

Supplementary Report -FY2017-

27th April 2018



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A-1 『Containerships』 “Capacity” “Volume” “Utilization” of Asia/North America & Asia/Europe

(1,000TEU)

Asia / North America		2015FY							2016FY							2017FY									
		1H			2H				FY	1H			2H				FY	1H			2H				FY
		1Q	2Q	3Q	4Q	1Q	2Q	3Q		4Q	1Q	2Q	3Q	4Q											
(E/Bound)	Capacity	243	262	505	258	245	504	1,009	265	277	542	270	258	528	1,070	279	288	567	280	266	546	1,112			
	Volume	243	248	490	210	197	407	898	233	266	498	264	235	499	997	256	268	524	248	209	457	981			
	Utilization(%)	99.7	94.6	97.1	81.4	80.3	80.9	89.0	87.8	95.9	92.0	97.5	91.2	94.4	93.2	91.9	93.0	92.5	88.7	78.5	83.7	88.2			
(W/Bound)	Capacity	243	262	505	258	245	504	1,009	265	277	542	270	258	528	1,070	279	288	567	280	266	546	1,112			
	Volume	119	101	221	103	106	209	429	116	110	226	127	126	254	480	113	105	218	116	105	221	438			
	Utilization(%)	49.1	38.7	43.7	39.7	43.3	41.5	42.6	43.8	39.7	41.7	47.1	49.1	48.1	44.8	40.5	36.4	38.4	41.3	39.5	40.4	39.4			

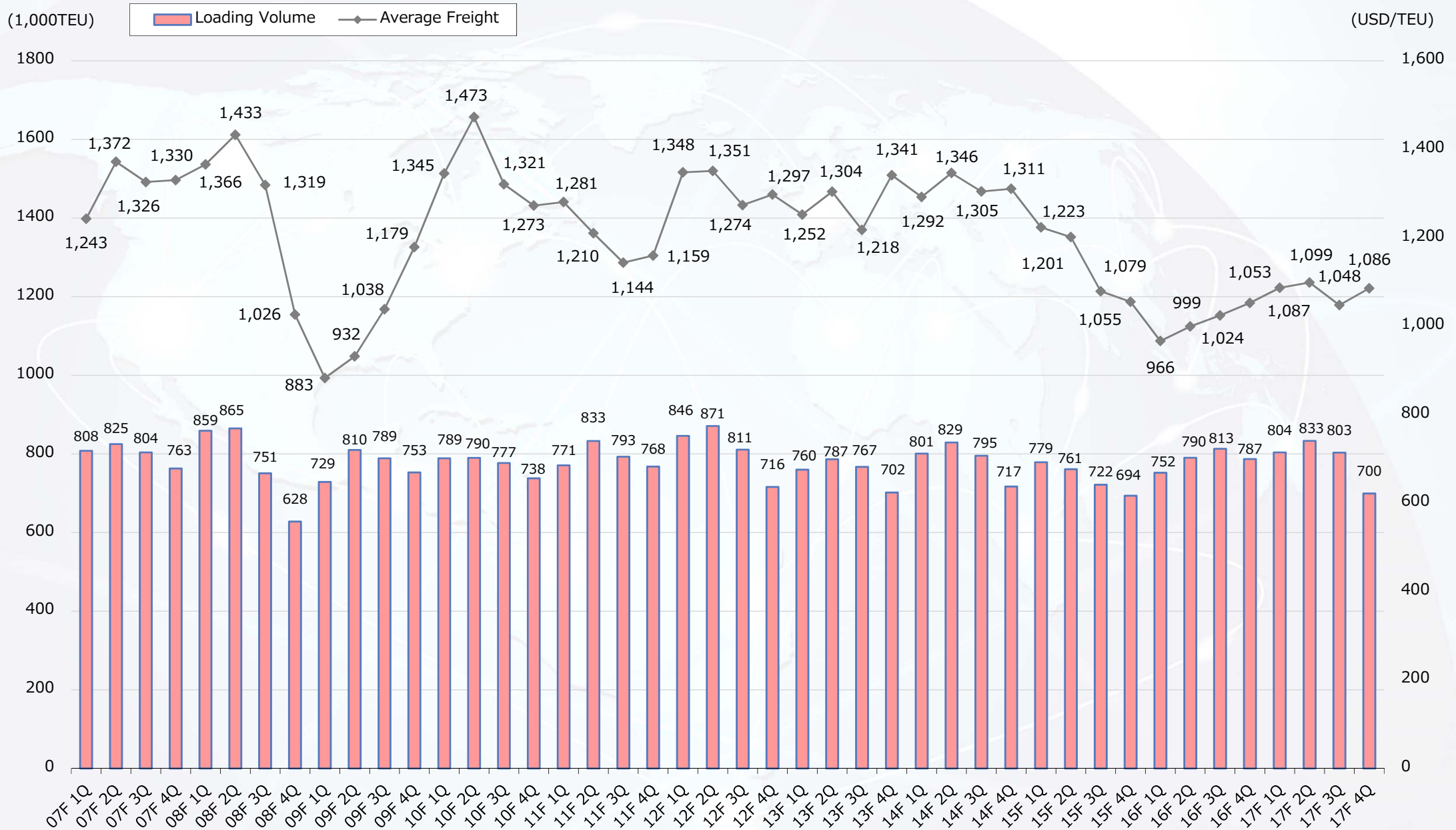
Asia / Europe		2015FY							2016FY							2017FY									
		1H			2H				FY	1H			2H				FY	1H			2H				FY
		1Q	2Q	3Q	4Q	1Q	2Q	3Q		4Q	1Q	2Q	3Q	4Q											
(W/Bound)	Capacity	121	124	245	125	127	251	497	114	117	231	116	113	229	460	123	132	255	129	117	246	501			
	Volume	103	103	206	101	100	200	406	100	104	204	106	109	214	418	115	122	237	117	104	222	459			
	Utilization(%)	85.3	82.7	84.0	80.8	78.6	79.7	81.8	87.6	88.6	88.1	91.4	95.9	93.6	90.9	93.7	92.2	92.9	91.1	89.0	90.1	91.5			
(E/Bound)	Capacity	121	124	245	125	127	251	497	114	117	231	116	113	229	460	123	132	255	129	117	246	501			
	Volume	85	77	162	84	80	164	326	81	79	160	82	85	167	328	83	93	176	91	81	172	348			
	Utilization(%)	70.1	62.3	66.1	67.7	62.8	65.2	65.7	71.5	67.1	69.3	70.9	75.3	73.1	71.2	67.6	70.5	69.1	70.8	68.9	69.9	69.5			

A-2 『Containerships』 “Volume” “Share” of Asia/North America (EB) & Asia/Europe (WB)



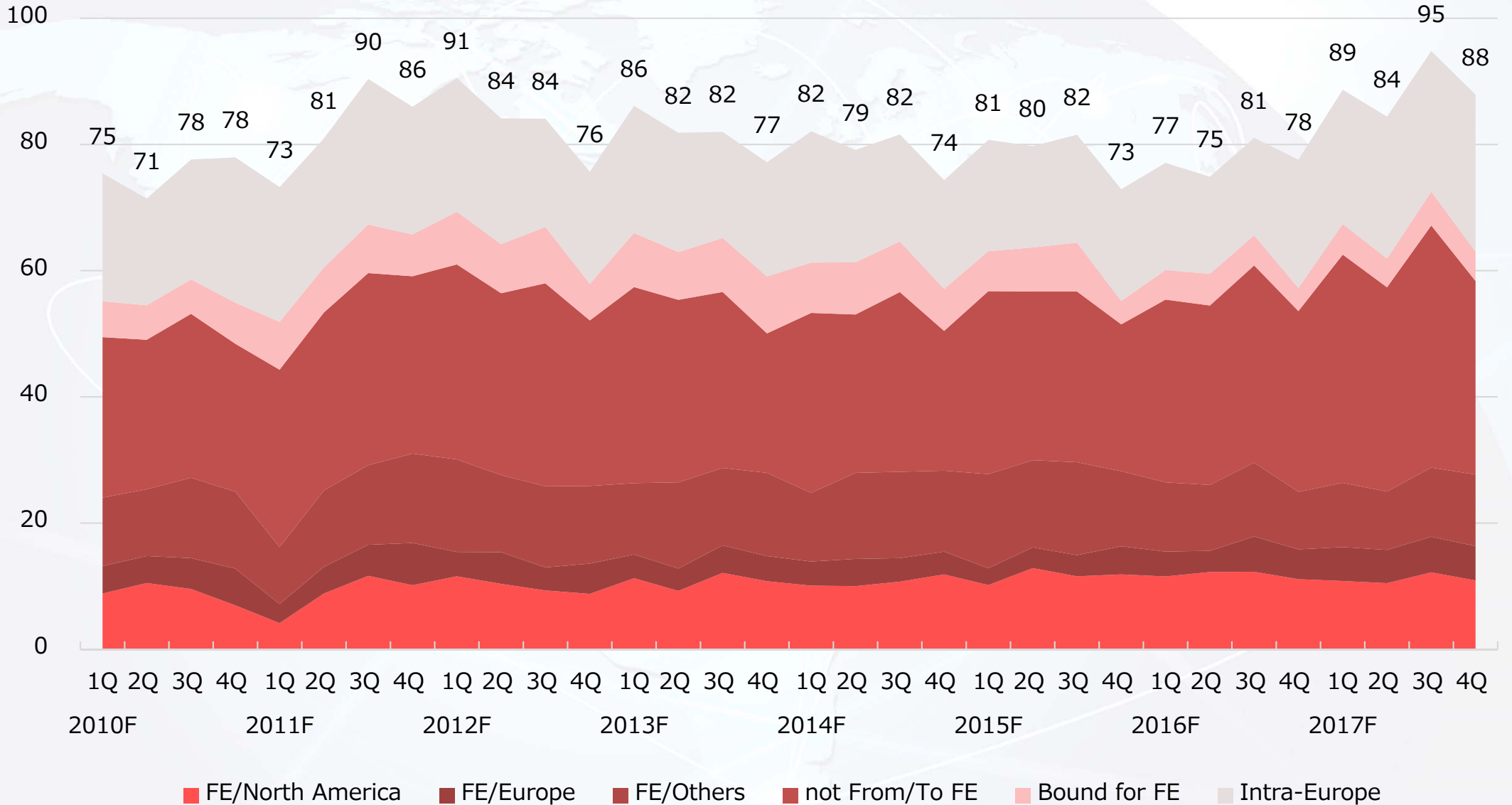
	08	08	09	09	10	10	11	11	12	12	13	13	14	14	15	15	16	16	17	17
	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H	1H	2H
Asia/N.America (1,000TEU)	403	315	343	332	348	316	336	302	398	373	407	374	443	414	490	407	498	499	524	457
Asia/Europe (1,000TEU)	297	252	231	202	257	233	265	214	266	214	243	215	256	230	206	200	204	214	237	222
Asia/N.America Share (%)	5.7	5.4	5.7	5.4	4.8	4.8	4.6	4.5	5.0	5.2	5.1	4.9	5.1	5.1	5.2	4.9	5.2	5.5	5.1	4.9
Asia/Europe Share (%)	4.2	4.5	3.9	3.3	3.7	3.5	3.7	3.2	3.9	3.3	3.3	3.1	3.2	3.3	2.8	2.8	2.7	3.0	2.9	3.0

A-3 『Containerships』 “Average Freight” “Volume”



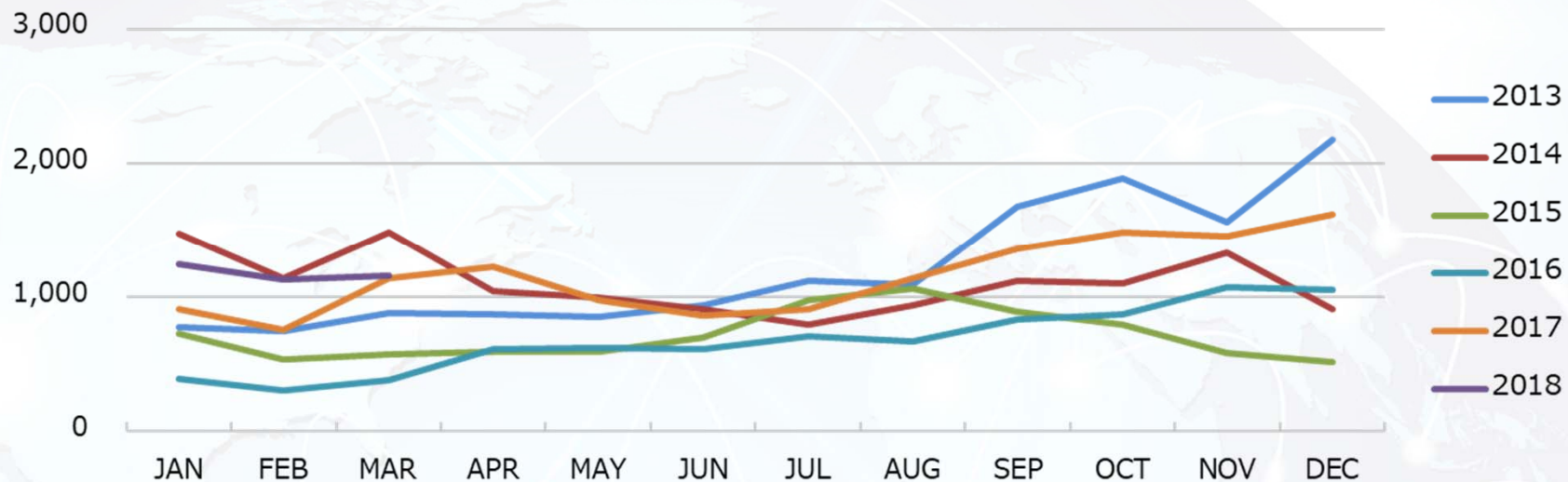
A-4 『Car Carriers』 “Volume” by Loading/Discharging Area

(10,000 Units)

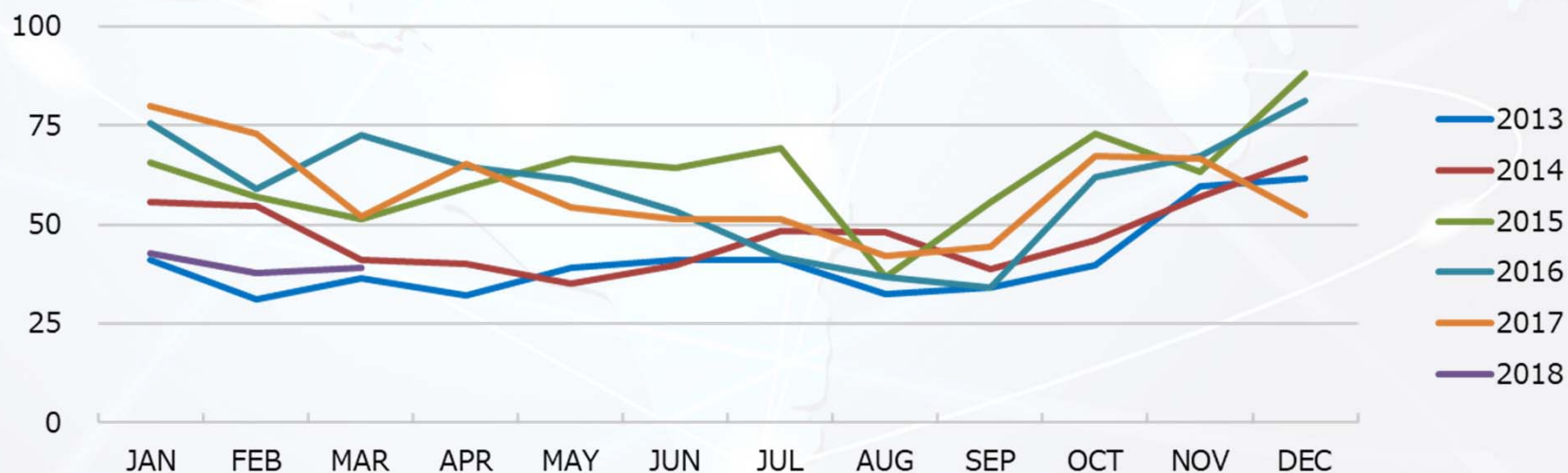


A-5 『Dry Bulk Carriers』 『Tankers』 “Baltic Dry Index” “World Scale”

Baltic Dry Index

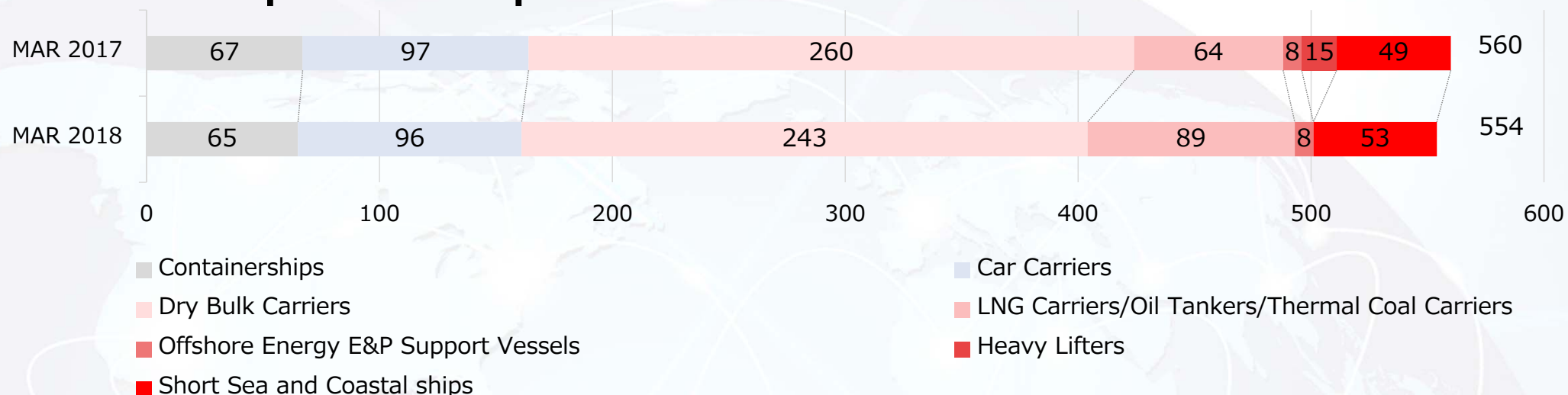


World Scale VLCC(AG/JPN)



B-1 "K"Line Group Vessels in Operation

"K"Line Group Fleet Composition



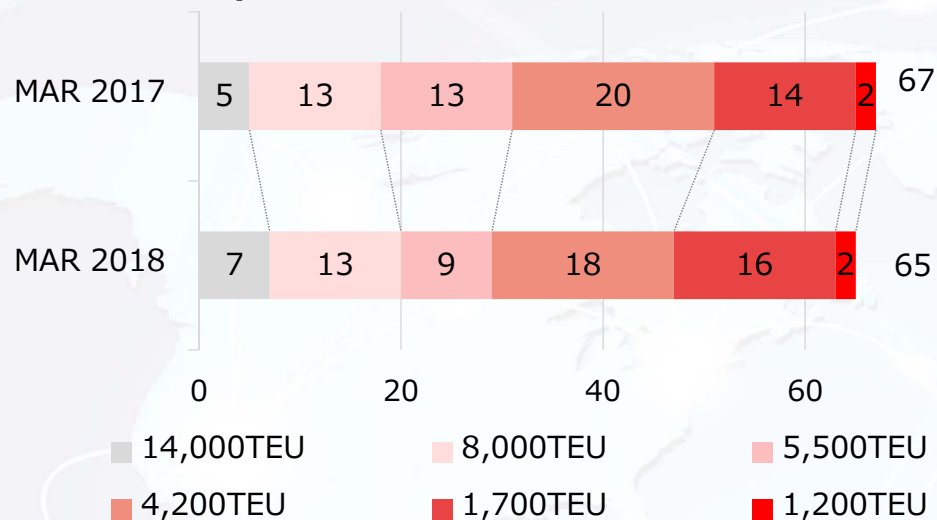
Type of Vessel	MAR 2018						MAR 2017	
	Owned		Chartered		Total		Total	
	No.	DWT(MT)	No.	DWT(MT)	No.	DWT(MT)	No.	DWT(MT)
Containerships	7	460,448	58	3,934,994	65	4,395,442	67	4,430,588
Car Carriers	33	499,278	63	1,057,022	96	1,556,300	97	1,527,255
Dry Bulk Carriers	53	6,291,629	190	23,597,124	243	29,888,753	260	29,695,175
Thermal Coal Carriers	9	795,831	14	1,241,062	23	2,036,893	-	-
LNG Carriers	43	3,626,109	1	77,163	44	3,703,272	42	3,510,099
Oil Tankers	10	1,158,416	12	1,760,830	22	2,919,246	22	3,152,778
Offshore Support Vessels	7	32,481	0	-	7	32,481	7	32,481
Drillships	1	-	0	-	1	-	1	-
Heavy Lifters	0	-	0	-	0	-	15	158,118
Short Sea and Coastal ships	26	224,682	27	359,949	53	584,631	49	578,092
Total	189	13,088,874	365	32,028,144	554	45,117,018	560	43,084,586

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

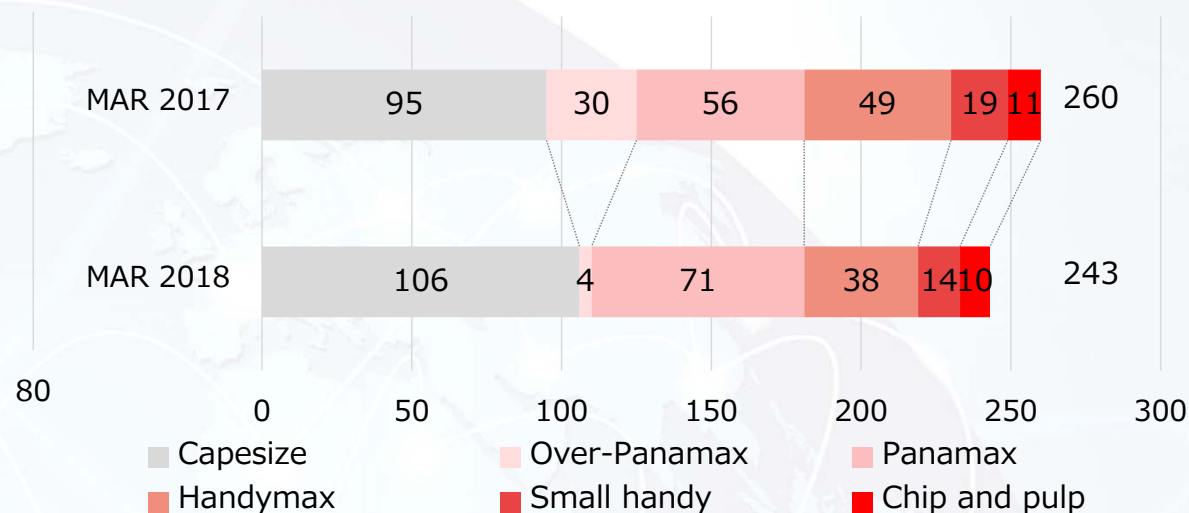
* Includes flagships and spot and/or short term activities at the end of term.

B-2 『Containerships』 『Car Carriers』 『Dry Bulk Carriers』 『LNG Carriers/Oil Tankers/Thermal Coal Carriers』

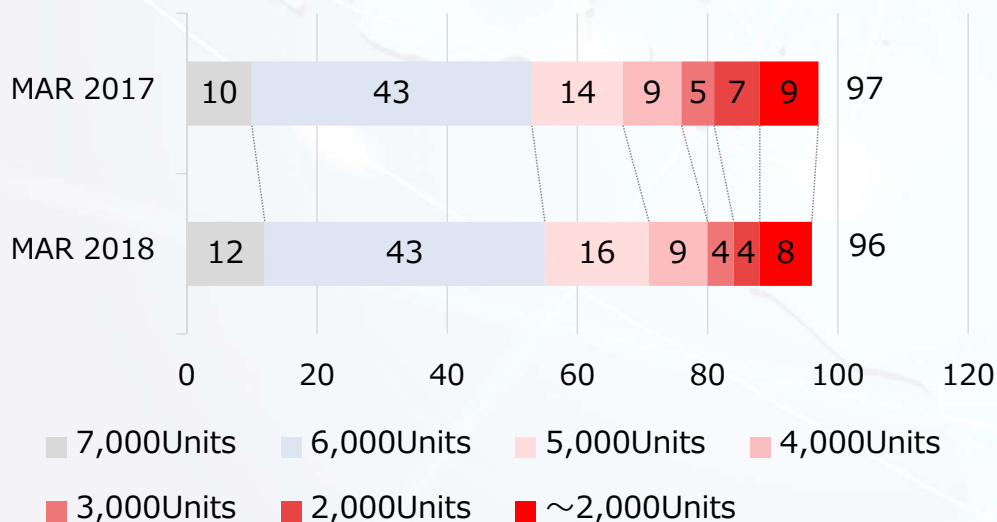
Containerships



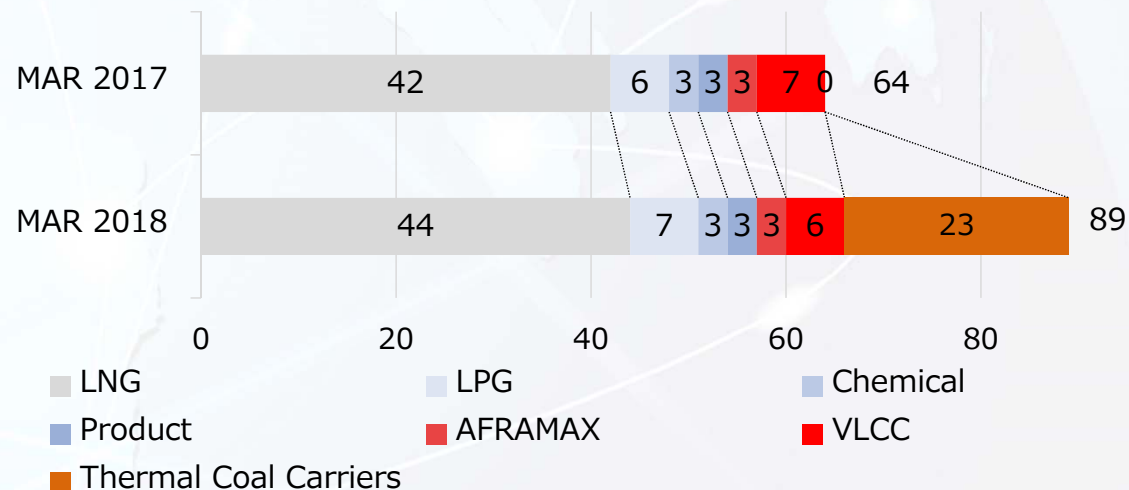
Dry Bulk Carriers



Car Carriers



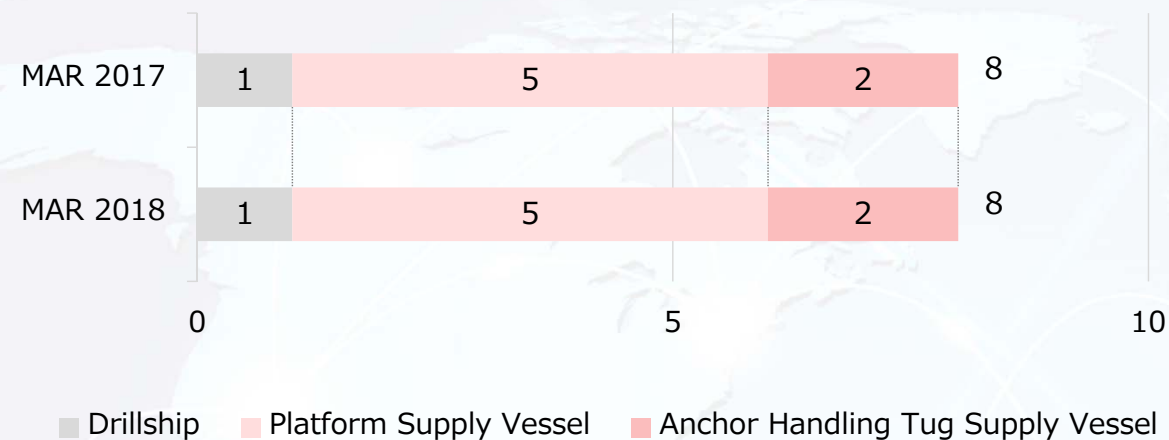
LNG Carriers/Oil Tankers/Thermal Coal Carriers



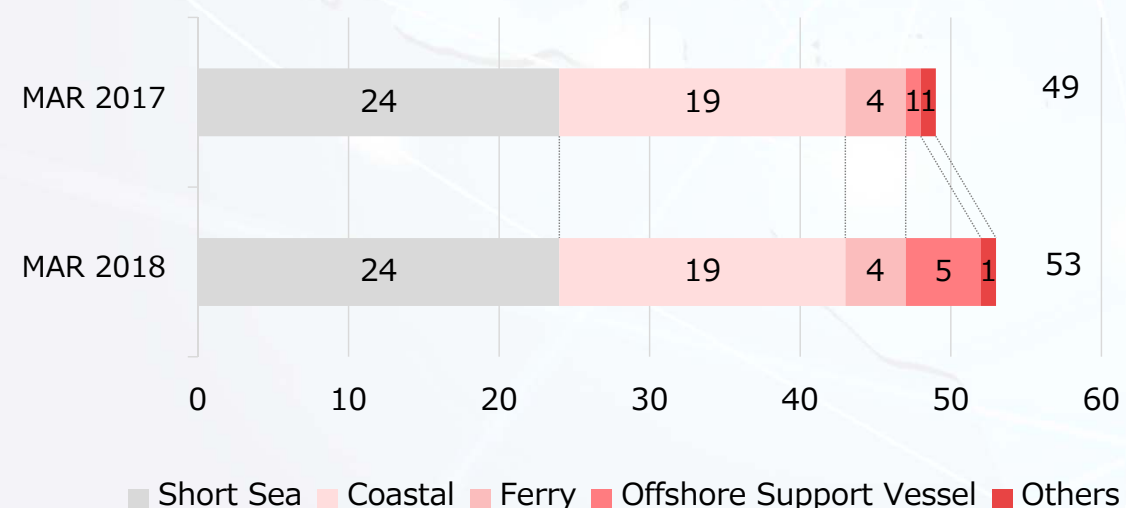
※The number of LNG Carriers includes 26 carriers owned by SPC of the projects.
 ※Thermal Coal Carriers are transferred from Dry Bulk Segment to Energy Transportation Segment

B-3 『Offshore Energy E&P Support Vessels』 『Short Sea/Coastal Ships』 /New building delivery schedule

Offshore Energy E&P Support



Short Sea and Coastal Ships



New Building Delivery Schedule	FY2017	FY2018	FY2019
Containerships	2	0	0
14,000TEU	2	(*)	
Dry Bulk Carriers	8	4	3
Capesize	3	4	3
Panamax	1		
Handymax	2		
Smallhandy	1		
Chip/Pulp	1		
Car Carriers	2	3	0
7500Units	2	3	
Thermal Coal Carriers Corona	1	3	5
LNG Carriers	3	3	0
Oil Tankers	2	3	2
VLCC	1	2	
AFRAMAX			2
LPG	1	1	
Offshore Energy E&P Support Vessels	0	1	0
Offshore Drillship			
FPSO		1	
Short Sea and Coastal Ships	1	2	0
Total	19	19	10

* Three 14,000TEU type container ships, will delivery in 2018 are not covered by the above because they will be chartered by Ocean Network Express.

C-1 “Non-Operating Income and Expenses” “Extraordinary Profits and Losses”

Non-Operating Income and Expense

(billion yen)

	1H	2H	FY
Financial Gain /Loss	△ 1.4	△ 1.8	△ 3.2
Equity in Earnigs of Affilicated Companies	△ 0.6	△ 4.0	△ 4.6
Exchange Gain/Loss	2.9	△ 4.4	△ 1.5
Reversal of Allowance for Loss Related to the Anti-Monopoly Act	3.6	-	3.6
Others	0.5	0.0	0.5
Consolidated Total	4.9	△ 10.2	△ 5.3

Extraordinary profits and Losses

	1H	2H	FY
Gain on Sales of Fixed Assets	8.7	20.2	29.0
Loss on Liquidation of Subsidiaries	0.0	△ 0.0	△ 0.0
Loss on Cancellation of Chartered Vessels	△ 0.7	△ 2.1	△ 2.8
Loss Related to the Anti-Monopoly Act	△ 0.8	△ 8.1	△ 8.8
Others	1.8	△ 3.9	△ 2.1
Consolidated Total	9.1	6.1	15.2

C-2 Performance per Business Segment

Operating Revenue

(million yen)

	FY2013	FY2014	FY2015	FY2016	FY2017
Containership	590,517	684,781	622,962	524,082	603,787
Bulk Shipping	575,429	603,724	570,151	458,984	523,940
Offshore Energy E&P Support & Heavy Lifter	32,817	35,319	24,656	19,420	7,472
Others	79,508	86,414	87,225	79,970	82,071
Total	1,278,272	1,410,239	1,304,996	1,082,457	1,217,270
Adjustment	△ 54,146	△ 57,818	△ 61,063	△ 52,266	△ 55,245
Consolidated	1,224,126	1,352,421	1,243,932	1,030,191	1,162,025

Ordinary Income

	FY2013	FY2014	FY2015	FY2016	FY2017
Containership	△ 142	20,623	△ 10,049	△ 31,488	3,366
Bulk Shipping	41,261	36,501	24,656	△ 9,476	3,202
Offshore Energy E&P Support & Heavy Lifter	△ 4,503	△ 5,670	△ 6,553	△ 5,119	△ 965
Others	2,635	3,024	1,826	2,518	3,341
Total	39,252	54,477	9,879	△ 43,566	8,945
Adjustment	△ 6,797	△ 5,497	△ 6,541	△ 8,822	△ 6,982
Consolidated	32,455	48,981	3,338	△ 52,388	1,962

* From 2012FY, business segments have been revised.

Logistics Business: 「Other Business」 → 「Containership Business」

Energy Transportation Business Development・Offshore Support Vessels・Heavy Lifters: 「Bulk Shipping Business」 → 「Offshore Energy E&P Support & Heavy Lifter」 (New)