



KAWASAKI HEAVY INDUSTRIES, LTD. AND CONSOLIDATED SUBSIDIARIES

FLASH CONSOLIDATED FINANCIAL RESULTS

November 8, 2023

For six months ended September 30, 2023 and 2022 and one year ended March 31, 2023

(Consolidated)

Operating results

	(Millions of yen)	
	Six months ended Sep. 30, 2023	Six months ended Sep. 30, 2022
Revenue	769,341	759,745
Business profit (loss)	(32,846)	30,830
Profit (loss) attributable to owners of parent	(23,346)	23,763
Earnings (loss) per share (Yen)	(139.39)	141.89

Financial position

	(Millions of yen / Thousand shares)	
	As of Sep. 30, 2023	As of Mar. 31, 2023
Total assets	2,556,478	2,457,725
Equity	581,742	596,872
Number of shares issued and outstanding	167,499	167,481
Equity Ratio	22.0%	23.4%

Cash flows

	(Millions of yen)	
	Six months ended Sep. 30, 2023	Six months ended Sep. 30, 2022
Operating activities	(15,440)	(70,032)
Investing activities	(48,094)	(35,449)
Financing activities	17,604	91,213
Cash and cash equivalents at end of period	85,414	83,043

Fiscal year forecast

	(Millions of yen)		
	Revenue	Business profit	Profit attributable to owners of parent
One year ending March 31, 2024	1,840,000	40,000	12,000

Consolidated Statement of Financial Position

Consolidated Statement of Profit or Loss

For six months ended September 30, 2023 and 2022

	(Millions of yen)	
	Six months ended Sep. 30, 2022	Six months ended Sep. 30, 2023
Revenue	759,745	769,341
Cost of sales	619,656	680,925
Gross profit	140,089	88,415
Selling, general and administrative expenses	109,854	128,239
Share of profit of investments accounted for using equity method	1,002	6,540
Other income	2,438	2,695
Other expenses	2,846	2,259
Business profit (loss)	30,830	(32,846)
Finance income	8,613	4,624
Finance costs	3,497	6,249
Profit (loss) before tax	35,946	(34,471)
Income tax expense	11,513	(12,061)
Profit (loss)	24,433	(22,410)
Profit (loss) attributable to:		
Owners of parent	23,763	(23,346)
Non-controlling interests	669	935
Earnings per share		
Basic earnings (loss) per share	141.89	(139.39)

Consolidated Statement of Profit or Loss

For three months ended September 30, 2023 and 2022

	(Millions of yen)	
	Three months ended Sep. 30, 2022	Three months ended Sep. 30, 2023
Revenue	409,401	364,001
Cost of sales	326,683	341,678
Gross profit	82,717	22,322
Selling, general and administrative expenses	56,285	65,886
Share of profit of investments accounted for using equity method	371	447
Other income	812	1,491
Other expenses	1,378	1,475
Business profit (loss)	26,237	(43,100)
Finance income	1,100	(3,234)
Finance costs	1,996	3,103
Profit (loss) before tax	25,341	(49,438)
Income tax expense	6,702	(17,580)
Profit (loss)	18,639	(31,857)
Profit (loss) attributable to:		
Owners of parent	18,305	(32,436)
Non-controlling interests	333	578
Earnings per share		
Basic earnings (loss) per share	109.30	(193.66)

Consolidated Statement of Comprehensive Income

For six months ended September 30, 2023 and 2022

Profit (loss)	24,433	(22,410)
Other com		

Consolidated Statement of Comprehensive Income

For three months ended September 30, 2023 and 2022

	(Millions of yen)	
	Three months ended Sep. 30, 2022	Three months ended Sep. 30, 2023
Profit (loss)	18,639	(31,857)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(9)	750
Remeasurements of defined benefit plans	223	(59)
Share of other comprehensive income of investments accounted for using equity method	3	1
Total of items that will not be reclassified to profit or loss	217	691
Items that may be reclassified to profit or loss		
Cash flow hedges	(4,163)	494
Exchange differences on translation of foreign operations	7,952	6,306
Share of other comprehensive income of investments accounted for using equity method	(1,264)	2,191
Total of items that may be reclassified to profit or loss	2,524	8,992
Total other comprehensive income	2,741	9,683
Comprehensive income (loss)	21,380	(22,173)
Comprehensive income (loss) attributable to:		
Owners of parent	20,705	(23,256)
Non-controlling interests	675	1,082

Consolidated Statement of Changes in Equity

For Six months ended September 30, 2022

Balance as of Apr. 1, 2022	104,484	55,525	320,671	(1,129)
Profit			23,763	
Other comprehensive income				
Comprehensive income			23,763	
Purchase of treasury shares				(2)
Disposal of treasury shares		(0)		26
Dividends			(3,357)	
Transfer to retained earnings			635	
Change in scope of consolidation				
Loss of control of subsidiaries				
F- Change in ownership interest of parent due to transactions with non-controlling interests		182		
Transfer to non-financial assets				
Other			34	
Total transactions with owners		182	(2,687)	24
Balance as of Sep. 30, 2022	104,484	55,707	341,748	(1,104)

Balance as of Apr. 1, 2022	-	4,435	(284)	21,780	25,931	505,484	19,407	524,891
Profit						23,763	669	24,433
Other comprehensive income	690	(797)	(8,114)	23,033	14,812	14,812	896	15,708
Comprehensive income	690	(797)	(8,114)	23,033	14,812	38,575	1,566	40,142
Purchase of treasury shares						(2)		(2)
Disposal of treasury shares						26		26
Dividends						(3,357)	(560)	(3,918)
Transfer to retained earnings	(690)	55			(635)	-		-
Change in scope of consolidation							366	366
Loss of control of subsidiaries							(2,079)	(2,079)
F- Change in ownership interest of parent due to transactions with non-controlling interests						182	(190)	(8)
Transfer to non-financial assets			(509)		(509)	(509)		(509)
Other						34	0	34
Total transactions with owners	(690)	55	(509)		(1,145)	(3,625)	(2,464)	(6,089)
Balance as of Sep. 30, 2022	-	3,693	(

For six months ended September 30, 2023

Balance as of Apr. 1, 2023	104,484	55,716	380,255	(1,107)
Profit (loss)			(23,346)	
Other comprehensive income				
Comprehensive income (loss)			(23,346)	
Purchase of treasury shares				(3)
Disposal of treasury shares		0		45
Dividends			(10,072)	
Transfer to retained earnings			(20)	
Change in scope of consolidation			(1)	
Loss of control of subsidiaries				
F. Change in ownership interest of parent due to transactions with non-controlling interests		717		
Transfer to non-financial assets				
Other				
Total transactions with owners		717	(10,093)	41
Balance as of Sep. 30, 2023	104,484	56,433	346,815	(1,065)

Balance as of Apr. 1, 2023	-	4,109	676	32,066	36,852	576,201	20,670	596,872
Profit (loss)						(23,346)	935	(22,410)
Other comprehensive income	(14)	2,430	(6,669)	22,877	18,624	18,624	791	19,415
Comprehensive income (loss)	(14)	2,430	(6,669)	22,877	18,624	(4,722)	1,727	(2,994)
Purchase of treasury shares						(3)		(3)
Disposal of treasury								

(Consolidated)

Consolidated Statement of Cash Flows

For six months ended September 30, 2023 and 2022

Cash flows from operating activities

Profit (loss)	24,433	(22,410)
Depreciation and amortization	37,578	43,525
Impairment losses	248	287
Finance income and finance costs	1,851	4,946
Share of loss (profit) of investments accounted for using equity method	(1,002)	(6,540)
Loss (gain) on sale of fixed assets	339	(38)
Income tax expense	11,513	(12,061)
Increase (decrease) in retirement benefit liability	1,804	2,001
Decrease (increase) in trade and other receivables	4,190	(1,366)
Decrease (increase) in contract assets	(20,017)	30,359
Decrease (increase) in inventories	(59,266)	(48,843)
Increase (decrease) in trade and other payables	(10,805)	(1,798)
Decrease (increase) in advance payment	(27,799)	(502)
Increase (decrease) in contract liabilities	3,988	(18)
Increase (decrease) in refund liability	(1,915)	55,596
Decrease (increase) in other current assets	(7,832)	(10,936)
Increase (decrease) in other current liabilities	(3,138)	(18,104)
Other	(11,553)	(9,037)
Subtotal	(57,384)	5,059
Interest received	677	984
Dividends received	241	289
Interest paid	(2,566)	(3,576)
Income taxes paid	(11,000)	(18,197)
Net cash provided by (used in) operating activities	(70,032)	(15,440)

Cash flows from investing activities

Purchase of property, plant and equipment	(23,993)	(40,752)
Proceeds from sale of property, plant and equipment	1,763	1,152
Purchase of intangible assets	(4,523)	(7,704)
Proceeds from sale of intangible assets	49	63
Payments for equity method investment and purchase of other financial assets	(5,306)	(186)
Proceeds from equity method investment and sale of other financial assets	66	1
Payments for acquisition of subsidiaries	(524)	-
Decrease due to loss of control over subsidiaries	(3,224)	-
Other	243	(668)
Net cash provided by (used in) investing activities	(35,449)	(48,094)

Cash flows from financing activities

