

No. 1907

**MHI Announces Outline of FY2015 First 3 Month Financial Results**  
**Ended June 30, 2015 (Consolidated)**

Tokyo, July 31, 2015 -- Mitsubishi Heavy Industries, Ltd. (MHI) today announced its **consolidated** financial results for the first three months of fiscal year (FY) 2015 ended June 30, 2015.

(billions of yen)

	<b>FY2015</b> <b>First 3 Months</b> (From April 1 to June 30, 2015)	FY2014 First 3 Months (From April 1 to June 30, 2014)	Changes (%)
Orders Received	<b>821.8</b>	817.1	0.6
Net Sales	<b>931.4</b>	859.7	8.3
Operating Income	<b>58.8</b>	56.0	5.0
Ordinary Income	<b>61.6</b>	50.0	23.1
Income Before Income Taxes	<b>59.8</b>	50.0	19.5
Profit Attributable to Owners of Parent	<b>35.5</b>	22.5	57.7
Profit Attributable to Owners of Parent Per Share	<b>10.59 yen</b>	6.72 yen	57.6

**Consolidated** financial results (continued)

**Sales by Operational Segment**

(billions of yen)

	<b>FY2015 First 3 Months</b> (From April 1 to June 30, 2015)	FY2014 First 3 Months (From April 1 to June 30, 2014)
Energy & Environment	<b>343.7</b>	300.8
Commercial Aviation & Transportation Systems	<b>145.7</b>	114.7
Integrated Defense & Space Systems	<b>82.1</b>	82.3
Machinery, Equipment & Infrastructure	<b>348.5</b>	349.1
Others	<b>37.2</b>	36.9
Eliminations or Corporate	<b>(26.0)</b>	(24.3)
<b>TOTAL</b>	<b>931.4</b>	859.7

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

(billions of yen)

	<b>FY2015 First 3 Months</b> (From April 1 to June 30, 2015)	FY2014 First 3 Months (From April 1 to June 30, 2014)
Energy & Environment	<b>15.4</b>	21.4
Commercial Aviation & Transportation Systems	<b>22.8</b>	6.0
Integrated Defense & Space Systems	<b>3.2</b>	4.4
Machinery, Equipment & Infrastructure	<b>17.6</b>	23.5
Others	<b>3.1</b>	2.2
Eliminations or Corporate	<b>(3.4)</b>	(1.6)
<b>TOTAL</b>	<b>58.8</b>	56.0

Figures in parentheses are negative.

## **Estimate of Consolidated Financial Results for FY 2015**

For the fiscal year 2015 ending March 31, 2016, MHI is expecting 4,200 billion yen in net sales, 320 billion yen in operating income, 300 billion yen in ordinary income, and 130 billion yen in profit attributable to owners of parent. This estimate is based on the assumption of currency exchange rate of US\$ 1.00 = ¥115 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.

###

# CONSOLIDATED BALANCE SHEETS (1/2)

(Millions of Yen)

	As of Mar. 31, 2015	As of Jun. 30, 2015
<b><u>ASSETS</u></b>		
<b>Current assets:</b>		
Cash and deposits	367,415	328,860
Trade receivables	1,291,278	1,159,000
Merchandise and finished products	182,281	196,657
Work in process	985,570	1,049,334
Raw materials and supplies	157,010	158,871
Deferred income taxes	150,939	154,348
Others	429,027	490,922
Allowance for doubtful accounts	(11,519)	(12,187)
<b>Total current assets</b>	<b>3,552,002</b>	<b>3,525,808</b>
<b>Fixed assets:</b>		
Property, plant and equipment:		
Buildings and structures	377,804	374,393
Machinery and transportation equipment	259,358	260,019
Tools, equipment and furniture	49,451	50,375
Land	184,691	184,235
Leased assets	4,856	4,489
Construction in progress	78,635	74,447
Subtotal	954,797	947,961
Intangible assets:		
Goodwill	95,588	99,307
Others	145,925	139,500
Subtotal	241,513	238,808
Investments and advances:		
Investment securities	583,496	624,954
Long-term loans and advances	19,422	19,633
Asset for retirement benefit	67,377	65,315
Deferred income taxes	15,495	16,695
Others	97,808	109,504
Allowance for doubtful accounts	(11,558)	(10,711)
Subtotal	772,043	825,392
<b>Total fixed assets</b>	<b>1,968,354</b>	<b>2,012,161</b>
<b>TOTAL ASSETS</b>	<b>5,520,357</b>	<b>5,537,970</b>

## CONSOLIDATED BALANCE SHEETS (2/2)

(Millions of Yen)

	As of Mar. 31, 2015	As of Jun. 30, 2015
<b><u>LIABILITIES</u></b>		
<b>Current liabilities:</b>		
Trade payables	794,780	727,826
Electronically recorded obligations	74,430	79,286
Short-term borrowings	177,780	149,243
Current portion of long-term borrowings	54,985	73,803
Commercial papers	95,000	115,000
Income taxes payable	30,113	15,425
Reserve for product warranties	15,796	15,404
Reserve for loss on construction contracts	59,529	59,488
Reserve for loss on passenger vessel construction business	105,280	88,414
Advance payments received on contracts	663,176	659,295
Others	358,359	391,526
<b>Total current liabilities</b>	<b>2,429,232</b>	<b>2,374,715</b>
<b>Long-term liabilities:</b>		
Bonds	245,000	245,000
Long-term borrowings	402,822	429,795
Deferred income taxes	105,536	112,352
Reserve for treatment of PCB waste	9,845	9,556
Liability for retirement benefit	129,008	126,067
Others	78,896	79,105
<b>Total long-term liabilities</b>	<b>971,109</b>	<b>1,001,878</b>
<b>TOTAL LIABILITIES</b>	<b>3,400,342</b>	<b>3,376,593</b>
<b><u>NET ASSETS</u></b>		
<b>Stockholders' equity:</b>		
Common stock	265,608	265,608
Capital surplus	204,039	204,107
Retained earnings	1,148,268	1,163,929
Treasury stock	(5,249)	(5,052)
<b>Total stockholders' equity</b>	<b>1,612,668</b>	<b>1,628,593</b>
<b>Accumulated other comprehensive income (loss)</b>		
Net unrealized gains (losses) on investment securities	81,499	100,795
Deferred gains (losses) on hedges	802	(942)
Foreign currency translation adjustments	68,413	73,129
Remeasurements of defined benefit plans	17,383	18,855
<b>Total accumulated other comprehensive income (loss)</b>	<b>168,100</b>	<b>191,838</b>
<b>Share subscription rights</b>	<b>3,129</b>	<b>2,916</b>
<b>Non-controlling interests</b>	<b>336,117</b>	<b>338,027</b>
<b>TOTAL NET ASSETS</b>	<b>2,120,014</b>	<b>2,161,376</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>5,520,357</b>	<b>5,537,970</b>

# CONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	FY2014 First 3 Months (From Apr. 1 to Jun. 30, 2014)	FY2015 First 3 Months (From Apr. 1 to Jun. 30, 2015)
<b>Net sales</b>	<b>859,721</b>	<b>931,474</b>
Cost of sales	671,776	739,515
<b>Gross profit</b>	<b>187,945</b>	<b>191,959</b>
<b>Selling, general and administrative expenses:</b>		
Provision of allowance for doubtful accounts	300	(356)
Directors' compensations, salaries and allowances	48,244	48,400
Research and development expenses	14,712	14,921
Expenses for inquiries	10,357	11,694
Others	58,271	58,431
<b>Total selling, general and administrative expenses</b>	<b>131,886</b>	<b>133,091</b>
<b>Operating income</b>	<b>56,058</b>	<b>58,868</b>
<b>Non-operating income:</b>		
Interest income	2,169	1,679
Dividend income	2,524	4,596
Foreign exchange gain	-	3,969
Income from equity method investments	1,152	1,935
Others	2,311	960
<b>Total non-operating income</b>	<b>8,156</b>	<b>13,141</b>
<b>Non-operating expenses:</b>		
Interest expense	4,145	3,375
Foreign exchange loss	2,480	-
Loss on disposal of fixed assets	838	1,101
Others	6,682	5,906
<b>Total non-operating expenses</b>	<b>14,148</b>	<b>10,383</b>
<b>Ordinary income</b>	<b>50,067</b>	<b>61,625</b>
<b>Extraordinary gain:</b>		
Gain on sales of fixed assets	-	4,109
<b>Total extraordinary gain</b>	<b>-</b>	<b>4,109</b>
<b>Extraordinary loss:</b>		
Business structure improvement expenses	-	3,353
Loss on sales of investment securities	-	2,572
<b>Total extraordinary loss</b>	<b>-</b>	<b>5,926</b>
<b>Income before income taxes</b>	<b>50,067</b>	<b>59,808</b>
Income taxes	20,049	21,921
<b>Profit</b>	<b>30,017</b>	<b>37,887</b>
Profit attributable to non-controlling interests	7,475	2,346
<b>Profit attributable to owners of parent</b>	<b>22,541</b>	<b>35,540</b>

# CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of Yen)

	FY2014 First 3 Months (From Apr. 1 to Jun. 30, 2014)	FY2015 First 3 Months (From Apr. 1 to Jun. 30, 2015)
<b>Profit</b>	<b>30,017</b>	<b>37,887</b>
<b>Other comprehensive income (loss)</b>		
Net unrealized gains (losses) on investment securities	7,531	19,682
Deferred gains (losses) on hedges	247	(1,483)
Foreign currency translation adjustments	(11,981)	10,217
Remeasurements of defined benefit plans	2,593	2,945
Share of other comprehensive income (loss) of entities accounted for using the equity method	(1,275)	(1,303)
<b>Total other comprehensive income (loss)</b>	<b>(2,884)</b>	<b>30,058</b>
<b>Comprehensive income (loss)</b>	<b>27,133</b>	<b>67,945</b>
<b>Comprehensive income (loss) attributable to</b>		
Owners of the parent	21,945	59,278
Non-controlling interests	5,188	8,666