

FY2022 Financial Results

May 10, 2023

Mitsubishi Heavy Industries, Ltd.

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Hello, everyone. This is Hisato Kozawa, CFO of MHI.

Allow me to summarize our FY2022 financial results as well as our FY2023 earnings forecast.

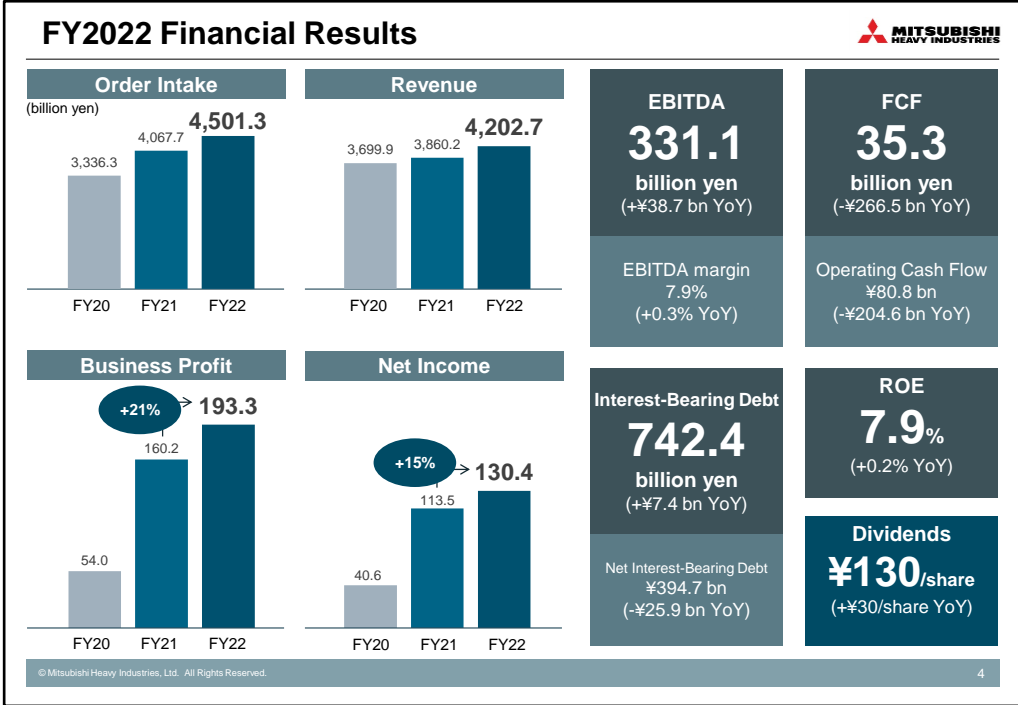
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1. Key Takeaways



First, I will provide an overview of the FY2022 financial results.

This page shows the results of several key financial indicators.

FY2022 Financial Results Highlights



- Order intake, revenue, business profit, and net income all exceeded FY2021 levels.
- **Order intake: ¥4,501.3 bn (+¥433.5 bn YoY)**
Orders increased YoY in Energy Systems and Logistics, Thermal & Drive Systems.
In terms of major businesses, orders grew YoY in Gas Turbine Combined Cycle (GTCC), Aero Engines, Logistics Systems, and HVAC.
- **Revenue: ¥4,202.7 bn (+¥342.5 bn YoY)**
Revenue exceeded FY2021 levels in all segments and hit an all-time high.
In terms of major businesses, both new installations and services grew in GTCC.
Aero Engines turnover expanded due to the recovery in demand.
Revenue increased in Logistics Systems due to higher deliveries in the second half and service businesses expansion.
- **Business Profit: ¥193.3 bn (+¥33.0 YoY)**
Despite downward pressure from materials and logistics cost inflation as well as one-time expenses associated with certain Japanese domestic and international projects, business profit increased by 21% YoY to ¥193.3 bn due to revenue increases, stronger services business, price optimization, and sales of fixed assets.
- **Net Income: ¥130.4 bn (+¥16.9 YoY)**
Net income increased by 15% YoY to ¥130.4 bn corresponding with higher business profit results.
- Planning to increase dividends by ¥10 per share over previous guidance (¥120 per share) to ¥130, a YoY increase of ¥30 per share.

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This page summarizes the highlights from our financial results.

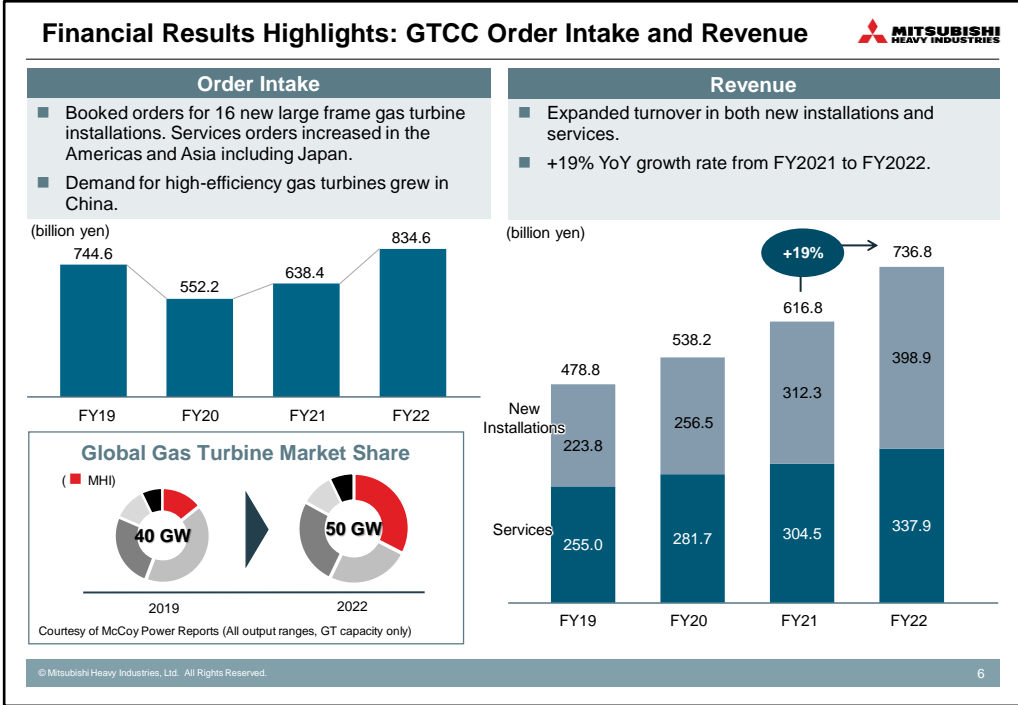
Order intake and revenue continued to grow steadily in Q4 as during Q1-3, increasing 11% and 9% YoY, respectively.

Both order intake and revenue include YoY increases of approximately ¥300 billion due to the effect of foreign exchange rate fluctuations. Excluding this impact, order intake increased YoY, and revenue was on par with FY2021 levels.

In terms of profit, both business profit and net income increased YoY due to revenue increases, price optimizations, fixed cost reductions, and the effect of depreciation of the yen, despite negative factors such as continuing materials and logistics cost inflation, electricity and fuel cost increases, and one-time expenses incurred in some businesses.

In light of the approximately ¥10 billion improvement in net income over the previously announced forecast of ¥120 billion, the annual dividend will be changed from the previously announced ¥120 to ¥130.

This represents an increase of ¥10 per share over the announced forecast and an increase of ¥30 per share YoY.



Pages six through eight present several topics from the FY2022 financial results.

This page shows the situation in the Gas Turbine Combined Cycle (GTCC) business.

Order intake totaled ¥834.6 billion, which was a significant YoY increase.

The doughnut chart on the lower left shows global market shares of gas turbine new installations. Order intake increased mainly for our JAC-series, which boasts the world's highest level of power generation efficiency, making it the world leader in CY2022. Services also grew steadily.

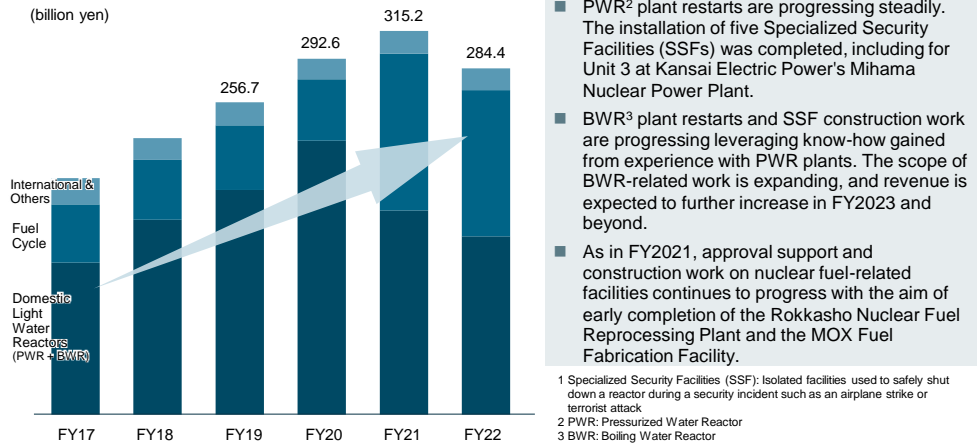
Revenue growth progressed steadily in both new installations and services.

Moreover, both order intake and revenue reached record-high levels on a monetary amount basis.

Financial Results Highlights: Nuclear Power Revenue



- Maintaining and expanding revenue as steady progress made on domestic light water reactor restarts, Specialized Security Facility¹ construction, and work on nuclear fuel cycle facilities.



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Page seven shows the status of the Nuclear Power business.

Revenue was down in FY2022 YoY. This is due to the peak-out of existing PWR plant restarts, Specialized Security Facility (SSF) construction, and others.

In FY2023 and beyond, we expect an increase in the same type of work for BWR plants and an increase in nuclear fuel cycle-related work, resulting in a growth trend in this part of the business.

Financial Results Highlights: Profitability Improvements in LTD

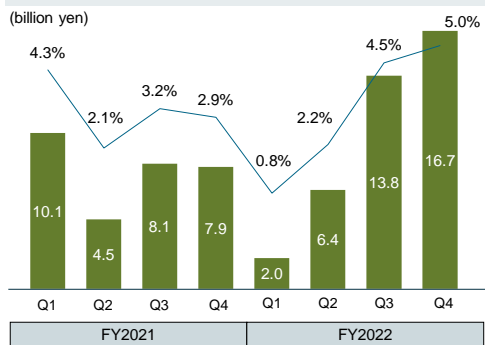
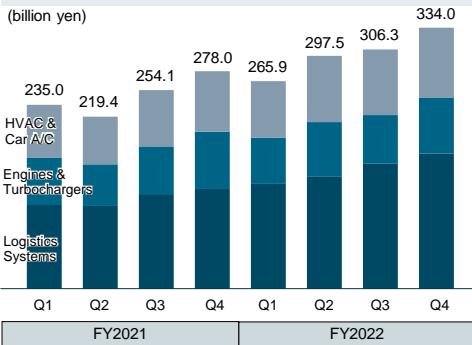


Revenue

- Logistics Systems saw strong sales in North America, Europe, and APAC and expanded lease and rental businesses in North America.
- Engines captured demand across industries and regions, including data centers, agricultural machinery in India, and marine engines in Southeast Asia.
- HVAC saw signs of relief in parts shortages, and deliveries increased in Asia Pacific and Europe.

Business Profit

- In the first half of FY2022, profit margins decreased due to the impact of materials and logistics cost inflation.
- In the second half of FY2022, procurement of previously scarce semiconductors improved, and deliveries increased. Profits and margins improved due in part to the effects of price optimizations.



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This page shows quarterly performance in the Logistics, Thermal & Drive Systems businesses.

Revenue has been growing steadily. Although the effects of foreign exchange rates and price increases are included, even on a volume basis excluding these effects, there was growth mainly in Forklifts and HVAC.

In terms of profit, the effect of price optimization finally became fully apparent in 2H FY2022.

In FY2023, we are aiming for further improvement.

2. FY2022 Financial Results

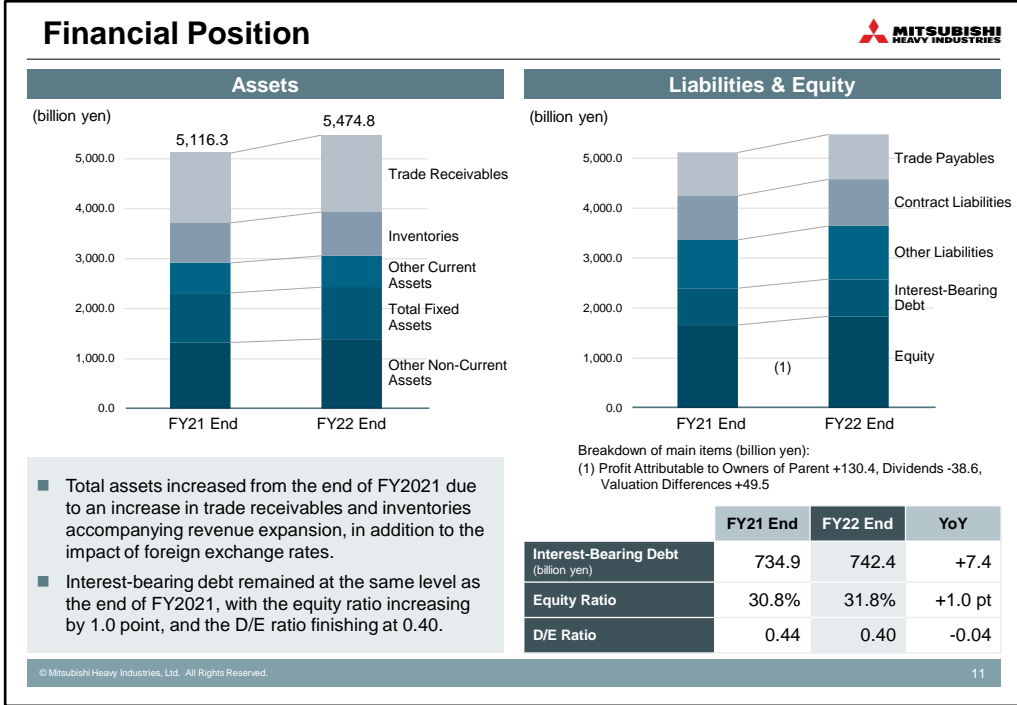
The next few pages provide a little more detail about the FY2022 financial results.

Financial Results Overview



(billion yen)	FY2021 (Profit Margin)	FY2022 (Profit Margin)	YoY (Profit Margin)	(YoY%)
Order Intake	4,067.7	4,501.3	+433.5	(+10.7%)
Revenue	3,860.2	4,202.7	+342.5	(+8.9%)
Profit from Business Activities	160.2 (4.2%)	193.3 (4.6%)	+33.0 (+0.4%)	(+20.6%)
Profit Attributable to Owners of Parent	113.5 (2.9%)	130.4 (3.1%)	+16.9 (+0.2%)	(+14.9%)
ROE	7.7%	7.9%	+0.2%	
EBITDA	292.4 (7.6%)	331.1 (7.9%)	+38.7 (+0.3%)	(+13.3%)
FCF	301.8	35.3	-266.5	

I will omit an explanation of the table on this page, as it contains information already provided.



Pages 11 and 12 show an overview of the balance sheet.

Total assets increased by ¥358.4 billion from the end of FY2021 to ¥5,474.8 billion. This increase includes approximately ¥120 billion in currency translation effects related to foreign currency-denominated assets resulting from the depreciation of the yen compared to the end of FY2021, and a ¥33.4 billion increase in cash and cash equivalents.

The increases in inventories and trade receivables appear somewhat large, but since foreign exchange rate effects are included here as well, and revenue has also grown, these increases are roughly on par with the previous year when evaluated in terms of the cash conversion cycle. That said, we believe there is still room for improvement, and will continue to work on optimizing the balance sheet.

Moving on, interest-bearing debt in the table on the lower right-hand side of this page is shown in gross. However, net interest-bearing debt, which is calculated by subtracting cash and cash equivalents, was ¥420.6 billion in FY2021 and ¥394.7 billion in FY2022, which represents a reduction of ¥25.9 billion in real terms.

The equity ratio increased by 1 percentage point to 31.8%, and the debt-to-equity (D/E) ratio improved by 0.04 to 0.40. These results show that we are maintaining and improving a high level of financial stability.

Financial Position

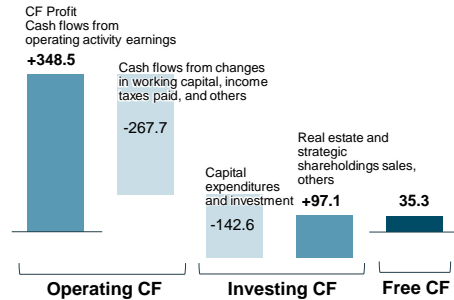


(billion yen)	FY21 End	FY22 End	YoY
Trade Receivables and Contract Assets	1,399.4	1,536.4	+136.9
Inventories	798.6	876.8	+78.2
Other Current Assets	605.0	628.9	+23.9
(Cash and Cash Equivalents)	(314.2)	(347.6)	(+33.4)
Total Fixed Assets	989.2	1,041.1	+51.8
Other Non-Current Assets	1,323.9	1,391.3	+67.4
Total Assets	5,116.3	5,474.8	+358.4
Trade Payables	863.2	895.2	+32.0
Contract Liabilities	886.5	936.7	+50.2
Other Liabilities	969.0	1,066.3	+97.3
Interest-Bearing Debt	734.9	742.4	+7.4
Equity	1,662.5	1,833.9	+171.4
(Equity Attributable to Owners of Parent)	(1,576.6)	(1,740.9)	(+164.3)
Total Liabilities and Equity	5,116.3	5,474.8	+358.4

Cash Flows



(billion yen) Free Cash Flow



(billion yen)	FY21	FY22	YoY
Operating Cash Flow	285.5	80.8	-204.6
Investing Cash Flow	16.3	-45.5	-61.8
Free Cash Flow	301.8	35.3	-266.5
Financing Cash Flow	-255.7	-18.9	236.8
Depreciation & Amortization	132.1	137.8	+5.6
EBITDA	292.4	331.1	+38.7
EBITDA (%)	7.6%	7.9%	+0.3%

Operating Cash Flow

- CF profit increased YoY due to recovery in profitability.
- Operating CF decreased YoY due to increases in trade receivables and inventories, large advances received at the end of FY2021, and income taxes paid in FY2022.

Investing Cash Flow

- Sales of assets including strategic shareholdings and real estate executed as planned.

Breakdown of Investing Cash Flow (billion yen)

Capital Expenditures & Investment	-135.7	-142.6	-6.9
Sale of Real Estate	+51.7	+38.0	-13.7
Sale of Strategic Shareholdings	+97.8	+58.1	-39.7
Others	+2.5	+1.0	-1.5
Total	+16.3	-45.5	-61.8

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This page shows the status of cash flows.

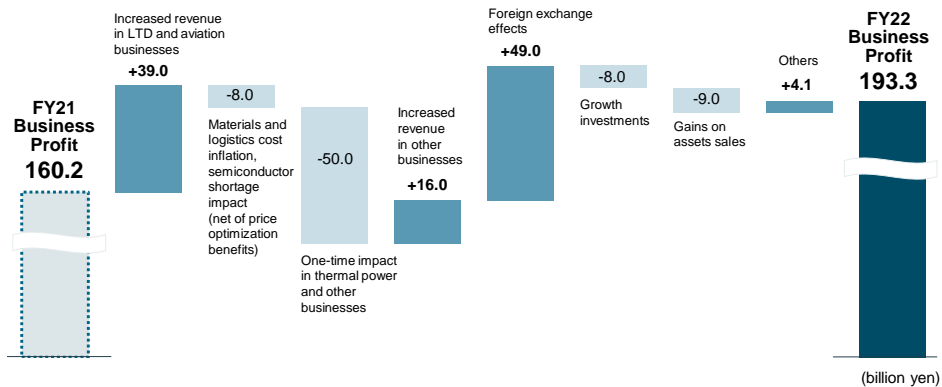
Free cash flow was positive ¥35.3 billion, although this was a significant decrease from the record high achieved in FY2021.

In our initial FY2022 forecast, we had expected negative FCF due to the absence of large advances received in FY2021, but we were able to secure a positive result due to an increase in advances received corresponding to increased order intake and contributions from asset sales.

Profit Bridge



- Revenue growth and benefits from depreciation of the yen served to increase profit.
- Price optimization efforts helped mitigate impact of materials and logistics cost inflation.
- Business profit decreased YoY in thermal power businesses due to progress in high margin projects in FY2021, which were absent in FY2022. Additionally, booked provisions for one-time expenses associated with international projects and organizational transformation of European operations.
- Offset fixed cost increases caused by rising energy prices with business process improvements.



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This page shows factors which contributed to YoY changes in business profit.

On the far left-land side is FY2021 business profit, which was ¥160.2 billion.

Increased revenue in Logistics, Thermal & Drive Systems and aviation businesses caused profit to rise by ¥39 billion, whereas an ¥8 billion decline was caused by materials and logistics cost inflation and production cuts due to supply chain disruptions.

This minus ¥8 billion includes a ¥40 billion improvement from sales price optimizations.

Next to this is one-time impact in thermal power and other businesses. This item was ¥35 billion at the time of the Q1-3 financial results, but we recognized an additional ¥15 billion in Q4, bringing the total to ¥50 billion. This ¥15 billion mainly arose from international thermal power projects, and included provisions for projects that are in dispute with other companies.

Other factors shown here also contributed to YoY changes in business profit, with a FY2022 result of ¥193.3 billion.

Results by Segment



	Order Intake			Revenue			Profit from Business Activities		
	FY21	FY22	YoY	FY21	FY22	YoY	FY21	FY22	YoY
(billion yen)									
Energy Systems	1,444.3	1,791.7	+347.4	1,651.0	1,738.6	+87.5	86.2	85.1	-1.1
Plants & Infrastructure Systems	890.9	845.4	-45.5	651.8	675.6	+23.7	23.6	32.7	+9.1
Logistics, Thermal & Drive Systems	992.3	1,215.0	+222.7	986.5	1,203.7	+217.2	30.6	38.9	+8.2
Aircraft, Defense & Space	774.2	703.6	-70.5	605.2	619.4	+14.1	24.0	39.9	+15.9
Corporate & Eliminations	-34.1	-54.5	-20.4	-34.5	-34.7	-0.2	-4.3	-3.5	+0.8
Total	4,067.7	4,501.3	+433.5	3,860.2	4,202.7	+342.5	160.2	193.3	+33.0

Profits and losses related to SpaceJet are included in Corporate & Eliminations in both FY2021 and FY2022 on this slide. SpaceJet had previously been included in the Aircraft, Defense & Space segment.

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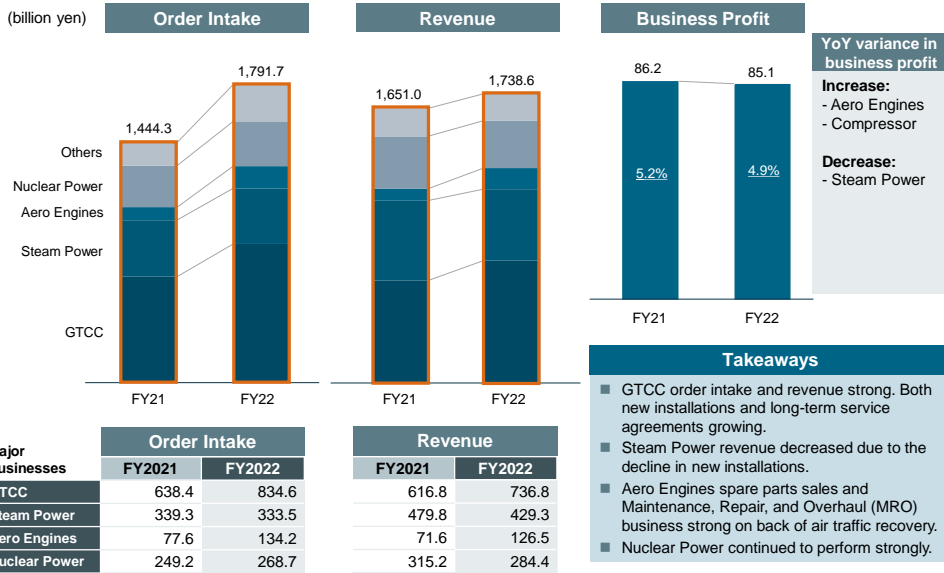
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This pages shows a summary of order intake, revenue, and business profit by segment.

Over the next few pages, I will explain the situation in each segment.

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FY2022 Results: Energy Systems



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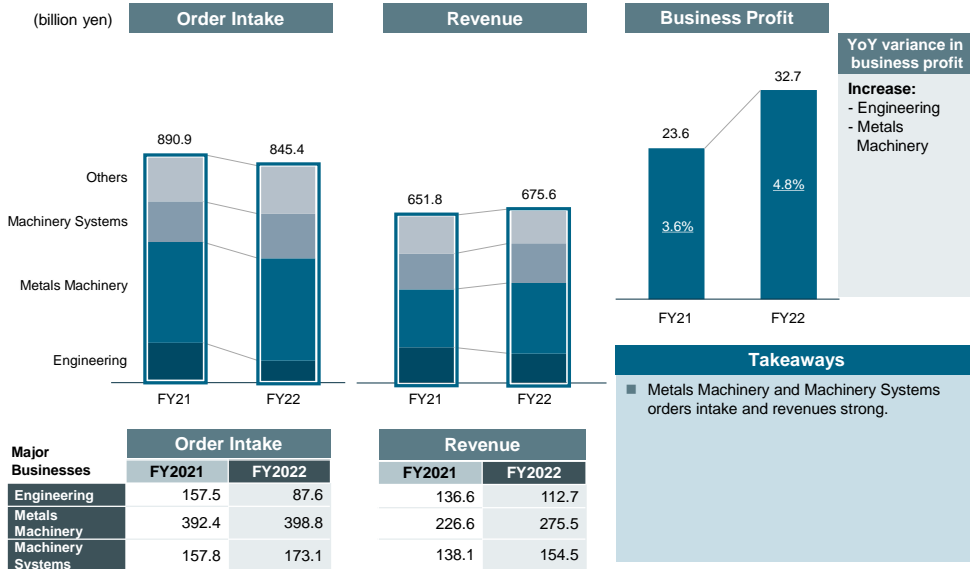
This page shows the situation in the Energy Systems segment.

Order intake and revenue exceeded FY2021 results, but business profit declined slightly.

As I mentioned briefly during the explanation of the Profit Bridge, we have dealt with some major losses from coal-fired thermal power projects, which contributed to this decline.

Other businesses were at the same level as FY2021 or saw increased profits.

FY2022 Results: Plants & Infrastructure Systems



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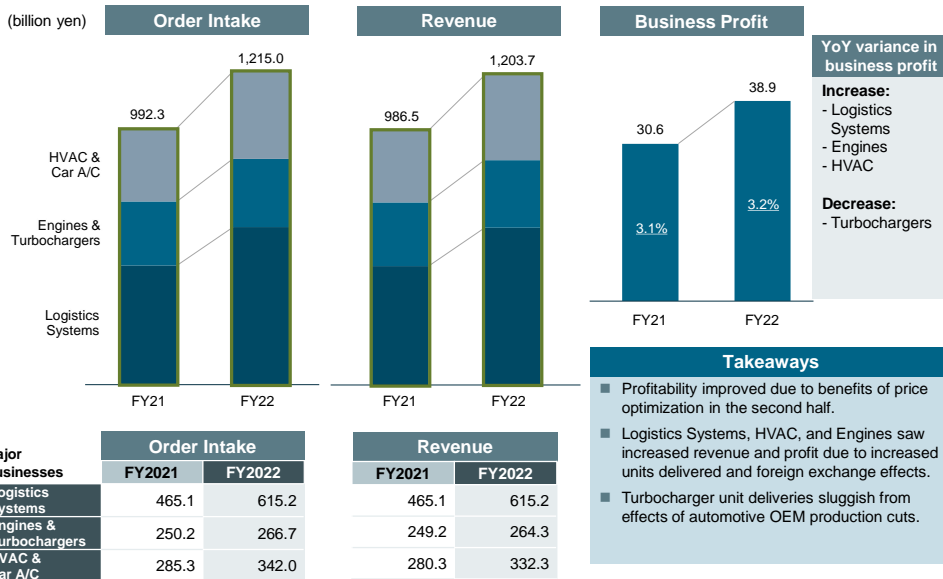
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This page shows the situation in the Plants & Infrastructure Systems segment.

Order intake decreased YoY, but a high level has been maintained.

Both revenue and business profit increased.

FY2022 Results: Logistics, Thermal & Drive Systems



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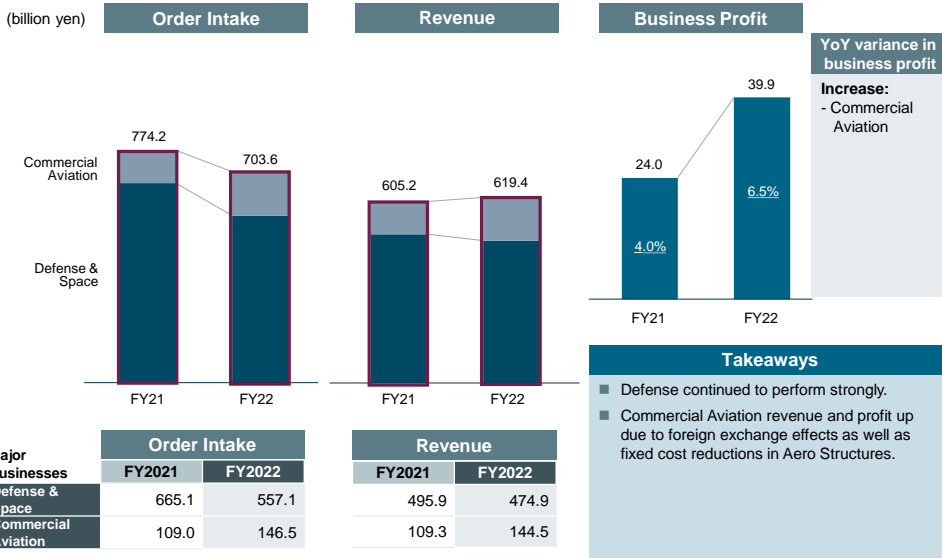
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This page shows the situation in Logistics, Thermal & Drive Systems.

Order intake and revenue significantly increased YoY.

On the profit side, as explained on page eight, improvements progressed, and profits increased.

FY2022 Results: Aircraft, Defense & Space



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This page shows the situation in Aircraft, Defense & Space.

In the Commercial Aircraft Aero Structures business, both revenue and profit increased due to an increase in freighters and business jet deliveries, as well as from the benefits of the depreciation of the yen.

The Defense business has remained solid.

3. FY2023 Earnings Forecast

Forecasts regarding future performance in these materials are based on judgments made in accordance with information available at the time this presentation was prepared. As such, these projections involve risks and uncertainties. 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.

The next few pages show the FY2023 earnings forecast.

Earnings Forecast Overview



(billion yen)	FY2022 (Profit Margin)	FY2023 (Profit Margin)	YoY (Profit Margin)	(YoY%)
Order Intake	4,501.3	4,600.0	+98.6	(+2.2%)
Revenue	4,202.7	4,300.0	+97.2	(+2.3%)
Profit from Business Activities	193.3 (4.6%)	300.0 (7.0%)	+106.6 (+2.4%)	(+55.2%)
Profit Attributable to Owners of Parent	130.4 (3.1%)	190.0 (4.4%)	+59.5 (+1.3%)	(+45.6%)
ROE	7.9%	11%	+3%	
EBITDA	331.1 (7.9%)	440.0 (10.2%)	+108.8 (+2.3%)	(+32.9%)
FCF	35.3	-100.0	-135.3	
Dividends	130 yen Interim: 60 yen Year-End: 70 yen	160 yen Interim: 80 yen Year-End: 80 yen	Exchange rate assumptions: USD 1.00 = ¥130 , EUR 1.00 = ¥140 Undetermined foreign currency amounts: USD 3.5 bn, EUR 0.5 bn	

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This page provides an overview of the FY2023 earnings forecast.

Order intake and revenue are expected to increase.

We plan to achieve a large step up in business profit through various profitability improvement measures.

Trends in Financial Indicators



	FY2020	FY2021	FY2022	FY2023
Revenue	¥3.7 tr	¥3.9 tr	¥4.2 tr	¥4.3 tr
Business Profit Margin	1.5%	4.2%	4.6%	7%
ROE	3.1%	7.7%	7.9%	11%
Total Assets	¥4.8 tr	¥5.1 tr	¥5.5 tr	¥5.5 tr
Interest-Bearing Debt	¥0.9 tr	¥0.7 tr	¥0.7 tr	¥0.8 tr
Equity	¥1.4 tr	¥1.7 tr	¥1.8 tr	¥1.9 tr
D/E Ratio	0.6	0.4	0.4	0.4
Equity Ratio	28%	31%	32%	34%
Dividend per Share	¥75	¥100	¥130	¥160

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FY2023 is the final year of our 2021 Medium-Term Business Plan (MTBP).

This page summarizes the trends in several key financial indicators starting with results for FY2020, when the MTBP was originally formulated, through FY2022 as well as the forecast for FY2023.

We have designated the three items highlighted in blue as indicators of particular importance and have been pursuing improvement initiatives in these areas.

According to our current forecast, we expect to meet the initial plan for business profit margin and interest-bearing debt, whereas ROE will be slightly less than initially expected, partly because equity has increased beyond original projections.

In FY2023, we are planning a dividend of ¥160 per share, in keeping with our 2021 MTBP target.

This will be the highest annual dividend ever paid by MHI.

FY2023 Earnings Forecast Highlights



- The main targets in FY2023 – the final year of 2021 Medium-Term Business Plan (MTBP) – are: Order Intake ¥4.6 tr, Revenue ¥4.3 tr, Business Profit ¥300 bn, and Business Profit Margin 7%, one of the key indicators for the 2021 MTBP initiative Strengthen Profitability.

	Order Intake	Revenue	Business Profit	Main Points
Energy Systems	¥1.7 tr	¥1.7 tr	¥150 bn	- Improve profitability of projects in Japan and around the world.
Plants & Infrastructure Systems	¥0.7 tr	¥0.7 tr	¥40 bn	- Secure stable profit mainly in Metals Machinery.
Logistics, Thermal & Drive Systems	¥1.25 tr	¥1.25 tr	¥70 bn	- Improve profitability through price optimization.
Aircraft, Defense & Space	¥1.0 tr	¥0.7 tr	¥40 bn	- Increase Defense business revenue by approximately 15% YoY.

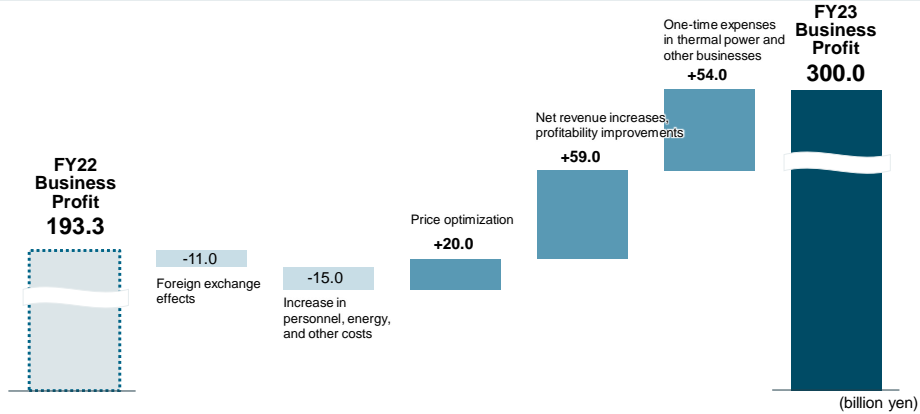
- EBITDA to increase by ¥108.8 bn YoY to ¥440.0 bn corresponding with increase in business profit. Free cash flow to decrease to -¥100.0 bn reflecting growth investments.
- Net income to increase by ¥59.5 bn YoY to ¥190.0 bn corresponding with higher business profit.
- Planning annual dividend of ¥160 per share, maintaining 2021 MTBP shareholder return target

This page shows highlights from the FY2023 earnings forecast. I will omit a detailed explanation.

Profit Bridge



- Forecast includes the impact of a slightly stronger yen and increasing personnel and energy costs in FY2023.
- Enjoy benefits from price optimization in response to material costs inflation throughout the entire fiscal year.
- Increase profits through revenue increases, services expansion, and profit margin improvements from cost reductions and other measures.
- One-time expenses incurred in thermal power and other businesses over past years to decrease.



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This page shows our evaluation of the profit forecast and a breakdown of the forecast by segment.

This concludes my explanation. Thank you very much.

Next, Izumisawa, President and CEO, will provide a brief presentation.

Hello, everyone.

This is Seiji Izumisawa, President and CEO of MHI.

Please allow me to say a few words to summarize.

Looking back at FY2022, while there were positive effects from market recovery from the COVID pandemic, the depreciation of the yen, and the benefits of price optimizations, I believe that it was also a year of extreme volatility, including the prolonged Russian invasion of Ukraine and the continued inflation resulting from it, energy supply instability, semiconductor shortages, and the emergence of supply chain risks.

Despite these circumstances, as Kozawa explained earlier, we were able to exceed the previous year's results in terms of order intake, revenue, and business profit. In addition to external factors such as market recovery from the COVID pandemic, we believe that the initiatives we have taken under the 2021 MTBP, such as core business growth, expansion of service businesses, and productivity improvements have been effective.

In particular, GTCC, Aero Engines, Metals Machinery, Paper Converting Machinery, and Logistics Systems had a strong year. There was growth in existing businesses, including firm demand for GTCC, growth in Aero Engines exceeding pre-COVID levels, and strong activity in green steel investment in Metals Machinery. In addition to the expansion of services such as in Paper Converting Machinery and Logistics Systems, new business opportunities have emerged with the growing global concern for economic security.

Although we did not achieve our business profit target in FY2022 due to higher-than-expected losses related to some projects, we believe that we are seeing progress as planned in our initiative to strengthen profitability, as set forth in the 2021 MTBP.

Moreover, we are beginning to see results in our growth initiatives, which I reported on at the 2021 Medium-Term Business Plan Progress Briefing on April 5, although there are gradations of achievement in individual areas.

In the Energy Transition, I believe that together with the growing interest in energy security, there is increasing movement toward drawing up a feasible roadmap and taking a realistic approach to the Transition.

In this context, there is a growing need for gas turbines that can be converted to hydrogen firing in the future, and there are also inquiries for the combination of gas turbines with CO₂ capture.

Inquiries for CO₂ capture, including feasibility studies, have increased beyond our initial expectations.

In the future, we intend to work to ensure that these products see real-world implementation.

In the area of Smart Infrastructure, another pillar of our growth strategy, we are conducting validation testing of energy conservation and decarbonization solutions for automated logistics warehouses and data centers, and we have already started to work on concrete projects. We plan to expand on these activities in the future.

We are also working on various mobility-related projects such as automated driving, but we still have a long way to go in terms of the feasibility of these projects.

Regarding the FY2023 earnings forecast, as the Kozawa explained earlier, we expect order intake and revenue to grow in GTCC, Nuclear Power, and Defense. Although there are some variable factors such as geopolitical risks and changes in the market environment, and I believe that we will be able to achieve this plan.

In addition, as this is the final year of the 2021 MTBP, we have set an even higher target for business profit than in FY2022.

Although there are uncertainties such as materials cost inflation and foreign exchange rate fluctuations, we hope to achieve the plan by improving the profitability of our core businesses through our efforts to optimize prices, expand services, and improve profitability together with turnover expansion.

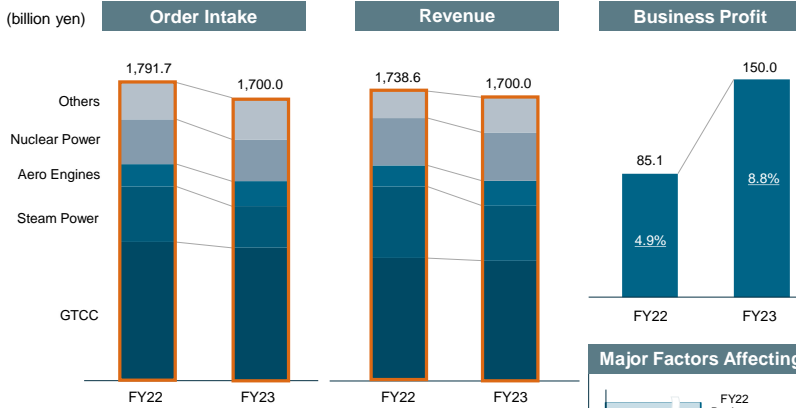
This concludes my presentation.

Forecast by Segment

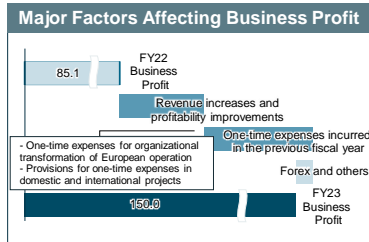


	Order Intake			Revenue			Profit from Business Activities		
	FY22	FY23 Forecast	YoY	FY22	FY23 Forecast	YoY	FY22	FY23 Forecast	YoY
(billion yen)									
Energy Systems	1,791.7	1,700.0	-91.7	1,738.6	1,700.0	-38.6	85.1	150.0	+64.8
Plants & Infrastructure Systems	845.4	700.0	-145.4	675.6	700.0	+24.3	32.7	40.0	+7.2
Logistics, Thermal & Drive Systems	1,215.0	1,250.0	+34.9	1,203.7	1,250.0	+46.2	38.9	70.0	+31.0
Aircraft, Defense & Space	703.6	1,000.0	+296.3	619.4	700.0	+80.5	39.9	40.0	+0.0
Corporate & Eliminations	-54.5	-50.0	+4.5	-34.7	-50.0	-15.2	-3.5	0.0	+3.5
Total	4,501.3	4,600.0	+98.6	4,202.7	4,300.0	+97.2	193.3	300.0	+106.6

FY2023 Forecast: Energy Systems



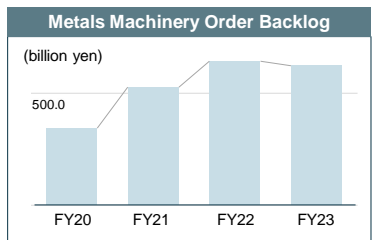
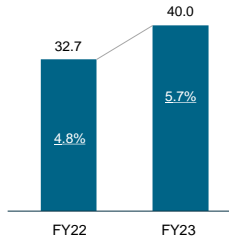
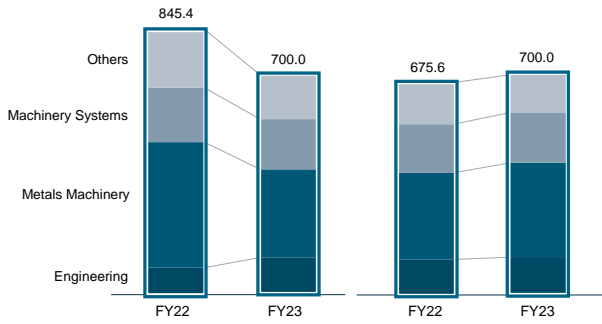
- ### Takeaways
- Thermal power business profit to increase due to the decrease in one-time expenses incurred in the previous fiscal years.
 - Aero Engines revenue and profit to increase from recovery in demand.
 - Nuclear Power order intake and revenue to continue to perform strongly.



FY2023 Forecast: Plants & Infrastructure Systems



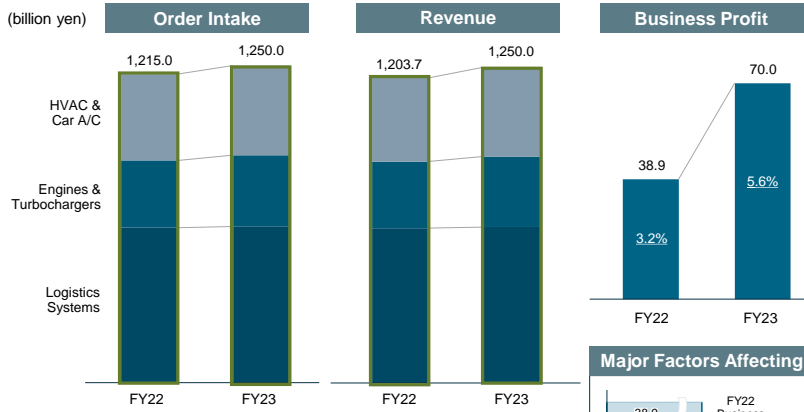
(billion yen) **Order Intake** **Revenue** **Business Profit**



Takeaways

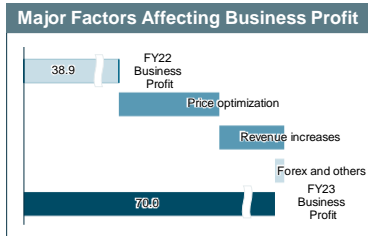
- Metals Machinery revenue and profit to increase through the steady execution of projects on hand. Order backlog has increased significantly over the past two years.

FY2023 Forecast: Logistics, Thermal & Drive Systems

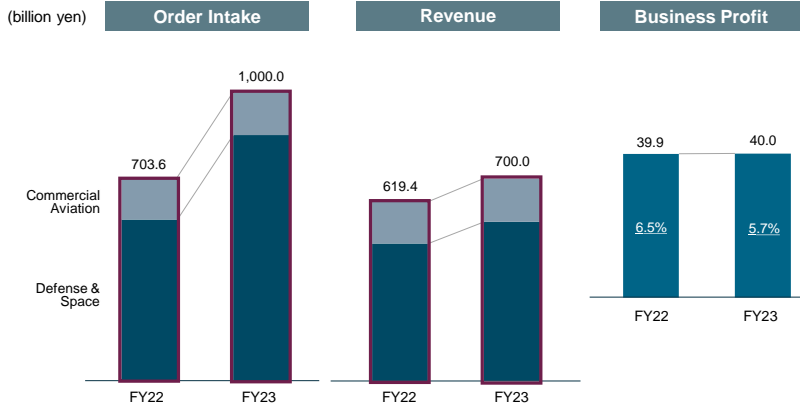


Takeaways

- Logistics Systems, HVAC, and Engines revenues to continue strong performance seen in FY2022.
- Profitability to improve due to benefits of price optimization enjoyed throughout the fiscal year.



FY2023 Forecast: Aircraft, Defense & Space

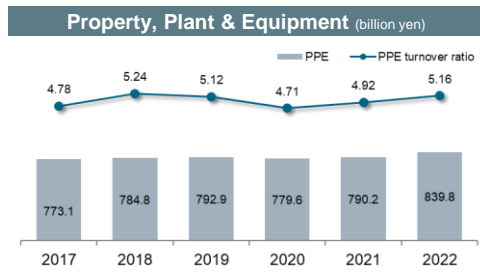
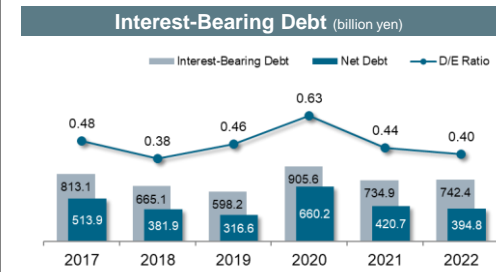
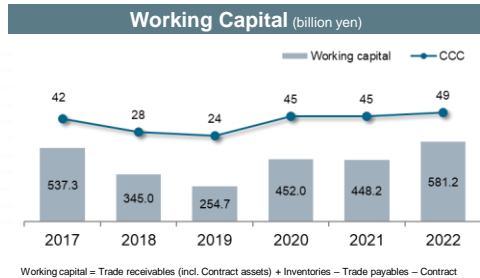
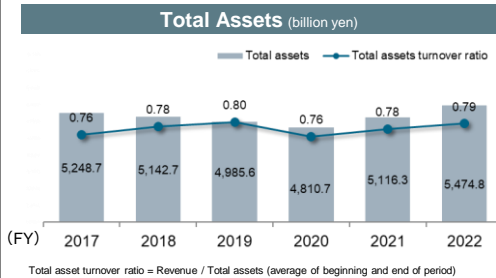


Takeaways

- In FY2023, Defense order intake is expected to increase mainly in missile systems corresponding to increases in the Japanese defense budget planned over the next five years in accordance with the Defense Buildup Program.
- Commercial Aviation to maintain order intake and revenue at the same level as FY2022.

4. Appendix

Appendix: Financial Position



Appendix: Reference Data



Large Frame Gas Turbine Order Intake/ Contract Backlog (units)			Commercial Aviation Deliveries (units)					
	FY2021	FY2022	777	Q1	Q2	Q3	Q4	Total
Americas	5	4	FY2021	5	4	6	5	20
Asia	5	7	FY2022	6	7	7	10	30
EMEA	-	1						
Other Regions	6	4	777X	Q1	Q2	Q3	Q4	Total
Order Intake Total	16	16	FY2021	2	1	1	0	4
Contract Backlog	46	43	FY2022	1	0	0	0	1
			787	Q1	Q2	Q3	Q4	Total
(Reference) Order Intake through China Licensee	FY2021	FY2022	FY2021	14	5	4	2	25
Order Intake	7	27	FY2022	5	7	8	5	25

Appendix: Reference Data



(billion yen)				
R&D Expenses, Depreciation & Amortization, and Capital Expenditures	FY2020	FY2021	FY2022	FY2023 Forecast
R&D Expenses	125.7	113.6	127.4	150.0
Depreciation & Amortization	139.2	132.1	137.8	140.0
Capital Expenditures	125.5	122.8	150.7	180.0

(billion yen)				
Cash Flows	FY2020	FY2021	FY2022	FY2023 Forecast
Operating Cash Flow	-94.9	285.5	80.8	-
Investing Cash Flow	-182.2	16.3	-45.5	-
Free Cash Flow	-277.1	301.8	35.3	-100.0
Financing Cash Flow	221.7	-255.7	-18.9	-

Interest-Bearing Debt and D/E Ratio	FY2020	FY2021	FY2022	FY2023 Forecast
Interest-Bearing Debt Balance (billion yen)	905.6	734.9	742.4	850.0
D/E Ratio	0.63	0.44	0.40	0.4

USD Exchange Rates	FY2020	FY2021	FY2022	FY2023 Forecast
Avg. Rate used for Revenue Recognition	106.3	111.6	134.9	130
(Reference) March 31 Rate	110.7	122.4	133.5	-

Appendix: Reference Data



(billion yen)

Order Backlog	FY20 End	FY21 End	FY22 End
Energy Systems	3,228.0	3,114.4	3,325.6
Plants & Infrastructure Systems	988.3	1,243.4	1,509.2
Logistics, Thermal & Drive Systems	36.5	43.2	54.8
Aircraft, Defense & Space	892.8	1,087.1	1,171.8
Total	5,146.1	5,488.5	6,061.8

FY2022 Revenue by Segment and Region

	Japan		APAC (excl. Japan)	Americas	EMEA
Energy Systems	757.0 (44%)		301.1 (17%)	454.4 (26%)	226.1 (13%)
Plants & Infrastructure Systems	318.4 (47%)	164.1 (24%)	117.9 (18%)	75.1 (11%)	
Logistics, Thermal & Drive Systems	318.6 (26%)	299.1 (25%)	331.1 (28%)	254.8 (21%)	
Aircraft, Defense & Space	449.6 (73%)	1.0 (0%)	164.7 (26%)	3.9 (1%)	

(billion yen)

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