

No.0915

## MHI ANNOUNCES FY2001 NON-CONSOLIDATED FINANCIAL RESULTS

Tokyo, May 15, 2002 -- Mitsubishi Heavy Industries, Ltd. (MHI) today announced its **non-consolidated** financial results for fiscal year (FY) 2001 ended March 31, 2002.

(billions of yen)

|                    | FY2001            | FY2000    | Change(%) |
|--------------------|-------------------|-----------|-----------|
| Orders Received    | <b>1,970.4</b>    | 2,213.8   | -11.0     |
| Net Sales          | <b>2,388.6</b>    | 2,637.7   | -9.4      |
| Operating Income   | <b>66.8</b>       | 52.8      | 26.5      |
| Ordinary Income    | <b>59.4</b>       | 46.5      | 27.9      |
| Income Before Tax  | <b>33.4</b>       | 24.4      | 36.7      |
| Net Income         | <b>22.4</b>       | 15.0      | 48.7      |
| (per share)        | <b>(6.65 yen)</b> | (4.47yen) | 48.7 --   |
| Dividend Per Share | <b>4.0 yen</b>    | 4.0 yen   | -         |

### Estimate of Non-Consolidated Financial Results for FY 2002

For the fiscal year 2002 ending March 31, 2003, MHI is expecting 2,200 billion yen in net sales, 81 billion yen in operating income, 70 billion yen in ordinary income, 70 billion yen in income before tax and 40 billion yen in net income.

(This estimate is based on the assumption of currency exchange rate of US\$ 1.00 = ¥125.00)

This estimate has been projected with the information and the data obtained at the date of May 15, 2002. Therefore please be advised the real result can be quite different after a year with the influence of the variety of the outside factors such as economics surrounding MHI or currency exchange rate fluctuation.

# # #

For further information, please call MHI's Public Relations Group at +81-3-3212-9173.

or

Hideo Ikuno: hikuno@golinharris.com Tel: +81-3-5721-2521, Fax: +81-3-5721-2591  
UPR Golin/Harris International (PR for Mitsubishi Heavy Industries)

## NON-CONSOLIDATED BALANCE SHEET (As of March 31, 2002)

(Millions of Yen)

| ASSETS                                    |                  |
|---|------------------|
| Current assets:                           |                  |
| Cash and deposits                         | 125,299          |
| Trade notes receivable                    | 10,827           |
| Trade accounts receivable                 | 955,857          |
| Marketable securities                     | 10               |
| Finished products                         | 68,242           |
| Raw materials and supplies                | 33,149           |
| Work in process                           | 836,437          |
| Advances to suppliers                     | 42,816           |
| Prepaid expenses                          | 406              |
| Deferred income taxes                     | 80,070           |
| Other current assets                      | 63,187           |
| Allowance for doubtful receivables        | -240             |
| <b>Total Current Assets</b>               | <b>2,216,064</b> |
| Fixed assets:                             |                  |
| Property, plant and equipment:            |                  |
| Buildings                                 | 207,252          |
| Structures                                | 24,085           |
| Dock and facilities for ship building     | 3,309            |
| Machinery                                 | 174,929          |
| Vessels                                   | 27               |
| Aircraft                                  | 432              |
| Vehicles and transportation equipment     | 2,174            |
| Tools, equipment and furniture            | 44,128           |
| Land                                      | 105,032          |
| Construction in progress                  | 21,135           |
| <b>Subtotal</b>                           | <b>582,508</b>   |
| Intangible fixed assets:                  |                  |
| Software                                  | 9,349            |
| Right for facility utilization            | 3,377            |
| Other intangible fixed assets             | 2,046            |
| <b>Subtotal</b>                           | <b>14,773</b>    |
| Investments and advances:                 |                  |
| Investment securities                     | 370,156          |
| Long-term loans and advances              | 5,892            |
| Investment capital and guarantee deposits | 21,209           |
| Long-term prepaid expenses                | 17,248           |
| Deferred income taxes                     | 23,051           |
| Other investments                         | 77,784           |
| Allowance for doubtful advances           | -65,656          |
| <b>Subtotal</b>                           | <b>449,686</b>   |
| <b>Total Fixed Assets</b>                 | <b>1,046,968</b> |
| <b>TOTAL ASSETS</b>                       | <b>3,263,033</b> |

(Millions of Yen)

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

|   |                  |
|---|------------------|
| Trade notes payable   | 39,094           |
| Trade accounts payable  | 593,615          |
| Bank loans  | 264,758          |
| Current portion of long-term debt for exports loans from main contractors | 15,790           |
| Commercial papers   | 20,000           |
| Current portion of debentures   | 90,000           |
| Accrued payables  | 25,524           |
| Accrued expenses  | 77,411           |
| Accrued income tax  | 8,436            |
| Advances payments received on contracts                                   | 373,253          |
| Deposits received   | 33,363           |
| Allowance for losses on construction contracts                            | 9,685            |
| Other current liabilities   | 11,935           |
| <b>Total</b>  | <b>1,562,867</b> |

Long-term liabilities:

|  |                  |
|--|------------------|
| Debentures   | 220,000          |
| Long-term debt   | 107,831          |
| Long-term debt for exports loans from main contractors | 65,868           |
| Reserve for retirement allowances                      | 175,444          |
| Other long-term liabilities                            | 15,202           |
| <b>Total</b>   | <b>584,345</b>   |
| <b>Total liabilities</b>                               | <b>2,147,213</b> |

Stockholders' equity:

|   |                  |
|---|------------------|
| Common stock                                      | 265,608          |
| Statutory reserves:                               |                  |
| Capital surplus                                   | 203,536          |
| Legal reserve                                     | 66,363           |
| <b>Total</b>                                      | <b>269,899</b>   |
| Retained earnings:                                |                  |
| Reserve for reduction in costs of fixed assets    | 4,799            |
| Reserve for loss on overseas investments          | 6                |
| General reserves                                  | 460,000          |
| Unappropriated earnings                           | 58,647           |
| <b>Retained earnings</b>                          | <b>523,452</b>   |
| Net unrealized gains on investment securities     | 56,875           |
| Treasury stock                                    | -16              |
| <b>Total stockholders' equity</b>                 | <b>1,115,820</b> |
| <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b> | <b>3,263,033</b> |

**NON-CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS**  
**(From April 1, 2001 to March 31, 2002)**

(Millions of Yen)

|  |               |
|--|---------------|
| Ordinary income and loss:                              |               |
| Operating income and loss:                             |               |
| Net Sales  | 2,388,664     |
| Cost of sales  | 2,147,069     |
| Selling, general and administrative expenses           | 174,729       |
| <b>Operating income :</b>                              | <b>66,865</b> |
| Non-operating income :                                 |               |
| Interest and dividend income                           | 18,361        |
| Other income   | 4,316         |
| <b>Total</b>   | <b>22,677</b> |
| Non-operating expenses :                               |               |
| Interest expenses                                      | 21,245        |
| Other expenses   | 8,817         |
| <b>Total</b>   | <b>30,062</b> |
| <b>Ordinary income :</b>                               | <b>59,480</b> |
| Extraordinary income :                                 |               |
| Gains on sales of fixed assets                         | 4,067         |
| Gains on sales of investment securities                | 2,618         |
| <b>Total</b>   | <b>6,685</b>  |
| Extraordinary expenses :                               |               |
| Restructuring charges                                  | 18,536        |
| Losses on revaluation of investment securities         | 14,167        |
| <b>Total</b>   | <b>32,703</b> |
| <b>Income before income taxes</b>                      | <b>33,461</b> |
| Income taxes   |               |
| Current  | 19,700        |
| Deferred   | -8,669        |
| <b>Net income</b>                                      | <b>22,430</b> |
| Retained earnings carried forward from previous period | 42,963        |
| Interim dividend                                       | 6,747         |
| <b>Unappropriated earnings</b>                         | <b>58,647</b> |