

Consolidated Financial Statements [IFRS]

Consolidated Statement of Financial Position

Mitsubishi Heavy Industries, Ltd. and Consolidated Subsidiaries
As of April 1, 2020 / March 31, 2021 / March 31, 2022

ASSETS	Millions of yen			Thousands of U.S. dollars
	As of April 1, 2020	As of March 31, 2021	As of March 31, 2022	As of March 31, 2022
Current assets:				
Cash and cash equivalents	¥ 281,626	¥ 245,421	¥ 314,257	\$ 2,567,668
Trade and other receivables	611,976	655,181	744,466	6,082,735
Other financial assets	28,539	30,677	70,952	579,720
Contract assets	576,061	578,936	654,972	5,351,515
Inventories	726,228	713,498	798,601	6,525,051
Other current assets	206,261	230,955	219,875	1,796,511
Total current assets	2,838,493	2,454,670	2,803,126	22,903,227
Non-current assets:				
Property, plant and equipment ("PPE")	792,920	779,696	790,204	6,456,442
Goodwill	124,500	124,500	128,690	1,051,474
Intangible assets	78,908	74,722	70,400	575,210
Right-of-use assets	96,201	93,321	98,255	802,802
Investments accounted for using the equity method	177,569	182,897	212,828	1,738,932
Other financial assets	391,538	560,213	487,430	3,982,596
Deferred tax assets	382,729	378,338	352,261	2,878,184
Other non-current assets	102,827	162,365	173,144	1,414,690
Total non-current assets	2,147,196	2,356,056	2,313,214	18,900,351
Total assets	¥4,985,690	¥4,810,727	¥5,116,340	\$41,803,578

LIABILITIES AND EQUITY	Millions of yen			Thousands of U.S. dollars
	As of April 1, 2020	As of March 31, 2021	As of March 31, 2022	As of March 31, 2022
Liabilities				
Current liabilities:				
Bonds, borrowings and other financial liabilities	¥769,099	¥445,147	¥ 304,651	\$ 2,489,182
Trade and other payables	824,030	763,731	863,281	7,053,525
Income taxes payable	28,994	12,237	28,784	235,182
Contract liabilities	835,465	731,814	886,551	7,243,655
Provisions	199,496	207,876	203,585	1,663,412
Other current liabilities	151,657	184,453	193,865	1,583,993
Total current liabilities	2,808,742	2,345,260	2,480,720	20,268,976
Non-current liabilities:				
Bonds, borrowings and other financial liabilities	601,770	790,862	773,622	6,320,957
Deferred tax liabilities	7,318	6,597	6,217	50,796
Retirement benefit liabilities	145,890	124,432	76,824	627,698
Provisions	58,173	50,485	62,218	508,358
Other non-current liabilities	73,718	53,699	54,207	442,903
Total non-current liabilities	886,871	1,026,076	973,090	7,950,731
Total liabilities	3,695,614	3,371,337	3,453,810	28,219,707
Equity				
Share capital	265,608	265,608	265,608	2,170,177
Capital surplus	49,667	47,265	45,061	368,175
Treasury shares	(5,374)	(4,452)	(5,946)	(48,582)
Retained earnings	886,307	952,528	1,099,158	8,980,782
Other components of equity	22,133	105,393	172,728	1,411,291
Equity attributable to owners of the parent	1,218,343	1,366,342	1,576,611	12,881,861
Non-controlling interests	71,732	73,047	85,918	702,001
Total equity	1,290,076	1,439,390	1,662,529	13,583,863
Total liabilities and equity	¥4,985,690	¥4,810,727	¥5,116,340	\$41,803,578

Consolidated Statement of Profit or Loss

Mitsubishi Heavy Industries, Ltd. and Consolidated Subsidiaries
For the fiscal years ended March 31, 2021 and 2022

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Revenue	¥3,699,946	¥3,860,283	\$31,540,836
Cost of sales	3,116,464	3,204,371	26,181,640
Gross profit	583,482	655,911	5,359,187
Selling, general and administrative expenses	531,383	556,727	4,548,794
Share of profit of investments accounted for using the equity method	15,158	16,861	137,764
Other income*	167,698	68,972	563,542
Other expenses	180,873	24,777	202,443
Profit from business activities	54,081	160,240	1,309,257
Finance income	11,677	31,907	260,699
Finance costs	16,404	18,463	150,853
Profit before income taxes	49,355	173,684	1,419,102
Income taxes	6,153	48,029	392,425
Profit	43,202	125,654	1,026,668
Profit attributable to:			
Owners of the parent	40,639	113,541	927,698
Non-controlling interests	¥ 2,562	¥ 12,113	\$ 98,970

	Yen		U.S. dollars
	2021	2022	2022
Earnings per share attributable to owners of the parent			
Basic earnings per share	¥120.92	¥338.24	\$2.764
Diluted earnings per share	120.83	338.05	2.762

* Other income includes dividend income.

The amount of dividend income in the fiscal years ended March 31, 2021 and 2022 were 10,664 million yen and 17,286 million yen (\$141,237 thousand) respectively.

Consolidated Statement of Comprehensive Income

Mitsubishi Heavy Industries, Ltd. and Consolidated Subsidiaries
For the fiscal years ended March 31, 2021 and 2022

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Profit	¥ 43,202	¥125,654	\$1,026,668
Items that will not be reclassified to profit or loss:			
Net gains from financial assets measured at FVTOCI	37,943	18,700	152,790
Remeasurement of defined benefit plans	56,097	50,140	409,673
Share of other comprehensive income(loss) of entities accounted for using the equity method	(163)	232	1,895
Total	93,878	69,074	564,376
Items that may be reclassified to profit or loss:			
Cash flow hedges	(271)	12	98
Hedge cost	874	(178)	(1,454)
Exchange differences on translating foreign operations	37,962	67,088	548,149
Share of other comprehensive income of entities accounted for using the equity method	5,970	6,889	56,287
Total	44,535	73,812	603,088
Total other comprehensive income	138,413	142,886	1,167,464
Comprehensive income	¥181,616	¥268,540	\$2,194,133
Comprehensive income attributable to:			
Owners of the parent	¥173,635	¥248,891	\$2,033,589
Non-controlling interests	7,980	19,649	160,544

Consolidated Statement of Changes in Equity

Mitsubishi Heavy Industries, Ltd. and Consolidated Subsidiaries
For the fiscal years ended March 31, 2021 and 2022

	Millions of yen							
	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	Total		
Balance as of April 1, 2020	¥265,608	¥49,667	¥(5,374)	¥ 886,307	¥ 22,133	¥1,218,343	¥71,732	¥1,290,076
Profit				40,639		40,639	2,562	43,202
Other comprehensive income					132,995	132,995	5,418	138,413
Comprehensive income	—	—	—	40,639	132,995	173,635	7,980	181,616
Transfer to retained earnings				49,668	(49,668)	—		—
Purchase of treasury shares			(5)			(5)		(5)
Disposal of treasury shares		83	364			447		447
Dividends				(25,188)		(25,188)	(5,073)	(30,261)
Transactions with non-controlling interests		(1,611)			(67)	(1,678)	(1,380)	(3,058)
Other		(874)	563	1,100		789	(212)	576
Total transactions with owners	—	(2,402)	921	(24,087)	(67)	(25,636)	(6,665)	(32,302)
Balance as of March 31, 2021	¥265,608	¥47,265	¥(4,452)	¥ 952,528	¥105,393	¥1,366,342	¥73,047	¥1,439,390
Profit				113,541		113,541	12,113	125,654
Other comprehensive income					135,349	135,349	7,536	142,886
Comprehensive income	—	—	—	113,541	135,349	248,891	19,649	268,540
Transfer to retained earnings				67,792	(67,792)	—		—
Purchase of treasury shares			(2,550)			(2,550)		(2,550)
Disposal of treasury shares		25	142			167		167
Dividends				(40,313)		(40,313)	(7,880)	(48,194)
Transactions with non-controlling interests		(1,682)			(221)	(1,904)	69	(1,834)
Other		(545)	914	5,610		5,978	1,032	7,011
Total transactions with owners	—	(2,203)	(1,494)	(34,703)	(221)	(38,622)	(6,778)	(45,401)
Balance as of March 31, 2022	¥265,608	¥45,061	¥(5,946)	¥1,099,158	¥172,728	¥1,576,611	¥85,918	¥1,662,529

	Thousands of U.S. dollars							
	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	Total		
Balance as of March 31, 2021	\$2,170,177	\$386,183	\$(36,375)	\$7,782,727	\$ 861,124	\$11,163,836	\$596,837	\$11,760,683
Profit				927,698		927,698	98,970	1,026,668
Other comprehensive income					1,105,882	1,105,882	61,573	1,167,464
Comprehensive income	—	—	—	927,698	1,105,882	2,033,589	160,544	2,194,133
Transfer to retained earnings				553,901	(553,901)	—		—
Purchase of treasury shares			(20,835)			(20,835)		(20,835)
Disposal of treasury shares		204	1,160			1,364		1,364
Dividends				(329,381)		(329,381)	(64,384)	(393,774)
Transactions with non-controlling interests		(13,742)			(1,805)	(15,556)	563	(14,984)
Other		(4,452)	7,467	45,837		48,843	8,432	57,284
Total transactions with owners	—	(17,999)	(12,206)	(283,544)	(1,805)	(315,564)	(55,380)	(370,953)
Balance as of March 31, 2022	\$2,170,177	\$368,175	\$(48,582)	\$8,980,782	\$1,411,291	\$12,881,861	\$702,001	\$13,583,863

Consolidated Statement of Cash Flows

Mitsubishi Heavy Industries, Ltd. and Consolidated Subsidiaries
For the fiscal years ended March 31, 2021 and 2022

	Millions of yen		Thousands of U.S. dollars
	2021	2022	2022
Cash flows from operating activities:			
Profit before income taxes	¥ 49,355	¥ 173,684	\$ 1,419,102
Depreciation, amortization and impairment loss	238,258	135,787	1,109,461
Finance income and costs	(5,369)	1,645	13,440
Share of profit of investments accounted for using the equity method	(15,158)	(16,861)	(137,764)
Loss (gain) on sale of shares of subsidiaries and affiliates	(83,041)	—	—
Loss (gain) on sale of PPE, and intangible assets	(45,570)	(37,532)	(306,659)
Loss on disposal of PPE, and intangible assets	6,912	5,328	43,532
Decrease (increase) in trade receivables	(27,739)	(51,031)	(416,953)
Decrease (increase) in contract assets	4,308	(58,722)	(479,794)
Decrease (increase) in inventories and advanced payments	57,222	(89,963)	(735,051)
Increase (decrease) in trade payables	(68,731)	73,101	597,279
Increase (decrease) in contract liabilities	(124,703)	132,985	1,086,567
Increase (decrease) in provisions	(11,011)	(1,120)	(9,151)
Increase (decrease) in retirement benefit liabilities	3,496	21,969	179,499
Others	5,094	(20,527)	(167,717)
Subtotal	(16,677)	268,744	2,195,800
Interest received	5,407	5,537	45,240
Dividends received	14,968	23,627	193,046
Interest paid	(9,543)	(10,559)	(86,273)
Income taxes paid	(89,102)	(1,786)	(14,592)
Net cash provided by (used in) operating activities	(94,948)	285,563	2,333,221
Cash flows from investing activities:			
Payments into time deposits	(9,244)	(14,033)	(114,658)
Proceeds from withdrawal of time deposits	13,161	9,677	79,066
Purchases of PPE and intangible assets	(146,212)	(129,256)	(1,056,099)
Proceeds from sales of PPE and intangible assets	43,956	51,744	422,779
Purchases of investments (including investments accounted for using the equity method)	(15,796)	(11,193)	(91,453)
Proceeds from sales and redemption of investments (including investments accounted for using the equity method)	12,521	99,214	810,638
Payments for sale of businesses (including subsidiaries)	(1,696)	(1,258)	(10,278)
Proceeds from sale of businesses (including subsidiaries)	987	11,756	96,053
Payments for acquisition of businesses (including subsidiaries)	(71,082)	—	—
Proceeds from acquisition of businesses (including subsidiaries)	—	4,799	39,210
Net decrease (increase) in short-term loans	708	1,660	13,563
Disbursement of long-term loans	(8,482)	(60)	(490)
Collection of long-term loans	222	204	1,666
Payments for derivative transactions	(3,658)	(20,754)	(169,572)
Proceeds from derivative transactions	4,625	15,490	126,562
Others	(2,260)	(1,683)	(13,751)
Net cash provided by (used in) investing activities	(182,249)	16,306	133,229
Cash flows from financing activities:			
Net increase (decrease) in short-term borrowings	96,778	(182,326)	(1,489,713)
Proceeds from long-term borrowings	212,500	22,330	182,449
Repayment of long-term borrowings	(58,146)	(31,338)	(256,050)
Proceeds from issuance of bonds	65,000	55,000	449,383
Payment for redemption of bonds	(10,000)	(45,000)	(367,677)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(22,549)	(2,000)	(16,341)
Payments for acquisition of treasury shares	(5)	(2,550)	(20,835)
Dividends paid to owners of the parent	(25,667)	(40,224)	(328,654)
Dividends paid to non-controlling interests	(5,144)	(5,501)	(44,946)
Proceeds from factoring agreements	139,315	140,608	1,148,852
Repayment of liabilities under factoring agreements	(145,045)	(133,226)	(1,088,536)
Repayment of lease liabilities	(22,667)	(28,154)	(230,035)
Others	(2,627)	(3,389)	(27,690)
Net cash provided by (used in) financing activities	221,737	(255,774)	(2,089,827)
Effect of exchange rate changes on cash and cash equivalents	19,255	22,740	185,799
Net increase (decrease) in cash and cash equivalents	(36,205)	68,836	562,431
Cash and cash equivalents at the beginning of the year	281,626	245,421	2,005,237
Cash and cash equivalents at the end of the year	¥ 245,421	¥ 314,257	\$ 2,567,668