



January 30, 2009
(Consolidated)

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

Operating results

	Nine months ended		Thousands of
	Dec. 31, 2008	Dec. 31, 2007	U.S. dollars
			Nine months ended Dec. 31, 2008
Net sales	\ 954,963	\ 1,051,155	\$ 10,492,946
Operating income	14,707	53,771	161,598
Net income	7,460	28,962	81,969
Earnings per share (Yen)	4.5	17.4	

Financial condition

	Total assets		
As of December 31, 2008	\ 1,425,028	\ 303,362	21%
As of March 31, 2008	1,378,770	319,038	23%
As of December 31, 2008	\$ 15,657,928	\$ 3,333,282	
As of December 31, 2008	\ 178.2	1,668,255	
As of March 31, 2008	187.7	1,668,305	
As of December 31, 2008	\$ 1.96		

Cash flows

	Millions of yen	Thousands of
	Nine months ended Dec. 31, 2008	U.S. dollars
		Nine months ended Dec. 31, 2008
Operating activities	\ -73,215	\$ -804,472
Investing activities	-46,886	-515,174
Financing activities	135,384	1,487,573
Cash and cash equivalents at end of term	51,586	566,817

Fiscal year forecast

	Millions of yen	
One year ending March 31, 2009	\	\

Condensed Consolidated Statements of Income

For nine months ended December 31, 2008 and 2007

	Millions of yen		Change	Thousands of
	Nine months ended Dec. 31, 2008	Nine months ended Dec. 31, 2007		U.S. dollars
Net sales	O 954,963	1,051,155	-9%	\$ 10,492,946
Cost of sales	819,889	878,853		9,008,779
Gross profit	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	O 7,460	28,962	-74%	\$ 81,969

For three months ended December 31, 2008

	Millions of yen		Change	Thousands of
	Three months ended Dec. 31, 2008	Three months ended Dec. 31, 2007		U.S. dollars
Net sales	O 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	(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	O (4,875)			\$ (53,566)

Condensed Consolidated Statements of Cash Flows

For nine months ended December 31, 2008

(Consolidated)

	Nine months ended Dec. 31, 2008	Thousands of U.S. dollars Nine months ended Dec. 31, 2008
Cash flows from operating activities:		
	\ 17,008	\$ 186,881
	31,473	345,819
	(30,054)	(330,227)
	(68,280)	(750,247)
	(23,362)	(256,698)
Net cash provided by operating activities	<u>\ (73,215)</u>	<u>\$ (804,472)</u>
Cash flows from investing activities:		
	(48,674)	(534,820)
	(3,034)	(33,337)
	4,822	52,983
Net cash used for investing activities	<u>\ (46,886)</u>	<u>\$ (515,174)</u>
Cash flows from financing activities:		
	104,030	1,143,061
	61,508	675,838
	(21,491)	(236,139)
	(8,663)	(95,187)
Net cash provided by (used for) financing activities	<u>\ 135,384</u>	<u>\$ 1,487,573</u>
Effect of exchange rate changes	<u>(1,866)</u>	<u>(20,503)</u>
Net decrease in cash and cash equivalents	<u>13,417</u>	<u>147,424</u>
Cash and cash equivalents at beginning of year	<u>38,169</u>	<u>419,393</u>
Increase in cash and cash equivalents		
due to changes in fiscal period of consolidated subsidiaries	-	-
Cash and cash equivalents at end of year	<u>\ 51,586</u>	<u>\$ 566,817</u>

(Consolidated)

Segment information

(a) Information by industry segment

	Nine months ended December 31, 2008			
External sales	Intersegment sales	Total sales	Operating expenses	Operating income

(b) Information by geographic area

