Financial Results for Second Quarter FY2018
(for the year ending March 31, 2019)

Oct. 30, 2018

Kawasaki

Powering your potential

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<Appendix>

vs. FY2017.2Q

(Appendix)
Net Sales in Foreign CursreRiI NHrei

Summary of Income Statement

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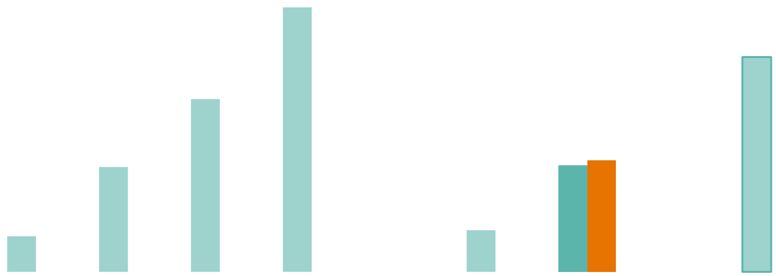
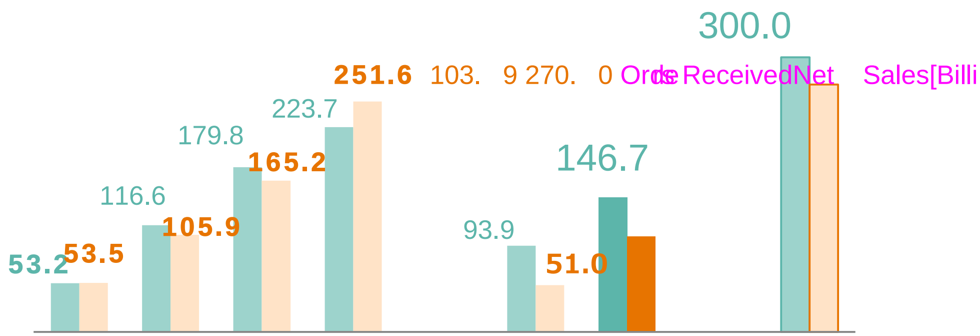
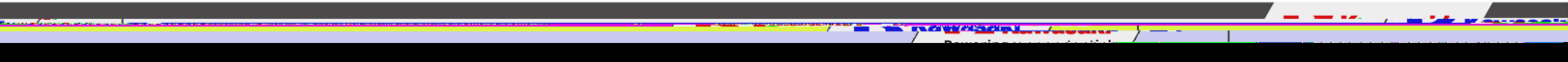
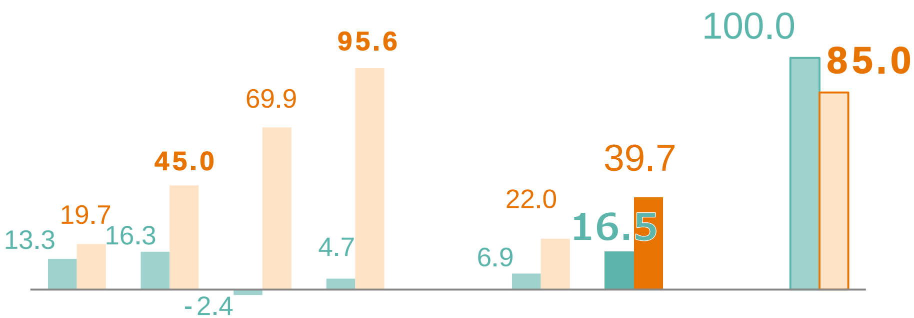


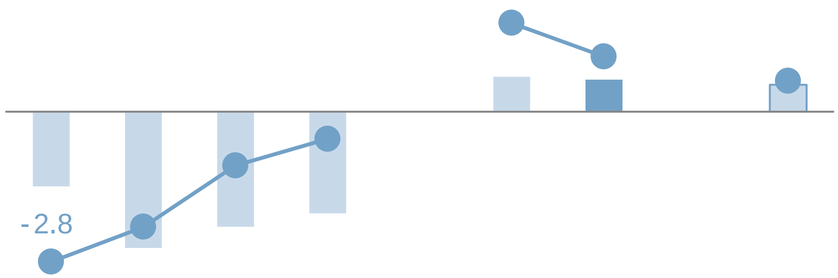

300.0
251.6
103.
9 270.
0 Orders Received
Net Sales[Billi
223.7
179.8
165.2
146.7
116.6
105.9
93.9
53.2
53.5
51.0



Orders Received Net Sales

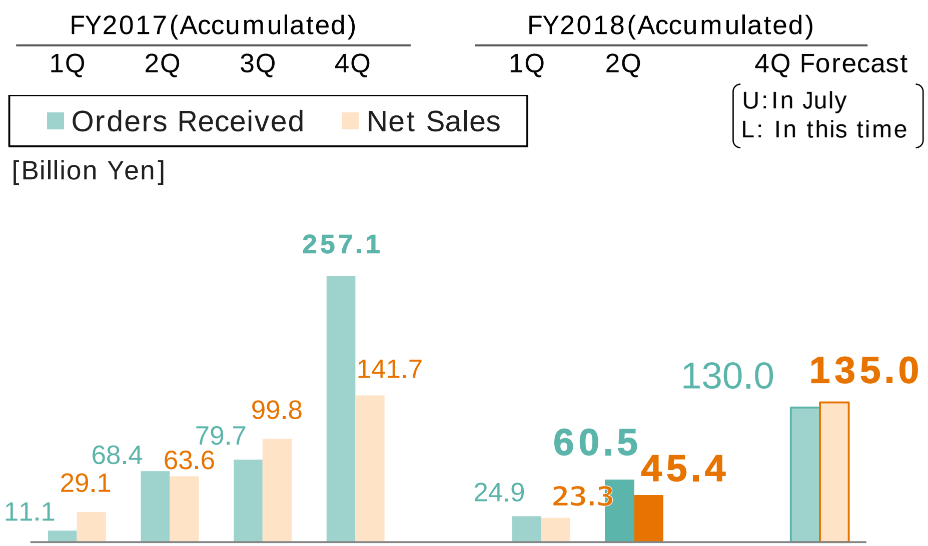
[ ]

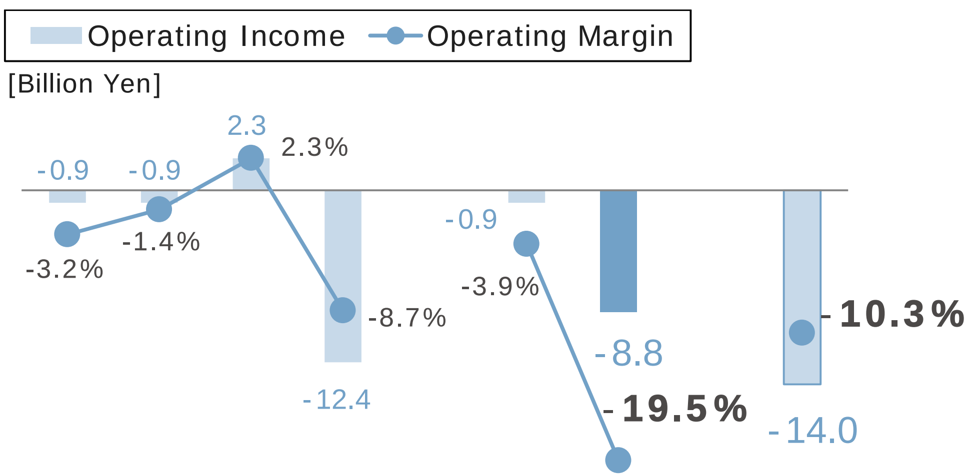




Rolling Stock

Main Products: Electric train cars (incl. Shinkansen), Electric and diesel locomotives, Passenger coaches, Bogies

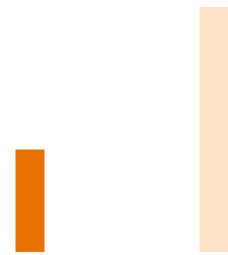




FY2018.2Q (vs . FY2017.2Q)

- Orders Received:

FY2018 Forecast (vs. Forecast in July)



Consolidated Operating Performance

[Billion Yen]

	In July	In This Time				
1,608.0	1,590.0	1,610.0	+	2.0	+	20.0

Reasons for the Revision

- Orders Received
  - Revised up as a whole due to increase in Aerospace Systems segment and other factors, despite decrease in Energy System & Plant Engineering segment
- Net Sales
  - Revised down as a whole due to decrease in Rolling Stock and Energy System & Plant Engineering segments, despite increase in Aerospace Systems and Motorcycle & Engine segments
- Profits
  - Operating income revised down as a whole due to decrease in Rolling Stock segment and other factors, despite increase in Aerospace Systems and Motorcycle & Engine segments
  - Recurring profit and Net income attributable to owners of parent revised down due to decrease in operating income, payments for the in-service issues of commercial aircraft jet engines and other factors

(Appendix)
Impact on profit by FX fluctuation of 1 yen

Forecast by Segment

R&D/CAPEX/Number of Employees

[Billion Yen/Persons]

		FY2017 Actual	FY2018 Forecast		
			In July	In This Time	Change vs. In July
R&D Expenses		45.4	51.0	51.0	-
CAPEX (Construction Base)		82.1	80.0	75.0	-5.0
Depreciation and Amortization		56.1	62.5	59.0	-3.5
	Domestic	26,747	27,480	27,480	-
	Overseas	9,058	9,470	9,470	-
Number of Employees		35,805	36,950	36,950	-

Capex represents the total of newly recorded property, plant and equipment and newly recorded intangible assets.
Depreciation & amortization represents depreciation/amortization expenses for property, plant and equipment and intangible assets.

- In military aircraft business, there is a certain demand within tight defense budget.
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Figures recorded in the business forecasts are forecasts that reflect the judgment of the Company based on the information available at the time of release and include risks and uncertainties. Accordingly, the Company cautions investors not to make investment decisions solely on the basis of these forecasts.

Actual business results may differ materially from these business forecasts due to various important factors resulting from changes in the external environment and internal environment. Important factors that may affect actual business results include, but are not limited to, economic conditions, the yen exchange rate against the U.S. dollar and other currencies, the tax system, and laws and regulations.