

May 16, 2017

To our shareholders

Corporate Name: Nippon Yusen Kabushiki Kaisha
Representative: Tadaaki Naito, President
Security Code: 9101
Listings: First Section of the Tokyo and Nagoya
stock exchanges
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Notice of Change of the Number of Shares Constituting One Unit, Consolidation of shares and Partial amendments to the Articles of Incorporation

Nippon Yusen Kabushiki Kaisha (Hereafter "NYK") hereby announces that at the meeting of the Board of Directors held today, NYK resolved to propose the change of the number of shares constituting one unit, consolidation of shares and partial amendment to its Articles of Incorporation at the 130th Ordinary General Meeting of shareholders scheduled to be held on June 21, 2017 (Hereafter "General shareholders' meeting"). Details are as follows;

1. Change of the Number of Shares Constituting One Unit

(1) Reason for the change

Stock exchanges nationwide have announced "Action Plan for Consolidating Trading Units," and they are proceeding with plans for consolidating the trading units of ordinary shares of all domestic listed companies to 100 share trading units by October 2018 for the greater convenience of investors and other market participants. Based on the intent of this plan, NYK will change the number of shares constituting one unit, the Company's trading unit, from 1,000 to 100 as of October 1, 2017.

(2) Details of the change

The number of shares constituting one unit is to be changed from 1,000 to 100 as of October 1, 2017.

2. Consolidation of shares

(1) Reasons for consolidation of shares

As stated in "1. Change of the Number of Shares Constituting One Unit" above, in changing the number of shares constituting a unit of shares from 1,000 to 100, NYK will consolidate 10 shares into one share to maintain the price level of the Company's trading unit desired by the stock exchanges (¥50,000 or more and less than ¥500,000). There will be no change to the number of voting rights of each shareholder.

(2) Details of the change

(i) Class of the shares Ordinary shares

(ii) Share consolidation method and ratio

On October 1, 2017, shares held by shareholders recorded in the latest shareholder registry as of September 30, 2017, will be consolidated at the ratio of 10 shares to one share.

(iii) Number of shares reduced through consolidation

Issued and outstanding shares before consolidation (as of March 31, 2017)	1,700,550,988 shares
Number of shares reduced through consolidation	1,530,495,890 shares
Issued and outstanding shares after consolidation	170,055,098 shares

(Note) Number of shares reduced through consolidation and issued and outstanding shares after consolidation are theoretical value calculated from the counterpart before consolidation and its ratio.

(iv) Number of shareholders reduced through consolidation

The shareholder composition based on the shareholder registry as of March 31, 2017 is as follows:

Number of holding shares	Number of shareholders (percentage of total)	Total number of shares (percentage of total)
Fewer than 10 shares	2,629 (2.07%)	10,422 shares (0.00%)
10 or more shares	124,178 (97.93%)	1,700,540,566 shares (99.99%)
Total	126,807 (100.00%)	1,700,550,988 shares (100.00%)

If the share consolidation is carried out following the shareholder composition above, 2,629 shareholders who hold shares fewer than 10 shares each (the total number of shares held by those shareholders is 10,422 shares), will lose status as shareholders.

The shareholder holds shares constituting less than one unit of shares may use the system for selling or purchasing fractional shares before the effective date of share consolidation, pursuant to the provisions of the Companies Act. For inquiries concerning concrete procedures, please contact securities company or shareholder registry administrator, Mitsubishi UFJ Trust and Banking Corporation.

(v) Treatment of fractional shares

If any fractional shares arise as a result of the share consolidation, pursuant to the provisions of the Companies Act, NYK will sell all such fractional shares and distribute the proceeds to shareholders having fractional shares in proportion to their respective fractions.

(vi) Total number of shares authorized to be issued as of the effective date of the share consolidation

Based on the reduction of number of issued and outstanding shares through the share consolidation, total number of shares authorized to be issued will be reduced at the same ratio as consolidation (10 shares to one share) as of the effective date, October 1, 2017.

Authorized shares before consolidation	2,983,550,000 shares
Authorized shares after consolidation (as of October 1, 2017)	298,355,000 shares

(3) Influence etc. by consolidation

Because equity itself will not change, equity per share will increase ten times as much when the number of Issued and outstanding shares will be reduced to one-tenth of the original through consolidation. Net asset value of NYK stocks will not fluctuate beside other factors such as stock market conditions.

(4) Conditions to consolidation

Consolidation of shares is subject to the approval of proposal for "3. Partial amendments to the Articles of Incorporation" below as proposed at General Shareholders' meeting.

3. Partial amendments to the Articles of Incorporation

(1) Reason for the amendments

(i) It is to follow "1. Change of the Number of Shares Constituting One Unit" and "2. Consolidation of shares" stated above. Concerning these amendments, NYK will establish Supplementary Provision as of the effective date, October 1, 2017, which is scheduled to be deleted on the same day.

(ii) NYK will make amendments to allow the election of the President from among the Representative Directors or the Corporate Officers, in order to enable the flexible establishment of the most appropriate management system. In addition, NYK will make necessary amendments to enable one of the other Representative Directors to convene General shareholders' meeting based on the order previously set by the Board of Directors, in case the President is elected from among the Corporate Officers.

(iii) NYK will make necessary revision to Article 25.2. of the current Articles of Incorporation in accordance with other articles (Revised only in Japanese original text) .

(2) Details of the amendments

(Underlined parts indicate the amendments.)

Current Articles of Incorporation	Proposed Amendments
Article 1. – 4. (Provisions omitted)	Article 1. – 4. (Unchanged)
CHAPTER II SHARES	CHAPTER II SHARES
(Total Number of Shares Authorized to be Issued) Article 5. The total number of shares authorized to be issued by the Company shall be <u>2,983,550,000</u> .	(Total Number of Shares Authorized to be Issued) Article 5. The total number of shares authorized to be issued by the Company shall be <u>298,355,000</u> .
Article 6. (Provisions omitted)	Article 6. (Unchanged)
(Number of Shares Constituting One Unit) Article 7. The number of shares constituting one unit shall be <u>1,000</u> .	(Number of Shares Constituting One Unit) Article 7. The number of shares constituting one unit shall be <u>100</u> .
Article 8. – Article 12. (Provisions omitted)	Article 8. – Article 12. (Unchanged)
CHAPTER III GENERAL MEETINGS OF SHAREHOLDERS	CHAPTER III GENERAL MEETINGS OF SHAREHOLDERS
Article 13. (Provisions omitted)	Article 13. (Unchanged)
(Person Convening) Article 14. The General Meeting of Shareholders shall, except where otherwise provided for in the law, be convened by the President and Representative Director of the Company by the resolution of the Board of Directors. Should the President and Representative Director be unable to act, one of the other Representative Directors shall act in the order previously set by the resolution of the Board of Directors.	(Person Convening) Article 14. The General Meeting of Shareholders shall, except where otherwise provided for in the law, be convened by the President and Representative Director of the Company by the resolution of the Board of Directors. <u>Should the President and Representative Director not be elected or</u> should the President and Representative Director be unable to act, one of the other Representative Directors shall act in the order previously set by the resolution of the Board of Directors.
Article 15. (Provisions omitted)	Article 15. (Unchanged)
(Chairman) Article 16. The President and Representative Director shall act as chairman at the General Meeting of Shareholders. Should the President and Representative Director be unable to act, one of the other Representative Directors shall act in the order previously set by the resolution of the Board of Directors.	(Chairman) Article 16. The President and Representative Director shall act as chairman at the General Meeting of Shareholders. <u>Should the President and Representative Director not be elected or</u> should the President and Representative Director be unable to act, one of the other Representative Directors shall act in the order previously set by the resolution of the Board of Directors.
Article 17. – Article 20. (Provisions omitted)	Article 17. – Article 20. (Unchanged)

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">CHAPTER IV DIRECTORS AND BOARD OF DIRECTORS</p>	<p style="text-align: center;">CHAPTER IV DIRECTORS AND BOARD OF DIRECTORS, <u>ETC.</u></p>
<p>Article 21. – Article 24. (Provisions omitted)</p> <p>(Representative Directors, Officiating Directors)</p> <p>Article 25.</p> <p>1. (Provisions omitted)</p> <p>2. Representative Directors shall represent the Company and conduct affairs of the Company.</p> <p>3. The Board of Directors may, by resolution, elect one Chairman of the Board of Directors, one Vice Chairman of the Board of Directors <u>and one President and Representative Director.</u> (Newly established)</p> <p style="text-align: center;">(Newly established)</p>	<p>Article 21. – Article 24. (Unchanged)</p> <p>(Representative Directors, Officiating Directors, <u>etc.</u>)</p> <p>Article 25.</p> <p>1. (Unchanged)</p> <p>2. Representative Directors shall represent the Company and conduct affairs of the Company.</p> <p>3. The Board of Directors may, by resolution, elect one Chairman of the Board of Directors <u>and one Vice Chairman of the Board of Directors.</u></p> <p>4. <u>The Board of Directors may, by resolution, elect one President from among the Representative Directors or the Corporate Officers.</u></p> <p><u>(Corporate Officers)</u></p> <p>Article 26.</p> <p><u>The Board of Directors may, by resolution, elect Corporate Officers and delegate to them the conduct of affairs of the Company.</u></p>
<p>Article <u>26.</u> (Provisions omitted)</p> <p>(Person Convening the Meeting of the Board of Directors)</p> <p>Article <u>27.</u></p> <p>Except where otherwise provided for in the law, the Chairman of the Board of Directors shall convene the Meeting of the Board of Directors and become the chairman thereof. Should the Chairman of the Board of Directors not be <u>designated</u> or should the Chairman be unable to act, the President and Representative Director shall act, and should the President and Representative Director be unable to act, one of the other Representative Directors shall act in the order previously set by the resolution of the Board of Directors.</p>	<p>Article <u>27.</u> (Same as Article 26. of the current Articles of Incorporation)</p> <p>(Person Convening the Meeting of the Board of Directors)</p> <p>Article <u>28.</u></p> <p>Except where otherwise provided for in the law, the Chairman of the Board of Directors shall convene the Meeting of the Board of Directors and become the chairman thereof. Should the Chairman of the Board of Directors not be <u>elected</u> or should the Chairman be unable to act, the President and Representative Director shall act, and <u>should the President and Representative Director not be elected</u> or should the President and Representative Director be unable to act, one of the other Representative Directors shall act in the order previously set by the resolution of the Board of Directors.</p>
<p>Article <u>28.</u> – Article <u>51.</u> (Provisions omitted)</p>	<p>Article <u>29.</u> – Article <u>52.</u> (Same as Article 28. – Article 51. of the current Articles of Incorporation)</p>

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<u>Supplementary Provision</u> <u>(Effective Date of Partial Amendments to the</u> <u>Articles of Incorporation)</u> <u>The amendments to Article 5 and Article 7 shall</u> <u>come into effect on October 1, 2017, the</u> <u>effective date of the consolidation of shares and</u> <u>the number of shares constituting one unit</u> <u>pertaining to the proposal made at the 130th</u> <u>Ordinary General Meeting of Shareholders on</u> <u>June 21, 2017. This Supplementary Provision</u> <u>shall be deleted on the effective date.</u>

(3) Conditions to amendments

Amendments to Article 5.,7. and new establishment of Supplementary Provision are subject to the approval of proposal for “2. Consolidation of shares” above as proposed at General shareholders’ meeting.

4. Schedule for Change of the Number of Shares Constituting One Unit, Consolidation of Shares and Partial amendments to the Articles of Incorporation

Date of resolution at the meeting of the Board of Directors	May 16, 2017
Date of resolution at General shareholders’ meeting	Scheduled on June 21, 2017
Effective date of Partial amendments to the Articles of Incorporation (*)	Scheduled on June 21, 2017
Effective date of the Number of Shares Constituting One Unit	Scheduled on October 1, 2017
Effective date of Consolidation of Shares	Scheduled on October 1, 2017

(*) Please refer Supplementary Provision of “3. Partial amendments to the Articles of Incorporation”.

(Note) As set forth above, the effective date of the change of the number of shares constituting one unit and share consolidation are scheduled to be October 1, 2017, but in relation to book-entry procedures, a trading unit on each securities exchange will actually be changed from 1,000 to 100 on and after September 27, 2017.

End.