

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

**CONSOLIDATED FINANCIAL RESULTS FOR FY2005**
*For the years ended March 31, 2006 and 2005*

(Millions of yen)

	<b>FY2005</b>	FY2004	Change (%)
Orders Received	838,259	636,173	31.8
Net Sales	568,484	516,483	10.1
Operating Income (Loss)	9,836	15,951	(38.3)
Ordinary Income (Loss)	12,566	14,034	(10.5)
Net Income (Loss)	5,671	5,267	7.7
Net Income (Loss) per Share (Yen)	6.83	6.34	-
Total Assets	706,310	638,459	10.6
Shareholders' Equity	120,821	124,596	(3.0)
Shareholders' Equity to Total Assets	17.1 %	19.5 %	-
Operating Cash Flow	37,454	34,284	9.2
Investing Cash Flow(Loss)	(19,574)	(22,735)	-
Financing Cash Flow(Loss)	(3,095)	(1,012)	-

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>FY2005</b>	FY2004	Difference
Ships	376,924 (45.0%)	245,649 (38.6%)	131,275
Steel structures/construction	50,454 (6.0%)	52,779 (8.3%)	(2,325)
Machinery	224,098 (26.7%)	224,369 (35.3%)	(271)
Plants	150,580 (18.0%)	59,427 (9.3%)	91,153
Others	36,201 (4.3%)	53,946 (8.5%)	(17,745)
Total	838,259 (100%)	636,173 (100%)	202,086

**Sales by Industry Segment**

(Millions of yen)

	<b>FY2005</b>	FY2004	Difference
Ships	189,975 (33.4%)	166,400 (32.2%)	23,575
Steel structures/construction	53,700 (9.4%)	55,294 (10.7%)	(1,594)
Machinery	220,577 (38.8%)	198,363 (38.4%)	22,214
Plants	61,220 (10.8%)	58,930 (11.4%)	2,290
Others	43,011 (7.6%)	37,495 (7.3%)	5,516
<b>Total</b>	<b>568,484 (100%)</b>	<b>516,483 (100%)</b>	<b>52,001</b>

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

(Millions of yen)

	<b>FY2005</b>	FY2004	Difference
Ships	(2,663)	4,010	(6,673)
Steel structures/construction	2,036	(76)	2,112
Machinery	8,027	7,597	430
Plants	1,100	2,674	(1,574)
Others	1,341	1,747	(406)
<b>Total</b>	<b>9,836</b>	<b>15,951</b>	<b>(6,115)</b>

**Forecast of Financial Results for FY2006**

(Millions of yen)

	Net Sales	Ordinary Income	Net Income
Year ending March 31, 2005	620,000	16,000	8,000

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