

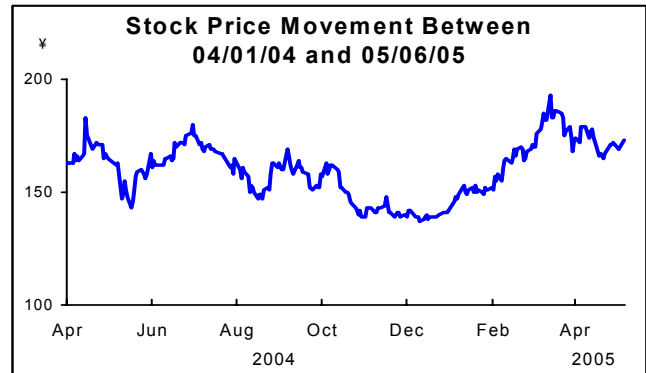
Company Fact Sheet for Year ended March 31, 2005

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.

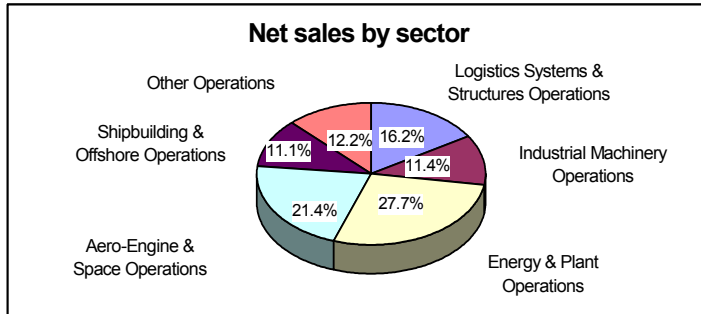
Market Data

Market Data (as of May 6, 2005)	
Price per share:	¥ 173
52-week high:	¥ 193
52-week low:	¥ 137
Total shares outstanding:	1,298.5 mn
Market cap:	¥ 224,639 mn



Financial Highlights for Year ended March 31, 2005 (YoY)

- Net sales increased by ¥ 41,606mn to ¥ 1,089,047mn.
- Operating income increased by ¥ 33,849mn to ¥ 10,619mn.
- Ordinary income increased by ¥ 46,739mn to ¥ 4,273mn.
- Net income increased by ¥ 40,534mn to ¥ 2,180mn.
- Fully diluted EPS increased by ¥ 31.23 to ¥ 1.56.



Operating Income by Sector

	¥mn	
	2004/03	2005/03
Logistics Systems & Structures Operations	2,325	(3,184)
Industrial Machinery Operations	(3,802)	2,092
Energy & Plant Operations	(19,726)	6,757
Aero-Engine & Space Operations	9,343	13,012
Shipbuilding & Offshore Operations	(20,735)	(13,553)
Other Operations	8,765	4,918
Elimination & Corporate	600	577
Total	(23,230)	10,619

Cash-Flows

	¥mn	
	2004/03	2005/3
Operating Activities	36,184	(4,408)
Investing Activities	39,427	(4,100)
Financing Activities	(36,853)	24,654
Cash and cash equivalents, end of year	122,738	139,811

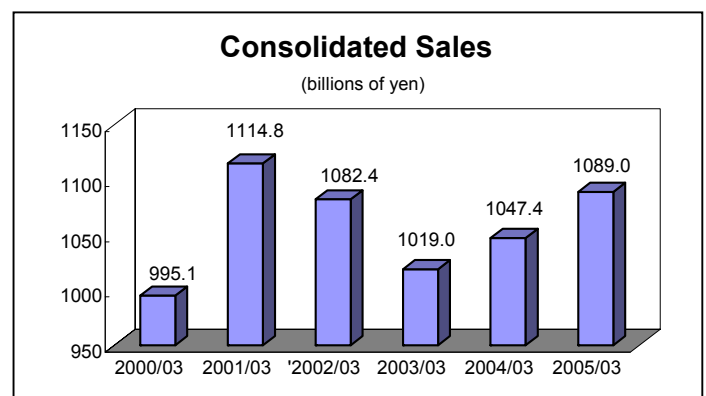
Key Strengths

- **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 Year ended March 31, 2007

	Consolidated
Net Sales	¥ 1,150bn
Ordinary Income	¥ 35bn



Company Fact Sheet for Year ended March 31, 2005**Foundation for V-shaped recovery in business performance**

- Year ended March 31, 2006: Achieve retained earnings sufficient to promote expansion of business.
Year ended March 31, 2007: Achieve the target for ordinary income of "JPY 35 billion" to put the company back on a growth track.

Rebuilding of Shipbuilding & Offshore Operations

- Rebuilding system of production and improvement of production capacity
- Profitability improvement by repair business strengthening
- Expansion of engineering business and strengthening of group management

Other Growth Strategies

- Aircraft Engines: Further strengthening and expansion of repair and maintenance business for commercial aircraft engines; careful focus on reducing the costs of parts manufacture; expand on supply.
- Energy Solutions: To strengthen the company's capabilities in the solution business area in the diversified market for electric power supply, improve competitiveness and strive for business growth including gas and diesel engines.
- Auto Turbochargers: Increase production with joint venture companies located in Europe, China, Thailand and the United States to make these enterprises more competitive; improve the company's business on a global basis.

Recent Events

- IHI is slated to participate in the project led by General Electric (GE) of the US for the development of an engine for Boeing, the US aerospace company's next flagship passenger aircraft. IHI will assume fifteen percent of the overall development cost, the greatest contribution it has ever made, surpassing the nine percent contribution when it participated in the development of Boeing B777 engine. Through its involvement in the project, IHI expects to generate one trillion yen in sales over twenty years including maintenance work.
- IHI has received an increasing number of orders for its LNG storage tanks and LNG receiving terminals in Qatar and the US. IHI continues its ongoing efforts to expand its market share in the LNG tanks market.
- IHI signed a business collaboration agreement with VAI on the rolling mills business. Based on the agreement, IHI will establish a wholly-owned subsidiary IHI METALTECH Co., Ltd. (IHIMT) effective May 20, 2005, to work more closely with VAI and seek greater efficiency in business operations.
- IHI is currently making progress in consolidating its domestic plants of its Aero-Engine and Space Operations. Of the four domestic plants including Tanashi and Soma plants, it is considering closing the Tanashi plant with aging facilities and further strengthening production capacity of the Soma plant, at which it plans to increase production.
- To optimize the Group's overall management resources and thoroughly ensure speedy business management, IHI and its subsidiary IUK have decided to transfer the former's Material Handling Systems Operations and Parking Systems Operations to the latter effective October 1, 2005.

Investor Relations Contacts

Ishikawajima-Harima Heavy Industries Co., Ltd.
Yoshiaki Yamada
Manager
Investor Relations Division
E-mail: yoshiaki_yamada@ihi.co.jp
Tel: 81-3-3244-5342
Fax: 81-3-3244-5139

Corporate Headquarters:
Shin-Ohtemachi Bldg.
2-1, Ohtemachi 2-Chome, Chiyoda-Ku,
Tokyo 100-8182, Japan

Company Website: <http://www.ihi.co.jp>

Cautionary Statement

Statements made in this release with respect to IHI's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of IHI. These statements are based on management's assumptions and beliefs in light of the information currently available to it and therefore you should not place undue reliance on them. IHI cautions you that a number of important factors such as general economic conditions and exchange rates could cause actual results to differ materially from those discussed in the forward-looking statements.