

Financial Results for 3 Months ended 09/6 and Revised Prospect for Whole FY10/3

July 2009



Analysis of Change in Rec. Profit between 3 Months ended FY09/6 and FY08/6

(Billions of Yen)

Yen Appreciation	▲ 1.9	¥ <u>97.50</u> / Appreciated by ¥ <u>5.86</u>
Bunker Oil Price	12.2	\$288. <u>72</u> MT / Decreased \$244. <u>46</u> /MT
Market Effects etc.	▲ 105.6	
Non Shipping Div.	▲ 15.3	
Cost Reduction	16.9	Shipping Div.14.9, Non Shipping Div.2.0
New Consolidation	1.5	Shipping Div.1.1, Non Shipping Div.0.4
Total	▲ 92.2	



Comparison of Financial Results between 3 months ended 09/6 and 08/6 by Industrial Segments

(Billions of Yen)

Revenues	3Months ended 09/6	3Months ended 08/6	Change
Liner	88.2	164.1	▲ 76.0
Bulk Shipping	157.0	299.3	▲ 142.3
Logistics	77.8	127.8	▲ 49.9
Terminal	27.7	35.9	▲ 8.2
Cruise	9.4	12.7	▲ 3.3
Air Cargo	12.1	23.4	▲ 11.3
Real Estate	2.8	2.9	▲ 0.1
Other	34.8	57.4	▲ 22.6
Elimination/ Unallocation	▲ 29.8	▲ 43.9	14.1
Consolidated	380.1	679.6	▲ 299.5

Rec.Profit	3Months ended 09/6	3Months ended 08/6	Change
Liner	▲ 18.6	▲ 2.7	▲ 15.9
Bulk Shipping	▲ 1.5	62.5	▲ 64.1
Logistics	▲ 1.5	2.6	▲ 4.1
Terminal	0.2	2.2	▲ 2.0
Cruise	▲ 0.7	0.8	▲ 1.5
Air Cargo	▲ 6.5	▲ 2.3	▲ 4.2
Real Estate	1.3	1.1	0.2
Other	0.3	0.8	▲ 0.5
Elimination/ Unallocation	0.0	0.0	0.0
Consolidated	▲ 27.1	65.1	▲ 92.2

(Revenues)	3Months ended 09/6	3Months ended 08/6	Change
Bulk and Specialized Carriers	123.1	257.8	▲ 134.7
Tankers and LNG Carriers	33.9	41.5	▲ 7.6
Total	157.0	299.3	▲ 142.3

Summary of Revised Prospect for Whole FY10/3

1) Whole Year Prospect:

Revenues ¥1.71Tri (▲170.0Bil. from Original Prospect)

Rec. Profit ¥4.0Bil. (▲36.0Bil from Original Prospect)

2) Shipping Div. : Rec. Profit Decreased by ¥34.0Bil.

Liner: Dropped by ¥18.0Bil. due to Declined Container Movement and Freight Rate.

Bulk Shipping: Dropped by ¥1.6Bil. due to Downward Market Level in Tanker and Decreased Car Carrier Transportation Volume

3) Non Shipping Div. : Revised Downward as a Whole 6 Segments by ¥1.9Bil

4) Exchange Rate/Bunker Oil Assumption and Sensitivity against Rec. Profit (Whole Year)

Exchange Rate : ¥95.63/\$ 1.0 Billion Increase per ¥1/\$ Depreciation

Bunker Oil Price : \$357.18/MT ¥200 Million Decrease per \$1/MT Increase

5) Cash Dividend (Prospect): Annual Dividend of ¥4/Share (¥2/Share of Interim and ¥2/Share of Year End)

Revised Prospect Whole FY10/3

(Billions of Yen)

	Original Prospect			Revised Prospect			Change Whole
	1H	2H	Whole	1H	2H	Whole	
Revenues	890.0	990.0	1,880.0	784.0	926.0	1,710.0	▲ 170.0
Operating Profit	▲ 18.0	71.0	53.0	▲ 37.0	57.0	20.0	▲ 33.0
Recurring Profit	▲ 23.0	63.0	40.0	▲ 44.0	48.0	4.0	▲ 36.0
Net Income	▲ 22.0	40.0	18.0	▲ 32.0	27.0	▲ 5.0	▲ 23.0

Exchange Rate	¥95.00	¥95.00	¥95.00	¥96.25	¥95.00	¥95.63	¥0.63
Bunker Oil Price	\$275.00	\$275.00	\$275.00	\$334.36	\$380.00	\$357.18	\$82.18

FY10/3 Exchange Rate : 2Q-4Q ¥95/\$
 FY10/3 Bunker Oil Price : 2Q-4Q \$380/MT

Comparison of Financial Prospects for Whole FY10/3 (Original vs Revised Prospect)



(Billions of Yen)

Rec.Profit	FY10/3 Prospect			FY10/3 Prospect			FY10/3 Prospect		
	1H		Change	2H		Change	Whole		Change
	Original	Revised		Original	Revised		Original	Revised	
Liner	▲ 32.0	▲ 34.0	▲ 2.0	16.0	0.0	▲ 16.0	▲ 16.0	▲ 34.0	▲ 18.0
Bulk Shipping	17.0	2.0	▲ 15.0	53.0	52.0	▲ 1.0	70.0	54.0	▲ 16.0
Logistics	1.0	▲ 1.5	▲ 2.5	4.0	6.0	2.0	5.0	4.5	▲ 0.5
Terminal	1.0	0.2	▲ 0.8	0.0	0.0	0.0	1.0	0.2	▲ 0.8
Cruise	1.0	0.2	▲ 0.8	▲ 3.0	▲ 2.2	0.8	▲ 2.0	▲ 2.0	0.0
Air Cargo	▲ 12.0	▲ 13.0	▲ 1.0	▲ 8.0	▲ 9.0	▲ 1.0	▲ 20.0	▲ 22.0	▲ 2.0
Real Estate	2.0	2.6	0.6	2.0	2.4	0.4	4.0	5.0	1.0
Other	▲ 1.0	▲ 0.4	0.6	▲ 1.0	▲ 1.2	▲ 0.2	▲ 2.0	▲ 1.6	0.4
Elimination/ Unallocation	0.0	▲ 0.1	▲ 0.1	0.0	0.0	0.0	0.0	▲ 0.1	▲ 0.1
Consolidated	▲ 23.0	▲ 44.0	▲ 21.0	63.0	48.0	▲ 15.0	40.0	4.0	▲ 36.0

Comparison of Financial Prospects for FY10/3 (Original vs Revised Prospect by Industrial Segments)

(Billions of Yen)

Revenues	1Q (Result)	1H	2H	FY10/3 (Revised Prospect)	Diff. from April 09
Liner	88.2	180.0	207.0	387.0	▲ 63.0
Bulk Shipping	157.0	343.0	425.0	768.0	13.0
Logistics	77.8	167.0	224.0	391.0	▲ 4.0
Terminal	27.7	55.0	52.0	107.0	▲ 8.0
Cruise	9.4	20.0	17.0	37.0	▲ 1.0
Air Cargo	12.1	24.5	28.5	53.0	▲ 1.0
Real Estate	2.8	6.5	7.5	14.0	0.0
Other	34.8	68.0	69.0	137.0	▲ 17.0
Elimination/ Unallocation	▲ 29.8	▲ 80.0	▲ 104.0	▲ 184.0	▲ 89.0
Consolidated	380.1	784.0	926.0	1,710.0	▲ 170.0

Rec,Profit	1Q (Result)	1H	2H	FY10/3 (Revised Prospect)	Diff. from April 09
Liner	▲ 18.6	▲ 34.0	0.0	▲ 34.0	▲ 18.0
Bulk Shipping	▲ 1.5	2.0	52.0	54.0	▲ 16.0
Logistics	▲ 1.5	▲ 1.5	6.0	4.5	▲ 0.5
Terminal	0.2	0.2	0.0	0.2	▲ 0.8
Cruise	▲ 0.7	0.2	▲ 2.2	▲ 2.0	0.0
Air Cargo	▲ 6.5	▲ 13.0	▲ 9.0	▲ 22.0	▲ 2.0
Real Estate	1.3	2.6	2.4	5.0	1.0
Other	0.3	▲ 0.4	▲ 1.2	▲ 1.6	0.4
Elimination/ Unallocation	0.0	▲ 0.1	0.0	▲ 0.1	▲ 0.1
Consolidated	▲ 27.1	▲ 44.0	48.0	4.0	▲ 36.0

(Revenues)	Rivised	Original	Change
Bulk and Specialized Carriers	611.0	595.0	16.0
Tankers and LNG Carriers	157.0	160.0	▲ 3.0
Total	768.0	755.0	13.0

Overview of Each Industrial Segment ①

1. Shipping – 1) Container:

Container Lifting Result/Prospect (1,000TEU)

	1Q FY09/03 (Result)	1Q FY10/03 (Result)	Change	(%)	FY09/3 (Result)	FY10/3 (Revised prospect)	Change	(%)	FY10/3 (Prospect in April 09)	diff.from April 09
ASIA → North America	187	130	▲ 58	-30.9%	713	570	▲ 143	-20.1%	673	-15%
Utilization	84%	70%			80%	80%			79%	
ASIA → Europe	138	104	▲ 34	-24.6%	525	473	▲ 53	-10.0%	483	-2%
Utilization	84%	85%			86%	91%			91%	

Accelerating Cost Reduction Activities under “Emergency Structural Reform (Yosoro)”

FY 10/3 Yearly Target abt. ¥ 50.0Bil.

1Q Result abt. ¥12.0Bil.

Achieved 69% of target number in 1H, 24% of FY10/3 yearly target

Overview of Each Industrial Segment ②

1. Shipping -2) Trend of Shipping Market for Bulkers and Tankers

	FY09/3 (Result)	FY10/3 (Revised Prospect)					FY10/3 (Prospect in April 09)
		1Q (Result)	2Q	1H	2H	Whole	
B D I	4,912	2,673	3,100	2,886	3,400	3,143	2,500
VLCC (WS)	113	35	48	42	52	47	51

Bulkers : Market would be Kept Stable at Higher Level than 1H in 2H.

Tankers : Both Crude Oil (VLCC) • Oil Product Tanker Market would be Recovering gradually

Overview of Each Industrial Segment ③

1. Shipping –3) Car Carrier:

Car Transportation Result/Prospect (10,000 Cars)

	1Q FY09/3 (Result)	1Q FY10/3 (Result)	Change	(%)	FY09/3 (Result)	FY10/3 (Revised Prospect)	Change	(%)	FY10/3 (Prospect in April 09)	Diff. from April 09
All Trade	88	43	▲ 45	-51.1%	326	226	▲ 100	-30.7%	266	▲ 40

2. Logistics Segment

(Billions of Yen)

Recurring Profit	FY 09/3 (Result)	FY 10/3 (Revised Prospect)					FY 10/3 (Prospect in Apr 09)	Diff from April 09
		1Q (Result)	2Q	1H	2H	Whole		
NYK Logistics	▲ 0.2	▲ 1.3	▲ 0.6	▲ 1.9	2.9	1.1	1.6	▲ 0.5
YAS (Air Forwarding)	5.4	▲ 0.2	0.6	0.4	3.1	3.4	3.4	0.0
Total	5.2	▲ 1.5	0.0	▲ 1.5	6.0	4.5	5.0	▲ 0.5

1) Comparison between Original and Revised Prospect for FY10/03

		FY09/3 (Result)	FY10/3 Original Prospect			FY 10/3 Revised Prospect			
			1H	2H	Whole	1Q (Result)	2Q	2H	Whole
Revenue	Bil. Yen	79.4	25.0	29.0	54.0	12.1	12.4	28.5	53.0
Rec.Profit	Bil. Yen	▲ 18.8	▲ 12.0	▲ 8.0	▲ 20.0	▲ 6.5	▲ 6.5	▲ 9.0	▲ 22.0
Chargable Weight	1000 ton	309	144	154	299	75	79	154	308
Volume(RTK)	Mil.ton-kilo	1,877	852	946	1,798	447	432	946	1,825
Capacity(ATK)	Mil.ton-kilo	2,884	1,420	1,391	2,811	679	697	1,391	2,767
MOPS	US\$/BBL	\$107	\$55	\$55	\$55	\$67	\$77	\$75	\$74

Anticipated that Rec. Profit/Loss would be Worsened by ¥2.0Bil. Because of Cancellation of Leasing Contract with Cargo B company to which NCA had Leased Out two Aircrafts.

Sign of Upturn can be seen, Under which Improvement of Performance through Restoration of Freight Rates can be Expected.

2) Trade-wise Load Factor Trend

	FY10/3 Original Prospect	FY 10/3 Revised Prospect			
		1Q (Result)	1H	2H	Whole
Asia→NA	65%	75%	73%	68%	71%
NA→Asia	67%	59%	59%	71%	65%
Asia→Europe	75%	90%	82%	78%	80%
Europe→Asia	77%	74%	73%	77%	75%
Japan→Asia	48%	43%	44%	51%	48%
Intra Asia					
Asia→Japan	54%	65%	63%	57%	60%
Ave. of All	65%	66%	65%	68%	66%

LF = RTK/ATK

Air Cargo Transportation (NCA) ③

Phoenix Project “Declaration of Evolution”

3) Target and Basic Concept of New Plan

- ❑ Achieve Break-Even in 2011
- ❑ Continue the Network of 8 B747 Freighters under NCA’s Own Operation

① Three Pillars of the New Plan

1. Build an Adequate Cost Structure through Drastic Cost Reduction and by Reviewing of Business Process
2. Strengthen Profitability by Rationalizing and Simplifying the Regular Scheduled Services
3. Improve Profitability by Increasing New Business Opportunities in Different Fields of Air Logistics (Chartered Business and Leased Business)

② Business Plan

(Billions of Yen)

	FY 10/3 *	FY 11/3	FY 12/3
Revenue	53.0	71.0	81.0
Rec. Profit	▲22.0	▲7.5	±0

* Figure of FY10/3 is made based on updated prospect