



Business Performance
in
FY2009-2nd Quarter

Mitsui O.S.K. Lines, Ltd.

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FY2009 2nd Quarter Results [Consolidated]

(billion yen)	FY2009			FY2008 1H Result	Increase/ decrease	1H Forecast as of 7/27/09	Increase/ decrease
	1Q Result	2Q Result	1H Result				
Revenue	297	327	625	1,095	△470	640	△15
Operating income	△12	1	△11	165	△176	△5	△6
Ordinary income	△11	1	△10	186	△196	△5	△5
Net income	△13	3	△10	124	△134	△7	△3
Average exchange rate	¥97.21/\$	¥94.85/\$	¥96.03/\$	¥104.91/\$		¥95.11/\$	
Average bunker price	\$313/MT	\$394/MT	\$354/MT	\$608/MT		\$372/MT	

[By segment]

(billion yen)		FY2009			FY2008 1H Result	Increase/ decrease	1H Forecast as of 7/27/09	Increase/ decrease
		1Q Result	2Q Result	1H Result				
Bulkships	Revenue	155	175	330	595	△264	345	△15
	Ordinary income	4	16	20	171	△151	18	+2
Containerships	Revenue	104	112	216	399	△184	215	+1
	Ordinary income	△ 20	△ 18	△ 38	△ 1	△36	△ 32	△6
Ferry& domestic transport	Revenue	12	13	25	29	△4	26	△1
	Ordinary income	△ 1	△ 0	△ 1	△ 0	△1	△ 1	△0
Associated businesses	Revenue	24	25	49	67	△18	50	△1
	Ordinary income	3	2	6	7	△2	5	+0
Others	Revenue	2	2	4	5	△0	5	△0
	Ordinary income	1	0	1	1	△0	1	+0
Elimination	Revenue	-	-	-	-	-	-	-
	Ordinary income	1	0	2	8	△6	4	△2
Consolidated	Revenue	297	327	625	1,095	△470	640	△15
	Ordinary income	△ 11	1	△ 10	186	△196	△ 5	△5

● Revenues from customers, unconsolidated subsidiaries and affiliated companies

● "Bulkships" consists of Dry bulkers, Tankers, LNG carriers, and Car carriers

● Ex-Logistics Segment's Revenue and Ordinary income have been integrated into Containerships Segment.

Outline of FY2009 2nd Quarter Results [Consolidated]

[Overall]

- Impacted by the stagnant economy, ordinary loss for the first half totaled **¥10 billion**.
- However 2Q result is **back in black** following the rebound of the dry bulker market started in May.

[By segment] (Comparison of ordinary income for FY2008 1st half)

Bulkships (-¥151.1 billion)

- Dry bulkers: Despite significant fall in earnings compared to 1H of FY2008, a certain amount of profit was secured backed by mid- and long-term contracts. The profit increased from 1Q to 2Q after the market recovery started in May.
- Tankers: Markets for crude oil tankers, product tankers, and LPG carriers remained at a low level due to a limited demand for crude oil and petroleum products. Overall, this segment posted a loss.
- Car carriers: A deficit remained despite efforts to offset declining automobile cargo trade by disposing aged vessels and laying up ships.

Containership (-¥36.1 billion)

- ◆ Cargo volume on the North America Eastbound route **declined by 19% yoy** compared to 1H of FY2008. Although freight rate negotiations (once a year in May) concluded with downward revision, the restoration of freight rate progressed to some extent after the summer on the back of higher utilization resulting from cargo trade recovery and vessels reduction.
- ◆ Cargo volume on the European Westbound route **declined by 41% yoy**. Some progress seen on freight rate restoration on the back of higher utilization after the summer.
- ◆ However, the drastic decline in cargo trade had a great impact, resulting in a larger loss compared to the same period of the previous year.

[Extraordinary profit/loss]

- (1) 27 vessels were sold during the term → profit of **¥7.4 billion** (Extraordinary Profit)
- (2) 7 high-cost charter contracts were cancelled before maturity → cancellation fees of **¥6.4 billion** (Extraordinary Loss)

Results Comparison FY2009-2Q vs FY2008-2Q

Major factors affected Ordinary income

Stronger yen	-¥7.0 bil.
Lower bunker	+¥25.4 bil.
Fluctuation of cargo volume/freight rates, etc.	-¥218.9 bil.
Cost Reduction	+¥19.1 bil.
Equity in earnings of affiliated companies	-¥11.7 bil.
Others (incl. Elimination)	-¥3.0 bil.
<hr/>	
(Balance)	-¥196.0 bil.

FY2009 Forecast [Consolidated]

(billion yen)	FY2009		Yearly forecast	FY2008 Result	Increase/decrease	Yearly F'cast as of 7/27/09	Increase/decrease
	1H Result	2H Forecast					
Revenue	625	675	1,300	1,866	△566	1,350	△50
Operating income	△11	21	10	197	△187	50	△40
Ordinary income	△10	20	10	205	△195	50	△40
Net income	△10	12	2	127	△125	30	△28
Average exchange rate	¥96.03/\$	¥90.00/\$	¥93.02/\$	¥100.30/\$		¥94.05/\$	
Average bunker price	\$354/MT	\$450/MT	\$402/MT	\$528/MT		\$391/MT	

(For reference)

FY2009 Exchange rate sensitivity/2nd half: ±0.40 bil. ¥/1¥ (Max)

FY2009 Bunker price sensitivity/2nd half: ±0.10 bil. ¥/1\$ (Max)

(Consolidated Ordinary Income Basis)

[By segment]

(billion yen)		FY2009		Yearly forecast	FY2008 Result	Increase/ decrease	Yearly F'cast as of 7/27/09	Increase/ decrease
		1H Result	2H Forecast					
Bulkships	Revenue	330	370	700	999	△299	740	△40
	Ordinary income	20	34	54	213	△159	73	△19
Containerships	Revenue	216	224	440	696	△256	450	△10
	Ordinary income	△38	△20	△58	△21	△37	△40	△18
Ferry& domestic transport	Revenue	25	26	51	55	△4	51	+0
	Ordinary income	△1	△1	△2	△1	△1	0	△2
Associated businesses	Revenue	49	51	100	107	△7	100	+0
	Ordinary income	6	4	9	13	△4	10	△1
Others	Revenue	4	5	9	10	△1	9	+0
	Ordinary income	1	1	2	3	△1	1	+1
Elimination	Revenue	-	-	-	-	-	-	-
	Ordinary income	2	3	5	△3	+8	6	△1
Consolidated	Revenue	625	675	1,300	1,866	△566	1,350	△50
	Ordinary income	△10	20	10	205	△195	50	△40

● Revenues from customers, unconsolidated subsidiaries and affiliated companies

● "Bulkships" consists of Dry bulkers, Tankers, LNG carriers, and Car carriers

● Ex-Logistics Segment's Revenue and Ordinary income have been integrated into Containerships Segment.

Key points of FY2009 Full-year Forecast [Consolidated]

[Overall] Downward revision of forecast announced at 1Q (July 27, 2009)

	Initial (4/27)		1Q Revision (7/27)		2Q Revision (10/27)
Ordinary income	¥80 billion	⇒	¥50 billion	⇒	¥10 billion

- 1st half: A loss widened mainly due to the underperformance in containership segment (est. -¥5 billion at 7/27 forecast → -¥10 billion as results)
- 2nd half: Downward revision after reviewing of exchange rate, bunker prices, market trends, etc. (est. ¥55 billion at 7/27 forecast → ¥20 billion at 2Q forecast)
- The company understands the business result bottomed out in 2Q and heads for recovery.

* Assumption of exchange rate: **2nd half** — **¥90/\$** (←¥93/\$ at 7/27)
Assumption of bunker price: **2nd half** — **\$450/MT** (←\$410/MT at 7/27)

[By segment] (Increase/decrease of ordinary income from the forecast announced at 1Q)

Bulkships (-¥19 billion)

- Dry bulkers: Revision is made on spot market assumption in line with the current market level, though a steady cargo trade is anticipated in the 2nd half.
- Tankers: Minor downward revision on the level of market rise for 2nd half, though currently there is a rising trend for recovery in the market as we approach the high-demand winter season.

Containerships (-¥18 billion)

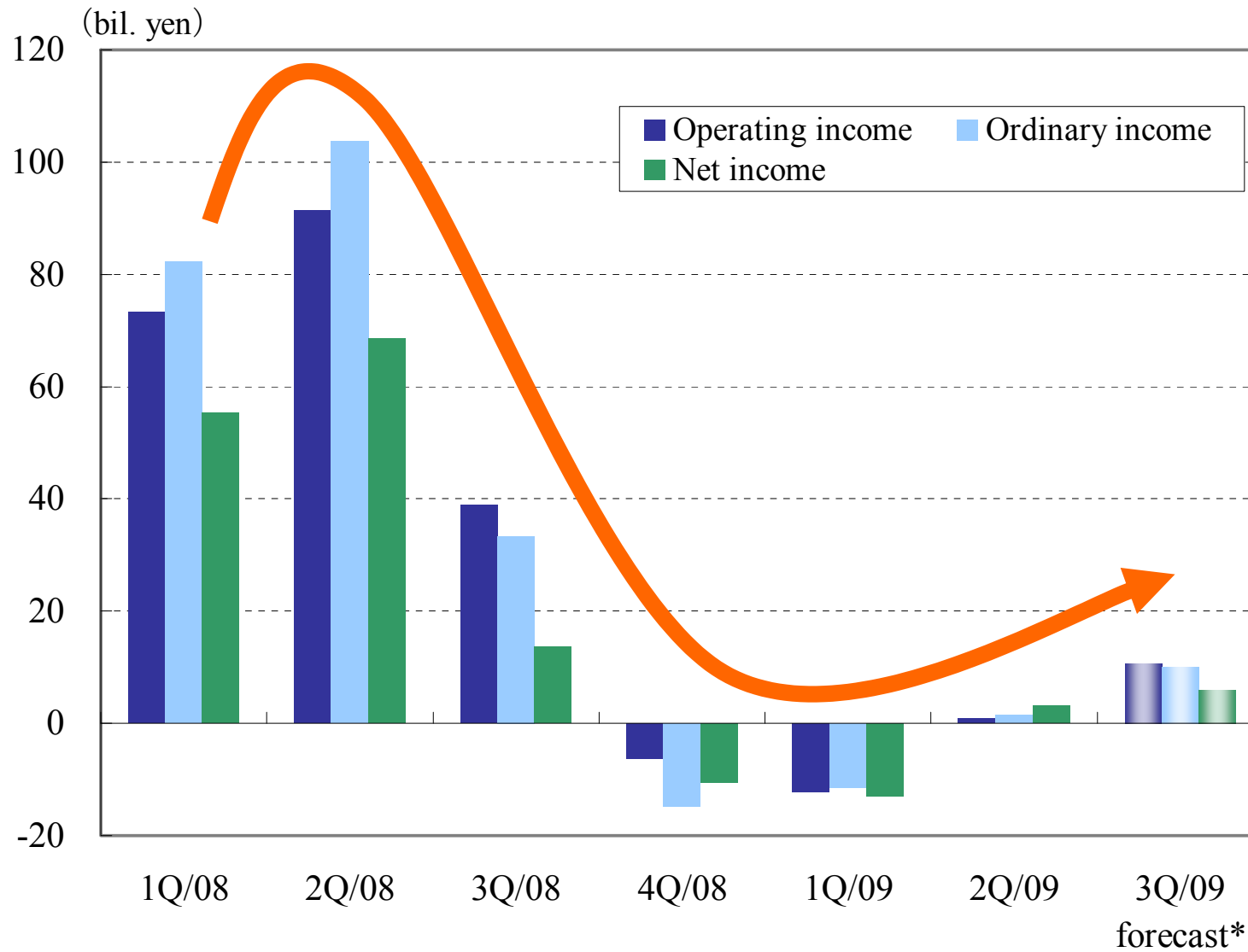
Downward revision in the 2nd half, considering negative impacts such as higher bunker prices and the appreciation of the yen, though the global cargo trade is resuming growth and freight rate restoration is expected to progress further to some extent. However the forecast shows large improvements compared to the 1st half due to the efforts of fleet reduction and cost cuts.

[Cost reduction targets]

Steady progress toward the **¥57 billion** target (including ¥28 billion in containership segment)

[Dividend] Interim dividend payment has been suspended. The year-end dividend will be determined later, based on future circumstances while maintaining a basic policy of dividend payout ratio of 20%.

Quarterly Profit and Loss Transition [Consolidated]



* An expedient figures (50% of FY2009 2nd half forecast)

[Supplement]

Fleet Composition

			At the end of Sept. 2009		At the end of Mar. 2009	At the end of Sept. 2008
			No. of vessels	1,000dwt	No. of vessels	No. of vessels
Dry bulker	Bulk carrier	Cape size	109	20,049	102	104
		Panamax	46	3,586	47	52
		Handymax	39	2,125	33	35
		Handy	34	1,017	35	40
	Heavy lifter	8	109	8	9	
	Wood chip carrier	49	2,391	48	49	
	Steaming coal carrier	36	3,134	37	38	
	General cargo carrier	43	586	46	51	
	(Sub total)	364	32,998	356	378	
Tanker	Crude oil tanker	47	12,257	42	40	
	Product tanker	56	3,264	49	44	
	Chemical tanker	78	1,914	78	71	
	LPG tanker	10	448	9	12	
	(Sub total)	191	17,882	178	167	
LNG carrier		72	5,451	72	70	
Car carrier		107	1,674	89	100	
Containership		105	5,001	115	131	
Ferry/Domestic carrier		48	171	46	46	
Cruise ship		2	9	2	2	
Others		3	19	3	3	
Total		892	63,206	861	897	

Note) Including spot-chartered ships and those owned by joint ventures

* Including vessels added by Nissan Motor Car Carrier, newly consolidated in FY2009 2nd Quarter

Market Information (Drybulker)

1. FY2008 Dry Bulker Market (spot charterage/day) (US\$)

Size	Route	FY2008				
		1Q Actual	2Q Actual	3Q Actual	4Q Actual	Total Actual
Capesize	4TC Average	176,300	118,000	10,000	23,200	81,900
Panamax	4TC Average	74,600	54,000	7,400	9,200	36,300
Handymax	5TC Average	60,500	45,500	8,600	9,900	31,100
Small handy	6TC Average	42,000	32,600	6,600	6,600	22,000

Source for actual : The Baltic Exchange

2. FY2009 Dry Bulker Market (US\$)

Size	Route (Actual Only)	FY2009				
		1st Half		2nd Half		Total
		1Q Actual	2Q Actual	3Q Forecast	4Q Forecast	
Capesize	4TC Average	46,100	45,000	40,000	40,000	42,800
Panamax	4TC Average	18,000	21,600	20,000	20,000	19,900
Handymax	5TC Average	16,600	19,700	19,000	19,000	18,600
Small handy	6TC Average	10,900	12,300	13,000	13,000	12,300

Source for actual : The Baltic Exchange

Market Information (Tanker)

1. FY2008 Tanker market (spot freight index)

(WS)

Type	Route	FY2008				
		1Q Actual	2Q Actual	3Q Actual	4Q Actual	Total Actual
Crude Oil Tanker (VLCC)	Arabian Gulf/ Far East	160	136	75	62(*1)	108(*2)
Product Tanker (MR)	Singapore/ Far East	249	344	298	111	251

Source for actual: Drewry"Shipping Insight"

*1, *2: Shown at WS criteria of Year 2008.

2. FY2009 Tanker market

(WS)

Type	Route (Actual Only)	FY2009				
		1st Half		2nd Half		Total
		1Q Actual	2Q Actual	3Q Forecast	4Q Forecast	
Crude Oil Tanker (VLCC)	Arabian Gulf/ Far East	32	35	45	60	43
Product Tanker (MR)	Singapore/ Far East	80(*3)	119			

Source for actual: Drewry"Shipping Insight"

*3 This figure is average for April and May, 2009. The figure for June is not announced yet.

Car Carriers Loading Results

(1000 units)

(Voyage Completion basis; including voyage charter)	FY2009					FY2008
			1st Half	2nd Half	(A)+(B)	
	1Q	2Q	Result (A)	Forecast (B)		
Total	410	549	958	1,078	2,036	2,552

*FY2009 including Nissan Motor Car Carrier Co., Ltd.

Major Containership Trades Utilization

(unit: 1000TEU)

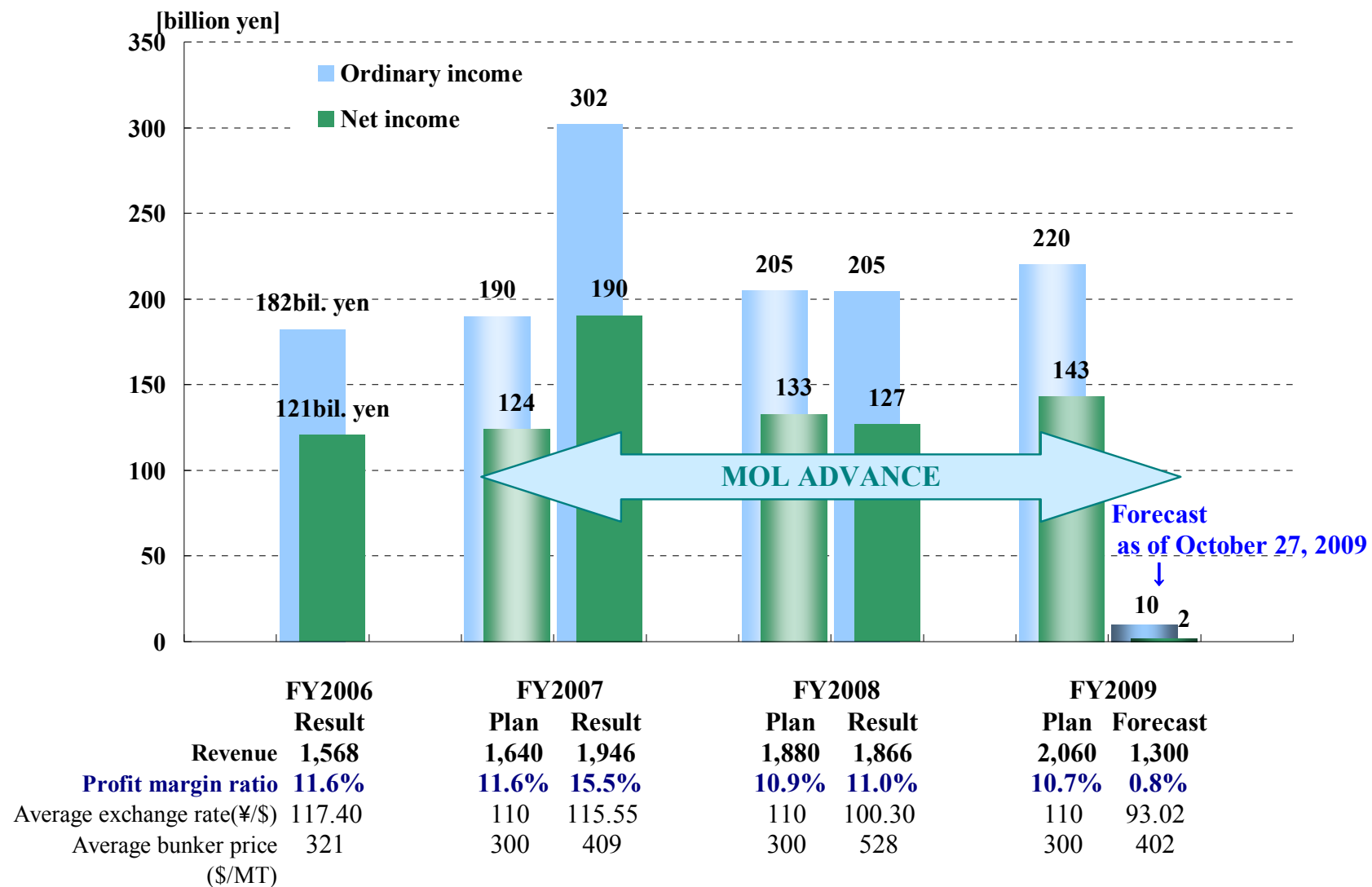
Asia-North America Trade (TPS)

			Outbound (E/B)						Inbound (W/B)					
			Capacity		Lifting		Utilization		Capacity		Lifting		Utilization	
FY2009	2nd half	4Q 3Q	128	253	117	221	92%	87%	128	248	86	171	67%	69%
	1st half	2Q 1Q	125		103		83%		120		85		71%	
FY2008	2nd half	4Q 3Q	116	257	100	225	86%	88%	116	260	75	157	64%	61%
	1st half	2Q 1Q	141		125		89%		144		82		57%	
			158	310	148	273	94%	88%	155	303	97	184	62%	61%
			152		125		82%		148		87		59%	

Asia-Europe Trade

			Outbound (W/B)						Inbound (E/B)					
			Capacity		Lifting		Utilization		Capacity		Lifting		Utilization	
FY2009	2nd half	4Q 3Q	77	165	78	145	101%	88%	85	174	54	107	64%	62%
	1st half	2Q 1Q	88		67		76%		89		53		60%	
FY2008	2nd half	4Q 3Q	95	205	86	192	91%	94%	100	215	55	120	55%	56%
	1st half	2Q 1Q	110		106		96%		115		65		56%	
			134	262	125	246	94%	94%	132	259	67	135	51%	52%
			129		121		94%		127		68		53%	

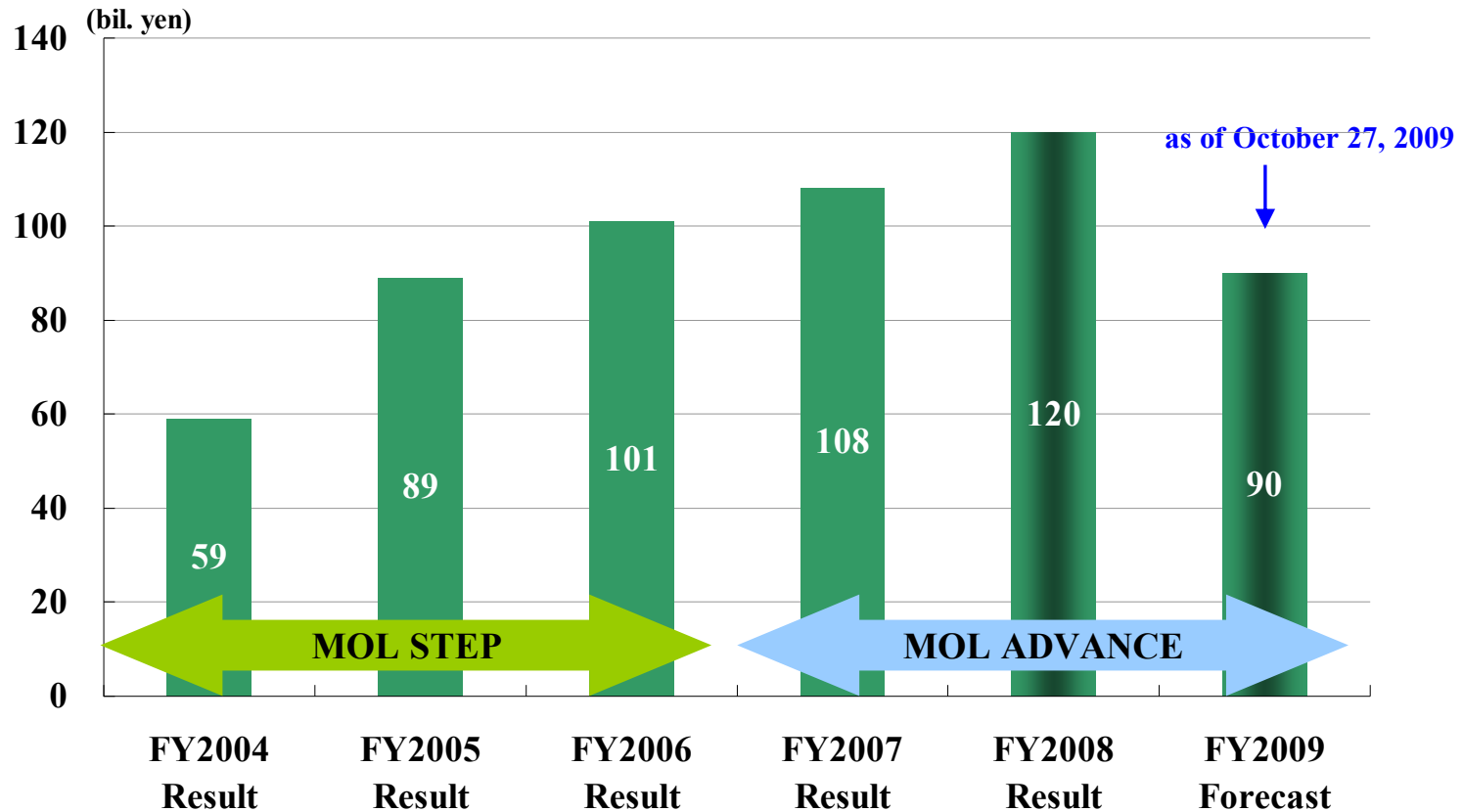
“MOL ADVANCE” Overall Profit Plan



	FY2006		FY2007		FY2008		FY2009	
	Result	Plan	Result	Plan	Result	Plan	Forecast	
Revenue	1,568	1,640	1,946	1,880	1,866	2,060	1,300	
Profit margin ratio	11.6%	11.6%	15.5%	10.9%	11.0%	10.7%	0.8%	
Average exchange rate(¥/\$)	117.40	110	115.55	110	100.30	110	93.02	
Average bunker price (\$/MT)	321	300	409	300	528	300	402	

Plans : Planned figures of Midterm Management Plan "MOL ADVANCE" in March 2007

Highly Stable Profit



Average exchange rate(¥/\$)

¥107.75/\$

¥112.29/\$

¥117.40/\$

¥115.55/\$

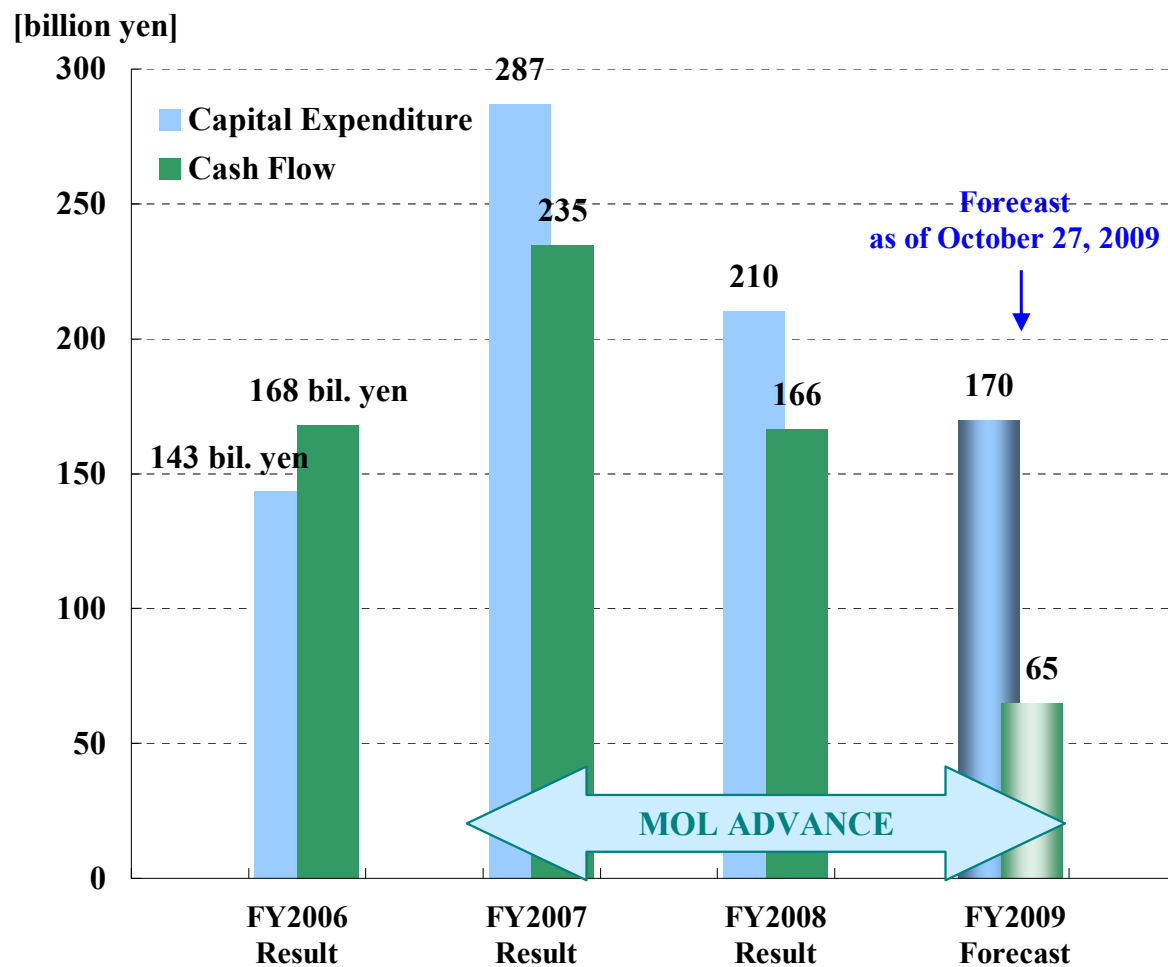
¥100.30/\$

¥93.02/\$

Highly stable profit = Firm profit through middle and long-term contracts and projected profit from highly stable businesses. (*)

(*) Following items are excluded in FY2009: Car Carrier business, and Terminal business and Logistics business in Containership Segment.

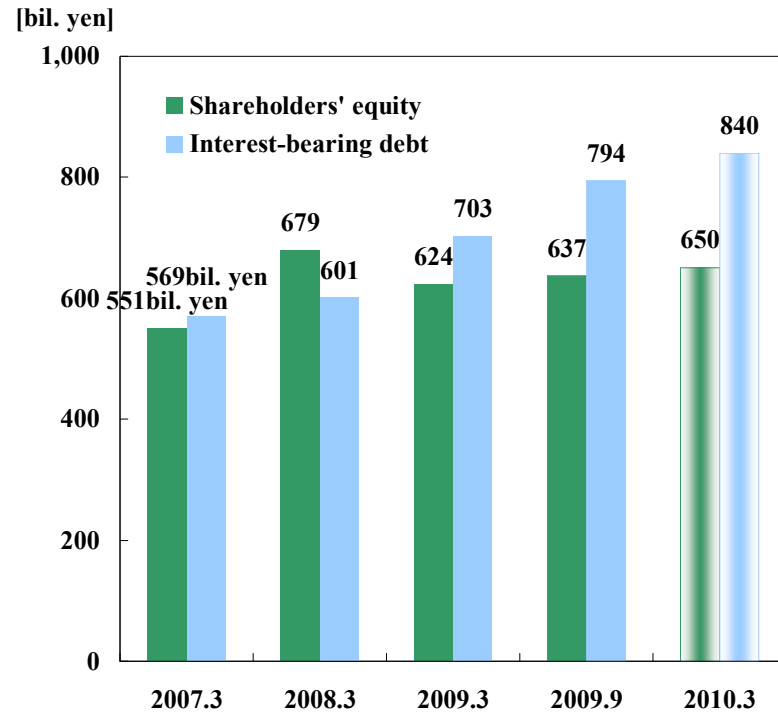
Cash Flows & Capital Expenditure



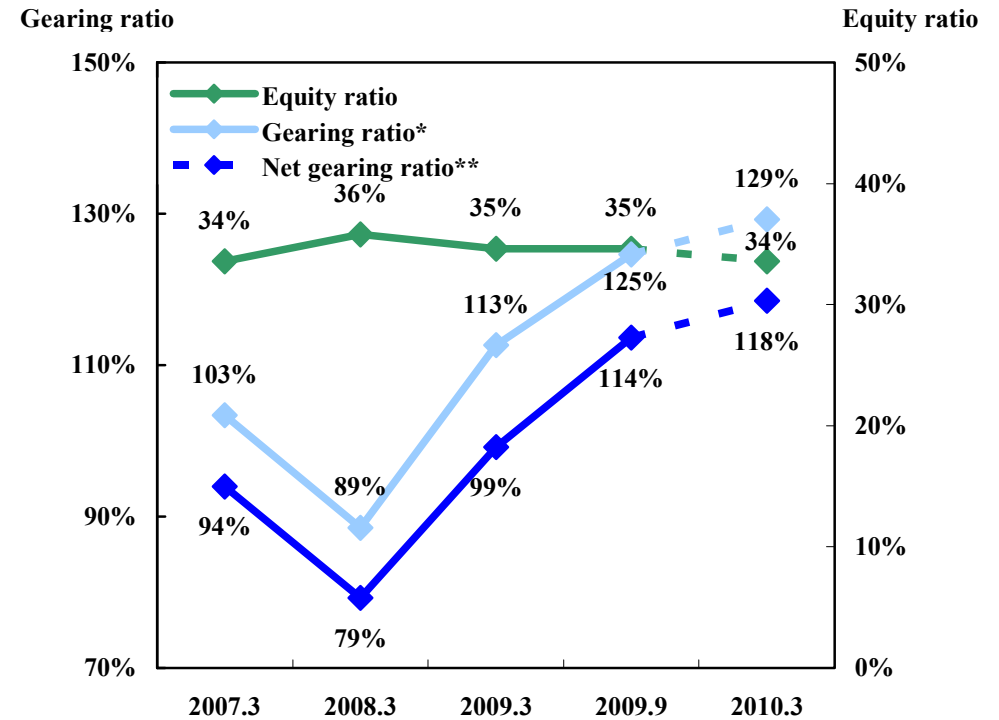
Average exchange rate(¥/\$)	117.40	115.55	100.30	93.02
Depreciation(billion yen)	69	75	78	80
Dividend Paid(billion yen)	22	30	39	19

Cash flow = Net income + Depreciation - Dividend Paid

“MOL ADVANCE” Financial Plan



Term-end exchange rate(¥/\$)	2007.3 Result	2008.3 Result	2009.3 Result	2009.9 Result	2010.3 Forecast as of Oct. 27, 2009
MOL	118.05	100.19	98.23	90.21	90
Overseas subsidiaries	119.11	114.15	91.03	96.01	90



Equity ratio = Shareholders' equity/Total Assets

*Gearing ratio = Interest bearing debt/Shareholders' equity

**Net gearing ratio

= (Interest bearing debt-cash and cash equivalents)/Shareholders' equity