Consolidated Financial Results for Nine Months Ended December 31, 2016
(Japanese GAAP) (Unaudited)

January 31, 2017

Nippon Yusen Kabushiki Kaisha (NYK Line)

Security Code:	9101
Listings:	The First Section of Tokyo and Nagoya Stock Exchanges
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Submit scheduled date of Quarterly Financial Report	February 14, 2017
Start scheduled date of paying Dividends	-
Preparation of Supplementary Explanation Material:	Yes
Financial Results Presentation Held:	Yes (for Analysts and Institutional Investors)

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2016 (April 1, 2016 to December 31, 2016)

(1) Consolidated Operating Results

(Percentage figures show year on year changes)

	Revenues		Operating income		Recurring profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Nine months ended December 31, 2016	1,414,549	-19.9	(15,516)	-	2,292	-95.9	(226,093)	-
Nine months ended December 31, 2015	1,766,695	-0.9	47,166	15.3	56,019	-9.0	22,822	-19.8

(Note) Comprehensive income:
Nine Months ended December 31, 2016: ¥-239,758 million (－%), Nine Months ended December 31, 2015: ¥14,647 million (-76.7%)

	Profit per share	Profit per share-fully diluted
	yen	yen
Nine months ended December 31, 2016	(133.69)	-
Nine months ended December 31, 2015	13.46	13.45

(Note) Profit per share-fully diluted for the nine-month period of the fiscal year ending March 31,2017, are not shown in the table because there were no dilutive shares as of the nine-month period-end, due to the advance repayment of the remaining amount of a warrant bond totaling ¥100 million (face value) on November 10, 2016.

(2) Consolidated Financial Position

	Total assets	Equity	Shareholders' equity ratio	Equity per share
	million yen	million yen	%	yen
As of December 31, 2016	2,075,600	592,840	25.2	310.13
As of March 31, 2016	2,244,772	844,269	34.5	456.21

(Reference) Shareholders' equity: As of December 31, 2016: ¥523,040 million, As of March 31, 2016: ¥773,678 million

2. Dividends

Date of record	Dividend per share				
	1st Quarter End	2ndQuarter End	3rd Quarter End	Year-end	Total
	yen	yen	yen	yen	yen
Year ended March 31, 2016	-	4.00	-	2.00	6.00
Year ending March 31, 2017	-	0.00	-		
Year ending March 31, 2017 (Forecast)				0.00	0.00

(Note) Revision of forecast for dividends in this quarter: No

3. Consolidated Financial Results Forecast for the Year Ending March 31, 2017 (April 1, 2016 to March 31, 2017)

(Percentage figures show year on year changes)

	Revenues		Operating income		Recurring profit		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending March 31, 2017	1,905,000	-16.2	-17,500	-	0	-100.0	-245,000	-	-144.96

(Note) Revision of forecast in this quarter: Yes

(Reference)

(1) Changes of important subsidiaries in the period: None
(Changes in specified subsidiaries involving change in consolidation scope)
New: None Exclusion: None

(2) Particular accounting methods used for preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy, changes in accounting estimates, and restatements
1. Changes in accounting policy in accordance with changes in accounting standard: Yes
2. Changes other than No.1: None
3. Changes in accounting estimates: None
4. Restatements: None

(Note) Details are stated on page 7 “Information about Summary (Notes)”

(4) Total issued shares (Ordinary shares)

1. Total issued shares (including treasury stock)	As of December 31, 2016	1,700,550,988	As of March 31, 2016	1,700,550,988
2. Number of treasury stock	As of December 31, 2016	14,035,765	As of March 31, 2016	4,671,463
3. Average number of shares (cumulative quarterly period)	Nine months ended December 31, 2016	1,691,198,303	Nine months ended December 31, 2015	1,695,933,727

(Note) From the second quarter in the fiscal year ending March 31, 2017, NYK Line established a Board Incentive Plan Trust for remunerating directors and corporate officers. The Company’s shares held in this trust are recorded under treasury stock and are excluded from calculations of the number of treasury stock shares at the end of the fiscal period and the average number of shares during the period under review.

*Indication of quarterly review process implementation status
This quarterly fiscal statement is exempt from the quarterly review process based upon the Financial Instruments and Exchange Act. As of the press release date, the quarterly review process is ongoing.

*Assumption for the forecast of consolidated financial results and other particular issues
Foreign exchange rate: (for the fourth quarter) ¥110/US$, (full year) ¥107.69/US$
Bunker oil price: (for the fourth quarter) US$320/MT, (full year) US$255.51/MT
The above forecast is based on currently available information and assumptions that NYK Line deems to be reasonable. NYK Line offers no assurance that the forecast will be realized. Actual results may differ from the forecast as a result of various factors. Refer to pages 2-6 of the attachment for assumptions and other matters related to the forecast.

NYK Line is to hold a financial result presentation meeting for analysts and institutional investors. The on-demand audio presentation and presentation materials are available on the NYK website
(http://www.nyk.com/english/release/IR_explanation.html).

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1. Qualitative Information on Quarterly Results

(1) Review of Operating Results

In the nine-month period of the fiscal year ending March 31, 2017 (April 1, 2016, to December 31, 2016), NYK Line posted consolidated revenues of ¥1,414.5 billion, down from ¥1,766.6 billion in the same period of the previous fiscal year. It also posted an operating loss of ¥15.5 billion compared with operating income of ¥47.1 billion, and recurring profit of ¥2.2 billion compared with ¥56.0 billion. Profit attributable to owners of the parent amounting to ¥22.8 billion in the same period of the previous fiscal year turned into a loss of ¥226.0 billion.

Overview

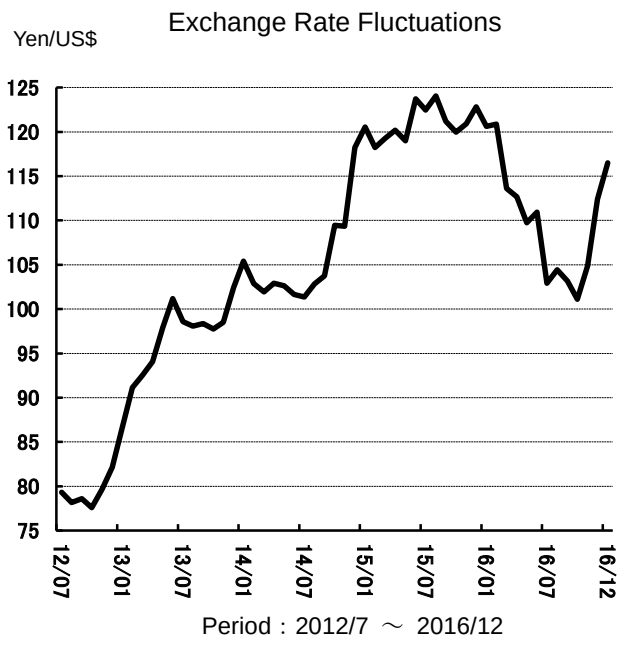
During the nine-month period of the current fiscal year, conditions in the global economy were mixed. In the United States, the number of employed people increased steadily at a moderate pace and consumer spending expanded. In Europe, despite the decision of the United Kingdom to leave the European Union, no serious developments occurred later, and a rapid economic downturn did not materialize as previously feared. In China, sales of retail goods slowed along with declining domestic demand. Meanwhile, the Japanese economy picked up moderately on the back of the depreciation of the yen following the victory of Donald Trump in the U.S. presidential election.

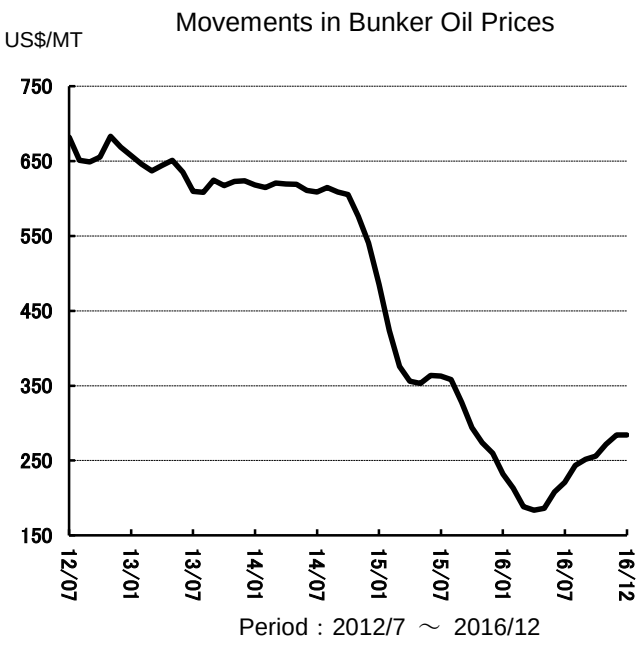
In the global shipping industry, spot freight rates rebounded in the container shipping market as customers became more selective about shipping lines following the bankruptcy of the Korean shipping company, around the end of August 2016. On the other hand, the gap between supply and demand continued to widen as the steady production of new ultra-large container ships contributed to an oversupply of tonnage. Consequently, the market is not projected to fully recover in the near future. In the dry bulk shipping market, which has been undergoing an unprecedented slump, market conditions appeared to pick up from the beginning of autumn, largely due to increased volume of Chinese imports of coal and iron ore. Nevertheless, a full-fledged market recovery is expected to take time.

Against this backdrop, during the nine-month period of the fiscal year underway, consolidated revenues decreased ¥352.1 billion, or 19.9%, year on year. Operating profit declined ¥62.6 billion, turning into a loss, while recurring profit dropped ¥53.7 billion, or 95.9%, compared with the same period of the previous fiscal year. Profit attributable to owners of the parent fell ¥248.9 billion year on year, largely due to an extraordinary loss of approximately ¥200.0 billion comprised of an impairment loss and provision for losses related to contracts associated with container ships, dry bulkers, and cargo aircraft.

In addition, the average exchange rate and average bunker oil price changed in the third quarter of the current fiscal year, as follows.

	Nine months ended December 31, 2015	Nine months ended December 31, 2016	Change
Average exchange rate	¥121.58/US$	¥106.92/US$	Yen up ¥14.66/US$
Average bunker oil price	US$327.80/MT	US$234.02/MT	Price down US$93.78/MT





Note: Exchange rates and bunker oil prices are our internal figures.

Overview by Business Segment

Business segment information for the nine months ended December 31, 2016 is as follows.

(In billion yen)

		Revenues				Recurring profit		
		FY 2015 3Q	FY 2016 3Q	Change	Percentage Change	FY 2015 3Q	FY 2016 3Q	Change
Global Logistics	Liner Trade	546.9	430.4	-116.4	-21.3 %	0.8	(11.3)	-12.1
	Air Cargo Transportation	72.7	61.0	-11.7	-16.2 %	2.2	(1.2)	-3.5
	Logistics	379.5	343.8	-35.6	-9.4 %	10.2	6.7	-3.5
Bulk Shipping		710.1	526.4	-183.6	-25.9 %	40.9	(1.4)	-42.4
Others	Real Estate	7.3	7.4	0.1	1.4 %	2.5	11.3	8.7
	Other	113.0	103.7	-9.3	-8.2 %	0.8	0.1	-0.7

Liner Trade

In the container shipping market, transpacific routes underwent an improvement in the balance of supply and demand while spot freight rates rose following the bankruptcy of the Korean shipping company around the end of August 2016. Freight rates for European shipping routes bottomed out, but with the ongoing completion of new vessels the recovery was moderate. Freight rates for Central and South American shipping routes remained at solid levels since the summer due to an improvement in the balance of supply and

demand for both east- and west-bound shipments. Meanwhile, freight rate levels for Asian shipping routes remained largely unchanged amid challenging market conditions.

To keep competitiveness, although there were no major changes to the G6 Alliance routes, the NYK Group rationalized its service loops according to demand, and reduced voyages for some routes. To cut costs, despite higher fuel prices due to the rising price of bunker oil in this fiscal year, the NYK Group kept fuel costs under control through efforts to reduce fuel consumption by upgrading vessels to improve their fuel efficiency and switching over to new ultra-large vessels that have highly fuel efficient engines and hulls designed for higher cargo loading rates. The NYK Group also took steps to increase cargo volume and profitability of its operations, including efforts to secure certain types of cargo that can be shipped more efficiently in line with changes in the market.

Handling volume increased year on year at container terminals operated in and outside Japan. However, the Liner Trade segment as a whole posted a loss as revenues decreased compared with the same period of the previous fiscal year.

In addition, as announced at the end of October 2016, NYK Line decided to integrate its container shipping business (including its overseas terminal business) with those of two other Japanese shipping companies. The three companies will establish a new joint-venture company in July of this year and NYK Line prepared its internal organization so that the new company can commence operations from April 2018.

Air Cargo Transportation

In the Air Cargo Transportation segment, as air freight shipments entered a peak period from autumn, cargo volume for outbound freight shipments and return flights were solid, and benefitted from the relatively low value of the yen. At the same time, the Group strove to boost orders for shipments by cargo aircraft while continually cutting costs. These efforts and results, however, could not make up for the poor performance in the first half of the fiscal year. Consequently, the segment posted a loss as both revenues and income decreased compared with the same period of the previous fiscal year.

Logistics

In the air freight forwarding business, cost prices remained at higher levels than expected, and gross profits from shipments originating from China were especially sluggish. In the ocean freight forwarding business, however, handling volume was brisk in every region. In contrast, freight handled by the logistics business declined in Europe and North America. In the coastal transportation business, cargo volume was solid as relatively few voyages were cancelled due to bad weather. While results were mixed, the Logistics segment as a whole posted a decrease in both revenues and income compared with the same period of the previous fiscal year.

Bulk Shipping

In the automobile transport market, demand for automobile shipments to resource-rich countries in particular slowed down amid low prices of crude oil and other resources, resulting in fewer vehicles shipped compared with the nine-month period of the previous fiscal year. Under such circumstances, the NYK Group continued to implement slow steaming and other measures for reducing operating costs while providing services tailored to transport needs, including the commencement of new shipping routes to northern Vietnam. In

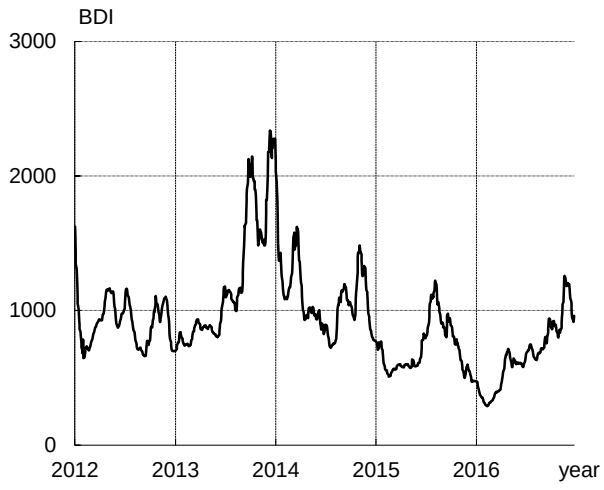
addition, a company of the NYK Group commissioned the world's first LNG-fueled pure car and truck carrier, which contributed to lowering the Group's impact on the environment. In the automobile logistics business, existing operations performed solidly overall, particularly automobile logistics centers in China and India. NYK Line also concluded agreements in Kenya and Vietnam to establish joint-venture firms that will provide new logistics services for finished vehicles.

In the dry bulk shipping market, the balance of supply and demand finally stopped worsening due to progress in the scrapping of older vessels, and cargo volume of iron ore, coal, and grains all increased. As a result, the market has been making a steady recovery since the beginning of Autumn. In that context, the NYK Group strove to conclude shipping contracts that are less susceptible to short-term market fluctuations, and took steps to reduce costs, including exhaustive measures for improving the operational efficiency of its fleet. At the same time, the Group worked to improve the bottom line through a number of initiatives, such as reducing ballast voyages by combining cargoes and more efficiently assigning vessels

In the liquid transport market, while many new ships were built, especially very large crude carriers (VLCC), east- and west-bound petrochemical tanker shipments from the Middle East were down, and liquefied petroleum gas (LPG) tanker shipments decreased in terms of overall distance as the shipping points for cargo bound for East Asia were shifted from the United States to the Middle East. Consequently, market conditions were sluggish. Nevertheless, the NYK Group was able to secure favorable conditions in long-term contracts, providing a stable source of earnings from its fleet of LNG tankers. In addition, the Group completed the construction of two floating production storage and offloading (FPSO) vessels, increasing its fleet to four. The offshore business performed solidly owing to the operations of these vessels along with drill ships and shuttle tankers.

Despite these efforts and results, the Bulk Shipping segment posted a loss as revenues decreased compared with the same period of the previous fiscal year.

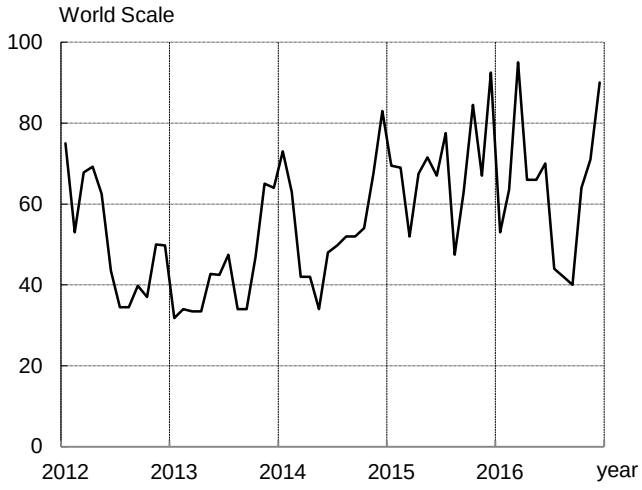
Fluctuation in Tramper Freight Rate in BDI



Period：2012/1 ～ 2016/12

Tanker Freight Rates (high) for VLCCs

From Middle East to Japan



Period：2012/1 ～ 2016/12

Real Estate and Other Businesses Services

In the Real Estate segment, although revenues remained on par with the level in the same period of the previous fiscal year, non-operating income increased mainly due to gains on the sale of real estate trust beneficiary rights from certain investments. As a result, segment income increased substantially compared with the nine-month period of the previous fiscal year.

In the Other Business Services segment, the cruise business increased its cruise ship occupancy rate, and the manufacturing business performed solidly. On the other hand, exchange rates and other factors negatively affected the trading business's sales of bunker oil, one of its mainstay products. Consequently, segment revenues and income decreased compared with the same period of the previous fiscal year.

(2) Explanation about Financial Position

Assets, Liabilities, and Equity

As of December 31, 2016, the end of the third quarter of the fiscal year under review, consolidated assets amounted to ¥2,075.6 billion, a decrease of ¥169.1 billion compared with the end of the previous fiscal year on March 31, 2016, mainly due to a reduction of the Group's shipping fleet. Consolidated liabilities totaled ¥1,482.7 billion, an increase of ¥82.2 billion compared with the end of the previous fiscal year. Under consolidated equity, retained earnings decreased ¥230.7 billion compared with the end of the previous fiscal year, while shareholders' equity—the aggregate of shareholders' capital and total accumulated other comprehensive income—amounted to ¥523.0 billion. This amount combined with non-controlling interests of ¥69.7 billion brought total equity to ¥592.8 billion. Based on that result, the debt-to-equity ratio came to 1.87.

(3) Explanation of Consolidated Earnings Forecast and Future Outlook

i) Forecast of Consolidated Financial Results

NYK Line's forecast of full-year consolidated financial results is as follows: revenues of ¥1,905.0 billion, an operating loss of ¥17.5 billion, a recurring profit of ¥0.0 billion, and a loss attributable to owners of the parent of ¥245.0 billion. Container shipping and dry bulk shipping showed signs of recovery in the third quarter, and the one-off profit in the real estate department and weaker yen helped in the more-than-expected recovery of the company. We foresee the recovery in the container shipping department to continue in the fourth quarter. The slump in automobile shipping demand to resource-rich countries is expected to continue for some time. Dry bulk department is recovering from historic lows. In the liquid department, oil-products and LPG shipping market may take some time to recover, but LNG and off-shore businesses with long-term contracts are expected to continue to produce stable profits.

In view of the above, the Company has upwardly revised its forecast of full-year consolidated financial results, as follows.

(In billion yen)

	Revenues	Operating Income	Recurring Profit	Profit attributable to owners of Parent
Previous Forecast（October 31, 2016）	1,865.0	(25.5)	(26.0)	(245.0)
Revised Forecast	1,905.0	(17.5)	0.0	(245.0)
Change	40.0	8.0	26.0	0.0
Percentage Change (%)	2.1	-	-	-

Assumptions underlying forecasts:

Foreign exchange rate: (for the fourth quarter) ¥110/US$, (full year) ¥107.69/US$

Bunker oil price: (for the fourth quarter) US$320/MT, (full year) US$255.51/MT

ii) Planned Dividend Payment

During the current fiscal year, NYK Line is expected to post a substantial loss mainly as a result of recording an impairment loss. Furthermore, management believes that more time will be needed for the maritime shipping market to make a full recovery. In view of these factors, management has decided not to pay a fiscal year-end dividend. This decision was made after giving full consideration to the need to maintain a sufficient amount of internal reserves for dealing with changes in the market and the prolonged market slump. The entire Company is working to resume the payment of dividends as quickly as possible in the future.

2. Information about Summary (Notes)

(1) Changes in Accounting Policy, Changes in Accounting Estimates, and Restatements

（Notice of change in accounting policy）

(Application of Practical Solution on Accounting for Changes in Depreciation method related to the 2016 Tax Reform 2016)

Effective beginning the first quarter of the fiscal year ending March 31, 2017, NYK Line has applied "Practical Solution on Accounting for Changes in Depreciation Method related to the Tax Reform 2016 (PITF No.32 of June 17, 2016)" following the revision of the Corporation Tax Act. Accordingly, the depreciation method of facilities attached to buildings and structures acquired on and after April 1, 2016 was changed from declining-balance method to straight-line method.

There is a minimal impact to the consolidated financial statements of the third quarter of the current fiscal year under review.

(2) Additional Information

(Procedures of the Board Incentive Plan Trust)

Based on a resolution of the ordinary general meeting of shareholders held on June 20, 2016, NYK Line established the Board Incentive Plan Trust (hereafter, “the Plan”) as a performance-based stock remuneration plan for the Company’s directors and corporate officers (excluding outside directors and Corporate Officers who are non-residents in Japan, foreign nationals or directors of listed subsidiaries companies, hereafter, “Directors and Officers”).

Accounting procedures related to the trust fall under the Accounting Standards Board of Japan’s Practical

Issue Task Force No. 30, “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees etc. through Trusts,” issued on March 26, 2015.

NYK Line provides funds to be used by the Board Incentive Plan Trust as capital for acquiring the Company’s shares. The shares are to be delivered or the equivalent market value of the shares are to be paid to the Directors and Officers through the trust in proportion to the amount of points granted to each of the Directors and Officers on the basis of his or her position and level of progress in accomplishing performance-related goals every fiscal year.

The Company’s shares remaining in the trust are recorded under equity as treasury stock, calculated based on the total book value (excluding incidental expenses) of the shares in the Trust. As of September 30, 2016, the end of the third quarter of the current fiscal year, the Company’s treasury stock consisted of 9,319,000 shares with a total book value of ¥1,705 million.

The estimated amount of the remuneration to Directors, described above, for the third quarter of the current fiscal year under review is calculated as part of a provision for stock payment.

3. Consolidated Financial Statements
(1)Consolidated Balance Sheets

(In million yen)

	As of March 31, 2016	As of December 31, 2016
Assets		
Current assets		
Cash and deposits	237,219	163,203
Notes and operating accounts receivable-trade	222,831	254,132
Short-term investment securities	24,000	—
Inventories	27,495	41,188
Deferred and prepaid expenses	57,554	63,560
Deferred tax assets	3,326	3,064
Other	82,596	76,669
Allowance for doubtful accounts	(2,284)	(2,381)
Total current assets	652,740	599,436
Non-current assets		
Vessels, property, plant and equipment		
Vessels, net	802,324	646,854
Buildings and structures, net	76,963	73,448
Aircraft, net	23,576	21,523
Machinery, equipment, and vehicles, net	34,967	34,170
Equipment, net	7,217	5,989
Land	72,511	73,375
Construction in progress	43,952	52,764
Other, net	6,430	5,557
Total vessels, property, plant and equipment	1,067,943	913,683
Intangible assets		
Leasehold right	4,102	3,759
Software	15,138	13,253
Goodwill	21,205	19,110
Other	2,123	2,872
Total intangible assets	42,569	38,996
Investments and other assets		
Investment securities	358,090	386,385
Long-term loans receivable	29,678	35,367
Net defined benefit asset	39,403	38,533
Deferred tax assets	6,777	5,485
Other	50,032	65,114
Allowance for doubtful accounts	(2,812)	(7,697)
Total investments and other assets	481,168	523,190
Total non-current assets	1,591,681	1,475,870
Deferred assets	350	292
Total assets	2,244,772	2,075,600

(In million yen)

	As of March 31, 2016	As of December 31, 2016
Liabilities		
Current liabilities		
Notes and operating accounts payable-trade	178,065	202,797
Short-term loans payable	92,374	145,135
Income taxes payable	8,963	4,821
Deferred tax liabilities	5,522	4,905
Advances received	40,653	38,090
Provision for bonuses	9,906	7,425
Provision for directors' bonuses	353	302
Provision for losses related to antitrust law	—	2,109
Provision for losses related to contracts	8,678	9,485
Other	76,826	80,548
Total current liabilities	421,343	495,621
Non-current liabilities		
Bonds payable	145,445	145,000
Long-term loans payable	690,005	679,102
Deferred tax liabilities	38,684	47,613
Net defined benefit liability	18,708	18,656
Provision for directors' retirement benefits	1,717	1,737
Provision for stock payment	—	161
Provision for periodic dry docking of vessels	21,295	21,510
Provision for losses related to contracts	—	16,865
Other	63,301	56,492
Total non-current liabilities	979,158	987,138
Total liabilities	1,400,502	1,482,760
Equity		
Shareholders' capital		
Common stock	144,319	144,319
Capital surplus	155,691	155,680
Retained earnings	470,483	239,757
Treasury stock	(2,098)	(3,811)
Total shareholders' capital	768,396	535,945
Accumulated other comprehensive income (loss)		
Unrealized gain (loss) on available-for-sale securities	34,147	49,017
Deferred gain (loss) on hedges	(35,411)	(39,733)
Foreign currency translation adjustment	7,527	(22,611)
Remeasurements of defined benefit plans	(981)	422
Total accumulated other comprehensive income (loss)	5,281	(12,905)
Non-controlling interests	70,591	69,799
Total equity	844,269	592,840
Total liabilities and equity	2,244,772	2,075,600

(2)Consolidated Statements of Income and Statements of Comprehensive Income
(Consolidated Statements of Income)

(In million yen)

	Nine months ended December 31, 2015	Nine months ended December 31, 2016
Revenues	1,766,695	1,414,549
Cost and expenses	1,558,425	1,277,459
Gross profit	208,269	137,090
Selling, general and administrative expenses	161,103	152,606
Operating income (loss)	47,166	(15,516)
Non-operating income		
Interest income	2,559	2,658
Dividend income	5,295	6,046
Equity in earnings of unconsolidated subsidiaries and affiliates	11,843	11,872
Gain on investments in silent partnership	341	8,745
Other	5,184	4,449
Total non-operating income	25,224	33,773
Non-operating expenses		
Interest expenses	12,617	11,285
Foreign exchange losses	1,607	2,652
Other	2,147	2,026
Total non-operating expenses	16,371	15,964
Recurring profit	56,019	2,292
Extraordinary income		
Gain on sales of non-current assets	9,207	7,572
Other	30,677	1,455
Total extraordinary income	39,884	9,028
Extraordinary losses		
Loss on sales of non-current assets	1,845	489
Impairment loss	33,558	162,840
Other	2,696	56,574
Total extraordinary losses	38,100	219,903
Profit (loss) before income taxes	57,803	(208,582)
Income taxes	27,878	13,553
Profit (loss)	29,924	(222,136)
Profit attributable to non-controlling interests	7,101	3,957
Profit (loss) attributable to owners of parent	22,822	(226,093)

(Consolidated Statements of Comprehensive Income)

(In million yen)

	Nine months ended December 31, 2015	Nine months ended December 31, 2016
Profit (loss)	29,924	(222,136)
Other comprehensive income		
Unrealized gain (loss) on available-for-sale securities	(4,631)	14,797
Deferred gain (loss) on hedges	(720)	736
Foreign currency translation adjustments	(8,759)	(12,796)
Remeasurements of defined benefit plans	1,106	1,475
Share of other comprehensive income of associates accounted for using equity method	(2,272)	(21,834)
Total other comprehensive income	(15,277)	(17,622)
Comprehensive income	14,647	(239,758)
(Breakdown)		
Comprehensive income attributable to owners of parent	9,741	(243,516)
Comprehensive income attributable to non-controlling interests	4,906	3,758

(3) Notes Regarding Consolidated Financial Statements

(Notes Regarding Going Concern Assumption)

The third quarter of this fiscal year (April 1, 2016 – December 31, 2016)
Not applicable

(Notes in the Event of Significant Changes in Shareholders' Capital)

The third quarter of this fiscal year (April 1, 2016 – December 31, 2016)
Not applicable

(Segment Information and Others)

[Segment Information]

Ⅰ. Nine months ended December 31, 2015 (April 1, 2015 – December 31, 2015)

Revenues and income or loss by reportable segment

(In million yen)

	Global Logistics			Bulk Shipping	Others		Total	Adjustment (*1)	Consolidated Total (*2)
	Liner Trade	Air Cargo Transportation	Logistics		Real Estate	Other			
Revenues									
(1) Revenues from customer	535,952	67,645	376,856	709,343	6,353	70,543	1,766,695	—	1,766,695
(2) Inter-segment revenues	10,954	5,126	2,648	825	958	42,499	63,012	(63,012)	—
Total	546,907	72,771	379,505	710,168	7,312	113,043	1,829,707	(63,012)	1,766,695
Segment income (loss)	850	2,253	10,225	40,977	2,595	859	57,762	(1,743)	56,019

(Notes)

1. Adjustments of segment income (loss) are internal exchanges or transfer to other amount among segments -103 million yen and other cooperate expenses -1,639 million yen. The general and administrative expenses which do not belong to any single segment are treated as other corporate expenses.
2. Segment income (loss) is adjusted on recurring loss on the quarterly consolidated statements of income.

Ⅱ. Nine months ended December 31, 2016 (April 1, 2016 – December 31, 2016)

1. Revenues and income or loss by reportable segment

(In million yen)

	Global Logistics			Bulk Shipping	Others		Total	Adjustment (*1)	Consolidated Total (*2)
	Liner Trade	Air Cargo Transportation	Logistics		Real Estate	Other			
Revenues									
(1) Revenues from customer	420,729	56,400	341,432	525,784	6,532	63,670	1,414,549	—	1,414,549
(2) Inter-segment revenues	9,735	4,611	2,422	713	881	40,065	58,429	(58,429)	—
Total	430,464	61,011	343,854	526,497	7,414	103,735	1,472,979	(58,429)	1,414,549
Segment income (loss)	(11,349)	(1,267)	6,722	(1,435)	11,354	156	4,180	(1,888)	2,292

(Notes)

1. Adjustments of segment income (loss) are internal exchanges or transfer to other amount among segments -55 million yen and other cooperate expenses -1,833 million yen. The general and administrative expenses which do not belong to any single segment are treated as other corporate expenses.
2. Segment income (loss) is adjusted on recurring loss on the quarterly consolidated statements of income.

2. Information Regarding Goodwill and Impairment Loss on Fixed Assets in Reported Segments

Significant Impairment Loss on Fixed Assets

In the Liner Trade segment, an impairment loss of ¥73,245 million was recorded under extraordinary losses.
In the Air Cargo Transportation segment, an impairment loss of ¥5,075 million was recorded under extraordinary losses. In the Bulk Shipping segment, an impairment loss of ¥84,460 million was recorded under extraordinary losses. This figure resulted from reducing the book value of a number of vessels and aircrafts to their respected recoverable amounts.

4. Other Information

(1) Quarterly Operating Results

Year ending March 31, 2017

(In million yen)

	Apr 1, 2016 – Jun 30, 2016 1Q	Jul 1, 2016 – Sep 30, 2016 2Q	Oct 1, 2016 – Dec 31, 2016 3Q	Jan 1, 2017 – Mar 31, 2017 4Q
Revenues	470,759	457,822	485,967	
Operating income(loss)	(10,963)	(11,509)	6,955	
Recurring profit(loss)	(9,924)	(13,692)	25,909	
Profit(loss) attributable to owners of parent for the quarter	(12,788)	(219,024)	5,719	
Profit(loss) per share	(¥7.54)	(¥129.51)	¥3.39	
Profit per share -fully diluted	―	―	―	
Total assets	2,119,716	1,991,303	2,075,600	
Equity	792,277	563,472	592,840	
Equity per share	¥428.94	¥296.03	¥310.13	

Year ended March 31, 2016

(In million yen)

	Apr 1, 2015 – Jun 30, 2015 1Q	Jul 1, 2015 – Sep 30, 2015 2Q	Oct 1, 2015 – Dec 31, 2015 3Q	Jan 1, 2016 – Mar 31, 2016 4Q
Revenues	588,703	609,594	568,397	505,619
Operating income	17,461	21,161	8,543	1,797
Recurring profit	21,500	21,211	13,307	4,039
Profit(loss) attributable to owners of parent for the quarter	43,067	11,701	(31,946)	(4,583)
Profit(loss) per share	¥25.39	¥6.90	(¥18.84)	(¥2.70)
Profit per share -fully diluted	¥25.39	¥6.90	―	―
Total assets	2,569,153	2,497,933	2,431,080	2,244,772
Equity	932,372	912,967	876,051	844,269
Equity per share	¥506.95	¥495.94	¥473.84	¥456.21

(Notes)1 The above operating results (revenue, operating income, recurring profit and profit attributable to owners of parent) are based on the results for the first quarter period and the cumulative results for the first six, nine and twelve months, and are computed by taking the difference between the two adjacent periods.

2 Profit per share -fully diluted for the third and fourth quarter period in the fiscal year ended March 31,2016, and the first, second and third quarter period in the fiscal year ending March 31,2017, are not shown in above in table, because profit per share was negative although there are residual shares. Profit per share-fully diluted for the nine-month period of the fiscal year ending March 31,2017, are not shown in the table because there were no dilutive shares as of the nine-month period-end, due to the advance repayment of the remaining amount of a warrant bond totaling ¥100 million (face value) on November 10, 2016.

3 From the second quarter period in the fiscal year, in the calculation of equity per share, the Company's shares held by the Board Incentive Plan Trust under treasury stock are excluded from the total number of issued shares as of the end of the period under review. Likewise, in the calculation of profit per share, shares held by the trust are excluded from the number of treasury stock shares used to calculate the average number of ordinary shares in the period under review. Based on this adjustment, the average number of treasury stock used to calculate profit per share was 4,659,500 shares in the third quarter period of the current fiscal year. The number of adjusted treasury stock shares used to calculate equity per share was 9,319,000 shares as of December 31, 2016, the end of the third quarter period of the current fiscal year.

(2) Foreign Exchange Rate Information

	Nine months ended December 31, 2015	Nine months ended December 31, 2016	Change	Year ended March 31, 2016
Average exchange rate during the period	¥121.58/US$	¥106.92/US$	Yen up ¥14.66/US$	¥120.78/US$
Exchange rate at the end of the period	¥120.61/US$	¥116.49/US$	Yen up ¥4.12/US$	¥112.68/US$

(3) Bunker Oil Prices Information

	Nine months ended December 31, 2015	Nine months ended December 31, 2016	Change	Year ended March 31, 2016
Average bunker oil prices	US$327.80/MT	US$234.02/MT	Price down US$93.78/MT	US$298.66/MT

(4) Balance of Interest-Bearing Debt

(In million yen)

	As of March 31, 2016	As of December 31, 2016	Change	As of December 31, 2015
Loans	782,379	824,238	41,858	837,217
Corporate bonds	145,445	145,000	(445)	195,445
Leases liabilities	12,752	11,085	(1,666)	13,260
Total	940,576	980,323	39,747	1,045,922