






MITSUBI E&S

Mitsui E&S Holdings Co., Ltd.




2018/06(181Q) Financial Results
8th August, 2018

2018/06(181Q) Summary

Financial Summary

- ◆ New Orders **134.6** Billion JPY 
 - ✓ Strong Diesel, Subsidiary New Ship 4(Cons.)
- ◆ Gross Revenue **152.9** Billion JPY 
 - ✓ Proceeding according to plan
- ◆ Ordinary Income **3.0** Billion JPY 
 - ✓ Project with problem have been completed and steady in FY 2018

2018 Forecast

- ◆ New Orders **900.0-1,100.0** Billion JPY 
- ◆ Gross Revenue **670.0** Billion JPY 
- ◆ Ordinary Income **20.0** Billion JPY 
 - ✓ MODEC has announced upward revision

181Q Topics

- ◆ Business Cooperation Agreement with TSUNEISHI Shipbuilding.
- ◆ Achieved Cumulative production of 100M horsepower diesel engine
- ◆ Awarded the Crane in Indonesia
- ◆ Completed the wind power station in Inami (Wakayama Pref.)

2018/06(181Q) Financial Summary

(JPY : Billion)

New Orders **134.6**  Gross Revenue **152.9**  Ordinary Income **3.0** 

(JPY : Billion)

	2017/06 (171Q)	2018/06 (181Q)	Var.
New Orders	107.4	134.6	+27.2
Gross Revenue	162.2	152.9	▲9.3
Operating Income	▲9.9	1.1	+11.0
(OP rate)	(▲6.1%)	(0.7%)	(+6.8)
Ordinary Income	▲7.0	3.0	+10.0
(OD rate)	(▲4.3%)	(2.0%)	(+6.3)
Profit attributable to owners	▲10.1	0.5	+10.6

2018/06(181Q) Financial Summary by Segment

(JPY : Billion)

	New Orders			Gross Revenue			Operating Income			Ordinary Income
	171Q	181Q	Var.	171Q	181Q	Var.	171Q	181Q	Var.	181Q (*Note)
Ship	7.7	13.6	+5.9	29.0	22.6	▲6.4	▲2.6	▲0.8	+1.8	▲0.5
Ocean Development	33.1	30.0	▲3.1	50.2	46.9	▲3.3	2.3	1.4	▲0.9	2.5
Machinery	30.7	54.2	+23.5	38.3	43.7	+5.4	3.0	1.4	▲1.6	1.7
Engineering	15.8	23.4	+7.6	27.7	22.2	▲5.5	▲12.9	▲1.1	+11.8	▲1.0
Other	20.2	13.4	▲6.8	17.0	17.5	+0.5	0.3	0.2	▲0.1	0.2
Total	107.4	134.6	+27.2	162.2	152.9	▲9.3	▲9.9	1.1	+11.0	3.0

(*Note) No audited

2019/03 Forecast Summary

(JPY : Billion)

	Initial Forecast	18/08 Forecast	Var.
New Orders	900.0~ 1100.0	900.0~ 1100.0	0
Gross Revenue	670.0	670.0	0
Operating Income	10.0	12.0	+2.0
Ordinary Income	18.0	20.0	+2.0
Profit attributable to owners	4.0	5.0	+1.0

※2018/03 Initial Forecast Rate US\$/Yen 105

※Effect to foreign exchange rates by currency on operating profit
1 yen per US\$ corresponds to 0.4 billion yen.

2019/03 Forecast by Segment

(JPY : Billion)

	New Orders	Gross Revenue	Operating Income	Ordinary Income
Ship	110.0	90.0	▲9.0	▲9.0
Ocean Development	400.0~ 600.0	220.0	12.0	20.0
Machinery	170.0	180.0	7.0	8.0
Engineering	120.0	80.0	▲3.0	▲3.0
Other	100	100.0	5.0	4.0
Total	900.0~ 1100.0	670.0	12.0	20.0

181Q Topics



Mitsui E&S Shipbuilding Signs Business Cooperation Agreement with TSUNEISHI Shipbuilding in the Commercial Ship Business Area in May

The details of the Cooperation agreement are as follows.

1. Joint research and development,
2. 2. Technical collaboration in design and manufacturing,
3. Mutual cooperation in procurement activities,
4. Mutual utilization of manufacturing facilities,
5. Personnel exchanges,
6. Effective utilization of human and technological resources

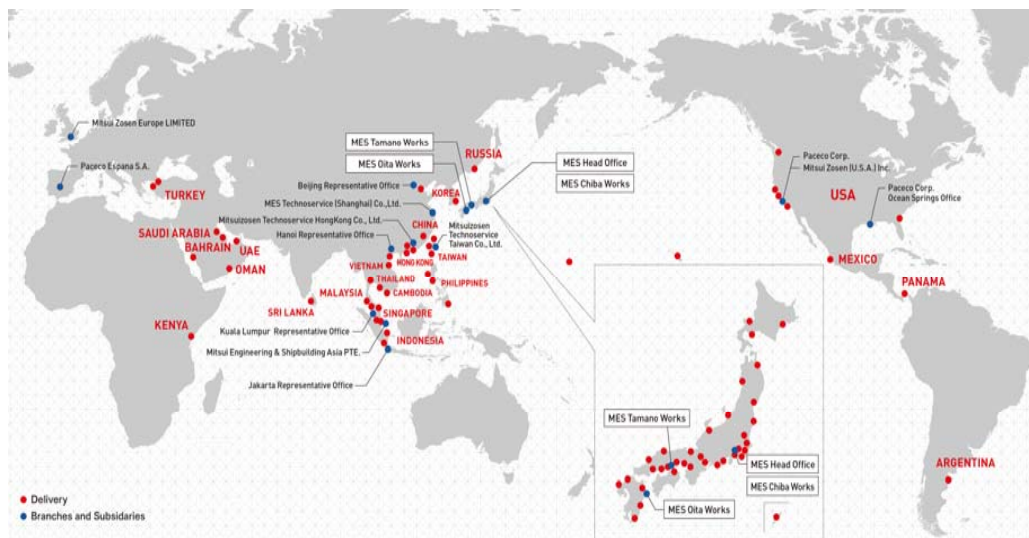
Achieved cumulative total of the production of 100 million horsepower as Mitsui-MAN B&W diesel Engine in June

In 1926 we signed a technical alliance with B&W Inc. in Denmark (present: MAN Energy Solutions Company) for diesel engines. After 90 years since the production of First Unit were made in 1928, in June 2018, we achieved a cumulative total of the production of 100 million horsepower on the 6,555th machine.



Machine of 100M horsepower(11S90ME-C10.5)

181Q Topics



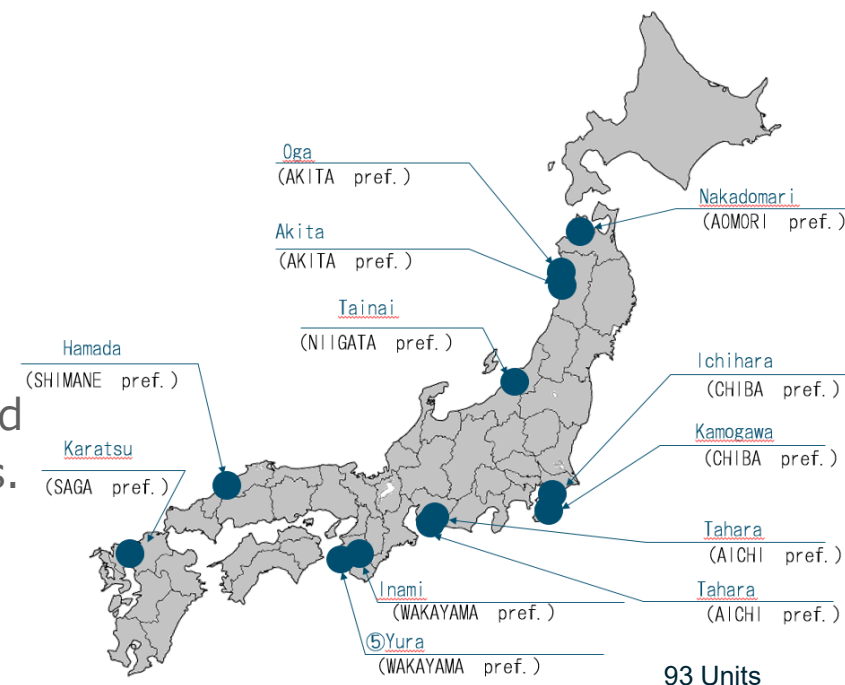
More than Portainer 370 Units Transtainer 1300 Units

Awarded the Container Handling Crane in Indonesia in June

We awarded the 4 Units of Portainer® in Indonesia. We regard the Southeast Asia region as an important market. We will continue to receive orders in the Philippines, Vietnam, Cambodia, Indonesia etc. based on the abundant delivery record in Malaysia.

Completed the wind power station in Inami (Wakayama Pref.) in May

This wind power station was constructed from January 2016, which took about 29 months (about 2 years and 5 months), and 13 units of 2,000 kW type wind turbines were installed. In the future, we will aim for not only wind power plants on land but also offshore wind power plants.



Appendix) 2018/06 Summary of Income Statement

(JPY : Billion)

	2017/06	2018/06	Var.
Gross Revenue	162.2	152.9	▲9.3
Gross Profit	3.2	13.9	+10.7
SG&A	13.1	12.8	▲0.3
Operation Income	▲9.9	1.1	+11.0
Other Income	4.7	3.8	▲0.9
Other Expenses	1.8	1.9	+0.1
Ordinary Income	▲7.0	3.0	+10.0
Extraordinary Gains	1.0	0	▲1.0
Extraordinary Losses	0.4	0.4	0
Profit Before Taxes	▲6.4	2.7	+9.1
Income Taxes	2.6	1.6	▲1.0
Non-Controlling Interest	1.1	0.6	▲0.5
Profit attributable to owners of parent	▲10.1	0.5	+10.6

Appendix) 2018/06 Summary of Income Statement

(JPY : Billion)

	2018/03	2018/06	Var.
Total Assets	1,029.2	976.0	▲53.2
(Cash)	93.7	106.0	+12.3
(Receivables)	243.8	215.4	▲28.4
(Fixed Assets)	382.3	379.8	▲2.5
Total Liabilities	672.4	626.5	▲45.9
(Advances by Customers)	56.9	55.5	▲1.4
(Provision for losses on construction contracts)	10.3	9.8	▲0.5
(Debt (with interest))	255.3	239.4	▲15.9
Net Assets	356.8	349.5	▲7.3
(Own capital)	239.2	234.4	▲4.8

Capital-to-asset ratio	23.2%	24.0%
D/E ratio	1.1	1.0

Appendix) New Ship・Marine Diesel Engine

New Ship (Mitsui E&S Shipbuilding)

From April, 2018 to June, 2018

	New Orders	Deliveries	Backlogs
Commercial Ship	2	3	19
Government Ship・ Other Ship		-	6
Total	2	3	25

Marine Diesel Engines (Mitsui E&S Machinery)

	From April, 2017 to March, 2018		From April, 2018 to June, 2018	
	Unit	House Power (10Kps)	Unit	House Power (10Kps)
New Orders	13	22	49	92
Deliveries	33	144	46	123
Back logs	119	354	136	320
Production	39	99	39	98



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Disclaimer

In this document, forward-looking statements, targets, plans, strategies, etc. of the Company contain forward-looking statements. These are forecasts that the Company rationally determined based on information that can be grasped at the present time and include known and unknown risks and uncertainties. Accordingly, there is a possibility that actual results or developments of our company in the future may be significantly different.

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