

Updated status of KV-Plan

November 2002

Kawasaki Kisen Kaisha, Ltd.

# Updated status of KV-Plan

## <Fundamental assignments>

- 1. Further strengthening of Company's overall organization through cost reductions and profitable use of IT,etc.**
- 2. Enhancement of those aspects of globalization that are firmly based on regional communities and are consistent with the pursuit of business synergy among different business sectors.**
- 3. Redoubling efforts for implementing logistics business.**
- 4. Pursuit of technical innovations in marine transport,perfection of safety in navigation/cargo operations and contributing to environmental preservation.**
- 5. Strengthening of corporate governance aiming at more transparency and greater effectiveness in management.**

**< Fundamental assignments of KV-Plan No. 1 >**  
**Further strengthening of Company's overall organization through cost reductions and profitable use of IT, etc.**

- Start of new container working system, global application network "GAPP"(Apr,2002)
- Consolidation of both Osaka and Kobe Branch Offices into a newly re-structured Kansai Branch (Jul, 2002)
- High possibility of accomplishing our aim of cost cutting for 1<sup>st</sup> year (20 billion yen)
- Establishment of "K" Line Global Systems, Inc. in U.S.A. (Sep,2002) as key basis of designing and implementing global IT strategy
- Transfer of job for B/L docs preparation in Japan to One Stop at Malaysia (Oct,2002)

## **<Fundamental assignments of KV-Plan No. 2>**

**Enhancement of those aspects of globalization that are firmly based on regional communities and are consistent with the pursuit of business synergy among different business sectors.**

- Renamed Korean agent as "K" Line (Korea) Ltd. (Apr, 2002)
- Opened a Business Base (in London) in Europe for Bulk/Energy Transport. (Jul, 2002)
- Established "K"Line (Japan) Ltd. as "K" Line's general agent in Japan, mainly to strengthen containership business activities. (Oct, 2002)
- Placed order for two Aframax Tankers for use in Singapore-based business activity (Sep, 2002)

# **< Fundamental assignments of KV-Plan No. 3 >**

## **Redoubling efforts for implementing logistics business.**

- Established "K" Line Total Logistics, LLP (KLTL), in U.S.A.(Jun, 2002) to strengthen SCM mainly in N.America.
- Pursuit of business synergy through KBHS, capital rebinding of domestic logistic companies, "K" Line Air Service (Jul, 2002)
- K Line (Thailand) Ltd. Group Started One-Stop Service for Total Logistics (Jul, 2002)
- Preparing for a J/V in Shanghai, aiming to strengthen our logistics business in China.

## < Fundamental assignments of KV-Plan No. 4 >

**Pursuit of technical innovations in marine transport, perfection of safety in navigation/cargo operations and contributing to environmental preservation.**

- "K" LINE Acquired ISO 14001 in Recognition of its Environmental Management System (Mar,2002)
- "K"Line Partnered with EnerSea Transport to Complete EnerSea's Maritime Triumvirate for Compressed Natural Gas Marine Transport. (Jul,2002)
- "K" LINE Successfully Developed "VAN-PRO" a Computerized System for Stowage of Marine Containers. (Aug,2002)
- Issued of "Environmental Report 2002". (Aug,2002)
- Simulated accident of tanker vessel (Nov,2002)

**< Fundamental assignments of KV-Plan No. 5 >  
Strengthening of corporate governance aiming at more  
transparency and greater effectiveness in management.**

- Introduced stock option (Sep, 2002)
- Introduced meeting for management of "K" Line groups every 3 months (after May, 2002)
- Restructured Taiyo Nippon Kisen Co., Ltd. and Kobe Pier Co., Ltd. into 100% Subsidiary Companies by Legalized Stock Exchange Provisions. (Sep, 2002)
- Announced closing accounts on consolidated basis every 3 months (as from 3rd quarter)