

# Financial Results for Second Quarter FY2015 (for the year ending March 31, 2016)

November 4, 2015

**IHI Corporation**

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# 1. Consolidated Results for Second Quarter FY2015

# 1. Consolidated Results for Second Quarter FY2015

## Summary of Financial Results

Note: Average exchange rates for FY2015.2Q US\$ 1.00= ¥119.94

August 4, 2015 Forecast

(Billions of yen)

	FY2014.2Q		FY2015.2Q	Change
Orders received	785.4		707.7	▲ 77.7
Net sales	616.1	700.0	688.2	▲ 11.8 72.1
Operating income	28.9	20.0	0.2	▲ 19.8 ▲ 28.6
Ordinary income	32.3	14.0	▲ 4.0	▲ 18.0 ▲ 36.3
Income before income taxes	32.3		▲ 4.0	▲ 36.3
Profit attributable to owners of parent	20.9	6.0	▲ 3.9	▲ 9.9 ▲ 24.8

# 1. Consolidated Results for Second Quarter FY2015

## Financial Results by Segment

### ■ Orders received & Order backlog

(Billions of yen)

	Orders received			Order backlog		
	FY2014.2Q	FY2015.2Q	Change	FY2014	FY2015.2Q	Change
Resources, Energy and Environment	276.3	221.7	▲ 54.5	760.4	783.7	23.2
Social Infrastructure and Offshore Facility	99.3	74.7	▲ 24.5	231.9	240.7	8.7
Industrial System and General-Purpose Machinery	199.4	220.3	20.8	121.0	150.7	29.7
Aero Engine, Space and Defense	190.8	182.2	▲ 8.6	510.7	486.5	▲ 24.1
<b>Total Reportable Segment</b>	<b>766.0</b>	<b>699.1</b>	<b>▲ 66.9</b>	<b>1,624.1</b>	<b>1,661.7</b>	<b>37.5</b>
Others	43.6	32.6	▲ 10.9	31.2	36.3	5.1
Adjustment	▲ 24.2	▲ 24.1	0.1	-	-	-
<b>Total</b>	<b>785.4</b>	<b>707.7</b>	<b>▲ 77.7</b>	<b>1,655.4</b>	<b>1,698.1</b>	<b>42.6</b>

Overseas orders received / order backlog	410.9	322.4	▲ 88.5	808.7	754.5	▲ 54.2
% of Overseas orders received / order backlog	52%	46%	▲ 6%	49%	44%	▲ 5%

# 1. Consolidated Results for Second Quarter FY2015

## Financial Results by Segment

■ Net sales & Operating income

(Billions of yen)

	Net sales			Operating income		
	FY2014.2Q	FY2015.2Q	Change	FY2014.2Q	FY2015.2Q	Change
Resources, Energy and Environment	166.2	209.9	43.7	3.2	5.2	1.9
Social Infrastructure and Offshore Facility	78.1	66.4	▲ 11.6	0.2	▲ 34.5	▲ 34.8
Industrial System and General-Purpose Machinery	190.4	190.2	▲ 0.1	5.6	3.9	▲ 1.6
Aero Engine, Space and Defense	178.9	216.5	37.6	21.7	31.0	9.2
<b>Total Reportable Segment</b>	<b>613.7</b>	<b>683.3</b>	<b>69.5</b>	<b>30.8</b>	<b>5.6</b>	<b>▲ 25.2</b>
Others	25.0	25.7	0.6	0.0	▲ 0.1	▲ 0.1
Adjustment	▲ 22.7	▲ 20.7	1.9	▲ 1.9	▲ 5.2	▲ 3.2
<b>Total</b>	<b>616.1</b>	<b>688.2</b>	<b>72.1</b>	<b>28.9</b>	<b>0.2</b>	<b>▲ 28.6</b>

# 1. Consolidated Results for Second Quarter FY2015

## Financial Results by Segment

- Analysis of change in operating income from the previous corresponding period

(Billions of yen)

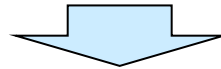
	Change in net sales	Change in construction profitability	Change in foreign exchange rate	Change in SG&A	Total
Resources, Energy and Environment	<b>1.8</b>	<b>0.3</b>	<b>1.8</b>	<b>▲ 2.0</b>	<b>1.9</b>
Social Infrastructure and Offshore Facility	<b>▲ 1.3</b>	<b>▲ 33.8</b>	<b>0.5</b>	<b>▲ 0.2</b>	<b>▲ 34.8</b>
Industrial System and General-Purpose Machinery	<b>▲ 0.2</b>	<b>0.0</b>	<b>0.4</b>	<b>▲ 1.8</b>	<b>▲ 1.6</b>
Aero Engine, Space and Defense	<b>2.9</b>	<b>4.6</b>	<b>6.9</b>	<b>▲ 5.2</b>	<b>9.2</b>
<b>Total Reportable Segment</b>	<b>3.2</b>	<b>▲ 28.9</b>	<b>9.6</b>	<b>▲ 9.2</b>	<b>▲ 25.2</b>
Others	<b>0.1</b>	<b>0.4</b>		<b>▲ 0.6</b>	<b>▲ 0.1</b>
Adjustment		<b>▲ 3.2</b>			<b>▲ 3.2</b>
<b>Total</b>	<b>3.3</b>	<b>▲ 31.7</b>	<b>9.6</b>	<b>▲ 9.8</b>	<b>▲ 28.6</b>

# 1. Consolidated Results for Second Quarter FY2015

## Financial Results by Segment

Concerning measures to address profitability deterioration in F-LNG/Offshore structure Business

- Reasons for profitability deterioration that occurred in the second quarter FY2015
  - Additional designing and processing charges due to additional resources to address ongoing issues of design changes and problem of production for hull of Singapore drill ships at the site level.
  - With a detailed designing now underway, confirmed the work plan in detail, which resulted in recording additional project expenses due to significant increases in procurement costs from increased amount of materials and the consequent construction delay.
  - Additional processing costs of LNG hull SPB tank, which was incurred in order to avoid the shortages of resources available to this projects, caused by above issues.



- Deterioration since 3Q FY2014 was attributed to disruption of production at Aichi Works.
- On the other hand, construction of drill ship hull for Singapore is in the final stage.
- Additional cost for further construction delay risk has been included in relation to FPSO hull construction for Norway.



# 1. Consolidated Results for Second Quarter FY2015

## Non-operating Income / Expenses and Extraordinary Income / Losses

### ■ Non-operating Income / Expenses

(Billions of yen)

	FY2014.2Q	FY2015.2Q	Change
Net interest expense (incl. dividend income)	▲ 0.8	▲ 0.8	0.0
Share of profit / losses of entities accounted for using equity method	1.2	1.2	0.0
Foreign exchange gains / losses	7.1	▲ 2.0	▲ 9.1
Others	▲ 4.1	▲ 2.6	1.5
<b>Non-operating income / expenses</b>	<b>3.4</b>	<b>▲ 4.2</b>	<b>▲ 7.7</b>
<b>Extraordinary income / losses</b>	—	—	—

# 1. Consolidated Results for Second Quarter FY2015

## Balance Sheets

(Billions of yen)

	As of March 31, 2015	As of September 30, 2015	Change
<b>Total assets</b>	<b>1,690.8</b>	<b>1,727.2</b>	<b>36.4</b>
(Trade receivables)	(438.2)	(418.6)	(▲ 19.6)
(Inventories)	(399.3)	(457.9)	(58.6)
<b>Total liabilities</b>	<b>1,331.2</b>	<b>1,378.4</b>	<b>47.1</b>
(Trade payables)	(300.1)	(260.4)	(▲ 39.7)
(Advance received)	(125.1)	(157.6)	(32.4)
(Interest-bearing debt)	(410.6)	(463.6)	(52.9)
<b>Total net assets</b>	<b>359.5</b>	<b>348.8</b>	<b>▲ 10.7</b>
Shareholders' equity	313.5	304.9	▲ 8.5
Accumulated other comprehensive income	32.2	29.7	▲ 2.4
<b>Total liabilities and net assets</b>	<b>1,690.8</b>	<b>1,727.2</b>	<b>36.4</b>
<b>D/E ratio (times)</b>	<b>1.14</b>	<b>1.33</b>	<b>0.19</b>

**Note:** Interest-bearing debt includes the amount of lease obligations.

(as of March 31, 2015: 17.2 billion yen / as of September 30, 2015: 18.0 billion yen )

# 1. Consolidated Results for Second Quarter FY2015

## Balance Sheets

### Situation at Estaleiro Atlântico Sul S.A.

- Impact on consolidated financial results for second quarter FY2015

<Balance of provision for loss on subsidiaries and affiliates>

(Billions of yen)

	As of Mar.31,2015	As of Sep.30,2015	Change
EAS related	21.5	20.7	▲ 0.8
Others	1.0	1.1	0.1
<b>Total</b>	<b>22.5</b>	<b>21.8</b>	<b>▲ 0.7</b>

<Balance of EAS related guarantee obligation>

	As of Mar.31,2015	As of Sep.30,2015	Change
EAS related	19.4	10.8	▲ 8.5

- IHI has performed a part of the guarantee obligation because of due for repayment. Additional losses have not been incurred in respect of the provision for loss on subsidiaries and affiliates related to the guarantee obligation recorded in the previous fiscal period.
- Negotiations are being carried out with related parties in order to minimize the loss.

# 1. Consolidated Results for Second Quarter FY2015

## Cash Flows

(Billions of yen)

	FY2014.2Q	FY2015.2Q	Change
<b>Operating activities</b>	<b>▲ 1.2</b>	<b>▲ 24.0</b>	<b>▲ 22.7</b>
<b>Investing activities</b>	<b>▲ 39.7</b>	<b>▲ 28.3</b>	<b>11.3</b>
<b>Free cash flows</b>	<b>▲ 41.0</b>	<b>▲ 52.3</b>	<b>▲ 11.3</b>
<b>Financing activities</b>	<b>45.8</b>	<b>46.0</b>	<b>0.2</b>

# 1. Consolidated Results for Second Quarter FY2015 Supplementary Information

## (1) R&D/CAPEX/Depreciation & Amortization

(Billions of yen)

	<b>FY2014.2Q</b>	<b>FY2015.2Q</b>
<b>R&amp;D</b>	<b>13.9</b>	<b>18.4</b>
<b>CAPEX</b>	<b>28.0</b>	<b>21.2</b>
<b>Depreciation &amp; Amortization</b>	<b>19.7</b>	<b>21.4</b>

## (2) Overseas Sales by Region

(Billions of yen)

	<b>FY2014.2Q</b>	<b>FY2015.2Q</b>
<b>Asia</b>	<b>79.7</b>	<b>91.5</b>
<b>China</b>	<b>36.1</b>	<b>41.2</b>
<b>North America</b>	<b>123.8</b>	<b>166.8</b>
<b>Central and South America</b>	<b>15.5</b>	<b>12.4</b>
<b>Europe</b>	<b>84.1</b>	<b>72.2</b>
<b>Others</b>	<b>7.3</b>	<b>15.4</b>
<b>Total</b>	<b>346.7</b>	<b>399.7</b>
<b>% of overseas sales</b>	<b>56%</b>	<b>58%</b>

## 2. Forecast of the Consolidated Results for FY2015

## 2. Forecast of the Consolidated Results for FY2015 Summary of Forecast for FY2015

<assumed exchange rate>

US\$ 1.00 = ¥115

Euro 1.00 = ¥130

(Billions of yen)

	FY2015 Forecast		FY2014 Actual	Change
	In August	In November		Vs. Forecast in August
Orders received	1,600.0	1,600.0	1,664.3	0.0
Net sales	1,580.0	1,580.0	1,455.8	0.0
Operating income	75.0	50.0	63.2	▲ 25.0
Ordinary income	63.0	38.0	56.5	▲ 25.0
Profit attributable to owners of parent	39.0	18.0	9.0	▲ 21.0

The forecast in November remains unchanged from announced on October 21, 2015.

<For reference> **Sensitivity to foreign exchange rates by currency**

1 yen per US\$ corresponds to 0.7 billion yen, and per Euro, 0.0 billion yen in operating income.

## 2. Forecast of the Consolidated Results for FY2015 Forecast for FY2015 by Segment

■ Orders received

(Billions of yen)

	FY2015 Forecast (In August)	FY2015 Forecast (In November)	Change
Resources, Energy and Environment	530.0	530.0	0.0
Social Infrastructure and Offshore Facility	140.0	140.0	0.0
Industrial System and General-Purpose Machinery	430.0	420.0	▲ 10.0
Aero Engine, Space and Defense	480.0	490.0	10.0
<b>Total Reportable Segment</b>	<b>1,580.0</b>	<b>1,580.0</b>	<b>0.0</b>
Others	70.0	70.0	0.0
Adjustment	▲ 50.0	▲ 50.0	0.0
<b>Total</b>	<b>1,600.0</b>	<b>1,600.0</b>	<b>0.0</b>

The forecast in November remains unchanged from announced on October 21, 2015.



## 2. Forecast of the Consolidated Results for FY2015 Forecast for FY2015 by Segment

### ■ Net sales & Operating income

(Billions of yen)

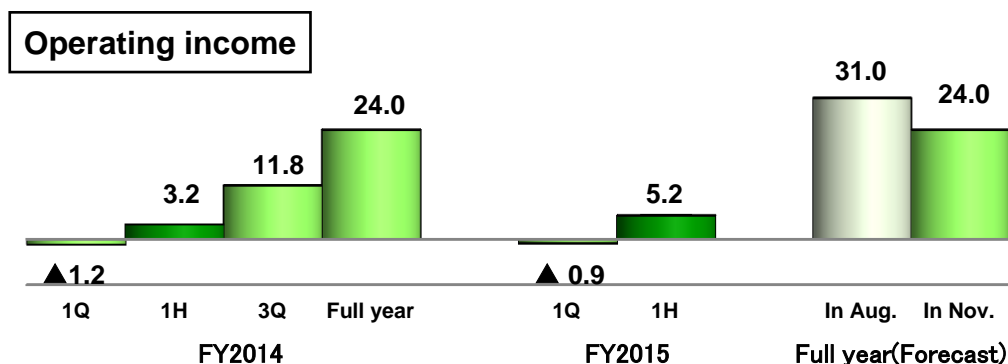
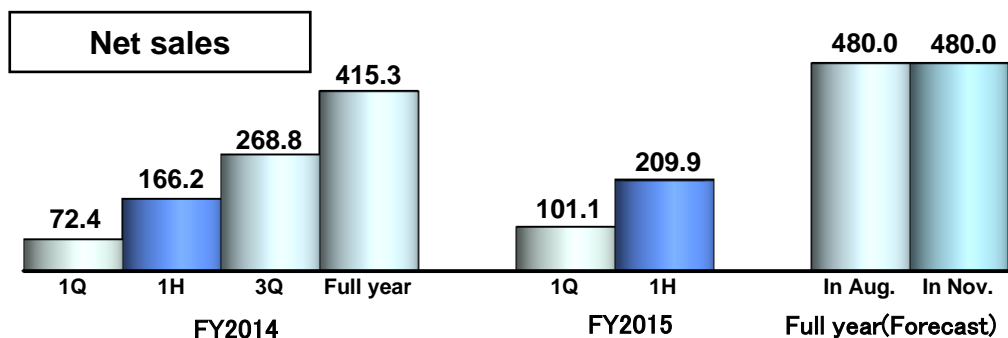
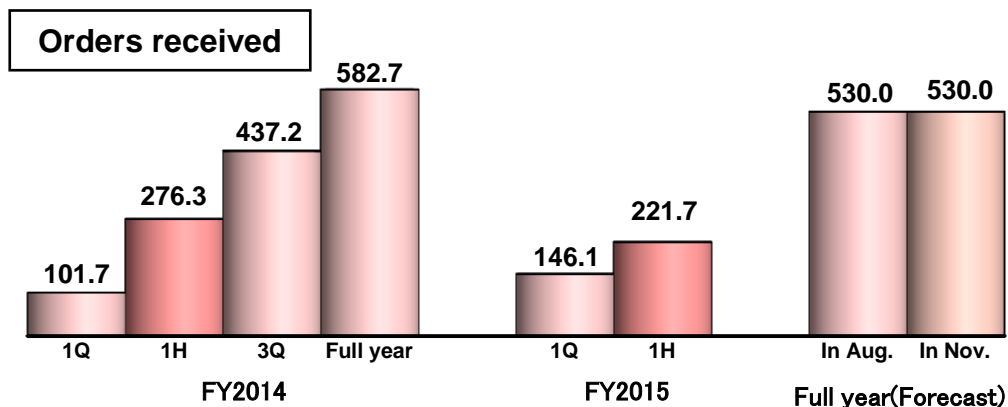
	FY2015 Forecast (In August)		FY2015 Forecast (In November)		Change	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Resources, Energy and Environment	480.0	31.0	480.0	24.0	0.0	▲ 7.0
Social Infrastructure and Offshore Facility	180.0	▲ 8.0	180.0	▲ 31.0	0.0	▲ 23.0
Industrial System and General-Purpose Machinery	430.0	14.0	410.0	12.0	▲ 20.0	▲ 2.0
Aero Engine, Space and Defense	470.0	43.0	490.0	47.0	20.0	4.0
<b>Total Reportable Segment</b>	<b>1,560.0</b>	<b>80.0</b>	<b>1,560.0</b>	<b>52.0</b>	<b>0.0</b>	<b>▲ 28.0</b>
Others	70.0	2.0	70.0	2.0	0.0	0.0
Adjustment	▲ 50.0	▲ 7.0	▲ 50.0	▲ 4.0	0.0	3.0
<b>Total</b>	<b>1,580.0</b>	<b>75.0</b>	<b>1,580.0</b>	<b>50.0</b>	<b>0.0</b>	<b>▲ 25.0</b>

The forecast in November remains unchanged from announced on October 21, 2015.

## 3. Financial Results by Segment

# 3. Financial Results by Segment Resources, Energy and Environment

(Billions of yen, accumulated amount)



## <Results by business segment>

### 【 Orders received】

Orders received declined from the previous corresponding period, reflecting a pullback from large orders secured in the previous corresponding period for Boiler Business and Power systems plants Business, partially offset by an order of a large-scale ultra-supercritical coal-fired boiler for power generation for Kobe Steel, Ltd.

### 【 Net sales】

Sales increased from the previous corresponding period owing to increases in the Gas processes Business due to smooth progress at Cove Point natural gas liquefaction facility construction project in the U.S.

### 【 Operating income】

Operating income increased from the previous corresponding period partly due to the positive effect of yen depreciation in foreign exchange in addition to the above-mentioned sales increases.

## <FY2015 Forecast (vs. In Aug.)>

The IHI Group now forecasts a decrease in operating income owing mainly to the effect of decreased revenue in Power systems for land and marine use Business due to lower oil prices and the recognition of additional costs in certain projects for Boiler Business.

There is a mix of both increases and decreases for orders received and net sales, depending on the business, but for the segment overall, the forecast remains unchanged.

### 3. Financial Results by Segment Resources, Energy and Environment

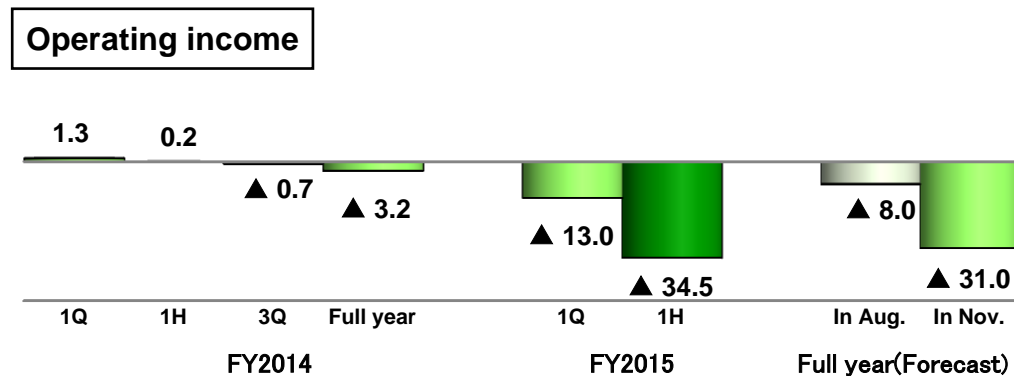
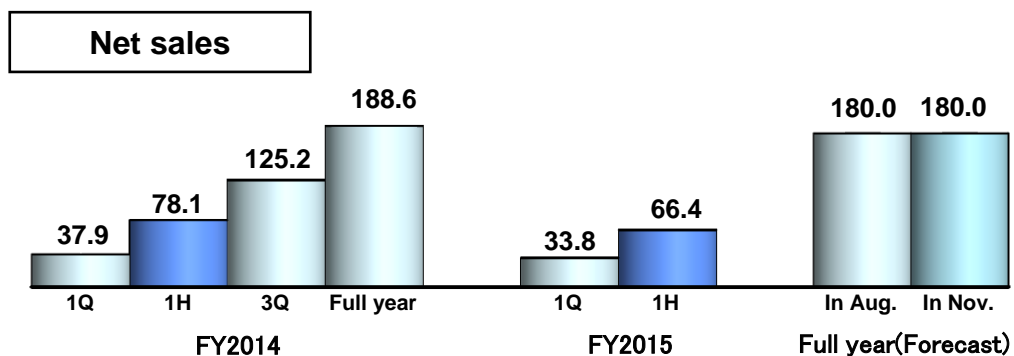
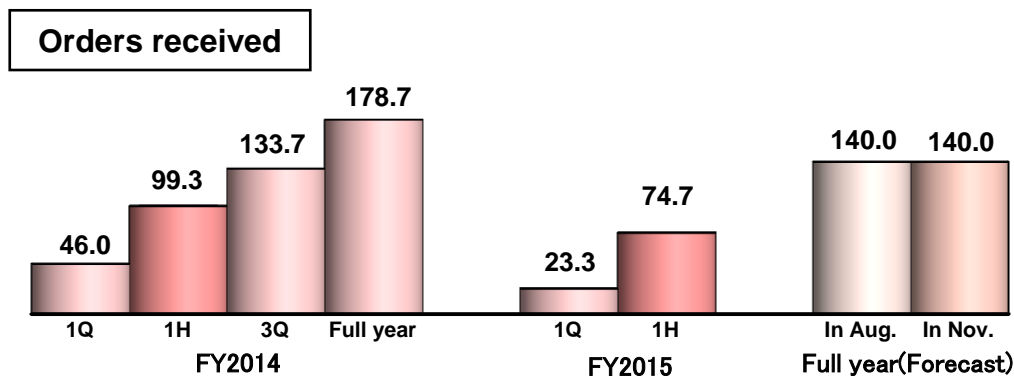
(Billions of yen)

	Orders received		Net sales						
	FY2014 Full yaer	FY2015 Full yaer (Forecast)	FY2014				FY2015		
			1Q	1H	3Q	Full yaer	1Q	1H	Full yaer (Forecast)
<b>Boiler</b>	176.2	140.0	20.3	42.0	64.3	88.5	18.2	44.7	105.0
<b>Power system plants</b>	39.6	40.0	3.9	8.7	16.9	28.9	4.3	9.0	30.0
<b>Power systems for land and marine use</b>	78.9	80.0	15.3	34.2	50.7	75.6	20.9	37.6	75.0
<b>Gas process</b>	137.1	115.0	12.0	31.2	62.9	97.8	30.6	63.4	130.0
<b>Nuclear power</b>	33.5	30.0	2.9	10.4	16.2	30.2	3.4	10.3	30.0

# 3. Financial Results by Segment

## Social Infrastructure and Offshore Facility

(Billions of yen, accumulated amount)



### <Results by business segment>

#### 【 Orders received】

Orders received declined from the previous corresponding period, reflecting a pullback from large orders secured in the previous corresponding period for F-LNG/Offshore structure Business and decreases in the Water gate Business, partially offset by an order for a dedicated freight railway bridge construction in India.

#### 【 Net sales】

Sales decreased from the previous corresponding period owing to the impact of decreased sales from the Izmit Bay Crossing Bridge construction project in Turkey.

#### 【 Operating income】

Operating income decreased significantly, owing not only to a further increase in expenses for F-LNG/Offshore structure Business but also recording of construction schedule catch-up expenses related to the Izmit Bay Crossing Bridge construction project in Turkey.

### <FY2015 Forecast (vs. In Aug.)>

The IHI group now forecasts a significant deterioration in operating income owing mainly to the deterioration of profitability in F-LNG/Offshore structure Business. There is a mix of both increases and decreases for orders received and net sales, depending on the business, but for the segment overall, the forecast remains unchanged.

### 3. Financial Results by Segment

## Social Infrastructure and Offshore Facility

(Billions of yen)

	Orders received		Net sales						
	FY2014	FY2015	FY2014				FY2015		
	Full yaer	Full yaer (Forecast)	1Q	1H	3Q	Full yaer	1Q	1H	Full yaer (Forecast)
Bridge	33.4	60.0	21.0	42.1	67.0	94.2	15.4	29.7	70.0
F-LNG/ Offshore structure	38.4	0.3	0.8	7.7	11.7	16.8	3.6	6.8	30.0
Urban development	16.0	15.0	7.8	11.3	14.9	19.2	5.1	8.8	15.0

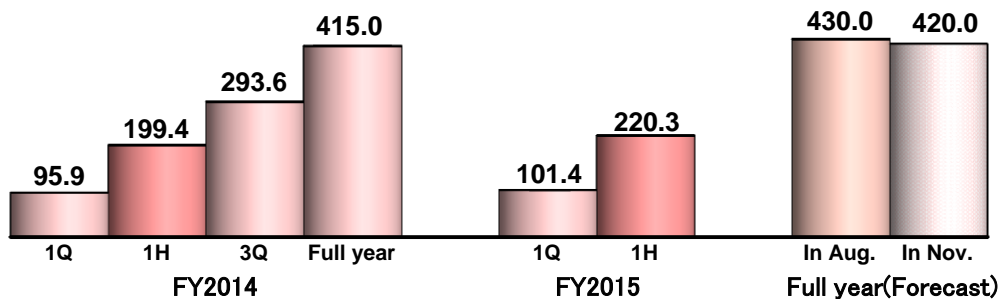
For related information of "Urban development" in Toyosu, please refer to <Appendices> on page 30, 31.

# 3. Financial Results by Segment

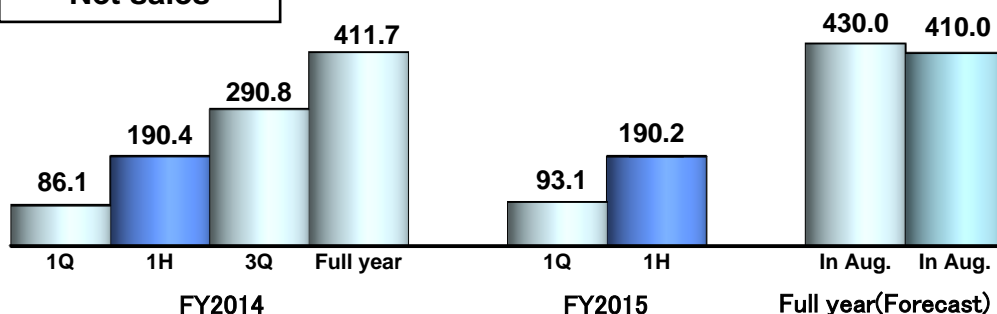
## Industrial System and General-Purpose Machinery

(Billions of yen, accumulated amount)

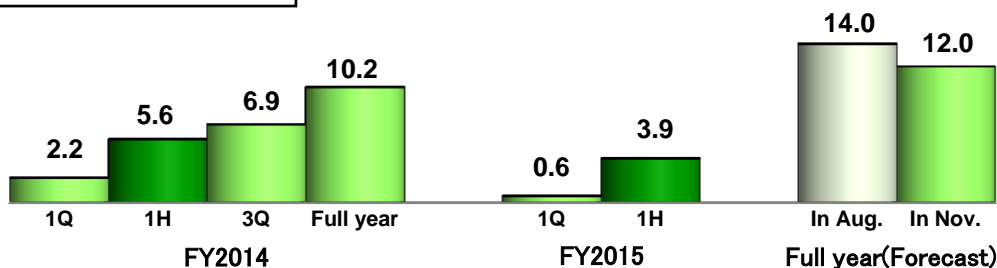
### Orders received



### Net sales



### Operating income



### <Results by business segment>

#### 【 Orders received】

Orders received increased from the previous corresponding period owing to increases in Logistics system Business, Transport machinery Business and Compressor Business.

#### 【 Net sales】

Sales were at the same level as the previous corresponding period, owing to decreases in Paper-making machinery Business and Logistics system Business, offset by increases in Thermal and surface treatment Business, Transport machinery Business and Parking Business.

< Number of vehicular turbochargers delivered >

(10,000 Units)

	2Q	Full Year
FY2014.2Q	293	589
FY2015.2Q	275	549

#### 【 Operating income 】

Operating income decreased from the previous corresponding period, due to increases in selling, general and administrative expenses such as expenses in taking orders received, and R&D expenses.

### <FY2015 Forecast (vs. In Aug.)>

The IHI Group now forecasts a decrease in orders received, sales and operating income respectively owing to the slowdown of Chinese Economy, weakness of European economy and the delay of completion of some construction projects occurred.

### 3. Financial Results by Segment

## Industrial System and General-Purpose Machinery

(Billions of yen)

	Orders received		Net sales						
	FY2014 Full yaer	FY2015 Full yaer (Forecast)	FY2014				FY2015		
			1Q	1H	3Q	Full yaer	1Q	1H	Full yaer (Forecast)
Transport machinery	28.2	30.0	2.8	6.8	14.0	20.4	3.5	9.8	25.0
Parking	39.8	40.0	6.5	16.7	27.1	42.1	8.7	19.5	40.0
Thermal and surface treatment	29.2	30.0	4.5	11.2	17.1	27.5	7.0	14.5	30.0
Vehicular turbocharger	168.2	165.0	40.7	83.2	123.3	167.7	44.0	82.8	165.0
Compressor	28.6	30.0	4.4	10.5	17.4	26.1	4.9	12.0	30.0

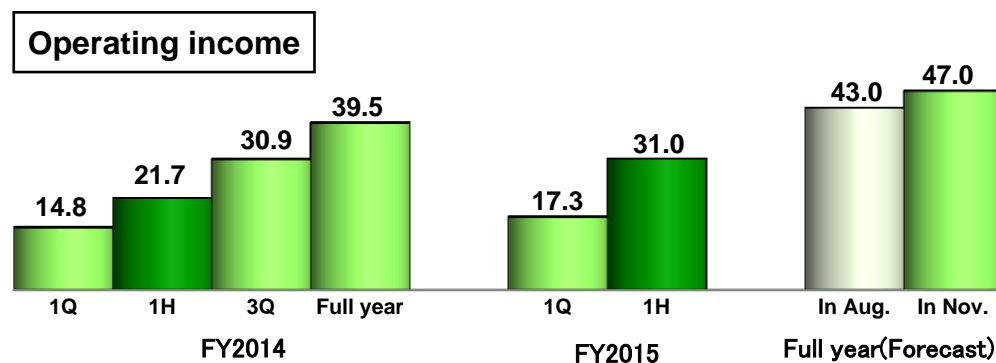
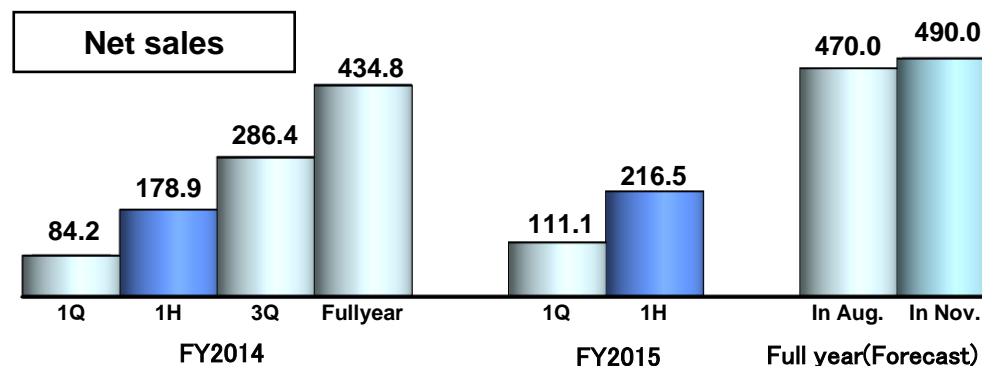
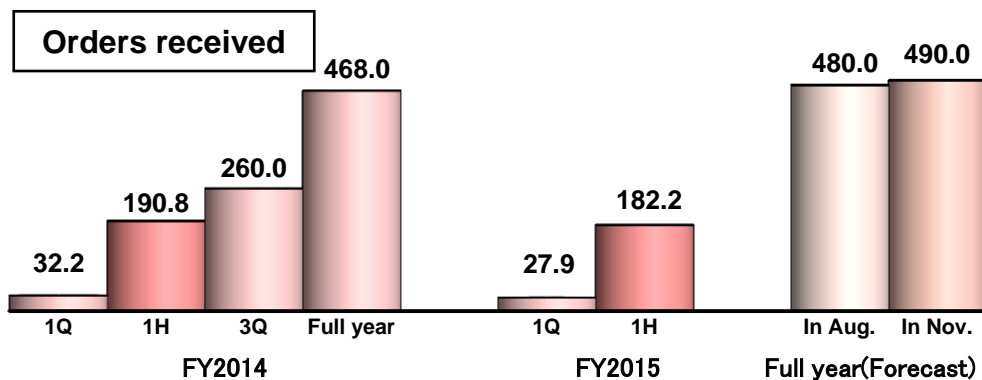
For details of "Vehicular turbocharger", please refer to <Appendices> on page 29.



# 3. Financial Results by Segment

## Aero Engine, Space and Defense

(Billions of yen, accumulated amount)



### <Results by business segment>

#### 【 Orders received】

Orders received decreased from the previous corresponding period owing to decreases in projects for Japan Ministry of Defense in Aero engines Business.

#### 【 Net sales】

Sales increased from the previous corresponding period, owing to increases in civil aero engines as a result of the effect of yen depreciation in foreign exchange, and a delivery of gas turbines for naval vessels in Defense systems Business.

#### < Number of civil aero engines delivered >

	(Units)	
	2Q	Full Year
FY2014.2Q	695	1,352
FY2015.2Q	646	1,380

#### 【 Operating income 】

Operating income increased from the previous corresponding period owing to the above-mentioned effect from sales increases and improved profitability for civil aero engines, partially offset by increases in expenses such as R&D expenses for the “GE9X” aero engine for the next-generation wide-body jet.

#### <FY2015 Forecast (vs. In Aug.)>

The IHI Group now forecasts a increase in orders received ,sales and operating income respectively owing mainly to the positive effect of yen depreciation.

### 3. Financial Results by Segment

## Aero Engine, Space and Defense

(Billions of yen)

	Orders received		Net sales						
	FY2014 Full yaer	FY2015 Full yaer (Forecast)	FY2014				FY2015		
			1Q	1H	3Q	Full yaer	1Q	1H	Full yaer (Forecast)
Civil aircraft engine	253.5	280.0	62.5	126.7	197.3	267.0	77.8	149.0	295.0

For details of "Civil aircraft engine", please refer to <Appendices> on page 28.

# <Appendices>

- Aero engines
- Vehicular turbocharger
- Urban development

## (1) Net sales of civil aircraft engine

(Billions of yen)

	Actual								Forecast	
	'11	'12	'13	FY2014				FY2015		
				1Q	1H	3Q	Full Year	1Q	1H	Full Year
Net sales	143.6	169.8	226.0	62.5	126.7	197.3	267.0	77.8	149.0	295.0

## (2) Number of civil aircraft engine delivered

(Units)

	Actual (accumulated)											Main loading
	'05	'06	'07	'08	'09	'10	'11	'12	'13	'14	'15/2Q	
V2500	2,850	3,154	3,474	3,828	4,168	4,551	4,980	5,468	5,969	6,469	6,693	Airbus A319/320/321
GE90	464	579	742	896	1,071	1,223	1,399	1,589	1,806	2,039	2,153	Boeing B777
CF34	1,027	1,374	1,802	2,274	2,604	2,919	3,242	3,548	3,820	4,156	4,314	For regional jet (70 to 110 seats)
GENx							118	259	468	751	901	Boeing B787/B747-8
<b>Total</b>	<b>4,341</b>	<b>5,107</b>	<b>6,018</b>	<b>6,998</b>	<b>7,843</b>	<b>8,693</b>	<b>9,739</b>	<b>10,864</b>	<b>12,063</b>	<b>13,415</b>	<b>14,061</b>	

(Note) The number of civil aircraft engine delivered is the number handed over to the airframe maker, and differs from the number of factory shipments.

## <Net sales by region>

(Billions of yen)

	Actual										Forecast
	'11	'12	'13	FY2014				FY2015			
				1Q	1H	3Q	Full Year	1Q	1H	Full Year	
Japan	33.1	33.9	35.3	9.0	18.4	27.5	37.5	8.4	17.2	33.0	
Asia	16.9	24.8	29.8	7.2	13.7	20.7	27.5	7.8	12.9	22.0	
China	14.3	18.1	23.4	6.3	12.8	17.5	24.3	7.1	11.8	28.0	
North America	1.1	1.3	1.6	0.4	0.9	1.3	1.8	0.5	1.2	2.0	
Central and South America	0.0	0.0	0.0	0.0	0.0	0.1	0.7	0.8	1.6	3.0	
Europe	43.7	43.2	60.2	17.6	37.2	55.8	75.6	19.2	37.8	77.0	
Others	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Total</b>	<b>109.4</b>	<b>121.6</b>	<b>150.7</b>	<b>40.7</b>	<b>83.2</b>	<b>123.3</b>	<b>167.7</b>	<b>44.0</b>	<b>82.8</b>	<b>165.0</b>	

## (1) Lease revenue in Toyosu

( Billions of yen)

	Actual									Forecast
	'11	'12	'13	FY2014				FY2015		
				1Q	1H	3Q	Full Year	1Q	1H	Full Year
Lease revenue	9.5	9.2	9.1	2.2	4.6	6.9	9.3	2.5	5.0	10.1


## (2) Lease revenue and expense in Toyosu (FY2015.2Q)

( Billions of yen)


	Lease revenue	Lease expense		Lease income
		Depreciation	Others	
FY2015.2Q	5.0	1.8	1.2	1.9

# Development Plan for Toyosu 1 to 3 chome Area

**Kindergarten, Nursery school, Café, Marriage ceremonial hall.**  
**(Mitsui Fudosan Co., Ltd.)**  
 Site area : 19,492㎡  
 Completed in March 2010 to February 2011



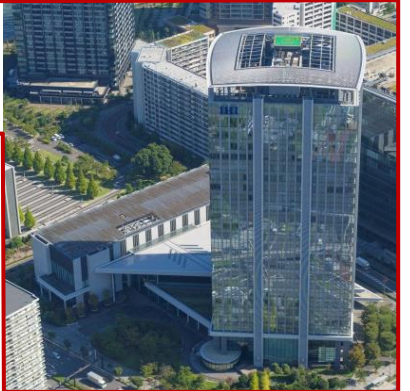
**Urban Dock LaLaport Toyosu (Mitsui Fudosan Co., Ltd.)**  
 5 floors above ground, Approx. 25m high  
 Store floor space : 62,000㎡  
 Opened in October 2006



**Offices building, (IHI and Mitsui Fudosan)**  
 Planning to redevelop

**Civic Center** : Opened in September 2015  
**Fire department** : Under construction


**Toyosu IHI Building**  
 25 floors above ground, Approx. 125m high  
 Gross floor area : 97,617㎡  
 Completed in February 2006



**Toyosu Foresia (IHI & Mitsubishi Estate Company, Ltd.)**  
 16 floors above ground, Approx. 75m high,  
 Gross floor area : 101,503㎡  
 Completed in July 2014

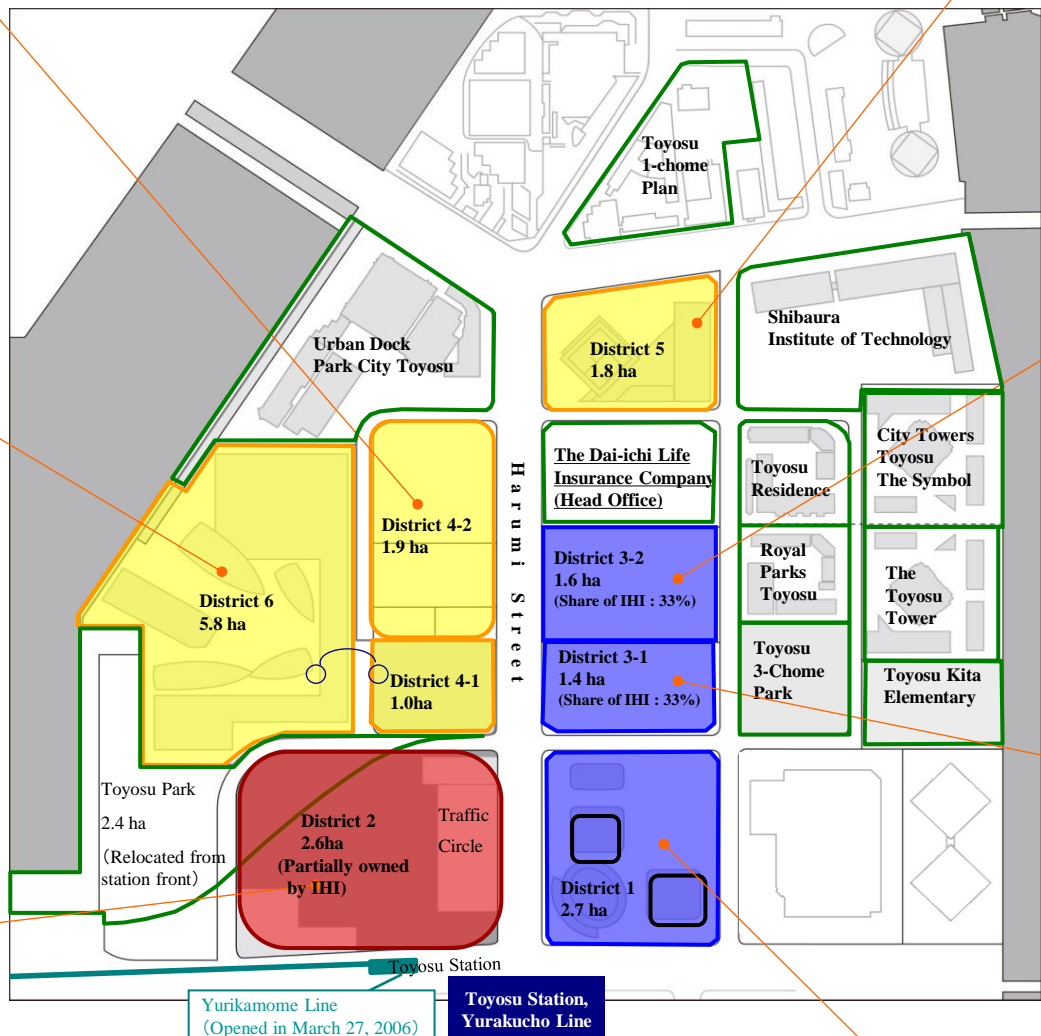


**Toyosu Front (IHI, Mitsubishi Estate Company, Ltd. and Mitsubishi UFJ Trust and Banking Corporation)**  
 15 floors above ground, Approx. 75m high  
 Gross floor area : 106,861㎡  
 Completed in August 2010



**Toyosu Center Building**  
 37 floors above ground, Approx. 165m high  
 Gross floor area : 100,069㎡  
 Completed in October 1992

**Toyosu Center Building Annex**  
 33 floors above ground, Approx. 150m high  
 Gross floor area : 105,448㎡  
 Completed in August 2006



Property of IHI	Approx. 14ha
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- Office Leasing
- Land Leasing
- Category 1 Urban Redevelopment Project ※1
- Sold, Donated, Exchanged

※1 One of the way to redevelop that was defined by Urban Renewal Act.

# IHI

**Realize your dreams**

Forward-looking figures shown in this material with respect to IHI's performance outlooks and other matters are based on management's assumptions and beliefs in light of the information currently available to it, and therefore contain risks and uncertainties. Consequently, you should not place undue reliance on these performance outlooks in making judgments. IHI cautions you that actual results could differ materially from those discussed in these performance outlooks due to a number of important factors. These important factors include political environments in areas in which IHI operates, general economic conditions, and the yen exchange rate including its rate against the US dollar.