

# Financial Results for Q3 FY2024, and Forecast for Full-year FY2024

February 5, 2025



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**(Attachment)**  
**Ocean Network Express**  
**Financial Results for FY2024 3rd Quarter**

### Q3 review (year-on-year comparison)

#### ▶ Revenues: JPY1,976.9 billion (up JPY187.7 billion)

- Logistics – Revenue increased resulting from an increase in handling volumes. (up JYP94.1 billion)
- Dry Bulk – Revenue increased, supported by the high market levels, especially for the Capesize vessel segment, in the first half. (up JYP52.0 billion)

#### ▶ Recurring profit: JPY436.4 billion (up JPY236.1 billion)

- Liner Trade – The handling volumes and freight rates were higher than in the same period last year due to the continued impact of strong cargo movements and the situation in the Red Sea on supply-demand conditions. (up JYP204.8 billion)

#### ▶ Net income: JPY395.4 billion (up JPY241.9 billion)

#### ▶ Shareholder return: Share repurchase

- The share repurchase is being implemented for the period from May 9, 2024 to April 30, 2025 with the total maximum repurchase amount of JPY130 billion. All the shares repurchased will be retired.
- As of January 31, 2025, a cumulative total of 25,815,800 shares were repurchased at a total amount of approx. JPY125.0 billion.

### Recurring profit by segment (year-on-year comparison)

#### ▶ **Liner Trade: JPY250.2 billion (up JPY204.8 billion)**

- Although the Container Shipping market softened after peaking out in the second quarter, the handling volumes and freight rates were higher than in the same period last year due to the continued impact of strong cargo movements and the situation in the Red Sea on supply-demand conditions.

#### ▶ **Air Cargo Transportation: JPY19.0 billion (up JPY13.8 billion)**

- Cargo movements, mainly from Asia to Europe and the U.S., remained strong, resulting in an increase in handling volumes. Freight rates also remained at a high level due to tight supply and demand.

#### ▶ **Logistics: JPY20.7 billion (down JPY0.3 billion)**

- **Air freight & Ocean freight:** Air freight spot cargoes increased, especially in the third quarter, on top of strong cargo movements from Asia. The business experienced demand for moving up the ocean freight shipment schedule caused primarily by concerns over potential labor strikes on the East Coast of the U.S.
- **Contract logistics:** Due to the occurrence of one-off expenses related to growth investments implemented in the previous fiscal year, profit level decreased year on year.

### Recurring profit by segment (year-on-year comparison)

#### ▶ **Automotive: JPY91.6 billion (up JPY3.6 billion)**

- Despite the ongoing port congestion and route change caused by, among other factors, the conflict on the Middle East, the business captured robust transport demand by improving vessel utilization.

#### ▶ **Dry Bulk: JPY21.8 billion (up JPY5.5 billion)**

- Although the market softened in the latter half of the third quarter, market levels for the cumulative period through the third quarter were higher than in the same period last year, supported by the high levels, especially for the Capesize vessel segment, in the first half.

#### ▶ **Energy: JPY32.3 billion (down JPY0.7 billion)**

- VLCC: Market levels trended below the levels during the same period last year, reflecting weaker demand in China in the third quarter.
- VLGC: Market levels declined year on year due to an increase in shipping capacity resulting from the completion of new vessels and the alleviation of the impact of the drought in the Panama Canal we experienced in the previous fiscal year.
- LNG carrier: The results were steady on support from medium- to long-term contracts.

# Summary of Q3 Results

## Q3 Results



(Billions of yen)	FY2023						FY2024				Year-on-year
	Q1	Q2	Q3	Q1-3	Q4	Full-Year	Q1	Q2	Q3	Q1-3	
Revenues	567.5	600.8	620.8	1,789.2	598.0	2,387.2	651.7	665.1	660.1	1,976.9	187.7
Operating Profit	47.1	51.6	45.4	144.2	30.4	174.6	65.8	49.7	62.5	178.1	33.8
Recurring Profit	89.4	69.8	40.9	200.2	61.0	261.3	125.7	163.4	147.1	436.4	236.1
Profit attributable to owners of parent	73.4	39.8	40.1	153.5	75.0	228.6	110.2	155.6	129.5	395.4	241.9
Exchange Rate	¥135.81	¥144.05	¥148.72	¥142.86	¥146.68	¥143.82	¥155.02	¥152.77	¥149.04	¥152.27	¥9.41
Bunker Oil Prices	\$611.22	\$597.59	\$642.12	\$617.70	\$629.90	\$620.83	\$634.08	\$629.71	\$611.01	\$624.74	\$7.05

# Q3 Comparison by Segment

## Q3 Results



Operating Segment (Billions of yen)	FY2023						FY2024				Year-on-year	
	Q1	Q2	Q3	Q1-3	Q4	Full-Year	Q1	Q2	Q3	Q1-3		
Liner & Logistics	Liner Trade	56.4	55.2	41.3	153.0	39.3	192.3	44.5	47.6	44.8	137.0	-15.9
		31.6	15.0	-1.3	45.3	22.5	67.8	53.7	122.9	73.5	250.2	204.8
	Air Cargo	37.0	40.8	44.8	122.6	38.4	161.1	46.6	46.0	49.4	142.0	19.3
	Transportation	0.4	-0.0	4.9	5.2	0.4	5.7	3.4	4.80	10.7	19.0	13.8
Logistics		164.7	173.9	181.6	520.3	181.9	702.2	189.0	212.2	213.2	614.4	94.1
		7.0	6.7	7.3	21.0	4.8	25.9	5.5	6.8	8.3	20.7	-0.3
Note 1	Automotive	114.1	129.3	131.2	374.7	116.1	490.9	138.3	133.3	134.1	405.7	31.0
		29.5	30.9	27.4	87.9	17.8	105.8	37.8	23.7	30.0	91.6	3.6
Dry Bulk		134.7	136.1	152.6	423.5	149.7	573.3	163.2	160.1	152.2	475.6	52.0
		12.9	7.6	-4.2	16.2	1.7	18.0	14.0	-5.5	13.3	21.8	5.5
Energy		40.6	40.8	46.9	128.3	45.0	173.3	46.6	44.3	43.9	134.9	6.6
		11.2	10.7	11.1	33.1	13.2	46.3	11.0	10.7	10.5	32.3	-0.7
Note 2	Others	48.2	60.1	57.4	165.7	56.9	222.6	54.4	48.9	50.4	153.8	-11.8
		-0.4	1.3	-0.1	0.7	2.8	3.6	1.7	2.5	2.7	7.0	6.2
Elimination/ Corporate		-28.4	-35.6	-35.1	-99.2	-29.6	-128.8	-31.1	-27.6	-28.1	-86.9	12.2
		-3.0	-2.5	-4.0	-9.6	-2.5	-12.1	-1.7	-2.6	-2.1	-6.6	3.0
Consolidated		567.5	600.8	620.8	1,789.2	598.0	2,387.2	651.7	665.1	660.1	1,976.9	187.7
		89.4	69.8	40.9	200.2	61.0	261.3	125.7	163.4	147.1	436.4	236.1

(Upper) Revenues (Lower) Recurring Profit

Note 1 Effective from FY2024, the previous Bulk Shipping Business has been divided into Automotive Business, Dry Bulk Business, and Energy Business.

Note 2 Effective from FY2024, Real Estate Business has been included in Other Businesses.

(To reflect the above changes, the figures for FY2023 has been reclassified to conform to the new classification.)

# Analysis of Change in Recurring Profit between FY2023 and FY2024

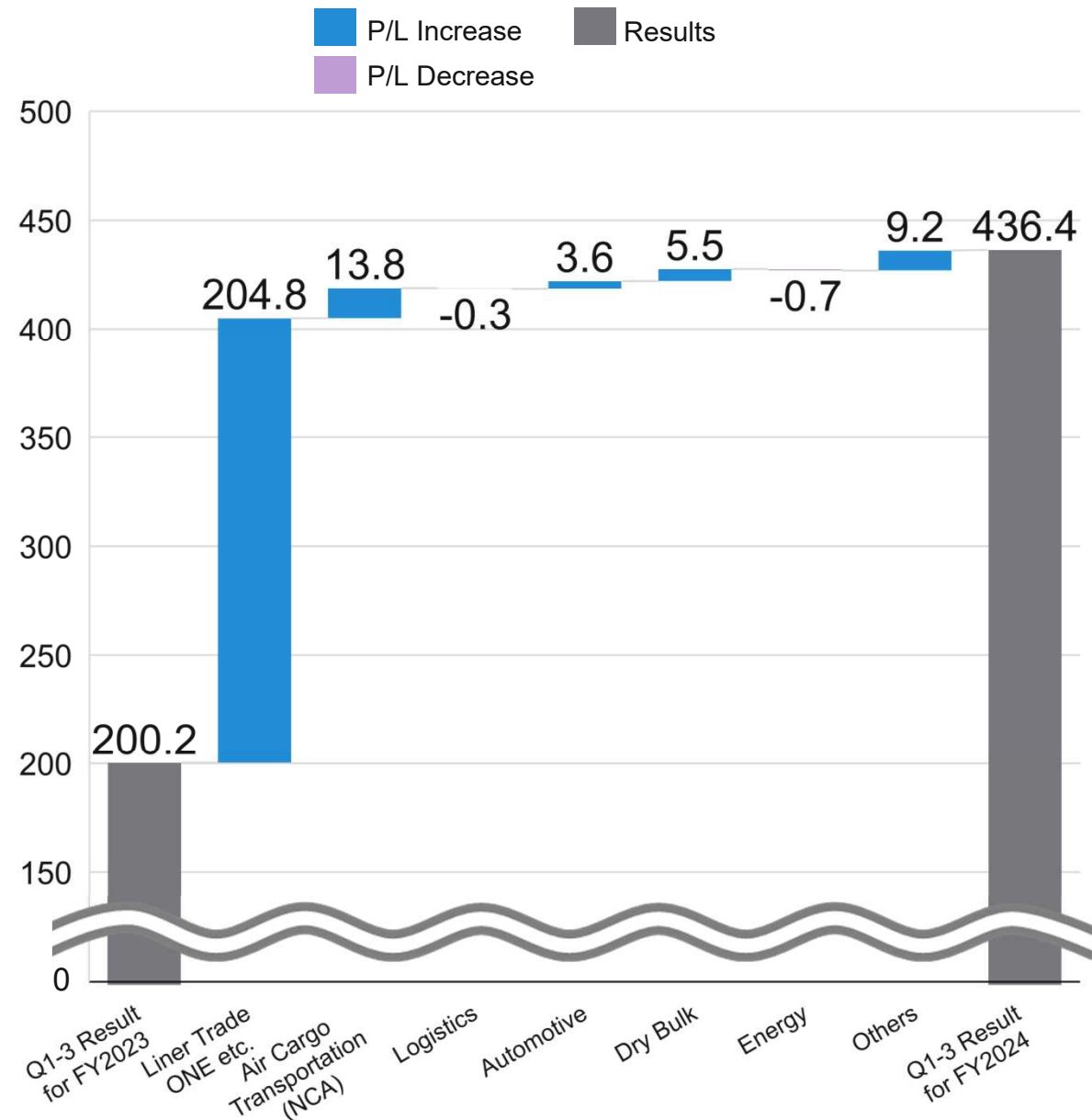
Q3 Results



## Analysis by factor

	(billion yen)	
Yen Depreciation	<b>13.4</b>	¥152.27/\$ Depreciated by ¥9.41
Higher Bunker Oil Prices	<b>-0.2</b>	\$624.74/MT Increased by \$7.05/MT
Market Effects, etc.	<b>199.8</b>	Liner (incl. ONE) +202.7 Automotive } Dry Bulk } -2.9 Energy }
Foreign Exchange Gains/Losses	<b>6.2</b>	
Others	<b>16.9</b>	Air Cargo(NCA) +13.8 Logistics -0.3
<b>Total</b>	<b>236.1</b>	

## Analysis by business





## 2. Full-year Forecast for FY2024

Forecast



### Full-year forecast (Comparison with the forecast announced at the previous financial reporting)

▶ **Revenues: JPY2,580.0 billion (up JPY40.0 billion)**

- Automotive: Up JPY15.0 billion
- Logistics: Up JPY14.0 billion

▶ **Recurring profit: JPY480.0 billion yen (up JPY 70.0 billion)**

- Liner Trade: Up JP57.0 billion

▶ **Net income: JPY450.0 billion (up JPY60.0 billion)**

▶ **Shareholder return:**

**Dividend (per share): Interim: 130 yen | Year-end: 180 yen (forecast) (Full-year: 310 yen)**  
**(The year-end dividend has been revised upward by 50 yen from the previous forecast of 130 yen.)**

- The amount of full-year dividend is determined based on a targeted consolidated dividend payout ratio of 30% as set forth in the basic shareholder return policy.
- The amounts of forecast dividends are based on the number of shares excluding the number of shares of treasury stock acquired by the end of January 2025.

### **Share repurchase**

- As already mentioned in Q3 review (on page 3), the share repurchase is being implemented with the total maximum amount of JPY130 billion.

## 2. Full-year Forecast for FY2024

Forecast



Recurring profit by segment (Comparison with the forecast announced at the previous financial reporting)

### ▶ Liner Trade: JPY262.0 billion (up JPY57.0 billion)

- In Container Shipping, although we expect that short-term freight rates will decline toward the end of the current fiscal year, the full-year profit level will be higher than our previous forecast as the third-quarter market levels and profit level have ended up being higher than our previous forecast.

### ▶ Air Cargo Transportation: JPY19.0 billion (up JPY6.0 billion)

- The full-year profit level is expected to exceed our previous forecast, supported by strong cargo demand as seen in the third quarter.
- The full-year earnings forecast has been developed assuming that, as disclosed on June 10, 2024, the share exchange of Nippon Cargo Airlines Co, Ltd. (NCA) will be executed on March 31, 2025.

### ▶ Logistics: JPY22.0 billion (unchanged)

- **Air freight & Ocean freight:** Although we expect a decline in profits in the fourth quarter due to seasonal factors, we expect profits for the full year to be at the same level as the previous forecast.
- **Contract logistics:** We expect that the profit level will be largely the same as our previous forecast.

## 2. Full-year Forecast for FY2024

Forecast



### Recurring profit by segment (Comparison with the forecast announced at the previous financial reporting)

#### ▶ **Automotive: JPY115.0 billion (up JPY5.0 billion)**

- The profit level is expected to be on par with our previous forecast on the back of firm transport demand.

#### ▶ **Dry Bulk: JPY22.0 billion (up JPY2.0 billion)**

- Market levels are expected to be lower than our previous forecast for all vessel segments. However, we expect that the full-year profit level will exceed our previous forecast due mainly to the impact of the foreign exchange fluctuations in the third quarter.

#### ▶ **Energy: JPY44.0 billion (up JPY2.0 billion)**

- VLCC: In light of the decrease in demand in China and other factors, market levels are expected to be lower than our previous forecast.
- VLGC: Market levels are expected to fall short of our previous forecast due to an increase in shipping capacity.
- LNG carrier: We expect the profit level to be higher than our previous forecast primarily attributable to the impact of foreign exchange, on top of stable earnings from medium- to long-term contracts.

# Summary of Forecast for FY2024

Forecast



Units of yen)	FY2023(Result)					FY2024(Forecast)					Year-on-Year	Change from Prev. Forecast
	1H		2H		Full-year	1H(Result)		2H		Full-Year		
	Q1	Q2	Q3	Q4		Q1	Q2	Q3 (Result)	Q4			
Revenues	1,168.3		1,218.9		2,387.2	1,316.8		1,263.2		2,580.0	192.8	40.0
	567.5	600.8	620.8	598.0		651.7	665.1	660.1	603.1			
Operating Profit	98.7		75.8		174.6	115.6		94.4		210.0	35.4	10.0
	47.1	51.6	45.4	30.4		65.8	49.7	62.5	31.9			
Recurring Profit	159.2		102.0		261.3	289.2		190.8		480.0	218.7	70.0
	89.4	69.8	40.9	61.0		125.7	163.4	147.1	43.6			
Profit attributable to owners of parent	113.3		115.2		228.6	265.8		184.2		450.0	221.4	60.0
	73.4	39.8	40.1	75.0		110.2	155.6	129.5	54.6			
Exchange Rate	¥135.81	¥144.05	¥148.72	¥146.68	¥143.82	¥155.02	¥152.77	¥149.04	¥154.00	¥152.71	¥8.89	¥5.76
Bunker Prices (All Grades)	\$611.22	\$597.59	\$642.12	\$629.90	\$620.83	\$634.08	\$629.71	\$611.01	\$556.87	\$607.92	-\$12.91	\$8.82
Bunker Prices (HSFO)	-	-	-	-	-	-	-	-	\$450.00	-	-	-
Bunker Prices (VLSFO)	-	-	-	-	-	-	-	-	\$570.00	-	-	-

► Sensitivity to recurring profit (3 months for Q4)

Exchange rate:            Approx. JPY0.41 billion increase per ¥1/\$ depreciation\*

Bunker prices:            Approx. JPY0.11 billion increase per \$10/MT decrease

(\*) Equity in earnings/losses of affiliates denominated in foreign currency is translated at the average exchange rate for the period

# Forecast by Segment for FY2024

Forecast



Operating Segment (Billions of yen)	FY2023 (Result)							FY2024 (Forecast)							Year-on-year	
	Q1	Q2	1H	Q3	Q4	2H	Full-year	Q1 (Result)	Q2 (Result)	1H (Result)	Q3 (Result)	Q4	2H	Full-year		
Liner & Logistics	Liner Trade	56.4	55.2	111.7	41.3	39.3	80.6	192.3	44.5	47.6	92.2	44.8	42.9	87.8	180.0	-12.3
		31.6	15.0	46.7	-1.3	22.5	21.1	67.8	53.7	122.9	176.6	73.5	11.8	85.4	262.0	194.2
	Air Cargo Transportation	37.0	40.8	77.8	44.8	38.4	83.3	161.1	46.6	46.0	92.6	49.4	42.9	92.4	185.0	23.9
		0.4	-0.0	0.3	4.9	0.4	5.4	5.7	3.4	4.8	8.3	10.7	-0.1	10.7	19.0	13.3
Logistics	164.7	173.9	338.6	181.6	181.9	363.6	702.2	189.0	212.2	401.2	213.2	183.5	396.8	798.0	95.8	
	7.0	6.7	13.7	7.3	4.8	12.2	25.9	5.5	6.8	12.4	8.3	1.2	9.6	22.0	-3.9	
Automotive	114.1	129.3	243.4	131.2	116.1	247.4	490.9	138.3	133.3	271.6	134.1	124.8	258.9	530.5	39.6	
	29.5	30.9	60.5	27.4	17.8	45.3	105.8	37.8	23.7	61.6	30.0	23.3	53.4	115.0	9.2	
Dry Bulk	134.7	136.1	270.8	152.6	149.7	302.4	573.3	163.2	160.1	323.4	152.2	142.8	295.1	618.5	45.2	
	12.9	7.6	20.5	-4.2	1.7	-2.5	18.0	14.0	-5.5	8.5	13.3	0.1	13.5	22.0	4.0	
Energy	40.6	40.8	81.4	46.9	45.0	91.9	173.3	46.6	44.3	91.0	43.9	46.5	90.5	181.5	8.2	
	11.2	10.7	22.0	11.1	13.2	24.3	46.3	11.0	10.7	21.8	10.5	11.6	22.2	44.0	-2.3	
Others	48.2	60.1	108.3	57.4	56.9	114.3	222.6	54.4	48.9	103.4	50.4	56.7	107.1	210.5	-12.1	
	-0.4	1.3	0.9	-0.1	2.8	2.6	3.6	1.7	2.5	4.2	2.7	0.0	2.8	7.0	3.4	
Elimination/ Corporate	-28.4	-35.6	-64.0	-35.1	-29.6	-64.8	-128.8	-31.1	-27.6	-58.8	-28.1	-37.1	-65.2	-124.0	4.8	
	-3.0	-2.5	-5.5	-4.0	-2.5	-6.6	-12.1	-1.7	-2.6	-4.4	-2.1	-4.4	-6.6	-11.0	1.1	
Consolidated	567.5	600.8	1,168.3	620.8	598.0	1,218.9	2,387.2	651.7	665.1	1,316.8	660.1	603.1	1,263.2	2,580.0	192.8	
	89.4	69.8	159.2	40.9	61.0	102.0	261.3	125.7	163.4	289.2	147.1	43.6	190.8	480.0	218.7	

(Upper) Revenues (Lower) Recurring Profit

Air Cargo Transportation : Based on the assumption that the transfer of shares of NCA will be completed with an effective date of March 31, 2025.

# Forecast by Segment for FY2024

Forecast



Operating Segment (Billions of yen)	Previous Forecast			Revised Forecast					Change from Prev. Forecast	
	1H (Result)	2H	Full-year	1H (Result)	Q3 (Result)	Q4	2H	Full-year	Full-year	
<b>Liner &amp; Logistics</b>	<b>Liner Trade</b>	92.2	84.8	177.0	92.2	44.8	42.9	87.8	180.0	3.0
		176.6	28.4	205.0	176.6	73.5	11.8	85.4	262.0	57.0
	<b>Air Cargo Transportation</b>	92.6	91.4	184.0	92.6	49.4	42.9	92.4	185.0	1.0
		8.3	4.7	13.0	8.3	10.7	-0.1	10.7	19.0	6.0
<b>Logistics</b>	401.2	382.8	784.0	401.2	213.2	183.5	396.8	798.0	14.0	
	12.4	9.6	22.0	12.4	8.3	1.2	9.6	22.0	0.0	
<b>Automotive</b>	271.6	243.9	515.5	271.6	134.1	124.8	258.9	530.5	15.0	
	61.6	48.4	110.0	61.6	30.0	23.3	53.4	115.0	5.0	
<b>Dry Bulk</b>	323.4	299.1	622.5	323.4	152.2	142.8	295.1	618.5	-4.0	
	8.5	11.5	20.0	8.5	13.3	0.1	13.5	22.0	2.0	
<b>Energy</b>	91.0	90.5	181.5	91.0	43.9	46.5	90.5	181.5	0.0	
	21.8	20.2	42.0	21.8	10.5	11.6	22.2	44.0	2.0	
<b>Others</b>	103.4	103.1	206.5	103.4	50.4	56.7	107.1	210.5	4.0	
	4.2	3.8	8.0	4.2	2.7	0.0	2.8	7.0	-1.0	
<b>Elimination/ Corporate</b>	-58.8	-72.2	-131.0	-58.8	-28.1	-37.1	-65.2	-124.0	7.0	
	-4.4	-5.6	-10.0	-4.4	-2.1	-4.4	-6.6	-11.0	-1.0	
<b>Consolidated</b>	1,316.8	1,223.2	2,540.0	1,316.8	660.1	603.1	1,263.2	2,580.0	40.0	
	289.2	120.8	410.0	289.2	147.1	43.6	190.8	480.0	70.0	

(Upper) Revenues (Lower) Recurring Profit

Air Cargo Transportation : Based on the assumption that the transfer of shares of NCA will be completed with an effective date of March 31, 2025.

# Appendix



### ► 1. Air Cargo Transportation (NCA)

	FY2023(Result)					FY2024(Forecast)					Change from Prev. Forecast (Full-year)
	1H		2H		Full-year	1H(Result)		2H		Full-year	
	Q1	Q2	Q3	Q4		Q1	Q2	Q3 (Result)	Q4		
<b>Revenue</b> (Billions of yen)	77.8		83.3		161.1	92.6		92.4		185.0	1.0
	37	40.8	44.8	38.4		46.6	46.0	49.4	42.9		
<b>Recurring Profit</b> (Billions of yen)	0.3		5.4		5.7	8.3		10.7		19.0	6.0
	0.4	-0.0	4.9	0.4		3.4	4.8	10.7	-0.1		
<b>Chargeable Weight</b> (1,000 tons)	196		207		403	225		213		438	-9
	95	101	104	103		115	11	115	98		
<b>Volume (RTK)</b> (mil.ton kilo)	1,149		1,162		2,311	1,278		1,177		2,455	-72
	568	581	584	578		655	623	637	540		
<b>Capacity (ATK)</b> (mil.ton kilo)	1,797		1,868		3,665	1,971		1,913		3,884	-62
	885	912	943	925		1,003	969	1,006	907		
<b>YIELD</b> FY3/09 Q1=100	142		164		153	172		180		176	4
	141	143	174	154		173	172	184	175		
<b>MOPS</b> US\$ per bbl	\$102		\$105		\$103	\$95		\$89		\$92	\$5
	\$92	\$113	\$107	\$102		\$99	\$92	\$88	\$90		
<b>Utilization of the Air Crafts</b> FY2020 Q1=100	108		104		106	110		-		-	-
	106	110	108	100		111	109	111	-		

- Chargeable Weight, Volume (RTK), Capacity (ATK) and YIELD do not include sales business for our subsidiaries and partner airlines.
- Operating Time does not include dry-lease aircraft.
- Forecasts for FY2024 are based on the assumption that the transfer of shares of NCA will be completed with an effective date of March 31, 2025.



### ► 2. Logistics

		FY2022 (Result)	FY20223(Result)				Full-year	FY2024(Forecast)				Change from Prev. Forecast (Full-year)	
			1H		2H			1H(Result)		2H			Full-year
		Full-year	Q1	Q2	Q3	Q4	Q1	Q2	Q3 (Result)	Q4			
Ocean Export	TEU	651	308		301		609	316		324		640	4
	(1,000TEUs)		151	157	155	146		154	162	170	154		
	Year-on-Year	-10%	-8%		-5%		-6%	3%		8%		5%	
			-10%	-7%	-5%	-4%		2%	3%	10%	5%		
Air Export	Weight	295	126		150		275	152		158		310	1
	(1,000 tons)		59	67	76	73		73	79	84	74		
	Year-on-Year	-26%	-20%		9%		-7%	21%		6%		13%	
			-28%	-12%	3%	17%		23%	19%	9%	2%		

### 3. Dry Bulker and Tanker - Market trend and forecast

		FY2023 (Result)					FY2024(Forecast)					Prev. Forecast
		Q1	Q2	Q3	Q4	Full-Year	Q1 (Result)	Q2 (Result)	Q3 (Result)	Q4	Full-Year	Full-year
Dry Bulk Carriers	BDI	1,326	1,194	2,079	1,833	1,608	1,849	1,869	1,435	1,085	1,560	1,766
	Cape	15,650	13,414	28,965	24,456	20,621	22,701	24,889	17,792	11,000	19,095	22,397
	Panamax	12,424	11,885	16,349	15,508	14,041	16,377	13,902	10,422	10,000	12,675	14,695
	Handymax	10,910	10,047	14,330	13,000	12,072	15,000	15,205	13,692	11,500	13,849	14,309
	Handy	10,515	8,877	13,110	12,037	11,135	13,052	13,315	12,150	9,000	11,879	12,842
Tankers	VLCC	39,049	20,469	38,128	44,424	35,517	38,067	28,398	28,099	32,000	31,641	40,116
	VLGC	75,981	103,704	113,794	46,937	85,104	52,406	32,236	36,320	36,000	39,240	46,161

- Dry Bulk Charter Market (Spot Time Charter) (Unit : \$/day)  
Cape = 5 Trade Average, Panamax = 5 Trade Average, Handy = 7 Trade Average  
Handymax = 10 Trade Average (until Aug. 2024), 11 Trade Average (from Sep. 2024)  
\* From this time onwards, we have changed the assumptions for Handymax forecasts from 10 Trade Average to 11 Trade Average
- Tanker Market (Spot Time Charter) (Unit : \$/day)  
VLCC and VLGC = Middle East Gulf - Far East trade

### ▶ 4. Automotive Business

	FY2023 (Result)					FY2024(Forecast)					Change from Prev. Forecast (Full-year)
	1H		2H		Full-year	1H(Result)		2H		Full-Year	
	Q1	Q2	Q3	Q4		Q1	Q2	Q3 (Result)	Q4		
<b>All Trade</b> (10,000 Cars)	227		224		451	219		224		443	2
	112	115	121	103		112	108	117	107		
<b>Year-on-year</b>	4%		-3%		0%	-3%		0%		-2%	0%
	5%	3%	-3%	-4%		-0%	-7%	-3%	3%		

Including Intra-European Trade (incl. space-chartered trade)

# Trends in Total Payout Ratio

	FY2020	FY2021	FY2022	FY2023	FY2024 (Forecast / as of Feb 5, 2025)
Profit attributable to owners of parent (billion yen)	139.2	1,009.1	1,012.5	228.6	450.0
Total Dividend Paid (billion yen)	33.9	245.8	264.4	66.2	136.3 *2
Total Repurchase Amount (billion yen)	-	-	-	200.0	125.0 *3
Full-year dividend per share (Yen)	¥67 *1	¥483 *1	¥520	¥140	¥310
Dividend Payout Ratio	24%	24%	26%	30%	30%
Total Payout Ratio	24%	24%	26%	116%	58% *2

\*1 Adjusted to reflect a 3-for-1 common stock split conducted with an effective date of October 1, 2022.

\*2 Calculated based on the number of shares excluding the number of shares of treasury stock acquired by January 31, 2025.

\*3 As of January 31, 2025

# ONE

**OCEAN NETWORK EXPRESS**

## Financial Results for FY 2024 3rd Quarter

January 31, 2025

- 1. FY 2024 3rd Quarter Results P.3**
- 2. Liftings, Utilization, and Freight Index in Major Trades P.4**
- 3. FY2024 Full Year Forecast P.5**
- 4. ONE's Response to Recent Changes in the Business Environment P.6**
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- 6. Appendix: Change of Demand and Freight Index P.8**

# 1. FY2024 3rd Quarter Results

## □ Outline

**While the increase in vessel supply continued, spot freight rate remained firm with stable cargo movement. In Q3, ONE's profit was US\$1,156 million, significantly improved from the same quarter of the last year on a year-on-year basis.**

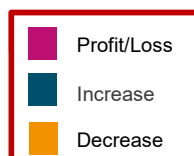
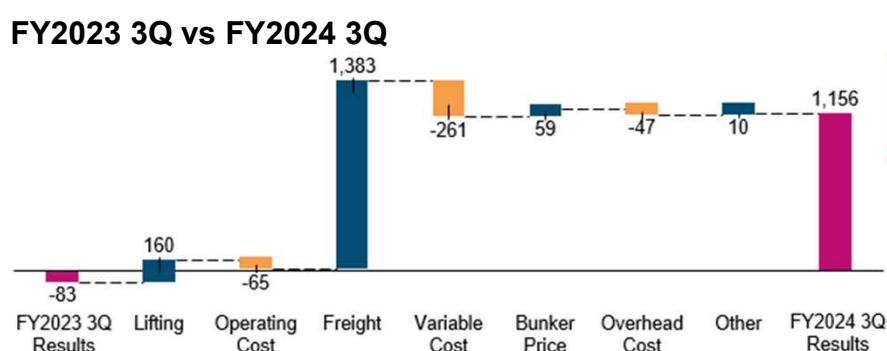
- The Asia-North America trade saw stable cargo movement driven by strong consumer spending, in addition to concern about supply chain disruption due to the labor negotiation in the East Coast and Gulf ports. The Asia-Europe trade also experienced strong cargo movement.
- Rerouting vessels round the Cape of Good Hope (CoGH) persists due to the unstable geopolitical situation.
- As a result, there was no significant change in overall supply-demand situation, while spot freight rate declined from the 2nd quarter.

## □ FY2024 3rd quarter results and PL analysis

(Unit: Million US\$)

	FY2023					FY2024					3Q Results to 2Q Result		3Q Results to FY2023 3Q	
	1Q Result	2Q Result	1H Results	3Q Results	1Q-3Q Results	1Q Result	2Q Result	1H Results	3Q Results	1Q-3Q Results	Change	Change (%)	Change	Change (%)
Revenue	3,765	3,549	7,314	3,357	10,671	4,211	5,864	10,075	4,846	14,921	-1,018	-17%	1,489	44%
EBITDA	770	436	1,206	170	1,376	1,217	2,386	3,603	1,583	5,186	-803	-34%	1,413	831%
EBIT	385	31	416	-248	168	667	1,865	2,532	1,049	3,581	-816	-44%	1,297	-
Profit/Loss	513	187	700	-83	617	779	1,999	2,778	1,156	3,935	-843	-42%	1,239	-
Bunker Price (US\$/MT)	\$590	\$565	\$577	\$625	\$593	\$594	\$585	\$589	\$557	\$578	-\$28	-5%	-\$68	-11%
Bunker consumption (K MT)	799	862	1,661	859	2,520	900	969	1,869	950	2,820	-19	-2%	91	11%
Lifting (K TEU)	2,825	3,087	5,911	3,105	9,017	3,142	3,291	6,433	3,246	9,679	-45	-1%	141	5%

### FY2023 3Q vs FY2024 3Q



- Lifting : Increased with stable cargo movement
- Operating Cost : Increased ship costs and bunker consumption due to ships routing via the CoGH
- Freight : Improved mainly in east-west bound trades
- Variable Cost : Increased due to higher container handling costs and container repositioning costs
- Bunker Price : Decreased Year on Year
- Overhead Cost : Increased Year on Year

## 2. Liftings, Utilization and Freight Index in Major Trades

Liftings / Utilization by Trades		FY2023						
		1Q Results	2Q Results	1H Results	3Q Results	4Q Results	2H Results	Full Year Results
Asia - North America Eastbound	Lifting (1,000TEU)	578	706	1,284	653	616	1,269	2,553
	Utilization	82%	95%	89%	94%	97%	96%	92%
Asia - Europe Westbound	Lifting (1,000TEU)	385	434	819	382	382	764	1,584
	Utilization	94%	92%	93%	90%	93%	91%	92%

FY2024			
1Q Results	2Q Results	1H Results	3Q Results
673	730	1,403	713
100%	100%	100%	100%
434	451	886	418
100%	97%	98%	93%

Asia-North America Westbound	Lifting (1,000TEU)	291	295	586	327	295	621	1,208
	Utilization	44%	40%	42%	46%	49%	48%	45%
Asia-Europe Eastbound	Lifting (1,000TEU)	240	221	461	232	238	470	931
	Utilization	54%	45%	49%	50%	55%	52%	51%

290	281	571	271
43%	39%	41%	40%
245	244	490	237
48%	45%	46%	47%

(Unit: 100 = average freight rates as of FY2018 1Q)

Freight Index by Trades		FY2023						
		1Q Results	2Q Results	1H Results	3Q Results	4Q Results	2H Results	Full Year Results
Asia - North America Eastbound		126	109	117	108	135	121	119
Asia - Europe Westbound		139	116	127	106	183	144	135

FY2024			
1Q Results	2Q Results	1H Results	3Q Results
137	195	167	159
201	293	248	218

- Liftings, Utilization: In the North America eastbound trade, cargo movement slowed down initially, but recovered in the latter half of the quarter, boosted by concern over the potential strike in the East Coast and Gulf ports. In the Asia-Europe westbound trade, the advanced cargo rush for the holiday season in the 2nd Quarter led to a slowdown in cargo movement at the beginning of the 3rd Quarter, but cargo demand recovered gradually in November and December.
- Freight Index: Spot freight rates decreased in both the North America eastbound trade and the Asia-Europe westbound trade from the 2nd quarter, while they were much higher from the same quarter of the last year.



# 3. FY2024 Full Year Forecast

## □ Outline

**Full-year results for FY 2024 are expected to show a profit of US\$4,034 million, exceeding the previous forecast by US\$939 million, supported by the solid results up to the 3rd quarter.**

- With the traditional slack season approaching, slow down in cargo movement is expected, coupled with increasing uncertainty in the business environment.
- While the supply-demand balance is softening, it is expected to recover gradually after the Lunar New Year.
- ONE will monitor evolving conditions and maintain agile and efficient operations, with a focus on delivering high quality service to customers.

## □ FY2024 Full Year Forecast

(Unit: Million US\$)

	FY2024 (Previous Forecast)			FY2024 (Latest Forecast)					Full Year	
	1H Results	2H Forecast	Full Year Forecasts	1H Results	3Q Results	4Q Forecasts	2H Forecasts	Full Year Forecasts	Change	Change (%)
Revenue	10,075	8,000	18,075	10,075	4,846	4,100	8,946	19,021	946	5%
EBITDA	3,603	1,250	4,853	3,603	1,583	600	2,183	5,786	933	19%
EBIT	2,532	210	2,742	2,532	1,049	50	1,099	3,631	889	32%
Profit/Loss	2,778	317	3,095	2,778	1,156	100	1,256	4,034	939	30%

	FY2023 (Actual)			Full Year	
	1H Results	2H Results	Full Year Results	Change	Change (%)
Revenue	7,314	7,221	14,536	4,485	31%
EBITDA	1,206	838	2,044	3,742	183%
EBIT	416	-24	392	3,239	827%
Profit/Loss	700	274	974	3,061	314%

# 4. ONE's Response to Recent Changes in the Business Environment

## Events

- Cargo movements from Asia to North America in October and November increased by 15% year-on-year. While cargo movement peaked in September and subsequently declined, strong consumer spending and front loading in anticipation of possible disruption at the US East Coast and Gulf ports had an impact on cargo movement. Concern about the potential strike at the East Coast and Gulf ports also led to a shift of some cargo to the West coast ports.
- Cargo movements from Asia to Europe increased by 18% in October year-on-year. This strong movement was driven by easing inflation, sustained growth in consumer spending, and front loading ahead of the Lunar New Year.
- While the oversupply of vessels continued, the prolonged rerouting of vessels round the CoGH and worsening port congestion absorbed the excess capacity to some extent.



## ONE's response

- Implemented flexible counter measures to minimize supply chain disruptions caused by the situation in the Red Sea/Gulf of Aden.
- Continuous review of cargo portfolio to enhance yield management and maximize profitability.
- Adjusted vessel schedules to minimize disruptions caused by possible strike actions at the US East Coast and Gulf ports.
- Continued preparations for the launch of new products in 2025, while optimizing existing services to respond to market demands.
- Deployed extra loaders in several trades to respond to strong cargo demand.



**Maximize operational efficiency through flexible vessel deployment and optimization of container flow**

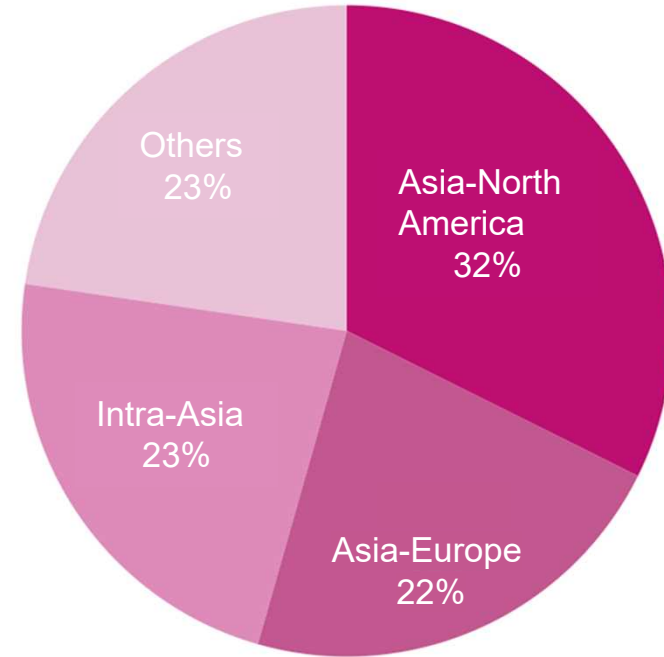
# 5. Reference (Fleet Structure, Service Structure & New Order)

## □ Fleet Structure

Size			1) As of end of Sep 2024	2) As of end of Dec 2024	2)-1)
20,000TEU >=	Capacity (TEU)		264,600	264,600	0
	Vessels		12	12	0
10,500TEU - 20,000TEU	Capacity (TEU)		657,920	657,920	0
	Vessels		47	47	0
9,800TEU - 10,500TEU	Capacity (TEU)		110,200	110,200	0
	Vessels		11	11	0
7,800TEU - 9,800TEU	Capacity (TEU)		329,257	329,257	0
	Vessels		37	37	0
6,000TEU - 7,800TEU	Capacity (TEU)		227,702	241,640	13,938
	Vessels		34	36	2
5,200TEU - 6,000TEU	Capacity (TEU)		28,116	28,116	0
	Vessels		5	5	0
4,600TEU - 5,200TEU	Capacity (TEU)		78,068	78,068	0
	Vessels		16	16	0
4300TEU - 4,600TEU	Capacity (TEU)		62,872	58,474	-4,398
	Vessels		14	13	-1
3,500TEU - 4,300TEU	Capacity (TEU)		58,813	62,356	3,543
	Vessels		14	15	1
2,400TEU - 3,500TEU	Capacity (TEU)		84,580	100,446	15,866
	Vessels		31	37	6
1,300TEU - 2,400TEU	Capacity (TEU)		18,482	22,385	3,903
	Vessels		11	13	2
1,000TEU - 1,300TEU	Capacity (TEU)		12,892	13,928	1,036
	Vessels		12	13	1
0TEU - 1,000TEU	Capacity (TEU)		0	0	0
	Vessels		0	0	0
Total	Capacity (TEU)		1,933,502	1,967,390	33,888
	Vessels		244	255	11

## □ Service Structure

(FY2024 3Q Structure of dominant and non-dominant space allocation)



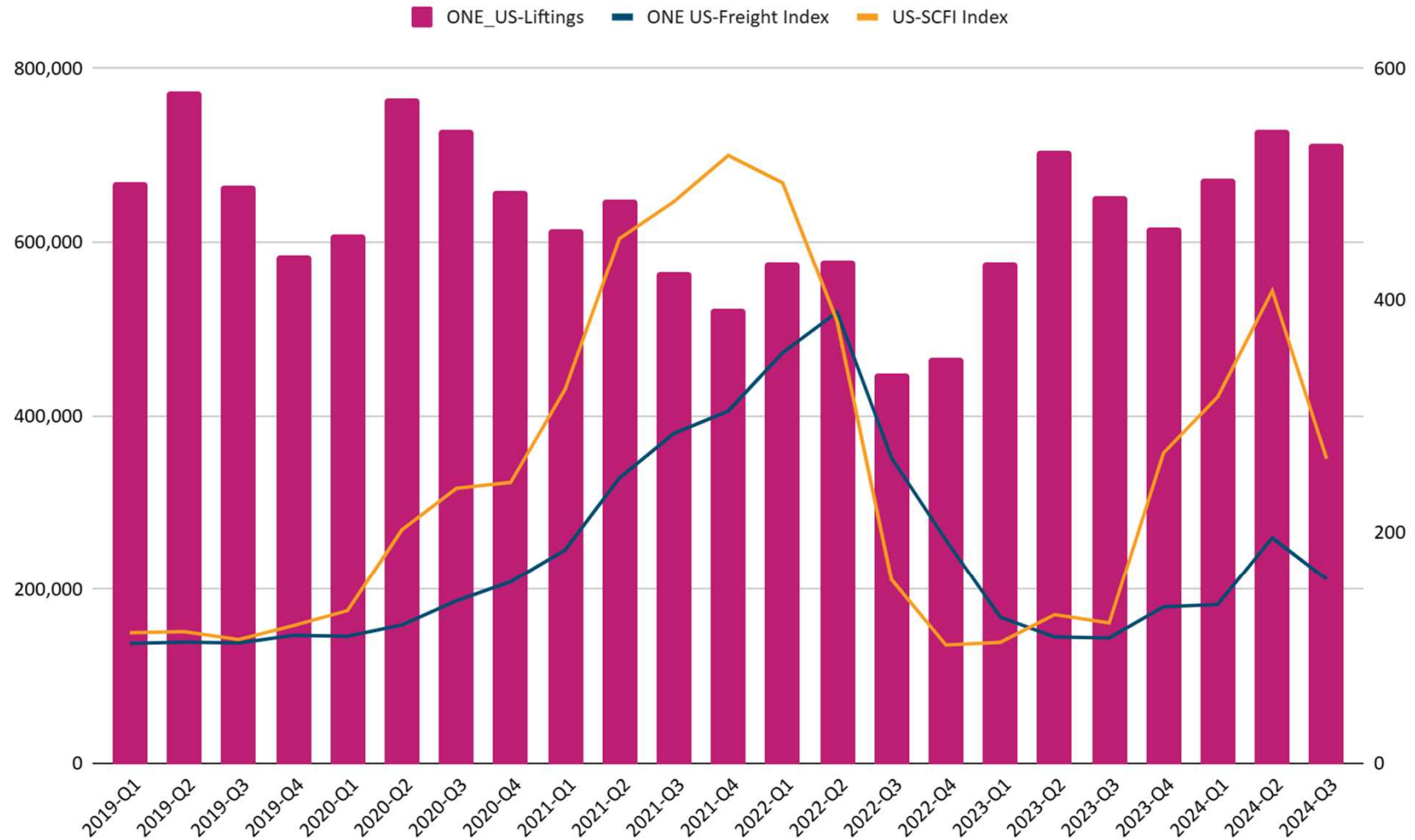
## □ Current Orders of New Vessels(Including Long-Term Chartered Vessels)

	As of end of Sep 2024	Delivered in 3Q FY2024	New Order in 3Q FY2024	As of end of Dec 2024
No. of Order Book (Vessels)	52	0	0	52

# 6. Appendix Change of Demand and Freight index

**Liftings  
(TEU)**

**Freight Index  
(FY2018 1Q=100)**





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