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

April 27 , 2012

Mitsui O.S.K. Lines,Ltd.

MOL

Financial Highlights: Fiscal Year 2011 Ended March 31, 2012

1. Consolidated Financial Highlights (from April 1, 2011 to March 31, 2012)

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

(1) Operational Results

	FY2011 (¥Million)	FY2010 (¥Million)	FY2011 (US$ Thousand)
Revenues	1,435,220	1,543,660	17,462,222
Operating income	(24,459)	123,400	(297,591)
Ordinary income	(24,320)	121,621	(295,900)
Net income	(26,009)	58,277	(316,450)
	(¥)	(¥)	(US$)
Net income per share	(21.76)	48.75	(0.265)
Diluted net income per share	—	47.02	—
Rate of return to shareholders' equity	(4.0%)	8.8%	
Rate of ordinary income to assets	(1.3%)	6.5%	
Operating income margin ratio	(1.7%)	8.0%	

(2) Financial Position

	FY2011 (¥Million)	FY2010 (¥Million)	FY2011 (US$ Thousand)
Total Assets	1,946,161	1,868,740	23,678,805
Total Net Assets	717,909	740,247	8,734,749
Shareholders' Equity / Total assets	32.8%	35.4%	
	(¥)	(¥)	(US$)
Shareholders' Equity per share	533.27	552.83	6.488

* Shareholders' Equity is defined as follows.
Shareholders' Equity = Total Net Assets - (Share subscription rights + Minority interests)

2. Dividends

	Dividend per share (¥)					Total dividends paid (per year) (¥Million)	Dividend pay-out ratio	Dividend ratio to shareholders' equity
	Q1	Q2	Q3	Year end	Total			
FY2010	—	5.00	—	5.00	10.00	11,960	20.5%	1.8%
FY2011	—	2.50	—	2.50	5.00	5,980	—	0.9%
FY2012 (Forecast)	—	—	—	—	—		—	

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

	1H/FY2012 (¥Million)	FY2012 (¥Million)	FY2012 (US$ Thousand)
Revenues	790,000	1,600,000	19,512,195
Operating income	(1,000)	16,000	195,122
Ordinary income	(5,000)	10,000	121,951
Net income	(2,000)	3,000	36,585
	1H/FY2012 (¥)	FY2012 (¥)	FY2012 (US$)
Net income 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.

Exchange Rate 1US$=￥82.00 Bunker Price US$ 710/MT

(Translation of foreign currencies)
The Japanese yen amounts for FY2011 have been translated into U.S. dollars using the prevailing exchange rate at March 31, 2012, which was ￥82.19 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.)

April 27, 2012

(Reference)

1. Non-Consolidated Financial Highlights (from April 1, 2011 to March 31, 2012)

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

(1) Operational Results

	FY2011 (¥Million)	FY2010 (¥Million)	FY2011 (US$ Thousand)
Revenues	1,064,478	1,188,587	12,951,430
Operating income (or loss)	(64,989)	78,149	(790,717)
Ordinary income	(38,947)	100,120	(473,865)
Net income	(31,704)	49,439	(385,740)
	(¥)	(¥)	(US$)
Net income per share	(26.51)	41.33	(0.323)
Diluted net income per share	—	39.86	—

(2) Financial Position

	FY2011 (¥Million)	FY2010 (¥Million)	FY2011 (US$ Thousand)
Total Assets	976,318	983,977	11,878,793
Total Net Assets	559,159	597,774	6,803,249
Shareholders' Equity / Total assets	57.1%	60.6%	

	FY2011 (¥)	FY2010 (¥)	FY2011 (US$)
Shareholders' Equity per share	465.82	498.22	5.668

(Translation of foreign currencies)
The Japanese yen amounts for FY2011 have been translated into U.S. dollars using the prevailing exchange rate at March 31, 2012, which was ¥82.19 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 FY2011

Consolidated financial highlights (Billions of Yen)

	FY2010 From Apr. 1, 2010 to Mar. 31, 2011	FY2011 From Apr. 1, 2011 to Mar. 31, 2012	Year-on-year comparison (variance)
Revenue	1,543.6	1,435.2	-108.4/-7.0%
Operating income/loss	123.4	-24.4	-147.8/-%
Ordinary income/loss	121.6	-24.3	-145.9/-%
Net income/loss	58.2	-26.0	-84.2/-%

Exchange rate	¥86.48/US$	¥78.85/US$	¥-7.63/US$
Bunker price	US$490/MT	US$667/MT	US$177/MT

In the global economy during the fiscal year under review, while the economies of developed countries were stuck in slow growth, the emerging economies managed to support global economic growth due to the strong internal demand in those countries. However, the Great East Japan Earthquake and the sovereign debt problem in Europe casted a shadow over growth in the global economy, including that in the emerging countries. In the U.S., employment recovered on the back of rising stock prices and solid personal consumption, and although there are concerns that rising gasoline prices may cause a slowdown in consumption, the economy maintained a tone of recovery. In Europe, although Greece managed to avert disorderly default on its debts for the time being, the problem of sovereign risk continues to smolder among the southern European countries. Consumption was weakened by austere fiscal policy and high unemployment rates, crude oil prices hit historic highs and the economy continued to slow further. In China, where monetary tightening measures was successful in constraining inflation, the economy began to experience slowdown caused by a lull in exports to Europe, which was in an economic slump, and, as a result, China switched to monetary easing policy. Although China’s growth rate has been softening, it continues to experience stable economic expansion. In Japan, production declined as a result of supply chain disruptions, first from the Great East Japan Earthquake and then due to the flooding in Thailand. In addition, the yen continually strengthened to new records and demand declined because of the European economic slowdown, causing a severe environment to continue. Nevertheless, there was a gentle tone of recovery in the Japanese economy as a result of economic expansion in the U.S., firm demand from the emerging countries, and the expansion of earthquake-related restoration demand in Japan.

Looking at the maritime shipping market conditions, in the dry bulker market, the hire rates in the Capesize bulker market, despite temporarily recovering in the October to December period, proceeded weakly from January onwards due to the pressure exerted on the market by the supply of new vessels and other factors. In the tanker market, although the hire rates in the crude oil tanker (VLCC) market were sluggish, they became firm from mid-March onwards due to unstable conditions in the Middle East. Regarding the automobile transport volume, although it recovered following the Great East Japan Earthquake and the flooding in Thailand, the growth was weak under the prolonged strong yen. In the containership business, there was less principal cargo volume than expected and supply and demand became weaker.

The average exchange rate against the U.S. dollar during the fiscal year under review appreciated by ¥7.63 year on year to ¥78.85. The average bunker price during the fiscal year under review rose by US$177/MT to US$667/MT, which, like the exchange rate, negatively impacted our profits.

As a result of the above, revenue decreased ¥108.4 billion year on year to ¥1,435.2 billion, operating income/loss decreased ¥147.8 billion year on year to record a ¥24.4 billion operating loss, ordinary income/loss decreased ¥145.9 billion year on year to record a ¥24.3 billion ordinary loss and net income/loss decreased ¥84.2 billion year on year to record a ¥26.0 billion net loss.

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)

	FY2010 From Apr. 1, 2010 to Mar. 31, 2011	FY2011 From Apr. 1, 2011 to Mar. 31, 2012	Year-on-year comparison (variance)
Bulkships	792.6	726.9	-65.7/-8.3%
	70.8	-6.9	-77.7/-%
Containerships	590.2	544.1	-46.1/-7.8%
	38.8	-29.9	-68.7/-%
Ferry and Domestic Transport	50.2	52.3	2.0/4.1%
	-0.5	-0.5	0.0/-%
Associated Businesses	124.1	124.4	0.2/0.2%
	10.6	9.0	-1.5/-14.8%
Others	15.4	15.1	-0.2/-1.7%
	3.3	4.3	0.9/28.0%

(A) Bulkships

<Dry Bulkers>

In the dry bulker market, the Capesize bulker market was weak upon entering the beginning of 2011. However, from July onwards, there was a recovery in cargo volume and thanks to this, as well as the promotion of scrapping of old vessels and the further enhancing of slow steaming, the market rebounded with a temporary recovery to the US$30,000 level in October. The market continued in this way until the end of 2011. From January onwards, the market conditions sharply deteriorated with shipments from Brazil and Australia declining due to the usual climate factors, the lowering of economic activity in China and South Korea during the Lunar New Year and the large number of new vessel deliveries and the expansion of shipping tonnage. Since late January, Capesize bulker market hire rates have remained at a low level around US$5,000. In the tramp market from Panamax on down, although the market was relatively firm in May and October, which are the delivery seasons for grains, the hire rates slumped to below the US$10,000 level from mid-January onwards due to the supply pressure of new vessels and a slowdown in the Chinese economy. The woodchip carrier market deteriorated due to the trend of decline in the woodchip import volume by Chinese paper manufacturers as a result of the fall in the pulp market caused by the impacts of the European debt crisis and a slowdown in the Chinese economy. The market for carriers of coal for power generation was affected by the reduction in demand for coal for power generation by coal fired power plants in Japan that were

damaged by the Great East Japan Earthquake.
As a result of the above, although stable profit was secured from long-term contracts for carriers of iron ore, woodchips, coal for power generation, etc., a loss was recorded due to deterioration in the market.

<Tankers/LNG Carriers>
Regarding the tanker market, the crude oil tanker (VLCC) market remained weak against the backdrop of the supply pressure of new vessels and the deterioration in the European and U.S. economy. However, a recovery occurred from mid-March onwards as a result of increased demand for long-distance transportation due to the impact of the dispersion of the procurement sources of oil consuming countries caused by the unstable conditions in the Middle East. In the product tankers market, despite the fundamental balance of supply and demand trending towards improvement, the market weakened due to 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. In the LPG carrier (VLGC) market, although freight rates tended to rise from July onwards on the back of firm LPG exports from the Middle East, they weakened from late November onwards due to declining export volumes. Although we responded to this operating environment by further enhancing slow steaming, improving operation efficiency by setting up pools with other operators, and cutting ship costs, a loss was recorded in the tanker segment affected by high fuel costs and the strong yen as well. In the LNG carrier market, hire rates for the medium- to short-term charter market soared against a backdrop of additional demand for LNG corresponding to electric power shortages in Japan. In terms of segment profit, although stable revenue was secured from long-term transport contracts, and revenue was generated by adding LNG carriers to the short-term charter market, there was a year-on-year decline in profit because of the appreciation of the yen and other factors.

<Car Carriers>
The volume of completed cars, mostly consisting of exports from Japan, decreased considerably because of the part supply shortages caused by the Great East Japan Earthquake and the flooding in Thailand, among other factors. Although export volumes gradually recovered from June onwards, owing to the diligent efforts by all the automobile manufacturers, the recovery was slowed by the prolonged strong yen and the economic slowdown in Europe. As a result, the segment profit declined considerably year on year.

(B) Containerships
Cargo volume in principal trades was at a lower level than initially forecasted. The volume on dominant legs of the East-West route was weak due to European-debt-crisis related concerns about the economic future. Although the Intra-Asia trade's cargo volume remained stable, the North-South route weakened like the East-West route. Freight rate levels were low, which reflected not only the slowdown in cargo volume but also an easing in the supply and demand environment caused by an increased capacity from new vessel deliveries.
We responded to this situation by expanding lifting by making effective use of space on section services of the East-West and North-South routes on the Intra-Asia route. In addition, we enhanced high quality services and strengthened capturing of highly profitable freight on the East-West route. On the Asia-North American routes, we upgraded the Panama/Amazon service

(CX1) to independent operations to provide additional space and strengthen operation quality. On the Asia-Europe routes, a new alliance (G6 Alliance) was established and the network was considerably enlarged with new services starting from March. On the North-South route's Asia-South American East Coast service (CSW), we implemented super-slow steaming by introducing additional vessels. On the Intra-Asia route, in order to enhance our services within the region, we newly opened a service (HS3) linking Japan, Hong Kong, Jakarta and Straits, and a service (NCX) directly connecting India's west coast with China. In addition, we established a service linking Singapore with Yangon (SYX) to secure our independent network in Myanmar, where economic growth is expected to occur. In March, aiming to further improve customer satisfaction by enhancing our services, we set up globally shared Key Performance Indicators (KPIs) with each goal and announced three indicators: transportation quality, environmental conservation, and safe operations.
In the Container terminal business, while a portion of our terminals in North America among our overseas independent terminals (Los Angeles, Oakland, and Jacksonville in North America; Laem Chabang in Thailand; Cai Mep in Vietnam) was affected by the slump in cargo volume bound to the North America, our independent terminals in Japan (Tokyo, Yokohama, Osaka and Kobe) were not seriously damaged by the Great East Japan Earthquake and achieved a recovery in handling volume following the recovery in import cargo volume. In the logistics business, although there was a decline in cargo volume originating from Japan in the air cargo transport business due to the impact of the Great East Japan Earthquake and the flooding in Thailand, active efforts were made to capture highly profitable freight and to reduce costs.
As a result of the above, although we strived to improve the bottom line by promoting cost cutting such as reducing system costs by up-scaling the size of vessels and lowering fuel costs by further enhancing slow steaming, a considerable loss was recorded for the containership business overall, which was compounded by the strong yen and the high bunker prices.

(C) Ferry and Domestic Transport

In the ferry business, some routes were affected by the Great East Japan Earthquake. Despite our efforts to recover from this, a loss was recorded for the business overall. In the domestic transport business, we captured demand related to domestic energy transportation and increased our revenue year on year. For the ferry and domestic transport segment as a whole, however, we continued to record a loss.

(D) Associated Businesses

In the real estate business, amid weak occupancy rates in the rental office market, Daibiru Corporation, the core company in the MOL Group's real estate business, achieved high occupancy rates, allowing us to maintain robust performance. The cruise ship business recorded a loss as a result of a slowdown in the growth of passengers. Apart from the cruise ship business, results from other associated businesses were weak overall. As a result, profit in the associated businesses segment as a whole decreased year on year.

(E) Others

Other businesses, which are mainly cost centers, include ship operations, ship management, financing, and shipbuilding. Overall profits in this segment during the fiscal year under review increased compared to the previous fiscal year.

(2) Outlook for FY2012

(Billions of Yen)

	FY2011 From Apr. 1, 2011 to Mar. 31, 2012	Outlook for FY2012 From Apr. 1, 2012 to Mar. 31, 2013	Year-on-year comparison (variance)
Revenue	1,435.2	1,600.0	164.7/11.5%
Operating income/loss	-24.4	16.0	40.4/-%
Ordinary income/loss	-24.3	10.0	34.3/-%
Net income/loss	-26.0	3.0	29.0/-%

Exchange rate	¥78.85/US$	¥82.00/US$	¥3.15/US$
Bunker price	US$667/MT	US$710/MT	US$43/MT
		(Assumption for FY2012)	

In the coming fiscal year, although there is concern of a potential economic slowdown due to the risk of Europe's debt crisis flaring up again and the rise in the price of crude oil, we are assuming the gradual economic recovery mainly led by the emerging economies will continue. In the dry bulker market, although the cargo volume is steadily growing, there is a concern that a rate rise will be limited, taking into consideration the low-level of the current market rates and the continuing pressure of new vessel deliveries. In the tanker market, crude oil tanker (VLCC) freight rates are expected to remain firm as a result of the unstable conditions in the Middle East. Meanwhile, hire rates for product tankers which have remained in a slump, are expected to improve as heading towards the high-demand period in the latter half of the year. Regarding car carriers, despite concerns about the continuing strength of the yen, we can expect a recovery from FY2011 (year ended March 31, 2012), which was affected by big disasters. As for containerships, we are forecasting firm cargo volume and a recovery in freight rate levels to accompany the gentle recovery in the global economy.

In consideration of these prospects, we will continue to strive to further improve transportation service quality, boost the efficiency of vessel allocation, and acquire a higher level of medium- to long-term stable revenue. In addition, by up-scaling the size of our containerships and carrying out thorough-going enhancement of slow steaming, we shall work to achieve annual cost savings for the entire MOL Group of a scale of ¥25.0 billion in order to secure a certain amount of profit. For FY2012 (year ending March 31, 2013), we project consolidated revenue of ¥1,600.0 billion, consolidated operating income of ¥16.0 billion, consolidated ordinary income of ¥10.0 billion, and consolidated net income of ¥3.0 billion.

5. Financial Position

Total assets for the FY2011, ended March 31, 2012, were 1,946.1 billion yen, an increase of 77.4 billion yen from the end of the previous fiscal year. In spite of the valuation of the investment securities reduced, the above mentioned increase was materialized primarily due to an increase in vessels by delivery of newly completed vessels and increased other current assets by income taxes receivable. Liabilities for the FY2011 were 1,228.2 billion yen, increased by 99.7 billion yen compares to the previous fiscal year. This increase was mainly attributable to the increase in issuance of long-term bank loans for the newly completed vessels' delivery, although the accrued income taxes reduced. Net assets for the FY 2011 was 717.9 billion yen, an decrease of 22.3 billion yen from the previous fiscal year, in consequence of decreased retained earnings, in spite of unrealized gains on hedging derivatives increased. As a result of the above transactions, shareholder's equity ratio dropped to 32.8%, reduced 2.6% compares to the end of the previous fiscal year.

6. Cash Flow

Cash and cash equivalents (hereinafter called “cash”) at end of FY2011 was 82.8 billion yen, increased by 17.3 billion yen compares to the previous fiscal year. Here is the brief of current period's cash flow and increase / decrease reasons compare to previous fiscal year:

Net cash provided by operating activities during FY2011 totaled 5.0 billion yen, decreased 176.7 billion yen from the same period of the previous fiscal year. Loss before income taxes and minority interests for the fiscal year was 33.5 billion yen, income taxes paid totaled 44.1 billion yen, and depreciation and amortization totaled 85.6billion yen.

Net cash used in investing activities during FY2011 totaled 134.3 billion yen, 0.4 billion yen decreased from the same period of the previous fiscal year. This result was mainly due to 175.0 billion yen payments for vessels and other tangible and intangible fixed assets, and 44.8 billion yen proceeds from sale of vessels and other tangible and intangible fixed assets.
Net cash provided by financing activities during FY2011 totaled 148.2 billion yen. Net cash used in financing activities during the same period of the previous fiscal year totaled 63.7 billion yen. This is primarily due to increase in long-term bank loans 270.3 billion yen and decrease in 115.6 billion yen repayments of 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 that was announced in March 2010, we will continue to invest mainly in vessels, while utilizing internal capital reserves and 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.

For FY2011 (year ended March 31, 2012), taking into consideration various factors such as our forecast of a recover from this fiscal year’s deficit, we plan to pay an annual dividend of ¥5 per share (including an interim dividend of ¥2.5 that has already been paid) as stated in our initial forecast.

Concerning the dividend for FY2012 (year ending March 31, 2013), although the Company continues to use 20% as a guideline for the dividend payout ratio, the dividend forecast is yet to be decided as of this date, taking into consideration that the business environment surrounding the Company will continue to remain uncertain.

8. Management policies

(1)Fundamental management policies

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

MOL Group Corporate Principles

1) 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

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 aim to make the MOL Group an excellent and resilient organization that leads the world shipping industry.

<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

(3) Issues to be addressed

Concerning the business environment surrounding our group activities, world economy should slowly recover, even though pregnant with the European debt crisis and the geopolitical risks in the Middle East. Nevertheless, we are still under pressure from the deliveries of new vessels which were ordered during better years in the past, which means it will still be some time before the supply and demand imbalance in shipping capacity is remedied. In such circumstances, while relying upon the foundation of stable profits built up over the years, we must review our fleet composition plans to minimize the impact of market fluctuation. Also, in order to capitalize the increases in shipping demand in emerging and growing markets in China, India, and other Asian and South American countries, we will strengthen our global business capabilities in the various pertinent segments. In addition, the entire group is diligently engaged in reducing costs, and in steadily improving our financial structure. We stand as a corporate group that is able to quickly respond to changes in business environments, and we are working toward regaining our path to greater growth.

At the same time, our group is moving steadily toward improving our corporate value while meeting our societal responsibilities. We think that “Enhancing Safe Operation,” “Environmental Strategies,” “Corporate Governance,” and “Corporate Social Responsibility (CSR)” are the most important issues with which we must continue to deal.

Regarding “Enhance safe operation,” we are promoting the quantification of safety and working to realize the “4 Zeroes” approach, namely zero fatal accidents, zero serious marine incidents, zero oil pollution, and zero cargo damage. By learning from the serious marine incidents that have occurred in the past and practicing safe operations with all our resources throughout the MOL Group, we will continue to make every effort without concessions or compromises when formulating necessary measures to ensure safety operations in the future.

Concerning “Environmental strategy,” we are offering transportation solutions with a low 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 based on technology we have accumulated over many years, 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 CO_2 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 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, but also by organically linking that system with environmental measures, CSR (Corporate Social Responsibility) activities, compliance, and supervision and auditing of management by highly independent outside directors and corporate auditors, and other broadly-defined internal control fields.

One aspect of our CSR programs entails programs for contributing to society. We have three main ideas concerning them. 1) Contribute to the UN Millennium Development Goals such as elimination of poverty and penetration of education. 2) Contribute to the biodiversity and environmental protection. 3) Contribute to local communities. As an ocean shipping company with a global network, we will aggressively pursue programs based upon these three ideas.

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, 2011	As of March 31, 2012
Assets		
Current assets		
Cash and deposits	65,788	50,864
Trade receivables	128,208	130,921
Marketable securities	29	10,023
Inventories	46,547	54,335
Deferred and prepaid expenses	51,172	53,744
Deferred tax assets	5,752	4,594
Other current assets	47,536	82,852
Allowance for doubtful accounts	(592)	(401)
Total Current Assets	344,443	386,936
Fixed assets		
Tangible fixed assets		
Vessels	744,155	822,280
Buildings and structures	131,288	124,294
Equipments,mainly containers	10,350	9,210
Equipments and parts	3,969	3,597
Land	216,103	215,958
Vessels and other property under construction	150,114	116,724
Other tangible fixed assets	1,841	1,735
Total tangible fixed assets	1,257,823	1,293,802
Intangible fixed assets	9,187	16,193
Investments and other assets		
Investment securities	191,870	172,746
Long-term loans receivable	18,198	19,166
Prepaid expenses	21,917	20,479
Deferred tax assets	7,116	11,692
Other long-term assets	20,855	27,696
Allowance for doubtful accounts	(2,672)	(2,551)
Total investments and other assets	257,286	249,228
Total fixed assets	1,524,297	1,559,225
Total assets	1,868,740	1,946,161

(¥Million)

	As of March 31, 2011	As of March 31, 2012
Liabilities		
Current liabilities		
Trade payables	130,752	133,599
Short-term bonds	10,242	4,190
Short-term bank loans	111,720	101,012
Accrued income taxes	27,409	6,112
Advances received	20,281	19,808
Deferred tax liabilities	93	902
Allowance		
for provision for bonuses	4,600	3,928
for provision for directors' bonuses	243	152
for provision for loss related to U.S. antitrust matter	–	151
Commercial paper	21,500	5,000
Other current liabilities	47,424	47,993
Total Current Liabilities	374,268	322,851
Fixed liabilities		
Bonds due	160,157	187,030
Long-term bank loans	399,382	552,156
Lease obligations	20,080	19,011
Deferred tax liabilities	19,441	18,732
Allowance		
for employees' severance and retirement benefits	14,310	13,766
for directors' and corporate auditors' retirement benefits	2,027	2,159
for provision for special repairs	16,908	14,058
Other fixed liabilities	121,916	98,484
Total Fixed Liabilities	754,225	905,401
Total Liabilities	1,128,493	1,228,252
Net Assets		
Owners' equity		
Common stock	65,400	65,400
Capital surplus	44,516	44,486
Retained earnings	664,645	629,667
Treasury stock, at cost	(7,181)	(7,151)
Total owners' equity	767,380	732,402
Accumulated gains (losses) from valuation and translation adjustments		
Unrealized holding gains on available for-sale-securities, net of tax	14,488	16,888
Unrealized gains (losses) on hedging derivatives, net of tax	(68,355)	(54,936)
Foreign currency translation adjustments	(52,718)	(56,932)
Total accumulated losses from valuation and translation adjustments	(106,585)	(94,980)
Share subscription rights	1,870	2,005
Minority interests	77,581	78,481
Total Net Assets	740,247	717,909
Total Liabilities and Total Net Assets	1,868,740	1,946,161

(2) Consolidated Statements of Income

(￥Million)

	FY2010 (Apr.1, 2010 - Mar.31, 2011)	FY2012 (Apr.1, 2011 - Mar.31,2012)
Shipping and other operating revenues	1,543,660	1,435,220
Shipping and other operating expenses	1,328,959	1,368,794
Gross operating income	214,701	66,426
Selling, general and administrative expenses	91,300	90,885
Operating income (loss)	123,400	(24,459)
Non-operating income:		
Interest income	1,580	1,172
Dividend income	3,926	6,785
Equity in earnings of unconsolidated subsidiaries and affiliated companies	8,174	3,300
Gain on valuation of derivatives	—	491
Others	3,544	5,832
Total	17,226	17,581
Non-operating expenses:		
Interest expense	11,371	11,511
Exchange loss	4,584	4,440
Loss on valuation of derivatives	1,415	—
Others	1,634	1,491
Total	19,005	17,442
Ordinary income (loss)	121,621	(24,320)
Extraordinary profit:		
Gain on sale of fixed assets	6,359	11,558
Gain on sale of investment securities	1,019	225
Cancellation fee for chartered ships	1,485	142
Gain on reversal of provision for special repairs	765	—
Others	1,529	2,096
Total	11,160	14,022
Extraordinary loss:		
Loss on sale of fixed assets	2,459	664
Loss on retirement of fixed assets	3,876	1,165
Impairment loss	10,238	5,468
Loss on liquidation of affiliates	302	285
Loss on valuation of investment securities	499	9,162
Cancellation fee for chartered ships	11,988	341
Loss on reversal of foreign currency translation adjustments	—	2,366
Others	8,049	3,763
Total	37,415	23,218
Income (loss) before income taxes and minority interests	95,366	(33,516)
Income taxes-current	36,431	9,546
Income taxes-deferred	(2,797)	(20,814)
Income taxes	33,634	(11,268)
Income (loss) before minority interests	61,732	(22,247)
Minority interests in earnings of consolidated subsidiaries	3,455	3,761
Net income (loss)	58,277	(26,009)

(3) Consolidated Statement of Changes in Net Assets

FY2011 (April 1, 2011 - March 31, 2012)

(¥Million)

	Owners' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total owners' equity
Balance at Mar 31, 2011	65,400	44,516	664,645	(7,181)	767,380
Net income			(26,009)		(26,009)
Dividends paid			(8,970)		(8,970)
Due to change in consolidated subsidiaries			11		11
Due to change in affiliated companies accounted for by the equity method			159		159
Repurchase of treasury stock				(28)	(28)
Disposal of treasury stock		(29)		57	28
Increase/decrease due to changes in accounting periods of consolidated subsidiaries			(169)		(169)
Net increase / decrease during the term except in Owners' Equity					
Balance at Mar 31, 2012	65,400	44,486	629,667	(7,151)	732,402

(¥Million)

	Accumulated gains (losses) from valuation and translation adjustments				Share subscription rights	Minority interests	Total Net Assets
	Unrealized holding gains (losses) 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, 2011	14,488	(68,355)	(52,718)	(106,585)	1,870	77,581	740,247
Net income							(26,009)
Dividends paid							(8,970)
Due to change in consolidated subsidiaries							11
Due to change in affiliated companies accounted for by the equity method							159
Repurchase of treasury stock							(28)
Disposal of treasury stock							28
Increase/decrease due to changes in fiscal year end of overseas consolidated companies							(169)
Net increase / decrease during the term except in Owners' Equity	2,399	13,418	(4,213)	11,604	134	900	12,639
Balance at Mar 31, 2012	16,888	(54,936)	(56,932)	(94,980)	2,005	78,481	717,909

(4) Consolidated statements of Cash flows

(¥ Million)

	FY2010 (Apr.1, 2010 – Mar.31, 2011)	FY2011 (Apr.1, 2011 – Mar.31, 2012)
Cash flows from operating activities:		
Income (loss) before income taxes and minority interests	95,366	(33,516)
Depreciation and amortization	77,445	85,624
Impairment loss	10,238	5,468
Equity in (earnings) losses of affiliates	(8,174)	(3,300)
Loss on valuation of investment securities	499	9,162
Loss on valuation of stocks of subsidiaries and affiliates	272	—
Various provisions (reversals)	(1,226)	(4,004)
Interest and dividend income	(5,507)	(7,958)
Interest expense	11,371	11,511
Loss (gain) on the sale of investment securities	(1,017)	(223)
Loss (gain) on sale and retirement of vessels, property, plant and equipment	(23)	(9,729)
Exchange (earning) loss,net	1,689	4,172
Changes in operating assets and liabilities		
— Trade receivables	(13,755)	(3,971)
— Inventories	(8,451)	(7,932)
— Trade payables	18,860	3,805
Other,net	22,075	(6,843)
Sub total	199,664	42,264
Cash received from interest and dividend	8,332	17,368
Cash paid for interest	(11,201)	(10,477)
Cash paid for corporate income tax, resident tax and enterprise tax	(15,040)	(44,140)
Net cash provided by operating activities	181,755	5,014
Cash flows from investing activities:		
Purchase of investment securities	(4,567)	(1,157)
Proceeds from sale and redemption of investment securities	4,845	698
Payments for purchases of vessels and other tangible / intangible fixed assets	(217,361)	(175,035)
Proceeds from sale of vessels and other tangible / intangible fixed assets	82,752	44,878
Payment for purchases of subsidiaries' securities due to change in consolidated subsidiaries	—	(4,936)
Net (increase) decrease in short-term loans receivable	48	126
Disbursements for loans receivable	(4,394)	(4,527)
Collections of loans receivable	2,391	8,384
Other, net	1,500	(2,743)
Net cash used in investing activities	(134,785)	(134,312)
Cash flows from financing activities:		
Net increase (decrease) in short-term bonds	154	56
Net increase (decrease) in short-term bank loans	(3,284)	(2,958)
Net increase (decrease) in commercial paper	13,000	(16,500)
Proceeds from long-term bank loans	68,899	270,357
Repayments of long-term bank loans	(94,287)	(115,662)
Proceeds from issuance of bonds	20,000	30,000
Redemption of bonds	(56,533)	(7,890)
Purchase of treasury stock	(88)	(28)
Sale of treasury stock	27	28
Cash dividends paid by the company	(9,618)	(9,041)
Cash dividends paid to minority interests	(1,140)	(1,305)
Other, net	(888)	1,217
Net cash provided by (used in) financing activities	(63,759)	148,272
Effect of exchange rate changes on cash and cash equivalents	(3,698)	(1,940)
Net increase (decrease) in cash and cash equivalents	(20,487)	17,033
Cash and cash equivalents at beginning of year	85,894	65,477
Net cash increase(decrease) from new consolidation/de-consolidation of subsidiaries	70	114
Increase(decrease) in cash and cash equivalents due to change in accounting periods for consolidated subsidiaries	—	211
Cash and cash equivalents at end of the FY	65,477	82,837

(5) Segment Information

Business segment information:

(¥Million)

FY2010 (Apr.1, 2010 - Mar.31, 2011)	Segment report: Bulk-ships	Segment report: Container-ships	Segment report: Ferry & Domestic Transport	Segment report: Associated Businesses	Segment report: Sub Total	Others *1	Total	Adjust-ment *2	Consoli-dated
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	790,572	586,649	50,089	108,447	1,535,759	7,901	1,543,660	-	1,543,660
2.Inter-segments revenues	2,119	3,578	195	15,700	21,592	7,511	29,104	(29,104)	-
Total Revenues	792,692	590,228	50,284	124,147	1,557,352	15,413	1,572,765	(29,104)	1,543,660
Segment income	70,837	38,853	(565)	10,676	119,802	3,361	123,163	(1,542)	121,621
Segment assets	1,173,526	386,911	38,407	342,748	1,941,593	317,865	2,259,459	(390,718)	1,868,740
Others									
Depreciation and amortization	50,509	11,776	4,255	9,049	75,591	1,604	77,195	250	77,445
Amortization of goodwill	(211)	194	240	(49)	175	(9)	165	-	165
Interest income	988	105	58	86	1,239	1,603	2,842	(1,262)	1,580
Interest expenses	10,093	2,525	456	2,086	15,161	1,483	16,644	(5,273)	11,371
Equity in earnings of affiliates	6,354	1,009	126	153	7,643	530	8,174	-	8,174
Investment in affiliates	69,002	5,314	1,044	1,230	76,591	2,018	78,609	-	78,609
Tangible / intangible fixed assets increased	136,262	38,604	1,316	41,187	217,371	2,342	219,713	730	220,443

* 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.

(1) The adjustment of segment income (-1,542 million yen) include the following element: -1,348 million yen of corporate profit which is not distributed to every segment, 2,254 million yen of adjustment in accordance with management accounting requests, and - 2,448 million yen of intersegment transaction elimination.

(2) The adjustment of segment assets (-390,718 million yen) include the following element: 16,650 million yen assets which are belonging to the whole company and -406,698 million yen of intersegment transaction eliminateion.

(3) The adjustment of interest income (-1,262 million yen) include the following element: 1,848 million yen insterest income which is belonging to the whole company and -3,110 million yen of intersegment transaction elimination.

(4) The adjustment of interest expenses (-5,273 million yen) include the following element: -2,254 million yen adjustment in accordance with management accounting requests and -3,110 million yen of intersegment transaction elimination.

* 3. In accordance with the decision made by board, liabilities are not distributed to every segments, therefore the segment liabilities information is not disclosed.

(¥Million)

FY2011 (Apr.1, 2011 - Mar.31, 2012)	Segment report: Bulk-ships	Segment report: Container-ships	Segment report: Ferry & Domestic Transport	Segment report: Associated Businesses	Segment report: Sub Total	Others *1	Total	Adjust-ment *2	Consoli-dated
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	726,011	542,426	52,134	106,709	1,427,281	7,939	1,435,220	-	1,435,220
2.Inter-segments revenues	978	1,699	205	17,729	20,612	7,206	27,819	(27,819)	-
Total Revenues	726,989	544,126	52,340	124,438	1,447,893	15,145	1,463,039	(27,819)	1,435,220
Segment income	(6,921)	(29,910)	(533)	9,098	(28,267)	4,303	(23,963)	(356)	(24,320)
Segment assets	1,194,700	342,357	36,089	355,341	1,928,488	301,791	2,230,280	(284,118)	1,946,161
Others									
Depreciation and amortization	64,323	7,480	3,866	8,254	83,925	1,446	85,371	252	85,624
Amortization of goodwill	(557)	34	241	(11)	(294)	6	(287)	-	(287)
Interest income	798	169	70	41	1,080	1,255	2,336	(1,163)	1,172
Interest expenses	9,817	2,456	405	1,980	14,660	1,056	15,717	(4,206)	11,511
Equity in earnings of affiliates	1,882	984	92	124	3,083	216	3,300	-	3,300
Investment in affiliates	59,381	5,081	1,095	1,370	66,929	2,227	69,157	-	69,157
Tangible / intangible fixed assets increased	158,188	8,209	829	5,442	172,669	2,768	175,437	289	175,726

* 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.

(1) The adjustment of segment income (-356 million yen) include the following element: -3,897 million yen of corporate profit which is not distributed to every segment, 2,877 million yen of adjustment in accordance with management accounting requests, and 663 million yen of intersegment transaction elimination.

(2) The adjustment of segment assets (-284,118 million yen) include the following element: 55,114 million yen assets which are belonging to the whole company and -339,233 million yen of intersegment transaction eliminateion.

(3) The adjustment of interest income (-1,163million yen) include the following element: 1,775 million yen insterest income which is belonging to the whole company and -2,939 million yen of intersegment transaction elimination.

(4) The adjustment of interest expenses (-4,206 million yen) include the following element: 1,612 million yen insterest expenses which is belonging to the whole company, -2,877 million yen adjustment in accordance with management accounting requests and -2,941 million yen of intersegment transaction elimination.

* 3. In accordance with the decision made by board, liabilities are not distributed to every segments, therefore the segment liabilities information is not disclosed.

FY2011 (Apr.1, 2011 - Mar.31, 2012)	Segment report					Others	Adjust-ment *4	Consoli-dated
	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Sub Total			
Impairment loss	5,468	–	–	–	5,468	–	–	5,468

* 4. The impairment loss assets which are belonging to the whole company.

FY2011 (Apr.1, 2011 - Mar.31, 2012)	Segment report					Others	Adjust-ment	Consoli-dated
	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Sub Total			
Good will (Negative goodwill) at the end of current period	(1,361)	62	976	1,154	832	13	–	846

* 5. The amortization of goodwill (negative goodwill) is disclosed in business segment information.

* 6. There is no important income from negative goodwill.

Geographical segment information:

FY2011 (Apr.1, 2011 - Mar.31, 2012)	Japan	North America	Europe	Asia	Other	Total
Revenues	1,355,876	19,149	25,007	34,656	529	1,435,220
Tangible fixed assets	1,226,211	25,194	4,012	38,298	86	1,293,802

Supplement

1. Review of Quarterly Results

FY2011

		1st Quarter Apr.～Jun.,2011	2nd Quarter Jul.～Sep.,2011	3rd Quarter Oct.～Dec.,2011	4th Quarter Jan.～Mar.,2012
Revenues	[¥ Million]	349,113	368,232	356,326	361,549
Operating Income		△ 8,643	△ 1,411	△ 8,321	△ 6,084
Ordinary income		△ 8,356	△ 3,744	△ 6,569	△ 5,651
Income before income taxes		△ 5,643	△ 11,940	△ 12,416	△ 3,517
Net income		△ 8,047	△ 8,416	△ 8,678	△ 868
Net income 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

FY2010

		1st Quarter Apr.～Jun.,2010	2nd Quarter Jul.～Sep.,2010	3rd Quarter Oct.～Dec.,2010	4th Quarter Jan.～Mar.,2011
Revenues	[¥ Million]	396,982	405,857	377,634	363,187
Operating Income		39,099	43,526	25,684	15,091
Ordinary income		39,249	41,060	25,316	15,996
Income before income taxes		34,317	39,419	16,830	4,800
Net income		20,822	27,428	7,831	2,196
Net income per share	[¥]	17.42	22.95	6.55	1.84
Total assets	[¥ Million]	1,874,002	1,884,822	1,871,922	1,868,740
Total net assets		725,405	712,312	661,660	740,247

2. Depreciation and Amortization

(Million yen)

	FY2010	FY2011	Increase /Decrease
Vessels	60,662	70,149	9,487
Others	16,783	15,475	△ 1,308
Total	77,445	85,624	8,179

3. Interest-bearing Debt

(Million yen)

	As of Mar. 31,2011	As of Mar. 31,2012	Increase /Decrease
Bank loans	511,103	653,168	142,065
Bonds	170,399	191,221	20,822
Commercial paper	21,500	5,000	△ 16,500
Others	21,256	20,229	△ 1,027
Total	724,259	869,619	145,360

4. Fleet Capacity
(MOL and consolidated subsidiaries)

	Dry bulkers		Tankers		LNG carriers		Car carriers		Containerships	
	No.of ships	1,000MT	No.of ships	1,000MT	No.of ships	1,000MT	No.of ships	1,000MT	No.of ships	1,000MT
Owned	85	6,961	83	12,440	29	2,028	52	829	23	1,507
Chartered	307	27,950	112	5,278	-	-	76	1,227	92	4,698
Others	-	-	-	-	2	143	-	-	-	-
As of Mar.31,2012	392	34,911	195	17,718	31	2,172	128	2,055	115	6,205
As of Mar.31,2011	374	33,727	200	18,083	33	2,309	114	1,747	104	5,308

	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	15	88	1	5	1	6	289	23,864
Chartered	28	67	-	-	2	13	617	39,233
Others	2	3	-	-	-	-	4	146
As of Mar.31,2012	45	158	1	5	3	19	910	63,242
As of Mar.31,2011	42	155	1	5	3	19	871	61,354

*1:excluding tug boats

5. Exchange Rates

	FY2010	FY2011	Change		
Average rates	¥86.48	¥78.85	¥7.63	(8.8%)	＼ appreciated
Term-end rates	¥83.15	¥82.19	¥0.96	(1.2%)	＼ 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

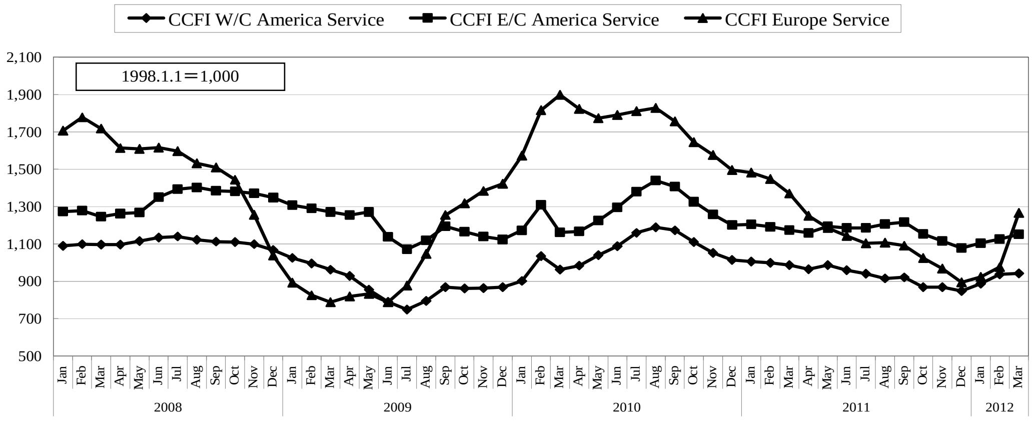
	TTM on December,2010	TTM on December, 2011	Change		
Term-end rates	¥81.49	¥77.74	¥3.75	(4.6%)	＼ appreciated

6. Bunker Prices

	FY2010	FY2011	Increase /Decrease
Consumption Prices	US$490/MT	US$667/MT	US$177/MT

7. Market Information

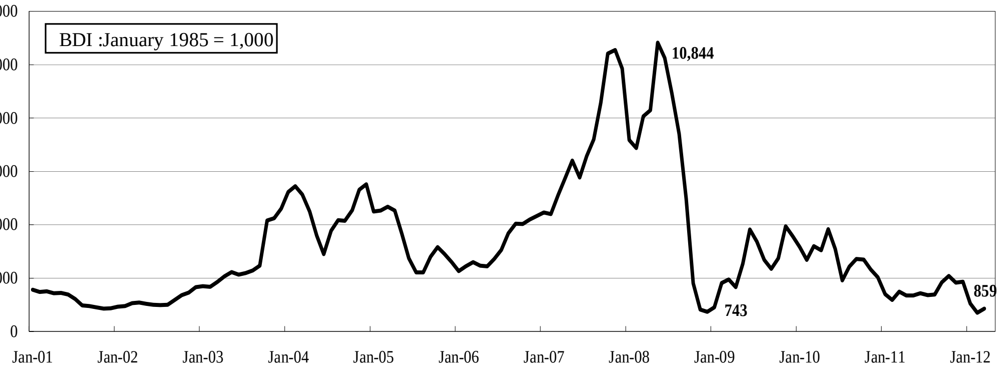
(1) Containership Market (China Containerized Freight Index) Source : Shanghai Shipping Exchange



* 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

BDI (Baltic Dry Index)

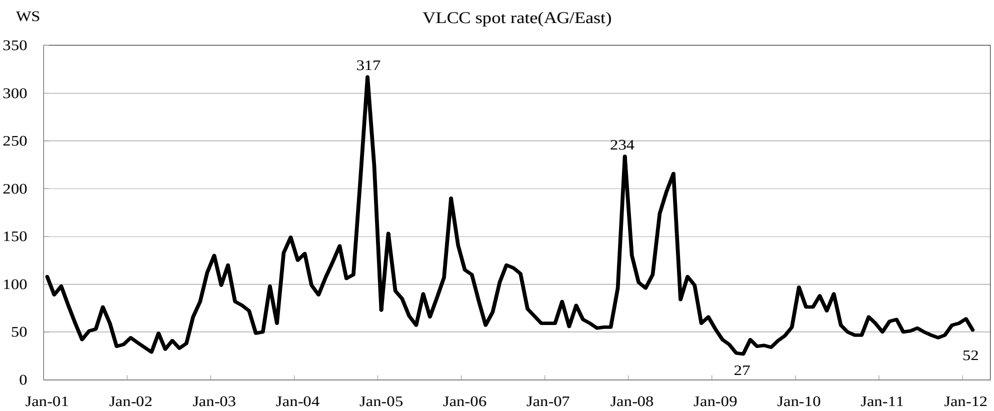


(Calender Year)

	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	1,039
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	867

(Jan.～Mar.)

(3) VLCC Market Source : Drewry, RIM etc.



(Calender 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	64
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	58

(Jan.～Feb.)