

(English Translation)

February 24, 2026

To whom it may concern,

IHI Corporation  
3-1-1 Toyosu, Koto-ku, Tokyo  
Hiroshi Ide, Representative Director,  
President, and Chief Executive Officer  
(Securities Code: 7013)  
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## **Notice Regarding Absorption-Type Merger (Simplified Merger) with Consolidated Subsidiary**

IHI Corporation (hereinafter “IHI”) hereby announces that it resolved at the Board of Directors meeting held today, to conduct an absorption-type merger (hereinafter, the “Merger”) with its consolidated subsidiary, IHI Segment Corporation (hereinafter, “IHI Segment”).

In addition, in connection with the Merger, IHI has also resolved to waive the claims it holds against IHI Segment. As the Merger is a simplified absorption-type merger involving a wholly owned subsidiary, certain disclosure items have been omitted.

### **1. Purpose of the Merger**

As announced in the “Notice Regarding the Transfer of Shares of IHI CONSTRUCTION MATERIALS Co., Ltd.” dated March 27, 2025, IHI has succeeded to the concrete construction materials business by transferring all shares of its consolidated subsidiary, IHI Construction Materials Co., Ltd. to Vertex Corporation. Following the completion of this share transfer, IHI will absorb IHI Segment, which holds the remaining assets, etc. of the construction materials business, thereby promoting efficient business operations as a group.

### **2. Summary of the Merger**

#### (1) Schedule (scheduled)

Approval of Absorption-Type Merger Agreement (IHI Segment)	February 24, 2026
Approval of Absorption-Type Merger Agreement (IHI)	February 24, 2026
Signing Date of Absorption-Type Merger Agreement	February 24, 2026
Effective Date of Merger	April 1, 2026

(Note) In accordance with Article 796, Paragraph 2 of the Companies Act, IHI will not seek approval of the absorption-type merger agreement at a General Meeting of Shareholders, as this is a simplified absorption-type merger.

(2) Method of Merger

The Merger will be conducted as an absorption-type merger, with IHI as the surviving company and IHI Segment as the absorbed company, which will be dissolved as a result.

Prior to the Merger, IHI plans to waive its claims against IHI Segment, thereby eliminating any merger losses before the Merger is executed.

Details of claims to be waived	:	Short-term loans
Amount of claims to be waived	:	Approximately 3.4 billion yen
Effective Date of waiver	:	March 31, 2026 (scheduled)

(3) Details of Allotment Related to the Merger

No shares or other consideration will be allotted to the shareholders of IHI Segment in connection with the Merger.

(4) Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights in Connection with the Merger

Not applicable.

### 3. Overview of the parties to the Merger

(1) Name	IHI Corporation (Surviving Company)	IHI Segment Corporation (Absorbed Company)
(2) Location	1-1, Toyosu 3-chome, Koto-ku, Tokyo	1-1, Toyosu 3-chome, Koto-ku, Tokyo
(3) Representative	Representative Director, President and CEO, Hiroshi Ide	Representative Director, President and CEO, Tadayuki Inoue
(4) Principal Business	Manufacture and sale of power systems, carbon solutions, nuclear energy, bridges and water gates, shield systems, vehicular turbochargers, parking, rotating machineries, heat treatment and surface engineering, logistics and industrial systems, civil aero engines, rocket systems and space utilization systems, defense systems, etc.	Real estate management, leasing, and maintenance
(5) Share Capital	107,165 million yen	30 million yen
(6) Date of Establishment	January 17, 1889	July 25, 2025
(7) Number of Issued Shares	1,082,759,678 shares (Note 1)	100 shares
(8) Fiscal Year End	March 31	March 31
(9) Major Shareholders and Their Shareholding Ratio (as of September 30, 2025)	(Note 2)	IHI 100%
(10) Financial Results (Most Recent Fiscal Year) (Unit: Millions of yen)	ended March 2025 (Consolidated/IFRS) Net Assets 508,660 Total Assets 2,240,392 Equity attributable to owners of parent per share 3,182.56 yen Revenue 1,626,831 Operating Profit 143,517 Profit 117,295 Profit attributable to owners of parent 112,740 Basic earnings per share 744.84 yen	There is no finalized last fiscal year.

(Note 1) Based on a resolution at the Board of Directors meeting held on August 6, 2025, IHI conducted a 7-for-1 split of the ordinary shares with an effective date of October 1, 2025. As a result, the total number of issued shares increased from 154,679,954 shares by 928,079,724 shares to 1,082,759,678 shares.

(Note 2) The Master Trust Bank of Japan (Holder in Trust)	:	16.06%
Custody Bank of Japan, Ltd. (Holder in Trust)	:	6.08%
JP MORGAN CHASE BANK 38563	:	4.39%
STATE STREET BANK AND TRUST COMPANY 505001	:	2.36%
STATE STREET BANK WEST CLIENT-TREATY 505234	:	2.07%

#### **4. Status after the Merger**

There will be no change in the name of IHI, head office location, representative's position and name, business content, capital, or fiscal year as a result of the Merger.

#### **5. Future Outlook**

As the Merger is a business reorganization between IHI and its wholly owned subsidiary, the impact on IHI's consolidated earnings forecast will be minor.

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**(Reference) Forecast of the consolidated results of the fiscal year ending March 31, 2026 (announced on February 10, 2026) and the consolidated results for the Fiscal Year ended March 31, 2025.**

International Financial Reporting Standards (IFRS)

(Unit: Millions of yen)

	Revenue	Operating Profit	Profit Before Tax	Profit Attributable to Owners of Parent	Basic Earnings per Share
Forecast of the consolidated results for the fiscal year ending March 31, 2026	1,640,000	160,000	145,000	125,000	117.49 yen
Consolidated results for the fiscal year ended March 31, 2025	1,626,831	143,517	138,488	112,740	744.84 yen