Translation Only

FY2024

(Ending March 31, 2025)

Financial Highlights

NS United Kaiun Kaisha, Ltd.

April 30, 2025

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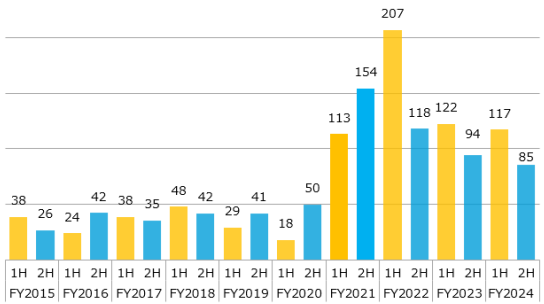
1. Highlights of Results in FY 2024

NS United Kaiun Kaisha, Ltd.

【Unit : 100 million yen】 (Consolidated)	Revenues	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent
1H	1,287	117	101	92
2H	1,187	85	89	95
Full Year (ROE)	2,474	202	190	186 (11.9%)

Operating Profit（Unit : 100 million yen）



Review of Full Year Performance

First Half : The shipping market remained firm, but operating profit declined year-on-year due to higher costs.

- The dry bulk market remained firm in the first half, as vessels evaded the Panama Canal and the Red Sea and Suez Canal.
- Although the revenues increased due to the depreciation of the yen and an increase in the operation of vessels, expenses such as dry-docking and repair also increased, resulting in the decline in profit.

Second Half: Secured stable earnings from long-term freight contracts in the face of declining market conditions for all types of vessels.

- The Capesize market was on a downward trend due to the stagnation of shipments because of the unfavorable weather conditions in Brazil and Australia. Panamax or smaller-sized vessels market was also weak due to the easing of restrictions on the passage through Panama Canal.
- Although we achieved stable profits mainly from dedicated vessels, operating profit declined due to a fall in market conditions since the beginning of CY 2025, partly due to seasonal factors.
- Profit attributable to owners of parent, including the gains on the sales of some old vessels as originally planned(extraordinary income), increased year on year.

▶ **Full year ROE was 11.9%, which exceeded 10% for four consecutive fiscal year.**

Dividend Return : Year-end dividend per share is expected to be 125 yen

- As disclosed on March 27, 2025, the year-end dividend expectation is 125 yen, and the full-year dividend expectation is 240 yen per share.

2. Overview of Results in FY2024

NS United Kaiun Kaisha, Ltd.

International Shipping

- As for large vessels, in addition to the profits from long-term freight contracts, contracts which were fixed under firm market condition in the first half contributed to the profit.
- The market for Panamax or smaller-sized vessels was weak especially in the second half. The profit from VLGCs also decreased due to the market decline in the second half.
- The average exchange rate of yen against U.S. dollar was weaker than FY2023, resulting in increase in revenues. On the other hand, operating profit declined as foreign currency-based costs such as dry-docking and repair also increased.

Coastal Shipping

- As for steel-related cargoes, demand for steel product was weak for the construction and automobile sectors. Transportation demand for cement and electricity utility-related cargoes was also weak, while biomass-related cargo volume was firm. The segment's operating profit increased by 1 billion yen year-on-year, due to the operation of newly delivered vessels and capture of spot cargo transportation demand.

【Consolidated】	FY2023					FY2024					Changes	Previous Forecast as of January 2025	
(Unit : 100 million yen)	1Q (Result)	2Q (Result)	3Q (Result)	4Q (Result)	Full Year (Result)	1Q (Result)	2Q (Result)	3Q (Result)	4Q (Result)	Full Year (Result)	Y-o-Y	Full Year (Forecast)	Changes
Revenues	554	570	602	606	**2,331**	623	664	607	580	**2,474**	+ 143	2,440	+ 34
Operating Profit	58	64	50	44	**216**	58	59	52	34	**202**	▲ 14	205	▲ 3
International Shipping	55	57	40	34	**187**	54	47	40	21	**163**	▲ 24	165	▲ 3
Coastal Shipping	3	7	10	10	**29**	5	11	11	13	**40**	+ 10	40	+ 0
Ordinary Profit	79	60	36	47	**222**	70	31	68	21	**190**	▲ 32	193	▲ 3
Profit Atributable to Owners of Parent	62	48	31	39	**180**	57	35	54	40	**186**	+ 6	180	+ 6
Exchange Rate (Yen/US$)	¥135.33	¥142.67	¥149.33	¥147.33	¥143.67	¥153.33	¥153.67	¥149.33	¥155.00	¥152.83	+¥9.16	¥152.83	–
Bunker Price* (US$/MT)	$538	$545	$555	$584	$555	$556	$617	$550	$532	$564	+$8	$563	+$1
Market Capesize	$15,561	$13,407	$28,128	$24,286	$20,281	$22,665	$24,909	$18,301	$12,998	$19,759	▲$522	$19,232	+$527
Panamax	$12,248	$11,890	$16,117	$15,447	$13,911	$16,380	$13,940	$10,557	$9,591	$12,629	▲$1,282	$12,405	+$224
Handysize	$10,414	$8,863	$12,851	$11,998	$11,008	$13,051	$13,321	$12,244	$9,058	$11,922	+$914	$11,781	+$142

* Bunker oil price is the average price of all oil types including high sulfur C oil consumed by vessels equipped with desulfurization equipment(Scrubber).

3. Forecasts for FY2025

NS United Kaiun Kaisha, Ltd.

Earnings Forecast

Regarding the dry bulk market, although tonnage is unlikely to be oversupplied mainly in large vessels, the market is expected to weaken from the previous year due to uncertainties in the external environment.
We expect a decline in revenues and profit due to the strong yen. Profit attributable to owners of parent is expected to be 14 billion yen, including the gains from sale of a vessel in April.

【Consolidated】	FY2024			FY2025			Changes
(Unit : 100 million yen)	1H (Result)	2H (Result)	**Full Year (Result)**	1H (Forecast)	2H (Forecast)	**Full Year (Forecast)**	Y-o-Y
Revenues	1,287	1,187	**2,474**	1,010	1,000	**2,010**	▲ 464
Operating Profit	117	85	**202**	60	70	**130**	▲ 72
International Shipping	101	61	**163**	49	46	**95**	▲ 68
Coastal Shipping	16	24	**40**	11	24	**35**	▲ 4
Ordinary Profit	101	89	**190**	50	50	**100**	▲ 90
Profit Atributable to Owners of Parent	92	95	**186**	80	60	**140**	▲ 46
Exchange Rate (Yen/US$) ※1	¥153.50	¥152.17	¥152.83	¥140.00	¥140.00	¥140.00	▲¥12.83
Bunker Price (US$/MT) ※2	$587	$541	$564	$483	$483	$483	▲$81
Market Capesize	$23,813	$15,607	$19,759	$18,500	$16,500	$17,500	▲ $2,259
Panamax	$15,131	$10,066	$12,629	$11,500	$9,500	$10,500	▲ $2,129
Handysize	$13,189	$10,625	$11,922	$10,500	$9,500	$10,000	▲ $1,922

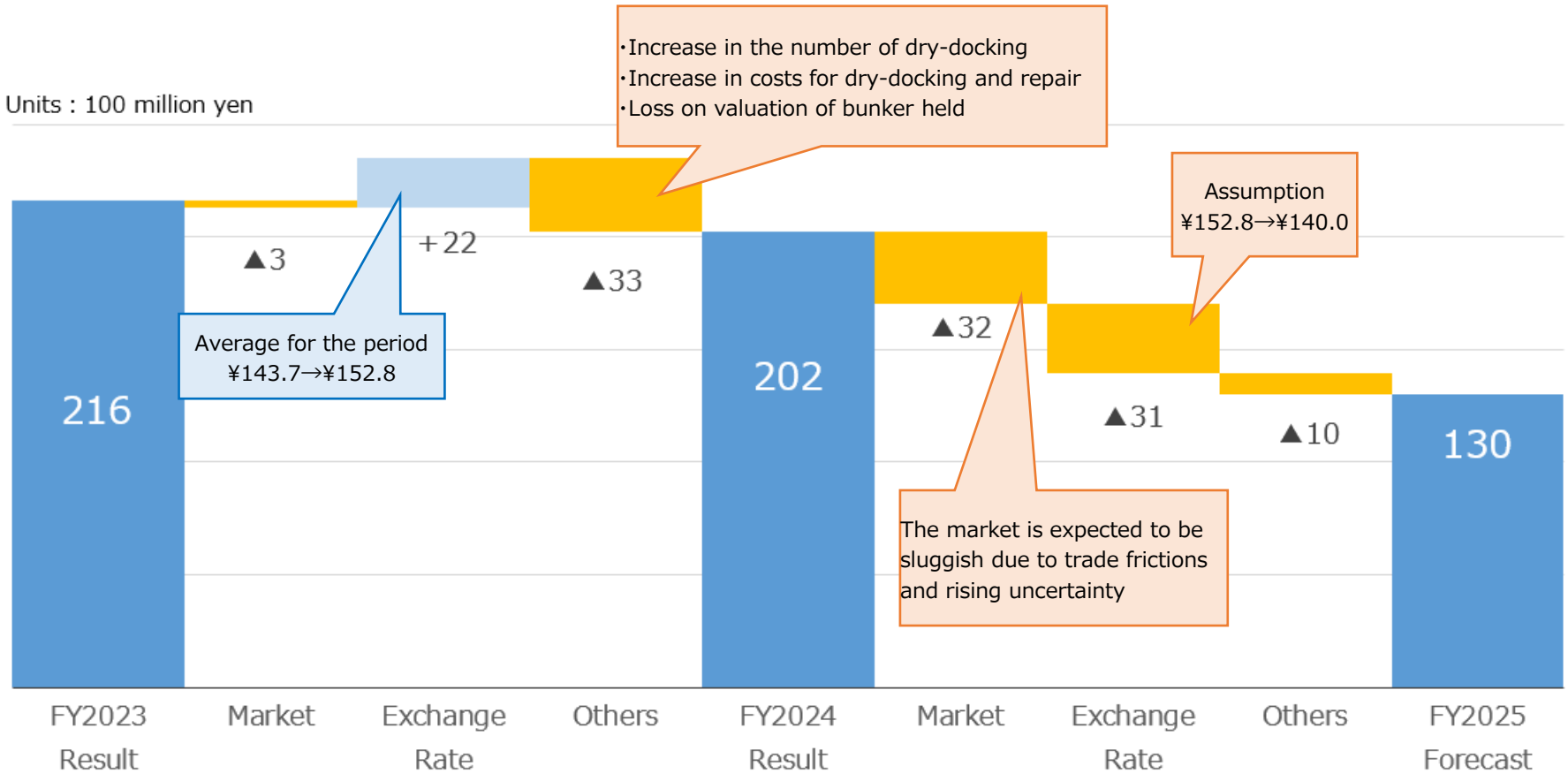
※1 Exchange rate depriciaton of 1 yen against US$ will increase ordinary income by approx. 0.4 billion yen for FY2025.
※2 Bunker oil price is the average price of all oil types including high sulfur C oil consumed by vessels equipped with desulfurization equipment(Scrubber).

Dividend Forecast **The interim dividend for FY2025 is expected to be 90 yen per share.**

The year-end dividend is not determined yet, while full-year dividend including the interim dividend is planned to be distributed based on a dividend payout ratio of 30% of consolidated business results.

3. Forecasts for FY2025

◆ Changes in Operating Profit (FY 2023 to FY 2025)



4. Market Forecast for FY2025

NS United Kaiun Kaisha, Ltd.

Although it is difficult to predict the impact of the U.S. government's economic policies including tariffs on cargo demand in transportation and trade patterns, global demand for dry bulk cargo transportation is expected to remain firm. On the supply side, orders for new vessels are expected to remain relatively low particularly in large vessels for the time being, which is expected to influence the tonnage supply tighten.

Marine Transportation Demand Forecast

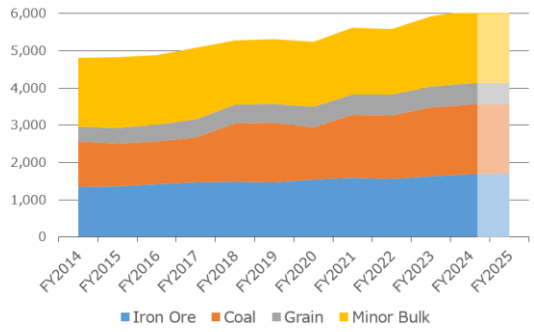
Iron ore : In China, while demand for steel product is sluggish due to the real estate recession, steel production in the country is not expected to fall significantly and demand for iron ore is expected to be maintained.

Coal : While solid demand for both coking coal and thermal coal is expected in Asia, import of thermal coal is expected to decline in China due to robust hydropower generation and the spread of renewable energy.

Grain : Due to the U.S. tariff policy, trade patterns are expected to fluctuate, with China shifting its grain imports from the U.S. to other regions, including South America, which is expected to have an impact on small- and medium-sized vessels market.

Minor bulk : Solid demand for bauxite is expected, particularly in China, and solid demand in transportation is expected for minor bulk as a whole.

Demand for Maritime Transportation (1 million ton)



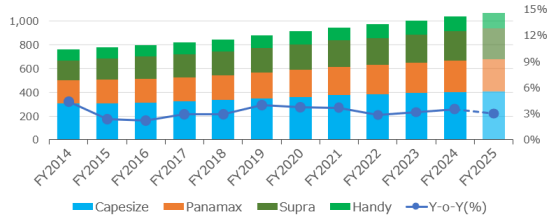
Research by our company

Dry Bulk Transport Capacity Forecast

New building vessel's orders are expected to remain at a relatively low level, as shipowners are carefully assessing which next-generation fuels will be mainstream. In the short term, new vessel delivery is expected to increase slightly, mainly in Panamax or smaller-sized vessels, but the impact on the tonnage supply would be limited, as old vessels are leaving the market against the backdrop of further tightening of environmental regulations.

In addition, situations in the Middle East, which will affect the passage of the Red Sea and Suez Canal, are also expected to have an impact on the tonnage supply.

Dry bulk volume forecast (1 million DWT)



Research by our company

FY 2025 Futures Indicators at Present

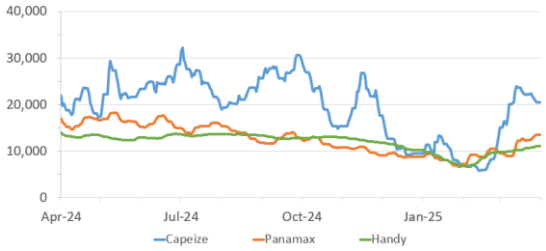
Vessel Type	FY 2025 Average
Capesize	$17,600
Panamax	$11,500
Small Handy	$10,000

Calculated from future index values dated April 17

Demand for iron ore and bauxite transportation is expected to remain relatively stable, but due to slowing demand for coal transportation, dry bulk market in FY2025 is expected to be somewhat weak, mainly in Panamax or smaller-sized vessels.

At present, the futures indices for FY2025 are at a level similar to or slightly above the market assumptions our earnings forecasts.

Market trends by type ($/day)



Source : Baltic Exchange

5. Progress of Medium-Term Business Plan

NS United Kaiun Kaisha, Ltd.

～Business Strategies and Growth Strategies～ Progress in FY 2024

Vessels fueled by next generation fuel

Image of dual methanol fueled vessel

- Signed contracts for the construction of Capesize Bulk Carriers powered by dual methanol fuel (to be delivered after 2027)
- Execution of Memorandum of Understanding for Joint Development of Ammonia-Fueled Bulk Carriers among 6 Parties
- Signed Contracts for the construction of a dual LPG fueled VLGC which can carry ammonia(to be delivered in 2027)

(References) Medium-Term Business Plan

Initiatives to conserve environment

- Conducted biofuel trial for two consecutive voyages with BHP
- Started a project team to secure green methanol and biofuels
- Have secured 35 Phase-3 vessels (approximately 50% of our target) to replace our fleet with Phase-3, and continuing decarbonization of our fleet.

Initiatives for Existing Vessels

- Installing following fuel consumption reduction devices for 400,000 dwt-vessels

  Silicon Paint
  Wind Propulsion System（Rotor Sail)
  Shaft Generator

Shaft Generator

Image of Installed Rotor Sails

5. Progress of Medium-Term Business Plan

NS United Kaiun Kaisha, Ltd.

～Initiatives to Support Business Strategies～

Human capital Strategy

●Human resource development and promotion of active engagement of female

・Have introduced new human resources management system and conducted meetings to improve human resource evaluation skills

・Promoting recruitment of female seafarers (Coastal Shipping)

● Promotion of human rights due diligence and well-being

・Formulated a guideline for suppliers based on Sustainable Procurement Basic Policy

・Conducting engagement PDCA management

Sustainable Shipping Strategy

● Pursuit of Safe Navigation

・No fatal accident

・Conducting annual maintenance inspection for all owned vessels (conducted for 98% of owned vessels in FY2024)

● Securing and developing seafarers

・Mid-career recruitment of seafarers

・Have formulated a crew training plan and a human resource plan to prepare for deliveries of vessels powered by next-generation fuels.

Governance Enhancement

● Deepening internal control

● Strengthening compliance systems

● Thorough risk management and information management

Decided to update emergency supplies and introduce Starlink in line with the relocation of the head office.

● Checking progress of Environmental Road Map

・Monitoring GHG emission of each vessel

DX戦略

● Started core IT system project and established DX Team

● Investment to improve operational efficiency

・Installment of generative AI as an internal infrastructure

・Conduct research on IT/DX issues to improve operational efficiency and strengthen progress management

● Development of digital-core human resources

・Expanded participation in external DX seminars

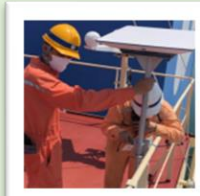
● Promotion of DX for vessels

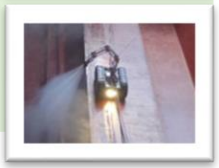
・Installed Starlink to all owned vessels

・Introduced hold cleaning robots

・ Introducing and conducting trial of navigation support system

・ Equipment inventory management using radio identification tags





(Reference) Financial Data

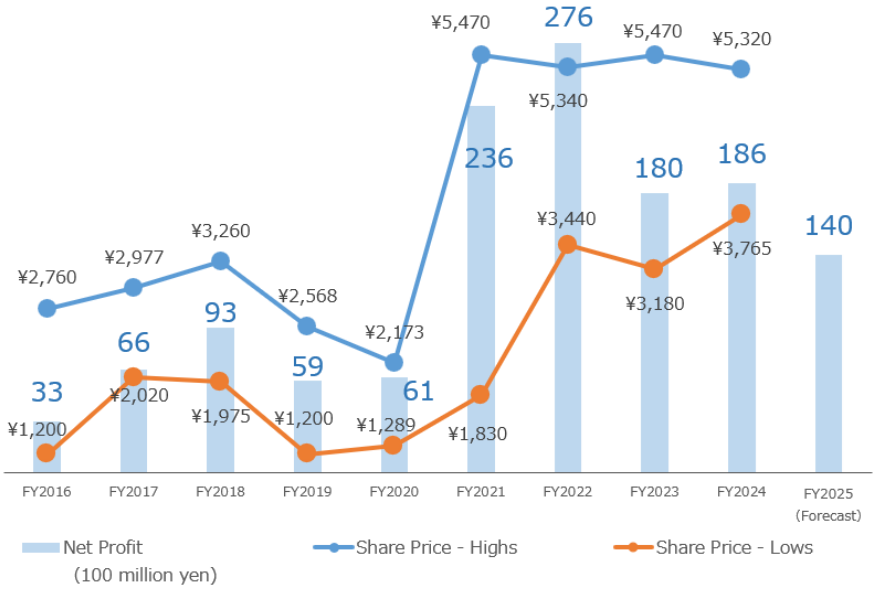
(Unit: 100 million yen)	FY2020 (Result)	FY2021 (Result)	FY2022 (Result)	FY2023 (Result)	FY2024 **(Result)**
Revenues	1,385	1,959	2,508	2,331	**2,474**
Operating Profit	67	267	325	216	**202**
Ordinary Profit	55	266	334	222	**190**
Profit Attributable to Owners of Parent	61	236	276	180	**186**
Full Year Dividend (Yen)	80	285	365	230	**240**
Interest-bearing Debt	1,492	1,237	1,008	971	**853**
Equity Ratio	35.6%	43.0%	49.8%	52.2%	**56.5%**
ROE※1	6.5%	22.0%	21.6%	12.5%	**11.9%**
NetDER	1.26	0.78	0.44	0.33	**0.18**
Cash flows from operating activities	227	329	429	310	**349**
Cash flows from investing activities	▲ 250	1	▲ 20	▲ 131	**▲ 82**
(Depreciation)	(179)	(177)	(178)	(181)	**(181)**
Exchange Rate (Yen/US$)	¥106.2	¥111.5	¥134.7	¥143.7	**¥152.8**
Bunker Price※2	$326	$500	$655	$555	**$564**

※1 Profit Attributable to Owners of Parent / Equity

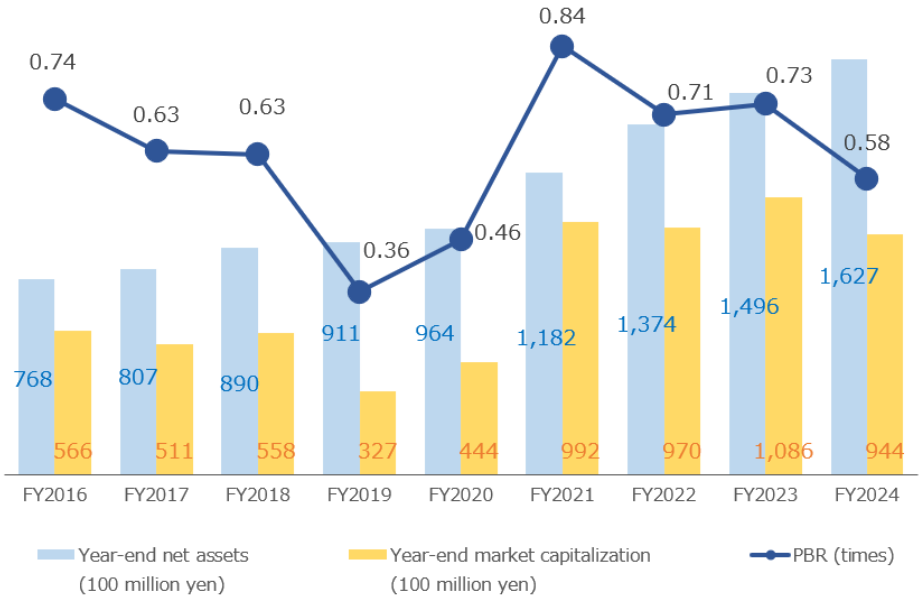
※2 Bunker oil price is the average price of all oil types including high sulfur C oil consumed by vessels equipped with desulfurization equipment(Scrubber).

(Reference) Financial Outlook

Changes in net profit and stock prices during the period



Net assets and market capitalization



(Reference) Operating Fleet Composition

Vessel Type	End of FY2023 (March, 2024)	End of FY2024(March, 2025) Owned	Chartered	Total	Year on Year Changes
Vessels for steel raw material	47	28	24	52	+ 5
Medium / Small sized Bulkers	83	11	74	85	+ 2
LPG	3	3	0	3	+ 0
International Shipping Subtotal	133	42	98	140	+ 7
Coastal Shipping Subtotal	83	22	58	80	− 3
Total	216	64	156	220	+ 4

*Number of operating vessels includes short term spot voyage vessels.

NS United Kaiun Kaisha, Ltd.

Why
Existence value to society

Purpose:
Through marine transportation, we will work together to shape the world today and create a sustainable future.

What
What must be done to accomplish the purpose?

Mission : Basic philosophy
The NS United Kaiun Group will contribute to the development of society by providing trusted and high-quality marine transpotation services.

Where
Corporate vision to be realized in 2030 through the process toward accomplishing the purpose

Vision:
Aiming to become an indispensable presence for clean and sustainable marine transportation services, we will continue to transform ourselves in cooperation with stakeholders and further enhance our corporate value.

(Note)
The forward-looking statements, including results forecasts, in this material are based on information available on the date of publication of this material. The actual results may differ depending on a variety of factors.

(Note)
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The Company's website: NS United Kaiun Kaisha, Ltd. (https://www.nsuship.co.jp/en)

Inquiries about this material: +81-3-6895-6411