

## Editorial Policy

Since 2013, the KHI Group has been publishing a single report—the Kawasaki Report—which integrates the previously separate Annual Report and CSR Report for the Group.

The Kawasaki Report is published in three formats, matched to reader needs, to enable all stakeholders to acquire a greater understanding of the Group's activities and perspectives on performance and CSR.

### 1. The booklet version (which you are now reading):

a digest version presenting information in compact form.

### 2. The full report:

a PDF version on our website supplementing the booklet content with more detailed information, mainly on CSR.

### 3. The detailed environmental report:

a PDF version report focused exclusively on environment-related content.

## Publication Formats and Contents

Formats \ Contents	Digest	Detailed Information		
		Finance	CSR	Environment
The booklet version (Japanese)	●			
The full report (Japanese)	●		●	●
The booklet version (English)	●	●		
The full report (English)	●	●	●	●
The detailed environmental report				●

## Period

The report covers fiscal 2014 (April 1, 2013 to March 31, 2014), but some contents refers to activities during fiscal 2015.

## Scope

The report covers Kawasaki Heavy Industries, Ltd., and its 96 consolidated subsidiaries (48 in Japan and 48 overseas) and 18 equity-method nonconsolidated subsidiaries. Some data, however, refer to the parent company alone.

## Guidelines

In preparing the report, the editorial office referred to the Environmental Reporting Guidelines (2012 Edition) issued by the Ministry of the Environment and the Sustainability Reporting Guidelines (G4 ver.) issued by the Global Reporting Initiative (GRI)

**Frequency of Publication** Annually, in general

**Previous number** Issued in October 2013

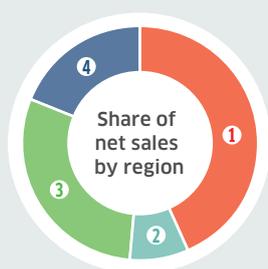
**Following number** Expected to be issued in August 2015

## Contact us

Please make inquiries through the inquiry form on our Web site <http://www.khi.co.jp/contact/index.html>

## Disclaimer

Figures in this report appearing in forecasts of future business performance or similar contexts represent forecasts made by the Company based on information accessible at the time, and are subject to risk and uncertainty. Readers are therefore advised against making investment decisions reliant exclusively on these forecasts of business performance. Readers should be aware that actual business performance may differ significantly from these forecasts due to a wide range of significant factors arising from changes in the external and internal environment. Significant factors that affect actual business performance include economic conditions in the Company's business sector, the yen exchange rate against the U.S. dollar and other currencies, and developments in taxation and other systems. This report not only describes actual past and present conditions at the KHI Group but also includes forward-looking statements based on plans, forecasts, business plans and management policy as of the publication date. These represent suppositions and judgments based on information available at the time. Due to changes in circumstances, the results and the features of future business operations may differ from the content of such statements.



1 Japan	44%
2 Europe	7%
3 The Americas	30%
4 Asia, Oceania etc.	19%



1 Japan	74%
2 Europe	2%
3 The Americas	10%
4 Asia, Oceania etc.	14%

## Distribution of Value to Stakeholders (FY2014)



	(billions of yen)
1 <b>Business partners</b>	<b>1,107.7</b>
Business costs (excluding costs for employees, society, and government)	
2 <b>Employees</b>	<b>211.6</b>
Salaries and bonuses	
3 <b>Society</b>	<b>0.6</b>
Social contribution expenses	
4 <b>Administration and government</b>	<b>20.3</b>
Income taxes, etc.	
5 <b>Value created</b>	<b>45.1</b>
Value created minus expenses for business partners, employees, society, and government	
A <b>Creditors</b>	3.9
Interest expense	
B <b>Shareholders</b>	10.7
Minority interests in net income plus dividends paid	
C <b>Company internal, etc.</b>	30.4
Increase in retained earnings during period	

