

# Financial Results for 6 Months ended 09/9 and Revised Prospect for Whole FY10/3

## October 2009



# Summary of 6 Months ended 09/9

- 1) Rec. Profit Drastically Declined by the Slowdown in the Global Economy after Lehman Brothers' Collapse Compared with 08/9.

(Billions of Yen)

	6Months ended 09/9	6Months ended 08/9	Change
<b>Revenues</b>	<b>794.5</b>	<b>1,419.9</b>	<b>-625.4</b>
<b>Operating Profit</b>	<b>-37.1</b>	<b>134.8</b>	<b>-171.9</b>
<b>Recurring Profit</b>	<b>-43.9</b>	<b>139.8</b>	<b>-183.7</b>
<b>Net Income</b>	<b>-29.4</b>	<b>91.3</b>	<b>-120.6</b>

**Exchange Rate**                      ¥96.12                      ¥105.66                      ¥-9.54

**Bunker Oil Price**                      \$333.56                      \$593.73                      -\$260.17

- 2) Shipping Div. : Rec. Profit dropped by ¥163.6Bil.  
 Liner Trade: Rec. Profit decreased by ¥32.9Bil.  
 Bulk Shipping: Rec. Profit decreased by ¥130.7Bil.
- 3) Non Shipping Div.: Rec. Profit decreased by ¥20.2Bil as a Whole 6 Segments.  
 Logistics/Terminal/Cruise Segment dropped by ¥12.0Bil.  
 Air Cargo/Real Estate/Others declined by ¥8.2Bil.
- 4) Sensitivity against Rec. Profit (Whole Year)

Exchange Rate                      ¥0.7 Billion Increase per ¥1/\$ Depreciation

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

# Analysis of Change in Rec. Profit between 6 Months ended FY09/9 and FY08/9

(Billions of Yen)

<b>Yen Appreciation</b>	<b>-3.3</b>	¥ 96.12 / Appreciated by ¥ 9.54
<b>Bunker Oil Price</b>	<b>26.0</b>	\$333.56MT/ Decreased \$260.17/MT
<b>Market Effects etc.</b>	<b>-229.6</b>	
<b>Non Shipping Div.</b>	<b>-26.8</b>	
<b>Cost Reduction</b>	<b>47.5</b>	Shipping Div.42.3, Non Shipping Div.5.2
<b>New Consolidation</b>	<b>2.5</b>	Shipping Div.1.9, Non Shipping Div.0.6
<b>Total</b>	<b>-183.7</b>	

# Comparison of Financial Results between 6 months ended 09/9 and 08/9 by Industrial Segments



(Billions of Yen)

Revenues	6Months ended 09/9			6Months ended 08/9	Change
	1Q	2Q			
Liner	88.2	90.5	178.7	350.1	-171.4
Bulk Shipping	157.0	180.9	337.9	638.8	-300.9
Logistics	77.8	83.0	160.8	256.9	-96.1
Terminal	27.7	27.3	55.0	73.6	-18.6
Cruise	9.4	9.9	19.4	26.9	-7.5
Air Cargo	12.1	14.2	26.3	48.7	-22.4
Real Estate	2.8	3.3	6.1	5.8	0.3
Other	34.8	38.9	73.7	131.0	-57.4
Elimination/ Unallocation	-29.8	-33.6	-63.3	-111.9	48.6
<b>Consolidated</b>	<b>380.1</b>	<b>414.4</b>	<b>794.5</b>	<b>1,419.9</b>	<b>-625.4</b>

Rec.Profit	6Months ended 09/9			6Months ended 08/9	Change
	1Q	2Q			
Liner	-18.6	-18.0	-36.6	-3.7	-32.9
Bulk Shipping	-1.5	5.4	3.9	134.6	-130.7
Logistics	-1.5	1.0	-0.6	5.1	-5.7
Terminal	0.2	0.4	0.6	4.0	-3.3
Cruise	-0.7	0.3	-0.4	2.6	-3.0
Air Cargo	-6.5	-5.3	-11.8	-5.9	-6.0
Real Estate	1.3	1.2	2.5	2.3	0.2
Other	0.3	-1.9	-1.6	0.8	-2.4
Elimination/ Unallocation	0.0	0.0	0.0	0.0	0.0
<b>Consolidated</b>	<b>-27.1</b>	<b>-16.8</b>	<b>-43.9</b>	<b>139.8</b>	<b>-183.7</b>

(Revenues)	6Months ended 09/9	6Months ended 08/9	Change
Bulk and Specialized Carriers	267.9	549.8	-281.9
Tankers and LNG Carriers	70.0	89.0	-19.0
<b>Total</b>	<b>337.9</b>	<b>638.8</b>	<b>-300.9</b>

# Revised Prospect Whole FY10/3

(Billions of Yen)

	Original Prospect			Revised Prospect			Change Whole
	1H	2H	Whole	1H	2H	Whole	
Revenues	784.0	926.0	1,710.0	794.5	885.5	1,680.0	-30.0
Operating Profit	-37.0	57.0	20.0	-37.1	19.1	-18.0	-38.0
Recurring Profit	-44.0	48.0	4.0	-43.9	10.9	-33.0	-37.0
Net Income	-32.0	27.0	-5.0	-29.4	2.4	-27.0	-22.0

Exchange Rate	¥96.25	¥95.00	¥95.63	¥96.12	¥90.00	¥93.06	¥-2.57
Bunker Oil Price	\$334.36	\$380.00	\$357.18	\$333.56	\$430.00	\$381.78	\$24.60
	FY10/3 2 <sup>nd</sup> Half Exchange Rate : ¥90/ \$						
	FY10/3 2 <sup>nd</sup> half Bunker Oil Price : \$430/MT						

# Summary of Revised Prospect for Whole FY10/3

## 1) Whole Year Prospect:

Adjusted Cost Reduction Target Downward in Container and Lowered Figures of Assumption in Dry Bulk and Oil Tanker Market.

**Revenues ¥1.68Tri (¥-30.0Bil. from Original Prospect)**

**Rec. Profit ¥-33.0Bil. (¥-37.0Bil from Original Prospect)**

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

Liner: Dropped by ¥16.0Bil.

Bulk Shipping: Dropped by ¥18.0Bil.

## 3) Non Shipping Div. : Revised Downward as a Whole 6 Segments by ¥3.0Bil.

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

Exchange Rate : ¥93.06/\$ 0.7 Billion Increase per ¥1/\$ Depreciation

Bunker Oil Price : \$381.78/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)

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



Revenues						
	1H	2H	Whole	Diff. from July 09		
	Result	Revised Prospect	Revised Prospect	1H	2H	Whole
Liner	178.7	211.3	390.0	-1.3	4.3	3.0
Bulk Shipping	337.9	414.1	752.0	-5.1	-10.9	-16.0
Logistics	160.8	189.2	350.0	-6.2	-34.8	-41.0
Terminal	55.0	55.0	110.0	0.0	3.0	3.0
Cruise	19.4	16.6	36.0	-0.7	-0.4	-1.0
Air Cargo	26.3	28.2	54.5	1.8	-0.3	1.5
Real Estate	6.1	5.9	12.0	-0.4	-1.6	-2.0
Other	73.7	69.4	143.0	5.7	0.4	6.0
Elimination/ Unallocation	-63.3	-104.2	-167.5	16.6	-1.2	15.4
Consolidated	794.5	885.5	1680.0	10.6	-40.5	-30.0

Rec. Profit							(Billions of Yen)		
	1H	2H	Whole	Diff. from July 09					
	Result	Revised Prospect	Revised Prospect	1H	2H	Whole			
Liner	-36.6	-13.4	-50.0	-2.6	-13.4	-16.0			
Bulk Shipping	3.9	32.1	36.0	1.9	-19.9	-18.0			
Logistics	-0.6	2.6	20.0	0.9	-3.4	-2.5			
Terminal	0.6	0.4	1.0	0.4	0.4	0.8			
Cruise	-0.4	-2.6	-3.0	-0.6	-0.4	-1.0			
Air Cargo	-11.8	-9.2	-21.0	1.2	-0.2	1.1			
Real Estate	2.5	2.0	4.5	-0.1	-0.4	-0.5			
Other	-1.6	-1.0	-2.5	-1.2	0.2	-0.8			
Elimination/ Unallocation	0.0	0.0	0.0	0.1	0.0	0.1			
Consolidated	-43.9	10.9	-33.0	0.1	-37.1	-37.0			

(Revenues)	Revised	Original	Change
Bulk and Specialized Carriers	604.0	611.0	-7.0
Tankers and LNG Carriers	148.0	157.0	-9.0
Total	752.0	768.0	-16.0

# Overview of Each Industrial Segment

## 1 . Shipping – 1) Container :

Kept Efforts to Raise Freight Rate With Recovery of Cargo Movement. Cost Reduction Activities Achieved ¥35.0Bil. By 1H and Would be Estimated 70.0Bil. In Whole FY10/3.

Container Lifting Result/Prospect (1,000T E U)

	FY 09/3 (Result)					FY 10/3 (Pevised Prospect)					FY 10/3 Prospect	
	1Q	2Q	3Q	4Q	Whole	1Q (Result)	2Q (Result)	3Q	4Q	Whole	Original	diff. From July 09
Asia North America	187	200	181	145	713	130	158	158	150	595	570	25
Utilization	84%	88%	78%	72%	81%	70%	81%	88%	89%	82%	80%	
Asia Europe	138	152	127	109	525	104	125	124	130	482	473	9
Utilization	84%	93%	82%	85%	86%	85%	100%	92%	93%	93%	90%	

Trend of Container Freight Rate (FY09/3 1Q=100)

	FY 09/3 (Result)				FY 10/3 (Revised Prospect)			
	1Q	2Q	3Q	4Q	1Q (Result)	2Q (Result)	3Q	4Q
Asia North America	100	107	109	91	79	69	83	83
Asia Europe	100	96	89	56	48	54	71	76

# Overview of Each Industrial Segment

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

Dry Bulk Market would be Kept at the Same Level as 1H and Steady Performance.  
Oil Tanker Market would be Recovering Gradually in 2H due to Winter Season.

	FY 09/3 (Result)	FY 10/3 ( Revised Prospect)					FY 10/3 (Original Prospect)
		1Q (Result)	2Q (Result)	1H	2H	Whole	
<b>B D I</b>	<b>4,912</b>	<b>2,673</b>	<b>2,799</b>	<b>2,736</b>	<b>2,700</b>	<b>2,718</b>	<b>3,143</b>
<b>Cape (4TC)</b>	<b>81,867</b>	<b>46,105</b>	<b>45,004</b>	<b>45,555</b>	<b>45,000</b>	<b>45,277</b>	<b>51,526</b>
<b>Panamax (Pac)</b>	<b>32,008</b>	<b>16,092</b>	<b>18,405</b>	<b>17,249</b>	<b>20,000</b>	<b>18,624</b>	<b>22,773</b>
<b>Handymax (Pac)</b>	<b>26,605</b>	<b>12,399</b>	<b>15,078</b>	<b>13,739</b>	<b>15,000</b>	<b>14,369</b>	<b>16,350</b>
<b>Handy (Pac)</b>	<b>19,216</b>	<b>8,580</b>	<b>10,585</b>	<b>9,583</b>	<b>10,000</b>	<b>9,791</b>	<b>11,770</b>
<b>V L C C (WS)</b>	<b>113</b>	<b>35</b>	<b>36</b>	<b>35</b>	<b>57</b>	<b>46</b>	<b>47</b>

Market per vessel (spot charterage) 4TC = average 4 routes, Pac = Pacific-round  
Currency Unit = US dollars/day

# Overview of Each Industrial Segment

## 1 . Shipping – 3 ) Car Carrier :

Cargo Movement would be Recovered.

Car Transportation Result/Prospect (10,000 Cars)

	FY 09/3 (Result)					FY 10/3 (Revised Prospect)				
	1Q	2Q	3Q	4Q	Whole	1Q (Result)	2Q (Result)	3Q	4Q	Whole
All Trade	88	91	92	55	326	43	53	68	67	231

## 2 . Logistics Segment

Although Transport levels tended toward recovery in Asia, Would be Revised Downward in 2H.

(Billions of Yen)

Recurring Profit	FY 09/3 (Result)	FY 10 / 3 (Revised Prospect)					FY 10/3 (Original Prospect)	FY 10/3 diff. from July 09
		1 Q (Result)	2 Q (Result)	1H	2H	Whole		
NYK Logistics	-0.2	-1.3	0.1	-1.2	-0.2	-1.4	1.1	-2.5
YAS (Air Forwarding)	5.4	-0.2	0.8	0.6	2.8	3.4	3.4	0.0
Total	5.2	-1.5	1.0	-0.5	2.6	2.0	4.5	-2.5

# Air Cargo Transportation (N C A)

## 1) Comparison between Original and Revised Prospect for FY10/3

		FY09/3 (Result)	FY 10/3 (Previous Prospect)			FY 10/3 (Revised Prospect)				
			1H	2H	Whole	1Q (Result)	2Q (Result)	1H	2H	Whole
Revenue	Bil Yen	79.4	24.5	28.5	53.0	12.1	14.2	26.3	28.2	54.5
Rec. Profit	Bil Yen	-18.8	-13.0	-9.0	-22.0	-6.5	-5.3	-11.8	-9.2	-21.0
Chargable Weight	1000 ton	309	154	154	308	75	87	162	154	316
Volume (RTK)	Mil.ton-kilo	1,877	879	946	1,825	447	506	953	946	1,899
Capacity (ATK)	Mil.ton-kilo	2,884	138	139	277	679	720	1,399	1,391	2,790
M O P S	US\$/BBL	\$107	\$72	\$75	\$74	\$67	\$77	\$72	\$75	\$74

Rec. Profit for 10/3 Increased by ¥1.0Bil, Having Better Result than Original Prospect in 2Q Because of Recovery in Cargo Movement

Although Still Suffered Negative Impact By the Recession During 1Q, Sign of Upturn in the Market Has Been Observed in 2Q.

# Air Cargo Transportation (NCA)

## 2) Trade-wise Load Factor Trend

	FY10/3 (Previous Prospect)	FY 10/3 (Revised Prospect)				
		1Q (Result)	2Q (Result)	1H	2H	Whole
Asia NA	71%	75%	80%	78%	75%	77%
NA Asia	65%	59%	64%	62%	63%	63%
Asia Europe	80%	90%	91%	90%	78%	84%
Europe Asia	75%	74%	69%	72%	77%	75%
Japan Asia	48%	43%	50%	47%	51%	49%
Intra Asia						
Asia Japan	60%	65%	70%	68%	57%	63%
Ave. of All	66%	66%	70%	69%	68%	69%