

**First Quarter Financial Results
For the Three Months Ended June 30, 2007**

July 26, 2007

Nippon Yusen Kabushiki Kaisha (NYK Line)

Security Code: 9101
 Listings: The First Section of Tokyo, Osaka and Nagoya Stock Exchanges
 URL: <http://www.nykline.com>
 Head Office: Tokyo Japan
 Representative: Koji Miyahara, President
 Contact: Yuji Isoda, General Manager, IR Group Tel: +81-3-3284-5986

Satoshi Hoshino, General Manager, Corporate Communication Group
 Tel: +81-3-3284-5058

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2007

(April 1, 2007 to June 30, 2007)

(1) Operating Results

(Percentage figures shown year-on-year changes)

	Revenues		Operating income		Income before extraordinary items		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2007	601,351	14.6	39,338	74.6	44,500	99.5	28,642	131.9
Three months ended June 30, 2006	524,752	21.9	22,524	-38.4	22,307	-38.7	12,352	-43.3
Year ended March 31, 2007	2,164,279	-	104,941	-	107,534	-	65,037	-

	Net income per share	Net income per share – fully diluted
	yen	yen
Three months ended June 30, 2007	23.32	23.06
Three months ended June 30, 2006	10.09	-
Year ended March 31, 2007	52.99	-

(2) Financial Position

	Total assets	Net Assets	Shareholders' equity ratio	Net Asset per share
	million yen	million yen	%	yen
Three months ended June 30, 2007	2,312,511	754,649	30.7	578.48
Three months ended June 30, 2006	1,914,367	612,812	30.0	468.06
Year ended March 31, 2007	2,135,441	700,717	30.8	534.90

2. Dividends

Date of record	Dividend per share		
	Interim	End of term	Full year
	yen	yen	yen
Year ended March 31, 2007	9.00	9.00	18.00
Year ended March 31, 2008 (Forecast)	9.00	9.00	18.00

3. Forecast of consolidated Earnings for the Year Ending March 31, 2008

(April 1, 2007 to March 31, 2008)

(Percentage figures shown full year versus previous year and interim versus previous interim.)

	Revenues	Operating income	Income before extraordinary items	Net income	Net income per share
	million yen	million yen	million yen	million yen	yen
Interim	1,210,000 14.8%	76,000 61.2%	80,000 63.6%	52,000 76.0%	42.33
Full year	2,410,000 11.4%	153,000 45.8%	155,000 44.1%	100,000 53.8%	81.41

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 method : Yes
- (3) Changes in accounting policies from the last accounting period : Yes

Remarks: Refer to page 8 of this document of review of change in Financial Position 4.Others.

(Reference)

Forecast of Non-consolidated Earnings for the Year Ending March 31, 2008

(April 1, 2007 to March 31, 2008)

(Percentage figures shown full year versus previous year and interim versus previous interim.)

	Revenues		Operating income		Income before extraordinary items		Net income		Net income per share
	million yen		million yen		million yen		million yen		yen
Interim	610,000	14.6%	35,000	69.8%	46,000	72.0%	30,000	45.8%	24.42
Full year	1,200,000	12.1%	69,000	48.7%	81,000	54.5%	55,000	44.1%	44.78

*Prerequisites for forecasts:

Foreign exchange rate (for the second quarter): ¥120/US\$ (for the third and fourth quarter): ¥115/US\$

Bunk oil price (for the second quarter): US\$370/MT (for the third and fourth quarter): US\$370/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 the attachment for assumptions and other matters related to the forecast.

Review of Change in Financial Position

1. Review of Consolidated Operating Results

For the first quarter (April 1–June 30, 2007), NYK Line posted consolidated revenues of ¥601.3 billion, compared with ¥524.7 billion for the same period last year, operating income of ¥39.3 billion, compared with ¥22.5 billion last year, income before extraordinary items of ¥44.5 billion, compared with ¥22.3 last year, and net income for the quarter of ¥28.6 billion, compared with ¥12.3 for the same period last year.

Overview

Consolidated revenues climbed 14.6% compared with the same period last year. This reflected revenue growth in the shipping segment, composed of liner trade and other shipping, due primarily to an expanded fleet size and increased volumes of cargo handled, as well as sales increases in the logistics, terminal and harbor transport, and cruises segments. Meanwhile, operating income climbed 74.6%, or ¥16.8 billion, from the same period last year, and the ratio of operating income to revenues rose 2.2 percentage points from 4.3% to 6.5%, due to a limited increase in costs and expenses of 10.9%. Although interest expenses increased, interest and dividend income and equity in earnings of unconsolidated subsidiaries and affiliates grew, causing income before extraordinary items to advance 99.5%, or ¥22.1 billion. In addition, extraordinary gains and losses improved due to gains on the sale of vessels and other factors, and net income for the quarter finished up 131.9%, or ¥16.2 billion, compared with the same period of the previous year.

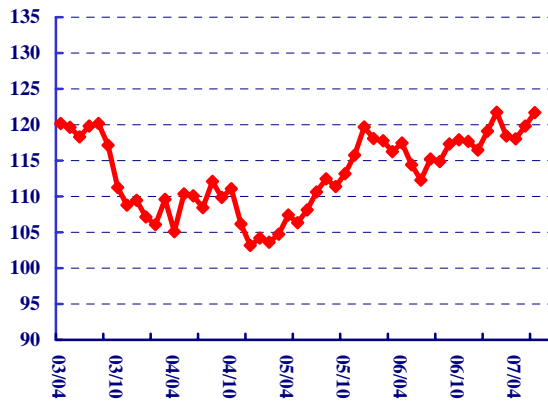
The impact of fluctuations in foreign exchange rates and bunker oil prices on income before extraordinary items is summarized in the following table:

	Three months ended June 30, 2006	Three months ended June 30, 2007	Change	Impact (3 months)
Average exchange rate	¥114.71/US\$	¥119.85/US\$	Yen down ¥5.14	¥1.9 billion
Average bunker oil price	US\$336.82/MT	US\$330.27/MT	Price down US\$6.55	¥0.5 billion

Notes:

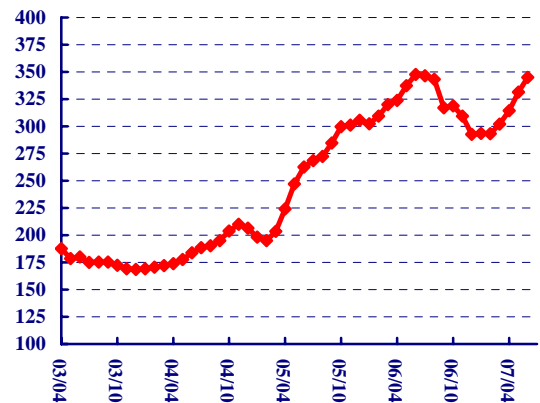
1. A ¥1 change in the exchange rate against the dollar has an annualized impact of around ¥1.5 billion on income before extraordinary items.
2. A US\$1 change per metric ton in the price of bunker oil results in a change in annual income before extraordinary items of approximately ¥0.3 billion.

Exchange Rate Fluctuations



Period: April 2003–June 2007

Movements in Bunker Fuel Prices



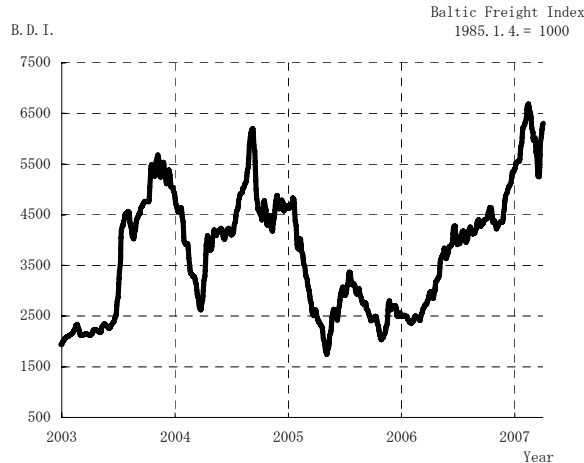
Period: April 2003–June 2007

Segment Information

Liner Trade

Against a background of solid performance overall in freight markets, freight rates recovered to a certain degree, although there were differences depending on routes. Even as bunker oil prices persisted at high levels, the recovery in freight rates, along with cost reductions, lead to increases in revenues and profits in comparison to the same period in the previous year.

Fluctuations in Tramp Freight Rates
in B. D. I. (B. F. I)



Period: April 2003–June 2007

Tanker Freight Rate(Maximum) for VLCCs
from Middle East to Japan



Period: April 2003–June 2007

Other Shipping

This segment includes bulk carrier and specialized carrier operations, as well as tanker operations. Bulk carrier 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 items such as automobiles. Tanker operations mainly handle crude oil, LNG, and petroleum and chemical products.

Bulk Carriers and Specialized Carriers

Car carrier transport volume exhibited continued buoyancy, and demand for bulk items such as iron ore, coal, grains, steel materials and cement was also high. As a result, activity in the dry bulk carrier market, led by capesize bulkers, remained at high levels, and performance in the bulk carriers and specialized carriers

business far outstripped results of the previous year.

Tanker Business

The operation of crude oil tankers, LPG carriers and LNG carriers under stable, long-term contracts continued to perform favorably. Although the market for petroleum product carrier services was affected by weak market conditions, the tanker business overall posted higher profits than the same period of the same period of the previous year.

Logistics

Amid solid market conditions for freight, mainly in Asia and Europe, NYK Logistics was successful in making advances in the development of its business bases, particularly in locations such as Eastern Europe, Russia, India and Vietnam. Faced with a decrease of freight into and out of Japan and intensifying competition from other companies, Yusen Air & Sea Service Co., Ltd. is working to strengthen its sales and marketing efforts. Overall, the logistics segment realized growth in both revenues and profits over the same period of the previous year.

Terminal and Harbor Transport

Revenues and profits in the segment grew in comparison to the same period of the previous year due to increased container handling volume at directly operated terminals and favorable performance at subsidiaries in Japan and overseas.

Cruises

Seat load factor remained strong in the U.S. market, and in the Japanese market the Asuka II completed a round-the-world cruise in excellent form. As a result, overall performance in the cruises segment improved by a significant margin compared to the same period of the previous year.

Air Cargo Transportation

Performance for Nippon Cargo Airlines Co., Ltd. was lower than for the same period of the previous year due to factors including weak market conditions for Europe and U.S. bound freight originating from Japan and Asia and increase in the cost of procuring jet oil.

Real Estate and Other Business Services

The real estate business experienced a temporary decline in profits compared to the same period of the previous year due to tenant changeovers in properties owned and other factors. Elsewhere, in the trading business, favorable sales of ship equipment and machinery for new vessels were maintained, and this saw performance exceed that for the same period last year. Performance exhibited by the manufacturing and processing, shipping agency and restaurant businesses was largely the same as that realized for the same period in the previous year.

2. Review of Change in Financial Position

Total assets for the first quarter came in at ¥2 trillion 312.5 billion, an increase of ¥177.0 billion from the end of the previous term. This was primarily due to an increase in current assets of ¥59.5 billion reflecting an increase in trade receivables on increased business transaction volume, and an increase in non-current assets of ¥117.3 billion due to an aggregate ¥58.5 billion increase in vessels and construction in progress, mainly attributable to fleet enhancement related investments, along with a ¥41.7 billion rise in investment securities due to share price growth. Total liabilities grew ¥123.1 billion to ¥1 trillion 557.8 billion. This was primarily due to an increase in interest-bearing debt of ¥89.5 billion resulting from increases in corporate bonds issued, long-term borrowings and commercial paper, although these effects were offset somewhat by a reduction in short-term borrowings. Net equity capital, the aggregate of shareholders' equity of ¥516.4 billion and valuation and translation adjustments, came in at ¥710.5 billion, and adding minority interests of ¥44.0 billion to this resulted in total net assets of ¥754.6 billion. This caused the debt-equity ratio to finish at 1.4, the same as at the end of the previous term.

3. Consolidated Performance Outlook

Given the strong results posted for the first quarter and high levels of activity in the market for dry bulk carrier services, the performance outlook for this fiscal year has been revised as detailed below.

(Billions of yen)

Outlook for the fiscal year ending March 2008	Revenues		Operating income		Income before extraordinary items		Net income	
	Consol.	Non-consol.	Consol.	Non-consol.	Consol.	Non-consol.	Consol.	Non-consol.
Initial forecast	1,110.0	527.0	66.0	31.0	62.5	34.0	40.0	22.0
Interim Revisions	1,210.0	610.0	76.0	35.0	80.0	46.0	52.0	30.0
Change	100.0	83.0	10.0	4.0	17.5	12.0	12.0	8.0
Percentage change	9.0%	15.7%	15.2%	12.9%	28.0%	35.3%	30.0%	36.4%
Initial forecast	2,240.0	1,060.0	137.0	65.0	130.0	69.0	82.0	44.0
Full-year Revisions	2,410.0	1,200.0	153.0	69.0	155.0	81.0	100.0	55.0
Change	170.0	140.0	16.0	4.0	25.0	12.0	18.0	11.0
Percentage change	7.6%	13.2%	11.7%	6.2%	19.2%	17.4%	22.0%	25.0%

*Prerequisites for forecasts:

Foreign exchange rate (for the second quarter): ¥120/US\$ (for the third and fourth quarter): ¥115/US\$

Bunk oil price (for the second quarter): US\$370/MT (for the third and fourth quarter): US\$370/MT

1. Reason for Revision

Despite further increases in bunker oil prices, favorable interim and full-year results are anticipated for the current fiscal period as a result of high levels of activity, exceeding initial expectations, in the dry bulk carrier market, strong levels of cargo handled in the liner trade, led primarily by activity on European and Central and South American routes, and other such factors. The logistics, terminal and harbor transport, cruises and real estate segments all appear to be performing largely according to initial expectations, but factors such as weakness in the market for cargo originating from Japan and Asia and the rising cost of procuring bunker oil are expected to affect the air cargo transportation segment. Given these considerations, both the interim and full-year performance outlook figures have been revised as detailed above.

2. Operational and Other Risks

This document contains forward looking statements regarding business performance which may differ materially from the results actually realized due to the presence of certain risks and uncertainties. These include, but are not limited to, economic conditions prevailing in the markets in which the Group operates, volatility in the shipping market, large swings in exchange rates, interest rates and bunker oil prices, marine accidents involving the Group's fleet, and social unrest such as war, terrorism and the outbreak of epidemics. Such risks and uncertainties have the potential to impact negatively on the Group's business activities, performance and financial position. Furthermore, it must be noted that potential sources of such negative impacts are not limited to those listed above.

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 method:
Used in recording income tax and other taxes.
Used in part to record other items that have minimal impact on earnings.
- (3) Changes in accounting policies from the last accounting period.
Classification of business segment.
Classification of business segment was changed from this accounting period.
Details are shown in the corresponding section of this report.

5. Consolidated Financial Statements

(1) Balance Sheets

(In million yen)

	As of March 31, 2007 (A)		As of June 30, 2007 (B)		(B) - (A)	As of June 30, 2006	
	Amount	%	Amount	%	Amount	Amount	%
Assets							
I. Current assets							
1. Cash and time deposits	92,285		104,346		12,061	86,470	
2. Notes and accounts receivable-trade	232,252		267,120		34,867	219,102	
3. Marketable securities	2,265		2,291		25	2,223	
4. Inventories	38,639		44,817		6,177	36,440	
5. Deferred/prepaid expenses	58,142		63,832		5,689	46,945	
6. Deferred tax assets	3,415		5,387		1,971	5,218	
7. Other	118,182		117,525		-657	109,400	
8. Allowance for doubtful accounts	-5,213		-5,828		-615	-5,093	
Total current assets	539,971	25.3	599,492	25.9	59,520	500,707	26.2
II. Non-current assets							
1. Tangible fixed assets							
(1) Vessels	471,987		503,959		31,972	448,777	
(2) Buildings and structures	82,125		84,755		2,630	74,367	
(3) Aircraft	19,764		19,225		-539	26,276	
(4) Machinery, equipment and vehicles	40,778		42,032		1,253	26,218	
(5) Equipment and fixtures	8,026		8,137		110	7,200	
(6) Land	64,339		64,838		498	61,021	
(7) Construction in progress	251,807		278,396		26,588	219,816	
(8) Other	7,498		7,956		457	5,375	
Total tangible fixed assets	946,328	44.3	1,009,300	43.7	62,971	869,054	45.4
2. Intangible fixed assets							
(1) Leasehold	2,189		2,214		25	2,034	
(2) Software	30,731		30,873		142	27,761	
(3) Goodwill	31,688		31,272		-416	17,710	
(4) Other	6,537		7,832		1,295	5,962	
Total intangible fixed assets	71,146	3.3	72,193	3.1	1,047	53,469	2.8
3. Investments and other assets							
(1) Investment securities	454,303		496,005		41,702	399,503	
(2) Long-term loans	17,900		20,266		2,365	7,928	
(3) Deferred tax assets	9,244		11,835		2,590	7,846	
(4) Other	99,036		103,288		4,252	77,434	
(5) Allowance for doubtful accounts	-4,055		-1,624		2,430	-1,771	
Total investments and other assets	576,429	27.0	629,770	27.2	53,341	490,941	25.6
Total fixed assets	1,593,903	74.6	1,711,264	74.0	117,360	1,413,464	73.8
III. Deferred assets	1,566	0.1	1,754	0.1	187	196	0.0
Total assets	2,135,441	100.0	2,312,511	100.0	177,069	1,914,367	100.0

(In million yen)

	As of March 31, 2007 (A)		As of June 30, 2007 (B)		(B) - (A)	As of June 30, 2006	
	Amount	%	Amount	%		Amount	Amount
Liabilities							
<u>I. Current liabilities</u>							
1. Notes and accounts payable-trade	197,015		217,636		20,621	189,002	
2. Current portion of long-term corporate bonds	21,000		21,000		-	4,800	
3. Short-term loans	285,187		252,914		-32,273	261,908	
4. Commercial paper	-		33,000		33,000	50,000	
5. Income tax payable	25,046		17,352		-7,693	14,208	
6. Deferred tax liabilities	3,877		9,598		5,720	1,854	
7. Advances received	61,545		63,137		1,591	50,992	
8. Employees' bonuses accrued	9,576		9,836		259	9,416	
9. Directors' bonuses accrued	520		147		-373	77	
10. Other	93,280		88,962		-4,317	94,821	
Total current liabilities	697,050	32.6	713,585	30.9	16,535	677,081	35.4
<u>II. Long-term liabilities</u>							
1. Bonds	167,334		227,317		59,982	132,000	
2. Long-term debt	417,231		446,053		28,821	376,364	
3. Deferred tax liabilities	87,503		105,354		17,851	68,890	
4. Reserve for employees' retirement benefits	17,479		17,665		186	17,482	
5. Reserve for directors' retirement benefits	2,597		2,332		-264	1,959	
6. Reserve for periodic dry docking of vessels	3,338		2,865		-473	2,301	
7. Other	42,188		42,688		499	25,474	
Total long-term liabilities	737,673	34.6	844,276	36.5	106,602	624,474	32.6
Total liabilities	1,434,724	67.2	1,557,861	67.4	123,137	1,301,555	68.0
Net assets							
<u>I. Shareholders' capital</u>							
1. Common stock	88,531	4.1	88,531	3.8	-	88,531	4.6
2. Additional paid-in capital	97,188	4.6	97,190	4.2	1	97,170	5.1
3. Retained earnings	312,605	14.6	331,735	14.3	19,129	268,262	14.0
4. Treasury stock	-858	-0.0	-989	-0.0	-130	-549	-0.0
Total shareholders' capital	497,466	23.3	516,467	22.3	19,000	453,414	23.7
<u>II. Valuation and translation adjustments</u>							
1. Net unrealized holding gains on available-for-sale securities	136,954	6.4	157,918	6.8	20,964	110,412	5.7
2. Net deferred gains on hedge contracts	14,361	0.7	20,995	0.9	6,634	11,949	0.6
3. Foreign currency translation adjustments	8,307	0.4	15,167	0.7	6,860	-630	-0.0
Total valuation and translation adjustments	159,622	7.5	194,081	8.4	34,459	121,730	6.3
<u>III. Minority interests</u>	43,628	2.0	44,099	1.9	471	37,667	2.0
Total net assets	700,717	32.8	754,649	32.6	53,931	612,812	32.0
Total liabilities and net assets	2,135,441	100.0	2,312,511	100.0	177,069	1,914,367	100.0

(2) Statements of Income

(In million yen)

	Three months ended June 30, 2006 (A)		Three months ended June 30, 2007 (B)		(B)-(A) Amount	Year ended March 31, 2007	
	Amount	%	Amount	%		Amount	%
<u>I. Revenues</u>	524,752	100.0	601,351	100.0	76,599	2,164,279	100.0
<u>II. Cost and expenses</u>	450,246	85.8	499,493	83.1	49,247	1,840,784	85.1
Gross profit	74,506	14.2	101,858	16.9	27,351	323,495	14.9
<u>III. Selling, general and administrative expenses</u>	51,981	9.9	62,520	10.4	10,538	218,553	10.1
Operating income	22,524	4.3	39,338	6.5	16,813	104,941	4.8
<u>IV. Non-operating income</u>							
1. Interest and dividend income	3,987		5,583		1,595	12,000	
2. Equity in income of non-consolidated subsidiaries and affiliates	614		3,256		2,642	5,522	
3. Other non-operating income	1,000		3,170		2,169	8,349	
Total non-operating income	5,602	1.1	12,010	2.0	6,407	25,872	1.2
<u>V. Non-operating expenses</u>							
1. Interest expenses	4,574		6,100		1,526	18,285	
2. Other non-operating expenses	1,244		747		-497	4,994	
Total non-operating expenses	5,819	1.1	6,848	1.1	1,028	23,279	1.0
Income before extraordinary items	22,307	4.3	44,500	7.4	22,192	107,534	5.0
<u>VI. Extraordinary gains</u>							
1. Gain on sale of non-current assets	374		4,033		3,658	4,001	
2. Other extraordinary gains	2,275		645		-1,630	15,392	
Total extraordinary gains	2,649	0.5	4,678	0.8	2,028	19,393	0.9
<u>VII. Extraordinary losses</u>							
1. Loss on disposal of non-current assets	38		89		51	1,140	
2. Other extraordinary losses	953		884		-68	10,650	
Total extraordinary losses	991	0.2	973	0.2	-17	11,790	0.6
Income before income taxes and minority interests	23,965	4.6	48,204	8.0	24,238	115,136	5.3
Income taxes	11,361	2.2	19,589	3.2	8,228	48,601	2.2
Minority interests	251	0.0	-26	-0.0	-278	1,496	0.1
Net income	12,352	2.4	28,642	4.8	16,289	65,037	3.0

(3) Summary of Statement of Changes in Shareholders' Capital – Consolidated

Three months ended June 30, 2007 (April 1, 2007 – June 30, 2007)

(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 gains 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, 2007	88,531	97,188	312,605	-858	497,466	136,954	14,361	8,307	159,622	43,628	700,717
Change during the period											
Dividend of retained earnings			-11,056		-11,056						-11,056
Net income			28,642		28,642						28,642
Purchase of treasury stock				-132	-132						-132
Disposal of treasury stock		1		1	3						3
Increase in retained earnings due to an increase in the numbers of consolidated subsidiaries			661		661						661
Increase in retained earnings due to merger of unconsolidated subsidiaries			88		88						88
Decrease in retained earnings due to an increase in the numbers of consolidated subsidiary			-1		-1						-1
Increase in retained earnings due to an increase in the numbers of affiliates accounted for by the equity method			0		0						0
Other			794		794						794
Net change in items other than shareholders' capital during the period						20,964	6,634	6,860	34,459	471	34,930
Total change during the period	-	1	19,129	-130	19,000	20,964	6,634	6,860	34,459	471	53,931
Balance as of June 30, 2007	88,531	97,190	331,735	-989	516,467	157,918	20,995	15,167	194,081	44,099	754,649

(4) Segment Information

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	Air Cargo Transportation	Real Estate	Other	Total	Elimination or Corporate	Consolidated Total
(1) Revenues from customer	144,821	187,020	110,073	22,748	11,178	22,155	2,310	24,443	524,752	-	524,752
(2) Inter-segment revenues	1,339	1,631	663	7,228	-	2,195	516	19,300	32,875	-32,875	-
Total	146,160	188,652	110,736	29,977	11,178	24,351	2,827	43,743	557,628	-32,875	524,752
Operating costs and expenses	149,676	164,981	107,666	28,198	9,838	28,133	2,044	44,582	535,121	-32,892	502,228
Operating income/loss	-3,515	23,671	3,070	1,779	1,339	-3,781	783	-838	22,507	17	22,524
Income/loss before extraordinary items	-3,871	23,515	3,315	1,055	1,189	-3,963	1,011	76	22,328	-20	22,307

Three months ended June 30, 2007 (April 1, 2007 – June 30, 2007)

(In million yen)

	Liner Trade	Other Shipping	Logistics	Terminal and Harbor Transport	Cruise	Air Cargo Transportation	Real Estate	Other	Total	Elimination or Corporate	Consolidated Total
(1) Revenues from customer	153,681	231,088	126,928	29,997	12,973	19,905	2,130	24,645	601,351	-	601,351
(2) Inter-segment revenues	1,451	1,630	791	7,887	-	2,503	596	20,597	35,458	-35,458	-
Total	155,133	232,719	127,719	37,885	12,973	22,409	2,727	45,242	636,810	-35,458	601,351
Operating costs and expenses	153,425	196,908	124,436	35,854	10,660	28,200	1,981	46,007	597,474	-35,461	562,013
Operating income/loss	1,707	35,811	3,283	2,031	2,313	-5,791	746	-764	39,335	2	39,338
Income/loss before extraordinary items	2,487	39,158	3,482	1,654	2,220	-5,655	959	200	44,497	2	44,500

Year ended March 31, 2007 (April 1, 2006 – March 31, 2007)

(In million yen)

	Liner Trade	Other Shipping	Logistics	Terminal and Harbor Transport	Cruise	Air Cargo Transportation	Real Estate	Other	Total	Elimination or Corporate	Consolidated Total
(1) Revenues from customer	568,459	776,823	480,558	94,487	44,140	88,215	9,054	102,541	2,164,279	-	2,164,279
(2) Inter-segment revenues	5,534	6,476	2,141	32,412	-	8,797	2,580	75,598	133,540	-133,540	-
Total	573,993	783,299	482,700	126,899	44,140	97,012	11,634	178,139	2,297,820	-133,540	2,164,279
Operating costs and expenses	583,873	678,689	466,579	118,995	39,058	118,611	8,643	178,993	2,193,443	-134,105	2,059,337
Operating income/loss	-9,879	104,610	16,120	7,904	5,082	-21,598	2,991	-853	104,376	564	104,941
Income/loss before extraordinary items	-9,670	104,341	16,963	5,593	4,611	-18,437	3,618	658	107,678	-144	107,534

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. 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
Air Cargo Transportation	Air cargo Transport
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 and travel agency.
4. Common operating expenses are allocated to individual segments.

6. Non Consolidated Financial Statements

(1) Balance Sheets

(In million yen)

	As of March 31, 2007 (A)		As of June 30, 2007 (B)		(B) - (A)	As of June 30, 2006	
	Amount	%	Amount	%	Amount	Amount	%
Assets							
I. Current assets							
1. Cash and time deposits	13,465		17,925		4,459	11,780	
2. Account receivable-trade	71,317		89,175		17,858	78,500	
3. Short-term loans	118,084		139,468		21,383	86,404	
4. Inventories	22,786		25,689		2,902	21,295	
5. Deferred/prepaid expenses	46,763		50,321		3,557	39,283	
6. Receivable from agencies	9,627		13,103		3,476	12,975	
7. Deferred tax assets	7,467		7,753		286	8,226	
8. Other	18,895		16,185		-2,709	24,381	
9. Allowance for doubtful accounts	-19,819		-22,158		-2,339	-21,437	
Total current assets	288,589	23.3	337,465	25.5	48,876	261,411	23.5
II. Non-current assets							
1. Tangible non-current assets							
(1) Vessels	81,666		78,080		-3,586	90,962	
(2) Buildings	20,960		21,031		70	22,226	
(3) Structures	812		804		-8	875	
(4) Machinery and equipment	486		457		-28	593	
(5) Vehicles	59		47		-11	84	
(6) Equipment and fixtures	1,409		1,501		91	1,486	
(7) Land	29,705		29,705		-	31,062	
(8) Construction in progress	410		507		96	80	
Total tangible non-current assets	135,510	10.9	132,135	10.0	-3,375	147,372	13.3
2. Intangible non-current assets							
(1) Leasehold	511		511		-	511	
(2) Software	26,966		26,929		-36	24,270	
(3) Other	118		112		-5	136	
Total intangible non-current assets	27,596	2.2	27,553	2.1	-42	24,918	2.2
3. Investments and other assets							
(1) Investment securities	352,923		387,893		34,970	311,605	
(2) Shares of affiliates and investment in affiliates	228,114		230,211		2,096	200,682	
(3) Long-term loans	180,261		182,835		2,574	146,955	
(4) Other	33,765		32,002		-1,763	27,683	
(5) Allowance for doubtful accounts	-10,691		-7,617		3,073	-8,642	
Total investments and other assets	784,372	63.5	825,325	62.3	40,952	678,283	61.0
Total non-current assets	947,479	76.6	985,014	74.4	37,534	850,574	76.5
III. Deferred assets							
1. Bond issuance expenses	1,566		1,754		187	191	
Total deferred assets	1,566	0.1	1,754	0.1	187	191	0.0
Total assets	1,237,635	100.0	1,324,234	100.0	86,598	1,112,177	100.0

(In million yen)

	As of March 31, 2007 (A)		As of June 30, 2007 (B)		(B) - (A)	As of June 30, 2006	
	Amount	%	Amount	%	Amount	Amount	%
Liabilities							
I. Current liabilities							
1. Accounts payable-trade	76,054		83,823		7,769	74,275	
2. Current portion of long-term corporate bonds	21,000		21,000		-	4,800	
3. Short-term bank loans	83,506		30,830		-52,675	42,846	
4. Commercial paper	-		33,000		33,000	50,000	
5. Accounts payable - other	6,036		6,213		177	19,523	
6. Income tax payable	10,694		5,858		-4,836	5,654	
7. Advances received	29,899		30,161		262	24,613	
8. Deposits payable	45,306		40,021		-5,285	38,581	
9. Payable to agencies	2,252		2,215		-36	8,809	
10. Employees' bonuses accrued	2,515		2,491		-24	2,791	
11. Directors' bonuses accrued	155		39		-116	40	
12. Other	11,460		13,272		1,812	7,314	
Total current liabilities	288,880	23.4	268,929	20.3	-19,950	279,250	25.1
II. Long-term liabilities							
1. Bonds	167,334		227,317		59,982	132,000	
2. Long-term debt	205,748		212,259		6,510	183,632	
3. Deferred tax liabilities	65,636		77,606		11,969	49,043	
4. Reserve for employees' retirement benefits	-		-		-	194	
5. Reserve for periodic dry docking of vessels	2,300		1,584		-715	1,519	
6. Other	13,649		13,231		-417	14,267	
Total long-term liabilities	454,669	36.7	531,999	40.2	77,329	380,656	34.2
Total liabilities	743,550	60.1	800,929	60.5	57,378	659,906	59.3
Net assets							
I. Shareholders' capital							
1. Common stock	88,531	7.2	88,531	6.7	-	88,531	8.0
2. Additional paid-in capital							
(1) Capital reserve	93,198		93,198		-	93,198	
(2) Other additional paid-in capital	2,761		2,763		1	2,743	
Total additional paid-in capital	95,959	7.8	95,961	7.3	1	95,941	8.5
3. Retained earnings							
(1) Legal reserve	13,146		13,146		-	13,146	
(2) Other retained earnings							
Reserve for dividends payable	50		50		-	50	
Special depreciation reserve	702		702		-	1,839	
Reserve for possible losses on investment	0		0		-	1	
Reserve for advanced depreciation	2,712		2,712		-	2,957	
General reserve	98,324		108,324		10,000	98,324	
Retained earnings carried forward	65,125		65,001		-123	48,172	
Total retained earnings	180,061	14.5	189,937	14.3	9,876	164,491	14.8
4. Treasury stock	-850	-0.1	-981	-0.1	-130	-541	-0.0
Total shareholders' capital	363,701	29.4	373,449	28.2	9,747	348,422	31.3
II. Valuation and translation adjustments							
1. Net unrealized holding gains on available-for-sale securities	130,606		151,044		20,437	104,374	
2. Net deferred gains on hedge contracts	-222		-1,188		-965	-526	
Total valuation and translation adjustments	130,383	10.5	149,856	11.3	19,472	103,847	9.4
Total valuation and translation adjustments	494,085	39.9	523,305	39.5	29,220	452,270	40.7
Total net assets	1,237,635	100.0	1,324,234	100.0	86,598	1,112,177	100.0

(2) Summary of Non-consolidated Statements of Income

(In million yen)

	Three months ended June 30, 2006 (A)		Three months ended June 30, 2007 (B)		(B) - (A)	Year ended March 31, 2007	
	Amount	%	Amount	%		Amount	Amount
<u>I. Revenues from shipping business</u>	268,380	99.2	297,237	99.4	28,856	1,062,239	99.3
<u>II. Cost of shipping business</u>	247,045	91.3	266,977	89.3	19,932	973,941	91.0
Profit from shipping business	21,334	7.9	30,259	10.1	8,924	88,297	8.3
<u>III. Revenues from other businesses</u>	2,050	0.8	1,852	0.6	-198	7,941	0.7
<u>IV. Cost of other businesses</u>	1,536	0.6	1,315	0.4	-220	5,692	0.5
Profit from other business	514	0.2	536	0.2	22	2,248	0.2
Gross operating income	21,849	8.1	30,796	10.3	8,946	90,546	8.5
<u>V. General and administrative expenses</u>	11,578		12,163		585	44,142	
Operating income	10,270	3.8	18,632	6.2	8,361	46,403	4.3
<u>VI. Non-operating income</u>							
1. Interest and dividend income	7,435		12,263		4,828	13,985	
2. Other non-operating income	809		1,504		694	3,327	
Total non-operating income	8,245	3.0	13,768	4.6	5,522	17,313	1.6
<u>VII. Non-operating expenses</u>							
1. Interest expenses	1,775		2,231		456	7,378	
2. Other non-operating expenses	748		379		-368	3,907	
Total non-operating expenses	2,523	0.9	2,611	0.8	87	11,286	1.0
Income before extraordinary items	15,992	5.9	29,789	10.0	13,797	52,430	4.9
<u>VIII. Extraordinary gains</u>							
1. Gain on sale of non-current assets	3		5		1	1,454	
2. Other extraordinary gains	3,996		199		-3,796	13,770	
Total extraordinary gains	4,000	1.5	205	0.1	-3,795	15,224	1.4
<u>IX. Extraordinary losses</u>							
1. Loss on disposal of non-current assets	14		22		7	376	
2. Other extraordinary losses	1,810		1,685		-125	7,429	
Total extraordinary losses	1,825	0.7	1,707	0.6	-117	7,806	0.7
Income before income taxes	18,167	6.7	28,287	9.5	10,119	59,848	5.6
Income taxes	6,623	2.4	7,354	2.5	730	21,675	2.0
Net income	11,543	4.3	20,932	7.0	9,388	38,172	3.6

(3) Summary of Statement of Changes in Shareholders' Capital

Three months ended June 30, 2007 (April 1, 2007 – June 30, 2007)

(In million yen)

	Shareholders' capital									
	Common stock	Additional paid-in capital		Retained earnings						
		Capital reserve	Other additional paid-in capital	Legal reserve	Other retained earnings					
					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, 2007	88,531	93,198	2,761	13,146	50	702	0	2,712	98,324	65,125
Change during the period										
Dividend of retained earnings										-11,056
Provision for general reserve									10,000	-10,000
Net income										20,932
Purchase of treasury stock										
Disposal of treasury stock			1							
Net change in items other than shareholders' equity during the period										
Total change during the period	-	-	1	-	-	-	-	-	10,000	-123
Balance as of June 30, 2007	88,531	93,198	2,763	13,146	50	702	0	2,712	108,324	65,001

(In million yen)

	Shareholders' capital		Valuation & translation adjustment			Total Net assets
	Treasury stock	Total shareholders' capital	Net unrealized holding gain on other securities	Net deferred gains on hedge contracts	Total valuation and translation adjustments	
Balance as of March 31, 2007	-850	363,701	130,606	-222	130,383	494,085
Change during the period						
Distribution of retained earnings		-11,056				-11,056
Provision for general reserve		-				-
Net income		20,932				20,932
Purchase of treasury stock	-132	-132				-132
Disposal of treasury stock	1	3				3
Net change in items other than shareholders' equity during the period			20,437	-965	19,472	19,472
Total change during the period	-130	9,747	20,437	-965	19,472	29,220
Balance as of June 30, 2007	-981	373,449	151,044	-1,188	149,856	523,305

Supplementary Information

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

1. Quarterly operating results (on a consolidated basis)

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				
Operating income	393				
Income before extraordinary items	445				
Net income for the quarter	286				
Net income per share for the quarter	¥23.32				
Net income per share for the quarter – fully diluted	¥23.06				
Total asset	23,125				
Net asset	7,546				
Net asset per share	¥578.48				

Year ended 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	5,288	5,486	5,620	
Operating income	225	246	298	279	
Income before extraordinary items	223	266	314	271	
Net income for the quarter	123	171	191	163	
Net income per share for the quarter	¥10.09	¥14.01	¥15.55	¥13.33	
Net income per share for the quarter – fully diluted	-	-	-	-	
Total asset	19,143	19,835	20,572	21,354	
Net asset	6,128	6,434	6,698	7,007	
Shareholders' equity per share	¥468.06	¥490.85	¥511.32	¥534.90	

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 previous year, 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, 2007	Three months ended June 30, 2006	Yen depreciated against dollars by	Year ended March 31, 2007
Average exchange rate during the period	114.71 ¥/US\$	119.85 ¥/US\$	¥5.14	116.91 ¥/US\$
Exchange rate at end of period	115.24 ¥/US\$	123.26 ¥/US\$	¥8.02	118.05 ¥/US\$

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

	Three months ended June 30, 2006	Three months ended June 30, 2007	Change	Year ended March 31, 2007
Bunker oil prices per metric ton	US\$336.82/MT	US\$330.27/MT	Down US\$6.55	US\$318.77/MT

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

(In 100 million yen)

	Year ended March 31, 2007	Three month ended June 30, 2007	Change	Three months ended June 30, 2006
Loans	7,024	6,989	-34	6,382
Corporate bonds	1,883	2,483	599	1,368
Commercial paper	-	330	330	500
Total	8,907	9,802	895	8,250