



**CONSOLIDATED FINANCIAL REPORT
FOR THE THREE MONTHS ENDED JUNE 30, 2021
<IFRS>**

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 date of Quarterly Securities Report: August 11, 2021 (planned)
Commencement of Dividend Payments: —
Preparing supplementary material on financial results: Yes
Holding financial results presentation meeting: Yes (for institutional investors, analysts and the media)

This consolidated financial report has been prepared in accordance with International Financial Reporting Standards (hereinafter, "IFRS").

Figures are in Japanese yen rounded to the nearest millions.

1. CONSOLIDATED PERFORMANCE FOR THE THREE MONTHS ENDED JUNE 30, 2021 (APRIL 1, 2021 to JUNE 30, 2021)

(1) Consolidated Business Results

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

	Revenue	Percentage Change	Operating Profit	Percentage Change	Profit before Tax	Percentage Change	Profit	Percentage Change
Three months ended June 30, 2021	245,262	12.7%	20,259	—	21,746	—	15,340	—
Three months ended June 30, 2020	217,594	—	(7,916)	—	(6,917)	—	(5,468)	—

	Profit Attributable to Owners of Parent	Percentage Change	Comprehensive Income	Percentage Change	Basic Earnings per Share (Yen)	Diluted Earnings per Share (Yen)
Three months ended June 30, 2021	14,179	—	15,376	—	95.47	95.46
Three months ended June 30, 2020	(6,167)	—	(3,731)	—	(41.49)	(41.49)

(2) Consolidated Financial Position

(Millions of yen)

	Total Assets	Equity	Equity Attributable to Owners of Parent	Ratio of Equity Attributable to Owners of Parent
As of June 30, 2021	1,771,849	341,564	314,401	17.7%
As of March 31, 2021	1,832,891	327,727	300,769	16.4%

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, 2021	—	0.00	—	0.00	0.00
Fiscal year ending March 31, 2022	—	—	—	—	—
Fiscal year ending March 31, 2022 (Forecast)	—	30.00	—	30.00	60.00

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

3. CONSOLIDATED FORECASTS OF RESULTS FOR THE FISCAL YEAR ENDING MARCH 31, 2022 (APRIL 1, 2021 to MARCH 31, 2022)

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

	Revenue		Operating Profit		Profit before Tax		Profit Attributable to Owners of Parent		Basic Earnings per Share (Yen)
	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount
Full-year	1,180,000	6.0%	70,000	150.3%	60,000	117.3%	35,000	167.3%	235.66

(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) **Changes in accounting policies and changes in accounting estimates**
- (i) Changes in accounting policies required by IFRS: Not applicable
 - (ii) Changes in accounting policies due to other reasons: Not applicable
 - (iii) Changes in accounting estimates: Not applicable
- (3) **Number of shares issued (Ordinary shares):**
- (i) Number of shares issued at the end of the period (including treasury shares)

As of June 30, 2021	154,679,954 shares
As of March 31, 2021	154,679,954 shares
 - (ii) Number of treasury shares owned at the end of the period

As of June 30, 2021	6,161,289 shares
As of March 31, 2021	6,165,348 shares
 - (iii) Average number of shares outstanding during the period

Three months ended June 30, 2021	148,517,035 shares
Three months ended June 30, 2020	148,643,949 shares

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

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

(Cautionary statements on forward-looking statements)

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.

(How to obtain supplementary material on financial results)

The supplementary material on financial results shall be posted on IHI's website.

(Adoption of International Financial Reporting Standards (IFRS))

The IHI Group has adopted IFRS starting from the fiscal year ended March 31, 2021. Furthermore, the financial figures for the three months ended June 30, 2020 are also presented in accordance with IFRS.

1. QUALITATIVE INFORMATION REGARDING CONSOLIDATED RESULTS

(1) EXPLANATION REGARDING BUSINESS RESULTS

During the three months ended June 30, 2021, in the Japanese economy, the restrictions on economic activities continued against the impact of COVID-19 in some industries while recovery is shown especially in the corporate sector where a recovery in business performance was remarkable. In addition, as a result of progress of vaccination programs and economic policies, the world economy, centered on the U.S. and China, is showing signs of recovery. However, the spread of variant of COVID-19 is hindering full-scale recovery.

Regarding the impact of the spread of COVID-19, in the IHI Group's main business, the Civil aero engines Business, sales of spare parts are gradually recovering along with the recovery of the demand for aero transportation on domestic routes especially in North America where vaccination programs is processing. On the other hand, on international routes, immigration restrictions still continue due to the worldwide spread of highly contagious variant of COVID-19. It is expected to be after FY2022 as previously assumed when the demand for aero transportation on international routes will increase as vaccination is progressing and the demand for Civil aero engines will recover to the level before the spread of COVID-19.

Under this business environment, orders received of the IHI Group during the three months under review increased 29.7% from the previous corresponding period to ¥241.5 billion. Revenue increased 12.7% from the previous corresponding period to ¥245.2 billion.

In terms of profit, all the profit items turned into profit. Operating profit increased ¥28.1 billion to ¥20.2 billion due mainly to sale of Property, plant and equipment, etc. in addition to the improvement of profitability in the Carbon solutions Business and increase in the numbers of delivery in the Vehicular turbochargers Business. Profit before tax increased ¥28.6 billion to ¥21.7 billion, profit attributable to owners of parent increased ¥20.3 to ¥14.1 billion.

Results by reportable segment for the three months ended June 30, 2021 are as follows:

Reportable segments	Orders received			Three months ended June 30, 2020		Three months ended June 30, 2021		Changes from the previous corresponding period (%)	
	Three months ended June 30, 2020	Three months ended June 30, 2021	Changes from the corresponding period (%)	Revenue	Operating profit (loss)	Revenue	Operating profit (loss)	Revenue	Operating profit (loss)
Resources, Energy and Environment	458	608	32.9	640	(29)	748	(2)	16.8	—
Social Infrastructure and Offshore Facilities	289	447	54.5	319	17	346	24	8.4	38.1
Industrial Systems and General-Purpose Machinery	740	916	23.6	779	(14)	888	29	14.0	—
Aero Engine, Space and Defense	319	388	21.8	427	(54)	441	(69)	3.4	—
Reportable Segments total	1,807	2,361	30.6	2,166	(79)	2,424	(18)	11.9	—
Others	146	144	(1.7)	94	(1)	109	1	16.1	—
Adjustment	(92)	(90)	—	(85)	1	(81)	218	—	—
Total	1,862	2,415	29.7	2,175	(79)	2,452	202	12.7	—

(2) EXPLANATION REGARDING CONSOLIDATED FINANCIAL POSITION

Assets, liabilities and equity

Total assets at the end of the first quarter under review were ¥1,771.8 billion, down ¥61.0 billion compared with the end of the previous fiscal year. The major items of increase were inventories, up ¥26.5 billion and contract assets, up ¥10.6 billion. The major items of decrease were trade and other receivables, down ¥68.2 billion and cash and cash equivalents, down ¥35.0 billion.

Total liabilities were ¥1,430.2 billion, down ¥74.8 billion compared with the end of the previous fiscal year. The major items of decrease were bonds and borrowings(current), down ¥41.3 billion and trade and other payables, down ¥26.3 billion.

Equity was ¥341.5 billion, up ¥13.8 billion compared with the end of the previous fiscal year. This includes profit attributable to owners of parent of ¥14.1 billion.

As a result of the above, the ratio of equity attributable to owners of parent increased from 16.4% at the end of the previous fiscal year to 17.7%.

Cash flows

At the end of the first quarter under review, the outstanding balance of cash and cash equivalents (hereinafter, “cash”) was ¥85.7 billion, down ¥35.0 billion from the end of the previous fiscal year.

Net cash provided by operating activities was ¥1.6 billion. This was due to increases in collection of trade receivables, while there were increases in inventories and prepayments and decreases in trade payables.

Net cash provided by investing activities was ¥9.1 billion. This was due mainly to proceeds from sale of property, plant and equipment, while there were purchases of property, plant and equipment.

Net cash used in financing activities was ¥45.8 billion. This was due mainly to repayments of borrowings.

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

The IHI Group expect the suppression of economic activities caused by the spread of COVID-19 to gradually dissolve and for the global economy to recover, however, in addition to the spread of variant of COVID-19, political and economic rivalry between the U.S. and China and other geopolitical risks could create obstacles to global economic recovery, and many uncertainties remain with regard to the business outlook. Furthermore, the shift that focuses on sustainability is rapidly accelerating all over the world, such as rising international awareness of climate change on a global scale, and the growth in ESG investment in response to investors' expectations.

To respond to the speed of change in these environments, the IHI Group is promoting “Project Change” aimed returning to growth trajectory by further strengthening earnings foundations and expanding the lifecycle businesses, and creating growth businesses that contribute to the realization of a sustainable society. During the three months under review, IHI started business development to realize a carbon-free society in the field of energy, such as adopting a demonstration project related to ammonia co-firing at a large-scale commercial coal-fired power plant, and entering the Small Modular Reactor (SMR) market by investing in NuScale Power, LLC (NuScale), a U.S.-based developer of SMR technology with a high level of safety.

The IHI Group's consolidated forecasts of results for the full fiscal year ending March 31, 2022 remain unchanged from previous forecasts announced on May 13, 2021.

Note that foreign exchange rate of ¥105/US\$1 has been assumed in the above forecasts in and after the second quarter ending September 30, 2021.

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

2. CONDENSED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS AND NOTES THERETO**(1) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	120,766	85,744
Trade and other receivables	344,535	276,295
Contract assets	111,830	122,452
Other financial assets	1,391	3,216
Inventories	326,470	353,019
Other current assets	41,668	52,098
Total current assets	946,660	892,824
Non-current assets:		
Property, plant and equipment	252,510	245,802
Right-of-use assets	117,794	116,515
Goodwill	5,876	5,744
Intangible assets	121,265	120,232
Investment property	144,183	142,716
Investments accounted for using equity method	48,460	54,683
Other financial assets	49,056	47,258
Deferred tax assets	70,455	70,094
Other non-current assets	76,632	75,981
Total non-current assets	886,231	879,025
Total assets	1,832,891	1,771,849

(1) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
LIABILITIES		
Current liabilities:		
Trade and other payables	234,451	208,090
Bonds and borrowings	158,377	117,041
Lease liabilities	17,630	17,353
Other financial liabilities	11,742	11,851
Income taxes payable	5,125	7,972
Contract liabilities	165,818	168,378
Provisions	26,738	24,970
Other current liabilities	144,907	132,231
Total current liabilities	764,788	687,886
Non-current liabilities:		
Bonds and borrowings	304,735	306,966
Lease liabilities	125,193	123,520
Other financial liabilities	103,428	103,325
Deferred tax liabilities	3,132	3,198
Retirement benefit liability	180,720	182,043
Provisions	6,338	7,162
Other non-current liabilities	16,830	16,185
Total non-current liabilities	740,376	742,399
Total liabilities	1,505,164	1,430,285
Equity		
Share capital	107,165	107,165
Capital surplus	51,735	51,637
Retained earnings	148,428	161,322
Treasury shares	(15,953)	(15,943)
Other components of equity	9,394	10,220
Total equity attributable to owners of parent	300,769	314,401
Non-controlling interests	26,958	27,163
Total equity	327,727	341,564
Total liabilities and equity	1,832,891	1,771,849

**(2) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
CONDENSED STATEMENT OF COMPREHENSIVE INCOME****CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Revenue	217,594	245,262
Cost of sales	188,445	206,237
Gross profit	29,149	39,025
Selling, general and administrative expenses	37,128	40,418
Other income	1,321	22,980
Other expenses	1,258	1,328
Operating profit (loss)	(7,916)	20,259
Finance income	665	595
Finance costs	2,006	1,624
Share of profit of investments accounted for using equity method	2,340	2,516
Profit (loss) before tax	(6,917)	21,746
Income tax expense	(1,449)	6,406
Profit (loss)	(5,468)	15,340
Profit (loss) attributable to:		
Owners of parent	(6,167)	14,179
Non-controlling interests	699	1,161
Profit (loss)	(5,468)	15,340
Earnings per share		
Basic earnings (loss) per share (yen)	(41.49)	95.47
Diluted earnings (loss) per share (yen)	(41.49)	95.46

CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit (loss)	(5,468)	15,340
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	331	(193)
Remeasurements of defined benefit plans	183	(176)
Share of other comprehensive income of investments accounted for using equity method	32	25
Total of items that will not be reclassified to profit or loss	546	(344)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	1,156	495
Cash flow hedges	26	(102)
Share of other comprehensive income of investments accounted for using equity method	9	(13)
Total of items that may be reclassified to profit or loss	1,191	380
Other comprehensive income, net of tax	1,737	36
Comprehensive income	(3,731)	15,376
Comprehensive income attributable to:		
Owners of parent	(4,529)	14,127
Non-controlling interests	798	1,249
Comprehensive income	(3,731)	15,376

(3) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Three months ended June 30, 2020

(Millions of yen)

	Equity attributable to owners of parent			
	Share capital	Capital surplus	Retained earnings	Treasury shares
Balance as of April 1, 2020	107,165	51,779	136,516	(15,899)
Profit (loss)			(6,167)	
Other comprehensive income				
Total comprehensive income	–	–	(6,167)	–
Purchase of treasury shares				
Disposal of treasury shares		3		78
Dividends			(2,980)	
Share-based remuneration transactions		33		
Changes in equity interest in subsidiaries				
Transfer from other components of equity to retained earnings			183	
Other			(96)	
Total transactions with owners	–	36	(2,893)	78
Balance as of June 30, 2020	107,165	51,815	127,456	(15,821)

	Equity attributable to owners of parent							Non-controlling interests	Total
	Other components of equity						Total		
	Exchange differences on translation of foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Share acquisition rights	Total			
Balance as of April 1, 2020	(5,067)	(255)	5,406	–	533	617	280,178	25,862	306,040
Profit (loss)						–	(6,167)	699	(5,468)
Other comprehensive income	974	120	361	183		1,638	1,638	99	1,737
Total comprehensive income	974	120	361	183	–	1,638	(4,529)	798	(3,731)
Purchase of treasury shares						–	–		–
Disposal of treasury shares					(80)	(80)	1		1
Dividends						–	(2,980)	(654)	(3,634)
Share-based remuneration transactions						–	33		33
Changes in equity interest in subsidiaries						–	–	25	25
Transfer from other components of equity to retained earnings				(183)		(183)	–		–
Other	(21)					(21)	(117)	(38)	(155)
Total transactions with owners	(21)	–	–	(183)	(80)	(284)	(3,063)	(667)	(3,730)
Balance as of June 30, 2020	(4,114)	(135)	5,767	–	453	1,971	272,586	25,993	298,579

(3) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Three months ended June 30, 2021

(Millions of yen)

	Equity attributable to owners of parent			
	Share capital	Capital surplus	Retained earnings	Treasury shares
Balance as of April 1, 2021	107,165	51,735	148,428	(15,953)
Profit			14,179	
Other comprehensive income				
Total comprehensive income	–	–	14,179	–
Purchase of treasury shares				(1)
Disposal of treasury shares		4		11
Dividends				
Share-based remuneration transactions		(102)		
Changes in equity interest in subsidiaries				
Transfer from other components of equity to retained earnings			(940)	
Other			(345)	
Total transactions with owners	–	(98)	(1,285)	10
Balance as of June 30, 2021	107,165	51,637	161,322	(15,943)

	Equity attributable to owners of parent							Non-controlling interests	Total
	Other components of equity						Total		
	Exchange differences on translation of foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Share acquisition rights	Total			
Balance as of April 1, 2021	1,102	(61)	7,939	–	414	9,394	300,769	26,958	327,727
Profit						–	14,179	1,161	15,340
Other comprehensive income	423	(134)	(165)	(176)		(52)	(52)	88	36
Total comprehensive income	423	(134)	(165)	(176)	–	(52)	14,127	1,249	15,376
Purchase of treasury shares						–	(1)		(1)
Disposal of treasury shares					(16)	(16)	(1)		(1)
Dividends						–	–	(1,066)	(1,066)
Share-based remuneration transactions						–	(102)		(102)
Changes in equity interest in subsidiaries						–	–	24	24
Transfer from other components of equity to retained earnings			764	176		940	–		–
Other		(46)				(46)	(391)	(2)	(393)
Total transactions with owners	–	(46)	764	176	(16)	878	(495)	(1,044)	(1,539)
Balance as of June 30, 2021	1,525	(241)	8,538	–	398	10,220	314,401	27,163	341,564

(4) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CASH FLOWS

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Cash flows from operating activities		
Profit (loss) before tax	(6,917)	21,746
Depreciation, amortization and impairment losses	19,127	18,769
Finance income and finance costs	564	404
Share of loss (profit) of investments accounted for using equity method	(2,340)	(2,516)
Loss (gain) on sale of property, plant and equipment, intangible assets and investment property	(41)	(21,778)
Decrease (increase) in trade receivables	52,837	69,482
Decrease (increase) in contract assets	(4,723)	(10,667)
Decrease (increase) in inventories and prepayments	(45,744)	(27,685)
Increase (decrease) in trade payables	(31,655)	(21,549)
Increase (decrease) in contract liabilities	19,616	2,368
Other	(22,882)	(20,723)
Subtotal	(22,158)	7,851
Interest received	106	94
Dividends received	514	530
Interest paid	(1,158)	(935)
Income taxes paid	(4,002)	(5,916)
Net cash provided by (used in) operating activities	(26,698)	1,624
Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets and investment property	(24,978)	(10,382)
Proceeds from sale of property, plant and equipment, intangible assets and investment property	36	24,772
Purchase of investments (including investments accounted for using equity method)	(245)	(2,431)
Proceeds from sale of equity interest in subsidiaries	349	–
Other	272	(2,808)
Net cash provided by (used in) investing activities	(24,566)	9,151

(4) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CASH FLOWS

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(35,906)	(74,720)
Net increase (decrease) in commercial papers	43,000	50,000
Proceeds from long-term borrowings	1,977	2,500
Repayments of long-term borrowings	(3,693)	(7,683)
Redemption of bonds	(10,000)	(10,000)
Repayments of lease liabilities	(4,763)	(5,385)
Dividends paid	(2,830)	(3)
Capital contribution from non-controlling interests	25	24
Dividends paid to non-controlling interests	(653)	(1,051)
Decrease in other financial liabilities	(164)	(252)
Other	127	270
Net cash provided by (used in) financing activities	(12,880)	(45,850)
Effect of exchange rate change on cash and cash equivalents	258	53
Net increase (decrease) in cash and cash equivalents	(63,886)	(35,022)
Cash and cash equivalents at beginning of period	145,738	120,766
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(49)	-
Cash and cash equivalents at end of period	81,803	85,744

(5) NOTES TO THE CONDENSED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

NOTES ON PREMISE OF GOING CONCERN

Not applicable

CHANGES IN ACCOUNTING POLICIES

Significant accounting policies applied by the IHI Group in the condensed quarterly consolidated financial statements are the same as those in the consolidated financial statements for the previous fiscal year.

Income taxes for the condensed quarterly consolidated financial statements are calculated based on the estimated annual effective tax rate.

SEGMENT INFORMATION

1. Overview of reportable segments

The business 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.

The IHI Group organizes SBUs by products and services and allocates business areas to control these SBUs. Each business area manages and supervises the SBUs' execution of business strategies, allocates management resources necessary for execution of the SBUs' business strategies. SBUs act consistent business process including sales, development, design, production, construction, service, etc. based on the visions and strategies drawn up by business area. Each SBU is an organization executing business and responsible for ensuring a profit in the SBU.

Based on the above, the IHI Group consists of segments by these business areas and sets the business areas of "Resources, Energy and Environment," "Social Infrastructure and Offshore Facilities," "Industrial Systems and General-Purpose Machinery," and "Aero Engine, Space and Defense" as its reportable segments. There are no aggregated business segments when deciding these reportable segments.

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

Reportable segments	Main businesses, products and services
Resources, Energy and Environment	Power systems (power systems plants for land use and power systems for ships), Carbon solutions, Nuclear energy (components for nuclear power plants)
Social Infrastructure and Offshore Facilities	Bridges and water gates, Transport systems, Shield systems, Concrete construction materials, Urban development (real estate sales and rental)
Industrial Systems and General-Purpose Machinery	Vehicular turbochargers, Parking, Rotating machineries (compressors, separation systems, turbochargers for ships), Heat treatment and surface engineering, Transport machineries, Logistics and industrial systems (logistics systems, industrial machineries)
Aero Engine, Space and Defense	Aero engines, Rocket systems and space utilization systems, Defense systems

2. Information about reportable segments

The IHI Group's information about reportable segments are as follows:
Intersegment revenue and transfers are based on actual market pricing.

Three months ended June 30, 2020

(Millions of yen)

	Reportable Segments					Total	Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Resources, Energy and Environment	Social Infrastructure and Offshore Facilities	Industrial Systems and General- Purpose Machinery	Aero Engine, Space and Defense						
Revenue										
Revenue from external customers	62,462	31,056	75,361	42,293	211,172	6,422	217,594	–	217,594	
Intersegment revenue and transfers	1,582	889	2,621	424	5,516	3,030	8,546	(8,546)	–	
Total	64,044	31,945	77,982	42,717	216,688	9,452	226,140	(8,546)	217,594	
Segment profit (loss) (Note 3)	(2,915)	1,778	(1,421)	(5,417)	(7,975)	(105)	(8,080)	164	(7,916)	

- 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 (loss) represents intersegment transactions of ¥339 million and unallocated corporate expenses of negative ¥175 million.
3. Segment profit (loss) is adjusted with operating profit (loss) in the condensed quarterly consolidated financial statement of profit or loss.

Three months ended June 30, 2021

(Millions of yen)

	Reportable Segments					Total	Others (Note 1)	Total	Adjustment (Note 2)	Consolidated
	Resources, Energy and Environment	Social Infrastructure and Offshore Facilities	Industrial Systems and General- Purpose Machinery	Aero Engine, Space and Defense						
Revenue										
Revenue from external customers	74,281	33,588	86,861	43,692	238,422	6,840	245,262	–	245,262	
Intersegment revenue and transfers	526	1,045	2,029	459	4,059	4,135	8,194	(8,194)	–	
Total	74,807	34,633	88,890	44,151	242,481	10,975	253,456	(8,194)	245,262	
Segment profit (loss) (Note 3)	(265)	2,456	2,902	(6,914)	(1,821)	194	(1,627)	21,886	20,259	

- 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 (loss) represents intersegment transactions of ¥156 million and unallocated corporate income of ¥21,730 million. Unallocated corporate income mainly consists of gain on sale of property, plant and equipment and gain on sale of investment property.
3. Segment profit (loss) is adjusted with operating profit (loss) in the condensed quarterly consolidated financial statement of profit or loss.

SIGNIFICANT SUBSEQUENT EVENTS

Not applicable