

For immediate release

August 7, 2003

FISCAL HIGHLIGHTS FOR THE FIRST QUARTER, ENDED JUNE 30, 2003

Nippon Yusen Kabushiki Kaisha (NYK Line) announces the following statement of accounts for the period ended June 30, 2003.

A. CONSOLIDATED

1. Business Results (From April 1 to June 30, 2003)

	¥Milion	US\$Thousand*
	Three month ended June 30, 2003	Three month ended June 30, 2003
Revenues	326,573	2,725,986
Operating income	19,628	163,847
Other income(expenses)	(2,584)	(21,577)
Recurring profit**	17,043	142,270
Extraordinary gains(losses)	1,504	12,555
Net income	8,767	73,187

2. Balance Sheets (As of June 30, 2003)

	¥Milion	US\$Thousand*
	Three month ended June 30, 2003	Three month ended June 30, 2003
Assets		
Current assets	338,791	2,827,974
Fixed assets	949,888	7,928,955
Deferred assets	238	1,995
Total assets	1,288,919	10,758,924
Liabilities		
Current liabilities	376,507	3,142,801
Fixed liabilities	590,964	4,932,922
Total liabilities	967,471	8,075,723
Interest-bearing debt	691,633	5,773,233
Minority interest	22,581	188,493
Stockholders' Equity		
Paid-in capital	88,531	738,990
Additional paid-in capital	94,421	788,156
Retained earnings	126,216	1,053,563
Unrealized gains on the holding of other securities	2,109	17,605
Foreign currency translation adjustments	(9,446)	(78,848)
Treasury stock	(2,965)	(24,757)
Total stockholders' equity	298,866	2,494,709
Total		
Liabilities, Minority interest and shareholders' equity	1,288,919	10,758,924

3. Revenues by Segment (As of June 30, 2003)

	¥Milion	US\$Thousand*
	Three month ended June 30, 2003	Three month ended June 30, 2003
Shipping	213,130	1,779,056
Logistics	64,548	538,798
Cruise	5,646	47,137
Terminal and Harbor Transport	20,049	167,361
Shipping Related	10,706	89,368
Real Estate	2,990	24,962
Others	23,682	197,680
Elimination & Unallocation	(14,181)	(118,377)
Total Revenues	326,573	2,725,986

4. Principal Financial Index

		Three month ended June 30, 2003
Operating Profit Margin	(%)	6.0
Net Profit Margin	(%)	2.7
Return on Equity	(%)	2.9
Debt/Equity Ratio	(Times)	2.3
Earning Per Share	(¥)	7.18
Equity Ratio	(%)	23.2
Shareholders' Equity Per Share	(¥)	244.60

5. Forecast of Results for Fiscal 2003 (From April 1, 2003 to March 31, 2004)

	¥Milion	US\$Thousand
Revenue	1,300,000	10,833,333
Operating income	88,000	733,333
Recurring Profit**	70,000	583,333
Net income	33,000	275,000

These forecasts are based on various assumptions made at the date of release of these materials, including the information available at the date of release of these materials and uncertain factors that may affect future earnings. Actual earnings may differ significantly from these forecasts as a consequence of various factors.

(Forecast: exchange rate ¥120/US\$1, bunker price US\$150/MT)

6. Consumed Bunker Price

	Three month ended June 30, 2003
Average	US\$182.02

7. Exchange Rate

	Three month ended June 30, 2003
Average	¥119.38
End of March	¥120.20
End of June	¥119.80

B. NON-CONSOLIDATED

1. Business Results (From April 1 to June 30, 2003)

	¥Million	US\$Thousand*
	Three month ended June 30, 2003	Three month ended June 30, 2003
Revenue	183,459	1,531,385
Operating income	15,526	129,600
Other income(expenses)	(1,347)	(11,244)
Recurring profit**	14,179	118,356
Extraordinary gains(losses)	1,236	10,326
Net income	8,708	72,695

2. Balance Sheets (As of June 30, 2003)

	¥Million	US\$Thousand*
	Three month ended June 30, 2003	Three month ended June 30, 2003
Assets		
Current assets	151,477	1,264,423
Fixed assets	638,703	5,331,416
Deferred assets	234	1,959
Total assets	790,416	6,597,797
Liabilities		
Current liabilities	173,605	1,449,129
Fixed liabilities	353,256	2,948,718
Total liabilities	526,862	4,397,847
Interest-bearing debt	406,340	3,391,820

Stockholders' Equity

Paid-in capital	88,531	738,990
Additional paid-in capital	93,198	777,949
Retained earnings	84,024	701,376
Unrealized gains on the holding of other securities	751	6,270
Treasury stock	(2,951)	(24,635)
Total stockholders' equity	263,554	2,199,950
Total		
Liabilities and shareholders' equity	790,416	6,597,797

3. Revenues by Segment (As of June 30, 2003)

	Three month ended June 30, 2003	
	¥Million	Share(%)
Liner	79,288	43.2%
Tramp and specialized carrier	68,021	37.1%
Tanker	33,794	18.4%
Other	2,355	1.3%
	183,459	100.0%

4. Principal Financial Index

		Three month ended June 30,2003
Operating Profit Margin	(%)	8.5
Net Profit Margin	(%)	4.7
Return on Equity	(%)	3.3
Debt/Equity Ratio	(Times)	1.5
Earning Per Share	(¥)	7.13
Equity Ratio	(%)	33.3
Shareholders' Equity Per Share	(¥)	215.69

5. Forecast of Results for Fiscal 2003 (From April 1, 2003 to March 31, 2004)

	¥Million	US\$Thousand
Revenue	685,000	5,708,333
Operating income	63,000	525,000
Recurring profit**	54,000	450,000
Net income	23,000	191,667

These forecasts are based on various assumptions made at the date of release of these materials, including the information available at the date of release of these materials and uncertain factors that may affect future earnings. Actual earnings may differ significantly from these forecasts as a consequence of various factors.

(Forecast : exchange rate ¥120/US\$1, bunker price US\$150/MT)

* The U.S. dollar amounts represent the calculation of exchanging Japanese yen to U.S. dollars on a basis of ¥119.80=US\$1.00 (as of June 30, 2003)

** Income before income taxes and special items.

NYK Earnings Report for the 1st Quarter of Fiscal 2003

In the first quarter (April through June) of the current fiscal 2003, NYK Line earned an operating income of ¥19.6 billion, a recurring profit of ¥17 billion and a net income of ¥8.7 billion on revenues of ¥326.5 billion.

Segment-by-Segment Overview

In the shipping sector, the liner trade almost achieved the original earnings target as stepped-up efforts for the restoration of freight rates, which had remained low on all trade routes, paid off against the background of the brisk movements of cargo and the tightening of the supply/demand situation worldwide.

As regards the tramp and specialized carrier segment, operations based on long-term contracts turned out to be smooth throughout the term under review. Concerning spot business, specialized tramps enjoyed the market continued to ran at a historical high level on the whole. As for tanker operations, the market turned out to be generally steady, but tended to weaken somewhat from the second half of the term under review because of a slack season in demand for petroleum.

In the logistics sector, NYK expanded operations with added vigor in Europe and the U.S., and actively promoted car-related logistics in Asia and China. Airfreight business continued to be steady on the whole. As for cruise business, the growth of the number of passengers tended to slacken owing to widespread concerns about the war in Iraq.

As regards terminal-related operations, NYK managed to handle much the same volume of cargoes at principal terminals as in the previous year and thus achieved the original target by and large.

As a result of the above-mentioned business performance, NYK's ratios of quarterly achievement as against the original earnings targets for the first half of fiscal 2003 stand at 51.0% for revenues, 44.6% for operating income, 48.7% for recurring profit and 58.4% for net income.