

**Revision of the Earnings Forecasts for the Fiscal Year Ending March 31, 2021**

Kawasaki Heavy Industries, Ltd. hereby notifies that it has revised its consolidated earnings forecasts for the fiscal year ending March 2021 (April 1, 2020 to March 31, 2021; FY 2020) announced on October 29, 2020 as follows.

## 1. Revised earnings forecast

## (1) Revised consolidated earnings forecast for FY 2020 (from April 1, 2020 to March 31, 2021)

	Net sales (Mil. yen)	Operating income (Mil. yen)	Recurring profit (Mil. yen)	Net income attributable to owners of parent (Mil. yen)	Earnings per share (Yen)
Previous forecast Announced on October 29, 2020 (A)	1,500,000	-20,000	-25,000	-27,000	-161.63
<b>Revised forecast (B)</b>	<b>1,500,000</b>	<b>-10,000</b>	<b>-15,000</b>	<b>-25,000</b>	<b>-149.66</b>
Change (B - A)	-	10,000	10,000	2,000	-
Change (%)	-	-	-	-	-
Results for FY 2019 (for reference only)	1,641,335	62,063	40,429	18,662	111.72

## (2) Reason for the revision

Operating profit is expected to improve by 10 billion yen to a loss of 10 billion yen due to increased sales, cost reduction, etc. in North America in the Motorcycle & Engine segment in spite of downturn in the Rolling Stock segment such as delay in works of overseas projects caused by spread of COVID-19 infection.

Net income attributable to owners of parent is expected to improve by 2 billion yen to a loss of 25 billion yen because additional expenses are expected to possibly arise from the time forward.

These forecasts are based on exchange rate assumptions of ¥104/USD and ¥123/euro.

This revision of the forecasts does not cause any change in estimated annual dividends.

## (Note regarding outlook for performance)

The above outlook is based on information available at the time of preparation, and includes risks and uncertainties. KHI therefore discourages making investment decisions depending solely on this outlook. Please note that actual earnings may differ materially from this outlook, due to a variety of important factors stemming from changes in the external environment and/or the KHI's internal environment. Important factors that impact actual operating performance include, but are not limited to, the economic situation surrounding the KHI's scope of business, foreign exchange rates in particular the yen/US dollar exchange rate, tax codes and other regulatory system-related issues.