

**CONSOLIDATED FINANCIAL REPORT  
 FOR THE THREE MONTHS ENDED JUNE 30, 2018  
 <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.

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Submission of Quarterly Securities Report: August 10, 2018 (planned)  
 Preparing supplementary material on quarterly financial results: Yes  
 Holding quarterly financial results presentation meeting: Yes (for institutional investors, analysts and the media)

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 THREE MONTHS ENDED JUNE 30, 2018  
 (APRIL 1, 2018 to JUNE 30, 2018)**

**(1) Consolidated Business Results**

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

	Net Sales	Percentage Change	Operating Profit	Percentage Change	Ordinary Profit	Percentage Change
<b>Three months ended June 30, 2018</b>	<b>337,156</b>	<b>(16.2)%</b>	<b>12,743</b>	<b>(50.0)%</b>	<b>16,739</b>	<b>(23.3)%</b>
Three months ended June 30, 2017	402,405	17.9%	25,463	139.2%	21,831	375.9%

	Profit Attributable to Owners of Parent	Percentage Change	Basic Earnings per Share (Yen)	Diluted Earnings per Share (Yen)
<b>Three months ended June 30, 2018</b>	<b>6,142</b>	<b>(47.6) %</b>	<b>39.80</b>	<b>39.77</b>
Three months ended June 30, 2017	11,718	–	75.88	75.82

(Note) Comprehensive income

Three months ended June 30, 2018:	¥7,260 million	(50.2)%
Three months ended June 30, 2017:	¥14,564 million	–%

\* IHI conducted a consolidation of common stock on a 10 for 1 basis on October 1, 2017. Basic earnings per share and diluted earnings per share have been calculated under the assumption that this consolidation of common stock was conducted on April 1, 2017.

## (2) Consolidated Financial Position

(Millions of yen)

	Total Assets	Net Assets	Equity to Total Assets
<b>June 30, 2018</b>	<b>1,627,495</b>	<b>351,537</b>	<b>20.0%</b>
March 31, 2018	1,633,488	350,217	19.9%

(Reference) Equity at the end of the period (consolidated)

June 30, 2018:	¥325,722 million
March 31, 2018:	¥324,601 million

## 2. DIVIDENDS

(Yen)

(Record Date)	Dividends per Share				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	Year-end	Annual
Fiscal year ended March 31, 2018	—	3.00	—	30.00	—
Fiscal year ending March 31, 2019	—	—	—	—	—
Fiscal year ending March 31, 2019 (Forecast)	—	30.00	—	30.00	60.00

(Note) Revisions to the dividend forecasts most recently announced: No

\*IHI conducted a consolidation of common stock on a 10 for 1 basis on October 1, 2017. Consequently, the effect of this consolidation of stock is factored into the year-end dividends per share for the previous fiscal year ended March 31, 2018, and a dash is presented for the annual dividends per share. The annual dividends per share calculated on basis of the consolidation of common stock are ¥60.00.

## 3. CONSOLIDATED FORECASTS OF RESULTS FOR THE YEAR ENDING MARCH 31, 2019

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

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Basic Earnings per Share (Yen)
Full-year	1,500,000	(5.7)%	85,000	17.6%	65,000	203.4%	32,000	286.0%	207.34

(Note) Revisions to the forecasts of results most recently announced: No

## \* NOTES

- (1) **Changes in significant subsidiaries during the three months under review**  
(Changes in specified subsidiaries accompanying changes in scope of consolidation): Not applicable
- (2) **Application of special accounting for preparing quarterly consolidated financial statements:** Yes  
(Note) For details, please refer to “(2) APPLICATION OF SPECIAL ACCOUNTING FOR PREPARING QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS” of “2. MATTERS REGARDING SUMMARY INFORMATION (NOTES)” on page 6.
- (3) **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: Not applicable
  - (ii) Changes in accounting policies due to other reasons: Yes
  - (iii) Changes in accounting estimates: Not applicable
  - (iv) Restatement of prior period financial statements after error corrections: Not applicable
- (Note) For details, please refer to “(3) CHANGES IN ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES, AND RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS AFTER ERROR CORRECTIONS” of “2. MATTERS REGARDING SUMMARY INFORMATION (NOTES)” on page 6.
- (4) **Number of shares issued (Common stock):**
- (i) Number of shares issued at the end of the period (including treasury shares)

As of June 30, 2018	154,679,954 shares
As of March 31, 2018	154,679,954 shares
  - (ii) Number of treasury shares owned at the end of the period

As of June 30, 2018	340,069 shares
As of March 31, 2018	344,435 shares
  - (iii) Average number of shares outstanding during the period (cumulative quarterly period)

Three months ended June 30, 2018	154,336,252 shares
Three months ended June 30, 2017	154,424,595 shares

\* IHI conducted a consolidation of common stock on a 10 for 1 basis on October 1, 2017. The number of shares issued at the end of the period, number of treasury shares owned at the end of the period and average number of shares outstanding during the period have been calculated under the assumption that this consolidation of common stock was conducted on April 1, 2017.

\* The number of treasury shares excluded from the calculation of the “number of treasury shares owned at the end of the period,” and “average number of shares outstanding during the period,” includes 111,000 shares of IHI (the number of shares following share consolidation) owned by a trust account for the Board Benefit Trust (BBT).

\* Quarterly financial reports are not required to be subjected to quarterly reviews.

\* 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 the IHI Group. 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. For preconditions for forecast of results, please refer to “(3) EXPLANATION REGARDING FUTURE PREDICTION INFORMATION SUCH AS CONSOLIDATED FORECASTS OF RESULTS” of “1. QUALITATIVE INFORMATION REGARDING CONSOLIDATED RESULTS” on page 5.

# 1. QUALITATIVE INFORMATION REGARDING CONSOLIDATED RESULTS

## (1) EXPLANATION REGARDING BUSINESS RESULTS

Summary of consolidated performance for the three months ended June 30, 2018

During the three months under review of the Japanese economy, corporate earnings maintained on a trend of improvement and remained stable, as there continued to be a mild increase in capital investment and a pick-up in private consumption. The global economy also continued to exhibit moderate growth overall, bolstered by steady growth in the U.S., despite the uncertain outlook regarding U.S. trade problems and policies in Europe.

Under this business environment, orders received of the IHI Group during the three months under review decreased 16.8% from the previous corresponding period to ¥241.6 billion. Net sales decreased 16.2% from the previous corresponding period to ¥337.1 billion.

In terms of profit, operating profit decreased ¥12.7 billion to ¥12.7 billion due mainly to the deterioration of profitability owing to increases in the number of new-model engines sold in the Civil aero engines business. Ordinary profit decreased ¥5.0 billion to ¥16.7 billion, which the amounts of decrease in profit diminished due to the positive turn in share of profit of entities accounted for using equity method and the decrease in expenses for delayed delivery.

Profit attributable to owners of parent was ¥6.1 billion, a decrease of ¥5.5 billion, as a result of recording of income taxes for prior periods etc.

Also effective from the previous fiscal year, the closing date of the fiscal year of certain overseas consolidated subsidiaries has been changed from December 31 to March 31. As a result, those consolidated subsidiaries had a six-month accounting period in the three months ended June 30, 2017. The effect of these changes was an increase of ¥57.9 billion in net sales and an increase of ¥1.4 billion in operating profit.

Results by reportable segment for the three months under review are as follows:

Reportable segment	Orders received			Three months ended June 30, 2017		Three months ended June 30, 2018		Change from the previous corresponding period (%)	
	Three months ended June 30, 2017	Three months ended June 30, 2018	Change from the previous corresponding period (%)	Sales	Operating profit (loss)	Sales	Operating profit (loss)	Sales	Operating profit (loss)
	(Billions of yen)								
Resources, Energy and Environment	73.5	55.5	(24.5)	135.8	(0.7)	84.3	(0.1)	(37.9)	–
Social Infrastructure and Offshore Facility	32.7	26.5	(18.9)	29.9	3.3	28.5	0.7	(4.5)	(76.1)
Industrial System and General-Purpose Machinery	130.6	115.3	(11.7)	121.1	4.4	104.8	4.0	(13.4)	(9.8)
Aero Engine, Space and Defense	46.9	38.6	(17.7)	111.7	18.6	117.5	9.0	5.2	(51.4)
Total Reportable Segment	283.8	236.0	(16.9)	398.6	25.6	335.2	13.7	(15.9)	(46.5)
Others	18.4	16.1	(12.6)	12.9	(0.4)	13.5	(0.3)	4.6	–
Adjustment	(12.0)	(10.4)	–	(9.1)	0.2	(11.6)	(0.6)	–	–
Total	290.3	241.6	(16.8)	402.4	25.4	337.1	12.7	(16.2)	(50.0)

## (2) EXPLANATION REGARDING CONSOLIDATED FINANCIAL POSITION

Assets and liabilities, and net assets

Total assets at the end of the first quarter under review were ¥1,627.4 billion, down ¥5.9 billion compared with the end of the previous fiscal year. The items with the most significant decreases were notes and accounts receivable - trade, down ¥22.7 billion and cash and deposits, down ¥15.0 billion. The items with the most significant increases were inventories including work in process, up ¥15.6 billion and investment securities, up ¥9.5 billion.

Total liabilities were ¥1,275.9 billion, down of ¥7.3 billion compared with the end of the previous fiscal year.

The items with the most significant decreases were provision for bonuses, down ¥11.7 billion and notes and accounts payable - trade, down ¥9.9 billion. The item with the most significant increase was short-term loans payable, up ¥17.0 billion. The balance on interest-bearing debt, including lease obligations, was ¥339.5 billion, up ¥17.2 billion from the end of the previous fiscal year.

Net assets were ¥351.5 billion, up ¥1.3 billion compared with the end of the previous fiscal year. This includes profit attributable to owners of parent of ¥6.1 billion and decrease due to payment of dividends of ¥4.6 billion. As a result of the above, the ratio of equity to total assets rose from 19.9% at the end of the previous fiscal year to 20.0%.

### **(3) EXPLANATION REGARDING FUTURE PREDICTION INFORMATION SUCH AS CONSOLIDATED FORECASTS OF RESULTS**

The global economy is expected to continue on a moderate recovery, centered on steady economic recovery in the U.S. However, there is an increasing level of uncertainty about future prospects, with ongoing downside risks for the economy such as the trends of trade problems with China, which have been triggered by the protectionist trade policies of the U.S. Furthermore, there continues to be a need for caution regarding the rise in global geopolitical risks.

Also in the business environment surrounding the IHI Group, there are escalating risks of occurring sudden changes such as the global increasing interest in responding to environmental regulations including decarbonization and a switch to electric vehicles, and as the innovation of IoT technologies. The Group must accelerate initiatives for responding those changes.

In spite of these circumstances, the IHI Group's consolidated forecasts of results for the full fiscal year ending March 31, 2019 remain unchanged from previous forecasts announced on May 9, 2018.

Note that foreign exchange rates of ¥105/US\$1 and ¥130/EUR1 have been assumed in the above forecasts in and after the second quarter ending September 30, 2018.

Also concerning dividends, no changes have been made to the previous forecasts.

## 2. MATTERS REGARDING SUMMARY INFORMATION (NOTES)

### (1) CHANGES IN SIGNIFICANT SUBSIDIARIES DURING THE THREE MONTHS UNDER REVIEW

Not applicable

### (2) APPLICATION OF SPECIAL ACCOUNTING FOR PREPARING QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

#### *Tax expense calculation*

Tax expenses on profit before income taxes for the three months under review are calculated by multiplying profit before income taxes for the three months under review by the reasonably estimated effective tax rate for the fiscal year including the first quarter under review after applying tax effect accounting. Should the estimated effective tax rate be unavailable, however, tax expenses are calculated using the statutory tax rate for profit before income taxes for the three months under review.

The deferred income taxes amount is shown inclusive of income taxes.

### (3) CHANGES IN ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES, AND RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS AFTER ERROR CORRECTIONS

#### **Changes in accounting policies**

##### *Change of principal methods for hedge accounting*

Forward foreign exchange rates had been applied for foreign receivables and payables under forward foreign exchange contracts if conditions had been met (the *furiate* method). Also, special treatment had been applied for interest rate swaps if conditions for the special treatment had been met.

As a result of reviewing management methods suitable for global business operation, the IHI Group changed the principal methods for hedge accounting to deferral hedge accounting in order to reflect on its consolidated financial statements more accurately the status of foreign receivables and payables and the status of derivative contracts from the first quarter under review.

The change in accounting policies are not applied retrospectively, as the effect of this change on past periods was immaterial. Moreover, the effect of this change on operating profit, ordinary profit and profit before income taxes for the three months under review was immaterial.

### (4) ADDITIONAL INFORMATION

#### *Reassessment of tax payable, based on the transfer pricing taxation, and policy response going forward*

With regard to transactions between IHI and a foreign consolidated subsidiary located in Thailand conducted over the fiscal years ended March 31, 2013 to March 31, 2016, IHI received a reassessment of tax payable, based on the transfer pricing taxation, from the Tokyo Regional Taxation Bureau. In response, IHI recorded penalty taxes, including additional taxes and delinquent taxes, of ¥4,304 million on “Income taxes for prior periods.” Note that the penalty taxes were paid in July 2018.

From IHI’s perspective, with regard to the taxation system on setting of transaction prices within the corporate group (the so-called transfer pricing taxation), it is our perception that we have complied with the laws and regulations of Japan and other countries, have set appropriate transaction prices and have paid an appropriate amount of tax. In relation to this reassessment of tax payable, we plan to take necessary measures, in accordance with laws and regulations, to request that this reassessment be canceled in its entirety.

#### *Application of the “Partial Amendments to Accounting Standard for Tax Effect Accounting” and relevant Guidances*

IHI has applied the “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28, February 16, 2018) and relevant Guidances effective from the beginning of the first quarter under review. Accordingly, deferred tax assets were presented under “Investments and other assets” and deferred tax liabilities were presented under “Non-current liabilities.”

### 3. QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

#### (1) CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	March 31, 2018	June 30, 2018
Assets		
Current assets		
Cash and deposits	109,028	93,931
Notes and accounts receivable - trade	400,330	377,564
Finished goods	25,647	27,579
Work in process	282,245	292,217
Raw materials and supplies	120,630	124,402
Other	59,758	71,454
Allowance for doubtful accounts	(4,164)	(4,357)
Total current assets	993,474	982,790
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	131,035	130,748
Other, net	218,011	218,637
Total property, plant and equipment	349,046	349,385
Intangible assets		
Goodwill	12,231	11,376
Other	23,789	22,904
Total intangible assets	36,020	34,280
Investments and other assets		
Investment securities	99,284	108,821
Other	157,388	153,997
Allowance for doubtful accounts	(1,724)	(1,778)
Total investments and other assets	254,948	261,040
Total non-current assets	640,014	644,705
Total assets	1,633,488	1,627,495

**(1) CONSOLIDATED BALANCE SHEETS**

(Millions of yen)

	March 31, 2018	June 30, 2018
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	304,928	294,977
Short-term loans payable	81,515	98,556
Current portion of bonds	–	10,000
Income taxes payable	8,075	10,203
Advances received	177,819	179,935
Provision for bonuses	26,119	14,411
Provision for construction warranties	53,727	52,307
Provision for loss on construction contracts	27,266	24,002
Other provision	808	432
Other	131,398	129,495
Total current liabilities	811,655	814,318
Non-current liabilities		
Bonds payable	50,000	40,000
Long-term loans payable	172,533	173,112
Net defined benefit liability	154,125	154,378
Provision for loss on business of subsidiaries and affiliates	1,188	1,188
Other provision	1,150	895
Other	92,620	92,067
Total non-current liabilities	471,616	461,640
<b>Total liabilities</b>	<b>1,283,271</b>	<b>1,275,958</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	107,165	107,165
Capital surplus	53,406	53,406
Retained earnings	153,564	154,871
Treasury shares	(879)	(871)
Total shareholders' equity	313,256	314,571
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,034	2,061
Deferred gains or losses on hedges	(286)	(203)
Revaluation reserve for land	5,359	5,353
Foreign currency translation adjustment	3,679	3,209
Remeasurements of defined benefit plans	559	731
Total accumulated other comprehensive income	11,345	11,151
Subscription rights to shares	792	783
Non-controlling interests	24,824	25,032
Total net assets	350,217	351,537
<b>Total liabilities and net assets</b>	<b>1,633,488</b>	<b>1,627,495</b>



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

(Millions of yen)

	April 1, 2017 to June 30, 2018	April 1, 2018 to June 30, 2018
Net sales	402,405	337,156
Cost of sales	326,965	278,562
Gross profit	75,440	58,594
Selling, general and administrative expenses	49,977	45,851
Operating profit	25,463	12,743
Non-operating income		
Interest income	465	269
Dividend income	382	420
Share of profit of entities accounted for using equity method	489	3,883
Foreign exchange gains	411	1,616
Other income	566	883
Total non-operating income	2,313	7,071
Non-operating expenses		
Interest expenses	827	715
Disposal expenses on noncurrent assets	20	781
Expenses for delayed delivery	3,394	–
Other expenses	1,704	1,579
Total non-operating expenses	5,945	3,075
Ordinary profit	21,831	16,739
Extraordinary losses		
Settlement-related expenses related to boiler facilities in customer's commercial operation	(2,932)	–
Total extraordinary losses	(2,932)	–
Profit before income taxes	18,899	16,739
Income taxes	5,742	5,060
Income taxes for prior periods	–	4,304
Profit	13,157	7,375
Profit attributable to non-controlling interests	1,439	1,233
Profit attributable to owners of parent	11,718	6,142

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Cumulative)**

(Millions of yen)

	April 1, 2017 to June 30, 2017	April 1, 2018 to June 30, 2018
Profit	13,157	7,375
Other comprehensive income		
Valuation difference on available-for-sale securities	378	(149)
Deferred gains or losses on hedges	9	(76)
Revaluation reserve for land	–	(12)
Foreign currency translation adjustment	1,053	(192)
Remeasurements of defined benefit plans, net of tax	(80)	181
Share of other comprehensive income of entities accounted for using equity method	47	133
Total other comprehensive income	1,407	(115)
Comprehensive income	14,564	7,260
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,994	6,074
Comprehensive income attributable to non-controlling interests	1,570	1,186

### (3) NOTES TO THE QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

#### NOTES ON THE PREMISE OF GOING CONCERN

Not applicable

#### NOTES WHEN THERE IS SIGNIFICANT CHANGES IN AMOUNTS OF EQUITY

Not applicable

#### SEGMENT INFORMATION

##### Segment information

##### I Three months ended June 30, 2017

##### 1. Information about sales and profit or loss by reportable segment

(Millions of yen)

	Reportable Segment					Total	Others (Note 1)	Consolidated	Adjustment (Note 2)	Amount on the consolidated statements of income
	Resources, Energy and Environment	Social Infrastructure and Offshore Facility	Industrial System and General-Purpose Machinery	Aero Engine, Space and Defense						
<b>Sales:</b>										
(1) Sales to outside customers	134,875	28,461	119,544	111,207	394,087	8,318	402,405	–	402,405	
(2) Intersegment sales and transfers	1,007	1,448	1,579	501	4,535	4,598	9,133	(9,133)	–	
Total	135,882	29,909	121,123	111,708	398,622	12,916	411,538	(9,133)	402,405	
Segment profit (loss)	(794)	3,337	4,445	18,671	25,659	(467)	25,192	271	25,463	
(Operating profit (loss))										

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 ¥213 million and unallocated corporate expenses of ¥58 million.

Corporate expenses mainly consist of general and administrative expenses that are unattributable to reportable segments.

##### 2. Matters about change in reportable segments, etc.

###### *Changes to the fiscal year, etc. for consolidated subsidiaries*

Effective from the previous fiscal year, the closing date of the fiscal year for 47 companies including IHI INC. has been changed from December 31 to March 31, and eight companies including Wuxi IHI Turbo Co., Ltd. has been consolidated using March 31 as a provisional closing date.

As a result, for the three months ended June 30, 2017, 55 companies including IHI INC. had a six-month accounting period.

In the period from January 1, 2017 through March 31, 2017 included in the three months ended June 30, 2017, sales for each segment were ¥28,902 million for the Resources, Energy and Environment segment, ¥27,800 million for the Industrial System and General-Purpose Machinery segment, and ¥183 million for the Aero Engine, Space and Defense segment. Operating profit was ¥1,616 million for the Industrial System and General-Purpose Machinery segment, and ¥72 million for the Aero Engine, Space and Defense segment. Operating loss was ¥117 million for Resources, Energy and Environment segment, and ¥1 million for the Social Infrastructure and Offshore Facility segment.

3. Information about impairment loss of non-current assets, goodwill and gain on bargain purchase by reportable segment

*Material impairment loss of non-current assets*

Not applicable

*Material change in goodwill amount*

Not applicable

*Material gain on bargain purchase*

Not applicable

## II Three months ended June 30, 2018

### 1. Information about sales and profit or loss by reportable segment

(Millions of yen)

	Reportable Segment				Total	Others (Note 1)	Consolidated	Adjustment (Note 2)	Amount on the consolidated statements of income
	Resources, Energy and Environment	Social Infrastructure and Offshore Facility	Industrial System and General-Purpose Machinery	Aero Engine, Space and Defense					
<b>Sales:</b>									
(1) Sales to outside customers	82,270	26,670	102,698	116,919	328,557	8,599	337,156	–	337,156
(2) Intersegment sales and transfers	2,098	1,905	2,145	589	6,737	4,906	11,643	(11,643)	–
Total	84,368	28,575	104,843	117,508	335,294	13,505	348,799	(11,643)	337,156
Segment profit (loss)	(161)	799	4,010	9,074	13,722	(347)	13,375	(632)	12,743
(Operating profit (loss))									

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 negative ¥236 million and unallocated corporate expenses of negative ¥396 million.

Corporate expenses mainly consist of general and administrative expenses that are unattributable to reportable segments.

Main businesses, products and services belonging to each segment are as follows:

Reportable segment	Main businesses, products and services
Resources, Energy and Environment	Boilers, power systems plants for land use, power systems for land and marine use, large power systems for ships, process plants (storage facilities and chemical plants), nuclear power (components for nuclear power plants), environmental response systems, pharmaceutical plants
Social Infrastructure and Offshore Facility	Bridges/water gates, shield systems, transport systems, concrete construction materials, urban development (real estate sales and rental), F-LNG (floating LNG storage facilities, offshore structures)
Industrial System and General-Purpose Machinery	Logistics/industrial systems (logistics systems, industrial machineries), transport machineries, parking, thermal and surface treatment, vehicular turbochargers, rotating machineries (compressors, separation systems, turbochargers for ships), agricultural machineries/small power systems, steel manufacturing equipment, paper-making machineries
Aero Engine, Space and Defense	Aero engines, rocket systems/space utilization systems (space-related equipment), defense systems

2. Information about impairment loss of non-current assets, goodwill and gain on bargain purchase by reportable segment

*Material impairment loss of non-current assets*

Not applicable

*Material change in goodwill amount*  
Not applicable

*Material gain on bargain purchase*  
Not applicable

## **SIGNIFICANT SUBSEQUENT EVENTS**

Not applicable