PRESS RELEASE

August 5, 2025

Mitsubishi Heavy Industries Achieves Steady Revenue and Profit Growth in Q1 FY2025, Reiterates Full-Year Guidance

- Order intake declined overall YoY from the heights achieved in FY2024 in Defense & Space within Aircraft, Defense & Space, but maintained a high level driven by growth in Energy Systems and Plants & Infrastructure Systems.
- Revenue increased YoY in Energy Systems, Plants & Infrastructure Systems, and Aircraft, Defense & Space. Largest contributions were from Gas Turbine Combined Cycle (GTCC) and Nuclear Power in Energy Systems, Metals Machinery in Plants & Infrastructure Systems, and Defense & Space in Aircraft, Defense & Space.
- Business profit grew YoY in Energy Systems, Plants & Infrastructure Systems, and Aircraft, Defense & Space due to revenue growth and improved margins.
- Reiterated FY2025 guidance aiming for ¥5.4 trillion in revenue, ¥420 billion in business profit, and ¥24 per share in full-year dividends.

Tokyo – Mitsubishi Heavy Industries, Ltd. (MHI, TSE Code: 7011) announced that order intake decreased 4.3% year-on-year to ¥1,768.6 billion in the quarter ended June 30, 2025. Revenue rose 7.4% to ¥1,193.6 billion, resulting in profit from business activities (business profit) of ¥104.1 billion, a 24.7% year-on-year increase over the previous fiscal year, which represented a profit margin of 8.7%. Profit attributable to owners of parent (net income) was ¥68.2 billion, an increase of 9.5% year-on-year, with a profit margin of 5.7%. EBITDA was ¥143.2 billion, a 17.1% increase over Q1 FY2024, with an EBITDA margin of 12.0%, up 1.0 percentage point year-on-year.

(billion yen, except where otherwise stated)

Q1 FY2025 Financial Results	Q1 FY2024	Q1 FY2025	YoY	YoY%
Order Intake	1,847.5	1,768.6	-78.8	-4.3%
Revenue	1,111.5	1,193.6	+82.0	+7.4%
Profit from Business Activities	83.5	104.1	+20.6	+24.7%
Profit Margin	7.5%	8.7%	+1.2 pts	-
Profit Attributable to Owners of Parent	62.2	68.2	+5.9	+9.5%
Profit Margin	5.6%	5.7%	+0.1 pts	-
EBITDA	122.3	143.2	+20.9	+17.1%
EBITDA Margin	11.0%	12.0%	+1.0 pt	-
FCF	-126.2	64.3	+190.5	-

Mitsubishi Heavy Industries, Ltd.
Marunouchi Nijubashi Bldg., 3-2-3 Marunouchi, Chiyoda-ku, Tokyo, 100-8332, Japan

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Q1 FY2025 Financial Results by Segment	Order Intake		Revenue		Business Profit	
	Q1 FY2025	YoY	Q1 FY2025	YoY	Q1 FY2025	YoY
Energy Systems (Energy)	871.3	+66.7	423.2	+31.7	56.4	+6.0
Plants & Infrastructure Systems (P&I)	239.5	+11.1	207.9	+32.8	18.5	+10.9
Logistics, Thermal & Drive Systems (LT&D)	304.1	-25.4	299.2	-21.6	10.9	-3.7
Aircraft, Defense & Space (ADS)	350.8	-125.2	260.5	+48.8	28.8	+5.1
Others, Corporate & Eliminations (OC&E)	2.7	-6.0	2.6	-9.5	-10.5	+2.2
Total	1,768.6	-78.8	1,193.6	+82.0	104.1	+20.6

In Energy, order intake increased by ¥66.7 billion YoY, which mainly reflected continued strong demand in GTCC and Nuclear Power. Contracts for eight large frame gas turbine units were concluded during Q1 FY2025, mainly in North America. Revenue increased by ¥31.7 billion YoY with the largest gains seen in GTCC and Nuclear Power, which worked to execute their sizeable backlogs. Segment business profit increased by ¥6.0 billion YoY due to increased revenue and higher margins in GTCC, as well as increased revenue from after-sales services in Steam Power.

In P&I, order intake and revenue increased by ¥11.1 billion YoY and ¥32.8 billion YoY, respectively, due to strength in Engineering and Machinery Systems in terms of orders, and in all three main businesses in terms of revenue. Revenue growth and improved margins in all main businesses served to raise segment business profit by ¥10.9 billion YoY.

In LT&D, revenue decreased by ¥21.6 billion YoY due to a contraction in units sold in Logistics Systems and Heating, Ventilation & Air Conditioning (HVAC). Decreased revenue in these two businesses, higher cost of sales for Logistics Systems in the Americas, and negative impact from the stronger yen overall resulted in a ¥3.7 billion YoY decline in segment business profit.

In ADS, order intake decreased by ¥125.2 billion YoY due to a decline from the high level achieved in the previous fiscal year in Defense & Space. Revenue increased by ¥48.8 billion YoY as Defense & Space worked to execute the substantial backlog accrued over the past two fiscal years, and the production rate of Boeing 787 wing sets increased in Commercial Aviation. Increased revenue and higher margins in Defense & Space, together with the higher run rate in Commercial Aviation, served to increase segment business profit by ¥5.1 billion YoY.

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FY2025 Earnings Forecast

MHI reiterated its guidance for the period ending March 31, 2026, which was first announced on May 9, 2025.

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FY2025 Earnings Forecast	FY2024 Actual	FY2025 Forecast	YoY	YoY%
Order Intake	7,071.2	5,900.0	-1,171.2	-16.6%
Revenue	5,027.1	5,400.0	+372.8	+7.4%
Profit from Business Activities	383.1	420.0	+36.8	+9.6%
Profit Margin	7.6%	7.8%	+0.2 pts	-
Profit Attributable to Owners of Parent	245.4	260.0	+14.5	+5.9%
Profit Margin	4.9%	4.8%	-0.1 pts	-
ROE	10.7%	11%	+0.3 pts	-
EBITDA	541.3	580.0	+38.6	+7.1%
EBITDA Margin	10.8%	10.7%	-0.1 pts	-
FCF	342.7	-200.0	-542.7	-
Dividends	23 yen	24 yen	+1 yen	-

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FY2025 Earnings Forecast by Segment	Order Intake	Revenue	Business Profit
Energy	2,200.0	1,850.0	240.0
P&I	900.0	850.0	60.0
LT&D	1,400.0	1,400.0	70.0
ADS	1,400.0	1,350.0	140.0
OC&E	0.0	-50.0	-90.0
Total	5,900.0	5,400.0	420.0

CFO Message

"Our performance in Q1 marked a strong start for the company overall, and we are generally on track to achieve our 2024 Medium-Term Business Plan targets," said Hiroshi Nishio, MHI's Chief Financial Officer. He continued: "We see continued strength in our growing core businesses: GTCC, Nuclear Power, and Defense. Order intake was particularly strong in GTCC, specifically in the Americas, where demand is robust for the high-efficiency large frame gas turbines in which we specialize. Revenue increased year-on-year as our businesses worked to execute substantial backlogs built up over the last

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few fiscal years. This revenue growth, combined with better margins, served to offset negative impact from the stronger yen and allowed us to steadily increase business profit."

Nishio added, "Based on the progress made to date, we have reiterated our full-year earnings forecast for FY2025, which is unchanged from our initial announcement in May. Regarding the US tariff situation, we have seen only minimal direct impact on our Q1 results. Due to our substantial manufacturing, assembly, and after-sales services footprint in the US, the volume of transactions where MHI bears tariff costs is not particularly large. Going forward, we will continue to mitigate any tariff impact through cost passthroughs and other countermeasures."

Attachment 1: Q1 FY2025 Financial Results

- Financial Results

Attachment 2: Presentation Materials of Financial Results

- Presentation Materials

Downloadable PDF of this press release

- Press Release

Note regarding forward looking statements:

Forecasts regarding future performance outlined in these materials are based on judgments made in accordance with information available at the time they were prepared. As such, these projections include risk and uncertainty. Investors are recommended not to depend solely on these projections when making investment decisions. Actual results may vary significantly from these projections due to a number of factors, including, but not limited to, economic trends affecting the Company's operating environment, fluctuations in the value of the Japanese yen to the U.S. dollar and other foreign currencies, and trends in Japan's stock markets. The results projected here should not be construed in any way as a guarantee by the Company.

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In response to US tariff policy, the Company is pursuing mitigation strategies focused on cost passthroughs. As of the date of this release, the Company expects any impact on performance to be limited in nature.

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