New Horizon 2010: Key Strategies

Seeking to maintain growth
as a global *monohakobi* (transport) enterprise

NYK Group Value

Integrity • Innovation • Intensity

Growth

- Deepen the scope of strategies for global logistics business.
- Expand natural resource and energy transport business.
- Extend business reach and strengthen capabilities in the BRIC nations and other high-growth regions.

Stability

- Enhance service menu to provide customized and comprehensive transport and logistics support.
- Secure stable earnings through long-term contracts.
- Maintain sound financial position and strive to strengthen fiscal management.

Environment

- Strengthen safety measures to maintain solid track record.
- Strive to set a global standard for the modern, environmentally progressive corporate group.
- Proactively invest in eco-friendly technologies.

Strengthen Corporate Social Responsibility Management
Differentiate Through Eco-Friendliness,
Safety Track Record and Technological Innovation

Revision of New Horizon 2010 (October 27, 2009)

Structure Reform Summary

Defensive Strategy

Strengthen operations and financial position

1. Downsize Core Containership Fleet and Change to a Light Asset Business

We aim to halve our core fleet size by fiscal 2015 through the demolition of aged vessels and other measures. We will pursue speedy and flexible actions in response to shifts in the economy and the surrounding market without insisting on the use of our own containership fleet.

2. Fundamentally review air cargo business

We will review our expansion strategy, and maintain regular services using eight aircraft. Flexible operations will be utilized as much as possible as a pure air cargo freighter to develop the charter flight business. We will also strive to streamline regular flight services.

Offensive Strategy

Growth strategies after economic recovery

3. Deepen the scope of global logistics business

We aim to develop non-asset businesses such as freight forwarding to increase our flexibility in dealing with fluctuating cargo volume. We will also focus on combining the group's sales strengths and fortifying our one-stop service as a global logistics company.

4. Strengthen sea and land car transportation business

To proactively respond to export demand from developing countries such as China and India, we will strengthen our auto logistics businesses, including the car terminal business and the land transportation business, to differentiate ourselves from competitors.

5. Expand natural resources and energy resources transportation business and pursue new business opportunities

The need for the transportation of natural resources and energy resources is growing as the world's population expands. With an eye on this trend, we will further strengthen relationships with Japanese and overseas customers, centering on developing countries. We will also prepare for our entry into the offshore business, which is expected to continue to grow.

Performance Targets

(Actual results and forecasts are as of April 27, 2010)

(Billions of yen)

	FY2008 Actual	FY2009 Actual	FY2010 Planned
Revenues	2,429.9	1,697.3	1,900.0
Recurring profit	140.8	-30.4	65.0
Net income	56.1	-17.4	35.0

(Assumed forecasting variable)			
	FY2008	FY2009	FY2010
Exchange Rate	¥100.82/$	¥93.04/$	¥90.00/$
Bunker Oil Price	$503.21/MT	$393.83/MT	US$500/MT

Financial Indicators Targets

(Actual results and forecasts are as of April 27, 2010)

(Billions of yen)

	FY2008 Actual	FY2009 Actual	FY2010 Planned
Interest-bearing debt at year-end	1,077.9	1,081.8	1,040.0
Total shareholders' equity at year-end	544.1	661.2	680.0
Shareholders' equity ratio (%)	26.3	30.0	30.4
Debt–equity ratio (times)	1.98	1.64	1.53
ROIC (%)	5.9	-0.4	3.0
Cash flows from operating activities	150.4	62.1	120.0
Cash flows from investing activities	-170.2	-43.7	-140.0

Number of Vessels in Fleet and Fleet Expansion/Procurement Amounts

(including leased and long-term chartered vessels) Plan as of October 2009

		April 2008 — March 2011		April 2011 — March 2014	
	Actual size of fleet as of FY2007	Number of newly acquired vessels and procurement total	Anticipated size of fleet as of the end of FY2010	Number of newly acquired vessels and procurement total	Anticipated size of fleet as of the end of FY2013
Mainly bulk carriers, tankers and LNG carriers	492 vessels	132 vessels ¥750 billion	555 vessels	99 vessels ¥700 billion	580 vessels
Car Carries	113 vessels	38 vessels ¥240 billion	120 vessels	8 vessels ¥60 billion	120 vessels
Mainly liners	201 vessels	39 vessels ¥250 billion	160 vessels	7 vessels ¥70 billion	150 vessels
Total	**806 vessels**	209 vessels ¥1,240 billion	**835 vessels**	114 vessels ¥830 billion	**850 vessels**

Nonfleet Investment (Logistics, Air Cargo Transportation, Other)

April 2008 — March 2011 → ¥230 billion