

**Consolidated Financial Results for Three Months Ended June 30, 2023**  
**(Japanese GAAP) (Unaudited)**

August 3, 2023

# Nippon Yusen Kabushiki Kaisha (NYK Line)

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Listings: Prime Market of Tokyo Stock Exchanges  
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Submit scheduled date of Quarterly Financial Report August 10, 2023  
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 Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

### (1) Consolidated Operating Results

(Percentage figures show year on year changes)

	Revenues		Operating profit		Recurring profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2023	567,515	-15.7	47,103	-47.2	89,403	-76.3	73,490	-78.6
Three months ended June 30, 2022	673,050	33.4	89,174	68.3	377,726	145.9	343,377	127.3

(Note) Comprehensive income:

Three Months ended June 30, 2023: ¥201,059 million (-58.6%), Three Months ended June 30, 2022: ¥485,696 million (194.9%)

	Profit per share		Profit per share-fully diluted	
	yen		yen	
Three months ended June 30, 2023	144.62		-	
Three months ended June 30, 2022	677.22		-	

(Note) A 3-for-1 common stock split was conducted with an effective date of October 1, 2022. "Profit per share" and "Profit per share-fully diluted" have been calculated assuming the stock split was conducted at the beginning of the prior consolidated fiscal year.

### (2) Consolidated Financial Position

	Total assets	Equity	Shareholders' equity ratio
	million yen	million yen	%
As of June 30, 2023	3,950,363	2,637,096	65.6
As of March 31, 2023	3,776,797	2,524,993	65.6

(Reference) Shareholders' equity: As of June 30, 2023: ¥2,590,915 million, As of March 31, 2023: ¥2,478,641 million

## 2. Dividends

Date of record	Dividend per share				
	1 <sup>st</sup> Quarter End	2 <sup>nd</sup> Quarter End	3 <sup>rd</sup> Quarter End	Year-end	Total
	yen	yen	yen	yen	yen
Year ended March 31, 2023	-	1,050.00	-	170.00	-
Year ending March 31, 2024	-				
Year ending March 31, 2024 (Forecast)		60.00	-	70.00	130.00

(Note) Revision of forecast for dividends in this quarter: Yes

(Note) A 3-for-1 common stock split was conducted with an effective date of October 1, 2022. The (forecast) year-end dividend per share for the fiscal year ending March 31, 2023 indicated above is based on the number of shares after the stock split, and the full-year dividend is stated as “-”. When taking into account the stock split, the interim dividend issued in the fiscal year ending March 31, 2023 was ¥350.00 for a full-year dividend of ¥520.00 per share.

### 3. Consolidated Financial Results Forecast for the Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(Percentage figures show year on year changes)

	Revenues		Operating profit		Recurring profit		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Cumulative second quarter ending September 30, 2023	1,150,000	-15.8	87,000	-46.7	132,500	-82.7	120,000	-83.0	236.14
Year ending March 31, 2024	2,170,000	-17.1	146,000	-50.7	220,000	-80.2	220,000	-78.3	432.92

(Note) Revision of forecast in this quarter: Yes

### 4. Notes

(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: None

2. Changes other than No.1: None

3. Changes in accounting estimates: None

4. Restatements: None

(4) Total issued shares (Ordinary shares)

1. Total issued shares

(including treasury stock)

As of June 30, 2023	510,165,294	As of March 31, 2023	510,165,294
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2. Number of treasury stock

As of June 30, 2023	1,994,289	As of March 31, 2023	1,991,890
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3. Average number of shares

(cumulative quarterly period)

Three months ended June 30, 2023	508,172,141	Three months ended June 30, 2022	507,037,478
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A 3-for-1 common stock split was conducted with an effective date of October 1, 2022. “Total issued shares”, “Number of treasury stock” and “Average number of shares” have been calculated assuming the stock split was conducted at the beginning of the prior consolidated fiscal year.

\*This financial report is not subject to the audit procedure.

\*Assumptions for the forecast of consolidated financial results and other particular issues

Foreign exchange rate:

(for the second) ¥135.00/US\$

(for third and fourth quarter) ¥130.00/US\$

(for full year) ¥132.70/US\$

Bunker oil price:

(for the second third and fourth quarter) US\$615.50/MT

(for full year) US\$614.43/MT

\*Bunker oil price is on average basis for all the major fuel grades including VLSFO.

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 2-7 of the attachment for assumptions and other matters related to the forecast.

(Methods for obtaining supplementary materials and content of financial results disclosure)

NYK Line is to hold a financial result presentation meeting for analysts and institutional investors. The on-demand audio presentation and presentation material are available on the NYK website.

(<https://www.nyk.com/english/ir/library/result/2023/>)

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## 1. Qualitative Information on Quarterly Results

### (1) Review of Operating Results

(In billion yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023	Change	Percentage Change
Revenues	673.0	567.5	-105.5	-15.7%
Operating Profit	89.1	47.1	-42.0	-47.2%
Recurring Profit	377.7	89.4	-288.3	-76.3%
Profit attributable to owners of parent	343.3	73.4	-269.8	-78.6%

In the first three months of the fiscal year ending March 31, 2024 (April 1, 2023 to June 30, 2023), consolidated revenues amounted to ¥567.5 billion (decreased by ¥105.5 billion compared to the first three months of the previous fiscal year), operating profit amounted to ¥47.1 billion (decreased by ¥42.0 billion), recurring profit amounted to ¥89.4 billion (decreased by ¥288.3 billion), profit attributable to owners of parent amounted to ¥73.4 billion (decreased by ¥269.8 billion).

Equity in earnings of unconsolidated subsidiaries and affiliates of ¥37.3 billion in non-operating income was recorded. Within this amount, equity in earnings of affiliates from OCEAN NETWORK EXPRESS PTE. LTD. (ONE), our equity-method affiliate, was ¥26.6 billion.

Changes in the average exchange rate between the U.S. dollar and yen as well as the average bunker oil price during the first three months of the current and previous fiscal years are shown in the following tables.

	Three months ended Jun 30, 2022	Three months ended Jun 30, 2023	Change
Average exchange rates	¥126.49/US\$	¥135.81/US\$	Yen down ¥9.32/US\$
Average bunker oil prices	US\$789.48/MT	US\$611.22/MT	Price down US\$178.26/MT

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

## Overview by Business Segment

Business segment information for the three months ended June 30, 2023 (April 1, 2023 to June 30, 2023) is as follows.

(in billion yen)

		Three Months Ended						
		Revenues				Recurring profit		
		June 30, 2022	June 30, 2023	Change	Percentage Change	June 30, 2022	June 30, 2023	Change
Liner & Logistics	Liner Trade	51.8	56.4	4.5	8.8%	270.2	31.6	-238.5
	Air Cargo Transportation	62.5	37.0	-25.5	-40.8%	24.5	0.4	-24.1
	Logistics	239.8	164.7	-75.0	-31.3%	19.2	7.0	-12.2
Bulk Shipping		292.2	288.0	-4.1	-1.4%	63.7	53.7	-10.0
Others	Real Estate	0.8	0.7	-0.0	-10.9%	0.4	0.4	-0.0
	Other	63.1	47.4	-15.6	-24.9%	1.0	-0.8	-1.8

From the first quarter of the current consolidated fiscal year, in order to more appropriately reflect the business performance by reporting segment, the method used to calculate interest affiliated with each segment has been changed. This change will have no impact on the revenue of each segment. Also, recurring profit for the cumulative period through the first quarter of the previous consolidated fiscal year has been calculated and disclosed based on the revised calculation method.

### Liner Trade

In the container shipping division, at ONE, the weak global cargo demand and alleviation of port congestion caused spot freight rates to fall, which also impacted the service contract renewals, and profit levels fell. Within the main trades, liftings were generally unchanged compared to the same period last year in the North America trade, but they fell year on year in the Europe trade.

At the terminals in Japan, handling volumes increased year on year following normalization of the containership schedules. At the overseas terminals, handling volumes declined due to weaker cargo volumes.

As a result of the above, profit declined on higher revenue compared to the same period last year in the overall Liner Trade Business.

### Air Cargo Transportation

In the Air Cargo Transportation Business, along with lower cargo volumes compared to the same period last year, the supply of space increased following the resumption of international passenger flights. These factors led to looser supply-and-demand conditions, causing freight rate levels to fall year on year. As a result of the above, profit declined on lower revenue compared to the same period last year in the overall Air Cargo Transportation Business.

## **Logistics**

In the air freight forwarding business, due in part to the increased supply of space aboard international passenger flights and weak cargo volumes, handling volumes and profit levels declined compared to the same period last year.

In the ocean freight forwarding business, cargo volumes were weak mainly in the long-distance services from Asia to North America, and sales prices fell due to deteriorated market conditions. As a result, handling volumes and profit levels declined compared to the same period last year.

In the contract logistics business, the results remained steady due to strong cargo volumes in the automotive industry in Europe and firm demand for general consumer goods in North America.

As a result of the above, profit decreased on lower revenue compared to the same period last year in the overall Logistics Business.

## **Bulk Shipping**

In the automotive business division, although transportation demand was robust due to recovering automobile production volumes and firm vehicle sales demand, the supply of space was limited and port congestion occurred due to labor shortages, resulting in tight supply-and-demand conditions. Within this situation, vessel utilization was increased through optimized vessel deployment plans and vessel operations, and the number of vehicles transported was higher compared to the same period last year. In the auto logistics business, too, following the recovery in finished car volumes, handling volumes increased year on year particularly in Europe and Southeast Asia. The business companies in each country invested in acquiring new business and worked to increase profitability.

In the dry bulk business division, the Capesize market rose from the end of the previous fiscal year on expectations for economic recovery in China following the end of the zero-COVID policy. However, China's economic recovery has been slower than expected, causing the market to fall below the same period last year. In the Panamax and smaller segments, although shipment volumes of coal and grain were firm, markets trended below the high levels recorded during same period last year. Within this business environment, efforts were made to reduce the risk of market volatility through the use of futures contracts, stabilize earning through the acquisition of long-term contracts and reduce costs through efficient operations.

In the energy business division, the VLCC (Very Large Crude Carrier) market trended at relatively firm levels that were greatly higher than the weak levels recorded during the same period last year. In the petrochemical tanker market, the trade patterns changed due to the impact of the ongoing situation in Russia and Ukraine, and the longer shipping distances caused supply-and-demand conditions to tighten. In the VLGC (Very Large LPG Carrier) segment, supply-and-demand conditions tightened due to increased long-distance shipments from the United States to Asia, and market levels greatly exceeded the same period last year. In the LNG carrier segment, the results were steady based on support from the long-term contracts that generate stable earnings. Also, in the offshore business, FPSO (Floating Production, Storage and Offloading), drill ships and shuttle tankers were steady.

As a result of the above, profit declined on lower revenue compared to the same period last year in the overall Bulk Shipping Business.

## **Real Estate and Other Businesses**

In the Real Estate Business, although revenue decreased, profit was unchanged from the same period last year.

In Other Business Services, profit levels in the bunker fuel sales business declined following the drop in fuel prices, and the marine equipment supplies sales business was weak. In the cruise business, cruises

resumed from mid-April following the suspension in response to the electrical equipment failure. However, the sales period was short, and passenger numbers were subdued. As a result, profit declined compared to the same period last year and a loss was recorded in the Other Business Services segment.

## **(2) Explanation of the Financial Position**

### **Status of Assets, Liabilities and Equity**

As of the end of the first quarter of the current consolidated fiscal year, assets amounted to ¥3,950.3 billion, an increase of ¥173.5 billion compared to the end of the previous consolidated fiscal year due to factors including an increase in tangible non-current assets, mainly vessels, and an increase in investment securities after recording the profit from ONE and other equity method affiliates. Under liabilities, interest bearing debt increased by ¥17.4 billion to ¥711.5 billion due to factors including an increase in loans payable. Total liabilities amounted to ¥1,313.2 billion, an increase of ¥61.4 billion compared to the end of the previous consolidated fiscal year. Under consolidated equity, retained earnings decreased by ¥12.1 billion and shareholders' equity, which is the aggregate of shareholders' capital and accumulated other comprehensive income, amounted to ¥2,590.9 billion. This amount combined with the non-controlling interests of ¥46.1 billion brought total equity to ¥2,637.0 billion. Based on this result, the debt-to-equity ratio (D/E ratio) came to 0.27, and the equity ratio was 65.6%.



### (3) Explanation of the Consolidated Earnings Forecast and Future Outlook

#### ① Forecast of the Consolidated Financial Results

In the Liner Trade Business, although transportation demand is expected to recover to a certain extent from autumn, the extent of the recovery will likely be smaller than initially forecast, and profit levels are expected to fall slightly.

In the Air Cargo Transportation Business, the market conditions are expected to remain soft in the second quarter. Also, as announced in the timely disclosure dated July 10, 2023, Nippon Cargo Airlines Co., Ltd. will be deconsolidated and become a wholly-owned subsidiary of ANA Holdings Inc. effective October 1, 2023 (planned).

In the Logistics Business, falling markets are expected to cause profit levels to remain weak in the air freight forwarding business and ocean freight forwarding business, but the contract logistics business is expected to remain firm from the second quarter on support from solid demand mainly in North America and Europe.

In the Bulk Shipping Business, transportation demand is expected to remain strong in the automotive business division following strong sales demand and the greater than initially anticipated recovery in finished car volumes due to improvement in the semiconductor shortage.

In the dry bulk business division, the market assumptions from the second quarter have been lowered compared to the initial forecast due to ongoing uncertainty regarding the economy in China.

In the energy business division, the VLCC (Very Large Crude Carrier) and VLGC (Very Large LPG Carrier) markets are expected to remain firm from the second quarter, and earnings in the LNG carrier business will also be steady on support from stable profits generated through the medium to long-term contracts.

Based on the above factors, the business forecast for the cumulative period through the second quarter of the consolidated fiscal year and the full year have been revised as follows.

(in billion yen)

		Initial forecast (May 9, 2023)	Revised forecast	Change	Percentage Change
Cumulative second quarter ending September 30, 2023	Revenues	1,210.0	1,150.0	-60.0	-5.0%
	Operating Profit	75.5	87.0	11.5	15.2%
	Recurring Profit	112.5	132.5	20.0	17.8%
	Profit attributable to owners of parent	115.0	120.0	5.0	4.3%

Fiscal Year ending March 31, 2024	Revenues	2,300.0	2,170.0	-130.0	-5.7%
	Operating Profit	128.0	146.0	18.0	14.1%
	Recurring Profit	200.0	220.0	20.0	10.0%
	Profit attributable to owners of parent	200.0	220.0	20.0	10.0%

Assumptions for the forecast of consolidated financial results:

Foreign Exchange Rate

(for the second quarter) ¥135.00/US\$

(for the third and fourth quarters) ¥130.00/US\$

(for the full year) ¥132.70/US\$

Bunker Oil Price

(for the second, third and fourth quarters) US\$615.50/MT

(for the full year) US\$614.43/MT

\*Bunker oil price is on average basis for all the major fuel grades including VLSFO.

## ② Dividends for the Fiscal Year ending March 31, 2024

We have designated the stable return of profits to shareholders as one of the most important management priorities, and based on the shareholder return policy in the medium-term management plan that started this year (fiscal year ending March 31, 2024), the target consolidated payout ratio has been raised to 30% and the minimum annual dividend per share has been set at ¥100. In accordance with this policy, at the current time, it is planned to issue an interim dividend for the current fiscal year of ¥60. In addition, the year-end dividend has been raised by ¥10 from the initial forecast to ¥70 per share for a planned full-year dividend of ¥130 per share. Regarding the treasury stock acquisition, it has been decided to acquire a total of 85 million shares (maximum) worth up to a maximum of ¥200 billion during the period from August 4, 2023 through April 30, 2024. It is planned to retire all of the treasury stock acquired. Also, the dividend for the current fiscal year is based on the number of shares prior to the treasury stock acquisition.

Going forward, we will continue to consider agile additional shareholder returns taking into consideration the investment opportunities and business environment.

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheet

(In million yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	204,817	221,876
Notes and operating accounts receivable-trade and contract assets	337,702	339,445
Inventories	57,593	59,336
Deferred and prepaid expenses	30,897	34,639
Other	91,693	92,909
Allowance for doubtful accounts	(2,562)	(2,736)
Total current assets	720,142	745,472
Non-current assets		
Vessels, property, plant and equipment		
Vessels, net	637,257	698,813
Buildings and structures, net	143,069	146,288
Aircraft, net	98,573	96,608
Machinery, equipment, and vehicles, net	32,311	35,288
Furniture and fixtures, net	7,536	7,700
Land	89,882	92,172
Construction in progress	126,324	157,155
Other, net	8,795	9,600
Total vessels, property, plant and equipment	1,143,751	1,243,628
Intangible assets		
Leasehold right	5,365	5,546
Software	8,390	8,872
Goodwill	13,712	14,487
Other	13,923	13,648
Total intangible assets	41,392	42,554
Investments and other assets		
Investment securities	1,688,380	1,733,141
Long-term loans receivable	27,642	28,882
Net defined benefit asset	88,404	88,364
Deferred tax assets	9,120	6,948
Other	62,947	66,691
Allowance for doubtful accounts	(5,174)	(5,497)
Total investments and other assets	1,871,320	1,918,531
Total non-current assets	3,056,464	3,204,714
Deferred assets	190	176
<b>Total assets</b>	<b>3,776,797</b>	<b>3,950,363</b>

(In million yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and operating accounts payable - trade	206,153	210,860
Current portion of bonds payable	10,000	20,000
Short-term loans payable	73,581	75,840
Leases liabilities	26,412	28,428
Income taxes payable	17,914	9,880
Contract liabilities	50,562	50,578
Provision for bonuses	20,736	17,386
Provision for directors' bonuses	617	280
Provision for stock payment	241	257
Provision for losses related to contracts	146	763
Other	92,668	124,939
Total current liabilities	499,034	539,216
Non-current liabilities		
Bonds payable	87,000	67,000
Long-term loans payable	422,691	443,074
Leases liabilities	74,406	77,231
Deferred tax liabilities	71,676	85,905
Net defined benefit liability	15,302	15,683
Provision for directors' retirement benefits	862	782
Provision for stock payment	54	110
Provision for periodic dry docking of vessels	20,892	22,952
Provision for losses related to contracts	8,883	9,513
Provision for related to business restructuring	256	276
Other	50,741	51,517
Total non-current liabilities	752,769	774,050
Total liabilities	1,251,803	1,313,266
<b>Equity</b>		
Shareholders' capital		
Common stock	144,319	144,319
Capital surplus	44,897	44,897
Retained earnings	2,018,915	2,006,757
Treasury stock	(3,793)	(3,801)
Total shareholders' capital	2,204,338	2,192,173
Accumulated other comprehensive income (loss)		
Unrealized gain (loss) on available-for-sale securities	32,909	46,492
Deferred gain (loss) on hedges	6,583	1,770
Foreign currency translation adjustments	207,437	324,347
Remeasurements of defined benefit plans	27,371	26,130
Total accumulated other comprehensive income (loss)	274,302	398,741
Non-controlling interests	46,352	46,181
Total equity	2,524,993	2,637,096
Total liabilities and equity	3,776,797	3,950,363

**(2) Consolidated Statement of Income and Consolidated Statement of  
Comprehensive Income  
(Consolidated Statement of Income)**

(In million yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Revenues	673,050	567,515
Cost and expenses	533,288	462,287
Gross profit	139,761	105,228
Selling, general and administrative expenses	50,586	58,125
Operating profit	89,174	47,103
Non-operating income		
Interest income	733	1,043
Dividend income	2,209	3,496
Equity in earnings of unconsolidated subsidiaries and affiliates	274,377	37,334
Foreign exchange gains	11,912	—
Other	3,333	5,585
Total non-operating income	292,565	47,460
Non-operating expenses		
Interest expenses	2,987	3,577
Foreign exchange losses	—	898
Other	1,025	684
Total non-operating expenses	4,013	5,159
Recurring profit	377,726	89,403
Extraordinary income		
Gain on sales of non-current assets	1,978	3,350
Gain on sale of shares of subsidiaries and associates	1,151	—
Other	2,569	1,480
Total extraordinary income	5,699	4,830
Extraordinary losses		
Loss on sales of non-current assets	0	20
Impairment losses	17,844	—
Loss on retirement of non-current assets	150	592
Other	381	86
Total extraordinary losses	18,376	698
Profit before income taxes	365,049	93,536
Total income taxes	18,378	18,102
Profit	346,670	75,433
Profit attributable to non-controlling interests	3,293	1,943
Profit attributable to owners of parent	343,377	73,490

**(Consolidated Statement of Comprehensive Income)**

(In million yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	346,670	75,433
Other comprehensive income		
Unrealized gain (loss) on available-for-sale securities	3,077	13,606
Deferred gain (loss) on hedges	1,846	(3,686)
Foreign currency translation adjustments	19,892	19,308
Remeasurements of defined benefit plans	(1,387)	(1,235)
Share of other comprehensive income of associates accounted for using equity method	115,597	97,632
Total other comprehensive income	139,025	125,625
Comprehensive income	485,696	201,059
(Breakdown)		
Comprehensive income attributable to owners of parent	481,138	197,929
Comprehensive income attributable to non-controlling interests	4,557	3,129

### (3) Notes Regarding Consolidated Financial Statements

#### (Notes Regarding Going Concern Assumption)

The first quarter of this fiscal year (April 1, 2023 - June 30, 2023)

Not applicable

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

The first quarter of this fiscal year (April 1, 2023 - June 30, 2023)

Not applicable

#### (Segment Information)

I. Three months ended June 30, 2022 (April 1, 2022 - June 30, 2022)

Revenues and income or loss by reportable segment

(In million yen)

	Liner & Logistics			Bulk Shipping	Others		Total	Adjustment (*1)	Consolidated Total (*2)
	Liner Trade	Air Cargo Transportation	Logistics		Real Estate	Other			
Revenues									
(1) Revenues from customer	50,558	59,833	239,175	292,182	876	30,423	673,050	-	673,050
(2) Inter-segment revenues	1,295	2,683	642	31	-	32,706	37,360	(37,360)	-
Total	51,854	62,517	239,818	292,213	876	63,130	710,410	(37,360)	673,050
Segment income (loss)	270,262	24,598	19,294	63,767	439	1,042	379,406	(1,680)	377,726

(Notes)

- Adjustments of segment income (loss) are internal exchanges or transfer to other amount among segments 11 million yen and other corporate expenses -1,691 million yen. The general and administrative expenses and non-operating expenses which do not belong to any single segment are treated as other corporate expenses.
- Segment income (loss) is adjusted on recurring profit on the quarterly consolidated statement of income.

II. Three months ended June 30, 2023 (April 1, 2023 - June 30, 2023)

1. Revenues and income or loss by reportable segment

(In million yen)

	Liner & Logistics			Bulk Shipping	Others		Total	Adjustment (*1)	Consolidated Total (*2)
	Liner Trade	Air Cargo Transportation	Logistics		Real Estate	Other			
Revenues									
(1) Revenues from customer	55,012	35,547	164,124	287,644	780	24,405	567,515	-	567,515
(2) Inter-segment revenues	1,416	1,460	641	400	-	23,032	26,952	(26,952)	-
Total	56,429	37,008	164,766	288,045	780	47,438	594,467	(26,952)	567,515
Segment income (loss)	31,682	422	7,021	53,751	414	(834)	92,458	(3,054)	89,403

(Notes)

- Adjustments of segment income (loss) are internal exchanges or transfer to other amount among segments 1 million yen and other corporate expenses -3,056 million yen. The general and administrative expenses and non-operating expenses which do not belong to any single segment are treated as other corporate expenses.
- Segment income (loss) is adjusted on recurring profit on the quarterly consolidated statement of income.

## 2. Matters regarding changes to the reportable segments

### (Change to the calculation method)

From the first quarter of the current consolidated fiscal year, in order to more appropriately reflect the operating results of each reportable segment, the method used to calculate interest attributable to each segment has been changed. This change will have no impact on the stated revenues and quarterly consolidated profit/loss of each segment.

Also, the information on the revenues and profit/loss of each reportable segment for the first three months of the previous consolidated fiscal year has been prepared and disclosed based on the revised calculation method.

### (Important Subsequent Event)

#### (Share exchange of shares of a subsidiary)

At the Board of Directors on July 10, 2023, the Company resolved to exchange all shares of its consolidated subsidiary NIPPON CARGO AIRLINES CO., LTD., and concluded the final agreement on the same day.

#### (1) Name of the succeeding company

Wholly owning parent company in the share exchange: ANA HOLDINGS INC. ("ANAHD")

#### (2) Description of the business subject to divestiture

Wholly owned subsidiary in the share exchange: NIPPON CARGO AIRLINES CO., LTD. ("NCA")

Business: Air Cargo Transportation

Description of major transactions with the Company: The Company has lent business funds to NCA.

#### (3) Main reason for business divestiture

NYK has been involved in the management of NCA as a major shareholder since its establishment; however, the continual introduction of new aircraft to expand the operation and maintenance system, as well as the continual training of personnel engaged in operation and maintenance, required considerable expenditures. In the highly volatile business environment of airfreight transportation, NCA has been facing challenges in expanding its business scale at a level that is commensurate with such costs.

NCA has recently been providing value to the public through its air cargo transportation business under its mission statement of "Never Stop Logistics even during the Covid-19 Pandemic". However, in order for NCA to achieve further growth and increase its corporate value from a long-term perspective, including environmental response, we believe that the best option is to transfer the shares of NCA to ANAHD, which operates the same category of business, and has been providing human resources support to strengthen NCA's maintenance system.

#### (4) Date of business divestiture (effective date of share exchange)

October 1, 2023 (planned)

#### (5) Other items regarding the overview of transactions (including legal form)

Business divestiture through share exchange to make ANAHD a wholly-owning parent company and NCA a wholly-owned subsidiary

#### (I) Method of share exchange

Share exchange in which consideration is the shares of the succeeding company

#### (II) Allotment of shares in connection with the share exchange

	ANAHD (Wholly owning parent company in the share exchange)	NCA (Wholly owned subsidiary in the share exchange)
Share exchange ratio	1	0.009815
Number of shares to be delivered through the share exchange	ANAHD common stock: 3,926,000 shares (planned)	

#### (III) Basis for calculating the share exchange ratio

NYK retained EY Strategy & Consulting K.K. ("EY") as a third-party valuation agent independent of any of NYK, NCA and ANAHD, to verify the fairness and appropriateness of the calculation of the share exchange ratio (the "share exchange ratio"). NYK and ANAHD have negotiated on and discussed the share exchange ratio with each other, referring to the calculation results of the share exchange ratio submitted by their respective third-party valuation agents





### 3. Other Information

#### (1) Quarterly Operating Results

Year ending March 31, 2024

(In million yen)

	Apr 1, 2023 - Jun 30, 2023 1Q	Jul 1, 2023 - Sep 30, 2023 2Q	Oct 1, 2023 - Dec 31, 2023 3Q	Jan 1, 2024 - Mar 31, 2024 4Q
Revenues	567,515			
Operating profit (loss)	47,103			
Recurring profit (loss)	89,403			
Profit (loss) attributable to owners of parent for the quarter	73,490			
Total assets	3,950,363			
Equity	2,637,096			

Year ended March 31, 2023

(In million yen)

	Apr 1, 2022 - Jun 30, 2022 1Q	Jul 1, 2022 - Sep 30, 2022 2Q	Oct 1, 2022 - Dec 31, 2022 3Q	Jan 1, 2023 - Mar 31, 2023 4Q
Revenues	673,050	692,827	684,320	565,867
Operating profit (loss)	89,174	74,162	86,067	46,946
Recurring profit (loss)	377,726	387,603	240,635	103,824
Profit (loss) attributable to owners of parent for the quarter	343,377	362,681	214,313	92,151
Total assets	3,504,816	3,938,103	3,754,637	3,776,797
Equity	2,028,845	2,487,650	2,441,785	2,524,993

(Note) The above operating results (revenues, operating profit (loss), recurring profit (loss) and profit (loss) attributable to owners of parent) are based on the results for the first quarter 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) Foreign Exchange Rate Information

	Three months ended June 30, 2022	Three months ended June 30, 2023	Change	Year ended March 31, 2023
Average exchange rate during the period	¥126.49/US\$	¥135.81/US\$	Yen down ¥9.32/US\$	¥135.07/US\$
Exchange rate at the end of the period	¥136.68/US\$	¥144.99/US\$	Yen down ¥8.31/US\$	¥133.53/US\$

#### (3) Balance of Interest-Bearing Debt

(In million yen)

	Year ended March 31, 2023	Three months ended June 30, 2023	Change
Loans	496,273	518,914	22,641
Corporate bonds	97,000	87,000	(10,000)
Leases liabilities	100,818	105,660	4,841
Total	694,091	711,575	17,483