



# Financial Highlights Brief Report for 3rd Quarter FY2022

February 3rd, 2023



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# **A. Financial Highlights for 3rd Quarter FY2022**

## A-1 : Financial Results for 3rd Quarter FY2022

### Financial Results for 2nd Quarter FY2022

(billion yen)

| Operating Revenues and Profit                    | FY2022  |         |          | FY2021   |         |
|--|---------|---------|----------|----------|---------|
|  | 1H      | 3Q      | 1-3Q (a) | 1-3Q (b) | (a)-(b) |
| Operating Revenues                               | 482.9   | 245.9   | 728.8    | 556.5    | 172.3   |
| Operating Income                                 | 53.0    | 27.6    | 80.6     | 23.3     | 57.3    |
| Ordinary Income/Loss                             | 567.5   | 74.4    | 641.9    | 433.6    | 208.3   |
| Net Income/Loss Attributable to Owners of Parent | 565.4   | 72.8    | 638.2    | 423.3    | 214.9   |
| Exchange Rate(¥/\$)                              | ¥131.56 | ¥143.98 | ¥135.70  | ¥110.97  | ¥24.73  |
| Bunker Price(/MT)                                | \$850   | \$727   | \$808    | \$521    | \$286   |

### Key Financial Indicator

(billion yen)

| Indicators                 | FY2022-3Q (c) | FY2021 (d) | (c)-(d)   |
|----------------------------|---------------|------------|-----------|
| Equity Capital             | 1,477.4       | 884.6      | 592.8     |
| Interest-Bearing Liability | 375.7         | 423.5      | -47.8     |
| DER                        | 25%           | 48%        | -23points |
| Equity Ratio               | 71%           | 56%        | 15points  |

### Key Factors (year-on year comparison)

- ▶ Operating income increased mainly due to higher transportation demand in the Dry Bulk segment and recovery from the impact of the COVID-19 pandemic in the Product Logistics segment including Car Carrier Business.
- ▶ Containership Business operated by equity-method affiliate OCEAN NETWORK EXPRESS PTE. LTD. (ONE) posted higher ordinary and net income as market conditions were at a high level, especially in the first half of the year, amid robust cargo demand, in addition to the rapid fluctuation toward the weakening of the yen.

## A-2 : Financial Results for 3rd Quarter FY2022 by Segment

### Financial Results for 3rd Quarter FY2022 by Segment

(billion yen)

| Business Segment<br>(Upper row : Operating Revenues)<br>(Lower row : Ordinary Income/Loss) | FY2022 |       |             | FY2021      |         |
|--|--------|-------|-------------|-------------|---------|
|  | 1H     | 3Q    | 1-3Q<br>(e) | 1-3Q<br>(f) | (e)-(f) |
| <b>Dry Bulk</b>  | 171.6  | 76.2  | 247.8       | 207.3       | 40.5    |
|  | 26.0   | -2.9  | 23.1        | 14.7        | 8.3     |
| <b>Energy Resource Transport</b>   | 50.8   | 26.2  | 76.9        | 66.6        | 10.4    |
|  | 9.2    | 0.1   | 9.3         | 2.1         | 7.2     |
| <b>Product Logistics</b>   | 254.6  | 141.3 | 395.9       | 274.8       | 121.2   |
|  | 536.9  | 79.0  | 615.9       | 425.3       | 190.6   |
| Containership  | 24.4   | 12.8  | 37.3        | 31.4        | 5.8     |
|  | 504.0  | 60.7  | 564.6       | 415.9       | 148.7   |
| <b>Other</b>   | 5.9    | 2.2   | 8.2         | 7.9         | 0.2     |
|  | 0.5    | 0.0   | 0.5         | 0.2         | 0.4     |
| <b>Adjustment</b>  | -      | -     | -           | -           | -       |
|  | -5.0   | -1.9  | -6.9        | -8.7        | 1.8     |
| <b>Total</b>   | 482.9  | 245.9 | 728.8       | 556.5       | 172.3   |
|  | 567.5  | 74.4  | 641.9       | 433.6       | 208.3   |

### Key Factors by Segments (year-on year comparison)

#### ▶ Dry Bulk

- The market conditions for Cape remained at a high level at the beginning of the period due to a tight vessel supply caused by longer port stays of vessels arising from COVID-19 measures. In the middle of the period, the market softened due to a decrease in congestion thanks to waning pandemic impact and a decrease in demand for transporting goods to China.
- Market conditions for Panamax and smaller sizes remained generally firm due to increased demand for transporting grain to China.

#### ▶ Energy Resource Transport

- LNG Carrier, Thermal Coal Carrier, VLCC (Very Large Crude Carrier) and LPG Carrier Businesses secured stable profits backed by medium- to long-term charter contracts

#### ▶ Product Logistics

- In Car Carrier Business, although carmakers in part saw affects to production and delivery due to factors such as the semiconductor and automotive parts shortage, our earnings rose thanks to an improvement in vessel operation efficiency and profitability as robust cargo demand continued.

- In the Containership segment, market conditions weakened due to a temporary decline in cargo demand. This was due to a combination of seasonal factors and a decline in consumption caused by a US interest rate hike and other factors.

\* The above figures includes foreign exchange loss that affects to all business segments.

## **B. Forecast and Initiatives for FY2022**

# B- 1 : Forecasts for FY2022 and Key Factors

### Forecasts for FY2022

| Operating Revenues and Profit/Loss               | FY2022  |         |             |             |           | FY2021    |               | vs As of Nov. 2022 |         |
|--|---------|---------|-------------|-------------|-----------|-----------|---------------|--------------------|---------|
|  | 1H      | 3Q      | 4Q Forecast | 2H Forecast | Total (g) | Total (h) | Y-o-Y (g)-(h) | Total (i)          | (g)-(i) |
| Operating Revenues                               | 482.9   | 245.9   | 211.2       | 457.1       | 940.0     | 757.0     | 183.0         | 920.0              | 20.0    |
| Operating Income/Loss                            | 53.0    | 27.6    | 4.5         | 32.0        | 85.0      | 17.7      | 67.4          | 80.0               | 5.0     |
| Ordinary Income/Loss                             | 567.5   | 74.4    | 18.1        | 92.4        | 660.0     | 657.5     | 2.5           | 710.0              | -50.0   |
| Net Income/Loss Attributable to Owners of Parent | 565.4   | 72.8    | 11.7        | 84.5        | 650.0     | 642.4     | 7.6           | 700.0              | -50.0   |
| Exchange Rate(¥/\$)                              | ¥131.56 | ¥143.98 | ¥129.57     | ¥136.77     | ¥134.17   | ¥112.06   | ¥22.11        | ¥132.02            | ¥2.15   |
| Bunker Price(/MT)                                | \$850   | \$727   | \$662       | \$695       | \$772     | \$551     | \$222         | \$780              | -\$8    |

### Key Factors (year-on-year comparison)

- Operating income is expected to increase by 67.4 billion yen compared to FY2021 and reach 85.0 billion yen, due to steady growth mainly in Car Carrier Business.
- Although the current containership market will likely remain sluggish, ordinary income is forecast to be 660.0 billion yen.
- Net income will improve year on year due to the improvement in ordinary income.
- The assumed year-end exchange rate applicable to the earnings of consolidated subsidiaries, including equity-method affiliates, is ¥128/\$ (previously announced year-end exchange rate was ¥130/\$).
- In comparison to our second quarter forecast, we expect for a deterioration in ordinary income due to a containership market decline, change on the year end exchange rate assumption and temporary foreign exchange loss incurred by extreme exchange rate volatility from the middle of the fiscal year onwards.

#### Key factor assumption

- Yen-US\$ exchange rate ¥134.17/\$ (average for FY2022)
- Bunker price \$772/MT
- Market assumption  
Please refer to Appendix

#### Estimates sensitivity (4Q 3 months)

- Yen-US\$ rate: each ¥1 weaker (stronger) adds (subtracts) ±4.8 bln
- Bunker price: each \$10/MT down (up) adds (subtracts) ±0.00 bln

\*Exchange rate fluctuations related to equity in earnings of subsidiaries, "ONE" is included.

#### Shareholder's return

Dividend: The expected year-end dividend is 300 yen per share, an additional return of 200 yen per share from the previous forecast. When combined with the interim dividend of 100 yen per share, the full-year dividend is expected to be 400 yen per share (based on shares after stock split\*), while the pre-split full-year dividend forecast is 1,200 yen per share.

→ details : P11 Shareholder's Return Policy Update (FY2022)

\*The note is made taking the effect of stock split implemented on October 1, 2022 into consideration.

# B- 2 : Forecasts for FY2022 by Segment

### Forecasts for FY2022 by Segment

(billion yen)

| Business Segment<br>(Upper row : Operating Revenues)<br>(Lower row: Ordinary Income/Loss) | FY2022 |       |                |                |              | FY2021       |                  | vs As of Nov. 2022 |         |
|---|--------|-------|----------------|----------------|--------------|--------------|------------------|--------------------|---------|
|   | 1H     | 3Q    | 4Q<br>Forecast | 2H<br>Forecast | Total<br>(j) | Total<br>(k) | Y-o-Y<br>(j)-(k) | Total<br>(l)       | (j)-(l) |
| Dry Bulk  | 171.6  | 76.2  | 61.2           | 137.4          | 309.0        | 276.5        | 32.5             | 303.0              | 6.0     |
|   | 26.0   | -2.9  | 1.0            | -2.0           | 24.0         | 23.7         | 0.3              | 33.0               | -9.0    |
| Energy Resource<br>Transport  | 50.8   | 26.2  | 24.0           | 50.2           | 101.0        | 89.7         | 11.2             | 97.0               | 4.0     |
|   | 9.2    | 0.1   | 0.7            | 0.8            | 10.0         | 4.8          | 5.2              | 13.0               | -3.0    |
| Product Logistics   | 254.6  | 141.3 | 122.1          | 263.4          | 518.0        | 380.2        | 137.8            | 509.0              | 9.0     |
|   | 536.9  | 79.0  | 20.1           | 99.2           | 636.0        | 640.8        | -4.8             | 675.0              | -39.0   |
| Containership   | 24.4   | 12.8  | 12.7           | 25.6           | 50.0         | 41.7         | 8.3              | 46.0               | 4.0     |
|   | 504.0  | 60.7  | 5.4            | 66.1           | 570.0        | 623.8        | -53.8            | 613.0              | -43.0   |
| Other   | 5.9    | 2.2   | 3.9            | 6.1            | 12.0         | 10.6         | 1.4              | 11.0               | 1.0     |
|   | 0.5    | 0.0   | 0.4            | 0.5            | 1.0          | -0.1         | 1.1              | 1.0                | -0.0    |
| Adjustment  | -      | -     | -              | -              | -            | -            | -                | -                  | -       |
|   | -5.0   | -1.9  | -4.2           | -6.1           | -11.0        | -11.7        | 0.7              | -12.0              | 1.0     |
| Total   | 482.9  | 245.9 | 211.2          | 457.1          | 940.0        | 757.0        | 183.0            | 920.0              | 20.0    |
|   | 567.5  | 74.4  | 18.1           | 92.4           | 660.0        | 657.5        | 2.5              | 710.0              | -50.0   |

### Key Factors by Segments (year-on-year comparison)

#### Dry Bulk

- As market conditions in major economies are expected to weaken due to inflation and other factors, we will appropriately manage our market exposure while improving vessel deployment efficiency for continued improvement in profitability.

#### Energy Resource Transport

- LNG Carrier, Thermal Coal Carrier, VLCC (Very Large Crude Carrier), and LPG Carrier Businesses are expected to secure stable profits backed by medium- to long-term charter contracts.

#### Product Logistics

- In Car Carrier Business, semiconductor supply constraints and other factors have had an impact on passenger car production. However, in anticipation of continued strong cargo movement demand, we will work on various measures such as rate restorations and H&H cargo\* increase while maintaining vessel deployment flexibility to allow rapid response to global economic trends and changes in cargo demand.
- In the Containership segment, the market adjustment is expected to continue from the second half of the fiscal year onwards. This is due to the ending of significant supply chain disruptions, as well as economic slowdown and falling demand, especially in Europe and the US.

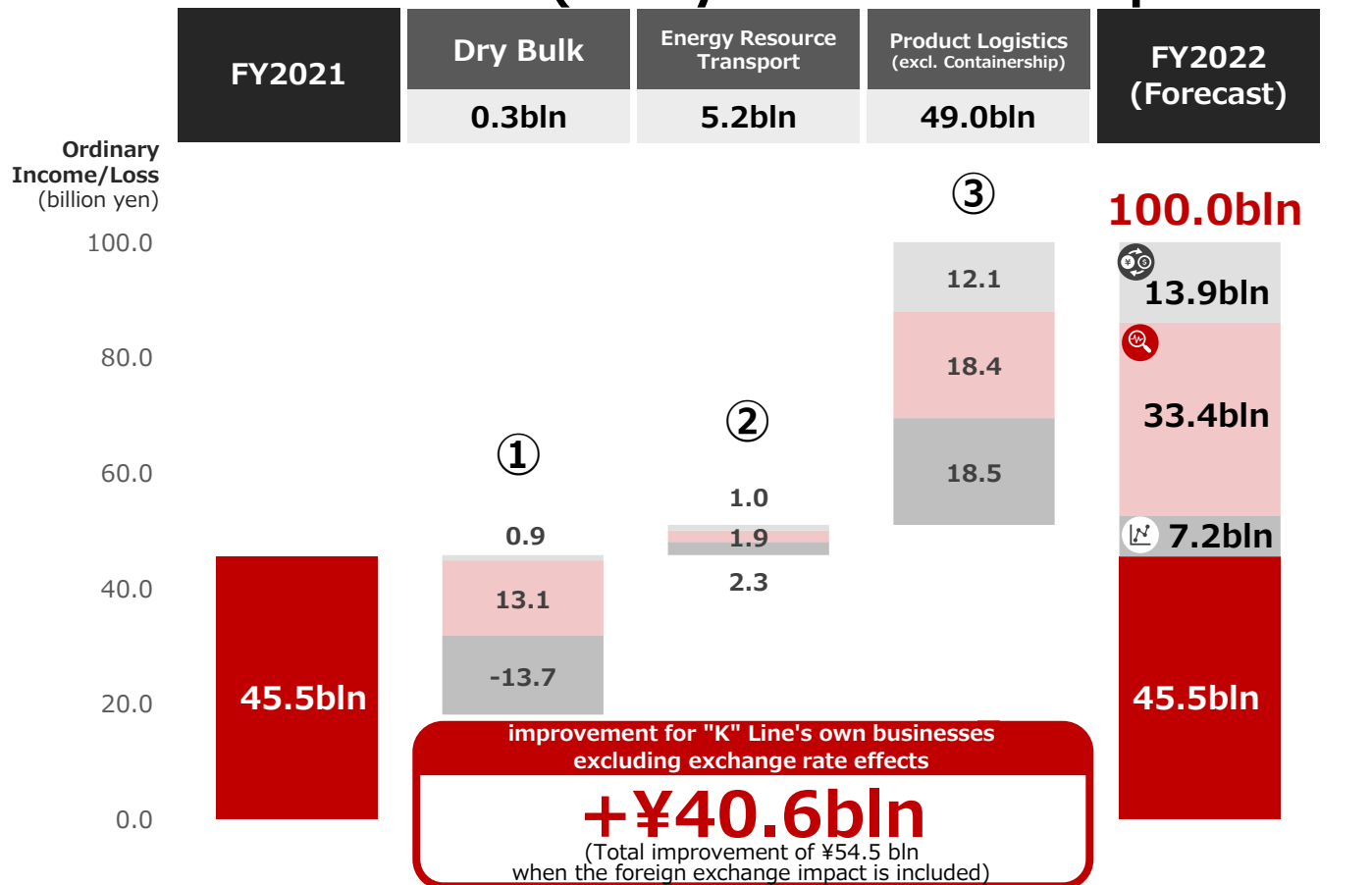
\* Oversized cargo such as construction and agricultural machinery, and rail vehicles



## B. Forecasts and Initiatives for FY2022

### B-3 : Key Factors of Improvement for "K" Line's Own Businesses

#### in FY2022 (Full-year results comparison with the previous year)



**Exchange rate impact**  
**13.9bn**

- Dry Bulk : 0.9bn
- Energy Resource Transport : 1.0bn
- Product Logistics : 12.1bn

**Own Business Profitability improvement**  
**33.4bn**

- Effect of business measures\*1:30.1bn
- Effect of structural reform:3.3bn

**Market conditions, other\*2**  
**7.2bn**

- Dry Bulk: -13.7bn
- Energy Resource Transport: 2.3bn
- Product Logistics: 18.5bn

#### ① Dry Bulk

- Realizing fleet optimization through structural reforms, continuing to implement efficient vessel deployment, and reducing operating costs
- Expanding stable earnings by acquiring new medium- to long-term contracts based on a stronger customer-oriented sales system

#### ② Energy Resource Transport

- Ensuring stable earnings through medium- to long-term contracts
- Enhancing profitability by withdrawing from unprofitable businesses

#### ③ Product Logistics (excl. Containership)

##### Car Carriers

- Improving profitability through rate restorations
- Improving fleet competitiveness by securing large size vessel
- Cargo volumes are expected to continue their post-pandemic recovery, and the tight supply and demand situation is expected to remain
- Strategically pursuing new and high-and-heavy cargo contracts, while maintaining space for existing cargo
- Continuing efforts to enhance vessel operation efficiency through route rationalization, etc.

##### Short sea and coastal/Port /Logistics

- Promoting business through collaboration among our subsidiary companies to utilize the respective knowledge and experience of each company
- Maintaining efforts to create synergies among Group businesses

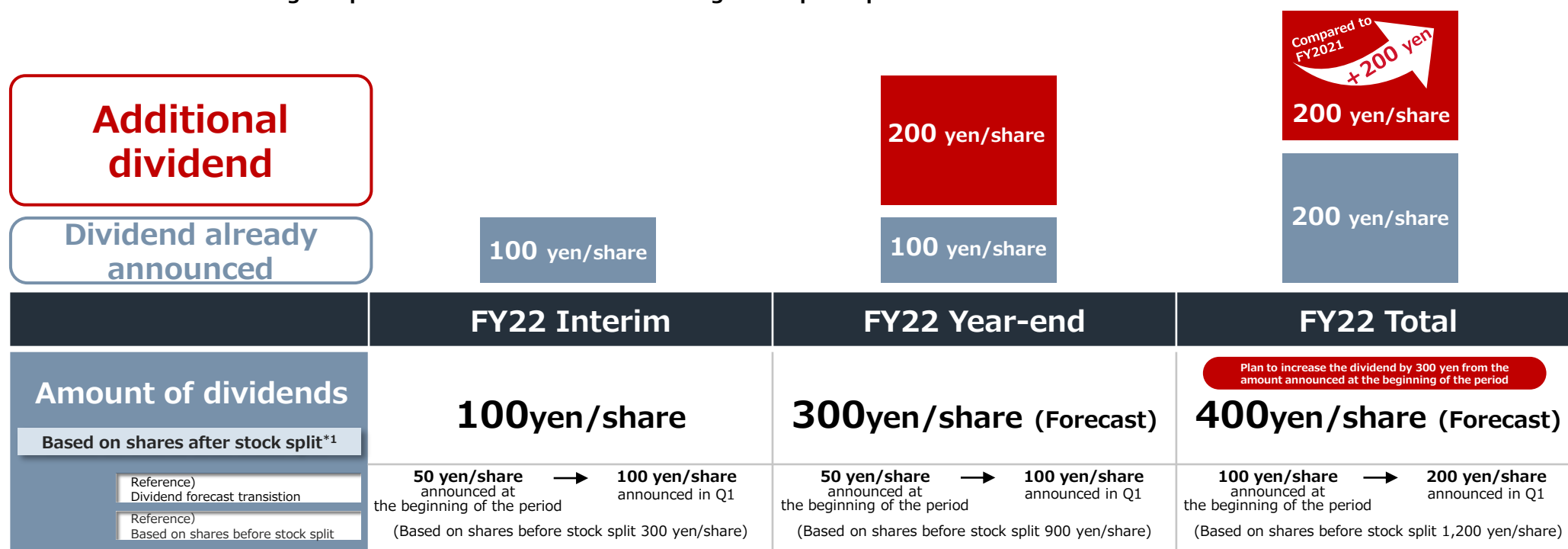
\*1 acquisition of new contracts, ship allocation efficiency etc. \*2 including impact of oil prices

## **C. Status and Progress of Medium-term Management Plan**

## C-1 : Shareholder's Return Policy Update (FY2022)

**Planning to increase the year-end dividend as part of an additional return policy and proceeding with share buyback as planned**

- Earnings and operating cash flows in the first year of the new medium-term management plan exceed initial forecasts. In preparation for the May announcement of financial results, we will continue to update our capital policy while maintaining awareness of our optimal capital structure, including operating cash flows, the investment necessary to improve corporate value, and additional shareholder returns during the period of the medium-term management plan up to FY2026.



- We are repurchasing “K” Line stock up to a total value of 100.0 billion yen (max.) or up to a total of 35,236,000 shares (max.) (based on shares after stock split).  
As of January 31, 2023, a total of 31,791,400 shares (90.2%\*2) have been acquired for a total value of 78.4 billion yen (78.4%\*3) (Nov 8, 2022 to Jan 31, 2023).  
In principle, the shares repurchased/to be repurchased will be cancelled

\*1 Regarding the fiscal 2021 full-year and fiscal 2022 interim dividends, the amounts before the stock split are shown for comparison with the fiscal 2022 year-end and total. We implemented a stock split and each share of common stock owned by shareholders listed or recorded in the closing register of shareholders on the record date of September 30, 2022, has been split into 3 shares per share.

\*2 Fulfillment percentage to the total number of shares that may be repurchased (up to 35,236,000 shares)

\*3 Fulfillment percentage to the total repurchasable amount 100.0 billion yen (max.)

## C-2 : External Environment Surrounding “K” Line Group

### Continuing uncertainty in the business environment

#### Additional risk factors

**Fragmentation of the global economy (US-China decoupling)**

**Energy Prices**  
(Interest rate policy and energy price impact on the global economy)

**China's economic direction after the end of its zero-COVID policy**

- Continuation of geopolitical risks such as Ukraine's uncertain future and the fragmentation of the global economy hinging on US-China friction
- Continuation of deep-rooted inflationary pressure due to interest rates rising and remaining high in Europe and the US and increasing resource and energy prices
- Uncertain economic direction due to resurging infections after the lifting of China's zero-COVID policy, and due to economic recovery

| External Environment   |  | Anticipated Risks and Opportunities   | Action Based on the Medium-term Management Plan   |
|--|--|---|---|
| <b>International Conditions</b>                                | <ul style="list-style-type: none"> <li>• Impact on the economy such as high prices caused by the Russia-Ukraine situation</li> <li>• Expansion of the scope of economic sanctions on Russia such as energy embargos</li> </ul>                                 | <ul style="list-style-type: none"> <li>• Although there are concerns about the impact on trade for some cargo, the impact on market conditions is expected to be minor.</li> <li>• Impact on the European economy due to a long-term curtailment of gas supply from Russia</li> </ul>                     | <ul style="list-style-type: none"> <li>• <b>Strengthening of resilience to market conditions through the emergence of effect of structural reforms</b></li> <li>• <b>Strengthening earning power through resource allocation according to the characteristics of each business based on the portfolio strategy</b></li> <li>• <b>Working with customers to respond to “changes in the business environment” and the “energy mix transition phase”</b></li> <li>• <b>Strengthening of safety and quality management systems as a shipping company supporting global social infrastructure</b></li> </ul> |
| <b>Pandemic</b>  | <ul style="list-style-type: none"> <li>• Increase in the number of global infections due to variant strains</li> <li>• Economic direction after the lifting of China's zero-COVID policy</li> </ul>  | <ul style="list-style-type: none"> <li>• Continued burden on the entire supply chain and decrease in the volume of production of goods due to the shortages of parts and semiconductors</li> <li>• Resurging infections in China and economic recovery</li> </ul>   |   |
| <b>Global Economy</b>  | <ul style="list-style-type: none"> <li>• Unpredictable exchange rate volatility</li> <li>• Deep-rooted inflationary pressure</li> <li>• Interest rates that are rising and remaining high in Europe and the US</li> <li>• Increased resource prices</li> </ul> | <ul style="list-style-type: none"> <li>• Slowdown of the real economy due to rising procurement costs and other factors, and the negative impact on purchasing power in Europe and the US</li> <li>• Continuation of global inflationary pressure</li> </ul>  |   |
| <b>Strengthening of Regulations Related to Decarbonization</b> | <ul style="list-style-type: none"> <li>• Application of treaty on new CO2 emission regulations to large ocean-going vessels</li> </ul>   | <ul style="list-style-type: none"> <li>• Increase in benefits of environmentally friendly vessels due to restrictions on output of existing vessels and the necessity to make modifications to improve fuel efficiency</li> <li>• Impact of the expansion of industries covered by the EU-ETS*</li> </ul> |   |

\* EU-ETS : EU Emission Trading System

# | Appendix

# Market Results and Assumptions/ Market Exposure

## ■ Dry Bulk Market Results and Assumption

| Dry Bulk Market | FY2021   |          |          |          |          | FY2022   |          |          |             |          |
|-----------------|----------|----------|----------|----------|----------|----------|----------|----------|-------------|----------|
|                 | 1Q       | 2Q       | 3Q       | 4Q       | Total    | 1Q       | 2Q       | 3Q       | 4Q Forecast | Forecast |
| CAPE            | \$31,100 | \$42,400 | \$42,650 | \$14,750 | \$32,750 | \$21,600 | \$13,700 | \$14,900 | \$10,650    | \$15,200 |
| PANAMAX         | \$24,700 | \$32,300 | \$27,900 | \$21,900 | \$26,750 | \$25,300 | \$15,850 | \$14,700 | \$12,000    | \$16,950 |
| HANDYMAX        | \$25,550 | \$34,250 | \$30,500 | \$25,150 | \$28,900 | \$28,900 | \$19,750 | \$14,850 | \$12,000    | \$18,850 |
| SMALL HANDY     | \$22,500 | \$32,200 | \$31,350 | \$24,100 | \$27,600 | \$27,550 | \$18,700 | \$15,050 | \$11,000    | \$18,100 |

## ■ Tanker Market Results and Assumption

| World Scale (WS)    | FY2021  |         |         |          |         | FY2022   |          |          |             |          |
|---------------------|---------|---------|---------|----------|---------|----------|----------|----------|-------------|----------|
|                     | 1Q      | 2Q      | 3Q      | 4Q       | Total   | 1Q       | 2Q       | 3Q       | 4Q Forecast | Forecast |
| VLCC                | 33      | 33      | 42      | 39       | 37      | 46       | 71       | 95       | 45          | 64       |
| (Middle East/Japan) | \$4,850 | \$2,750 | \$7,700 | △\$2,050 | \$3,300 | △\$3,250 | \$32,250 | \$66,200 | \$26,150    | \$30,350 |
| AFRAMAX             | 84      | 91      | 103     | 109      | 97      | 167      | 214      | 254      | 181         | 204      |
| (South Asia/Japan)  | \$5,000 | \$5,650 | \$6,650 | \$7,000  | \$6,100 | \$18,000 | \$35,500 | \$55,000 | \$48,350    | \$39,200 |

## ■ Transition of Fleet Scale

| Vessel Type              | FY2020     | FY2021     | FY2022-3Q  |
|--------------------------|------------|------------|------------|
| CAPE                     | 86         | 88         | 81         |
| Panamax and Smaller size | 88         | 80         | 74         |
| Wood Chip Carriers       | 7          | 6          | 7          |
| <b>Total</b>             | <b>181</b> | <b>174</b> | <b>162</b> |
| VLCC                     | 6          | 6          | 6          |
| LPG Carriers             | 4          | 4          | 4          |
| Other Tankers            | 6          | 5          | 2          |
| Thermal Coal Carriers    | 26         | 31         | 30         |
| LNG Carriers             | 44         | 43         | 44         |
| <b>Total</b>             | <b>86</b>  | <b>89</b>  | <b>86</b>  |

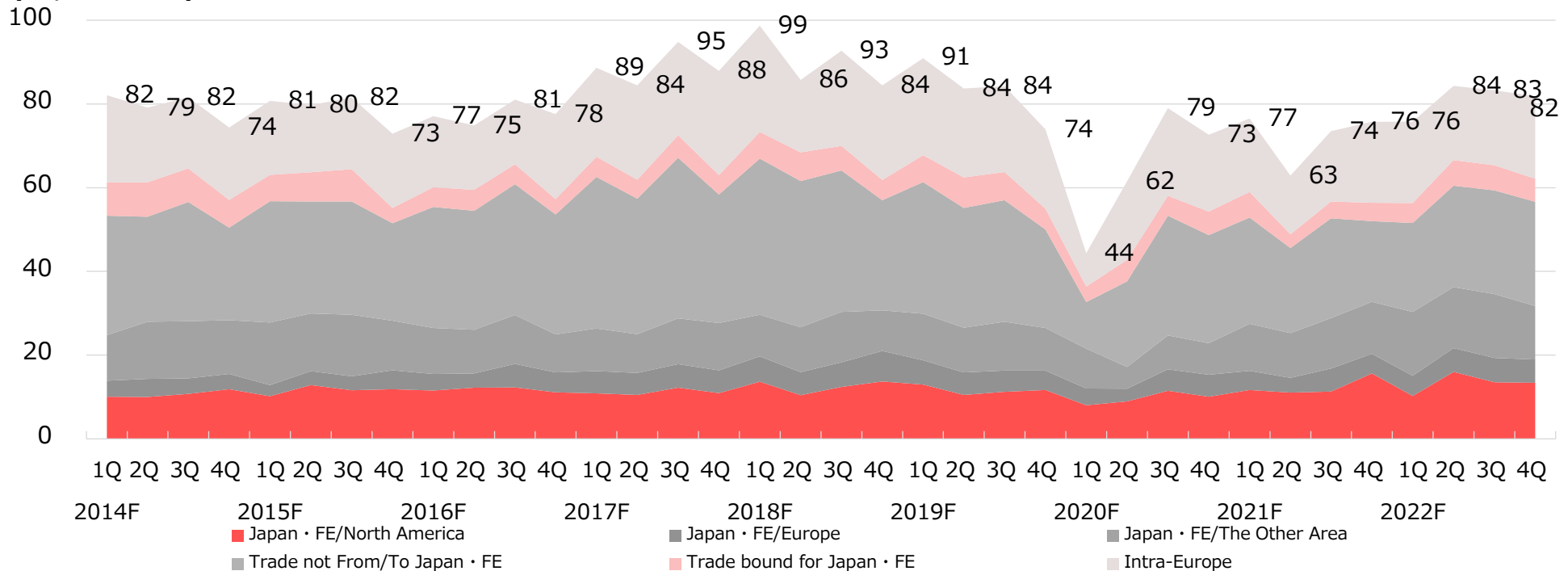
## ■ FY2022 : Market Exposure

| Vessel Type              | Market Exposure |
|--------------------------|-----------------|
| CAPE                     | 9%              |
| Panamax and Smaller size | 4%              |
| Wood Chip Carriers       | 0%              |
| VLCC                     | 0%              |
| LPG Carriers             | 0%              |
| Thermal Coal Carriers    | 2%              |

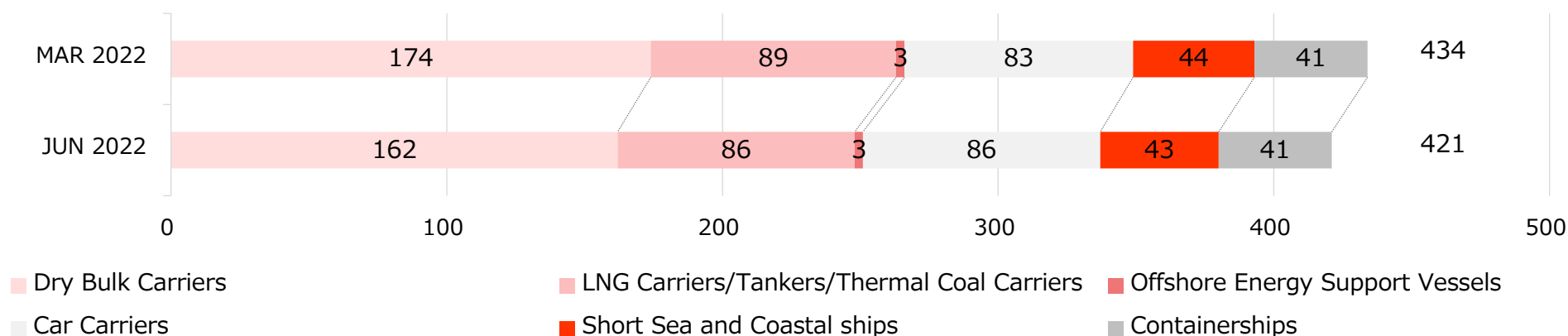
# Car Carriers Total Units Carried by Service Routes

| Total Units Carried<br>(1,000 units) | FY2021 |     |     |     |       | FY2022 |     |     |                |          |
|--------------------------------------|--------|-----|-----|-----|-------|--------|-----|-----|----------------|----------|
|                                      | 1Q     | 2Q  | 3Q  | 4Q  | Total | 1Q     | 2Q  | 3Q  | 4Q<br>Forecast | Forecast |
| Outbound                             | 275    | 252 | 288 | 327 | 1,142 | 303    | 362 | 346 | 317            | 1,329    |
| Homebound                            | 61     | 33  | 40  | 44  | 179   | 48     | 62  | 60  | 55             | 224      |
| Others                               | 254    | 203 | 238 | 193 | 889   | 212    | 242 | 248 | 249            | 951      |
| Intra-Europe                         | 175    | 140 | 168 | 193 | 677   | 195    | 177 | 179 | 198            | 748      |
| Total Units Carried                  | 765    | 629 | 735 | 757 | 2,886 | 758    | 843 | 832 | 819            | 3,252    |
| Number of Fleet                      | 81     | 80  | 84  | 83  | 83    | 87     | 86  | 86  | 86             | 86       |

(10,000 Units)



# "K" Line Group Fleet Composition



| Type of vessel              | DEC 2022   |                   | DEC 2022   |                   | Total      |                   | MAR 2022   |                   |
|-----------------------------|------------|-------------------|------------|-------------------|------------|-------------------|------------|-------------------|
|                             | Owned      |                   | Chartered  |                   | No.        | DWT(MT)           | Total      |                   |
|                             | No.        | DWT(MT)           | No.        | DWT(MT)           | No.        | DWT(MT)           | No.        | DWT(MT)           |
| Dry Bulk                    | 49         | 5,938,202         | 113        | 14,929,410        | 162        | 20,867,612        | 174        | 22,490,344        |
| Thermal Coal Carriers       | 8          | 702,507           | 22         | 1,969,322         | 30         | 2,671,829         | 31         | 2,762,433         |
| LNG Carriers                | 43         | 3,590,640         | 1          | 77,163            | 44         | 3,667,803         | 43         | 3,652,067         |
| Tankers                     | 9          | 1,869,817         | 3          | 410,808           | 12         | 2,280,625         | 15         | 2,381,297         |
| Drillship                   | 1          | -                 | 0          | -                 | 1          | -                 | 1          | -                 |
| FPSO                        | 1          | -                 | 0          | -                 | 1          | -                 | 1          | -                 |
| LNG Bunkering Vessel        | 1          | 2,431             | 0          | -                 | 1          | 2,431             | 1          | 2,431             |
| Car Carriers                | 33         | 446,112           | 53         | 963,562           | 86         | 1,409,674         | 83         | 1,362,224         |
| Short Sea and Coastal Ships | 24         | 227,489           | 19         | 199,646           | 43         | 427,135           | 44         | 489,046           |
| Containerships              | 11         | 849,856           | 30         | 2,970,195         | 41         | 3,820,051         | 41         | 3,820,051         |
| <b>Total</b>                | <b>180</b> | <b>13,627,054</b> | <b>241</b> | <b>21,520,106</b> | <b>421</b> | <b>35,147,160</b> | <b>434</b> | <b>36,959,893</b> |

\* The number of owners 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.



# "K" Line Group Vessels in Operation/New Building Delivery Schedule

## "K" Line Group Vessels in Operation

| Segment                     | Business/Vessel Types | Mar-22     | Dec-22     |
|-----------------------------|-----------------------|------------|------------|
| Dry Bulk                    | CAPE                  | 80         | 76         |
|                             | OVER PANAMAX          | 8          | 5          |
|                             | PANAMAX               | 46         | 36         |
|                             | HANDYMAX              | 30         | 31         |
|                             | SMALL HANDY           | 4          | 7          |
|                             | CHIP                  | 6          | 7          |
|                             | <b>Total</b>          |            | <b>174</b> |
| Energy Resource Transport   | VLCC                  | 6          | 6          |
|                             | AFRAMAX               | 2          | 2          |
|                             | Chemical Tankers      | 3          | 0          |
|                             | LPG Carriers          | 4          | 4          |
|                             | <b>Total</b>          | <b>15</b>  | <b>12</b>  |
|                             | LNC Carriers          | 43         | 44         |
|                             | Thermal Coal Carriers | 31         | 30         |
|                             | Drillship             | 1          | 1          |
|                             | FPSO                  | 1          | 1          |
|                             | LNG Bunkering Vessel  | 1          | 1          |
|                             | <b>Total</b>          | <b>92</b>  | <b>89</b>  |
| Product Logistics           | 7,000 Units           | 17         | 17         |
|                             | 6,000 Units           | 38         | 39         |
|                             | 5,000 Units           | 10         | 11         |
|                             | 4,000 Units           | 3          | 4          |
|                             | 3,000 Units           | 4          | 4          |
|                             | 2,000 Units           | 4          | 4          |
|                             | ~2,000 Units          | 7          | 7          |
|                             | <b>Total</b>          | <b>83</b>  | <b>86</b>  |
|                             | 14,000TEU             | 12         | 12         |
|                             | 8,000TEU              | 13         | 13         |
|                             | 5,500TEU              | 4          | 4          |
|                             | 4,200TEU              | 7          | 7          |
|                             | 1,700TEU              | 5          | 5          |
|                             | 1,200TEU              | 0          | 0          |
|                             | <b>Total</b>          | <b>41</b>  | <b>41</b>  |
| Short Sea and Coastal Ships | 44                    | 43         |            |
| <b>Total</b>                | <b>168</b>            | <b>170</b> |            |
| <b>Grand Total</b>          |                       | <b>434</b> | <b>421</b> |

## New Building Delivery Schedule

| Number of Vessel            | 2022     | 2023     | 2024      |
|-----------------------------|----------|----------|-----------|
| CAPE                        |          | 2        | 1         |
| OVER PANAMAX                |          | 1        |           |
| HANDYMAX                    |          |          | 1         |
| LPG Carriers                |          | 1        |           |
| LNG Carriers                |          | 1        |           |
| FPSO                        |          | 1        |           |
| Liquefied CO2 vessel        |          |          | 2         |
| Car Carriers (7,000 Unit)   |          | 1        | 4         |
| Short Sea and Coastal Ships | 1        | 2        | 2         |
| <b>Total</b>                | <b>1</b> | <b>9</b> | <b>10</b> |

**[Disclaimer]**

Information contained in this material is provided solely for informational purposes and is not an offer or a solicitation of an offer to buy or sell securities.

You are requested to make investment decisions using your own judgment.

**[Forward-looking statements]**

This material contains forward-looking statements concerning future plans and forecast, these statements are based on information currently available.

Furthermore, "K" LINE therefore cautions readers that actual results may differ materially from economic conditions, supply and demand in the shipping industry, price of bunker, foreign currency exchange rates.

