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May 8, 2026

Consolidated Financial Results For the Fiscal Year Ended March 31, 2026 (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/>
 Representative: Yusuke Otani, President and Representative Director
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 Telephone: +81-3-6273-3208
 Scheduled date of annual general meeting of shareholders: June 25, 2026
 Scheduled date to commence dividend payments: June 26, 2026
 Scheduled date to file annual securities report (Only in Japanese): June 23, 2026
 Preparation of supplementary material on annual financial results: Yes
 Holding of annual financial results briefing (Only in Japanese): Yes

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Mar. 31, 2026	127,295	(10.3)	13,439	(21.4)	16,885	(2.8)	15,391	(16.2)
Mar. 31, 2025	141,866	2.8	17,100	(10.3)	17,368	(20.3)	18,367	(7.0)

Note: Comprehensive income

For the fiscal year ended March 31, 2026:	¥18,716 million	(3.8%)
For the fiscal year ended March 31, 2025:	¥19,463 million	(31.1%)

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Mar. 31, 2026	145.47	—	10.1	5.2	10.6
Mar. 31, 2025	173.60	—	13.2	5.8	12.1

Reference: Earnings from equity method investees

For the fiscal year ended March 31, 2026:	¥1,907 million
For the fiscal year ended March 31, 2025:	¥313 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
Fiscal year ended	Millions of yen	Millions of yen	%	Yen
Mar. 31, 2026	346,684	158,290	45.6	1,495.46
Mar. 31, 2025	306,431	145,645	47.5	1,375.24

Reference: Equity

As of March 31, 2026: ¥158,224million

As of March 31, 2025: ¥145,504 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Mar. 31, 2026	29,858	(42,116)	14,310	14,050
Mar. 31, 2025	30,729	(30,786)	(8,325)	11,593

2. Cash Dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	—	25.00	—	33.00	58.00	6,137	33.4	4.4
Fiscal year ended March 31, 2026	—	24.00	—	35.00	59.00	6,242	40.6	4.1
Fiscal year ending March 31, 2027 (Forecast)	—	23.00	—	23.00	46.00		40.2	

Note: Breakdown of year-end dividend of fiscal year ended March 31, 2025 ;

Ordinary dividend: 28.00 yen; Special dividend: 5.00 yen

3. Forecast of Consolidated Earnings for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

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

FY2026	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ending 1H (Apr-Sep)	65,000	6.4	3,200	(44.5)	1,100	(83.3)	7,600	1.7
FY (Apr-Mar)	129,000	1.3	9,100	(32.3)	6,700	(60.3)	12,100	(21.4)

FY2026	Net income per share
	yen
1H (Apr-Sep)	71.83
FY (Apr-Mar)	114.36

***Note**

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

(2) 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

(3) Number of issued shares (common shares)

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

The fiscal year ended March 31, 2026	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 fiscal year ended March 31, 2026	3,097,203 shares
The fiscal year ended March 31, 2025	3,096,941 shares

(iii) Average number of shares outstanding during the period

The fiscal year ended March 31, 2026	105,802,934 shares
The fiscal year ended March 31, 2025	105,803,364 shares

[Reference] Overview of non-consolidated financial results

**1. Non-consolidated financial results for the fiscal year ended March 31, 2026
(from April 1, 2025 to March 31, 2026)**

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	116,888	(10.9)	10,232	(37.6)	15,086	(21.1)	12,756	(31.6)
March 31, 2025	131,184	3.1	16,409	(4.1)	19,130	(26.1)	18,652	(23.4)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	120.57	—
March 31, 2025	176.29	—

(2) Non-consolidated financial position

Fiscal year ended	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	243,418	138,118	56.7	1,305.43
March 31, 2025	228,116	127,472	55.9	1,204.81

(Unaudited translation of earnings report (kessan tanshin), provided for reference only)

Reference: Equity

As of March 31, 2026:	¥138,118 million
As of March 31, 2025:	¥127,472 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and are not intended as a promise that they will be achieved. Actual results may differ materially due to various factors.

Operating Results and Financial Position

1. Results for the Fiscal Year Ended March 31, 2026

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Amount Change/ Percent Change
Net sales	141,866	127,295	(14,571) / (10.3%)
Operating profit	17,100	13,439	(3,661) / (21.4%)
Ordinary profit	17,368	16,885	(483) / (2.8%)
Profit attributable to owners of parent	18,367	15,391	(2,976) / (16.2%)
Exchange rate (US\$)	¥152.73	¥150.23	(¥2.50)
Bunker price (/MT)*	US\$612	US\$509	(US\$103)

*Compliant fuel oil (Very Low Sulfur Fuel Oil)

The consolidated net sales for the fiscal year ended March 31, 2026 totaled ¥127,295 million (down 10.3% year on year) and consolidated operating profit was ¥13,439 million (down 21.4% year on year) and consolidated ordinary profit was ¥16,885 million (down 2.8% year on year), profit attributable to owners of the parent company was ¥15,391 million (down 16.2% year on year).

Upper row: Net sales, lower row: Operating profit

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Amount Change/ Percent Change
Oceangoing Shipping	117,501	102,464	(15,037) / (12.8%)
	13,184	8,786	(4,398) / (33.4%)
Domestic and Short-sea Shipping	11,343	10,764	(579) / (5.1%)
	454	303	(151) / (33.3%)
Real Estate	13,103	14,180	1,077 / 8.2%
	3,462	4,350	888 / 25.7%

The following is an overview of conditions by segment.

1) Oceangoing Shipping

In oil tankers, market conditions softened on account of a slowdown in cargo movement in the Atlantic region, which had been brisk since early autumn, followed by a sharp surge due to the de facto blockade of the Strait of Hormuz triggered by the U.S. and Israeli attacks on Iran, leading to a chaotic situation where it has been difficult to ascertain actual market conditions. Although IINO Kaiun Kaisha, Ltd. (“the Company”) worked to secure stable earnings by keeping its fleets to long-term contracts, operation days decreased due to a drydocking of a few vessels.

In chemical tankers, market conditions softened compared to the previous fiscal year amid uncertainty in the global economy including the sluggish Chinese economy. However, the market experienced a sharp surge as a result of the de facto blockade of the Strait of Hormuz toward the end of the fiscal year. Although the Company worked to secure profitability by means such as taking in spot cargos from the U.S. 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 and restrictions on vessel deployment to the

Middle East caused by the de facto blockade of the Strait of Hormuz toward the end of the fiscal year. In the large LPG carriers, the market conditions weakened temporarily due to uncertainty stemming from U.S.-China tariff disputes and other factors, despite generally remaining at high levels. After the de facto blockage of the Strait of Hormuz, the market strengthened further, driven by the tightened supply and demand for vessels resulting from an increase in long-haul voyages from the U.S. to Asian countries. The Company secured stable revenues mainly through existing medium- to long-term contracts, and one vessel benefited from the favorable market conditions. Furthermore, a very large ethane carrier, the second of this type for the Company, was delivered in January 2026.

In dry bulk carriers, market conditions were sluggish at the beginning of the fiscal year, while generally remaining firm from the summer onward, supported by steady cargo movements of grain as well as solid transport demand for coal and other bulk cargoes. Dedicated vessels continued to operate smoothly and contributed to the Company's earnings. The tramp fleet, mainly consisting of Panamax and Handy-size vessels, secured revenues by optimizing vessel allocation. In addition, one Panamax and one Handy-size vessel that were newly added to the core fleet contributed to earnings.

As a result, Oceangoing Shipping segment posted net sales of ¥102,464 million (down 12.8% year on year) and operating profit of ¥8,786 million (down 33.4% year on year).

2) Short-sea/Domestic Shipping

In the domestic gas transport market, cargo movements remained generally sluggish due to a chronic slowdown in domestic demand. However, the market remained at the same level as the previous fiscal year due to tight supply and demand for vessels resulting from limited supply of newbuildings. Although the Company worked to secure stable earnings, our business was affected by overlapping drydockings of multiple vessels.

The Short-sea gas shipping market remained sluggish due to weak demand as a result of the slowdown in the Chinese economy and was further impacted by production halts and cutbacks at plants across Asia caused by the de facto blockade of the Strait of Hormuz. 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 ¥10,764 million (down 5.1% year on year) and operating profit of ¥303 million (down 33.3% year on year).

3) Real Estate

The central Tokyo office building leasing market remained firm, as vacancy rates continued to decline due to demands for 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. In addition, lease renewals in a robust leasing market contributed to revenue growth. Occupancy rates on commercial floors increased, with sales showing signs of recovery, particularly among food and beverage tenants.

In the office building leasing market in London, rent levels remained strong due to a decline in vacancy rates and demand for high-grade properties. Excluding properties undergoing long-term renovations for premium office upgrades, the Company's owned buildings generally performed steadily.

At IINO Hall & Conference Center, stable operations were maintained, supported by solid demand for events, primarily in the cultural and business segments.

At IINO Mediapro Co., Ltd., a real estate-related business focused on studios, stable earnings were secured through the steady acquisition of projects, mainly in the advertising and entertainment sectors.

As a result, Real Estate segment posted net sales of ¥14,180 million (up 8.2% year on year) and operating income of ¥4,350 million (up 25.7% year on year).

<Outlook for the Full Year Ending March 31, 2027>

The global economy is expected to remain highly uncertain, due in part to ongoing geopolitical risks, including the situation in the Middle East.

In the U.S., economic uncertainty and rising crude oil prices amid escalating tensions in the Middle East, and uncertain trade policies are expected to warrant close attention as downside risks to consumer spending and capital investment.

In Europe, while a sharp economic downturn is expected to be avoided, the recovery is projected to slow amid uncertainties surrounding energy prices and the trade environment.

In China, economic recovery has lacked momentum against the backdrop of the sluggish real estate market and weak growth in consumer spending, and growth is expected to remain modest going forward.

The Japanese economy is expected to see a gradual recovery amid an improving employment environment and wages. However, uncertainty surrounding the procurement of energy and petrochemical feedstocks due to the deterioration of the situation in the Middle East is regarded as a downside risk to the economy.

As of the date of this disclosure, the Strait of Hormuz remains under the de facto blockade, causing constraints on maritime transportation with the Middle East and making it difficult to reasonably estimate the outlook for business performance. Under these circumstances, the earnings forecast for the next fiscal year has been formulated based on the assumption that transit through the Strait of Hormuz will resume within June 2026 and that maritime transportation to and from the Middle East will recover to approximately pre-existing levels over a subsequent period of about two months.

In addition, profit attributable to owners of parent is expected to include extraordinary income from a gain on the sale of fixed assets associated with the transfer of one oil tanker (VLCC) in the first quarter.

Based on the foregoing, the forecast of consolidated earnings for the year ending March 31, 2027, is as follows. The forecast may fluctuate significantly due to factors such as geopolitical developments. If any revisions are made, we will disclose them promptly.

Forecast of Consolidated Earnings for the Year Ending March 31, 2027

(Millions of yen)

	FY2025 (Actual)	FY2026 (Forecast)	Percent Change
Net sales	127,295	129,000	1.3%
Operating profit	13,439	9,100	(32.3%)
Ordinary profit	16,885	6,700	(60.3%)
Profit attributable to owners of parent	15,391	12,100	(21.4%)

<Assumptions for FY2026 are shown below>

Foreign exchange rate 1US\$ = ¥150.0

Bunker oil price 1H (Apr-Sep): US\$670/MT, 2H (Oct-Mar): US\$570/MT
(Oil Type: Very Low Sulfur Fuel Oil in Singapore)

(Medium-term management plan)

IINO Group (“the Group”) has formulated its Five-Year Medium-Term Management Plan, "Transformation for a Sustainable Future" (“the Plan”), starting in April 2026.

<The key strategies of the Plan>

The Plan has been formulated in recognition of the growing importance of growth strategies that address short-term challenges while maintaining a long-term perspective amid structural changes and increasing uncertainty surrounding the future business environment. As the first five-year plan toward the realization of the Group’s long-term vision for 2050 and medium-term vision for 2035, the Plan was developed through backcasting approach from those visions. While the previous plan represented a phase of “challenge and adventure” toward a sustainable future, this Plan sets “Transformation” as its central theme in order to achieve that sustainable future by balancing capital efficiency and growth investment. The name “Transformation” reflects the Group’s commitment to further evolution.

As the priority strategies of the Plan, the Company will implement various measures centered on three pillars: business strategy, financial capital strategy, and decarbonization strategy. Specifically, under the strengthened financial foundation established through the previous plan, the Company will allocate investments of approximately 200 billion yen over the five-year period, mainly to growth and new businesses as well as core businesses, and will proceed with the rebalancing of the business portfolio. In executing these growth investments, the Company aims to achieve both growth investments exceeding the cost of capital and capital efficiency by utilizing financial leverage, while maintaining financial discipline and taking into account the value of owned real estate. In addition, using profits generated from these investments as the financial source, the Company will, as a basic policy, continue dividend payments based on a payout ratio of 40%, while newly introducing a minimum dividend and implementing flexible share buybacks, thereby further enhancing shareholder returns.

As part of the business infrastructure initiatives that support the priority strategies, the Company will promote human capital management and further strengthen the governance framework, among other measures. As part of these efforts, the organizational structure of the administrative divisions will be revised to strengthen the integrated processes from strategy formulation and execution to dialogue with the capital markets. Through this organizational change, the Company will organically link its business and financial capital strategies with capital market engagement, thereby enhancing both the effectiveness of its strategies and the consistency of its messaging to internal and external stakeholders.

For details of the Plan, please refer to the Company’s website:

<https://contents.xj->

[storage.jp/xcontents/AS00371/5bd1be52/5642/448e/97a9/fed9679a8d5f/20260501180544430s.pdf](https://contents.xj-storage.jp/xcontents/AS00371/5bd1be52/5642/448e/97a9/fed9679a8d5f/20260501180544430s.pdf)

2. Consolidated Financial Condition

1) Assets, Liabilities, and Net Assets

Total assets as of the end of the fiscal year (March 31, 2026) were ¥346,684 million, an increase of ¥40,253 million from the end of the previous fiscal year (March 31, 2025). This was mainly due to an increase in the number of vessels following the completion of newly built vessels. Total liabilities were ¥188,394 million as of March 31, 2026, an increase of ¥27,608 million from the end of the previous fiscal year. This was mainly due to the borrowings of equipment funds in relation to deliveries of newly built vessels. Net assets were ¥158,290 million as of March 31, 2026, an increase of ¥12,645 million from the end of the previous fiscal year. This was mainly due to an increase in retained earnings resulting from the recording of net income attributable to owners of parent.

As a result, the consolidated equity ratio was 45.6% on March 31, 2026 (47.5% on March 31, 2025).

2) Cash Flows

Cash flows from operating activities were ¥29,858 million in the fiscal year ended March 31, 2026 (¥30,729 million in the fiscal year ended March 31, 2025). This figure mainly reflects profit before income taxes of ¥18,010 million and depreciation and amortization of ¥13,542 million. Cash flows from investing activities were an outflow of ¥42,116 million (an outflow of ¥30,786 million in the fiscal year ended March 31, 2025). This was mainly due to expenditures of ¥64,005 million for the acquisition of fixed assets, primarily consisting of capital investment in vessels. Cash flows from financing activities were an outflow of ¥14,310 million (an outflow of ¥8,325 million in the fiscal year ended March 31, 2025). This was mainly due to proceeds from long-term borrowings of ¥49,270 million exceeding repayments of long-term borrowings of ¥24,518 million.

As a result, the balance of cash and cash equivalents on March 31, 2026, were ¥14,050 million, compared to ¥11,593 million on March 31, 2025.

3. Profit Distribution Policy and Dividends

The Company regards the shareholder returns as one of its key management priorities. Based on the new Medium-Term Management Plan, the Company has established a basic policy to deliver stable, predictable, and flexible shareholder returns by using profits generated through growth investments as a source, while taking into account future investment capacity and financial soundness. Specifically, while maintaining a payout ratio of 40% of full-year earnings, the Company will introduce a minimum dividend of 30.00 yen per share to enhance dividend stability and predictability, given the significant market volatility in the shipping industry. In addition, the Company will flexibly repurchase its own shares while maintaining financial discipline to further enhance shareholder returns.

For the fiscal year ended March 31, 2026, the Company declared an interim dividend of 24.00 yen per share. The year-end dividend was previously expected to be 31.00 yen per share according to the most recent dividend forecast announced on February 5, 2026. However, as the Company's performance for the fiscal year ended March 31, 2026 has exceeded its most recent earnings forecast (announced on February 5, 2026), in line with this policy, the Company plans to pay a year-end dividend of 35.00 yen per share, an increase of 4.00 yen per share, resulting in a total annual dividend of 59.00 yen per share.

For the fiscal year ending March 31, 2027, based on the current earnings forecast and in line with this policy, the Company plans to pay an interim dividend of 23.00 yen per share and a year-end dividend of 23.00 yen per share, for a total annual dividend of 46.00 yen per share.

The Company does not plan to change the dividend payment frequency at this time.

Consolidated Financial Statements
Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	11,627	14,084
Notes and accounts receivable - trade, and contract assets	12,356	10,383
Supplies	4,372	6,150
Merchandise	117	166
Real estate for sale	3	3
Deferred and prepaid expenses	2,632	3,087
Other	10,032	7,389
Allowance for doubtful accounts	(0)	(0)
Total current assets	41,139	41,261
Non-current assets		
Property, plant and equipment		
Vessels, net	94,075	129,910
Buildings and structures, net	48,546	48,845
Land	49,569	58,455
Leased assets, net	1,871	1,236
Construction in progress	30,297	16,246
Other, net	698	829
Total property, plant and equipment	225,055	255,521
Intangible assets		
Telephone subscription right	9	9
Other	3,654	3,892
Total intangible assets	3,663	3,900
Investments and other assets		
Investment securities	25,660	34,356
Long-term loans receivable	964	792
Retirement benefit asset	451	660
Deferred tax assets	0	—
Other	9,500	10,194
Total investments and other assets	36,575	46,002
Total non-current assets	265,292	305,424
Total assets	306,431	346,684
Liabilities		
Current liabilities		
Accounts payable - trade	8,936	12,135
Short-term borrowings	48,578	25,516
Accrued expenses	529	471
Income taxes payable	1,222	167
Advanced received and contract debt	3,237	3,695
Provision for bonuses	571	553
Provision for shareholder benefit program	54	58
Lease liabilities	1,184	998
Other	3,031	5,195
Total current liabilities	67,341	48,788
Non-current liabilities		
Long-term borrowings	72,076	116,204

(Unaudited translation of earnings report (kessan tanshin), provided for reference only)

Provision for retirement benefits for directors (and other officers)	56	64
Retirement benefit liability	835	812
Provision for special repairs	5,632	4,906
Provision for environmental regulatory compliance	54	56
Leasehold and guarantee deposits received	8,771	9,480
Lease liabilities	814	386
Deferred tax liabilities	4,694	7,352
Other	513	347
Total non-current liabilities	<u>93,446</u>	<u>139,607</u>
Total liabilities	<u>160,787</u>	<u>188,394</u>
Net assets		
Shareholders' equity		
Share capital	13,092	13,092
Capital surplus	6,275	6,275
Retained earnings	110,975	120,336
Treasury shares	(1,910)	(1,910)
Total shareholders' equity	<u>128,432</u>	<u>137,792</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,903	12,602
Deferred gains or losses on hedges	5,413	4,135
Foreign currency translation adjustment	3,757	3,695
Total accumulated other comprehensive income	<u>17,072</u>	<u>20,432</u>
Non-controlling interests	<u>140</u>	<u>66</u>
Total net assets	<u>145,645</u>	<u>158,290</u>
Total liabilities and net assets	<u>306,431</u>	<u>346,684</u>

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

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	141,866	127,295
Cost of sales	113,341	103,463
Gross profit	28,525	23,832
Selling, general and administrative expenses	11,425	10,393
Operating profit	17,100	13,439
Non-operating income		
Interest income	139	193
Dividend income	1,827	1,930
Share of profit of entities accounted for using equity method	313	1,907
Foreign exchange gains	—	1,076
Other	453	283
Total non-operating income	2,731	5,389
Non-operating expenses		
Interest expenses	1,234	1,552
Financing expenses	167	225
Loss on idle non-operating assets	449	—
Foreign exchange losses	488	—
Other	126	167
Total non-operating expenses	2,463	1,943
Ordinary profit	17,368	16,885
Extraordinary income		
Gain on sale of non-current assets	939	1,301
Gain on sale of investment securities	1,802	—
Total extraordinary income	2,741	1,301
Extraordinary losses		
Loss on retirement of non-current assets	86	38
Provision for loss on removal of fixed assets	20	—
Loss on cancellation of chartered vessels	—	138
Total extraordinary losses	106	176
Profit before income taxes	20,003	18,010
Income taxes - current	2,051	1,307
Income taxes - deferred	(423)	1,342
Total income taxes	1,627	2,649
Profit	18,376	15,361
Profit (loss) attributable to non-controlling interests	9	(30)
Profit attributable to owners of parent	18,367	15,391

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	18,376	15,361
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,088)	4,699
Deferred gains or losses on hedges	456	(1,458)
Foreign currency translation adjustment	1,450	(112)
Share of other comprehensive income of entities accounted for using equity method	269	227
Total other comprehensive income	1,087	3,356
Comprehensive income	19,463	18,716
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,361	18,752
Comprehensive income attributable to non-controlling interests	102	(36)

(3) Consolidated Statement of Change in Equity

Fiscal Year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	13,092	6,275	98,533	(1,909)	115,991
Changes of items during period					
Dividends of surplus			(5,925)		(5,925)
Profit attributable to owners of parent			18,367		18,367
Purchase of treasury shares				(1)	(1)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	12,442	(1)	12,441
Balance at end of current period	13,092	6,275	110,975	(1,910)	128,432

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	8,991	5,139	1,948	16,078	57	132,126
Changes of items during period						
Dividends of surplus						(5,925)
Profit attributable to owners of parent						18,367
Purchase of treasury shares						(1)
Net changes of items other than shareholders' equity	(1,088)	274	1,809	994	84	1,078
Total changes of items during period	(1,088)	274	1,809	994	84	13,519
Balance at end of current period	7,903	5,413	3,757	17,072	140	145,645

(Unaudited translation of earnings report (kessan tanshin), provided for reference only)

Fiscal Year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	13,092	6,275	110,975	(1,910)	128,432
Changes of items during period					
Dividends of surplus			(6,031)		(6,031)
Profit attributable to owners of parent			15,391		15,391
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	9,360	(0)	9,360
Balance at end of current period	13,092	6,275	120,336	(1,910)	137,792

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of current period	7,903	5,413	3,757	17,072	140	145,645
Changes of items during period						
Dividends of surplus						(6,031)
Profit attributable to owners of parent						15,391
Purchase of treasury shares						(0)
Net changes of items other than shareholders' equity	4,699	(1,278)	(62)	3,359	(74)	3,285
Total changes of items during period	4,699	(1,278)	(62)	3,359	(74)	12,645
Balance at end of current period	12,602	4,135	3,695	20,432	66	158,290

(4) Consolidated Statement of Cash Flows-indirect

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	20,003	18,010
Depreciation	14,116	13,542
Share of loss (profit) of entities accounted for using equity method	(313)	(1,907)
Decrease (increase) in retirement benefit asset	95	(210)
Increase (decrease) in retirement benefit liability	126	(24)
Interest and dividend income	(1,966)	(2,123)
Loss (gain) on sale of investment securities	(1,802)	—
Interest expenses	1,234	1,552
Loss on cancellation of chartered vessels	—	138
Loss (gain) on sale of property, plant and equipment and intangible assets	(939)	(1,301)
Decrease (increase) in trade receivables	504	1,976
Decrease (increase) in inventories	993	(1,827)
Increase (decrease) in trade payables	(332)	3,182
Other, net	574	(396)
Subtotal	32,294	30,611
Interest and dividends received	1,975	3,248
Interest paid	(1,239)	(1,532)
Payment of cancellation of chartered vessels	—	(138)
Income taxes refund (paid)	(2,301)	(2,331)
Net cash provided by (used in) operating activities	30,729	29,858
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(34,556)	(64,005)
Proceeds from sale of property, plant and equipment and intangible assets	3,447	22,780
Purchase of investment securities	(686)	(882)
Proceeds from sale of investment securities	2,136	—
Payments for investments in capital of subsidiaries and associates	(174)	(17)
Other, net	(953)	7
Net cash provided by (used in) investing activities	(30,786)	(42,116)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	11,375	(3,646)
Proceeds from long-term borrowings	16,158	49,270
Repayments of long-term borrowings	(25,963)	(24,518)
Purchase of treasury shares	(1)	(0)
Dividends paid	(5,916)	(6,022)
Refund from non-controlling interest	—	(2)
Dividends paid to non-controlling interests	(19)	(38)
Repayments of lease liabilities	(3,960)	(734)

(Unaudited translation of earnings report (kessan tanshin), provided for reference only)

Net cash provided by (used in) financing activities	<u>(8,325)</u>	<u>14,310</u>
Effect of exchange rate change on cash and cash equivalents	<u>122</u>	<u>405</u>
Net increase (decrease) in cash and cash equivalents	<u>(8,260)</u>	<u>2,457</u>
Cash and cash equivalents at beginning of period	<u>19,853</u>	<u>11,593</u>
Cash and cash equivalents at end of period	<u>11,593</u>	<u>14,050</u>

(5) Business Segment Information

Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Oceangoing Shipping	Short-sea/ Domestic Shipping	Real Estate	Total	Adjustment	Consolidated
I. Revenues						
External sales	117,499	11,343	13,023	141,866	—	141,866
Inter-segment sales	2	—	80	81	(81)	—
Total	117,501	11,343	13,103	141,947	(81)	141,866
Segment profit (loss)	13,184	454	3,462	17,100	—	17,100
Segment assets	143,277	22,262	109,274	274,813	31,618	306,431
II. Others						
Depreciation	9,795	1,728	2,431	13,953	162	14,116
Investments in affiliates accounted for by the equity method	4,808	—	3,992	8,800	—	8,800
Increase in property, plant and equipment and intangible assets	22,032	1,413	10,194	33,638	848	34,486

Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Oceangoing Shipping	Short-sea/ Domestic Shipping	Real Estate	Total	Adjustment	Consolidated
I. Revenues						
External sales	102,459	10,764	14,072	127,295	—	127,295
Inter-segment sales	6	—	108	114	(114)	—
Total	102,464	10,764	14,180	127,409	(114)	127,295
Segment profit (loss)	8,786	303	4,350	13,439	—	13,439
Segment assets	165,558	19,355	119,938	304,851	41,833	346,684
II. Others						
Depreciation	9,163	1,839	2,540	13,542	—	13,542
Investments in affiliates accounted for by the equity method	6,711	—	3,632	10,344	—	10,344
Increase in property, plant and equipment and intangible assets	51,069	222	12,309	63,600	495	64,095

[Information on impairment losses on fixed asset by reporting segment]

Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Significant impairment losses on fixed asset) None

Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Significant impairment losses on fixed asset) None

[Notes on significant subsequent events]

At the Board of Directors' meeting held on March 6, 2026, the Company resolved to sell one very large crude oil tanker owned by a consolidated subsidiary of the Company.

As a result, the Company expects to record a gain on the sale of fixed assets (extraordinary income) of approximately 7,100 million yen in the first quarter of the fiscal year ending March 31, 2027.

End