

(Consolidated)

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

For six months ended September 30, 2009 and 2008 and one year ended March 31, 2009

Operating results

	Millions of yen		Thousands of U.S. dollars Six months ended Sep. 30, 2009
	Six months ended Sep. 30, 2009	Six months ended Sep. 30, 2008	
Net sales	\ 516,053	\ 652,923	\$ 5,720,574
Operating income	(6,167)	24,353	(68,362)
Net income	(6,294)	12,335	(69,770)
Earnings per share (Yen)	(3.7)	7.3	

Financial condition

	Millions of yen / Thousands of U.S. dollars		Ratio of net assets to total assets
	Total assets	Net assets	
As of September 30, 2009	\		

Condensed Consolidated Statements of Income

For six months ended September 30, 2009 and 2008

	Millions of yen		%	Thousands of
	Six months ended Sep.30, 2009	Six months ended Sep.30, 2008		U.S. dollars
				Six months ended Sep.30, 2009
Net sales	\ 516,053	○ 652,923	-21%	\$ 5,720,574
Cost of sales	448,226	547,663		4,968,696
Gross profit	67,827	105,260		751,878
Selling, general and administrative expenses	73,994	80,907		820,240
Operating income (loss)	(6,167)	24,353	-125%	(68,362)
Other income (expenses) :				
Interest and dividend income	2,086	2,501		23,123
Equity in income of unconsolidated subsidiaries and affiliates	2,582	3,310		28,622
Interest expense	(2,848)	(3,428)		(31,570)
Other, net	(2,647)	(1,184)		(29,343)
Income (loss) before income taxes and minority interests	(6,994)	25,552	-127%	(77,530)
Income taxes	1,043	(12,588)		11,561
Minority interests in net income of consolidated subsidiaries	(343)	(629)		(3,801)
Net income (loss)	\ (6,294)	○ 12,335	-151%	\$ (69,770)

Condensed Consolidated Statements of Cash Flows

For six months ended September 30, 2009 and 2008

(Consolidated)

	Millions of yen		Thousands of U.S. dollars	
	Six months ended Sep. 30, 2009	Six months ended Sep. 30, 2008		Six months ended Sep. 30, 2009
Cash flows from operating activities:				
Income (loss) before income taxes and minority interests	\ (6,994)	0	25,552	\$ (77,530)

Segment information
(a) Information by industry segment

(Consolidated)

	External sales	Intersegment sales	Total sales	Operating expenses	Operating income (loss)
Shipbuilding	65,261	857	66,118	64,685	1,433
Rolling Stock	80,142	578	80,720	77,447	3,273
Aerospace	73,322	1,097	74,419	71,773	2,646
Gas Turbines & Machinery	83,446	9,801	93,247	92,609	638
Plant & Infrastructure Engineering	35,745	3,991	39,736	38,638	1,098
Consumer Products & Machiner					

(Consolidated)

(b) Information by geographic area

	Millions of yen Six months ended Sep.30, 2009				
	External sales	Intersegment sales	Total sales	Operating expenses	Operating income (loss)
Japan	\ 392,484	\ 67,195	\ 459,679	\ 466,226	\ (6,547)
North America	66,935	8,532	75,467	77,638	(2,171)
Europe	33,700	888	34,588	33,659	929
Asia	19,299	22,846	42,145	38,808	3,337
Other Areas	3,635	85	3,720	3,670	50
Total	516,053	99,546	615,599	620,001	(4,402)
Eliminations and corporate	-	(99,546)	(99,546)	(97,781)	(1,765)
Consolidated total	\ 516,053	\ -	\ 516,053	\ 522,220	\ (6,167)

	Millions of yen Six months ended Sep.30, 2008				
	External	Intersegment	Total	Operating	Operating

Net sales, orders and order backlog by industry segment

For six months ended September 30, 2009 and 2008 and as of September 30 and March 31, 2009

	Millions of yen			% Change	Thousands of U.S. dollars
	Six months ended Sep. 30, 2009	Six months ended Sep. 30, 2008			Six months ended Sep. 30, 2009
Net sales :					
Shipbuilding	\ 65,261 (12%)	\ 53,734 (8%)	+21%	\$ 723,434	
Rolling Stock	80,142 (16%)	83,678 (13%)	-4%	888,393	
Aerospace	73,322 (14%)	95,290 (15%)	-23%	812,792	
Gas Turbines & Machinery	83,446 (16%)	91,790 (14%)	-9%	925,019	
Plant & Infrastructure Engineering	35,745 (6%)	46,692 (7%)	-23%	396,242	
Consumer products & Machinery	106,252 (21%)	177,621 (27%)	-40%	1,177,829	
Hydraulic Machinery	29,006 (6%)	47,296 (7%)	-38%	321,538	
Other	42,879 (9%)	56,822 (9%)	-24%	475,327	
Total	\ 516,053 (100%)	\ 652,923 (100%)	-20%	\$ 5,720,574	

Orders :					
Shipbuilding	\ 2,728 (1%)	\ 58,443 (8%)	-95%	\$ 30,240	
Rolling Stock	44,584 (11%)	136,098 (19%)	-67%	494,224	
Aerospace	46,545 (12%)	58,366 (8%)	-20%	515,962	
Gas Turbines & Machinery	99,897 (25%)	119,369 (17%)	-16%	1,107,382	
Plant & Infrastructure Engineering	32,532 (8%)	49,032 (7%)	-33%	360,625	
Consumer products & Machinery	106,252 (26%)	177,621 (25%)	-40%	1,177,829	
	27,536 (7%)	55,097 (7%)	-50%	305,243	
	42,955 (10%)	63,240 (9%)	-32%	476,170	
	\ 403,029 (100%)	\ 717,266 (100%)	-43%	\$ 4,467,675	

	Millions of yen			% Change	Thousands of U.S. dollars
	As of Sep. 30, 2009	As of Mar. 31, 2009			As of Sep. 30, 2009
Order backlog :					
Shipbuilding	\ 291,772 (18%)	\ 356,937 (21%)	-18%	\$ 3,234,364	
Rolling Stock	445,329 (28%)	478,565 (28%)	-6%	4,936,581	
Aerospace	254,072 (16%)	286,600 (17%)	-11%	2,816,450	
Gas Turbines & Machinery	405,151 (26%)	360,064 (19%)	12%	4,300,641	
Plant & Infrastructure Engineering	34,984 (3%)	31,163 (2%)	12%	387,809	
Consumer products & Machinery	1,564,001 (100%)	1,699,162 (100%)	-7%	\$ 17,337,335	