

**Third Quarter Financial Results  
For the Nine Months Ended December 31, 2008**

January 30, 2009

**Nippon Yusen Kabushiki Kaisha (NYK Line)**

Security Code: 9101  
 Listings: The First Section of Tokyo, Osaka and Nagoya Stock Exchanges  
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 Submit scheduled date of Quarterly Financial Report: February 13, 2009

(Amounts rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Nine Months Ended December 31, 2008  
(April 1, 2008 to December 31, 2008)**

**(1) Operating Results**

(Percentage figures shown year-on-year changes)

	Revenues		Operating income		Recurring profit		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended December 31, 2008	2,031,311	-	171,361	-	167,112	-	110,256	-
Nine months ended December 31, 2007	1,937,407	20.9	148,592	93.0	149,721	86.3	93,149	91.4

	Net income per share	Net income per share – fully diluted
	yen	yen
Nine months ended December 31, 2008	89.79	-
Nine months ended December 31, 2007	75.84	-

Note: Diluted net income per share data are not shown in the above table, as there are no residual shares having possibilities of diluting stock value.

**(2) Financial Position**

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
Nine months ended December 31, 2008	2,144,439	619,447	27.0	471.91
Year ended March 31, 2008	2,286,013	679,036	27.9	519.51

Shareholders' Equity

Nine months ended December 31, 2008: ¥579,431 million

Year ended March 31, 2008: ¥637,962 million

## 2. Dividends

Date of record	Dividend per share				
	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Year-end	Full year
	yen	yen	yen	yen	yen
Year ended March 31, 2008	-	12.00	-	12.00	24.00
Year ending March 31, 2009	-	13.00	-		
Year ending March 31, 2009 (Forecast)				2.00	15.00

Note: Revision of forecast for dividends in the third quarter: Yes

## 3. Forecast of Consolidated Financial Results for the Year Ending March 31, 2009

(April 1, 2008 to March 31, 2009)

(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
Year ending March 31, 2009	2,500,000	-3.3	159,000	-21.3	156,000	-21.4	73,000	-36.0	59.45

Note: Revision of forecast for consolidated financial results in the third quarter: Yes

## 4. Others

(1) Changes of important subsidiaries in the period (Changes of specific subsidiaries with that of the scope of consolidation): None

(2) Use of simplified accounting methods and accounting methods particular to preparation of the quarterly consolidated financial statements: Yes

Remarks: Refer to page 9 of 4.Others in "Operating Results."

(3) Changes of policy, procedure and indication of accounting in Consolidated Financial Statements.

(Details recorded under the changes in significant information in the preparation of Consolidated Financial Statements.)

1. Changes with revised method of accounting: Yes

2. Changes except No.1: Yes

Remarks: Refer to page 9 of 4.Others in "Operating Results."

(4) Total issued shares (Ordinary shares)

1. Total issued and outstanding at the end of the period (including treasury stocks)

Nine months ended December 31, 2008: 1,230,188,073 shares

Year ended March 31, 2008: 1,230,188,073 shares

2. Number of treasury stock at the end of the period

Nine months ended December 31, 2008: 2,341,297 shares

Year ended March 31, 2008: 2,181,765 shares

3. Average number of shares during the period (cumulative quarterly period)

Nine months ended December 31, 2008: 1,227,901,987 shares

Nine months ended December 31, 2007: 1,228,216,481 shares

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

(1) Assumptions for forecasts: Foreign exchange rate (for the fourth quarter): ¥90/US\$

Bunker oil price (for the fourth quarter): US\$300/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 4-8 of the attachment for assumptions and other matters related to the forecast.

(2) Effective from the first quarter of this fiscal year, "Accounting Standard for Quarterly Financial Statements" (ASBJ Statement No.12, March 14, 2007) and "Implementation Guidance on Accounting Standard for Quarterly Financial Statements" (ASBJ Statement Guidance No.14, March 14, 2007) have been adopted. Quarterly financial statements are prepared in accordance with "Rules Concerning Quarterly Financial Statements."

**Supplementary Information**

**Operating Results**

Three Months Ended December 31, 2008 (October 1, 2008 to December 31, 2008)

(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 December 31, 2008	611,436	-	36,532	-	27,279	-	18,982	-
Three months ended December 31, 2007	-	-	-	-	-	-	-	-

	Net income per share	Net income per share – fully diluted
	yen	yen
Three months ended December 31, 2008	15.46	-
Three months ended December 31, 2007	-	-

Note: Diluted net income per share data are not shown in the above table, as there are no residual shares having possibilities of diluting stock value.

## Operating Results

### 1. Review of Consolidated Operating Results

For the third quarter (October 1, 2008–December 31, 2008), NYK Line posted consolidated revenues of ¥611.4 billion, compared with ¥680.7 billion for the same period last year, operating income of ¥36.5 billion, compared with ¥57.9 billion last year, recurring profit of ¥27.2 billion, compared with ¥56.5 billion last year, and net income for the quarter of ¥18.9 billion, compared with ¥38.1 billion for the same period last year.

#### Overview

Overall consolidated revenues for the third quarter (October 1, 2008–December 31, 2008) were ¥69.2 billion, or 10.2%, lower compared to the same period last year. This mainly reflects a decline in freight rates due to a steep drop in the dry bulk market as well as weakening container transport levels brought on by the global economic downturn and a reduction in volumes handled in the logistics, terminal and harbor transport, and air cargo transportation segments. Costs and expenses were down ¥45.4 billion, or 8.1%, from the same period last year, but considerable decline in revenues and surging bunker oil prices put upward pressure on costs, and as a result, operating income decreased ¥21.3 billion, or 36.9%, from the same period last year, and the ratio of operating income to revenues decreased from 8.5% to 6.0%, a decline of 2.5 percentage points. Non-operating income worsened due to an increase in foreign exchange losses and a decrease in equity in earnings of unconsolidated subsidiaries and affiliates, and as a result, recurring profit decreased ¥29.2 billion, or 51.8%, and net income decreased ¥19.1 billion, 50.3%, compared with the same period of the previous year, both significant declines.

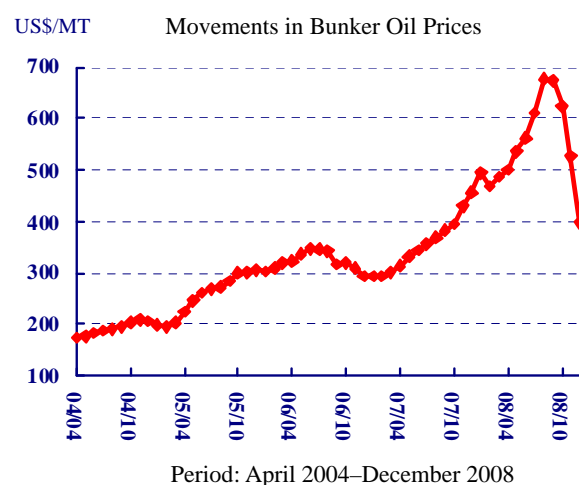
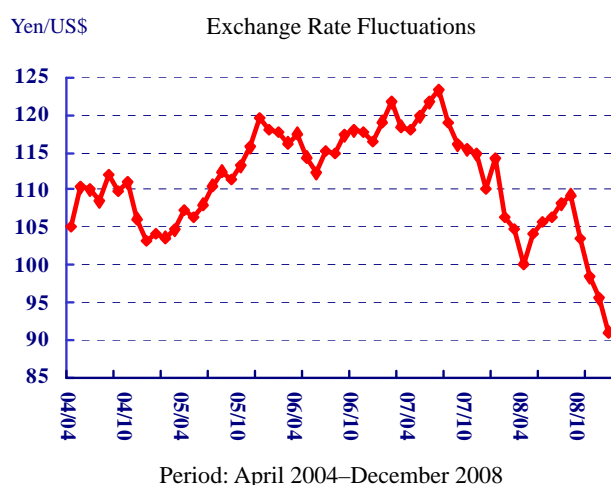
Note: The previous year results and year-on-year comparison are for reference only.

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

	Nine months ended December 31, 2008	Nine months ended December 31, 2007	Change	Impact
Average exchange rate	¥103.50/US\$	¥117.57/US\$	Yen up ¥14.07	- ¥28.4 billion
Average bunker oil price	US\$567.98/MT	US\$375.81/MT	Price up US\$192.17	- ¥43.2 billion

Notes:

1. A ¥1 change in the exchange rate against the dollar has an annualized impact of around ¥2.7 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 ¥300 million.



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

## Segment Information

Three Months Ended December 31, 2008 (October 1, 2008 – December 31, 2008)

### Liner Trade

Liner trade revenues were down substantially. Although freight rates improved on some routes, including North American and Latin American routes, average freight rates dropped substantially mainly on European routes as cargo movement dipped into negative growth and freight volume decreased on container routes overall. Although we worked to reduce fuel consumption and streamline service operations, we were squeezed both revenue- and cost-wise by surging bunker oil prices and the yen's rapid appreciation against other currencies, and consequently the liner trade segment substantially underperformed compared to the same period last year.

### Bulk Shipping

#### *Car Carrier Division*

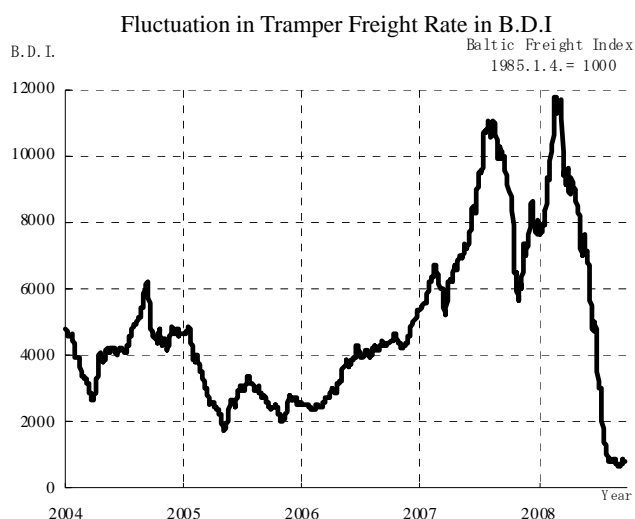
We expanded shipping capacity by adding four newly constructed vessels, but car transport volume remained mostly flat compared to the same period last year as the impact of the financial crisis spread beyond Europe and the U.S. and began affecting levels of transport bound for some emerging countries as well.

#### *Dry Bulk Carrier Division*

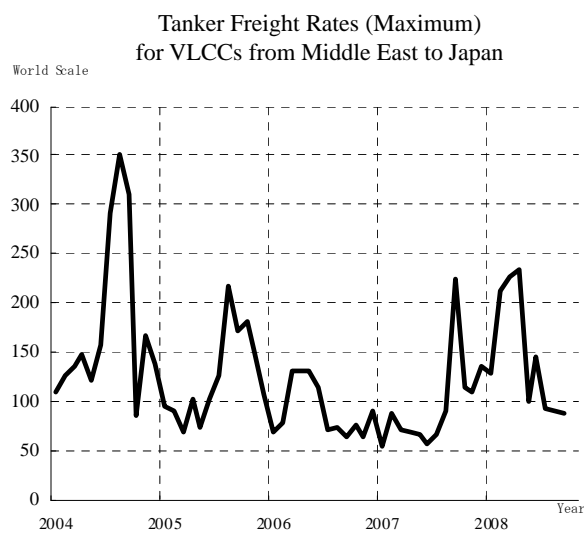
The dry bulk market fell precipitously to historically low levels as markets for commodities such as crude oil retreated rapidly in the face of fears of a global recession. Further, the world's major steel makers and resource companies began to cut production levels as demand for iron ores dropped, which saw sea transport volumes plummet. As a result, the division recorded substantially lower profit compared to the same period last year.

#### *Tanker Division*

Although demand for crude oil was clearly slowing and the market for crude oil carriers was soft, the market for petroleum product carriers was stronger compared with the previous fiscal year's levels. As a result, the tanker division as a whole achieved higher revenues and profits compared to the same period last year.



Period: April 2004–December 2008



Period: April 2004–December 2008

### Logistics

NYK Logistics experienced an inevitable decline in handling volumes, even during the peak third-quarter season, as the global economic slowdown continued. Yusen Air & Sea Service Co., Ltd. saw the downturn in air cargo handling volumes continue. As a result, the logistics segment as a whole recorded lower revenues and profits compared to the same period last year.

### **Terminal and Harbor Transport**

Lower container handling volume compared with the same period last year at directly operated terminals in Japan and overseas due to an overall downturn in container transport levels resulted in lower revenues and profits compared to the same period last year.

### **Cruises**

In Japan, although the seat-load factor declined, the drop in bunker oil prices resulted in stronger performance compared with the same period last year. In the U.S. market, however, lower revenue due to the impact of the economic slowdown and scheduled dockings resulted in the cruise segment overall underperforming compared to the same period last year.

### **Air Cargo Transportation**

Nippon Cargo Airlines Co., Ltd. saw revenues fall substantially as unit freight rates fell and handling volumes also declined in the wake of a downturn in the air cargo market due to the economic slowdown triggered by the U.S. financial crisis. Although we worked to cut fuel consumption, maintenance and aircraft operating costs, we were unable to absorb the impact of market downturns and recorded a slightly larger loss compared to the same period last year.

### **Real Estate and Other Business Services**

The real estate business worked to increase rental income from existing tenants by raising rates when renewing rental agreements. In other services, the trading business saw revenues decline as prices of bunker oil for ships dropped, but increased fee income due to a rise in volumes handled and sales of ship equipment were favorable. As a result, the real estate business and other services as a whole recorded lower profits compared to the same period last year.

For consolidated business results for the first three months ended June 30, 2008 and the six months ended September 30, 2008, please refer to the first quarter financial results (issued on July 25, 2008) and the second quarter financial results (issued on October 27, 2008).

## **2. Review of Change in Financial Position**

### **Assets, Liabilities, and Net Assets**

Total consolidated assets at the end of the fiscal third quarter totaled ¥2,144.4 billion, a decrease of ¥141.5 billion from the end of the previous fiscal year. This reflects a decrease in current assets of ¥49.2 billion resulting from a decrease in inventories because of a drop in bunker oil prices and a decrease in notes and operating accounts receivable-trade, and a decrease in noncurrent assets of ¥92.2 billion resulting from a ¥114.0 billion decrease in investment securities. Total consolidated liabilities totaled ¥1,524.9 billion, a decrease of ¥81.9 billion from the end of the previous fiscal year. This mainly reflects decreases in notes and operating accounts payable-trade, deferred tax liabilities, and income taxes payable, which offset an increase in interest-bearing debt of ¥30.0 billion resulting from increases in commercial papers. Shareholders' equity—the aggregate of shareholders' capital of ¥665.4 billion and valuation and translation adjustments—totaled ¥579.4 billion, and adding minority interests of ¥40.0 billion to this resulted in total net assets of ¥619.4 billion. As a result, the debt-equity ratio finished at 1.82.

## Cash Flows

Net cash provided by operating activities for the third quarter was ¥131.8 billion, mainly due to income before income taxes and minority interests of ¥171.9 billion as well as depreciation and amortization of ¥74.5 billion, which were offset somewhat by ¥91.1 billion in income taxes paid. Net cash provided by investment activities was -¥128.3 billion, primarily reflecting increased expenditure for noncurrent assets, mainly accounted for by investments in vessels. Net cash provided by financing activities was ¥26.5 billion, primarily due to an increase in loans and commercial papers, despite ¥30.6 billion of cash dividends paid to shareholders. As a result, the balance of cash and cash equivalents stood at ¥125.6 billion at the end of the third quarter, a rise of ¥9.6 billion, after taking effect of exchange on cash and cash equivalents.

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

	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008	December 31, 2008
1 Shareholders' equity ratio (%)	29.0	30.6	30.8	27.9	27.0
2 Shareholders' equity ratio at market price (%)	53.4	46.7	54.4	50.3	31.2
3 Cash flows vs ratio of interest-bearing debt (years)	3.6	5.5	10.3	5.1	-
4 Interest coverage ratio	10.4	8.5	5.0	8.8	7.0

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. Cash flow indices are computed 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 balance sheet. Interest payments are based on the interest expenses paid in the consolidated statements of cash flows.

### 3. Forecast of Consolidated Financial Results

#### Revision of Earnings Forecasts

We have revised down our performance forecast for the fiscal year ending March 31, 2009, to revenues of ¥2,500.0 billion, operating income of ¥159.0 billion, recurring profit of ¥156.0 billion, and net income of ¥73.0 billion.

(In billion yen)

Forecast for the fiscal year ending March 2009	Revenues	Operating income	Recurring profit	Net income
Previous	2,750.0	210.0	210.0	140.0
Year ending March 31, 2009	<b><u>2,500.0</u></b>	<b><u>159.0</u></b>	<b><u>156.0</u></b>	<b><u>73.0</u></b>
Change	-250.0	-51.0	-54.0	-67.0
Percentage change	-9.1%	-24.3%	-25.7%	-47.9%

Assumptions for forecasts:

Foreign exchange rate: ¥90/US\$ for the fourth quarter.

Bunker oil prices: US\$300/metric ton for the fourth quarter.

Bunker oil prices are in decline, but private-sector capital expenditure and personal spending remain in the doldrums due to the deepening financial crisis in Europe and the U.S. and the economic slowdown. We therefore expect transport volumes to drop markedly and freight rates to decline substantially in response. With little prospect for a recovery in demand for iron ores, particularly in China, we expect downturn in the dry bulk market, and non-shipping segments such as logistics and air cargo transportation to be seriously impacted by the slump in electronics and automobile related industries. We also expect the strong yen and other factors to make for a tough fiscal fourth quarter. Given these factors, we have downwardly revised full-year forecasts as detailed above.

#### Basic Policy on Profit Distribution and Revision of Dividend Forecast

We consider the return of profits to shareholders one of its highest priorities, and sets dividends with due consideration given to its performance outlook, dividend payout ratio, and other factors in accord with a basic policy of maintaining a stable dividend payment. However, the impact of the current unprecedented global recession is now spreading rapidly in the fiscal fourth quarter, and sea transport operators face an extremely challenging business environment. We have revised our earnings forecast accordingly. In light of the revised forecast and our dividend payout ratio, and in the aim of maintaining sufficient internal reserves to withstand market volatility, we revised our year-end dividend forecast, previously issued on October 27, 2008, to ¥2 per share (total annual dividend of ¥15, payout ratio of 25.2%).

(Date of Record)	Dividend per share				
	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Year-end	Full year
Previous forecast (Oct. 27, 2008)	-		-	¥13.00	¥26.00
Revised forecast	-		-	¥2.00	¥15.00
Actual result of year ending March 2009	-	¥13.00	-		
(Ref.) Year ended March 2008	-	¥12.00	-	¥12.00	¥24.00

#### 4. Others

(1) Changes in important subsidiaries during the period (changes in specific subsidiaries due to changes in the scope of consolidation): None

(2) Use of simplified accounting methods and accounting methods particular to preparation of the quarterly consolidated financial statements

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 third quarter of fiscal 2008 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) Changes in accounting principles, procedures and presentation methods for quarterly financial statements

1. Accounting standard for quarterly financial statements

Effective from the first quarter of this fiscal year, “Accounting Standard for Quarterly Financial Statements” (ASBJ Statement No.12, March 14, 2007) and “Implementation Guidance on Accounting Standard for Quarterly Financial Statements” (ASBJ Statement Guidance No.14, March 14, 2007) have been adopted. Quarterly financial statements are prepared in accordance with “Rules Concerning Quarterly Financial Statements.”

2. Accounting standard for valuation of inventories

Effective from the first quarter of this fiscal year, the Company has adopted the “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9, July 5, 2006) and has switched from mainly using the lower-of-cost-or-market method to mainly using the identified-cost method (reducing book value in accordance with declines in profitability). The effect of this change is minimal.

3. Practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements

Effective from the first quarter of this fiscal year, “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ Practical Issues Task Force No.18, May 17, 2006) has been applied, and accordingly made any necessary modifications to its consolidated financial statements. The effect of this change is minimal.

4. Accounting standard for lease transactions

*Lessees*

Effective from the first quarter of this fiscal year, the Company has early adopted the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13; June 17, 1993; latest revision March 30, 2007) and the “Guidance on Accounting Standard for Lease Transactions” (ASBJ Statement Guidance No. 16; January 18, 1994; latest revision March 30, 2007). Non-ownership-transfer finance leases will no longer be subject to accounting treatment for operating leases and will instead be treated as ordinary sales transactions, and capitalized as lease assets.

Lease assets arising from non-ownership transfer finance leases are depreciated over a useful life equal to the lease period with an estimated residual value of zero.

The conventional accounting treatment will still apply to non-ownership-transfer finance leases that commenced before the current fiscal year began on April 1, 2008.

The effect of this change is minimal.

5. Change of classification of business segment:

Business segments are categorized primarily based on the type and nature of service and organizational setup. “Travel agency” which has been hitherto included in “Other” segment, is categorized into “Logistics” segment in order to improve consistency with the categories used for business management. The effect on the segment information arising from this change is minimal.

## 5. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(In million yen)

	As of	As of
	December 31, 2008	March 31, 2008
	Amount	Amount
<b>Assets</b>		
Current assets		
Cash and deposits	129,456	120,193
Notes and operating accounts receivable-trade	222,682	256,204
Short-term investment securities	1,709	2,457
Inventories	36,222	54,357
Deferred and prepaid expenses	60,055	67,655
Deferred tax assets	7,999	8,482
Other	98,975	98,666
Allowance for doubtful accounts	-4,261	-5,948
Total current assets	552,839	602,067
Noncurrent assets		
Vessels, property, plant and equipment		
Vessels, net	627,418	624,895
Buildings and structures, net	78,472	83,610
Aircraft, net	7,120	9,402
Machinery, equipment and vehicles, net	29,855	41,180
Equipment and fixtures, net	6,945	8,262
Land	58,842	61,287
Construction in progress	294,643	296,040
Other, net	50,205	7,265
Net vessels, property, plant and equipment	1,153,504	1,131,945
Intangible assets		
Leasehold right	1,512	1,516
Software	28,423	29,697
Goodwill	27,352	28,797
Other	4,573	5,404
Total intangible assets	61,861	65,415
Investments and other assets		
Investment securities	263,832	377,899
Long-term loans receivable	11,652	15,907
Deferred tax assets	24,759	9,387
Other	75,742	82,571
Allowance for doubtful accounts	-1,411	-963
Total investments and other assets	374,575	484,802
Total noncurrent assets	1,589,940	1,682,164
Deferred assets	1,658	1,781
Total assets	2,144,439	2,286,013

(In million yen)

	As of	As of
	December 31, 2008	March 31, 2008
	Amount	Amount
<b>Liabilities</b>		
Current liabilities		
Notes and operating accounts payable-trade	171,541	215,613
Current portion of bonds	35,000	16,000
Short-term loans payable	282,866	287,955
Commercial papers	37,000	19,000
Income taxes payable	17,076	50,997
Deferred tax liabilities	1,337	3,414
Advances received	53,072	69,172
Employees' bonuses accrued	7,703	9,381
Directors' bonuses accrued	399	560
Provision for loss on business	-	2,824
Other	112,540	100,147
Total current liabilities	718,538	775,066
Noncurrent liabilities		
Bonds	191,214	211,266
Long-term loans payable	494,686	487,975
Deferred tax liabilities	11,738	54,214
Liability for employees' retirement benefits	15,802	15,857
Liability for directors' retirement benefits	2,301	2,761
Liability for periodic dry docking of vessels	12,084	6,946
Other	78,624	52,888
Total noncurrent liabilities	806,452	831,909
Total liabilities	1,524,991	1,606,976
<b>Net assets</b>		
Shareholders' capital		
Common stock	88,531	88,531
Capital surplus	97,196	97,212
Retained earnings	481,193	401,044
Treasury stock	-1,484	-1,339
Total shareholders' capital	665,436	585,449
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities	11,977	85,668
Deferred gain (loss) on derivatives under hedge accounting	-53,094	-20,712
Foreign currency translation adjustments	-44,887	-12,442
Total valuation and translation adjustments	-86,004	52,513
Minority interests	40,016	41,074
Total net assets	619,447	679,036
Total liabilities and net assets	2,144,439	2,286,013

## (2) Consolidated Statements of Income

Nine Months Ended December 31, 2008

(In million yen)

		Nine months ended December 31, 2008 (Apr.1 – Dec.31)
		Amount
Revenues		2,031,311
Cost and expenses		1,671,197
	Gross profit	360,113
Selling, general and administrative expenses		188,752
	Operating income	171,361
Non-operating income		
Interest income		4,035
Dividends income		6,539
Equity in earning of unconsolidated subsidiaries and affiliates		6,717
Other		3,778
	Total non-operating income	21,070
Non-operating expenses		
Interest expenses		17,645
Foreign exchange losses		6,136
Other		1,537
	Total non-operating expenses	25,319
	Recurring profit	167,112
Extraordinary gains		
Gain on sales of noncurrent assets		6,679
Gain on sales of subsidiaries and affiliates' stocks		4,564
Other		3,830
	Total extraordinary gains	15,075
Extraordinary losses		
Loss on sales of noncurrent assets		84
Loss on valuation of investment securities		4,693
Other		5,424
	Total extraordinary losses	10,201
Income before income taxes and minority interests		171,985
Income taxes		58,479
Minority interests in net income		3,249
Net income		110,256

Three Months Ended December 31, 2008

(In million yen)

	Three months ended December 31, 2008 (Oct.1 – Dec.31)
	Amount
Revenues	611,436
Cost and expenses	514,901
Gross profit	96,535
Selling, general and administrative expenses	60,003
Operating income	36,532
Non-operating income	
Interest Income	784
Dividends income	2,218
Equity in earning of unconsolidated subsidiaries and affiliates	46
Other	869
Total non-operating income	3,919
Non-operating expenses	
Interest expenses	5,238
Foreign exchange losses	7,550
Other	383
Total non-operating expenses	13,172
Recurring profit	27,279
Extraordinary gains	
Gain on sales of noncurrent assets	469
Gain on sales of subsidiaries and affiliates' stocks	4,446
Other	1,666
Total extraordinary gains	6,582
Extraordinary losses	
Loss on sales of noncurrent assets	11
Loss on valuation of investment securities	3,795
Other	1,133
Total extraordinary losses	4,940
Income before income taxes and minority interests	28,921
Income taxes	9,006
Minority interests in net income	931
Net income	18,982

### (3) Consolidated Statements of Cash Flows

(In million yen)

	Nine months ended December 31, 2008 (Apr.1 – Dec.31)
	Amount
<b>Net cash provided by (used in) operating activities:</b>	
Income before income taxes and minority interests	171,985
Depreciation and amortization	74,571
Impairment loss	1,599
Loss (gain) on sales and retirement of vessels, property, plant and equipment	-5,465
Loss (gain) on sales of short-term and long-term investment securities	-5,555
Loss (gain) on valuation of short-term and long-term investment securities	4,693
Equity in (earnings) losses of unconsolidated subsidiaries and affiliates	-6,717
Interest and dividends income	-10,574
Interest expenses	17,645
Foreign exchange losses (gains)	5,742
Decrease (increase) in notes and accounts receivable-trade	18,087
Decrease (increase) in inventories	18,757
Increase (decrease) in notes and accounts payable-trade	-38,992
Other, net	-18,485
Subtotal	227,292
Interest and dividends income received	14,608
Interest expenses paid	-18,853
Income taxes paid	-91,161
Net cash provided by (used in) operating activities	131,885
<b>Net cash provided by (used in) investing activities:</b>	
Purchase of short-term investment securities	-1,306
Proceeds from sales of short-term investment securities	2,001
Purchase of vessels, property, plant and equipment and intangible assets	-332,849
Proceeds from sales of vessels, property, plant and equipment and intangible assets	202,171
Purchase of investment securities	-10,678
Proceeds from sales of investment securities	7,729
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	-331
Disbursements for loans receivable	-4,220
Collections of loans receivable	7,518
Other, net	1,569
Net cash provided by (used in) investment activities	-128,394
<b>Net cash provided by (used in) financing activities</b>	
Net increase (decrease) in short-term loans payable	26,166
Increase (decrease) in commercial papers	18,000
Proceeds from long-term loans payable	86,951
Repayments of long-term loans payable	-70,968
Redemption of bonds	-1,000
Purchase of treasury stock	-273
Proceeds from sale of treasury stock	111
Cash dividends paid to shareholders	-30,698
Cash dividends paid to minority shareholders	-777
Other, net	-989
Net cash provided by (used in) financing activities	26,520
<b>Effect of exchange on cash and cash equivalents</b>	-23,857
<b>Net increase (decrease) in cash and cash equivalents</b>	6,153
<b>Cash and cash equivalents, at beginning of period</b>	115,963
<b>Increase (decrease) in cash and cash equivalents due to changes in scope of consolidation</b>	3,473
<b>Increase (decrease) in beginning balance of cash and cash equivalents due to changes in fiscal periods of consolidated subsidiaries</b>	13
<b>Cash and cash equivalents, at end of period</b>	125,604

Effective from the first quarter of this fiscal year, “Accounting Standard for Quarterly Financial Statements” (ASBJ Statement No.12, March 14, 2007) and “Implementation Guidance on Accounting Standard for Quarterly Financial Statements” (ASBJ Statement Guidance No.14, March 14, 2007) have been adopted. Quarterly financial statements are prepared in accordance with “Rules Concerning Quarterly Financial Statements.”

**(4) Notes Regarding Going Concern Assumption**

The third quarter of this fiscal year (October 1, 2008 – December 31, 2008)

Not applicable

## **(5) Segment Information**

Segment information by business

Nine Months Ended December 31, 2008 (April 1, 2008 – December 31, 2008)

(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	498,351	909,063	369,006	81,053	36,312	60,665	6,894	69,964	2,031,311	-	2,031,311
(2) Inter-segment revenues	4,579	4,437	2,517	25,561	-	7,428	1,874	102,181	148,579	(148,579)	-
Total	502,930	913,501	371,524	106,614	36,312	68,094	8,768	172,145	2,179,891	(148,579)	2,031,311
Operating income/loss	-5,108	169,539	6,498	6,502	2,382	-10,212	2,820	-1,067	171,354	6	171,361
Recurring profit/loss	-7,500	166,731	7,144	5,198	2,259	-11,376	3,450	1,197	167,105	6	167,112

Three Months Ended December 31, 2008 (October 1, 2008 – December 31, 2008)

(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	151,295	273,470	113,553	25,189	9,413	17,331	2,230	18,951	611,436	-	611,436
(2) Inter-segment revenues	1,552	1,255	1,027	7,817	-	2,100	698	22,179	36,630	(36,630)	-
Total	152,848	274,726	114,581	33,006	9,413	19,431	2,928	41,131	648,067	(36,630)	611,436
Operating income/loss	-945	37,840	1,750	1,940	-360	-4,446	961	-211	36,529	2	36,532
Recurring profit/loss	-3,765	32,124	2,033	1,213	-347	-5,497	1,116	398	27,276	2	27,279

Notes: 1. Change of classification of business segment:

Business segments are categorized primarily based on the type and nature of service and organizational setup. "Travel agency" which has been hitherto included in "Other" segment, is categorized into "Logistics" segment from first quarter of this fiscal year, in order to improve consistency with the categories used for business management. The effect on the segment information arising from this change is minimal.

2. 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.

3. Major operation and services in each segment:

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

4. Common operating expenses are allocated to individual segments.

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

The third quarter of this fiscal year (April 1, 2008 – December 31, 2008)

Not applicable

## Supplementary Information

### (1) Consolidated Statements of Income

(In million yen)

	Nine months ended December 31, 2007 (Apr.1 – Dec.31)
	Amount
Revenues	1,937,407
Cost and expenses	1,601,414
Gross profit	335,993
Selling, general and administrative expenses	187,400
Operating income	148,592
Non-operating income	
Interest and dividends income	11,910
Equity in earning of unconsolidated subsidiaries and affiliates	8,732
Other	4,512
Total non-operating income	25,155
Non-operating expenses	
Interest expenses	17,666
Other	6,359
Total non-operating expenses	24,026
Recurring profit	149,721
Extraordinary gains	
Gain on sales of noncurrent assets	12,422
Other	1,629
Total extraordinary gains	14,052
Extraordinary losses	
Loss on disposal of noncurrent assets	918
Other	3,883
Total extraordinary losses	4,802
Income before income taxes and minority interests	158,972
Income taxes	62,831
Minority interests in net income	2,991
Net income	93,149

(In million yen)

	Three months ended December 31, 2007 (Oct.1 – Dec.31)
	Amount
Revenues	680,729
Cost and expenses	560,314
Gross profit	120,415
Selling, general and administrative expenses	62,491
Operating income	57,923
Non-operating income	
Interest and dividends income	4,425
Equity in earning of unconsolidated subsidiaries and affiliates	2,788
Other	1,410
Total non-operating income	8,624
Non-operating expenses	
Interest expenses	6,692
Other	3,316
Total non-operating expenses	10,008
Recurring profit	56,539
Extraordinary gains	
Gain on sales of noncurrent assets	6,541
Other	598
Total extraordinary gains	7,140
Extraordinary losses	
Loss on disposal of noncurrent assets	173
Other	888
Total extraordinary losses	1,062
Income before income taxes and minority interests	62,617
Income taxes	22,759
Minority interests in net income	1,698
Net income	38,159

## **(2) Segment information by business**

Nine Months Ended December 31, 2007 (April 1, 2007 – December 31, 2007)

(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	499,025	755,281	407,723	87,957	36,442	69,427	6,646	74,903	1,937,407	-	1,937,407
(2) Inter-segment revenues	4,878	5,085	2,025	27,404	-	7,780	1,920	69,326	118,421	(118,421)	-
Total	503,903	760,366	409,748	115,361	36,442	77,208	8,567	144,229	2,055,828	(118,421)	1,937,407
Operating income/loss	11,315	127,123	12,911	8,557	5,524	-18,112	2,728	-1,463	148,584	7	148,592
Recurring profit/loss	10,726	127,319	13,619	7,619	5,345	-18,706	3,234	554	149,713	7	149,721

Three Months Ended December 31, 2007 (October 1, 2007 – December 31, 2007)

(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	171,419	270,089	148,269	28,570	10,159	25,124	2,396	24,700	680,729	-	680,729
(2) Inter-segment revenues	1,490	1,454	679	9,929	-	2,709	666	26,034	42,964	(42,964)	-
Total	172,910	271,543	148,949	38,499	10,159	27,834	3,063	50,735	723,694	(42,964)	680,729
Operating income/loss	3,660	48,838	5,413	3,689	300	-4,641	1,145	-485	57,921	2	57,923
Recurring profit/loss	2,992	47,210	5,677	3,497	220	-4,669	1,262	345	56,537	2	56,539

Notes: 1. Change of classification of business segment:

By the effect of “New Horizon 2007” of medium-term NYK group management plan (aim at global logistics and megacarrier group), Air Cargo Transport, which has been hitherto included “Other” segment, is more important and categorized into “Air Cargo Transportation” is being independent segment.

2. 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.

3. Major operation and services in each segment:

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, wholesaling of oil products and travel agency.

4. Common operating expenses are allocated to individual segments.

## 6. Other Supplementary Information

### (1) Statements of changes in consolidated net assets

Nine months ended December 31, 2008 (April 1, 2008 – December 31, 2008)

(In million yen)

	Shareholders' capital					Valuation & translation adjustments				Minority interests	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' capital	Unrealized gain on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Foreign currency translation adjustments	Total valuation and translation adjustments		
Balance, March 31, 2008	88,531	97,212	401,044	-1,339	585,449	85,668	-20,712	-12,442	52,513	41,074	679,036
Changes of items during the period											
Cash dividends			-30,698		-30,698						-30,698
Net income			110,256		110,256						110,256
Purchase of treasury stock				-273	-273						-273
Disposal of treasury stock		-16		128	111						111
Increase by unification of accounting policies applied to foreign subsidiaries			161		161						161
Adjustments due to changes in the fiscal periods of consolidated subsidiaries			186		186						186
Effect by an increase in the number of consolidated subsidiaries			-4		-4						-4
Effect by an increase in the number of affiliates accounted for by the equity method			482		482						482
Other			-234		-234						-234
Net change of items other than shareholders' capital during the period						-73,690	-32,382	-32,444	-138,517	-1,058	-139,576
Total changes of items during the period	-	-16	80,148	-145	79,986	-73,690	-32,382	-32,444	-138,517	-1,058	-59,589
Balance, December 31, 2008	88,531	97,196	481,193	-1,484	665,436	11,977	-53,094	-44,887	-86,004	40,016	619,447

## **(2) Quarterly operating results (on a consolidated basis)**

Year ending March 31, 2009

(In 100 million yen)

	Apr 1, 2008– Jun 30, 2008	Jul 1, 2008– Sep 30, 2008	Oct 1, 2008– Dec 31, 2008	Jan 1, 2009– Mar 31, 2009
	1Q	2Q	3Q	4Q
Revenues	6,796	7,402	6,114	
Operating income	581	766	365	
Recurring profit	651	747	272	
Net income for the quarter	443	469	189	
Net income per share for the quarter	¥36.12	¥38.21	15.46	
Net income per share for the quarter – fully diluted	¥34.29	-	-	
Total assets	24,494	23,555	21,444	
Net assets	7,565	7,412	6,194	
Net assets per share	¥583.41	¥570.23	471.91	

Year ended March 31, 2008

(In 100 million yen)

	Apr 1, 2007 – Jun 30, 2007	Jul 1, 2007 – Sep 30, 2007	Oct 1, 2007 – Dec 31, 2007	Jan 1, 2008 – Mar 31, 2008
	1Q	2Q	3Q	4Q
Revenues	6,013	6,553	6,807	6,472
Operating income	393	513	579	534
Recurring profit	445	486	565	487
Net income for the quarter	286	263	381	209
Net income per share for the quarter	¥23.32	¥21.45	¥31.07	¥17.09
Net income per share for the quarter – fully diluted	¥22.13	¥20.36	-	-
Total assets	23,125	23,251	23,697	22,860
Net assets	7,546	7,427	7,403	6,790
Net assets per share	¥578.48	¥568.01	¥565.58	¥519.51

- 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. Diluted net income per share data for the third and fourth quarter period in the fiscal year ended March 31, 2008, and the second and third quarter period in the fiscal year ended March 31, 2009 are not shown in the above table, as there are no residual shares having possibilities of diluting stock value.

## **(3) Foreign exchange rate information (on a consolidated basis)**

Exchange rate per US\$1	Nine months ended December 31, 2008	Nine months ended December 31, 2007	Change	Year ended March 31, 2008
Average exchange rate during the period	¥103.50/US\$	¥117.57/US\$	Yen up ¥14.07	¥115.29/US\$
Exchange rate at the end of the period	¥91.03/US\$	¥114.15/US\$	Yen up ¥23.12	¥100.19/US\$

**(4) Bunker oil prices information (on a consolidated basis)**

	Nine months ended December 31, 2008	Nine months ended December 31, 2007	Change	Year ended March 31, 2008
Average bunker oil prices	US\$567.98/MT	US\$375.81/MT	Price up US\$192.17	US\$402.77/MT

**(5) Balance of interest-bearing debt at end of period (on a consolidated basis)**

(In 100 million yen)

	Nine months ended December 31, 2008	Year ended March 31, 2008	Change	Nine months ended December 31, 2007
Loans	7,775	7,759	16	7,578
Bonds	2,262	2,272	-10	2,282
Commercial papers	370	190	180	410
Other	114	-	114	-
Total	10,522	10,221	300	10,271