

# Supplementary Report

- 3rd Quarter of F2006 -

February 2007

Kawasaki Kisen Kaisha, Ltd.

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

## Supplemental Information-1

- Shipping Markets -

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

(financial year base)

| Loading Volume<br>(Unit:1,000TEU) |         | 05F Results |            |            | 06F Results |            |            |
|-----------------------------------|---------|-------------|------------|------------|-------------|------------|------------|
|                                   |         | 1H          | 3Q         | YTD        | 1H          | 3Q         | YTD        |
| Asia/N.America                    | E/Bound | 336         | 158        | 494        | 368         | 179        | 547        |
|                                   | W/Bound | 114         | 64         | 178        | 126         | 65         | 190        |
|                                   |         | <b>450</b>  | <b>222</b> | <b>672</b> | <b>493</b>  | <b>244</b> | <b>737</b> |
| Asia/Europe                       | W/Bound | 208         | 105        | 312        | 233         | 120        | 353        |
|                                   | E/Bound | 116         | 62         | 178        | 128         | 61         | 189        |
|                                   |         | <b>323</b>  | <b>167</b> | <b>490</b> | <b>361</b>  | <b>181</b> | <b>542</b> |

| Load Factor(%) |         | 05F Results  |              |              | 06F Results  |              |              |
|----------------|---------|--------------|--------------|--------------|--------------|--------------|--------------|
|                |         | 1H           | 3Q           | YTD          | 1H           | 3Q           | YTD          |
| Asia/N.America | E/Bound | 90.9%        | 86.3%        | 89.4%        | 92.4%        | 84.7%        | 89.7%        |
|                | W/Bound | 49.4%        | 55.5%        | 51.4%        | 47.4%        | 43.1%        | 45.8%        |
|                |         | <b>74.9%</b> | <b>74.4%</b> | <b>74.7%</b> | <b>74.4%</b> | <b>67.5%</b> | <b>71.9%</b> |
| Asia/Europe    | W/Bound | 101.9%       | 92.5%        | 98.5%        | 93.5%        | 89.9%        | 92.2%        |
|                | E/Bound | 79.7%        | 77.9%        | 79.1%        | 74.0%        | 66.8%        | 71.5%        |
|                |         | <b>92.7%</b> | <b>86.5%</b> | <b>90.4%</b> | <b>85.5%</b> | <b>80.5%</b> | <b>83.8%</b> |

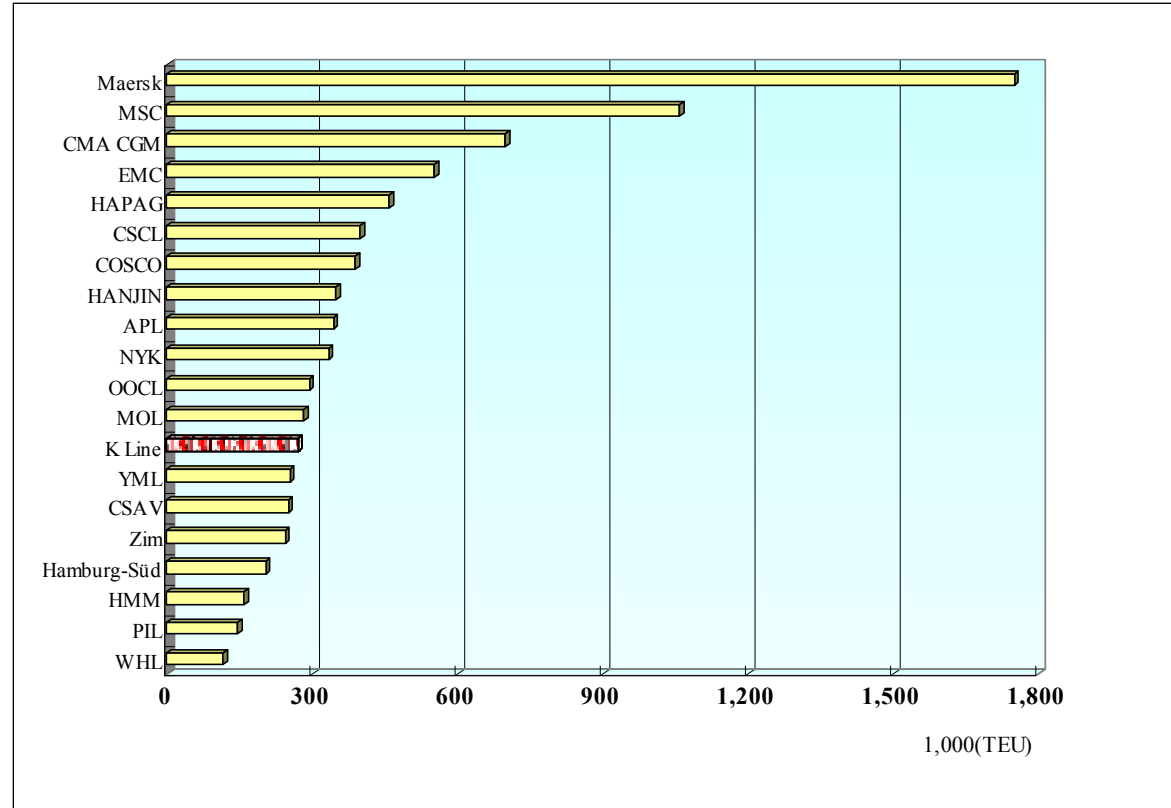
# 1-2. Line/Alliance wise Vessel/Capacity Comparison

Top 20 Container Carriers ranked by operating capacity

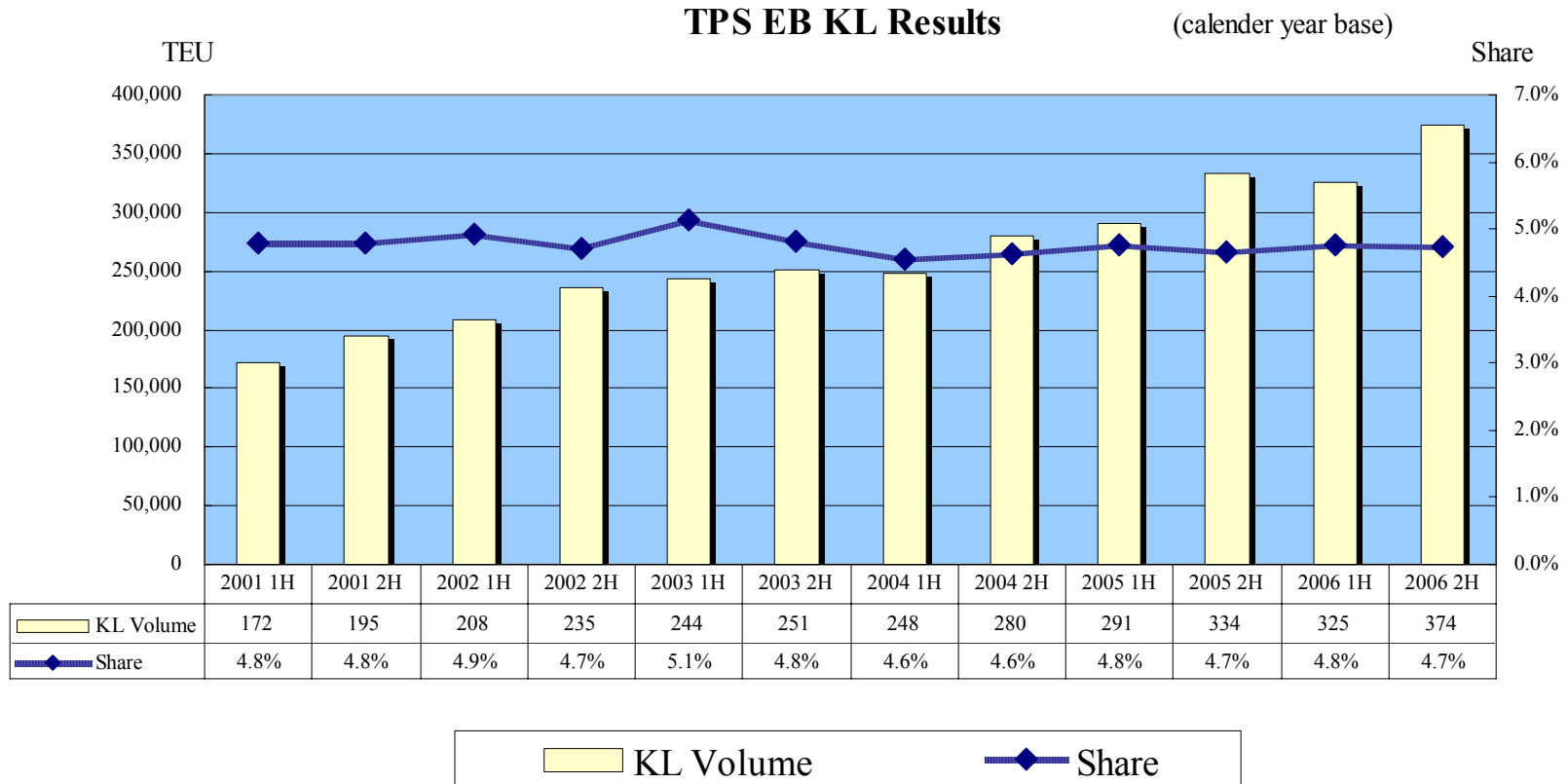
as of January 2007

| Rank | Operator    | TOTAL     |
|------|-------------|-----------|
|      |             | TEU       |
| 1    | Maersk      | 1,749,294 |
| 2    | MSC         | 1,057,699 |
| 3    | CMA CGM     | 698,598   |
| 4    | EMC         | 551,452   |
| 5    | HAPAG       | 458,780   |
| 6    | CSCL        | 398,081   |
| 7    | COSCO       | 389,135   |
| 8    | HANJIN      | 348,235   |
| 9    | APL         | 344,147   |
| 10   | NYK         | 333,652   |
| 11   | OOCL        | 294,052   |
| 12   | MOL         | 283,211   |
| 13   | K Line      | 270,115   |
| 14   | YML         | 254,389   |
| 15   | CSAV        | 250,713   |
| 16   | Zim         | 244,406   |
| 17   | Hamburg-Süd | 204,177   |
| 18   | HMM         | 160,049   |
| 19   | PIL         | 145,506   |
| 20   | WHL         | 115,009   |

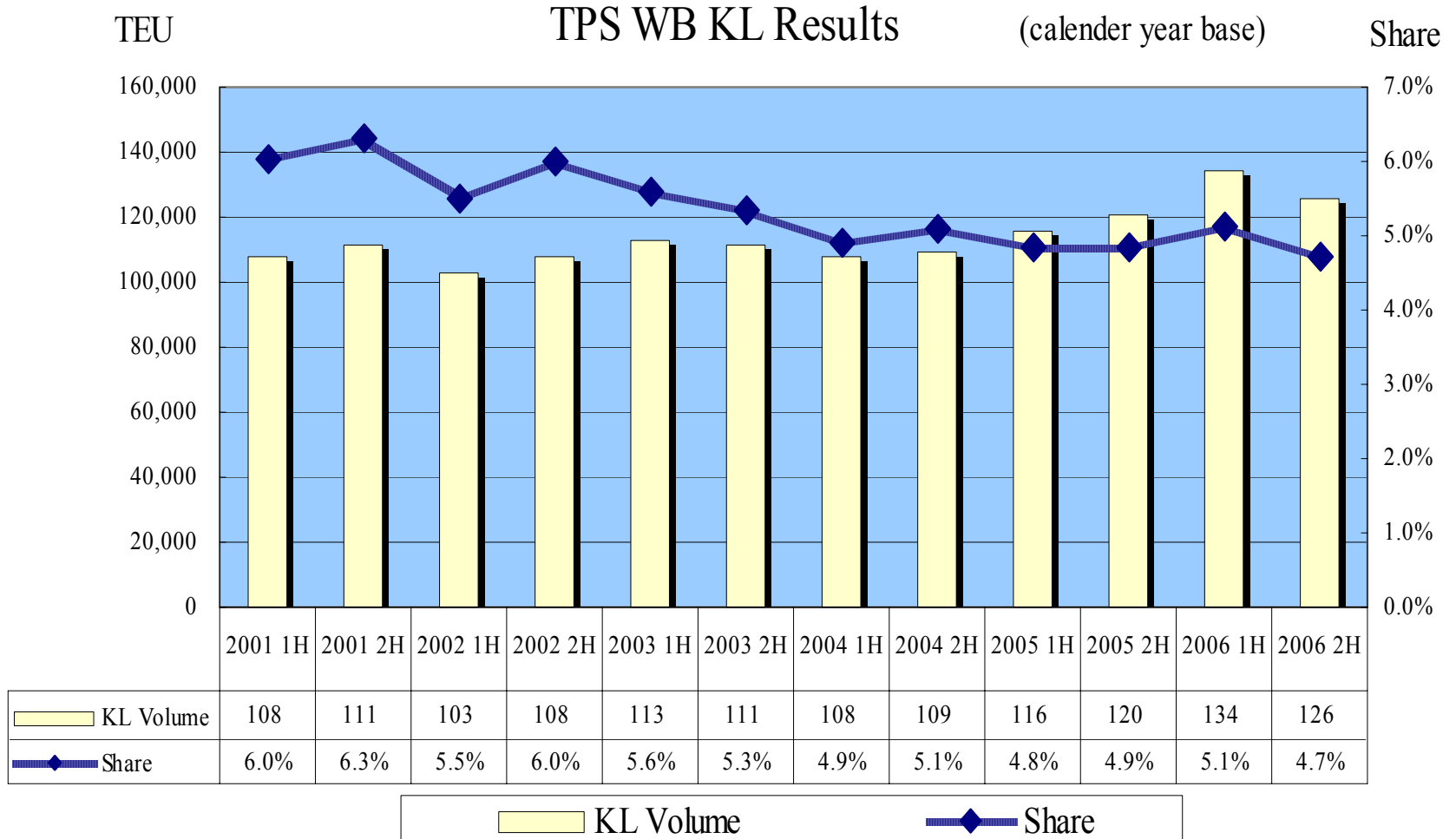
| Rank | Alliance | TEU       |
|------|----------|-----------|
| 1    | Maersk   | 1,749,294 |
| 2    | CKYH     | 1,261,874 |
| 3    | GA       | 1,144,497 |
| 4    | MSC      | 1,057,699 |
| 5    | TNWA     | 787,407   |
| 6    | CMA      | 698,598   |
| 7    | EMC      | 551,452   |
| 8    | CSCL     | 398,081   |
| 9    | CSAV     | 250,713   |



# 1-3. "K" Line Container Volume & Share (Asia to North America '01-'06)



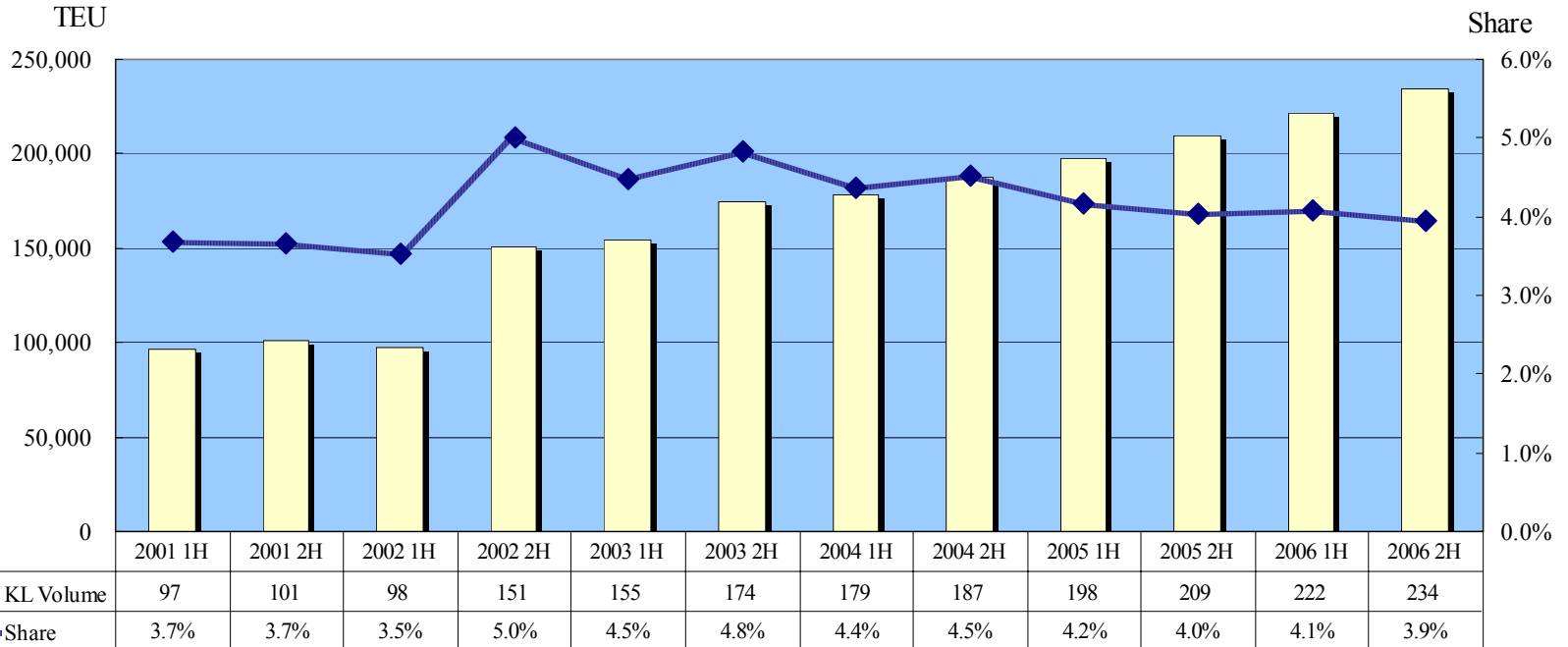
# 1-4. "K" Line Container Volume & Share (North America to Asia '01-'06)



# 1-5. "K" Line Container Volume & Share (Asia (ex. India) to Europe '01-'06)

AES WB KL Results

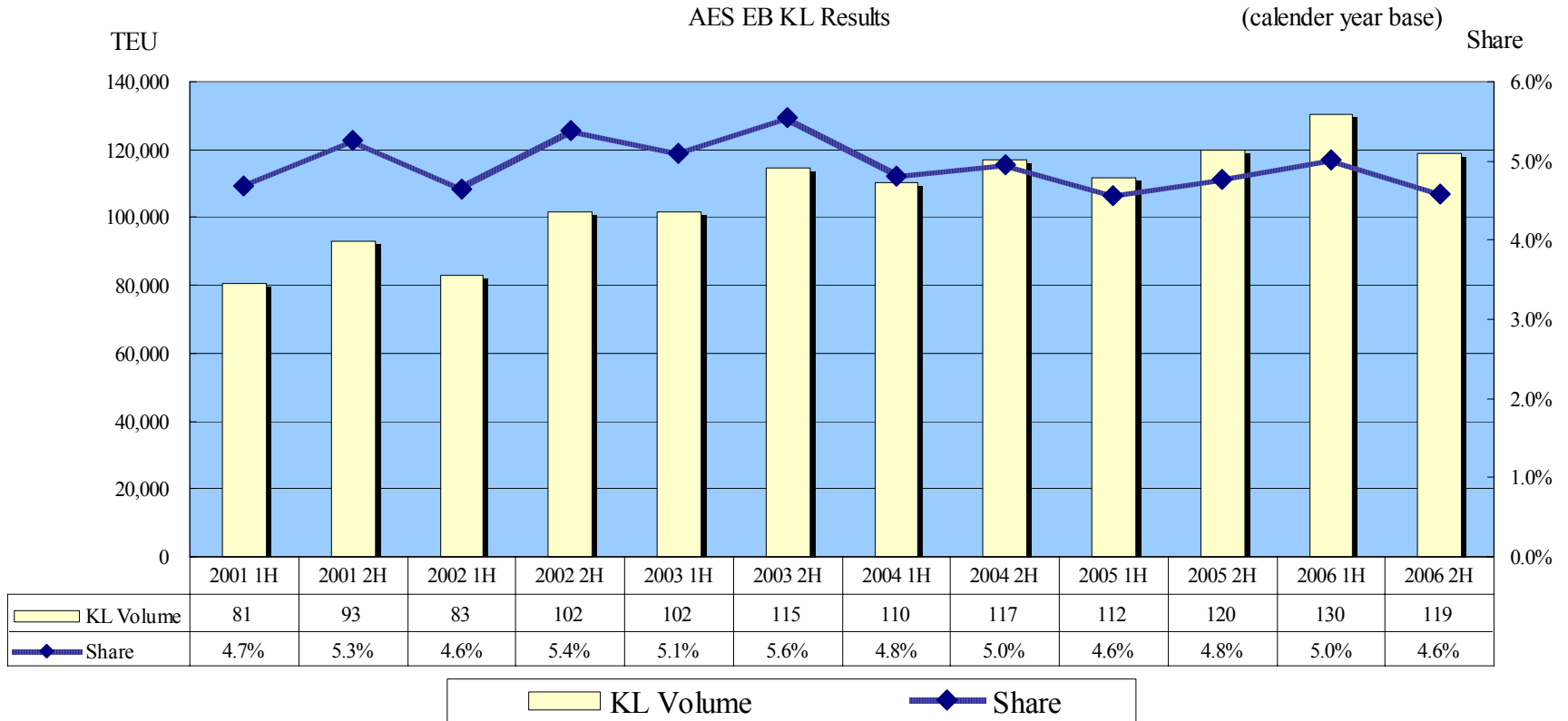
(calendar year base)



KL Volume Share

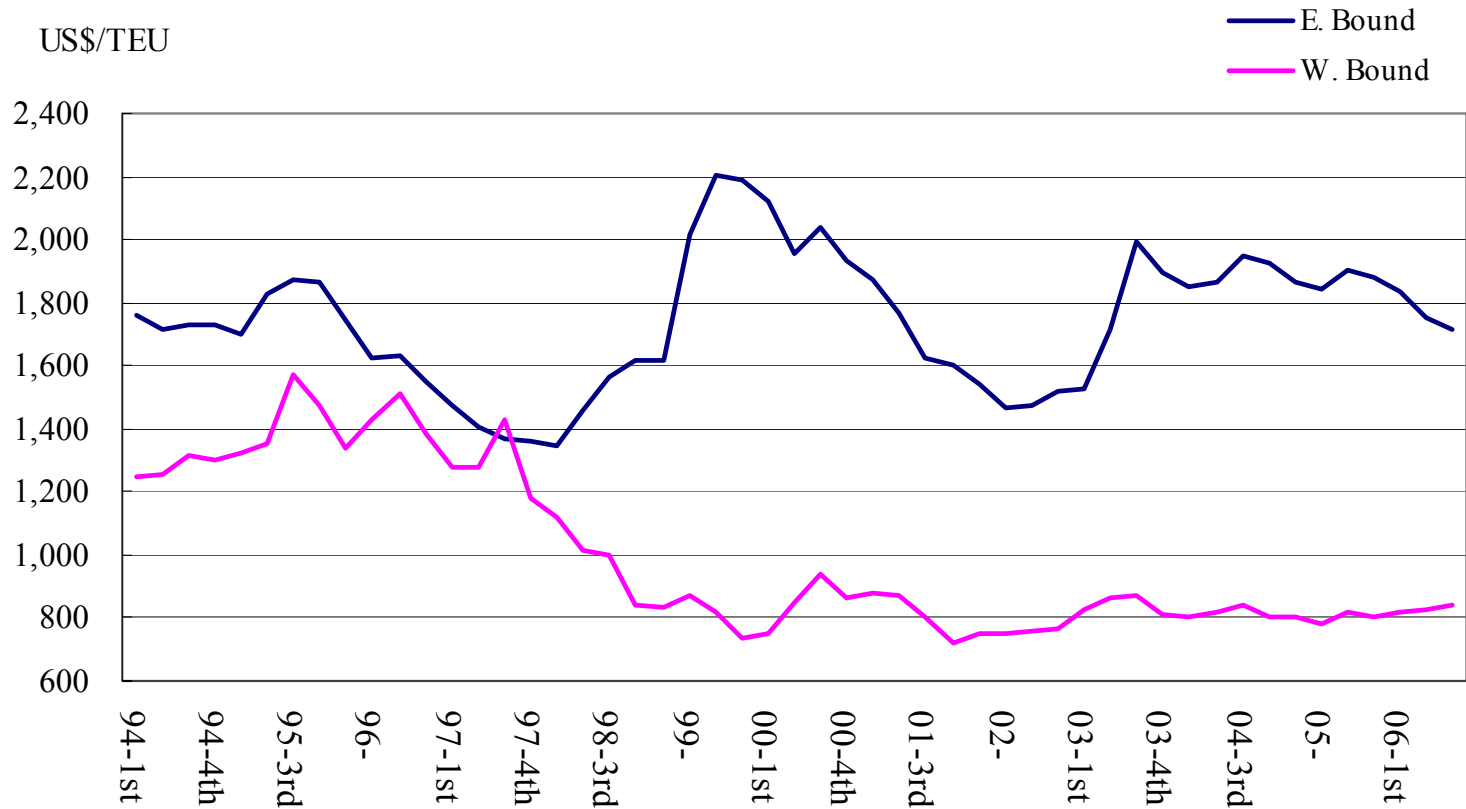


# 1-6. "K" Line Container Volume & Share (Europe to Asia (ex. India) '01-'06))



# 1-7. Trend of Average Container Freight (Asia-North America Trade)

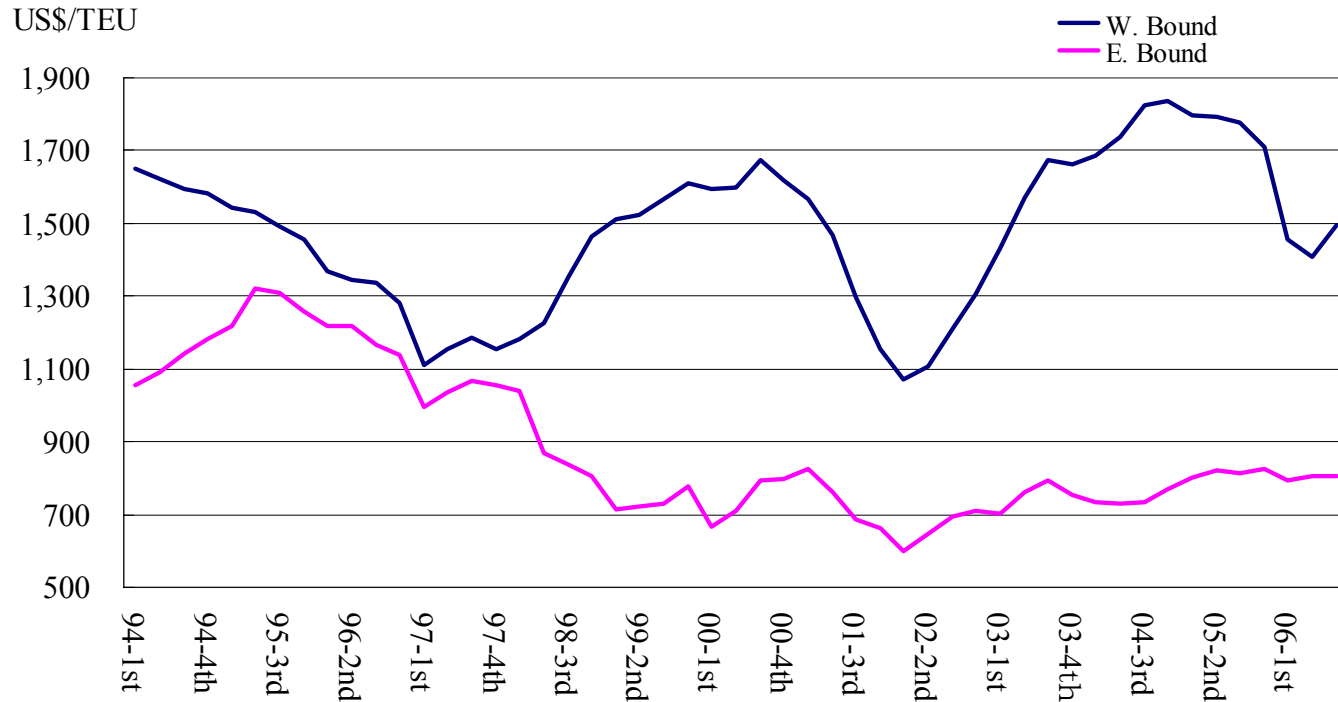
(Data: CONTAINERIZATION INTERNATIONAL)



(calendar year base)

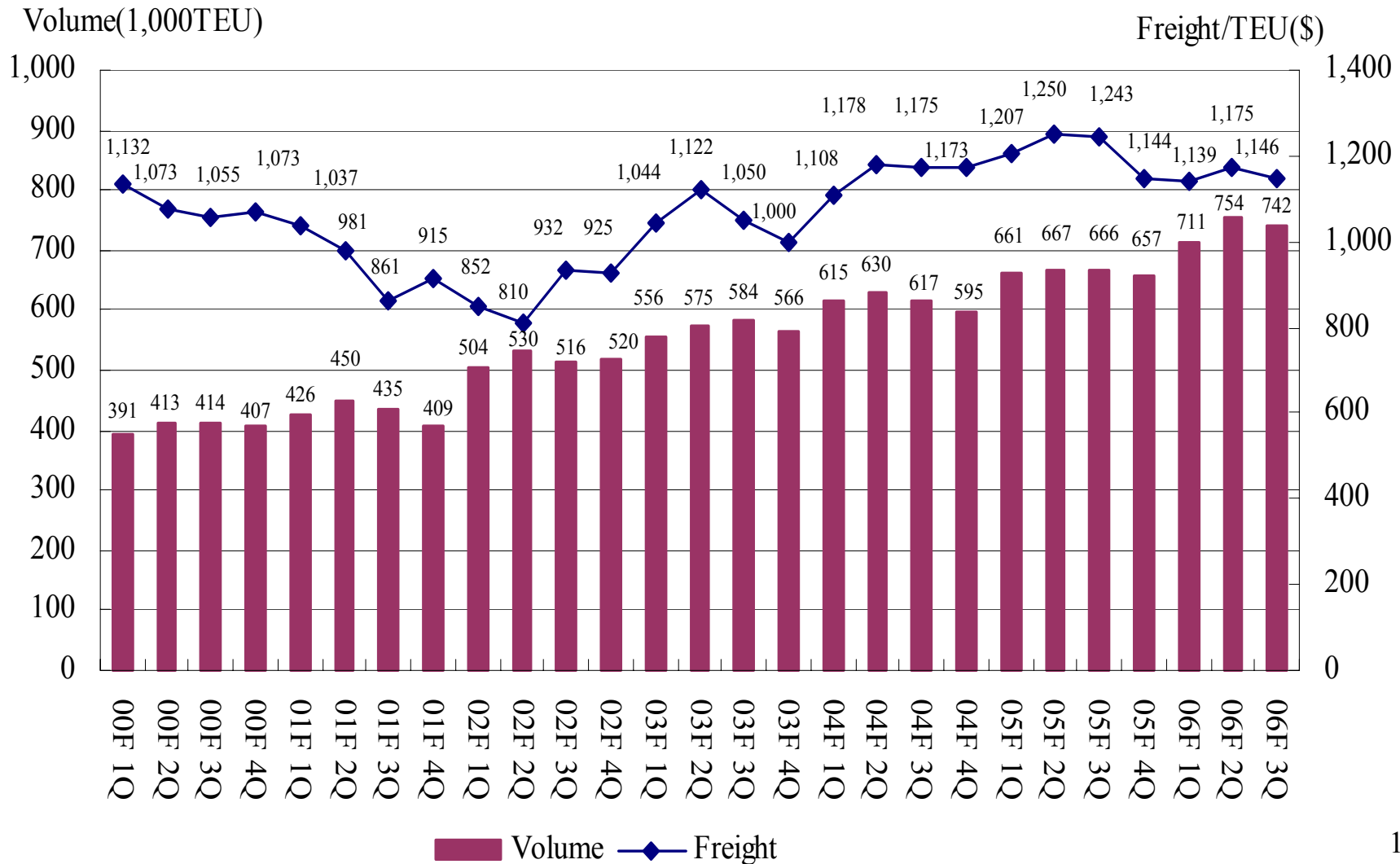
# 1-8. Trend of Average Container Freight (Asia-Europe Trade)

(Data: CONTAINARIZATION INTERNATIONAL)



(calender year base)

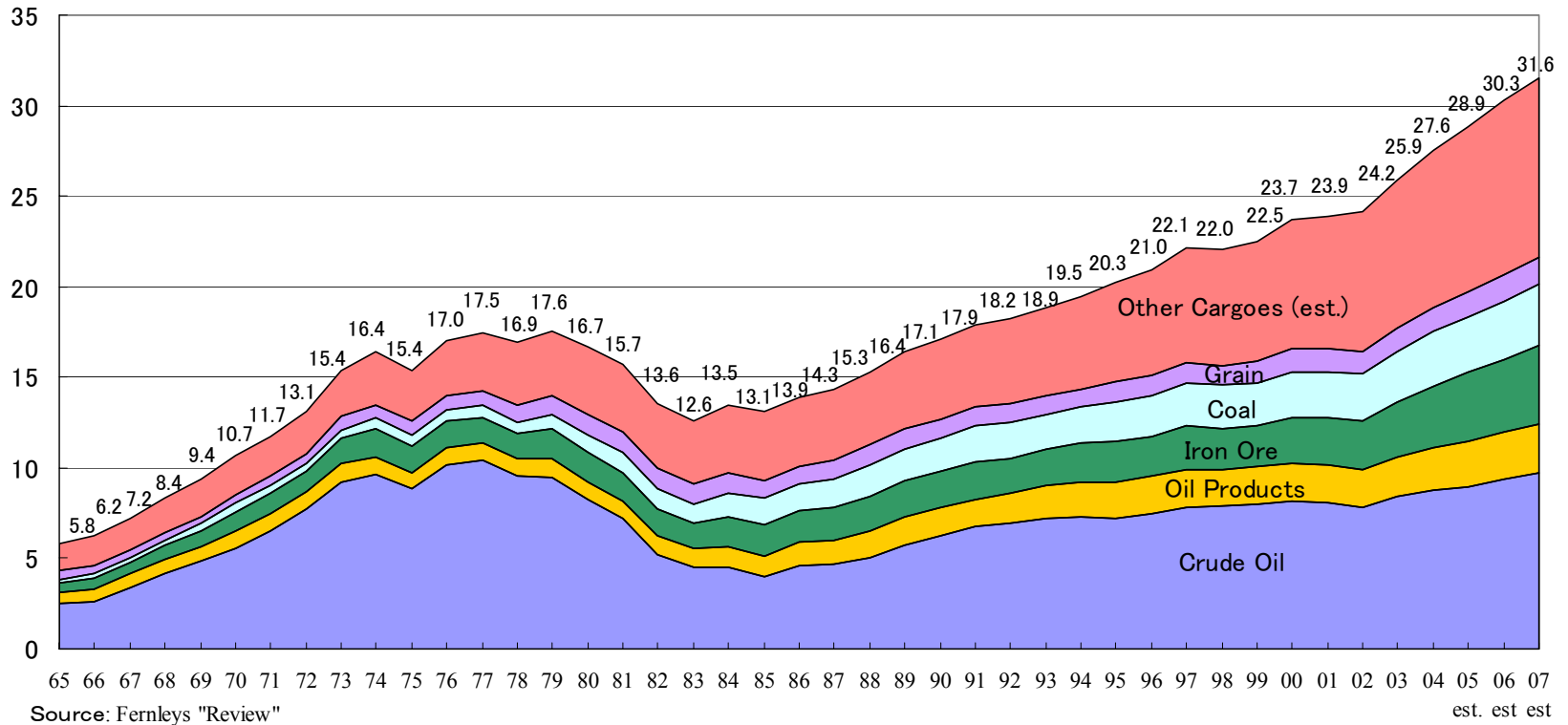
# 1-9. Trend of Average Container Freight/Volume (“K” Line All Trades) (00F-06F 3Q)



# 1-10. World Seaborne Trade

## World Seaborne Trade (ton-mile)

(Figures in trillion)

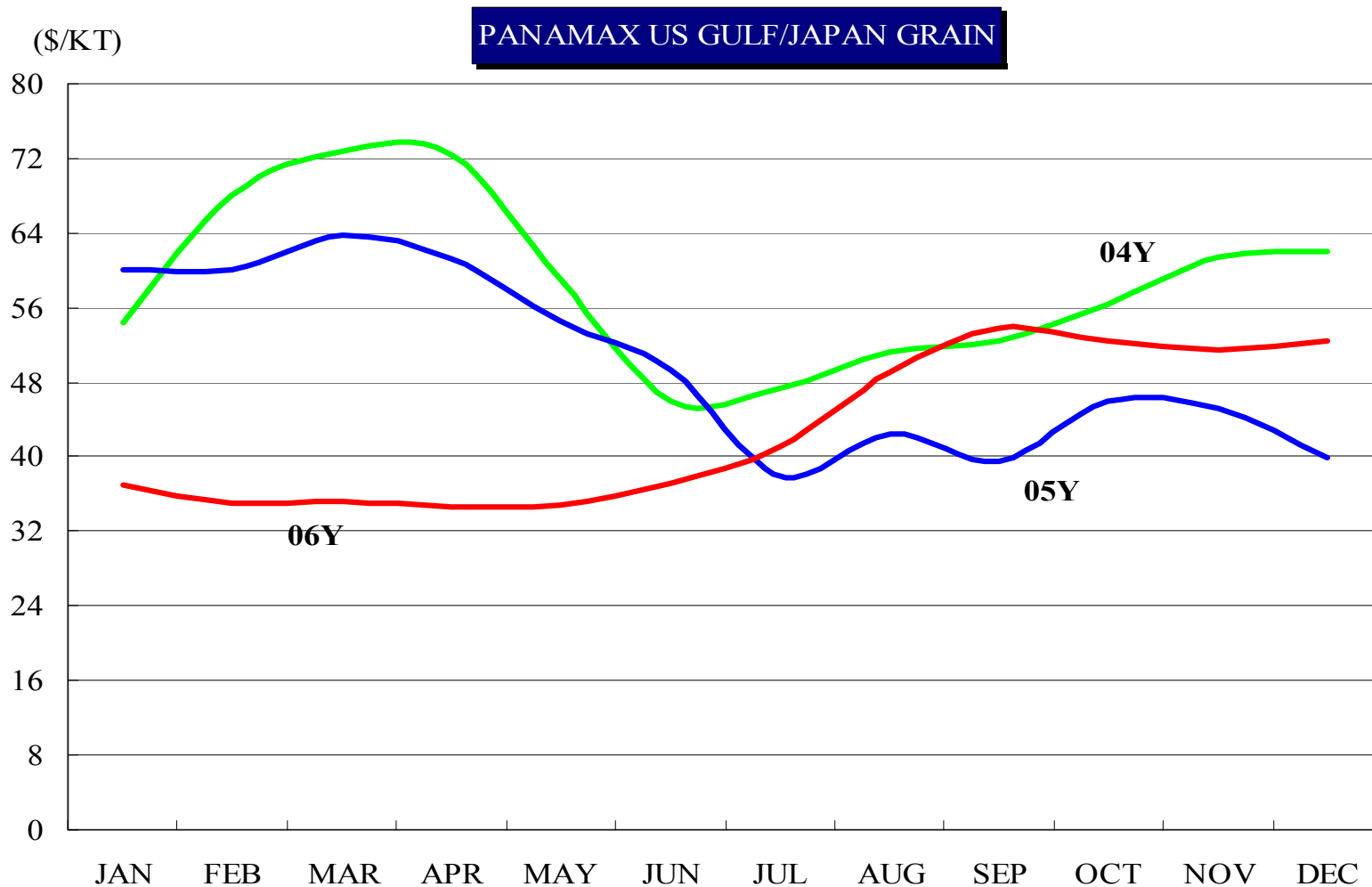


Source: Fernleys "Review"

est. est est

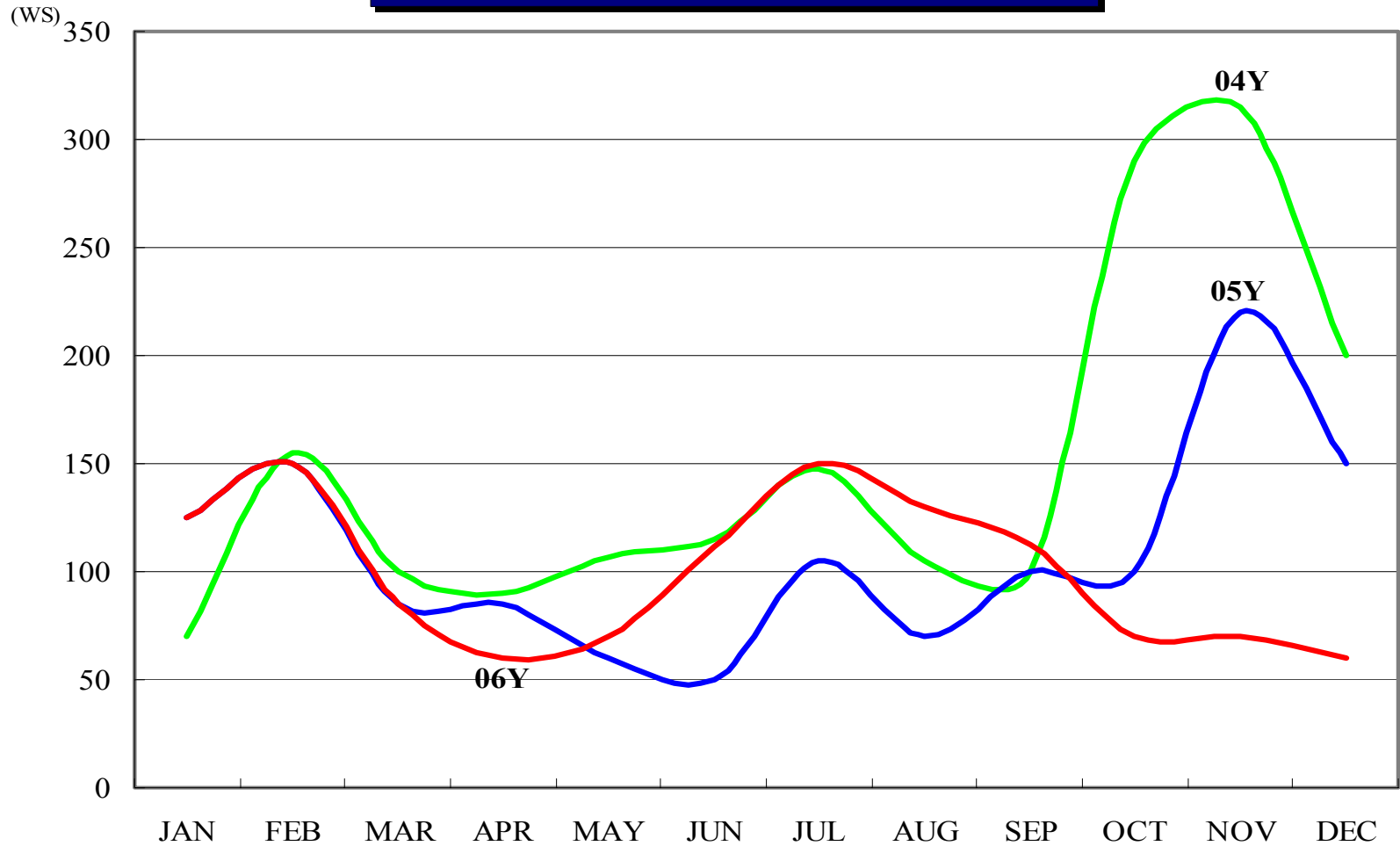
(calendar year base)

# 1-11. Bulker Market



# 1-12. Tanker Market

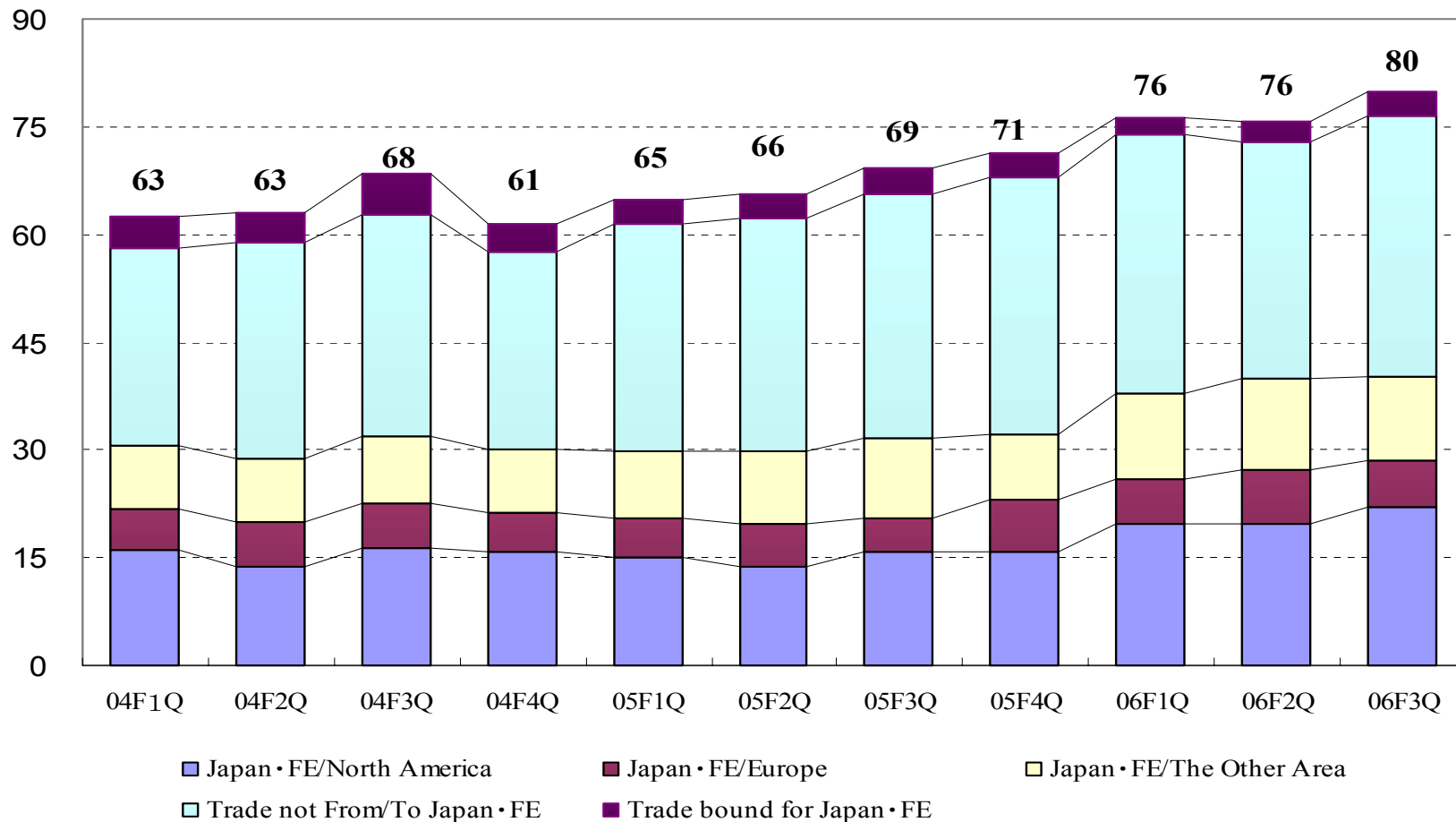
**TANKER MARKET (VLCC ARABIAN GULF/JAPAN)**



# 1-13. Transition of Cars/Trucks Transported by “K” Line PCTC Fleet

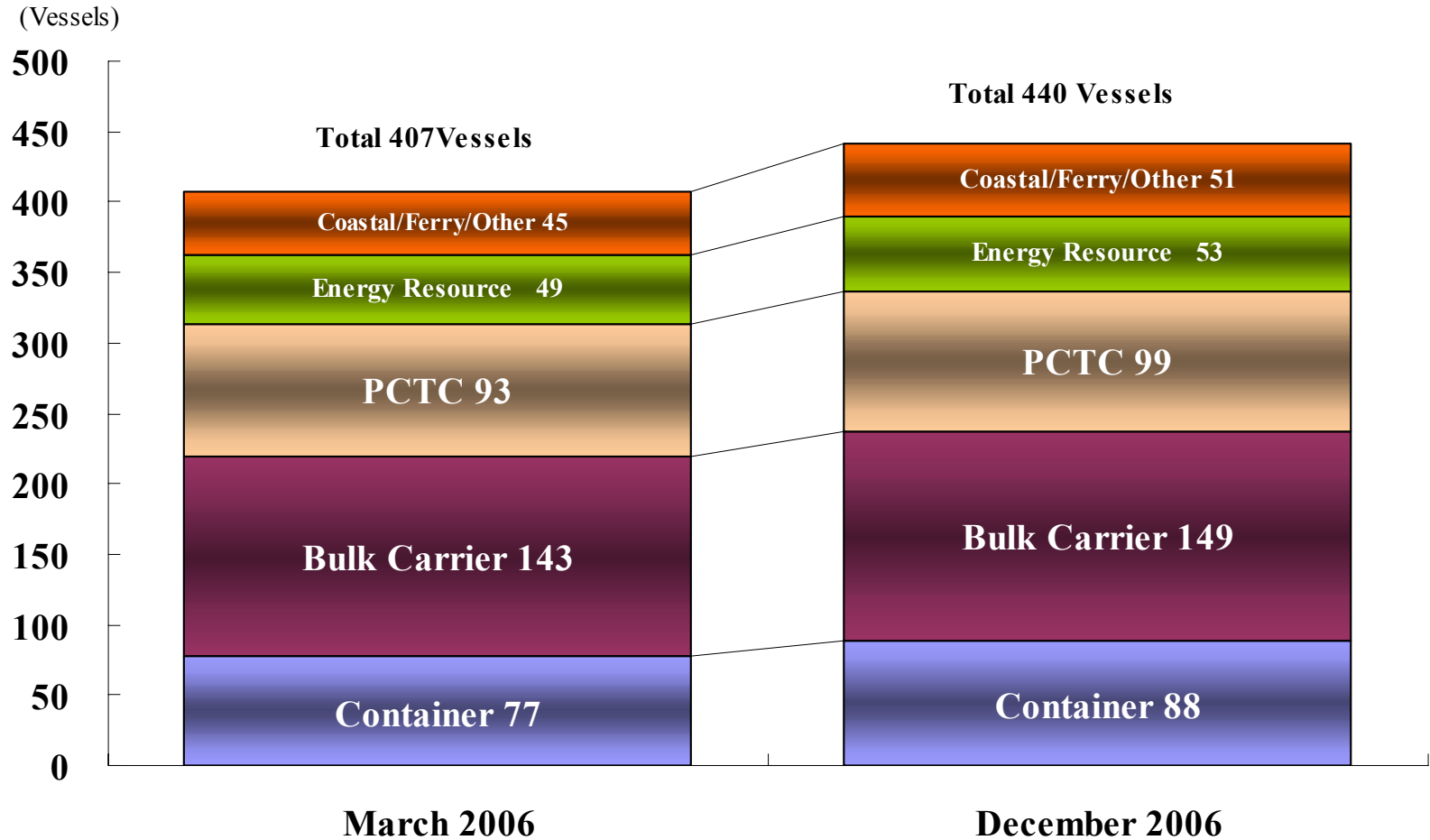
(ten thousand units)

(financial year base)

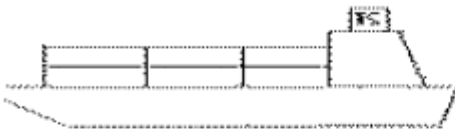
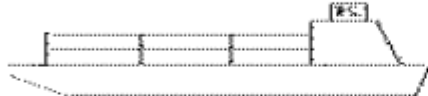
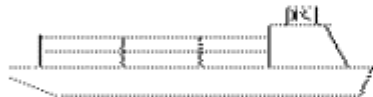






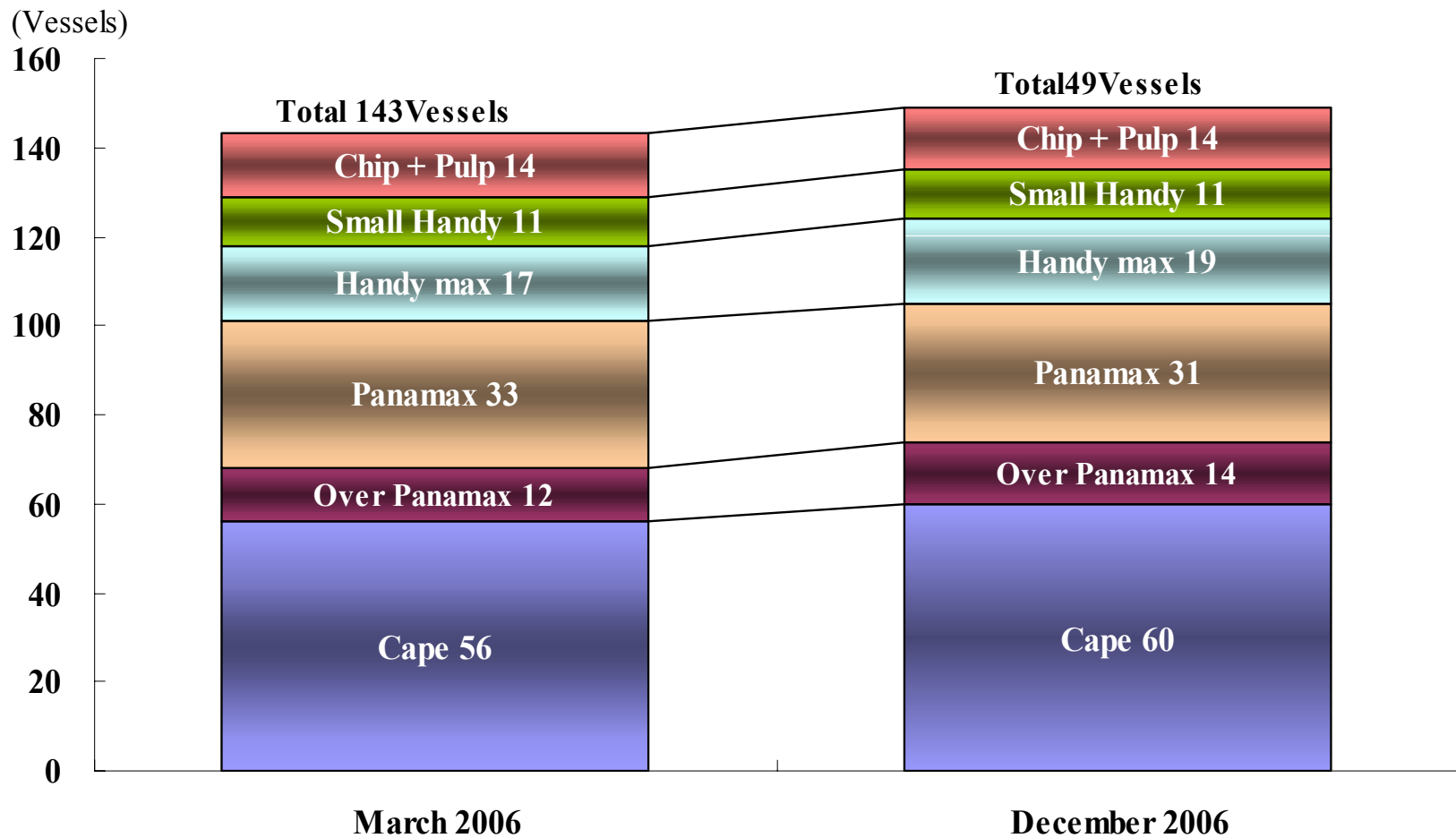
# 1-14. "K" Line Vessel Fleet Composition



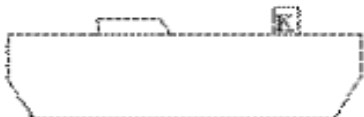

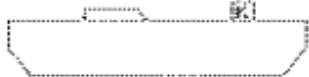



# 1-15. "K" Line Container Vessel Fleet Composition

|   |                              | <b>March 2006</b> | <b>December 2006</b> |
|---|------------------------------|-------------------|----------------------|
|   | <b>5,500TEU Over</b>         | <b>15</b>         | <b>20</b>            |
|   | <b>3,500TEU(3,400~4,700)</b> | <b>25</b>         | <b>23</b>            |
|  | <b>2,800TEU(2,700~2,900)</b> | <b>5</b>          | <b>7</b>             |
|  | <b>2,000TEU(1,500~2,500)</b> | <b>9</b>          | <b>11</b>            |
|  | <b>1,400TEU or under</b>     | <b>23</b>         | <b>27</b>            |
| <b>Total</b>  |                              | <b>77</b>         | <b>88</b>            |

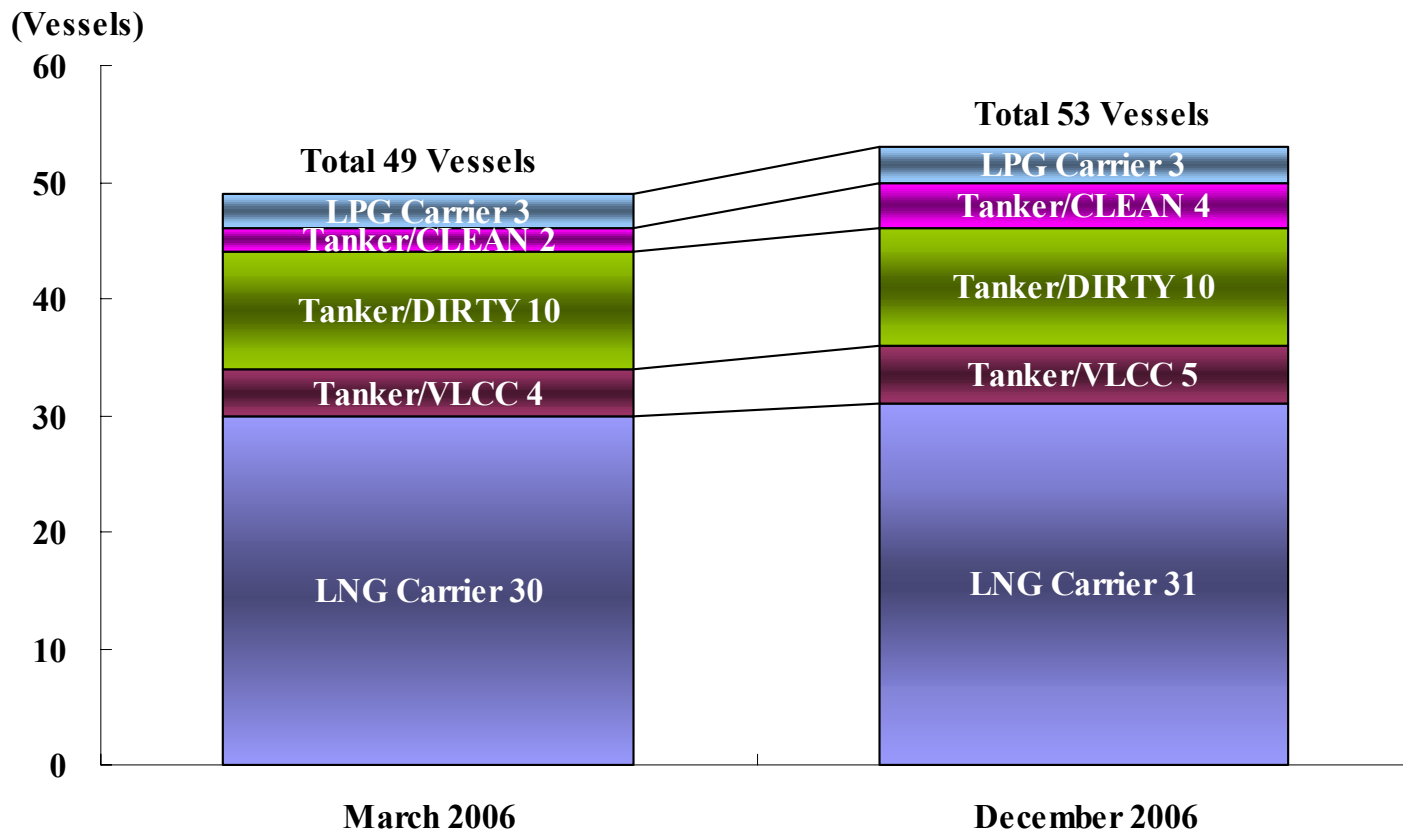
# 1-16. "K" Line BulkCarrier Fleet Composition



# 1-17. “K” Line PCTC Vessel Fleet Composition

|   |                                  | March 2006 | December 2006 |
|---|----------------------------------|------------|---------------|
|     | <b>6,000 units</b>               | <b>12</b>  | <b>13</b>     |
|    | <b>5,000 units (4,750~5,650)</b> | <b>29</b>  | <b>30</b>     |
|    | <b>4,000 units (3,800~4,600)</b> | <b>20</b>  | <b>23</b>     |
|    | <b>3,000 units (2,800~3,500)</b> | <b>15</b>  | <b>15</b>     |
|    | <b>2,000 units (1,600~2,500)</b> | <b>2</b>   | <b>4</b>      |
|  | <b>800 units (800~850)</b>       | <b>15</b>  | <b>14</b>     |
| <b>Total</b>  |                                  | <b>93</b>  | <b>99</b>     |

# 1-18. "K" Line Energy Transport Fleet Composition



## Supplemental Information-2

- Financial Data -

## 2-1. Breakdown on Non-Operating, Extra-Ordinary Items (2006F 3Q)

### 1. Non-Operating Income/Loss

(Unit : billion yen)

|                     | 1H    | 3Q  | YTD   |
|---------------------|-------|-----|-------|
| Consolidated Total  | 1.1   | 0.9 | 2.0   |
| Financial Gain/Loss | 0.6   | 0.4 | 0.9   |
| Exchange Gain/Loss  | △ 0.7 | 0.2 | △ 0.5 |
| Others              | 1.2   | 0.3 | 1.5   |

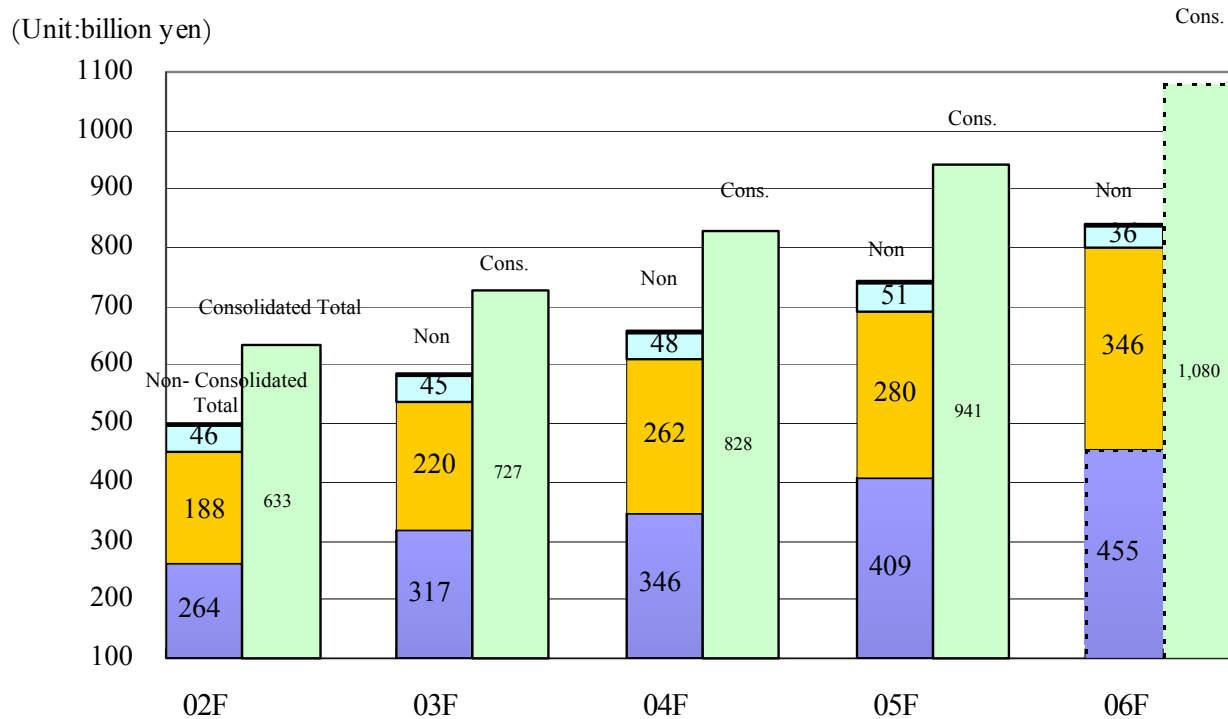
|                        | 1H    | 3Q    | YTD   |
|------------------------|-------|-------|-------|
| Non-Consolidated Total | 3.0   | 0.0   | 3.1   |
| Financial Gain/Loss    | 3.1   | 0.6   | 3.7   |
| Exchange Gain/Loss     | △ 0.2 | △ 0.5 | △ 0.6 |
| Others                 | 0.1   | △ 0.2 | △ 0.1 |

### 2. Extra-Ordinary Income/Loss

|                                    | 1H    | 3Q    | YTD   |
|------------------------------------|-------|-------|-------|
| Consolidated Total                 | 6.2   | 3.6   | 9.8   |
| Sales and disposal of fixed assets | 2.8   | 3.6   | 6.4   |
| Impairment losses on fixed assets  | 0.0   | △ 0.2 | △ 0.2 |
| Sales of securities                | 3.9   | △ 0.1 | 3.8   |
| Others                             | △ 0.5 | 0.3   | △ 0.2 |

|                                    | 1H    | 3Q    | YTD   |
|------------------------------------|-------|-------|-------|
| Non-Consolidated Total             | 4.0   | △ 0.1 | 4.0   |
| Sales and disposal of fixed assets | 0.2   | △ 0.0 | 0.2   |
| Impairment losses on fixed assets  | 0.0   | 0.0   | 0.0   |
| Sales of securities                | 3.9   | 0.0   | 3.9   |
| Others                             | △ 0.1 | △ 0.0 | △ 0.1 |

## 2-2. Transition of Operating Revenues



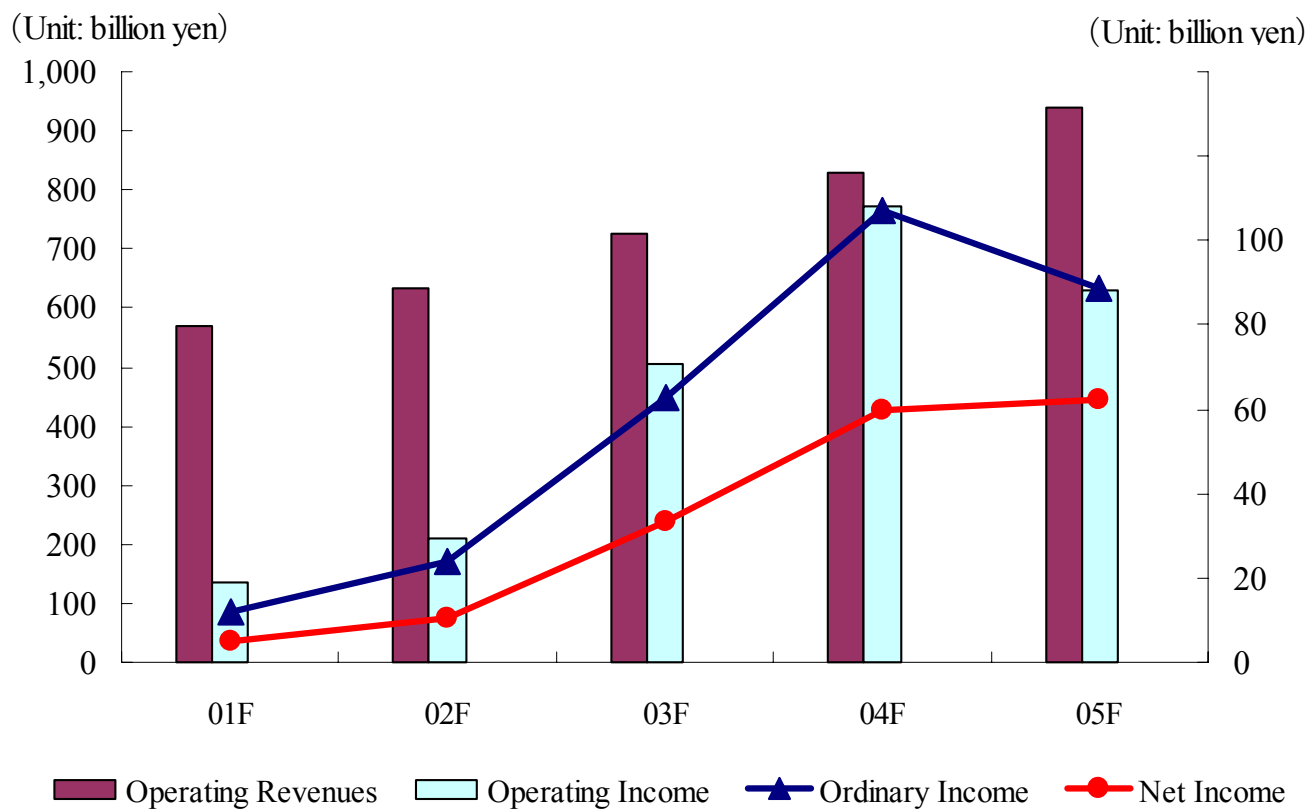
■ Container   
 ■ Bulk Carrier/Car Carrier   
 ■ Energy Transportation   
 ■ Others   
 ■ Consolidated Total



## Supplemental Information-3

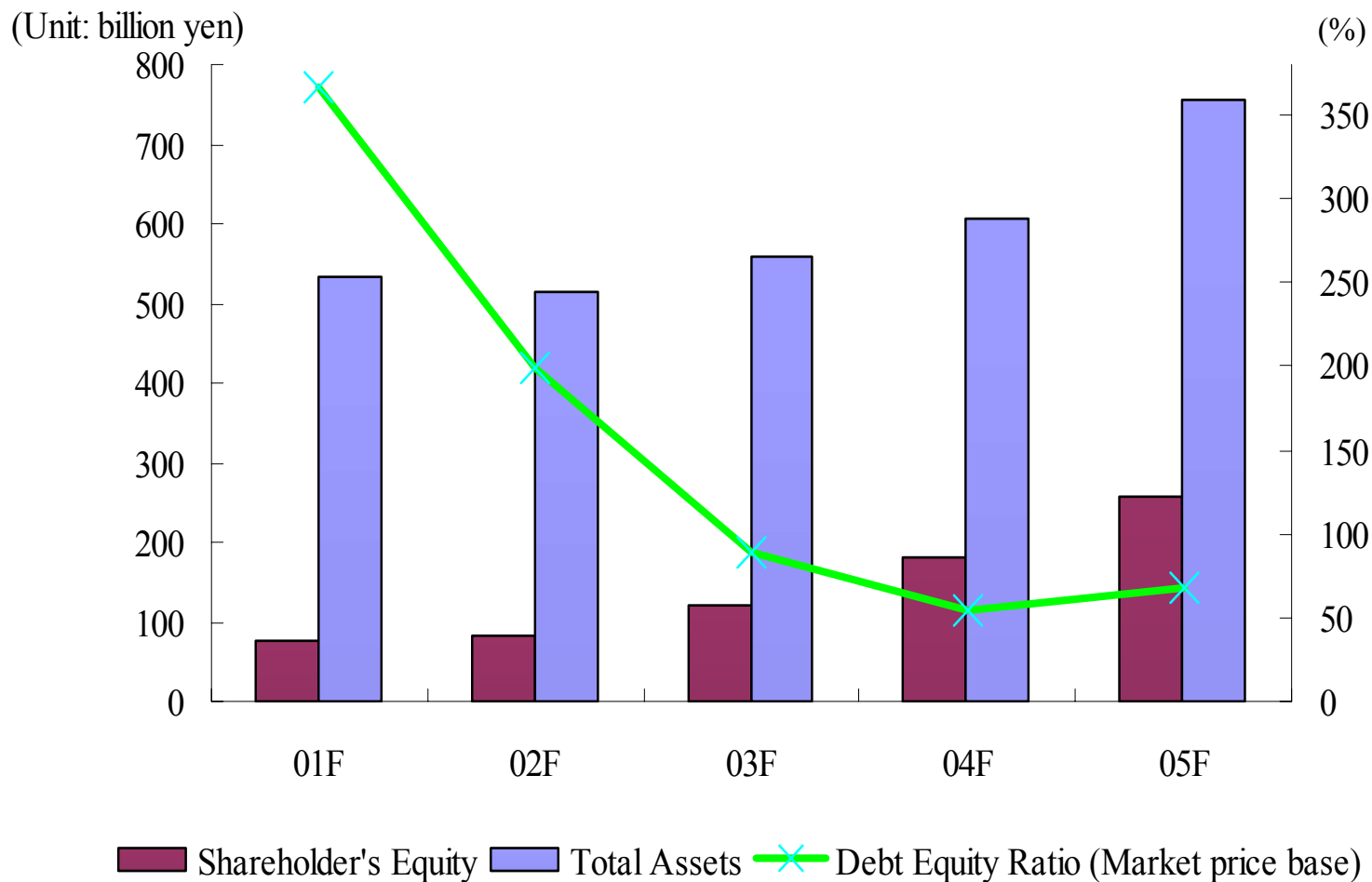
Historical Data - For 5 years -

### 3-1. Consolidated Revenues & Incomes



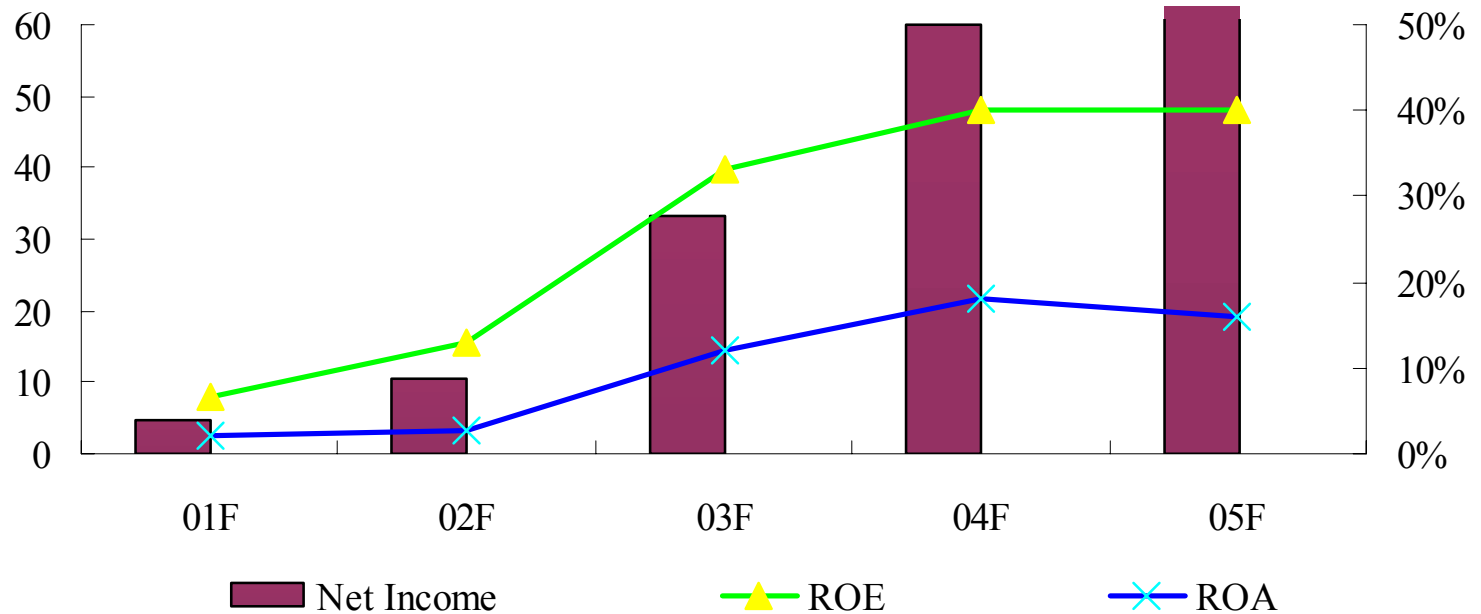
\* Ordinary income is income before income taxes and extra-ordinary items.

## 3-2. Consolidated Debt Equity Ratio



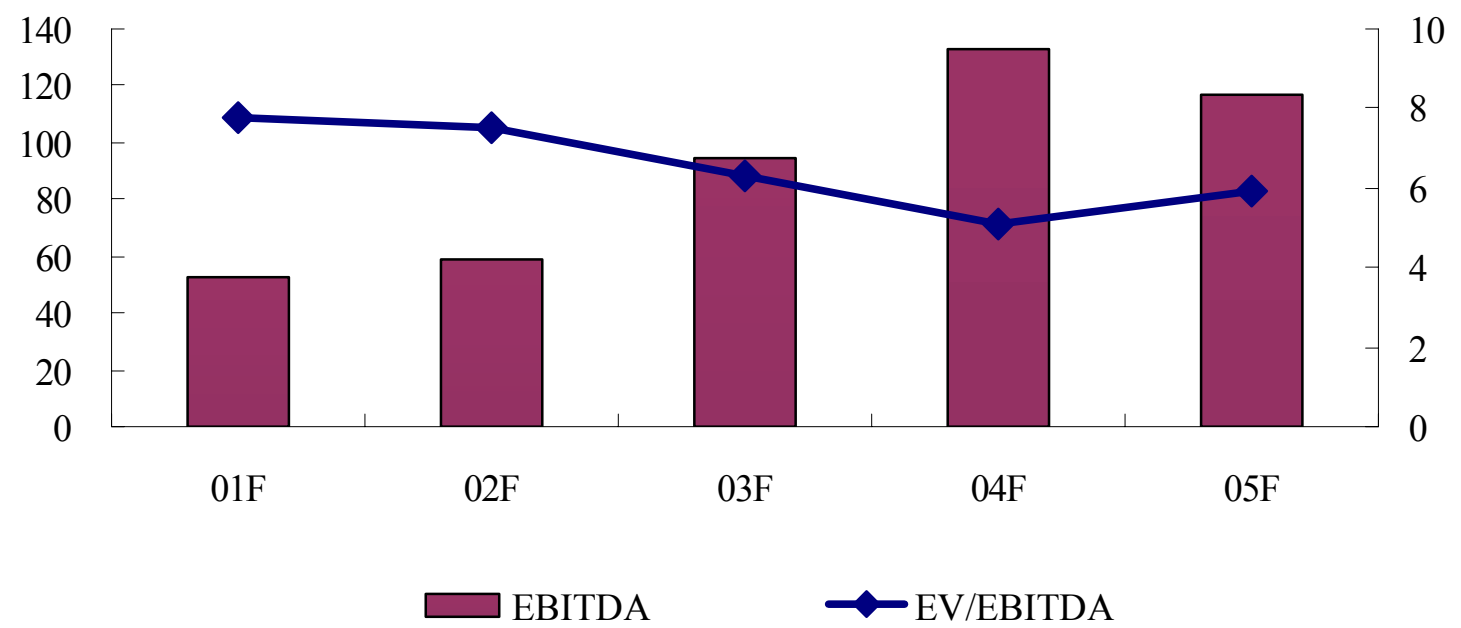
### 3-3. Consolidated ROE/ROA

(unit: billion yen)

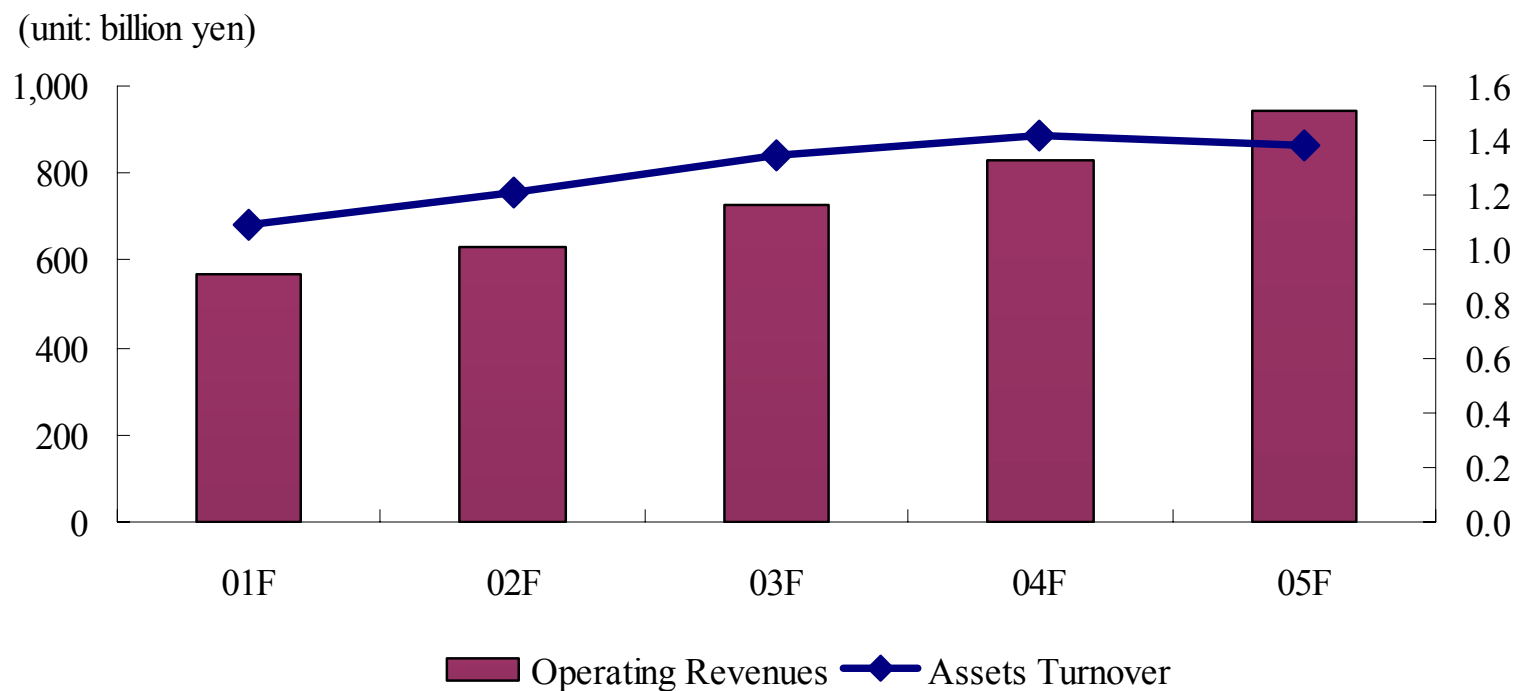


### 3-4. Consolidated EV/EBITDA

(unit: billion yen)

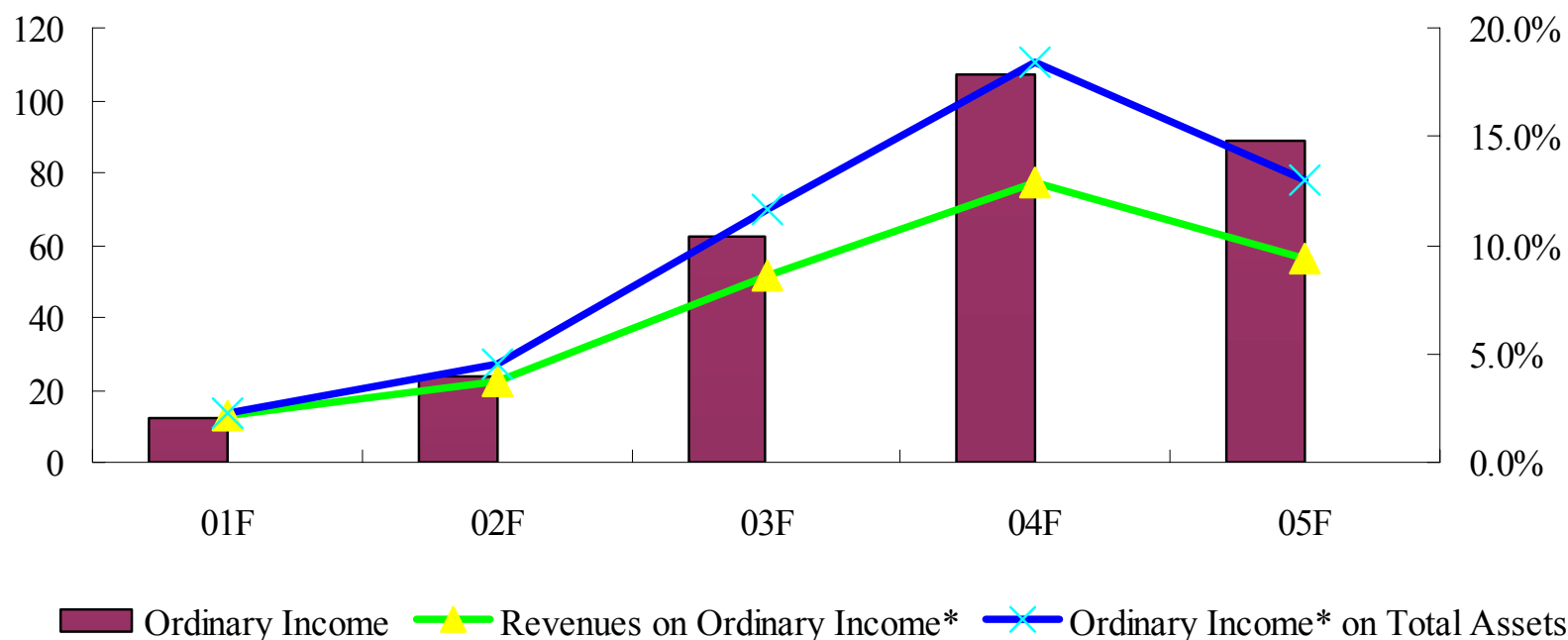


### 3-5. Consolidated Assets Turnover



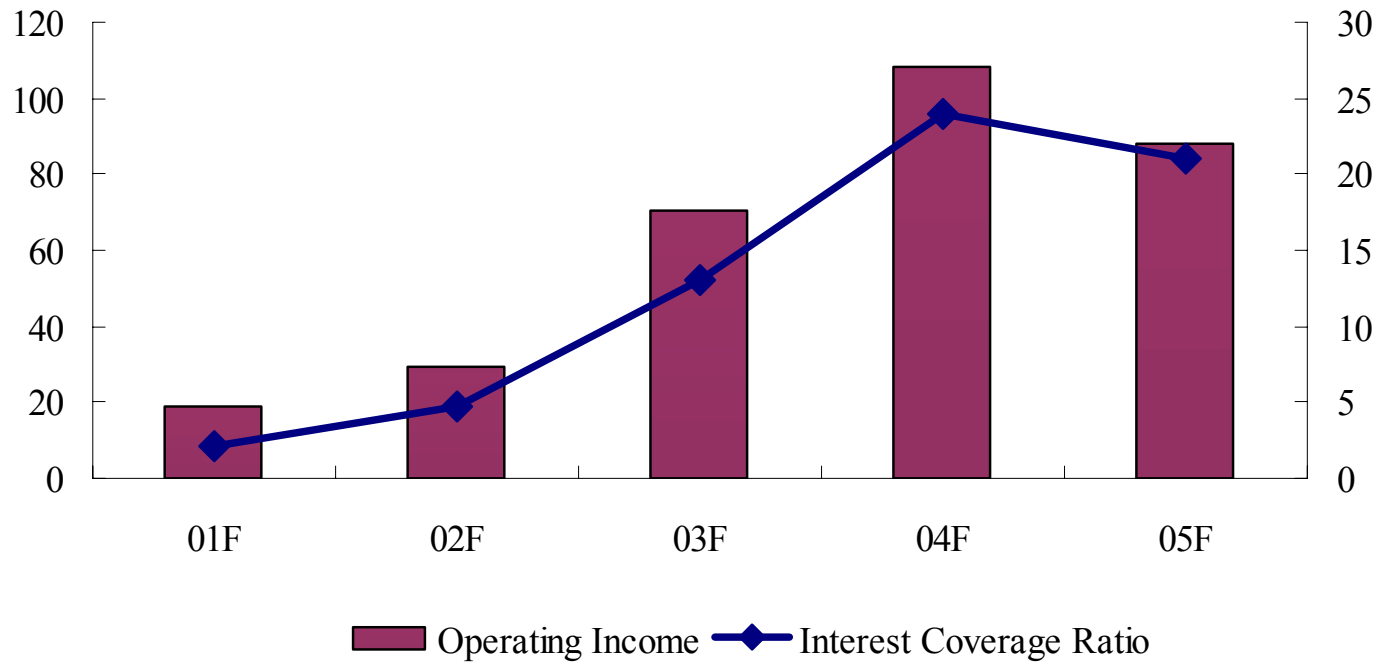
### 3-6. Consolidated Ordinary Income\* on Revenues/Ordinary Income on Total Assets

(unit: billion yen)



### 3-7. Consolidated Interest Coverage Ratio

(unit: billion yen)

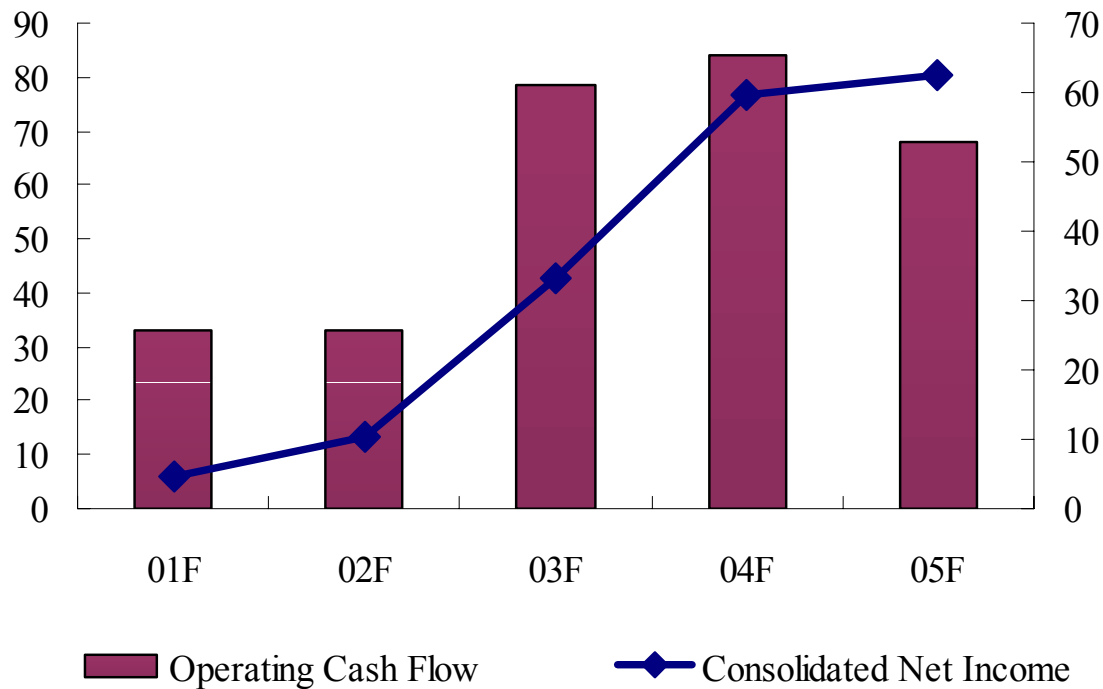




### 3-8. Consolidated Net Income/Operating Cash Flow

(unit: billion yen)

(unit: billion yen)



### 3-9. Consolidated Segment Information

(unit: million yen)

|  | 01F     | 02F     | 03F     | 04F     | 05F     |
|--|---------|---------|---------|---------|---------|
| <b>Operating Revenues</b>                    |         |         |         |         |         |
| Marine Transportation                        | 481,200 | 530,228 | 622,118 | 713,961 | 806,646 |
| Freight Forwarding/<br>Harbor Transportation | 75,757  | 88,773  | 89,885  | 101,710 | 114,098 |
| Others                                       | 14,055  | 13,722  | 12,662  | 12,773  | 20,073  |
| Total  | 571,012 | 632,723 | 724,665 | 828,444 | 940,818 |
| <b>Operating Income</b>                      |         |         |         |         |         |
| Marine Transportation                        | 13,148  | 22,383  | 61,267  | 97,808  | 74,426  |
| Freight Forwarding/<br>Harbor Transportation | 4,536   | 4,800   | 8,062   | 8,865   | 11,650  |
| Others                                       | 1,274   | 2,087   | 1,269   | 1,083   | 1,506   |
| Total  | 18,958  | 29,270  | 70,598  | 107,756 | 87,583  |
| Eliminations                                 | 89      | 10      | -65     | 298     | 392     |
| Consolidated                                 | 19,047  | 29,280  | 70,533  | 108,054 | 87,976  |

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

(unit: million yen)

|                         | 01F     | 02F     | 03F     | 04F     | 05F     |
|-------------------------|---------|---------|---------|---------|---------|
| Operating Revenues      | 449,153 | 499,791 | 584,958 | 658,699 | 742,554 |
| Container               | 230,353 | 263,456 | 317,185 | 346,321 | 409,216 |
| Bulk & Carrier          | 171,837 | 188,112 | 220,364 | 262,182 | 280,220 |
| Energy Transportation   | 44,363  | 46,045  | 45,231  | 47,870  | 50,807  |
| Other Shipping Business | 1,800   | 1,396   | 1,291   | 1,372   | 1,291   |
| Other Business          | 799     | 780     | 882     | 949     | 1,020   |
| Operating Income        | 8,299   | 19,843  | 55,068  | 85,288  | 56,678  |
| Ordinary Income*        | 7,115   | 16,434  | 49,670  | 86,873  | 57,849  |
| Net Income              | 2,786   | 6,535   | 24,452  | 49,012  | 38,820  |
| Total Assets            | 259,200 | 269,140 | 329,965 | 376,345 | 481,541 |
| Total Liabilities       | 194,792 | 203,268 | 233,126 | 233,326 | 292,575 |
| Shareholder's Equity    | 64,408  | 65,872  | 96,839  | 143,019 | 188,965 |
| Dividend per Share      | 3       | 5       | 10      | 16.5    | 18      |
| Dividend ratio          | 63.9    | 45.9    | 24.4    | 20.0    | 27.5    |

\* Ordinary income is income before income taxes and extra-ordinary items.