July 29, 2011

Company: Kawasaki Kisen Kaisha, Ltd.

Representative: Jiro Asakura, President

(Stock Exchange Code No. 9107

First Section of the Tokyo Stock Exchange)

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Revision of Forecast of Consolidated Financial Results and Revision of Dividend Projections

Kawasaki Kisen Kaisha, Ltd. ("K" Line) announces that, based on recent developments, it has revised its forecast of consolidated financial results for the first half and the full fiscal year ending March 31, 2012 and its projection for interim dividends as set forth below.

1. Revision of 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, 2011)

	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 April 28, 2011	530,000	(4,000)	(5,000)	(2,000)	(2.62)
Revised forecast (B)	500,000	(15,000)	(14,000)	(2,000)	(2.62)
Change (B – A)	(30,000)	(11,000)	(9,000)	0	0.00
Change (%)	(5.7%)	--	--	--	--
Reference: Consolidated results for first half of prior fiscal year (half ended September 30, 2010)	520,358	50,008	42,849	26,329	34.48

2) Forecast of Consolidated Financial Results for the Full Year (April 1, 2011 – March 31, 2012)

	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 on April 28, 2011	1,090,000	6,000	3,000	2,000	2.62
Revised forecast (B)	1,060,000	(5,000)	(6,000)	2,000	2.62
Change (B – A)	(30,000)	(11,000)	(9,000)	0	0.00
Change (%)	(2.8%)	--	--	0.0%	0.0%
Reference: Consolidated results for prior fiscal year (fiscal year ended March 31, 2011)	985,084	58,609	47,350	30,603	40.08

(2) Reasons for the Revision

Although there were many adverse factors in the first half including the increase in the value of the yen and flagging containership rates, the car carrier business is recovering due to rapid restoration of operations by Japanese automobile manufacturers following the earthquake in March, and overall results were generally in line with expectations. In the 2nd Quarter, the value of the yen will remain high and rate levels will not recover as anticipated in the lead up to the peak summer season, particularly in the containership business, and as a result, a decline in financial results is expected. For this reason, “K” Line revised its predictions downward for consolidated financial results for the first half and full year. In the 2nd Quarter, “K” Line will receive extraordinary profits from exchange gains on investments in securities held by consolidated subsidiaries, and as a result, consolidated net income is expected to reach the level previously announced.

“K” Line also revised its prediction for consolidated financial results for the full year in conjunction with the revision of the prediction for consolidated financial results for the first half, but financial results in the second half are subject to a number of uncertainties, including economic developments in Europe and the United States, the marine transportation market, fuel oil prices and exchange rates; consequently, the prediction for financial results for the second half has been left unchanged. At the time “K” Line announces the results for the first half, it will provide revised predictions that take into account the measures currently being formulated to improve profitability and cost-cutting.

2. Revision of Dividend Projections for Fiscal Year ending March 31, 2012

(1) Details of the Revision

	Dividends per share (yen)		
Date of record	End of first half	End of fiscal year	Total dividend
Forecast announced previously on April 28, 2011	(Undetermined)	(Undetermined)	(Undetermined)
Revised forecast	0 yen	(Undetermined)	(Undetermined)
Results for prior fiscal year (fiscal year ended March 31, 2011)	4.00 yen	5.50 yen	9.50 yen

(2) Reasons for the Revision

With respect to the payment of dividends this fiscal year, “K” Line’s policy of seeking a dividend payout ratio of 25% remains unchanged; but as indicated above, the recent deterioration of the business environment has led “K” Line to predict a loss for the first half; thus, the forecast was revised to indicate that no interim dividend will be paid. The year-end dividend remains undetermined. “K” Line will make an additional announcement when it determines that a prediction is possible taking into account the forecast for the full year and “K” Line’s financial status.