

OCEAN BREEZE

News About The Wide World of "K" LINE

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CKYH 2008 Summit Meeting

CKYH (COSCON, “K” LINE, Yang Ming, and Hanjin Shipping) Alliance announced that their 2008 Summit Meeting was held on April 9, 2008 in Okinawa, Japan. The Summit Meeting was attended by the senior management staff of each line.

The Alliance stated that the Meeting’s major goal was to strengthen the cooperation among the Alliance partners in order to enhance service competitiveness and improve services to customers on the East and West trades, and also to enlarge service coverage.

In order to overcome the current challenges in the shipping industry, such as the unprecedented escalation of bunker and operation costs, the CKYH Alliance partners agreed to proceed with various strategic plans; rationalization of services in the Trans-Pacific and European trades, development of regional feeder networks, cooperation on terminals and chassis, etc.

Furthermore, in recognition of the importance of global environment, the CKYH Alliance also agreed to make efforts to protect the environment by reducing bunker consumption through service rationalization, minimizing emissions of CO₂

through vessel speed control and by using environmentally-friendly equipment for both vessels and terminal operations.



Summary of CKYH services loops on East and West Trade up to April 2008

- Asia – Trans-Pacific Trade
 - Asia – North America West Coast Service: 14 loops
 - Asia – North America East Coast Service: 5 loops
- Asia – North Europe / Mediterranean Trade
 - Asia – North Europe service: 8 loops
 - Asia – West Mediterranean service: 3 loops
 - Asia – East Mediterranean service: 2 loops
- Trans – Atlantic Trade: 2 loops

“K” LINE still Presidential in Toyota’s Eyes

—“K” LINE Awarded “Toyota President’s Award for Logistics Excellence” for the 4th Consecutive Year—

It was with great pleasure and honor that “K” LINE recently received the news of its ongoing success and record with respect to Toyota U.S.A.’s “Toyota President’s Award for Logistics Excellence”.

At the Toyota Logistics Services Inc. (TLS), annual Logistics Partner’s Meeting awards dinner held March 17 in San Diego, California, “K” LINE was presented with the following awards:

The President’s Award for Logistics Excellence – Marine —(“Best of Best Ocean Carrier”)
Logistics Excellence Award - Customer Service

This is the unprecedented fourth consecutive year that “K” LINE receives the coveted President’s Award. “K” LINE has also won five of the last six Customer Service awards.

Mr. Y. Hasegawa, Senior Managing Executive Officer, “K” LINE Tokyo, personally accepted the award on behalf of “K” LINE offering his hearty congratulations to all!

It is truly a tribute to “K” LINE as an organization, and to all associated personnel on land and at sea, that “K” LINE can enjoy this repeated recognition from such an esteemed customer. A great job indeed, may the tradition continue...



The MV Texas Highway is one of “K” LINE’s PCCs dedicated to the carriage of Toyotas between Japan and the U.S.



“K” LINE celebrates its 4th consecutive “President’s Award for Logistics Excellence” from Toyota Logistics Services Inc., (USA). (Front Row from left to right :) Don Esmond – Sr. VP, Automotive Operations, Toyota Motor Sales USA; Yoichi Hasegawa – Sr. Managing Executive Officer, “K” LINE Tokyo; Alan DeCarr – Group VP&GM, Toyota Logistics Services (Back Row from left to right :) Yoko Yokoyama – Manager, Car Carrier Division (Laxcar), “K” Line America; Jim Finkel – Corporate Manager, Toyota Logistics Services; Steve Sugawara-Group VP, Toyota Logistics Services; Ray Leonard – VP, Pacific Region, Car Carrier Division (Laxcar), “K” Line America; Ken Tsuji – VP, Car Carrier Division (Riccar), “K” Line America.

Certification of ISO 9001 for Quality Management Acquired from Det Norske Veritas (DNV)

“K” LINE and “K” Line Ship Management Co., Ltd. have jointly been working to acquire the certification qualifying for ISO 9001 from DNV, Norwegian Ship Classification Society. It accredits and certifies that each process of our work practices be in compliance with the requirements of ISO 9001, i.e. planning of newbuildings,



from left to right: Mr. Norio Tsutsumi, Managing Executive Officer, “K” LINE, Mr. Trond Hodne, Regional Manager, DNV Maritime, Japan

development of design, decision of ship specifications/ approval of a plan after a ship-building contract and supervisory work undertaken during a construction period of time.

ISO 9001 is a series of criteria exploited by the International Organization for Standardization to provide a fundamental framework of effective quality management system. It is globally positioned as criteria for upgrading customer satisfaction including guarantee of quality. Simultaneously, it aims at improving quality of products and services through maintenance

and improvement of work process of relevant work. ISO 9001 says that if its recommended approach is taken: “Plan,” “Do,” “Check” and “Aid,” an organization or institution will surely give importance and adequate response to customer needs with timeliness.

As the quality management system is audited centering on work process, it enables us to achieve work efficiency by upgrading of organizational service quality and reduction of customer dissatisfaction.

We, Ship Planning Group, are committed to constantly reviewing what we do in compliance with ISO 9001; We will endeavor to build as cost-competitive ships as possible making in-depth examinations on performance, quality and specifications our customers seek. In practice, the same examinations are being conducted all through the various stages of construction work from the early planning stage of newbuildings up to the final stage of completion.

In this solid and attentive manner, we have a strong intention to achieve “K” LINE’s corporate principles, i.e. safety in ship navigation/cargo operations and conservation of the environment.

Report from Indonesia:

PT. “K” Line Mobaru Diamond Indonesia (KMDI) Recently Bought Another 20 Brand-New Hino Trucks

KMDI, one of the “K” Line Indonesia Group subsidiaries, was established on June 1, 2003 as a joint venture logistics company between PT. “K” Line (Indonesia) and PT. Mobaru Diamond Indonesia, a leading local automobile carrier car operator. Ever since established, KMDI has successfully become one of the leading logistics companies that provides car carrier service, container trucking and also container depot service.

In order to cover more extensive markets/more customers and strengthen its position both in carrier car and container trucking business, KMDI plans to continuously add more equipment inventory. Just recently in February 2008, KMDI increased their equipment inventory for both container trucking and carrier car business by purchasing 20 units brand-new Hino trucks from PT. Hino Motors Sales Indonesia. With these additional units, for container trucking business, currently KMDI now owns in total 35 units of Truck Head with 4 units of chassis 20’ feet and 31 units of chassis 40’ feet. KMDI’s main customers for container trucking are Nissan, Hino, Pantja Motor, Yamaha Motor Parts Manufacturing and Toa Galva. As for carrier car business, currently KMDI owns a total of 62 units of carrier cars, with main customers such as

Toyota, Suzuki, Daihatsu and Mitsubishi and also non-Japanese customers such as KIA, Hyundai, GM, Ford, Mercedes, Porsche and Ferrari.

The picture shows the handover ceremony of the first 5 truck units which was held on February 28, 2008. The event was attended by Board Members of PT. Hino Motors Sales Indonesia: Mr. Toshiro Mizutani and Mr. Beny Kriswanto; board members of K Line (Indonesia) Group: Mr. Tetsuo Nonaka and Ms. Atsuko Watanabe; board members of KMDI: Mr. Eddy Suwanto and Mr. Prayudi Hendarto. This news was published in the local media Kompas Daily, March 16, 2008 edition.



Contract Concluded with Hokkaido Electric Power Company for Dedicated Use of "CORONA ACE"

"K" LINE concluded a long-term transport contract with Hokkaido Electric Power Company (hereunder "HEPCO") starting from April 2009, in which it was agreed to dedicate "Corona Ace" to the related transport.

The contract covers transport of coal from Australia, Indonesia and Russia, etc. to HEPCO's thermal plant in Tomatouatsuma.

We have already fixed a comprehensive transport contract with HEPCO for dedicated use of our Corona-series carriers. Once this-time contract has been executed, the Company is engaged in carrying a major portion of their materials for gen-

eration of power as a mega carrier dedicated to HEPCO.

We are committed to making stronger efforts for safe carriage along

our own way fostered through our long and specialized experience in marine transport of thermal coal and assuming a portion of responsibility for stable securing of coal for electric power resources from overseas.



Delivery of 154,900m³ LNG Carrier "TRINITY ARROW" for Cheniere

A consortium comprising "K" LINE, Mitsui & Co., Ltd. and Imabari Shipbuilding Co., Ltd., announced today the successful delivery of a liquefied natural gas (LNG) carrier, "TRINITY ARROW," constructed at Imabari Shipbuilding Group's Koyo Dockyard Co., Ltd. The vessel is the first LNG vessel constructed by Imabari Shipbuilding Group and will be chartered to a subsidiary of Cheniere Energy, Inc., an American energy company, soon after her delivery. "K" LINE Group's "K" Line LNG Shipping (UK) Limited, headquartered in London, will be responsible for the ship management of "TRINITY ARROW." Imabari Shipbuilding Group has been focusing on research and development to construct a Membrane type LNG carrier licensed by the French company, Gaztransport & Technigaz (GTT), in December 2000. Agreed by and among "K" LINE, Mitsui & Co. and Imabari Shipbuilding to build the

LNG vessel in August 2004, the vessel has now been delivered after successful sea trial and gas handling test under "K" LINE's technical support. Having Japan's largest class of tank capacity of 154,900m³, the vessel is compatible with many major existing LNG terminals around the world. By introducing the world's first Trapezoidal Tank in horizontal direction and environmentally-friendly Reinforced Polyurethane Foam (R-Puf) for heat insulation, resulting in larger capacity of No.1 tank as well as low boil-off gas rate. This vessel will be utilized for transporting LNG world wide, including to LNG receiving terminals being developed by Cheniere Energy in the US. Responding to the growing and diversified demands of global LNG trading, this brand new vessel, with "K" LINE and Mitsui & Co.'s global commercial network, promises efficient, reliable and customer-friendly LNG transportation.



Establishment of "K" LINE (INDIA) PRIVATE LIMITED

"K" LINE will establish its own shipping agency in India as a joint venture together with UNITED LINER AGENCIES OF INDIA (PRIVATE) LIMITED. New company will be known as "K" LINE (INDIA) PRIVATE LIMITED, and commence operations from May 5, 2008. Head office will be in Mumbai, and will have New

Delhi branch office and Nhava Sheva branch office.

In recognition of the Indian market as a strategic sector with its current high level of economic development and foreign trade growth, we believe that "K" LINE (INDIA) PRIVATE LIMITED will provide ever-more-sophisticated service to all of our customers.

“K” LINE (INDIA) PRIVATE LIMITED will accede all agency activities for KAWASAKI KISEN KAISHA, LTD. in India, which UNITED LINER AGENCIES OF INDIA (PRIVATE) LIMITED and

“K” STEAMSHIP AGENCY PRIVATE LIMITED engaged in during the past.

Education Partnership with Marine School in the Philippines “Establishment of “K” LINE CLASS in Cristal e-College”

The “K” LINE Group is pleased to announce that we have finally concluded a memorandum of agreement with “Cristal e-College” which is a private Merchant Marine Academy with scholarship program in the Philippines. We, the “K” LINE Group, have already introduced various cadet/scholarship programs as follows:

- * Scholarship program at various schools
- * Bridge Program (for technical university graduates to obtain marine license)

In addition, our strong partnership with “Cristal e-College” expands our “K” LINE education system in the Philippines, making it even more solid. Furthermore, we will provide seafarers with more efficient training courses according to “K” LINE’s original philosophy.

With this tie-up, we have carried out “K” LINE Group’s original selective examination for students (with approx. 600

applicants) who will graduate from high schools across the Philippines, and 24 scholars out of those who have already passed it will enter the engine department course of “Cristal e-College” in June 2008. We are planning to accept 48 scholars every year (24 each for navigation department and engine department) from all over the Philippines after 2009.

“K” LINE is the first shipping company to exchange MOA for scholarships with Cristal e-College. “K” LINE will enforce the partnership and educate students with “K” LINE’s original program to assist them to become future excellent officers on “K” LINE’s fleet.



Winners of “Annual Excellent Management Award” for Fiscal 2007 Solemnly and Officially Celebrated at the 4th Ceremony

The Ceremony took place on March 6, 2008 at the beginning of a party after the 1st day of the Group Management Conference (“K” LINE’s interviews with individual group companies). The awarding system was set up to inspire and reward management efforts by group companies at home and abroad. The awards were given to those companies who remarkably contribute to reinforcement of management infrastructure and development of business achievements.

Brief profiles of award-winning companies are being presented as follows.

Annual Excellent Management Award

“K” LINE BULK SHIPPING (UK) LIMITED

- Ever since established in 2003, it has tried positively developing the off-Japan trade as an overseas dry-bulk business base in Europe.
- **Main reasons for being awarded:** They could make successful investments in ordering/building new ships during the period of time when the newbuilding market was at a comparatively low level; operating revenues showing an 80% increase and; operating income and ordinary income (income before income taxes and extraordinary items) recorded a double increase as compared with last year.



“K” Line European Sea Highway Services GmbH. (2nd consecutive year)

- As one of the major short sea carrier operators in Europe, it has been playing an important role in car carrier business in Europe.
- **Main reasons for winning the award:** They have been showing favorable business condition since it succeeded in escaping from the past financial deficit in Fiscal 2006; Operating income achieved a 5-time increase January through September in 2007 as compared with the last year’s same period whereas ROI improved 2.5 times; they contributed to the consolidated financial position of the “K” LINE Group in both profitability and finance.



“K” LINE (CHINA) LTD.

- Its main line of business is containership agency. Riding adequately a favorable wave of Chinese economic development, they have been opening branch offices in various places in China and expanding its network.
- **Main reasons for receiving the award:** They could solidly increase operating revenues with operating income showing a predominant development; they also could achieve a larger cost-saving than targeted; all of which contributed to the consolidated financial position.

“K” LINE (TAIWAN) LTD.

- “K” LINE bought out stock of Grocean Shipping Agency Ltd. in February 2005, which consequently changed its name into “K” LINE (TAIWAN) LTD, performing as general agent for “K” LINE.
- **Reasons for award receipt:** They could grow operating income and realize a larger amount of cost cutting than expected which contributed to the consolidated financial position.

Special Award

TAIYO NIPPON KISEN CO., LTD. (The Excellent Ship Management – Bulk Carriers and Car Carriers)

- They are mainly engaged in ship management for bulk carriers and car carriers. Despite every cost soaring, they succeeded in putting ship-management costs within a plus/minus 5% scope of the annual budget. They also could minimize frequency of accidents and down time at a lower level in both 2006 and 2007 in a row.
- **Main reasons for the award:** They made thorough efforts for realizing “Zero Oil Spillage Accident” and taking appropriate measures against smoke and soot; successfully attained all targets especially, seriously tackling environmental issues with admirable achievements.



“K” LINE SHIP MANAGEMENT CO., LTD. (The Excellent ship Management – Energy Resources Carrier and Container Carrier)

- They are engaged in ship management for energy resources carriers and container carriers. They practiced revision of the SMS (Safety Management System) Manual effective from June 1, 2007 in compliance with TMSA (Tanker Management and Self Assessment).
- **Reasons for acquisition of the award:** Since ship management of tankers and LNG carriers was transferred to this company, they have been making solid advance in securing/fostering ship crewmembers and superintendents whereas success of the on-



going Tangguh project has also been in sight.

1-STOP DOCENTRE SDN BHD (The Best-Quality Award)

- Back in 1977, the company was set up as the documentation center of “K” LINE (SINGAPORE) PTE LTD in Malaysia. Ever since, they have steadily been able to extend documentary assignment to TOKYO, U.S.A. and Europe.
- **Reasons for acquisition of the award:** Production numbers of B/Ls and invoices increased to 633K, a 1.8 time increase as compared with 337K in 2005 and they could reduce fault ratio to 0.45% from 0.67%.

“K” LINE (EUROPE) LIMITED (Car Carrier Group) (Challenge Spirit Award)

- As “K” LINE’s business base in Europe, they are performing a vital part in European business whereas the Car Carrier Group started “Black Sea Link” in late 2005 ahead of their competitors.
- **Reasons for receipt of the award:** They accomplished an entire portion of Honda cars in maritime transportation meanwhile also acquiring a major share of Toyota cars. As such, their business achievement could develop to a significant extent.



K LINE (THAILAND) LTD. (The Best Logistics Company Award)

- In addition to containership business, they have made further development in reinforcement of infrastructure of logistics business for the past few years: (1) They possess and operate a large fleet of 237 trucks, 203 truck heads, 40 carrier cars and 578 chassis; (2) their car carrier business for Toyota is highly assessed although they are still working as subcontractors and (3) they have recently joined milk run business by TMT having gained leadership in that field.
- **Reasons for being awarded:** They were given not only the ISO Certification but also National Award, Zero Accident Award and the Certification of White-Company (Anti-drag) with a view to their diligent and constant consideration to safety and the environment. They also have a good reputation among customers.

PT. KLINE INDONESIA (The Best Entrepreneur Award)

- Back in 1997, it was set up as general agent in Indonesia for “K” LINE’s containership business. They are expanding their business into the logistics field by having 55 carrier cars, 30 truck heads and 32 chassis.
- **Reasons for acquiring the award:** PT K LINE MOBARU DIAMOND INDONESIA, their subsidiary company, was successful in gaining carrier car business for exporting complete cars of Daimler-Benz AG and enjoying a top share of entire carrier car business (30-35% of total) in Indonesia and winning customers’ strong and deep confidence.

“K” Line Logistics (Australia) Pty Limited Becomes a Registered Member of the International Air Transport Association (IATA)

*Contributed by Mr. Craig Sayer, National Business Development Manager, “K” Line Logistics (Australia) Pty. Limited
Century Distribution Systems (Australia) Pty. Limited KLTL Australia Committee*

A recent milestone in Australia was reached on the 25th day of January this year whereby our business unit “K” Line Logistics (Australia) Pty Limited was formally welcomed by the International Air Transport Association (IATA) as a registered member. Our application was approved on this day and we officially became an IATA Licensed Air Cargo Agent.

In order to secure this, we have undergone an extensive process of passing various Government body regulations and examinations including Air Security, Hazardous Cargo Handling and Transport Security Plans as set by the Department of Transport and Regional Services. At a recent audit we were actually used as a benchmark for other major international forwarders to measure against.

In June 2006, our Australian operation was launched as a joint venture between “K” Line Logistics Tokyo and Kawasaki Australia. Our operation was able to record a net profit within our first year. Of course this is only due to the hard work, commitment and assistance of many people, not only in the global “K” Line Logistics family but also the “K” LINE Group who are always very supportive...so a sincere “thank you” to all directly or indirectly involved in this landmark achievement – a true team effort.

We have a big challenge ahead of us to continue the momentum in the competitive area of international transportation and logistics. Your unyielding support will provide great assistance to us in “the land down under,” promoting this new development to all customers.

Whilst making this announcement, we would like to use this opportunity to remain on stage for a moment, taking the time to update all readers of our local KLTL initiative, successes, investments and ideas and secondly, to share some of my own personal thoughts.

Firstly on the local front:

	PrixCar — National Automotive Pre-Delivery facility for the Australian automotive industry, supporting our PCC shipping services
	Monson Agency — National Ship Husbandry and Forwarding services
	SCL — National Customs Clearance division
	Century Distribution Systems (Australia) Pty Limited — Vendor Management, consolidation, visibility via VMS
	P&O Automotive General Stevedoring — Stevedoring for Automotive, General, Bulk cargo nationally
	Australian Amalgamated Terminals — Terminal Operator for Automotive and General Cargo Carrier



“K” Line Logistics (Australia) Pty Limited —
NVOCC air/sea and general logistics

All these group company investments remain an integral part of our local KLTL portfolio of companies; each offering highly developed specialised services within the transport and logistic sectors.

“K” Line Australia continues to listen to all customers intently to find the best outcome via the integration of resources, not only in Australia but abroad. We look forward to continued growth with our colleagues world wide.

Now on a personal note...I have been part of the “K” LINE family for just over twelve years. 10 of these were mostly spent in the shipping division, in a commercial and management role. I was asked to take on the challenge to set up “K” Line Logistics and Century Distribution Systems Australia. However, I do not wish to talk about this so much, but rather the ‘people’ of our entire network.

Over the ten years at “K” LINE shipping, I have made many friends not only in Australia but also abroad and not only over the phone and email but also in person, having had the opportunity to travel overseas and work locally with expatriates stationed in Australia.

One of my thoughts whilst making this move was the fear of losing contact with all these wonderful people whilst focusing on “K” Line Logistics and Century Distribution Systems. However, what I have discovered is an even “bigger” family and a new group of people from a range of different countries, religions and backgrounds, including Directors, Managers and all their valuable staff.

It has and continues to be a great feeling with rewarding experiences and a privilege to meet so many new, wonderful, smart and enthusiastic people all with a collectively common goal to be part of a great professional organisation...so not only have I managed to keep in touch with “K” LINE shipping people but fortunate enough to discover so much more via “all” our group companies.

Until the next beer, hot tea or iced water with one of my old, new or unmet friends within our “BIG” family, may your endeavours be prosperous and successful with our services united.



New Mid-Term Management Plan “K” LINE Vision 100

“K” LINE is pleased to announce that the “K” LINE Group established the new mid-term management plan “K” LINE Vision 100. With drastic changes in the recent business environment surrounding the “K” LINE Group and financial targets for the fiscal year 2008 being achieved a year ahead of the schedule, the “K” LINE Group newly established the consolidated mid-term management plan “K” LINE Vision 100 covering the period from April 2008 to March 2012 towards the 100th Anniversary of “K” LINE in 2019.

“K” LINE Vision 100 advocates “Synergy for All and Sustainable Growth” as its main theme and has set up five basic management issues toward synergy with all the “K” LINE Group’s stakeholders and sustainable growth as well as the 100th Anniversary vision, including activities to promote the priority management issue of environmental protection. Based on these, profits planning and financial targets for 4 years from April 2008 to March 2012 have been established as follows:



**New Mid-Term Management
Theme: “Synergy for All”**

Corporate Principles of the “K” Line Group:

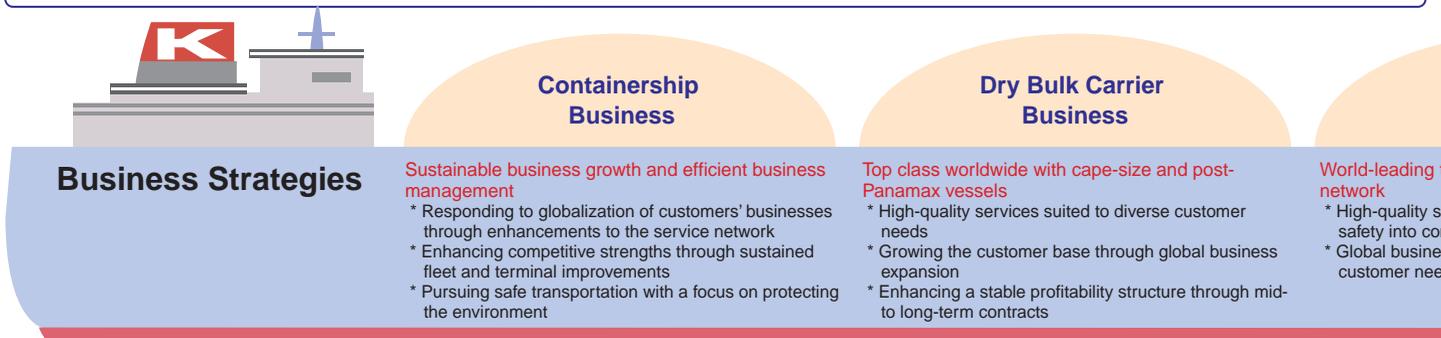
The basic principles of the “K” Line Group as a business organization centering on shipping lie in:

- Diligent efforts for safety in navigation and cargo operations as well as for environmental preservation;
- Sincere response to customer needs by making every possible effort; and
- Contributing to the world's economic growth and stability through continual upgrading of service quality.

Efforts Toward Synergy for All and Sustainable Growth

Synergy for All: Mutually beneficial relations

<p>Society in general Social contributions, a focus on the environment, governance Building relations of trust through actions as a corporate citizen and contributions to local communities</p>	<ol style="list-style-type: none"> Activities to promote environmental protection <ul style="list-style-type: none"> ● Preventing global warming ● Keeping the sea and air clean Stable and safe ship operation administration structure <ul style="list-style-type: none"> ● Enhancing safety-management systems and strengthening the land-based support structure ● Expanding our ship-management structure ● Hiring and training marine technical personnel Borderless management through the best and strongest organization <ul style="list-style-type: none"> ● Accelerating borderless management through the spread of “K” Line Standards ● Strengthening overall abilities by bringing together Group knowledge and expertise ● Dramatic improvements in worker productivity ● A bright, vibrant workplace ● Industry-leading competitive strength Proper allocation of strategic investment and management resources <ul style="list-style-type: none"> ● Establishing a stable profitability structure for existing businesses ● Growing new businesses into revenue-generating ones ● Advancing investment based on internal financial rules Improvement of corporate value and complete risk management <ul style="list-style-type: none"> ● Enhancing corporate quality and maximizing returns on profits ● Identifying and responding swiftly to potential risks
<p>Customers Provision of safe logistics services Building relations of trust through safe and reliable transportation services</p>	
<p>Shareholders Appropriate returns on profits Building relations of trust through stable and appropriate returns on profits and fair and accurate disclosure of information</p>	
<p>Business partners Enhancing partnerships Building relations of trust through fair transactions</p>	
<p>Employees Rewarding and satisfying work Building relations of trust through enhancing HR development and improving both working conditions and the working environment</p>	



“K” LINE Vision 100 Naming Award

All colleagues were globally asked to suggest an appropriate name for the new mid-term management plan. Although no applicant proposed the exact wording “K” LINE Vision 100, it was decided to present the Naming Award to Ms. Wilma McCord, KAM, for her proposal, “K” LINE VISION C, since her wording came very close to hitting the mark of “K” LINE VISION 100, the C standing for 100.

Letter from Ms. Wilma McCord, “K” Line America, Inc.

My name is Wilma McCord and I am Account Manager with KAM Charleston. I have worked for “K” LINE since 1986 in different positions (documentation, traffic, office management and since 1999 in sales). The email asking for us to come up with the name for “K” LINE’s new management plan emphasized that this new vision plan would get us to our 100 year anniversary in 2019. Thinking of a name actually became a family event — one night during our dinner my husband Mike and our daughter Sarah Anne (11 yrs) assisted me in throwing out various ideas. The 100 year anniversary is what was foremost in our mind and since our daughter had just worked with

Roman numerals at school, we tried to find a way to incorporate the letter/number C (which stands for 100) in the name. We came up with two names: “K” way to “C” and “K” LINE: Vision “C”. Besides the “C” standing for 100, it also sounds a lot like “sea”, which we thought would make using this even more appropriate.

Our family is very excited that the new management plan name “K” LINE Vision 100 was derived from one of our ideas. We hope that the new management plan will help grow “K” LINE to a great 100 year anniversary!

Management Plan (“K” LINE Vision 100) and Sustainable Growth”

Group Vision:

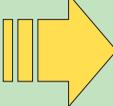
1. To be trusted and supported by customers in all corners of the world while being able to continue to grow globally with sustainability,
2. To build a business base that will be capable of responding to any and all changes in business circumstances, and to continually pursue and practice innovation for survival in the global market,
3. To create and provide a workplace where each and every employee can have hopes and aspirations for the future, and can express creativity and display a challenging spirit.

Consolidated financial targets (assumptions: exchange rate of 100 Yen = US\$1, Dubai oil price at US\$100/barrel, fuel-oil price at US\$520/MT)

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Operating revenues	1,331	1,340	1,450	1,600	1,750
Ordinary income	125.9	121	135	145	160
Net income	83	78	85	95	105
ROA	13%	12%			10% or higher
Shareholders' equity	355.8	426			680 or higher
Equity ratio	37%	37%			40% or higher
DER	93%	100%			85% or lower
Interest-bearing debt/operating CF	2.3	4.2			3.5 or lower
Payout ratio	20%	22%			25%



Mid-2010's	100th anniversary
Operating revenues: 2.2	Operating revenues: 3



30%

Fleet, shipping capacity

	End of FY 2007
Containerships	99
Dry bulk carriers	169
Car carriers	102
LNG carriers	34
Oil Tankers	28
Heavy lift /offshore carriers	15
Coastal/RORO carriers	52
Total	499

Fleet upgrading plan (FY2008-FY2011)	
	43
	65
	27
	15
	13
	13
	4
	180

(Approx. 1,180 billion yen)

End of FY 2011
132
225
106
48
45
24
60
640



Mid-2010's	End of FY 2019
Approx. 750 vessels	Approx. 900 vessels

Car Carrier Business

transportation quality and full route services taking the environment and consideration... expansion responding swiftly to needs

Energy Transportation and Tanker Business, Heavy Lift and Offshore Support Business, New Businesses

Top class worldwide with safe transportation
 * Aggressive efforts to take on new shipping demand
 * Pursuing safe and high-quality services

Logistics Business, Short Sea and Coastal Shipping Business

Mobility and high-quality services
 * Proposal-based sales that anticipate customer needs
 * Tailor-made customer-specific services

Brief Summary of the Operating Results and Financial Position for Fiscal 2007

1. Operating Results

(1) Summary of the Consolidated Operating Results for Fiscal 2007

(Unit: 100 million yen/Rounded off to the nearest 100 million)

	Fiscal 2007 (ended March 2008)	Fiscal 2006 (ended March 2007)	Increase/decrease in amount/rate
Operating revenues	¥13,310	¥10,855	+¥2,455/+23%
Operating income	¥ 1,296	¥ 614	+¥683 /+111%
Ordinary income	¥ 1,259	¥ 639	+¥619 /+97%
Net income	¥ 830	¥ 515	+¥315 /+61%

During fiscal 2007 (April 1, 2007 through March 31, 2008), the economy grew steadily at home and abroad. Though there was turmoil mainly in the U.S. and European financial and capital markets triggered by the issue of subprime lending in the U.S., it did not give material adverse effects on the real economy during the current fiscal year, except declines in housing sales in the U.S. Economies in the European countries grew firmly backed up by improved employment situations. In resources producing countries including BRICs and the Middle Eastern countries, economies continued to expand due to brisk capital investment and the growth in domestic consumption. The Japanese economy also showed a moderate growth assisted by favorably growing capital investment and consumer spending in addition to strong exports to China and newly emerging countries.

In the business environment surrounding the marine transportation industry, dry bulk market freight rates continued to record new high rates, while containership and the car carrier businesses expanded their tonnage movements backed up by brisk cargo movements. The energy transportation and tanker business including oil tanker and LNG carrier also grew steadily so the overall marine transportation industry enjoyed favorable business environment during fiscal 2007.

In addition, effects of the fluctuation in foreign exchange rates and fuel oil prices on the Company's ordinary income are as follows:

	Fiscal 2007	Fiscal 2006	Increase/decrease	Effect
Foreign exchange rates	¥115.29/US\$	¥116.91/US\$	+¥1.62/US\$	-¥1.9 billion
Fuel Oil Prices	US\$407/MT	US\$319/MT	+US\$88/MT	-¥22.9 billion

Under these circumstances, the "K" LINE Group focused on expanding its scale of business in accordance with the policies under the mid-term management plan "K" LINE Vision 2008+. As a result, the consolidated operating revenues for fiscal 2007 accounted for ¥1,331.048 billion, an increase by ¥245.508 billion compared with last year. Consolidated operating income was ¥129.648 billion, an increase by ¥68.292 billion compared with last year, and ordinary income was ¥125.867 billion, an increase by ¥61.940 billion from fiscal 2006. Consolidated net income for fiscal 2007 was ¥83.011 billion, an increase by ¥31.497 billion against the previous year. Each income recorded a new record high. In addition, effective from fiscal 2007, the Company changed the accounting method to recognize freight revenues for containership business to the multiple transportation progress method. Under the multiple transportation progress method,

freight revenues are recognized in accordance with the progress of transportation for each cargo. With this change, operating revenues, operating income, ordinary income and income before income taxes for fiscal 2007 decreased by ¥11.790 billion respectively for fiscal 2007.

In addition, operating revenues and operating income for fiscal 2007 by business segment are as follows:

(Unit: 100 million yen/Rounded off to the nearest 100 million)

	Fiscal 2007 (ended March 2008)	Fiscal 2006 (ended March 2007)	Increase/ decrease in amount/rate
Marine Transportation	Operating Revenues	¥11,769	¥9,369 +¥2,400 /+25.6%
	Operating Income	¥ 1,136	¥ 454 +¥682 /+150.3%
Logistics/Harbor Transportation	Operating Revenues	¥ 1,313	¥1,271 +¥42 / +3.3%
	Operating Income	¥ 137	¥ 138 -¥1 / -0.8%
Others Business	Operating Revenues	¥ 228	¥ 215 +¥13 / +6.1%
	Operating Income	¥ 22	¥ 18 ¥+4 /+22.6%

1) Marine Transportation

<Containership Business>

In the containership business for fiscal 2007, overall cargo movements favorably increased on the whole supported by an expanding global economy. Particularly, overall cargo movements in the European service routes increased by about 20% compared with last year, mainly in those for North Europe having benefited by strong euro and those for Russia and the East European countries assisted by strong consumer spending. In the North American services, cargo movements shipped from Asia slowed down from the 2nd half of fiscal 2007 due to a decrease in cargo of housing related products, and cargo movements for the full-term nearly leveled off on a year-on-year basis. The Company's tonnage movements in the European routes increased by 9% compared with last year, contributed by large-sized 8,000 TEU type containerships newly launched in this service since the middle of the year before last, and the levels of freight rates exceeded those in the last year. In the North American services, tonnage movements increased by 11% from last year, having benefited by enhanced cargo spaces with two newly-opened services in the U.S. East Coast service, and freight rates surpassed those in the preceding year. In the Inter-Asia services, export cargo from Japan in particular firmly grew, which contributed to the growth of the overall tonnage movements in the services. In the North/South service routes, two services connecting the South America East Coast and Europe and Asia respectively were newly opened and vessels in the South Africa service route were replaced by large-sized ones. Consequently, tonnage movements sharply increased by 36% from last year and freight rates exceeded those in fiscal 2006. As a result, the overall operating results of the containership business increased in both operating revenues and profits compared with last year, despite effects from the negative factor of further surging fuel oil prices and the change in the accounting policy.

<Bulk Carrier and Car Carrier Business>

In the dry bulk business, market freight rates for large-sized bulk carriers remained in a high zone, since the relationship of supply and demand in cargo capacity continued to be tight throughout the year. China's imports of iron ore increased about 60 million tons against the previous year to 383 million tons, especially import of iron ore from Brazil which requires a long transportation distance increased by 25 million tons compared with last year to around 100 million tons, which contributed to the sharp growth of the transportation distance per ton. Furthermore, lowered transportation efficiency due to pro-

longed demurrage in Australia was also a factor to tighten the relationship between supply and demand in shipping spaces. The Company's transportation services of steel raw materials, thermal coal, and wood-chip and pulp secured stable profits by concluding a long-term transportation agreements with each customer, and at the same time, the Company operated efficient ship operations for spot contracts, enjoying hiking freight rates. As a result, the overall dry bulk carrier business increased both its operating revenues and profits against last year.

With respect to car carrier business, overall transportation of completed cars from Japan increased by about 9% compared with last year to around 3.4 million cars supported by brisk exports to newly emerging countries, despite a decrease in exports bound to the U.S. due to sluggish auto sales in the area. Particularly, start-up of new services to China, India, Middle East and South Africa contributed to increases of about 22% in number of cars transported to the regions, and car transportation to Central and South America and Caribbean regions expanded by 38% compared with last year. In addition, the Company's efforts to secure profitable opportunities with enhanced shipping capacity with completion of five newly built car carriers contributed to ensuring stable profits. As a result, operating results of the overall dry bulk carrier and car carrier business for fiscal 2007 rose in both operating revenues and profits compared with last year.

<Energy Transportation and Tanker Business>

As for LNG (Liquefied Natural Gas) carriers, the fleet of LNG tankers that the Company owns or is involved increased to 33 carriers due to the completion of two new carriers for the LNG bases in the US. In addition, the LNG tanker chartered for a short-term corresponding to strong spot demand operated smoothly. As a result, LNG carrier business secured stable profits.

In the tanker business, market freight rates were nearly the same as the level of last year supported by strong demand for petroleum from China and India, despite sluggish growth of oil demand in transportation distance per ton and some weakened phases of market freight rates due to declines in demand for petroleum in Europe. Though one newly-built VLCC and two newly-built ammonia carriers joined the Company's fleet of tankers, profits slightly went below those of last year due to hiking fuel oil cost and transportation cost. As a result, the overall energy transportation and tanker business increased in operating revenues, and decreased in profits compared with last year.

<Heavy Lift Shipping Business>

In fiscal 2007, the Company took an equity stake in German-based SAL Group ("SAL") specializing in heavy lift shipping by acquiring 50% of SAL's shares, re-entering into the heavy lift shipping business. The heavy lift shipping business contributed to securing profits as expected as one of the marine transportation businesses backed up by strong demand for transportation of large-sized cargo related to energy development due to increasing demand for resources and construction of infrastructures.

<Coastal Shipping Business>

The domestic liner services maintained strong vessel operations mainly in limestone carriers assisted by strong demand from domestic steel and cement industries. The Company expanded the business scale of the roll-on/roll-off (RORO) ship services by launching a newly-built RORO ship for replacement, and by setting up new regular services. As for ferry services, the Company increased its services between Hachinohe and Tomakomai from two services per day to four services per day and consequently number of travelers and transportation volumes of trucks increased, which contributed to the substantial expansion of operating revenues.

As a result, the overall operating revenues for marine transportation amounted to ¥1,176.943 billion, an increase by 25.6% and operating income stood at ¥113.576 billion, an increase by 150.3% compared with last year.

2) Logistics/Harbor Transportation

The operating results of the comprehensive logistics business for the overall segment were ¥131.315 billion in operating revenues, an increase by 3.3% compared with last year, but ¥13.714 billion in operating income, a decrease by 0.8% from last year hit by negative factors including shifting of some parts of air cargo to marine transportation due to surging crude oil prices and increased fuel oil prices in overland transportation business.

3) Other Businesses

As for other businesses not mentioned above, operating revenues amounted to ¥22.788 billion, an increase by 6.1% and operating income was recorded at ¥2.187 billion, an increase by 22.6% compared with last year.

(2) Prospects for Fiscal 2008

(Unit: 100 million yen/Rounded off to the nearest 100 million)

	Prospects for Fiscal 2008 (ending March 2009)	Fiscal 2007 (ended March 2008)	Increase/ Decrease in amount/rate
Operating Revenues	¥13,400	¥13,310	+¥90 / +1%
Operating Income	¥1,240	¥1,296	-¥56 / -4%
Ordinary Income	¥1,210	¥1,259	-¥49 / -4%
Net Income	¥780	¥830	-¥50 / -6%
Foreign Exchange Rate	¥100.00/US\$	¥115.29/US\$	+¥15.29 / US\$
Fuel Oil Prices	US\$520/MT	US\$407/MT	+US\$113 / MT

Assumptions for the prospects:

Foreign exchange rate (For the full term): ¥100/US\$

Fuel oil price (For the full term): US\$520/MT

2. Analysis Concerning Financial Status

(1) Assets, Liabilities, and Net Assets

As of the end of March 2008, total assets were ¥968.629 billion, an increase by ¥68.190 billion from the end of the preceding year, due mainly to increased investment in vessels and construction in progress, despite a decrease in investment securities owing to declined stock prices.

Total liabilities at the end of March 2008 were ¥592.352 billion. Current liabilities increased ¥15.550 billion against the end of the previous year, due to an increase in accounts and notes payable-trade resulted from expanded scale of business and an increase in accrued income taxes, in spite of decreases in current portion of bonds payable and short-term loans. Long-term liabilities increased by ¥33.987 billion from the end of fiscal 2007 due to an increase in long-term debt despite a decline in bonds.

Net assets increased by ¥18.652 billion on a year-on-year basis to ¥376.277 billion, thanks to an increase in retained earnings, despite a decrease in valuation and translation adjustments owing to decreased holding gains on investment securities caused by falling stock prices.

(2) Consolidated Cash Flow

As of the end of this consolidated fiscal term, cash and cash equivalents were ¥48.044 billion, a decrease by ¥12.448 billion from the end of fiscal 2006. Details of consolidated cash flows for the first half of fiscal 2007 are as follows:

Cash flow from operating activities resulted in a gain of ¥141.237 billion, due to an increase income before income taxes (previous term: + ¥66.483 billion).

Cash flow from investing activities ended with a loss of ¥145.540 billion due to expenditures for acquisition of vessels (previous term: - ¥102.852 billion).

Cash flow from financing activities saw an outflow of ¥7.460 billion, owing mainly to expenditures for repayment of borrowings (previous term: +¥53.376 billion).

Addresses by New Executive Officers

Shall We Be Joyful, Amicable & Cheerful?

Shigeo Itaya, Executive Officer



Back in April 1975, I took part in the Company's entrance ceremony and the luncheon that followed at headquarters in Kobe. After that, I took a course for newcomers there lasting about one week. I remember each and every event so freshly as if they had just happened just the other day. Although I feel somewhat strange about it, aging leads us to perceive that way about what has

occurred to us in our lives.

In now being appointed Executive Officer, I recognize ever more just how responsible I am for my obligations, getting excited like a soldier who is about to go to fight. My excitement comes not only from my obligations for development of "K" Line (China) Ltd. and for welfare of employees working there, but also from my thoughts about what I am now being expected to support as well as the assistance given by a wide range of people around me such as seniors, colleagues and juniors regardless of workplace at sea or land, also clients, agents, supporting business associates and bureaus of port authorities outside the Company, etc. Needless to say, I am thankful to my parents for having brought me up with good health and to my family for always enduring together, even during periods of hardships.

Further, it causes me to tremble with so much excitement to consider seriously that I must now live up to the expectations of all people concerned.

Very frequently, those invaluable words presented by my seniors come to mind, words that have always encouraged and inspired me a great deal. For the rest of my life, I am also determined to keep and act in accordance with those words as my perpetual landmark in both mind and heart. I dare to confess with a little bit of shyness what they are (jokingly, I know that I'm no longer so young as to feel shy): "Don't get angry, don't be afraid and don't feel sorry;" "Don't get hasty, don't flurry and don't give up;" "Be joyful, be amicable and be cheerful;" "Honest, kind and bright;" and "Always with a mild and gentle look on the face, try to give a smile to others and gently speak warm words to them."

Each one of the above expressions sounds so understandable, but actually, it is pretty tough to practice them in reality. I am solidly determined to putting them into practice as much as possible.

Let me close my address by telling you that I will try my best during the remaining period of my Company life so that I will be able to say to myself, family and friends when leaving the Company, "I am utterly happy to be blessed with a pleasant and significant period of time working for the shipping company, "K" LINE."

In Sincere Appreciation of Help and Support from Many People

Kazutaka Imaizumi, Executive Officer



I joined the Company in September 1992. "K" LINE is the third workplace for me following another shipping company and a cement company in my professional career after graduation from university in 1980. My engagement has been almost consistently related to the bulk carrier business.

Since my entry into "K" LINE, I have been working only for the dry bulk business but thankfully, have been experiencing a very interesting and instrumental job.

My recent assignment is centered on the start of new business and pursuit of new customers, and most of them are deeply related to Asia. Favored with good timing and fortune, I have been able to work out my assignments so far, so good, but many painful memories also remain in the back of my mind.

About 8 years ago, I was sent to an overseas subsidiary of the Company on a mission for starting up new business. I visited a large number of customers there; they met me for the first time

but did not give the impression of wanting to see me for the second time, complaining that the freight amount we offered to them was U.S. dollar-based and relatively expensive, and so they felt it was a waste of time to see me. At that time, I therefore had no alternative other than to stay in the office very worried and unsatisfied as customers didn't seem interested in talking with me. I had been a little too self-confident when I was in Japan and started to reflect, wondering how I should be in the outside world.

And what was even worse, I was not all that good at speaking English since school days and I was not so confident when talking with customers there, which caused me to fall into a still more depressed state of mind. It seemed that I could do very little except just wielding expense accounts.

However, the story is not finished yet. Life is interesting and unexpected. Going through such hardship, I persistently made utmost efforts, which finally helped me to succeed little-by-little in making friends with some local people, including customers, etc. Owing to their support and help, I could manage to go on doing business. In fact, what I could do alone was so limited that it was very difficult to penetrate into local society on my own. That fact taught me that if I have even a single friend in local

society, it is possible to enlarge my circle of friends through him. Despite people having different cultures, one finds that gentleness, sincerity and basic solid human elements are quite common and universal. I would like to stress that it was all the local friends and staff in the office who rescued me from my seriously depressed situation.

Towards the end of my representative life there, it made me feel so pitiful and sad to part from my friends there that I seriously considered staying there without returning to Japan.

In concluding my address, I can honestly say that I will do my best in all my future assignments, taking utmost care of relationships with people.

Let's Challenge Proactively

Toshiyuki Suzuki, Executive Officer



On this occasion, I have been appointed Executive Officer in charge of Containership Business.

In 1981, I joined "K" LINE and was assigned to Tramp Department No.1. I am a native of Tohoku (the northeastern region of the Mainland of Japan). Consequently, Tokyo life gave me a variety of new, strange and interesting experiences. Just right

after my entrance into the Company, I boarded a plane for the first time in my life when I made a business trip to Akita. It was there that we had some business customers related to the wood-chip transport business. In October 1985, I acquired a passport for the first time in order to make a business trip to China. In the same year, I experienced two additional trips; one was to Hawaii on our honeymoon at the end of October and the other was to India on business in December. To my surprise, within this one year alone, I made three overseas trips, something I had never done during the 26 previous years of my life.

In 1986, I was assigned to Liner Department No.1 and I continued to work in the Liner Department for the next 15 years until I was sent to our office in London in 2001. In 1988, I was promoted to manager of Line Administration Section, Liner Department. Around the summer of that same year, I was ordered to map out a plan for the next generation of container-ships. As some of us may still remember, we were struggling desperately to make a profit in the face of the low-freight-rate

market on Asia/North America trade, which luckily made a turnaround towards rapid normalization in 1999. Observing such low freight rates at that time, I dared to suggest that the 1st plan we made be postponed. I was reproached however for doing so. The criticism indicated that my suggestion consequentially meant to give up any other option than to immediately withdraw from the containership business. Being viewed as a rather negative way of thinking, people around me were critical of my suggestion, insisting on how we could allow the deficit in containership business to drag on so lengthily without any improvement; only with significantly depreciated old ships in operation and still worse, without any plan for newbuildings. Giving further thought to the above criticism, I proposed a 2nd plan at the beginning of the following year, recommending in substance that our containership fleet be reinforced in 2 steps: 8 x 5500 TEU and 5 x 5500 TEU for a total of 13 ships. This plan could be developed into the "G" series later on.

My business life in London up to 2006 was the busiest period of time ever during my company life. I struggled hardest to introduce the GAPP Systems in Europe. I was obliged to spend a huge amount of time and energy in promoting and spreading the information systems despite not being an expert in that particular subject matter. In addition, I challenged many other projects there such as joint ventures with shipping agents and terminal companies, all of which were enjoyable and instructive to me.

Despite business of Containerships still continuing to swing very widely on and off in terms of profitability, I have a strong intention to keep on challenging this business in pursuit of stable profitability and sustainable expansion.

Are You Enjoying What You Have to Do? -Let's Have Utmost Fun in Business and Private Lives-

Hiromichi Aoki, Executive Officer



Since I joined my favorite and respectable Company, I have been blessed with excellent clients, seniors and colleagues and have been able to be well disciplined and trained after going through competition with our business rivals. In such appreciative and meaningful situations, I have been devoting myself to

work in a consistent way. And I am glad this time I have been appointed Executive Officer. In fact, I am bracing myself for heavy new responsibilities I am to carry on my shoulders.

At "K" Line, there is a company tradition represented by "K" Line Spirit that is aimed to give respect to preemptive temper and efficiency and to encourage us to address new tasks freely with a challenging spirit. Kindly allow me to take this chance to explain about a part of my way of thinking that I have usually been telling to my young staff.

Think Big!

First of all, let's think big. Routine work is very important. However, it is highly important as well to gain fullest possible insight and perspective into the broader world such as the shipping industry as a whole beyond our own Company, nationwide issues and those for all mankind, the earth and so forth.

When young, people tend to underestimate themselves and position themselves as just one of the gears in the organization or so-called small figures like chessmen manipulated by the players of the game. This is alright, but I like to say to them, "Never fail to take pride that they themselves best know the jobs in charge; they are so familiar with the game plans that they can be valued as one of the best and most reliable players in assisting and cooperating with their bosses to work on assigned tasks together." In a business department, salespeople in charge who contact customers (the King) are earnestly requested to understand they are engaged in the King's mission and to coordinate the interests between customers and the Company and to finally find any possible win-win solutions for both parties.

Anything's Possible

Let's approach every assignment with the positive assumption that we can successfully work it out. Let's refrain from killing time and energy in searching for any possible excuse for not being able to do so.

Since I joined "K" Line, I have long been engaged in tapping new business in car transportation outside Japan and LNG projects. Throughout this period, I have always tried to be optimistic and make sure that dreams come true at all times.

Based upon my experience in pursuing success, I am quite sure that neither "K" Line Brasil Ltda., "K" Line LNG Shipping (UK) Limited, nor "K" Line Offshore AS would yet be open at the present time, if we had given in to the prevalent plausible yet

negative view on our apparently bald concept of starting car transportation from Brazil where we had no business stronghold or liner services at all, and also that of an Asian outsider challenging LNG transport business from Norway, a great and senior shipping nation.

Suppose you stand at a Par-3 golf hole: you will try to choose the best golf club and swing, considering wind, distance and your skill, utilizing utmost effort to make your dream of a hole-in-one come true.

Have Fun!

Understanding that during our life we spend substantial amount of time in business, we had better manage by all means possible to have utmost fun in our business life.

One of the teachings of Confucius says, "Above all, the best person is to enjoy practicing what is right, in other words, what you have to do; a man who doesn't know what he has to do is no match for a man who knows it; a man who knows it is no match for a man who likes to do it; and a man who likes it is no match for a man who has fun in practicing it."

I believe that having an enjoyable time during leisure also helps make working time more significant and fruitful. In my private life, I spend more than 30 days per year each on racing ski and playing golf whereas I enjoy cycling over the weekends as much as possible. Sometimes, I come to the office dragging my legs, though.

In conclusion, I would like to express my many thanks to all people who have or are helping and supporting me. Some of them already went to Heaven. Appreciating and inheriting their leadership and discipline, I wish to endeavor to pass a baton of spirituality to the next generation of "K" LINE's men and women.

Bulletin Board

Change of Auditors

"K" LINE has decided on changes to its Auditors. New appointments are subject to approval at the Ordinary General Meeting of Shareholders.

1. Retirement

Present Position	Name
Auditor	Takatsugu Murai

2. New Appointment

Name	Present position
Fumio Watanabe	President & CEO, Mizuho Private Wealth Management Co. Ltd.

New Buildings

Name:	TRINITY ARROW
Type:	LNG carrier
Delivered:	Mar. 31, 2008
Built:	Koyo Dockyard Co., Ltd.
LOA:	289.9m
Breadth:	44.70m
Draft:	12.05m
DWT:	79,556mt
Service Speed:	20.15knots



Name:	FLORIDA HIGHWAY
Type:	PCTC
Delivered:	Mar. 26, 2008
Built:	Imabari Ship Building Co., Ltd.
LOA:	199.97m
Breadth:	32.36m
Draft:	10.017m
DWT:	13,998mt
Capacity:	6,231 units
Service Speed:	18.8knots



Name:	HOKUETSU IBIS
Type:	Woodchip Carrier
Delivered:	Apr. 23, 2008
Built:	Oshima Shipping Co., Ltd.
LOA:	210.00m
Breadth:	36.50m
Draft:	11.527m
DWT:	60,527mt
Service Speed:	14.5knots



Rely on *Setomax “CAPE ROSA” for Transport of Iron Ore and Coal

*Setomax means the largest size carriers passable through the Seto Inland Sea in Japan.

Contributed by Master and Crew of CAPE ROSA

The ship was completed at Tsu Dockyard of Universal Shipbuilding Corporation in January 2005. She is a capesize bulk carrier with the following particulars: LOA 299.5 meters, WIDE 50.0 meters, Depth 24.10 meters, Summer Draft 17.91 meters, DW 203,163 metric tons and Speed 14.5 knots (laden). She is larger by 10 meters in LOA and 5 meters in Width, respectively as compared with the traditional capesize carriers.

That is why she is called “Setomax,” differentiated from the other capesize carriers. More precisely, the old Maple-type carriers can be laden with approximately 150,100 metric tons with the deepest draft possible of 16 meters at JFE, Fukuyama

Works at Mizushima, Japan; meanwhile Cape Rosa can be loaded with 175,400 metric tons at the same draft, which means she can carry about 25,000 metric tons more. Her name of “Setomax” derives from there. Her speed is also very significant: No other capesize ships have ever overtaken Cape Rosa during any ballast voyage (her target speed being 16.1 knots).

On this 18th voyage, she is going to load Kawasaki- and Fukuyama-discharged cargo to her max summer load line; 17.91 meters.

At the end of the day, I like to advise that CAPE ROSA is navigating quite vigorously under the slogan of safety in navigation/cargo operations and maximization of loaded cargo.



ARISO

Contributed by Master of ARISO

M.V. ARISO is a 40,324 gross tonnage vessel engaged in transporting woodchips mostly from Richards Bay in South Africa to two destinations in Japan — either in Toyama-Shinko or in Sendai, Kagoshima. Other countries included in her loading calls are Australia, Fiji, the U.S and Canada, not to mention a few more.

Built in February 1996 at Imabari Shipyard in Marugame, Japan, M.V. “ARISO” is a Panamanian registered vessel who has been in her 10th year of highly productive and profitable service under “K” LINE charter. Ten years of age she is but her seaworthiness and beauty remains same as that of ten years ago.

Despite her age, her 12,170 BHP engine is kept in tiptop shape, a condition she enjoys to maintain her laden and ballast service speeds of 14.7 and 15.2 knots respectively, and to keep up with her all too busy schedules. Her hull,

decks and structures, cargo spaces, equipment and machinery are all well maintained, all of which are strong requisites for safety in navigation and cargo operations, for the preservation of the environment as well as for the safety of her crewmembers and cargo.

As a newcomer to the TNKC, she was taken over on May 2006 and included in the world-class supervision of her new management company. She is manned by 24 hard working and adequately trained full Filipino crew from Ventis Maritime Corporation in Manila.

With the concerted efforts of her entire compliment, her manning agency and her management company to keep the highest standards of safety operations and optimum quality of manning onboard she is bound to transcend all expectations of her by “K” LINE for a brighter tomorrow in terms of service competitiveness and customer satisfaction.

Photo Gallery

The City of Montreal

Contributed by Ms. Lark Ford, Montreal, "K" Line Canada, Ltd.

The city of Montreal is an island approximately 51km long by 26km wide (at its widest point) located in the St. Lawrence River with a population of approximately 3,635,571 inhabitants. The official language is French, which is spoken at home by just over 70% of the population. It is a multi cultural city made up of large groups of other nationalities such as English, Scottish, Irish, Italian, Greek, German, Portuguese, Japanese, Chinese, Haitian, Romanian, Vietnamese, Creole, Spanish, Jewish, Arabic, African, Turkish, to name a few.

Montrealers have access to 6 universities and 12 junior colleges, all within an 8 kilometer radius. The city has the highest concentration of post-secondary students of all major cities in North America.

In 2007, it was also ranked the 10th cleanest city in the world.

Montreal is well known for its "underground city", a series of large "tunnels" extending throughout a large portion of the downtown core. With over 32 km of tunnels spread over twelve square kilometers, connected areas include shopping malls, hotels, museums, universities, banks, 7 metro/subway stations and commuter bus and train stations, as well as 60 residential and commercial complexes.

The city is the headquarters of the Canadian Space Agency as well as a centre of film and television production and the base of operations for Alliance Atlantis and National Film Board of Canada. It is also the home to one of the world's largest cultural enterprises, the Cirque du Soleil as well as Just for Laughs, and the Montreal International Jazz Festival, a 10 day event of free outdoor concerts, with some of the main shows drawing crowds of up to 200,000 people.

Summer in Montreal is a busy time. Tourists are drawn to Vieux-Montreal, the Old Port area where the architecture has been maintained or restored and cobbled streets are lined with horse-drawn caleches offering tours of downtown and the mountain. Sidewalks are filled with tables and chairs from the restaurants and bars. Music and laughter are everywhere.

It is a city filled with food and drink and excitement and a place not easily forgotten by anyone lucky enough to have spent some time here.



Caleche on de la Commune Street in the Old Montréal



Notre-Dame Basilica



Prince-Arthur Street - Plateau Mont-Royal



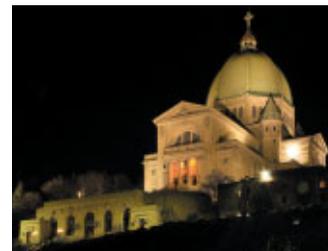
Terrace on Place Jacques-Cartier



Montréal skyline from the Old Port



International des Feux Loto-Québec — Montréal International Fireworks Competition



Oratoire Saint-Joseph du Mont-Royal



Marche Bonsecours in Fall

The photos were by courtesy of tourism Montreal.

Ocean Breeze

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Address: 2-9, Nishi-Shinbashi 1-chome, Minato-ku, Tokyo 105-8421, Japan
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