

(English Translation)

September 26, 2024

To whom it may concern,

IHI Corporation

3-1-1 Toyosu, Koto-ku, Tokyo

Hiroshi Ide, Representative Director,
President, and Chief Executive Officer
(Securities Code: 7013)

Contact: Keiichi Sakamoto, General Manager
of Corporate Communication Division
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**Notice Regarding the Determination of
Policy Regarding Dissolution of Overseas Consolidated Subsidiary**

IHI Corporation (“IHI”) hereby announces that in accordance with an agreement between its overseas consolidated subsidiary IHI Charging Systems International GmbH (“ICSI”) and its Works Councils, a resolution was passed concerning the determination of policy on the dissolution of ICSI as described below.

1. Reasons for dissolution

ICSI was established in Germany in 1998 as the base for the vehicular turbocharger business in Europe, and it has been delivering products to automobile manufacturers in the European region.

However, faced with the cancellation of new development of engines by automobile manufacturers in the European region due to the trend toward EVs, its new order volume from automobile manufacturers expects to decrease.

In order to fulfill its responsibility to supply to the automobile manufacturers of Europe while working to address such changes in the business environment, ICSI’s functions of the vehicular turbocharger business in Europe transfer to IHI’s subsidiary in Italy and ICSI will be dissolved. Particularly, mass production of products will continue at other overseas subsidiaries.

2. Overview of the subsidiary to be dissolved

(1) Name	IHI Charging Systems International GmbH	
(2) Location	Wolff-Knippenberg Strasse 2, 99334 Amt Wachsenburg OT Ichtershausen, GERMANY	
(3) Representative's Name and Position	Andre Schäfer, Representative Director and President	
(4) Main Business Activities	Design, development and sale of vehicular turbochargers	
(5) Capital	15,000 thousand euros	
(6) Date of Establishment	November 17, 1998	
(7) Major Shareholders and Their Shareholding Ratio	The Company 100%	
(8) Relationship between IHI and ICSI	Capital Relationship	IHI owns 100% of shares of ICSI.
	Personnel Relationship	An employee of IHI concurrently serves as the Representative Director.
	Business Relationship	There is a business relationship for product purchase and sales between IHI and ICSI.
	Related party relationship	ICSI is a consolidated subsidiary of IHI.

3. Schedule of dissolution

September 25, 2024	Resolutions are adopted at the general meeting of shareholders of ICSI on the policy regarding dissolution of ICSI
March 2025	End of business activities of ICSI Dissolution of ICSI

4. Losses associated with the dissolution and Future outlook

The amount of loss associated with the dissolution of ICSI and the impact on our consolidated performance forecast for the fiscal year ending March 2025 are currently under careful review. IHI will promptly notify you of any matters that should be disclosed in the future.

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(Reference) Forecast of the consolidated results for the fiscal year ending March 31, 2025 (announced on May 8, 2024) and the consolidated results for the fiscal year ended March 31, 2024

International Financial Reporting Standards (IFRS) (Millions of yen)

	Revenue	Operating Profit	Profit Before Tax	Profit Attributable to Owners of Parent	Basic Earnings per Share
Forecast of the consolidated results for the fiscal year ending March 31, 2025	1,600,000	110,000	100,000	60,000	394.99 yen
Consolidated results for the fiscal year ended March 31, 2024	1,322,591	(70,138)	(72,280)	(68,214)	(450.78) yen