

FINANCIAL HIGHLIGHTS

Brief report of the six months ended September 30, 2014

Kawasaki Kisen Kaisha, Ltd.

[Two Year Summary]

	Six months ended September 30, 2013	Six months ended September 30, 2014	Six months ended September 30, 2014
Consolidated			
Operating revenues (Millions of yen / Thousands of U.S. dollars)	¥ 606,550	¥ 659,762	\$ 6,027,979
Operating income (Millions of yen / Thousands of U.S. dollars)	19,763	24,909	227,585
Net income (Millions of yen / Thousands of U.S. dollars)	14,736	21,181	193,527
Per share of common stock (Yen / U.S. dollars)			
Basic	15.71	22.59	0.21
Diluted	15.64	19.30	0.18

	Year ended March 31, 2014	Six months ended September 30, 2014	Six months ended September 30, 2014
Total Assets (Millions of yen / Thousands of U.S. dollars)	¥ 1,254,741	¥ 1,243,793	\$ 11,364,035
Net assets (Millions of yen / Thousands of U.S. dollars)	410,688	446,573	4,080,158

	Six months ended September 30, 2013	Six months ended September 30, 2014	Six months ended September 30, 2014
Net cash provided by operating activities (Millions of yen / Thousands of U.S. dollars)	¥ 61,743	¥ 46,060	\$ 420,840
Net cash provided by (used in) investing activities (Millions of yen / Thousands of U.S. dollars)	(16,170)	4,793	43,800
Net cash (used in) provided by financing activities (Millions of yen / Thousands of U.S. dollars)	14,211	(78,352)	(715,872)

The U.S. dollar amounts are converted from the yen amount at ¥109.45 = U.S.\$1.00.
The exchange rate prevailing on September 30, 2014.

1. Qualitative Information and Financial Statements

(1) Qualitative Information about the Consolidated Operating Result

(Billion Yen; rounded to the nearest 100 million yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014	Change	% Change
Operating revenues	606.6	659.8	53.2	8.8%
Operating income	19.8	24.9	5.1	26.0%
Ordinary income	20.0	25.9	5.9	29.3%
Net income	14.7	21.2	6.4	43.7%

Exchange Rate (¥/US\$) (6-month average)	¥98.03	¥102.52	¥4.49	4.6%
Fuel oil price (US\$/MT) (6-month average)	\$628	\$611	(\$17)	(2.7%)

In the second cumulative consolidated fiscal quarter (April 1, 2014 through September 30, 2014, hereinafter referred to as the “current cumulative period”) the world economy saw a mild recovery trend continuing in the U.S., while the pace of recovery from the economic downturn slowed in Europe as G20 nations shared concern over it. In emerging economies, China showed recurrence of slowing down in growth while the growth rate appeared to have bottomed out in India.

Our domestic economy as a whole maintained the momentum for the recovery although there was a temporary decline in capital investment and private consumption after consumption tax hike.

In the business environment surrounding the shipping industry, we saw declining trends in volume of ex-Japan cargos in car carrier business as well as in freight rates market in dry bulk business sector while in containership business we saw upward trend in freight rates for Europe-bound routes that had long been low.

As a result of these developments, for the current cumulative period we posted operating revenues of ¥659.762 billion (an increase of ¥53.211 billion over the year-ago period), operating income of ¥24.99 billion (an increase of ¥5.146 billion over the year-ago period), ordinary income of ¥25.884 billion (an increase of ¥5.861 billion over the year-ago period), and net profit of ¥21.181 billion (an increase of ¥6.445 billion over the year-ago period).

Performance per segment was as follows:

(Billion yen; rounded to the nearest 100 million yen)

		Six months ended September 30, 2013	Six months ended September 30, 2014	Change	%Change
Containership	Operating revenues	294.3	329.5	35.2	12%
	Segment income (loss)	1.5	9.5	7.9	518.6%
Bulk Shipping	Operating revenues	277.6	292.5	14.9	5.4%
	Segment income (loss)	21.9	17.5	4.4	(20.3%)
Offshore Energy E&P Support and Heavy Lifter	Operating revenues	16.6	18.6	1.9	11.6%
	Segment income (loss)	(1.9)	(0.6)	1.3	-
Other	Operating revenues	18.0	19.2	1.2	6.5%
	Segment income (loss)	2.0	1.8	(0.2)	(9.2%)
Adjustment and eliminations	Segment income (loss)	(3.5)	(2.3)	1.3	-
Total	Operating revenues	606.6	659.8	53.2	8.8%
	Segment income	20.0	25.9	5.9	29.3%

(i) Containership Business Segment

Containership Business

The number of loaded containers transported by us in the current cumulative period increased by 8% in Asia-America and Asia-Europe services as compared with the year-ago period, while decreased by 2% in Intra-Asia and North-South services. Our overall volume increased by 5%. Our average freight rate improved as compared with the year-ago period due to the restoration of freight rates for short term contracts in Asia-Europe service. In addition to these conditions, our continued efforts for cost cutting including slow steaming navigation increased our revenues and income as compared with the year-ago period.

Logistics Business

For the logistics business in the current cumulative period, we continued fairly strong operation in the domestic logistics service. In international logistics service, we handled an increased volume of ex-Japan air cargo supported in part by the effect of the weakening yen. In logistics business as a whole, we posted increased revenues and income as compared with the year-ago period.

As a result of these developments, we posted increased revenues and income in the Containership Business segment as compared with the year-ago period.

(ii) Bulk Shipping Business Segment

Dry Bulk Business

In Cape-size sector, the freight rates market remained lackluster due to tonnage oversupply although the import of iron ore by China increased. In Panamax-size sector, the market remained sluggish owing to the tonnage oversupply caused partly by stagnant activity of coal transportation to China. On the other hand, in Handy-size and Small Handy sectors, the market stayed stable supported by tonnage demand for coal transportation bound for India as well as good harvest forecast of crops in North America in spite of a negative effect of Indonesia's ban on mineral ore exports.

In this business environment, we posted decreased income on increased revenues as compared with the year-ago period notwithstanding our continued efforts on reducing vessel operating costs as well as forming efficient vessel allocation.

Car Carrier Business

The business operations in the current cumulative period saw a steady performance in the transportation of ex-Europe and ex-North America cargos bound for Far Eastern markets as well as cargos in the Atlantic basin. However, we saw a declining trend in the volume of outbound cargos from Japan. The total number of cars transported by us dropped by 4% as compared with the year-ago period.

In such a business environment, we posted decreased revenues and income in the current cumulative period as compared with the year-ago period despite our continued efforts toward reducing ship operating costs and forming efficient vessel allocations.

LNG Carrier Business and Tanker Business

Our LNG carriers, VLCCs and LPG carriers operated steadily under long and medium term charter contracts. With respect to Aframax tankers and product tankers, we maintained our tonnage size in an appropriate scale and kept our exposure to the market at a limited level.

The financial performance of our LNG carrier and tanker business as a whole in the current cumulative period turned out to be increased income on a decreased revenues as compared with the year-ago period.

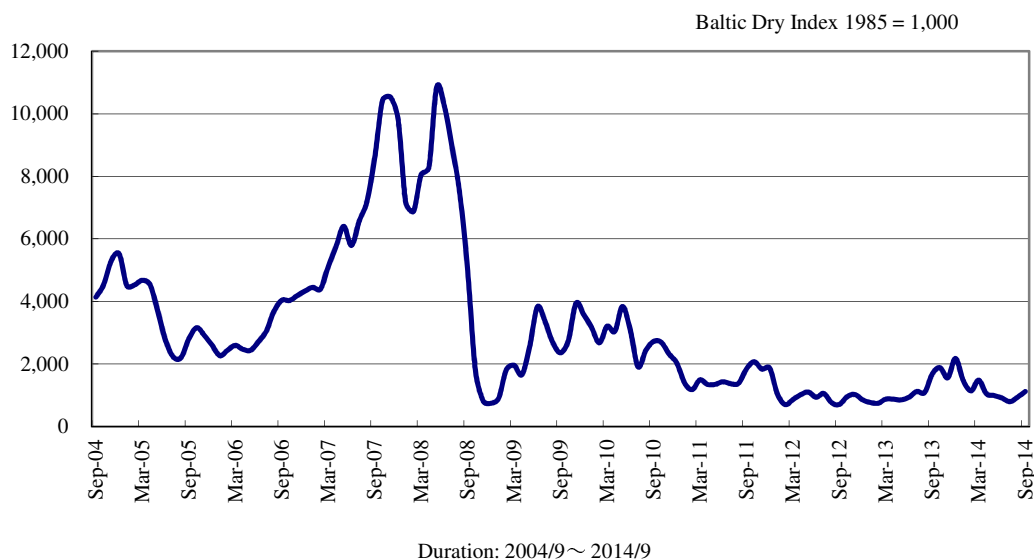
Short Sea and Coastal Business

In short sea dry bulk sector in the current cumulative period, the volume of our coal transportation increased supported by firm operations of manufacturers including steel makers. As for the timber, despite a decrease in plywood imports into Japan, we carried more timber products than in year-ago period, but we carried less chip as the market remained slump. As for the steel products and general cargos, the volume of our transportation was smaller than in year-ago period since the demands for these products were low in major destinations of our service.

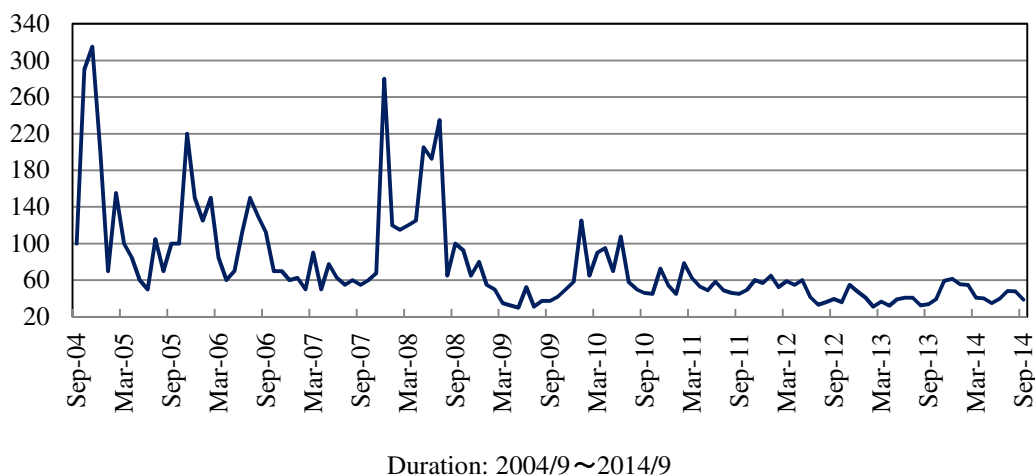
In coastal shipping business sector in the current cumulative period, shipper-dedicated carriers of limestone and coal continued stable service. Besides, small-size general cargo ships rendered firm operation following a recovery trend of the domestic economy. For our coastal liner and ferry services, we carried the same volume of cargos as those in year-ago period in liner service while we carried less cargo and passengers in ferry service due partly to declining in consumer spending subsequent to the consumption tax hike.

As a result, in the Bulk Shipping Business segment as a whole, we posted decreased income on increased revenues as compared with the year-ago period.

Baltic Dry Index



VLCC World Scale (AG/JPN)



(iii) Offshore Energy E&P Support and Heavy Lifter Business Segment

Offshore Energy E&P Support Business

In offshore support business, the spot rate market surged in summer in relation to active drilling operations at offshore oil and gas fields, by which we gained more revenues than in year-ago period. The drill ship worked well and contributed to our earnings. In Offshore Energy E&P Support Business as a whole, we posted increased revenues and decreased loss as compared to the year-ago period.

Heavy Lifter Business

In heavy lifter business, the freight rate market was in a mild recovery trend, by which we gained more revenues than in a year-ago period. In addition to this, our various cost-cutting measures such as enhancement of slow steaming navigation reduced the loss we had posted in the year-ago period.

As a result, in the Offshore Energy E&P Support and Heavy Lifter Business segment as a whole, we posted increased revenues, consequently reduced the loss as compared with the year-ago period.

(iv) Other Business

In other business that includes ship management service, travel agency service and real estate rental and administration service, for the current cumulative period we booked a decreased income on increased revenues.

(2) Qualitative Information on the Consolidated Financial Situation

Consolidated assets at the end of the consolidated 2nd Quarter were ¥1,243.793 billion, a decrease of ¥10.948 billion over the end of the previous fiscal year as a result of a decrease in cash and deposits and other factors.

Consolidated liabilities decreased by ¥46.832 billion to ¥797.22 billion due to factors including a decrease in long-term debt compared to the previous fiscal year.

Consolidated net assets were ¥446.573 billion, an increase of ¥35.884 billion compared to the end of the previous fiscal year as a result of increase in retained earnings, translation adjustments and net unrealized holding gain on investments in securities and other factors.

(3) Qualitative Information on the Consolidated Prospects for FY2014

(Billion yen; rounded to the nearest 100 million)

	Prior Forecast (at the time of announcement dated July 31, 2014)	Current Forecast (at the time of announcement of the 2nd Quarter result)	Change	% Change
Operating revenues	1,250	1,250	-	(-)
Operating income	36	36	-	(-)
Ordinary income	34	34	-	(-)
Net income	18	21.5	3.5	19.4%
Exchange rate (¥/US\$)	¥100.71	¥103.76	¥3.05	3.0%
Fuel oil price (US\$/MT)	US\$618	US\$601	(US\$17)	(2.8%)

In containership business, we will keep ourselves engaged in prudent business operations in the business environment surrounding us where recovery of economy in Europe is persistently uncertain although U.S economy is in recovery trend. We will continue our efforts to improve our profit by way of reducing navigation costs through temporary reduction of service capacity in line with the market demand and slow steaming, as well as other global cost-cutting measures. Our efforts to improve the profit extends to increase revenues by way of sales of more reefer cargo slots, and restoration of freight rates.

In logistics business, we expect business operation in domestic logistic service. With respect to international logistic service, we expect the continued recovery of ex-Japan air cargo as well as the continued solid performance of logistic activities particularly in the Asian region.

In dry bulk business, we expect sluggish market continues since it will be some time before the easement of tonnage oversupply in all sectors. We will form stable profit-making structure in this business through our continuous efforts toward reduction in ship operating costs and efficient ship allocations as well as in our exposure to market fluctuations by securing long and medium term contracts.

In car carrier business, we expect steady development of the demands for sea-borne transportation of complete cars on a global basis. While trade patterns of sea-borne cars are changing in ways that ex-Japan cargos are in the trend of slight decrease, and cargos of ex-SE Asia and intra-Atlantic basin are expected to expand further, we will flexibly adjust our business operation to follow these changes.

In LNG carrier and oil tanker business, we expect stable operations of our LNG carriers under long and medium term charter contracts. On the other hand, we will have VLCCs and LPG carriers operating under long and medium term charter contracts to secure stable income while seeking further profitability on Aframax tankers and product tankers through efficient vessel allocation.

In short sea business, we will expand our fleet but maintain appropriate tonnage. We will improve our profit by efficient vessel allocation as well as reduction in ship operating costs.

In coastal business, we will work to develop new customers with close watch on new demands from power companies, cement manufacturers, etc. for our tramper service. For our liner service, we will make aggressive sales activity for our Tomakomai-Ibaraki-Kyushu service of which fleet and loading capacity were recently enhanced. For ferry service, we will maintain thorough implementation of safety measures in our business operation, and work to develop more passengers and vehicles.

In offshore energy E&P support vessel business, we expect sustained contribution to our earnings by offshore support vessels and drill ships through their stable operations.

In heavy lifter business, we expect the market to recover. The large-size vessel sector in particular, we expect an increase of cargos and business opportunities in reaction to the booming in energy and infrastructure projects. We will make further efforts to win service contracts of transportation and installation of these profitable offshore/infrastructure-related cargos. In addition, we will continue our cost-cutting measures to improve profitability.

With respect to the forecast on consolidated operating result for the current fiscal period, we have left unchanged our forecast on operating income and ordinary income from our previous announcement in consideration of the persistent uncertainty in the business environment in the third quarter and ahead where containership business will enter slack season, and dry bulk business will see continued sluggish market, but we increased our forecast on net income.

As for annual dividend for the current fiscal period, we plan to pay a dividend of ¥5.0 per share (interim dividend ¥2.5 per share) as per our previous announcement.

2. Matters Relating to Summary Information

Changes in Accounting Policies, Accounting estimates and retrospective restatements

Changes in Accounting Policies

(Application of Accounting Standard for Retirement Benefits)

The Company and its domestic consolidated subsidiaries have adopted “Accounting Standard for Retirement Benefits” (Accounting Standards Board of Japan (ASBJ) Statement No.26, May 17, 2012) and “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No.25, May 17, 2012), effective from the first quarter of the fiscal year ending March 31, 2015, in accordance with the provisions stated in paragraph 35 of ASBJ Statement No.26 and paragraph 67 of ASBJ Guidance No.25. As a result, the methods for calculating retirement benefit obligations and service costs have been revised in the following respects: The method for attributing projected benefits to periods has been changed from the straight-line basis to the benefit formula basis, and the method for determining the discount rate has been changed from referring to the period approximate to the expected average remaining working lives of employees, to use a single weighted-average discount rate that reflects the periods until the expected payment of retirement benefits and the amount of projected benefits every such period.

According to the transitional treatment provided in paragraph 37 of ASBJ Statement No.26, the effect of changing the method for calculating retirement benefit obligations and service costs was recognized by adjusting retained earnings at the beginning of the consolidated cumulative second quarter.

As a result, net defined benefit asset decreased by ¥105 million and net defined benefit liability increased by ¥381 million, whereas retained earnings decreased by ¥244 million at the beginning of the consolidated cumulative second quarter. The effect of this change on consolidated operating results for the consolidated cumulative second quarter is immaterial.

Additional Information

(Adoption of the consolidated taxation system)

The Company files a tax return under the consolidated corporate-tax system, from the first quarter of the fiscal year ending March 31, 2015, which allows companies to base tax payments on the combined profits or losses of the parent company and its wholly owned domestic subsidiaries.

Consolidated Financial Statements

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan)

Consolidated Balance Sheets

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for the year ended March 31, 2014 and six months ended September 30, 2014

(Millions of Yen/Thousands of U.S.Dollars)

	Year ended March 31, 2014	Six months ended September 30, 2014	Six months ended September 30, 2014
ASSETS			
Current assets :			
Cash and deposits	¥ 186,394	¥ 166,456	\$ 1,520,845
Accounts and notes receivable-trade	94,345	97,726	892,885
Marketable securities	49,998	49,999	456,822
Raw material and supply	49,032	47,334	432,474
Other current assets	68,492	71,154	650,110
Allowance for doubtful receivables	(656)	(1,078)	(9,854)
Total current assets	447,605	431,592	3,943,282
Fixed assets :			
(Tangible fixed assets)			
Vessels	566,589	572,578	5,231,412
Buildings and structures	21,599	21,258	194,226
Machinery and vehicles	7,431	7,898	72,162
Land	26,623	26,866	245,472
Construction in progress	35,332	30,222	276,126
Other tangible fixed assets	3,649	3,665	33,491
Total tangible fixed assets	661,226	662,488	6,052,889
(Intangible fixed assets)			
Goodwill	507	294	2,688
Other intangible fixed assets	4,850	4,644	42,436
Total intangible fixed assets	5,358	4,938	45,124
(Investments and other long-term assets)			
Investments in securities	88,310	97,647	892,165
Long-term loans receivable	16,291	16,246	148,434
Net defined benefit asset	1,168	951	8,695
Other long-term assets	35,091	30,208	276,002
Allowance for doubtful receivables	(310)	(279)	(2,555)
Total investments and other long-term assets	140,551	144,773	1,322,740
Total fixed assets	807,135	812,201	7,420,753
Total assets	¥ 1,254,741	¥ 1,243,793	\$ 11,364,035

Consolidated Balance Sheets

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for the year ended March 31, 2014 and six months ended September 30, 2014

(Millions of Yen/Thousands of U.S.Dollars)

	Year ended March 31, 2014	Six months ended September 30, 2014	Six months ended September 30, 2014
LIABILITIES			
Current liabilities :			
Accounts and notes payable-trade	¥ 91,492	¥ 103,063	\$ 941,649
Short-term loans and current portion of long-term debt	77,091	86,787	792,943
Accrued income taxes	2,822	3,678	33,609
Accrued allowance	2,587	2,915	26,639
Other current liabilities	112,317	76,468	698,663
Total current liabilities	<u>286,312</u>	<u>272,913</u>	<u>2,493,503</u>
Long-term liabilities :			
Bonds	53,321	53,132	485,445
Long-term debt, less current portion	418,933	386,973	3,535,621
Accrued expenses for overhaul of vessels	15,452	14,109	128,912
Other allowance	1,541	1,361	12,438
Net defined benefit liability	7,978	7,803	71,302
Other long-term liabilities	60,513	60,925	556,655
Total long-term liabilities	<u>557,740</u>	<u>524,306</u>	<u>4,790,374</u>
Total liabilities	<u>844,052</u>	<u>797,220</u>	<u>7,283,877</u>
NET ASSETS			
Shareholder's equity:			
Common stock	75,457	75,457	689,426
Capital surplus	60,312	60,312	551,047
Retained earnings	234,429	251,602	2,298,789
Less treasury stock, at cost	(908)	(909)	(8,314)
Total shareholders' equity	<u>369,291</u>	<u>386,462</u>	<u>3,530,948</u>
Accumulated other comprehensive income :			
Net unrealized holding gain on investments in securities	8,188	13,196	120,569
Deferred gain (loss) on hedges	5,753	6,239	57,006
Revaluation reserve for land	5,978	5,973	54,578
Translation adjustments	71	9,428	86,142
Remeasurements of defined benefit plans	(446)	(293)	(2,677)
Total accumulated other comprehensive income, net	<u>19,545</u>	<u>34,544</u>	<u>315,619</u>
Minority interests in consolidated subsidiaries	21,851	25,566	233,591
Total net assets	<u>410,688</u>	<u>446,573</u>	<u>4,080,158</u>
Total liabilities and net assets	<u>¥ 1,254,741</u>	<u>¥ 1,243,793</u>	<u>\$ 11,364,035</u>

Consolidated Statements of Income

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for six months ended September 30, 2014 and 2013

(Millions of Yen/Thousands of U.S.Dollars)

	Six months ended September 30, 2013	Six months ended September 30, 2014	Six months ended September 30, 2014
Marine transportation and other operating revenues	¥ 606,550	¥ 659,762	\$ 6,027,979
Marine transportation and other operating expenses	551,739	598,154	5,465,094
Gross income	54,811	61,607	562,885
Selling, general and administrative expenses	35,048	36,698	335,300
Operating income	19,763	24,909	227,585
Non-operating income :			
Interest income	532	526	4,815
Dividend income	1,276	935	8,548
Equity in earnings of affiliated companies	1,483	1,483	13,555
Exchange gain	2,028	2,386	21,804
Other non-operating income	1,389	640	5,852
Total non-operating income	6,710	5,973	54,574
Non-operating expenses :			
Interest expenses	5,445	4,891	44,696
Other non-operating expenses	1,005	105	967
Total non-operating expenses	6,450	4,997	45,663
Ordinary income	20,023	25,884	236,497
Extraordinary profits :			
Gain on sales of shares of subsidiaries and associates	-	10,714	97,891
Other extraordinary profits	5,000	4,051	37,012
Total extraordinary profits	5,000	14,765	134,903
Extraordinary losses :			
Loss related to Anti-Monopoly Act	-	7,023	64,168
Other extraordinary losses	5,290	720	6,584
Total extraordinary losses	5,290	7,743	70,752
Income before income taxes	19,733	32,905	300,648
Income taxes :			
Current	4,036	4,603	42,056
Deferred	(196)	5,991	54,739
Total income taxes	3,839	10,594	96,795
Net income before minority interests	15,893	22,311	203,853
Minority interests	1,157	1,130	10,325
Net income	¥ 14,736	¥ 21,181	\$ 193,527

Consolidated Statements of Comprehensive Income

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for six months ended September 30, 2014 and 2013

(Millions of Yen/Thousands of U.S.Dollars)

	Six months ended September 30, 2013		Six months ended September 30, 2014		Six months ended September 30, 2014
Income before minority interests	¥	15,893	¥	22,311	\$ 203,853
Other comprehensive income					
Net unrealized holding gain on investments in securities		9,826		4,994	45,635
Deferred income on hedges		14,025		442	4,043
Revaluation reserve for land		272		-	-
Translation adjustments		4,871		9,655	88,222
Remeasurements of defined benefit plans, net of tax		-		157	1,437
Share of other comprehensive income of subsidiaries and affiliates accounted for by the equity method		1,026		420	3,842
Total other comprehensive income		30,021		15,670	143,179
Comprehensive income	¥	45,914	¥	37,982	\$ 347,031
(Breakdown)					
Comprehensive income attributable to:					
Shareholders of Kawasaki Kisen Kaisha, Ltd.	¥	44,647	¥	36,185	\$ 330,610
Minority interests		1,266		1,797	16,422

Consolidated Statements of Cash Flows

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for six months ended September 30, 2014 and 2013

(Millions of Yen / Thousands of U.S.Dollars)

	Six months ended September 30, 2013	Six months ended September 30, 2014	Six months ended September 30, 2014
Cash flows from operating activities :			
Income before income taxes and minority interests	¥ 19,733	¥ 32,905	\$ 300,648
Depreciation and amortization	26,111	26,727	244,194
Provision for employees' retirement benefits	47	-	-
Decrease in net defined benefit liability	-	(174)	(1,592)
Decrease in net defined benefit asset	-	216	1,976
Decrease in accrued expenses for overhaul of vessels	(1,146)	(1,357)	(12,404)
Interest and dividend income	(1,809)	(1,462)	(13,363)
Interest expense	5,445	4,891	44,696
Exchange gain	(2,158)	(3,248)	(29,683)
Loss related to Anti-Monopoly Act	-	7,023	64,168
Gain on sales of shares of subsidiaries and associates	-	(10,714)	(97,891)
Increase in accounts and notes receivable – trade	(9,918)	(2,358)	(21,545)
Decrease (increase) in inventories	(1,923)	1,838	16,795
(Increase) decrease in other current assets	2,881	(1,547)	(14,142)
Increase in accounts and notes payable – trade	6,985	10,481	95,765
(Decrease) increase in other current liabilities	3,595	(59)	(546)
Change in derivative assets and liabilities, net	23,612	-	-
Other, net	(3,755)	(4,080)	(37,284)
Subtotal	67,701	59,080	539,793
Interest and dividends received	2,352	1,649	15,069
Interest paid	(5,467)	(5,202)	(47,532)
Payments related to Anti-Monopoly Act	-	(5,698)	(52,064)
Income taxes paid	(2,843)	(3,768)	(34,428)
Net cash provided by operating activities	61,743	46,060	420,840
Cash flows from investing activities :			
Payments into time deposits	(15,429)	(11,050)	(100,967)
Proceeds from withdrawal of time deposits	10,353	11,218	102,502
Purchases of marketable securities and investments in securities	(783)	(1,282)	(11,718)
Proceeds from sale of marketable securities and investments in securities	5,322	1,006	9,196
Proceeds from sales of shares of subsidiaries	-	13,620	124,448
Purchases of vessels, property and equipment	(40,872)	(46,317)	(423,183)
Proceeds from sale of vessels, property and equipment	27,246	38,164	348,696
Purchases of intangible fixed assets	(530)	(450)	(4,118)
Increase in long-term loans receivable	(186)	(1,046)	(9,559)
Collection of long-term loans receivable	583	1,964	17,951
Other, net	(1,873)	(1,033)	(9,447)
Net cash provided by (used in) investing activities	(16,170)	4,793	43,800
Cash flows from financing activities :			
Increase (decrease) in short-term loans, net	(1,542)	70	646
Proceeds from long-term debt	67,539	20,557	187,827
Repayment of long-term debt and obligations under finance leases	(72,844)	(49,071)	(448,350)
Proceeds from Issuance of Bonds	49,939	-	-
Redemption of Bonds	(25,685)	(45,189)	(412,873)
Cash dividends paid	(2,331)	(4,219)	(38,553)
Cash dividends paid to minority shareholders	(867)	(498)	(4,551)
Other, net	2	(1)	(17)
Net cash (used in) provided by financing activities	14,211	(78,352)	(715,872)
Effect of exchange rate changes on cash and cash equivalents	4,024	6,768	61,841
Net (decrease) increase in cash and cash equivalents	63,808	(20,728)	(189,391)
Cash and cash equivalents at beginning of the period	159,075	222,606	2,033,865
Increase in cash and cash equivalents arising from inclusion of subsidiaries in consolidation	-	708	6,477
Cash and cash equivalents at end of the period	¥ 222,883	¥ 202,586	\$ 1,850,951

Segment information

Six months ended September 30, 2013

(Millions of Yen)

	Containership	Bulk shipping	Offshore Energy E&P Support and Heavy Lifter	Other	Total	Adjustments and eliminations	Consolidated
Revenues							
Operating Revenues from customers	¥ 294,276	¥ 277,617	¥ 16,631	¥ 18,025	¥ 606,550	¥ -	¥ 606,550
Inter-group revenues and transfers	3,964	1,374	-	21,559	26,898	(26,898)	-
Total revenues	298,241	278,991	16,631	39,584	633,449	(26,898)	606,550
Segment income (loss)	¥ 1,531	¥ 21,947	¥ (1,906)	¥ 1,979	¥ 23,552	¥ (3,529)	¥ 20,023

Six months ended September 30, 2014

(Millions of Yen)

	Containership	Bulk shipping	Offshore Energy E&P Support and Heavy Lifter	Other	Total	Adjustments and eliminations	Consolidated
Revenues							
Operating Revenues from customers	¥ 329,487	¥ 292,529	¥ 18,552	¥ 19,193	¥ 659,762	¥ -	¥ 659,762
Inter-group revenues and transfers	3,797	1,394	-	22,999	28,190	(28,190)	-
Total revenues	333,284	293,923	18,552	42,192	687,953	(28,190)	659,762
Segment income (loss)	¥ 9,475	¥ 17,499	¥ (626)	¥ 1,798	¥ 28,146	¥ (2,262)	¥ 25,884

Six months ended September 30, 2014

(Thousands of U.S. Dollars)

	Containership	Bulk shipping	Offshore Energy E&P Support and Heavy Lifter	Other	Total	Adjustments and eliminations	Consolidated
Revenues							
Operating Revenues from customers	\$ 3,010,390	\$ 2,672,725	\$ 169,503	\$ 175,361	\$ 6,027,979	\$ -	\$ 6,027,979
Inter-group revenues and transfers	34,694	12,738	-	210,136	257,569	(257,569)	-
Total revenues	3,045,084	2,685,463	169,503	385,497	6,285,547	(257,569)	6,027,979
Segment income (loss)	\$ 86,575	\$ 159,889	\$ (5,725)	\$ 16,428	\$ 257,167	\$ (20,670)	\$ 236,497