

Mitsui O.S.K. Lines' Action and Direction at the Vanguard of Creating Excellence

MOL Group Corporate Principles

1. As a multi-modal transport group, we will actively seize opportunities that contribute to global economic growth and development by meeting and responding to our customers' needs and to this new era.
2. We will strive to maximize corporate value by always being creative, continually pursuing higher operating efficiency and promoting an open and visible management style that is guided by the highest ethical and social standards.
3. We will promote and protect our environment by maintaining strict, safe operation and navigation standards.

Long-Term Vision: To make the MOL Group an excellent and resilient organization that leads the world shipping industry

Main Theme : "Growth with enhanced quality"

— Ensuring safe operation is the highest priority, while achieving sustainable growth and enhancing quality.

Overall Strategies

1 Implement comprehensive measures to reinforce and ensure safe operation.

- Pursue transport quality that gains customers' ongoing trust, and enhance the structure to ensure safe operation.
- Implement measures to reinforce safe operation with a total investment of ¥35 billion over three years (Hardware: ¥22 billion, software: ¥13 billion).

2 Focus management resources heavily on growing fields in the ocean shipping industry.

- Expand fleet scale overperforming the average growth rate of cargo trade volume. Number of operating vessels: 800 at end of FY2006, ending March 2007, to 1,000 at end of FY2009, ending March 2010 (including short term charter ships and J/V owned ships)
- Build a well-balanced business portfolio with a combination of stable earnings and benefits of favorable market conditions.

3 Accelerate globalization and enhance sales capabilities in emerging markets.

- Develop business on a global scale to meet growth and diversification of trade.
- Expand business in emerging markets and take a proactive approach to potential business.

4 Enhance Group-wide strength and competitiveness.

- Take steps to ensure both Group corporate growth and the development of individual employees.
- Reorganize Group companies and create synergy to promote further growth.
- Develop "Creative Cost Saving Program". : Target of cost reduction for three years: ¥35 billion
- Expand business scale in fields related to logistics and businesses associated with ocean shipping.

5 Establish a governance structure that fulfills stakeholders' trust.

- Build and operate effective internal control systems.

Consolidated Financial Goals

(Assumptions: Exchange rate ¥110/US\$, Bunker price US\$300/MT) (unit: ¥ billion)

	FY2006 (forecast)	FY2007 (plan)	FY2008 (plan)	FY2009 (plan)	FY2012 (target)
Revenue	1,570	1,640	1,880	2,060	2,500
Ordinary Income	175	190	205	220	260
Net Income	118	124	133	143	160
Ordinary Income Margin	11%	12%	11%	11%	10%
Shareholder's Equity ^{*1}	530			860	
Shareholder's Equity Ratio	33%			40% or more	
Gearing Ratio ^{*2}	1.11 times			1 time or less	
ROA ^{*3}	7.6%			7% or more	

*1: Total Net Assets - (Stock acquisition right + Minority interests)

*2: Interest-bearing debt divided by shareholders' equity

*3: Net income divided by average of beginning- and end-year total assets

Fleet Expansion and Fleet Scale

	Fleet Scale (forecast) March 31, 2007	Fleet Expansion FY2007-FY2009	Fleet Scale (plan) March 31, 2010	Fleet Expansion FY2010-FY2012	Fleet Expansion (target) March 31, 2013
Bulkships	650	172	800	200	950
Containerships	110	22	150	30	190
Others	45	2	50	6	60
Total	805	196	1,000	236	1,200
Ships' Value		Equivalent to ¥1,100 billion		Equivalent to ¥1,400 billion	

*Fleet Scale: Including short term charter ships and J/V owned ships