

### MHI ANNOUNCES FY2008 NON-CONSOLIDATED FINANCIAL RESULTS

Tokyo, April 28, 2009 -- Mitsubishi Heavy Industries, Ltd. (MHI) today announced its **non-consolidated** financial results for fiscal year (FY) 2008 ended March 31, 2009.

(billions of yen)

	<b>FY2008</b>	FY2007	Changes (%)
Orders Received	<b>2,462.7</b>	2,903.1	-15.2
Net Sales	<b>2,647.2</b>	2,471.1	7.1
Operating Income	<b>56.9</b>	94.9	-40.0
Ordinary Income	<b>46.8</b>	68.2	-31.4
Income Before Income Taxes	<b>63.2</b>	54.2	16.6
Net Income	<b>44.8</b>	34.4	30.2
Net Income Per Share	<b>13.36 yen</b>	10.26 yen	30.2
Dividend Per Share	<b>6.00 yen</b>	6.00 yen	—

###

## NON-CONSOLIDATED BALANCE SHEETS (1/2)

(Millions of Yen)

	As of Mar.31, 2008	As of Mar.31, 2009
<b><u>ASSETS</u></b>		
<b>Current assets:</b>		
Cash and deposits	161,985	326,571
Trade notes receivable	6,916	6,973
Trade accounts receivable	929,749	910,634
Securities	7	7
Finished products	82,268	96,176
Raw materials and supplies	93,197	102,710
Work in process	801,158	818,207
Advances to suppliers	99,206	103,306
Prepaid expenses	835	1,077
Deferred income taxes	86,580	109,921
Others	161,927	110,763
Allowance for doubtful receivables	(69)	(65)
<b>Total current assets</b>	<b>2,423,765</b>	<b>2,586,285</b>
<b>Fixed assets:</b>		
Property, plant and equipment:		
Buildings	221,457	230,605
Structures	24,107	25,771
Docks and facilities for shipbuilding	2,906	2,781
Machinery	200,847	210,637
Vessels	19	14
Aircraft	221	151
Vehicles and transportation equipment	3,521	4,061
Tools, equipment and furniture	59,307	47,563
Land	114,749	118,872
Leased assets	-	2,626
Construction in progress	36,755	44,654
Subtotal	663,895	687,740
Intangible fixed assets:		
Software	12,048	11,811
Right of using facilities	1,411	1,136
Leased assets	-	16
Others	274	268
Subtotal	13,735	13,233
Investments and advances:		
Investment securities	415,764	144,542
Investments in shares of subsidiaries and affiliates	235,427	304,697
Investments in capital	216	168
Investments in capital of subsidiaries and affiliates	15,336	15,961
Long-term loans and advances	1,049	777
Long-term loans receivable from employees	98	97
Long-term loans receivable from subsidiaries and affiliates	22,297	4,549
Claims provable in bankruptcy, claims provable in rehabilitation and other	3,616	17,200
Long-term prepaid expense	39,052	38,061
Prepaid pension cost	-	96,316
Long-term receivables	8,956	3,770
Others	5,743	5,685
Allowance for doubtful accounts	(9,162)	(20,303)
Subtotal	738,396	611,526
<b>Total fixed assets</b>	<b>1,416,027</b>	<b>1,312,499</b>
<b>TOTAL ASSETS</b>	<b>3,839,792</b>	<b>3,898,785</b>

## NON-CONSOLIDATED BALANCE SHEETS (2/2)

(Millions of Yen)

	As of Mar.31, 2008	As of Mar.31, 2009
<b><u>LIABILITIES</u></b>		
<b>Current liabilities:</b>		
Trade accounts payable	636,946	594,520
Bank loans	165,711	244,080
Current portion of long-term debt	55,744	83,527
Commercial papers	-	115,000
Current portion of debentures	40,000	20,000
Lease obligations	-	283
Accrued payables	40,543	52,146
Accrued expenses	49,498	38,592
Accrued income taxes	25,244	3,795
Advance payments received on contracts	413,842	390,807
Deposits received	13,785	15,465
Unearned revenue	46	38
Reserve for product warranties	23,660	23,872
Reserve for losses on construction contracts	6,893	36,516
Reserve for legal claims	-	23,300
Others	4,914	9,035
<b>Total current liabilities</b>	<b>1,476,831</b>	<b>1,650,983</b>
<b>Long-term liabilities:</b>		
Debentures	280,000	260,000
Long-term debt	659,998	802,470
Lease obligations	-	2,425
Deferred income taxes	102,062	17,491
Reserve for retirement allowance	41,191	-
Reserve for treatment of PCB waste	4,053	4,043
Others	35,240	36,332
<b>Total long-term liabilities</b>	<b>1,122,546</b>	<b>1,122,763</b>
<b>TOTAL LIABILITIES</b>	<b>2,599,377</b>	<b>2,773,746</b>
<b><u>NET ASSETS</u></b>		
<b>Stockholders' equity:</b>		
Common stock	265,608	265,608
Capital surplus:		
Capital reserve	203,536	203,536
Other capital reserve	39	74
Total capital surplus	203,576	203,610
Retained earnings:		
Legal reserve	66,363	66,363
Revenue reserve:		
Reserve for reduction in costs of fixed assets	33,924	32,932
Reserve for accelerated depreciation	3,667	1,697
General reserves	460,000	460,000
Earned surplus brought forward	54,853	82,504
Total revenue reserve	552,445	577,133
Total retained earnings	618,809	643,497
Treasury stock	(5,040)	(5,037)
<b>Total stockholders' equity</b>	<b>1,082,953</b>	<b>1,107,679</b>
<b>Valuation, translation adjustments and others:</b>		
Net unrealized gains on investment securities	150,343	14,980
Deferred gains or losses on hedges	6,568	1,497
<b>Total valuation, translation adjustments and others</b>	<b>156,912</b>	<b>16,478</b>
<b>Share subscription rights</b>	<b>549</b>	<b>881</b>
<b>TOTAL NET ASSETS</b>	<b>1,240,415</b>	<b>1,125,039</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>3,839,792</b>	<b>3,898,785</b>

**NON-CONSOLIDATED STATEMENTS OF INCOME**

(Millions of Yen)

	FY2007	FY2008
<b>Net sales</b>	<b>2,471,101</b>	<b>2,647,266</b>
Cost of sales	2,217,247	2,422,060
<b>Gross profit</b>	<b>253,853</b>	<b>225,205</b>
<b>Selling, general and administrative expenses:</b>		
Provision of allowance for doubtful accounts	-	3,676
Directors' compensations, salaries and allowances	39,218	41,390
Depreciation	6,167	5,927
Research and development expenses	44,244	46,835
Commission fee	18,539	20,591
Expenses for inquiries	17,518	17,235
Others	33,245	32,554
<b>Total selling, general and administrative expenses</b>	<b>158,934</b>	<b>168,211</b>
<b>Operating income</b>	<b>94,919</b>	<b>56,993</b>
<b>Non-operating income:</b>		
Interest income	4,130	3,159
Dividend income	13,015	15,000
Foreign exchange gain	-	2,477
Others	3,583	1,374
<b>Total non-operating income</b>	<b>20,729</b>	<b>22,012</b>
<b>Non-operating expenses:</b>		
Interest expense	11,776	13,662
Interest on debentures	4,730	4,079
Foreign exchange loss	10,230	-
Loss on disposal of fixed assets	6,614	6,320
Others	14,017	8,115
<b>Total non-operating expenses</b>	<b>47,369</b>	<b>32,177</b>
<b>Ordinary income</b>	<b>68,279</b>	<b>46,828</b>
<b>Extraordinary gain:</b>		
Gain on sales of investment securities	-	44,477
Gain on contribution of securities to retirement benefit trust	-	36,104
Gain on sales of fixed assets	21,027	2,414
Gain on transfer of business	3,664	-
<b>Total extraordinary gain</b>	<b>24,692</b>	<b>82,997</b>
<b>Extraordinary loss:</b>		
Effect of the application of the accounting standard for measurement of inventories	-	33,322
Loss on legal claims	-	20,835
Business structure improvement expenses	35,201	8,626
Loss on revaluation of investment securities	3,561	3,815
<b>Total extraordinary loss</b>	<b>38,762</b>	<b>66,599</b>
<b>Income before income taxes</b>	<b>54,208</b>	<b>63,226</b>
<b>Income taxes:</b>		
Current	35,484	30,725
Deferred	(15,697)	(12,324)
<b>Total income taxes</b>	<b>19,787</b>	<b>18,401</b>
<b>Net income</b>	<b>34,421</b>	<b>44,825</b>

## Non-consolidated Statements of Changes in Net Assets

(Millions of Yen)

	FY2007	FY2008
Stockholders' equity		
Common stock		
Balance at the end of previous period	265,608	265,608
Balance at the end of current period	265,608	265,608
Capital surplus		
Capital reserve		
Balance at the end of previous period	203,536	203,536
Balance at the end of current period	203,536	203,536
Other capital reserve		
Balance at the end of previous period	25	39
Changes in the period		
Disposal of treasury stock	14	34
Total changes in the period	14	34
Balance at the end of current period	39	74
Total capital surplus		
Balance at the end of previous period	203,561	203,576
Changes in the period		
Disposal of treasury stock	14	34
Total changes in the period	14	34
Balance at the end of current period	203,576	203,610
Retained earnings		
Legal reserve		
Balance at the end of previous period	66,363	66,363
Balance at the end of current period	66,363	66,363
Revenue reserve		
Reserve for reduction in costs of fixed assets		
Balance at the end of previous period	24,938	33,924
Changes in the period		
Provision of reserve for reduction		
in costs of fixed assets	10,210	914
Reversal of reserve for reduction		
in costs of fixed assets	(1,223)	(1,906)
Total changes in the period	8,986	(992)
Balance at the end of current period	33,924	32,932
Reserve for accelerated depreciation		
Balance at the end of previous period	5,838	3,667
Changes in the period		
Reversal of reserve for accelerated depreciation	(2,170)	(1,970)
Total changes in the period	(2,170)	(1,970)
Balance at the end of current period	3,667	1,697

(Millions of Yen)

	FY2007	FY2008
General reserves		
Balance at the end of previous period	460,000	460,000
Balance at the end of current period	460,000	460,000
Earned surplus brought forward		
Balance at the end of previous period	47,383	54,853
Changes in the period		
Provision of reserve for reduction		
in costs of fixed assets	(10,210)	(914)
Reversal of reserve for reduction		
in costs of fixed assets	1,223	1,906
Reversal of reserve for accelerated depreciation	2,170	1,970
Cash dividends	(20,135)	(20,137)
Net income	34,421	44,825
Total changes in the period	7,469	27,651
Balance at the end of current period	54,853	82,504
Total revenue reserve		
Balance at the end of previous period	538,160	552,445
Changes in the period		
Cash dividends	(20,135)	(20,137)
Net income	34,421	44,825
Total changes in the period	14,285	24,688
Balance at the end of current period	552,445	577,133
Total retained earnings		
Balance at the end of previous period	604,523	618,809
Changes in the period		
Cash dividends	(20,135)	(20,137)
Net income	34,421	44,825
Total changes in the period	14,285	24,688
Balance at the end of current period	618,809	643,497
Treasury stock		
Balance at the end of previous period	(5,062)	(5,040)
Changes in the period		
Purchase of treasury stock	(114)	(72)
Disposal of treasury stock	136	76
Total changes in the period	22	3
Balance at the end of current period	(5,040)	(5,037)
Total stockholders' equity		
Balance at the end of previous period	1,068,631	1,082,953
Changes in the period		
Cash dividends	(20,135)	(20,137)
Net income	34,421	44,825
Purchase of treasury stock	(114)	(72)
Disposal of treasury stock	151	111
Total changes in the period	14,322	24,726
Balance at the end of current period	1,082,953	1,107,679

(Millions of Yen)

	FY2007	FY2008
Valuation, translation adjustments and others		
Net unrealized gains on investment securities		
Balance at the end of previous period	203,768	150,343
Changes in the period		
Net changes in items other than stockholders' equity	(53,424)	(135,363)
Total changes in the period	(53,424)	(135,363)
Balance at the end of current period	150,343	14,980
Deferred gains or losses on hedges		
Balance at the end of previous period	362	6,568
Changes in the period		
Net changes in items other than stockholders' equity	6,206	(5,070)
Total changes in the period	6,206	(5,070)
Balance at the end of current period	6,568	1,497
Total Valuation, translation adjustments and others		
Balance at the end of previous period	204,131	156,912
Changes in the period		
Net changes in items other than stockholders' equity	(47,218)	(140,434)
Total changes in the period	(47,218)	(140,434)
Balance at the end of current period	156,912	16,478
Share subscription rights		
Balance at the end of previous period	293	549
Changes in the period		
Net changes in items other than stockholders' equity	255	332
Total changes in the period	255	332
Balance at the end of current period	549	881
Total net assets		
Balance at the end of previous period	1,273,056	1,240,415
Changes in the period		
Cash dividends	(20,135)	(20,137)
Net income	34,421	44,825
Purchase of treasury stock	(114)	(72)
Disposal of treasury stock	151	111
Net changes in items other than stockholders' equity	(46,963)	(140,102)
Total changes in the period	(32,641)	(115,375)
Balance at the end of current period	1,240,415	1,125,039