

KAWASAKI HEAVY INDUSTRIES, LTD. AND CONSOLIDATED SUBSIDIARIES

FLASH CONSOLIDATED FINANCIAL RESULTS

For six months ended September 30, 2015 and 2014 and one year ended March 31, 2015

October 29, 2015

(Consolidated)

Operating results

	Millions of yen		Thousands of U.S. dollars
	Six months ended Sep. 30, 2015	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015
Net sales	\ 708,194	\ 633,422	\$ 5,903,092
Operating income	42,305	23,189	352,629
Profit attributable to owners of parent	26,878	18,185	224,039
Earnings per share (Yen)	16.0	10.8	

Financial condition

	Millions of yen / Thousand shares		Thousands of U.S. dollars
	As of Sep. 30, 2015	As of March. 31, 2015	As of Sep. 30, 2015
Total assets	\ 1,727,750	\ 1,662,283	\$ 14,401,517
Net assets	462,049	447,957	3,851,371
Number of shares issued and outstanding	1,670,594	1,670,613	
Equity Ratio	25.8%	25.9%	

Cash flows

	Millions of yen		Thousands of U.S. dollars
	Six months ended Sep. 30, 2015	Six months ended Sep. 30, 2014	Six months ended Sep. 30, 2015
Operating activities	\ (100,893)	\ (60,807)	\$ (840,985)
Investing activities	(40,722)	(29,707)	(339,434)
Financing activities	135,523	78,398	1,129,640
Cash and cash equivalents at end of term	41,706	33,664	347,636

Fiscal year forecast

	Millions of yen		
	Net sales	Operating income	Profit attributable to owners of parent
One year ending March 31, 2016	\ 1,610,000	\ 96,000	\ 69,000

- Notes : 1. This "FLASH CONSOLIDATED FINANCIAL RESULTS" and following financial statements have been prepared in conformity with generally accepted accounting principles and practices in Japan.
2. All US\$ amounts in these statements represent the arithmetical results of translating Japanese yen to U.S. dollars on the basis of 119.97=\$1, the rate prevailing as of September 30, 2015, solely for the convenience of the readers.

Condensed Consolidated Balance Sheets

As of September 30 and March 31, 2015

	Millions of yen		Thousands of
	As of Sep. 30, 2015	As of Mar. 31, 2015	U.S. dollars As of Sep. 30, 2015
Assets :			
Current assets :			
Cash on hand and in banks	45,873	51,645	\$ 382,370
Receivables, less allowance	439,907	436,831	3,666,808
Inventories	547,955	498,652	4,567,433
Other current assets	93,529	85,934	779,604
Total current assets	<u>1,127,264</u>	<u>1,073,062</u>	<u>9,396,215</u>
Investments and long-term loans less allowance	111,267	110,410	927,458
Net property, plant and equipment	431,497	420,554	3,596,707
Intangible and other assets	57,722	58,257	481,137
Total assets	<u>1,727,750</u>	<u>1,662,283</u>	<u>\$ 14,401,517</u>
Liabilities and net assets :			
Current liabilities :			
Short-term borrowings			
and current portion of long-term debt	281,081	142,614	\$ 2,342,927
Payables	298,672	347,032	2,489,556
Advances from customers	167,047	171,607	1,392,406
Other current liabilities	127,607	163,371	1,063,658
Total current liabilities	<u>874,407</u>	<u>824,624</u>	<u>7,288,547</u>
Long-term liabilities :			
Long-term debt, less current portion	279,406	271,761	2,328,966
Others	111,888	117,941	932,633
Total long-term liabilities	<u>391,294</u>	<u>389,702</u>	<u>3,261,599</u>
Net assets :			
Common stock	104,484	104,484	870,917
Capital surplus	54,393	54,393	453,388
Retained earnings	268,815	253,606	2,240,686
Treasury stock	(78)	(67)	(650)
Net unrealized gains on securities	2,905	3,704	24,214
Gains (losses) on hedging items	(856)	(1,985)	(7,135)
Foreign currency translation adjustments	22,799	25,179	190,039
Remeasurements of defined benefit plans	(6,639)	(7,318)	(55,338)
Non-controlling interests	16,226	15,961	135,250
Total net assets	<u>462,049</u>	<u>447,957</u>	<u>3,851,371</u>
Total liabilities and net assets	<u>1,727,750</u>	<u>1,662,283</u>	<u>\$ 14,401,517</u>

(Consolidated)

Condensed Consolidated Statements of Income

For six months ended September 30, 2015 and 2014

Millions of yen

*Thousands of
U.S. dollars*

