

DATA FILE 2005

KAWASAKI HEAVY INDUSTRIES, LTD.

Code No. (7012)

# ***HISTORY***

Kawasaki Heavy Industries, Ltd. (KHI) traces its origins to an industrial shipyard in Tsukiji, Tokyo, established by Shozo Kawasaki in 1878. In 1896, KHI was incorporated under the laws of Japan as Kawasaki Dockyard & Shipbuilding Co., Ltd.

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## ***FINANCIAL HIGHLIGHTS***



## Net Sales per Employee

Years ended March 31

2001	2002	2003	2004	2005
36.37	39.55	43.28	39.59	43.29

*Net Sales per Employee: Net Sales/Number of Employees.*

## Interest Coverage

Years ended March 31

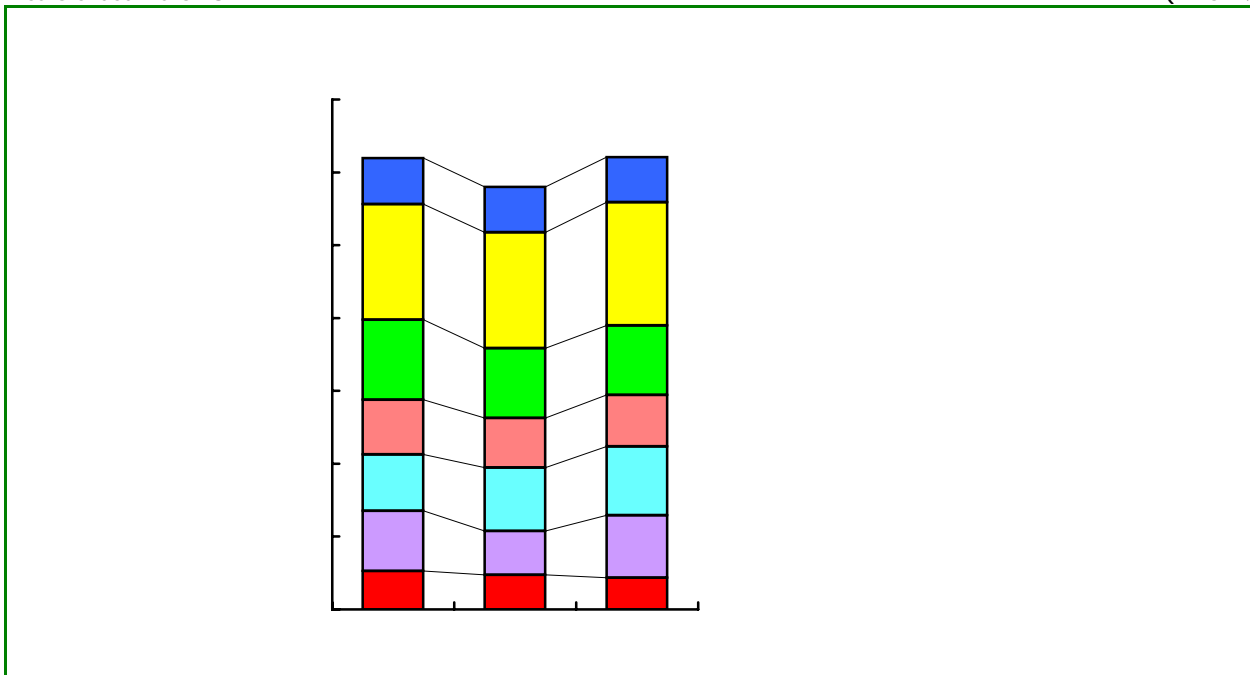
2001	2002	2003	2004	2005
0.70	2.97	3.42	3.54	4.44

*Interest Coverage: (Operating Income + Interest and*

# SEGMENT INFORMATION

Years ended March 31

(Billion ¥)



Net Sales	(Billion ¥)		
	2003	2004	2005
Shipbuilding	105.5	94.9	87.1
Rolling Stock	164.8	120.6	171.7
Aerospace	154.8	173.8	188.3
Gas Turbines & Machinery	150.8	136.5	141.4
Plant & Infrastructure Engineering	219.1	191.4	191.0
Consumer Products & Machinery	318.0	318.3	338.5
Other	126.6	124.7	123.7
<b>Total</b>	<b>1,239.6</b>	<b>1,160.3</b>	<b>1,241.6</b>

Operating Income (Loss)	(Billion ¥)		
	2003	2004	2005
Shipbuilding	1.4	(2.4)	1.0
Rolling Stock	5.5	4.3	7.8
Aerospace	6.1	4.2	6.1
Gas Turbines & Machinery	5.3	4.5	2.7
Plant & Infrastructure Engineering	(4.2)	1.2	(14.5)
Consumer Products & Machinery	13.4	7.3	16.7
Other & Eliminations	3.1	3.0	5.0
<b>Net Operating Income</b>	<b>30.5</b>	<b>22.3</b>	<b>24.7</b>

Ratio of Operating Income to Sales			
	2003	2004	2005
Shipbuilding	1.3%	(2.5%)	1.1%
Rolling Stock	3.3%	3.6%	4.5%
Aerospace	3.9%	2.4%	3.2%
Gas Turbines & Machinery	3.5%	3.3%	1.9%
Plant & Infrastructure Engineering	(1.9%)	0.6%	(7.6%)
Consumer Products & Machinery	4.2%	2.3%	4.9%
Other	2.4%	2.4%	4.0%
<b>Total</b>	<b>2.5%</b>	<b>1.9%</b>	<b>2.0%</b>

Years ended March 31

(Billion \)

	Orders Received			Order Backlog		
	2003	2004	2005	2003	2004	2005
Shipbuilding	110.9	123.8	155.8	173.3	193.7	263.7
Rolling Stock	176.7	153.4	178.4	273.6	294.0	300.8
Aerospace	163.0	216.2	214.7	208.4	260.3	287.4
Gas Turbines & Machinery	133.0	130.0	162.7	160.9	140.3	163.4
Plant & Infrastructure Engineering	208.3	156.1	126.4	327.9	273.8	210.2
Consumer Products & Machinery	318.0	318.3	338.5	0.0	0.0	0.0
Other	117.5	128.9	125.4	31.5	27.2	28.8
Total	1,227.4	1,226.7	1,301.8	1,175.6	1,189.4	1,254.4

## OVERSEAS SALES

Years ended March 31

	2005		
	Million \	% against	
		net sales	
North America	236,847	19.1%	19

# Shipbuilding

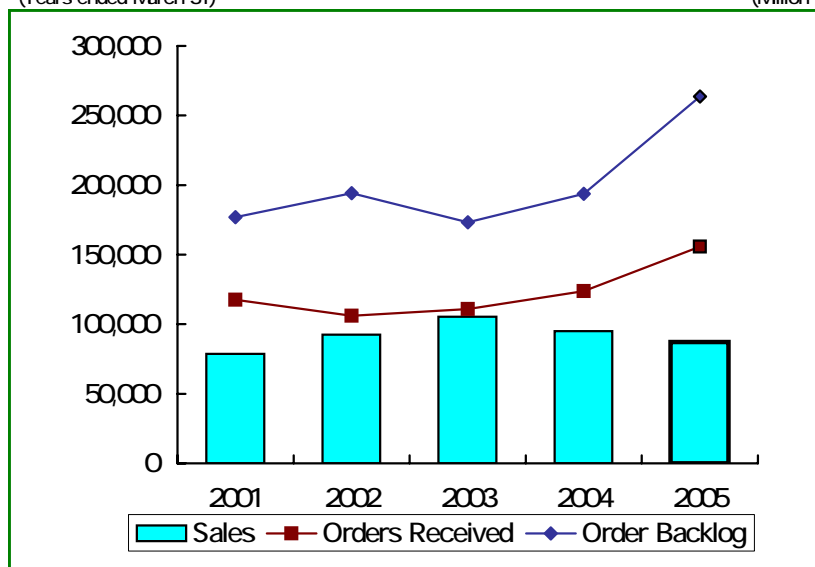
(Years ended March 31) - Consolidated Basis-

(Million ¥)

	2001	2002	2003	2004	2005
Sales	78,734	92,478	105,458	94,939	87,081
Orders Received	117,518	106,106	110,926	123,756	155,832
Order Backlog	176,987	194,275	173,304	193,705	263,707

(Years ended March 31)

(Million ¥)



(Years ended March 31)

-Parent (until 1st half of 2003) and Kawasaki Shipbuilding Corporation (from 2nd half of 2003) -

(Million ¥)

	2001	2002	2003	2004	2005
Sales	75,981	89,995	101,748	92,043	83,654
Newly Constructed Ships	60,404	76,502	90,649	77,507	74,241
Exports	45,944	62,278	66,135	56,448	50,617
Orders Received	114,957	103,655	107,201	121,766	151,800
Order Backlog	176,492	193,812	173,081	194,388	263,504

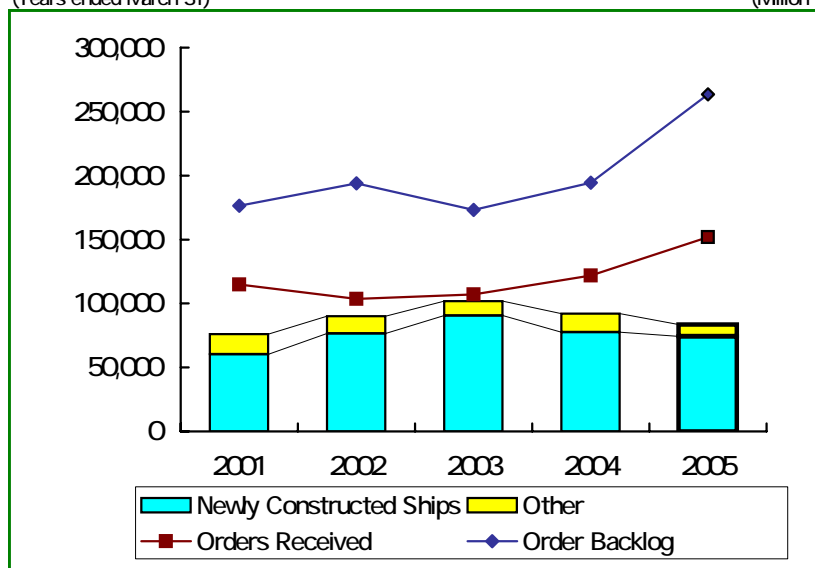
Note: Shipbuilding business in "Kawasaki Heavy Industries, Ltd. (KHI)" was partitioned off on 1st Oct. 2002

as a wholly owned subsidiary, i.e., "Kawasaki Shipbuilding Corporation (Kawasaki SC)".

Therefore the each figure in the column of 2003 represents a total of the figures which the shipbuilding business in KHI before the partition and Kawasaki SC accomplished respectively.

(Years ended March 31)

(Million ¥)





## Newly Constructed Ships World Market Volume

(Years ended December 31)

(Thousand GT)

	(Thousand GT)						(%)
	2000	2001	2002	2003	2004	2000	
Japan	12,020	12,024	11,957	12,688	14,027	1. MHI a)	130
Korea	12,228	11,608	12,967	13,683	14,603	2. IHI b)	88
AVES a)	3,402	3,435	3,414	3,258	2,591	3. MES c)	7.3
China	1,647	1,827	2,207	3,763	3,952	4. Hitachi Zosen	66
Others	2,400	2,398	2,839	2,738	2,372	5. NKK	6.3
World Market Volume	31,696	31,292	33,383	36,131	37,546	<b>7. KHI</b>	<b>52</b>
						2001	
						1. Imabari Zosen	9.3
						2. Hitachi Zosen	8.9
						3. IHI	8.5
						4. NKK	7.4
						5. Tsuneishi	6.6
						<b>7. KHI</b>	<b>5.3</b>

Notes: 1. Figures are on a ships volume completed (tonnage) basis for vessels of 100GT and above.

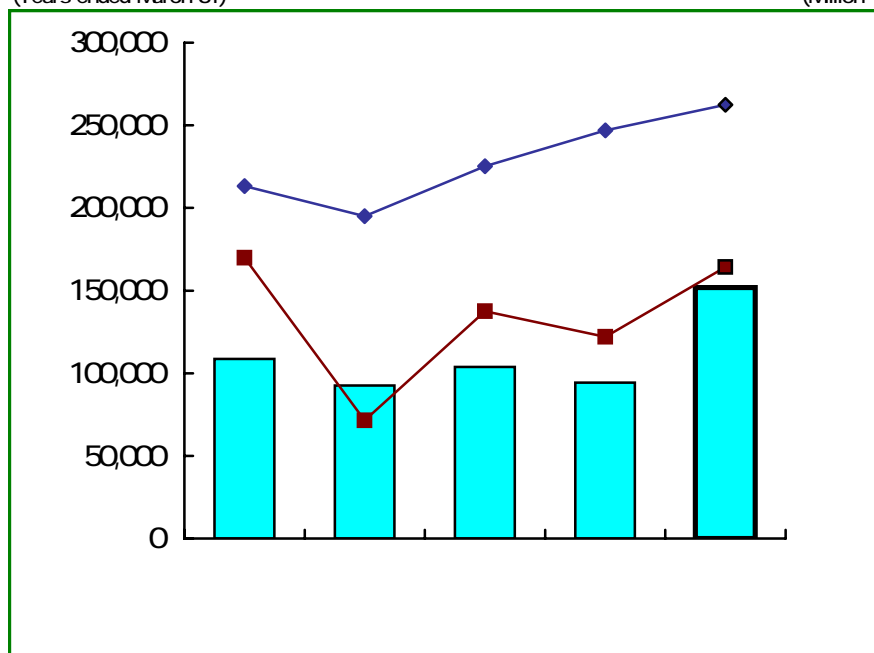
# Rolling Stock

(Years ended March 31)- Consolidated Basis-					(Million \)
	2001	2002	2003	2004	2005
Sales	129,591	121,780	164,774	120,597	171,731
Orders Received	192,884	82,585	176,693	153,399	178,369
Order Backlog	296,242	272,642	273,563	294,017	300,837

(Years ended March 31) (Million \)

(Years ended March 31)- Parent Only-					(Million \)
	2001	2002	2003	2004	2005
Sales	108,573	92,589	103,846	94,239	151,824
Exports	27,999	36,699	36,326	28,082	84,458
Orders Received	169,853	71,436	137,531	122,079	164,285
Order Backlog	213,170	194,985	225,319	246,999	262,499

(Years ended March 31) (Million \)





# Aerospace

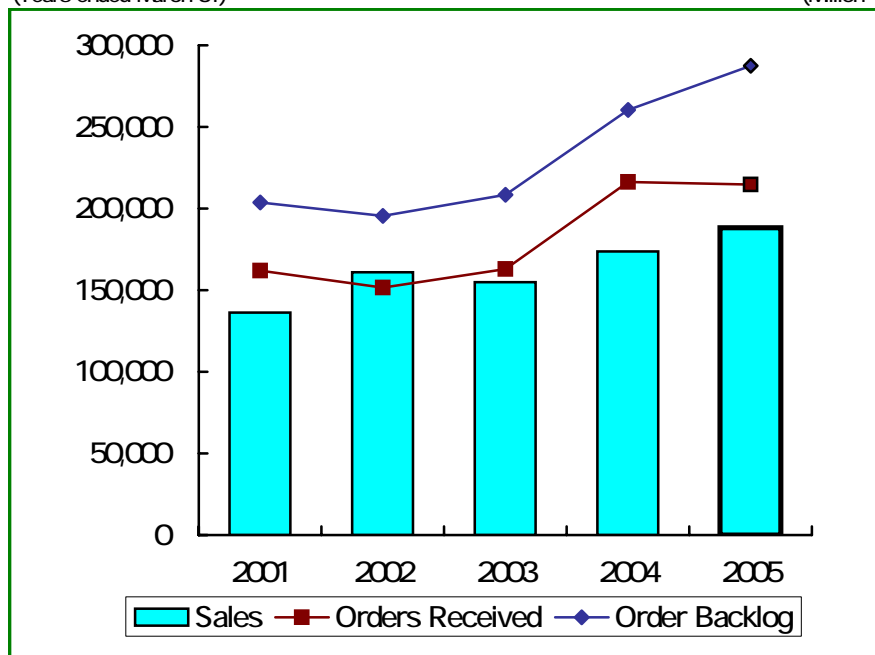
(Years ended March 31)- Consolidated Basis-

(Million \)

	2001	2002	2003	2004	2005
Sales	136,342	161,072	154,848	173,783	188,255
Orders Received	161,939	151,641	163,023	216,201	214,702
Order Backlog	203,688	195,447	208,410	260,321	287,441

(Years ended March 31)

(Million \)



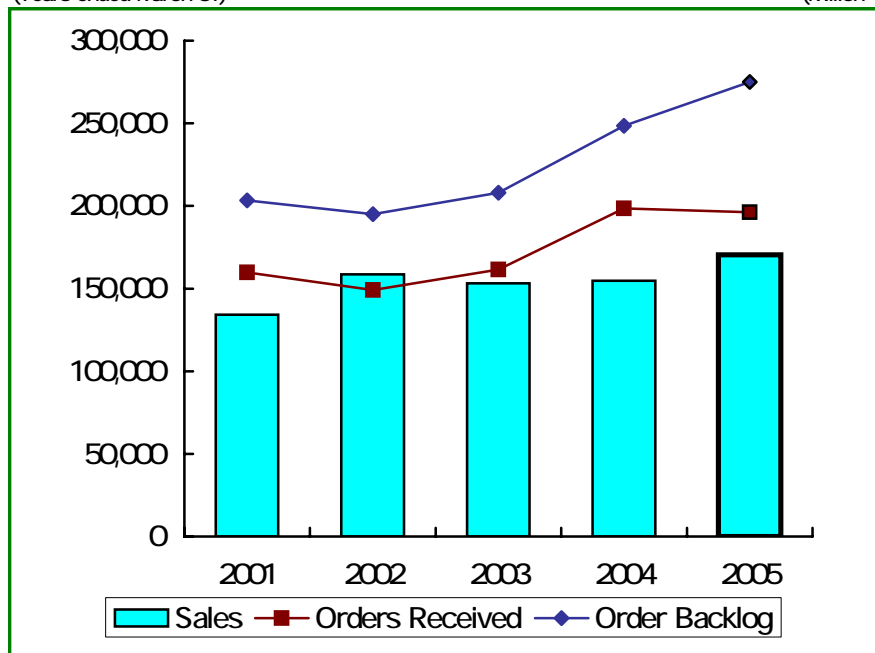
(Years ended March 31)- Parent Only-

(Million \)

	2001	2002	2003	2004	2005
Sales	134,273	158,639	153,224	154,769	170,425
Exports	39,773	49,914	35,134	31,712	31,368
Orders Received	159,866	149,133	161,485	198,577	196,161
Order Backlog	203,290	194,975	208,024	248,567	274,975

(Years ended March 31)

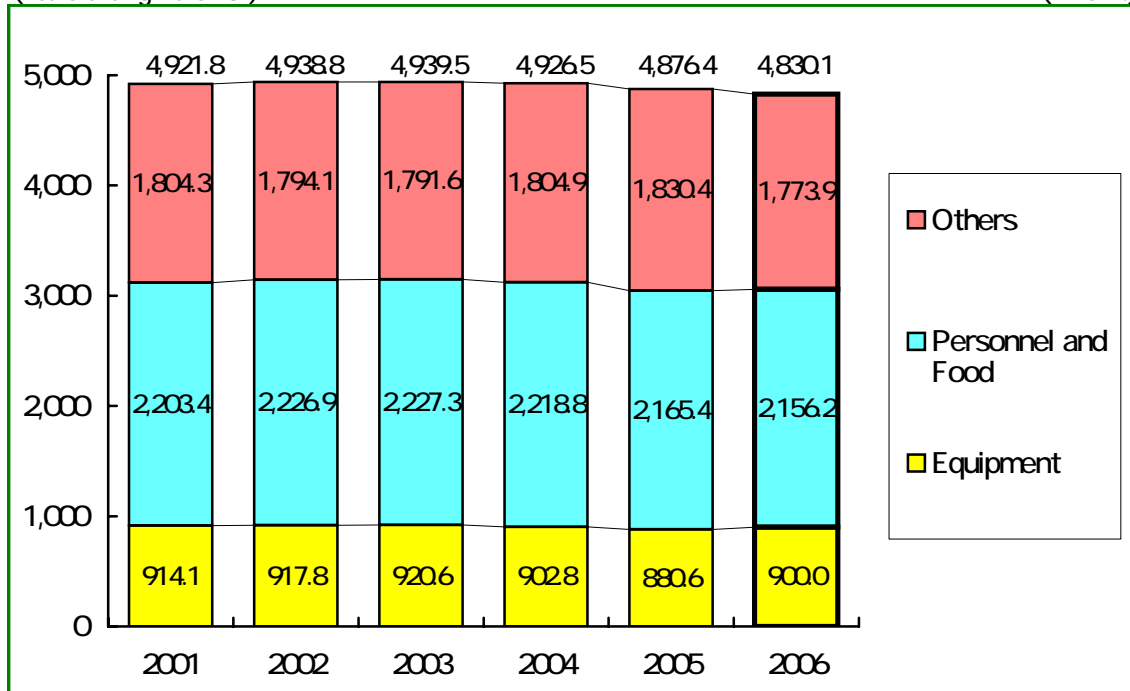
(Million \)



### Japan's Defense Budget (Initial Budget Base)

(Years ending March 31)

(Billion ¥)



Source: Japan Defense Agency.

### Major Suppliers to the Japan Defense Agency

(Years ended March 31)

2000			2001			2002		
	Billion ¥	%Share		Billion ¥	%Share		Billion ¥	%Share
1. MHI a)	279.7	22.1	1. MHI	307.4	24.4	1. MHI	275.5	21.7
2. KHI	132.2	10.5	2. Mitsubishi Electric	120.8	9.6	2. KHI	121.3	9.6
3. Mitsubishi Electric	112.1	8.9	3. KHI	98.7	7.8	3. Mitsubishi Electric	101.0	8.0
4. Toshiba	53.8	4.3	4. IHI	54.0	4.3	4. NEC	57.2	4.5
5. IHI b)	53.6	4.2	5. NEC	46.5	3.7	5. IHI	54.5	4.3

2003			2004			2005		
	Billion ¥	%Share		Billion ¥	%Share		Billion ¥	%Share
1. MHI	347.9	27.2	1. MHI	281.7	22.1	1. MHI	270.6	20.7
2. KHI	110.2	8.6	2. KHI	158.8	12.5	2. KHI	142.9	10.9
3. Mitsubishi Electric	73.5	5.7	3. Mitsubishi Electric	94.9	7.5	3. Mitsubishi Electric	103.2	7.9
4. IHI	52.7	4.1	4. IHI	56.3	4.4	4. NEC	90.6	6.9
5. Toshiba	49.8	3.9	5. Toshiba	38.9	3.1	5. IHI	49.3	3.8

Notes: a) Mitsubishi Heavy Industries.

b) Ishikawajima-Harima Heavy Industries.

Source: Japan Defense Agency.

*Japanese Aircraft Production by Demand Sector*

(Years ended December 31)

(Billion ¥)

	2000	2001	2002	2003	(Million ¥) 2004
Japan Defense Agency	626,347	581,344	617,027	596,205	582,941

# Gas Turbines & Machinery

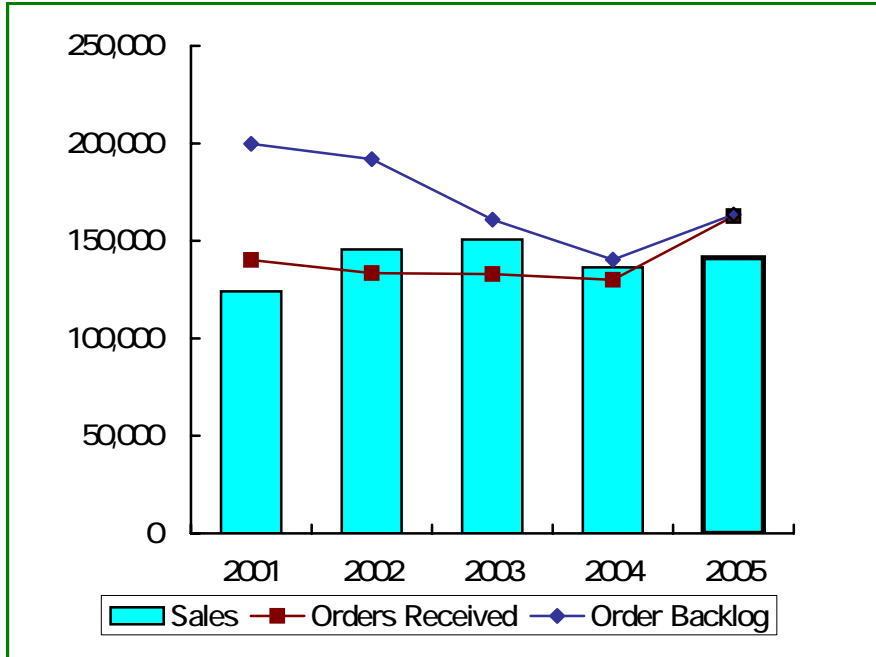
(Years ended March 31)- Consolidated Basis-

(Million \)

	2001	2002	2003	2004	2005
Sales	124,136	145,651	150,767	136,468	141,366
Orders Received	140,248	133,467	132,989	129,987	162,700
Order Backlog	199,833	191,947	160,874	140,327	163,440

(Years ended March 31)

(Million \)



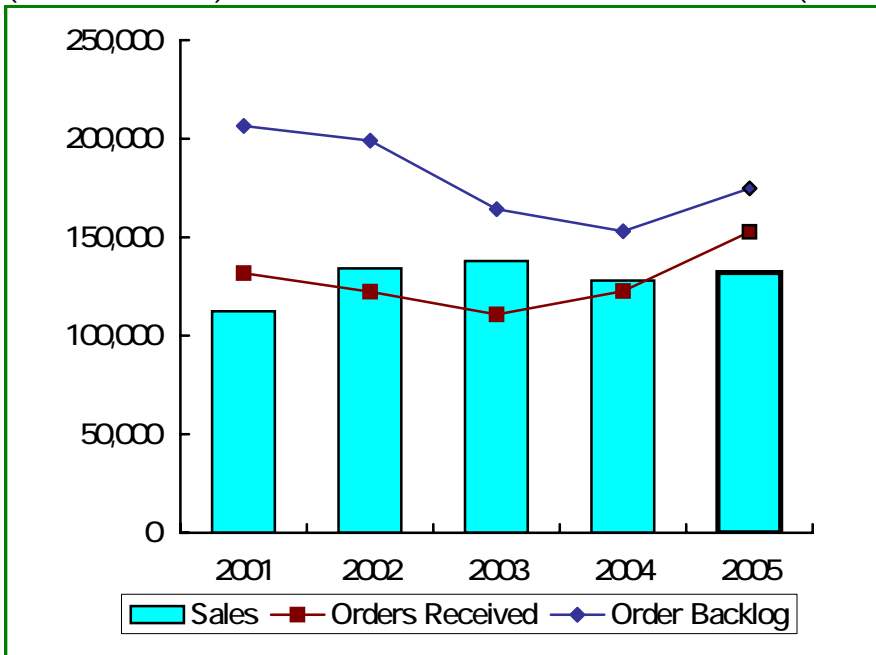
(Years ended March 31)- Parent Only-

(Million \)

	2001	2002	2003	2004	2005
Sales	112,425	134,150	137,900	128,000	132,103
Exports	32,290	48,426	52,129	45,279	51,829
Orders Received	131,737	122,344	110,733	122,593	152,718
Order Backlog	206,437	198,981	164,234	152,943	174,824

(Years ended March 31)

(Million \)

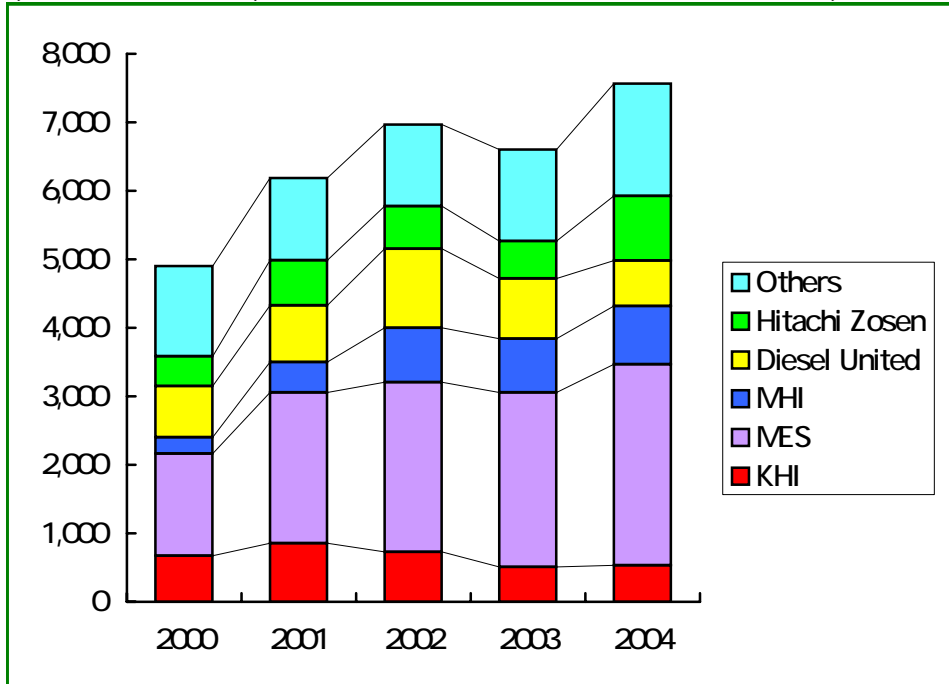


Note: On April 1, 2003, the Company modified its industry segmentation by transferring the Group's hydraulic equipment business from the gas turbines and machinery industry segment to the other industry segment. The prior year amounts have been reclassified to conform to the 2004 presentation.

### Diesel Engines Domestic Production

(Years ended December 31)

(Thousand PS)



	2000	2001	2002	2003	2004
KHI	673	853	729	510	531
MES a)	1,492	2,205	2,475	2,546	2,938
MHI b)	238	442	795	784	848
Diesel United	745	827	1,153	878	665
Hitachi Zosen	438	658	624	549	941
Others	1,316	1,205	1,193	1,339	1,641
<b>Total</b>	<b>4,902</b>	<b>6,190</b>	<b>6,969</b>	<b>6,606</b>	<b>7,564</b>

Notes: 1. Figures are shown on the basis of horse power (PS).

2 a) Mitsui Engineering & Shipbuilding

b) Mitsubishi Heavy Industries.

Source: KP Data.

### Diesel Engines Domestic Share

(Years ended December 31)

	2000	2001	2002	2003	2004
KHI	13.7%	13.8%	10.5%	7.7%	7.0%
MES	30.4%	35.6%	35.5%	38.5%	38.8%
MHI	4.9%	7.1%	11.4%	11.9%	11.2%
Diesel United	15.2%	13.4%	16.5%	13.3%	8.8%
Hitachi Zosen	8.9%	10.6%	9.0%	8.3%	12.4%
Others	26.9%	19.5%	17.1%	20.3%	21.8%

Note: Figures are shown on the basis of horse power (PS).

Source: KP Data.

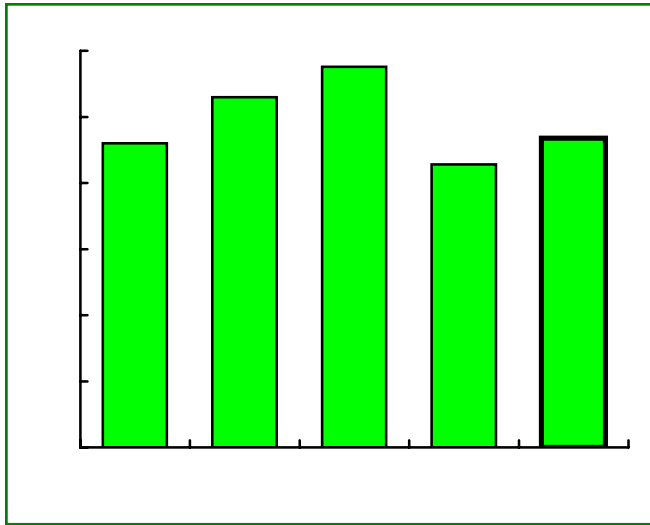


## Gas Turbine Generator Sales

- Parent Only -

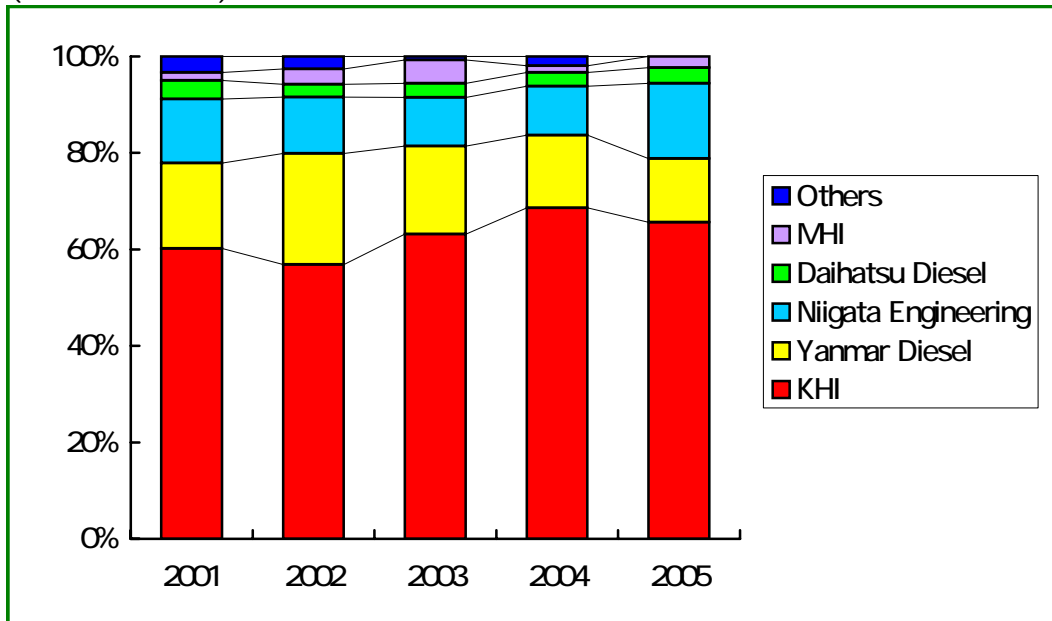
(Years ended March 31)

(Billion ¥)



## Gas Turbine Generators Domestic Share

(Years ended March 31)



	2001	2002	2003	2004	2005
KHI	60.2%	56.9%	63.2%	68.6%	65.6%
Yanmar Diesel	17.7%	23.0%	18.2%	15.1%	13.2%
Niigata Engineering	13.3%	11.7%	10.1%	10.1%	15.6%
Daihatsu Diesel	3.8%	2.6%	2.9%	2.9%	3.3%
MHI a)	1.7%	3.2%	4.9%	1.4%	2.3%
Others	3.3%	2.6%	0.7%	1.9%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Notes: 1. Figures represent sales for medium- and small-sized gas turbine generators (up to 2,000kW).

2. a) Mitsubishi Heavy Industries.

Source: Denki Nichinichi Shimbun, "Ranking Series".

## *Plant & Infrastructure Engineering*

(Years ended March 31)- Consolidated Basis-

	2001	2002	2003	2004	(Million \) 2005
Sales	181,174	220,605	219,092	191,412	191,012
Orders Received	254,330	160,143	208,268	156,145	126,403
Order Backlog	403,612	347,496	327,911	273,837	210,160

(Years ended March 31)

(Million \)

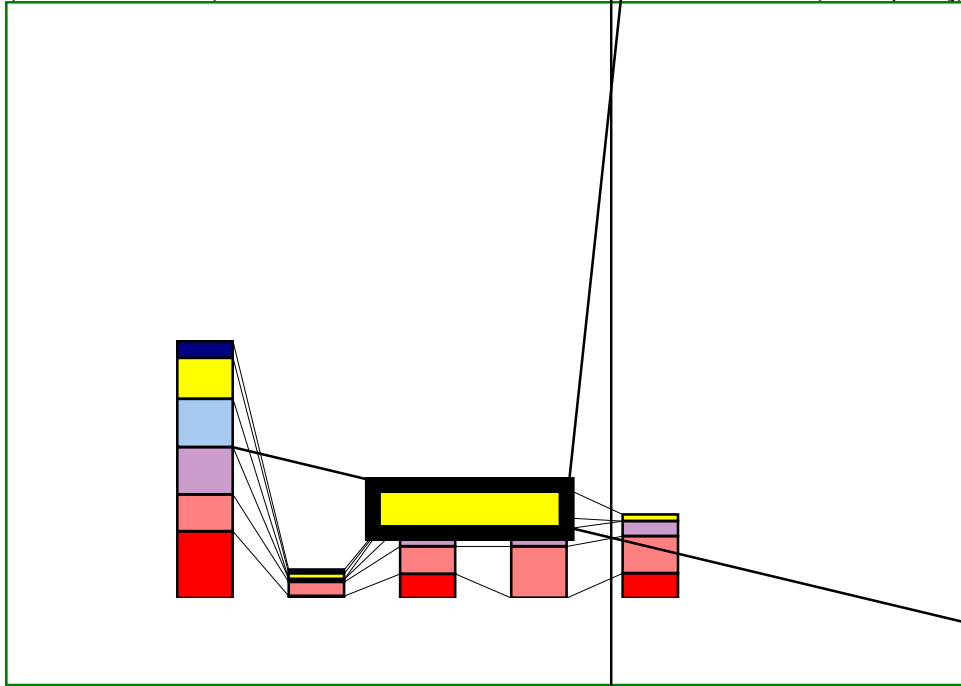
(Years ended March 31)- Parent Only-

	2001	2002	2003	2004	(Million \) 2005
Sales	175,616	208,985	212,764	184,659	185,896
Exports	31,152	30,639	51,147	54,236	77,921
Orders Received	234,957	148,891	193,199	151,755	121,579

### Refuse Incineration Plants Domestic Market Volume

(Years ended March 31)

(Tonnes per day)



	2001	2002	2003	2004	2005
KHI	1,460	43	531	0	540

- JFE a)
- MHI b)
- Takuma
- IHI c)
- Ebara
- Nippon Steel
- Kubota
- Others

Domestic Market  
 Figures  
 JFE

12000  
 10000  
 8000  
 6000

- Nippon Steel
- Kubota
- Others

Note: Figures are  
 Source: Kankyo S

0

*Shield Machines and  
Tunnel Boring Machines  
Large-Diameter Model  
Domestic Share (2001-2005 Total)*

(Years ended March 31)

*Shield Machines and  
Tunnel Boring Machines  
Domestic Share 2005*

(Year ended March 31)

*Notes: 1. Segments A, B and C represent  
the shares of the three other major  
companies in this market.*

*2. Figures are shown on a sales amount  
basis.*

*Source: Company's estimates.*

*Notes: 1. Segments A, B, C and D represent  
the shares of the four other major  
companies in this market.*

*2. Figures are shown on a sales amount  
basis.*

*Source: Company's estimates.*

*Steel Bridges Domestic Share 2005*

# Consumer Products & Machinery

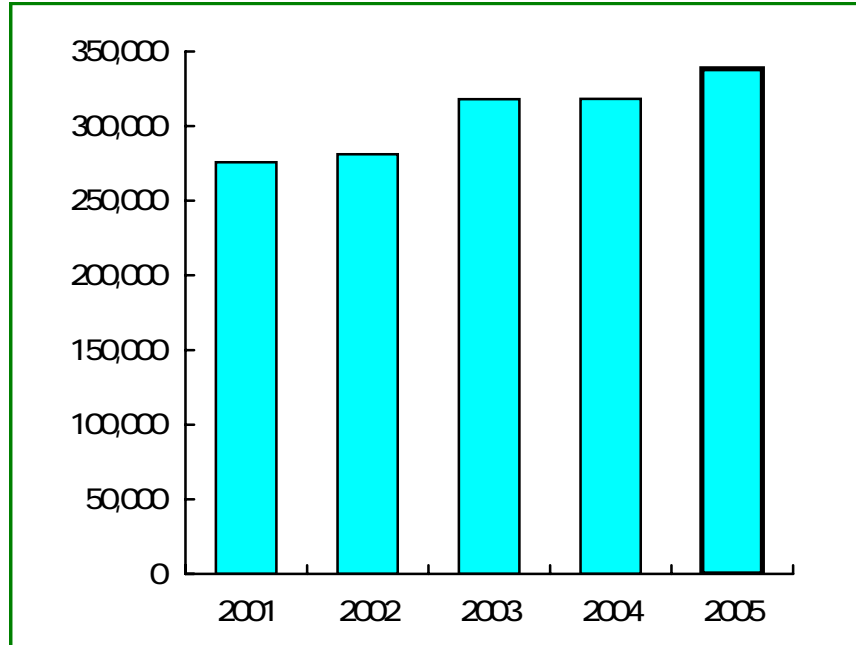
(Years ended March 31)- Consolidated Basis-

(Million ¥)

	2001	2002	2003	2004	2005
Sales	275,903	281,207	318,025	318,325	338,450

(Years ended March 31)

(Million ¥)



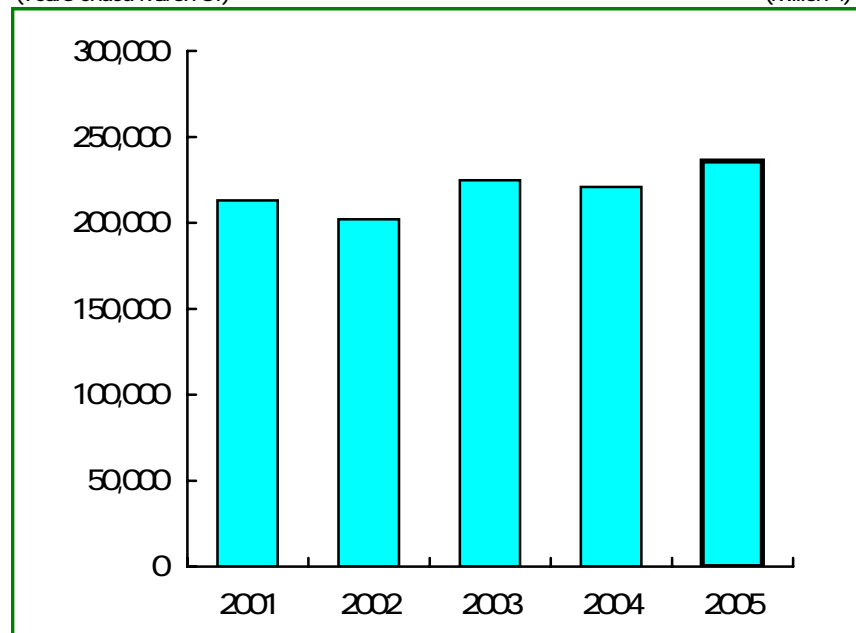
(Years ended March 31)- Parent Only-

(Million ¥)

	2001	2002	2003	2004	2005
Sales	213,080	202,074	224,731	220,883	235,983
Exports	179,495	170,559	193,311	184,451	202,405

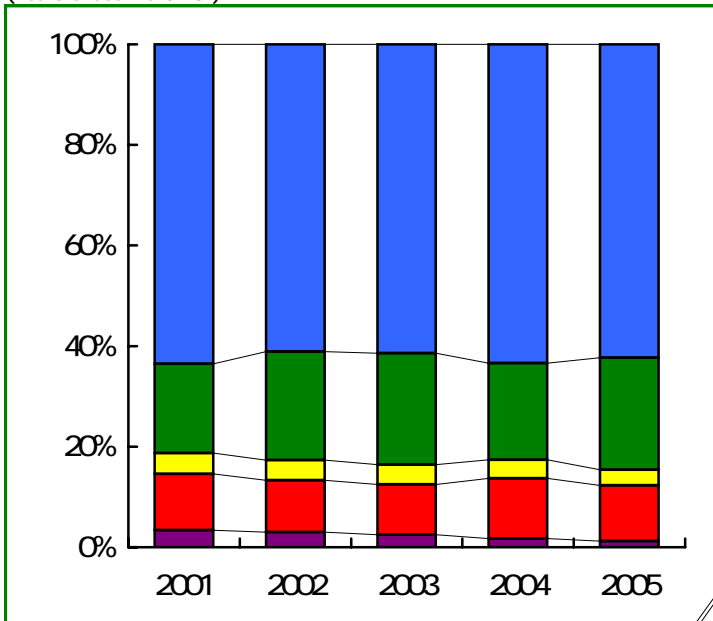
(Years ended March 31)

(Million ¥)



### Composites of Consumer Product Sales

- Parent Only-  
(Years ended March 31)



	2001	2002	2003	2004	2005
Motorcycles	63.5%	61.1%	61.4%	63.4%	62.3%
ATVs, U/Vs	17.8%	21.6%	22.2%	19.2%	22.3%
Personal Watercraft	4.1%	4.0%	3.9%	3.7%	3.1%
Gasoline Engines	11.2%	10.3%	10.0%	12.0%	11.1%
Automobile Transmissions	3.4%	3.0%	2.5%	1.7%	1.2%

ATVs: All-Terrain Vehicles U/Vs: Utility Vehicles

### Industrial Robot Sales

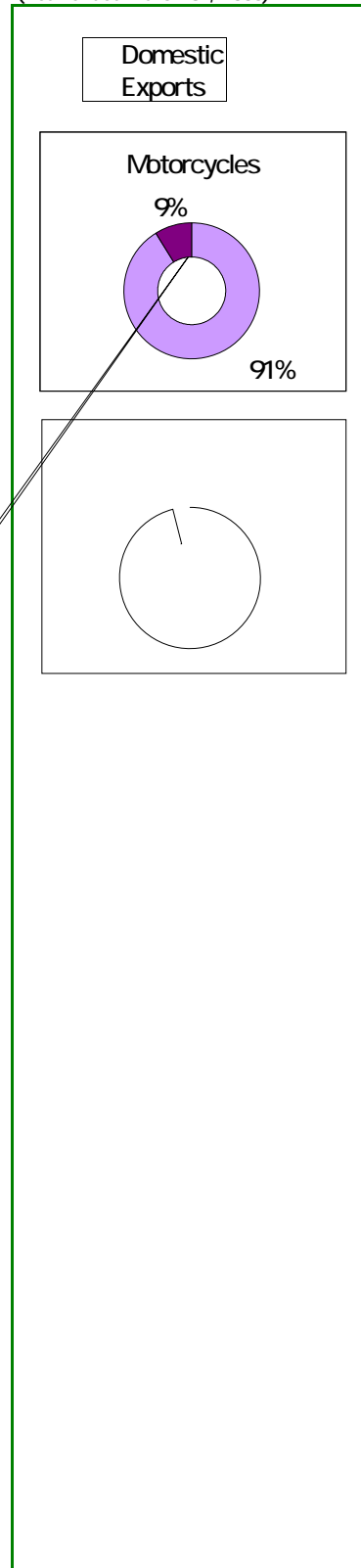
- Parent Only-  
(Years ended March 31)

(Billion \)

	2001	2002	2003	2004	2005
Sales	20.5	21.3	20.4	20.5	26.7

### Domestic/Export Sales by Product

- Parent Only-  
(Year ended March 31, 2005)



*Motorcycle Sales*

- Parent Only -  
(Years ended March 31)

(Million \)

*Motorcycle Sales Domestic Share*

*Motorcycle Sales Export Share*  
(Shipment Base)

(Years ended March 31)

2001 2002 2003 2004 2005

(Years ended March 31)

2001 2002 2003 2004 2005





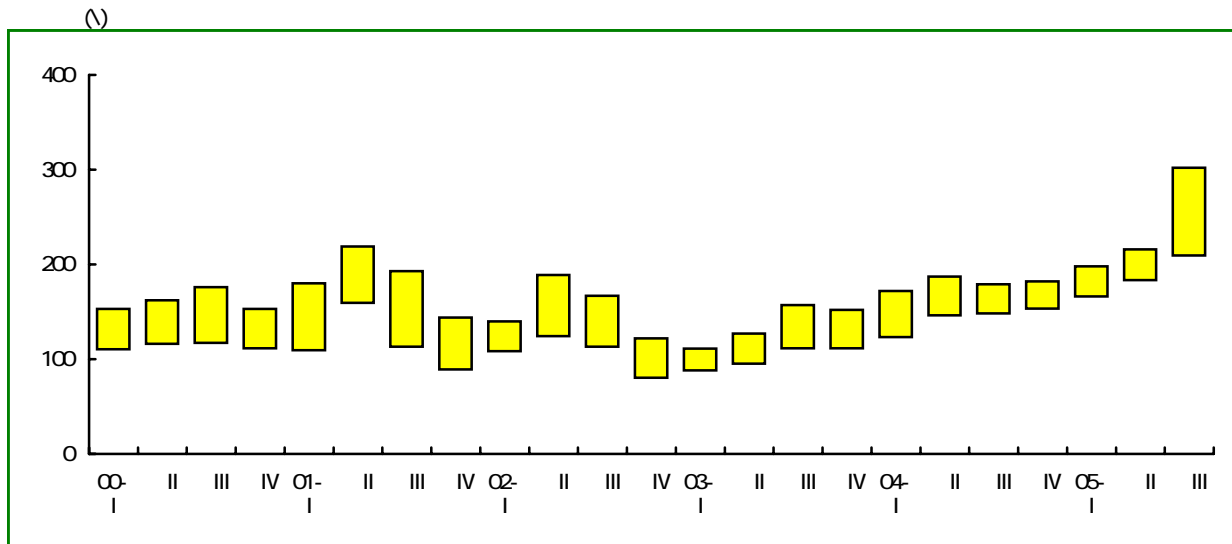
# ***CONDENSED STATEMENTS OF INCOME***

Kawasaki Heavy Industries, Ltd. and consolidated subsidiaries  
Years ended March 31

	Millions of yen					
	2005	2004	2003	2002	2001	2000
Net sales	\1,241,592	\1,160,252	\1,239,598	\1,144,534	\1,060,479	\1,149,698
Cost of sales	1,088,219	998,416	1,069,341	977,875	924,522	1,008,860
Gross profit	153,373	161,836	170,257	166,659	135,957	140,838

# STOCK INFORMATION

## Stock Price Range

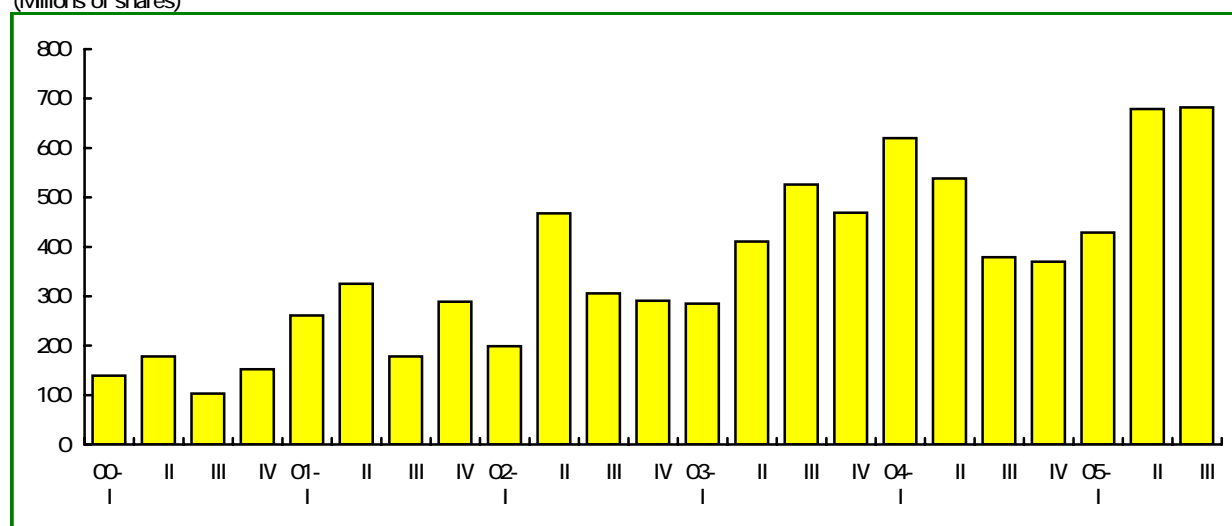


(v)

	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III				
High	153	162	176	153	180	219	193	144	140	189	167	122	111	127	157	152	172	187	179	182	198	216	302
Low	110	116	117	111	109	159	113	89	108	124	113	80	88	95	111	111	123	146	148	153	166	183	209

## Stock Trading Volume

(Millions of shares)



(Millions of shares)

	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III				
Volume	139	178	103	152	261	325	178	289	199	468	306	291	285	411	526	469	620	538	379	370	429	679	682

**Paid-in Capital**  
¥81,427,090,720

**Paid-in Capital**  
¥81,427,090,720