Financial Results for FY2015
(for the year ended March 31, 2016)

April 27, 2016

Kawasaki Heavy Industries, Ltd.

Kawasaki
Powering your potential

Table of Contents

I. Consolidated Results for FY2015

- ✧ Summary of Financial Results 3
- ✧ Financial Results by Segment 4
- ✧ Summary of Income Statement 5
- ✧ Financial Results by Segment
  - Ship & Offshore Structure 6
  - Rolling Stock 7
  - Aerospace 8
  - Gas Turbine & Machinery 9
  - Plant & Infrastructure 10
  - Motorcycle & Engine 11
  - Precision Machinery 12
- ✧ Summary of Balance Sheet 13
- ✧ Summary of Cash Flows 14

II. Forecast for FY2016

- ✧ Consolidated Operating Performance 15
- ✧ Forecast by Segment 16
- ✧ Before-tax ROIC by Segment 17
- ✧ R&D/CAPEX/Number of Employees 18

<Appendix> Historical Data 19

Change of ROIC Rating 20

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Summary of Financial Results

(Billion Yen)

	FY2014 Actual	FY2015		Change	
		Forecast※ in January	**Actual**	vs. FY2014	vs. Forecast in January
Orders Received	1,712.9	1,670.0	**1,693.6**	-19.2	+23.6
Net Sales	1,486.1	1,570.0	**1,541.0**	+54.9	-29.0
Operating Income	87.2	91.0	**95.9**	+8.7	+4.9
Recurring Profit	84.2	89.0	**93.2**	+8.9	+4.2
Net Income Attributable to Owners of Parent ※	51.6	45.0	**46.0**	-5.5	+1.0
Before-tax ROIC	10.4%	8.7%	**9.4%**	-0.9%	+0.7%
ROE	12.9%	10.3%	**10.6%**	-2.3%	+0.3%

※ “Net Income” as for FY2014

vs. FY2014

< Orders Received >
Decreased as a whole, due to decrease in Ship & Offshore Structure, Plant & Infrastructure and other segments, despite increase in Aerospace and Gas Turbine & Machinery segments

< Net Sales >
Increased due to increase mainly in Aerospace and Rolling Stock

< Profits >
- Increased in operating income and recurring profit due to increased profit in Aerospace, Gas Turbine & Machinery and other segments, but net income attributable to owners of parent decreased due to recognizing losses on joint shipbuilding venture in Brazil as losses on overseas business under extraordinary losses

Weighted-average exchange rates

Yen / US$	109.51	**118.99**
Yen / EUR	139.34	**132.43**

※Assumed exchange rates for forecast in January : 117Yen = US$ 127Yen = EUR

(For Reference)
Net Sales in Foreign Currencies for FY2015 (Billion)

US$	EUR
2.05	0.40

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Financial Results by Segment

(Billion Yen)

	Orders Received			Net Sales			Operating Income		
	FY2014	**FY2015**	Change	FY2014	**FY2015**	Change	FY2014	**FY2015**	Change
Ship & Offshore Structure	179.2	**98.3**	-80.8	90.3	**94.8**	+4.5	2.6	**-7.9**	-10.6
Rolling Stock	131.4	**132.1**	+0.7	121.5	**146.6**	+25.1	6.0	**9.2**	+3.2
Aerospace	357.0	**464.2**	+107.2	325.0	**351.8**	+26.7	36.3	**45.6**	+9.3
Gas Turbine & Machinery	235.7	**288.9**	+53.1	218.7	**236.4**	+17.6	11.2	**16.9**	+5.6
Plant & Infrastructure	203.4	**138.7**	-64.6	121.1	**135.6**	+14.5	6.5	**8.5**	+1.9
Motorcycle & Engine	329.2	**333.5**	+4.3	329.2	**333.5**	+4.3	14.9	**15.7**	+0.8
Precision Machinery	136.2	**133.1**	-3.0	135.7	**133.1**	-2.6	10.9	**8.5**	-2.3
Others	140.5	**104.4**	-36.1	144.2	**108.8**	-35.4	3.9	**2.8**	-1.0
Eliminations and corporate※	-	-	-	-	**-**	-	-5.4	**-3.7**	+1.7
Total	1,712.9	**1,693.6**	-19.2	1,486.1	**1,541.0**	+54.9	87.2	**95.9**	+8.7

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

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Summary of Income Statement

(Billion Yen)

< Operating Income > +8.7 (FY2014 87.2 → FY2015 95.9)

Net sales	+	54.9	(	1,486.1	→	1,541.0)
Cost of sales	+	37.0	(	1,216.6	→	1,253.6)
Selling, general & administrative expenses	+	9.2	(	182.1	→	191.4)
- Salaries and benefits	+	2.0	(	50.5	→	52.6)
- R&D expenses	+	2.0	(	41.6	→	43.6)

< Non-operating Income/Expenses > +0.2 (FY2014 -2.9 → FY2015 -2.7)

Net Interest expense (incl. dividend income)	+	0.0	(	-2.5	→	-2.4)
Equity in income of unconsolidated subsidiaries and affiliates	-	3.3	(	6.2	→	2.8)
Gain and loss on foreign exchange	-	1.4	(	- 5.0	→	-6.5)
Others	+	4.8	(	- 1.5	→	3.3)

< Extraordinary Income/Losses > -18.3 (FY2014 0 → FY2015 -18.3)

Gain on transfer of business	+	0.9	(	0.0	→	0.9 ※1)
Overseas business-related losses	-	19.2	(	0.0	→	-19.2 ※2)

※1 Due to assignment of all of shares of KCM Corporation and all businesses of KCMJ Corporation
※2 Considering valuation of inventories as well as collectability of trade receivables to Enseada, in which KHI holds a 30% stake, KHI has decided to implement the necessary accounting treatment based on its revaluation under generally accepted accounting principles in Japan (JGAAP)

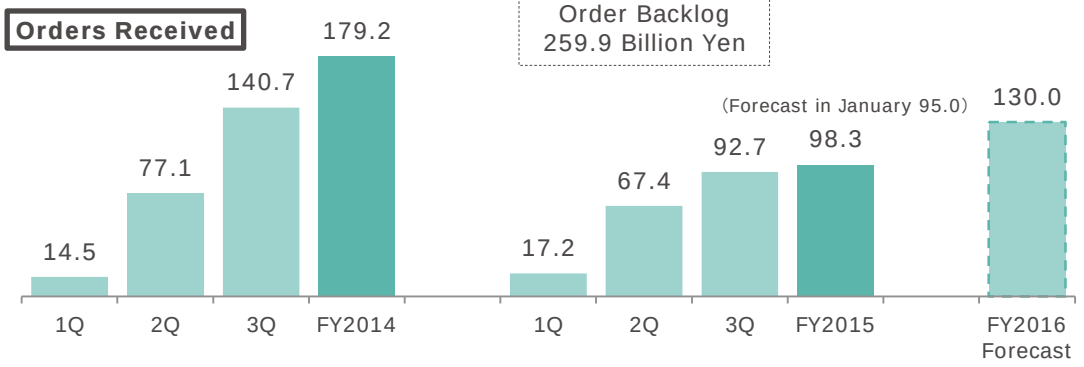
© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Ship & Offshore Structure

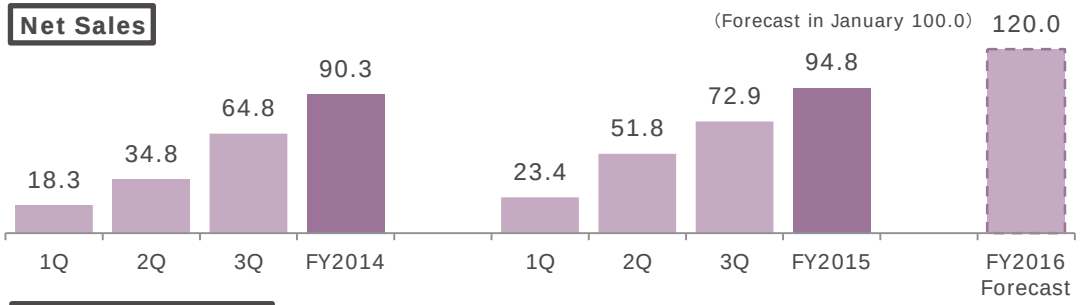
Main Products: LNG carriers, LPG carriers, Offshore structures, Bulk carriers, Submarines

(Billion Yen / In accumulated amount)

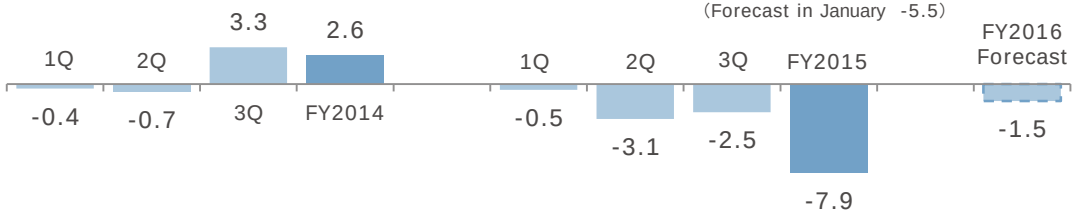
Orders Received



Net Sales



Operating Income



FY2015

(vs. FY2014)

Orders Received: Decreased compared to the previous fiscal year where a submarine and a deep submergence rescue vehicle for the Japan Ministry of Defense (MOD) were received

Net Sales: Increased due to increase in amount of shipbuilding of LPG carriers and others factors

Operating Income: Deteriorated due to provision for loss on construction contracts and other factors

FY2016 Forecast

(vs. FY2015)

Orders Received: Expected to increase with orders received for a submarine for the MOD

Net Sales : Expected to increase with increase in amount of shipbuilding of gas carriers

Operating Income: Expected to improve compared to the previous fiscal year where there was provision for loss on construction contracts

<Units of Orders Received and Sales of New Building Ships> (unit)

	Orders Received		Sales			
			FY2014		FY2015	
	FY2014	FY2015	Completed	In Process※	Completed	In Process※
LNG carriers	3	2		4		9
Small-sized LNG carriers						
LPG carriers	2	4	1	1	1	4
Offshore service vessel						
Bulk carriers		1	2	2	3	1
Submarines	1		1	1		2
Deep submergence rescue vehicle	1					1
Total	7	7	4	8	4	17

※ Sales units by percentage-of-completion method

	FY2014 Actual	FY2015 Actual	FY2016 Forecast
Before-tax ROIC	6.0%	-38.4%	1.0%

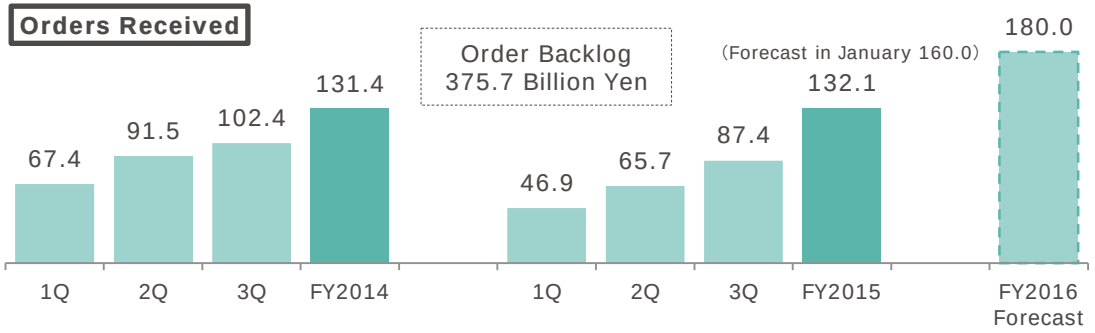
© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Rolling Stock

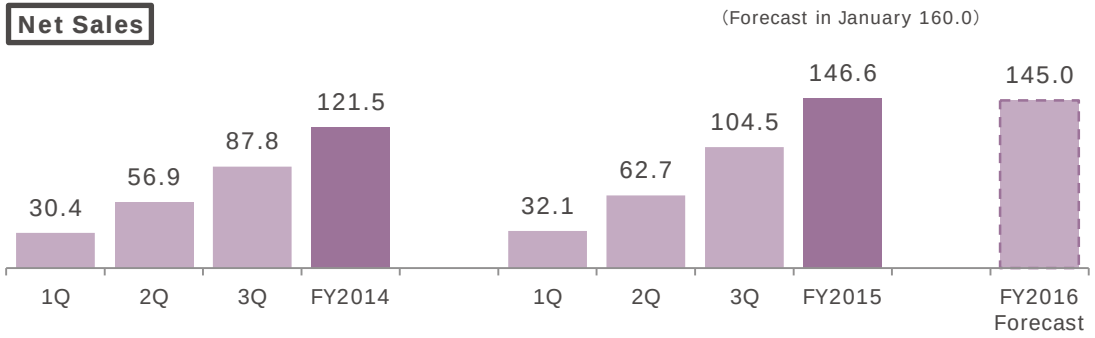
Main Products : Electric train cars (incl. Shinkansen), Electric and diesel locomotives, Passenger coaches, Bogies, Gigacell® (High-Capacity, Full Sealed Ni-MH Battery)

(Billion Yen / In accumulated amount)

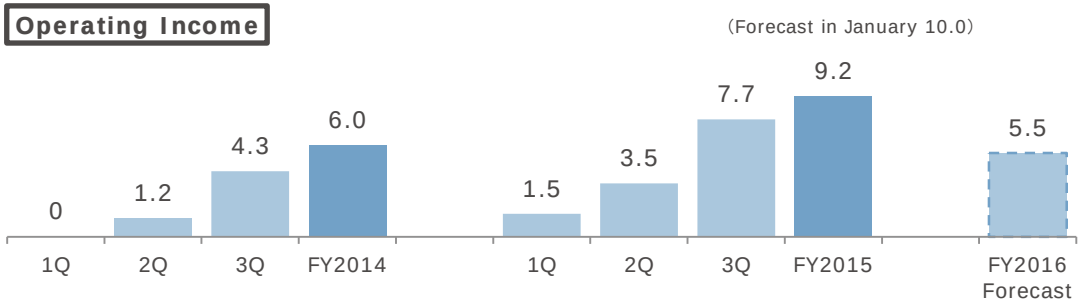
Orders Received



Net Sales



Operating Income



FY2015

(vs. FY2014)

Orders Received: Remained at the same level as the previous fiscal year due to there being no significant change in both domestic and overseas markets

Net Sales: Increased due to sales increase in overseas markets including Singapore and Taiwan and other factors

Operating Income: Increased due to sales increase and other factors

FY2016 Forecast

(vs. FY2015)

Orders Received: Expected to increase due to increase in orders received for overseas markets

Net Sales: Expected to remain at the same level as the previous fiscal year due to there being no significant change in both domestic and overseas markets

Operating Income: Expected to decrease due to decrease in profitability

	FY2014 Actual	FY2015 Actual	FY2016 Forecast
Before-tax ROIC	8.7%	11.7%	8.0%

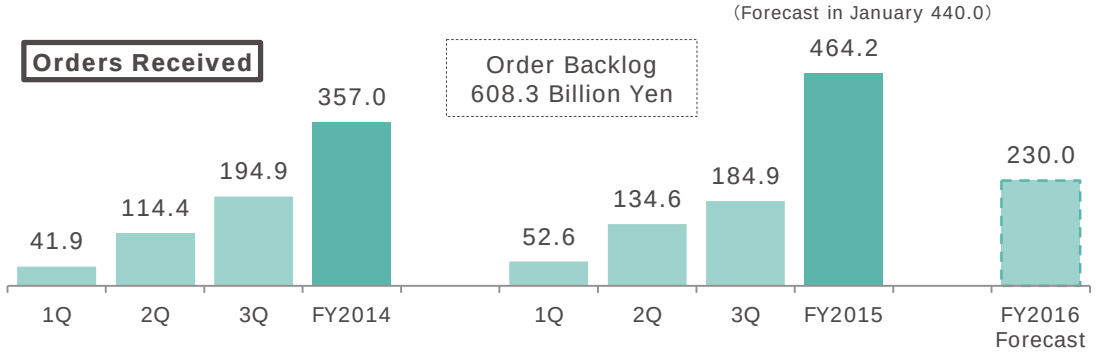
© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Aerospace

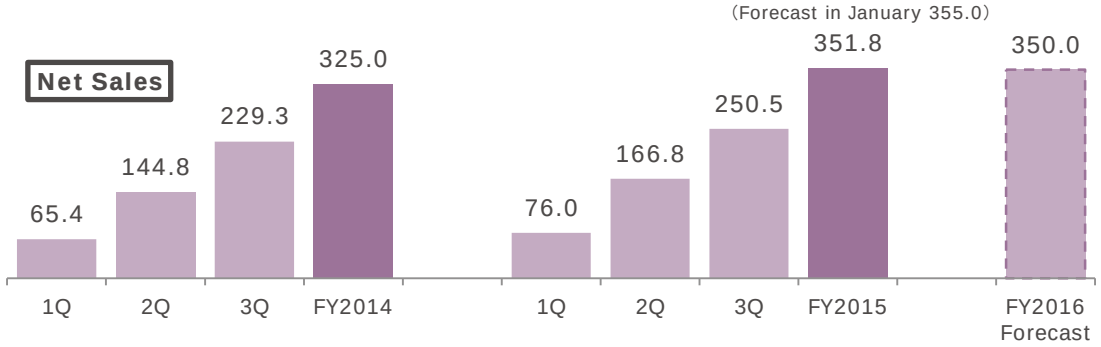
Main Products : Aircrafts for Japan Ministry of Defense, Component parts for commercial aircrafts, Commercial helicopters, Missiles, Space equipment

(Billion Yen / In accumulated amount)

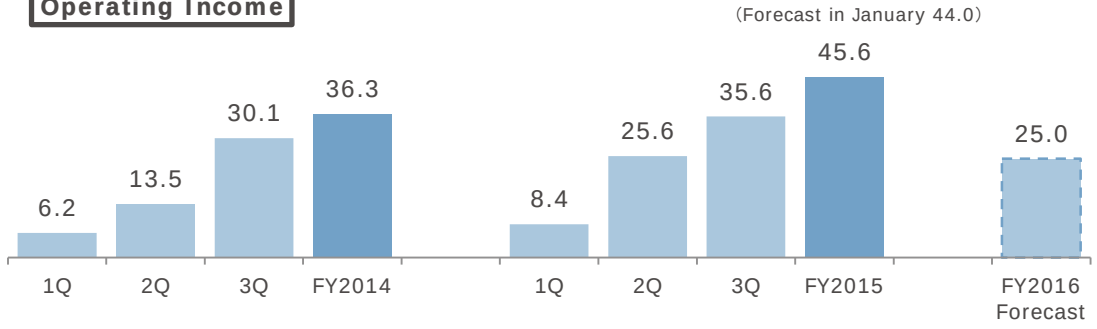
Orders Received



Net Sales



Operating Income



FY2015

(vs. FY2014)

Orders Received: Increased due to increase in orders received for the MOD

Net Sales: Increased due to increase in sales to the MOD, continued high level of sales of component parts for commercial aircrafts, the effect of the depreciation of the yen and other factors

Operating Income: Increased due to sales increase and other factors

FY2016 Forecast

(vs. FY2015)

Orders Received: Expected to decrease due to decrease in orders received for the MOD

Net Sales: Expected to remain at the same level as the previous fiscal year due to decrease in component parts for commercial aircrafts and the effect of the appreciation of the yen, despite increase in sales to the MOD

Operating Income: Expected to decrease due to decrease in profitability of the component parts for commercial aircrafts

< Sales units of component parts for commercial aircrafts > (units)

	FY2014	FY2015
Boeing 777	101	100
Boeing 767	17	19
Boeing 787	122	124
Embraer170/175	86	87
Embraer190/195	25	14

	FY2014 Actual	FY2015 Actual	FY2016 Forecast
Before-tax ROIC	35.1%	33.9%	13.5%

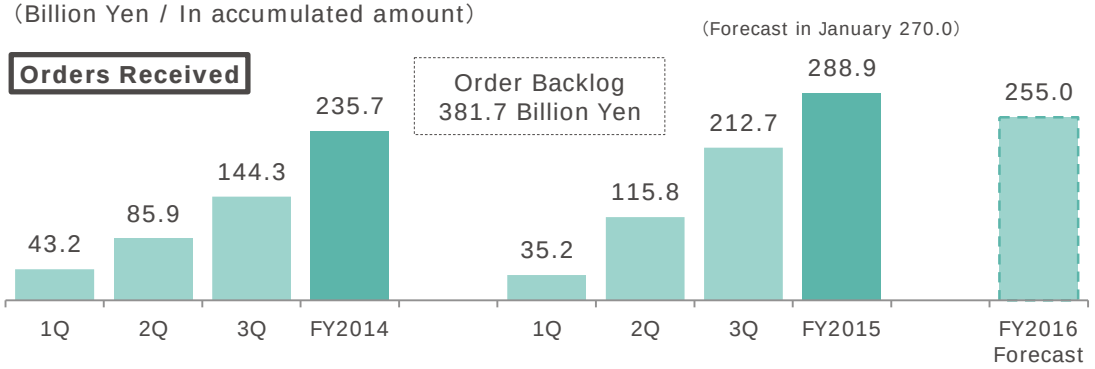
© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Gas Turbine & Machinery

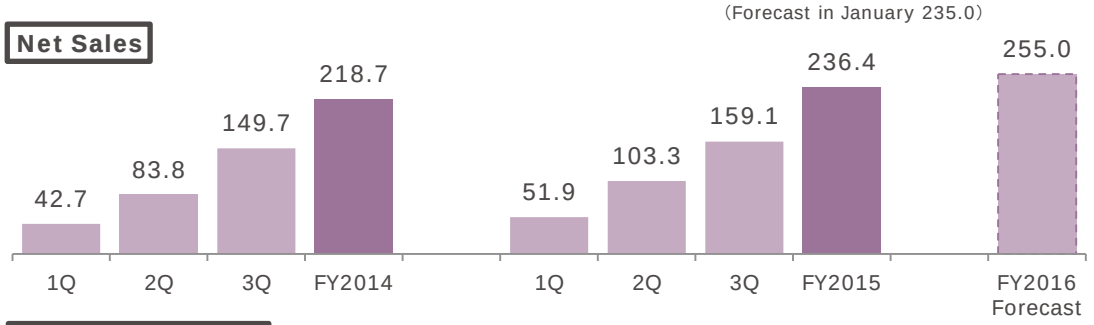
Main Products : Jet engines, Gas turbine co-generation system, Gas engines, Diesel engines, Gas turbines & steam turbines for marine & land, Marine propulsion system, Aero-dynamic machinery

(Billion Yen / In accumulated amount)

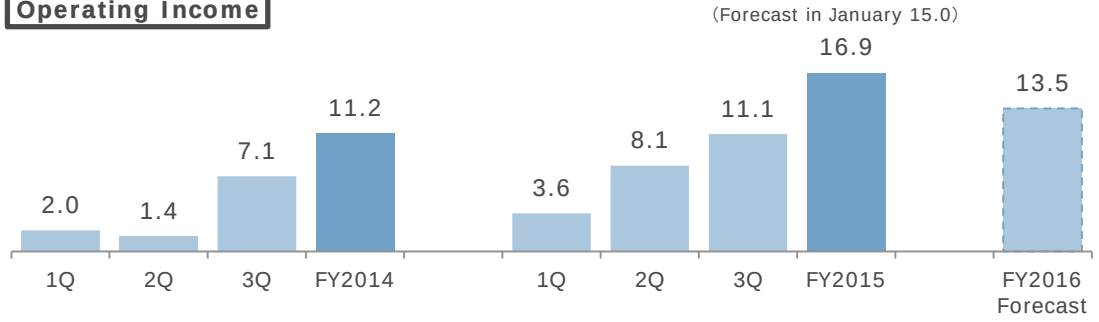
Orders Received



Net Sales



Operating Income



FY2015

(vs. FY2014)

Orders Received: Increased due to increase in orders received for component parts of commercial aircraft jet engines, gas engines and other factors

Net Sales: Increased due to increase in component parts of commercial aircraft jet engines and other factors

Operating Income: Increased due to sales increase and other factors

FY2016 Forecast

(vs. FY2015)

Orders Received: Expected to decrease due to decrease in component parts of commercial aircraft jet engines compared to the previous fiscal year where there was concentrated orders received for commercial aircraft jet engines, and decrease in marine machineries and other factors

Net Sales: Expected to increase due to increase in component parts of commercial aircraft jet engines, gas engines and other factors

Operating Income: Expected to decrease due to the effect of the appreciation of the yen, increase in allocation of non-recurring cost for new commercial aircraft jet engines projects and other factors, despite increase due to sales increase

	FY2014 Actual	FY2015 Actual	FY2016 Forecast
Before-tax ROIC	5.7%	8.8%	6.3%

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

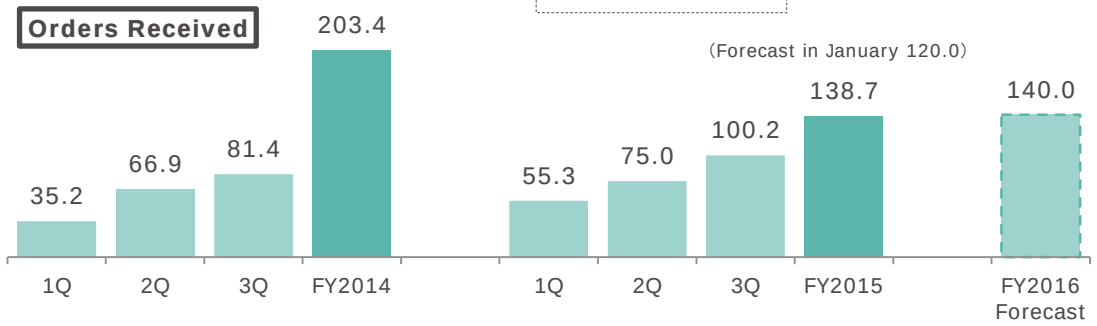
Plant & Infrastructure

Main Products: Industrial plants (cement, fertilizer and others), Power plants, LNG tanks, Municipal refuse incineration plants, Tunnel boring machines, Crushing machines

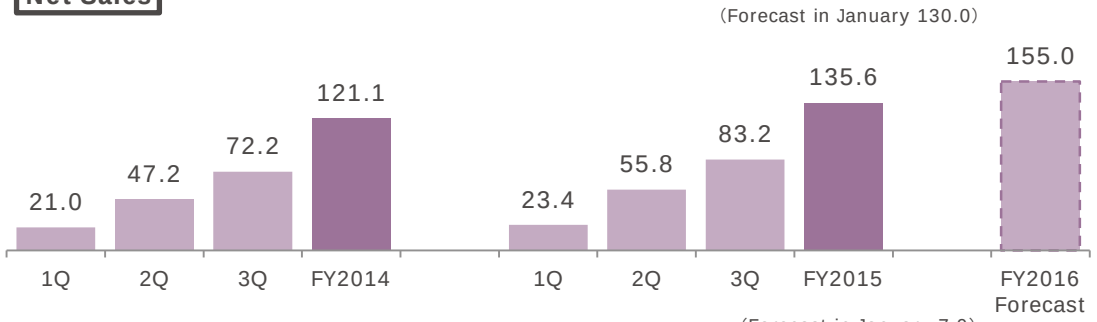
(Billion Yen / In accumulated amount)

Order Backlog
255.9 Billion Yen

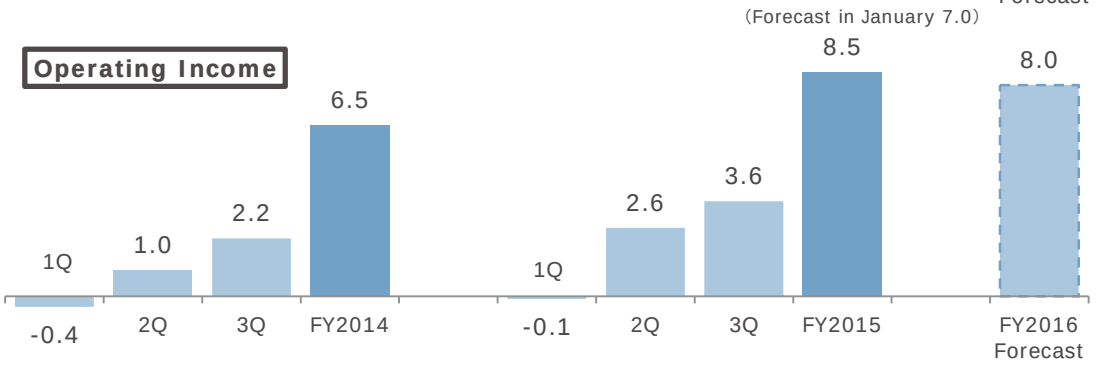
Orders Received



Net Sales



Operating Income



FY2015

(vs. FY2014)

Orders Received: Decreased compared to the previous fiscal year where a large-scale order for overseas market was received

Net Sales: Increased due to increase in sales of a large-scale plant for overseas market and other factors

Operating Income: Increased due to sales increase

FY2016 Forecast

(vs.2015)

Orders Received: Expected to increase due to increase in orders received for municipal refuse incineration plants and others

Net Sales: Expected to increase due to increase in sales for overseas markets

Operating Income: Expected to decrease due to decrease in profitability resulting from increase in cost of construction and other factors, despite sales decrease

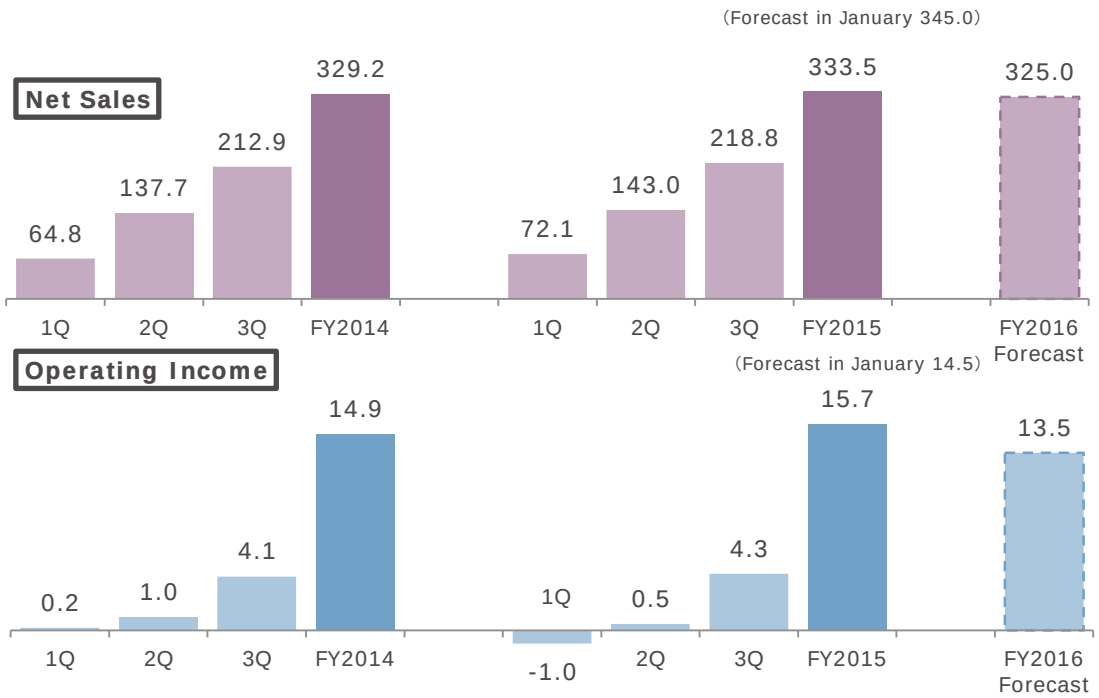
	FY2014 Actual	FY2015 Actual	FY2016 Forecast
Before-tax ROIC	14.3%	17.5%	16.3%

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Motorcycle & Engine

Main Products: Motorcycles, Utility Vehicles, All-Terrain Vehicles(ATVs), Personal Watercraft, General-purpose Gasoline Engines

(Billion Yen / In accumulated amount)



FY2015

(vs. FY2014)

Net Sales: Increased due to sales increase in motorcycles and utility vehicles for developed countries, despite decrease in motorcycles for emerging markets including Indonesia

Operating Income: Increased due to sales increase and other factors

FY2016 Forecast

(vs.2015)

Net Sales: Expected to decrease due to sales decrease of motorcycles for Indonesia and the effect of the appreciation of the yen

Operating Income: Expected to decrease due to sales decrease

<Wholesales by Geographic Area for Consumer Products> (Thousands of units / Billion Yen)

	FY2014		FY2015		FY2016 Forecast	
	Unit	Amount	Unit	Amount	Unit	Amount
Domestic	15	13.2	15	13.2	16	13.6
North America (incl. Canada)	100(49)	97.0	100(51)	112.2	113(54)	106.6
Europe	57	50.1	64	55.2	64	51.8
Emerging Countries & Others	409	122.1	340	106.3	319	101.9
Total	581	282.4	524	286.9	512	273.9

Note: 1) Sales units and amount include the following products.
Units: Motorcycles, Utility Vehicles, All-Terrain Vehicles(ATVs) and Personal Watercraft(Jet Ski®)
Amount: The products mentioned above and parts for those products.
2) Figures in the parenthesis ( ) represent motorcycle sales units.

	FY2014 Actual	FY2015 Actual	FY2016 Forecast
Before-tax ROIC	7.3%	14.1%	10.2%

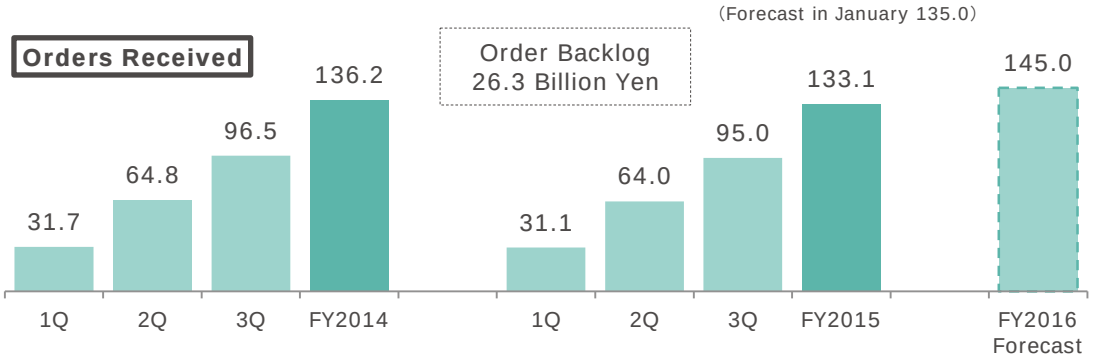
© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Precision Machinery

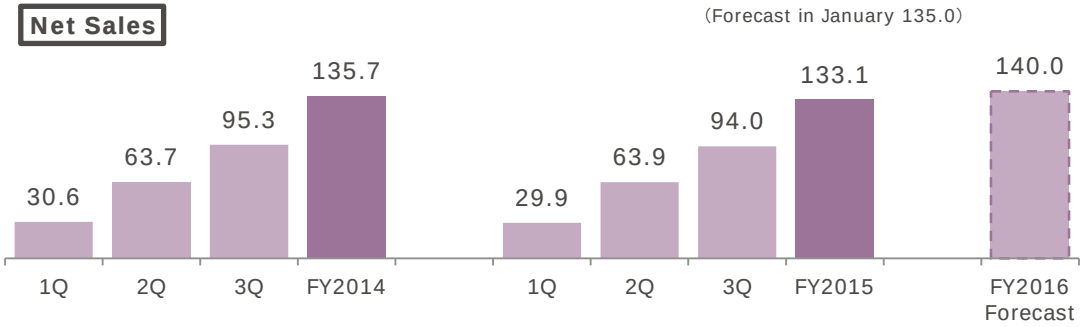
Main Products: Hydraulic components for construction machineries, Hydraulic components and systems for industrial machines, Marine application machines, Deck cranes and other marine deck equipment, Industrial robots, Medical and pharmaceutical robot

(Billion Yen / In accumulated amount)

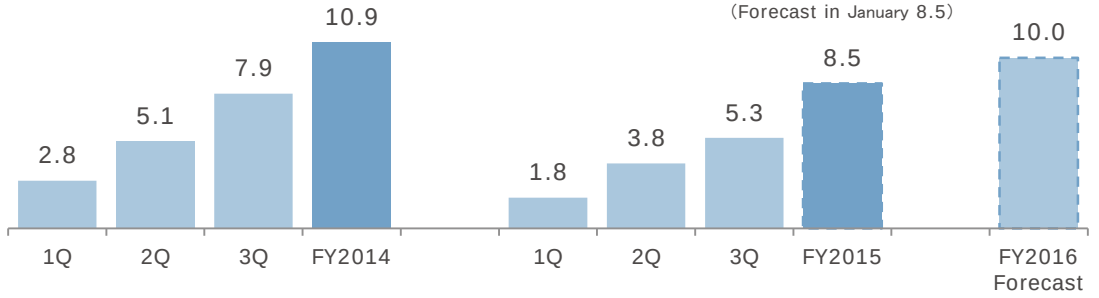
Orders Received



Net Sales



Operating Income



FY2015

(vs. FY2014)

Orders Received & Net Sales : Decreased due to decrease in hydraulic components and other factors

Operating Income: Decreased due to sales decrease in hydraulic components, decrease in profitability and other factors

FY2016 Forecast

(vs.2015)

Orders Received & Net Sales : Expected to increase in various industrial robots

Operating Income: Expected to increase due to sales increase

	FY2014 Actual	FY2015 Actual	FY2016 Forecast
Before-tax ROIC	16.7%	9.5%	10.8%

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

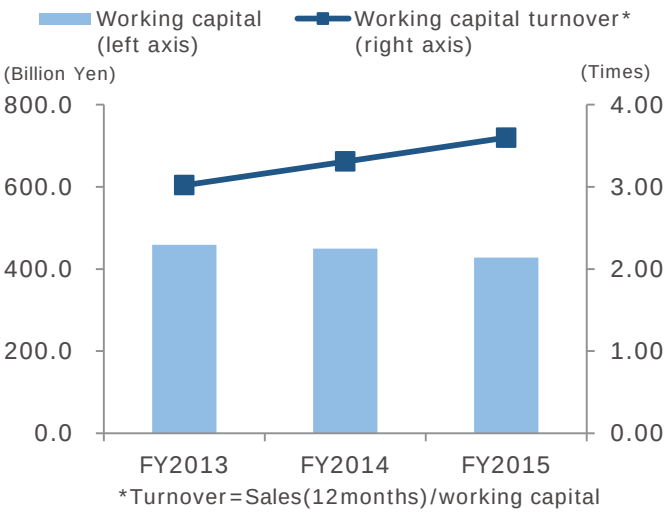
Summary of Balance Sheet

(Billion Yen)

	End of Mar. 2015	**End of Mar. 2016**	Change
Cash on hand and in banks	51.6	**42.1**	-9.4
Trade receivables	421.8	**381.3**	-40.5
Inventories	498.6	**492.9**	-5.6
Total fixed assets	436.9	**452.0**	+15.0
Other assets	253.1	**251.9**	-1.1
Total assets	1,662.2	**1,620.4**	-41.8
Trade payables	339.3	**321.7**	-17.5
Interest-bearing debt	414.3	**398.4**	-15.9
Advances from customers	171.6	**170.4**	-1.1
Other liabilities	288.9	**284.1**	-4.8
Total liabilities	1,214.3	**1,174.8**	-39.4
Total shareholders' equity	412.4	**438.4**	+26.0
Other net assets	35.5	**7.2**	-28.3
Total net assets	447.9	**445.6**	-2.3
Total liabilities and net assets	1,662.2	**1,620.4**	-41.8

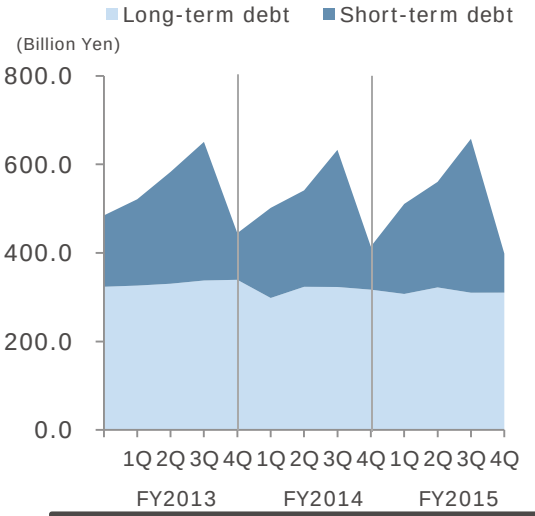
Ratio of shareholders' equity to total assets	25.9%	**26.6%**
Net Debt Equity Ratio	83.9%	**82.5%**

< Changes in working capital >

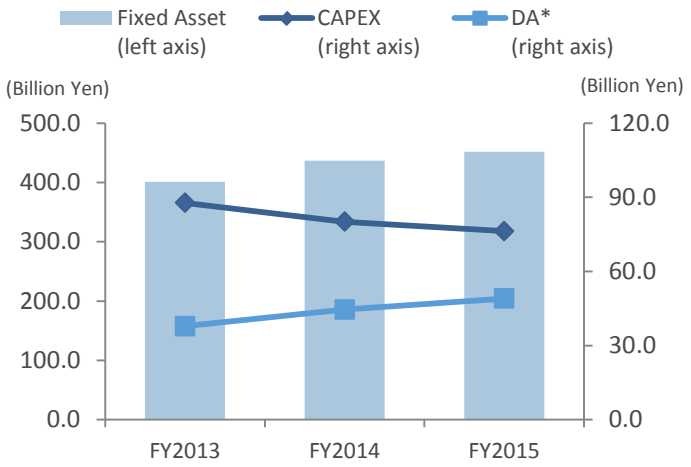


*Turnover=Sales(12months)/working capital

【Changes in interest-bearing debt】



< Changes in CAPEX and others >



*Depreciation & Amortization

< Overview of Balance Sheet >

On March 31, 2016, total assets decreased from March 31, 2015, resulting form decrease in trade receivables and other factors, despite increase in fixed assets due to CAPEX.

Liabilities on March 31, 2016, decreased due to decrease in trade payables, interest-bearing debt and other factors.

Net assets remained at the same level as the previous fiscal year due to decrease in foreign currency translation adjustments and other factors, despite recognition of net income attributable to owners of parent.

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Summary of Cash Flows

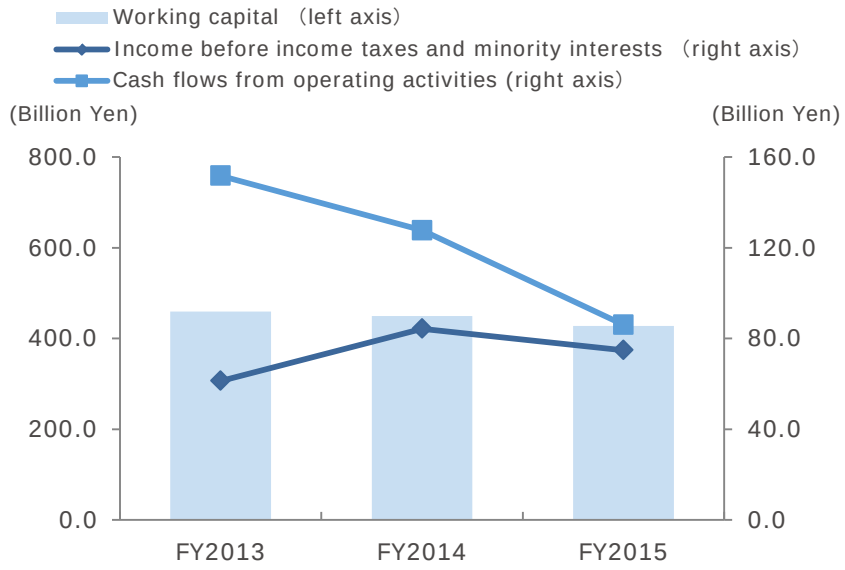
(Billion Yen)

	FY2014	**FY2015**	Change
Cash flows from operating activities	127.6	**86.0**	-41.5
Cash flows from investing activities	-67.3	**-74.1**	-6.7
Free Cash Flows	60.2	**11.8**	-48.3
Cash flows from financing activities	-57.1	**-23.4**	+33.7

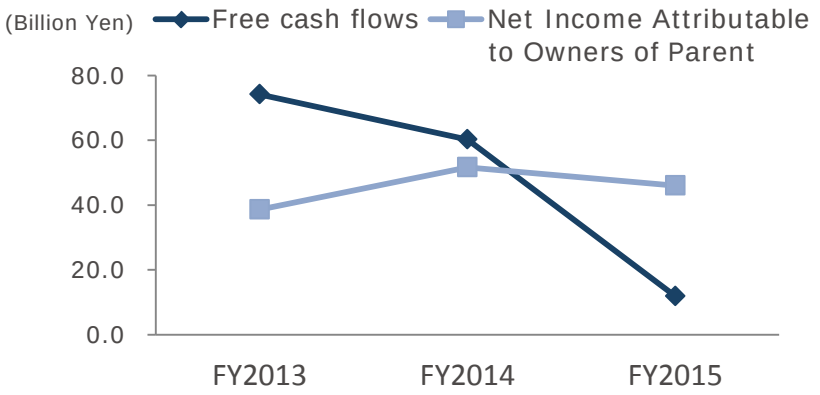
< Overview of Cash Flows >

Cash flows from operating activities decreased due to payments having concentrated in Aerospace segment in the previous fiscal year, and delay payment from joint shipbuilding venture in Brazil and other factors.
Cash outflows from investing activities decreased due to increase in payments for CAPEX in this fiscal year.
Given the above mentioned changes, free cash flows decreased compared to the previous fiscal year.

< Changes in cash flows from operating activities and others >



< Changes in free cash flows and Net Income attributable to Owners of Parent>



© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Consolidated Operating Performance

(Billion Yen)

	FY2015 Actual	**FY2016 Forecast**	Change
Orders Received	1,693.6	**1,500.0**	-193.6
Net Sales	1,541.0	**1,570.0**	+29.0
Operating Income	95.9	**70.0**	-25.9
Recurring Profit	93.2	**69.0**	-24.2
Net Income Attributable to Owners of Parent	46.0	**49.0**	+3.0
Before-tax ROIC	9.4%	**8.3%**	-1.1%
ROE	10.6%	**11.0%**	+0.4%

Exchange Rates (actual & assumed)

Yen / US$	118.99	**110**
Yen / EUR	132.43	**125**

Note : Assumed rates are applied to the outstanding foreign exchange exposure as of April 27, 2016

vs. FY2015

< Orders Received >

Expected to decrease as a whole due to decrease in Aerospace segment where a large-scale order was received in the previous fiscal year and other factors

< Net Sales >

Expected to increase mainly in Ship & Offshore Structure, Gas Turbine & Machinery, Plant and Infrastructure and other segments

< Profits >

・Operating income and recurring profit are expected to decrease due to the effect of the appreciation of the yen, decrease in profitability of the component parts for commercial aircrafts in Aerospace segment and other factors, despite continuing profit improvement activities such as improving productivity

・ Net income attributable to owners of parent is expected to increase, because there will not be partial write-down of deferred tax assets arising from changes in tax system and overseas business-related loss of a joint shipbuilding venture in Brazil

(For Reference)

Impact on profit by FX fluctuation of 1 Yen

(Billion Yen)

	Operating Income	Recurring Profit
US$	2.46	2.49
EUR	0.19	0.23

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Forecast by Segment

(Billion Yen)

	Orders Received			Net Sales			Operating Income		
	FY2015 Actual	**FY2016 Forecast**	Change	FY2015 Actual	**FY2016 Forecast**	Change	FY2015 Actual	**FY2016 Forecast**	Change
Ship & Offshore Structure	98.3	**130.0**	+31.7	94.8	**120.0**	+25.2	-7.9	**-1.5**	+6.4
Rolling Stock	132.1	**180.0**	+47.9	146.6	**145.0**	-1.6	9.2	**5.5**	-3.7
Aerospace	464.2	**230.0**	-234.3	351.8	**350.0**	-1.8	45.6	**25.0**	-20.6
Gas Turbine & Machinery	288.9	**255.0**	-33.9	236.4	**255.0**	+18.6	16.9	**13.5**	-3.4
Plant & Infrastructure	138.7	**140.0**	+1.2	135.6	**155.0**	+19.4	8.5	**8.0**	-0.5
Motorcycle & Engine	333.5	**325.0**	-8.5	333.5	**325.0**	-8.5	15.7	**13.5**	-2.2
Precision Machinery	133.1	**145.0**	+11.9	133.1	**140.0**	+6.9	8.5	**10.0**	+1.5
Others	104.4	**95.0**	-9.4	108.8	**80.0**	-28.8	2.8	**4.0**	+1.2
Eliminations and corporate※	-	-	-	-	**-**	-	-3.7	**-8.0**	-4.3
Total	1,693.6	**1,500.0**	-193.7	1,541.0	**1,570.0**	+29.0	95.9	**70.0**	-25.9

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

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Before-tax ROIC by Segment

	Before-tax ROIC ((EBIT+ Interest Expense)/ Invested Capital)			Operating Income Margin (Operating Income / Net Sales)			Asset Turnover (Times) (Net Sales / Total Assets)		
	FY2015 Actual	**FY2016 Forecast**	Change	FY2015 Actual	**FY2016 Forecast**	Change	FY2015 Actual	**FY2016 Forecast**	Change
Ship & Offshore Structure	-38.4%	**1.0%**	+39.4%	-8.3%	**-1.2%**	+7.1%	0.61	**0.75**	+0.14
Rolling Stock	11.7%	**8.0%**	-3.7%	6.3%	**3.7%**	-2.6%	0.85	**0.90**	+0.05
Aerospace	33.9%	**13.5%**	-20.4%	12.9%	**7.1%**	-5.8%	0.92	**0.80**	-0.12
Gas Turbine & Machinery	8.8%	**6.3%**	-2.5%	7.1%	**5.2%**	-1.9%	0.75	**0.70**	-0.05
Plant & Infrastructure	17.5%	**16.3%**	-1.2%	6.2%	**5.1%**	-1.1%	1.12	**1.30**	+0.18
Motorcycle & Engine	14.1%	**10.2%**	-3.9%	4.7%	**4.1%**	-0.6%	1.36	**1.30**	-0.06
Precision Machinery	9.5%	**10.8%**	+1.3%	6.4%	**7.1%**	+0.7%	0.93	**0.95**	+0.02
Total	9.4%	**8.3%**	-1.1%	6.2%	**4.4%**	-1.8%	0.95	**0.95**	0.00

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

R&D / CAPEX / Number of Employees

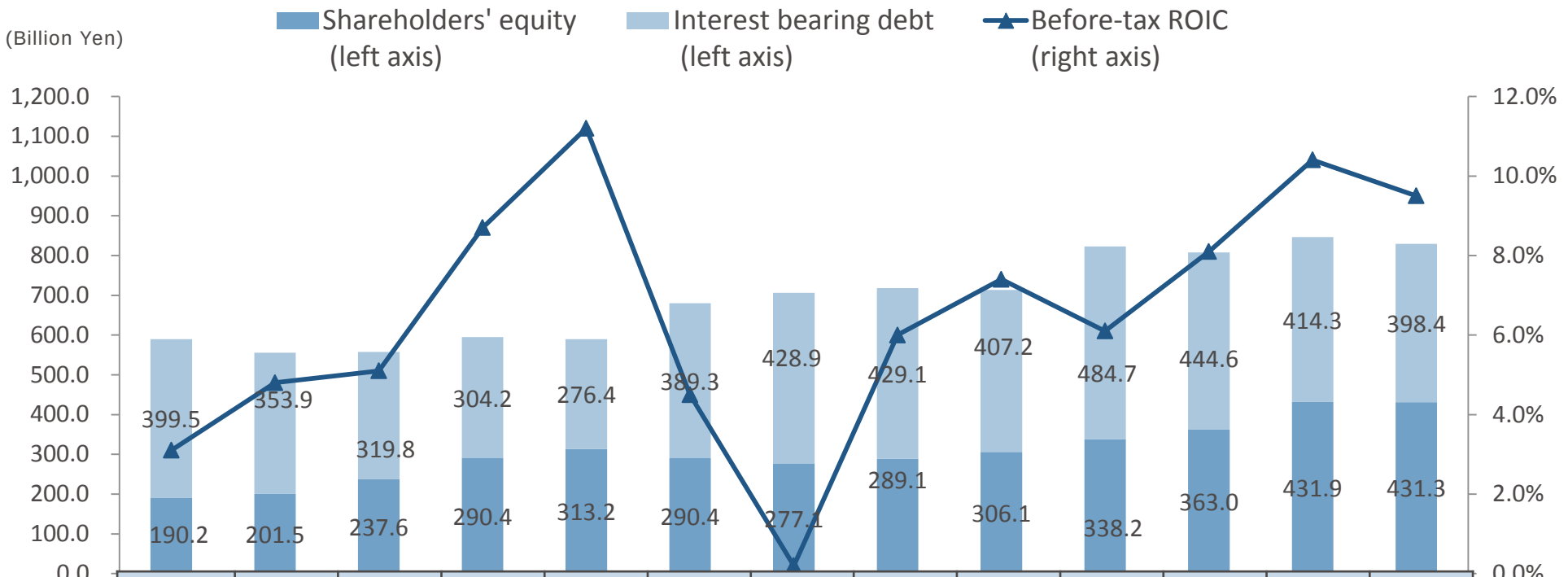
(Billion Yen / Persons)

	FY2014 Actual	FY2015 Actual	**FY2016 Forecast**
R&D Expenses	41.6	43.6	**47.0**
CAPEX (Construction Base)	80.0	76.3	**98.0**
Depreciation & Amortization	44.5	49.0	**56.0**
Domestic	26,019	25,897	**26,700**
Overseas	9,452	8,708	**9,000**
Number of Employees	35,471	34,605	**35,700**

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

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Historical Data



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Before-tax ROIC	3.1%	4.8%	5.1%	8.7%	11.2%	4.5%	0.2%	6.0%	7.4%	6.1%	8.1%	10.4%	9.4%
Invested Capital	589.6	555.3	557.3	594.6	589.6	679.7	705.9	718.2	713.2	822.8	807.6	846.3	829.7
Net Sales	1,160.2	1,241.5	1,322.4	1,438.6	1,501.0	1,338.5	1,173.4	1,226.9	1,303.7	1,288.8	1,385.4	1,486.1	1,541.0
Operating Profit	22.2	24.7	41.7	69.1	76.9	28.7	-1.3	42.6	57.4	42.0	72.3	87.2	95.9
Recurring Profit	12.1	21.0	30.8	49.0	63.9	38.7	14.2	49.1	63.6	39.3	60.6	84.2	93.2
Net Income Attributable to Owners of Parent	6.3	11.4	16.4	29.7	35.1	11.7	-10.8	25.9	23.3	30.8	38.6	51.6	46.0
Yen / US$	113	108	112	117	115	101	93	86	79	82	99	109	118

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Change of ROIC Rating

ROIC rating		As of April 2015	As of April 2016
A	Market leader	11	7
B	Stable contributor	8	7
C	Reduced variation in performance required	4	11
D	Improved investment efficiency required	8	4
E	Restructuring required	1	2
Year covered		Actual :FY2013-2014 Assumed:FY2015-2017	Actual :FY2014-2015 Assumed:FY2016-2018
Actual & assumed exchange rate (¥/$)		FY2013 :¥99/$ FY2014 :¥109/$ FY2015-2017:¥113/$	FY2014 :¥109/$ FY2015 :¥118/$ FY2016-2018:¥110/$

© 2016 KAWASAKI HEAVY INDUSTRIES, LTD. All Rights Reserved

Kawasaki,
Working as one for the good of the planet

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.

Kawasaki
Powering your potential