

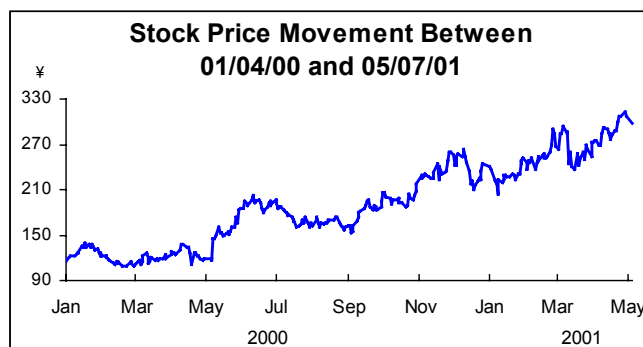
### Profile

Ishikawajima-Harima Heavy Industries Co. Ltd. (IHI) is one of Japan's leading heavy machinery manufacturers, providing technology-oriented products and services to the nation's industrial, private and public sectors. IHI researches, consults, engineers, manufactures and supplies a range of machinery, equipment, plants, structures, ships and offshore facilities. IHI and its group of companies actively promote the selection and development of business to improve profitability in such fields as manufacturing, energy production, marine transportation, distribution and aerospace and environmental technologies. IHI is a national leader in the production of jet aircraft engines. IHI collaborates with Toshiba Corporation in the building of power plants, especially nuclear power plants.

### Market Data

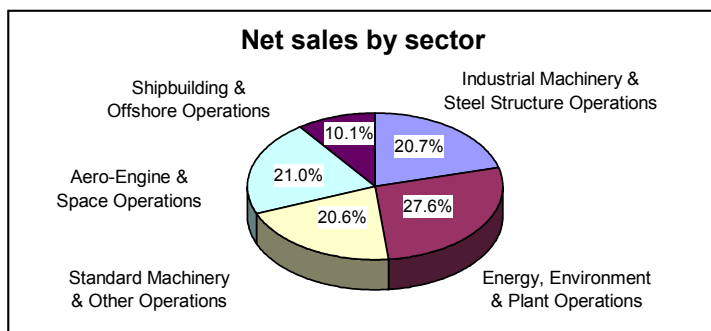
#### Market Data (as of May 7, 2001)

Price per share:	¥ 298
52-week high:	¥ 313
52-week low:	¥ 117
Total shares outstanding:	1,298.5mn
Market cap:	¥ 386,953mn



### Financial Highlights for FY2000 (YoY)

- Net sales increased by ¥ 119,754mn to ¥ 1,114,817mn.
- Operating income increased by ¥ 45,772mn to ¥ 39,947mn.
- Ordinary income increased by ¥ 36,612mn to ¥ 28,055mn.
- Net income increased by ¥ 88,203mn to ¥ 9,205mn.
- Fully diluted EPS increased by ¥ 67.92 to ¥ 7.09.
- ROE was 5.1% for FY2000.



### Operating Income by Sector

	¥mn	
	2000/03	2001/03
Industrial Machinery & Steel Structure Operations	△11,919	△819
Energy, Environment & Plant Operations	△7,345	21,291
Standard Machinery & Other Operations	8,060	7,372
Aero-Engine & Space Operations	10,478	8,030
Shipbuilding & Offshore Operations	△5,428	4,356
Elimination & Corporate	329	△283
<b>Total</b>	<b>△5,825</b>	<b>39,947</b>

### Cash-Flows

	¥mn	
	2000/03	2001/03
Operating Activities	27,537	22,611
Investing Activities	△30,489	△60,613
Financing Activities	40,669	40,281
Cash and cash equivalents, end of year	119,092	122,391

### Key Strengths

- **Abundant capital:** an excellent financial standing that is indispensable for restructuring
- **Aero-engine and space operations:** medium-term growth potential and high profitability, especially in jet-engine maintenance where IHI dominates the market

### Business Strategy

#### Target for FY2003

	Consolidated
ROIC*	5%
Interest-bearing liabilities	¥ 450bn

\* Return on Invested Capital

= (Operating income + interest income and dividend received) after tax / (shareholders' equity + interest-bearing liabilities)

