



# KAWASAKI HEAVY INDUSTRIES, LTD. AND CONSOLIDATED SUBSIDIARIES

## FLASH CONSOLIDATED FINANCIAL RESULTS

February 2, 2022

For nine months ended December 2021 and 2020 and one year ended March 31, 2021

(Consolidated)

### Operating results

	Millions of yen		Thousands of U.S. dollars
	Nine months ended Dec. 31, 2021	Nine months ended Dec. 31, 2020	Nine months ended Dec. 31, 2021
Net sales	\ 1,038,731	\ 1,032,484	\$ 9,030,873
Operating profit	39,020	(3,735)	339,245
Profit attributable to owners of parent	7,296	(13,969)	63,432
Earnings per share (Yen)	43.60	(83.62)	

### Financial position

	Millions of yen / Thousand shares		Thousands of U.S. dollars
	As of Dec. 31, 2021	As of Mar. 31, 2021	As of Dec. 31, 2021
Total assets	\ 2,045,689	\ 1,963,276	\$ 17,785,507
Net assets	457,518	482,775	3,977,726
Number of shares issued and outstanding	167,472	167,042	
Equity Ratio	21.4%	23.7%	

### Cash flows

	Millions of yen		Thousands of U.S. dollars
	Nine months ended Dec. 31, 2021	Nine months ended Dec. 31, 2020	Nine months ended Dec. 31, 2021
Operating activities	\ (138,956)	\ (139,750)	\$ (1,208,103)
Investing activities	(43,548)	(22,400)	(378,612)
Financing activities	130,176	192,645	1,131,768
Cash and cash equivalents at end of period	68,658	133,085	596,922

### Fiscal year forecast

	Millions of yen		
	Net sales	Operating profit	Profit attributable to owners of parent
One year ending March 31, 2022	\ 1,550,000	\ 46,000	\ 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 115.02=\$1, the rate prevailing as of December 30, 2021, solely for the convenience of the readers.

## Consolidated Balance Sheets

As of December 31 and March 31, 2021

	Millions of yen		Thousands of
	As of	As of	U.S. dollars
	Mar. 31, 2021	Dec. 31, 2021	As of Dec. 31, 2021
<b>Assets</b>			
<b>Current assets</b>			
Cash and deposits	\ 126,702	\ 75,250	\$ 654,234
Notes and accounts receivable - trade	460,436		-
Notes and accounts receivable - trade, and contract assets		447,438	3,890,089
Merchandise and finished goods	69,223	90,703	788,585
Work in process	452,848	454,071	3,947,757
Raw materials and supplies	136,471	151,917	1,320,788
Other	43,314	118,694	1,031,942
Allowance for doubtful accounts	(3,589)	(3,680)	(31,994)
<b>Total current assets</b>	<u>1,285,407</u>	<u>1,334,395</u>	<u>11,601,417</u>
<b>Non-current assets</b>			
Property, plant and equipment			
Buildings and structures, net	172,951	168,935	1,468,745
Other	278,308	273,125	2,374,587
<b>Total property, plant and equipment</b>	<u>451,259</u>	<u>442,060</u>	<u>3,843,332</u>
Intangible assets	22,427	22,095	192,097
Investments and other assets			
Other	205,584	248,444	2,160,007
Allowance for doubtful accounts	(1,403)	(1,306)	(11,355)
<b>Total investments and other assets</b>	<u>204,180</u>	<u>247,137</u>	<u>2,148,644</u>
<b>Total non-current assets</b>	<u>677,868</u>	<u>711,293</u>	<u>6,184,081</u>
<b>Total assets</b>	<u>1,963,276</u>	<u>2,045,689</u>	<u>17,785,507</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Notes and accounts payable - trade	247,294	206,830	1,798,209
Electronically recorded obligations - operating	107,849	109,694	953,695
Short-term borrowings	141,579	178,077	1,548,226
Income taxes payable	4,753	9,016	78,386
Provision for sales promotion expenses	7,380		-
Provision for bonuses	18,239	9,563	83,142
Provision for construction warranties	12,550	12,091	105,121
Provision for loss on construction contracts	14,263	10,443	90,793
Advances received	153,298		-
Contract liabilities		178,724	1,553,852
Other	210,345	327,214	2,844,844
<b>Total current liabilities</b>	<u>917,555</u>	<u>1,041,656</u>	<u>9,056,303</u>
<b>Non-current liabilities</b>			
Bonds payable	190,000	180,000	1,564,945
Long-term borrowings	199,177	191,749	1,667,093
Retirement benefit liability	115,456	119,472	1,038,706
Provision for the in service issues of commercial aircraft jet engines	5,984	3,132	27,230
Other	52,326	52,160	453,486
<b>Total non-current liabilities</b>	<u>562,944</u>	<u>546,514</u>	<u>4,751,469</u>
<b>Total liabilities</b>	<u>1,480,500</u>	<u>1,588,170</u>	<u>13,807,773</u>
<b>Net assets</b>			
<b>Shareholders' equity</b>			
Share capital	104,484	104,484	908,399
Capital surplus	54,542	55,527	482,760
Retained earnings	306,576	270,876	2,355,034
Treasury shares	(136)	(1,127)	(9,798)
<b>Total shareholders' equity</b>	<u>465,467</u>	<u>429,760</u>	<u>3,736,394</u>
<b>Accumulated other comprehensive income</b>			
Valuation difference on available-for-sale securities	1,955	1,495	12,998
Deferred gains or losses on hedges	(179)	(792)	(6,886)
Foreign currency translation adjustment	(931)	8,984	78,108
Remeasurements of defined benefit plans	(979)	(776)	(6,747)
<b>Total accumulated other comprehensive income</b>	<u>(134)</u>	<u>8,911</u>	<u>77,473</u>
<b>Non-controlling interests</b>	<u>17,442</u>	<u>18,846</u>	<u>163,850</u>
<b>Total net assets</b>	<u>482,775</u>	<u>457,518</u>	<u>3,977,726</u>
<b>Total liabilities and net assets</b>	<u>1,963,276</u>	<u>2,045,689</u>	<u>17,785,507</u>



Segment information  
Information by reportable segment

Aerospace Systems	\	277,994	\	4,351	\	282,346	\	(19,257)
Rolling Stock		101,513		5		101,519		(1,341)
Energy Solution & Marine Engineering		215,668		15,802		231,471		5,643
Precision Machinery & Robot		154,244		9,576		163,820		8,128
Motorcycle & Engine		225,511		483		225,995		1,884
Other		57,550		26,939		84,490		500

## Orders by reportable segment

For nine months ended December 2021 and 2020

	Billions of yen		Millions of
	Nine months ended	Nine months ended	U.S. dollars
	Dec. 31, 2020	Dec. 31, 2021	Nine months ended Dec. 31, 2021
Orders :			
Aerospace Systems	\ 224.7	\ 160.8	\$ 1,398
Rolling Stock	49.2	42.2	367
Energy Solution & Marine Engineering	187.3	253.2	2,201
Precision Machinery & Robot	170.2	197.4	1,716
Motorcycle & Engine	225.5	309.5	2,691
Other	56.9	63.0	548
Total	\ 914.0	\ 1,026.4	\$ 8,924