(Translation)

NYK Trading Corporation

Balance Sheet

(As of March 31, 2026)

(Unit: Thousands of yen)

Assets		**Liabilities**	
Account	Amount	Account	Amount
Current assets	**22,808,581**	**Current liabilities**	**17,627,215**
Cash and deposits	492,554	Notes payable - trade	12,100
Notes receivable - trade	91,685	Electronically recorded monetary debts	750,395
Electronically recorded monetary claims	900,104	Accounts payable - trade	15,237,267
Accounts receivable - trade	16,967,244	Short-term loans payable	440,959
Merchandise	1,736,960	Income taxes payable	92,293
Advance payments	1,582,354	Contract liability	461,361
Short-term loans receivable	355,095	Deposits received	278,014
Other	684,445	Provision for directors and Audit and Supervisory Board members' bonuses	13,861
Allowance for doubtful accounts	△ 1,863	Provision for bonuses	129,304
		Provision for compensation losses	8,405
Noncurrent assets	**2,032,950**	Other	203,252
Property, plant, and equipment	1,355,597		
Buildings	223,857	**Noncurrent liabilities**	**562,527**
Structures	4,463	Provision for retirement benefits	392,239
Machinery and equipment	474,710	Provision for directors and Audit and Supervisory Board members' retirement benefits	66,550
Vehicles	995	Asset retirement obligation	19,098
Tools, furniture, and fixtures	31,577	Other	84,640
Land	598,839	**Total liabilities**	**18,189,743**
Construction in progress	21,153	**Net assets**	
Intangible assets	18,493	**Shareholders' equity**	**6,645,321**
Software	18,493		
		Common stock	**500,000**
Investments and other assets	658,859		
Investments in securities	172,504	Capital surplus	**15,435**
Shares of subsidiaries and associates	170,766	Legal capital surplus	15,435
Investments in capital of subsidiaries and associates	1,070		
Long-term loans receivable	144	Retained earnings	**6,129,885**
Deferred tax assets	200,670	Legal reserve	296,095
Other	198,530	Other retained earnings	5,833,789
Allowance for doubtful accounts	△ 84,827	General reserve	2,750,000
		Retained earnings brought forward	3,083,789
		Valuation and translation adjustments	**6,467**
		Valuation difference on available-for-sale securities	5,449
		Deferred gains or losses on hedges	1,018
		Total net assets	**6,651,789**
Total assets	**24,841,532**	**Total liabilities and net assets**	**24,841,532**

* Rounded down to the nearest 1,000 yen

(Translation)

NYK Trading Corporation

Statement of Income

From April 1, 2025,
to March 31, 2026

(Unit: Thousands of yen)

Account	Amount	
Net sales		116,929,193
Cost of sales		114,153,522
Gross profit		2,775,670
Selling, general, and administrative expenses		2,384,877
Operating income		390,792
Nonoperating income		
Interest and dividend income	460,063	
Gain on derivative transactions	150,379	
Other nonoperating income	93,418	703,862
Nonoperating expenses		
Interest expenses	42,728	
Foreign exchange losses	16,983	
Other nonoperating expenses	29,645	89,357
Ordinary income		1,005,297
Extraordinary gain		
Gain on sales of business	55,454	55,454
Extraordinary loss		
Impairment loss for shares of subsidiaries and associates	11,999	
Loss on termination of system development contract	64,000	
Compensation losses	64,000	139,999
Income before income taxes		920,752
Income taxes - current	199,209	
Income taxes - deferred	5,680	204,889
Net income		715,862

* Rounded down to the nearest 1,000 yen

(TRANSLATION)

NYK Trading Corporation

Statement of Changes in Equity

From April 1, 2025,
to March 31, 2026

(Unit: Thousands of yen)

	Shareholders' equity						
	Capital stock	Capital surplus	Retained earnings				Total shareholders' equity
		Legal capital surplus	Legal reserve	Other retained earnings		Total retained earnings	
				General reserve	Retained earnings brought forward		
Balance at beginning of the current period	500,000	15,435	296,095	2,750,000	3,013,993	6,060,089	6,575,524
Changes in items during the period							
Dividend from surplus					△ 646,066	△ 646,066	△ 646,066
Net income					715,862	715,962	715,862
Net changes in items other than shareholders' equity						-	-
Total changes in items during the period	-	-	-	-	69,796	69,796	69,796
Balance at end of the current period	500,000	15,435	296,095	2,750,000	3,083,789	6,129,885	6,645,321

* Rounded down to the nearest 1,000 yen

(Unit: Thousands of yen)

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustment	
Balance at beginning of the current period	△ 1,021	△ 274	△ 1,295	6,574,229
Changes in items during the period				
Dividend from surplus			-	△ 646,066
Net income			-	715,862
Net changes in items other than shareholders' equity	6,471	1,292	7,763	7,763
Total changes in items during the period	6,471	1,292	7,763	77,559
Balance at end of the current period	5,449	1,018	6,467	6,651,789

* Rounded down to the nearest 1,000 yen

(TRANSLATION)

Notes on Specific Items

Notes on significant accounting policies

1. Evaluation criteria and evaluation method for securities investments in subsidiaries and associates are stated at cost, determined by the moving-average method.
   With reference to other securities, those that have a fair value are evaluated by the fair value method, which is based on the fair value or its equivalent on the closing date (in which all of the evaluation differences are reported in a separate component of equity, net of applicable taxes, and the cost of securities sold is calculated by the moving-average method), while those that do not have a fair value are stated at cost, determined by the moving-average method.
2. The evaluation criteria for derivatives are based on the fair value method.
3. Inventories are stated at the lower of cost, determined by the moving-average method, or net selling value.
4. With reference to the depreciation method for property, plant, and equipment, the items under tools, furniture, and fixtures are based on the declining-balance method, while others are based on the straight-line method (excluding leased assets).
5. The depreciation method for intangible assets is based on the straight-line method (excluding leased assets).
   Software for internal use is depreciated using the straight-line method over the estimated useful lives (five years).
6. Allowances for doubtful accounts are provided for bad debt expenses. The allowances for doubtful accounts for general accounts receivable are recorded by the general loss ratio, while for the specific accounts receivable, including doubtful accounts receivable, the expected uncollectible amounts are recorded by considering their individual collectability.
7. Provision for bonuses is allocated based on bonuses paid to the employees and is recorded based on the expected payment amounts.
8. Provision for directors and Audit and Supervisory Board members' bonuses is allocated based on bonuses paid to the directors and Audit and Supervisory Board members, and is recorded based on the expected payment amounts.
9. Provision for retirement benefits for employees is recorded based on the amount required at the end of the current period for voluntary retirement.
10. For the provision for directors, Audit and Supervisory Board members, and officers' retirement benefits, the necessary payment amount at the end of the period is recorded based on internal policies governing the payment of retirement benefits to the directors, Audit and Supervisory Board members, and the officers.
11. Provision for compensation losses is recognized for the estimated amount of future expenditures related to claims for damages based on information available as of March 31, 2026, and calculated on a reasonable basis.
12. Recognition criteria for revenue and expenses
    The contents of primary obligations and the time to recognize revenue in the primary business are as follows:

    Energy business
    Energy business is primarily from wholesale sales of petroleum products (i.e., marine fuels, marine lubricants, industrial fuels, and chemicals).
    The performance obligation is to deliver the products or finished goods based on the sales contracts made with customers. The performance obligation is deemed to have been fulfilled at the time the products or finished goods are delivered to the customer and the customer acquires control of those products or finished goods. Revenue is recognized at that time of delivery.

    Machinery and instrumentation business
    Machinery and instrumentation business is primarily from wholesale sales of marine equipment, machinery components, marine supplies, and service of installation.
    The performance obligation is to deliver the products or finished goods based on the sales contracts made with customers. The performance obligation is deemed to have been fulfilled at the time the products or finished goods are delivered to the customer and the customer acquires control of those products or finished goods. Revenue is recognized at that time of delivery.
    The performance obligation related to service is to provide installation services. The performance obligation is deemed to have been fulfilled at the time of completion of the installation service. Revenue is recognized at that time of service completion.
13. For hedge accounting, NYK Trading Corporation (the "Company") utilizes the deferred hedge treatment, in principle.
    For further information, with reference to the exchange contracts that meet the required conditions under the accounting standard, the Company translates hedged foreign currency assets and liabilities at the exchange rates listed in these contracts.
14. The accounting treatment for consumption tax and other taxes is based on the tax exclusion method.
15. The Japanese group relief system is adopted.

Notes Regarding Revenue Recognition

Basic information for understanding revenue is included in the “Accounting Policies and Recognition criteria for revenue and expenses.”
In addition to "revenue from contracts with customers," rental revenue is included in net sales in the statement of income because the amount is immaterial.

Notes Regarding Accounting Estimates

Items for which accounting estimates were included in the financial statements for the current fiscal year under review and that may have a significant impact on the financial statements for the next fiscal years are as follows:

Deferred tax assets	200,670	thousand yen
Provision for compensation losses	8,405	thousand yen

A provision for compensation losses is recognized for the estimated amount of future expenditures related to claims for damages expected to arise under contracts with counterparties based on information available as of March 31, 2026, and calculated on a reasonable basis.

(TRANSLATION)

Notes on the balance sheet

1. Pledged assets and collateral-related liabilities

(1) Pledged assets

Buildings	20,527	thousand yen
Structures	157	thousand yen
Land	182,090	thousand yen

(2) Collateral-related liabilities

Accounts payable - trade	2,430,080	thousand yen

Notes: The Company has received guarantees from its parent company in respect of certain obligations to suppliers. The assets described above have been pledged as collateral to the parent company in connection with such guarantees. If the parent company performs under the guarantees and acquires a right of reimbursement against the Company, the collateral may be enforced against such reimbursement obligations. As of March 31, 2026, the guarantees had not been called and no reimbursement obligations or other secured liablities had arisen for the Company. Accordingly, the amounts presented as collateral-related liabilities represent obligation to suppliers subject to the parent company guarantees and do not represent liablities secured by the collateral as of that date.

2. Accumulated depreciation of property, plant, and equipment 1,723,722 thousand yen

3. Guarantee obligations

The Company is providing guarantees (including guarantees reservation) for trade payables to business partners with reference to the following companies:

NYKT Marine Co., Ltd.	167,767	thousand yen
NYK Trading (Singapore) Pte. Ltd.	79,940	thousand yen
Total	247,707	thousand yen

4. Short-term monetary claims and obligations from/to subsidiaries and associates

Short-term monetary claims	5,791,955	thousand yen
Short-term monetary obligations	456,648	thousand yen

Notes on the statement of income

1. Transactions with subsidiaries

Net sales	43,330,456	thousand yen
Amount of goods purchased	157,629	thousand yen
Selling, general, and administrative expenses	90,435	thousand yen
Nonbusiness transactions	446,595	thousand yen

2. Impairment loss

During the fiscal year, the book value of shares in affiliated companies was written down to their recoverable amount, and the resulting decrease of 11,999 thousand yen was recognized as an impairment loss and recorded as extraordinary loss.

Notes on the statement of changes in equity

1. Number of shares outstanding at the end of March in the current fiscal year

Common shares 29 shares

2. Matters related to the dividend from surplus distributed during the current fiscal year

(1) Dividends paid during the current fiscal year

Cash dividends

Dividend declaration at the annual meeting of shareholders on June 11, 2025

Matters related to the dividend from common shares

Total dividend amount	638,000	thousand yen
Dividend amount per share	22,000,000	yen
Basis date	March 31, 2025	
Effective date	June 12, 2025	

Nonmonetary dividends

Devidend declaration by a written resolution based on the Company's proposal dated February 25, 2026.

Matters related to the dividend from common shares

Type of dividend property	Securities (Note)	
Book value of dividend property	8,066	thousand yen
Dividend amount per share	266,880	yen
Basis date	-	
Effective date	March 31, 2026	

Note: 30 shares of Keihin Dock Co., Ltd. common stock held by the Company were distributed as dividend in kind.

(2) Dividends with record dates falling within the current fiscal year, with the effective date being after the last day of the current fiscal year

Dividend declaration to be scheduled at the annual meeting of shareholders on June 10, 2026

Matters related to the dividend from common shares

Total dividend amount	341,446	thousand yen
Dividend resource	Retained earnings	
Dividend amount per share	11,774,000	yen
Basis date	March 31, 2026	
Effective date	June 11, 2026	

(TRANSLATION)

Notes on accounting for income taxes

1. The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities are as follows:

Deferred tax assets

Allowance for doubtful accounts	27,325	thousand yen
Provision for bonuses	40,756	thousand yen
Provision for retirement benefits	123,633	thousand yen
Loss on revaluation of inventory	6,012	thousand yen
Loss on revaluation of golf memberships	21,576	thousand yen
Deferred assets	2,061	thousand yen
Loss on revaluation of land and other impairment loss	41,332	thousand yen
Accrued enterprise tax	6,909	thousand yen
Provision for directors and Audit and Supervisory Board members' retirement benefits	20,976	thousand yen
Others	66,171	thousand yen
Total deferred tax assets	356,756	thousand yen
Amount of valuation reserve	△ 153,109	thousand yen
Net amount of deferred tax assets	203,647	thousand yen

Deferred tax liabilities

Deferred gains on hedges	△ 468	thousand yen
Valuation difference on available-for-sale securities	△ 2,508	thousand yen
Total deferred tax liabilities	△ 2,977	thousand yen
Net amount of deferred tax assets	200,670	thousand yen

2. The accounting treatment for tax effects accounting related to corporate income tax and local corporate tax or related to the foregoing
The Company has adopted a Japanese group relief system. In line with this, the Company conducts accounting treatment and disclosure for tax effect accounting related to corporate tax and local corporation tax in accordance with Practical Solution on Treatment of Accounting Treatment and Disclosure Under the Japanese Group Relief System (Accounting Standards Board of Japan Practical Issues Task Force No. 42, August 12, 2021).

Notes on leased noncurrent assets

In addition to the noncurrent assets recorded in the balance sheet, the Company has five vehicles and two multifunction printers, telephone systems, etc., under lease contracts, totaling seven items.

Notes on financial instruments

1. Matters related to the status of financial instruments
The Company limits fund operations to short-term deposits and equivalents and raises funds through borrowings from banks and other financial institutions.
With reference to the credit risks related to notes receivable from its customers (especially related to portions of the accounts "notes receivable - trade, electronically recorded monetary claims, and accounts receivable - trade"), the Company manages these risks in accordance with internal credit management policies.
The purpose of the borrowings is to finance working capital and equipment, and the Company manages the risk related to interest rates by conducting interest rate swap transactions against the interest rate risk of certain borrowings.
For further information, the Company conducts derivative transactions in accordance with internal control policies.

2. Matters related to the fair value and others of financial instruments
The balance sheet amounts, the fair values, and the differences for these products as of March 31, 2026, are as follows:
Unlisted stocks (the balance sheet amount of which is 172,504 thousand yen), shares of subsidiaries and associates (the balance sheet amount of which is 170,766 thousand yen), and investments in capital of subsidiaries and associates (the balance sheet amount of which is 1,070 thousand yen) do not have a fair value. As a result, such fair values cannot be reliably determined and have not been subject to fair value disclosure.
Cash is excluded from financial instruments disclosure and is therefore omitted. Deposits, notes receivable - trade, electronically recorded monetary claims, accounts receivable - trade, short-term loans receivable, notes payable - trade, electronically recorded monetary debts, accounts payable - trade, and short-term loans payable are not disclosed because they have short maturities and their book values approximate fair value.
Long-term loans receivable and long-term loans payable with variable interest rates are not disclosed because the interest rate on these loans reflects the market rate in the short term, and such book values approximate fair value.

(Unit: Thousands of yen)

	Balance sheet amount	Fair value	Amount of difference
Derivative transactions	204,816	204,816	-

Note: Explanation of the valuation methods and inputs used in calculating fair values
The fair values of financial instruments are categorized into the following three levels in accordance with the observability and importance of the inputs used in the fair value calculation:

Level 1 fair value: Fair value calculated using the (unadjusted) market price in an active market for an identical asset or liability.
Level 2 fair value: Fair value calculated using inputs that are directly or indirectly observable, other than the Level 1 inputs.
Level 3 fair value: Fair value calculated using important inputs that cannot be observed.

In cases where multiple inputs that have a material effect on the calculation of the fair value are used, among the levels to which the respective inputs belong, the fair value is categorized at the level with the lowest priority in the fair value calculation.

Derivative transactions
The Company conducts interest rate swap transactions against the interest rate risk of borrowings, exchange contract transactions against the foreign exchange rate risk of receivables and payables in foreign currency, and bunker fuel oil and petroleum products' futures transactions against the fluctuating market price risk of bunker fuel oil and petroleum products.
The market values of these transactions as of the settlement date are categorized into the Level 2 fair value. Net assets/liabilities arising from derivative transactions are calculated based on the prices presented by financial institutions and are shown as net.

(TRANSLATION)

Notes on rental and other properties

The Company has office buildings for rent in Kanagawa, Shizuoka, and Nagasaki.

The profit or loss related to the real estate for rent and other purposes for the period ended March 31, 2026, is 38,037 thousand yen. (The rent revenues are recorded in sales, while the major rent expenses are recorded in cost of sales.)

In addition, the balance sheet amount and the fair value of the real estate for rent and other purposes are as follows:

(Unit: Thousands of yen)

Balance sheet amount	Fair value
562,129	616,003

Note 1: The balance sheet amount is the acquisition cost, net of accumulated depreciation and life-to-date impairment loss.

Note 2: The fair value at the end of the current period is the amount that was internally calculated, mainly based on the "property tax valuation amount" (including the adjusted amount using indexes and other criteria).

Notes on transactions with related parties

1. Parent company

(Unit: Thousands of yen)

Attribute	Company and other names	Address	Percentage of voting rights ownership (of being owned)	Relationship with the relevant party	Details of transactions	Transaction amount	Item	Balance at end of the period
Parent company	NYK Line	Chiyoda-ku	(Owned) 100.00%	Support of funding	Sales of petroleum products and others	43,099,522	Accounts receivable - trade	5,458,098
					Interest receipt from loans receivable	8,008	Short-term loans receivable	178,609
				Concurrent position as executive	Interest payment from loans payable	41,467	Short-term borrowings	440,959
					Debt guarantee	2,430,080		
					Payment of guarantee fee	13,696		

Notes: Transaction conditions and policies governing transactions

1. For the sales of petroleum products and others, the price is based on the market value and other factors.
2. Consumption and other taxes are not included in the transaction amounts; however, the balance at the end of the period includes such consumption and other taxes.
3. With reference to loans receivable and payable, the interest rates are decided in a rational manner and consider market interest rates.
4. The payment of guarantee fees for trade payables is set at an annual rate of 0.2% of the maximum guaranteed amount.

2. Fellow subsidiaries and others

(Unit: Thousands of yen)

Attribute	Company and other names	Address	Percentage of voting rights ownership (of being owned)	Relationship with the relevant party	Details of transactions	Transaction amount	Item	Balance at end of the period
Subsidiary of the parent company	NYK BULK & PROJECTS CARRIERS LTD.	Chiyoda-ku	Not applicable	Not applicable	Sales of petroleum products and others	6,063,152	Accounts receivable - trade	1,114,836
Associate of the parent company	OCEAN NETWORK EXPRESS PTE. LTD.	Singapore	Not applicable	Not applicable	Sales of petroleum products and others	6,658,951	Accounts receivable - trade	402,483
Associate of the parent company	KNUTSEN NYK OFFSHORE TANKERS AS	Norway	Not applicable	Not applicable	Sales of petroleum products and others	1,311,117	Accounts receivable - trade	275,579

Notes: Transaction conditions and the decision-making policy of transaction conditions

1. For the sales of petroleum products and others, the price is based on the market value and other factors.
2. Consumption and other taxes are not included in the transaction amounts; however, the balance at the end of the period includes such consumption and other taxes.

Notes on per share information

1. Net assets per share 229,372,034.65 yen
2. Net income per share 24,684,918.75 yen