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Company name:	Mitsubishi Heavy Industries, Ltd.
Name of representative:	Seiji Izumisawa, President and CEO
Securities code:	7011
Listed on:	Tokyo, Nagoya, Fukuoka and Sapporo
Inquiries:	Takashi Inoue, General Manager of Investor Relations & Shareholders Relations Department

## **Notice Concerning Succession of Aero Engines Business for the Ministry of Defense from MHI's Group Company to MHI**

**TOKYO, Oct 23, 2024** – Mitsubishi Heavy Industries, Ltd. (hereinafter “MHI”) announced today that MHI has decided to succeed the aero engines business for the Ministry of Defense from Mitsubishi Heavy Industries Aero Engines, Ltd. (hereinafter “MHIAEL”), a group company of MHI, through an absorption-type company split.

### **1. Purpose of the company split**

MHIAEL's aircraft engine business for the Ministry of Defense will be transferred to Integrated Defense & Space Systems of MHI to respond to the expansion of our commercial aircraft engine business, which has been influenced by increasing global air passenger demand, and to the growing scale of our defense aircraft and missile systems business. The allocation of resources between the two businesses will be revised to establish an optimal business operations structure.

### **2. Overview of the company split**

#### **(1) Business of succession to MHI**

Design, manufacture, procurement, sales and after-sales servicing of aero engines for the Ministry of Defense.

#### **(2) Schedule**

Decision on absorption-type company split	October 23, 2024
Date of conclusion of the agreement	January 2025 (tentative)
Effective date of company split	April 1, 2025 (tentative)

Note : Since MHI is expected to implement a simplified absorption-type split, as set forth in Article 796, Paragraph 2 of the Companies Act of Japan, and MHIAEL is expected to implement a short-form absorption-type split as set forth in Article 784, Paragraph 1 of the same act, shareholder approval will not be required by either company.

### (3) Method of the company split

This will be a simplified absorption-type company split, with MHI as the successor company and MHIAEL as the splitting company.

### (4) Details of allotment related to the company split

MHI owns all shares of MHIAEL, the splitting company, and no money or other assets will be re-allocated upon this company split.

### (5) Others

Further details will be announced as soon as they are determined.

## 3. Profile of the parties of the company split

	Splitting company	Successor company
Company name	Mitsubishi Heavy Industries Aero Engines, Ltd.	Mitsubishi Heavy Industries, Ltd.
Head office	1200 Higashi-Tanaka, Komaki city, Aichi	3-2-3 Marunouchi, Chiyoda-ku, Tokyo
Representative	Masaki Ushida President & CEO	Seiji Izumisawa President & CEO
Summary of business	1. Design, manufacture, repair of aircraft engines, parts, components, and related machinery, and sales of parts and components 2. Design, manufacture, repair of gas turbines for power generation and mechanical drive, and related machinery, and sales of parts and components 3. All business operations relating to the preceding items	Major products and operations: Energy Systems, Plants & Infrastructure Systems, Logistics, Thermal & Drive Systems, Aircraft, Defense & Space
Established	July 1, 2014	January 11, 1950
Paid-in capital	6,000 million yen	265,608 million yen
Shares issued (as of September 30, 2024)	1,400 shares	3,373,647,810 shares
Book closing date	March 31	March 31
Major shareholders and shareholding ratio (as of September 30, 2024)	Mitsubishi Heavy Industries, Ltd. 100%	The Master Trust Bank of Japan, Ltd. (Trust Account) 15.0% Custody Bank of Japan, Ltd. (Trust Account) 5.6% Meiji Yasuda Life Insurance Company 2.4% STATE STREET BANK WEST CLIENT – TREATY 505234 1.9% SSBTC CLIENT OMNIBUS ACCOUNT 1.8%

Operating results for the most recent business year and financial positions as of the end of the business year (as of March 31, 2024)		
Net assets	35,233 million yen	1,162,795 million yen
Assets	273,287 million yen	3,480,317 million yen
Net assets per share	25.23 million yen	345.85 yen
Sales	137,264 million yen	1,729,653 million yen
Operating income (loss)	(4,813) million yen	73,578 million yen
Ordinary income	1,906 million yen	120,278 million yen
Net income	2,582 million yen	153,071 million yen
Net income per share	2.58 million yen	45.55 yen

Note: On April 1, 2024, MHI executed a ten-for-one stock split of its common shares. Net assets per share and net income per share are shown retroactively adjusted as though that the stock split was conducted at the beginning of FY2023.

#### 4. Outlook

The impact of the company split on the business results and forecasts of MHI (both non-consolidated and consolidated) are expected to be negligible.