

(Translation purposes only)

Cover page

Document title	Amendment Report for Quarterly Securities Report
Clause of stipulation	Article 24-4-7, paragraph 4 of the Financial Instruments and Exchange Act
Place of filing	Director-General of the Kanto Local Finance Bureau
Filing date	November 27, 2018
Quarterly accounting period	The First Quarter of 202nd term (from April 1, 2018 to June 30, 2018)
Company name	株式会社 I H I (Kabushiki Kaisha IHI)
Company name in English	IHI Corporation
Title and name of representative	Tsugio Mitsuoka, President and Chief Operating Officer
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Name of contact person	Takashi Koumi, General Manager, Accounting Group, Finance & Accounting Div.
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Name of contact person	Takashi Koumi, General Manager, Accounting Group, Finance & Accounting Div.
Place for public inspection	Tokyo Stock Exchange, Inc. (2-1, Nihonbashi Kabutocho, Chuo-ku, Tokyo) Nagoya Stock Exchange, Inc. (8-20, Sakae 3-chome, Naka-ku, Nagoya-city) Securities Membership Corporation Fukuoka Stock Exchange (14-2, Tenjin 2-chome, Chuo-ku, Fukuoka-city) Securities Membership Corporation Sapporo Securities Exchange (14-1, Minamiichijo-nishi 5-chome, Chuo-ku, Sapporo-city)

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1. Reason for filing Amendment Report for Quarterly Securities Report

IHI Corporation hereby files the Amendment Report for Quarterly Securities Report, according to the article 24-4-7, paragraph 4 of the Financial Instruments and Exchange Act, to amend a part of the Quarterly Securities Report for The First Quarter of 202nd term (from April 1, 2018 to June 30, 2018) which was filed on August 10, 2018.

2. Amended Part

Part 1. Company information

I. Overview of company

1. Summary of business results

II. Overview of business

2. Analysis of financial position, operating results and cash flows from the viewpoint of business managers

(2) Analysis of financial position

IV. Financial information

1. Quarterly Consolidated financial statements

(1) Quarterly consolidated balance sheets

(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income

Quarterly consolidated statements of comprehensive income (cumulative)

3. Amendments to be made

The amended parts are underlined.

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Part 1. Company information

I. Overview of company

1. Summary of business results

[Before amendments]

Term	201st term Three months ended June 30, 2017	202nd term Three months ended June 30, 2018	201st term
Accounting period	From April 1, 2017 To June 30, 2017	From April 1, 2018 To June 30, 2018	From April 1, 2017 To March 31, 2018
Net sales (Millions of yen)	402,405	337,156	1,590,333
Ordinary profit (Millions of yen)	21,831	16,739	21,425
Profit attributable to owners of parent (Millions of yen)	11,718	6,142	8,291
Comprehensive income (Millions of yen)	14,564	<u>8,612</u>	16,774
Net assets (Millions of yen)	350,706	<u>352,889</u>	350,217
Total assets (Millions of yen)	1,667,940	<u>1,628,847</u>	1,633,488
Basic earnings per share (Yen)	75.88	39.80	53.71
Diluted earnings per share (Yen)	75.82	39.77	53.67
Shareholders' equity ratio (%)	19.85	<u>20.08</u>	19.87

- Notes:
1. Summary of business results of the reporting company are not presented, because IHI prepares quarterly consolidated financial statements.
 2. Net sales do not include consumption taxes.
 3. 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 ended June 30, 2018. Accordingly, summary of results of the three months ended June 30, 2017 and the previous fiscal year ended March 31, 2018 reflected the retrospective application of the accounting policies.
 4. 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.
 5. Monetary amounts and ratios less than one unit are rounded off.

(Translation purposes only)

[After amendments]

Term	201st term Three months ended June 30, 2017	202nd term Three months ended June 30, 2018	201st term
Accounting period	From April 1, 2017 To June 30, 2017	From April 1, 2018 To June 30, 2018	From April 1, 2017 To March 31, 2018
Net sales (Millions of yen)	402,405	337,156	1,590,333
Ordinary profit (Millions of yen)	21,831	16,739	21,425
Profit attributable to owners of parent (Millions of yen)	11,718	6,142	8,291
Comprehensive income (Millions of yen)	14,564	<u>7,260</u>	16,774
Net assets (Millions of yen)	350,706	<u>351,537</u>	350,217
Total assets (Millions of yen)	1,667,940	<u>1,627,495</u>	1,633,488
Basic earnings per share (Yen)	75.88	39.80	53.71
Diluted earnings per share (Yen)	75.82	39.77	53.67
Shareholders' equity ratio (%)	19.85	<u>20.01</u>	19.87

- Notes:
1. Summary of business results of the reporting company are not presented, because IHI prepares quarterly consolidated financial statements.
 2. Net sales do not include consumption taxes.
 3. 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 ended June 30, 2018. Accordingly, summary of results of the three months ended June 30, 2017 and the previous fiscal year ended March 31, 2018 reflected the retrospective application of the accounting policies.
 4. 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.
 5. Monetary amounts and ratios less than one unit are rounded off.

(Translation purposes only)

II. Overview of business

2. Analysis of financial position, operating results and cash flows from the viewpoint of business managers

(2) Analysis of financial position

[Before amendments]

Total assets at the end of the first quarter ended June 30, 2018 were ¥1,628.8 billion, down ¥4.6 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 ¥11.4 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 ¥352.8 billion, up ¥2.6 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 20.1%.

[After amendments]

Total assets at the end of the first quarter ended June 30, 2018 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%.

(Translation purposes only)

IV. Financial information

1. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheets

[Before amendments]

(Millions of yen)

	March 31, 2018	June 30, 2018
Assets		
Current assets		
Cash and deposits	109,028	93,931
Notes and accounts receivable - trade	*2 *3 400,330	*2 *3 377,564
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	110,770
Other	157,388	153,400
Allowance for doubtful accounts	(1,724)	(1,778)
Total investments and other assets	254,948	262,392
Total non-current assets	640,014	646,057
Total assets	1,633,488	1,628,847
Liabilities		
Current liabilities		
Notes and accounts payable - trade	*3 304,928	*3 294,977
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
Total liabilities	1,283,271	1,275,958

(Translation purposes only)

(Millions of yen)

	March 31, 2018	June 30, 2018
Net assets		
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	3,413
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	12,503
Subscription rights to shares	792	783
Non-controlling interests	24,824	25,032
Total net assets	350,217	352,889
Total liabilities and net assets	1,633,488	1,628,847

(Translation purposes only)

[After amendments]

(Millions of yen)

	March 31, 2018	June 30, 2018
Assets		
Current assets		
Cash and deposits	109,028	93,931
Notes and accounts receivable - trade	*2 *3 400,330	*2 *3 377,564
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
Liabilities		
Current liabilities		
Notes and accounts payable - trade	*3 304,928	*3 294,977
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
Total liabilities	1,283,271	1,275,958

(Translation purposes only)

(Millions of yen)

	March 31, 2018	June 30, 2018
Net assets		
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
Total liabilities and net assets	1,633,488	1,627,495

(Translation purposes only)

(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income
Quarterly consolidated statements of comprehensive income (cumulative)

[Before amendments]

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit	13,157	7,375
Other comprehensive income		
Valuation difference on available-for-sale securities	378	<u>1,203</u>
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	<u>1,237</u>
Comprehensive income	14,564	<u>8,612</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,994	<u>7,426</u>
Comprehensive income attributable to non-controlling interests	1,570	1,186

[After amendments]

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Profit	13,157	7,375
Other comprehensive income		
Valuation difference on available-for-sale securities	378	<u>(149)</u>
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	<u>(115)</u>
Comprehensive income	14,564	<u>7,260</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,994	<u>6,074</u>
Comprehensive income attributable to non-controlling interests	1,570	1,186