

**Consolidated Financial Results for Nine Months Ended December 31, 2011**  
**(Japanese GAAP) (Unaudited)**

January 31, 2012

**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, 2012  
Start scheduled date of paying Dividends -  
Preparation of Supplementary Explanation Material: Yes  
Financial Results Presentation Held: Yes (for Analysts and Institutional Investors)

(Amounts rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Nine Months Ended December 31, 2011 (April 1, 2011 to December 31, 2011)**

**(1) Consolidated Operating Results**

(Percentage figures shown year-on-year changes)

|                                     | Revenues    |      | Operating income |   | Recurring profit |   | Net income  |   |
|-------------------------------------|-------------|------|------------------|---|------------------|---|-------------|---|
|                                     | million yen | %    | million yen      | % | million yen      | % | million yen | % |
| Nine months ended December 31, 2011 | 1,351,019   | -8.8 | (16,120)         | - | (24,862)         | - | (17,275)    | - |
| Nine months ended December 31, 2010 | 1,481,753   | 19.8 | 118,022          | - | 110,156          | - | 71,249      | - |

Comprehensive income:

Nine Months ended December 31, 2011: ¥-67,265 million (-%), Nine Months Ended December 31, 2010: ¥16,042 million (-%)

|                                     | Net income per share | Net income per share - fully diluted |
|-------------------------------------|----------------------|--------------------------------------|
|                                     | yen                  | yen                                  |
| Nine months ended December 31, 2011 | (10.18)              | -                                    |
| Nine months ended December 31, 2010 | 41.98                | -                                    |

Note: Net income per share-fully diluted data for the third quarter period ended December 31, 2011 is not shown in the above table, because net income per share is negative although there are residual shares. Net income per share-fully diluted for the third period ended December 31, 2010 is also not shown, because there are no residual shares having possibilities of diluting stock value.

**(2) Consolidated Financial Position**

|                         | Total assets | Equity      | Shareholders' equity ratio | Equity per share |
|-------------------------|--------------|-------------|----------------------------|------------------|
|                         | million yen  | million yen | %                          | yen              |
| As of December 31, 2011 | 2,064,358    | 644,275     | 29.2                       | 355.41           |
| As of March 31, 2011    | 2,126,812    | 728,094     | 32.2                       | 403.46           |

Shareholders' equity :

As of December 31, 2011: ¥602,923 million, As of March 31, 2011: ¥684,627 million

## 2. Dividends

| Date of record                           | Dividend per share          |                             |                             |          |       |
|--|-----------------------------|-----------------------------|-----------------------------|----------|-------|
|  | 1 <sup>st</sup> Quarter End | 2 <sup>nd</sup> Quarter End | 3 <sup>rd</sup> Quarter End | Year-end | Total |
|  | yen                         | yen                         | yen                         | yen      | yen   |
| Year ended March 31, 2011                | -                           | 6.00                        | -                           | 5.00     | 11.00 |
| Year ended March 31, 2012                | -                           | 2.00                        | -                           | -        | -     |
| Year ending March 31, 2012<br>(Forecast) | -                           | -                           | -                           | 2.00     | 4.00  |

Note: Revision of forecast for dividends in this quarter: No

## 3. Consolidated Financial Results Forecasts for the Year Ending March 31, 2012 (April 1, 2011 to March 31, 2012) (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, 2012 | 1,800,000   | -6.7 | (19,000)         | - | (31,000)         | - | (26,000)    | - | (15.32)              |

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

## 4. Others

(1) Changes of important subsidiaries in the period (including scope of subsidiaries) : None

New: None Exclusion: None

(2) Particular accounting methods used for preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy, changes in accounting estimate, and restatement

1. Changes in accounting policy in accordance with changes in accounting standard: None

2. Changes other than No.1: None

3. Changes in accounting estimates: None

4. Restatement: None

(4) Total issued shares (Ordinary shares)

|  |  |               |  |               |
|--|--|---------------|--|---------------|
| 1. Total issued shares<br>(including treasury stock)         | As of December 31, 2011                | 1,700,550,988 | As of March 31, 2011                   | 1,700,550,988 |
| 2. Number of treasury stock                                  | As of December 31, 2011                | 4,113,245     | As of March 31, 2011                   | 3,660,980     |
| 3. Average number of shares<br>(cumulative quarterly period) | Nine months ended<br>December 31, 2011 | 1,696,802,959 | Nine months ended<br>December 31, 2010 | 1,697,308,055 |

\*Indication of quarterly review process implementation status

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

\*Assumption for the forecast of consolidated financial results and other particular issues

Foreign exchange rate: (for the fourth quarter) ¥76/US\$, (full year) ¥78.33/US\$

Bunker oil price: (for the fourth quarter) US\$730/MT, (full year) US\$673.69/MT

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

Our company is to have financial result presentation meeting for analysts and institutional investors on January 31, 2012. The audio presentation and presentation materials are available after the meeting on [http://www.nyk.com/english/release/IR\\_explanation.html](http://www.nyk.com/english/release/IR_explanation.html)

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## 1. Qualitative Information on Quarterly Results

### (1) Qualitative Information on Consolidated Operating Results

For the cumulative fiscal third quarter of the fiscal year (the April 1 – December 31, 2011 nine-months period), consolidated revenues totaled ¥1,351.0 billion, compared with ¥1,481.7 billion for the same period last year, operating loss totaled ¥16.1 billion, compared with operating income of ¥118.0 billion for the same period last year, recurring loss totaled ¥24.8 billion, compared with recurring profit of ¥110.1 billion for the same period last year, and net loss totaled ¥17.2 billion, compared with net income of ¥71.2 billion for the same period last year.

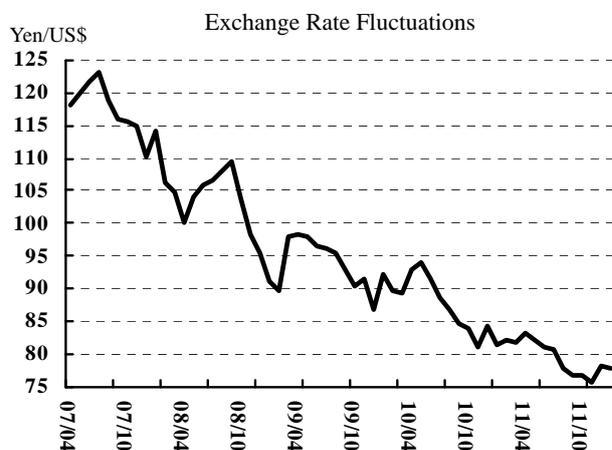
#### Overview

The nine-months period was characterized by continued uncertainty over the course of the global economy, highlighted by delayed economic recovery in the U.S., fiscal and financial problems in Europe, and signs of slowing economic growth in China. The business environment surrounding the shipping industry, meanwhile, remained severe due to the dollar/yen exchange rate moving into the 75-80 range since last summer, and increases in bunker oil prices stemming from Middle East unrest. Logistics supply chains crippled by the Great East Japan Earthquake, particularly those supporting the auto industry, began to recover last summer, only to be fractured again by the Thai floods, which weighed on shipping volumes during the period. Additionally, though containerized freight volumes were firm overall compared with last year, freight rates softened as a result of the deteriorating supply-demand balance caused by the delivery of large-size container vessels. The freight rate decline was particularly severe on European routes. In the bulk shipping business, the market for Capesize bulker recovered from September, but the market for small- and mid-sized bulker, which had been relatively firm, softened from November. The tanker business also slumped under the weight of a supply-demand imbalance. Overall, results for the seaborne shipping businesses deteriorated significantly compared to the same period of the previous year. Non-seaborne shipping businesses, including terminal and harbor transport, air cargo transportation, logistics, and real estate, maintained profitability as a whole, though the cruises business posted weaker results on lower sales in Japan, stemming from the aftereffects of the Great East Japan Earthquake, and in the U.S., stemming from the stagnant economy.

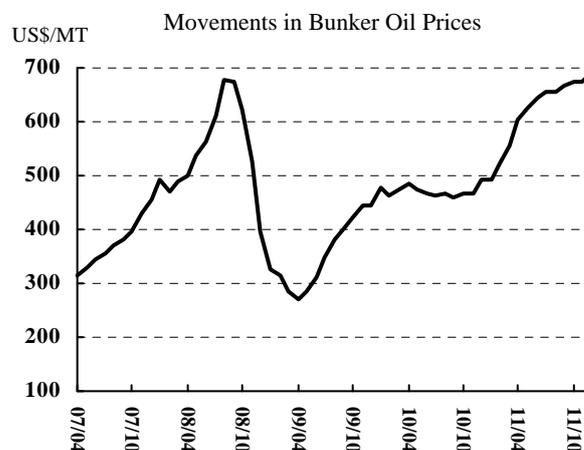
As a result of the above factors, consolidated revenues in the nine-months period declined by ¥130.7 billion (-8.8%) from the same period of the previous year. Though we operated vessels at reduced speeds and took various other cost-saving measures, soaring bunker oil prices and other cost increase led to a ¥13.6 billion increase (1.1%) in costs and expenses. Despite the efforts to reduce selling and general administrative expenses, operating income declined by ¥134.1 billion and the operating income margin decreased from 8.0% in the same period of the previous year to -1.2%, a decline of 9.2 points. As a result, recurring profit declined by ¥135.0 billion, and net income declined by ¥88.5 billion to post a loss for the period.

Changes in foreign exchange rates and bunker oil prices for the nine-months period are summarized in the following table.

|                          | Nine months ended<br>December 31, 2010 | Nine months ended<br>December 31, 2011 | Change                 |
|--------------------------|--|--|------------------------|
| Average exchange rate    | ¥87.46/US\$                            | ¥79.11/US\$                            | Yen up<br>¥8.35        |
| Average bunker oil price | US\$470.75/MT                          | US\$654.91/MT                          | Price up<br>US\$184.16 |



Period: April 2007–January 2012



Period: April 2007–December 2011

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

## Segment Information

The segment wise information for the three months ended December 31, 2011(October 1, 2011 – December 31, 2011) is as follows.

(In billion yen)

|                  |                               | Revenues     |              |        |                      | Operating income |              |        | Recurring profit |              |        |
|------------------|-------------------------------|--------------|--------------|--------|----------------------|------------------|--------------|--------|------------------|--------------|--------|
|                  |                               | FY2010<br>3Q | FY2011<br>3Q | Change | Percentage<br>change | FY2010<br>3Q     | FY2011<br>3Q | Change | FY2010<br>3Q     | FY2011<br>3Q | Change |
| Global Logistics | Liner Trade                   | 109.9        | 99.4         | -10.5  | -9.6 %               | 7.4              | (13.4)       | -20.9  | 6.8              | (13.8)       | -20.6  |
|                  | Terminal and Harbor Transport | 29.9         | 34.6         | 4.7    | 15.8 %               | 1.9              | 2.0          | 0.0    | 1.8              | 2.1          | 0.2    |
|                  | Air Cargo Transportation      | 21.9         | 19.3         | -2.5   | -11.6 %              | 3.2              | 0.5          | -2.7   | 2.9              | 0.3          | -2.5   |
|                  | Logistics                     | 98.3         | 89.6         | -8.6   | -8.8 %               | 1.9              | 3.1          | 1.1    | 2.2              | 3.5          | 1.2    |
|                  | Bulk Shipping                 | 194.1        | 181.9        | -12.2  | -6.3 %               | 17.0             | 2.3          | -14.7  | 15.7             | (1.3)        | -17.1  |
| Others           | Cruises                       | 8.5          | 7.2          | -1.2   | -15.0 %              | (0.4)            | (1.6)        | -1.2   | (0.5)            | (1.6)        | -1.1   |
|                  | Real Estate                   | 2.7          | 2.6          | -0.0   | -2.9 %               | 0.8              | 0.9          | 0.1    | 1.0              | 0.9          | -0.0   |
|                  | Other                         | 40.0         | 43.8         | 3.7    | 9.5 %                | (0.3)            | (0.2)        | 0.0    | 0.0              | 0.0          | 0.0    |

(Remark1) The NYK Group Medium-Term Management Plan, begun this fiscal year, presents four business segments together under the Global Logistics business. Therefore, from the current fiscal year, we have changed the order in which the business segments are reported.

(Remark 2) Above FY2010 3rd Quarter figures does not reflect the changes applied from FY2011 due to reviewing some part of business and services about "Terminal and Harbor Transport segment", "Logistics segment" and "Bulk Shipping segment" in accordance with realignment of Logistics segment.

### Liner Trade

On East-West North American and European routes, in order to improve the deteriorated supply-demand balance as a result of continuing delivery of large-sized container vessels, we have withdrawn the number of vessels in service and taken other rationalization measures, but these measures were not sufficient to offset the impact of falling freight rates and yen appreciation, and revenues on East-West routes declined significantly compared to the third quarter of the previous year. On North-South routes including voyages to South America, we rationalized vessel allocation in response to lackluster demand and successfully minimized the impact of declining freight rates. On Asian routes, cargo volumes in some regions were impacted by the Thai floods, but overall shipping volumes grew solidly. Though we instituted various cost-saving measures throughout the shipping service, including operating vessels at reduced speed to save fuel, the measures were insufficient to offset the higher cost of rising bunker oil prices. Consequently, results for the liner trade segment worsened significantly compared to the previous year's third quarter, and the segment posted a loss.

### Terminal and Harbor Transport

Domestic and overseas container terminals' handling volumes were on a par with the third quarter of the previous year. We continued to reduce costs, and as a result, the terminal and harbor transport segment's earnings were also on a par with a year ago.

### Air Cargo Transportation

Nippon Cargo Airlines Co., Ltd. (NCA) experienced weaker airfreight demand on Japan- and Asia-originated routes as a result of credit concerns in Europe and the U.S. Due to higher fuel oil prices, results deteriorated compared with last year's third quarter, when airfreight volumes were recovering, but through continuous cost-saving measures, we maintained profitable during the period.

## Logistics

In the airfreight business, while Asia-originated cargo volumes slumped from the impact of Thai floods, there was an reconstruction demand which contributed to the profitability of Japan-originated shipments to Thailand. Additionally, exports from the Americas and Europe were firm. The seaborne freight business was relatively buoyant, as strong Asian-oriented demand offset weaker Christmas-related demand following the slump in the European economy. In the logistics business, results suffered from stagnant U.S. personal consumption which weakened imports from Asia. Overall, the logistics segment revenues declined compared with same period of the previous year, but recurring profit increased thanks to improved profitability.

## Bulk Shipping

### *Car Carrier Division*

Just as Japanese automakers began to recover from the production cutbacks caused by the Great East Japan Earthquake and stage a second-half comeback, the Thai floods again fractured supply chains in the automobile industry. Car carrier shipments suffered significantly as Thailand-originated volumes plunged and production of some vehicle types in Japan also stalled. We added one new car carrier to the fleet during the quarter and strove to reduce operating expenses, mainly fuel costs.

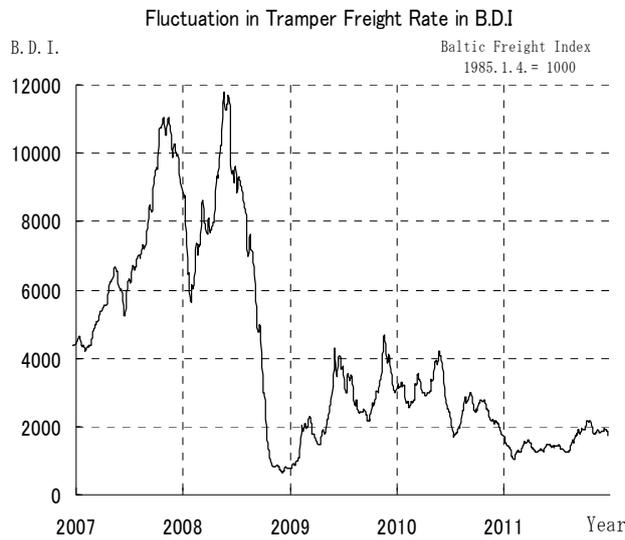
### *Dry Bulk Carrier Division*

Supply-side pressure heightened with the delivery of a large amount of newbuild tonnage. Meanwhile, iron ore shipments to China increased as iron ore price declined, and the Capesize bulker market continued to recover from a bottoming-out in September. The markets for Panamax and other small- and mid-sized bulk bulkers softened towards the end of the year on declining coal and steel materials shipment volumes. We strove to lower fuel costs through rigorous measures such as operating the fleet at reduced speeds.

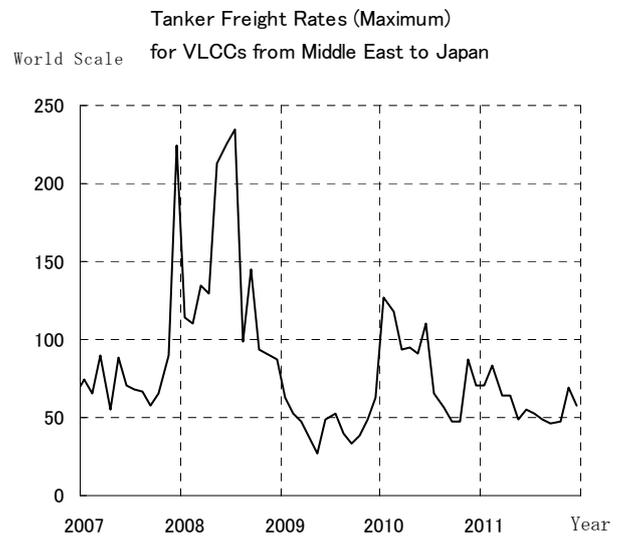
### *Tanker Division*

Overall, shipping volumes failed to meet expectations as higher winter petroleum demand from China and other newly emerging and developing nations was undercut by declining demand in Europe and the U.S. Supply-side pressure heightened due to the delivery of a large amount of newbuild tonnage, along with the slow progress in scrapping aged vessels and decline in offshore storage. As a result, the crude oil tanker market slumped as areas of improvement failed to maintain momentum. The petroleum products tanker market also sagged due to weaker naphtha demand from Asia and the deteriorating supply-demand balance.

As a result of the above, the bulk shipping segment posted a consecutive quarterly loss on lower revenues compared with the same period of the previous year.



Period: January 2007–December 2011



Period: January 2007–December 2011

### **Cruises**

In the Japanese market, Asuka II suffered from tepid demand around the Christmas season amid a stalled domestic economy. In the North American market, Crystal Cruises was impacted by a delayed U.S. economic recovery, credit problems in Europe, and Middle East unrest. Overall, the cruises segment recorded a decrease in the load factor and revenues compared with the same period of the previous year, and the segment's loss widened.

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

The real estate business's results were on a par with the previous year. In other business services, the trading business's revenues increased on higher bunker oil prices and as a whole, revenues from other business services increased, but earnings were on par with the previous year.

For the segment information for fiscal first quarter (April 1, 2011 – June 30, 2011) and fiscal second quarter (July 1, 2011 – September 30, 2011) of fiscal year ending March 31, 2012, please refer to the first quarter financial results (announced on July 29, 2011) and the second quarter financial results (announced on October 31, 2011).

## **(2) Qualitative Information on Consolidated Financial Position**

### **Assets, Liabilities, and Equity**

Consolidated assets totaled ¥2,064.3 billion at the end of the fiscal third quarter (December 31, 2011), a decrease of ¥62.4 billion compared with the end of the previous fiscal year (March 31, 2011). This mainly reflects a decrease in current assets of ¥43.5 billion caused by a decrease in cash and deposits and short-term investment securities. Consolidated liabilities totaled ¥1,420.0 billion, an increase of ¥21.3 billion from the end of the previous fiscal year. Shareholders' equity—the aggregate of shareholders' capital of ¥743.1 billion and accumulated other comprehensive income—totaled ¥602.9 billion. The addition of minority interests of ¥41.3 billion resulted in total equity of ¥644.2 billion. As a result, the debt-equity ratio finished at 1.68.

### (3) Qualitative Information on Consolidated Financial Results Forecast

We have revised down our earnings forecast for the fiscal year ending March 31, 2012, to revenues of ¥1,800.0 billion, operating loss of ¥-19.0 billion, recurring loss of ¥-31.0 billion, and the net loss of ¥-26.0 billion.

(In billion yen)

| Outlook for the fiscal year ending March 2012 | Revenues              | Operating Income (Loss) | Recurring Profit (Loss) | Net Income (Loss)    |
|---|-----------------------|-------------------------|-------------------------|----------------------|
| Previous forecast (October 31, 2011)          | 1,820.0               | (10.5)                  | (22.5)                  | (18.0)               |
| Year ending March 31, 2012                    | <b><u>1,800.0</u></b> | <b><u>(19.0)</u></b>    | <b><u>(31.0)</u></b>    | <b><u>(26.0)</u></b> |
| Change  | -20.0                 | -8.5                    | -8.5                    | -8.0                 |
| Percentage change                             | -1.1%                 | -                       | -                       | -                    |

Assumptions for above forecasts:

Foreign exchange rate for the fourth quarter: ¥76/US\$, Full year: ¥78.33/US\$

Bunker oil price for the fourth quarter: US\$730/MT, Full year: US\$673.69/MT

The severe business environment surrounding the shipping industry is expected to continue amid protracted yen appreciation stemming from European financial and fiscal issues as well as the delay in the U.S. economic recovery, and concerns that western-led economic sanctions on Iran will lead to higher bunker oil prices. In the liner trade segment, the supply-demand balance continues to deteriorate due to the delivery of new large-sized container vessels, and freight rates are declining, particularly on East-West routes. We are striving to normalize freight rates and rationalize services through vessel withdrawals, but we expect this to have a limited effect on the current term's results. In the bulk shipping segment, the dry bulk carrier division experienced a temporary recovery in the Capesize bulker market beginning last autumn, but this upturn was not extended to small- and mid-sized bulker markets, and the current market environment remains soft for all types of vessels. In the tanker division, the market showed a seasonal boost from winter demand, but the supply-demand imbalance shows no sign of improvement due to the delivery of new vessels, and overall the market remains severe. The air cargo transportation segment looks set for a downturn due to lower cargo volume originating from Japan and other Asian countries. Though we strive to thoroughly reduce costs in all divisions, as a result of the above factors, we have revised down our consolidated earnings forecast as shown above.

## 2. Information about Summary (Others)

None.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(In million yen)

|   | As of March 31, 2011 | As of December 31, 2011 |
|---|----------------------|-------------------------|
|   | Amount               | Amount                  |
| <b>Assets</b>                                 |                      |                         |
| Current assets                                |                      |                         |
| Cash and deposits                             | 152,568              | 139,032                 |
| Notes and operating accounts receivable-trade | 182,276              | 179,320                 |
| Short-term investment securities              | 45,619               | 5,080                   |
| Inventories                                   | 53,734               | 57,890                  |
| Deferred and prepaid expenses                 | 53,342               | 60,915                  |
| Deferred tax assets                           | 15,061               | 13,746                  |
| Other   | 62,526               | 65,448                  |
| Allowance for doubtful accounts               | (2,672)              | (2,526)                 |
| Total current assets                          | 562,457              | 518,909                 |
| Noncurrent assets                             |                      |                         |
| Vessels, property, plant and equipment        |                      |                         |
| Vessels, net                                  | 707,819              | 730,223                 |
| Buildings and structures, net                 | 75,561               | 72,708                  |
| Aircraft, net                                 | 4,271                | 4,123                   |
| Machinery, equipment and vehicles, net        | 29,361               | 27,290                  |
| Equipment, net                                | 5,647                | 5,413                   |
| Land  | 61,768               | 62,075                  |
| Construction in progress                      | 262,227              | 254,775                 |
| Other, net                                    | 4,244                | 4,227                   |
| Net vessels, property, plant and equipment    | 1,150,901            | 1,160,838               |
| Intangible assets                             |                      |                         |
| Leasehold right                               | 2,974                | 2,856                   |
| Software                                      | 6,797                | 6,812                   |
| Goodwill                                      | 19,064               | 17,915                  |
| Other   | 3,388                | 3,763                   |
| Total intangible assets                       | 32,225               | 31,348                  |
| Investments and other assets                  |                      |                         |
| Investment securities                         | 270,301              | 228,124                 |
| Long-term loans receivable                    | 18,575               | 15,807                  |
| Deferred tax assets                           | 10,029               | 26,464                  |
| Other   | 84,083               | 85,402                  |
| Allowance for doubtful accounts               | (3,686)              | (3,345)                 |
| Total investments and other assets            | 379,302              | 352,452                 |
| Total noncurrent assets                       | 1,562,429            | 1,544,639               |
| Deferred assets                               | 1,925                | 810                     |
| Total assets                                  | 2,126,812            | 2,064,358               |

(In million yen)

|   | As of March 31, 2011 | As of December 31, 2011 |
|---|----------------------|-------------------------|
|   | Amount               | Amount                  |
| <b>Liabilities</b>                                    |                      |                         |
| Current liabilities                                   |                      |                         |
| Notes and operating accounts payable-trade            | 157,835              | 153,100                 |
| Current portion of bonds                              | -                    | 30,000                  |
| Short-term loans payable                              | 97,641               | 96,714                  |
| Income taxes payable                                  | 10,680               | 6,824                   |
| Deferred tax liabilities                              | 873                  | 246                     |
| Advances received                                     | 42,096               | 51,582                  |
| Provision for bonuses                                 | 8,210                | 6,090                   |
| Provision for directors' bonuses                      | 438                  | 354                     |
| Other   | 83,952               | 75,479                  |
| Total current liabilities                             | 401,728              | 420,393                 |
| Noncurrent liabilities                                |                      |                         |
| Bonds payable   | 251,059              | 220,445                 |
| Long-term loans payable                               | 627,054              | 658,869                 |
| Deferred tax liabilities                              | 10,070               | 5,958                   |
| Provision for retirement benefits                     | 15,294               | 15,506                  |
| Provision for directors' retirement benefits          | 2,077                | 1,950                   |
| Provision for periodic dry docking of vessels         | 18,473               | 18,550                  |
| Provision for losses related to antitrust law         | 1,728                | 1,728                   |
| Other   | 71,230               | 76,681                  |
| Total noncurrent liabilities                          | 996,989              | 999,689                 |
| Total liabilities                                     | 1,398,718            | 1,420,083               |
| <b>Equity</b>   |                      |                         |
| Shareholders' capital                                 |                      |                         |
| Common stock  | 144,319              | 144,319                 |
| Capital surplus                                       | 155,658              | 155,628                 |
| Retained earnings                                     | 472,277              | 445,129                 |
| Treasury stock  | (1,905)              | (1,959)                 |
| Total shareholders' capital                           | 770,349              | 743,117                 |
| Accumulated other comprehensive income                |                      |                         |
| Valuation difference on available-for-sale securities | 24,846               | 6,548                   |
| Deferred gains (loss) on hedges                       | (43,182)             | (57,077)                |
| Foreign currency translation adjustments              | (67,385)             | (89,664)                |
| Total accumulated other comprehensive income          | (85,721)             | (140,193)               |
| Minority interests                                    | 43,466               | 41,352                  |
| Total equity  | 728,094              | 644,275                 |
| Total liabilities and equity                          | 2,126,812            | 2,064,358               |

**(2) Consolidated Statements of Income and Comprehensive Income  
(Consolidated Statements of Income)**

(In million yen)

|   | Nine months ended<br>December 31, 2010 | Nine months ended<br>December 31, 2011 |
|---|--|--|
|   | Amount                                 | Amount                                 |
| Revenues  | 1,481,753                              | 1,351,019                              |
| Cost and expenses   | 1,224,996                              | 1,238,637                              |
| Gross profit  | 256,757                                | 112,381                                |
| Selling, general and administrative expenses                    | 138,734                                | 128,502                                |
| Operating income (loss)   | 118,022                                | (16,120)                               |
| Non-operating income  |  |  |
| Interest income   | 1,665                                  | 2,359                                  |
| Dividends income  | 3,851                                  | 3,874                                  |
| Equity in earning of unconsolidated subsidiaries and affiliates | 4,717                                  | 1,521                                  |
| Other   | 4,179                                  | 4,543                                  |
| Total non-operating income                                      | 14,413                                 | 12,298                                 |
| Non-operating expenses  |  |  |
| Interest expenses   | 12,974                                 | 12,014                                 |
| Foreign exchange losses   | 5,945                                  | 4,671                                  |
| Other   | 3,359                                  | 4,353                                  |
| Total non-operating expenses                                    | 22,279                                 | 21,040                                 |
| Recurring profit (loss)   | 110,156                                | (24,862)                               |
| Extraordinary income  |  |  |
| Gain on sales of noncurrent assets                              | 8,550                                  | 16,136                                 |
| Other   | 15,440                                 | 6,804                                  |
| Total extraordinary income                                      | 23,991                                 | 22,941                                 |
| Extraordinary loss  |  |  |
| Loss on sales of noncurrent assets                              | 2,504                                  | 2,797                                  |
| Loss on cancellation of chartered vessels                       | 7,525                                  | 3,542                                  |
| Impairment loss   | 1,546                                  | 2,614                                  |
| Other   | 14,476                                 | 3,848                                  |
| Total extraordinary loss  | 26,053                                 | 12,802                                 |
| Income (loss) before income taxes and minority interests        | 108,094                                | (14,723)                               |
| Income taxes  | 34,036                                 | (83)                                   |
| Income (loss) before minority interests                         | 74,058                                 | (14,640)                               |
| Minority interests in net income                                | 2,808                                  | 2,635                                  |
| Net income (loss)   | 71,249                                 | (17,275)                               |

**(Consolidated Statements of Comprehensive Income)**

(In million yen)

|   | Nine months ended<br>December 31, 2010 | Nine months ended<br>December 31, 2011 |
|---|--|--|
|   | Amount                                 | Amount                                 |
| Income (loss) before minority interests   | 74,058                                 | (14,640)                               |
| Other comprehensive income  |  |  |
| Valuation difference on available-for-sale securities                               | (4,981)                                | (18,453)                               |
| Deferred gains(loss) on hedges  | (19,382)                               | (7,379)                                |
| Foreign currency translation adjustment   | (27,371)                               | (20,212)                               |
| Share of other comprehensive income of associates accounted for using equity method | (6,280)                                | (7,923)                                |
| Gain or loss on change in equity  | -                                      | 1,344                                  |
| Total other comprehensive income  | (58,015)                               | (52,624)                               |
| Comprehensive income  | 16,042                                 | (67,265)                               |
| (Breakdown)   |  |  |
| Comprehensive income attributable to owners of the parent                           | 15,008                                 | (67,684)                               |
| Comprehensive income attributable to minority interests                             | 1,033                                  | 418                                    |

### (3) Notes Regarding Going Concern Assumption

The third quarter of this fiscal year (April 1, 2011 – December 31, 2011)

Not applicable

### (4) Segment Information

[Additional Information]

From the first quarter of this fiscal year, the Group have changed the order to indicate reportable segments. There is no impact to revenues and income or loss by changing the order to indicate reportable segment.

#### I Nine months ended December 31, 2010 (April 1, 2010 – December 31, 2010)

Revenues and income or loss by reportable segment

(In million yen)

|                            | Liner Trade | Bulk Shipping | Logistics | Terminal and Harbor Transport | Cruises | Air Cargo Transportation | Real Estate | Other   | Total     | Adjustment (*1) | Consolidated Statements of Income (*2) |
|----------------------------|-------------|---------------|-----------|-------------------------------|---------|--------------------------|-------------|---------|-----------|-----------------|--|
| Revenues                   |             |               |           |                               |         |                          |             |         |           |                 |  |
| (1) Revenues from customer | 358,047     | 605,133       | 299,791   | 69,796                        | 28,712  | 60,366                   | 7,113       | 52,792  | 1,481,753 | -               | 1,481,753                              |
| (2) Inter-segment revenues | 2,660       | 3,928         | 967       | 22,891                        | -       | 7,304                    | 1,511       | 64,186  | 103,450   | (103,450)       | -                                      |
| Total                      | 360,708     | 609,062       | 300,758   | 92,688                        | 28,712  | 67,670                   | 8,625       | 116,979 | 1,585,204 | (103,450)       | 1,481,753                              |
| Segment income (loss)      | 33,067      | 55,232        | 6,726     | 5,834                         | (798)   | 7,029                    | 3,530       | (476)   | 110,144   | 11              | 110,156                                |

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

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

#### II Nine months ended December 31, 2011 (April 1, 2011 – December 31, 2011)

1. Revenues and income or loss by reportable segment

(In million yen)

|                            | Global Logistics |                               |                          |           | Bulk Shipping | Others  |             |         | Total     | Adjustment (*1) | Consolidated Statements of Income (*2) |
|----------------------------|------------------|-------------------------------|--------------------------|-----------|---------------|---------|-------------|---------|-----------|-----------------|--|
|                            | Liner Trade      | Terminal and Harbor Transport | Air Cargo Transportation | Logistics |               | Cruises | Real Estate | Other   |           |                 |  |
| Revenues                   |                  |                               |                          |           |               |         |             |         |           |                 |  |
| (1) Revenues from customer | 317,196          | 82,603                        | 55,505                   | 272,988   | 536,709       | 24,509  | 6,721       | 54,785  | 1,351,019 | -               | 1,351,019                              |
| (2) Inter-segment revenues | 2,958            | 23,198                        | 7,080                    | 2,577     | 2,975         | -       | 1,281       | 79,228  | 119,299   | (119,299)       | -                                      |
| Total                      | 320,155          | 105,801                       | 62,585                   | 275,565   | 539,685       | 24,509  | 8,003       | 134,013 | 1,470,318 | (119,299)       | 1,351,019                              |
| Segment income (loss)      | (31,118)         | 6,102                         | 3,117                    | 7,790     | (10,142)      | (3,832) | 3,101       | 106     | (24,875)  | 12              | (24,862)                               |

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

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

#### 2. Changes about reportable segment

From this fiscal year, in accordance with realignment of Logistics segment, the Group have reviewed and changed some part of operation and services about "Terminal and Harbor Transport segment", "Logistics segment" and "Bulk Shipping segment". The revised major operation and services in each reportable segment, and the revenues and income (or loss) of same period last year in accordance with this changes are as below.

| Reportable segment            | Major operation and services in each segment:   |
|-------------------------------|---|
| Liner Trade                   | Ocean cargo shipping, ship owning and chartering, shipping agency   |
| Terminal and Harbor Transport | Container terminals business, harbor transport services, tugboat operation  |
| Air Cargo Transportation      | Air cargo transport   |
| Logistics                     | Warehouse operation, cargo transport/handling business, coastal cargo shipping  |
| Bulk Shipping                 | Ocean cargo shipping, ship owning and chartering, shipping agency   |
| Cruises                       | Ownership and operation of passenger boats  |
| 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 |

Nine months ended December 31, 2010 (April 1, 2010 – December 31, 2010)

(In million yen)

|                            | Global Logistics |                               |                          |           | Bulk Shipping | Others  |             |         | Total     | Adjustment (*1) | Consolidated Statements of Income (*2) |
|----------------------------|------------------|-------------------------------|--------------------------|-----------|---------------|---------|-------------|---------|-----------|-----------------|--|
|                            | Liner Trade      | Terminal and Harbor Transport | Air Cargo Transportation | Logistics |               | Crusies | Real Estate | Other   |           |                 |  |
| Revenues                   |                  |                               |                          |           |               |         |             |         |           |                 |  |
| (1) Revenues from customer | 358,047          | 86,301                        | 60,366                   | 299,031   | 589,387       | 28,712  | 7,113       | 52,792  | 1,481,753 | -               | 1,481,753                              |
| (2) Inter-segment revenues | 2,660            | 23,600                        | 7,304                    | 2,793     | 8,449         | -       | 1,511       | 64,186  | 110,506   | (110,506)       | -                                      |
| Total                      | 360,708          | 109,902                       | 67,670                   | 301,825   | 597,836       | 28,712  | 8,625       | 116,979 | 1,592,260 | (110,506)       | 1,481,753                              |
| Segment income (loss)      | 33,067           | 6,113                         | 7,029                    | 7,547     | 54,133        | (798)   | 3,530       | (476)   | 110,146   | 10              | 110,156                                |

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

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

### (5) Notes in the Event of Significant Changes in Shareholder's Capital

The third quarter of this fiscal year (April 1, 2011 – December 31, 2011)

Not applicable

## 4. Supplementary Information

### (1) Quarterly Operating Results

Year ended March 31, 2012

(In million yen)

|   | Apr 1, 2011–<br>Jun 30, 2011 | Jul 1, 2011–<br>Sep 30, 2011 | Oct 1, 2011–<br>Dec 31, 2011 | Jan 1, 2012–<br>Mar 31, 2012 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
|   | 1Q                           | 2Q                           | 3Q                           | 4Q                           |
| Revenues  | 447,733                      | 463,450                      | 439,835                      |                              |
| Operating income  | (10,412)                     | 749                          | (6,458)                      |                              |
| Recurring profit  | (10,164)                     | (4,953)                      | (9,745)                      |                              |
| Net income for the quarter                              | (7,151)                      | (4,912)                      | (5,211)                      |                              |
| Net income per share for the quarter                    | (¥4.21)                      | (¥2.89)                      | (¥3.07)                      |                              |
| Net income per share for the quarter –<br>fully diluted | -                            | -                            | -                            |                              |
| Total assets  | 2,094,160                    | 2,045,997                    | 2,064,358                    |                              |
| Equity  | 697,911                      | 654,322                      | 644,275                      |                              |
| Equity per share  | ¥386.96                      | ¥361.87                      | ¥355.41                      |                              |

Year ended March 31, 2011

(In million yen)

|   | Apr 1, 2010 –<br>Jun 30, 2010 | Jul 1, 2010–<br>Sep 30, 2010 | Oct 1, 2010 –<br>Dec 31, 2010 | Jan 1, 2011 –<br>Mar 31, 2011 |
|---|-------------------------------|------------------------------|-------------------------------|-------------------------------|
|   | 1Q                            | 2Q                           | 3Q                            | 4Q                            |
| Revenues  | 504,779                       | 505,778                      | 471,196                       | 447,415                       |
| Operating income  | 40,061                        | 46,163                       | 31,797                        | 4,324                         |
| Recurring profit  | 38,119                        | 41,749                       | 30,287                        | 4,009                         |
| Net income for the quarter                              | 22,994                        | 21,379                       | 26,875                        | 7,285                         |
| Net income per share for the quarter                    | ¥13.54                        | ¥12.60                       | ¥15.84                        | ¥4.29                         |
| Net income per share for the quarter –<br>fully diluted | -                             | -                            | -                             | -                             |
| Total assets  | 2,187,711                     | 2,132,796                    | 2,103,137                     | 2,126,812                     |
| Equity  | 683,979                       | 692,651                      | 702,094                       | 728,094                       |
| Equity per share  | ¥378.15                       | ¥383.18                      | ¥388.74                       | ¥403.46                       |

- Notes: 1. The above operating results are based on the results for the first quarter and the cumulative results for the first six, nine and twelve months, and are computed by taking the difference between the two adjacent periods.
2. Net income per share-fully diluted for the first, second, third and fourth quarter period in the fiscal year ended March 31, 2011 are not shown in the above table, as there are no residual shares having possibilities of diluting stock value.
3. Net income per share-fully diluted for the first, second and third quarter period in the fiscal year ended March 31, 2012 are not shown in the above table, because net income per share was negative although there are residual shares.

### (2) Foreign Exchange Rate Information

|   | Nine months ended<br>December 31, 2010 | Nine months ended<br>December 31, 2011 | Change          | Year ended<br>March 31, 2011 |
|---|--|--|-----------------|------------------------------|
| Average exchange rate during the period | ¥87.46 /US\$                           | ¥79.11 /US\$                           | Yen up<br>¥8.35 | ¥86.04/US\$                  |
| Exchange rate at the end of the period  | ¥81.49 /US\$                           | ¥77.74 /US\$                           | Yen up<br>¥3.75 | ¥83.15/US\$                  |

(3) Bunker Oil Prices Information

|                           | Nine months ended<br>December 31, 2010 | Nine months ended<br>December 31, 2011 | Change                 | Year ended<br>March 31, 2011 |
|---------------------------|--|--|------------------------|------------------------------|
| Average bunker oil prices | US\$470.75/MT                          | US\$654.91/MT                          | Price up<br>US\$184.16 | US\$483.87/MT                |

(4) Balance of Interest-Bearing Debt

(In million yen)

|                 | As of<br>March 31, 2011 | As of<br>December 31, 2011 | Change | As of<br>December 31, 2010 |
|-----------------|-------------------------|----------------------------|--------|----------------------------|
| Loans           | 724,696                 | 755,583                    | 30,887 | 727,765                    |
| Corporate bonds | 251,059                 | 250,445                    | -614   | 251,077                    |
| Leases          | 6,215                   | 7,812                      | 1,597  | 6,486                      |
| Total           | 981,972                 | 1,013,841                  | 31,869 | 985,328                    |