

Aerospace Business Operation

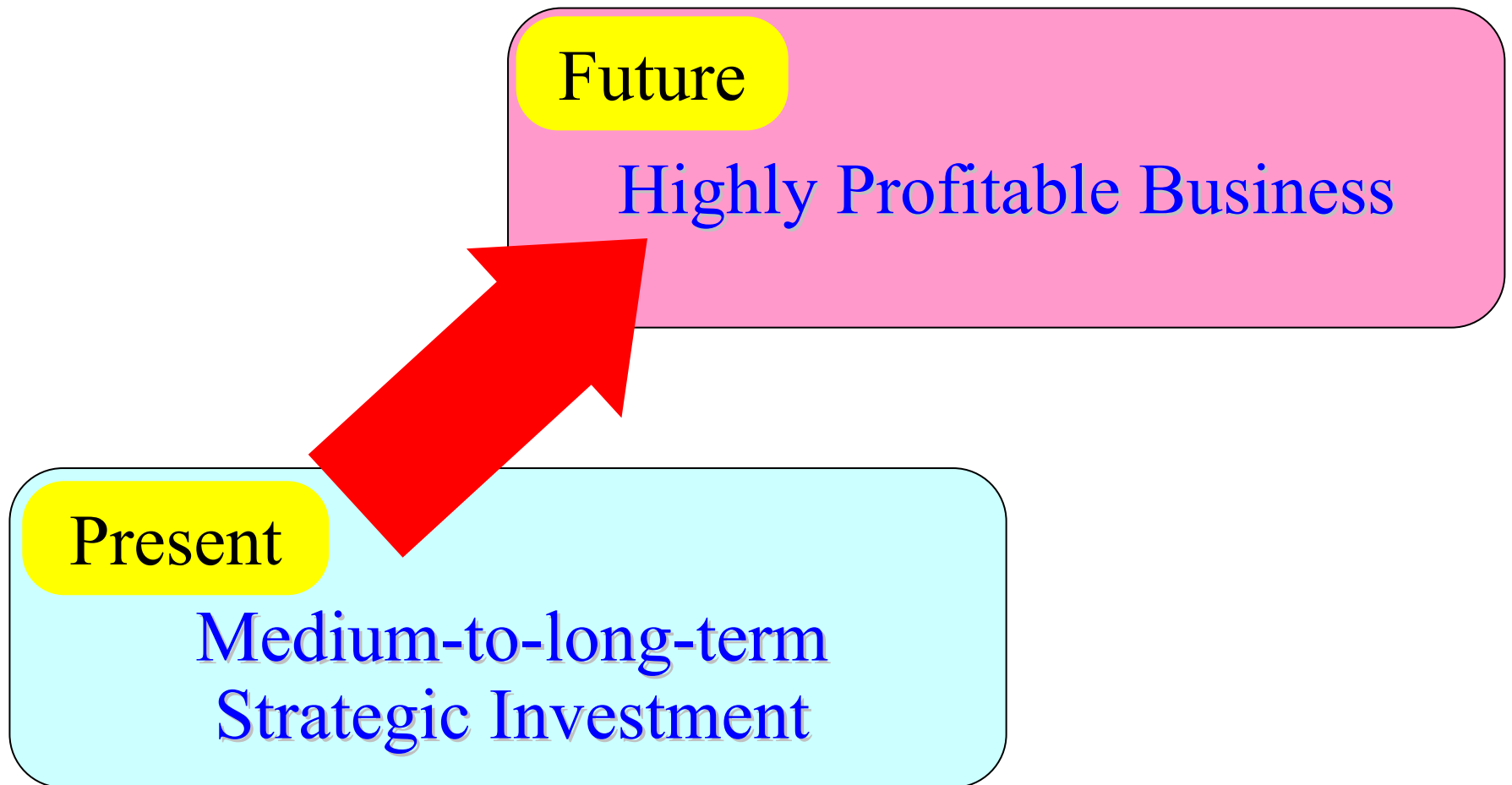
June 18, 2008



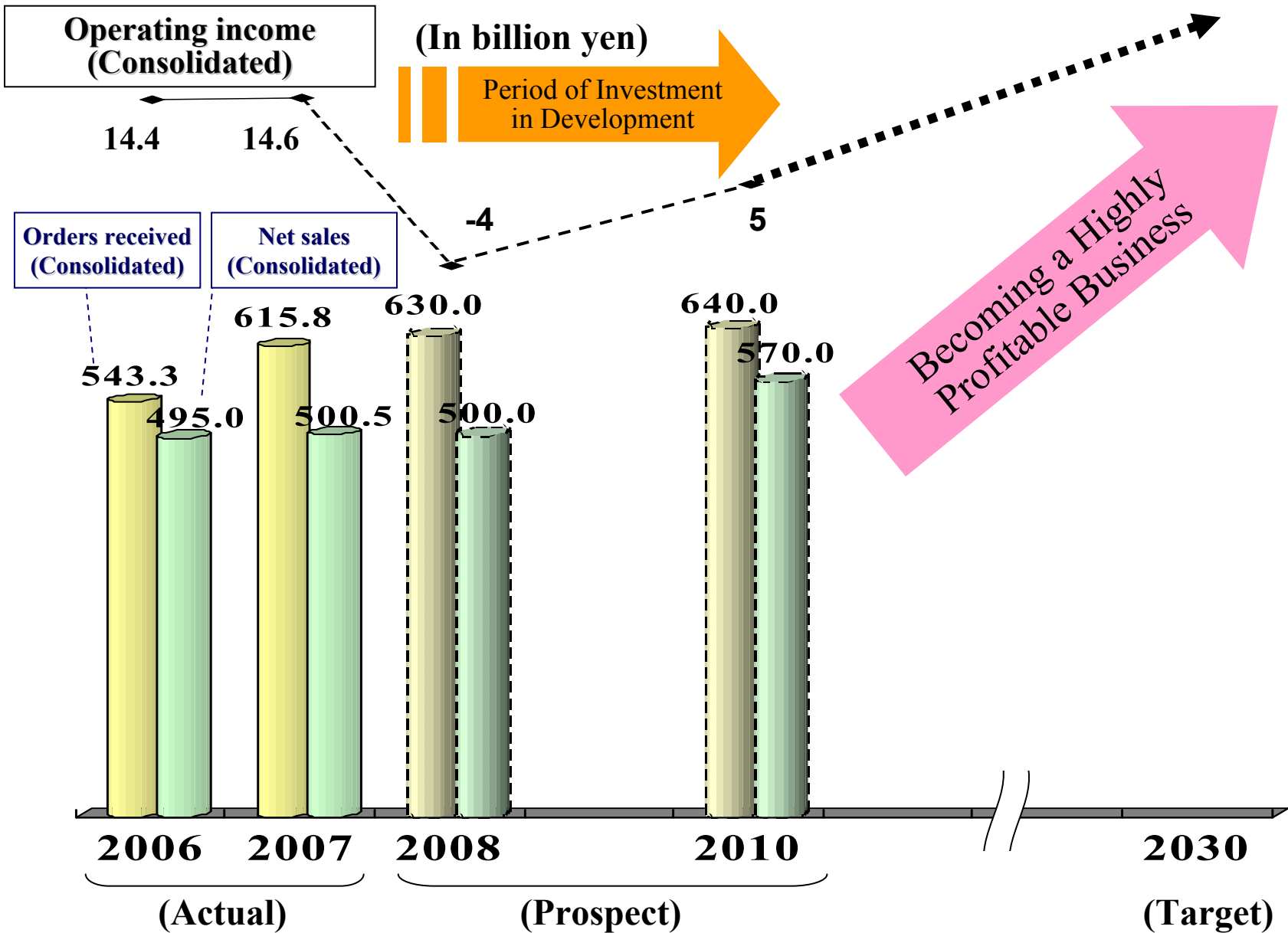
Teruaki Kawai
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General Manager,
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Midterm Business Plan - Aerospace

■ Midterm Business Plan: Strategic Investment into Aerospace



Forecast; Aerospace Headquarters



Location of Works Related to the Aerospace Headquarters



Aerospace Headquarters

Defense

- BMD
- Future Fighter Aircraft

Space Equipment

- H-IIA
- HTV/H-IIB

Commercial Aircraft

- Composite-Material Wing Boxes
- MRJ

Priority Initiatives in the Defense Business Field

Defense

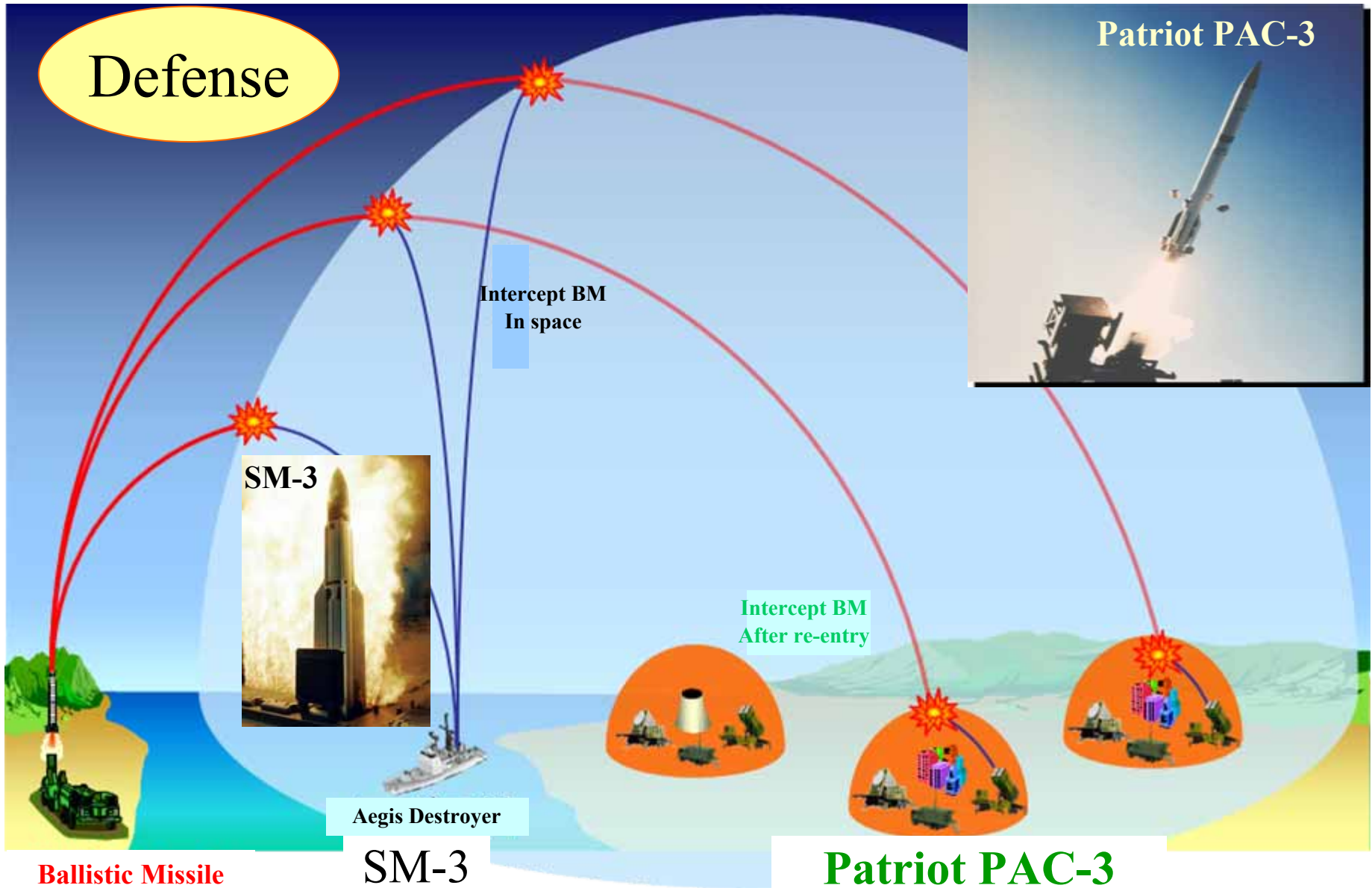
■ BMD

- Sustained BMD business involving PAC-3/Config.3, etc.
- Joint U.S.-Japan Next Generation Development Program

■ Future Fighter Aircraft

- Business projects for future fighter aircraft

BMD – Ballistic Missile Defense



Ballistic Missile

SM-3

Patriot PAC-3

BMD: Ballistic Missile Defense

Future Fighter Aircraft

Defense

■ F-4 Fighter

Model selected in 1966



In service for over 40 years

The successor
to the F-4 Fighter



Model selection expected in this fiscal year

Priority Initiatives in the Space Equipment Business Field

Space Equipment

■ H-IIA Launch Services

- Securing several launches through commercial satellite orders
 - ⇒ Establish a stable operating base
 - Maintain high launch success rates

■ HTV/H-IIB

- Materials transport for the International Space Station
 - ⇒ Expand scope of operations with the completion of development

■ Propose new projects associated with the enactment of the Basic Space Law

H-IIA Launch Services

Space
Equipment

Launch services started in FY 2007

H-IIA Launch Successes



- Launch Vehicle No. 13:
SELENE (Kaguya)
(September 14, 2007)
- Launch Vehicle No. 14:
WINDS (Kizuna)
(February 23, 2008)

**Consecutive
Successes**

- **World-class
launch success rate: 93%**
(H-IIA only)

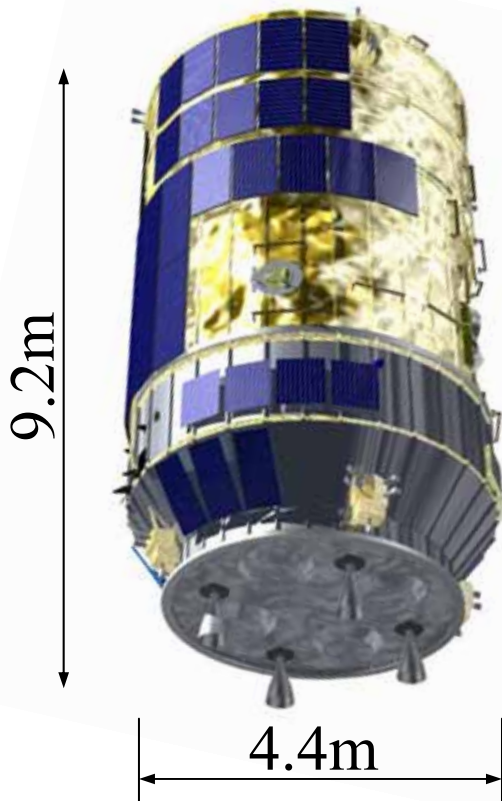
**Seeking to gain a foothold in
the global market for launch
service operations**

HTV – H-II Transfer Vehicle / H-II B

Space
Equipment

HTV

2009 Launch Schedule



H-II B

Uses two LE-7A engines



Photo credit: JAXA

Priority Initiatives in the Commercial Aircraft Business Field

Commercial Aircraft

■ Boeing 777

- Secure profitability through further cost reduction

■ Boeing 787

- Focus on critical subsystem; composite wing production

■ MRJ

- Promote with the establishment of a new company
⇒ Establish a position as a complete aircraft manufacturer

Boeing 777 Transport Aircraft

Commercial
Aircraft



Tail/Fuselage Panel Assembly



(Above) Tail, (Below) Fuselage Panel

Boeing 787 Transport Aircraft

Commercial Aircraft



New Plant for 787 Composite Wing
(Nagoya Aerospace Systems Works)



One of world's largest autoclaves



Shipment from factory of first wing box for the 787



Loading to a cargo plane dedicated to transporting
787 components

Mitsubishi Regional Jet

Commercial Aircraft

- Building on its experience with the YS-11, MU-2 and MU-300 aircraft, MHI moves towards operations in the complete manufacture of commercial aircraft!

YS-11



MU-2



MU-300



The Benefits Offered by MRJ

Commercial
Aircraft

**Environmentally
Friendly**



- Low noise
- Low CO₂ emissions

**Operational
Economy**

- Fuel efficient

**Cabin
Comfort**

Summary

■ Aerospace Headquarters – Business Strategy

Defense

- **Core business of the Aerospace Headquarters**
- **Promote Programs (future fighter aircraft, BMD)**

Space Equipment

- **Commercial Satellite Launches**
- **HTV/H-IIB Development**
- **Correspond to Basic Space Law**

Commercial Aircraft

- **Composite Wing Production**
- **MRJ Development**