

May 17, 2011

To all related parties:

IHI Corporation

1-1, Toyosu 3-chome, Koto-ku

Tokyo 135-8710, Japan

Representative: Kazuaki Kama

President and Chief Executive Officer

Securities code: 7013

Contact: Shunichi Takayanagi

PR/IR Manager

Phone: +81-3-6204-7030

Notice Regarding Transfer of Noncurrent Assets

IHI announces the determination of a policy regarding the transfer of noncurrent assets as follows.

Details

1. Reasons for the transfer

For the steady progress of the Toyosu redevelopment business and to raise the value of the entire Toyosu area, and in connection with striving for the effective utilization of IHI's portfolio assets, we will transfer land equity to Mitsubishi Estate Co., Ltd. or a Special Purpose Company (SPC) established by Mitsubishi Estate Co., Ltd.

2. Details of the assets to be transferred

Name, location	A portion (approx. 10,880 sq. meters) of 1-54, Toyosu 3-chome, Koto-ku, Tokyo
Planned value of transfer	Approx. 14.1 billion yen
Book value	Approx. 0.6 billion yen
Gain on transfer	Approx. 13.5 billion yen

(Note) The amount of equity to be transferred and/or the planned value of the transfer may be subject to change before the conclusion of the purchase agreement.

3. Outline of the transferee

Trade Name	Mitsubishi Estate Co., Ltd. or an SPC established by Mitsubishi Estate Co., Ltd.
Head office	* 6-1, Otemachi 1-chome, Chiyoda-ku, Tokyo
Paid-in capital	* 141,373 million yen (As of March 31, 2011)
Main business	* General real estate business
Relationship with IHI	* No capital ties or personal ties exist

* Describes Mitsubishi Estate Co., Ltd.

4. Schedule of the transfer (planned)

May 30, 2011	Resolution by the Board of Directors
First half of fiscal year 2012	Conclusion of the purchase agreement
First half of fiscal year 2012	Transfer of equity ownership

5. Impact on business results

In connection with this transfer, IHI expects to record extraordinary income of 13.5 billion yen for gain on transfer during the fiscal year ending March 31, 2013.

There is no impact on the forecast of results for the fiscal year ending March 31, 2012.

###