

( TRANSLATION )

NOTICE OF RESOLUTIONS  
OF  
THE 81ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

June 28, 2006

To: The Shareholders

From: Kazuo Tsukuda, President  
Mitsubishi Heavy Industries, Ltd.  
16-5, Konan 2-chome, Minato-ku, Tokyo

This is to notify you that the following items were reported or resolved at the 81st Ordinary General Meeting of Shareholders held today.

**Matters to be Reported:**

**Item No.1:** Business Report, Consolidated Balance Sheet and Consolidated Statement of Income for the 2005 business year (from April 1, 2005 to March 31, 2006), and the results of audits on the consolidated financial statements conducted by the Accounting Auditors and the Board of Statutory Auditors.

**Item No.2:** Non-Consolidated Balance Sheet and Non-Consolidated Statement of Income and Retained Earnings for the 2005 business year (from April 1, 2005 to March 31, 2006).

The contents of the above-mentioned were reported.

**Matters for Resolution:**

**Proposal No. 1:** Approval of Appropriation of Retained Earnings for the 2005 Business Year.

The appropriation of retained earnings for the 2005 business year was approved and resolved as originally proposed. As a result, cash dividends were set at ¥4 per share.

**Proposal No. 2:** Partial Amendments to the Articles of Incorporation.

The partial amendments of the Articles of Incorporation were approved and resolved as originally proposed.

The main amendments of the Articles of Incorporation were as follows:

- (1) In connection with the implementation of the "Corporate Law", the "Law for maintaining related laws with the enforcement of the Corporate Law", and three ordinances ancillary to the Corporate Law, namely the "Enforcement Regulations of the Corporate Law", the "Corporate Accounting Regulations", and the "Electronic Public Notice Regulations", amendments to the Articles of Incorporation were made as necessary.
  - The Company's method of public notice was changed to electronic public notice.
  - A provision which enables the Company to execute an agreement with outside auditors that limits such auditors' liability was instituted.
  - A chapter providing for the election, term of office, and remuneration etc. of the accounting auditors was instituted.
  - The term "*rieki haito* (annual dividends)" was changed to "*kimatsu haitokin* (year-end dividends)", and "*chukan haito* (interim dividends)" was changed to "*chukan haitokin* (interim dividends)".
- (2) A provision enabling the Company to execute an agreement with outside directors limiting such directors' liability was instituted.
- (3) In addition, the insertion of chapters and the insertion and deletion of clauses required that corresponding amendments be made, including the alteration of the number of chapters and articles, the institution of new clause numbers, the modification of certain words, and the insertion of punctuation.

**Proposal No. 3:** Election of 17 Directors.

Messrs. Takashi Nishioka, Kazuo Tsukuda, Junichi Maezawa, Yoshimi Uratani, Tsutomu Takaoka, Hideo Egawa, Ichiro Fukue, Nobuo Toda, Hiroshi Kan, Hideaki Omiya, Sunao Aoki, Katsuhiko Yoshida, Mikio Sasaki and Akihiro Wada were re-elected and Messrs. Fumio Wakisaka, Shiro Iijima and Ken Watabe were newly elected to the position of Director. All have assumed office.

**Proposal No. 4:** Grant of Retirement Allowance to Retiring Directors and Final Payment to Directors and Statutory Auditors upon Termination of Retirement Allowance System.

It was approved and resolved that appropriate retirement allowance, calculated in accordance with the corporate rules, be granted to the retiring Directors, Messrs. Kazunori Ohta, Shigeharu Matsuura and Ikuro Nagata, respectively. It was further resolved that the Board of Directors should be entrusted with the determination as to the specific amount, timing, method, etc. of such payments.

Also, it was approved and resolved that the retirement allowance system be abolished as of the close of this Ordinary General Meeting of Shareholders, and that an appropriate retirement allowance, based on the standards provided by the Company, be granted to the Directors, Messrs. Takashi Nishioka, Kazuo Tsukuda, Junichi Maezawa, Yoshimi Uratani, Tsutomu Takaoka, Hideo Egawa, Ichiro Fukue, Nobuo Toda, Hiroshi Kan, Hideaki Omiya, Sunao Aoki, Katsuhiko Yoshida, Mikio Sasaki and Akihiro Wada and to the Statutory Auditors, Messrs. Toshinori Tomita, Toyohiko Inaguma, Satoru Kishi, Toyoshi Nakano and Kichisaburo Nomura, in office. It was further resolved that the Board of Directors should be entrusted with the determination of the specific amount, timing, method, etc. of such payments for the Directors, and that the Statutory Auditors should be entrusted to consult among themselves to determine the specific amount, timing, method, etc. of such payments for the Statutory Auditors.

**Proposal No. 5:** Amendment to the Amount of Compensation to Be Paid to Directors and Statutory Auditors.

It was approved and resolved to establish a maximum amount of financial compensation for each business year and to set the total compensation for Directors at ¥1.2 billion per business year and the total compensation for Statutory Auditors at ¥160 million per business year. It was further resolved that these maximum amounts be applied retroactively from April for the 2006 business year.

**Proposal No. 6:** Grant of Stock Acquisition Rights to Directors as Stock Options for Stock-linked Compensation.

It was approved and resolved to grant to Directors, excluding Outside Directors, stock acquisition rights as stock options in a so-called stock-linked compensation scheme. The maximum issue price of stock acquisition rights is a total of ¥200 million for the current year. The stock acquisition rights will be issued within this maximum issue amount.

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The current list of Directors and Statutory Auditors as of June 28, 2006 is as follows:

Chairman	Representative Director	Takashi Nishioka
President	Representative Director	Kazuo Tsukuda
	Representative Director	Junichi Maezawa
	Representative Director	Yoshimi Uratani
	Representative Director	Tsutomu Takaoka
	Representative Director	Hideo Egawa
	Representative Director	Ichiro Fukue
	Representative Director	Nobuo Toda
	Representative Director	Hiroshi Kan
	Representative Director	Hideaki Omiya
	Representative Director	Sunao Aoki
	Representative Director	Katsuhiko Yoshida
	Director	Fumio Wakisaka
	Director	Shiro Iijima
	Director	Ken Watabe
	Director	Mikio Sasaki
	Director	Akihiro Wada
	Full-time Statutory Auditor	Toshinori Tomita
	Full-time Statutory Auditor	Toyohiko Inaguma
	Statutory Auditor	Satoru Kishi
	Statutory Auditor	Toyoshi Nakano
	Statutory Auditor	Kichisaburo Nomura

(Note) 1. Messrs. Mikio Sasaki and Akihiro Wada are Outside Directors as provided for in Article 2, item 15 of the Corporate Law.

2. Messrs. Satoru Kishi, Toyoshi Nakano and Kichisaburo Nomura are Outside Statutory Auditor as provided for in Article 2, item 16 of the Corporate Law.