

August 31, 2012

IHI Corporation and Paul Wurth to join forces by establishing a joint venture in the field of iron- and coke-making technologies

IHI Corporation hereby announces that its board of directors approved today, August 31, 2012, the agreement reached with Paul Wurth S.A., Luxembourg, to set up a joint venture corporation in Japan in the field of iron and coke-making technologies.

1. Objectives of the joint venture

Paul Wurth, as a leading player in the field of iron- and coke-making engineering and supply, can be credited with a number of highly valued products and references, offering cutting-edge technology in the international market.

IHI have supplied over 100 blast furnaces including new and revamp projects since 1941 when it completed construction of its first blast furnace. This has strengthened IHI's capability to supply the most appropriate solutions – development, engineering, manufacturing, construction, revamping and maintenance - according to the customers' requirements in such various fields as logistics, unloaders, rolling mills and energy plants.

Recent economic growth in Asian developing countries has led to the rapid increase of demand and supply and global competition in the iron and steel market. Through the joint venture, IHI and Paul Wurth will cooperate by combining their various products with advanced know-how and Japanese workman spirit of manufacturing, aiming to be a company, developing high-value superior technology and utilizing respective engineering, procurement and sales networks.

2. Outline of the joint venture

(1) Trade name: Paul Wurth IHI Co., Ltd.

(2) Location of head office: Tokyo, Japan

(3) Corporate purpose:

Sales, engineering service, procurement, installation and after-sale service for Iron-making plant, coke-making plant including coke dry quenching equipment and environmental equipment for steel industry. The geographical reach of the joint-venture will comprise Asia and Oceania except for Russia, China and India.

- (4) Representative Directors: One person from each of IHI and Paul Wurth
- (5) Capital and capital reserve: Japanese Yen 400 million
- (6) Fiscal year end: March 31
- (7) Shareholders: 50% of the share capital of the new venture will be held by each of IHI and Paul Wurth
- (8) Starting staff level: 40
- (9) The joint – venture is expected to start its operations by 1 November 2012 subject to the approval of the parties' intentions by the competent anti-trust authorities.

3. Outline of Paul Wurth Group

- (1) Trade name of parent company: Paul Wurth S.A.
- (2) Location of head office: Luxembourg
- (3) Year of Establishment: 1870
- (4) Business:
Sales, engineering service, procurement, installation and after-sale service for Iron-making plant and equipment including blast furnace, coke-making plant, etc.
- (5) Consolidated Turnover: Euro 491 million (Year 2011)
- (6) Number of staff (Paul Wurth Group): 1,600