

Financial Results for Second Quarter FY2019 (for the year ending March 31, 2020)

IHI

November 1, 2019

IHI Corporation

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1. Consolidated Results for Second Quarter FY2019



1. Consolidated Results for Second Quarter FY2019

Summary of Financial Results

Note: Average exchange rates for FY2019.2Q US\$ 1.00= ¥108.87

(In billion yen)

	FY2018.2Q	FY2019.2Q	Change
Orders received	649.3	616.0	▲ 33.3
Net sales	699.5	594.9	▲ 104.5
Operating profit	45.2	10.5	▲ 34.6
Ordinary profit	49.1	3.5	▲ 45.5
Profit before income taxes	51.8	3.6	▲ 48.1
Profit attributable to owners of parent	28.4	▲ 4.8	▲ 33.2

1. Consolidated Results for Second Quarter FY2019

Financial Results by Segment

■ Orders received & Order backlog

(In billion yen)

	Orders received			Order backlog		
	FY2018.2Q	FY2019.2Q	Change	FY2018	FY2019.2Q	Change
Resources, Energy and Environment	141.9	164.2	22.3	523.1	556.0	32.8
Social Infrastructure and Offshore Facility	54.1	61.1	6.9	191.6	177.1	▲ 14.4
Industrial System and General-Purpose Machinery	237.2	226.6	▲ 10.5	180.3	214.5	34.2
Aero Engine, Space and Defense	198.1	146.7	▲ 51.3	562.6	507.5	▲ 55.0
Total Reportable Segment	631.5	598.9	▲ 32.6	1,457.8	1,455.2	▲ 2.5
Others	39.2	38.6	▲ 0.5	20.4	32.5	12.0
Adjustment	▲ 21.3	▲ 21.5	▲ 0.1	-	-	-
Total	649.3	616.0	▲ 33.3	1,478.2	1,487.7	9.5
Overseas orders received / order backlog	294.5	296.0	1.5	579.8	570.4	▲ 9.4
% of Overseas orders received / order backlog	45%	48%	3%	39%	38%	▲ 1%

1. Consolidated Results for Second Quarter FY2019

Financial Results by Segment

■ Net sales & Operating profit

(In billion yen)

	Net sales			Operating profit		
	FY2018.2Q	FY2019.2Q	Change	FY2018.2Q	FY2019.2Q	Change
Resources, Energy and Environment	194.6	140.2	▲ 54.3	11.5	▲ 7.2	▲ 18.8
Social Infrastructure and Offshore Facility	60.7	68.1	7.3	4.0	5.1	1.0
Industrial System and General-Purpose Machinery	209.9	185.7	▲ 24.1	8.1	2.1	▲ 5.9
Aero Engine, Space and Defense	224.4	187.6	▲ 36.8	23.9	13.3	▲ 10.5
Total Reportable Segment	689.7	581.7	▲ 108.0	47.7	13.3	▲ 34.3
Others	30.4	33.7	3.3	0.4	0.8	0.3
Adjustment	▲ 20.7	▲ 20.6	0.1	▲ 3.0	▲ 3.6	▲ 0.6
Total	699.5	594.9	▲ 104.5	45.2	10.5	▲ 34.6

Overseas sales	367.2	293.8	▲ 73.3
% of overseas sales	52%	49%	▲ 3%

1. Consolidated Results for Second Quarter FY2019

Financial Results by Segment

- Analysis of change in operating profit from the previous period

(In billion yen)

	Change in net sales	Change in construction profitability	Change in foreign exchange rate	Change in SG&A	Total
Resources, Energy and Environment	▲ 10.9	▲ 9.7	▲ 0.1	1.9	▲ 18.8
Social Infrastructure and Offshore Facility	1.0	0.5		▲ 0.5	1.0
Industrial System and General-Purpose Machinery	▲ 7.0	▲ 1.0		2.1	▲ 5.9
Aero Engine, Space and Defense	▲ 6.1	▲ 5.0	▲ 0.1	0.7	▲ 10.5
Total Reportable Segment	▲ 23.0	▲ 15.2	▲ 0.2	4.2	▲ 34.3
Others		0.4		▲ 0.1	0.3
Adjustment		1.2		▲ 1.8	▲ 0.6
Total	▲ 23.0	▲ 13.6	▲ 0.2	2.3	▲ 34.6

There are cases that the aggregated amount of each segment or factor doesn't match to the total due to rounding off.

1. Consolidated Results for Second Quarter FY2019

Non-operating Income / Expenses

(In billion yen)

	FY2018.2Q	FY2019.2Q	Change
Net interest expenses (incl. dividend income)	▲ 0.3	▲ 1.0	▲ 0.7
Share of profit/loss(▲) of entities accounted for using equity method	5.1	▲ 2.4	▲ 7.5
Foreign exchange gains / losses (▲)	2.4	▲ 1.0	▲ 3.5
Others	▲ 3.2	▲ 2.4	0.8
Non-operating Income / Expenses (▲)	3.9	▲ 6.9	▲ 10.9

Change of the rate(US\$) FY2018.2Q +7.33yen (beginning 106.24yen→end 113.57yen)
 FY2019.2Q ▲3.07yen (beginning 110.99yen→end 107.92yen)

1. Consolidated Results for Second Quarter FY2019

Extraordinary Income / Losses

(In billion yen)

	FY2018.2Q	FY2019.2Q	Change
Gain on sales of non-current assets	—	4.5	4.5
Gain on insurance claims	—	1.1	1.1
Gain on sales of shares of subsidiaries and affiliates	4.1	—	▲ 4.1
Extraordinary Income	4.1	5.6	1.5
Losses on valuation of investment securities	—	▲ 5.5	▲ 5.5
Impairment loss	▲ 1.5	▲ 0.1	1.4
Extraordinary Losses	▲ 1.5	▲ 5.6	▲ 4.0
Extraordinary Income / Losses (▲)	2.6	0.0	▲ 2.5

1. Consolidated Results for Second Quarter FY2019

Balance Sheets

(In billion yen)

	As of March 31, 2019	As of September 30, 2019	Change
Total assets	1,664.5	1,648.6	▲ 15.8
(Trade receivables)	(377.6)	(319.8)	(▲ 57.8)
(Inventories)	(441.9)	(493.0)	(51.1)
(Investment securities)	(117.9)	(110.8)	(▲ 7.1)
Total liabilities	1,282.8	1,282.4	▲ 0.4
(Trade payables)	(290.0)	(248.3)	(▲ 41.6)
(Advance received)	(157.5)	(167.7)	(10.1)
(Interest-bearing liabilities) (*1)	(355.0)	(411.5)	(56.4)
Total net assets	381.6	366.2	▲ 15.4
Shareholders' equity	343.4	330.4	▲ 13.0
Accumulated other comprehensive income	5.6	1.3	▲ 4.3
Non-controlling interests and others	32.5	34.4	1.9
Total liabilities and net assets	1,664.5	1,648.6	▲ 15.8
D/E ratio(times) (*2)	0.93	1.12	0.19
Equity ratio	21.0%	20.1%	▲ 0.9%

(*1) Interest-bearing liabilities includes the amount of lease obligations.
(as of March 31, 2019: ¥17.4 billion / as of September 30, 2019: ¥24.7 billion)

(*2) D/E ratio = Interest-bearing liabilities / net assets

1. Consolidated Results for Second Quarter FY2019

Cash Flows

IHI

(In billion yen)

	FY2018.2Q	FY2019.2Q	Change
Cash flows from operating activities	▲ 2.7	▲ 32.8	▲ 30.1
Cash flows from investing activities	▲ 39.6	▲ 39.6	0.0
Free cash flows	▲ 42.3	▲ 72.4	▲ 30.1
Cash flows from financing activities	31.8	41.6	9.8

1. Consolidated Results for Second Quarter FY2019 Supplementary Information

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

(In billion yen)

	FY2018.2Q	FY2019.2Q
R&D	15.3	15.4
CAPEX	26.5	38.4
Depreciation & Amortization	23.1	25.2

“CAPEX” and “Depreciation & Amortization” consist of amounts related to tangible fixed assets and software. (The figures in “FY2018.2Q” were modified since they were related to only tangible fixed assets until FY2018.)

(2) Overseas Sales by Region

(In billion yen)

	FY2018.2Q	FY2019.2Q
Asia	71.9	55.6
China	63.2	41.5
North America	166.5	155.8
Central and South America	6.9	4.1
Europe	51.1	34.5
Others	7.2	2.1
Total	367.2	293.8
% of overseas sales	52%	49%

2. Forecasts of the Consolidated Results for FY2019

2. Forecasts of the Consolidated Results for FY2019

Summary of Forecasts for FY2019

<assumed exchange rate>

US\$ 1.00 = ¥105 (assumed in August , ¥105)

Euro 1.00 = ¥120 (assumed in August , ¥130)

(In billion yen)

	FY2019 Forecast		FY2018 Actual	Change
	In August	In November		Vs. Forecast in August
Orders received	1,450.0	1,400.0	1,399.2	▲ 50.0
Net sales	1,400.0	1,400.0	1,483.4	0.0
Operating profit	80.0	65.0	82.4	▲ 15.0
Ordinary profit	58.0	43.0	65.7	▲ 15.0
Profit attributable to owners of parent	35.0	20.0	39.8	▲ 15.0

✕The forecasts in August were unchanged from those announced in May.

<For reference> Sensitivity to foreign exchange rates by currency

1 yen per US\$ corresponds to 0.5 billion yen, and per Euro, 0.0 billion yen in operating profit.

2. Forecasts of the Consolidated Results for FY2019

Forecasts for FY2019 by Segment

■ Orders received

(In billion yen)

	FY2019 Forecast (In August)	FY2019 Forecast (In November)	Change
Resources, Energy and Environment	330.0	330.0	0.0
Social Infrastructure and Offshore Facility	180.0	180.0	0.0
Industrial System and General-Purpose Machinery	470.0	440.0	▲ 30.0
Aero Engine, Space and Defense	440.0	420.0	▲ 20.0
Total Reportable Segment	1,420.0	1,370.0	▲ 50.0
Others	80.0	80.0	0.0
Adjustment	▲ 50.0	▲ 50.0	0.0
Total	1,450.0	1,400.0	▲ 50.0

2. Forecasts of the Consolidated Results for FY2019

Forecasts for FY2019 by Segment

■ Net sales & Operating profit

(In billion yen)

	FY2019 Forecast (In August)		FY2019 Forecast (In November)		Change	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Resources, Energy and Environment	330.0	18.0	340.0	13.0	10.0	▲ 5.0
Social Infrastructure and Offshore Facility	170.0	15.0	170.0	15.0	0.0	0.0
Industrial System and General-Purpose Machinery	450.0	25.0	420.0	17.0	▲ 30.0	▲ 8.0
Aero Engine, Space and Defense	460.0	33.0	440.0	27.0	▲ 20.0	▲ 6.0
Total Reportable Segment	1,410.0	91.0	1,370.0	72.0	▲ 40.0	▲ 19.0
Others	80.0	2.0	80.0	2.0	0.0	0.0
Adjustment	▲ 90.0	▲ 13.0	▲ 50.0	▲ 9.0	40.0	4.0
Total	1,400.0	80.0	1,400.0	65.0	0.0	▲ 15.0

2. Forecasts of the Consolidated Results for FY2019 Forecasts for FY2019 by Segment

- Analysis of change in operating profit of forecasts(in May VS in November)^(*)

(In billion yen)

	Change in net sales	Change in construction profitability	Change in foreign exchange rate	Change in SG&A	Total
Resources, Energy and Environment		▲ 5.0			▲ 5.0
Social Infrastructure and Offshore Facility					0.0
Industrial System and General-Purpose Machinery	▲ 8.0				▲ 8.0
Aero Engine, Space and Defense	▲ 6.0	▲ 2.0	2.0		▲ 6.0
Total Reportable Segment	▲ 14.0	▲ 7.0	2.0	0.0	▲ 19.0
Others					0.0
Adjustment		4.0			4.0
Total	▲ 14.0	▲ 3.0	2.0	0.0	▲ 15.0

(*) The forecasts in August were unchanged from those announced in May.

3. Financial Results by Segment

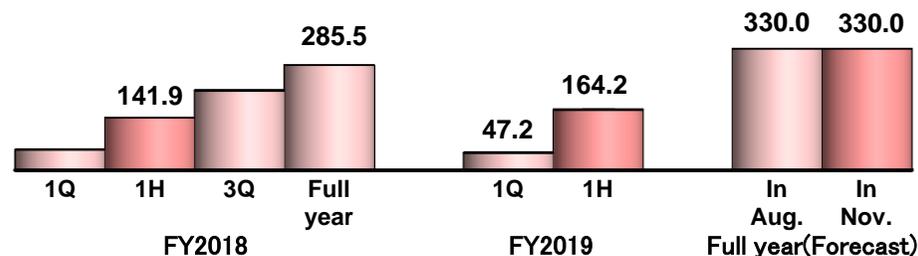
3. Financial Results by Segment

Resources, Energy and Environment

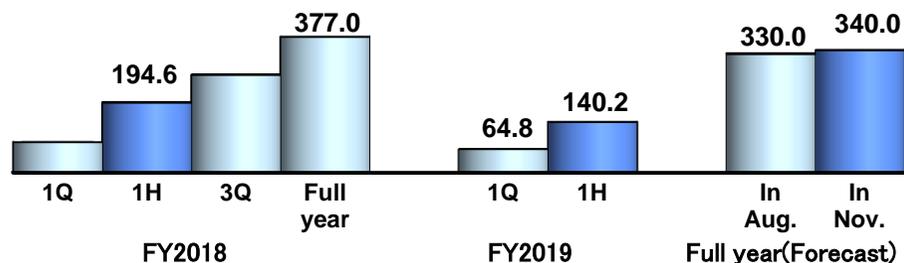
※The forecasts in August were unchanged from those announced in May.

(In billion yen, accumulated amount)

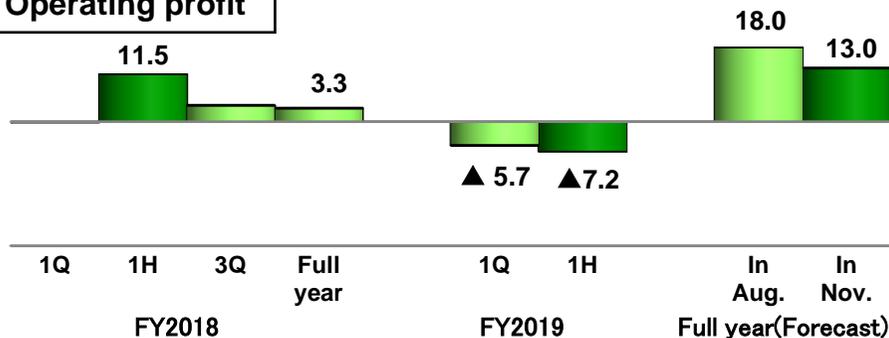
Orders received



Net sales



Operating profit



<Results by business segment>

【 Orders received 】

Orders received increased owing to an effect of receiving large-scale project in the Boilers Business, despite the decrease in the Plants Business.

【 Net sales 】

Net sales decreased due to a delay in project progress in the Boilers Business and to a reverse effect of the progress of large-scale projects in the Plants Business in FY2018.

【 Operating profit 】

Operating profit decreased due to the deterioration of profitability of some projects in the Boilers Business, the Power Systems Business and the Plants Business.

<FY2019 Forecast (vs. In August)>

Net sales are expected to increase slightly overall. Operating profit is expected to decrease due to the deterioration of profitability for some projects received, although increases in contract price and profit from regular inspections and maintenance works are expected in the 2nd half.

3. Financial Results by Segment

Resources, Energy and Environment

(In billion yen)

	Orders received		Net sales						
	FY2018 Full year	FY2019 Full year (Forecast)	FY2018				FY2019		
			1Q	1H	3Q	Full year	1Q	1H	Full year (Forecast)
Power Systems	82.8	95.0	17.9	42.2	63.2	93.4	17.9	36.0	90.0
Boilers	79.7	100.0	27.0	69.7	94.5	121.5	16.8	44.8	100.0
Plants	56.4	55.0	23.0	45.8	59.5	80.1	13.8	26.6	70.0
Nuclear power	30.5	28.0	5.0	12.0	16.7	33.1	4.8	8.9	31.0

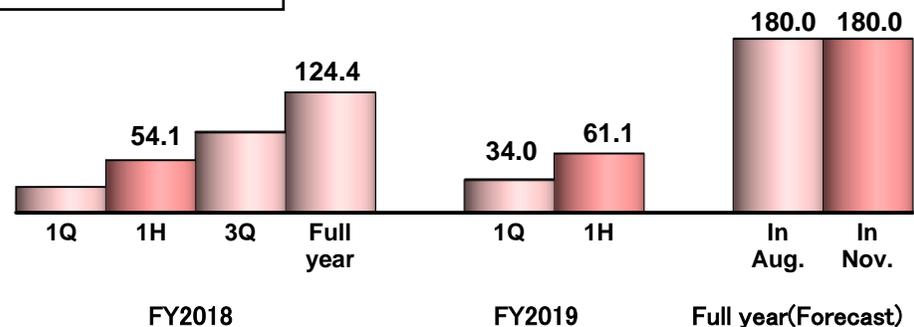
3. Financial Results by Segment

Social Infrastructure and Offshore Facility

※The forecasts in August were unchanged from those announced in May.

Orders received

(In billion yen, accumulated amount)



<Results by business segment>

【 Orders received 】

Orders received increased in the Transport systems Business.

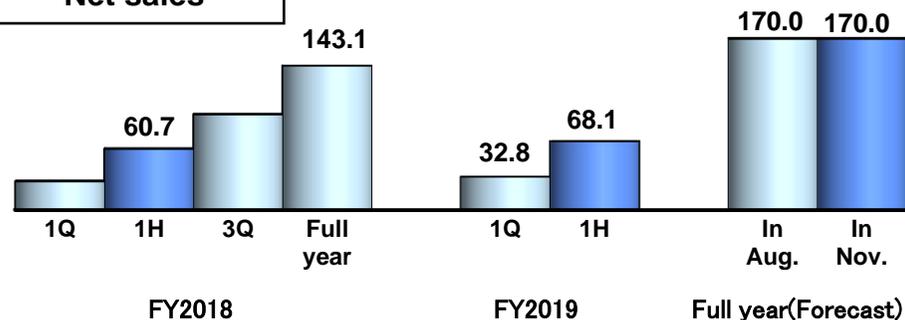
【 Net sales 】

Net sales increased in the Bridges/water gates Business.

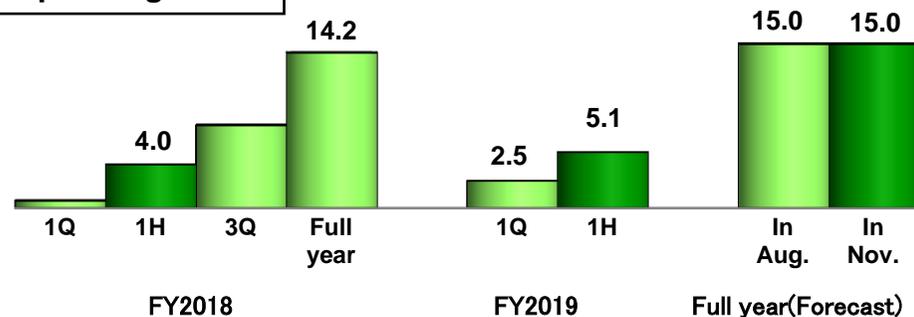
【 Operating profit 】

Operating profit increased in the Bridges/water gates Business and the Transport systems Business.

Net sales



Operating Profit



<FY2019 Forecast (vs. In August)>

The forecasts of orders received, net sales and operating profit remain unchanged.

Since sales of domestic projects tend to be concentrated at the end of the fiscal year, the progress is generally the same as in the previous corresponding period and in the previous forecast in August. Therefore, there is no change to the full year forecasts.

3. Financial Results by Segment

Social Infrastructure and Offshore Facility

(In billion yen)

	Orders received		Net sales						
	FY2018 Full year	FY2019 Full year (Forecast)	FY2018				FY2019		
			1Q	1H	3Q	Full year	1Q	1H	Full year (Forecast)
Bridges/water gates	65.0	81.0	15.2	30.1	46.2	72.0	19.2	38.2	92.0
Shield systems	14.4	26.0	4.0	9.7	14.6	18.5	4.6	9.7	20.0
Urban development	16.3	17.0	3.7	7.9	11.9	16.3	3.9	7.9	17.0

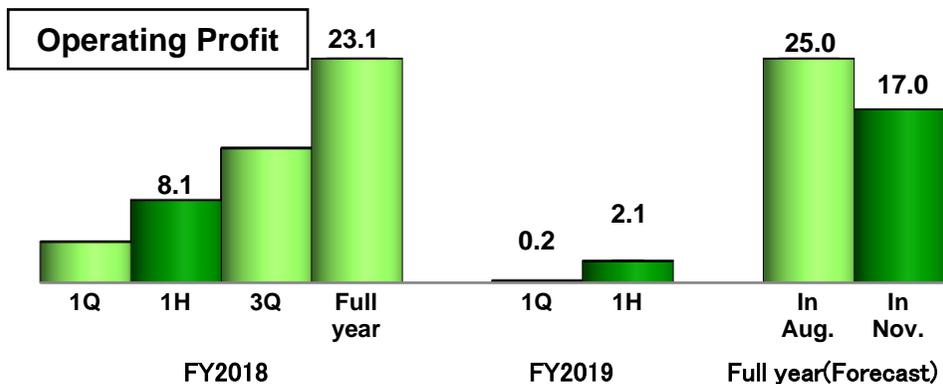
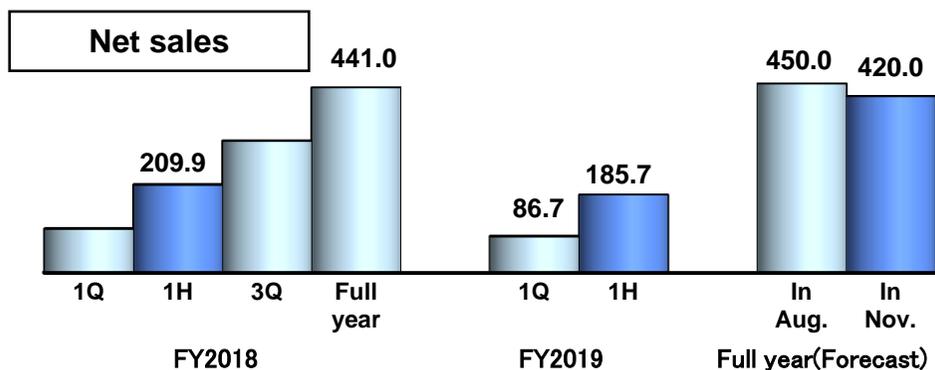
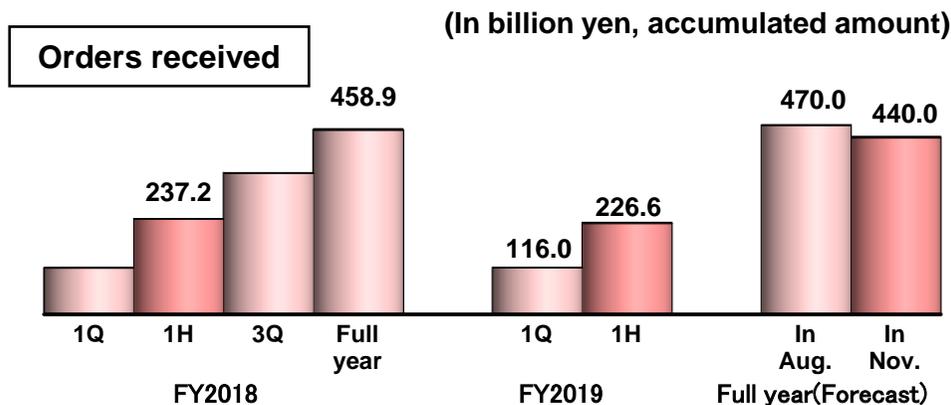
For related information of “Urban development” in Toyosu, please refer to <Appendices> on page 33, 34.

3. Financial Results by Segment

Industrial System and General-Purpose Machinery

※The forecasts in August were unchanged from those announced in May.

<Results by business segment>



【 Orders received 】

Orders received declined due to the decrease in the Vehicular turbochargers Business and the Thermal and surface treatment Business, despite the increase owing to an effect of receiving large-scale project in the Transport machines Business.

【 Net sales 】

Net sales decreased due to the effect of transfer of the Small power systems Business in FY2018, in addition to down in the Vehicular turbochargers Business.

< Number of vehicular turbochargers delivered >

(1,000 Units)

	2Q	Full Year
FY2018	3,540	6,760
FY2019	2,940	6,200

【 Operating profit 】

Operating profit decreased in the Vehicular turbochargers Business and the Rotating machineries Business.

<FY2019 Forecast (vs. In August) >

Orders received and net sales and operating profit are expected to decrease.

With regard to the Vehicular turbochargers Business, net sales and operating profit are expected to decline due to the downturn of gasoline and diesel fueled automobiles sales mainly in China.

3. Financial Results by Segment

Industrial System and General-Purpose Machinery

(In billion yen)

	Orders received		Net sales						
	FY2018 Full year	FY2019 Full year (Forecast)	FY2018			Full year	FY2019		
			1Q	1H	3Q		1Q	1H	Full year (Forecast)
Vehicular turbochargers	190.2	157.0	51.6	99.3	147.7	189.5	38.7	76.7	158.0
Parking	52.5	53.0	7.7	17.9	29.4	49.7	10.0	22.0	52.0
Rotating machineries	51.3	54.0	10.6	21.5	32.7	49.5	10.4	21.1	52.0
Thermal and surface treatment	41.3	38.0	11.1	21.0	31.1	41.6	9.8	19.7	40.0
Transport machineries	33.2	52.0	5.0	7.9	13.7	23.9	3.7	9.2	31.0

For details of “Vehicular turbochargers”, please refer to <Appendices> on page 32.

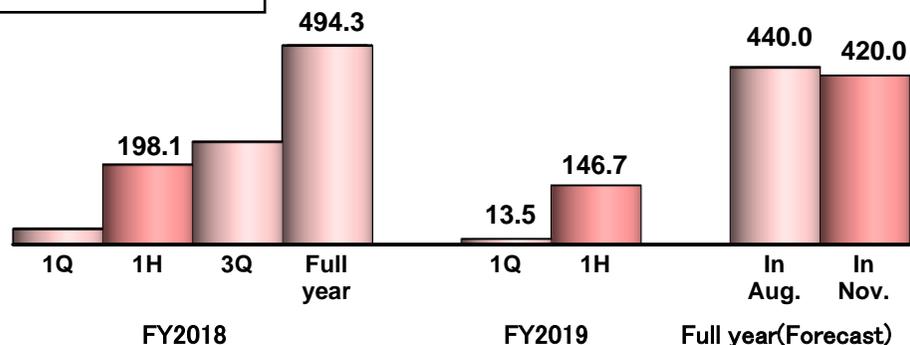
3. Financial Results by Segment

Aero Engine, Space and Defense

※The forecasts in August were unchanged from those announced in May.

Orders received

(In billion yen, accumulated amount)



<Results by business segment>

【 Orders received 】

Orders received decreased in the aero engines for Japan Ministry of Defense, the Civil aero engines Business and the Rocket systems/space utilization systems Business.

【 Net sales 】

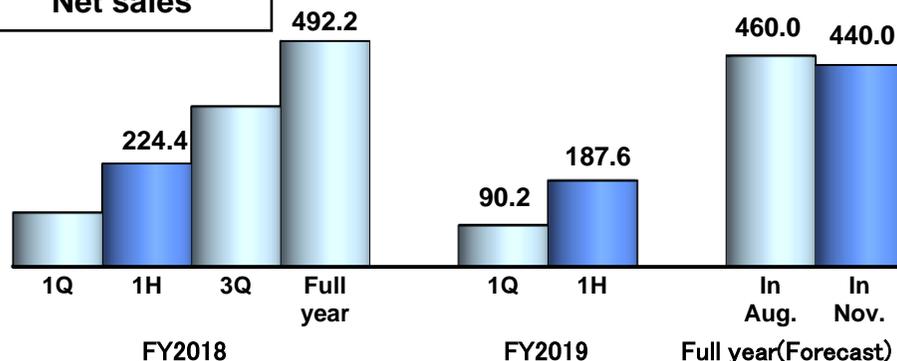
Net sales decreased in the aero engines for Japan Ministry of Defense and the Civil aero engines Business.

<Number of civil aero engines delivered>

(Units)

	2Q	Full Year
FY2018	749	1,521
FY2019	700	1,450

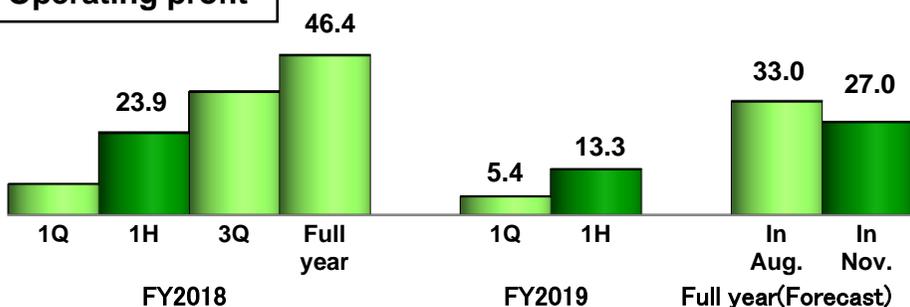
Net sales



【 Operating profit 】

Operating profit in the Civil aero engines Business declined due to the decrease in sales caused by making its inspection process stricter in the maintenance business and to the additional program costs.

Operating profit



<FY2019 Forecast (vs. In August)>

Orders received and net sales and operating profit are expected to decrease.

With regard to the Civil aero engines Business, net sales and operating profit are expected to decrease since the impact from making stricter its inspection process has incurred the lower recovery in operating rate of factories than expected and that losses from operational fluctuations are expected, although inspection process in the maintenance business is steadily normalizing.

3. Financial Results by Segment

Aero Engine, Space and Defense

(In billion yen)

	Orders received		Net sales						
	FY2018 Full year	FY2019 Full year (Forecast)	FY2018				FY2019		
			1Q	1H	3Q	Full year	1Q	1H	Full year (Forecast)
Civil aero engines	334.8	300.0	73.1	152.5	243.2	318.5	65.1	131.5	280.0

For details of “Civil aero engines”, please refer to <Appendices> on page 31.

<Appendices>

- Financial Performance
- Progress in large overseas projects
- Topics in the Second Quarter under review
- Aero engines
- Vehicular turbochargers
- Urban development

(In billion yen)

	FY2015	FY2016	FY2017	FY2018	FY2019.2Q	FY2019 (Forecast)
Net sales	1,539.3	1,468.3	1,590.3	1,483.4	594.9	1,400.0
Operating margin	1.4%	3.2%	4.5%	5.6%	1.8%	4.6%
Operating profit	22.0	47.3	72.2	82.4	10.5	65.0
Ordinary profit/loss(▲)	9.7	22.0	21.4	65.7	3.5	43.0
Profit /loss(▲) attributable to owners of parent	1.5	5.2	8.2	39.8	▲4.8	20.0
ROE (※1)	0.5%	1.6%	2.6%	11.8%	—	—
ROIC (※2)	2.3%	5.0%	7.7%	8.7%	—	—
D/E ratio(times) (※3)	1.12	1.10	0.92	0.93	1.12	—
Dividends per share (yen)	3 Interim 3 Year-end 0	0	Interim 3 Year-end 30 (※4)	70 Interim 30 Year-end 40	—	70 Interim 30 Year-end 40
Exchange rate	¥118.27/\$	¥108.27/\$	¥111.00/\$	¥111.09/\$	¥108.87/\$	—

※1 : ROE(Return on Equity)=Profit attributable to owners of parent
/ (Average of equity for previous fiscal year end and current period end)

※2 : ROIC (Return On Invested Capital)
=(Operating profit + Interest income and dividend income) after tax / (Equity + Interest-bearing liabilities)

※3 : D/E ratio = Interest-bearing liabilities / net assets

※4 : Year-end dividend for FY2017 reflects the consolidation of stock.

Elba Liquefaction Project



Expected Completion Image

As of end of September 2019

<Status>

As of the end of September 2019, Commercial in service of MMLS#1, Commissioning of MMLS#2~6 and installation works of MMLS #7~10 are ongoing. Progress of Engineering is 100%, Procurement is 100%, Construction is 98.6%, Commissioning is 59.2%, and Overall Project is 96.0%

<Key milestones>

March 2016: Contract Award
 November 2016: FERC Approval for the commencement of construction
 February 2017: Delivery commencement of MMLS #1 module
 September 2019: Commercial in Service of MMLS#1
 June 2020 : Substantial Completion of all facilities

<Project Brief>

- Contract: Lump Sum Turnkey EPC Agreement for the Elba Island Natural Gas Liquefaction Facility and the Southern LNG Expansion Facility
- Job Site: Elba Island, Savannah, Chatham County, Georgia, USA
- Scope: Engineering, Procurement, Construction, and Commissioning of 2.5 MTPA Liquefaction facility

MMLS: Movable Modular Liquefaction System

This project has totally 10 MMLSs and 1 MMLS consists 79 modules.

Jimah East Power coal fired power plant



Expected Completion Image

As of end of September 2019

<Status>

As of end of September 2019, #1 handed over (21 Aug 2019), and #2 commissioning are in progress. For boiler portion, 100% of engineering, 100% of procurement, 99% of erection and 98% of commissioning activities were completed. As total 99% was completed.

<Key Milestones>

Aug 2014: EPC Contract	Oct 2018: Initial Firing(#1)
Jan 2017: Boiler Erection Start(#1)	Apr 2019: Initial Firing(#2)
Jul 2017 : Boiler Erection Start(#2)	Aug 2019: COD (#1)
Apr 2018: Hydro Test(#1)	Dec 2019: COD (#2)
Nov 2018: Hydro Test(#2)	

<Project Brief>

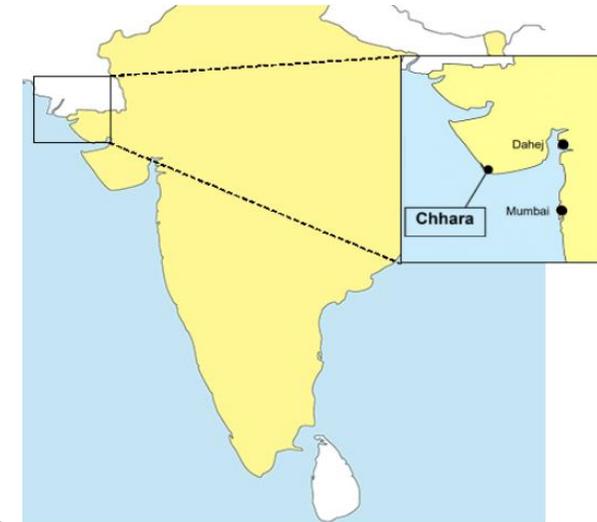
- Contract: Full turn key contract for ultra-supercritical boiler for Jimah East Power Sdn. Bhd. (IPP)
- Site: Jimah, Negeri Sembilan, Malaysia
- Scope: Engineering, Procurement, Construction and Commissioning of Ultra-supercritical boiler

Signed a contract for an EPC of two above-ground LNG tanks for LNG receiving terminal in India

IHI received an order for an EPC of two above-ground LNG tanks for LNG receiving terminal in India (hereinafter "Work") , jointly with a major construction company in India, Afcons Infrastructure Ltd.,and signed a contract for the Work on June 29.

The LNG-receiving terminal will be constructed at the HSEPL(Joint venture invested by a state-owned Indian oil and gas company) Site at Chhara Port, Gujarat Province. The storage capacity is 200,000 kiloliters per unit, which is the largest capacity in India, and completion is planned in 2022. IHI Plant Services Corporation, a subsidiary of IHI, is responsible for a part of the offshore Works.

As global energy demand grows, IHI will continue to actively pursue business activities to ensure the stable supply of environment friendly energy based on the technologies and expertise it has cultivated through its past achievements in order to contribute to the creation of carbon-free and recycling societies.



<Planned site>

Developed and started selling picking system using AI with the U.S. startup company

IHI and IHI Logistics & Machinery Corporation (hereinafter "ILM"), together with OSARO, a company based in San Francisco, the U.S. have developed picking robots and peripheral devices (hereinafter "this system") equipped with the object recognition technology, which is based on OSARO's deep learning that automates picking in logistics operations. In addition, ILM has signed a Preferred Partner agreement with OSARO in Japan and Southeast Asia, and will begin selling this system.

The IHI Group will continue to provide comprehensive logistics solutions including front and back facilities such as robots and automated warehouse systems for further automation and labor saving at distribution centers.



<Picking robot system equipped with AI (for Demo)>

(1) Net sales of civil aero engines

(In billion yen)

	Actual							Forecast	
	'13	'14	'15	'16	'17	FY2018		FY2019	
						1H	Full Year	1H	Full Year
Net sales	226.0	267.0	299.1	291.5	281.0	152.5	318.5	131.5	280.0

(2) Number of civil aero engines delivered

(Units)

	Actual (accumulated)									Main loading
	'11	'12	'13	'14	'15	'16	'17	'18	'19/2Q	
V2500	4,980	5,468	5,969	6,469	6,896	7,236	7,508	7,688	7,714	Airbus A319/320/321
GE90	1,399	1,589	1,806	2,039	2,257	2,457	2,617	2,715	2,768	Boeing B777
CF34	3,242	3,548	3,820	4,156	4,471	4,821	5,085	5,331	5,474	For regional jet (70 to 110 seats)
GEEx	118	259	468	751	1,035	1,295	1,542	1,826	1,974	Boeing B787/B747-8
PW1100G					16	148	398	1,058	1,349	Airbus A320Neo
Passport20							13	66	105	Bombardier Global7500
Total	9,739	10,864	12,063	13,415	14,675	15,957	17,163	18,684	19,384	

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

<Net sales by region>

(In billion yen)

	Actual									Forecast	
	'12	'13	'14	'15	'16	'17	FY2018		FY2019		
							1H	Full Year	1H	Full Year	
Japan	33.9	35.3	37.5	34.6	38.9	39.8	21.6	44.6	19.6	39.0	
Asia	24.8	29.8	27.5	21.6	15.8	11.7	5.4	11.0	5.1	11.0	
China	18.1	23.4	24.3	24.9	48.5	71.9	34.4	63.1	26.9	58.0	
North America	1.3	1.6	1.8	2.4	3.3	8.4	5.5	11.6	5.7	12.0	
Central and South America	0.0	0.0	0.7	3.4	6.1	7.4	4.2	7.5	3.0	7.0	
Europe	43.2	60.2	75.6	74.3	61.7	81.1	27.9	51.3	16.1	31.0	
Others	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total	121.6	150.7	167.7	161.6	174.6	220.5	99.3	189.5	76.7	158.0	

(1) Lease revenue in Toyosu

(In billion yen)

	Actual									Forecast	
	'12	'13	'14	'15	'16	'17	FY2018		FY2019		
							1H	Full Year	1H	Full Year	
Lease revenue	9.2	9.1	9.3	10.1	9.3	9.2	4.6	9.3	4.6	9.5	

(2) Lease revenue and expense in Toyosu (FY2019.2Q)

(In billion yen)

	Lease revenue	Lease expense		Lease income
		Depreciation	Others	
FY2019.2Q	4.6	1.9	1.4	1.3

Development Plan for Toyosu 1 to 3 chome Area

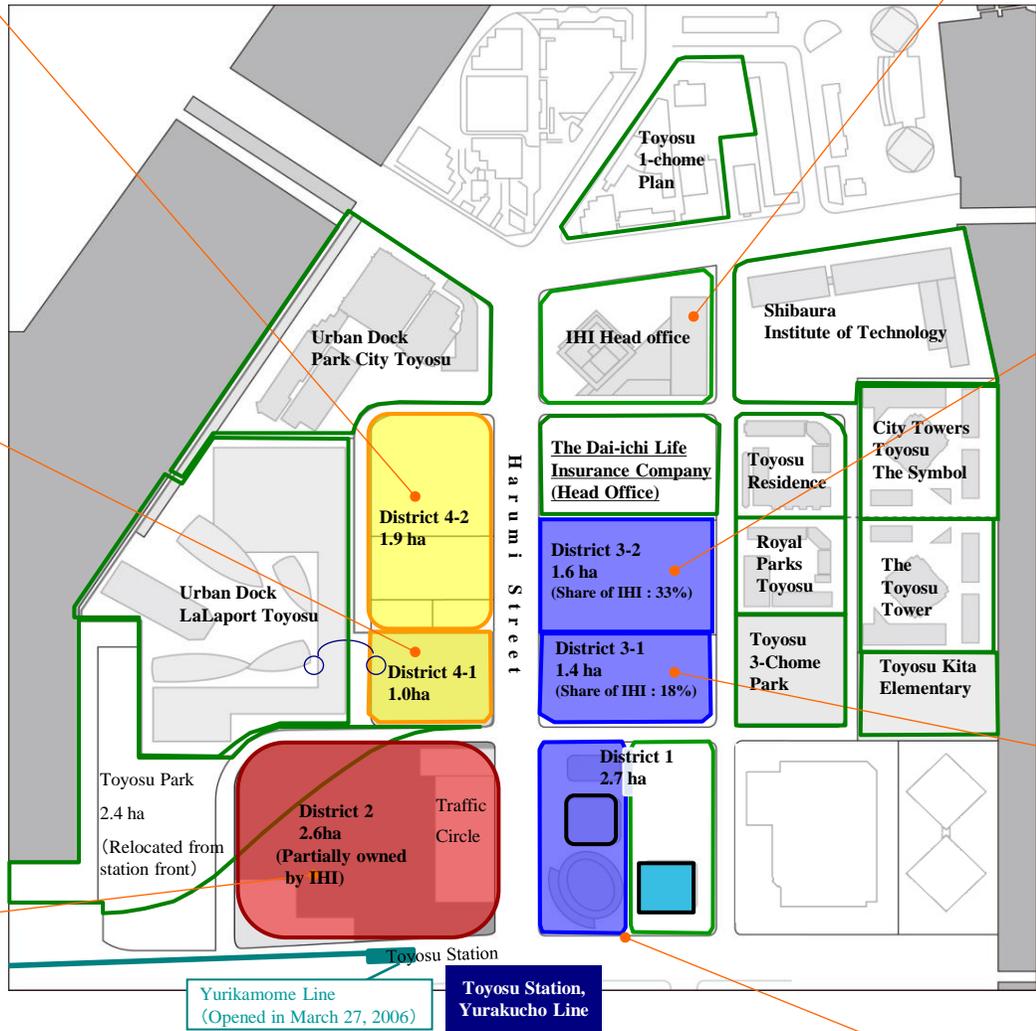
Kindergarten, Nursery school, Café, Marriage ceremonial hall.
 Site area : 19,492㎡
 Completed in March 2010 to February 2011



Urban Dock LaLaport Toyosu ANNEX (Mitsui Fudosan Co., Ltd.)
 5 floors above ground, Approx. 25m high
 Store floor space : 24,721㎡
 Opened in October 2006



Complex building A•C, (IHI and Mitsui Fudosan)
 36 floors above ground, Approx. 178m high
 Gross floor area : 185,000㎡
 Scheduled for completion in April 2020

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



Civic Center : Opened in September 2015
 Fire department office : Completed in June 2016

Property of IHI	Approx. 5ha
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- Office Leasing
- Land Leasing
- Office Leasing (Leased land)
- Category 1 Urban Redevelopment Project ※1
- Sold, Donated, Exchanged

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



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.