

Mitsui Engineering &amp; Shipbuilding Co., Ltd. and its Consolidated Subsidiaries

**CONSOLIDATED FINANCIAL RESULTS FOR FY2003**
*For the years ended March 31, 2004 and 2003*

(Millions of yen)

	<b>FY2003</b>	FY2002	Change (%)
Orders Received	593,096	413,081	43.6
Net Sales	476,196	470,827	1.1
Operating Income (Loss)	18,475	25,396	(27.2)
Ordinary Income (Loss)	14,042	19,740	(28.9)
Net Income (Loss)	7,875	4,921	60.0
Net Income (Loss) per Share (Yen)	9.48	5.92	-
Total Assets	606,378	603,317	0.5
Shareholders' Equity	124,289	106,812	16.4
Shareholders' Equity to Total Assets	20.5 %	17.7 %	-
Operating Cash Flow	34,124	9,885	245.2
Investing Cash Flow	(7,625)	(6,517)	-
Financing Cash Flow	(15,734)	(15,127)	-

Note: This consolidated financials results has been prepared in accordance with Japanese accounting standards and Japanese law.

**Orders Received by Industry Segment**

(Millions of yen)

	<b>FY2003</b>	FY2002	Difference
Ships	278,000 (46.9%)	148,341 (35.9%)	129,659
Steel structures/construction	28,848 (4.9%)	50,336 (12.2%)	(21,488)
Machinery	187,025 (31.5%)	136,921 (33.1%)	50,104
Plants	65,216 (11.0%)	43,921 (10.6%)	21,295
Others	34,006 (5.7%)	33,561 (8.2%)	445
Total	593,096 (100%)	413,081 (100%)	180,015

**Sales by Industry Segment**

(Millions of yen)

	<b>FY2003</b>	FY2002	Difference
Ships	197,561 (41.5%)	144,191 (30.6%)	53,370
Steel structures/construction	40,586 (8.5%)	74,726 (15.9%)	(34,140)
Machinery	156,451 (32.9%)	132,235 (28.1%)	24,216
Plants	48,636 (10.2%)	85,805 (18.2%)	(37,169)
Others	32,960 (6.9%)	33,869 (7.2%)	(909)
<b>Total</b>	<b>476,196</b> <b>(100%)</b>	<b>470,827</b> <b>(100%)</b>	<b>5,369</b>

**Operating Income (Loss) by Industry Segment**

(Millions of yen)

	<b>FY2003</b>	FY2002	Difference
Ships	11,344	13,991	(2,647)
Steel structures/construction	779	4,134	(3,355)
Machinery	5,338	5,181	157
Plants	(493)	(1,057)	564
Others	1,504	3,126	(1,622)
<b>Total</b>	<b>18,475</b>	<b>25,396</b>	<b>(6,921)</b>

**Forecast of Financial Results for FY2004**

(Millions of yen)

	Net Sales	Ordinary Income	Net Income
Year ending March 31, 2005	510,000	15,000	6,000

Reference: Estimated assuming USD 1=JPY 110 as currency exchange rate