

2025-5-9

Outline of FY2024 Financial Results

Consolidated (IFRS)

(Billions of yen)

	FY2024 〔 From April 1, 2024 to March 31, 2025 〕	FY2023 〔 From April 1, 2023 to March 31, 2024 〕	Changes (%)
Order intake	7,071.2	6,684.0	5.8
Revenue	5,027.1	4,657.1	7.9
Profit from business activities	383.1	282.5	35.6
Profit before income taxes	374.5	315.1	18.8
Profit	261.9	243.5	7.6
Profit (loss) attributable to owners of the parent	245.4	222.0	10.6
Cash flows from operating activities	530.4	331.1	/
Cash flows from investing activities	(187.7)	(131.0)	/
Cash flows from financing activities	(114.1)	(158.9)	/
Earnings per share attributable to owners of the parent	73.04 yen	66.07 yen	10.6

Note1: Figures in parentheses are negative.

Note2: On April 1, 2024, the Company executed a ten-for-one stock split of its common shares. Earnings per share attributable to owners of the parent are calculated assuming that the stock split was conducted at the beginning of FY2023.

Non-consolidated (Japanese GAAP)

(Billions of yen)

	FY2024 〔 From April 1, 2024 to March 31, 2025 〕	FY2023 〔 From April 1, 2023 to March 31, 2024 〕	Changes (%)
Order intake	3,385.1	3,490.4	(3.0)
Net Sales	1,947.1	1,729.6	12.6
Operating profit	145.0	73.5	97.2
Ordinary profit	187.2	120.2	55.7
Profit before income taxes	164.5	166.7	(1.4)
Profit	119.8	153.0	(21.7)
Basic earnings per share	35.67 yen	45.55 Yen	(21.7)
Annual dividends per share	23.00 yen	200.00 yen	

Note1: Figures in parentheses are negative.

Note2: On April 1, 2024, the Company executed a ten-for-one stock split of its common shares. Basic earnings per share are calculated assuming that the stock split was conducted at the beginning of FY2023.

Note3: Annual dividends per share for FY2023 are the actual amount of dividends before the above mentioned stock split.

May 9, 2025

Consolidated Financial Results for FY2024 Ended March 31, 2025 [IFRS]

Company name: Mitsubishi Heavy Industries, Ltd.
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange / Fukuoka Stock Exchange / Sapporo Securities Exchange
 Securities code: 7011
 URL: <https://www.mhi.com/>
 Representative: Eisaku Ito, President and CEO
 Inquiries: Kentaro Ikeda, Senior General Manager of Financial Planning Division
 Scheduled date of annual general meeting of shareholders: June 27, 2025
 Scheduled date to commence dividend payments: June 30, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors, financial analysts, and media)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Profit from business activities		Profit before income taxes		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2024	5,027,176	7.9	383,198	35.6	374,531	18.8	261,997	7.6
FY2023	4,657,147	10.8	282,541	46.1	315,187	64.9	243,565	66.5

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
FY2024	245,447	10.6	203,213	(65.5)	73.04	73.02
FY2023	222,023	70.2	587,916	167.9	66.07	66.04

	Return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
	%	%	%
FY2024	10.7	5.8	7.6
FY2023	11.1	5.4	6.1

[Reference] Share of profit of investments accounted for using the equity method

FY2024: -¥2,754 million

FY2023: ¥2,149 million

*1 “Profit from business activities” on the consolidated statement of profit or loss is presented as a measure that enables continuous comparison and assessment of the Group’s business performance. “Profit from business activities” is calculated by subtracting “cost of sales,” “selling, general and administrative expenses,” and “other expenses” from “revenue” and adding “share of profit (loss) of investments accounted for using the equity method” and “other income” to the resulting amount. “Other income” and “other expenses” consist of dividend income, gains or losses on sales of fixed assets, impairment losses on fixed assets, and others.

*2 On April 1, 2024, the Company executed a ten-for-one stock split of its common shares. “Basic earnings per share” and “Diluted earnings per share” are calculated assuming that the stock split was conducted at the beginning of FY2023.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets	Equity attributable to owners of the parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2025	6,658,924	2,469,823	2,346,702	35.2	698.91
March 31, 2024	6,256,259	2,360,654	2,244,620	35.9	667.86

* "Equity attributable to owners of the parent per share" are calculated assuming that the stock split was conducted at the beginning of FY2023.

(3) Consolidated cash flow

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2024	530,459	(187,714)	(114,123)	657,816
FY2023	331,186	(131,048)	(158,903)	431,287

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY2023	—	80.00	—	120.00	200.00	67,385	30.3	3.4
FY2024	—	11.00	—	12.00	23.00	77,497	31.5	3.4
FY2025 (Forecast)	—	12.00	—	12.00	24.00		31.0	

* For the fiscal year ended March 2024, the actual dividends before the stock split are shown. When adjusted retroactively to reflect the stock split, the interim dividend per share for the fiscal year ended March 2024 was ¥8, and the annual dividends per share was ¥20.

3. Estimate of Consolidated Financial Results for FY 2025 ending March 31, 2026

(Percentages indicate year-on-year changes.)

	Revenue		Profit from business activities		Profit before income tax		Profit attributable to owners of the parent		Basic earnings per share
From April 1, 2025 to March 31, 2026	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	5,400,000	7.4	420,000	9.6	400,000	6.8	260,000	5.9	77.43

* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(3) The number of shares issued (Common Stock)

(i) Total number of shares issued at the end of the period (including treasury shares)

As of March 31, 2025	3,373,647,810 shares
As of March 31, 2024	3,373,647,810 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	15,980,024 shares
As of March 31, 2024	12,750,817 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

FY2024	3,360,292,439 shares
FY2023	3,360,379,101 shares

* "Number of shares issued at the end of the period," "Number of treasury shares at the end of the period" and "Average number of shares outstanding during the period" are calculated assuming that the stock split was conducted at the beginning of FY2023.

[Reference] Overview of non-consolidated financial results for FY2024 ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2024	1,947,178	12.6	145,072	97.2	187,257	55.7	119,855	(21.7)
FY2023	1,729,653	11.6	73,578	548.2	120,278	34.7	153,071	55.3

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2024	35.67	35.66
FY2023	45.55	45.53

* “Basic earnings per share” and “Diluted earnings per share” are calculated assuming that the stock split was conducted at the beginning of FY2023.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	4,054,184	1,179,519	29.1	351.18
March 31, 2024	3,480,317	1,162,795	33.4	345.85

[Reference] Equity As of March 31, 2025: ¥1,179,180 million

As of March 31, 2024: ¥1,162,385 million

* “Net assets per share” are calculated assuming that the stock split was conducted at the beginning of FY2023.

* The Japanese-language originals of this document are not subject to certified public accountants’ or an audit firm’s review

* Proper use of earnings forecasts, and other special matters

Note regarding forward looking statements:

Forecasts regarding future performance outlined in these materials are based on judgments made in accordance with information available at the time they were prepared. As such, these projections include risk and uncertainty. Investors are recommended not to depend solely on these projections when making investment decisions. Actual results may vary significantly from these projections due to a number of factors, including, but not limited to, economic trends affecting the Company’s operating environment, fluctuations in the value of the Japanese yen to the U.S. dollar and other foreign currencies, and trends in Japan’s stock markets. The results projected here should not be construed in any way as a guarantee by the Company.

How to obtain supplementary materials regarding the financial results:

Supplementary materials regarding the financial results are available on the Company's website.

Table of Contents for Attachments

1. Operating results and financial position	2
(1) Operating results	2
(2) Financial position	2
2. Basic Approach to Selection of Accounting Standards	3
3. Condensed Quarterly Consolidated Financial Statements and Major Notes	4
(1) Condensed Consolidated Statement of Financial Position	4
(2) Condensed Consolidated Statement of Profit or Loss & Comprehensive Income	6
(Condensed Consolidated Statement of Profit or Loss)	6
(Condensed Consolidated Statement of Comprehensive Income)	7
(3) Condensed Consolidated Statement of Changes in Equity	8
(4) Condensed Consolidated Statement of Cash Flows	9
(5) Going Concern Assumption	11
(6) Segment Information	11
(7) Earnings Per Share	13
(8) Others	13
4. FY2025 Earnings Forecast	14

1. Operating Results and Financial Position

(1) Operating Results

➤ Economic conditions in FY2024 ended March 31, 2025

In the fiscal year ended March 31, 2025 under review, the global economy continued to grow steadily on the back of a pick-up in real income due to the subsidence in inflation, and the Japanese economy also picked up moderately, mainly in private consumption and business capital investment. On the other hand, the outlook remained uncertain due to intensified trade friction caused by protectionist policies following the change of government in the United States, a slowdown in the Chinese economy, and political instability in major European countries.

➤ Summary of consolidated financial results for FY2024 ended March 31, 2025

Under the above mentioned circumstances, order intake of MHI Group (hereinafter referred to as "the Group") in the fiscal year ended March 31, 2025 under review increased in all segments, including Energy segment, and amounted to ¥7,071.2 billion, up ¥387.2 billion year on year.

Consolidated revenue increased in Aircraft, Defense & Space segment, Energy Systems segment, and Plant & Infrastructure Systems segment and totaled ¥5,027.1 billion, rising ¥370.0 billion year on year.

Profit from business activities increased in Energy Systems segment, Aircraft, Defense & Space segment, and Plant & Infrastructure Systems segment to a total of ¥383.1 billion, up ¥100.6 billion year on year.

Profit before income taxes increased ¥59.3 billion year on year to ¥374.5 billion, while profit attributable to owners of the parent came to ¥245.4 billion, up ¥23.4 billion from the fiscal year ended March 31, 2024.

➤ Estimate of consolidated financial results for FY 2025 ending March 31, 2026

For fiscal 2025, we expect revenue of ¥5.4 trillion, profit from business activities of ¥420 billion, profit before income taxes of ¥400 billion and profit attributable to owners of the parent of ¥260 billion.

*1 The exchange rates for undetermined foreign currencies are assumed to be ¥145 to the dollar and ¥155 to the euro.

*2 Please refer to "4. FY2025 Earnings Forecast" for details.

Note

The above mentioned estimate regarding future performance is based on judgments made in accordance with information available at the time they were prepared. As such, these projections include risk and uncertainty. Investors are recommended not to depend solely on these projections when making investment decisions. Actual results may vary significantly from these projections due to a number of factors, including, but not limited to, economic trends affecting the Company's operating environment, fluctuations in the value of the Japanese yen to the U.S. dollar and other foreign currencies, and trends in Japan's stock markets. The results projected here should not be construed in any way as a guarantee by the Company.

(2) Financial Position

➤ Assets, liabilities and equity

Due to increases mainly in "Cash and cash equivalents" and "Inventories", assets for the Group increased by ¥402.6 billion from the fiscal year ended March 31, 2024, to ¥6,658.9 billion in the fiscal year ended March 31, 2025 under review.

Increases in "Contract liabilities" and other items resulted in liabilities rising ¥293.4 billion from the end of the fiscal year ended March 31, 2024 to ¥4,189.1 billion.

Due to increases mainly in "Retained earnings" resulting from higher profit attributable to owners of the parent and other items, total equity rose ¥109.1 billion from the end of the fiscal year ended March 31, 2024 to ¥2,469.8 billion.

➤ Cash flow

Net cash provided by operating activities totaled ¥530.4 billion, an increase of ¥199.2 billion over the fiscal year ended March 31, 2024. This was due primarily to higher Profit before income taxes and the acquisition of Contract liabilities resulting from expanded orders.

Net cash used in investing activities came to ¥187.7 billion, an increase of ¥56.6 billion over the previous fiscal year. This was due mainly to an increase in "Purchases of PPE, and intangible assets".

Free cash flow, which includes net cash provided by operating activities and net cash used in investing activities, came to ¥342.7 billion, an increase of ¥142.6 billion over the previous fiscal year.

Net cash used in financing activities came to ¥114.1 billion, a decrease of ¥44.7 billion over the previous fiscal year. This was due mainly to an increase in "Proceeds from factoring agreements".

As a result, cash and cash equivalents at the end of the fiscal year increased by ¥226.5 billion from the end of the previous fiscal year to ¥657.8 billion. Interest-bearing debt decreased by ¥77.5 billion from the end of the previous fiscal year to

¥651.3.

Trends in the Group's cash flow indicators are as follows.

	International Financial Reporting Standards (IFRS)				
	FY2020	FY2021	FY2022	FY2023	FY2024
Ratio of equity attributable to owners of the parent to total assets (Equity ratio)	28.4%	30.8%	31.8%	35.9%	35.2%
Ratio of equity attributable to owners of the parent to total assets at fair value (Equity ratio)	24.1%	26.4%	29.9%	77.8%	127.5%
Debt redemption period (year)	-	2.6	9.2	2.2	1.2
Interest coverage ratio	-	27.0	6.2	29.6	36.7

- “Ratio of equity attributable to owners of the parent to total assets” is calculated by dividing equity attributable to owners of the parent by total capital.
- “Equity ratio at fair value” is calculated by dividing market capitalization by total capital.
- “Debt redemption period” is calculated by dividing interest-bearing debts by cash flows from operating activities.
- “Interest coverage ratio” is calculated by dividing cash flows from operating activities by net interest expense.

*1 All calculations are based on consolidated financial figures.

*2 Cash flows are based on those from operating activities.

*3 The balance of interest-bearing debts covers all liabilities on the balance sheet for which interest is paid.

*4 Debt redemption period and interest coverage ratio for FY2020 are not shown because cash flows from operating activities are negative.

2. Basic Approach to Selection of Accounting Standards

Our group has adopted the International Financial Reporting Standards (IFRS) with the aim of improving the international comparability of financial information in the capital markets and improving group management by standardizing accounting methods.

3. Condensed Quarterly Consolidated Financial Statements and Major Notes

(1) Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<u>Assets</u>		
Current assets		
Cash and cash equivalents	431,287	657,816
Trade and other receivables	916,011	984,684
Other financial assets	39,771	41,959
Contract assets	776,399	791,871
Inventories	974,577	1,062,532
Other current assets	281,895	372,766
Total current assets	3,419,942	3,911,632
Non-current assets		
Property, plant and equipment ("PPE")	908,448	935,096
Goodwill	172,493	172,947
Intangible assets	93,786	87,269
Right-of-use assets	93,496	86,996
Investments accounted for using the equity method	268,978	295,172
Other financial assets	538,126	470,907
Deferred tax assets	297,017	259,942
Other non-current assets	463,969	438,960
Total Non-current assets	2,836,316	2,747,292
Total assets	6,256,259	6,658,924

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<u>Liabilities and Equity</u>		
Current liabilities		
Bonds, borrowings and other financial liabilities	379,210	280,528
Trade and other payables	958,891	930,281
Income taxes payable	55,228	25,282
Contract liabilities	1,095,138	1,443,983
Provisions	216,220	229,032
Other current liabilities	235,829	237,191
Total Current liabilities	2,940,518	3,146,299
Non-current liabilities		
Bonds, borrowings and other financial liabilities	763,754	850,746
Deferred tax liabilities	9,987	9,594
Retirement benefit liabilities	73,165	72,042
Provisions	79,747	72,102
Other non-current liabilities	28,429	38,315
Total non-current liabilities	955,085	1,042,801
Total liabilities	3,895,604	4,189,101
<u>Equity</u>		
Share capital	265,608	265,608
Capital surplus	41,187	44,742
Treasury shares	(4,828)	(16,452)
Retained earnings	1,433,267	1,588,643
Other components of equity	509,385	464,159
Equity attributable to owners of the parent	2,244,620	2,346,702
Non-controlling interests	116,034	123,121
Total Equity	2,360,654	2,469,823
Total Liabilities and Equity	6,256,259	6,658,924

(2) Condensed Consolidated Statement of Profit or Loss & Comprehensive Income

Condensed Consolidated Statement of Profit or Loss

(Millions of yen)

	FY2023 (From Apr. 1, 2023 to Mar. 31, 2024)	FY2024 (From Apr. 1, 2024 to Mar. 31, 2025)
Revenue	4,657,147	5,027,176
Cost of sales	3,727,034	3,995,935
Gross Profit	930,112	1,031,241
Selling, general and administrative expenses	695,342	716,941
Share of profit of investments accounted for using the equity method	2,149	(2,754)
Other income	63,595	98,762
Other expenses	17,973	27,110
Profit from business activities	282,541	383,198
Finance income	49,945	13,645
Finance costs	17,298	22,313
Profit before income taxes	315,187	374,531
Income taxes	71,622	112,533
Profit	243,565	261,997
Profit attributable to:		
Owners of the parent	222,023	245,447
Non-controlling interests	21,542	16,549

(yen)

Earnings per share attributable to owners of the parent		
Basic earnings per share	66.07	73.04
Diluted earnings per share	66.04	73.02

* On April 1, 2024, the Company executed a ten-for-one stock split of its common shares. “Basic earnings per share” and “Diluted earnings per share” are calculated assuming that the stock split was conducted at the beginning of FY2023.

Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)

	FY2023 (From Apr. 1, 2023 to Mar. 31, 2024)	FY2024 (From Apr. 1, 2024 to Mar. 31, 2025)
Profit	243,565	261,997
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net gains from financial assets measured at FVTOCI	58,624	(42,506)
Remeasurement of defined benefit plans	173,848	(8,581)
Share of other comprehensive income of entities accounted for using the equity method	329	872
Total	232,803	(50,215)
Items that may be reclassified to profit or loss		
Cash flow hedges	(1,488)	1,100
Exchange differences on translating foreign operations	99,394	(10,660)
Share of other comprehensive income of entities accounted for using the equity method	13,641	991
Total	111,547	(8,568)
Total other comprehensive income	344,350	(58,784)
Comprehensive income	587,916	203,213
Comprehensive income attributable to		
Owners of the parent	556,434	186,470
Non-controlling interests	31,482	16,742

(3) Condensed Consolidated Statement of Changes in Equity

(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 Apr. 1, 2023	265,608	41,256	(5,385)	1,243,565	195,929	1,740,974	93,010	1,833,984
Profit				222,023		222,023	21,542	243,565
Other comprehensive income					334,411	334,411	9,939	344,350
Comprehensive income	—	—	—	222,023	334,411	556,434	31,482	587,916
Transfer to retained earnings				20,937	(20,937)	—		—
Purchase of treasury shares			(39)			(39)		(39)
Disposal of treasury shares		22	96			118		118
Dividends				(50,398)		(50,398)	(6,898)	(57,296)
Others		(91)	499	(2,860)	(18)	(2,469)	(1,560)	(4,028)
Total transactions with owners	—	(68)	557	(53,258)	(18)	(52,788)	(8,458)	(61,246)
Balance as of Mar. 31, 2024	265,608	41,187	(4,828)	1,433,267	509,385	2,244,620	116,034	2,360,654
Profit				245,447		245,447	16,549	261,997
Other comprehensive income					(58,977)	(58,977)	193	(58,784)
Comprehensive income	—	—	—	245,447	(58,977)	186,470	16,742	203,213
Transfer to retained earnings				(13,742)	13,742	—		—
Purchase of treasury shares			(12,174)			(12,174)		(12,174)
Disposal of treasury shares		20	50			71		71
Dividends				(77,321)		(77,321)	(7,943)	(85,264)
Others		3,533	500	993	8	5,035	(1,711)	3,323
Total transactions with owners	—	3,554	(11,623)	(76,328)	8	(84,388)	(9,655)	(94,044)
Balance as of Mar. 31, 2025	265,608	44,742	(16,452)	1,588,643	464,159	2,346,702	123,121	2,469,823

(4) Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	FY2023 (From Apr. 1, 2023 to Mar. 31, 2024)	FY2024 (From Apr. 1, 2024 to Mar. 31, 2025)
Cash flows from operating activities		
Profit before income taxes	315,187	374,531
Depreciation, amortization and impairment loss	155,899	160,643
Finance income and costs	(32,582)	6,623
Share of profit of investments accounted for using the equity method	(2,149)	2,754
Loss (gain) on sale of PPE and intangible assets	(29,028)	(70,510)
Loss on disposal of PPE and intangible assets	7,594	10,399
Decrease (increase) in trade receivables	(60,305)	(29,668)
Decrease (increase) in contract assets	(29,697)	(56,725)
Decrease (increase) in inventories and advanced payments	(70,402)	(147,467)
Increase (decrease) in trade payables	20,734	13,481
Increase (decrease) in contract liabilities	118,637	361,023
Increase (decrease) in provisions	(3,445)	8,094
Increase (decrease) in retirement benefit liabilities	14,938	17,821
Others	(38,908)	(26,260)
Subtotal	366,472	624,739
Interest received	9,630	10,804
Dividends received	15,467	15,796
Interest paid	(11,181)	(14,457)
Income taxes paid	(49,201)	(106,424)
Net cash provided by operating activities	331,186	530,459

(Millions of yen)

	FY2023 (From Apr. 1, 2023 to Mar. 31, 2024)	FY2024 (From Apr. 1, 2024 to Mar. 31, 2025)
Cash flows from investing activities		
Payments into fixed-term deposits	(25,556)	(26,780)
Proceeds from withdrawal of fixed-term deposits	18,728	24,825
Purchases of PPE, and intangible assets	(160,486)	(240,692)
Proceeds from sales of PPE, and intangible assets	37,263	76,474
Purchases of investments (including investments accounted for using the equity method)	(11,892)	(63,885)
Proceeds from sales and redemption of investments (including investments accounted for using the equity method)	63,174	58,672
Payments for sale of businesses (including subsidiaries)	—	(1,475)
Payments for acquisition of businesses (including subsidiaries)	(73,589)	(1,509)
Net decrease (increase) in short-term loans	1,420	519
Disbursement of long-term loans	(417)	(15,675)
Collection of long-term loans	102	121
Payments for derivative transactions	(52,232)	(100,520)
Proceeds from derivative transactions	76,619	108,484
Others	(4,181)	(6,273)
Net cash provided by (used in) investing activities	(131,048)	(187,714)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	9,284	(9,389)
Proceeds from long-term borrowings	23,000	9,012
Repayment of long-term borrowings	(64,649)	(76,629)
Proceeds from issuance of bonds	25,000	30,000
Payment for redemption of bonds	(15,000)	(30,000)
Payments for acquisition of interests in subsidiaries from non- controlling interests	(1,024)	(1,806)
Dividends paid to owners of the parent	(50,289)	(77,165)
Dividends paid to non-controlling interests	(8,511)	(7,659)
Payments for purchase of treasury shares	(239)	(12,366)
Proceeds from factoring agreements	171,544	283,678
Repayment of liabilities under factoring agreements	(215,845)	(192,643)
Repayment of lease liabilities	(30,380)	(27,834)
Others	(1,791)	(1,318)
Net cash provided by (used in) financing activities	(158,903)	(114,123)
Effect of exchange rate changes on cash and cash equivalents	42,388	(2,091)
Net increase (decrease) in cash and cash equivalents	83,623	226,529
Cash and cash equivalents at the beginning of the year	347,663	431,287
Cash and cash equivalents at the end of the period	431,287	657,816

(5) Going Concern Assumption

Not applicable

(6) Segment Information

(i) Overview of reporting segments

The reporting segments of the Group are components for which discrete financial information is available and whose operating results are regularly reviewed by MHI's Board of Directors to make decisions about resource allocation and assess their performance.

The Group manages its businesses by business domains and segments. Each business domain and segment engages in its business activities by formulating comprehensive strategies on products and services which are provided in both domestic and overseas markets. Therefore, MHI aggregates its business domain segments into four reportable segments, "Energy Systems", "Plants & Infrastructure Systems", "Logistics, Thermal & Drive Systems", and "Aircraft, Defense & Space", by considering similarities of each business domain's and segment's customers and product characteristics.

Main products and services belonging to each reporting segment are as follows:

Energy Systems	Thermal power generation systems (Gas turbine combined cycle ["GTCC"] and Steam power), Nuclear power generation system (Light-water reactors, Nuclear fuel cycle & Advanced solutions), Wind power generators, Engines for aircrafts, Compressors, Air Quality Control System ["AQCS"], Marine machinery
Plants & Infrastructure Systems	Metals machinery, Commercial ships, Engineering, Environmental systems, Mechatronics systems
Logistics, Thermal & Drive Systems	Material handling equipment, Engines, Turbochargers, Air-conditioning & refrigeration systems, Automotive thermal systems
Aircraft, Defense & Space	Commercial aircraft, Defense aircraft, Missile systems, Naval ships, Special vehicles, Maritime systems (torpedoes), Space systems

In order to further strengthen its Energy Transition initiatives, MHI established Green Transformation (GX) Solutions as a new business domain and reorganized some other businesses at the beginning of FY2024. GX Solutions includes Engineering and other businesses and is included within the Plants & Infrastructure Systems reporting segment. Additionally, based on the new medium-term business plan, revisions were made to the positioning and management structures of the businesses and some products and services previously included within the "Corporate & Eliminations" column have become the businesses of which financial results should be assessed and managed as revenue-making businesses. As a result, these businesses are reported on the "Others" column.

The segment information for FY2023 is restated to reflect these changes.

(ii) Information about revenue, profit or loss and other items by reporting segment

For FY2023 (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reporting segment					Others *1	Total	Corporate & Eliminations *2	Consolidated
	Energy Systems	Plants & Infrastructure Systems	Logistics, Thermal & Drive Systems	Aircraft, Defense & Space	Total				
Revenue									
Revenue from external customers	1,714,615	796,684	1,310,359	790,342	4,612,001	32,501	4,644,502	12,644	4,657,147
Inter-segment revenue and transfers	9,050	36,531	4,229	1,205	51,015	672	51,688	△51,688	—
Total	1,723,665	833,215	1,314,588	791,547	4,663,016	33,174	4,696,191	△39,043	4,657,147
Segment profit *3	149,865	44,737	72,818	72,692	340,115	15,854	355,969	△73,427	282,541
Finance income									49,945
Finance costs									17,298
Profit before income taxes									315,187

For FY2024 (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reporting segments					Others *1	Total	Corporate & Eliminations *2	Consolidated
	Energy Systems	Plants & Infrastructure Systems	Logistics, Thermal & Drive Systems	Aircraft, Defense & Space	Total				
Revenue									
Revenue from external customers	1,803,878	806,177	1,302,671	1,029,291	4,942,018	73,215	5,015,233	11,943	5,027,176
Inter-segment revenue and transfers	11,918	45,935	4,430	1,354	63,638	1,259	64,897	△64,897	—
Total	1,815,796	852,112	1,307,101	1,030,646	5,005,656	74,474	5,080,131	△52,954	5,027,176
Segment profit *3	205,356	59,634	49,321	99,984	414,295	30,002	444,297	△61,099	383,198
Finance income									13,645
Finance costs									22,313
Profit before income taxes									374,531

*1 “Others” includes the businesses categorized in growth areas such as electrification and data center and asset businesses, which are not included in the reporting segments.

*2 “Corporate & Eliminations” includes revenues and expenses which are not included in any of the reporting segments. Specifically, corporate research and development expenses and dividends on shares concerning corporate overall businesses, neither of which are linked to any specific segment.

*3 Segment profit represents profit from business activities.

(7) Earnings Per Share

Equity attributable to owners of parent per share: ¥698.91

Basic earnings per share: ¥73.04

(8) Others

(i) Major Lawsuits

There was a temporary dispute between a consortium composed of MHI and Daewoo Engineering & Construction Co., Ltd. ("MHI and Daewoo") and El Sharika El-Djazairia El-Omania Lil Asmida SPA ("AOA") regarding a chemical fertilizer plant construction contract in Algeria whose orders had been received by MHI and Daewoo, but a settlement was reached in 2017 (the "Settlement Agreement"), and the consortium delivered the plant to AOA. However, AOA subsequently refused to make some of the outstanding payment under the Settlement Agreement. Therefore, MHI and Daewoo filed for arbitration against AOA and one of its shareholders, Societe Nationale pour la Recherche, la Production, le Transport, la Transformation et la Commercialisation des Hydrocarbures SPA ("SONATRACH"). In March 2021, MHI and Daewoo received a counterclaim from AOA which mainly consists of the cancellation of the Settlement Agreement and the refund of the payment already made under the Settlement Agreement. In October 2022, the arbitral tribunal decided to exclude SONATRACH from participants of arbitration. MHI and Daewoo will assert that there are no reasonable grounds for AOA's refusal to make the outstanding payment and that the counterclaim should be dismissed.

(ii) Transfer of PPE

On February 28, 2024, the Board of Directors of MHI approved an ownership transfer of one of its PPE as described below.

- Reasons for the transfer

To make effective use of management resources and strengthen its financial position.

- Asset designated for transfer

Description: Plant land (a part of the Honmoku Plant)

Location: 38-8, Nishikicho, Naka-ku, Yokohama, Kanagawa

- Transfer schedule

Contract signed: February 29, 2024

Transfer date: September 30, 2024 and March 31, 2025*

* MHI set up a trust for the transferred asset and transferred the trust beneficiary right based on the trust. The transfer date was the date of the transfer of the trust beneficiary right for the transferred asset. The asset was transferred in two parts.

- Impact of the transfer on financial results

As a result of the above mentioned transfer of the PPE, ¥52.1 billion of gain on sale of PPE was recognized for the fiscal year ending March 31, 2025.

4. FY2025 Earnings Forecast

Order Intake by Segment

(Billions of yen)	
Segment	Order Intake
Energy System	2,200.0
Plants & Infrastructure Systems	900.0
Logistics, Thermal & Drive Systems	1,400.0
Aircraft, Defense & Space	1,400.0
Others, Corporate & Eliminations	0.0
Total	5,900.0

Revenue by Segment

(Billions of yen)	
Segment	Order Intake
Energy System	1,850.0
Plants & Infrastructure Systems	850.0
Logistics, Thermal & Drive Systems	1,400.0
Aircraft, Defense & Space	1,350.0
Others, Corporate & Eliminations	(50.0)
Total	5,400.0

FY2025 Earnings Forecast

(Billions of yen)	
	Earnings Forecast
Revenue	5,400.0
Profit from business activities	420.0
Profit before income taxes	400.0
Profit (loss) attributable to owners of the parent	260.0

Dividend per share	Interim: ¥12.00 / Year-end: ¥12.00
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- Please refer to page 2 for the assumptions of the above forecasts and other related matters.
- “Profit from business activities” is calculated by subtracting “cost of sales”, “selling, general and administrative expenses” and “other expenses” from “revenue” and adding “share of profit of investments accounted for using the equity method” and “other income” to the resulting amount. “Other income” and “other expenses” consist of dividend income, gains or losses on sales of fixed assets, impairment losses on fixed assets, and others.

Capital Expenditures

(Billions of yen)	
Capital Expenditures	200.0

- Capital expenditures are newly recorded non-current assets (recorded in construction in progress).