

**First Quarter Financial Results
For the Three Months Ended June 30, 2006 – Consolidated**

August 4, 2006

Nippon Yusen Kabushiki Kaisha (NYK Line)

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1. Notes Related to the Preparation of This Report

- 1) Use of simplified accounting method: Yes
 (Used in recording income tax and other taxes.
 Used in part to record other items that have minimal impact on earnings.)
- 2) Changes in accounting policies from the last accounting period: None
- 3) Changes in the scope of consolidation or application of the equity method from the last fiscal period:
 Number of consolidated subsidiaries: Newly included: 23; Newly excluded: 6
 Number of affiliated companies accounted for by the equity method: Newly included: 2; Newly excluded: 0

**2. Consolidated Financial Results for the Three Months Ended June 30, 2006
(April 1, 2006 to June 30, 2006)**

(1) Operating Results

(Amounts rounded down to the nearest million yen)

| | Revenues | | Operating income | | Income before extraordinary items | |
|----------------------------------|-------------|------|------------------|-------|-----------------------------------|-------|
| | million yen | % | million yen | % | million yen | % |
| Three months ended June 30, 2006 | 524,752 | 21.9 | 22,524 | -38.4 | 22,307 | -38.7 |
| Three months ended June 30, 2005 | 430,638 | 15.7 | 36,546 | 12.0 | 36,390 | 13.5 |
| Year ended March 31, 2006 | 1,929,302 | | 140,481 | | 140,451 | |

| | Net income | | Net income per share | Net income per share – fully diluted |
|----------------------------------|-------------|-------|----------------------|--------------------------------------|
| | million yen | % | yen | yen |
| Three months ended June 30, 2006 | 12,352 | -43.3 | 10.09 | - |
| Three months ended June 30, 2005 | 21,792 | 27.3 | 17.85 | - |
| Year ended March 31, 2006 | 92,058 | | 75.04 | - |

- Notes: 1. The percentage figures shown in revenues, operating income, income before extraordinary items and net income represent year-on-year changes.
2. Net income per share – fully diluted data are not shown in the above table, as there are no residual securities outstanding.

(2) Financial Position

| | Total assets | Net assets | Shareholders' equity ratio | Net assets per share |
|----------------------------------|--------------|-------------|----------------------------|----------------------|
| | million yen | million yen | % | yen |
| Three months ended June 30, 2006 | 1,914,367 | 612,812 | 30.0 | 468.06 |
| Three months ended June 30, 2005 | 1,549,511 | 431,142 | 27.8 | 353.16 |
| Year ended March 31, 2006 | 1,877,440 | 575,366 | 30.6 | 471.05 |

3. Forecasts of Consolidated Earnings for the Year Ending March 31, 2007**(April 1, 2006 to March 31, 2007)**

| | Revenues | Operating income | Income before extraordinary items | Net income | Net income per share for the full year |
|-----------|-------------|------------------|-----------------------------------|-------------|--|
| | million yen | million yen | million yen | million yen | yen |
| Interim | 1,033,000 | 44,000 | 45,500 | 28,000 | - |
| Full year | 2,085,000 | 102,000 | 100,000 | 59,000 | 48.02 |

(Reference)**Forecasts of Non-Consolidated Earnings for the Year Ending March 31, 2007****(April 1, 2006 to March 31, 2007)**

| | Revenues | Operating income | Income before extraordinary items | Net income | Net income per share for the full year |
|-----------|-------------|------------------|-----------------------------------|-------------|--|
| | million yen | million yen | million yen | million yen | yen |
| Interim | 509,000 | 17,500 | 24,000 | 18,500 | - |
| Full year | 1,000,000 | 42,000 | 47,500 | 30,500 | 24.82 |

Prerequisites for forecasts: Foreign exchange rate (for the second quarter through the fourth quarter): ¥110/US\$

Bunker oil price (for the second quarter): US\$370/MT

(for the third and fourth quarters) US\$365/MT

* The above forecasts incorporate certain assumptions the company regarded as rational expectations at the time this report was announced. Actual results could differ materially from those projected figures.

Operating Results

In the three months ended June 30, 2006, NYK Line posted consolidated revenues of ¥524.7 billion, operating income of ¥22.5 billion, income before extraordinary items of ¥22.3 billion, and net income of ¥12.3 billion. These figures compare with revenues of ¥430.6 billion, operating income of ¥36.5 billion, income before extraordinary items of ¥36.3 billion, and net income of ¥21.7 billion in the corresponding period (from April 1 to June 30, 2005) of the previous year.

Overview

Consolidated revenues climbed 21.9% from the corresponding period of the previous year. This reflected revenue growth in the liner trade and other shipping segments, due to expanded fleet size and increased loaded cargo, and reflected sales increases in other segments, including logistics, terminal and harbor transport, cruises, and Nippon Cargo Airlines Co., Ltd., which was converted to a consolidated subsidiary during the previous year. Meanwhile, operating income decreased ¥14.0 billion as costs and expenses increased 28.9%, a reflection of the surge in bunker oil prices that continued from the previous year. As a result, the ratio of operating income to revenues came to 4.3%, a decline of 4.2 percentage points from 8.5% a year earlier. While interest and dividend income and equity in income of non-consolidated subsidiaries and affiliates increased, interest expenses and other non-operating expenses also increased; therefore, income before extraordinary items declined by ¥14.0 billion. Though extraordinary balance improved, mainly due to a net profit from the sale of subsidiary stock, net income decreased by ¥9.4 billion.

The impact of the fluctuations in foreign exchange rates and bunker oil prices on income before extraordinary items is summarized in the following table:

| | Three months ended June 30, 2006 | Three months ended June 30, 2005 | Change | Impact |
|-----------------------------|-------------------------------------|-------------------------------------|-----------------------|---------------|
| Average exchange rate | ¥114.71/US\$1.00 | ¥107.28/US\$1.00 | Yen down ¥7.43 | ¥2.6 billion |
| Average bunker oil price | US\$336.85 / metric ton | US\$244.53 / metric ton | Price up US\$92.32 | -¥6.9 billion |

Notes:

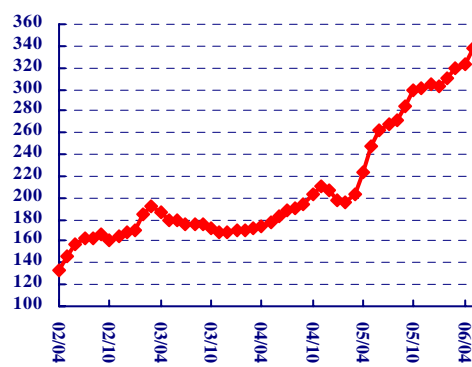
1. A ¥1 change against the dollar has an annualized impact of around ¥1.4 billion on income before extraordinary items.
2. A US\$1 change per metric ton in the price of bunker oil has an effect of changing annual income before extraordinary items by approximately ¥300 million.

Exchange Rate Changes



Period: April 2002 – July 2006

Changes in Bunker Fuel Prices

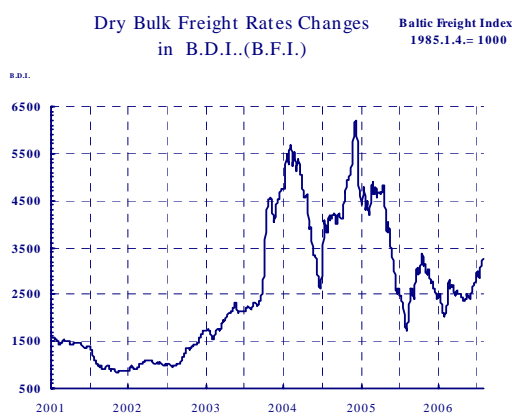


Period: April 2002 – June 2006

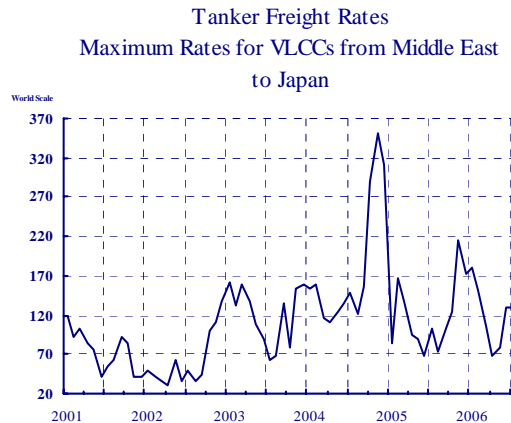
Segment Information

<Liner Trade>

The freight market continued solid from the previous fiscal year, in spite of a transient cargo lack after the Chinese holidays in May. Meanwhile, efforts for freight-rate recovery didn't reach targeted levels, except in some routes, and vessel-operating costs rose, reflecting surging bunker oil prices. As a result, earnings on liner trade vastly underperformed in comparison with the corresponding period of the previous year.



Period: January 2001-July 2006



Period: January 2001-July 2006

<Other Shipping>

The "other shipping" segment includes bulker and specialized-carrier operations, as well as tanker operations. Bulker operations are mainly for the transport of bulk items such as iron ore and coal, while specialized-carrier operations are mainly for the transport of automobiles. Tanker operations mainly handle crude oil, LNG, petroleum, and chemical products.

Bulker and Specialized Carriers

Car-carrier transport volumes benefited from continued buoyancy in global freight markets, especially in routes to North America, the Middle East, and Europe, and outperformed the corresponding period of the previous year. Spot-freight market conditions for bulk carriers stayed lower than a year earlier, regardless of stable income from long-term contracts, and the total performance of bulkers fell below the corresponding period of the previous year. In terms of vessel size, the Capesize-bulker market rebounded in July, after staying at a lower level than expected throughout the term. The Handysize market has been exceeding our forecasts.

Tanker Business

Operations of crude oil tankers, LPG carriers, and LNG carriers under long-term contracts trended favorably. Though we have an effect from weakened markets in the petroleum-products carrier business, both revenues and earnings of the whole tanker business exceeded results in the same term one year earlier, owing to favorable markets and greater operational efficiency.

<Logistics>

NYK Logistics steadily improved business performance and exceeded results of a year earlier, thanks to efforts at cost cutting and efficient operations supported by solid demand in North America, China, Oceania, and Japan. In the air-cargo business, Yusen Air & Sea Service Co., Ltd., exceeded the results of the same term one year earlier on the back of continued vigorous demand for air transport.

<Terminal and Harbor Transport Services>

Helped by improved cargo-handling fees and by favorable performance at affiliated companies, the segment exceeded results from a year earlier. Tugboat services, transferred from other segments in this fiscal period, also achieved fine operations.

<Cruises>

As summer's top season approached, the results of our US operations were solid; in particular, both world and European cruises outperformed our expectation. In Japan, *Asuka II* safely completed its world cruise. The segment's results improved dramatically compared with the same term one year earlier.

<Real Estate Business and Other Businesses>

In the real estate business, which centered on office-rental service, performance was firm. In "other businesses," the wholesaling of petroleum products rose dramatically, and the manufacturing and processing business achieved a level of revenue and income comparable to the same term a year earlier. Restaurant operations and travel services saw decreases in both revenue and income. Nippon Cargo Airlines Co., Ltd. (NCA), recorded a non-operational loss, affected by surging fuel-oil prices despite aggressive sales activities.

Financial Position

Assets, Liabilities, and Net Assets

Total assets were ¥1,914.3 billion, an increase of ¥15.6 billion from the end of the previous fiscal year. This change primarily reflects an increase of ¥15.6 billion in notes and accounts receivable-trade, and an increase of ¥22.1 billion in construction in progress, which increase was caused by related investments for the enhancement of fleet.

Total liabilities grew ¥35.4 billion to ¥1,301.5 billion. This growth comes primarily from an increase in interest-bearing debts by ¥59.0 billion in the form of an issuance of commercial papers and bonds offsetting a decrease in long-term debt.

The sum of owners' equity and valuation and translation adjustments was ¥575.1 billion. Including ¥37.6 billion in minority interests, total net assets were ¥612.8 billion. As a result, the debt-equity ratio was 1.4, an increase by 0.1 point from the end of the previous fiscal year.

Amendments to Forecasts of Results

We have now entered the second quarter and have continued with positive operating activities and cost reductions as much as possible. However, because bunker oil prices continue to soar, and because freight-rate levels in the container-shipping market are lower than expected when we made our original forecast, and because of other circumstances, we have adjusted performance expectations for this term as follows.

(Billions of yen)

| Forecast of Results for Fiscal Year Ending March 31, 2007 | | | Revised Forecast | Previous Forecast (May 12) | Change | Percent Change |
|---|------------------|------------------|---------------------|----------------------------------|--------|-------------------|
| Interim | Revenues | Consolidated | 1,033.0 | 1,000.0 | 33.0 | 3.8% |
| | | Non-consolidated | 509.0 | 493.0 | 16.0 | 3.2% |
| | Operating income | Consolidated | 44.0 | 61.0 | -17.0 | (27.9%) |
| | | Non-consolidated | 17.5 | 30.0 | -12.5 | (41.7%) |

| | | | | | | |
|------------------|-----------------------------------|---------|---------|---------|---------|--|
| | Income before extraordinary items | | | | | |
| | Consolidated | 45.5 | 63.0 | -17.5 | (27.8%) | |
| | Non-consolidated | 24.0 | 31.0 | -7.0 | (22.6%) | |
| | Net income | | | | | |
| | Consolidated | 28.0 | 41.0 | -13.0 | (31.7%) | |
| | Non-consolidated | 18.5 | 20.0 | -1.5 | (7.5%) | |
| Full year | Revenues | | | | | |
| | Consolidated | 2,085.0 | 2,020.0 | 65.0 | 3.2% | |
| | Non-consolidated | 1,000.0 | 993.0 | 7.0 | 0.7% | |
| | Operating income | | | | | |
| | Consolidated | 102.0 | 135.0 | -33.0 | (24.4%) | |
| | Non-consolidated | 42.0 | 71.0 | -29.0 | (40.8%) | |
| | Income before extraordinary items | | | | | |
| | Consolidated | 100.0 | 135.0 | -35.0 | (25.9%) | |
| Non-consolidated | 47.5 | 71.0 | -23.5 | (33.1%) | | |
| Net income | | | | | | |
| Consolidated | 59.0 | 89.0 | -30.0 | (33.7%) | | |
| Non-consolidated | 30.5 | 46.0 | -15.5 | (33.7%) | | |

Prerequisites for forecasts: Foreign exchange rate (for the second quarter through the fourth quarter): ¥110/US\$
Bunker oil price (for the second quarter): US\$370/MT
(for the third and fourth quarters) US\$365/MT

3. Operational and Other Risks

This document contains forward-looking statements that may materially differ from any future results subject to certain risks and uncertainties, including but not limited to the economic conditions prevailing in the market, volatility in the shipping market, large swings in the exchange rates and interest rates and bunker oil prices, marine accidents involving the fleet we operate, and social unrest such as war, terrorism, and outbreaks of epidemics.

Consolidated Financial Statements

Summary of Consolidated Balance Sheets

(In million yen)

| | As of June 30, 2006 (A) | | As of March 31, 2006 (B) | | (A) - (B) | As of June 30, 2005 | |
|--|----------------------------|--------------|-----------------------------|--------------|----------------|---------------------|--------------|
| | Amount | % | Amount | % | Amount | Amount | % |
| Assets | | | | | | | |
| I. Current assets | | | | | | | |
| 1. Cash and time deposits | 86,470 | | 80,604 | | 5,865 | 68,174 | |
| 2. Notes and accounts receivable-trade | 219,102 | | 203,501 | | 15,600 | 182,601 | |
| 3. Marketable securities | 2,223 | | 1,722 | | 500 | 2,132 | |
| 4. Inventories | 36,440 | | 34,879 | | 1,560 | 27,128 | |
| 5. Deferred/prepaid expenses | 46,945 | | 56,460 | | -9,515 | 48,322 | |
| 6. Deferred tax assets | 5,218 | | 6,660 | | -1,441 | 2,747 | |
| 7. Other | 109,400 | | 81,385 | | 28,014 | 88,329 | |
| Allowance for doubtful accounts | -5,093 | | -4,678 | | -415 | -1,540 | |
| Total current assets | 500,707 | 26.2 | 460,536 | 24.5 | 40,170 | 417,896 | 27.0 |
| II. Non-current assets | | | | | | | |
| (1)Tangible non-current assets | | | | | | | |
| 1. Vessels | 448,777 | | 456,982 | | -8,204 | 463,690 | |
| 2. Buildings and structures | 74,367 | | 74,935 | | -568 | 70,809 | |
| 3. Aircraft | 26,276 | | 26,929 | | -653 | - | |
| 4. Machinery, equipment and vehicles | 26,218 | | 25,710 | | 508 | 19,670 | |
| 5. Equipment and fixtures | 7,200 | | 7,454 | | -254 | 7,369 | |
| 6. Land | 61,021 | | 61,026 | | -4 | 60,203 | |
| 7. Construction in progress | 219,816 | | 197,639 | | 22,176 | 117,340 | |
| 8. Other | 5,375 | | 5,386 | | -10 | 8,289 | |
| Total tangible non-current assets | 869,054 | 45.4 | 856,065 | 45.6 | 12,988 | 747,373 | 48.2 |
| (2)Intangible non-current assets | | | | | | | |
| 1. Leasehold | 2,034 | | 2,363 | | -328 | 2,033 | |
| 2. Software | 27,761 | | 26,570 | | 1,191 | 18,631 | |
| 3. Consolidation goodwill | 17,710 | | 17,847 | | -136 | 8,170 | |
| 4. Other | 5,962 | | 6,138 | | -176 | 5,783 | |
| Total intangible non-current assets | 53,469 | 2.8 | 52,919 | 2.8 | 549 | 34,619 | 2.2 |
| (3)Investments and other assets | | | | | | | |
| 1. Investment securities | 399,503 | | 410,675 | | -11,172 | 275,988 | |
| 2. Long-term loans | 7,928 | | 6,210 | | 1,717 | 7,311 | |
| 3. Deferred tax assets | 7,846 | | 7,840 | | 5 | 8,351 | |
| 4. Other | 77,434 | | 84,922 | | -7,487 | 59,623 | |
| Allowance for doubtful accounts | -1,771 | | -1,790 | | 18 | -1,759 | |
| Total investments and other assets | 490,941 | 25.6 | 507,858 | 27.1 | -16,917 | 349,515 | 22.6 |
| Total non-current assets | 1,413,464 | 73.8 | 1,416,843 | 75.5 | -3,379 | 1,131,508 | 73.0 |
| III. Deferred assets | 196 | 0.0 | 60 | 0.0 | 135 | 106 | 0.0 |
| Total assets | 1,914,367 | 100.0 | 1,877,440 | 100.0 | 36,927 | 1,549,511 | 100.0 |

(In million yen)

| | As of June 30, 2006 (A) | | As of March 31, 2006 (B) | | (A) - (B) | As of June 30, 2005 | |
|---|----------------------------|------|-----------------------------|-------|-----------|---------------------|-------|
| | Amount | % | Amount | % | Amount | Amount | % |
| Liabilities | | | | | | | |
| I. Current liabilities | | | | | | | |
| 1. Notes and accounts payable-trade | 189,002 | | 177,073 | | 11,929 | 147,633 | |
| 2. Current portion of long-term corporate bonds | 4,800 | | 4,800 | | - | 1,000 | |
| 3. Short-term bank loans | 261,908 | | 222,294 | | 39,613 | 216,775 | |
| 4. Commercial paper | 50,000 | | 32,700 | | 17,300 | 19,000 | |
| 5. Income tax payable | 14,208 | | 30,747 | | -16,539 | 15,373 | |
| 6. Deferred tax liabilities | 1,854 | | 382 | | 1,471 | 1,129 | |
| 7. Advances received | 50,992 | | 61,816 | | -10,823 | 51,201 | |
| 8. Employees' bonuses accrued | 9,416 | | 10,094 | | -678 | 8,302 | |
| 9. Directors' bonuses accrued | 77 | | - | | 77 | - | |
| 10. Allowance for exhibition at 2005 World Exposition, Aichi, Japan | - | | - | | - | 35 | |
| 11. Other | 94,821 | | 72,245 | | 22,576 | 72,981 | |
| Total current liabilities | 677,081 | 35.4 | 612,154 | 32.6 | 64,926 | 533,433 | 34.4 |
| II. Long-term liabilities | | | | | | | |
| 1. Bonds | 132,000 | | 102,000 | | 30,000 | 106,800 | |
| 2. Long-term debt | 376,364 | | 404,230 | | -27,865 | 360,360 | |
| 3. Deferred tax liabilities | 68,890 | | 73,453 | | -4,562 | 28,246 | |
| 4. Reserve for employees' retirement benefits | 17,482 | | 19,445 | | -1,963 | 19,165 | |
| 5. Reserve for directors' retirement benefits | 1,959 | | 2,086 | | -126 | 1,796 | |
| 6. Reserve for periodic dry docking of vessels | 2,301 | | 2,116 | | 185 | 2,482 | |
| 7. Other | 25,474 | | 50,610 | | -25,135 | 36,709 | |
| Total long-term liabilities | 624,474 | 32.6 | 653,942 | 34.9 | -29,468 | 555,561 | 35.9 |
| Total liabilities | 1,301,555 | 68.0 | 1,266,096 | 67.5 | 35,458 | 1,088,994 | 70.3 |
| Minority interests | - | - | 35,977 | 1.9 | - | 29,374 | 1.9 |
| Shareholders' equity | | | | | | | |
| I. Common stock | - | - | 88,531 | 4.7 | - | 88,531 | 5.7 |
| II. Additional paid-in capital | - | - | 94,427 | 5.0 | - | 94,421 | 6.1 |
| III. Retained earnings | - | - | 266,567 | 14.2 | - | 207,022 | 13.3 |
| IV. Net unrealized holding gain on available-for-sale securities | - | - | 127,756 | 6.8 | - | 52,302 | 3.4 |
| V. Foreign currency translation adjustments | - | - | 1,854 | 0.1 | - | -7,623 | -0.5 |
| VI. Treasury stock | - | - | - 3,770 | - 0.2 | - | -3,511 | -0.2 |
| Total shareholders' equity | - | - | 575,366 | 30.6 | - | 431,142 | 27.8 |
| Total liabilities, minority interests and shareholders' equity | - | - | 1,877,440 | 100.0 | - | 1,549,511 | 100.0 |

(In million yen)

| | As of June 30, 2006 (A) | | As of March 31, 2006 (B) | | (A) - (B) | As of June 30, 2005 | |
|--|----------------------------|-------|-----------------------------|---|-----------|---------------------|---|
| | Amount | % | Amount | % | Amount | Amount | % |
| Net assets | | | | | | | |
| <u>I. Shareholders' capital</u> | | | | | | | |
| 1. Common stock | 88,531 | 4.6 | - | - | - | - | - |
| 2. Additional paid-in capital | 97,170 | 5.1 | - | - | - | - | - |
| 3. Retained earnings | 268,262 | 14.0 | - | - | - | - | - |
| 4. Treasury stock | -549 | -0.0 | - | - | - | - | - |
| Total shareholders' capital | 453,414 | 23.7 | - | - | - | - | - |
| <u>II. Valuation and translation adjustments</u> | | | | | | | |
| 1. Net unrealized holding gain on available-for-sale securities | 110,412 | 5.7 | - | - | - | - | - |
| 2. Net deferred gains on hedge contracts | 11,949 | 0.6 | - | - | - | - | - |
| 3. Foreign currency translation adjustments | -630 | -0.0 | - | - | - | - | - |
| Total valuation and translation adjustments | 121,730 | 6.3 | - | - | - | - | - |
| <u>III. Minority interests</u> | 37,667 | 2.0 | - | - | - | - | - |
| Total net assets | 612,812 | 32.0 | - | - | - | - | - |
| Total liabilities and net assets | 1,914,367 | 100.0 | - | - | - | - | - |

Summary of Consolidated Statements of Income

(In million yen)

| | Three months ended June 30, 2006 (A) | | Three months ended June 30, 2005 (B) | | (A)-(B) | Year ended March 31, 2006 | |
|---|---|-------|---|-------|---------|------------------------------|-------|
| | Amount | % | Amount | % | Amount | Amount | % |
| <u>I. Revenues</u> | 524,752 | 100.0 | 430,638 | 100.0 | 94,114 | 1,929,302 | 100.0 |
| <u>II. Cost and expenses</u> | 450,246 | 85.8 | 349,170 | 81.1 | 101,075 | 1,594,598 | 82.7 |
| Gross profit | 74,506 | 14.2 | 81,467 | 18.9 | -6,961 | 334,703 | 17.3 |
| <u>III. Selling, general and administrative expenses</u> | 51,981 | 9.9 | 44,920 | 10.4 | 7,060 | 194,222 | 10.0 |
| Operating income | 22,524 | 4.3 | 36,546 | 8.5 | -14,022 | 140,481 | 7.3 |
| <u>IV. Non-operating income</u> | | | | | | | |
| 1. Interest and dividend income | 3,987 | | 2,574 | | 1,413 | 8,990 | |
| 2. Equity in income of non-consolidated subsidiaries and affiliates | 614 | | - | | 614 | 1,868 | |
| 3. Other non-operating income | 1,000 | | 1,912 | | -912 | 7,529 | |
| Total non-operating income | 5,602 | 1.1 | 4,487 | 1.1 | 1,115 | 18,388 | 1.0 |
| <u>V. Non-operating expenses</u> | | | | | | | |
| 1. Interest expenses | 4,574 | | 4,126 | | 447 | 15,647 | |
| 2. Equity in loss of non-consolidated subsidiaries and affiliates | - | | 10 | | -10 | - | |
| 3. Other non-operating expenses | 1,244 | | 505 | | 739 | 2,770 | |
| Total non-operating expenses | 5,819 | 1.1 | 4,642 | 1.1 | 1,176 | 18,418 | 1.0 |
| Income before extraordinary items | 22,307 | 4.3 | 36,390 | 8.5 | -14,083 | 140,451 | 7.3 |
| <u>VI. Extraordinary gains</u> | | | | | | | |
| 1. Gain on sale of non-current assets | 374 | | 272 | | 101 | 6,155 | |
| 2. Other extraordinary gains | 2,275 | | 413 | | 1,862 | 8,331 | |
| Total extraordinary gains | 2,649 | 0.5 | 685 | 0.1 | 1,964 | 14,487 | 0.8 |
| <u>VII. Extraordinary losses</u> | | | | | | | |
| 1. Loss on disposal of non-current assets | 38 | | 47 | | -9 | 2,247 | |
| 2. Other extraordinary losses | 953 | | 594 | | 358 | 7,131 | |
| Total extraordinary losses | 991 | 0.2 | 642 | 0.1 | 349 | 9,378 | 0.5 |
| Income before income taxes and minority interests | 23,965 | 4.6 | 36,434 | 8.5 | -12,468 | 145,560 | 7.6 |
| Income taxes | 11,361 | 2.2 | 13,795 | 3.2 | -2,434 | 50,577 | 2.6 |
| Minority interests | 251 | 0.0 | 846 | 0.2 | -594 | 2,924 | 0.2 |
| Net income | 12,352 | 2.4 | 21,792 | 5.1 | -9,439 | 92,058 | 4.8 |

Summary of Statement of Changes in Shareholders' Capital – Consolidated

Three months ended June 30, 2006 (April 1, 2006 – June 30, 2006)

(In million yen)

| | Shareholders' capital | | | | | Valuation and translation adjustments | | | | Minority interests | Total net assets |
|--|-----------------------|----------------------------|-------------------|----------------|-----------------------------|--|---------------------------------------|--|---|--------------------|------------------|
| | Common stock | Additional paid-in capital | Retained earnings | Treasury stock | Total shareholders' capital | Net unrealized holding gain on available-for-sale securities | Net deferred gains on hedge contracts | Foreign currency translation adjustments | Total valuation and translation adjustments | | |
| Balance as of March 31, 2006 | 88,531 | 94,427 | 266,567 | -3,770 | 445,755 | 127,756 | - | 1,854 | 129,610 | 35,977 | 611,343 |
| Change during the period | | | | | | | | | | | |
| Distribution of retained earnings | | | -10,984 | | -10,984 | | | | | | -10,984 |
| Directors' bonuses | | | -461 | | -461 | | | | | | -461 |
| Net income | | | 12,352 | | 12,352 | | | | | | 12,352 |
| Purchase of treasury stock | | | | -35 | -35 | | | | | | -35 |
| Disposal of treasury stock | | 2,743 | | 3,256 | 5,999 | | | | | | 5,999 |
| Increase in retained earnings due to an increase in the numbers of consolidated subsidiaries | | | 486 | | 486 | | | | | | 486 |
| Increase in retained earnings due to changes in the fiscal periods of consolidated subsidiaries | | | 87 | | 87 | | | | | | 87 |
| Decrease in retained earnings due to an increase in the numbers of consolidated subsidiaries | | | -7 | | -7 | | | | | | -7 |
| Decrease in retained earnings due to an increase in the numbers of affiliates accounted for by the equity method | | | -70 | | -70 | | | | | | -70 |
| Other | | | 291 | | 291 | | | | | | 291 |
| Net change in items other than shareholders' capital during the period | | | | | | -17,343 | 11,949 | -2,485 | -7,879 | 1,689 | -6,189 |
| Total change during the period | - | 2,743 | 1,694 | 3,221 | 7,658 | -17,343 | 11,949 | -2,485 | -7,879 | 1,689 | 1,468 |
| Balance as of June 30, 2006 | 88,531 | 97,170 | 268,262 | -549 | 453,414 | 110,412 | 11,949 | -630 | 121,730 | 37,667 | 612,812 |

Segment Information by Business

Three months ended June 30, 2006 (April 1, 2006 – June 30, 2006)

(In million yen)

| | Liner Trade | Other Shipping | Logistics | Terminal and Harbor Transport | Cruise | Real Estate | Other | Total | Elimination or Corporate | Consolidated Total |
|--|-------------|----------------|-----------|-------------------------------|--------|-------------|--------|---------|--------------------------|--------------------|
| (1) Revenues from customer | 144,821 | 187,020 | 110,073 | 22,748 | 11,178 | 2,310 | 46,598 | 524,752 | - | 524,752 |
| (2) Inter-segment revenues | 1,339 | 1,631 | 663 | 7,228 | - | 516 | 21,157 | 32,537 | -32,537 | - |
| Total | 146,160 | 188,652 | 110,736 | 29,977 | 11,178 | 2,827 | 67,756 | 557,289 | -32,537 | 524,752 |
| Operating costs and expenses | 149,676 | 164,981 | 107,666 | 28,198 | 9,838 | 2,044 | 72,377 | 534,782 | -32,554 | 502,228 |
| Operating income/loss | -3,515 | 23,671 | 3,070 | 1,779 | 1,339 | 783 | -4,620 | 22,507 | 17 | 22,524 |
| Income/loss before extraordinary items | -3,871 | 23,515 | 3,315 | 1,055 | 1,189 | 1,011 | -3,911 | 22,304 | 2 | 22,307 |

Three months ended June 30, 2005 (April 1, 2005 – June 30, 2005)

(In million yen)

| | Liner Trade | Other Shipping | Logistics | Terminal and Harbor Transport | Cruise | Real Estate | Other | Total | Elimination or Corporate | Consolidated Total |
|--|-------------|----------------|-----------|-------------------------------|--------|-------------|--------|---------|--------------------------|--------------------|
| (1) Revenues from customer | 121,525 | 158,417 | 94,326 | 20,287 | 9,820 | 2,304 | 23,957 | 430,638 | - | 430,638 |
| (2) Inter-segment revenues | 832 | 1,196 | 421 | 6,582 | - | 676 | 13,214 | 22,924 | -22,924 | - |
| Total | 122,358 | 159,614 | 94,747 | 26,869 | 9,820 | 2,980 | 37,171 | 453,562 | -22,924 | 430,638 |
| Operating costs and expenses | 115,843 | 132,878 | 92,714 | 25,557 | 9,929 | 2,247 | 37,839 | 417,010 | -22,918 | 394,091 |
| Operating income/loss | 6,514 | 26,735 | 2,033 | 1,312 | -108 | 733 | -668 | 36,552 | -5 | 36,546 |
| Income/loss before extraordinary items | 6,426 | 26,729 | 2,044 | 433 | -273 | 629 | 407 | 36,396 | -5 | 36,390 |

Year ended March 31, 2006 (April 1, 2005 – March 31, 2006)

(In million yen)

| | Liner Trade | Other Shipping | Logistics | Terminal and Harbor Transport | Cruise | Real Estate | Other | Total | Elimination or Corporate | Consolidated Total |
|--|-------------|----------------|-----------|-------------------------------|--------|-------------|---------|-----------|--------------------------|--------------------|
| (1) Revenues from customer | 534,636 | 672,779 | 424,645 | 83,109 | 40,750 | 9,451 | 163,929 | 1,929,302 | - | 1,929,302 |
| (2) Inter-segment revenues | 4,542 | 4,957 | 1,785 | 28,365 | - | 3,071 | 70,339 | 113,062 | -113,062 | - |
| Total | 539,178 | 677,736 | 426,431 | 111,475 | 40,750 | 12,523 | 234,269 | 2,042,364 | -113,062 | 1,929,302 |
| Operating costs and expenses | 523,153 | 571,399 | 413,680 | 104,174 | 40,229 | 9,673 | 239,628 | 1,901,939 | -113,118 | 1,788,821 |
| Operating income/loss | 16,025 | 106,337 | 12,750 | 7,300 | 520 | 2,849 | -5,359 | 140,425 | 55 | 140,481 |
| Income/loss before extraordinary items | 17,535 | 108,229 | 12,992 | 2,188 | -207 | 3,410 | -3,699 | 140,449 | 2 | 140,451 |

Notes:

1. Change of classification of business segment:

Business segments are categorized primarily based on the type and nature of service and organizational setup. From this accounting period, "tugboat operation," which has been hitherto included in "Other" segment, is categorized into "Terminal and Harbor Transport" 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.

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 (dedicated to the servicing of Group company needs) |
| Other Shipping..... | Ocean/coastal cargo shipping, ship owning and chartering, overseas shipping agency (dedicated to the servicing of Group company needs) |
| 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 |
| Real Estate..... | Rental, management and sale of real estate properties |
| Other | Domestic shipping agency (providing services to clients inside and outside the Group), wholesaling of ship machinery and furniture, other services related to transport, information-processing business, wholesaling of oil products, travel agency, and air freight services. |

4. Common operating expenses are allocated to individual segments.

Non-Consolidated Financial Statements

Summary of Non-Consolidated Balance Sheets

(In million yen)

| | As of June 30, 2006 (A) | | As of March 31, 2006 (B) | | (A) - (B) | As of June 30, 2005 | |
|---|----------------------------|-------|-----------------------------|-------|-----------|---------------------|-------|
| | Amount | % | Amount | % | Amount | Amount | % |
| Assets | | | | | | | |
| I. Current assets | | | | | | | |
| 1. Cash and time deposits | 11,780 | | 11,808 | | -28 | 8,108 | |
| 2. Account receivable-trade | 78,500 | | 66,071 | | 12,429 | 60,705 | |
| 3. Short-term loans | 86,404 | | 93,446 | | -7,042 | 90,833 | |
| 4. Advances paid | - | | 1,072 | | -1,072 | 1,184 | |
| 5. Inventories | 21,295 | | 21,270 | | 25 | 14,681 | |
| 6. Deferred/prepaid expenses | 39,283 | | 48,089 | | -8,806 | 39,269 | |
| 7. Receivable from agencies | 12,975 | | 5,610 | | 7,365 | 8,706 | |
| 8. Deferred tax assets | 8,226 | | 7,738 | | 488 | 4,496 | |
| 9. Other | 24,381 | | 14,703 | | 9,677 | 15,750 | |
| Allowance for doubtful accounts | -21,437 | | -21,572 | | 135 | -15,428 | |
| Total current assets | 261,411 | 23.5 | 248,239 | 22.5 | 13,172 | 228,307 | 24.1 |
| II. Non-current assets | | | | | | | |
| 1. Tangible non-current assets | | | | | | | |
| (1) Vessels | 90,962 | | 94,472 | | -3,509 | 105,692 | |
| (2) Buildings | 22,226 | | 22,493 | | -266 | 22,907 | |
| (3) Structures | 875 | | 892 | | -16 | 1,006 | |
| (4) Machinery and equipment | 593 | | 625 | | -31 | 773 | |
| (5) Vehicles | 84 | | 90 | | -6 | 123 | |
| (6) Equipment and fixtures | 1,486 | | 1,577 | | -91 | 1,401 | |
| (7) Land | 31,062 | | 31,059 | | 2 | 32,511 | |
| (8) Construction in progress | 80 | | 22 | | 58 | 4,124 | |
| Total tangible non-current assets | 147,372 | 13.3 | 151,235 | 13.7 | -3,862 | 168,540 | 17.8 |
| 2. Intangible non-current assets | | | | | | | |
| (1) Leasehold | 511 | | 511 | | - | 513 | |
| (2) Software | 24,270 | | 22,832 | | 1,438 | 15,693 | |
| (3) Other | 136 | | 142 | | -6 | 642 | |
| Total intangible non-current assets | 24,918 | 2.2 | 23,486 | 2.1 | 1,432 | 16,850 | 1.8 |
| 3. Investments and other assets | | | | | | | |
| (1) Investment securities | 311,605 | | 328,825 | | -17,219 | 212,708 | |
| (2) Shares of affiliates and investment in affiliates | 200,682 | | 180,548 | | 20,133 | 169,779 | |
| (3) Long-term loans | 146,955 | | 149,570 | | -2,614 | 134,004 | |
| (4) Other | 27,683 | | 29,088 | | -1,405 | 25,973 | |
| Allowance for doubtful accounts | -8,642 | | -9,062 | | 419 | -9,511 | |
| Total investments and other assets | 678,283 | 61.0 | 678,970 | 61.7 | -686 | 532,954 | 56.3 |
| Total non-current assets | 850,574 | 76.5 | 853,691 | 77.5 | -3,117 | 718,345 | 75.9 |
| II. Deferred assets | | | | | | | |
| 1. Bond issuance expenses | 191 | | 60 | | 130 | 105 | |
| Total deferred assets | 191 | 0.0 | 60 | 0.0 | 130 | 105 | 0.0 |
| Total assets | 1,112,177 | 100.0 | 1,101,991 | 100.0 | 10,186 | 946,758 | 100.0 |

(In million yen)

| | As of June 30, 2006 (A) | | As of March 31, 2006 (B) | | (A) - (B) | As of June 30, 2005 | |
|---|----------------------------|------|-----------------------------|-------|-----------|---------------------|-------|
| | Amount | % | Amount | % | Amount | Amount | % |
| Liabilities | | | | | | | |
| <u>Current liabilities</u> | | | | | | | |
| 1. Accounts payable-trade | 74,275 | | 70,670 | | 3,605 | 58,334 | |
| 2. Current portion of long-term corporate bonds | 4,800 | | 4,800 | | - | 1,000 | |
| 3. Short-term bank loans | 42,846 | | 44,563 | | -1,717 | 76,367 | |
| 4. Commercial paper | 50,000 | | 32,700 | | 17,300 | 19,000 | |
| 5. Accounts payable - other | 19,523 | | 3,950 | | 15,572 | 3,385 | |
| 6. Income tax payable | 5,654 | | 15,914 | | -10,260 | 6,999 | |
| 7. Advances received | 24,613 | | 35,052 | | -10,438 | 25,227 | |
| 8. Deposits payable | 38,581 | | 41,123 | | -2,542 | 38,823 | |
| 9. Payable to agencies | 8,809 | | 3,629 | | 5,179 | 2,784 | |
| 10. Employees' bonuses accrued | 2,791 | | 3,090 | | -299 | 2,428 | |
| 11. Directors' bonuses accrued | 40 | | - | | 40 | - | |
| 12. Allowance for exhibition at 2005 World Exposition, Aichi, Japan | - | | - | | - | 35 | |
| 13. Other | 7,314 | | 11,224 | | -3,909 | 9,625 | |
| Total current liabilities | 279,250 | 25.1 | 266,719 | 24.2 | 12,530 | 244,010 | 25.8 |
| <u>II. Long-term liabilities</u> | | | | | | | |
| 1. Bonds | 132,000 | | 102,000 | | 30,000 | 106,800 | |
| 2. Long-term debt | 183,632 | | 193,650 | | -10,017 | 197,958 | |
| 3. Deferred tax liabilities | 49,043 | | 58,730 | | -9,687 | 15,024 | |
| 4. Reserve for employees' retirement benefits | 194 | | 847 | | -652 | 1,127 | |
| 5. Reserve for periodic dry docking of vessels | 1,519 | | 1,398 | | 121 | 1,871 | |
| 6. Other | 14,267 | | 15,753 | | -1,486 | 18,254 | |
| Total long-term liabilities | 380,656 | 34.2 | 372,380 | 33.8 | 8,276 | 341,036 | 36.0 |
| Total liabilities | 659,906 | 59.3 | 639,099 | 58.0 | 20,807 | 585,047 | 61.8 |
| Shareholders' equity | | | | | | | |
| <u>I. Common stock</u> | - | - | 88,531 | 8.0 | - | 88,531 | 9.4 |
| <u>II. Additional paid-in capital</u> | | | | | | | |
| 1. Capital reserve | - | - | 93,198 | 8.4 | - | 93,198 | 9.8 |
| <u>III. Retained earnings</u> | - | - | 164,117 | 14.9 | - | 134,430 | 14.2 |
| 1. Legal reserve | - | - | 13,146 | | - | 13,146 | |
| 2. Voluntary reserves | | | | | | | |
| (1) Reserve for dividends payable | - | - | 50 | | - | 50 | |
| (2) Special depreciation reserve | - | - | 3,420 | | - | 3,420 | |
| (3) Reserve for possible loss on investment | - | - | 2 | | - | 2 | |
| (4) Reserve for advanced depreciation | - | - | 3,102 | | - | 3,102 | |
| (5) General reserve | - | - | 73,324 | | - | 73,324 | |
| 3. Unappropriated retained earnings | - | - | 71,070 | | - | 41,384 | |
| <u>IV. Net unrealized holding gain on available-for-sale securities</u> | - | - | 120,807 | 11.0 | - | 49,047 | 5.2 |
| <u>V. Treasury stock</u> | - | - | -3,762 | -0.3 | - | -3,496 | -0.4 |
| Total shareholders' equity | - | - | 462,891 | 42.0 | - | 361,710 | 38.2 |
| Total liabilities and shareholders' equity | - | - | 1,101,991 | 100.0 | - | 946,758 | 100.0 |

(In million yen)

| | As of June 30, 2006 (A) | | As of March 31, 2006 (B) | | (A) - (B) | As of June 30, 2005 | |
|---|----------------------------|-------|-----------------------------|---|-----------|---------------------|---|
| | Amount | % | Amount | % | Amount | Amount | % |
| Net assets | | | | | | | |
| <u>I. Shareholders' capital</u> | | | | | | | |
| 1. Common stock | 88,531 | 8.0 | - | - | - | - | - |
| 2. Additional paid-in capital | | | | | | | |
| (1) Capital reserve | 93,198 | | - | - | - | - | - |
| (2) Other additional paid-in capital | 2,743 | | - | - | - | - | - |
| Total additional paid-in capital | 95,941 | 8.5 | - | - | - | - | - |
| 3. Retained earnings | | | | | | | |
| (1) Legal reserve | 13,146 | | - | - | - | - | - |
| (2) Other retained earnings | | | | | | | |
| Reserve for dividends payable | 50 | | - | - | - | - | - |
| Special depreciation reserve | 1,839 | | - | - | - | - | - |
| Reserve for possible loss on investment | 1 | | - | - | - | - | - |
| Reserve for advanced depreciation | 2,957 | | - | - | - | - | - |
| General reserve | 98,324 | | - | - | - | - | - |
| Retained earnings carried forward | 48,172 | | - | - | - | - | - |
| Total retained earnings | 164,491 | 14.8 | - | - | - | - | - |
| 4. Treasury stock | -541 | -0.0 | - | - | - | - | - |
| Total shareholders' capital | 348,422 | 31.3 | - | - | - | - | - |
| <u>II. Valuation and translation adjustments</u> | | | | | | | |
| 1. Net unrealized holding gain on available-for-sale securities | 104,374 | | - | - | - | - | - |
| 2. Net deferred gains on hedge contracts | -526 | | - | - | - | - | - |
| Total valuation and translation adjustments | 103,847 | 9.4 | - | - | - | - | - |
| Total net assets | 452,270 | 40.7 | - | - | - | - | - |
| Total liabilities and net assets | 1,112,177 | 100.0 | - | - | - | - | - |

Summary of Non-consolidated Statements of Income

(In million yen)

| | Three months ended June 30, 2006 (A) | | Three months ended June 30, 2005 (B) | | (A) - (B) | Year ended March 31, 2006 | |
|---|---|-----|---|------|-----------|------------------------------|------|
| | Amount | % | Amount | % | Amount | Amount | % |
| <u>I. Revenues from shipping business</u> | 268,380 | | 214,658 | | 53,722 | 954,660 | |
| <u>II. Cost of shipping business</u> | 247,045 | | 185,315 | | 61,730 | 840,247 | |
| Profit from shipping business | 21,334 | 7.9 | 29,342 | 13.5 | -8,007 | 114,412 | 11.9 |
| <u>III. Revenues from other businesses</u> | 2,050 | | 2,100 | | -49 | 8,197 | |
| <u>IV. Cost of other businesses</u> | 1,536 | | 1,646 | | -110 | 6,160 | |
| Profit from other business | 514 | 0.2 | 453 | 0.2 | 60 | 2,036 | 0.2 |
| Gross operating income | 21,849 | 8.1 | 29,796 | 13.7 | -7,947 | 116,449 | 12.1 |
| <u>V. General and administrative expenses</u> | 11,578 | | 12,144 | | -566 | 43,510 | |
| Operating income | 10,270 | 3.8 | 17,651 | 8.1 | -7,380 | 72,938 | 7.6 |
| <u>VI. Non-operating income</u> | | | | | | | |
| 1. Interest and dividend income | 7,435 | | 3,706 | | 3,728 | 13,597 | |
| 2. Other non-operating income | 809 | | 1,208 | | -398 | 4,232 | |
| Total non-operating income | 8,245 | 3.0 | 4,915 | 2.3 | 3,330 | 17,830 | 1.8 |
| <u>VII. Non-operating expenses</u> | | | | | | | |
| 1. Interest expenses | 1,775 | | 2,046 | | -271 | 7,392 | |
| 2. Other non-operating expenses | 748 | | 330 | | 417 | 1,357 | |
| Total non-operating expenses | 2,523 | 0.9 | 2,377 | 1.1 | 146 | 8,750 | 0.9 |
| Income before extraordinary items | 15,992 | 5.9 | 20,189 | 9.3 | -4,196 | 82,018 | 8.5 |
| <u>VIII. Extraordinary gains</u> | | | | | | | |
| 1. Gain on sale of non-current assets | 3 | | 7 | | -3 | 3,613 | |
| 2. Other extraordinary gains | 3,996 | | 2,297 | | 1,698 | 9,269 | |
| Total extraordinary gains | 4,000 | 1.5 | 2,304 | 1.1 | 1,695 | 12,882 | 1.3 |
| <u>IX. Extraordinary losses</u> | | | | | | | |
| 1. Loss on disposal of non-current assets | 14 | | 4 | | 10 | 274 | |
| 2. Other extraordinary losses | 1,810 | | 2,299 | | -489 | 10,496 | |
| Total extraordinary losses | 1,825 | 0.7 | 2,303 | 1.1 | -478 | 10,770 | 1.1 |
| Income before income taxes | 18,167 | 6.7 | 20,190 | 9.3 | -2,022 | 84,131 | 8.7 |
| Income taxes | 6,623 | 2.4 | 7,404 | 3.4 | -780 | 30,672 | 3.1 |
| Net income | 11,543 | 4.3 | 12,785 | 5.9 | -1,241 | 53,458 | 5.6 |
| Retained earnings brought forward | - | - | 28,599 | 13.2 | - | 28,599 | 3.0 |
| Interim dividend paid | - | - | - | - | - | 10,986 | 1.2 |
| Unappropriated retained earnings | - | - | 41,384 | 19.1 | - | 71,070 | 7.4 |

Summary of Statement of Changes in Shareholders' Capital – Non-consolidated

Three months ended June 30, 2006 (April 1, 2006 – June 30, 2006)

(In million yen)

| | Shareholders' capital | | | | | | | | | | | Valuation and translation adjustments | | | Total net assets | |
|--|-----------------------|----------------------------|----------------------------------|---------------|-------------------------------|------------------------------|---|-----------------------------------|-----------------|-----------------------------------|----------------|---------------------------------------|--|---------------------------------------|------------------|---|
| | Common stock | Additional paid-in capital | | Legal reserve | Retained earnings | | | | | | Treasury stock | Total shareholders' capital | Net unrealized holding gain on available-for-sale securities | Net deferred gains on hedge contracts | | Total valuation and translation adjustments |
| | | Capital reserve | Other additional paid-in capital | | Reserve for dividends payable | Special depreciation reserve | Reserve for possible loss on investment | Reserve for advanced depreciation | General reserve | Retained earnings carried forward | | | | | | |
| Balance as of March 31, 2006 | 88,531 | 93,198 | - | 13,146 | 50 | 3,420 | 2 | 3,102 | 73,324 | 71,070 | -3,762 | 342,083 | 120,807 | - | 120,807 | 462,891 |
| Change during the period | | | | | | | | | | | | | | | | |
| Distribution of retained earnings | | | | | | | | | | -10,984 | | -10,984 | | | | -10,984 |
| Directors' bonuses | | | | | | | | | | -185 | | -185 | | | | -185 |
| Reversal of special depreciation reserve | | | | | | -1,581 | | | | 1,581 | | - | | | | - |
| Reversal of reserve for possible loss on investment | | | | | | | -0 | | | 0 | | - | | | | - |
| Reversal of reserve for advanced depreciation | | | | | | | | -155 | | 155 | | - | | | | - |
| Provision for reserve for advanced depreciation | | | | | | | | 9 | | -9 | | - | | | | - |
| Provision for general reserve | | | | | | | | | 25,000 | -25,000 | | - | | | | - |
| Net income | | | | | | | | | | 11,543 | | 11,543 | | | | 11,543 |
| Purchase of treasury stock | | | | | | | | | | | -35 | -35 | | | | -35 |
| Disposal of treasury stock | | | 2,743 | | | | | | | | 3,256 | 5,999 | | | | 5,999 |
| Net change in items other than shareholders' capital during the period | | | | | | | | | | | | | -16,433 | -526 | -16,960 | -16,960 |
| Total change during the period | - | - | 2,743 | - | - | -1,581 | -0 | -145 | 25,000 | -22,897 | 3,221 | 6,338 | -16,433 | -526 | -16,960 | -10,621 |
| Balance as of June 30, 2006 | 88,531 | 93,198 | 2,743 | 13,146 | 50 | 1,839 | 1 | 2,957 | 98,324 | 48,172 | -541 | 348,422 | 104,374 | -526 | 103,847 | 452,270 |

Supplementary Information

*All amounts are rounded down to the nearest million yen.

1. Quarterly operating results

Year ending March 31, 2007

(In 100 million yen)

| | Apr 1, 2006 – Jun 30 2006 | Jul 1, 2006 – Sep 30, 2006 | Oct 1, 2006 – Dec 31, 2006 | Jan 1, 2007 – Mar 31, 2007 |
|---|------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | 1Q | 2Q | 3Q | 4Q |
| Revenues | 5,247 | | | |
| Operating income | 225 | | | |
| Income before extraordinary items | 223 | | | |
| Net income for the quarter | 123 | | | |
| Net income per share for the quarter | 10.09yen | | | |
| Net income per share for the quarter – fully diluted | - | | | |
| Total asset | 19,143 | | | |
| Shareholders' equity | 6,128 | | | |
| Shareholders' equity per share | 468.06yen | | | |

Year ended March 31, 2006

(In 100 million yen)

| | Apr 1, 2005 – Jun 30 2005 | Jul 1, 2005 – Sep 30, 2005 | Oct 1, 2005 – Dec 31, 2005 | Jan 1, 2006 – Mar 31, 2006 |
|---|------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | 1Q | 2Q | 3Q | 4Q |
| Revenues | 4,306 | 4,689 | 5,242 | 5,055 |
| Operating income | 365 | 440 | 394 | 204 |
| Income before extraordinary items | 363 | 429 | 416 | 195 |
| Net income for the quarter | 217 | 266 | 277 | 159 |
| Net income per share for the quarter | 17.85yen | 21.80yen | 22.71yen | 12.66yen |
| Net income per share for the quarter – fully diluted | - | - | - | - |
| Total asset | 15,495 | 17,192 | 18,732 | 18,774 |
| Shareholders' equity | 4,311 | 4,897 | 5,508 | 5,753 |
| Shareholders' equity per share | 353.16yen | 401.21yen | 451.34yen | 471.05yen |

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 are not shown in the above table, as there are no residual shares outstanding.

2. Foreign exchange rate information (on a consolidated basis)

| Exchange rate per US\$1 | Three months ended June 30, 2006 | Three months ended June 30, 2005 | Yen depreciated against dollars by | Year ended March 31, 2006 |
|---|-------------------------------------|-------------------------------------|--|---------------------------------|
| Average exchange rate during the period | 114.71 ¥/US\$ | 107.28 ¥/US\$ | ¥7.43 | 113.09 ¥/US\$ |
| Exchange rate at end of period | 115.24 ¥/US\$ | 110.62 ¥/US\$ | ¥4.62 | 117.47 ¥/US\$ |

3. Bunker oil prices information (on a consolidated basis)

| | Three months ended June 30, 2006 | Three months ended June 30, 2005 | Change | Year ended March 31, 2006 |
|----------------------------------|-------------------------------------|-------------------------------------|--------------|---------------------------------|
| Bunker oil prices per metric ton | US\$336.82/MT | US\$244.53/MT | Up US\$92.29 | US\$283.08/MT |

4. Balance of interest-bearing debt at end of period (on a consolidated basis)

(In 100 million yen)

| | Three months ended June 30, 2006 | Year ended March 31, 2006 | Change | Three months ended June 30, 2005 |
|------------------|-------------------------------------|---------------------------------|--------|-------------------------------------|
| Loans | 6,382 | 6,265 | 117 | 5,771 |
| Corporate bonds | 1,368 | 1,068 | 300 | 1,078 |
| Commercial paper | 500 | 327 | 173 | 190 |
| Total | 8,250 | 7,660 | 590 | 7,039 |