October 30,2003

To whom it may concern:

FISCAL 2003 RESULTS ESTIMATES REVISED

Tokyo, October 30, 2003 -- Mitsubishi Heavy Industries, Ltd. (MHI) has revised its estimates of financial results for fiscal year (FY) 2003, ending March 31, 2004, to reflect recent business conditions.

1. Estimates of Financial Results for the First-half of FY2003 (from April 1, 2003 to September 30, 2003)

Consolidated (billions of yen)

	Estimate for the first-half of FY2003	Actual results of the first-half of FY2002	Differences
Orders Received	1,233.5	810.5	423.0
Net Sales	1,000.0	1,090.1	-90.1
Operating Income	10.5	26.5	-16.0
Ordinary Income (Loss)	-9.4	2.5	-12.0
Extraordinary Income (Loss)	-2.0	0.7	-2.8
Income (Loss) before Tax	-11.4	3.3	-14.8
Net Income (Loss)	-10.4	0.6	-11.0

Non-Consolidated (billions of yen)

	Estimate for the first-half of FY2003	Actual results of the first-half of FY2002	Differences
Orders Received	1,001.9	596.7	405.1
Net Sales	787.3	890.1	-102.8
Operating Income (Loss)	-8.7	20.6	-29.4
Ordinary Income (Loss)	-23.8	-3.3	-20.5
Extraordinary Income (Loss)	-2.0	1.8	-3.8
Income (Loss) before Tax	-25.9	-1.5	-24.4
Net Income (Loss)	-16.8	-0.8	-15.9

Notes.

1. **Operating Income (Loss)**: Mainly due to decreased net sales (¥90.1 billion at the consolidated level and ¥102.8 billion non-consolidated), the company now expects consolidated operating income to reach ¥10.5 billion, down ¥16 billion from the same period of the previous fiscal year. It projects an ¥8.7 billion non-consolidated operating loss, down ¥29.4 billion from the same period of the previous fiscal year.

2. **Ordinary Income (Loss)**: Due to the yen's sharp appreciation, primarily against the U.S. dollar, during the half ended in September the company suffered foreign exchange losses totaling ¥13.9 billion on a consolidated basis and ¥13.5 billion non-consolidated; these will be posted as non-operating losses. As a result, MHI expects to finish the half with ordinary losses at both the consolidated and non-consolidated levels: ¥9.4 billion and ¥23.8 billion, respectively.

3. **Net Income (Loss)**: In addition to the aforementioned ordinary losses, a ¥2 billion write-off will be booked as an extraordinary loss for business improvement and restructuring. The company thereby forecasts a consolidated net loss of ¥10.4 billion and a non-consolidated net loss of ¥16.8 billion

2. Estimates of Financial Results for FY2003 Full-Year (from April 1, 2003 to March 31, 2004)

Consolidated (billions of yen)

	Estimate for FY2003 (¥110/$)	Previously announced estimate (¥120/$)	Differences
Orders Received	2,700.0	2,700.0	0
Net Sales	2,400.0	2,400.0	0
Operating Income	69.0	85.0	-16.0
Ordinary Income	30.0	60.0	-30.0
Income before Tax	30.0	60.0	-30.0
Net Income	15.0	35.0	-20.0

Non-Consolidated (billions of yen)

	Estimate for FY2003 (¥110/$)	Previously announced estimate (¥120/$)	Differences
Orders Received	2,200.0	2,200.0	0
Net Sales	1,900.0	1,900.0	0
Operating Income	41.0	67.0	-26.0
Ordinary Income	10.0	50.0	-40.0
Income before Tax	10.0	50.0	-40.0
Net Income	5.0	30.0	-25.0

Dividend per share is projected to reach 6 yen per annum (interim:¥3.0, fiscal year-end:¥3.0)

Major factors behind estimate changes

1. Change in exchange rate assumption
   In light of the current value of the yen against the dollar, the company has revised its exchange rate assumption for the second half-year to ¥110/$, from the earlier assumption

of ¥120/$. Due to this change, the company anticipates an ¥18 billion decrease in operating income and a ¥32 billion decrease in ordinary income, inclusive of non-operating income/loss, at both the consolidated and non-consolidated levels.

2. Consolidated and non-consolidated full-year estimates

   Consolidated:
   In addition to the aforementioned impact from the change in the exchange rate assumption, the company also expects a ¥2 billion decrease in operating expenses, a positive factor. As a result, the company now projects ¥69 billion in operating income, down ¥16 billion; ¥30 billion in ordinary income, down ¥30 billion; and ¥15 billion in net income, down ¥20 billion.

   Non-consolidated:
   Besides the aforementioned impact from the revision to the exchange rate assumption, the company anticipates an ¥8 billion increase in operating expenses, a negative factor. As a result, it now forecasts ¥41 billion in operating income, down ¥26 billion; ¥10 billion in ordinary income, down ¥40 billion; and ¥5 billion in net income, down ¥25 billion.

NOTES:

Estimates have been rendered based on currently available information and data; actual results may diverge broadly.

Details of the first half-year financial results and estimates of full-year financial results, both consolidated and non-consolidated, will be announced on Thursday, November 6.

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About Mitsubishi Heavy Industries
Mitsubishi Heavy Industries, Ltd. (MHI), headquartered in Tokyo, Japan, is one of the world's leading global heavy machinery manufacturers, with consolidated sales of 2,593 billion yen (US$21.6 billion) in fiscal 2002 (year ended March 31, 2003). MHI's diverse lineup of products and services encompasses shipbuilding, steel structures, power plants, chemical plants, steel plants, environmental equipment, industrial and general machinery, aircraft, space rocketry and air-conditioning systems.

For more information, please visit the MHI website (http://www.mhi.co.jp).

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