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Name of representative:	Eisaku Ito, President and CEO
Securities code:	7011
Listed on:	Tokyo, Nagoya, Fukuoka and Sapporo
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Notice Regarding the Conclusion of a Basic Agreement Concerning the Transfer of Business to a Subsidiary via Company Split (Simplified Absorption-type Split) and the Transfer of Shares in Said Subsidiary

TOKYO, November 7, 2025 – Mitsubishi Heavy Industries, Ltd. (hereinafter “MHI”) announced today that MHI has decided to enter into and have executed a basic agreement (hereinafter referred to as the “Basic Agreement”) with Electric Power Development Co.,Ltd. (Securities Code: 9513) (hereinafter referred to as “J-POWER”) today. This Basic Agreement concerns commencing discussions regarding the transfer of all shares in the newly established company held by MHI to J-POWER, (hereinafter referred to as the “Share Transfer”, and the Company Split and Share Transfer collectively referred to as the “Transaction.”) following the succession of the business and other operations related to domestic onshore wind power generation facilities operated by MHI (Including engineering and after-sales services. However, certain continuing businesses, including a joint venture with Vestas Wind A/S of Denmark, are excluded.) (hereinafter referred to as the “Target Business”) to a preparatory company newly established by MHI as a wholly-owned subsidiary (hereinafter referred to as the “Newly Established Company”) through a corporate split (simplified absorption-type split) (hereinafter referred to as the “Company Split”).

Going forward, once both companies agree on the terms of the Transaction, we will execute a legally binding definitive agreement (hereinafter referred to as the “Definitive Agreement”) pertaining to the Transaction and aim to execute the Transaction by April 1, 2026.

Please note that certain disclosure items and details have been omitted since the Company Split is a simplified absorption-type split whereby the Target Business is transferred to a wholly-owned subsidiary of MHI.

1. Purpose of this Transaction

Since initiating the manufacturing of large-scale wind turbines domestically in the 1980s, MHI has accumulated more than 40 years of extensive knowledge and expertise in wind turbine technology. To date, MHI has delivered over 4,200 turbines to 11 countries worldwide, primarily in North America and Japan, and has contributed to the development of the Target Business through the provision of after-sales services and other support.

In recent years, as global efforts to realize a decarbonized society accelerate, MHI recognizes that the

importance of personnel possessing the experience and know-how cultivated by MHI over many years in the Target Business areas is increasing significantly, even within Japan.

After careful consideration of the medium-to-long-term direction of the Target Business, MHI has selected J-POWER as a partner capable of inheriting our valuable personnel and maximizing their experience and know-how to achieve further business growth. J-POWER positions the Target Business area as one of its core businesses and is actively pursuing its expansion. We have reached a basic agreement to proceed with negotiations toward concluding the Definitive Agreement.

2. Summary of the Company Split

(1) Schedule for the Company Split and Share Transfer

Date of Signing the Basic Agreement	November 7, 2025
Date of Establishment of the Newly Established Company	To be determined
Date of Signing the Definitive Agreement	Around the end of January 2026 (planned)
Effective Date of the Company Split	April 1, 2026 (planned)
Execution Date of the Share Transfer	April 1, 2026 (planned)

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

(Note 2) The above schedule may be changed upon mutual agreement between the two companies if necessary due to procedural requirements related to this transaction or other reasons.

(2) Method of the Company Split

MHI is considering an absorption-type split (simplified absorption-type split) where MHI is the split company and the newly established company is the successor company.

(3) Details of Allotment Related to the Company Split

As the Company Split is being conducted between MHI and its wholly-owned subsidiary, no delivery of shares or other monetary consideration will be made from the newly established company to MHI as a result of the Company Split.

(4) Other

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

3. Overview of the Companies Involved in the Company Split

	Splitting Company		Successor Company (Newly Established Company)	
(1) Company name	Mitsubishi Heavy Industries, Ltd.		To be determined	
(2) Head office	3-2-3, Marunouchi, Chiyoda-ku, Tokyo		To be determined	
(3) Representative	Eisaku Ito, President & CEO		To be determined	
(4) Summary of business	Major products and operations: Energy Systems, Plants & Infrastructure Systems, Logistics, Thermal & Drive Systems, Aircraft, Defense & Space		Engineering services related to wind power project development, and maintenance and operation of wind power plants	
(5) Paid-in capital	265,608 million yen		To be determined	
(6) Established	January 11, 1950		To be determined	
(7) Shares issued (as of March 31, 2025)	3,373,647,810 shares		To be determined	
(8) Book closing date	March 31		To be determined	
(9) Major shareholders and shareholding ratio (as of March 31, 2025)	The Master Trust Bank of Japan, Ltd. (Trust Account)	15.70%	Mitsubishi Heavy Industries, Ltd.	100.0%
	Custody Bank of Japan, Ltd. (Trust Account)	5.59%		
	STATE STREET BANK AND TRUST COMPANY 505001	2.64%		
	Meiji Yasuda Life Insurance Company	2.37%		
	STATE STREET BANK WEST CLIENT – TREATY 505234	1.92%		
(10) Consolidated Financial Results and Financial Position for the Last Three Years (Note 1) (Note 2)				
Fiscal year	Mitsubishi Heavy Industries, Ltd.			
	FY2022	FY2023	FY2024	
Total equity	1,833,984 million yen	2,360,654 million yen	2,469,823 million yen	
Total assets	5,474,812 million yen	6,256,259 million yen	6,658,924 million yen	
Equity attributable to owners of the parent per share	518.31 yen	667.86 yen	698.91 yen	
Revenue	4,202,797 million yen	4,657,147 million yen	5,027,176 million yen	
Profit from business activities	193,324 million yen	282,541 million yen	383,198 million yen	
Profit before income taxes	191,126 million yen	315,187 million yen	374,531 million yen	
Profit attributable to owners of the parent	130,451 million yen	222,023 million yen	245,447 million yen	
Earnings per share attributable to owners of the parent	38.84 yen	66.07 yen	73.04 yen	

(Note 1) On April 1, 2024, MHI executed a ten-for-one stock split of its common shares. Equity attributable to owners of the parent per share and earnings per share attributable to owners of the parent are shown retroactively adjusted as though that the stock split was conducted at the beginning of FY2022.

(Note 2) As the newly established company is scheduled to be incorporated in the future, there are no operating results or financial position to disclose.

4. Overview of the Target Business

(1) Business Description

Maintenance and operation of wind power plants, and engineering services related to wind power project development

(2) Operating Results

The Target Business's sales for the immediately preceding fiscal year (ending March 2025) were ¥3 billion.

(3) Items and Amounts of Assets and Liabilities to be Split

Details of the assets and liabilities to be split will be determined through discussions between the parties prior to the execution of the Definitive Agreement.

5. Status After the Company Split

The names, locations, titles and names of representatives, business activities, paid-in capital, and fiscal year-ends of MHI and the newly established company after the Company Split are as described in “3. Overview of the Companies Involved in the Company Split.”

6. Summary of the Share Transfer

(1) Overview of the Newly Established Company Involved in the Transfer

Please refer to “3. Overview of the Companies Involved in the Company Split.”

(2) Overview of the Counterparty to the Share Transfer (as of March 31, 2025)

Company name	Electric Power Development Co.,Ltd.	
Head office	6-15-1, Ginza, Chuo-ku, Tokyo	
Representative	Hitoshi Kanno, Representative Director President and Chief Executive Officer	
Summary of business	Electric power business, etc.	
Paid-in capital	180,502 million yen	
Established	September 16, 1952	
Total net assets (consolidated)	1,463,502 million yen	
Total assets (consolidated)	3,668,740 million yen	
Major shareholders and shareholding ratio	The Master Trust Bank of Japan, Ltd. (Trust Account)	12.34%
	Custody Bank of Japan, Ltd. (Trust Account)	5.59%
	Nippon Life Insurance Company	5.00%
	J-POWER Employees Shareholding Association	2.82%
	Mizuho Bank, Ltd.	2.25%
Relationship Between MHI and the Relevant Company	Capital Relationship	As of today, MHI owns 626,960 shares of J-POWER stock (ownership ratio: 0.34%), and J-POWER owns 4,082,000 shares of MHI stock (ownership ratio: 0.12%).

	Personnel Relationship	None applicable.
	Transaction Relationship	MHI and the relevant company have a business transaction relationship.
	Status as a Related Party	None applicable.

(3) Number of Shares Transferred and Shareholding Status Before and After Transfer

Number of shares held prior to transfer	To be determined (Voting rights ownership ratio: 100.0%)
Number of shares transferred	All issued shares
Number of shares held after transfer	0 shares (Voting rights ownership ratio: 0.0%)

(Note) The transfer price is undisclosed due to confidentiality obligations between the parties.

(4) Schedule for the Share Transfer

Please refer to “(1) Schedule for the Company Split and Share Transfer” in “2. Summary of the Company Split.”

7. Future Outlook

The impact of this transaction on MHI's performance will be minimal for both consolidated and non-consolidated results.

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