

# Supplementary Report

- 2<sup>nd</sup> Quarter FY2014 -

October 2014

Kawasaki Kisen Kaisha, Ltd.

1. Shipping Markets
2. Financial Data
3. Historical Data - For 5 Years -

# Supplementary Information -1

## - Shipping Markets-

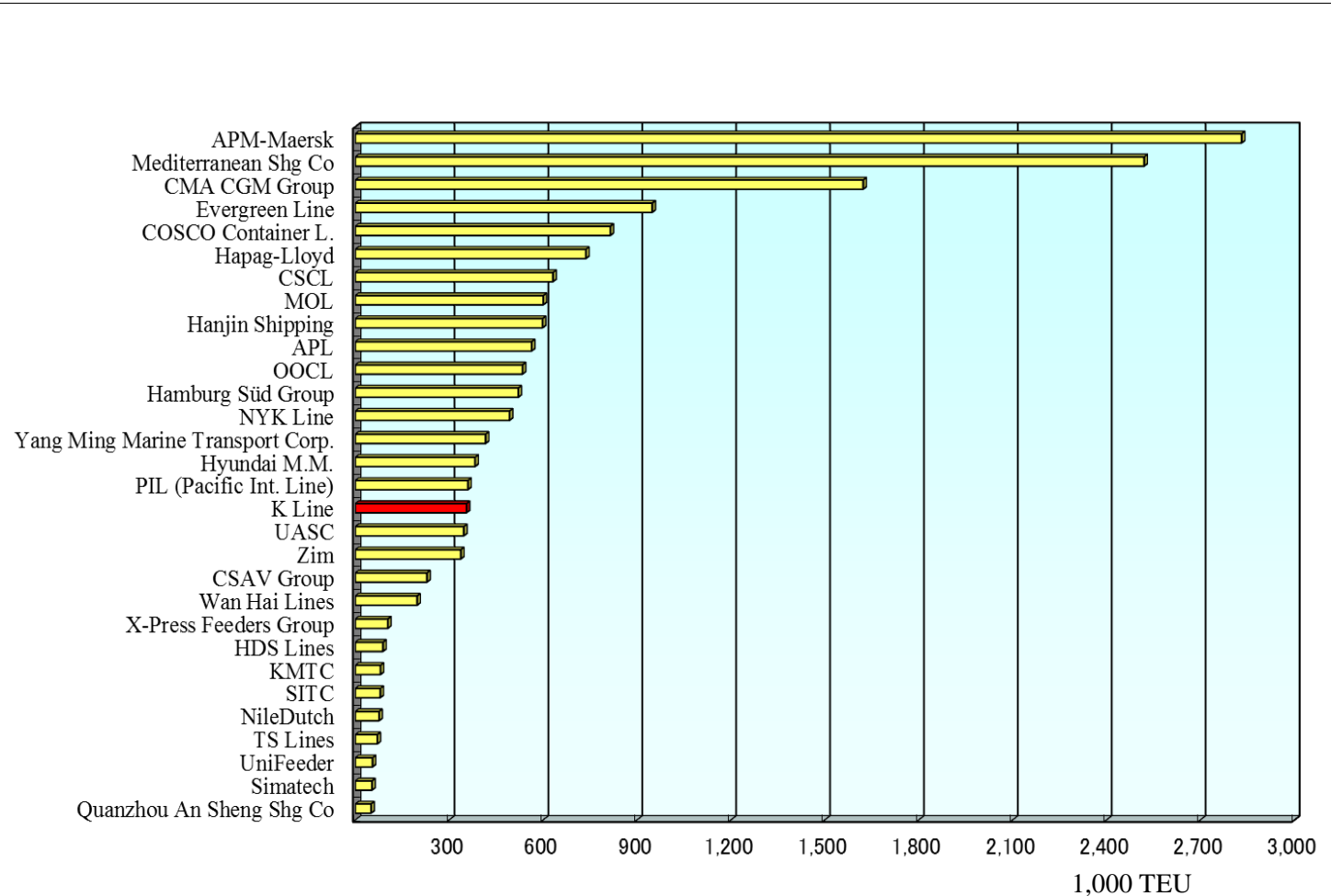
# 1-1. “K” Line Container Loading Volume

Loading Volume (Unit:1,000TEU)		12F1Q	12F2Q	12F1H	12F3Q	12F4Q	12F2H	12FY	13F1Q	13F2Q	13F1H	13F3Q	13F4Q	13F2H	13FY	14F1Q	14F2Q	14F1H
Asia/N.America	E/Bound	184	212	395	199	171	370	766	194 <sub>1</sub>	210	405	198 <sub>1</sub>	174	372	777	213 <sub>1</sub>	230	443
	W/Bound	106	118	224	114	110	224	449	108 <sub>1</sub>	107	215	123 <sub>1</sub>	112	235	450	119 <sub>1</sub>	107	226
		290	330	620	313	281	594	1,214	302	318	620	321 <sub>1</sub>	286	607	1,227	332	338	669
Asia/Europe	W/Bound	136	130	266	110	104	214	480	121 <sub>1</sub>	122	243	111 <sub>1</sub>	104	215	458	127 <sub>1</sub>	129	256
	E/Bound	87	90	178	85	74	158	336	81 <sub>1</sub>	80	160	80 <sub>1</sub>	80	160	320	87 <sub>1</sub>	93	180
		223	221	444	195	178	373	817	201 <sub>1</sub>	202	403	190 <sub>1</sub>	185	375	778	213 <sub>1</sub>	222	435

Load Factor(%)		12F1Q	12F2Q	12F1H	12F3Q	12F4Q	12F2H	12FY	13F1Q	13F2Q	13F1H	13F3Q	13F4Q	13F2H	13FY	14F1Q	14F2Q	14F1H
Asia/N.America	E/Bound	96.0%	96.6%	96.3%	96.4%	87.5%	92.1%	94.2%	90.9%	91.3%	91.1%	95.9%	90.7%	93.4%	92.2%	98.3%	99.7%	99.1%
	W/Bound	55.6%	53.9%	54.7%	55.4%	56.2%	55.8%	55.2%	50.5%	46.5%	48.4%	59.7%	58.3%	59.0%	53.4%	54.7%	46.4%	50.5%
		75.8%	75.2%	75.5%	75.9%	71.8%	73.9%	74.7%	70.7%	68.9%	69.7%	77.8%	74.5%	76.2%	72.8%	76.5%	73.1%	74.8%
Asia/Europe	W/Bound	95.1%	88.0%	91.5%	90.2%	86.4%	88.3%	90.1%	93.7%	91.4%	92.5%	95.8%	91.4%	93.6%	93.0%	94.6%	92.5%	93.5%
	E/Bound	61.3%	61.0%	61.1%	69.5%	61.0%	65.3%	63.0%	62.5%	59.6%	61.0%	69.1%	70.3%	69.7%	65.1%	64.7%	66.7%	65.7%
		78.7%	75.1%	76.9%	80.3%	74.5%	77.4%	77.1%	78.6%	76.1%	77.3%	82.9%	81.4%	82.2%	79.6%	80.1%	80.0%	80.0%

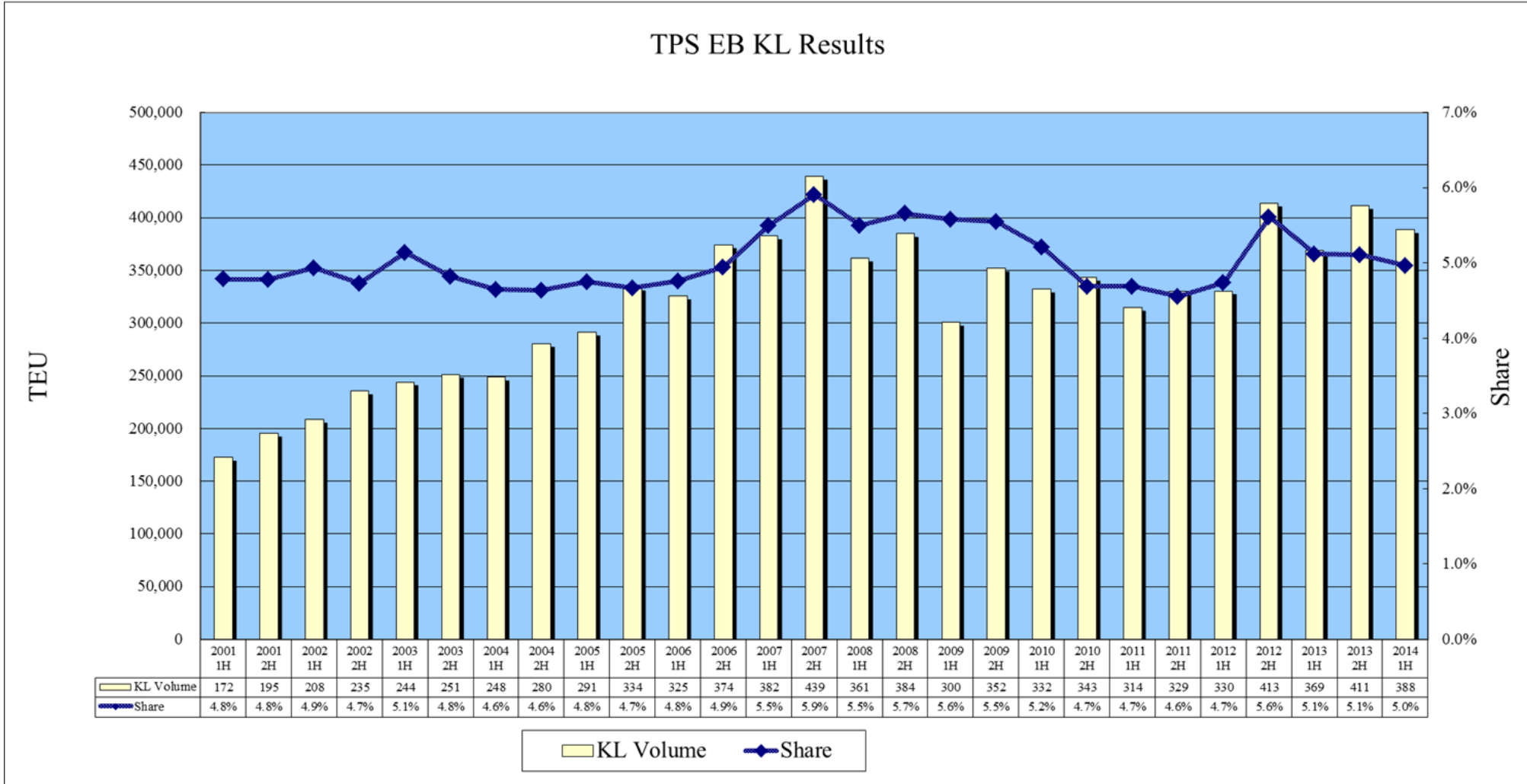
# 1-2. Line/Alliance wise Vessel/Capacity Comparison

Rank	Operator	TOTAL TEU
1	APM-Maersk	2,831,906
2	Mediterranean Shg Co	2,520,499
3	CMA CGM Group	1,622,705
4	Evergreen Line	948,869
5	COSCO Container L.	815,070
6	Hapag-Lloyd	736,855
7	CSCL	631,750
8	MOL	600,806
9	Hanjin Shipping	598,325
10	APL	563,624
11	OOCL	534,372
12	Hamburg Süd Group	520,906
13	NYK Line	493,095
14	Yang Ming Marine Transport Corp.	416,498
15	Hyundai M.M.	382,757
16	PIL (Pacific Int. Line)	360,139
17	<b>K Line</b>	<b>355,362</b>
18	UASC	346,759
19	Zim	337,246
20	CSAV Group	229,177
21	Wan Hai Lines	197,576
22	X-Press Feeders Group	104,051
23	HDS Lines	88,608
24	KMTC	80,585
25	SITC	80,054
26	NileDutch	76,068
27	TS Lines	70,543
28	UniFeeder	55,153
29	Simatech	53,451
30	Quanzhou An Sheng Shg Co	50,372

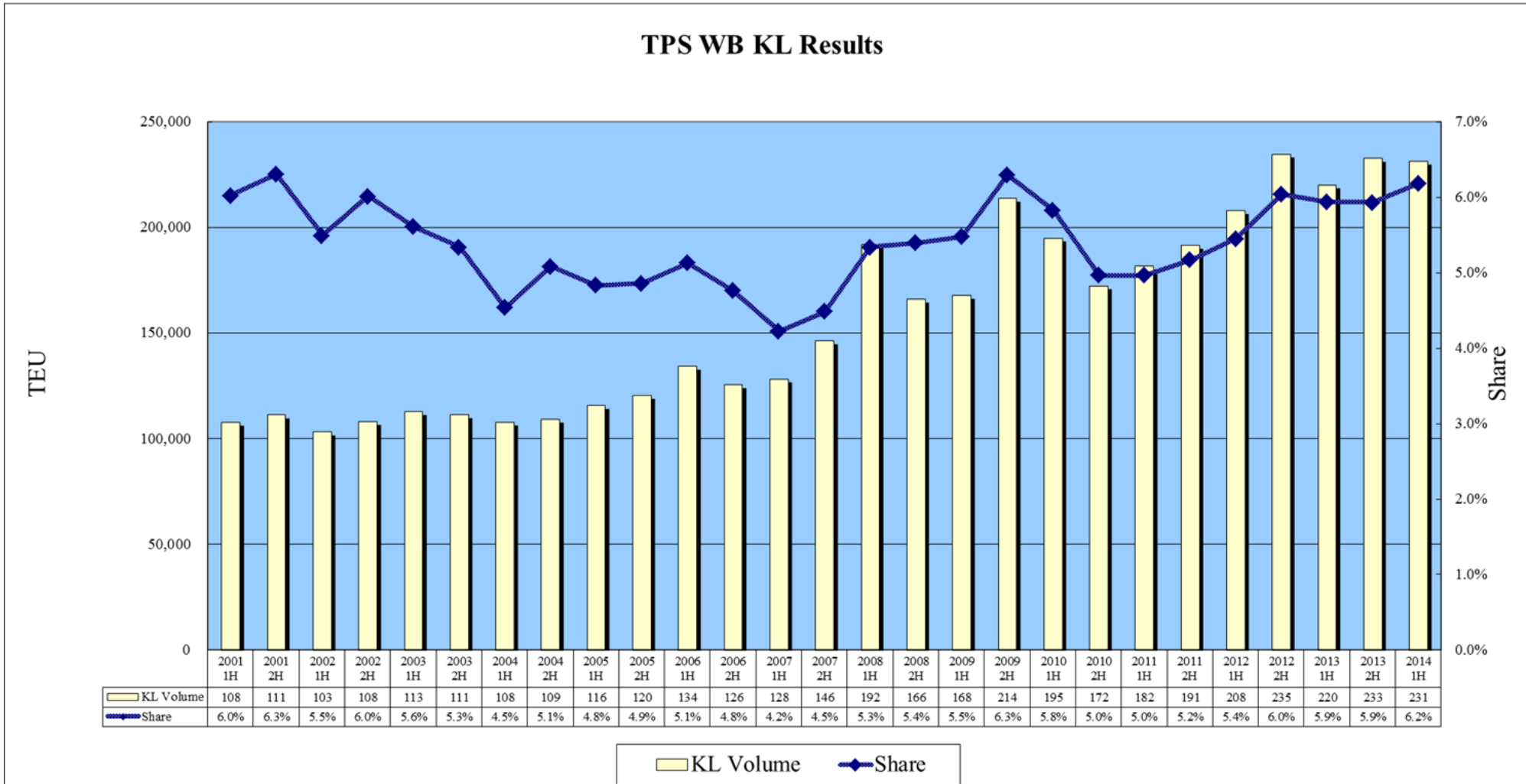


Rank	Alliance	TEU
1	APM-Maersk	2,831,906
2	Mediterranean Shg Co	2,520,499
3	<b>CKYH</b>	<b>2,185,255</b>
4	GA	1,764,322
5	CMA CGM Group	1,622,705
6	TNWA	1,547,187
7	Evergreen Line	948,869
8	CSCL	631,750
9	Hamburg Süd Group	520,906
10	PIL (Pacific Int. Line)	360,139

# 1-3. "K" Line Container Volume & Share (Asia to North America '01-'14)

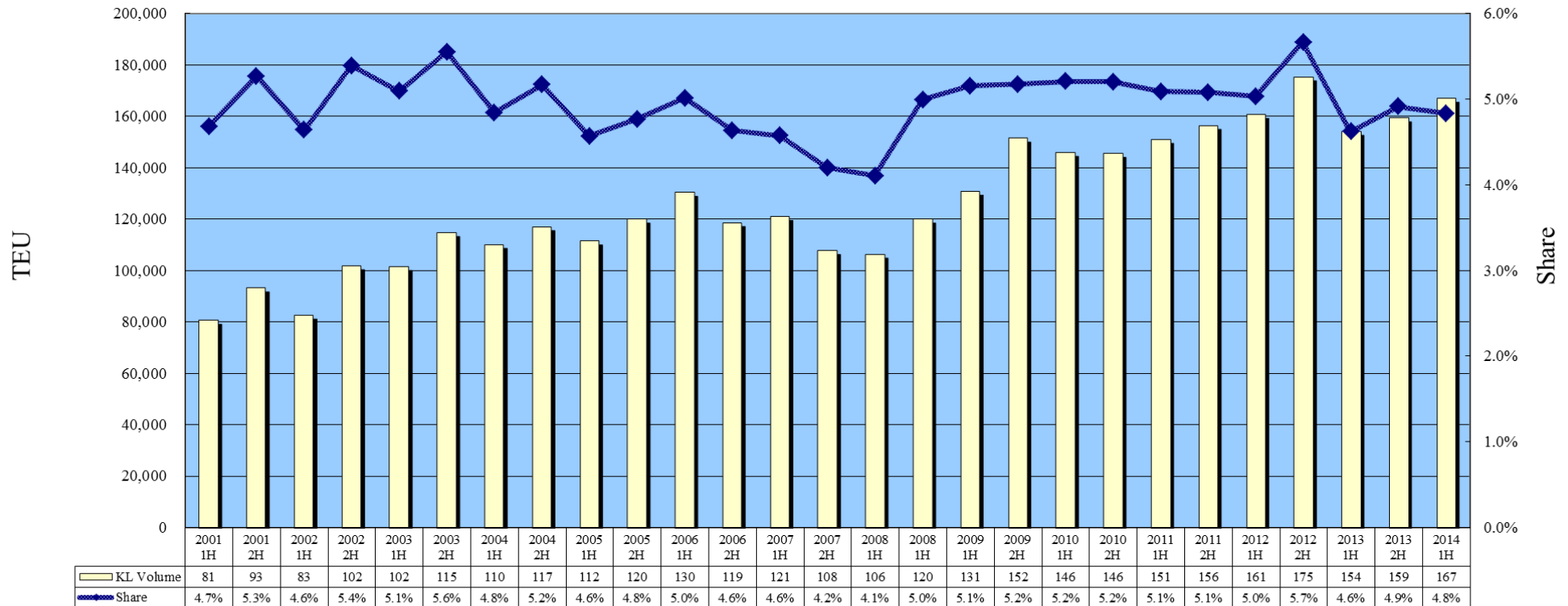


# 1-4. "K" Line Container Volume & Share (North America to Asia '01-'14)



# 1-5. "K" Line Container Volume & Share (Asia (ex.India) to Europe '01-'14, )

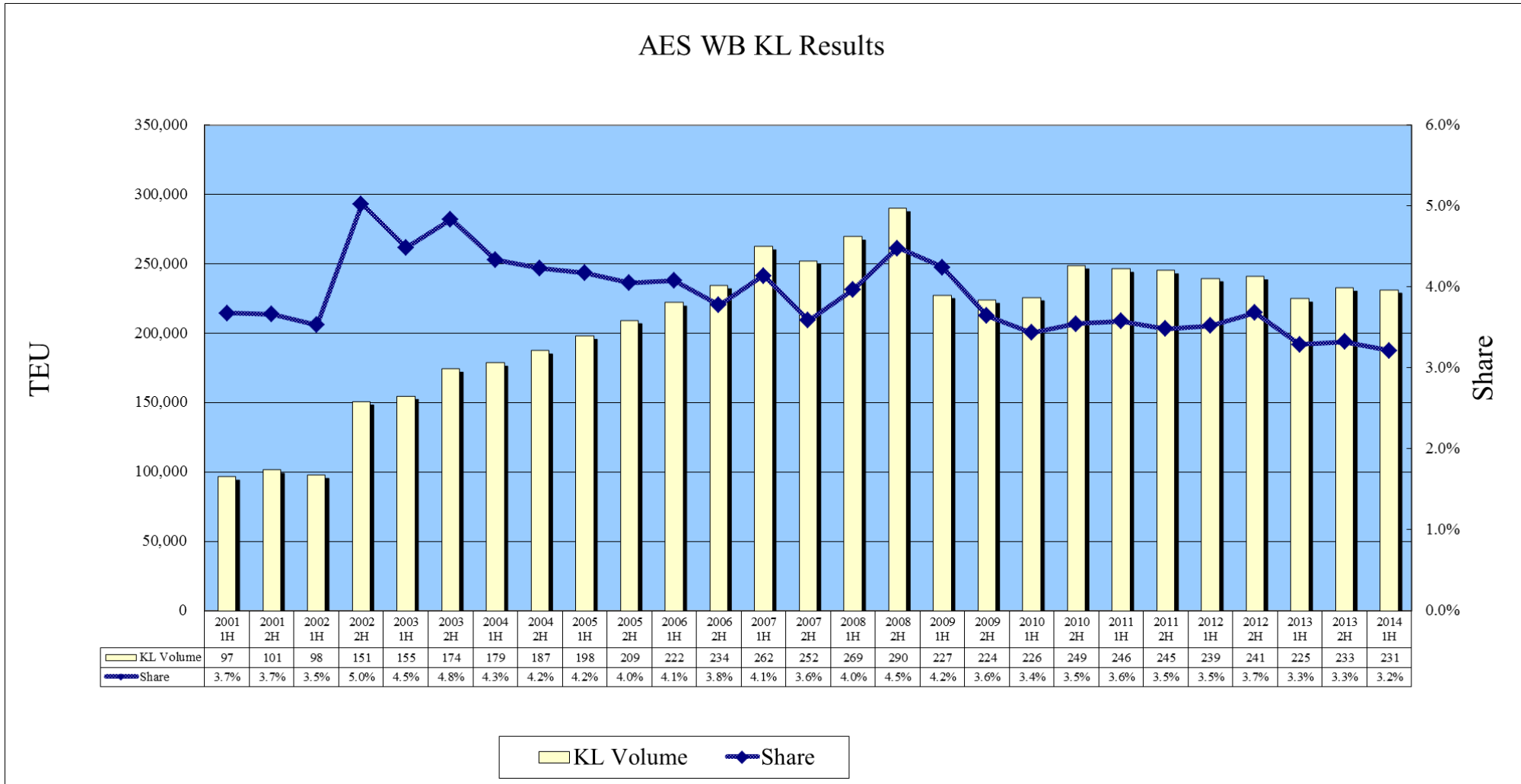
AES EB KL Results



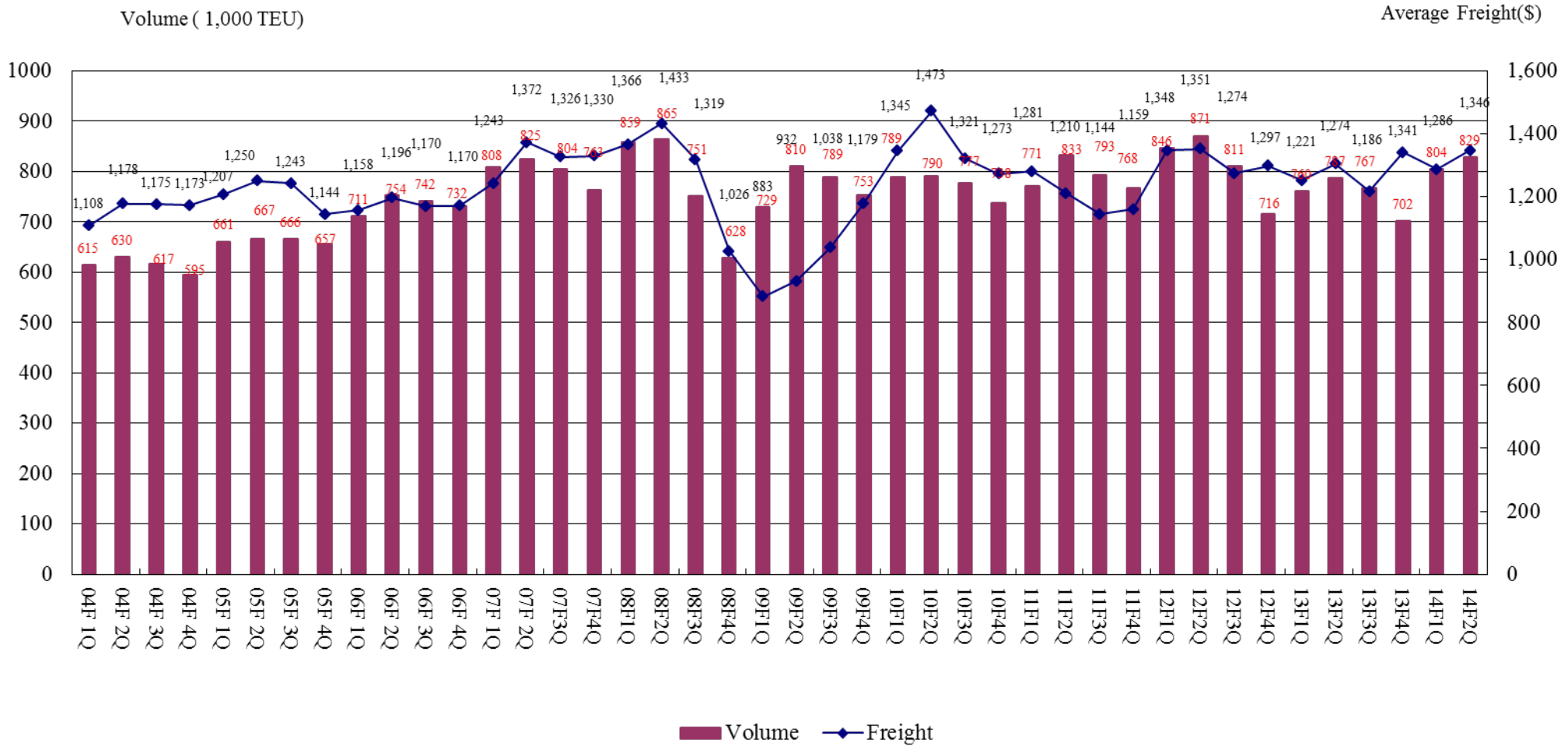
KL Volume      Share



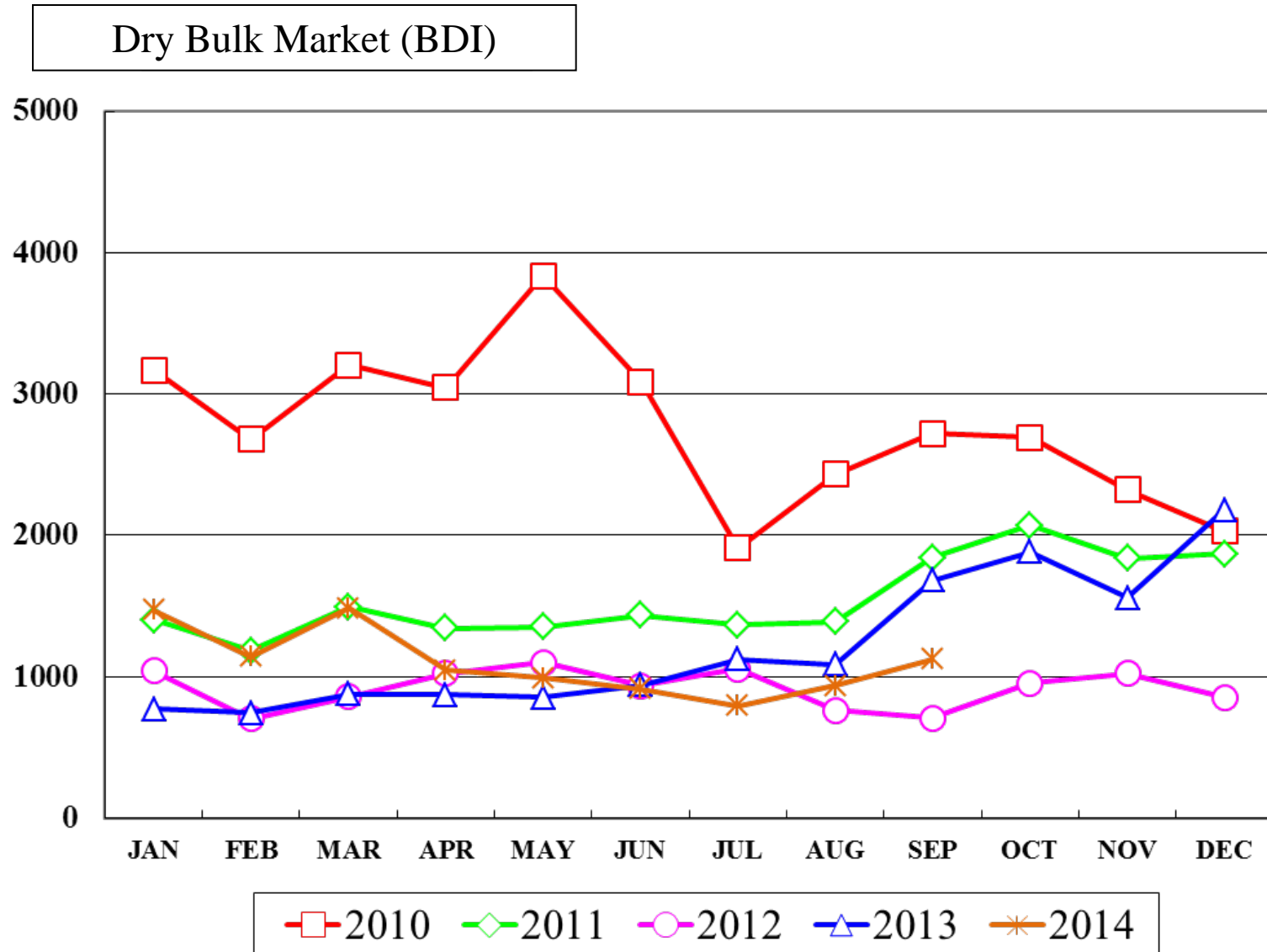
# 1-6. "K" Line Container Volume & Share (Europe to Asia (ex.India) '01-'14 )



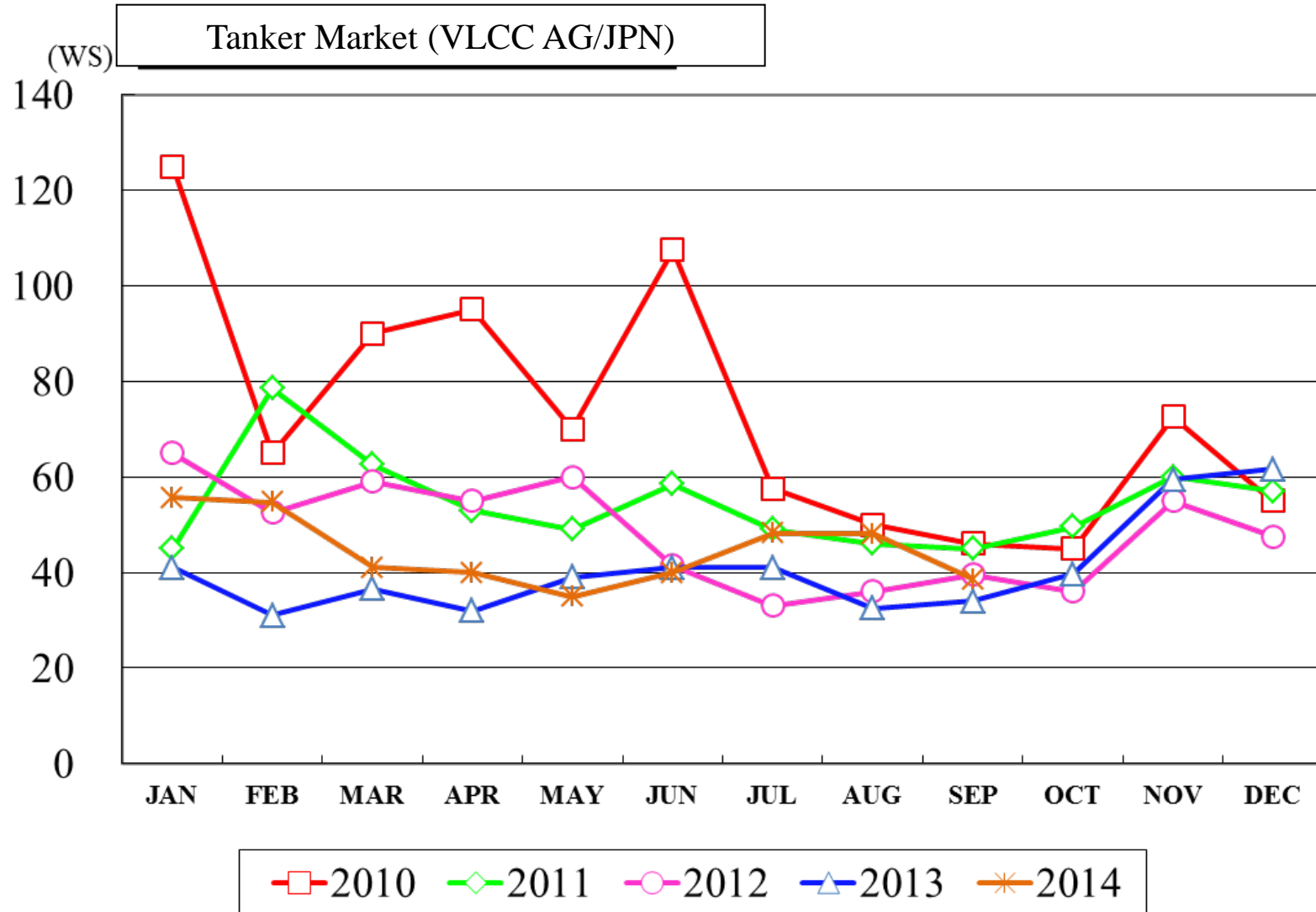
# 1-7. Trend of Average Container Freight/Volume (“K” Line All Trades) (2004F-2014F2Q)



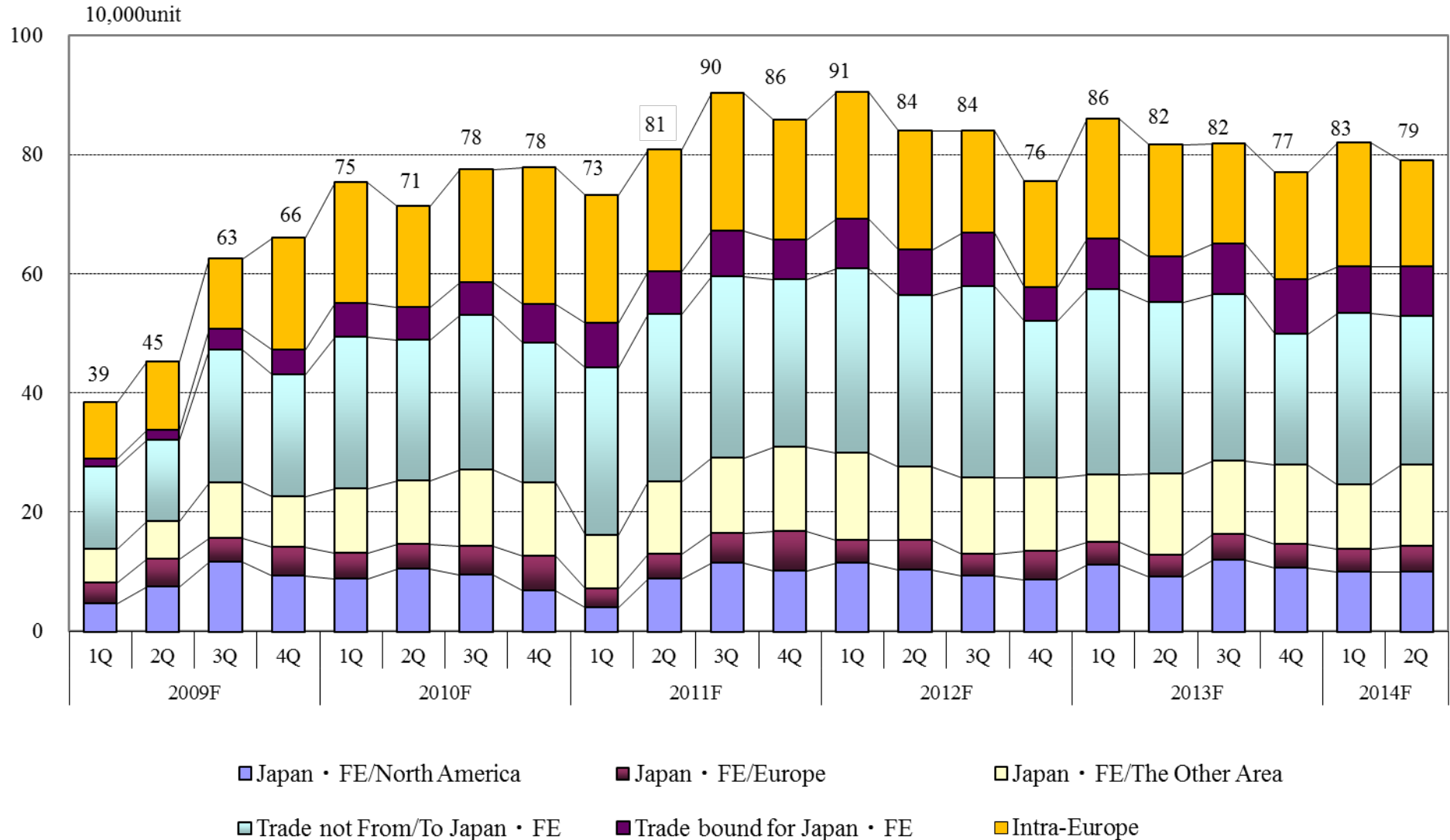
# 1-8. Dry Bulk Market



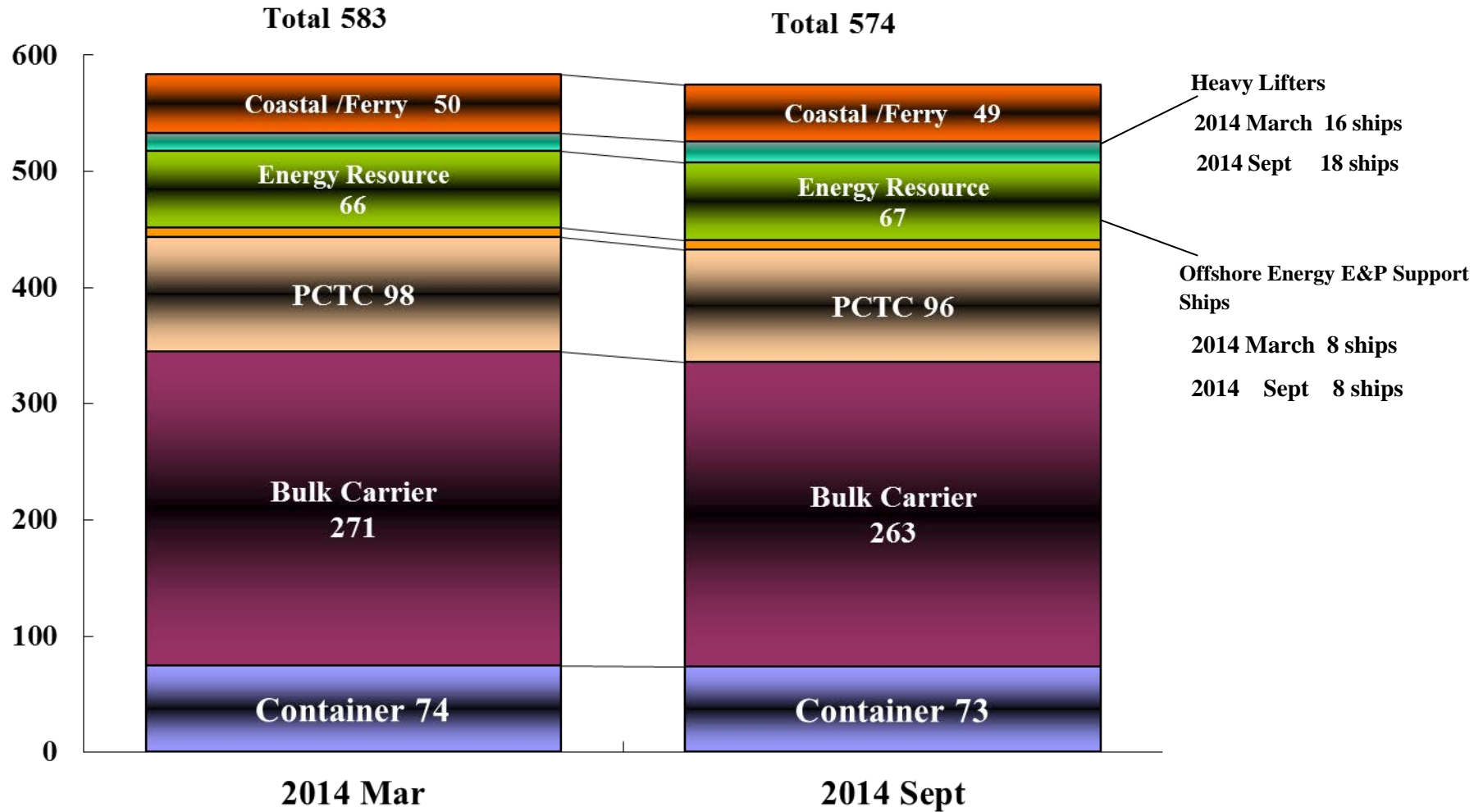
# 1-9. Tanker Market



# 1-10. Transition of Cars / Trucks Transported by “K” Line PCTC Fleet



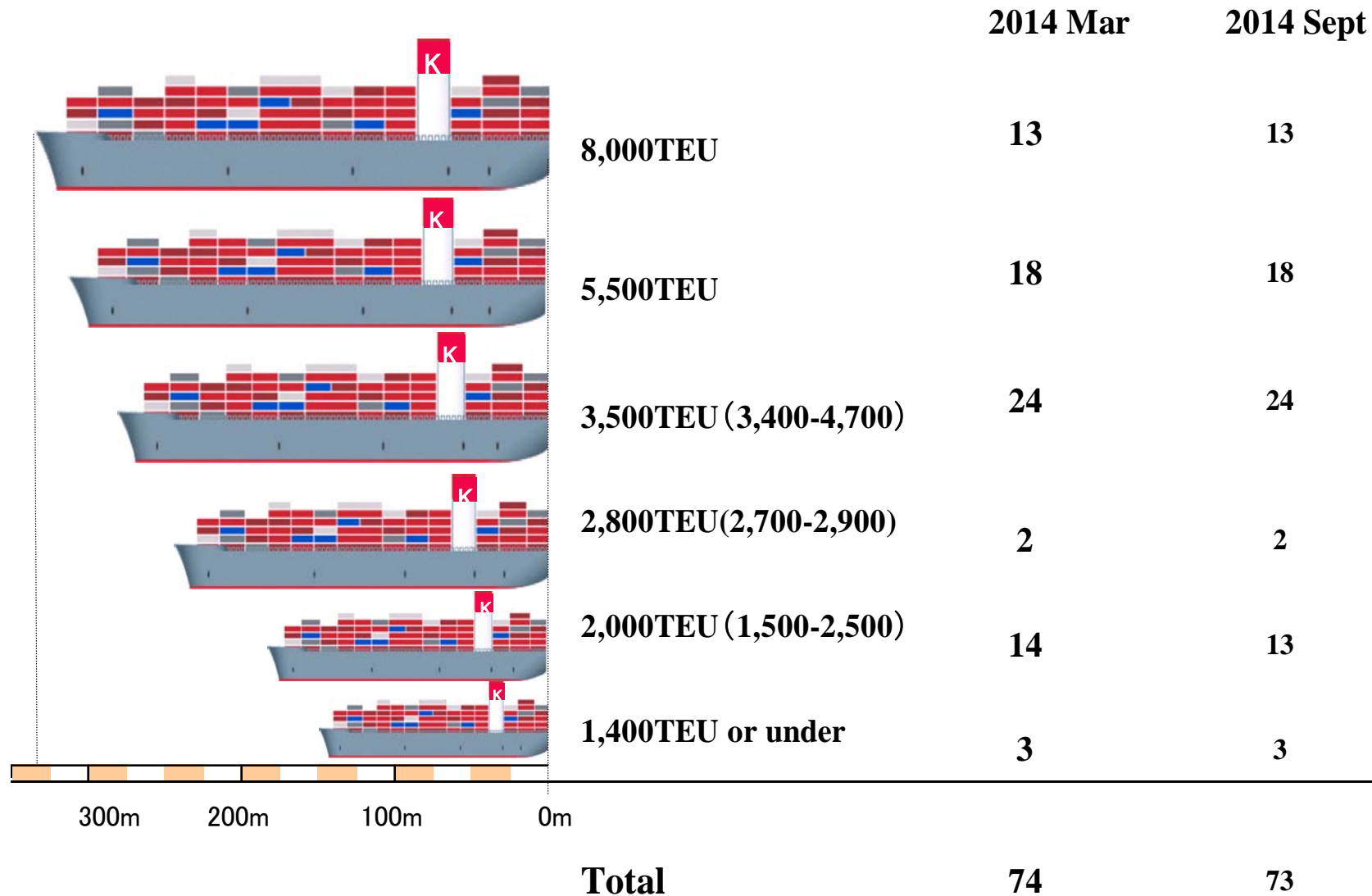
# 1-11. “K” Line Vessel Fleet Composition



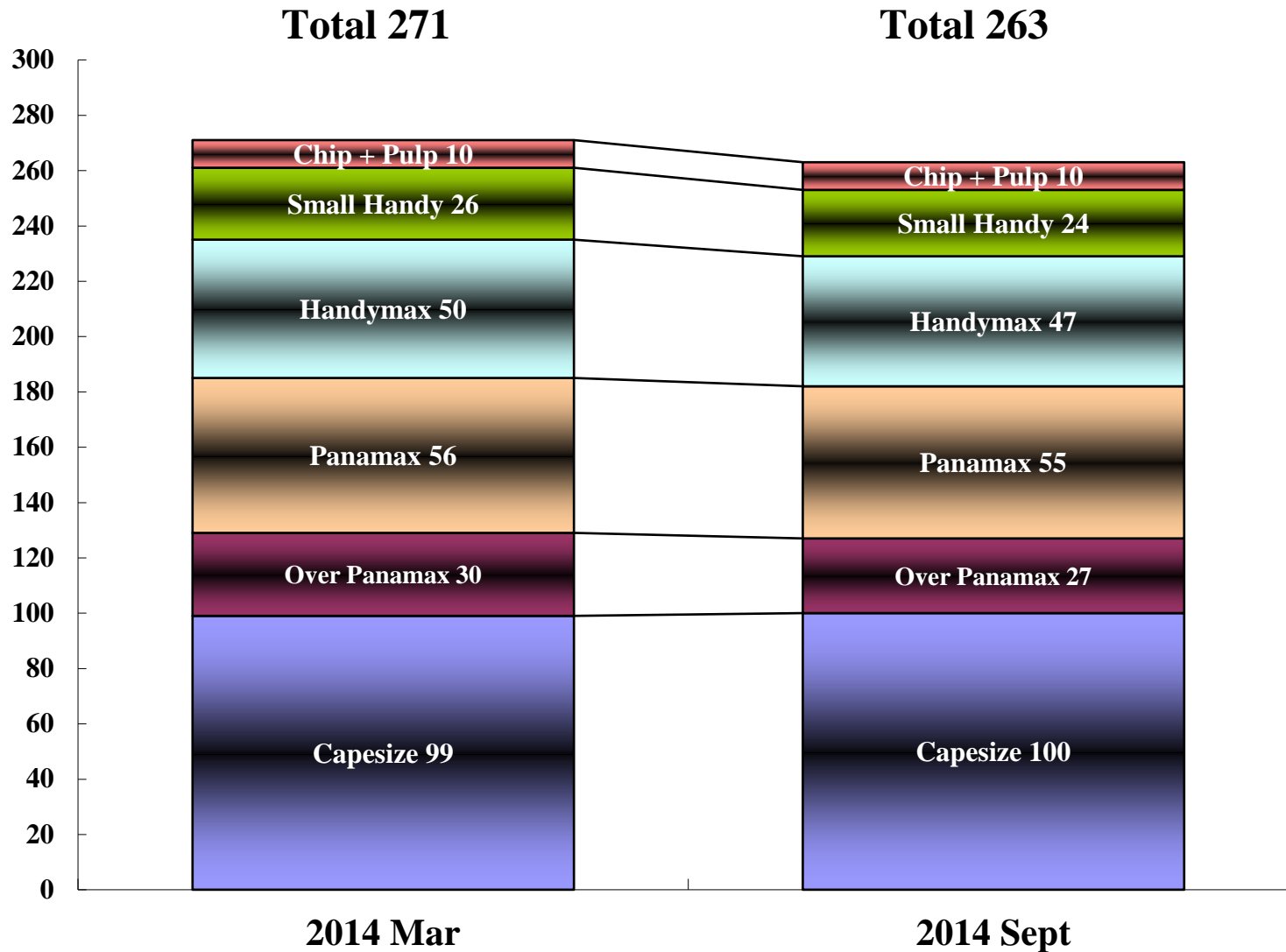
Note: The number of Energy Resource Transportation includes 23 vessels owned by SPC of the projects ( 23 LNG Carriers).

: The number of Offshore Energy E&P Support vessel includes 1 vessel owned by SPC of the project ( 1 Drillship).

# 1-12. “K” Line Container Vessel Fleet Composition

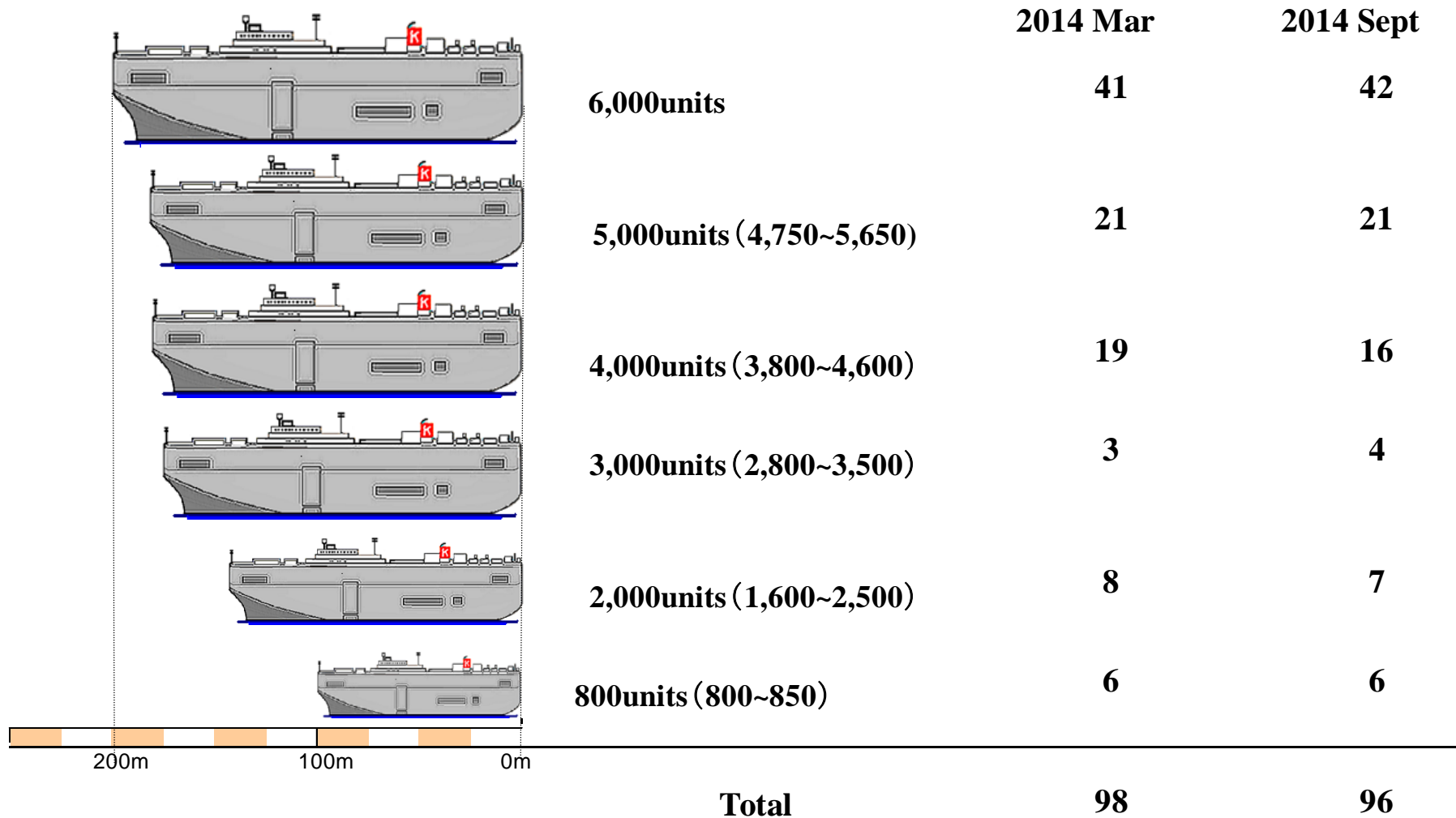


# 1-13. “K” Line Bulk Carrier Fleet Composition

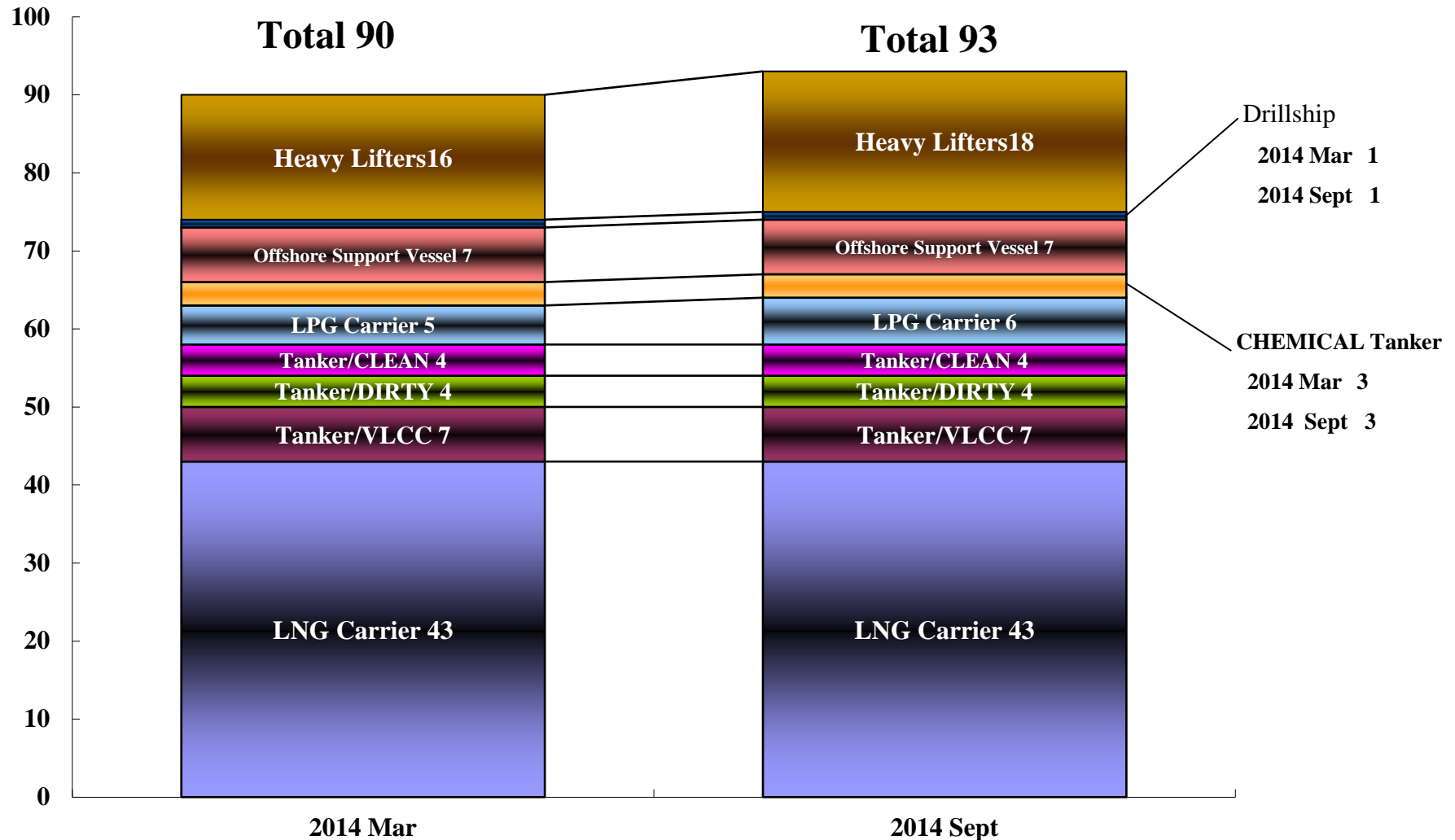




# 1-14. “K” Line PCTC Vessel Fleet Composition



# 1-15. “K” Line Energy Resource Transportation, Offshore Energy E&P Support & Heavy Lifter Fleet Composition



Note: The number of Energy Resource Transportation includes 23 vessels owned by SPC of the projects ( 23 LNG Carriers).

: The number of Offshore Energy E&P Support vessel includes 1 vessel owned by SPC of the project ( 1 Drillship).

# 1-16. Fleet Upgrading Plan

## <Fleet Upgrading Plan>

### No. of vessels to be received FY2014-2017

FY2014 : 14 newbuildings to be delivered  
(12 vessels were already delivered by 2Q)

FY2015 : 20 newbuildings to be delivered

	2014F		2015F	2016F	2017F
	To be delivered	Already delivered by 2Q	To be delivered	To be delivered	To be delivered
<b>Containership</b>	1		4	0	0
14000TEU	1		4		
<b>Dry Bulkers</b>	9	(8)	10	2	13
Capesize	2	(2)	1	1	8
Panamax	4	(4)	5		1
Handymax	1	(1)	1		2
Smallhandy	1		1		1
Chip/Pulp					
Corona	1	(1)	2	1	1
<b>PCTC</b>	1	(1)	4	4	2
6000units	1	(1)			
7500units			4	4	2
<b>LNG</b>	0	(0)	1	3	0
<b>Tanker</b>	1	(1)	0	0	0
LPG	1	(1)			
CHEMICAL					
<b>Energy New Biz</b>	0	(0)	0	0	0
Offshore					
Drillship					
<b>Heavy Lifter</b>	0	(0)	0	0	0
<b>Coastal</b>	2	(2)	* 1	1	0
<b>Total</b>	14	(12)	20	10	15

\* Coastal Offshore Support Vessel

## 1-17. “K” Line Group Composition of Fleet

	Sept 2014						Mar 2014	
	Owned		Chartered		Total		Total	
Type of Vessel	No.	DWT(MT)	No.	DWT(MT)	No.	DWT(MT)	No.	DWT(MT)
Contianerships	15	993,291	58	3,365,658	73	4,358,949	74	4,382,638
Dry Bulk Carriers	73	7,983,968	190	21,646,844	263	29,630,812	271	29,741,257
Car Carriers	35	521,979	61	926,168	96	1,448,147	98	1,466,049
LNG Carriers	42	3,476,851	1	77,163	43	3,554,014	43	3,554,014
Oil Tankers	11	1,647,659	13	1,720,368	24	3,368,027	23	3,313,946
Offshore Support Vess	7	32,481	0	0	7	32,481	7	32,481
Drillships	1	-	0	-	1	-	1	-
Heavy Lifters	14	147,736	4	39,014	18	186,750	16	166,824
Short Sea and Coastal	22	242,920	27	350,426	49	593,346	50	587,816
<b>Total</b>	<b>220</b>	<b>15,046,885</b>	<b>354</b>	<b>28,125,641</b>	<b>574</b>	<b>43,172,526</b>	<b>583</b>	<b>43,245,025</b>

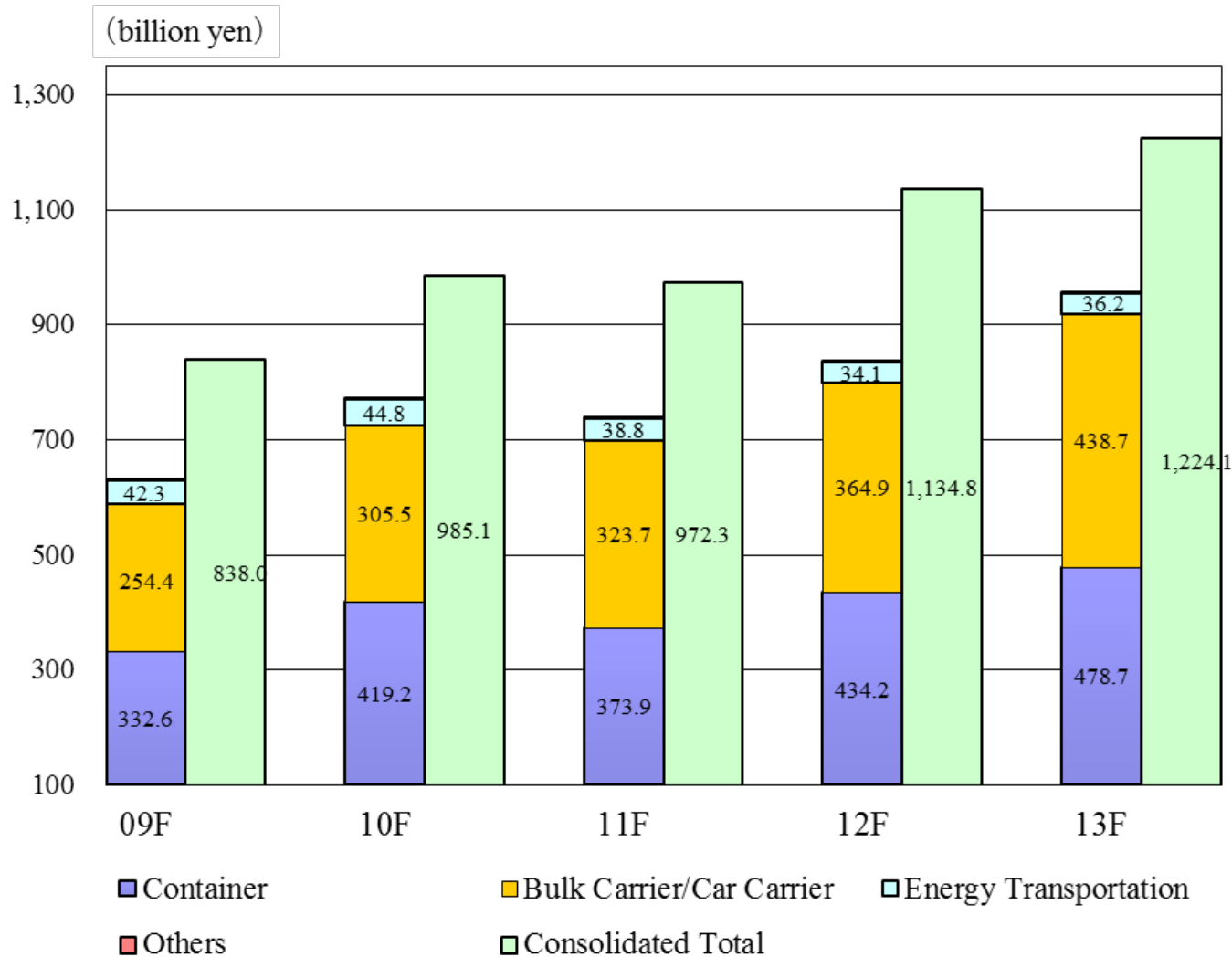
Note: The number of owned vessels includes co-owned vessels,

and deadweight tonnage includes share of other companies' ownership in co-owned vessels.

# Supplementary Information-2

## - Financial Data -

## 2-1. Transition of Operating Revenues



## 2-2. Breakdown on Non-Operating, Extra-Ordinary Items (2014FY 1H)

### 1. Non-operating Income/Loss

(Billion yen)

	14FY 1Q	14FY 2Q	14FY 1H
<b>Consolidated Total</b>	<b>▲ 3.2</b>	<b>4.2</b>	<b>1.0</b>
Financial Gain/Loss	▲ 1.5	▲ 1.9	▲ 3.4
Equity in Earnings of Affiliated Companies	0.7	0.8	1.5
Exchange Gain/Loss	▲ 2.6	5.0	2.4
Others	0.2	0.3	0.5

### 2. Extraordinary Income/Loss

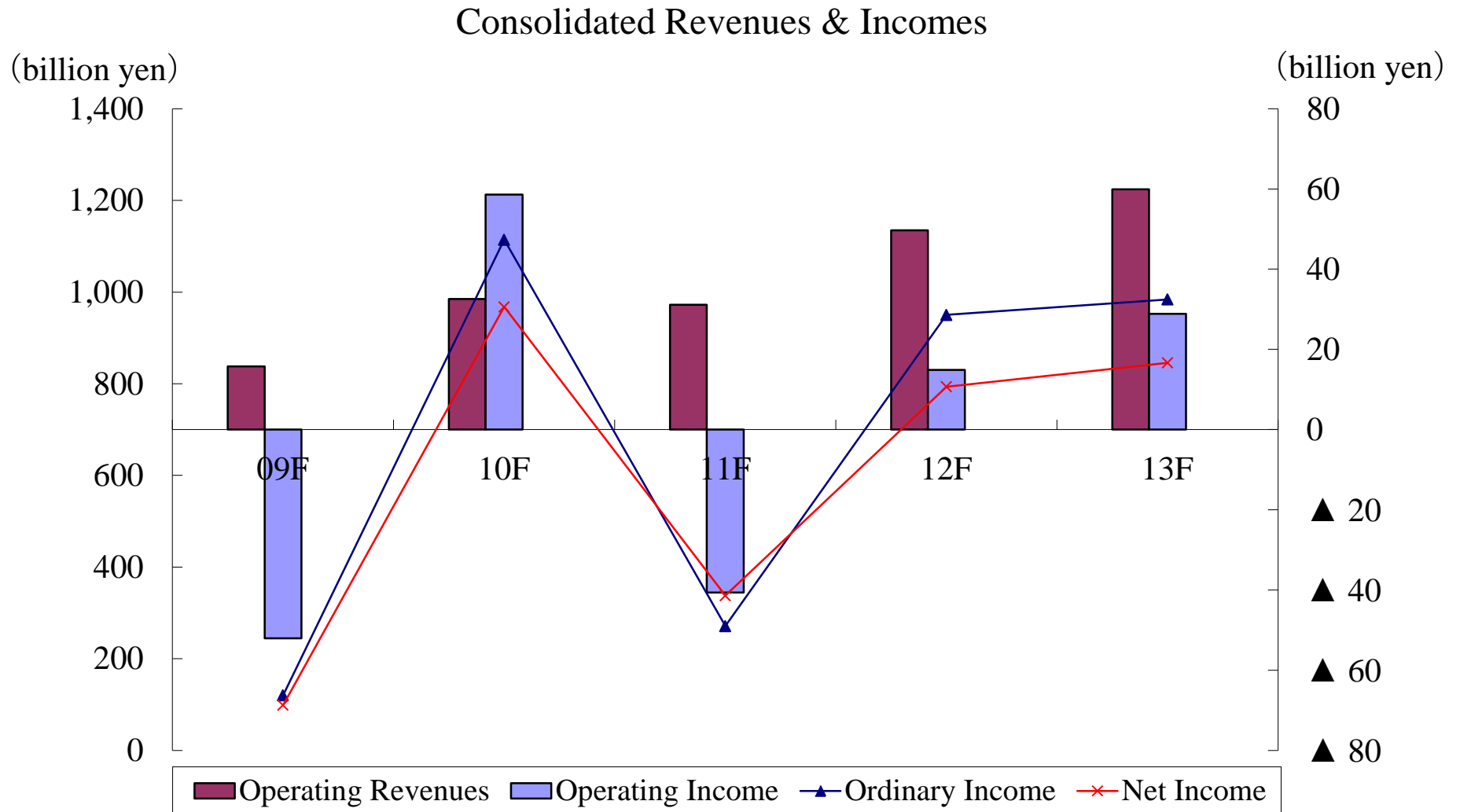
	14FY 1Q	14FY 2Q	14FY 1H
<b>Consolidated Total</b>	<b>0.9</b>	<b>5.7</b>	<b>6.7</b>
Sale and Disposal of Fixed Assets	0.6	1.8	2.5
Gain/Loss on Revaluation of Investment Securities	0.0	0.0	0.0
Loss provision related to the Anti-Monopoly Act	0.0	▲ 7.0	▲ 7.0
Others	0.3	10.9	11.2

# Supplemental Information -3

## Historical Data - For 5 Years -

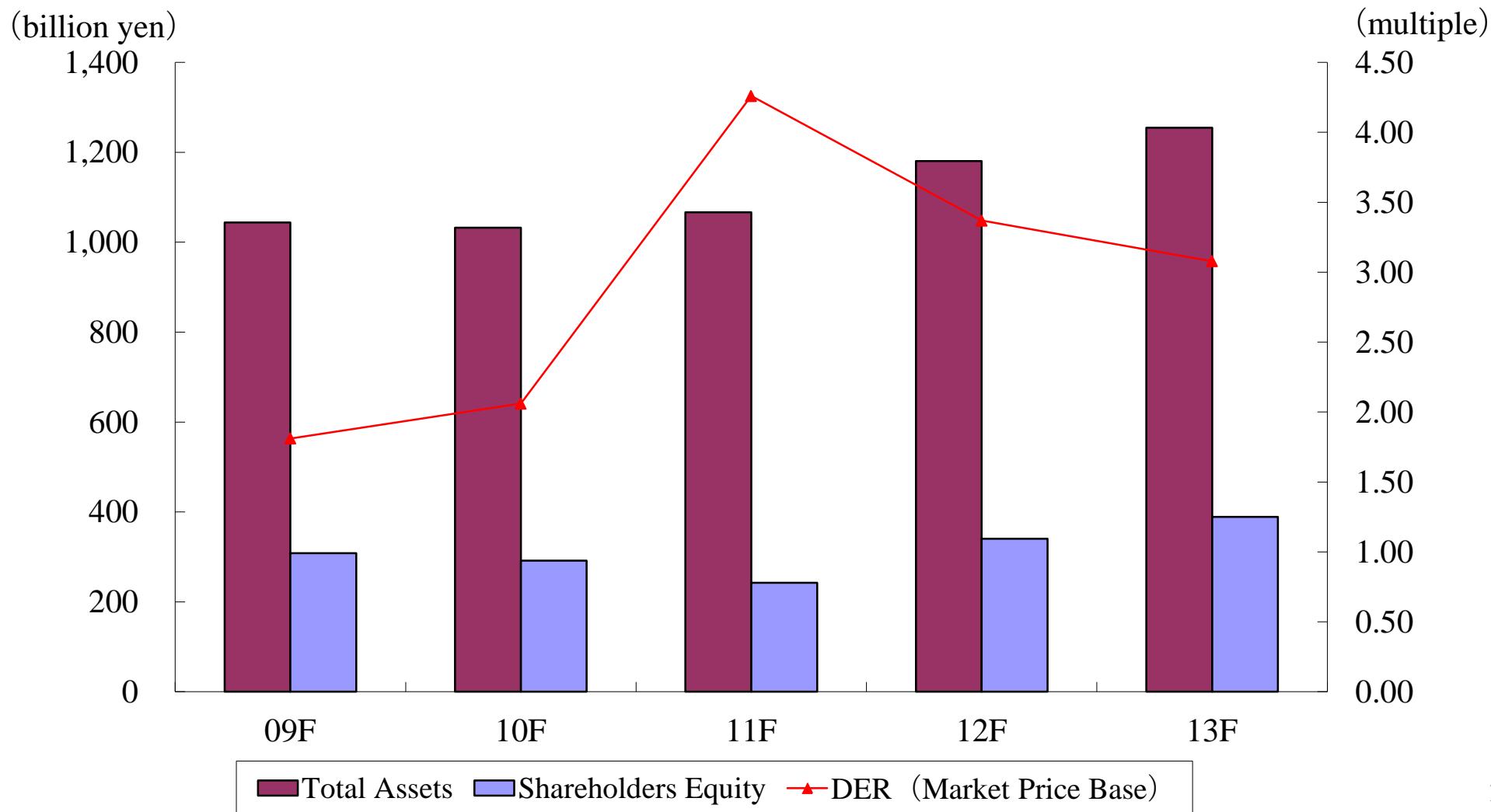


### 3-1. Consolidated Revenues & Incomes

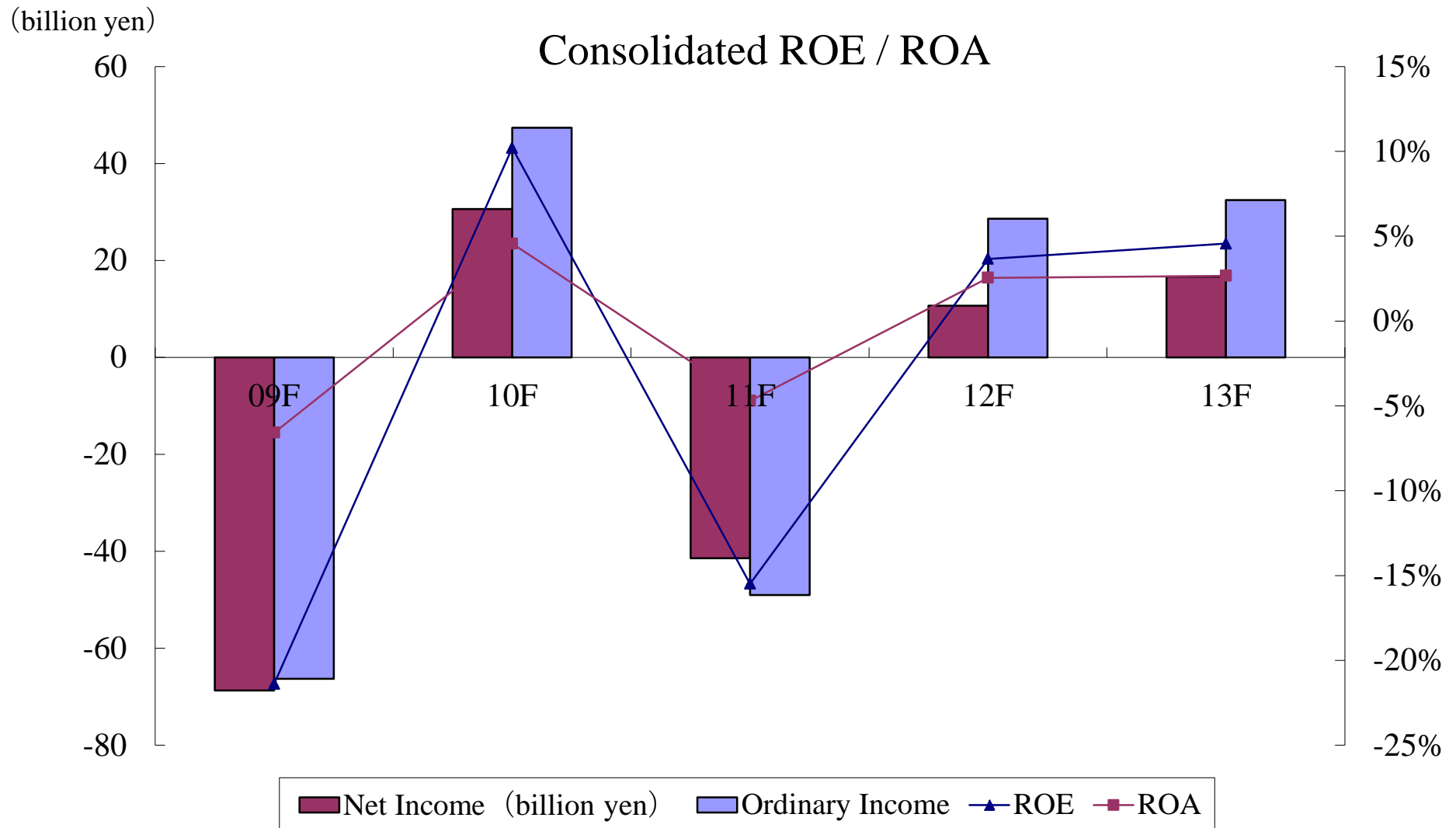


## 3-2. Consolidated Total Assets/Shareholders' Equity

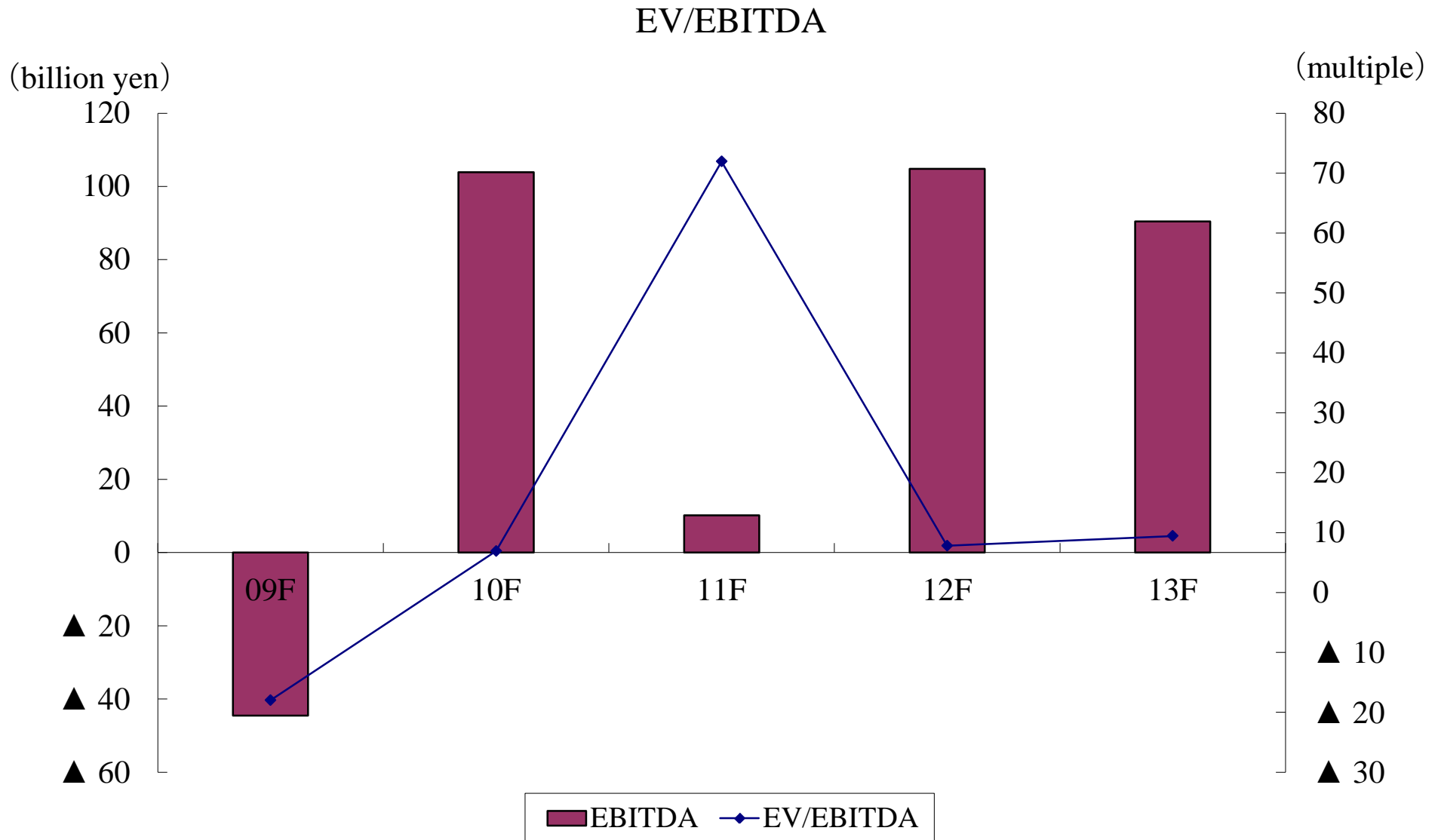
### Consolidated Total Assets/Shareholders' Equity



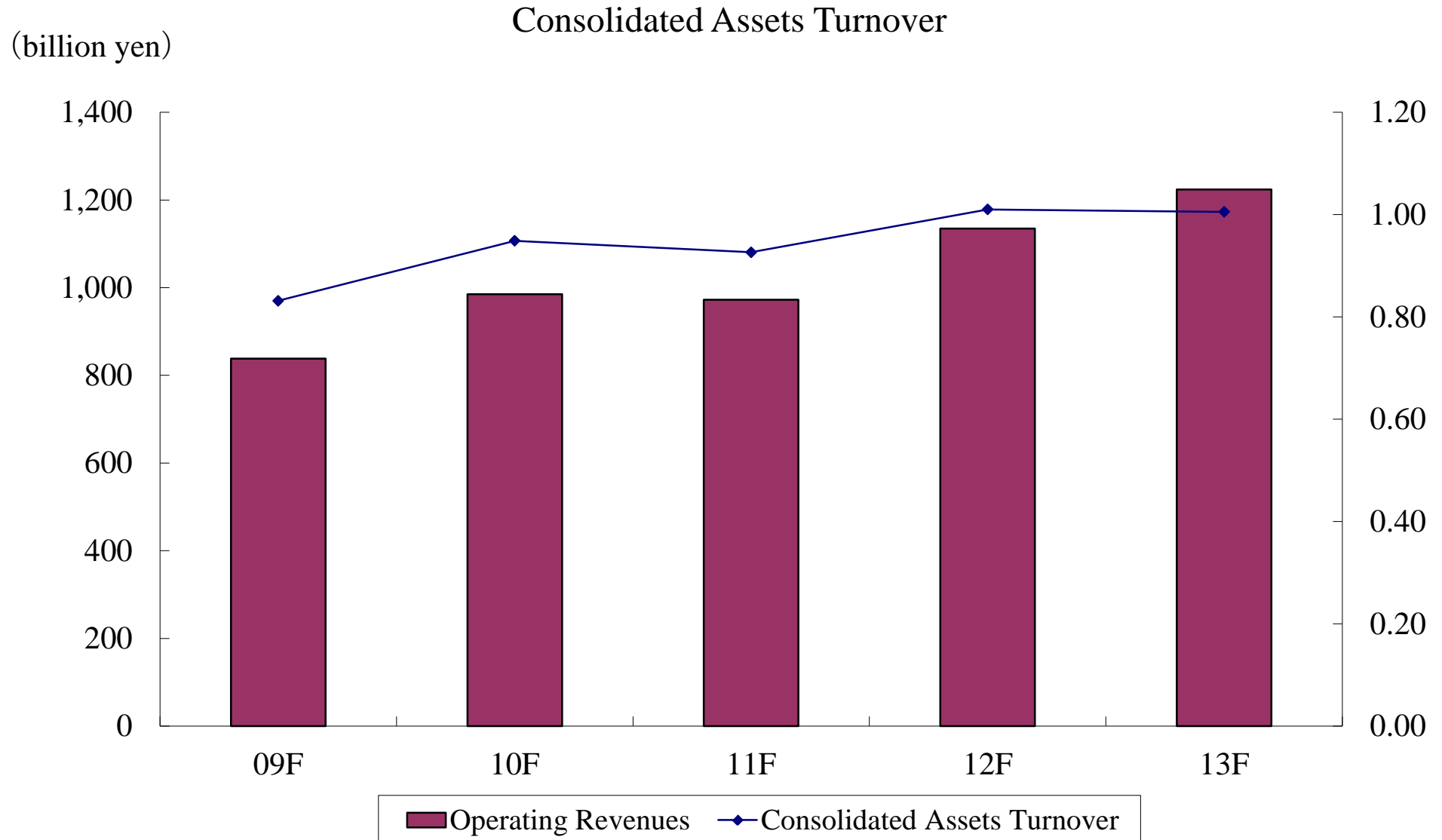
### 3-3. Consolidated ROE / ROA



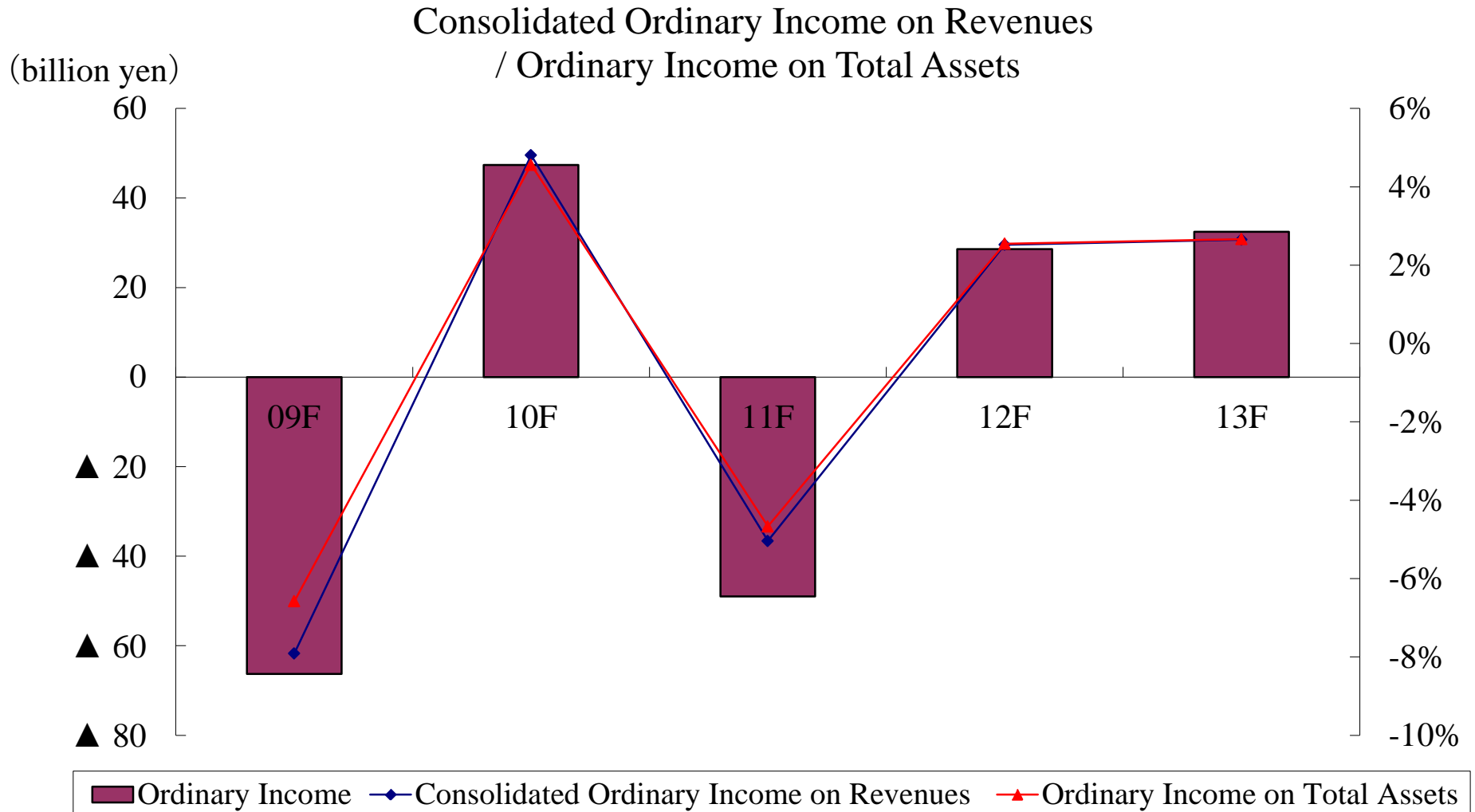
### 3-4. Consolidated EV/EBITDA



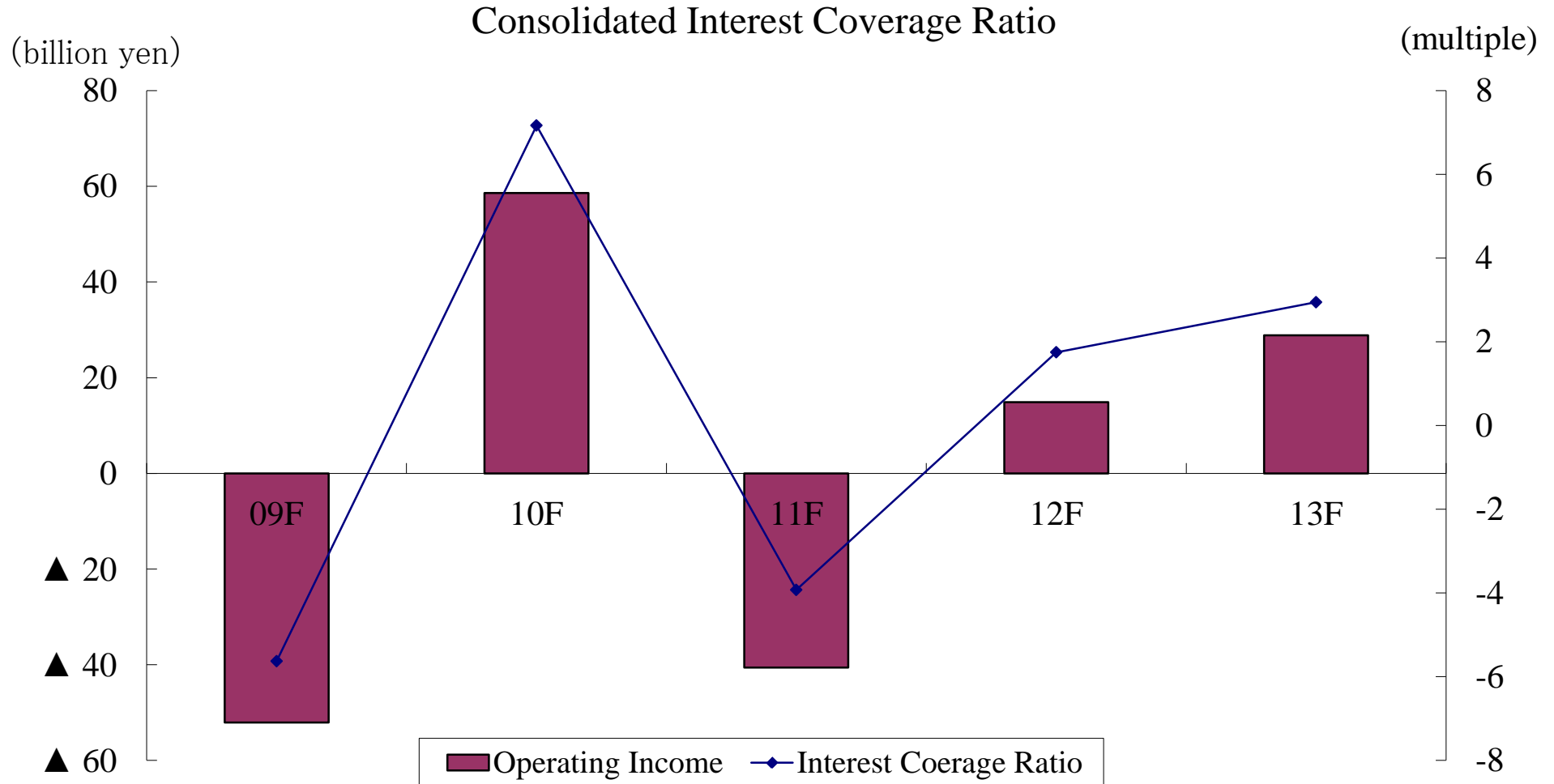
### 3-5. Consolidated Assets Turnover



### 3-6. Consolidated Ordinary Income on Revenues / Ordinary Income on Total Assets



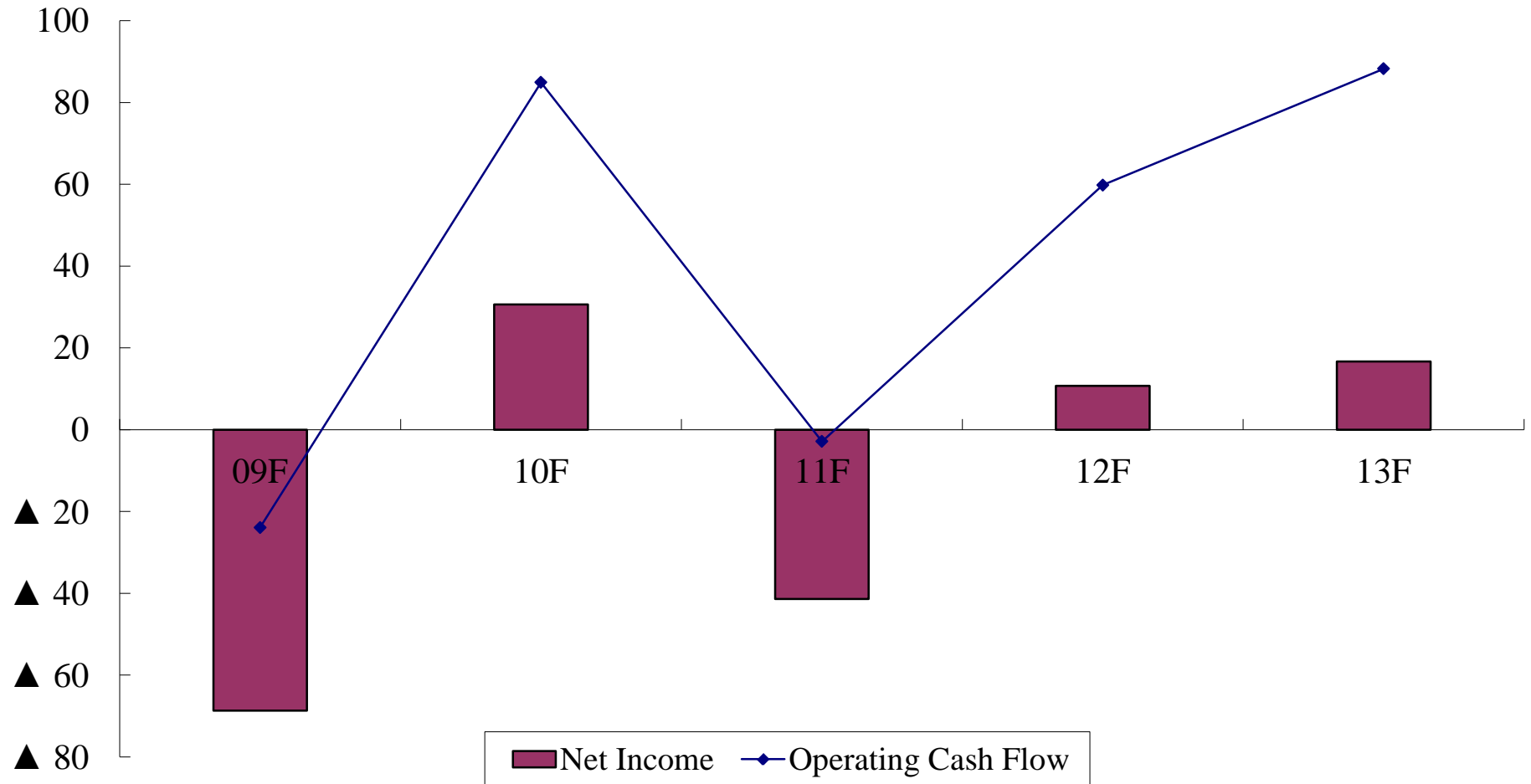
### 3-7. Consolidated Interest Coverage Ratio



### 3-8. Consolidated Net Income / Operating Cash Flow

Consolidated Net Income / Operating Cash Flow

(billion yen)





## 3-9. Consolidated Segment Information

(Unit: million yen)

	09F
Operating Revenues	
Marine Transportation	729,683
Freight Forwarding / Harbor Transportation	87,918
Others	20,431
Total	838,033
Operating Income	
Marine Transportation	▲ 59,060
Freight Forwarding / Harbor Transportation	4,726
Others	2,176
Total	▲ 52,158
Eliminations	83
Consolidated	▲ 52,075

(Unit: million yen)

	10F	11F
Operating Revenues		
Containership Business	444,971	395,460
Bulk Shipping Business	447,111	463,507
Other Business	93,002	113,342
Total	985,084	972,310
Ordinary Income		
Containership Business	29,005	▲ 41,772
Bulk Shipping Business	16,991	▲ 8,628
Other Business	4,739	6,605
Total	50,735	▲ 43,795
Eliminations	▲ 3,385	▲ 5,160
Consolidated	47,350	▲ 48,955

(Unit: million yen)

	12F	13F
Operating Revenues		
Containership Business	552,810	582,398
Bulk Shipping Business	502,571	572,686
Offshore Energy E&P	35,712	32,818
Support & Heavy Lifter		
Other Business	43,678	36,224
Total	1,134,771	1,224,126
Ordinary Income		
Containership Business	6,630	▲ 142
Bulk Shipping Business	24,064	41,261
Offshore Energy E&P	▲ 2,422	▲ 4,503
Support & Heavy Lifter		
Other Business	6,566	2,635
Total	34,839	39,252
Eliminations	▲ 6,250	▲ 6,797
Consolidated	28,589	32,455

\* From 2010FY, business segments have been revised.

\* From 2012FY, business segments have been revised.

### 3-10. Non-Consolidated Financial Data

(Unit: million yen)

	09F	10F	11F	12F	13F
Operating Revenues	631,747	772,321	737,994	834,217	954,427
Container	332,649	419,248	373,938	434,172	478,657
Bulk Carrier & Car Carrier	254,442	305,522	323,664	364,860	438,720
Energy Transportation	42,332	44,825	38,826	34,104	36,187
Other Shipping Business	956	1,407	371	23	11
Other Business	1,368	1,319	1,195	1,059	850
Operating Income	▲ 59,462	41,656	▲ 49,375	▲ 7,017	7,413
Ordinary Income	▲ 53,731	41,162	▲ 48,748	13,643	18,234
Net Income	▲ 56,949	24,620	▲ 37,044	▲ 4,168	11,353
Total Assets	569,028	580,087	557,862	575,488	663,658
Total Liabilities	363,076	376,444	396,753	363,341	426,745
Shareholder's Equity	205,952	203,642	161,109	207,778	213,778