

Notice Concerning Simplified Absorption-Type Company Split of the Data Center Business into a Subsidiary

OBAYASHI CORPORATION (hereinafter referred to as the “Company”) hereby announces that it has resolved, at a meeting of the Board of Directors held on November 11, 2024, to establish “(Tentative name) MiTASUN Inc.” (hereinafter referred to as the “MiTASUN”) and transfer its data center business by way of a company split (hereinafter referred to as the “Company Split,”) with an effective date of April 1, 2025 (scheduled), as described below.

Since the Company Split is a simplified absorption-type company split, to which Article 784, Paragraph 2 of the Japanese Companies Act applies for the Company, part of the disclosure matters are omitted in this announcement.

1. Purposes of the establishment of the subsidiary and the Company Split

Under the Obayashi Group Medium-Term Business Plan 2022 strategy to expand business portfolio for sustainable growth, the Company has been making efforts to acquire new profit opportunities through active investments by leveraging strengths in technologies and networks cultivated in various business fields.

The Company has technologies and know-how cultivated in the construction business, as well as networks and expertise in the real estate development business. It will renovate or reconstruct existing buildings with chronic vacancy caused by ample supply of large office buildings into data centers with medium-power consumption to create new values for cities and enrich social infrastructure.

The Company will establish a data center operating company, MiTASUN, in November 2024 and will transfer the Company’s assets and rights to MiTASUN through the Company Split, enabling more flexible business development and efficient group management.

2. Summary of the Company Split

(1) Timetable for the Company Split

Date of resolutions at the meeting of the Board of Directors:	November 11, 2024
Date of conclusion of the agreement:	Mid-December 2024 (Scheduled)
Commencement date (Effective date):	April 1, 2025 (Scheduled)

* The Company and MiTASUN will conduct Company Split without the approval of a General Meeting of Shareholders since the Company Split falls under simplified absorption-type company split as provided under Article 784, Paragraph 2, and informal absorption-type company split as provided in Article 796, Paragraph 1 of the Japanese Companies Act respectively.

(2) Form of the Company Split

The Company Split is a simplified absorption-type company split, by which the Company shall be the splitting company and MiTASUN shall be the succeeding company.

(3) Details of allotment related to the Company Split

Since the Company Split is by and between the Company and its wholly-owned subsidiary, the Company will not allocate any shares or deliver any other consideration upon splitting.

(4) Handing of share acquisition rights and bonds with share acquisition rights in connection with the Company Split

Not applicable; the Company has not issued share acquisition rights or bonds with share acquisition rights.

(5) Increase or decrease in share capital due to the Company Split

There will be no change in the share capital of the Company as a result of the Company Split.

(6) Rights and obligations to be transferred to the succeeding company

MiTASUN will succeed from the Company assets, liabilities, contractual status, and other rights and obligations that are necessary for transferred business operations as a result of the Company Split.

(7) Prospects of fulfillment of obligations

The Company believes that there will be no issues concerning fulfilling the obligations to be borne by the Company and MiTASUN upon the Company Split.

3. Overview of the companies involved in the Company Split (as of March 31, 2024)

	Splitting company		Succeeding company (not established yet)	
(1) Name	Obayashi Corporation		(Tentative name) MiTASUN Inc.	
(2) Location	2-15-2 Konan, Minato-ku, Tokyo		3-12-14 Mita, Minato-ku, Tokyo	
(3) Job title and name of representative	Kenji Hasuwa President and CEO, Representative Director		Akinori Tsunawaki President, Representative Director	
(4) Description of business	General construction business		Data center business	
(5) Share capital	57,752 million yen		495 million yen	
(6) Date of establishment	December 19, 1936		Late November 2024 (scheduled)	
(7) Number of issued shares	721,509,646 shares		19,800 shares	
(8) Fiscal year-end	March 31		March 31	
(9) Major shareholders and shareholding ratios	The Master Trust Bank of Japan, Ltd. (Trust Account)	17.31%	Obayashi Corporation	100%
	Custody Bank of Japan, Ltd. (Trust Account)	10.94%		
	Nippon Life Insurance Company	2.91%		
	STATE STREET BANK AND TRUST COMPANY 505001 (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	2.80%		
	Takeo Obayashi	2.36%		
	STATE STREET BANK WEST CLIENT – TREATY 505234 (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	2.11%		
	Obayashi Group Employee Shareholding Association	1.84%		
	JPMorgan Securities Japan Co., Ltd.	1.62%		
	JP MORGAN CHASE BANK 385781 (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	1.29%		
	Sumitomo Realty & Development Co., Ltd.	1.28%		
(10) Operating results and financial positions	Fiscal year ended in March 2024 (Consolidated)		(Note)	

Net assets	1,194,810 million yen	—
Total assets	3,017,047 million yen	—
Net assets per share	1,606.18 yen	—
Net sales	2,325,162 million yen	—
Operating income	79,381 million yen	—
Ordinary income	91,515 million yen	—
Profit attributable to owners of parent	75,059 million yen	—
Profit attributable to owners of parent per share	104.69 yen	—

(Note) Since the succeeding company is scheduled to be established in November 2024, no data is available concerning the company's financial conditions and operating results for the fiscal year closed.

4. Overview of the business to be split

(1) Description of the business to be split: Data center business

(2) Items and book value of assets and liabilities to be split (as of September 30, 2024)

Assets		Liabilities	
Item	Book value	Item	Book value
Current assets	303 million yen	Current liabilities	35 million yen
Fixed assets	18,179 million yen	Fixed liabilities	168 million yen
Total	18,483 million yen	Total	203 million yen

5. Status after the Company Split

There will be no change in the name, location, description of business, share capital, or fiscal year period of the Company and MiTASUN as a result of the Company Split.

6. Future outlook

The impact of the Company Split on the Company's consolidated business results is minimal.

Disclaimer:

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