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Stock Exchange Code 9119
June 4, 2018

To Shareholders with Voting Rights:

Hiromi Tosha
President and Representative Director
IINO KAIUN KAISHA, LTD.
2-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo

**NOTICE OF
THE 127th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 127th Annual General Meeting of Shareholders of IINO KAIUN KAISHA, LTD. (the “Company”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet, etc. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights.

1. Date and Time: **Wednesday, June 27, 2018 at 10:00 a.m. Japan time**

2. Place: **IINO Hall (IINO Building, 4F)
2-1-1 Uchisaiwaicho, Chiyoda-ku, Tokyo**

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 127th Fiscal Year (April 1, 2017 - March 31, 2018) and results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 127th Fiscal Year (April 1, 2017 - March 31, 2018)

Proposals to be resolved:

- Proposal 1:** Distribution of Surplus
Proposal 2: Election of 3 Directors
Proposal 3: Election of 1 Auditor
Proposal 4: Election of 1 Substitute Auditor

End

- ◆ Of the documents to be attached to this Notice, the following items are posted on the Company's website in accordance with the provisions of laws and regulations as well as the Company's Articles of Incorporation, and therefore are not provided in the Appendix of this Notice.
 - 1) "Basic policy on persons to be qualified for controlling the decision making of the financial and business policies of the Company" in the Business Report
 - 2) "The Consolidated Statement of Change in Equity" and "the Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 - 3) "The Non-consolidated Statement of Change in Equity" and "the Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial StatementsFurthermore, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements audited by Auditors and the Accounting Auditor in the course of preparing their audit reports include the above-mentioned documents on the Company's website in addition to the Appendix of this Notice.
- ◆ Should revisions arise to the Reference Documents for the General Meeting of Shareholders, the Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements, and other items in this Notice, the revised items will be posted on the Company's website.

The Company's website: <http://www.iino.co.jp/kaiun>

Electronic Voting Platform

Institutional investors may use the Electronic Voting Platform operated by ICJ, Inc.
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Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Distribution of Surplus

The Company proposes a distribution of surplus as follows.

Items Related to the Year-end Dividend

The Company considers the appropriate return of profits to shareholders an important policy, and its basic policy is to pay dividends while sufficiently considering strengthening the Company's financial position, building the necessary internal reserves, and future outlook for the business environment, in order to be able to maintain a stable dividend.

Comprehensively taking into consideration business performance in the fiscal year under review, the business environment, and other factors, the Company proposes a year-end dividend for the fiscal year under review of 5 yen per share, the same as the previous year, as follows. Furthermore, as a result, the annual dividend for the fiscal year under review will be 10 yen per share (the same as the previous year), including the interim dividend of 5 yen per share.

(1) Type of dividend property

Cash

(2) Items related to the allocation of dividend property and its total amount

5 yen per share of common stock in the Company

Total of 529,040,265 yen

(3) Date the distribution of surplus comes into effect

June 28, 2018

Proposal 2: Election of 3 Directors

The terms of office of 4 Directors Mamoru Chikamitsu, Akihiko Okada, Ryuichi Osonoe, and Tomoshige Jingu will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 3 Directors is proposed.

The candidates for Director are as follows.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	<p><u>Reappointment</u></p> <p>Akihiko Okada (December 21, 1959)</p> <p>[Attendance at the Board of Directors meetings] 100% (22 out of 22 meetings)</p>	<p>April 1983 Joined the Company</p> <p>October 2008 Manager, Finance Group</p> <p>June 2011 Executive Officer; Commission of Manager, Accounting Group</p> <p>June 2012 Director; Executive Officer; Commission of Manager, Corporate Planning & General Affairs Group</p> <p>June 2014 Director; Executive Officer; in charge of Property Business Department</p> <p>June 2016 Director; Managing Executive Officer; in charge of Corporate Planning & General Affairs Department</p> <p>June 2017 Director; Managing Executive Officer; in charge of Corporate Planning Department, Business Administration Department, and Business Development Department (to present)</p> <p><Responsibilities in the Company> In charge of Corporate Planning Department, Business Administration Department, and Business Development Department</p> <p><Significant concurrent positions> President and Representative Director of IINO System Co., Ltd.</p>	20,700
<p>[Reason for nomination as candidate]</p> <p>Mr. Akihiko Okada has abundant experience and knowledge in the accounting & finance division, general affairs & planning division, and property business division. Having served as Director and Managing Executive Officer of the Company since June 2016, he makes decisions regarding important management matters and supervises the execution of business operations, in addition to endeavoring to strengthen corporate governance. The Company has judged that the knowledge and experience he has developed thus far will contribute to the enhancement of corporate value, and therefore proposes his election as Director.</p>			
2	<p><u>Reappointment</u></p> <p>Ryuichi Osonoe (December 22, 1960)</p> <p>[Attendance at the Board of Directors meetings] 90% (20 out of 22 meetings)</p>	<p>October 1985 Joined the Company</p> <p>June 2006 Manager, Marine Transport Business Group V</p> <p>June 2010 Manager, Marine Transport Business Group V; Managing Director, IINO Singapore Pte. Ltd.</p> <p>June 2011 Executive Officer; Commission of Manager, Shipping Business Group V of the Company</p> <p>June 2013 Director; Executive Officer; in charge of Chemical Tanker Group</p> <p>June 2016 Director; Managing Executive Officer; in charge of Chemical Tanker Department No. 1 and Chemical Tanker Department No. 2</p> <p>June 2017 Director; Managing Executive Officer; in charge of Chemical Tanker Department No. 1, Chemical Tanker Department No. 2, and Overseas Strategy (to present)</p> <p><Responsibilities in the Company> In charge of Chemical Tanker Department No. 1, Chemical Tanker Department No. 2, and Overseas Strategy</p> <p><Significant concurrent positions> Managing Director of IINO Singapore Pte. Ltd.</p>	20,600
<p>[Reason for nomination as candidate]</p> <p>Mr. Ryuichi Osonoe has abundant experience and knowledge in the chemical tanker division. Having served as Director and Managing Executive Officer of the Company since June 2016, he has further strengthened the sales capabilities of this division. The Company has judged that the knowledge and experience he has developed thus far will contribute to the enhancement of corporate value, and therefore proposes his election as Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	<p><u>Reappointment</u></p> <p>Tomoshige Jingu (February 16, 1961)</p> <p>[Attendance at the Board of Directors meetings] 100% (22 out of 22 meetings)</p>	<p>April 1983 Joined The Industrial Bank of Japan, Limited (currently, Mizuho Bank, Ltd.)</p> <p>October 2006 General Manager of Ebisu Branch, Mizuho Bank, Ltd.</p> <p>April 2011 Executive Officer; General Manager of Nagoya Corporate Banking Division, Mizuho Corporate Bank, Ltd.</p> <p>April 2012 Managing Executive Officer (in charge of Branch Banking Group), Mizuho Bank, Ltd.</p> <p>April 2014 Managing Executive Officer; Head of Human Resources Group, Mizuho Financial Group, Inc.</p> <p>April 2015 Managing Executive Officer (in charge of Corporate Banking), Mizuho Bank, Ltd.</p> <p>May 2016 Advisor, the Company</p> <p>June 2016 Director; Managing Executive Officer; in charge of Finance & Accounting Department (to present)</p> <p><Responsibilities in the Company> In charge of Finance & Accounting Department</p> <p><Significant concurrent positions> President and Representative Director of IINO Management Data Processing Co., Ltd.</p>	14,100
<p>[Reason for nomination as candidate] Mr. Tomoshige Jingu has abundant experience and knowledge in finance & accounting division. Having served as Director and Managing Executive Officer of the Company since June 2016, he manages the accounting and finance of the Group. The Company has judged that the knowledge and experience he has developed thus far will contribute to the enhancement of corporate value, and therefore proposes his election as Director.</p>			

(Note) There are no special interests between the candidates and the Company.

Proposal 3: Election of 1 Auditor

Auditor Mr. Shinichi Suzuki will resign from his position at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 1 Outside Auditor is proposed to fill the vacancy left by Mr. Suzuki. The candidate for Outside Auditor is Mr. Yoshio Yamada. At the 125th Annual General Meeting of Shareholders held on June 28, 2016, Mr. Yamada was elected as a Substitute Auditor to prepare for a vacancy arising, but his election was cancelled by a resolution of the Board of Directors meeting held on April 27, 2018, with the consent of the Board of Auditors, and therefore the Company proposes his new election to fill the vacancy left by Auditor Mr. Suzuki at this General Meeting of Shareholders.

If Mr. Yoshio Yamada is elected to fill the vacancy left by Mr. Shinichi Suzuki, his term of office shall expire at the conclusion of the Annual General Meeting of Shareholders to be held in June 2020, in accordance with Article 31, Paragraph 2 of the Company's current Articles of Incorporation.

The Board of Auditors has already given its approval to submission of this proposal.

Furthermore, the "Criteria Relating to the Independence and Qualifications of Outside Directors and Auditors" are attached on page 8 and 9 for shareholders' reference.

The candidate for Auditor is as follows.

Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
<div>New appointment</div> <div>Outside</div> <div>Independent</div> Yoshio Yamada (May 23, 1948)	April 1983 Registered as an attorney (Dai-Ichi Tokyo Bar Association) April 1983 Joined Motoya Law Office April 1988 Established Nakano & Yamada Law Office April 1989 Established Yamada Law Office (to present)	0
[Reason for nomination as candidate] Mr. Yoshio Yamada has abundant expert knowledge and experience regarding corporate law, developed as an attorney. The Company has judged that he will be able to appropriately execute his duties as Outside Auditor, and therefore proposes his election as Auditor.		

(Notes)

1. There are no special interests between the candidate and the Company.
2. Mr. Yoshio Yamada is a candidate for Outside Auditor.
3. If this Proposal is approved, the Company plans to enter into an agreement with Mr. Yoshio Yamada in accordance with Article 427, Paragraph 1 of the Companies Act to limit his liability to the amount stipulated in laws and regulations, provided he has executed his duties in good faith and without gross negligence.
4. The Company plans to designate Mr. Yoshio Yamada as an independent director/auditor stipulated by Tokyo Stock Exchange, Inc. and other exchanges, and register him with the Exchange and other exchanges where the Company's stock is listed.
5. The Company plans to continue to appoint Mr. Yoshio Yamada as a member of the Special Committee in accordance with the Company's anti-takeover measures.

Proposal 4: Election of 1 Substitute Auditor

To prepare for a contingency in which the Company does not have the number of Auditors required by laws and regulations, the Company proposes to elect 1 person as a substitute for Outside Auditors.

The appointment of the Substitute Auditor shall be subject to the Company not having the number of Auditors required by laws and regulations, and the effectiveness of this proposal shall expire at the commencement of the Annual General Meeting of Shareholders for the final fiscal year ending within 4 fiscal years of the candidate's election.

The effectiveness of the Substitute Auditor's election may be cancelled by resolution of the Board of Directors, with the consent of the Board of Auditors, provided it is prior to appointment.

The Board of Auditors has already given its approval to submission of this proposal.

The candidate for Substitute Auditor is as follows.

Name (Date of birth)	Past experience, positions, and significant concurrent positions		Number of shares of the Company held
<div>Outside</div> <div>Independent</div> Yudai Miyake (June 24, 1974)	October 2006 October 2006	Registered as an attorney (Tokyo Bar Association) Joined Miyake Law Office (to present)	1,000
[Reason for nomination as candidate] Mr. Yudai Miyake has abundant expert knowledge and experience regarding corporate law, developed as an attorney. The Company has judged that he will be able to appropriately execute his duties as Outside Auditor, and therefore proposes his election as a substitute for Outside Auditor.			

(Notes)

1. There are no special interests between the candidate for Substitute Auditor and the Company.
2. Mr. Yudai Miyake is a candidate for Substitute Outside Auditor.
3. If this Proposal is approved and Mr. Yudai Miyake assumes the position of Outside Auditor, the Company plans to enter into an agreement with Mr. Yudai Miyake in accordance with Article 427, Paragraph 1 of the Companies Act to limit his liability to the amount stipulated in laws and regulations, provided he has executed his duties in good faith and without gross negligence.
4. If Mr. Yudai Miyake assumes the position of Outside Auditor, the Company plans to designate him as an independent director/auditor stipulated by Tokyo Stock Exchange, Inc. and other exchanges, and register him with the Exchange and other exchanges where the Company's stock is listed.

(Reference)

Criteria Relating to the Independence and Qualifications of Outside Directors and Auditors

[Criteria Relating to the Independence and Qualifications of Outside Directors and Auditors]

These criteria are to determine the independence of candidates for outside director and outside auditor (hereinafter collectively referred as “Outside Officers”) of the Company, and also set forth the qualities required of candidates.

(Outside Directors)

As candidates for outside director, the Company shall nominate persons who satisfy the requirements for outside directors set forth in the Companies Act; are of outstanding character; are knowledgeable, capable and possess abundant experience; are able to appropriately fulfill the duties of outside directors; hold constructive opinions; and are expected to contribute to further growth of the Company, and the Company shall give consideration to ensuring a balance of knowledge, experience, and abilities and the diversity of the Board of Directors as a whole.

(Outside Auditors)

As candidates for outside auditor, the Company shall nominate persons who satisfy the requirements for outside auditors set forth in the Companies Act; are of outstanding character; are knowledgeable, capable and possess abundant experience; and are able to appropriately fulfill the duties of outside auditors, and the Company shall give consideration to ensuring that persons with appropriate knowledge of finance and accounting are included.

(Criteria for Determining the Independence of Outside Officers)

In the Company’s judgment, a person to whom none of the following items applies satisfies the independence criteria for an Outside Officer, or candidates for Outside Officer.

1. A business executor of the Company or a subsidiary of the Company (Note 1)
2. A person for whom the Company is a major business partner (Note 2) or a business executor thereof
3. A major business partner of the Company (Note 3) or a business executor thereof
4. A current major shareholder of the Company (a person who directly or indirectly holds 10% or more of total voting rights) or a business executor thereof
5. A person who undertakes audits of the Company as the Company’s accounting auditor or an employee etc. thereof
6. A consultant or accounting, legal, tax, or other professional receiving a significant amount (Note 4) of money or other assets from the Company other than executive remuneration. When such person is an organization such as a corporation or association, this includes a person belonging to such organization.
7. A person who receives a significant amount (Note 4) of donations or aid from the Company. When such person is an organization such as a corporation or association, this includes a director or business executor thereof.
8. When an executive officer or standing auditor of the Company concurrently serves as an outside director or outside auditor of another company, a person who is an executive director, operating officer, or executive officer of such other company
9. A person who fell under 1 to 8 above during the past three years (Note 5)
10. A person falling under 1 to 9 above or, in the case of determining the independence of an outside auditor, a spouse or relative within the second degree of kinship of an important person falling under any of the following items (Note 6)
 - (a) An accounting advisor of the Company (if such accounting advisor is a corporation, including an employee who executes the corporation’s duties; the same below)
 - (b) A director or accounting advisor who is not a business executor of a subsidiary of the Company
 - (c) A person who fell under (a) or (b) above or who during the past three years has been a director who was not a business executor of the Company

(Note 1) “Business executor” means an executive director, operating officer, executive officer, or other equivalent person or an employee.

- (Note 2) “Person for whom the Company is a major business partner” means a person receiving from the Company payments in an amount equivalent to at least 2% of annual consolidated sales in the business partner’s most recent fiscal year.
- (Note 3) “Major business partner of the Company” means a person who has made payments to the Company in an amount equivalent to at least 2% of the Company’s annual consolidated sales in the most recent fiscal year or who has made loans to the Company in an amount equivalent to at least 2% of the Company’s consolidated net assets in the most recent fiscal year.
- (Note 4) “Significant amount” of money means financial assets received from the Company of 10 million yen or more per year if such person is an individual or, if such person is an organization such as a corporation or association, an amount of 10 million yen or more per year that is equivalent to at least 2% of annual consolidated sales or total revenues in such organization’s most recent fiscal year.
- (Note 5) With regard to 4. above, this means a person who was a business executor of a current major shareholder of the Company during the past three years.
- (Note 6) “Important person” includes a director (excluding an outside director), auditor (excluding an outside auditor), executive officer, employee in a management position of department manager or higher, certified public accountant belonging to an accounting auditor, and attorney belonging to a law firm (including an associate).

End