

MHI Announces FY 2006 First-Half Results Estimates

Tokyo, September 28, 2006 -- Mitsubishi Heavy Industries, Ltd. (MHI) today announced its estimates of financial results for the first-half of fiscal year (FY) 2006, ending September 30, 2006, to reflect recent business conditions.

1. Estimates of Financial Results for FY2006 First-Half (From April 1, 2006 to September 30, 2006)

Consolidated (billions of yen)

	The estimate for FY2006 first-half	FY2005 first-half	Differences	Changes (%)
Net Sales	1,390.0	1,253.7	136.3	10.9
Operating Income	37.0	24.1	12.9	53.5
Ordinary Income	26.0	21.4	4.6	21.5
Income before Tax	29.0	21.4	7.6	35.5
Net Income	15.0	14.9	0.1	0.7

Non-Consolidated (billions of yen)

	The estimate for FY2006 first-half	FY2005 first-half	Differences	Changes (%)
Net Sales	1,090.0	994.4	95.6	9.6
Operating Income	24.0	11.0	13.0	118.2
Ordinary Income	18.0	9.4	8.6	91.5
Income before Tax	22.0	9.4	12.6	134.0
Net Income	14.0	7.9	6.1	77.2

Supplementary Explanation

Net Sales: In reflection of strong orders received in recent years, both consolidated and non-consolidated net sales are expected to increase over the same period of previous year. Consolidated net sales is expected to be 1,390.0 billion yen, and non-consolidated net sales to be 1,090.0 billion yen.

Ordinary Income: Due to sales increase and others, both consolidated and non-consolidated ordinary income are expected to improve from the same period of previous year to 26.0 billion yen and 18.0 billion yen, respectively.

Net Income: Plans call for booking of extraordinary income from gains on sales of fixed assets and gains on sales of investment securities; and extraordinary expenses related to business restructuring charges. As a result, consolidated and non-consolidated net income are expected to be 15.0 billion yen and 14.0 billion yen, respectively.

Note: Details of consolidated and non-consolidated financial results for the FY2006 first-half will be announced on Tuesday, October 31.

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

Estimate of Financial results for FY2006 remains unchanged since last forecast disclosed on August 4, 2006.

Estimates of Financial Results for FY2006 (From April 1, 2006 to March 31, 2007) (billions of yen)

	Consolidated	Non-consolidated
Net Sales	2,900.0	2,250.0
Operating Income	80.0	60.0
Ordinary Income	63.0	50.0
Income Before Tax	63.0	50.0
Net Income	40.0	30.0

Dividend per share is projected to reach 6 yen per annum (interim: 3 yen, fiscal-year end: 3 yen)

The estimate is based on the assumption of currency exchange rate of US\$1.00 = ¥112.00.

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 2,792 billion yen in fiscal 2005 (year ended March 31, 2006). MHI's diverse lineup of products and services encompasses shipbuilding, power plants, chemical plants, environmental equipment, steel structures, 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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