


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

For the year ended March 31, 2024 and 2023

 May 9, 2024
 (Consolidated)

Operating results

	(Millions of yen)	
	Year ended Mar. 31, 2024	Year ended Mar. 31, 2023
Revenue	1,849,287	1,725,609
Business Profit	46,201	82,355
Profit attributable to owners of parent	25,377	53,029
Earnings per share (Yen)	151.51	316.63

Financial position

	(Millions of yen / Thousand shares)	
	As of Mar. 31, 2024	As of Mar. 31, 2023
Total assets	2,680,176	2,457,725
Equity	654,549	596,872
Number of shares issued and outstanding	167,501	167,481
Equity Ratio	23.7%	23.4%

Cash flows

	(Millions of yen)	
	Year ended Mar. 31, 2024	Year ended Mar. 31, 2023
Operating activities	31,662	23,617
Investing activities	(89,814)	(77,457)
Financing activities	12,911	85,305
Cash and cash equivalents at end of period	84,153	138,420

Fiscal year forecast

	(Millions of yen)		
	Revenue	Business profit	Profit attributable to owners of parent
One year ending March 31, 2025	2,250,000	130,000	78,000

Consolidated Statement of Financial Position*As of March 31, 2024 and 2023*

	(Millions of yen)	
	As of Mar. 31, 2023	As of Mar. 31, 2024
Assets		
Current assets		
Cash and cash equivalents	138,420	84,153
Trade and other receivables	470,398	681,030
Contract assets	159,422	136,706
Inventories	690,431	710,207
Income taxes receivable	551	2,158
Other financial assets	10,741	11,024
Other current assets	100,385	101,644
Total current assets	<u>1,570,350</u>	<u>1,726,925</u>
Non-current assets		
Property, plant and equipment	451,010	496,331
Intangible assets	66,248	69,617
Right-of-use assets	68,422	64,824
Investments accounted for using equity method	77,440	90,954
Other financial assets	70,224	80,762
Deferred tax assets	110,264	117,452
Other non-current assets	43,763	33,307
Total non-current assets	<u>887,374</u>	<u>953,250</u>
Total assets	<u>2,457,725</u>	<u>2,680,176</u>
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	452,250	521,734
Bonds, borrowings and other financial liabilities	340,176	453,694
Income taxes payable	18,071	7,928
Contract liabilities	256,247	265,468
Provisions	22,897	34,242
Refund liabilities	10,258	72,518
Other current liabilities	208,760	185,902
Total current liabilities	<u>1,308,661</u>	<u>1,541,489</u>
Non-current liabilities		
Bonds, borrowings and other financial liabilities	445,082	391,539
Retirement benefit liability	91,552	74,604
Provisions	1,942	957
Deferred tax liabilities	833	707
Other non-current liabilities	12,779	16,327
Total non-current liabilities	<u>552,190</u>	<u>484,137</u>
Total liabilities	<u>1,860,852</u>	<u>2,025,626</u>
Equity		
Equity attributable to owners of parent		
Share capital	104,484	104,484
Capital surplus	55,716	56,455
Retained earnings	380,255	405,156
Treasury shares	(1,107)	(1,060)
Other components of equity	36,852	69,054
Total equity attributable to owners of parent	<u>576,201</u>	<u>634,090</u>
Non-controlling interests	20,670	20,459
Total equity	<u>596,872</u>	<u>654,549</u>
Total liabilities and equity	<u>2,457,725</u>	<u>2,680,176</u>

Consolidated Statement of Profit or Loss*For the year ended March 31, 2024 and 2023*

	(Millions of yen)	
	Year ended Mar. 31, 2023	Year ended Mar. 31, 2024
Revenue	1,725,609	1,849,287
Cost of sales	1,391,787	1,537,050
Gross profit	<u>333,822</u>	<u>312,237</u>
Selling, general and administrative expenses	252,311	276,044
Share of profit of investments accounted for using equity method	3,314	11,358
Other income	4,850	5,704
Other expenses	7,320	7,053
Business profit	<u>82,355</u>	<u>46,201</u>
Finance income	2,291	3,040
Finance costs	14,297	17,261
Profit before tax	<u>70,349</u>	<u>31,980</u>
Income tax expense	15,058	4,670
Profit	<u>55,290</u>	<u>27,310</u>
Profit attributable to:		
Owners of parent	53,029	25,377
Non-controlling interests	<u>2,261</u>	<u>1,932</u>
Earnings per share		
Basic earnings per share	<u>316.63</u>	<u>151.51</u>

Consolidated Statement of Comprehensive Income*For the year ended March 31, 2024 and 2023*

	(Millions of yen)	
	Year ended Mar. 31, 2023	Year ended Mar. 31, 2024
Profit	55,290	27,310
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(363)	4,214
Remeasurements of defined benefit plans	14,353	15,017
Share of other comprehensive income of investments accounted for using equity method	0	1
Total of items that will not be reclassified to profit or loss	13,989	19,233
Items that may be reclassified to profit or loss		
Cash flow hedges	1,932	103
Exchange differences on translation of foreign operations	10,112	23,302
Share of other comprehensive income of investments accounted for using equity method	508	3,795
Total of items that may be reclassified to profit or loss	12,553	27,202
Total other comprehensive income	26,542	46,435
Comprehensive income	81,833	73,745
Comprehensive income attributable to:		
Owners of parent	78,785	71,009
Non-controlling interests	3,048	2,736

Consolidated Statement of Changes in Equity

For the year ended March 31, 2023

(Millions of yen)

	Equity attributable to owners of parent			
	Share capital	Capital surplus	Retained earnings	Treasury shares
Balance as of Apr. 1, 2022	104,484	55,525	320,671	(1,129)
Profit			53,029	
Other comprehensive income				
Comprehensive income			53,029	
Purchase of treasury shares				(4)
Disposal of treasury shares		(0)		26
Transfer of loss on disposal of treasury shares		0	(0)	
Dividends			(8,394)	
Transfer to retained earnings			14,191	
Change in scope of consolidation				
Loss of control of subsidiaries				
Change in ownership interest of parent due to transactions with non-controlling interests	190			
Transfer to non-financial assets				
Other			756	
Total transactions with owners		190	6,554	22
Balance as of Mar. 31, 2023	104,484	55,716	380,255	(1,107)

	Equity attributable to owners of parent						Non-controlling interests	Total
	Other components of equity					Total equity attributable to owners of parent		
	Remeasurements of defined benefit plans	Financial assets measured at fair value through other comprehensive income	Cash flow hedges	Exchange differences on translation of foreign operations	Total			
Balance as of Apr. 1, 2022	-	4,435	(284)	21,780	25,931	505,484	19,407	524,891
Profit						53,029	2,261	55,290
Other comprehensive income	14,235	(370)	1,603	10,286	25,755	25,755	787	26,542
Comprehensive income	14,235	(370)	1,603	10,286	25,755	78,785	3,048	81,833
Purchase of treasury shares						(4)		(4)
Disposal of treasury shares						26		26
Transfer of loss on disposal of treasury shares						-		-
Dividends						(8,394)	(964)	(9,358)
Transfer to retained earnings	(14,235)	43			(14,191)	-		-
Change in scope of consolidation							366	366
Loss of control of subsidiaries							(2,079)	(2,079)
Change in ownership interest of parent due to transactions with non-controlling interests						190	891	1,082
Transfer to non-financial assets			(643)		(643)	(643)		(643)
Other						756		756
Total transactions with owners	(14,235)	43	(643)		(14,834)	(8,067)	(1,785)	(9,852)
Balance as of Mar. 31, 2023	-	4,109	676	32,066	36,852	576,201	20,670	596,872

For the year ended March 31, 2024

(Millions of yen)

	Equity attributable to owners of parent			
	Share capital	Capital surplus	Retained earnings	Treasury shares
Balance as of Apr. 1, 2023	104,484	55,716	380,255	(1,107)
Profit			25,377	
Other comprehensive income				
Comprehensive income			25,377	
Purchase of treasury shares				(7)
Disposal of treasury shares		0		54
Transfer of loss on disposal of treasury shares				
Dividends			(13,430)	
Transfer to retained earnings			12,945	
Change in scope of consolidation			8	
Loss of control of subsidiaries				
Change in ownership interest of parent due to transactions with non-controlling interests		739		
Transfer to non-financial assets				
Other				
Total transactions with owners		739	(477)	46
Balance as of Mar. 31, 2024	104,484	56,455	405,156	(1,060)

	Equity attributable to owners of parent						Non-controlling interests	Total
	Other components of equity					Total equity attributable to owners of parent		
	Remeasurements of defined benefit plans	Financial assets measured at fair value through other comprehensive income	Cash flow hedges	Exchange differences on translation of foreign operations	Total			
Balance as of Apr. 1, 2023	-	4,109	676	32,066	36,852	576,201	20,670	596,872
Profit						25,377	1,932	27,310
Other comprehensive income	15,075	4,167	146	26,241	45,631	45,631	804	46,435
Comprehensive income	15,075	4,167	146	26,241	45,631	71,009	2,736	73,745
Purchase of treasury shares						(7)		(7)
Disposal of treasury shares						54		54
Transfer of loss on disposal of treasury shares						-		-
Dividends						(13,430)	(1,022)	(14,452)
Transfer to retained earnings	(15,075)	2,130			(12,945)	-		-
Change in scope of consolidation				(17)	(17)	(9)		(9)
Loss of control of subsidiaries							-	-
Change in ownership interest of parent due to transactions with non-controlling interests						739	(1,926)	(1,186)
Transfer to non-financial assets			(467)		(467)	(467)		(467)
Other								-
Total transactions with owners	(15,075)	2,130	(467)	(17)	(13,429)	(13,120)	(2,948)	(16,068)
Balance as of Mar. 31, 2024	-	10,407	355	58,291	69,054	634,090	20,459	654,549

(Consolidated)

Consolidated Statement of Cash Flows

For the year ended March 31, 2024 and 2023

	(Millions of yen)	
	Year ended Mar. 31, 2023	Year ended Mar. 31, 2024
Cash flows from operating activities		
Profit	55,290	27,310
Depreciation and amortization	77,374	80,982
Impairment losses	4,606	1,007
Finance income and finance costs	7,312	11,590
Share of loss (profit) of investments accounted for using equity method	(3,314)	(11,358)
Loss (gain) on sale of fixed assets	1,042	2,050
Income tax expense	15,058	4,670
Increase (decrease) in retirement benefit liability	1,281	(196)
Decrease (increase) in trade and other receivables	(59,334)	(186,486)
Decrease (increase) in contract assets	(50,291)	22,725
Decrease (increase) in inventories	(64,217)	9,903
Increase (decrease) in trade and other payables	42,213	43,585
Decrease (increase) in advance payment	(28,508)	8,632
Increase (decrease) in contract liabilities	(3,730)	1,057
Increase (decrease) in refund liability	1,648	61,004
Increase (decrease) in provisions	(4,028)	10,084
Decrease (increase) in other current assets	(3,168)	(6,879)
Increase (decrease) in other current liabilities	43,231	(19,070)
Other	11,510	1,685
Subtotal	43,975	62,298
Interest received	3,328	8,504
Dividends received	332	364
Interest paid	(5,005)	(8,110)
Income taxes paid	(19,013)	(31,393)
Net cash provided by (used in) operating activities	23,617	31,662
Cash flows from investing activities		
Purchase of property, plant and equipment	(58,943)	(80,063)
Proceeds from sale of property, plant and equipment	2,180	2,669
Purchase of intangible assets	(11,001)	(16,480)
Proceeds from sale of intangible assets	29	80
Payments for equity method investment and purchase of other financial assets	(6,702)	(949)
Proceeds from equity method investment and sale of other financial assets	160	1,124
Payments for acquisition of subsidiaries	(648)	(20)
Decrease due to loss of control over subsidiaries	(3,224)	(92)
Other	692	3,918
Net cash provided by (used in) investing activities	(77,457)	(89,814)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	36,664	80,229
Repayments of lease liabilities	(14,545)	(16,526)
Proceeds from long-term borrowings	18,500	31,582
Repayments of long-term borrowings	(21,987)	(23,041)
Proceeds from issuance of bonds	9,000	10,000
Redemption of bonds	(20,000)	(40,000)
Dividends paid	(8,383)	(13,415)
Proceeds from factoring agreements	130,662	103,482
Repayment of liabilities under factoring agreements	(37,861)	(105,343)
Dividends paid to non-controlling interests	(964)	(1,022)
Payments for acquisition of subsidiary shares not resulting in change in scope of consolidation	(11)	(1,563)
Other	(5,766)	(11,470)
Net cash provided by (used in) financing activities	85,305	12,911
Effect of exchange rate changes on cash and cash equivalents	(1,556)	(9,027)
Net increase (decrease) in cash and cash equivalents	29,909	(54,267)
Cash and cash equivalents at beginning of period	108,511	138,420
Cash and cash equivalents at end of period	138,420	84,153

Segment information
Information by reportable segment

For the year ended March 31, 2024 and 2023

Millions of yen										
Year ended Mar. 31, 2023										
	Revenue from external customers	Intersegment revenue and transfers	Total revenue	Business profit (loss)	Finance income	Finance costs	Profit before tax	Depreciation and amortization	Impairment Loss	Share of profit (loss) of investments accounted for using equity method
Aerospace Systems	¥ 348,880	¥ 10,254	¥ 359,134	¥ 14,877				¥ 29,499	¥ 1,649	¥ -
Rolling Stock	131,935	14	131,949	1,372				1,913	-	8
Energy Solution & Marine Engineering	314,552	21,303	335,856	3,905				6,231	554	6,016
Precision Machinery & Robot	252,697	19,315	272,013	8,766				11,271	-	(2,761)
Powersports & Engine	591,151	1,033	592,184	71,533				17,408	-	(40)
Other	86,392	23,270	109,662	(1,845)				1,413	2,402	104
Total	1,725,609	75,191	1,800,801	98,611				67,738	4,606	3,328
Eliminations and corporate	-	(75,191)	(75,191)	(16,256)				9,636	-	(14)
Consolidated total	¥ 1,725,609	¥ -	¥ 1,725,609	¥ 82,355	¥ 2,291	¥ (14,297)	¥ 70,349	¥ 77,374	¥ 4,606	¥ 3,314

Millions of yen										
Year ended Mar. 31, 2024										
	Revenue from external customers	Intersegment revenue and transfers	Total revenue	Business profit (loss)	Finance income	Finance costs	Profit before tax	Depreciation and amortization	Impairment Loss	Share of profit (loss) of investments accounted for using equity method
Aerospace Systems	¥ 396,188	¥ 12,099	¥ 408,288	¥ (15,004)				¥ 30,899	¥ -	¥ -
Rolling Stock	195,940	16	195,956	3,752				2,124	-	2
Energy Solution & Marine Engineering	353,248	26,487	379,736	31,911				6,317	567	13,762
Precision Machinery & Robot	227,935	17,938	245,873	(1,947)				10,808	-	(2,531)
Powersports & Engine	592,421	1,173	593,594	48,071				19,780	440	-
Other	83,552	25,513	109,066	1,140				1,449	-	136
Total	1,849,287	83,228	1,932,515	67,924				71,379	1,007	11,370
Eliminations and corporate	-	(83,228)	(83,228)	(21,723)				9,602	-	(12)
Consolidated total	¥ 1,849,287	¥ -	¥ 1,849,287	¥ 46,201	¥ 3,040	¥ (17,261)	¥ 31,980	¥ 80,982	¥ 1,007	¥ 11,358

Orders by reportable segment*For the year ended March 31, 2024 and 2023*

	(Billions of yen)	
	Year ended Mar. 31, 2023	Year ended Mar. 31, 2024
Orders :		
<i>Aerospace Systems</i>	345.5	692.6
<i>Rolling Stock</i>	313.2	88.7
<i>Energy Solution & Marine Engineering</i>	439.0	401.6
<i>Precision Machinery & Robot</i>	262.0	213.3
<i>Powersports & Engine</i>	591.1	592.4
<i>Other</i>	86.4	94.5
<i>Total</i>	<u>2,037.4</u>	<u>2,083.4</u>