

March 27, 2014
Nippon Yusen Kabushiki Kaisha
Corporate Planning Group

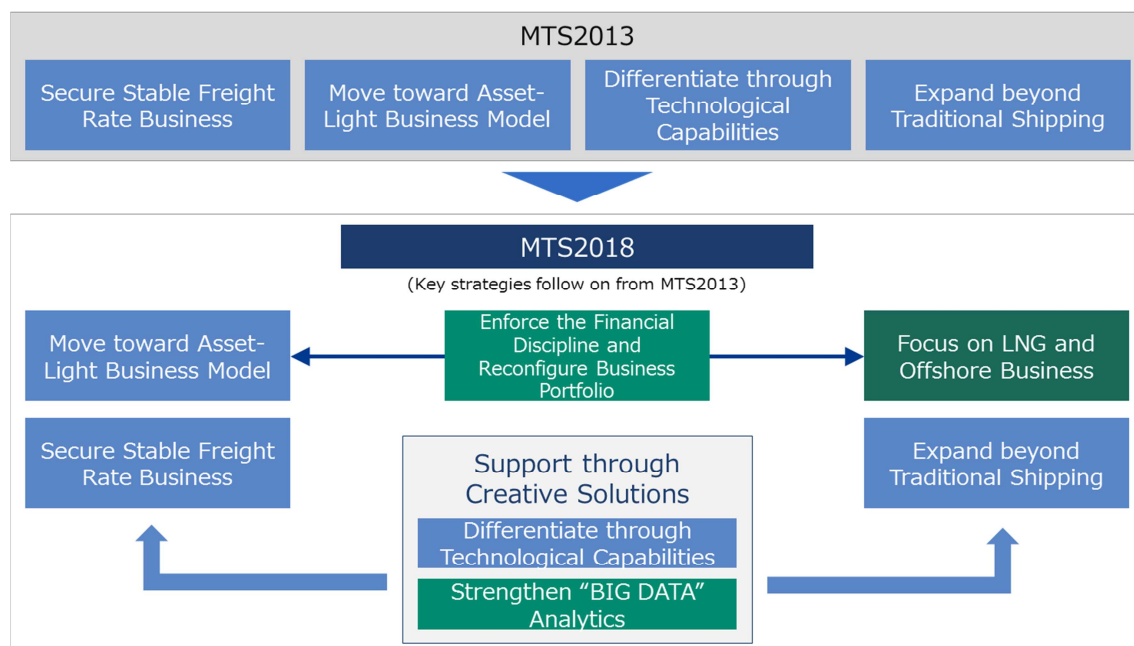
Notice of the New Medium-Term Management Plan
“More Than Shipping 2018 -Stage 2 leveraged by Creative Solutions-”

Nippon Yusen Kabushiki Kaisha (hereafter, “NYK”) hereby announces that board of directors’ meeting held today resolved the new medium-term management plan “More Than Shipping 2018 –Stage 2 leveraged by Creative Solutions-”, which runs from April 2014 for 5 years.

The new medium-term management plan adheres “More Than Shipping 2013” as a basic strategy, and the theme of the plan is “Differentiation from competitors by NYK group’s creative solutions”. NYK realizes strong business portfolio against changing market conditions by utilizing business chances such as LNG (liquefied natural gas) transportation and offshore business, and strengthens financial ground which enables large-scale investment, and sets out NYK Group’s sustainable growth.

The outline of the new medium-term management plan is shown as below.

Strategy chart



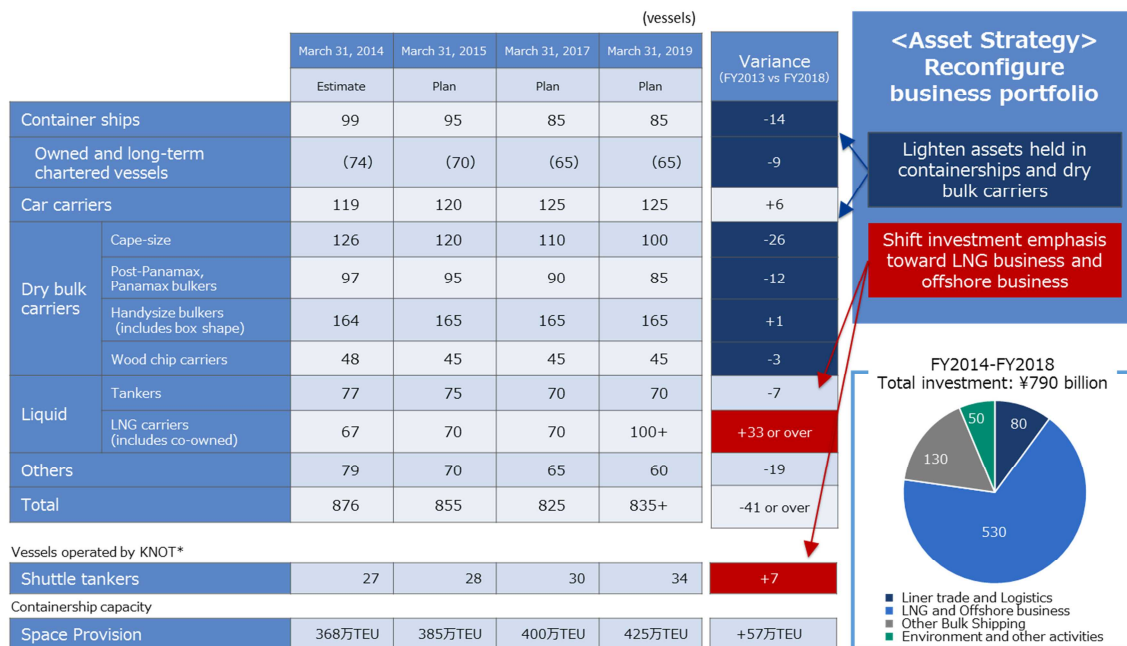
Management policy for next 5 years

1 Asset Strategy	<ul style="list-style-type: none"> ■ Reconfigure business portfolio (See page 20) <ul style="list-style-type: none"> ▶ Focus on LNG and offshore business ▶ Reinforce asset-light strategy in containerships and dry bulk carriers ■ Maximize asset efficiency
2 Differentiation Strategy	<ul style="list-style-type: none"> ■ Achieve differentiation through technological capabilities in such segments as LNG and offshore business ■ Further eliminate 3 M's (<i>muda</i>, <i>mura</i> and <i>muri</i>) at frontline
3 Debt and Equity Strategy	<ul style="list-style-type: none"> ■ Review asset intensive business model ■ Control financial leverage (DER target of 1.0 / BBB or higher rating)
4 Dividend Policy	<ul style="list-style-type: none"> ■ Balance growth opportunity and stable dividend (payout ratio of more than 25%)
5 Thorough Compliance	<ul style="list-style-type: none"> ■ Legal compliance (Anti-Monopoly Law, etc.) ■ Establish global compliance structure

Performance goal

(Billions of yen)		FY2014 Plan	FY2016 Plan	FY2018 Plan
Earnings and Financial Targets	Revenues	2,300	2,500	2,500
	Operating income	70	100	120
	Recurring profit	70	120	160
	Net income	35	80	120
	Cash flow from operating activities	120	170	220
	Cash flow from investing activities	-160	-160	-130
	Interest-bearing debt	1,300	1,200	1,000
	Shareholders' equity	750	860	1,000
	DER	1.7	1.4	1.0
	Shareholders' equity ratio	29%	33%	38%
	ROE	5%	9%	12%
	Payout ratio	25%		
	Foreign exchange rate (US\$)	¥100	¥100	¥100
	Bunker oil price (per ton)	\$640	\$640	\$640

Fleet management and Investment plan



End