

July 25, 2018

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 Revision of Forecast for Interim and Full Fiscal Year Consolidated Financial Results

Nippon Yusen Kabushiki Kaisha (hereafter, "NYK Line") announces today that it has revised its forecast for the interim and full year consolidated financial results for the fiscal year ending March 31, 2019. The previous forecast was released on April 27, 2018.

### Revision of Forecasts for Interim and Full-Year Consolidated Financial Results

Disparities between the revised forecast and previous forecast for interim financial results (April 1, 2018, to September 30, 2018)

(Millions of yen)

	Revenues	Operating profit (loss)	Recurring profit (loss)	Profit (loss) attributable to owners of parent	Profit (loss) per share
Previous forecast (A) (Announced April 27, 2018)	905,000	13,500	14,500	8,000	47.43
Revised forecast (B)	890,000	(7,500)	(5,000)	3,000	17.79
Change (B – A)	(15,000)	(21,000)	(19,500)	(5,000)	
Percentage change (%)	-1.7%	-	-	-62.5%	
Interim results for the fiscal year ended March 31, 2018	1,064,279	12,741	22,012	6,291	37.30

#### Assumptions underlying forecasts

Average annual exchange rate of ¥106.55 / \$US (revised); ¥105.00 / \$US (previous)

Average annual bunker oil price of \$427.97 per MT (revised); \$380.00 per MT (previous)

Disparities between the revised forecast and previous forecast for full fiscal year financial results (April 1, 2018 to March 31, 2019)

(Millions of yen)

	Revenues	Operating profit (loss)	Recurring profit (loss)	Profit (loss) attributable to owners of parent	Profit (loss) per share
Previous forecast (A) (Announced April 27, 2018)	1,805,000	37,000	40,000	29,000	171.94
Revised forecast (B)	1,760,000	2,000	10,000	12,000	71.14
Change (B – A)	(45,000)	(35,000)	(30,000)	(17,000)	
Percentage change (%)	-2.5%	-94.6%	-75.0%	-58.6%	
Full year results for the fiscal year ended March 31, 2018	2,183,201	27,824	28,016	20,167	119.57

- Assumptions underlying forecasts

Average annual exchange rate of ¥105.78 / \$US (revised); ¥105.00 / \$US (previous)

Average annual bunker oil price of \$443.99 per MT (revised); \$380.00 per MT (previous)

- Reason for revision

Following the launch of Ocean Network Express Pte. Ltd., the container shipping line jointly established by the three major Japanese shipping lines, NYK Line's liner business has been terminated. However, the one-off cost required for the termination of the business has been discovered to be higher than initially projected for the interim period as an operating loss.

NYK Line's consolidated subsidiary Nippon Cargo Airlines Co. Ltd (NCA) temporarily suspended all of its aircraft operations from June 17, 2018, to confirm the airworthiness of the company's aircraft. Also, as announced on July 20, NCA received a business improvement order from Japan's Ministry of Land, Infrastructure, Transport and Tourism. NCA has swiftly started to work on identifying the cause and to prevent recurrence. As of today, only two aircraft have returned to service, and the rest of the aircraft will return to service as soon as the airworthiness is confirmed. Given this situation, it is necessary to review the premise of the NCA business plan for the Fiscal Year ending March 31<sup>st</sup> 2019.

In light of these events, the cumulative results through the interim and the full year consolidated forecast for the fiscal year ending in March 2019 have been revised downward.

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 widely owing to various factors.