

January 29, 2016

To our shareholders

Corporate Name: Nippon Yusen Kabushiki Kaisha  
Representative: Tadaaki Naito, President  
Security Code: 9101  
Listings: First sections of the Tokyo and Nagoya  
stock exchanges  
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**Notice of an Extraordinary Loss and Revision of Consolidated Financial Results Forecasts and  
Planned Year-End Dividend**

Nippon Yusen Kabushiki Kaisha (hereafter, "NYK Line") announces today that it has posted an extraordinary loss resulting from an impairment of fixed assets in its consolidated financial results for the third quarter of the fiscal year ending March 31, 2016. NYK Line has also revised its full-year forecast of consolidated financial results and planned year-end dividend, which were previously announced on October 30, 2015.

**1. Details concerning the Extraordinary Loss**

After assessing the future recoverable value of a number of dry-bulker vessels owned by the NYK Group based on projections of prolonged sluggish conditions in the shipping market, NYK Line reduced the book value of these vessels to their respected recoverable amounts, resulting in an extraordinary loss of approximately 33.5 billion yen. Of this total, approximately 20.9 billion yen was accounted for by a single consolidated subsidiary.

As a result of this reduction, NYK Line expects to incur a loss from the revaluation of this subsidiary's stocks. Specifically, it expects to record a loss from the stock revaluation of a subsidiary totaling approximately 29.7 billion yen under extraordinary losses in its non-consolidated financial results for the fiscal year ending March 31, 2016. Nevertheless, since this loss from the stock revaluation of the subsidiary is eliminated in consolidation, it will not impact consolidated profits and losses.

The extraordinary loss had only a slight impact on forecast consolidated results for the fiscal year ending March 31, 2016, since certain structural reform expenses were reflected in the previously announced forecast.

## 2. Revision of Forecasts of Full-Year Consolidated Financial Results

The forecast of consolidated financial results for fiscal 2015 (April 1, 2015 – March 31, 2016) have been revised as follows.

(Millions of yen)

	Revenues	Operating Income	Recurring Profit	Net Income Attributable to Owners of the Parent Company	Earnings per Share (Yen)
Previous Forecast (A) (Announced October 30, 2015)	2,370,000	75,000	80,000	47,000	27.71
Revised Forecast (B)	2,320,000	51,000	66,000	25,000	14.74
Change (B – A)	(50,000)	(24,000)	(14,000)	(22,000)	
Percentage Change (%)	(2.1)	(32.0)	(17.5)	(46.8)	
Fiscal 2014 Results (ended March 31, 2015)	2,401,820	66,192	84,010	47,591	28.06

Assumptions underlying forecasts:

Average annual exchange rate of ¥121.19 / US\$ (revised); ¥120.88 / US\$ (previous)

Average annual bunker oil price of \$300.85 /MT (revised); \$311.85 /MT (previous)

Reason for the Revision:

NYK Line revised its forecast of consolidated financial results because conditions in the maritime shipping market have been more sluggish than originally foreseen, and the performance of its container shipping and dry bulk transport businesses is expected to be lower than previously forecast.

## 3. Revision of Planned Fiscal Year-End Dividend for 2015

	Full-year dividend per share		
	Interim Dividend per Share	Year-End Dividend per Share	Total
Previously Planned Amount (Announced October 30, 2015)		3 yen	7 yen
Revised Amount		2 yen	6 yen
Amount Paid	4 yen		
Amount Paid in Fiscal 2014 (ended March 31, 2015)	2 yen	5 yen	7 yen

Reason for the Revision:

NYK Line regards the stable return of profits to shareholders as one of the most important priorities of management. Management of NYK Line determines the amount of profits to distribute as dividends after considering a wide range of factors, including forecasts of consolidated financial results, while generally aiming for a consolidated dividend payout ratio of 25%.

Based on this policy of paying stable dividends, and in consideration of the revision of full-year consolidated financial results shown in section 2., NYK Line plans to distribute a year-end dividend of ¥2 per share, resulting in a full-year dividend of ¥6 per share.

Note: The forecasts of financial results shown above are based on available information and certain assumptions deemed reasonable by management at the time of preparing this announcement. Accordingly, NYK Line makes no guarantee of these forecasts being realized, as actual results may differ owing to a wide range of factors.