

Supplementary Report

— 3rd Quarter FY2007 —

February 2008
Kawasaki Kisen Kaisha, Ltd.

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

Supplemental Information-1

— Shipping Market —

1-1. “K” Line Container Loading Volume / Lord Factor

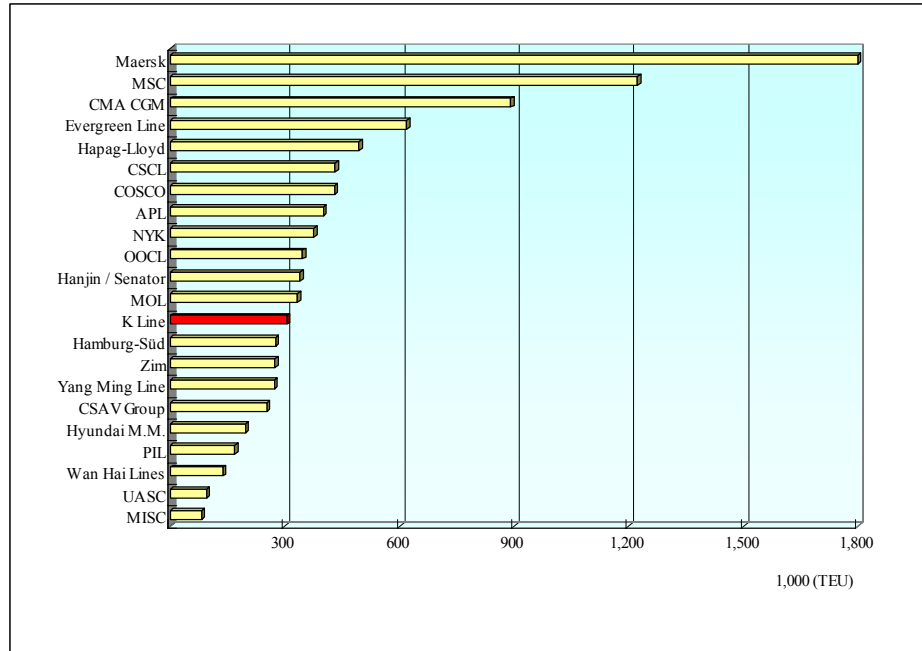
Loading Volume (Unit : 1,000 TEU)		06F 1Q	06F 2Q	06F 1H	06F 3Q	06F1-3Q	06F 4Q	07F1Q	07F2Q	07F1H	07F3Q	07F1-3Q
Asia/N.America	E/Bound	173	194	368	178	546	173	204	224	428	200	628
	W/Bound	65	61	126	65	190	60	67	63	129	76	205
		238	255	493	243	736	234	270	287	557	276	834
Asia/Europe	W/Bound	113	120	233	114	347	124	136	133	269	117	387
	E/Bound	66	62	128	57	185	57	63	57	120	51	171
		179	182	361	171	532	181	199	190	390	168	558

Lord Factor		06F 1Q	06F 2Q	06F 1H	06F 3Q	06F1-3Q	06F 4Q	07F1Q	07F2Q	07F1H	07F3Q	07F1-3Q
Asia/N.America	E/Bound	90.4%	94.2%	92.4%	85.1%	89.7%	84.6%	91.5%	97.6%	94.6%	88.7%	92.6%
	W/Bound	51.6%	43.6%	47.4%	43.2%	45.8%	41.1%	43.6%	42.0%	42.8%	51.1%	45.6%
		75.0%	73.8%	74.4%	67.7%	71.9%	66.5%	72.0%	75.7%	73.9%	73.7%	73.8%
Asia/Europe	W/Bound	90.9%	96.0%	93.5%	89.0%	92.2%	96.2%	97.0%	96.0%	96.5%	83.4%	92.1%
	E/Bound	74.2%	73.9%	74.0%	65.9%	71.5%	62.5%	66.9%	58.2%	62.5%	50.5%	58.4%
		83.9%	87.1%	85.5%	79.7%	83.8%	82.2%	84.9%	80.3%	82.6%	69.7%	78.2%

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

Top 20 Container Carriers ranked by operating capacity as of Jan 2008

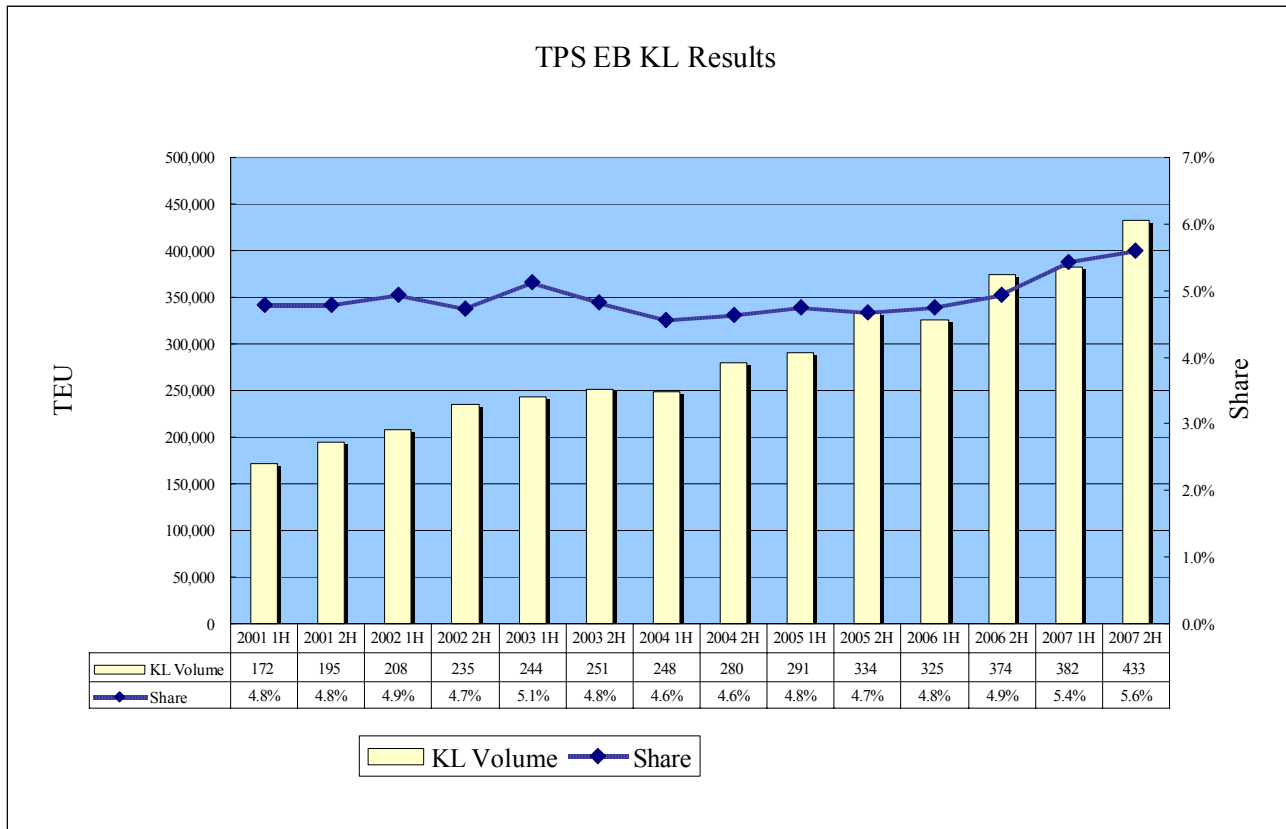
Rank	Operator	TOTAL TEU
1	Maersk	1,884,416
2	MSC	1,224,066
3	CMA CGM	891,808
4	Evergreen Line	619,462
5	Hapag-Lloyd	494,516
6	CSCL	431,550
7	COSCO	430,472
8	APL	401,625
9	NYK	375,925
10	OOCL	346,161
11	Hanjin / Senator	339,729
12	MOL	333,857
13	K Line	306,486
14	Hamburg-Süd	275,778
15	Zim	274,828
16	Yang Ming Line	272,813
17	CSAV Group	253,287
18	Hyundai M.M.	196,782
19	PIL	168,979
20	Wan Hai Lines	137,656
21	UASC	95,516
22	MISC	82,888



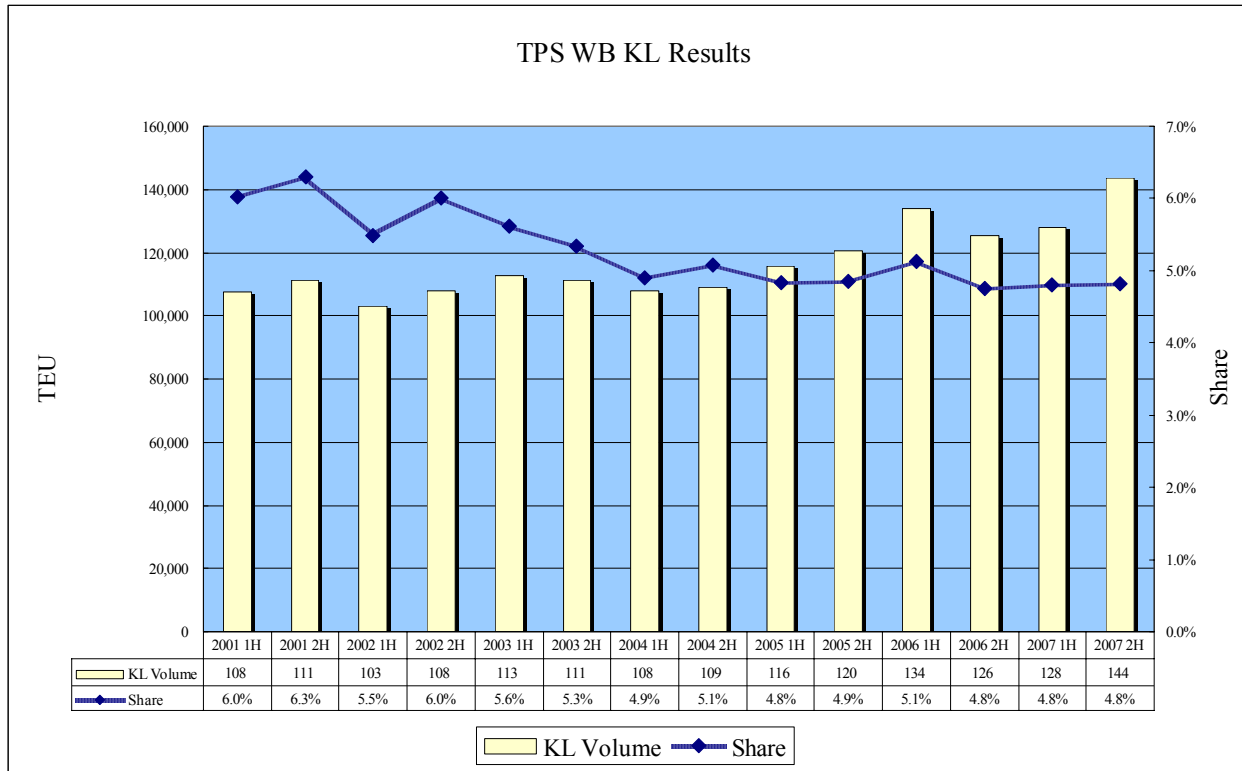
Rank	Alliance	TEU
1	Maersk	1,884,416
2	CKYH	1,349,500
3	GA	1,299,490
4	MSC	1,224,066
5	TNWA	932,264
6	CMA CGM	891,808
7	EMC	619,462
8	CSCL	431,550
9	Zim	275,778
10	CSAV	253,287

Source : AXSliner (<http://www1.axsmarine.com>)

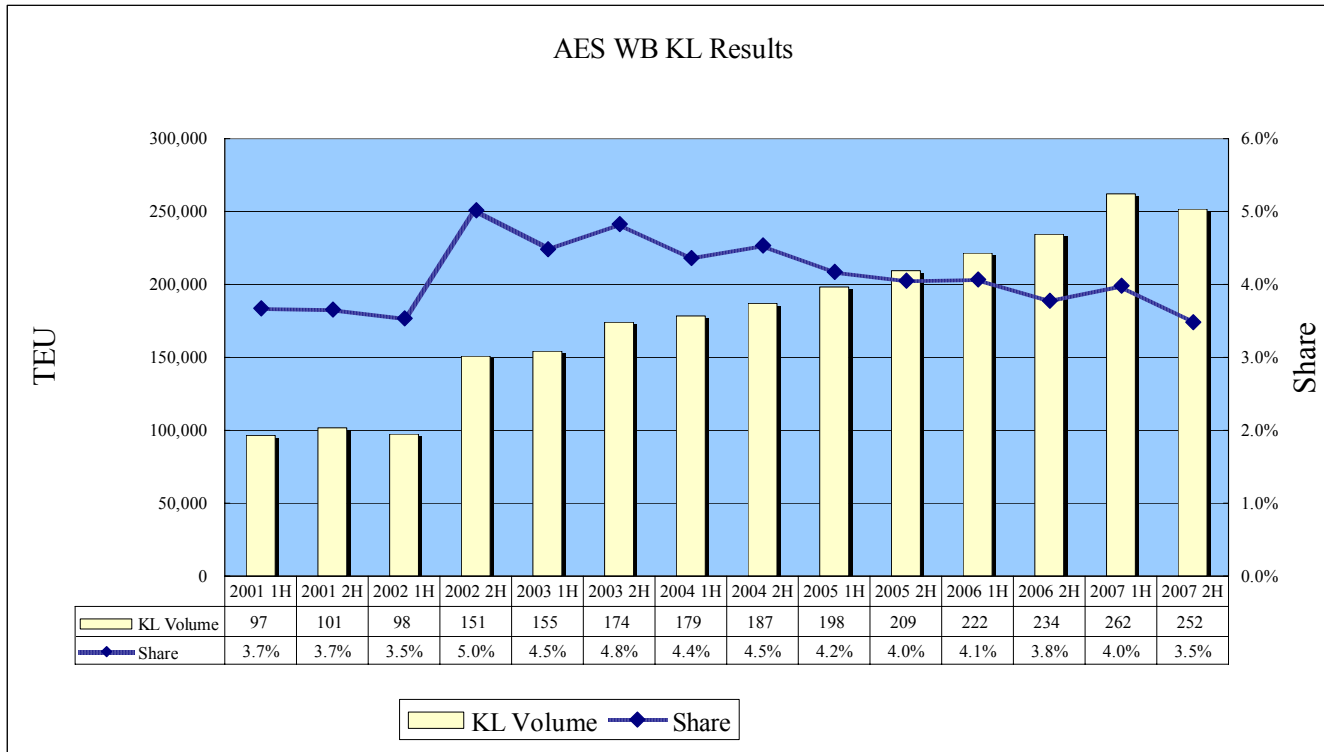
1-3. “K” Line Container Volume & Share Asia to North America (2001-2007)



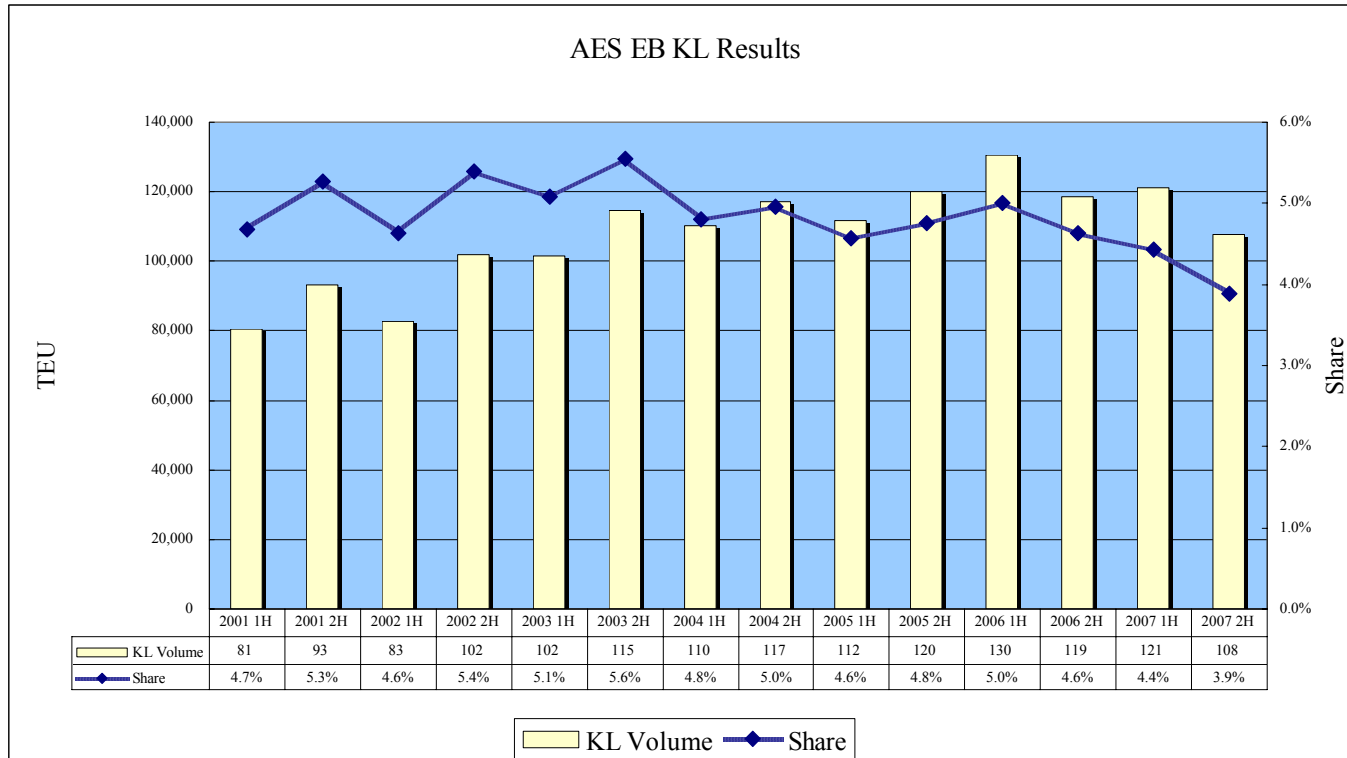
1-4. “K” Line Container Volume & Share North America to Asia (2001-2007)



1-5. “K” Line Container Volume & Share Asia to Europe (2001-2007)



1-6. "K" Line Container Volume & Share Europe to Asia (2001-2007)



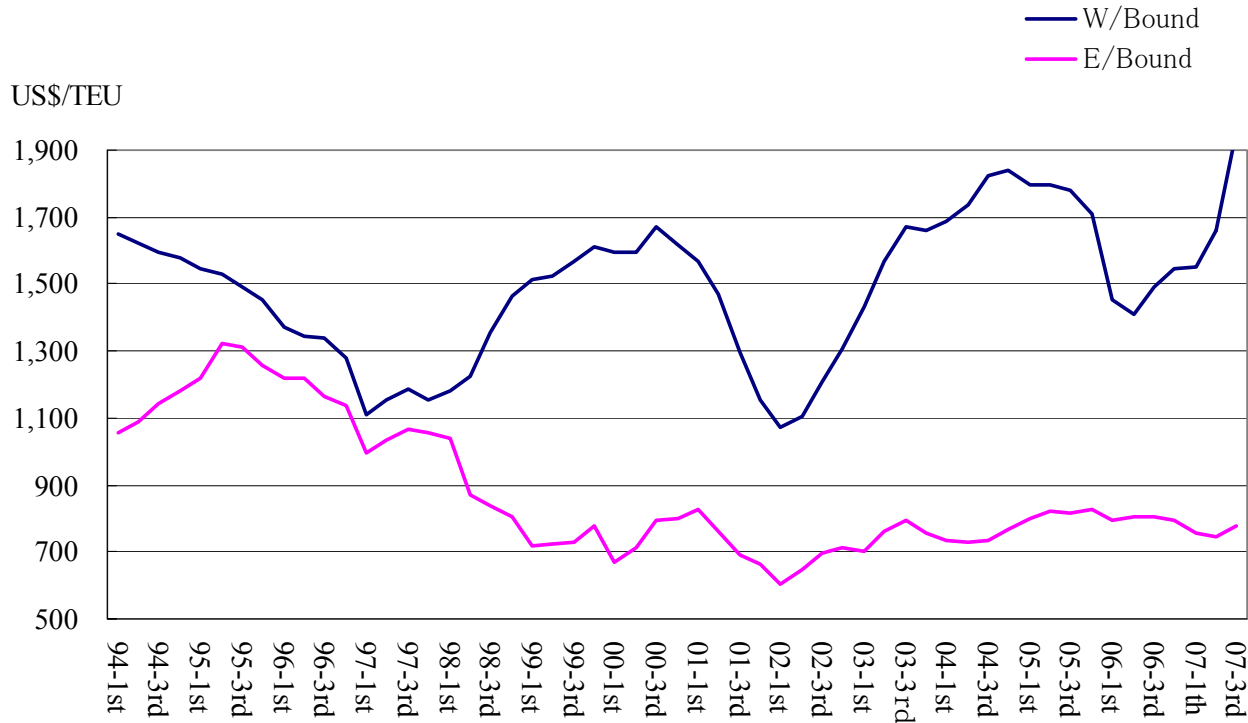
1-7. Trend of Average Container Freight (Asia – North America Trade)

(Data: Containerization International)

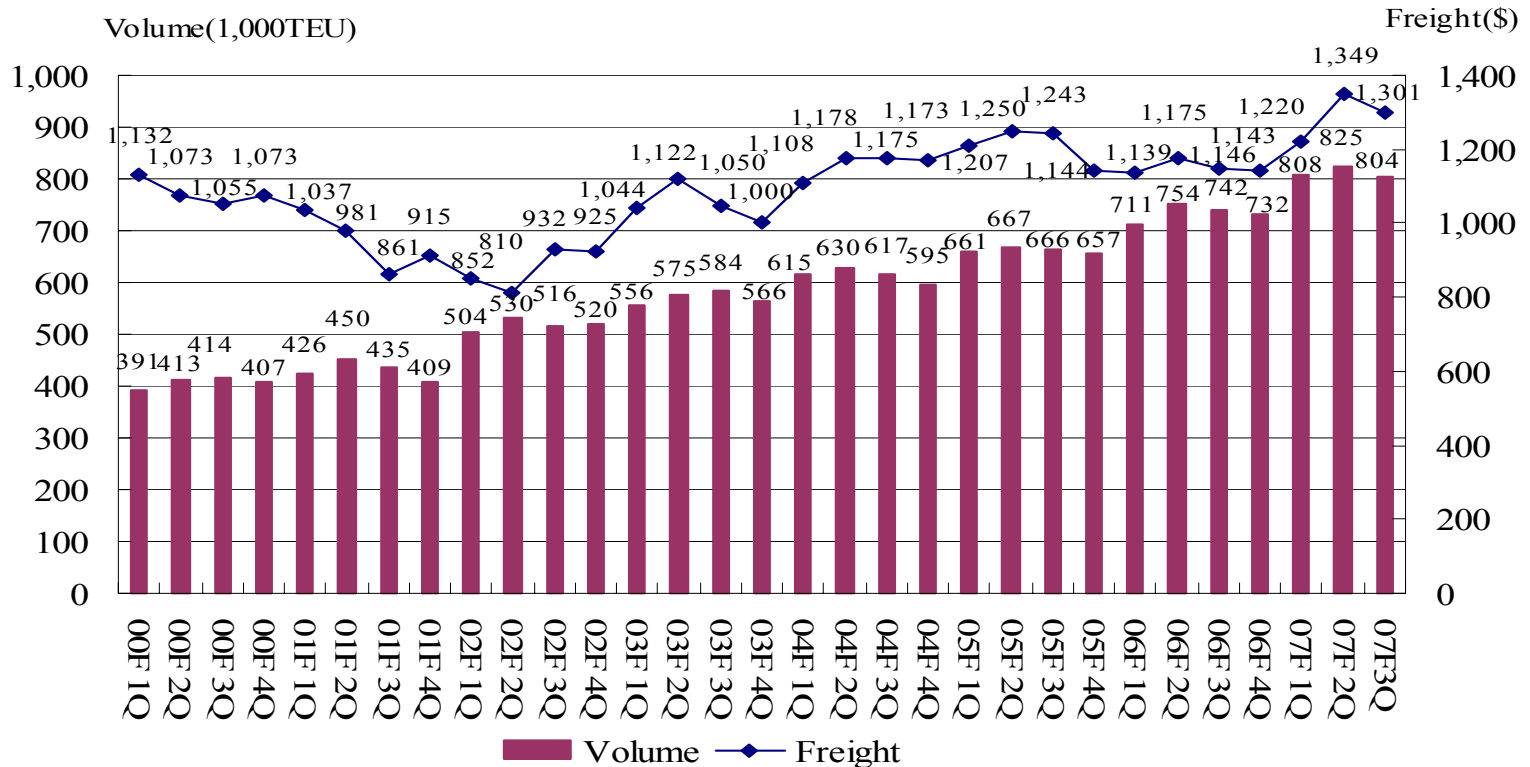


1-8. Trend of Average Container Freight (Asia – Europe Trade)

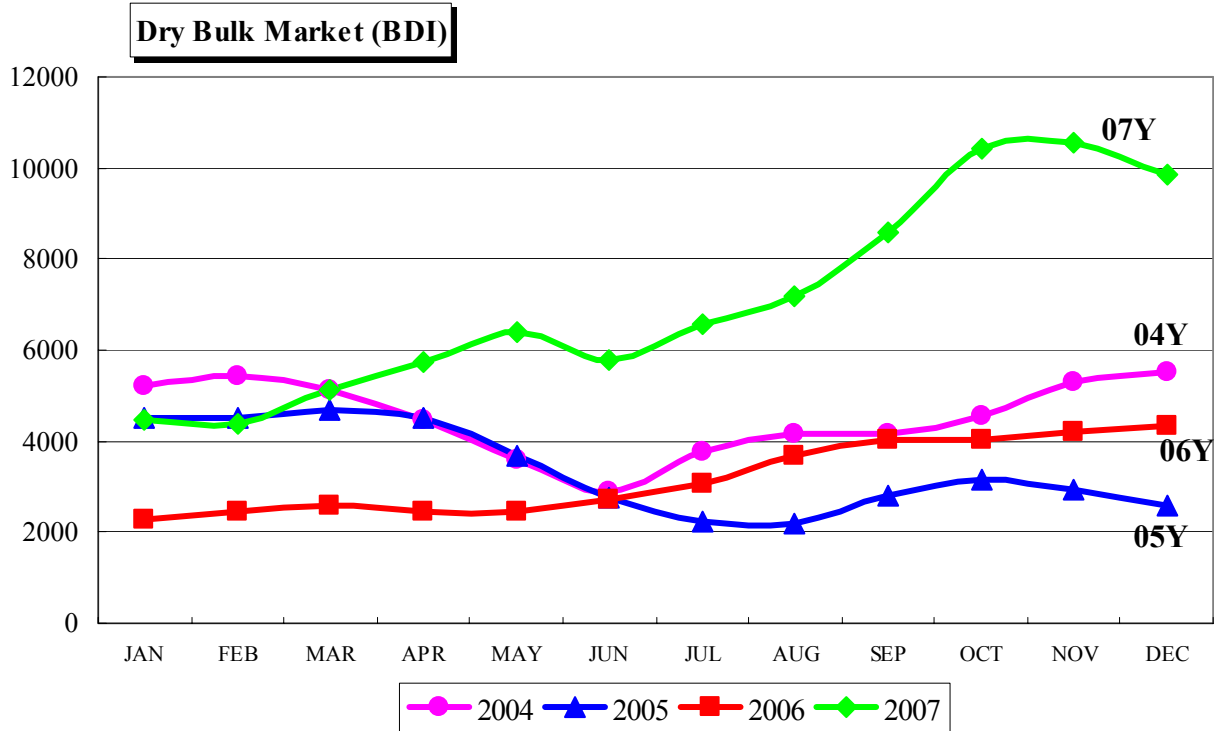
(Data: Containerization International)



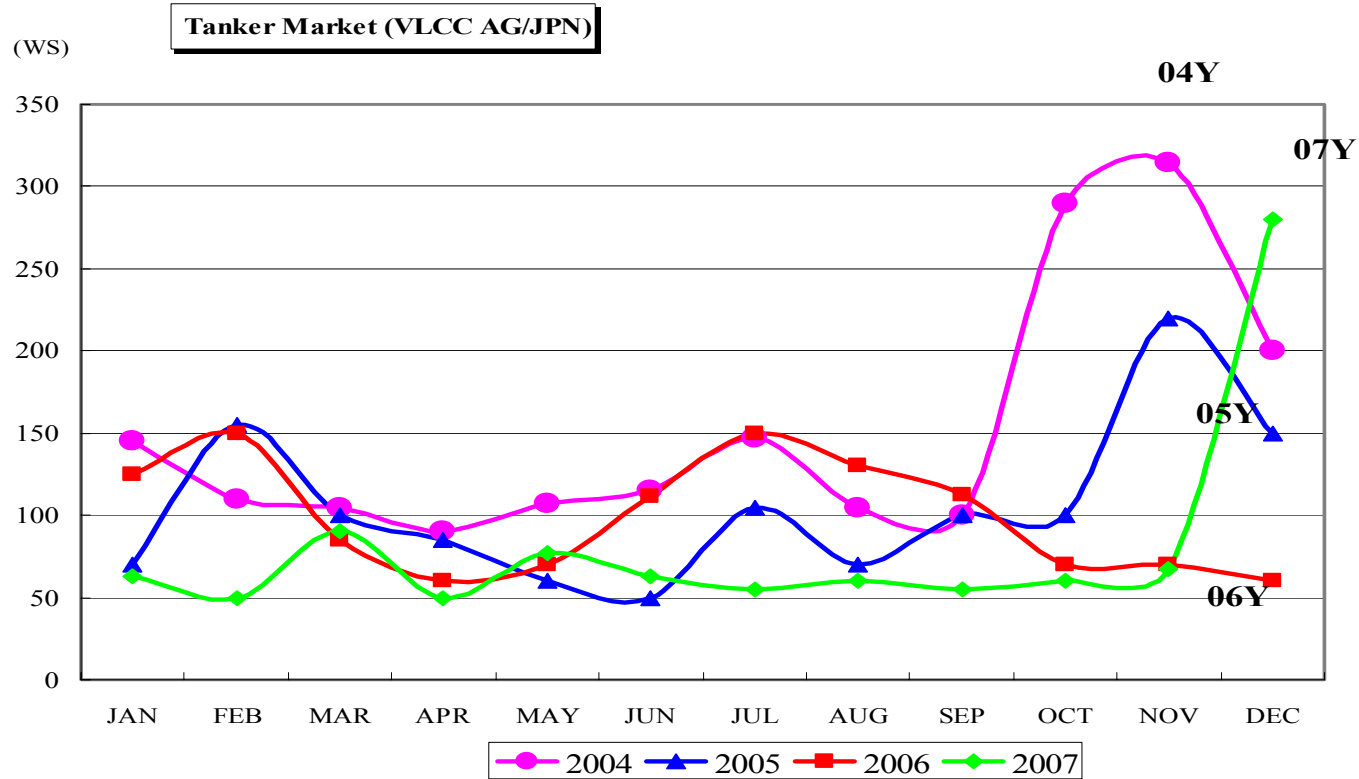
1-9. Trend of Average Container Freight / Volume (“K” Line All Trades) (2000 F-2007F3Q)



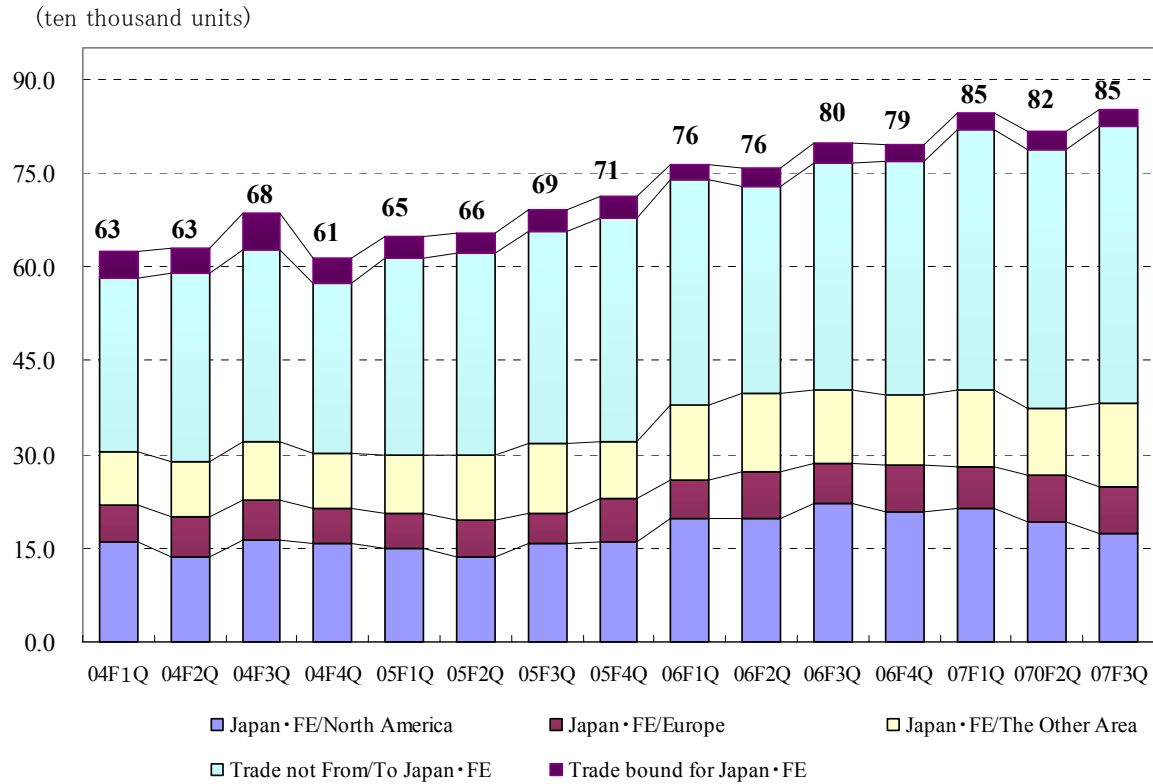
1-10. Dry Bulk Market



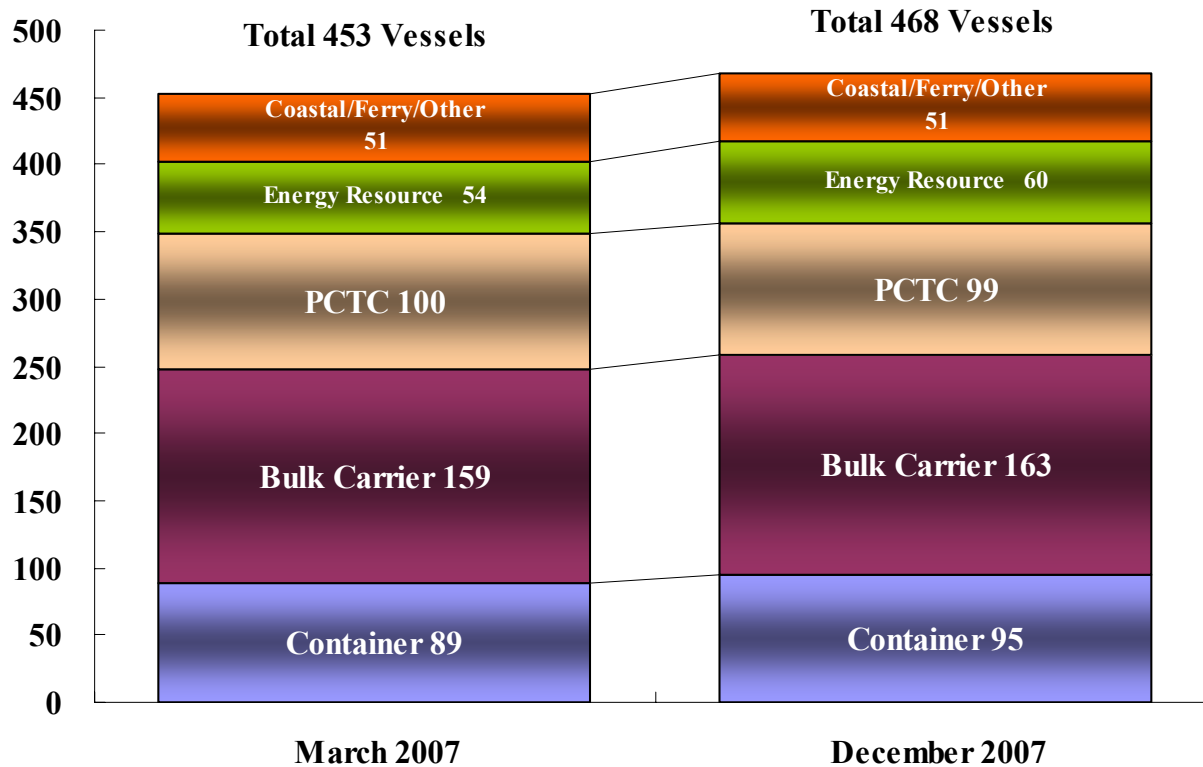
1-11. Tanker Market



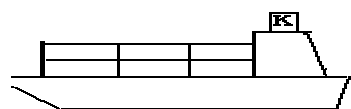
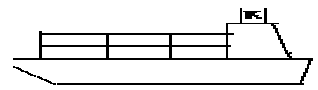
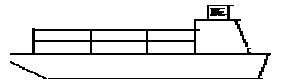
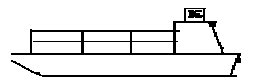
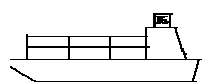
1-12. Transition of Cars / Trucks Transported by “K” Line PCTC Fleet



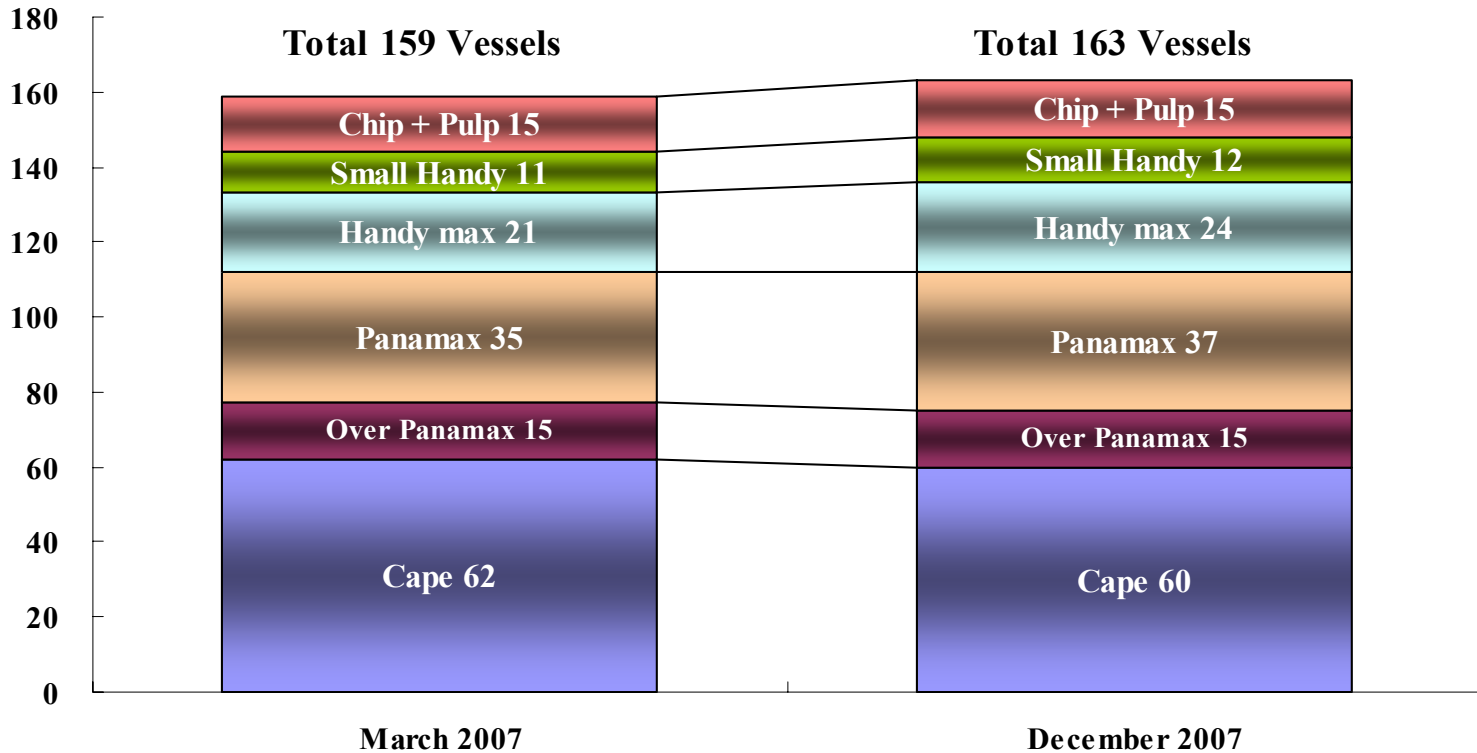
1-13. "K" Line Vessel Fleet Composition




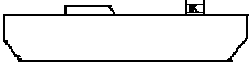
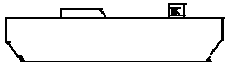
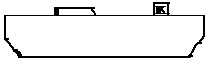
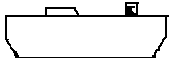
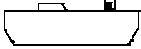
1-14. "K" Line Container Vessel Fleet Composition

		March 2007	December 2007
	5,500TEU Over	21	22
	3,500TEU type (3,400~4,700)	23	24
	2,800TEU type(2,700~2,900)	7	8
	2,000TEU type (1,500~2,500)	11	13
	1,400TEU or under	27	28
Total		89	95

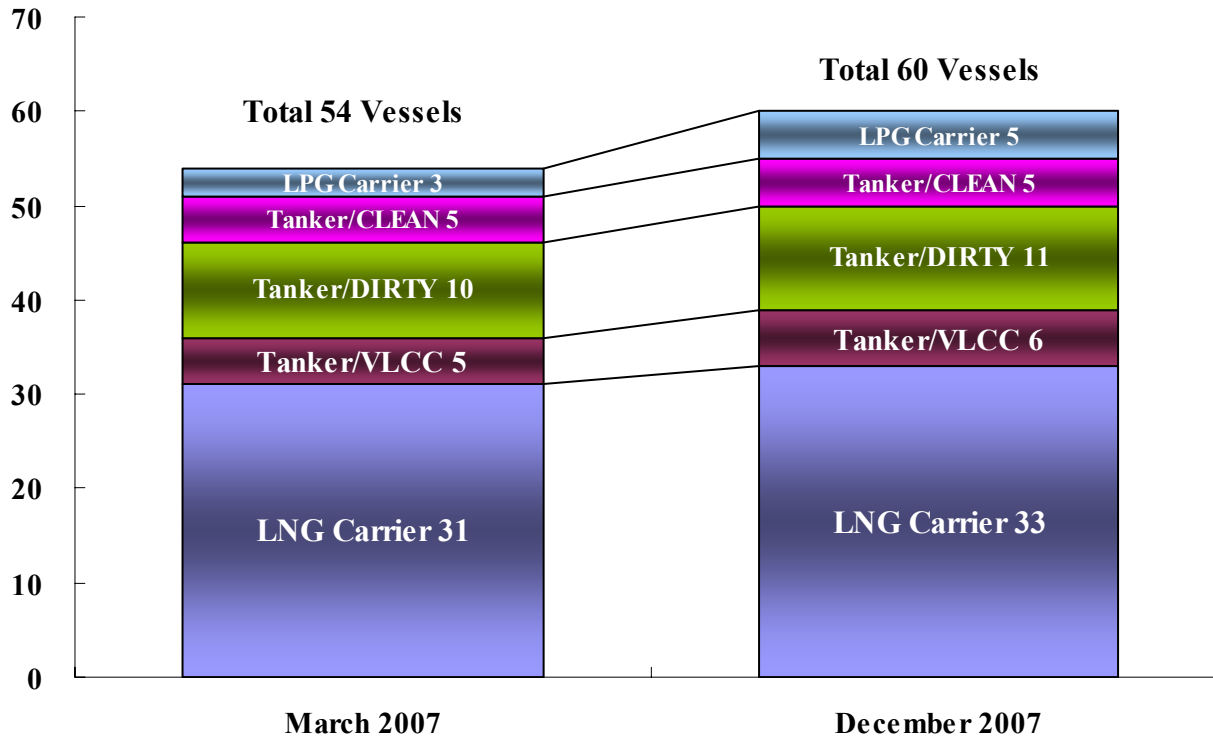
1-15. "K" Line Bulk Carrier Fleet Composition



1-16. “K” Line PCTC Vessel Fleet Composition

		March 2007	December 2007
	6,000 units	13	15
	5,000 units (4,750~5,650)	30	32
	4,000 units (3,800~4,600)	24	24
	3,000 units (2,800~3,500)	14	11
	2,000 units (1,600~2,500)	5	5
	800 units (800~850)	14	12
Total		100	99

1-17. "K" Line Energy Transport Fleet Composition



1-18. Progress of “K” LINE Vision2008⁺ -Fleet Upgrading Plan-

Fleet Upgrading Plan

No. of vessels to be received FY07-09

In the “K” Line Vision 2008⁺, we will achieve
fleet of 500 ships as of the end of FY2008

-FY2006 : 47 new ships delivery

-FY2007 : 25 new ships to be delivered

(18 ships already delivered in 3QFY2007)

	2007F		2008F		2009F	
	To be delivered		To be delivered		To be delivered	
Containership	3	(2)*	4		15	
1700TEU	2	(1)*	2		4	
2400TEU	0		1		2	
3500TEU	0		0		4	
4500TEU	0		0		1	
5500TEU	0		0		0	
6400TEU	0		0		1	
8000TEU	1	(1)*	1		3	
Dry Bulkers	10	(9)*	13		16	
Capesize	2	(2)*	4		7	
Panamax	4	(3)*	0		5	
Handymax	2	(2)*	2		0	
Small-Handy	1	(1)*	3		2	
Chip/Pulp	0		3		0	
Corona	1	(1)*	1		2	
PCTC	4	(2)*	5		11	
2000 Cars	0		0		2	
3800 Cars	1		0		1	
4300 Cars	0		0		2	
5000 Cars	0		0		3	
6000 Cars	3	(2)*	5		3	
LNG	3	(1)*	13		1	
TANKER	3	(3)*	4		4	
VLCC	1	(1)*	0		3	
AFRAMAX	0		2		0	
LR II	0		1		1	
LPG	2	(2)*	1		0	
Coastal	2	(1)*	2		0	
Total	25	(18)*	41		47	

*already delivered by the end of 3Q FY2007

Supplemental Information-2

— Financial Data —

2-1. Breakdown on Non-Operating, Extra-Ordinary Items (2007F 3Q)

1. Non-Operating Income/Loss

(Unit: billion yen)

	1H	3Q	Total
Consolidated Total	2.2	△ 1.9	0.3
Financial Gain/Loss	1.6	0.5	2.1
Exchange Gain/Loss	△ 0.5	△ 3.0	△ 3.5
Others	1.1	0.6	1.6

	1H	3Q	Total
Non Consolidated Total	1.0	1.2	2.2
Financial Gain/Loss	2.7	1.9	4.6
Exchange Gain/Loss	△ 1.7	△ 0.8	△ 2.5
Others	0.1		0.2

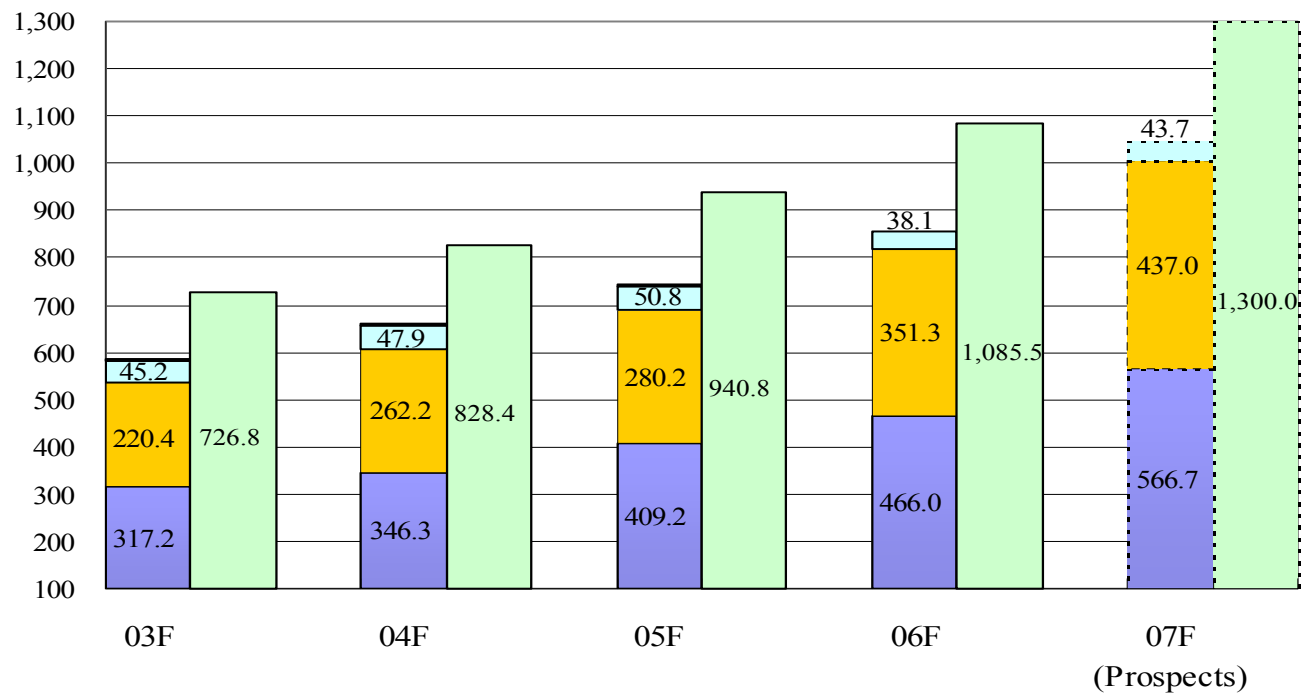
2. Extra-Ordinary Income/Loss

	1H	3Q	Total
Consolidated Total	8.7	1.7	10.4
Sales and Disposal of Fixed Assets	3.1	0.5	3.5
Sales of Securities	5.6	1.2	6.8

	1H	3Q	Total
Non Consolidated Total	5.6	1.2	6.8
Sales and Disposal of Fixed Assets			
Sales of Securities	5.6	1.2	6.8

2-2. Transition of Operating Revenues

(Unit: billion yen)

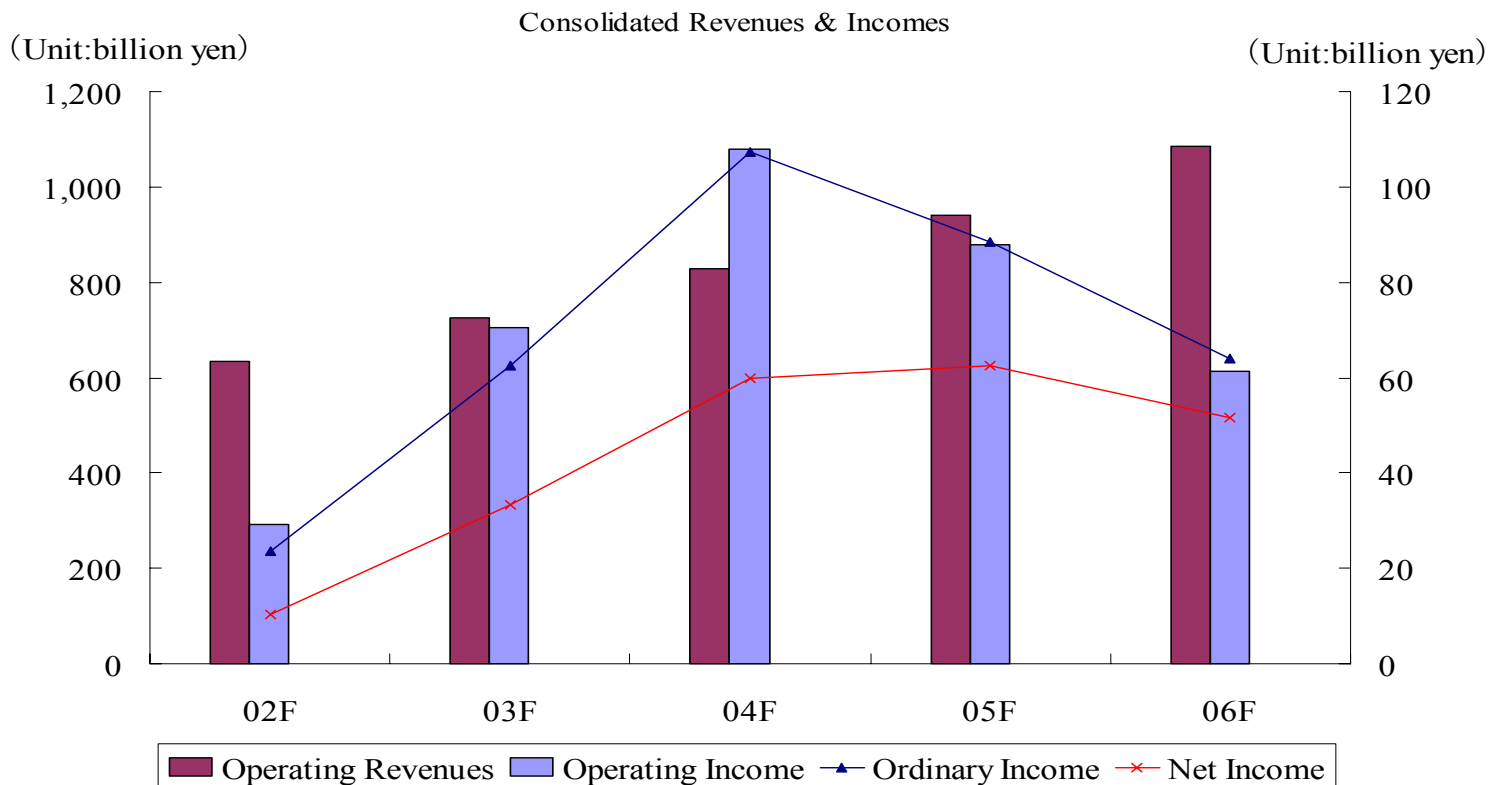


■ Container
 ■ Bulk Carrier/Car Carrier
 ■ Energy Transportation
 ■ Others
 ■ Consolidated Total

Supplemental Information-3

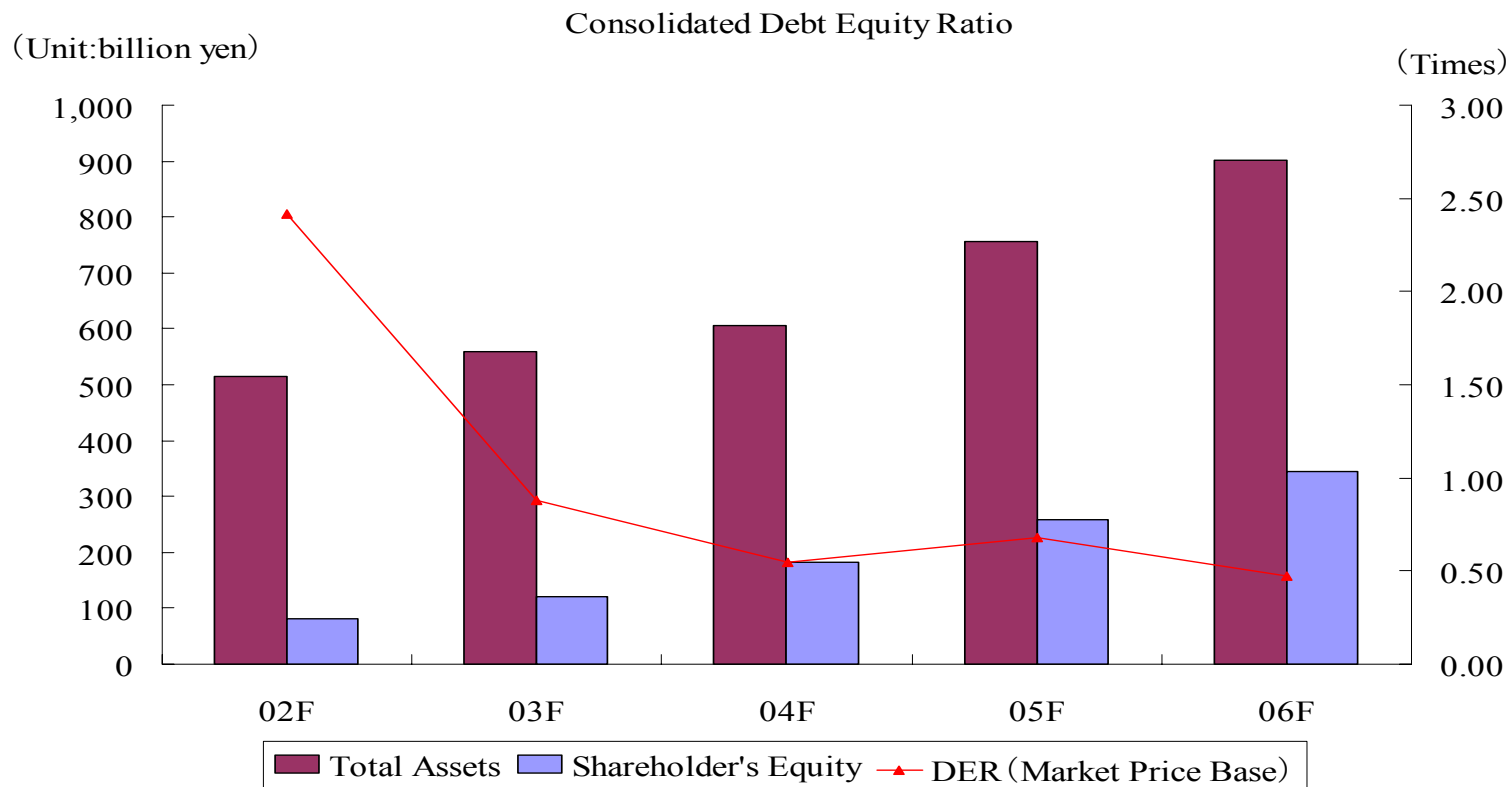
— Historical Data For 5 Years

3-1. Consolidated Revenues & Incomes

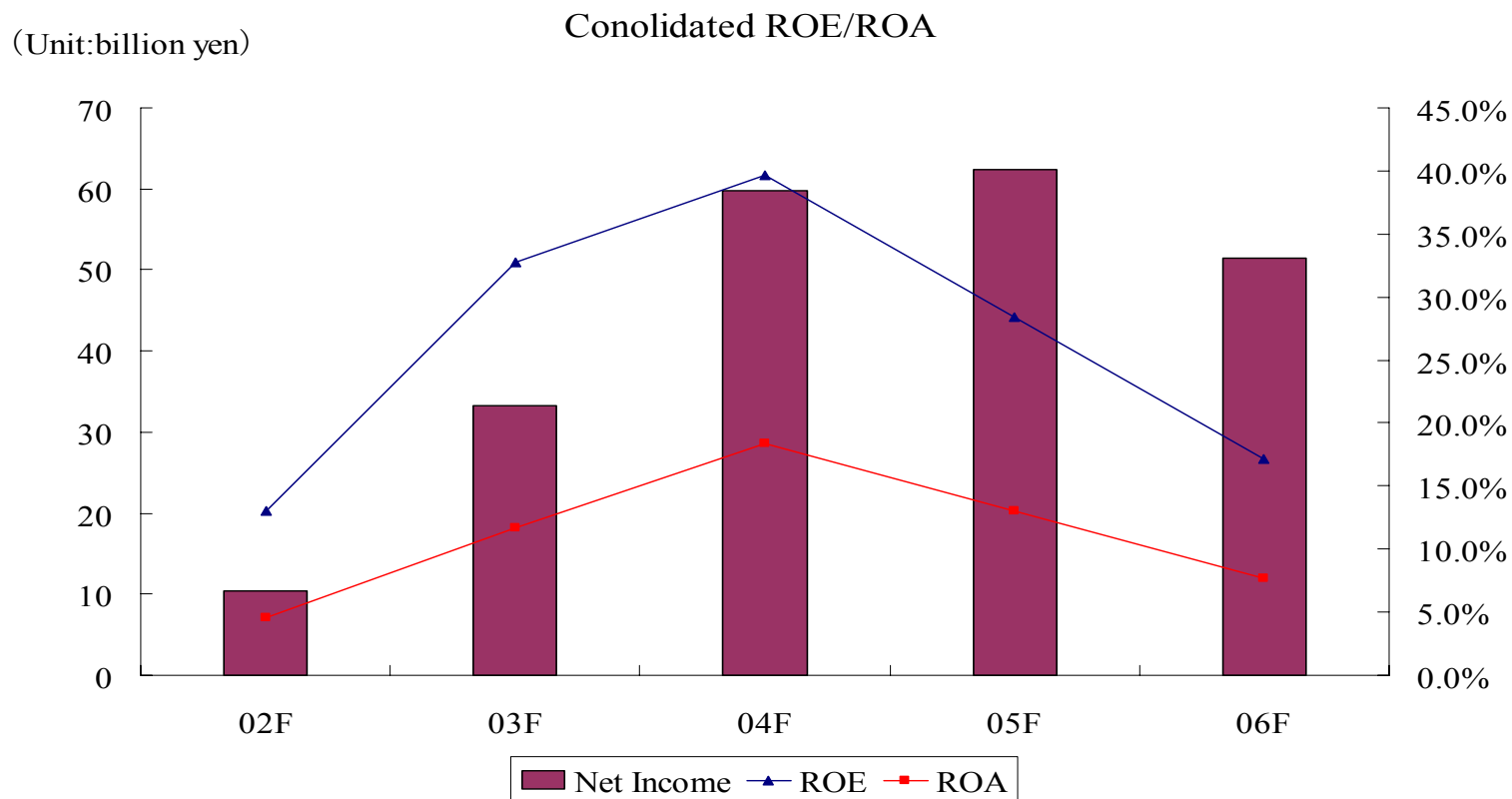


* Ordinary Income is income before income taxes and extra-ordinary items.

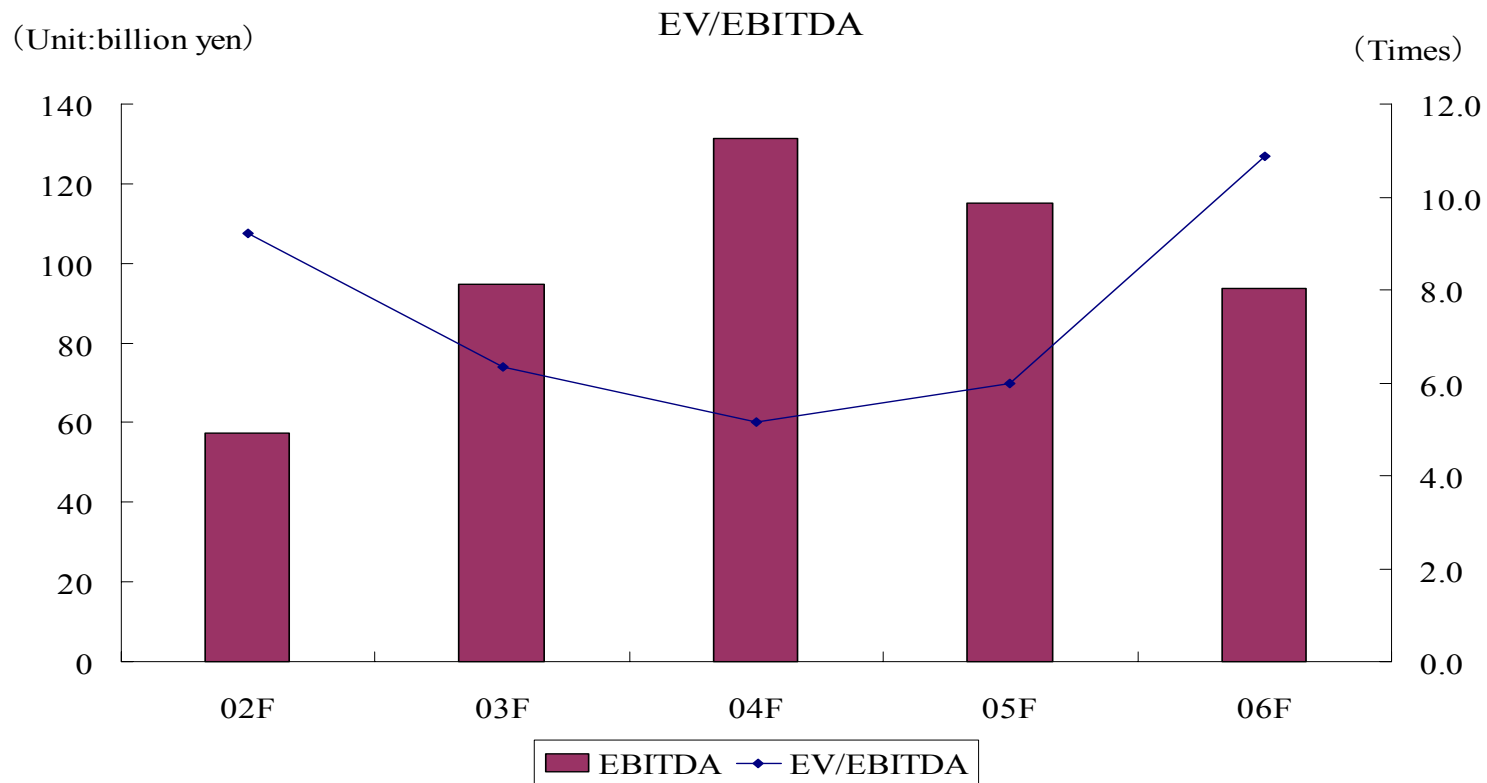
3-2. Consolidated Debt Equity Ratio



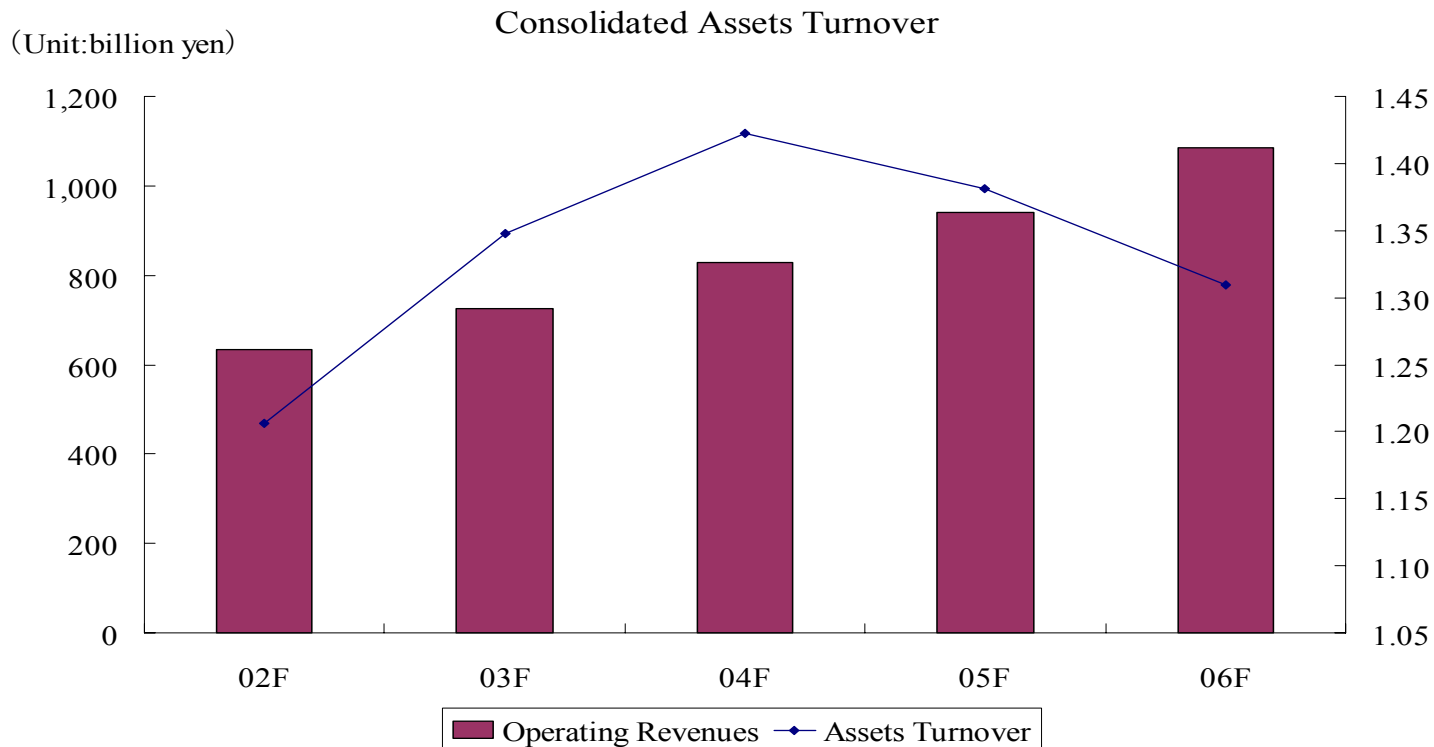
3-3. Consolidated ROE/ROA



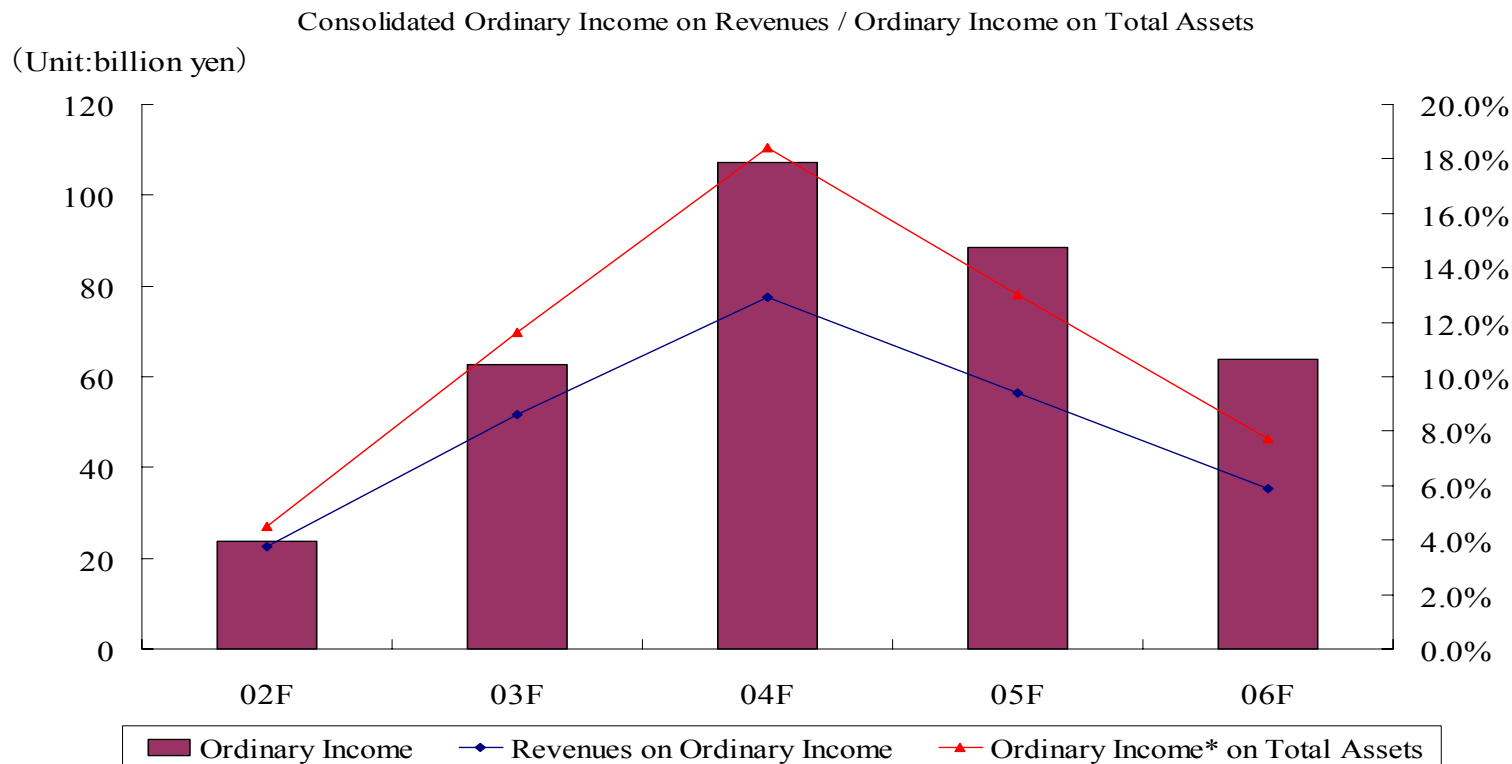
3-4. Consolidated EV/EBITDA



3-5. Consolidated Assets Turnover



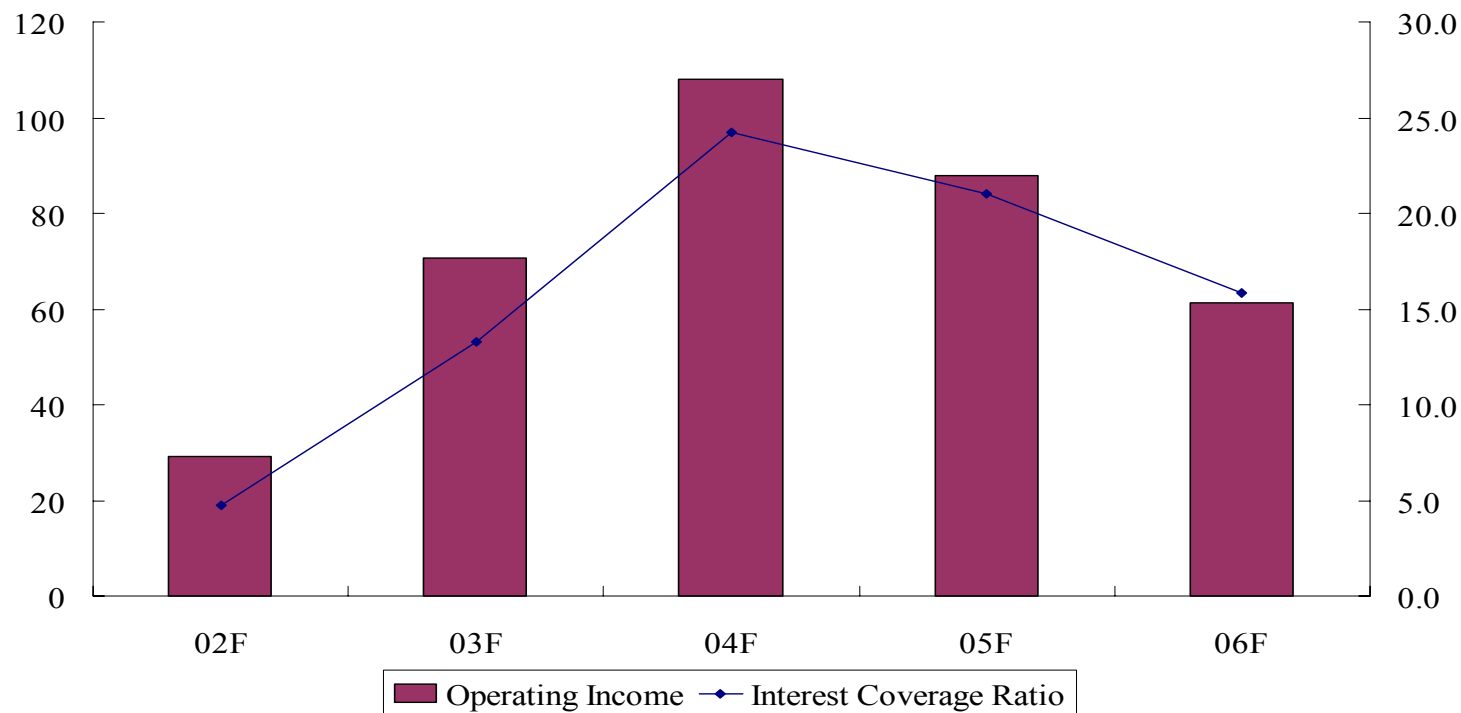
3-6. Consolidated Ordinary Income on Revenues / Ordinary Income on Total Assets



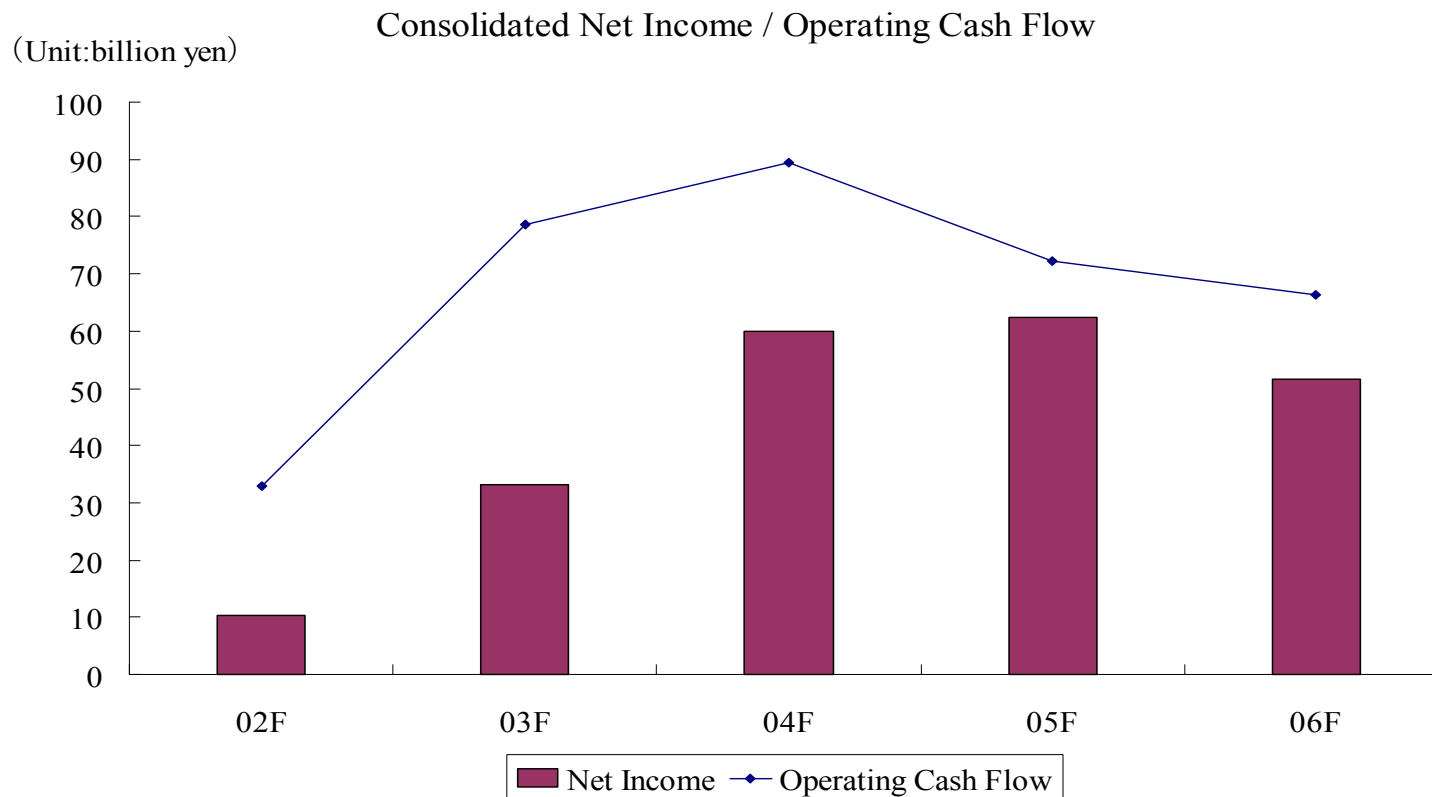
3-7. Consolidated Interest Coverage Ratio

(Unit: billion yen)

Interest Coverage Ratio



3-8. Consolidated Net Income / Operating Cash Flow



3-9. Consolidated Segment Information

(Unit: million yen)

	02F	03F	04F	05F	06F
Operating Revenues					
Marine Transportation	530,228	622,118	713,961	806,646	936,943
Freight Forwarding/ Harbor Transportation	88,773	89,885	101,710	114,098	127,108
Others	13,722	12,662	12,773	20,073	21,489
Total	632,723	724,665	828,444	940,818	1,085,539
Operating Income					
Marine Transportation	22,383	61,267	97,808	74,426	45,369
Freight Forwarding/ Harbor Transportation	4,800	8,062	8,865	11,650	13,831
Others	2,087	1,269	1,083	1,506	1,784
Total	29,270	70,598	107,756	87,583	60,983
Eliminations	10	-65	298	392	373
Consolidated	29,280	70,533	108,054	87,976	61,357

3-10. Non-Consolidated Financial Data

(Unit: million yen)

	02F	03F	04F	05F	06F
Operating Revenues	499,791	584,958	658,699	742,568	857,278
Container	263,456	317,185	346,321	409,219	465,974
Bulk Carrier & Car Carrier	188,112	220,364	262,182	297,999	351,341
Energy Transportation	46,045	45,231	47,870	33,033	38,071
Other Shipping Business	1,396	1,291	1,372	1,295	823
Other Business	780	882	949	1,022	1,069
Operating Income	19,843	55,068	85,288	56,678	28,103
Ordinary Income	16,434	49,670	86,873	57,849	31,941
Net Income	6,535	24,452	49,012	38,820	25,250
Total Assets	269,140	329,965	376,345	481,541	518,500
Total Liabilities	203,268	233,126	233,326	292,575	277,319
Shareholder's Equity	65,872	96,839	143,019	188,965	241,181
Dividend per Share	5	10	16.5	18	18
Dividend Ratio	45.9	24.4	20.0	27.5	44.3