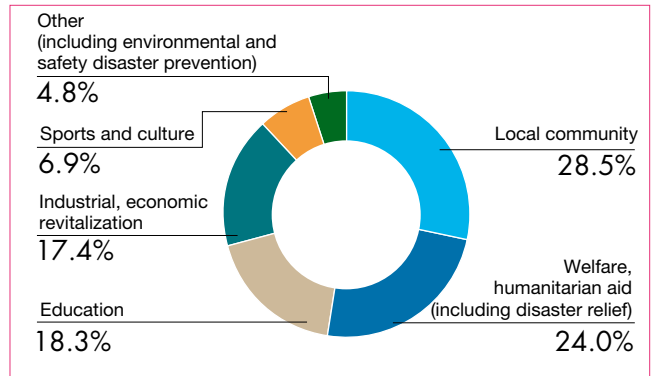


Social Contribution Activities (Fiscal 2012)

The KHI Group donates funds for a variety of charitable activities and for disaster relief and also undertakes voluntary programs, including management of the corporate museum Kawasaki Good Times World, various events for children, support for culture and sports, involvement in local economic development projects, and corporate forest restoration projects.

Continuing from fiscal 2011, in fiscal 2012 we directed support toward the area devastated by the Great East Japan Earthquake. We also enthusiastically promoted activities in new pursuits, including the first-ever Kobe Marathon 2011, where our level of sponsorship got our name on the runners' number bibs, and participation in science events for elementary school children.

Social Contribution Expenditures in Fiscal 2012



Polio Vaccines for the World's Children

—CO₂ reduction through Ecocap Movement—



Hikaru Furutsuka
Environmental Affairs
Department

KHI participates in the Ecocap Movement. Through this effort, plastic bottle caps are separated and collected and then sold to recyclers, thereby curbing CO₂ emissions (3.15 kg of CO₂ is released in the incineration of 400 caps), and the profits from the sale of the caps goes toward

purchasing vaccines for children around the world. It takes 800 caps to buy one vaccine.

I was aware of this movement, and I thought it was something we at KHI could support. The Environmental Affairs Department kicked off the collection effort in 2009.

As the objective of this movement percolated through the Company, more people got involved, some even bringing bags of caps from home. Through everyone's efforts, especially at the Kobe Head Office and Kobe Works, we have sent a total of about 400,000 caps to Ecocap Movement to date. This represents a CO₂ reduction of 3,133 kg and facilitated the purchase of enough vaccines to inoculate 497 children. We will continue to participate in the cap-collection effort to reduce CO₂ emission and deliver vaccines to the world's children.



Collected caps



Support for victims of the flood (Thailand)

Kawasaki Motors Enterprise (Thailand) Co.,Ltd. (KMT), the local manufacturing and marketing base for Kawasaki-brand motorcycles in Thailand, was not directly affected by the severe floods that inundated Thailand in autumn of 2011.

The KHI Group supported relief and recovery efforts with cash donations of 4 million baht (about ¥10 million) to the Thai Red Cross and 4 million baht (about ¥10 million) to the Thailand Board of Investment, and also equipment, notably 10 Kawasaki MULE™ utility vehicles, for a total donation value of ¥30 million.

A total of 40 Kawasaki motorcycle-riding volunteers took advantage of the mobility afforded by motorcycles to expedite relief efforts to the people affected by this disaster. In addition to providing spare parts, oil, gasoline and other motorcycle-related necessities at no cost, KMT dispatched three repair specialists to the area to support the volunteers riding through the flooded region.

For customers affected by the floods, KMT undertook free motorcycle repairs and offered discounts on spare parts.



Volunteer riders

Kobe Marathon Runners' Bib Sponsor

KHI's corporate sponsorship for the inaugural Kobe Marathon 2011, held on November 20, 2011, in Kobe, was reflected on the men's number bibs. The Company was also represented by 86 volunteers who manned the water station and cheered the runners on from the sidelines.



Volunteers at water station

Participating as a Volunteer

My name wasn't drawn to run in the race, but I knew the Company was recruiting people for its team of volunteers, and that's how I got involved. I had never been backstage, so to speak, at a race, and the hard work of a volunteer and the fun of cheering were aspects of a race that I had never known when I was a runner.



Kishige Funato
Kawaju Akashi
Engineering Co., Ltd.

Community Forest Maintenance Starts in Miyagi Prefecture

—Realizing a society coexisting with nature—

Seeking to coexist with local communities, the KHI Group is also involved in the preservation and maintenance of forests. Employees have participated in forest-building projects, starting in Kochi Prefecture in 2007 and then Hyogo Prefecture in 2008. Community forest maintenance activities began in 2011 in Miyagi Prefecture as a third project area.

In September 2011, Group employees in the Sendai area, along with the volunteer group Miyagi Forest ReCreators Club, cleared undergrowth and pruned and thinned trees in an area on the outskirts of Sendai. Members of the club explained the significance of forest preservation and the need for maintenance, and then work began. Woods where light barely got through the tree branches became bright, and participants were able to really feel that their efforts that day would contribute to forest renewal.

Forest maintenance in Miyagi Prefecture will continue as a local activity in the area affected by the Great East Japan Earthquake.



Community forest maintenance group

Make Your Own Helicopter!

—Part of Kansai Science Yard—

On a sunny day off from school in March, children gathered at Kansai Science Yard, a hands-on science and technology event for elementary school children in the Kansai region. Leave a Nest Co., Ltd., the event sponsor, brought KHI in for a session entitled "Make Your Own Helicopter!" which saw the children make a model helicopter out of balsa wood.

We showed the children how a helicopter and its rotor are assembled and estimated the rotor's lift force—the force that lifts the helicopter—and described some insider secrets, such as the trick to stop the whole helicopter from spinning.



Making model helicopters

The children gained a love for the skies and an interest in science born from this love, and enjoyed building their own helicopters.

Participating as Teachers

The smiles on those children's faces kept growing, first with the lift force experiment and then as the helicopter took form in their hands. These children experienced the power of science and the fun of building something. This event may well prompt some of these children toward a career in engineering.



Yoshinari Tobinaga **Gen Tazawa**
Planning Department, Planning Division
Aerospace Company

Interaction Opportunities with the Local Community (Akashi Works)

Taking advantage of the Labor Day holiday, in November 2011, we welcomed neighborhood elementary school children and their families—a total of 201 people—to tour the Akashi Works by bus and then enjoy some time at the corporate museum Kawasaki Good Times World. At the works, the site manager explained the activities and history of the works to the children as if he were telling a story, and to the adults, he emphasized the corporate objective to develop operations along with the community. Lunch was offered at the cafeteria on-site. At the museum, when the group was asked "What did you find most interesting?" a little boy eagerly exclaimed, "The bullet train!"



Akashi interaction group