

Financial Results for First Quarter FY2024

For the Year ending March 31, 2025

August 6, 2024

Kawasaki Heavy Industries, Ltd.



 **Kawasaki**
Powering your potential

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Notice

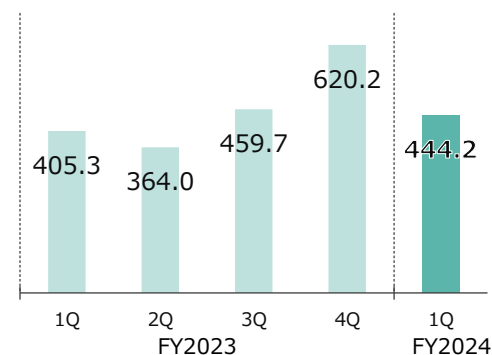
Figures recorded in the business forecasts are forecasts that reflect the judgment of the Company based on the information available at the time of release and include risks and uncertainties. Accordingly, the Company cautions investors not to make investment decisions solely on the basis of these forecasts. 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. Our company has adopted IFRS (International Financial Reporting Standards) since the first quarter of FY2022.

Consolidated Results for First Quarter FY2024 -Summary-

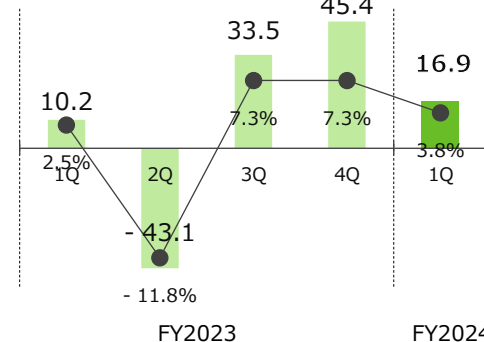
- ✓ Revenue and profit increased YoY, reaching a record high for Q1 revenue
- ✓ Foreign exchange gains resulting from the depreciation of the yen contributed to profit before tax and net profit

	(Billion Yen)		
	FY23 Q1	FY24 Q1	Change
Orders Received	457.3	456.8	- 0.4
Revenue	405.3	444.2	+ 38.8
Business Profit	10.2	16.9	+ 6.6
	<i>[margin]</i>	<i>[3.8%]</i>	<i>[+ 1.2pt]</i>
Profit Before Tax	14.9	25.8	+ 10.9
	<i>[margin]</i>	<i>[5.8%]</i>	<i>[+ 2.1pt]</i>
Profit Attributable to Owners of Parent	9.0	15.3	+ 6.2
	<i>[margin]</i>	<i>[3.5%]</i>	<i>[+ 1.2pt]</i>
Weighted-average exchange rates (USD/JPY)	132.09	153.34	+ 21.25
US dollar-based transaction (B\$)	0.45	0.49	+ 0.04

Quarterly revenue (Billion Yen)





Quarterly business profit (Billion Yen), margin



※ The amount of foreign currency that affects business profits due to exchange rate fluctuations. Calculated by deducting dollar denominated purchases from dollar denominated revenue of Kawasaki Heavy Industries, Ltd, Kawasaki Railcar manufacturing Co., Ltd., and Kawasaki Motors, Ltd., including foreign currency denominated revenue of loss provisions, and excluding refund liabilities denominated in foreign currencies related to the in-service issues of PW1100G-JM Engine. See page 44 for the breakdown of these figures by segment.

Consolidated Results for First Quarter FY2024

-Segment-

- 
Profitability in Aerospace Systems and Precision Machinery & Robot improved significantly ①
- 
Business profit in PS&E decreased due to increase in fixed costs and recall-related expenses ②

(Billion Yen)

	Orders Received			Revenue			Business Profit (Loss)		
	FY23 Q1	FY24 Q1	Change	FY23 Q1	FY24 Q1	Change	FY23 Q1	FY24 Q1	Change
Aerospace Systems	118.7	88.2	- 30.5	80.2	104.9	+ 24.7	- 4.6	4.8	+ 9.5
Rolling Stock	16.4	17.0	+ 0.6	43.5	43.8	+ 0.3	- 0.0	- 1.4	- 1.4
Energy Solution & Marine Engineering	102.3	121.8	+ 19.5	70.7	80.1	+ 9.4	5.8	5.9	+ 0.1
Precision Machinery & Robot	54.0	61.6	+ 7.6	49.3	52.6	+ 3.3	- 2.5	- 0.1	+ 2.4
Powersports & Engine ^{※1}	143.9	144.7	+ 0.7	143.9	144.7	+ 0.7	14.3	11.5	- 2.7
Others	21.7	23.3	+ 1.5	17.5	17.8	+ 0.3	0.6	0.7	+ 0.0
Eliminations and corporate ^{※2}	-	-	-	-	-	-	- 3.3	- 4.5	- 1.1
Total	457.3	456.8	- 0.4	405.3	444.2	+ 38.8	10.2	16.9	+ 6.6

※1 From Q3 FY'22, the reportable segment name of 'Motorcycle & Engine' has been changed to 'Powersports & Engine'.

※2 "Eliminations and corporate" includes some expenses incurred at Head Office which were not allocated to each industry segment for internal reporting.

Consolidated Results for First Quarter FY2024

-Statement of comprehensive income-

(Billion Yen)

	FY23 Q1	%	FY24 Q1	%	Change
Revenue	405.3	100.0	444.2	100.0	+ 38.8
Cost of sales	339.2	83.7	358.8	80.8	+ 19.5
Gross profit	66.0	16.3	85.4	19.2	+ 19.3
Selling, general and administrative expenses	62.3	15.4	73.8	16.6	+ 11.4
Salaries and allowances	17.7		19.6		+ 1.9
Research and development expenses	11.3		13.4		+ 2.0
Others	33.2		40.7		+ 7.4
Share of profit (loss) of investments accounted for using equity method	6.0		5.8		- 0.2
Other income and other expenses	0.4		- 0.4		- 0.8
Gain on sale of property, plant and equipment	0.7		0.7		+ 0.0
Others	- 0.2		- 1.1		- 0.8
Business Profit (Loss)	10.2	2.5	16.9	3.8	+ 6.6

Details

- ① Gross profit margin improved due to a depreciation of the yen
- ② Increase in expenses due to inflation and increase in fixed costs of overseas subsidiaries due to the depreciation of the yen

Consolidated Results for First Quarter FY2024

-Statement of comprehensive income-

(Billion Yen)

	FY23 Q1	%	FY24 Q1	%	Change
Finance income and Finance costs	4.7		8.9		+ 4.2
Net Interest expense (incl. dividend income)	- 1.1		- 1.9		- 0.7
Gain and loss on foreign exchange	7.0		12.9		+ 5.8
Others	- 1.1		- 2.0		- 0.8
Profit before tax	14.9	3.7	25.8	5.8	+ 10.9
Income tax expense	5.5		9.9		+ 4.4
Profit attributable to Non-controlling interests	0.3		0.5		+ 0.2
Profit attributable to owners of parent	9.0	2.2	15.3	3.5	+ 6.2

[Details](#)

③ USD/JPY rate
 151.40 Q4/E FY'23
 161.14 Q1/E FY'24

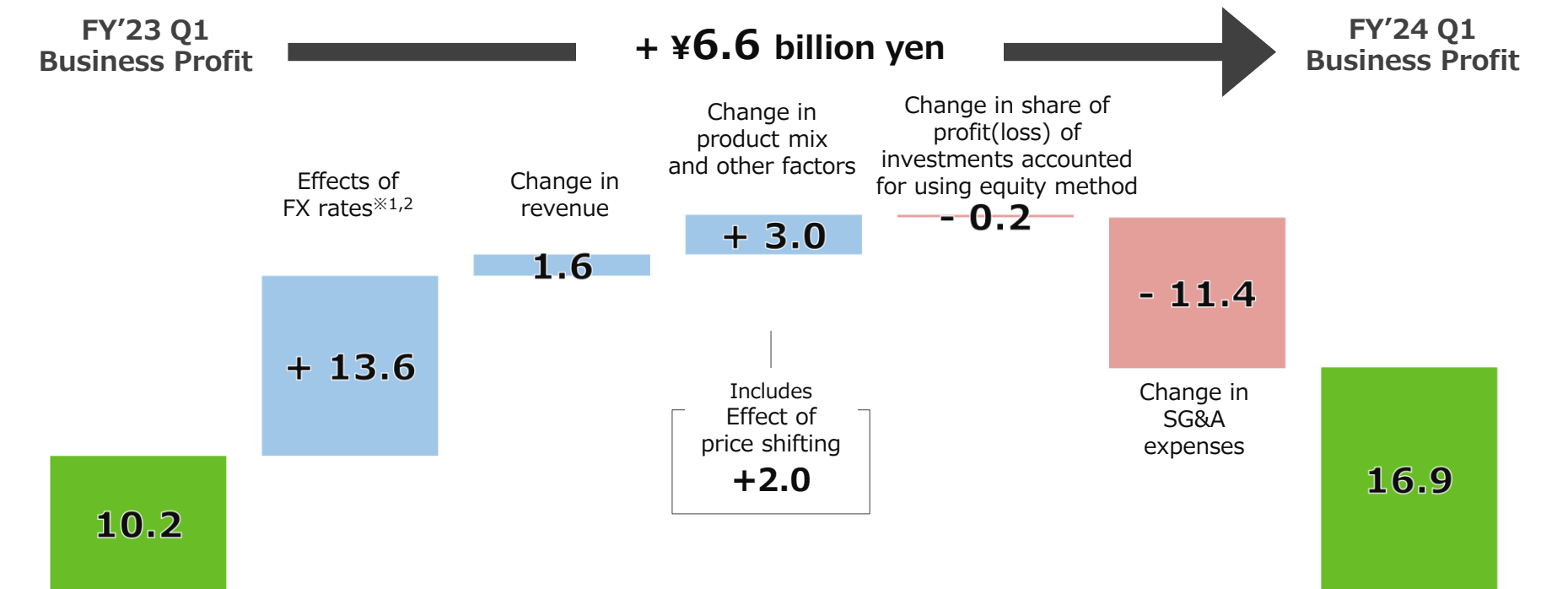
Weighted-average
 exchange rates
 153.34 Q1 FY'24

Gain on conversion of foreign
 currency-denominated
 receivables was recorded

Consolidated Results for First Quarter FY2024

-Details of change in business profit-

- ✓ Advantages of the depreciation of the yen were partially offset by an increase in "SG&A expenses"
- ✓ Improvement of profitability in Aero Engine contributed to "product mix and other factors"



※1 "Effects of FX rates" indicate the impact on gross profit, not including FX effects on Selling, general and administrative expenses. Also, the impact of price fluctuation due to currency fluctuations is included in "Change in product mix and other factors" and "Changes in Selling, general and administrative expenses".

※2 "Effects of FX rates" includes the impact of revaluation of refund liabilities denominated in foreign currencies related to the in-service issues of PW1100G-JM Engine.

Consolidated Results for First Quarter FY2024

-Details of change in business profit-

(Billion Yen)

	FY23 Q1 Business Profit (Loss)	Details of change					Total	FY24 Q1 Business Profit (Loss)
		Effects of FX rates ^{※1}	Change in sales ^{※1}	Change in product mix and other factors ^{※1}	Change in share of profit (loss) of investments accounted for using equity method	Change in SG & A expenses		
Aerospace Systems	- 4.6	^{※2} 0.5	3.5	7.9		- 1.4	9.5	4.8
Rolling Stock	- 0.0	2.6	- 0.2	- 3.4	0.0	- 0.4	- 1.4	- 1.4
Energy Solution & Marine Engineering	5.8	0.7	1.3	0.4	- 0.5	- 1.8	0.1	5.9
Precision Machinery & Robot	- 2.5	1.4	0.4	0.3	0.2	0.1	2.4	- 0.1
Powersports & Engine	14.3	9.3	- 3.4	- 1.8	0.0	- 6.8	- 2.7	11.5
Others	0.6	0.1	0.0	0.3	0.0	- 0.4	0.0	0.7
Eliminations and corporate	- 3.3			- 0.5	- 0.0	- 0.6	- 1.1	- 4.5
Total	10.2	13.6	1.6	3.0	- 0.2	- 11.4	6.6	16.9

※1 Effects of foreign exchange rates, change in revenue, and change in product mix are approximate values calculated by our company based on certain criteria. In addition, each factor of change is often indivisible, and in particular, it may be desirable to check the change in revenue and change in product mix.

※2 "Effects of FX rates" includes the impact of revaluation of refund liabilities denominated in foreign currencies related to the in-service issues of PW1100G-JM Engine.

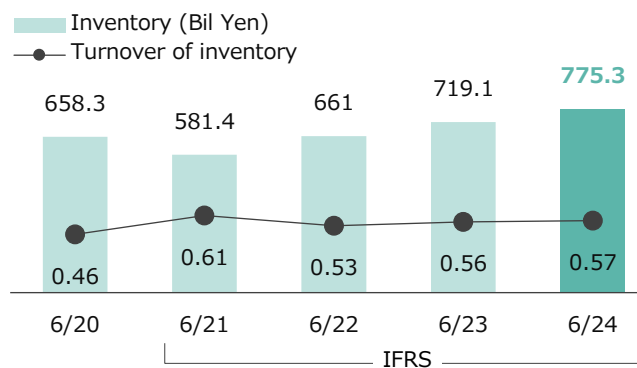
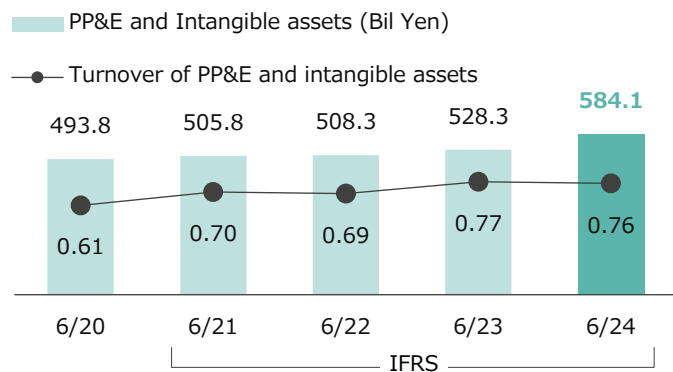
Consolidated Results for First Quarter FY2024 –Statement of financial position–

(Billion Yen)

	End of Mar. 2024	%	End of Jun. 2024	%	Change
Cash and cash equivalents	84.1		102.8		+ 18.7
Trade receivables (Incl. contract assets)	770.3		724.5		① - 45.7
Inventories	710.2		775.3		② + 65.1
Other current assets	162.1		225.2		+ 63.0
Current assets	1,726.9	64.4	1,828.0	64.9	+ 101.0
PP&E and intangible assets	565.9		584.1		+ 18.1
Right-of-use assets	64.8		67.0		+ 2.2
Deferred tax assets	117.4		117.5		+ 0.1
Other non-current assets	205.0		218.5		+ 13.5
Non-current assets	953.2	35.6	987.3	35.1	+ 34.1
Total assets	2,680.1	100.0	2,815.3	100.0	+ 135.2

Details

- ① Decreased in PS&E, Energy business, and Plant business
- ② Increased in PS&E and Aerospace Systems



Consolidated Results for First Quarter FY2024 -Statement of financial position-

(Billion Yen)

	End of Mar. 2024	%	End of Jun. 2024	%	Change
Trade payables	451.9		436.5		- 15.3
Interest-bearing debt	653.9		732.6		3 + 78.7
Contract liability (Advances received)	265.4		319.9		4 + 54.4
Provision for losses on construction contracts	5.6		5.6		- 0.0
Retirement benefit liability	74.6		75.7		+ 1.1
Other liabilities	573.9		567.0		- 6.9
Total liabilities	2,025.6	75.6	2,137.5	75.9	+ 111.9
Equity attributable to owners of parent	634.0		656.8		+ 22.7
Non-controlling interests	20.4		20.9		+ 0.5
Total equity	654.5	24.4	677.8	24.1	+ 23.2
Total liabilities and equity	2,680.1	100.0	2,815.3	100.0	+ 135.2

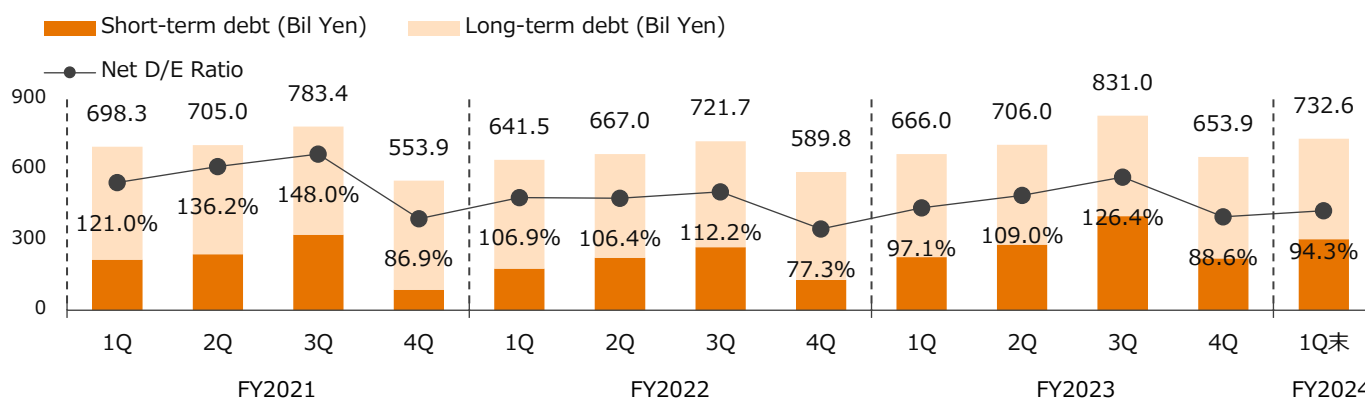
Details

- 3** Increase in borrowing as a normal business cycle in Q1
- 4** Increase in aerospace business

Appendix

Cash Conversion Cycle
(day)

End of FY'20 Q1	151
End of FY'21 Q1	141
End of FY'22 Q1	146
End of FY'23 Q1	146
End of FY'24 Q1	159



Consolidated Results for First Quarter FY2024

-Cash Flows-

(Billion Yen)

	FY23 Q1	FY24 Q1	Change
Profit before tax	14.9	25.8	+ 10.9
Depreciation and amortization	21.3	20.8	- 0.5
Increase and decrease in working capital	26.9	7.2	- 19.7
Trade receivables ^{*1} (minus notation indicates incr.)	52.7	57.6	+ 4.9
Inventory (minus notation indicates incr.)	- 19.4	- 49.9	- 30.4
Trade payables (minus notation indicates decr.)	- 18.9	- 18.3	+ 0.6
Advance payment (minus notation indicates incr.)	- 3.1	- 33.2	- 30.1
Contract liabilities ^{*2} (minus notation indicates decr.)	15.7	51.0	+ 35.2
Other	- 85.7	- 30.3	+ 55.4
Cash flows from operating activities	- 22.4	23.6	+ 46.0
Purchase of PP&E and intangible assets	- 23.2	- 25.5	- 2.3
Proceeds from sales of PP&E and intangible assets	1.0	1.3	+ 0.2
Other	0.1	- 1.9	- 2.1
Cash flows from investing activities	- 21.9	- 26.1	- 4.1
Free cash flows	- 44.4	- 2.4	+ 41.9
Net increase and decrease in debt and bonds (minus notation indicates decr.)	69.2	69.6	+ 0.3
Dividends paid (Except payment to non-controlling interests)	- 9.3	- 4.7	+ 4.5
Proceeds from fluidity of lease receivables and Repayment of payables under fluidity lease receivables	- 49.0	- 27.6	+ 21.3
Other	- 8.9	- 10.0	- 1.0
Cash flows from financing activities	1.9	27.1	+ 25.1

※1,2 Trade receivables include contract assets. The former account name of contract liabilities is advances received

要因説明

① FY'23 Q1 :
Operating cash flows were negative due to an increase in receivables, and inventories in Aerospace Systems and energy business, despite a progress of debt collection in PS&E

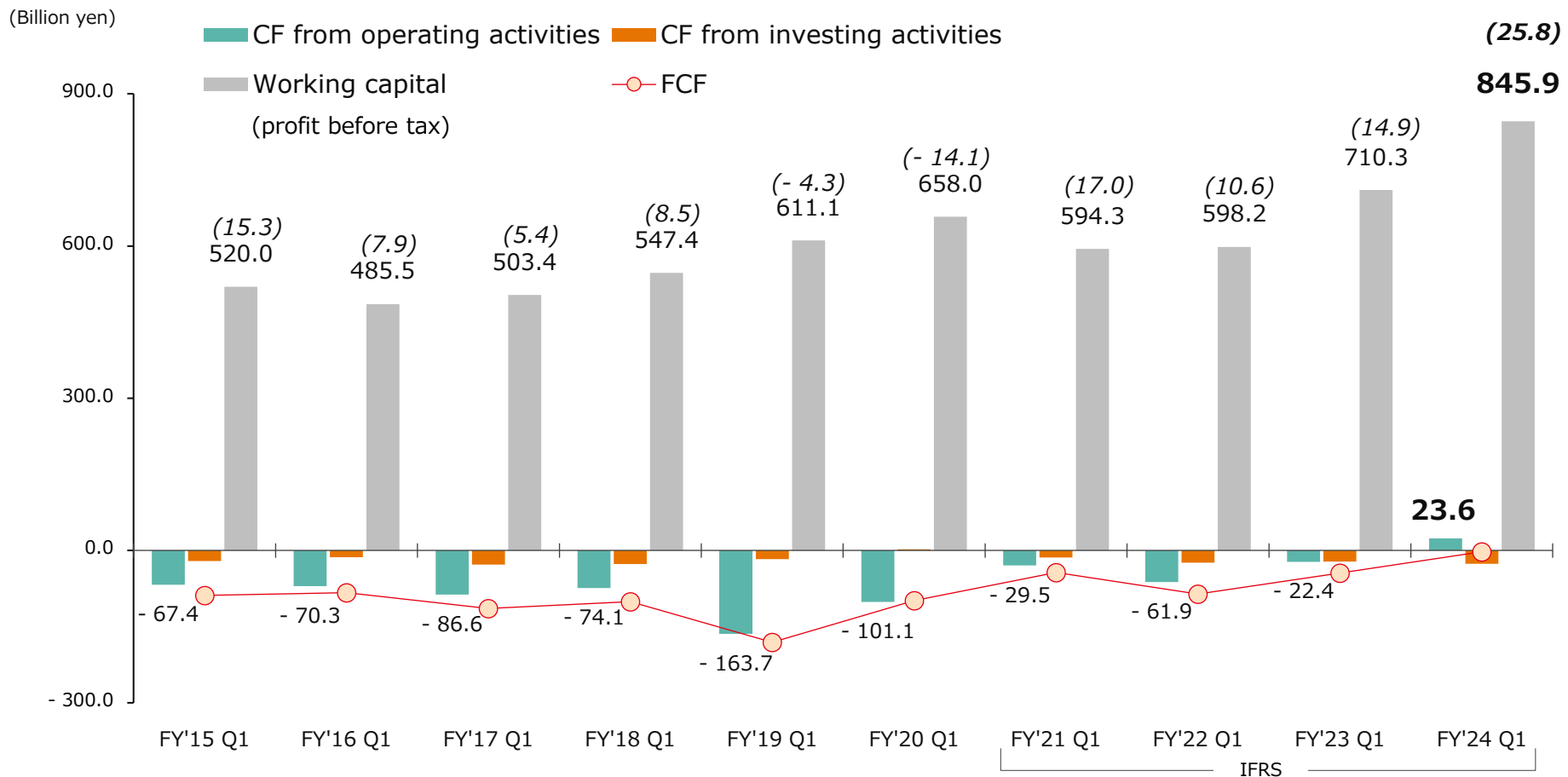
FY'24 Q1 :
Operating cash flows were at the same level as pre-tax income due to an increase in contract liabilities in aerospace business, despite an increase in inventories in Aerospace Systems and PS&E

② Aerospace business and ship and offshore structure business

Consolidated Results for First Quarter FY2024

-Cash Flows-

- ✓ Operating cash flow turned from consecutive losses to profit thanks to advances received in the aerospace business
- ✓ Working capital increased due to rapid recovery of order based business and expansion of PS&E sales



Forecasts for FY2024 -Summary-

- Revenue and profit forecast unchanged from May old forecast
- Orders received were revised up due to upward revision for Ministry of Defense

(Billion Yen)

	FY2023 Actual	FY2024 Forecast and Progress						
		Old FCST	New FCST	Chg. vs. FY23		Chg. vs. Old FCST		Q1 Actual
Orders Received	2,083.4	2,360.0	2,410.0	+ 326.6	+ 50.0		456.8	1,953.2
Revenue	1,849.2	2,250.0	2,250.0	+ 400.8	-		444.2	1,805.8
Business Profit	46.2	130.0	130.0	+ 83.8	-		16.9	113.1
<i>[Margin]</i>	<i>[2.5%]</i>	<i>[5.8%]</i>	<i>[5.8%]</i>	<i>[+ 3.2pt]</i>	<i>[-]</i>		<i>[3.8%]</i>	<i>[6.3%]</i>
Profit Before Tax	31.9	110.0	110.0	+ 78.1	-		25.8	84.2
<i>[Margin]</i>	<i>[1.7%]</i>	<i>[4.9%]</i>	<i>[4.9%]</i>	<i>[+ 3.1pt]</i>	<i>[-]</i>		<i>[5.8%]</i>	<i>[4.7%]</i>
Profit Attributable to Owners of Parent	25.3	78.0	78.0	+ 52.7	-		15.3	62.7
<i>[Margin]</i>	<i>[1.4%]</i>	<i>[3.5%]</i>	<i>[3.5%]</i>	<i>[+ 2.0pt]</i>	<i>[-]</i>		<i>[3.5%]</i>	<i>[3.5%]</i>
After-tax ROIC	2.8%	6.7%	6.7%	+ 3.9pt	-		-	-
Weighted-average exchange rates (USD/JPY)	142.54	140.00	-	-	-		153.34	140.00
US dollar-based transaction (B\$)	1.85	1.98	2.00	+ 0.15	+ 0.02		0.49	1.51

※ The amount of foreign currency that affects business profits due to exchange rate fluctuations. Calculated by deducting dollar denominated purchases from dollar denominated revenue of Kawasaki Heavy Industries, Ltd, Kawasaki Railcar manufacturing Co., Ltd., and Kawasaki Motors, Ltd. (to include foreign currency denominated revenue of loss provisions). See page 44 for the breakdown of these figures by segment.



Progress in Q1 varies by business, but full-year profit forecast is achievable through accelerating all the initiatives from Q2 onward

(Billion Yen)

	Orders Received				Revenue				Business Profit (Loss)			
	FY2023	FY2024 Forecast			FY2023	FY2024 Forecast			FY2023	FY2024 Forecast		
	Actual	Old FCST	New FCST	Change	Actual	Old FCST	New FCST	Change	Actual	Old FCST	New FCST	Change
Aerospace Systems	692.6	750.0	790.0	+ 40.0	396.1	580.0	580.0	-	- 15.0	45.0	45.0	-
Rolling Stock	88.7	160.0	160.0	-	195.9	210.0	210.0	-	3.7	7.0	7.0	-
Energy Solution & Marine Engineering	401.6	390.0	400.0	+ 10.0	353.2	410.0	410.0	-	31.9	30.0	30.0	-
Precision Machinery & Robot	213.3	240.0	240.0	-	227.9	230.0	230.0	-	- 1.9	7.0	7.0	-
Powersports & Engine	592.4	720.0	720.0	-	592.4	720.0	720.0	-	48.0	68.0	68.0	-
Ohters	94.5	100.0	100.0	-	83.5	100.0	100.0	-	1.1	5.0	5.0	-
Eliminations and corporate [※]	-	-	-	-	-	-	-	-	- 21.7	- 32.0	- 32.0	-
Total	2,083.4	2,360.0	2,410.0	+ 50.0	1,849.2	2,250.0	2,250.0	-	46.2	130.0	130.0	-

※ "Eliminations and corporate" includes some expenses incurred at Head Office which were not allocated to each industry segment for internal reporting.

Details by Segment -Aerospace systems-

FY2024.Q1 (vs. FY2023.Q1)

Orders received



-¥30.5 bil.

Decreased compared to the last fiscal year, when the major orders for MOD were received, despite an increase in commercial aircraft in Aero Engine

Revenue



+¥24.7 bil.

Increased due to an increase in MOD and commercial aircraft in Aero Engine

Business profit



+¥9.5 bil.

Improved due to an increase in revenue

FY2024 forecast (vs. Forecast in May)

Orders received



+¥40.0 bil.

Revised up due to an increase in MOD despite a decrease in Boeing

Revenue



±¥0.0 bil.

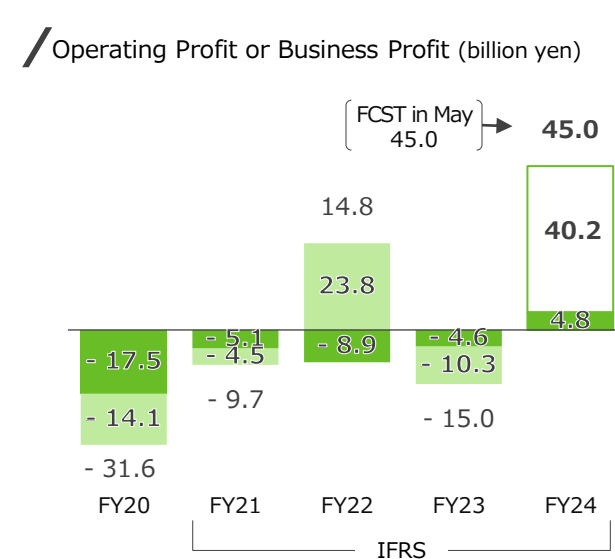
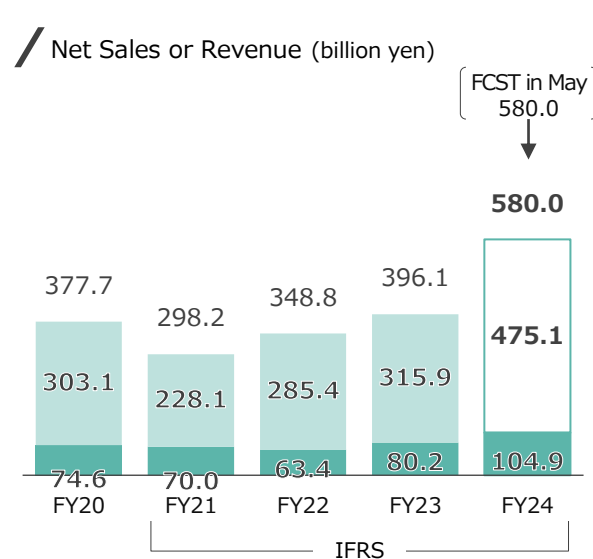
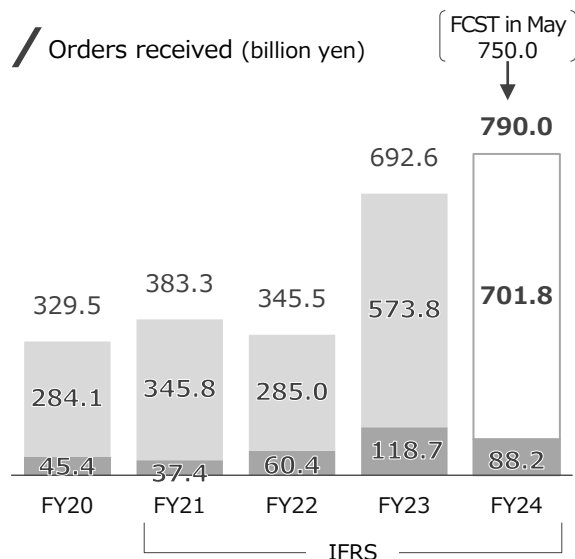
Expected to remain at the same level

Business profit



±¥0.0 bil.

Same as above



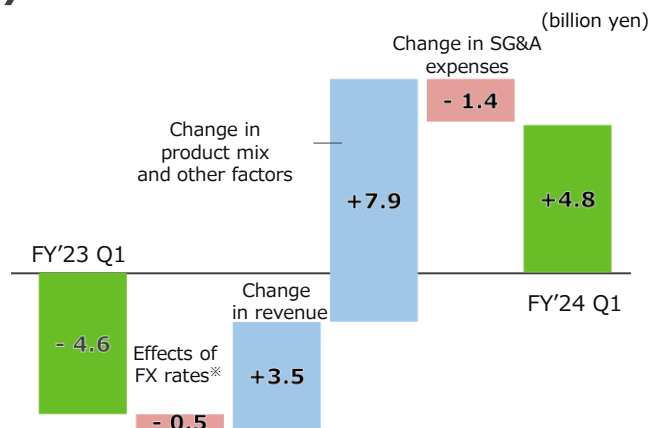
Note: Darker areas in the graphs represent the Q1 and lighter areas represent the Q2-Q4 cumulative total

Details by Segment -Aerospace systems-

(Billion Yen)

	FY2023	FY2024		FY2023	FY2024 Forecast				
	Q1 Actual	Q1 Actual	Change	Actual	Old FCST	New FCST	Chg. Vs. FY23	Chg. Vs. Old FCST	Q2-4 FCST
Orders Received	118.7	88.2	- 30.5	692.6	750.0	790.0	+ 97.4	+ 40.0	701.8
<i>Aerospace</i>	104.4	54.3	- 50.1	556.9	600.0	630.0	+ 73.1	+ 30.0	575.7
<i>Aero Engine</i>	14.2	33.9	+ 19.6	135.6	150.0	160.0	+ 24.4	+ 10.0	126.1
Revenue	80.2	104.9	+ 24.7	396.1	580.0	580.0	+ 183.9	-	475.1
<i>Aerospace</i>	56.8	71.3	+ 14.4	307.4	420.0	420.0	+ 112.6	-	348.7
<i>Aero Engine</i>	23.3	33.6	+ 10.2	88.7	160.0	160.0	+ 71.3	-	126.4
Business Profit (Loss)	- 4.6	4.8	+ 9.5	- 15.0	45.0	45.0	+ 60.0	-	40.2
<i>[Margin]</i>	<i>[- 5.8%]</i>	<i>[4.6%]</i>	<i>[+ 10.4pt]</i>	<i>[- 3.8%]</i>	<i>[7.8%]</i>	<i>[7.8%]</i>	<i>[+ 11.5pt]</i>	<i>[-]</i>	<i>[8.5%]</i>

Details of change in Business Profit(Loss)



※ including the impact of revaluation of refund liabilities denominated in foreign currencies related to the in-service issues of PW1100G-JM Engine.

Appendix

Number of aircraft component parts sold to Boeing

	FY '23		FY'24	Change YoY
	1Q	Full year	1Q	
767	8	33	5	- 3
777	7	32	5	- 2
777X	0	6	2	+ 2
787	2	41	10	+ 8

Number of jet engine component parts sold

	FY '23		FY'24	Change YoY
	1Q	Full year	1Q	
V2500	1	6	5	+ 4
PW1100G	129	675	165	+ 36

※Number of jet engine component parts sold to Rolls-Royce is not disclosed

Details by Segment -Aerospace systems-



Market Overview

- Commercial business
 - Air passenger demand shifted from recovery to growth phase, and demand for both aircraft and engines increased
- MOD business
 - Demand growth and profitability improvement are expected due to Japan's defense reinforcement policy

About the PW1100G-JM Engine Program which we participate through IAE※¹

- ✈ The engines have been experiencing significant operational issues and several engines are expected to be removed from the aircraft (A320neo) for inspection and maintenance over the next few years to resolve the issue.
- ✈ Many aircraft are parked on the ground because it takes 250 to 300 days to unload and install the engines.
- ✈ In FY'23, the estimated future loss was recorded in a lump-sum※², and there is no change at present (except for the effect of revaluation due to exchange rate fluctuations).
- ✈ Our press release about this matter.
https://global.kawasaki.com/news_230913-1e.pdf
https://global.kawasaki.com/en/corp/ir/library/pdf/etc_231026-1e.pdf

※¹ International Aero Engines, LLC

※² Recorded lump-sum loss (¥58 billion yen in terms of business profit and loss).

Specific Efforts

✓ Preparation for business expansion

- Arranging supply chain and production system for production increase
- Improving productivity by increasing operational efficiency to acquire new business opportunities
- Steady promotion of existing projects of development and mass production for MOD aircrafts and helicopters



H145// BK117 D-3
Helicopter
(29th order received)

✓ Strengthening activities related to defense business

- Promoting efforts Seven focal areas to strengthen defense capabilities

- | | | | |
|---|--|---|--------------------------------|
| 1 | Integrated air and missile defense capabilities | 5 | Mobile deployment capabilities |
| 2 | Stand-off defense capabilities | 6 | Sustainability and resiliency |
| 3 | Cross-domain operation capabilities | 7 | Unmanned defense capabilities |
| 4 | Command and control and intelligence-related functions | | |



New anti-ship missiles for islands defense



Standoff electronic warfare aircraft※


※Source : DEFENSE OF JAPAN 2020
https://www.mod.go.jp/en/publ/w_paper/wp2020/DOJ2020_EN_Full.pdf

✓ Promotion of technology strategies based on market trends


- R&D, including the use of civilian technology in defense fields
- Utilization of *Green Innovation fund* of government for development of carbon-free technology

Details by Segment - Rolling Stock -


FY2024.Q1 (vs. FY2023.Q1)

Orders received 
+¥0.6 bil.

Same level as the FY'23 Q1

Revenue 
+¥0.3 bil.


Same level as the FY'23 Q1 due to an increase in the U.S. despite a decrease in Japan and Asia

Business profit 
-¥1.4 bil.


Decreased due to the concentration of expenses resulting from the revision of the allocation ratio of indirect costs*

※This revision will not affect the full-year forecasts


FY2024 forecast (vs. Forecast in May)

Orders received 
±¥0.0 bil.

Expected to remain at the same level

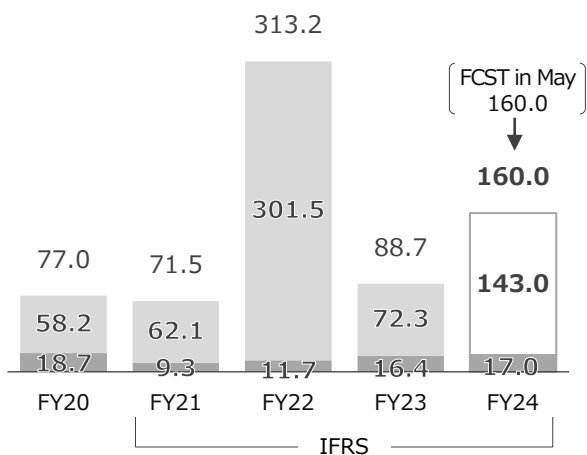
Revenue 
±¥0.0 bil.

Same as above

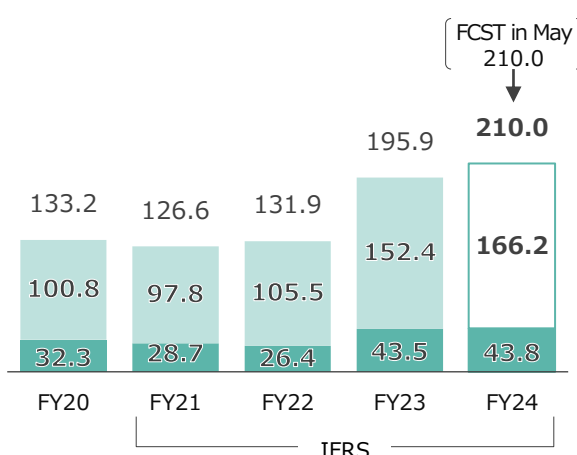
Business profit 
±¥0.0 bil.

Same as above

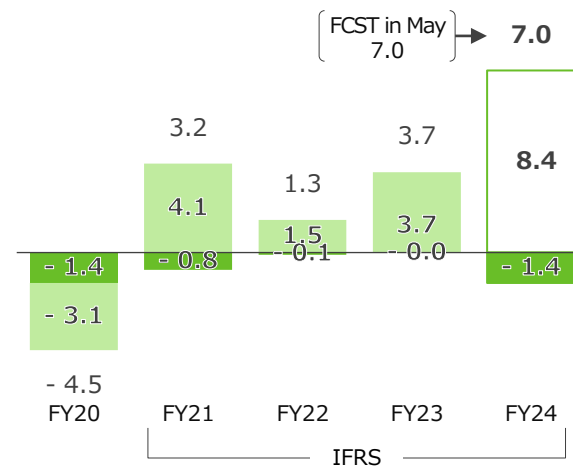
Orders received (billion yen)



Net Sales or Revenue (billion yen)



Operating Profit or Business Profit (billion yen)



Note: Darker areas in the graphs represent the Q1 and lighter areas represent the Q2-Q4 cumulative total

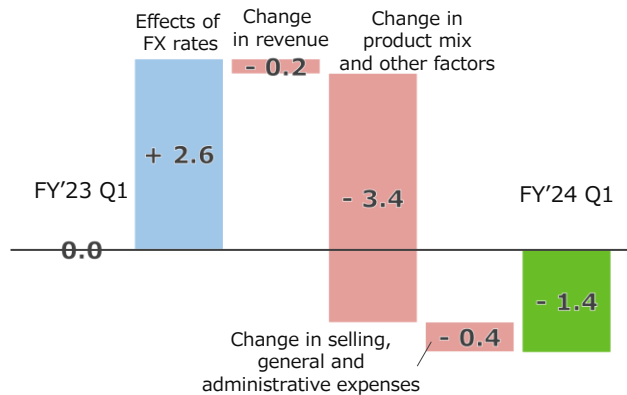
Details by Segment - Rolling Stock -

(Billion Yen)

	FY2023	FY2024		FY2023	FY2024 Forecast				
	Q1 Actual	Q1 Actual	Change	Actual	Old FCST	New FCST	Chg. Vs. FY23	Chg. Vs. Old FCST	Q2-4 FCST
Orders Received	16.4	17.0	+ 0.6	88.7	160.0	160.0	+ 71.3	-	143.0
<i>Domestic & Asia</i>	15.3	15.1	- 0.1	87.3	140.0	140.0	+ 52.7	-	124.9
<i>North America</i>	1.1	1.9	+ 0.8	1.4	20.0	20.0	+ 18.6	-	18.1
Revenue	43.5	43.8	+ 0.3	195.9	210.0	210.0	+ 14.1	-	166.2
<i>Domestic & Asia</i>	15.0	9.4	- 5.5	81.2	65.0	65.0	- 16.2	-	55.6
<i>North America</i>	28.4	34.3	+ 5.9	114.6	145.0	145.0	+ 30.4	-	110.7
Business Profit (Loss)	- 0.0	- 1.4	- 1.4	3.7	7.0	7.0	+ 3.3	-	8.4
<i>[Margin]</i>	<i>[- 0.0%]</i>	<i>[- 3.4%]</i>	<i>[- 3.3pt]</i>	<i>[1.9%]</i>	<i>[3.3%]</i>	<i>[3.3%]</i>	<i>[+ 1.3pt]</i>	<i>[-]</i>	<i>[5.1%]</i>

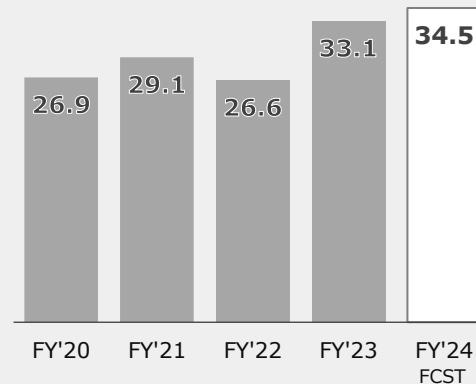
Details of change in Business Profit(Loss)

(billion yen)



Appendix

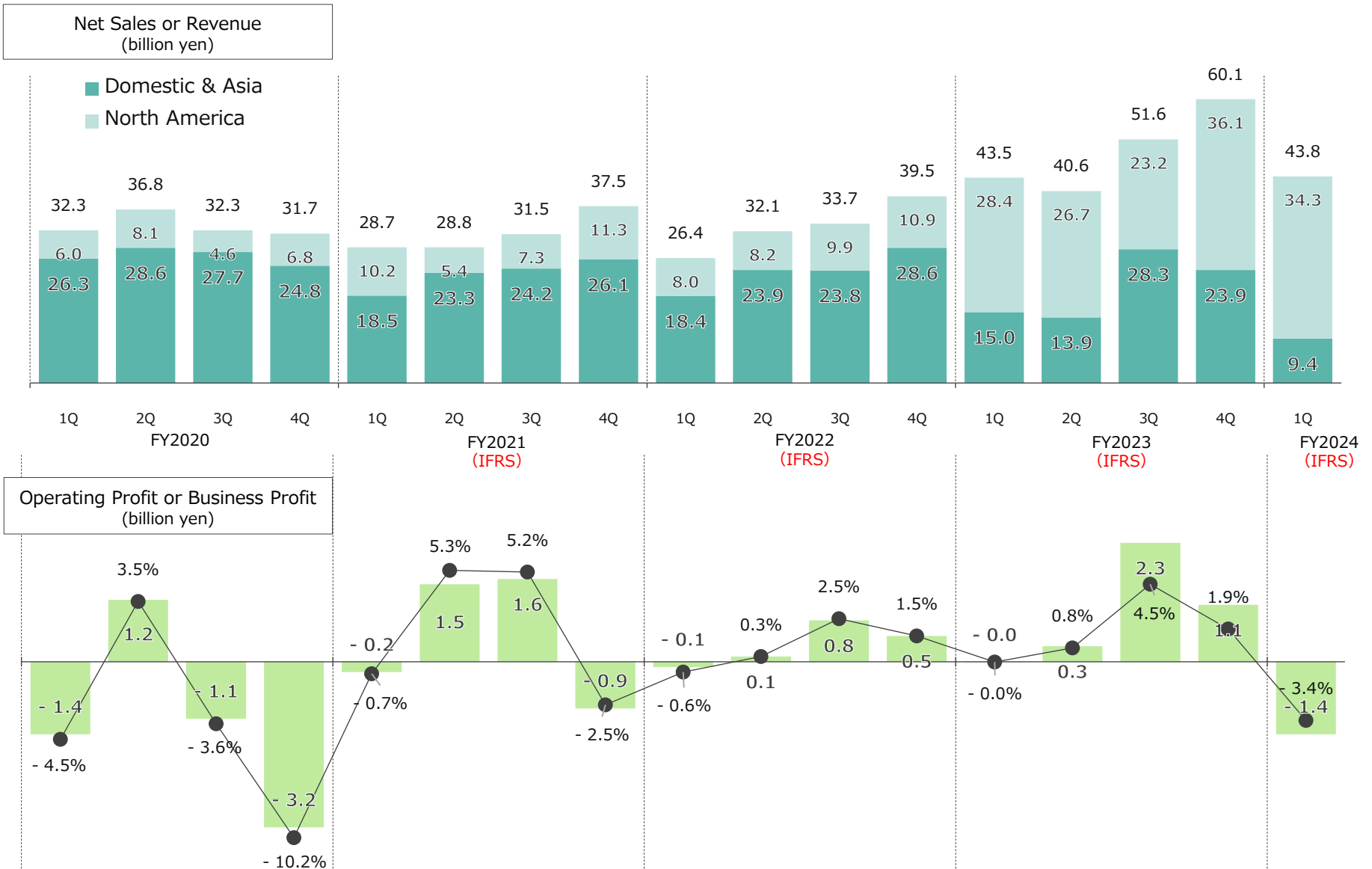
Revenue in components, overhaul and after-sales service(billion yen)



Progress of the R211 Project for New York Subway in the U.S. (at the end of Jun '24)

- **230 cars** out of 535(Base contract) **have been delivered**
- The last delivery is scheduled in Q4 FY'24
- The order for additional 640 cars(Option1 contract) have been placed, and production will start in FY'24

Details by Segment - Rolling Stock -



Market Overview

- Domestic Market
 - The number of railway passengers has recovered to approximately 90% of pre-COVID-19 levels due to the recovery of inbound travel, and investment has resumed.
- Supply chain Risk
 - Prolonged procurement of equipment, mainly electronic components, requires attention, but the impact is limited
- Medium and long term forecast
 - The overseas railway market is expected to grow steadily due to the need for railway infrastructure in emerging countries and environmental measures in urban areas.

Specific Efforts



Compliance with delivery schedules for overseas projects

Dhaka MRT Line-6 ▶ 22 trains out of 24(144 cars) have been delivered to the customer
 ▶ **The last car and facilities will be delivered in FY'24 Q2**

U.S. M-9 ▶ All trains (92 cars) under the base contract were delivered by FY'21 Q1
 ▶ The last car out of 110 cars under the option1 contract were shipped in FY'23 Q4 and **8 cars are awaiting customer acceptance**

※See page 20 for the progress of R211 project in the U.S.



Achieving quality levels trusted by customers

- Reduction of spoilage and repair costs
- Further promotion of Kawasaki Production System



Rolling stock for Dhaka Mass Transit Company Limited




Expansion of components sales, after-sales service, and maintenance business

- Promotion of remote track monitoring service for North American market
- Promotion of train condition monitoring equipment for domestic market


Details by Segment

- Energy Solution & Marine Engineering -


FY2024.Q1 (vs. FY2023.Q1)

Orders received 
+¥19.5 bil.

Increased due to orders for LPG/LAG carriers despite a decrease in orders for naval equipment for MOD


Revenue 
+¥9.4 bil.

Increased due to an increase in naval equipment for MOD


Business profit 
+¥0.1 bil.

Same level as the FY'23 Q1 due to increase in fixed costs despite an increase in revenue


FY2024 forecast (vs. Forecast in May)

Orders received 
+¥10.0 bil.

Revised up due to an increase in orders for naval equipment for MOD

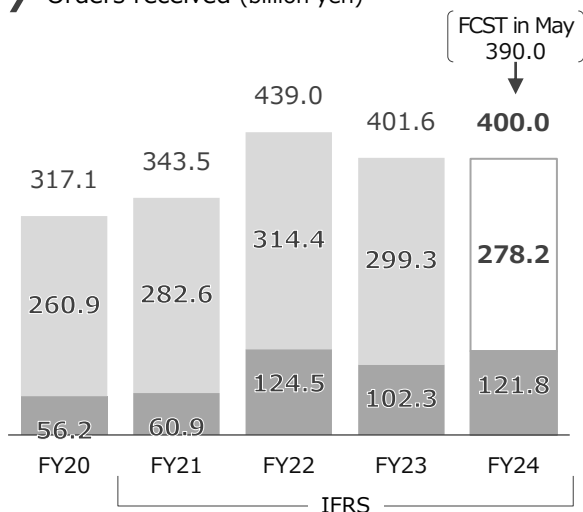
Revenue 
±¥0.0 bil.

Expected to remain at the same level

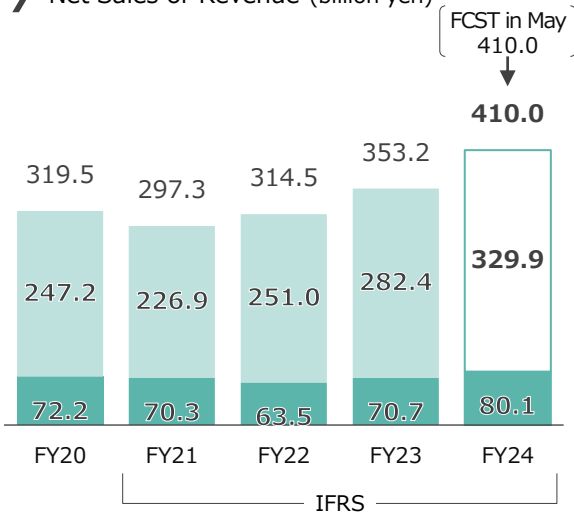
Business profit 
±¥0.0 bil.

Same as above

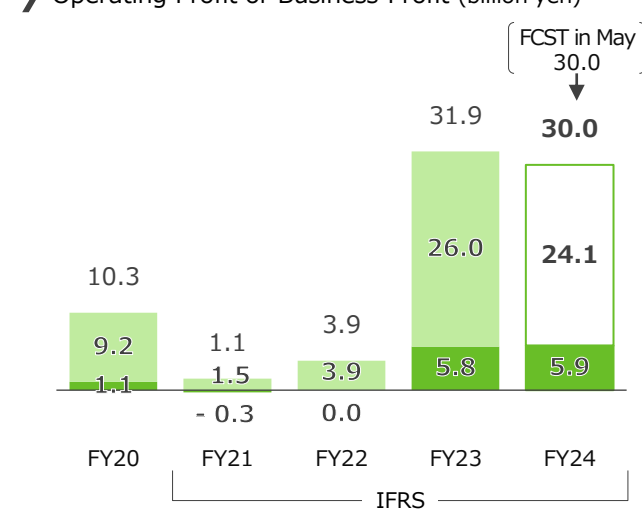
Orders received (billion yen)



Net Sales or Revenue (billion yen)



Operating Profit or Business Profit (billion yen)



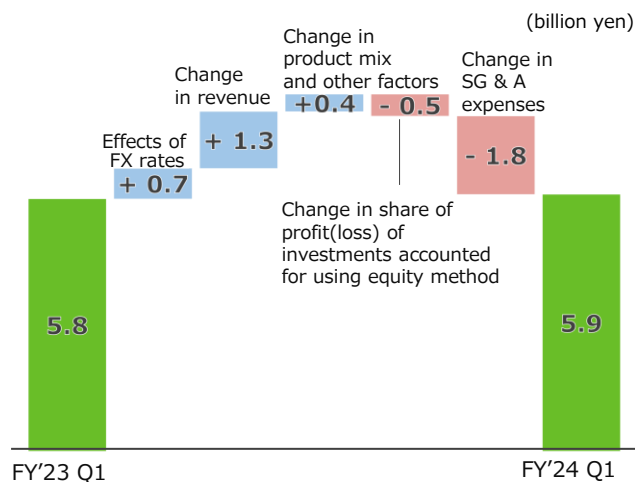
Note: Darker areas in the graphs represent the Q1 and lighter areas represent the Q2-Q4 cumulative total

Details by Segment - Energy Solution & Marine Engineering -

(Billion Yen)

	FY2023	FY2024		FY2023	FY2024 Forecast				
	Q1 Actual	Q1 Actual	Change	Actual	Old FCST	New FCST	Chg. Vs. FY23	Chg. Vs. Old FCST	Q2-4 FCST
Orders Received	102.3	121.8	+ 19.5	401.6	390.0	400.0	- 1.6	+ 10.0	278.2
<i>Energy, Plant & Marine Machinery</i>	94.7	56.5	- 38.2	358.8	290.0	300.0	- 58.8	+ 10.0	243.5
<i>Ship & Offshore Structure</i>	7.5	65.3	+ 57.7	42.7	100.0	100.0	+ 57.3	-	34.7
Revenue	70.7	80.1	+ 9.4	353.2	410.0	410.0	+ 56.8	-	329.9
<i>Energy, Plant & Marine Machinery</i>	47.9	54.8	+ 6.8	260.6	320.0	320.0	+ 59.4	-	265.2
<i>Ship & Offshore Structure</i>	22.8	25.3	+ 2.5	92.5	90.0	90.0	- 2.5	-	64.7
Business Profit	5.8	5.9	+ 0.1	31.9	30.0	30.0	- 1.9	-	24.1
<i>[Margin]</i>	<i>[8.3%]</i>	<i>[7.5%]</i>	<i>[- 0.8pt]</i>	<i>[9.0%]</i>	<i>[7.3%]</i>	<i>[7.3%]</i>	<i>[- 1.7pt]</i>	<i>[-]</i>	<i>[7.3%]</i>
Share of profit (loss) of investments accounted for using equity method	6.8	6.2	- 0.5	13.7	15.5	15.5	+ 1.8	-	9.3

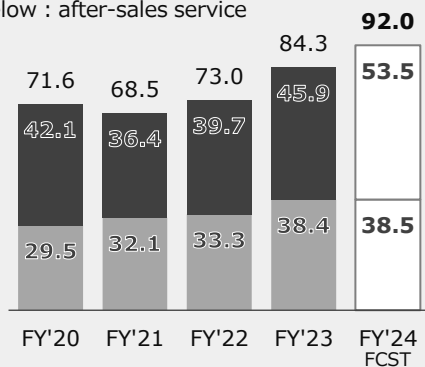
Details of change in Business Profit(Loss)



Appendix

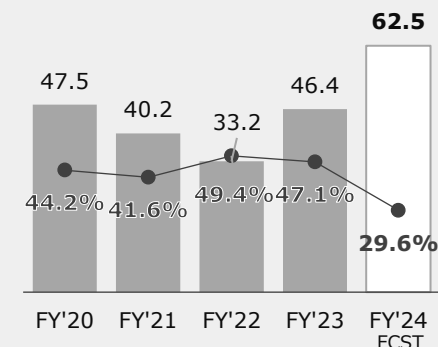
Revenue of major products in the energy business (billion yen)

above : components
below : after-sales service

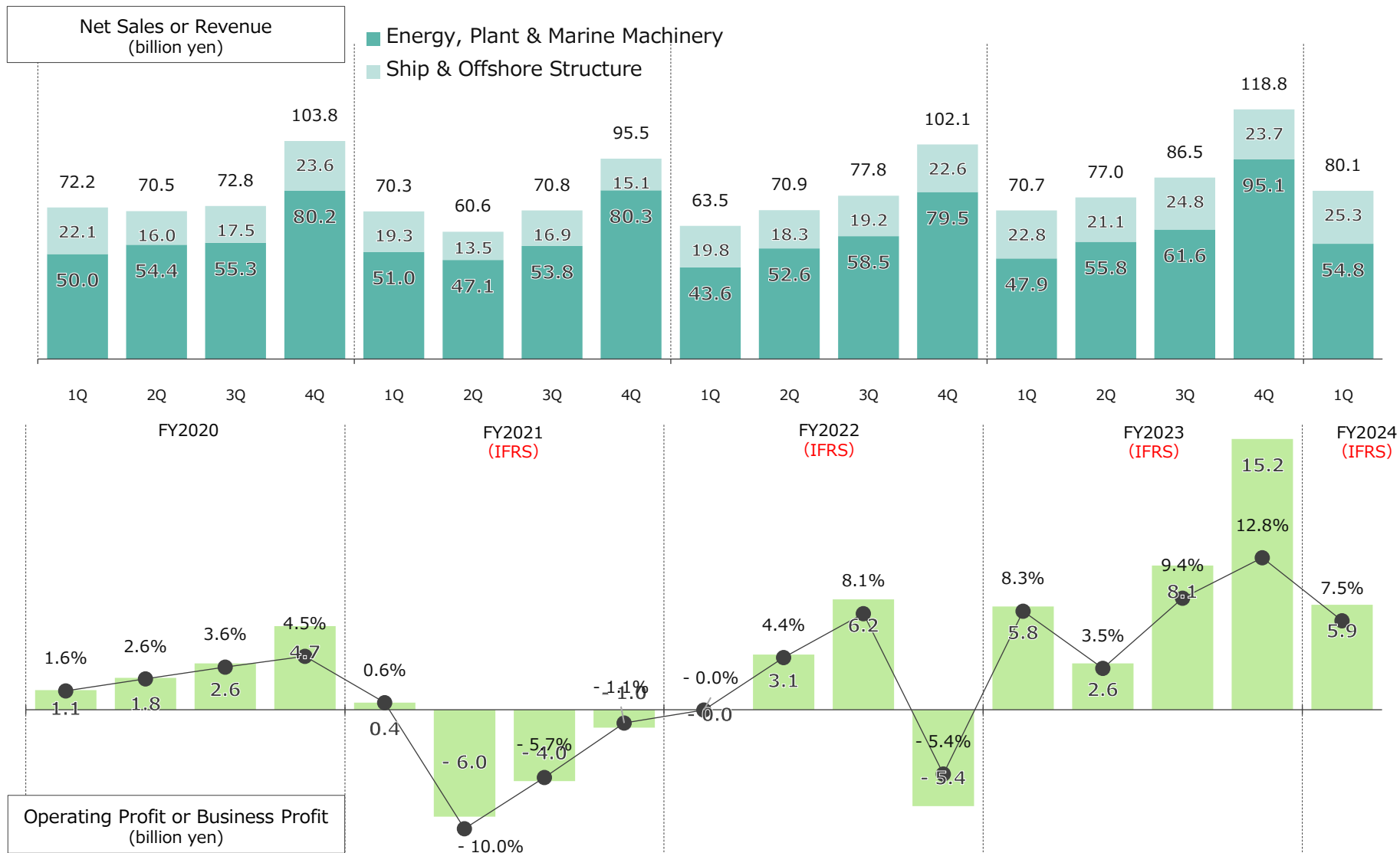


Revenue of municipal waste incineration plants (billion yen)

■ Net sales ● O&M ratio to net sales



Details by Segment - Energy Solution & Marine Engineering -



(Note) The prior results of previous segment have been reclassified to current segment

- Energy Solution & Marine Engineering -

Market Overview

● Energy system & Plant Engineering

Domestic	Overseas
<ul style="list-style-type: none"> - Strong demand for distributed power generation - Continued demand for renewal of aging waste incineration plants 	<ul style="list-style-type: none"> - Strong demand for energy infrastructure development such as distributed power generation in emerging countries - Increased orders, inquiries for hydrogen products in developed countries

● Ship & Offshore Structure


Commercial ships	Submarines and others
<ul style="list-style-type: none"> - Ship prices continue to be high, affected by the soaring cost of materials and equipment - Shipbuilders have filled their immediate berths and business negotiations are centered on future delivery dates 	<p>Stable orders for submarines are expected</p>

● Entire segment

Risks	Carbon neutrality
<ul style="list-style-type: none"> - Stable supply of fuel gas required for operation of power generation facilities - Concerns about pressure on profits due to persistently high raw material, equipment, and fuel costs 	<p>Inquiries and requests for cooperation are increasing regarding decarbonization solutions, including hydrogen products</p>

Specific Efforts

 Solutions for decarbonized society

 Topic 30% hydrogen co-firing large gas engine testing facility was built


- Gas engine currently utilized at Kobe works was modified to be compatible with hydrogen co-firing
- **Japan's first construction of a full-scale** 8 MW class 30% hydrogen co-firing testing facility
- 30% hydrogen co-firing reduces CO₂ emissions by approximately 1,150 tons compared to city gas combustion*



Kawasaki Green Gas Engine
KG-18-T

* Power generation output: 7,500 kW, Operation hour: 4,000 per year
CO₂ emission coefficient: 2.29 kgCO₂/Nm³

 Products and services for safe and secure lives

 Topic Demonstration of ventilation equipment for underground shelters began




- **Japan's first development** of ventilation system for private underground shelters simulating disaster and defense
- Prototype demo started in May 2024, aiming the launch in the market in 2026
- Our new ventilation system "SEPERNA[®]", which uses a gas-permeable membrane, is used to block aerosols from the outside, and a special chemical filter is used to remove toxic gases






The first prototype of ventilation equipment

Details by Segment - Precision Machinery & Robot -

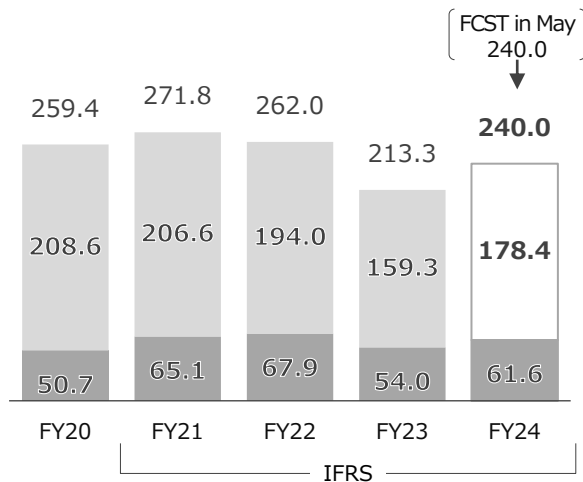
FY2024.Q1 (vs. FY2023.Q1)

- Orders received**  Increased due to an increase in robots for semiconductor manufacturing equipment and automobiles
+¥7.6 bil.
- Revenue**  Increased due to an increase in robots for semiconductor manufacturing equipment and hydraulic components and systems
+¥3.3 bil.
- Business profit**  Improved due to an increase in revenue and improvement in profitability
+¥2.4 bil.

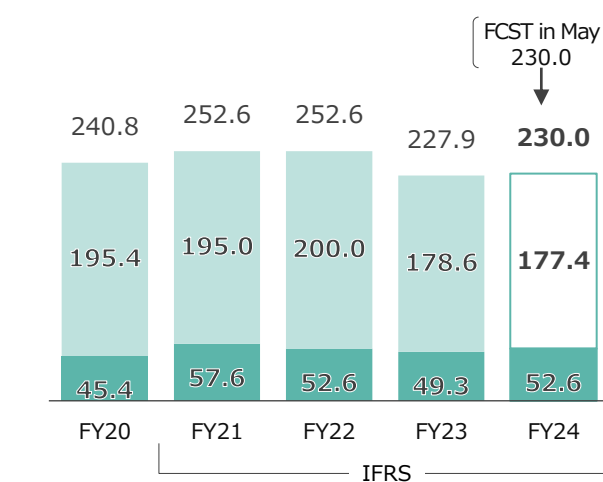
FY2024 forecast (vs. Forecast in May)

- Orders received**  Expected to remain at the same level
±¥0.0 bil.
- Revenue**  Same as above
±¥0.0 bil.
- Business profit**  Same as above
±¥0.0 bil.

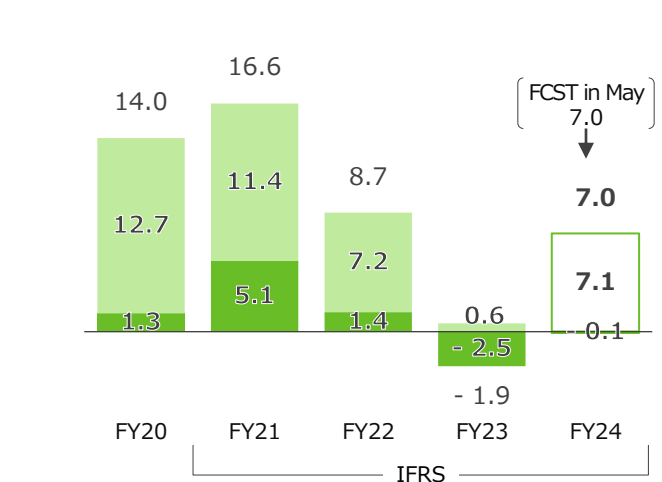
Orders received (billion yen)



Net Sales or Revenue (billion yen)



Operating Profit or Business Profit (billion yen)



Note: Darker areas in the graphs represent the Q1 and lighter areas represent the Q2-Q4 cumulative total

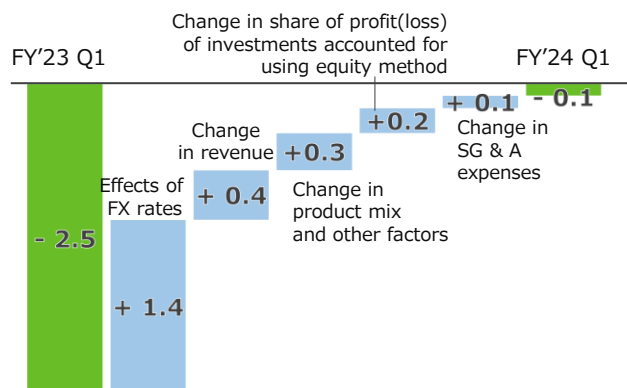
Details by Segment - Precision Machinery & Robot -

(Billion Yen)

	FY2023	FY2024		FY2023	FY2024 Forecast				
	Q1 Actual	Q1 Actual	Change	Actual	Old FCST	New FCST	Chg. Vs. FY23	Chg. Vs. Old FCST	Q2-4 FCST
Orders Received	54.0	61.6	+ 7.6	213.3	240.0	240.0	+ 26.7	-	178.4
Hydraulic Components & Systems	36.6	36.0	- 0.5	136.1	150.0	150.0	+ 13.9	-	114.0
Robotics	17.3	25.6	+ 8.2	77.2	90.0	90.0	+ 12.8	-	64.4
Revenue	49.3	52.6	+ 3.3	227.9	230.0	230.0	+ 2.1	-	177.4
Hydraulic Components & Systems	33.0	35.5	+ 2.5	141.5	140.0	140.0	- 1.5	-	104.5
Robotics	16.2	17.0	+ 0.7	86.3	90.0	90.0	+ 3.7	-	73.0
Business Profit (Loss)	- 2.5	- 0.1	+ 2.4	- 1.9	7.0	7.0	+ 8.9	-	7.1
[Margin]	[- 5.2%]	[- 0.3%]	[+ 4.9pt]	[- 0.9%]	[3.0%]	[3.0%]	[+ 3.8pt]	[+ 0.0pt]	[4.0%]
Share of profit (loss) of investments accounted for using equity method	- 0.7	- 0.4	+ 0.2	- 2.5	- 2.0	- 2.0	+ 0.5	-	- 1.6

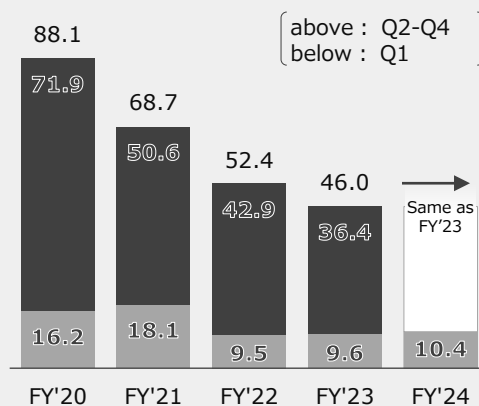
Details of change in Business Profit(Loss)

(billion yen)



Appendix

Revenue of hydraulic components to China (billion yen)



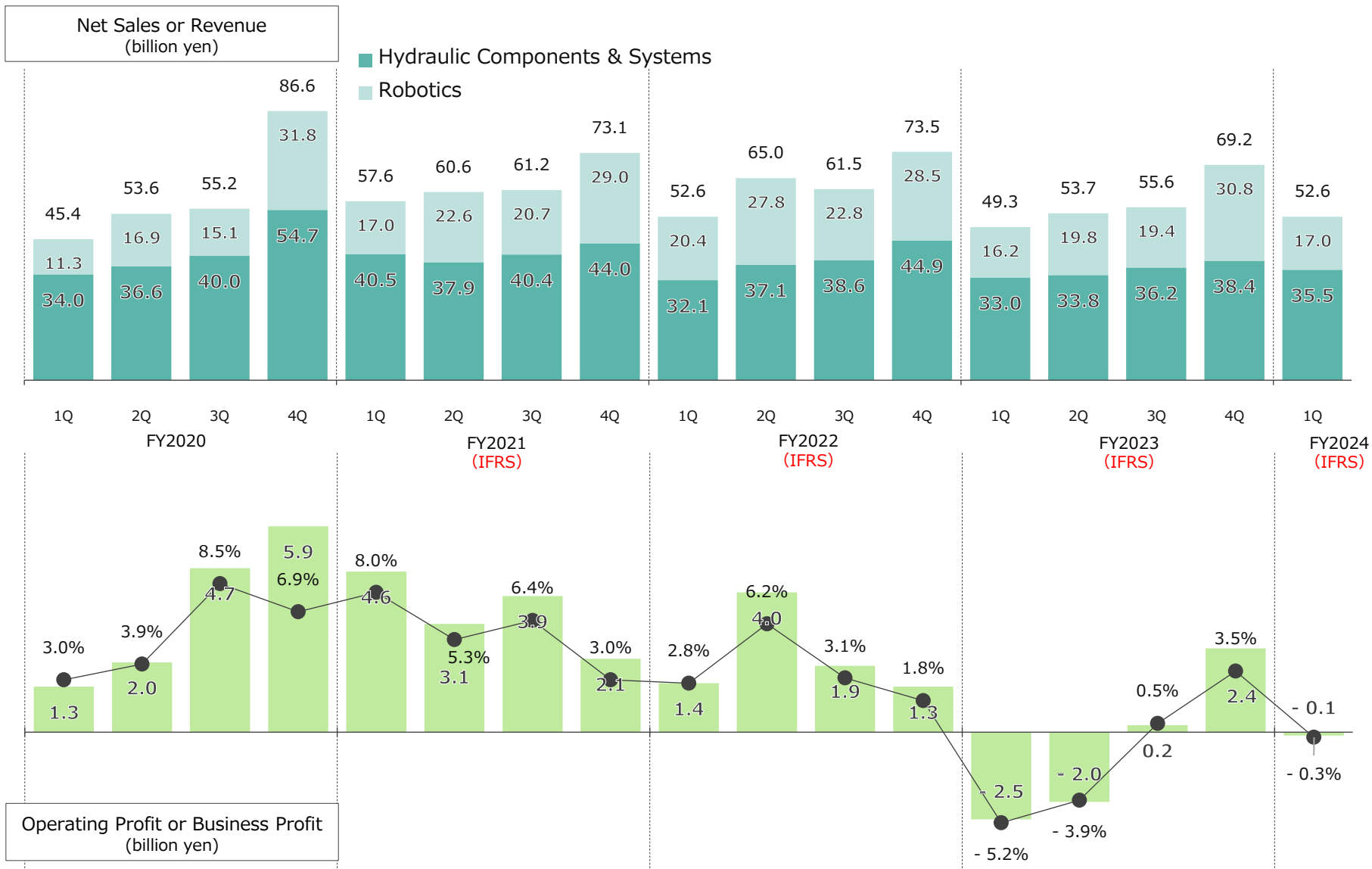
Revenue of robots by segment* (billion yen)

	FY'22	FY'23	Change
Automobile assembly and painting	5.7	5.7	+ 0.0
Semiconductor	5.2	7.4	+ 2.2
General robots for industrial use and others	27.4	*35.5	+ 8.1
Total	17.8	18.4	+ 0.5
	94.9	*102.5	+ 7.6

*Including intercompany revenue

* Forecast

Details by Segment - Precision Machinery & Robot -



Market Overview

- Construction machinery
 - Sluggish demand in China shows signs of bottoming out especially in small models
 - Demand outside China is weakening slightly, mainly in Europe and the U.S.
 - Electrification will be promoted due to the environmental regulations
 - Automation and autonomy will be promoted due to a shortage of skilled workers
- Robots
 - General purpose robots
Demand is sluggish mainly in China, but potentially growing due to increasing labor costs and labor shortages
 - Robots for semiconductors
The temporary decline in the semiconductor memory market has bottomed out and demand is recovering
 - Supply chain risk
Electronic components shortage and logistics disruption are improving but the prices of electronic components and materials keep high



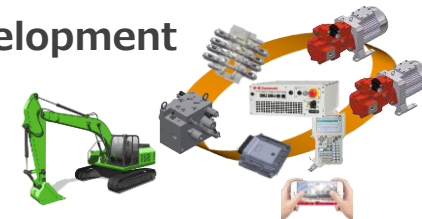
Specific Efforts



Measures for the development of hydraulic business

Development of new products and market for construction machinery

- Leveraging advanced control technology and development capabilities to develop markets for electrification and automation



New electric hydraulic system for construction machinery

Strengthening the after sales business

- Expanding after sales and building and expanding sales networks by leveraging past sales results

Strengthening hydrogen / MOD business

- Development of hydrogen compressors and fuel cell systems
- Expansion of MOD related products inside the company



Strategic Challenges in the Robotics

Concentrated investment in high value-added areas

- Development of supply system for full-scale recovery of semiconductor market
- Expansion of new fields (Vacuum process, Back-end process, EFEM, factory automation, etc.)

Strengthening the medical robots business

- Spreading the "hinotori™" (with Medcaroid and Sysmex)
- Differentiation by remote control technology



Progress


- ✓ Installation : 61 units
- ✓ Surgeries : over 5,200 cases
- ✓ MHLW approval for thoracic surgery in Japan(Apr.24)and insurance coverage(Jun.24)

Strengthening brand


- Accelerated collaboration with unicorn companies
- Promotion of commercialization in the social robots field

3 Details by Segment - Powersports & Engine -

FY2024.Q1 (vs. FY2023.Q1)


Revenue  Same level as the FY'23 Q1 due to an increase in motorcycles and the depreciation of the yen, despite a temporary decline in four wheelers due to a recall*

+¥0.7 bil.


Business profit  Deteriorated due to an increase in fixed costs

-¥2.7 bil.

FY2024 forecast (vs. Forecast in May)

Revenue  Expected to remain at same level

±¥0.0 bil.

Business profit  Same as above

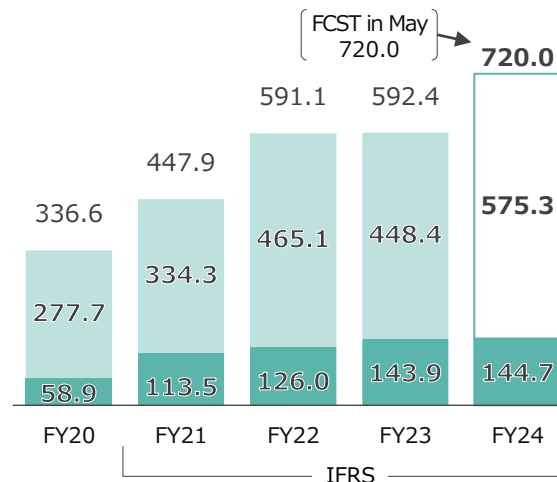
±¥0.0 bil.

※ MULE PRO 1000 series (Improved vehicles have already been resumed)

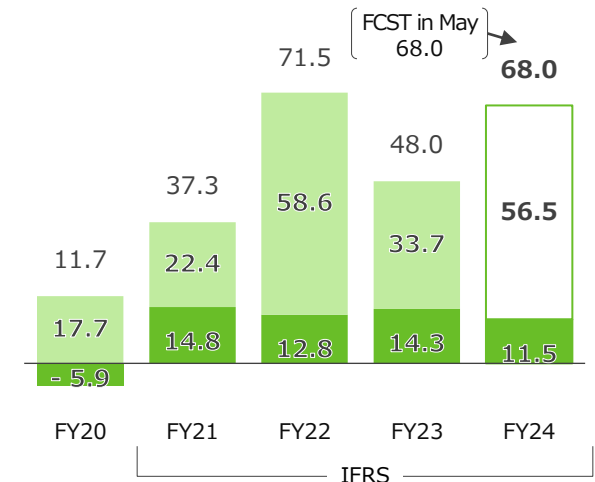
Orders received (billion yen)

Qualitative information and graph are omitted because this segment is mainly engaged in estimated production, and orders received are the same as sales or net sales.

Net Sales or Revenue (billion yen)



Operating Profit or Business Profit (billion yen)



Note: Darker areas in the graphs represent the Q1 and lighter areas represent the Q2-Q4 cumulative total

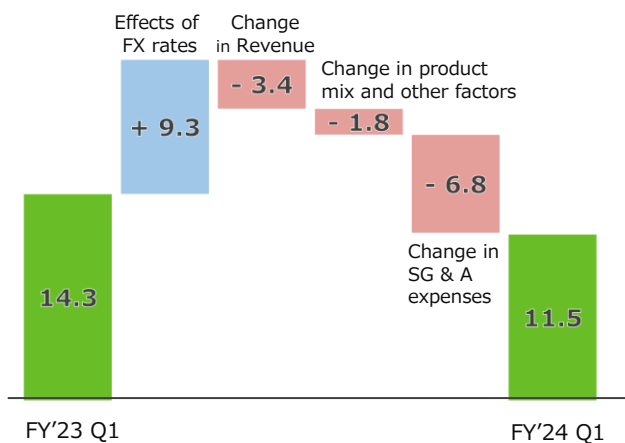
Details by Segment - Powersports & Engine -

(Billion Yen)

	FY2023	FY2024		FY2023	FY2024 Forecast				
	Q1 Actual	Q1 Actual	Change	Actual	Old FCST	New FCST	Chg. Vs. FY23	Chg. Vs. Old FCST	Q2-4 FCST
Revenue	143.9	144.7	+ 0.7	592.4	720.0	720.0	+ 127.6	-	575.3
<i>Motorcycles for developed countries</i>	50.9	61.1	+ 10.1	217.9	238.0	238.0	+ 20.1	-	176.9
<i>Motorcycles for emerging market</i>	20.1	23.4	+ 3.3	103.4	104.0	104.0	+ 0.6	-	80.6
<i>Utility Vehicles, ATVs & PWC</i>	45.4	34.7	- 10.7	180.6	285.0	285.0	+ 104.4	-	250.3
<i>General-purpose gasoline engines</i>	27.3	25.4	- 1.9	90.3	93.0	93.0	+ 2.7	-	67.6
Business Profit	14.3	11.5	- 2.7	48.0	68.0	68.0	+ 20.0	-	56.5
<i>[Margin]</i>	<i>[9.9%]</i>	<i>[8.0%]</i>	<i>[- 1.9pt]</i>	<i>[8.1%]</i>	<i>[9.4%]</i>	<i>[9.4%]</i>	<i>[+ 1.2pt]</i>	<i>[-]</i>	<i>[9.8%]</i>

Details of change in Business Profit

(billion yen)



Appendix

Wholesales of motorcycles by region (thousand units)

		FY'23 Q1	FY'24 Q1	Change	FY'24(FCST)
Developed countries	Japan	7	6	- 0	
	North America	22	23	+ 0	
	Europe	18	21	+ 3	
	Others*	2	1	- 0	
Total		50	53	+ 2	260
Emerging countries	Philippines	29	47	+ 18	
	Indonesia	4	7	+ 2	
	Latin America	2	2	+ 0	
	Others*	9	6	- 2	
Total		45	63	+ 17	260
four-wheeler · PWC	North America and Others	22	11	- 10	140

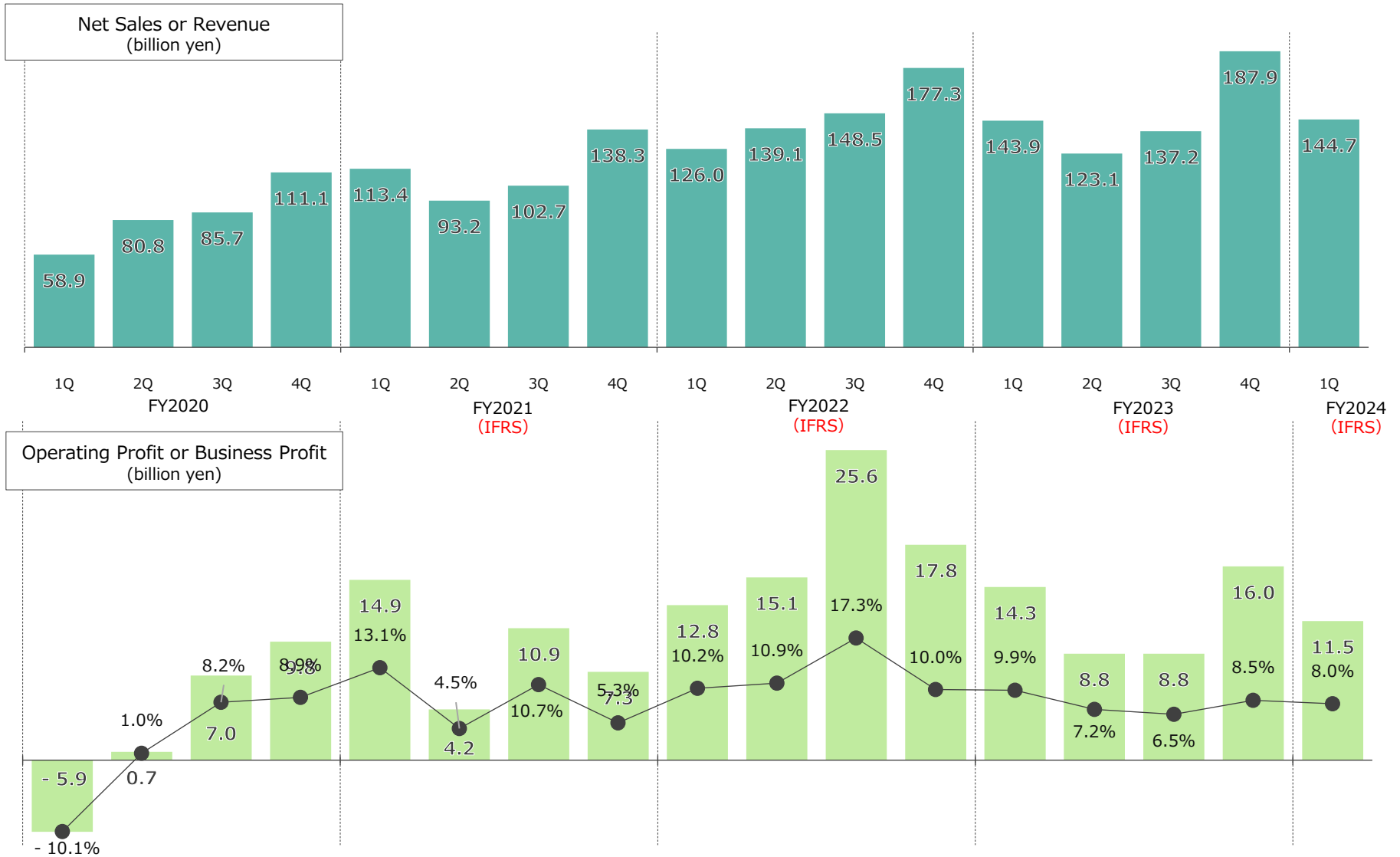
Note : The following table shows the trend of YoY changes in motorcycles of developed and emerging countries and regions included in "Others"

Australia :

China :

Thailand :

Details by Segment - Powersports & Engine -



Market Overview

- U.S. (Motorcycles)
 - While the street model market remained firm, the off-road model market softened
 - Each company's aggressive product supply has intensified competition
- U.S. (Four-wheelers)
 - Market is expected to grow over the medium to long term, but is currently on a downward trend due to a reaction to the special demand during the pandemic and competition is intensifying
 - Utility models held strong, while recreational models softened
- Europe
 - The retail market remains strong and our market share is growing due to recovery of supply capacity and launch of new models
- Southeast Asia
 - Sports segment remained weak

Specific Efforts

- Supplying products as much as demanded**
 - Continuous introduction of new models
 - Flexible change of production and sales plans according to sales conditions
 - Maintaining appropriate inventory levels
- Expansion of the four-wheeler business and electrification**
 - Investment in development to enhance product competitiveness
 - Increase of production capacity by beginning operation of a new plant in Mexico
 - Launch of BEVs and HEVs
 - Contributing to the realization of a carbon-neutral society through all options in addition to electrification
- Promoting business process re-engineering through DX**
 - Achieving agile management through digitalization
 - Shortened development time and reduced development costs using digital technology
- Securing Free Cash Flows**
 - Aiming to secure stable FCF for future investment



Start mass production operation of four-wheeler at new plant in Mexico



World's first* strong hybrid motorcycle
Ninja 7 Hybrid / Z7 Hybrid

※Based on our research

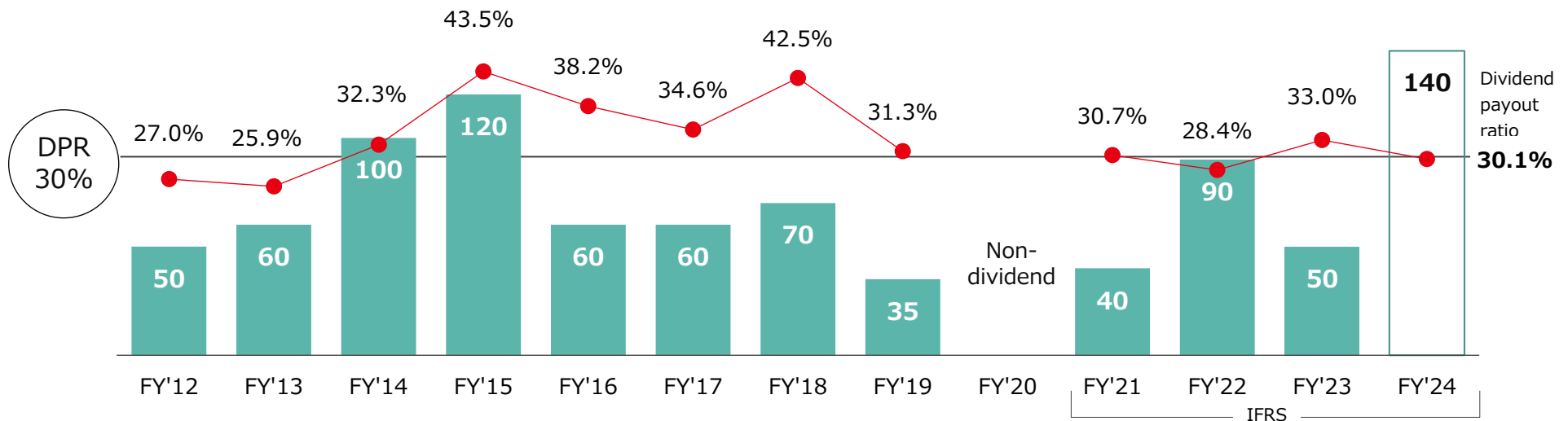
Dividend Policy

The medium- to long-term consolidated dividend payout ratio **30%**

- 1 Comprehensively considering the following points - future business forecasts, financial conditions such as free cash flow and debt-to-equity ratio, and other factors
- 2 Stable dividends

Dividend for FY2024

Annual dividend per share is not changed from the previous forecast of **140** yen (dividend payout ratio 30.1%)





✓ Daimler Truck and Kawasaki signed MoU to jointly study the optimization of liquefied hydrogen supply chains

- In June 2024, Daimler Truck, one of the world's leading commercial vehicle manufacturers, and Kawasaki have signed a MoU to study the establishment and optimization for the supply of liquefied hydrogen
- The MoU aims to expand the use of liquefied hydrogen in road freight transport, and will also consider LH₂-terminals, large- and medium-sized overseas shipping and large-scale liquefied hydrogen storage

“ Our initiative with Kawasaki underlines the comprehensive view and activities Daimler Truck is pursuing to make economically priced green liquefied hydrogen a reality for our customers ”

Mr. Martin Daum
Chairman of the Board of
Management and CEO of
Daimler Truck

Yoshinori Kanehana, Chairman of the Board of Kawasaki Heavy Industries, Martin Daum, Chairman of the Board of Management and CEO of Daimler Truck, Hidenao Yanagi, Ambassador Extraordinary and Plenipotentiary of Japan to Germany, Kazuchika Iwata, Japanese State Minister for Economy, Trade and Industry, Maroš Šefčovič, European Commission Executive Vice President, Stefan Wenzel, the German Parliamentary State Secretary, Federal Ministry for Economic Affairs and Climate Action



4 Project Topics

✔ World's first public run of a hydrogen engine motorcycle

- On 20th July 2024, Kawasaki Motors conducted the world's first*¹ public run of a hydrogen engine motorcycle developed by a mass-production motorcycle manufacturer at Suzuka Circuit in Japan
- A step forward toward a future where riders can contribute to carbon neutrality while enjoying the unique feeling of an internal combustion engine
- Research and development aimed at practical application in early 2030s are underway

*1 According to Kawasaki Motors (as of July 20, 2024)

*2 EV: Electric Vehicle HEV: Hybrid Electric Vehicle



**It's not about "which wins".
Our goal is
carbon neutrality.**

We, Kawasaki Motors,
also developing EV · HEV*².
We would like to create a
carbon-neutral world with
hydrogen-fueled engines.

We hope to realize a world where everyone is realizing carbon neutrality without anyone knowing it, while valuing the "FUN" such as the heartbeat and acceleration of the engine.

Message from **KAWASAKI**



Our Press Release URL
https://global.kawasaki.com/en/corp/newsroom/news/detail/?f=20240722_6039



4 Project Topics

✓ Kajima and Kawasaki participated in joint research into absorbing CO₂ from the air and trapping it in concrete

- Launched joint research operations for purposes of utilizing our technology for **Direct Air Capture (DAC)** in the production of **CO₂-SUICOM** carbon-capturing concrete developed by Kajima and others

Issue CO₂ used in the production of CO₂-SUICOM is purchased from outside

Solution DAC is a solution that can procure necessary CO₂ in a timely manner at the required location

- Kajima and Kawasaki will deliberate on ways of incorporating DAC equipment into precast concrete plants and pursue verification testing through CO₂-SUICOM production operations

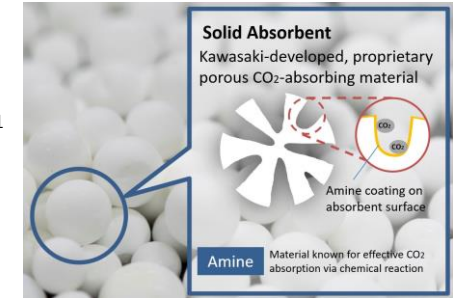


Our Press Release URL
https://global.kawasaki.com/en/corp/newsroom/news/detail/?f=20240726_5592



What is our advanced DAC technologies?

Technology to absorb CO₂ in the atmosphere using a solid absorbent consisting of porous materials and amine*¹ compounds, and to separate and recover the absorbed CO₂ using low-temperature steam at about 60°C



*¹ Substances known to chemically absorb CO₂



What is carbon-capturing concrete "CO₂-SUICOM"?

Technology that absorbs and fixes CO₂ by carbonation curing*² during concrete production, thereby reducing CO₂ emissions to virtually zero or less

*² Method of curing concrete in a tank filled with CO₂ to forcibly absorb and fix CO₂



✓ Indoor Delivery Robot "FORRO" Launched — Realizing a Safe and Secure Remotely-Connected Society

- FORRO was officially introduced on April 1, 2024 at Fujita Health University Hospital (Toyoake City, Aichi Prefecture) and Fujita Medical Innovation Center Tokyo (Ota Ward, Tokyo).
- **The result** in the trial service for 9 months was highly evaluated
 - ✓ 1 FORRO can transfer 3 assistant nurses to other jobs during the day on weekdays
 - ✓ Substitute delivery work by nurses and specimen collection work by clinical laboratory departments
- We will continue to expand services to reduce the burden on healthcare professionals and improve operational efficiency



Reviews From hospital

Very useful for transporting specimens also at night when there are few staff



Nurses can have more time to do their nursing practice



Won the **Japan Robot Association Award** at the 54th Innovative & Inventive Design Excellence Award (IDEA)



Official Movie (Only in Japanese)

<https://www.youtube.com/watch?v=ziMds-eM4rU>



Our Press Release URL (Only in Japanese)
https://www.khi.co.jp/news/detail/20240710_1.html

Hi there!

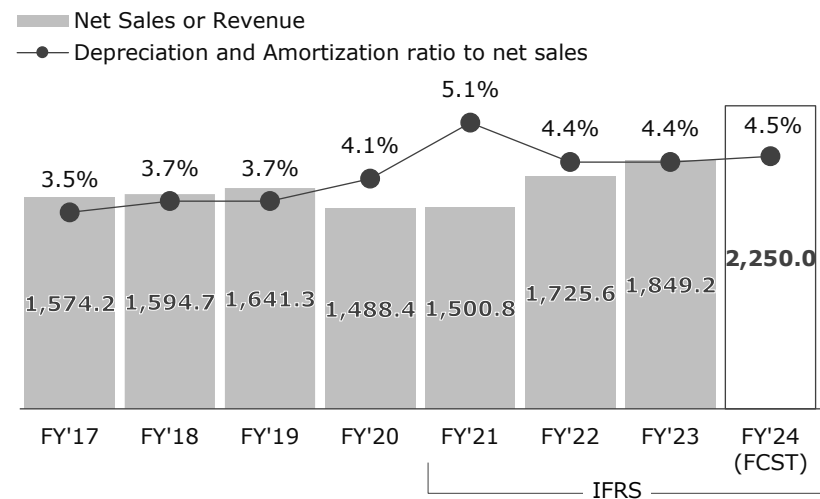
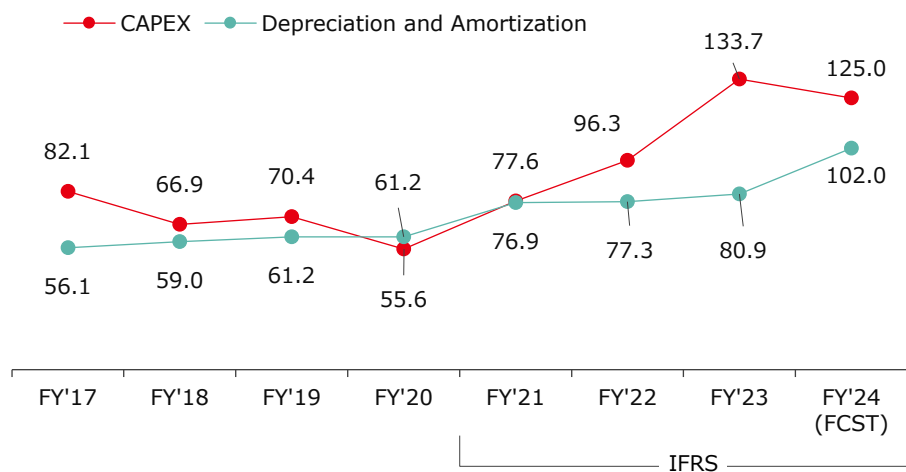


Appendix

- CAPEX, Depreciation and Amortization, R&D Expenses, Number of employees -

(Billion Yen, Persons)

	FY2023	FY2024		FY2023	FY2024	
	Q1 Actual	Q1 Actual	Change	Actual	FCST	Chg. Vs. FY23
CAPEX	25.9	33.9	+ 8.0	133.7	125.0	- 8.7
Depreciation and amortization	19.7	21.1	+ 1.3	80.9	102.0	+ 21.1
R & D expenses	11.3	13.6	+ 2.3	53.5	63.0	+ 9.5
Number of Employees				39,689	41,920	+ 2,231
Domestic				28,099	29,500	+ 1,401
Overseas				11,590	12,420	+ 830



● Order received by quarter (billion yen)

	FY2022				FY2023				1Q
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Aerospace Systems	60.4	65.1	75.1	144.7	118.7	74.4	139.2	360.0	88.2
Aerospace	45.9	46.4	48.0	113.4	104.4	98.0	108.0	246.3	54.3
Aero Engine	14.4	18.7	27.0	31.3	14.2	-23.6	31.2	113.7	33.9
Rolling Stock	11.7	27.6	255.0	18.8	16.4	13.6	11.7	46.9	17.0
Energy Solution & Marine Engineering	124.5	113.8	63.4	137.1	102.3	116.0	62.8	120.4	121.8
Energy, Plant & Marine Machinery	94.3	96.6	44.9	56.6	94.7	93.2	58.2	112.5	56.5
Ship & Offshore Structure	30.1	17.2	18.4	80.5	7.5	22.7	4.5	7.8	65.3
Precision Machinery & Robot	67.9	71.5	58.0	64.4	54.0	49.0	54.6	55.7	61.6
Hydraulic Components & Systems	37.6	43.1	37.4	36.4	36.6	30.9	34.3	34.2	36.0
Robotics	30.3	28.4	20.6	27.9	17.3	18.1	20.2	21.4	25.6
Powersports & Engine	126.0	139.1	148.5	177.3	143.9	123.1	137.2	187.9	144.7
Others	21.3	37.1	9.6	18.3	21.7	27.0	23.5	22.1	23.3
Total	412.0	454.5	609.9	560.9	457.3	403.4	429.2	793.3	456.8

- Orders received and Revenue for Ministry of Defense (Billion Yen)

	FY2023	FY2024		FY2023	FY2024 Forecast			
	Q1Actual	Q1Actual	Change	Actual	Old FCST	New FCST	Chg. Vs. FY'23	Chg. Vs. Old FCST
Orders Received	89.3	24.8	- 64.5	553.0	589.0	651.5	+ 98.5	+ 62.5
<i>Aircrafts and others</i>	61.4	13.5	- 47.9	396.6	450.5	503.0	+ 106.4	+ 52.5
<i>Aero Engines</i>	0.4	1.2	+ 0.8	52.4	16.5	23.5	- 28.9	+ 7.0
Submarine & Naval propulsion	27.5	10.1	- 17.4	104.0	122.0	125.0	+ 21.0	+ 3.0
Revenue	52.9	72.5	+ 19.6	288.5	400.0	406.0	+ 117.5	+ 6.0
<i>[Ratio to the company's total revenue]</i>	<i>[13.1%]</i>	<i>[16.3%]</i>		<i>[15.6%]</i>	<i>[17.8%]</i>	<i>[18.0%]</i>		
<i>Aircrafts and others</i>	35.8	46.7	+ 10.9	192.3	286.0	288.0	+ 95.7	+ 2.0
<i>Aero Engines</i>	2.2	4.2	+ 2.0	17.5	26.0	26.0	+ 8.5	-
Submarine & Naval propulsion	14.9	21.6	+ 6.7	78.7	88.0	92.0	+ 13.3	+ 4.0

● Order Backlog (billion yen)

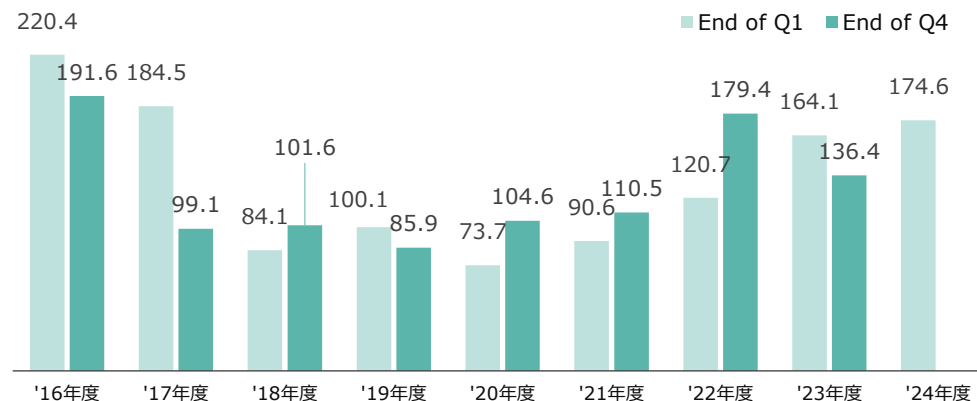
	FY23 Q1	FY24 Q1	
	Actual	Actual	Change
Aerospace Systems	709.2	1,027.7	+ 318.5
Rolling Stock	543.4	476.2	- 67.1
Energy Solution & Marine Engineering	660.6	726.3	+ 65.6
Precision Machinery & Robot	102.8	92.6	- 10.2
Powersports & Engine	-	-	-
Others	32.0	44.2	+ 12.2
Total	2,048.2	2,367.2	+ 319.0

● Revenue by Region (billion yen)

	FY23 Q1	FY24 Q1	
	Actual	Actual	Change
Japan	138.9	157.5	+ 18.5
USA	138.0	145.0	+ 6.9
Europe	42.6	55.0	+ 12.3
Asia	57.1	65.6	+ 8.5
Other	28.5	20.9	- 7.5
Total	405.3	444.2	+ 38.8

※ Classified by country or region based on the customer's location.

● Order Backlog in Ship & Offshore (billion yen)



● Ship Orders Received and Delivery Year (number of ships)

	FY'24 Received Orders	Delivery Year				Order Backlog
		FY'24 Actual	FY'24	FY'25	FY'26~	
			Plan			
LPG Carrier	3	1	2	4	5	11
Submarine			1		1	2
Others						
Total	3	*1 1	3	4	6	*2 13

※ 1 Delivered in FY'24 Q1 : 50,400GT

※ 2 Order Backlog : 554,400GT *Submarines are excluded

● Amount of foreign currency that affects business profit and loss ※1

(billion USD / EUR)

		FY2023	FY2024	
		Q1Actual	Q1Actual	Q2-4 FCST
USD	Aerospace Systems	0.15	※2 0.16	0.52
	Rolling Stock	0.07	0.07	0.15
	Energy Solution & Marine Engineering	0.08	0.06	0.09
	Precision Machinery & Robot	0.03	0.03	0.09
	Powersports & Engine	0.11	0.17	0.66
	Total	0.45	※2 0.49	1.51
EUR		0.10	0.10	0.32

※1 The amount of foreign currency (only USD and EUR) that affects business profits due to exchange rate fluctuations.
(Calculated by deducting foreign currency denominated purchases from foreign currency denominated revenue of Kawasaki Heavy Industries, Ltd, Kawasaki Railcar manufacturing Co., Ltd., and Kawasaki Motors, Ltd. (to include foreign currency denominated revenue of loss provisions))

(Ex) Business profit increases or decreases by 1 billion yen if the exchange rate changes to 1 yen weaker or stronger against USD when the foreign currency amount is 1 billion USD.

※2 Excluding refund liabilities denominated in foreign currencies related to the in-service issues of PW1100G-JM Engine

● Weighted-average Exchange Rates

(EUR / JPY)

FY2022 actual	141.38
FY2023 actual	157.09
FY2024 Q1 actual	166.87
FY2024 forecast	150.00

<Formulas for Calculating ROIC>

After-tax ROIC = { Profit attributable for owners of parent + Interest expenses × (1 – Tax rate) } ÷ Invested capital^{※3}

※3 Invested Capital = Average net debt at beginning and end of period + average equity at beginning and end of period

世界の人々の豊かな生活と地球環境の未来に貢献する
“Global Kawasaki”