IHI Corporation

Toyosu IHI Bldg.
1-1, Toyosu 3-chome, Koto-ku
Tokyo 135-8710, Japan
May 8, 2015

CONSOLIDATED FINANCIAL REPORT FOR THE FISCAL YEAR ENDED MARCH 31, 2015 <Japanese GAAP>

IHI Corporation (IHI) is listed on the First Section of the Tokyo Stock Exchange, Nagoya Stock Exchange, Sapporo Securities Exchange and Fukuoka Stock Exchange with the securities code number 7013.

Representative: President and Chief Executive Officer, Tamotsu Saito
For further information contact: Managing Executive Officer, Mikio Mochizuki, Finance & Accounting Division
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URL: http://www.ihi.co.jp

Annual General Meeting of Shareholders: June 25, 2015 (planned)
Commencement of Dividend Payments: June 26, 2015 (planned)
Submission of Annual Securities Report: June 25, 2015 (planned)

Preparing supplementary material on financial results: Yes
Holding financial results presentation meeting: Yes (for institutional investors and analysts)

This consolidated financial report has been prepared in accordance with Japanese accounting standards and Japanese law. Figures are in Japanese yen rounded to the nearest millions.

1. CONSOLIDATED PERFORMANCE FOR THE YEAR ENDED MARCH 31, 2015 (APRIL 1, 2014 to MARCH 31, 2015)

(1) Consolidated Business Results

(Millions of yen, except per share figures; percentages show the rate of increase or decrease from the previous fiscal year)

	Net Sales	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change
Fiscal year ended March 31, 2015	**1,455,844**	**11.6%**	**63,253**	**18.7%**	**56,529**	**6.2%**
Fiscal year ended March 31, 2014	1,304,038	3.8%	53,271	26.4%	53,235	47.0%

	Net Income	Percentage Change	Net Income per Share (Yen)	Diluted Net Income per Share (Yen)	Return on Equity	Ordinary Income to Total Assets	Operating Income to Net Sales
Fiscal year ended March 31, 2015	**9,082**	**(72.6)%**	**5.88**	**5.88**	**2.6%**	**3.5%**	**4.3%**
Fiscal year ended March 31, 2014	33,133	(0.8)%	22.51	21.31	10.5%	3.7%	4.1%

(Note) Comprehensive income
Fiscal year ended March 31, 2015: ¥26,829 million (45.9)%
Fiscal year ended March 31, 2014: ¥49,571 million 10.2%

(Reference) Share of profit of entities accounted for using equity method
Fiscal year ended March 31, 2015: ¥(1,701) million
Fiscal year ended March 31, 2014: ¥5,397 million

(2) Consolidated Financial Position

(Millions of yen, except per share figures)

	Total Assets	Net Assets	Shareholders' Equity to Total Assets	Net Assets per Share of Common Stock (Yen)
March 31, 2015	**1,690,882**	**359,595**	**20.5%**	**224.03**
March 31, 2014	1,496,361	362,555	23.1%	223.68

(Reference) Shareholders' equity at the end of the period (consolidated)

March 31, 2015: ¥345,794 million

March 31, 2014: ¥345,236 million

(3) Consolidated Cash Flows

(Millions of yen)

	Operating Activities	Investing Activities	Financing Activities	Cash and Cash Equivalents at the End of Period
Fiscal year ended March 31, 2015	**63,589**	**(74,611)**	**33,443**	**92,527**
Fiscal year ended March 31, 2014	39,220	(62,282)	11,395	62,604

2. DIVIDENDS

	Dividends per Share			Total Amount of Dividend Payment (Millions of yen)	Dividend Payout Ratio (Consolidated)	Dividend to Net Assets Ratio (Consolidated)
(Record Date)	Interim (Yen)	Year-end (Yen)	Annual (Yen)			
Fiscal year ended March 31, 2015	**3.00**	**3.00**	**6.00**	**9,261**	**102.0%**	**0.7%**
Fiscal year ended March 31, 2014	0.00	6.00	6.00	9,261	26.7%	2.9%
Fiscal year ending March 31, 2016 (Forecast)	3.00	3.00	6.00		18.9%	

3. CONSOLIDATED FORECASTS OF RESULTS FOR THE YEAR ENDING MARCH 31, 2016

(Millions of yen, except per share figures; percentages show the rate of increase or decrease from the previous corresponding period)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Net Income per Share (Yen)
First Half of the Fiscal Year	700,000	13.6%	32,000	10.6%	23,000	(28.9)%	14,000	(33.2)%	9.07
Full-year	1,580,000	8.5%	90,000	42.3%	75,000	32.7%	49,000	439.5%	31.75

(Note) Please refer to page 7 of the attached materials to this report for the suppositions that form the assumptions for the forecasts above and related matters.

* NOTES

(1) Changes in significant subsidiaries during the period under review (Changes in specified subsidiaries accompanying changes in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

(i) Changes in accounting policies due to revisions to accounting standards: Yes
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: None
(iv) Restatement of prior period financial statements after error corrections: None
(Note) For details, please refer to "(5) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS" of "2. CONSOLIDATED FINANCIAL STATEMENTS" on page 25.

(3) Number of shares issued (Common stock):

(i) Number of shares issued at the end of the period (including treasury shares)
As of March 31, 2015 1,546,799,542 shares
As of March 31, 2014 1,546,799,542 shares
(ii) Number of shares of treasury shares owned at the end of the period
As of March 31, 2015 3,290,432 shares
As of March 31, 2014 3,369,103 shares
(iii) Average number of shares outstanding during the period
Fiscal year ended March 31, 2015 1,543,506,636 shares
Fiscal year ended March 31, 2014 1,471,758,026 shares

(REFERENCE) OVERVIEW OF NON-CONSOLIDATED PERFORMANCE

NON-CONSOLIDATED PERFORMANCE FOR THE YEAR ENDED MARCH 31, 2015
(APRIL 1, 2014 to MARCH 31, 2015)

(1) Non-Consolidated Business Results

(Millions of yen, except per share figures; percentages show the rate of increase or decrease from the fiscal year)

	Net Sales	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change	Net Income	Percentage Change
Fiscal year ended March 31, 2015	**689,269**	**13.2%**	**11,251**	**(1.2)%**	**36,392**	**42.2%**	**232**	**(98.5)%**
Fiscal year ended March 31, 2014	608,678	3.3%	11,390	141.9%	25,586	53.5%	15,238	(23.4)%

	Net Income per Share (Yen)	Diluted Net Income per Share (Yen)
Fiscal year ended March 31, 2015	**0.15**	**0.15**
Fiscal year ended March 31, 2014	10.35	9.73

(2) Non-Consolidated Financial Position

(Millions of yen, except per share figures)

	Total Assets	Net Assets	Shareholders' Equity to Total Assets	Net Assets per Share of Common Stock (Yen)
March 31, 2015	**1,132,586**	**206,340**	**18.2%**	**133.19**
March 31, 2014	996,652	225,912	22.6%	145.97

(Reference) Shareholders' equity at the end of the period (non-consolidated)
March 31, 2015: ¥205,593 million
March 31, 2014: ¥225,291 million

* Indication regarding execution of audit procedures

At the time of disclosure of this financial report, the audit procedures in accordance with the Financial Instruments and Exchange Act are in progress.

* Proper use of forecast of results, and other special matters

Earnings estimates made in this report and other statements that are not historical facts are forward-looking statements about the future performance of IHI. These statements are based on management's assumptions and beliefs in light of the information currently available to it and therefore readers should not place undue reliance on them. IHI cautions that a number of important factors such as political and general economic conditions and currency exchange rates could cause actual results to differ materially from those discussed in the forward-looking statements, etc.

1. ANALYSIS OF BUSINESS RESULTS AND FINANCIAL POSITION

(1) ANALYSIS OF BUSINESS RESULTS

A. Summary of consolidated performance for the current fiscal year

During the fiscal year under review, the Japanese economy continued on a track of moderate recovery due to steady private consumption in the latter half of the fiscal year and improved exports and increased capital investment backed by improved corporate earnings, despite weak recovery in private consumption following a rise in the consumption tax in the first half.

The global economy grew moderately led by a strong U.S. economy, although certain emerging countries experienced weak growth and mounting geopolitical risks.

Within this business environment, the IHI Group steadily implemented initiatives to accelerate business development under its three-year midterm business policies, “Group Management Policies 2013”that was launched in April 2013.

In the fiscal year under review, orders received increased 14.1% from the previous fiscal year to ¥1,664.3 billion, while net sales rose 11.6% to ¥1,455.8 billion, as all reportable segments posted increases in orders received and sales.

In the fiscal year under review, operating income increased 18.7% from the previous fiscal year, to ¥63.2 billion, as the increase in operating income in the Resources, Energy and Environment segment and the Aero Engine, Space and Defense segment partially offset by the decline in operating income in the Social Infrastructure and Offshore Facility segment and the Industrial System and General-Purpose Machinery segment. Ordinary income rose 6.2% to ¥56.5 billion, despite the deterioration in share of profit of entities accounted for using equity method.

Net income declined 72.6% from the previous fiscal year to ¥9.0 billion, partly due to the posting of loss on business of subsidiaries and associates Brazil’s Estaleiro Atlantico Sul (EAS) IHI invested to promote offshore energy exploration-related business is weakened financial position by corruption in the Brazilian economy

The major initiatives undertaken by the IHI Group during the fiscal year under review are as follows.

In the Resources, Energy and Environment segment, the IHI Group received an order for Africa’s first ultra-supercritical coal-fired boiler. This type of boiler uses extremely high steam temperature and pressure to increase power generation efficiency, and curb both the amount of fuel consumed and CO_2 emissions. The order was received based on recognition of IHI Group’s extensive track record delivering boilers for ultra-supercritical coal-fired power plants in Japan and overseas, and the high quality of IHI’s products backed by sophisticated fabrication expertise and stringent quality control.
Also, in Indonesia, IHI began demonstration operations of a lignite gasification plant (TIGAR®) to manufacture synthetic gas, which is the raw material for fertilizer, from lignite. Lignite is a low-ranking type of coal containing abundant moisture. Given the ample reserves of lignite and its low price, lignite is expected to be used effectively around the world. The IHI Group has been working aggressively to utilize lignite effectively, including the development of a lignite pre-drying system in order to efficiently use lignite, as well as the acquisition of a European company which has extensive knowledge with respect to lignite-fired boilers.

In the Social Infrastructure and Offshore Facility segment, the Nhat Tan Bridge (Vietnam-Japan Friendship Bridge), constructed in Hanoi, Vietnam, by a joint venture between IHI Infrastructure Systems Co., Ltd. and Sumitomo Mitsui Construction Co., Ltd., was completed last December. The bridge is a large cable-stay bridge spanning the Red River in central Vietnam, and has a total length of 3,080 meters. Among other benefits, the bridge is expected to help relieve traffic congestion in central Hanoi, and is regarded as an important part of the core road infrastructure that is essential for Vietnam’s development.
In addition, the IHI Group completed its first steel structures works in Vietnam. This new works was built in the Dinh Vu Industrial Zone located along the coast of northern Vietnam, and will meet a wide range of needs, from bridge structures to machinery components. This is a key production base in Southeast Asia, and it will respond to the rapidly growing demand for infrastructure in Vietnam and other parts of Southeast Asia.

In the Industrial System and General-Purpose Machinery segment, the IHI Group has now manufactured a cumulative total of 50 million turbochargers at its global plants at the end of 2014. The IHI Group

manufactures and sells various models and kinds of turbochargers in seven countries around the world. In recent years, there has been a significant increase in the number of turbochargers manufactured, partly based on the fact that turbochargers are being used to make exhaust gas cleaner, lower fuel costs, and improve driving performance, as well as to reduce the size of gasoline engines.
Furthermore, in Compressor Business, leveraging its technological capabilities and reliability underpinned by an extensive track record, orders were received consecutively in Europe and India. Specifically, an order was received for 3 reciprocating compressors headed for the republic of Malta Delimara LNG Receiving Terminal, while an order for 2 reciprocating compressors to be delivered to Mundra LNG Receiving Terminal in the state of Gujarat in western India was booked.
The IHI Group makes progress to expand its share in the global market.

In the Aero Engine, Space and Defense segment, approval was issued for the PW1100G-JM engine for Airbus S.A.S.' A320neo, and it was formally approved from the U.S. Federal Aviation Administration for operation as a civil aero engine. The IHI Group is participating with a roughly 15% share of the program through the Japanese-side program by the Japanese Aero Engines Corporation , and is working on the development, design, and production of key components such as fan modules and part of low-pressure compressors, as well as on engine maintenance. In addition, the proprietarily developed, advanced composite material technology is greatly contributing to reducing engine weight and improving fuel economy.
Also, the IHI Group began joint research on the JAXA (Japan Aerospace Exploration Agency) demonstration project on a high-efficiency, lightweight fan turbine technology. R&D and demonstrations for underlying technology to contribute to making high-efficiency, lightweight civil aero engine fans and turbines is planned, and the IHI Group will leverage the development and production experience it has accumulated over the years to contribute to this project.

Furthermore, the 3 supervisory headquarters responsible for the Group's common functions enhanced their coordination with the 4 business fields and began working on building new business models.

The Solution & Engineering Headquarters worked on a business model to expand the scope of existing businesses and increase opportunities to receive orders. Such efforts included combining multiple businesses, products and services, effectively utilizing internal resources, and concessions such as operating parking.

The Intelligent Information Management Headquarters expanded its incorporation of control systems and remote maintenance shared platforms into the IHI Group's various products, and some of these products have started to be operated with the creation of new business models utilizing big data and other tools in mind. In addition, at the Soma Works and the Aichi Works, initiatives were undertaken towards developing increasingly sophisticated "*monozukuri*" utilizing ICT.

The Global Marketing Headquarters worked to build relationships with influential companies in various regions, one example was holding a forum in Vietnam. This headquarters also built up a global business base to serve as the foundation for growth such as establishing audit systems within companies overseeing regional operations.

B. Summary of consolidated performance by segment

Resources, Energy and Environment
Orders received increased by 17.8% from the previous fiscal year to ¥582.7 billion owing to order increases in Boiler Business and Power system plant Business.
Sales increased by 20.7% from the previous fiscal year to ¥415.3 billion owing to increases in Gas process Business and Boiler Business.
Operating income increased by 107.4% from the previous fiscal year to ¥24.0 billion owing partly to the effects of the above-mentioned increase in sales and yen depreciation.

Social Infrastructure and Offshore Facility
Orders received increased by 1.8% from the previous fiscal year to ¥178.7 billion owing to an increase in Concrete construction materials Business, partially offset by order decreases in Bridge Business.
Sales increased by 25.5% from the previous fiscal year to ¥188.6 billion owing to increases in F-LNG/Offshore structure Business, Bridge Business and Urban development Business.
Operating income/loss of ¥3.2 billion in deficit, which was ¥5.6 billion lower than the previous fiscal year, was posted, as the poor profitability of F-LNG/Offshore structure Business and the accident that occurred at the Izmit Bay Crossing Bridge in Turkey, partially offset by the profit-increasing factors such as the yen depreciation and increased revenues from Bridge Business and Urban development Business.

F-LNG/Offshore structure Business, the profitability was deteriorated in Drill Ship construction to Singapore Aichi works construct due to confusing the production by changing the specification many times and need to catch up by emergency procedures such as increasing the number of engineer and working staff. IHI Group pursues to improve Aichi works' profitability including human support.
The accident that occurred at the Izmit Bay Crossing Bridge in Turkey on March 21 2015, a catwalk (CW) constructed between two main towers has dropped down to the sea. The IHI Group is now in charge for the investigation to determine the cause of the accident, makes progress restoration work carefully and continues to seek completion of project and recover the reliability.

Industrial System and General-Purpose Machinery
Orders received increased by 12.0% from the previous fiscal year to ¥415.0 billion owing to increases in Vehicular turbochargers Business and Transport machinery Business, partially offset by the impact of the divestiture of the business related to the rolling mills in October 2013.
Sales increased by 3.5% from the previous fiscal year to ¥411.7 billion owing to increases in Vehicular turbochargers Business, partially offset by the decrease in Transport machinery Business and the impact of the above-mentioned divestiture of the business.
Operating income decreased by 32.2% from the previous fiscal year to ¥10.2 billion due to mainly reflecting an increase in selling, general and administrative expenses such as R&D expenses, partially offset by the above-mentioned increased revenues.

Aero Engine, Space and Defense
Orders received increased by 15.0% from the previous fiscal year to ¥468.0 billion owing to order increases in Aero engine Business and Rocket systems/space utilization system Business.
Sales increased by 7.1% from the previous fiscal year to ¥434.8 billion owing to yen depreciation and increased delivery in civil aero engines.
Operating income increased by 7.8% from the previous fiscal year to ¥39.5 billion owing to the profit-increasing effect of the above-mentioned increased revenues partially offset by an increase in R&D expenses.

C. Outlook for the next fiscal year

The Japanese economy is expected to continue its moderate recovery. Private consumption should remain steady thanks to improved employment and personal incomes. Capital investment is expected to increase moderately backed by improved corporate earnings.
The global economy is forecast to continue growing moderately, supported by a stabile U.S. economy. There are potential risks, however, for the Japanese and global economies, including rising policy interest rates in the U.S., uncertain economic trends in the E.U., China and other emerging countries, falling oil prices and geopolitical risks, as well as other negative factors.
During the fiscal year ending March 31, 2016, the final year of the "Group Management Policies 2013", IHI Group will make a maximum effort to achieve growth in the existing business environment.

For the fiscal year ending March 31, 2016, the IHI Group is forecasting consolidated net sales of ¥1,580.0 billion, consolidated operating income of ¥90.0 billion, consolidated ordinary income of ¥75.0 billion, and profit attributable to owners of parent of ¥49.0 billion.
The above forecasts assume exchange rates of ¥115/US$1 and ¥130/EUR1.

(2) ANALYSIS OF FINANCIAL POSITION

A. Assets and liabilities, and net assets

Total assets at the end of the fiscal year under review were ¥1,690.8 billion, up ¥194.5 billion from the end of the previous fiscal year. The items with the most significant increases were notes and accounts receivable - trade, up ¥43.2 billion, cash and deposits, up ¥31.3 billion, other current assets, up ¥27.5 billion, and work in process, up ¥27.1 billion.
Total liabilities were ¥1,331.2 billion, up ¥197.4 billion from the end of the previous fiscal year. The items with the most significant increases were net defined benefit liability, up ¥28.0 billion, long-term loans payable, up ¥27.1 billion, advances received, up ¥21.9 billion, provision for loss on subsidiaries and affiliates, up ¥20.8 billion, and bonds payable including current portion, up ¥20.0 billion.
Net assets were ¥359.5 billion, down ¥2.9 billion from the end of the previous fiscal year. This was the result of net income of ¥9.0 billion, down ¥13.8 billion due to dividends of surplus, and down ¥14.6 billion in retained

earnings accompanying changes in the accounting standard for retirement benefits, etc.
As a result of the above, the ratio of shareholders' equity to total assets dropped from 23.1% at the end of the previous fiscal year to 20.5%.
The balance of interest bearing liabilities, including lease obligations, was ¥410.6billion, up ¥52.8 billion from the end of the previous fiscal year.

B. Cash flows

At the end of the fiscal year under review, the outstanding balance of cash and cash equivalents (hereinafter, "cash") was ¥92.5 billion, an increase of ¥29.9 billion from the end of the previous fiscal year.

Net cash provided by operating activities was ¥63.5 billion. The main factors of increase were recognition of income before income taxes and minority interests of ¥27.2 billion, recognition of depreciation of ¥53.4 billion, partially offset by an increase in inventories of ¥41.2 billion.

Net cash used in investing activities was ¥74.6 billion. This was due mainly to purchase of property, plant and equipment and intangible assets of ¥71.6 billion.

Net cash provided by financing activities was ¥33.4 billion. This was due mainly to proceeds from long-term loans payable of ¥63.8 billion, repayments of long-term loans payable of ¥42.3 billion, proceeds from issuance of bonds of ¥40.0 billion, and redemption of bonds of ¥20.0 billion.

(Reference) Trends in cash flow indicators

	Fiscal year ended March 31, 2011	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Shareholders' equity to total assets	17.5%	18.7%	21.1%	23.1%	20.5%
Market value equity ratio	21.9%	22.9%	30.7%	44.8%	51.4%
Debt redemption period	3.9 years	14.0 years	4.8 years	9.1 years	6.5 years
Interest coverage ratio	15.5	4.8	16.4	9.5	15.6

Notes 1 The calculation method for each indicator is shown below:

- Shareholders' equity to total assets: Shareholders' equity / Total assets
- Market value equity ratio: Market capitalization / Total assets
- Debt redemption period: Interest-bearing debt / Operating cash flow
- Interest coverage ratio: Operating cash flow / Interest payments

2 All indicators are calculated using financial figures on a consolidated basis.

(3) BASIC POLICY ON PROFIT DISTRIBUTION AND DIVIDENDS FOR THE CURRENT FISCAL YEAR AND NEXT FISCAL YEAR

IHI sets as its basic policy for profit distribution that it is important to provide stable dividend to shareholders and to increase retained earnings necessary for strengthening the business base for enabling stable dividend payment.

It is a fundamental policy of IHI to pay an interim dividend and year-end dividend annually, with the former determined by the Board of Directors and the latter by the Ordinary General Meeting of Shareholders. IHI's Articles of Incorporation stipulate that "The Company may, upon resolution of the Board of Directors, pay interim dividends on the basis of September 30 each year as the record date."

In light of this policy and in consideration of operating performance, retained earnings and other factors, the IHI Group plans to pay a dividend of ¥6 per share (interim dividend: ¥3, year-end dividend: ¥3) for the fiscal year ended March 31, 2015.

For the fiscal year ending March 31, 2016, the IHI Group plans to pay a dividend of ¥6 per share (interim dividend: ¥3, year-end dividend: ¥3).

(4) BUSINESS RISKS

During the fiscal year under review, items with important changes as related to the business risks stated in the most recent Annual Securities Report ("*Yukashoken Hokokusho*") filed on June 27, 2014, are as follows:

The item numbers attached to the below headlines correspond to the item numbers of "Part 1. Company information, II. Overview of business, 4. Business risks" in the most recent Annual Securities Report ("*Yukashoken Hokokusho*"). The report was disclosed only in Japanese.

(3) Country Risk

(Omitted)

EAS, IHI invested to promote offshore energy exploration-related business has been weakened its financials due to circumstances adversely affecting Brazil's business environment

For this reason, in anticipation of potential losses arising out of EAS's situation, IHI has recorded into the result for the fiscal year ended march 31, 2015 an extraordinary loss that IHI views to be possible in relation to its investment in Brazil.

The IHI Group prioritizes to minimize the loss for the time being, thus there is a possibility to delay temporally to meet offshore energy exploration needs that is set out in our “Group Management Policies 2013”.

(6) Order contracts

(Omitted)

In March 2015, at the Izmit Bay Crossing Bridge construction site in Turkey, a project being carried out by IHI’s consolidated subsidiary IHI Infrastructure Systems Co., Ltd., part of the scaffolding erected between the main towers for the building of the main cables broke and fell into the sea. This accident may result in the payment of penalties due to a delay in the completion of the project, as well as result in other additional expenses. Consequently, the accident may have an adverse impact on the IHI Group’s operating results.

2. OVERVIEW OF THE CORPORATE GROUP

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<tr><td rowspan="4">Resources, Energy &Environment</td><td colspan="5">IHI PACKAGED BOILER CO.,LTD.／Kotobuki Iron Works Co.,Ltd.／Niigata Power Systems Co.,Ltd.／IHI Kankyo Engineering Co., Ltd.</td></tr>
<tr><td colspan="2">NICO Precision Co.,Inc.／PT Cilegon Fabricators／Toshiba IHI Power Systems Corporation</td><td colspan="3">IHI Plant Engineering Corporation／Aomori Plant Co.,Ltd.(○) and other 4 companies</td></tr>
<tr><td></td><td>NIIGATA POWER SYSTEMS (SINGAPORE) PTE. LTD. (■)</td><td colspan="2">IHI Plant construction Co.,Ltd.／ISHI POWER SDN.BHD.／IHI Power System Germany GmbH／Steinmüller Engineering GmbH／JURONG ENGINEERING LIMITED and its 19 subsidiaries／IHI E&C International Corporation and its 2 subsidiaries</td><td>Kanamachi Purification Plant Energy Service Co.,Ltd.／Toyosu Energy Service Co.,Ltd.／IHI POWER SYSTEM MALAYSIA SDN.BHD.／IHI Southwest Technologies, Inc. and its 1 subsidiary</td></tr>
<tr><td colspan="3">Diesel United,Ltd.(■)</td><td></td><td></td></tr>
<tr><td rowspan="5">Social Infrastructure& Offshore Facility</td><td colspan="5">IHI Infrastructure Systems Co., Ltd.／IHI Construction Service Co.,Ltd.／IHI INFRASTRUCTURE ASIA CO.,LTD.</td></tr>
<tr><td colspan="3">Niigata Transys Co.,Ltd.(■)</td><td></td><td></td></tr>
<tr><td>Kanto Segment Co.,Ltd.</td><td colspan="4">Japan Tunnel Systems Corporation</td></tr>
<tr><td></td><td colspan="3">Ishikawajima Construction Materials Co., Ltd.</td><td>Chiba Warehouse Co.,Ltd.／San-Etsu Co., Ltd.</td></tr>
<tr><td></td><td></td><td colspan="2">IHI California Inc.</td><td></td></tr>
<tr><td rowspan="6">Industrial System & General - purpose Machinery</td><td colspan="5">IHI Transport Machinery Co.,Ltd.／IHI Machinery and Furnace Co.,Ltd.／Hauzer Techno Coating B.V. and its 4 subsidiaries／IHI Compressor and Machinery Co.,Ltd.／IHI-Sullair Compression Technology (Suzhou) Co.,Ltd.</td></tr>
<tr><td colspan="4">Voith IHI Paper Technology Co.,Ltd.／CENTRAL CONVEYOR COMPANY,LTD.</td><td rowspan="3">IHI Press Technology America,Inc.／Indigo TopCo Ltd. and its 24 subsidiaries／New Metal Engineering,LLC／IUK (HK) LIMITED／IHI Technical Training Institution／ISM America Inc.</td></tr>
<tr><td colspan="3">IHI Construction Machinery Ltd.(■)／IHI Shibaura Machinery Corporation(■)／IHI STAR Machinery Corporation(■)／Clover Turbo Co.,Ltd.(■)／IHI Turbo America Co.／IHI Charging Systems International GmbH and its 2 subsidiaries／SHANGHAI STAR MODERN AGRICULTURE EQUIPMENT CO., LTD.(■)</td><td></td></tr>
<tr><td>IHI Turbo Co., Ltd.</td><td></td><td>Nishi-nihon Sekkei Engineering Co.,Ltd.</td><td></td></tr>
<tr><td></td><td colspan="4">IHI Fuso Engineering Co.,Ltd.</td></tr>
<tr><td colspan="2">IHI TURBO （THAILAND） CO.,LTD.／Changchun FAWER-IHI Turbo Co.,Ltd.／Wuxi IHI Turbo Co.,Ltd.</td><td colspan="3">IHI Logistic Technology Co.,Ltd.(○)</td></tr>
<tr><td rowspan="3">Aero Engine, Space & Defense</td><td colspan="2">IHI CASTINGS CO.,LTD.／IHI MASTER METAL Co.,Ltd.／IHI Aero Manufacturing Co., Ltd.</td><td colspan="3">IHI Jet Service Co.,Ltd.／INC Engineering Co.,Ltd.</td></tr>
<tr><td></td><td></td><td>IHI AEROSPACE ENGINEERING CO.,LTD.</td><td></td><td>IHI‐ICR, LLC.／IHI Aero Engines US Co., Ltd.</td></tr>
<tr><td colspan="3">IHI AEROSPACE CO.,LTD.</td><td></td><td></td></tr>
<tr><td rowspan="5">Others</td><td>Algae Systems,LLC.</td><td>IHI Trading,Inc.／IHI Europe Ltd.／IHI do Brasil Representações Ltda.</td><td></td><td></td><td rowspan="2">IHI Scube Co.,Ltd／IHI Business Support Corporation／IHI Shibaura Technical Service Corporation／IHI New Energy Inc.／IHI Power Generation Corporation and its 12 subsidiaries／JAPAN EAS INVESTIMENTOS E PARTICIPAÇÕES LTDA</td></tr>
<tr><td></td><td colspan="2">IHI INC.(■)／IHI（Shanghai） Management Co.,Ltd.(■)／IHI ASIA PACIFIC PTE. LTD.(■)</td><td></td></tr>
<tr><td></td><td colspan="4">IHI ENGINEERING AUSTRALIA PTY.LTD.</td></tr>
<tr><td colspan="5">Meisei Electric Co., Ltd.(★)／Takashima Giken Co.,Ltd.</td></tr>
<tr><td></td><td></td><td colspan="3">IHI Inspection & Instrumentation Co.,Ltd.</td></tr>
</table>

*The consolidated subsidiaries comprising the segments are shown in the above table. The functions fulfilled by each consolidated subsidiary in the segments are divided into the 5 categories of Production, Sale, Engineering, Installation, and Service and shown above.

*For subsidiaries that fulfill multiple functions, the following marks are shown to the right of the company name for those companies for which the functions cannot be listed: ○, □, ●, ▲, and ■.

*The consolidated subsidiaries in the above table are current as of March 31, 2015, and subsidiaries listed on the Tokyo Stock Exchange Second Section are noted with the “★”mark.

3. MANAGEMENT POLICIES

(1) BASIC POLICY FOR MANAGEMENT OF THE COMPANY

The IHI Group's primary mission is to operate as a responsible corporate citizen that grows in line with society. Based on the group's management principal of "Contributing to the development of society through technology" and "Human resources are our only and largest asset.", the IHI Group will strive to tackle challenges related to the environment, energy and infrastructure by leveraging its precision-manufacturing (*monozukuri*) technological expertise. The overall aim is to provide people with greater prosperity and more assuredness in their lives.
To realize this basic code of conduct, employees are being encouraged to develop expertise in terms of global, engineering and world-class operational capabilities. IHI aims to become a world leader in creating value for customers based on precision-manufacturing technologies and a tireless commitment to enhancing quality and productivity by always confirming the "three actuals" —go to the frontline, know the actual thing, and face the actual situation.

(2) MEDIUM-TO-LONG TERM MANAGEMENT STRATEGY AND MANAGEMENT INDICATORS

In November 2012, the IHI Group unveiled its "Group Management Policies 2013", a three-year business policy that became effective from April 2013. Based on this plan, the group set up three business headquarters in April 2013—Solution & Engineering, Intelligent Information Management and Global Marketing. The three headquarters coordinate business in four fields— Resources, Energy and Environment; Social Infrastructure and Offshore Facility; Industrial System and General-Purpose Machinery; and Aero Engine, Space and Defense. The IHI Group is also developing business in a newly created field—life science, food and water—all of which will be crucial to society going forward.
The Group Management Policies set various numerical targets, to be achieved through these policies for the fiscal year ending March 31, 2016, are: consolidated net sales of ¥1,400.0 billion, consolidated operating income of ¥70.0 billion, return on invested capital (ROIC) of 6.5%, a D/E ratio (stability indicator) of less than 1.2 times, and total investment of approximately ¥400.0 billion (for all three years). The above amounts assume exchange rates of ¥80/US$1.

(3) ISSUES TO BE ADDRESSED

IHI has been implementing growth strategies that focus on key strategic business units (SBUs) under "Group Management Policies 2013". As a result, the value of orders received has been steadily increased and conditions have been improved for the achievement of long-term business targets specified in the medium-term business plan. Certain risks have surfaced, however, including the reduced profitability of a project to construct an offshore structure in Singapore, the possible booking of a loss by a Brazilian company that the IHI Group invested in, and an accident at a large bridge construction site in Turkey. In this final fiscal year of the current business plan, a maximum attempt will be made to minimize the adverse effects of such risks. Moreover, a concerted effort will be made to implement the following measures to achieve business targets and ensure future growth.

a. Strengthening Collaboration among Group Functions and Business Fields
In order to survive global competition, collaboration among the group's three headquarters and four business sectors will be strengthened. The aim is to provide customers with attractive new value and expand the group's capacity to achieve its goals. Group-wide collaboration with the three headquarters will be targeted, particularly for businesses that are expected to be met customers' needs by combining product and service (systemized).

b. Increase Value for Customers and Secure Orders Steadily
In order to accelerate growth, every member of the IHI Group must take a customer-oriented approach that helps to increase customer value and secure orders on a steady basis. As part of the effort to secure net income, we will begin preparing more precise quotations and more detailed plans at an early stage to win large-scale projects. When bidding for foreign projects, more information will be gathered about local markets. Also, the IHI Group will strengthen its marketing capabilities, build stronger networks with customers, partners and stakeholders, and offer products and services that better meet local needs.

c. Reform Business Models to Create More Profitable Structures

As the “Group Management Policies 2013” places a primary emphasis on “growth” to increase profits, the IHI Group is striving to expand business scale and secure more competitive advantages. Competitiveness will be improved by steadily cutting costs, strengthening profitability controls for major projects and leveraging value chain analysis to develop business structures that offer higher profitability. Furthermore, the IHI Group will strive to differentiate its products and services by leveraging shared group functions without being bound by existing business frameworks. Also, through M&A, as well as partnerships with other companies and facilitating open innovation, business models will be reformed.

As for orders received and progress large scale project, we are striving to pursue the sophistication of controls through prevention of recurrence by feedback of low profitability event, precise ascertainment of country risk and sharing the knowledge gained by the plan-do-see-act (PDCA) cycle in each project.

d. Allocate Management Resources to Achieve Growth

Growth will also be accelerated by strategically concentrating resources generated by concentration and selection of businesses in targeted fields that offer growth potential, as well as in core business fields. Group headquarters will be reformed to enhance and expand strategic planning. Continuous investments for growth will be supported by improving capital efficiency through ROIC-based performance management, improving cash flow by using CCC (cash conversion cycles) as an index, and improving D/E ratio.

e. Reform Business Processes to Create Value

The IHI Group will also launch the I-Project to improve its business processes. Under this project, the plan-do-see-act (PDCA) cycle will be adopted to improve the quality and productivity of operations. This initiative is expected to help achieve “growth” targets under the “Group Management Policies 2013.”

Ultimately, the IHI Group aims to improve its corporate value through the measures described above. In the spirit of the IHI corporate message, “Realize your dreams,” IHI Group will continue to evolve as a corporate group helping customers and stakeholders around the world to realize their dreams.

4. BASIC RATIONALE FOR SELECTING THE ACCOUNTING STANDARD

The IHI Group’s consolidated financial statements adopts in accordance with the generally accepted accounting standards in Japan (Japanese GAAP).

With respect to IFRS, the IHI Group is conducting an investigation into the impact on the IHI Group from the point of view of improving the quality of the Group’s corporate management and strengthening the Group’s corporate governance. The IHI Group follows a policy of responding after giving consideration to business expansion in overseas and circumstances of adoption in Japan.

5. CONSOLIDATED FINANCIAL STATEMENTS

(1) CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	March 31, 2015	March 31, 2014
ASSETS		
Current assets:		
Cash and deposits	94,549	63,236
Notes and accounts receivable - trade	438,260	395,037
Securities	205	1,528
Finished goods	24,939	20,665
Work in process	249,362	222,237
Raw materials and supplies	125,000	112,983
Deferred tax assets	43,206	34,632
Other	84,562	57,010
Allowance for doubtful accounts	(6,357)	(6,127)
Total current assets	1,053,726	901,201
Non-current assets:		
Property, plant and equipment:		
Buildings and structures, net	145,642	133,148
Machinery, equipment and vehicles, net	77,470	67,124
Land	90,294	90,175
Leased assets, net	15,877	16,929
Construction in progress	10,885	13,425
Other, net	17,457	15,647
Total property, plant and equipment	357,625	336,448
Intangible assets:		
Goodwill	23,301	22,958
Software	13,613	12,647
Other	13,587	6,535
Total intangible assets	50,501	42,140
Investments and other assets:		
Investment securities	167,138	162,165
Deferred tax assets	35,587	32,489
Net defined benefit asset	3	–
Other	28,168	24,751
Allowance for doubtful accounts	(1,866)	(2,833)
Total investments and other assets	229,030	216,572
Total non-current assets	637,156	595,160
Total assets	1,690,882	1,496,361

(1) CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	March 31, 2015	March 31, 2014
LIABILITIES		
Current liabilities:		
Notes and accounts payable - trade	300,148	280,900
Short-term loans payable	114,135	110,340
Commercial papers	17,000	14,000
Current portion of bonds	–	20,000
Accrued expenses	82,612	73,339
Income taxes payable	23,162	16,692
Advances received	125,170	103,237
Provision for bonuses	26,687	24,590
Provision for construction warranties	36,804	25,485
Provision for loss on construction contracts	28,553	18,389
Other provision	656	566
Other	40,998	38,711
Total current liabilities	795,925	726,249
Non-current liabilities:		
Bonds payable	70,000	30,000
Long-term loans payable	192,320	165,143
Lease obligations	13,174	14,697
Deferred tax liabilities for land revaluation	5,445	6,312
Net defined benefit liability	157,986	129,893
Provision for loss on subsidiaries and affiliates	22,590	1,771
Other provision	1,186	1,341
Other	72,661	58,400
Total non-current liabilities	535,362	407,557
Total liabilities	1,331,287	1,133,806
NET ASSETS		
Shareholders' equity:		
Capital stock	107,165	107,165
Capital surplus	54,438	54,439
Retained earnings	152,563	171,318
Treasury shares	(655)	(665)
Total shareholders' equity	313,511	332,257
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	16,622	8,424
Deferred gains or losses on hedges	(743)	36
Revaluation reserve for land	5,166	4,665
Foreign currency translation adjustment	14,783	4,912
Remeasurements of defined benefit plans	(3,545)	(5,058)
Total accumulated other comprehensive income	32,283	12,979
Subscription rights to shares	747	621
Minority interests	13,054	16,698
Total net assets	359,595	362,555
Total liabilities and net assets	1,690,882	1,496,361

(2) CONSOLIDATED STATEMENTS OF INCOME AND CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

CONSOLIDATED STATEMENTS OF INCOME

(Millions of yen)

	April 1, 2014 to March 31, 2015	April 1, 2013 to March 31, 2014
Net sales	1,455,844	1,304,038
Cost of sales	1,210,313	1,081,630
Gross profit	245,531	222,408
Selling, general and administrative expenses	182,278	169,137
Operating income	63,253	53,271
Non-operating income:		
Interest income	721	640
Dividend income	1,648	3,389
Share of profit of entities accounted for using equity method	–	5,397
Foreign exchange gains	5,274	4,244
Revarsal of accrued expense for delayed delivery	2,210	–
Other income	3,054	6,653
Total non-operating income	12,907	20,323
Non-operating expenses:		
Interest expenses	4,221	4,020
Share of loss of entities accounted for using equity method	1,701	–
Expenses for delayed delivery	–	4,019
Other expenses	13,709	12,320
Total non-operating expenses	19,631	20,359
Ordinary income	56,529	53,235
Extraordinary income:		
Gain on transfer from business divestitures	–	7,500
Total extraordinary income	–	7,500
Extraordinary losses:		
Loss on business of subsidiaries and associates	29,089	–
Impairment loss	175	245
Total extraordinary losses	29,264	245
Income before income taxes and minority interests	27,265	60,490
Income taxes - current	29,827	22,385
Income taxes - deferred	(9,309)	2,608
Total income taxes	20,518	24,993
Income before minority interests	6,747	35,497
Minority interests in income / loss	(2,335)	2,364
Net income	9,082	33,133

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of yen)

	April 1, 2014 to March 31, 2015	April 1, 2013 to March 31, 2014
Income before minority interests	6,747	35,497
Other comprehensive income:		
Valuation difference on available-for-sale securities	8,296	2,549
Deferred gains or losses on hedges	(383)	550
Revaluation reserve for land	633	–
Foreign currency translation adjustment	9,810	10,080
Remeasurements of defined benefit plans, net of tax	1,290	–
Share of other comprehensive income of entities accounted for using equity method	436	895
Total other comprehensive income	20,082	14,074
Comprehensive income	26,829	49,571
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	28,017	46,099
Comprehensive income attributable to minority interests	(1,188)	3,472

(3) CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

April 1, 2013 to March 31, 2014

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	95,762	43,047	144,675	(736)	282,748
Cumulative effects of changes in accounting policies					
Restated balance	95,762	43,047	144,675	(736)	282,748
Changes of items during period					
Conversion of convertible bonds	11,403	11,390		7	22,800
Dividends of surplus			(7,317)		(7,317)
Net income			33,133		33,133
Purchase of treasury shares				(8)	(8)
Disposal of treasury shares		2		72	74
Net increase from newly consolidated subsidiaries			827		827
Change of scope of equity method					–
Reversal of revaluation reserve for land					–
Net changes of items other than shareholders' equity					–
Total changes of items during period	11,403	11,392	26,643	71	49,509
Balance at end of current period	107,165	54,439	171,318	(665)	332,257

	Accumulated other comprehensive income								
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other compre-hensive income	Subscription rights to shares	Minority interests	Total net assets
Balance at beginning of current period	6,158	(810)	4,665	(4,377)	–	5,636	563	10,335	299,282
Cumulative effects of changes in accounting policies									
Restated balance	6,158	(810)	4,665	(4,377)	–	5,636	563	10,335	299,282
Changes of items during period									
Conversion of convertible bonds						–			22,800
Dividends of surplus						–			(7,317)
Net income						–			33,133
Purchase of treasury shares						–			(8)
Disposal of treasury shares						–			74
Net increase from newly consolidated subsidiaries						–			827
Change of scope of equity method						–			–
Reversal of revaluation reserve for land						–			–
Net changes of items other than shareholders' equity	2,266	846	–	9,289	(5,058)	7,343	58	6,363	13,764
Total changes of items during period	2,266	846	–	9,289	(5,058)	7,343	58	6,363	63,273
Balance at end of current period	8,424	36	4,665	4,912	(5,058)	12,979	621	16,698	362,555

April 1, 2014 to March 31, 2015

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	107,165	54,439	171,318	(665)	332,257
Cumulative effects of changes in accounting policies			(14,625)		(14,625)
Restated balance	107,165	54,439	156,693	(665)	317,632
Changes of items during period					
Conversion of convertible bonds					–
Dividends of surplus			(13,891)		(13,891)
Net income			9,082		9,082
Purchase of treasury shares				(8)	(8)
Disposal of treasury shares		(1)		18	17
Net increase from newly consolidated subsidiaries			609		609
Change of scope of equity method			(1)		(1)
Reversal of revaluation reserve for land			71		71
Net changes of items other than shareholders' equity					–
Total changes of items during period	–	(1)	(4,130)	10	(4,121)
Balance at end of current period	107,165	54,438	152,563	(655)	313,511

	Accumulated other comprehensive income								
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other compre-hensive income	Subscription rights to shares	Minority interests	Total net assets
Balance at beginning of current period	8,424	36	4,665	4,912	(5,058)	12,979	621	16,698	362,555
Cumulative effects of changes in accounting policies								(54)	(14,679)
Restated balance	8,424	36	4,665	4,912	(5,058)	12,979	621	16,644	347,876
Changes of items during period									
Conversion of convertible bonds						–			–
Dividends of surplus						–			(13,891)
Net income						–			9,082
Purchase of treasury shares						–			(8)
Disposal of treasury shares						–			17
Net increase from newly consolidated subsidiaries						–			609
Change of scope of equity method						–			(1)
Reversal of revaluation reserve for land						–			71
Net changes of items other than shareholders’ equity	8,198	(779)	501	9,871	1,513	19,304	126	(3,590)	15,840
Total changes of items during period	8,198	(779)	501	9,871	1,513	19,304	126	(3,590)	11,719
Balance at end of current period	16,622	(743)	5,166	14,783	(3,545)	32,283	747	13,054	359,595

(4) CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of yen)

	April 1, 2014 to March 31, 2015	April 1, 2013 to March 31, 2014
Cash flows from operating activities:		
Income before income taxes and minority interests	27,265	60,490
Depreciation	53,490	49,479
Depreciation and amortization on other	3,961	3,620
Gain on transfer from business divestitures	–	(7,500)
Loss on business of subsidiaries and associates	29,089	–
Impairment loss	175	245
Increase (decrease) in allowance for doubtful accounts	(781)	(294)
Increase (decrease) in provision for bonuses	1,792	1,859
Increase (decrease) in provision for construction warranties	10,917	6,441
Increase (decrease) in provision for loss on construction contracts	10,110	(3,182)
Increase (decrease) in provision for retirement benefits	–	(115,484)
Increase (decrease)in net defined benefit liability	8,290	123,345
Interest and dividend income	(2,369)	(4,029)
Interest expenses	4,221	4,020
Foreign exchange losses (gains)	(159)	146
Loss (gain) on sales of short-term and long-term investment securities	(455)	134
Loss (gain) on valuation of short-term and long-term investment securities	1,391	211
Share of (profit) loss of entities accounted for using equity method	1,701	(5,397)
Loss (gain) on disposal of property, plant and equipment	1,390	1,453
Decrease (increase) in notes and accounts receivable - trade	(36,900)	(40,020)
Increase (decrease) in advances received	18,146	(3,389)
Decrease (increase) in advance payments	(698)	(3,135)
Decrease (increase) in inventories	(41,275)	(33,319)
Increase (decrease) in notes and accounts payable - trade	15,713	8,266
Increase (decrease) in accrued expenses	6,914	14,386
Decrease (increase) in other current assets	(4,016)	(2,679)
Increase (decrease) in other current liabilities	(1,248)	(1,415)
Decrease (increase) in consumption taxes refund receivable	(20,607)	1,192
Other, net	2,107	200
Subtotal	88,164	55,644
Interest and dividend income received	4,409	4,522
Interest expenses paid	(4,078)	(4,142)
Income taxes paid	(24,906)	(16,804)
Net cash provided by (used in) operating activities	63,589	39,220

(4) CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of yen)

	April 1, 2014 to March 31, 2015	April 1, 2013 to March 31, 2014
Cash flows from investing activities:		
Decrease (increase) in time deposits	421	266
Purchase of short-term and long-term investment securities	(8,547)	(16,117)
Purchase of shares of subsidiaries	(926)	–
Proceeds from sales and redemption of short-term and long-term investment securities	4,929	1,191
Purchase of property, plant and equipment and intangible assets	(71,604)	(49,382)
Gain (loss) on sales or disposal of property plant and equipment and intangible assets	95	1,444
Purchase of shares and investments of subsidiaries resulting in change in scope of consolidation	(4,595)	–
Purchase of trust beneficiary right	–	(5,140)
Decrease (increase) in short-term loans receivable	1,236	(2,497)
Payments of long-term loans receivable	(99)	(366)
Collection of long-term loans receivable	84	436
Decrease (increase) in other investments	(9,528)	(1,939)
(Decrease)increase in other fixed liabilities	13,472	9,346
Other, net	451	476
Net cash provided by (used in) investing activities	(74,611)	(62,282)
Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable	8,013	(1,968)
Net increase (decrease) in commercial papers	3,000	8,000
Proceeds from long-term loans payable	63,851	53,181
Repayments of long-term loans payable	(42,381)	(49,184)
Proceeds from issuance of bonds	40,000	10,000
Redemption of bonds	(20,000)	(200)
Proceeds from sales and leasebacks	250	–
Repayments of lease obligations	(3,625)	(3,994)
Decrease (increase) in treasury shares	(8)	(8)
Cash dividends paid	(13,845)	(7,288)
Proceeds from share issuance to minority shareholders	131	4,252
Cash dividends paid to minority shareholders	(1,943)	(1,396)
Net cash provided by (used in) financing activities	33,443	11,395
Effect of exchange rate change on cash and cash equivalents	7,185	2,979
Net increase (decrease) in cash and cash equivalents	29,606	(8,688)
Cash and cash equivalents at beginning of period	62,604	72,070
Increase in cash and cash equivalents from consolidation of non-consolidated subsidiaries	317	855
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	–	91
Decline in cash and cash equivalents due to business divestitures of consolidated subsidiaries	–	(1,724)
Cash and cash equivalents at end of period	92,527	62,604

(5) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES ON PREMISE OF GOING CONCERN

Not applicable.

BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Scope of Consolidation

Number and names of major consolidated subsidiaries

Number of consolidated subsidiaries: 152

Names of major consolidated subsidiaries: IHI Aerospace Co., Ltd. and others

In the fiscal year under review, changes to consolidated subsidiaries were as follows. One company was added by acquisition, three companies were added by new establishment, six companies were added due to their increased materiality, five subsidiaries were removed due to liquidation, and one subsidiary was removed due to merger.

2. Application of the Equity Method

Number and names of major associated companies accounted for by the equity method

Number of associated companies accounted for by the equity method: 33

Names of major equity method associates: Japan Marine United Corporation and others

In the fiscal year under review, two equity method associates were removed owing to the transfer of equity.

3. Significant Accounting Policies

(1) Securities

Securities to be held until maturity are stated at amortized cost (by the straight-line method). Other securities with market prices available are stated at fair market value as of the balance sheet date. The related valuation differences are directly included into net assets and the sale price is computed by the moving-average method. Other securities without market prices available are stated at cost by the moving-average method.

(2) Derivatives

Derivatives are stated at fair market value.

(3) Inventories

Raw materials and supplies are stated at cost by the moving-average method, and finished goods and work in process are stated principally at identified cost. (For figures shown on balance sheet, the book value write-down method based on decreased profitability is used.)

(4) Depreciation and amortization

- Property, plant and equipment (except for leased assets)

  These assets are depreciated by the declining-balance method. However, depreciation of lend-lease properties, assets of certain consolidated subsidiaries and buildings (excluding building fixtures) acquired on and after April 1, 1998, are computed by the straight-line method.

- Intangible assets (except for leased assets)

  These assets are amortized by the straight-line method. Software used internally is amortized using the straight-line method over the useful life of the assets, estimated by IHI (within five years).

- Leased assets

  Leased assets related to ownership transfer finance lease transactions are depreciated using the same method as that applied to property, plant and equipment.

  Leased assets related to non-ownership transfer finance leases are depreciated over the lease period as useful period using the straight-line method with no residual value. IHI uses the method for ordinary rental transactions for non-ownership transfer finance leases for which lease agreements were concluded on and before March 31, 2008.

(5) Significant allowances and provisions

- Allowance for doubtful accounts

  To provide for losses on bad debts, the allowance for doubtful accounts is provided based on historical default rates for general receivables, plus individually estimated amounts for specific uncollectible receivables.
- Provision for bonuses

  For payment of employee bonuses, the provision for bonuses is provided for in the amount that is expected to be paid.
- Provision for directors' bonuses

  For payment of directors' bonuses, the provision for directors' bonuses is provided for in the amount that is expected to be paid.
- Provision for construction warranties

  To provide for guaranteed project expenses, the provision for construction warranties is recorded as an estimate of future expenditures based on historical experience.
- Provision for loss on construction contracts

  Provision for loss on construction contracts is provided for in the amount of estimated losses for undelivered projects at the end of the fiscal year.
- Provision for directors' retirement benefits

  For payment of retirement benefits to directors and corporate auditors, the provision for directors' retirement benefits is provided for at consolidated subsidiaries in Japan in the amount that would be required to pay, based on the internal policy, if all eligible directors and corporate auditors retired at the end of the fiscal year.

- Provision for loss on subsidiaries and affiliates

  Provision for loss on subsidiaries and affiliates is provided for in the amount of estimated loss to be borne by IHI in consideration of the contents of assets of subsidiaries and affiliates.

(6) Accounting method for retirement benefits

To prepare for employees' retirement benefits, net defined benefit liability is recognized as the difference between retirement benefit obligations and pension fund assets based on estimated amounts at the end of the fiscal year under review. Some consolidated subsidiaries adopt the conventional method to determine net defined benefit liability.

In the calculation of retirement benefit obligations, the method used to attribute projected benefit obligations in the period up to the fiscal year under review is benefit formula basis.

Past service cost is amortized using the straight-line method over a certain number of years within the average remaining service period of employees at the time of accrual.

Actuarial gain or loss is amortized starting in the fiscal year following the fiscal year in which it occurs using the straight-line method over a certain number of years within the average remaining service period of employees.

(7) Amortization method and period of goodwill

Goodwill is amortized through the estimated effective period of the investment, with the exception that when the amount of goodwill is immaterial, it is charged to income as incurred.

CHANGES IN ACCOUNTING POLICIES

Application of Accounting Standard for Retirement Benefits

For the “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, May 17, 2012) and “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, March 26, 2015), IHI has additionally applied the provisions set forth in the main clauses of Paragraph 35 of the Accounting Standard for Retirement Benefits and Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits effective from the fiscal year under review, and reviewed the determination of retirement benefit obligations and current service cost. Accordingly, IHI changed the method of attributing expected benefit to periods from the straight-line basis to mainly the benefit formula basis as well as amended the determination of discount rate from that based on a maturity period of bonds decided depending on a period of years approximate to the expected average remaining working lives of employees mainly to one that uses a single weighted average discount rate reflecting the estimated timing of retirement benefit payment and the estimated amount of each retirement benefit payments.

Application of the Accounting Standard for Retirement Benefits and Guidance on Accounting Standard for Retirement Benefits is in line with the transitional measures provided in Paragraph 37 of the Accounting Standard for Retirement Benefits, and the effect of the revision to the calculation method for retirement benefit obligations and current service cost has been added to or deducted from retained earnings as of the beginning of the fiscal year under review.

As a result of the change, as of the beginning of the fiscal year under review, net defined benefit liability increased by ¥22,053 million, and retained earnings and minority interests decreased by ¥14,625 million and by ¥54 million, respectively. In addition, the impact of this change on operating income, ordinary income and income before income taxes and minority interests for the fiscal year under review was immaterial.

CHANGES TO PRESENTATION

CONSOLIDATED BALANCE SHEETS

“Provision for loss on subsidiaries and affiliates,” which was included in “Other provision” under “Non-current liabilities” in the previous fiscal year, has been separately presented in the fiscal year under review due to its increased materiality of the amount. The consolidated financial statements of the previous fiscal year have been reclassified to reflect this change in presentation.

As a result of the change, ¥3,112 million presented as “Other provision” under “Non-current liabilities” in the consolidated balance sheet of the previous fiscal year has been reclassified into ¥1,771 million of “Provision for loss on subsidiaries and affiliates” and ¥1,341 million of “Other provision.”

ADDITIONAL INFORMATION

Loss on business of subsidiaries and associates

In 2013, there were an increasing number of investments in offshore structures/plants for offshore energy exploration as a result of the global rise in demand for oil and natural gas. Brazil, in particular, was viewed as a world-class market for offshore energy exploration. Given the favorable business environment, IHI invested in EAS with the goal of supplying offshore energy exploration facilities such as FPSOs (Floating Production, Storage and Offloading Systems) and using the knowledge gained thereby in the future to promote offshore energy exploration-related businesses in Japan, which has the world's sixth largest Exclusive Economic Zone. At the time, EAS was the only Brazilian company capable of constructing large-scale offshore structures and was poised for further growth with existing orders for 7 drill ships and 20 tankers and an expectation of future orders with respect to FPSO construction projects.

EAS's financials and cash position, however, have weakened significantly due to, among other things, allegations of corruption in the Brazilian economy, which has interfered with EAS's ability to obtain payments for certain overdue amounts, and the quick downturn in the Brazilian economy as a result of the drop in energy prices. In response to this, the Company decided that it was necessary to re-examine the strategies for offshore development related businesses in Brazil, and as a provision for future potential losses that could be incurred by the EAS business, IHI has recorded an extraordinary loss of ¥29,089 million as a loss estimation amount related to Brazil investments that could foreseeably be incurred at this current point in time.

This extraordinary loss comprises ¥7,604 million in loss related to IHI's investment in EAS and ¥21,485 million in provision for loss on subsidiaries and affiliates related to losses that could foreseeably be incurred from the EAS business.

This provision for loss on subsidiaries and affiliates includes a guarantee obligation amount as of the end of the fiscal year under review of ¥19,413 million for the company making EAS a guaranteed company.

Revision of the amount of deferred tax assets /liabilities by change in Corporate Tax Rate

The "Act for Partial Revision of the Income Tax Act " and "Act for partial revision of the local tax act" were promulgated on March 31, 2015. The Corporate tax rates are to be lowered from the fiscal year beginning April 1, 2015 .Accordingly, the normal effective statutory tax rate for the calculation of deferred tax assets and deferred tax liabilities will be lowered from 35.6% to 33.1% for temporary differences expected to be utilized up to the fiscal year beginning April 1, 2015 and 32.3% for fiscal years beginning April 1, 2016 and onwards. As a result of these changes, deferred tax assets (after deducting deferred tax liabilities) as of March 31, 2015 decreased by ¥6,672 million. Income taxes-deferred, valuation difference on available-for-sale securities increased by ¥7,207 million, ¥712 million respectively. Remeasurements of defined benefit plans, deferred gains or losses on hedges decreased by ¥128 million, ¥16 million, respectively.

Deferred tax liabilities for revaluation decreased by ¥632 million and revaluation reserve for land increased ¥570 million. Other comprehensive income indicates the amount that excludes comprehensive income attributable to minority interests

Accounting procedures regarding Application of Consolidated Taxation System

IHI and certain of its consolidated subsidiaries have been approved regarding the application of the consolidated taxation system from the year ending March 31, 2016. Therefore, from the fiscal year ended March 31, 2015, related accounting procedures have been based on the "Practical Solution on Tentative Treatment of Tax Effect Accounting under Consolidated Taxation System (Part 1)" (ASBJ PITF No.5 of January 16, 2015) and the "Practical Solution on Tentative Treatment of Tax Effect Accounting under Consolidated Taxation System (Part 2)" (ASBJ PITF No.7 of January 16, 2015).

SEGMENT INFORMATION

[Segment information]

1. **Overview of reportable segments**

The reportable segments are constituent units of the IHI Group for which separate financial information is available. The Board of Directors periodically examines these segments for the purpose of deciding the allocation of management resources and evaluating operating performance.
IHI organizes operation divisions by products and services and the operation divisions deploy business activities formulating both domestic and overseas strategies for each product and service comprehensively. The IHI Group therefore categorizes segments based on the grouping together of operation divisions classified by markets and other similarities of products and services. The four reportable segments are as follows: Resources, Energy and Environment, Social Infrastructure and Offshore Facility, Industrial System and General-Purpose Machinery, and Aero Engine, Space and Defense.

Main businesses, products and services belonging to each segment

Reportable segment	Main businesses, products and services
Resources, Energy and Environment	Boiler, power systems plants, power systems for land and marine use, large power systems for ships, gas processes (storage facilities and process plants), nuclear power (components for nuclear power plants), environmental response systems, medical and pharmaceutical products (pharmaceutical plants)
Social Infrastructure and Offshore Facility	Bridge, water gate, shield tunneling machines, transport system, urban development (real estate sales and rental), F-LNG (floating LNG storage facilities), offshore structures
Industrial System and General-Purpose Machinery	Machinery for ships, logistics system, transport machinery, parking, steel manufacturing equipment, industrial machinery, thermal and surface treatment, paper-making machinery, vehicular turbocharger, compressor, separation system, turbocharger for ships, construction machinery, agricultural machinery, small motors
Aero Engine, Space and Defense	Aero engines, rocket systems/space utilization systems (space-related equipment), defense systems

2. **Calculation method used for sales, profit or loss, assets and liabilities, and other items by reportable segment**

The accounting method used for reportable business segments is the same as the method stated in “BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS.” Profits from reportable segments are figures based on operating income. Intersegment income and transfers are based on actual market pricing.

3. Information about sales, profit or loss, assets and liabilities, and other items by reportable segment

Fiscal year ended March 31, 2014

(Millions of yen)

	Reportable Segment								
	Resources, Energy and Environment	Social Infrastructure and Offshore Facility	Industrial System and General-Purpose Machinery	Aero Engine, Space and Defense	Total	Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
Sales:									
(1) Sales to outside customers	333,392	144,560	386,110	401,607	1,265,669	38,369	1,304,038	–	1,304,038
(2) Intersegment sales and transfers	10,701	5,753	11,710	4,491	32,655	20,584	53,239	(53,239)	–
Total	344,093	150,313	397,820	406,098	1,298,324	58,953	1,357,277	(53,239)	1,304,038
Segment profit (Operating income)	11,617	2,369	15,130	36,723	65,839	1,930	67,769	(14,498)	53,271
Others:									
Depreciation (Note 4)	5,776	6,086	10,616	14,174	36,652	795	37,447	2,982	40,429
Share of profit (loss) of entities accounted for using equity method	325	–	552	(72)	805	4,612	5,417	(20)	5,397
Increase in property, plant and equipment (Note 5)	8,137	9,177	14,615	17,277	49,206	984	50,190	4,379	54,569

Notes: 1 The “Others” classification consists of business that is not included in reportable segments. It includes inspection and measurement business, the manufacture and sale of equipment and the like related to such business, and other service operations.

2. Adjustment of segment profit represents intersegment transactions of ¥88 million and unallocated corporate expenses of negative ¥14,586 million.
   Corporate expenses mainly consist of general and administrative expenses that are unattributable to reportable segments.
3. Reportable segment assets and liabilities have not been shown, as they are not used as the basis for deciding the allocation of management resources or evaluating operating performance.
4. Depreciation represents depreciation of property, plant and equipment. Adjustment of depreciation represents unallocated depreciation in property, plant and equipment.
5. Adjustment of increase in property, plant and equipment represents unallocated increase in property, plant and equipment.

Fiscal year ended March 31, 2015 (Millions of yen)

	Reportable Segment								
	Resources, Energy and Environment	Social Infrastructure and Offshore Facility	Industrial System and General-Purpose Machinery	Aero Engine, Space and Defense	Total	Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
Sales:									
(1) Sales to outside customers	405,427	184,731	396,453	430,669	1,417,280	38,564	1,455,844	–	1,455,844
(2) Intersegment sales and transfers	9,932	3,905	15,254	4,185	33,276	24,310	57,586	(57,586)	–
Total	415,359	188,636	411,707	434,854	1,450,556	62,874	1,513,430	(57,586)	1,455,844
Segment profit (Operating income)	24,098	(3,240)	10,256	39,570	70,684	1,261	71,945	(8,692)	63,253
Others:									
Depreciation (Note 4)	5,926	6,243	11,586	14,580	38,335	900	39,235	4,054	43,289
Share of profit (loss) of entities accounted for using equity method	376	–	1,150	(316)	1,210	(2,914)	(1,704)	3	(1,701)
Increase in property, plant and equipment (Note 5)	10,947	12,483	13,945	16,613	53,988	1,500	55,488	8,462	63,950

Notes:
1. The “Others” classification consists of business that is not included in reportable segments. It includes inspection and measurement business, the manufacture and sale of equipment and the like related to such business, and other service operations.
2. Adjustment of segment profit represents intersegment transactions of ¥76 million and unallocated corporate expenses of negative ¥8,768 million.
   Corporate expenses mainly consist of general and administrative expenses that are unattributable to reportable segments.
3. Reportable segment assets and liabilities have not been shown, as they are not used as the basis for deciding the allocation of management resources or evaluating operating performance.
4. Depreciation represents depreciation of property, plant and equipment. Adjustment of depreciation represents unallocated depreciation in property, plant and equipment.
5. Adjustment of increase in property, plant and equipment represents unallocated increase in property, plant and equipment.

[Related information]

Fiscal year ended March 31, 2014

1. Product and service information

Information has been omitted, as classification is the same as for reportable segments.

2. Information by geographical area

(1) Net sales

(Millions of yen)

Japan	U.S.A.	Asia	Central and South America	Europe	Others	Total
685,439	212,710	221,468	18,521	152,220	13,680	1,304,038

Note: Sales are classified by country or region based on the location of customers.

(2) Property, plant and equipment

(Millions of yen)

Japan	North America	Asia	Central and South America	Europe	Others	Total
295,945	2,804	13,037	106	24,506	50	336,448

3. Information by major customer

(Millions of yen)

Name of customer or individual	Net sales	Related business segment
Japan Ministry of defense	130,427	Aero Engine, Space and Defense

Fiscal year ended March 31, 2015

1. Product and service information

Information has been omitted, as classification is the same as for reportable segments.

2. Information by geographical area

(1) Net sales

(Millions of yen)

Japan	U.S.A.	Asia	Central and South America	Europe	Others	Total
697,806	270,889	265,772	31,448	171,035	18,894	1,455,844

Note: Sales are classified by country or region based on the location of customers.

(2) Property, plant and equipment

(Millions of yen)

Japan	North America	Asia	Central and South America	Europe	Others	Total
309,963	4,903	17,470	39	25,202	48	357,625

3. Information by major customer

(Millions of yen)

Name of customer or individual	Net sales	Related business segment
Japanese Aero Engines Corporation	154,261	Aero Engine, Space and Defense

[Information about impairment loss on non-current assets by reportable segment]

Fiscal year ended March 31, 2014

(Millions of yen)

	Reportable Segment								
	Resources, Energy and Environment	Social Infrastructure and Offshore Facility	Industrial System and General-Purpose Machinery	Aero Engine, Space and Defense	Total	Others	Total	Adjustment	Consolidated
Impairment loss	–	20	225	–	245	–	245	–	245

Fiscal year ended March 31, 2015

(Millions of yen)

	Reportable Segment								
	Resources, Energy and Environment	Social Infrastructure and Offshore Facility	Industrial System and General-Purpose Machinery	Aero Engine, Space and Defense	Total	Others (Note 1)	Total	Adjustment	Consolidated
Impairment loss	–	2	172	–	174	1	175	–	175

Notes: 1. The “Others” classification consists of business that is not included in reportable segments. It includes inspection and measurement business, the manufacture and sale of equipment and the like related to such business, and other service operations.

[Information about goodwill amortization amount and year-end balance by reportable segment]

Fiscal year ended March 31, 2014

(Millions of yen)

	Reportable Segment								
	Resources, Energy and Environment	Social Infrastructure and Offshore Facility	Industrial System and General-Purpose Machinery	Aero Engine, Space and Defense	Total	Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
Amount for the fiscal year under review	193	1	2,449	–	2,643	421	3,064	14	3,078
Balance at the end of the fiscal year under review	1,106	–	18,509	–	19,615	3,302	22,917	41	22,958

Notes: 1. The “Others” classification consists of business that is not included in reportable segments. It includes inspection and measurement business, the manufacture and sale of equipment and the like related to such business, and other service operations.

2. Adjustment represents unallocated goodwill amortization and year-end balance.

Fiscal year ended March 31, 2015

(Millions of yen)

	Reportable Segment								
	Resources, Energy and Environment	Social Infrastructure and Offshore Facility	Industrial System and General-Purpose Machinery	Aero Engine, Space and Defense	Total	Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
Amount for the fiscal year under review	522	–	2,627	–	3,149	430	3,579	15	3,594
Balance at the end of the fiscal year under review	4,072	–	16,271	–	20,343	2,932	23,275	26	23,301

Notes: 1. The “Others” classification consists of business that is not included in reportable segments. It includes inspection and measurement business, the manufacture and sale of equipment and the like related to such business, and other service operations.

2. Adjustment represents unallocated goodwill amortization and year-end balance.

[Information about gain on negative goodwill by reportable segment]

Fiscal year ended March 31, 2014

None

Fiscal year ended March 31, 2015

Disclosure is omitted since there is no significant necessity.

PER SHARE INFORMATION

Item	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2014
Net assets per share	¥224.03	¥223.68
Net income per share	¥5.88	¥22.51
Diluted net income per share	¥5.88	¥21.31

Note: The basis for calculating net income per share and diluted net income per share are as follows.

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2014
Net income per share		
Net income (Millions of yen)	9,082	33,133
Amounts for non-common shareholders (Millions of yen)	–	–
Net income regarding common stock (Millions of yen)	9,082	33,133
Average number of shares of common stock (Thousands of shares)	1,543,507	1,471,758
Diluted net income per share		
Adjustment amount of net income (Millions of yen)	–	(208)
(Interest income of the above, net of taxes) (Millions of yen)	–	(208)
Increase in number of shares of common stock (Thousands of shares)	1,944	73,548
(Convertible bonds of the above) (Thousands of shares)	–	71,749
(Subscription rights to shares of the above) (Thousands of shares)	1,944	1,799
Potential shares not included in calculation of diluted net income per share due to being non-dilutive	–	Subscription rights to shares type 1 (Total number of subscription rights to shares: 76 units) Type of shares underlying subscription rights to shares: common stock Total number of shares underlying subscription rights to shares: 76,000 shares

SIGNIFICANT SUBSEQUENT EVENTS

None

OMISSION OF DISCLOSURE

Disclosure of explanations regarding the following matters is omitted since there is no significant necessity of such disclosure in the summary report on financial results:

- Consolidated balance sheets
- Consolidated statements of income
- Consolidated statements of comprehensive income
- Consolidated statements of changes in equity
- Consolidated statements of cash flows
- Lease transactions
- Financial instruments
- Securities
- Derivative transactions
- Retirement benefits
- Stock options, etc.
- Tax effect accounting
- Business combinations, etc.
- Asset retirement obligations
- Rental property
- Transactions with parties concerned
- SPC

6. OTHERS

(1) Orders received by reportable segment

(Millions of yen)

Reportable segment	Fiscal year ended March 31, 2015		Fiscal year ended March 31, 2014		Change from the previous fiscal year	
	Amount	%	Amount	%	Amount	%
Resources, Energy and Environment	582,768	35	494,635	34	88,133	17.8
Social Infrastructure and Offshore Facility	178,791	11	175,573	12	3,218	1.8
Industrial System and General-Purpose Machinery	415,003	25	370,691	26	44,312	12.0
Aero Engine, Space and Defense	468,090	28	406,968	28	61,122	15.0
Total Reportable Segment	1,644,652	–	1,447,867	–	196,785	–
Others	75,255	4	62,332	4	12,923	20.7
Adjustment	(55,520)	(3)	(51,215)	(4)	(4,305)	–
Total	1,664,387	100	1,458,984	100	205,403	14.1
Overseas orders received	836,023	50	676,146	46	159,877	23.6

(2) Net sales by reportable segment

(Millions of yen)

Reportable segment	Fiscal year ended March 31, 2015		Fiscal year ended March 31, 2014		Change from the previous fiscal year	
	Amount	%	Amount	%	Amount	%
Resources, Energy and Environment	415,359	29	344,093	26	71,266	20.7
Social Infrastructure and Offshore Facility	188,636	13	150,313	12	38,323	25.5
Industrial System and General-Purpose Machinery	411,707	28	397,820	30	13,887	3.5
Aero Engine, Space and Defense	434,854	30	406,098	31	28,756	7.1
Total Reportable Segment	1,450,556	–	1,298,324	–	152,232	–
Others	62,874	4	58,953	5	3,921	6.7
Adjustment	(57,586)	(4)	(53,239)	(4)	(4,347)	–
Total	1,455,844	100	1,304,038	100	151,806	11.6
Overseas sales	758,038	52	618,599	47	139,439	22.5

(3) Order backlog by reportable segment

(Millions of yen)

Reportable segment	As of March 31, 2015		As of March 31, 2014		Change from the end of the previous fiscal year	
	Amount	%	Amount	%	Amount	%
Resources, Energy and Environment	760,467	46	535,230	40	225,237	42.1
Social Infrastructure and Offshore Facility	231,993	14	235,241	18	(3,248)	(1.4)
Industrial System and General-Purpose Machinery	121,028	7	108,773	8	12,255	11.3
Aero Engine, Space and Defense	510,704	31	440,324	33	70,380	16.0
Total Reportable Segment	1,624,192	–	1,319,568	–	304,624	–
Others	31,215	2	19,305	1	11,910	61.7
Total	1,655,407	100	1,338,873	100	316,534	23.6
Overseas order backlog	808,779	49	628,173	47	180,606	28.8