



INDUSTRIAL INFRASTRUCTURE GROUP

OUR VISION

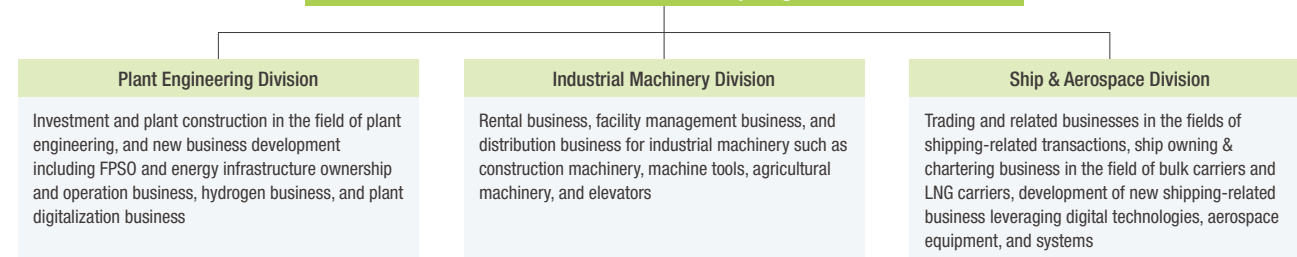
Our Group operates diverse business models based on strong ties with various partners in a wide range of industries. We aim to achieve sustainable growth together with customers by offering solutions, including those related to digitalization and mitigation of environmental impact, to meet our customers' needs in various industries, and by building and expanding new industrial and social infrastructure platforms.

Aiichiro Matsunaga

Executive Vice President
Group CEO,
Industrial Infrastructure Group



Industrial Infrastructure Group Organization



Risks and Opportunities in Light of Changes in the External Environment

Risks	Opportunities
<ul style="list-style-type: none"> Necessity of innovation in existing businesses through the expansion of digital technologies, and its acceleration Decline in demand for fossil fuel-related plants due to low-carbon/decarbonized societies 	<ul style="list-style-type: none"> Increasing needs related to reducing workforce and greater efficiency in light of a shortage of human resources in each industry Increasing opportunities for innovation in business, including switching to sharing businesses Provision of digital solutions based on industry and customer needs Creation of new businesses in areas such as hydrogen, ammonia, and carbon cycling

Strengths of the Industrial Infrastructure Group

- A foundation for conceiving new businesses that leverage our ownership of numerous business models
- Extensive connections with a broad range of industries contributing to new initiatives that go beyond the framework of existing businesses
- Strong relationships of trust with excellent partners in different areas of business

Elements of the Midterm Corporate Strategy 2021

In the fields of plant engineering, industrial machinery, and ship and aerospace, we will further grow our existing businesses while actively undertaking new business development in adjacent industries. We have set support for the revitalization of the Chiyoda Corporation as our greatest mission, and will back up the company in terms of execution skills through our risk management capabilities and our management professionals, which will contribute to its revitalization.

Progress for the fiscal year ended March 31, 2021

Existing businesses:

- Plant Engineering Division:** We have created new business to steadily support the revitalization of Chiyoda Corporation by reinforcing its corporate and risk management structure, and worked to create new businesses related to EX and DX.
- Industrial Machinery Division:** We have further strengthened and upgraded the rental business and the distribution business for industrial machinery.
- Ship & Aerospace Division:** We have stabilized the ship owning & chartering business.

New business: Leveraging our contact points with diverse industries, we have developed a facility management business, solutions-oriented business leveraging digital technologies, and other businesses in response to a broad range of customer needs. We have also assessed trends in low-carbon/decarbonized societies to advance initiatives in the hydrogen business, the electric vessel business, and other businesses.

EQUITY IN EARNINGS FROM MAJOR GROUP COMPANIES

(Unit: billions of yen)

	Ownership (%)	2017/3	2018/3	2019/3	2020/3	2021/3
1 Chiyoda Corporation*	33.57	-13.1	2.1	-53.7	4.1	2.7
2 NIKKEN CORPORATION	100.00	5.6	5.0	5.1	7.4	4.0
3 Mitsubishi Corporation Technos	100.00	1.3	1.1	1.7	1.5	0.6
4 MSK Farm Machinery Corporation	100.00	0.9	1.0	0.9	1.1	1.3

*From the fiscal year ended March 31, 2018, figures have been adjusted to include certain consolidated adjustments regarding significant transactions during the lag period which is reflected in individual financial results of the company for the fiscal year ended March 31, 2018.

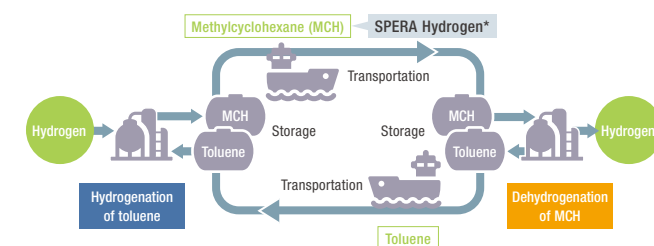
BUSINESS OVERVIEW OF THE INDUSTRIAL INFRASTRUCTURE GROUP

Achieving a Sustainable Hydrogen Economy in Singapore

In 2020, MC entered into a memorandum of understanding with five local companies* in Singapore and with our affiliate Chiyoda Corporation on the joint development of a sustainable hydrogen economy in Singapore.

The seven companies are now evaluating the technical and commercial feasibility of hydrogen, in which Chiyoda's SPERA Hydrogen technology could play an important role. In business involving the hydrogen supply chain, we will provide steady assistance for Chiyoda's revitalization, will jointly promote the business not only as a pillar of growth strategy, but also as an area of focus for our Company, and will work toward preserving the natural environment and developing sustainable societies by expanding the business globally from its start in Singapore.

*City Gas Pte Ltd, Jurong Port Pte Ltd, PSA Corporation Limited, Sembcorp Industries Ltd., Singapore LNG Corporation Pte Ltd



Promotion of the Facility Management Business

In 2020, MC formed a capital and business alliance with SOHGO SECURITY SERVICES CO., LTD. (ALSOK) and Network Corporation (NWC) to launch a facility management (FM)* business. This partnership combines MC's collective capabilities with ALSOK's FM operational prowess and NWC's IoT technologies to provide high value-added management services that enable the "smart" evolution of buildings and other facilities as well as greater maintenance optimization, energy conservation, and automation. Through this business, MC will address DX challenges in the FM market, which is suffering from labor shortages, and help solve social and environmental issues.

*Facility management: Comprehensive management of land, buildings, structures, and other equipment or property, encompassing facility planning, operations, and utilization.



Social and Industrial Digital Infrastructure Business in Turkey

Together with Calik Holding (CH), a leading Turkish conglomerate, we are accelerating our efforts at leveraging digital technologies for new projects that will serve as social and industrial infrastructure. As part of this initiative, in 2020 we launched Workindo.com featuring a matching service between construction companies and workers, as a means of boosting DX in the Turkish construction industry. Moreover, in collaboration with Hitachi Europe Limited (a European subsidiary of Hitachi, Ltd.) and Aktif Bank (a core group company of the CH conglomerate), we are performing a feasibility study to assess the effectiveness and potential applications of a biometric authentication platform in Turkey. Through these efforts, we are working to create new infrastructure businesses that will contribute to the resolution of issues in society and in our related industries.

