

No.1047

## FISCAL 2004 RESULTS ESTIMATES REVISED

Tokyo, February 23, 2005 -- Mitsubishi Heavy Industries, Ltd. (MHI) has revised its estimates of financial results for fiscal year (FY) 2004, ending March 31, 2005, to reflect recent business conditions.

### 1. Estimates of Financial Results for FY2004 Full-Year (from April 1, 2004 to March 31, 2005)

#### Consolidated (billions of yen)

	The latest estimate for FY2004	Previously announced estimate	Differences
Orders Received	2,700.0	2,700.0	0
Net Sales	2,615.0	2,600.0	15.0
Operating Income	35.0	55.0	-20.0
Ordinary Income	17.0	37.0	-20.0
Income before Tax	17.0	37.0	-20.0
Net Income	10.0	22.0	-12.0

#### Non-Consolidated (billions of yen)

	The latest estimate for FY2004	Previously announced estimate	Differences
Orders Received	2,200.0	2,200.0	0
Net Sales	2,140.0	2,150.0	-10.0
Operating Income	16.0	36.0	-20.0
Ordinary Income	-	20.0	-20.0
Income before Tax	-	20.0	-20.0
Net Income	-	10.0	-10.0

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

#### Consolidated/Non-Consolidated Full-year Financial Performance Forecasts

**Consolidated:** We are increasing our net sales forecast by ¥15.0 billion, to ¥2,615.0 billion, and lowering our operating and ordinary income forecasts by ¥20.0 billion each, to ¥35.0 billion and ¥17.0 billion, respectively. We are trimming our net income outlook by ¥12.0 billion, to ¥10.0 billion.

**Non-Consolidated:** We are reducing our net sales forecast by ¥10.0 billion, to ¥2,140.0 billion, and lowering our operating and ordinary income projections by ¥20.0 billion each, to ¥16.0 billion and ¥0, respectively. We are trimming our net income forecast by ¥10.0 billion, to ¥0.

## 2. Major Factors Behind Revisions

The principal reasons for the foregoing revisions to our financial performance projections are as follows.

- (1) We have enhanced our (consolidated) net sales projection for the operational segments of Aerospace, and Mass & Medium-Lot Manufactured Machinery (General Machinery) in line with an increase of projects to be completed during the term, in reflection of aggressive market demands.
- (2) We have lowered our net sales and operating income forecasts for the operational segments of Machinery & Steel Structures and Mass & Medium-Lot Manufactured Machinery (Industrial Machinery) in reflection of a decline in (non-consolidated) net sales largely attributable to changes in the operating environment, as well as increased construction costs and soaring material and equipments costs.
- (3) We have lowered our operating income/loss forecast for the operational segment of Shipbuilding & Ocean Development to reflect increased costs incurred to recover delays largely attributable to tight steel supplies.

### NOTES:

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

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### About Mitsubishi Heavy Industries, Ltd.

Mitsubishi Heavy Industries, Ltd. (MHI), headquartered in Tokyo, Japan, is one of the world's leading heavy machinery manufacturers, with consolidated sales of 2,373 billion yen in fiscal 2003 (year ended March 31, 2004). 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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