

FINANCIAL HIGHLIGHTS

Brief report of three months ended June 30, 2012

Kawasaki Kisen Kaisha, Ltd.

[Two Year Summary]

	Three months ended June 30, 2011	Three months ended June 30, 2012	Three months ended June 30, 2012
Consolidated			
Operating revenues (Millions of yen / Thousands of U.S. dollars)	¥ 244,210	¥ 273,598	\$ 3,449,738
Operating income (loss) (Millions of yen / Thousands of U.S. dollars)	(9,893)	4,071	51,339
Net loss (Millions of yen / Thousands of U.S. dollars)	(3,727)	(674)	(8,505)
Per share of common stock (Yen / U.S. dollars)	(4.88)	(0.88)	(0.01)

	Year ended Mar.31,2012	Three months ended June 30, 2012	Three months ended June 30, 2012
Total Assets (Millions of yen / Thousands of U.S. dollars)	¥ 1,066,648	¥ 1,090,164	\$ 13,745,618
Net assets (Millions of yen / Thousands of U.S. dollars)	259,934	269,945	3,403,680

	Three months ended June 30, 2011	Three months ended June 30, 2012	Three months ended June 30, 2012
Net cash provided by (used in) operating activities (Millions of yen / Thousands of U.S. dollars)	¥ (96)	¥ 729	\$ 9,203
Net cash used in investing activities (Millions of yen / Thousands of U.S. dollars)	(33,547)	(2,740)	(34,550)
Net cash (used in) provided by financing activities (Millions of yen / Thousands of U.S. dollars)	23,266	(1,621)	(20,449)

The U.S. dollar amounts are converted from the yen amount at ¥79.31=U.S.\$1.00.
The exchange rate prevailing on June 30, 2012.

1. Qualitative Information and Financial Statements

(1) Qualitative Information about the Consolidated Operating Results

(Billion yen; rounded to nearest 100 million)

	Three months ended	Three months ended	Change (% change)	
	June 30, 2011	June 30, 2012		
Operating revenues	244.2	273.6	29.4	(12.0%)
Operating (loss) income	-9.9	4.1	14.0	(-)
Ordinary (loss) income	-8.8	7.2	16.0	(-)
Net (loss) income	-3.7	-0.7	3.1	(-)

Exchange rate (¥/US\$)(3-month average)	¥82.04	¥80.77	-¥1.27	(-1.6%)
Fuel oil price (US\$/MT)(3-month average)	\$644	\$716	\$72	(11.2%)

During the period from April 1 to June 30, 2012 (hereafter, the “1st Quarter”) recovery of the global economy showed signs of slowdown. In Europe, there was economic stagnation due to the worsening sovereign debt crisis, and in the United States, the recovery pace of the employment situation slowed down. Although economic growth continued in China, India, and other countries with emerging economies, the pace of growth was slower due to the economic stagnation in Europe and the United States.

The Japanese economy experienced moderate recovery supported by the reconstruction demand relating to the Great East Japan Earthquake and other factors.

In the containership market there was freight rate improvement starting in March. The car carrier business showed improvement as completed car transport from Japan, homeward, and in offshore routes made a solid move. In the dry bulk market, iron ore imports by China were steady, but the market as a whole slumped as a result of massive supply of newbuildings. The environment of marine transportation business was unstable overall due to persistent high fuel oil prices and continued appreciation of the yen.

As a result of these developments, cumulative consolidated operating revenues in the 1st Quarter were ¥273.598 billion (increased by ¥29.388 billion in the same period of the previous year (hereafter, “Q1 2011”), operating income was ¥4.071 billion (operating losses of ¥9.893 billion in Q1 2011), and ordinary income was ¥7.182 billion (ordinary losses of ¥8.86 billion in Q1 2011). Quarterly net losses were ¥0.674 billion (net losses of ¥3.727 billion in Q1 2011).

Summaries of developments in each business segment are provided below.

(Billion yen; rounded to nearest 100 million)

		Three months ended June 30, 2011	Three months ended June 30, 2012	Change (% change)	
Containership	Operating revenues	122.6	133.3	10.7	(8.7%)
	Segment (loss) income	-7.2	0.6	7.8	(-)
Bulk shipping	Operating revenues	105.3	125.0	19.6	(18.6%)
	Segment (loss) income	-1.0	6.0	7.0	(-)
Offshore Energy E&P	Operating revenues	4.8	5.2	0.4	(8.5%)
Support and Heavy Lifter	Segment (loss) income	-1.0	0.5	1.5	(-)
Other	Operating revenues	11.5	10.2	-1.3	(-11.7%)
	Segment (loss) income	1.3	1.2	-0.1	(-6.6%)
Adjustments and eliminations	Segment (loss) income	-0.9	-1.1	-0.2	(-)
Total	Operating revenues	244.2	273.6	29.4	(12.0%)
	Segment (loss) income	-8.8	7.2	16.0	(-)

Note: The segment categories changed from the 1st Quarter. The figures of “Three months ended June 30, 2011” in the above table are based on the new segment categories. Please see “Segment Information” section for details.

(1) Containership Business Segment

Containership business

During the 1st Quarter, the number of loaded containers on North America routes increased by approximately 17% from Q1 2011 as well as on European routes which went up by approximately 9%. As a result of our reorganization of trade routes, the number of loaded containers on South-North routes was reduced slightly. However, the number for Inter-Asian routes went up by approximately 15% from Q1 2011, and as a result, total number of loaded containers for the “K” Line Group (hereinafter, the “Group”) increased by approximately 11% from Q1 2011. Freight rates in the 1st Quarter recovered on all routes and improved substantially compared to Q1 2011.

In addition to above, due to structural reforms implemented, including reorganization of unprofitable trade routes, introduction of large size energy-efficient vessels and expansion of slow steaming measures, financial performance of the 1st Quarter showed an improvement compared to Q1 2011.

Logistics business

The financial performance in logistics business showed an improvement compared to Q1 2011. In the international logistics market, demand for emergency air cargo for restoration of supply chains following the flooding in Thailand showed a strong move and the domestic logistics market was steady overall.

As a result of these developments, financial performance in the containership business segment improved.

(2) Bulk Shipping Business Segment

Dry Bulk business

In the cape size market, although iron ore imports by China were steady and an acceleration observed in the scrapping and idling of vessels and, because supply of newbuildings exceeded demand, weak market conditions continued. Panamax and Handymax markets were also sluggish due to the over-supply of vessels as well as the effects of restrictions on mineral exports in Indonesia.

Although the Group worked throughout the quarter to reduce operating costs and to improve business efficiency by proper ship allocations, due to weak market conditions and appreciation of the yen, operating revenues increased but income decreased compared to Q1 2011.

Car Carrier business

Cargo movements of completed cars during the 1st Quarter were generally steady for transport services from Japan, homeward and on offshore routes. Movement of completed cars from Japan was approximately 2.3 times the level in Q1 2011, when results were affected by the Great East Japan Earthquake, so the Group's total cargo volume went up by approximately 20%. As a result, financial performance improved substantially from Q1 2011 despite the effect of high fuel oil prices, with both operating revenues and income increasing.

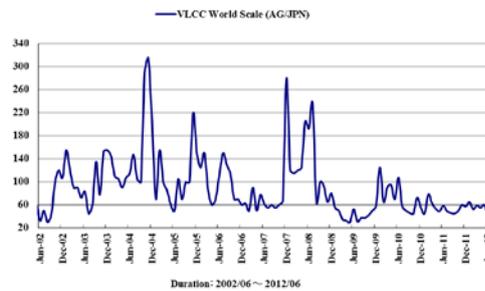
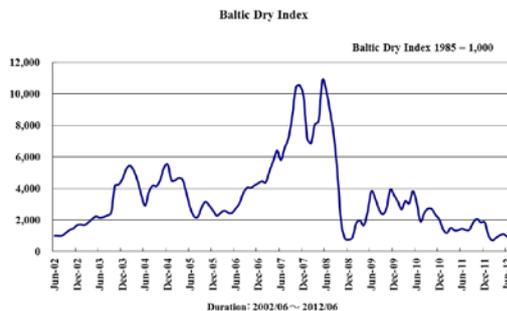
LNG Carrier business and Tanker business

LNG carriers and VLCCs were operated steadily under long-term and medium-term contracts. AFRAMAX tanker and product tanker markets remained sluggish but we took measures to reduce the number of vessels in operation. As a result, operating revenues decreased but losses became smaller compared to Q1 2011.

Short Sea and Coastal business

The dry bulk shipping volume in short sea shipping increased compared to Q1 2011. Shipping volume of imported wood products fell, but that of steel products remained generally flat. In coastal business, operations of coastal tramper services for various vessels, including those dedicated for limestone and coal trade, were stable and shipping volumes in liner business increased compared to Q1 2011. Shipping volumes in ferry business increased as a result of a new delivery.

As a result of the above developments, operating revenues in the bulk shipping business segment were ¥124.990 billion, operating income was ¥5.582 billion, and ordinary income was ¥6.025 billion.



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

Offshore Energy E&P Support business

In offshore support vessel business, the Group operated a fleet of seven vessels including newbuildings that were delivered last fiscal year. Although there were off-hires in some of the vessels, due to appraisal gains resulting from change in exchange rate, both operating revenues and income increased from Q1 2011.

Heavy Lifter business

Although market conditions appeared to have improved compared to the end of the previous fiscal year, conditions remained stagnant and decreasing value of the Euro caused reduction in revenues. As a result, both operating revenues and income were down from Q1 2011.

As a result of the above developments, operating revenues and income in offshore energy E&P support and heavy lifter business segment as a whole increased from Q1 2011.

(4) Other business

Other business includes diversified business and vessel management business. Operating revenues and income increased in the 1st Quarter compared to Q1 2011.

2. Qualitative Information on the Consolidated Financial Situation

Consolidated assets at the end of the 1st Quarter were ¥1,090.164 billion, an increase of ¥23.516 billion over the end of the previous fiscal year as a result of an increase in vessels and other factors.

Consolidated liabilities increased by ¥13.504 billion to ¥820.219 billion due to factors including an increase in long-term debt compared to the previous fiscal year.

Consolidated net assets were ¥269.945 billion, an increase of ¥10.011 billion compared to the end of the previous fiscal year as a result of increases in net unrealized holding gains on investments in securities, translation adjustments, and other factors.

3. Qualitative Information regarding Consolidated Prospects for FY2012

(Billion yen; rounded to nearest 100 million)

	Prior Forecast (at the time of announcement dated 2 July 2012)	Current Forecast (at the time of announcement of 1 st quarter result)	Change (% change)	
Operating revenues	1,130.0	1,130.0	0.0	(-)
Operating (loss) income	20.0	27.0	7.0	(35.0%)
Ordinary (loss) income	15.0	22.0	7.0	(46.7%)
Net (loss) income	3.0	8.0	5.0	(166.7%)

Exchange rate (¥/US\$)	¥80.19	¥80.13	-¥0.06	(-0.1%)
Fuel oil price (US\$/MT)	\$695	\$699	\$4	(0.6%)

Containership business will enter its peak season in the summer, and we expect freight rate levels achieved in the spring to be maintained. Although negative effects from the economic stagnation in Europe heading into the winter season are anticipated, we expect financial results to improve compared to the previous fiscal year due to effects of our structural reforms that include reorganization of unprofitable trade routes, expansion of slow steaming measures and cost reductions by increasing operation of large size energy-efficient vessels.

In the dry bulk business, we do not expect a substantial market recovery in the cape size market as supply pressures caused by newbuildings will continue. In the Panamax and Handymax market, steady cargo movements, mainly of grain in the Atlantic Ocean, are expected, but adverse market conditions are forecast as a result of the effects of excess shipping capacity in the Pacific and the stagnant Cape-size market. The Group will work to secure stable earnings from services under term contracts as well as contracts of affreightment.

In the car carrier business, there are concerns that the economic downturn in Europe and strength of the yen may impact negatively against completed car exports from Japan, but marine transport demand for completed cars is expected to remain steady, supported by recovery of the automobile market in North America and strong sales in countries with emerging economies such as Russia and Asian nations.

We anticipate that some additional time will be required before the oil tanker market will recover. In LNG carrier business, we expect stable operations under medium- and long-term service contracts.

In short sea and coastal business, we expect an improvement in financial performance as a result of replacement of term-contract vessels with higher fuel-efficient newbuildings and an increase in

transportation capacity in conjunction with operation of a new ferry.

We expect stable operations in offshore support vessel business. Also, the start of operations of drilling ships in the 2nd Quarter of this fiscal year is expected to contribute to earnings. In heavy lifter business, the market is recovering at a moderate pace, and we anticipate an improvement in profitability as we expect demand for a large-scale project cargo as well as increased offshore-related cargo transport.

The forecast of consolidated financial results for the fiscal year was revised from the forecast announced on July 2, 2012. The revisions are disclosed in a notice entitled “Revised Forecast of Financial Results” dated today, July 31, 2012.

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.

With respect to payment of dividends this fiscal year, as indicated above, overall business environment remains extremely uncertain, and accordingly, no decision has been made at this time. We plan to make an announcement once a reliable outlook can be formulated, taking into account the outlook for the entire fiscal year and the company’s financial status.

4. Matters Relating to Summary Information

Changes in Accounting Policies, Accounting Estimates and Retrospective Restatements

Changes in Accounting Estimates (Change of Service Lives)

Following the adoption of the Medium-Term Management Plan (of which fiscal 2012 is the first year) during the 1st Quarter of the this fiscal year, we reviewed our policies concerning vessel use as part of our investigation of fleet upgrade plans, taking into consideration the vessel use results, newly acquired upgrade results, and the outlook for vessel supply and demand. As a result of that review, it was determined that long-term use beyond the service lives previously employed can be expected for containerships, pure car carriers (PCCs), and oil tankers. Accordingly, the service lives of containerships and PCCs were increased from 15 years to 20 years, and the service lives of oil tankers were increased from 13 years to 20 years.

Further, dry bulk carriers entered repair docks during the 1st Quarter of this fiscal year for the first time under the new ballast tank paint standards adopted by the International Maritime Organization, and we received information corroborating the improved anti-corrosion performance. As a result, we determined that use for periods longer than the service lives applied in the past can be expected, and the service lives of vessels subject to the Performance Standard for Protective Coatings (PSPC) were increased from 15 to 20 years.

As a result, operating income and ordinary income were increased by 1,315 million yen respectively, and net losses before income taxes and minority interests were decreased by that amount in the 1st Quarter of this fiscal year compared to under the prior method.

Changes in Accounting Policies

(Changes in Accounting Policies which are Difficult to Distinguish from Changes in Accounting Estimates)

Effective from the 1st Quarter of this fiscal year, the Company and its domestic subsidiaries changed the depreciation method for the relevant tangible assets newly acquired from April 1, 2012 according to the amendment of Corporation Tax Act in Japan.

The impact of this change on the consolidated quarterly financial statements was immaterial.

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, 2012 and three months ended June 30, 2012

	(Millions of Yen/Thousands of U.S.Dollars)		
	Year ended	Three months ended	Three months ended
	Mar. 31, 2012	June 30, 2012	June 30, 2012
ASSETS			
Current assets :			
Cash and deposits	¥ 96,698	¥ 95,959	\$ 1,209,933
Accounts and notes receivable-trade	77,894	89,592	1,129,649
Short-term loans receivable	7,022	1,174	14,808
Marketable securities	1	1	14
Raw material and supply	38,303	42,056	530,280
Prepaid expenses and deferred charges	36,758	40,421	509,661
Other current assets	24,732	17,871	225,343
Allowance for doubtful receivables	(666)	(745)	(9,406)
Total current assets	280,744	286,331	3,610,282
Fixed assets :			
(Tangible fixed assets)			
Vessels	473,552	509,764	6,427,497
Buildings and structures	24,262	24,111	304,021
Machinery and vehicles	6,467	7,093	89,434
Land	29,825	29,905	377,068
Construction in progress	78,797	58,674	739,812
Other tangible fixed assets	5,545	5,359	67,581
Total tangible fixed assets	618,449	634,909	8,005,413
(Intangible fixed assets)			
Goodwill	4,473	3,795	47,863
Other intangible fixed assets	5,479	5,384	67,893
Total intangible fixed assets	9,952	9,180	115,756
(Investments and other long-term assets)			
Investments in securities	75,214	71,750	904,678
Long-term loans receivable	15,066	14,779	186,353
Other long-term assets	67,712	73,937	932,258
Allowance for doubtful receivables	(491)	(723)	(9,122)
Total investments and other long-term assets	157,501	159,743	2,014,167
Total fixed assets	785,904	803,833	10,135,336
Total assets	¥ 1,066,648	¥ 1,090,164	\$ 13,745,618

Consolidated Balance Sheets

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for the year ended March 31, 2012 and three months ended June 30, 2012

	(Millions of Yen/Thousands of U.S.Dollars)		
	Year ended	Three months ended	Three months ended
	Mar. 31, 2012	June 30, 2012	June 30, 2012
LIABILITIES			
Current liabilities :			
Accounts and notes payable-trade	¥ 75,275	¥ 80,418	\$ 1,013,971
Short-term loans and current portion of long-term debt	72,049	73,454	926,165
Accrued income taxes	2,661	2,032	25,626
Accrued allowance	1,731	1,565	19,737
Other current liabilities	72,610	81,117	1,022,796
Total current liabilities	224,328	238,587	3,008,295
Long-term liabilities :			
Bonds	74,573	49,077	618,800
Long-term debt, less current portion	406,162	426,912	5,382,827
Deferred income taxes on land revaluation	2,590	2,590	32,665
Accrued expenses for overhaul of vessels	17,555	17,494	220,587
Other allowance	9,478	8,960	112,985
Other long-term liabilities	72,025	76,595	965,779
Total long-term liabilities	582,385	581,631	7,333,643
Total liabilities	806,714	820,219	10,341,938
NET ASSETS			
Shareholder's equity:			
Common stock	65,031	65,031	819,967
Capital surplus	49,892	49,892	629,082
Retained earnings	212,850	212,173	2,675,246
Less treasury stock, at cost	(904)	(902)	(11,377)
Total shareholders' equity	326,870	326,195	4,112,918
Accumulated other comprehensive income (loss) :			
Net unrealized holding gain (loss) on investments in securities	(6,036)	1,267	15,976
Deferred loss on hedges	(41,596)	(45,136)	(569,109)
Revaluation reserve for land	2,297	2,349	29,620
Translation adjustments	(38,962)	(33,296)	(419,827)
Total accumulated other comprehensive loss, net	(84,297)	(74,816)	(943,340)
Minority interests in consolidated subsidiaries	17,361	18,566	234,102
Total net assets	259,934	269,945	3,403,680
Total liabilities and net assets	¥ 1,066,648	¥ 1,090,164	\$ 13,745,618

Consolidated Statements of Income

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for three months ended June 30, 2012 and 2011

	(Millions of Yen/Thousands of U.S.Dollars)		
	Three months ended June 30, 2011	Three months ended June 30, 2012	Three months ended June 30, 2012
Marine transportation and other operating revenues	¥ 244,210	¥ 273,598	\$ 3,449,738
Marine transportation and other operating expenses	236,932	253,001	3,190,034
Gross income	7,277	20,597	259,704
Selling, general and administrative expenses	17,171	16,525	208,365
Operating income (loss)	(9,893)	4,071	51,339
Non-operating income :			
Interest income	232	269	3,402
Dividend income	659	1,411	17,802
Equity in earnings of affiliated companies	125	363	4,579
Exchange gain	1,408	3,331	42,008
Other non-operating income	773	408	5,156
Total non-operating income	3,198	5,785	72,947
Non-operating expenses :			
Interest expenses	2,067	2,284	28,807
Other non-operating expenses	43	389	4,915
Total non-operating expenses	2,111	2,674	33,721
Ordinary income (loss)	(8,806)	7,182	90,565
Extraordinary profits :			
Gain on sales of fixed assets	2,364	3,739	47,151
Other extraordinary profits	1	524	6,609
Total extraordinary profits	2,365	4,263	53,760
Extraordinary losses :			
Loss from revaluation of investment securities	904	15,885	200,294
Other extraordinary losses	69	311	3,926
Total extraordinary losses	973	16,196	204,220
Loss before income taxes	(7,413)	(4,750)	(59,895)
Income taxes : current	1,289	1,896	23,907
Income taxes : deferred	(5,359)	(6,613)	(83,386)
Total income taxes	(4,070)	(4,717)	(59,478)
Net loss before minority interests	(3,343)	(33)	(417)
Minority interests	383	641	8,088
Net loss	¥ (3,727)	¥ (674)	\$ (8,505)

Consolidated Statements of Comprehensive Income

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for three months ended June 30, 2012 and 2011

	(Millions of Yen/Thousands of U.S.Dollars)		
	Three months ended June 30, 2011	Three months ended June 30, 2012	Three months ended June 30, 2012
Loss before minority interests	¥ (3,343)	¥ (33)	\$ (417)
Other comprehensive income (loss):			
Net unrealized holding gain (loss) on investments in securities	(1,748)	7,320	92,302
Deferred (loss) income on hedges	499	(3,672)	(46,305)
Translation adjustments	774	6,081	76,684
Share of other comprehensive income (loss) of subsidiaries and affiliates accounted for by the equity method	(1,367)	321	4,055
Total other comprehensive income (loss)	(1,841)	10,051	126,736
Comprehensive income (loss)	¥ (5,185)	¥ 10,018	\$ 126,319
(Breakdown)			
Comprehensive income (loss) attributable to :			
Shareholders of Kawasaki Kisen Kaisha, Ltd.	¥ (6,293)	¥ 8,755	\$ 110,393
Minority interests	1,107	1,263	15,926

Consolidated Statements of Cash Flows

Kawasaki Kisen Kaisha, Ltd. and Consolidated Subsidiaries for three months ended June 30, 2012 and 2011

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

	Three months ended June 30, 2011	Three months ended June 30, 2012	Three months ended June 30, 2012
Cash flows from operating activities :			
Loss before income taxes and minority interests	¥ (7,413)	¥ (4,750)	\$ (59,895)
Depreciation and amortization	11,864	12,112	152,723
Reversal of employees' retirement benefits	(164)	(76)	(967)
Reversal of directors' and corporate auditors' retirement benefits	(378)	(390)	(4,926)
(Decrease) increase in accrued expenses for overhaul of vessels	273	(131)	(1,659)
Interest and dividend income	(891)	(1,681)	(21,204)
Interest expense	2,067	2,284	28,807
Exchange (gain) loss	25	(4,928)	(62,140)
Loss on revaluation of marketable securities and investments in securities	904	15,885	200,294
Gain on sales of vessels, property and equipment	(2,352)	(3,738)	(47,137)
(Increase) decrease in accounts and notes receivable – trade	2,348	(9,891)	(124,717)
Increase (decrease) in accounts and notes payable – trade	(4,497)	2,154	27,169
Increase in inventories	(1,056)	(3,503)	(44,174)
Decrease in other current assets	3,297	47	593
Increase in other current liabilities	885	182	2,306
Other, net	(1,331)	569	7,183
Subtotal	3,580	4,144	52,256
Interest and dividends received	856	1,675	21,130
Interest paid	(1,852)	(2,429)	(30,637)
Income taxes paid	(2,681)	(2,660)	(33,546)
Net cash provided by (used in) operating activities	(96)	729	9,203
Cash flows from investing activities :			
Purchases of marketable securities and investments in securities	(389)	(1,144)	(14,437)
Proceeds from sale of marketable securities and investments in securities	161	4,347	54,817
Purchases of vessels, property and equipment	(84,851)	(38,467)	(485,032)
Proceeds from sale of vessels, property and equipment	64,891	24,982	314,998
Purchases of intangible fixed assets	(178)	(163)	(2,060)
Increase in long-term loans receivable	(1,105)	(47)	(599)
Collection of long-term loans receivable	159	5,374	67,762
Payment for acquisition of shares in consolidated subsidiaries	(12,414)	-	-
Other, net	178	2,379	30,001
Net cash used in investing activities	(33,547)	(2,740)	(34,550)
Cash flows from financing activities :			
Increase (decrease) in short-term loans, net	(738)	125	1,589
Decrease in commercial paper	-	(15,000)	(189,131)
Proceeds from long-term debt	46,728	31,863	401,760
Repayment of long-term debt and obligations under finance leases	(18,663)	(18,519)	(233,511)
Cash dividends paid	(4,204)	(1)	(14)
Cash dividends paid to minority shareholders	(120)	(90)	(1,145)
Proceeds from stock issuance to minority shareholders	268	-	-
Other, net	(1)	0	4
Net cash (used in) provided by financing activities	23,266	(1,621)	(20,449)
Effect of exchange rate changes on cash and cash equivalents	(1,722)	4,167	52,546
Net increase (decrease) in cash and cash equivalents	(12,099)	535	6,750
Cash and cash equivalents at beginning of the period	94,429	92,756	1,169,542
Increase in cash and cash equivalents arising from inclusion of subsidiaries in consolidation	695	0	3
Cash and cash equivalents at end of the period	¥ 83,026	¥ 93,291	\$ 1,176,295

Segment Information

Following the adoption of the Medium-Term Management Plan of which fiscal 2012 is the first year, the logistics business included in the “Other” segment until last fiscal year was consolidated with the containership business as of the 1st Quarter of this fiscal year. In addition, the energy transportation business, offshore support vessel business, and heavy lifter business which were included in bulk shipping business formed an independent reporting segment, Offshore E&P Support and Heavy Lifter business. As a result, the previous two segments - the containership business and bulk shipping business - were divided into three separate segments: containership business, bulk shipping business, and offshore energy E&P Support and Heavy Lifter business.

Information concerning operating revenues and profits or losses for the 1st Quarter of fiscal year 2012 and 2011 in each of these reporting segments reflecting these changes are as follows.

Three months ended June 30, 2011

(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	¥ 122,576	¥ 105,344	¥ 4,779	¥ 11,509	¥ 244,210	¥ -	¥ 244,210
Inter-group revenues and transfers	2,284	499	-	7,387	10,171	(10,171)	-
Total revenues	124,860	105,843	4,779	18,897	254,381	(10,171)	244,210
Segment (loss) income	(7,183)	(1,005)	(979)	1,280	(7,887)	(918)	(8,806)

Three months ended June 30, 2012

(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	¥ 133,255	¥ 124,990	¥ 5,188	¥ 10,164	¥ 273,598	¥ -	¥ 273,598
Inter-group revenues and transfers	1,374	633	-	9,333	11,341	(11,341)	-
Total revenues	134,629	125,623	5,188	19,498	284,940	(11,341)	273,598
Segment income (loss)	590	6,025	474	1,196	8,287	(1,104)	7,182

Three months ended June 30, 2012

(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	\$ 1,680,186	\$ 1,575,971	\$ 65,416	\$ 128,164	\$ 3,449,738	\$ -	\$ 3,449,738
Inter-group revenues and transfers	17,325	7,988	-	117,687	143,000	(143,000)	-
Total revenues	1,697,511	1,583,959	65,416	245,851	3,592,738	(143,000)	3,449,738
Segment income (loss)	7,450	75,977	5,987	15,083	104,497	(13,931)	90,566