

No. 1766

**MHI Announces Outline of FY2013 First 9 Month Financial Results**  
**Ended December 31, 2013 (Consolidated)**

Tokyo, February 6, 2014 -- Mitsubishi Heavy Industries, Ltd. (MHI) today announced its **consolidated** financial results for the first nine months of fiscal year (FY) 2013 ended December 31, 2013.

(billions of yen)

	<b>FY2013 First 9 Months</b> (From April 1 to December 31, 2013)	FY2012 First 9 Months (From April 1 to December 31, 2012)	Changes (%)
Orders Received	<b>2,295.6</b>	1,880.0	22.1
Net Sales	<b>2,262.7</b>	1,973.3	14.7
Operating Income	<b>132.1</b>	78.5	68.2
Ordinary Income	<b>127.3</b>	74.0	71.9
Income Before Taxes and Minority Interests	<b>135.7</b>	78.9	71.9
Net Income	<b>78.2</b>	49.9	56.7
Net Income Per Share	<b>23.31 yen</b>	14.87 yen	56.7

**Consolidated** financial results (continued)

**Sales by Operational Segment**

(billions of yen)

	<b>FY2013 First 9 Months</b> (From April 1 to December 31, 2013)	<b>FY2012 First 9 Months</b> (From April 1 to December 31, 2012)
Energy & Environment	<b>828.0</b>	745.7
Commercial Aviation & Transportation Systems	<b>334.4</b>	290.1
Integrated Defense & Space Systems	<b>287.9</b>	251.4
Machinery, Equipment & Infrastructure	<b>777.6</b>	660.1
Others	<b>109.5</b>	95.9
Eliminations or Corporate	<b>(74.9)</b>	(70.0)
<b>TOTAL</b>	<b>2,262.7</b>	1,973.3

**Operating Income (Loss) by Operational Segment**

(billions of yen)

	<b>FY2013 First 9 Months</b> (From April 1 to December 31, 2013)	<b>FY2012 First 9 Months</b> (From April 1 to December 31, 2012)
Energy & Environment	<b>77.2</b>	61.8
Commercial Aviation & Transportation Systems	<b>9.9</b>	(12.1)
Integrated Defense & Space Systems	<b>15.0</b>	15.2
Machinery, Equipment & Infrastructure	<b>34.7</b>	20.1
Others	<b>8.2</b>	6.2
Eliminations or Corporate	<b>(12.9)</b>	(12.6)
<b>TOTAL</b>	<b>132.1</b>	78.5

Figures in parentheses are negative.

## Estimate of Consolidated Financial Results for FY 2013

For the fiscal year 2013 ending March 31, 2014, MHI is expecting 3,300 billion yen in net sales, 190 billion yen in operating income, 160 billion yen in ordinary income, and 150 billion yen in net income. This estimate is based on the assumption of currency exchange rate of US\$ 1.00 = ¥95 and €1.00 = ¥130 for the portion yet to be fixed.

Please note that this estimate has been projected with currently available information and data. As such, these projections involve risks and uncertainties. For this reason, investors are recommended not to depend solely on these projections for making investment decisions. The actual results, therefore, may diverge broadly with the influence of a variety of outside factors such as economics surrounding MHI, currency movement of the yen to the U.S. dollar and other foreign currencies, and trends of stock markets in Japan. Also, the results projected here should not be construed in any way as being guaranteed by the company.

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# CONSOLIDATED BALANCE SHEETS (1/2)

(Millions of Yen)

	As of Mar.31, 2013	As of Dec.31, 2013
<b><u>ASSETS</u></b>		
<b>Current assets:</b>		
Cash and deposits	328,365	310,687
Trade receivables	931,469	999,125
Securities	2	2
Merchandise and finished products	139,157	169,630
Work in process	746,640	879,279
Raw materials and supplies	124,038	134,791
Deferred income taxes	138,934	143,178
Others	222,550	312,265
Allowance for doubtful accounts	(6,333)	(7,301)
<b>Total current assets</b>	<b>2,624,824</b>	<b>2,941,661</b>
<b>Fixed assets:</b>		
Property, plant and equipment:		
Buildings and structures	339,262	348,721
Machinery and transportation equipment	225,547	242,081
Tools, equipment and furniture	41,877	42,076
Land	138,382	153,842
Leased assets	4,599	4,385
Construction in progress	43,263	57,181
Subtotal	792,932	848,288
Intangible assets	29,216	70,805
Investments and advances:		
Investment securities	297,625	352,021
Long-term loans and advances	6,863	3,212
Deferred income taxes	10,087	11,363
Others	182,459	181,721
Allowance for doubtful accounts	(8,891)	(8,720)
Subtotal	488,144	539,599
<b>Total fixed assets</b>	<b>1,310,294</b>	<b>1,458,693</b>
<b>TOTAL ASSETS</b>	<b>3,935,119</b>	<b>4,400,354</b>

## CONSOLIDATED BALANCE SHEETS (2/2)

(Millions of Yen)

	As of Mar.31, 2013	As of Dec.31, 2013
<b><u>LIABILITIES</u></b>		
<b>Current liabilities:</b>		
Trade payables	663,451	703,736
Short-term borrowings	154,014	153,717
Current portion of long-term borrowings	150,171	211,165
Commercial papers	-	165,000
Current portion of bonds	50,000	70,000
Income taxes payable	8,723	45,391
Reserve for product warranties	22,135	20,842
Reserve for losses on construction contracts	35,405	37,313
Reserve for legal claims	61	-
Advance payments received on contracts	427,390	450,975
Others	182,470	203,510
<b>Total current liabilities</b>	<b>1,693,822</b>	<b>2,061,652</b>
<b>Long-term liabilities:</b>		
Bonds	200,000	175,000
Long-term borrowings	477,053	402,770
Deferred income taxes	9,922	25,057
Reserve for retirement allowance	51,904	77,096
Reserve for treatment of PCB waste	10,865	10,695
Others	61,324	64,028
<b>Total long-term liabilities</b>	<b>811,070</b>	<b>754,648</b>
<b>TOTAL LIABILITIES</b>	<b>2,504,893</b>	<b>2,816,301</b>
<b><u>NET ASSETS</u></b>		
<b>Stockholders' equity:</b>		
Common stock	265,608	265,608
Capital surplus	203,956	203,977
Retained earnings	901,397	949,147
Treasury stock	(5,394)	(5,380)
<b>Total stockholders' equity</b>	<b>1,365,568</b>	<b>1,413,353</b>
<b>Accumulated other comprehensive income (loss)</b>		
Net unrealized gains (losses) on investment securities	30,979	55,636
Deferred gains (losses) on hedges	142	(562)
Foreign currency translation adjustments	(18,040)	22,769
<b>Total accumulated other comprehensive income (loss)</b>	<b>13,081</b>	<b>77,843</b>
<b>Share subscription rights</b>	<b>2,243</b>	<b>2,594</b>
<b>Minority interests</b>	<b>49,332</b>	<b>90,263</b>
<b>TOTAL NET ASSETS</b>	<b>1,430,225</b>	<b>1,584,053</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>3,935,119</b>	<b>4,400,354</b>

# CONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	FY2012 First 9Months (From Apr.1 to Dec.31, 2012)	FY2013 First 9 Months (From Apr.1 to Dec.31, 2013)
<b>Net sales</b>	<b>1,973,365</b>	<b>2,262,721</b>
Cost of sales	1,637,287	1,819,261
<b>Gross profit</b>	<b>336,077</b>	<b>443,459</b>
<b>Selling, general and administrative expenses:</b>		
Provision of allowance for doubtful accounts	812	-
Directors' compensations, salaries and allowances	97,952	117,363
Research and development expenses	35,944	42,649
Expenses for inquiries	24,316	25,915
Others	98,473	125,343
<b>Total selling, general and administrative expenses</b>	<b>257,499</b>	<b>311,271</b>
<b>Operating income</b>	<b>78,577</b>	<b>132,188</b>
<b>Non-operating income:</b>		
Interest income	2,093	2,488
Dividend income	3,238	2,780
Equity in earnings of unconsolidated subsidiaries and affiliates	2,347	-
Foreign exchange gain	3,933	7,941
Others	3,255	4,837
<b>Total non-operating income</b>	<b>14,869</b>	<b>18,048</b>
<b>Non-operating expenses:</b>		
Interest expense	13,252	11,713
Equity in losses of unconsolidated subsidiaries and affiliates	-	283
Loss on disposal of fixed assets	2,895	3,150
Others	3,243	7,764
<b>Total non-operating expenses</b>	<b>19,392</b>	<b>22,911</b>
<b>Ordinary income</b>	<b>74,055</b>	<b>127,324</b>
<b>Extraordinary gain:</b>		
Gain on sales of fixed assets	-	11,141
Gain on negative goodwill	-	4,928
Gain on changes in equity interest	-	4,548
Gain on sales of investment securities	7,347	-
<b>Total extraordinary gain</b>	<b>7,347</b>	<b>20,618</b>
<b>Extraordinary loss:</b>		
Business structure improvement expenses	-	7,482
Impairment loss	-	4,676
Loss on revaluation of investment securities	2,404	-
<b>Total extraordinary loss</b>	<b>2,404</b>	<b>12,159</b>
<b>Income before income taxes and minority interests</b>	<b>78,997</b>	<b>135,784</b>
Income taxes	28,826	55,722
<b>Income before minority interests</b>	<b>50,171</b>	<b>80,061</b>
Minority interests in income after taxes	271	1,856
<b>Net income</b>	<b>49,900</b>	<b>78,204</b>

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of Yen)

	FY2012 First 9 Months (From Apr 1 to Dec.31, 2012)	FY2013 First 9 Months (From Apr.1 to Dec.31, 2013)
<b>Income before minority interests</b>	<b>50,171</b>	<b>80,061</b>
<b>Other comprehensive income (loss)</b>		
Net unrealized gains (losses) on investment securities	(3,246)	23,521
Deferred gains (losses) on hedges	183	(216)
Foreign currency translation adjustments	1,457	41,013
Share of other comprehensive income (loss) of entities accounted for using the equity method	3,574	4,704
Changes in equity interest	1,725	4
<b>Total other comprehensive income (loss)</b>	<b>3,693</b>	<b>69,027</b>
<b>Comprehensive income (loss)</b>	<b>53,865</b>	<b>149,088</b>
<b>Comprehensive income (loss) attributable to</b>		
Shareholders of the parent	53,511	142,971
Minority interests	353	6,117