

June 23, 2017

Notice of Adjustment of Conversion Price for
¥50,000,000,000 Zero Coupon Convertible Bonds due 2018

Kawasaki Kisen Kaisha, Ltd. (the "Company") hereby announces the adjustment of the conversion price for its ¥50,000,000,000 Zero Coupon Convertible Bonds due 2018 (the "Bonds") as follows:

1. Adjustment of Conversion Price

Name of issue	Conversion price prior to the adjustment	Conversion price after the adjustment
¥50,000,000,000 Zero Coupon Convertible Bonds due 2018	¥ 305.6	¥ 3,056.0

2. Effective Date for the new Conversion price

October 1, 2017 (Japan time) (the "**Effective Date**")

3. Reason for the adjustment

Adjustment of Conversion Price pursuant to Condition 5.2.1 of the terms and conditions of the Bonds due to the consolidation of Shares (consolidating 10 Shares into 1 Share) held by shareholders of record as of 30 September 2017 (the "**Record Date**"; as 30 September 2017 is a Saturday, in practice, such Record Date is treated as being on 29 September 2017). Such consolidation was approved at a general meeting of shareholders on 23 June 2017; at such meeting, it was also resolved to amend the Articles of Incorporation so specify that one unit of Shares is comprised of 100 Shares (formerly 1,000 Shares) with effect from the Effective Date.

For further information, please contact:

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