

No. 1654

MHI Announces FY2012 Non-Consolidated Financial Results

Tokyo, April 26, 2013 -- Mitsubishi Heavy Industries, Ltd. (MHI) today announced its **non-consolidated** financial results for fiscal year (FY) 2012 ended March 31, 2013.

			(billions of yen)
	FY2012	FY2011	Changes (%)
Orders Received	1,986.6	2,447.5	(18.8)
Net Sales	2,028.4	2,175.6	(6.8)
Operating Income	95.9	54.6	75.5
Ordinary Income	93.1	37.1	150.9
Income Before Income Taxes	121.2	35.5	241.0
Net Income	91.3	12.9	607.5
Net Income Per Share	27.24 yen	3.85 yen	607.4
Dividend Per Share	8.00 yen	6.00 yen	

Figures in parentheses are negative.

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NON-CONSOLIDATED BALANCE SHEETS (1/2)

(Millions of Yen)

	As of Mar.31, 2012	As of Mar.31, 2013
<u>ASSETS</u>		
Current assets:		
Cash and deposits	173,003	215,188
Trade notes receivable	4,570	4,252
Trade accounts receivable	802,996	714,468
Merchandise and finished products	81,547	65,552
Work in process	596,530	548,055
Raw materials and supplies	90,123	86,162
Advances to suppliers	69,892	98,610
Prepaid expenses	2,024	2,135
Deferred income taxes	139,575	103,449
Short-term loans receivable from subsidiaries and affiliates	18,393	41,535
Others	93,338	126,871
Allowance for doubtful receivables	(79)	(62)
Total current assets	2,071,917	2,006,220
Fixed assets:		
Property, plant and equipment:		
Buildings	229,602	222,638
Structures	23,928	22,714
Docks and facilities for shipbuilding	3,068	3,075
Machinery	180,075	162,653
Vessels	29	223
Aircraft	12	9
Vehicles and transportation equipment	2,101	2,455
Tools, equipment and furniture	28,182	30,867
Land	95,876	95,771
Leased assets	23,224	21,825
Construction in progress	27,035	29,473
Subtotal	613,138	591,707
Intangible assets:		
Software	9,569	8,636
Right of using facilities	357	370
Leased assets	12	7
Others	321	448
Subtotal	10,260	9,464
Investments and advances:		
Investment securities	141,265	146,817
Investments in shares of subsidiaries and affiliates	402,094	448,132
Investments in capital	27	26
Investments in capital of subsidiaries and affiliates	12,070	19,435
Long-term loans and advances	202	169
Long-term loans receivable from employees	56	48
Long-term loans receivable from subsidiaries and affiliates	22,116	26,053
Claims provable in bankruptcy, claims provable in rehabilitation and other	6,485	2,020
Long-term prepaid expense	34,449	22,937
Prepaid pension cost	88,233	87,844
Long-term receivables	25,880	24,425
Others	32,852	34,880
Allowance for doubtful accounts	(21,225)	(13,011)
Subtotal	744,509	799,699
Total fixed assets	1,367,907	1,400,871
TOTAL ASSETS	3,439,825	3,407,091

NON-CONSOLIDATED BALANCE SHEETS (2/2)

(Millions of Yen)

	As of Mar.31, 2012	As of Mar.31, 2013
<u>LIABILITIES</u>		
Current liabilities:		
Trade accounts payable	539,921	529,573
Short-term borrowings	154,505	209,504
Current portion of long-term borrowings	133,178	142,978
Current portion of bonds	69,900	50,000
Lease obligations	1,644	1,408
Accrued payables	23,349	26,599
Accrued expenses	40,954	39,925
Accrued income taxes	21,724	-
Advance payments received on contracts	347,639	372,747
Deposits received	14,520	19,623
Unearned revenue	3	-
Reserve for product warranties	20,812	22,135
Reserve for losses on construction contracts	68,842	30,554
Reserve for legal claims	3,936	61
Asset retirement obligations	60	48
Others	6,829	21,729
Total current liabilities	1,447,824	1,466,889
Long-term liabilities:		
Debentures	250,000	200,000
Long-term borrowings	533,470	460,492
Lease obligations	22,123	20,791
Deferred income taxes	17,173	9,496
Reserve for retirement allowance	-	3,151
Reserve for treatment of PCB waste	11,296	10,391
Asset retirement obligations	3,122	3,177
Others	32,756	30,691
Total long-term liabilities	869,942	738,192
TOTAL LIABILITIES	2,317,766	2,205,081
<u>NET ASSETS</u>		
Stockholders' equity:		
Common stock	265,608	265,608
Capital surplus:		
Capital reserve	203,536	203,536
Other capital reserve	88	102
Total capital surplus	203,624	203,638
Retained earnings:		
Legal reserve	66,363	66,363
Revenue reserve:		
Reserve for reduction in costs of fixed assets	48,879	46,683
Reserve for accelerated depreciation	2	-
General reserves	460,000	460,000
Earned surplus brought forward	63,238	136,349
Total retained earnings	638,483	709,397
Treasury stock	(5,411)	(5,387)
Total stockholders' equity	1,102,305	1,173,257
Valuation, translation adjustments and others		
Net unrealized gains on investment securities	17,956	26,575
Deferred losses on hedges	(70)	(65)
Total valuation, translation adjustments and others	17,885	26,509
Share subscription rights	1,868	2,243
TOTAL NET ASSETS	1,122,059	1,202,010
TOTAL LIABILITIES AND NET ASSETS	3,439,825	3,407,091

NON-CONSOLIDATED STATEMENTS OF INCOME

(Millions of Yen)

	FY2011	FY2012
Net sales	2,175,666	2,028,448
Cost of sales	1,932,208	1,743,262
Gross profit	243,458	285,186
Selling, general and administrative expenses:		
Provision of allowance for doubtful accounts	11,866	417
Directors' compensations, salaries and allowances	46,971	51,098
Depreciation	9,206	9,003
Research and development expenses	42,167	47,293
Commission fee	22,791	23,519
Expenses for inquiries	18,925	21,650
Others	36,839	36,220
Total selling, general and administrative expenses	188,768	189,202
Operating income	54,689	95,983
Non-operating income:		
Interest income	1,870	1,783
Dividend income	13,784	13,013
Foreign exchange gain	-	4,286
Others	3,546	1,027
Total non-operating income	19,202	20,111
Non-operating expenses:		
Interest expense	13,523	11,499
Interest on debentures	4,423	3,918
Foreign exchange loss	4,932	-
Loss on disposal of fixed assets	5,017	3,873
Others	8,873	3,656
Total non-operating expenses	36,771	22,948
Ordinary income	37,120	93,145
Extraordinary gain:		
Gain on sales of investment securities	-	33,134
Gain on sales of fixed assets	26,933	3,136
Total extraordinary gain	26,933	36,271
Extraordinary loss:		
Business structure improvement expenses	18,064	4,706
Loss on revaluation of investment securities	6,344	3,501
Expense for treatment of PCB waste	4,098	-
Total extraordinary loss	28,508	8,207
Income before income taxes	35,545	121,209
Income taxes:		
Current	27,607	3,533
Deferred	(4,978)	26,296
Total income taxes	22,629	29,829
Net income	12,916	91,380

Non-consolidated Statements of Changes in Net Assets

(Millions of Yen)

	FY2011	FY2012
Stockholders' equity		
Common stock		
Balance at the beginning of current period	265,608	265,608
Balance at the end of current period	265,608	265,608
Capital surplus		
Capital reserve		
Balance at the beginning of current period	203,536	203,536
Balance at the end of current period	203,536	203,536
Other capital reserve		
Balance at the beginning of current period	85	88
Changes in the period		
Disposal of treasury stock	3	13
Total changes in the period	3	13
Balance at the end of current period	88	102
Total capital surplus		
Balance at the beginning of current period	203,621	203,624
Changes in the period		
Disposal of treasury stock	3	13
Total changes in the period	3	13
Balance at the end of current period	203,624	203,638
Retained earnings		
Legal reserve		
Balance at the beginning of current 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 beginning of current period	37,841	48,879
Changes in the period		
Provision of reserve for reduction		
in costs of fixed assets	12,072	1,648
Reversal of reserve for reduction		
in costs of fixed assets	(1,034)	(3,844)
Total changes in the period	11,038	(2,195)
Balance at the end of current period	48,879	46,683
Reserve for accelerated depreciation		
Balance at the beginning of current period	12	2
Changes in the period		
Reversal of reserve for accelerated depreciation	(10)	(2)
Total changes in the period	(10)	(2)
Balance at the end of current period	2	-

(Millions of Yen)

	FY2011	FY2012
General reserves		
Balance at the beginning of current period	460,000	460,000
Balance at the end of current period	460,000	460,000
Earned surplus brought forward		
Balance at the beginning of current period	78,124	63,238
Changes in the period		
Provision of reserve for reduction in costs of fixed assets	(12,072)	(1,648)
Reversal of reserve for reduction in costs of fixed assets	1,034	3,844
Reversal of reserve for accelerated depreciation	10	2
Cash dividends	(16,775)	(20,131)
Net income	12,916	91,380
Decrease by corporate division	-	(334)
Total changes in the period	(14,886)	73,111
Balance at the end of current period	63,238	136,349
Total retained earnings		
Balance at the beginning of current period	642,342	638,483
Changes in the period		
Cash dividends	(16,775)	(20,131)
Net income	12,916	91,380
Decrease by corporate division	-	(334)
Total changes in the period	(3,859)	70,914
Balance at the end of current period	638,483	709,397
Treasury stock		
Balance at the beginning of current period	(5,419)	(5,411)
Changes in the period		
Purchase of treasury stock	(14)	(11)
Disposal of treasury stock	22	35
Total changes in the period	7	23
Balance at the end of current period	(5,411)	(5,387)
Total stockholders' equity		
Balance at the beginning of current period	1,106,153	1,102,305
Changes in the period		
Cash dividends	(16,775)	(20,131)
Net income	12,916	91,380
Purchase of treasury stock	(14)	(11)
Disposal of treasury stock	25	49
Decrease by corporate division	-	(334)
Total changes in the period	(3,848)	70,951
Balance at the end of current period	1,102,305	1,173,257

(Millions of Yen)

	FY2011	FY2012
Valuation, translation adjustments and others		
Net unrealized gains(losses) on investment securities		
Balance at the beginning of current period	21,469	17,956
Changes in the period		
Net changes in items other than stockholders' equity	(3,512)	8,618
Total changes in the period	(3,512)	8,618
Balance at the end of current period	17,956	26,575
Deferred gains(losses) on hedges		
Balance at the beginning of current period	(782)	(70)
Changes in the period		
Net changes in items other than stockholders' equity	711	5
Total changes in the period	711	5
Balance at the end of current period	(70)	(65)
Total Valuation, translation adjustments and others		
Balance at the beginning of current period	20,686	17,885
Changes in the period		
Net changes in items other than stockholders' equity	(2,800)	8,623
Total changes in the period	(2,800)	8,623
Balance at the end of current period	17,885	26,509
Share subscription rights		
Balance at the beginning of current period	1,509	1,868
Changes in the period		
Net changes in items other than stockholders' equity	359	375
Total changes in the period	359	375
Balance at the end of current period	1,868	2,243
Total net assets		
Balance at the beginning of current period	1,128,348	1,122,059
Changes in the period		
Cash dividends	(16,775)	(20,131)
Net income	12,916	91,380
Purchase of treasury stock	(14)	(11)
Disposal of treasury stock	25	49
Decrease by corporate division	-	(334)
Net changes in items other than stockholders' equity	(2,441)	8,999
Total changes in the period	(6,289)	79,951
Balance at the end of current period	1,122,059	1,202,010