[Translation for Reference and Convenience Purposes Only]

Please note that the following is an unofficial English translation of Japanese original text of the Notice of Convocation of the Ordinary General Meeting of Shareholders of Mitsui O.S.K. Lines, Ltd. The Company provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the Japanese version shall be the official version.

Securities Code: 9104
June 2, 2014

To Shareholders with Voting Rights

Koichi Muto
Representative Director
President Executive Officer
Mitsui O.S.K. Lines, Ltd.
1-1, Toranomon 2-chome,
Minato-ku, Tokyo, Japan

NOTICE OF CONVOCATION OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Ordinary General Meeting of Shareholders of Mitsui O.S.K. Lines, Ltd. ("MOL" or the "Company") will be held as set forth below. Your attendance at the meeting is cordially requested. For those attending, please present the enclosed Voting Form at the reception desk upon arrival at the meeting.

If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders listed on the right, and exercise your voting rights by no later than 5:00 P.M., Monday, June 23, 2014, following the instructions given below.

If you plan to attend the meeting in person, you do not need to exercise your voting rights either in writing or via the Internet.

1. **Date and Time:** 10:00 a.m., Tuesday, June 24, 2014
2. **Place:** Shinagawa Intercity Hall, 2-15-4, Konan, Minato-ku, Tokyo, Japan
3. **Agenda of the Meeting:**

Matters to Be Reported:

(1) The Business Report and the Consolidated Financial Statements, and Audit Reports of the Accounting Auditor and the Board of Corporate Auditors for the Consolidated Financial Statements for the Fiscal Year 2013 (From April 1, 2013 to March 31, 2014)

(2) The Non-consolidated Financial Statements for the Fiscal Year 2013 (From April 1, 2013 to March 31, 2014)

Proposals to Be Resolved:

Proposal No. 1: Appropriation of Surplus
Proposal No. 2: Partial Amendments to the Articles of Incorporation
Proposal No. 3: Election of Nine (9) Directors
Proposal No. 4: Election of One (1) Corporate Auditor
Proposal No. 5: Election of One (1) Substitute Corporate Auditor
Proposal No. 6: Issue of Stock Acquisition Rights for the Purpose of Executing a Stock Option System to Executive Officers, General Managers, and Presidents of the Company's Consolidated Subsidiaries

4. Guide to Exercising Your Voting Rights

(1) **If you wish to attend the General Meeting of Shareholders in person**
Please bring the enclosed Voting Form and submit it to the reception desk upon arrival at the venue on the day of the meeting.
(It is not necessary to affix a seal on the form.)
→ **Date and time of the General Meeting of Shareholders: 10:00 A.M., Tuesday, June 24, 2014**

(2) **If exercising your voting rights by mail (in writing)**
Please review the Reference Documents for the General Meeting of Shareholders listed below and indicate your approval or disapproval of the proposals in the enclosed Voting Form, and post it without affixing a postage stamp.
→ **Deadline for exercising voting rights: No later than 5:00 P.M., Monday, June 23, 2014 (must arrive by this time)**

(3) **If exercising your voting rights via the Internet**
Please access the Company's designated voting website (http://www.web54.net) from your computer, enter your voting right exercise code and password indicated on the enclosed Voting Form, and follow the instructions on the display to enter whether you approve or disapprove of the proposals upon reviewing the Reference Documents for the General Meeting of Shareholders.
(Note: The website for Internet Voting is Japanese only.)
→ **Deadline for exercising voting rights: No later than 5:00 P.M., Monday, June 23, 2014**

* In the event that a voting right is exercised both by returning a Voting Form and via the Internet, only voting via the Internet will be deemed valid. In the event that a voting right is exercised more than once via the Internet or via PC and via mobile phone, only the last vote will be deemed as valid.

Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements, which should accompany the Notice of Convocation, have been posted on the Company's website (listed below). Such posting is pursuant to the applicable laws and regulations and the provisions of Article 16 of the Company's Articles of Incorporation. Therefore, they are not recorded in the documents accompanying this Notice of Convocation. The Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the corporate auditors in preparing the audit report and by the independent accounting auditor in preparing the independent audit report respectively include, in addition to the matters recorded herein, matters to be presented as Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements.

Should any modification to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements occur, the matters after modification will be posted on the Internet website of the Company (listed below).

If you are unable to attend the general meeting of shareholders, you can exercise your voting rights by sending another shareholder with voting rights to the meeting as your proxy. Please note, however, that it is necessary to submit a document evidencing the authority of proxy.

WEBSITE	**http://www.mol.co.jp/ir-j/index.html**

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REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposal No. 1: Appropriation of Surplus

The Company's key management policies are the enhancement of corporate value with proactive business investment and the direct return of profits to shareholders through dividend payments.

Using internal capital reserves, we are working to reinforce our corporate strength and further increase per-share corporate value. In the coming terms, with a 20% dividend payout ratio as a guideline, we will pay dividends linked to business performance, and we will address the need to increase the ratio as a medium- and long-term management issue. There is no change to this basic policy, which we have followed up until now. However, as a key challenge for implementing our recently formulated midterm management plan, "STEER FOR 2020," it is imperative for us to make proactive investments in growth fields such as LNG carriers and Offshore businesses that can generate long-term stable profits, while rapidly raising shareholders' equity to a sound level to recover from the decrease resulting from the costs of business structural reforms we implemented in the previous fiscal year (fiscal year ended March 31, 2013).

In the light of these circumstances, we propose to pay a year-end dividend of ¥3 per share for FY2013 as announced at the beginning of the fiscal year.

As we have already paid an interim dividend of ¥2 per share on November 22, 2013, the annual dividend of the Company will be ¥5 per share for FY2013.

1. Matters related to year-end dividend

(1) Type of dividend property
Cash

(2) Matter related to distribution of dividend property to shareholders and total amount thereof
¥3 per common share of the Company   Total amount: ¥3,587,902,716

(3) Effective date of distribution of surplus
June 25, 2014

2. Matters related to appropriation of surplus

(1) Item and amount of surplus to increase
General reserve   Amount: ¥40,000,000,000

(2) Item and amount of surplus to decrease
Retained earnings brought forward   Amount: ¥40,000,000,000

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Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reason of proposal

The Company intends to add a business purpose to the Articles of Incorporation to prepare for further business expansion aimed at innovating the business portfolio under the new midterm management plan "STEER FOR 2020."

2. Details of amendments

The details of amendments to the Articles of Incorporation are as follows.

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed Amendments
Article 2. The main purpose of the Company is to engage in the following businesses:	Article 2. (No change)
(1) Marine transportation;	(1) (No change)
(Newly established)	<u>(2) Business related to ocean resources development and offshore facilities installation and operations</u>
<u>(2)</u> – <u>(20)</u> (Omitted)	<u>(3)</u> – <u>(21)</u> (No change)

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Proposal No. 3: Election of Nine (9) Directors

The terms of office of all nine (9) directors will expire at the conclusion of this meeting. Accordingly, election of the following nine (9) directors is proposed.

The candidates for directors are as follows:

No.	Name (Date of Birth)	Career Summary (Title and Assignment in the Company and Significant Concurrent Positions Outside the Company)	Number of the Company's Shares Held
1	Reappointed Koichi Muto (September 26, 1953)	Apr. 1976 Joined Mitsui O.S.K. Lines, Ltd. Jun. 2002 General Manager of Bulk Carrier Division Jan. 2003 General Manager of Corporate Planning Division Jun. 2004 Executive Officer, General Manager of Planning Division Jun. 2006 Managing Executive Officer Jun. 2007 Director, Managing Executive Officer Jun. 2008 Director, Senior Managing Executive Officer Jun. 2010 Representative Director, President Executive Officer (to present)	86,000 shares
2	Reappointed Kazuhiro Sato (February 25, 1953)	Apr. 1975 Joined Mitsui O.S.K. Lines, Ltd. Jun. 2001 General Manager of LNG Carrier Division (A) Jun. 2004 General Manager of LNG Carrier Division Jun. 2005 Executive Officer, General Manager of LNG Carrier Division Jun. 2006 Executive Officer Jun. 2008 Managing Executive Officer Jun. 2010 Senior Managing Executive Officer Jun. 2013 Representative Director, Executive Vice President, Executive Officer (to present) Assignment: Assistant to President	17,000 shares
3	Reappointed Tsuneo Watanabe (November 29, 1955)	Apr. 1978 Joined Mitsui O.S.K. Lines, Ltd. Jun. 2004 General Manager of Tanker Division Jun. 2006 Executive Officer Jun. 2008 Managing Executive Officer Jun. 2010 Director, Managing Executive Officer Jun. 2011 Director, Senior Managing Executive Officer (to present) Assignment: Tanker Division, Tanker Safety Management Office	10,000 shares
4	Reappointed Junichiro Ikeda (July 16, 1956)	Apr. 1979 Joined Mitsui O.S.K. Lines, Ltd. Jun. 2004 General Manager of Human Resources Division Jun. 2007 General Manager of Liner Division Jun. 2008 Executive Officer Jun. 2010 Managing Executive Officer Jun. 2013 Director, Senior Managing Executive Officer (to present) Assignment: Liner Division, Human Resources Division, Research Office	31,000 shares

No.	Name (Date of Birth)	Career Summary (Title and Assignment in the Company and Significant Concurrent Positions Outside the Company)	Number of the Company's Shares Held
5	Reappointed Masahiro Tanabe (March 11, 1957)	Apr. 1979 Joined Mitsui O.S.K. Lines, Ltd. Jun. 2003 General Manager of Logistics Business Division Jun. 2008 Executive Officer, and Managing Director of MOL (Europe) B.V. Jun. 2011 Managing Executive Officer Jun. 2013 Director, Managing Executive Officer (to present) Assignment: Finance Division, Accounting Division, Investor Relations Office	14,000 shares
6	Newly appointed Shizuo Takahashi (January 18, 1959)	Apr. 1981 Joined Mitsui O.S.K. Lines, Ltd. Jun. 2006 General Manager of Corporate Planning Division Jun. 2008 Executive Officer, General Manager of Corporate Planning Division Jun. 2010 Executive Officer Jun. 2011 Managing Executive Officer (to present) Assignment: Internal Audit Office, Secretaries Office, Corporate Planning Division, Public Relations Office, MOL Information Systems, Ltd.	40,000 shares
7	Reappointed Takeshi Komura (September 2, 1939)	Apr. 1963 Joined Ministry of Finance Jun. 1988 Director-General, Tokyo Customs Jun. 1992 Director-General of the Economic Planning Agency Jun. 1993 Deputy Vice Minister, Ministry of Finance May 1995 Director-General of the Budget Bureau, Ministry of Finance Jul. 1997 Administrative Vice Minister, Ministry of Finance Feb. 1998 Advisor, Ministry of Finance, Policy Research Institute Jan. 2001 Governor, the Development Bank of Japan Sep. 2007 Retired from the Development Bank of Japan Jun. 2008 Director, Mitsui O.S.K. Lines, Ltd. (to present) Jan. 2014 President, Capital Market Promotion Foundation (to present) (Significant concurrent positions outside the Company) President, Capital Market Promotion Foundation Outside Director, Maezawa Industries, Inc.	41,000 shares

No.	Name (Date of Birth)	Career Summary (Title and Assignment in the Company and Significant Concurrent Positions Outside the Company)	Number of the Company's Shares Held
8	Reappointed Masayuki Matsushima (June 15, 1945)	Apr. 1968 Joined Bank of Japan Apr. 1990 General Manager, Kumamoto Branch Nov. 1992 Associate Director – General, the Bank of Japan Representative Office in London Feb. 1996 Director – General, Research & Statistics Department Jun. 1998 Executive Director, Bank of Japan (in charge of International Affairs) Jun. 2002 Senior Advisor, the Boston Consulting Group K.K. Feb. 2005 Senior Executive Advisor, Credit Suisse Securities (Japan) Limited Jun. 2008 Chairman, Credit Suisse Securities (Japan) Limited May 2011 Senior Advisor, the Boston Consulting Group K.K. Jun. 2011 Director, Mitsui O.S.K. Lines, Ltd. (to present) (Significant concurrent positions outside the Company) Outside Director, Mitsui Fudosan Co., Ltd.	0 shares
9	Newly appointed Atsutoshi Nishida (December 29, 1943)	May 1975 Joined TOSHIBA CORPORATION Jun. 1997 Director Jun. 1998 Corporate Vice President Jun. 2000 Corporate Senior Vice President Jun. 2003 Director, Executive Officer, Corporate Executive Vice President Jun. 2005 Director, Representative Executive Officer, President and Chief Executive Officer Jun. 2009 Director, Chairman of the Board (to present) (Significant concurrent positions outside the Company) President, Japan Tax Association Chairman, Japan Institute of Logistics Systems Chairman, Japan International Training Cooperation Organization	0 shares

Notes:

1. No special interests exist between any of the director candidates and the Company.
2. Among the above candidates, Takeshi Komura, Masayuki Matsushima and Atsutoshi Nishida are candidates for outside directors stipulated in Article 2, paragraph (3), item (7) of the Ordinance for Enforcement of the Companies Act. The Company has appointed Takeshi Komura and Masayuki Matsushima as independent directors stipulated under the regulations of the stock exchanges where the Company's common stock is listed, and has notified the exchanges. Also the Company intends to appoint Atsutoshi Nishida as independent director stipulated under the regulations of the stock exchanges where the Company's common stock is listed, and notify the exchanges.
3. The Company requests that Takeshi Komura be elected as an outside director, in order to utilize his long-time experience in and knowledge of industry-wide business management and public finance in the Company's management, and to gain opinions from an objective viewpoint independent from executive management. Mr. Komura has a thorough knowledge of company management through his experience as Governor of the Development Bank of Japan. The Company believes he will properly execute his duties based on his past achievements as an outside director.
   The Company requests that Masayuki Matsushima be elected as an outside director, in order to utilize his long-time experience in and knowledge of the financial industry in the Company's management, and to gain opinions from an objective viewpoint independent from executive management.
   The Company requests that Atsutoshi Nishida be elected as an outside director, in order to utilize his extensive

experience and knowledge of the management in the Company's management and to gain opinions from an objective viewpoint independent from the executive management.

4. Takeshi Komura is, at present, an outside director of the Company. His six-year term of office will end at the conclusion of this General Meeting of Shareholders.
   Masayuki Matsushima is, at present, an outside director of the Company. His three-year term of office will end at the conclusion of this General Meeting of Shareholders.
5. Pursuant to the provisions of Article 427, Paragraph (1) of the Companies Act, the Company has entered into liability limitation agreements with Takeshi Komura and Masayuki Matsushima, which limit the amount of their liability under Article 423, paragraph (1) of the Companies Act to the aggregate of the amounts specified in Article 425, paragraph (1) of the Companies Act, if they perform their duties in good faith and without significant negligence. If their election as outside directors is approved, the Company intends to continue the liability limitation agreements with them.
   If Atsutoshi Nishida is elected a director, pursuant to the provisions of Article 427, Paragraph (1) of the Companies Act, the Company intends to enter into a liability limitation agreement with him, which limits the amount of his liability under Article 423, paragraph (1) of the Companies Act to the aggregate of the amounts specified in Article 425, paragraph (1) of the Companies Act, if he performs his duties in good faith and without significant negligence.
6. On March 18, 2014, when Takeshi Komura and Masayuki Matsushima were serving as outside directors, the Japan Fair Trade Commission (the "JFTC") announced that it had issued a Cease and Desist Order and Surcharge Payment Order to several shipping companies regarding certain car carrier shipping trades. MOL was among the companies found to have violated the Antimonopoly Act. Both Takeshi Komura and Masayuki Matsushima had not been aware of the fact until it was revealed, and they gave appropriate advice to the Company at Board of Directors' meetings and other occasions on a regular basis that it should ensure compliance with the laws. Since recognition of the fact, they have appropriately provided advice and guidance on eliminating violations and improving the internal control system of the Company, and have proposed measures to prevent any recurrence of such issues.

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Proposal No. 4: Election of One (1) Corporate Auditor

The term of office of corporate auditor Sumio Iijima will expire at the conclusion of this meeting. Accordingly, election of the following one (1) corporate auditor is proposed.

The Board of Corporate Auditors has previously given its consent to this proposal.

The candidate for corporate auditor is as follows:

Name (Date of Birth)	Career Summary (Title in the Company and Significant Concurrent Positions Outside the Company)	Number of the Company's Shares Held
Newly appointed Hideki Yamashita (April 29, 1954)	Apr. 1982 Registered as an attorney at law Joined Daini Tokyo Bar Association Apr. 1985 Established YAMASHITA LAW OFFICE (changed its name to YAMASHITA & TOYAMA LAW AND PATENT OFFICE in 1993, to present) (Significant concurrent positions outside the Company) Outside Corporate Auditor, I-Cell Networks	0 shares

Notes:

1. No special interests exist between Hideki Yamashita and the Company.
2. Hideki Yamashita is a candidate for outside corporate auditor stipulated in Article 2, paragraph (3), item (8) of the Ordinance for Enforcement of the Companies Act. The Company intends to appoint him as an independent auditor stipulated under the regulations of the stock exchanges where the Company's common stock is listed, and notify the exchanges.
3. The Company requests that Hideki Yamashita be elected as an outside corporate auditor, as he is in a neutral position with no special interests in the Company and is capable of using his extensive experience and knowledge based on his expertise as an attorney at law to check the appropriateness of management decisions and supervise business execution from the viewpoint of shareholders.
4. Hideki Yamashita has knowledge and experience based on his expertise as an attorney at law and is highly compliance-minded; therefore, the Company believes he is capable of executing his duties appropriately as an outside corporate auditor.
5. If Hideki Yamashita is elected as an outside corporate auditor, pursuant to the provisions of Article 427, Paragraph (1) of the Companies Act, the Company intends to enter into liability limitation agreements with him, which limit the amount of his liability under Article 423, paragraph (1) of the Companies Act to the aggregate of the amounts specified in items of Article 425, paragraph (1) of the Companies Act, if he performs his duties in good faith and without significant negligence.

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Proposal No. 5: Election of One (1) Substitute Corporate Auditor

In preparation for lacking a quorum of corporate auditors, election of one (1) substitute corporate auditor is proposed, based on the provisions of Article 329, paragraph (2) of the Companies Act.

The Board of Corporate Auditors has previously given its consent to this proposal.

The candidate for substitute corporate auditor is as follows:

Name (Date of Birth)	Career Summary (Title in the Company and Significant Concurrent Positions Outside the Company)	Number of the Company's Shares Held
Masaomi Fujiyoshi (March 13, 1944)	Feb. 1974 Joined Chuo Audit Corporation Jun. 1979 Director and CPA, Office of Certified Public Accountant Masaomi Fujiyoshi (to present) (Significant concurrent positions outside the Company) Outside Auditor, Care Service Co., Ltd.	0 shares

Notes:

1. No special interests exist between Masaomi Fujiyoshi and the Company.
2. It is proposed that Masaomi Fujiyoshi be elected as a substitute outside corporate auditor. If he assumes his office as a corporate auditor, the Company will appoint him as an independent corporate auditor stipulated under the regulations of the stock exchanges where the Company's stock is listed and notify the matter to the exchanges.
3. The Company requests that Masaomi Fujiyoshi be elected as a substitute outside corporate auditor, in order to utilize his long-term experience as a certified public accountant and a wide range of knowledge in accounting for the Company's audit.
4. Masaomi Fujiyoshi has extensive knowledge in accounting based on his many years of experience as a certified public accountant, and also has abundant experience as an outside auditor at other private company. The Company believes that he, if appointed as a corporate auditor, will be capable of properly executing the duties as an outside corporate auditor from an objective and fair viewpoint, utilizing his experience and knowledge in the auditing system of the Company.
5. On Masaomi Fujiyoshi's assumption of office as a corporate auditor, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company intends to enter into contract with Masaomi Fujiyoshi, which will limit his liability as set forth in Article 423, paragraph (1) of the Companies Act to the total of the amounts set forth in items of Article 425, paragraph (1) of the Companies Act, if he is without knowledge and is not grossly negligent in performing his duties.

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Proposal No. 6: Issue of Stock Acquisition Rights for the Purpose of Executing a Stock Option System to Executive Officers, General Managers, and Presidents of the Company's Consolidated Subsidiaries

In fiscal year 2014, determination of offering subscription of stock acquisition rights as stock options for Executive Officers who do not serve as Directors of the Company, General Managers, or Presidents of consolidated subsidiaries, will be authorized by the Board of Directors, based on the provisions of Article 236, 238 and 239 of the Companies Act in the following matters.

1. Reason for the necessity of subscription for persons who underwrite the stock acquisition rights on particularly advantageous terms
   With the purpose of increasing the Company's business performance and shareholders' profit by increasing incentives for Executive Officers who do not serve as Directors of the Company, General Managers, or Presidents of consolidated subsidiaries, the Company will allocate stock option rights to these persons, without a payment requirement.
2. Details and maximum number of stock acquisition rights
   (1) Maximum number of stock acquisition rights
      Maximum shall be 1,500, determined as provided in item (3) below.
      The total number of shares issuable by exercising the stock acquisition rights, shall be up to 1,500,000 of the Company's common shares, and in the case that the number of granted shares related to the relevant stock acquisition rights by (3) (a) below is adjusted, it shall be that number multiplied by the number of granted shares related to the relevant stock acquisition rights after adjustment by the above-written maximum number of stock acquisition rights.
   (2) Payment shall not be required for granting of the stock acquisition rights
   (3) Details of stock acquisition rights
      (a) Class and number of shares for the purpose of stock acquisition rights
         Class of shares for the purpose of stock acquisition rights shall be common shares, and the number for the purpose of each stock acquisition right (hereinafter called "granted shares"), is to be limited to 1,000.
         However, in the event of the Company's common stock split (including the gratis allotment of the stock) or reverse share split after the resolution by the General Meeting of Shareholders (hereinafter called "resolution date"), the number of granted shares related to the relevant stock acquisition rights shall be adjusted proportionally in accordance with the percentage of the share split or reverse share split.
         In addition, in the case the Company decreases capital, after the resolution date, due to cases beyond the Company's control that needs adjustment of the number of granted shares related to the relevant stock acquisition rights, the number of granted shares related to the relevant stock acquisition rights shall be adjusted within a rational range, under consideration of conditions, etc. of capital reduction, etc.
         Fractions of less than one (1) share as a result of the above adjustment are to be rounded down.
      (b) Amount to be paid when stock acquisition rights are exercised
         Amount to be paid when stock acquisition rights are exercised shall be the paid amount per share that can be issued by exercising the stock acquisition rights (hereinafter called "exercise amount"), multiplied by the anticipated number of shares concerning the relevant stock acquisition rights.
         The exercise amount will be the average closing price, multiplied by 1.10, of the Company's common stock (hereinafter called "closing price") on the Tokyo Stock Exchange of the previous month of the date when the stock acquisition rights are allocated (hereinafter called "allotment date"). Note that the date when the trade was not effective is not included. Fractions of less than ¥1 will be rounded up.
         However, in the case the amount is lower than the closing price of the warrant issue date (when no closing rate is published on that day, closing rate of the nearest previous date shall be applied), it will be the closing price on that date.
         After the allotment date, in the event of a share split (including the gratis allotment of the stock) or reverse share split its shares after the issue date of warrants, the exercise amount will be adjusted by the following formula, with fractions of less than ¥1 rounded up.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of share split/reverse share split}}$$

In addition, after the allotment date, for the Company's common stock, in the case the Company issues new shares or disposes of treasury stock at a price lower than market price [excluding sale of treasury stock based on provision of Article 194 of the Companies Act (claim of sale of minimum trading unit (*tan-gen*) of shares by shareholders of minimum trading unit (*tan-gen*)); and transfer or exercise of securities that are or can be made to common stock of the Company or the stock acquisition rights (including ones committed to corporate bonds with new stock acquisition rights) that can be claimed for issue of the Company's common stock, the exercise price shall be adjusted in accordance with the following formula, with fractions of less than ¥1 rounded higher.

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares outstanding} + \dfrac{\text{Number of shares to be issued} \times \text{Subscription price per share to be issued}}{\text{Market price per share}}}{\text{Number of shares outstanding} + \text{Number of shares to be issued}}$$

In the above formula, the "number of shares outstanding" is the number of the Company's outstanding common stock, deducted by the number of shares of its treasury stock concerning common stock. In case the treasury stock is disposed, the "number of shares to be issued" shall be treated as the "number of shares to be disposed."

Furthermore, in the case the Company is merged with another company, in the case the Company executes a demerger, or in the case the Company decreases capital, after allotment date, that require adjustment of the exercise price, the exercise price shall be adjusted within a rational range, subject to a resolution of the Board of Directors.

(c) Period during which stock acquisition rights may be exercised

It will be determined by the Board of Directors, which will be within a period from June 20, 2015 to June 24, 2024.

(d) Capital and capital reserve increased in the case the stocks are issued by exercising the stock acquisition rights

i) The amount of capital increased in the case the shares are issued by exercising the stock acquisition rights shall be half of the maximum limit to increase capital, calculated in accordance with the Company Calculation Ordinance, Article 17, paragraph (1), and is adjusted in accordance with the following formula, with fractions rounded up.

ii) The amount of capital reserve increased in the case the shares are issued upon the exercise of stock acquisition rights shall be the amount that the maximum limits of capital, etc. described in i) above is subtracted by the increased capital amount determined in i) above.

(e) Restrictions on acquisition of stock acquisition rights by transfer

Any acquisition of the stock acquisition rights by transfer shall require the prior approval of the Board of Directors.

(f) Acquisition conditions of stock acquisition rights

Acquisition conditions of stock acquisition rights shall not be determined.

(g) The Company, in the case of merger (limited only to cases in which the Company is dissolved by merger), absorption-type company split/incorporation-type company split, stock exchange or stock transfer (all hereinafter called "organizational restructure"), may issue the stock acquisition rights of the companies listed in the Companies Act, Article 236, paragraph (1), item (8)-A to E (hereinafter called "restructure target company") to each person holding stock acquisition rights (hereinafter called "remaining stock acquisition rights") that remain outstanding at the time when the effects of the organizational restructure arises, for each case thereof, based on the following conditions. In this case, the remaining stock acquisition rights shall be void and the restructured target companies shall issue new stock acquisition rights. However, this will apply only to the case of the agreement to issue the stock acquisition rights of the restructure target companies, in accordance with the following conditions: the merger agreement, newly founded merger agreement, merger/split agreement, new split agreement, stock exchange agreement, or stock transfer plan.

i) Number of stock acquisition rights of restructured target companies

The same number of stock acquisition rights shall be issued as the number that the person holds of remaining stock acquisition rights with respect to the Company's stock.

ii) Class of shares of restructured target companies for the purpose of stock acquisition rights

It shall be the common stock of the restructured target companies.

iii) Number of shares of restructured target companies for the purpose of stock acquisition rights

It shall be determined in accordance with the above item (a), after considering the conditions, etc. for organizational restructure.

iv) Amount to be paid when stock acquisition rights are exercised
Amount to be paid when each stock acquisition right is exercised shall be the amount obtained by multiplying the payout amount after restructure adjusted after considered conditions, etc. for the organizational restructure by the number of shares for the purpose of the relevant stock acquisition rights determined in accordance with the sentence iii).

v) Exercise period of the stock acquisition rights
The stock acquisition rights determined in the above item (c) can be exercised from the later of: the commencement date of the exercise period of the stock acquisition rights determined in the above item (c); or the effective date of the organizational restructure, to the expiration date of the period.

vi) Capital and capital reserve increased in the case the shares are issued by exercising the stock acquisition rights
It shall be determined in accordance with item (d) above.

vii) Limits of acquisition of stock acquisition rights by assignment
Acquisition of stock acquisition rights by assignment shall require approval of the restructured target company.

viii) Acquisition conditions of stock acquisition rights
It shall be determined in accordance with item (f) above.

(h) In the case of fractions of less than one (1) share is included in the number of shares delivered to the persons who exercise the stock acquisition rights, the fractional portion shall be omitted.

(i) Exercise conditions of stock acquisition rights

i) A single stock acquisition right may not be split.

ii) Persons who receive the allotment may exercise the right, even in the case that they no longer hold the position of Executive Officer, General Manager, or President of a consolidated subsidiary, when exercising the rights.
Note: The granted stock acquisition rights shall immediately be cancelled, in the case that he or she is sentenced to imprisonment or severer, in the case that he or she is dismissed or discharged, or in the case that he or she has died.

iii) Other conditions to exercise the rights shall be determined by the Board of Directors.

- END -

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BUSINESS REPORT

(From April 1, 2013 to March 31, 2014)

1. Matters Concerning the Present State of the Corporate Group

(1) Business Progress and Results

In the global economy during the fiscal year under review, while recoveries in developed countries progressed, growth slowed down in emerging countries due to decline in China's economic growth rate and slowdown in investments. In the U.S., although there were temporary signs of downswing resulting from political turmoil associated with the country's fiscal problems and the cold weather, the economy continued to recover moderately. Due to recoveries in the financial, housing and labor markets and increase in consumer spending, which carried on from 2012. In Europe, although the economy continued to stagnate in the aftermath of the debt crisis, there was an upswing in the latter half of the year. However, the recoveries in some European countries were weak due to the fact that they have continued to experience difficulties in the labor and financial markets. In China, amid growing issues related to excessive investments and rising real estate prices, the government changed its economic policy from rapid growth economy, which centered around investments in infrastructure, to stable growth economy. This resulted in a moderate slowdown in China's economic growth rate. In Japan, yen depreciation and rising stock prices continued due to large-scale monetary easing. While Japan posted a record trade deficit in 2013 due to the rise in imports caused by yen depreciation amid sluggish exports, the economy continued to recover, supported by strong consumer spending and public investments.

Looking at the maritime shipping market, despite signs of year-on-year recovery, the market conditions continued to face difficulties overall. In the dry bulker market, with respect to the supply of vessels, the number of new vessels built had a significant year-on-year decline and with respect to demand for cargo, there was a high demand for cargo overall including a record-high shipment volume of iron ore from Western Australia. With respect to tanker market, the very large crude oil carrier (VLCC) market weakened in the summer season, during which demand dropped. Although there was a temporary surge from November supported by crude oil inventory build-up by various Asian countries, the market slumped following the Lunar New Year holiday in China. In the containership market, the demand worsened due to the fact that a large number of large containerships were built which result in, the decline of freight rates.

The average yen exchange rate against the U.S. dollar during the fiscal year under review depreciated by ¥17.48 to ¥99.79 compared to previous fiscal year. The average bunker price during the fiscal year under review fell by US$52/MT to US$610/MT.

As a result of facts mentioned above, our revenue was ¥1,729.4 billion, operating income was ¥41.0 billion, ordinary income was ¥54.9 billion and net income was ¥57.3 billion.

(2) Financial Position and Results of Operations

(Millions of yen)

Category	FY2010	FY2011	FY2012	FY2013 (current fiscal year)
Revenues	1,543,660	1,435,220	1,509,194	1,729,452
Ordinary income (or loss)	121,621	(24,320)	(28,568)	54,985
Net income (or loss)	58,277	(26,009)	(178,846)	57,393
Net income (or loss) per share (yen)	48.75	(21.76)	(149.57)	47.99
Total assets	1,868,740	1,946,161	2,164,611	2,364,695
Total net assets	740,247	717,909	619,492	783,549

Note: Figures in revenues, ordinary income (or loss), net income (or loss), total assets and total net assets are rounded down to the nearest million.

(3) Business Overview by Segment

Bulkships	
Revenues ¥836,408 million	Composition ratio 48.36%

<Dry Bulkers>

In the dry bulker segment, although China's economic growth rate seemed to be slowing down, there was steady demand for major dry bulk cargoes such as iron ore and coal, supported by lower resource prices. Capesize bulker charter rates rose from around July and temporarily hit US$40,000 per day in September. In the market for medium and small dry bulkers, although there was a temporary decline until the summer due to fall in demand for grain shipments, market condition was better year on year due to the impact of improved conditions of Capesize bulker market on the market sentiment and support by other factors including grain shipments at the beginning of autumn.
Ordinary income in the dry bulker segment for this fiscal year recorded a profit due to not only stable profits from long-term contracts for carriers of iron ore, woodchip, steaming coal and others, but also due to positive effects of our Business Structural Reforms implemented in the previous fiscal year and market recovery.

<Tankers/LNG Carriers>

Looking at the tanker segment, although the very large crude oil carrier (VLCC) market slumped in the summer season, during which demand dropped off, after entering into the period of full-scale demand from November, there was a temporary surge in the market due to increase in cargo volumes, supported by crude oil inventory build-up by China and other Asian countries. However, the market slumped again after the Lunar New Year holiday in China. With respect to product tankers, although the market was strong at the start of the fiscal year, upside momentum hit the ceiling overall from June. Under such market condition, although there was a significant year-on-year improvement in ordinary income/loss due to continued efforts to reduce fuel costs by slow steaming and improve operation efficiency by setting up pools with other operators, this segment recorded a loss overall.
In the LNG carrier segment, despite firm demand for electric power generation in Japan and Korea, there was a decline in LNG import volume in Europe partly due to recession, and global LNG ocean cargo volume remained approximately the same level as the previous fiscal year as a result. In the short- and medium-term vessel chartering markets, despite strong market conditions in the first half of the fiscal year, market conditions declined gradually in the latter half of the fiscal year due to the fact that numerous new vessels were built. Ordinary income was approximately the same level as the previous fiscal year due to stable profits secured from long-term transport contracts.

<Car Carriers>

In the car carrier segment, regardless of yen's depreciation, Japanese carmakers continued to prefer a policy of local production for local consumption, and the locations of production became increasingly diversified, which resulted in a continued decline in the number of completed cars transported from Japan. In order to respond to this change, we strove to secure new business opportunities by developing a structure under which we can proactively seize the market demand in the cross trades in Intra-Asia routes and others and in inbound cargo routes including route from Europe to China. As a result, there was a significant year-on-year improvement in ordinary income in this segment.

Containerships	
Revenues ¥713,503 million	Composition ratio 41.26%

With respect to cargo in major trade routes, the Trans-Pacific and Asia-Europe routes were both stable. Intra-Asia routes were firm partly due to economic recoveries in the developed countries in Europe and the U.S., despite worrisome factors such as the impact of Chinese economy and political unrest in Thailand. The north-south routes were also firm despite concerns on the negative effects of weak growth and decline in currency value. Freight rates were affected by deterioration in the supply and demand balance due to increase in shipping capacity after the completion of construction of large containerships. Despite efforts to improve the balance between vessel supply and demand by means such as reducing the frequency of services and increasing slow steaming, freight rates declined on all routes. The declines in rates were particularly significant for the Asia-Europe routes, which were affected by the introduction of numerous large containerships, and the North-South routes, which were affected by the introduction of vessels from the Asia-Europe routes. Under this business environment, we strengthened the competitiveness of our service network by expanding business alliances through such initiatives as new cooperative vessel allocations on the Trans-Pacific routes and made efforts to reduce fuel costs. Despite these efforts, we recorded a loss in this segment in the fiscal year under review.

Ferry and Domestic Transport	
Revenues ¥55,603 million	Composition ratio 3.22%

In the ferry business, cargo and passenger volumes both increased, resulting in year-on-year increases in revenue and ordinary income. Although the domestic transport business experienced a decline in revenue as energy transport stabilized after undergoing a temporary boom, its ordinary income increased through an improvement in vessel allocation efficiency. As a result, there were year-on-year increases in revenue and ordinary income in the ferry and domestic transport segment overall.

Associated Businesses	
Revenues ¥116,599 million	Composition ratio 6.74%

In the real estate business, the rental office market had a moderate recovery, and Daibiru Corporation, the core company in the MOL Group’s real estate business, maintained high occupancy rates, allowing us to maintain a stable performance. On the other hand, with respect to the cruise ship business, we increased the number of passengers and achieved a year-on-year improvement in ordinary income/loss. Nevertheless, we recorded a loss in this business.
Other associated businesses, such as the tugboat and trading businesses, had firm performances overall. Consequently, revenue and ordinary income of associated businesses increased on a year-on-year basis.

Others	
Revenues ¥7,338 million	Composition ratio 0.42%

Other businesses, which are mainly cost centers, include ship operations, ship management, vessel chartering, financing, and shipbuilding. Ordinary income in this segment increased compared to the previous fiscal year.

(4) Fund Raising

1) Fund Raising

The Group's funds required in the fiscal year under review were financed with our own resources and borrowings from financial institutions, and through the issuance of bonds.

2) Capital Investment

The Group's capital investment, mainly in ships, implemented in the fiscal year under review amounted to approximately ¥186.1 billion.

(Millions of yen)

Name of Segment	Amount of Capital Investment
Bulkships	140,188
Containerships	28,510
Ferry and Domestic Transport	1,424
Associated Businesses	10,484
Others	145
Adjustment	5,395
Total	186,148

Notes: 1. Figures less than one (1) million are rounded down to the nearest million.

2. "Adjustment" includes company-wide assets not belonging to any segment.

Thirty-three vessels including bulkships, containerships, ferries, and coastal liners were sold and removed.

Sale, etc. of Vessels

Name of Segment	Number of Vessels	Deadweight Tons (in thousands)	Book Value (millions of yen)
Bulkships	24	3,202	35,708
Containerships	6	432	29,033
Ferry and Domestic Transport	2	8	448
Others	1	2	99
Total	33	3,646	65,290

Notes: 1. Figures less than one (1) million are rounded down to the nearest million.

2. Of the six vessels listed above under the Containerships segment, one vessel was removed.

(5) Management Strategies and Issues to be Addressed

On March 31, 2014, we officially announced our new midterm management plan "STEER FOR 2020." To "steer" means to steer a ship to a specific destination. We will explain below the direction where we are headed based on this plan which was named with a wish to steer MOL Group to a goal set for fiscal year ending March 31, 2020.

■ Recognition of Business Climate and Main Theme: Solid Growth through Innovative Changes

Global ocean cargo trade is currently showing signs of growth as the economies of mainly develop countries have been recovering and the fleet demand and supply balance has been improving. However, there is a time lag on the improvements, depending on the type of ship. Considering the ongoing shipyard overcapacity, it seems that a structural upturn in the market environment is still years away.
On the other hand, the new distribution channels created by the "shale gas revolution" and rapid growth in demand for long-distance LNG transport resulting from it presented us with business opportunities which we should take full advantage of.
Based on such understanding of business environment, we have established a new midterm management plan called "STEER FOR 2020" which marks a departure from the management plan based on anticipation of growing shipping market. Instead, we steer toward accumulating stable, long-term profits by seizing new distribution opportunities. This commitment is reflected in the main theme of new midterm management plan, which is "solid growth through innovative changes."

[Translation for Reference and Convenience Purposes Only]

New midterm management plan

STEER FOR 2020

Main Theme: **Solid growth through innovative changes**

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

Overall strategies

(1) Innovation of Business Portfolio
- Allocating management resources swiftly and heavily to businesses where we expect high growth and stable long-term profits in ocean shipping and related businesses.

(2) Innovation of Business Model
- Taking advantage of our expertise to focus on businesses that offer added value and meet customer needs.
- Transforming our fleets for a more flexible structure that has greater market resilience, while increasing competitiveness and controlling the risk of lower-than-projected profitability.

(3) Innovation of Business Domain
- Creating value chains by expanding business fields both upstream and downstream of ocean shipping transport.

Strengthening management foundation

► Reinforce compliance
► Reconstruct our safe operation structure
► Strengthen total risk control
► Centralizing business intelligence

■ **Profit targets/consolidated financial targets** (Billions of yen)

	FY2013 (Result)	FY2016 (Plan)	FY2019 (Target)
Revenues	1,729.4	1,900.0	2,100.0
Ordinary income (or loss)	54.9	100.0	140.0
Highly stable profits	50.0	55.0	75.0
Net income (or loss)	57.3	80.0	110.0

ROA (Ordinary income/Total assets)	2.4%	4-5%
ROE (Net income/Owners' equity)	9.5%	10% or above

Equity ratio	29%	35-40% (by around FY2019)
Net gearing ratio	135%	100% (by around FY2019)

[Translation for Reference and Convenience Purposes Only]

■ **Capital investment**

(Billions of yen)

Capital investment (on the basis of completion of construction) (total for FY2014-FY2019)		(Of which investment in LNG carrier and Offshore business)
For building highly stable profits	1,000.0	(700.0)
For enhancement of cost competitiveness	130.0	–
Total	1,130.0	(700.0)

■ **Fleet scale**

(No. of vessels)

FY2013 (Result)	FY2016 (Plan)	FY2019 (Target)
938	880	930

■ **Market exposure (in Dry bulkers and Tankers)**

FY2013 (Result)	FY2016 (Plan)	FY2019 (Target)
52%	45%	35%

◆Overall Strategies: "Three Innovative Changes "

I. Innovative Change in Business Portfolio

We will boldly and swiftly allocate management resources to businesses where we expect high growth and stable long-term profits. The key business areas are resource and energy transport. Within such business areas, we will actively make capital investments in LNG carriers, which we are one of the leading companies in the world, and offshore business, which we are exploring as our new business.

II. Innovative Change in Business Model

In the shipping business where we square off against the shipping markets every day, our goal is to control the impact of market changes and to establish a business structure that will ensure profits, regardless of market condition. For this purpose, we will develop a flexible team that can effectively withstand market fluctuations by increasing the percentage of mid- and long-term contracts from the marketing standpoint and by increasing the percentage of short-term charter vessels from the procurement standpoint, especially in dry bulkers and tankers. In order to steadily gain profits under such earnings structure, it is indispensable to efficiently allocate vessels through optimal trade combinations, and to focus on transport business where we can meet customer needs and offer extra value. We will achieve this goal by taking advantage of our offices located in best business locations around the world such as Singapore and by using various types of ships and our transport know-how.

III. Innovative Change in Business Areas

We have continued to expand our ocean shipping businesses worldwide horizontally, but we will also turn our eyes to expanding the ocean shipping business vertically, both upwards and downwards.
We have already entered into a business alliance with a powerful partner and developed a business platform to expand our container terminal business in the future. Our offshore business, which we have already started upwards from the energy transport business such as crude oil and LNG, is also moving vertically, and we will aggressively expand this business.

◆Further Strengthening Our Management Platform

We need to further strengthen our management platform, which supports the implementation of the plan mentioned above. We are working on the reinforcement of compliance and thorough implementation of total risk control on an urgent basis by taking into consideration: our violation of the Japanese Antimonopoly Act regarding certain car carrier shipping trades (Note) as recently announced by the Japanese Fair Trade Commission and our excessive market exposure during the period of worsening market condition which began after the Lehman Shock. Restructuring of safe ship operation, which is the core competency of ocean shipping company, and enhancement of business intelligence level also support the basis of our continuing growth, and we continue to work on them.

(Note)
On March 18, 2014, the Japan Fair Trade Commission (the "JFTC") announced that it issued cease and desist orders and surcharge payment orders to several shipping companies regarding certain car carrier shipping trades. The JFTC suspected certain shipping companies, including us, of violating the Japanese Antimonopoly Act and conducted on-site investigations on September 6, 2012.

According to the JFTC's announcement, we were among the companies found to be in violation of the Japanese Antimonopoly Act. However, we were exempted from all of the abovementioned administrative orders because we had already ceased the conduct in question before the on-site investigation, and the JFTC accepted our application under the JFTC's leniency program. Nissan Motor Car Carrier Co., Ltd., which is our consolidated subsidiary, also filed an application under the JFTC's leniency program and received a reduction to its surcharge but was not exempted from the cease and desist order and surcharge payment order.

The MOL Group is also subject to investigations by overseas competition law authorities, including those of the U.S. and Europe, and continues to fully cooperate with these investigations. Class-action lawsuit was also filed in the U.S. and other countries against the MOL Group for damages claims and for a cease and desist order for price fixing with other shipping companies on ocean transport services of completely built up vehicles.

(6) Principal Business (As of March 31, 2014)

Worldwide Maritime cargo transport services such as Bulkships, various Bulk Carriers, Tankers, LNG Carriers and Container vessels and Marine transportation businesses such as collection of freight, ship charter hire and handling charges in operations, offshore business, warehousing and real estate

(7) Principal Business Offices (As of March 31, 2014)

1) The Company

	Location
Head and registered office	Tokyo
Branch offices	Nagoya, Kansai (Osaka Pref.), Kyushu (Fukuoka Pref.), Hiroshima
Representative offices	Beijing Representative Office, Middle East Headquarters (United Arab Emirates)

2) Subsidiaries

- Principal domestic business offices
  Tokyo, Kanagawa Pref., Osaka, Hyogo Pref.
- Principal overseas business offices
  U.S.A., Canada, Mexico, Panama, Brazil, Chile, Peru, Uruguay, United Kingdom, Germany, Italy, Austria, the Netherlands, Belgium, France, Sweden, Denmark, Finland, Poland, Lebanon, Cote d'Ivoire, Ghana, Nigeria, South Africa, China, Korea, Taiwan, the Philippines, Vietnam, Cambodia, Thailand, Singapore, Malaysia, Indonesia, India, Pakistan, Sri Lanka, Myanmar, United Arab Emirates, Qatar, Oman, Australia, New Zealand

(8) Shipping Tonnage of the Group (As of March 31, 2014)

Category	Bulkships				Containerships	
	Dry Bulkers, Car Carriers		Tankers, LNG Carriers		Containerships	
	Number of Vessels	Deadweight Tons	Number of Vessels	Deadweight Tons	Number of Vessels	Deadweight Tons
		in thousands		in thousands		in thousands
Owned vessels	128	7,878	98	13,007	22	1,428
Chartered vessels	400	29,914	104	4,709	97	5,663
Others	0	0	2	143	0	0
Total	528	37,792	204	17,859	119	7,091

Category	Ferry and Domestic Transport		Associated Businesses		Others		Total	
	Ferry and Domestic Transport Vessels		Cruise Ship		Others			
	Number of Vessels	Deadweight Tons	Number of Vessels	Deadweight Tons	Number of Vessels	Deadweight Tons	Number of Vessels	Deadweight Tons
		in thousands		in thousands		in thousands		in thousands
Owned vessels	15	88	1	5	0	0	264	22,406
Chartered vessels	24	72	0	0	2	13	627	40,370
Others	1	1	0	0	0	0	3	144
Total	40	160	1	5	2	13	894	62,920

(9) Employees (As of March 31, 2014)

1) Employees of the Group

Name of Segment	Number of Employees	
Bulkships	1,307	(118)
Containerships	5,348	(348)
Ferry and Domestic Transport	878	(89)
Associated Businesses	2,099	(1,503)
Others	364	(81)
Company-wide (common)	293	(65)
Total	10,289	(2,204)
As of March 31, 2013	9,465	(2,271)

Notes: 1. The number of employees includes the entire labor force, and the approximate average number of temporary employees is indicated in parentheses.
2. The employees indicated as Company-wide (common) belong to administrative departments, which cannot be classified in any specific segment.

2) Employees of the Company

Number of Employees		Year-on-year Increase (Decrease)	Average Age	Average Years of Service
	persons	persons	years old	years
Employees on land duty	606	(31)	39.3	16.0
Employees on sea duty	276	(13)	33.8	11.0
Total	882	(44)	37.6	14.4

Notes: 1. The number of employees on land duty does not include 462 employees dispatched outside the Company and 150 non-regular employees and others.
2. The number of employees on sea duty does not include 4 employees dispatched outside the Company and 52 non-regular employees and others.

(10) Principal Subsidiaries (As of March 31, 2014)

Company	Paid-in Capital (millions of yen)	Percentage of Equity Participation (%)	Principal Business
Daibiru Corporation	12,227	*50.95	Real estate business
Utoc Corporation	2,155	*67.22	Harbor and transportation business
Mitsui O.S.K. Passenger Line, Ltd.	100	100.00	Marine transportation business
Mitsui O.S.K. Kinkai, Ltd.	660	99.04	Marine transportation business
Mitsui O.S.K. Techno-Trade, Ltd.	490	100.00	Sales of fuel oil/vessel materials/ machinery
MOL Logistics (Japan) Co., Ltd.	756	75.06	Air Transport agents and other businesses
Ferry Sunflower Limited	100	100.00	Marine transportation business
Nissan Motor Car Carrier Co., Ltd.	640	70.01	Marine transportation business
MOL Ferry Co., Ltd.	1,577	100.00	Marine transportation business
MOL Bulk Carriers Pte. Ltd.	3,500 USD Thousand	100.00	Marine transportation business
Tokyo Marine Asia Pte. Ltd.	138,017 SGD Thousand	100.00	Marine transportation business

Notes: 1. Figures less than one (1) million yen, one (1) thousand USD, one (1) thousand SGD are rounded down to the nearest million.
2. The calculation of figures with * includes shares held by subsidiaries.

(11) Major Creditors (As of March 31, 2014)

(Millions of yen)

Creditor	Loan Outstanding
Sumitomo Mitsui Banking Corporation	39,302
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	22,409
Mitsubishi UFJ Trust and Banking Corporation	21,384
Sumitomo Mitsui Trust Bank, Limited.	16,077
Mizuho Bank, Ltd.	13,360

Note: Figures less than one (1) million are rounded down to the nearest million.

2. Status of Shares (As of March 31, 2014)

(1) Total Number of Shares Authorized to Be Issued 3,154,000,000 shares

(2) Number of Shares Issued 1,206,286,115 shares

(**including own shares** 10,318,543 shares)

(3) Number of Shareholders 109,304 parties

(4) Major Shareholders

Name of Shareholders	Investment in the Company by the Shareholders	
	Number of Shares (in thousands)	Investment ratio (%)
1. Japan Trustee Services Bank, Ltd.	188,670	15.78
2. The Master Trust Bank of Japan, Ltd.	58,686	4.91
3. Mitsui Sumitomo Insurance Co., Ltd.	38,165	3.19
4. Sumitomo Mitsui Banking Corporation	30,000	2.51
5. Trust & Custody Services Bank, Ltd.	22,710	1.90
6. The Nomura Trust and Banking Co., Ltd.	18,686	1.56
7. Mizuho Bank, Ltd.	17,000	1.42
8. JUNIPER	14,543	1.22
9. The Bank of New York Mellon SA/NV 10	14,509	1.21
10. State Street Bank West Client-Treaty	12,849	1.07

Notes: 1. Shares less than 1,000 have been rounded down to the nearest 1,000 shares.
2. Shares of the above loan and trust companies include shares related to trust services.
3. The investment ratio is calculated excluding own shares (10,318,543 shares).

3. Matters Concerning Stock Acquisition Rights

(1) Outline of Stock Acquisition Rights Held by the Company's Officers at the End of the Fiscal Year under Review, etc.

Issue date	August 5, 2004	August 5, 2005	August 11, 2006	August 10, 2007	August 8, 2008	August 14, 2009	August 16, 2010	August 9, 2011	August 13, 2012	August 16, 2013
Total number of holders (persons)	1	1	1	2	3	3	5	6	6	9
MOL Directors (excluding outside directors) (persons)	1	1	1	2	2	2	3	3	3	6
MOL Outside Directors (persons)	0	0	0	0	1	1	2	3	3	3
MOL Corporate Auditors (persons)	None	None	None	None	None	None	None	None	None	None
Total number of stock acquisition rights (units)	27	100	100	130	160	160	270	300	300	420
Class and number of shares subject to the stock acquisition rights (shares)	(common stock) 27,000	(common stock) 100,000	(common stock) 100,000	(common stock) 130,000	(common stock) 160,000	(common stock) 160,000	(common stock) 270,000	(common stock) 300,000	(common stock) 300,000	(common stock) 420,000
Paid-in value at exercise of stock acquisition rights (yen)	without consideration	without consideration	without consideration	without consideration	without consideration	without consideration	without consideration	without consideration	without consideration	without consideration
Exercise price (yen per share)	644	762	841	1,962	1,569	639	642	468	277	447
Exercise period of the stock acquisition rights	June 20, 2005 to June 24, 2014	June 20, 2006 to June 23, 2015	June 20, 2007 to June 22, 2016	June 20, 2008 to June 21, 2017	July 25, 2009 to June 24, 2018	July 31, 2011 to June 22, 2019	July 31, 2012 to June 21, 2020	July 26, 2013 to June 22, 2021	July 28, 2014 to June 21, 2022	August 2, 2015 to June 20, 2023
Exercise conditions of the stock acquisition rights	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)	(Note 1)

Notes: 1. 1) A stock acquisition right cannot be partially exercised.

2) Even if the grantee no longer holds a position as an officer of the Company, he/she may exercise stock acquisition rights. However, if the grantee is sentenced to imprisonment or heavier penalty, dismissed from office, or passes away, the granted stock acquisition rights shall become invalid immediately.

3) Other exercise conditions of stock acquisition rights are according to the decision of the Board of Directors.

2. The stock acquisition rights granted to MOL directors are indicated.

(2) Outline of Stock Acquisition Rights Granted to MOL Employees, etc. during the Fiscal Year under Review, etc.

Issue date	August 16, 2013
Total number of employees granted (persons)	89
MOL executive officers (excluding ones concurrently serving as an MOL officer) (persons)	18
MOL employees (excluding one serving as an MOL officer/executive officer) (persons)	38
Officers and employees of MOL subsidiaries (excluding ones serving as an MOL officer/executive officer/employee) (persons)	33
Total number of stock acquisition rights (units)	1,180
Class and number of shares subject to the stock acquisition rights (shares)	(common stock) 1,180,000
Paid-in value at exercise of stock acquisition rights	without consideration
Exercise price (yen per share)	447
Exercise period of the stock acquisition rights	August 2, 2015 to June 20, 2023
Exercise conditions of the stock acquisition rights	(Note)

Notes:
1. A stock acquisition right cannot be partially exercised.
2. Even if the grantee no longer holds a position as an MOL employee, he/she may exercise stock acquisition rights. However, if the grantee is sentenced to imprisonment or heavier penalty, dismissed from office, or passes away, the granted stock acquisition rights shall become invalid immediately.
3. Other exercise conditions of stock acquisition rights are according to the decision of the Board of Directors.

(3) Other Significant Matters Concerning Stock Acquisition Rights, etc.

There are no significant matters to report.

4. Matters Concerning Officers

(1) Directors and Corporate Auditors (As of March 31, 2014)

Position	Name	Assignment	Significant Concurrent Positions Outside the Company
Representative Director, Chairman of the Board, Chairman Executive Officer	Akimitsu Ashida		Member of the Board (external), JFE Holdings, Inc.
Representative Director, President Executive Officer	Koichi Muto		
Representative Director, Executive Vice President Executive Officer	Kazuhiro Sato	Assistant to President	
Director, Senior Managing Executive Officer	Tsuneo Watanabe	Tanker Division, Tanker Safety Management Office	
Director, Senior Managing Executive Officer	Junichiro Ikeda	Liner Division, Human Resources Division, Research Office	
Director, Managing Executive Officer	Masahiro Tanabe	Finance Division, Accounting Division, Investor Relations Office	
Director	Takeshi Komura		Provided in (3) Matters Concerning Outside Officers below.
Director	Sadayuki Sakakibara		Provided in (3) Matters Concerning Outside Officers below.
Director	Masayuki Matsushima		Provided in (3) Matters Concerning Outside Officers below.
Full-time Corporate Auditor	Masaaki Tsuda		
Full-time Corporate Auditor	Takehiko Ota		
Corporate Auditor	Sumio Iijima		Provided in (3) Matters Concerning Outside Officers below.
Corporate Auditor	Hiroyuki Itami		Provided in (3) Matters Concerning Outside Officers below.

Notes:

1. Takeshi Komura, Sadayuki Sakakibara and Masayuki Matsushima are outside directors as stipulated in Article 2, item (15) of the Companies Act, and the Company has appointed them as independent directors as stipulated under the regulations of the stock exchanges where the Company's common stock is listed and notified the matter to the exchanges.
2. Sumio Iijima and Hiroyuki Itami are outside corporate auditors as stipulated in Article 2, item (16) of the Companies Act, and the Company has appointed them as independent auditors stipulated under the regulations of the stock exchanges where the Company's stock is listed and notified the matter to the exchanges.
3. Sumio Iijima, a corporate auditor, is familiar with corporate legal affairs as an attorney at law, and has considerable knowledge about finance and accounting.
4. Hiroyuki Itami, a corporate auditor, is thoroughly versed in business management through practical research on business strategies as an expert in business science, and has considerable knowledge about finance and accounting.
5. At the conclusion of the Ordinary General Meeting of Shareholders held on June 21, 2013, Directors Toshitaka Shishido, Masafumi Yasuoka, and Shugo Aoto resigned from their offices due to expiration of their terms.
6. At the conclusion of the Ordinary General Meeting of Shareholders held on June 21, 2013, Junichi Narita, a corporate auditor, resigned from his office due to expiration of his term.
7. Executive officers as of March 31, 2014 are as follows (excluding ones concurrently serving as director).

Executive Officers (As of March 31, 2014)

Position	Name	Assignment
Senior Managing Executive Officer	Takashi Kurauchi	Car Carrier Division
Senior Managing Executive Officer	Kenichi Nagata	Coal and Iron Ore Carrier Division, Bulk Carrier Office, Dry Bulk Carrier Supervising Office
Managing Executive Officer	Shizuo Takahashi	Internal Audit Office, Secretaries Office, Corporate Planning Division, Public Relations Office, MOL Information Systems, Ltd.
Managing Executive Officer	Kiyotaka Yoshida	Technical Division
Managing Executive Officer	Hirokazu Hatta	General Affairs Division, Group Business Division, Kansai Area
Managing Executive Officer	Takeshi Hashimoto	LNG Carrier Division, MOL LNG Transport Co., Ltd., Offshore Business
Managing Executive Officer	Tetsuro Nishio	Dedicated Bulk Carrier Division
Managing Executive Officer	Masaaki Nemoto	Human Resources Division, Marine Safety Division, Tanker Safety Management Office, MOL Ship Management Co., Ltd., MOL LNG Transport Co., Ltd., Safety Operation
Managing Executive Officer	Toshiya Konishi	Liner Division
Executive Officer	Tsuyoshi Yoshida	President / Chief Executive Officer of MOL (America) Inc.
Executive Officer	Takashi Maruyama	General Manager of Finance Division
Executive Officer	Akihiko Ono	General Manager of Corporate Planning Division
Executive Officer	Takaaki Inoue	Marine Safety Division, Tanker Safety Management Office, MOL Ship Management Co., Ltd., MOL LNG Transport Co., Ltd.
Executive Officer	Toshiyuki Sonobe	Managing Director of Mitsui O.S.K. Bulk Shipping (Asia Oceania) Pte. Ltd., Southeast Asia
Executive Officer	Yoshikazu Kawagoe	General Manager of Technical Division
Executive Officer	Hideo Horiguchi	General Manager of Accounting Division
Executive Officer	Akio Mitsuta	General Manager of Tanker Division
Executive Officer	Koichi Yashima	Human Resources Division

(2) Remunerations Paid to Directors and Corporate Auditors

Category	Number of Persons Remunerated	Total Amount of Remunerations Paid (millions of yen)
Directors	12	369
Corporate Auditors	5	83
Total	17	452

Notes:
1. The above includes remuneration related to three (3) directors and one (1) corporate auditor who resigned at the conclusion of the Ordinary General Meeting of Shareholders held on June 21, 2013.
2. The above includes payments of remunerations to five (5) outside officers totaling ¥57 million.
3. The above includes the following amounts of stock options offered and recorded as compensation during the fiscal year under review in addition to the monthly compensation paid to directors.
   ¥72 million for nine (9) directors (including ¥10 million for three (3) outside directors)
4. Recorded figures less than one (1) million are rounded down to the nearest million.

(3) Matters Concerning Outside Officers

1) Major activities and significant concurrent positions outside the Company

[Outside Directors]

Name	Major Activities	Significant Concurrent Positions outside the Company
Takeshi Komura	Attended all ten (10) board meetings held in the fiscal year under review and appropriately made statements necessary for discussion of proposals on the basis of many years of experience and knowledge in the fields of economy management and policy finance of our country, from the objective viewpoint of an outside director.	President, The Salt Science Research Foundation President, Capital Market Promotion Foundation Outside Director, Maezawa Industries, Inc.
Sadayuki Sakakibara	Attended eight (8) out of ten (10) board meetings held in the fiscal year under review and appropriately made statements necessary for discussing proposals on the basis of his abundant experience and extensive knowledge as a corporate manager, from the objective viewpoint of an outside director.	Chairman of the Board and Representative Member of the Board, Toray Industries, Inc. Outside Director, Senior Vice President, NIPPON TELEGRAPH AND TELEPHONE CORPORATION Outside Director, Hitachi, Ltd.
Masayuki Matsushima	Attended all ten (10) board meetings held in the fiscal year under review and appropriately made statements necessary for discussing proposals on the basis of his many years of experience and knowledge in the financial sector, from the objective viewpoint of an outside director.	Senior Advisor, the Boston Consulting Group K.K. Outside Director, Mitsui Fudosan Co., Ltd.

[Outside Corporate Auditors]

Name	Major Activities	Significant Concurrent Positions outside the Company
Sumio Iijima	Attended all ten (10) board meetings and all ten (10) corporate auditors' meetings held in the fiscal year under review and appropriately made statements necessary for discussion of proposals mainly from the viewpoint of a specialist as an attorney at law.	Attorney at law, Tokyo Toranomon Law Office Outside Corporate Auditor, Kitagawa Industries Co., Ltd. Outside Corporate Auditor, Isetan Mitsukoshi Holdings, Ltd.
Hiroyuki Itami	Attended all ten (10) board meetings and nine (9) out of ten (10) corporate auditors' meetings held in the fiscal year under review and appropriately made statements necessary for discussion of proposals mainly from the viewpoint of a specialist as a scholar of business administration.	Professor and Dean of Tokyo University of Science, Graduate School of Innovation Studies Outside Director, TOSHIBA CORPORATION Outside Corporate Auditor, JFE Holdings, Inc.

Notes: 1. No significant business relationships exist between the Company and the organizations for which the outside directors and outside corporate auditors hold significant concurrent positions.

2. On March 18, 2014, the Japan Fair Trade Commission (the "JFTC") announced that it had issued a Cease and Desist Order and Surcharge Payment Order to several shipping companies regarding certain car carrier shipping trades. MOL was among the companies found to have violated the Antimonopoly Act. Outside directors and outside corporate auditors of the Company had not been aware of the fact until it was revealed, and they gave appropriate advice to the Company at Board of Directors' meetings and other occasions on a regular basis that it should ensure compliance with laws. Since recognition of the fact, they have appropriately provided advice and guidance on eliminating violations and improving the internal control system of the Company, and have proposed measures to prevent any recurrence of such issues.

2) Outline of the limited liability contract
Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into contracts with outside officers that limit their liability as set forth in Article 423, paragraph (1) of the Companies Act to the total of the amounts set forth in items of Article 425, paragraph (1) of the Companies Act, if they are without knowledge and are not grossly negligent in performing their duties.

5. Status of the Accounting Auditor

(1) Name of Accounting Auditor KPMG AZSA LLC

(2) Compensations to the Accounting Auditor

(Millions of yen)

	Amount of Compensations Paid
Compensations paid for the fiscal year under review	105
Total of cash and other economic benefits payable by the Company and its subsidiaries to the Accounting Auditor	220

Notes: 1. Figures less than one (1) million are rounded down to the nearest million.
2. The audit agreement entered into by MOL and the Accounting Auditor does not clearly distinguish the amount being derived from the audit under the Companies Act and that which is being derived from the audit under the Financial Instruments and Exchange Act and cannot practically distinguish between the two types, therefore, the amount of compensations paid for the fiscal year under review is the total of these amounts.

(3) Contents of Non-audit Services

The Company has entrusted to the Accounting Auditor with “Financial due diligence advisory services” that are services other than ones stipulated in Article 2, paragraph (1) of the Certified Public Accountants Act (non-audit services).

(4) Company Policy for Decisions on Dismissal or Non-reappointment of Accounting Auditor

In the case the Company concludes that it is appropriate to dismiss or not to reappoint the Accounting Auditor in comprehensive consideration of the Accounting Auditor’s performance of its duties and other various factors, the Board of Directors decides to include dismissal or non-reappointment of the Accounting Auditor in the agenda of the general meeting of shareholders, with approval or upon request from the Board of Corporate Auditors.

In case the Accounting Auditor is considered to be within the circumstances stipulated in any of items of Article 340, paragraph (1) of the Companies Act, the Board of Corporate Auditors shall dismiss the Accounting Auditor by consent of all corporate auditors.

6. System to Secure Properness of Operations

The outline of decisions on the system to ensure that the execution of duties by the directors complies with laws and regulations and the articles of incorporation and the system to secure the properness of other corporate operations is as follows:
(Final revision: March 29, 2013)

(1) System to Ensure that the Execution of Duties by the Directors and Executive Officers Complies with Laws and Regulations and the Articles of Incorporation

1) The Company shall ensure that directors, executive officers and employees comply with the code of conduct stipulated in Article 4 of the Compliance Policy, advocating an “open and visible management style that is guided by the highest ethical and social standards,” as one of its corporate principles.
2) The Board of Directors consisting of internal directors and outside directors secures its proper operations with rules of the Board of Directors, supervises execution of duties by directors and prevents violation of laws and regulations and the articles of incorporation. Also directors are involved in the highest level of policymaking regarding all aspects of corporate management through the Board of Directors, and, as a member of the Board of Directors, supervise and encourage executive officers to execute business.

3) The Executive Committee set up by the Board of Directors deliberates to enable the President Executive Officer to decide important issues on basic management plans and execution of business, based on uppermost policies decided by the Board of Directors.
4) Executive officers are appointed by the Board of Directors, take over authorities transferred by representative directors based on rules of executive officers, and perform his/her duties in accordance with uppermost policies decided by the Board of Directors regarding all aspects of corporate management.
5) The Board of Directors shall make efforts to create an environment which enables the corporate auditors to audit the performance of duties by directors and executive officers in accordance with auditing policies stipulated in the rules of the Board of Corporate Auditors and the standards of audit by the corporate auditors, and enables the corporate auditors to fulfill policies stipulated in other laws and regulations.

(2) System Concerning the Preservation and Management of Information on Execution of Duties by Directors and Executive Officers

1) Information on execution of duties by directors and executive officers is properly preserved and managed during a specified period in accordance with the rules of document management.
2) Directors and corporate auditors may access to these documents at any time.

(3) Rules and Other Systems Concerning Management of Risk that May Cause Losses

In preparation for major risks that may cause losses, the Company establishes the following control systems, and the Executive Committee functions as a body to comprehensively manage all risks.

1) Risks concerning maritime shipping market trends
In the marine transportation field, the Company's principal business, the shipping tonnage supply-demand is influenced by trends in the volume of global seaborne trades and supply of vessels, and freight rates and hire rates fluctuate. Hence, such material issues as investment in ships and others are brought to a decision-making body, after the Investment and Finance Committee set up as a primary deliberative organ of the Executive Committee understands, analyzes and evaluates risks.
2) Safe operation of ships
The Operational Safety Committee, that has been set up as a subordinate organ of the Executive Committee and led by the President / Executive Officer, reviews and deliberates issues concerning safe operation based on the rules of the Operational Safety Committee, in order to secure and thoroughly implement the safe operation of ships. Should an accident occur, it prevents damage from expanding and protects the environment in accordance with the rules of the Emergency Control Headquarters.
3) Market risks
Market risks including fluctuations of bunker prices, exchange rates and interest rates are reduced with appropriate management based on the rules of market risk management.

(4) System to Secure Efficient Execution of Duties by Directors and Executive Officers

1) The Board of Directors meets approximately 10 times per year with appropriate intervals between meetings, and as necessary. Material matters to be brought to the Board of Directors are, in general, deliberated in the Executive Committee in advance based on the rules of the Board of Directors.
2) The Executive Committee consisting of members appointed by the President Executive Officer and approved by the Board of Directors meets once a week in general, and as necessary, based on the rules of the Executive Committee. Furthermore, if required, the Executive Committee sets up a subcommittee to consult about necessary matters.
3) Executive officers perform their duties, based on the division of duties by organization and the administrative authority of each position stipulated in the organizational rules.

(5) System to Ensure that the Performance of Duties by Employees Complies with Laws and Regulations and the Articles of Incorporation

1) The compliance system is enhanced and maintained by establishing a Compliance Policy and setting up a Compliance Committee led by an officer appointed by the Executive Committee.
2) The Company ensures that the employees comply with the code of conduct stipulated in Article 4 of the Compliance Policy.
3) For reports and consultation on violation of laws and other compliance rules, the reporting and consultation system including the Compliance Advisory Service Desk is maintained and operated based on the Compliance Policy.

4) The Internal Audit Office is established, and is directed only by the Executive Committee as an internal audit department and independent from any other positions.

(6) System to Secure the Reliability of Financial Reporting

1) In attempt to secure appropriate accounting and enhance the reliability of financial reporting, the rules for accounting shall be prescribed while a system of internal control over financial reporting shall be arranged and steps shall be taken to enhance the effectiveness of the system.
2) The Internal Audit Office evaluates the effectiveness of internal control over financial reporting. The department receiving the evaluation implements measures for correction or improvement as necessary.

(7) System to Secure the Propriety of Business Carried Out by the Group Consisting of the Company and its Subsidiaries

1) In an attempt to secure the propriety of business carried out by the Group companies, the group corporate principles are advocated, and each Group company prescribes various rules based on it.
2) As for business management of the Group companies, a division or an officer of the Company is nominated to be responsible for the business management of each Group company. Based on the rules of the Group companies' business management, a head of the division or the officer requires the Group companies to report matters as necessary, properly understands the management status and business risks, and requires the Group companies to carry out material matters about management with the Company's approval.
3) To secure compliance among the Group companies, each Group company prescribes various rules conforming to the Company's Compliance Policy including the code of conduct. The Compliance Advisory Service Desk provides officers and employees of the Group companies with consultation service, about the compliance program as properly applicable to the entire Group.
4) As for the audits of the Group companies, each Group company appropriately establishes an internal audit system, and the Internal Audit Office of the Company conducts internal audits of the Group companies on a periodical basis and as necessary based on the internal audit rules.

(8) System Concerning Employees to Assist in the Corporate Auditors' Duties and Their Independence from Directors and Executive Officers

1) The Corporate Auditor Office is established to assist in the corporate auditors' duties, and assistants for corporate auditors are appointed among the Company's employees.
2) Personnel evaluation of assistants for corporate auditors is conducted by the corporate auditors, and the transfer of assistants for corporate auditors is decided with approval of the Board of Corporate Auditors.
3) In general, assistants for corporate auditors shall not be concurrently involved in business execution.

(9) System Concerning Reports to the Corporate Auditors Including a Reporting System from Directors, Executive Officers, Employees and Others Concerning Reports to the Corporate Auditors, and System to Ensure that the Audit is Effectively Conducted by the Corporate Auditors

1) Rules are prescribed on matters to be reported to the corporate auditors by directors, executive officers and employees. Based on those rules, directors, executive officers and employees shall report to the corporate auditors on material matters that may have impact on the Company's businesses or performance.
2) By maintaining the appropriate operation of reporting and consultation service systems based on the Compliance Policy, the appropriate reporting system to the corporate auditors on issues concerning compliance such as violation of laws is secured.
3) Representative directors make efforts to have regular meetings with the corporate auditors.
4) The Internal Audit Office shall cooperate in the effective implementation of the audit by the corporate auditors, while keeping in contact and coordinating with the corporate auditors.

[Translation for Reference and Convenience Purposes Only]

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

Item	As of March 31, 2014	As of March 31, 2013
	Amount	Amount
(Assets)		
Current assets	**533,639**	**514,246**
Cash and deposits	98,148	150,780
Trade receivables	146,786	145,407
Marketable securities	83,000	35,938
Inventories	59,349	59,437
Deferred and prepaid expenses	73,284	56,274
Deferred tax assets	1,628	1,907
Other current assets	72,138	65,090
Allowance for doubtful accounts	(697)	(589)
Fixed assets	**1,831,055**	**1,650,364**
(Tangible fixed assets)	**1,379,244**	**1,303,967**
Vessels	860,095	825,346
Buildings and structures	136,990	138,347
Equipment, mainly containers	10,273	9,052
Equipment and parts	4,929	4,624
Land	215,610	214,614
Vessels and other property under construction	148,971	109,917
Other tangible fixed assets	2,373	2,063
(Intangible fixed assets)	**29,384**	**22,928**
(Investments and other assets)	**422,426**	**323,468**
Investment securities	111,060	103,755
Investments in and advances to unconsolidated subsidiaries and affiliates	123,394	90,183
Long-term loans receivable	37,519	23,117
Long-term prepaid expenses	3,550	20,407
Net defined benefit assets	21,199	-
Deferred tax assets	3,768	4,033
Other long-term assets	123,717	84,091
Allowance for doubtful accounts	(1,785)	(2,120)
Total Assets	**2,364,695**	**2,164,611**

[Translation for Reference and Convenience Purposes Only]

(Millions of yen)

Item	As of March 31, 2014	As of March 31, 2013
	Amount	Amount
(Liabilities)		
Current liabilities	**430,045**	**425,725**
Trade payables	143,196	142,585
Short-term bonds	45,000	25,000
Short-term bank loans	105,188	137,546
Accrued income taxes	6,909	7,047
Advances received	37,696	26,660
Deferred tax liabilities	1,716	1,117
Allowance for bonuses	4,530	3,814
Allowance for directors' bonuses	121	116
Commercial papers	-	2,000
Other current liabilities	85,687	79,835
Fixed liabilities	**1,151,100**	**1,119,393**
Bonds	180,500	213,500
Long-term bank loans	740,038	648,227
Long-term lease obligations	21,564	19,134
Deferred tax liabilities	81,130	71,132
Net defined benefit liabilities	12,935	-
Allowance for employees' severance and retirement benefits	-	13,471
for directors' and corporate auditors' retirement benefits	1,852	2,027
for special repairs	14,191	14,758
Other fixed liabilities	98,888	137,140
Total Liabilities	**1,581,146**	**1,545,118**
(Net Assets)		
Owners' equity	**605,768**	**550,714**
Common stock	65,400	65,400
Capital surplus	44,516	44,482
Retained earnings	502,833	447,829
Treasury stock, at cost	(6,981)	(6,997)
Accumulated gains (losses) from valuation and translation adjustments	**73,392**	**(15,292)**
Unrealized holding gains on available-for-sale securities, net of tax	32,809	24,752
Unrealized gains (losses) on hedging derivatives, net of tax	39,711	(196)
Foreign currency translation adjustments	(315)	(39,848)
Remeasurements of defined benefit plans	1,186	-
Share subscription rights	**2,390**	**2,115**
Minority interests	**101,998**	**81,955**
Total Net Assets	**783,549**	**619,492**
Total Liabilities and Total Net Assets	**2,364,695**	**2,164,611**

[Translation for Reference and Convenience Purposes Only]

Consolidated Statements of Income

(Millions of yen)

Item	FY2013 (From Apr. 1, 2013 to Mar. 31, 2014) Amount	FY2012 (From Apr. 1, 2012 to Mar. 31, 2013) Amount
Shipping and other operating revenues	**1,729,452**	**1,509,194**
Shipping and other operating expenses	1,587,902	1,432,014
Gross operating income	**141,550**	**77,179**
Selling, general and administrative expenses	100,458	92,946
Operating income (loss)	**41,092**	**(15,766)**
Non-operating income		
Interest income	2,318	1,673
Dividend income	7,022	3,492
Gain on sale of containers	4,220	3,595
Others	15,946	3,542
Total non-operating income	**29,507**	**12,304**
Non-operating expenses		
Interest expense	12,583	13,020
Equity in losses of affiliates	1,234	4,935
Others	1,796	7,149
Total non-operating expenses	**15,613**	**25,105**
Ordinary income (loss)	**54,985**	**(28,568)**
Extraordinary profit		
Gain on sales of fixed assets	7,094	12,253
Gain on sales of investment securities	1,199	205
Gain on sale of subsidiaries and affiliates stocks	21,857	62
Cancellation fee for chartered vessels	572	1,844
Others	5,326	1,698
Total extraordinary profit	**36,050**	**16,064**
Extraordinary loss		
Loss on sales, disposal and retirement of fixed assets	6,702	3,882
Impairment loss	6,447	10,978
Loss arising from marine accident	2,397	-
Cost of business structural reforms	-	101,463
Others	3,777	9,110
Total extraordinary loss	**19,325**	**125,434**
Income (loss) before income taxes and minority interests	**71,710**	**(137,938)**
Income taxes - current	**13,796**	**11,324**
Income taxes - deferred	**(4,525)**	**24,799**
Income (loss) before minority interests	**62,439**	**(174,062)**
Minority interests in earnings of consolidated subsidiaries	**5,045**	**4,783**
Net income (loss)	**57,393**	**(178,846)**

[Translation for Reference and Convenience Purposes Only]

Consolidated Statement of Changes in Net Assets

(Millions of yen)

	Owners' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total owners' equity
Balance at April 1, 2013	**65,400**	**44,482**	**447,829**	**(6,997)**	**550,714**
Changes during the fiscal year					
Dividends paid			(2,392)		(2,392)
Net income			57,393		57,393
Due to change in consolidated subsidiaries			2		2
Repurchase of treasury stock				(61)	(61)
Disposal of treasury stock		34		77	111
Net increase/decrease during the term except in owners' equity					
Total changes during the fiscal year	**-**	**34**	**55,003**	**16**	**55,053**
Balance at March 31, 2014	**65,400**	**44,516**	**502,833**	**(6,981)**	**605,768**

	Accumulated gains (losses) from valuation and translation adjustments					Share subscription rights	Minority interests	Total Net assets
	Unrealized holding gains on available-for-sale securities, net of tax	Unrealized gains (losses) on hedging derivatives, net of tax	Foreign currency translation adjustments	Remeasure-ments of defined benefit plans	Total accumulated gains (losses) from valuation and translation adjustments			
Balance at April 1, 2013	**24,752**	**(196)**	**(39,848)**	**-**	**(15,292)**	**2,115**	**81,955**	**619,492**
Changes during the fiscal year								
Dividends paid								(2,392)
Net income								57,393
Due to change in consolidated subsidiaries								2
Repurchase of treasury stock								(61)
Disposal of treasury stock								111
Net increase/decrease during the term except in owners' equity	8,057	39,907	39,533	1,186	88,684	275	20,042	109,002
Total changes during the fiscal year	**8,057**	**39,907**	**39,533**	**1,186**	**88,684**	**275**	**20,042**	**164,056**
Balance at March 31, 2014	**32,809**	**39,711**	**(315)**	**1,186**	**73,392**	**2,390**	**101,998**	**783,549**

[Translation for Reference and Convenience Purposes Only]

[Reference Document]

Consolidated Statements of Cash Flows

(Millions of yen)

Items	FY2013 (From April 1, 2013 to March 31, 2014)	FY2012 (From April 1, 2012 to March 31, 2013)
	Amount	Amount
Cash flows from operating activities	94,255	78,955
Cash flows from investing activities	(119,870)	(104,240)
Cash flows from financing activities	(7,093)	138,767
Effect of exchange rate changes on cash and cash equivalents	10,582	4,316
Net increase (decrease) in cash and cash equivalents	(22,126)	117,799
Cash and cash equivalents at beginning of year	200,636	82,837
Net cash increase from new consolidation/de-consolidation of subsidiaries	1,616	-
Cash and cash equivalents at end of the FY	180,125	200,636

[Translation for Reference and Convenience Purposes Only]

Notes to Consolidated Financial Statements

Significant Matters for Basis of Preparation of Consolidated Financial Statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 357

(2) Names of principal consolidated subsidiaries are as stated in “1 Matters Concerning the Present State of the Corporate Group, (10) Principal Subsidiaries” in Business Report.

(3) Names of principal non-consolidated subsidiaries: Asia Cargo Service Co., Ltd.

(4) Reason for exclusion from the scope of consolidation
Total assets, net revenues, net income (calculated according to our equity interest) and retained earnings (calculated according to our equity interest) of non-consolidated subsidiaries are not substantial respectively, and do not have a material impact on the consolidated statutory reports.

2. Application of equity method

(1) Number of affiliates accounted for by the equity method: 73

(2) Names of principal affiliates accounted for by the equity method:
Daiichi Chuo Kisen Kaisha, Asahi Tanker Co., Ltd.

(3) Names of principal non-consolidated subsidiaries that are not accounted for by the equity method:
Asia Cargo Service Co., Ltd.

(4) Names of principal affiliates that are not accounted for by the equity method:
Sorami Container Center Co., Ltd.

(5) Reason for exclusion from the scope of applying the equity method
Amounts calculated according to our equity interest in net income and retained earnings of non-consolidated subsidiaries and affiliates that are not accounted for by the equity method are not significant.

3. Changes in scope of consolidation and application of equity method

(1) Scope of consolidation
Twenty one (21) companies, including MOL TREASURY MANAGEMENT PTE. LTD., a newly established company, have been newly included in the scope of consolidation effective the fiscal year under review. Thirteen (13) companies, including CIRRUS MARITIME INC., which had been a consolidated subsidiary, were excluded from the scope of consolidation due to completion of their liquidation, etc.

(2) Scope of applying the equity method
Eleven (11) companies including CARIOCA MV27 B.V. have been accounted for under the equity method effective the fiscal year under review from the viewpoint of the significance. Three (3) companies including OASIS LNG CARRIER S.A., which had been accounted for under the equity method, were excluded from the scope of equity method application due to completion of liquidation, etc.

4. Significant accounting policies

(1) Bases and methods of valuation of assets

Securities

Trading securities	Market value method (Calculating cost of securities sold mainly using the moving-average method)
Held-to-maturity debt securities	Amortized cost method
Other securities	
Available-for-sale securities	
with market value	Market value method based on the market price as of the closing date (Differences in valuation are included directly in net assets and costs of securities sold are calculated mainly using the moving-average method)
without market value	Stated at cost mainly using the moving-average method
Derivative transactions	Market value method
Inventories (Fuel and supplies)	Stated at cost mainly using the moving-average method Figures on the balance sheets have been calculated based on the method of reducing the book value in accordance with the decline in profitability.

(2) Depreciation methods for fixed assets

Tangible fixed assets (excluding leased assets)

Vessels	Mainly straight-line method (Declining-balance method for a part of vessels)
Buildings and structures	Mainly straight-line method
Other tangible fixed assets	Mainly declining-balance method

Intangible fixed assets (excluding leased assets) Straight-line method

As for software for in-house use, the straight-line method is used with a useful life in-house of 5 years.

As for goodwill, the equally divided amount is amortized over 5 years, in general.

Leased assets

Leased assets related to finance lease transactions that transfer ownership

The Company adopts the method consistent with the depreciation method applied on fixed assets owned on its own.

Leased assets related to finance lease transactions that do not transfer ownership

The Company adopts the straight-line method over the term of the lease assuming no residual value. The Company adopts accounting standards corresponding to the method related to normal rental and lease transactions for finance lease transactions that do not transfer ownership and for which the lease transaction commenced on or before March 31, 2008.

(3) Disposition method of deferred assets

Bond issue expenses	The entire amount is expensed as incurred.
Stock issue expenses	The entire amount is expensed as incurred.

(4) Accounting for allowances

Allowance for doubtful accounts

Provided for losses on ordinary receivables using the historical default rate and provided for losses on specific receivables where there is a possibility of default based on the estimated amount of uncollectible receivables on an individual basis.

Allowance for bonuses

Provided for bonus payments to employees based on the estimated amounts of future payments attributed to the fiscal year.

Allowance for directors' bonuses

Some consolidated domestic subsidiaries provide for bonus payments to directors based on the estimated amounts of future payments.

Allowance for directors' and corporate auditors' retirement benefits

To provide for the payment of retirement benefits to directors and corporate auditors, the Company and a part of consolidated domestic subsidiaries record an amount to adequately cover payments at the end of the fiscal year under review, in accordance with internal regulations. Effective from the conclusion of the Ordinary General Meeting of Shareholders of the Company for FY2004, the Company abolished the retirement benefits plan for directors and corporate auditors. Following the decision in that meeting, the Company recognizes liabilities for retirement benefit for directors and corporate auditors until the conclusion of the shareholders' meeting for FY2004, which will be paid upon their retirement, in accordance with internal regulations.

Allowance for special repairs

Provided for the payment for special repairs of vessels based on the estimated amount of repairs of vessels.

(5) Recognition of freight revenues and related expenses

Containerships:	Recognized by the multiple transportation progress method.
Vessels other than containerships:	Recognized mainly by the completed-voyage method.

(6) Hedge accounting

Hedge accounting

The Company mainly adopts deferral hedge accounting. The Company adopts special accounting rules for interest swaps that satisfy the requirements for special accounting rules.

Hedging instruments and hedged items

Means for hedging	Hedged items
Loans payable in foreign currencies	Foreign currency future transactions
Forward foreign exchange contracts	Foreign currency future transactions
Currency option contracts	Foreign currency future transactions
Currency swap contracts	Foreign currency loans payable
Interest rate swap contracts	Interest on loans and bonds payable
Crude oil swap contracts	Fuel oil
Commodities futures	Fuel oil
Freight futures	Freight

Hedging policy

The hedging derivative transactions are executed and managed by the Company mainly in accordance with established policies, "Market Risk Management Policy" and "Guideline for Market Risk Management," clarifying hedged items by individual case, in order to hedge risks of currency exchange rate fluctuations, interest rate fluctuations, or changes in prices against relevant hedged items.

Method of evaluating the effectiveness of hedges

The Company evaluates hedge effectiveness mainly by comparing the cumulative changes in cash flows from or the changes in fair value of hedged items, and the cumulative changes in cash flows from or the changes in fair value of hedging instruments during the period from commencement of hedging to the point of evaluating effectiveness, based on changes in both amounts and others. As for interest swap contracts meeting the requirement for special treatment, the evaluation of hedge effectiveness is omitted.

(7) In the Company and consolidated subsidiaries, interest paid is expensed as incurred, in general. However, in cases where a period from start to completion of construction is long and the scale of investment is significant, interest expenses incurred during the construction period are included as part of the acquisition cost.

(8) Other significant matters for the preparation of consolidated financial statements

Accounting for retirement benefits

To provide for the payment of retirement benefits to employees, the amount is recorded based on the estimates of retirement benefit obligations and pension assets as of the end of the fiscal year under review. Actuarial differences are recognized in the statements of income using the straight-line method within the estimated remaining service period (generally 10 years) commencing with the following period. Prior service cost is chiefly accounted for as expenses in a lump-sum at the time of occurrence.

Accounting for consumption taxes

Consumption tax and local consumption tax are accounted for by the tax exclusion method.

Notes to Changes in Accounting Policies

(Application of accounting standards for retirement benefits and another standard)

The Company has applied the “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, May 17, 2012) and the “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012), except for the provisions of the main clauses of Paragraph 35 of the Accounting Standard for Retirement Benefits and Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits, effective from the fiscal year ended March 31, 2014. Accordingly, the Company has changed its accounting policy to one that recognizes the difference between retirement benefit obligations and plan assets as net defined benefit liabilities or net defined benefit assets and recorded unrecognized actuarial gains and losses and unrecognized prior service costs under net defined benefit liabilities or net defined benefit assets.

Application of the Accounting Standard for Retirement Benefits and Guidance on Accounting Standard for Retirement Benefits is in line with the transitional measures provided in Paragraph 37 of the Accounting Standard for Retirement Benefits. In accordance with such measures, the effect of the change has been added to or deducted from remeasurements of defined benefit plans under accumulated gains (losses) from valuation and translation adjustments as of March 31, 2014.

As a result of the change, as of March 31, 2014, net defined benefit liabilities of 12,935 million yen and net defined benefit assets of 21,199 million yen were recorded. Also, accumulated gains (losses) from valuation and translation adjustments increased by 1,186 million yen.

Notes to Changes in Presentations

(Consolidated statements of income)

Although "Gain on sale of subsidiaries and affiliates stocks" had been included in "Others" up to the previous fiscal year, the item is separately presented in the fiscal year under review due to the increase in its monetary significance. "Gain on sale of subsidiaries and affiliates stocks" for the previous fiscal year was ¥62 million.

Although "Loss on valuation of investment securities" (¥22 million for the fiscal year under review) and "Cancellation fee for chartered vessels" (¥0 million for the fiscal year under review) were separately presented in the previous fiscal year, the items are included in "Others" due to the decrease in their monetary significance.

Notes to Changes in Accounting Estimates

(Change of useful life)

As a part of the Business Structural Reforms executed in the previous fiscal year, we reviewed the policy on use of vessels based on actual use records. Then, we found that vessels can be used longer than their conventional useful life. Therefore, in this fiscal year, the period of useful lives of dry bulkers and car carriers were changed from the conventional 15 years to 20 years, and tankers from the conventional 13-18 years to 20-25 years.

As a result, each of operating income, ordinary income, and net income before taxes for the fiscal year was increased by ¥10,684 million, respectively, compared to the conventional method.

Notes to Consolidated Balance Sheets

1. Breakdown and amounts of inventories

Raw materials and supplies	58,210 million yen
Other	1,138 million yen

2. Assets pledged as collateral and secured obligations

(1) Assets pledged as collateral

Vessels	177,092 million yen
Buildings and structures	135 million yen
Vessels and other property under construction	72,952 million yen
Investment securities	21,158 million yen
Equity securities issued by subsidiaries and affiliates	38,989 million yen
Total	310,328 million yen

(2) Secured obligations

Short-term loans	11,955 million yen
Long-term loans	132,539 million yen
Total	144,495 million yen

Pledged investment securities and equity securities issued by subsidiaries and affiliates include the following securities:

a) Investment securities at ¥21,076 million and equity securities issued by subsidiaries and affiliates at ¥11,143 million were pledged in order to secure losses to be incurred when the Company and our subsidiaries and affiliates cause oil pollution casualties in U.S. ocean area, and obligations for them have not been incurred as of the end of the fiscal year under review. ¥11,143 million in equity securities issued by subsidiaries and affiliates are equity securities issued by consolidated subsidiaries.

b) Equity securities issued by subsidiaries and affiliates at ¥27,845 million were pledged in order to secure long-term loans and future payment of charter fees of subsidiaries and affiliates.

c) Investment securities of ¥81 million were pledged as collateral for long-term loans associated with an LNG carrier project.

3. Accumulated depreciation of tangible fixed assets 777,790 million yen

4. Contingent liabilities

Guarantee liabilities, etc.	78,168 million yen
(Including guarantee liabilities in foreign currency	67,149 million yen)

5. Others

The MOL Group is subject to investigations by overseas competition law authorities including those of the U.S. and Europe for violation of competition laws of those countries regarding price control negotiations for ocean transport services of completely built-up vehicles. In addition, a class-action lawsuit was filed in the U.S. and other countries against the MOL Group for damage claims and for a cease and desist order for the questioned conduct. Meanwhile, the effect of these investigations and lawsuit on the financial results of MOL Group is uncertain as its financial impact is not estimable at this stage.

In Japan, MOL had been under investigation by the Japan Fair Trade Commission (the "JFTC") since September 2012 for violation of the Japanese Antimonopoly Act regarding certain car carrier shipping trades. However, MOL was exempted from all of the Cease and Desist Orders and Surcharge Payment Orders issued by the JFTC in March 2014 because the JFTC accepted an application made by MOL under the JCTC's leniency program. Meanwhile, Nissan Motor Car Carrier Co., Ltd., which is a consolidated subsidiary of the Company, also made an application under the JFTC's leniency program and secured a reduction of its surcharge, but was not exempted from the Cease and Desist Order and Surcharge Payment Order.

Notes to Consolidated Statement of Changes in Net Assets

1. Class and total number of issued and outstanding shares at the end of this fiscal year

Class:	Common stock
Total number of shares:	1,206,286,115 shares

2. Class and number of shares of treasury stock at the end of the fiscal year

Class:	Common stock
Number of shares:	10,373,683 shares

3. Matters concerning dividend distribution of surplus

(1) Amount of dividend payment

Resolution	Class of stock	Total dividend (millions of yen)	Dividend per share (yen)	Record date	Effective date
Board of Directors' meeting October 31, 2013	Common stock	2,392	2.0	September 30, 2013	November 22, 2013

(2) Dividend for which record date is in the current fiscal year but the effective date for the dividend is in the following fiscal year.

Resolution	Class of stock	Total dividend (millions of yen)	Source of dividend	Dividend per share (yen)	Record date	Effective date
Ordinary General Meeting of Shareholders June 24, 2014	Common stock	3,587	Retained earnings	3.0	March 31, 2014	June 25, 2014

4. Class and number of shares subject to the share subscription rights at the end of the fiscal year

(Excluding rights before exercise period of the share subscription rights)

Class: Common stock

Total number of shares: 11,097,000 shares

Notes on Financial Instruments

1. Qualitative information on financial instruments

We raise capital investment funds to acquire vessels and other fixed assets primarily through bank loans and corporate bonds. In addition, we secure short-term operating funds through commercial papers and bank loans. Furthermore, we have established commitment line with Japanese banks in preparation for supplementing liquidity in emergency situations. Trade receivables are exposed to the credit risks of customers. We strive to mitigate such risks in accordance with internal regulations. Besides, trade receivables denominated in foreign currencies are exposed to the foreign currency exchange rate risk. We avoid the risk mainly by, in principle, utilizing forward exchange contracts which cover the net position (The difference between trade receivables and trade payables dominated in foreign currencies). Investment securities are mainly stocks of companies with which we have business relationships. We identify the market value of listed stocks on a quarterly basis.

Trade payables are due within a year. Short-term loans are primarily used for raising short-term operating funds, while long-term loans and bonds are mainly for capital investments. Although several items with variable interest rates are exposed to the interest rate risk, a certain portion of such variable interest rates is fixed with the use of interest rate swaps. Long-term loans dominated in foreign currencies are exposed to the foreign currency exchange rate risk, a part of which is avoided by using currency swaps. Derivatives are utilized to hedge risks as discussed above and are executed within the scope of real requirements in accordance with the established policies “Market Risk Management Policy” and “Guideline for Market Risk Management.” Our policy is not to use derivatives for speculative purposes.

2. Fair values of financial instruments

Book values and fair values of the financial instruments as well as differences between them at end of the fiscal year are the following;

(Millions of yen)

	Book Value	Fair Value	Difference
(1) Cash and deposits	98,148	98,148	–
(2) Trade receivables	146,786	146,786	–
(3) Marketable securities Available-for-sale securities	83,000	83,000	–
(4) Short-term loans receivable	1,445	1,445	–
(5) Long-term loans receivable (*1)	41,014	46,748	5,733
(6) Investment securities Available-for-sale securities	103,417	103,417	–
(7) Trade payables	143,196	143,196	–
(8) Short-term loans	14,696	14,696	–
(9) Bonds (*2)	225,500	230,952	5,452
(10) Long-term loans (*3)	830,529	833,094	2,564
(11) Derivative financial instruments (*4)	83,294	82,895	△399

(*1) The book value of long-term loans receivable includes current portion amounting to ¥3,495 million.
(*2) The book value of bonds includes current portion amounting to ¥45,000 million.
(*3) The book value of long-term loans includes current portion amounting to ¥90,491 million.
(*4) Amounts of derivative financial instruments are net of asset and liability. Negative amount stated with [ ].

Notes: 1. The following is a description of the valuation methodologies used for the assets and liabilities measured at the fair value.

(1) Cash and deposits, (2) Trade receivables and (4) Short-term loans receivable

Since these assets are settled in a short term and their fair value is almost equal to the book value, the fair value is evaluated at the book value.

(3) Marketable securities and (6) Investment securities

The fair value of stocks is evaluated at market prices at stock exchange as of the end of the fiscal year and the fair value of bonds is evaluated at market prices at stock exchange or provided by financial institutions as of the end of the fiscal years.

(5) Long-term loans receivable

The fair value of long-term loans receivable with variable interest rate is evaluated at the book value because the interest rate reflects the market rate in a short term and their fair value is almost equal to the book value, unless the creditworthiness of the borrower has changed significantly since the loan origination. The fair value of long-term loans receivable with fixed interest rates, for each category of loans based on types of loans, and maturity length, is evaluated by discounting the total amount of principal and interest using the rate which would apply if similar borrowing were newly made.

(7) Trade payables, and (8) Short-term loans

Since these assets are settled in a short term and their fair value is almost equal to the book value, the fair value is evaluated at the book value.

(9) Bonds

The fair value of corporate bonds at market price are valued at market price.

(10) Long-term loans

The fair value of long-term bank loans with variable interest rates is evaluated at the book value because their fair value is almost equal to the book value, the interest rate reflects the market rate in a short term and there has been no significant change in the creditworthiness of us before and after such bank loans were made. Long-term bank loans with fixed interest rates are classified by their duration, and based on their individual loan types, their fair value is evaluated by discounting the total amount of principal and interest using the rate which would apply if similar bank loans were newly taken out. The fair value of long-term bank loans qualifying for allocation method of interest and currency swap is evaluated at the book value because such bank loans were deemed as the variable interest rates bank loans and the interest rate reflects the market rate in a short term.

(11) Derivative financial instruments

The fair value of derivative financial instruments, which are used for the hedging purposes, is measured based on forward exchange rates prevailing at the end of the fiscal year, information provided by financial institutions, etc. Currency swaps whose transactions are booked in yen by translation at the exchange rate stipulated in the contract are recorded as the combined amount of such currency swaps and their hedged items. Therefore, their fair value is included in fair values of such hedged items.

2. The following table summarizes financial instruments whose fair value is extremely difficult to estimate.

(Millions of yen)

Item	Book Value
Unlisted stocks	7,627
Others	16
Total	7,643

The above items are not included in the amount presented under the line "(6) Investments securities Available-for-sale securities" in the table summarizing fair value of financial instruments, because the fair value is extremely difficult to estimate as they have no quoted market price and the future cash flow cannot be estimated.

Notes on Rental Property

1. Qualitative information on rental property

The Company and certain of its consolidated subsidiaries own real estate for office lease (including lands) in Tokyo, Osaka and other areas.

2. Fair value of rental property

(Millions of yen)

Book Value	Fair Value
280,120	381,024

Notes: 1. The book value was calculated as the amount equivalent to the cost for acquisition deducting accumulated depreciation.

2. The fair value is mainly based upon the amount appraised by outside independent real estate appraisers. For other properties, the fair value of land is the amount adjusted using an index that is believed to reflect the market price properly, and that of depreciable assets such as buildings is the amount on consolidated balance sheets.

Per-share Information

1. Net assets per share 567.90 yen
2. Net income per share 47.99 yen

Material Subsequent Events

The Company, by a resolution of a Board of Directors' meeting held on April 8, 2014, issued Euro US dollar Zero Coupon Convertible Bond due 2018 and Euro US dollar Zero Coupon Convertible Bond due 2020. All payments were made on April 24. An outline of these bonds is as follows.

(1) Securities offered	Euro US dollar Zero Coupon Convertible Bond due 2018	Euro US dollar Zero Coupon Convertible Bond due 2020
(2) Total issue amount	US$300,000,000	US$200,000,000
(3) Issue prices	100.0% of principal amount	Same as to the left
(4) Offer prices	102.5% of principal amount	Same as to the left
(5) Coupon	Zero	Same as to the left
(6) Closing and issue date	April 24, 2014	Same as to the left
(7) Redemption prices	100% of principal amount	Same as to the left

(8) Redemption at maturity Early redemption and cancellation by acquisition	April 24, 2018 Early redemption and cancellation by acquisition by the bonds under certain circumstances are specified in the Information Memorandum.	April 24, 2020 Same as to the left
(9) Particulars of stock acquisition rights		
i. Class of share to be issued upon exercise of the stock acquisition rights	Common stock of the Company	Same as to the left
ii. Total number of stock acquisition rights	3,000 units	2,000 units
iii. Conversion price	US$5.34	US$4.80
iv. Exercise period Supplementary provisions	From May 8, 2014 to April 10, 2018 *Before three months prior to redemption date, the said stock acquisition rights shall not be exercised unless the stock price exceeds 130% of the conversion price for a certain period. *After three months prior to redemption date, the Company may acquire the bonds in exchange for 100% of principal amount in cash and common stock for value exceeded principal amount.	From May 8, 2014 to April 9, 2020 Same as to the left Same as to the left
v. Amount to be paid upon exercise of the stock acquisition rights	The bonds in respect of the relevant stock acquisition rights shall be contributed upon exercising of each stock acquisition right, and the price of the bonds shall be equal to the principal amount of the bonds.	
vi. Capital and capital reserve increased in the case stocks are issued by exercising stock acquisition rights	The amount of capital increased in case the stocks are issued by exercising stock acquisition rights shall be half of the maximum increase of capital, etc., calculated in accordance with Article 17 of the “Company Calculation Ordinance,” and any amount less than one yen arising from such calculation shall be rounded up. The increase in capital reserve shall be obtained by subtracting the capital increased from the maximum increase of capital, etc.	
(10) Security or guarantee	None	
(11) Use of proceeds	Proceeds from issuance of the bonds shall be used as capital investment for ships, including LNG carriers, which are expected to be built and completed from now, and the offshore business.	

Other Notes

Figures less than one (1) million yen are rounded down to the nearest million.

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Millions of yen)

Item	As of March 31, 2014	As of March 31, 2013
	Amount	Amount
(Assets)		
Current assets	**368,521**	**398,115**
Cash and deposits	24,263	71,032
Trade receivables	86,113	97,205
Short-term loans receivable	26,866	67,789
Advances	14,912	11,990
Marketable securities	83,000	35,938
Inventories	43,011	41,954
Deferred and prepaid expenses	46,878	45,498
Receivable from agencies	19,780	11,450
Other receivables	10,991	3,659
Other current assets	13,218	12,012
Allowance for doubtful accounts	(516)	(417)
Fixed assets	**670,662**	**607,521**
(Tangible fixed assets)	**124,072**	**116,120**
Vessels	89,138	82,320
Buildings	10,204	10,883
Structures and equipment	379	391
Vehicles and transportation equipment	66	81
Equipment, mainly containers	659	609
Land	18,015	18,367
Vessels and other property under construction	3,561	1,515
Other tangible fixed assets	2,046	1,950
(Intangible fixed assets)	**17,898**	**13,728**
(Investments and other assets)	**528,691**	**477,672**
Investment securities	86,551	81,734
Investments in and advances to subsidiaries and affiliates	214,624	190,411
Long-term loans receivable	136,848	158,226
Long-term prepaid expenses	18,974	17,647
Long-term lease receivables	52,038	19,597
Long-term other receivables	10,594	731
Other investments and other assets	11,105	14,354
Allowance for doubtful accounts	(2,047)	(5,029)
Total Assets	**1,039,183**	**1,005,637**

[Translation for Reference and Convenience Purposes Only]

(Millions of yen)

Item	As of March 31, 2014	As of March 31, 2013
	Amount	Amount
(Liabilities)		
Current liabilities	**271,712**	**303,957**
Trade payables	98,106	120,391
Short-term bonds	30,000	15,000
Short-term bank loans	77,352	91,666
Other payables	27,422	36,884
Accrued income taxes	662	-
Accrued expenses	1,756	1,625
Advances received	22,246	20,426
Payable to agencies	2,752	6,238
Allowance for bonuses	2,099	1,464
Provision for loss on liquidation of subsidiaries and affiliates	-	846
Other current liabilities	9,314	9,414
Fixed liabilities	**311,873**	**311,409**
Bonds	110,500	143,500
Long-term bank loans	179,310	126,574
Deferred tax liabilities	18,906	15,835
Allowance for employees' severance and retirement benefits	8	34
Allowance for directors' and corporate auditors' retirement benefits	120	120
Allowance for loss on guarantees	300	-
Other fixed liabilities	2,728	25,345
Total Liabilities	**583,586**	**615,367**
(Net Assets)		
Owners' equity	**422,751**	**364,571**
Common stock	65,400	65,400
Capital surplus	44,419	44,429
Additional paid-in capital	44,371	44,371
Other capital surplus	47	57
Retained earnings	319,954	261,726
Legal earnings reserve	8,527	8,527
Other retained earnings	311,427	253,198
Reserve for special depreciation	1,247	1,868
Reserve for overseas investment loss	31	37
Reserve for advanced depreciation	975	821
General reserve	249,630	420,630
Retained earnings (losses) brought forward	59,543	(170,159)
Treasury stock, at cost	(7,023)	(6,984)
Accumulated gains from valuation and translation adjustments	**30,455**	**23,583**
Unrealized holding gains on available-for-sale securities, net of tax	30,764	23,568
Unrealized gains (losses) on hedging derivatives, net of tax	(308)	14
Share subscription rights	**2,390**	**2,115**
Total Net Assets	**455,597**	**390,269**
Total Liabilities and Total Net Assets	**1,039,183**	**1,005,637**

[Translation for Reference and Convenience Purposes Only]

Non-consolidated Statements of Income

(Millions of yen)

Item	FY2013 (From April 1, 2013 to March 31, 2014)	FY2012 (From April 1, 2012 to March 31, 2013)
	Amount	Amount
Shipping and other operating revenues		
Shipping revenues		
Freight	962,871	872,525
Charter fees	231,140	218,284
Other shipping revenues	35,676	30,324
Total	**1,229,688**	**1,121,134**
Other operating revenue	970	1,036
Total shipping and other operating revenues	**1,230,658**	**1,122,171**
Shipping and other operating expenses		
Shipping expenses		
Voyage expenses	604,065	549,292
Vessels	12,594	13,963
Charter fees	452,903	481,807
Other shipping expenses	121,896	96,091
Total	**1,191,459**	**1,141,155**
Other operating expenses	743	758
Total shipping and other operating expenses	**1,192,202**	**1,141,913**
Gross operating income (loss)	**38,456**	**(19,742)**
Selling, general and administrative expenses	28,509	28,414
Operating income (loss)	**9,946**	**(48,156)**
Non-operating income		
Interest and dividend income	22,539	25,783
Gain on sale of containers	4,220	3,595
Others	1,109	1,400
Total non-operating income	**27,869**	**30,779**
Non-operating expenses		
Interest expense	3,163	2,795
Others	1,168	4,925
Total non-operating expenses	**4,332**	**7,721**
Ordinary income (loss)	**33,483**	**(25,098)**
Extraordinary profits		
Gain on sales of fixed assets	929	994
Gain on sales of investment securities	991	26
Gain on sales of securities issued by subsidiaries and affiliates	28,369	47
Gain on liquidation of subsidiaries and affiliates	2,276	342
Reversal of allowance for doubtful accounts	314	27
Cancellation fee for chartered vessels	572	1,790
Others	1,776	314
Total extraordinary profits	**35,229**	**3,542**
Extraordinary losses		
Loss on disposal of fixed assets	59	120
Loss on sales of investment securities	213	30
Loss on valuation of investment securities	20	2,445
Loss on valuation of securities issued by subsidiaries and affiliates	4,302	15,092
Loss on liquidation of subsidiaries and affiliates	124	4
Provision of allowance for doubtful accounts	-	3,104
Cost of business structural reforms	-	93,392
Loss arising from marine accident	257	-
Others	996	5,241
Total extraordinary losses	**5,973**	**119,431**
Income (loss) before income taxes	**62,739**	**(140,988)**
Income taxes - current	2,084	652
Income taxes - deferred	35	29,833
Net income (loss)	**60,620**	**(171,474)**

[Translation for Reference and Convenience Purposes Only]

Non-consolidated Statement of Changes in Net Assets

(Millions of yen)

	Owners' equity												
		Capital surplus			Retained earnings								
						Other retained earnings							
	Common stock	Additional paid-in capital	Other capital surplus	Total capital surplus	Legal earnings reserve	Reserve for special deprecia-tion	Reserve for overseas investment loss	Reserve for advanced deprecia-tion	General reserve	Retained earnings (losses) brought forward	Total retained earnings	Treasury stock, at cost	Total owners' equity
Balance at April 1, 2013	**65,400**	**44,371**	**57**	**44,429**	**8,527**	**1,868**	**37**	**821**	**420,630**	**(170,159)**	**261,726**	**(6,984)**	**364,571**
Changes during the fiscal year													
Dividends paid										(2,392)	(2,392)		(2,392)
Net income										60,620	60,620		60,620
Provision of reserve for special depreciation						7				(7)	-		-
Reversal of reserve for special depreciation						(629)				629	-		-
Reversal of reserve for overseas investment loss							(6)			6	-		-
Provision of reserve for advanced depreciation								184		(184)	-		-
Reversal of reserve for advanced depreciation								(30)		30	-		-
Reversal of general reserve									(171,000)	171,000	-		-
Repurchase of treasury stock												(61)	(61)
Disposal of treasury stock			(9)	(9)								22	13
Net increase/ decrease during the term except in owners' equity													
Total changes during the fiscal year	**-**	**-**	**(9)**	**(9)**	**-**	**(621)**	**(6)**	**153**	**(171,000)**	**229,702**	**58,228**	**(38)**	**58,180**
Balance at March 31, 2014	**65,400**	**44,371**	**47**	**44,419**	**8,527**	**1,247**	**31**	**975**	**249,630**	**59,543**	**319,954**	**(7,023)**	**422,751**

	Accumulated gains from valuation and translation adjustments			Share subscription rights	Total Net assets
	Unrealized holding gains on available-for-sale securities, net of tax	Unrealized gains (losses) on hedging derivatives, net of tax	Total accumulated gains from valuation and translation adjustments		
Balance at April 1, 2013	**23,568**	**14**	**23,583**	**2,115**	**390,269**
Changes during the fiscal year					
Dividends paid					(2,392)
Net income					60,620
Provision of reserve for special depreciation					-
Reversal of reserve for special depreciation					-
Reversal of reserve for overseas investment loss					-
Provision of reserve for advanced depreciation					-
Reversal of reserve for advanced depreciation					-
Reversal of general reserve					-
Repurchase of treasury stock					(61)
Disposal of treasury stock					13
Net increase/decrease during the term except in owners' equity	7,195	(322)	6,872	275	7,148
Total changes during the fiscal year	**7,195**	**(322)**	**6,872**	**275**	**65,328**
Balance at March 31, 2014	**30,764**	**(308)**	**30,455**	**2,390**	**455,597**

[Translation for Reference and Convenience Purposes Only]

Notes to Non-consolidated Financial Statements

Notes to Matters for Significant Accounting Policies

1. Bases and methods of valuation of assets

Securities	
Trading securities	Market value method (Calculating cost of securities sold with moving-average method)
Held-to-maturity debt securities	Amortized cost method
Equity securities issued by subsidiaries and affiliates	Stated at cost using the moving-average method
Other securities	
Available-for-sale securities	
with market value	Market value method based on the market price as of the closing date (Differences in valuation are included directly in net assets and costs of securities sold are calculated using the moving-average method)
without market value	Stated at cost using the moving-average method
Derivative transactions	Market value method
Inventories	Stated at cost using the moving-average method Figures on the balance sheets have been calculated based on the method of reducing the book value in accordance with the decline in profitability.

2. Depreciation methods for fixed assets

Tangible fixed assets (excluding leased assets)	
Vessels	Straight-line method
Buildings and structures	Straight-line method
Other tangible fixed assets	Declining-balance method
Intangible fixed assets (excluding leased assets)	Straight-line method As for software for in-house use, the straight-line method is used with a useful life in-house of 5 years.
Leased assets	Leased assets related to finance lease transactions that transfer ownership The Company adopts the method consistent with the depreciation method applied on fixed assets owned on its own. Leased assets related to finance lease transactions that do not transfer ownership The Company adopts the straight-line method over the term of the lease assuming no residual value. The Company adopts accounting standards corresponding to the method related to normal rental and lease transactions for finance lease transactions that do not transfer ownership and for which the lease transaction commenced on or before March 31, 2008.

3. Disposition method of deferred assets

Bond issue expenses

The entire amount is expensed as incurred.

Stock issue expenses

The entire amount is expensed as incurred.

4. Accounting for allowances

Allowance for doubtful accounts

Provided for losses on ordinary receivables using the historical default rate and provided for losses on specific receivables where there is a possibility of default based on the estimated amount of uncollectible receivables on an individual basis.

Allowance for bonuses

Provided for bonus payments to employees based on the estimated amounts of future payments attributed to the fiscal year under review.

Provision for loss on liquidation of subsidiaries and affiliates

Provided for losses accrued due to liquidation of subsidiaries and affiliates based on the estimated losses in the future.

Allowance for employees' severance and retirement benefits

To provide for the payment of retirement benefits to employees, the amount is recorded based on the estimates of retirement benefit obligations and pension assets as of the end of the fiscal year under review. Actuarial differences are recognized in the statements of income using the straight-line method within the estimated remaining service period (generally 10 years) commencing with the following period. Prior service cost is accounted for as expenses in lump-sum at the time of occurrence.

Allowance for directors' and corporate auditors' retirement benefits

To provide for the payment of retirement benefits to directors and corporate auditors, the amount to adequately cover payments at the end of the fiscal year under review is recorded, in accordance with internal regulations. Effective from the conclusion of the Ordinary General Meeting of Shareholders of the Company for FY2004, the Company abolished the retirement benefits plan for directors and corporate auditors. Following the decision in that meeting, the Company recognizes liabilities for retirement benefits for directors and corporate auditors until the conclusion of the shareholders' meeting for FY2004, which will be paid upon their retirement, in accordance with internal regulations.

Allowance for loss on guarantees

Provided for losses arising from fulfilling guarantee obligations, the Company appropriates a provision for the estimated losses in view of the financial conditions of guaranteed companies.

5. Recognition of freight revenues and related expenses

Containerships:	Recognized by the multiple transportation progress method.
Vessels other than containerships:	Recognized by the completed-voyage method.

6. Hedge accounting

Hedge accounting

The Company adopts deferral hedge accounting.

Special accounting rules are used for interest swaps that satisfy the requirements for special accounting rules.

Hedging instruments and hedged items

Hedging instruments	Hedged items
Loans payable in foreign currencies	Foreign currency future transactions
Forward foreign exchange contracts	Foreign currency future transactions
Currency option contracts	Foreign currency future transactions
Interest rate swap contracts	Interest on loans and bonds payable
Commodities futures	Fuel oil
Freight futures	Freight

Hedging policy

Hedging derivative transactions are executed in accordance with the Company's internal regulations, "Market Risk Management Policy" and "Guideline for Market Risk Management," clarifying hedged items by individual case, in order to hedge risks of currency exchange rate fluctuations, interest rate fluctuations, or changes in prices against relevant hedged items.

Method of evaluating the effectiveness of hedges

In principle, the Company evaluates hedge effectiveness by comparing the cumulative changes in cash flows from or the changes in the fair value of hedged items, and the cumulative changes in cash flows from or the changes in fair value of hedging instruments during the period from commencement of hedging to the point of evaluating effectiveness, based on changes in both amounts and others. As for interest swap contracts meeting the requirement of special treatment, the evaluation of hedge effectiveness is omitted.

7. Interest paid is expensed as incurred, in general. However, in cases where a period from start to completion of construction is long and the scale of investment is significant, interest expenses incurred during the construction period are included in a part of the acquisition cost.

8. The accounting methods for unrecognized actuarial differences relating to retirement benefits are different from those accounting methods in the consolidated financial statements.

9. Consumption tax and local consumption tax are accounted for by the tax exclusion method.

Notes to Changes in Presentations

(Non-consolidated balance sheets)

Although "Other receivables" had been included in "Other current assets" up to the previous fiscal year, the item is separately presented in the fiscal year under review due to the increase in its monetary significance. "Other receivables" for the previous fiscal year was ¥3,659 million.

Although "Long-term other receivables" had been included in "Other investments and other assets" up to the previous fiscal year, the item is separately presented in the fiscal year under review due to the increase in its monetary significance. The amount of "Long-term other receivables" for the previous fiscal year was ¥731 million.

Although "Long-term other payables" (¥1,312 million for the fiscal year under review) was separately presented in the previous fiscal year, the item is included in "Other fixed liabilities" in the fiscal year under review due to a decrease in its monetary significance. "Long-term other payables" for the previous fiscal year was ¥21,333 million.

Notes to Changes in Accounting Estimates

(Change of useful life)

As a part of the Business Structural Reforms executed in the previous fiscal year, we reviewed the policy on use of vessels based on actual use records. Then, we found that vessels can be used longer than their conventional useful life. Therefore, in this fiscal year, the period of useful lives of dry bulkers and car carriers were changed from the conventional 15 years to 20 years, and tankers from the conventional 13-18 years to 20 years.

As a result, each of operating income, ordinary income, and net income before taxes for the fiscal year was increased by ¥1,367 million, respectively, compared to the conventional method.

Notes to Non-consolidated Balance Sheets

1. To subsidiaries and affiliates

Short-term monetary lending	55,862 million yen
Long-term monetary lending	143,714 million yen
Short-term monetary debts	88,018 million yen
Long-term monetary debts	476 million yen

2. Accumulated depreciation on tangible fixed assets 199,911 million yen

3. Assets pledged as collateral and secured obligations

(1) Assets pledged as collateral

Vessels	14,352 million yen
Investment securities	21,158 million yen
Equity securities issued by subsidiaries and affiliates	35,016 million yen
Total	70,527 million yen

(2) Secured obligations

Short-term loans	1,525 million yen
Long-term loans	6,318 million yen
Total	7,843 million yen

Pledged investment securities and equity securities issued by subsidiaries and affiliates include the following securities:

a) Investment securities at ¥21,076 million and equity securities issued by subsidiaries and affiliates at ¥11,143 million were pledged in order to secure losses to be incurred when the Company and our subsidiaries and affiliates cause oil pollution casualties in U.S. ocean area, and obligations for them have not been incurred as of the end of the fiscal year under review.

b) Equity securities issued by subsidiaries and affiliates at ¥23,872 million were pledged in order to secure long-term loans and future payment of charter fees of subsidiaries and affiliates.

c) Investment securities at ¥81 million were pledged as collateral for long-term loans associated with an LNG carrier project.

4. Contingent liabilities

Guarantee liabilities, etc.	657,529 million yen
(Including guarantee liabilities in foreign currency	362,123 million yen)

5. Others

MOL is subject to investigations by overseas competition law authorities including those of the U.S. and Europe for violation of competition laws of those countries regarding price control negotiations for ocean transport services of completely built-up vehicles. In addition, a class-action lawsuit was filed in the U.S. and other countries against MOL for damage claims and for a cease and desist order for the questioned conduct. Meanwhile, the effect of these investigations and lawsuit on the financial results of MOL is uncertain as its financial impact is not estimable at this stage.

In Japan, MOL had been under investigation by the Japan Fair Trade Commission (the "JFTC") since September 2012 for violation of the Japanese Antimonopoly Act regarding certain car carrier shipping trades. However, MOL was exempted from all of the Cease and Desist Orders and Surcharge Payment Orders issued by the JFTC in March 2014 because the JFTC accepted an application made by MOL under the JCTC's leniency program.

Notes to Non-consolidated Statements of Income

Volume of transactions with subsidiaries and affiliates

Volume of operating transactions	
Revenues	86,231 million yen
Amount of purchase	334,527 million yen
Transactions other than operating transactions	36,344 million yen

Notes to Non-consolidated Statement of Changes in Net Assets

Class and number of shares of treasury stock at the end of the fiscal year under review

Common stock	10,318,543 shares

Notes on Deferred Tax Accounting

Significant components of deferred tax assets and liabilities

	(Millions of yen)
Deferred tax assets	
Loss brought forward	50,684
Retained income of specific foreign subsidiaries	9,650
Voluntary adjustment of loss on valuation of securities issued by subsidiaries and affiliates	20,627
Reserve for bonuses expenses	666
Voluntary adjustment of loss on valuation of listed shares	206
Voluntary adjustment of loss on valuation of unlisted shares	125
Voluntary adjustment of loss on valuation of golf club membership	201
Accrued business tax and business place tax	47
Retirement allowances for directors	38
Impairment loss	625
Deferred hedge losses	185
Excess of provision of allowance for doubtful accounts	462
Others	2,676
Total of deferred tax assets	86,199
Valuation allowance	(86,086)
Net deferred tax assets	112
Deferred tax liabilities	
Reserve deductible for tax purposes when appropriated for special depreciation	(580)
Reserve for advanced depreciation	(453)
Gain on securities contributed to employee retirement benefit trust	(3,667)
Unrealized gains on available-for-sale securities	(14,065)
Deferred hedge gains	(112)
Others	(139)
Total deferred tax liabilities	(19,018)
Net deferred tax liabilities	(18,906)

Notes on Fixed Assets to Use on Lease

1. Finance lease transactions that commenced on or before March 31, 2008, except those whose ownership deems to transfer to the lessee.

(1) Assumed amounts of acquisition cost, accumulated depreciation and net book value at March 31, 2014

(Millions of yen)

	Acquisition cost	Accumulated depreciation	Net book value
Equipment, mainly containers	16,243	15,855	388
Total	16,243	15,855	388

(2) Future lease payments equivalent

Amount due within one year	1,200 million yen
Amount due after one year	87 million yen
Total	1,288 million yen

(3) Lease payments, depreciation equivalent and interest equivalent

Lease payments	2,211 million yen
Depreciation equivalent	778 million yen
Interest equivalent	45 million yen

(4) Calculation of depreciation equivalent

Assumed depreciation amounts are computed using the declining-balance method or the straight-line method in accordance with the depreciation method of each account in balance sheets over the lease terms assuming no residual value.

(5) Calculation of interest equivalent

The excess of total lease payments over acquisition cost equivalents is regarded as amounts representing interest payable equivalents and is allocated to each period using the interest method.

2. Operating lease transactions

Future lease payments

Amount due within one year	12,324 million yen
Amount due after one year	12,008 million yen
Total	24,332 million yen

[Translation for Reference and Convenience Purposes Only]

Notes on Transactions with Related Parties

(Millions of yen)

Attribution	Name of company, etc.	Ratio of MOL's voting rights	Nature of relationship	Nature of transaction (Note 1)	Transacted amount (Note 2)	Account	Term-end balance
Subsidiary	White Bear Maritime Limited	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	69,453	-	-
	Canopus Maritime Inc.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	44,007	-	-
	MOL Euro-orient Shipping S.A.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	40,908	-	-
	Linkman Holdings Inc.	Directly 100%	Interlocking directorate Debt guarantee Funding loan	Debt guarantee Funding loan	32,184 96,463	- Short-term loans receivable	- 6,520
	Euromol B.V.	Indirectly 100%	Interlocking directorate Debt guarantee	Debt guarantee	27,559	-	-
	Camellia Container Carrier S.A.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	24,149	-	-
	Ural Container Carriers S.A.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	20,709	-	-
	Aurora Car Maritime Transport S.A.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	15,106	-	-
	Nefertiti LNG Shipping Co., Ltd.	Directly 70%	Interlocking directorate Debt guarantee	Debt guarantee	14,552	-	-
	Cleopatra LNG Shipping Co., Ltd.	Directly 70%	Interlocking directorate Debt guarantee	Debt guarantee	14,552	-	-
	Samba Offshore S.A.	Directly 100%	Interlocking directorate Debt guarantee	Debt guarantee	14,222	-	-
	Astraea Maritime Inc.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	11,515	-	-
	Phoenix Tankers Pte. Ltd.	Directly 100%	Entrusting ship operations Undertaking ship operations Debt guarantee	Debt guarantee	11,183	-	-
	Aeolus Maritime Inc.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	10,786	-	-
	Eligible Tankers S.A.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	10,482	-	-
	MOL Bulk Carriers Pte. Ltd.	Directly 100%	Interlocking directorate Ship chartering Transfer of charter contracts	Transfer of charter contracts	-	Other payables	22,198
Affiliate	Daiichi Chuo Kisen Kaisha	Directly 27%	Interlocking directorate Ship chartering	Underwriting of capital increase	15,000	-	-
	Cernambi Sul MV24 B.V.	Directly 21%	Interlocking directorate Debt guarantee	Debt guarantee	14,481	-	-

Notes 1. Transaction conditions and policies to decide transaction conditions, etc.
(1) As for debt guarantees, Euromol B.V. is required to pay guarantee charges, decided based on market interest rates and other conditions. Other companies are required neither to pay guarantee charges nor to pledge collateral.
(2) As for funding loan, they are determined by market rates and conditions, and companies are not required to pay mortgages.
(3) As for the transfer of charter contracts, some charter contracts for bulkships and iron ore carriers were transferred in the previous fiscal year, and the transfer price was determined based on the appraisal value.
(4) As for underwriting of capital increase, the Company decided to underwrite capital increase through third-party allotment of new shares of Daiichi Chuo Kisen Kaisha at ¥1,000 per share.
2. Consumption taxes are not included in transacted amount.

Per-share Information

1. Net assets per share 378.95 yen
2. Net income per share 50.68 yen

Material Subsequent Events

The Company, by a resolution of a Board of Directors' meeting held on April 8, 2014, issued Euro US dollar Zero Coupon Convertible Bond due 2018 and Euro US dollar Zero Coupon Convertible Bond due 2020. All payments were made on April 24. An outline of these bonds is as follows.

(1) Securities offered	Euro US dollar Zero Coupon Convertible Bond due 2018	Euro US dollar Zero Coupon Convertible Bond due 2020
(2) Total issue amount	US$300,000,000	US$200,000,000
(3) Issue prices	100.0% of principal amount	Same as to the left
(4) Offer prices	102.5% of principal amount	Same as to the left
(5) Coupon	Zero	Same as to the left
(6) Closing and issue date	April 24, 2014	Same as to the left
(7) Redemption prices	100% of principal amount	Same as to the left
(8) Redemption at maturity Early redemption and cancellation by acquisition	April 24, 2018 Early redemption and cancellation by acquisition by the bonds under certain circumstances was specified in the Information Memorandum.	April 24, 2020 Same as to the left
(9) Particulars of stock acquisition rights		
i. Class of share to be issued upon exercise of the stock acquisition rights	Common stock of the Company	Same as to the left
ii. Total number of stock acquisition rights	3,000 units	2,000 units
iii. Conversion price	US$5.34	US$4.80
iv. Exercise period Supplementary provisions	From May 8, 2014 to April 10, 2018 *Before three months prior to redemption date, the said stock acquisition rights shall not be exercised unless the stock price exceeds 130% of the conversion price for a certain period. *After three months prior to redemption date, the Company may acquire the bonds in exchange for 100% of principal amount in cash and common stock for value exceeded principal amount.	From May 8, 2014 to April 9, 2020 Same as to the left Same as to the left

v. Amount to be paid upon exercise of the stock acquisition rights	The bonds in respect of the relevant stock acquisition rights shall be contributed upon exercising of each stock acquisition right, and the price of the bonds shall be equal to the principal amount of the bonds.
vi. Capital and capital reserve increased in the case stocks are issued by exercising stock acquisition rights	The amount of capital increased in case the stocks are issued by exercising stock acquisition rights shall be half of the maximum increase of capital, etc., calculated in accordance with Article 17 of the "Company Calculation Ordinance," and any amount less than one yen arising from such calculation shall be rounded up. The increase in capital reserve shall be obtained by subtracting the capital increased from the maximum increase of capital, etc.
(10) Security or guarantee	None
(11) Use of proceeds	Proceeds from issuance of the bonds shall be used as capital investment for ships, including LNG carriers, which are expected to be built and completed from now, and the offshore business.

Other Notes

Figures less than one (1) million yen are rounded down to the nearest million.