

# To Our Stakeholders



A handwritten signature in black ink, which appears to read 'H. Maekawa'.

President and CEO Hiroyuki Maekawa

## Sales and earnings hit record highs

In fiscal 2007, despite a further increase in expenses due to the surge in fuel oil prices since previous fiscal year, the drybulk market reached record highs, and strong cargo movements in the containership and car carrier business drove strong growth in liftings. A generally good performance was also recorded in energy and resource transportation (oil tankers and LNG carriers). As a result, operating revenues reached ¥1,331,048 million on a consolidated basis, operating income ¥129,649 million, ordinary income ¥125,868 million, and net income ¥83,012 million — in each case a record high.

## New Midterm Management Plan “K” LINE Vision 100

In fiscal 2006, we launched our midterm management plan “K” LINE Vision 2008+ with “sustainable growth and establishment of a stable profitability structure” as its theme. During the reporting period, we achieved our final-year (fiscal 2008) targets a year early, raising the possibility of posting results that meet our putative targets for the middle years of the 2010s. In light of these developments, we reviewed the plan, and established “K” LINE Vision 100 as our new midterm management plan in April 2008. This new plan brings together business strategies for the four years from fiscal 2008 to fiscal 2011 in advance of the 100th anniversary of the founding of the Company in 2019. The plan addresses five management efforts under a theme of “synergy for all and sustainable growth” in partnership with our stakeholders. For more details of the “K” LINE Vision 100, please see pages 10 to 13.

The entire “K” Line group will make a concerted effort to achieve the goals and numerical targets in the new management plan.

I hope we can count on the future support and understanding of all stakeholders in these endeavors.