

Nuclear Energy Business



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IHI Corporation

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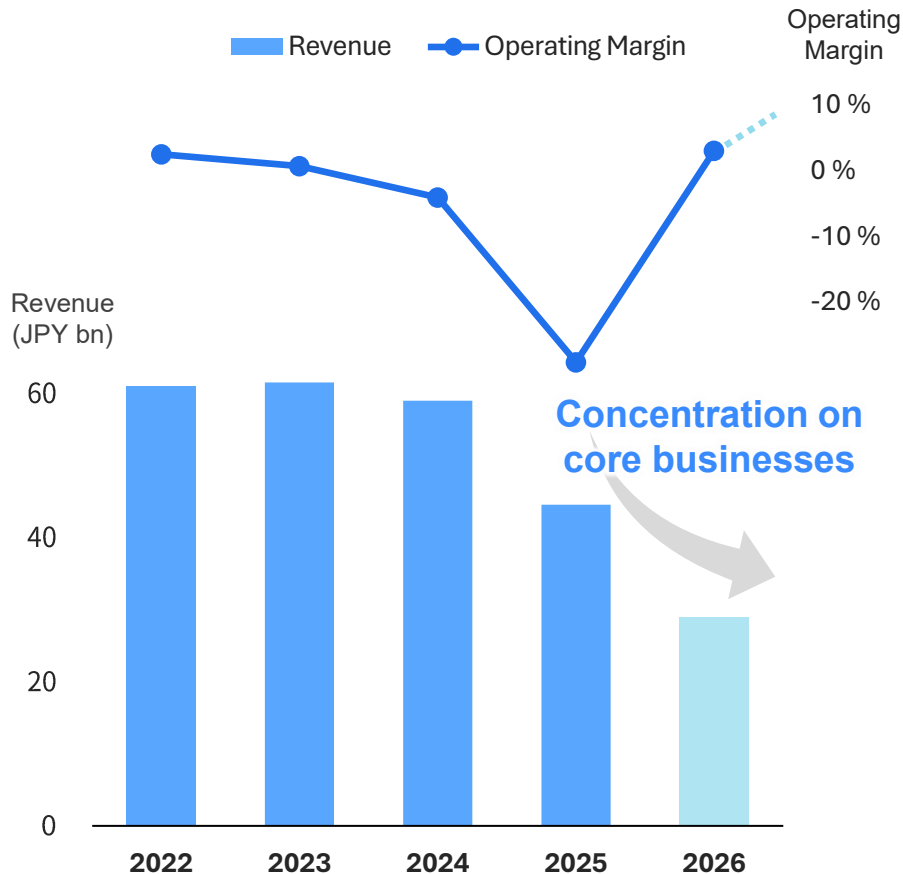
Key Messages for Today

- **Progress of Structural Reforms (Overseas Subsidiaries in Energy Segment)**
 - ✓ Executing structural reforms for overseas subsidiaries.
 - ✓ Continuous transformation of remaining non-core businesses to concentrate resources on Core Businesses.
- **Nuclear Energy Business**
 - ✓ Contributing to domestic nuclear plant utilization through initiatives in domestic nuclear plant restarts and reprocessing.
 - ✓ Realize top-line growth by capturing new nuclear plant construction in overseas.

IHI will complete the structural reforms of remaining overseas subsidiary in Energy Segment during FY2026

Overseas Subsidiaries Revenue / Operating Margin

Stabilizing trend from FY2026 onward following project rationalization under structural reforms



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Progress of the Structural Reforms

Focusing resources on core businesses by restructuring non-core operations.

- ✓ **Divestiture of Energy O&M business in North America**
- ✓ **Right-sizing of Energy Management business in North America**
- ✓ **Withdrawal from Biomass fuel business in Southeast Asia**

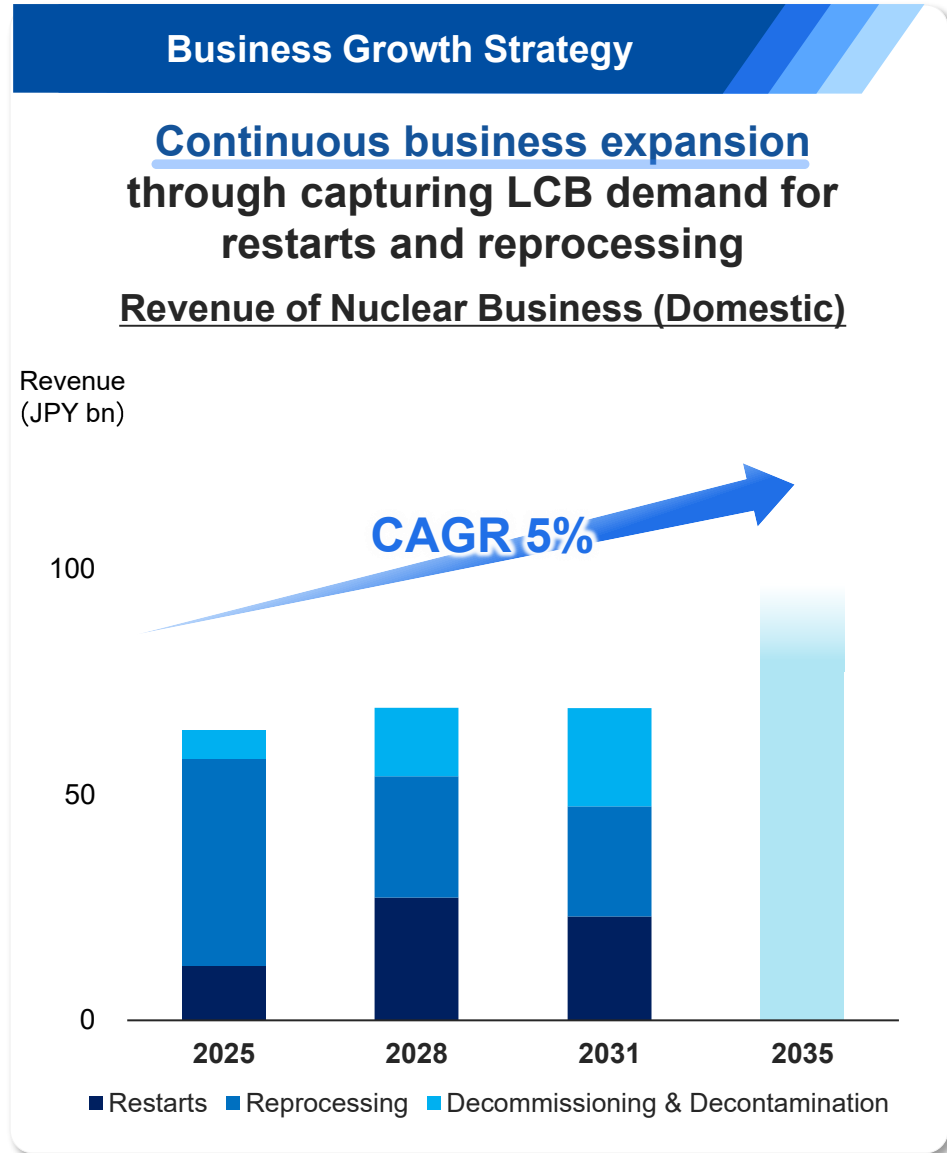
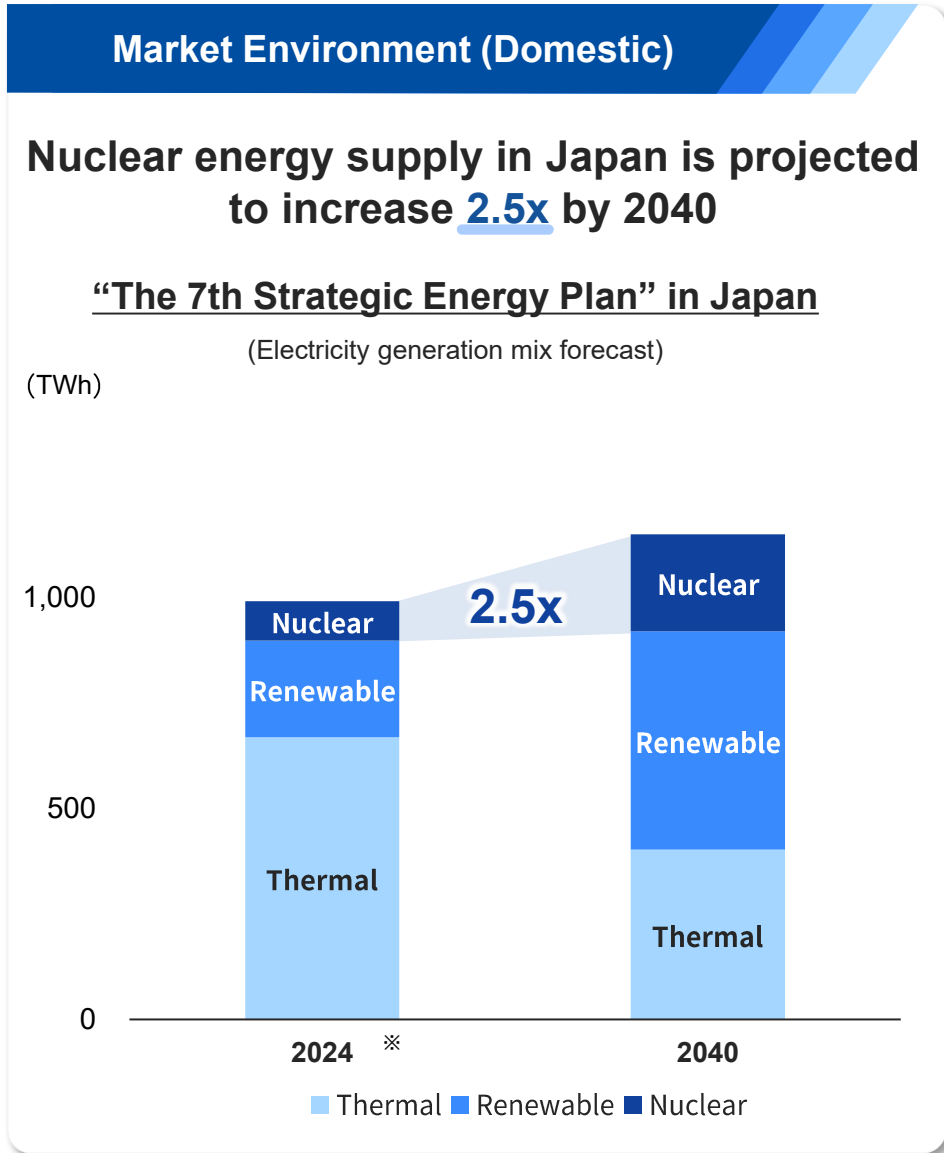
Transforming Remaining Non-Core Businesses

Steinmüller Engineering GmbH

- ✓ **Completed project cost reviews for backlogs**
- ✓ **Considering all options, including business restructuring**

Nuclear Energy Business

IHI aims for continuous business expansion in the domestic nuclear market by capturing on the trends of energy security and decarbonization.

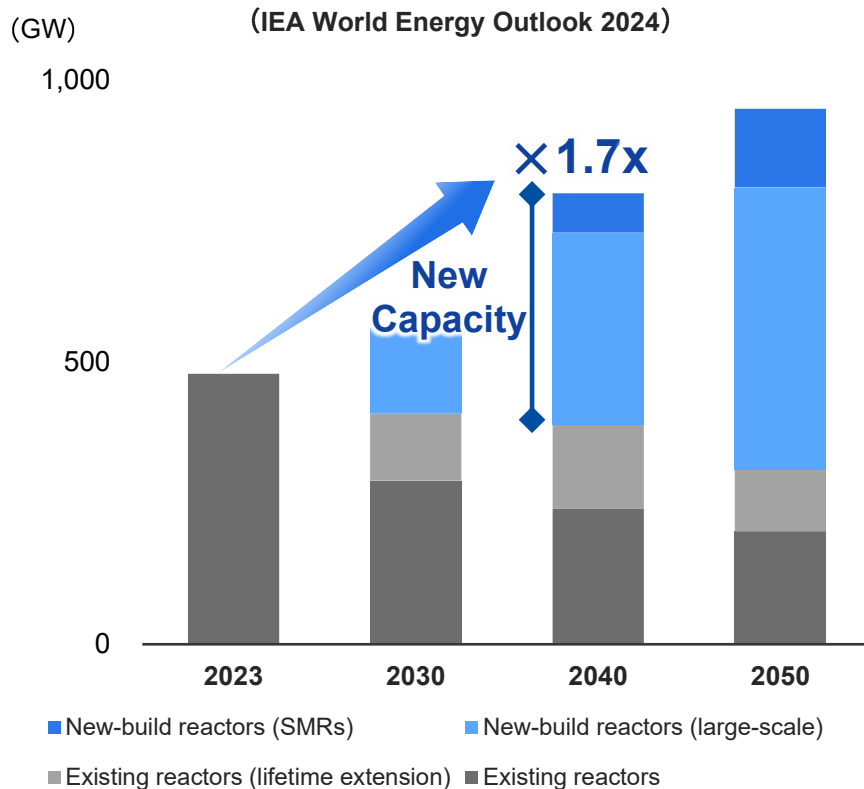


IHI will accelerate business growth in the overseas nuclear sector by capturing increasing global electricity demand

Market Environment (Overseas)

Global nuclear supply is expected to grow **1.7x by 2040**, requiring **over 400GW of new capacity**

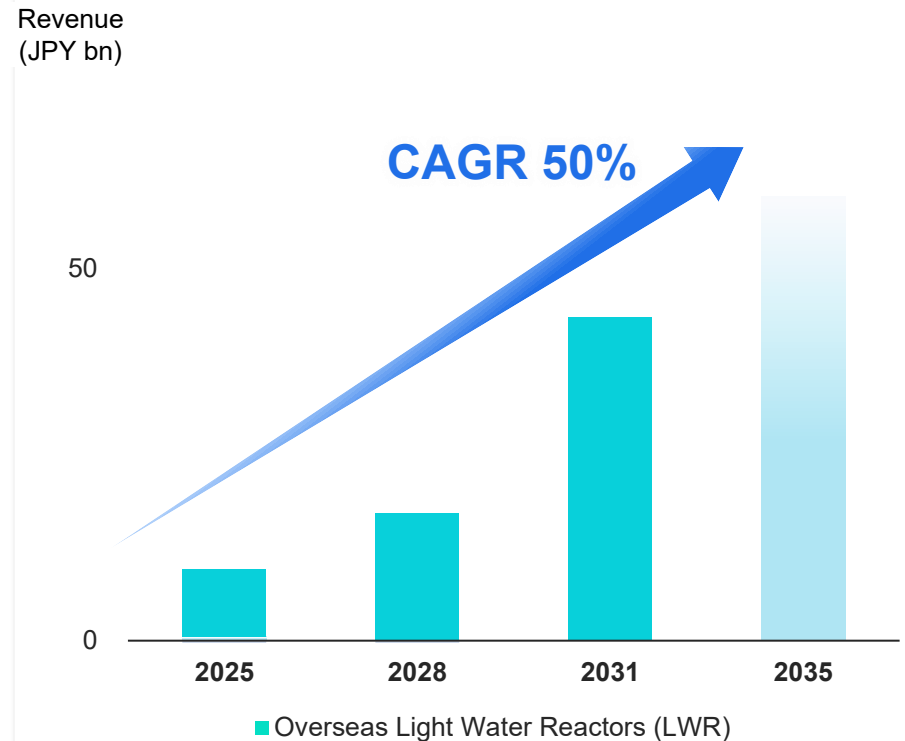
Global nuclear installed capacity outlook



Business Growth Strategy

Achieve **top-line growth** driven by **global demand for new builds**

Revenue of Nuclear Business (Overseas)



Advantage

01

Track Record & Technology:
50 years of experience in design, manufacturing, and maintenance for domestic BWR (Boiling Water Reactor) plants

Advanced piping and pressure vessel engineering capabilities

Robust quality assurance management

Advantage

02

Unique Technology:
The only owner of vitrification technology in Japan which is essential for the fuel reprocessing process



Source : Japan Nuclear Fuel Limited

Advantage

03

Manufacturing Leadership:
World-class technology and capability for critical components (Pressure Vessels, Containment Vessels)



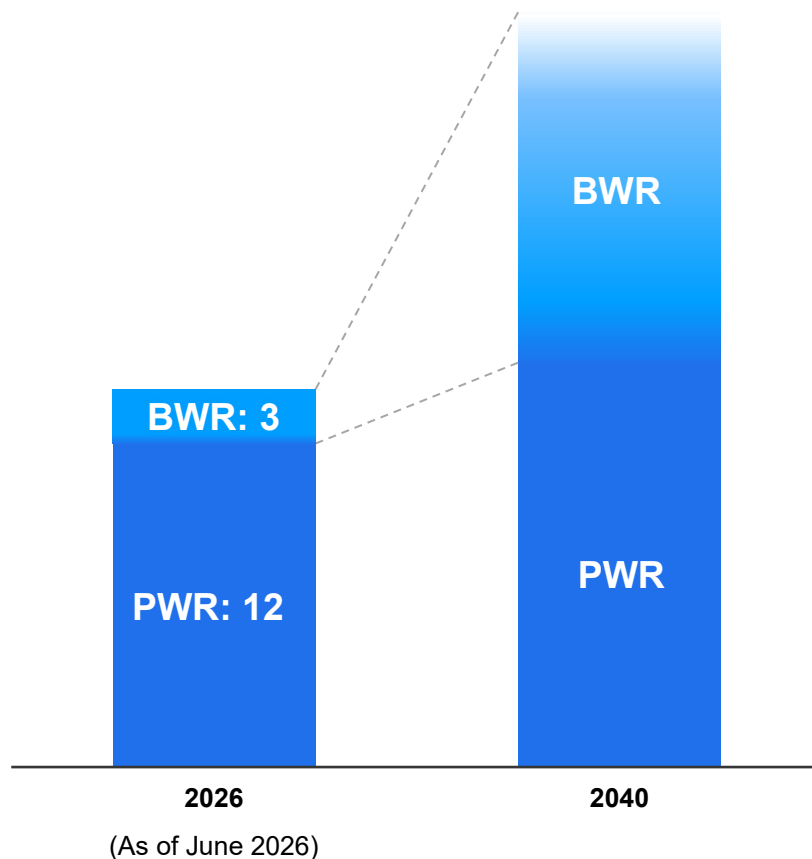
Strategy
for profit
expansion

Investments to expand manufacturing capacity and productivity to capture the upcoming new build opportunities

Contributing to the maximum utilization of nuclear energy by leveraging IHI's track record and technologies in the upcoming BWR restart phase in Japan

Outlook of Nuclear Power Plant Units

Moving to the BWR restart phase
(where IHI holds a competitive edge)



※BWR: Boiling Water Reactor
PWR: Pressurized Water Reactor

Revenue Expansion

Improve Profitability

Capturing demand for domestic BWR restarts

- ✓ Integrated capabilities from design to manufacturing and maintenance
- ✓ Strong engineering expertise in main piping and vessels
- ✓ High-level quality assurance management

Revenue Expansion

Broadening of operational scope

- ✓ Accelerate collaboration with energy companies and other manufacturers to broaden business opportunities

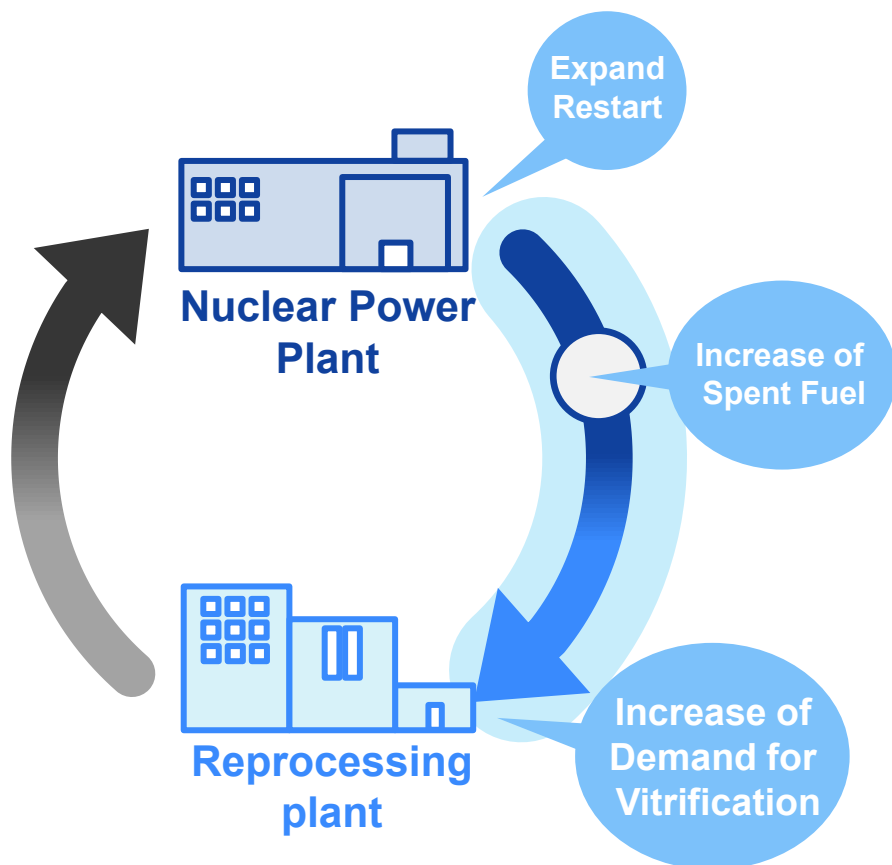


Drive the restarts by providing the capabilities through collaboration

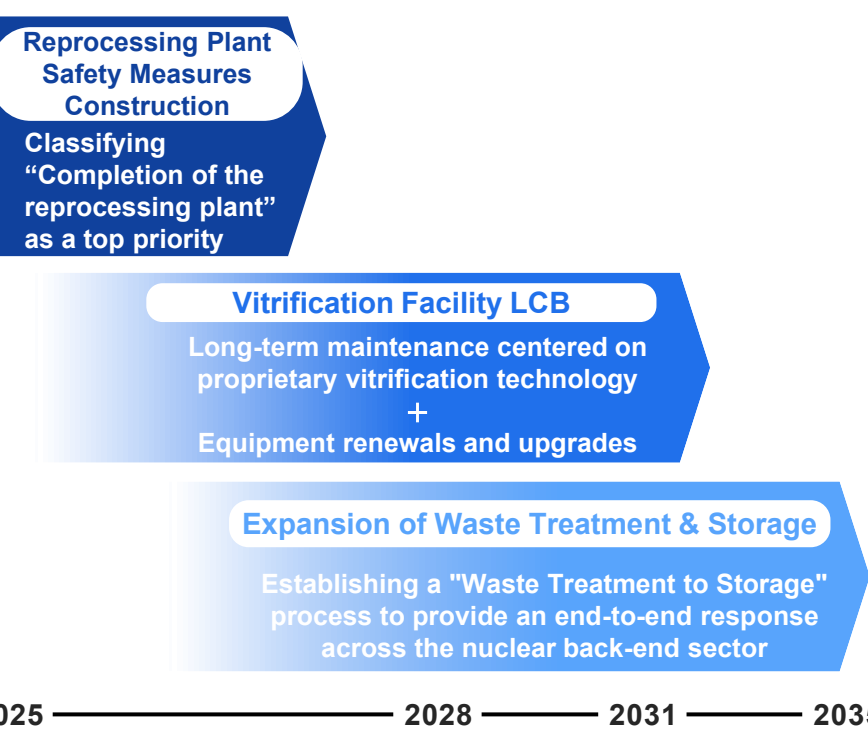
Expand the “back-end” business
 by leveraging unique vitrification technology in Japan

Market Outlook

As the restart of nuclear reactors progresses, fuel reprocessing cycle will be established



Roadmap of Reprocessing Business



Source : Japan Nuclear Fuel Limited
 Vitrification facilities

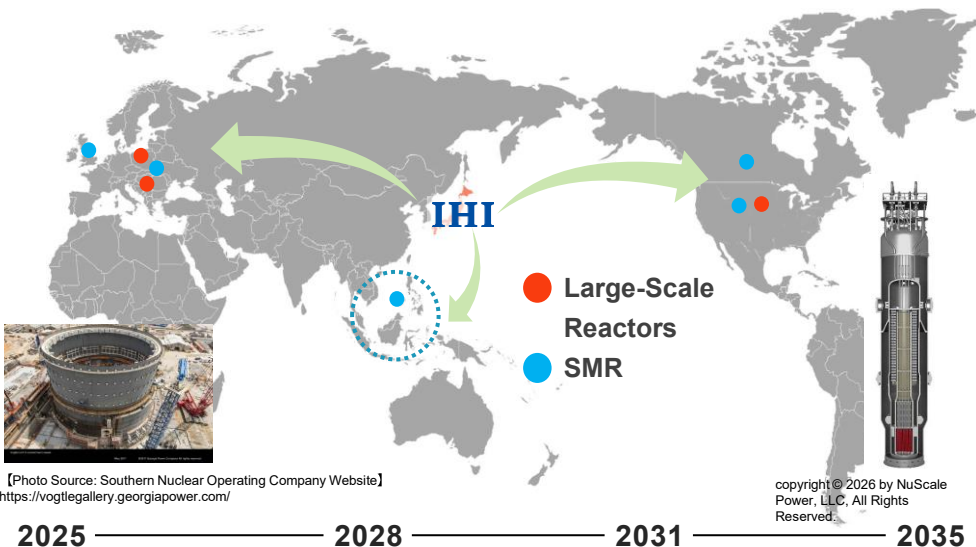


Source : Japan Nuclear Fuel Limited
 Vitrified waste storage facility

Capturing global demand for new nuclear energy plants through world-class manufacturing technology

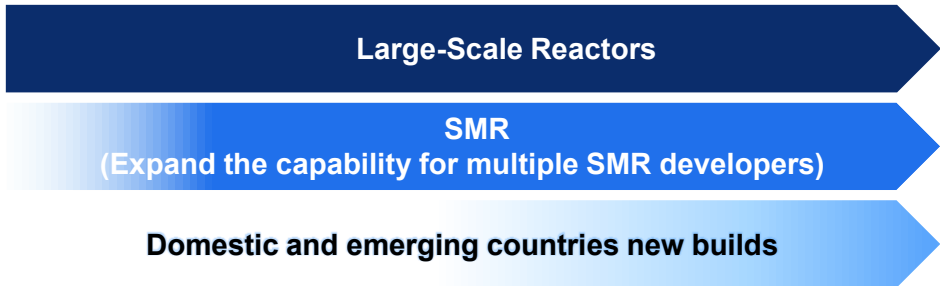
Global Expansion of Equipment Supply

Supply key devices to various OEMs as a supplier utilizing advanced manufacturing technology centered on welding



[Photo Source: Southern Nuclear Operating Company Website]
<https://vogtlegallery.georgiapower.com/>

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Revenue Expansion

Improve Profitability

Production Expansion to Capture Demand

- ✓ Expand production capacity to more than double
 - Yokohama Works: Expanding the production area
 - Aioi Works: Transitioning the facility into a production hub
 - Efficiency: Improving throughput via automation, labor-saving, and AI integration

Revenue Expansion

Become key supplier to various OEMs

- ✓ Establishing collaborative relationships with multiple SMR developers
- ✓ Strengthening the capability to support a wide range of reactor types

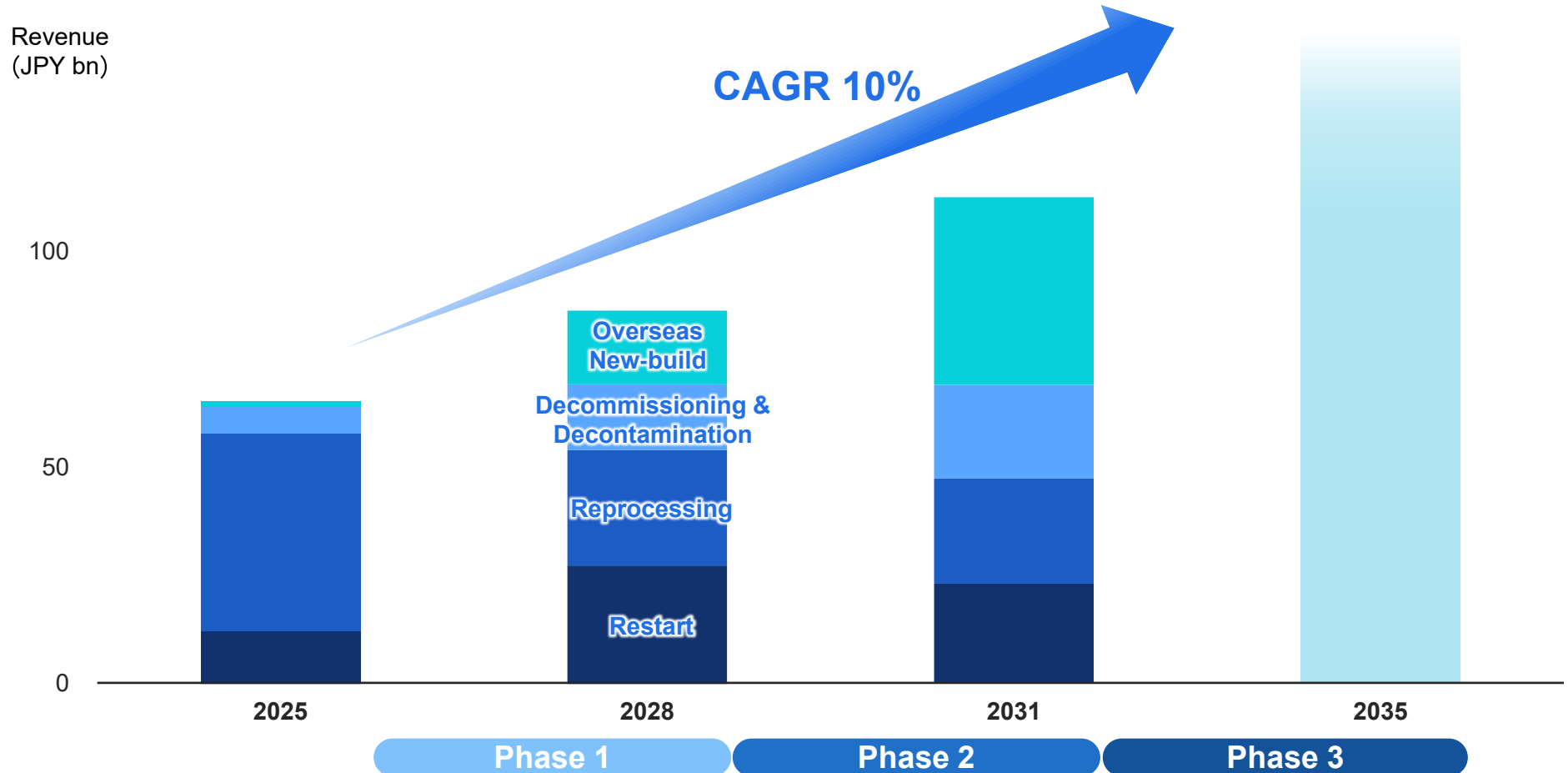
➤ **Leading the global market in nuclear equipment supply**

Short-to-Medium Term (Phase1 / 2)

Contributing to the establishment of the nuclear cycle through domestic restart and reprocessing businesses

Medium-to-Long Term (Phase2 / 3)

Accelerate profit growth through top-line expansion by more than doubling the production capability for overseas markets





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