Outline of FY2003 First Quarter Results
( April 1, 2003 ~ June 30, 2003 )

August 2003
Outline of FY2003 First Quarter Results

### Consolidated

<table>
<thead>
<tr>
<th></th>
<th>First Quarter</th>
<th>Full-Year Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received</td>
<td>532.0</td>
<td>2,700.0</td>
</tr>
<tr>
<td>Net sales</td>
<td>444.1</td>
<td>2,400.0</td>
</tr>
</tbody>
</table>

### Non-Consolidated

<table>
<thead>
<tr>
<th></th>
<th>First Quarter</th>
<th>Full-Year Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received</td>
<td>432.5</td>
<td>2,200.0</td>
</tr>
<tr>
<td>Net sales</td>
<td>339.5</td>
<td>1,900.0</td>
</tr>
</tbody>
</table>
Consolidated Orders Received and Sales by Segment (First quarter of FY2003)

Orders Received

- Shipbuilding & Ocean Development: 23.9 Billion yen (5%)
- Machinery & Steel Structures: 45.9 Billion yen (15%)
- Power Systems: 198.7 Billion yen (37%)
- Mass & Medium-lot Manufactured Machinery: 161.4 Billion yen (30%)
- Aerospace: 77.0 Billion yen (9%)
- Others: 24.8 Billion yen (4%)

Net Sales

- Shipbuilding & Ocean Development: 58.2 Billion yen (13%)
- Machinery & Steel Structures: 41.9 Billion yen (9%)
- Power Systems: 118.3 Billion yen (27%)
- Mass and Medium-lot Manufactured Machinery: 145.1 Billion yen (33%)
- Aerospace: 15.1 Billion yen (4%)
- Others: 56.1 Billion yen (13%)

Net sales

- Aerospace: 13% of Net Sales
- Power Systems: 27% of Net Sales
- Mass and Medium-lot Manufactured Machinery: 33% of Net Sales
- Machinery & Steel Structures: 9% of Net Sales
- Others: 5% of Net Sales
- Shipbuilding & Ocean Development: 13% of Net Sales
Overseas Consolidated Sales by Region

First quarter of FY2003

- **North America**: 32% (36.8 Billion yen)
- **Asia**: 19% (11.2 Billion yen)
- **Western Europe**: 17% (212.7 Billion yen)
- **Central/South America**: 8% (68.4 Billion yen)
- **Middle East**: 6% (35.3 Billion yen)
- **Other**: 7% (32.5 Billion yen)

Total Overseas Sales: 186.6 Billion yen

**FY2002 Full Year Results**

- **North America**: 32% (237.1 Billion yen)
- **Asia**: 26% (193.0 Billion yen)
- **Western Europe**: 23% (212.7 Billion yen)
- **Central/South America**: 8% (55.5 Billion yen)
- **Middle East**: 7% (36.8 Billion yen)
- **Other**: 4% (271.2 Billion yen)

Total Overseas Sales: 837.8 Billion yen
**Shipbuilding & Ocean Development**

**Orders Received**

<table>
<thead>
<tr>
<th>Year</th>
<th>Ships</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>'01.1H</td>
<td>6</td>
<td>(221KGT)</td>
</tr>
<tr>
<td>'02.1H</td>
<td>14</td>
<td>(558KGT)</td>
</tr>
<tr>
<td>'03.1Q</td>
<td>7</td>
<td>(180KGT)</td>
</tr>
<tr>
<td>'03.1H</td>
<td>26</td>
<td>(1,152KGT)</td>
</tr>
<tr>
<td>'03.1Q</td>
<td>2</td>
<td>(122KGT)</td>
</tr>
</tbody>
</table>

**Net Sales**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>'01.1H</td>
<td>75.8</td>
</tr>
<tr>
<td>'02.1H</td>
<td>168.1</td>
</tr>
<tr>
<td>'03.1Q</td>
<td>71.5</td>
</tr>
<tr>
<td>'03.1H</td>
<td>257.0</td>
</tr>
</tbody>
</table>

**Full Year Forecast (Orders Received/Sales/Earnings)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>'01.1H</td>
<td>290.0</td>
</tr>
<tr>
<td>'02.1H</td>
<td>132.5</td>
</tr>
<tr>
<td>'03.1Q</td>
<td>123.4</td>
</tr>
<tr>
<td>'03.1H</td>
<td>265.8</td>
</tr>
<tr>
<td>'03.1Q</td>
<td>56.1</td>
</tr>
</tbody>
</table>

**Billion yen**

**Topics**

- Received orders for two pure car carriers (PCC) from Norway (order backlog of 46 vessels, including 7 LNG carriers)
- Cruise ships: Diamond Princess is launched (April 2003), Sapphire Princess shall be docked out (May 2003)
Orders Received

Net Sales

Gas Turbine Order Backlog (non-consolidated)

70 59 46 41 52

Topics

• Taiwan Power Company placed order for gas turbine combined cycle power plant.

< Full Year Forecast (Orders Received/Sales/Earnings) >

FY03 forecast: 700.0 / 550.0 / 30.0

(Original forecast 700.0 / 550.0 / 30.0)
Topics

- In environmental systems, an order was received for construction work of the Tokyo PCB Waste Treatment Facility.

< Full Year Forecast (Orders Received/Sales/Earnings) >
FY03 forecast: \( \text{490.0} / \text{480.0} / \text{12.0} \)
(Original forecast 490.0 / 480.0 / 12.0)
Aerospace

**Orders Received**

- '01.1H FY'01: 447.2
- '02.1H FY'02: 441.2
- '03.1Q FY'03: 450.0
- '03.1H FY'03: 100.4
- '02.1H FY'02: 95.2
- '01.1H FY'01: 45.9

**Net Sales**

- '01.1H FY'01: 472.0
- '02.1H FY'02: 506.7
- '03.1Q FY'03: 58.2
- '03.1H FY'03: 380.0
- '02.1H FY'02: 188.8
- '01.1H FY'01: 178.0

**< Aircraft Deliveries >**

- B777: 31 61 18 36 10

**< Full Year Forecast (Orders Received/Sales/Earnings) >**

FY03 forecast: 450.0 / 380.0 / 28.0

(Original forecast 450.0 / 380.0 / 28.0)

**Topics**

- MHI was chosen as airframe candidate company to participate in design and manufacture of subassemblies for the Boeing 7E7 (June 2003).
- Integrated Defense Systems Group was established to reinforce MHI’s ability to capture defense business. (April 2003).
Mass and Medium-Lot Manufactured Machinery

Orders Received

Net Sales

GM&SV : General Machinery & Special Vehicle
Air con : Air-conditioning and Refrigeration System
Industrial : Industrial Machinery

Topics
• General Machinery & Special Vehicle : Next-generation forklift truck model, jointly developed with Nissan Motor Company, has been put on sale.

< Full Year Forecast (Orders Received/Sales/Earnings) >
FY03 forecast: 700.0/720.0/5.0
(Original forecast: 700.0 / 720.0 / 5.0)
Others

<Full Year Forecast for Sales/Earnings>

FY03 forecast: 70.0 / 3.0
(Original forecast 70.0 / 3.0)

- Construction and real estate
- Information and communication systems and others
### Consolidated Full Year Forecast for FY2003

(Year ending March 31) (Billion yen)

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>Original Forecast</th>
<th>Revised Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orders received</td>
<td>2,480.9</td>
<td>2,700.0</td>
<td>2,700.0</td>
</tr>
<tr>
<td>Net sales</td>
<td>2,593.8</td>
<td>2,400.0</td>
<td>2,400.0</td>
</tr>
<tr>
<td>Operating income</td>
<td>115.3</td>
<td>85.0</td>
<td>85.0</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>78.1</td>
<td>60.0</td>
<td>60.0</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>66.1</td>
<td>60.0</td>
<td>60.0</td>
</tr>
<tr>
<td>Net income</td>
<td>34.3</td>
<td>35.0</td>
<td>35.0</td>
</tr>
</tbody>
</table>

Forecasts are based on exchange rates of ¥120 to the U.S. dollar and ¥125 to the euro.

Forecasts regarding future performance in these materials are based on judgments made in accordance with information available at the time this presentation was prepared. Forecasts therefore embody risks and uncertainties. For this reason, investors are urged not to make decisions based solely on these forecasts. Actual results may differ significantly from these forecasts for a number of factors. Such factors include, but are not limited to, economic trends affecting the company’s operating environment, the value of the yen relative to the U.S. dollar and other foreign currencies and trends in Japan’s stock market.
Non-Consolidated Full Year Forecast for FY2003

(Year ending March 31) (Billion yen)

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>Original Forecast</th>
<th>Revised Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Orders received</td>
<td>2,050.7</td>
<td>2,200.0</td>
<td>22,000.0</td>
</tr>
<tr>
<td>Net sales</td>
<td>2,171.7</td>
<td>1,900.0</td>
<td>1,900.0</td>
</tr>
<tr>
<td>Operating income</td>
<td>103.0</td>
<td>67.0</td>
<td>67.0</td>
</tr>
<tr>
<td>Ordinary income</td>
<td>65.1</td>
<td>50.0</td>
<td>50.0</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>54.5</td>
<td>50.0</td>
<td>50.0</td>
</tr>
<tr>
<td>Net income</td>
<td>30.1</td>
<td>30.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Annual dividend per share</td>
<td>6.0yen</td>
<td>6.0yen</td>
<td>6.0yen</td>
</tr>
</tbody>
</table>

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