)

Q1 / FY2011 (Apr.1 - Jun.30, 2011)	Segment report					Others *1	Total	Adjust-ment *2	Consoli-dated *5
	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Sub Total				
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	170,555	139,183	11,430	26,197	347,366	1,747	349,113	-	349,113
2.Inter-segments revenues	257	487	53	4,186	4,985	1,821	6,807	(6,807)	-
Total Revenues	170,812	139,671	11,483	30,383	352,351	3,569	355,920	(6,807)	349,113
Segment income(loss)	(4,743)	(5,424)	(1,465)	2,306	(9,326)	546	(8,779)	423	(8,356)

(¥ Million)

Q1 / FY2012 (Apr.1 - Jun.30, 2012)	Segment report					Others *1	Total	Adjust-ment *3	Consoli-dated *5
	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Sub Total				
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	188,891	148,393	12,754	27,063	377,104	1,745	378,850	-	378,850
2.Inter-segments revenues	283	428	58	4,743	5,513	1,909	7,423	(7,423)	-
Total Revenues	189,175	148,822	12,813	31,807	382,618	3,655	386,273	(7,423)	378,850
Segment income (loss)	(2,301)	(2,470)	(264)	2,974	(2,062)	542	(1,519)	(18)	(1,538)

* 1. "Others" consist of the businesses which are not included in "segment report", such as vessels' operation, vessels' management, vessels' chartering business, financial business and shipbuilding business.

* 2. The adjustment of segment income (423 million yen) include the following element: -191 million yen of intersegment transaction elimination, 215 million yen of corporate profit which is unable to be distributed to each segment, 398 million yen of adjustment for management accounting.

* 3. The adjustment of segment loss (-18 million yen) include the following element: -42 million yen of intersegment transaction elimination, -1,204 million yen of corporate loss which is unable to be distributed to each segment, 1,228 million yen of adjustment for management accounting.

* 4. The method of allocating selling, general and administrative expenses was changed from the first quarter of FY2012 to reflect global expansion of our business locations on segment information appropriately. In case of calculating allocation of selling, general and administrative expenses of the first quarter of FY2011 by the modified method, segment loss would be decreased by 591 million yen in "Bulk-ships", 162 million yen in "Container-ships", 17 million yen in "Ferry & Domestic Transport". And segment income would be increased by 7 million yen in "Associated Business" and decreased by 8 million yen in "Others", 768 million yen in "Adjustment".

* 5. The segment income (loss) is the ordinary income (loss), and the consolidated statements of income mentions the total figure after the adjustment.

Supplement**1. Review of Quarterly Results**

FY2012

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Apr. ~ Jun., 2012	Jul. ~ Sep., 2012	Oct. ~ Dec., 2012	Jan. ~ Mar., 2013
Revenues [¥ Million]	378,850			
Operating Income (loss)	(503)			
Ordinary income (loss)	(1,538)			
Income (loss) before income taxes	(5,811)			
Net income (loss)	(5,020)			
Net income (loss) per share [¥]	(4.20)			
Total assets [¥ Million]	1,988,564			
Total net assets	698,541			

FY2011

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Apr. ~ Jun., 2011	Jul. ~ Sep., 2011	Oct. ~ Dec., 2011	Jan. ~ Mar., 2012
Revenues [¥ Million]	349,113	368,232	356,326	361,549
Operating Income (loss)	(8,643)	(1,411)	(8,321)	(6,084)
Ordinary income (loss)	(8,356)	(3,744)	(6,569)	(5,651)
Income (loss) before income taxes	(5,643)	(11,940)	(12,416)	(3,517)
Net income (loss)	(8,047)	(8,416)	(8,678)	(868)
Net income (loss) per share [¥]	(6.73)	(7.04)	(7.26)	(0.73)
Total assets [¥ Million]	1,897,714	1,911,808	1,890,477	1,946,161
Total net assets	719,521	697,365	674,922	717,909

2. Depreciation and Amortization

			(Million yen)	
	Three months ended June 30,2011	Three months ended June 30,2012	Increase	/Decrease
Vessels	16,787	18,811		2,024
Others	3,838	3,755		(83)
Total	20,625	22,566		1,941

3. Interest-bearing Debt

			(Million yen)	
	As of Mar. 31,2012	As of June.30,2012	Increase	/Decrease
Bank loans	653,168	702,586		49,418
Bonds	191,221	191,636		415
Commercial paper	5,000	4,500		(500)
Others	20,229	21,330		1,101
Total	869,619	920,053		50,434

4. Exchange Rates

	Three months ended June 30,2011	Three months ended June 30,2012	Change		
Average rates	¥81.80	¥81.34	¥0.46	(0.6%)	\ appreciated
Term-end rates	¥80.73	¥79.31	¥1.42	(1.8%)	\ 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 March 31, 2011	TTM on March 31, 2012	Change		
Term-end rates	¥83.15	¥82.19	¥0.96	(1.2%)	\ appreciated

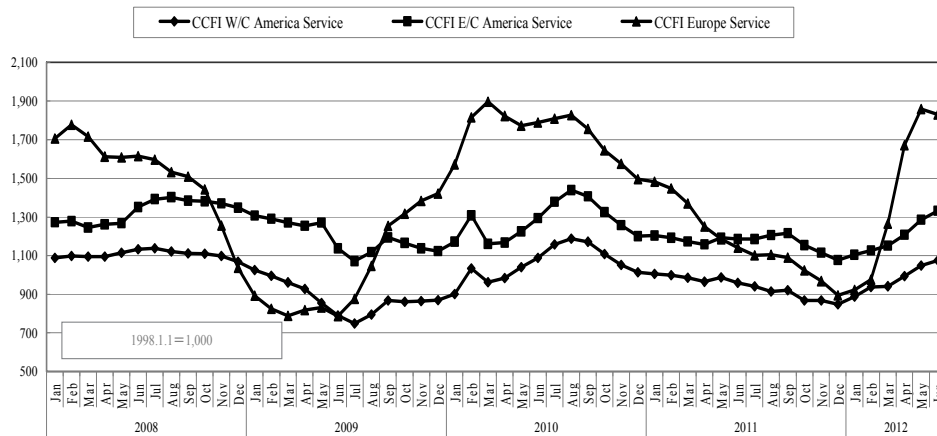
5. Bunker Prices

	Three months ended June 30,2011	Three months ended June 30,2012	Increase /Decrease
Consumption Prices	US\$625/MT	US\$695/MT	US\$70/MT

6. Market Information

(1) Containership Market (China Containerized Freight Index)

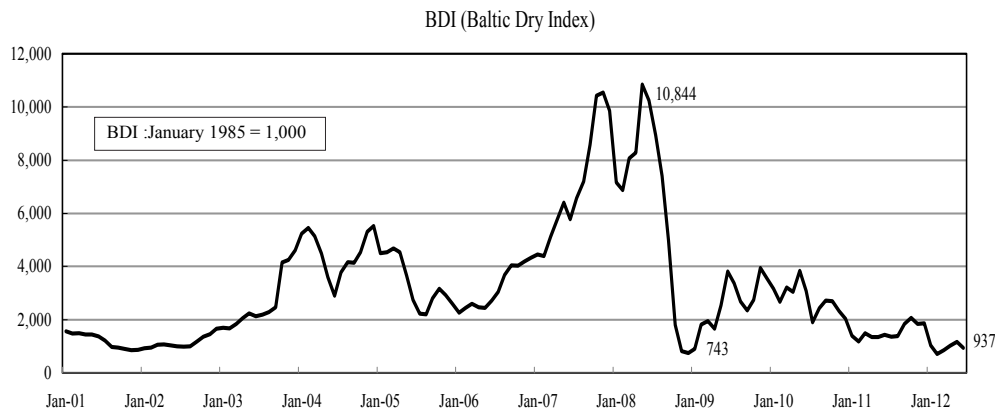
Source : Shanghai Shipping Exchange



* CCFI reflects the freight rate trend for container exports from China only, which does not always match the overall trend for container exports from Asia. Therefore, this information is provided and updated only for reference purposes

(2) Dry Bulk Market (Baltic Dry Index)

Source : Tramp Data Service

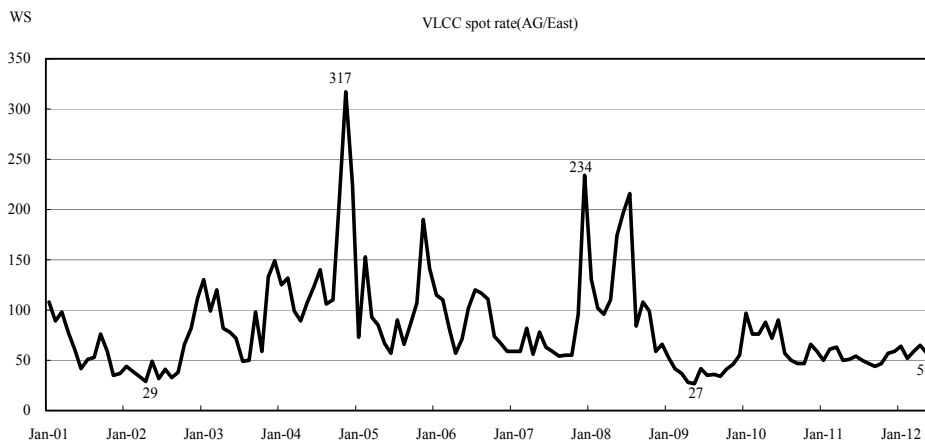


	(Calendar Year)												
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Maximum	1,734	1,566	1,666	4,609	5,519	4,678	4,336	10,543	10,844	3,941	3,865	1,928	1,170
Minimum	1,371	855	931	1,674	2,902	2,220	2,262	4,398	743	905	1,910	1,043	703
Average	1,606	1,215	1,144	2,634	4,521	3,380	3,188	7,090	6,347	2,613	2,763	1,428	955

(Jan.~Jun.)

(3) VLCC Market

Source : Drewry, RIM etc.



	(Calendar Year)												
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Maximum	168	108	112	149	317	190	120	234	216	54	97	63	65
Minimum	55	35	29	49	89	57	57	54	59	27	47	47	52
Average	110	66	50	93	149	101	90	79	120	40	70	53	59

(Jan.~May.)