

NYK Sells Minority Share of Subsidiary Company

Nippon Yusen Kabushiki Kaisha (NYK) and Macquarie Infrastructure Partners III, L.P. (MIP III) have agreed to the transfer of a minority share of one of NYK's subsidiary companies, subject to regulatory approval. From the transfer of these shares, NYK projects sales gains of JPY 34.5 billion as extraordinary income in the consolidated financial results for the fiscal year ending March 31, 2015.

1. Overview of Transfer

NYK conducts container terminal and stevedoring operations in North America through Yusen Terminals Inc. (YTI) and NYK Terminals (North America) Inc. (NYKT), both of which are wholly owned subsidiaries of NYK. MIP III, a leading North American infrastructure fund managed by Macquarie Infrastructure Partners Inc. (MIP), will obtain a partial share of NYK Ports LLC (Ports), the holding company of YTI and NYKT. NYK will pursue the expansion and enhancement of its container terminal business by restructuring and investing further in its business portfolio.

2. Details of Transfer

- (1) Subsidiary: NYK Ports LLC, a wholly owned subsidiary of NYK and the holding company of YTI and NYKT
- (2) Transfer to: Macquarie Infrastructure Partners III, L.P., an investment fund managed by MIP
- (3) Date of transfer: Expected to be within fiscal year 2014, ending March 31, 2015
- (4) Shares to be transferred: 49%

3. Impact on NYK's business performance

NYK projects a sales gain of JPY 34.5 billion as extraordinary income in the consolidated financial results for the fiscal year ending March 31, 2015. The consolidated earnings outlook for the fiscal 2014 full-year is being evaluated in view of this extraordinary income and various extraordinary losses, such as rationalization cost.

4. The general of the companies.

(1) About Yusen Terminals Inc.

YTI was established in 1990 as a wholly owned container terminal of NYK at the Port of Los Angeles, a very important location for NYK's liner services. YTI makes use of leading technology to provide its customers with high quality services such as AMP (Alternative Maritime Power) which was installed at the ports of Los Angeles and Long Beach by YTI ahead of other terminals.

(2) About NYK Terminals (North America) Inc.

NYKT has been in the container terminal and stevedoring business since its establishment in 1958. The company became a wholly owned subsidiary of NYK in 2002. The company operates and/or offers stevedoring services for container ships, cruise ships, Ro-Ro ships, and bulk carriers at 18 ports in the United States and Canada.

(3) About Macquarie Infrastructure Partners III, L.P.

Headquartered in New York, MIP III is a USD3.0 billion private investment fund managed by Macquarie Infrastructure and Real Assets (MIRA). MIRA, a division of Macquarie Group Ltd. of Australia and the manager of MIP III, is the world's largest infrastructure asset manager and also invests in real estate, agriculture and energy assets.

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