

FINANCIAL HIGHLIGHTS

brief report of the nine months ended December 31,2003, for the fiscal year ending March 31,2004

[Two Year Summary]

| | Nine Months ended Dec.31,2003 | Nine Months ended Dec.31,2002 | Nine Months ended Dec.31,2003 | Year ended Mar.31,2003 |
|---|-------------------------------------|-------------------------------------|-------------------------------------|------------------------------|
| Consolidated | | | | |
| Operating revenues (Millions of yen / Thousands of U.S. dollars) | ¥537,842 | ¥473,150 | \$5,020,457 | ¥632,725 |
| Operating income (Millions of yen / Thousands of U.S. dollars) | 50,043 | 20,369 | 467,124 | 29,282 |
| Net income (Millions of yen / Thousands of U.S. dollars) | 21,662 | - | 202,199 | 10,373 |
| Per share of common stock (Yen / U.S. dollars) | 36.59 | - | 0.34 | 17.24 |
| Total Assets (Millions of yen / Thousands of U.S. dollars) | 537,697 | - | 5,019,111 | 515,825 |
| Shareholders' Equity (Millions of yen / Thousands of U.S. dollars) | 106,336 | - | 992,588 | 82,040 |
| Per share of common stock (Yen / U.S. dollars) | 179.93 | - | 1.68 | 138.29 |
| Non-consolidated | | | | |
| Operating revenues (Millions of yen / Thousands of U.S. dollars) | 436,401 | 373,400 | 4,073,562 | 499,792 |
| Operating income (Millions of yen / Thousands of U.S. dollars) | 39,158 | 13,691 | 365,516 | 19,843 |
| Net income (Millions of yen / Thousands of U.S. dollars) | 17,083 | - | 159,461 | 6,536 |
| Per share of common stock (Yen / U.S. dollars) | 28.83 | - | 0.27 | 10.90 |
| Total Assets (Millions of yen / Thousands of U.S. dollars) | 308,967 | - | 2,884,043 | 269,140 |
| Shareholders' Equity (Millions of yen / Thousands of U.S. dollars) | 85,674 | - | 799,720 | 65,872 |
| Per share of common stock (Yen / U.S. dollars) | 144.82 | - | 1.35 | 111.03 |

Notes.

1. The U.S. dollar amounts are converted from the yen amounts at ¥107.13=U.S.\$1.00, the exchange rate prevailing on December 31st, 2003.

2. Balance sheets and net income including extraordinary items and income taxes for the nine months ended December 31st, 2002 are not disclosed.

1. Financial Position for the Period from Quarter 1 through Quarter 3 of Fiscal 2003

During the period ranging from April 1, 2003 through December 31, 2003, freight markets improved covering all our businesses against the backdrop of global marine cargo movements of materials and products advanced with briskness attributed to remarkable expansion of Chinese exports and imports and to stable conditions of the economies of the U.S.A. and Europe.

Despite the fact that there prevailed such minus factors as bunker-oil price staying higher and rapid appreciation of the Japanese Yen, we could manage to overcome them through our diligent and constant efforts for positive business activities, and cost curtailment that enabled more-than-targeted reductions come to fruition. All those efforts were carried on in accordance with “KV-Plan,” a Company’s management plan.

As a result, consolidated financial results during the period from Q1 through Q3 are:

Operating revenues: ¥537.842 billion (¥64.692 billion increase over last period)

Operating income : ¥50.043 billion (¥29.674 billion increase over last period)

Net income : ¥21.662 billion

Each figure shows that the plan is advancing as directed.

a) Marine Transportation

<Container Business>

Worried bad impact of the Iraq War and SARS turned out to be rather slighter than anticipated. In the North America trade, cargo moved steadily owing to the increased demand for housing backed up by further expansion of consumption with the low-interest financial policy and the tax reductions. In the Europe trade, a great extent of development could also be observed against the appreciated Euro. Every measure was taken to cope with prevailing business circumstances; upgrade of service in the face of remarkable increase in cargo movement centering on China: increase of sailings on the Asia/the U.S. East Coast and Asia/Mediterranean service routes that had been giving inconveniences/difficulties to customers since tight space situation had lasted. Such Company’s timely and appropriate response to the business circumstances enabled us to increase loaded containers in number as compared to last year.

Both brisk cargo movement and tightened supply-demand balance also helped advance rate restoration in North America and Europe trades. Increase of loaded cargo and rate restoration could jointly contribute to raising operating revenues of Containership Business to a significant extent as compared to last year. In fact, we encountered minus factors including increase of bunker-oil price incurred by more expensive crude-oil price and cost-push by appreciated Yen.

The bottom line (operating income), however, ended with much better condition compared to last year and well over earlier targeted goal as a result of continuing the cost-cut campaign.

<Bulk Carrier and Car Carrier Business>

Bulk Carriers: Both large bulkers and medium/small bulkers under ripple effect of large bulkers saw historical high markets owing to strong demand for raw materials for iron production centering on China and other countries in the Far East and owing to constant berth congestions at loading/discharging ports. We experienced worsening of operational efficiency caused by berth congestions and cost pressure owing to appreciated Yen, etc. The Company, however, could manage to post better operating income over last year by expansion of space supply and sales through deployment of free or not-fixed ships responding to consequent higher freight/chartering markets and timely/appropriate arrangement for space supply.

Car Carriers: Despite export from Japan to the U.S.A. declining, loaded tonnage bound for the Middle East and Australia showed a favorable movement. Loaded units from South Korea also increased. But a total of exported cars from Japan and South Korea decreased in small measure as compared to last year.

In the off-Japan trade, i.e. the Atlantic trade and export from Thailand, carried cars continued to increase in total in comparison with last year.

Consequently, under the influence of appreciated Yen and hiked bunker oil, operating revenues could end well over last year and operating income could also stay stable owing to efficient allocation of ships and curtailment of operational cost.

<Energy Transportation and Tanker Business>

LNG Carriers: The already contracted projects went on so well.

Thermal Coal Carriers: A significant amount of increase was realized in transported quantity in part due to throwing a series of newbuildings into service.

Oil Tankers: Business in general proceeded with stability despite experiencing a short period of adjustment. In the end, we could secure more operating income than last year against the backdrop of stable operating revenues.

<Coastal Shipping>

We could post more operating income than last year attributable to efficient allocation of ships and increased cargo movement.

As a result, Marine Transportation as a whole could end up with operating revenues of ¥462.364 billion and operating income of ¥43.628 billion.

b) Services Incidental to Transportation

Transportation of both marine and air cargoes fared comparatively with steadiness and

consequently the harbor-business- related companies could increase their handling cargo. Those factors encouraged the services incidental to transportation to attain operating revenues of ¥65.706 billion and operating income of ¥5.586 billion both of which stood respectively well over last year.

c) Others

Inland transportation and other businesses not mentioned in the above, operating revenues stood at ¥9.772 billion and operating income amounted to ¥0.685 billion.

2. Prospects for Financial Position of Fiscal 2003 on a Full-Year Basis

<Containership Business>

It is prospected that despite there being some worries over high bunker price during the period of Q4 (January 2004 through March 2004), loaded tonnage and operating revenues will be well over last year by token of:

- a. Timely and quick measures including ship allocation taken keeping up with market trends on the move
- b. Further curtailment of operational cost
- c. Normalization of ocean freight

<Bulk Carrier and Car Carrier Business>

Bulk Carriers: There prevail prospects for bulk markets staying positive during the Q4.

Car Carriers: It is anticipated that despite car export to North America and Europe being likely to fall, brisk cargo movement bound for Australia and the Middle East will uphold our business. Furthermore, a growth in cargo from Thailand to Southeast Asia and an increased ship allocation to the Atlantic waters are expected to help augment transported car units as compared to last year. There are some worries about operating cost and charterage likely being to be on the increase, but overcoming them, we will keep on making efforts for further rationalization.

The overall bottom line covering bulk carriers and car carriers is prospected to further improve as compared to last year.

<Energy Transportation and Tanker Business>

LNG Carriers: Newbuildings are being planned for upgrading our business scale.

Thermal Coal Carriers: Thermal power generation is performing in full swing in part due to the current atomic power issue. Demand for coal transportation is also faring with solidity.

Oil Tankers: Tanker market surges a great deal due to the increased demand for oil centering on China.

On a full-year basis, we are sure that our business achievement will be better than last year.

<Coastal Shipping>

In both domestic and ferry businesses, we will promote business activities positively and dedicate ourselves to efficient ship allocation and improvement of service.

As you can see from the above, we would like to mention that further improvement in business achievement is to come to fruition in the whole areas of Marine Transportation including Containership Business.

<Services Incidental to Transportation>

Group-based efforts will be carried out for logistics business replying to customer needs by combining know-how with business assets, both of which are possessed by “K” LINE’s Containership Business and Group logistics companies in Japan/overseas.

Our prospects are:

Consolidated on a full-year basis:

Operating Revenues: ¥ 707.000 billion

Operating Income : ¥ 65.000 billion

Net Income : ¥ 29.000 billion

Non-consolidated on a full-year basis:

Operating Revenues: ¥ 570.000 billion

Operating Income : ¥ 50.000 billion

Net Income : ¥ 22.000 billion

The above prospected figures show that they are going to stand well over targets of “KV-Plan.” At the same time we also are mentioning about fruition of Plan’s qualitative assignments also having already been reached. Such has led us to declare the completion of the same Plan and to map out a new management plan covering the period from the next fiscal year. We would like to publicize newly - conceived target figures and policy-related assignments in May 2004 when financial results during Fiscal 2003 are to be announced.

Guidance:

The preconditions during the Q4 are: exchange rate ¥105 per U.S. dollar and bunker-oil price U.S.\$170.00 per ton.

Finally, with reference to a dividend during Fiscal 2003, we are going to propose payment of ¥10 per dividend on an annual basis as publicized on November 13, 2003.

Consolidated Balance Sheets

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for the nine months ended December 31, 2003 and year ended March 31, 2003

ASSETS

| | Nine Months ended Dec. 31, 2003 | Year ended Mar. 31, 2003 | Nine Months ended Dec. 31, 2003 |
|---|---------------------------------------|--------------------------------|---------------------------------------|
| Current assets : | | | |
| Cash and time deposits | ¥21,942 | ¥18,988 | \$204,820 |
| Marketable securities | 54 | 73 | 506 |
| Accounts and notes receivable - trade | 83,260 | 74,843 | 777,185 |
| Allowance for doubtful receivables | (1,013) | (663) | (9,460) |
| Inventories | 9,906 | 10,662 | 92,469 |
| Prepaid expenses and deferred charges | 20,549 | 18,223 | 191,807 |
| Deferred income taxes | 1,396 | 2,667 | 13,030 |
| Other current assets | 17,477 | 11,717 | 163,140 |
| Total current assets | 153,571 | 136,510 | 1,433,497 |
| Investments and other assets | | | |
| Investments in and advances to unconsolidated subsidiaries and affiliates | 15,161 | 14,375 | 141,520 |
| Investments in securities | 53,570 | 44,982 | 500,043 |
| Long-term loans receivable | 4,207 | 3,050 | 39,266 |
| Other assets | 15,392 | 16,364 | 143,681 |
| Deferred income taxes | 3,465 | 9,476 | 32,348 |
| Allowance for doubtful receivables | (485) | (622) | (4,530) |
| Total investments and other assets | 91,310 | 87,624 | 852,328 |
| Vessels, property and equipment : | | | |
| Vessels | 396,320 | 433,723 | 3,699,430 |
| Buildings and equipment | 98,525 | 99,635 | 919,673 |
| Accumulated depreciation | (276,778) | (293,172) | (2,583,569) |
| | 218,067 | 240,186 | 2,035,534 |
| Land | 35,518 | 36,013 | 331,540 |
| Construction in progress | 33,424 | 9,681 | 312,001 |
| Vessels, property and equipment net | 287,009 | 285,880 | 2,679,075 |
| Intangible assets | 5,807 | 5,811 | 54,211 |
| Total assets | ¥537,697 | ¥515,825 | \$5,019,111 |

Consolidated Balance Sheets

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for the nine months ended December 31, 2003 and year ended March 31, 2003

LIABILITIES AND SHAREHOLDERS' EQUITY

| | Nine Months ended Dec. 31, 2003 | Year ended Mar. 31, 2003 | Nine Months ended Dec. 31, 2003 |
|--|---------------------------------------|--------------------------------|---------------------------------------|
| Current liabilities : | | | |
| Short-term loans | ¥54,289 | ¥35,194 | \$506,756 |
| Current portion of long-term debt | 42,708 | 44,863 | 398,655 |
| Accounts and notes payable – trade | 61,757 | 60,004 | 576,464 |
| Deferred income | 11,405 | 11,696 | 106,462 |
| Current portion of obligations under finance leases | 1,498 | 1,393 | 13,979 |
| Other current liabilities | 21,066 | 13,611 | 196,644 |
| Total current liabilities | 192,723 | 166,761 | 1,798,960 |
| Long-term liabilities : | | | |
| Long-term debt, less current portion | 179,880 | 215,644 | 1,679,082 |
| Allowance for employees' retirement benefits | 13,469 | 14,551 | 125,724 |
| Allowance for directors' and statutory auditors' retirement benefits | 1,912 | 2,044 | 17,850 |
| Accrued expenses for overhaul of vessels | 8,962 | 7,530 | 83,655 |
| Obligations under finance leases | 11,913 | 9,481 | 111,204 |
| Deferred income taxes | 2,946 | 1,033 | 27,502 |
| Other long-term liabilities | 11,773 | 9,496 | 109,893 |
| Total long-term liabilities | 230,855 | 259,779 | 2,154,910 |
| | | | |
| Minority interests in consolidated subsidiaries | 7,783 | 7,245 | 72,653 |
| Shareholders' equity : | | | |
| Common stock: | | | |
| Authorized 1,080,000,000 shares | | | |
| Issued 593,796,875 shares | 29,690 | 29,690 | 277,138 |
| Capital surplus | 14,535 | 14,535 | 135,680 |
| Retained earnings | 55,266 | 39,694 | 515,876 |
| Revaluation reserve for land | 5,094 | 4,848 | 47,548 |
| Unrealized holding (loss) gain on investments in securities | 7,713 | (2,530) | 72,001 |
| Translation adjustments | (5,208) | (3,912) | (48,618) |
| | 107,090 | 82,325 | 999,625 |
| Treasury stock, at cost | (754) | (285) | (7,037) |
| Total Shareholders' equity | 106,336 | 82,040 | 992,588 |
| Total Liabilities and shareholders' equity | ¥537,697 | ¥515,825 | \$5,019,111 |

Consolidated Statements of Income

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for the nine months ended December 31, 2002, 2003 and year ended March 31, 2003

(Millions of Yen/Thousands of U.S.Dollars)

| | Nine Months ended Dec.31,2003 | Nine Months ended Dec.31,2002 | Nine Months ended Dec.31,2003 | Year ended Mar.31,2003 |
|--|--|-------------------------------------|--|------------------------------|
| Operating revenues | ¥537,842 | ¥473,150 | \$5,020,457 | ¥632,725 |
| Costs and expenses | 487,799 | 452,781 | 4,553,333 | 603,443 |
| Operating income | 50,043 | 20,369 | 467,124 | 29,282 |
| Other income (expense): | | | | |
| Interest and dividend income | 1,293 | - | 12,071 | 1,333 |
| Interest expense | (4,214) | - | (39,339) | (6,487) |
| Exchange loss, net | (4,092) | - | (38,197) | (1,343) |
| Loss (gain) on sales of vessels, properties | (2,904) | - | (27,106) | 2,324 |
| Loss on sales of securities | (1,107) | - | (10,329) | (3,263) |
| Loss on devaluation of investments in securities | (17) | - | (163) | (3,211) |
| Others, net | (434) | - | (4,050) | 45 |
| Total other income (expense) | (11,475) | - | (107,113) | (10,602) |
| Income before income taxes | 38,568 | - | 360,011 | 18,680 |
| Income taxes current | 13,099 | - | 122,271 | 8,662 |
| deferred | 3,122 | - | 29,139 | (873) |
| Total income taxes | 16,221 | - | 151,410 | 7,789 |
| Minority interests | 685 | - | 6,402 | 518 |
| Net income | ¥21,662 | - | \$202,199 | ¥10,373 |

Note: Net income including extraordinary items and income taxes for the nine months ended December 31st, 2002 is not disclosed.

Consolidated Segment Information

(a) Business segment information

Nine months ended Dec.31,2003

(Millions of Yen)

| | Marine Transportation | Service incidental to transportation | Others | Total | Eliminations | Consolidated |
|-------------------------------------|--------------------------|--|---------------|----------------|-----------------|----------------|
| Revenues | | | | | | |
| (1) Operating revenues | ¥462,364 | ¥65,706 | ¥9,772 | ¥537,842 | ¥ - | ¥537,842 |
| (2) Inter-group sales and transfers | 2,152 | 38,334 | 6,648 | 47,134 | (47,134) | - |
| Total revenues | 464,516 | 104,040 | 16,420 | 584,976 | (47,134) | 537,842 |
| Operating expenses | 420,888 | 98,454 | 15,735 | 535,077 | (47,278) | 487,799 |
| Operating income | ¥43,628 | ¥5,586 | ¥685 | ¥49,899 | ¥144 | ¥50,043 |

Nine months ended Dec.31,2002

(Millions of Yen)

| | Marine Transportation | Service incidental to transportation | Others | Total | Eliminations | Consolidated |
|-------------------------------------|--------------------------|--|---------------|----------------|-----------------|----------------|
| Revenues | | | | | | |
| (1) Operating revenues | ¥396,644 | ¥66,104 | ¥10,402 | ¥473,150 | ¥ - | ¥473,150 |
| (2) Inter-group sales and transfers | 2,113 | 35,102 | 6,719 | 43,934 | (43,934) | - |
| Total revenues | 398,757 | 101,206 | 17,121 | 517,084 | (43,934) | 473,150 |
| Operating expenses | 382,892 | 97,469 | 16,392 | 496,753 | (43,972) | 452,781 |
| Operating income | ¥15,865 | ¥3,737 | ¥729 | ¥20,331 | ¥38 | ¥20,369 |

Nine months ended Dec.31,2003

(Thousands of U.S.Dollars)

| | Marine Transportation | Service incidental to transportation | Others | Total | Eliminations | Consolidated |
|-------------------------------------|--------------------------|--|----------------|------------------|------------------|------------------|
| Revenues | | | | | | |
| (1) Operating revenues | \$4,315,915 | \$613,330 | \$91,212 | \$5,020,457 | \$ - | \$5,020,457 |
| (2) Inter-group sales and transfers | 20,092 | 357,825 | 62,061 | 439,978 | (439,978) | - |
| Total revenues | 4,336,007 | 971,155 | 153,273 | 5,460,435 | (439,978) | 5,020,457 |
| Operating expenses | 3,928,758 | 919,009 | 146,883 | 4,994,650 | (441,317) | 4,553,333 |
| Operating income | \$407,249 | \$52,146 | \$6,390 | \$465,785 | \$1,339 | \$467,124 |

Year ended Mar.31,2003

| | Marine Transportation | Service incidental to transportation | Others | Total | Eliminations | Consolidated |
|-------------------------------------|--------------------------|--|---------------|----------------|-----------------|----------------|
| Revenues | | | | | | |
| (1) Operating revenues | ¥530,228 | ¥88,774 | ¥13,723 | ¥632,725 | ¥ - | ¥632,725 |
| (2) Inter-group sales and transfers | 2,853 | 48,983 | 8,777 | 60,613 | (60,613) | - |
| Total revenues | 533,081 | 137,757 | 22,500 | 693,338 | (60,613) | 632,725 |
| Operating expenses | 510,697 | 132,956 | 20,413 | 664,066 | (60,623) | 603,443 |
| Operating income | ¥22,384 | ¥4,801 | ¥2,087 | ¥29,272 | ¥10 | ¥29,282 |

Non-Consolidated Balance Sheets

Kawasaki Kisen Kaisha, Ltd. for the nine months ended December 31, 2003, and year ended March 31, 2003.

ASSETS

(Millions of Yen/Thousands of U.S.Dollars)

| | Nine Months ended Dec. 31, 2003 | Year ended Mar. 31, 2003 | Nine Months ended Dec. 31, 2003 |
|--|--|---|--|
| Current assets : | | | |
| Cash and time deposits | ¥6,938 | ¥5,621 | \$64,765 |
| Accounts and notes receivable - trade | 63,533 | 53,788 | 593,050 |
| Allowance for doubtful receivables | (2,549) | (396) | (23,794) |
| Inventories | 8,109 | 9,069 | 75,692 |
| Prepaid expenses and deferred charges | 19,747 | 17,957 | 184,326 |
| Other current assets | 14,931 | 10,461 | 139,371 |
| Total current assets | 110,709 | 96,500 | 1,033,410 |
| Investments and other assets : | | | |
| Investments in and advances to subsidiaries and affiliates | 58,200 | 38,706 | 543,265 |
| Investments in securities | 48,559 | 41,619 | 453,274 |
| Long-term loans receivable | 3,632 | 2,375 | 33,905 |
| Other assets | 5,658 | 5,847 | 52,818 |
| Allowance for doubtful receivables | (314) | (394) | (2,933) |
| Total investments and other assets | 115,735 | 88,153 | 1,080,329 |
| Vessels, property and equipment : | | | |
| Vessels | 153,146 | 154,525 | 1,429,532 |
| Buildings and equipment | 12,580 | 12,616 | 117,423 |
| Accumulated depreciation | (111,340) | (113,385) | (1,039,298) |
| | 54,386 | 53,756 | 507,657 |
| Land | 23,359 | 23,421 | 218,047 |
| Construction in progress | 260 | 1 | 2,431 |
| Vessels, property and equipment, net | 78,005 | 77,178 | 728,135 |
| Intangible assets | 4,518 | 7,309 | 42,169 |
| Total assets | ¥308,967 | ¥269,140 | \$2,884,043 |

Non-Consolidated Balance Sheets

Kawasaki Kisen Kaisha, Ltd. for the nine months ended December 31, 2003, and year ended March 31, 2003.

LIABILITIES AND SHAREHOLDERS' EQUITY

(Millions of Yen/Thousands of U.S.Dollars)

| | Nine Months ended Dec.31,2003 | Year ended Mar.31,2003 | Nine Months ended Dec.31,2003 |
|--|-------------------------------------|------------------------------|-------------------------------------|
| Current liabilities : | | | |
| Short-term loans | ¥19,401 | ¥4,891 | \$181,098 |
| Current portion of long-term debt | 22,406 | 26,008 | 209,151 |
| Accounts and notes payable – trade | 55,175 | 51,339 | 515,028 |
| Deferred income | 10,950 | 11,111 | 102,208 |
| Other current liabilities | 23,724 | 16,497 | 221,453 |
| Total current liabilities | 131,656 | 109,846 | 1,228,938 |
| Long-term liabilities : | | | |
| Long-term debt, less current portion | 78,830 | 85,548 | 735,835 |
| Allowance for employees' retirement benefits | 2,300 | 2,890 | 21,467 |
| Allowance for directors' and statutory auditors' retirement benefits | 1,220 | 1,212 | 11,387 |
| Accrued expenses for overhaul of vessels | 1,383 | 1,439 | 12,909 |
| Deferred income taxes for land revaluation | 1,817 | 1,806 | 16,966 |
| Other long-term liabilities | 6,087 | 527 | 56,821 |
| Total long-term liabilities | 91,637 | 93,422 | 855,385 |
| Shareholders' equity : | | | |
| Common stock: | | | |
| Authorized 1,080,000,000 shares | | | |
| Issued 593,796,875 shares | 29,690 | 29,690 | 277,138 |
| Capital surplus | 14,535 | 14,535 | 135,680 |
| Legal reserve | 2,540 | 2,540 | 23,713 |
| Revaluation reserve for land | 3,016 | 2,996 | 28,153 |
| Special reserve | 15,474 | 11,850 | 144,437 |
| Retained earnings | 14,349 | 6,905 | 133,934 |
| Unrealized holding (loss) gain on investment securities | 6,710 | (2,461) | 62,635 |
| Less : treasury stock, at cost | (640) | (183) | (5,970) |
| Total shareholders' equity | 85,674 | 65,872 | 799,720 |
| Total liabilities and shareholders' equity | ¥308,967 | ¥269,140 | \$2,884,043 |

Non-Consolidated Statements of Income

Kawasaki Kisen Kaisha, Ltd. for the nine months ended December 31, 2002, 2003, and year ended March 31, 2003.

(Millions of Yen/Thousands of U.S.Dollars)

| | Nine Months ended Dec.31,2003 | Nine Months ended Dec.31,2002 | Nine Months ended Dec.31,2003 | Year ended Mar.31,2003 |
|---|-------------------------------------|-------------------------------------|-------------------------------------|------------------------------|
| Operating revenues : | ¥436,401 | ¥373,400 | \$4,073,562 | ¥499,792 |
| Operating expenses : | 397,243 | 359,709 | 3,708,046 | 479,949 |
| Operating income | 39,158 | 13,691 | 365,516 | 19,843 |
| Other income (expense) : | | | | |
| Interest and dividend income | 1,245 | - | 11,619 | 1,266 |
| Interest expense | (2,139) | - | (19,966) | (3,199) |
| Exchange loss, net | (3,487) | - | (32,552) | (1,431) |
| Loss (gain) on sales of vessels, property and equipment | (637) | - | (5,944) | 1 |
| Loss on sales of securities | (1,304) | - | (12,168) | (1,970) |
| Loss on devaluation of investments in securities | (12) | - | (114) | (1,919) |
| Others, net | (5,189) | - | (48,433) | (628) |
| Total other income (expense) | (11,523) | - | (107,558) | (7,880) |
| Income before income taxes | 27,635 | - | 257,958 | 11,963 |
| Income taxes | 10,552 | - | 98,497 | 5,427 |
| Net income | ¥17,083 | - | \$159,461 | ¥6,536 |

Note: Net income including extraordinary items and income taxes for the nine months ended December 31st, 2002 is not disclosed.