FINANCIAL HIGHLIGHTS

Brief report of nine months ended December 31, 2012

Kawasaki Kisen Kaisha, Ltd.

[Two Year Summary]

	Nine months ended Dec. 31, 2011	**Nine months ended Dec. 31, 2012**	**Nine months ended Dec. 31, 2012**
Consolidated			
Operating revenues (Millions of yen / Thousands of U.S. dollars)	¥ 732,884	**¥ 802,442**	**$ 9,268,220**
Operating income (loss) (Millions of yen / Thousands of U.S. dollars)	(31,612)	**10,627**	**122,744**
Net income (loss) (Millions of yen / Thousands of U.S. dollars)	(42,166)	**9,403**	**108,615**
Per share of common stock (Yen / U.S. dollars)	(55.21)	**10.83**	**0.13**

	Year ended Mar.31, 2012	**Nine months ended Dec. 31, 2012**	**Nine months ended Dec. 31, 2012**
Total Assets (Millions of yen / Thousands of U.S. dollars)	¥ 1,066,648	**¥ 1,116,984**	**$ 12,901,181**
Net assets (Millions of yen / Thousands of U.S. dollars)	259,934	**308,705**	**3,565,552**

	Nine months ended Dec. 31, 2011	**Nine months ended Dec. 31, 2012**	**Nine months ended Dec. 31, 2012**
Net cash provided by (used in) operating activities (Millions of yen / Thousands of U.S. dollars)	¥ (3,688)	**¥ 34,092**	**$ 393,768**
Net cash used in investing activities (Millions of yen / Thousands of U.S. dollars)	(81,764)	**(42,312)**	**(488,705)**
Net cash provided by financing activities (Millions of yen / Thousands of U.S. dollars)	76,380	**34,273**	**395,860**

The U.S. dollar amounts are converted from the yen amount at ¥86.58=U.S.$1.00.
The exchange rate prevailing on December 31, 2012.

1. Qualitative Information and Financial Statements

(1) Qualitative Information about the Consolidated Operating Results

（Billion yen; rounded to nearest 100 million）

	Nine months ended December 31, 2011	Nine months ended December 31, 2012	Change	% change
Operating revenues	732.9	802.4	69.6	9.5%
Operating (loss) income	(31.6)	10.6	42.2	—
Ordinary (loss) income	(40.6)	10.6	51.2	—
Net (loss) income	(42.2)	9.4	51.6	—

Exchange rate (¥/US$) (9-month average)	¥79.33	¥79.75	¥0.42	0.5%
Fuel oil price (US$/MT) (9-month average)	$661	$677	$16	2.4%

The 3rd cumulative consolidated fiscal quarter (April 1, 2012 to December 31, 2012, hereinafter referred to as the “Current Cumulative Period”) saw sluggish economy in Europe afflicted by the prolonged sovereign debt crisis, mildly recovering economy in the United States, and decelerating economic growth in emerging countries including China and India.

In the Current Cumulative Period our domestic economy enjoyed a mild recovery on the back of post-disaster reconstruction and other demand while getting into a slump in the 3rd quarter but picking up slightly in the latter half thereof.

In the containership market freight rates recovery advanced, albeit variably due to seasonal factors. The car carrier business as a whole continued generally strong although Europe-bound shipments of automobiles from Japan turned downward. The dry bulk market, meanwhile, remained sluggish under strong supply pressure generated by massive deliveries of newly-constructed ships, in addition to the slower global economy, including China and other countries. Lasting high fuel oil prices and the continuing yen appreciation also served to make the business environment surrounding the marine transportation business generally unstable.

As a result of these developments, for the Current Cumulative Period the “K” Line Group posted operating revenues of ¥802.442billion (an increase of ¥69.557 billion over the year-ago period) operating income of ¥10.627 billion (against operating losses of ¥31.612 billion in the year-ago period), ordinary income of ¥10.591 billion (against ordinary losses of ¥40.583 billion in the year-ago period), and net profit of ¥9.403 billion (against net losses of ¥42.166 billion for the year-ago period).

Summaries of developments in each business segment are provided below.

(Billion yen; rounded to nearest 100 million)

		Nine months ended December 31, 2011	Nine months ended December 31, 2012	Change	% change
Containership	Operating revenues	359.0	393.9	34.9	9.7%
	Segment (loss) income	(28.6)	2.9	31.5	—
Bulk shipping	Operating revenues	328.7	361.2	32.5	9.9%
	Segment (loss) income	(4.1)	9.4	13.5	—
Offshore Energy E&P Support and Heavy Lifter	Operating revenues	15.4	17.8	2.4	15.8%
	Segment (loss) income	(6.5)	(2.6)	3.9	—
Other	Operating revenues	29.8	29.6	(0.2)	(0.8%)
	Segment (loss) income	2.4	4.4	2.0	81.7%
Adjustments and eliminations	Segment (loss) income	(3.7)	(3.5)	0.2	—
Total	Operating revenues	732.9	802.4	69.6	9.5%
	Segment (loss) income	(40.6)	10.6	51.2	—

Note: The segment categories changed from the first cumulative consolidated accounting quarter (April 1, 2012 to June 30, 2012). Figures for “Nine months ended December 31, 2011” in the above table are based on the new segment categories. Please see “Segment Information” section for details.

(i) Containership Business Segment

Containership business

The number of loaded containers transported by the “K” Line Group during the Current Cumulative Period increased approximately 22% from the year-ago period on Asia-North American routes (both eastbound and westbound), and approximately 5% on Asia-European routes. Meanwhile, we further trimmed/downsized transportation operations on unprofitable south-north routes, with a resulting 13% decrease in the number of loaded containers transported by the group on the routes. Overall, the “K” Line Group as a whole transported approximately 5% more loaded containers than in the same period of the previous year. The Current Cumulative Period saw a year-on-year improvement in freight rates made possible by our efforts for restoring freight rates exerted since the beginning of the year despite some offseason downward adjustment in the 3rd quarter, principally in Asia-U.S. and Asia-European routes. We worked on structural reforms by putting into service newly-constructed large energy-efficient containerships for improved navigation efficiency and implementing slow steaming and other measures, as well as cutting back off-season transportation services. As a result, our financial performance improved from the same period of the previous year.

Logistics business

International logistics business continued to be supported by emergency air cargo demand for restoration of the flood-disrupted supply chains in Thailand. Domestic logistics business saw reconstruction demand calm down. Although affected by the higher yen and the slumping domestic demand, logistics business showed improved performance from same period previous year due in part to the effect of cost reduction.

As the result of above situations, financial performance in the containership business segment improved from the same period of the previous year.

(ii) Bulk Shipping Business Segment

Dry Bulk business

During the Current Cumulative Period the cape-size market stayed stagnant affected by strong supply pressure stemming from massive deliveries of newly-constructed vessels and uncertainties derived from slowing economy in China and other parts of the world, although showing recovery in and after October due to seasonal factors. Despite strong cargo movements Panamax and Handymax markets continued to suffer low freight rates amid tonnage oversupply. The “K” Line Group made group-wide efforts throughout the Current Cumulative Period to reduce ship operating costs and minimize free tonnage; however, because of the harsh business environment resulting from weak market conditions and the yen appreciation the group’s income decreased despite increased operating revenues, as compared to the year-ago period.

Car Carrier business

The Current Cumulative Period saw sluggish shipments of automobiles on outbound Japanese-European routes while shipments on other routes generally continued strong. The number of automobiles transported by the “K” Line Group increased approximately 7% over the year-ago period that was affected by the Great East Japan Earthquake and the Thai floods. As a result, our car carrier business achieved an improvement in both operating revenues and income compared to the same period of the previous year.

LNG Carrier business and Tanker business

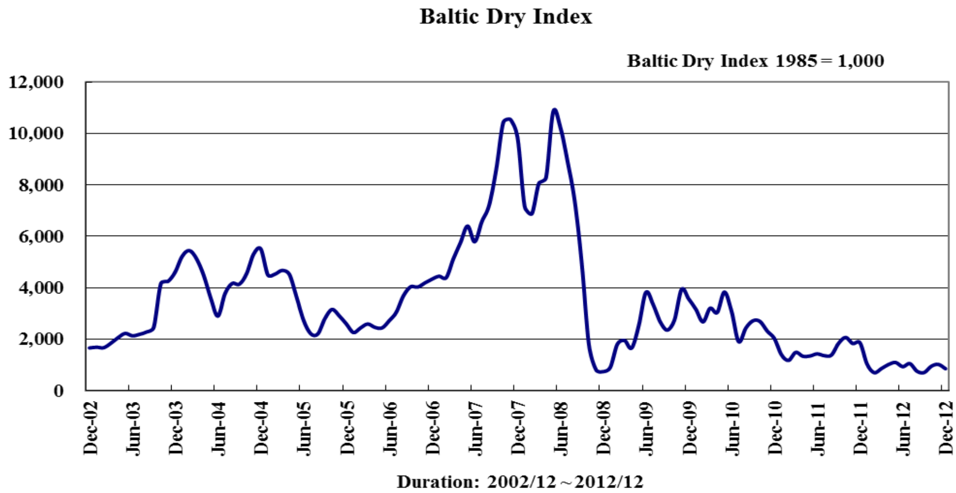
All of the LNG carriers, VLCCs and LPG carriers operated steadily under long-term and medium-term contracts. In coping with the persistently stagnant AFRAMAX tanker and product tanker market, we reduced number of vessels in operation, thus reducing the impact caused by the market conditions and to achieve stable profitability.

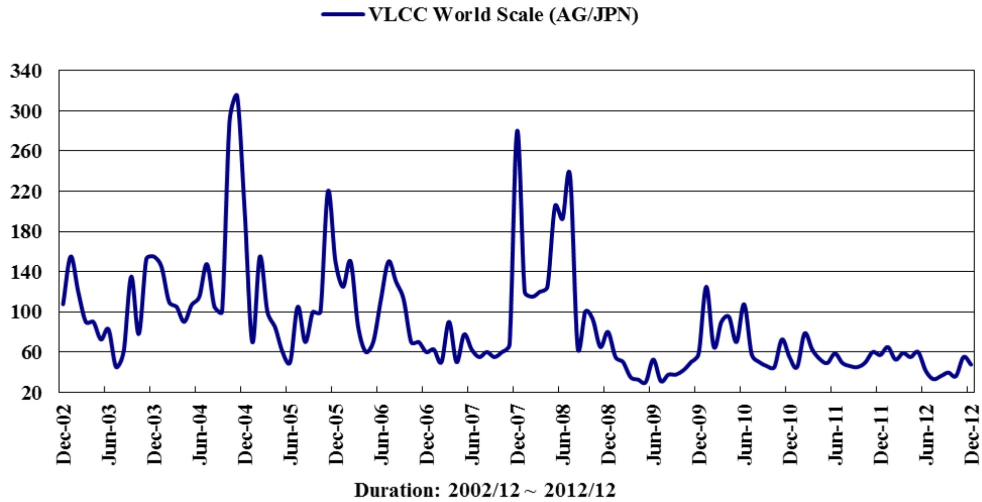
Short Sea and Coastal business

In short sea shipping we achieved an increase in dry bulk cargo shipments over the year-ago period. We transported more or less the same volume of timber as in the year-ago period, while our steel product transportation decreased year-on-year.

In coastal business, dedicated limestone and coal carriers provided tramper services on a stable basis, while small-size ships suffered a year-on-year decline in the volume they transported because of a stagnant shipping market. The liner business increased from same period previous year. In the ferry business we achieved a year-on-year increase in the transportation of trucks, passenger cars and passengers due to the placement of a new delivery in active service and the revision of our timetables.

As a result of implementing the above measures, we had an increase in both operating revenues and income in the bulk shipping business segment as a whole from the year-ago period.





(iii) Offshore Energy E&P Support and Heavy Lifter Business Segment

Offshore Energy E&P Support business

In offshore support vessel business we had our seven-vessel fleet in steady operation. The drill ship worked successfully and contributed to our operating revenues. In offshore energy E&P support business as a whole we had increased operating revenues and income over the previous year due in part to the effect of foreign exchange valuations made at overseas subsidiaries.

Heavy Lifter business

In heavy lifter business, while there was a slump in the semi-liner cargo market that accounts for a majority of the business, there was an increase in vessel allotment to the highly profitable transportation of industrial project-related cargo. Also due to the decreased burden of the depreciation of the goodwill generated at our acquisition of the business the losses were decreased compared with the same period of the previous year.

As a result of all of the above, in offshore energy E&P support and heavy lifter business segment as a whole we booked smaller losses compared to the same period of the previous year.

(iv) Other businesses

Other business, which includes ship management services, travel agency businesses, and real estate rental and administration, booked decreased operating revenues and increased income for the Current Cumulative Period over same period previous year.

(2) Qualitative Information on the Consolidated Financial Situation

Consolidated assets at the end of the 3rd Quarter were ¥1,116.984 billion, an increase of ¥50.335 billion over the end of the previous fiscal year as a result of increases in factors such as cash and deposits, marketable securities and vessels.

Consolidated liabilities increased by ¥1.564 billion to ¥808.278 billion due to factors such as an increase in long-term debt compared to the previous fiscal year.

Consolidated net assets were ¥308.705 billion, an increase of ¥48.771 billion compared to the end of the previous fiscal year as a result of increases in issuance of new shares of stock, and other factors.

(3) Qualitative Information regarding Consolidated Prospects for FY2012

(Billion yen; rounded to nearest 100 million)

	Prior Forecast (at the time of announcement dated 31 October 2012)	Current Forecast (at the time of announcement of 3rd quarter result)	Change	% change
Operating revenues	1,130.0	1,130.0	—	—
Operating (loss) income	16.0	11.0	(5.0)	(31.3%)
Ordinary (loss) income	10.0	16.0	6.0	60.0%
Net (loss) income	2.0	10.0	8.0	400.0%

Exchange rate (¥/US$)	¥79.87	¥81.20	¥1.33	1.7%
Fuel oil price (US$/MT)	$677	$668	($9)	(1.3%)

In containership business we expect steady cargo movements for North America-bound transportation as the “fiscal cliff” was averted in the U.S., albeit provisionally, and signs are appearing that the U.S. housing market has hit bottom. On the other hand, for Europe-bound routes we are expecting sluggish cargo movements also in the 4th quarter in view of persisting uncertainties in the European economy in addition to seasonal factors. Containership operators are therefore cutting back transportation services in keeping with offseason demand. As required by slumping demand, the “K” Line Group will also reduce transportation services to cut down overall ship operating costs, expand slow steaming measures, and push ahead with Group-wide cost reduction thus we expect to improve financial results on a year-on-year basis.

In dry bulk business, the cape-size market is seeing signs of a market bottom, with ship operators engaged in adjusting tonnage supply through slow steaming and accelerated ship scrapping, in addition to massive deliveries of newly-constructed ships passing a peak. However, as iron ore cargo movements are expected to slow down in the latter half of the period due to the seasonal factors, we anticipate the market conditions will continue sluggish through the end of the current period. In the Panamax and Handymax markets, we expect to continue suffer severe conditions, given the prevailing excessive tonnage supply and the effect of the cape-size market. The “K” Line Group will continue to make efforts to improve financial results through cost reduction by means of efficient vessel allotment and slow steaming.

In car carrier business, amid a continuing recovery in car sales in the North American market and strong sales lasting in Russia and Southeast Asian markets, we should expect a slump in the European market due to a prolonged economic stagnation and slower growth in China. Demand for marine transportation of automobiles will expectedly continue to be strong across the world, except in the Japanese market where automakers are increasing the ratio of overseas production, which is likely to continue reducing outbound cargo, although the yen value is dropping at the present moment.

We expect stable operations of LNG carriers, LPG carriers and VLCCs under long-term and medium-term contracts. With regard to AFRAMAX tankers and product tankers, as we expect some more time will be required for their market to be in a full-fledged recovery, we are aiming to take measures to reduce the risk associated with spot market deterioration as such by downsizing our fleet, and thereby try to stabilize our profitability.

With respect to short sea and costal business, a new coal carrier delivered in late January will be engaged to a stable coal supply business under a long term contract which we expect to generate stable earnings. We will also work to reduce costs and secure stable earnings by placing in active service a new, energy-efficient RO/RO vessel delivered in the end of January. We also will aim to further develop business by taking advantage of the increased transportation capacity rendered by the new ferry delivered in April last year.

In energy E&P support and heavy lifter business we expect contribution to earnings to be made by stable operations of offshore support vessels and drill ships. In heavy lifter business we anticipate that it will be affected by the sluggish semi-liner service market. However, as we earned contract of offshore project-related cargo for the first time taking advantage of a dynamic positioning system (DP2)-equipped ship, we expect to see an increase in our contracts for offshore-related cargo transportations.

As consolidated net income may remain extremely volatile going forward due to uncertainties such as future foreign exchange rate trends and stock price levels, year-end dividend payout has not yet been determined.

2. Matters Relating to Summary Information

Changes in Accounting Policies, Accounting Estimates and Retrospective Restatement

Changes in Accounting Estimates
(Change of Service Lives)

Following the adoption of the Medium-Term Management Plan (of which fiscal 2012 is the first year) during the 1st Quarter of the this fiscal year, we reviewed our policies concerning vessel use as part of our investigation of fleet upgrade plans, taking into consideration the vessel use results, newly acquired upgrade results, and the outlook for vessel supply and demand. As a result of that review, it was determined that long-term use beyond the service lives previously employed can be expected for containerships, pure car carriers (PCCs), and oil tankers. Accordingly, the service lives of containerships and PCCs were increased from 15 years to 20 years, and the service lives of oil tankers were increased from 13 years to 20 years.

Further, dry bulk carriers entered repair docks during the 1st Quarter of this fiscal year for the first time under the new ballast tank paint standards adopted by the International Maritime Organization, and we received information corroborating the improved anti-corrosion performance. As a result, we determined that use for periods longer than the service lives applied in the past can be expected, and the service lives of vessels subject to the Performance Standard for Protective Coatings (PSPC) were increased from 15 to 20 years.
As a result, operating income, ordinary income and net income before income taxes and minority interests were increased by 4,290 million yen respectively, in the 3rd Quarter of this fiscal year, compared to under the prior method.

Changes in Accounting Policies
(Changes in Accounting Policies that are Difficult to Distinguish from Changes in Accounting Estimates)

Effective from the 1st Quarter of this fiscal year, the Company and its domestic subsidiaries changed the depreciation method for the relevant tangible assets newly acquired from April 1, 2012 according to the amendment of Corporation Tax Act in Japan.
The impact of this change on the consolidated quarterly financial statements is immaterial.

Consolidated Financial Statements

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

Consolidated Balance Sheets

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for the year ended March 31, 2012 and nine months ended December 31, 2012

(Millions of Yen/Thousands of U.S.Dollars)

	Year ended Mar. 31, 2012	Nine months ended Dec. 31, 2012	Nine months ended Dec. 31, 2012
ASSETS			
Current assets :			
Cash and deposits	¥ 96,698	¥ 111,432	$ 1,287,044
Accounts and notes receivable-trade	77,894	92,057	1,063,264
Short-term loans receivable	7,022	1,606	18,556
Marketable securities	1	29,999	346,494
Raw material and supply	38,303	39,503	456,264
Prepaid expenses and deferred charges	36,758	36,087	416,811
Other current assets	24,732	18,341	211,850
Allowance for doubtful receivables	(666)	(920)	(10,634)
Total current assets	280,744	328,107	3,789,649
Fixed assets :			
(Tangible fixed assets)			
Vessels	473,552	504,039	5,821,663
Buildings and structures	24,262	23,678	273,483
Machinery and vehicles	6,467	6,510	75,191
Land	29,825	28,006	323,473
Construction in progress	78,797	53,906	622,625
Other tangible fixed assets	5,545	4,670	53,943
Total tangible fixed assets	618,449	620,811	7,170,379
(Intangible fixed assets)			
Goodwill	4,473	2,727	31,504
Other intangible fixed assets	5,479	5,260	60,758
Total intangible fixed assets	9,952	7,988	92,263
(Investments and other long-term assets)			
Investments in securities	75,214	75,749	874,912
Long-term loans receivable	15,066	16,203	187,151
Deferred income taxes	51,869	49,549	572,295
Other long-term assets	15,843	18,999	219,448
Allowance for doubtful receivables	(491)	(425)	(4,915)
Total investments and other long-term assets	157,501	160,076	1,848,891
Total fixed assets	785,904	788,876	9,111,532
Total assets	¥ 1,066,648	¥ 1,116,984	$ 12,901,181

Consolidated Balance Sheets

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for the year ended March 31, 2012 and nine months ended December 31, 2012

(Millions of Yen/Thousands of U.S.Dollars)

	Year ended Mar. 31, 2012	Nine months ended Dec. 31, 2012	Nine months ended Dec. 31, 2012
LIABILITIES			
Current liabilities :			
Accounts and notes payable-trade	¥ 75,275	¥ 83,787	$ 967,748
Short-term loans and current portion of long-term debt	72,049	87,251	1,007,761
Accrued income taxes	2,661	3,215	37,141
Accrued allowance	1,731	1,687	19,493
Other current liabilities	72,610	76,660	885,425
Total current liabilities	224,328	252,602	2,917,567
Long-term liabilities :			
Bonds	74,573	48,888	564,657
Long-term debt, less current portion	406,162	424,398	4,901,805
Deferred income taxes on land revaluation	2,590	2,590	29,922
Accrued expenses for overhaul of vessels	17,555	16,649	192,298
Other allowance	9,478	9,012	104,098
Other long-term liabilities	72,025	54,136	625,280
Total long-term liabilities	582,385	555,675	6,418,062
Total liabilities	806,714	808,278	9,335,629
NET ASSETS			
Shareholder's equity:			
Common stock	65,031	75,457	871,537
Capital surplus	49,892	60,318	696,680
Retained earnings	212,850	222,038	2,564,553
Less treasury stock, at cost	(904)	(903)	(10,433)
Total shareholders' equity	326,870	356,911	4,122,337
Accumulated other comprehensive income (loss) :			
Net unrealized holding loss on investments in securities	(6,036)	(5,618)	(64,892)
Deferred loss on hedges	(41,596)	(24,475)	(282,691)
Revaluation reserve for land	2,297	2,350	27,147
Translation adjustments	(38,962)	(39,505)	(456,290)
Total accumulated other comprehensive loss, net	(84,297)	(67,248)	(776,726)
Minority interests in consolidated subsidiaries	17,361	19,042	219,942
Total net assets	259,934	308,705	3,565,552
Total liabilities and net assets	¥ 1,066,648	¥ 1,116,984	$ 12,901,181

Consolidated Statements of Income

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for nine months ended December 31, 2012 and 2011

(Millions of Yen/Thousands of U.S.Dollars)

	Nine months ended Dec. 31 2011	**Nine months ended Dec. 31, 2012**	**Nine months ended Dec. 31, 2012**
Marine transportation and other operating revenues	¥ 732,884	**¥ 802,442**	**$ 9,268,220**
Marine transportation and other operating expenses	713,951	**744,604**	**8,600,190**
Gross income	18,933	**57,838**	**668,030**
Selling, general and administrative expenses	50,546	**47,210**	**545,286**
Operating income (loss)	(31,612)	**10,627**	**122,744**
Non-operating income :			
Interest income	761	**805**	**9,303**
Dividend income	2,253	**2,109**	**24,364**
Equity in earnings of affiliated companies	456	**1,770**	**20,444**
Exchange gain	-	**3,032**	**35,031**
Other non-operating income	1,396	**1,395**	**16,120**
Total non-operating income	4,867	**9,113**	**105,262**
Non-operating expenses :			
Interest expenses	6,832	**7,649**	**88,347**
Exchange loss	6,697	**-**	**-**
Other non-operating expenses	307	**1,500**	**17,331**
Total non-operating expenses	13,838	**9,149**	**105,678**
Ordinary income (loss)	(40,583)	**10,591**	**122,328**
Extraordinary profits :			
Gain on sales of fixed assets	3,432	**6,874**	**79,397**
Gain on exchange of shares	6,017	**-**	**-**
Other extraordinary profits	2,526	**1,555**	**17,971**
Total extraordinary profits	11,975	**8,430**	**97,368**
Extraordinary losses :			
Loss from revaluation of investment securities	15,721	**3,653**	**42,196**
Other extraordinary losses	10,037	**2,157**	**24,914**
Total extraordinary losses	25,759	**5,810**	**67,110**
Income (loss) before income taxes	(54,367)	**13,210**	**152,586**
Income taxes :			
Current	4,380	**5,930**	**68,499**
Prior years	(1,059)	**-**	**-**
Deferred	(16,601)	**(3,861)**	**(44,596)**
Total income taxes	(13,280)	**2,069**	**23,902**
Net income (loss) before minority interests	(41,086)	**11,141**	**128,684**
Minority interests	1,080	**1,737**	**20,069**
Net income (loss)	¥ (42,166)	**¥ 9,403**	**$ 108,615**

Consolidated Statements of Comprehensive Income

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for nine months ended December 31, 2012 and 2011

(Millions of Yen/Thousands of U.S.Dollars)

	Nine months ended Dec. 31, 2011	Nine months ended Dec. 31, 2012	Nine months ended Dec. 31, 2012
Income (loss) before minority interests	¥ (41,086)	¥ 11,141	$ 128,684
Other comprehensive income (loss):			
Net unrealized holding gain (loss) on investments in securities	(3,899)	416	4,816
Deferred income (loss) on hedges	(593)	16,539	191,027
Revaluation reserve for land	42	-	-
Translation adjustments	(9,674)	(299)	(3,454)
Share of other comprehensive income (loss) of subsidiaries and affiliates accounted for by the equity method	(2,840)	627	7,253
Total other comprehensive income (loss)	(16,966)	17,284	199,642
Comprehensive income (loss)	¥ (58,053)	¥ 28,426	$ 328,325
(Breakdown)			
Comprehensive income (loss) attributable to :			
Shareholders of Kawasaki Kisen Kaisha, Ltd.	¥ (58,470)	¥ 26,451	$ 305,510
Minority interests	416	1,975	22,815

Consolidated Statements of Cash Flows

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for nine months ended December 31, 2012 and 2011

(Millions of Yen / Thousands of U.S.Dollars)

	Nine months ended Dec. 31, 2011	Nine months ended Dec. 31, 2012	Nine months ended Dec. 31, 2012
Cash flows from operating activities :			
Income (loss) before income taxes and minority interests	¥ (54,367)	¥ 13,210	$ 152,586
Depreciation and amortization	36,637	35,917	414,847
Reversal of employees' retirement benefits	(357)	(192)	(2,223)
Reversal of directors' and corporate auditors' retirement benefits	(142)	(226)	(2,613)
(Decrease) increase in accrued expenses for overhaul of vessels	421	(903)	(10,437)
Interest and dividend income	(3,014)	(2,914)	(33,667)
Interest expense	6,832	7,649	88,347
Exchange (gain) loss	2,303	(2,452)	(28,331)
Gain on sales of vessels, property and equipment	(3,397)	(6,841)	(79,014)
Loss on revaluation of marketable securities and investments in securities	15,721	3,653	42,196
Gain on exchange of shares	(6,017)	-	-
Increase in accounts and notes receivable – trade	(180)	(14,012)	(161,845)
Increase in inventories	(1,589)	(1,393)	(16,093)
Decrease in other current assets	2,467	2,015	23,274
Increase (decrease) in accounts and notes payable – trade	(2,821)	9,682	111,831
(Decrease) increase in other current liabilities	1,858	(222)	(2,569)
Other, net	10,724	2,388	27,588
Subtotal	5,079	45,357	523,877
Interest and dividends received	3,086	3,248	37,516
Interest paid	(6,980)	(7,292)	(84,224)
Income taxes paid	(4,874)	(5,346)	(61,749)
Other, net	-	(1,874)	(21,651)
Net cash provided by (used in) operating activities	(3,688)	34,092	393,768
Cash flows from investing activities :			
Purchases of marketable securities and investments in securities	(1,367)	(13,140)	(151,773)
Proceeds from sale of marketable securities and investments in securities	5,322	5,149	59,479
Purchases of vessels, property and equipment	(193,900)	(79,961)	(923,551)
Proceeds from sale of vessels, property and equipment	126,129	51,914	599,612
Purchases of intangible fixed assets	(577)	(730)	(8,439)
Increase in long-term loans receivable	(5,829)	(1,635)	(18,890)
Collection of long-term loans receivable	4,382	5,667	65,460
Payment for acquisition of shares in consolidated subsidiaries	(12,414)	-	-
Other, net	(3,509)	(9,576)	(110,604)
Net cash used in investing activities	(81,764)	(42,312)	(488,705)
Cash flows from financing activities :			
Increase in short-term loans, net	1,571	496	5,736
(Decrease) increase in commercial paper	10,000	(17,000)	(196,350)
Proceeds from long-term debt	133,590	92,296	1,066,024
Repayment of long-term debt and obligations under finance leases	(49,229)	(61,795)	(713,743)
Redemption of Bonds	(15,189)	(189)	(2,183)
Issuance of shares	-	20,852	240,843
Cash dividends paid	(4,226)	(2)	(26)
Cash dividends paid to minority shareholders	(402)	(415)	(4,794)
Proceeds from stock issuance to minority shareholders	268	32	374
Other, net	(2)	(1)	(21)
Net cash provided by financing activities	76,380	34,273	395,860
Effect of exchange rate changes on cash and cash equivalents	(2,639)	83	964
Net increase (decrease) in cash and cash equivalents	(11,711)	26,137	301,886
Cash and cash equivalents at beginning of the period	94,429	92,756	1,071,337
Increase in cash and cash equivalents arising from inclusion of subsidiaries in consolidation	695	23	269
Cash and cash equivalents at end of the period	¥ 83,413	¥ 118,917	$ 1,373,493

Segment information

Following the adoption of the Medium-Term Management Plan of which fiscal 2012 is the first year, the logistics business included in the "Other" segment until last fiscal year was consolidated with the containership business as of the 1st Quarter of this fiscal year. In addition, the energy transportation business, offshore support vessel business, and heavy lifter business which were included in bulk shipping business formed an independent reporting segment, Offshore E&P Support and Heavy Lifter business. As a result, the previous two segments—the containership business and bulk shipping business—were divided into three separate segments: containership business, bulk shipping business, and offshore energy E&P Support and Heavy Lifter business.
Information concerning operating revenues and profits or losses for the 3rd Quarter of fiscal year 2012 and 2011 in each of these reporting segments reflecting these changes are as follows.

Nine months ended December 31, 2011

(Millions of yen)

	Containership	Bulk shipping	Offshore Energy E&P Support and Heavy Lifter	Other	Total	Adjustments and eliminations	Consolidated
Revenues							
Operating Revenues from customers	¥ 359,040	¥ 328,656	¥ 15,354	¥ 29,832	¥ 732,884	¥ -	¥ 732,884
Inter-group revenues and transfers	8,103	1,892	-	27,079	37,074	(37,074)	-
Total revenues	367,143	330,549	15,354	56,911	769,958	(37,074)	732,884
Segment (loss) income	(28,637)	(4,094)	(6,547)	2,437	(36,841)	(3,741)	(40,583)

Nine months ended December 31, 2012

(Millions of yen)

	Containership	Bulk shipping	Offshore Energy E&P Support and Heavy Lifter	Other	Total	Adjustments and eliminations	Consolidated
Revenues							
Operating Revenues from customers	¥ 393,900	¥ 361,176	¥ 17,776	¥ 29,589	¥ 802,442	¥ -	¥ 802,442
Inter-group revenues and transfers	5,475	2,023	-	29,173	36,673	(36,673)	-
Total revenues	399,376	363,199	17,776	58,762	839,115	(36,673)	802,442
Segment income (loss)	2,908	9,359	(2,611)	4,428	14,084	(3,493)	10,591

Nine months ended December 31, 2012

(Thousands of U.S. dollars)

	Containership	Bulk shipping	Offshore Energy E&P Support and Heavy Lifter	Other	Total	Adjustments and eliminations	Consolidated
Revenues							
Operating Revenues from customers	$ 4,549,560	$ 4,171,587	$ 205,319	$ 341,754	$ 9,268,220	$ -	$ 9,268,220
Inter-group revenues and transfers	63,242	23,377	-	336,959	423,578	(423,578)	-
Total revenues	4,612,802	4,194,964	205,319	678,712	9,691,798	(423,578)	9,268,220
Segment income (loss)	33,589	108,102	(30,166)	51,152	162,678	(40,349)	122,328