

(Summary translation for reference only)

## **Notice of the Annual Shareholders' Meeting**

(Securities Code: 9107)

June 3, 2008

8 Kaigan-dori, Chuo-ku, Kobe  
**Kawasaki Kisen Kaisha, Ltd.**  
Hiroyuki Maekawa, President

To our Shareholders:

You are invited to participate in the Annual Shareholders' Meeting of Kawasaki Kisen Kaisha, Ltd. (hereinafter "the Company"), details of which are set forth below.

If you are unable to attend the meeting, you may exercise your vote in either one of the following methods. Should you wish to exercise your vote, please kindly review the enclosed "Reference Materials for the Shareholders' Meeting" and exercise your vote by June 24 (Tuesday), 2008, 5:00 p.m. Japan time.

### **To exercise your vote in writing**

Complete the enclosed voting form, indicating whether you approve or disapprove of each of the Propositions to be voted on, and return it by mail to us.

### **To exercise your vote electronically (via the Internet)**

To exercise your vote via the Internet, while referring to "Exercise of Voting Rights via the Internet" on page 8, please access the designated voting website (<http://www.web54.net>) using the "Voting Code" and "Password" printed on the enclosed voting form. Follow the instructions on the screen to indicate whether you approve or disapprove of each of the Propositions to be voted on.

**Date and time:** June 25 (Wednesday), 2008, 10:00 a.m. Japan time  
**Location:** 2-6-4 Hirakawa-cho, Chiyoda-ku, Tokyo  
Kaiun Building, Kaiun-Club (Nihon Kaiun Kaikan)  
2<sup>nd</sup> Floor, Large Hall

**Agenda:**

*Matters to be reported on:*

1. Business Report, Consolidated Financial Statements and results of audit by Accounting Auditor and the Board of Corporate Auditors on the Consolidated Financial Statements for Fiscal Year ended March 31, 2008
2. Non-consolidated Financial Statements for Fiscal Year ended March 31, 2008

*Matters to be voted on:*

- Proposition 1 Appropriation of retained earnings  
Proposition 2 Election of six (6) Directors  
Proposition 3 Election of two (2) Corporate Auditors  
Proposition 4 Election of one (1) substitute Corporate Auditor  
Proposition 5 Payment of Directors' bonuses

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- For those attending the meeting on the day, please submit the enclosed voting form at the reception desk.
  - If a shareholder duplicates his or her vote by exercising voting rights via both postal mail and the Internet, the vote received latest will be considered to be the valid one. However, if the duplicate votes are received on the same date, the Internet vote will be considered to be the valid one.
  - If any circumstance should arise which should necessitate revision of Reference Materials for the Shareholders' Meeting, Business Report, Consolidated Financial Statements or Non-consolidated Financial Statements, the revised items will be posted on the Company's website at <http://www.kline.co.jp/>.

## Reference Materials for the Shareholders' Meeting

### **Proposition 1: *Appropriation of retained earnings***

The Company has prioritized the maximization of return of profits to shareholders as an issue of the very utmost importance, and has set the present goal to pay out 20% of consolidated net profit as dividend while aiming to further increase this ratio in the future. We have also secured necessary internal reserves to be appropriated for ship and equipment investment, etc. and to enrich and strengthen the corporate body in order to expand the scale of business systematically. With regard to dividend at the end of the Fiscal Year, we propose the following upon considering the financial situation and the earnings for the Fiscal Year, etc. based on the above-mentioned basic policy.

1. Matters regarding appropriation of retained earnings
  - (1) The retained earnings item to be decreased and its amount  
Earned surplus carried forward      40,000,000,000 yen
  - (2) The retained earnings item to be increased and its amount  
General reserve      40,000,000,000 yen
2. Matters regarding dividend at the end of the Fiscal Year
  - (1) The type of dividend property  
Cash
  - (2) Matters regarding allotment of dividend property to shareholders and its amount  
14 yen per share of the common stock of the Company  
Total amount of 8,925,614,264 yen  
Since we have paid an interim dividend of 12 yen per share, if our proposition is approved, the total annual dividend for the Fiscal Year will be 26 yen per share.
  - (3) The date on which the dividend from retained earnings takes effect  
June 26, 2008

**Proposition 2: Election of six (6) Directors**

At the end of this Annual Shareholders' Meeting, the terms of six (6) Directors, Eiichi Suzuki, Yoichi Hasegawa, Toshio Shimizu, Norio Tsutsumi, Toshinori Morita and Keisuke Yoshida will expire.

It is requested that six (6) Directors be elected at this meeting.

The candidates are:

**Eiichi Suzuki**

Date of Birth: June 1, 1944

Director Since: June 1997

Current Position: Representative

Director, Vice President, Overall Bulk Carrier Business, Control of Dry Bulk Carrier Business

**Yoichi Hasegawa**

Date of Birth: May 23, 1947

Director Since: June 2000

Current Position: Representative

Director, Senior Managing Executive Officer, Control of Car Carrier Business, in charge of Heavy Lifter Business, New Business Planning & Development

**Toshio Shimizu**

Date of Birth: January 6, 1947

Director Since: June 2002

Current Position: Representative

Director, Senior Managing Executive Officer, Control of Containership Business, Port Business

**Norio Tsutsumi**

Date of Birth: September 4, 1948

Director Since: June 2000

Current Position: Director, Managing Executive Officer, in charge of Ship Planning Sector, Environment Preservation

**Toshinori Morita**

Date of Birth: September 13, 1949

Director Since: June 2002

Current Position: Director, Managing Executive Officer, in charge of Human Resources, Information System, Legal and General Affairs

**Keisuke Yoshida**

Date of Birth: November 11, 1951

Director Since: June 2006

Current Position: Director, Executive Officer, in charge of Finance

Note: None of the above directorship candidates has any special interests in the Company.

**Proposition 3: Election of two (2) Corporate Auditors**

At the end of this Annual Shareholders' Meeting, the terms of two (2) Corporate Auditors, Koichi Otaki and Takatsugu Murai will expire.

It is requested that two (2) Corporate Auditors be elected at this meeting. The Board of Corporate Auditors has already given its prior consent to the submission of this proposal.

The candidates are:

**Koichi Otaki**

Date of Birth: November 26, 1946

Current Position:

Full-time Corporate Auditor of the Company

**Fumio Watanabe**

Date of Birth: March 15, 1950

(President & CEO, Mizuho Private Wealth Management Co., Ltd., May 2008, retired)

Notes: 1) None of the above candidates for the Corporate Auditor has any special interests in the Company.

2) Mr. Fumio Watanabe is a candidate for external Corporate Auditor. We propose that he be elected as an external Corporate Auditor in order to have him make use of his considerable business management experience as a large bank executive and president of other corporation, as well as his broad insights for corporate management in monitoring all aspects of the Company's business management.

3) The Company may conclude a liability limitation contract with Mr. Fumio Watanabe pursuant to Paragraph 1 of Article 427 of the Corporation Law on the condition that Proposition 3 shall be approved as proposed originally. An overview of the contract is as follows.

Pursuant to the provisions of Paragraph 1 of Article 427 of the Corporation Law, when acting in good faith and in the absence of any serious negligence, external Corporate Auditors may bear liability of 10,000,000 yen or the minimum limit of the amount stipulated in Paragraph 1 of Article 425 of the Corporation Law, whichever is higher, for the liabilities stipulated in Paragraph 1 of Article 423 of the Corporation Law.

**Proposition 4: *Election of one (1) substitute Corporate Auditor***

It is requested that one substitute Corporate Auditor be elected pursuant to Paragraph 2 of Article 329 of the Corporation Law in case the legally required number of Corporate Auditors is not met. The Board of Corporate Auditors has already given its prior consent to the submission of this proposition.

The candidate is;

**Haruo Shigeta**

Date of Birth: May 14, 1941

Current Position:

Professor, Graduate School of Professional Accountancy, Aoyama-Gakuin University

Professor, School of Law, Aoyama-Gakuin University

Honorary Professor, Dalian Maritime University, China

- Notes: 1) The candidate for the substitute Corporate Auditor has no special interests in the Company.
- 2) Mr. Haruo Shigeta is a candidate for substitute external Corporate Auditor.
- 3) The candidate meets the external Corporate Auditor requirements.
- 4) Reasons for the candidate for a substitute external Corporate Auditor, reasons why it is judged that he can adequately accomplish duties as an external Corporate Auditor and liability limitation contract with external Corporate Auditor.
- i) Reason for a candidate for a substitute external Corporate Auditor  
We propose that he be elected as a substitute external Corporate Auditor in order to have him make use of his knowledge of laws which he has cultivated as a lawyer for a long time for the audit system if he assumes office as a Corporate Auditor.
- ii) Reason why it is judged that he can accomplish duties as an external corporate auditor  
It is judged that he can adequately accomplish duties as an external Corporate Auditor because he is familiar with corporate legal affairs and possesses sufficient insight to govern corporate management, which he has acquired through his activities as a college professor and a lawyer.

iii) Liability limitation contract with substitute external Corporate Auditor

Pursuant to the provision of Paragraph 1 of Article 427 of the Corporation Law, if Mr. Haruo Shigeta assumes office as a Corporate Auditor, the Company is going to conclude the relevant liability limitation contract with him.

An overview of the contract is as follows;

Pursuant to the provisions of Paragraph 1 of Article 427 of the Corporation Law, when acting in good faith and in the absence of any serious negligence, external Corporate Auditors may bear liability of 10,000,000 yen or the minimum limit of the amount stipulated in Paragraph 1 of Article 425 of the Corporation Law, whichever is higher, for the liabilities stipulated in Paragraph 1 of Article 423 of the Corporation Law.

**Proposition 5: *Payment of Directors' bonuses***

Considering the business results for the fiscal year, we propose to pay a total of 183 million yen in Directors' bonuses to 13 Directors who performed their duties during the Fiscal Year in appreciation for their services over the year.

June 3, 2008

To our Shareholders

Kawasaki Kisen Kaisha, Ltd.

### **Exercise of Voting Rights via the Internet, etc.**

You can only exercise your voting rights via the Internet, etc. by accessing the dedicated website for this vote (<http://www.web54.net>). Please be sure you have read and understood the following before using it:

#### **1. System requirements**

To exercise your voting rights via the Internet, you need the following systems environment:

- (1) The resolution of your monitor screen should be at least 800 x 600 (SVGA).
- (2) The following applications must be available:
  - a. Microsoft® Internet Explorer Ver. 5.01 SP2 (or higher)
  - b. Adobe® Acrobat® Reader™ Ver. 4.0 (or higher); Adobe® Reader® Ver.6.0 (or higher).(in the case of reading the reference materials on browsers)
    - \*Microsoft® and Internet Explorer are the registered trademarks or marques of Microsoft Corporation in the United States and other countries.
    - \*Adobe® Acrobat® Reader™, and Adobe® Reader® are the registered trademarks or marques of Adobe Systems Incorporated in the United States and other countries.
    - \*These software programs are distributed free of charge from the respective companies' websites.
- (3) Connection to the Internet may be restricted depending on your Internet connection setting environment, for example, the firewalls. Contact your systems administrator should you have any questions or problems.

#### **2. Handling of votes**

- If you vote via the Internet for multiple times, only the last vote exercised will be recorded as the effective vote.
- If you vote both via the Internet and by mail, the one that arrives last will be recorded as the effective vote.

If both a vote via the Internet and by mail arrive on the same day, the one exercised via the Internet will be recorded as the effective vote.
- The deadline for voting is June 24 (Tuesday), 2008, 5:00 p.m. Japan time. We kindly request you to exercise your vote early.

#### **3. Handling of password**

- The password is a means to verify identity of a person who exercises voting right as the shareholder in question. Be sure to keep the password as well as your registered seal and security code in a safe place. We will not respond to any inquiry about your password by telephone, etc.
- If you repeatedly enter a wrong password for a certain number of times, it will be blocked and disabled. If you wish to have a password reissued, please follow the instructions on the screen for the necessary procedures.

#### **4. Computer-related technical inquiries, etc.**

- If you have any technical inquiries regarding the operation of a personal computer, etc. for voting on this site, contact the following:

Dedicated phone line for The Chuo Mitsui Trust and Banking Company, Limited,  
Securities Agency Web Support  
[Telephone number within Japan] 0120-65-2031  
(Business hours: 9:00 – 21:00 except Saturdays, Sundays and official holidays)

#### **■ For institutional investors**

Institutional investors who have applied in advance to use the e-Voting Platform for institutional investors (also refer to as Tokyo Stock Exchange Platform) can exercise votes via this system instead of the Company's system for voting via the Internet.



- For any other inquiries (including your registered address or number of shares), contact the following:  
Securities Agency Business Center, The Chuo Mitsui Trust and Banking Company, Limited  
[Telephone number within Japan] 0120-78-2031  
(Business hours: 9:00 – 17:00 except Saturdays, Sundays and official holidays)

