



November 2, 2007
(Consolidated)

KAWASAKI HEAVY INDUSTRIES, LTD. AND CONSOLIDATED SUBSIDIARIES FLASH CONSOLIDATED FINANCIAL RESULTS

Operating results

	Six months ended		Change	Thousands of
	Sep. 30, 2007	Sep. 30, 2006		U.S. dollars
				Six months ended
				Sep. 30, 2007
Net sales	699,540	645,852	+8%	\$ 6,060,296
Operating income	39,050	25,562	+53%	338,300
Net income	19,878	11,414	+74%	172,208
Earnings per share (Yen)	11.9	7.3		

Financial condition

	Total assets		
As of September 30, 2007	1,322,779	317,627	24%
As of March 31, 2007	1,357,980	295,378	21%
As of September 30, 2007	\$ 11,459,577	\$ 2,751,685	
As of September 30, 2007	186.9	1,668,757	
As of March 31, 2007	175.0	1,659,415	
As of September 30, 2007	\$ 1.62		

Cash flows

	Millions of yen		Thousands of
	Six months ended	Six months ended	U.S. dollars
	Sep. 30, 2007	Sep. 30, 2006	Six months ended
			Sep. 30, 2006
Operating activities	24,010	-10,767	\$ 208,005
Investing activities	-20,190	-26,735	-174,911
Financing activities	-20,801	24,772	-180,204
Cash and cash equivalents at end of year	22,819	24,894	197,687

Fiscal year forecast

	Millions of yen	
One year ending March 31, 2008	\	\

(Consolidated)

Segment information

(a) Information by industry segment

	External sales	Intersegment sales	Total sales	Operating expenses	Operating income (loss)
Shipbuilding	77,480	932	78,412	76,111	2,301
Rolling Stock					

(Consolidated)

(b) Information by geographic area

Six months ended Sep

(Consolidated)

Net sales, orders and order backlog by industry segment

For six months ended September 30, 2007 and 2006

	Millions of yen				% Change	Thousands of	
	Six months ended		Six months ended			Six months ended	
	Sep. 30, 2007		Sep. 30, 2006			Sep. 30, 2007	
Net sales :							
Shipbuilding	77,480	(11%)	\	42,107	(7%)	+84%	\$ 671,229
Rolling Stock							
& Construction Machinery	70,244	(10%)		86,925	(13%)	-19%	608,542
Aerospace	118,247	(17%)		114,452	(18%)	+3%	1,024,404
Gas Turbines & Machinery	84,289	(12%)		80,509	(13%)	+5%	730,217
Plant & Infrastructure Engineering	49,647	(7%)		52,114	(8%)	-5%	430,105
Consumer products & Machinery	212,512	(30%)		189,928	(29%)	+12%	1,841,047
Other	87,121	(13%)		79,817	(12%)	+9%	754,752
Total	699,540	(100%)	\	645,852	(100%)	+8%	\$ 6,060,296
Orders :							
Shipbuilding	85,631	(12%)	\	69,507	(9%)	+23%	\$ 741,844
Rolling Stock							
& Construction Machinery	121,605	(17%)		156,102	(20%)	-22%	1,053,496
Aerospace	73,726	(10%)		70,175	(9%)	+5%	638,707
Gas Turbines & Machinery	93,527	(13%)		99,313	(13%)	-6%	810,249
Plant & Infrastructure Engineering	41,557	(6%)		95,093	(13%)	-56%	360,019
Consumer products & Machinery	212,512	(29%)		189,928	(25%)	+12%	1,841,047
Other	96,278	(13%)		83,726	(11%)	+15%	834,080
Total	724,836	(100%)	\	763,844	(100%)	-5%	\$ 6,279,442

	Millions of yen				% Change	Thousands of	
	As of		As of			As of	
	Sep. 30, 2007		Mar. 31, 2007			Sep. 30, 2007	
Order backlog :							
Shipbuilding	320,643	(22%)	\	313,987	(21%)	+2%	\$ 2,777,813
Rolling Stock							
& Construction Machinery	492,077	(33%)		434,419	(29%)	+13%	4,262,991
Aerospace	241,623	(16%)		286,699	(20%)	-16%	2,093,243
Gas Turbines & Machinery	224,028	(15%)		216,886	(15%)	+3%	1,940,813
Plant & Infrastructure Engineering	163,996	(11%)		172,255	(12%)	-5%	1,420,740
Consumer products & Machinery	-	(- %)		-	(- %)	-%	-
Other	50,066	(3%)		40,909	(3%)	+22%	433,734
Total	1,492,433	(100%)	\	1,465,155	(100%)	+2%	\$ 12,929,334