(Unaudited translation of 'Kessan Tanshin', provided for reference only)

July 31, 2018

Mitsui O.S.K. Lines,Ltd.

Financial Highlights: The First Quarter Ended June 30, 2018

1. Consolidated Financial Highlights (from April 1, 2018 to June 30, 2018)

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

(1) Operating Results

	(¥Million)		(US$ Thousand)
	Q1/FY2018	Q1/FY2017	Q1/FY2018
Revenues	304,434	403,284	2,754,062
Operating profit	3,691	1,147	33,391
Ordinary profit	251	5,885	2,271
Profit (loss) attributable to owners of parent	(1,682)	5,251	(15,216)
	(¥)		(US$)
Net income (loss) per share	(14.07)	43.91	(0.127)
Diluted net income per share	—	40.55	—

*The Company consolidated its common shares on the basis of one (1) unit for every ten (10) shares effective October 1, 2017. Accordingly, net income per share and diluted net income (loss) per share are calculated on the assumption that the consolidation of shares was conducted at the beginning of the previous fiscal year ended March 31, 2018.

(2) Financial Position

	(¥Million)		(US$ Thousand)
	Q1/FY2018	FY2017	Q1/FY2018
Total assets	2,206,323	2,225,096	19,959,499
Total net assets	619,337	628,044	5,602,832
Shareholders' equity / Total assets	22.8%	23.0%	
	(¥)		(US$)
Shareholders' equity per share	4,204.51	4,274.81	38.036

* Shareholders' Equity is defined as follows.
Shareholders' Equity = Total Net Assets - (Share subscription rights + Non-controlling interests)

2. Dividends

(¥)

	Dividend per share				
	Q1	Q2	Q3	Year end	Total
FY2017	—	1.00	—	10.00	—
FY2018	—				
FY2018(Forecast)		20.00	—	30.00	50.00

* The year-end dividend per share for the fiscal year ended March 31, 2018 represents the amount with impacts from the consolidation of shares taken into consideration and the total annual dividend is indicated as "—."
The total annual dividend per share is ¥20.00 for the fiscal year ended March 31, 2018, which are calculated on the assumption that the consolidation of shares was conducted at the beginning of the previous fiscal year ended March 31, 2018.

(Unaudited translation of 'Kessan Tanshin', provided for reference only)

July 31, 2018

3. Forecast for the Fiscal Year Ending March 31, 2019

	(¥Million)		(US$ Thousand)
	1H/FY2018	FY2018	FY2018
Revenues	584,000	1,140,000	10,781,161
Operating profit	9,000	25,000	236,429
Ordinary profit	12,000	40,000	378,286
Profit attributable to owners of parent	8,000	30,000	283,715
	(¥)	(¥)	(US$)
	1H/FY2018	FY2018	FY2018
Net income per share	66.89	250.85	2.372

* Net income per share in the forecast for the fiscal year ending March 31, 2019 reflects impacts from the consolidation of shares. For more details, please see "Statement on the Appropriate Use of Financial Forecasts and Other Special Remarks."

* Underlying Assumption for FY2018 Forecast.
The above forecast is made assuming the exchange rate and the bunker price for FY2018 will be as follows.

Q2/FY2018
Exchange Rate 1US$=¥105.00 Bunker Price US$ 450/MT

2H/FY2018
Exchange Rate 1US$=¥105.00 Bunker Price US$ 450/MT

(Translation of foreign currencies)
The Japanese yen amounts for Q1/FY2018 have been translated into U.S. dollars using the prevailing exchange rate at June 30, 2018, which was ¥110.54 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

(1) Analysis of Operating Results

[Financial Highlights] (Billions of Yen)

	Three months		Year-on-year comparison (variance)
	From Apr. 1, 2017 to Jun. 30, 2017	From Apr. 1, 2018 to Jun. 30, 2018	
Revenue	403.2	304.4	(98.8) / (24.5)%
Operating profit (loss)	1.1	3.6	2.5 / 221.6%
Ordinary profit (loss)	5.8	0.2	(5.6) / (95.7)%
Profit/(loss) attributable to owners of parent	5.2	(1.6)	(6.9) / -%
Exchange rate	¥110.79/US$	¥107.95/US$	¥(2.84)/US$
Bunker price	US$319/MT	US$438/MT	US$119/MT

The average exchange rate of Japanese yen against the U.S. dollar during the first three months appreciated by ¥2.84 year on year to ¥107.95. The average bunker price during the same period rose by US$119/MT year on year to US$438/MT.

As a result of the above, we recorded revenue of ¥304.4 billion, operating profit of ¥3.6 billion, ordinary profit of ¥0.2 billion and loss attributable to owners of parent of ¥1.6 billion.

The following is a summary of business conditions including revenue and ordinary profit/loss per business segment.

Upper: Revenue, Lower: Segment Profit (Loss) (Ordinary Profit (Loss)) (Billions of Yen)

		Three months		Year-on-year comparison (variance)
		From Apr. 1, 2017 to Jun. 30, 2017	From Apr. 1, 2018 to Jun. 30, 2018	
Dry Bulk Business		69.3	66.0	(3.3)/ (4.8)%
		4.8	3.8	(0.9)/ (19.9)%
Energy Transport Business		66.7	66.6	(0) / (0.0)%
		3.4	3.1	(0.3)/ (9.4)%
Product Transport Business		242.9	145.5	(97.3)/ (40.1)%
		(4.9)	(5.6)	(0.7)/ – %
	Containerships	180.2	82.9	(97.2)/ (54.0)%
		(6.2)	(4.7)	1.5 / —%
Associated Businesses		29.7	32.1	2.4 / 8.2%
		3.7	3.3	(0.4)/ (10.8)%
Others		5.7	5.3	(0.4)/ (7.1)%
		1.1	0.6	(0.5)/ (45.4)%

Note: Revenue includes internal sales or transfers among segments.

(A) Dry Bulk Business

In the Capesize bulker market, the market rate was in the US$14,000 range per day on average in the first quarter. The rate rose to US$20,000 territory per day in mid-May amid a scenario of recovery in iron ore shipments from Western Australia and brazil, but then headed lower temporarily to the US$10,000 level per day, yet later rebounded to the range of US$18,000 per day in late June, underpinned by firm cargo volumes. The Panamax market has been rising, led by upward momentum in the Capesize bulker market from

mid-May onward, along with firm cargo volumes of mainstay cargos, and despite a slowdown in cargo volumes in April largely brought about by concerns with respect to restrictions on Chinese coal imports and trade friction between the U.S. and China. In June, the market rate held roughly in the range of $12,000 per day.
As a result of such market conditions and ceaseless efforts to reduce costs, the dry bulk business recorded an ordinary profit, albeit slightly lower year on year.

(B) Energy Transport Business

<Tankers>

In the very large crude oil carrier (VLCC) market, there remained an adjustment phase with respect to the overall balance between vessel supply and demand against a backdrop of the low-demand period from the beginning of spring in the Far East region and despite a sudden surge in the market brought about by the impact of typhoons and increased port congestion in China. As for LPG carriers, the market followed a downward trend overall due to declining vessel demand in the U.S., which was due to a situation where a rising U.S. LPG price resulted in diminished price difference with the Asia region, as well as the adverse effects of new vessel deliveries. The product tanker market maintained a track of recovery in April due to tightening of the balance between vessel supply and demand amid increasing long-distance voyages from the Far East to North America and Australia. Meanwhile, the market from May onward experienced persisting weakness amid sluggish arbitrage-trading due to a heightened sense of uncertainty regarding the outlook for crude oil prices, in conjunction with effects of regular maintenance of refineries.

Facing these conditions, ordinary profit/loss deteriorated year on year despite ceaseless efforts to improve operating efficiency through pool operations and cost reduction, in addition to having achieved stable fulfillment of long-term contracts and steadily implemented contract extensions.

<LNG Carriers/Offshore business>

The LNG carrier division maintained robust performance, in part due to a newly built final vessel in series of six vessels for the LNG transportation project to China, in addition to vessels operating under existing long-term contracts. The offshore business division also recorded an ordinary profit, brought about by steady operations of existing projects.

(C) Product Transport Business

<Containerships>

Containership joint-venture company Ocean Network Express Pte. Ltd. (ONE), a company established through the integration of the containership businesses of MOL, Kawasaki Kisen Kaisha, Ltd. and Nippon Yusen Kabushiki Kaisha, started operations in April this year, as planned. However, ONE's business performance was less than forecasted in the first quarter, as lifting was below the projection largely due to disorder in the services to customers during the start-up period, and higher fuel prices negatively impacted operating costs. Nevertheless, ordinary loss for the segment improved compared with the corresponding period of the previous fiscal year due partly to an effect of recording provisions in the fourth quarter of the previous fiscal year for business restructuring loss related to vessels' chartering, etc.

<Car Carriers>

Transportation volume of completed cars remained firm with respect to shipments bound for the U.S. and Europe, and also with respect to those departing from South Africa and Europe. Meanwhile, ordinary loss deteriorated year on year given inefficient operations originating with quarantine problems on some routes, which were special factors during the first quarter.

<Ferries and Coastal RoRo Ships>

The business of ferries and coastal RoRo ships secured revenue on par year on year. This was partially a result of cargo volume having remained firm since the previous fiscal year as a result of accelerated modal

shift, which reflects changes in the trucking labor situation in Japan such as shortage and aging of the workforce, and tighter labor controls. It was also a result of having attracted passengers through aggressive promotion of the concept of casual cruises in passenger transportation. Nevertheless, ordinary profit decreased year on year in part due to cancellations of services on some routes stemming from long-term dry docking as a result of ship defects, and also due to higher bunker prices.

(D) Associated Businesses

The cruise ship business recorded a year-on-year increase in ordinary profit as a result of healthy passenger sales for the Nippon Maru. In the real estate business, ordinary profit decreased slightly year on year, mainly due to the effects from changes in major tenants, despite a firm office leasing market centered on the Tokyo metropolitan area. Other associated businesses, such as the tugboat and trading businesses, showed firm performance overall. Consequently, ordinary profit of the associated businesses segment was on par year on year.

(E) Others

Other businesses, which are mainly cost centers, include ship operations, ship management, ship chartering, and financing. Ordinary profit in this segment decreased year on year.

(2) Outlook for FY2018

[For the first half of FY2018] (Billions of Yen)

	Initial outlook (When announced on April 27, 2018)	Latest outlook (When announced Q1)	comparison (variance)
Revenue	576.0	584.0	8.0 / 1.4%
Operating profit (loss)	8.0	9.0	1.0 / 12.5%
Ordinary profit (loss)	14.0	12.0	(2.0) / (14.3)%
Profit (loss) attributable to owners of parent	10.0	8.0	(2.0) / (20.0)%

Exchange rate	¥105.00/US$	¥105.00/US$	–¥/US$
Bunker price	US$400/MT	US$450/MT	US$(50)/MT
	(Assumption for the first half of FY2018)	(Assumption for Q2)	

[For FY2018] (Billions of Yen)

	Initial outlook (When announced on April 27, 2018)	Latest outlook (When announced Q1)	comparison (variance)
Revenue	1,130.0	1,140.0	10.0 / 0.9%
Operating profit (loss)	23.0	25.0	2.0 / 8.7 %
Ordinary profit (loss)	40.0	40.0	― / ―%
Profit (loss) attributable to owners of parent	30.0	30.0	― / ―%

Exchange rate	¥105.00/US$	¥105.00/US$	―/US$
Bunker price	US$400/MT	US$450/MT	US$50/MT
	(Assumption for FY2018)	(Assumption for the second half of FY2018)	

Looking ahead at the shipping market in the second quarter and beyond, although we consider that there will be an effect on the market from various trade policies of respective nations including trade friction

between the U.S. and China, we anticipate at this point that the dry bulker market will proceed firmly, considering the present robustness of cargo volumes. The very large crude oil carrier (VLCC) market has been shrouded in uncertainty about vessel demand regarding what effect there will be from the re-imposition of U.S. sanction measures on Iran and OPEC's easing of its production cuts. However, in terms of vessel supply, although the number of new vessel deliveries has remained at high levels, we anticipate favorable conditions as aged vessels are progressively scrapped due to consistently firm scrapping prices since the start of the year, despite being in an adjustment phase. The product tanker market is expected to continue to exhibit upside resistance throughout the first half of the fiscal year. Meanwhile during the latter half, we anticipate a rising market underpinned by firm cargo volume specific to the winter season, particularly from increasing demand for heating oil. With respect to the containership business, stable operations have already been achieved by Ocean Network Express Pte. Ltd. (ONE), a containership joint-venture company, and efforts to improve service quality are expected to bring lifting back to projected levels in the second quarter onward. Although the sharp rise in fuel prices will remain a negative factor, the Company expects ONE will be able to secure revenues at the level forecasted at the beginning of the fiscal year through bringing forward synergistic effects by further promoting cost reductions through capitalizing on the economies of scale from the integration, also supported by improvement due to change of accounting method related to time-charter contracts. On that premise, the Company aims to restore its containerships business segment to profitability.

In consideration of these prospects, for the first six months of FY2018, we project revenue of ¥584.0 billion, operating profit of ¥9.0 billion, ordinary profit of ¥12.0 billion and profit attributable to owners of parent of ¥8.0 billion.

For the full year, we project revenue of ¥1,140.0 billion, operating profit of ¥25.0 billion, ordinary profit of ¥40.0 billion and profit attributable to owners of parent of ¥30.0 billion.

5. Financial Position

Total assets as of June 30, 2018 decreased by ¥18.7 billion compared to the balance as of the end of the previous fiscal year, to ¥2,206.3 billion. This was primarily due to the decrease in Cash and deposits.

Total liabilities as of June 30, 2018 decreased by ¥10.0 billion compared to the balance as of the end of the previous fiscal year, to ¥1,586.9 billion. This was primarily due to the decrease in Bonds.

Total net assets as of June 30, 2018 decreased by ¥8.7 billion compared to the balance as of the end of the previous fiscal year, to ¥619.3 billion. This was primarily due to the decrease in Foreign currency translation adjustments.

As a result, shareholders' equity ratio decreased by 0.2% compared to the ratio as of the end of the previous Fiscal year, to 22.8%.

July 31, 2018

6. 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 March 31, 2018	As of June 30, 2018
Assets		
Current assets		
Cash and deposits	192,797	134,485
Trade receivables	125,851	113,341
Marketable securities	500	500
Inventories	38,679	31,606
Deferred and prepaid expenses	61,918	67,105
Other current assets	59,357	66,919
Allowance for doubtful accounts	(401)	(351)
Total current assets	478,702	413,606
Fixed assets		
Tangible fixed assets		
Vessels	776,554	757,164
Buildings and structures	148,598	144,880
Equipment and others	31,581	29,416
Furniture and fixtures	4,137	3,814
Land	221,045	220,985
Construction in progress	106,128	98,451
Other tangible fixed assets	2,884	2,859
Total tangible fixed assets	1,290,929	1,257,572
Intangible fixed assets	30,163	28,957
Investments and other assets		
Investment securities	274,527	341,431
Long-term loans receivable	73,403	79,707
Long-term prepaid expenses	6,388	6,300
Net defined benefit asset	18,811	18,959
Deferred tax assets	4,007	3,868
Other investments and other assets	50,583	58,354
Allowance for doubtful accounts	(2,421)	(2,436)
Total investments and other assets	425,300	506,186
Total fixed assets	1,746,393	1,792,716
Total assets	2,225,096	2,206,323

July 31, 2018

(¥Million)

	As of March 31, 2018	As of June 30, 2018
Liabilities		
Current liabilities		
Trade payables	131,405	104,728
Short-term bonds	31,872	18,500
Short-term bank loans	180,539	234,170
Commercial papers	5,000	37,000
Accrued income taxes	6,395	3,287
Advances received	34,409	36,973
Allowance for bonuses	4,567	3,386
Allowance for directors' bonuses	186	33
Other current liabilities	83,320	70,161
Total current liabilities	477,696	508,242
Fixed liabilities		
Bonds	175,748	158,108
Long-term bank loans	706,944	695,056
Lease obligations	15,977	14,746
Deferred tax liabilities	55,276	56,820
Net defined benefit liabilities	12,909	12,650
Directors' and corporate auditors' retirement benefits	1,487	1,398
Reserve for periodic drydocking	20,647	21,789
Other fixed liabilities	130,364	118,175
Total fixed liabilities	1,119,354	1,078,744
Total liabilities	1,597,051	1,586,986
Net assets		
Owners' equity		
Common stock	65,400	65,400
Capital surplus	45,385	45,385
Retained earnings	306,642	303,763
Treasury stock	(6,807)	(6,811)
Total owners' equity	410,620	407,738
Accumulated other comprehensive income		
Unrealized holding gains on available-for-sale securities, net of tax	33,400	33,933
Unrealized gains on hedging derivatives, net of tax	37,873	48,968
Foreign currency translation adjustments	23,442	6,353
Remeasurements of defined benefit plans, net of tax	5,905	5,835
Total accumulated other comprehensive income	100,621	95,090
Share subscription rights	2,026	1,655
Non-controlling interests	114,776	114,852
Total net assets	628,044	619,337
Total liabilities and net assets	2,225,096	2,206,323

July 31, 2018

(2) Consolidated Statements of Income

(¥Million)

	FY2017 (Apr.1.2017 - June.30, 2017)	FY2018 (Apr.1.2018 - June.30, 2018)
Shipping and other revenues	403,284	304,434
Shipping and other expenses	373,910	272,907
Gross operating income	29,373	31,526
Selling, general and administrative expenses	28,226	27,835
Operating profit	1,147	3,691
Non-operating income		
Interest income	1,772	1,842
Dividend income	1,980	2,117
Equity in earnings of affiliated companies	1,530	—
Foreign exchange gains	3,920	374
Others	952	602
Total non-operating income	10,156	4,936
Non-operating expenses		
Interest expenses	4,947	5,428
Equity in losses of affiliated companies	—	2,538
Others	471	409
Total non-operating expenses	5,418	8,376
Ordinary profit	5,885	251
Extraordinary income		
Gain on sale of fixed assets	2,637	1,463
Others	1,151	729
Total extraordinary income	3,788	2,192
Extraordinary losses		
Loss on sale of fixed assets	71	29
Others	452	903
Total extraordinary losses	523	933
Income before income taxes and non-controlling interests	9,150	1,510
Income taxes	2,401	2,078
Net income (loss)	6,748	(568)
Profit attributable to non-controlling interests	1,497	1,114
Profit (loss) attributable to owners of parent	5,251	(1,682)

(3) Consolidated Statements of Comprehensive Income

(¥Million)

	FY2017 (Apr.1,2017 - June.30, 2017)	FY2018 (Apr.1,2018 - June.30, 2018)
Net income (loss)	6,748	(568)
Other comprehensive income		
Unrealized holding gains on available-for-sale securities, net of tax	1,211	842
Unrealized gains on hedging derivatives, net of tax	(2,048)	4,974
Foreign currency translation adjustments	(7,745)	(15,613)
Remeasurements of defined benefit plans, net of tax	254	(71)
Share of other comprehensive income (loss) of associates accounted for using equity method	(1,482)	4,201
Total other comprehensive income	(9,810)	(5,666)
Comprehensive income	(3,061)	(6,234)
(Breakdown)		
Comprehensive income attributable to owners of parent	(4,396)	(7,212)
Comprehensive income attributable to non-controlling interests	1,334	978

[NOTE]

(Application of "Partial Amendments to Accounting Standard for Tax Effect Accounting," etc.)

The Company has applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018), etc effective from the beginning of the first quarter of the fiscal year ending March 31, 2019. Accordingly, deferred tax assets were presented under "Investments and other assets" and deferred tax liabilities were presented under "Fixed liabilities."

(4) Segment Information

Business segment information:

(¥Million)

Q1 / FY2017 (Apr.1 - Jun.30, 2017)	Reportable Segment						Others *1	Total	Adjust-ment *2	Consoli-dated *4
	Dry Bulk Business	Energy Transport Business	Product Transport Business		Associated Businesses	Sub Total				
			Container ships	Car Carries, Ferries and Coastal RoRo ships						
Revenues										
1.Revenues from external customers	69,325	64,596	179,758	62,601	22,899	399,180	4,103	403,284	—	403,284
2.Inter-segment revenues	1	2,108	486	55	6,808	9,461	1,636	11,097	(11,097)	—
Total Revenues	69,327	66,704	180,245	62,656	29,708	408,641	5,739	414,381	(11,097)	403,284
Segment profit (loss)	4,845	3,483	(6,256)	1,302	3,785	7,161	1,173	8,335	(2,449)	5,885

(¥Million)

Q1/ FY2018 (Apr.1 - Jun.30, 2018)	Reportable Segment						Others *1	Total	Adjust-ment *3	Consoli-dated *4
	Dry Bulk Business	Energy Transport Business	Product Transport Business		Associated Businesses	Sub Total				
			Container ships	Car Carries, Ferries and Coastal RoRo ships						
Revenues										
1.Revenues from external customers	66,001	64,770	82,470	62,564	24,906	300,712	3,721	304,434	—	304,434
2.Inter-segment revenues	5	1,903	501	41	7,227	9,679	1,610	11,289	(11,289)	—
Total Revenues	66,006	66,673	82,972	62,605	32,133	310,391	5,331	315,723	(11,289)	304,434
Segment profit (loss)	3,882	3,155	(4,700)	(965)	3,376	4,747	640	5,388	(5,136)	251

* 1. "Others" primarily consists of business segments that are not included in reportable segments, such as the ship operations business, the ship management business, the ship chartering business and the financing business.

* 2. Adjustment in Segment profit (loss) of ¥ -2,449 million include the following:
¥ -3,204 million of corporate profit which is not allocated to segments, ¥ 1,433 million of adjustment for management accounting and ¥ -677 million of inter-segment transaction elimination.

* 3. Adjustment in Segment profit (loss) of ¥ -5,136 million include the following:
¥ -6,625 million of corporate profit which is not allocated to segments, ¥ 1,506 million of adjustment for management accounting and ¥ -17 million of inter-segment transaction elimination.

* 4. Segment profit (loss) corresponds to ordinary profit in the consolidated statements of income.

[REFERENCE PURPOSE ONLY]
Please note that this document has been translated from the Japanese original for reference purposes only and the financial statements contained is unaudited.
In case of any discrepancy or inconsistency between this document and the Japanese original, the latter shall prevail.

[Supplement]

1. Review of Quarterly Results

<FY 2018>

	Q1	Q2	Q3	Q4
	Apr-Jun, 2018	Jul-Sep, 2018	Oct-Dec, 2018	Jan-Mar, 2019
Revenues [¥ Millions]	304,434			
Operating profit (loss)	3,691			
Ordinary profit (loss)	251			
Income (Loss) before income taxes	1,510			
Profit (Loss) attributable to owners of parent	(1,682)			
Net income (loss)* per share [¥]	(14.07)			
Total Assets [¥ Millions]	2,206,323			
Total Net Assets	619,337			

*Profit (Loss) attributable to owners of parent

<FY 2017>

	Q1	Q2	Q3	Q4
	Apr-Jun, 2017	Jul-Sep, 2017	Oct-Dec, 2017	Jan-Mar, 2018
Revenues [¥ Millions]	403,284	415,617	420,760	412,732
Operating profit (loss)	1,147	9,999	13,218	(1,680)
Ordinary profit (loss)	5,885	11,462	17,217	(3,091)
Income (Loss) before income taxes	9,150	11,284	20,507	(69,650)
Profit (Loss) attributable to owners of parent	5,251	7,872	16,106	(76,609)
Net income (loss)* per share [¥]	43.91	65.81	134.68	(640.56)
Total Assets [¥ Millions]	2,198,561	2,188,391	2,251,848	2,225,096
Total Net Assets	679,362	687,223	714,061	628,044

*Profit (Loss) attributable to owners of parent

Note: The Company consolidated its common shares on the basis of one (1) unit for every ten (10) shares effective October 1, 2017. Accordingly, net income per share is calculated on the assumption that the consolidation of shares was conducted at the beginning of the previous fiscal year ended March 31, 2018.

2. Depreciation and Amortization

(¥ Millions)

	Three months ended Jun.30, 2017	Three months ended Jun.30, 2018	Increase / Decrease	FY2017
Vessels	15,723	15,996	272	64,536
Others	5,241	5,745	505	22,093
Total	20,964	21,741	777	86,629

3. Interest-bearing Debt

(¥ Millions)

	As of Mar.31, 2018	As of Jun.30, 2018	Increase / Decrease	As of Jun.30, 2017
Bank loans	887,484	929,227	41,743	854,197
Bonds	207,620	176,608	(31,012)	230,500
Commercial paper	5,000	37,000	32,000	-
Others	17,985	16,531	(1,453)	20,006
Total	1,118,089	1,159,367	41,277	1,104,704

4. Fleet Capacity (MOL and consolidated subsidiaries)

	Dry bulkers		Tankers		LNG carriers		Car carriers		Containerships	
	No.of ships	1,000MT	No.of ships	1,000MT	No.of ships	1,000MT	No.of ships	1,000MT	No.of ships	1,000MT
Owned	57	5,498	76	9,970	29	2,301	50	823	14	1,106
Chartered	284	25,935	74	3,455	7	429	69	1,187	60	5,247
Others	-	-	7	328	2	143	-	-	-	-
As of Jun.30, 2018	**341**	**31,433**	**157**	**13,753**	**38**	**2,873**	**119**	**2,010**	**74**	**6,354**
As of Mar.31, 2018	337	30,420	163	14,273	38	2,873	119	2,004	91	7,474

	Ferries & Coastal RoRo Ships		Passenger ships		Others*		Total	
	No.of ships	1,000MT	No.of ships	1,000MT	No.of ships	1,000MT	No.of ships	1,000MT
Owned	12	66	1	5	7	39	246	19,808
Chartered	3	19	-	-	25	75	522	36,348
Others	-	-	-	-	1	1	10	472
As of Jun.30, 2018	**15**	**85**	**1**	**5**	**33**	**114**	**778**	**56,627**
As of Mar.31, 2018	14	79	1	5	32	109	795	57,235

*including coastal ships (excluding coastal RoRo ships)

5. Exchange Rates

	Three months ended Jun.30, 2017	Three months ended Jun.30, 2018	Change			FY2017
Average rates	¥110.79	¥107.95	¥2.84	[2.6%]	JPY Appreciated	¥111.08
Term-end rates	¥112.00	¥110.54	¥1.46	[1.3%]	JPY Appreciated	¥106.24

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 Mar/31/2017	TTM on Mar/31/2018	Change			TTM on Dec/31/2017
Term-end rates	¥112.19	¥106.24	¥5.95	[5.3%]	JPY Appreciated	¥113.00

6. Average Bunker Prices

	Three months ended Jun.30, 2017	Three months ended Jun.30, 2018	Increase / Decrease
Purchase Prices	US$319/MT	US$438/MT	US$＋119/MT

7. Market Information

(1) Dry Bulker Market (Baltic Dry Index) (January 1985 = 1,000)

Source : Bloomberg

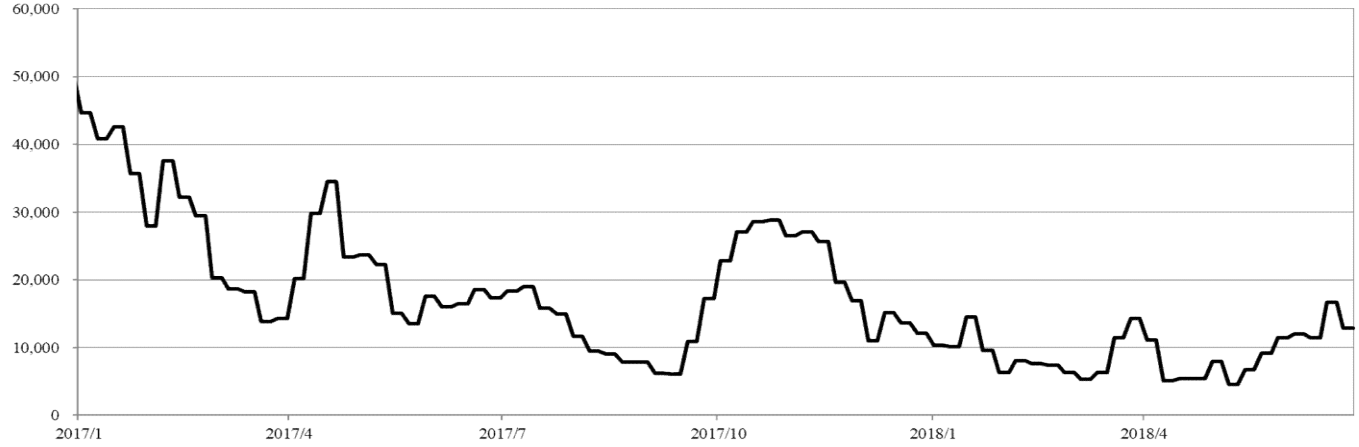


Monthly Average	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2017	907	759	1,141	1,222	973	860	906	1,142	1,364	1,484	1,454	1,619	1,153
2018	1,242	1,125	1,154	1,129	1,293	1,352							1,216

(2) Tanker Market (Daily Earnings) : VLCC AG/Japan trade

US$ / day

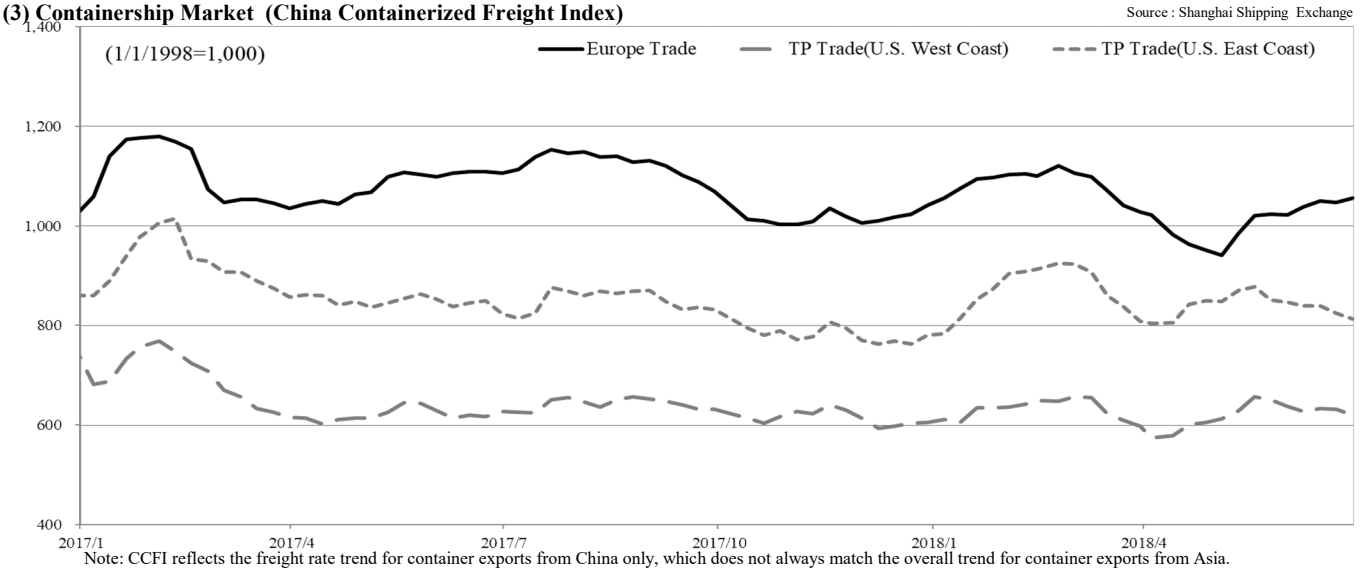
Source : Clarksons Research



Monthly Average	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2017	40,905	31,822	17,051	26,966	18,646	17,212	17,002	9,510	9,673	26,812	24,727	13,743	21,172
2018	11,148	7,357	8,739	6,800	7,116	12,896							9,009

(3) Containership Market (China Containerized Freight Index)

Source : Shanghai Shipping Exchange



Note: 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.