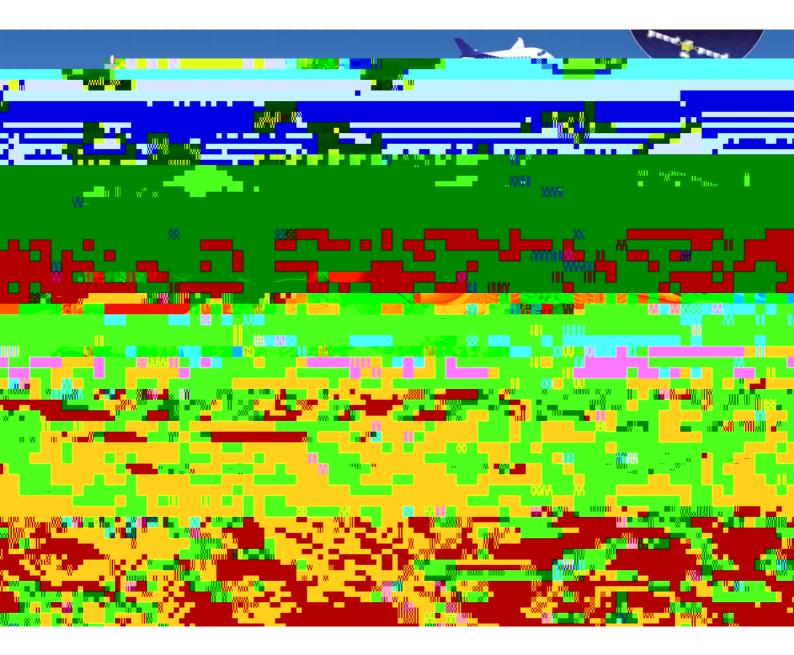
Contributing to People and Society That's the Philosophy of Kawasaki's Business Activities

In the latter half of the 19th century, Japan embarked on a new era after a long period of national seclusion. At that time, Shozo Kawasaki, the founder of our company, believed that for Japan to develop and prosper, the most important priorities were trading with overseas countries and having a fleet to promote that trade. Following this determination, he started building western type ships. "The most important thing I can do with my life, I believe, is to see what and how much I can contribute to society, and the business I start should be for that very purpose." That philosophy is the state of mind maintained by the company to this day.



Kawasaki Group History

1878 The Kawasaki Tsukiji S	shipyard is founded.
1896 Kawasaki Dockyard Co	., Ltd., is incorporated.
1906 Kawasaki begins the m and bridge girders.	anufacture of locomotives, freight cars,
1918 The production of aircr	aft begins.
1919 The Marine Freight De as Kawasaki Kisen Kai	partment is spun off and incorporates isha Ltd.
	oun off from the main company and incorporates as tock Manufacturing Co., Ltd.
1937 The aircraft production Kawasaki Aircraft Co.,	division is spun off and incorporates as Ltd. •
1950 The steel manufacturing Kawasaki Steel Corpora	g division is spun off and is incorporated as ation.
1966 Merger with Yokoyama	Kogyo Co., Ltd, a manufacturer of boilers and grinders.
1969 Merger of the three Kawa	saki companies into Kawasaki Heavy Industries, Ltd. ◄
1972 Merger with Kisha Seiz	o Co., Ltd., a manufacturer of railroad cars.
2002 The shipbuilding division Kawasaki Shipbuilding	
The hydraulic machine <mark>Kawasaki Precision Ma</mark>	ry division incorporates as <mark>achinery Ltd.</mark>
2005 The industrial plants di Kawasaki Plant System	•
Dresent	
Present	
	Subsidiaries and Affiliates (135)
Kawasaki	Main Subsidiaries
Heavy Industries, Ltd.	Kawasaki Shipbuilding Corporation
	Kawasaki Precision Machinery Ltd.
	Kawasaki Plant Systems, Ltd.
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Editorial Notes

Reporting Scope	This report covers the environmental and social activities of the Kawasaki Group focusing on Kawasaki Heavy Industries, Ltd., and the following main subsidiaries—Kawasaki Shipbuilding Corporation, Kawasaki Precision Machinery Ltd., and Kawasaki Plant Systems, Ltd. Some of our overseas offices are also described herein.
Reporting Period	The period for reporting covers April 1, 2005, to March 31, 2006. Some activities taking place subsequent to April 2006 are also noted herein.
Next Scheduled Publication	This report will be published annually.

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