

No.1075

MHI Announces FY 2005 First-Half Results Estimates

Tokyo, September 28, 2005 -- Mitsubishi Heavy Industries, Ltd. (MHI) today announced its estimates of financial results for the first-half of fiscal year (FY) 2005, ending September 30, 2005, to reflect recent business conditions.

1. Estimates of Financial Results for FY2005 First-Half (From April 1, 2005 to September 30, 2005)

Consolidated (billions of yen)

	The estimate for FY2005 first-half	FY2004 first-half	Differences	Changes (%)
Net Sales	1,290.0	1,126.3	163.7	14.5
Operating Income (Loss)	16.0	-4.0	20.0	—
Ordinary Income (Loss)	15.0	-6.5	21.5	—
Income before Tax (Loss)	15.0	-25.3	40.3	—
Net Income (Loss)	9.0	-21.5	30.5	—

Non-Consolidated (billions of yen)

	The estimate for FY2005 first-half	FY2004 first-half	Differences	Changes (%)
Net Sales	1,020.0	907.9	112.1	12.3
Operating Income (Loss)	7.0	-12.1	19.1	—
Ordinary Income (Loss)	8.0	-12.9	20.9	—
Income before Tax (Loss)	8.0	-25.5	33.5	—
Net Income (Loss)	6.0	-17.3	23.3	—

Supplementary Explanation

Net Sales: In reflection of strong orders received in recent years, consolidated net sales is expected to be 1,290 billion yen, a 163.7 billion yen increase, and non-consolidated net sales to be 1,020.0 billion yen, a 112.1 billion yen increase, over the same period of previous year, respectively.

Ordinary Income: Mainly due to sales increase and cost reduction, both consolidated and non-consolidated ordinary income are expected to increase over the same period of previous year to 15.0 billion yen and 8.0 billion yen, respectively.

Net Income: Since extraordinary loss will not be posted for the first-half of FY2005, in addition to expected improvement in ordinary income, both consolidated and non-consolidated net income are expected to be greatly improved from the same period of previous year, to 9.0 billion yen and 6.0 billion yen, respectively.

Note: Details of consolidated and non-consolidated financial results for the FY2005 first-half will be announced on Friday, October 28.

2. Estimate of Consolidated/Non-Consolidated Full-year Financial Results

Estimate of Financial results for FY2005 remains unchanged since last forecast disclosed on August 5, 2005.

Estimates of Financial Results for FY2005 (From April 1, 2005 to March 31, 2006)

(billions of yen)

	Consolidated	
		Non-consolidated
Net Sales	2,800.0	2,220.0
Operating Income	57.0	35.0
Ordinary Income	36.0	25.0
Income Before Tax	36.0	25.0
Net Income	18.0	15.0

Dividend per share is projected to reach 4 yen per annum (interim: 0.0 yen, fiscal-year end: 4.0 yen)

The estimate is based on the assumption of currency exchange rate of US\$1.00 = ¥105.00.

NOTES:

This estimate has been projected with currently available information and data. Therefore please be advised that the actual results may diverge broadly with the influence of the variety of the outside factors such as economics surrounding MHI or currency exchange rate fluctuation.

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About Mitsubishi Heavy Industries

Mitsubishi Heavy Industries, Ltd. (MHI), headquartered in Tokyo, Japan, is one of the world's leading heavy machinery manufacturers, with consolidated sales of 2,590 billion yen in fiscal 2004 (year ended March 31, 2005). 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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