

(English Translation)

May 8, 2019

To all related parties:

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Notice of Dividends of Surplus (Increment of Dividends)

IHI Corporation (hereinafter, "IHI") hereby announces that its Board of Directors decided to set a new dividend policy and to pay dividends of surplus with March 31, 2019 as the record date at its meeting held on May 8, 2019. The dividends of surplus will be implemented via the resolution of the 202nd Ordinary General Meeting of Shareholders scheduled to be held on June 20, 2019. The details are as follows.

1. Details of the year-end dividend for the fiscal year ended March 31, 2019

	Amount decided	Most recent dividend forecast (announced on February 7, 2019)	Dividends paid in the previous fiscal year (fiscal year ended March 31, 2018)
Record date	March 31, 2019	Same as the date stated left	March 31, 2018
Dividends per share	¥40	¥30	¥30
Total dividends	¥6,180 million	-	¥4,633 million
Effective date	June 21, 2019	-	June 25, 2018
Fund used for dividends payment	Retained earnings	-	Retained earnings

Note: Less than one million yen of total dividends are rounded off.

2. Reason for increment of dividends

On the basis of the new dividend policy, IHI aims sustainable increment of dividends according to the growth of the IHI Group, in addition to continuous provision of stable dividends to shareholders. Also, IHI sets its target consolidated dividend payout ratio as around 30%, taking into consideration a broad range of factors, including investments for improvement of corporate value, enhancement and reinforcement of equity capital.

After taking into consideration the broad range of factors according to the above dividend policy,

IHI decided to pay the year-end dividends per share of ¥40, increased by ¥10 from the dividend forecast previously announced.

As a result, the annual dividends per share for the fiscal year ended March 31, 2019 are ¥70, after added interim dividends of ¥30.

(Reference) Details of annual dividends per share

Record date	Dividends per share		
	Interim	Year-end	Annual
Fiscal year ended March 31, 2019	¥30	¥40	¥70
Fiscal year ended March 31, 2018	¥3	¥30	-

Note: IHI conducted a consolidation of common stock on a 10 for 1 basis on October 1, 2017.

Consequently, the impact of this consolidation of shares is factored into the year-end dividends per share for the fiscal year ended March 31, 2018 and a dash is presented for the annual dividends per share. The annual dividends per share for the fiscal year ended March 31, 2018 on a basis after the consolidation of shares were ¥60.00.