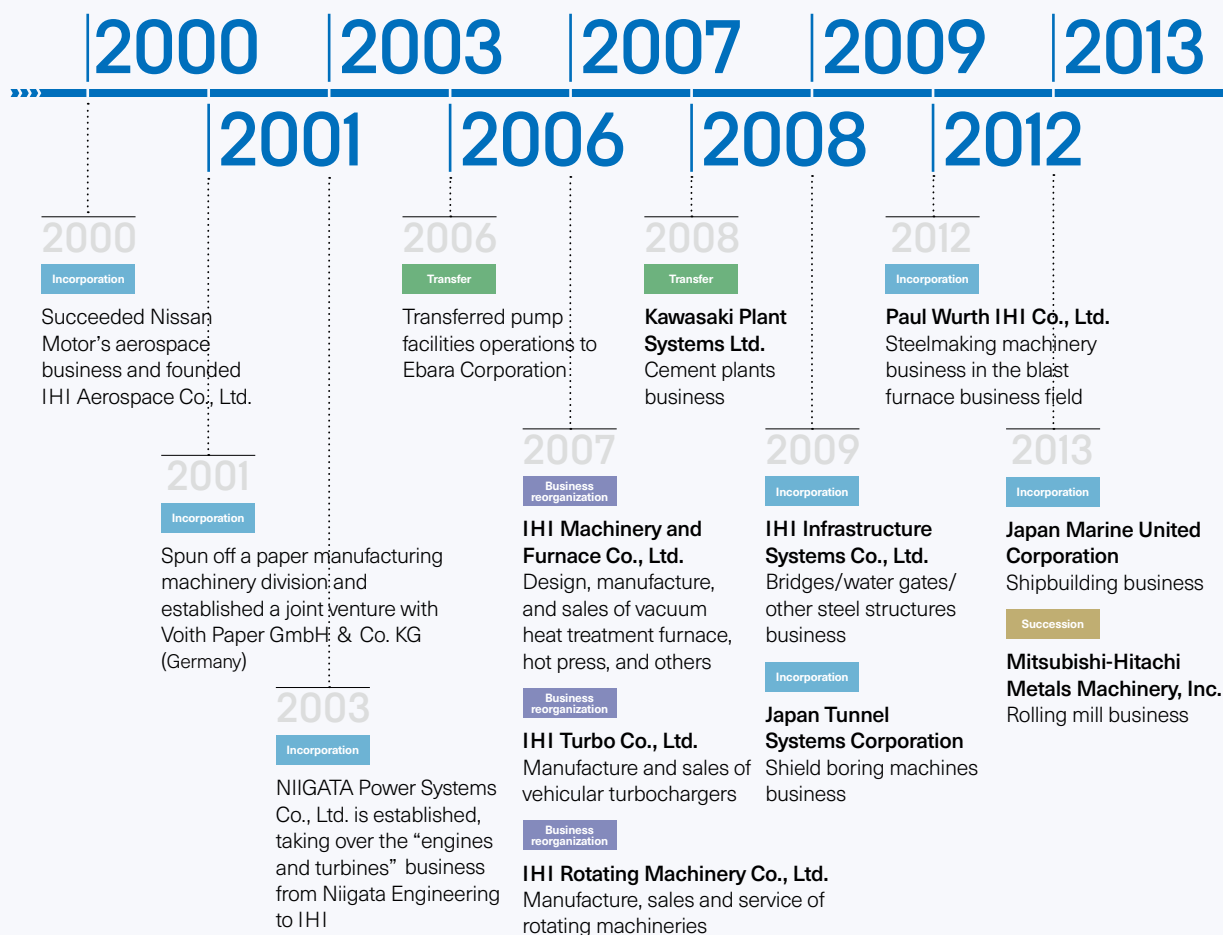


Transition in Business Portfolio

The IHI Group recognizes that it has reached a point in its history where it is difficult to achieve sustained high growth for the company simply by extending the current growth path. Since our founding, we have made significant changes to our core businesses in order to achieve our own development while solving the difficult social issues of each era. With this track record and experience, the Group will continue to build an optimal business portfolio with multiple pillars of operations.



- **2000: Succeeded Nissan Motor's aerospace business**

Nissan Motor and Renault agreed on an alliance in March 1999. Under the "Nissan Revival Plan", in order to separate non-core businesses and concentrate management resources on the automobile business, Nissan's aerospace division was separated. The division became under the realm of IHI on July 1, 2000 and was transferred to IHI Aerospace. IHI Aerospace (IA) is now the base of space development for the IHI Group.

- **2003: Succeeded NIIGATA ENGINEERING's power systems business**
2019: Integrated the power systems business into IHI Power Systems

In 2003, Niigata Power Systems was established to take over NIIGATA ENGINEERING's power systems business. NIIGATA ENGINEERING was the first company in Japan to develop and manufacture diesel engines for marine use, and it is the foundation of our current power systems business. In 2019, IHI Group's Power Systems Business was integrated to form IHI Power Systems Co., Ltd.

- **2009: Succeeded bridge and water gate businesses from Kurimoto Ltd. and Matsuo Bridge**

The bridge and water gate business in Japan was facing fierce competition for orders due to a decline in public works projects. IHI took over bridge businesses from Kurimoto Ltd. and Matsuo Bridge, and a water gate business from Kurimoto Ltd., and established the businesses into IHI Infrastructure Systems (IIS). The plants of Kurimoto Ltd. and Matsuo Bridge adjacent to Sakai City, Osaka are currently being utilized.

TRANSITION IN BUSINESS PORTFOLIO

2016

2018

2021

2023

2017

2019

2022

2024

2016

Incorporation

JIM Technology Corporation
Shield boring machines

Transfer

KATO WORKS CO., LTD.
Construction machinery business

2017

Transfer

IKNOW MACHINERY CO., LTD.
Ship machinery business

Incorporation

IHI Rotating Machinery Engineering Co., Ltd.
Designing and manufacturing of compressors, large turbochargers, separators, marine equipment, gears, and oil feeders

Incorporation

IHI Agri-Tech Corporation
Manufacturing and sales of agricultural machinery, lawncare equipment, etc.

2018

Transfer

U.S. Caterpillar Inc.
Small power systems business

2019

Transfer

Kobelco Eco-Solutions Co., Ltd.
Industrial waste treatment facility-related business

Incorporation

IHI Plant Services Corporation
Boilers equipment, wind and solar power generation equipment, storage and environmental plants, etc.

Incorporation

IHI Power Systems Co., Ltd.
Power systems business

2021

Made into a subsidiary

Meisei Electric Co., Ltd.
Manufacturing and sales of equipment for communication, electronic and electric measurement, information processing, etc.

2022

Transfer

JGC JAPAN CORPORATION
Pharmaceutical manufacturing plant business

Transfer

PEO Construction Machinery Operators Training Center
Technical training business

2023

Transfer

MITSUI E&S Holdings
Large marine engine business

- 2009: Established Japan Tunnel Systems Corporation
- 2016: Established JIM TECHNOLOGY Corporation

The shield boring machine industry had a large number of companies compared to the shrinking market size, and each company was restructuring its production system in order to survive. Under these circumstances, IHI and JFE Engineering integrated their businesses in 2009 to establish Japan Tunnel Systems to strengthen the competitiveness of the shield boring machine business of both companies, and in October 2016, the tunnel shield boring machine business of Mitsubishi Heavy Industries was integrated to form the current JIM Technology.

- 2013: Merged IHIMU and Universal Shipbuilding Corporation (owned by JFE Holdings) to establish Japan Marine United

In 2002, IHI's shipbuilding and offshore business was spun off and integrated with Marine United (merger of the shipbuilding division of IHI and naval ship divisions of Sumitomo Heavy Industries) to establish IHI Marine United (IHIMU). Furthermore, in January 2013, IHIMU merged with Universal Shipbuilding (merger of ship divisions of Hitachi Zosen and NKK) to establish Japan Marine United.

- 2023: Transferred the large marine engine business of IHI Power Systems to MITSUI E&S Holdings

The large marine engine business of IHI Power Systems was transferred to MITSUI E&S Holdings, whose major business is marine engines. Through this transfer, IHI accelerated the reorganization of its power systems business portfolio.

I VISION STORY

II VALUE CREATION STORY

III BUSINESS STORY

IV SUSTAINABILITY STORY

V DATA