

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 7<sup>th</sup>, 2017 as per attached.

**Inquiries**

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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.

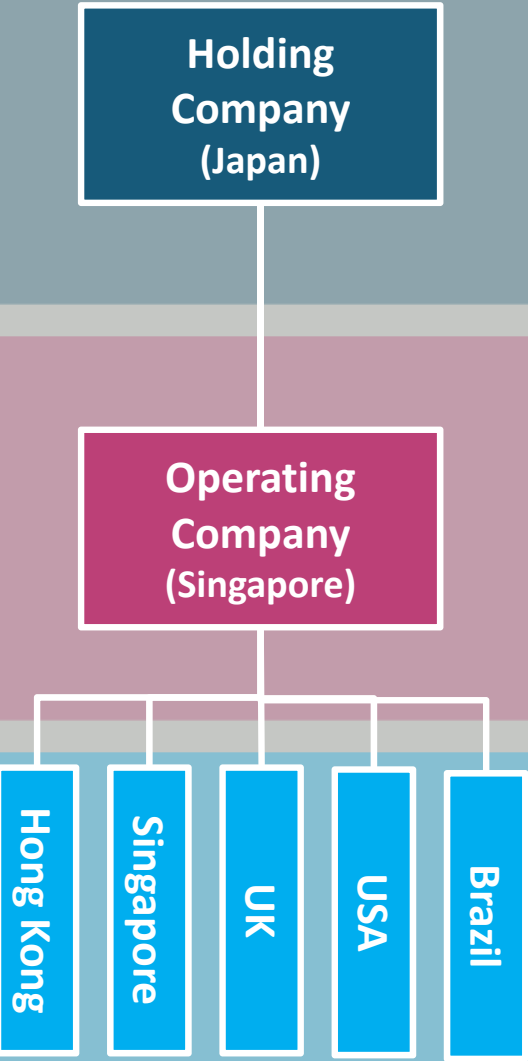
# ONE

**OCEAN NETWORK EXPRESS**

**Container Shipping Businesses  
Establishment of New Company  
Press Conference  
July 10<sup>th</sup>, 2017**

**Ocean Network Express "K"LINE MOL NYK**

# Organizational Structure

Organizational Structure	Company Name	Function
 <pre> graph TD     A[Holding Company (Japan)] --- B[Operating Company (Singapore)]     B --- C1[Hong Kong]     B --- C2[Singapore]     B --- C3[UK]     B --- C4[USA]     B --- C5[Brazil]         </pre>	<p><b>Ocean Network Express Holdings, Ltd.</b></p>	<p>Overall organizational governance of Ocean Network Express</p>
<p><b>Operating Company (Singapore)</b></p>	<p><b>Ocean Network Express Pte. Ltd.</b></p>	<p>Operational headquarters of Ocean Network Express</p>
<p><b>Regional Headquarters</b></p> <p>Hong Kong Singapore UK USA Brazil</p>	<p>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.</p>	<p>Operational regional headquarters</p>

# Officer Structure<sup>\*1</sup>

**Ocean Network Express  
Holdings, Ltd.**

Representative Director/Chairman  
Masahiro Tanabe

Representative Director/Vice Chairman  
Hidetoshi Maruyama

Representative Director/Vice Chairman  
Toshiyuki Suzuki

Director  
Hiroki Harada

Director  
Yukikazu Myochin

Director  
Akihiko Ono

**Ocean Network Express  
Pte. Ltd.**

CEO  
Jeremy Nixon

Director  
Yasuki Iwai

Director  
Hiroki Tsujii

Director  
Noriaki Yamaga

**Ocean Network Express  
Japan, Ltd.<sup>\*2</sup>**

Representative Director/President  
Takafumi Kido

<sup>\*1</sup>: Formally appointed after prescribed procedures will be completed

<sup>\*2</sup>: Plan to establish in October, 2017

# Introduce ONE CEO

## Jeremy Nixon

### Chief Executive Officer



*April 2012 to July 10<sup>th</sup>, 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.

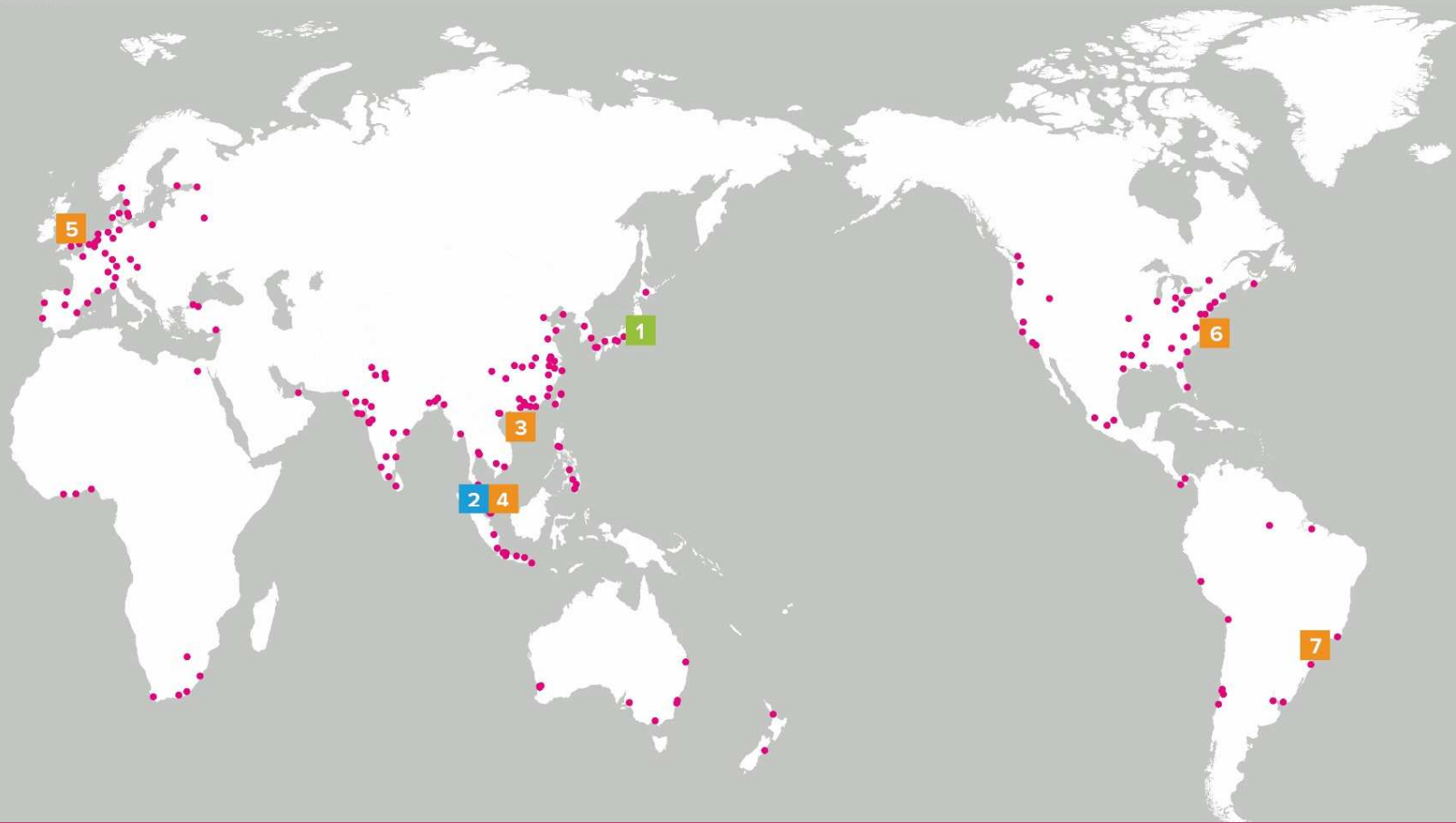


# Operating Company Profile

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

※"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

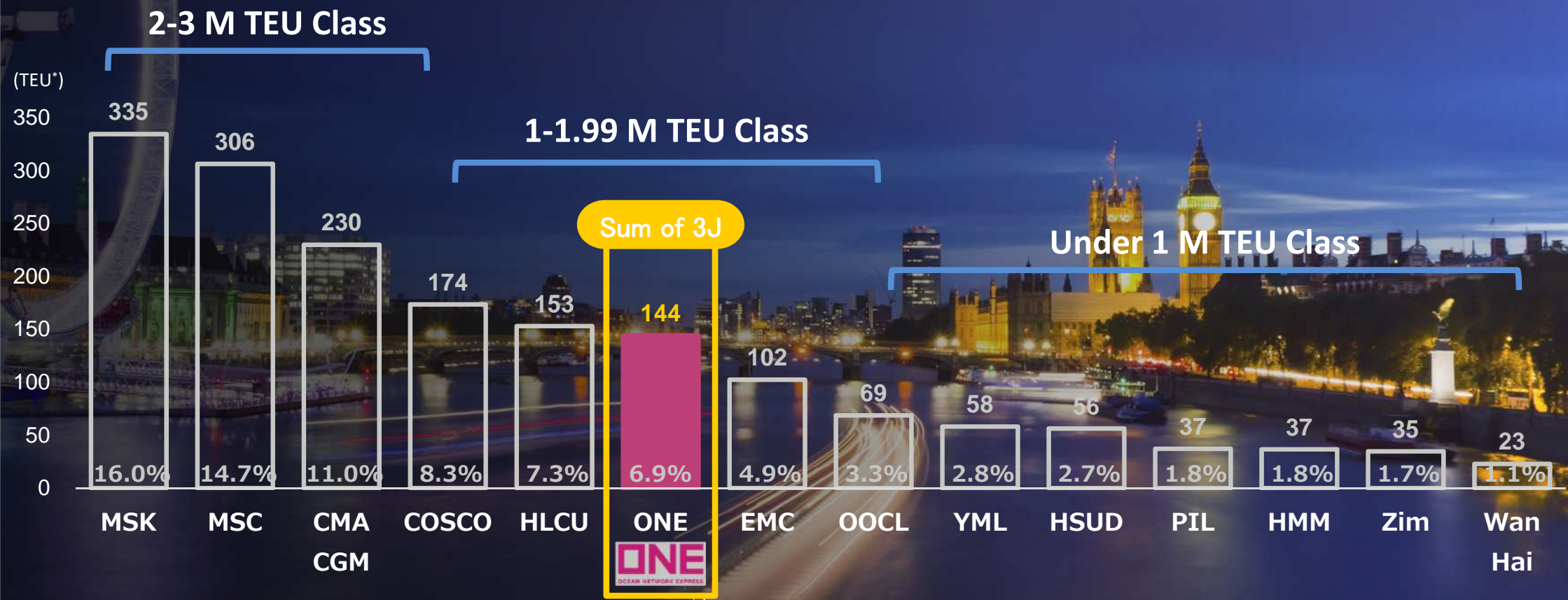
**4** Singapore

**5** UK (London)

**6** USA (Richmond, VA)

**7** Brazil (Sao Paulo)

# 1.44 Million TEU 6<sup>th</sup> 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

## Outward

Lean & Agile



Teamwork



Quality



Reliability



Best Practice



Challenge



Innovation



Customer Satisfaction



# We are ONE

**ONE  
Team**

Teamwork



Best Practice



**No.1**

Quality



Reliability



Customer  
Satisfaction



**Only  
ONE**

Innovation



Challenge











Lean & Agile



# 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.

<b>Lean &amp; Agile</b> 	<b>Teamwork</b> 	<b>Quality</b> 	<b>Reliability</b> 
<b>Best Practice</b> 	<b>Challenge</b> 	<b>Innovation</b> 	<b>Customer Satisfaction</b> 





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



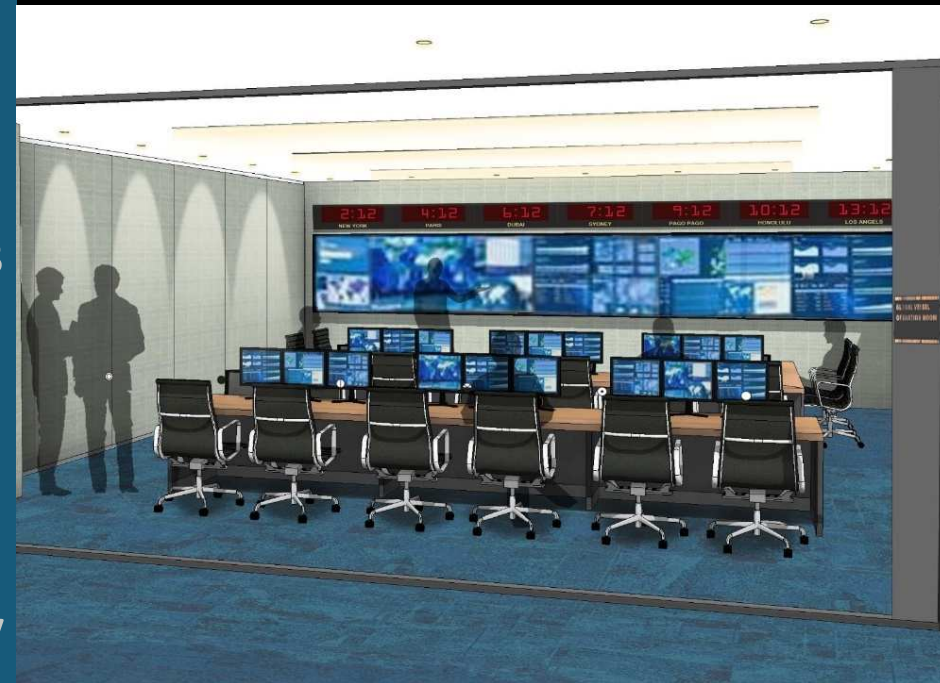
Innovation



Customer Satisfaction





## Global Operation Room Image



## 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 





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.



Each company's environmental slogan

Count On MOL

Securing Blue Seas for Tomorrow

Green Policy








# 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 



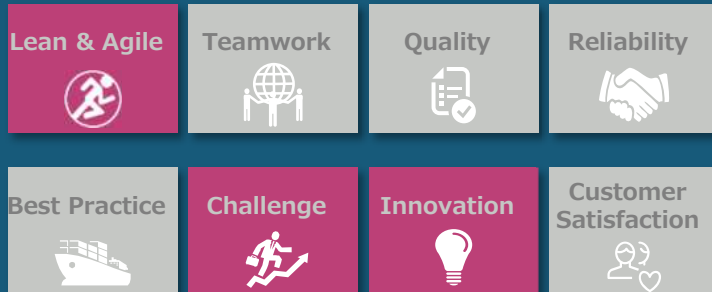


Only Ocean Network Express

## 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).

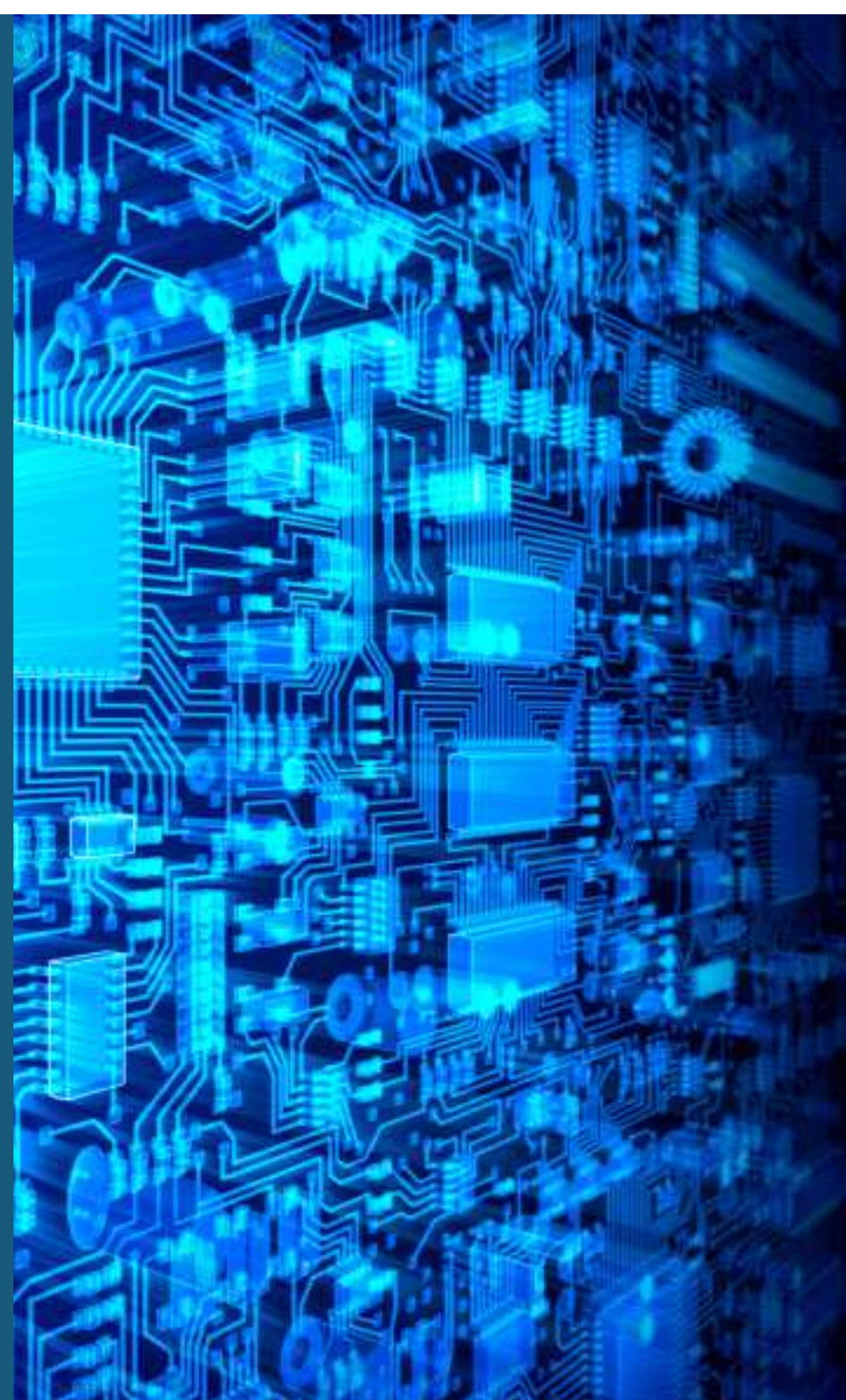


Only Ocean Network Express

# 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 





# 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



# 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.





# 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**