

January 31, 2018

Revised Forecast of Financial Results

Kawasaki Kisen Kaisha, Ltd. (“K” Line) announces that based on recent performance, the forecast of consolidated financial results for the fiscal year ending March 2017 that we announced on October 31, 2017, has been revised as set forth below.

 1) Revision of Consolidated Financial Results for the Full Year  
 (April 1, 2017 - March 31, 2018)

	Full Year				
	Operating revenues (million yen)	Operating income (loss) (million yen)	Ordinary income (loss) (million yen)	Profit (loss) attributable to owners of the parent (million yen)	Profit (loss) attributable to owners of the parent per share (yen)
Forecast announced previously on October 31, 2017 (A)	1,140,000	13,000	13,000	8,500	90.96
<b>Revised forecast (B)</b>	<b>1,160,000</b>	<b>11,000</b>	<b>3,000</b>	<b>8,500</b>	<b>90.96</b>
Change (B - A)	20,000	(2,000)	(10,000)	0	0
Change (%)	1.8%	(15.4%)	(76.9%)	0.0%	0.0%
Reference: Consolidated results for prior fiscal year (fiscal year ended March 31, 2017)	1,030,191	(46,037)	(52,388)	(139,478)	(1,488.23)

Note: The Company implemented a ten-for-one stock consolidation as of October 1, 2017. Profit attributable to owners of the parent per share was calculated on the assumption that the stock consolidation was implemented at the beginning of the previous fiscal year.

## 2) The reasons for the differences

While freight rates are on the path to moderate recovery, mainly in the dry bulk business, rates for Asia-North America and Asia-Europe trades in the containership business have remained top-heavy since the third quarter. Taking the results of freight rates in the third quarter into consideration, the Company has revised its forecast of freight rates for containership business in fourth quarter.

Also, reflecting effect of the rise in fuel oil price, as well as the revised forecast on equity-method subsidiaries and affiliates companies, the forecasts of ordinary income in full-year have been revised downward as shown above. On the other hand, company has not revised its forecast on profit attributable to owners of the parent since previous announcement for extra ordinary gain from disposition of assets in liaison with change of business portfolio.

While implementing the medium-term management plan, the Company will strive to improve its profitability through further rationalization.

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Note: The forecasts of financial results set forth in this document were calculated based on available information at the time of announcement. Actual results may differ from the forecast depending on various factors such as future developments in the business environment.