

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

Kawasaki Heavy Industries, Ltd. (KHI) hereby notifies that it has revised its consolidated earnings forecasts for the fiscal year ending March 31, 2021(April 1, 2020 to March 31, 2021; FY 2020) announced on February 4, 2021 as follows.

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 February 4, 2021 (A)	1,500,000	-10,000	-15,000	-25,000	-149.66
Revised forecast (B)	1,500,000	-5,000	-4,000	-23,000	-137.68
Change (B-A)	-	5,000	11,000	2,000	-
Change (in %)	-	50.0%	73.3%	8.0%	-
Results for FY2019 (for reference only)	1,641,335	62,063	40,429	18,662	111.72

2. Reason for the revision

Operating income is expected to improve by 5 billion yen to a loss of 5 billion yen due to cost reduction in the Motorcycle & Engine segment and increased sales of hydraulic equipment to the construction machinery market in the Precision Machinery & Robot segment in spite of downturn in the Aerospace Systems segment caused by rebound of COVID-19 infection.

Recurring profit is expected to improve by 11 billion yen to a loss of 4 billion yen due to reduced concerns about deteriorations in certain segments and depreciation of the Yen, in addition to the improvement in operating income.

Net income attributable to owners of parent is expected to improve by 2 billion yen to a loss of 23 billion yen due to the improvement in recurring profit in spite of a recognition of impairment loss in the Rolling Stock segment and increased income taxes caused by the improvement in profit.

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.

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