July 31, 2012

Revised Forecast of Financial Results

Kawasaki Kisen Kaisha, Ltd. ("K" Line) announces that, based on recent performance, it has revised its forecast of consolidated financial results for the first half and full fiscal year ending March 31, 2013 as set forth below.

1. Revised Forecast of Consolidated Financial Results for the First Half and Full Year

(1) Details of the Revision (Consolidated)

1) Forecast of Consolidated Financial Results for the First Half (April 1 – September 30, 2012)

	First Half				
	Operating revenues (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Net income per share (yen)
Forecast announced previously on July 2, 2012 (A)	550,000	2,000	1,000	(7,000)	(9.16)
Revised forecast (B)	550,000	5,000	4,000	(5,000)	(5.96)
Change (B – A)	0	3,000	3,000	2,000	3.20
Change (%)	0.0%	150.0%	300.0%	-	-
Reference: Consolidated results for first half of prior fiscal year (half ended September 30, 2011)	496,987	(18,391)	(20,313)	(18,610)	(24.35)

2) Forecast of Consolidated Financial Results for the Full Year (April 1, 2012 – March 31, 2013)

	Full Year				
	Operating revenues (million yen)	Operating income (million yen)	Ordinary income (million yen)	Net income (million yen)	Net income per share (yen)
Forecast announced previously (A) (announced on July 2, 2012)	1,130,000	20,000	15,000	3,000	3.93
Revised forecast (B)	1,130,000	27,000	22,000	8,000	9.05
Change (B – A)	0	7,000	7,000	5,000	5.12
Change (%)	0.0%	35.0%	46.7%	166.7%	130.3%
Reference: Consolidated results for prior fiscal year (fiscal year ended March 31, 2012)	972,310	(40,563)	(48,955)	(41,351)	(54.14)

(2) Reasons for the Revision

The Board of Directors resolved at a regular BOD meeting held today that the expected service life of vessels owned by the "K" Line Group be revised.

Until now, for the calculation of depreciation expenses, "K" Line Group has used a 15-year service life for containerships, bulk carriers, and pure car carriers (PCCs) and a 13-year service life for oil tankers. Following a review of vessel use policies based on vessel use results, newly-acquired maintenance results, and the outlook for vessel supply and demand, it has turned out that use beyond the service life previously employed can be expected for all containerships, PCCs, oil tankers, and some bulk carriers. Accordingly, service lives have been extended to 20 years, which is the revised economically usable expectancy of those vessels, effective from the first quarter of the fiscal year ending March 2013.

Forecasts for the first half and full fiscal year have been revised in accordance with the above change.

The forecasts for the first half reflect the results for the first quarter and the most recent projection for the second quarter. With respect to forecasts for the second half, there still remain many uncertain factors including fuel oil prices, the effect of economic stagnation in Europe on cargo movements, developments in the dry bulk and other shipping markets, and concerns regarding the persistent high value of the yen. Consequently, in the revision of our full fiscal year forecasts, we have not made any changes to the assumptions for business result projection, and have reflected only the expected improvement in profit and loss stemming from the decrease in depreciation expenses.

Note: The forecasts of financial results set forth in this document were calculated based on available information as of July 31st 2012. Actual results may differ from the forecast because of various factors such as future developments in the business environment.

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