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May 8, 2026

## Financial Highlights for FY2025

(Under Japanese GAAP) (Unaudited)

Company name:	Kawasaki Kisen Kaisha, Ltd.
Listing:	Prime Market of Tokyo Stock Exchange
Securities code:	9107
URL:	<a href="https://www.kline.co.jp/en/">https://www.kline.co.jp/en/</a>
Representative:	Takenori Igarashi, Director, Representative Executive Officer, President & CEO
Inquiries:	Ryo Kato, General Manager, Corporate Sustainability, Environment Management, IR and Communication Group
Telephone:	+81-3-6890-9620
Scheduled date of annual general meeting of shareholders:	June 19, 2026
Scheduled date to commence dividend payments:	June 22, 2026
Scheduled date to file annual securities report:	June 18, 2026
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 fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

#### (1) Consolidated operating results

(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	%
Year ended March 31, 2026	1,018,364	(2.8)	84,164	(18.2)	109,100	(64.6)	132,986	(56.5)
Year ended March 31, 2025	1,047,944	9.4	102,855	22.2	308,089	132.1	305,384	199.4

Note: Comprehensive income for the fiscal year ended March 31, 2026: ¥221,955 million [(23.9)%]  
For the fiscal year ended March 31, 2025: ¥291,806 million [14.4%]

	Profit (loss) per share	Profit (loss) per share-fully diluted	Profit per share ratio in shareholders' equity	Ratio of ordinary income (loss) to total assets	Ratio of operating income (loss) to operating revenues
Year ended March 31, 2026	Yen 210.42	Yen -	% 7.7	% 4.8	% 8.3
Year ended March 31, 2025	Yen 460.11	Yen -	% 18.8	% 14.3	% 9.8

Reference: Equity in earnings of unconsolidated subsidiaries and affiliates

Year ended March 31, 2026: ¥22,768 million  
Year ended March 31, 2025: ¥202,052 million

## (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	2,343,989	1,841,988	76.9	2,851.95
As of March 31, 2025	2,210,049	1,677,449	74.6	2,609.68

Reference: Shareholders' equity

As of March 31, 2026: ¥1,802,703 million

As of March 31, 2025: ¥1,648,434 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
	Million yen	Million yen	Million yen	Million yen
Year ended March 31, 2026	264,772	(35,109)	(124,753)	319,716
Year ended March 31, 2025	273,173	(126,133)	(211,646)	201,557

## 2. Dividends

	Annual dividends per share					Total 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	Million yen	%	%
Year ended March 31, 2025	-	50.00	-	50.00	100.00	65,605	21.7	4.1
Year ended March 31, 2026	-	60.00	-	60.00	120.00	76,566	57.0	4.4
Year ending March 31, 2027 (Forecast)	-	60.00	-	60.00	120.00		79.8	

## 3. Consolidated Financial Results Forecast for the Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(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
Cumulative second quarter ending September 30, 2026	527,000	5.3	38,000	(11.5)	35,000	(41.3)	36,000	(47.5)	56.95
Year ending March 31, 2027	1,020,000	0.2	83,000	(1.4)	100,000	(8.3)	95,000	(28.6)	150.29

#### 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) 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)

As of March 31, 2026	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 March 31, 2026	7,077,375 shares
As of March 31, 2025	7,511,366 shares

(iii) Average number of shares outstanding during the period

Year ended March 31, 2026	631,994,477 shares
Year ended March 31, 2025	663,714,307 shares

**[Reference] Overview of non-consolidated financial results**

**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.)

	Operating revenues		Operating income (loss)		Ordinary income (loss)		Profit (loss)	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2026	804,732	(4.3)	55,199	(28.0)	215,428	1.5	249,139	17.6
Year ended March 31, 2025	840,628	10.0	76,677	27.6	212,330	22.8	211,767	33.9

	Profit (loss) per share	Profit (loss) per share-fully diluted
	Yen	Yen
Year ended March 31, 2026	394.12	-
Year ended March 31, 2025	318.99	-

**(2) Non-consolidated financial position**

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	1,090,199	685,922	62.9	1,084.89
As of March 31, 2025	885,498	500,325	56.5	791.88

Reference: Shareholders' equity

As of March 31, 2026: ¥685,922 million

As of March 31, 2025: ¥500,325 million

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

\* Assumption for the forecast of consolidated financial results for the year ending March 31, 2027

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 (1) Description of Operating Results 2) Prospect for Fiscal year 2026" for assumptions related to the forecast.

## 5. Qualitative Information on Financial Results

### (1) Description of Operating Results

#### 1) Summary of Consolidated Operating Results for FY2025

(Billion yen)

	Fiscal Year 2024 (Ended March 31, 2025)	Fiscal Year 2025 (Ended March 31, 2026)	Change	% Change
Operating revenues	1,047.9	<b>1,018.3</b>	(29.5)	(2.8%)
Operating income (loss)	102.8	<b>84.1</b>	(18.6)	(18.2%)
Ordinary income (loss)	308.0	<b>109.1</b>	(198.9)	(64.6%)
Profit (loss) attributable to owners of the parent	305.3	<b>132.9</b>	(172.3)	(56.5%)

Exchange Rate (¥/US\$) (12-month average)	¥152.73	<b>¥150.23</b>	¥(2.50)	(1.6%)
Fuel oil price (US\$/MT) (12-month average)	US\$610	<b>US\$528</b>	US\$(82)	(13.4%)

The Company recorded 22.7 billion yen of equity in earnings of unconsolidated subsidiaries and affiliates for the fiscal year 2025 and OCEAN NETWORK EXPRESS PTE. LTD. (hereinafter referred to as "ONE") accounted for 15.0 billion yen of this amount.

Performance per segment was as follows.

(Billion yen)

		Fiscal Year 2024 (Ended March 31, 2025)	Fiscal Year 2025 (Ended March 31, 2026)	Change	% Change
Dry bulk	Operating revenues	322.3	<b>292.7</b>	(29.5)	(9.2%)
	Segment profit (loss)	13.2	<b>10.9</b>	(2.3)	(17.9%)
Energy resource transport	Operating revenues	101.9	<b>100.6</b>	(1.2)	(1.2%)
	Segment profit (loss)	4.9	<b>9.6</b>	4.7	96.9%
Product logistics	Operating revenues	612.8	<b>616.4</b>	3.6	0.6%
	Segment profit (loss)	293.6	<b>90.8</b>	(202.7)	(69.0%)
Other	Operating revenues	10.8	<b>8.4</b>	(2.3)	(22.2%)
	Segment profit (loss)	0.9	<b>2.2</b>	1.2	132.7%
Adjustments and eliminations	Segment profit (loss)	(4.7)	<b>(4.6)</b>	0.0	-%
Total	Operating revenues	1,047.9	<b>1,018.3</b>	(29.5)	(2.8%)
	Segment profit (loss)	308.0	<b>109.1</b>	(198.9)	(64.6%)

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 for the 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 steady cargo movement of iron ore and bauxite.

In the medium-small vessel sector, market rates declined temporarily in the first half of the fiscal year due to the decrease in demand for coal transportation, but then recovered and stayed firm from beginning of 2026.

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, although sales volumes across countries remained steady overall, the Group was affected by the additional tariffs on shipments to the United States, as well as the changes in vessel allocation and the increase in fuel costs and other operating costs caused by the deterioration of the situation in the Middle East starting at the end of the fiscal year.

Logistics Business

In the domestic logistics and port business, the container terminal handling volume, the work volume in the towage business, and the handling volume in the warehousing business all stayed firm. As for the international logistics sector, while cargo movement in air transportation in the forwarding business was sluggish for some shipments, such as automobiles, 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, a key factor influencing cargo volume at Australian ports, stayed at the same level as the previous year, and both transportation and storage volumes remained stable.

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. As for liner transportation, despite the steady growth for the Tomakomai route, the overall transportation volume decreased year-on-year because of stormy weather, poor harvests, and other factors. 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, although temporary fluctuations in cargo volumes were observed due to the impact of U.S. trade policies and the situation in the Middle East, overall performance remained firm throughout the fiscal year. On the other hand, the oversupply situation caused by the large-scale delivery of newly built vessels did not improve, and average freight rates remained at levels below those of the previous fiscal year.

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 increase in revenue but a decrease in profit.

### (iv) Other

Other includes, but is 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)Prospect for Fiscal year 2026

For the fiscal year ending March 31, 2027, the Group is projecting the performance as follows.

(Billion yen; Percentages indicate year-on-year changes.)

	Operating revenues		Operating income		Ordinary income		Profit attributable to owners of the parent	
Fiscal Year 2026 (End March 2027)	1,020.0	0.2%	83.0	(1.4%)	100.0	(8.3%)	95.0	(28.6%)

(Exchange Rate(¥/US\$) : ¥150.82/ Fuel Oil Price(US\$/MT) : US\$697)

In the Dry Bulk Segment, despite some concerns, such as the situation in the Middle East and the sluggishness of the Chinese economy, the Group expects that demand will remain generally firm. Although the volume of new ship deliveries is limited for Cape-size vessels and slightly large for medium-small vessels, the Group expects that the overall vessel supply will be constrained and the supply-demand balance will be tight. 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 because of the trends in delivery of newly built vessels.

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, despite the uncertainty in the business environment due to the deterioration of the situation in the Middle East, the Group expects steady profit growth with respect to LNG carriers, LPG carriers, thermal coal carriers, large crude oil tankers, drillship, FPSO, and others, supported by mid- and long-term contracts. The Group will continue efforts to secure stable profit.

As for the Product Logistics Segment, in the car carrier business, the Group expects a continued increase in sales volumes in the global car sales market, mainly in emerging countries, despite each country's trade policies and geopolitical risks. On the other hand, due to the deterioration of the situation in the Middle East, the environment surrounding ocean transportation around the Red Sea and the Persian Gulf will continue to be uncertain and may affect transportation demand, transportation routes, and fuel prices. The Group will closely monitor the situation.

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, despite the increasing uncertainty due to the geopolitical risks, such as the situation in the Middle East, demand for ocean and air transportation is expected to remain steady and the handling volume is projected to stay flat year-on-year. In the finished car transportation business, both transportation and storage volumes are expected to remain generally firm.

In the short sea business, the total transportation volume is expected to increase year-on-year due to such factors as an increase in transportation of biomass fuel. In the coastal business, the ferry transportation volume is expected to stay flat for trucks, cars, and passengers year-on-year. As for liner transportation, the transportation volume is likely to stay flat year-on-year as the growth in the cargo movement for agricultural products is expected to remain sluggish. In tramp services, the Group anticipates a decline in demand for coal transportation but expects that the operation of vessels for limestone transportation and 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 closely monitor changes in the situation, continue to provide flexible vessel allocation and efficient operations in line with demand, and strive to maintain stable business operations.

## (2) Analysis of Financial Position

### 1) Assets, Liabilities and Net Assets

Consolidated assets at the end of March 2026 were ¥2,343.9 billion, an increase of ¥133.9 billion from the end of the previous fiscal year. Current assets increased by ¥143.0 billion from the end of the previous fiscal year, due mainly to an increase in cash and deposits. Non-current assets decreased by ¥9.1 billion, mainly as a result of a decrease in investment securities.

Consolidated liabilities decreased by ¥30.5 billion to ¥502.0 billion from the end of the previous fiscal year, mainly as a result of a decrease in long-term loans, less current portion.

Consolidated net assets were ¥1,841.9 billion, an increase of ¥164.5 billion compared to the end of the previous fiscal year, mainly as a result of an increase in foreign currency translation adjustments.

### 2) Cash Flows

Total cash and cash equivalents at the end of fiscal year 2025 were ¥319.7 billion, an increase of ¥118.1 billion over the end of the previous fiscal year. Details of each cash flow source are as follows:

Cash flows from operating activities were a net cash inflow of ¥264.7 billion (compared to a net cash inflow of ¥273.1 billion in the previous fiscal year) due mainly to Interest and dividends income received and profit before income taxes.

Cash flows from investing activities resulted in a net cash outflow of ¥35.1 billion (compared to a net cash outflow of ¥126.1 billion in the previous fiscal year) due mainly to purchase of vessels, property and equipment.

Cash flows from financing activities resulted in a net cash outflow of ¥124.7 billion (compared to a net cash outflow of ¥211.6 billion in the previous fiscal year) due mainly to repayments of long-term loans and cash dividends paid.

Reference: Changes in cash flow-related indicators

	Fiscal Year Ended March 2022	Fiscal Year Ended March 2023	Fiscal Year Ended March 2024	Fiscal Year Ended March 2025	Fiscal Year Ended March 2026
Equity ratio (%)	56.2	73.8	75.5	74.6	<b>76.9</b>
Equity ratio (based on market value) (%)	47.5	36.4	67.8	57.8	<b>71.2</b>
Ratio of debt to cash flow (annual)	1.9	0.8	1.4	1.3	<b>1.1</b>
Interest coverage ratio (x)	22.0	47.1	20.5	37.8	<b>32.4</b>

\*Equity ratio is the shareholders' equity divided by total assets.

Equity ratio (based on market value) is market capitalization divided by total assets.

Ratio of debt to cash flow is interest-bearing liabilities divided by cash flow.

Interest coverage ratio is cash flow divided by interest expenses.

Notes

1. Indicators are calculated on the basis of consolidated figures.
2. Market capitalization is calculated based on the number of shares outstanding, not including treasury stock.
3. Cash flows above refer to cash flows from operating activities.
4. Interest-bearing liabilities are the total of all liabilities on the consolidated balance sheet on which interest is paid. Interest paid shown in the consolidated statement of cash flows is used as interest expenses.

(3) Basic Dividend Policy and Dividend Payments for Fiscal Year 2025 and Following Fiscal Year

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 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) as 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. The year-end dividend will be implemented subject to the resolution at the Ordinary General Meeting of Shareholders scheduled in June 2026.

Regarding dividends for the fiscal year ending March 31, 2027, 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). Both the interim dividend and the year-end dividend are planned to be 60.00 yen per share.

**6. Basic Approach to Selection of Accounting Standards**

To allow reliable year-on-year and company-to-company comparisons, the Group's policy for the time being is to prepare its consolidated financial statements according to Japanese accounting standards.

With respect to application of International Financial Reporting Standards (IFRS), our policy is to respond appropriately based on consideration of various domestic and overseas circumstances.

## 7. Consolidated Financial Statements

### Consolidated Balance Sheet

(Million yen)

	As of March 31, 2025	As of March 31, 2026
<b>ASSETS</b>		
Current assets :		
Cash and deposits	204,716	322,548
Accounts and notes receivable - trade and contract assets	113,917	126,892
Raw materials and supplies	38,308	44,477
Deferred and prepaid expenses	23,848	24,283
Short-term loans receivable	4,317	3,264
Other current assets	19,464	25,965
Allowance for doubtful accounts	(1,197)	(993)
Total current assets	403,375	546,439
Non-current assets :		
(Vessels, property and equipment)		
Vessels, net	389,939	375,746
Buildings and structures, net	9,455	10,479
Machinery, equipment and vehicles, net	3,144	3,075
Land	15,565	16,016
Construction in progress	63,806	82,627
Other, net	6,755	5,705
Total vessels, property and equipment	488,666	493,650
(Intangible assets)		
Other intangible assets	7,266	10,371
Total intangible assets	7,266	10,371
(Investments and other assets)		
Investment securities	1,230,101	1,201,899
Long-term loans receivable	18,051	17,341
Asset for retirement benefits	4,942	7,341
Deferred tax assets	3,834	3,046
Other investments and other assets	55,112	64,878
Allowance for doubtful accounts	(1,302)	(978)
Total investments and other assets	1,310,739	1,293,527
Total non-current assets	1,806,673	1,797,549
Total assets	2,210,049	2,343,989

## Consolidated Balance Sheet

(Million yen)

	As of March 31, 2025	As of March 31, 2026
<b>LIABILITIES</b>		
Current liabilities :		
Accounts and notes payable - trade	69,222	86,720
Short-term loans and current portion of long-term loans	51,412	57,635
Lease obligations	20,379	12,943
Accrued income taxes	6,129	10,885
Provision for loss related to the Anti-Monopoly Act	1,335	1,638
Provision for loss on chartering contracts	3,206	2,716
Provision for bonuses	4,304	3,973
Provision for directors' bonuses	421	458
Provision for loss on litigation	314	399
Other current liabilities	48,729	57,783
Total current liabilities	205,455	235,156
Non-current liabilities :		
Bonds	14,000	21,300
Long-term loans, less current portion	229,840	157,082
Lease obligations	29,229	47,087
Deferred tax liabilities	19,066	5,488
Deferred tax liabilities on land revaluation	1,210	1,210
Provision for directors' and audit and supervisory board members' retirement benefits	37	29
Provision for directors' stock benefits	2,655	2,752
Provision for periodic dry docking of vessels	17,986	21,508
Liability for retirement benefits	5,150	4,465
Other non-current liabilities	7,967	5,918
Total non-current liabilities	327,144	266,844
Total liabilities	532,599	502,000
<b>NET ASSETS</b>		
Shareholders' equity :		
Common stock	75,457	75,457
Capital surplus	32,495	39,055
Retained earnings	1,248,600	1,311,450
Treasury stock	(8,085)	(7,692)
Total shareholders' equity	1,348,467	1,418,271
Accumulated other comprehensive income :		
Net unrealized holding gain (loss) on investment securities	12,991	18,416
Deferred gain (loss) on hedges	3,066	5,644
Revaluation reserve for land	4,576	4,545
Foreign currency translation adjustments	277,190	352,952
Retirement benefits liability adjustments	2,141	2,872
Total accumulated other comprehensive income	299,966	384,432
Non-controlling interests	29,015	39,285
Total net assets	1,677,449	1,841,988
Total liabilities and net assets	2,210,049	2,343,989

## Consolidated Statement of Operations

(Million yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Marine transportation and other operating revenues	1,047,944	<b>1,018,364</b>
Marine transportation and other operating costs and expenses	865,691	<b>849,454</b>
Gross profit (loss)	182,253	<b>168,909</b>
Selling, general and administrative expenses	79,398	<b>84,744</b>
Operating income (loss)	102,855	<b>84,164</b>
Non-operating income :		
Interest income	5,058	<b>6,216</b>
Dividend income	3,035	<b>3,630</b>
Equity in earnings of unconsolidated subsidiaries and affiliates	202,052	<b>22,768</b>
Foreign exchange gains	824	<b>2,391</b>
Other non-operating income	3,333	<b>3,012</b>
Total non-operating income	214,303	<b>38,019</b>
Non-operating expenses :		
Interest expenses	7,339	<b>7,996</b>
Financing expenses	842	<b>2,628</b>
Other non-operating expenses	887	<b>2,458</b>
Total non-operating expenses	9,069	<b>13,083</b>
Ordinary income (loss)	308,089	<b>109,100</b>
Extraordinary income :		
Gain on sales of non-current assets	11,786	<b>18,775</b>
Gain on sale of shares of subsidiaries and affiliates	0	<b>2,994</b>
Other extraordinary income	607	<b>3,909</b>
Total extraordinary income	12,394	<b>25,679</b>
Extraordinary losses :		
Loss on retirement of non-current assets	85	<b>2,079</b>
Loss on valuation of shares of subsidiaries and affiliates	91	-
Provision for loss on litigation	314	-
Other extraordinary losses	19	<b>223</b>
Total extraordinary losses	510	<b>2,302</b>
Profit (loss) before income taxes	319,973	<b>132,477</b>
Income taxes :		
Current	11,209	<b>9,591</b>
Deferred	1,168	<b>(13,555)</b>
Total income taxes	12,377	<b>(3,964)</b>
Profit (loss)	307,596	<b>136,441</b>
Profit (loss) attributable to non-controlling interests	2,211	<b>3,455</b>
Profit (loss) attributable to owners of the parent	305,384	<b>132,986</b>

## Consolidated Statement of Comprehensive Income

(Million yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Profit (loss)	307,596	136,441
Other Comprehensive income:		
Net unrealized holding gain (loss) on investment securities	7	5,734
Deferred gain (loss) on hedges	299	3,081
Revaluation reserve for land	(35)	-
Foreign currency translation adjustments	(1,472)	9,373
Retirement benefits liability adjustments	1,428	1,009
Share of other comprehensive income (loss) of unconsolidated subsidiaries and affiliates accounted for using equity method	(16,017)	66,314
Total other comprehensive income	(15,789)	85,514
Comprehensive income	291,806	221,955
(Breakdown)		
Comprehensive income attributable to owners of the parent	289,095	217,482
Comprehensive income attributable to non-controlling interests	2,710	4,472

## Consolidated Statement of Changes in Net Assets

Kawasaki Kisen Kaisha Ltd. and Consolidated Subsidiaries for the year ended March 31, 2025

(Million yen)

	Shareholder's equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2024	75,457	29,102	1,178,723	(7,648)	1,275,636
Change in items during the year					
Cash dividends			(69,373)		(69,373)
Profit (loss) attributable to owners of the parent			305,384		305,384
Purchase of treasury stock				(166,130)	(166,130)
Disposal of treasury stock		0		238	238
Cancellation of treasury stock		(0)	(165,455)	165,455	-
Change in treasury stock arising from change in equity in entities accounted for under the equity method				(1)	(1)
Change in ownership interest of parent due to transactions with non-controlling interests		3,392			3,392
Reversal of revaluation reserve for land			33		33
Net changes in retained earnings from changes in scope of consolidation or equity method			(712)		(712)
Net changes in items other than shareholders' equity					
Net changes during the year	-	3,392	69,876	(437)	72,831
Balance at March 31, 2025	75,457	32,495	1,248,600	(8,085)	1,348,467

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized holding gain (loss) on investments in securities	Deferred gain (loss) on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Retirement benefits liability adjustments	Total accumulated other comprehensive income		
Balance at April 1, 2024	13,030	3,076	4,677	294,822	681	316,289	32,674	1,624,600
Change in items during the year								
Cash dividends								(69,373)
Profit (loss) attributable to owners of the parent								305,384
Purchase of treasury stock								(166,130)
Disposal of treasury stock								238
Cancellation of treasury stock								-
Change in treasury stock arising from change in equity in entities accounted for under the equity method								(1)
Change in ownership interest of parent due to transactions with non-controlling interests								3,392
Reversal of revaluation reserve for land								33
Net changes in retained earnings from changes in scope of consolidation or equity method								(712)
Net changes in items other than shareholders' equity	(39)	(9)	(100)	(17,632)	1,459	(16,322)	(3,659)	(19,982)
Net changes during the year	(39)	(9)	(100)	(17,632)	1,459	(16,322)	(3,659)	52,849
Balance at March 31, 2025	12,991	3,066	4,576	277,190	2,141	299,966	29,015	1,677,449

## Consolidated Statement of Changes in Net Assets

Kawasaki Kisen Kaisha Ltd. and Consolidated Subsidiaries for the year ended March 31, 2026

(Million yen)

	Shareholder's equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2025	75,457	32,495	1,248,600	(8,085)	1,348,467
Change in items during the year					
Cash dividends			(70,169)		(70,169)
Profit (loss) attributable to owners of the parent			132,986		132,986
Purchase of treasury stock				(3)	(3)
Disposal of treasury stock				397	397
Cancellation of treasury stock					-
Change in treasury stock arising from change in equity in entities accounted for under the equity method				0	0
Change in ownership interest of parent due to transactions with non-controlling interests		6,560			6,560
Reversal of revaluation reserve for land			0		0
Net changes in retained earnings from changes in scope of consolidation or equity method			32		32
Net changes in items other than shareholders' equity					
Net changes during the year	-	6,560	62,849	393	69,803
Balance at March 31, 2026	75,457	39,055	1,311,450	(7,692)	1,418,271

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized holding gain (loss) on investments in securities	Deferred gain (loss) on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Retirement benefits liability adjustments	Total accumulated other comprehensive income		
Balance at April 1, 2025	12,991	3,066	4,576	277,190	2,141	299,966	29,015	1,677,449
Change in items during the year								
Cash dividends								(70,169)
Profit (loss) attributable to owners of the parent								132,986
Purchase of treasury stock								(3)
Disposal of treasury stock								397
Cancellation of treasury stock								-
Change in treasury stock arising from change in equity in entities accounted for under the equity method								0
Change in ownership interest of parent due to transactions with non-controlling interests								6,560
Reversal of revaluation reserve for land								0
Net changes in retained earnings from changes in scope of consolidation or equity method								32
Net changes in items other than shareholders' equity	5,425	2,577	(31)	75,762	731	84,465	10,270	94,735
Net changes during the year	5,425	2,577	(31)	75,762	731	84,465	10,270	164,539
Balance at March 31, 2026	18,416	5,644	4,545	352,952	2,872	384,432	39,285	1,841,988

## Consolidated Statement of Cash Flows

(Million yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from operating activities:		
Profit (loss) before income taxes	319,973	132,477
Depreciation and amortization	49,137	52,379
Increase (decrease) in liability for retirement benefits	285	(745)
(Increase) decrease in asset for retirement benefits	(2,555)	(2,398)
Increase (decrease) in retirement benefits liability adjustments	2,052	1,478
Increase (decrease) in provision for directors' and audit and supervisory board members' retirement benefits	(1)	(7)
Increase (decrease) in provision for periodic dry docking of vessels	1,493	3,292
Increase (decrease) in provision for loss on chartering contracts	(2,236)	(490)
Increase (decrease) in provision for loss on litigation	314	85
Increase (decrease) in provision for directors' stock benefits	355	494
Interest and dividend income	(8,093)	(9,846)
Interest expenses	7,339	7,996
Foreign exchange losses (gains)	4,283	(8,932)
Equity in (earnings) losses of unconsolidated subsidiaries and affiliates	(202,052)	(22,768)
(Gain) loss on sales of vessels, property and equipment	(11,785)	(18,768)
Loss on valuation of shares of subsidiaries and affiliates	91	-
(Gain) loss on shares of subsidiaries and affiliates	(0)	(2,994)
Loss on retirement of non-current assets	85	2,079
(Increase) decrease in accounts and notes receivable - trade and contract assets	15,803	(10,983)
(Increase) decrease in inventories	4,013	(5,750)
(Increase) decrease in other current assets	(1,116)	(4,940)
Increase (decrease) in accounts and notes payable - trade	(7,937)	17,317
Increase (decrease) in other current liabilities	(4,227)	7,902
Other, net	(39)	(1,039)
Subtotal	165,183	135,837
Interest and dividends income received	124,564	143,853
Interest expenses paid	(7,227)	(8,169)
Payments for cancellation of chartered vessels	-	(83)
Payments related to the Anti-Monopoly Act	(2,344)	-
Proceeds from insurance income	-	2,652
Income taxes paid	(7,002)	(9,317)
Net cash provided by (used in) operating activities	273,173	264,772
Cash flows from investing activities:		
Payments into time deposits	(5,148)	(3,147)
Proceeds from withdrawal of time deposits	4,972	3,543
Purchases of marketable securities and investment securities	(29,360)	(13,727)
Proceeds from sales of marketable securities and investment securities	4,261	1,896
Purchase of vessels, property and equipment	(129,713)	(83,512)
Proceeds from sales of vessels, property and equipment	33,369	63,873
Purchase of intangible assets	(2,377)	(5,203)
Payments of long-term loans receivable	(1,119)	(1,659)
Collection of long-term loans receivable	1,182	3,548
Other, net	(2,202)	(720)
Net cash provided by (used in) investing activities	(126,133)	(35,109)

## Consolidated Statement of Cash Flows

(Million yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from financing activities:		
Increase (decrease) in short-term loans, net	(445)	589
Proceeds from long-term loans	82,634	26,565
Repayments of long-term loans and obligations under finance leases	(62,417)	(105,813)
Proceeds from issuance of bonds	6,000	7,300
Purchase of treasury stock	(166,394)	(3)
Cash dividends paid	(69,328)	(70,166)
Cash dividends paid to non-controlling interests	(1,812)	(1,219)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(80)	-
Proceeds from sales of shares of subsidiaries not resulting in change in scope of consolidation	-	18,040
Other, net	199	(45)
Net cash provided by (used in) financing activities	<u>(211,646)</u>	<u>(124,753)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(5,332)</u>	<u>13,473</u>
Net increase (decrease) in cash and cash equivalents	<u>(69,939)</u>	<u>118,383</u>
Cash and cash equivalents at beginning of the year	269,474	201,557
Increase in cash and cash equivalents arising from initial consolidation of subsidiaries	2,021	-
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(224)
Cash and cash equivalents at end of the year	<u>201,557</u>	<u>319,716</u>

## 8. Explanatory Notes to Consolidated Financial Statements

(Notes Regarding Going Concern Assumption)

Not applicable.

(Accounting Standards Issued but Not Yet Effective)

- “Accounting Standard for Leases” (ASBJ Statement No. 34, September 13, 2024, ASBJ)
- “Implementation Guidance on Accounting Standard for Leases” (ASBJ Guidance No. 33, September 13, 2024, ASBJ), etc.

(1) Overview

As part of its efforts to ensure consistency between Japanese GAAP and international accounting standards, the ASBJ reviewed the Accounting Standard for Leases to recognize assets and liabilities for all leases held by a lessee, with international accounting standards taken into consideration. Accordingly, the ASBJ issued the Accounting Standard for Leases, etc. that adopts only the key provisions of IFRS 16 that is based on the single accounting model. The revision aims to be simple and highly convenient, and to make it unnecessary to revise nonconsolidated financial statements that apply IFRS 16 in the Accounting Standard for Leases, etc. Regarding the method for allocating the lease expenses in the lessee’s accounting treatment, using the same approach as IFRS 16, a single accounting model is applied for recording the depreciation associated with the right-of-use assets and the amount equivalent to the interest on the lease liabilities for all leases regardless of whether the lease is a finance lease or an operating lease.

(2) Scheduled date of application

To be applied effective from the beginning of the period ending March 2028.

(3) Impact from the application of the accounting standard, etc.

The impact from the application of the “Accounting Standard for Leases,” etc. on the financial statements is currently under evaluation.

## Segment information

Year ended March 31, 2025

(Million yen)

	Dry bulk	Energy resource transport	Product logistics	Other	Total	Adjustments and eliminations	Consolidated
<b>Revenues</b>							
Revenues from contracts with customers	316,632	98,036	610,123	10,688	1,035,481	-	1,035,481
Other revenues	5,724	3,880	2,734	124	12,463	-	12,463
Operating revenues from customers	322,357	101,917	612,857	10,812	1,047,944	-	1,047,944
Inter-group revenues and transfers	77	365	5,385	74,205	80,033	(80,033)	-
<b>Total revenues</b>	<b>322,434</b>	<b>102,282</b>	<b>618,243</b>	<b>85,017</b>	<b>1,127,978</b>	<b>(80,033)</b>	<b>1,047,944</b>
<b>Segment profit (loss)</b>	<b>13,286</b>	<b>4,913</b>	<b>293,624</b>	<b>968</b>	<b>312,792</b>	<b>(4,703)</b>	<b>308,089</b>
<b>Segment assets</b>	<b>246,239</b>	<b>289,864</b>	<b>1,621,241</b>	<b>33,634</b>	<b>2,190,980</b>	<b>19,069</b>	<b>2,210,049</b>
<b>Other items</b>							
Depreciation and amortization	16,344	11,834	19,782	822	48,783	353	49,137
Interest income	353	1,139	1,147	103	2,744	2,313	5,058
Interest expenses	1,943	2,664	799	25	5,433	1,906	7,339
Equity in earnings (loss) of unconsolidated subsidiaries and affiliates	119	(218)	201,967	183	202,052	-	202,052
Investments in subsidiaries and affiliates accounted for by the equity method	670	49,207	1,086,473	5,479	1,141,831	-	1,141,831
Increase in vessels, property and equipment, and intangible assets	35,425	11,089	86,061	109	132,685	756	133,441

Year ended March 31, 2026

(Million yen)

	Dry bulk	Energy resource transport	Product logistics	Other	Total	Adjustments and eliminations	Consolidated
<b>Revenues</b>							
Revenues from contracts with customers	288,136	96,936	615,365	8,288	1,008,726	-	1,008,726
Other revenues	4,647	3,730	1,132	127	9,637	-	9,637
Operating revenues from customers	292,783	100,666	616,498	8,415	1,018,364	-	1,018,364
Inter-group revenues and transfers	66	2,129	5,858	64,987	73,042	(73,042)	-
<b>Total revenues</b>	<b>292,850</b>	<b>102,796</b>	<b>622,356</b>	<b>73,402</b>	<b>1,091,406</b>	<b>(73,042)</b>	<b>1,018,364</b>
<b>Segment profit (loss)</b>	<b>10,906</b>	<b>9,676</b>	<b>90,877</b>	<b>2,253</b>	<b>113,713</b>	<b>(4,612)</b>	<b>109,100</b>
<b>Segment assets</b>	<b>268,546</b>	<b>320,084</b>	<b>1,668,002</b>	<b>39,290</b>	<b>2,295,923</b>	<b>48,065</b>	<b>2,343,989</b>
<b>Other items</b>							
Depreciation and amortization	14,362	12,014	24,742	748	51,867	512	52,379
Interest income	306	1,751	610	40	2,708	3,507	6,216
Interest expenses	1,497	3,271	1,656	20	6,446	1,550	7,996
Equity in earnings (loss) of unconsolidated subsidiaries and affiliates	190	6,221	16,103	253	22,768	-	22,768
Investments in subsidiaries and affiliates accounted for by the equity method	662	70,774	1,032,540	5,673	1,109,649	-	1,109,649
Increase in vessels, property and equipment, and intangible assets	17,335	5,099	67,759	249	90,443	226	90,670

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 for the fiscal year 2025 and 2024 are presented based on the changed allocation method.

(Significant Subsequent Event)

Not applicable.