



# KAWASAKI HEAVY INDUSTRIES, LTD. AND CONSOLIDATED SUBSIDIARIES FLASH CONSOLIDATED FINANCIAL RESULTS

November 9, 2021

For six months ended September 30, 2021 and 2020 and one year ended March 31, 2021

(Consolidated)

## **Operating results**

		Million	i nousands of U.S. dollars				
	Six mo	onths ended	Six m	onths ended	Six months ende		
	Sep	. 30, 2021	Sep	o. 30, 2020		Sep. 30, 2021	
Net sales	1	681,082	\	657,325	\$	6,083,805	
Operating profit		20,406		(21,883)		182,278	
Profit attributable to owners of parent		4,513		(27,267)		40,313	
Earnings per share (Yen)		26.98		(163.23)			

#### **Financial position**

1	ı	Millions of yen /	Thousands of U.S. dollars				
	Sep	As of 5. 30, 2021		As of Mar. 31, 2021		As of Sep. 30, 2021	
Total assets Net assets	\	1,939,967 452,160	\	1,963,276 482,775	\$	17,328,870 4,038,946	
Number of shares issued and outstanding		167,458		167,042			
Equity Ratio		22.4%		23.7%			

### **Cash flows**

		Millions	Thousands of U.S. dollars					
	Six mo	nths ended	Six n	nonths ended	Six months ended			
	Sep	. 30, 2021	Sep. 30, 2020		Sep. 30, 2021			
Operating activities	1	(94,853)	\	(100,757)	\$	(847,280)		
Investing activities		(28,185)		(13,668)		(251,764)		
Financing activities		55,478		161,243		495,561		
Cash and cash equivalents at end of period		54,769		149,395		489,227		

## Fiscal vear forecast

iscai year iorecast		Millions of yen									
		Net sales	0	perating profit	Profit attributable to owners of parent						
One year ending March 31, 2022	\	1,550,000	\	40,000	\	15,000					

- 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 111.95=\$1, the rate prevailing as of September 30, 2021, solely for the convenience of the readers.

#### **Consolidated Balance Sheets**

As of September 30 and March 31, 2021

Carban de Sposits	Assets						
Cash and deposits         1267.02         60.590         \$ 541.224           Notes and accounts receivable - trade, and contract assets         405.928         3.262.976           Morchandics and finished goods         68.223         72.320         646.003           Work in process         136.471         149,766         1.387,794           Raw materials and supplies         136.471         149,766         1.387,794           Other         43,314         102,887         19,044           Allowance for doubful accounts         3.589         3,624         19,045           Allowance for doubful accounts         1,285,407         1,220,856         10,905,388           Non-current assets         7,77,700         1,220,856         10,905,388           Non-current assets         277,308         274,928         2,455,611           Other         273,308         274,928         2,455,611           Total property, plant and equipment         451,259         445,085         3,975,748           Inlangible assets         22,427         22,113         197,526           Investments and other assets         20,4180         251,911         2,250,501           Allowance for doubful accounts         (1,403)         (1,375)         (12,282)							
Notes and accounts receivable - trade, and contract assets		\	126 702		60 500	¢	5/1 22/
Notes and accounts receivable - trade, and contract assets	•	`	,	`	00,530	Ψ	541,224
Merchandise and finished goods			400,430		405 028		3 625 076
Work in process			60 223				
Raw materials and supplies					,		,
Other         43,314         102,887         919,044           Allowance for doubful accounts         (3,589)         (3,629)         (3,629)           Total current assets         1,285,407         1,220,856         10,905,368           Non-current assets         170,957         1,701,157         1,519,937           Other         278,308         274,928         2,455,811           Other         22,427         22,113         197,526           Intangible assets         22,427         22,113         197,526           Investments and other assets         22,427         22,113         197,526           Other         205,584         253,287         2,262,501           Allowance for doubful accounts         (1,403)         (1,375)         (1,282)           Total investments and other assets         204,180         251,911         2,425,501           Total investments and other assets         1,963,276         1,933,967         17,328,870           Total investments and other assets         204,180         251,911         2,425,501           Total investments and other assets         204,180         251,911         2,425,501           Total investments and other assets         204,180         251,911         2,425,201					•		
Allowance for doubtful accounts					,		
Total current assets   1,285,407   1,220,856   10,905,388   Non-current assets   Property, plant and equipment					•		
Non-current assets					,		, , ,
Property, plant and equipment   Buildings and structures, net   172,951   170,157   1,519,937   Other   278,308   274,928   2,458,811   Total property, plant and equipment   451,259   445,085   3,975,748   Intangible assets   22,427   22,113   197,526   Intermediate assets   22,427   22,113   197,526   Intermediate assets   22,427   22,113   197,526   Intermediate and other assets   20,584   253,287   2,262,501   Allowance for doubtful accounts   205,584   253,287   2,262,501   Allowance for doubtful accounts   1,963,276   1,939,677   172,262,701   1,963,276   1,939,677   173,28,770   1,262,711			1,205,407		1,220,630		10,900,300
Buildings and structures, net   172,951   170,157   1,519,937   10her   278,308   274,928   2,455,811   10her   278,308   274,928   2,455,811   10her   20,526   145,085   3,975,748   10her   20,526   10her   20,534   253,287   2,262,501   10her   20,534   253,287   2,262,501   10her   20,534   253,287   2,262,501   10her   20,534   253,287   2,262,501   10her   20,4180   251,911   2,250,210   10her   20,4180   251,911   2,250,210   10her							
Other         278,308         274,928         2,456,811           Total property, plant and equipment         451,259         445,085         3,975,748           Intrangible assets         22,427         22,113         197,526           Investments and other assets         205,584         253,287         2,262,501           Allowance for doubtful accounts         (1,403)         (1,375)         (12,262)           Total investments and other assets         677,868         719,111         6,423,502           Total anssets         1,963,276         1,939,967         17,326,870           Total assets         1,963,276         1,939,967         17,326,870           Total assets         247,294         205,673         1,837,186           Electronically recorded obligations - operating         107,849         95,099         855,820           Short-term borrowings         141,579         177,461         1,585,181           Income taxes payable         4,753         5,361         47,887           Provision for sales promotion expenses         7,380            Provision for construction warranties         12,550         119,97         107,164           Advances received         13,298         16,845         15,04,743			172.051		170 157		1 510 027
Total property, plant and equipment         451,259         445,085         3,975,748           Intragable assets         22,427         22,113         197,526           Other         205,584         253,287         2,262,501           Allowance for doubfful accounts         (1,403)         (1,375)         (12,282)           Total investments and other assets         204,180         251,911         2,250,210           Total assets         1,963,276         1,939,967         17,326,870           Iziabilities         1,963,276         1,939,967         17,326,870           Current liabilities         247,294         205,673         1,837,186           Electronically recorded obligations - operating         107,849         95,809         855,820           Short-term borrowings         141,579         177,461         1,585,181           Income taxes payable rade         4,753         5,361         47,887           Provision for sales promotion expenses         7,300         -         -           Provision for bosuses         18,239         16,827         150,308           Provision for loss on construction contracts         14,263         11,991         107,110           Advances received         15,298         14,263         11,991	,						
Intangible assets   22,427   22,113   197,526   Investments and other assets   Cother   205,584   253,287   2,262,501   Allowance for doubtful accounts   (1,403)   (1,375)   (12,282)   (10,282)   (1,282)   (1,282)   (1,383)   (1,375)   (1,282)   (1,282)   (1,383)   (1,375)   (1,282)   (1,282)   (1,383)   (1,375)   (1,282)					•		, ,
Newsiments and other assets					•		
Other         205,584         253,287         2,262,501           Allowance for doubtful accounts         (1,403)         (1,375)         (12,282)           Total investments and other assets         204,180         251,911         2,250,210           Total assets         677,868         719,111         6,423,502           Total assets         1,963,276         1,939,967         17,228,870           Liabilities         7	· ·		22,721		22,113		191,020
Allowance for doubtful accounts			205 584		253 297		2 262 501
Total investments and other assets         204,180         251,911         2,250,210           Total non-current assets         677,868         71,911         6,423,60           Total assets         1,963,276         1,939,967         17,328,870           Liabilities         Current liabilities           Current liabilities         Secure 1,922           Notes and accounts payable - trade         247,294         205,673         1,837,166           Electronically recorded obligations - operating         107,849         95,809         855,820           Short-term borrowings         141,579         177,461         1,585,181           Income taxes payable         4,753         5,561         47,887           Provision for sales promotion expenses         7,380         1         7           Provision for sales promotion expenses         18,239         16,827         150,308           Provision for construction warranties         153,298         11,991         107,116           Provision for construction contracts         14,263         11,991         107,116           Provision for construction contracts         153,298         168,456         1,504,743           Other         210,345         243,923         2,178,857 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>							
Total non-current assets         677,868         719,111         6,423,502           Total assets         1,963,276         1,933,967         17,328,870           Liabilities         2         47,294         205,673         1,837,166           Notes and accounts payable - trade         247,294         205,673         1,837,166           Electronically recorded obligations - operating         107,849         95,809         855,820           Short-term borrowings         141,579         177,461         1,585,181           Income taxes payable         4,753         5,361         47,887           Provision for solution expenses         7,380         -         -           Provision for construction warranties         12,550         11,997         107,164           Provision for construction contracts         14,263         11,997         107,164           Provision for loss on construction contracts         12,550         11,997         107,164           Provision for loss on construction expenses         12,250         11,997         107,166           Provision for loss on construction contracts         12,250         11,997         107,166           Contract liabilities         210,345         243,923         2,788,67           Total current liabilities </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Total assets							
Liabilities					•		
Current liabilities			1,903,270		1,939,907		17,320,070
Notes and accounts payable - trade         247,294         205,673         1,837,186           Electronically recorded obligations - operating         107,849         95,809         855,820           Short-term borrowings         141,579         177,461         1,555,181           Income taxes payable         4,753         5,361         47,887           Provision for sales promotion expenses         7,380         -         150,308           Provision for bonuses         18,239         16,827         150,308           Provision for construction warranties         12,550         11,997         107,164           Provision for loss on construction contracts         14,263         11,997         107,110           Advances received         153,298         -         -           Contract liabilities         168,456         1,504,743           Other         210,345         243,923         2,778,857           Total current liabilities         917,555         937,503         8,374,301           Non-current liabilities         199,000         180,000         1,607,861           Long-term borrowings         199,177         195,256         1,744,136           Retirement benefit liability         115,456         118,370         1,057,347      <							
Electronically recorded obligations - operating   107,849   95,809   855,820   Short-term borrowings   141,579   177,461   1,585,181   Income taxes payable   4,753   5,361   47,887   Provision for sales promotion expenses   7,380			247 204		205 672		1 027 106
Short-term borrowings         141,579         177,461         1,585,181           Income taxes payable         4,753         5,361         47,887           Provision for sales promotion expenses         7,380         -           Provision for bonuses         18,239         16,827         150,308           Provision for construction warranties         12,550         11,997         107,164           Provision for loss on construction contracts         14,263         11,991         107,110           Advances received         153,298         -         -           Contract liabilities         210,345         243,923         2,178,857           Total current liabilities         917,555         937,503         8,374,301           Non-current liabilities         190,000         180,000         1,607,861           Long-term borrowings         199,177         195,256         1,744,136           Retirement benefit liability         199,177         195,256         1,744,136           Retirement benefit liabilities         5,984         4,022         35,927           Other         52,326         5,654         470,335           Total non-current liabilities         1,480,500         1,487,807         13,289,924           Net assets					•		
Income taxes payable							
Provision for sales promotion expenses         7,380         -           Provision for bonuses         18,239         16,827         150,308           Provision for construction warranties         12,550         11,997         107,164           Provision for loss on construction contracts         14,263         11,991         107,110           Advances received         153,298         -         -           Contract liabilities         168,456         1,504,743           Other         210,345         243,923         2,178,857           Total current liabilities         917,555         937,503         8,374,301           Non-current liabilities         190,000         180,000         1,607,861           Long-term borrowings         199,177         195,256         1,744,136           Retirement benefit liability         115,456         118,370         1,057,347           Provision for the in service issues of commercial aircraft jet engines         5,984         4,022         35,927           Other         52,654         470,335         470,335         704,804         1,487,807         13,289,924           Net assets         1,487,607         1,487,807         13,289,924         1,487,807         13,289,924           Net assets					•		
Provision for bonuses         18,239         16,827         150,308           Provision for construction warranties         12,550         11,997         107,164           Provision for loss on construction contracts         14,263         11,991         107,110           Advances received         153,298         -         -           Contract liabilities         168,456         1,504,743           Other         210,345         243,923         2,178,857           Total current liabilities         917,555         937,503         8,374,301           Non-current liabilities         190,000         180,000         1,607,861           Long-term borrowings         199,177         195,256         1,744,136           Retirement benefit liability         115,456         118,370         1,057,347           Provision for the in service issues         5,984         4,022         35,927           Other         52,326         52,654         470,335           Total non-current liabilities         562,944         550,303         4,915,614           Total surplus         54,542         55,525         495,980           Retassets         3         104,484         104,484         933,310           Capital surplus <t< td=""><td></td><td></td><td></td><td></td><td>3,301</td><td></td><td>47,007</td></t<>					3,301		47,007
Provision for construction warranties         12,550         11,997         107,164           Provision for loss on construction contracts         14,263         11,991         107,110           Advances received         153,298         ————————————————————————————————————					16 027		150 200
Provision for loss on construction contracts         14,263         11,991         107,110           Advances received         153,298         168,456         1,504,743           Contract liabilities         210,345         243,923         2,178,857           Total current liabilities         917,555         937,503         8,374,301           Non-current liabilities         190,000         180,000         1,607,861           Long-term borrowings         199,177         195,256         1,744,136           Retirement benefit liability         115,456         118,370         1,057,347           Provision for the in service issues of commercial aircraft jet engines         5,984         4,022         35,927           Other         52,326         52,654         470,335           Total non-current liabilities         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Shareholders' equity         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         <					- , -		
Advances received         153,298           Contract liabilities         168,456         1,504,743           Other         210,345         243,923         2,178,857           Total current liabilities         917,555         937,503         8,374,301           Non-current liabilities         190,000         180,000         1,607,861           Long-term borrowings         199,177         195,256         1,744,136           Retirement benefit liability         115,456         118,370         1,057,347           Provision for the in service issues of commercial aircraft jet engines         5,984         4,022         35,927           Other         52,326         52,654         470,335           Total non-current liabilities         1,480,500         1,487,807         13,289,924           Net assets         5         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         1         1,480,500         1,487,807         13,289,924           Net assets         1         1,480,500         1,484,807         13,289,924           Net assets         1         1,480,500         1,487,807         13,289,924           N					•		
Contract liabilities         168,456         1,504,743           Other         210,345         243,923         2,178,857           Total current liabilities         917,555         937,503         8,374,301           Non-current liabilities         190,000         180,000         1,607,861           Long-term borrowings         199,177         195,256         1,744,136           Retirement benefit liability         115,456         118,370         1,057,347           Provision for the in service issues of commercial aircraft jet engines         5,984         4,022         35,927           Other         52,326         52,654         470,335           Total non-current liabilities         1,480,500         1,487,807         13,289,924           Net assets         15         1,480,500         1,487,807         13,289,924           Net assets         Shareholders' equity         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (10,60)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716					11,331		107,110
Other         210,345         243,923         2,178,857           Total current liabilities         917,555         937,503         8,374,301           Non-current liabilities         190,000         180,000         1,607,861           Long-term borrowings         199,177         195,256         1,744,136           Retirement benefit liability         115,456         118,370         1,057,347           Provision for the in service issues of commercial aircraft jet engines         5,984         4,022         35,927           Other         52,326         52,654         470,335           Total non-current liabilities         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Shareholders' equity         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)<			155,296		160 156		1 504 742
Total current liabilities         917,555         937,503         8,374,301           Non-current liabilities         190,000         180,000         1,607,861           Bonds payable         199,177         195,256         1,744,136           Long-term borrowings         199,177         195,256         1,744,136           Retirement benefit liability         115,456         118,370         1,057,347           Provision for the in service issues of commercial aircraft jet engines         5,984         4,022         35,927           Other         52,326         52,654         470,335           Total non-current liabilities         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Shareholders' equity         Share capital         104,484         104,484         933,310           Share capital         104,484         104,484         933,310         93,980         93,310         93,5980         93,510         93,310         93,310         93,510         93,310         93,310         93,310         93,310         93,310         93,510         93,310         93,310         93,510         93,310         93,310         93,510         93,510			210 345		•		
Non-current liabilities         190,000         180,000         1,607,861           Bonds payable         199,177         195,256         1,744,136           Retirement benefit liability         115,456         118,370         1,057,347           Provision for the in service issues of commercial aircraft jet engines         5,984         4,022         35,927           Other         52,326         52,654         470,335         4,915,614           Total non-current liabilities         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Shareholders' equity         Share capital         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         1,955         1,736         15,507           Valuation difference on available-for-sale securities         1,955         1,736         15,507           D					•		, ,
Bonds payable         190,000         180,000         1,607,861           Long-term borrowings         199,177         195,256         1,744,136           Retirement benefit liability         115,456         118,370         1,057,347           Provision for the in service issues of commercial aircraft jet engines         5,984         4,022         35,927           Other         52,326         52,654         470,335           Total non-current liabilities         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Shareholders' equity         54,542         55,525         495,980           Share capital         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on			917,555		931,303		0,374,307
Long-term borrowings         199,177         195,256         1,744,136           Retirement benefit liability         115,456         118,370         1,057,347           Provision for the in service issues of commercial aircraft jet engines         5,984         4,022         35,927           Other         52,326         52,654         470,335           Total non-current liabilities         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Share capital         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)         (7,343)           Foreign currency translation adjustment         (931)         3,510         31,353           <			190 000		180 000		1 607 861
Retirement benefit liability         115,456         118,370         1,057,347           Provision for the in service issues of commercial aircraft jet engines         5,984         4,022         35,927           Other         52,326         52,654         470,335           Total non-current liabilities         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Share capital         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)         (7,343)           Foreign currency translation adjustment         (931)         3,510         31,353           Remeasurements of defined benefit plans         (979)         (758)         (6,771) <td>· ·</td> <td></td> <td></td> <td></td> <td>•</td> <td></td> <td></td>	· ·				•		
Provision for the in service issues of commercial aircraft jet engines         5,984         4,022         35,927           Other         52,326         52,654         470,335           Total non-current liabilities         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Share capital         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)         (7,343)           Foreign currency translation adjustment         (931)         3,510         31,353           Remeasurements of defined benefit plans         (979)         (758)         (6,771)			,		,		
Other         5,984         4,022         35,927           Other         52,326         52,654         470,335           Total non-current liabilities         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Share capital         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)         (7,343)           Foreign currency translation adjustment         (931)         3,510         31,353           Remeasurements of defined benefit plans         (979)         (758)         (6,771)	•		110,400		110,010		1,001,041
Other         52,326         52,654         470,335           Total non-current liabilities         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Shareholders' equity           Share capital         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)         (7,343)           Foreign currency translation adjustment         (931)         3,510         31,353           Remeasurements of defined benefit plans         (979)         (758)         (6,771)			5,984		4,022		35,927
Total non-current liabilities         562,944         550,303         4,915,614           Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Shareholders' equity           Share capital         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)         (7,343)           Foreign currency translation adjustment         (931)         3,510         31,353           Remeasurements of defined benefit plans         (979)         (758)         (6,771)	, 3		50,000		50.054		470.005
Total liabilities         1,480,500         1,487,807         13,289,924           Net assets         Shareholders' equity           Share capital         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)         (7,343)           Foreign currency translation adjustment         (931)         3,510         31,353           Remeasurements of defined benefit plans         (979)         (758)         (6,771)					•		,
Net assets           Shareholders' equity         Share capital         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)         (7,343)           Foreign currency translation adjustment         (931)         3,510         31,353           Remeasurements of defined benefit plans         (979)         (758)         (6,771)					•		
Shareholders' equity         Share capital       104,484       104,484       933,310         Capital surplus       54,542       55,525       495,980         Retained earnings       306,576       271,454       2,424,779         Treasury shares       (136)       (1,160)       (10,362)         Total shareholders' equity       465,467       430,304       3,843,716         Accumulated other comprehensive income       Valuation difference on available-for-sale securities       1,955       1,736       15,507         Deferred gains or losses on hedges       (179)       (822)       (7,343)         Foreign currency translation adjustment       (931)       3,510       31,353         Remeasurements of defined benefit plans       (979)       (758)       (6,771)			1,480,500		1,487,807		13,289,924
Share capital         104,484         104,484         933,310           Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)         (7,343)           Foreign currency translation adjustment         (931)         3,510         31,353           Remeasurements of defined benefit plans         (979)         (758)         (6,771)							
Capital surplus         54,542         55,525         495,980           Retained earnings         306,576         271,454         2,424,779           Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)         (7,343)           Foreign currency translation adjustment         (931)         3,510         31,353           Remeasurements of defined benefit plans         (979)         (758)         (6,771)	' '		404 404		404 404		000 040
Retained earnings       306,576       271,454       2,424,779         Treasury shares       (136)       (1,160)       (10,362)         Total shareholders' equity       465,467       430,304       3,843,716         Accumulated other comprehensive income       Valuation difference on available-for-sale securities       1,955       1,736       15,507         Deferred gains or losses on hedges       (179)       (822)       (7,343)         Foreign currency translation adjustment       (931)       3,510       31,353         Remeasurements of defined benefit plans       (979)       (758)       (6,771)			,		•		
Treasury shares         (136)         (1,160)         (10,362)           Total shareholders' equity         465,467         430,304         3,843,716           Accumulated other comprehensive income         Valuation difference on available-for-sale securities         1,955         1,736         15,507           Deferred gains or losses on hedges         (179)         (822)         (7,343)           Foreign currency translation adjustment         (931)         3,510         31,353           Remeasurements of defined benefit plans         (979)         (758)         (6,771)					,		
Total shareholders' equity       465,467       430,304       3,843,716         Accumulated other comprehensive income       1,955       1,736       15,507         Valuation difference on available-for-sale securities       1,955       1,736       15,507         Deferred gains or losses on hedges       (179)       (822)       (7,343)         Foreign currency translation adjustment       (931)       3,510       31,353         Remeasurements of defined benefit plans       (979)       (758)       (6,771)	<u> </u>						
Accumulated other comprehensive income Valuation difference on available-for-sale securities Deferred gains or losses on hedges Foreign currency translation adjustment Remeasurements of defined benefit plans  1,955 1,736 15,507 (7,343) (931) 3,510 31,353 (6,771)	•						
Valuation difference on available-for-sale securities1,9551,73615,507Deferred gains or losses on hedges(179)(822)(7,343)Foreign currency translation adjustment(931)3,51031,353Remeasurements of defined benefit plans(979)(758)(6,771)	· ·		465,467		430,304		3,843,716
Deferred gains or losses on hedges       (179)       (822)       (7,343)         Foreign currency translation adjustment       (931)       3,510       31,353         Remeasurements of defined benefit plans       (979)       (758)       (6,771)	•						4
Foreign currency translation adjustment (931) <b>3,510</b> 31,353 Remeasurements of defined benefit plans (979) <b>(758)</b> (6,771)							
Remeasurements of defined benefit plans (979) (758) (6,771)			, ,				, ,
					•		
Total accumulated other comprehensive income (134)	•				(758)		(6,771)
	Total accumulated other comprehensive income		(134)				

### **Consolidated Statements of Profit and Loss**

For six months ended September 30, 2021 and 2020

Net sales	\	657,325	\	681,082	\$ 6,083,805
Cost of sales		588,959		564,582	5,043,162
Gross profit		68,366		116,500	1,040,643
Selling, general and administrative expenses					
Salaries and allowances		27,475		27,901	249,227
Research and development expenses		19,041		19,824	177,079
Other					

#### (Consolidated)

#### **Consolidated Statements of Cash Flows**

For six months ended September 30, 2021 and 2020

					Thousands of
					U.S. dollars
			onths ended . 30, 2021		
Cash flows from operating activities					
Profit (loss) before income taxes	\	(17,385)	\	12,496	\$ 111,621
Depreciation		30,223		30,105	268,915
Impairment losses		3,916		223	

## Segment information Information by reportable segment

	Millions of yen Six months ended Sep. 30, 2020										
	External sales		Intersegment sales		Total sales		Operating profit (loss)				
Aerospace Systems	\	168,595	\	3,048	\	171,643	\	(23,865)			
Rolling Stock		69,194		4		69,199		(186)			
Energy Solution & Marine Engineering		142,828		10,496		153,325		2,994			
Precision Machinery & Robot		99,020		5,972		104,993		3,412			
Motorcycle & Engine		139,784		298		140,083		(5,169)			
Other		37,901		18,799		56,701		(175)			
Total		657,325		38,619		695,945		(22,989)			
Eliminations and corporate				(38,619)		(38,619)		1,106			
Consolidated total	١	657,325	\	-	\	657,325	١	(21,883)			

	Millions of yen											
				Six mo	nths e	nded						
	Sep. 30, 2021											
		External	Inte	rsegment		Total	Operating					
	sales		sales		sales		profit (loss)					
Aerospace Systems	\	133,360	\	3,573	\	136,934	\	(9,162)				
Rolling Stock		57,598		4		57,603		1,377				
Energy Solution & Marine Engineering		130,968		7,409		138,377		(900)				
Precision Machinery & Robot		118,266		7,977		126,243		8,980				
Motorcycle & Engine		206,815		358		207,174		18,591				
Other		34,072		8,490		42,563		1,565				
Total		681,082		27,814		708,896		20,452				
Eliminations and corporate		-		(27,814)		(27,814)		(46)				
Consolidated total	1	681,082	1	-	1	681,082	1	20,406				

	Thousands of U.S. dollars										
				Six mo	nths e	nded					
	Sep. 30, 2021										
		External	Int	ersegment		Total	Operating				
		sales		sales		sales	profit (loss)				
Aerospace Systems	\$	1,191,246	\$	31,916	\$	1,223,171	\$	(81,840)			
Rolling Stock		514,498		36		514,542		12,300			
Energy Solution & Marine Engineering		1,169,879		66,181		1,236,061		(8,039)			
Precision Machinery & Robot		1,056,418		71,255		1,127,673		80,214			
Motorcycle & Engine		1,847,387		3,198		1,850,594		166,065			
Other		304,350		75,837		380,197		13,979			
Total		6,083,805		248,450		6,332,255		182,689			
Eliminations and corporate		-		(248,450)		(248,450)		(411)			
Consolidated total	\$	6,083,805	\$	-	\$	6,083,805	\$	182,278			

# **Orders by reportable segment** *For six months ended September 30, 2021 and 2020*

		Pillion	s of ven		М	illions of U.S. dollars
		nths ended 30, 2020	Six mo	nths ended 30, 2021	Six months ended Sep. 30, 2021	
Orders:						
Aerospace Systems	\	72.4	\	97.2	\$	868
Rolling Stock		30.3		23.1		206
Energy Solution & Marine Engineering		118.4		164.2		1, <b>4</b> 67
Precision Machinery & Robot		102.4		128.1		1,144
Motorcycle & Engine		139.7		206.8		1,847
Other		38.6		40.0		357
Total	\	502.2	1	659.5	\$	5.891