

**Consolidated Financial Results for Six Months Ended September 30, 2020
(Japanese GAAP) (Unaudited)**

November 5, 2020

Nippon Yusen Kabushiki Kaisha (NYK Line)

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Submit scheduled date of Quarterly Financial Report: November 12, 2020
 Start scheduled date of paying Dividends: December 2, 2020
 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 Six Months Ended September 30, 2020 (April 1, 2020 to September 30, 2020)

(1) Consolidated Operating Results

(Percentage figures show year on year changes)

	Revenues		Operating profit		Recurring profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended September 30, 2020	722,031	-12.5	16,690	5.4	47,428	196.1	22,180	99.4
Six months ended September 30, 2019	824,737	-9.9	15,836	-	16,019	-	11,123	-

(Note) Comprehensive income:

Six Months ended September 30, 2020: ¥15,180 million (-%), Six Months ended September 30, 2019: ¥-11,057 million (-%)

	Profit per share		Profit per share—fully diluted	
	yen		yen	
Six months ended September 30, 2020	131.37		-	
Six months ended September 30, 2019	65.89		-	

(2) Consolidated Financial Position

	Total assets	Equity	Shareholders' equity ratio
	million yen	million yen	%
As of September 30, 2020	1,901,705	510,612	24.8
As of March 31, 2020	1,933,264	498,839	23.9

(Reference) Shareholders' equity: As of September 30, 2020: ¥472,142 million, As of March 31, 2020: ¥462,664 million

2. Dividends

Date of record	Dividend per share				
	1 st Quarter End	2 nd Quarter End	3 rd Quarter End	Year-end	Total
	yen	yen	yen	yen	yen
Year ended March 31, 2020	-	20.00	-	20.00	40.00
Year ending March 31, 2021	-	20.00	/	/	/
Year ending March 31, 2021 (Forecast)	/	/	-	30.00	50.00

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

3. Consolidated Financial Results Forecast for the Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

(Percentage figures show year on year changes)

	Revenues		Operating profit		Recurring profit		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2021	1,460,000	-12.5	30,000	-22.5	70,000	57.3	35,000	12.4	207.28

(Note) Revision of forecast in this quarter: Yes

4. Notes

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

(Changes in specified subsidiaries involving change in consolidation scope)

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 estimates, and restatements

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. Restatements: None

(4) Total issued shares (Ordinary shares)

1. Total issued shares (including treasury stock)	As of September 30, 2020	170,055,098	As of March 31, 2020	170,055,098
2. Number of treasury stock	As of September 30, 2020	1,192,096	As of March 31, 2020	1,224,721
3. Average number of shares (cumulative quarterly period)	Six months ended September 30, 2020	168,846,985	Six months ended September 30, 2019	168,831,266

*This financial report is not subject to the audit procedure.

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

Foreign exchange rate:

(for the third and fourth quarter) ¥103.00/US\$

(for full year) ¥104.91/US\$

Bunker oil price:

(for the third quarter) US\$335.00/MT

(for fourth quarter) US\$374.00/MT

(for full year) US\$367.59/MT

*Bunker oil price is on average basis for all the major fuel grades including VLSFO.

The above forecast is based on currently available information and assumptions that NYK Line deems to be reasonable. NYK Line offers no assurance that the forecast will be realized. Actual results may differ from the forecast as a result of various factors. Refer to pages 2-7 of the attachment for assumptions and other matters related to the forecast.

(Methods for obtaining supplementary materials and content of financial results disclosure)

NYK Line is to hold a financial result presentation meeting for analysts and institutional investors. The on-demand audio presentation and presentation material are available on the NYK website

(<https://www.nyk.com/english/ir/library/result/2020/>)

Index of the Attachments

1. Qualitative Information on Quarterly Results	2
(1) Review of Operating Results	2
(2) Explanation about Financial Position	5
(3) Explanation of Consolidated Earnings Forecast and Future Outlook	6
2. Consolidated Financial Statements	8
(1) Consolidated Balance Sheet	8
(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income	10
(3) Consolidated Statement of Cash Flows	12
(4) Notes Regarding Consolidated Financial Statements	14
(Notes Regarding Going Concern Assumption)	14
(Notes in the Event of Significant Changes in Shareholders' Capital)	14
(Segment Information)	15
3. Other Information	16
(1) Quarterly Operating Results	16
(2) Foreign Exchange Rate Information	16
(3) Balance of Interest-Bearing Debt	16

1. Qualitative Information on Quarterly Results

(1) Review of Operating Results

(In billion yen)

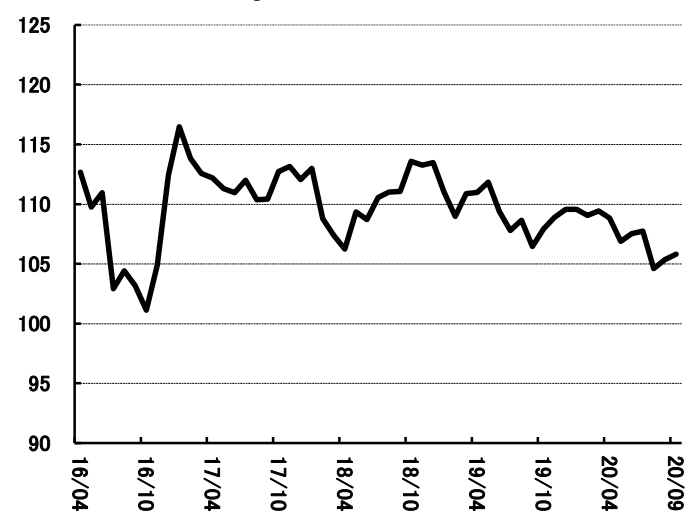
	Six months ended September 30, 2020	Six months ended September 30, 2020	Change	Percentage Change
Revenues	824.7	722.0	-102.7	-12.5%
Operating Profit	15.8	16.6	0.8	5.4%
Recurring Profit	16.0	47.4	31.4	196.1%
Profit attributable to owners of parent	11.1	22.1	11.0	99.4%

In the first half of the fiscal year ending March 31, 2021 (April 1, 2020, to September 30, 2020), consolidated revenues amounted to ¥722.0 billion (decreased ¥102.7 billion in the first half of the previous fiscal year), operating profit amounted to ¥16.6 billion (increased ¥0.8 billion in the first half of the previous fiscal year), recurring profit amounted to ¥47.4 billion (increased ¥31.4 billion in the first half of the previous fiscal year), profit attributable to owners of parent amounted to ¥22.1 billion (increased ¥11.0 billion in the first half of the previous fiscal year), and the result improved significantly.

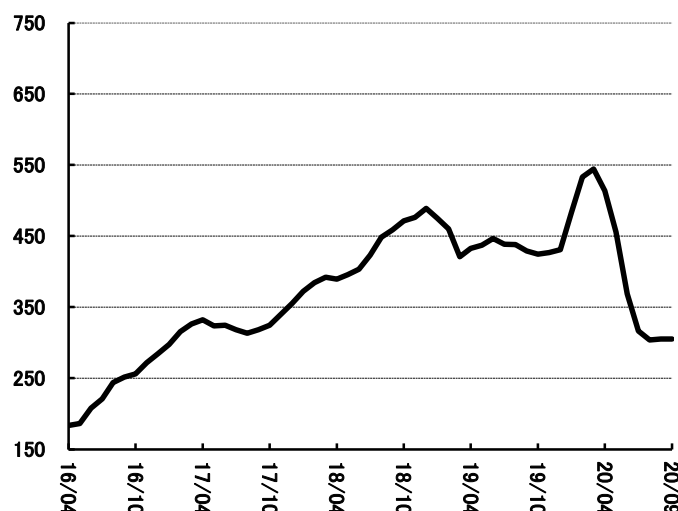
Changes in the average exchange rate between the U.S. dollar and yen as well as the average bunker oil price during the 2nd quarter of the current and previous fiscal years are shown in the following tables.

	Six months ended September 30, 2020	Six months ended September 30, 2020	Change
Average exchange rate	¥109.18/US\$	¥106.82/US\$	Yen up ¥2.36/US\$
Average bunker oil prices	US\$436.54/MT	US\$379.90/MT	Price down US\$56.64MT

Yen/US\$ Exchange Rate Fluctuations



US\$/MT Movements in Bunker Oil Prices



Period : 2016/04 ~ 2020/09

Period : 2016/04 ~ 2020/09

Note: Exchange rates and bunker oil prices are our internal figures.

Overview by Business Segment

Business segment information for the six months ended September 30, 2020 (April 1, 2020–September 30, 2020) is as follows.

(in billion yen)

		Revenues				Recurring profit		
		FY2019 2Q	FY2020 2Q	Change	Percentage Change	FY2019 1Q	FY2020 1Q	Change
Global Logistics	Liner Trade	103.6	81.3	-22.2	-21.5 %	9.7	28.4	18.7
	Air Cargo Transportation	36.3	54.4	18.1	49.9 %	(9.1)	13.2	22.4
	Logistics	238.2	235.0	-3.1	-1.3 %	2.3	8.1	5.8
Bulk Shipping		400.3	317.9	-82.3	-20.6 %	14.2	0.1	-14.0
Others	Real Estate	3.6	3.4	-0.1	-3.9 %	1.3	1.3	0.0
	Other	76.8	58.8	-18.0	-23.5 %	1.0	(1.5)	-2.5

Liner Trade

In the container shipping division, OCEAN NETWORK EXPRESS PTE. LTD. (ONE) was affected by the drop in cargo volumes worldwide caused by the impact of the COVID-19 pandemic, and liftings decreased compared to the same period last year. However, on the main North America trade, both freight rates and utilization were higher year on year, resulting in a major contribution to the bottom line. In the Europe trade, although liftings were lower compared to the same period last year, high utilization was maintained.

In terms of expenses, in addition to the lower bunker fuel expenses, the return of chartered vessels and other efforts to reduce variable expenses made a positive contribution to the bottom line. Handling volumes declined at the company's terminals in Japan and overseas, resulting in lower profit compared to the same period last year.

As a result, although revenue declined year on year in the overall Liner Trade segment, the business performance greatly improved, and profit increased.

Air Cargo Transportation

In the Air Cargo Transportation segment, the overall market was affected by the COVID-19 pandemic, resulting in weak air cargo demand and lower shipping volumes. However, due to the ongoing suspension and cancellation of international passenger flights, the reduction in available space continued to exceed the lower demand. In addition, demand started to increase mainly in the North America and Europe routes in the latter half of the second quarter heading into the autumn peak season.

As a result of the above, capacity utilization and unit freight rates greatly exceeded the same period last year, and significantly higher profit on increased revenue was recorded.

Logistics

In the air freight forwarding business, handling volumes remained weak due to the impact of the COVID-19 pandemic. However, the bottom line remained firm as a result of higher freight rate levels caused by a major reduction in cargo space following the cancellation of international passenger flights. In the ocean freight forwarding business, although the active North America routes led to a recovery in handling volumes, the bottom line remained weak due to soaring purchasing costs. In the logistics business, as a result of stay at home related demand caused by the impact of COVID-19 pandemic, cargo volumes greatly increased mainly in this e-commerce related business. In the coastal transportation business, both handling volumes and revenue declined. Cargo volumes on the new services particularly declined, which pressured the bottom line. As a result of the above, although revenue declined slightly year on year in the overall Logistics segment, the business performance greatly improved, and profit increased.

Bulk Shipping

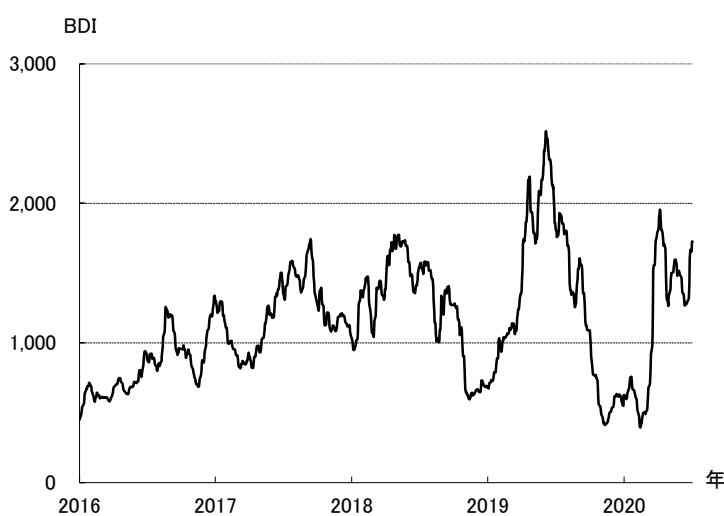
In the car transportation division, cargo volumes continue to be low due to the impact of the COVID-19 pandemic, and efforts were made to downsize the scale of operations through the scrapping of old vessels, rationalize the trades and reduce operational expenses. In the auto logistics segment, as well, handling volumes continued to be lower. Also, while efforts were made to cut costs and rationalize the business in countries including China, Russia and India, progress was made in the activities directed at revising the business portfolio, such as establishing new finished-car terminals in Turkey and Egypt and opening a finished-car terminal in Yokohama (Daikoku Pier).

In the dry bulk division, cargo volumes of iron ore and soybeans were strong to China, one of the first countries to restart economic activities. Despite this, the market remained at low levels due to the prolonged impact of the wet season on iron ore shipments from Brazil, which has a major influence on the market. Finally, Capesize rates rapidly recovered in June, and there was also a positive impact on the Panamax segment. However, rates peaked in July, and the market remained below the levels seen in the same period last year. Under this environment, efforts were made to stabilize the bottom line by continuing to work to secure long-term contracts and reducing costs through efficient operation. Also, an extraordinary loss was recorded for structural reforms and other expenses.

In the energy division, following the lower energy demand caused by the COVID-19 pandemic, the major oil producing countries agreed to reduce production at the beginning of April, and this resulted in extreme market volatility. In April, vessel demand for floating storage increased, leading to greatly higher market levels for VLCC (Very Large Crude Carriers) and petrochemical tankers. However, following the production cuts and weaker demand, the market rates that had soared through June settled down gradually, and from July, slackening in the vessel supply and demand balance resulted in weakness within the market. In LPG carriers, although the market was weak through June due to lower vessel demand, rates recovered from July following a decline in capacity supply due to an increase in dry docking period and longer waiting days at discharging ports. In LNG carriers, the results were steady based on support from the long-term contracts that generate stable earnings. Also, in the offshore business, FPSO (Floating Production, Storage, and Offloading) and drill ships were steady.

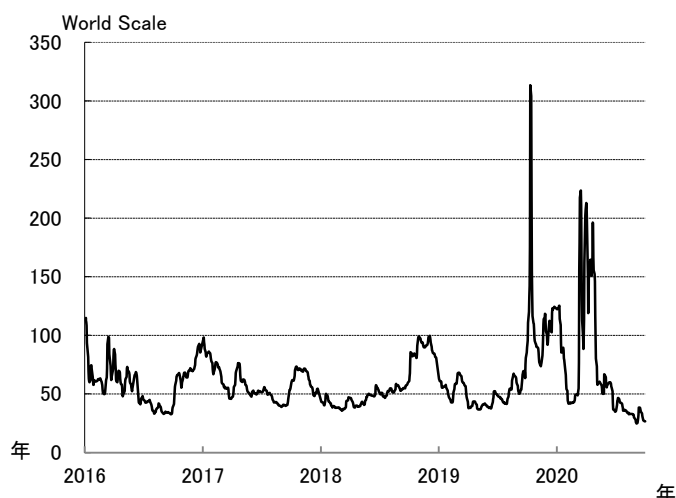
As a result of the above, the overall Bulk Shipping segment recorded lower profit on decreased revenue year on year.

Fluctuation in Tramp Freight Rate in B.D.I



Period : 2016/01 ~ 2020/09

Tanker Freight Rates (high) for VLCCs
from Middle East to Japan



Period : 2016/01 ~ 2020/09

Real Estate and Other Businesses

The Real Estate segment was steady with both revenue and recurring profit generally unchanged year on year.

In the Other Business Services segment, lower customer demand caused by the COVID-19 pandemic affected the technical service business and marine equipment sales. Also, bunker fuel sales and chemical product manufacturing and sales were weak compared to last year, and overall, profit and revenue were lower year on year.

The cruise business recorded a loss on lower revenue year on year due to the cancellation of all cruises in the first half as a measure to prevent the spread of COVID-19 infections.

(2) Explanation of the Financial Position

① Status of Assets, Liabilities and Equity

As of the end of the second quarter of the current consolidated accounting period, assets amounted to ¥1,901.7 billion, a decrease of ¥31.5 billion compared with the end of the previous consolidated fiscal year due to a decline in notes and operating accounts receivable-trade.

Consolidated liabilities amounted to ¥1,391.0 billion, down ¥43.3 billion compared with the end of the previous fiscal year due to a decline in notes and operating accounts payable-trade.

Interest-bearing debt amounted to ¥1,010.8 billion, down ¥39.0 billion from last year.

Under consolidated equity, retained earnings increased by ¥18.8 billion and shareholders' equity, which is the aggregate of shareholders' capital and accumulated other comprehensive income, amounted to ¥472.1 billion. This amount combined with the non-controlling interests of ¥38.4 billion brought total equity to ¥510.6 billion.

Based on this result, the debt-to-equity ratio (D/E ratio) came to 2.14, and the equity ratio was 24.8%.

② Cash flow

As of the end of the second quarter of the current consolidated accounting period, cash and cash equivalents amounted to ¥80.7 billion, an increase of ¥3.6 billion from the beginning of the fiscal year.

Cash flow from operating activities through the second quarter of the current accounting period was ¥67.4 billion (compared to ¥47.5 billion recorded during the same period last year) as a result of the profit before income taxes of ¥29.9 billion, non-cash depreciation and amortization of ¥49.3 billion and an outflow of interest expenses paid of ¥9.7 billion.

Cash flow from investing activities was an outflow of ¥22.6 billion (outflow of ¥47.6 billion during the same period last year) due to the acquisition and sale of non-current assets, mainly vessels.

Cash flow from financing activities was an outflow of ¥40.8 billion (outflow of ¥1.3 billion during the same period last year) due to increased repayment of long-term and short-term loans, including loans from multiple commitment lines (total remaining unused balance as of the end of the second quarter was about ¥310.0 billion) for the purpose of securing liquidity.

(3) Explanation of the Consolidated Earnings Forecast and Future Outlook

① Forecast of the Consolidated Financial Results

NYK Line's forecast of the full-year consolidated financial results is as follows: revenues of ¥1,460.0 billion, operating profit of ¥30.0 billion, recurring profit of ¥70.0 billion and profit attributable to owners of parent of ¥35.0 billion. It is still unclear when the COVID-19 pandemic will come to an end, but based on the performance of each business segment through the second quarter and under the assumption of co-existence with the virus, the following forecast was formulated.

In the Liner Trade, although demand has remained firm recently, future demand and spot freight rates on the major trades are expected to remain uncertain. At the terminals in Japan and overseas, handling volumes will depend on container demand going forward, and the outlook is unclear. In the Air Cargo Transportation segment, international passenger flights are expected to remain suspended and reduced for the time being, and given this, the supply and demand balance is forecast to remain tight. In the Logistics segment, although handling volumes are expected to remain weak in both the air freight forwarding and ocean freight forwarding businesses, purchasing costs in the ocean freight forwarding business continue to be elevated. On the other hand, the market in the air freight forwarding business is expected to remain firm for a while. Also, in the logistics business, handling volumes are forecast to remain strong mainly in Europe and North America. In the car transportation division, handling volumes are expected to fall below the initial forecast. In the dry bulk division, the market is expected to trend in line with the initial forecast, and continued consideration will be given to further structural reforms. In the energy division, although the market situation differs according to each vessel type, the VLCC market is expected to recover to some extent from the recent weak levels. The LPG market should continue to be strong, and LNG carriers are forecast to remain firm based on support from the long-term, stable contracts. In the real estate business, the COVID-19 pandemic will have a limited impact. In the other businesses, the cruise business started operating cruises again from early November.

Based on the above, the forecast of the full-year consolidated financial results has been revised as follows.

(In billion yen)

	Revenues	Operating Profit	Recurring Profit	Profit attributable to owners of parent
Previous Forecast (August 5, 2020)	1,450.0	13.0	20.0	13.5
Revised Forecast	1,460.0	30.0	70.0	35.0
Change	10.0	17.0	50.0	21.5
Percentage Change (%)	0.69%	130.77%	250.00%	159.26%

Assumptions for the forecast of consolidated financial results:

Foreign Exchange Rate

(for the third and fourth quarters) ¥103.00/US\$

(for the full year) ¥104.91/US\$

Bunker Oil Price

(for the third quarter) US\$335.00/MT

(for the fourth quarter) US\$374.00/MT

(for the full year) US\$367.59/MT

*Bunker oil price is on average basis for all the major fuel grades including VLSFO.

② Dividends for the Fiscal Year ending March 31, 2021

NYK Line has designated the stable return of profits to shareholders as one of the most important management priorities, and generally targeting a consolidated dividend payout ratio of 25%, the distribution of profits is decided after comprehensively taking into account the business forecast and other factors. At the same time, based on an ongoing minimum dividend that is not affected by the business results, an annual dividend of ¥20 per share has been set as the minimum dividend. In accordance with this policy, the planned interim dividend for the current fiscal year of ¥20 per share will be issued. In addition, it is forecasted at this time to issue a year-end dividend of ¥30 per share and an annual dividend of ¥50 per share.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(In million yen)

	As of March 31, 2020	As of September 30, 2020
Assets		
Current assets		
Cash and deposits	81,861	83,218
Notes and operating accounts receivable-trade	191,813	179,731
Short-term investment securities	134	137
Inventories	32,532	30,021
Deferred and prepaid expenses	61,162	57,355
Other	77,091	75,111
Allowance for doubtful accounts	(2,173)	(1,982)
Total current assets	442,421	423,592
Non-current assets		
Vessels, property, plant and equipment		
Vessels, net	603,317	576,297
Buildings and structures, net	107,643	107,969
Aircraft, net	38,023	36,934
Machinery, equipment, and vehicles, net	28,856	26,200
Equipment, net	5,145	5,113
Land	83,504	84,668
Construction in progress	44,903	47,545
Other, net	4,935	5,354
Total vessels, property, plant and equipment	916,329	890,083
Intangible assets		
Leasehold right	4,926	4,522
Software	5,915	5,523
Goodwill	11,055	10,266
Other	3,670	3,683
Total intangible assets	25,568	23,995
Investments and other assets		
Investment securities	449,267	460,153
Long-term loans receivable	11,876	14,016
Net defined benefit asset	41,430	41,398
Deferred tax assets	4,910	4,958
Other	46,694	48,895
Allowance for doubtful accounts	(5,567)	(5,673)
Total investments and other assets	548,611	563,748
Total non-current assets	1,490,509	1,477,827
Deferred assets	333	285
Total assets	1,933,264	1,901,705

(In million yen)

	As of March 31, 2020	As of September 30, 2020
Liabilities		
Current liabilities		
Notes and operating accounts payable - trade	137,911	126,905
Current portion of bonds	20,000	25,000
Short-term loans payable	162,675	174,310
Commercial papers	19,000	18,000
Leases liabilities	18,740	18,493
Income taxes payable	5,340	4,670
Advances received	39,349	38,106
Provision for bonuses	9,360	9,163
Provision for directors' bonuses	310	208
Provision for related to business restructuring	20	19
Other	60,906	60,903
Total current liabilities	473,615	475,781
Non-current liabilities		
Bonds payable	132,000	107,000
Long-term loans payable	616,234	590,607
Leases liabilities	81,203	77,435
Deferred tax liabilities	44,632	45,809
Net defined benefit liability	15,920	16,869
Provision for directors' retirement benefits	1,067	880
Provision for stock payment	285	446
Provision for periodic dry docking of vessels	18,536	16,171
Provision for losses related to contracts	23,078	36,759
Provision for related to business restructuring	1,001	921
Provision for loss on guarantees	224	—
Other	26,624	22,409
Total non-current liabilities	960,809	915,311
Total liabilities	1,434,424	1,391,092
Equity		
Shareholders' capital		
Common stock	144,319	144,319
Capital surplus	45,737	45,493
Retained earnings	311,892	330,701
Treasury stock	(3,429)	(3,370)
Total shareholders' capital	498,520	517,144
Accumulated other comprehensive income (loss)		
Unrealized gain (loss) on available-for-sale securities	9,474	10,906
Deferred gain (loss) on hedges	(27,752)	(32,664)
Foreign currency translation adjustments	(18,966)	(23,812)
Remeasurements of defined benefit plans	1,388	568
Total accumulated other comprehensive income (loss)	(35,856)	(45,002)
Non-controlling interests	36,175	38,470
Total equity	498,839	510,612
Total liabilities and equity	1,933,264	1,901,705

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
(Consolidated Statement of Income)

(In million yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Revenues	824,737	722,031
Cost and expenses	724,561	628,370
Gross profit	100,175	93,660
Selling, general and administrative expenses	84,339	76,969
Operating profit	15,836	16,690
Non-operating income		
Interest income	1,785	1,221
Dividend income	3,811	3,379
Equity in earnings of unconsolidated subsidiaries and affiliates	15,205	35,394
Other	1,564	3,600
Total non-operating income	22,366	43,595
Non-operating expenses		
Interest expenses	13,849	9,004
Foreign exchange losses	1,813	1,136
Other	6,520	2,716
Total non-operating expenses	22,183	12,858
Recurring profit	16,019	47,428
Extraordinary income		
Gain on sales of non-current assets	10,247	7,185
Other	861	3,300
Total extraordinary income	11,108	10,485
Extraordinary losses		
Loss on sales of non-current assets	48	79
Impairment loss	1,028	8,341
Provision for losses related to contracts	1,604	17,567
Other	4,797	2,010
Total extraordinary losses	7,480	27,998
Profit before income taxes	19,648	29,916
Total income taxes	6,392	5,572
Profit	13,255	24,343
Profit attributable to non-controlling interests	2,131	2,162
Profit attributable to owners of parent	11,123	22,180

(Consolidated Statement of Comprehensive Income)

(In million yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Profit	13,255	24,343
Other comprehensive income		
Unrealized gain (loss) on available-for-sale securities	(2,632)	1,421
Deferred gain (loss) on hedges	(4,859)	235
Foreign currency translation adjustments	(3,066)	287
Remeasurements of defined benefit plans	(924)	(927)
Share of other comprehensive income of associates accounted for using equity method	(12,829)	(10,179)
Total other comprehensive income	(24,312)	(9,162)
Comprehensive income	(11,057)	15,180
(Breakdown)		
Comprehensive income attributable to owners of parent	(12,924)	13,036
Comprehensive income attributable to non-controlling interests	1,867	2,144

(3) Consolidated Statement of Cash Flows

(In million yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Net cash provided by (used in) operating activities		
Profit before income taxes	19,648	29,916
Depreciation and amortization	51,082	49,329
Impairment loss	1,028	8,341
Loss (gain) on sales and retirement of vessels, property, plant and equipment and intangible assets	(10,089)	(7,032)
Loss (gain) on sales of short-term and long-term investment securities	(447)	(936)
Loss (gain) on valuation of short-term and long-term investment securities	2,799	198
Equity in (earnings) losses of unconsolidated subsidiaries and affiliates	(15,205)	(35,394)
Interest and dividend income	(5,596)	(4,601)
Interest expenses	13,849	9,004
Foreign exchange losses (gains)	4,228	582
Decrease (increase) in notes and accounts receivable - trade	17,119	13,141
Decrease (increase) in inventories	6,649	2,607
Increase (decrease) in notes and accounts payable - trade	(18,347)	(11,083)
Other, net	(13,885)	10,098
Subtotal	52,833	64,173
Interest and dividend income received	10,782	10,572
Interest expenses paid	(13,707)	(9,728)
Income taxes (paid) refund	(2,317)	2,451
Net cash provided by (used in) operating activities	47,591	67,469
Net cash provided by (used in) investing activities		
Purchase of vessels, property, plant and equipment and intangible assets	(60,562)	(51,423)
Proceeds from sales of vessels, property, plant and equipment and intangible assets	15,009	14,401
Purchase of investment securities	(3,669)	(6,029)
Proceeds from sales and redemption of investment securities	2,762	11,758
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	(348)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	0
Payments of loans receivable	(6,137)	(7,433)
Collection of loans receivable	2,847	13,816
Other, net	2,125	2,656
Net cash provided by (used in) investing activities	(47,623)	(22,602)

(In million yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(6,390)	(58,492)
Net increase (decrease) in commercial papers	14,000	(1,000)
Proceeds from long-term loans payable	59,911	81,005
Repayments of long-term loans payable	(58,948)	(27,484)
Proceeds from issuance of bonds	26,856	—
Redemption of bonds	(30,000)	(20,000)
Repayments of leases liabilities	(8,778)	(9,548)
Proceeds from share issuance to non-controlling shareholders	3,290	1,221
Purchase of treasury stock	(476)	(3)
Proceeds from sales of treasury stock	716	27
Cash dividends paid to shareholders	(1,695)	(3,391)
Cash dividends paid to non-controlling interests	(2,088)	(1,410)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(879)
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	3,073	—
Other, net	(793)	(928)
Net cash provided by (used in) financing activities	(1,325)	(40,885)
Effect of exchange rate change on cash and cash equivalents	(3,991)	(442)
Net increase (decrease) in cash and cash equivalents	(5,348)	3,539
Cash and cash equivalents at beginning of period	78,280	77,092
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	26	24
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	—	122
Increase (decrease) in beginning balance of cash and cash equivalents resulting from change in fiscal period of consolidated subsidiaries	(26)	—
Cash and cash equivalents at end of period	72,932	80,778

(3) Notes Regarding Consolidated Financial Statements

(Notes Regarding Going Concern Assumption)

The second quarter of this fiscal year (April 1, 2020 – September 30, 2020)

Not applicable

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

The second quarter of this fiscal year (April 1, 2020 – September 30, 2020)

Not applicable

(Segment Information)

I . Six months ended September 30, 2019 (April 1, 2019 – September 30, 2019)

Revenues and income or loss by reportable segment

(In million yen)

	Global Logistics			Bulk Shipping	Others		Total	Adjustment (*1)	Consolidated Total (*2)
	Liner Trade	Air Cargo Transportation	Logistics		Real Estate	Other			
Revenues									
(1) Revenues from customer	100,785	33,866	237,177	400,254	3,190	49,463	824,737	-	824,737
(2) Inter-segment revenues	2,841	2,477	1,043	57	441	27,419	34,280	(34,280)	-
Total	103,626	36,344	238,220	400,311	3,631	76,882	859,018	(34,280)	824,737
Segment income (loss)	9,704	(9,176)	2,340	14,220	1,320	1,028	19,438	(3,418)	16,019

(Notes)

- Adjustments of segment income (loss) are internal exchanges or transfer to other amount among segments 31 million yen and other corporate expenses -3,450 million yen. The general and administrative expenses and non-operating expenses which do not belong to any single segment are treated as other corporate expenses.
- Segment income (loss) is adjusted on recurring profit on the quarterly consolidated statement of income.

II . Six months ended September 30, 2020 (April 1, 2020 – September 30, 2020)

Revenues and income or loss by reportable segment

(In million yen)

	Global Logistics			Bulk Shipping	Others		Total	Adjustment (*1)	Consolidated Total (*2)
	Liner Trade	Air Cargo Transportation	Logistics		Real Estate	Other			
Revenues									
(1) Revenues from customer	79,404	51,064	234,363	317,872	3,107	36,218	722,031	-	722,031
(2) Inter-segment revenues	1,935	3,423	703	125	381	22,603	29,172	(29,172)	-
Total	81,340	54,488	235,067	317,997	3,489	58,821	751,204	(29,172)	722,031
Segment income (loss)	28,459	13,249	8,144	185	1,379	(1,535)	49,883	(2,455)	47,428

(Notes)

- Adjustments of segment income (loss) are internal exchanges or transfer to other amount among segments 32 million yen and other corporate expenses -2,487 million yen. The general and administrative expenses and non-operating expenses which do not belong to any single segment are treated as other corporate expenses.
- Segment income (loss) is adjusted on recurring profit on the quarterly consolidated statement of income.

3. Other Information

(1) Quarterly Operating Results

Year ending March 31, 2021

(In million yen)

	Apr 1, 2020 – Jun 30, 2020 1Q	Jul 1, 2020 – Sep 30, 2020 2Q	Oct 1, 2020 – Dec 31, 2020 3Q	Jan 1, 2021 – Mar 31, 2021 4Q
Revenues	361,170	360,861		
Operating profit (loss)	8,947	7,743		
Recurring profit (loss)	16,591	30,837		
Profit (loss) attributable to owners of parent for the quarter	11,684	10,496		
Total assets	1,882,678	1,901,705		
Equity	502,347	510,612		

Year ended March 31, 2020

(In million yen)

	Apr 1, 2019 – Jun 30, 2019 1Q	Jul 1, 2019 – Sep 30, 2019 2Q	Oct 1, 2019 – Dec 31, 2019 3Q	Jan 1, 2020 – Mar 31, 2020 4Q
Revenues	406,402	418,334	428,522	415,096
Operating profit (loss)	5,470	10,366	16,633	6,226
Recurring profit (loss)	6,415	9,604	22,466	6,000
Profit (loss) attributable to owners of parent for the quarter	9,141	1,982	7,615	12,390
Total assets	2,050,150	2,036,653	2,047,906	1,933,264
Equity	515,910	505,028	515,266	498,839

(Note) The above operating results (revenues, operating profit (loss), recurring profit (loss) and profit (loss) attributable to owners of parent) 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) Foreign Exchange Rate Information

	Six months ended September 30, 2019	Six months ended September 30, 2020	Change	Year ended March 31, 2020
Average exchange rate during the period	¥109.18/US\$	¥106.82/US\$	Yen up ¥2.36/US\$	¥109.13/US\$
Exchange rate at the end of the period	¥107.92/US\$	¥105.80/US\$	Yen up ¥2.12/US\$	¥108.83/US\$

(3) Balance of Interest-Bearing Debt

(In million yen)

	Year ended March 31, 2020	Six months ended September 30, 2020	Change
Loans	778,909	764,917	(13,991)
Corporate bonds	152,000	132,000	(20,000)
Commercial papers	19,000	18,000	(1,000)
Leases liabilities	99,944	95,928	(4,015)
Total	1,049,853	1,010,846	(39,006)