

Jan.15, 2008
IHI Corporation
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**<Correction>Concerning partial correction of the released interim
3rd quarter financial summaries for the FY Ending in March 2007**

IHI Corporation submitted the adjusted financial statement of semi-annual securities report (for the period of between April 1, 2006 and September 30, 2006) and annual securities report (for the period of between April 1, 2006 and March 31, 2007) of the 190th FY to the Kanto Local Finance Bureau on December 27, 2007.

In relation to this, as for the descriptions contained in “Consolidated financial report for the nine months ended December 31, 2006” released dated February 2, 2007, we made some corrections as shown in the attachment. We hereby inform you of this. Please note that corrected portions are underlined.



January 15, 2008

CONSOLIDATED FINANCIAL REPORT FOR THE NINE MONTHS ENDED DECEMBER 31, 2006

Ishikawajima-Harima Heavy Industries Co., Ltd. (IHI) is listed on the First Section of the Tokyo Stock Exchange, Osaka Securities Exchange, Nagoya Stock Exchange, Fukuoka Securities Exchange and Sapporo Stock Exchange with the securities code number 7013.

Representative: President and Chief Executive Officer Mototsugu Ito
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This consolidated financial report has been prepared in accordance with Japanese accounting standards and Japanese law. Figures have been rounded off to eliminate amounts less than one million yen.

MATTERS CONCERNING PREPARATION OF QUARTERLY FINANCIAL INFORMATION

(1) Use of simple accounting methods: Yes

Content: The simplified accounting method has been applied to tax expenses and the recording of certain reserves, etc.

(2) Recent changes in consolidated accounting method: Yes

(3) Changes in scope of consolidation and application of the equity method: Yes

Number of consolidated subsidiaries: 84

Newly consolidated companies: 1 Consolidated companies removed: 2

Number of affiliated companies accounted for by the equity method: 25

Newly companies accounted for by the equity method: — Companies accounted for by the equity method removed: —

PERFORMANCE

(1) Business Results

	Net Sales	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change
	(Millions of yen)					
Nine months ended Dec. 31, 2006	¥ 770,169	11.9%	¥ (6,214)	—%	¥ (8,488)	—%
Nine months ended Dec. 31, 2005	688,538	1.7	(3,711)	—	(9,349)	—
Year ended March 31, 2006	1,127,075		21,771		15,908	

(Millions of yen)

	Net Income	Percentage Change	Net Income per Share (Yen)	Diluted Net Income per Share (Yen)
Nine months ended Dec. 31, 2006	¥ (8,678)	—%	¥ (6.67)	¥—
Nine months ended Dec. 31, 2005	(18,044)	—	(13.90)	—
Year ended March 31, 2006	5,283		3.93	—

Note: Percentage changes shown for net sales, operating income and other accounting line items represent the rates of increase and decrease compared with the corresponding period of the previous fiscal year.

Qualitative Data Concerning Business Results

Despite sluggish growth in domestic personal consumption, the Japanese economy experienced a steady recovery during the nine-month period ended December 31, 2006, on the back of increased production and capital expenditure supported by the improvement in corporate earnings. Overseas, the European and Asian economies staged expansion while the U.S. economy also underwent a soft recovery.

Under these conditions, consolidated net sales for the nine-month period ended December 31, 2006 rose 11.9% compared with the corresponding period of the previous year to ¥770.1 billion. On the earnings front, the Company recorded operating loss of ¥6.2 billion, ordinary loss of ¥8.4 billion and a net loss of ¥8.6 billion.

The completion and delivery of the IHI Group's projects, such as government projects, are concentrated in the fourth quarter.

(2) Financial Position

(Millions of yen, except per share figures)

	Total Assets	Net Assets	Shareholders' Equity to Total Assets (%)	Net Assets per Share of Common Stock (Yen)
Dec. 31, 2006	¥1,544,709	¥171,810	10.2%	¥120.62
Dec. 31, 2005	1,456,838	152,917	10.5	117.79
March 31, 2006	1,461,796	169,237	11.6	130.36

Note: Data for the nine months ended December 31, 2006 and the year ended March 31, 2006, previously presented as "shareholders' equity" and "shareholders' equity per share of common stock" are shown as "net assets" and "net assets per share of common stock," respectively.