

### **Q&A for Fiscal 2023 Q2 Results Briefing**

**1. Tell us about the additional inspection program for the PW1100G-JM.**

- This effort has necessitated a range of technical verifications, expanding the scope of required measures beyond initial assumptions and increasing the financial impact. Partners are communicating effectively with each other and are collectively striving to minimize the impact of this issue.

**2. How did you perform in the second quarter? What's your outlook for this fiscal year?**

- Earnings tend to be higher in the second half. This fiscal year, we expect them to be particularly heavy in the second half. That is because we are posting social infrastructure costs in advance and because of such factors as delays in passing on higher equipment and materials costs.
- In the civil aero-engine business, an increase in the number of PW1100G units and a deviation in aftermarket expenses from the previous year pushed down earnings through the second quarter. Spare parts transaction volumes have steadily recuperated. We accordingly look for earnings to recover in the second half of this fiscal year. We have retained our operating profit target for fiscal 2025.

**3. Where are you heading with Group Management Policies 2023?**

- While retaining our policy of prioritizing investments in growth and development businesses, we will reassess our policy priorities and cut costs. We will continue to invest in people.
- We are still discussing structural reform specifics, and will undertake necessary measures.

**4. Might you sell fixed assets?**

- Although we are not considering specific moves at this juncture, we are looking into selling fixed assets to fund investments as one way to help restore our financial footing and secure investment capital.