

## MHI Announces FY2009 Non-Consolidated Financial Results

Tokyo, April 28, 2010 -- Mitsubishi Heavy Industries, Ltd. (MHI) today announced its **non-consolidated** financial results for fiscal year (FY) 2009 ended March 31, 2010.

(billions of yen)

	<b>FY2009</b>	FY2008	Changes (%)
Orders Received	<b>1,938.7</b>	2,462.7	(21.3)
Net Sales	<b>2,327.7</b>	2,647.2	(12.1)
Operating Income	<b>47.1</b>	56.9	(17.3)
Ordinary Income	<b>20.0</b>	46.8	(57.2)
Income Before Income Taxes	<b>21.9</b>	63.2	(65.3)
Net Income	<b>18.4</b>	44.8	(58.9)
Net Income Per Share	<b>5.49 yen</b>	13.36 yen	(58.9)
Dividend Per Share	<b>4.00 yen</b>	6.00 yen	

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## NON-CONSOLIDATED BALANCE SHEETS (1/2)

(Millions of Yen)

	As of Mar.31, 2009	As of Mar.31, 2010
<b><u>ASSETS</u></b>		
<b>Current assets:</b>		
Cash and deposits	326,571	186,384
Trade notes receivable	6,973	5,120
Trade accounts receivable	910,634	816,594
Securities	7	7
Merchandise and finished products	96,176	93,841
Work in process	818,207	783,246
Raw materials and supplies	102,710	103,630
Advances to suppliers	103,306	89,029
Prepaid expenses	1,077	1,042
Deferred income taxes	109,921	110,696
Others	110,763	94,686
Allowance for doubtful receivables	(65)	(107)
<b>Total current assets</b>	<b>2,586,285</b>	<b>2,284,173</b>
<b>Fixed assets:</b>		
Property, plant and equipment:		
Buildings	230,605	238,588
Structures	25,771	25,427
Docks and facilities for shipbuilding	2,781	3,516
Machinery	210,637	215,196
Vessels	14	10
Aircraft	151	105
Vehicles and transportation equipment	4,061	3,334
Tools, equipment and furniture	47,563	37,989
Land	118,872	122,100
Leased assets	2,626	3,265
Construction in progress	44,654	47,218
Subtotal	687,740	696,753
Intangible assets:		
Software	11,811	9,622
Right of using facilities	1,136	924
Leased assets	16	27
Others	268	244
Subtotal	13,233	10,819
Investments and advances:		
Investment securities	144,542	171,656
Investments in shares of subsidiaries and affiliates	304,697	357,413
Investments in capital	168	28
Investments in capital of subsidiaries and affiliates	15,961	18,661
Long-term loans and advances	777	538
Long-term loans receivable from employees	97	65
Long-term loans receivable from subsidiaries and affiliates	4,549	7,251
Claims provable in bankruptcy, claims provable in rehabilitation and other	17,200	13,736
Long-term prepaid expense	38,061	32,770
Prepaid pension cost	96,316	92,502
Long-term receivables	3,770	5,637
Others	5,685	17,634
Allowance for doubtful accounts	(20,303)	(14,036)
Subtotal	611,526	703,861
<b>Total fixed assets</b>	<b>1,312,499</b>	<b>1,411,435</b>
<b>TOTAL ASSETS</b>	<b>3,898,785</b>	<b>3,695,608</b>

## NON-CONSOLIDATED BALANCE SHEETS (2/2)

(Millions of Yen)

	As of Mar.31, 2009	As of Mar.31, 2010
<b><u>LIABILITIES</u></b>		
<b>Current liabilities:</b>		
Trade accounts payable	594,520	558,207
Short-term borrowings	244,080	137,232
Current portion of long-term borrowings	83,527	69,298
Commercial papers	115,000	6,000
Current portion of bonds	20,000	20,000
Lease obligations	283	532
Accrued payables	52,146	37,280
Accrued expenses	38,592	38,878
Accrued income taxes	3,795	-
Advance payments received on contracts	390,807	334,011
Deposits received	15,465	11,761
Unearned revenue	38	20
Reserve for product warranties	23,872	28,636
Reserve for losses on construction contracts	36,516	21,752
Reserve for legal claims	23,300	13,941
Others	9,035	1,440
<b>Total current liabilities</b>	<b>1,650,983</b>	<b>1,278,994</b>
<b>Long-term liabilities:</b>		
Debentures	260,000	340,000
Long-term borrowings	802,470	859,172
Lease obligations	2,425	2,730
Deferred income taxes	17,491	27,452
Reserve for treatment of PCB waste	4,043	6,993
Others	36,332	37,780
<b>Total long-term liabilities</b>	<b>1,122,763</b>	<b>1,274,129</b>
<b>TOTAL LIABILITIES</b>	<b>2,773,746</b>	<b>2,553,124</b>
<b><u>NET ASSETS</u></b>		
<b>Stockholders' equity:</b>		
Common stock	265,608	265,608
Capital surplus:		
Capital reserve	203,536	203,536
Other capital reserve	74	84
Total capital surplus	203,610	203,621
Retained earnings:		
Legal reserve	66,363	66,363
Revenue reserve:		
Reserve for reduction in costs of fixed assets	32,932	34,614
Reserve for accelerated depreciation	1,697	541
General reserves	460,000	460,000
Earned surplus brought forward	82,504	83,608
Total retained earnings	643,497	645,128
Treasury stock	(5,037)	(5,019)
<b>Total stockholders' equity</b>	<b>1,107,679</b>	<b>1,109,338</b>
<b>Valuation, translation adjustments and others:</b>		
Net unrealized gains on investment securities	14,980	32,431
Deferred gains or losses on hedges	1,497	(469)
<b>Total valuation, translation adjustments and others</b>	<b>16,478</b>	<b>31,961</b>
<b>Share subscription rights</b>	<b>881</b>	<b>1,184</b>
<b>TOTAL NET ASSETS</b>	<b>1,125,039</b>	<b>1,142,484</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>3,898,785</b>	<b>3,695,608</b>

## NON-CONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	FY2008	FY2009
<b>Net sales</b>	<b>2,647,266</b>	<b>2,327,783</b>
Cost of sales	2,422,060	2,105,992
<b>Gross profit</b>	<b>225,205</b>	<b>221,791</b>
<b>Selling, general and administrative expenses:</b>		
Provision of allowance for doubtful accounts	3,676	5,147
Directors' compensations, salaries and allowances	41,390	44,314
Depreciation	5,927	5,494
Research and development expenses	46,835	45,319
Commission fee	20,591	21,699
Expenses for inquiries	17,235	21,056
Others	32,554	31,600
<b>Total selling, general and administrative expenses</b>	<b>168,211</b>	<b>174,633</b>
<b>Operating income</b>	<b>56,993</b>	<b>47,157</b>
<b>Non-operating income:</b>		
Interest income	3,159	2,330
Dividend income	15,000	12,716
Foreign exchange gain	2,477	-
Others	1,374	2,851
<b>Total non-operating income</b>	<b>22,012</b>	<b>17,899</b>
<b>Non-operating expenses:</b>		
Interest expense	13,662	15,769
Interest on debentures	4,079	4,014
Foreign exchange loss	-	1,260
Loss on disposal of fixed assets	6,320	5,597
Others	8,115	18,367
<b>Total non-operating expenses</b>	<b>32,177</b>	<b>45,009</b>
<b>Ordinary income</b>	<b>46,828</b>	<b>20,047</b>
<b>Extraordinary gain:</b>		
Gain on sales of fixed assets	2,414	7,754
Gain on sales of investment securities	44,477	4,980
Gain on revision of retirement benefit plan	-	4,950
Gain on contribution of securities to retirement benefit trust	36,104	-
<b>Total extraordinary gain</b>	<b>82,997</b>	<b>17,686</b>
<b>Extraordinary loss:</b>		
Business structure improvement expenses	8,626	13,677
Loss on revaluation of investment securities	3,815	2,125
Effect of the application of the accounting standard for measurement of inventories	33,322	-
Loss on legal claims	20,835	-
<b>Total extraordinary loss</b>	<b>66,599</b>	<b>15,803</b>
<b>Income before income taxes</b>	<b>63,226</b>	<b>21,929</b>
Income taxes:		
Current	30,725	4,878
Deferred	(12,324)	(1,360)
<b>Total income taxes</b>	<b>18,401</b>	<b>3,518</b>
<b>Net income</b>	<b>44,825</b>	<b>18,411</b>

## Non-consolidated Statements of Changes in Net Assets

(Millions of Yen)

	FY2008	FY2009
Stockholders' equity		
Common stock		
Balance at the end of previous period	265,608	265,608
Balance at the end of current period	265,608	265,608
Capital surplus		
Capital reserve		
Balance at the end of previous period	203,536	203,536
Balance at the end of current period	203,536	203,536
Other capital reserve		
Balance at the end of previous period	39	74
Changes in the period		
Disposal of treasury stock	34	10
Total changes in the period	34	10
Balance at the end of current period	74	84
Total capital surplus		
Balance at the end of previous period	203,576	203,610
Changes in the period		
Disposal of treasury stock	34	10
Total changes in the period	34	10
Balance at the end of current period	203,610	203,621
Retained earnings		
Legal reserve		
Balance at the end of previous period	66,363	66,363
Balance at the end of current period	66,363	66,363
Revenue reserve		
Reserve for reduction in costs of fixed assets		
Balance at the end of previous period	33,924	32,932
Changes in the period		
Provision of reserve for reduction		
in costs of fixed assets	914	3,898
Reversal of reserve for reduction		
in costs of fixed assets	(1,906)	(2,216)
Total changes in the period	(992)	1,682
Balance at the end of current period	32,932	34,614
Reserve for accelerated depreciation		
Balance at the end of previous period	3,667	1,697
Changes in the period		
Reversal of reserve for accelerated depreciation	(1,970)	(1,155)
Total changes in the period	(1,970)	(1,155)
Balance at the end of current period	1,697	541

(Millions of Yen)

	FY2008	FY2009
General reserves		
Balance at the end of previous period	460,000	460,000
Balance at the end of current period	460,000	460,000
Earned surplus brought forward		
Balance at the end of previous period	54,853	82,504
Changes in the period		
Provision of reserve for reduction		
in costs of fixed assets	(914)	(3,898)
Reversal of reserve for reduction		
in costs of fixed assets	1,906	2,216
Reversal of reserve for accelerated depreciation	1,970	1,155
Cash dividends	(20,137)	(16,781)
Net income	44,825	18,411
Total changes in the period	27,651	1,103
Balance at the end of current period	82,504	83,608
Total retained earnings		
Balance at the end of previous period	618,809	643,497
Changes in the period		
Cash dividends	(20,137)	(16,781)
Net income	44,825	18,411
Total changes in the period	24,688	1,630
Balance at the end of current period	643,497	645,128
Treasury stock		
Balance at the end of previous period	(5,040)	(5,037)
Changes in the period		
Purchase of treasury stock	(72)	(21)
Disposal of treasury stock	76	38
Total changes in the period	3	17
Balance at the end of current period	(5,037)	(5,019)
Total stockholders' equity		
Balance at the end of previous period	1,082,953	1,107,679
Changes in the period		
Cash dividends	(20,137)	(16,781)
Net income	44,825	18,411
Purchase of treasury stock	(72)	(21)
Disposal of treasury stock	111	49
Total changes in the period	24,726	1,658
Balance at the end of current period	1,107,679	1,109,338

(Millions of Yen)

	FY2008	FY2009
<b>Valuation, translation adjustments and others</b>		
Net unrealized gains on investment securities		
Balance at the end of previous period	150,343	14,980
Changes in the period		
Net changes in items other than stockholders' equity	(135,363)	17,451
Total changes in the period	(135,363)	17,451
Balance at the end of current period	14,980	32,431
Deferred gains or losses on hedges		
Balance at the end of previous period	6,568	1,497
Changes in the period		
Net changes in items other than stockholders' equity	(5,070)	(1,967)
Total changes in the period	(5,070)	(1,967)
Balance at the end of current period	1,497	(469)
<b>Total Valuation, translation adjustments and others</b>		
Balance at the end of previous period	156,912	16,478
Changes in the period		
Net changes in items other than stockholders' equity	(140,434)	15,483
Total changes in the period	(140,434)	15,483
Balance at the end of current period	16,478	31,961
<b>Share subscription rights</b>		
Balance at the end of previous period	549	881
Changes in the period		
Net changes in items other than stockholders' equity	332	303
Total changes in the period	332	303
Balance at the end of current period	881	1,184
<b>Total net assets</b>		
Balance at the end of previous period	1,240,415	1,125,039
Changes in the period		
Cash dividends	(20,137)	(16,781)
Net income	44,825	18,411
Purchase of treasury stock	(72)	(21)
Disposal of treasury stock	111	49
Net changes in items other than stockholders' equity	(140,102)	15,786
Total changes in the period	(115,375)	17,445
Balance at the end of current period	1,125,039	1,142,484