



May 29, 2025

To whom it may concern:

Company: Sumitomo Heavy Industries, Ltd.
Representative: Shinji Shimomura, President and CEO
(Securities code: 6302 TSE Prime)
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Notice of Merger of Consolidated Subsidiaries

Sumitomo Heavy Industries, Ltd. (hereinafter referred to as the “Company”) hereby announces that our Board of Directors has resolved today to merge our wholly owned subsidiaries, Sumitomo Heavy Industries Himatex Co., Ltd. and Sumitomo Heavy Industries Finetech, Ltd. effective January 1, 2026. As this merger is a simple absorption-type merger of the consolidated subsidiaries, some of the items and details for disclosure have been omitted.

Particulars

1. Aims of the Merger

The Sumitomo Heavy Industries Group has introduced a segmentation system starting in FY2023 to promote the reform of its business portfolio by streamlining business operations and growing new core businesses.

As part of this reform process, Sumitomo Heavy Industries Himatex Co., Ltd. and Sumitomo Heavy Industries Finetech, Ltd. will be merged into the Industrial Equipment Div. of the Company as a restructuring measure to optimize management resources in the metal processing business field of the Industrial Machinery segment.

2. Overview of the Merger

(1) Schedule of the Merger

May 29, 2025: Board of Directors meeting to approve the merger agreement

May 29, 2025: Conclusion of the merger agreement

January 1, 2026: Scheduled date of merger (effective date)

*Since this merger is a simplified merger as stipulated in Article 796, Paragraph 2 of the Companies Act and a short-form merger as stipulated in Article 784, Paragraph 1 of the Companies Act, it will be conducted without obtaining the approval of the general meeting of stockholders of the surviving and absorbed companies concerning the merger agreement.

(2) Form of the Merger

The merger will be an absorption-type merger with the Company becoming the surviving company, while Sumitomo Heavy Industries Himatex Co., Ltd. and Sumitomo Heavy Industries Finetech, Ltd. are due to be dissolved.

(3) Details of Allotment in Relation to the Merger

The merger is with wholly owned subsidiaries, henceforth no new shares will be issued or money granted.

(4) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights in

Connection with the Merger

There are no applicable items.

3. Outline of the Parties to the Merger (as of December 31, 2024)

(1) Trade name	Sumitomo Heavy Industries, Ltd. (Surviving company)	Sumitomo Heavy Industries Himatex Co., Ltd. (Absorbed company)	Sumitomo Heavy Industries Finetech, Ltd. (Absorbed company)
(2) Description of business	Manufacture and sales of various types of industrial machinery, from general industrial machinery to precision control machinery	Manufacture and sales of cast iron & steel rolls for hot rolling and chain	Design, manufacture, installation, sales, repair, and import/export of machine tools (grinding machines), coolant systems, and precision components
(3) Date of establishment	November 1, 1934	April 1, 1980	October 1, 2000
(4) Location of head office	2-1-1 Osaki, Shinagawa-ku, Tokyo	5-2 Soubiraki-cho, Niihama-shi, Ehime Prefecture	8230 Tamashima Otoshima, Kurashiki-shi, Okayama Prefecture
(5) Representatives	Shinji Shimomura, Representative Director	Takaaki Kido, Representative Director	Ryuji Kogawa, Representative Director
(6) Capital	JPY 30,872 million	JPY 310 million	JPY 300 million
(7) Number of issued shares	122,905,481	6,200	6,000
(8) End of fiscal year	December 31	December 31	December 31
(9) Number of employees	25,337	129	117
(10) Major shareholders and shareholding ratio	The Master Trust Bank of Japan, Ltd. (trust account) 17.5% Custody Bank of Japan, Ltd. (trust account) 7.8% NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST 6.2% Sumitomo Life Insurance Company 3.6% NORTHERN TRUST CO. (AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS 3.2%	Sumitomo Heavy Industries, Ltd. 100%	Sumitomo Heavy Industries, Ltd. 100%
(11) Financial position and operating results for the immediately preceding fiscal year (FYE December 2024)			
Total net assets	JPY 646,418 million (consolidated)	JPY 3,086 million	JPY 2,729 million

Total assets	JPY 1,260,242 million (consolidated)	JPY 6,426 million	JPY 3,791 million
Net assets per share	JPY 5,331.01 (consolidated)	JPY 497,801	JPY 454,912
Net sales	JPY 1,071,126 million (consolidated)	JPY 5,039 million	JPY 3,505 million
Operating profit	JPY 55,103 million (consolidated)	JPY 526 million	(JPY 36 million)
Ordinary profit	JPY 49,184 million (consolidated)	JPY 470 million	(JPY 56 million)
Current net profit	JPY 7,721 million (consolidated)	JPY 349 million	(JPY 32 million)
Current net profit per share	JPY 63.86 (consolidated)	JPY 56,321	(JPY 5,395)

4. Post-merger Status

No changes shall be made to the Company's trade name, address, representative's position or name, description of business, share capital or fiscal year end as a result of this merger.

5. Impact on Earnings Results

Since this merger is with consolidated subsidiaries of the Company, there will be no impact on the Company's consolidated earnings results.

End