

# Annual Report 2013 CONTENTS

## Editorial Policy

### ESG information expanded with a view to integrated reporting

In order to facilitate the understanding of shareholders, investors and other stakeholders with respect to the long-term creation of value for the MHI Group, we have expanded the environmental, social and governance (ESG) information contained in this Annual Report 2013.

In editing this report, reference was made to the Consultation Draft of the International Integrated Reporting Framework, which was published by the International Integrated Reporting Council (IIRC) in April 2013.

### Online version

An online version of this report is also available. Here, users can view a video message from the President.

<http://www.mhi.co.jp/en/finance/ar2013/index.html>

## Forward-Looking Statements

Forecasts regarding future performance in these materials are based on judgments made in accordance with information available at the time this presentation was prepared. As such, these projections involve risks and insecurity. For this reason, investors are recommended not to depend solely on these projections for making investment decisions. It is possible that actual results may change significantly from these projections for a number of factors. Such factors include, but are not limited to, economic trends affecting the Company's operating environment, currency movement of the yen value 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.

## About the Cover

Photo: Exhaust Heat Recovery Boiler Module, critical equipment for gas turbine combined cycle power plants. The exhaust heat recovery boiler module shown in the photo weighs approximately 4,000 tons, making it the world's largest modularized boiler. With piping and electric equipment pre-installed in the module, work periods at the power plant where the module is delivered can be significantly reduced, and likewise the on-site management burden.

## 3 Message to Stakeholders

Applying comprehensive groupwide capabilities toward achieving the 2012 Medium-Term Business Plan



## 5 Creed and CI statement

## 6 History of MHI (History of Our Major Technology / Products)

## 7 Business Model / Important Performance (Financial & Non-financial Highlights)

### INPUTS

Investment of a variety of capital and resources ..... 7

### VALUE ADDED BY ORGANIZATION

Activities that make products and services more sophisticated and streamlined ..... 8

### OUTPUTS

Business overview by segment ..... 9

### OUTCOMES

Financial & non-financial outcomes ..... 11

## 13 Main Financial Indexes: 11-Year Summary

## 15 Business Results and Topics during FY2012

## 17 Interview with the President

By accelerating our global business expansion, especially in the Energy & Environment domain, in fiscal 2014 we aim for ¥4 trillion in orders received and ¥250 billion in operating income.



## 25 Feature

### Meeting Problem-Solving Needs around the World



Domain 1.  
**Energy & Environment** ..... 27



Domain 3.  
**Commercial Aviation & Transportation Systems** ..... 31



Domain 2.  
**Machinery, Equipment & Systems** ..... 29

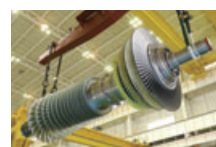


Domain 4.  
**Integrated Defense & Space Systems** ..... 33



## 35 Business Segment Review

Shipbuilding & Ocean Development ..... 35	Aerospace Systems ..... 41
Power Systems ..... 37	General Machinery & Special Vehicles ..... 43
Machinery & Steel Infrastructure Systems ..... 39	Others ..... 45



## 47 Intellectual Property and R&D Activities

## 50 ESG Information

**Environment and Society** ..... 51

**Governance** ..... 61

Message from an Outside Director ..... 68



Board of Directors and Statutory Auditors ..... 69

## 71 Corporate Data 72 Financial Section 101 MHI's Worldwide Network