3 Details by Segment -Aerospace systems-

FY2023.Q2 (vs. FY2022.Q2)

Orders received +¥67.5 bil.
Increase due to increase in sales to MOD and Boeing, despite the loss (reduction in orders) related to PW1100G-JM engines

Revenue -¥15.7 bil.
Decrease due to loss on PW1100G-JM engine (reduction in sales revenue), despite increase for MOD & Boeing, and commercial aero engines

Business profit -¥49.7 bil.
Deteriorated due to losses related to PW1100G-JM engines despite increase in income due to revenue increase

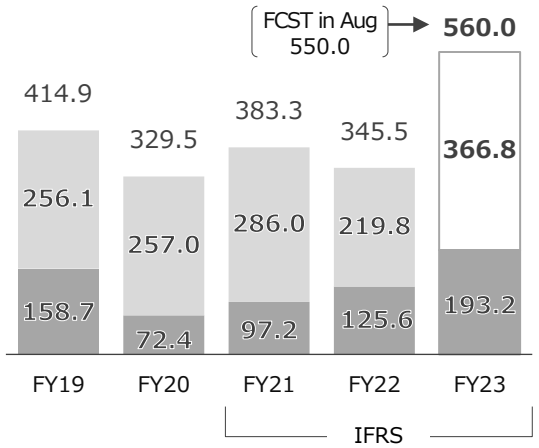
FY2023 forecast (vs. Forecast in Augst)

Orders received +¥10.0 bil.
Revised up due to increase in orders to MOD and Boeing, despite the loss (reduction in orders) related to PW1100G-JM engines

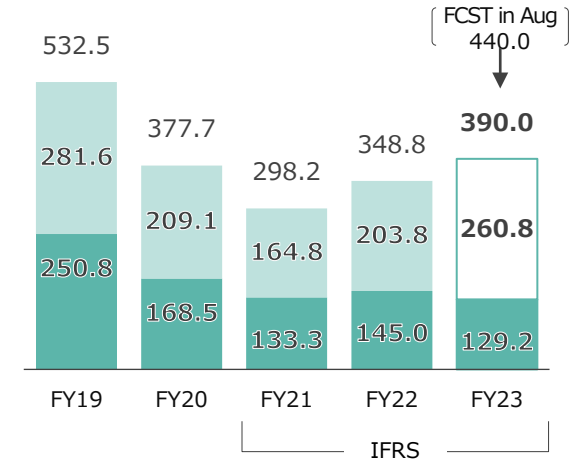
Revenue -¥50.0 bil.
Revised down despite the change in foreign exchange assumptions, due to the loss related to PW1100G-JM engines (reduction in sales revenue)

Business profit -¥48.0 bil.
Same as above

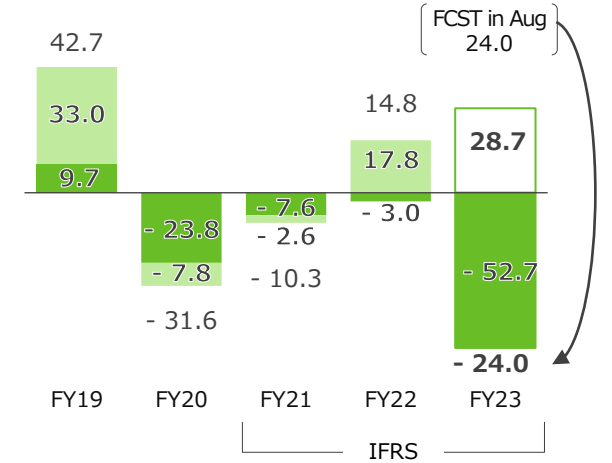
Orders received (billion yen)



Net Sales or Revenue (billion yen)



Operating Profit or Business Profit (billion yen)

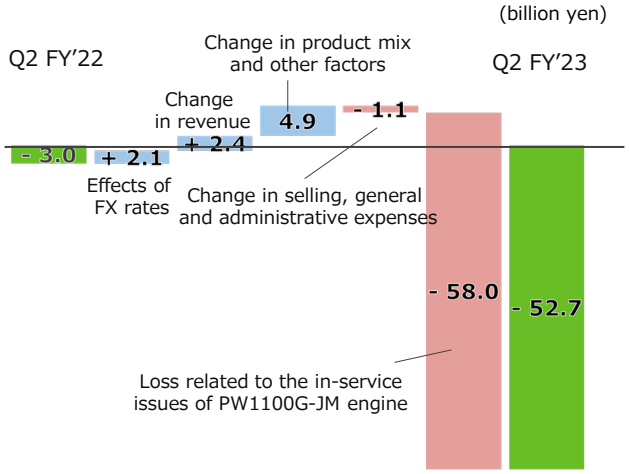


3 Details by Segment -Aerospace systems-

(Billion Yen)

	FY2022	FY2023		FY2022	FY2023 Forecast				
	Q2 Actual	Q2 Actual	Change	Actual	Old FCST	New FCST	Chg. Vs. FY22	Chg. Vs. Old FCST	Q3-4 FCST
Orders Received	125.6	193.2	+ 67.5	345.5	550.0	**560.0**	+ 214.5	+ 10.0	**366.8**
Aerospace	*92.4*	*202.5*	*+ 110.1*	*253.9*	*415.0*	***475.0***	*+ 221.1*	*+ 60.0*	***272.5***
Aero Engine	*33.2*	*- 9.3*	*- 42.5*	*91.5*	*135.0*	***85.0***	*- 6.5*	*- 50.0*	***94.3***
Revenue	145.0	129.2	- 15.7	348.8	440.0	**390.0**	+ 41.2	- 50.0	**260.8**
Aerospace	*102.3*	*132.2*	*+ 29.8*	*249.3*	*320.0*	***320.0***	*+ 70.7*	*-*	***187.8***
Aero Engine	*42.6*	*- 2.9*	*- 45.6*	*99.5*	*120.0*	***70.0***	*- 29.5*	*- 50.0*	***72.9***
Business Profit (Loss)	- 3.0	- 52.7	- 49.7	14.8	24.0	**- 24.0**	- 38.8	- 48.0	**28.7**
[Margin]	*[- 2.1%]*	*[- 40.8%]*	*[- 38.7pt]*	*[4.3%]*	*[5.5%]*	*[- 6.2%]*	*[- 10.4pt]*	*[- 11.6pt]*	*[11.0%]*

Details of change in Business Profit(Loss)



Appendix

Number of aircraft component parts sold to Boeing

	FY'22		FY'23	Change
	Q2	Q1-4	Q2	
767	16	31	16	-
777	14	28	16	+ 2
777X	0	0	0	-
787	0	20	11	+ 11

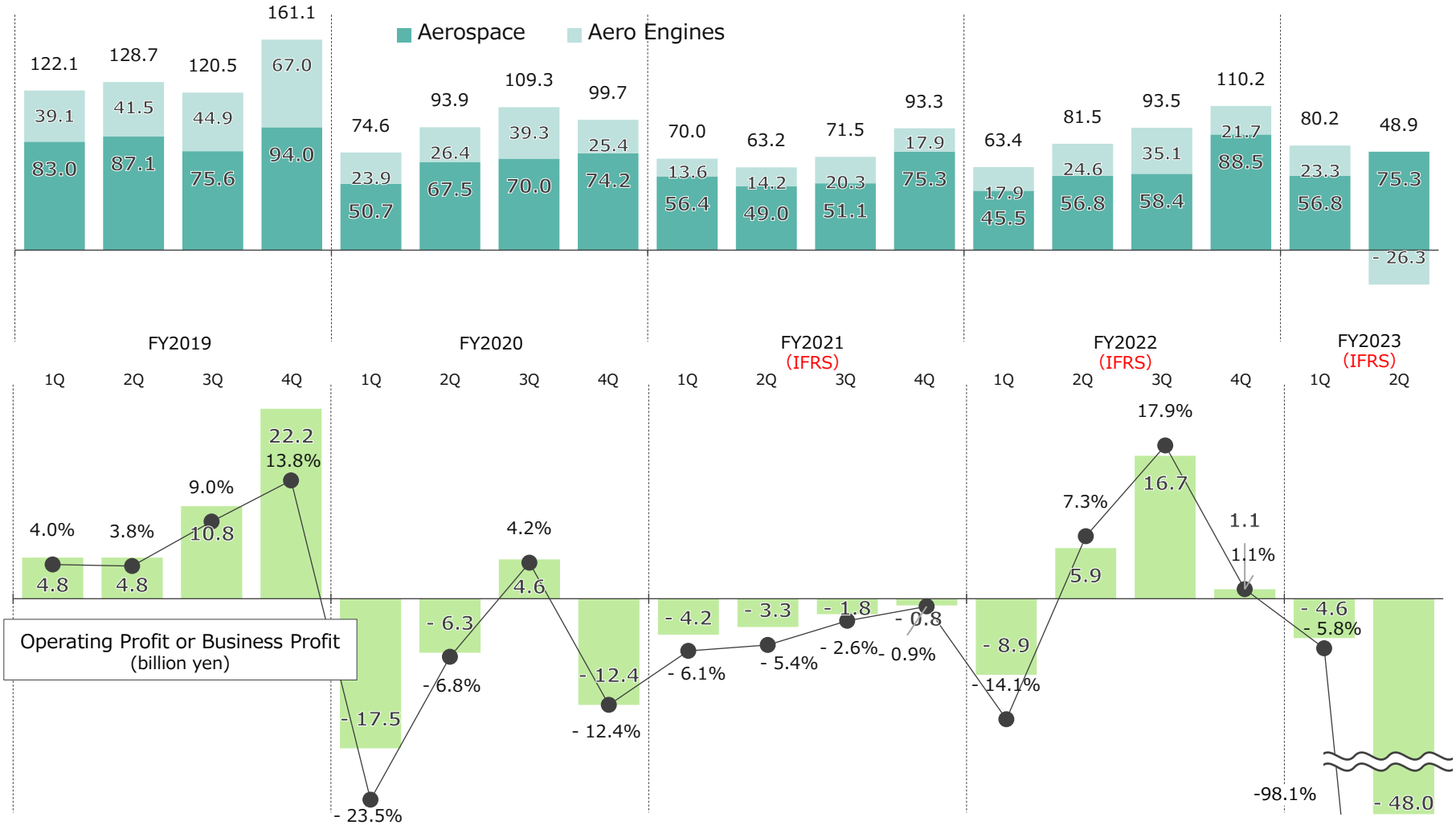
Number of jet engine component parts sold

	FY'22		FY'23	Change
	Q2	Q1-4	Q2	
V2500	9	20	4	- 5
PW1100G	283	564	326	+ 43

※Number of jet engine component parts sold to Rolls-Royce is not disclosed

3 Details by Segment
-Aerospace systems-

Net Sales or Revenue
(billion yen)



Operating Profit or Business Profit
(billion yen)

3 Details by Segment -Aerospace systems-

Market Overview

- Commercial business
  - Air passenger demand is almost back to pre-COVID-19 levels
  - Higher production rates of Boeing 787 are expected

- MOD business
  - Demand growth and profitability improvement are expected due to Japan's defense reinforcement policy

About the PW1100G-JM Engine Program which we participate through IAE※

- The engines have been experiencing significant operational issues and a number of engines are expected to be removed from the aircraft (A320neo) for inspection and maintenance over the next few years to resolve the issue.
- Many aircraft are parked on the ground because it takes 250 to 300 days to unload and install the engines.
- Our press release about this matter
  https://global.kawasaki.com/news_230913-1e.pdf
  https://global.kawasaki.com/en/corp/ir/library/pdf/etc_231026-1e.pdf

※ International Aero Engines,LLC

Specific Efforts

Securing stable revenue in core business

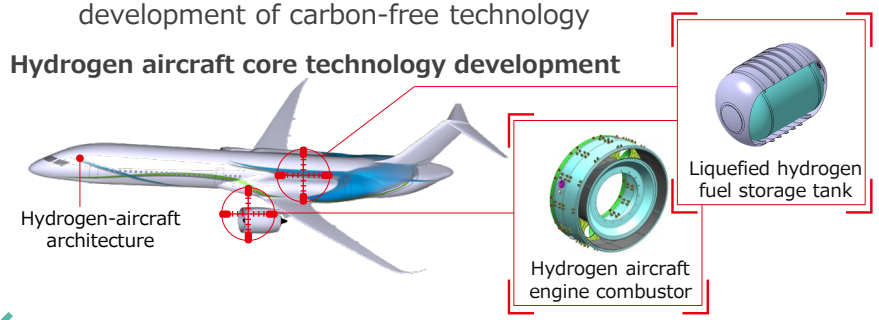
- Cost reductions in existing orders of aircrafts for Boeing and commercial aircrafts jet engines
- Arranging supply chain and production system to prepare for increased production
- Steady promotion of existing projects of development and mass production for MOD aircrafts and helicopters

RC-2
(ELINT- electronic intelligence)

Technology strategy in accordance with the change in market trends

- R&D, including the use of civilian technology in defense fields
- Utilization of *Green Innovation fund* of government for development of carbon-free technology

Hydrogen aircraft core technology development



Improving financial foundation

- Review of fixed cost structure
- Reduction of inventories through production innovation activities