

**Consolidated Financial Results for the Three Months Ended June 30, 2010 (Japanese GAAP)
(Unaudited)**

July 29, 2010

Nippon Yusen Kabushiki Kaisha (NYK Line)

Security Code: 9101
 Listings: The First Section of Tokyo, Osaka and Nagoya Stock Exchanges
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 Start scheduled date of paying Dividends -
 Preparation of Quarterly Supplementary Explanation Material: Yes
 Quarterly Financial Results Presentation Held: Yes

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2010 (April 1, 2010 to June 30, 2010)

(1) Consolidated Operating Results

(Percentage figures shown year-on-year changes)

	Revenues		Operating income		Recurring profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2010	504,779	32.8	40,061	-	38,119	-	22,994	-
Three month ended June 30, 2009	380,065	-44.1	(25,522)	-	(27,077)	-	(18,919)	-

	Net income per share	Net income per share – fully diluted
	yen	yen
Three months ended June 30, 2010	13.54	-
Three month ended June 30, 2009	(15.41)	-

Note: Net income per share-fully diluted for the first quarter period ended June 30, 2010 is not shown in the above table, as there are no residual shares having possibilities of diluting stock value. Net income per share-fully diluted for the first quarter period ended June 30, 2009 is also not shown, because net income per share is negative although there are residual shares.

(2) Consolidated Financial Position

	Total assets	Equity	Shareholders' equity ratio	Equity per share
	million yen	million yen	%	yen
As of June 30, 2010	2,187,711	683,979	29.3	378.15
As of March 31, 2010	2,207,163	703,394	30.0	389.46

(Reference) Shareholders' equity:

As of June 30, 2010: ¥642,018 million

As of March 31, 2010: ¥661,232 million

2. Dividends

Date of record	Dividend per share				
	1 st Quarter End	2 nd Quarter End	3 rd Quarter End	Year-end	Total
	yen	yen	yen	yen	yen
Year ended March 31, 2010	-	2.00	-	2.00	4.00
Year ended March 31, 2011	-				
Year ending March 31, 2011 (Forecast)		5.00	-	-	-

Note: Revision of forecast for dividends in this quarter: Yes

Dividend forecast for year-end have yet to be determined at the current moment.

3. Consolidated Financial Results Forecasts for the Year Ending March 31, 2011 (April 1, 2010 to March 31, 2011)

(Percentage figures shown year-on-year changes)

	Revenues		Operating income		Recurring profit		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Cumulative second quarter ending September 30, 2010	990,000	24.6	73,000	-	70,000	-	36,000	-	21.20
Year ending March 31, 2011	1,930,000	13.7	122,000	-	115,000	-	68,000	-	40.05

Note: Revision of consolidated financial results forecasts in this quarter: Yes

Note and special instructions for the use of financial forecasts provided in this document

Assumptions for above forecasts:

Foreign exchange rate: (for the second quarter) ¥87/US\$, (for the third and fourth quarter) ¥85/US\$, (full year) ¥87.45/US\$

Bunker oil price: (for the second, third and fourth quarter) US\$475/MT, (full year) US\$475.02/MT

The above forecast incorporates certain assumptions the Company regarded as rational expectations at the time this report was announced. Actual results could differ materially from those projected figures. Refer to page 2-6 of the attachment for assumptions and other matters related to the forecast.

4. Others (Refer to page 7 "Others" of the attachment for details.)

(1) Changes in important subsidiaries during this quarter period: None

New: None Exclusion: None

Note: Changes in specific subsidiaries with that of the scope of consolidation during this quarter period.

(2) Use of simplified accounting methods and particular accounting methods: Yes

Note: Use of simplified accounting methods and accounting methods particular to preparation of the quarterly consolidated financial statements.

(3) Changes in accounting principles, procedures and presentation methods:

1. Changes with revised method of accounting: Yes

2. Changes except No.1: None

Note: Changes in accounting principles, procedures and presentation methods recorded under the changes in significant information in the preparation of Consolidated Financial Statements.

(4) Total issued shares (Ordinary shares)

1. Total issued shares (including treasury stock)	As of June 30, 2010	1,700,550,988 shares	As of March 31, 2010	1,700,550,988 shares
2. Number of treasury stock	As of June 30, 2010	2,740,626 shares	As of March 31, 2010	2,726,440 shares
3. Average number of shares (cumulative quarterly period)	Three months ended June 30, 2010	1,697,817,835 shares	Three months ended June 30, 2009	1,227,795,873 shares

Indication of quarterly review process implementation status

This quarterly fiscal statement is exempt from quarterly review process based upon the Financial Instruments and Exchange Act. As of the press release date, the quarterly review process is ongoing.

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1. Qualitative Information on Quarterly Results

(1) Qualitative Information on Consolidated Operating Results

For the fiscal first quarter (April 1, 2010—June 30, 2010), NYK Line posted consolidated revenues of ¥504.7 billion, compared with ¥380.0 for the same period last year, operating income of ¥40.0 billion, compared with operating loss of ¥25.5 billion, for the same period last year, recurring profit of ¥38.1 billion, compared with recurring loss of ¥27.0 billion for the same period last year, and net income of ¥22.9 billion, compared with net loss of ¥18.9 billion for the same period last year.

Overview

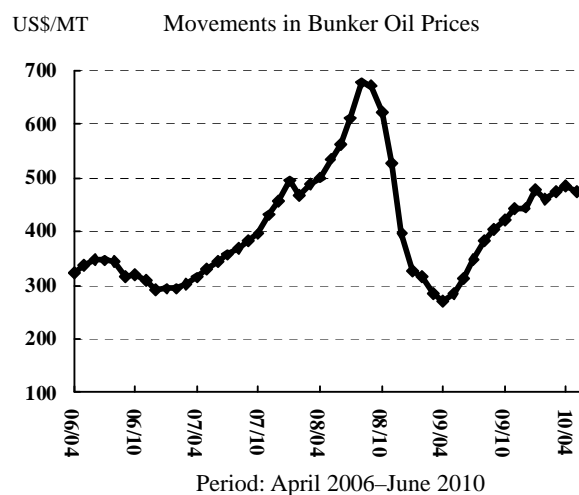
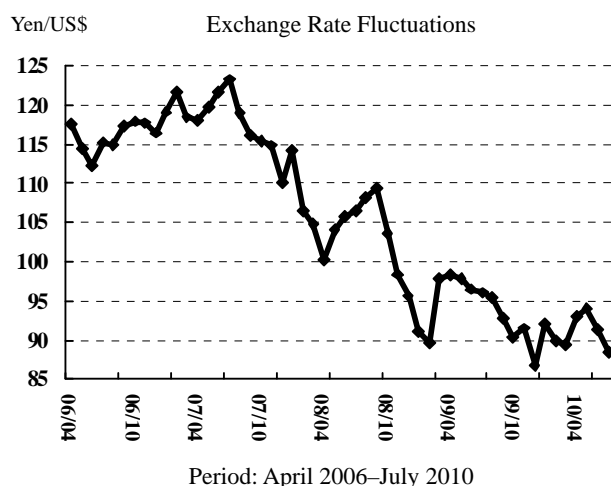
In the fiscal first quarter (April 1, 2010 – June 30, 2010), the global economy continued to recover and demand grew by more than expected in response market expansions in emerging economies, such as China. The operating environment facing shipping operators also appears headed toward a full recovery. Consolidated revenues increased ¥124.7 billion, or 32.8%, versus the year-ago first quarter. Revenues from shipping segment, comprising both the Liner Trade and Bulk Shipping segments, increased markedly as containerized cargo movement recovered, container freight rates picked up, dry bulk market recovered, and cargo volumes in the Car Carrier Division increased. Cargo volumes increased in the Logistics, Terminal and Harbor Transport, and Air Cargo Transportation segments also. Meanwhile, we worked to reduce costs, by operating vessels at reduced speed and other means, and boost operational efficiency to counter upward pressure from rising bunker oil prices and other factors. These efforts limited the increase in cost and expenses versus the year-ago first quarter to ¥60.3 billion, or 16.9%. By reducing selling, general and administrative expenses also, operating income climbed ¥65.5 billion year on year, and the ratio of operating income to revenues rose 14.7 percentage points from -6.7% in the year-ago first quarter to 7.9%. As a result, recurring profit rose by ¥65.1 billion and net income rose by ¥41.9 billion year on year, both significant increases.

The impact of fluctuations in foreign exchange rates and bunker oil prices on recurring profit for the three-month period under review is summarized in the following table:

	Three months ended June 30, 2010	Three months ended June 30, 2009	Change	Impact
Average exchange rate	¥92.81/US\$	¥97.50/US\$	Yen up ¥4.69	¥ -2.6 billion
Average bunker oil price	US\$475.08/MT	US\$288.72/MT	Price up US\$186.36	¥ -9.3 billion

Notes:

1. A ¥1 change in the exchange rate against the dollar has an annualized impact of approximately ¥2.2 billion on recurring profit.
2. A US\$1 change per metric ton in the price of bunker oil results in a change in annual recurring profit of approximately ¥200 million.



Note: Exchange rates and bunker oil prices are our corporate values.

Segment Information

(In billion yen)

	Revenues				Operating income			Recurring profit		
	FY2009 1Q	FY2010 1Q	Change	Percentage change	FY2009 1Q	FY2010 1Q	Change	FY2009 1Q	FY2010 1Q	Change
Liner Trade	88.1	123.1	34.9	39.7%	(18.4)	11.7	30.2	(18.6)	10.3	28.9
Bulk Shipping	157.0	209.9	52.8	33.7%	1.0	23.4	22.4	(1.5)	22.4	23.9
Logistics	77.8	101.4	23.6	30.4%	(1.4)	1.8	3.2	(1.5)	2.0	3.5
Terminal and Harbor Transport	27.7	30.6	2.9	10.7%	0.1	1.6	1.4	0.2	1.6	1.4
Cruises	9.4	9.0	-0.3	-3.8%	(0.5)	(1.3)	-0.7	(0.6)	(1.3)	-0.7
Air Cargo Transportation	12.0	23.1	11.1	92.4%	(6.4)	2.0	8.5	(6.5)	1.9	8.4
Real Estate	2.7	2.9	0.1	4.7%	0.8	0.9	0.0	1.2	1.2	-0.0
Other	34.8	39.5	4.7	13.8%	(0.6)	(0.2)	0.3	0.2	(0.1)	-0.4

Note: From the first quarter of this fiscal year, the Group began applying the "Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Statement No.17 of March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Guidance No.20 of March 21, 2008). We have conducted comparisons with the previous year as the impact on Group's consolidated financial statements for the quarter as a result of this change was none.

Liner Trade

As the market recovery, ongoing since last fiscal year, grew more pronounced, cargo movement on all routes, particularly North American routes and European routes, grew substantially year on year. We also restored freight rates as supply-demand fundamentals improved, which substantially boosted our average freight rates, and revenues increased year on year as a result. Although costs were up owing to higher bunker oil prices, the Liner Trade operated vessels at reduced speeds and successfully reduced costs through various means, resulting in a substantial improvement in performance versus the year-ago first quarter.

Bulk Shipping

Car Carrier Division

In response to a recovery in cargo movement, the Car Carrier Division's unit transport volume increased by 70% from its year-ago level in the fiscal first quarter. In the fiscal first quarter, the division enhanced fleet quality by commissioning six new car carriers into service and scrapping or selling six car carriers. It also continued to cut vessel operating costs through fuel conservation and other means.

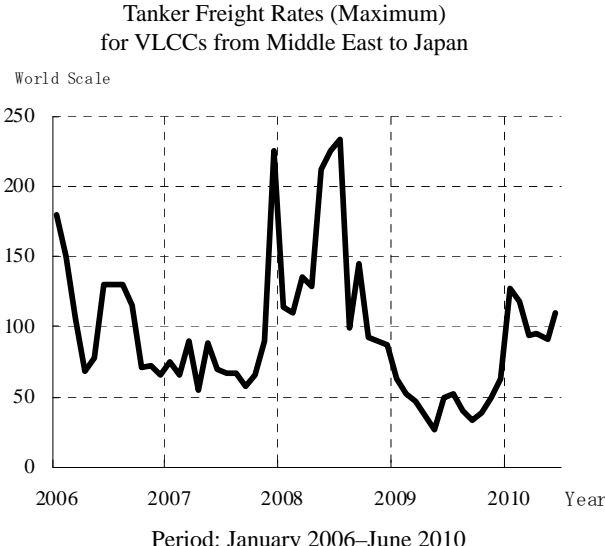
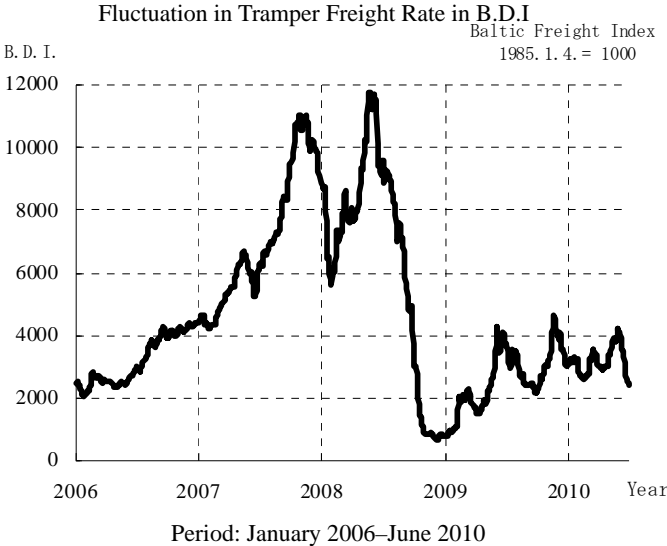
Dry Bulk Carrier Division

Demand for steel and energy remained firm, mainly in emerging economies, and South American grain shipments entered their peak, but China's iron ore imports, a strong market impetus, entered a downturn in response to iron ore price hikes by resource majors in Australia and Brazil and slowing steel demand in China. Meanwhile, the effect on tonnage supply-demand fundamentals was limited, owing to newbuild order cancellations and postponement of newbuild delivery dates. Freight rates, mainly for Capesize vessels, dropped sharply from June and entered a correction, but rates for Panamax and smaller vessels buoyed the market average during the fiscal first quarter, and the Dry Bulk Carrier Division's earnings were up year on year as a result.

Tanker Division

Petroleum demand increased in emerging market economies such as China but remained weak in

developed countries. Seaborne cargo volumes of both crude oil and petroleum products were generally sluggish, depressed by high inventory levels. Despite the scrapping and retrofitting of single-hull tankers and use of vessels for floating storage, tonnage overcapacity was not fully alleviated. Tanker freight rates, World Scale, exceeded their year-ago levels, reaching 100 in early June as the use of VLCCs for floating storage in Iran and other factors put a squeeze on tonnage supply. Freight rates for petrochemical tankers also rebounded temporarily in May in response to rising naphtha demand in Asia. The Tanker Division's earnings were up year on year as a result.



Logistics

NYK Logistics endeavored to further improve operating efficiency and cut costs, and although it failed to turn a profit in Europe, the U.S. and elsewhere, it increased earnings in Asia, where economic recovery is ongoing. Overall, NYK Logistics' earnings were up year on year in almost all regions. Yusen Air & Sea Service Co., Ltd. suffered from a decline in margins, but its earnings increased year on year on the back of a recovery in demand for air cargo transport. As a result, earnings in the Logistics segment as a whole increased year on year.

Terminal and Harbor Transport

Domestic and overseas container terminals' cargo volumes increased year on year in response to the recovery in containerized cargo movement, resulting in a year-on-year increase in the Terminal and Harbor Transport segment's revenues and earnings.

Cruises

In the Japanese market, Asuka II's seat-load factor failed to grow, reflecting the impact of the economic slump throughout its around-the-world cruise sales period. In the North American market, Crystal Cruises' proactive sales promotion strategy successfully boosted revenues year on year, but bunker oil and other expenses increased. As a result, a year-on-year earnings declined in the Cruises segment overall.

Air Cargo Transportation

Nippon Cargo Airlines Co., Ltd. actively sought to benefit from recovering cargo movement and endeavored to substantially revise and reduce costs, including fixed expenses. This produced a marked increase in earnings versus the year-ago first quarter, when it was suffering from depressed capacity utilization amid a slump in freight rates and cargo movement.

Real Estate and Other Business Services

The real estate business achieved results on par with the year-ago first quarter by maintaining high occupancy rates at its main office building properties. In Other Business Services, the trading business's revenues increased on the back of increases in bunker oil prices, and the manufacturing and processing business' earnings also increased year on year from price increases.

(2) Qualitative Information on Consolidated Financial Position

Assets, Liabilities, and Equity

Consolidated assets totaled ¥2,187.7 billion at the end of fiscal first quarter (June 30, 2010), a decrease of ¥19.4 billion compared with the end of the previous fiscal year (March 31, 2010). This mainly reflects a decrease in current assets of ¥16.3 billion due to a decrease in cash and deposits while short-term investment securities increased. Consolidated liabilities totaled ¥1,503.7 billion, around the same level as at the end of the previous fiscal year. Shareholders' equity—the aggregate of shareholders' capital and valuation and translation adjustments—totaled ¥642.0 billion, and adding minority interests of ¥41.9 billion to this resulted in total equity of ¥683.9 billion. As a result, the debt-equity ratio finished at 1.67.

Cash Flows

Net cash provided by operating activities for the three month period was ¥33.5 billion, reflecting quarterly net income before income taxes and minority interests of ¥37.9 billion as well as depreciation and amortization of ¥24.8 billion, and ¥-8.1 billion in income taxes paid. Net cash used in investing activities was ¥-49.7 billion, primarily reflecting increased expenditure for noncurrent assets, mainly accounted for by investments in vessels. Net cash used in financing activities was ¥-6.2 billion, due to cash dividends paid to shareholders. As a result, the balance of cash and cash equivalents stood at ¥256.6 billion at the end of the first quarter, a decrease of ¥25.0 billion compared with the beginning of the fiscal year (April 1, 2010), after taking into account the effect of exchange rate change on cash and cash equivalents.

Trends in cash flows over time are illustrated in the following table:

	March 31, 2008	March 31, 2009	March 31, 2010	June 30, 2009	June 30, 2010
1 Shareholders' equity ratio (%)	27.9	26.3	30.0	26.3	29.3
2 Shareholders' equity ratio at market price (%)	50.3	22.3	28.4	24.2	25.4
3 Cash flows vs ratio of interest-bearing debt (years)	5.1	7.2	17.4	-	-
4 Interest coverage ratio	8.8	6.6	2.9	-	7.3

1. Shareholders' equity ratio: shareholders' equity/total assets

2. Shareholders' equity ratio at market price: total market capitalization/total assets

3. Cash flows vs ratio of interest-bearing debt (years): interest-bearing debt/cash flow from operating activities

4. Interest coverage ratio: cash flow from operating activities/interest payments

Notes:

1. All indices are calculated using consolidated figures.

2. Total market capitalization is calculated by multiplying the closing price of our shares at the end of the period by the number of ordinary shares issued and outstanding at the end of the period.

3. Cash flow indices are computed by using cash flows from operating activities as reported in the consolidated cash flow statements. Interest-bearing debt consists of all interest-bearing liabilities included in liabilities on the consolidated balance sheet. Interest payments are based on the interest expenses paid in the consolidated statements of cash flows.

4. Interest coverage ratio for the first quarter ended June 30, 2009 is not indicated because cash flow from operating activities was negative.

(3) Qualitative Information on Consolidated Financial Results Forecasts

Revision of Earnings Forecasts

We have revised up our performance forecast for the fiscal year ending March 31, 2011, to revenues of ¥1,930.0 billion, operating income of ¥122.0 billion, recurring profit of ¥115.0 billion, and net income of ¥68.0 billion.

(Billions of yen)

Outlook for the fiscal year ending March 2011		Revenues	Operating income	Recurring profit	Net income
Cumulative second quarter ending September 30, 2010	Initial forecast	940.0	37.0	34.0	15.0
	Revisions	990.0	73.0	70.0	36.0
	Change	50.0	36.0	36.0	21.0
	Percentage change	5.3%	97.3%	105.9%	140.0%
Year ending March 31, 2011	Initial forecast	1,900.0	74.0	65.0	35.0
	Revisions	1,930.0	122.0	115.0	68.0
	Change	30.0	48.0	50.0	33.0
	Percentage change	1.6%	64.9%	76.9%	94.3%

Assumptions for above forecasts:

Foreign exchange rate: (for the second quarter) ¥87/US\$, (for the third and fourth quarter) ¥85/US\$, (full year) ¥87.45/US\$

Bunker oil price: (for the second, third and fourth quarter) US\$475/MT, (full year) US\$475.02/MT

In the Liner Trade, cargo movement remains firm on North American and European routes, and restoration of freight rates progressed better-than-expected. The Bulk Shipping segment's Dry Bulk Carrier Division is currently seeing a decline in iron ore shipments to China and a downturn in freight rates mainly for Capesize vessels, but freight rates remain firm for Panamax, Handy and other small to medium ship types. We expect the Car Carrier Division's unit transport volume to slightly exceed initial expectations.

The Air Cargo Transportation segment is steadily capturing demand for air cargo transport, which is currently in a recovery trend. In the Logistics segment, demand is recovering mainly in China and elsewhere in Asia. The Terminal and Harbor Transport segment is enjoying strong levels of containerized cargo movement. We anticipate increases in transport volume for both of these segments.

While the global economy remains in a recovery trend, the economic slowdown of Europe and the U.S. by the European financial crisis, economic trend of China, and ongoing yen appreciation is concerned. Given these sources of uncertainty, we remain cautious about our fiscal-second-half earnings forecast. In light of the above, we have upwardly revised our consolidated performance forecasts for the cumulative second quarter and the full fiscal year.

Revision of Dividends Forecasts

NYK considers returning profits to shareholders one of its highest priorities. We have revised our interim dividend forecast upward in light of significant upward revisions to our earnings forecast. We now forecast an interim dividend of ¥5 per share in accord with our target consolidated dividend payout ratio of 25%. In view of a murky fiscal-second-half outlook, we have yet to set a year-end dividend forecast. We will monitor our operating environment and earnings performance and announce our forecast as soon as it is decided.

(Date of Record)	Dividend per share				
	1 st Quarter	2 nd Quarter	3 rd Quarter	Year-end	Full year
Previous forecast (Apr. 27, 2010)	-	¥2.50	-	¥2.50	¥5.00
Revised forecast	/	¥5.00	-	To be determined	To be determined
Actual result of year ending March 2011	-	/	/	/	/
(Ref.) Year ended March 2010	-	¥2.00	-	¥2.00	¥4.00

2. Others

(1) Overview of Changes in Important Subsidiaries (changes in specific subsidiaries due to changes in the scope of consolidation): None

(2) Overview of Simplified Accounting Methods and Particular Accounting Methods

1. Calculation of doubtful accounts of ordinary credits

As there is not recognized any significant difference between the actual default-experience rate calculated as at the end of the first quarter of fiscal 2010 and that calculated as at the end of the previous fiscal year, an uncollectible amount continues to be estimated based on the same default-experience rate as applied for the previous fiscal year.

2. Calculation of taxes, deferred tax assets, and deferred tax liabilities

The Company and some of its subsidiaries have adopted an accounting method that limits deductible and taxable items and tax credit items used in the calculation of the amounts of income and other taxes paid to those that are material.

Because there have been no substantial changes in the business environment and no temporary valuation differences to affect the judgment of determining the possibility of deferred tax assets being utilized since the end of last fiscal year, the Company is using the earnings forecasts and tax planning from last fiscal year.

(3) Overview of Changes in Accounting Principles, Procedures and Presentation Methods

1. Application of “Accounting Standard for Equity Method of Accounting for Investments” and “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method.”

From the first quarter of this fiscal year, the Company began applying “Accounting Standard for Equity Method of Accounting for Investments” (ASBJ No.16, March 10, 2008) and “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method” (Practical Issues Task Force No.24, March 10, 2008).

There is no effect on the consolidated financial statements as a result of this change.

2. Application of “Accounting Standard for Asset Retirement Obligations” and others

From the first quarter of this fiscal year, the Company began applying “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No.18, March 31, 2008) and “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No.21, March 31, 2008).

The effect on the consolidated financial statements as a result of this change and the change in asset retirement obligations by the application is minimal.

3. Application of “Accounting Standard for Business Combinations” and others

From the first quarter of this fiscal year, the Company began applying “Accounting Standard for Business Combinations” (ASBJ Statement No.21, December 26, 2008), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22, December 26, 2008), the “Partial amendments to Accounting Standard for Research and Development Costs” (ASBJ Statement No.23, December 26, 2008), the “Revised Accounting Standard for Business Divestitures (ASBJ Statement No.7, December 26, 2008), the “Revised Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No.16, December 26, 2008), and the “Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No.10, December 26, 2008).

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(In million yen)

	As of June 30, 2010	As of March 31, 2010
	Amount	Amount
Assets		
Current assets		
Cash and deposits	162,374	257,245
Notes and operating accounts receivable-trade	192,701	188,292
Short-term investment securities	100,787	30,983
Inventories	44,482	44,344
Deferred and prepaid expenses	54,375	49,381
Deferred tax assets	18,564	14,755
Other	67,070	71,811
Allowance for doubtful accounts	(3,164)	(3,226)
Total current assets	637,192	653,590
Noncurrent assets		
Vessels, property, plant and equipment		
Vessels, net	686,214	651,501
Buildings and structures, net	78,152	81,075
Aircraft, net	4,549	4,764
Machinery, equipment and vehicles, net	30,379	28,816
Equipment, net	5,943	6,226
Land	62,959	62,578
Construction in progress	266,021	271,659
Other, net	4,383	4,499
Net vessels, property, plant and equipment	1,138,604	1,111,122
Intangible assets		
Leasehold right	2,630	2,570
Software	8,606	9,013
Goodwill	20,456	21,014
Other	3,091	3,227
Total intangible assets	34,785	35,825
Investments and other assets		
Investment securities	258,292	282,459
Long-term loans receivable	17,119	18,594
Deferred tax assets	14,397	16,639
Other	88,296	90,144
Allowance for doubtful accounts	(3,220)	(3,570)
Total investments and other assets	374,885	404,267
Total noncurrent assets	1,548,275	1,551,214
Deferred assets	2,243	2,359
Total assets	2,187,711	2,207,163

(In million yen)

	As of June 30, 2010	As of March 31, 2010
	Amount	Amount
Liabilities		
Current liabilities		
Notes and operating accounts payable-trade	155,667	164,875
Short-term loans payable	129,781	135,771
Income taxes payable	6,398	8,037
Deferred tax liabilities	649	655
Advances received	49,409	45,226
Provision for bonuses	7,272	7,004
Provision for directors' bonuses	130	285
Provision for losses related to antitrust law	3,939	4,579
Other	91,292	84,101
Total current liabilities	444,542	450,537
Noncurrent liabilities		
Bonds payable	251,111	251,128
Long-term loans payable	684,491	687,718
Deferred tax liabilities	7,172	7,955
Provision for retirement benefits	16,359	16,348
Provision for directors' retirement benefits	2,023	2,462
Provision for periodic dry docking of vessels	19,880	19,434
Provision for losses related to antitrust law	1,728	1,728
Other	76,422	66,456
Total noncurrent liabilities	1,059,189	1,053,232
Total liabilities	1,503,732	1,503,769
Equity		
Shareholders' capital		
Common stock	144,319	144,319
Capital surplus	155,662	155,663
Retained earnings	427,490	408,017
Treasury stock	(1,579)	(1,576)
Total shareholders' capital	725,892	706,424
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	18,651	30,007
Deferred gains (loss) on hedges	(42,085)	(30,155)
Foreign currency translation adjustments	(60,439)	(45,044)
Total valuation and translation adjustments	(83,874)	(45,192)
Minority interests	41,960	42,162
Total equity	683,979	703,394
Total liabilities and equity	2,187,711	2,207,163

(2) Consolidated Statements of Income

(In million yen)

	Three months ended	Three months ended
	June 30, 2009	June 30, 2010
	Amount	Amount
Revenues	380,065	504,779
Cost and expenses	356,536	416,928
Gross profit	23,528	87,850
Selling, general and administrative expenses	49,051	47,788
Operating income (loss)	(25,522)	40,061
Non-operating income		
Interest income	983	575
Dividends income	2,065	1,688
Equity in earning of unconsolidated subsidiaries and affiliates	8	1,844
Other	1,545	1,201
Total non-operating income	4,602	5,309
Non-operating expenses		
Interest expenses	4,947	4,338
Foreign exchange losses	530	2,081
Other	679	831
Total non-operating expenses	6,157	7,251
Recurring profit (loss)	(27,077)	38,119
Extraordinary income		
Gain on sales of noncurrent assets	4,432	5,064
Gain on sales of investment securities	4,842	2,338
Other	1,410	2,019
Total extraordinary income	10,685	9,423
Extraordinary loss		
Loss on sales of noncurrent assets	219	10
Provision of allowance for doubtful accounts	2,057	-
Loss on cancellation of chartered vessels	-	7,356
Other	2,033	2,229
Total extraordinary loss	4,311	9,596
Income (loss) before income taxes and minority interests	(20,703)	37,946
Income taxes	(1,858)	13,900
Income before minority interests	-	24,046
Minority interests in net income	74	1,051
Net income (loss)	(18,919)	22,994

(3) Consolidated Statements of Cash Flows

(In million yen)

	Three months ended	Three months ended
	June 30, 2009	June 30, 2010
	Amount	Amount
Net cash provided by (used in) operating activities:		
Income (loss) before income taxes and minority interests	(20,703)	37,946
Depreciation and amortization	23,899	24,848
Impairment loss	137	-
Loss (gain) on sales and retirement of vessels, property, plant and equipment and intangible assets	(4,193)	(4,502)
Loss (gain) on sales of short-term and long-term investment securities	(4,842)	(2,348)
Loss (gain) on valuation of short-term and long-term investment securities	2	89
Equity in (earnings) losses of unconsolidated subsidiaries and affiliates	(8)	(1,844)
Interest and dividends income	(3,049)	(2,264)
Interest expenses	4,947	4,338
Foreign exchange losses (gains)	2,512	856
Decrease (increase) in notes and accounts receivable-trade	17,531	(6,852)
Decrease (increase) in inventories	(7,051)	(287)
Increase (decrease) in notes and accounts payable-trade	(7,607)	(8,500)
Other, net	(6,251)	1,199
Subtotal	(4,674)	42,679
Interest and dividends income received	5,008	3,592
Interest expenses paid	(6,680)	(4,578)
Income taxes (paid) refund	(13,155)	(8,142)
Net cash provided by (used in) operating activities	(19,500)	33,550
Net cash provided by (used in) investing activities:		
Purchase of short-term investment securities	(398)	(35)
Proceeds from sales of short-term investment securities	862	329
Purchase of vessels, property, plant and equipment and intangible assets	(54,885)	(72,738)
Proceeds from sales of vessels, property, plant and equipment and intangible assets	55,084	17,787
Purchase of investment securities	(3,898)	(1,343)
Proceeds from sales of investment securities	12,285	3,805
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(3,225)	-
Payments of loans receivable	(3,065)	(468)
Collection of loans receivable	1,586	2,196
Other, net	4,545	740
Net cash provided by (used in) investing activities	8,889	(49,727)
Net cash provided by (used in) financing activities:		
Net increase (decrease) in short-term loans payable	(20,967)	(3,107)
Increase (decrease) in commercial paper	28,000	-
Proceeds from long-term loans payable	35,333	25,366
Repayment of long-term loans payable	(25,466)	(24,466)
Purchase of treasury stock	(19)	(7)
Proceeds from sales of treasury stock	8	2
Cash dividends paid to shareholders	(2,455)	(3,395)
Cash dividends paid to minority shareholders	(366)	(415)
Other, net	(305)	(236)
Net cash provided by (used in) financing activities	13,759	(6,260)
Effect of exchange rate change on cash and cash equivalents	(700)	(5,026)
Net increase (decrease) in cash and cash equivalents	2,447	(27,464)
Cash and cash equivalents at beginning of period	126,768	281,660
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	4,635	460
Increase (decrease) in cash and cash equivalents resulting from merger of subsidiaries	-	207
Increase (decrease) in beginning balance of cash and cash equivalents resulting from change in fiscal period of consolidated subsidiaries	(63)	1,737
Cash and cash equivalents at end of period	133,787	256,602

(4) Notes Regarding Going Concern Assumption

The first quarter of this fiscal year (April 1, 2010 – June 30, 2010)

Not applicable

(5) Segment Information

[Segment information by business]

Three months ended June 30, 2009 (April 1, 2009 – June 30, 2009)

(In million yen)

	Liner Trade	Bulk Shipping	Logistics	Terminal and Harbor Transport	Cruise	Air Cargo Transportation	Real Estate	Other	Total	Elimination or Corporate	Consolidated Total
Revenues											
(1) Revenues from customer	86,855	155,167	77,548	22,164	9,440	10,821	2,288	15,778	380,065	-	380,065
(2) Inter-segment revenues	1,308	1,877	277	5,539	-	1,237	505	19,028	29,775	(29,775)	-
Total	88,164	157,045	77,826	27,704	9,440	12,059	2,794	34,807	409,841	(29,775)	380,065
Operating income (loss)	(18,485)	1,028	(1,474)	199	(550)	(6,479)	880	(645)	(25,526)	3	(25,522)
Recurring profit (loss)	(18,619)	(1,525)	(1,540)	222	(656)	(6,523)	1,299	262	(27,081)	3	(27,077)

Notes: 1. Classification of business segment:

Business segments are categorized primarily based on the type and nature of service and organizational setup as well as by referencing Japan Standard Industrial Classification.

2. Major operation and services in each segment:

Liner Trade.....Ocean cargo shipping, ship owning and chartering, shipping agency

Bulk ShippingOcean/coastal cargo shipping, ship owning and chartering, shipping agency

Logistics.....Warehouse operation, cargo transport/handling business

Terminal and Harbor Transport.....Container terminals business, harbor transport services, tugboat operation

Cruise.....Ownership and operation of passenger boats

Air Cargo Transportation.....Air cargo transport

Real EstateRental, management and sale of real estate properties

Other.....Wholesaling of ship machinery and furniture, other services related to transport, information-processing business and wholesaling of oil products

3. Common operating expenses are allocated to individual segments.

[Segment Information]

(Additional Information)

From the first quarter of this fiscal year, Group began applying the "Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Statement No.17 of March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (ASBJ Guidance No.20 of March 21, 2008).

1. Outline of reportable segments

The Group's reportable segments are the business units for which the Company is able to obtain respective financial information separately in order for the management to conduct periodic investigation to distribute management resources and evaluate their business results.

The Group sets up a business as a comprehensive global-logistics enterprise offering ocean, land, and air transportation. Its reportable segments comprise of eight segments; Liner Trade and Bulk Shipping as core businesses, Logistics, Terminal and Harbor Transport, Cruise, Air Cargo Transportation, Real Estate and Other business. Major operation and services in each reportable segment is as follows:

Liner Trade.....Ocean cargo shipping, ship owning and chartering, shipping agency

Bulk Shipping.....Ocean/coastal cargo shipping, ship owning and chartering, shipping agency

Logistics.....Warehouse operation, cargo transport/handling business

Terminal and Harbor Transport.....Container terminals business, harbor transport services, tugboat operation

Cruise.....Ownership and operation of passenger boats

Air Cargo Transportation.....Air cargo transport

Real Estate.....Rental, management and sale of real estate properties

Other.....Wholesaling of ship machinery and furniture, other services related to transport, information-processing business and wholesaling of oil products

2. Information on revenues and income (loss) by reportable segments

Three months ended June 30, 2010 (April 1, 2010 – June 30, 2010)

(In million yen)

	Reportable Segments								Total	Adjustment (*1)	Consolidated Statements of Income (*2)
	Liner Trade	Bulk Shipping	Logistics	Terminal and Harbor Transport	Cruise	Air Cargo Transportation	Real Estate	Other			
Revenues											
(1) Revenues from customer	122,105	208,168	101,202	22,999	9,077	20,724	2,496	18,003	504,779	-	504,779
(2) Inter-segment revenues	1,033	1,745	267	7,664	-	2,471	428	21,593	35,204	(35,204)	-
Total	123,138	209,914	101,470	30,664	9,077	23,196	2,924	39,597	539,983	(35,204)	504,779
Segment income (loss)	10,324	22,431	2,029	1,683	(1,372)	1,967	1,249	(198)	38,115	4	38,119

Note: 1. Adjustment of segment income (loss) refers to elimination of intersegment transactions.

2. Segment income (loss) is adjusted on recurring profit on the quarterly consolidated statements of income.

(6) Notes in the Event of Significant Changes in Shareholders' Capital

The first quarter of this fiscal year (April 1, 2010 – June 30, 2010)

Not applicable

4. Supplementary Information

(1) Quarterly Operating Results

Year ended March 31, 2011

(In 100 million yen)

	Apr 1, 2010 – Jun 30, 2010	Jul 1, 2010– Sep 30, 2010	Oct 1, 2010 – Dec 31, 2010	Jan 1, 2011 – Mar 31, 2011
	1Q	2Q	3Q	4Q
Revenues	5,047			
Operating income	400			
Recurring profit	381			
Net income for the quarter	229			
Net income per share for the quarter	13.54			
Net income per share for the quarter – fully diluted	-			
Total assets	21,877			
Equity	6,839			
Equity per share	378.15			

Year ended March 31, 2010

(In 100 million yen)

	Apr 1, 2009 – Jun 30, 2009	Jul 1, 2009– Sep 30, 2009	Oct 1, 2009 – Dec 31, 2009	Jan 1, 2010 – Mar 31, 2010
	1Q	2Q	3Q	4Q
Revenues	3,800	4,144	4,427	4,600
Operating income	(255)	(115)	49	140
Recurring profit	(270)	(168)	28	106
Net income for the quarter	(189)	(104)	26	92
Net income per share for the quarter	(¥15.41)	(¥8.50)	¥1.99	¥5.44
Net income per share for the quarter – fully diluted	-	-	-	-
Total assets	21,197	21,106	21,800	22,071
Equity	5,990	5,655	6,870	7,033
Equity per share	¥454.22	¥426.39	¥380.28	¥389.46

- Notes: 1. The above operating results are based on the results for the first quarter and the cumulative results for the first six, nine and twelve months, and are computed by taking the difference between the two adjacent periods.
2. Net income per share-fully diluted for the first and second quarter period in the fiscal year ended March 31, 2010 are not shown in the above table, because net income per share was negative although there are residual shares.
3. Net income per share-fully diluted for the third and fourth quarter period in the fiscal year ended March 31, 2010, and the first quarter period in the fiscal year ended March 31, 2011 are not shown in the above table, as there are no residual shares having possibilities of diluting stock value.

(2) Foreign Exchange Rate Information

	Three months ended June 30, 2010	Three months ended June 30, 2009	Change	Year ended March 31, 2010
Average exchange rate during the period	¥92.81 /US\$	¥97.50 /US\$	Yen up ¥4.69	¥93.04/US\$
Exchange rate at the end of the period	¥88.48 /US\$	¥96.01 /US\$	Yen up ¥7.53	¥93.04/US\$

(3) Bunker Oil Prices Information

	Three months ended June 30, 2010	Three months ended June 30, 2009	Change	Year ended March 31, 2010
Average bunker oil prices	US\$475.08/MT	US\$288.72/MT	Price up US\$186.36	US\$393.83/MT

(4) Balance of Interest-Bearing Debt

(In 100 million yen)

	As of June 30, 2010	As of March 31, 2010	Change	As of June 30, 2009
Loans	8,142	8,234	-92	8,583
Corporate bonds	2,511	2,511	-0	2,111
Commercial paper	-	-	-	320
Leases	67	72	-4	94
Total	10,721	10,818	-97	11,109