MOVE THE WORLD FORWARD MITSUBISHI HEAVY INDUSTRIES GROUP

2024 Medium-Term Business Plan Progress

Achievements and Path to Attaining Strategic Goals in Final Year

May 27, 2026

Eisaku Ito, President and CEO

Mitsubishi Heavy Industries, Ltd.

MITSUBISHI HEAVY INDUSTRIES

Allow me to outline our progress under the 2024 Medium-Term Business Plan, or "2024 MTBP."

2024 MTBP[1] Progress Update

MITSUBISHI HEAVY INDUSTRIES

Overview of FY2025

- Order intake, business profit, net income, and free cash flow reached **record highs** in FY2025
- Order intake grew primarily in Growing Core Businesses – Energy Systems and Defense – and **order backlog exceeded ¥13 trillion**
- Under ITO initiative, working to build **highly profitable** business structure. Through various initiatives, **achieved business profit margin and ROE** targets one year ahead of schedule.

Changes in Business Environment

- **Global political instability** intensifying
  - Heightened awareness of not only **national security**, but also **economic security**
  - Rising risk of **supply-chain disruptions** as economic blocs continue to solidify
- Long-standing globalization prioritizing economic efficiency has led to **weakening of manufacturing bases** worldwide
- **Challenges threatening functioning of society emerging**
  - Including: intensifying natural disasters, labor shortages, cybersecurity risks, and aging infrastructure
- **Technological innovation accelerating**
  - In particular, generative AI evolving into autonomous operational agents (**AI agents**), driving increased adoption in automated manufacturing (**physical AI**)
- **Carbon Neutrality** initiatives transitioning to pragmatic approach reflecting concerns over energy security and maintaining industrial competitiveness
- Changes in business environment expanding MHI's potential contributions to solving societal issues

  Potential opportunities in the following areas:

  "Resilience" is common thread connecting them

  (1) Providing safety and security, (2) Ensuring stable energy supplies, (3) Rebuilding manufacturing bases, (4) Enhancing BCM[2], (5) Diversifying infrastructure needs, and (6) Balancing economy and environment

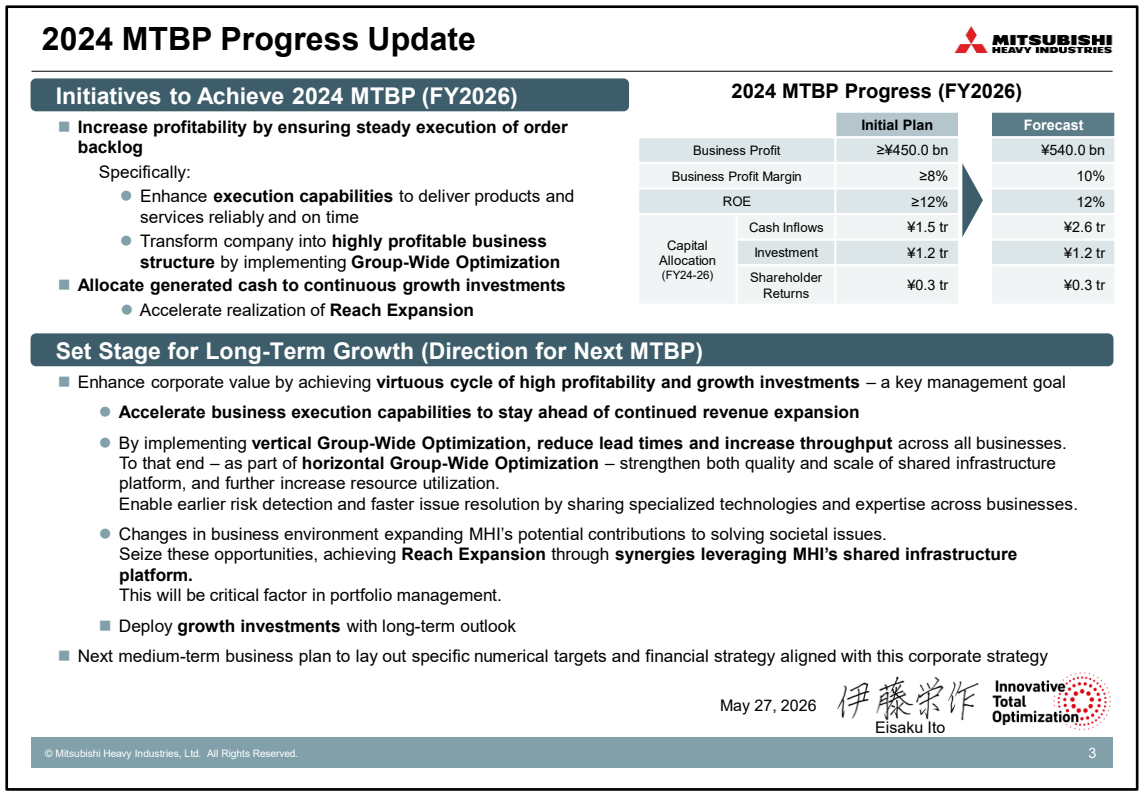
1 MTBP: Medium-Term Business Plan 2 BCM: Business Continuity Management

First, I will provide an overview of our FY2025 results.
In FY2025, order intake, business profit, net income, and cash flow attained record highs. In addition, order intake increased primarily in our Growing Core Businesses of Energy Systems and Defense, and the order backlog exceeded ¥13 trillion.
We are working to achieve a highly profitable business structure under our Innovative Total Optimization (ITO) initiative. Through various measures, we achieved our 2024 MTBP business profit margin and ROE targets one year ahead of schedule.

Next, I will discuss changes in our business environment. First, global political instability is intensifying. Awareness of security is growing, not only in terms of national defense, but also in terms of economic security. In addition, the risk of supply-chain disruptions is increasing due to the solidifying of economic blocs. Furthermore, as a result of long-standing globalization in pursuit of economic efficiency, manufacturing bases are weakening in many countries. Other issues threatening the functioning of society are emerging. These include intensifying natural disasters, labor shortages, cybersecurity risks, and aging infrastructure.

Contrastingly, technological innovation is accelerating. In particular, generative AI has evolved into autonomous operational agents, driving increased adoption of physical AI in automated manufacturing. Carbon Neutrality initiatives are transitioning to a pragmatic approach reflecting concerns over energy security and maintaining industrial competitiveness.

As a result of these changes in the business environment, MHI's potential contributions to solving societal issues are expanding. Some potential opportunities are shown in items (1) through (6). "Resilience" is the common thread connecting these areas.



Next, I will touch on our initiatives supporting the achievement of the 2024 MTBP. First, we will increase profitability by ensuring steady execution of our order backlog. Specifically, we will enhance our execution capabilities to deliver products and services reliably and on time. In parallel, we will transform the company into a highly profitable business structure by implementing Group-Wide Optimization. Furthermore, we allocate the investment capacity generated through these initiatives to growth investments, accelerating the realization of Reach Expansion.

Finally, I will lay out our vision for long-term growth. We will enhance corporate value by establishing a virtuous cycle of high profitability and growth investments – one of our key management goals.

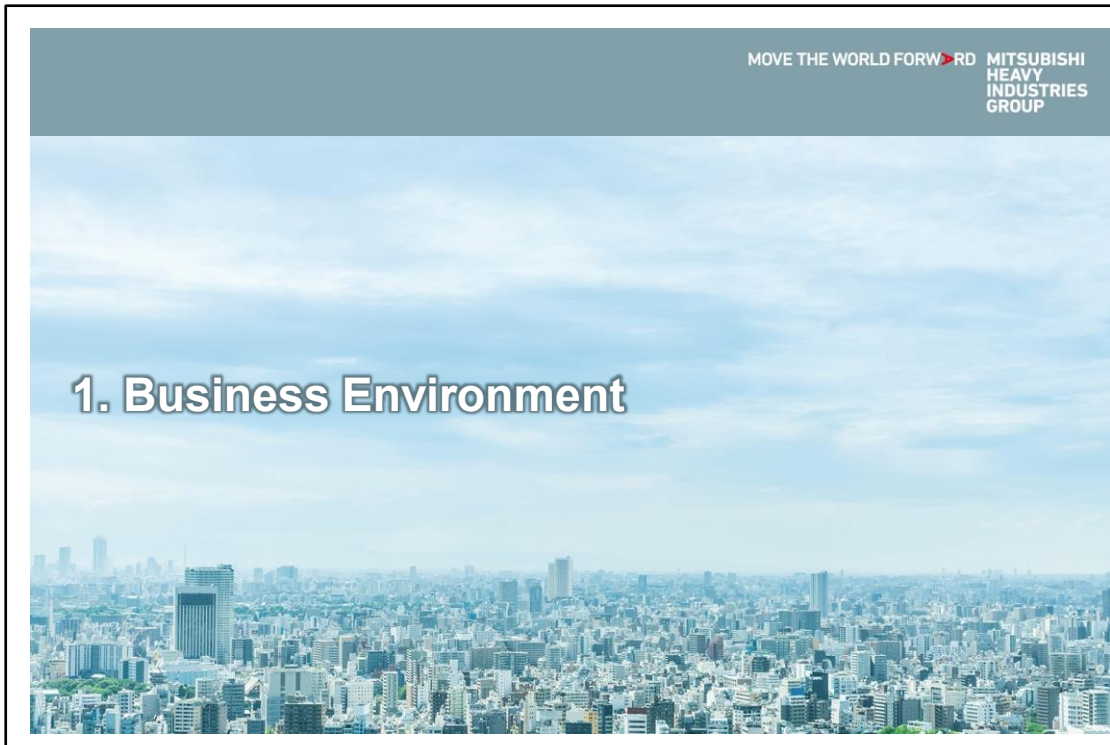
- We will accelerate business execution to stay ahead of continued revenue expansion. We will also aim to reduce lead times and increase throughput across all businesses by implementing vertical Group-Wide Optimization.
- We will strengthen both the quality and scale of our shared infrastructure platform and further increase resource utilization through our horizontal Reach Expansion initiative. We will enable earlier risk detection and faster issue resolution by sharing specialized technologies and expertise across businesses.
- Changes in our business environment are expanding MHI's potential contributions to the resolution of societal issues. We will seize these opportunities, achieving Reach Expansion through synergies which leverage MHI's shared infrastructure platform. This will be a critical factor in the management of our portfolio.
- Finally, we will deploy growth investments with a long-term outlook.

In our next medium-term business plan, we will lay out specific numerical targets and a financial strategy aligned with this corporate strategy.

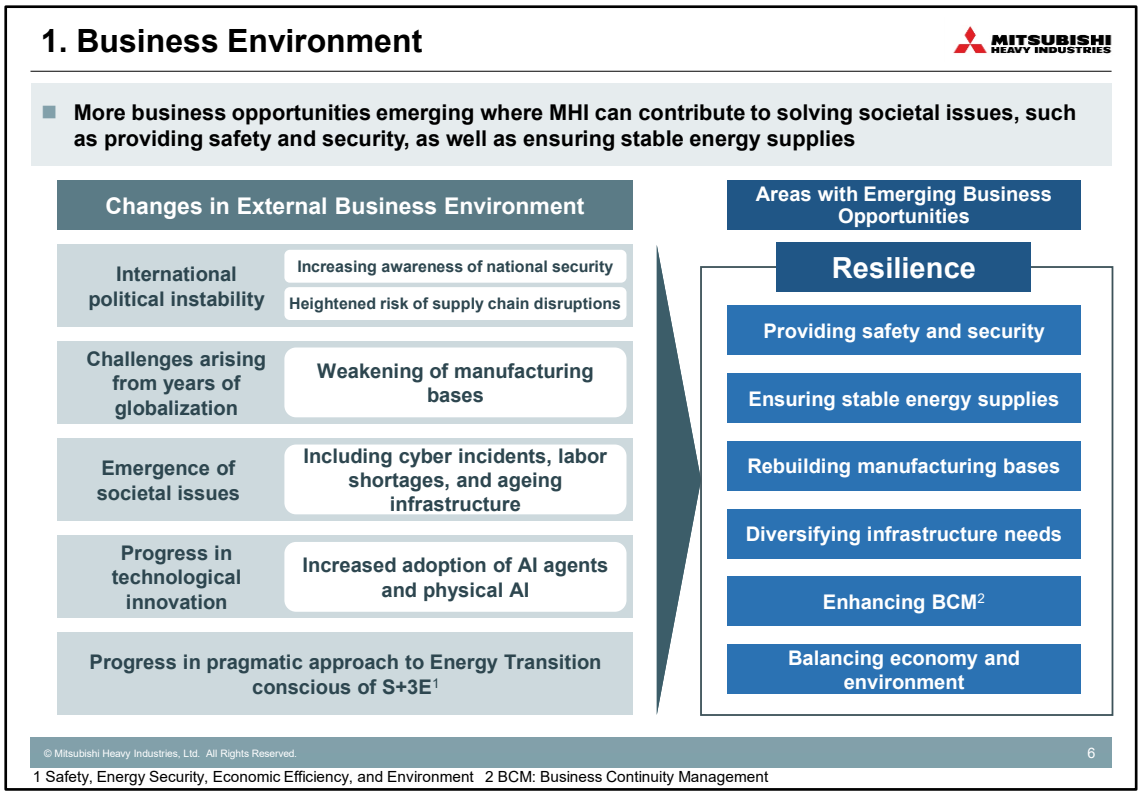
Agenda

1. Business Environment
2. Virtuous Cycle of High Profitability and Growth Investments
3. 2024 MTBP Progress Update
4. Summary

This page shows the agenda for today's briefing.



First, I will discuss our business environment.

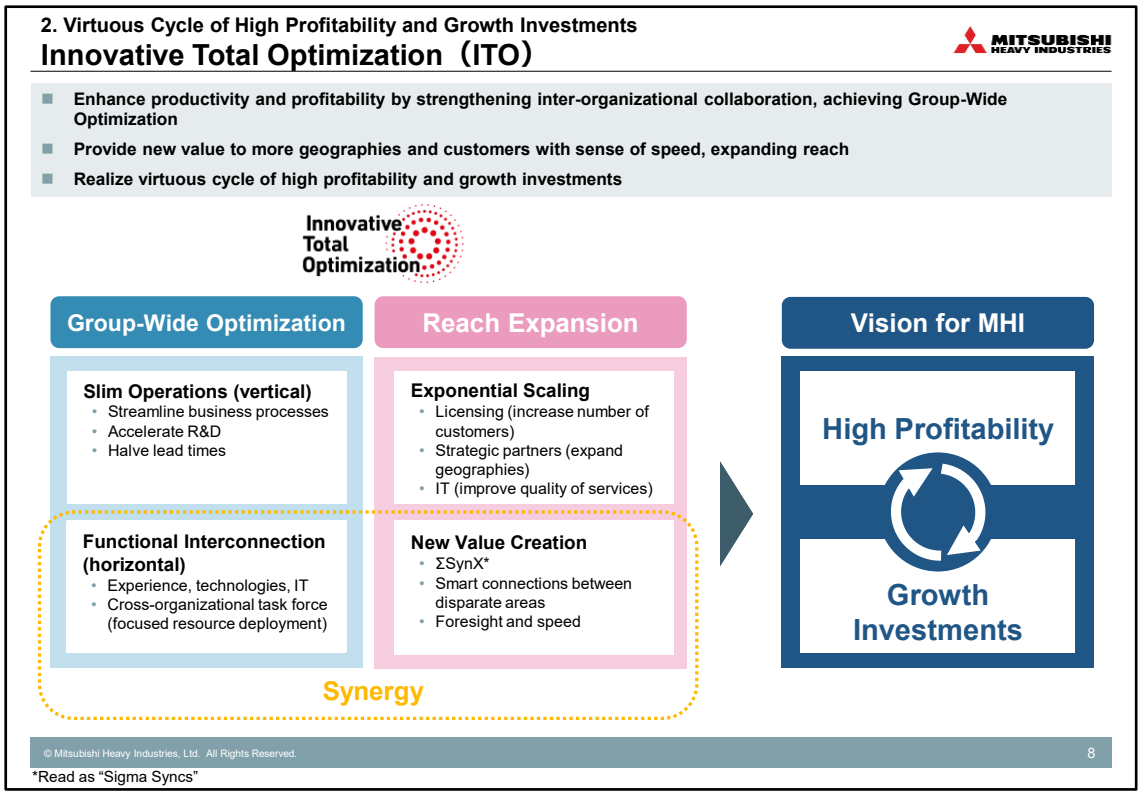


The external environment is rapidly evolving in dramatic ways. We are seeing increasing awareness of national security, heightened risk of supply chain disruptions, a weakening of manufacturing bases, increasing cyber incidents, labor shortages, and rapid advances in AI.

While these changes bring undeniable risks, they also open the door to new business opportunities. Our strategy is to proactively seize these opportunities, especially where we can help solve critical societal issues such as providing safety and security, and ensuring stable energy supplies.

The guiding principle here is “Resilience.”

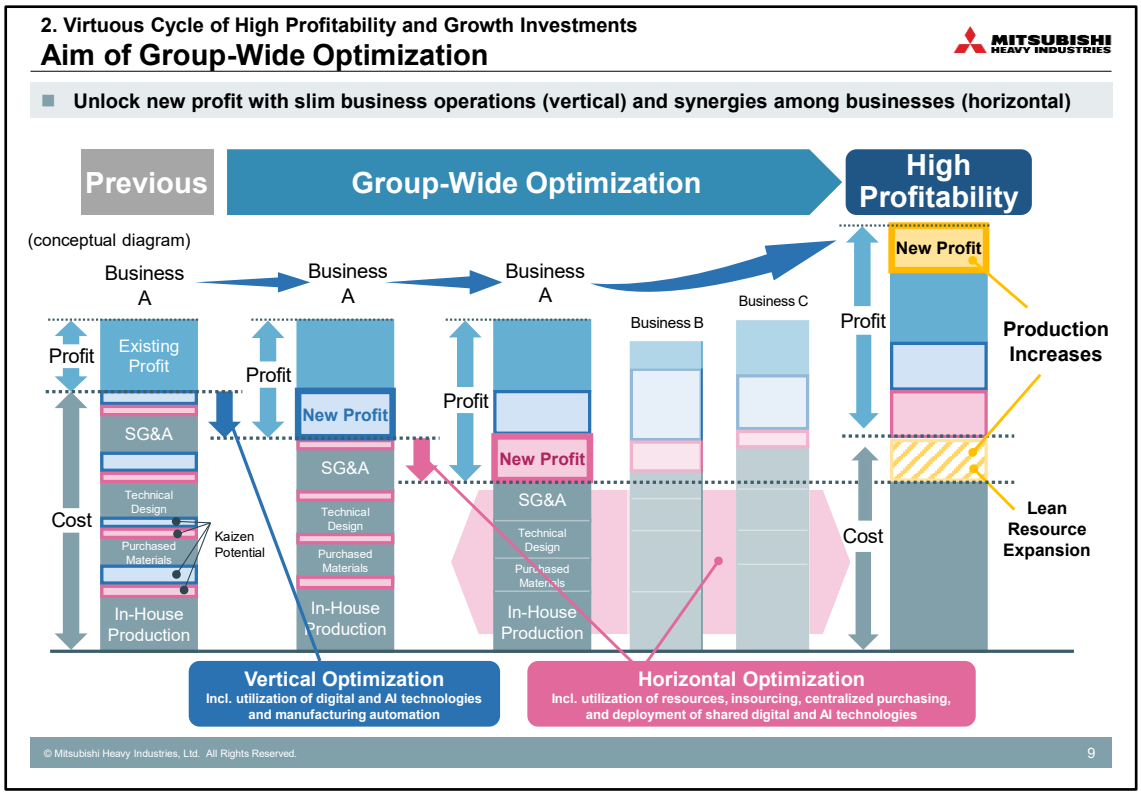
Next, I will outline our core management objective: achieving a virtuous cycle of high profitability and growth investments.



A key driver of this virtuous cycle is our ITO strategy – which stands for Integrated Total Optimization. We have included a page from last year’s presentation to explain this initiative.

Group-Wide Optimization means boosting productivity and profitability by strengthening collaboration across our organization. Reach Expansion refers to rapidly delivering new value to more customers and regions.

By pursuing these two efforts in tandem, we will unlock powerful synergies that will fuel the virtuous cycle of high profitability and growth investments.

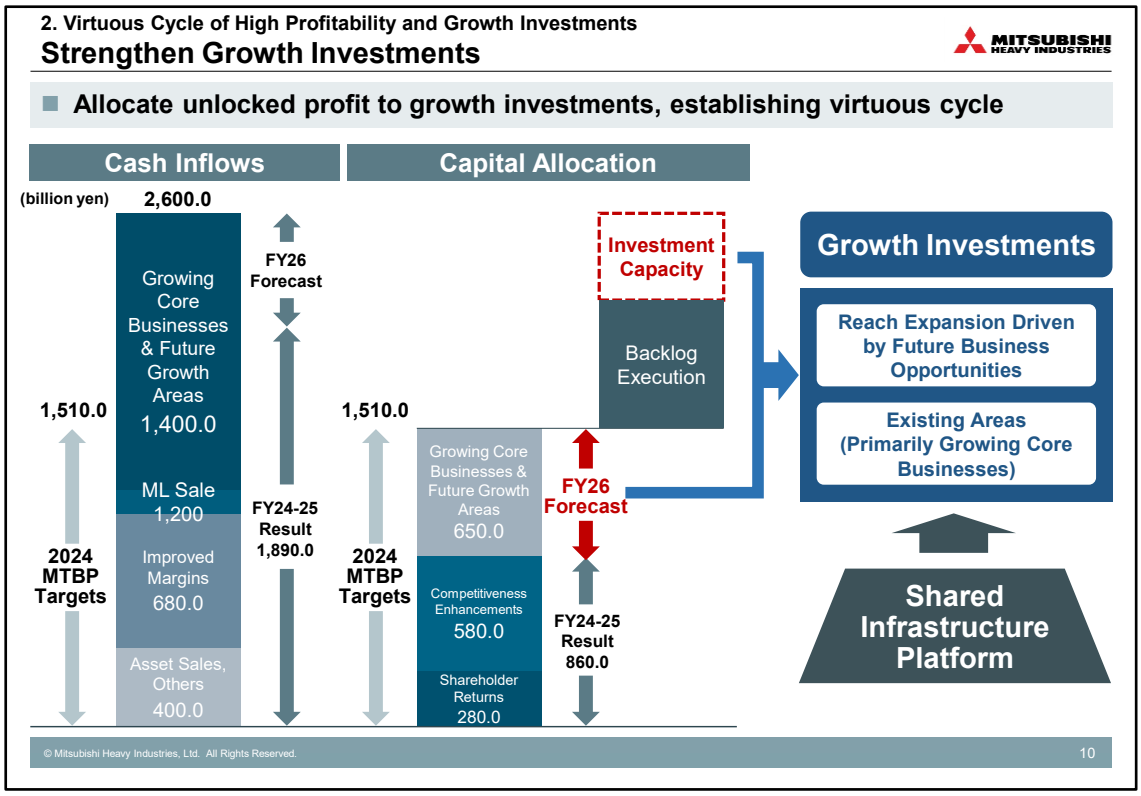


This page illustrates the tangible impact of Group-Wide Optimization.

Please refer to the bar chart on the far left. The total height of the bar represents revenue, and the blue boxes represent profit after subtracting costs. Costs include those incurred within the value chain, such as in-house production and purchased materials – areas with substantial room for improvement. By leveraging digital and AI technologies, as well as manufacturing automation, we estimate that several tens of percent of new profit can be unlocked in this way. This is what we refer to as Vertical Optimization, which is shown in the second bar chart from the left.

Beyond that, optimizing value chains across multiple businesses offers more opportunities for improvement. By increasing the utilization of resources and insourcing, we can produce another several tens of percent of profit upside. This Horizontal Optimization is shown in the third bar chart from the left.

Finally, the rightmost graph illustrates how we can scale production to meet demand after these optimizations. Our goal is to apply this approach company-wide, building a robust, highly profitable business structure. Currently our business units have made around 300 proposals, and we are in the process of implementing them.

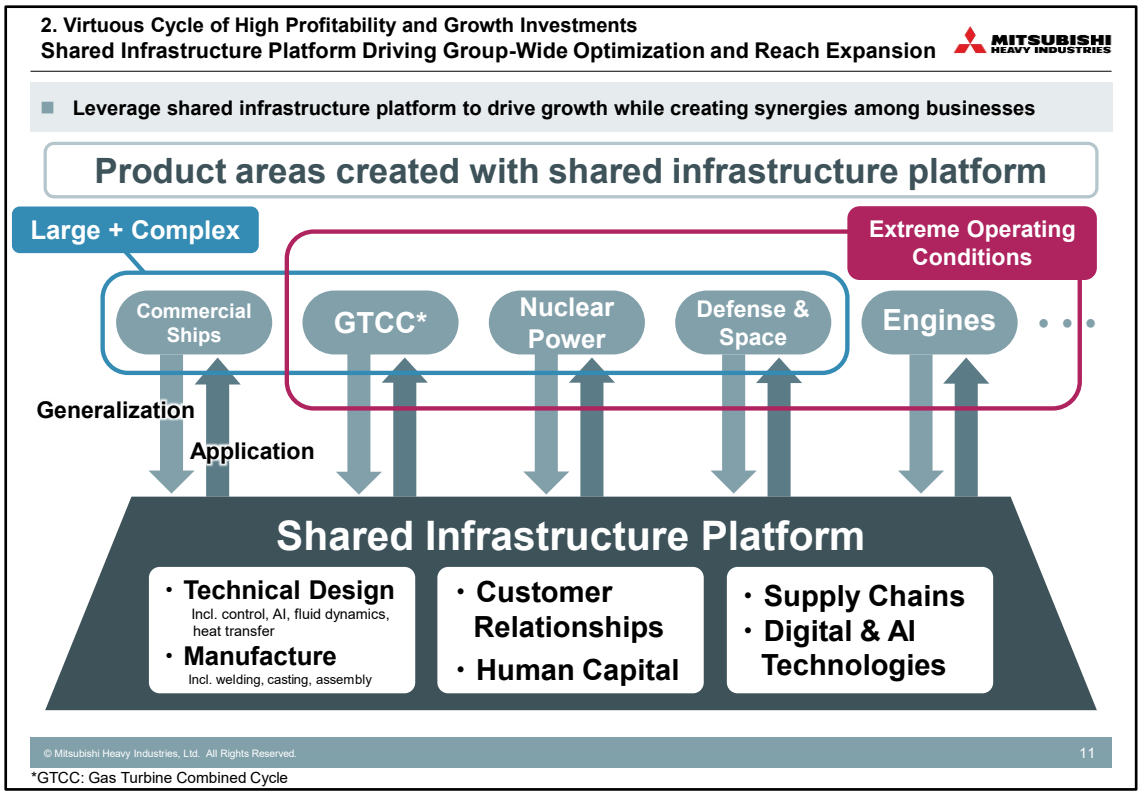


We will allocate profits generated through Group-Wide Optimization to growth investments, creating a self-sustaining virtuous cycle.

Our cash inflows forecast for FY2026 has surged from approximately ¥1.5 trillion in FY2024 to ¥2.6 trillion. While some of this improvement includes advances received – and therefore not of it all can be allocated to investments – it still represents a substantial boost in available cash versus initial assumptions under the 2024 MTBP.

We will strategically deploy this cash into our existing business areas – primarily our Growing Core Businesses – as well as into future business opportunities driven by Reach Expansion, thereby achieving long-term growth.

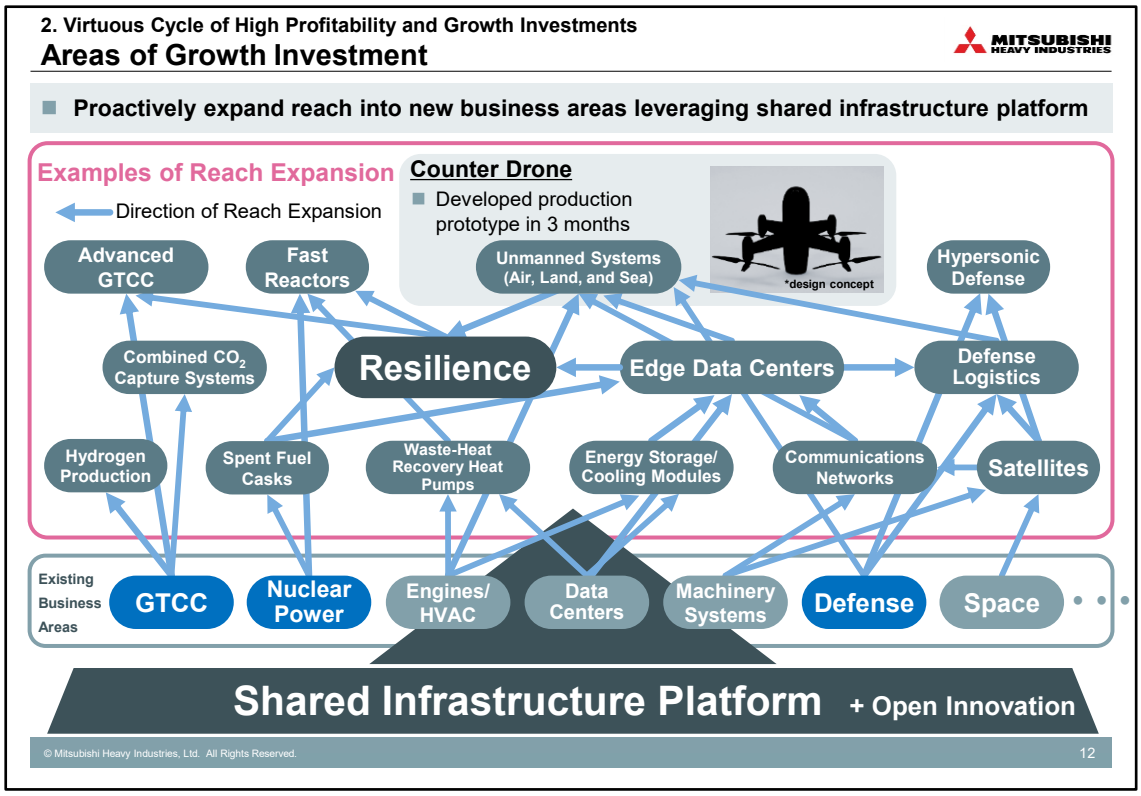
The next page highlights our shared infrastructure platform, which will enable us to pursue this strategy.



To deliver on Group-Wide Optimization and Reach Expansion, we will rely on MHI's unique shared infrastructure platform.

Our shared infrastructure platform includes technical design and manufacturing technologies, customer relationships, human capital, supply chains, and digital and AI technologies. This platform underpins all of our businesses, creating powerful synergies as they grow together.

MHI excels particularly in large, complex products and precision-controlled systems operating under extreme conditions. This page outlines some examples of these synergies.



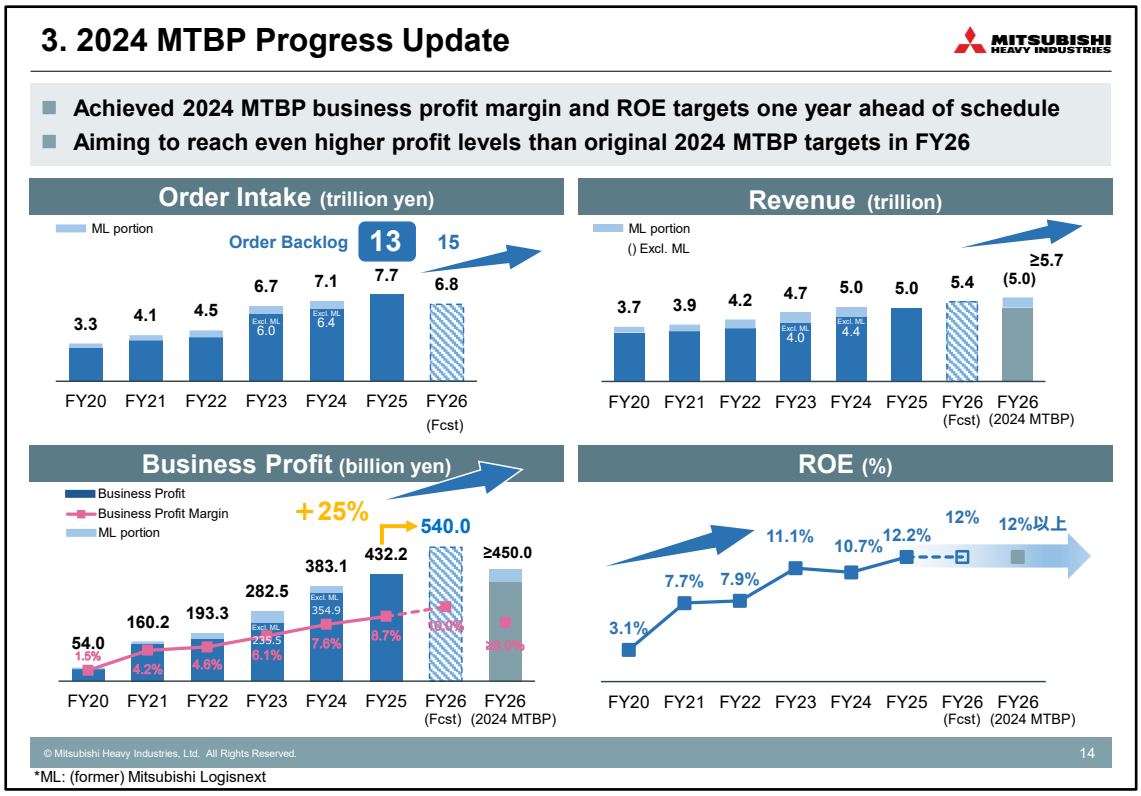
This page maps out the areas into which we will expand our reach by leveraging our shared infrastructure platform. We have added open innovation to the shared infrastructure platform, which refers to collaboration with centers of excellence (CoE) around the world. The blue arrows in the diagram indicate the direction of Reach Expansion.

As I mentioned on the previous page, our businesses are underpinned by the shared infrastructure platform. By investing proactively in new business opportunities, we will expand into new business areas by leveraging this platform.

To provide one example from Defense, recently our Research & Innovation Center and Defense business unit collaborated to develop a counter drone production prototype in just three months. This rapid innovation leveraged our core rotary-wing technology alongside expertise in mass-production design and manufacturing. Our ability to develop and mass-produce new products outpacing startups stems from our unique shared infrastructure platform, which allows us to flexibly respond to market needs.

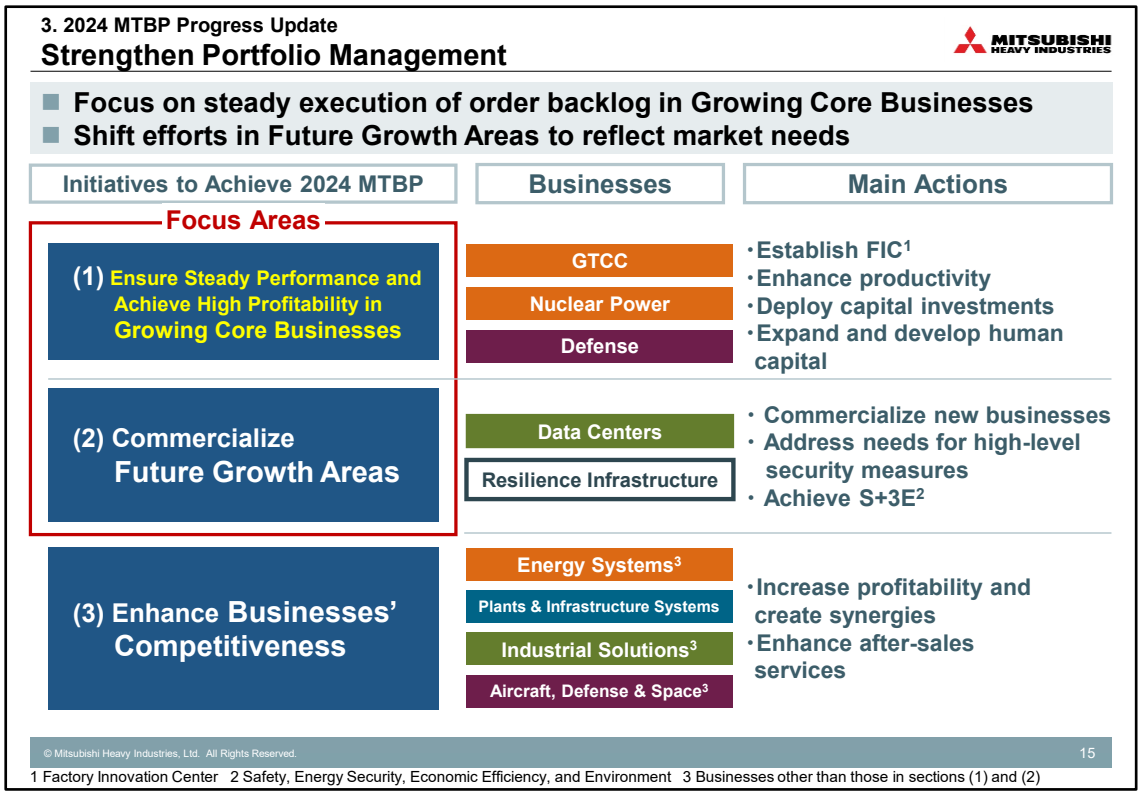
In short, expanding our reach through synergies rooted in our shared infrastructure platform is the cornerstone of our portfolio strategy and a major driver of the Reach Expansion initiative. Many of these new areas directly enhance resilience and align with market trends, positioning us to generate several hundreds of billions of yen in new profits.

Now, let me update you on the progress we have made toward achieving our 2024 MTBP targets.



In our recently announced FY2025 results, we achieved our 2024 MTBP targets for business profit margin and ROE one year ahead of schedule. Looking ahead to FY2026, we are aiming even higher, raising our business profit target from ¥450 billion to ¥540 billion.

Furthermore, our order backlog stands strong at ¥13 trillion, and we expect the backlog will remain at elevated levels going forward. We are committed to delivering on these orders with our products and services in a timely manner.

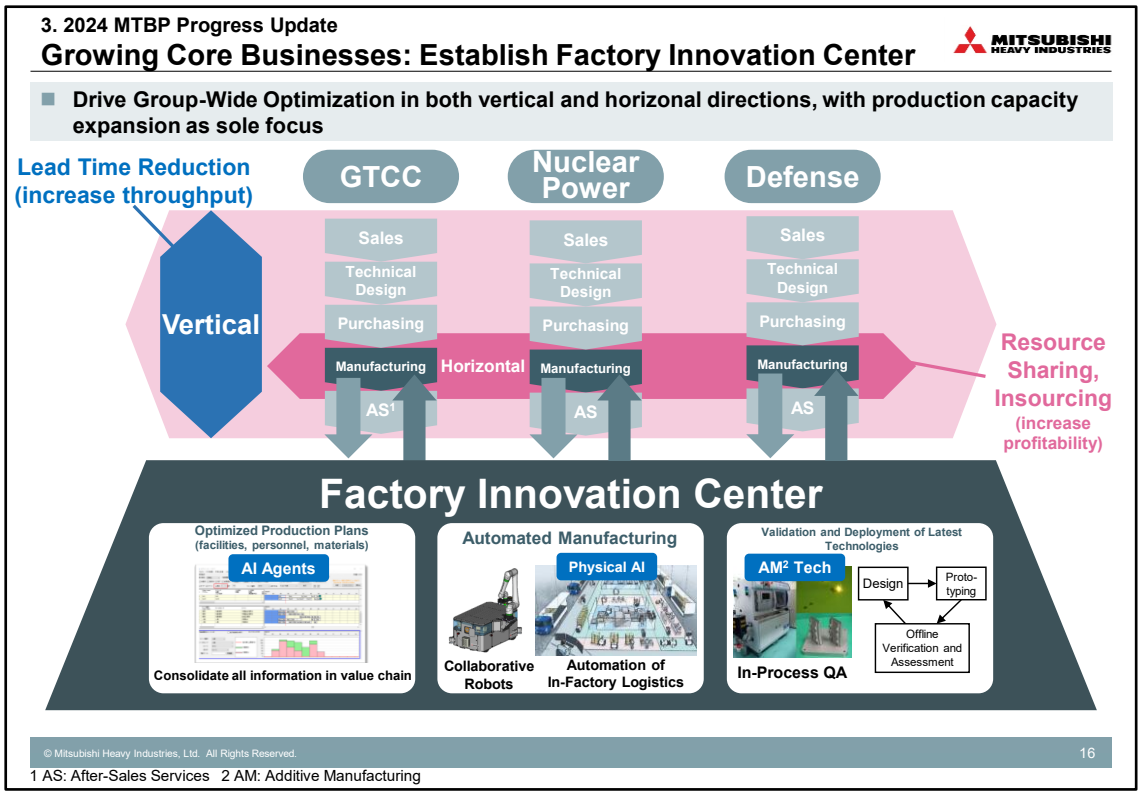


The 2024 MTBP focuses on strengthening portfolio management across three key categories: Ensure steady performance and achieve high profitability in Growing Core Businesses; Commercialize Future Growth Areas; and Enhance businesses' competitiveness.

While implementing the ITO initiative in all businesses, we are sharpening our focus on building a highly profitable business structure, primarily in our Growing Core Businesses.

In our Future Growth Areas, we are shifting focus in line with societal needs. Accordingly, we are developing a growth strategy centered on Resilience Infrastructure – businesses that support the safety, security, energy stability, and Business Continuity Management of a variety of critical infrastructure.

The right side of this page outlines main actions in each category, which I will discuss in detail over the next few pages.



First, I will discuss our efforts in the Growing Core Businesses.

With order intake rising, we are scaling production capacity while transforming these businesses into highly profitable operations. To support this, we established the Factory Innovation Center, which is dedicated to boosting production capabilities.

The Center will pioneer the development of lead-time reduction techniques, such as optimized production planning, manufacturing automation, and rapid adoption of cutting-edge technologies. It will also make full use of AI and Additive Manufacturing (AM) techniques.

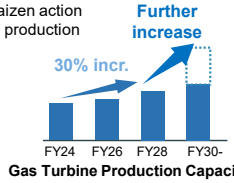
It will act as a hub, disseminating these innovations across all of our businesses.

3. 2024 MTBP Progress Update
Growing Core Businesses: GTCC (Enhance Productivity, Deploy Capital Investments)

■ **Optimize entire process while deploying capital investments in core parts manufacture**

Gas Turbine Production Capacity Expansion

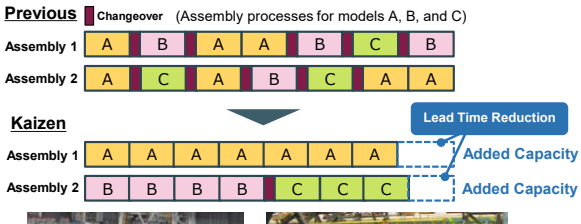
- By implementing more than 1,000 kaizen action items, gained line of sight to expand production capacity by 30%
- Further expansion in progress

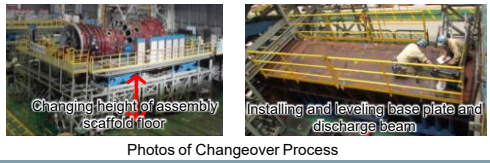


Gas Turbine Production Capacity

Reduction of Changeover Time

- Continuous manufacturing of same models





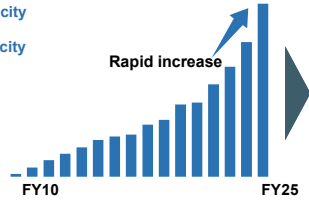
Photos of Changeover Process

Upgrades to Core Part Manufacturing Facilities

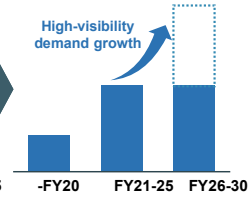
- Demand to increase for after-sales services due to high volume of original equipment orders
- Upgrading precision casting facility


Precision Casting Facility

Total J-Series Unit Orders



J-Class Units Covered by AS



Next, I will introduce our initiatives in the GTCC business.

At Takasago Machinery Works – our flagship facility for gas turbines – our technical design and manufacturing teams have generated over 1,000 productivity improvement ideas. One notable example is reducing process changeover. Previously, gas turbines were assembled in customer order sequence, but now, by grouping production by model type, we have significantly cut changeover time. This is just one of many initiatives to shorten lead times and boost throughput.

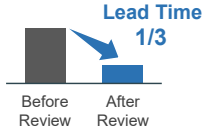
With unit orders rising, demand for hot parts will grow in the future. In anticipation of this, we are upgrading our precision casting facility – which is critical for producing these components – while enhancing productivity and further increasing production volumes.

Improve business execution capabilities with shared infrastructure platform

Missile System Production Increase

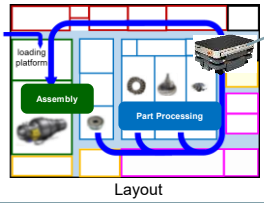
- Utilizing IT and AI to enhance productivity
- Reduced lead time to 1/3 previous

New Factory in Nagoya Area



Streamline Flow of Materials

- Optimize production process using simulations
- Use robots to reduce changeover time for machining and assembly



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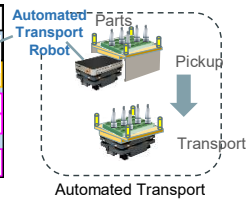
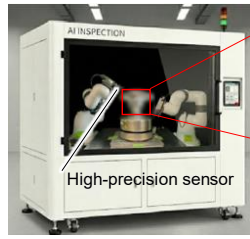
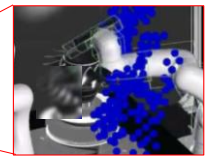


Automated Transport

Automated In-Process Inspection of Critical Parts

- Automated detection of defects with physical AI





Automated detection of inspection targets

Conceptual Diagram of Inspection System
(Scheduled to begin operation in FY27)

Automated anomaly detection with AI

Sensing data

Turning to the Defense business, we are leveraging IT and AI technologies to enhance productivity.

To provide one example, our new factory in the Nagoya area – which is now being brought online – was designed using process optimization simulations, including automated transport robots, which reduce changeover time during assembly.

We are also deploying AI to improve inspection efficiency for critical parts during the manufacturing process, aiming to reduce lead times to one-third previous levels.

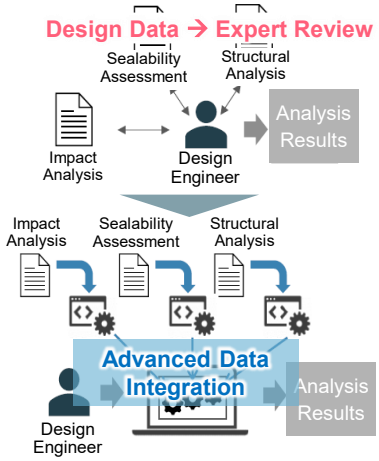
3. 2024 MTBP Progress Update
Growing Core Businesses: Nuclear Power (Enhance Productivity, Deploy Capital Investments)

- Enhancing business execution capabilities with digital technologies and manufacturing process kaizen

Spent Fuel Cask* Production Increase

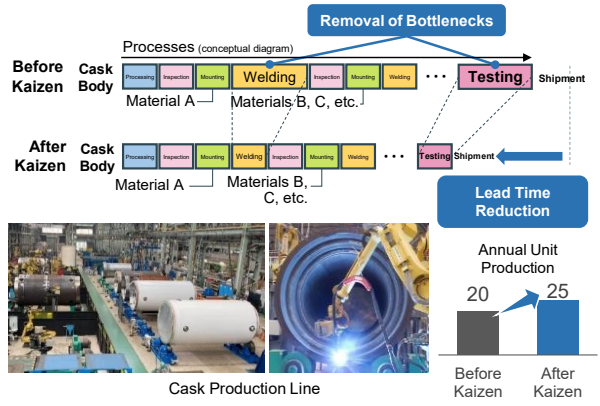
Reduce Engineering Process Time

- 30% reduction through standardization of technical design tools



Production Capacity Expansion

- Align takt time to expand production capacity by 25%
  - Welding method kaizen
  - Upgrades to testing equipment



Cask Production Line

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*Containers to temporarily store spent fuel before reprocessing. Equipment for which high reliability is essential and which requires type certification from the Japan Nuclear Regulation Authority. To date, only two Japanese companies have received certification.

In the Nuclear Power business, we are increasing production of spent fuel casks.

These are highly reliable products certified by the Japan Nuclear Regulation Authority, which require meticulous engineering and manufacturing.

To boost productivity, we are digitalizing engineering processes. Previously, expert designer engineers manually reviewed massive analysis data in the process of drafting technical drawings. Now, advanced automated data linkages have cut this workload by 30%.

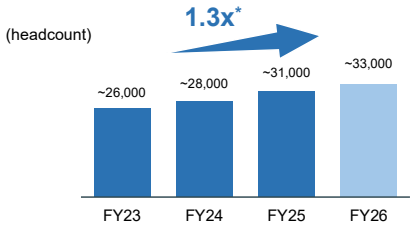
On the manufacturing side, improvements in automated welding and upgrades to testing equipment – previous bottlenecks – have increased annual capacity from 20 to 25 units.

3. 2024 MTBP Progress Update

Growing Core Businesses: Expand and Develop Human Capital

- Increase personnel levels in anticipation of production increases, and deploy comprehensive education programs

Personnel in Growing Core Businesses



GTCC: Maintenance Personnel

- Develop skills by leveraging Global Training Center expansion
- Enhance OJT with remote-monitoring tools

GT maintenance instruction

Nuclear Power: Technical Personnel

- Early competency development through comprehensive courses in nuclear engineering and VR training for factory tasks

Factory task training with VR

Defense: Mid-Career Hires

- Launched Technical Skill Development Center
- Ensure rapid readiness of additional hires by identifying pre-assignment skill levels and supporting skill development

Technical Skill Development Center

*FY23 actual → FY26 forecast

Now, let me highlight our efforts to expand personnel and deploy training programs in our Growing Core Businesses.

We plan to grow personnel to 33,000 – a 1.3x increase over FY2023 – to manage recent high order volumes.

In order to ensure rapid readiness of additional hires in GTCC, we are expanding facilities and education programs for on-site maintenance personnel at our Global Training Center. These efforts incorporate efficient OJT supported by remote monitoring technologies.

In Nuclear Power, we are enhancing education for new hires with nuclear engineering seminars and VR training.

In Defense, we have established a Technical Skill Development Center to upskill the growing number of mid-career hires.

3. 2024 MTBP Progress Update

Growing Core Businesses: Transfer Manufacturing Technologies & Skills

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- **Supplement knowledge and experience with AI and digital technologies to streamline transfer of manufacturing technologies and skills**

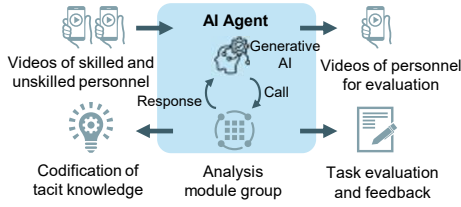
Technical Design

- Apply VR[1] to design tasks reliant on seasoned expertise
- Streamline drawing and workability reviews through full-scale VR visualization

VR visualization of next-generation transfer vehicle

Manufacturing

- Codify tacit skills into explicit knowledge with AI
- Enable self-driven learning with AI-based evaluation of junior personnel's task execution
- Reduce training time by 30%



AI-enabled codification of welding expertise

- Guide personnel to correct position using AR[2] glasses
- Eliminate manual dimension measurement at work site

AR visualization of casting models

AR glasses utilization during task

1 VR: Virtual Reality 2 AR: Augmented Reality

We are also harnessing AI and digital technologies to preserve and transfer technologies and skills.

VR technologies are supporting technical design work by enabling the efficient review of complex drawings, which requires expert know-how.

In manufacturing, tacit knowledge is being codified into formal training materials, accelerating self-driven skill acquisition by younger employees. We are also deploying AR glasses onsite to enhance work efficiency and facilitate the transfer of skills.

3. 2024 MTBP Progress Update

Future Growth Areas

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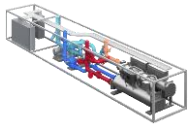
- **Ramping up efforts to seize new business opportunities improving resilience and stability of infrastructure**

Commercialize Products for Data Centers

Modularization



Cooling module

High-Level Security Needs

DIAVAULT

High-security compliant edge data center

User

Large Cloud System

- **Convenience**
- **Centralized, high-speed computation**
- **Information utilization**

Combined Use

Distributed System

- **Highly customizable**
- **Low latency**
- **High security**
- **High resilience**

Resilience Infrastructure Initiatives

Achieve S+3E

Significant Cost Reductions in CO_2 Capture Systems

- Leverage modularization to optimize entire value chain, primarily manufacturing, transport, and construction

Supply ORC² Systems for Next-Generation Geothermal Projects

- Provide ORC systems to Fervo Energy – Next-Generation Geothermal Projects
- Reliably provide economical renewable energy

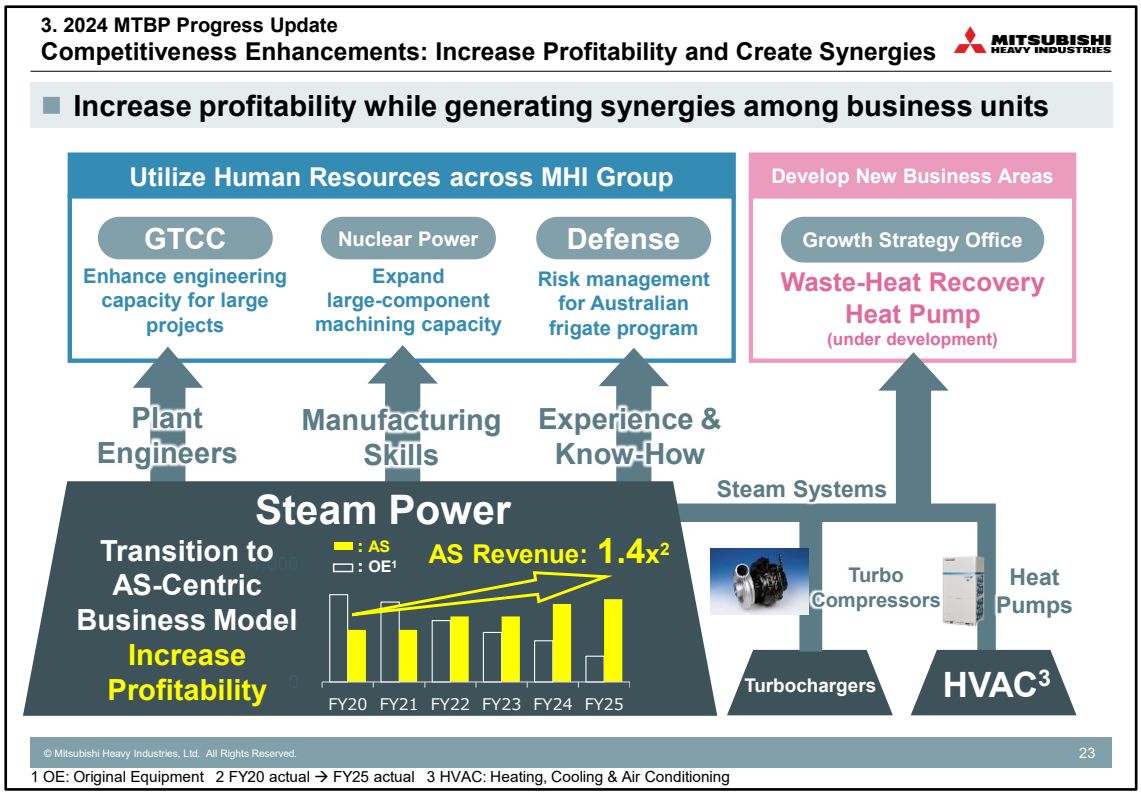
Geothermal power plant site in U.S.

1 Safety, Energy Security, Economic Efficiency, and Environment 2 Organic Rankine Cycle

Moving to our Future Growth Areas.
We recognize the growing need to enhance the resilience of critical infrastructure and view this as a prime business opportunity.

In the Data Centers area, we are working to commercialize products for both large cloud systems and distributed data centers offering enhanced security. In order to address both of these areas, we are developing advanced cooling modules and high-security compliant data centers.

In Resilience Infrastructure, we are continuing R&D efforts with a clear focus on economic viability as we work to achieve S+3E. Specific examples of this are cost reductions in CO2 capture systems through the application of modular design, and offering Organic Rankine Cycle (ORC) solutions for next-generation geothermal power projects.

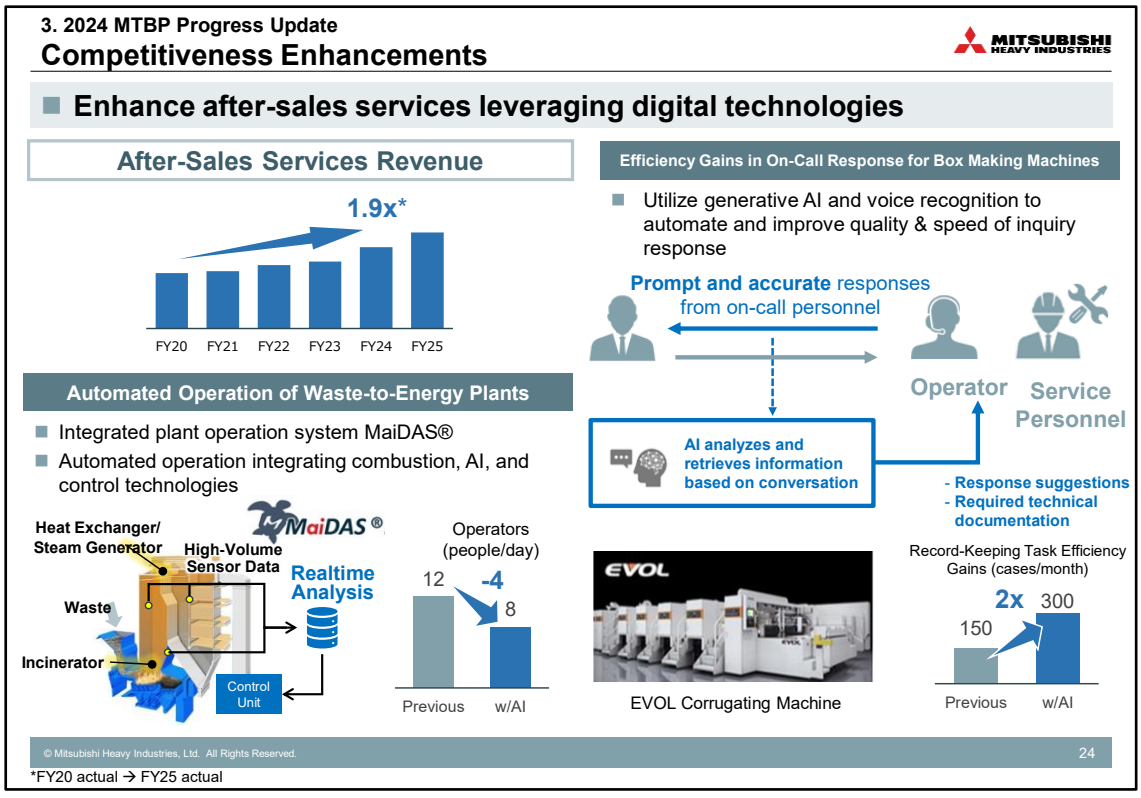


Next, I will outline some of our efforts to enhance the competitiveness of our businesses.

In Steam Power, over a period of several years, we have boosted profitability by shifting to an after-sales services-centric business model amid a sharp drop in original equipment volumes.

We are also leveraging Steam Power's platform to implement Horizontal Optimization, deploying human resources throughout MHI Group, where they are making large contributions in our Growing Core Businesses. Specifically, plant engineers are supporting the execution of large GTCC projects; manufacturing experts are handling the processing of large Nuclear Power components; and engineers with experience in overseas plant projects are helping the Defense business manage risk in the Australian frigate program.

Leveraging Steam Power's expertise in steam systems, we are pioneering new areas in the Turbochargers and HVAC businesses, including waste-heat recovery heat pumps.



Under our competitiveness enhancement initiatives, we are leveraging digital technologies to enhance after-sales services and profitability. After-sales service revenue has increased by 1.9 times compared to 2020.

To provide some examples of our efforts in this area:

In our Waste-to-Energy Systems business, our integrated operation system MaiDAS® combines combustion, AI, and control technologies to automate plant operations, reducing the number of operators from 12 to 8.

Our Box Making Machines business is leveraging AI during 24/7 on-call support to analyze conversations with customers, provide response suggestions, and show technical documentation – allowing us to provide rapid, accurate responses.

3. 2024 MTBP Progress Update

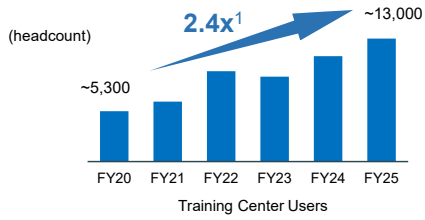
Strengthen Human Capital

- **Increase manufacturing and Digital Innovation (DI)-proficient personnel's skill levels to address changing societal and customer needs**

Transfer Manufacturing Technologies & Skills

Develop and Enhance Human Resources

- Launch new educational programs
- Transform junior staff and mid-career hires into immediate contributors

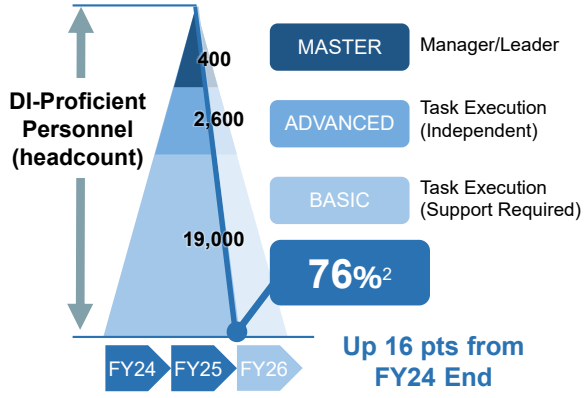


Increase Sharing between Technical Areas

- Establish community of welding, processing, and assembly specialists
- Create and share ideas about problem solving

Develop DI-Proficient Personnel

- In parallel with development of DI-proficient personnel, make digital and AI technologies easier to use, and increase operational efficiency
- Operational efficiency gains: ¥15 bn in FY25



1 FY20 actual → FY25 actual 2 FY25 end: 16,622 / 22,000

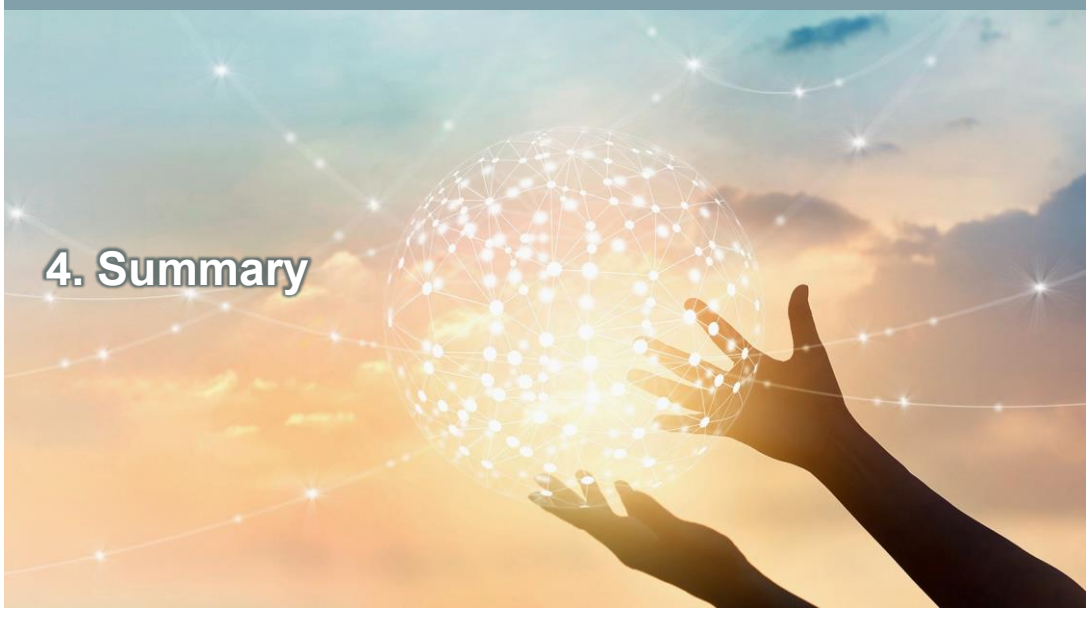
Finally, allow me to highlight our efforts to strengthen human capital across all of our businesses.

In order to flexibly address evolving societal and customer needs, we are enhancing training programs for manufacturing and digital talent – the backbone of MHI.

We are expanding internal training programs for newly hired skilled personnel to transform them into immediate contributors. Additionally, we are leveraging our community of specialists to share information and best practices across the organization.

Beyond developing digital talent, we are upgrading our digital and AI infrastructure, which has produced ¥15 billion in operational efficiency gains to date.

(Summary continues on page 27.)



4. Summary

4. Summary

Initiatives to Achieve 2024 MTBP

- During FY2026, strengthen execution capabilities to **reliably manage high order backlog**
- In parallel, **transform company into highly profitable business structure** by implementing Group-Wide Optimization

Set Stage for Long-Term Growth (Direction for Next MTBP)

- Achieve **virtuous cycle of high profitability and growth investments – a key management goal**
- In addition to Group-Wide Optimization, deploy **growth investments** aimed at long-term customer value creation beyond existing frameworks, as part of Reach Expansion initiative
- Aim to **achieve step-change growth** by cultivating new business opportunities while leveraging shared infrastructure platform to expand our reach to new areas

Allow me to summarize today's presentation.
We will achieve our 2024 MTBP targets by strengthening our execution capabilities in order to reliably manage our high order backlog. To that end, we will transform the company into a highly profitable business structure by implementing Group-Wide Optimization.

Looking forward to the next medium-term business plan, we will achieve a virtuous cycle of high profitability and growth investments, which is one of our key management goals.

In addition to Group-Wide Optimization, our Reach Expansion initiative will deploy growth investments with a long-term outlook – aiming to create customer value beyond existing frameworks. We will aim to achieve step-change growth by cultivating new business opportunities while leveraging our shared infrastructure platform to expand our reach into new areas.

This concludes my explanation.
Thank you for listening.

(End of summary)

Appendix

Financial Indicators

	FY2024	FY2025	FY2026
Revenue	¥5.0 tr	¥5.0 tr	**¥5.4 tr**
Business Profit (%)	¥383.1 bn (7.6%)	¥432.2 bn (8.7%)	**¥540.0 bn (10.0%)**
ROE	10.7%	12.2%	**12%**
Total Asset Turnover	0.78	0.67	**0.7**
Debt/EBITDA Ratio	1.2x	0.9x	**0.7x**
Dividend per Share*	¥23	¥25	**¥29**

*Adopted dividend on equity ratio (DOE) has shareholder return policy aiming to achieve progressive dividend in medium to long term (announced May 28, 2024)

Business Highlights (1/4)

Energy Systems

Booked Large-Scale GTCC Project for Taiwan's Tung Hsiao Power Plant

- Booked large-scale GTCC power plant with total generation capacity of 2.8 GW using state-of-the-art JAC (J-Series Air-Cooled) gas turbines
- Project will upgrade existing facilities and increase output while reducing environmental impact

Successfully Completed 50% Hydrogen Blend Test with Georgia Power

- Successfully completed 50% hydrogen blend testing on large frame M501GAC natural gas turbine at Georgia Power's Plant McDonough-Atkinson
- CO2 emissions reduced by approximately 22% compared to 100% natural gas
- Helped Georgia Power reduce carbon emissions

Booked Boiler Equipment Upgrade at O Mon 1 Thermal Power Plant in Vietnam

- Leveraged technical capabilities as boiler OEM to book project converting fuel from oil to natural gas
- In addition to reducing CO2 emissioans, additional installation of SCR system will reduce NOX

MET Supercharger Production at Licensee Mitsui E&S Reached Total of 100 Units

- Licensed production of MET superchargers at Mitsui E&S reached total of 100 units
- Gradually expanding licensed production to include other MET models. Planning to extend support to broader product lineup.

Completed First Outer Vertical Target for ITER Project Divertor

- Completed manufacturing of first Outer Vertical Target (OVT), a key component of divertor for ITER experimental fusion reactor
- Contributed to progress of ITER project by manufacturing targets, which require high precision fabrication and processing technology

Booked Pumps for Sizewell C Nuclear Power Station in UK

- Booked order for 5 pump models – totaling 34 units – for Sizewell C Nuclear Power Station Units 1 and 2
- Contributing to safe and reliable operation of nuclear power plants around world through supply of equipment

Business Highlights (2/4) Plants & Infrastructure Systems

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Expanding Sales through Strategic Partnerships: Booked Fertilizer Plant in Turkmenistan

Strategic Partnership

- Jointly booked order for largest fertilizer plant in Turkmenistan through partnership with Turkish company, Çalık Group.
- Project will decrease environmental impact while increasing production of urea fertilizer by installing CO2 capture system at plant

Construction Began on Hydrogen-Based Ironmaking Plant Targeting Net-Zero CO2 Emissions

Energy Transition

- Construction began on hydrogen-based industrial-scale demonstration plant in Linz, Austria
- Plant will contribute to decarbonization with MHI proprietary Hydrogen-based Fine-Ore Reduction (HYFOR®) process and smelter technology

Booked UK's First Carbon Capture Facility for Cement Plant

Energy Transition

- Plant will be first in Europe to deploy proprietary Advanced KM CDR Process™ CO2 capture technology
- Contributing to UK government's carbon capture, usage, and storage (CCUS) cluster program*

*Captured CO2 to be permanently stored in depleted gas fields under Liverpool Bay

Booked Consecutive Orders for Overseas Waste-to-Energy Facilities

Reach Expansion

- Booked consecutive orders for key equipment for Taichung Wenshan Waste-to-Energy Plant (Taiwan) and boiler retrofit for Tuas South Incineration Plant (Singapore)
- Leveraging technical design, construction, and after-sales services know-how acquired at existing facilities to stabilize operations at these plants

New Train with Superior Design and Environmental Performance Began Commercial Operation

Competitiveness Enhancement

- New L00 Series train manufactured at Mihara Machinery Works in Hiroshima for Seibu Railway's Yamaguchi Line began commercial operation
- Contributing to enhancement of public transportation, which supports people's daily lives, with new train featuring superior design and environmental performance

EVOL Corrugating Machine Reached 700 Units Sold, After-Sales Services for Box Making Machines Grow in North America

After-Sales Services

- EVOL corrugating machine – which boasts some of world's fastest production speeds (400 sheets/minute) – reached 700 units sold around world
- Leveraging augmented reality (AR) and digital transformation (DX) to grow after-sales services in North America

Business Highlights (3/4)

Industrial Solutions

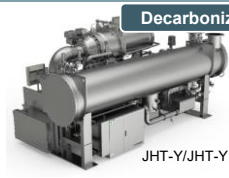
Exhibited at Supercomputing2025 in US in First for Data Center Business

Data Centers

- Exhibited for first time at international conference on high-performance computing that attracts more than 18,000 participants from around world
- Showed range of MHI solutions for data centers, including cooling and power generation systems

Large-Capacity Centrifugal Chiller Won "Minister of Economy, Trade and Industry Award" at 2025 Energy Conservation Grand Prize Awards

Decarbonization



JHT-Y/JHT-YI Series

- System utilizes refrigerant HFO-1234yf, which has low environmental impact
- Reduces electricity consumption and CO2 emissions by approximately 20% per year (compared to conventional models)
- Significantly reduces environmental impact aiming to support achievement of Carbon Neutrality

Launched 450 kW Gas Cogeneration System Capable of Hydrogen Co-Firing

Energy Transition

SGP M450

- System jointly developed with Toho Gas
- Allows for switch to hydrogen co-firing with minimal on-site modifications

Logistics Solutions

Smart Connections

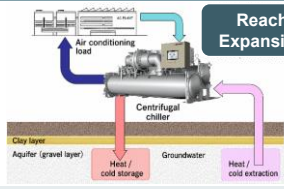
ΣSynX concept

manned forklift

- Developing defense logistics solutions as part of automated and intelligent logistics solutions efforts
- Proposing a wide range of solutions contributing to automation and work safety during cargo loading and unloading

Aquifer Thermal Energy Storage System Began Operation in Japan's Tokai Region, Following Kansai Region

Reach Expansion



- System uses gravel and groundwater stored in aquifers deep underground as large heat storage tank
- Effectively utilizes energy by enabling circulation of heat across seasons

Established Manufacturing Facility with Sales Partner in India, A Rapidly Growing Market for HVAC Systems

Strategic Partnership

- Established local supply chain serving local markets, further accelerating business expansion in India, where demand for HVAC systems is growing
- New subsidiary will strengthen sales network and production, provide regular after-sales services, and expand supply

Business Highlights (4/4)

Aircraft, Defense & Space

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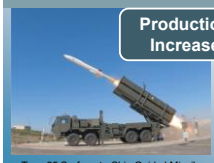
Missile Systems Business

Production Increase



Type 25 Surface-to-Ship Guided Missile

Type 25 Hyper Velocity Gliding Projectile

- Made steady progress on projects such as Stand-Off Missile Capabilities Program
- Deployed Type 25 Surface-to-Ship Guided Missile and Type 25 Hyper Velocity Gliding Projectile

Image prepared by MHI based on launch test photo available on Japan Ministry of Defense website

Japan, UK, and Italy Jointly Developing Next-Generation Fighter Aircraft

Reach Expansion

- Edgewing Systems Limited, a joint venture* among Japan, UK, and Italy was established, setting up framework for international joint development

*Investors: BAE Systems, Leonardo, and Japan Aircraft Industrial Enhancement

Image from "Progress and Budgets for Fundamental Reinforcement of Japan's Defense Capabilities (2025 version), Japan Ministry of Defense

41 Seat Configuration Upgrade Contributing to Sustainable Development of Regional Aviation

After-Sales Services

- CRJ450 offers premium services with enhanced cabin comfort
- United Airlines to deploy new model

Naval Ship Business

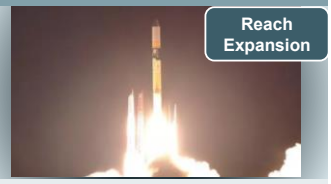
Production Increase

Submarine "Chogei" Frigate "Yubetsu"

- Delivered Mogami class frigates "Niyodo" and "Yubetsu"
- Delivered Taigei class submarine "Chogei"
- Making steady progress in construction of subsequent naval ships

Launch Vehicle Business

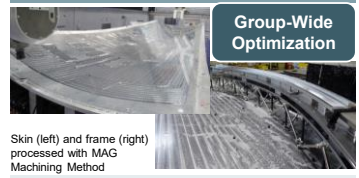
Reach Expansion



- Successfully launched H-IIA Unit 50
- Transitioned to H3, Japan's new mainstay, large launch vehicle and successor to H-IIA
- Aiming to offer launch services offering high reliability, payload capacity, and cost competitiveness

Reduced Cost and Environmental Impact of Aircraft Skin Panel Manufacturing

Group-Wide Optimization



Skin (left) and frame (right) processed with MAG Machining Method

- Developed MAG* Machining Method, which controls machining and automatically rectifies machining paths using ultrasonic measurement
- Balances environmental impact reduction with cost reductions (approx. 30% reduction) vs. conventional chemical milling methods

*MAG: Mitsubishi Advanced Green

Technology Development Highlights

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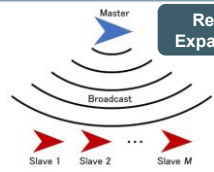
Developed Laser Wireless Power Transmission System Stably Transmitting Power over Distances Exceeding 1 km in Outdoor Environments

Reach Expansion

- Developed laser power transmission method reducing atmospheric turbulence
- Using near-infrared laser, successfully transmitted 1 kW and received 152 W over distance of 1 km in outdoor environment

Developed Navigation and Formation Control of Multiple Autonomous Vehicles Based on Broadcast Control

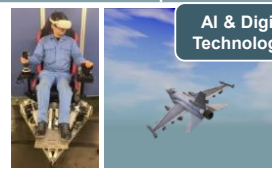
Reach Expansion



- Developed swarm control system that assigns role of base station to one vehicle, which transmits communications to all other vehicles
- Achieved communication system adaptable to changes in number of vehicles

Developed Immersive Experience Technology Using XR (Cross Experience) Techniques

AI & Digital Technologies



- Simulates experience of boarding and piloting an aircraft using VR and small-motion systems
- Enables physical experience of product value at the product/service planning stage

High-Accuracy Hybrid Printing on Large Structures Enabled by Chamber-Free Additive Manufacturing

Manufacturing Automation

- Developed PBF-based AM process enabling formation of large components free of chamber size restrictions
- Capable of direct lamination of microstructures onto curved product surfaces

AM: Additive Manufacturing
PBF: Powder Bed Fusion

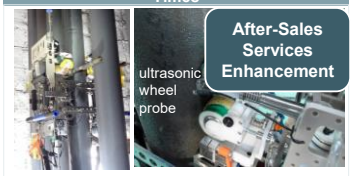
Developed Autonomous Mobile Collaborative Robots, Automating and Reducing Process Times in Manufacturing

Manufacturing Automation

- Development robots capable of moving flexibly and autonomously through factories while collaborating with personnel
- To be implemented principally at MHI Group manufacturing sites for welding, assembly, and other processes

Developed Ultrasonic Testing to Significantly Reduce Inspection Lead Times

After-Sales Services Enhancement



- Self-propelled system climbs vertical piping and performs automated laser-based outer-diameter measurement and continuous wall-thickness measurement using ultrasonic wheel probe
- Enables creep evaluation along entire pipe length and efficient remaining-life assessment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