

**Notice Concerning Revision of the Forecast for Performance and Dividend Forecast
for the Fiscal Year Ending March 31, 2015**

Kawasaki Heavy Industries, Ltd. (KHI) is announcing today a revision of the forecast for performance and dividend forecast published on July 30, 2014, for the fiscal year ending March 31, 2015, as follows.

Revision of the Forecast for Performance

Revision of the Forecast for Performance for the fiscal year ending March 31, 2015

(Consolidated)

| | Net sales (Mill. yen) | Operating income (Mill. yen) | Recurring Profit (Mill. Yen) | Net income (Mill. yen) | Earnings per share (Yen) |
|--|--------------------------|------------------------------------|------------------------------------|---------------------------|--------------------------------|
| Previous forecast announced on July 30, 2014 (A) | 1,490,000 | 73,000 | 66,000 | 42,500 | 25.42 |

Revised forecast

Revision of the year-end dividend forecast for the fiscal year ending March 31, 2015.

Contents of revision

| | End of Second Quarter | Year End | Annual |
|---|-----------------------|----------|--------|
| Previous forecast announced on July 30, 2014 | ¥3.00 | ¥4.00 | ¥7.00 |
| Revised forecast announced today | | ¥5.00 | ¥8.00 |
| Current year actual | ¥3.00 | | |
| Previous year actual (for the fiscal year ended March 31, 2014) | ¥0.00 | ¥6.00 | ¥6.00 |

Reasons for the Revision

KHI, regarded as a social flagship infrastructure company, has been planning to pay out appropriate profits to the shareholders in cyclical processes to maintain and strengthen under our basic policy of meeting our shareholder's expectation appropriately, conduct our businesses to improve corporate value by implementing performance-related dividend distribution with due considerations to be fulfilled retained earnings. To achieve these targets, we set consolidated dividend payout ratio approximately 30% into the medium and long term basis.

KHI had expected to pay cash dividend ¥4.00 per share for the year ending previously announced on July 30, 2014, however, after taking into consideration of current our business circumstances, such as essential strategic investment for enhancing the corporate value, business performance trends and improvement of financial strength, KHI has decided to increase ¥1.00 per share from prior dividend decision as the year-end dividend forecast.

- End of document-