



Business Policy

In the business environment, while the number of newbuilding orders remains low, there will be an increased pressure for older ships to exit the market from FY2025 onwards, and demand for iron ore and coking coal is expected to be firm. Consequently, we expect favorable market levels to continue. In addition to the four strategies listed on the right, we aim to stabilize and expand profits through emission reductions to gain new competitive advantages and DX (digital transformation) to improve operational efficiency.

(1) Engage in advanced exposure management and improved market forecasting capabilities

We plan to improve risk tolerance through better precision in forecasting market fluctuations. We will control ratio of owned and chartered vessels by setting appropriate standards.

(2) Make advancements in the non-asset tramp shipping business

After determining the acceptable exposure, we will conclude charter contracts (two years or longer) for vessels of high environmental performance.

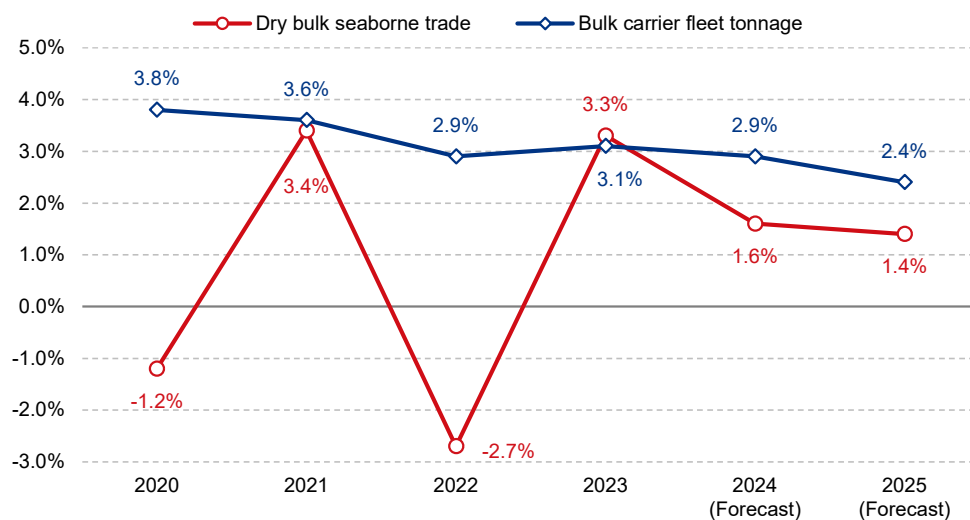
(3) Accumulate stable long-term profits through a stronger bulk shipping business

We plan to conclude long-term contracts by providing added value through advanced orders of LNG-fueled vessels

(4) Participation in the supply chain beyond the shipping industry

We will make proposals to customers regarding reduced iron and scrap, which we expect to handle in increasing volumes

Increase in Seaborne Trade and Fleet Tonnage



Source: Clarksons Dry Bulk Trade Outlook (April, 2024)

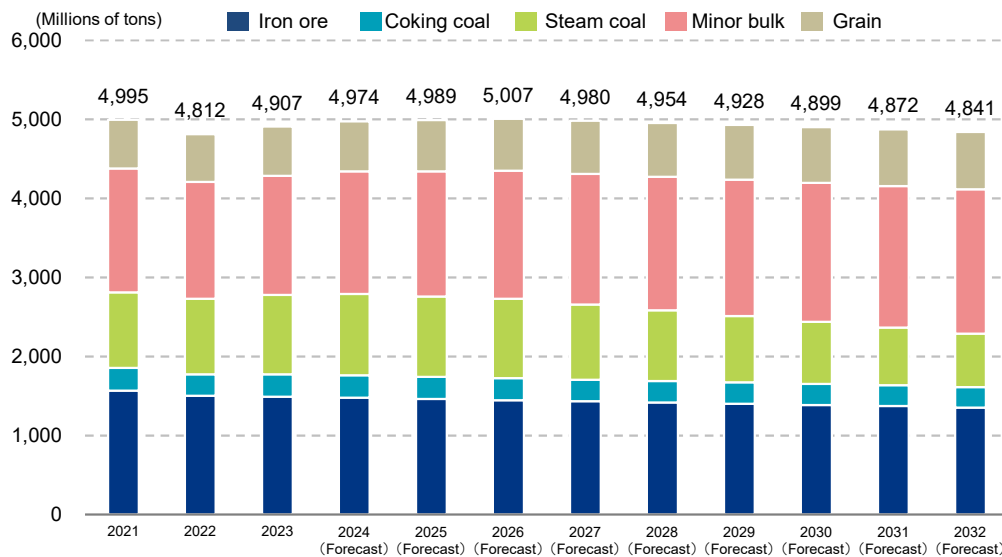
Bulk Carrier Fleet Ranking

(As of January 1, 2024)

Ranking	Company	Kt (1,000dwt)	Vessels
1	China COSCO Shipping	36,586	328
2	NYK Line	22,556	204
3	Fredriksen Group	15,274	108
4	Star Bulk Carriers	13,178	117
5	Berge Bulk	12,456	66
6	China Merchants	11,929	97
7	K-Line	11,910	98
8	Pan Ocean	11,337	77
9	ICBC	10,968	35
10	China Dev Bank (CDB)	10,473	118
11	Mitsui O.S.K. Line	10,193	83
12	Oldendorff Carriers	9,693	92
13	Winning International	8,232	43

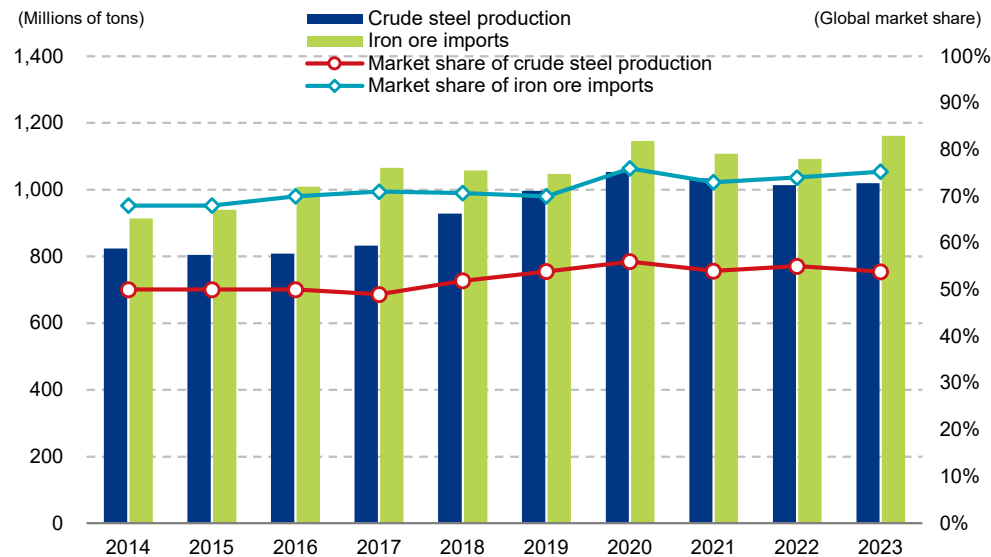
Source: Created by NYK Line based on Clarksons Database

Volume and Forecast of Dry Bulk Seaborne Trade



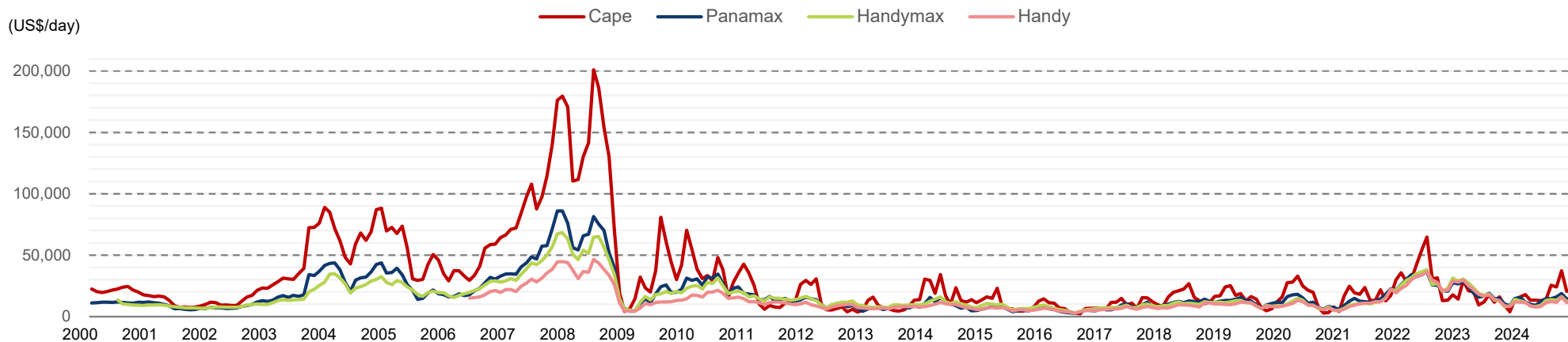
Source: Created by NYK Line

China's Crude Steel Production, Iron Ore Imports, and Global Market Share



Source: Clarksons Dry Bulk Trade Outlook (April, 2024)

Trends by Bulk Carrier Type



Market figures (spot charter rates) by dry bulk carrier type: Cape = 5-route average (before Mar 2014, 4-route average); Panamax = 5-route average (before Jan 2018, 4-route average); Handymax = 10-route average (before Aug 2015, 6-route average); Handy = 7-route average (before Mar 2018, 6-route average)