



## Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under IFRS)

February 10, 2026

Company name: IHI Corporation

Listing: Tokyo Stock Exchange (Prime Market)

Securities code: 7013

URL: <https://www.ihico.jp>

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Scheduled date to commence dividend payments: —

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for institutional investors, analysts and the media)

(Yen amounts are rounded to the nearest millions.)

### 1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2025	1,129,339	(1.8)	102,536	(0.9)	118,974	3.8	88,171	10.4
December 31, 2024	1,149,990	32.7	103,463	—	114,616	—	79,852	—

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Nine months ended December 31, 2025	85,014	10.7	106,443	15.8	80.21	80.20
December 31, 2024	76,790	—	91,949	—	72.48	72.47

(Note) The Company conducted a 7-for-1 stock split for shares of its ordinary shares with an effective date of October 1, 2025. Basic earnings per share and Diluted earnings per share have been calculated under the assumption that the stock split was conducted at the beginning of the fiscal year ended March 31, 2025.

#### (2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of December 31, 2025	2,454,388	591,338	563,692	23.0
March 31, 2025	2,240,392	508,660	481,726	21.5

### 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	50.00	—	70.00	120.00
Fiscal year ending March 31, 2026	—	70.00	—		
Fiscal year ending March 31, 2026 (Forecast)				10.00	—

(Note) Revisions to the dividend forecasts most recently announced: None

Since the Company conducted a 7-for-1 stock split for shares of its ordinary shares with an effective date of October 1, 2025, the dividend per share at the fiscal year-end for the fiscal year ending March 31, 2026 (Forecast) is stated as the amount reflecting the impact of this stock split. The dividend per share at the fiscal year-end for the fiscal year ending March 31, 2026 (Forecast) without reflecting the impact of the stock split would be 70.00 yen and the full-year total amount would be 140.00 yen.

### 3. Consolidated financial forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
Full-year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	1,640,000	0.8	160,000	11.5	145,000	4.7	125,000	10.9	117.49

(Note) Revisions to the forecasts of results most recently announced: None

Basic earnings per share in the consolidated financial forecast for the fiscal year ending March 31, 2026 (full year) reflects the impact of the stock split (7-for-1 stock split). Basic earnings per share in the consolidated financial forecast for the fiscal year ending March 31, 2026 without reflecting the impact of the stock split would be 822.43 yen.

#### \* Notes

(1) Significant changes in the scope of consolidation during the period : None

(2) Changes in accounting policies and changes in accounting estimates

- (i) Changes in accounting policies required by IFRS : None
- (ii) Changes in accounting policies due to other reasons : Yes
- (iii) Changes in accounting estimates : None

(3) Number of shares issued (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2025	1,082,759,678 shares
As of March 31, 2025	1,082,759,678 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2025	22,607,364 shares
As of March 31, 2025	23,209,774 shares

(iii) Average number of shares outstanding during the period

Nine months ended December 31, 2025	1,059,903,591 shares
Nine months ended December 31, 2024	1,059,523,124 shares

(Note) The Company conducted a 7-for-1 stock split for shares of its ordinary shares with an effective date of October 1, 2025. Total number of issued shares at the end of the period, number of treasury shares at the end of the period, and average number of shares outstanding during the period have been calculated under the assumption that the stock split was conducted at the beginning of the fiscal year ended March 31, 2025.

\* This consolidated financial report is not subjected to quarterly reviews by certified public accountant or accounting auditor.

#### \* Proper use of forecast of results, and other special matters

(Cautionary statements on forward-looking statements)

Earnings estimates made in this report and other statements that are not historical facts are forward-looking statements about the future performance of the IHI Group. These statements are based on management's assumptions and beliefs in light of the information currently available to it and therefore readers should not place undue reliance on them. IHI cautions that a number of important factors such as political and general economic conditions and the yen exchange rate including its rate against US dollar could cause actual results to differ materially from those discussed in the forward-looking statements, etc.

(How to obtain supplementary material on financial results)

The supplementary material on financial results shall be posted on IHI's website.

# 1. SUMMARY OF BUSINESS RESULTS

## (1) SUMMARY OF BUSINESS RESULTS

During the nine months ended December 31, 2025, the global economy remained generally resilient, although stagnation in economic recovery was observed in some regions. Meanwhile, uncertainty about the future persists due to developments in U.S. policy. In the Japanese economy, although it has been affected by U.S. trade policies, a gradual recovery has continued.

In the IHI Group's main business of Aero Engine, Space and Defense, while demand for aircraft is expected to increase over the medium- to long-term, in the Civil aero engines Business, the aftermarket business has been steadily expanding, driven by increased flight operating hours, etc. In the Defense Business, under the government's policy of reinforcing Japan's defense capabilities, the IHI Group is continuing to respond to orders for large-scale projects. In order to accommodate the expected increasing demand for Civil aero engines, defense business, and space business in the future, the IHI Group is enhancing its production capacity including securing resources and accelerating initiatives towards achieving the world's highest level of production efficiency.

Regarding the additional inspection program for shipped PW1100G-JM engines, the IHI Group continues to work with its program partners to enhance maintenance capacity and reduce the number of aircraft grounded. The IHI Group is committed to its efforts to minimize the impact on its airline customers and to restore confidence from them.

As steady growth is expected in the medium- to long-term for the lifecycle businesses in the Conventional Businesses, the IHI Group will continue to strive to expansion, aiming to contribute to the Group earnings and generate the investment capital.

As an effort to reform the IHI Group's business portfolio, during the nine months ended December 31, 2025, the IHI Group completed the transfer of the Materials Handling System Business, which was part of the Industrial Systems and General-Purpose Machinery segment, the Turf Care Machinery Business of IHI Agri-Tech Corporation, all shares of IHI PACKAGED BOILER CO., LTD., and all shares of IHI CONSTRUCTION MATERIALS Co., Ltd., and Niigata Transys Co., Ltd., which were part of the Social Infrastructure segment.

On August 6, 2025, IHI entered into agreements to transfer all shares of Meisei Electric Co., Ltd., which was responsible for the meteorology, disaster prevention, and space-related business within Aero Engine, Space and Defense segment, to NOHMI BOSAI LTD., and completed the transfer on February 2, 2026.

In addition, IHI Infrastructure Systems Co., Ltd. and IHI Construction Service Co., Ltd., both of which were responsible for the Bridges and water gates Business as part of the "Conventional Businesses" of Social Infrastructure segment were integrated on November 1, 2025. By combining the strengths and human resources of both companies, the IHI Group aims to establish of a framework to address social challenges, and a leading position in Japan's bridges and water gate industry and achieve further growth through a global growth cycle.

The IHI Group will continue to aim for a leap toward becoming a sustainable high-growing company through building a portfolio that delivers stable and sustainable growth while controlling volatility, and by boldly shifting management resources to growth areas.

Under such a business environment, orders received by the IHI Group during the nine months ended December 31, 2025, increased 12.4% from the previous corresponding period to ¥1,364.8 billion.

Revenue decreased 1.8% from the previous corresponding period to ¥1,129.3 billion, driven by a decline in revenue due to the business transfers and a rebound from the progress of large-scale projects in the Conventional Businesses in the same period of the previous fiscal year, even though there was expansion in the Defense Business and increased demand and improved sales prices for vehicular turbochargers.

In terms of profit, operating profit decreased ¥0.9 billion to ¥102.5 billion, operating profit was negatively affected by higher maintenance costs for Civil aero engines, increased selling, general and administrative expenses such as research and development expenses, and deteriorated profitability in some overseas businesses in the Resources, Energy and Environment Business., while there was steady growth in the

aftermarket business for Civil aero engines, as well as increased profit driven by the recognition such as a gain on the transfer of the Materials Handling System Business and the rebound from restructuring costs for vehicular turbochargers in the previous year. Profit before tax increased ¥4.3 billion to ¥118.9 billion driven by a significant improvement in foreign exchange losses and increased profit of investments accounted for using equity method. Profit attributable to owners of parent increased ¥8.2 billion to ¥85.0 billion.

Results by reportable segment for the nine months ended December 31, 2025 are as follows:

(Billions of yen)

Reportable segment	Orders received			Nine months ended December 31, 2024		Nine months ended December 31, 2025		Changes from the previous corresponding period (%)	
	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Changes from the corresponding period (%)	Revenue	Operating profit (loss)	Revenue	Operating profit (loss)	Revenue	Operating profit (loss)
Resources, Energy and Environment	259.9	509.2	95.9	303.8	11.0	257.0	2.6	(15.4)	(76.3)
Social Infrastructure (*1)	93.8	81.3	(13.3)	95.6	(3.1)	97.0	(0.7)	1.4	—
Industrial Systems and General-Purpose Machinery	361.8	333.5	(7.8)	350.2	2.9	329.9	28.7	(5.8)	872.1
Aero Engine, Space and Defense (*2)	478.3	416.4	(12.9)	377.3	94.6	423.8	70.6	12.3	(25.3)
Reportable segment total	1,194.0	1,340.6	(12.3)	1,127.1	105.5	1,107.8	101.2	(1.7)	(4.0)
Other	57.6	62.2	8.1	52.5	5.2	57.2	10.7	9.0	104.3
Adjustment	(37.4)	(38.0)	—	(29.6)	(7.3)	(35.7)	(9.4)	—	—
Total	1,214.2	1,364.8	12.4	1,149.9	103.4	1,129.3	102.5	(1.8)	(0.9)

Notes: Monetary amounts less than first decimal are rounded down, and ratios less than one unit are rounded off.

(\*1) The Urban development Business, which was previously included in the “Social Infrastructure” segment during the nine months ended December 31, 2024, has been reclassified and is now presented under the “Other.”

(\*2) The revenue and operating profit (loss) for the nine months ended December 31, 2024 includes the impact of ¥ (6.0) billion due to exchange rate fluctuations for the additional inspection program for shipped PW1100G-JM engines. And the impact for the nine months ended December 31, 2025, was ¥ (3.6) billion.

## (2) SUMMARY OF FINANCIAL POSITION

### *Assets, liabilities and equity*

Total assets at the end of the third quarter were ¥2,454.3 billion, up ¥213.9 billion compared with the end of the previous fiscal year. The major items of increase were inventories, up ¥109.8 billion and trade and other receivables, up ¥66.8 billion. The major item of decrease was cash and cash equivalents, down ¥31.7 billion.

Total liabilities were ¥1,863.0 billion, up ¥131.3 billion compared with the end of the previous fiscal year. The major item of increase was trade and other payables, up ¥69.0 billion. The major item of decrease was income taxes payable, down ¥27.5 billion. And interest-bearing liabilities, including lease liabilities, was ¥638.3 billion, up ¥123.6 billion compared with the end of the previous fiscal year. The IHI Group ensures an adequate level of liquidity of funds.

Equity was ¥591.3 billion, up ¥82.6 billion compared with the end of the previous fiscal year, which included profit attributable to owners of parent of ¥85.0 billion.

As a result of the above, the ratio of equity attributable to owners of parent increased from 21.5% at the end of the previous fiscal year to 23.0%.

### *Cash flows*

At the end of the third quarter, the outstanding balance of cash and cash equivalents was ¥105.0 billion, down ¥31.7 billion from the end of the previous fiscal year.

Net cash flows from operating activities were ¥73.2 billion excess of expenditure. This was due to an increase in inventories, prepayments and prepaid expenses, as well as the payment of corporate income taxes.

Net cash flows from investing activities were ¥47.7 billion excess of expenditure. This was due to proceeds from the sale of equity interests in subsidiaries, while there were increases in expenses due to the acquisition of fixed assets.

Net cash flows from financing activities were ¥81.4 billion excess of income. This was due to proceeds from issuances of commercial papers.

## (3) EXPLANATION REGARDING FUTURE PREDICTION INFORMATION SUCH AS CONSOLIDATED FORECASTS OF RESULTS

Although the global economy continues to show regional disparities, it is expected to recover moderately. It is essential to remain vigilant regarding downside risks stemming from developments in U.S. policy, as well as fluctuations in financial and capital markets.

The Japanese economy is expected to continue its moderate recovery supported by improvements in the employment and income environment and the effects of various policy measures. However, close attention must be paid to potential downside risks, including U.S. trade policies and volatility in financial and capital markets.

The IHI Group is promoting initiatives based on “Group Management Policies 2023,” the three-year medium-term management plan that began in fiscal year 2023. In order to transform its business to achieve sustainable high growth even in the ongoing highly uncertain business environment, the IHI Group in the final year of the three-year medium-term management plan has been strategically shifting its management resources to Growth Businesses in the aero engines and rockets fields, which are driving growth, to Development-focus Businesses in the clean energy field, which is expected to become a future business pillar, and to capital-efficient businesses with market growth potential.

In the aero engines and rockets fields such as Growth Businesses, global demand for aircraft is expected to grow steadily in the future. The IHI Group participates in the development and mass production of best-selling engines spanning small, large engine classes for Civil aero engines, and is intensively investing in human resources in the aftermarket, where demand is expected to increase, to further expand its business. In addition, the IHI Group is working to improve productivity through automation, advanced digital transformation (DX). At Tsurugashima Aero-Engine Maintenance Works, one of our maintenance sites for Civil aero engines, the IHI Group is advancing initiatives to promptly provide high-quality services, while also constructing a new repair facility to accelerate the capture of demand for repairing high-value-added parts. Furthermore, the IHI Group

will accelerate efforts to strengthen its production capacity and develop necessary technologies in its defense-related and space-related businesses, where demand is expected to expand. This includes initiatives such as building satellite constellations to provide satellite data for security, public, and commercial use.

In the clean energy field, which is its Development-focus Business, the IHI Group will contribute to the realization of carbon neutrality by building its entire value chain for fuel ammonia, from production to storage, transportation, and utilization, while applying its technical capabilities. The IHI Group has newly established a large-scale combustion testing facility for ammonia gas turbines at Aioi Works, and is using the facility to develop combustors. Going forward, the IHI Group will continue to advance efforts toward the practical application of ammonia gas turbines.

In the Conventional Businesses of Resources, Energy and Environment, Social Infrastructure, and Industrial Systems and General-Purpose Machinery, the IHI Group will allocate necessary resources to businesses with market growth potential where the Group's strengths can be leveraged, aiming to generate stable cash. At the same time, the IHI Group will continue to advance structural reforms in businesses with low profitability and efficiency, aiming to realize sustained growth through the transformation of its business portfolio.

With regard to the consolidated forecasts of results for the fiscal year ending March 31, 2026, the forecast for orders received has been revised upward by ¥90.0 billion yen, to ¥1,940.0 billion yen, based on the current performance. As for revenue and profit (loss), there are no changes from the previous forecasts (November 6, 2025).

The foreign exchange rate of ¥140/US\$1 has been assumed in the above forecasts for the fourth quarter ending March 31, 2026.

Concerning dividends, no changes have been made to the previous forecasts.

## 2. CONDENSED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS AND NOTES THERETO

### (1) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	136,809	105,060
Trade and other receivables	506,718	573,565
Contract assets	113,959	137,415
Other financial assets	3,989	4,132
Inventories	444,066	553,948
Other current assets	73,296	112,285
Subtotal	1,278,837	1,486,405
Assets related to disposal groups classified as held for sale	23,426	—
Total current assets	1,302,263	1,486,405
<b>Non-current assets:</b>		
Property, plant and equipment	241,970	240,729
Right-of-use assets	102,766	106,680
Goodwill	6,276	6,831
Intangible assets	132,056	130,564
Investment property	143,838	148,322
Investments accounted for using equity method	72,719	86,406
Other financial assets	51,509	43,129
Deferred tax assets	119,535	110,472
Other non-current assets	67,460	94,850
Total non-current assets	938,129	967,983
<b>Total assets</b>	<b>2,240,392</b>	<b>2,454,388</b>

**(1) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Trade and other payables	287,201	356,223
Bonds and borrowings	126,125	255,483
Lease liabilities	17,386	17,681
Other financial liabilities	15,226	16,193
Income taxes payable	39,690	12,105
Contract liabilities	252,968	300,717
Provisions	26,049	19,810
Refund liabilities	153,002	126,560
Other current liabilities	175,192	161,277
Subtotal	1,092,839	1,266,049
Liabilities related to disposal groups classified as held for sale	25,086	—
Total current liabilities	1,117,925	1,266,049
<b>Non-current liabilities:</b>		
Bonds and borrowings	263,271	257,993
Lease liabilities	107,941	107,218
Other financial liabilities	66,875	60,687
Deferred tax liabilities	7,747	3,181
Retirement benefit liability	145,616	143,421
Provisions	6,728	6,826
Other non-current liabilities	15,629	17,675
Total non-current liabilities	613,807	597,001
<b>Total liabilities</b>	1,731,732	1,863,050
<b>Equity</b>		
Share capital	107,165	107,165
Capital surplus	46,384	48,394
Retained earnings	280,100	349,950
Treasury shares	(8,576)	(9,457)
Other components of equity	56,761	67,640
Other components of equity related to disposal groups classified as held for sale	(108)	—
<b>Total equity attributable to owners of parent</b>	481,726	563,692
<b>Non-controlling interests</b>	26,934	27,646
<b>Total equity</b>	508,660	591,338
<b>Total liabilities and equity</b>	2,240,392	2,454,388



## (2) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

### CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Nine months ended December 31, 2024 and 2025

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
<b>Revenue</b>	1,149,990	1,129,339
Cost of sales	879,491	868,015
<b>Gross profit (loss)</b>	270,499	261,324
Selling, general and administrative expenses	162,683	172,631
Other income	4,574	24,962
Other expenses	8,927	11,119
<b>Operating profit (loss)</b>	103,463	102,536
Finance income	13,072	11,751
Finance costs	7,547	7,168
Share of profit (loss) of investments accounted for using equity method	5,628	11,855
<b>Profit (loss) before tax</b>	114,616	118,974
Income tax expense	34,764	30,803
<b>Profit (loss)</b>	79,852	88,171
Profit (loss) attributable to:		
Owners of parent	76,790	85,014
Non-controlling interests	3,062	3,157
<b>Profit (loss)</b>	79,852	88,171
Earnings (loss) per share		
Basic earnings (loss) per share (yen)	72.48	80.21
Diluted earnings (loss) per share (yen)	72.47	80.20

(Note) The Company conducted a 7-for-1 stock split for shares of its ordinary shares with an effective date of October 1, 2025. Basic earnings per share and Diluted earnings per share have been calculated under the assumption that the stock split was conducted at the beginning of the fiscal year ended March 31, 2025.

# CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
<b>Profit (loss)</b>	79,852	88,171
<b>Other comprehensive income</b>		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	4,318	4,555
Remeasurements of defined benefit plans	(33)	14
Share of other comprehensive income of investments accounted for using equity method	228	198
Total of items that will not be reclassified to profit or loss	4,513	4,767
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	7,533	13,445
Cash flow hedges	(112)	418
Share of other comprehensive income of investments accounted for using equity method	163	(358)
Total of items that may be reclassified to profit or loss	7,584	13,505
Other comprehensive income, net of tax	12,097	18,272
Comprehensive income	91,949	106,443
<b>Comprehensive income attributable to:</b>		
Owners of parent	88,201	102,145
Non-controlling interests	3,748	4,298
Comprehensive income	91,949	106,443

### (3) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Nine months ended December 31, 2024

(Millions of yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		
					Exchange differences on translation of foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income
Balance as of April 1, 2024	107,165	46,362	177,403	(8,589)	36,272	896	16,394
Profit (loss)			76,790				
Other comprehensive income					6,824	64	4,472
Total comprehensive income	—	—	76,790	—	6,824	64	4,472
Purchase of treasury shares				(7)			
Disposal of treasury shares		6		17			
Dividends			(15,191)				
Share-based remuneration transactions		(19)					
Transfer from other components of equity to retained earnings			58				(7)
Transfer to other components of equity related to disposal groups classified as held for sale					118	(16)	(177)
Other				(1)			
Total transactions with owners	—	(13)	(15,133)	9	118	(16)	(184)
Balance as of December 31, 2024	107,165	46,349	239,060	(8,580)	43,214	944	20,682

	Equity attributable to owners of parent							
	Other components of equity			Total	Other components of equity related to disposal groups classified as held for sale	Total	Non-controlling interests	Total
	Remeasurements of defined benefit plans	Share acquisition rights	Total					
Balance as of April 1, 2024	—	86	53,648	375,989	—	375,989	26,279	402,268
Profit (loss)			—	76,790		76,790	3,062	79,852
Other comprehensive income	51		11,411	11,411		11,411	686	12,097
Total comprehensive income	51	—	11,411	88,201	—	88,201	3,748	91,949
Purchase of treasury shares			—	(7)		(7)		(7)
Disposal of treasury shares		(22)	(22)	1		1		1
Dividends			—	(15,191)		(15,191)	(3,654)	(18,845)
Share-based remuneration transactions			—	(19)		(19)		(19)
Transfer from other components of equity to retained earnings	(51)		(58)	—		—		—
Transfer to other components of equity related to disposal groups classified as held for sale			(75)	(75)	75	—		—
Other		(1)	(1)	(2)		(2)		(2)
Total transactions with owners	(51)	(23)	(156)	(15,293)	75	(15,218)	(3,654)	(18,872)
Balance as of December 31, 2024	—	63	64,903	448,897	75	448,972	26,373	475,345

### (3) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Nine months ended December 31, 2025

(Millions of yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		
					Exchange differences on translation of foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income
Balance as of April 1, 2025	107,165	46,384	280,100	(8,576)	36,162	777	19,765
Profit (loss)			85,014				
Other comprehensive income					12,305	59	4,753
Total comprehensive income	—	—	85,014	—	12,305	59	4,753
Purchase of treasury shares				(1,368)			
Disposal of treasury shares		665		487			
Dividends			(21,273)				
Share-based remuneration transactions		940					
Transfer from other components of equity to retained earnings			6,067				(6,053)
Transfer to other components of equity related to disposal groups classified as held for sale					(89)	(20)	1
Other		405	42		147	(92)	(131)
Total transactions with owners	—	2,010	(15,164)	(881)	58	(112)	(6,183)
Balance as of December 31, 2025	107,165	48,394	349,950	(9,457)	48,525	724	18,335

	Equity attributable to owners of parent							
	Other components of equity			Total	Other components of equity related to disposal groups classified as held for sale	Total	Non-controlling interests	Total
	Remeasurements of defined benefit plans	Share acquisition rights	Total					
Balance as of April 1, 2025	—	57	56,761	481,834	(108)	481,726	26,934	508,660
Profit (loss)			—	85,014		85,014	3,157	88,171
Other comprehensive income	14		17,131	17,131		17,131	1,141	18,272
Total comprehensive income	14	—	17,131	102,145	—	102,145	4,298	106,443
Purchase of treasury shares			—	(1,368)		(1,368)		(1,368)
Disposal of treasury shares		(1)	(1)	1,151		1,151		1,151
Dividends			—	(21,273)		(21,273)	(3,700)	(24,973)
Share-based remuneration transactions			—	940		940		940
Transfer from other components of equity to retained earnings	(14)		(6,067)	—		—		—
Transfer to other components of equity related to disposal groups classified as held for sale			(108)	(108)	108	—		—
Other			(76)	371		371	114	485
Total transactions with owners	(14)	(1)	(6,252)	(20,287)	108	(20,179)	(3,586)	(23,765)
Balance as of December 31, 2025	—	56	67,640	563,692	—	563,692	27,646	591,338

**(4) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CASH FLOWS**

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
<b>Cash flows from operating activities</b>		
Profit (loss) before tax	114,616	118,974
Depreciation, amortization and impairment losses	53,105	60,234
Finance income and finance costs	527	3,883
Share of loss (profit) of investments accounted for using equity method	(5,628)	(11,855)
Loss (gain) on sale of property, plant and equipment, intangible assets and investment property	(95)	(7,221)
Decrease (increase) in trade receivables	(130,133)	(63,875)
Decrease (increase) in contract assets	(34,190)	(27,417)
Decrease (increase) in inventories and prepayments	(79,416)	(134,759)
Increase (decrease) in trade payables	(24,803)	66,432
Increase (decrease) in contract liabilities	52,561	47,649
Increase (decrease) in refund liabilities	(18,160)	(26,442)
Other	20,204	(41,751)
Subtotal	(51,412)	(16,148)
Interest received	2,015	1,899
Dividends received	1,217	1,570
Interest paid	(4,574)	(5,091)
Income taxes refund (paid)	439	(55,462)
<b>Net cash provided by (used in) operating activities</b>	<b>(52,315)</b>	<b>(73,232)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment, intangible assets and investment property	(39,582)	(67,774)
Proceeds from sale of property, plant and equipment, intangible assets and investment property	262	10,558
Purchase of investments (including investments accounted for using equity method)	(4)	(1,069)
Proceeds from sale and redemption of investments (including investments accounted for using equity method)	872	10,757
Proceeds from sale of equity interest in subsidiaries	—	9,391
Other	(744)	(9,599)
<b>Net cash provided by (used in) investing activities</b>	<b>(39,196)</b>	<b>(47,736)</b>

**(4) CONDENSED QUARTERLY CONSOLIDATED STATEMENT OF CASH FLOWS**

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	4,548	34,972
Net increase (decrease) in commercial papers	101,500	150,000
Proceeds from long-term borrowings	40,329	20,000
Repayments of long-term borrowings	(47,954)	(61,583)
Redemption of bonds	(10,000)	(10,000)
Repayments of lease liabilities	(14,502)	(17,643)
Decrease (increase) in treasury shares	(7)	(883)
Dividends paid	(15,175)	(20,924)
Dividends paid to non-controlling interests	(3,654)	(3,702)
Increase in other financial liabilities	660	1,015
Decrease in other financial liabilities	(9,236)	(10,280)
Other	82	522
<b>Net cash provided by (used in) financing activities</b>	<b>46,591</b>	<b>81,494</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>2,774</b>	<b>2,521</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(42,146)</b>	<b>(36,953)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>138,805</b>	<b>136,809</b>
<b>Cash and cash equivalents included in assets related to disposal groups classified as held for sale</b>	<b>(5,645)</b>	<b>5,204</b>
<b>Cash and cash equivalents at end of period</b>	<b>91,014</b>	<b>105,060</b>

## (5) NOTES TO THE CONDENSED QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

### MATERIAL ACCOUNTING POLICIES

Material accounting policies applied by the IHI Group in the condensed quarterly consolidated financial statements are the same as those in the consolidated financial statements for the previous fiscal year, except for the following. Income taxes for the condensed quarterly consolidated financial statements are calculated based on the estimated annual effective tax rate.

#### Change in the accounting treatment of selling, general and administrative expenses

From the current consolidated fiscal year, the IHI Group has changed the accounting treatment for a portion of administrative expenses in the Aero Engine, Space and Defense Business, reclassifying them from cost of sales (manufacturing overhead) to selling, general and administrative expenses (SG&A).

In response to changes in the business environment, we have reviewed the roles, business processes, and IT infrastructure of the administrative departments in this business from the beginning of the current fiscal year. As part of strengthening our management functions, we have added certain strategic, legal and risk management, and human resources functions which had previously been handled by the corporate division to the business unit's administrative departments. Accordingly, we have changed the accounting treatment so that a portion of administrative expenses, which had previously been recorded as cost of sales (manufacturing overhead) as service department expenses, are now recorded as SG&A.

Due to the wide-ranging impact on cost accounting, it is difficult to retrospectively reflect the change in prior years' cost accounting results and to reasonably estimate the effects based on assumptions. Therefore, this change has been applied prospectively from the current consolidated fiscal year onward. As a result of this change, gross profit for the third quarter of the current fiscal year increased by 4,030 million yen, while operating profit and profit before income taxes decreased by 3,730 million yen, net profit decreased by 3,376 million yen, basic earnings per share decreased by 3.19 yen, diluted earnings per share decreased by 3.18 yen, and inventories decreased by 3,730 million yen.

Note: IHI conducted a stock split at a ratio of seven shares for each one common share on October 1, 2025. Basic and diluted interim earnings per share are calculated based on the number of shares after the stock split.

### SEGMENT INFORMATION

#### 1. Overview of reportable segment

The business segments are constituent units of the IHI Group for which separate financial information is available. The Board of Directors periodically examines these segments for the purpose of deciding the allocation of management resources and evaluating operating performance.

The IHI Group organizes SBUs by products and services and allocates Business Areas to control these SBUs. Each Business Area manages and supervises the SBUs' execution of business strategies and allocates management resources necessary for execution of the SBUs' business strategies. SBUs shall be the units possessing complete business processes including sales, developments, designs, productions, constructions, services, etc. based on the visions and strategies drawn up by Business Areas. Each SBU is an organization executing business and responsible for ensuring a profit in the SBU.

Based on the above, the IHI Group consists of segments by these Business Areas and sets the Business Areas of "Resources, Energy and Environment," "Social Infrastructure," "Industrial Systems and General-Purpose Machinery," and "Aero Engine, Space and Defense" as its reportable segment. There are no aggregated business segments when deciding the reportable segment.

Main businesses, products and services belonging to each segment are as follows:

Reportable segment	Main businesses, products and services
Resources, Energy and Environment	Power systems (power systems plants for land use and power systems for ships), Carbon solutions, Nuclear energy (components for nuclear power plants)

Social Infrastructure	Bridges and water gates, Transport systems (*1), Shield systems, Concrete construction materials (*2),
Industrial Systems and General-Purpose Machinery	Vehicular turbochargers, Parking, Rotating machineries (compressors, separation systems, turbochargers for ships), Heat treatment and surface engineering, Transport machineries (*3), Logistics and industrial systems (logistics systems, industrial machineries)
Aero Engine, Space and Defense	Aero engines, Rocket systems and space utilization systems, Defense systems

(\*1) IHI transferred all issued shares of Niigata Transys Co., Ltd., its main consolidated subsidiary in the Transport systems Business, to JKF Co., Ltd. on December 30, 2025.

(\*2) IHI transferred all issued shares of IHI CONSTRUCTION MATERIALS Co., Ltd., its main consolidated subsidiary in the Concrete construction materials Business, to Vertex Corporation on October 1, 2025.

(\*3) The share transfer of the Transport machineries Business to Tadano Ltd. has completed on July 1, 2025.

## 2. Information about reportable segment

The IHI Group's information about reportable segment is as follows:

Intersegment revenue and transfers are based on actual market pricing.

Nine months ended December 31, 2024

(Millions of yen)

Reportable segment									
	Resources, Energy and Environment	Social Infrastructure (Note 1)	Industrial Systems and General- Purpose Machinery	Aero Engine, Space and Defense (Note 2)	Total	Other (Note 3)	Total	Adjustment (Note 4)	Consolidated
Revenue									
Revenue from external customers	302,072	91,975	345,143	375,035	1,114,225	35,765	1,149,990	—	1,149,990
Intersegment revenue and transfers	1,761	3,709	5,134	2,301	12,905	16,769	29,674	(29,674)	—
Total	303,833	95,684	350,277	377,336	1,127,130	52,534	1,179,664	(29,674)	1,149,990
Segment profit (loss) (Note 5)	11,033	(3,130)	2,953	94,682	105,538	5,258	110,796	(7,333)	103,463

- Notes:
- From the current consolidated fiscal year, due to the change of the reporting segment for the Urban development Business from Social Infrastructure to the "Other", ¥ 12,141 million of Revenue from external customers, ¥ 125 million of Intersegment revenue and transfers, and ¥ 2,870 million of segment profit have been reclassified from Social Infrastructure segment to the "Other."
  - The revenue and operating profit (loss) for the nine months ended December 31, 2024, includes the impact of ¥ (6.0) billion due to exchange rate fluctuations for the additional inspection program for shipped PW1100G-JM engines.
  - The "Other" classification consists of business that is not included in reportable segment. It includes inspection and measurement business, the manufacture and sale of equipment and the like related to such business, urban development (real estate sales and rental), and other service operations.
  - Adjustment of segment profit (loss) represents intersegment transactions of ¥ (101) million and unallocated corporate expenses of ¥ (7,232) million. Unallocated corporate expenses mainly consist of general and administrative expenses that are not attributable to reportable segment.
  - Segment profit (loss) is adjusted with operating profit (loss) in the condensed quarterly consolidated financial statement of profit or loss.



Nine months ended December 31, 2025

(Millions of yen)

Reportable segment									
	Resources, Energy and Environment	Social Infrastructure	Industrial Systems and General- Purpose Machinery	Aero Engine, Space and Defense (Note 1)	Total	Other (Note 2)	Total	Adjustment (Note 3)	Consolidated
Revenue									
Revenue from external customers	254,099	94,800	321,271	421,188	1,091,358	37,981	1,129,339	—	1,129,339
Intersegment revenue and transfers	2,919	2,242	8,677	2,644	16,482	19,277	35,759	(35,759)	—
Total	257,018	97,042	329,948	423,832	1,107,840	57,258	1,165,098	(35,759)	1,129,339
Segment profit (loss) (Note 4)	2,614	(719)	28,707	70,687	101,289	10,741	112,030	(9,494)	102,536

- Notes:
- Effective from the current consolidated fiscal year, the IHI has changed its treatment for a portion of administrative expenses related to the Aero Engine, Space and Defense segment. These expenses are now classified as selling, general and administrative expenses instead of being included in cost of sales (manufacturing overhead).  
As a result of this change, segment profit for the period decreased by ¥3,730 million. For further details, please refer to “(5) Notes to the Condensed Quarterly Consolidated Financial Statements (Material accounting policies).”  
The revenue and operating profit (loss) for the nine months ended December 31, 2025, includes the impact of ¥ (3.6) billion due to exchange rate fluctuations for the additional inspection program for shipped PW1100G-JM engines.
  - The “Other” classification consists of business that is not included in reportable segment. It includes inspection and measurement business, the manufacture and sale of equipment and the like related to such business, urban development (real estate sales and rental), and other service operations.
  - Adjustment of segment profit (loss) represents intersegment transactions of ¥ (528) million and unallocated corporate expenses of ¥ (8,966) million. Unallocated corporate expenses mainly consist of general and administrative expenses that are not attributable to reportable segment.
  - Segment profit (loss) is adjusted with operating profit (loss) in the condensed quarterly consolidated financial statement of profit or loss.

## SIGNIFICANT SUBSEQUENT EVENTS

Not applicable

## NOTES ON PREMISE OF GOING CONCERN

Not applicable

## ADDITIONAL INFORMATION

### Transfer a portion of IHI's equity interest in an entity accounted for using the equity method of IHI

On January 5 of this year, the IHI Group transferred a portion of IHI's equity interest in Japan Marine United Corporation (hereinafter "JMU"), an entity accounted for using the equity method of IHI, to Imabari Shipbuilding Co., Ltd. (hereinafter "Imabari Shipbuilding"). The voting rights ratio in JMU has changed from the Imabari Shipbuilding: 30%, JFE (\*): 35%, and IHI: 35% to Imabari Shipbuilding: 60%, JFE: 20%, and IHI: 20%. (\*JFE Holdings, Inc.)

### Succession of Business from Sumitomo Heavy Industries Material Handling Systems Co., Ltd.

On January 26 of this year, the IHI Group succeeded to transfer the mechanical parking system business of Sumitomo Heavy Industries Material Handling Systems Co., Ltd. to the IHI Transport Machinery Co., Ltd., a consolidated subsidiary of IHI, by means of an absorption-type company split, with IHI Transport Machinery Co., Ltd. as the succeeding company and Sumitomo Heavy Industries Material Handling Systems Co., Ltd. as the splitting company. The effective date for this absorption-type company split is scheduled for November 1 of this year.