

KAWASAKI HEAVY INDUSTRIES, LTD. AND CONSOLIDATED SUBSIDIARIES

FLASH CONSOLIDATED FINANCIAL RESULTS

For three months ended June 30, 2015 and 2014 and one year ended March 31, 2015

July 31, 2015
(Consolidated)

Operating results

	Millions of yen		Thousands of U.S. dollars
	Three months ended Jun. 30, 2015	Three months ended Jun. 30, 2014	
Net sales	\ 340,042	\ 304,154	\$ 2,776,306
Operating income	14,819	10,904	120,991
Profit attributable to owners of parent	7,492	5,416	61,169
Earnings per share (Yen)	4.4	3.2	

Financial condition

	Millions of yen / Thousand shares		Thousands of U.S. dollars
	As o		
Total assets	\ 1,707,876	\ 1,662,283	\$ 13,944,121
Net assets	444,768	447,957	3,631,352
Number of shares issued and outstanding	1,670,604	1,670,613	
Equity Ratio	25.1%	25.9%	

Cash flows

	Thousands of U.S. dollars		
Operating activities	\ (67,444)	\ (38,067)	\$ (550,653)
Investing activities	(20,850)	(11,747)	(170,231)
Financing activities	84,381	49,936	688,936
Cash and cash equivalents at end of term	42,865	40,033	349,975

Fiscal year forecast

One year ending March 31, 2016	\ 1,650,000	\ 102,000	\
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Condensed Consolidated Balance Sheets*As of June 30 and March 31, 2015*

	Millions of yen		Thousands of U.S. dollars
	Jun. 30, 2015	Mar. 31, 2015	Jun. 30, 2015
Assets :			
Current assets :			
Cash on hand and in banks	\ 46,744	\ 51,645	\$ 381,645
Receivables, less allowance	432,427	436,831	3,530,592
Inventories	530,197	498,652	4,328,845
Other current assets	102,509	85,934	836,947
Total current assets	1,111,877	1,073,062	9,078,029
Investments and long-term loans less allowance	112,941	110,410	922,119
Net property, plant and equipment	425,105	420,554	3,470,811
Intangible and other assets	57,953	58,257	473,162
Total assets	\ 1,707,876	\ 1,662,283	\$ 13,944,121
Liabilities and net assets :			

Condensed Consolidated Statements of Income

For three months ended June 30, 2015 and 2014

	Millions of yen		Change	Thousands of
	Three months ended Jun.30, 2015	Three months ended Jun.30, 2014		U.S. dollars
Net sales	\ 340,042	\ 304,154	+12%	\$ 2,776,306
Cost of sales	281,226	253,170		2,296,097
Gross profit	58,816	50,984		480,209
Selling, general and administrative expenses	43,997	40,080		359,218
Operating income	14,819	10,904	+36%	120,991
Other income (expenses) :				
Interest and dividend income	295	246		2,408
Equity in income of unconsolidated subsidiaries and affiliates	250	2,465		2,041
Interest expense	(883)	(990)		(7,209)
Other, net	877	(5,931)		7,160
Income before income taxes and non-controlling interests	15,358	6,694		125,391
Income taxes	(7,568)	(619)		(61,789)
Profit attributable to non-controlling interests	(298)	(659)		(2,433)
Profit attributable to owners of parent	\ 7,492	\ 5,416	+38%	\$ 61,169

Net sales, orders and order backlog by reportable segment

For three months ended June 30, 2015 and 2014 and as of June 30 and March 31, 2015

	Millions of yen				% Change	Thousands of U.S. dollars	
	Three months ended Jun. 30, 2015		Three months ended Jun. 30, 2014			Three months ended Jun. 30, 2015	
Net sales :							
Ship Offshore Structure \	23,484	(7%)	18,350	(6%)	+28%	\$	191,737
Rolling Stock	32,155	(10%)	30,464	(10%)	+6%		262,532
Aerospace	76,038	(22%)	65,403	(22%)	+16%		620,819
Gas Turbine & Machinery	51,970	(15%)	42,799	(14%)	+21%		424,314
Plant & Infrastructure	23,499	(7%)	21,053	(7%)	+12%		191,859
Motorcycle & Engine	72,115	(21%)	64,892	(21%)	+11%		588,790
Precision Machinery	29,985	(9%)	30,634	(10%)	-2%		244,815
Other	30,796	(9%)	30,559	(10%)	+1%		251,440
Total \	340,042	(100%)	304,154	(100%)	+12%	\$	2,776,306
Orders :							
Ship Offshore Structure \	17,259	(5%)	14,586	(4%)	+18%	\$	140,912
Rolling Stock	46,976	(14%)	67,426	(20%)	-30%		383,540
Aerospace	52,673	(15%)	41,983	(13%)	+25%		430,053
Gas Turbine & Machinery	35,225	(10%)	43,261	(13%)	-19%		287,597
Plant & Infrastructure	55,394	(16%)	35,275	(11%)	+57%		452,269
Motorcycle & Engine	72,115	(21%)	64,892	(20%)	+11%		588,790
Precision Machinery	31,130	(9%)	31,700	(9%)	-2%		254,163
Other	32,951	(10%)	34,740	(10%)	-5%		269,036
Total \	343,723	(100%)	333,863	(100%)	+3%	\$	2,806,360

	Millions of yen				% Change	Thousands of U.S. dollars	
	As of Jun. 30, 2015		As of Mar. 31, 2015			As of Jun. 30, 2015	
Order backlog :							
Ship Offshore Structure \	260,407	(14%)	264,281	(15%)	-1%	\$	2,126,118
Rolling Stock	428,608	(23%)	405,999	(22%)	+6%		3,499,412
Aerospace	484,663	(26%)	488,431	(27%)	-1%		3,957,078
Gas Turbine & Machinery	323,275	(18%)	336,441	(19%)	-4%		2,639,410
Plant & Infrastructure	290,129	(16%)	255,522	(14%)	+14%		2,368,786
Motorcycle & Engine	-	(- %)	-	(- %)	-%		-
Precision Machinery	27,471	(1%)	26,325	(1%)	+4%		224,289
Other	30,693	(2%)	28,534	(2%)	+8%		250,599
Total \	1,845,246	(100%)	1,805,533	(100%)	+2%	\$	15,065,692

Net Sales by