[Translation for Reference and Convenience Purposes Only]

Please note that the following is an unofficial English translation of the Japanese original text of the business report 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.

BUSINESS REPORT

(From April 1, 2008 to March 31, 2009)

1. Matters concerning the Present State of the Corporate Group

(1) Business Progress and Results

1) General Business Climate

We faced a global economic crisis in the latter half of fiscal year (FY) 2008 after the collapse of Lehman Brothers in September 2008. The world economy significantly worsened, as evidenced by turmoil in the financial markets and declines in capital investment, personal consumption and employment, especially in the U.S. and other developed countries. Furthermore, economic growth in China slowed, and thus the business climate declined suddenly.

The average yen-U.S. dollar exchange rate for FY2008 was ¥100.30/US$, reflecting an appreciation of 15.25 yen to the dollar compared to the previous fiscal year. Although bunker prices declined rapidly in the second half of FY2008, the average price for FY2008 was still high at US$528/MT, up US$119/MT from the previous fiscal year. These high bunker prices and a strong yen had a negative impact on our profits.

In the shipping market, dry bulker performance initially was at a high level continuing from FY2007, but dropped rapidly in the second half of FY2008 due to the economic crisis. Very Large Crude Carriers (VLCCs) and petrochemical product tankers (MR-type) performance remained strong throughout 2008, but declined significantly from the beginning of 2009. In the containership segment of our business, demand for vessels deteriorated, even on the major East /West routes, causing a decline in both cargo volume and freight rates.

As a result of these events, revenues for FY2008 totaled ¥1,865.8 billion; operating income totaled ¥197.2 billion; ordinary income totaled ¥204.5 billion, and net income totaled ¥126.9 billion. Despite wild fluctuations in the business climate, we posted the second highest annual ordinary income in our history, exceeded only by our ordinary income in FY2007. These results are attributable to our strong performance during the first half of FY2008.

2) Business Overview by Segment

Bulkships

<Dry Bulkers>

The worldwide shipping trade in iron ore during 2008 totaled about 840 million tons, an 8% increase from the 2007 level. China's import volume increased continuously, this year by 16% over 2007, and accounted for about 440 million tons. Revenue and profits for the first half of FY2008 reached record high levels, as the market strengthened in response to increasing cargo volume. The Cape-size vessel rate was a record high of US$234,000/day in June, but the market subsequently declined steeply, as the economic crisis worsened and, in November, it had fallen to US$1,000/day. Subsequently however, we have been seeing signs of recovery. Therefore, profits in this sector for the full year were favorable because of our strong performance in the first half of FY2008, although profits for the second half of FY2008 declined drastically.

Analyzing the segments by vessel type, profits in the iron ore carrier business reached a record high level during the first half of FY2008, due to our aggressive approach to expanding our business. Although the spot market deteriorated during the second half of FY2008, we saw favorable performance continuous from the previous year on a full fiscal year basis. The tramp market was strong during the first half of the fiscal year but profits for the full fiscal year decreased due to a deteriorated market in the second half of the year. Earnings in the wood chip carrier business increased slightly due to the launch of newly built vessels, but profits for the full year decreased compared to the previous fiscal year, as profitability of available tonnage was low and costs increased. Profits in the coal carrier business for the full year reached a new record high in FY2008 despite the impact of market deterioration in the second half of FY2008. This reflects our efforts to secure more stable earnings in this sector such as by putting two newly built vessels under long-term contracts.

<Tankers/LNG Carriers>

Both the crude oil tanker and petrochemical product tanker markets performed strongly in the first half of FY2008 due to the favorable worldwide economy, but market conditions declined slowly during the second half of the year. However, profits for both crude oil and petrochemical product tankers increased for FY2008 compared to FY2007. The LPG carrier market was bolstered by the growing demand for LPG during the first half of FY2008, but trade stagnated in September, and the market then declined rapidly. Although market fluctuated widely, both of earnings and profits increased in FY2008 in the overall tanker segment due to thirteen newly built vessels including four crude oil tankers. On the other hand, there were also some negative factors on our profit such as an increased number of vessels in dry dock for inspection in FY2008 compared to previous year and that manning costs of crews increased rapidly. The Company completed scrapping all single-hull VLCCs as scheduled, consistent with one of the company's key environmental initiatives.

Our company is generally able to secure stable earnings in the LNG carrier business based on long-term contracts. However, profits in this market segment decreased in FY2008 due to the appreciation of the yen against the U.S. dollar during the year, as noted above.

<Car Carriers>

The car carrier business enjoyed a favorable shipping market with a strong demand for vessels due to the constant export from Japan and Far East countries during the first half of FY2008. However, with the collapse of world economy during the second half of the fiscal year, vehicle sales plummeted and automakers reduced production and as a result, the car carrier market turned to be deteriorated. Despite our efforts in scrapping old vessels and redelivering chartered vessels to reduce operating costs, profits in this market segment were lower in FY2008 than in FY2007.

Containerships

Since the collapse of Lehman Brothers in September 2008, in the containership segment we laid up excess vessels in order to reduce space and offset the fall in cargo volume including on the major Asia-North America (eastbound) and Asia-Europe routes. We also took action to minimize losses on routes where competition is intense and it is difficult to turn to be profitable soon, including suspension of some services such as the Asia-Black Sea route. With regard to costs, we strived to reduce fuel expenses by such methods as slower operating speeds in the face of high bunker prices, particularly during the first half of FY2008. Other cost reduction efforts included reducing terminal loading/discharging costs, reviewing feeder ship charges, examining vessel operation costs and reducing the number of containership vessels. However, freight rates on all routes, including Asia-Europe, dropped as cargo volumes declined and competition increased, so our cost-cutting efforts did not offset the declining rates. Overall, profitability in this segment deteriorated and caused a loss in FY2008.

In the terminal business, we opened our third container terminal in North America at the Port of Jacksonville, Florida, in January 2009. We aim to offer efficient, high-quality services, utilizing the knowledge and know-how gained at the ports of Los Angeles and Oakland on the U.S. West Coast. In addition, we have decided to participate in the Vietnamese government's container terminal project in the Cai Mep region, and we signed a contract to establish a joint terminal operation company in that region in February 2009. Income from the containership-related business, including operation of our existing own terminals (four in Japan, two in the United States) and other harbor and port operations decreased in FY2008 compared to FY2007, as cargo volume decreased due to the global economic downturn.

Logistics

Income in the air cargo transport business decreased in FY2008 compared to FY2007. This was primarily the result of global declines in cargo volume during the second half of FY2008, and we were not able to offset this decrease with our emergency measures such as cost reductions.

At the same time, we continued with our development and strengthening of the MOL Consolidation Service business [MCS (*)], which will allow us to offer an integrated service from freight receiving facilities to destination. The MCS business has grown steadily, earning new business from major U.S. retail chains.

(*) MOL Consolidation Service (MCS) is a logistics service that supports "buyer's consolidation," in which major retailers and apparel companies, mainly from Europe and the U.S., buy products directly from China and other Asian nations.

Ferry and Domestic Transport

In the ferry and domestic transport business, as part of our core business strategy we have proactively consolidated and restructured group companies to enhance competitiveness, creating group-wide strength and synergy. During the first half of FY2008, bunker prices increased significantly compared to FY2007, which reduced profits considerably. Although bunker prices became more stable in the second half of FY2008, the slowdown of the global economy triggered by the U.S. financial crisis had a huge impact on the logistics business in Japan and our group companies were affected. We implemented measures such as cutting fuel expenditures, withdrawing vessels from service, and reassessing calling ports. However, profitability in this segment declined and a loss was posted for FY2008.

The domestic transport business suffered from the recession that started in the second half of 2008. Earnings in this segment deteriorated rapidly, particularly because the shipping of steel products decreased with reduced production in the automobile industry. We took steps to mitigate this factor by reducing charter hire and other costs, but could not maintain profitability. As stated above, the overall ferry and domestic transport business segment generated a loss for FY2008.

Associated Businesses

In the real estate business, the rental office market showed increased overall vacancies as a result of the recession. However earnings of Daibiru Corporation, a core part of our real estate business, remained strong primarily for office buildings in good urban locations, and it recorded profits in FY2008 comparable to those of FY2007.

The cruise ship business succeeded in attracting passengers in FY2008 continuing from FY2007 but the steep increase in bunker prices kept profits down. In the trading business, earnings in the fuel sales business increased along with fuel prices, and sales of marine supply and marine parts remained favorable, resulting in higher profits in 2008 compared to FY2007. Overall profits in these associated businesses showed a slight decrease in FY2008 compared to FY2007.

Others

Other businesses, which are mainly cost centers, include ship operations, ship management, ship chartering, financing, and shipbuilding. Overall profits for FY2008 in this segment decreased in FY2008 compared to FY2007.

Revenues and Composition ratio by Business Segment

Name of Business	Revenues (millions of yen)	Composition ratio (%)
Bulkships	998,542	53.52
Containerships	639,694	34.29
Logistics	56,270	3.02
Ferry and Domestic Transport	54,534	2.92
Associated Businesses	107,033	5.74
Others	9,727	0.52
Total	1,865,802	100.00

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

(2) 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. In December 2008, the Company issued unsecured straight bonds (total amount: ¥15.0 billion).

2) Capital Investment

The Group's capital investment, mainly in ships, implemented in the fiscal year under review amounted to approximately ¥223.2 billion.

(Millions of yen)

Name of Business	Amount of Capital Investment
Bulkships	154,274
Containerships	36,640
Logistics	971
Ferry and Domestic Transport	1,082
Associated Businesses	26,643
Others	3,562
Unallocated amount	32
Total	223,208

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

19 vessels including bulkships and containerships were sold.

Sale of Vessels

Name of Business	Number of Vessels	Deadweight Tons (in thousands)	Book Value (millions of yen)
Bulkships	18	1,426	5,175
Containerships	1	29	25
Total	19	1,456	5,201

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

(3) Financial Position and Results of Operations

(Millions of yen)

	FY2005	FY2006	FY2007	FY2008 (current consolidated fiscal year)
Revenues	1,366,725	1,568,435	1,945,696	1,865,802
Ordinary income	176,502	182,488	302,219	204,510
Net income	113,731	120,940	190,321	126,987
Net income per share (yen)	94.98	101.20	159.14	106.13
Total assets	1,470,824	1,639,940	1,900,551	1,807,079
Total net assets	424,460	620,989	751,652	695,021

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

(4) Issues to Be Addressed

The Company expects that the management environment surrounding the MOL Group will continue to be severe for the time being amid the prevailing uncertainty over the timing of global economic recovery. Under such circumstances, the MOL Group will cope with this severe environment in more reassuring and resilient way based on stable profits which have been accumulated thus far.

First, with respect to the fleet expansion plan, the Company in the short term may pursue temporary adjustment of tonnage taking market conditions of each business segment into consideration, as an emergent response to the current slump in seaborne trade. Meanwhile, from a midterm perspective, the Company will make efforts to maintain and expand high-quality fleet and vessel management capabilities and secure competitive tonnage, as the Company prepares for the recovery of the global economy and the increase in seaborne transport volume and in demand for vessels.

The Company will aim to maximize profits and cash flows through further reinforcing global activities in every business segment, proactively attracting demand for transport worldwide especially in regions with growth potential, such as China, India, the Middle East, Central and South America and Africa, and also through pursuing thorough credit management and cost reductions worth 40 billion yen per year. In addition, the MOL Group will advance its efforts to reorganize, rationalize and consolidate companies belonging to it so that the MOL Group can enhance its total strength and competitiveness.

Further despite the current severe economic environment, the MOL Group will continue fulfilling its social responsibility and enhancing its corporate value, such as securing safe operation of ships, expanding corporate governance, strengthening compliance programmes including antitrust compliance, and addressing environmental matters and other CSR(Corporate Social Responsibility) matters.

As for securing the safe operation of ships, being stated at the top of overall strategies in the three-year Midterm Management Plan, “MOL ADVANCE” started from FY2007, the Company put the first priority on it. In an attempt to carry out various measures to enhance the safe operation system, a plan of investment amounting to ¥35 billion over three (3) years from FY2007 through FY2009 is generally advancing as scheduled. As the result of the measures taken with the extra efforts by the MOL Group, and drawing on the lessons learned from previous serious accidents at sea, there were no serious maritime accidents in the fiscal year under review. The Company will remain uncompromising in taking all necessary measures to ensure future safe operation.

Regarding the corporate governance system, the Company nearly completed evaluating an internal control system for financial reports required by the Financial Instruments and Exchange Law and confirmed that the internal control system is functioning effectively. Furthermore, the Company continues working towards development and operation of an effective internal control system by organically integrating a wide range of internal control segments as environmental measures, compliance, etc. in efforts to further build confidence and trust between the Company and its stakeholders.

Regarding the social action programs as a part of CSR (Corporate Social Responsibility), the Company has primarily focused on the “Transport of relief supplies” and “International Cooperation/Maritime Education.” With respect to the “Transport of relief supplies,” the Company transports without charge, using the Company’s container service networks. Also in an attempt to encourage the children of Japan, a maritime country, to develop an interest in ships and the sea, the Company has held “MOL Kid’s Cruise” since FY2005, in which elementary school children and their parents are invited to a cruise on the Nippon

Maru. In March 2009, the 4th MOL Kid's Cruise was held and won favorable review from participant. The Company will actively work on social action programs related to the Company's business areas.

Environmental protection measures the Company addresses in the aspect of hardware include the development of car carriers with a wind/water resistance reducing design, development, improvement and diffusion of PBCF (Propeller Boss Cap Fin), an energy-saving propeller system. Also in terms of software, the Company addresses energy-saving measures and CO_2 reductive measures, which include the establishment and the implementation of sailing schedules in consideration of fuel consumption and the selection of optimum navigation routes on the basis of climates and marine phenomena. In March 2007, a solar power generation system with a generation capacity of 200kW was introduced in the "Tokyo International Container Terminal" that MOL operates. Furthermore, 63 major domestic group companies and 19 overseas companies are involved in the "MOL Group Environmental Target System," promoting environmental preservation activities in each group company. As of the end of FY2008, a total of 15 group companies have acquired the "Green Management Certificates under the environmental management certification system promoted by the Japanese Ministry of Land, Infrastructure Transport and Tourism. The Company intends to continue considering and implementing measures to control and reduce environmental burdens associated with the Group's business activities in the future.

MOL Group Midterm Management Plan (FY2007-FY2009)

MOL ADVANCE

Long-Term Vision:	To make the MOL Group an excellent and resilient organization that leads the world shipping industry
Main Theme:	"Growth with enhanced quality" Ensuring safe operation is the highest priority, while achieving sustainable growth and enhancing quality.

<**MOL ADVANCE** Overall Strategies: 1 "S" & 4 "G">

[1] Safety:	Implement comprehensive measures to reinforce and ensure safe operation
[2] Growth:	Focus management resources heavily on growing fields in the ocean shipping industry
[3] Global:	Accelerate globalization and enhance sales capabilities in emerging markets
[4] Group:	Enhance Group-wide strength and competitiveness
[5] Governance:	Establish a governance structure that fulfills stakeholders' trust

(5) Principal Business (As of March 31, 2009)

World wide 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, warehousing and real estate

(6) Principal Business Offices (As of March 31, 2009)

1) The Company

	Location
Head office	Tokyo
Registered office	Osaka
Branch offices	Sapporo, Yokohama, Nagoya, Osaka, Kobe, Kyushu (Fukuoka Pref.), Tomakomai, Hiroshima
Representative offices	Middle East Headquarters (United Arab Emirates), Moscow, Vladivostok, St. Petersburg

2) Subsidiaries

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

(7) Shipping Tonnage of the Group (As of March 31, 2009)

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
Owned Vessels	124	in thousands 7,203	104	in thousands 12,286	34	in thousands 1,774
Chartered vessels	320	25,193	105	4,914	81	3,644
Others	1	152	2	143	0	0
Total	445	32,548	211	17,343	115	5,418

Category	Ferry and Domestic Transport		Associated Businesses		Others		Total	
	Ferry and Domestic Transport		Cruise Ship		Others			
	Number of Vessels	Deadweight Tons	Number of Vessels	Deadweight Tons	Number of Vessels	Deadweight Tons	Number of Vessels	Deadweight Tons
Owned Vessels	14	in thousands 78	1	in thousands 5	1	in thousands 6	278	in thousands 21,351
Chartered vessels	30	79	0	0	2	13	538	33,843
Others	2	3	0	0	0	0	5	298
Total	46	160	1	5	3	19	821	55,492

(8) Employees (As of March 31, 2009)

1) Employees of the Group

Name of Business	Number of Employees	
Bulkships	1,108	(156)
Containerships	3,604	(492)
Logistics	2,087	(224)
Ferry and Domestic Transport	793	(38)
Associated Businesses	1,682	(1,440)
Others	448	(49)
Company-wide (common)	290	(88)
Total	10,012	(2,487)
Fiscal year ended March 31, 2008	9,626	(2,578)

Notes: 1. The number of employees includes the entire labor force, 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 a specific segment.

2) Employees of the Company

Number of Employees		Year-on-year Increase	Average Age	Average Years of Service
	persons	persons	years	years
Employees on land duty	628	21	38.6	15.3
Employees on sea duty	290	5	35.6	12.3
Total	918	26	37.7	14.3

Notes: 1. The number of employees on land duty does not include 455 employees dispatched outside the Company, 23 contractors and 113 non-regular employees.
2. The number of employees on sea duty does not include 3 employees dispatched outside the Company and 32 non-regular employees.

(9) Principal Subsidiaries (As of March 31, 2009)

1) Principal Subsidiaries

Company	Paid-in Capital (millions of yen)	Percentage of Equity Participation (%)	Principal Business
Daibiru Corporation	12,227	*50.95	Real estate business
Utoc Corporation	1,455	*51.01	Harbor and transportation business
Mitsui O.S.K. Passenger Line, Ltd.	100	100.00	Marine transportation business
MOL Tankship Management Ltd.	100	100.00	Marine transportation business
Mitsui O.S.K. Kinkai, Ltd.	660	99.04	Marine transportation business
Tokyo Marine Co., Ltd.	2,000	87.13	Marine transportation business
International Container Terminal Co., Ltd.	700	*100.00	Harbor and transportation business
Shosen Koun Co., Ltd.	300	*79.98	Harbor and transportation business
Mitsui O.S.K. Techno-Trade, Ltd.	490	100.00	Sales of fuel oil/vessel materials/ machinery
Mitsui O.S.K. Kosan Co., Ltd.	300	*100.00	Real estate business, etc.
Kusakabe Maritime Engineering Co., Ltd.	200	85.00	Construction business
MOL Logistics (Japan) Co., Ltd.	756	75.06	Representation of Air freight industry
The Diamond Ferry Co., Ltd.	1,000	99.77	Marine transportation business
MOL Ferry Co., Ltd.	1,440	100.00	Marine transportation business

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

2. * includes shares held by subsidiaries.
3. Mitsui O.S.K. Techno-Trade, Ltd. was merged with Sanwa Marine, Ltd. effective October 1, 2008.

2) Other

The Company executed a tender offer under the Financial Instruments & Exchange Act during the period between March 19, 2009 and April 27, 2009 for all common shares issued by Kansai Kisen Kaisha (hereinafter, "Kansai Kisen") (excluding Kansai Kisen shares held by the Company and treasury shares held by Kansai Kisen).

In conjunction with this bid, the Company accepted subscribed shares issued under allocation of new shares to third parties conducted by Kansai Kisen with the payment due date on April 13, 2009.

As of May 8, 2009, the settlement date of the tender offer, the Company held 61,060,114 shares to the total of 68,531,200 shares of common stock issued by Kansai Kisen, and made Kansai Kisen its subsidiary. For details, please refer to notes of "Material subsequent events" on pages 32 and 45-46.

(10) Major Creditors (As of March 31, 2009)

(Millions of yen)

Creditors	Loan Outstanding
Sumitomo Mitsui Banking Corporation	46,048
Mizuho Corporate Bank, Ltd.	11,566
Development Bank of Japan, Inc.	9,359
The Norinchukin Bank	7,643

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

2. Status of Shares (As of March 31, 2009)

(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** 8,902,868 shares)

(3) Number of Shareholders 122,875 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.	240,500	20.09
2. The Master Trust Bank of Japan, Ltd.	95,939	8.01
3. Mitsui Sumitomo Insurance Co., Ltd.	40,165	3.35
4. Trust & Custody Services Bank, Ltd.	38,367	3.20
5. Sumitomo Mitsui Banking Corporation	30,000	2.51
6. Mizuho Corporate Bank, Ltd.	20,000	1.67
7. The National Mutual Insurance Federation of Agricultural Cooperatives	15,358	1.28
8. Sumitomo Life Insurance Company	14,384	1.20
9. Mitsubishi UFJ Trust and Banking Corporation	12,341	1.03
10. Nippon Life Insurance Company	11,979	1.00

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 Company owned shares (8,902,868 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
Total number of holders (persons)	3	5	8	10	11
MOL Directors (excluding outside directors) (persons)	2	4	6	8	8
MOL Outside Directors (persons)	1	1	2	2	3
MOL Corporate Auditors (persons)	None	None	None	None	None
Total number of stock acquisition rights (units)	43	297	410	500	530
Class and number of shares subject to the stock acquisition rights (shares)	(common stock) 43,000	(common stock) 297,000	(common stock) 410,000	(common stock) 500,000	(common stock) 530,000
Paid-in value at exercise of stock acquisition rights (yen)	without consideration	without consideration	without consideration	without consideration	without consideration
Exercise price (yen per share)	644	762	841	1,962	1,569
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
Exercise conditions of the stock acquisition rights	(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, 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 decided by 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 8, 2008
Total number of employees granted (persons)	94
MOL executive officers (excluding ones concurrently serving as an MOL officer) (persons)	20
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)	36
Total number of stock acquisition rights (units)	1,230
Class and number of shares subject to the stock acquisition rights (shares)	(common stock) 1,230,000
Paid-in value at exercise of stock acquisition rights	without consideration
Exercise price (yen per share)	1,569
Exercise period of the stock acquisition rights	July 25, 2009 to June 24, 2018
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 decided by the Board of Directors.

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

Stock Acquisition rights granted to “Euro Yen Contingent Conversion Zero Coupon Convertible Bonds with Acquisition Rights due 2011” were issued on March 29, 2006. Details as of March 31, 2009 are shown below.

Total number of stock acquisition rights (units)	49,030
Class and number of shares subject to the stock acquisition rights (shares)	(common stock) 44,358,997
Issue price of the stock acquisition rights (yen)	1,105.3
Exercise period of the stock acquisition rights	April 12, 2006 to March 15, 2011
Exercise conditions of the stock acquisition rights	No stock acquisition rights may be exercised in part only
The balance of bonds with stock acquisition rights (millions of yen)	49,030

4. Matters Concerning Executives

(1) Directors and Corporate Auditors

(As of March 31, 2009)

Position	Name	Responsibilities	Executive Positions Held in Other Companies
Chairman of the Board, Representative Director, Chairman	Kunio Suzuki		
Representative Director, President & Executive Officer	Akimitsu Ashida		Chairman, The Japan Ship Owners' Mutual Protection & Indemnity Association
Representative Director, Executive Vice President & Executive Officer	Saburo Koide	Assistant to President [mainly in business divisions]	
Representative Director, Executive Vice President & Executive Officer	Hidehiro Harada	Assistant to President, [mainly in administrative divisions]	
Representative Director, Executive Vice President & Executive Officer	Masakazu Yakushiji	Assistant to President, [mainly in Liner Division], Logistics Business Division	
Director, Senior Managing Executive Officer	Kenichi Yonetani	General Affairs Division, Finance Division, Accounting Division, Investor Relations Office	
Director, Senior Managing Executive Officer	Yoichi Aoki	Technical Division, LNG Carrier Division, Human Resources Division	
Director, Senior Managing Executive Officer	Koichi Muto	Secretaries Office, Corporate Planning Division, Internal Audit Office, Public Relations Office, Information Systems Office	
Director	Kunio Kojima		President of Keizai Doyukai (Japan Association of Corporate Executives)
Director	Yoko Ishikura		Professor, Graduate School of International Corporate Strategy, Hitotsubashi University
Director	Takeshi Komura		President, The Salt Science Research Foundation
Full-time Corporate Auditor	Munehisa Kusunoki		
Full-time Corporate Auditor	Kazumasa Mizoshita		
Corporate Auditor	Kensuke Hotta		Chairman and Representative Director of Hotta Sogo Office Chairman and Representative Director, Greenhill & Co. Japan Ltd.
Corporate Auditor	Sumio Iijima		Attorney at Law

Notes:
1. Kunio Kojima, Yoko Ishikura and Takeshi Komura are outside directors as stipulated in Article 2, item (15) of the Companies Act.
2. Kensuke Hotta and Sumio Iijima are outside corporate auditors as stipulated in Article 2, item (16) of the Companies Act.
3. Kensuke Hotta, a corporate auditor, has many years of experience in the financial business at a bank and a securities company, and considerable knowledge about finance and accounting.
4. Sumio Iijima, a corporate auditor, is familiar with corporate legal affairs as an attorney at law, and has considerable knowledge about finance and accounting.
5. Takeshi Komura was newly elected as director at the Ordinary General Meeting of Shareholders held on June 24, 2008, and assumed his office.
6. At the conclusion of the Ordinary General Meeting of Shareholders held on June 24, 2008, Director Yukiharu Kodama retired from his office at the expiration of his term.
7. Executive officers as of March 31, 2009 are as follows (excluding ones concurrently serving as director).

Executive Officers

(As of March 31, 2009)

Position	Name	Responsibilities
Senior Managing Executive Officer	Masafumi Yasuoka	Coal and Iron Ore Carrier Division
Managing Executive Officer	Toshitaka Shishido	Car Carrier Division
Managing Executive Officer	Hiroshi Tanaka	Dedicated Bulk Carrier Division
Managing Executive Officer	Takehiko Yamamoto	Group Business Division, Kansai Area
Managing Executive Officer	Kazuhiro Sato	LNG Carrier Division
Managing Executive Officer	Noboru Kitazawa	President/Chief Executive Officer, MOL (AMERICA) Inc.
Managing Executive Officer	Soichi Hiratsuka	Human Resources Division, Marine Safety Division, MOL Ship Management Co., Ltd. MOL Tankship Management Ltd. M.O. LNG Transport Co., Ltd. Operational Safety
Managing Executive Officer	Tsuneo Watanabe	Tanker Division
Executive Officer	Tetsuya Minato	Liner Marketing, President of Mitsui O.S.K. Lines (Japan), Ltd.
Executive Officer	Shugo Aoto	Finance Division, Accounting Division
Executive Officer	Kenji Yokota	Technical Division
Executive Officer	Kuniaki Motohashi	Research Office, Global Marketing
Executive Officer	Takashi Kurauchi	Car Carrier Division
Executive Officer	Makoto Yamaguchi	Bulk Carrier Division, Dry Bulk Carrier Supervising Office
Executive Officer	Kenichi Nagata	General Manager of Coal and Iron Ore Carrier Division
Executive Officer	Junichiro Ikeda	Liner Division
Executive Officer	Kazunori Nakai	General Manager of Tanker Division
Executive Officer	Masahiro Tanabe	Managing Director of MOL (Europe) B.V.
Executive Officer	Shizuo Takahashi	General Manager, Corporate Planning Division
Executive Officer	Masaaki Nemoto	Marine Safety Division, MOL Tankship Management Ltd. M.O. LNG Transport Co., Ltd.

(2) Remuneration Paid to Directors and Corporate Auditors

Category	Number of Persons Remunerated	Total Amount of Remuneration Paid (millions of yen)
Directors	12	773
Corporate Auditors	4	97
Total	16	870

Notes:
1. The above includes remuneration related to one (1) director whose term of office expired as of the conclusion of the Ordinary General Meeting of Shareholders held on June 24, 2008.
2. The above includes remuneration payments to six (6) outside directors totaling ¥66 million.
3. The above includes the following amounts of stock option offered and recorded as compensation during the fiscal year under review in addition to the monthly compensation and bonus paid to directors.
   ¥115 million for eleven (11) directors (including ¥13 million for three (3) outside directors)
4. The Company, effective from the conclusion of the Ordinary General Meeting of Shareholders for fiscal 2004 held on June 23, 2005, abolished its traditional retirement benefits plan. Based on the resolution reached at this general meeting, the Company recognizes liabilities for retirement benefits for the terms of office of directors and auditors up to the conclusion of the said general meeting, which should be paid upon their retirement, and the Company paid or expects to pay a total of ¥370.5 million to five (5) directors and ¥1.1 million to one (1) corporate auditor (including a total of ¥10.1 million to three (3) outside directors) in the business year under review or thereafter. These payments are not included in the above.
5. Recorded figures less than one (1) million are rounded down to the nearest million with the exception of those in 4.

[Translation for Reference and Convenience Purposes Only]

(3) Matters Concerning Outside Executives

1) Positions in other companies

Kensuke Hotta, a corporate auditor, is a chairman and representative director of Hotta Sogo Office and Greenhill & Co. Japan Ltd.. but those companies had no significant business relationship with the Company in the fiscal year under review.

2) Major activities and positions of outside officers in other companies

[Outside Directors]

Name	Major Activities	Positions in Other Companies
Kunio Kojima	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 financial field, from the objective viewpoint of an outside director.	Outside director, Resona Holdings, Inc. Outside director, JBIS Holdings, Inc.
Yoko Ishikura	Attended eight (8) out of ten (10) board meetings held in the fiscal year under review, and appropriately made statements necessary for discussion of proposals on the basis of experience and knowledge as a specialist in international corporate strategies, from the objective viewpoint of an outside director.	-
Takeshi Komura	Attended all eight (8) board meetings held in the fiscal year under review after assuming the office of director 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.	Outside Auditor, The Yasuda Warehouse Co., Ltd.

[Outside Auditors]

Name	Major Activities	Positions in Other Companies
Kensuke Hotta	Attended nine (9) out of ten (10) board meetings and ten (10) out of eleven (11) auditor's meetings held in the fiscal year under review, and appropriately made statements necessary for discussion of proposals mainly from the viewpoint of an experienced executive.	Outside Auditor, Seiren Co., Ltd. Outside Director, Komatsu Ltd.
Sumio Iijima	Attended all ten (10) board meetings and all eleven (11) auditor's meetings held in the fiscal year under review and appropriately made statements necessary for discussion of proposals mainly from the special viewpoint of an attorney at law.	Outside Auditor, TKC Corporation Outside Auditor, Kitagawa Industries Co., Ltd. Outside Auditor, Isetan Company Limited Outside Auditor, Isetan Mitsukoshi Holdings, Ltd.

3) Outline of the contract on limited responsibilities

Based on the stipulation in Article 427, paragraph (1) of the Companies Act, the Company has concluded a contract with each outside officer, which stipulates the responsibilities stipulated in Article 423, paragraph (1) of the Companies Act and is limited to the total amount of items in 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 & Co.

(2) Compensation to the Accounting Auditor

(Millions of yen)

	Amount of Compensation
Compensation paid for the fiscal year under review	125
Total of cash and other financial amounts payable by the Company and its subsidiaries to the Accounting Auditor	278

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 audit under the Companies Act and that which is being derived from the audit under the Financial Instruments and Exchange Law and cannot be done practically, therefore, the amount of compensation is the total amount in the fiscal year under review.

(3) Contents of Non-audit Services

The Company has entrusted to the Accounting Auditor “Advisory service on internal control system regarding financial reports” that are services other than ones stipulated in Article 2, Paragraph 1 of the Certified Public Accountant Law (non-audit services).

(4) Company Policy Regarding Dismissal or Decision Not to Reappoint the Accounting Auditor

In the case the Company concludes that it is appropriate to dismiss or not to reappoint the Accounting Auditor in full consideration of the Accounting Auditor’s performance of its duties and other various factors, the Board of Directors 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 Paragraph 1, Article 340 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:

(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 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 Auditors and the standards of audit by the auditors, and enables the 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

Information on execution of duties by directors and executive officers is properly preserved and managed during a specified period, and kept available for inspection, in accordance with the rules of document management.

(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 business and market trends
   In the marine transportation field, the Company's principal business, as seaborne trades are influenced by business trends and commodity markets all over the world, 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 executive vice president in charge of administrative divisions.
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 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 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 requires the Group companies to report in advance about material matters about management of the Group companies, and to carry them out 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.

(7) 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 auditors are appointed among the Company's employees.
2) Personnel evaluation of assistants for corporate auditors is conducted by the auditors, and the transfer of assistants for corporate auditors is decided with approval of the Board of Auditors.
3) In general, assistants for auditors shall not be involved in business execution.

(8) System concerning Reports to the Corporate Auditors including a Reporting System from Directors, Executive Officers, Employees and Others concerning Reports to the 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 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 Compliance Policies, the appropriate reporting system to 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 Balance Sheets

(Millions of yen)

Item	As of March 31, 2009	As of March 31, 2008
	Amount	Amount
(Assets)		
Current assets	**428,597**	**506,077**
Cash and cash equivalents	83,784	62,982
Trade receivables	186,625	244,535
Marketable securities	13	41
Inventories	28,151	46,650
Deferred and prepaid expenses	57,585	71,526
Deferred tax assets	5,128	5,018
Other current assets	67,513	75,647
Allowance for doubtful accounts	(203)	(324)
Fixed assets	**1,378,482**	**1,394,473**
(Tangible fixed assets)	**[1,106,746]**	**[1,047,824]**
Vessels	609,753	598,585
Building and structures	128,113	88,732
Equipment, mainly containers	14,790	11,119
Equipments and parts	5,286	5,661
Land	180,237	180,588
Vessels and other property under construction	165,820	162,196
Other tangible fixed assets	2,743	940
(Intangible fixed assets)	**[14,285]**	**[16,835]**
Goodwill	4,783	7,167
Other intangible fixed assets	9,501	9,668
(Investments and other assets)	**[257,450]**	**[329,813]**
Investment securities	88,719	130,863
Stocks of subsidiaries and affiliates	91,642	100,077
Long-term loans receivables	39,923	29,651
Long-term prepaid expenses	4,430	5,757
Deferred tax assets	5,755	2,818
Other long-term assets	29,161	62,803
Allowance for doubtful accounts	(2,181)	(2,158)
Total Assets	**1,807,079**	**1,900,551**

[Translation for Reference and Convenience Purposes Only]

(Millions of yen)

Item	As of March 31, 2009	As of March 31, 2008
	Amount	Amount
(Liabilities)		
Current liabilities	**440,909**	**528,390**
Trade payables	167,471	180,281
Short-term bonds	23,276	29,106
Short-term bank loans	142,804	86,314
Accrued income taxes	8,010	82,214
Advances received	19,378	85,950
Deferred tax liabilities	416	1,008
Allowance for provision for bonuses	5,208	5,696
for provisions for directors' bonuses	343	274
for provisions for loss on business liquidation	88	-
Commercial paper	20,500	10,000
Other current liabilities	53,411	47,543
Fixed liabilities	**671,148**	**620,508**
Bonds due	132,671	137,906
Long-term bank loans	366,521	321,373
Deferred tax liabilities	31,564	66,402
Allowance for employees' severance and retirement benefits	14,626	14,469
for Directors' and corporate auditors' retirement benefits	2,242	2,160
for provisions for special repairs	16,091	15,457
Other fixed liabilities	107,429	62,738
Total Liabilities	**1,112,058**	**1,148,898**
(Net Assets)		
Owners' equity	**727,131**	**639,844**
Common stock	65,400	65,350
Capital surplus	44,543	44,449
Retained earnings	623,626	536,096
Treasury stock, at cost	(6,438)	(6,051)
Accumulated gains (losses) from valuation and translation adjustments	**(103,416)**	**39,471**
Unrealized holding gains on available-for-sale securities, net of tax	6,165	31,647
Unrealized gains (losses) on hedging derivatives, net of tax	(71,459)	12,051
Foreign currency translation adjustments	(38,122)	(4,227)
Share subscription rights	**1,306**	**967**
Minority interests	**70,000**	**71,369**
Total Net Assets	**695,021**	**751,652**
Total Liabilities and Total Net Assets	**1,807,079**	**1,900,551**

Consolidated Statements of Income

(Millions of yen)

Item	FY2008 (From Apr. 1, 2008 to Mar. 31, 2009) Amount	FY2007 (From Apr. 1, 2007 to Mar. 31, 2008) Amount
Shipping and other operating revenues	**1,865,802**	**1,945,696**
Shipping and other operating expenses	1,564,485	1,544,109
Gross operating income	**301,316**	**401,587**
Selling, general and administrative expenses	104,104	110,302
Operating income	**197,211**	**291,284**
Non-operating income		
Interest income	2,871	4,113
Dividend income	5,088	4,667
Equity in earnings of unconsolidated subsidiaries and affiliated companies	15,999	18,198
Others	7,441	12,013
Total non-operating income	**31,401**	**38,992**
Non-operating expenses		
Interest expense	13,929	18,065
Other non-operating expenses	10,173	9,993
Total non-operating expenses	**24,102**	**28,058**
Ordinary income	**204,510**	**302,219**
Extraordinary profit		
Gain on sale of fixed assets	12,284	19,485
Gain on sale of investment securities	21	3,528
Cancellation fee for chartered ships	5,572	9,584
Other extraordinary profit	2,393	1,549
Total extraordinary profit	**20,272**	**34,148**
Extraordinary losses		
Loss on sale, disposal and retirement of fixed assets	723	2,066
Loss on sale of investment securities	3	19
Loss on sale of securities investments in affiliated companies	-	10
Valuation loss on investment securities	3,207	2,955
Valuation loss on securities investments in affiliated companies	38	175
Provision of allowance for prior period extraordinary expense	-	10,846
Cancellation fee for chartered ships	20,123	-
Other extraordinary losses	2,953	2,089
Total extraordinary losses	**27,050**	**18,164**
Income before income taxes and minority interests	**197,732**	**318,202**
Income tax - current	**65,073**	**115,183**
Income tax - deferred	**638**	**5,693**
Minority interests	**5,032**	**7,004**
Net income	**126,987**	**190,321**

[Translation for Reference and Convenience Purposes Only]

Consolidated Statement of Changes in Net Assets

(Millions of yen)

	FY2008 (From April 1, 2008 to March 31, 2009)
Owners' equity	
Common stock	
Balance as of March 31, 2008	65,350
Changes during the consolidated fiscal year	
Issue of new stock (exercise of share subscription rights)	50
Total changes during the consolidated fiscal year	50
Balance as of March 31, 2009	65,400
Capital surplus	
Balance as of March 31, 2008	44,449
Changes during the consolidated fiscal year	
Issue of new stock (exercise of share subscription rights)	50
Disposal of treasury stock	44
Total changes during the consolidated fiscal year	94
Balance as of March 31, 2009	44,543
Retained earnings	
Balance as of March 31, 2008	536,096
Changes during the consolidated fiscal year	
Dividend paid	(38,911)
Net income	126,987
Due to changes in consolidated subsidiaries	(98)
Due to changes in affiliated companies accounted for by the equity method	(1)
Increase/decrease in retirement earnings due to changes in accounting periods of consolidated subsidiaries	(446)
Total changes during the consolidated fiscal year	87,529
Balance as of March 31, 2009	623,626
Treasury stock, at cost	
Balance as of March 31, 2008	(6,051)
Changes during the consolidated fiscal year	
Repurchase of treasury stock	(1,118)
Disposal of treasury stock	730
Total changes during the consolidated fiscal year	(387)
Balance as of March 31, 2009	(6,438)
Total owners' equity	
Balance as of March 31, 2008	639,844
Changes during the consolidated fiscal year	
New issue of stocks (Exercise of share subscription rights)	100
Dividends paid	(38,911)
Net income	126,987
Due to changes in consolidated subsidiaries	(98)
Due to changes in affiliated companies accounted for by the equity method	(1)
Increase/decrease in retirement earnings due to changes in accounting periods of consolidated subsidiaries	(446)
Repurchase of treasury stock	(1,118)
Disposal of treasury stock	775
Total changes during the consolidated fiscal year	87,286
Balance as of March 31, 2009	727,131
Accumulated gains (losses) from valuation and translation adjustments	
Unrealized holding gains on available-for-sale securities, net of tax	
Balance as of March 31, 2008	31,647
Changes during the consolidated fiscal year	
Net increase/decrease during the term except in owners' equity	(25,481)
Total changes during the consolidated fiscal year	(25,481)
Balance as of March 31, 2009	6,165

[Translation for Reference and Convenience Purposes Only]

	FY2008 (From April 1, 2008 to March 31, 2009)
Unrealized gains on hedging derivatives, net of tax	
Balance as of March 31, 2008	12,051
Changes during the consolidated fiscal year	
Net increase/decrease during the term except in owners' equity	(83,511)
Total changes during the consolidated fiscal year	(83,511)
Balance as of March 31, 2009	(71,459)
Foreign currency translation adjustments	
Balance as of March 31, 2008	(4,227)
Changes during the consolidated fiscal year	
Net increase/decrease during the term except in owners' equity	(33,894)
Total changes during the consolidated fiscal year	(33,894)
Balance as of March 31, 2009	(38,122)
Total accumulated gains (losses) from valuation and translation adjustments	
Balance as of March 31, 2008	39,471
Changes during the consolidated fiscal year	
Net increase/decrease during the term except in owners' equity	(142,887)
Total changes during the consolidated fiscal year	(142,887)
Balance as of March 31, 2009	(103,416)
Share subscription rights	
Balance as of March 31, 2008	967
Changes during the consolidated fiscal year	
Net increase/decrease during the term except in owners' equity	338
Total changes during the consolidated fiscal year	338
Balance as of March 31, 2009	1,306
Minority interests	
Balance as of March 31, 2008	71,369
Changes during the consolidated fiscal year	
Net increase/decrease during the term except in owners' equity	(1,368)
Total changes during the consolidated fiscal year	(1,368)
Balance as of March 31, 2009	70,000
Total net assets	
Balance as of March 31, 2008	751,652
Changes during the consolidated fiscal year	
New issue of stocks (Exercise of share subscription rights)	100
Dividends paid	(38,911)
Net income	126,987
Due to change in consolidated subsidiaries	(98)
Due to change in affiliated companies accounted for by the equity method	(1)
Increase/decrease in retirement earnings due to changes in accounting periods of consolidated subsidiaries	(446)
Repurchase of treasury stock	(1,118)
Disposal of treasury stock	775
Net increase/decrease during the term except in owners' equity	(143,917)
Total changes during the consolidated fiscal year	(56,630)
Balance as of March 31, 2009	695,021

[Translation for Reference and Convenience Purposes Only]

[Reference Document]

Consolidated Statements of Cash Flows

(Millions of yen)

Items	FY2008 (From April 1, 2008 to March 31, 2009)	FY2007 (From April 1, 2007 to March 31, 2008)
	Amount	Amount
I. Cash flows from operating activities		
Income before income taxes and minority interests	197,732	318,202
Depreciation and amortization	78,155	74,480
Equity in earnings of unconsolidated subsidiaries and affiliated companies, net	(15,999)	(18,198)
Loss on write-down of investment securities	3,207	2,955
Loss on write-down of investments in affiliated companies	38	175
Various provisions (reversals)	1,159	11,488
Interest and dividend income	(7,960)	(8,781)
Interest expense	13,929	18,065
Gain on the sale of investment securities	(18)	(3,508)
Loss on the sale of investments in affiliated companies	-	10
Gain on sale and disposal of vessels, property, plant and equipment	(11,559)	(17,439)
Exchange loss, net	930	4,507
Changes in operating asset and liabilities		
- Trade receivables	19,238	(46,126)
- Fuel and supplies	17,938	(18,278)
- Trade payables	(5,171)	28,052
Other, net	(35,304)	11,933
Sub total	**256,317**	**357,537**
Cash received for interest and dividend	15,437	14,996
Cash paid for interest	(13,794)	(17,783)
Cash paid for corporate income tax, resident tax and enterprise tax	(138,976)	(71,390)
Net cash provided by operating activities	**118,984**	**283,359**
II. Cash flows from investing activities		
Payments for purchase of investment securities	(13,839)	(13,726)
Proceeds from sale of marketable securities	-	31
Proceeds from sale and redemption of investment securities	6,646	5,894
Payments for purchases of vessels and other tangible and intangible fixed assets	(209,881)	(286,983)
Proceeds from sale of vessels and other tangible and intangible fixed assets	34,420	43,068
Net (increase) decrease in short-term loans receivable	5,744	(3,715)
Disbursements for loans receivable	(18,656)	(10,931)
Collections of loans receivable	4,242	8,566
Other, net	1,301	(2,273)
Net cash used in investing activities	**(190,022)**	**(260,068)**

[Translation for Reference and Convenience Purposes Only]

Items	FY2008 (From April 1, 2008 to March 31, 2009)	FY2007 (From April 1, 2007 to March 31, 2008)
	Amount	Amount
III. Cash flows from financing activities		
Net increase (decrease) in short-term bonds	(15,469)	15,614
Net increase (decrease) in short-term bank loans	64,416	(52,394)
Net increase (decrease) in commercial paper	10,500	(2,000)
Proceeds from long-term bank loans	142,444	131,645
Repayments of long-term bank loans	(73,704)	(86,778)
Proceeds from issuance of bonds	32,036	29,269
Redemption of bonds	(17,256)	(13,271)
Purchase of treasury stock	(1,118)	(1,139)
Sale of treasury stock	775	746
Cash dividends paid by the company	(38,880)	(29,898)
Cash dividends paid to minority interests	(2,434)	(2,904)
Other, net	(442)	(617)
Net cash (used in) provided by financing activities	**100,865**	**(11,730)**
IV. Effect of exchange rate changes on cash and cash equivalents	**(8,485)**	**(2,289)**
V. Net increase in cash and cash equivalents	**21,342**	**9,271**
VI. Cash and cash equivalents at beginning of year	**61,715**	**51,382**
VII. Net cash increase from new consolidation/de-consolidation of subsidiaries	**150**	**1,061**
VIII. Decrease in cash and cash equivalents due to change in accounting periods for consolidated subsidiaries	**(14)**	**-**
IX. Cash and cash equivalents at end of period	**83,194**	**61,715**

[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: 265

(2) Names of principal consolidated subsidiaries are as stated in “1) Matters concerning the Present State of the Corporate Group, (9) Principal Subsidiaries” in Business Report.

(3) Name of non-consolidated principal 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 non-consolidated subsidiaries accounted for by the equity method: 1

(2) Name of non-consolidated subsidiaries accounted for by the equity method:
MOL (West Africa) Ltd.

(3) Number of non-consolidated affiliates accounted for by the equity method: 63

(4) Name of non-consolidated principal affiliates accounted for by the equity method:
Daiichi Chuo Kisen Kaisha, Osaka Shipping Co., Ltd, Asahi Tanker Co., Ltd.

(5) Name of non-consolidated principal subsidiaries accounted for by the equity method:
Asia Cargo Service Co., Ltd.

(6) Name of non-consolidated principal affiliates accounted for by the equity method:
Sorami Container Center Co., Ltd.

(7) 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
Nine (9) companies including MOL LOGISTICS (DEUTSCHLAND) GMBH that was a non-consolidated subsidiary for the previous fiscal year were included in the scope of consolidation for the consolidated fiscal year ended March 31, 2008 from the viewpoint of significance. Eleven (11) companies including Esca that had been a consolidated subsidiary were excluded from the scope of consolidation due to elimination after merger, etc.

(2) Scope of applying the equity method
Twelve (12) non-consolidated affiliates including ICE GAS LNG SHIPPING COMPANY LIMITED that were not accounted for by the equity method in the previous fiscal year were accounted for by the equity method for the fiscal year under review. Three (3) companies including BRIGHT SHIPPING COMPANY INC. was excluded from the scope of applying the equity method due to completion of liquidation.

4. Significant accounting policies

(1) Standards and methods of valuation of assets

Securities

Available-for-sale securities	Market value method (Calculating cost of securities sold with 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 using the moving-average method)
without market value	Stated at cost using the moving-average method
Derivative transactions	Market value method
Inventories (Fuel and supplies)	Stated at cost using the moving-average method Figures on the balance sheet 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 (Declining-balance method for a part of vessels)
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.
As for goodwill, the amount more than averaged is amortized over five (5) years, in general.

Leased assets

Leased assets related to finance lease transaction 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) Standards of 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 provision for bonuses

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

Allowance for provisions for directors' bonuses

The Company and a part of consolidated domestic subsidiaries provide for bonus payments to directors based on the estimated amounts of future payments.

Allowance for employees' severance and retirement benefits

Reserve for retirement benefits mainly to employees are calculated based on the estimates of retirement benefit obligations and pension assets as of the end of the consolidated fiscal year under review. Unrecognized actuarial differences are amortized in the year following the year in which the gain or loss is recognized primarily by the straight-line method over a period no longer than the average remaining service period for employees in service (generally 10 years).

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 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 completion 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 dry docking of vessels based on the estimated amount of dry docking of vessels

Allowance for provisions for loss on business liquidation

To provide for losses such as those associated with the liquidation of business, the Company computes and records the expected amount of such loss.

(5) Standards to record 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 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 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) Standards and methods of valuation of assets and liabilities of consolidated subsidiaries

The assets and liabilities of consolidated subsidiaries are fully valued using the fair market value at the time when the Company acquired control of the respective subsidiaries.

(8) Method and Period of amortization of goodwill

Goodwill is amortized equally each year over five (5) years after the accrual date, in general. However, goodwill that the Company acquired when MOL-NIC Transport Ltd. merged with former Burmah Transport Holdings Ltd. has been amortized equally each year over the period (14 years) that it has economic effects

(9) 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.

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

(11) Changes to Accounting Policies

Current accounting methods used for overseas subsidiaries when preparing consolidated financial statements

Effective from the consolidated fiscal year under review, the Company adopted "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (Practical Issues Task Force No. 18 issued on May 17, 2006) and has applied amendments necessary for consolidated financial settlement. The impact of this change is minimal.

Accounting for lease transactions

The Company previously had adopted accounting standards corresponding to the method related to rental and lease transactions for financial lease transactions that do not transfer ownership. Effective from the consolidated fiscal year under review, however, the Company adopted the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13 (dated June 17, 1993, originally issued by Business Accounting Council First Group; revised on March 30, 2007)) and the "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16 (dated January 18, 1994, originally issued by the Japan Institute of Certified Public Accountants Accounting System Committee; revised on March 30, 2007)), and has been applying accounting standards corresponding to the method related to normal sales transactions.

Meanwhile, the Company continues to adopt accounting standards corresponding to the method related to normal rental and lease transactions with respect to finance lease transactions that do not transfer ownership and for which the lease initiation date falls prior to the start of the initial business year of application.

The impact of this change on profits is minimal.

Accounting for uncollected freight corresponding to incomplete voyage

The Company previously had recognized uncollected freight as trade receivables at the time of loading and departure of the vessel while freight revenues were accounted for under the completed-voyage method (multiple transportation progress method for the containerships business) by deferring the portion corresponding to the incomplete voyage (the per diem deferred portion in the containerships business) as trade receivables as of the date of the consolidated balance sheet. Effective from the consolidated fiscal year under review, however, the Company changed the policy to adopt the method of deducting the portion of uncollected freight corresponding to incomplete voyage from trade receivables and advances received as of the date of the consolidated balance sheet.

This change was implemented in consideration of the fact that the majority of companies in the industry adopt this method and because during the consolidated fiscal year under review, a freight management system allowing adoption of this method was implemented as a consequence of which comparisons with other firms can be made and financial conditions of the Company can be presented more appropriately. As a result of this change, trade receivables and advances received declined ¥30,973 million respectively compared to the results derived under the traditional method.

Notes to Consolidated Balance Sheet

1. Breakdown and amounts of inventories

Raw materials and supplies	26,855 millions of yen
Other	1,296 millions of yen

2. Assets pledged as collateral and secured obligations

(1) Assets pledged as collateral

Vessels	202,732 millions of yen
Buildings and structures	2,573 millions of yen
Land	985 millions of yen
Investment securities	26,308 millions of yen
Securities issued by subsidiaries and affiliated companies	25,414 millions of yen
Others	420 millions of yen
Total	258,433 millions of yen

(2) Secured obligations

Short-term debt	20,766 millions of yen
Long-term debt	87,138 millions of yen
Total	107,905 millions of yen

Pledged investment securities and securities issued by subsidiaries and affiliated companies include the following securities:

a) Investment securities at ¥26,013 million and securities issued by subsidiaries and affiliated companies at ¥11,143 million were pledged in order to secure losses to be incurred when the Company and our subsidiaries and affiliated companies cause oil pollution casualties in U.S. ocean area, and obligations for them have not been incurred as of the end of the consolidated fiscal year under review. ¥11,143 million in securities issued by subsidiaries and affiliated companies are securities issued by consolidated subsidiaries.

b) Securities issued by subsidiaries and affiliated companies at ¥ 1,464 million were pledged in order to secure guarantee with achievement of contract regarding BGT project and obligations for it have not been incurred as of the end of the consolidated fiscal year under review. ¥1,464 million in securities issued by subsidiaries and affiliated companies are securities issued by consolidated subsidiaries.

c) Securities issued by subsidiaries and affiliated companies at ¥12,789 million were pledged in order to secure long-term debts and future payment of charter fees.

3. Accumulated depreciation of tangible fixed assets 741,328 millions of yen

4. Contingent liabilities

Amount of discount on notes receivable	79 millions of yen
Guarantee liabilities, etc.	81,347 millions of yen
(Including guarantee liabilities in foreign currency	68,742 millions of yen)
Burden on other joint debtors in joint debts	13,421 millions of yen

Notes to Consolidated Statement of Changes in Net Assets

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

Class: Common stock

Total shares: 1,206,286,115 shares

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

Class: Common stock

Total shares: 9,656,554 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
Ordinary General Meeting of Shareholders June 24, 2008	Common stock	20,353	17	March 31, 2008	June 25, 2008
Board of Directors Meeting October 27, 2008	Common stock	18,557	15.5	September 30, 2008	November 26, 2008

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

Resolution	Class of stock	Total dividend (millions of yen)	Dividend resource	Dividend per share (yen)	Record date	Effective date
Ordinary General Meeting of Shareholders June 23, 2009	Common stock	18,559	Retained earnings	15.5	March 31, 2009	June 24, 2009

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 shares:	47,059,997 shares

Per-share information

1. Net assets per share	521.23 yen
2. Net income per share	106.13 yen

Material subsequent events

The Company, based on the resolution of the board of directors on March 18, 2009, accepted the entire subscribed shares issued under allocation of new shares to third parties by Kansai Kisen Kaisha (hereinafter, "Kansai Kisen") (29,000,000 shares of common stock: payment price of ¥55 per share for a total of ¥1,595 million) and made the payment on April 13, 2009. As a result of the completion of the payment, Kansai Kisen became a subsidiary of the Company.

In addition, the Company reached a resolution to acquire shares of Kansai Kisen through a tender offer.

1. Reason for the tender offer

   The Company under "MOL ADVANCE," its mid-term management plan announced in March 2007, aims for sustained growth with basic objectives being further expansion of the maritime business and strengthening of peripheral maritime segments and identifies "enhancement of Group-wide integrity and competitiveness" as one of its core overall strategies. Based on this overall strategy, the Company made aggressive efforts in pursuing organizational restructuring and synergy creation in all business areas. As a result, the Company reached the conclusion that the best step would be to make Kansai Kisen its wholly owned subsidiary through a tender offer of applicable shares and took action accordingly.

2. Profile of subsidiary to be purchased (as of April 13, 2009)

(1) Name:	Kansai Kisen Kaisha
(2) Principal businesses:	marine transport, food & beverages/product sales, other businesses
(3) Date of establishment:	May 4, 1942
(4) Location of head office:	3-6-32 Nakanoshima, Kita-ku, Osaka
(5) Name and title of representative:	Makoto Kuroishi, President and Representative Director
(6) Capital:	2,166 million yen
(7) Total number of issued shares:	68,531,200 shares
(8) Total number of voting rights:	685,258 rights

3. Outline of tender offer

(1) Number of shares acquired:	17,583,914 (including a purchase of its shares from its consolidated subsidiaries)
(2) Period of the tender offer:	From March 19, 2009 to April 27, 2009
(3) Funds required for the tender offer:	1,107 million yen

4. Number of shares and voting rights held after the tender offer

(1) Number of shares to be held:	61,060,114 shares (holding ratio: 89.09%)
(2) Number of voting rights:	610,601 rights (voting rights ratio: 89.10%)

Other notes

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

[Translation for Reference and Convenience Purposes Only]

Non-consolidated Balance Sheets

(Millions of yen)

Item	As of March 31, 2009	As of March 31, 2008
	Amount	Amount
(Assets)		
Current assets	**467,005**	**449,048**
Cash and cash equivalents	45,145	15,687
Trade receivables	155,375	188,001
Short-term loans receivable	144,477	95,249
Advances	16,178	11,272
Supplies	20,562	38,874
Deferred and prepaid expenses	54,150	67,470
Debts for agency	14,347	19,939
Deferred tax assets	2,637	1,802
Other current assets	14,333	11,178
Allowance for doubtful accounts	(203)	(427)
Fixed assets	**541,377**	**525,708**
(Tangible fixed assets)	**[101,710]**	**[101,527]**
Vessels	64,856	59,302
Building	12,412	12,954
Structures and equipment	820	829
Vehicles and transportation equipment	344	602
Equipment, mainly containers	987	879
Land	19,935	19,825
Vessels and other property under construction	293	6,465
Other tangible fixed assets	2,058	658
(Intangible fixed assets)	**[10,589]**	**[14,712]**
Goodwill	4,239	8,479
Other intangible fixed assets	6,349	6,232
(Investments and other assets)	**[429,077]**	**[409,468]**
Investment securities	68,812	96,321
Stocks of subsidiaries and affiliates and Investments in equity	147,982	149,620
Long-term loans receivables	198,716	150,000
Long-term prepaid expenses	189	244
Deferred tax assets	1,063	-
Other investments and other assets	15,094	15,775
Allowance for doubtful accounts	(2,780)	(2,494)
Total Assets	**1,008,382**	**974,757**

[Translation for Reference and Convenience Purposes Only]

(Millions of yen)

Item	As of March 31, 2009	As of March 31, 2008
	Amount	Amount
(Liabilities)		
Current liabilities	**311,835**	**360,545**
Trade payables	165,252	154,395
Short-term bonds	9,500	1,000
Short-term bank loans	67,581	18,063
Other payables	4,011	2,528
Accrued income taxes	1,898	73,112
Accrued expenses	1,069	1,102
Advances received	16,417	82,488
Accounts receivable from agents	6,934	16,545
Allowance for provision for bonuses	2,722	3,069
Allowance for provisions for directors' bonuses	219	176
Commercial paper	20,500	-
Other current liabilities	15,728	8,064
Fixed liabilities	**137,378**	**84,784**
Bonds due	67,030	52,130
Long-term bank loans	59,554	13,534
Allowance for employees' severance and retirement benefits	190	292
Allowance for Directors' and corporate auditors' retirement benefits	365	371
Deferred tax liabilities	-	7,084
Other fixed liabilities	10,238	11,371
Total Liabilities	**449,214**	**445,330**
(Net Assets)		
Owners' equity	**550,897**	**496,443**
Common stock	65,400	65,350
Capital surplus	44,530	44,439
Additional paid-in capital	44,371	44,321
Other capital surplus	158	117
Retained earnings	447,287	392,597
Legal earnings reserve	8,527	8,527
Other retained earnings	438,760	384,069
Reserve for special depreciation	2,850	1,227
Reserve for losses on overseas investments	37	30
Reserve for advanced depreciation	370	504
General reserve	295,630	175,630
Retained earnings brought forward	139,871	206,677
Treasury stock, at cost	(6,320)	(5,943)
Accumulated gains from valuation and translation adjustments	**6,964**	**32,016**
Unrealized holding gains available for sale of securities, net of tax	7,792	29,110
Unrealized gains on hedging derivatives, net of tax	(828)	2,905
Share subscription rights	**1,306**	**967**
Total Net Assets	**559,168**	**529,426**
Total Liabilities and Total Net Assets	**1,008,382**	**974,757**

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Non-consolidated Statements of Income

(Millions of yen)

Item	FY2008 (From April 1, 2008 to March 31, 2009)	FY2007 (From April 1, 2007 to March 31, 2008)
	Amount	Amount
Shipping and other operating revenues		
Shipping revenues		
Freight	1,140,360	1,181,142
Charter fees	354,798	374,386
Other shipping revenues	31,806	31,696
Total	**1,526,965**	**1,587,225**
Other operating revenue	1,335	1,332
Total shipping and other operating revenues	**1,528,301**	**1,588,548**
Shipping and other operating expenses		
Shipping expenses		
Voyage expenses	621,248	607,505
Vessels	17,479	16,303
Charter fees	607,019	588,276
Other shipping	102,674	112,085
Total	**1,348,422**	**1,324,171**
Other operating expenses	826	826
Total shipping and other operating expenses	**1,349,249**	**1,324,997**
Gross operating income	**179,051**	**263,550**
General and administrative expenses	33,246	31,290
Operating income	**145,805**	**232,260**
Non-operating income		
Interest and dividend income	32,657	33,628
Other non-operating income	4,916	8,711
Total non-operating income	**37,573**	**42,340**
Non-operating expenses		
Interest expense	1,818	3,302
Other non-operating expenses	8,571	11,118
Total non-operating expenses	**10,390**	**14,420**
Ordinary income	**172,988**	**260,179**
Extraordinary profit		
Gain on sale of fixed assets	0	20
Gain on sale of investment securities	1	3,518
Gain on liquidation of subsidiaries and affiliates	26	329
Reversal of allowance for doubtful accounts	241	4,299
Cancellation fee for chartered ships	5,237	9,584
Other extraordinary profit	71	305
Total extraordinary profit	**5,578**	**18,057**
Extraordinary losses		
Loss on sale of fixed assets	446	1,264
Loss on sale of investment securities	-	9
Valuation loss on investment securities	1,627	1,602
Valuation loss on securities issued by subsidiaries and affiliated companies	2,770	166
Loss from liquidation of affiliates	500	61
Cancellation fee for chartered ships	20,043	-
Provision for doubtful accounts	657	89
Other extraordinary losses	145	-
Total extraordinary losses	**26,192**	**3,193**
Income before income taxes	**152,373**	**275,043**
Income tax-current	53,737	100,429
Income tax-deferred	5,035	1,323
Net income	**93,601**	**173,291**

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Non-consolidated Statement of Changes in Net Assets

(Millions of yen)

	FY2008 (From April 1, 2008 to March 31, 2009)
Owners' equity	
Common stock	
Balance as of March 31, 2008	65,350
Changes during the fiscal year	
New issue of stocks (Exercise of share subscription rights)	50
Total changes during the fiscal year	50
Balance as of March 31, 2009	65,400
Capital surplus	
Additional paid-in capital	
Balance as of March 31, 2008	44,321
Changes during the fiscal year	
New issue of stocks (Exercise of share subscription rights)	50
Total changes during the fiscal year	50
Balance as of March 31, 2009	44,371
Other capital surplus	
Balance as of March 31, 2008	117
Changes during the fiscal year	
Disposal of treasury stock	41
Total changes during the fiscal year	41
Balance as of March 31, 2009	158
Total capital surplus	
Balance as of March 31, 2008	44,439
Changes during the fiscal year	
New issue of stocks (Exercise of share subscription rights)	50
Disposal of treasury stock	41
Total changes during the fiscal year	91
Balance as of March 31, 2009	44,530
Retained earnings	
Legal earnings revenue	
Balance as of March 31, 2008	8,527
Changes during the fiscal year	
Total changes during the fiscal year	-
Balance as of March 31, 2009	8,527
Other earned surplus	
Reserve for special depreciation	
Balance as of March 31, 2008	1,227
Changes during the fiscal year	
Addition to reserve for special depreciation	1,816
Reversal of reserve for special depreciation	(193)
Total changes during the fiscal year	1,623
Balance as of March 31, 2009	2,850
Reserve for losses on overseas investments	
Balance as of March 31, 2008	30
Changes during the fiscal year	
Addition to reserve for overseas investment loss	6
Total changes during the fiscal year	6
Balance as of March 31, 2009	37
Reserve for advanced depreciation	
Balance as of March 31, 2008	504
Changes during the fiscal year	
Reversal of reserve for advanced depreciation	(134)
Total changes during the fiscal year	(134)
Balance as of March 31, 2009	370

	FY2008 (From April 1, 2008 to March 31, 2009)
Other reserve	
Balance as of March 31, 2008	175,630
Changes during the fiscal year	
Addition to other reserve	120,000
Total changes during the fiscal year	120,000
Balance as of March 31, 2009	295,630
Retained earnings brought forward	
Balance as of March 31, 2008	206,677
Changes during the fiscal year	
Dividends paid	(38,911)
Net income	93,601
Addition to reserve for special depreciation	(1,816)
Reversal of reserve for special depreciation	193
Addition to reserve for overseas investments loss	(6)
Reversal of reserve for advanced depreciation	134
Other reserve	(120,000)
Total changes during the fiscal year	(66,805)
Balance as of March 31, 2009	139,871
Total retained earnings	
Balance as of March 31, 2008	392,597
Changes during the fiscal year	
Dividends paid	(38,911)
Net income	93,601
Addition to reserve for special depreciation	-
Reversal of reserve for special depreciation	-
Addition to reserve for overseas investments loss	-
Reversal of reserve for advanced depreciation	-
Other reserve	-
Total changes during the fiscal year	54,690
Balance as of March 31, 2009	447,287
Treasury stock	
Balance as of March 31, 2008	(5,943)
Changes during the fiscal year	
Repurchase of treasury stock	(1,115)
Disposal of treasury stock	737
Total changes during the fiscal year	(377)
Balance as of March 31, 2009	(6,320)
Total owners' equity	
Balance as of March 31, 2008	496,443
Changes during the fiscal year	
New issue of stocks (Exercise of share subscription rights)	100
Dividends paid	(38,911)
Net income	93,601
Repurchase of treasury stock	(1,115)
Disposal of treasury stock	779
Total changes during the fiscal year	54,454
Balance as of March 31, 2009	550,897
Accumulated gains (losses) from valuation and translation adjustments	
Unrealized gains on available-for-sale securities, net of tax	
Balance as of March 31, 2008	29,110
Changes during the fiscal year	
Net increase/decrease during the term except in owners' equity	(21,318)
Total changes during the fiscal year	(21,318)
Balance as of March 31, 2009	7,792

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	FY2008 (From April 1, 2008 to March 31, 2009)
Unrealized gains on hedging derivatives, net of tax	
Balance as of March 31, 2008	2,905
Changes during the fiscal year	
Net increase/decrease during the term except in owners' equity	(3,733)
Total changes during the fiscal year	(3,733)
Balance as of March 31, 2009	(828)
Total accumulated gains (losses) from valuation and translation adjustments	
Balance as of March 31, 2008	32,016
Changes during the fiscal year	
Net increase/decrease during the term except in owners' equity	(25,051)
Total changes during the fiscal year	(25,051)
Balance as of March 31, 2009	6,964
Share subscription rights	
Balance as of March 31, 2008	967
Changes during the fiscal year	
Net increase/decrease during the term except in owners' equity	338
Total changes during the fiscal year	338
Balance as of March 31, 2009	1,306
Total net assets	
Balance as of March 31, 2008	529,426
Changes during the fiscal year	
New issue of stocks (Exercise of share subscription rights)	100
Dividends paid	(38,911)
Net income	93,601
Repurchase of treasury stock	(1,115)
Disposal of treasury stock	779
Net increase/decrease during the term except in owners' equity	(24,713)
Total changes during the fiscal year	29,741
Balance as of March 31, 2009	559,168

[Translation for Reference and Convenience Purposes Only]

Notes to Non-consolidated Financial Statements

Significant Matters for Basis of Preparation of Non-consolidated Financial Statements

Significant accounting policies

1. Standards and methods of valuation of assets

Securities	
Available-for-sale securities	Market value method (Calculating cost of securities sold with moving-average method)
Held-to-maturity debt securities	Amortized cost method
Securities issued by subsidiaries and affiliated companies	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 sheet 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. As for goodwill, the amount more than averaged is amortized over five (5) years, in general.
Leased assets	Leased assets related to finance lease transaction 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. Standards of accounting for allowances and reserves

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 provision for bonuses

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

Allowance for provisions for directors' bonuses

Provided for bonus payments to directors based on the estimated amounts of future payments.

Allowance for employees' severance and retirement benefits

Reserve for retirement benefits to employees are calculated based on the estimates of retirement benefit obligations and pension assets as of the end of the consolidated fiscal year under review. Unrecognized actuarial differences are amortized in the year following the year in which the gain or loss is recognized primarily by the straight-line method over a period no longer than the average remaining service period for employees in service (10 years).

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 shareholders' meeting 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 completion of the shareholders' meeting for FY2004, which will be paid upon their retirement, in accordance with internal regulations.

5. Standards to record 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.

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, Foreign securities issued by subsidiaries and affiliated companies
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
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. Consumption tax and local consumption tax are accounted for by the tax exclusion method.

Changes to accounting policies

1. Accounting for lease transactions

The Company, with respect to lease transactions in which the ownership is not transferred, had traditionally been applying accounting standards corresponding to the method concerning rental and lease transactions. Effective from the fiscal year under review, however, the Company adopted the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13 (dated June 17, 1993, originally issued by Business Accounting Council First Group; revised on March 30, 2007)) and the "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16 (dated January 18, 1994, originally issued by the Japan Institute of Certified Public Accountants Accounting System Committee; revised on March 30, 2007)) , and has been applying accounting standards corresponding to the method related to normal purchase and buy transactions.

Meanwhile, the Company continues to adopt accounting standards corresponding to the method related to normal rental and lease transactions with respect to finance lease transactions that do not transfer ownership and for which the lease initiation date falls prior to the start of the initial business year of application.

The impact of this change on profits is minimal.

2. Accounting for uncollected freight corresponding to incomplete voyage

The Company traditionally had recognized uncollected freight as trade receivables at the time of loading and departure of the vessel while freight revenues were accounted for under the completed-voyage method (multiple transportation progress method for the containerships business) by deferring the portion corresponding to the incomplete voyage (the per diem deferred portion in the containerships business) as trade receivables as of the date of the balance sheet. Effective from the fiscal year under review however, the Company changed the policy to adopt the method of deducting the portion of uncollected freight corresponding to incomplete voyage from trade receivables and advances received as of the date of the balance sheet.

This change was implemented in consideration of the fact that the majority of companies in the industry adopt this method and because during the fiscal year under review, a freight management system allowing adoption of this method was implemented as a consequence of which comparisons with other firms can be made and financial conditions of the Company can be presented more appropriately. As a result of this change, trade receivables and advances received declined ¥30,973 million respectively compared to the results derived under the traditional method.

Notes to Non-consolidated Balance Sheet

1. To subsidiaries and affiliated companies

Short-term monetary lending	179,227 millions of yen
Long-term monetary lending	201,405 millions of yen
Short-term monetary debts	49,319 millions of yen
Long-term monetary debts	287 millions of yen

2. Accumulated depreciation on tangible fixed assets	250,734 millions of yen

3. Assets pledged as collateral and secured obligations

(1) Assets pledged as collateral

Vessels	27,259 millions of yen
Investment securities	26,013 millions of yen
Securities issued by subsidiaries and affiliated companies	32,159 millions of yen
Total	85,432 millions of yen

(2) Secured obligations

Short-term debt	3,649 millions of yen
Long-term debt	6,748 millions of yen
Guaranteed liabilities	8,952 millions of yen
Total	19,350 millions of yen

Pledged investment securities and securities issued by subsidiaries and affiliated companies include the following securities:

a) Investment securities at ¥26,013 million and securities issued by subsidiaries and affiliated companies at ¥11,143 million were pledged in order to secure losses to be incurred when the Company and our subsidiaries and affiliated companies 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) Securities issued by subsidiaries and affiliated companies at 1,464million were pledged in order to secure guarantee with achievement of contract regarding BGT project, and obligations for it have not been incurred as of the fiscal year under review.

c) Securities issued by subsidiaries and affiliated companies at ¥19,550 million were pledged in order to secure long-term debts and future payment of charter fees.

4. Contingent liabilities

Guarantee liabilities, etc.	701,265 millions of yen
(Including guarantee liabilities in foreign currency	342,218 millions of yen)
Burden on other joint debtors in joint debts	13,387 millions of yen

Notes to Non-consolidated Statements of Income

Volume of transactions with subsidiaries and affiliates

Volume of operating transactions	
Revenues	54,575 millions of yen
Amount of purchase	313,325 millions of yen
Transactions other than operating transactions	31,348 millions of yen

Notes to Non-consolidated Statements of Changes in Net Assets

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

Common stock	8,902,868 shares

Notes on Deferred Tax Accounting

Significant components of deferred tax assets and liabilities

	(Millions of yen)
Deferred tax assets	
Retained income of specific foreign subsidiaries	9,292
Voluntary adjustment of valuation loss on securities issued by subsidiaries and affiliates	7,392
Reserve for bonuses expenses	1,014
Voluntary adjustment of valuation loss on listed shares	2,713
Voluntary adjustment of valuation loss on unlisted shares	383
Voluntary adjustment of valuation loss on golf club membership	167
Accrued business tax and business place tax	40
Retirement allowances for directors	88
Impairment loss	17
Deferred hedge losses	1,240
Provision of allowance for doubtful accounts	844
Others	2,103
Total of deferred tax assets	24,452
Valuation allowance	(9,171)
Net deferred tax assets	15,684
Deferred tax liabilities	
Reserve deductible for tax purposes when appropriated for special depreciation	(1,684)
Reserve for advanced depreciation	(219)
Gain on securities contributed to employee retirement benefit trust	(4,338)
Other marketable securities valuation difference	(4,504)
Deferred hedge gains	(749)
Others	(84)
Total deferred tax liabilities	(11,580)
Net deferred tax assets	3,701

[Translation for Reference and Convenience Purposes Only]

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 amount of acquisition cost, accumulated depreciation and net book value at March 31, 20098

(Millions of yen)

	Acquisition cost	Accumulated depreciation	Net book value
Equipment, mainly containers	43,389	32,948	10,441
Total	43,389	32,948	10,441

(2) Future lease payment at March 31, 2009

Amount due within one year	4,019 millions of yen
Amount due after one year	12,962 millions of yen
Total	16,981 millions of yen

(3) Lease payment, depreciation equivalent and interest equivalent

Lease payment	4,444 millions of yen
Depreciation equivalent	4,545 millions of yen
Interest equivalent	357 millions of 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 sheet 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	7,456 millions of yen
Amount due after one year	28,285 millions of yen
Total	35,742 millions of yen

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	Euromol B.V.	Indirectly 100%	Interlocking directorate Debt guarantee	Debt guarantee	61,769	-	-
	MOL Euro-orient Shipping S.A.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee Funding loan	Debt guarantee Funding loan	41,956 9,410	- Short-term loan Long-term loan	- 744 16,307
	Aurora Car Maritime Transport S.A.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee Funding loan	Debt guarantee Funding loan	40,621 19,308	- Short-term loan Long-term loan	- 998 24,248
	Canopus Maritime Inc.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	29,979	-	-
	Polar Express S.A.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee Funding loan	Debt guarantee Funding loan	24,865 7,646	- Short-term loan Long-term loan	- 320 12,147
	Camellia Container Carriers S.A.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee Funding loan	Debt guarantee Funding loan	22,403 9,284	- Short-term loan Long-term loan	- 9,834 6,248
	Vermintino Shipping Inc.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	20,069	-	-
	Perennial Transport Inc.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	17,816	-	-
	Linkman Holdings Inc.	Directly 100%	Interlocking directorate Debt guarantee Funding loan	Debt guarantee Funding loan	17,681 171,268	- Short-term loan	- 111,880
	Cygnet Bulk Carriers S.A.	Directly 100%	Interlocking directorate Ship chartering Debt guarantee Funding loan	Debt guarantee Funding loan	15,856 -	- Short-term loan Long-term loan	- 1,171 12,974
	White Bear Maritime Limited	Directly 100%	Interlocking directorate Debt guarantee	Debt guarantee	15,175	-	-
	Nefertiti LNG Shipping Co., Ltd.	Directly 70%	Interlocking directorate Debt guarantee	Debt guarantee	13,544	-	-
	Diamond Ferry Co., Ltd.	Directly 100%	Interlocking directorate Debt guarantee	Debt guarantee	11,549	-	-
	Juliet Shipping Corporation	Directly 100%	Interlocking directorate Ship chartering Debt guarantee	Debt guarantee	11,355	-	-
	Cleopatra LNG Shipping Co., Ltd.	Directly 70%	Interlocking directorate Funding loan	Funding loan	15,970	Long-term loan	17,453
Affiliated company	Joint Gas Two Ltd.	Directly 50%	Interlocking directorate Debt guarantee	Debt guarantee	11,926	-	-
	Ice Gas LNG Shipping Company Limited	Directly 45%	Interlocking directorate Debt guarantee	Debt guarantee	11,311	-	-

(Note) 1. Transaction conditions and Policies to decide transaction conditions, etc.
(1) As for debt guarantee, guarantee charges for Euromol B.V. and Diamond Ferry Co., Ltd. were decided based on market interest rates, etc. Other companies do not pay guarantee charges and offer mortgages.
(2) Funding loan is decided based on market interest rates. It is not necessary to offer mortgages.
2. Consumption taxes are not included in transacted amount.

Per-share information

1. Net assets per share 465.90 yen
2. Net income per share 78.18 yen

Material subsequent events

The Company based on the resolution of the board of directors on March 18, 2009, accepted the entire subscribed shares issued under allocation of new shares to third parties by Kansai Kisen Kaisha (hereinafter "Kansai Kisen") (29,000,000 shares of common stock: payment price of ¥55 per share for a total of ¥1,595 million) and made the payment on April 13, 2009. As a result of the completion of the payment, Kansai Kisen became a subsidiary of the Company.

In addition, the Company reached a resolution to acquire shares of Kansai Kisen through a tender offer.

1. Reason for the tender offer

The Company under "MOL ADVANCE", its mid-term management plan announced in March 2007, aims for sustained growth with basic objectives being further expansion of the maritime business and strengthening of peripheral maritime segments and identifies "enhancement of Group-wide integrity and competitiveness" as one of its core overall strategies. Based on this overall strategy, the Company made aggressive efforts in pursuing organizational restructuring and synergy creation in all business areas. As a result, the Company reached the conclusion that the best step would be to make Kansai Kisen its wholly owned subsidiary through a tender offer of applicable shares and took action accordingly.

2. Profile of subsidiary to be purchased (as of April 13, 2009)
   (1) Name: Kansai Kisen Kaisha
   (2) Principal businesses: marine transport, food & beverages/product sales, other businesses
   (3) Date of establishment: May 4, 1942
   (4) Location of head office: 3-6-32 Nakanoshima, Kita-ku, Osaka
   (5) Name and title of representative: Makoto Kuroishi, President and Representative Director
   (6) Capital: 2,166 million yen
   (7) Total number of issued shares: 68,531,200 shares
   (8) Total number of voting rights: 685,258 rights

3. Outline of tender offer
   (1) Number of shares acquired: 17,583,914 shares
   (2) Period of the tender offer: From March 19, 2009 to April 27, 2009
   (3) Funds required for the tender offer: 1,107 million yen

4. Number of shares and voting rights to be held after the tender offer
   (1) Number of shares held: 61,060,114 shares (holding ratio: 89.09%)
   (2) Number of voting rights: 610,601 rights (voting rights ratio: 89.10%)

Other notes

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