

**Mitsui O.S.K. Lines, Ltd.**

Financial Highlights: The Third Quarter Ended December 31, 2009

**1. Consolidated Financial Highlights (from April 1, 2009 to December 31, 2009)**

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

**(1) Operational Results**

	(¥ Million)		(US\$ Thousand)
	Q3/ FY2009 (Apr.1 - Dec.31)	Q3/ FY2008 (Apr.1 - Dec.31)	Q3/ FY2009 (Apr.1 - Dec.31)
Revenues	985,382	1,569,822	10,699,045
Operating income	2,388	203,522	25,928
Ordinary income	3,758	219,320	40,803
Net income	2,207	137,650	23,963
	(¥)		(US\$)
Net income per share	1.84	115.04	0.020
Diluted net income per share	1.78	110.85	0.019

**(2) Financial Position**

	(¥ Million)		(US\$ Thousand)
	Q3/ FY2009 (Ended Dec.31)	FY2008 (Ended Mar.31 2009)	Q3/ FY2009 (Ended Dec.31)
Total Assets	1,817,264	1,807,079	19,731,422
Total Net Assets	686,545	695,021	7,454,343
Shareholders' Equity / Total assets	33.7%	34.5%	
	(¥)		(US\$)
Shareholders' Equity per share	511.42	521.23	5.553

\* Shareholders' Equity is defined as follows.

Shareholders' Equity = Total Net Assets - (Share subscription rights + Minority interests)

**2. Dividends**

	(¥)		
	Dividend per share		
	Interim	Year end	Annual
FY2008	15.50	15.50	31.00
FY2009	0.00		
FY2009 (Forecast)		3.00	3.00

**3. Forecast of Consolidated Results for Fiscal Year ending March 31, 2010**

	(¥ Million)	(US\$ Thousand)
	FY2009 (Apr.1 - Mar.31)	FY2009 (Apr.1 - Mar.31)
Revenues	1,350,000	14,657,980
Operating income	13,000	141,151
Ordinary income	13,000	141,151
Net income	5,000	54,289
	(¥)	(US\$)
Net income per share	4.18	0.045

\* Underlying Assumption of the Forecast for the FY2009

The above forecast is made assuming the exchange rate and the bunker price for the FY2009.

4Q/FY2009 (Jan.1 2010- Mar.31 2010)

Exchange Rate 1US\$= ¥90.00

Bunker Price

US\$ 500/MT

( Translation of foreign currencies )

The Japanese yen amounts for Q3/ FY2009 have been translated into U.S. dollars using the prevailing exchange rate at December, 2009, which was ¥92.10 to U.S. \$1.00, solely for the convenience of readers. (The convenience translations should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at this or any other rate of exchange.)

**4. Business Performance**

(Billions of Yen)

	Nine months		Year-on-year comparison (variance)
	From Apr. 1 to Dec. 31, 2008	From Apr. 1 to Dec. 31, 2009	
Revenue	1,569.8	985.3	-584.4 / -37.2%
Operating income	203.5	2.3	-201.1 / -98.8%
Ordinary income	219.3	3.7	-215.5 / -98.3%
Net income	137.6	2.2	-135.4 / -98.4%
Exchange rate (nine-month average)	¥103.51/US\$	¥94.15/US\$	-¥9.36/US\$
Bunker price (nine-month average)	US\$576/MT	US\$385/MT	-US\$191/MT

	Three months		Year-on-year comparison (variance)
	From Oct. 1 to Dec. 31, 2008	From Oct. 1 to Dec. 31, 2009	
Revenue	475.0	360.8	-114.2 / -24.0%
Operating income	38.8	13.8	-25.0 / -64.4%
Ordinary income	33.3	13.7	-19.5 / -58.7%
Net income	13.6	12.1	-1.5 / -11.0%
Exchange rate (three-month average)	¥100.71/US\$	¥90.40/US\$	-¥10.31/US\$
Bunker price (three-month average)	US\$508/MT	US\$445/MT	-US\$63/MT

During the third quarter of fiscal year (FY) 2009 (October 1, 2009 to December 31, 2009), not only did China, India and other emerging countries propel the recovery of the global economy, but the economic growth of developed countries in Europe and North America also turned upwards after significant negative growth in the first half of 2009. This and other factors lead us to expect that we have entered a period of economic recovery around the world, despite fears of a second bottom.

In the U.S., on the back of economic stimulus measures such as the “Cash for Clunkers” car allowance rebate system, personal consumption for such items as cars and home appliances reemerged and signs of recovery in housing investments are noted.

In Europe, although plagued with a difficult employment environment, economic growth started moving in a positive path with such factors as improved exports and advances in inventory adjustments, despite a slow recovery pace. China maintained a high 8.7% annualized level of growth in 2009 led by internal demand in the form of personal consumption and public infrastructure investments and other factors arising thanks to economic stimulus measures costing RMB4 trillion. Moreover, the economies of India, Brazil and other emerging countries are recovering thanks partly to strong growth in personal consumption. Although many believed the Dubai shock at the end of

November would give way to negative effects on the global economy, such fears subsequently dissipated. Japan, with a continuing oversupply in employment and facilities under the environment of an appreciating yen and deflation, also saw a recovery, albeit a slow one, as personal consumption improved due to economic stimulus measures in the form of “eco-points” and “eco-car” tax credits, and better corporate conditions as seen in a recovery of industrial production.

Regarding the dry bulker market, following a lackluster Cape-size bulker market in the second quarter, market conditions improved as the third quarter began, sharply increasing in November, however, freight rate levels plunged again in December and beyond demonstrating a market environment with volatile rate fluctuations. Meanwhile, business was almost favorable for all ship sizes from Panamax on down.

In the crude oil tanker market, the stalemate continued as historically low prices were set due to the completion of many new ships and the withdrawal lagged of single-hull vessels. In the product tanker market, economic doldrums in developed countries kept our main MR-type products tankers, among others, in dire circumstances.

Automobile transport saw a recovery in sales volume thanks to car purchase promotion measures in various countries, however, factors such as the progressing shift to local production due to an appreciating yen are driving concerns that a recovery in completed vehicle cargo trade will take more time.

Entering the third quarter, container cargo trade experienced gradual improvements in almost all routes as the world's countries started enjoying an economic recovery. Freight rates are also steadily recovering after managing space reductions by shipping companies.

The foreign exchange market during the third quarter saw the yen appreciate even up to the ¥84/US\$ level at one time in late November, a rate not seen in 14 years, and remain roughly at more or less ¥90/US\$ leading to an appreciation by approx. ¥10 in the average exchange rate in our transactions compared to the same period of the previous year to ¥90.40/US\$. Meanwhile, bunker prices increased gradually since their plummet in the wake of the Lehman Shock to an average of US\$445/MT during the third quarter, however, compared to the same period of the previous year, prices fell by US\$63/MT.

As a result of the above, we posted ordinary income of ¥13.7 billion in the third quarter, expanding significantly from ¥1.4 billion in the second quarter. We consequently returned to profitability in the 9-month period.

The chart below shows consolidated revenue, operating income/loss, and ordinary income/loss by segment, along with comparisons to the same period of the previous year and a corresponding summary.

Upper: Revenue, Middle: Operating Income, Lower: Ordinary Income

(Billions of Yen)

	Three months		Year-on-year comparison (variance)
	From Oct. 1 to Dec. 31, 2008	From Oct. 1 to Dec. 31, 2009	
Bulkships	250.5	196.1	-54.3 / -21.7%
	40.5	22.8	-17.6 / -43.6%
	45.8	21.7	-24.0 / -52.5%
Containerships	181.3	124.0	-57.3 / -31.6%
	-6.6	-12.3	-5.7 / -%
	-6.4	-12.5	-6.0 / -%
Ferry and Domestic Transport	14.6	13.5	-1.0 / -7.3%
	0.6	-0.1	-0.7 / -%
	0.5	-0.1	-0.6 / -%
Associated Businesses	32.9	29.0	-3.8 / -11.7%
	3.1	2.5	-0.6 / -20.1%
	3.4	2.2	-1.2 / -34.6%
Others	5.8	4.3	-1.4 / -25.7%
	1.4	0.6	-0.8 / -55.6%
	1.3	0.1	-1.1 / -88.4%

Notes: 1. Revenue includes internal sales or transfers among segments.

2. Business segments were changed from the fiscal year under review. In comparisons with the same period of the previous fiscal year, the portion representing the third quarter of the previous fiscal year is included in the new businesses segments.

## (A) Bulkships

### <Dry Bulkers>

In the dry bulker market, although Cape-size bulker rates plunged to less than US\$30,000/day temporarily in September after having experienced great highs back in June, robust iron ore demand in China and a recovery in crude steel production in Japan and Europe drastically pushed up rates in November back to the US\$90,000 to US\$100,000 range. Rates have been on a decline since December and the end of the year saw freight rate levels go down to roughly the same as for Panamax. These and other factors demonstrated a market environment with volatile rate fluctuations. On the other hand, ship sizes from Panamax on down performed well as coal demand increased in countries such as China and India, among other factors. In the third quarter, amid these circumstances, we secured market-sensitive revenue from spot contracts and stable revenue from long-term contracts. This resulted in slightly higher profits from the

second quarter and year on year as well.

#### <Tankers/LNG Carriers>

In the tanker segment, market conditions for crude oil tankers continued to stagnate as the withdrawal of single-hull vessels lagged leaving some 80 ships on the market although their disposal was already completed in our company. Meanwhile, the delivery of many new ships resulted in the temporary setting of historically low rates such as US\$3,000/day level. In the product tanker market, economic doldrums in developed countries kept our main MR-type products tankers, among others, in dire circumstances. Meanwhile, LR-type product tankers saw a relatively stable market as its utilization for storage purposes arose from a speculative perspective. In these tough environments, this segment stayed in the red in the third quarter, as it was in the second, and suffered a great decline in profit compared to the same period of the previous year.

Our company had a year-on-year decline in profit in the LNG carrier segment, however, long-term contracts succeeded in securing stable revenue.

#### <Car Carriers>

The economic crisis caused hardships to continue in automobile sales in the U.S., Europe and other major markets, however, car purchase allowance rebate systems in various countries led to a recovery in sales volume. Meanwhile, although automobile cargo trade hit bottom around May, from the factors such as the progressing shift towards local production due to an appreciating yen, we expect that a recovery in cargo originating from Japan, which has significantly decreased from a year ago, will take more time. As a result of the above, during the third quarter, this segment saw lower profits year on year despite an improvement in profits compared to the second quarter.

#### **(B) Containerships**

In the midst of a global economic crisis leading to stagnant cargo trade and surplus vessels, cargo trade fell by 20% compared to the same period in the previous year with freight rates falling by 30%. This stringent environment is leading to prospects of huge annual deficits exceeding approx. ¥1.5 trillion in the container industry. Such a business climate called for the implementation of urgent countermeasures to reduce fleets by shipping companies that included scrapping vessels, ship sales, chartered vessel cancellations and cancelling ship constructions, etc. In addition, as the companies performed cold lay-ups, laid-up tonnage was over 10% of total container fleet size and measures to cut fuel costs were promoted through fuel savings by slow steaming.

In addition to the above mentioned ship supply volume reductions, factors including the following contributed to the gradual recovery in cargo trade, which suffered drastic drops in the previous fiscal year, and the firm recovery in freight rates in all routes. They are our operational efforts on freight rates restorations, strong internal demand in China supported by personal consumption and public infrastructure investments, the recovery of personal consumption and housing investments in the U.S., a rapid economic recovery in Brazil and other emerging countries, and so on.

Under such an environment, during the third quarter, our cargo trade and freight rate improvements as well as cost cutting efforts have succeeded in reducing losses compared with the second quarter, however, compared to the previous fiscal year, a recovery in the business environment has yet to surface and our deficit margin has increased.

#### **(C) Ferry and Domestic Transport**

In the ferry business, decreasing passenger and cargo volumes due to the sluggish economy, discounted highway toll fees and other factors compressed income. In the Domestic Transport segment, stagnant domestic transport performance due to the economic recession was a deteriorative factor. Results in this segment for the third quarter showed a deficit continuing from the second quarter and a decrease in profits compared to the same period in the previous fiscal year.

#### **(D) Associated Businesses**

A firm performance overall was demonstrated in the real estate business, in which Daibiru Corporation, our subsidiary, is a central player. This is despite lower profits compared to the same period in the previous fiscal year due to an increase in depreciation expenses associated with the completion of new buildings. The travel agency business remained low as a result of a decrease in business travel following corporate travel expense restrictions. The cruise ship business had lower earnings caused by renovations to the Nippon Maru in the dockyard. As a result, profits in the associated businesses segment during the third quarter fell short of the same period of the previous year.

#### **(E) Others**

Other businesses, which are mainly cost centers, include ship operations, ship management, ship chartering, financing, and shipbuilding. Overall profits in this segment decreased compared to the same period of the previous year.

## **5. Financial Position**

Assets for the quarter ended December 31, 2009 was 1,817.2 billion yen, a increase of 10.1 billion yen from the quarter ended March 31, 2009. This increase was primarily due to an increase in “Vessels” and “Buildings and structures” while trade receivables decrease. Liabilities for the quarter ended December 31, 2009 was 1,130.7 billion yen, increased by 18.6 billion yen compared to the quarter ended March 31, 2009. This increase was mainly attributable to increase in long-term bank loans and bonds due while trade payables and short-term bank loans decreased. Net assets for the quarter ended December 31, 2009 was 686.5 billion yen, a decrease of 8.4 billion yen from the quarter ended March 31, 2009, in consequence of increase in unrealized holding gains on available for-sale-securities while retained earnings decreased by 16.1 billion yen. As a result of the above transactions, shareholder’s equity ratio was 33.7% for the quarter ended December 31, 2009, decreased by 0.8% from the quarter ended March 31, 2009.

**6. Outlook for FY2009**

For FY2009

(Billions of Yen)

	Previous outlook (When announced 2Q)	Latest outlook (When announced 3Q)	Comparison (variance)
Revenue	1,300.0	1,350.0	50.0 / 3.8%
Operating income	10.0	13.0	3.0 / 30.0%
Ordinary income	10.0	13.0	3.0 / 30.0%
Net income	2.0	5.0	3.0 / 150.0%

Exchange rate	¥90.00/US\$	¥90.00/US\$	¥ —/US\$
Bunker price	US\$450/MT	US\$500/MT	US\$50/MT
	(Assumption of 3/4Q)	(Assumption of 4Q)	

Despite an appreciating yen, increasing bunker prices and other causes for concern, we expect that the following positive factors will improve our performance as compared with the previously announced figures. These include a continuingly strong dry bulker market backed by robust demand for iron ore and coal imports in China, an improvement in tanker markets due to improving demand for petroleum products and scrapping of single-hull VLCCs as well as the bottoming out and recovery of the global economy improving container cargo trade and further restoring freight rates.

In consideration of these prospects, we project consolidated revenue for FY2009 of ¥1,350 billion; consolidated operating income of ¥13 billion; consolidated ordinary income of ¥13 billion; and consolidated net income of ¥5 billion.

We expect to pay year-end dividend of ¥3 per share for FY2009 assuming that the above outlook will be achieved.



## 7. Consolidated Financial Statements

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

### (1) Consolidated Balance Sheets

(¥ Million)

	As of December 31, 2009	As of March 31, 2009
<b>Assets</b>		
Current assets		
Cash and cash equivalents	47,750	83,784
Trade receivables	126,538	186,625
Marketable securities	21	13
Inventories	36,470	28,151
Deferred and prepaid expenses	49,449	57,585
Deferred tax assets	6,214	5,128
Other current assets	58,154	67,513
Allowance for doubtful accounts	(276)	(203)
<b>Total Current Assets</b>	<b>324,322</b>	<b>428,597</b>
Fixed assets		
Tangible fixed assets		
Vessels	647,088	609,753
Buildings and structures	135,836	128,113
Equipments, mainly containers	13,328	14,790
Equipments and parts	5,021	5,286
Land	181,102	180,237
Vessels and other property under construction	213,888	165,820
Other tangible fixed assets	1,616	2,743
<b>Total tangible fixed assets</b>	<b>1,197,882</b>	<b>1,106,746</b>
Intangible fixed assets		
Goodwill	—	4,783
Other intangible fixed assets	9,009	9,501
<b>Total intangible fixed assets</b>	<b>9,009</b>	<b>14,285</b>
Investments and other assets		
Investment securities	197,221	180,362
Long-term loans receivable	39,126	39,923
Prepaid expenses	22,237	4,430
Deferred tax assets	5,944	5,755
Other long-term assets	24,198	29,161
Allowance for doubtful accounts	(2,680)	(2,181)
<b>Total investments and other assets</b>	<b>286,049</b>	<b>257,450</b>
<b>Total fixed assets</b>	<b>1,492,941</b>	<b>1,378,482</b>
<b>Total assets</b>	<b>1,817,264</b>	<b>1,807,079</b>

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

**(1) Consolidated Balance Sheets**

(¥Million)

	As of December 31, 2009	As of March 31, 2009
<b>Liabilities</b>		
Current liabilities		
Trade payables	120,859	167,471
Short-term bonds	11,806	23,276
Short-term bank loans	94,741	142,804
Accrued income taxes	2,199	8,010
Advances received	19,720	19,378
Deferred tax liabilities	424	416
Allowance		
for provision for bonuses	2,539	5,208
for provisions for director's bonuses	172	343
for provisions for loss on business liquidation	—	88
Commercial paper	16,500	20,500
Other current liabilities	43,952	53,411
<b>Total Current Liabilities</b>	<b>312,916</b>	<b>440,909</b>
Fixed liabilities		
Bonds due	200,029	132,671
Long-term bank loans	432,260	366,521
Deferred tax liabilities	34,693	31,564
Allowance		
for employees' severance and retirement benefits	15,386	14,626
for Directors' and corporate auditors' retirement benefits	1,866	2,242
for provisions for special repairs	18,313	16,091
Other fixed liabilities	115,252	107,429
<b>Total Fixed Liabilities</b>	<b>817,802</b>	<b>671,148</b>
<b>Total Liabilities</b>	<b>1,130,718</b>	<b>1,112,058</b>
<b>Net Assets</b>		
Owners' equity		
Common stock	65,400	65,400
Capital surplus	44,523	44,543
Retained earnings	607,546	623,626
Treasury stock, at cost	(6,429)	(6,438)
<b>Total owners' equity</b>	<b>711,041</b>	<b>727,131</b>
Accumulated gains (losses) from valuation and translation adjustments		
Unrealized holding gains on available for-sale securities, net of tax	16,393	6,165
Unrealized gains on hedging derivatives, net of tax	(79,824)	(71,459)
Foreign currency translation adjustments	(35,633)	(38,122)
Total accumulated losses from valuation and translation adjustments	(99,064)	(103,416)
Share subscription rights	1,529	1,306
Minority interests	73,039	70,000
<b>Total Net Assets</b>	<b>686,545</b>	<b>695,021</b>
<b>Total Liabilities and Total Net Assets</b>	<b>1,817,264</b>	<b>1,807,079</b>

**(2) Consolidated Statements of Income**

(¥Million)

	Q3/ FY2008 (Apr.1 - Dec.31)	Q3 / FY2009 (Apr.1 - Dec.31)
Shipping and other operating revenues	1,569,822	985,382
Shipping and other operating expenses	1,285,699	909,537
Gross operating income	284,122	75,844
Selling, general and administrative expenses	80,600	73,456
Operating income	203,522	2,388
Non-operating income:		
Interest income	2,134	1,574
Dividend income	3,891	2,474
Equity in earnings of unconsolidated subsidiaries and affiliated companies	21,179	2,791
Exchange gains	—	1,616
Others	8,828	5,015
Total	36,033	13,471
Non-operating expenses:		
Interest expense	11,202	10,509
Exchange loss	7,748	—
Others	1,284	1,591
Total	20,235	12,101
Ordinary income	219,320	3,758
Extraordinary profit:		
Gain on sale of fixed assets	10,518	11,098
Gain on sale of investment securities	5	2,400
Cancellation fee for chartered ships	5,248	2,432
Others	1,307	3,789
Total	17,080	19,720
Extraordinary loss:		
Loss on sale or disposal of fixed assets	344	554
Loss on retirement of fixed assets	297	3,626
Loss on liquidation of affiliates	27	54
Valuation loss on investment securities	6,332	272
Loss on sales of investment securities	3	—
Cancellation fee for chartered ships	6,892	6,506
Provision of allowance for doubtful accounts	39	67
Special retirement expenses	49	57
Others	787	4,935
Total	14,772	16,075
Income before income taxes and minority interests	221,628	7,404
Income taxes - current	79,594	3,278
Minority interests in earnings of consolidated subsidiaries	4,383	1,918
Net income	137,650	2,207

(Presentation of Taxes) As tax expenses for the 3rd quarter from April 1 to December 31 2009, are calculated using the simplified method, the tax adjustment is included in "Income taxes-current" in the income statements above.

	(¥Million)	
	Q3/ FY2008 (Oct.1 - Dec.31)	Q3 / FY2009 (Oct.1 - Dec.31)
Shipping and other operating revenues	475,055	360,820
Shipping and other operating expenses	411,720	323,752
Gross operating income	63,335	37,068
Selling, general and administrative expenses	24,443	23,220
Operating income	38,891	13,847
Non-operating income:		
Interest income	655	385
Dividend income	1,290	766
Equity in earnings of unconsolidated subsidiaries and affiliated companies	7,427	711
Exchange gains	—	1,278
Others	3,423	772
Total	12,796	3,914
Non-operating expenses:		
Interest expense	3,629	3,166
Exchange losses	14,169	—
Others	568	825
Total	18,367	3,991
Ordinary income	33,321	13,770
Extraordinary profit:		
Gain on sale of fixed assets	696	3,317
Gain on sale of investment securities	1	0
Cancellation fee for chartered ships	936	1,416
Others	288	948
Total	1,922	5,682
Extraordinary loss:		
Loss on sale or disposal of fixed assets	112	112
Loss on retirement of fixed assets	213	6
Loss on liquidation of affiliates	26	6
Valuation loss on investment securities	4,558	141
Cancellation fee for chartered ships	6,892	150
Provision for allowance for doubtful accounts	38	40
Special retirement expenses	29	35
Loss on cancellation of derivatives	—	301
Others	176	367
Total	12,047	1,161
Income before income taxes and minority interests	23,196	18,291
Income taxes - current	8,224	6,179
Minority interests in earnings (loss) of consolidated subsidiaries	1,325	(29)
Net income	13,647	12,141

(Presentation of Taxes) As tax expenses for the 3rd quarter from October 1 to December 31 2009, are calculated using the simplified method, the tax adjustment is included in "Income taxes-current" in the income statements above.

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

**(3) Consolidated statements of Cash flows**

(¥ Million)

	Q3 / FY2008 (Apr.1-Dec.31,2008)	Q3 / FY2009 (Apr.1-Dec.31,2009)
<b>Cash flows from operating activities:</b>		
Income before income taxes and minority interests	221,628	7,404
Depreciation and amortization	60,425	64,960
Equity in earnings of unconsolidated subsidiaries and affiliated companies,net	(21,179)	(2,791)
Loss (gain) on write-down of investment securities	6,332	272
Various provisions (reversals)	(3,041)	(2,099)
Interest and dividend income	(6,025)	(4,048)
Interest expense	11,202	10,509
Loss (gain) on the sale of investment securities	(2)	(2,400)
Loss (gain) on sale and disposal of vessels, property, plant and equipment	(9,877)	(6,917)
Exchange loss (gain),net	4,701	(1,944)
Changes in operating assets and liabilities		
— Trade receivables	(22,969)	27,140
— Fuel and supplies	7,479	(7,594)
— Trade payables	20,198	(12,784)
Other,net	(30,168)	(7,852)
Sub total	238,706	61,854
Cash received for interest and dividend	12,900	5,934
Cash paid for interest	(11,648)	(11,266)
Cash paid for corporate income tax, resident tax and enterprise tax	(135,998)	(10,512)
Net cash provided by operating activities	103,959	46,010
<b>Cash flows from investing activities:</b>		
Purchase of marketable and investment securities	(9,195)	(2,837)
Proceeds from sale of marketable and investment securities	2,933	3,079
Payments for purchases of vessels and other tangible and intangible fixed assets	(183,630)	(188,112)
Proceeds from sale of vessels and other tangible and intangible fixed assets	29,676	46,938
Payments from purchases of subsidiaries' securities due to change in consolidated subsidiaries	—	(49)
Net (increase) decrease in short-term loans receivable	(15,000)	16,365
Disbursements for loans receivable	(2,289)	(6,222)
Collections of loans receivable	4,041	867
Other, net	1,446	(1,821)
Net cash used in investing activities	(172,019)	(131,791)
<b>Cash flows from financing activities:</b>		
Net increase (decrease) in short-term bonds	(2,651)	(2,781)
Net increase (decrease) in short-term bank loans	45,742	(37,045)
Net increase (decrease) in commercial paper	71,500	(4,000)
Proceeds form long-term bank loans	70,726	108,938
Repayments of long-term bank loans	(57,129)	(51,748)
Proceeds form issuance of bonds	31,076	88,517
Redemption of bonds	(12,717)	(30,902)
Purchase of treasury stock	(1,033)	(80)
Sale of treasury stock	653	69
Cash dividends paid by the company	(38,903)	(18,539)
Cash dividends paid to minority interests	(2,257)	(2,033)
Other, net	(502)	(626)
Net cash provided by financing activities	104,504	49,768
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(4,625)	(186)
<b>Net decrease in cash and cash equivalents</b>	31,818	(36,198)
<b>Cash and cash equivalents at beginning of year</b>	61,715	83,194
<b>Net cash increase (decrease) from new consolidation/de-consolidation of subsidiaries</b>	150	1
<b>Net cash increase (decrease) in cash from merger of subsidiaries</b>	—	103
<b>Cash and cash equivalents at end of period of year</b>	93,685	47,101

**(4) Segment Information**

Business segment information:

(¥Million)

Q3/FY2008 (Apr.1 - Dec.31)	Bulk-ships	Container-ships	Logistics	Ferry & Domestic Transport	Associated Businesses	Others	Total	Elimination	Consolidated
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	844,591	539,417	48,215	43,764	87,050	6,782	1,569,822	-	1,569,822
2.Inter-segments revenues	2,323	1,918	1,074	171	16,569	11,383	33,439	(33,439)	-
Total Revenues	846,914	541,335	49,289	43,935	103,620	18,166	1,603,262	(33,439)	1,569,822
Operating income / (loss)	200,888	(11,600)	386	825	9,724	4,196	204,421	(898)	203,522
Ordinary income / (loss)	216,969	(9,105)	1,258	260	10,718	2,667	222,769	(3,448)	219,320

(¥Million)

Q3/FY2009 (Apr.1 - Dec.31)	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Others	Total	Elimination	Consolidated
Revenues								
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	526,236	339,367	38,980	73,760	7,036	985,382	-	985,382
2.Inter-segments revenues	1,280	1,012	197	11,309	6,774	20,574	(20,574)	-
Total Revenues	527,517	340,380	39,178	85,069	13,811	1,005,956	(20,574)	985,382
Operating income/ ( loss )	44,589	(50,868)	(1,241)	7,482	2,333	2,296	92	2,388
Ordinary income / (loss)	41,845	(50,144)	(1,238)	7,805	1,509	(222)	3,981	3,758

\* Change of business segment

Due to the change of organization, which Logistics division was integrated into Liner division, the number of business segment is changed from six to five including Logistics into Containerships from Q1/2009.

Meanwhile, the business segment information Q3/2008 based on the above new definition is mentioned as below.

(¥Million)

Q3/FY2008 (Apr.1 - Dec.31)	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Others	Total	Elimination	Consolidated
Revenues								
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	844,591	579,590	43,764	95,093	6,782	1,569,822	-	1,569,822
2.Inter-segments revenues	2,323	1,990	171	16,806	11,383	32,675	(32,675)	-
Total Revenues	846,914	581,581	43,935	111,899	18,166	1,602,497	(32,675)	1,569,822
Operating income/ ( loss )	200,888	(11,380)	825	9,891	4,196	204,421	(899)	203,522
Ordinary income / (loss)	216,969	(7,986)	260	10,859	2,667	222,769	(3,448)	219,320

(¥ Million)

Q3/FY2008 (Oct.1 - Dec.31)	Bulk-ships	Container-ships	Logistics	Ferry & Domestic Transport	Associated Businesses	Others	Total	Elimination	Consolidated
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	249,731	167,399	15,437	14,546	25,986	1,952	475,055	-	475,055
2.Inter-segments revenues	773	1,082	377	91	4,399	3,867	10,591	(10,591)	-
Total Revenues	250,505	168,481	15,815	14,638	30,385	5,820	485,646	(10,591)	475,055
Operating income/ ( loss )	40,558	(6,626)	(19)	640	3,216	1,461	39,231	(339)	38,891
Ordinary income / (loss)	45,816	(6,878)	335	540	3,540	1,303	44,658	(11,336)	33,321

(¥ Million)

Q3/FY2009 (Oct.1 - Dec.31)	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Others	Total	Elimination	Consolidated
Revenues								
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	195,836	123,664	13,503	25,242	2,572	360,820	-	360,820
2.Inter-segments revenues	274	388	62	3,835	1,750	6,312	(6,312)	-
Total Revenues	196,110	124,053	13,566	29,078	4,323	367,132	(6,312)	360,820
Operating income/ ( loss )	22,877	(12,385)	(104)	2,544	648	13,580	266	13,847
Ordinary income / (loss)	21,754	(12,551)	(101)	2,285	151	11,538	2,232	13,770

## Supplement

(For further details please refer to our homepage <http://www.mol.co.jp/ir-e>)

### 1. Comparison with Midterm Management Plan "MOL ADVANCE"

#### (1) Revenues & Income

(¥ Billion)

	FY2006	FY2007		FY2008		FY2009	
	Results	MOL ADVANCE Plan	Results	MOL ADVANCE Plan	Results	MOL ADVANCE Plan	Forecast
Revenues (*1)	1,568	1,640	1,945	1,880	1,865	2,060	1,350
Bulkships(*2)	787	790	1,024	810	998	870	730
Containerships	568	620	686	820	639	910	460
Other segments(*3)	212	230	234	250	227	280	160
Operating Income	168	182	291	197	197	212	13
Ordinary income	182	190	302	205	204	220	13
Bulkships(*2)	163	161	277	164	213	168	58
Containerships	3	10	6	20	△ 21	30	△ 58
Other segments(*3)	18	20	21	22	15	23	8
Elimination	△ 2	△ 1	△ 3	△ 1	△ 3	△ 1	5
Net income	120	124	190	133	126	143	5
Ratio of ordinary income to revenue	11.6%	11.6%	15.5%	10.9%	11.0%	10.7%	1.0%
Av. Ex. Rate	¥117.40/US\$	¥110.00/US\$	¥115.55/US\$	¥110.00/US\$	¥100.30/US\$	¥110.00/US\$	¥93.11/US\$
Av. Bunker price	US\$321/MT	US\$300/MT	US\$409/MT	US\$300/MT	US\$528/MT	US\$300/MT	US\$414/MT

(\*1) Revenues = Revenues from customers, unconsolidated subsidiaries and affiliated companies

(\*2) Dry bulkers, tankers, LNG carriers and car carriers

(\*3) Logistics (integrated into Containerships from FY2009), ferry & domestic transport, associated businesses, others

#### (2) Financial Indices (Guideline)

(¥ Billion)

	2009.3	2009.12	"MOL ADVANCE" Guideline for 2010.3
Shareholders' Equity	623	611	860
Shareholders' Equity /Total assets	34.5%	33.7%	40% or more
Gearing ratio	112.7%	126.1%	100% or less
ROA	6.9%		7% or more

Shareholders' Equity = Total Net Assets - (Share subscription rights + Minority interests)

Gearing ratio = Interest-bearing debt ÷ Shareholders' Equity

ROA = Net income ÷ Total Assets



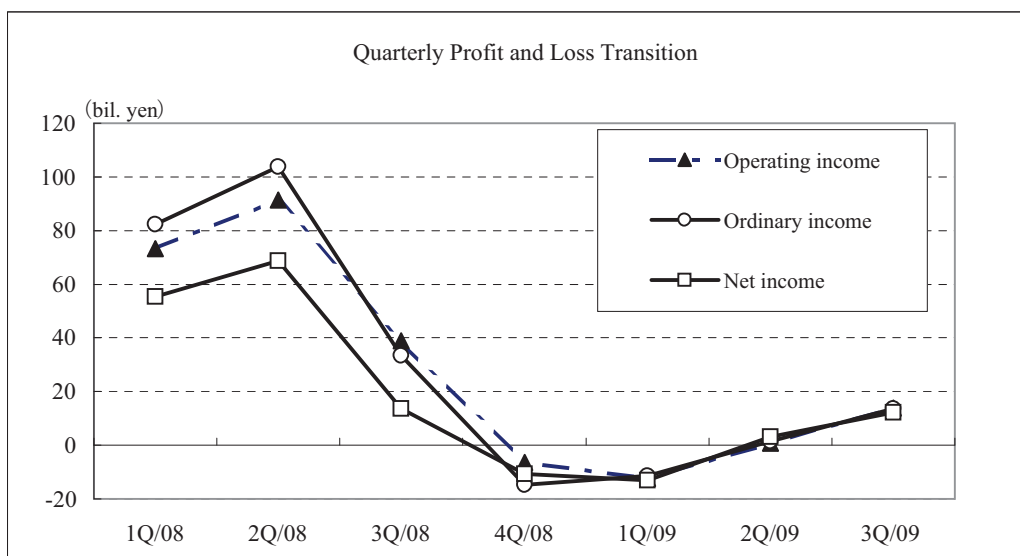
2. Review of Quarterly Results

## FY2009

	1st Quarter Apr.~Jun.,2009	2nd Quarter Jul.~Sep.,2009	3rd Quarter Oct.~Dec.,2009	4th Quarter Jan.~Mar.,2010
Revenues [¥ Million]	297,472	327,090	360,820	
Operating Income	-12,267	808	13,847	
Ordinary income	-11,499	1,488	13,770	
Income before income taxes	-17,224	6,337	18,291	
Net income	-13,014	3,080	12,141	
Net income per share [¥]	-10.88	2.57	10.15	
Total assets [¥ Million]	1,827,728	1,843,052	1,817,264	
Total net assets	733,011	712,877	686,545	
Shareholders' Equity per share [¥]	551.38	532.63	511.42	

## FY2008

	1st Quarter Apr.~Jun.,2008	2nd Quarter Jul.~Sep.,2008	3rd Quarter Oct.~Dec.,2008	4th Quarter Jan.~Mar.,2009
Revenues [¥ Million]	507,509	587,257	475,055	295,979
Operating Income	73,218	91,412	38,891	-6,310
Ordinary income	82,263	103,736	33,321	-14,809
Income before income taxes	90,726	107,705	23,196	-23,896
Net income	55,338	68,664	13,647	-10,662
Net income per share [¥]	46.25	57.38	11.41	-8.91
Total assets [¥ Million]	1,865,891	1,990,596	1,970,297	1,807,079
Total net assets	736,289	819,648	788,336	695,021
Shareholders' Equity per share [¥]	553.53	622.96	599.12	521.23



### 3. Depreciation and Amortization

	Nine months ended December 31, 2008	Nine months ended December 31, 2009	Increase /Decrease	(Million yen) FY2008
Vessels	46,139	48,680	2,541	59,180
Others	14,286	16,280	1,994	18,975
<b>Total</b>	<b>60,425</b>	<b>64,960</b>	<b>4,535</b>	<b>78,155</b>

### 4. Interest-bearing Debt

	As of March 31, 2009	As of December 31, 2009	Increase /Decrease	(Million yen) As of December 31, 2008
Bank loans	509,326	527,001	17,675	451,897
Bonds	155,947	211,835	55,888	177,368
Commercial paper	20,500	16,500	△ 4,000	81,500
Others	16,843	16,340	△ 503	19,421
<b>Total</b>	<b>702,617</b>	<b>771,677</b>	<b>69,060</b>	<b>730,187</b>

### 5. Exchange Rates

	Nine months ended December 31, 2008	Nine months ended December 31, 2009	Change			FY2008
Average rates	¥103.51	¥94.15	¥9.36	(9.0%)	¥ appreciated	¥100.30
Term-end rates	¥91.03	¥92.10	¥1.07	(1.2%)	¥ weaken	¥98.23

(Remark) "Average rates" are average of monthly corporate rates in each term, while "term-end rates" are TTM rates on the last day of each term.

#### Overseas subsidiaries

	TTM on September 30, 2008	TTM on September 30, 2009	Change			TTM on December 31, 2008
Term-end rates	¥103.57	¥90.21	¥13.36	(12.9%)	¥ appreciated	¥91.03

### 6. Bunker Prices

	Nine months ended December 31, 2008	Nine months ended December 31, 2009	Increase /Decrease	FY2008
Consumption Prices	US\$576/MT	US\$385/MT	△ US\$191/MT	US\$528/MT

7. Outlook for FY2009

(¥ Billion)

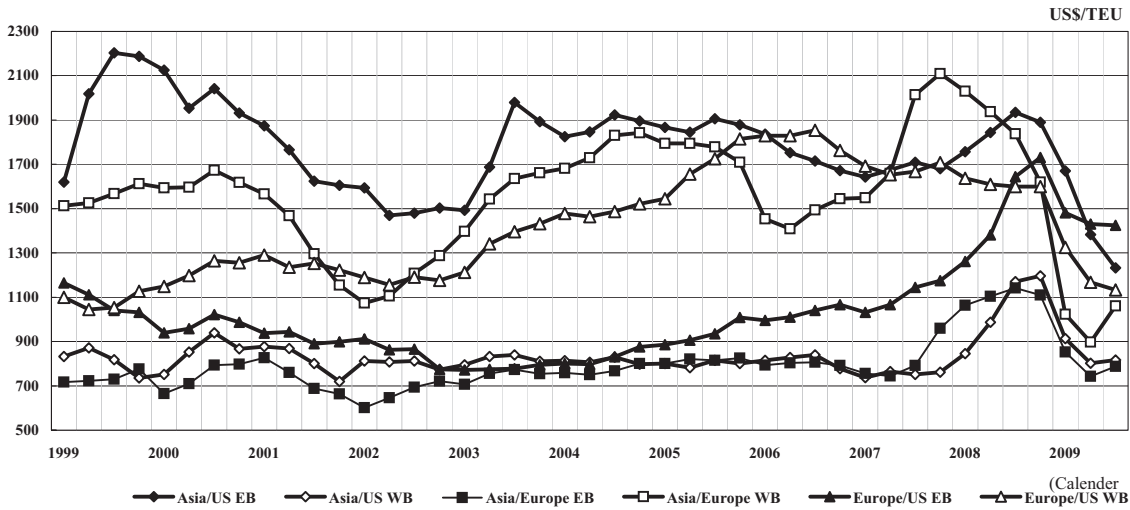
Segments	Revenues(*)	Operating Income	Ordinary Income
Bulkships	730	62	58
Containerships	460	△ 58	△ 58
Ferry /Domestic Transport	51	△ 2	△ 2
Associated Businesses	100	9	9
Others	9	1	1
Elimination	-	0	5
Total	1,350	13	13

<Assumption>	Apr. ~ Jun.,2009 (Actual)	Jul. ~ Sep.,2009 (Actual)	Oct. ~ Dec.,2009 (Actual)	Jan. ~ Mar.,2010 (Forecast)	FY2009 (Average)
exchange rates	¥97.21/US\$	¥94.85/US\$	¥90.40/US\$	¥90.00/US\$	¥93.11/US\$
bunker prices	US\$313/MT	US\$394/MT	US\$445/MT	US\$500/MT	US\$414/MT

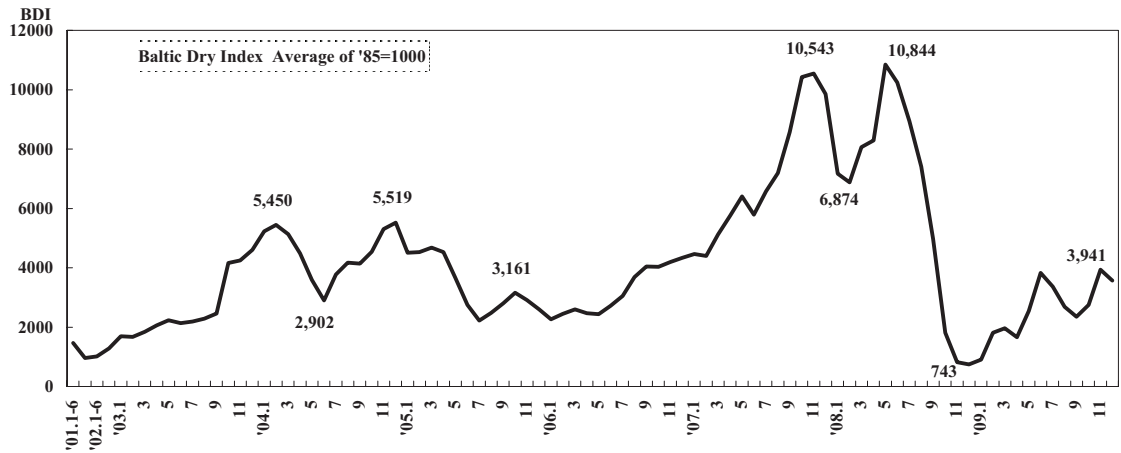
(\*) Revenues from customers, unconsolidated subsidiaries and affiliated companies

8. Market Information

(1) Containership Market (Containerization International "Freight Rates Indicators")



(2) Dry Bulk Market (Baltic Dry Index)

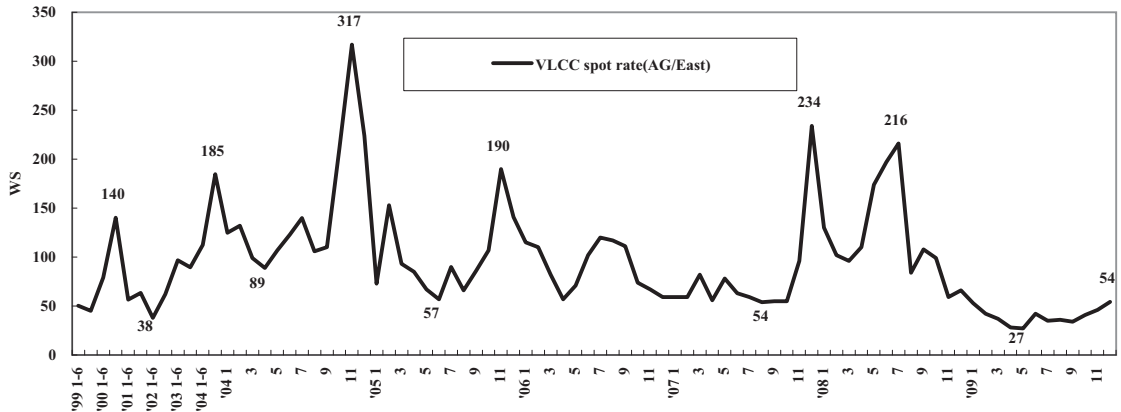


	(Calendar Year)											
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Maximum	1,156	1,343	1,734	1,566	1,666	4,609	5,519	4,678	4,336	10,543	10,844	3,941
Minimum	799	803	1,371	855	931	1,674	2,902	2,220	2,262	4,398	743	905

\*\*2001-2002 data on the graph are half-yearly averages.

(Jan.~Dec.)

(3) VLCC Market



	(Calendar Year)											
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Maximum	80	62	168	108	112	149	317	190	120	234	216	54
Minimum	47	36	55	35	29	49	89	57	57	54	59	27

\*\*1999-2002 data on the graph are half-yearly averages.

(Jan.~Dec.)