

Financial Results for 9Months ended 06/12 and Revised Prospect for Whole FY 07/3

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NYKLINE
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Summary of 9Months ended 06/12

- 1) Compared with 05/12, Revenue Increased by 13% but Recurring Profit Decreased by 34%

(Billion Yen)

		Revenue		Operating Profit		Recurring Profit		Net Income	
9Months ended 05/12		1,423.8		120.0		120.9		76.1	
9Months ended 06/12		1,602.3		77.0		80.4		48.7	
Change	%	178.5	13%	43.0	-36%	40.5	-34%	27.5	-36%

- 2) Shipping Divisions : Rec. Profit Decreased by ¥36.2 Billion

- 3) Major Non-Shipping Divisions(Logistics/Terminal/Cruise)
: Marked ¥7.2 Billion Increase in Rec. Profit

- 4) Exchange Rate/Bunker Price (Comparison between 05/12 vs 06/12)

Exchange Rate : ¥4.30 Yen Depreciation (¥111.66 ¥115.96)

Bunker Price : Increase by \$52.42/MT (\$273.92/MT \$326.34/MT)

Analysis of Change in Recurring Profit between 9Months ended 06/12 and 05/12

(Billion Yen)

Yen Depreciation	4.5	9Months ¥ 115. <u>96</u> / Depreciated by ¥ 4. <u>30</u> /\$
Bunker Oil Price	11.8	9Months \$326. <u>34</u> / Increased by \$52. <u>42</u>
Market Effects etc	39.2	
Improvement of 3 Major Non-Shipping Divisions	4.1	Logistics/Terminal/Cruise
Cost Reduction	8.9	Shipping ¥ 7.6Bil., Non-Shipping ¥ 1.3Bil.
New Consolidation	7.1	NCA ¥ 9.0Bil.
Total	40.5	

Sensitivity against Recurring Profit (Whole Year)

Exchanging Rate **¥1.4 Billion Increase per ¥1/\$ Depreciation**

Bunker Price **¥0.3 Billion Decrease per \$1/MT Increase**



Comparison of Financial Results between 9Months ended 06/12 vs 05/12 by Industrial Segments

(Billion Yen)

Revenue	Liner (Container)	Other Shipping	Logistics	Terminal	Cruise	Real Estate	Other	Elimination/Unallocation	Consolidated
9Months ended 05/12	403.0	500.9	315.2	84.8	32.3	9.2	158.7	80.3	1,423.8
9Months ended 06/12	431.6	572.4	351.7	93.8	34.0	8.7	208.0	97.9	1,602.3
Change	28.5	71.6	36.4	9.0	1.6	0.5	49.3	17.5	178.5

Recurring Profit	Liner (Container)	Other Shipping	Logistics	Terminal	Cruise	Real Estate	Other	Elimination/Unallocation	Consolidated
9Months ended 05/12	20.1	85.5	9.9	1.7	1.3	2.8	0.2	0.0	120.9
9Months ended 06/12	7.0	76.4	12.0	4.0	3.9	2.9	11.9	0.0	80.4
Change	27.1	9.1	2.2	2.4	2.7	0.1	11.7	0.0	40.5

Revenue	06/12	05/12	Change
Bulk and Specialized Carriers	484.9	417.2	67.7
Tankers	87.6	83.7	3.9
Total	572.4	500.9	71.6



9 Months Results ended 06/12 against Previous Prospect(as of Nov. 2006) by Industrial Segment

(Billion Yen)

Revenue	Liner (Container)	Other Shipping	Logistics	Terminal	Cruise	Real Estate	Other	Elimination/Unallocation	Consolidated
Previous Prospect for Whole FY07/3	560.0	735.0	484.0	120.5	42.0	11.6	292.2	145.3	2,100.0
9 Months Result ended 06/12	431.6	572.4	351.7	93.8	34.0	8.7	208.0	97.9	1,602.3
Performance	77%	78%	73%	78%	81%	75%	71%	-	76%
<i>Balance</i>	<i>128.4</i>	<i>162.6</i>	<i>132.3</i>	<i>26.7</i>	<i>8.0</i>	<i>2.9</i>	<i>84.2</i>	<i>-</i>	<i>497.7</i>

Recurring Profit	Liner (Container)	Other Shipping	Logistics	Terminal	Cruise	Real Estate	Other	Elimination/Unallocation	Consolidated
Previous Prospect for Whole FY07/3	9.0	105.6	18.2	4.5	2.7	3.5	10.5	0.0	115.0
9 Months Result ended 06/12	7.0	76.4	12.0	4.0	3.9	2.9	11.9	0.0	80.4
Performance	-	72%	66%	89%	146%	83%	-	-	70%
<i>Balance</i>	<i>-</i>	<i>29.2</i>	<i>6.2</i>	<i>0.5</i>	<i>-</i>	<i>0.6</i>	<i>-</i>	<i>-</i>	<i>34.6</i>

Revenue	9Months Result ended 06/12	Previous Prospect for Whole FY07/3	Change
Bulk and Specialized Carriers	484.9	619.0	134.0
Tankers	87.6	116.0	28.4
Total	572.4	735.0	162.6

Summary of Revised Prospect for Whole FY07/3

- 1) Revised Downward Rec. Profit Prospect by ¥5.0 Bil.**
- 2) Shipping Divisions : Increased Rec. Profit by ¥0.9 Bil.,
Drybulk Market Boom Offset by Weak Crude Oil
and Petroleum-Products Tankers Market**
- 3) Non-Shipping Divisions : Decreased Rec. Profit by ¥5.9 Bil.
Due to Profit Decline of NCA.**
- 4) Exchange Rate/Bunker Price**
Exchange Rate : ¥120.00 for Feb.-Mar., 2007
Bunker Price : \$290/MT for Jan.-Mar., 2007
- 5) Cash Dividend(Prospect)**
: Maintain Annual Dividend of ¥18/Share
(¥9 of Interim and ¥9 of Year-End)

Revised Prospect for Whole FY07/3

(Billion Yen)

	Previous(Nov. 2006) Prospect			Revised Prospect		Change	
	1H	2H	Whole	2H	Whole	2H	Whole
Revenue	1,053.6	1,046.4	2,100.0	1,068.4	2,122.0	22.0 2%	22.0 1%
Operating Profit	47.1	67.9	115.0	62.9	110.0	5.0 -7%	5.0 -4%
Recurring Profit	48.9	66.1	115.0	61.1	110.0	5.0 -8%	5.0 -4%
Net Income	29.6	38.4	68.0	36.0	65.5	2.5 -7%	2.5 -4%

Exchange Rate	¥115.26	¥110.00	¥112.63	¥118.53	¥116.90	¥8.53	¥4.27
Bunker Price	\$336.04	\$330.00	\$333.02	\$298.34	\$317.19	¥-31.66	¥-15.83

(2007/Feb.-Mar. Exchange Rate : ¥120.00/\$
 2007/Jan.-Mar. Bunker Price : \$290.00/MT)

Comparison between Previous and Revised Prospects for FY 07/3 by Industrial Segments

(Billion Yen)

Revenue	Liner (Container)	Other Shipping	Logistics	Terminal	Cruise	Real Estate	Other	Elimination/Unallocation	Consolidated
Previous Prospect	560.0	735.0	484.0	120.5	42.0	11.6	292.2	145.3	2,100.0
Revised Prospect	557.0	765.0	477.0	124.0	45.4	11.5	276.6	134.5	2,122.0
<i>for 1H(Result)</i>	290.6	370.6	227.8	62.2	24.2	5.8	138.9	66.5	1,053.6
<i>for 2H(Prospect)</i>	266.4	394.4	249.2	61.8	21.2	5.7	137.7	68.0	1,068.4
Change	3.0	30.0	7.0	3.5	3.4	0.1	15.6	10.8	22.0

Recurring Profit	Liner (Container)	Other Shipping	Logistics	Terminal	Cruise	Real Estate	Other	Elimination/Unallocation	Consolidated
Previous Prospect	9.0	105.6	18.2	4.5	2.7	3.5	10.5	0.0	115.0
Revised Prospect	10.5	108.0	17.6	5.3	4.0	3.5	18.0	0.0	110.0
<i>for 1H(Result)</i>	4.8	46.6	7.2	2.4	3.9	2.0	8.4	0.0	48.9
<i>for 2H(Prospect)</i>	5.7	61.4	10.4	2.9	0.1	1.5	9.6	0.0	61.0
Change	1.5	2.4	0.6	0.8	1.3	0.0	7.5	0.0	5.0

Revenue	Revised	Previous	Change
Bulk and Specialized Carriers	651.5	619.0	32.5
Tankers	113.5	116.0	2.5
Total	765.0	735.0	30.0

Overview of Each Industrial Segments

1. Shipping Division – 1)

Container: Efforts to **Recover Freight-Rate Levels** is Supported by Firm Cargo Movement

Container Lifting Result/Prospect

(1,000TEU)

	FY06/3 1-3Q (Actual)	FY07/3 1-3Q (Actual)	Change	(%)	Whole FY06/3 (Actual)	Whole FY07/3 (Prospect)	Change	(%)
Asia	521	538	17	3.3%	702	704	2	0.3%
North America								
Utilization	85%	86%			86%	85%		
Asia Europe	298	349	51	17.1%	403	471	68	16.9%
Utilization	89%	93%			90%	94%		

*For Asia to Europe Trade, Figures are Resated to Exclude Intra Europe Trade from FY07/3 Result

Car Carriers: Tight Space Condition Continues

Car Transportation Result/Prospect

(10,000Cars)

	FY06/3 1-3Q (Actual)	FY07/3 1-3Q (Actual)	Change	(%)	Whole FY06/3 (Actual)	Whole FY07/3 (Prospect)	Change	(%)
All Trade	214	243	29	13.7%	286	323	37	12.9%

Overview of Each Industrial Segments

1. Shipping Division – 2)

Trend of Shipping Market for “Other Shipping” (Index)

	FY05/3 (Actual)	FY06/3			FY07/3			
		1H	2H	Whole	1H	2H		Whole
		(Actual)	(Actual)	(Actual)	(Actual)	3Q(Actual)	4Q(Prospect)	(Prospect)
Capesize Bulkers	100	66	59	63	63	95	98	80
Handysize Bulkers	100	70	65	68	81	103	84	87
VLCC	100	52	90	71	67	46	42	56

Bulkers : Dry Market Boom in General Continues to Have Positive Effect. Port Congestion May Effect Panamax Bulkers.

Tankers : Both VLCC and Product Tanker Market Remained Slow during Winter Season, Profit Prospect Revised Downward.

Overview of Each Industrial Segments

2. Logistics

1) NYK Logistics(Land-Based) : Profit Growth Continues, though a Few Overseas Affiliates Did Not Achieve Their Targets

	9Months ended 05/12 (Actual)	Whole FY06/3 (Actual)	9Months ended 06/12 (Actual)	Whole FY07/3 (Prospect)
Rec. Profit	¥3.2 Billion	¥3.6 Billion	¥4.4 Billion	¥6.5 Billion
Change			¥1.2 Billion	¥2.9 Billion

2) YAS (Air Forwarding) : Maintain Good Level of Profit

	9 Months ended 05/12 (Actual)	Whole FY06/3 (Actual)	9 Months ended 06/12 (Actual)	Whole FY07/3 (Prospect)
Rec. Profit	¥6.6 Billion	¥9.4 Billion	¥7.6 Billion	¥11.2 Billion
Change			¥1.0 Billion	¥1.8 Billion

*Above is NYK's Consolidated Accounting Figures, Which is Different from the YAS's Individual Accounting Results.

3. Terminal and Harbour Transport

1) YTI (Los Angeles)

: Continue to Improve the Efficiency in Operation

2) CTE(Amsterdam)

: Cargo Handling Volume Steadily Increased, though
Fail to Achieve the Target

4. Cruise

1) *Asuka* , Increase in the Capacity, Contributed to
Increase in Profit

2) *Crystals* Achieved Steep Profit Increase, with Increase in
Cabin Load Factor and Freight-Rate

NCA Summary of 9Months Result ended 06/12 and Prospect for Whole FY07/3

1) Comparison between Result and Previous Prospect for 9 Months ended 06/12

(Billion Yen)

	9Months ended 05/12 (Actual)	9Months ended 06/12 (Actual)	Change	Whole FY07/3(Prospect)		Change (vs Previous Prospect)
				Previous Prospect	Revised Prospect	
Revenue	30.3	75.2	44.9	102.6	96.8	5.7
Rec. Loss	3.0	12.0	9.0	10.8	17.3	6.5
MOPS	\$71.07	\$82.13	\$11.06	\$86.34	\$80.35	-\$5.99

Sensitivity against Recurring Profit (Whole Year) : Bunker Price ¥400 Million Decrease per \$1/BBL Increase

Both Revenue and Rec. Profit. Decreased, as the Result of **Lower Utilization** in North America and Asia Bound Trade, **Capacity Decrease** by Advanced Sales of Aircraft and **Accident to Classic Aircraft** & Increased Repairment Cost.



NCA Summary of 9 Months Result ended 06/12 and Prospect for 2H for FY07/3

2) Change of Tradewise Load Factor between Previous Prospect and Result for 9 Months ended 06/12

	Whole FY06/3 (Actual)	FY07/3 1H (Actual)	FY07/3 2H (Previous Prospect)	FY07/3 2H(Prospect)			FY07/3 2H Change (vs Previous Prospect)
				3Q (Actual)	4Q (Prospect)	2H Total	
Asia	95%	98%	100%	96%	96%	96%	-4%
North America	72%	72%	78%	75%	81%	77%	-1%
Aisa Europe	90%	94%	100%	107%	100%	103%	3%
Europe Asia	94%	86%	93%	93%	94%	93%	0%
Japan Asia	50%	62%	66%	56%	55%	56%	-10%
Intra-Asia							
Asia Japan	80%	77%	90%	89%	84%	87%	-3%

Asia-NA Trade Includes Japan-NA Trade.

L/F = Gross Chargeable Weight/ACL (Available Cabin Load)

Disappointing Cargo Volume during Peak Season in North America Trade, and Low Utilization in Asia Trade due to the Intensified Competition.

NCA Revised Prospect for Whole FY07/3

3) Comparison between Result for FY 06/3 and Revised Prospect for FY 07/3

(Billion Yen)

	FY06/3 (Actual)	FY07/3 (Previous Prospect)	FY07/3 (Revised Prospect)	Change (vs FY06/3)
Revenue	103.6	102.6	96.8	6.8
Rec. Loss	10.4	10.8	17.3	6.9
MOPS	\$72.34	\$86.34	\$80.35	\$8.01

Sensitivity against Recurring Profit (Whole Year) : Bunker Price ¥400 Million Decrease per \$1/BBL Increase

Positives : **Introduction of New Aircrafts, Cost Reduction** and Sales of Classic Aircrafts

Negatives : **Higher Jet Oil Price, Increasing Maintenance Cost of Classic Aircrafts and Additional Costs to Recruitment of Technical Staffs.**

Strategic Alliance

-Yamato HD & Panalpina-

Domestic

Yamato Group



- Domestic Delivery Network
- Air-Cargo Co-Loading

**Mutually
Complementally**



Overseas

Panalpina Group



- Forwarding Agent
- Logistics Center
- Land Transportation

