

# Financial Results for Whole FY08/3 and Prospect for Whole FY09/3

April 2008



# Summary of Whole FY 08/3

## 1) Revenues Exceeded ¥2.5 Tril., and Posted Record-High Profits

(Billions of Yen)

		Revenues		Ope.Profit		Rec.Profit		Net Income	
Whole FY07/3		2,164.3		104.9		107.5		65.0	
Whole FY08/3		2,584.6		202.1		198.5		114.1	
Change	%	420.3	19%	97.2	93%	91.0	85%	49.1	76%

## 2) Shipping Div. : Rec. Profit Rose by ¥91 Bil in Total

## 3) Non Shipping Div. : Three Major Non-Shipping Segments

**(Logistics/Terminal/Cruise) Marked ¥4.6 Bil. Increase in Rec. Profit, but the 6 Non-Shipping Segments Came Out Even as a Whole**

## 4) Exchange Rate/Bunker Oil Price (Comparison of Ave. Figures Between FY07/3 and Y08/3)

Exchange Rate : ¥1.62 Yen Appreciation (¥116.91 → ¥115.29)

Bunker Oil Price : \$84.00/MT Increase (\$318.77/MT → \$402.77/MT)

## 5) FY08/3 Cash Dividend (Prospect): Annual Dividend of ¥24/Share (¥12/Share of Interim and ¥12/Share of Year-End)

# Analysis in Change in Rec. Profit between Whole FY07/3 and FY08/3

(Billions of Yen)

<b>Yen Appreciation</b>	<b>▲ 3.2</b>	¥ 115. <u>29</u> / Appreciated by ¥ 1. <u>62</u>
<b>Bunker Oil Price</b>	<b>▲ 29.4</b>	\$402. <u>77</u> / Increased by \$84. <u>00</u>
<b>Market Effect etc</b>	<b>106.9</b>	
<b>Non Shipping Div.</b>	<b>▲ 0.5</b>	Exclusive of New Consolidation/ ¥ 0.5Bil.
<b>Cost Reduction</b>	<b>14.6</b>	Shipping ¥ 12.2Bil, Non Shipping ¥ 2.4Bil.
<b>New Consolidation</b>	<b>2.6</b>	Shipping ¥ 2.1Bil., Non Shipping ¥ 0.5Bil.
<b>Total</b>	<b>91.0</b>	

## Sensitivity against Recurring Profit (Whole Year)

**Exchanging Rate**    ¥2.0 Billion Increase per ¥1/\$ Depreciation

**Bunker Price**        ¥350 Million Decrease per \$1/MT Increase

# Comparison of Financial Results between Whole FY08/3 and FY07/3 by Industrial Segments

(Billions of Yen)

Revenues	Liner (Container)	Bulk Shipping	Logistics	Terminal	Cruise	Air Cargo Transportation	Real Estate	Other	Elimination/Unallocation	Consolidated
Whole FY07/3	574.0	783.3	482.7	126.9	44.1	97.0	11.6	178.2	▲ 133.5	2,164.3
Whole FY08/3	666.4	1,039.1	526.9	151.3	46.7	102.6	11.5	205.0	▲ 165.1	2,584.6
Change	92.4	255.8	44.2	24.4	2.6	5.6	▲ 0.1	26.8	▲ 31.6	420.3

Rec. Profit	Liner (Container)	Bulk Shipping	Logistics	Terminal	Cruise	Air Cargo Transportation	Real Estate	Other	Elimination/Unallocation	Consolidated
Whole FY07/3	▲ 9.7	104.3	17.0	5.6	4.6	▲ 18.4	3.6	0.5	0.0	107.5
Whole FY08/3	11.5	174.1	17.2	9.4	5.1	▲ 23.2	4.2	0.2	0.0	198.5
Change	21.2	69.8	0.2	3.8	0.5	▲ 4.8	0.6	▲ 0.3	0.0	91.0

(Revenues)	FY08/3	FY07/3	Change	year-on-year rate
Bulk and Specialized Carriers	920.2	664.4	255.8	39%
Tankers	118.9	118.9	0.0	0%
Total	1,039.1	783.3	255.8	33%

# Whole FY08/3 Result against Previous Prospect (as of Jan.2008) by Industrial Segment

(Billions of Yen)

Revenues	Liner (Container)	Bulk Shipping	Logistics	Terminal	Cruise	Air Cargo Transportation	Real Estate	Other	Elimination/Unallocation	Consolidated
Previous Prospect	663.0	1,030.0	551.0	149.0	48.5	101.0	11.0	195.0	▲ 168.5	2,580.0
<b>Result</b>	<b>666.4</b>	<b>1,039.1</b>	<b>526.9</b>	<b>151.3</b>	<b>46.7</b>	<b>102.6</b>	<b>11.5</b>	<b>205.0</b>	<b>▲ 165.1</b>	<b>2,584.6</b>
Performance	101%	101%	96%	102%	96%	102%	105%	105%	98%	100%
Change	3.4	9.1	▲ 24.1	2.3	▲ 1.8	1.6	0.5	10.0	3.4	4.6

Rec. Profit	Liner (Container)	Bulk Shipping	Logistics	Terminal	Cruise	Air Cargo Transportation	Real Estate	Other	Elimination/Unallocation	Consolidated
Previous Prospect	9.5	180.0	19.0	8.5	5.5	▲ 26.5	4.0	0.0	0.0	200.0
<b>Result</b>	<b>11.5</b>	<b>174.1</b>	<b>17.2</b>	<b>9.4</b>	<b>5.1</b>	<b>▲ 23.2</b>	<b>4.2</b>	<b>0.2</b>	<b>0.0</b>	<b>198.5</b>
Performance	121%	97%	91%	111%	93%	-	105%	-	-	99%
Change	2.0	▲ 5.9	▲ 1.8	0.9	▲ 0.4	3.3	0.2	0.2	0.0	▲ 1.5

(Revenue)	FY08/3 Result	FY08/3 Previous Prospect	Balance	Performance
Bulk and Specialized Carriers	920.2	916.5	3.7	100%
Tankers	118.9	113.5	5.4	105%
<b>Total</b>	<b>1,039.1</b>	<b>1,030.0</b>	<b>9.1</b>	<b>101%</b>

# Summary of Prospect for Whole FY 09/3

## 1) Whole Year Prospect:

**Revenues ¥2.70Til. (+115.4Bil. from Last Year)**

**Rec. Profit ¥210.0 Bil. (+11.5Bil. from Last Year)**

2) **Shipping Div. : ¥0.5 Bil. Increase in Liner Segment by Freight Restoration and Capacity Expansion, ¥1.1 Bil. Decrease in Bulk Shipping Segment in spite of the Assumption of Market Decline, by Adding New Capacity and Renewal of Mid-term Contracts**

3) **Non Shipping Div. : ¥12.1 Bil. Increase by Recovery of NCA and Growth of Logistics**

## 4) Exchange Rate/Bunker Oil Price :

**Exchange Rate : ¥100/\$    Bunker Oil Price : \$500/MT**

5) **Cash Dividend (Prospect) : Annual Dividend of ¥26/Share (¥13/Share of Interim and ¥13/Share of Year-End)**

# Prospect for Whole FY09/3

(Billions of Yen)

	FY08/3(Result)			FY09/3 (Prospect)			Change Whole
	1H	2H	Whole	1H	2H	Whole	
Revenues	1,256.7	1,327.9	2,584.6	1,340.0	1,360.0	2,700.0	115.4 4%
Operating Profit	90.7	111.4	202.1	101.0	113.0	214.0	11.9 6%
Recurring Profit	93.2	105.3	198.5	100.0	110.0	210.0	11.5 6%
Net Income	55.0	59.1	114.1	70.0	70.0	140.0	25.9 23%

Exchange Rate	¥119.64	¥110.94	¥115.29	¥100.00	¥100.00	¥100.00	¥-15.29
Bunker Oil Price	\$349.89	\$455.65	\$402.77	\$500.00	\$500.00	\$500.00	\$97.23

FY09/3 Exchange Rate : ¥100/\$  
 FY09/3 Bunker Oil Price : \$500/MT

# Comparison of Financial Results/Prospects of FY08/3 and FY09/3 by Industrial Segments

(Billions of Yen)

Revenues	Liner (Container)	Bulk Shipping	Logistics	Terminal	Cruise	Air Cargo Transportation	Real Estate	Other	Elimination/ Unallocation	Consolidated
FY08/3(Result)	666.4	1,039.1	526.9	151.3	46.7	102.6	11.5	205.0	-165.1	2,584.6
FY09/3(Prospect)	700.0	1,120.0	550.0	145.0	45.0	105.0	12.0	215.0	-192.0	2,700.0
1H(Prospect)	350.0	550.0	270.0	74.0	25.0	50.0	6.0	108.0	-93.0	1,340.0
2H(Prospect)	350.0	570.0	280.0	71.0	20.0	55.0	6.0	107.0	-99.0	1,360.0
Change	33.6	80.9	23.1	-6.3	-1.7	2.4	0.5	10.0	-26.9	115.4

Rec. Profit	Liner (Container)	Bulk Shipping	Logistics	Terminal	Cruise	Air Cargo Transportation	Real Estate	Other	Elimination/ Unallocation	Consolidated
FY08/3(Result)	11.5	174.1	17.2	9.4	5.1	▲ 23.2	4.2	0.2	0.0	198.5
FY09/3(Prospect)	12.0	173.0	20.0	8.5	4.5	▲ 12.0	4.0	0.0	0.0	210.0
1H(Prospect)	5.0	83.0	8.5	4.5	4.0	▲ 7.0	2.0	0.0	0.0	100.0
2H(Prospect)	7.0	90.0	11.5	4.0	0.5	▲ 5.0	2.0	0.0	0.0	110.0
Change	0.5	▲ 1.1	2.8	▲ 0.9	▲ 0.6	11.2	▲ 0.2	▲ 0.2	0.0	11.5

(Revenues)	FY09/3(Prospect)	FY08/3(Result)	Change
Bulk and Specialized Carriers	1,005.0	920.2	84.8
Tankers	115.0	118.9	▲ 3.9
	1,120.0	1,039.1	80.9

# Overview of Each Industrial Segment

## 1. Shipping Division – 1)

### Container : Freight Restoration Proceeds in NE Trade

Container Lifting Result/Prospect(1,000TEU)

	FY07/3 (Result)	FY08/3 (Result)	Change	%	FY09/3 (Prospect)	Change	%
Asia → North America	704	765	61	8.6%	834	69	9.1%
(Utilization)	85%	88%			88%		
Asia →Europe	466	530	64	13.7%	676	147	27.7%
(Utilization)	93%	90%			93%		

\* Asia to Europe Trade's Figures are re-stated to exclude intra Europe trade from FY07/3 results.

### Car Carrier : Steady Market Growth in FY09/3

Car Transportation Result/Prospect(10,000Cars)

	FY07/3 (Result)	FY08/3 (Result)	Change	%	FY09/3 (Prospect)	Change	%
All Trade	318	353	35	11.0%	387	34	9.6%

# Overview of Each Industrial Segment

## 1. Shipping Division – 2)

### Trend of Shipping Market for Bulkers and Tankers (Index)

	FY07/3 (Result)	FY08/3 (Result)	FY09/3 (Prospect)		
			1H	2H	Whole
<b>B D I</b>	<b>3,750</b>	<b>7,758</b>	<b>6,100</b>	<b>7,300</b>	<b>6,700</b>
<b>VLCC (WS)</b>	<b>85</b>	<b>96</b>	<b>85</b>	<b>100</b>	<b>93</b>

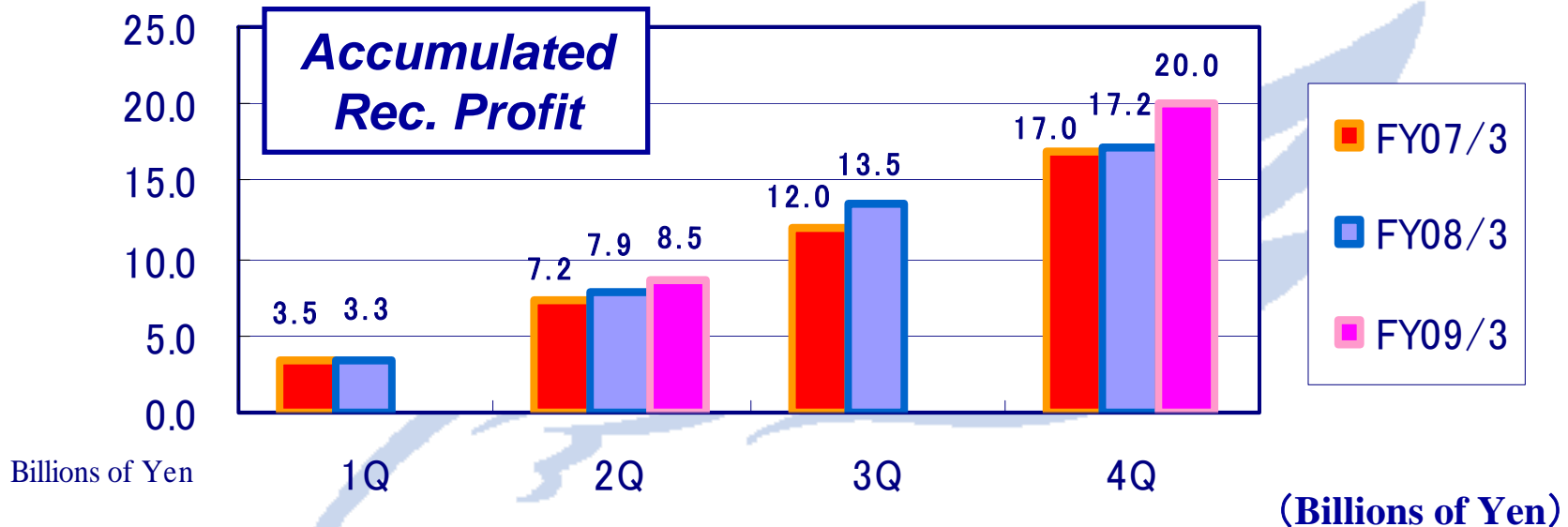
**Bulkers : Drybulk Market for FY09/3 Assumed to Decline Compared with FY08/3, but Stays at High Level**

**Tankers : Similar Market Level Assumed with Previous Year**

# Overview of Each Industrial Segment

## 2. Logistics Segment (Earth/Air):

### Profit in North America and Europe Trade Improves



Recurring Profit	FY07/3	FY08/3	FY09 1H (Prospect)	FY09 2H (Prospect)	FY09/3 Whole (Prospect)
NYK Logistics(Earth)	6.5	6.0	3.3	5.4	8.7
YAS(Air Forwarding)	10.4	11.2	5.2	6.1	11.3
<b>Total</b>	<b>17.0</b>	<b>17.2</b>	<b>8.5</b>	<b>11.5</b>	<b>20.0</b>

## 3. Terminal and Harbour Transport Segment

**Seek for Further Expansion after Tacoma(USA) or Shanghai while Expanding Existing Terminals**

## 4. Cruise Segment

**Both *Asuka and Crystals* Aims for Stabilization by Cost Reduction while Keeping High Quality**

## 1) Change in Prospects and Result for FY08/3

	FY07/3 Result	FY08/3 Previous Prospect	FY08/3 Result		
			1H	2H	Whole
Revenues	97.0	101.0	49.4	53.2	102.6
Rec. Profit	▲ 18.4	▲ 26.5	▲ 14.0	▲ 9.2	▲ 23.2
MOPS	\$80	\$96	\$84	\$110	\$97

- Revenues and Rec. Profit Exceeded Previous Prospect by Raising Freight Rate and Reducing Maintenance Costs
- MOPS Increased up to \$97/BBL for FY08/3
- Accelerated Fleet Replacement by Retiring All Classic Aircrafts within FY08/3

## 2) Prospect for FY09/3

(Billions of Yen)

	FY08/3 Result	FY09/3 Prospect		
		1H	2H	Whole
Revenues	102.6	50.0	55.0	105.0
Rec. Profit	▲ 23.2	▲ 7.0	▲ 5.0	▲ 12.0
MOPS	\$97	\$115		

- **FY09/3 Started with 6 Fleets of 747-400F due to Temporal Reduction**
- **Planning to Add 4 Aircrafts, in June, August, October 2008 and March 2009**
- **Expecting Significant Recovery with Efficient Operation of New 747-400F and Elimination of Double Costs**

## 3) Trade-wise Load Factor Trend

	FY08/3 Result			FY09/3 Prospect		
	1H	2H	Whole	1H	2H	Whole
Asia→NA	99%	93%	96%	93%	92%	93%
NA→Asia	82%	78%	80%	77%	78%	78%
Asia→Europe	98%	104%	101%	98%	99%	98%
Europe→Asia	91%	101%	96%	93%	97%	95%
Japan→Asia	72%	63%	68%	62%	58%	60%
Intra Asia						
Asia→Japan	69%	81%	75%	80%	86%	83%
Ave. of All	80%	81%	80%	79%	80%	79%

※ Asia-Japan Trade Includes Asia-NA/Europe via Japan

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