

# Financial and Non-Financial Highlights

## INPUT

As of March 31, 2014

Total assets

**¥4,886.0 billion**

Net assets

**¥1,774.2 billion**

Interest-bearing debt

**¥957.4 billion**

Number of employees

**80,583 people**

Number of patents held

**13,113**

Year-on-year change

Research and development expenditures

**¥145.5 billion** **5% UP** ↗

Capital investment

**¥156.1 billion** **5% UP** ↗

Energy input\*1

**9,885 TJ** **1% UP** ↗

Investment and costs for environmental preservation\*2

**¥14.1 billion** **34% DOWN** ↘

Training and development inputs\*2

**¥0.7 billion** **21% DOWN** ↘

## ACTIVITIES

Pursuit of the 2012 Medium-Term Business Plan

Target

- Expand business scale
- Improve capital efficiency and net income level

Strategy

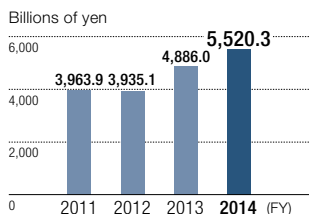
- Consolidate and restructure the 9 Business Headquarters into 4 Business Domains, to achieve greater strengths and synergies
- Accelerate global expansion
- Manage business portfolio based on strategic evaluations
- Institute corporate reforms and efficiency improvements (Optimized resource sharing)
- Continue innovations in corporate governance and business execution

\*1. In principle, MHI on a non-consolidated basis (production plants and offices). However, figures for fiscal 2014 include the Nagasaki, Takasago, and Yokohama plants of Mitsubishi Hitachi Power Systems, Ltd.

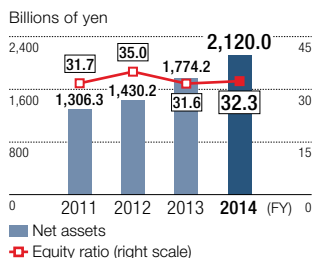
\*2. In principle, MHI on a non-consolidated basis.

\*3. In principle, data is for production sites of MHI on a non-consolidated basis. However, figures for fiscal 2014 include the Nagasaki, Takasago, and Yokohama plants of Mitsubishi Hitachi Power Systems, Ltd.

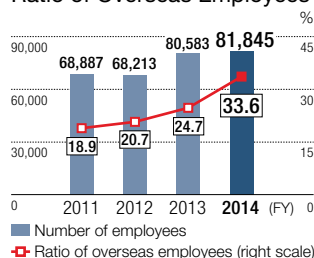
### Total Assets



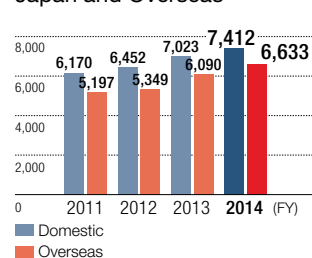
### Net Assets / Equity Ratio



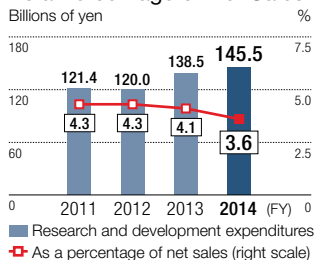
### Number of Employees / Ratio of Overseas Employees



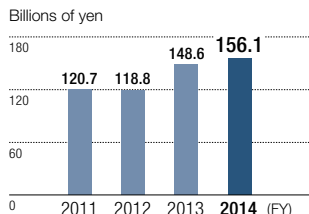
### Number of Patents Held in Japan and Overseas



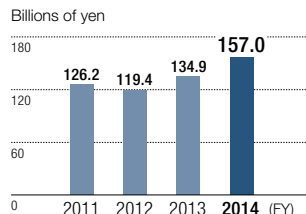
### Research and Development Expenditures / As a Percentage of Net Sales



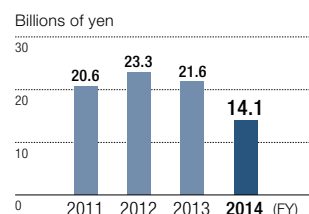
### Capital Investment



### Depreciation



### Investment and Costs for Environmental Preservation\*2



In recent years, the scale of consolidated operations has increased due to ongoing M&A activity, and total assets and the number of employees have grown. At the same time, however, higher profitability and asset efficiency have caused the equity ratio to improve, leading to steady progress in strengthening the financial foundation. R&D expenditures,

capital investment, and depreciation have expanded due to aggressive investment in growth.

Investment and costs for environmental preservation (for MHI on a non-consolidated basis) decreased in fiscal 2014 due to the spinoff of the thermal power generation systems business.

# OUTPUT

# OUTCOME

Orders received  
**¥4,699.1 billion** 37% UP

Net sales  
**¥3,992.1 billion** 19% UP

Operating income  
**¥296.1 billion** 44% UP

EBITDA  
**¥465.0 billion** 34% UP

EBITDA margin  
**11.7%** 1.3 points UP

Net income  
**¥110.4 billion** 31% DOWN

Dividend payments (for FY2014)  
**¥30.1 billion** 0.1% UP

Greenhouse gas (CO<sub>2</sub>) emissions\*<sup>3</sup>  
**548 kilotons** 2% UP

ROE  
**6.5%** 4.5 points DOWN

As of March 31, 2015

Total assets  
**¥5,520.3 billion** 13% UP

Net assets  
**¥2,120.0 billion** 20% UP

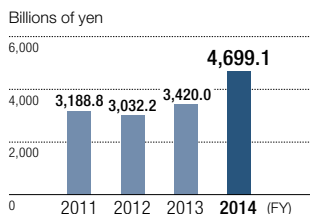
Interest-bearing debt  
**¥975.5 billion** 2% UP

Number of employees  
**81,845 people** 2% UP

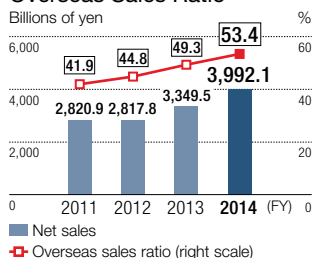
Number of patents held  
**14,045** 7% UP

(Compared with March 31, 2014)

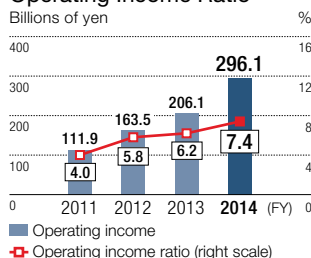
Orders Received



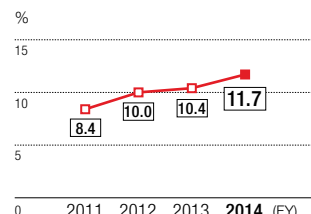
Net Sales / Overseas Sales Ratio



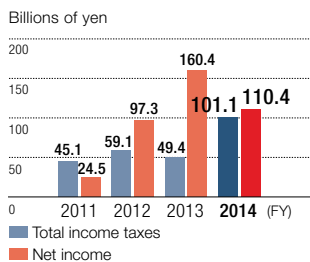
Operating Income / Operating Income Ratio



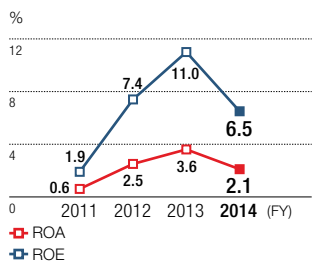
EBITDA Margin



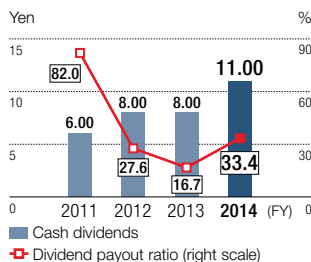
Total Income Taxes / Net Income



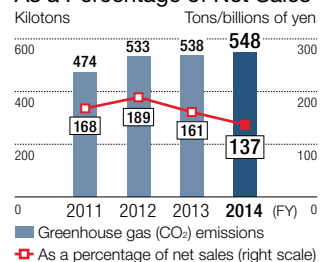
Return on Assets (ROA) / Return on Equity (ROE)



Cash Dividends / Dividend Payout Ratio



Greenhouse Gas (CO<sub>2</sub>) Emissions / As a Percentage of Net Sales\*<sup>3</sup>

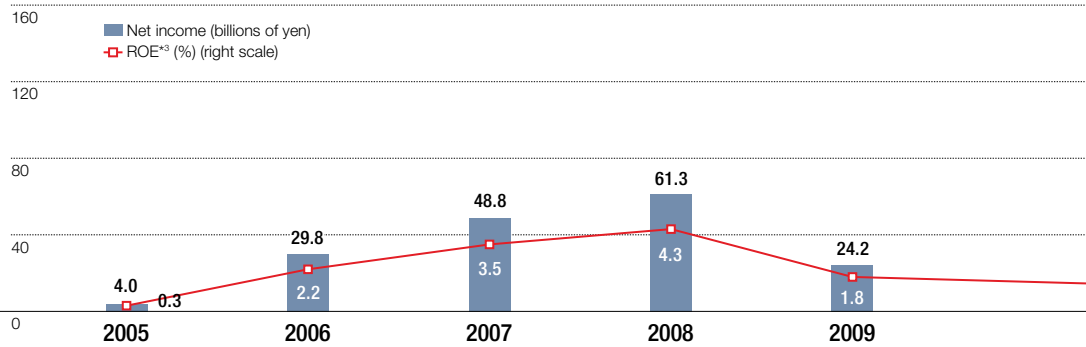


As a result of efforts promoted under the 2012 Medium-Term Business Plan, orders received, net sales, and operating income all increased. In addition, the overseas sales ratio has been rising each year in line with the acceleration of global development. The net income level is improving, along with ROE and other indicators of capital efficiency. (Net income in

fiscal 2014 was down in comparison with fiscal 2013, when we posted an extraordinary gain, a temporary factor.) Owing to positive operating results, we have raised dividends per share. As the scale of business has expanded, greenhouse gas emissions have increased, but these emissions are falling as a percentage of net sales.

## Financial and Non-Financial Highlights

MITSUBISHI HEAVY INDUSTRIES, LTD. and its subsidiaries  
Years ended March 31



Years ended March 31 or as of March 31

Billions of yen

	2005	2006	2007	2008	2009
Orders received	¥2,722.8	¥2,942.0	¥3,274.7	¥3,715.2	¥3,268.7
Net sales	2,590.7	2,792.1	3,068.5	3,203.0	3,375.6
Operating income	14.7	70.9	108.9	136.0	105.8
Income before income taxes and minority interests	16.3	52.3	83.7	101.3	64.9
Net income	4.0	29.8	48.8	61.3	24.2
Research and development expenses	¥ 124.0	¥ 100.7	¥ 106.3	¥ 107.9	¥ 101.3
Capital investment	112.2	140.5	175.9	191.4	196.6
Depreciation	99.1	100.8	106.7	129.2	153.8
Total assets	¥3,831.1	¥4,047.1	¥4,391.8	¥4,517.1	¥4,526.2
Net assets*2	1,309.9	1,376.2	1,446.4	1,440.4	1,283.2
Interest-bearing debt	1,172.8	1,198.6	1,273.5	1,365.3	1,612.8
Cash flows from operating activities	¥ 107.0	¥ 73.9	¥ 158.7	¥ 161.8	¥ 79.5
Cash flows from investing activities	(163.3)	(104.0)	(158.6)	(193.0)	(156.5)
Free cash flows	(56.2)	(30.1)	0	(31.2)	(77.0)
Cash flows from financing activities	57.9	7.9	48.7	71.2	262.0

### Per share information of common stock

Yen

	2005	2006	2007	2008	2009
Net income—basic (EPS)	¥ 1.20	¥ 8.85	¥ 14.56	¥ 18.28	¥ 7.22
Net assets (BPS)	390.44	410.15	425.54	423.17	369.94
Cash dividends	4.00	4.00	6.00	6.00	6.00

### Ratios

	2005	2006	2007	2008	2009
Overseas sales ratio	40.5%	43.9%	47.7%	48.7%	48.9%
Operating income ratio	0.6%	2.5%	3.5%	4.2%	3.1%
Return on equity*3	0.3%	2.2%	3.5%	4.3%	1.8%
Return on assets*4	0.1%	0.8%	1.2%	1.4%	0.5%
Current ratio	157.3%	156.4%	154.2%	160.9%	158.7%
D/E ratio*5	89%	86%	88%	95%	126%
Equity ratio*6	34.2%	34.0%	32.5%	31.4%	27.4%
Dividend payout ratio*7	333.3%	45.1%	41.2%	32.8%	83.2%

Notes: \*1. U.S. dollar amounts in this report are translated from yen, for convenience only, at the rate of ¥120.17 = U.S.\$1, the exchange rate prevailing at March 31, 2015.

\*2. In calculating the net assets, MHI and its consolidated subsidiaries have applied the "Accounting Standard for Presentation of Net Assets in the Balance Sheet" (Accounting Standards Board of Japan (ASBJ) Statement No. 5) and the "Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet" (ASBJ Guidance No. 8) since the year ended March 31, 2007.

\*3. Return on equity = net income / (net assets – share subscription rights – minority interests)

\*4. Return on assets = net income / total assets

\*5. D/E ratio = interest-bearing debt / net assets

\*6. Equity ratio = (net assets – share subscription rights – minority interests) / total assets

\*7. Dividend payout ratio = dividends / net income

\*8. Number of section managers or above, excluding medical staff, as of April 1. In principle, MHI on a non-consolidated basis.

\*9. MHI on a non-consolidated basis (accounts for approximately 50% of the scope of consolidation).

\*10. In principle, MHI on a non-consolidated basis (production plants and offices). However, figures for fiscal 2014 include the Nagasaki, Takasago, and Yokohama plants of Mitsubishi Hitachi Power Systems, Ltd.

\*11. In principle, data is for production sites of MHI on a non-consolidated basis. However, figures for fiscal 2014 include the Nagasaki, Takasago, and Yokohama plants of Mitsubishi Hitachi Power Systems, Ltd.

\*12. In principle, MHI on a non-consolidated basis.

### Non-financial indexes

Number of employees

Number of overseas employees

Number of female managers\*8

Industrial accident frequency rate\*9 (%)

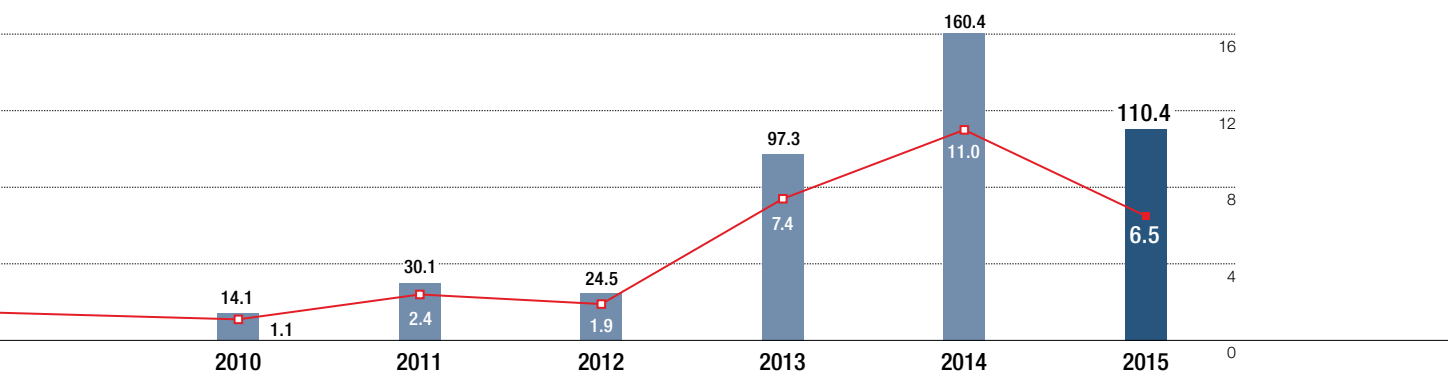
Energy input\*10 (TJ)

Greenhouse gas (CO<sub>2</sub>) emissions\*11 (kilotons)

Water usage\*11 (million cubic meters)

Investment and costs for environmental preservation\*12 (billions of yen)

Social contribution expenses (billions of yen)



Business Plan

2010 Medium-Term Business Plan

2012 Medium-Term Business Plan

Millions of U.S. dollars\*1

¥2,476.2	¥2,995.4	¥3,188.8	¥3,032.2	¥3,420.0	<b>¥4,699.1</b>	<b>\$39,103</b>
2,940.8	2,903.7	2,820.9	2,817.8	3,349.5	<b>3,992.1</b>	<b>33,220</b>
65.6	101.2	111.9	163.5	206.1	<b>296.1</b>	<b>2,464</b>
28.1	39.4	69.8	155.4	214.4	<b>232.6</b>	<b>1,935</b>
14.1	30.1	24.5	97.3	160.4	<b>110.4</b>	<b>918</b>
¥ 129.2	¥ 123.2	¥ 121.4	¥ 120.0	¥ 138.5	<b>¥ 145.5</b>	<b>\$ 1,210</b>
177.1	126.6	120.7	118.8	148.6	<b>156.1</b>	<b>1,298</b>
140.4	134.4	126.2	119.4	134.9	<b>157.0</b>	<b>1,306</b>
¥4,262.8	¥3,989.0	¥3,963.9	¥3,935.1	¥4,886.0	<b>¥5,520.3</b>	<b>\$45,937</b>
1,328.7	1,312.6	1,306.3	1,430.2	1,774.2	<b>2,120.0</b>	<b>17,641</b>
1,495.3	1,325.6	1,157.1	1,031.2	957.4	<b>975.5</b>	<b>8,117</b>
¥ 117.9	¥ 337.8	¥ 200.3	¥ 288.3	¥ 296.2	<b>¥ 212.8</b>	<b>\$ 1,770</b>
(180.7)	(137.2)	(47.0)	(76.7)	(151.5)	<b>(174.1)</b>	<b>(1,448)</b>
(62.7)	200.5	153.3	211.6	144.6	<b>38.6</b>	<b>321</b>
(105.2)	(169.7)	(183.6)	(154.2)	(136.6)	<b>(45.8)</b>	<b>(381)</b>

U.S. dollars

¥ 4.22	¥ 8.97	¥ 7.31	¥ 29.01	¥ 47.81	<b>¥ 32.90</b>	<b>\$ 0.274</b>
380.80	376.17	374.08	410.90	459.99	<b>530.65</b>	<b>4.416</b>
4.00	4.00	6.00	8.00	8.00	<b>11.00</b>	<b>0.092</b>

50.3%	49.0%	41.9%	44.8%	49.3%	<b>53.4%</b>
2.2%	3.5%	4.0%	5.8%	6.2%	<b>7.4%</b>
1.1%	2.4%	1.9%	7.4%	11.0%	<b>6.5%</b>
0.3%	0.7%	0.6%	2.5%	3.6%	<b>2.1%</b>
181.7%	167.9%	153.9%	155.0%	139.2%	<b>146.2%</b>
113%	101%	89%	72%	54%	<b>46%</b>
30.0%	31.6%	31.7%	35.0%	31.6%	<b>32.3%</b>
94.8%	44.6%	82.0%	27.6%	16.7%	<b>33.4%</b>

68,816	68,887	68,213	80,583	<b>81,845</b>
12,001	13,036	14,129	19,909	<b>27,489</b>
266	288	293	256	<b>262</b>
0.29	0.27	0.11	0.23	<b>0.15</b>
10,621	10,346	10,303	9,796	<b>9,885</b>
482	474	533	538	<b>548</b>
7.66	7.22	7.02	6.82	<b>6.23</b>
25.1	20.6	23.3	21.6	<b>14.1</b>
1.6	2.0	1.4	1.4	<b>1.9</b>