

January 4, 2013

“K” Line Reverses Loss from Revaluation of Investment Securities in Third Quarter of Consolidated Year Ending March 31, 2013

Kawasaki Kisen Kaisha, Ltd. (“K” Line”) announces that, in third quarter of consolidated fiscal year ending March 31, 2013, it will record a profit arising from the reversal of a large portion of loss due to revaluation of investment securities which was recorded as the market prices of the investment securities had fallen substantially and would not be likely to recover during the first two quarters. However, the market prices of some of those investment securities have recovered in third quarter, and the profit arising from the reversal of the loss will be recognized accordingly.

1. Reversal of Loss from Revaluation of Investment securities in Third Quarter of the Consolidated Fiscal Year Ending March 31, 2013

(Millions of yen)

Total amount of loss from revaluation of investment securities in third quarter of consolidated fiscal year ending March 31, 2013 (October 1 – December 31, 2012) (= A - B)	(14,338) (profit from reversal)
(A) Total amount of loss from revaluation of investment securities in three quarters of the consolidated fiscal year (April 1 - December 31, 2012)	3,650
(B) Total amount of loss from revaluation of investment securities in first two quarters of consolidated fiscal year (April 1- September 30, 2012)	17,988

\* Reversal method to apply for the investment securities.

\* “K” Line’s fiscal year ends on March 31.

## 2. Future Forecast

“K” Line plans to record a profit arising from the reversal of loss due to revaluation of investment securities as reduction of extraordinary losses in third quarter of consolidated fiscal year ending March 31, 2013. As a result, the profit will increase its consolidated net income by approximately ¥ 9.5 billion for the accounting period ending December 31, 2012. However, as “K” Line applies the reversal method to revaluation of the investment securities, there remains a possibility that, in the fourth quarter, we might be forced to book a huge amount of revaluation loss approximately equivalent to the profit booked in the third quarter, if the relevant stock prices should fall again below a certain level as at the end of the fourth quarter. Therefore, with regard to the forecast of financial results for the fiscal year ending March 31, 2013, “K” Line is not revising the previously-released figures without reflecting the above-mentioned profits in the forecast at this point in time, and we will announce the revised forecast for the full fiscal year when we release the financial results for the third quarter, taking into consideration the up-to-date business environment and any other factors affecting the forecast.

For further information, please contact:

Masahiro Murosaki  
General Manager, Corporate Planning Group  
Tel: +81-3-3595-5594 Fax: +81-3-3595-5175  
Kawasaki Kisen Kaisha, Ltd. (“K” Line)