July 10, 2017

Kawasaki Kisen Kaisha, Ltd.
Eizo Murakami, President & CEO

Mitsui O.S.K. Lines, Ltd.
Junichiro Ikeda, President & CEO

Nippon Yusen Kabushiki Kaisha
Tadaaki Naito, President

Notice of Establishment of Holding Company and Operating Company for New Integrated Container Shipping Business (2)

For the integration of their container shipping businesses, including worldwide terminal operation businesses outside Japan, Kawasaki Kisen Kaisha, Ltd., Mitsui O.S.K. Lines, Ltd., and Nippon Yusen Kabushiki Kaisha have announced details of the companies established on July 7th, 2017 as per attached.

Inquiries

Inquiries can be directed to the following representatives:

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This document includes information that constitutes “forward-looking statements” relating to the success and failure or the results of the integration of Kawasaki Kisen Kaisha Ltd., Mitsui O.S.K. Lines Ltd., and Nippon Yusen Kabushiki Kaisha. To the extent that statements in this document do not relate to historical or current facts, they constitute forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of the three companies in light of the information currently available to them, and involve known or unknown risks, uncertainties and other factors. Such factors may cause the actual results to be materially different from the contents of this document with respect to any future performance, achievements or financial position of one or all of the three companies (or the new company after the integration) expressed or implied by these forward-looking statements. Further, the three companies undertake no obligation to publicly update any forward-looking statements after the date of this document.

The risks, uncertainties and other factors referred to above include, but are not limited to:

(1) Procedural and practical difficulties accompanying implementation of the integration;
(2) Changes in supply and demand for the market, and changes in market position including changes in the competition environment and relationship with major customers;
(3) Changes in economic conditions in and outside Japan and changes in exchange rates;
(4) Possibility of misappropriation or deletion of personal data or confidential information due to IT failure, cyber-attack, or other reason;
(5) Occurrence of natural or man-made disaster which may have an adverse effect on the employees, offices, key facilities and IT systems of the new joint-venture company after the integration;
(6) Changes in laws and regulations relating to business activities;
(7) Delays in the review process by the relevant competition law authorities or the clearance of the relevant competition law authorities or other necessary approvals in relation to the integration being unable to be obtained; and
(8) Difficulty accompanying materialization of synergies or integration effects in the new joint-venture company after the integration.

OCEAN NETWORK EXPRESS

Container Shipping Businesses Establishment of New Company Press Conference

July 10th, 2017

Ocean Network Express "K"LINE MOL NYK

Organizational Structure

Organizational Structure	Company Name	Function
Holding Company (Japan)	Ocean Network Express Holdings, Ltd.	Overall organizational governance of Ocean Network Express
Operating Company (Singapore)	Ocean Network Express Pte. Ltd.	Operational headquarters of Ocean Network Express
Hong Kong, Singapore, UK, USA, Brazil — Regional Headquarters	Ocean Network Express (East Asia) Ltd. Ocean Network Express (Singapore) Pte. Ltd. Ocean Network Express (Europe) Ltd. Ocean Network Express (North America) Inc. Ocean Network Express (Latin America) Ltda.	Operational regional headquarters

Officer Structure*1

Ocean Network Express Holdings, Ltd.	Ocean Network Express Pte. Ltd.	Ocean Network Express Japan, Ltd.*2
Representative Director/Chairman Masahiro Tanabe	CEO Jeremy Nixon	Representative Director/President Takafumi Kido
Representative Director/Vice Chairman Hidetoshi Maruyama	Director Yasuki Iwai	
Representative Director/Vice Chairman Toshiyuki Suzuki	Director Hiroki Tsujii	
Director Hiroki Harada	Director Noriaki Yamaga	
Director Yukikazu Myochin		
Director Akihiko Ono		

*1:Formally appointed after prescribed procedures will be completed
*2:Plan to establish in October, 2017

Introduce ONE CEO

Jeremy Nixon

Chief Executive Officer



April 2012 to July 10th, 2017
Chief Executive Officer - Global Liner Management Division
NYK Group South Asia Pte. Ltd.
Corporate Officer - NYK Line (*2013/4 Inauguration*)
Based in Singapore and global responsibility for NYK's Liner business. Board member of NYK Group South Asia Pte. Ltd. and Corporate Officer of NYK Group, Tokyo.

May 2010 to March 2012
Chief Operating Officer - Global Liner Management Division
NYK Group South Asia Pte. Ltd.
Based in Singapore reporting directly to the CEO of NYK's global Liner business division.

April 2008 to April 2010
Managing Director - NYK Line Europe Ltd
Based in London reporting to the President NYK Group Europe. Responsible for NYK Liner business regional and trade management in Europe and Africa.

December 2005 to March 2008
Head of Global Key Client Management – Maersk Line
Based in Copenhagen assisting with the integration of P&O Nedlloyd's business into Maersk Line post acquisition.

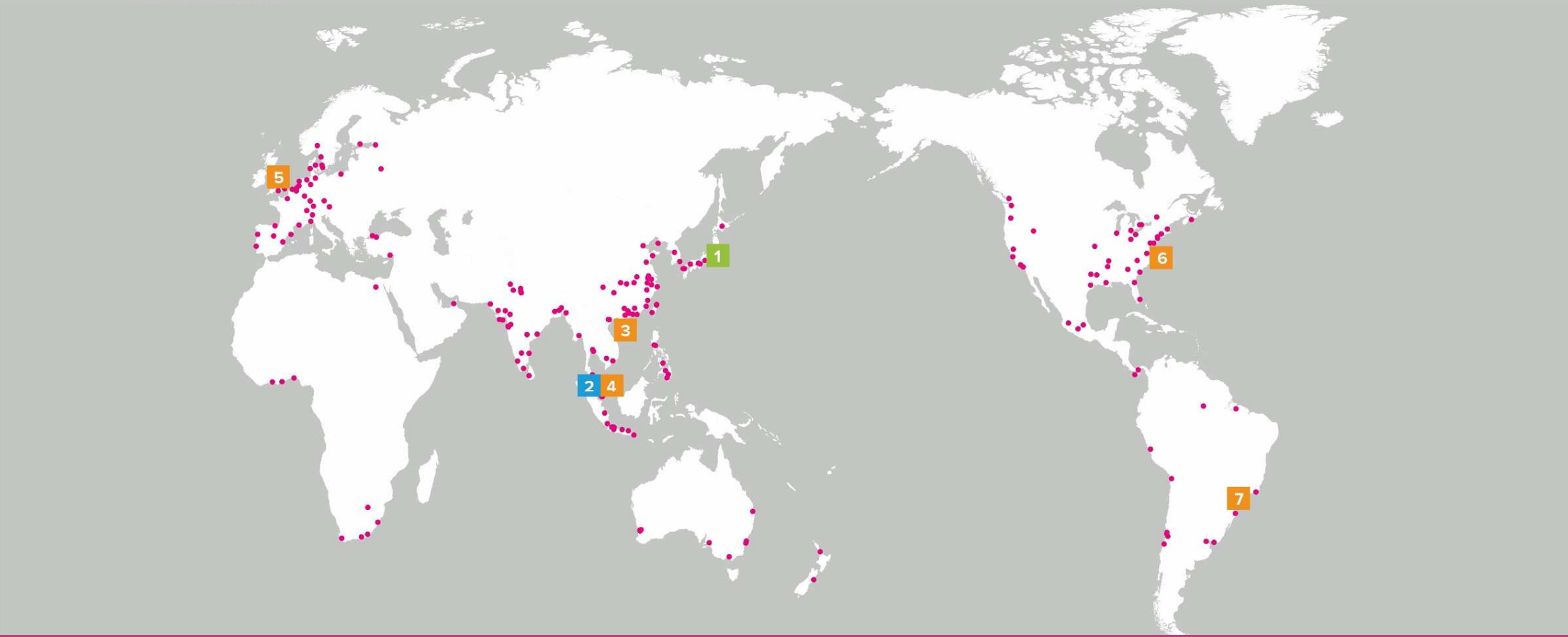
April 2002 to November 2005
Head of Europe Trade Management & Global Sales – P&O Nedlloyd
Based in London managing P&O Nedlloyd's European Trades, and taking over as Head of Global Sales.

Operating Company Profile

Tradename	OCEAN NETWORK EXPRESS PTE. LTD.
Location	Republic of Singapore
Representative	Jeremy Nixon
Business Domain	Container Shipping Businesses (Including worldwide terminal operation except for Japan)
Amount of Capital	200,000,000 USD
Date of Establishment	July 7th, 2017*

※"Establishment date" in this section refers to the date MOL and "K" Line add their investment to the new company. Company registration was done earlier on March 27, 2017, with NYK as the initial investor based on the terms of the business integration agreement.

Plan to develop services across over 90 countries



Holding Company： 1 Japan(Tokyo)

Global Headquarters：2 Singapore

Regional Headquarters：

3 Hong Kong

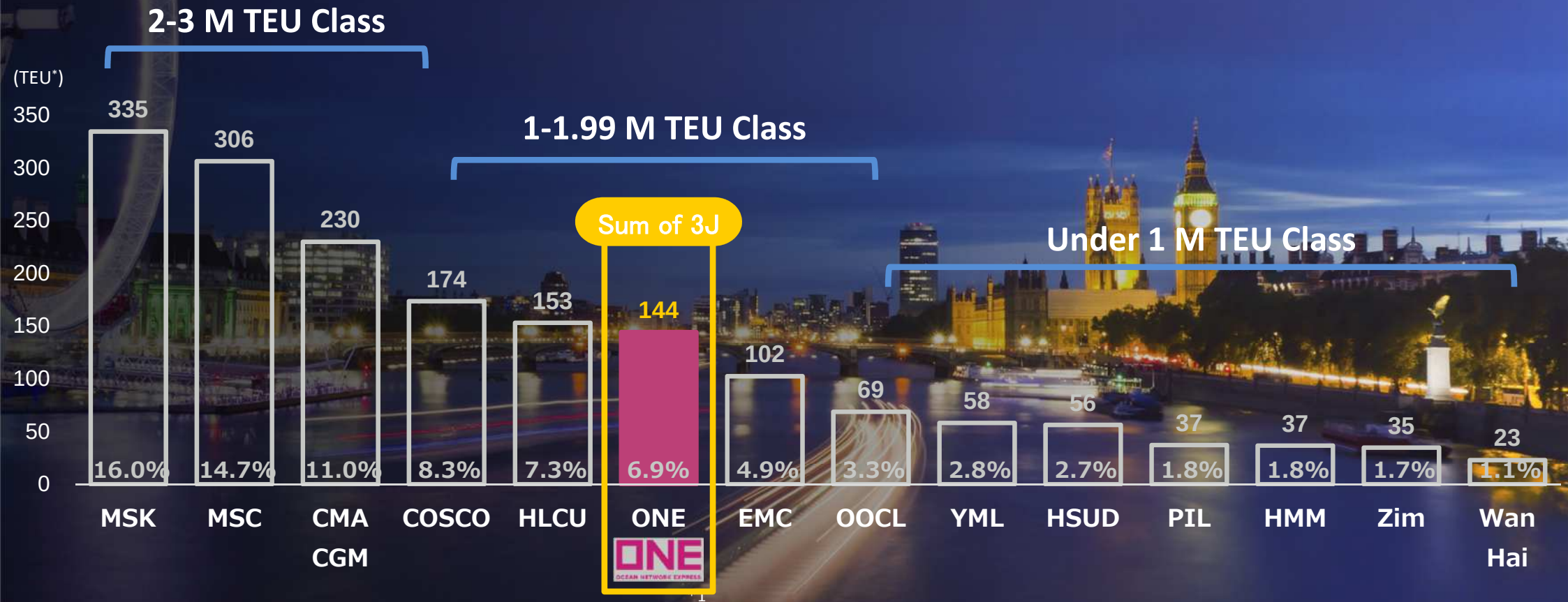
4 Singapore

5 UK (London)

6 USA (Richmond, VA)

7 Brazil (Sao Paulo)

1.44 Million TEU
6th in the World



Note: Sum of 3 companies fleet TEU is as of June, 2017 (excluding the order book)
Source：Alphaliner Monthly Monitor, June 2017
(*TEU: Twenty-foot Equivalent Unit)

VISION

We are ONE

Looking out beyond the horizon, we're broadening the essence of our industry, exploring new services and reimagining new levels of efficiency to break tradition for the better.

Spanning oceans and continents as well as cultures and industries, we deliver not only freight but also trust and security over a vast network of routes. Our values reflect one new world standard, moving beyond the traditional and into the innovative.

Ocean Network Express.

Our name conveys our integrity as a company—three leading marine transport companies working together to spark a revolution. Ours is to champion human potential and combine our strengths to deliver better service, more diverse routes, and ICT solutions born to change the way the world moves. Our customers' needs come first, and we intend to exceed them. Now and well into the future.

One partnership on one global scale conceived to bring success to our customers and improve lives around the world.

All routes lead to ONE.

Core Values

Inward

- Lean & Agile
- Teamwork
- Best Practice
- Challenge

Outward

- Quality
- Reliability
- Innovation
- Customer Satisfaction

We are ONE

ONE
OCEAN NETWORK EXPRESS

ONE Team

- Teamwork
- Best Practice

No.1

- Quality
- Reliability
- Customer Satisfaction

Only ONE

- Innovation
- Challenge
- Lean & Agile

No.1 Ocean Network Express

World highest level network providing seamless services

Operate approximately 240 vessels including 31 Ultra Large Container Ships such as the world's largest 20,000TEU class.

Provide the world highest level of service to enable us to exceed customer needs by developing an extensive network spanning 90 countries.

Lean & Agile	Teamwork	Quality	Reliability
Best Practice	Challenge	Innovation	Customer Satisfaction



Only Ocean Network Express

Sustainable safety vessel operation leveraging cutting edge technology

Establish Global Operation Room at our headquarters in Singapore, inheriting “ONE DNA(Drive to No Accident)” to couple cutting edge technology with the top operational and safety skills honed with over 100 years of experience.

Deliver 24-hour live ship operation monitoring.

Implement proactive safety approaches such as the active identification of the hidden causes of accidents and monitoring vessel inspection status by leveraging the latest applications “AIMS” and “VAMOS”.

Lean & Agile | Teamwork | Quality | Reliability

Best Practice | Challenge | Innovation | Customer Satisfaction

Global Operation Room Image



No.1 Ocean Network Express

Optimal economic ship operations by real time linkage of big data

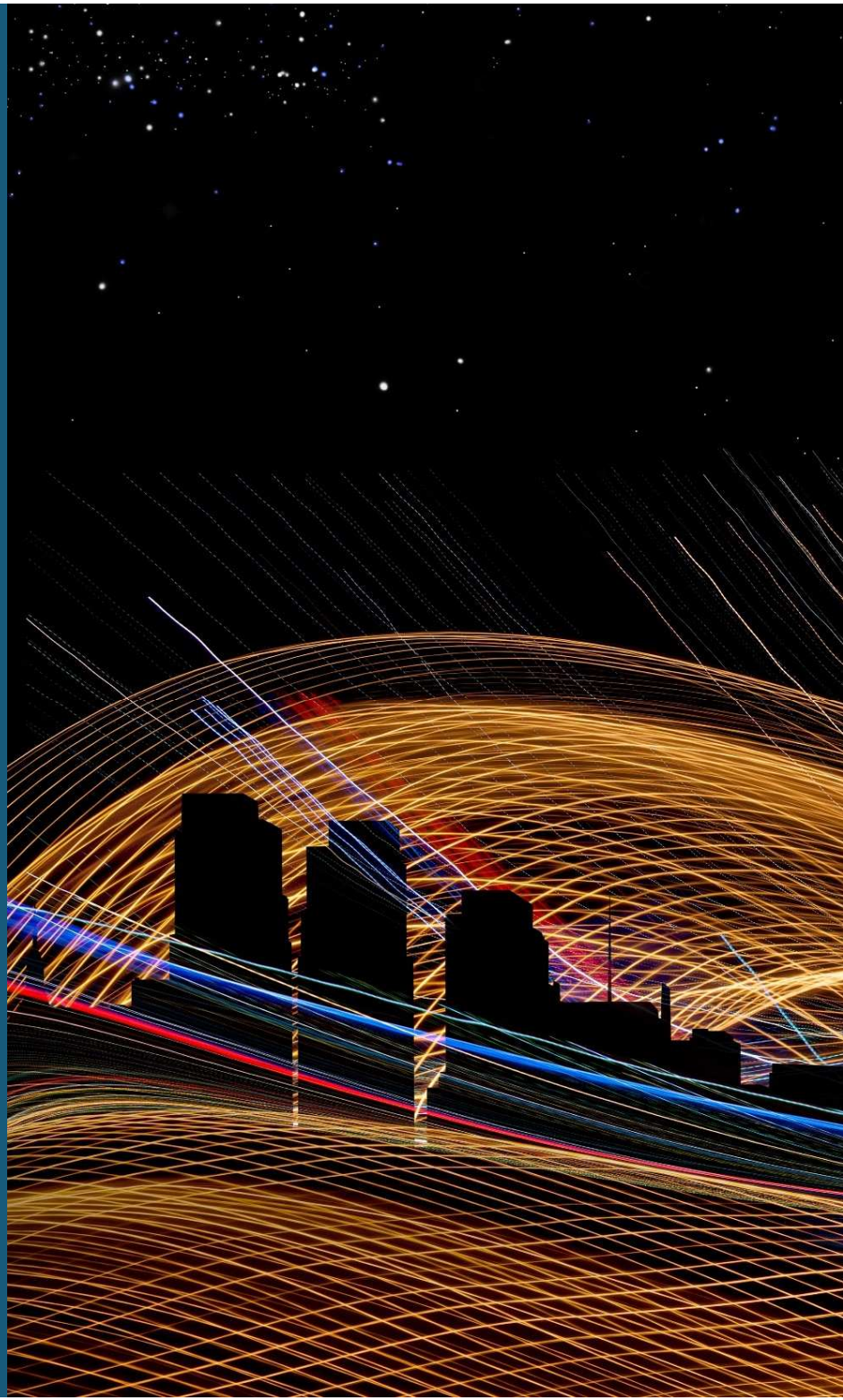
Carry out the IBIS project continuously to achieve optimal economic ship operations by sharing information that includes weather and sea forecast, sea current data, ship operation data, voyage plans, etc., between land and ships in real time.

Upgrade to vessel operation with higher accuracy by taking advantage of accumulated IBIS data.

Lean & Agile | Teamwork | Quality | Reliability

Best Practice | Challenge | Innovation | Customer Satisfaction

IBIS Project



Only Ocean Network Express

Accelerate environmental response with new technology taking over the environmental technologies of the three companies

Reduce CO2 emissions significantly by dual rating system and thorough eco sailing system, following the world's first cutting-edge technology such as innovative air lubrication system.

Promote next-generation environment- friendly flagship as medium-to-long term environmental initiatives.

Lean & Agile | Teamwork | Quality | Reliability

Best Practice | Challenge | Innovation | Customer Satisfaction

Each company's environmental slogan

Count On MOL

Securing Blue Seas for Tomorrow

Green Policy



No.1 Ocean Network Express

Fine-tune services based on customer’s perspective

Deliver more attentive support system globally with evolving “OMOTENASHI” service which has been fostered over many years as Japanese shipping companies.

Aim to develop a wider variety of the service system from customer's point of view through taking over 「C.A.R.E」* project, implementing the latest CRM system (customer information system), and collaboration among Human, Tradition ,and IT.

*Care for our customer, Assure quality, Reinforce sales, Enhance customer service

Lean & Agile	Teamwork	Quality	Reliability
Best Practice	Challenge	Innovation	Customer Satisfaction



Only Ocean Network Express

Yield management combining advanced demand forecast and verification system

Forecast future worldwide container transportation plans by an optimization system incorporating mathematics and statistics (Operations Research) model in EAGLE project.

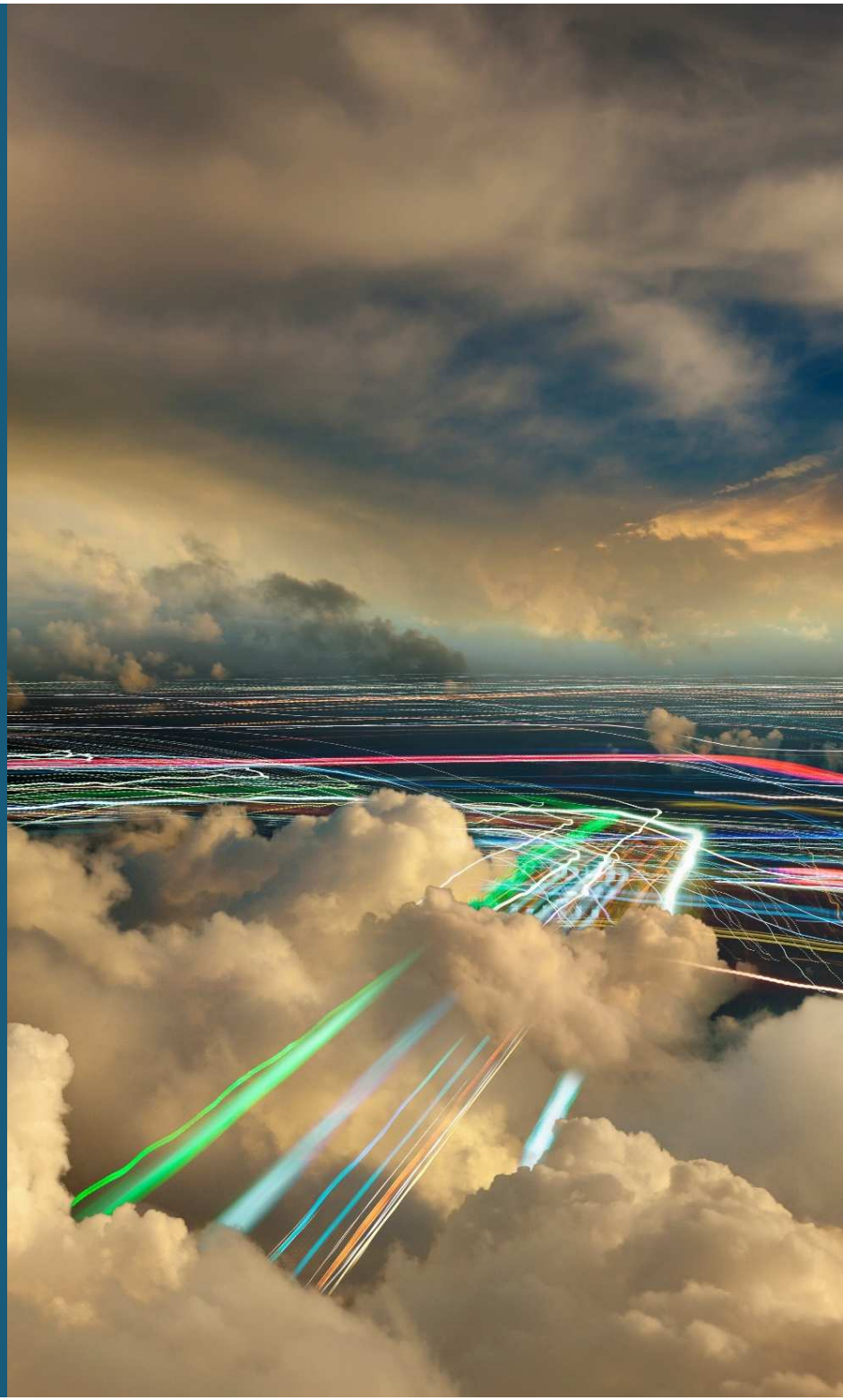
Implement a mechanism to optimize round trip yield management and efficiency of marketing operation in YMS (Yield Management System).

Lean & Agile | Teamwork | Quality | Reliability

Best Practice | Challenge | Innovation | Customer Satisfaction

Eagle

YMS

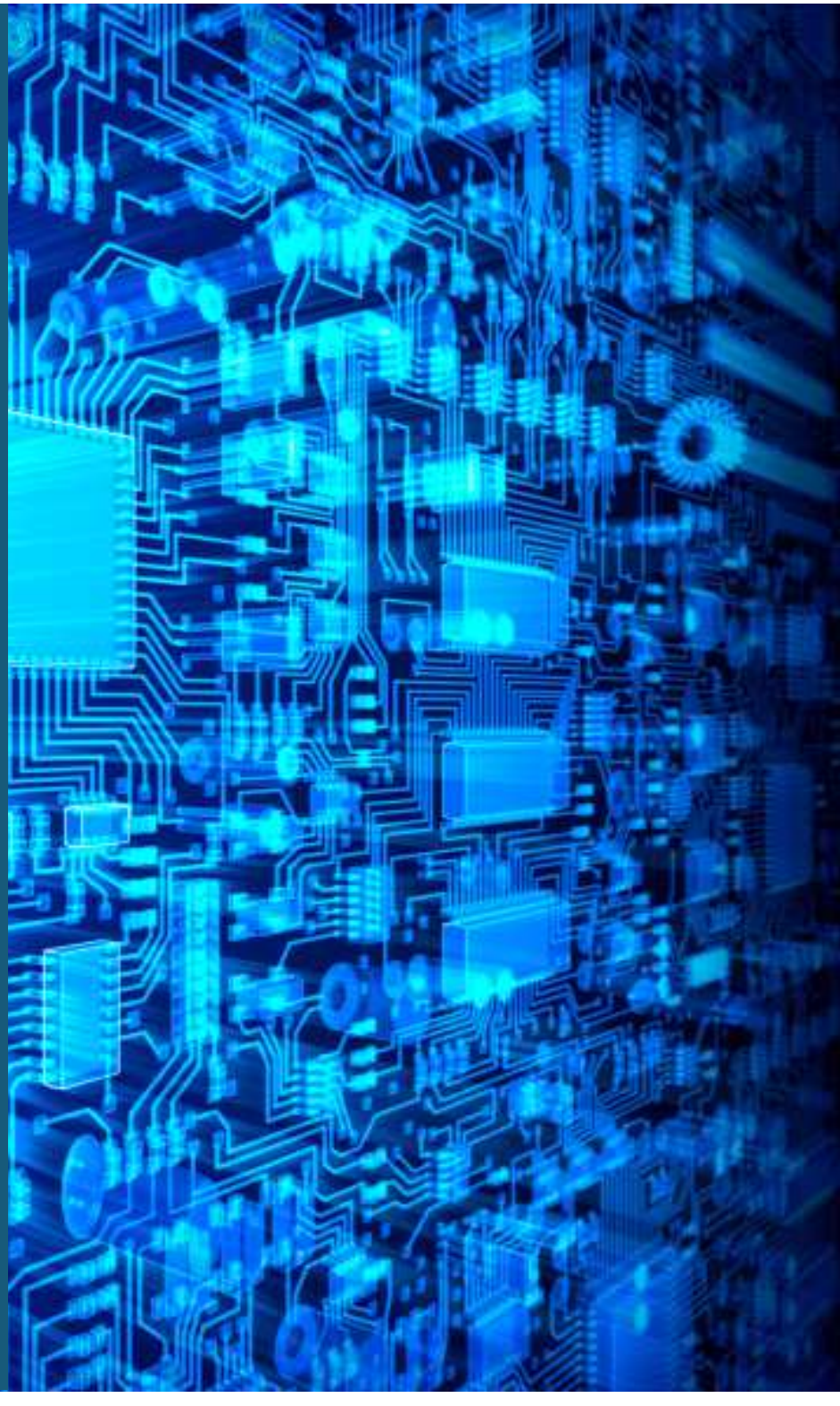


Only Ocean Network Express

Innovative services utilizing latest technology

Develop innovative services through full collaboration with professional partners from various fields inside and outside the industry.

Lean & Agile
Teamwork
Quality
Reliability
Best Practice
Challenge
Innovation
Customer Satisfaction



Ocean Network Express Team

Lean and agile organization
Swift decision making

Integrate the complex functions of container shipping business into three core organizations “Human · Vessel · Container” in order to make swift decisions and manage a business most efficiently.

Run “Lean & Agile” operation to survive tough international competition

Human：Corporate & Innovation

Vessel：Product & Network

Container：Marketing & Commercial

Lean & Agile	Teamwork	Quality	Reliability
Best Practice	Challenge	Innovation	Customer Satisfaction



Ocean Network Express Team

Global personnel system centering on performance-based approach

Drive world-class talent recruitment by implementing performance-based personnel system to develop a diversity-rich and multicultural organization.

Lean & Agile	Teamwork	Quality	Reliability
Best Practice	Challenge	Innovation	Customer Satisfaction



Future Plan



*From around October promotion show will be scheduled to be held in Singapore, Hong Kong, Shanghai, London, Rotterdam, Sao Paulo, New York etc.





April 1st, 2018
Service Start


ONE
OCEAN NETWORK EXPRESS