

Financial Results for Q1 FY2024, and Forecast for Full-year FY2024

August 5, 2024



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(Attachment)
Ocean Network Express
Financial Results for FY2024 1st Quarter

1. Overview of the Q1 Results for FY2024

Results



[Changes in reportable segment structure]

Effective from this first quarter of FY2024, the **Bulk Shipping Business** segment has been **divided into three segments**, namely **Automotive Business**, **Dry Bulk Business** and **Energy Business**, to reflect the expanded operations of Bulk Shipping Business.

As such, we will continue to improve the disclosure quality so that our shareholders and investors have better understanding of our initiatives toward increasing ROE and decreasing the cost of equity (through reducing business volatility).

Q1 review (year-on-year comparison)

► Revenues: JPY651.7 billion (up JPY84.1 billion)

- Dry Bulk – Revenue increased in line with a year-on-year increase in market levels for the Capesize and all the other vessel segments. (up JYP28.4 billion)
- Logistics – Revenue increased resulting from an increase in handling volumes (up JYP24.2 billion)

► Recurring profit: JPY125.7 billion (up JPY36.3 billion)

- Liner Trade – Market levels for short-term freight increased, impacted by tight supply-demand conditions caused by the situation in the Red Sea (up JYP22.0 billion)

► Net income: JPY110.2 billion (up JPY36.7 billion)

► Shareholder return: Share repurchase

- The share repurchase is being implemented for the period from May 9, 2024 to April 30, 2025 with the total maximum acquisition amount of JPY100 billion. All the shares repurchased will be retired.
- As of July 31, 2024, a cumulative total of 8,061,300 shares were repurchased at a total value of approx. JPY38.5 billion.

Recurring profit by segment (year-on-year comparison)

► **Liner Trade: JPY53.7 billion (up JPY22.0 billion)**

- The profit level of Container Shipping significantly increased year on year due to short-term freight rates being higher than in the same period last year resulting from tight supply-demand conditions caused by the situation in the Red Sea and rising cargo demand.

► **Air Cargo Transportation: JPY3.4 billion (up JPY3.0 billion)**

- Cargo volumes, mainly from Asia to Europe and the U.S., remained strong. As a result, cargo handling volumes and freight rates increased year on year.

► **Logistics: JPY5.5 billion (down JPY1.4 billion)**

- **Air freight & Ocean freight:** Although the handling volumes increased year on year due to a recovery in cargo volumes mainly from Asia, profit levels declined due to higher purchase prices.
- **Contract logistics:** Earnings were underpinned by strong cargo volumes of general consumer goods in North America and also those for the e-commerce and automotive industries in Europe.

1. Overview of the Q1 Results for FY2024

Results



Recurring profit by segment (year-on-year comparison)

► Automotive: JPY37.8 billion (up JPY8.2 billion)

- Despite the ongoing port congestion and route changes caused by the conflict in the Middle East, we maintained the number of vehicles transported at the same period last year's level by meeting firm transportation demand with an improved vessel operation rate. The weak yen also contributed to strong earnings.

► Dry Bulk: JPY14.0 billion (up JPY1.1 billion)

- The Capesize market levels increased year on year, supported mainly by strong shipments of iron ore cargoes from Brazil.
- In the Panamax and smaller segments, market levels increased year on year due to soybean shipments from Brazil and the active loading of coal inventories in China and India.

► Energy: JPY11.0 billion (down JPY0.1 billion)

- VLCC: Market levels declined year on year, and vessel utilization declined due to the increased number of vessels docked.
- VLGC: Although market levels declined year on year due to an easing of supply-and-demand conditions following the completion of new vessels, stable revenue was secured as the contract was successfully renewed at the charterage fee reflecting the high market conditions in the previous fiscal year.
- LNG carrier: The results remained steady, supported by medium- to long-term contracts.

Summary of Q1 Results

Q1 Results



	FY2023							FY2024	Year-on-year
(Billions of yen)	Q1	Q2	1H	Q3	Q4	2H	Full-Year	Q1	
Revenues	567.5	600.8	1,168.3	620.8	598.0	1,218.9	2,387.2	651.7	84.1
Operating Profit	47.1	51.6	98.7	45.4	30.4	75.8	174.6	65.8	18.7
Recurring Profit	89.4	69.8	159.2	40.9	61.0	102.0	261.3	125.7	36.3
Profit attributable to owners of parent	73.4	39.8	113.3	40.1	75.0	115.2	228.6	110.2	36.7
Exchange Rate	¥135.81	¥144.05	¥139.93	¥148.72	¥146.68	¥147.70	¥143.82	¥155.02	¥19.21
Bunker Oil Prices	\$611.22	\$597.59	\$604.38	\$642.12	\$629.90	\$636.07	\$620.83	\$634.08	\$22.86

Q1 Comparison by Segment

Q1 Results



	Operating Segment	FY2023							FY2024	Year-on-year	
	(Billions of yen)	Q1	Q2	1H	Q3	Q4	2H	Full-Year	Q1		
Note 1	Liner & Logistics	Liner Trade	56.4	55.2	111.7	41.3	39.3	80.6	192.3	44.5	-11.8
			31.6	15.0	46.7	-1.3	22.5	21.1	67.8	53.7	22.0
		Air Cargo Transportation	37.0	40.8	77.8	44.8	38.4	83.3	161.1	46.6	9.5
			0.4	-0.0	0.3	4.9	0.4	5.4	5.7	3.4	3.0
		Logistics	164.7	173.9	338.6	181.6	181.9	363.6	702.2	189.0	24.2
			7.0	6.7	13.7	7.3	4.8	12.2	25.9	5.5	-1.4
	Automotive	114.1	129.3	243.4	131.2	116.1	247.4	490.9	138.3	24.1	
		29.5	30.9	60.5	27.4	17.8	45.3	105.8	37.8	8.2	
	Note 2	Dry Bulk	134.7	136.1	270.8	152.6	149.7	302.4	573.3	163.2	28.4
			12.9	7.6	20.5	-4.2	1.7	-2.5	18.0	14.0	1.1
Energy		40.6	40.8	81.4	46.9	45.0	91.9	173.3	46.6	6.0	
		11.2	10.7	22.0	11.1	13.2	24.3	46.3	11.0	-0.1	
Others		48.2	60.1	108.3	57.4	56.9	114.3	222.6	54.4	6.2	
		-0.4	1.3	0.9	-0.1	2.8	2.6	3.6	1.7	2.1	
Elimination/Corporate		-28.4	-35.6	-64.0	-35.1	-29.6	-64.8	-128.8	-31.1	-2.7	
		-3.0	-2.5	-5.5	-4.0	-2.5	-6.6	-12.1	-1.7	1.2	
Consolidated		567.5	600.8	1,168.3	620.8	598.0	1,218.9	2,387.2	651.7	84.1	
		89.4	69.8	159.2	40.9	61.0	102.0	261.3	125.7	36.3	

(Upper) Revenues (Lower) Recurring Profit

Note 1 Effective from FY2024, the previous Bulk Shipping Business has been divided into Automotive Business, Dry Bulk Business, and Energy Business.

Note 2 Effective from FY2024, Real Estate Business has been included in Other Businesses.

(To reflect the above changes, the figures for FY2023 has been reclassified to conform to the new classification.)

Analysis of Change in Recurring Profit between FY2023 and FY2024

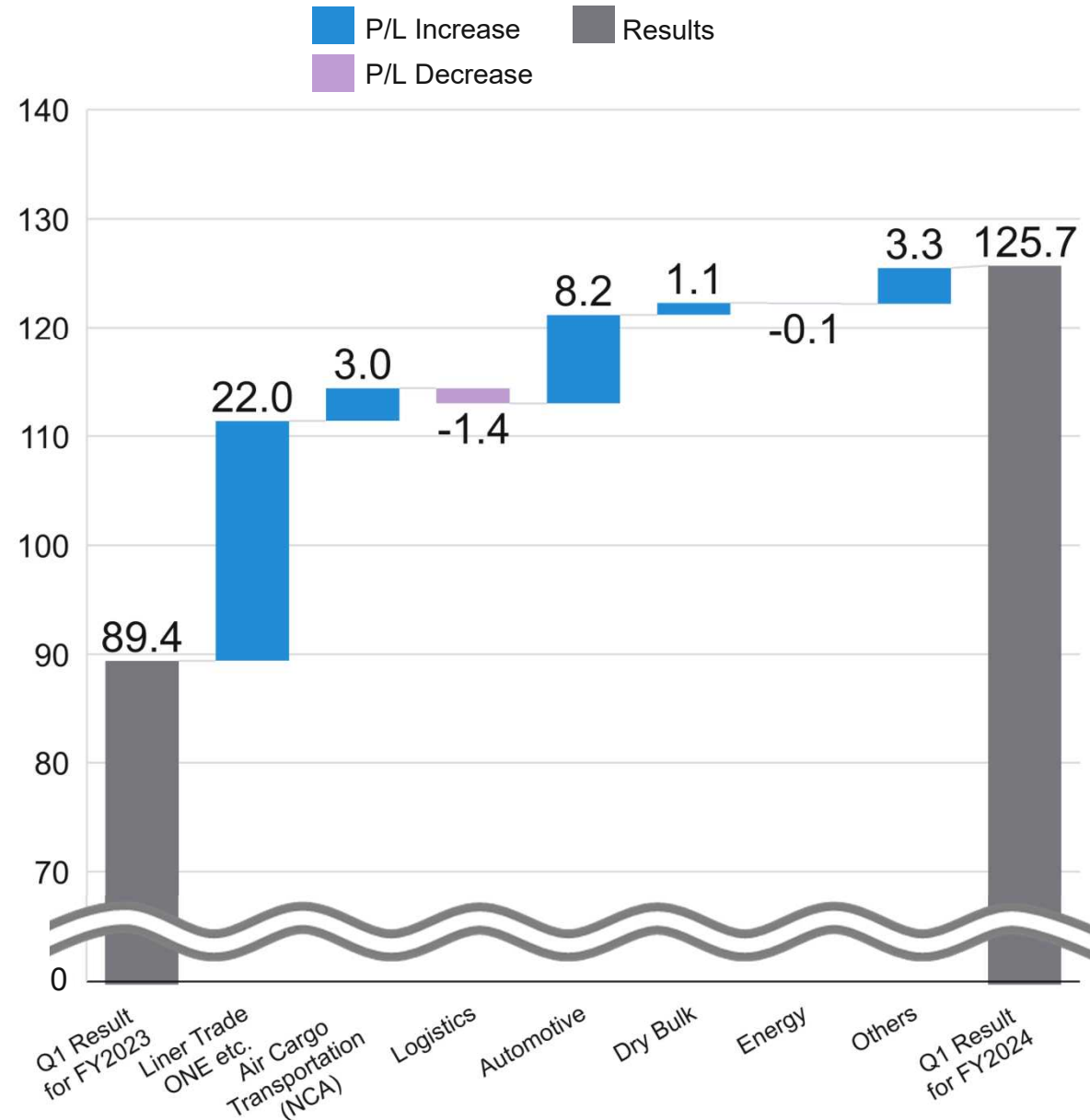
Q1 Results



Analysis by factor

(billion yen)		
Yen Depreciation	10.1	¥155.02/\$ Depreciated by ¥19.21
Higher Bunker Oil Prices	-0.2	\$634.08/MT Increased by \$22.86/MT
Market Effects, etc.	20.7	Liner (incl. ONE) +20.0 Automotive } Dry Bulk } +0.7 Energy }
Foreign Exchange Gains/Losses	1.6	
Others	4.1	Logistics -1.4 Air Cargo(NCA) +3.0
Total	36.3	

Analysis by business



2. Full-year Forecast for FY2024

Forecast



Full-year forecast (Comparison with the forecast announced at the previous full-year results)

► **Revenues: JPY2,570.0 billion (up JPY280.0 billion)**

- Air Cargo Transportation: Up JPY141.0 billion

► **Recurring profit: JPY410.0 billion yen (up JPY160.0 billion)**

- Liner Trade: Up JPY106.5 billion

► **Net income: JPY390.0 billion (up JPY145.0 billion)**

► **Shareholder return:**

Dividend forecast (per share): Interim: 130 yen | Year-end: 130 yen (Annual: 260 yen)

(Both the interim and year-end dividends have been upward revised by 50 yen each from the initial forecast.)

- The amounts have been determined in line with a targeted consolidated payout ratio of 30% as set forth in the basic shareholder return policy.
- The amounts of forecast dividends are based on the number of shares excluding the number of shares of treasury stock acquired by the end of July 2024.

Share repurchase

- As already mentioned in Q1 Review (on page 3), the share repurchase is being implemented with the total maximum acquisition amount of JPY100 billion.

2. Full-year Forecast for FY2024

Forecast



Recurring profit by segment (Comparison with the forecast announced at the previous full-year results)

► Liner Trade: JPY183.0 billion (up JPY106.5 billion)

- In Container Shipping, although the tight supply-demand balance is expected to ease after peaking out in the second quarter and short-term freight rates to decline toward the end of the current fiscal year, the full-year profit level will be substantially higher than our initial forecast.

► Air Cargo Transportation: JPY10.0 billion (up JPY10.5 billion)

- Due to the change in the execution date of the transfer of shares of Nippon Cargo Airlines Co, Ltd., we have added the relevant earnings forecast for the second through fourth quarters, which was not included in our initial forecast.
- From the second quarter onward, we expect steady cargo demand mainly from Asia to Europe and the U.S.

► Logistics: JPY22.0 billion (up JPY7.0 billion)

- **Air freight & Ocean freight:** The profit levels are expected to exceed our initial forecast due to a rise in sales prices.
- **Contract logistics:** The demand is expected to remain firm mainly in North America.

2. Full-year Forecast for FY2024

Forecast



Recurring profit by segment (Comparison with the forecast announced at the previous full-year results)

► Automotive: JPY120.0 billion (up JPY20.5 billion)

- Despite lingering concerns about geopolitical risks such as the situation in the Middle East, the transportation demand is expected to remain strong
- The number of vehicles transported is expected to remain favorable on par with our initial forecast, thanks to our effort to achieve efficient vessel deployment.

► Dry Bulk: JPY33.0 billion (up JPY10.5 billion)

- Market levels are expected to exceed our initial forecast for all vessel segments. Among others, the Capesize market is and will be supported by firm transport demand for iron ore cargoes bound for China and bauxite.

► Energy: JPY45.0 billion (up JPY4.0 billion)

- VLCC: In light of the slump in cargo volumes since June and the period of weak demand during the summer, market levels in the first half are expected to be lower than our initial forecast, but we expect the market to recover to the level of our initial forecast in the second half.
- VLGC: The market is expected to remain stable due to a charterage fee income reflecting the high market levels in the previous fiscal year.
- LNG carrier: The business is expected to remain stable, supported by medium- to long-term contracts and new projects.

Summary of Forecast for FY2024

Forecast



illions of yen)	FY2023(Result)					FY2024(Forecast)				Year-on-Year	Change from Prev. Forecast
	1H		2H		Full-year	1H		2H	Full-Year		
	Q1	Q2	Q3	Q4		Q1 (Result)	Q2				
Revenues	1,168.3		1,218.9		2,387.2	1,295.0		1,275.0	2,570.0	182.8	280.0
	567.5	600.8	620.8	598.0		651.7	643.3				
Operating Profit	98.7		75.8		174.6	120.0		95.0	215.0	40.4	50.0
	47.1	51.6	45.4	30.4		65.8	54.1				
Recurring Profit	159.2		102.0		261.3	270.0		140.0	410.0	148.7	160.0
	89.4	69.8	40.9	61.0		125.7	144.2				
Profit attributable to owners of parent	113.3		115.2		228.6	250.0		140.0	390.0	161.4	145.0
	73.4	39.8	40.1	75.0		110.2	139.7				
Exchange Rate	¥135.81	¥144.05	¥148.72	¥146.68	¥143.82	¥155.02	¥150.00	¥150.00	¥151.26	¥7.44	¥6.26
Bunker Prices (All Grades)	\$611.22	\$597.59	\$642.12	\$629.90	\$620.83	\$634.08	\$607.83	\$591.35	\$606.15	-\$14.68	-\$15.25
Bunker Prices (HSFO)	-	-	-	-	-	-	\$500.00	\$480.00	-	-	-
Bunker Prices (VLSFO)	-	-	-	-	-	-	\$620.00	\$605.00	-	-	-

► Sensitivity to recurring profit (9 months for Q2-4)

Exchange rate: Approx. JPY2.11 billion increase per ¥1/\$ depreciation*

Bunker prices: Approx. JPY0.32 billion increase per \$10/MT decrease

(*) Equity in earnings/losses of affiliates denominated in foreign currency is translated at the average exchange rate for the period

Forecast by Segment for FY2024

Forecast



Operating Segment		FY2023 (Result)					FY2024 (Forecast)					Year-on-year
(Billions of yen)		Q1	Q2	1H	2H	Full-year	Q1 (Result)	Q2	1H	2H	Full-year	
Liner & Logistics	Liner Trade	56.4	55.2	111.7	80.6	192.3	44.5	46.4	91.0	88.0	179.0	-13.3
		31.6	15.0	46.7	21.1	67.8	53.7	88.3	142.0	41.0	183.0	115.2
	Air Cargo Transportation	37.0	40.8	77.8	83.3	161.1	46.6	46.9	93.5	93.0	186.5	25.4
		0.4	-0.0	0.3	5.4	5.7	3.4	2.5	6.0	4.0	10.0	4.3
	Logistics	164.7	173.9	338.6	363.6	702.2	189.0	195.4	384.5	383.5	768.0	65.8
		7.0	6.7	13.7	12.2	25.9	5.5	6.4	12.0	10.0	22.0	-3.9
Automotive		114.1	129.3	243.4	247.4	490.9	138.3	132.7	271.0	267.5	538.5	47.6
		29.5	30.9	60.5	45.3	105.8	37.8	30.1	68.0	52.0	120.0	14.2
Dry Bulk		134.7	136.1	270.8	302.4	573.3	163.2	151.3	314.5	301.0	615.5	42.2
		12.9	7.6	20.5	-2.5	18.0	14.0	6.9	21.0	12.0	33.0	15.0
Energy		40.6	40.8	81.4	91.9	173.3	46.6	48.3	95.0	96.5	191.5	18.2
		11.2	10.7	22.0	24.3	46.3	11.0	10.9	22.0	23.0	45.0	-1.3
Others		48.2	60.1	108.3	114.3	222.6	54.4	59.1	113.5	118.5	232.0	9.4
		-0.4	1.3	0.9	2.6	3.6	1.7	1.2	3.0	4.0	7.0	3.4
Elimination/ Corporate		-28.4	-35.6	-64.0	-64.8	-128.8	-31.1	-36.8	-68.0	-73.0	-141.0	-12.2
		-3.0	-2.5	-5.5	-6.6	-12.1	-1.7	-2.2	-4.0	-6.0	-10.0	2.1
Consolidated		567.5	600.8	1,168.3	1,218.9	2,387.2	651.7	643.3	1,295.0	1,275.0	2,570.0	182.8
		89.4	69.8	159.2	102.0	261.3	125.7	144.2	270.0	140.0	410.0	148.7

(Upper) Revenues (Lower) Recurring Profit

Air Cargo Transportation : Based on the assumption that the transfer of shares of NCA will be completed with an effective date of March 31, 2025.

Forecast by Segment for FY2024

Forecast



Operating Segment		Previous Forecast			Revised Forecast			Change from Prev. Forecast		
(Billions of yen)		1H	2H	Full-year	1H	2H	Full-year	1H	2H	Full-year
Liner & Logistics	Liner Trade	85.5	82.0	167.5	91.0	88.0	179.0	5.5	6.0	11.5
		55.0	21.5	76.5	142.0	41.0	183.0	87.0	19.5	106.5
	Air Cargo Transportation	45.5	0.0	45.5	93.5	93.0	186.5	48.0	93.0	141.0
		-0.5	0.0	-0.5	6.0	4.0	10.0	6.5	4.0	10.5
	Logistics	357.0	363.5	720.5	384.5	383.5	768.0	27.5	20.0	47.5
		7.0	8.0	15.0	12.0	10.0	22.0	5.0	2.0	7.0
Automotive		251.5	266.5	518.0	271.0	267.5	538.5	19.5	1.0	20.5
		48.0	51.5	99.5	68.0	52.0	120.0	20.0	0.5	20.5
Dry Bulk		284.0	271.5	555.5	314.5	301.0	615.5	30.5	29.5	60.0
		12.5	10.0	22.5	21.0	12.0	33.0	8.5	2.0	10.5
Energy		90.0	88.5	178.5	95.0	96.5	191.5	5.0	8.0	13.0
		19.5	21.5	41.0	22.0	23.0	45.0	2.5	1.5	4.0
Others		115.0	118.5	233.5	113.5	118.5	232.0	-1.5	0.0	-1.5
		2.5	3.5	6.0	3.0	4.0	7.0	0.5	0.5	1.0
Elimination/ Corporate		-63.5	-65.5	-129.0	-68.0	-73.0	-141.0	-4.5	-7.5	-12.0
		-4.0	-6.0	-10.0	-4.0	-6.0	-10.0	0.0	0.0	0.0
Consolidated		1,165.0	1,125.0	2,290.0	1,295.0	1,275.0	2,570.0	130.0	150.0	280.0
		140.0	110.0	250.0	270.0	140.0	410.0	130.0	30.0	160.0

(Upper) Revenues (Lower) Recurring Profit

Air Cargo Transportation : Based on the assumption that the transfer of shares of NCA will be completed with an effective date of March 31, 2025.

Appendix



Segment-Overview: Liner & Logistics

Segment



► 1. Air Cargo Transportation (NCA)

	FY2023(Result)					FY2024(Forecast)			
	1H		2H		Full-year	1H		2H	Full-year
	Q1	Q2	Q3	Q4		Q1 (Result)	Q2		
Revenue (Billions of yen)	77.8		83.3		161.1	93.5		93.0	186.5
	37	40.8	44.8	38.4		46.6	46.9		
Recurring Profit (Billions of yen)	0.3		5.4		5.7	6.0		4.0	10.0
	0.4	-0.0	4.9	0.4		3.4	2.5		
Chargeable Weight (1,000 tons)	196		207		403	227		223	450
	95	101	104	103		115	11		
Volume (RTK) (mil.ton kilo)	1,149		1,162		2,311	1,297		1,274	2,571
	568	581	584	578		655	642		
Capacity (ATK) (mil.ton kilo)	1,797		1,868		3,665	2,041		1,992	4,033
	885	912	943	925		1,003	1,038		
YIELD FY3/09 Q1=100	142		164		153	174		175	174
	141	143	174	154		173	176		
MOPS US\$ per bbl	\$102		\$105		\$103	\$99		\$100	\$100
	\$92	\$113	\$107	\$102		\$99	\$100		
Utilization of the Air Crafts FY2020 Q1=100	108		104		106	-		-	-
	106	110	108	100		111	-		

- Chargeable Weight, Volume (RTK), Capacity (ATK) and YIELD do not include sales business for our subsidiaries and partner airlines.
- Operating Time does not include dry-lease aircraft.
- Forecasts for FY2024 are based on the assumption that the transfer of shares of NCA will be completed with an effective date of March 31, 2025.

Segment-Overview: Liner & Logistics

Segment



► 2. Logistics

		FY2022 (Result)	FY20223(Result)				Full-year	FY2024 (Forecast)				Change from Prev Forecast (Full-year)
		1H		2H		1H		2H	Full-year			
		Q1	Q2	Q3	Q4	Q1 (Result)				Q2		
Ocean Export	TEU	651	308		301		609	322		320	642	-34
	(1,000TEUs)		151	157	155	146		154	168			
	Year-on- Year	-10%	-8%		-5%		-6%	5%		6%	5%	-6%
			-10%	-7%	-5%	-4%		2%	7%			
Air Export	Weight	295	126		150		275	152		157	309	-6
	(1,000 tons)		59	67	76	73		73	79			
	Year-on- Year	-26%	-20%		9%		-7%	21%		5%	12%	-2%
			-28%	-12%	3%	17%		23%	19%			

3. Dry Bulker and Tanker - Market trend and forecast

		FY2023 (Result)							FY2024(Forecast)				Prev. Forecast
		Q1	Q2	1H	Q3	Q4	2H	Full-Year	Q1 (Result)	Q2	2H	Full-Year	Full-year
Dry Bulk Carriers	BDI	1,326	1,194	1,260	2,079	1,833	1,956	1,608	1,849	2,055	1,683	1,817	1,665
	Cape	15,650	13,414	14,532	28,965	24,456	26,710	20,621	22,701	27,000	20,500	22,675	20,250
	Panamax	12,424	11,885	12,154	16,349	15,508	15,928	14,041	16,377	17,000	15,000	15,844	15,000
	Handymax	10,910	10,047	10,479	14,330	13,000	13,665	12,072	15,000	15,500	13,750	14,500	13,500
	Handy	10,515	8,877	9,696	13,110	12,037	12,574	11,135	13,052	14,500	12,750	13,263	12,500
Tankers	VLCC	39,049	20,469	29,759	38,128	44,424	41,276	35,517	38,067	30,000	47,000	40,517	42,000
	VLGC	75,981	103,704	89,842	113,794	46,937	80,365	85,104	52,406	55,000	55,000	54,352	60,000

- Dry Bulk Charter Market (Sport Time Charter) (Unit : \$/day)
Cape = 5 Trade Average, Panamax = 5 Trade Average, Handymax = 10 Trade Average, Handy = 7 Trade Average
- Tanker Market (Sport Time Charter) (Unit : \$/day)
VLCC and VLGC = Middle East Gulf - Far East trade



► 4. Automotive Business

	FY2023 (Result)					Full-year	FY2024 (Forecast)				Change from Prev. Forecast (Full-year)
	1H		2H		1H		2H	Full-Year			
	Q1	Q2	Q3	Q4	Q1 (Result)				Q2		
All Trade (10,000 Cars)	227		224		451	220		226	447	-8	
	112	115	121	103		112	108				
Year-on-year	4%		-3%		0%	-3%		1%	-1%	-2%	
	5%	3%	-3%	-4%		-0%	-6%				

Including Intra-European Trade (incl. space-chartered trade)



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Financial Results for FY2024 1st Quarter

July 31, 2024

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1. FY2024 1st Quarter Results

□ Outline

With a steady recovery in cargo movements as the backdrop, the supply and demand situation for shipping capacity is becoming increasingly tight. This is impacting spot freight rates which are continuing to rise. For 1Q, ONE's net profit is US\$ 779 million, up 52% from the same quarter of the last year.

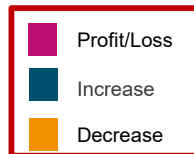
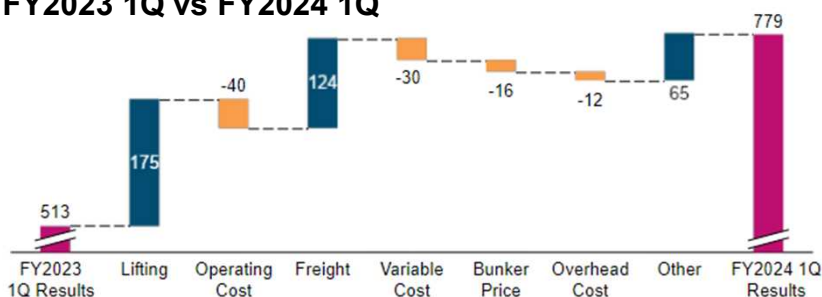
- Cargo movements are in a recovery trend, with personal consumption spending remaining strong in North America and consumer demand recovering due to easing inflation in Europe.
- High tonnage supply continued due to the influx of new vessels. However, the continued uncertainty surrounding the situation in the Middle East has led to longer transit routes with vessels diverting around the Cape of Good Hope (CoGH), resulting in a reversal of oversupply. This same situation has impacted container equipment availability in some areas.
- Spot freight rates increased compared to 4Q FY2023, across multiple tradelanes including Asia - North America and Asia – Europe due to tight supply and increased demand.

□ FY2024 1st quarter results and PL analysis

(Unit: Million US\$)

	FY 2023							FY 2024	vs FY2023 1Q		vs FY2023 4Q	
	1Q Results	2Q Results	1H Results	3Q Result	4Q Result	2H Results	Full Year Results	1Q Results	Change	Change (%)	Change	Change (%)
Revenue	3,765	3,549	7,314	3,357	3,864	7,221	14,536	4,211	446	12%	347	9%
EBITDA	770	436	1,206	170	668	838	2,044	1,217	447	58%	549	82%
EBIT	385	31	416	-248	223	-24	392	667	282	73%	444	199%
Profit/Loss	513	187	700	-83	356	274	974	779	266	52%	423	119%
Bunker Price (US\$/MT)	\$590	\$565	\$577	\$625	\$587	\$605	\$592	\$594	\$4	1%	\$7	1%
Bunker consumption (K MT)	799	862	1,661	859	934	1,793	3,454	900	101	13%	-34	-4%
Lifting (K TEU)	2,825	3,087	5,911	3,105	3,002	6,107	12,019	3,142	317	11%	140	5%

FY2023 1Q vs FY2024 1Q



- Lifting : Increased as cargo demand improved.
- Operating Cost : Increased ship costs and bunker consumption due to the usage of CoGH diversion
- Freight : Improved in main trade lanes especially in east-west bound trades.
- Variable Cost : Hiked container storage cost and inland transportation cost resulting from higher lifting volume and inflation
- Bunker Price : Slightly increased
- Overhead Cost : Increased year on year

2. Liftings, Utilization Rates, and Freight Index in Major Trades

(Unit: 1,000TEU)

Liftings / Utilization by Trades		FY2023							FY2024
		1Q Results	2Q Results	1H Results	3Q Results	4Q Results	2H Results	Full Year Results	1Q Results
Asia - North America Eastbound	Lifting	578	706	1,284	653	616	1,269	2,553	673
	Utilization	82%	95%	89%	94%	97%	96%	92%	100%
Asia - Europe Westbound	Lifting	385	434	819	382	382	764	1,584	434
	Utilization	94%	92%	93%	90%	93%	91%	92%	100%
Asia-North America Westbound	Lifting	291	295	586	327	295	621	1,208	290
	Utilization	44%	40%	42%	46%	49%	48%	45%	43%
Asia-Europe Eastbound	Lifting	240	221	461	232	238	470	931	245
	Utilization	54%	45%	49%	50%	55%	52%	51%	48%

(Unit: 100 = average freight rates as of FY2018 1Q)

Freight Index by Trades		FY2023							FY2024
		1Q Results	2Q Results	1H Results	3Q Results	4Q Results	2H Results	Full Year Results	1Q Results
Asia-North America Eastbound		126	109	117	108	135	121	119	137
Asia-Europe Westbound		139	116	127	106	183	144	135	201

- Liftings, Utilization rates: For Asia - North America eastbound, liftings largely improved compared to the previous quarter and YoY, due to a steady growth in demand, as well as the likely impact of early shipments in anticipation of US tariff increases on China. Liftings for Asia - Europe westbound also increased thanks to the recovery in consumption, and a boost in ocean cargo volume due to increased voyage days. The utilization rate increased largely in both North America and Europe trades as the supply and demand situation for ships became tighter.
- Freight Index : With a steady recovery in cargo movements and prolonged rerouting through the CoGH as the backdrop, the tight supply-demand situation persisted. Spot freight increased.

3. FY2024 Full Year Forecast

□ Outline

The outlook for the supply-demand balance remains uncertain beyond 2Q. Although forecasting the full year of 2024 is extremely challenging, considering various factors and circumstances to the greatest possible, full-year results for FY2024 are expected to show a profit of US\$2,745million.

- In particular, the outlook for the 2Q and beyond is extremely uncertain.
- The normalization of the Middle East situation is expected to take some time.
- ONE will monitor evolving conditions and maintain agile and efficient operations, with a focus on delivering high quality service to customers.

□ FY2024 Full Year Forecast

(Unit: Million US\$)

	Previous Forecasts			Latest Forecasts				
	1H Forecasts	2H Forecasts	Full Year Forecasts	1Q Results	2Q Forecast	1H Forecasts	2H Forecasts	Full Year Forecasts
Profit/Loss	800	200	1,000	779	1,466	2,245	500	2,745

4. ONE's Response to Recent Changes in the Business Environment

Events

- Cargo movements from Asia to North America during April to June increased by 8.1% year-on-year thanks to the continued domestic consumption levels in the United States. Movements that appear to be an increase in shipments anticipating the introduction of additional tariffs on China further boosted cargo movement. Additionally, cargo movements from Asia to Europe increased by 4.4% in April, due to inflationary pressures subsiding and personal consumption starting to pick up. In addition, as transportation times become longer due to necessary routing via the CoGH, the volume of on-board cargo has also increased in certain trades.
- The increase in supply caused by the influx of the large number of new vessel deliveries has continued. However, surplus vessel capacity is being absorbed, mainly on Asia-Europe route, due to the prolonged rerouting through the CoGH.
- Due to increased cargo movement, congestion at major ports, and a shortage of containers, tight supply and demand situation has spread not only to North America and Europe, but also to north-south routes and intra-Asia routes.
- In the Panama Canal, restrictions on the number of daily transit and permissible draught are gradually being lifted as the water level of Gatun Lake improves.



ONE's response

- Implemented flexible counter measures to minimize supply chain disruptions caused by the situation in the Red Sea/Gulf of Aden.
- In light of the ease of the Panama Canal's traffic restrictions, the North America East Coast service that used to route via the CoGH has been reverted to via the Panama Canal.
- Temporarily deployed additional ships on routes with strong demand.
- In response to port congestion and the shortage of empty containers, a careful review and redesign of our services and ports of call has been conducted, as well as the temporary deployment of additional vessels to reposition empty containers. Proactively procured more containers.



Maximize operational efficiency through flexible vessel deployment and optimization of container flow

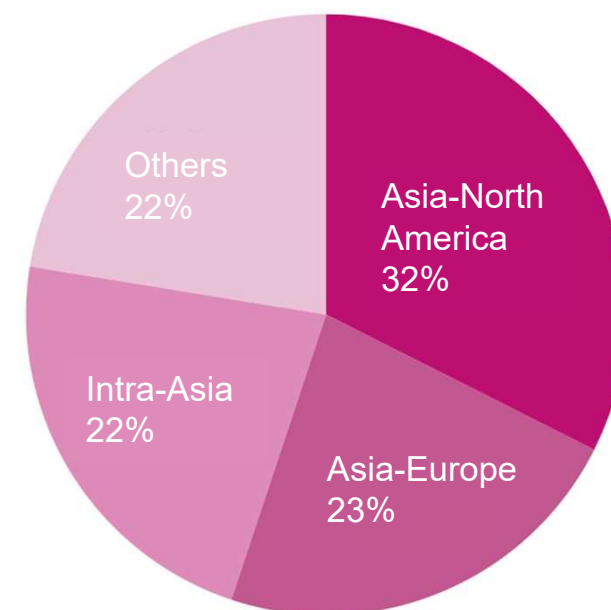
5. Reference (Fleet Structure, Service Structure & New Order)

□ Fleet Structure

Size				1) As of end of Mar 2024	2) As of end of Jun 2024	2)-1)
20,000 TEU	>=		Capacity (TEU)	264,600	264,600	0
			Vessels	12	12	0
10,500 TEU	-	20,000 TEU	Capacity (TEU)	611,804	657,920	46,116
			Vessels	44	47	3
9,800 TEU	-	10,500 TEU	Capacity (TEU)	110,200	110,200	0
			Vessels	11	11	0
7,800 TEU	-	9,800 TEU	Capacity (TEU)	346,389	329,257	-17,132
			Vessels	39	37	-2
6,000 TEU	-	7,800 TEU	Capacity (TEU)	172,618	207,128	34,510
			Vessels	26	31	5
5,200 TEU	-	6,000 TEU	Capacity (TEU)	33,112	28,116	-4,996
			Vessels	6	5	-1
4,600 TEU	-	5,200 TEU	Capacity (TEU)	78,068	78,068	0
			Vessels	16	16	0
4300 TEU	-	4,600 TEU	Capacity (TEU)	58,294	62,872	4,578
			Vessels	13	14	1
3,500 TEU	-	4,300 TEU	Capacity (TEU)	50,304	58,813	8,509
			Vessels	12	14	2
2,400 TEU	-	3,500 TEU	Capacity (TEU)	84,370	84,370	0
			Vessels	31	31	0
1,300 TEU	-	2,400 TEU	Capacity (TEU)	20,494	20,494	0
			Vessels	12	12	0
1,000 TEU	-	1,300 TEU	Capacity (TEU)	13,962	14,002	40
			Vessels	13	13	0
0 TEU	-	1,000 TEU	Capacity (TEU)	0	0	0
			Vessels	0	0	0
Total			Capacity (TEU)	1,844,215	1,915,840	71,625
			Vessels	235	243	8

□ Service Structure

(FY2024 1Q Structure of dominant and non-dominant space allocation)



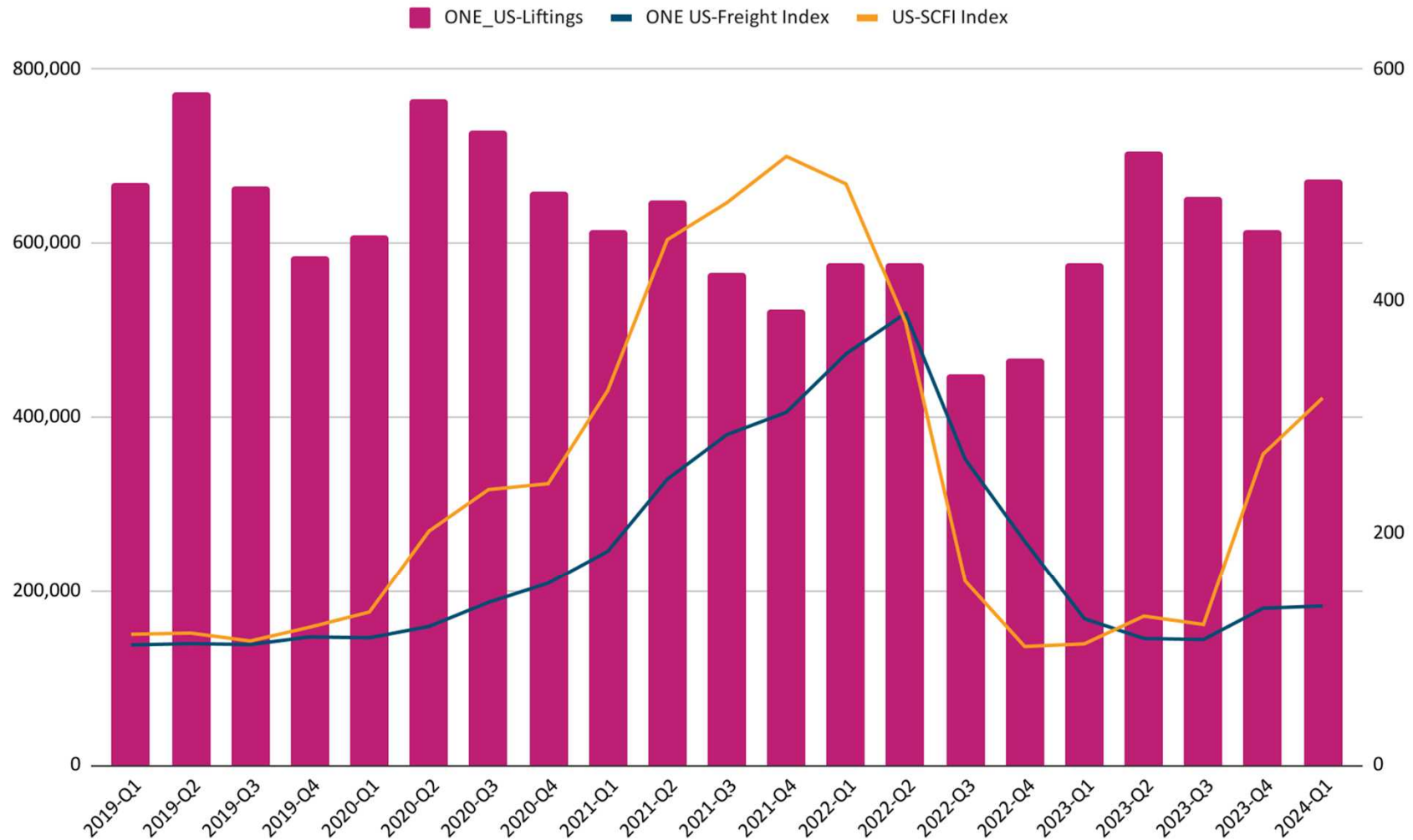
□ Current Orders of New Vessels(Including Long-Term Chartered Vessels)

	As of end of Mar 2024	Delivered in 1Q FY2024	New Order in 1Q FY2024	As of end of Jun 2024
No. of Order Book (Vessels)	46	6	5	45

6. Appendix Change of Demand and Freight index

**Liftings
(TEU)**

**Freight Index
(FY2018 1Q=100)**





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