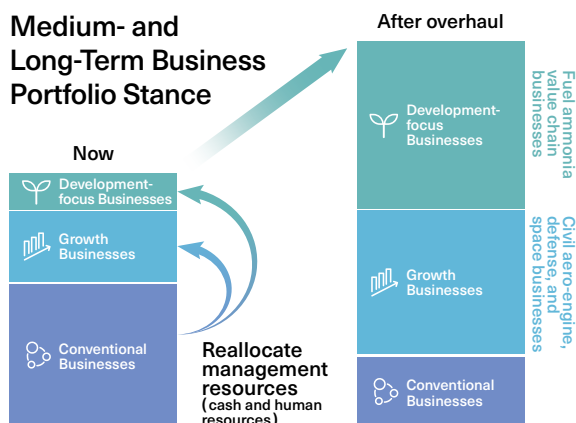


Medium- and Long-Term Business Portfolio Stance

Development-focus and Growth Businesses to underpin medium-and long-term expansion

We believe that the Growth Businesses and Development-focus Businesses will underpin the medium- and long-term growth of the IHI Group. We will allocate resources (cash/human resources) from the Conventional Businesses to Growth and Development-focus Businesses to achieve sustainable growth. We have already started reallocating human resources from the Conventional Businesses to Growth Businesses from FY2023 and plan to continue with this reallocation of resources in the future.

Medium- and Long-Term Business Portfolio Stance



Transition in business portfolio

• Conventional Businesses

We believe that portfolio revision of the Conventional Businesses is their most important need and have begun reviews from FY2023. We will further accelerate the reviews and discussions in FY2024 and classify the Conventional Businesses into growth candidates, businesses with a stable revenue base, and restructured businesses. We will implement strategies for each category.

• Growth Businesses

The Growth Businesses will drive the growth of the IHI Group, mainly in the civil aero-engine and defense businesses, and revenue in the space business is expected to expand from around 2030.

• Development-focus Businesses

The upfront investment phase is expected to continue for the time being, with revenue contribution beginning in and after 2030.

Envisaged corporate value creation

