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IINO KAIUN KAISHA, LTD.

Conclusion of Time Charter Contract for New VLGC With Equinor ASA
Construction of IINO LINES' First VLGC Equipped With a Two-Stroke Dual-Fuel Engine

IINO Kaiun Kaisha, Ltd. ("IINO LINES") is proud to announce the construction of a new VLGC (Very Large Gas Carrier) with a capacity of 84,000 m³ to be built by Sakaide Works of Kawasaki Heavy Industries, Ltd. After completion of construction in 2021, the vessel will be deployed on a time charter contract to Equinor ASA^{*1} ("Equinor"). This vessel is IINO LINES' first VLGC that is equipped with a two-stroke dual-fuel engine that can use not only compliant fuel oil but also LPG as fuel.

Based on medium- to long-term time charter contracts with major cargo owners in Japan and overseas, IINO LINES has engaged in LPG shipping for many years. By deploying this new and improved environmentally friendly vessel under a new time charter contract, IINO LINES is strengthening its relationship with Equinor. IINO LINES will continue to strengthen partnerships with important customers in Japan and overseas that are actively engaged in environmental measures.

With consideration for the environment as part of its management philosophy, IINO LINES is actively working on initiatives^{*2} toward the realization of vessels that use next-generation fuels. The LPG that the vessel uses for fuel can greatly reduce emissions of carbon dioxide (CO₂), sulfur oxide (SO_x) and nitrogen oxide (NO_x) compared to the usual heavy fuel oil, and is a clean energy source that is both safe and environmentally friendly. The vessel complies not only with the sulfur oxide emission regulations that began in January 2020, but also with phase 3 of EEDI^{*3} that will come into effect in 2022 and further strengthen carbon dioxide emission regulations that have become increasingly stringent in stages.

While striving to provide stable transportation and safe operation utilizing its experience accumulated during many years of operating and managing VLGCs, IINO LINES will actively introduce technology that reduces the environmental impact and contributes to the realization of a sustainable society.



^{*1} About Equinor ASA

Equinor is an international energy company present in more than 30 countries worldwide, including several of the world's most important oil and gas provinces and is headquartered in Stavanger, Norway. Equinor is a major supplier of natural gas and sells crude oil with activities in processing, refining, and trading.

^{*2} About IINO LINES' initiatives toward the realization of vessels that use next-generation fuels

Construction of Creole Sun, which was IINO LINES' first methanol carrier equipped with two-stroke dual-fuel methanol-powered engine technology, was completed in December 2019. For details, please refer to the news release "IINO LINES - Welcome Low-Emission Methanol-Fueled Tanker" dated December 23, 2019 at

<https://contents.xj-storage.jp/xcontents/AS00371/ae32d5be/8c39/4a72/bf8a/5db667044519/20191220154553098s.pdf>.

^{*3} About EEDI (Energy Efficiency Design Index) regulations

Compulsory international regulations requiring energy-efficiency compliance in newly built ships based on EEDI values, which specify CO₂ emissions in grams for transporting one ton of cargo for one mile. EEDI regulation values apply in increasingly strict phases based on the construction-contract conclusion date and finished-ship delivery date. Phase 3 regulations (30% CO₂ emissions reduction compared with baseline levels) will be introduced for certain ship types including VLGC contracted to be built in 2022 or later.

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