



News

(Translation Only)

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Notice on Incorporating Extraordinary Losses

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This is to report that we have decided to incorporate extraordinary losses in the consolidated operating performance for the 3rd quarter of the fiscal year ending March 31, 2011.

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1. Reasons for incorporating extraordinary losses

NS UNITED SHIPPING (SINGAPORE) PTE.LTD (herein called "NSU-SG"), as a 100% subsidiary of our company, engages in chemical tanker business and shipping business in South-East Asia region. In order to make sure the clarification of all business activities and profits, we decide to establish new two subsidiary companies and divide NSU-SG's businesses and transfer into them.

With regard to the chemical shipping, since the cost of crewing has been increasing and the tendency toward a strong Yen continues, the condition of profits has become worse. Therefore we determine to transfer all business and vessels at the current market value. We will utilize foreign exchange to settle accounts and decrease debts in order to improve profits and reduce risks. After transferring the business, NSU-SG should carry out liquidation accordingly.

2. Influence on profits

Along with the division, transfer, and liquidation as described above, we estimate the losses arising from vessels transfer and reversal of exchange regulation accounts will be approximately 2,500,000,000 Yen in total, and these losses will be counted into the loss for the business structure improvement.

Meantime, we anticipate there should be no modification on the profit forecast for the full fiscal year ending March, 2011, as set forth in "Revision of Operating Performance Forecast" released on Oct. 29th, 2010.