

## Medium- to Long-Term Portfolio Goals

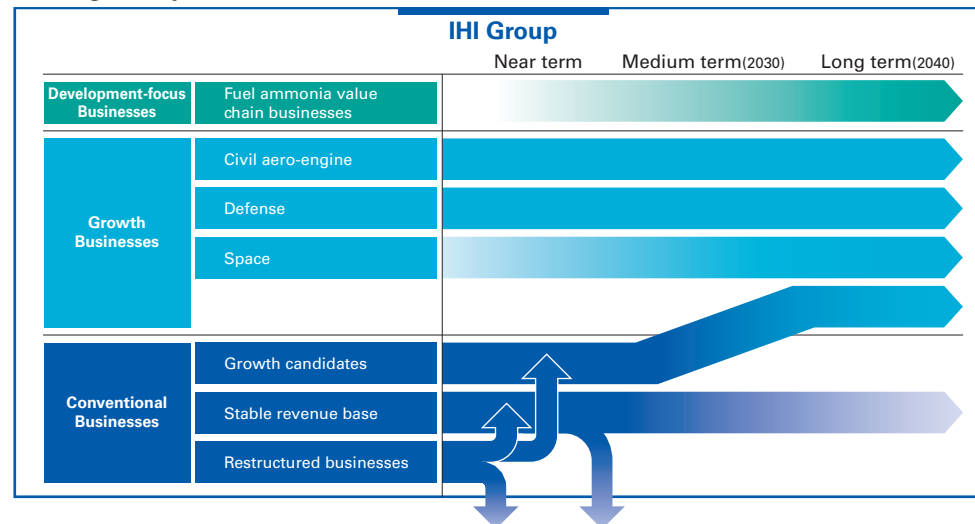
The IHI Group is making steady steps to transform into a sustainable high-growth company by boldly shifting management resources to Growth and Development-focus Businesses.

### Transformation of business portfolio

The IHI Group is working to transform its business portfolio to achieve sustainable growth over the medium to long term by boldly shifting management resources, such as human capital and cash, from Conventional Businesses to Growth and Development-focus Businesses. In fiscal 2023, we began shifting human capital

from Conventional Businesses to Growth Businesses and have initiated structural reforms, including the sale of some businesses. Fiscal 2025, as the final year of the ongoing “Group Management Policies 2023”, marks a crucial year to finalize discussions on achieving our desired business portfolio.

### Envisaged corporate value creation



### Achievements in fiscal 2024 and future actions

Our achievements in fiscal 2024 include, in the Growth and Development-focus Businesses, that it promoted measures to strengthen the civil aero-engine and defense businesses and to cultivate fuel ammonia value chain businesses. On the other hand, in Conventional Businesses, in addition to the structural reforms of the vehicular turbocharger business mainly in the European region, the Group resolved to take actions, including business sale, in four businesses: general-purpose boiler, materials handling system, turf care machinery, and concrete construction materials.

In fiscal 2025, the Group will continue its structural reforms, focusing on stability, profitability, and growth as well as the best-owner perspective. In addition, the Group is planning structural reforms at three overseas affiliated companies in energy-related businesses, consolidation of the shield business in the Social Infrastructure Business Area, and consolidation and elimination of models in the transport systems business. Furthermore, the Group's structural reforms will make no exceptions; it will even consider asset sales toward speedy and effective reforms, with the aim of building a revenue structure that will contribute to sustainable growth.

Strengthening Growth and Development-focus Businesses	<ul style="list-style-type: none"> <li>Reinforced civil aero-engine and defense businesses</li> <li>Invested in civil aero-engine MRO business at Tsurugashima Aero-Engine Works</li> <li>Started maintaining F-35 fighter engines</li> <li>Expanded exports to U.S. OEMs of domestic engine components for fighter aircraft made under license</li> <li>Cultivated fuel ammonia business</li> <li>Participated in green ammonia production and supply projects</li> <li>Developed and commercialized boiler, gas turbine, and marine engine utilization technologies</li> </ul>
Overhauling business portfolio	<ul style="list-style-type: none"> <li>Restructured vehicular turbocharger business</li> <li>Began liquidating an overseas consolidated subsidiary (production ended in June 2025)</li> <li>Consolidated European production sites</li> <li>Finished transferring general-purpose boiler business</li> <li>Finished transferring materials handling systems business</li> <li>Finished transferring turf care machinery business</li> <li>Resolved to transfer concrete construction materials business (to be transferred in October 2025)</li> </ul>
Improving capital efficiency	<ul style="list-style-type: none"> <li>Divested investment properties (including in Toyosu in Tokyo, and Ayase in Kanagawa Prefecture)</li> <li>Sold policy shareholdings</li> </ul>

### Businesses sold during the “Group Management Policies 2023” period

Oct. 2024: Transfer of shares of IHI PACKAGED BOILER CO., LTD.  
 Nov. 2024: Transfer of Materials Handling System Business of IHI Transport Machinery Co., Ltd.  
 Nov. 2024: Transfer of Turf Care Machinery Business of IHI Agri-Tech Corporation  
 Mar. 2025: Resolution for transfer of shares of IHI CONSTRUCTION MATERIALS Co., Ltd.