

No. 1621

MHI Announces Outline of FY2012 First 9 Month Financial Results
Ended December 31, 2012 (Consolidated)

Tokyo, February 6, 2013 -- Mitsubishi Heavy Industries, Ltd. (MHI) today announced its **consolidated** financial results for the first nine months of fiscal year (FY) 2012 ended December 31, 2012.

(billions of yen)

	FY2012 First 9 Months (From April 1 to December 31, 2012)	FY2011 First 9 Months (From April 1 to December 31, 2011)	Changes (%)
Orders Received	1,880.0	2,111.8	(11.0)
Net Sales	1,973.3	1,958.9	0.7
Operating Income	78.5	98.0	(19.9)
Ordinary Income	74.0	69.5	6.5
Income Before Taxes and Minority Interests	78.9	85.7	(7.9)
Net Income	49.9	32.7	52.5
Net Income Per Share	14.87 yen	9.75 yen	52.5

Figures in parentheses are minus value.

Consolidated financial results (continued)

Sales by Operational Segment

(billions of yen)

	FY2012 First 9 Months (From April 1 to December 31, 2012)	FY2011 First 9 Months (From April 1 to December 31, 2011)
Shipbuilding & Ocean Development	179.8	235.0
Power Systems	710.2	665.9
Machinery & Steel Infrastructure Systems	320.4	266.3
Aerospace Systems	297.4	331.3
General Machinery & Special Vehicles	285.0	281.5
Others	246.8	210.0
Eliminations or Corporate	(66.6)	(31.3)
TOTAL	1,973.3	1,958.9

Operating Income (Loss) by Operational Segment

(billions of yen)

	FY2012 First 9 Months (From April 1 to December 31, 2012)	FY2011 First 9 Months (From April 1 to December 31, 2011)
Shipbuilding & Ocean Development	(0.8)	(2.2)
Power Systems	63.1	80.7
Machinery & Steel Infrastructure Systems	9.9	11.5
Aerospace Systems	3.3	2.8
General Machinery & Special Vehicles	8.4	4.7
Others	7.1	11.6
Eliminations or Corporate	(12.6)	(11.2)
TOTAL	78.5	98.0

Figures in parentheses are minus value.

Estimate of Consolidated Financial Results for FY 2012

For the fiscal year 2012 ending March 31, 2013, MHI is expecting 3,000 billion yen in net sales, 145 billion yen in operating income, 120 billion yen in ordinary income, and 70 billion yen in net income.

Please note that this estimate has been projected with currently available information and data. As such, these projections involve risks and uncertainties. For this reason, investors are recommended not to depend solely on these projections for making investment decisions. The actual results, therefore, may diverge broadly with the influence of a variety of outside factors such as economics surrounding MHI, currency movement of the yen to the U.S. dollar and other foreign currencies, and trends of stock markets in Japan. Also, the results projected here should not be construed in any way as being guaranteed by the company.

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About Mitsubishi Heavy Industries

Mitsubishi Heavy Industries, Ltd. (MHI), headquartered in Tokyo, Japan, is one of the world's leading heavy machinery manufacturers, with consolidated sales of 2,820.9 billion yen in fiscal 2011, the year ended March 31, 2012. MHI's diverse lineup of products and services encompasses shipbuilding, power plants, chemical plants, environmental equipment, steel structures, industrial and general machinery, aircraft, space systems and air-conditioning systems.

For more information, please visit the MHI website (<http://www.mhi.co.jp/en/index.html>).

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CONSOLIDATED BALANCE SHEETS (1/2)

(Millions of Yen)

	As of Mar.31, 2012	As of Dec.31, 2012
<u>ASSETS</u>		
Current assets:		
Cash and deposits	262,287	261,737
Trade receivables	968,064	877,509
Securities	1	1
Merchandise and finished products	155,990	139,899
Work in process	773,782	797,675
Raw materials and supplies	123,670	122,390
Deferred income taxes	180,747	179,432
Others	180,826	252,310
Allowance for doubtful receivables	(6,368)	(6,056)
Total current assets	2,639,003	2,624,901
Fixed assets:		
Property, plant and equipment:		
Buildings and structures	342,243	340,764
Machinery and transportation equipment	234,037	221,580
Tools, equipment and furniture	38,051	39,971
Land	137,337	138,184
Leased assets	5,356	4,668
Construction in progress	40,557	46,433
Subtotal	797,584	791,602
Intangible assets	25,313	27,008
Investments and advances:		
Investment securities	309,054	275,526
Long-term loans and advances	5,478	5,838
Deferred income taxes	11,180	9,907
Others	185,708	171,780
Allowance for doubtful accounts	(9,335)	(9,679)
Subtotal	502,086	453,372
Total fixed assets	1,324,984	1,271,983
TOTAL ASSETS	3,963,987	3,896,884

CONSOLIDATED BALANCE SHEETS (2/2)

(Millions of Yen)

	As of Mar.31, 2012	As of Dec.31, 2012
<u>LIABILITIES</u>		
Current liabilities:		
Trade payables	651,101	605,479
Short-term borrowings	152,344	249,760
Current portion of long-term borrowings	131,713	128,992
Commercial papers	-	41,000
Current portion of bonds	69,900	80,000
Reserve for product warranties	20,812	22,277
Reserve for losses on construction contracts	77,565	50,155
Reserve for legal claims	3,936	779
Advance payments received on contracts	399,288	364,157
Others	208,034	190,937
Total current liabilities	1,714,695	1,733,542
Long-term liabilities:		
Debentures	250,000	200,000
Long-term borrowings	553,189	477,082
Deferred income taxes	17,832	14,807
Reserve for retirement allowance	47,002	58,413
Reserve for treatment of PCB waste	11,604	11,640
Others	63,296	61,327
Total long-term liabilities	942,925	823,270
TOTAL LIABILITIES	2,657,621	2,556,812
<u>NET ASSETS</u>		
Stockholders' equity:		
Common stock	265,608	265,608
Capital surplus	203,942	203,951
Retained earnings	822,473	853,967
Treasury stock	(5,418)	(5,399)
Total stockholders' equity	1,286,606	1,318,127
Accumulated other comprehensive income (loss)		
Net unrealized gains on investment securities	22,082	17,761
Deferred losses on hedges	12	783
Foreign currency translation adjustments	(53,611)	(48,175)
Total accumulated other comprehensive income (loss)	(31,517)	(29,631)
Share subscription rights	1,868	2,258
Minority interests	49,409	49,316
TOTAL NET ASSETS	1,306,366	1,340,071
TOTAL LIABILITIES AND NET ASSETS	3,963,987	3,896,884

CONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	FY2011 First 9 Months (From Apr.1 to Dec.31, 2011)	FY2012 First 9 Months (From Apr.1 to Dec.31, 2012)
Net sales	1,958,984	1,973,365
Cost of sales	1,619,200	1,637,287
Gross profit	339,783	336,077
Selling, general and administrative expenses:		
Provision of allowance for doubtful accounts	-	812
Directors' compensations, salaries and allowances	93,237	97,952
Research and development expenses	32,940	35,944
Expenses for inquiries	21,500	24,316
Others	94,045	98,473
Total selling, general and administrative expenses	241,723	257,499
Operating income	98,059	78,577
Non-operating income:		
Interest income	2,764	2,093
Dividend income	3,426	3,238
Equity in earnings of unconsolidated subsidiaries and affiliates	876	2,347
Foreign exchange gain	-	3,933
Others	3,478	3,255
Total non-operating income	10,545	14,869
Non-operating expenses:		
Interest expense	15,770	13,252
Foreign exchange loss	13,538	-
Loss on disposal of fixed assets	3,233	2,895
Others	6,500	3,243
Total non-operating expenses	39,043	19,392
Ordinary income	69,561	74,055
Extraordinary gain:		
Gain on sales of investment securities	-	7,347
Gain on sales of fixed assets	28,064	-
Total extraordinary gain	28,064	7,347
Extraordinary loss:		
Loss on revaluation of investment securities	2,697	2,404
Business structure improvement expenses	9,188	-
Total extraordinary loss	11,885	2,404
Income before income taxes and minority interests	85,739	78,997
Income taxes	53,168	28,826
Income before minority interests	32,571	50,171
Minority interests in loss after taxes	(152)	271
Net income	32,724	49,900

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of Yen)

	FY2011 First 9 Months (From Apr.1 to Dec.31, 2011)	FY2012 First 9 Months (From Apr.1 to Dec.31, 2012)
Income before minority interests	32,571	50,171
Other comprehensive income (loss)		
Net unrealized gains (losses) on investment securities	(16,857)	(3,246)
Deferred gains (losses) on hedges	(963)	183
Foreign currency translation adjustments	(9,396)	1,457
Share of other comprehensive income (loss) of entities accounted for using the equity method	(4,926)	3,574
Changes in equity interest	-	1,725
Total other comprehensive income (loss)	(32,143)	3,693
Comprehensive income (loss)	428	53,865
Comprehensive income (loss) attributable to		
Shareholders of the parent	1,019	53,511
Minority interests	(591)	353