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July 31, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: IINO Kaiun Kaisha, Ltd. (IINO LINES)
Listing: Prime Market of Tokyo Stock Exchanges
Securities code: 9119
URL: https://www.iino.co.jp/kaiun/english/
Representative: Yusuke Otani, President and Representative Director
Inquiries: Koichiro Chiba, Executive Officer, General Manager of Finance & Accounting Department
Phone: +81-3-6273-3208
Scheduled date to commence dividend payments: N/A
Preparation of supplementary material on annual financial results: Yes
Holding of annual financial results briefing (Only in Japanese): None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent company	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Jun. 30, 2025	29,792	(21.9)	2,254	(57.7)	2,192	(65.8)	3,267	(51.6)
Jun. 30, 2024	38,167	16.4	5,329	41.1	6,414	27.2	6,744	42.1

Note: Comprehensive income
As of June 30, 2025: ¥1,287 million (86.8%)
As of June 30, 2024: ¥9,777 million 27.9%

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
Jun. 30, 2025	30.88	—
Jun. 30, 2024	63.74	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
Jun. 30, 2025	300,795	143,412	47.6	1,354.51
Mar. 31, 2025	306,431	145,645	47.5	1,375.24

Reference: Equity
As of June 30, 2025: ¥143,311 million
As of March 31, 2025: ¥145,504 million

2. Cash Dividends

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	–	25.00	–	33.00	58.00
Fiscal year ending March 31, 2026	–				
Fiscal year ending March 31, 2026 (Forecast)		22.00	–	22.00	44.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of Consolidated Earnings for the Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(The percentage figures represent changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1H (Apr-Sep)	62,000	(16.2)	4,400	(55.5)	3,700	(58.7)	4,700	(51.2)
FY (Apr-Mar)	130,000	(8.4)	10,200	(40.4)	10,500	(39.5)	11,500	(37.4)

	Net income per share
	yen
1H (Apr-Sep)	44.42
FY (Apr-Mar)	108.69

Note: Revision to financial forecasts most recently announced: Yes

***Note**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries involving change in consolidation scope: None

Newly included: - companies (Company name) / Excluded:- companies (Company name)

(2) Application of accounting methods specific to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

The three months ended June 30, 2025	108,900,000 shares
The fiscal year ended March 31, 2025	108,900,000 shares

(ii) Number of treasury shares at the end of the period

The three months ended June 30, 2025	3,096,983 shares
The fiscal year ended March 31, 2025	3,096,941 shares

(iii) Average number of shares outstanding during the period

The three months ended June 30, 2025	105,803,046 shares
The three months ended June 30, 2024	105,803,584 shares

* Review of the accompanying quarterly consolidated financial statements by a certified public accountant or an auditing firm: None

* Proper use of earnings forecasts, and other special matters

This report contains various forward-looking statements and other forecasts regarding performance and other matters. Such statements are based on information available at the time of preparation as well as certain reasonable assumptions. Actual results may differ materially from those expressed or implied by forward-looking statements due to a range of factors.

Operating Results and Financial Position
1. Results for the Three Months Ended June 30, 2025

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Amount Change/ Percent Change
Net sales	38,167	29,792	(8,375) / (21.9%)
Operating profit	5,329	2,254	(3,075) / (57.7%)
Ordinary profit	6,414	2,192	(4,222) / (65.8%)
Profit attributable to owners of the parent company	6,744	3,267	(3,477) / (51.6%)
Exchange rate (/US$)	¥155.02	¥145.32	¥(9.70)
Bunker price (/MT)*	US$649	US$535	US$(114)

*Compliant fuel oil (Very Low Sulfur Fuel Oil)

As a result of the above, the consolidated net sales for the three months ended June 30, 2025 totaled ¥29,792 million (down 21.9% year on year) and consolidated operating profit was ¥2,254 million (down 57.7% year on year) and consolidated ordinary profit was ¥2,192 million (down 65.8% year on year), profit attributable to owners of the parent company was ¥3,267 million (down 51.6% year on year).

Upper row: Net sales, lower row: Operating profit and operating loss

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Amount Change/ Percent Change
Oceangoing shipping	32,059	23,736	(8,323) / (26.0%)
	4,731	1,282	(3,450) / (72.9%)
Short-sea / Domestic shipping	2,886	2,632	(254) / (8.8%)
	62	(61)	(122) / -
Real estate	3,243	3,450	+206 / +6.4%
	535	1,033	+497 / +92.9%

The following is an overview of conditions by segment.

1) Oceangoing Shipping
In oil tankers, market conditions saw a temporary surge in freight rates with concerns over a blockade of the Strait of Hormuz stemming from the increased tensions in the Middle East, but they generally softened as the OPEC+ decision to increase production did not translate into transport demand due to factors such as the start of the off-demand season in China and other countries, and periodic repairs of refineries. IINO Kaiun Kaisha, Ltd. (“the Company”) secured stable earnings by keeping its fleets to long-term contracts.
In chemical tankers, market conditions softened compared to the same period of the previous fiscal year, as demand for finished goods declined due to the slowdown of the Chinese economy and growing uncertainty due to the U.S. tariff policy. In addition to Contract of Affreightment including from the Middle East, a key route, to Europe and Asia, the Company worked to secure profitability by means such as taking in spot cargoes. However, some renewals of Contract of Affreightment were affected by softening market conditions. In addition, one chemical tanker was sold to effectively utilize management resources and improve asset efficiency.
In large gas carriers, the LPG carrier market underwent a sudden temporary drop due to increased uncertainty over cargo movements from the U.S. to China in response to the U.S. tariff policy, but it subsequently showed signs of recovery due to easing tensions and firmed compared to the same period of the previous fiscal year. The Company secured stable revenues, mainly from existing medium- to long-term contracts.
In dry bulk carriers, market conditions were sluggish due to factors such as slowdown of the Chinese Economy. For the Company, dedicated vessels operated smoothly and contributed to earnings. In tramper business, mainly in the Post-Panamax and Handy sectors, was affected by softening market conditions.

As a result, Oceangoing Shipping segment posted net sales of ¥23,736 million (down 26.0% year on year) and operating profit of ¥1,282 million (down 72.9% year on year).

2) Short-sea / Domestic Shipping
In the domestic gas transport market, cargo movements were sluggish due to the implementation of regular repairs at plants and a chronic slowdown in domestic demand. However, the market remained

at the same level as the same period of the previous year due to tight supply and demand for vessels. Although the Company worked on efficient vessel allocation centered on existing medium- to long-term contracts, our business was impacted by the overlap of repair work due to the drydocking of vessels in operation.
The Short-sea gas shipping market remained strong in the Asian region, our main market, against a backdrop of limited newbuilding deliveries, despite the impact of weakness in transportation demand for propylene and vinyl chloride monomer due to the slowdown of the Chinese economic recovery. The Company secured stable revenues, mainly from existing medium- to long-term contracts.

As a result, Short-sea / Domestic Shipping segment posted net sales of ¥2,632 million (down 8.8% year on year) and operating loss of ¥61 million (operating profit was ¥62 million in the same period of the previous year).

3) Real Estate

The central Tokyo office building leasing market rose due to a decrease in vacancy rates compared to the same period of the previous fiscal year, as well as relocations for consolidation to new large buildings and expansion of total floor area. In operations of owned buildings, the Company secured stable earnings supported by generally steady operation of office floors. Although some commercial floor space remains vacant, sales have recovered, mainly among restaurant tenants.
In the office building leasing market in London, demand for high-grade properties that offer good locations remained steady, and rent levels remained stable. Also, in the market overall, the supply-demand environment improved compared to the same period of the previous fiscal year, as seen by factors such as the decline in vacancy rates. In our office leasing operations as well, stable earnings were secured by the maintenance of stable occupancy and the absence of the initial costs for acquiring a second office building recorded in the same period of the previous fiscal year.
In the hall and conference room business, IINO Hall & Conference Center maintained steady performance in terms of cultural events and the recovery in business events also continued, resulting in an improvement in operations.
At IINO Mediapro Co., Ltd., a real estate-related business focused on studios, operations remained strong as the decline in sales during the string of holidays in May, usually seen every year, was limited.

As a result, Real Estate segment posted net sales of ¥3,450 million (up 6.4% year on year) and operating profit of ¥1,033 million (up 92.9% year on year).

2. Assets, Liabilities, and Net Assets

Total assets as of the end of the first quarter (June 30, 2025) were ¥300,795 million, a decrease of ¥5,636 million from the end of the previous fiscal year (March 31, 2025). This was mainly due to the recording of depreciation and amortization, and a decrease in accounts receivable. Total liabilities were ¥157,384 million as of June 30, 2025, a decrease of ¥3,403 million from March 31, 2025. This was mainly due to repayment of short-term borrowings and a decrease in accounts payable, despite an increase in long-term borrowings. Net assets were ¥143,412 million as of June 30, 2025, a decrease of ¥2,233 million from the end of the previous fiscal year (March 31, 2025). This was mainly due to decreases in retained earnings due to dividend payment and in deferred gains on hedges.

3. Outlook for the Full Year Ending March 31, 2026

Compared to the assumptions made at the time of our most recent earnings forecast announcement on May 8, 2025, the Company recorded extraordinary income from the sale of a vessel, despite market conditions for chemical tankers and dry bulk carriers having been soft in the three months ended June 30, 2025. From the second quarter onward, although it is difficult to calculate the amount of direct impact of the U.S. tariff policy on us, we have incorporated into the forecast the fluctuation of market conditions for some types of vessels. Specifically, while large LPG carrier market conditions are expected to remain firm, we anticipate an impact of softening market conditions on Contract of Affreightment that have entered the renewal period for chemical tankers and a delay in the recovery of market conditions for dry bulk carriers.

Forecast of Consolidated Earnings for the Six Months Ending September 30, 2025

(Millions of yen)

	Previous Forecast (as of May 8, 2025)	Revised Forecast (as of July 31, 2025)	Percent Change
Net sales	65,000	62,000	(3,000) / (4.6%)
Operating profit	4,800	4,400	(400) / (8.3%)
Ordinary profit	3,700	3,700	±0 / ±0%
Profit attributable to owners of the parent company	3,900	4,700	+800/ +20.5%

Forecast of Consolidated Earnings for the Year Ending March 31, 2026

(Millions of yen)

	Previous Forecast (as of May 8, 2025)	Revised Forecast (as of July 31, 2025)	Percent Change
Net sales	134,000	130,000	(4,000) / (3.0%)
Operating profit	11,400	10,200	(1,200) / (10.5%)
Ordinary profit	11,500	10,500	(1,000) / (8.7%)
Profit attributable to owners of the parent company	11,500	11,500	±0 / ±0%

* The following shows the exchange rates and bunker oil prices assumptions used in the previous and revised forecasts.

<Previous Forecast (as of May 8, 2025)>

Foreign exchange rate	Full Year: ¥140.0 / US$
Bunker oil price	Full Year: US$590 / MT (Oil Type: Very Low Sulfur Fuel Oil in Singapore)

<Revised Forecast (as of July 31, 2025)>

Foreign exchange rate	From 2Q onward: ¥140.0 / US$
Bunker oil price	From 2Q onward: US$520 / MT (Oil Type: Very Low Sulfur Fuel Oil in Singapore)

As previously announced in the most recent dividend forecast on May 8, 2025, in order to further enhance the return of profits to the shareholders and to realize management that is conscious of cost of capital and stock prices, we have decided on a dividend policy based on a payout ratio of 40% for the full-year business performance for the fiscal year ending March 2026, which is the final year of the current mid-term management plan.
For the fiscal year ending March 31, 2026, the Company expects to pay an interim dividend of 22.00 yen per share and a year-end dividend of 22.00 yen per share, for a total annual dividend of 44.00 yen per share as previously announced in the most recent dividend forecast.
We make continuous efforts to improve the business performance and plan to decide comprehensively on the year-end dividend per share, taking into account our future profit level and financial position as well as the shareholder return policy.

Consolidated Financial Statements
(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	11,627	13,449
Notes and accounts receivable - trade, and contract assets	12,356	9,329
Supplies	4,372	4,101
Merchandise	117	232
Real estate for sale	3	3
Deferred and prepaid expenses	2,632	2,341
Other	10,032	11,044
Allowance for doubtful accounts	(0)	(0)
Total current assets	41,139	40,499
Non-current assets		
Property, plant and equipment		
Vessels, net	94,075	91,631
Buildings and structures, net	48,546	48,104
Land	49,569	49,550
Leased assets, net	1,871	1,616
Construction in progress	30,297	32,242
Other, net	698	763
Total property, plant and equipment	225,055	223,906
Intangible assets		
Telephone subscription right	9	9
Other	3,654	3,586
Total intangible assets	3,663	3,595
Investments and other assets		
Investment securities	25,660	26,450
Long-term loans receivable	964	767
Retirement benefit asset	451	306
Deferred tax assets	0	—
Other	9,500	5,272
Total investments and other assets	36,575	32,795
Total non-current assets	265,292	260,296
Total assets	306,431	300,795

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	8,936	7,842
Short-term borrowings	48,578	45,285
Accrued expenses	529	424
Income taxes payable	1,222	101
Advanced received and contract debt	3,237	3,226
Provision for bonuses	571	178
Provision for shareholder benefit program	54	54
Provision for environmental regulatory compliance	—	101
Lease liabilities	1,184	1,092
Other	3,031	2,840
Total current liabilities	67,341	61,143
Non-current liabilities		
Long-term borrowings	72,076	75,057
Provision for retirement benefits for directors (and other officers)	56	54
Retirement benefit liability	835	850
Provision for special repairs	5,632	6,068
Provision for environmental regulatory compliance	54	—
Leasehold and guarantee deposits received	8,771	8,768
Lease liabilities	814	636
Deferred tax liabilities	4,694	4,223
Other	513	583
Total non-current liabilities	93,446	96,240
Total liabilities	160,787	157,384
Net assets		
Shareholders' equity		
Share capital	13,092	13,092
Capital surplus	6,275	6,275
Retained earnings	110,975	110,751
Treasury shares	(1,910)	(1,910)
Total shareholders' equity	128,432	128,207
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,903	8,464
Deferred gains or losses on hedges	5,413	3,937
Foreign currency translation adjustment	3,757	2,703
Total accumulated other comprehensive income	17,072	15,104
Non-controlling interests	140	101
Total net assets	145,645	143,412
Total liabilities and net assets	306,431	300,795

(2) Consolidated Statement of Operations and Consolidated Statements of Comprehensive Income

(Consolidated Statement of Operations)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	38,167	29,792
Cost of sales	29,675	24,810
Gross profit	8,492	4,982
Selling, general and administrative expenses	3,163	2,728
Operating profit	5,329	2,254
Non-operating income		
Interest income	30	51
Dividend income	334	351
Share of profit of entities accounted for using equity method	－	216
Foreign exchange gains	1,065	－
Other	23	38
Total non-operating income	1,453	656
Non-operating expenses		
Interest expenses	270	333
Share of loss of entities accounted for using equity method	52	－
Foreign exchange losses	－	322
Other	46	62
Total non-operating expenses	368	718
Ordinary profit	6,414	2,192
Extraordinary income		
Gain on sale of non-current assets	－	1,236
Gain on sale of investment securities	1,592	－
Total extraordinary income	1,592	1,236
Extraordinary losses		
Loss on retirement of non-current assets	1	20
Provision for loss on removal of fixed assets	22	－
Loss on Cancellation of Chartered Vessels	－	138
Total extraordinary losses	23	158
Profit before income taxes	7,984	3,270
Income taxes	1,244	8
Profit	6,740	3,262
Loss attributable to non-controlling interests	(4)	(5)
Profit attributable to owners of parent	6,744	3,267

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	6,740	3,262
Other comprehensive income		
Valuation difference on available-for-sale securities	(489)	561
Deferred gains or losses on hedges	3,219	(1,537)
Foreign currency translation adjustment	27	(784)
Share of other comprehensive income of entities accounted for using equity method	279	(215)
Total other comprehensive income	3,037	(1,975)
Comprehensive income	9,777	1,287
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,789	1,298
Comprehensive income attributable to non-controlling interests	(13)	(11)

(3) Notes to the quarterly consolidated financial statements

(Notes concerning a special accounting treatments in the preparation of quarterly consolidated financial statements)
(Calculation of tax expenses)
Tax expenses were calculated by multiplying profit before income taxes by an estimated effective tax rate. This tax rate is a reasonable estimate arrived at by applying tax effect accounting to the profit before income taxes for the fiscal year including the three months ended June 30, 2025.
However, in cases where calculating tax expenses using this estimated effective tax rate produced results that are noticeably irrational, calculations were carried out using the statutory effective tax rate, after adjusting for important differences in profit before income taxes for the quarter that are not categorized as temporary differences.

(Notes concerning the Consolidated Statement of Cash Flows)
We have not prepared a Consolidated Statement of Cash Flows for the three months ended June 30, 2025. Depreciation expenses (including amortization expenses associated with intangible assets) for the three months ended June 30, 2025, are as follows.

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation expense	3,496	3,220

(4) Business Segment Information

I. Three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

1. Revenues and profit or loss by reportable segment

(Millions of yen)

	Oceangoing Shipping	Short-sea/ Domestic Shipping	Real Estate	Total	Adjustment	Consolidated(*)
I. Revenues						
External sales	32,057	2,886	3,223	38,167	-	38,167
Inter-segment sales	1	-	20	21	(21)	-
Total	32,059	2,886	3,243	38,188	(21)	38,167
Segment profit (loss)	4,731	62	535	5,329	-	5,329

Note: Segment profit is adjusted on operating profit on the quarterly consolidated statement of income.

2. Information related to impairment losses on non-current assets or goodwill, etc. by the reportable segments: Not applicable.

II. Three months ended June 30, 2025 (April 1, 2025 to June 30, 2025)

1. Revenues and income or loss by reportable segment

(Millions of yen)

	Oceangoing Shipping	Short-sea/ Domestic Shipping	Real Estate	Total	Adjustment	Consolidated(*)
I. Revenues						
External sales	23,735	2,632	3,425	29,792	-	29,792
Inter-segment sales	1	-	25	26	(26)	-
Total	23,736	2,632	3,450	29,818	(26)	29,792
Segment profit (loss)	1,282	(61)	1,033	2,254	-	2,254

Note: Segment profit is adjusted on operating profit on the quarterly consolidated statement of income.

2. Information related to impairment losses on non-current assets or goodwill, etc. by the reportable segments: Not applicable.