

April 30, 2014

Nippon Yusen Kabushiki Kaisha
Corporate Communication and CSR Group

Cease and Desist Order / Surcharges Payment Order
Given by the Japan Fair Trade Commission

1. Facts

On March 18, 2014, NYK received from the Japan Fair Trade Commission (JFTC) a cease and desist order and surcharges payment order pursuant to Article 3 (ban on unreasonable restraint of trade) of Japan's antitrust law with respect to a certain car transportation business on the North America trade route, the Europe trade route, the Middle East and Africa trade route, and the Oceania trade route.

2. Our Actions

We carefully examined and discussed the content of the respective orders and found that the JFTC and NYK had some differences in opinions with respect to the finding of fact and legal interpretation. We are extremely sorry that the JFTC did not accept our claim, but after comprehensive consideration, our board of directors has decided to focus on the long-term maintenance of our corporate value and has thus passed a resolution today indicating that NYK will not request a hearing with regard to the relevant orders.

3. Effect on Results

The forecast of our financial results will _not be affected because an extraordinary charge of 13.5 billion yen was allocated for the third quarter of fiscal year ending March 2014 for credit losses connected to this antitrust issue.

4. Our Opinions and Future Actions

We solemnly and seriously recognize that an incident occurred — notwithstanding the fact that the president had previously requested compliance with antitrust law, and that measures (such as the establishment and management of control networks in each section and domestic/foreign group business, preparation of a manual concerning the antitrust law, internal enlightenment and education through training, and regulations pertaining to contacts with competitors, etc.) had been implemented to keep the sections and group businesses informed of the law and to ensure their compliance, as well as to raise the group employees' awareness of the law — and we deeply apologize for causing worry or trouble to our shareholders, customers, and all persons concerned.

The business environment surrounding the overseas shipping industry is a mixture of two positions — i.e., some countries and trade routes are subject to antitrust laws (competition laws), and other countries and trade routes are exempted from them. However, the current global trend is to limit such exemptions, and we will make every effort to ensure that we conduct our business in a manner that recognizes this trend.

Since the commencement of the investigation by the JFTC in September 2012, we have, as our commitment towards prevention of recurrence, tightened our regulations on contact with competitors, held regular meetings of our executive committee for thorough compliance with antitrust laws, carried out assessments of antitrust risks in all our businesses, evaluated antitrust risks concerning investments, centralized the management of the filing of conferences and arrangements executed by each sales division, and required written pledges on compliance with antitrust laws for all NYK directors and employees engaged in relevant businesses. We also strengthened the powers of the chief compliance officer, introduced an internal leniency policy, and established an early identification and early response system to address incidents.

We will make our best efforts to enhance companywide compliance with antitrust laws by means of the above measures, including execution of the cease and desist order, and devotion to recovering our business confidence.



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Taking into account the severity of this case, the directors' remuneration of the chairman, president, and representative director in charge of the Car Carrier Division shall be reduced by 50 percent for the coming 12 months from May 2014, and the remuneration of the corporate officer in charge of the said division shall be reduced by 30 percent for the coming six months from May 2014. The other related parties shall be disciplined according to internal rules.

End