

MOL

Investor

Guidebook

May 2005

Mitsui O.S.K. Lines, Ltd.

<http://www.mol.co.jp/ir-e/>

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 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

Forward-Looking Statements

This Investor Guidebook contains forward-looking statements concerning MOL's future plans, strategies and performance. These statements represent assumptions and beliefs based on information currently available and are not historical facts. Furthermore, forward-looking statements are subject to a number of risks and uncertainties that include, but are not limited to, economic conditions, worldwide competition in the shipping industry, customer demand, foreign currency exchange rates, price of bunker, tax laws and other regulations. MOL therefore cautions readers that actual results may differ materially from these predictions.

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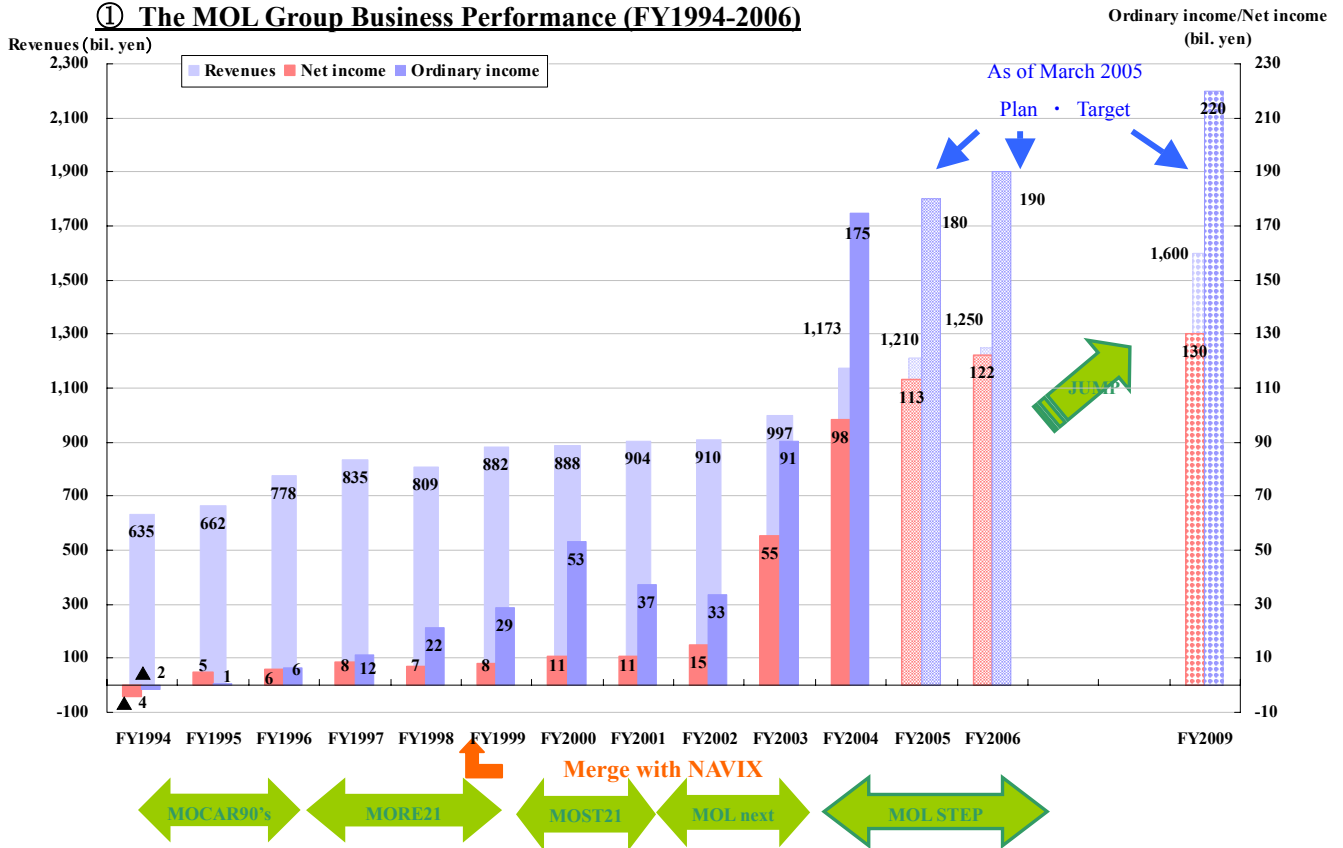
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MOL Group IR Tools

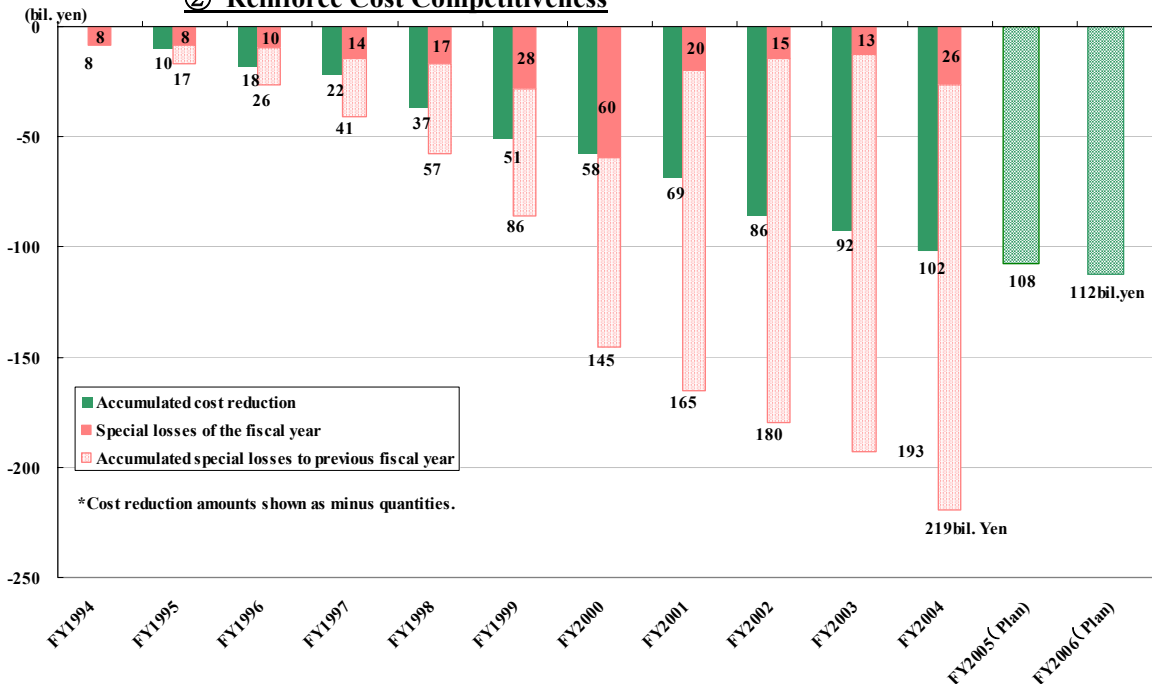
1. MOL at a glance

① The MOL Group Business Performance (FY1994-2006)



	FY1994	FY1995	FY1996	FY1997	FY1998	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006-2009
Average Exchange Rate (¥/\$)	100	96	112	123	130	112	110	125	122	114	108	105	100
Average Bunker Price (\$/KT)	102	108	116	105	80	117	159	136	163	178	193	250	200

② Reinforce Cost Competitiveness



Interest-bearing Debt

April 1999
(Merge with Navix)

985 bil. yen

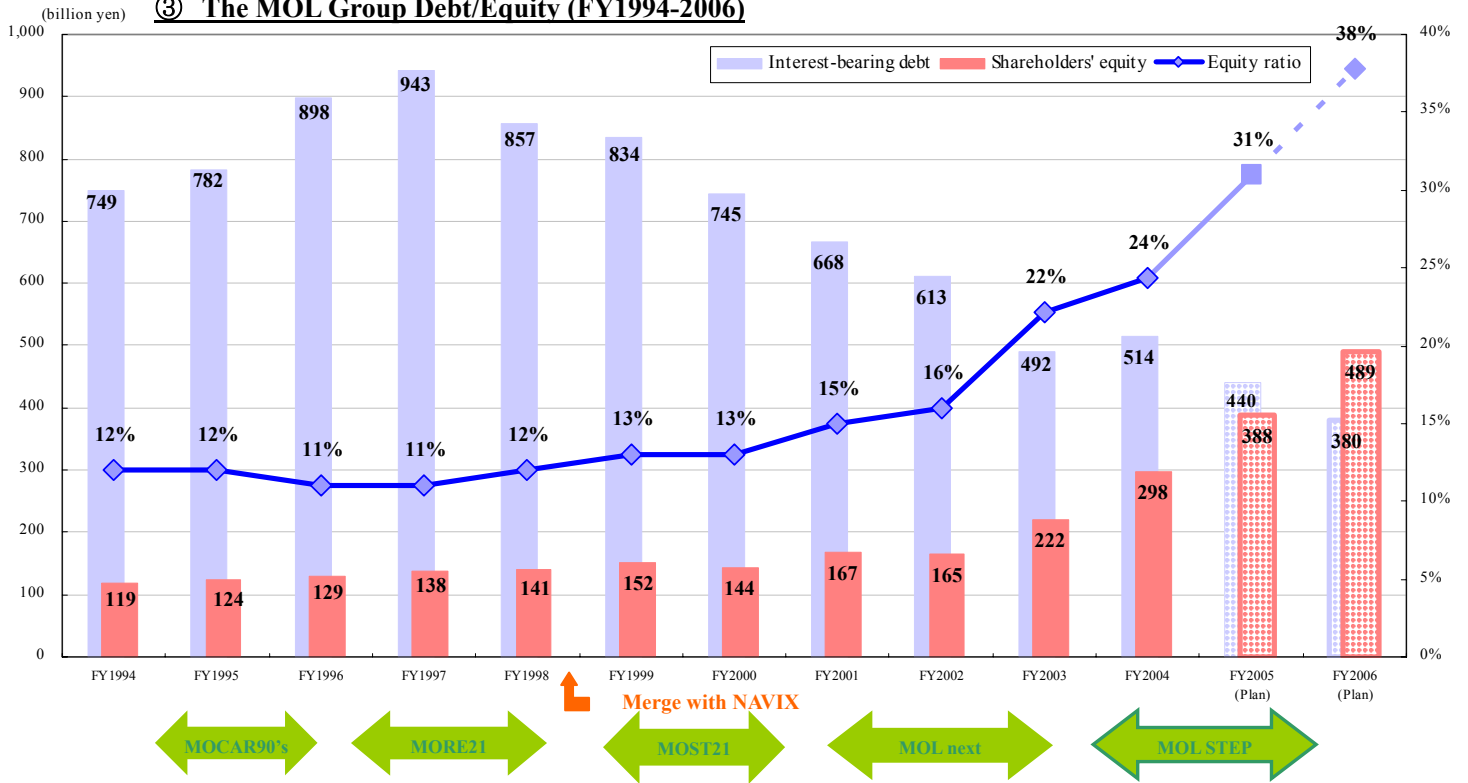
End of FY2003

492 bil. yen

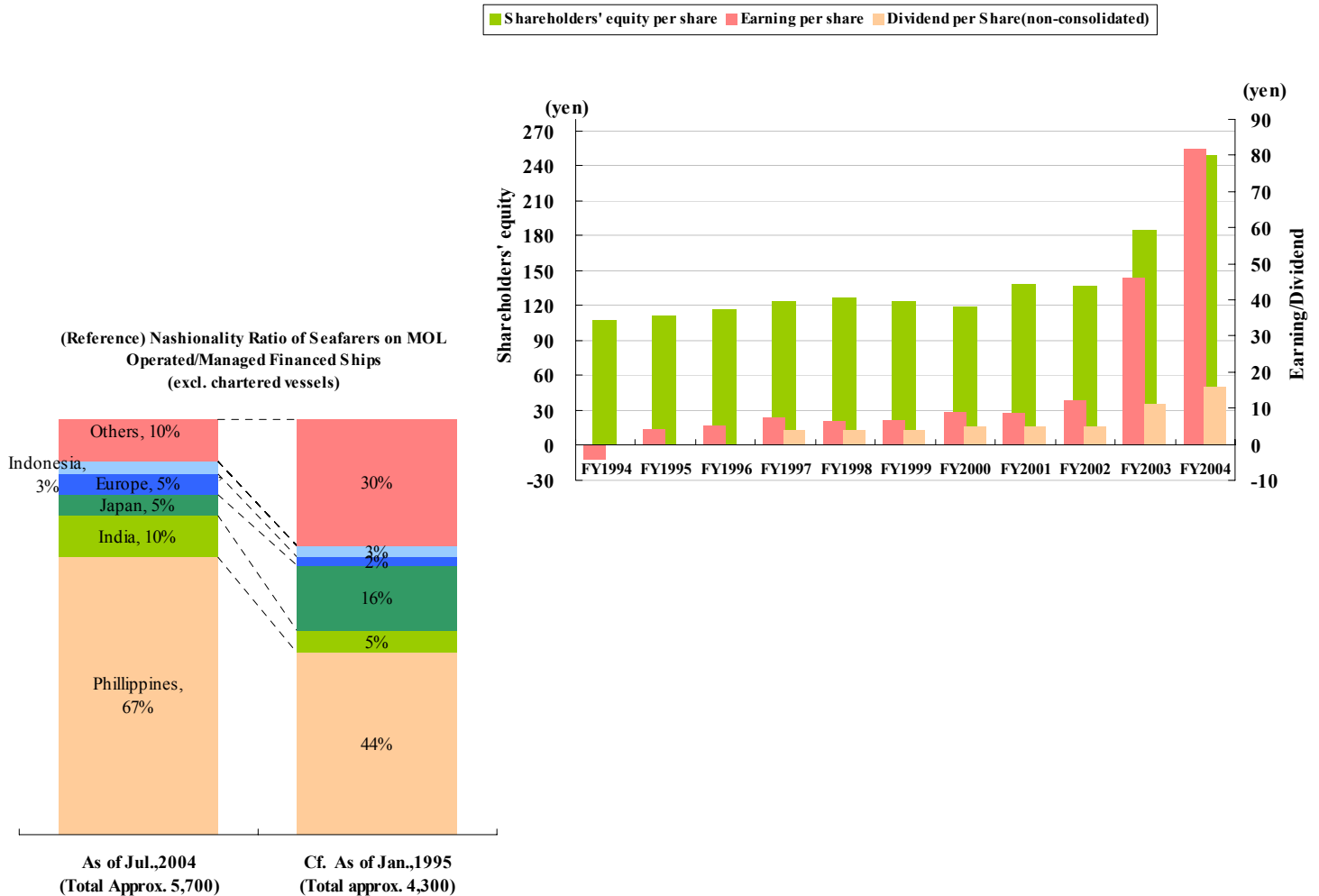
Regain healthy P/L & B/S

- Operating income ≙ Ordinary income
- ≙ Income before income taxes & minority interests
- No bad assets remain

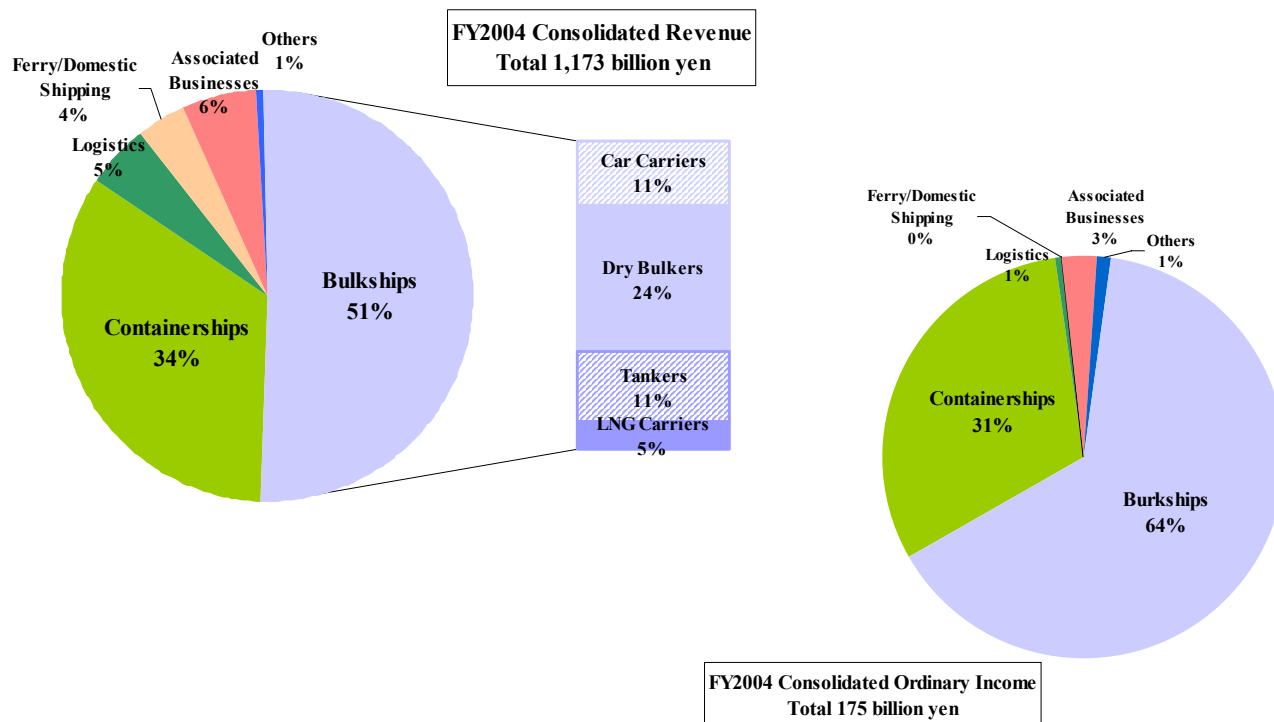
③ The MOL Group Debt/Equity (FY1994-2006)



④ Shareholders' Equity per Share, Earning per Share and Dividend per Share



⑤ Consolidated Revenue/Income Portfolio by Segments

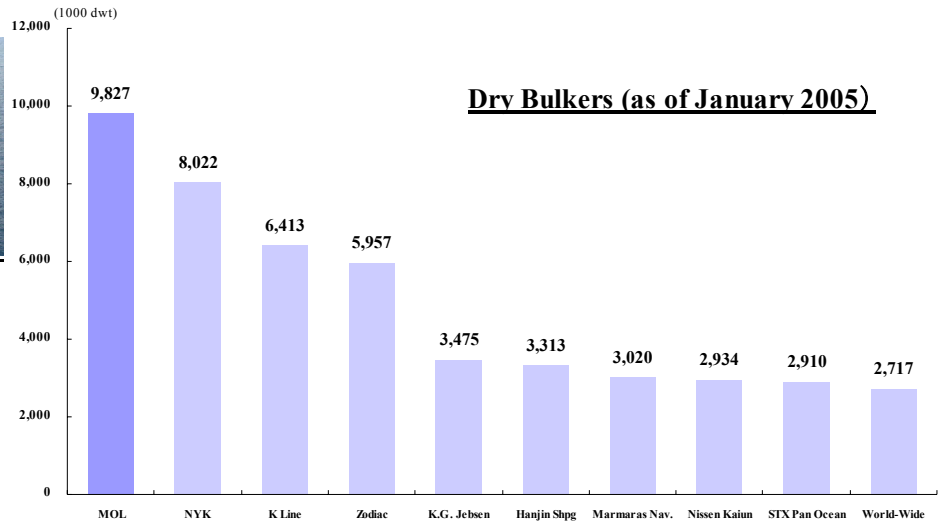
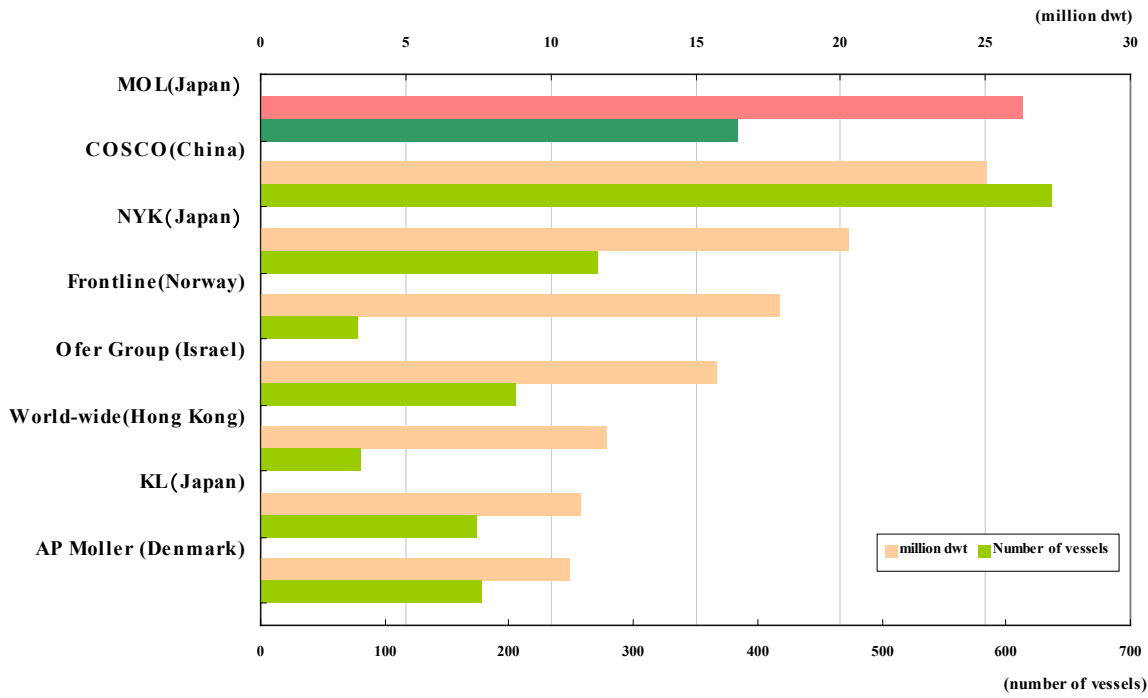


⑥ Fleet Composition (at the end of March 2005; Including spot chartered vessels)

	Consolidated		Non-Consolidated			
	No. of vessels	1,000dwt	No. of vessels	1,000dwt		
Containerships	78	3,251	74	3,148		
Dry Bulkers	Bulkers	Cape size	83	13,910	83	13,910
		Others	112	6,268	112	6,268
	Wood chip carriers	36	1,663	36	1,663	
	General cargo carriers	42	482	9	180	
	(Sub total)	273	22,324	240	22,021	
Car carriers	84	1,232	84	1,232		
Tankers	Crude oil tanker	36	8,879	36	8,879	
	Product tanker	30	1,670	30	1,670	
	Chemical tanker	64	1,453	15	621	
	LPG/Ammonia carrier	7	233	7	233	
	(Sub total)	137	12,235	88	11,403	
LNG carriers	34	2,287	25	1,704		
Cruise ships	1	5	1	5		
Ferry/Domestic transport	37	140	4	23		
Others	2	13	2	13		
Total	646	41,487	518	39,548		
Tugboats	0					
Grand total	0					

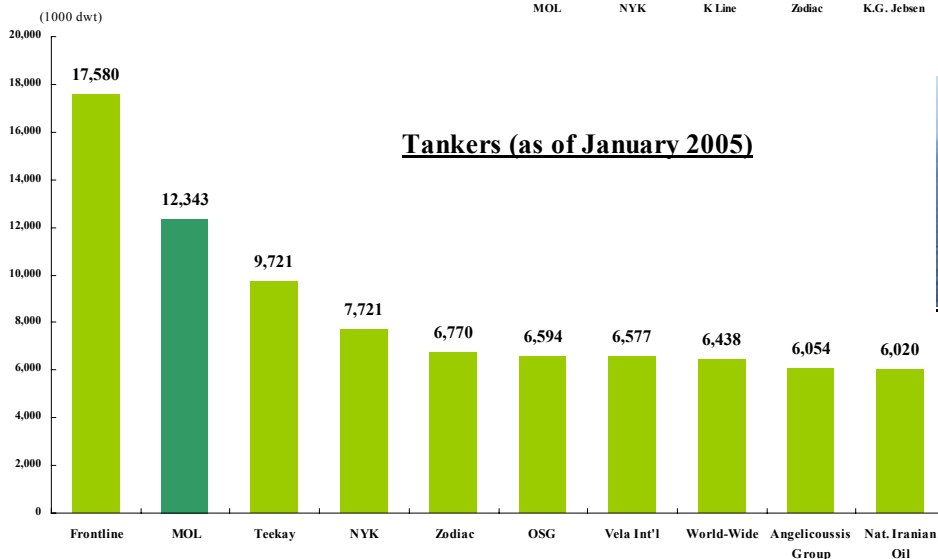
⑦ World Major Carriers Fleet Size Ranking (excluding spot-chartered vessels)

All Vessel Types (Consolidated/Chartered vessels excluded; as of January 2005)



Source: Clarkson Bulkcarrier Register 2004

Tankers (as of January 2005)



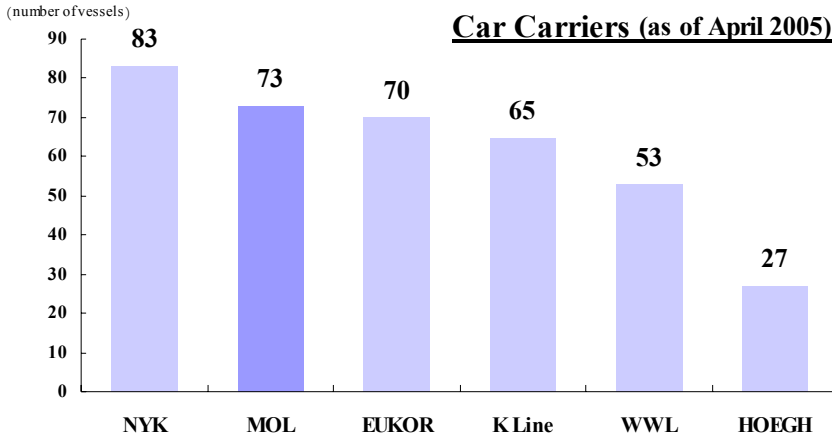
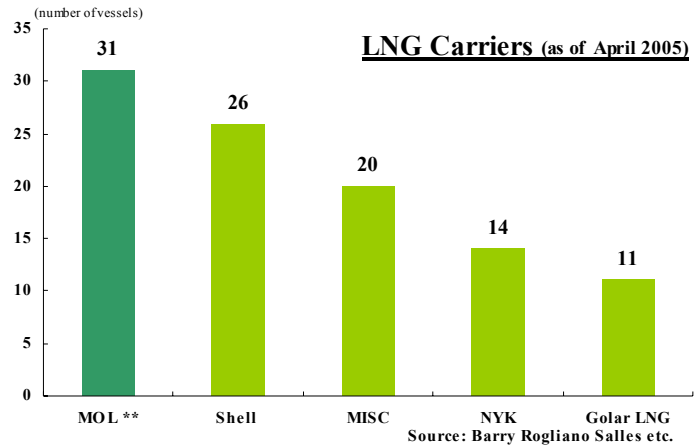
Source: Clarkson Tanker Register 2005



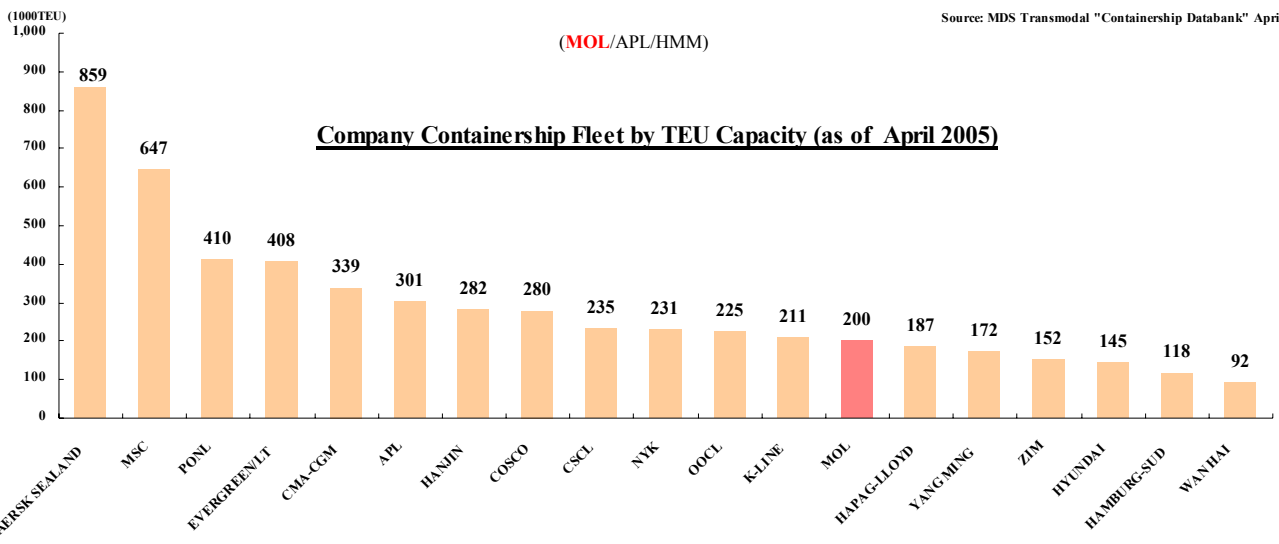
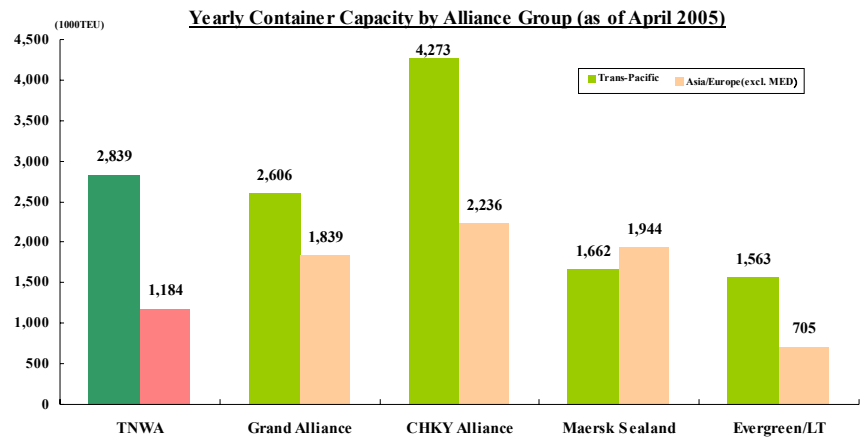


*Fleet under its management or more than 50% of ownership

**MOL already secured 63 vessels of the total about 280 in the world including the ones to be delivered by the end of 2009.



* MOL internal calculation based on HESNES December 2004 data etc.



2. MOL STEP

The MOL Group Mid-Term Management Plan FY2004-2006

MOL STEP

Mitsui O.S.K. Lines' Strategy towards Excellent and Powerful Group

Main Theme: "Growth"

- Develop the MOL Group into the largest, highest-quality, unique ocean transportation company group with full range of services.

[The MOL Group Mid-Term Management Plan History]

Sept. 1994	Phase 1	MOCAR 90's (MOL's Creative & Aggressive Redesigning, 90's)
Mar. 1996		Target: Strengthen MOL's global competitiveness
Jul. 1996	Phase 2	MORE21 (Mitsui O.S.K. Lines Redesigning for 21)
Mar. 1999		Target: 1) Strengthen MOL's Groupwide market competitiveness and strengthen the overall Group to maximize consolidated profits 2) Further enhance MOL's non-consolidated competitiveness to restore dividend payments as quickly as possible, and stable dividend payment structure.
Apr. 1999	Phase 3	MOST21 (Mitsui O.S.K. Lines' Strategy Towards 21)
Mar. 2001		Target: 1) Optimize Groupwide allocation of management resources to strengthen international competitiveness, allowing each Group company in Japan and overseas to become a resilient company. 2) MOL itself seeks maximization of merger effects to ensure a dividend payment structure that allows MOL to consistently pay 3) Maximize Groupwide shareholders' value as well as non-consolidated value.
Apr. 2001	MOL next	(Mitsui O.S.K. Lines' new expansion target)
Mar. 2004		Target: 1) Make MOL Group excellent and resilient in the world shipping 2) Non-consolidated management strategy: Growth and expansion 3) Consolidated management strategy: Selection and concentration
Apr. 2004 Mar. 2006	MOL STEP (Mitsui O.S.K. Lines' Strategy towards an Excellent & Powerful Group)	

1. Strategies for growth – along with expansion of world seaborne trade -

- 1) Effectively invest in the ocean shipping business in growing segments
- 2) Expand business in growing countries and areas

2. Strategies to increase corporate strength – to prepare for "jump" in the next term -

- 1) Solidify financial foundations
- 2) Enhance group-wide management
- 3) Develop human resources

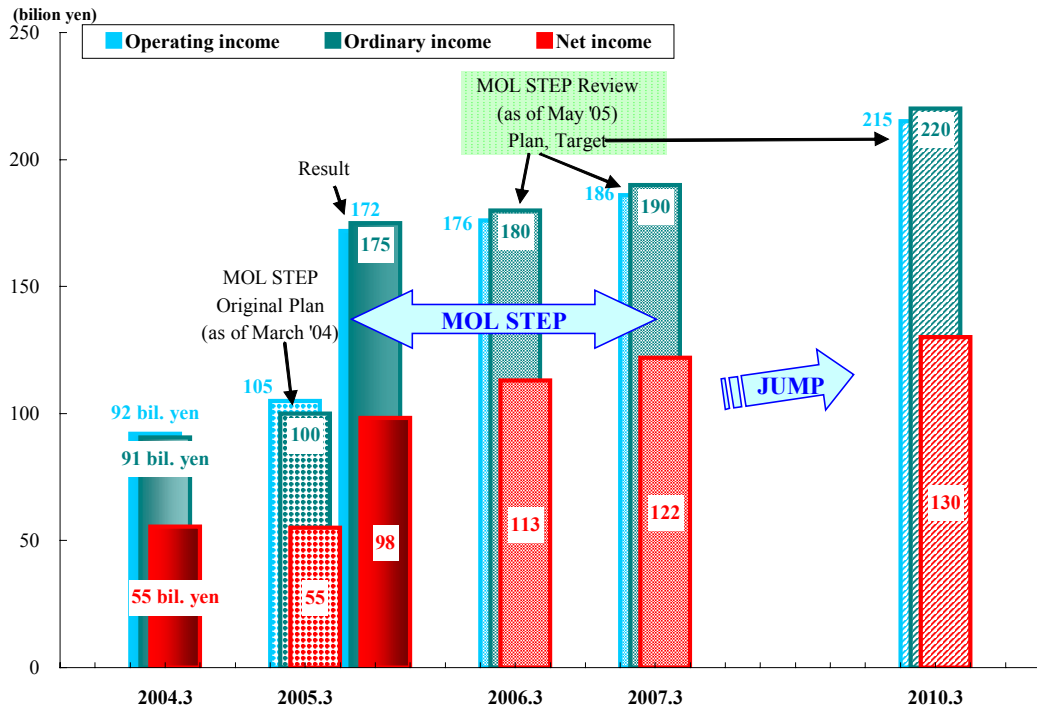
3. Strategies to strengthen competitiveness – to ensure sustainable growth -

- 1) Strengthen customer-oriented sales force
- 2) Strengthen cost competitiveness
- 3) Offer highest-quality services

MOL STEP REVIEW May 2005

Achievement in the initial year of MOL STEP : Significantly exceeded goals → Review and upgrade

① Set forth plan for higher level of profit

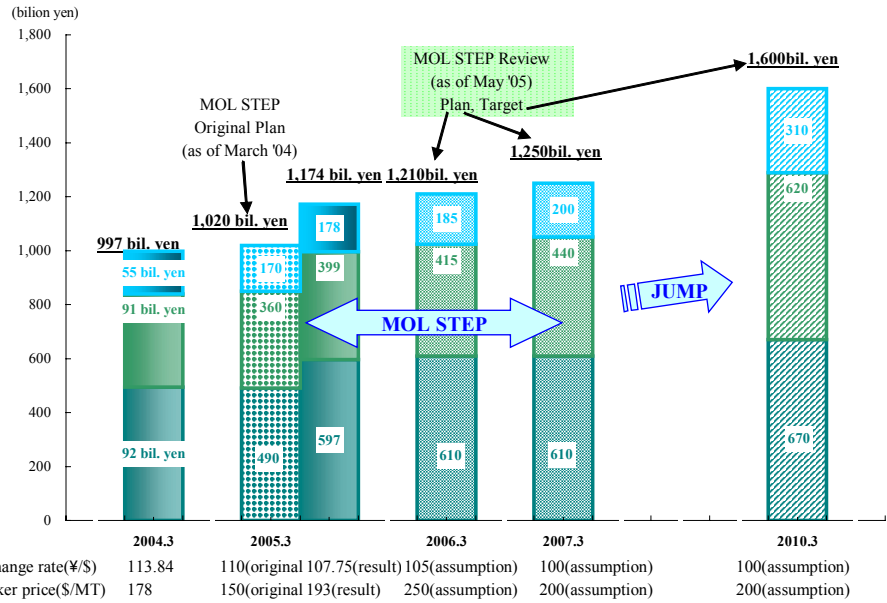


Av. exchange rate(¥/\$) 113.84 110(original) 107.75(result) 105(assumption) 100(assumption) 100(assumption)
 Av. bunker price(\$/MT) 178 150(original) 193(result) 250(assumption) 200(assumption) 200(assumption)

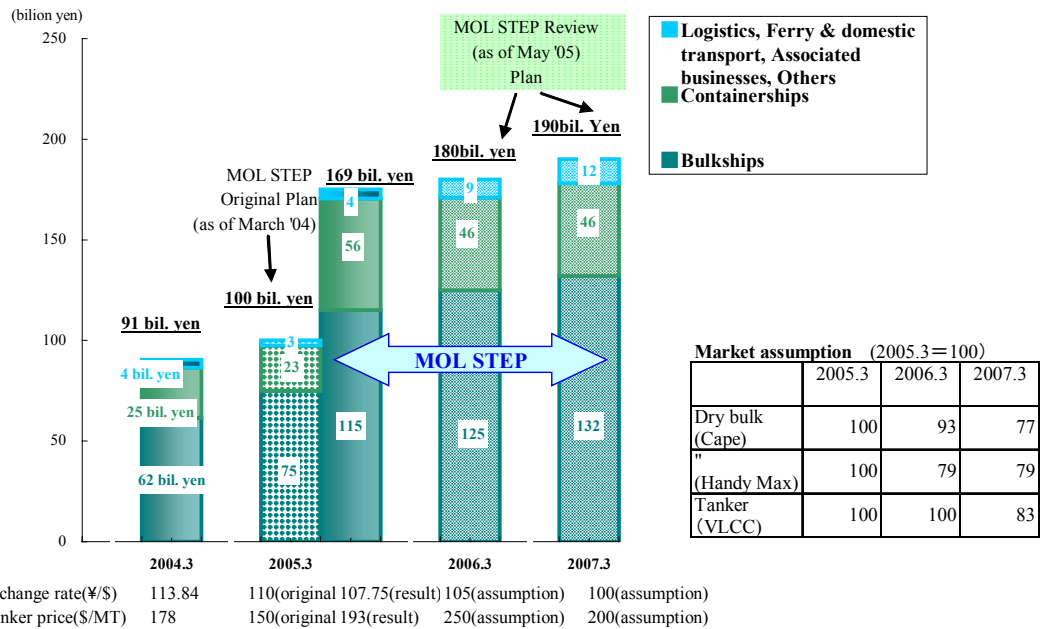
		2005.3 Result	2006.3 Plan	2007.3 Plan	2010.3 Target
Revenue	(Consolidated)	1,173	1,210	1,250	1,600
	(Non-consolidated)	943	970	990	1,200
Operating income	(Consolidated)	172	176	186	215
	(Non-consolidated)	142	135	144	160
Ordinary income	(Consolidated)	175	180	190	220
	(Non-consolidated)	146	142	150	170
Net income	(Consolidated)	98	113	122	130
	(Non-consolidated)	77	87	93	105
Assumption: Average exchange rate		¥107.75/\$	¥105.00/\$	¥100.00/\$	¥100.00/\$
Average bunker price		\$193/MT	\$250/MT	\$200/MT	\$200/MT

【Original Plan】 (as of March '04)		2005.3 Result	2006.3 Plan	2007.3 Plan
Revenue	(Consolidated)	1,020	1,060	1,110
	(Non-consolidated)	800	830	860
Operating income	(Consolidated)	105	110	115
	(Non-consolidated)	81	83	85
Ordinary income	(Consolidated)	100	105	110
	(Non-consolidated)	87	90	93
Net income	(Consolidated)	55	57	64
	(Non-consolidated)	48	49	51
Assumption: Average exchange rate		¥110.00/\$	¥110.00/\$	¥110.00/\$
Average bunker price		\$150/MT	\$150/MT	\$150/MT

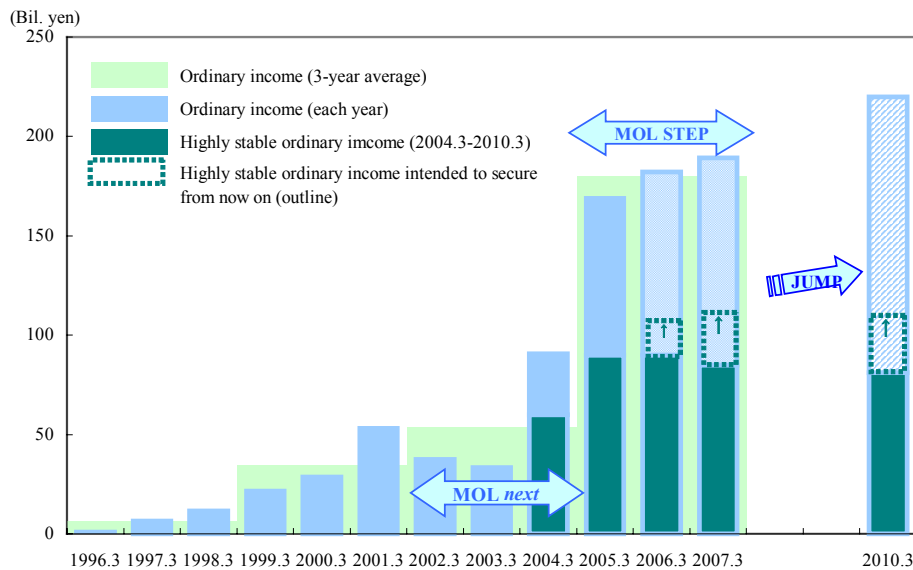
② Revenues by Segment



Ordinary Incomes by Segment



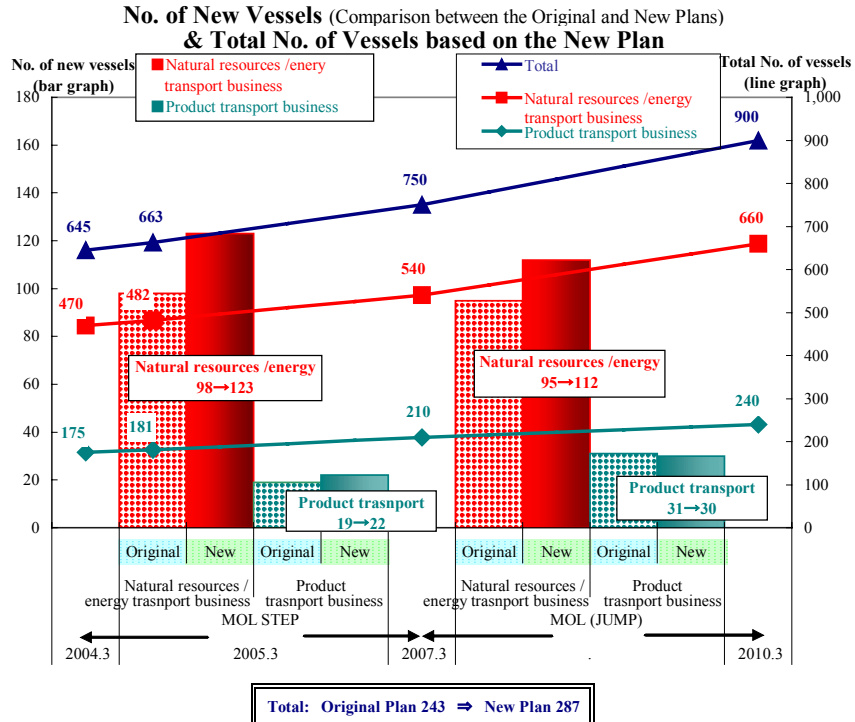
③ Accumulation of Highly Stable Profits



Regarded as highly stable income = A part of Bulkships' income; income of Associated Businesses.

Not regarded as highly stable income = Incomes of Containership, Logistics, Ferry & Domestic Transport and Others; a part of Bulkships' income.

④ Enhance Fleet Expansion Plan



* Total No. of vessels are 663 in this graph and discrepant from 646 in the table in page 4. This is because, in this graph, we have added LNG carriers owned by joint venture companies which are not our consolidated subsidiaries and cruise ships, etc. operated by our subsidiaries accounted for the equity method in which MOL has 50% share.

Fleet Expansion Plan (Details of the Original and New Plans) & Its Development

MOL STEP : Original Plan			
FY2004-2006		FY2007-2009	
Natural resources /energy transport business	Product transport business	Natural resources /energy transport business	Product transport business
98 vessels 400 bil.yen	19 vessels 90 bil.yen	95 vessels 460 bil.yen	31 vessels 210 bil.yen
117 vessels 490 bil.yen (incl. on-balance 220 bil.yen)		126 vessels 670 bil.yen (incl. on-balance 410 bil.yen)	
243 vessels 1,160 bil.yen (incl. on-balance 630 bil.yen)			

Already on Order	
FY2004-2006	FY2007-2009
145 vessels (incl. 39 already in service) 124%	98 vessels 78%
243 vessels 100%	

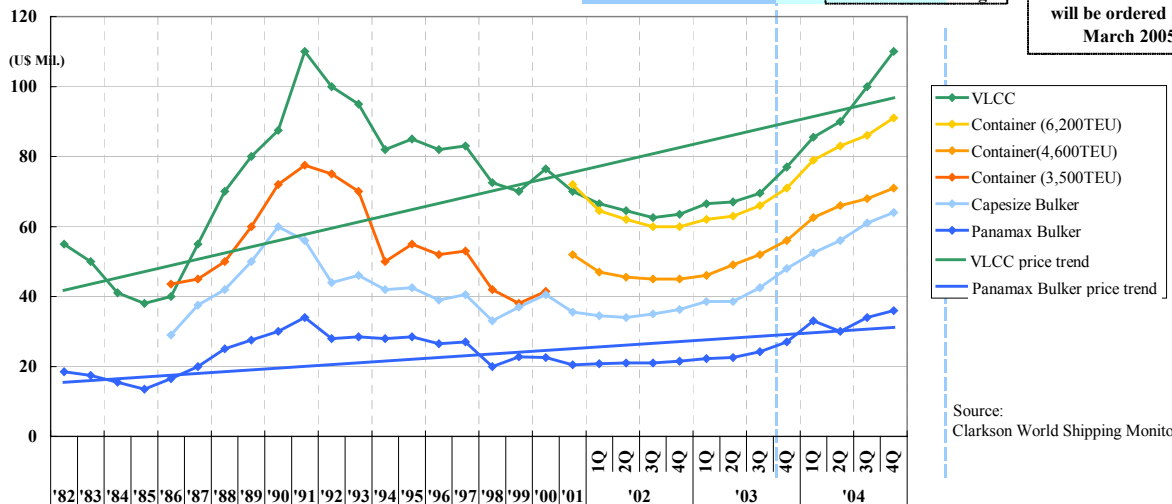
MOL STEP Review : New Plan			
FY2004-2006		FY2007-2009	
Natural resources /energy transport business	Product transport business	Natural resources /energy transport business	Product transport business
123 vessels 490 bil.yen	22 vessels 110 bil.yen	112 vessels 620 bil.yen	30 vessels 230 bil.yen
145 vessels 600 bil.yen (incl. on-balance 200 bil.yen)		142 vessels 850 bil.yen (incl. on-balance 560 bil.yen)	
287 vessels 1,450 bil.yen (incl. on-balance 760 bil.yen)			

Time of Order and Ship Prices

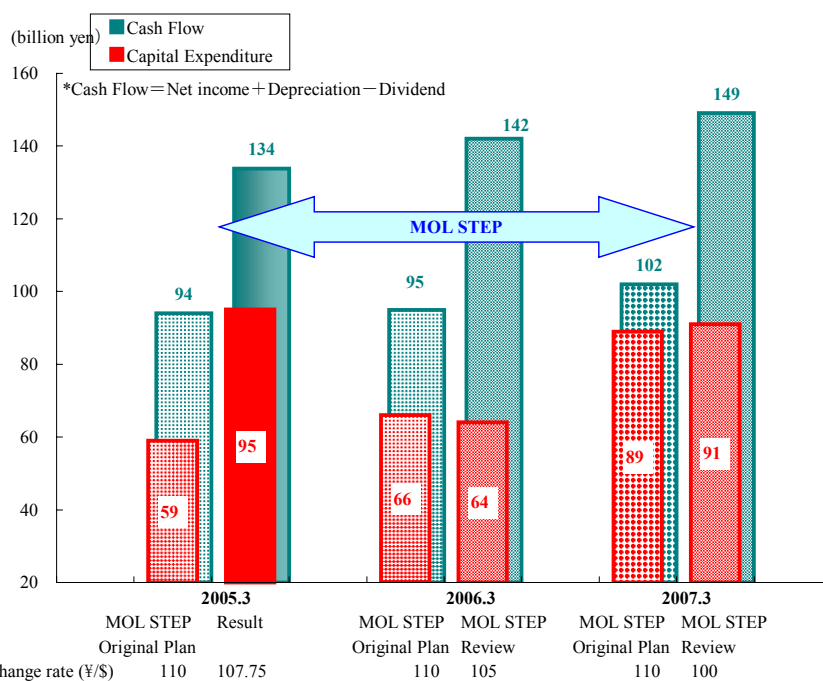
All of vessels to be in service in FY2004-06
1/3 of vessels to be in service in FY2007-09
are ordered during:

1/3 of vessels to be in service in FY2007-09
are ordered during:

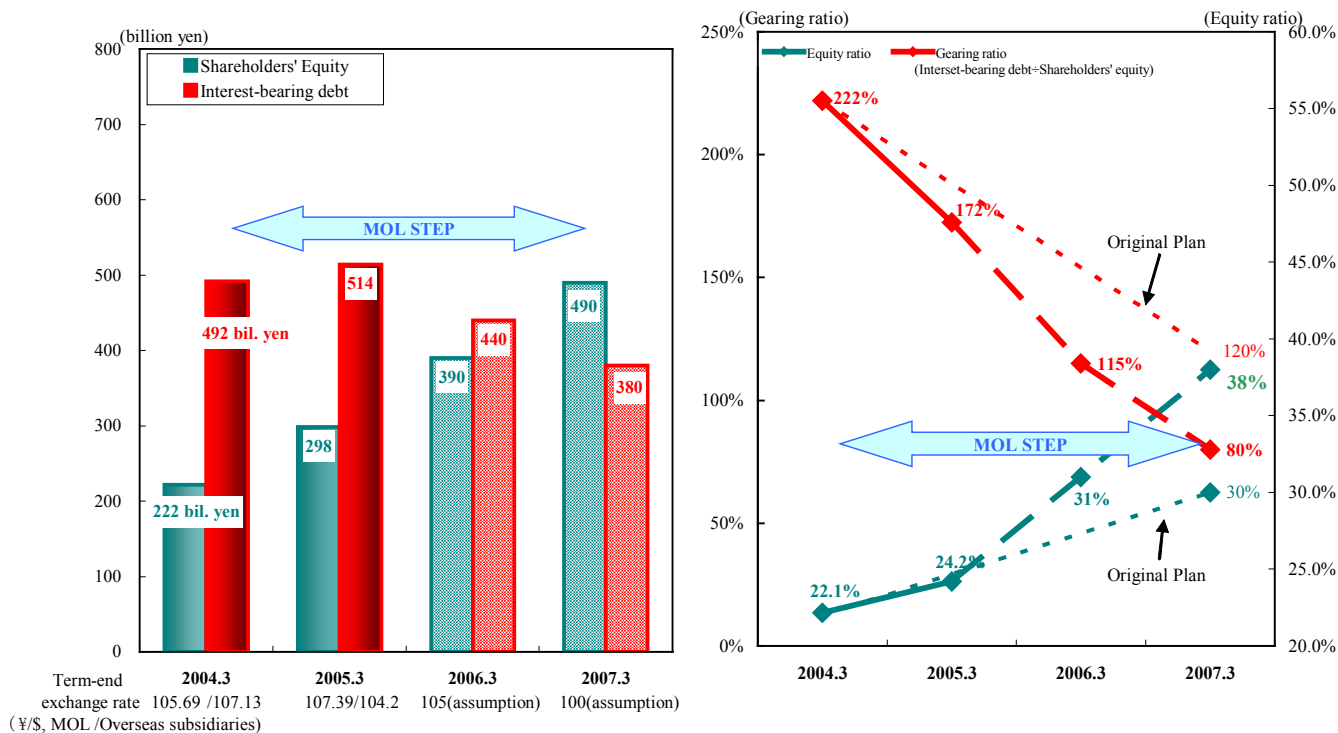
1/3 of vessels to be in service in FY2007-09
(= approx. 15% of vessels to be in service in FY2004-09)
will be ordered after
March 2005



⑤ Cash Flows & Capital Expenditure



⑥ Front-load financial goals

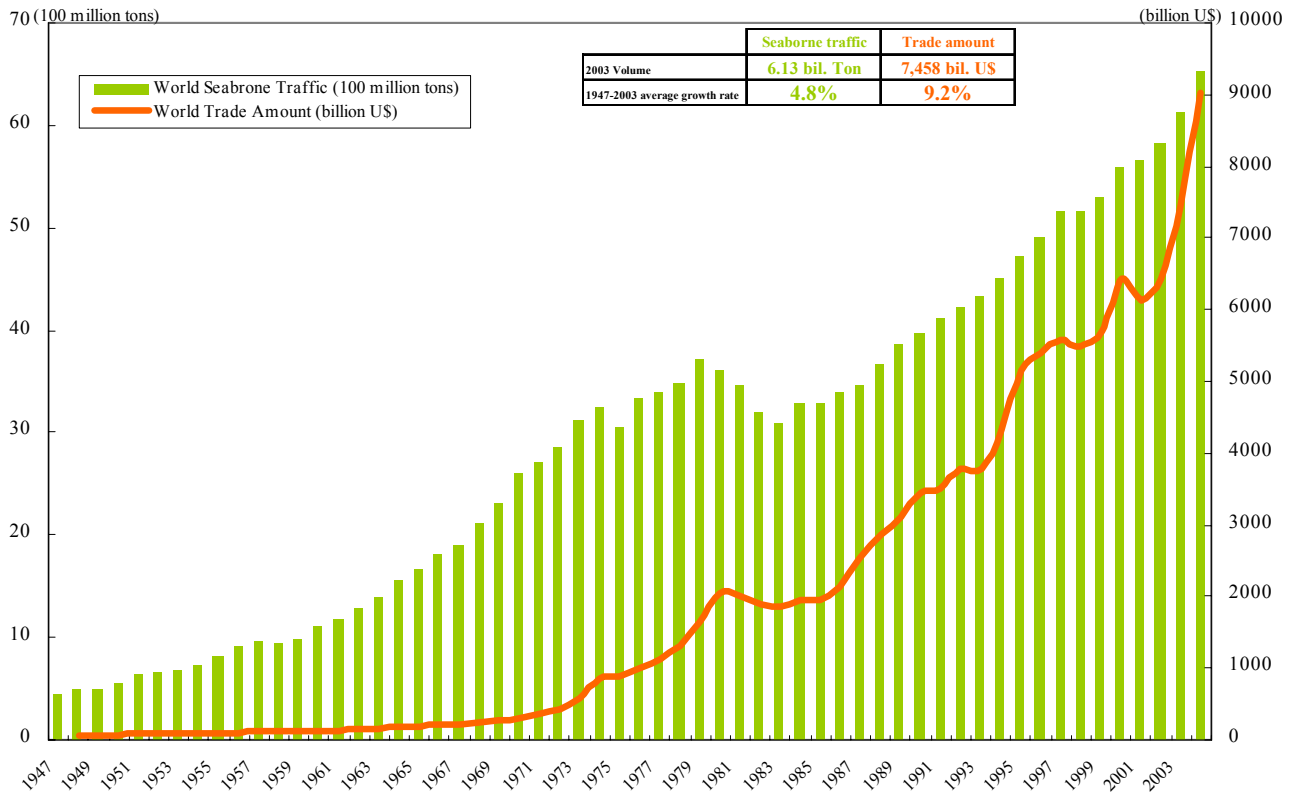


⑦ Cost Reduction Plan & Result

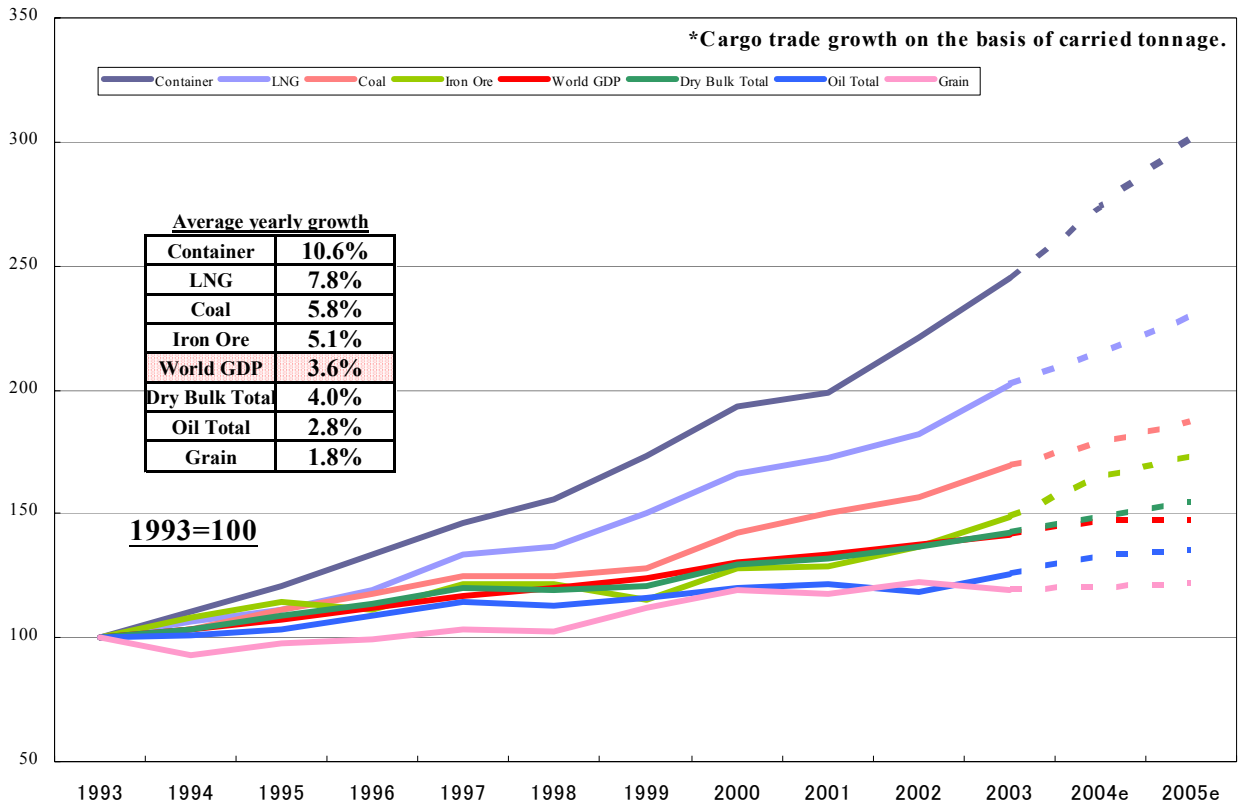
(billion yen)

	2005.3 Result (Original Plan)	2006.3 Forecast (Original Plan)	2007.3 Forecast (Original Plan)	Total
Sales Divisions (Voyage expenses, container expenses, etc.)	5.5 (4.0)	2.0 (3.5)	2.0 (3.5)	9.5 (11.0)
Administration Divisions (Administration expenses, interest payments, etc.)	4.0 (2.5)	4.0 (3.0)	2.5 (3.5)	10.5 (9.0)
Total	9.5 (6.5)	6.0 (6.5)	4.5 (7.0)	20.0 (20.0)
MOL (Non-Consolidated)	8.0 (5.5)	5.5 (6.0)	4.0 (6.0)	17.5 (17.5)
Group Companies	1.5 (1.0)	0.5 (0.5)	0.5 (1.0)	2.5 (2.5)

3. Seaborne Trade - the World -

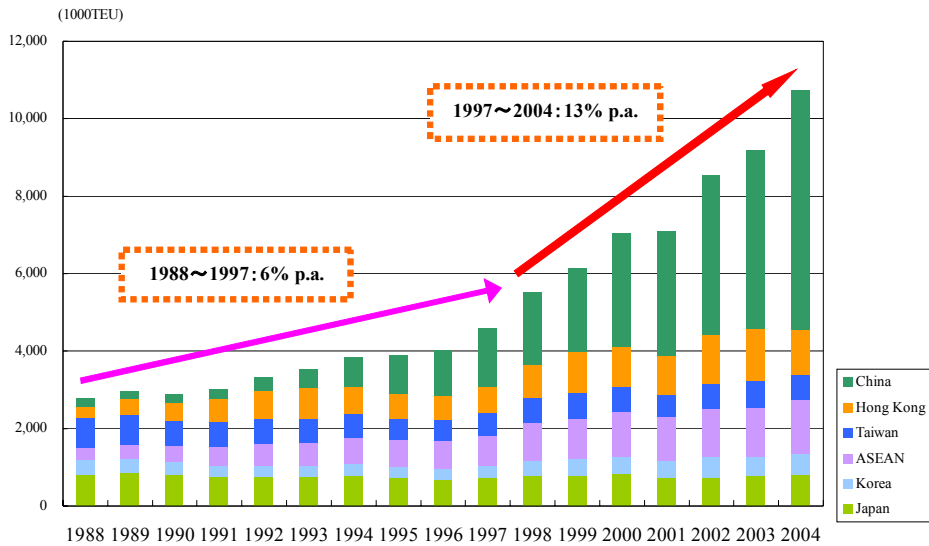


Source: Fearnleys Review 2003



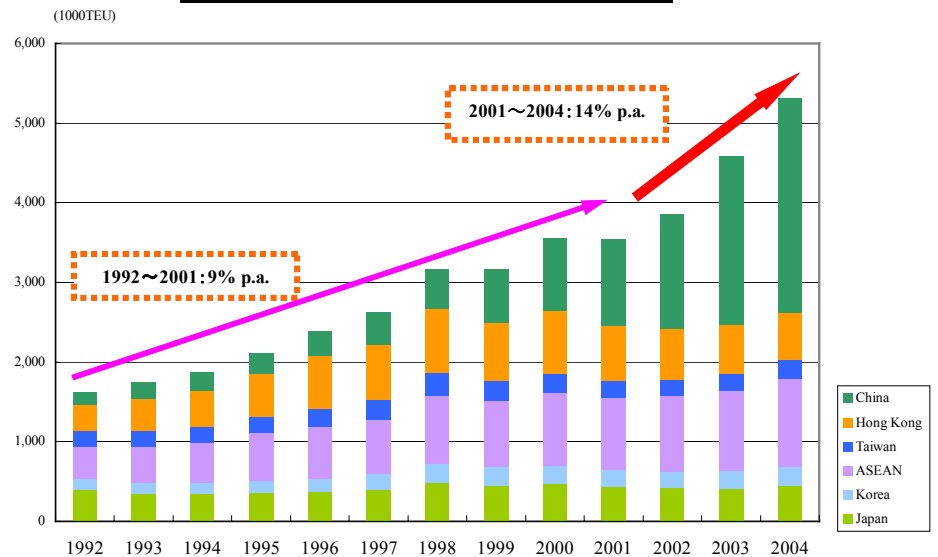
* MOL internal calculation based on Clarkson Research Studies Autumn 2004 (2004e, 2005e: estimated figures)

Asia/North America Exporter-wise Cargo Movements



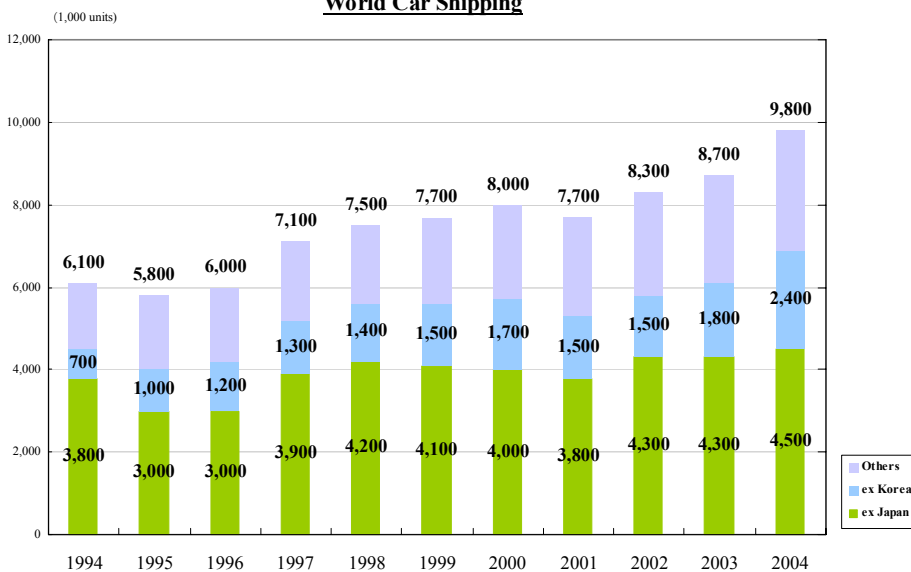
Source: Piers/JoC, etc.

Asia/Europe Exporter-wise Cargo Movement



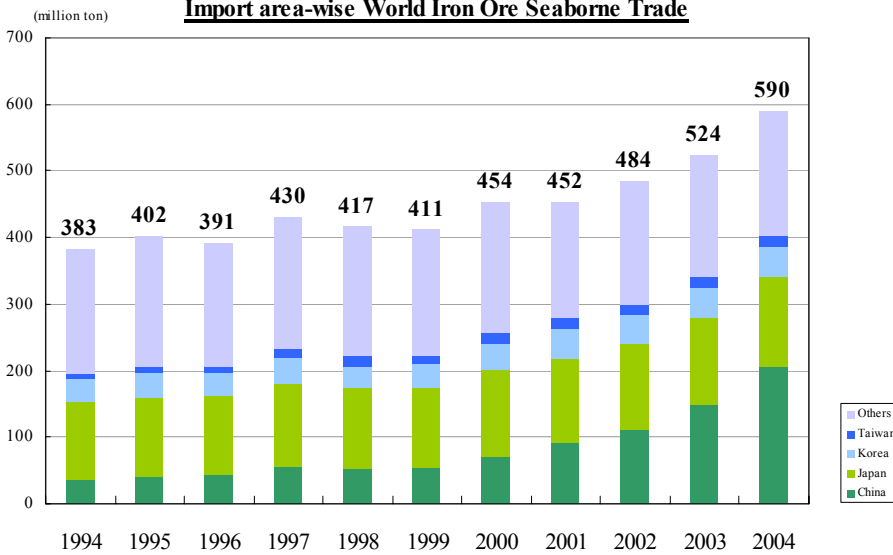
Source: Conference Statistics, etc.

World Car Shipping



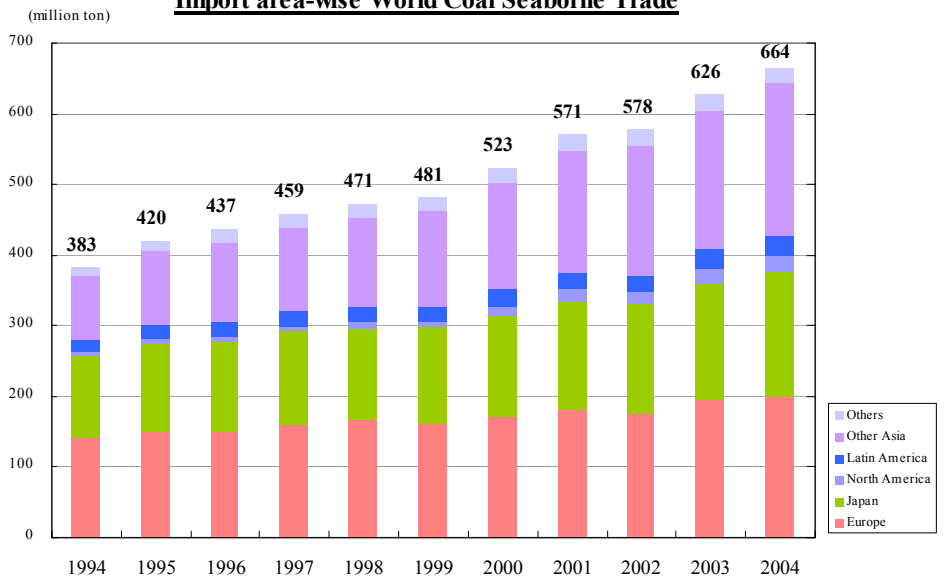
*MOL internal calculation

Import area-wise World Iron Ore Seaborne Trade



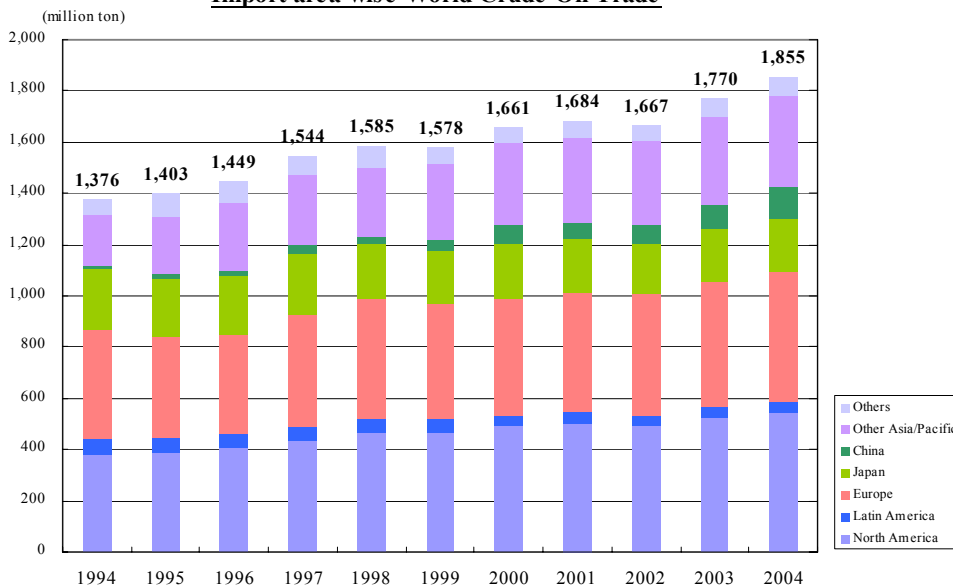
Source: Fearnleys Review 2004, Tex Report

Import area-wise World Coal Seaborne Trade



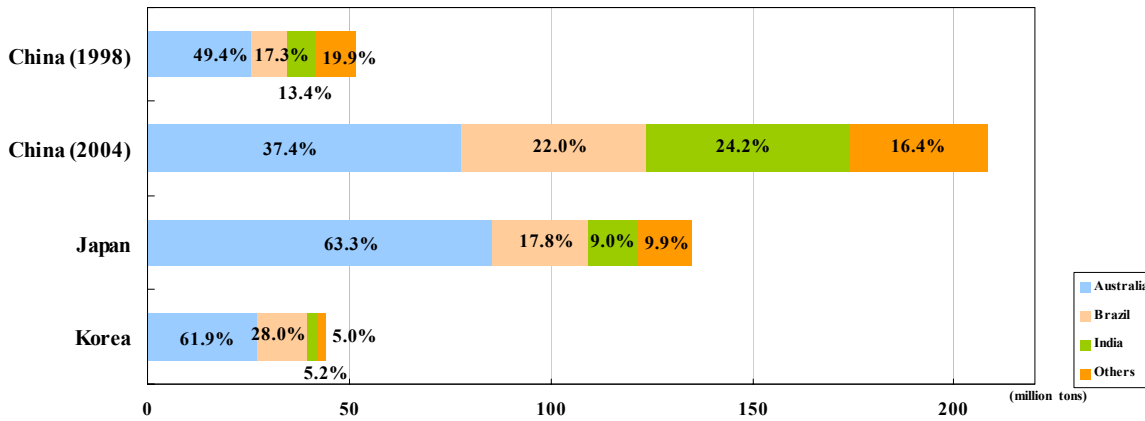
Source: SSY Consultancy & Research

Import area-wise World Crude Oil Trade



Source: BP Stastical Review of World Energy

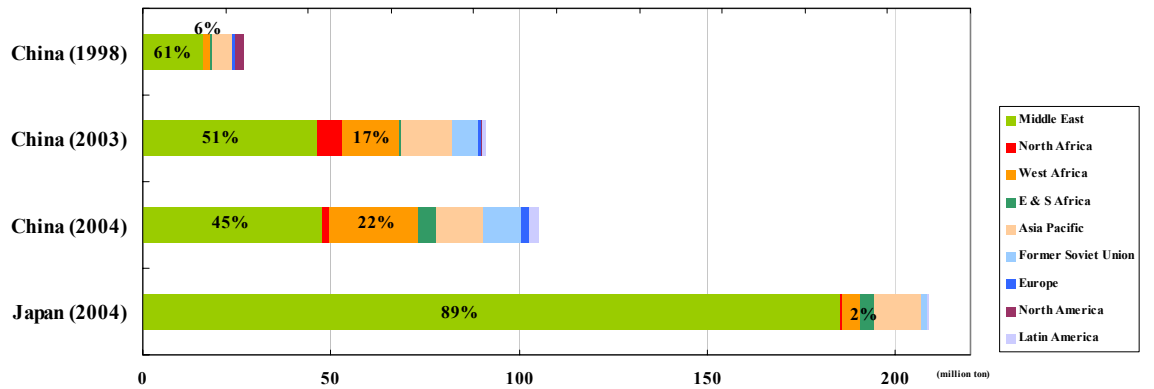
Iron Ore Import Volume to China by Nation of Origin



Source: Tex Report

Shanghai-Dampier: 3,100miles (Australia) Shanghai-Tubarao: 11,000miles (Brazil) Shanghai-Goa: 3,600miles (India)

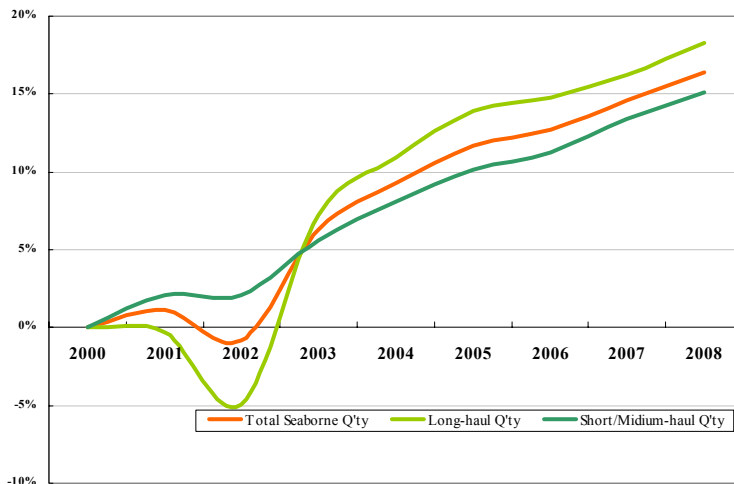
Crude Oil Import Volume to China by Nation of Origin



[MOL internal calculation based on data of China OGP, Petroleum Association of Japan, Japan Maritime Development Association etc.]

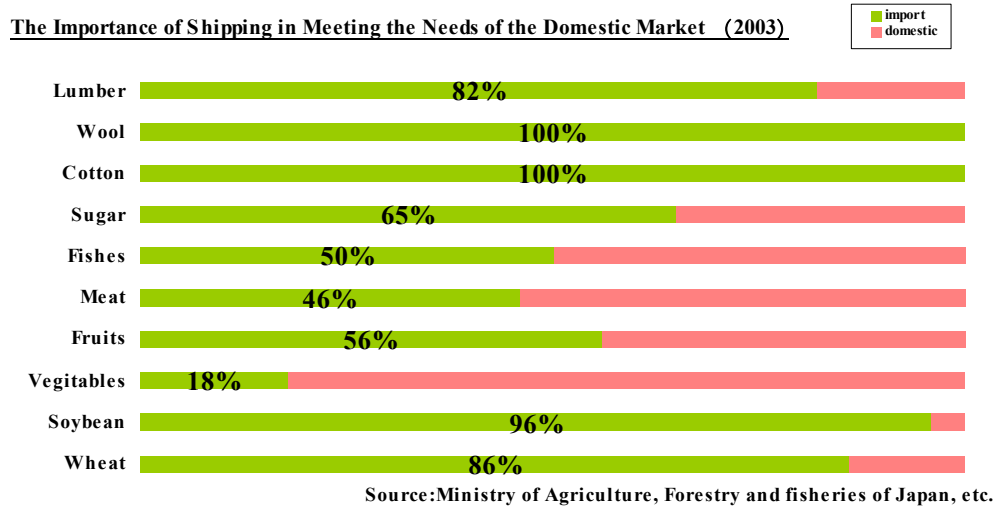
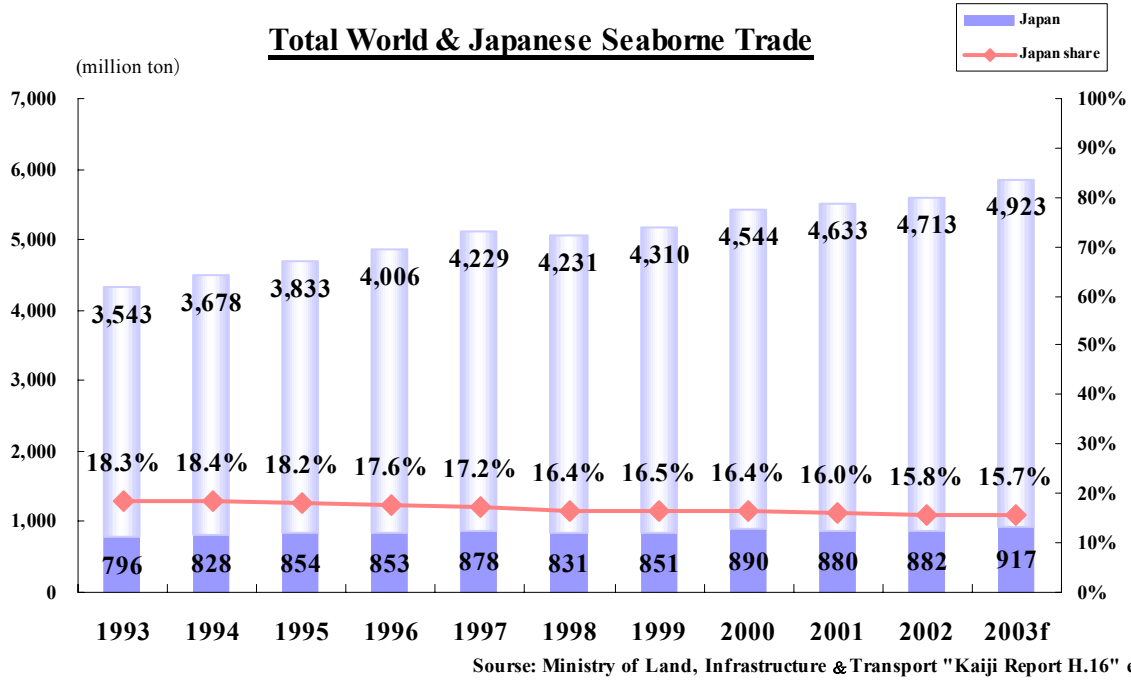
Dalian-Oman: 5,800miles (9 voyages/year) (Middle East) Dalian-Angola: 9,900miles (6 voyages/year) (West Africa)

Development of Crude Oil Seaborne Trade by Haulage (Basis Year 2000)



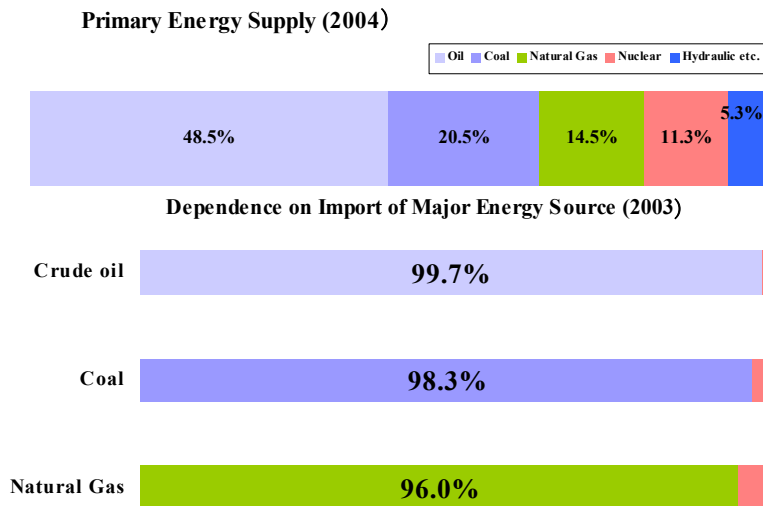
Source: MSI, MOL

4. Seaborne Trade - Japan -

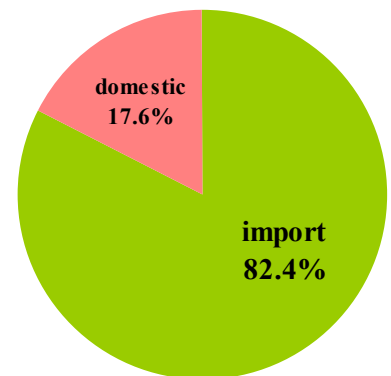


The importance of shipping in meeting the energy demands of Japan

Source: IEEJ, etc.

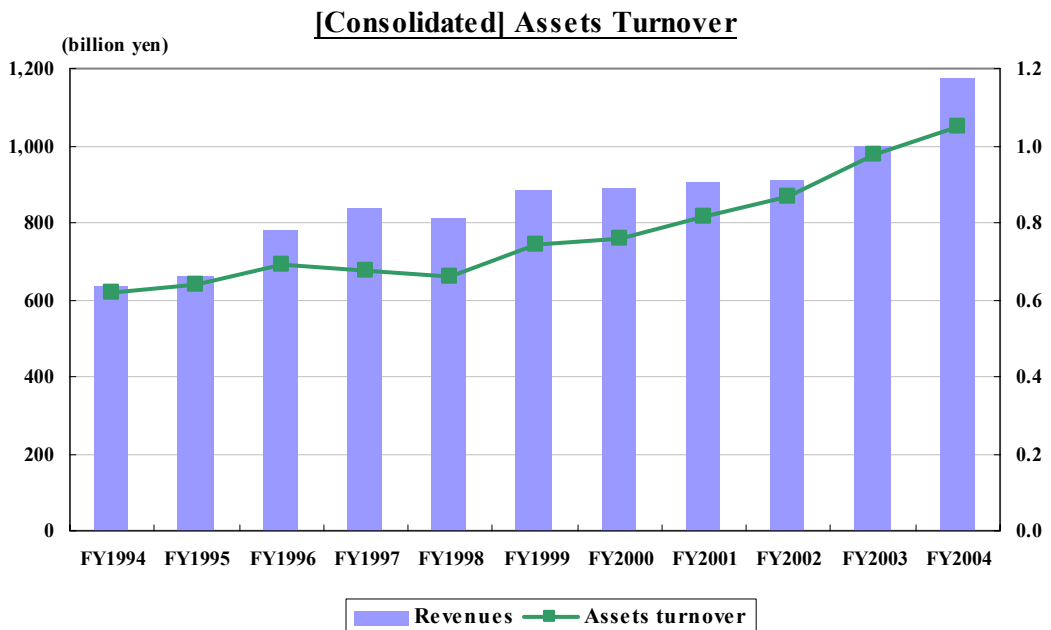
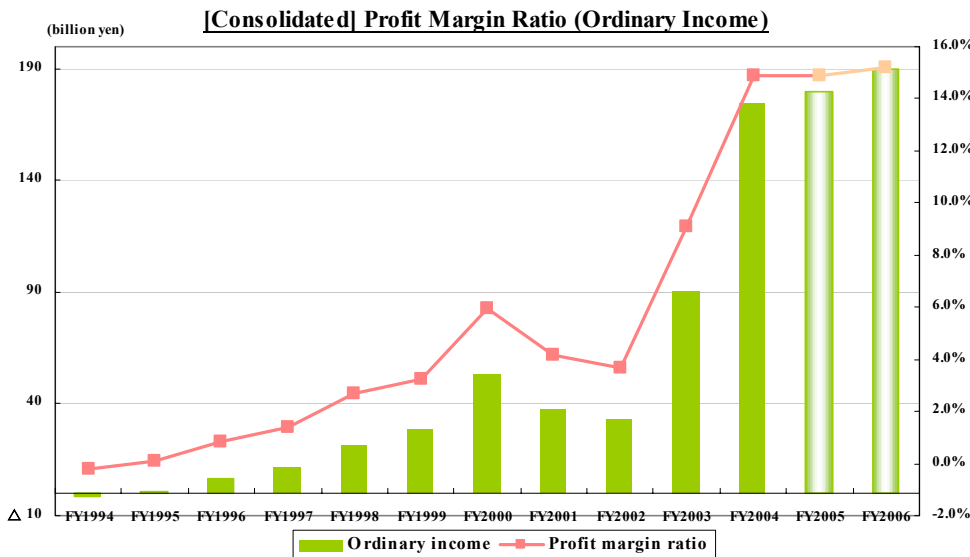
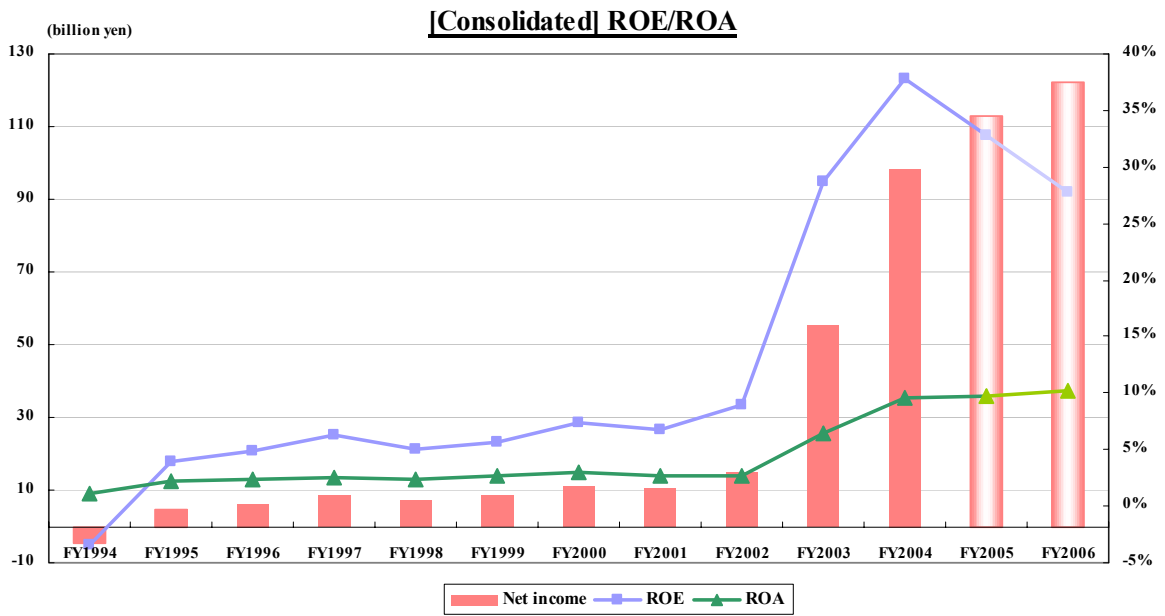


Dependence on Import of Primary Energy (2004)

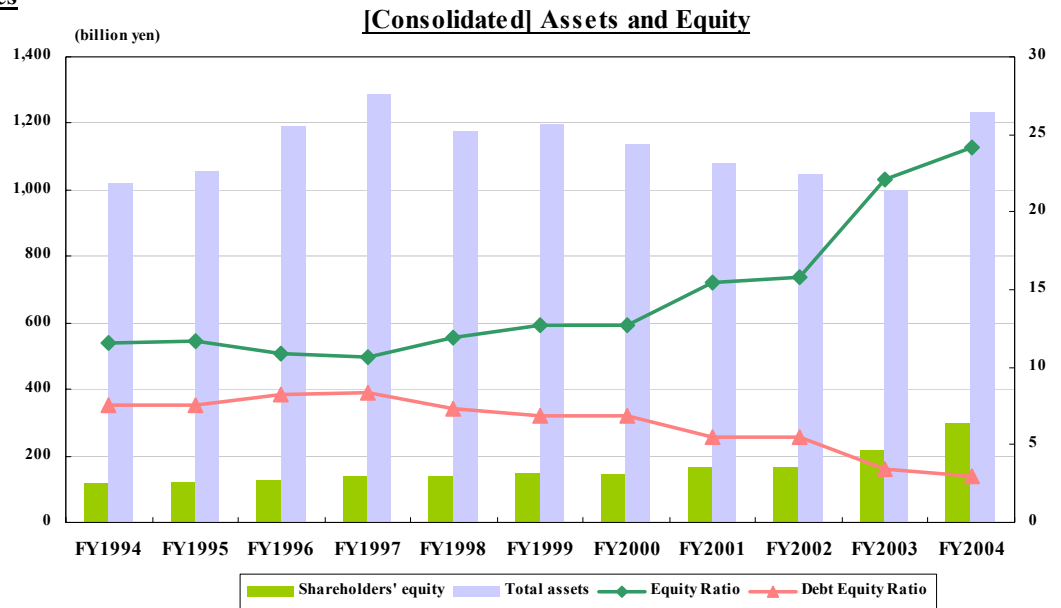


5. Financial Data

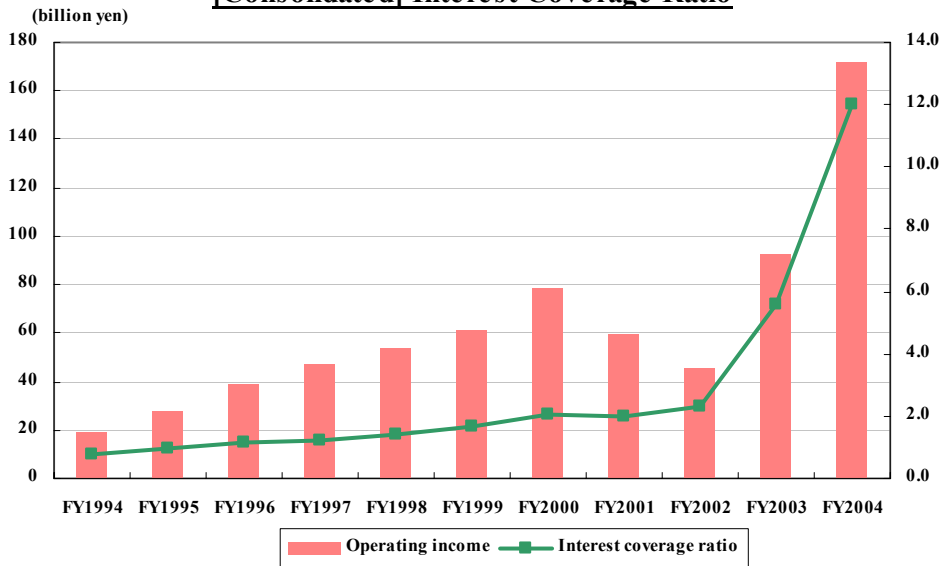
① Profitability Indexes



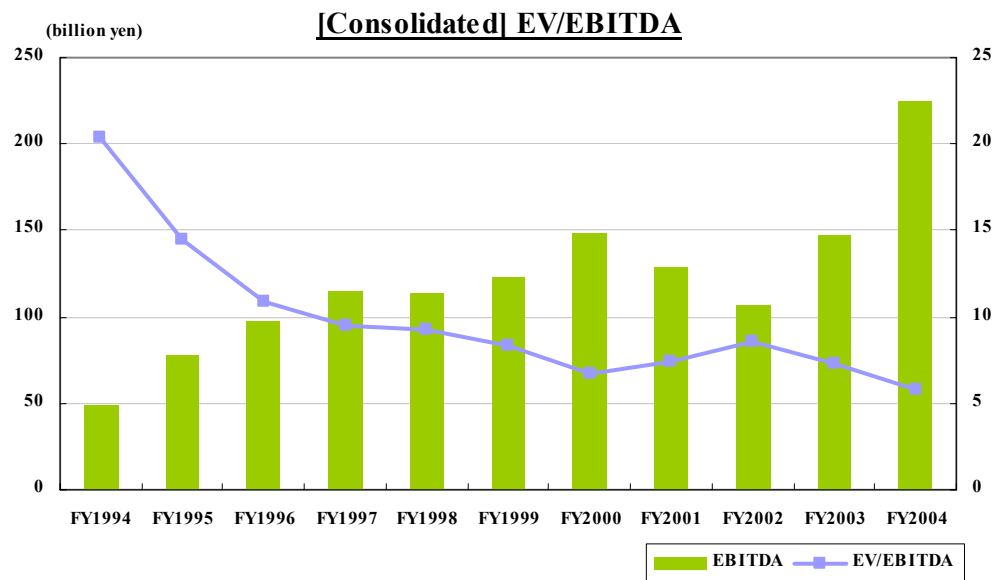
② Stability Indexes



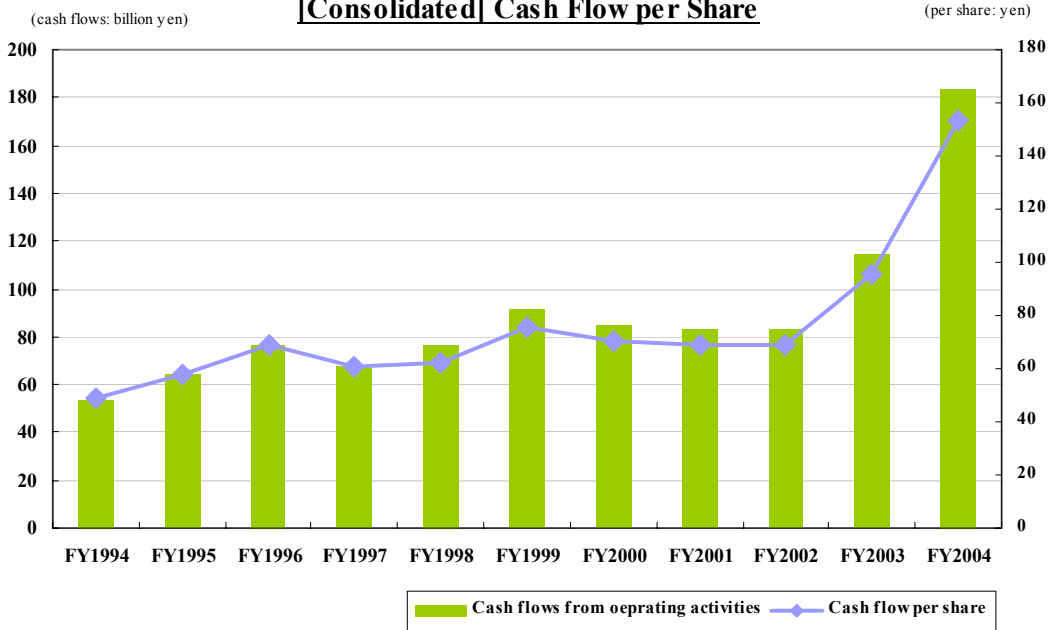
[Consolidated] Interest Coverage Ratio



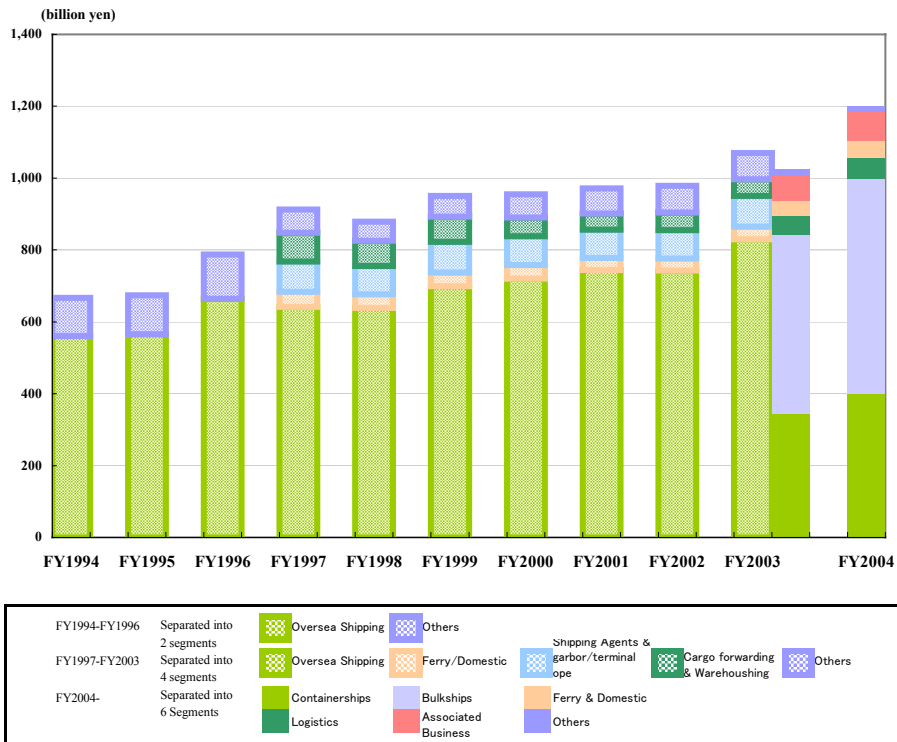
③ Growth / Share Price Indexes



[Consolidated] Cash Flow per Share

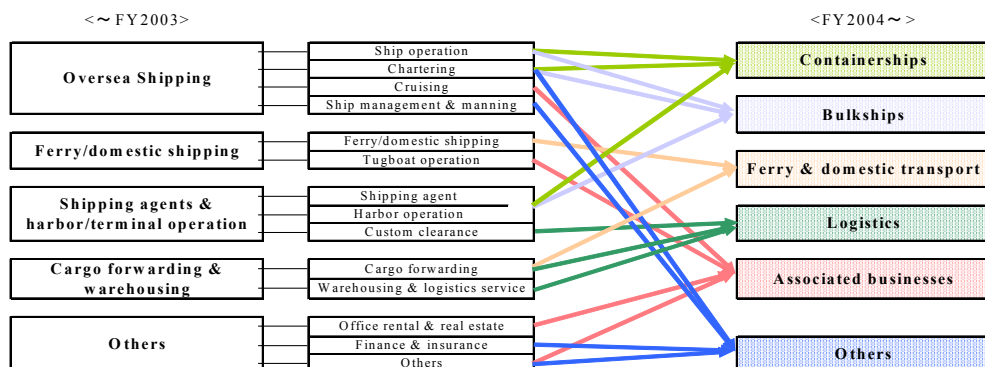


[Consolidated] Revenues by Segment



* For FY2003, revenues by both old and new segments are shown. As “elimination” is not shown in the graph, there is discrepancy between total by the old segment and that by the new segment.

**The company changed the segmentation in FY2004. An approximate comparison of former and new segments is as follows. (There are exceptions and all segments are not compared, since they are partially classified by different policies.)



[Consolidated] Financial Statements

(million yen)

	'95.3.31 FY1994	'96.3.31 FY1995	'97.3.31 FY1996	'98.3.31 FY1997	'99.3.31 FY1998*1	'00.3.31 FY1999	'01.3.31 FY2000	'02.3.31 FY2001	'03.3.31 FY2002	'04.3.31 FY2003	'05.3.31 FY2004
Shipping and other operating revenues	635,284	662,046	777,896	834,879	809,160	881,807	887,866	903,943	910,288	997,260	1,173,332
Shipping and other operating expenses (Depreciation and amortization)	542,189 (30,245)	559,452 (49,057)	664,016 (58,275)	713,006 (67,842)	683,041 (60,387)	746,047 (61,862)	732,511 (69,826)	761,507 (68,826)	787,540 (60,710)	824,902 (55,334)	917,148 (52,969)
General and administrative expenses *2 (amortization of consolidation difference)	74,339 (208)	74,421 (143)	75,353 (59)	74,707 (513)	72,581 (563)	74,439 (582)	77,115 (663)	82,663 (588)	77,391 (446)	80,231 (535)	84,388 (0)
Operating income	18,755	28,172	38,526	47,164	53,536	61,320	78,239	59,772	45,356	92,126	171,794
Non-operating income *3	17,363	8,706	8,628	11,182	14,900	15,051	19,218	12,580	11,718	17,540	20,147
Interests and dividends	(5,647)	(4,672)	(4,252)	(5,481)	(4,014)	(4,439)	(3,550)	(3,372)	(2,840)	(2,995)	(2,925)
Profits on sale of securities	(8,458)	(1,351)	(206)	(3,211)	(1,669)	(4,481)	(6,309)	(49)	(0)	(0)	(0)
Equity in earnings of affiliated companies	(4,504)	(4,023)	(5,024)	(3,473)	(4,126)	(1,403)	(3,680)	(4,426)	(3,387)	(6,612)	(11,764)
Others	(3,256)	(2,681)	(4,167)	(2,488)	(5,089)	(4,727)	(5,677)	(4,731)	(5,490)	(7,932)	(5,458)
Non-operating expenses	37,660	36,099	40,723	46,822	46,956	47,736	44,436	34,971	23,669	19,111	16,963
Interests	(31,636)	(33,838)	(37,842)	(42,519)	(40,070)	(39,085)	(39,465)	(32,104)	(21,103)	(16,930)	(14,562)
Losses on sale of securities	(1,202)	(181)	(132)	(345)	(2,379)	(1,227)	(28)	(25)	(0)	(0)	(0)
Others	(4,820)	(2,078)	(2,747)	(3,958)	(4,506)	(7,422)	(4,942)	(2,840)	(2,566)	(2,180)	(2,401)
Ordinary income	△ 1,541	779	6,431	11,524	21,480	28,635	53,020	37,381	33,404	90,556	174,979
Special profits	2,678	10,008	7,267	17,629	10,665	14,879	27,605	7,178	6,330	12,097	6,492
Special losses	8,282	8,300	9,712	14,374	16,808	28,199	59,765	19,709	14,621	12,878	26,415
Income before income tax	△ 7,144	2,487	3,987	14,779	15,337	15,314	20,860	24,850	25,114	89,775	155,057
Corporate income tax, residents tax and enterprise tax *4	1,684	2,065	3,048	8,059	8,362	6,427	19,472	6,100	10,871	35,346	52,587
Corporate income tax adjustment	-	-	-	-	-	(529)	(△ 7,708)	6,632	△ 1,434	△ 2,151	1,205
Profit/loss(△) on minority interest	109	384	169	△ 1,257	34	33	△ 1,846	1,572	967	1,190	3,003
Net income	△ 4,423	4,686	6,072	8,422	7,009	8,324	10,943	10,544	14,709	55,390	98,261
EBITDA *5	49,000	77,229	96,801	115,006	113,923	123,182	148,065	128,598	106,066	147,460	224,763
EV/EBITDA	20.43	14.51	10.93	9.51	9.20	8.30	6.54	7.54	8.53	7.34	5.74
Interest Coverage Ratio	0.8	1.0	1.1	1.2	1.4	1.7	2.1	2.0	2.3	5.6	12.0
ROE *6	-3.5%	3.9%	4.8%	6.3%	5.0%	5.6%	7.4%	6.8%	8.9%	28.7%	37.8%
ROA *7	1.2%	2.2%	2.3%	2.5%	2.4%	2.7%	3.0%	2.7%	2.6%	6.4%	9.6%
Profit margin ratio (ordinary income)	-0.2%	0.1%	0.8%	1.4%	2.7%	3.2%	6.0%	4.1%	3.7%	9.1%	14.9%
Return on assets (ordinary income)	-0.1%	0.1%	0.6%	0.9%	1.8%	2.3%	4.5%	3.4%	3.1%	8.8%	15.7%
Assets turnover	0.6	0.6	0.7	0.7	0.7	0.7	0.8	0.8	0.9	1.0	1.1
Total assets	1,020,291	1,058,325	1,190,871	1,286,576	1,174,640	1,196,474	1,140,400	1,079,089	1,046,611	1,000,205	1,232,252
Current assets	233,101	211,360	250,147	276,089	230,994	239,858	255,774	251,387	289,644	299,544	299,835
Tangible fixed assets	553,975	613,671	718,193	818,579	753,347	756,624	691,306	619,645	569,234	477,620	665,319
Others	233,215	233,294	222,531	191,908	190,299	199,992	193,320	208,057	187,733	223,041	267,098
Total liabilities	901,736	934,811	1,061,695	1,148,884	1,027,367	1,036,561	988,685	908,624	874,130	771,503	874,279
(Interest-bearing debt)	748,549	782,100	897,786	943,078	857,121	833,625	744,612	667,719	612,646	491,693	514,131
Current liabilities	286,303	279,443	301,268	350,132	337,416	412,717	399,995	375,032	423,837	398,090	429,695
Long-term debt	591,484	632,777	735,100	772,427	670,362	598,998	540,158	475,694	395,588	311,019	340,597
Others	23,949	22,591	25,327	26,325	19,589	24,846	48,532	57,898	54,705	62,394	103,987
Shareholders' equity	118,555	123,514	129,175	137,691	140,489	151,992	144,355	166,970	164,789	221,534	298,258
Consolidated surplus at the end of the year	10,163	14,609	20,269	28,577	37,899	43,198	43,433	47,817	56,468	101,990	182,143
Gearing Ratio *8	631%	633%	695%	685%	610%	548%	516%	400%	372%	222%	172%
Debt Equity Ratio	7.6	7.6	8.2	8.3	7.3	6.8	6.8	5.4	5.3	3.5	2.9
Equity Ratio	11.6%	11.7%	10.8%	10.7%	12.0%	12.7%	12.7%	15.5%	15.7%	22.1%	24.2%
Free cash flows [(a) - (b)]	△ 3,719	△ 61,565	△ 40,354	△ 76,187	1,825	14,598	22,321	41,274	33,382	64,044	55,991
Cash flows from operating activities (a) *9	25,822	53,743	64,347	76,264	67,396	76,577	91,019	85,015	82,875	114,592	167,896
Capital expenditure (b)	29,541	115,308	104,701	152,451	65,571	61,979	68,698	43,741	49,493	50,548	111,905
Earning per share	△ 4.03	4.27	5.49	7.61	6.33	6.77	9.01	8.76	12.16	46.14	81.99
Shareholders' equity per share	108.08	111.58	116.69	124.28	126.81	123.63	119.88	138.78	137.44	185.06	249.53
Dividend per share (non-consolidated)	-	-	-	4	4	4	5	5	5	11	16
Cash flow per share	23.5	48.5	58.1	68.8	60.8	62.3	75.6	70.7	69.2	95.8	140.6
Number of shares issued and outstanding at the end of the year	1,096,931,233	1,106,997,254	1,107,006,056	1,107,917,146	1,107,917,146	1,229,410,445	1,205,410,445	1,203,344,220	1,200,874,262	1,198,917,280	1,195,388,101

* 1: FY1999 to present: total figure of MOL and ex-Navix

* 2: Prior to FY1998: "General and administrative expenses" excluding "Amortization of consolidation difference"

* 3: Prior to FY1998: "Non-operating income" excluding "Equity in earnings of affiliated companies"

* 4: Prior to FY1998: "Corporate income tax, residents tax and enterprise tax" excluding "enterprise tax"

* 5: EBITDA = "Operating income" + "Depreciation and amortization"

* 6: ROE = Net income/Average shareholders' equity of at the beginning and the end of the fiscal year

* 7: ROA = [Net income + Interest payable X (1 - Corporate income tax rate)] / Average total assets of at the beginning and the end of the fiscal year

* 8: Gearing Ratio = Interest-bearing debt / Shareholders' equity

* 9: Prior to FY1999: "Cash flows from operating activities" = "Net income" + "Depreciation and amortization"

* 10: Prior to FY2001: "Number of shares issued and outstanding at the end of the year" excluding "Treasury shares"

[Consolidated] Segment Information (FY2003-2004)

(million yen)		
	'04.3.31 FY2003	'05.3.31 FY2004
Revenues		
Containerships	345,408	400,365
Bulkships	495,716	597,489
Logistics	54,464	59,464
Ferry/Domestic Shipping	42,122	45,350
Associated Business	69,433	82,589
Others	18,436	15,712
Total	1,025,582	1,200,971
Elimination	(28,321)	(27,639)
Consolidated	997,260	1,173,332
Operating Income		
Containerships	23,434	54,219
Bulkships	66,688	112,469
Logistics	(144)	838
Ferry/Domestic Shipping	533	1,287
Associated Business	2,694	5,130
Others	2,360	1,535
Total	95,567	175,479
Elimination	(3,440)	(3,684)
Consolidated	92,126	171,794
Ordinary Income		
Containerships	24,808	55,557
Bulkships	61,632	115,078
Logistics	(196)	980
Ferry/Domestic Shipping	111	183
Associated Business	2,905	4,987
Others	3,417	1,958
Total	92,678	178,747
Elimination	2,122	(3,767)
Consolidated	90,556	174,979

[Consolidated] Segment Information (FY1994-2003)

(million yen)										
	'95.3.31 FY1994	'96.3.31 FY1995	'97.3.31 FY1996	'98.3.31 FY1997	'99.3.31 FY1998	'00.3.31 FY1999	'01.3.31 FY2000	'02.3.31 FY2001	'03.3.31 FY2002	'04.3.31 FY2003
Revenues										
Overseas shipping	560,410	565,365	663,668	641,769	639,118	698,685	720,858	744,783	742,971	830,207
Ferry/domestic shipping				41,705	38,355	38,193	36,788	32,714	33,455	35,435
Shipping agents & harbor/terminal operation				84,583	78,133	85,869	80,375	79,285	78,854	84,690
Cargo forwarding & warehousing				80,464	70,492	69,959	52,846	45,158	48,379	46,981
Others				63,614	52,736	58,470	63,542	69,374	74,820	72,120
Total	666,506	673,910	788,199	912,137	878,836	951,179	954,411	971,317	978,481	1,069,435
Elimination	(31,222)	(11,864)	(10,303)	(77,258)	(69,675)	(69,371)	(66,544)	(67,373)	(68,193)	(72,174)
Consolidated	635,284	662,046	777,896	834,879	809,160	881,807	887,866	903,943	910,288	997,260
Operating Income										
Overseas shipping	18,988	27,024	35,785	41,811	51,170	58,077	74,018	58,673	37,457	83,085
Ferry/domestic shipping				(1,181)	160	441	(61)	(1,001)	648	1,256
Shipping agents & harbor/terminal operation				1,664	1,618	1,923	3,321	1,205	2,305	5,352
Cargo forwarding & warehousing				1,096	(15)	680	646	(336)	(53)	222
Others				2,990	3,787	4,578	6,078	4,572	2,859	2,910
Total	21,979	30,812	40,364	49,470	57,507	63,982	80,835	61,154	44,335	92,806
Elimination	(1,819)	(2,640)	(1,837)	(2,305)	(3,970)	(2,661)	(2,596)	(1,381)	1,021	(679)
Consolidated	20,160	28,172	38,526	47,164	53,536	61,320	78,239	59,772	45,356	92,126

[Non-Consolidated] Financial Statements (FY1994-2003)

(million yen)										
	'95.3.31 FY1994	'96.3.31 FY1995	'97.3.31 FY1996	'98.3.31 FY1997	'99.3.31 FY1998	'00.3.31 FY1999	'01.3.31 FY2000	'02.3.31 FY2001	'03.3.31 FY2002	'04.3.31 FY2003
Operating revenues Total	438,656	473,907	539,460	571,735	585,514	651,936	683,167	693,854	698,831	791,776
Containerships	219,575	240,720	268,873	274,602	277,009	268,048	272,428	278,747	278,043	323,336
Dry bulkers & Car carriers	141,091	152,776	176,366	192,719	193,720	237,040	253,335	259,017	266,772	310,085
Tankers & LNG carriers	68,671	70,075	84,509	93,634	104,829	135,539	145,582	144,548	141,850	146,881
Others	5,990	7,800	7,337	6,829	6,250	7,826	8,341	8,342	9,142	8,512
Other Operation	3,327	2,534	2,374	3,949	3,704	3,481	3,479	3,197	3,023	2,960

Corporate Governance

Reference: <http://www.mol.co.jp/governance-e.shtml>

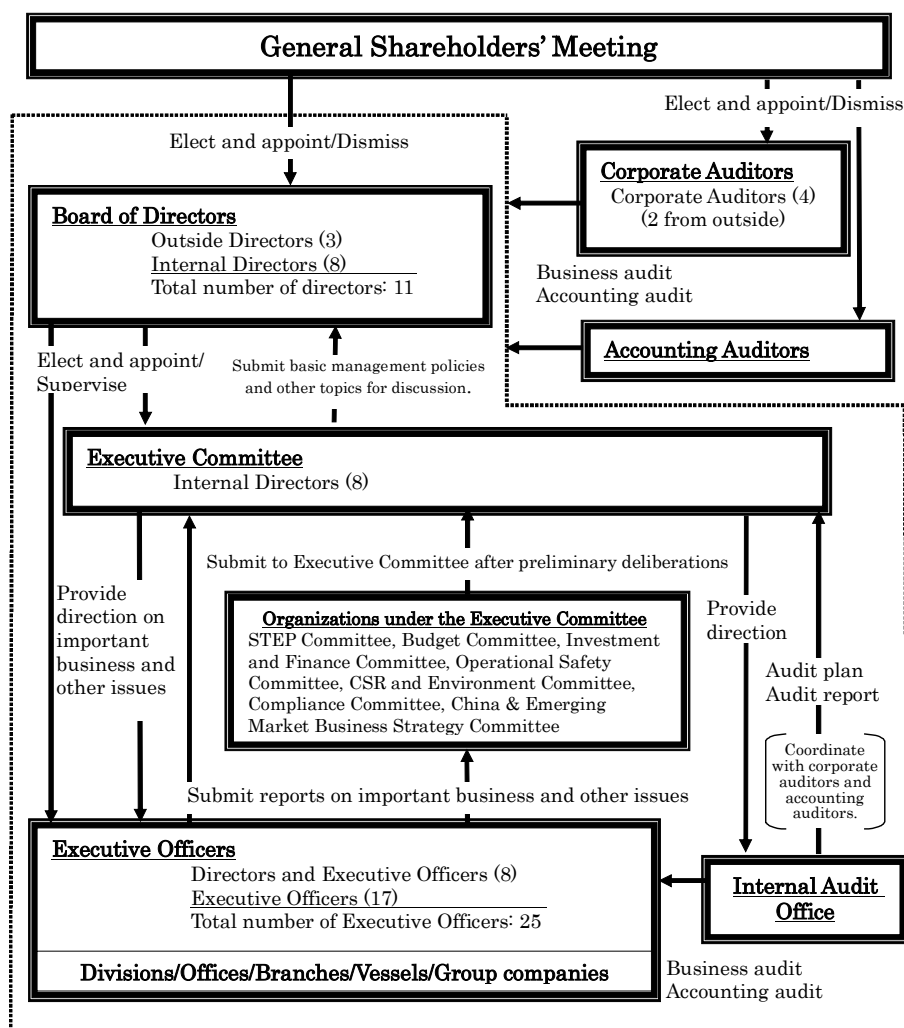
MOL implemented a corporate governance program in June 2000 for the purpose of creating a governance system capable of maximizing corporate value. The most significant changes were the addition of outside directors and the establishment of the executive officer post. With this program, MOL made its management systems more transparent and separated the roles of directors and executive officers.

In June 2002, the second stage of this process took place with the decision to alter the functions and authority of the Board of Directors and make changes in how MOL's business operations are managed. The objectives in this case are to establish a purpose-oriented decision-making system and structure management for the most effective implementation of strategies. More specifically, there are four goals of this latest change in MOL's management.

1. Bolster the role of the Board of Directors, which determines fundamental management strategies.
2. Transfer considerably more authority from the Board of Directors to the Executive Committee, which is responsible for the execution of business and management of the company.
3. Increase decision-making authority and speed implementation of business plans by executive officers, who are responsible for specific business areas.
4. Strengthen the executive officer reporting system to better enable the Board of Directors to monitor how business operations are being managed.

These measures are aimed at making management more efficient while enhancing all corporate governance functions. MOL believes that these changes will lead directly to growth in the company's corporate value for shareholders.

Organization of MOL Corporate Governance (As of the end of June 2005)



Compliance

Reference: <http://www.mol.co.jp/compliance-e.shtml>

Mitsui O.S.K. Lines, Ltd. (MOL) has established codes of conduct that MOL directors and employees must conform to, in consideration of various stakeholders' viewpoints. By ensuring compliance with the codes of conduct, MOL will continuously increase corporate value, create an improved working environment, and win the sympathy of various stakeholders surrounding the company.

[Code of Conduct]

All company personnel must act within the following Code of Conduct when carrying out their work duties. Company personnel shall, at all times:

1. Observe the laws of Japan and all other nations
2. Respect human rights and prohibit discrimination and harassment
3. Observe confidentiality of information and respect intellectual property rights
4. Draw a clear line between official and personal conduct, and avoid conflicts of interest
5. Avoid antisocial activities
6. Fulfill social responsibility
7. Ensure safe operation and environmental protection
8. Build trusting relationships with clients and contractors
9. Demand the same of affiliates, subsidiaries, and entrusted companies which dispatch employees.
10. Report any breach of compliance to the Compliance Officer, Compliance Committee Secretariat, or Compliance Advisory Service Desk, who shall guarantee the reporter that he or she shall not be treated unfavorably.

Safe Operation / Environment / CSR (Corporate Social Responsibility)

Reference: <http://www.mol.co.jp/environment.shtml>

Mitsui O.S.K. Lines Group Environmental Policy Statement

As one of the world's leading multi-modal transport groups, Mitsui O.S.K. Lines group is committed to protecting the health of our marine/global environment and therefore promotes and supports policies that:

1. Protect all aspects of the marine/global environment and foster safe navigation;
2. Comply with all environmental legislation and regulations that we are required to by law, and all relevant standards and other requirements that we subscribe to. And, whenever possible, further reduce the burden on the environment by setting and achieving even tougher voluntary standards;
3. Periodically review and revise our environmental protection measures on the basis of our framework for setting and reviewing environmental objectives and targets;
4. Conserve energy and materials through recycling and waste reduction programs;
5. Purchase and use environmentally safe goods and materials
6. Promote the development and use of environmentally safe technology
7. Educate and encourage group employees to increase their focus on protection of the environment through enhanced publicity efforts, and communicate our Environmental Policy to group employees;
8. Publish our Environmental Policy Statement and disclose our environmental information on a regular basis;
9. Always strive to ensure that our business activities contribute to and adequately support worthy environmental protection activities.

MOL Participates in UN Global Compact

The Principles of the Global Compact



Human Rights	Principle 1:	The support and respect of the protection of international human rights;
	Principle 2:	The Refusal to participate or condone human rights abuses.
Labor	Principle 3:	The support freedom of association and the recognition of the right to collective bargaining;
	Principle 4:	The abolition of compulsory labor;
	Principle 5:	The abolition of child labor;
	Principle 6:	The elimination of discrimination in employment and occupation.
Environment	Principle 7:	The implementation of a precautionary and effective program to environmental issues;
	Principle 8:	Initiatives that demonstrate environmental responsibility;
	Principle 9:	The promotion of the diffusion of environmentally friendly technologies.
Anti-Corruption	Principle 10:	The promotion and adoption of initiatives to counter all forms of corruption, including extortion and bribery.

Evaluation by the Third Parties on Environment/CSR

- March 2003: Certified under ISO 14001, an international standard for environmental management.
 Scope: All divisions at the head office and MOL operated vessels
 Service range: Site activities and head office activities associated with multi-modal logistics/ocean services.
- September 2003: Listed on the Dow Jones Sustainability Indexes (DJSI), in recognition of our long-term approach to environmental protection, societal contributions, and investor relations (IR) activities as a corporation positioned for sustainable growth. (Listed for the 2nd year in September 2004.)
- September 2003: Listed on the FTSE 4 Good Global Index, which is published by FTSE, a global index company that is a joint venture between the Financial Times and the London Stock Exchange. (Listed for the 2nd year in September 2004.)
- August 2004: Included in corporate governance fund created by the Pension Fund Association.

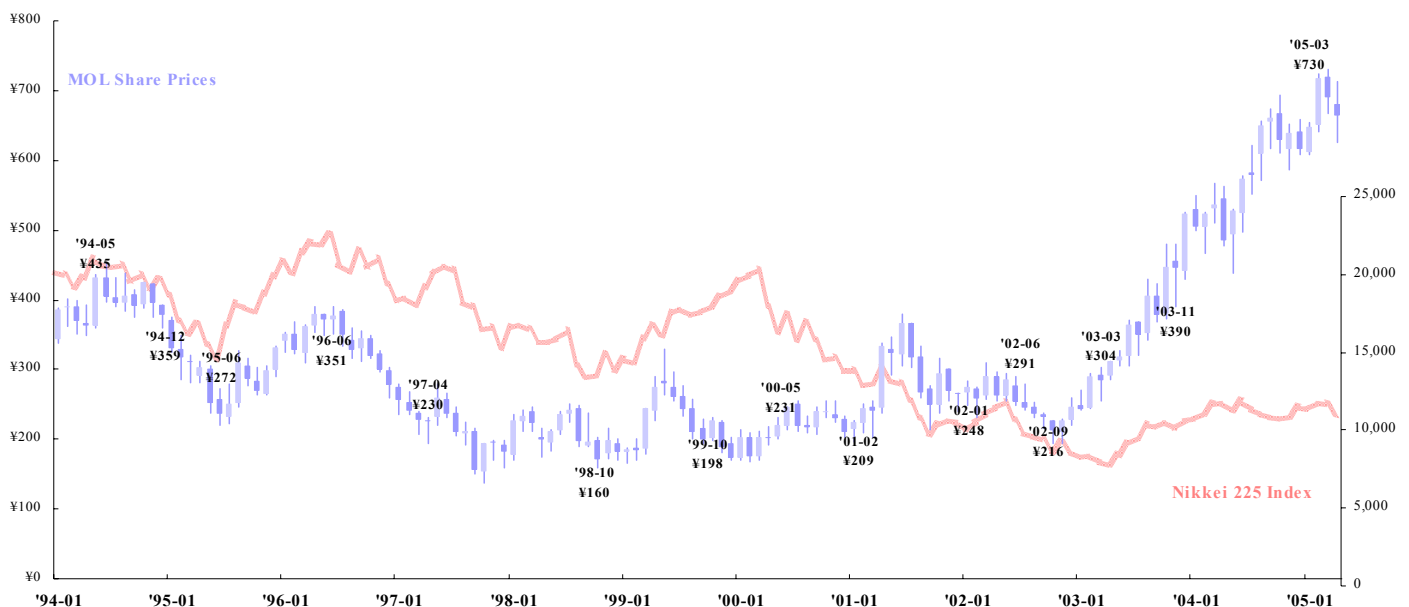


Certificate of ISO 14001, an international standard for environmental management (certified by DNV=DET NORSKE VERITAS)

Credit Ratings (As of June 2005)

JCR		A+
R&I		A
	Short-term Ratings	a-1
Moody's		Baa2
	Outlook	stable
Standard & Poors		BBB
	Outlook	stable

Share Prices 1994-2004



Shareholder Information

(As of March 31, 2005)

Capital:	64,915,351,028 yen
Head office:	1-1, Toranomom 2-chome, Minato-ku, Tokyo 105-8688, Japan
Number of MOL employees:	897
Number of MOL Group employees:	7,385
(The parent company and consolidated subsidiaries)	
Total number of shares authorized:	3,154,000,000
Number of shares issued:	1,205,410,445
Number of shareholders:	117,133
Shares listed in:	Tokyo, Osaka, Nagoya, Fukuoka, Sapporo, Frankfurt
Share transfer agent:	UFJ Trust Bank Limited
	4-3, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-0005, Japan

MOL Group IR Tools

“Investor Relations” web site Japanese: <http://www.mol.co.jp/ir-j/>

English: <http://www.mol.co.jp/ir-e/>

Annual Report (Japanese/English)

Investor Guidebook (Japanese/English)

Company Brochure (Japanese/English)

Environmental and Social Report (Japanese/English)

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