



January 30, 2009 (Consolidated)

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

For nine months ended December 31, 2008 and 2007 and one year ended March 31, 2008

Operating results					7	Thousands of	
. 8		Millions	of ve	:n	U.S. dollars		
Net sales Operating income Net income Earnings per share (Yen)		e months ended Dec. 31, 2008	Nine months ended Dec. 31, 2007			Nine months ended Dec. 31, 2008	
		954,963 14,707 7,460 4.5	\	1,051,155 53,771 28,962 17.4	\$	10,492,946 161,598 81,969	
Financial condition	Mi	llions of yen / Thou	usand	ds of U.S. dollars			
	_	Total assets		Net assets		Ratio of net assets to total assets	
As of December 31, 2008 As of March 31, 2008		1,425,028 1,378,770	\	303,362 319,038	<u></u>	21% 23%	
As of December 31, 2008	\$	15,657,928	\$	3,333,282			
	Υe	en / U.S. dollars	Thousand shares				
		Net assets	Νι	umber of shares			
		per share	iss	ued and outstanding			
As of December 31, 2008 As of March 31, 2008 As of December 31, 2008		178.2 187.7 1.96		1,668,255 1,668,305			
	,						
Cash flows			Th	ousands of			
		Millions of yen		U.S. dollars			
	Nin	e months ended Dec. 31, 2008		Nine months ended Dec. 31, 2008			
Operating activities Investing activities Financing activities Cash and cash equivalents at end of term	\	-73,215 -46,886 135,384 51,586	\$	-804,472 -515,174 1,487,573 566,817			
Fiscal year forecast		Millions					
		Net sales		Net income			
One year ending March 31, 2009	\	1,330,000	\	11,000			

			n hand a	nd in banks s allowance 11,096,418		0	52,051 343,061	\	39,875 433,155	\$	571,926 3,769,487	
1 88 8 52 1 03 028	\	79,675 259,927 56,886 1,378,770	\$	760,224 3,074,959 726,327 15,657,928								
		Liabilitie Current I Short-te	iabilities									
		and cu	irrent po	rtion of long-term debt	t 19 5 A A A Mapjad B (É	O 5,669)0 2. 9	241,198 300 (1993) (1994)	<u>\</u> Ö(1 K)}/(8 	137,681 ∮ 134,4)(≸,⊜b7	\$ '4 '5盟<u>(</u>理)	2,650,236 (Agd Y(A4YE) (E	74 2的使现 外5 间 等
		and cu	irrent po	rtion of long-term deb	t 19 5A 系型物資 合出 與	0 5,86 ģi rz ē 	241,198 1994 (1994) (1994)	 Ö(1 ji) ji eg	137,681 第四4以優Bb7	\$ 4 1689	2,650,236 (A) gd Y (A) 4 Y (B) (E	:74 XIPMEN ETYS ER V有
		and cu	irrent po	rtion of long-term deb	t 19 5A ⊼ ∰Mp∯edβ¢f	O 5. 180) 1992 (5. 180 	241,198 168 (1692) (1694)	<u></u>	137,681 第四4以译译b7	\$ 4 89(3)	2,650,236 Agdya44	:74 % 即在 第676 年

Condensed Consolidated Statements of Income

For nine months ended December 31, 2008 and 2007

For time months ended December 31, 2008 di	Millions of yen					Thousands of U.S. dollars	
	Nine months ended Dec. 31, 2008			months ended		Nine months ended Dec. 31, 2008	
				ec. 31, 2007	Change		
Net sales	0	954,963	\	1,051,155	-9%	\$	10,492,946
Cost of sales		819,889		878,853			9,008,779
Gross profit	<u>-</u>	135,074		172,302			1,484,167
Selling, general and administrative expenses		120,367		118,531			1,322,569
Operating income		14,707		53,771	-73%		161,598
Other income (expenses):							
Interest and dividend income		3,561		3,882			39, 128
Equity in income of unconsolidated							
subsidiaries and affiliates		6,513		4,384			71,564
Interest expense		(4,965)		(6,032)			(54,554)
Other, net		(2,808)		(9,949)			(30,855)
Income before income taxes and							
minority interests		17,008		46,056	-63%		186,881
Income taxes		(8,390)		(16,244)			(92, 188)
Minority interests in net income of							
consolidated subsidiaries		(1,158)	(850)				(12,724)
Net income	0	7,460	\	28,962	-74%	\$	81,969

For three months ended December 31, 2008

,	Mil	lions of yen	Thousands of U.S. dollars
		nonths ended	Three months ended
			Dec. 31, 2008
	Dec	2. 31, 2008	
Net sales	0	302,039	\$ 3,318,745
Cost of sales		272,226	2,991,166
Gross profit		29,813	327,579
Selling, general and administrative expenses		39,460	433,578
Operating income	<u>-</u>	(9,647)	(105,999)
Other income (expenses):			
Interest and dividend income		1,059	11,636
Equity in income of unconsolidated			
subsidiaries and affiliates		3,202	35,183
Interest expense		(1,536)	(16,877)
Other, net		(1,623)	(17,833)
Income before income taxes and			
minority interests		(8,545)	(93,890)
Income taxes		4,201	46,159
Minority interests in net income of			
consolidated subsidiaries		(531)	(5,835)
Net income	0	(4,875)	\$ (53,566)

Condensed Consolidated Statements of Cash Flows For nine months ended December 31, 2008

(Consolidated)

			Thousands of		
	Millions of yen Nine months ended Dec. 31, 2008		U.S. dollars		
			Nine months ended		
			De	ec. 31, 2008	
Cash flows from operating activities:					
Income before income taxes and minority interests	\	17,008	\$	186,881	
Adjustments to reconcile net income before income taxes and minority					
interests to net cash provided by operating activities:					
Depreciation and amortization		31,473		345,819	
Increase in assets		(30,054)		(330,227)	
Decrease in liabilities		(68,280)		(750,247)	
Other		(23,362)		(256,698)	
Net cash provided by operating activities	7	(73,215)	\$	(804,472)	
Cash flows from investing activities:					
Acquisition of tangible and intangible assets		(48,674)		(534,820)	
Acquisition of investments in securities		(3,034)		(33,337)	
Other		4,822		52,983	
Net cash used for investing activities	7	(46,886)	\$	(515,174)	
Cash flows from financing activities:					
Increase in short-term borrowings		104,030		1,143,061	
Proceeds from long-term debt		61,508		675,838	
Repayment of long-term debt		(21,491)		(236, 139)	
Other		(8,663)		(95, 187)	
Net cash provided by (used for) financing activities	1	135,384	\$	1,487,573	
Effect of exchange rate changes		(1,866)		(20,503)	
Net decrease in cash and cash equivalents		13,417	<u> </u>	147,424	
Cash and cash equivalents at beginning of year		38,169		419,393	
Increase in cash and cash equivalents					
due to changes in fiscal period of consolidated subsidiaries		-		-	
Cash and cash equivalents at end of year	١	51,586	\$	566,817	

(Consolidated)

Segment information (a) Information by industry segment

Nine months ended December 31, 2008

External Intersegment Total Operating Operating sales sales expenses income

(b) Information by geographic area

(Consolidated)