

**Revision of the Earnings Forecasts for the Fiscal Year Ending March 31, 2022,
Revision of the Forecast for the Dividend of Surplus (Interim Dividend) and
Revision of the Year-End Dividend Forecast**

Kawasaki Heavy Industries, Ltd. (KHI) hereby notifies that it has revised its consolidated earnings forecasts for the fiscal year ending March 31, 2022 (April 1, 2021 to March 31, 2022; FY 2021), announced on May 11, 2021, as well as its interim dividend forecast and year-end dividend forecast, as follows. There has been no change to the annual dividend announced on May 11, 2021.

1. Revised earnings forecast

(1) Revised consolidated earnings forecast for FY 2021 (from April 1, 2021 to March 31, 2022)

	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 May 11, 2021 (A)	1,500,000	30,000	20,000	17,000	101.77
Revised forecast (B)	1,530,000	40,000	28,000	19,000	113.36
Change (B - A)	30,000	10,000	8,000	2,000	11.59
Change (%)	2.0%	33.3%	40.0%	11.8%	11.4%
Results for FY 2020 (for reference only)	1,488,486	△5,305	△2,855	△19,332	△115.73

(2) Reason for the revision

In addition to revising the assumed exchange rate from 106 yen to 109 yen to the US dollar, net sales, operating income, recurring profit and net income attributable to owners of parent are all expected to increase from the previously announced figures (May 11) due to factors including increased sales in North America in the Motorcycle & Engine segment.

2. Revision of the forecast for the dividend of surplus (interim dividend) and revision of the year-end dividend forecast

(1) Details of revised forecast for the dividend of surplus (interim dividend) and revision of the year-end dividend forecast

	Year-end dividend (yen)				
	June 30, 2021	September 30, 2021	December 31, 2021	March 31, 2022	Total
Previous forecast (May 11, 2021)	—	—	—	—	30.00
Revised forecast	—	20.00	—	10.00	30.00
Actual	—				
Results for FY 2020 (for reference only)	—	0.00	—	0.00	0.00

(2) Reason for the revision of the forecast for the dividend of surplus (interim dividend) and revision of the year-end dividend forecast

With regard to the dividend forecasts for the fiscal year ending March 31, 2022, although the allocation of dividends at the end of the second quarter and the end of the fiscal year has not been determined and performance trends and the business environment during the current fiscal year remain highly uncertain, we have revised the interim dividend forecast based on the results for the first quarter. In addition, we have also revised our year-end dividend forecast for the fiscal year ending March 31, 2022 as a result of this.

(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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