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February 3, 2026

Financial Highlights for 3rd Quarter FY2025

(Under Japanese GAAP) (Unaudited)

Company name:	Kawasaki Kisen Kaisha, Ltd.
Listing:	Prime Market of Tokyo Stock Exchange
Securities code:	9107
URL:	https://www.kline.co.jp/en/
Representative:	Takenori Igarashi, Representative Executive Officer, President & CEO
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Telephone:	+81-3-6865-2736
Scheduled date to commence dividend payments:	-
Preparation of supplementary material on financial results:	Yes
Holding of financial results briefing:	Yes (for Analysts)

(Amounts rounded down to the nearest million yen)

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenues		Operating income (loss)		Ordinary income (loss)		Profit (loss) attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2025	767,734	(4.6)	68,721	(25.5)	88,628	(69.3)	102,602	(64.0)
Nine months ended December 31, 2024	804,959	12.5	92,245	31.5	288,854	193.2	284,711	283.9

Note: Comprehensive income for the nine months ended December 31, 2025: ¥ 157,328 million [(53.1)%]
For the nine months ended December 31, 2024: ¥ 335,503 million [123.9%]

	Profit (loss) per share	Profit (loss) per share-fully diluted
	Yen	Yen
Nine months ended December 31, 2025	162.35	-
Nine months ended December 31, 2024	423.19	-

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of December 31, 2025	2,286,286	1,777,385	76.1
As of March 31, 2025	2,210,049	1,677,449	74.6

Reference: Shareholders' equity

As of December 31, 2025: ¥ 1,739,740 million

As of March 31, 2025: ¥ 1,648,434 million

2. Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	-	50.00	-	50.00	100.00
Year ending March 31, 2026	-	60.00	-		
Year ending March 31, 2026 (Forecast)				60.00	120.00

*Revision to the forecast of dividends most recently announced: None

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

(Percentages indicate year-on-year changes.)

	Operating revenues		Operating income (loss)		Ordinary income (loss)		Profit (loss) attributable to owners of the parent		Profit (loss) per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending March 31, 2026	1,006,000	(4.0)	84,000	(18.3)	100,000	(67.5)	115,000	(62.3)	181.96

*Revision to Consolidated Financial Forecasts most recently announced: Yes

4. Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (KLKG Logistics Holdings, Co., Ltd.)

Excluded: 1 company ("K" LINE SHIP MANAGEMENT (SINGAPORE) PTE. LTD.)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements:

None

(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)

As of December 31, 2025	639,172,067 shares
As of March 31, 2025	639,172,067 shares

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

As of December 31, 2025	7,077,647 shares
As of March 31, 2025	7,511,366 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2025	631,964,400 shares
Nine months ended December 31, 2024	672,767,795 shares

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

*Assumption for the forecast of consolidated financial results for the year ending March 31, 2026

The forecast is based on currently available information that KLINE deems to be reasonable. Actual results may differ from the forecast as a result of various factors.

Refer to "5. Qualitative Information on Financial Results (3) Description of Information on Future Outlook, Including Forecast of Consolidated Financial Results" for assumptions related to the forecast.

5. Qualitative Information on Financial Results

(1) Description of Operating Results

(Billion yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Change	% Change
Operating revenues	804.9	767.7	(37.2)	(4.6%)
Operating income (loss)	92.2	68.7	(23.5)	(25.5%)
Ordinary income (loss)	288.8	88.6	(200.2)	(69.3%)
Profit (loss) attributable to owners of the parent	284.7	102.6	(182.1)	(64.0%)

Exchange Rate (¥/US\$) (9-month average)	152.27	148.52	(3.75)	(2.5%)
Fuel oil price (US\$/MT) (9-month average)	618	535	(83)	(13.4%)

The Company recorded 18.2 billion yen of equity in earnings of unconsolidated subsidiaries and affiliates for the consolidated cumulative third quarter of this fiscal year and OCEAN NETWORK EXPRESS PTE. LTD. (hereinafter referred to as "ONE") accounted for 12.4 billion yen of this amount.

Performance per segment was as follows.

(Billion yen)

		Nine months ended December 31, 2024	Nine months ended December 31, 2025	Change	% Change
Dry bulk	Operating revenues	253.3	222.2	(31.0)	(12.3%)
	Segment profit (loss)	15.4	7.6	(7.8)	(50.8%)
Energy resource transport	Operating revenues	76.7	74.9	(1.8)	(2.4%)
	Segment profit (loss)	6.1	7.1	0.9	15.6%
Product logistics	Operating revenues	466.3	464.2	(2.0)	(0.4%)
	Segment profit (loss)	267.7	75.7	(191.9)	(71.7%)
Other	Operating revenues	8.5	6.2	(2.2)	(26.3%)
	Segment profit (loss)	0.2	1.6	1.4	497.1%
Adjustments and eliminations	Segment profit (loss)	(0.8)	(3.5)	(2.7)	-%
Total	Operating revenues	804.9	767.7	(37.2)	(4.6%)
	Segment profit (loss)	288.8	88.6	(200.2)	(69.3%)

Since the beginning of this fiscal year, the Company changed the allocation method of a part of Non-operating income and Non-operating expenses to present the condition of each segment in a more appropriate manner. Segment information in the third quarter of both fiscal year 2025 and 2024 are presented based on the changed allocation method.

(i) Dry Bulk Segment

Dry Bulk Business

In the Cape-size sector, market rates stayed firm overall, thanks to the continued steady cargo movement of iron ore and bauxite.

In the medium-small vessel sector, despite the steady movement of minor bulk cargos, such as grains and steel products, market rates declined due to such factors as the decrease in grain shipments toward the end of 2025.

Under these circumstances, the Group focused on managing the market exposure appropriately, reducing operating costs, and improving vessel operation efficiency.

The overall Dry Bulk Segment recorded a year-on-year decrease both in revenue and profit.

(ii) Energy Resource Transport Segment

LNG Carrier Business, Liquefied Gas Carrier Business, Electricity Business, Crude Oil and Product Business, and Energy Business Strategy

Concerning LNG carriers, LPG carriers, thermal coal carriers, large crude oil tankers (VLCCs), drillship, FPSO (Floating Production, Storage and Offloading system) and others, the business operated steadily under mid- and long-term charter contracts and contributed to securing stable profit.

The overall Energy Resource Transport Segment recorded a year-on-year decrease in revenue due to impacts of exchange rates and other related factors, but recorded an increase in profit as a result of the disappearance of temporary factors that had arisen in the previous fiscal year.

(iii) Product Logistics Segment

Car Carrier Business

In the global car sales market, market rates generally stayed firm, supported by solid demand in various countries, despite some negative factors, such as the abolition of subsidies for electric vehicles in the U.S. and the suspension of shipments of semiconductors due to geopolitical factors. In addition, although the congestion at some ports continued, the Group continued its efforts to improve vessel operation efficiency.

Logistics Business

In the domestic logistics and port business, the container terminal handling volume increased year-on-year. Both the work volume in the towage business and the handling volume in the warehousing business stayed firm. As for the international logistics sector, while cargo movement in air transportation was sluggish for some shipments, such as automobiles, due to the impact of the U.S. tariff policies, the transportation volume of semiconductors increased. As a result, the transportation volume in this sector generally stayed firm. In the finished car transportation business, new car sales in Australia, a key factor influencing cargo volume at Australian ports, remained at a high level, and both transportation and storage volumes stayed firm.

Short Sea and Coastal Business

In the short sea business, on a year-on-year basis, the transportation volume decreased for steel products but increased for biomass fuel and bulk cargo, resulting in an increase in the overall transportation volume. In the coastal business, the volume of ferry transportation increased year-on-year for trucks, cars, and passengers. In particular, the transportation of cars and passengers remained strong. The volume of liner transportation decreased year-on-year both for the Hokkaido route because of stormy weather, poor harvests, and a decrease in transportation of steel frames to Hokkaido, and for the Shimizu-Oita route because of the decline in movement of the major cargos. The volume of tramp services stayed firm for coal transportation and general cargo ships, despite the decline in limestone transportation.

Containership Business

In the containership business, cargo movement to North America slowed down due to a reaction to the front-loaded shipments in the first half of the year. On the other hand, cargo movement to Europe temporarily stagnated at the beginning of the second half but subsequently recovered and remained firm. Despite these cargo trends, the continued delivery of newly built vessels meant that the oversupply situation did not ease, and short-term freight rates remained below the level of the same period a year earlier.

Under these business circumstances, the performance of ONE, an equity-method affiliate of the Company, recorded a year-on-year decrease in both revenue and profit.

The overall Product Logistics Segment recorded a year-on-year decrease in both revenue and profit.

(iv) Other

Other includes but not limited to the Group's ship management service, travel agency service, and real estate and administration service. The segment recorded a year-on-year decrease in revenue but an increase in profit.

(2) Description of Financial Position

Total assets at the end of the consolidated third quarter of this fiscal year were ¥2,286.2 billion, an increase of ¥76.2 billion from the end of the previous fiscal year as a result of an increase in cash and deposits and other factors.

Total liabilities decreased by ¥23.6 billion to ¥508.9 billion as a result of a decrease in long-term loans, less current portion and other factors compared to the end of the previous fiscal year.

Total net assets were ¥1,777.3 billion, an increase of ¥99.9 billion compared to the end of the previous fiscal year as a result of an increase in foreign currency translation adjustments and other factors.

(3) Description of Information on Future Outlook, Including Forecast of Consolidated Financial Results

(Billion yen)

	Prior Forecast (at the time of announcement of the 2nd quarter result)	Current Forecast (at the time of announcement of the 3rd quarter result)	Change	% Change
Operating revenues	984.0	1,006.0	22.0	2.2%
Operating income (loss)	86.0	84.0	(2.0)	(2.3%)
Ordinary income (loss)	100.0	100.0	0.0	0.0%
Profit (loss) attributable to owners of the parent	105.0	115.0	10.0	9.5%
Profit (loss) per share (Yen)	166.14	181.96	15.82	
Exchange Rate (¥/US\$)	145.91	149.44	3.52	2.4%
Fuel Oil Price (US\$/MT)	536	524	(12)	(2.3%)

The Company revised estimation for Operating revenues, Operating income (loss), Profit (loss) attributable to owners of the parent and Profit (loss) per share in the consolidated financial forecast for the fiscal year ending March 31, 2026, from the previous forecast announced on November 5, 2025. This revision is mainly due to the revision of the consolidated financial results forecast of the Product Logistics segment, tax effect and other reasons.

In the Dry Bulk Segment, despite some concerns, such as the tension between the U.S. and China, the sluggishness of the Chinese economy, and the geopolitical risks in Ukraine and the Middle East, the Group expects that demand will remain generally firm. The vessel supply is expected to be slightly larger than demand for medium-small vessels but should continue to be controlled overall. The Group expects that, while the mid-term vessel demand-supply balance will become tight and improve, market rates for Cape-size vessels will remain

generally firm with some volatility, partly due to seasonal factors, and market rates for medium-small vessels will not rise for the time being. The Group will work on improving vessel operation efficiency and reducing costs, and amid the growing need to deal with environmental issues, taking advantage of its high-quality transportation, the Group will strive to enhance stable sources of revenue by increasing mid- and long- term contracts, and maximize profit, while maintaining appropriate and swift risk control.

In the Energy Resource Transport Segment, the Group will continue efforts to secure stable profit as it expects to ensure smooth business operations, supported by mid- and long-term contracts, with respect to LNG carriers, LPG carriers, thermal coal carriers, large crude oil tankers, drillship, FPSO and others.

As for the Product Logistics Segment, in the car carrier business, the Group will closely monitor the impact of the latest trends in the trade policies and political and economic situations on car sales and seaborne cargo movement, and will continue efforts to improve the efficiency of vessel operation and allocation.

In the logistics business, regarding the domestic logistics and port business, the container handling volume is expected to increase year-on-year, resulting from an increase in the volume of cargo from ONE and Chinese shipping companies. The work volume in the towage business and the handling volume in the warehousing business are expected to stay flat year-on-year. As for the international logistics sector, in the forwarding business, the Group expects that demand for ocean and air transportation will fluctuate due to the continuing market uncertainty caused by the U.S. tariff policies and the situation in the Middle East. In the finished car transportation business, both transportation and storage volumes are expected to remain generally firm.

In the short sea business, the cargo movement is expected to slightly decline for steel products but stay firm for biomass fuel, leading to a year-on-year increase in the total transportation volume. In the coastal business, the ferry transportation volume is expected to stay flat for trucks and increase for cars and passengers year-on-year. As for liner transportation, due to stormy weather and poor harvests, as well as the likelihood that the movement of the major cargos will not recover but remain sluggish, the transportation volume is expected to decrease year-on-year. In tramp services, the Group anticipates a decrease in the operation of vessels for limestone transportation due to the demand decline, but expects that the operation of general cargo ships will stay firm and that the total transportation volume will remain at the same level as the previous year.

In the containership business, the business environment remains uncertain due to factors such as changes in the Middle East situation and U.S. trade policies. ONE will keep watching changes in the situation, continue to provide flexible vessel allocation and efficient operations in line with demand, and strive for steady business operations.

Our basic policy, positioning the maximization of shareholder value as a key management priority, is to improve corporate value and shareholder returns over the medium and long term by proactively promoting shareholder returns, including share buyback. This is achieved by taking cash flow into consideration and actively promoting investments essential for enhancing corporate value while maintaining strict investment discipline, ensuring both capital efficiency and financial stability necessary to improve our corporate value while being conscious of optimal capital structure.

Based on this basic policy, regarding dividends for the current consolidated fiscal year ending March 31, 2026, the Company plans for the annual dividend per share to be 120.00 yen (basic dividend of 40.00 yen per share, additional dividend of 80.00 yen per share) announced on May 7, 2025. Of this, the interim dividend was decided to be 60.00 yen per share, and the year-end dividend is planned to be 60.00 yen per share.

Regarding the dividend for the fiscal year ending March 31, 2027, in addition to the annual dividend of 100.00 yen per share announced on February 4, 2025, the Company plans to add an additional dividend of 20.00 yen per share, planning for an annual dividend of 120.00 yen per share (basic dividend of 40.00 yen per share, additional dividend of 80.00 yen per share).

6. Consolidated Financial Statements

Consolidated Balance Sheet

(Million yen)

	As of March 31, 2025	As of December 31, 2025
ASSETS		
Current assets :		
Cash and deposits	204,716	321,786
Accounts and notes receivable - trade and contract assets	113,917	124,906
Raw materials and supplies	38,308	33,417
Deferred and prepaid expenses	23,848	26,025
Other current assets	23,782	28,195
Allowance for doubtful accounts	(1,197)	(1,262)
Total current assets	<u>403,375</u>	<u>533,069</u>
Non-current assets :		
(Vessels, property and equipment)		
Vessels, net	389,939	384,031
Buildings and structures, net	9,455	10,626
Machinery, equipment and vehicles, net	3,144	3,305
Land	15,565	16,082
Construction in progress	63,806	67,183
Other, net	6,755	6,144
Total vessels, property and equipment	<u>488,666</u>	<u>487,373</u>
(Intangible assets)		
Other intangible assets	7,266	8,888
Total intangible assets	<u>7,266</u>	<u>8,888</u>
(Investments and other assets)		
Investment securities	1,230,101	1,165,934
Long-term loans receivable	18,051	19,349
Asset for retirement benefits	4,942	5,591
Other investments and other assets	58,946	67,421
Allowance for doubtful accounts	(1,302)	(1,340)
Total investments and other assets	<u>1,310,739</u>	<u>1,256,955</u>
Total non-current assets	<u>1,806,673</u>	<u>1,753,217</u>
Total assets	<u>2,210,049</u>	<u>2,286,286</u>

Consolidated Balance Sheet

(Million yen)

	As of March 31, 2025	As of December 31, 2025
LIABILITIES		
Current liabilities :		
Accounts and notes payable - trade	69,222	70,507
Short-term loans and current portion of long-term loans	51,412	68,313
Accrued income taxes	6,129	9,476
Provision for loss related to the Anti-Monopoly Act	1,335	1,604
Provision for loss on chartering contracts	3,206	790
Other provisions	5,040	2,185
Other current liabilities	69,108	77,808
Total current liabilities	205,455	230,686
Non-current liabilities :		
Bonds	14,000	21,300
Long-term loans, less current portion	229,840	155,329
Provision for directors' and other officers' retirement benefits	37	29
Provision for directors' stock benefits	2,655	1,923
Provision for periodic dry docking of vessels	17,986	20,905
Liability for retirement benefits	5,150	5,137
Other non-current liabilities	57,473	73,589
Total non-current liabilities	327,144	278,215
Total liabilities	532,599	508,901
NET ASSETS		
Shareholders' equity:		
Common stock	75,457	75,457
Capital surplus	32,495	39,055
Retained earnings	1,248,600	1,281,072
Treasury stock	(8,085)	(7,691)
Total shareholders' equity	1,348,467	1,387,893
Accumulated other comprehensive income :		
Net unrealized holding gain (loss) on investment securities	12,991	15,676
Deferred gain (loss) on hedges	3,066	1,558
Revaluation reserve for land	4,576	4,553
Foreign currency translation adjustments	277,190	327,997
Retirement benefits liability adjustments	2,141	2,060
Total accumulated other comprehensive income	299,966	351,846
Non-controlling interests	29,015	37,644
Total net assets	1,677,449	1,777,385
Total liabilities and net assets	2,210,049	2,286,286

Consolidated Statement of Operations

(Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Marine transportation and other operating revenues	804,959	767,734
Marine transportation and other operating costs and expenses	654,337	637,136
Gross profit (loss)	150,622	130,597
Selling, general and administrative expenses	58,376	61,876
Operating income (loss)	92,245	68,721
Non-operating income :		
Interest income	3,468	4,387
Dividend income	2,187	3,392
Equity in earnings of unconsolidated subsidiaries and affiliates	188,514	18,268
Foreign exchange gains	6,316	660
Other non-operating income	2,756	1,965
Total non-operating income	203,243	28,674
Non-operating expenses :		
Interest expenses	5,073	6,070
Other non-operating expenses	1,561	2,697
Total non-operating expenses	6,634	8,767
Ordinary income (loss)	288,854	88,628
Extraordinary income :		
Gain on sales of non-current assets	8,935	18,406
Other extraordinary income	308	4,023
Total extraordinary income	9,243	22,430
Extraordinary losses :		
Loss on retirement of non-current assets	7	110
Loss on valuation of shares of subsidiaries and affiliates	91	—
Loss on litigation	—	121
Other extraordinary losses	13	16
Total extraordinary losses	112	247
Profit (loss) before income taxes	297,986	110,811
Income taxes :		
Current	8,977	7,650
Deferred	2,657	(1,833)
Total income taxes	11,635	5,817
Profit (loss)	286,351	104,994
Profit (loss) attributable to non-controlling interests	1,639	2,391
Profit (loss) attributable to owners of the parent	284,711	102,602

Consolidated Statement of Comprehensive Income

(Million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit (loss)	286,351	104,994
Other Comprehensive income :		
Net unrealized holding gain (loss) on investment securities	(951)	2,869
Deferred gain (loss) on hedges	220	(291)
Foreign currency translation adjustments	4,782	6,970
Retirement benefits liability adjustments	202	(140)
Share of other comprehensive income (loss) of unconsolidated subsidiaries and affiliates accounted for using equity method	44,898	42,926
Total other comprehensive income	49,152	52,334
Comprehensive income	335,503	157,328
(Breakdown)		
Comprehensive income attributable to owners of the parent	333,414	154,506
Comprehensive income attributable to non-controlling interests	2,089	2,822

7. Explanatory Notes to Consolidated Financial Statements

(Notes Regarding Going Concern Assumption)

Not Applicable.

(Notes on Significant Changes in Amount of Shareholders' Equity)

Not Applicable.

(Notes on the quarterly Consolidated Statement of Cash Flows)

The Company does not prepare Consolidated Statement of Cash Flows for the nine months ended December 31, 2025. The total amount of Depreciation and Amortization which includes Depreciation and Amortization of Intangible assets is as follows.

(Million yen)

	FY2024 3rd quarter (from April 1, 2024 to December 31, 2024)	FY2025 3rd quarter (from April 1, 2025 to December 31, 2025)
Depreciation and Amortization	36,119	39,335

Segment information

Nine months ended December 31, 2024

(Million yen)

	Dry bulk	Energy resource transport	Product logistics	Other	Total	Adjustments and eliminations	Consolidated
Revenues							
Revenues from contracts with customers	248,585	73,953	464,100	8,420	795,059	-	795,059
Other revenues	4,757	2,837	2,211	92	9,899	-	9,899
Operating revenues from customers	253,342	76,791	466,312	8,513	804,959	-	804,959
Inter-group revenues and transfers	64	17	4,050	55,815	59,948	(59,948)	-
Total revenues	253,407	76,808	470,362	64,328	864,908	(59,948)	804,959
Segment profit (loss)	15,478	6,160	267,770	282	289,692	(838)	288,854

Nine months ended December 31, 2025

(Million yen)

	Dry bulk	Energy resource transport	Product logistics	Other	Total	Adjustments and eliminations	Consolidated
Revenues							
Revenues from contracts with customers	218,840	72,120	463,029	6,179	760,169	-	760,169
Other revenues	3,405	2,812	1,252	94	7,565	-	7,565
Operating revenues from customers	222,245	74,933	464,281	6,273	767,734	-	767,734
Inter-group revenues and transfers	49	1,564	4,425	48,139	54,178	(54,178)	-
Total revenues	222,295	76,497	468,707	54,413	821,912	(54,178)	767,734
Segment profit (loss)	7,620	7,124	75,785	1,686	92,216	(3,587)	88,628

Since the beginning of this fiscal year, the Company changed the allocation method of a part of Non-operating income and Non-operating expenses to present the condition of each segment in a more appropriate manner. Segment information in the third quarter of both fiscal year 2025 and 2024 are presented based on the changed allocation method.