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October 31, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: IINO Kaiun Kaisha, Ltd. (IINO LINES)
 Listing: Prime Market of Tokyo Stock Exchange
 Securities code: 9119
 URL: <https://www.iino.co.jp/kaiun/english/>
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 Scheduled date to file semi-annual securities report (Only in Japanese): November 14, 2025
 Scheduled date to commence dividend payments: December 1, 2025
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes

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

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Sep. 30, 2025	61,117	(17.4)	5,770	(41.7)	6,584	(26.4)	7,475	(22.4)
Sep. 30, 2024	73,998	9.5	9,892	12.2	8,950	(13.6)	9,629	(0.4)

Note: Comprehensive income

For the six months ended September 30, 2025:	¥ 7,633 million	(9.5%)
For the six months ended September 30, 2024:	¥ 8,437 million	(48.7%)

	Net income per share	Diluted net income per share
Six months ended	Yen	Yen
Sep. 30, 2025	70.65	—
Sep. 30, 2024	91.01	—

(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
Sep. 30, 2025	306,915	149,757	48.8	1,414.52
Mar. 31, 2025	306,431	145,645	47.5	1,375.24

Reference: Equity

As of September 30, 2025:	¥149,660 million
As of March 31, 2025:	¥145,504 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-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	—	24.00			
Fiscal year ending March 31, 2026 (Forecast)			—	24.00	48.00

Note(1): Revisions to the forecast of cash dividends most recently announced: Yes

Note(2): Breakdown of year-end dividend for the fiscal year ended March 31, 2025.

Ordinary Dividend: ¥28.00 Special Dividend: ¥5.00

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		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Fiscal Year ending March 31, 2026	126,000	(11.2)	11,800	(31.0)	12,500	(28.0)	12,600	(31.4)	119.09

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 particular accounting procedures in preparing consolidated interim financial statements: Yes (information is available only in Japanese)

- (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)

Interim fiscal year ending March 2026	108,900,000 shares
The fiscal year ended March 2025	108,900,000 shares

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

Interim fiscal year ending March 2026	3,097,051 shares
The fiscal year ended March 2025	3,096,941 shares

- (iii) Average number of shares outstanding during the period

Interim fiscal year ending March 2026	105,803,011 shares
Interim fiscal year ended March 2025	105,803,518 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* 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 Six Months ended September 30, 2025**

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025	Amount Change/ Percent Change
Net sales	73,998	61,117	(12,880) / (17.4%)
Operating profit	9,892	5,770	(4,122) / (41.7%)
Ordinary profit	8,950	6,584	(2,366) / (26.4%)
Profit attributable to owners of parent	9,629	7,475	(2,153) / (22.4%)
Exchange rate (US\$)	¥153.89	¥146.18	(¥7.71)
Bunker price (MT)*	US\$637	US\$530	(US\$107)

*Compliant fuel oil (Very Low Sulfur Fuel Oil)

The consolidated interim net sales for the six months ended September 30, 2025, totaled ¥61,117 million (down 17.4% year on year), operating profit was ¥ 5,770million (down 41.7% year on year) and ordinary profit was ¥6,584 million (down 26.4% year on year), profit attributable to owners of parent was ¥7,475 million (down 22.4% year on year).

Upper row: Net sales, lower row: Operating profit or loss

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025	Amount Change/ Percent Change
Oceangoing Shipping	61,673	48,916	(12,756) / (20.7%)
	8,106	3,864	(4,242) / (52.3%)
Domestic and Short-sea Shipping	5,710	5,281	(429) / (7.5%)
	225	(209)	(435) / -
Real Estate	6,657	6,971	313 / 4.7%
	1,561	2,116	555 / 35.5%

The following is an overview of conditions by segment.

1) Oceangoing Shipping

In oil tankers, market conditions softened compared to the same period of the previous fiscal year due to the start of the off-demand summer season. However, the market had been steady since then because the supply and demand tightened as India increased its crude oil import from the Middle East against the backdrop of strengthened Western sanctions on Russian crude oil, in addition to the factors such as active cargo movements in the Atlantic region and the continued production increase by the OPEC+. Although IINO Kaiun Kaisha, Ltd. (“the Company”) worked to secure stable earnings by keeping its fleets to long-term contracts, operations decreased due to the scheduled drydocking of a vessel.

In chemical tankers, market conditions softened compared to the same period of the previous fiscal year, as demand for finished goods continued to decline due to the slowdown of the Chinese economy and growing uncertainty due to the U.S. tariff policy. Although the Company worked to secure profitability by means such as taking in spot cargos in addition to Contract of Affreightment including from the Middle East, a key route, to Europe and Asia, the business was affected by the softening market conditions.

The large LPG carrier market conditions increased compared to the same period of the previous fiscal year with ton-miles increasing as a result of fluctuating cargo movement in response to the U.S. tariff policy. The Company secured stable revenues mainly through existing medium- to long-term contracts, while one of the vessels benefited from the favorable market conditions. Furthermore, while operations decreased due to the sale of one LNG carrier in the previous fiscal year, one very large ethane carrier, the first of this type for the Company, has now been delivered.

In dry bulk carriers, market levels softened due to sluggishness in the Chinese economy and a decrease in cargo flow on U.S.-China trade lanes in early spring. However, grain exports from South America increased following a boost in production, spurring a market recovery from the summer onward. Dedicated vessels continued to operate smoothly and contributed to the Company’s earnings. The tramp fleet, mainly consisting of Post-Panamax and Handy-size vessels, benefited from the market recovery.

As a result, Oceangoing Shipping segment posted net sales of ¥48,916 million (down 20.7% year on year) and operating profit of ¥3,864 million (down 52.3% year on year).

2) Domestic and Short-sea 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 affected by overlapping maintenance schedule, as multiple vessels underwent dry-docking.

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 economy. The Company secured stable revenues, mainly from existing medium- to long-term contracts.

As a result, Domestic and Short-sea Shipping segment posted net sales of ¥5,281 million (down 7.5% year on year) and operating loss of ¥209 million (operating profit of ¥225 million in the same period of the previous year).

3) Real Estate

The central Tokyo office building leasing market was firm due to a continued 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. The Company secured stable earnings from its owned buildings, supported by the steady operation of office floors. Occupancy rates on commercial floors increased, with sales showing signs of recovery, particularly 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 operations of owned buildings, the Company is conducting renovations from a long-term perspective, with a focus on premium upgrades of offices in conjunction with some tenants moving out. In other business sectors, the Company is generally seeing stable operations.

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 in both IINO Hiroo Studio and IINO Minami Aoyama Studio.

As a result, Real Estate segment posted net sales of ¥6,971 million (up 4.7% year on year) and operating profit of ¥2,116 million (up 35.5% year on year).

2. Consolidated Financial Condition

Total assets at the end of the current interim consolidated accounting period were ¥306,915 million, an increase of ¥483 million from the end of the previous fiscal year. This was mainly due to an increase in construction in progress and in the number of vessels following the completion of newly built vessels, despite a decrease in cash and deposit. Total liabilities were ¥157,158 million as of September 30, 2025, a decrease of ¥3,629 million from the end of the previous fiscal year. This was mainly due to the repayment of short-term loans payable exceeding proceeds from borrowing of equipment funds in relation to deliveries of newly built vessels. Net assets were ¥149,757 million, an increase of ¥4,112 million from the end of the previous fiscal year. This was mainly due to an increase in retained earnings.

3. Cash Flows

Cash flows from operating activities were ¥14,377 million for the current interim consolidated accounting period (¥17,099 million for the same period of the previous year). This was mainly attributable to profit before income taxes of ¥7,660 million and depreciation and amortization expenses of ¥6,482 million.

Cash flows from investing activities were an outflow of ¥10,353 million (an outflow of ¥5,089 million for the same period of the previous year). This was mainly due to capital expenditures of ¥12,733 million for the acquisition of fixed assets, primarily investments in vessels.

Cash flows from financing activities were an outflow of ¥6,164 million (an outflow of ¥13,759 million for the same period of the previous year). This was mainly due to expenditures resulting from the repayment of short-term borrowings exceeding income from long-term borrowings for capital investments, primarily related to the completion of newly built vessels, as well as cash dividends paid.

As a result, the balance of cash and cash equivalents on September 30, 2025, were ¥9,236 million (¥18,210 million for the same period of the previous year).

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

Compared to the previous forecast (as of July 31, 2025), for the six months ended September 30, 2025, operating profit increased due to the large LPG carrier market remained strong and the dry bulk carrier market also improved. Moreover, with the yen depreciating (against the USD), ordinary profit also increased. Given the continued trend of yen depreciation and the expected profit improvement in both the large LPG carrier and dry bulk segments from the third quarter onward, we have revised our full-year consolidated earnings forecast as outlined below.

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

(April 1, 2025 to March 31, 2026)

	(Millions of yen)		
	Previous Forecast (July 31, 2025)	Revised Forecast (October 31, 2025)	Amount Change/ Percent Change
Net sales	130,000	126,000	(4,000) / (3.1%)
Operating profit	10,200	11,800	1,600 / 15.7%
Ordinary profit	10,500	12,500	2,000 / 19.0%
Profit attributable to owners of parent	11,500	12,600	1,100 / 9.6%

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

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

Foreign exchange rate From 3Q onwards: ¥140.0 / US\$

Bunker oil price From 3Q onwards: US\$520 / MT
(Oil Type: Very Low Sulfur Fuel Oil in Singapore)

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

Foreign exchange rate From 3Q onwards: ¥145.0 / US\$

Bunker oil price From 3Q onwards: US\$520 / MT
(Oil Type: Very Low Sulfur Fuel Oil in Singapore)

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, the Company has 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.

At the Board of Directors meeting held on October 31, 2025, it was resolved to increase the dividend per share for the end of the second quarter to ¥24.00, which is an increase of ¥2.00 from the most recent dividend forecast announced on May 8, 2025. Regarding the year-end dividend, the Company has revised its forecast upward by ¥2.00 per share from the previous estimate, resulting in a planned dividend of ¥24.00 per share. Consequently, the total annual dividend is expected to amount to ¥48.00 per share.

The Company makes 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 September 30, 2025
Assets		
Current assets		
Cash and deposits	11,627	9,267
Notes and accounts receivable - trade, and contract assets	12,356	10,739
Supplies	4,372	4,075
Merchandise	117	130
Real estate for sale	3	3
Deferred and prepaid expenses	2,632	2,675
Other	10,032	10,514
Allowance for doubtful accounts	△0	△0
Total current assets	41,139	37,402
Non-current assets		
Property, plant and equipment		
Vessels, net	94,075	96,337
Buildings and structures, net	48,546	47,690
Land	49,569	50,319
Leased assets, net	1,871	1,435
Construction in progress	30,297	32,677
Other, net	698	760
Total property, plant and equipment	225,055	229,219
Intangible assets		
Telephone subscription right	9	9
Other	3,654	3,541
Total intangible assets	3,663	3,549
Investments and other assets		
Investment securities	25,660	29,118
Long-term loans receivable	964	739
Retirement benefit asset	451	405
Deferred tax assets	0	0
Other	9,500	6,482
Total investments and other assets	36,575	36,745
Total non-current assets	265,292	269,513
Total assets	306,431	306,915

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	8,936	8,949
Short-term borrowings	48,578	39,220
Accrued expenses	529	411
Income taxes payable	1,222	212
Advanced received and contract debt	3,237	3,071
Provision for bonuses	571	516
Provision for shareholder benefit program	54	6
Provision for environmental regulatory compliance	—	156
Lease liabilities	1,184	1,026
Other	3,031	2,758
Total current liabilities	67,341	56,326
Non-current liabilities		
Long-term borrowings	72,076	78,888
Provision for retirement benefits for directors (and other officers)	56	57
Retirement benefit liability	835	859
Provision for special repairs	5,632	5,912
Provision for environmental regulatory compliance	54	—
Leasehold and guarantee deposits received	8,771	8,801
Lease liabilities	814	526
Deferred tax liabilities	4,694	5,291
Other	513	498
Total non-current liabilities	93,446	100,832
Total liabilities	160,787	157,158
Net assets		
Shareholders' equity		
Share capital	13,092	13,092
Capital surplus	6,275	6,275
Retained earnings	110,975	114,959
Treasury shares	△1,910	△1,910
Total shareholders' equity	128,432	132,416
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,903	10,188
Deferred gains or losses on hedges	5,413	4,609
Foreign currency translation adjustment	3,757	2,448
Total accumulated other comprehensive income	17,072	17,244
Non-controlling interests	140	97
Total net assets	145,645	149,757
Total liabilities and net assets	306,431	306,915

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

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	73,998	61,117
Cost of sales	58,164	50,208
Gross profit	15,834	10,909
Selling, general and administrative expenses	5,942	5,139
Operating profit	9,892	5,770
Non-operating income		
Interest income	62	115
Dividend income	481	958
Share of profit of entities accounted for using equity method	—	469
Other	145	57
Total non-operating income	688	1,600
Non-operating expenses		
Interest expenses	584	673
Share of loss of entities accounted for using equity method	6	—
Foreign exchange losses	855	5
Other	185	108
Total non-operating expenses	1,630	786
Ordinary profit	8,950	6,584
Extraordinary income		
Gain on sale of non-current assets	309	1,234
Gain on sale of investment securities	1,592	—
Total extraordinary income	1,901	1,234
Extraordinary losses		
Loss on retirement of non-current assets	6	20
Provision for loss on removal of fixed assets	20	—
Loss on Cancellation of Chartered Vessels	—	138
Total extraordinary losses	27	158
Profit before income taxes	10,825	7,660
Income taxes	1,240	190
Profit	9,585	7,471
Loss attributable to non-controlling interests	△44	△5
Profit attributable to owners of parent	9,629	7,475

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	9,585	7,471
Other comprehensive income		
Valuation difference on available-for-sale securities	△1,689	2,285
Deferred gains or losses on hedges	△2,050	△840
Foreign currency translation adjustment	2,154	△880
Share of other comprehensive income of entities accounted for using equity method	437	△403
Total other comprehensive income	△1,148	162
Comprehensive income	8,437	7,633
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,385	7,647
Comprehensive income attributable to non-controlling interests	52	△15

(3) Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	10,825	7,660
Depreciation	7,036	6,482
Share of loss (profit) of entities accounted for using equity method	6	△469
Decrease (increase) in retirement benefit asset	222	46
Increase (decrease) in retirement benefit liability	165	23
Interest and dividend income	△543	△1,073
Interest expenses	584	673
Loss on Cancellation of Chartered Vessels	—	138
Loss (gain) on sale of property, plant and equipment and intangible assets	△309	△1,234
Decrease (increase) in trade receivables	1,250	1,619
Decrease (increase) in inventories	174	280
Increase (decrease) in trade payables	△572	39
Loss (gain) on sale of investment securities	△1,592	—
Other, net	1,059	1,092
Subtotal	18,304	15,276
Interest and dividends received	631	1,147
Interest paid	△583	△673
Payment of cancellation of chartered vessels	—	△138
Income taxes refund (paid)	△1,252	△1,235
Net cash provided by (used in) operating activities	17,099	14,377
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	△6,964	△12,733
Proceeds from sale of property, plant and equipment and intangible assets	314	2,320
Purchase of investment securities	△130	△61
Proceeds from sale of investment securities	1,843	—
Payments for investments in capital of subsidiaries and associates	△174	△1
Other, net	22	122
Net cash provided by (used in) investing activities	△5,089	△10,353
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	△753	△8,590
Proceeds from long-term borrowings	9,558	11,520
Repayments of long-term borrowings	△15,673	△5,204
Purchase of treasury shares	△0	△0
Dividends paid	△3,280	△3,484
Dividends paid to non-controlling interests	△19	△29
Repayments of lease liabilities	△3,592	△377
Net cash provided by (used in) financing activities	△13,759	△6,164
Effect of exchange rate change on cash and cash equivalents	105	△218
Net increase (decrease) in cash and cash equivalents	△1,644	△2,358
Cash and cash equivalents at beginning of period	19,853	11,593
Cash and cash equivalents at end of period	18,210	9,236

(4) Notes to the Interim Consolidated Financial Statements

(Notes concerning 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 six months ended September 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.

Business Segment Information

I. For the six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)

1. Revenues and income or loss by reportable segment

(Millions of yen)

	Oceangoing Shipping	Domestic and Short-sea Shipping	Real Estate	Total	Adjustment	Consolidate*
I. Revenues						
External sales	61,670	5,710	6,618	73,998	-	73,998
Inter-segment sales	3	-	40	43	(43)	-
Total	61,673	5,710	6,657	74,040	(43)	73,998
Segment profit	8,106	225	1,561	9,892	-	9,892

(*)Remark: Segment income is adjusted on operating profit on the interim consolidated statement of income.

2. Information related to impairment losses on non-current assets or goodwill, etc. by the reportable segments:

Not applicable.

II. For the six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

1. Revenues and income or loss by reportable segment

(Millions of yen)

	Oceangoing Shipping	Domestic and Short-sea Shipping	Real Estate	Total	Adjustment	Consolidate*
I. Revenues						
External sales	48,914	5,281	6,922	61,117	-	61,117
Inter-segment sales	3	-	48	51	(51)	-
Total	48,916	5,281	6,971	61,168	(51)	61,117
Segment profit (loss)	3,864	(209)	2,116	5,770	-	5,770

(*)Remark: Segment income (loss) 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.