

Mitsui O.S.K. Lines, Ltd.

Financial Highlights: The Third Quarter Ended December 31, 2010

1. Consolidated Financial Highlights (from April 1, 2010 to December 31, 2010)

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

(1) Operational Results

	(¥Million)		(US\$ Thousand)
	Q3/ FY2010	Q3/ FY2009	Q3/ FY2010
Revenues	1,180,474	985,382	14,486,121
Operating income	108,309	2,388	1,329,108
Ordinary income	105,625	3,758	1,296,171
Net income	56,083	2,207	688,219

	(¥)		(US\$)
	Q3/ FY2010	Q3/ FY2009	Q3/ FY2010
Net income per share	46.92	1.84	0.576
Diluted net income per share	45.24	1.78	0.555

(2) Financial Position

	(¥Million)		(US\$ Thousand)
	Q3/ FY2010	FY2009	Q3/ FY2010
Total Assets	1,871,922	1,861,312	22,971,187
Total Net Assets	661,660	735,702	8,119,524
Shareholders' Equity / Total assets	31.1%	35.4%	31.1%
Shareholders' Equity per share	486.35	551.70	5.968

* 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
FY2009	0.00	3.00	3.00
FY2010	5.00		
FY2010 (Forecast)		5.00	10.00

3. Forecast of Consolidated Results for Fiscal Year ending March 31, 2011

	(¥Million)	(US\$ Thousand)
	FY2010	FY2010
Revenues	1,530,000	18,775,310
Operating income	124,000	1,521,659
Ordinary income	120,000	1,472,573
Net income	57,000	699,472
Net income per share	47.68	0.585

* Underlying Assumption of the Forecast for the FY2010

The above forecast is made assuming the exchange rate and the bunker price for the FY2010.

4Q/FY2010 (Jan.1 2011 - Mar.31 2011)

Exchange Rate 1US\$=¥82.00

Bunker Price US\$ 550/MT

(Translation of foreign currencies)

The Japanese yen amounts for Q3/ FY2010 have been translated into U.S. dollars using the prevailing exchange rate at December 31, 2010, which was ¥81.49 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, 2009	From Apr. 1 to Dec. 31, 2010	
Revenue	985.3	1,180.4	195.0/ 19.8 %
Operating income/loss	2.3	108.3	105.9/ - %
Ordinary income/loss	3.7	105.6	101.8/ - %
Net income/loss	2.2	56.0	53.8/ - %
Exchange rate (nine-month average)	¥94.15/US\$	¥87.53/US\$	-¥6.62/US\$
Bunker price (nine-month average)	US\$385/MT	US\$475/MT	US\$90/MT

	Three months		Year-on-year comparison (variance)
	From Oct. 1 to Dec. 31, 2009	From Oct. 1 to Dec. 31, 2010	
Revenue	360.8	377.6	16.8/ 4.7 %
Operating income/loss	13.8	25.6	11.8/ 85.5 %
Ordinary income/loss	13.7	25.3	11.5/ 83.8 %
Net income/loss	12.1	7.8	-4.3/ -35.5 %
Exchange rate (three-month average)	¥90.40/US\$	¥83.36/US\$	-¥7.04/US\$
Bunker price (three-month average)	US\$445/MT	US\$485/MT	US\$40/MT

The global economy during the third quarter of the fiscal year (FY) 2010 (October 1, 2010 to December 31, 2010) continued to follow a pattern of recovery, albeit at a slowing pace. In the U.S., although some economic indicators are brighter, the economy has not fully recovered as indicated by factors like the employment conditions still being harsh. In Europe, although there continues to be internal economic polarization due to economic weakness in southern European countries, strong manufacturing activity in Germany and France ensured Europe's bottomed-out economy continued its recovery. In China, though slowing, internal and external demand continued at high levels and the economy continued to follow an expansionary pattern. Meanwhile, Japan's economy was at a standstill. While corporate revenues and capital investment improved despite the yen climbing to a 15-year high, external demand weakened slightly due to fewer exports to Asia. Personal consumption also remained weak despite the recovery that the economic stimulus measures provided.

Looking at the maritime shipping market conditions, in the dry bulker market, Cape-size bulkers' hire rate largely fluctuated. The rate stayed at the US\$40,000/day level from mid October to early November on account of increased iron ore imports in China but then the import growth faltered, causing the rate to plunge to the US\$20,000/day

level. In the tanker market, both crude oil (VLCC) and product tankers experienced bearish pressure despite a temporary rise from the effect of winter demand and so on. As for containerships, the freight rate market weakened on account of weaker demand due to seasonal factors compared to the second quarter.

Crude oil prices were higher compared to the same period of the previous fiscal year due to a lessening of the excessive concerns about the future of the U.S. economy and a weakening of the US dollar. In late December, the price rose to the US\$90/barrel level for the first time since October 2008. Average bunker prices during the third quarter rose to US\$485/MT from the US\$445/MT in the same period of the previous fiscal year. Meanwhile, the average exchange rate during the third quarter was ¥83.36/US\$ (an appreciation of ¥7.04/US\$ year on year).

As a result of the above, business performance over the third quarter (3-month period) greatly increased compared to the same period of the previous fiscal year. As a result, we saw a vast year-on-year increase for the 9-month period.

The chart below shows consolidated revenue by segment and segment income/loss (ordinary income/loss) , along with comparisons to the same period of the previous fiscal year. Following the chart is a segment-by-segment summary of operations.

Upper: Revenue, Lower: Segment Income/Loss (Ordinary Income/Loss)

(Billions of Yen)

	Three months		Year-on-year comparison (variance)
	From Oct. 1 to Dec. 31, 2009	From Oct. 1 to Dec. 31, 2010	
Bulkships	196.1	190.9	-5.1 / -2.6 %
	21.7	13.1	-8.6 / -39.8 %
Containerships	124.0	145.0	20.9 / 16.9 %
	-12.5	8.0	20.5 / - %
Ferry and Domestic Transport	13.5	13.1	-0.4 / -3.4 %
	-0.1	0.3	0.4 / - %
Associated Businesses	29.0	31.0	1.9 / 6.7 %
	2.2	2.7	0.5 / 21.9 %
Others	4.3	3.9	-0.3 / -7.8 %
	0.1	1.0	0.9 / 616.6 %

(Note) Revenue includes internal sales or transfers among segments.

(A) Bulkships

<Dry Bulkers>

In the dry bulker market, Cape-size bulkers' hire rate followed a downward trend. The hire rates stayed at the US\$40,000/day level from mid October to early November on account of increased iron ore imports in China. Following this, however, China's import growth faltered and Australia's coal exports also decreased due to the impact of floods in eastern Australia, causing hire rates to plunge to the US\$20,000/day level. As for ship sizes from Panamax on down, performance was affected by a bearish tendency in the market, partly due to the iron ore export ban in India. The third quarter saw the aforementioned market-sensitive revenue and the highly stable profits from medium- to long-term contracts for carriers of iron ore, coal for power generation, wood chips, etc. resulting in the recording of profits lower than the same period of the previous fiscal year mainly due to deteriorating market conditions for Cape-size bulkers.

<Tankers/LNG Carriers>

In the tanker market, the market for crude oil (VLCC) tankers rose steeply in the first half of November on account of the increased winter demand. The market reacted to this, however, with a subsequent slowdown. Product tankers market also rose temporarily but remained at a low level, being unable to maintain such a rise. Although LPG carriers improved year on year, assisted by increased exports from the Middle East, the tanker segment ended in the red for the third quarter. The LNG carrier segment was supported by stable revenue from long-term transport contracts, delivering a performance for the third quarter that was even with the same period of the previous fiscal year.

<Car Carriers>

In the car carrier business, cargo trade recovered along with the modest recovery in the global economy, resulting in a strong third quarter performance compared to the same period of the previous fiscal year.

(B) Containerships

Regarding containerships, the freight rate market was weaker on account of weak demand due to seasonal factors compared to the second quarter. However, against a backdrop of a modest recovery in the global economy, significant improvement was achieved in the third quarter on a year-on-year basis. Moreover, as a result of efforts to make the cargo composition more profitable while improving cost competitiveness

through various measures that we have been implementing since the previous fiscal year (FY2009) such as cutting costs through fuel savings by slow steaming as well as reducing other cargo expenses, profits were considerably higher than those of the same period of the previous fiscal year.

(C) Ferry and Domestic Transport

Regarding the ferry and domestic transport business, although the future is uncertain, a recovery in cargo volumes and passengers was observed and the third quarter saw an increase in profits year on year, consequently returning the segment to profitability.

(D) Associated Businesses

In the real estate business, in which Daibiru Corporation, a major subsidiary, is a central player, a firm performance was continued from the second quarter due to the acquisition of trust beneficiary rights in Aoyama Rise Square in April 2010 and other factors. In the cruise ship business, despite the restart of operations of the Nippon Maru in March 2010, just as they did in the second quarter, profits decreased year on year due to higher depreciation expenses from renovations made to the ship. In the trading business, performance was solid overall and profits increased year on year. As a result, profits in the associated businesses segment during the third quarter were greater than those of the same period of the previous fiscal 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 during the third quarter increased compared to the same period of the previous fiscal year.

5. Financial Position

Assets for the quarter ended December 31, 2010 was 1,871.9 billion yen, an increase of 10.6 billion yen from the quarter ended March 31, 2010. This increase was primarily due to an increase in trade receivables, cash and deposits with the resumption of business. Also the newly purchased vessels and land increased. Liabilities for the quarter ended December 31, 2010 was 1,210.2 billion yen, increased by 84.6 billion yen compared to the quarter ended March 31, 2010. This increase was mainly attributable to the increase in accrued income taxes and bonds for purchasing land. Net assets for the quarter ended December 31, 2010 was 661.6 billion yen, a decrease of 74.0 billion yen from the quarter ended March 31, 2010, in consequence of increased unrealized losses on hedging derivatives, in spite of retained earnings increased. As a result of the above transactions, shareholder's equity ratio was 31.1% for the quarter ended December 31, 2010, decreased by 4.3% from the quarter ended March 31, 2010.

6. Outlook for FY2010

For FY2010

(Billions of Yen)

	Previous outlook (When announced 2Q)	Latest outlook (When announced 3Q)	Comparison (variance)
Revenue	1,550.0	1,530.0	-20.0 / -1.3%
Operating income	130.0	124.0	-6.0 / -4.6%
Ordinary income	130.0	120.0	-10.0 / -7.7%
Net income	65.0	57.0	-8.0 / -12.3%

Exchange rate	¥80.00/US\$	¥82.00/US\$	¥2.00/US\$
Bunker price	US\$500/MT	US\$550/MT	US\$50/MT
	(Assumption for 3/4Q)	(Assumption for 4Q)	

Although container cargo trade decreased due to seasonal factors, the freight rate market remains at a steady and sustainable level. In the dry bulker market, demand from China and other emerging economies provides optimism for recovery to occur on or after the Chinese New Year. However, at present, this market is falling, mainly on account of the impact of floods in eastern Australia. In addition, the pace of recovery in the tanker market is slow, and after taking into consideration rises in bunker prices, the performance for FY2010 is expected to be worse than the previously announced outlook.

In consideration of these prospects, we project consolidated revenue for FY2010 of ¥1,530 billion, consolidated operating income of ¥124 billion, consolidated ordinary income of ¥120 billion, and consolidated net income of ¥57 billion. We plan to pay a dividend of ¥10 per share for FY2010 (including an interim dividend of ¥5 that has already been paid), 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, 2010	As of March 31, 2010
Assets		
Current assets		
Cash and deposits	53,999	44,147
Trade receivables	125,177	117,483
Marketable securities	10,025	42,482
Inventories	40,480	38,531
Deferred and prepaid expenses	55,101	52,538
Deferred tax assets	3,254	5,459
Other current assets	80,787	51,752
Allowance for doubtful accounts	(354)	(365)
Total Current Assets	368,470	352,030
Fixed assets		
Tangible fixed assets		
Vessels	714,749	661,716
Buildings and structures	132,927	136,690
Equipments, mainly containers	10,792	12,739
Equipments and parts	4,144	4,790
Land	216,821	185,053
Vessels and other property under construction	160,590	206,431
Other tangible fixed assets	1,801	1,753
Total tangible fixed assets	1,241,828	1,209,175
Intangible fixed assets	9,048	9,079
Investments and other assets		
Investment securities	189,106	210,373
Long-term loans receivable	17,636	28,164
Prepaid expenses	21,978	21,327
Deferred tax assets	5,891	5,509
Other long-term assets	20,065	28,108
Allowance for doubtful accounts	(2,104)	(2,456)
Total investments and other assets	252,574	291,027
Total fixed assets	1,503,451	1,509,282
Total assets	1,871,922	1,861,312

	(¥Million)	
	As of December 31, 2010	As of March 31, 2010
Liabilities		
Current liabilities		
Trade payables	120,182	114,352
Short-term bonds	56,662	55,998
Short-term bank loans	102,141	99,393
Accrued income taxes	22,883	3,719
Advances received	23,024	23,033
Deferred tax liabilities	180	205
Allowance		
for provision for bonuses	2,091	4,279
for provisions for director's bonuses	47	162
for provisions for loss on business liquidation	-	4
Commercial paper	13,000	8,500
Other current liabilities	48,709	45,535
Total Current Liabilities	388,925	355,185
Fixed liabilities		
Bonds due	165,667	153,425
Long-term bank loans	420,777	441,285
Deferred tax liabilities	30,452	47,192
Allowance		
for employees' severance and retirement benefits	15,220	15,052
for Directors' and corporate auditors' retirement benefits	1,980	2,044
for provisions for special repairs	18,228	18,709
Other fixed liabilities	169,010	92,715
Total Fixed Liabilities	821,336	770,424
Total Liabilities	1,210,261	1,125,609
Net Assets		
Owners' equity		
Common stock	65,400	65,400
Capital surplus	44,518	44,522
Retained earnings	661,869	616,736
Treasury stock, at cost	(7,173)	(7,126)
Total owners' equity	764,614	719,532
Accumulated gains (losses) from valuation and translation adjustments		
Unrealized holding gains on available for-sale-securities, net of tax	14,599	20,999
Unrealized gains (losses) on hedging derivatives, net of tax	(152,893)	(45,454)
Foreign currency translation adjustments	(44,979)	(35,569)
Total accumulated losses from valuation and translation adjustments	(183,272)	(60,024)
Share subscription rights	1,870	1,523
Minority interests	78,447	74,670
Total Net Assets	661,660	735,702
Total Liabilities and Total Net Assets	1,871,922	1,861,312

(2) Consolidated Statements of Income

(¥Million)

	Q3 / FY2009 (Apr.1-Dec.31,2009)	Q3 / FY2010 (Apr.1-Dec.31,2010)
Shipping and other operating revenues	985,382	1,180,474
Shipping and other operating expenses	909,537	1,005,389
Gross operating income	75,844	175,084
Selling, general and administrative expenses	73,456	66,774
Operating income	2,388	108,309
Non-operating income:		
Interest income	1,574	1,115
Dividend income	2,474	3,015
Equity in earnings of unconsolidated subsidiaries and affiliated companies	2,791	6,830
Exchange gains	1,616	—
Others	5,015	2,361
Total	13,471	13,322
Non-operating expenses:		
Interest expense	10,509	8,661
Exchange loss	—	4,883
Loss on valuation of derivatives	—	1,366
Others	1,591	1,095
Total	12,101	16,006
Ordinary income	3,758	105,625
Extraordinary profit:		
Gain on sale of fixed assets	11,098	4,899
Gain on sale of investment securities	2,400	1,089
Cancellation fee for chartered ships	2,432	1,460
Others	3,789	1,441
Total	19,720	8,891
Extraordinary loss:		
Loss on sale or disposal of fixed assets	554	2,518
Loss on retirement of fixed assets	3,626	3,771
Impairment Loss	—	8,826
Loss on liquidation of affiliates	54	—
Valuation loss on investment securities	272	448
Cancellation fee for chartered ships	6,506	5,944
Provision of allowance for doubtful accounts	67	—
Special retirement expenses	57	—
Others	4,935	2,441
Total	16,075	23,949
Income before income taxes and minority interests	7,404	90,567
Income taxes	3,278	31,542
Income before minority interests	—	59,024
Minority interests in earnings of consolidated subsidiaries	1,918	2,941
Net income	2,207	56,083

(Presentation of Taxes) As tax expenses for the 3rd quarter from April 1 to December 31, 2010, are calculated using the simplified method, the tax adjustment is included in "Income taxes" in the income statements above.

(¥Million)

	Q3 / FY2009 (Oct.1-Dec.31,2009)	Q3 / FY2010 (Oct.1-Dec.31,2010)
Shipping and other operating revenues	360,820	377,634
Shipping and other operating expenses	323,752	329,419
Gross operating income	37,068	48,215
Selling, general and administrative expenses	23,220	22,531
Operating income	13,847	25,684
Non-operating income:		
Interest income	385	433
Dividend income	766	1,035
Equity in earnings of unconsolidated subsidiaries and affiliated companies	711	1,644
Exchange gains	1,278	—
Others	772	952
Total	3,914	4,066
Non-operating expenses:		
Interest expense	3,166	2,850
Exchange loss	—	1,235
Others	825	348
Total	3,991	4,434
Ordinary income	13,770	25,316
Extraordinary profit:		
Gain on sale of fixed assets	3,317	1,604
Gain on sale of investment securities	0	205
Gain on reversal of valuation loss on investment securities	—	599
Cancellation fee for chartered ships	1,416	29
Others	948	620
Total	5,682	3,060
Extraordinary loss:		
Loss on sale or disposal of fixed assets	112	(102)
Loss on retirement of fixed assets	6	72
Impairment Loss	—	8,826
Loss on liquidation of affiliates	6	—
Valuation loss on investment securities	141	98
Cancellation fee for chartered ships	150	2,239
Provision of allowance for doubtful accounts	40	(399)
Special retirement expenses	35	—
Loss on cancellation of derivatives	301	—
Others	367	810
Total	1,161	11,545
Income before income taxes and minority interests	18,291	16,830
Income taxes	6,179	7,360
Income before minority interests	—	9,469
Minority interests in earnings (loss) of consolidated subsidiaries	(29)	1,638
Net income	12,141	7,831

(Presentation of Taxes) As tax expenses for the 3rd quarter from October 1 to December 31, 2010, are calculated using the simplified method, the tax adjustment is included in "Income taxes" in the income statements above.

(3) Consolidated statements of Cash flows

(¥ Million)

	Q3 / FY2009 (Apr.1-Dec.31,2009)	Q3 / FY2010 (Apr.1-Dec.31,2010)
Cash flows from operating activities:		
Income before income taxes and minority interests	7,404	90,567
Depreciation and amortization	64,960	57,810
Impairment loss	—	8,826
Equity in earnings of unconsolidated subsidiaries and affiliated companies, net	(2,791)	(6,830)
Loss on valuation of investment securities	272	448
Various provisions (reversals)	(2,099)	(2,667)
Interest and dividend income	(4,048)	(4,131)
Interest expense	10,509	8,661
Loss (gain) on the sale of investment securities	(2,400)	(972)
Loss (gain) on sale and disposal of vessels, property, plant and equipment	(6,917)	1,389
Exchange loss, net	(1,944)	997
Changes in operating assets and liabilities		
— Trade receivables	27,140	(10,026)
— Inventories	(7,594)	(2,287)
— Trade payables	(12,784)	7,705
Other, net	(7,852)	13,596
Sub total	61,854	163,088
Cash received for interest and dividend	5,934	7,191
Cash paid for interest	(11,266)	(8,858)
Cash paid for corporate income tax, resident tax and enterprise tax	(10,512)	(13,243)
Net cash provided by operating activities	46,010	148,177
Cash flows from investing activities:		
Purchase of investment securities	(2,837)	(3,022)
Proceeds from sale and redemption of investment securities	3,079	4,168
Payments for purchases of vessels and other tangible / intangible fixed assets	(188,112)	(197,727)
Proceeds from sale of vessels and other tangible / intangible fixed assets	46,938	74,556
Payment from purchases of subsidiaries' securities due to change in consolidated subsidiaries	(49)	—
Net (increase) decrease in short-term loans receivable	16,365	0
Disbursements for loans receivable	(6,222)	(3,371)
Collections of loans receivable	867	1,553
Other, net	(1,821)	2,471
Net cash used in investing activities	(131,791)	(121,372)
Cash flows from financing activities:		
Net increase (decrease) in short-term bonds	(2,781)	78
Net increase (decrease) in short-term bank loans	(37,045)	1,280
Net increase (decrease) in commercial paper	(4,000)	4,500
Proceeds from long-term bank loans	108,938	57,320
Repayments of long-term bank loans	(51,748)	(82,678)
Proceeds from issuance of bonds	88,517	20,000
Redemption of bonds	(30,902)	(5,449)
Purchase of treasury stock	(80)	(69)
Sale of treasury stock	69	18
Cash dividends paid by the company	(18,539)	(9,640)
Cash dividends paid to minority interests	(2,033)	(957)
Other, net	(626)	(613)
Net cash (used in) provided by financing activities	49,768	(16,210)
Effect of exchange rate changes on cash and cash equivalents	(186)	(3,004)
Net increase (decrease) in cash and cash equivalents	(36,198)	7,590
Cash and cash equivalents at beginning of year	83,194	85,894
Net cash increase from new consolidation/de-consolidation of subsidiaries	1	177
Net cash increase in cash from merger of subsidiaries	103	—
Cash and cash equivalents at end of Q3 of year	47,101	93,662

(4) Segment Information

(¥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

(¥Million)

Q3 / FY2010 (Apr.1 - Dec.31)	Segment report					Others *1	Total	Adjustment *2	Consolidated *3
	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Sub Total				
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	602,318	453,132	38,877	80,595	1,174,923	5,550	1,180,474	—	1,180,474
2.Inter-segments revenues	760	1,201	151	11,526	13,638	5,398	19,037	(19,037)	—
Total Revenues	603,078	454,333	39,028	92,121	1,188,562	10,949	1,199,511	(19,037)	1,180,474
Segment income	62,808	33,929	80	8,051	104,871	2,118	106,989	(1,363)	105,625

* 1. "Others" consist of the businesses which are not included in "segment report", such as vessels' operation, vessels' management, vessels' chartering business, financial business and shipbuilding business.

* 2. The adjustment (-1,363 million yen) include both the intersegment transactions (- 773 million yen) and the general corporate revenues and the general corporate expenses (-590 million yen) which are not belonging to any segment.

* 3. The segment income is the ordinary income, and the consolidated statements of income mentions the total figure after the adjustment.

* Additional information:

From Q1/FY2010, "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No.17 27th/Mar/2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No.20 21st/Mar/2008) are applied.

(¥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

(¥Million)

Q3 / FY2010 (Oct.1 - Dec.31)	Segment report					Others *1	Total	Adjustment *2	Consolidated *3
	Bulk-ships	Container-ships	Ferry & Domestic Transport	Associated Businesses	Sub Total				
Revenues									
1.Revenues from customers, unconsolidated subsidiaries and affiliated companies	190,770	144,653	13,053	27,068	375,546	2,088	377,634	—	377,634
2.Inter-segments revenues	173	361	51	3,955	4,542	1,896	6,438	(6,438)	—
Total Revenues	190,943	145,014	13,105	31,024	380,088	3,984	384,072	(6,438)	377,634
Segment income	13,105	8,010	338	2,786	24,240	1,082	25,322	(6)	25,316

* 1. "Others" consist of the businesses which are not included in "segment report", such as vessels' operation, vessels' management, vessels' chartering business, financial business and shipbuilding business.

* 2. The adjustment (-6 million yen) include both the intersegment transactions (- 482 million yen) and the general corporate revenues and the general corporate expenses (476 million yen) which are not belonging to any segment.

* 3. The segment income is the ordinary income, and the consolidated statements of income mentions the total figure after the adjustment.

* Additional information:

From Q1/FY2010, "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No.17 27th/Mar/2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No.20 21st/Mar/2008) are applied.

Supplement(For further details please refer to our homepage <http://www.mol.co.jp/ir-e>)**1. Comparison with Midterm Management Plan "GEAR UP! MOL"****(1) Revenues & Income**

(¥ Billion)

	FY2009	FY2010		FY2011	FY2012
	Results	GEAR UP! MOL Plan	Forecast	GEAR UP! MOL Plan	GEAR UP! MOL Plan
Revenues (*1)	1,347	1,550	1,530	1,700	1,800
Bulkships(*2)	721	830	770	920	1,000
Containerships	466	550	590	600	620
Ferry /Domestic Transport	50	53	51	53	53
Associated Businesses	99	110	112	120	120
Others	9	7	7	7	7
Operating Income	20	100	124	120	150
Ordinary income	24	100	120	120	150
Bulkships(*2)	66	80	70	80	100
Containerships	△ 56	5	39	20	30
Ferry /Domestic Transport	△ 2	0	0	3	3
Associated Businesses	9	10	10	11	11
Others	1	1	1	2	2
Adjustments	5	3	0	4	4
Net income	12	60	57	75	110
Ratio of ordinary income to revenue	1.8%	6.5%	7.8%	7.1%	8.3%

Av. Ex. Rate ¥93.25/US\$ ¥90.00/US\$ ¥86.15/US\$ ¥90.00/US\$ ¥90.00/US\$

Av. Bunker price US\$406/MT US\$500/MT US\$494/MT US\$500/MT US\$500/MT

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

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

(2) Financial Indices (Guideline)

(¥ Billion)

	2010.3	2010.12	"GEAR UP! MOL" Guideline for 2013.3
Shareholders' Equity	659	581	820
Shareholders' Equity /Total assets	35.4%	31.1%	40% or more
Gearing ratio	117.5%	133.6%	100% or less
ROA	0.7%		5% 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

FY2010

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Apr.~Jun.,2010	Jul.~Sep.,2010	Oct.~Dec.,2010	Jan.~Mar.,2011
Revenues [¥ Million]	396,982	405,857	377,634	
Operating Income	39,099	43,526	25,684	
Ordinary income	39,249	41,060	25,316	
Income before income taxes	34,317	39,419	16,830	
Net income	20,822	27,428	7,831	
Net income per share [¥]	17.42	22.95	6.55	
Total assets [¥ Million]	1,874,002	1,884,822	1,871,922	
Total net assets	725,405	712,312	661,660	
Shareholders' Equity per share [¥]	544.18	529.77	486.35	

FY2009

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Apr.~Jun.,2009	Jul.~Sep.,2009	Oct.~Dec.,2009	Jan.~Mar.,2010
Revenues [¥ Million]	297,472	327,090	360,820	362,582
Operating Income	-12,267	808	13,847	18,550
Ordinary income	-11,499	1,488	13,770	20,475
Income before income taxes	-17,224	6,337	18,291	20,372
Net income	-13,014	3,080	12,141	10,515
Net income per share [¥]	-10.88	2.57	10.15	8.79
Total assets [¥ Million]	1,827,728	1,843,052	1,817,264	1,861,312
Total net assets	733,011	712,877	686,545	735,702
Shareholders' Equity per share [¥]	551.38	532.63	511.42	551.70

3. Depreciation and Amortization

	Nine months ended December 31, 2009	Nine months ended December 31, 2010	Increase /Decrease	(Million yen) FY2009
Vessels	48,680	45,396	△ 3,284	66,218
Others	16,280	12,414	△ 3,866	22,147
Total	64,960	57,810	△ 7,150	88,366

4. Interest-bearing Debt

	As of March 31, 2010	As of December 31, 2010	Increase /Decrease	(Million yen) As of December 31, 2009
Bank loans	540,678	522,918	△ 17,760	527,001
Bonds	209,424	222,329	12,905	211,835
Commercial paper	8,500	13,000	4,500	16,500
Others	16,511	18,572	2,061	16,340
Total	775,114	776,820	1,706	711,677

5. Exchange Rates

	Nine months ended December 31, 2009	Nine months ended December 31, 2010	Change			FY2009
Average rates	¥94.15	¥87.53	¥6.62	(7.0%)	¥ appreciated	¥93.25
Term-end rates	¥92.10	¥81.49	¥10.61	(11.5%)	¥ appreciated	¥93.04

(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, 2009	TTM on September 30, 2010	Change			TTM on December 31, 2009
Term-end rates	¥90.21	¥83.82	¥6.39	(7.1%)	¥ appreciated	¥92.10

6. Bunker Prices

	Nine months ended December 31, 2009	Nine months ended December 31, 2010	Increase /Decrease
Consumption Prices	US\$385/MT	US\$475/MT	US\$90/MT

7. Outlook for FY2010

(¥ Billion)

Segments	Revenues(*)	Ordinary Income
Bulkships	770	70
Containerships	590	39
Ferry /Domestic Transport	51	0
Associated Businesses	112	10
Others	7	1
Adjustments	-	0
Total	1,530	120

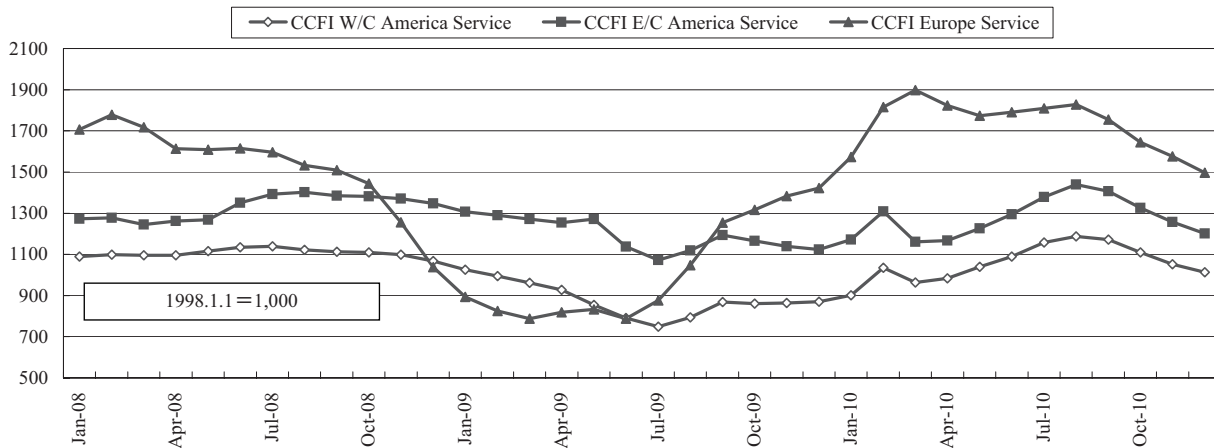
<Assumption>	Apr. ~ Jun., 2010 (Actual)	Jul. ~ Sep., 2010 (Actual)	Oct. ~ Dec.,2010 (Actual)	Jan. ~ Mar.,2011 (Forecast)	FY2010 (Average)
exchange rates	¥91.44/US\$	¥87.78/US\$	¥83.36/US\$	¥82.00/US\$	¥86.15/US\$
bunker prices	US\$474/MT	US\$469/MT	US\$485/MT	US\$550/MT	US\$494/MT

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

8. Market Information

(1) Containership Market (China Containerized Freight Index)

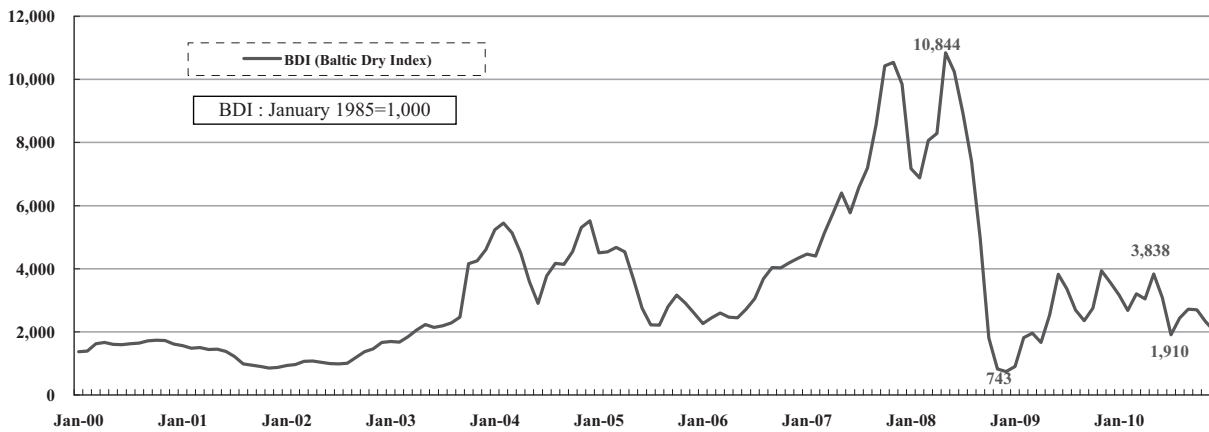
Source : Shanghai Shipping Exchange



* CCFI reflects the freight rate trend for container exports from China only, which does not always match the overall trend for container exports from Asia. Therefore, this information is provided and updated only for reference

(2) Dry Bulk Market (Baltic Dry Index)

Source : Tramp Data Service



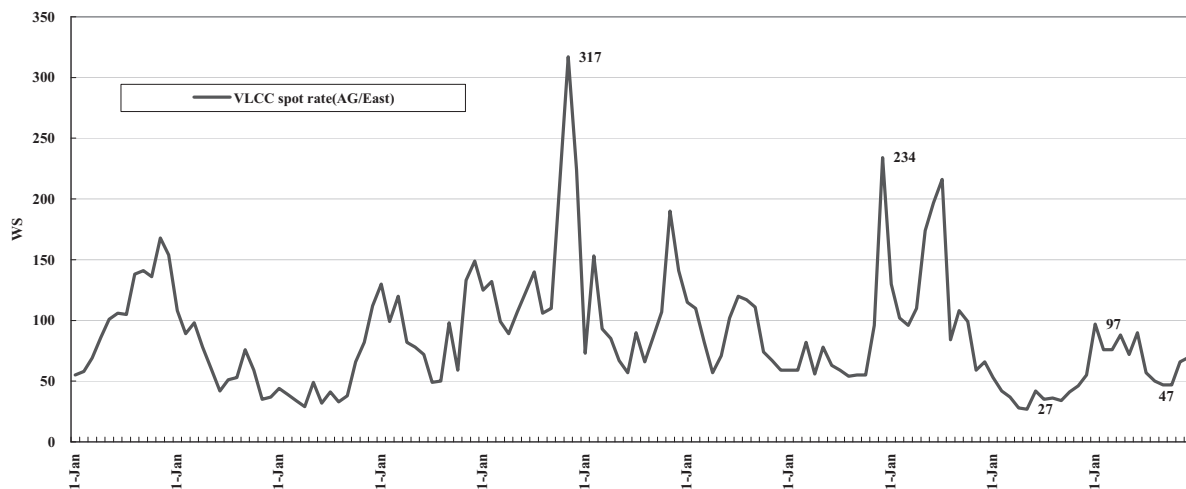
(Calendar Year)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Maximum	1,734	1,566	1,666	4,609	5,519	4,678	4,336	10,543	10,844	3,941	3,838
Minimum	1,371	855	931	1,674	2,902	2,220	2,262	4,398	743	905	1,910
Average	1,606	1,215	1,144	2,634	4,521	3,380	3,188	7,090	6,347	2,613	2,761

(Jan. ~ Dec.)

(3) VLCC Market

Source : Drewry, RIM etc.



(Calendar Year)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Maximum	168	108	112	149	317	190	120	234	216	54	97
Minimum	55	35	29	49	89	57	57	54	59	27	47
Average	110	66	50	93	149	101	90	79	120	40	70

(Jan. ~ Nov.)