

(English Translation)

January 30, 2023

To whom it may concern,

IHI Corporation

3-1-1 Toyosu, Koto-ku, Tokyo
Hiroshi Ide, Representative Director,
President and Chief Executive Officer
(Securities Code: 7013)
Contact: Chie Fukuoka, General Manager
of Corporate Communication Division
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**Notice Regarding Company Split with a Consolidated Subsidiary
(Simple Absorption-Type Split)**

IHI Corporation (hereinafter, “Company”) hereby announces, at the Board of Directors’ meeting held today, that it has decided that the real-estate renting business conducted by Chiba-Soko Corporation (hereinafter, “Chiba-Soko”), which is the wholly owned subsidiary of the Company, will be succeeded to the Company.

Since this is a simple absorption-type split carried out between the Company and its wholly owned subsidiary, the disclosure of certain items and details has been omitted from this announcement.

1. Reason for the company split

The company decided the company split to succeed real-estate renting business of Chiba-Soko in order to increase operational efficiencies as IHI Group.

2. Summary of the company split

(1) Outline

Resolution of the Board of Directors	30 January, 2023
Conclusion of the Agreement	30 January, 2023
Effective date of the company split	1 March, 2023

(Note) Since the company split corresponded to simplified absorption-type split prescribed in Article 796, Paragraph 2 of the Company Act, a shareholder meeting to approve this company split will not be held.

(2) Methods

This absorption-type split involves the Company succeeding part of the business from Chiba-Soko.

(3) Allotment of shares

None of the Company’s shares or other will be allotted in conjunction with the company split, nor will any equivalent value be paid.

(4) Handling of stock acquisition rights and bond with stock acquisition rights

Not applicable

(5) Capital increase or decrease

There will be no change in the company’s capital stock.

(6) Rights and obligations to be transferred to the successor company

The company will succeed assets, liabilities and contractual statuses needed to execute the business, as well as all rights and obligations that accompany such.

(7) Outlook of performing obligations

The company determines that there is no problem as to whether the Company can perform its obligations after the company split.

3. Overview of the companies involved in the absorption-type split

	Successor Company	Splitting Company
(1) Name	IHI Corporation	Chiba-Soko Corporation
(2) Location	3-1-1 Toyosu, Koto-ku, Tokyo	17-2 Dezuminato, Chuo-ku, Chiba-shi, Chiba
(3) Representative's Name and Position	Hiroshi Ide, Representative Director, President and Chief Executive Officer	Nobuhiro Hayashi, Representative Director and President
(4) Main Business Activities	Manufacture and sale of equipment and provision of services related to: Resources, Energy and Environment; Social Infrastructure and Offshore Facilities; Industrial Systems and General-Purpose Machinery; and Aero Engine and Space and Defense	Warehouse business, Cargo handling business, Real-estate renting business, etc.
(5) Capital	107,165 million yen	40 million yen
(6) Date of Establishment	January 17, 1889	November 4, 1949
(7) Number of Shares Issued	154,679,954	400,000
(8) Fiscal year end	March 31	March 31
(9) Major Shareholders and Their Shareholding Ratio	*	IHI Corporation 100%

(10) Financial position for the previous fiscal year (ending March 31, 2022)

(Millions of yen unless otherwise stated)

	Company (Consolidated, IFRS)
Equity Attributable to Owners of Parent	382,134
Total Assets	1,879,673
Equity Attributable to Owners of Parent per Share (Yen)	2,526.33

	Chiba-Soko (Non-consolidated, J-GAAP)
Net Assets	1,044
Total Assets	1,228
Net Assets per Share (Yen)	2,610.01

* The Master Trust Bank of Japan (Holder in Trust)	15.50%
Custody Bank of Japan, Ltd. (Holder in Trust)	9.43%
Custody Bank of Japan, Ltd. as trustee for Mizuho Bank Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co., Ltd.	3.02%
IHI Suppliers Stock Ownership Association	1.83%
The Dai-ichi Life Insurance Company, Limited	1.78%

4. Overview of the business to be succeeded:

(1) Details of the business

Real-estate renting business

(2) Operating performance of the business (As of March 31, 2022)

Revenue: 194 million yen

(3) Assets and liabilities of the business to be succeeded

Asset: 800 million yen, Debt: 141 million yen, calculated as of March 31, 2022.

(Note) Calculated based on the balance sheet as of March 31, 2022, the amounts actually transferred will be adjusted, taking into consideration the increases and decreases in the amounts listed above that will arise by the effective date of the company split.

5. Overview of the companies after the absorption-type split:

After the company split, the name, location, representative's name and position, main business activities, capital, and settlement term of the Company will remain unchanged.

6. Future outlook:

Since the company split will be conducted with the Company's wholly owned subsidiary as the splitting company, we believe that the split will have only minor effects on our consolidated financial results for the fiscal year ending March 2023.

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