

January 26, 2026

Company: Sumitomo Heavy Industries
Material Handling Systems Co., Ltd.
Representative: Shinya Saitoh, President
and CEO
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Notice Regarding the Succession of the Company's Parking System Business.

As announced today by the Company's holding company, Sumitomo Heavy Industries, Ltd. (hereinafter "SHI"), the Company hereby announces that it has entered into a basic agreement with IHI Transport Machinery Co., Ltd. (hereinafter "IHI Transport Machinery") on January 26, 2026 regarding the succession of the Company's parking system business (the details of the business are as described in 4. (1); hereinafter the "Subject Business") to IHI Transport Machinery through a company split.

1. Background and Purpose of the Company Split

The SHI Group is promoting optimal allocation of management resources with the aim of achieving sustainable growth in corporate value through portfolio reform based on its Medium-Term Management Plan 2026. Based on this group strategy, the Company operates three businesses—material handling system, logistics system, and parking system—as a comprehensive material handling solutions provider supporting social infrastructure.

The Company's parking system was launched in 1990 and has built a strong reputation for its puzzle parking systems—which feature proprietary technology—as well as its advanced service capabilities. To date, numerous such systems have been installed primarily in urban office buildings, condominiums, and commercial facilities, with ongoing daily services ensuring their reliable operation. To respond to changes in the future business environment and continue to provide customers with value that exceeds their expectations, the Company needs to establish a framework to further enhance the product quality and services it has developed to date. In addition, the Company considers it important to secure stable and continuous growth opportunities through these efforts.

IHI Transport Machinery, the successor, is a leading company in the parking system industry and is committed to creating further value under its management vision of "driving social transformation through outstanding engineering capabilities, with the aim of realizing a safe, secure, and comfortable urban mobility society."

The Company has determined that the succession of the Subject Business to IHI Transport Machinery through an absorption-type company split, in order to build an optimal business environment for both the Company and IHI Transport Machinery, is the best option for the growth of the Subject Business and of the employees. Accordingly, the two companies have entered into the basic agreement.

2. Outline of the Company Split

(1) Schedule of the split

Date of conclusion of the basic agreement concerning the absorption-type company split:	January 26, 2026
Date of conclusion of the absorption-type company split agreement:	March 31, 2026 (scheduled)
Effective date of the absorption-type company split:	November 1, 2026 (scheduled)

(2) Split method

The split will take the form of an absorption-type company split, with the Company as the splitting company and IHI Transport Machinery as the succeeding company. Since this split qualifies as a simplified split under Article 784, paragraph (2) of the Companies Act, the Company will implement the absorption-type company split without obtaining approval at a general meeting of shareholders.

(3) Details of allotment related to the split

The details of allotment related to the split will not be disclosed due to a non-disclosure agreement.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights in connection with the split

The Company has not issued any stock acquisition rights or bonds with stock acquisition rights.

(5) Capital increase or decrease resulting from the split

There will be no increase or decrease in capital as a result of the split.

(6) Rights and obligations to be assumed by the succeeding company

IHI Transport Machinery will succeed to the assets, liabilities, contracts and other rights and obligations related to the Subject Business as of the effective date of the absorption-type company split, within the scope specified in the absorption-type company split agreement.

(7) Prospects for fulfillment of financial obligations

The Company has determined that IHI Transport Machinery has no issues with its ability to fulfill the financial obligations it will assume in the company split.

3. Outline of the Parties

	Splitting Company	Succeeding Company
(1) Name	Sumitomo Heavy Industries Material Handling Systems Co., Ltd.	IHI Transport Machinery Co., Ltd.
(2) Location	1-1-1 Nishi-Shinagawa, Shinagawa-ku, Tokyo	8-1 Akashi-cho, Chuo-ku, Tokyo
(3) Representative	Shinya Saitoh	Masao Akamatsu
(4) Description of business	Design, manufacture, installation, and sale of integrated facilities, peripheral equipment, and parts related to material handling systems, logistics machinery, and parking systems, as well as modification, repair, inspection, testing, adjustment, and maintenance services for such facilities, equipment, and parts	Planning, development, design, manufacture, sales, lease, installation, maintenance, remodeling, and management services of parking systems.
(5) Capital	JPY 480 million	JPY 2,647 million
(6) Date of establishment	April 1, 1978	April 2, 1973
(7) Number of issued shares	11,601	41
(8) Major shareholders and shareholding ratio	Sumitomo Heavy Industries, Ltd. (100%)	IHI Corporation (100%)
(9) Operating results and financial position for the immediately preceding fiscal year (Company: FYE December 2024; IHI Transport Machinery: FYE March 2025)		
Net assets	JPY 30,711 million	JPY 21,667 million
Total assets	JPY 49,811 million	JPY 58,130 million
Net assets per share	JPY 3 million	JPY 528 million
Net sales	JPY 49,877 million	JPY 82,381 million
Operating profit	JPY 5,452 million	JPY 5,472 million
Ordinary profit	JPY 5,140 million	JPY 5,767 million
Net profit attributable to owners of parent	JPY 3,874 million	JPY 4,946 million
Current net profit per share	JPY 0.3 million	JPY 120 million

4. Overview of the Subject Business

(1) Description of business

Development, design, manufacture, sale, installation, inspection, maintenance, and repair of parking systems (excluding any businesses conducted by the Company involving the manufacture and assembly of products for parking systems immediately prior to the effective date of the absorption-type company split)

Inspection, maintenance, and repair of moving walkways

(2) Consolidated operating results of the business subject to the split (FYE December 2024)

Net sales: JPY 7,090 million

(3) Items and book values of assets and liabilities subject to the split

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	JPY 6,343 million	Current liabilities	JPY 2,366 million
Non-current assets	JPY 364 million	Non-current liabilities	JPY 128 million
Total	JPY 6,707 million	Total	JPY 2,494 million

5. Status Following the Company Split

This absorption-type company split will not result in any changes to the Company's name, location, representative's title and name, business line, capital and fiscal year-end.

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