Our Strengths

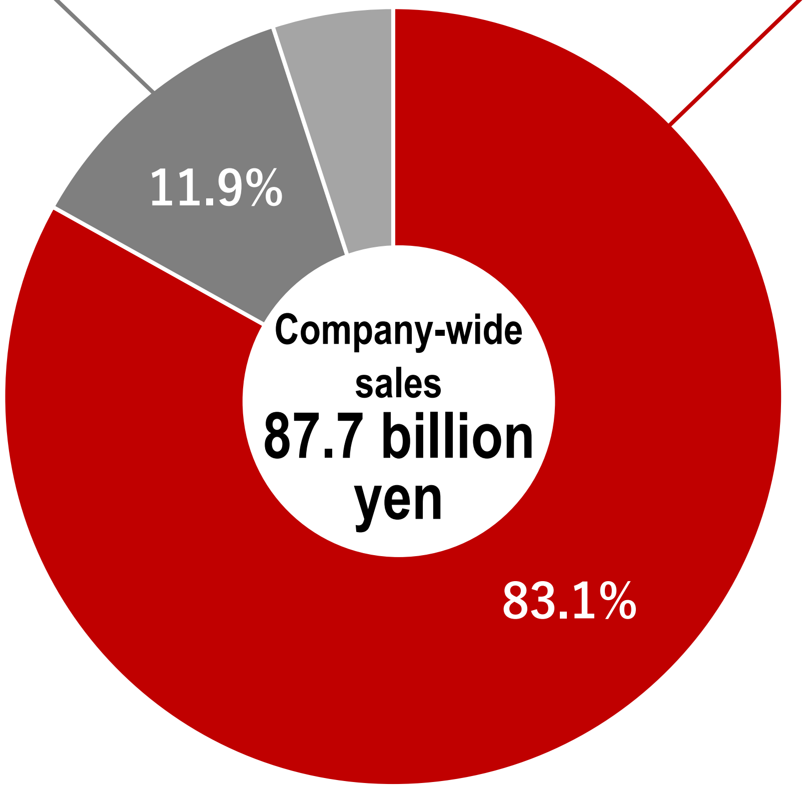
Kawai's growing Competitiveness around the **world.**

Our Main Businesses

The musical instrument and education business accounts for 83% of total sales. At the center of the Musical Instrument and Education Business is the manufacture and sales of keyboard instruments, our founding business.

Material processing

Composition of sales by business segment



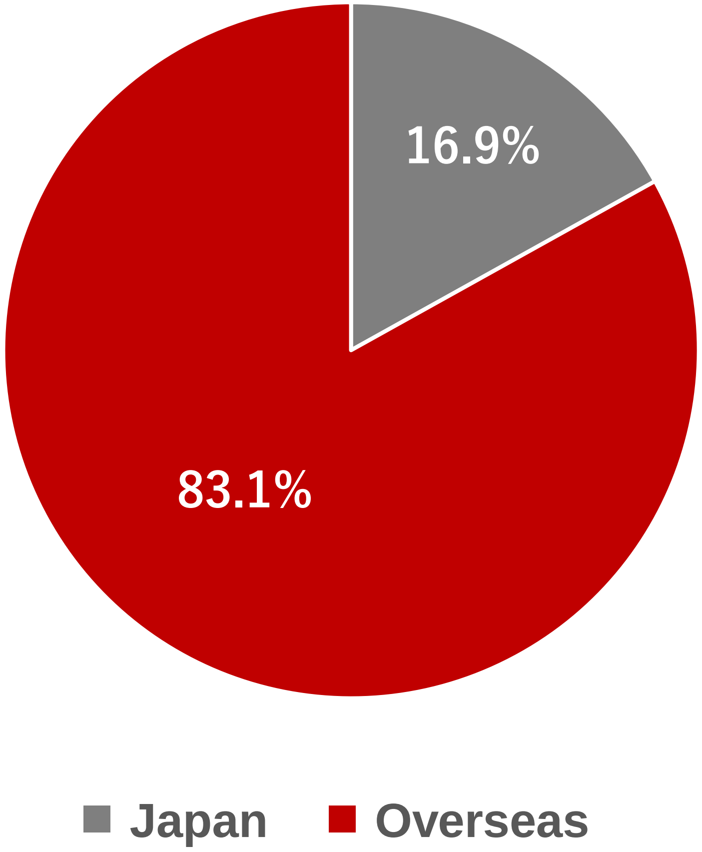
Musical instrument education

Source: Financial Results for the Fiscal Year Ended March 2023

Breakdown of Keyboard Instrument Sales

International sales account for 83% of keyboard instrument sales, and Kawai is recognized as a global brand.

Composition of sales of keyboard instruments in Japan and overseas

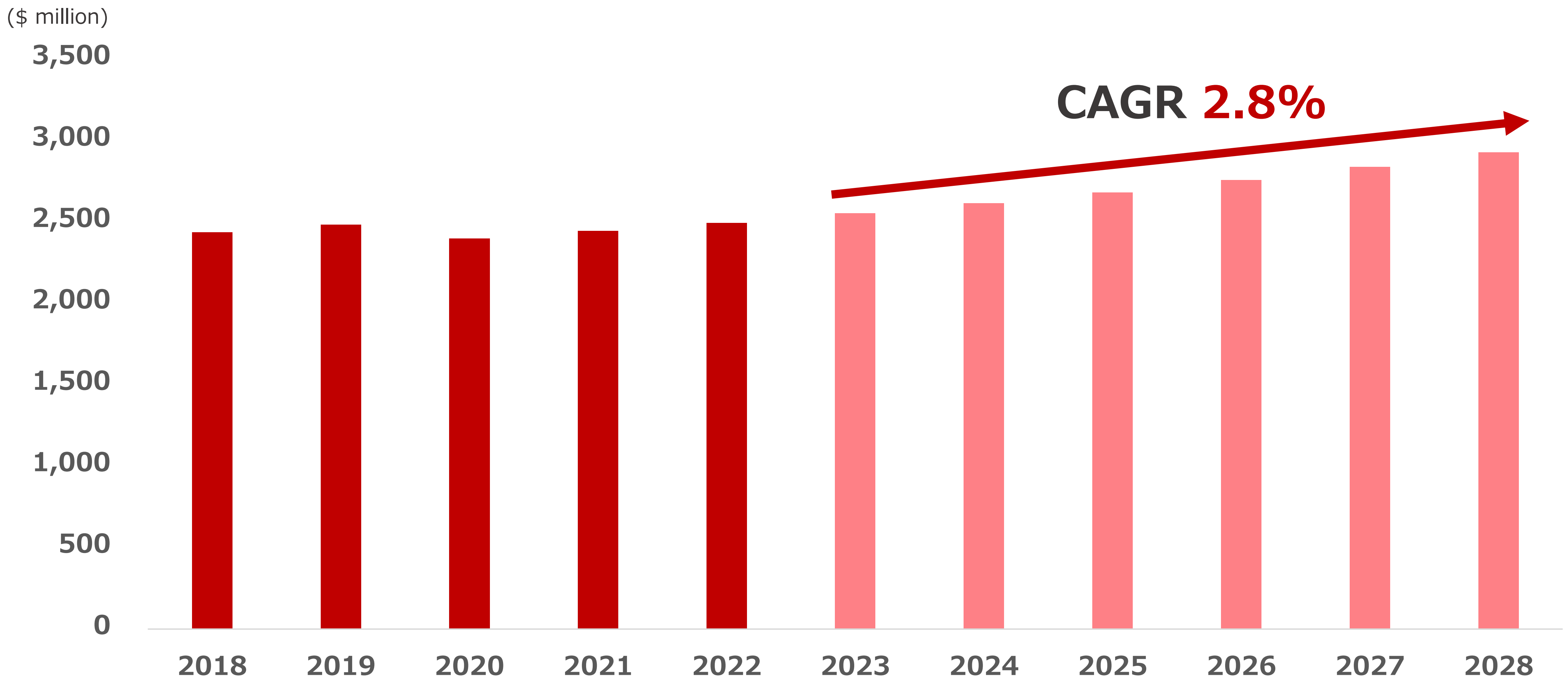


Main overseas bases

Source: Financial Results for the Fiscal Year Ended March 2023

Global Keyboard Instrument Market Size (Actual + Forecast)

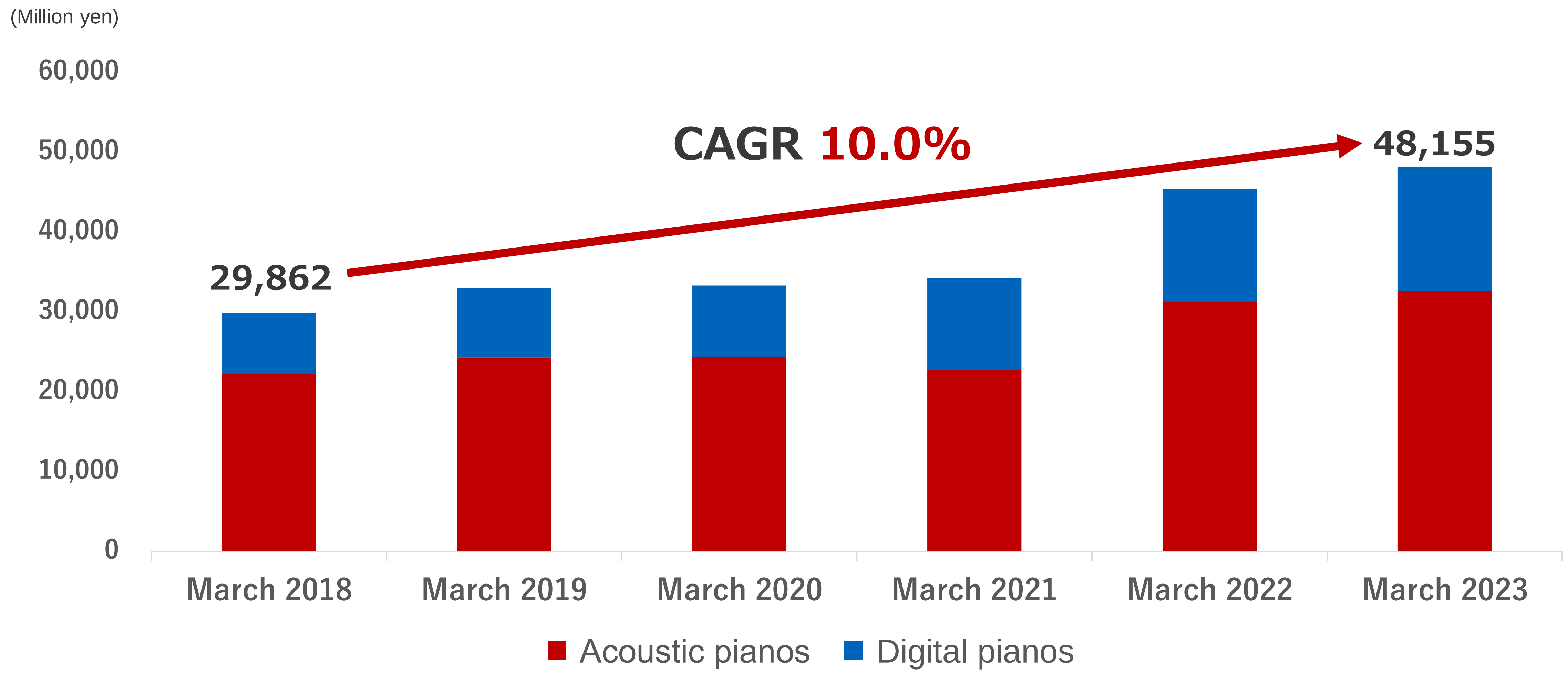
Regarding Kawai's main business, stable growth is expected in the global market for keyboard instruments (acoustic pianos and digital pianos), which is expected to grow at an annual average rate of 2.8% through 2028.



Source: Created by Kawai based on "Global Piano Market 2024-2028, Technavio (2023)"

Kawai's Keyboard Instrument Sales (Global)

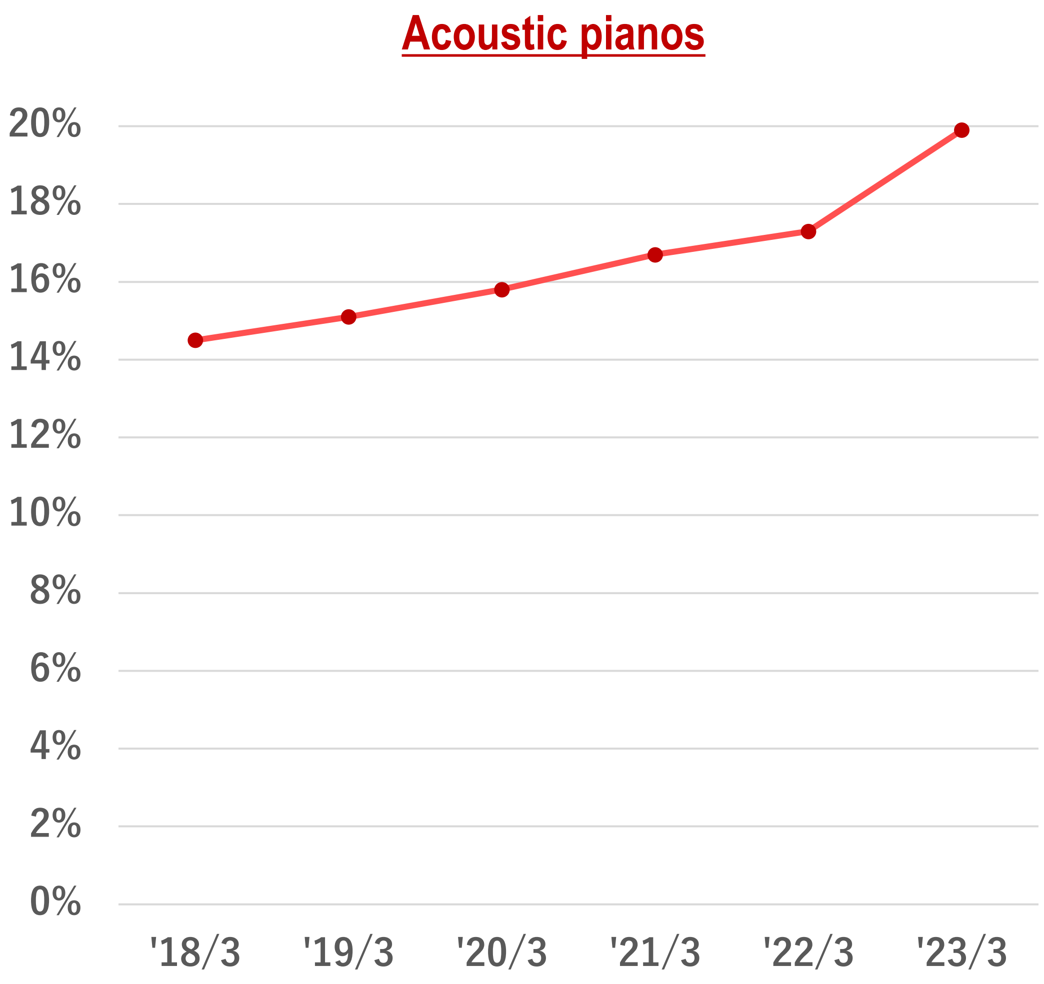
Over the past six years, sales of keyboard instruments have grown at an annual average rate of 10%.

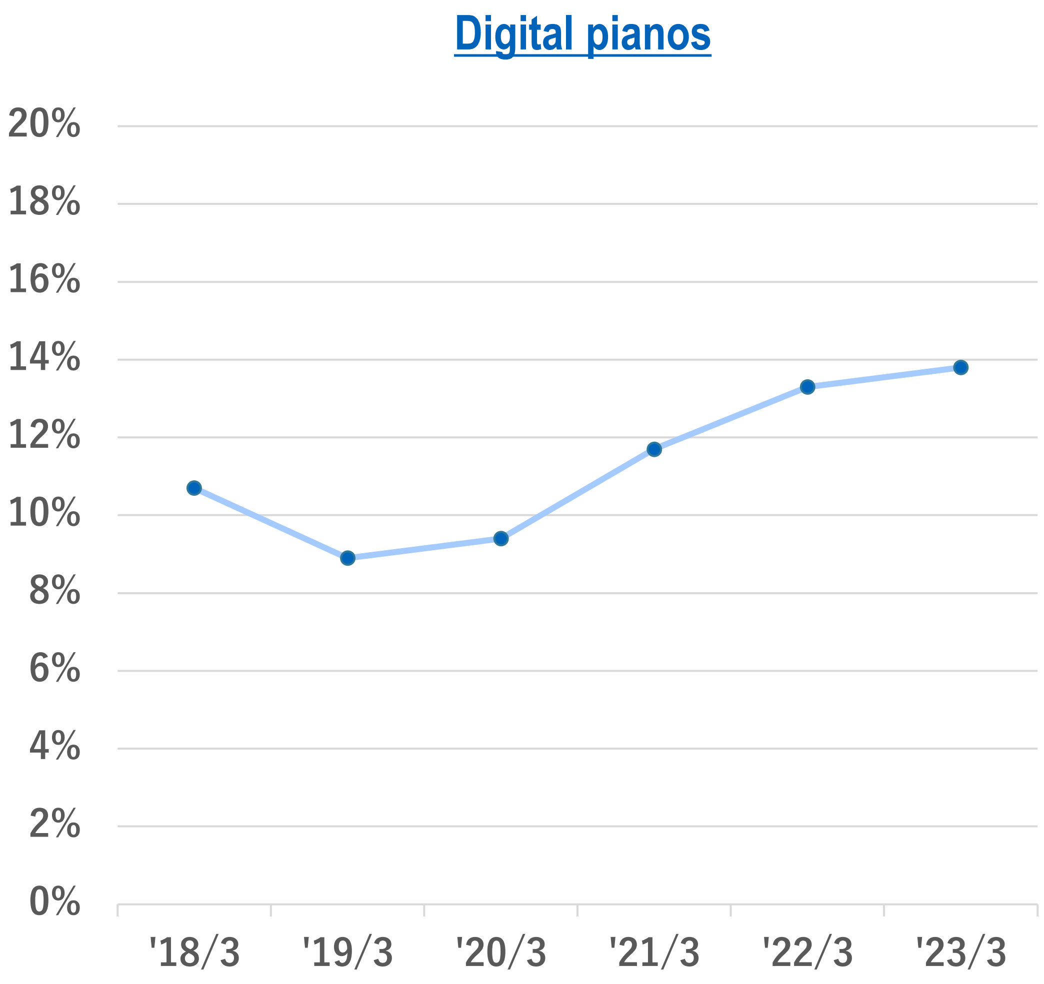


Source: Kawai's financial data

Kawai's Sales Market Share of Keyboard Instruments (Based on Global Units)

In the last six years, the global market share of both acoustic and digital pianos has increased.





Source: Study by Kawai

Factors Contributing to Increasing Market Share in the Keyboard Instrument Market (Our Strength)

Kawai's strength lies in the strength of our products, which have pursued substantial quality improvement, and in the corporate culture that enables us to do so.

Acoustic pianos

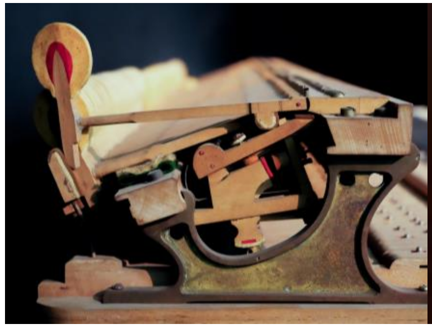
Digital pianos

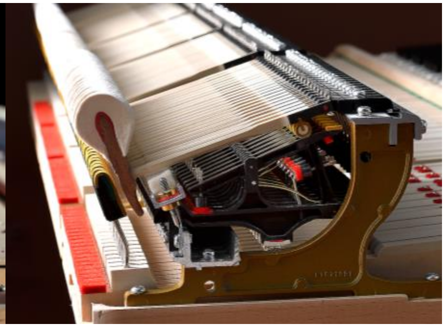
Unique corporate culture enabling the above

Factors Contributing to Increasing Market Share in the Keyboard Instrument Market—Tradition—

We maintain a unique culture as pioneers in piano production, a long-established brand in the keyboard instrument industry, and a company with approximately 100 years of management by three generations of the Kawai family.

1 Koichi Kawai, the founder of the company, was the first person in Japan to develop keyboard actions, the central part of the piano. Since then, we have been pioneers in piano production with a thorough focus on quality.


The first keyboard action


Present-day action

2 Kawai is an established company in the industry that has been producing pianos for approximately 100 years and electronic musical instruments for more than 60 years.


First-generation acoustic piano


First-generation electronic organ

3 Since the company's establishment in 1927, the baton of leadership has been passed down through three generations of the Kawai family. We have continued to improve the quality of products based on consistent policy while inheriting the founder's spirit of piano production from generation to generation.


First generation:
Koichi Kawai


Second generation:
Shigeru Kawai


Third generation:
Hirotaka Kawai

Factors Contributing to Increasing Market Share in the Keyboard Instrument Market—Innovation—

To date, Kawai has made numerous innovations in the keyboard instrument industry and continued to pursue substantial improvements in product quality.

1 **The action material in the center of the piano was changed from wood to carbon fiber to improve both operability and durability.**

Parts using carbon fibre

Ultra-Responsive Action

2 **Digital pianos are equipped with a seesaw wooden keyboard that makes the touch as acoustic piano-like as possible.**

Seesaw wooden keyboard

CA901

3 **Kawai developed the Shigeru Kawai grand piano, described as a “piano that sings” by the world's top pianists. It combines craftsmanship with the latest technology.**

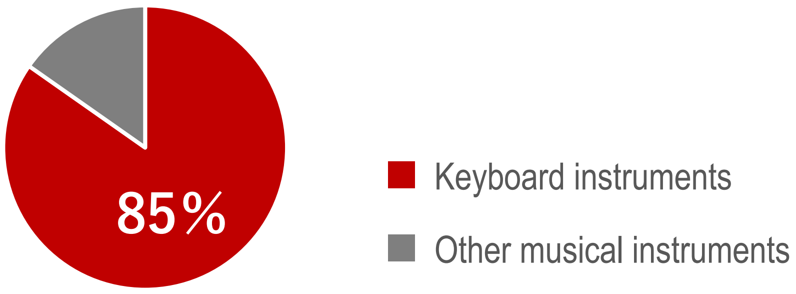
Shigeru Kawai SK-EX

Shigeru Kawai Piano Laboratory

Factors Contributing to Increasing Market Share in the Keyboard Instrument Market—Specialization—

Kawai continuously improves our brand power through intensive investment of people, goods, and money, made possible only by specializing in keyboard instruments (acoustic pianos and digital pianos).

1 **We specialize in the manufacturing of keyboard instruments, instruments, which account for 85% of our musical instrument sales.**



2 **We develop and manufacture a diverse range of keyboard instruments, from concert grand pianos to digital pianos, with particular attention to quality.**

3 **We actively participate in influential international piano competitions and strengthen relationships with artists.**