What Physical AI transforms

- Beyond delivering AI-powered solutions across our products, we are transforming **“Monozukuri”** and **Lifestyle**



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Transforming “Monozukuri”

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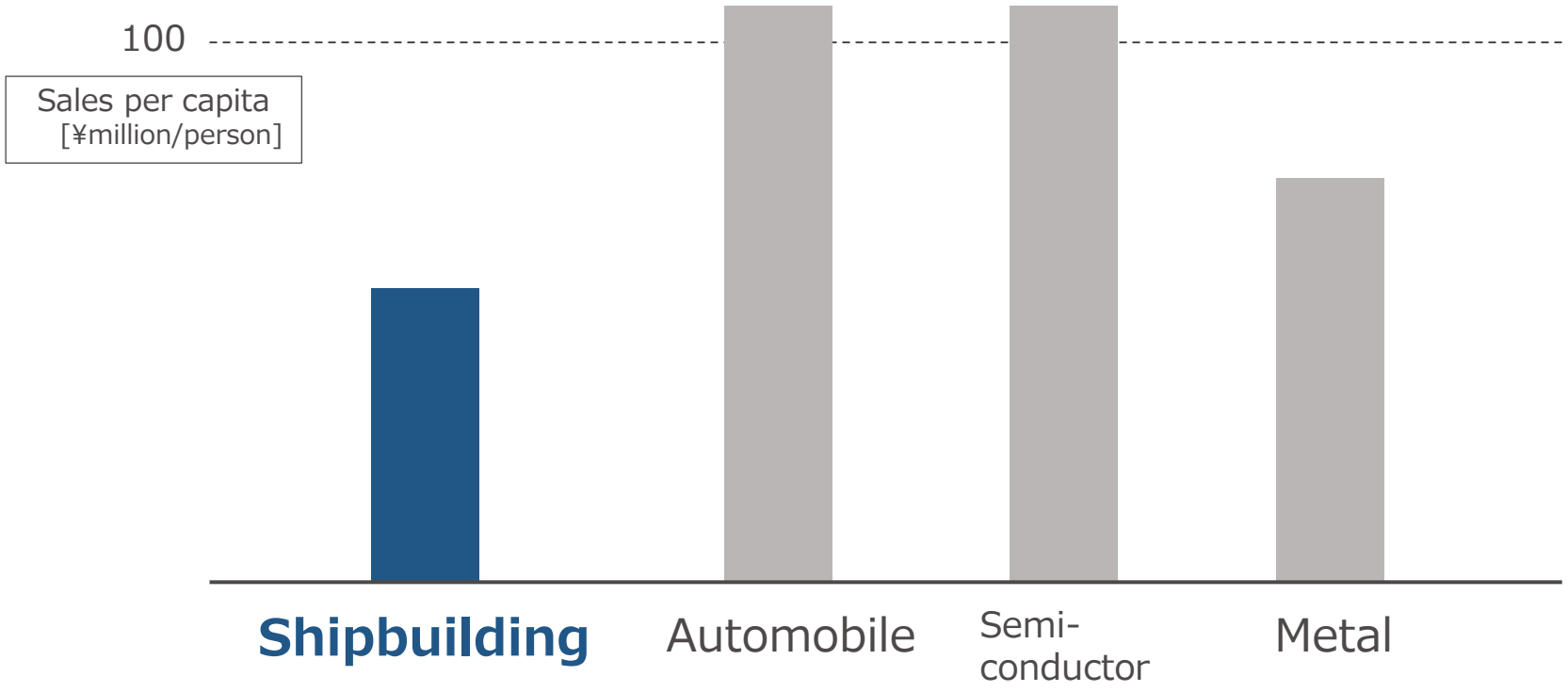
A complex and tough environment

~Shipbuilding~

Increasingly important for economic security

The Environment Surrounding Shipbuilding

- Shipbuilding remains one of the most **labor-intensive manufacturing** industries
- **Shipbuilding depends heavily on a large number of skilled engineers and workers**

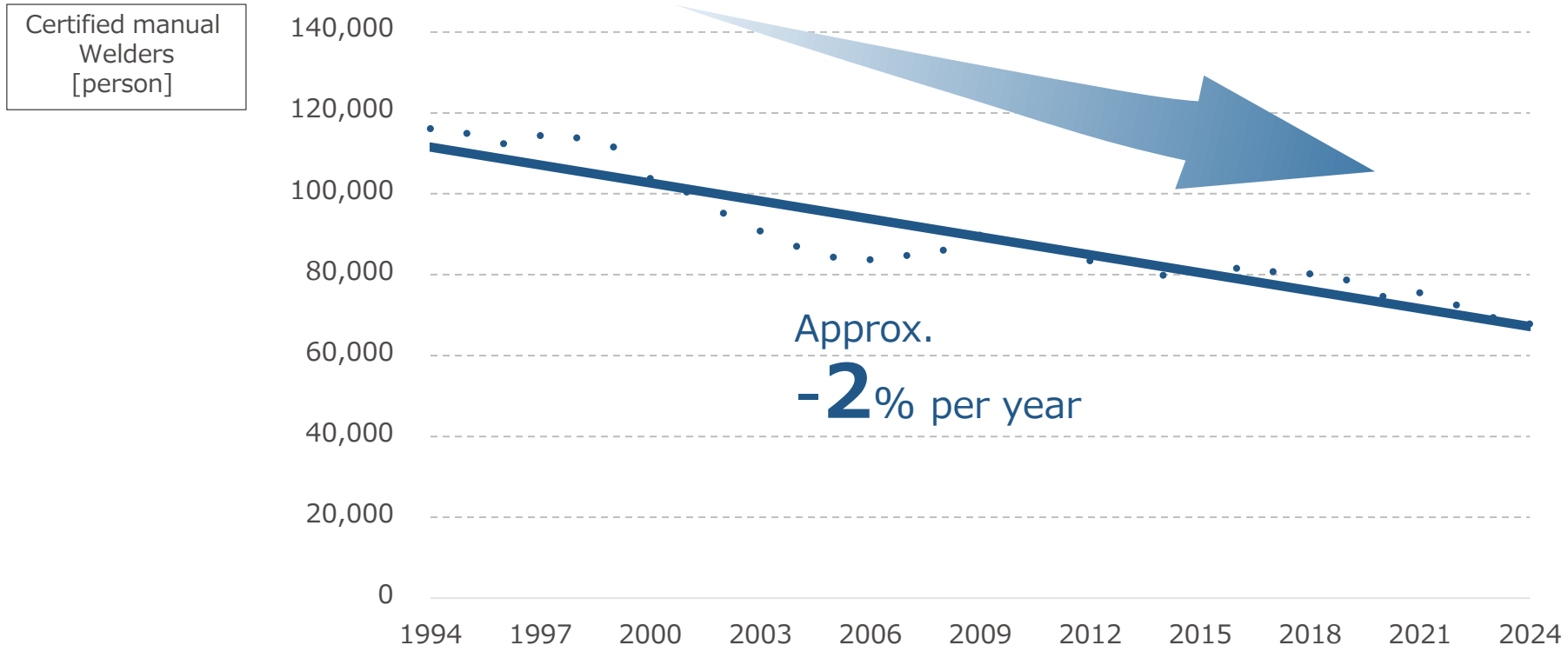


Source: Created by our company based on information from various industry companies

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The Environment Surrounding Shipbuilding

- The number of Japanese workers in shipbuilding is expected to continue declining over the medium term
- **The shortage is particularly acute among skilled welders**

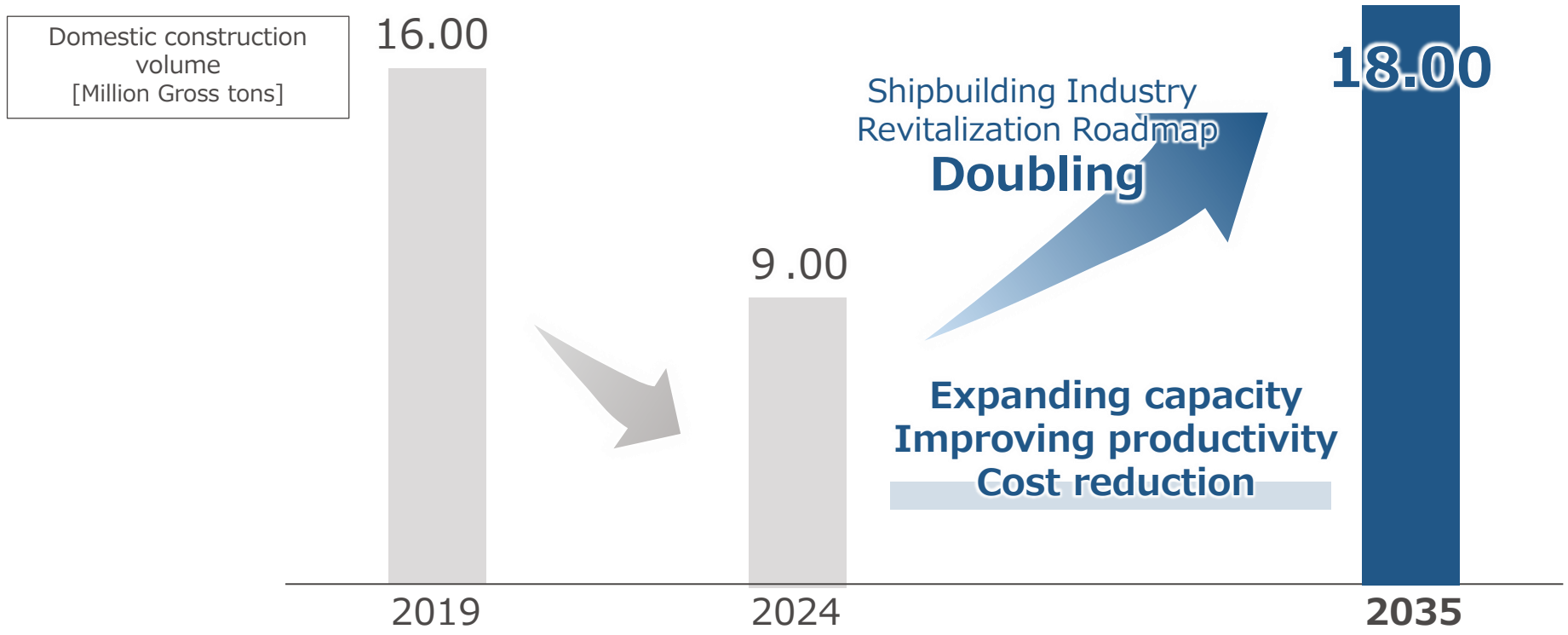


Source: Trends in the Number of Certified Welding Technicians - Japan Welding Association Welding Information Center

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Environment Surrounding Shipbuilding – Economic Security

- Domestic shipbuilding volume has declined significantly in recent years, raising concerns that **Japan may no longer be able to build its own ships**
- From both **industrial competitiveness** and **economic security perspectives**, **expanding shipbuilding capacity and improving productivity** have become critical priorities



Source: Current Status of the Shipbuilding Industry and Shipbuilding Revitalization Roadmap (Ministry of Land, Infrastructure, Transport and Tourism)

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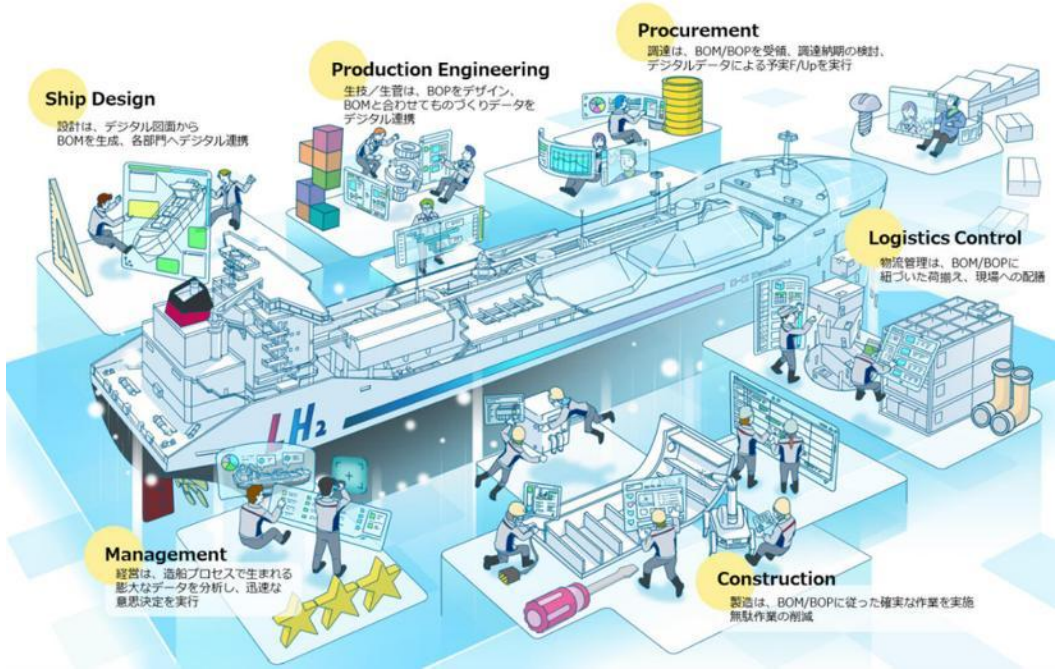
Initiatives for Shipbuilding Industry Transformation

■ **Transformation of the shipbuilding industry is essential** for future expansion of construction capacity

2020~

DX Initiatives

Driving end-to-end digitalization of shipbuilding processes and shop-floor automation, linked with productivity improvement and work standardization initiatives



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Further Approach of Kawasaki

- Building on its DX initiatives in commercial shipbuilding, Kawasaki **accelerates the transformation of the shipbuilding industry through physical AI**
- **As a pioneer in the application of physical AI, Kawasaki seeks to establish a new shipbuilding model unique to Japan**

DX Initiatives

Physical AI

Accelerating the transformation of the industry

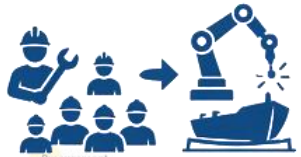
Economic Security Perspective

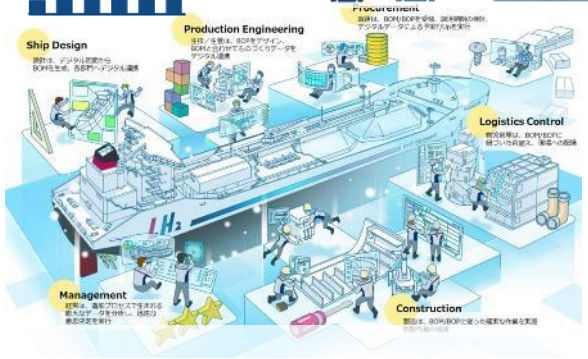
Japanese ships are built and owned in Japan

Capacity expansion



No more labor-intensive models





Quickly and flexibly building



Shipbuilding as an attractive industry



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Challenges of Automation at Shipyards

Automating shipyards is not straightforward



Welding in complex postures in confined or dark spaces



Moving and working with aerial work platforms

Complex Environments

Not routine movements or fixed-place work

A lot of tacit knowledge

Individual tasks that require their own techniques and craftsmanship

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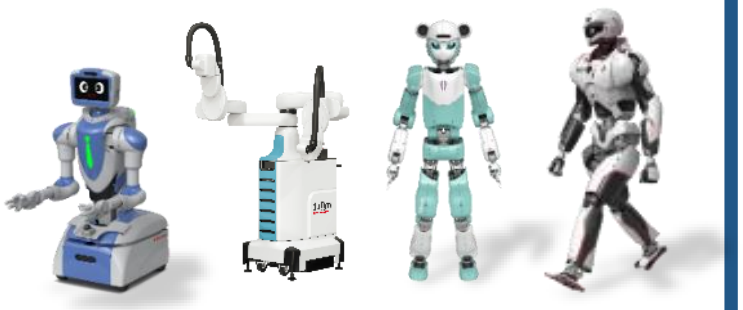
Approaches for Automation in Shipbuilding Sites

■ **A two-way approach combining human-motion replication and skilled worker analytics** will accelerate the shipyard automation

- **Expertise of skilled technicians**
- **Moving and working in complex environments**

Human motion

Pursuing human-motion replication



Human actions

On-site know-how

Implementation

Field operations

Developing application and robots through skilled worker analytics



Automation solutions tailored to shipyards

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Kawasaki's transformation of in-house shipyards



Only Kawasaki brings together **automation, data/know-how, and real-world operations in shipyards to accelerate shipyard transformation through physical AI**

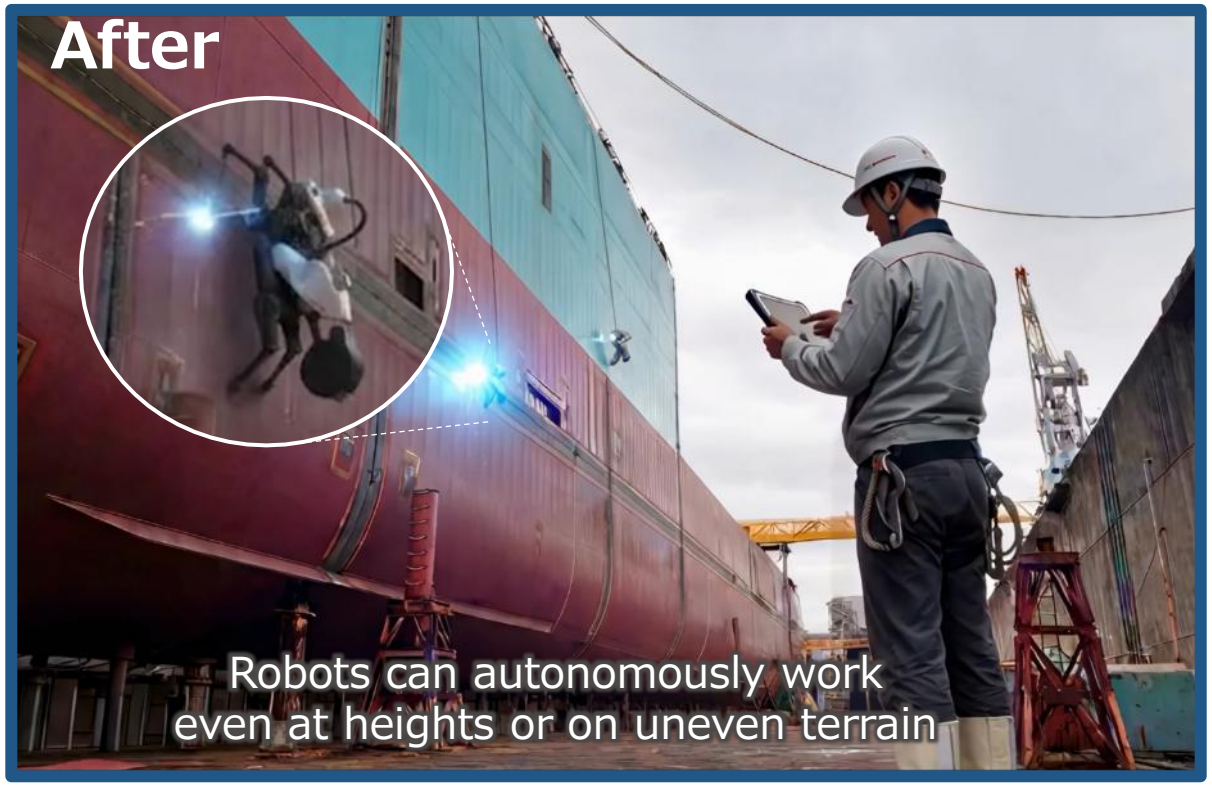
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Shipbuilding to become more resilient and sustainable

- Automation in shipbuilding goes beyond simply replacing tasks from humans to robots
- **Transforming the surrounding environment and infrastructure** necessary for human work, and **making the industry resilient to extreme heat and severe weather**





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Transforming the entire industry with Physical AI

■ We are leveraging physical AI to transform the entire shipbuilding industry

Shipyard

Rich data expertise and know-how

Accumulated over many years of DX efforts to standardize and improve efficiency

Utilize Physical AI

Automation

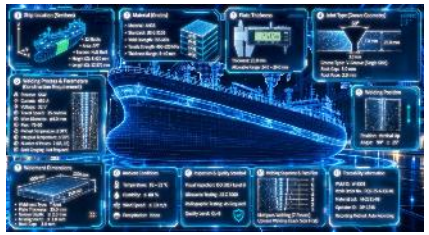
Tacit knowledge into robots

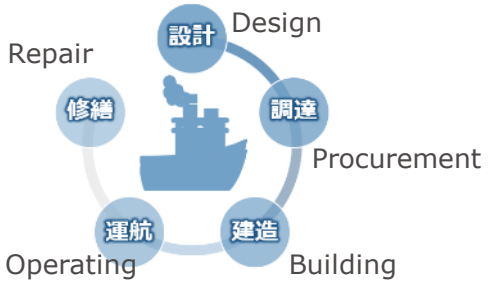


Transforming the shipbuilding industry with physical AI

NVIDIA. Leveraging NVIDIA's computing and application platforms

Digital Twin and Optimize the Entire Shipyard





Sustainable development of the shipbuilding industry



Expansion to shipyards worldwide



Revitalizing the regional economy

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Investment and returns in commercial shipbuilding

- The business environment has improved, contributing to the company's overall profit
- About **100 billion yen** investment in physical AI, automation, and capacity expansion

Capital Investment for Sakaide Plant

(Commercial shipbuilding business / 2026~2035)

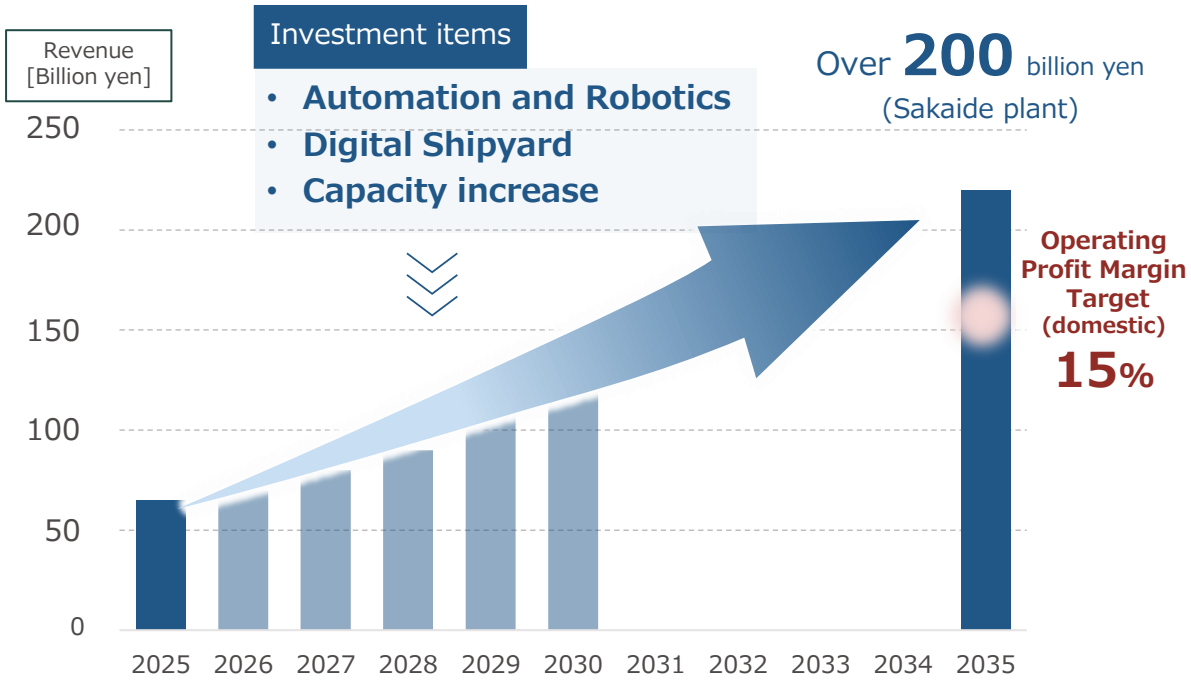
Approx. **100** **billion yen**

- Shipbuilding Industry Revitalization Fund: 45bn yen
- Other investment: 55 bn yen



Strengthening capacity and competitiveness at the Sakaide Plant, a major domestic base

Improving Revenue and Profitability



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Kawasaki
Powering your potential

Better QoL and Better Society

Transforming Lifestyles

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Track record in the Healthcare Field

■ Expanding solutions from treatment itself to hospital operations and senior care

Regional disparities
Disparities in access by place of residence

Social Issues Surrounding Medical and Senior Care

Talent shortage
Shortage of medical professionals, hospital beds, and care workers, or overcrowding of facilities

Treatment

Robotic-assisted surgical system: hinotori™



Total Number of Surgeries
(End of September 2026, Global)

22,000+

2025	Successful demonstration of the first remote surgery between Europe and Japan
2026	Obtained CE mark certification under the European Medical Device Regulation

Expanding globally

Hospital Operations

Improving efficiency of nursing and hospital operations



Visualizing and streamlining hospital operations, taking over transport tasks so nurses can focus on patient care

[Service Implementation]
2026: Total of 13 hospitals
2027: Total of 80 hospitals (forecast)

Senior Care

Easing the workload of care workers



Workflow visibility enables both workforce transformation and higher quality care.

[Service Implementation]
Senior care facilities: 30 sites
Medical institutions: 13 hospitals

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*hinotori is a trademark of Medicaloid Co., Ltd.

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Kawasaki
Powering your potential

Healthcare solutions expanding globally

Europe
KIC-EU
Kawasaki Innovation Centre Europe SAS



Established within IRCAD, which has a global network


MOU on Collaboration with Gemelli University Hospital (2026/09/11)

Realizing one-stop solutions

France
(Strasbourg)

Medical
藤田医科大学病院
FUJITA HEALTH UNIVERSITY HOSPITAL


Service robots integration Demo (Press Release 2025/08/21)

Senior Care
ディアージュ 神戸


Video streaming connecting senior care facilities and residents' families (Press Release 2026/06/08)

Expanding track records in Japan

U.S.
Kawasaki Physical AI Center San Jose

Kawasaki
Physical AI Center
San Jose



Collaboration in the healthcare field

U.S.A
(San Jose)

Taiwan
Medical care field

Reducing the burden of nursing duties

臺中榮民總醫院
Taichung Veterans General Hospital
FOXCONN 鴻海科技集團

Joint Development and Pilot Testing with Foxconn Technology Group (Taipei Veterans General Hospital and Tungs' Taichung MetroHarbor Hospital)



Australia
Senior care field

Visualizing care management

HILLVIEW
PREMIUM AGED CARE





HillView Merrimac
(Queensland, Australia)

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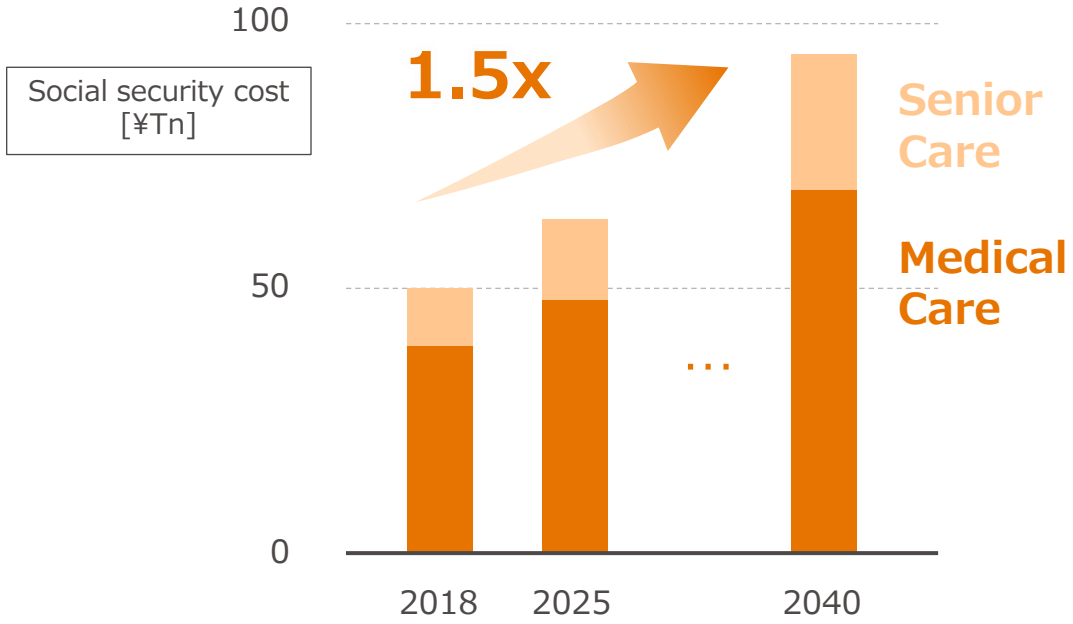
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Major Social Issues in Healthcare

- As the working-age population declines and society continues to age

Increase in social security costs

Projected to increase by **1.5x** by 2040,
increasing fiscal pressure



Aging populations are driving growing demand for healthcare and senior care, as well as **higher personal spending**



Source: Ministry of Health, Labour and Welfare, "Future Outlook for Social Security Looking Ahead to 2040"

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Living at Home Longer Matters in Healthcare

- **Helping seniors live at home longer** is one of the solutions to these issues
  government also recognizes the importance of expanding home-based care
- Living at home longer is expected to improve Quality of Life* and help easing the pressure on both national social security costs and household expenses

Social issues

Growing need for medical and senior care

Population decline
Declining birth rate and aging population

Shortage of medical capacity

Healthcare workers
Hospital beds

Shortage of care capacity

Care workers
Number of facilities

National social security costs are rising
With limitations in medical and senior care facilities



+ α

Longer living at home

What living at home longer can do



Improving QoL
through increased engagement in social activities

Furthermore,



Easing the pressure on social security costs
related to medical and senior care

Benefits for individuals and society

* Quality of Life : How fulfilled and satisfied individuals feel in their own lives

Source: Further Deepening and Promotion of the Community Integrated Care System (May 16, 2022, Ministry of Health, Labour and Welfare, Health and Wellness Bureau for the Elderly)

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The realities of seniors living at home



Monitoring fire safety
Nutritional balance
Medication management
Hydration

Ensuring Safety



Financial management
Hygiene management
Memory support

Support for Daily Self-management



Responding to changes in condition
Physical changes with age

Changes in Health and Mobility

Living at home longer calls for support in many areas



Everyday interaction with neighbors
Community awareness and support



Connection with the Community



Interruption of service use
Challenges in continuing care

Continuity of Care Services



Financial vulnerability
Exposure to fraudulent sales

Financial Exploitation Risks

Source: Literature Review: Understanding Difficulties for People with Dementia Continuing to Live Alone at Home (Taeko Nakashima, 2022)

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CORLEO





Robotic Multi-legged Vehicle

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A social robot supporting independent living at home

Home LEO

Toward a **society**
where we can continue
a fulfilling **lifestyle**
in a familiar **home**



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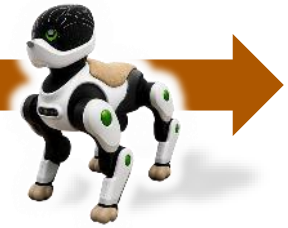
Home LEO Market and Expansion

- Helping seniors live longer at home could generate an estimated approx. **1.0 trillion yen** in annual healthcare and senior care cost savings
- Home LEO's concept: Helping people live at home longer

Estimated Impact and Market Opportunity

Kawasaki

Supporting safe and independent living at home



Living at home 1 year longer

500k people Home LEO can help in Japan *

Reduced fiscal burden*

250 billion yen per year

Reduced household expenses*

750 billion yen per year

Potential annual social value

1.0 trillion yen

* Estimated by our company

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Home LEO integrates “Home” to our solution

One-stop healthcare solution

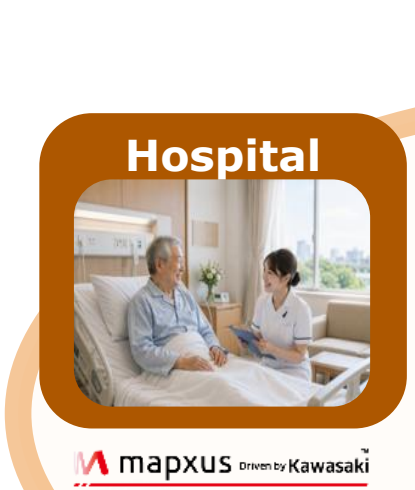
integrating medical care, senior care, and home care

Treatment



In-hospital Operations





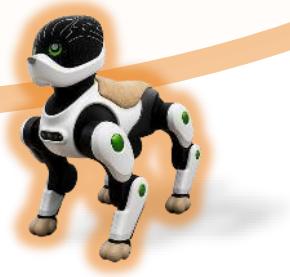




In-house Operations







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Vision of Kawasaki × with Physical AI

Energy and Environmental Solutions	Advanced Smart Mobility	A Safe and Secure Remotely-Connected Society

With Kawasaki× Physical AI

“Monozukuri” Transformation

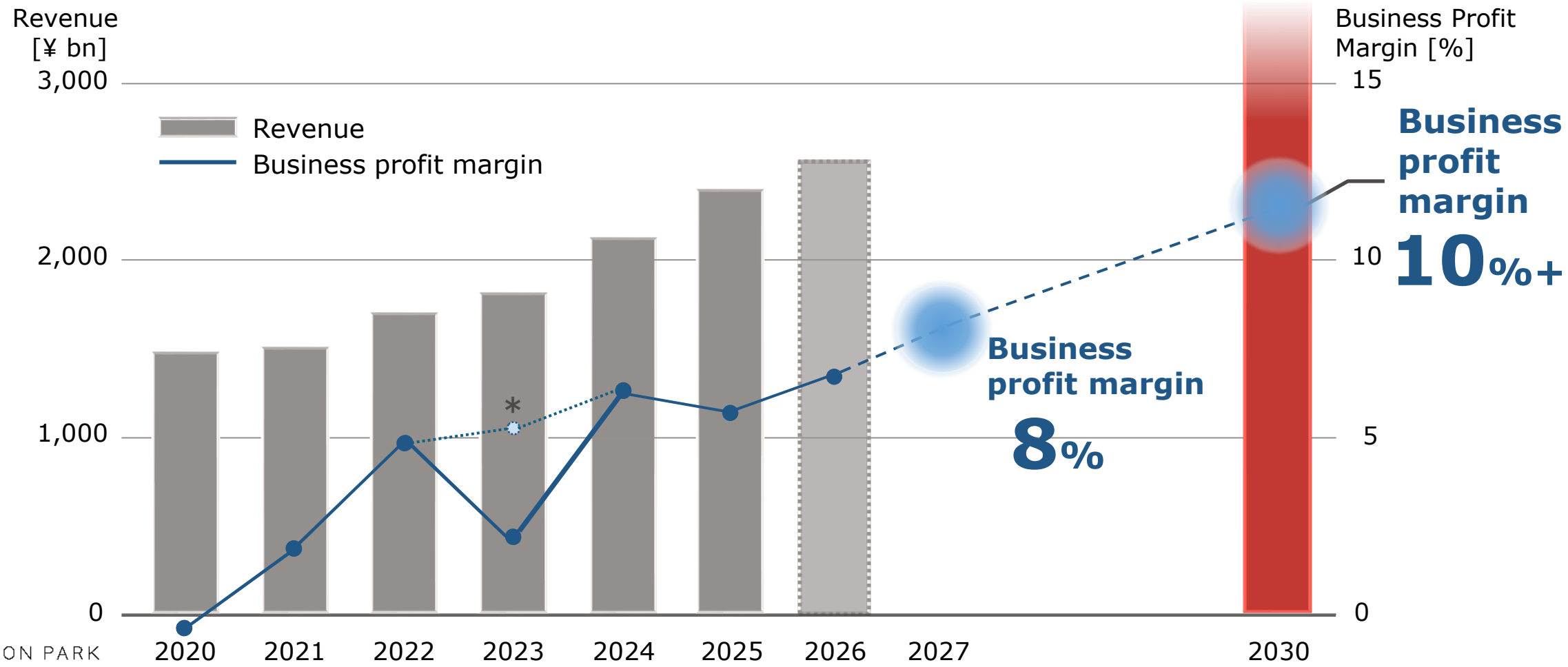
Accelerating transformation toward the future

Lifestyle Transformation

Business Plan Update Toward 2030

Investing early and decisively, backed by our capital raise

FY2030: revenue ¥3.3 tn+, business profit ¥330 bn+ (margin 10%+)



*: Business profit margin excluding one-time losses related to PW1100G-JM engine

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Kawasaki
Powering your potential

New Values



安全安心リモート社会



つぎの社会へ、信頼のこたえを

Trustworthy Solutions for the Future

Cross Over



エネルギー・環境ソリューション





近未来モビリティ

Frontier