

October 16, 2018

Revised Forecast of Consolidated Financial Results for the 1<sup>st</sup> Half  
and Full Fiscal Year 2018.

Kawasaki Kisen Kaisha, Ltd. (“K” LINE) announces that, the forecasts of consolidated financial results for the 1<sup>st</sup> half (April 1, 2018 –September 30, 2018) and full fiscal year 2018 (April 1, 2018 – March 31, 2019), that we announced on July 31, 2018, have been revised as set forth below.

1. Differences from Forecast of Consolidated Financial Results

(1) 1<sup>st</sup> Half of Fiscal Year 2018 (April 1, 2018 – September 30, 2018)

	First half				
	Operating Revenue (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 July 31, 2018 (A)	411,500	(10,000)	(12,000)	(15,000)	(160.82)
Result (B)	415,000	(13,500)	(23,000)	(26,500)	(284.12)
Change (B) - (A)	3,500	(3,500)	(11,000)	(11,500)	(123.30)
Change (%)	0.9%	-	-	-	-
Reference: Consolidated results for prior fiscal year (Fiscal year ended September 31, 2017)	578,928	6,247	11,146	13,175	140.78

(2) Full Fiscal Year 2018 (April 1, 2018 – March 31, 2019)

	Full year				
	Operating Revenue (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 July 31, 2018 (A)	775,000	5,000	5,000	7,000	75.05
Latest forecast (B)	815,000	(6,000)	(29,500)	(21,500)	(230.51)
Change (B) - (A)	40,000	(11,000)	(34,500)	(28,500)	(305.56)
Change (%)	5.2%	-	-	-	-
Reference: Consolidated results for prior fiscal year (Fiscal year ended March 31, 2018)	1,162,025	7,219	1,962	10,384	111.13

## 2. Reason for the Differences

The Company is to revise its forecast of Consolidated Financial Results for the 1st Half and Full Fiscal Year 2018, based on anticipation of the negative impacts to “K” LINE groups’ profits from recent hike in fuel oil price, and to the Car Carrier businesses from a decrease in operational productivities, in addition to the impact from ONE, about which the announcement “Notice of Revisions in First Half and Full Year Consolidated Business Outlooks of Integrated Container Shipping Operating Company Ocean Network Express Pte. Ltd.” was made by “K” LINE, Mitsui O.S.K. Lines, Ltd. and Nippon Yusen Kabushiki Kaisha today on October 16, 2018.

“K” LINE’s website URL <http://www.kline.co.jp>

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 because of various factors such as future developments in the business environment.

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