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May 8, 2025

Consolidated Financial Results For the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: IINO Kaiun Kaisha, Ltd. (IINO LINES)
 Listing: Tokyo Stock Exchange Prime
 Securities code: 9119
 URL: <https://www.iino.co.jp/kaiun/english/>
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 Phone: +81-3-6273-3208
 Scheduled date of annual general meeting of shareholders: June 26, 2025
 Scheduled date to commence dividend payments: June 27, 2025
 Scheduled date to file annual securities report (Only in Japanese): June 25, 2025
 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, 2025 (from April 1, 2024 to March 31, 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	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Mar. 31, 2025	141,866	2.8	17,100	(10.3)	17,368	(20.3)	18,367	(7.0)
Mar. 31, 2024	137,950	(2.4)	19,063	(4.8)	21,800	4.5	19,745	(15.5)

Note: Comprehensive income

For the fiscal year ended March 31, 2025: ¥19,463 million (31.1%)
 For the fiscal year ended March 31, 2024: ¥28,243 million 10.7%

	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
Fiscal year ended	Yen	Yen	%	%	%
Mar. 31, 2025	173.60	—	13.2	5.8	12.1
Mar. 31, 2024	186.61	—	16.3	7.8	13.8

Reference: Earnings from equity method investees

For the fiscal year ended March 31, 2025: ¥313 million
 For the fiscal year ended March 31, 2024: ¥352 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, 2025	306,431	145,645	47.5	1,375.24
Mar. 31, 2024	293,228	132,126	45.0	1,248.25

Reference: Equity

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

As of March 31, 2024: ¥132,069 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, 2025	30,729	(30,786)	(8,325)	11,593
Mar. 31, 2024	29,448	(22,007)	(3,871)	19,853

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, 2024	—	25.00	—	31.00	56.00	5,925	30.0	4.5
Fiscal year ended March 31, 2025	—	25.00	—	33.00	58.00	6,137	33.4	4.4
Fiscal year ending March 31, 2026 (Forecast)	—	22.00	—	22.00	44.00		40.5	

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

Ordinary dividend: 28.00 yen; Special dividend: 5.00 yen

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)

FY2025	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1H (Apr-Sep)	65,000	(12.2)	4,800	(51.5)	3,700	(58.7)	3,900	(59.5)
FY (Apr-Mar)	134,000	(5.5)	11,400	(33.3)	11,500	(33.8)	11,500	(37.4)

FY2025	Net income per share
	yen
1H (Apr-Sep)	36.86
FY (Apr-Mar)	108.69

***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: Yes
 - (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, 2025	108,900,000 shares
The fiscal year ended March 31, 2024	108,900,000 shares

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

The fiscal year ended March 31, 2025	3,096,941 shares
The fiscal year ended March 31, 2024	3,096,304 shares

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

The fiscal year ended March 31, 2025	105,803,364 shares
The fiscal year ended March 31, 2024	105,803,943 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025
(from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	131,184	3.1	16,409	(4.1)	19,130	(26.1)	18,652	(23.4)
March 31, 2024	127,192	(2.8)	17,102	(5.1)	25,896	20.7	24,361	14.8

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	176.29	—
March 31, 2024	230.24	—

(2) Non-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
March 31, 2025	228,116	127,472	55.9	1,204.81
March 31, 2024	201,811	115,299	57.1	1,089.74

Reference: Equity

As of March 31, 2025:	¥127,472 million
As of March 31, 2024:	¥115,299 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, 2025**

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Amount Change/ Percent Change
Net sales	137,950	141,866	+3,916 / +2.8%
Operating profit	19,063	17,100	▲1,963 / ▲10.3%
Ordinary profit	21,800	17,368	▲4,433 / ▲20.3%
Net income attributable to owners of the parent	19,745	18,367	▲1,378 / ▲7.0%
Exchange rate (US\$)	¥143.82	¥152.73	+¥8.91
Bunker price (/MT)*	US\$620	US\$612	▲US\$8

*Compliant fuel oil (Very Low Sulfur Fuel Oil)

In the fiscal year ended March 31, 2025, the global economy overall maintained steady growth against the backdrop of factors such as a recovery in real income due to an easing of inflation.

In the U.S., although a high growth rate was maintained supported by the favorable employment environment and robust consumer spending, a sense of economic slowdown was heightened toward the end of the fiscal year as a result of growing uncertainty and unclear outlook due to the U.S. tariff policy. In Europe, the economy modestly improved overall with a recovery in consumer spending resulting from an easing of inflation pressure, despite a prolonged downturn in manufacturing. In China, while there were signs of a recovery as a result of effects of economic stimulus measures by the government and a surge in exports before the U.S. tariff hikes, they did not lead to a full-fledged recovery due to the rebound effects of exports and slowdown in the real estate market. The Japanese economy recovered moderately with capital investment backed by strong corporate earnings, despite concerns about stagnant consumer spending resulting from rising prices.

In Shipping business of IINO Group (“the Group”), although the situation in the Red Sea continued to put a strain on supply and demand for vessels, the market conditions for the chemical tankers, our mainstay business, remained at a high level. However, the market conditions generally declined compared to the previous fiscal year. Under this environment, the Group worked to improve ship operation profitability by making efforts to renew existing contracts on favorable terms and efficiently allocate vessels. In the Real Estate business, the Group secured stable earnings overall supported by steady operation of owned buildings.

As a result of the above, the consolidated net sales for the fiscal year ended March 31, 2025 totaled ¥141,866 million (up 2.8% year on year) and consolidated operating profit was ¥17,100 million (down 10.3% year on year) and consolidated ordinary profit was ¥17,368 million (down 20.3% year on year), profit attributable to owners of the parent company was ¥18,367 million (down 7.0% year on year).

Upper row: Net sales, lower row: Operating profit

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Amount Change/ Percent Change
Oceangoing Shipping	114,782	117,501	+2,719 / +2.4%
	15,104	13,184	▲1,920 / ▲12.7%
Domestic and Short-sea Shipping	10,278	11,343	+1,065 / +10.4%
	443	454	+11 / +2.5%

Real Estate	12,973	13,103	+130 / +1.0%
	3,516	3,462	▲54 / ▲1.5%

Note: From the current consolidated accounting period, segment information for a vessel that was previously categorized in the Oceangoing Shipping segment has been changed to the Domestic and Short-sea Shipping segment due to organizational changes. The segment information for the previous fiscal year is based on the categorization of the reporting segment after this change.

The following is an overview of conditions by segment.

1) Oceangoing Shipping

In oil tankers, the market conditions remained soft toward the end of the year due to the sluggish cargo movements to China, the largest oil importer, but improved after the beginning of the new year against the backdrop of tighter sanctions of the U.S. on Russia. Consequently, the market was strong overall. IINO Kaiun Kaisha, Ltd. (“the Company”) secured stable earnings by keeping its fleets to long-term contracts.

In chemical tankers, the market remained at a high level due to the limited delivery of newbuildings throughout the fiscal year, as well as the tightening of the supply and demand situation for vessels caused by detour routes necessitated by the deterioration in the security conditions in the area around the Red Sea. However, conditions weakened gradually from the third quarter onwards due to factors including a slowdown in the recovery of business activity in China and the softening market for competing product tankers. The Company secured favorable returns from taking in spot cargoes at high rates, in addition to stable volume contracts from the Middle East, a key route, to Europe and Asia.

In large gas carriers, the LPG carrier market was steady due to strong cargo movements from the U.S., but spot rates remained weak compared to the previous fiscal year due to a sense of excess shipping capacity, as well as the easing of passage restrictions at the Panama Canal. In the LNG carrier market, both spot and time-charter rates declined, and remained sluggish at historically low levels particularly in and after the third quarter, mainly due to a delayed start of operations of a new project and the deteriorating supply and demand balance of vessels caused by factors such as an influx of new ships. For the Company, both LPG and LNG carriers secured stable revenues, mainly from existing medium- to long-term contracts. In addition, one LNG carrier was sold to effectively utilize management resources and improve asset efficiency.

In dry bulk carriers, the market conditions were firm until the second quarter against the backdrop of brisk demand for marine transport, but after that, remained soft partly due to a decline in transport demand resulting from a slowdown in the Chinese economy. For the Company, dedicated vessels continued to operate smoothly and contributed to earnings. In tramper business, consisting mainly of the Post-Panamaxes and Handysizes, earnings were secured as expected supported by favorable market conditions by the half of the year.

As a result, Oceangoing Shipping segment posted net sales of ¥117,501 million (up 2.4% year on year) and operating profit of ¥13,184 million (down 12.7% year on year).

2) Short-sea/Domestic Shipping

In the domestic gas transport market, cargo movements were sluggish throughout the fiscal year due to the implementation of regular plant repairs and a slowdown in domestic demand. However, the market remained at the same level as the previous year as supply and demand for vessels tightened. For the Company, we secured stable income through efficient vessel allocation centered on existing contracts. Furthermore, for enhancing our fleet, one high-pressure LPG carrier was sold in the fourth quarter, and a newly-built replacement vessel was delivered.

In the short-sea gas shipping market, the market for the high-pressure gas vessels remained firm 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 slow recovery of the Chinese economy. We secured stable time charter income based on existing medium- and long-term contracts.

As a result, Short-sea/Domestic Shipping segment posted net sales of ¥11,343 million (up 10.4% year on year) and operating profit of ¥454 million (up 2.5% year on year).

3) Real Estate

In the central Tokyo office building leasing market, the rent levels increased due to improvements in the vacancy rates compared to the previous fiscal year, and also relocations for consolidation to new large buildings and expansion of total floor area. In our office leasing operations, we secured stable earnings overall supported by generally steady operation of office floors. In our commercial floor operations, although some vacancies remained, there was a recovery trend in sales, particularly among food and beverage tenants.

In the office building leasing market in London, strong demand for high-grade buildings that offer good locations continued, and vacancy rates were low and rents were stable. The overall office leasing market improved compared to the previous fiscal year. In our office leasing operations, although profit declined in the fourth quarter due to the departure of tenants from certain office floors, the second office building acquired at the end of the previous fiscal year operated smoothly.

In the hall and conference room business, IINO Hall & Conference Center, performance was steady 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, receiving many orders for a wide range of projects, including advertisements, catalogues and magazines.

As a result, Real Estate segment posted net sales of ¥13,103 million (up 1.0% year on year) and operating income of ¥3,462 million (down 1.5% year on year).

<Outlook for the Full Year Ending March 31, 2026>

While the global economy is expected to grow moderately given the easing of inflation despite regional disparities, uncertainty over the outlook is increasing due to factors such as concerns about the risk of global recession due to the U.S. tariff policy. In the U.S., although growth mainly driven by domestic demand is expected to continue, there are concerns about deteriorating economic conditions due to factors such as rising prices caused by tariff hikes. In Europe, while a moderate recovery is expected with solid economic fundamentals such as the employment environment, there are concerns about an economic slowdown caused by the U.S. tariff policy. In China, the economy is expected to pick up gradually due to the effects of economic stimulus measures by the government, but factors such as the downturn in the real estate market and worsening trade frictions with the U.S. represent downside risks. The Japanese economy is expected to continue to recover modestly supported by domestic demand as a result of expanding capital investment and sustained wage increases against the backdrop of strong corporate earnings. However, there are concerns about the U.S. tariff policy and the global economic slowdown putting downward pressure on exports and corporate earnings.

In the Group's shipping businesses, market conditions are expected to remain uncertain due to the possibility of abrupt changes in supply chains and logistics caused by the U.S. tariff policy, significantly fluctuating exchange rates, and the reduced impact on vessel allocation plans resulting from the improving situation in the Red Sea.

In the Group's real estate business, we expect to generate stable revenue because occupancy rates for our office floors should remain firm.

The forecast of consolidated earnings for the year ending March 31, 2026, is as follows. These consolidated earnings forecasts are calculated taking into account the stagnation of the global economy, particularly in China. As mentioned above, the forecasts may fluctuate due to the impact of the US tariff policy on logistics, fluctuations in exchange rates and other still uncertain conditions. If the respective impact amounts, which are currently difficult to calculate, are clarified and any revisions are made, we will disclose them promptly.

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

(Millions of yen)

	FY2024 (Actual)	FY2025 (Forecast)	Percent Change
Net sales	141,866	134,000	(5.5%)
Operating profit	17,100	11,400	(33.3%)
Ordinary profit	17,368	11,500	(33.8%)
Profit attributable to owners of the parent company	18,367	11,500	(37.4%)

<Assumptions for FY2025 are shown below>

Foreign exchange rate 1US\$ = ¥140.0

Bunker oil price FY US\$590/MT (Oil Type: Very Low Sulfur Fuel Oil in Singapore)

2. Consolidated Financial Condition**1) Assets, Liabilities, and Net Assets**

Total assets as of the end of the fiscal year (March 31, 2025) were ¥306,431 million, an increase of ¥13,203 million from the end of the previous fiscal year (March 31, 2024). This was mainly due to an increase in construction in progress. Total liabilities were ¥160,787 million as of March 31, 2025, a decrease of ¥316 million from the end of the previous fiscal year. This was mainly due to the decrease in deferred tax liabilities. Net assets were ¥145,645 million as of March 31, 2025, an increase of ¥13,519 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 the parent company.

As a result, the consolidated equity ratio was 47.5% on March 31, 2025 (45.0% on March 31, 2024).

2) Cash Flows

Cash flows from operating activities were ¥30,729 million in the fiscal year ended March 31, 2025 (¥29,448 million in the fiscal year ended March 31, 2024). This figure mainly reflects profit before income taxes of ¥20,003 million and depreciation and amortization of ¥14,116 million. Cash flows from investing activities were an outflow of ¥30,786 million (an outflow of ¥22,007 million in the fiscal year ended March 31, 2024), mainly because of ¥34,556 million spent on purchasing fixed assets, primarily capital investment in vessels and buildings. Cash flows from financing activities were an outflow of ¥8,325 million (an outflow of ¥3,871 in the fiscal year ended March 31, 2024). This was mainly due to dividend payments of ¥ 5,916 million by the parent company.

As a result, the balance of cash and cash equivalents on March 31, 2025, were ¥11,593 million, compared to ¥19,853 million on March 31, 2024.

For reference: Cash flow indicators

	March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025
Equity ratio (%)	32.5	36.9	41.6	45.0	47.5
Equity ratio at market value (%)	22.8	35.4	40.0	44.2	34.4
Cash flow to interest-bearing debt (years)	6.8	7.7	3.3	4.0	3.9
Interest coverage ratio (times)	15.3	14.3	32.3	25.9	24.9

Notes:

1. The above ratios were calculated as follows.

Equity ratio: Equity / Total assets

Equity ratio at market value: Market capitalization / Total assets

Cash flow to interest-bearing debt: Interest-bearing debt / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest expense

2. All of the above ratios were calculated using consolidated financial statement data.

3. Market capitalization was calculated by multiplying the fiscal-year-end closing share

price by the number of shares outstanding at fiscal year-end (net of treasury stock).

4. Interest-bearing debt is all debt, of the debt (except lease obligations) carried on the consolidated balance sheet, on which interest is payable.

3. Profit Distribution Policy and Dividends

It is our important management issue to always return profits to our shareholders. While striving to increase shareholder value through new investments for sustainable corporate growth, the Company's basic policy is to maintain stable dividends from a long-term perspective, and to enhance the link between dividend amounts and profit growth, the Company has continued to pay dividends based on a payout ratio of 30% of full-year results.

For the fiscal year ended March 31, 2025, the Company declared an interim dividend of 25.00 yen per share. In light of the fact that the Company's performance for the current fiscal year has exceeded its most recent earnings forecast (announced on January 31, 2025), based on the aforementioned basic policy, the Company plans to pay an ordinary dividend of 28.00 yen per share for the end of the fiscal year, an increase of 4.00 yen per share, and together with a special dividend of 5.00 yen per share, for a total annual dividend of 58.00 yen per share.

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 to change the dividend policy to a stable dividends based on a payout ratio of 30% to 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. The dividend policy for the year ending 31 March 2027 onwards will be reviewed when the next mid-term management plan (to be announced around May 2026) is formulated.

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 based on the basic policy mentioned above. It is difficult to accurately forecast business results for the full year due to the characteristics of the shipping industry, where market conditions are difficult to predict and foreign exchange rates have a significant impact, and a decrease in net sales due to docking of vessels and there are discrepancies in results for the first half and second half of the fiscal year due to the effects of repair work on real estate owned by the Company, for which a large amount of expenses are recorded in one lump sum. For these reasons, the interim dividend is expected to be approximately half of the annual dividend forecast for the full year.

The Company does not plan to change the frequency of dividends such as quarterly dividends for the time being.

Consolidated Financial Statements
Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	17,878	11,627
Notes and accounts receivable - trade, and contract assets	12,858	12,356
Supplies	5,340	4,372
Merchandise	138	117
Real estate for sale	3	3
Deferred and prepaid expenses	2,828	2,632
Other	7,712	10,032
Allowance for doubtful accounts	△0	△0
Total current assets	46,757	41,139
Non-current assets		
Property, plant and equipment		
Vessels, net	100,609	94,075
Buildings and structures, net	47,784	48,546
Land	41,778	49,569
Leased assets, net	4,767	1,871
Construction in progress	10,032	30,297
Other, net	494	698
Total property, plant and equipment	205,463	225,055
Intangible assets		
Telephone subscription right	9	9
Other	3,217	3,654
Total intangible assets	3,226	3,663
Investments and other assets		
Investment securities	26,019	25,660
Long-term loans receivable	397	964
Retirement benefit asset	546	451
Deferred tax assets	—	0
Other	10,821	9,500
Total investments and other assets	37,783	36,575
Total non-current assets	246,472	265,292
Total assets	293,228	306,431

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	9,257	8,936
Short-term borrowings	33,484	48,578
Accrued expenses	518	529
Income taxes payable	1,588	1,222
Advanced received and contract debt	3,589	3,237
Provision for bonuses	606	571
Provision for shareholder benefit program	41	54
Provision for removal cost of property, plant and equipment	217	—
Lease liabilities	4,147	1,184
Other	2,262	3,031
Total current liabilities	55,707	67,341
Non-current liabilities		
Long-term borrowings	85,280	72,076
Provision for retirement benefits for directors (and other officers)	70	56
Retirement benefit liability	709	835
Provision for special repairs	4,450	5,632
Provision for environmental regulatory compliance	—	54
Leasehold and guarantee deposits received	8,837	8,771
Lease liabilities	790	814
Deferred tax liabilities	5,129	4,694
Other	129	513
Total non-current liabilities	105,395	93,446
Total liabilities	161,102	160,787
Net assets		
Shareholders' equity		
Share capital	13,092	13,092
Capital surplus	6,275	6,275
Retained earnings	98,533	110,975
Treasury shares	△1,909	△1,910
Total shareholders' equity	115,991	128,432
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,991	7,903
Deferred gains or losses on hedges	5,139	5,413
Foreign currency translation adjustment	1,948	3,757
Total accumulated other comprehensive income	16,078	17,072
Non-controlling interests	57	140
Total net assets	132,126	145,645
Total liabilities and net assets	293,228	306,431

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

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	137,950	141,866
Cost of sales	108,667	113,341
Gross profit	29,283	28,525
Selling, general and administrative expenses	10,220	11,425
Operating profit	19,063	17,100
Non-operating income		
Interest income	152	139
Dividend income	1,932	1,827
Equity in earnings of affiliates	352	313
Foreign exchange gains	1,495	—
Other	304	453
Total non-operating income	4,235	2,731
Non-operating expenses		
Interest expenses	1,135	1,234
Financing expenses	169	167
Loss on idle non-operating assets	—	449
Foreign exchange losses	—	488
Other	194	126
Total non-operating expenses	1,498	2,463
Ordinary profit	21,800	17,368
Extraordinary income		
Gain on sale of non-current assets	922	939
Gain on sale of investment securities	537	1,802
Insurance claim income	51	—
Total extraordinary income	1,510	2,741
Extraordinary losses		
Impairment losses	2,137	—
Loss on retirement of non-current assets	29	86
Loss on sale of non-current assets	0	—
Provision for loss on removal of fixed assets	18	20
Total extraordinary losses	2,185	106
Profit before income taxes	21,126	20,003
Income taxes - current	2,041	2,051
Income taxes - deferred	△757	△423
Total income taxes	1,284	1,627
Profit	19,842	18,376
Profit attributable to non-controlling interests	97	9
Profit attributable to owners of parent	19,745	18,367

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	19,842	18,376
Other comprehensive income		
Valuation difference on available-for-sale securities	3,820	△1,088
Deferred gains or losses on hedges	4,051	456
Foreign currency translation adjustment	497	1,450
Share of other comprehensive income of entities accounted for using equity method	33	269
Total other comprehensive income	8,401	1,087
Comprehensive income	28,243	19,463
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	28,175	19,361
Comprehensive income attributable to non-controlling interests	67	102

(3) Consolidated Statement of Change in Equity

Year ended March 31, 2024

(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	85,455	(1,908)	102,913
Cumulative effects of changes in accounting policies					-
Restated balance	13,092	6,275	85,455	(1,908)	102,913
Changes of items during period					
Dividends of surplus			(6,666)		(6,666)
Profit attributable to owners of parent			19,745		19,745
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		0	0
Net changes of items other than shareholders' equity					
Total changes of items during period	-	0	13,079	(0)	13,078
Balance at end of current period	13,092	6,275	98,533	(1,909)	115,991

	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	5,171	1,076	1,400	7,647	27	110,587
Cumulative effects of changes in accounting policies						-
Restated balance	5,171	1,076	1,400	7,647	27	110,587
Changes of items during period						
Dividends of surplus						(6,666)
Profit attributable to owners of parent						19,745
Purchase of treasury shares						(1)
Disposal of treasury shares						0
Net changes of items other than shareholders' equity	3,820	4,063	547	8,431	30	8,461
Total changes of items during period	3,820	4,063	547	8,431	30	21,539
Balance at end of current period	8,991	5,139	1,948	16,078	57	132,126

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
Cumulative effects of changes in accounting policies					
Restated balance	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)
Disposal of treasury shares					—
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
Cumulative effects of changes in accounting policies						
Restated balance	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)
Disposal of treasury shares						—
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

(4) Consolidated Statement of Cash Flows-indirect

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	21,126	20,003
Depreciation	13,370	14,116
Impairment losses	2,137	—
Share of loss (profit) of entities accounted for using equity method	△352	△313
Decrease (increase) in retirement benefit asset	△268	95
Increase (decrease) in retirement benefit liability	△85	126
Interest and dividend income	△2,084	△1,966
Insurance claim income	△51	—
Loss (gain) on sale of investment securities	△537	△1,802
Interest expenses	1,135	1,234
Loss (gain) on sale of property, plant and equipment and intangible assets	△921	△939
Decrease (increase) in trade receivables	△1,052	504
Decrease (increase) in inventories	△1,408	993
Increase (decrease) in trade payables	40	△332
Other, net	△956	574
Subtotal	30,092	32,294
Interest and dividends received	2,371	1,975
Proceeds from insurance income	51	—
Interest paid	△1,136	△1,239
Income taxes refund (paid)	△1,930	△2,301
Net cash provided by (used in) operating activities	29,448	30,729
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	△12,020	△34,556
Proceeds from sale of property, plant and equipment and intangible assets	999	3,447
Purchase of investment securities	△514	△686
Proceeds from sale of investment securities	736	2,136
Payments for investments in capital of subsidiaries and associates	△2,142	△174
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△9,054	—
Other, net	△13	△953
Net cash provided by (used in) investing activities	△22,007	△30,786
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,653	11,375
Proceeds from long-term borrowings	32,015	16,158
Repayments of long-term borrowings	△26,199	△25,963
Redemption of bonds	△5,000	—
Purchase of treasury shares	△1	△1
Proceeds from disposal of treasury shares	0	—
Dividends paid	△6,656	△5,916
Dividends paid to non-controlling interests	△38	△19
Repayments of lease liabilities	△646	△3,960

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

Net cash provided by (used in) financing activities	△3,871	△8,325
Effect of exchange rate change on cash and cash equivalents	761	122
Net increase (decrease) in cash and cash equivalents	4,332	△8,260
Cash and cash equivalents at beginning of period	15,521	19,853
Cash and cash equivalents at end of period	19,853	11,593

(5) Business Segment Information

Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Oceangoing Shipping	Short-sea/ Domestic Shipping	Real Estate	Total	Adjustment	Consolidated
I. Revenues						
External sales	114,775	10,278	12,896	137,950	—	137,950
Inter-segment sales	7	—	77	84	(84)	—
Total	114,782	10,278	12,973	138,034	(84)	137,950
Segment profit (loss)	15,104	442	3,516	19,063	—	19,063
Segment assets	136,088	21,526	100,037	257,651	35,577	293,228
II. Others						
Depreciation	9,845	1,236	2,289	13,370	—	13,370
Investments in equity method affiliates	3,538	—	3,604	7,143	—	7,143
Increase in property, plant and equipment and intangible assets	6,664	4,822	9,576	21,062	188	21,250

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

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

Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Significant impairment losses on fixed asset)

In the Real estate segment, the carrying amount of fixed asset held by a subsidiary of the Company was reduced to the recoverable amount and an impairment loss was recorded.

The amount of such impairment loss recorded for the year under review was ¥2,137 million.

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

(Significant impairment losses on fixed asset) None

End