ANNUAL REPORT 2021

KINDEN CORPORATION

Kinden

PROFILE

Since our establishment in 1944 to undertake construction of urban and corporate infrastructure, Kinden Corporation has expanded our business as a company established to benefit the public. Even amidst the rapid changes of today, Kinden has grown into one of Japan's leading integrated electrical and facility engineering companies with a nationwide business structure by demonstrating a future-oriented entrepreneurial spirit and picking up on the needs of the market. Kinden also expanded overseas in the 1950s ahead of competitors in the industry, and we have built up over 60 years of experience and credentials in over 90 countries around the globe, including such locations as Hawaii, Guam, countries in Asia, the Middle East and Africa. In recent years, Kinden has expanded proactively into the installation of social infrastructure, primarily in Southeast Asia.

In April 2017, all Kinden employees gathered to share the social significance and mission we inherited as a "Corporate Philosophy" to move forward with society engaging in work with pride and a sense of responsibility.

We create superior facilities and services,
support social infrastructure, and contribute to realize a bright, affluent future.

Kinden will continue our contributions to the power infrastructure business and the further strengthening of community-focused business activities, while at the same time continuing to strengthen business development in the Greater Metropolitan Area and developing business overseas from a long-term perspective. We will contribute to society by meeting customer needs with high technologies and skills that provide safety, peace of mind and comfort.

CONTENTS

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

The future prospects described in this annual report concerning business planning, earnings, and management strategies are based on management views derived from supporting information available to Kinden Corporation at the time such information was prepared. Accordingly, readers are cautioned against relying solely on these forward-looking prospects because actual results and strategies may differ substantially depending on changes in the Company's business environment.

Message from the President

Business Results in the Year Ended March 2021

Sales and profits declined but both surpassed forecasts.

During the fiscal year ended March 2021, despite visible signs of a pickup in some areas, difficult conditions persisted in the Japanese economy amid the prolonged impact of COVID-19. In the construction industry as well, there were concerns about deteriorating corporate earnings due to the impact of COVID-19, a shrinking of the construction market along with curtailments in capital investment and a worsening of the environment for orders.

Under these circumstances, Kinden, which primarily undertakes construction and maintenance work for such infrastructure-related equipment as electrical equipment, made its utmost efforts to promote its business activities. Despite these efforts, even though the impact of COVID-19 was relatively benign, operations tapered off from the operating peak in the previous fiscal year and therefore consolidated net sales declined 5.1%, to ¥556,273 million. Operating income decreased 4.6%, to ¥42,948 million and profit attributable to owners of parent declined 0.4%, to ¥32,356 million. Nonetheless, in all of these categories Kinden was able to surpass its consolidated earnings forecast announced in January 2021.

On a non-consolidated basis, although net sales of completed construction contracts declined 5.7%, to ¥486,705 million and operating income decreased 0.5%, to ¥37,496 million, profit increased 1.6 %, to ¥31,065 million.

Looking at sales by customer, The Kansai Electric Power Company, Incorporated (including Kansai Transmission and Distribution, Inc.) accounted for 14.7% of sales, Kansai Electric Power Group companies 3.7% of sales and other customers 81.6% of sales.

As for net sales of completed construction contracts by construction sector, sales in the Power Distribution Lining business increased 0.4%, to ¥63,261 million, due to mainly an increase in construction work for Kansai Transmission and Distribution, Inc. Despite an increase in logistics facilities, sales in the Electrical business decreased 10.3%, to ¥306,546 million, reflecting decreases in office buildings, commercial and entertainment facilities, and production plants. Sales in the Information & Communications Network business increased 9.5%, to ¥55,190 million, due to mainly increases in LAN wiring work and mobile phone-related work. Despite a decrease in commercial and entertainment facilities, sales in the Environmental Management Facilities business increased 1.9%, to ¥35,220 million, thanks to increases in insurance and medical facilities and in education and cultural facilities. Sales in the Electric Power & Others business decreased 0.3%, to ¥26,486 million, due to a decrease in power generation and substation work despite increases in the installation of overhead power lines and underground power lines.

Profit attributable to owners of parent per common share increased ¥6.27 year on year on a consolidated basis, to ¥156.46. On a non-consolidated basis, profit per common share increased ¥8.92, to ¥150.22.

Consolidated Financial Highlights

KINDEN CORPORATION AND SUBSIDIARIES
For the fiscal years ended March 31, 2020 and 2021

	Millions of yen		YoY change	Thousands of U.S. dollars*
	2020	2021		2021
Net sales	¥585,905	**¥556,273**	**(5.1)%**	**$5,024,601**
Operating income	45,026	**42,948**	**(4.6)%**	**387,934**
Profit attributable to owners of parent	32,500	**32,356**	**(0.4)%**	**292,261**
Total assets	654,279	**683,022**	**4.4 %**	**6,169,477**
Total net assets	464,235	**493,209**	**6.2 %**	**4,454,964**
Return on equity (ROE)	7.1%	**6.8%**	**(0.3)pt**	**—**
	Yen			U.S. dollars*
Profit attributable to owners of parent per common share	¥150.19	**¥156.46**	**4.2 %**	**$1.41**
Cash dividends per common share	32.00	**35.00**	**9.4 %**	**0.31**

* U.S. dollar amounts are computed using the March 31, 2021 exchange rate of ¥110.71=US$1.

Looking Back at Our Previous Medium-term Management Plan (FY2018-2021)

We achieved our consolidated net sales target for two consecutive years and our consolidated operating income target for three consecutive years.

Fiscal 2021 marked the final fiscal year of KINDEN CHALLENGE 2020, a four-year medium-term management plan launched in the fiscal year ended March 2018. The plan's basic policies were to "Establish a strong business foundation independent of economic trends," "Further improve productivity through utilization of knowledge and participation of all employees" and "Improve work environment and increase employee satisfaction." Under these policies, in addition to strengthening and linking its three main pillars of Electrical, Environmental Management Facilities and Information & Communications Network businesses, Kinden worked to strengthen on-site capabilities, cultivate human resources, contribute to power infrastructure, conduct long-term expansion overseas and expand renovation and maintenance work.

As a result, Kinden achieved its consolidated sales target of ¥530,000 million for the second consecutive year and its consolidated operating income target of ¥39,000 million for the third consecutive year.

Starting Our New Six-year Medium-term Management Plan (FY2022-2027)

Aiming for management that generates consolidated sales on a scale of ¥700,000 million

In April 2021, Kinden launched a new six-year medium-term management plan. With the slogan of Sustainable Growth 2026 –Human Resources, Hearts, and Toward the Future–, the plan aims for sustainable growth and development from a long-term perspective during the six-year period up to fiscal 2027. In formulating this new medium-term management plan, we prescribed the "management direction we should aim for" and set the target of "management that generates consolidated sales on a scale of ¥700,000 million" as our Fiscal 2027 Vision. To achieve this, we will continue to promote the establishment and strengthening of a business foundation based on human resources through ambitious investment for growth and will implement the Business Strategy, Environmental Strategy, Human Resources and Workstyle Strategy and Corporate Strategy while giving consideration to the SDGs (Sustainable Development Goals) and ESG (environment, society, governance).

As future growth fields, there are strong expectations for renewable energy-related works as well as social infrastructure works related to electricity and communications that are compatible with our existing businesses. In these fields, we are confident we can leverage our various technologies and know-how cultivated to the present as well as fully deploy our strengths as an integrated electrical and facility engineering company that can flexibly respond to diverse needs. (See page 4 of the Special Feature.)

Outlook and Strategies for the Fiscal Year Ending March 2022

Maximizing the Strengths of the Kinden Group to Attain Solid Business Results

Looking at the economic environment for the next fiscal year, the outlook for the economy is expected to remain uncertain amid the spread of COVID-19. In the construction industry as well, business sentiment is expected to remain harsh owing to concerns about a retrenchment in private-sector capital investment.

Even under such circumstances, Kinden will maximize our strength of undertaking transactions with an extensive range of customers and our technical and construction capabilities that can respond to all types of building applications and projects as we strive to attain solid business results.

Turning to our consolidated earnings forecast for the fiscal year ending March 2022, we forecast net sales of ¥548,000 million, a decrease of 1.5%; operating income of ¥36,600 million, down 14.8%; and net income attributable to owners of parent of ¥26,300 million, a decrease of 18.7%.

Return to Shareholders and Dividend Policy

Kinden increased dividends by ¥3 and paid a full-year dividend of ¥35 per common share.

Kinden considers the distribution of profits to shareholders as one of our important management issues. Kinden also maintains the fundamental policy of placing top priority on stable and sustainable dividends for shareholders, with a dividend policy that also takes into account business results and other factors. We pay interim dividends equal to half the amount of expected annual dividends, which are calculated based on full-year earnings forecasts. Meanwhile, we determine the amount of year-end dividends by subtracting the amount of interim dividends from the amount of annual dividends, which are calculated based on actual business results confirmed at fiscal year-end.

Based on the above dividend policy, we paid an interim dividend of ¥16 per share in line with our forecast announced on July 30, 2020. Taking into consideration our the business results for the current fiscal year, the year-end dividend for the current fiscal year will be ¥19 per share, an increase of ¥3 per share from ¥16 per share in our forecast announced on July 30, 2020. As a result, we plan to pay an annual cash dividend of ¥35 per share for the current fiscal year.

Change in Dividend Policy from the Next Fiscal Year

From the next fiscal year, Kinden will change its dividend policy as follows. Taking a long-term perspective, Kinden will proactively expand its business foundation based on human resources, which are the source of competitiveness, and achieve further sustainable growth and development. Kinden believes this will contribute to long-term benefits of all stakeholders. In doing so, we have positioned the distribution of profits to shareholders as one of our important management issues and will implement our basic policy of paying stable and continuous dividends taking into consideration our business results and "financial condition." We have adopted a system of interim dividends to increase shareholder return opportunities, and as part of our shareholder-oriented management in the future, we will also provide commemorative dividends to mark special anniversaries and business periods.

As for the amount of annual dividends per share, we will pay interim dividends equal to half the amount of expected annual dividends, which are calculated based on full-year earnings forecasts. We determine the amount of year-end dividends by subtracting the amount of interim dividends from the amount of annual dividends, which are calculated based on actual business results confirmed at fiscal year-end.

For the next fiscal year, Kinden plans to pay annual dividends per share of ¥35. This includes interim dividends per share of ¥17.50 and year-end dividends per share of ¥17.50.

In the future, we will make continued efforts to further raise corporate value. I would like to ask our shareholders and investors for your continued support.

June 2021

Takao Uesaka
President

Starting Our New Six-year Medium-term Management Plan (FY2022-2027)

In April 2021, the Kinden Group formulated and started a new six-year medium-term management plan. Under the slogan of Sustainable Growth 2026 –Human Resources, Hearts, and Toward the Future–, the plan aims for sustainable growth and development by continuing to promote the establishment and strengthening of a business foundation based on human resources and by implementing the Business Strategy, Environmental Strategy, Human Resources and Workstyle Strategy and Corporate Strategy while giving consideration to the SDGs (Sustainable Development Goals) and ESG (environment, society, governance). The plan aims for "management that generates consolidated sales on a scale of ¥700,000 million" in fiscal 2027.

Formulating the Management Direction We Should Aim For

In formulating the new medium-term management plan, we also prescribed the "management direction we should aim for." In doing so, we have drawn up the company image we envision, which is to be an appealing company that "naturally attracts people, technologies, and the attention of society," a company where employees feel their work is rewarding and satisfying and passionate as well as take pride in their jobs, and a company where all people associated with our business and their families can live in happiness. On top of this, we will strive for sustainable growth and development to contribute to creating an "environmentally friendly, sustainable and better society" as a company that supports the social infrastructure.

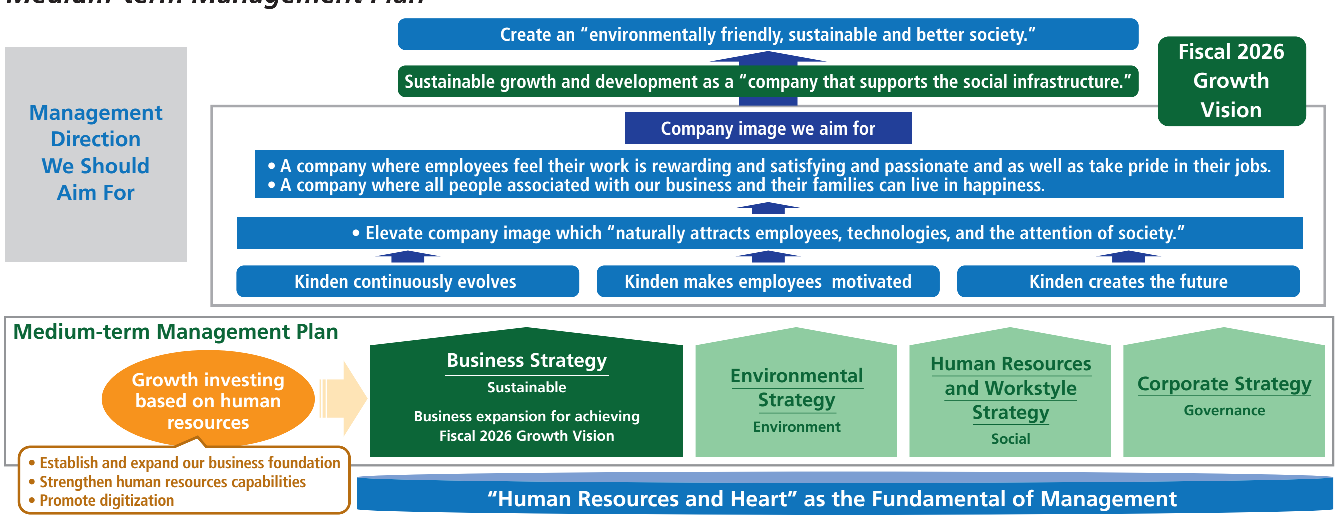
Actively Promote Growth Investments Based on Human Resources

Based on the idea that "human resources are valuable assets," Kinden has devoted great efforts toward developing human resources since its founding. In doing so, Kinden has provided customers with safe and high-quality equipment and services, ensured high customer satisfaction and built long-term relationships of trust by using its "human resourced-based business foundation."

To achieve sustainable growth and development in the future, we must further develop and strengthen our "human resources business foundation." For this reason, Kinden actively promotes "growth investing based on human resources." These investments focus on such areas as establishing and expanding our business foundation as well as on strengthening human resources capabilities by enhancing the educational infrastructure and promoting digitization.

For establishing and expanding our business foundation, we will establish a business foundation matched to our Business Strategy that includes strengthening community-based business and increasing business in the Tokyo metropolitan area. To strengthen human resources capabilities, we will improve the educational infrastructure and create an environment where anyone can receive effective education anytime and anywhere. For promoting digitalization, with efforts centered on core system updates, we will strive to realize seamless linkages among data systems and real-time visualization of information to enhance work efficiency, raise productivity and improve the working environment.

Medium-term Management Plan



* The fiscal year ending March 31, 2027 is referred to as fiscal 2026 and other fiscal years are referred to in a corresponding manner.

Aim for "Management That Generates Consolidated Sales on a Scale of ¥700,000 million"

Even though the construction industry is undergoing structural changes and the domestic market is shrinking, Kinden must steadily move ahead toward sustainable growth and development. Additionally, we must also respond to the needs of society toward the attainment of carbon neutrality as a company that supports the social infrastructure.

In working toward these objectives, as our future vision that aims for even higher goals, we have set the target of "management that generates consolidated sales on a scale of ¥700,000 million" (consolidated sales of around ¥700,000 million and consolidated operating income of about ¥50,000 million) while promoting active investment centered on human resources and working toward growth. We believe these efforts will lead to the realization of a more appealing company that can increase the trust of customers and society and that "naturally attracts employees, technologies, and the attention of society."

Take on Challenges toward New Fields by Combining Accumulated Technologies and New Technologies.

The themes of our Business Strategy for realizing "management that generates consolidated sales on a scale of ¥700,000 million" are to "expand existing businesses" and "take on challenges toward new fields."

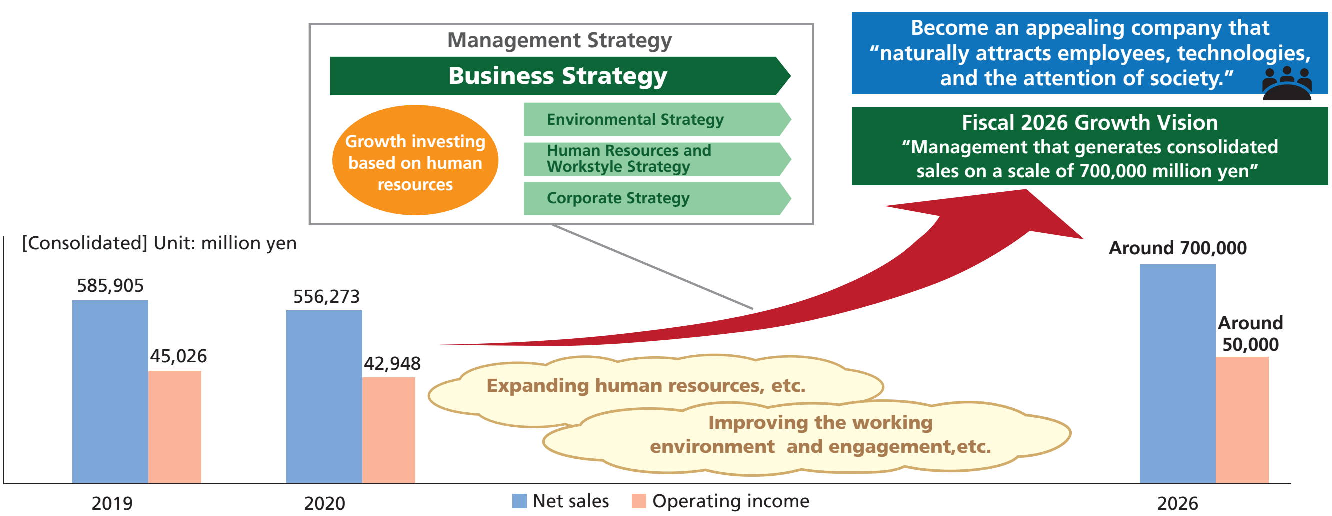
In line with efforts to expand existing businesses, we will further elevate our engineering capabilities, expand and upgrade our work implementation structure, strengthen our on-site support structure, expand human resources and strengthen training and work implementation capabilities, enhance and strengthen our business foundation, and enhance work efficiency and raise productivity. Through these measures, we will leverage our "comprehensive capabilities," which serve as Kinden's strength, as well as continually strengthen and expand the Electrical, Environmental Management Facilities, Information & Communications Network and Interior Systems businesses that serve as our core businesses. Concurrently, we will contribute to social infrastructure beginning with electricity and develop overseas businesses taking a long-term perspective.

To "take on challenges toward new fields," we will utilize accumulated technologies and new technologies for further value creation. We have high expectations for renewable energy works toward the realization of a carbon-neutral society as well as for domains with abundant growth potential and future possibilities that are also compatible with existing businesses.

We will boldly take on challenges toward these new fields and strive to expand our business domains.

Over the coming six years, Kinden aims to be a company that "continuously evolves," "makes employees motivated" and "creates the future" as we contribute to the realization of a better society through sustainable growth and development.

Fiscal 2026 Growth Vision



* The fiscal year ending March 31, 2027 is referred to as fiscal 2026 and other fiscal years are referred to in a corresponding manner.

Recent Major Projects

Here we feature examples of projects that leverage our integrated strengths from across a broad range of sectors.

Power Distribution Lining

Installation work on power distribution line of Kansai Transmission and Distribution, Inc. (Wakayama)

Electrical

Mizuho Marunouchi Tower, Japanese Bankers Association, MARUNOUCHI TERRACE (Tokyo)

Information & Communications Network

Gobo City digital disaster prevention administrative radio facility maintenance construction (Wakayama)

Environmental Management Facilities

YOKOHAMA BAYCOURT CLUB HOTEL & SPA RESORT
THE KAHALA HOTEL & RESORT YOKOHAMA (Kanagawa)

Electric Power & Others

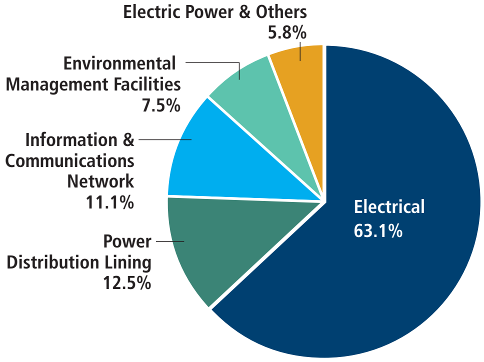
Substation premises equipment replacement construction (Osaka)

Review of Operations (Non-Consolidated)

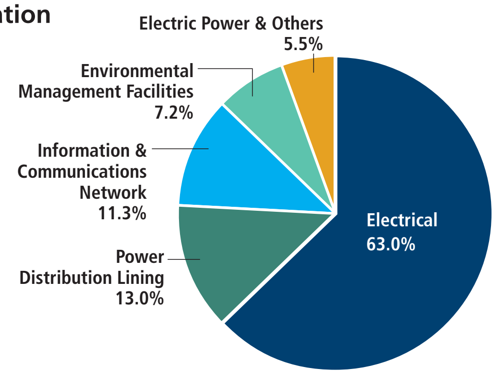
Summary by Operation

The summary by operation is on a non-consolidated basis. Despite a slight decline in the Electrical segment, orders received were at the same level as in the previous year in the Power Distribution Lining segment and were up year on year in the Information & Communications Network, Environmental Management Facilities, and the Electrical and Electric Power & Others segments. Net sales of completed construction contracts remained level with the previous year in the Electric Power & Others segment and increased in the Power Distribution Lining, the Information & Communications Network, and the Environmental Management Facilities segments but declined in the Electrical segment. Looking ahead, the outlook for the economy is expected to remain uncertain amid the spread of COVID-19 while in the construction industry business sentiment is expected to remain harsh due to such concerns as a decrease in private-sector capital investment. Although we are operating amid this business environment where making a forecast is difficult, the Kinden Group will contribute to society by meeting customer needs with high technologies and skills that provide safety, peace of mind and comfort.

Construction Orders



Net Sales of Completed Construction Contracts by Operation



Power Distribution Lining

Orders received decreased 0.1% from the previous fiscal year, to ¥63,313 million, and net sales of completed construction contracts rose 0.4%, to ¥63,261 million. The main reason for these increases was a rise in construction work for Kansai Transmission and Distribution, Inc. Our business foundation is stable in Power Distribution Lining. The separation of electric power transmission and distribution from electric power companies that began in April 2020 has had no particular impact on our business results as of the present time. Meanwhile, in other power distribution related works not associated with Kansai Electric Power Company, Incorporated, in the Kansai area we will collaborate with the Electrical segment to secure orders for power receiving and transforming equipment inside production plants and power distribution line repair work as well as for infrastructure-related work accompanying regional development such as the establishment of smart cities. At the same time, in the Kanto area we will promote the further strengthening of our structure on the basis of securing orders for high-voltage bulk electric power receiving works for apartment buildings and high-voltage construction work for convenience stores.

Orders and Sales

Millions of yen

Electrical

Orders received decreased 1.1% from the previous fiscal year, to ¥320,043 million, and net sales of completed construction contracts decreased 10.3%, to ¥306,546 million. The main factors underlying the decrease in orders received include a decline in production plants, health and medical facilities, and education and cultural facilities, while net sales of completed construction contracts decreased due mainly to decreases in office buildings, commercial and entertainment facilities, and production plants. Going forward, we will actively engage in large-scale redevelopment work in the Greater Metropolitan Area and strengthen sales for renovation work and for logistics facilities and data centers where brisk investment can be expected to continue even with the impact of COVID-19. In terms of overseas works, with long-term business development overseas continuing to be one of our business strategies, we will also make an effort to expand orders received by working closely with communities in countries where economic growth is expected, in addition to focusing on Japanese-owned private factories and large-scale commercial facilities mainly in Asia.

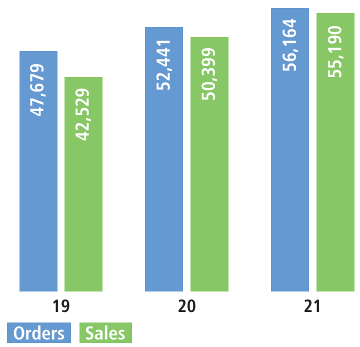
Orders and Sales

Millions of yen

Information & Communications Network

Compared with the previous fiscal year, orders received increased 7.1%, to ¥56,164 million, and net sales of completed construction contracts rose 9.5%, to ¥55,190 million, from the previous fiscal year. The main factors supporting the increases in both orders received and net sales of completed construction contracts were the increases in LAN work and mobile phone-related work. In the future, with work for transitioning to 5G in mobile phones expected to get fully underway, we will also focus on securing orders for information-infrastructure related works that include government and municipal projects, wireless-activated disaster warning systems for tunnels and security surveillance equipment as well as the installation of LAN and other in-house communication works.

Orders and Sales
Millions of yen



Environmental Management Facilities

Orders received increased 7.6% year on year, to ¥38,018 million, while net sales of completed construction contracts increased 1.9%, to ¥35,220 million. The main factors supporting the increase in orders received include office buildings and educational and cultural facilities while net sales of completed construction contracts were higher due to an increase in healthcare, educational and cultural facilities. Going forward, with the Greater Metropolitan Area and the Kansai area serving as operational bases, we will focus efforts on securing orders related to logistics facilities and data center projects in addition to our traditional focus on office buildings as well as healthcare, educational, cultural, commercial and entertainment facilities. We will also attempt to expand orders through proactive proposals to customers related to energy-saving and business continuity planning (BCP) measures.

Orders and Sales
Millions of yen

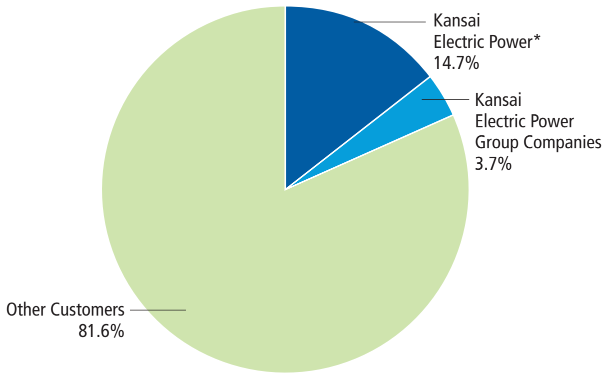
Electric Power & Others

Orders received increased 13.1% year on year, to ¥29,683 million, and net sales of completed construction contracts decreased 0.3%, to ¥26,486 million. The increase in orders received was mainly due to an increase in the construction of solar and wind power generation facilities. Going forward, we will strive to secure orders for renewable energy related facilities work such as for wind power generation facilities as well as secure orders for construction work for improving safety such as overhead power line projects to replace aging power lines and electrical transmission tower reconstruction.

Orders and Sales
Millions of yen

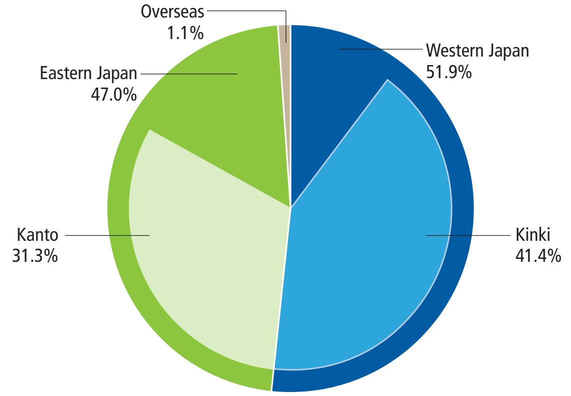
■ Composition of Non-Consolidated Net Sales, Contract Backlog by Operation and Shareholding Ratio *(Fiscal 2021)*

Net Sales by Customer

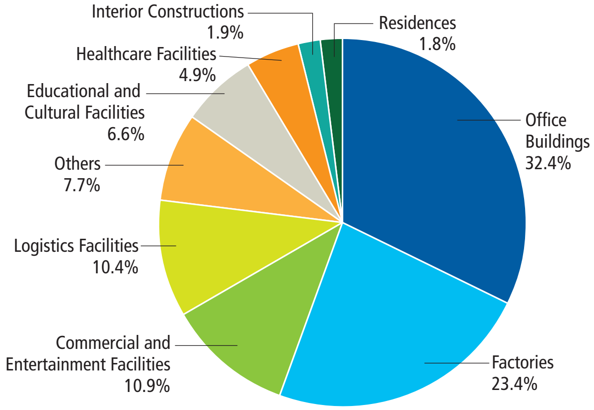


* Includes Kansai Transmission and Distribution, Inc.

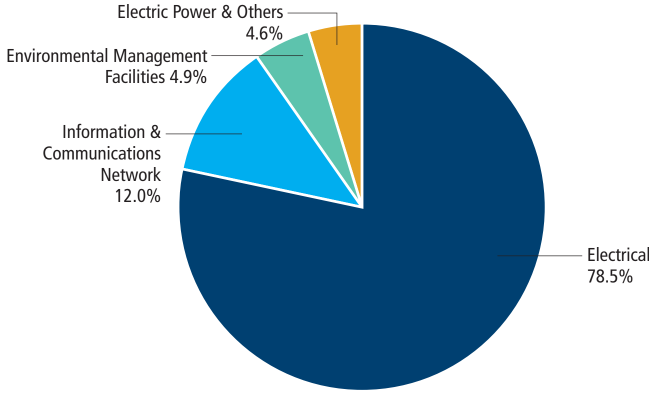
Net Sales by Region (excluding sales of Power Distribution Lining)



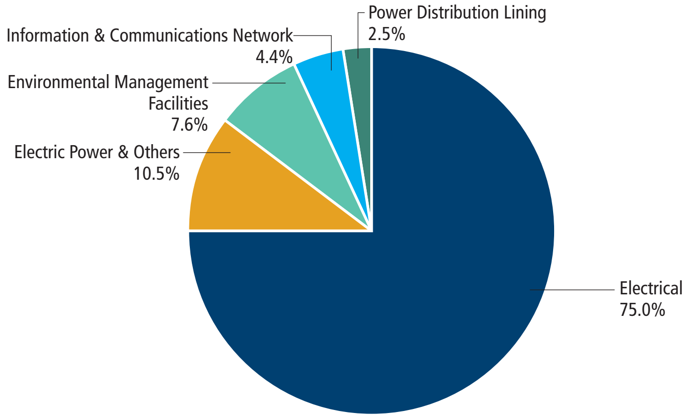
Net Sales by Facility (Electrical)



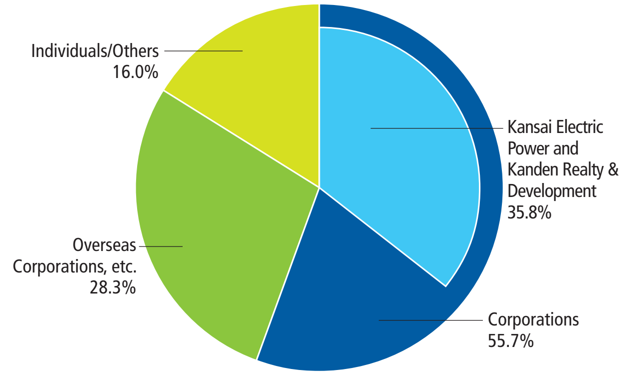
Net Sales of Renewal Construction by Operation (excluding sales of Power Distribution Lining)



Contract Backlog by Operation



Shareholding Ratio



Participation in the Building of Katsurao-Village Smart Community toward Reconstruction and Revitalization

Kinden participated in the construction of Katsurao-Village Smart Community, in Futaba-County, Fukushima Prefecture. Damaged by the 2011 Great East Japan Earthquake, the village is undertaking the project based on the theme "Reconstruction and revitalization of Katsurao that had appeal and hope" and is working to build a smart community with the aim of creating energy utilizing local resources, strengthening disaster prevention capabilities, and creating employment. This project aims to realize an "eco-compact village" by building a microgrid* in the center of the village for local production and local consumption of energy using solar power generation equipment, storage batteries, and high-voltage distribution line facilities.

Kinden participated in this project from the planning stage of the master plan and supported customers in areas ranging from planning to power distribution work and the operation of solar power generation and storage battery charging and discharging equipment. This is Kinden's second such project following its participation in "Higashimatsushima (City) Smart Disaster Prevention Eco Town" in Higashi Matsushima City, Miyagi Prefecture. Drawing on its extensive know-how in the energy field, Kinden will continue to contribute to regional disaster prevention and infrastructure building in the future.

* A small-scale energy network in a certain region that has energy supply sources and consumption facilities and undertakes local energy production for local consumption.

Conceptual drawing of this project

Development of "Overhead Transmission Line Imaging Inspection System" That Automatically Detects Abnormal Sections through Image Analysis Using Deep Learning

In collaboration with MEIDENSHA CORPORATION, Kinden has developed an "overhead transmission line imaging inspection system" that automatically detects abnormal sections through image analysis using deep learning. Conventional inspection work of overhead power transmission lines required much time because abnormal sections had to be visually identified following the imaging of electric power lines using self-propelled equipment with an attached video camera. As such, Kinden reviewed the self-propelled equipment from the design stage and developed a transmission line imaging device equipped with an image box capable of taking high-resolution images. Also, Kinden together with MEIDENSHA CORPORATION, which boasts railway overhead wire measuring technologies, developed an "overhead transmission line imaging inspection system." This system is used in combination with software that automatically detects abnormal sections through image analyzing using deep learning from the images taken by this device and then creates a report. Accordingly, this system enables continuous operation for long periods of time as well as night inspections while significantly shortening inspection work times and greatly improving the accuracy of inspections. In the future, Kinden will further accumulate learning data and strive to improve detection accuracy to provide high-quality, low-cost equipment.


"Overhead power transmission line imaging inspection system" that automatically detects abnormal section through deep learning

Main Policies

Kinden recognizes improving corporate governance as an important management issue for stronger, faster and more precise execution of operations, and to flexibly respond to changes in the business environment. We strive to further reinforce our corporate governance giving priority to improving the transparency of operations and observing absolute compliance.

The Company has adopted the Audit & Supervisory Board Member system. Based on the system shown below, the Company seeks to enhance its monitoring function over management activities in cooperation with accounting auditors and the internal auditing department.

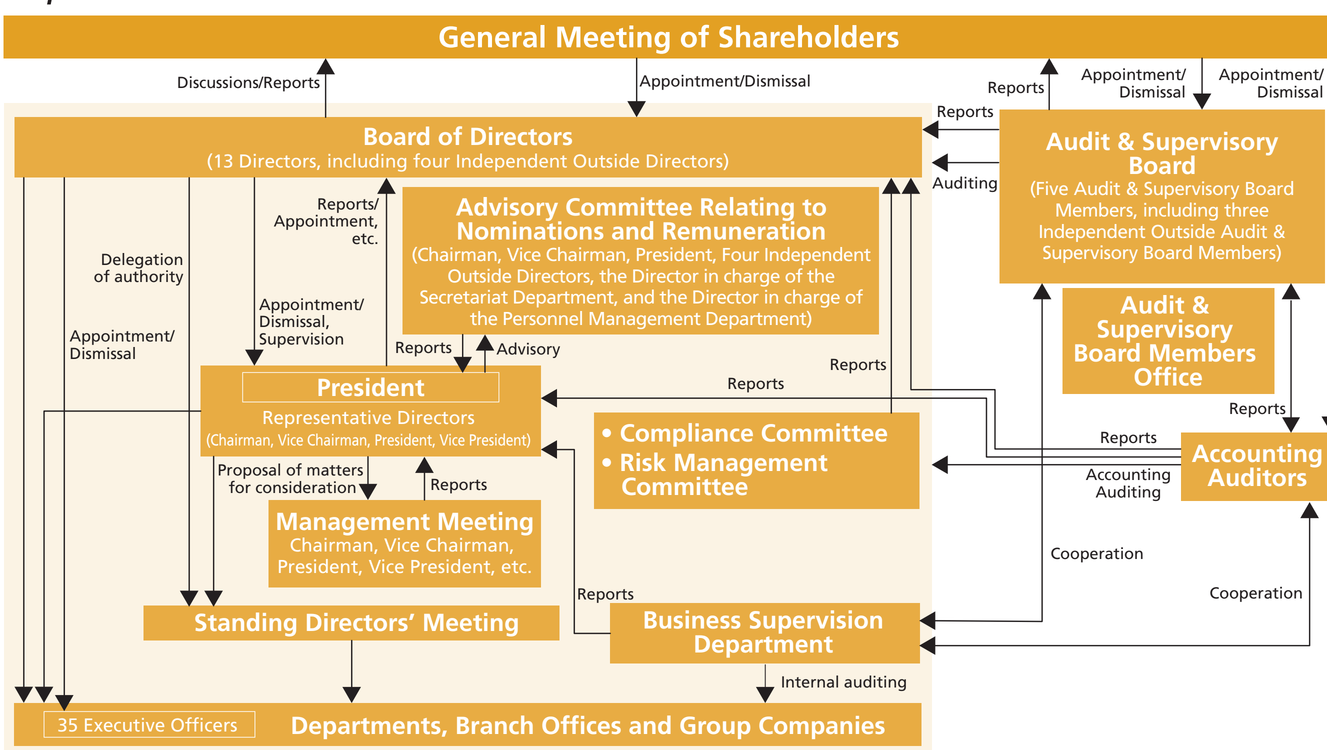
The Company has adopted an Executive Officer system, with the aim of speeding up decision making, enhancing the monitoring function over business execution and enabling the executive officers in charge of specific operations to focus on their business execution. With regard to the monitoring function, the Company seeks to strengthen supervision over business operations by organizing the Board of Directors' and Standing Directors' meetings headed by the Chairman of the Board on a regular basis.

Corporate Governance System

Overview of the Corporate Governance System

Institutional design	A company with Audit & Supervisory Board Members
Chairman of the Board	Masao Ikoma (Chairman)
Number of Directors	13 (including four Outside Directors)
Directors' terms of office	One year
Number of Audit & Supervisory Board Members	Five (including three Outside Audit & Supervisory Board Members)
Audit & Supervisory Board Members' term of office	Four years
Appointment of Independent Officers	Four Outside Directors, Three Outside Audit & Supervisory Board Members
Key meetings attended by Audit & Supervisory Board Members	Board of Directors, Audit & Supervisory Board
Accounting auditor	PKF Hibiki Audit Corporation

Corporate Governance Structure



Overview of Main Meetings and Committees

Standing Directors' Meeting	Purpose: To deliberate the promotion of concrete management activities and the establishment of policies and plans affecting general company management other than important matters requiring the Board of Directors' Meeting resolutions as stipulated in the Companies Act
	Held: Semimonthly; Participants: Standing Directors and Standing Audit & Supervisory Board Members
Management Meeting	Purpose: To deliberate management policies critical for the Company including the proposals to the Standing Directors' Meeting
	Held: Semimonthly; Participants: Chairman, Vice Chairman, President, Vice President, etc.
Compliance Committee	Purpose: To strengthen the compliance function
	Held: Semiannually; Participants: Members of the Management Meeting, Audit & Supervisory Board Member representatives and executive officers in charge of compliance
Risk Management Committee	Purpose: To strengthen the risk management function
	Held: Semiannually; Participants: Officers in charge, Major Department Managers of Head Office
Advisory Committee Relating to Nominations and Remuneration	Purpose: To strengthen the independence, objectivity and accountability of the Board of Directors' Meeting function, specifically with respect to important matters including the appointment of directors and Audit & Supervisory Board Members and director remuneration
	Participants: Chairman, Vice Chairman, President, Outside Directors, the Director in charge of the Secretariat Department and the Director in charge of the Personnel Management Department

Status of Enhancement of the Risk Management System

The Company has instituted a Compliance Committee to enhance compliance functions. It has also set up a Risk Management Committee in an effort to strengthen risk management functions.

Audit & Supervisory Board and Internal Audits

The Audit & Supervisory Board supervises the business execution of the Board of Directors in accordance with policies set by the Audit & Supervisory Board comprising five Audit & Supervisory Board Members. It performs oversight by such means as attending the Board of Directors' meeting and other important meetings, viewing important decision-making documents, receiving business reports from the Board of Directors and examining the business operations of major business sites.

The full-time Audit & Supervisory Board Members report to the Outside Audit & Supervisory Board Members the results of important meetings they attended and their knowledge of circumstances obtained during audits in addition to holding regular meetings with the President and exchanging information with the Business Administration Monitoring Office and accounting auditor. Additionally, they mutually communicate and exchange information with both directors and auditors of subsidiaries.

Of the five Audit & Supervisory Board Members, one Audit & Supervisory Board Member (full-time) previously served as the Company's Finance & Accounting Department manager and one independent Outside Audit & Supervisory Board Member is a certified tax accountant. Both persons have a high degree of knowledge and judgment regarding finance and accounting.

Internal audits are conducted, as ordered by the President, by the Business Supervision Department (eight members), which carries out regular operations audits on the structure and administration of internal controls (appropriateness and efficiency of business processes) and audits on specific items as specially instructed. The results are reported to the President and Audit & Supervisory Board Members.

Relationships with Outside Directors and Outside Audit & Supervisory Board Members

With respect to Outside Directors Harunori Yoshida, Hanroku Toriyama, Keiji Takamatsu and Keizo Morikawa as well as Outside Audit & Supervisory Board Members Masami Yoshioka, Toshimitsu Kamakura and Osa Isamu, there are no personal relationships, capital relationships, business relationships or other special interests between Kinden and these individuals or the organizations to which they belong. They have been appointed and reported as independent directors in accordance with criteria set forth by the financial instruments exchange, and there is no risk of conflicts of interest with general shareholders.

Reason for Appointment as Outside Directors and an Overview of the Expected Roles

Harunori Yoshida

Although Mr. Harunori Yoshida has not been involved in corporate management except for his past experience as an Outside Director, he has appropriately advised the Company on its management based on his wealth of knowledge and insights as an expert of architecture. Therefore, he is deemed to be a person suitable to be an Outside Director of the Company and is selected as a Director. We expect he will continue to appropriately advise the Company on its management from an independent and objective standpoint based on his wealth of knowledge and insights as an expert of architecture.

Hanroku Toriyama

Although Mr. Hanroku Toriyama has not been involved in corporate management except for his past experience as an Outside Audit & Supervisory Board Member, he has appropriately advised the Company on its management based on his wealth of experience and wide range of knowledge as a lawyer with expertise concerning corporate legal affairs. Therefore, we have deemed that he is a person suitable to be an Outside Director and we have selected him as a Director. We expect he will continue to appropriately advise the Company on its management from an independent and objective standpoint based on his wealth of experience and wide range of knowledge as a lawyer with expertise concerning corporate legal affairs.

Keiji Takamatsu

Mr. Keiji Takamatsu currently serves as Representative Director and Chairman of Kintetsu Department Store Co., Ltd. after previously serving as Representative Director and Vice President of Kintetsu Group Holdings Co., Ltd., and he leads the company's overall management and works to improve its corporate value. He has appropriately advised the Company on its management based on his outstanding knowledge and insights. Therefore, we have deemed that he is a person suitable to be an Outside Director and we have selected him as a Director. We expect he will continue to appropriately advise the Company on its management from an independent and objective standpoint based on his wealth of business experience as a manager and his outstanding knowledge and insights on overall management.

Keizo Morikawa

Mr. Keizo Morikawa currently served as Representative Director and Chairman of Cosmo Energy Holdings Co., Ltd. after serving as Representative Director and President of Cosmo Oil Co., Ltd., and he led the company's overall management and worked to improve its corporate value. He has appropriately advised the Company on its management based on his outstanding knowledge and insights. Therefore, we have deemed that he is a person suitable to be an Outside Director and we have selected him as a Director. We expect he will continue to appropriately advise the Company on its management from an independent and objective standpoint based on his wealth of business experience as a manager and his outstanding knowledge and insights on overall management.

Director Remuneration

Total amount of remuneration for each executive officer category, total amount of remuneration by remuneration type and number of applicable executive officers

Executive director category	Total remuneration (Millions of yen)	Total remuneration by remuneration type (Millions of yen)		Number of applicable executive officers
		Fixed remuneration	Performance -based remuneration	
Directors (Excluding Outside Directors)	520	439	81	11
Audit & Supervisory Board Members (Excluding Outside Audit & Supervisory Board Members)	65	65	—	2
Outside Directors and Outside Audit & Supervisory Boad Members	35	35	—	8

Remuneration for Audit Services

Remuneration paid to PKF Hibiki Audit Corporation in the 107th fiscal term (the fiscal year ended March 31, 2021) for services set forth by the Certified Public Accountants Law totaled ¥49 million and there is no other remuneration.

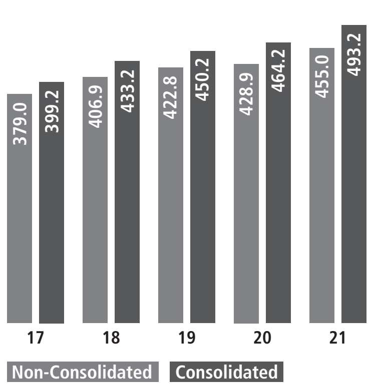
Five-Year Financial Summary

For the fiscal years ended March 31

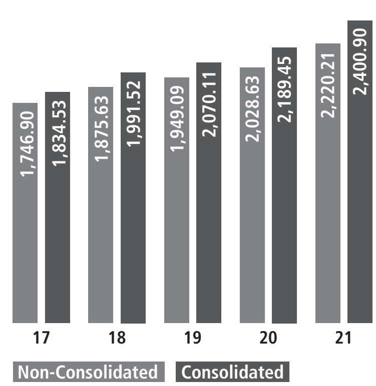
	Consolidated Millions of yen					Non-Consolidated Millions of yen				
	2017	2018	2019	2020	**2021**	2017	2018	2019	2020	**2021**
FOR THE YEAR										
Net sales	¥472,591	¥500,700	¥521,283	¥585,905	**¥556,273**	¥410,703	¥439,641	¥456,762	¥516,196	**¥486,705**
Power distribution lining						55,251	57,844	59,355	62,993	**63,261**
Electrical						260,457	284,023	301,741	341,680	**306,546**
Information & communications network						40,447	42,381	42,529	50,399	**55,190**
Environmental management facilities						31,861	31,764	30,036	34,551	**35,220**
Electric power & others						22,684	23,627	23,099	26,570	**26,486**
Operating income	36,062	38,618	40,354	45,026	**42,948**	29,336	32,525	33,520	37,701	**37,496**
Profit attributable to owners of parent	26,375	29,478	28,844	32,500	**32,356**					
Profit						22,169	26,206	26,250	30,576	**31,065**
Comprehensive income	28,444	39,865	24,107	29,457	**46,927**					
Capital investment*[1]	3,556	2,983	3,781	6,592	**4,417**					
Depreciation and amortization	4,928	5,225	5,322	5,415	**6,161**					
AT YEAR-END										
Capital stock	¥ 26,411	¥ 26,411	¥ 26,411	¥ 26,411	**¥ 26,411**	¥ 26,411	¥ 26,411	¥ 26,411	¥ 26,411	**¥ 26,411**
Total net assets	399,228	433,227	450,265	464,235	**493,209**	379,004	406,924	422,856	428,929	**455,023**
Total assets	570,037	600,925	634,064	654,279	**683,022**	521,637	549,593	579,499	592,198	**620,793**
Number of shares outstanding (excluding treasury stock) (Thousands) Balance at end of year	216,957	216,953	216,951	211,438	**204,946**	216,957	216,953	216,951	211,438	**204,946**
Number of employees (Persons)*[2]	10,021	10,165	10,867	12,984	**12,935**	7,281	7,398	7,521	7,645	**7,801**
Equity ratio (%)	69.8	71.9	70.8	70.8	**72.0**	72.7	74.0	73.0	72.4	**73.3**
Return on equity (ROE) (%)	6.8	7.1	6.5	7.1	**6.8**	6.0	6.7	6.3	7.2	**7.0**
Payout ratio (%)	21.4	20.6	22.6	21.3	**22.4**	25.4	23.2	24.8	22.6	**23.3**
Price-earnings ratio (Times)	12.78	12.97	13.79	10.62	**12.05**	15.21	14.59	15.16	11.29	**12.55**

*[1] Lease assets are included in capital investment amounts.
*[2] Number of employees (employees at work in Kinden) = Employees – Employees dispatched outside of Kinden + Workers dispatched by another company to Kinden

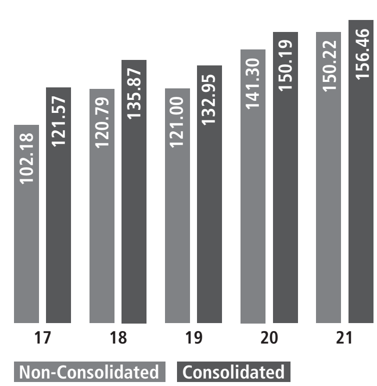
Total Net Assets
Billions of yen



Net Assets per Common Share
Yen



Profit per Common Share
Yen



RESULTS OF OPERATIONS

The Kinden Group recorded a ¥29,632 million, or 5.1%, decrease in net sales of completed construction contracts from the previous fiscal year to ¥556,273 million (US$5,024,601 thousand). Gross profit on completed construction contracts decreased ¥2,087 million, or 2.1%, from the previous fiscal year to ¥99,231 million (US$896,318 thousand). Although the profit margin on completed construction contracts increased from the previous fiscal year, net sales of completed construction contracts decreased.

Selling, general and administrative (SG&A) expenses decreased by ¥8 million, or 0.0%, from the previous fiscal year to ¥56,283 million (US$508,383 thousand). Although transportation expenses and other expenses decreased, SG&A expenses were virtually the same as in the previous fiscal year because the number of subsidiaries increased.

Operating income decreased ¥2,078 million, or 4.6%, to ¥42,948 million (US$387,934 thousand).

Ordinary income decreased ¥1,932 million, or 4.1%, to ¥44,794 million (US$404,615 thousand).

Profit attributable to owners of parent decreased ¥144 million, or 0.4%, to ¥32,356 million (US$292,261 thousand).

Net sales of completed construction contracts, operating income, and ordinary income fell below the amounts of the previous consolidated fiscal year. Profit attributable to owners of parent decreased only slightly due to an increase in extraordinary income resulting from a gain on sales of investment securities and a decline in extraordinary loss due to a decrease in loss on valuation of investment securities that was recorded in the previous fiscal year.

FINANCIAL POSITION

Assets

Current assets at March 31, 2021 amounted to ¥434,229 million, up ¥17,429 million, or 4.2%, from March 31, 2020. The rise was due primarily to an increase in cash on hand (cash and cash equivalents).

Noncurrent assets increased ¥11,313 million, or4.8%, from the end of the previous fiscal year, to ¥248,793 million. Property, plant and equipment decreased ¥921 million, to ¥98,662 million. The decrease is due mainly to depreciation as there were no particularly large new acquisitions or disposals or sales. Investments and other assets increased ¥12,456 million, to ¥145,215 million. This was due mainly to an increase in investment securities accompanying a rise in stock prices.

As a result, total assets amounted to ¥683,022 million (US$6,169,477 thousand) at the end of the fiscal year, up ¥28,742 million, or 4.4%, from the end of the previous fiscal year.

Liabilities

Current liabilities decreased ¥7,349 million, or 4.3%, from the end of the previous fiscal year to ¥162,225 million. This decrease was due mainly to a decline in notes payable, accounts payable for construction contracts and other.

Noncurrent liabilities increased ¥7,118 million, or 34.8%, to ¥27,588 million. This was due mainly to an increase in deferred tax liabilities accompanying a rise in stock prices.

Consequently, total liabilities came to ¥189,813 million (US$1,714,513 thousand), a decrease of ¥230 million, or 0.1%, from the end of the previous fiscal year.

Net Assets

Shareholders' equity rose ¥14,420 million, to ¥449,037 million, due to an increase in retained earnings on the posting of profit attributable to owners of parent and a decrease due to the payment of shareholder dividends and the purchase of treasury stock. On February 26, 2021 treasury stock was retired and treasury stock amounted to ¥307 million. Accumulated other comprehensive income increased ¥14,702 million, to ¥43,018 million due to an increase in valuation difference on available-for-sale securities.

Additionally, non-controlling interests amounted to ¥1,152 million.

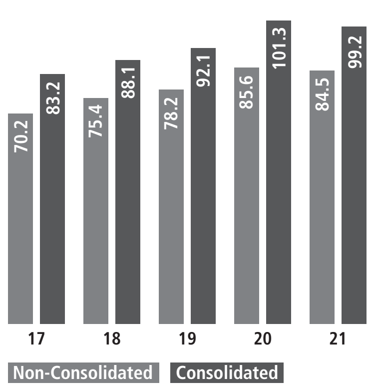
As a result, total net assets amounted to ¥493,209 million (US$4,454,964 thousand), an increase of ¥28,973 million, or 6.2%, from the end of the previous fiscal year. The equity ratio stood at 72.0%, an increase of 1.2 percentage points from the end of the previous fiscal year.

CASH FLOW ANALYSIS

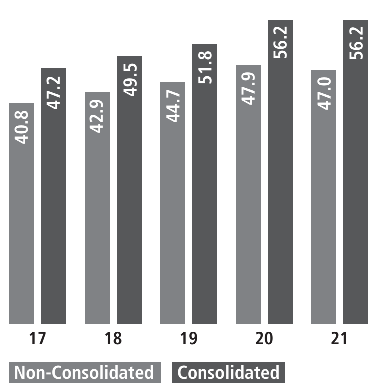
Net cash provided by operating activities in the fiscal year under review amounted to ¥43,338 million (US$391,457 thousand), compared with ¥46,732 million in the previous fiscal year. This was due to profit before income taxes, despite income taxes paid.

Net cash used in investing activities came to ¥5,846 million (US$52,810 thousand), compared with ¥28,934 million in the previous

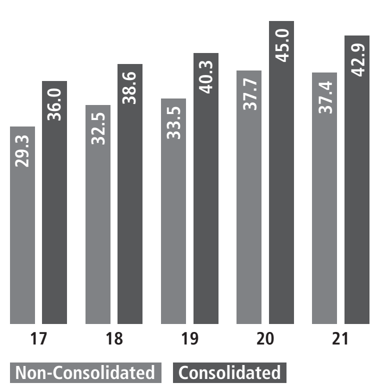
Gross Profit on Completed Construction Contracts
Billions of yen



Selling, General and Administrative Expenses
Billions of yen



Operating Income
Billions of yen



fiscal year. This was due to such factors as payments for the purchase of property, plant and equipment and purchase of investment securities.

Net cash used in financing activities was ¥17,277 million (US$156,060 thousand), compared with ¥15,761 million in the previous fiscal year, mainly owing to purchase of treasury stock and cash dividends paid.

As a result, cash and cash equivalents stood at ¥169,146 million (US$1,527,829 thousand), an increase of ¥20,137 million from the end of the previous fiscal year, compared with ¥1,817 million at the previous fiscal year.

RISK FACTORS

Among matters related to business conditions, accounting conditions, etc., the following are the main risks that management recognizes could have a significant impact on the financial condition, operating results and cash flow conditions of the consolidated company.

The Group has established a risk management system as described in State of Corporate Governance and is working to strengthen its risk management functions.

Those future issues mentioned in this document are those based on the judgment of the Group as of the end of the current consolidated fiscal year.

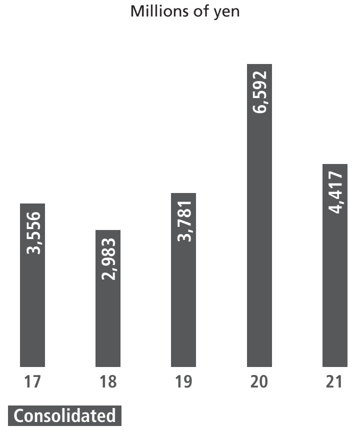
Economic Conditions

The demand for electrical facility installation work, which is the major source of the Kinden Group's earnings, is influenced by economic conditions in the regions and countries in which the Group receives orders. The Kinden Group formulated a six-year medium-term management plan being implemented from fiscal 2021 to fiscal 2026 and is investing for aggressive growth and moving ahead in establishing and strengthening a business foundation centered on human resources.

1. Price-based competition for private-sector construction orders

The most crucial factor in obtaining orders becomes pricing, which encourages intense price-based competition. If demand for construction declines or shrinks, price competition would become even more severe, and this may lead to a negative impact on the Group's results and financial position.

Capital Investment



2. Restrained construction investment through national and local government policy

Based on policies of the national government and local government bodies to restrain construction investment, public works orders have declined and the Kinden Group has felt the impact of these policies. If, in the future, policies are implemented that further restrain construction investment, resulting in a significant drop in orders compared with the current level, this may lead to a negative impact on the Group's results and financial position.

3. Changes in overseas economic conditions and regulatory environment

The Kinden Group is active in overseas construction markets, particularly in infrastructure-related construction. If changes occur in the economic situation or regulatory environment of countries or regions in which the Group operates, this may lead to a negative impact on the Group's results and financial position.

4. Increased materials costs and outsourcing costs

A sharp surge to higher levels than forecast in the price of raw materials as well as in outsourced labor unit costs may decrease the profitability of construction work, and could negatively affect the Group's results and financial position and may lead to a negative impact on the Group's results and financial position.

5. Restrained capital investment by Kansai Electric Power Group

The Kinden Group receives orders and carries out power distribution lining, electric power and other work from Kansai Electric Power Group, Incorporated, a major customer. In the performance of this work, the Kinden Group faces a range of fixed costs, including labor costs and costs associated with vehicles, machinery, equipment and the maintenance of operations centers. If, in the future, capital investment by electric power companies becomes further restrained, resulting in a significant imbalance between the level of orders received and the operational infrastructure maintained by the Group, this may lead to a negative impact on the Group's results and financial position.

Exposure to Bad Debts Due to Customer Bankruptcies and Other Factors

The Kinden Group undertakes work based on contracts concluded with customers. Contracts are performed and payment is received according to contract conditions. The Group has strengthened its credit control systems in recent years; however, if a customer falls into bankruptcy, the Group would likely face exposure to bad debts. Depending on the size of the bad debts If a large amount of bad debts occur, this may lead to a negative impact on the Group's results and financial position.

Impact of Large-Scale Natural Disasters and the Outbreak of Infectious Diseases

If a large-scale natural disaster or an infectious disease pandemic occurs and Group facilities (buildings, cars, construction equipment, etc.) and employee suffer damages, or if the domestic economy is disrupted as a result of a natural disaster or outbreak of infectious diseases, this may lead to a negative impact on the Group's results and financial position.

COVIID-19 infections are now prevalent globally and the timing of the subsiding of this virus and trends in the construction market could have an adverse impact on the Group's business results and financial position.

Consolidated Balance Sheets

KINDEN CORPORATION AND SUBSIDIARIES
March 31, 2020 and 2021

ASSETS	Millions of yen 2020	Millions of yen 2021	Thousands of U.S. dollars 2021
CURRENT ASSETS:			
Cash and deposits	¥ 50,791	¥ 42,422	$ 383,183
Notes receivable, accounts receivable from completed construction contracts and other	220,635	208,982	1,887,660
Short-term investment securities	107,002	136,409	1,232,134
Costs on uncompleted construction contracts	18,076	18,012	162,697
Raw materials and supplies	1,502	2,440	22,043
Deposits paid	10,000	20,000	180,652
Other	10,518	6,949	62,773
Allowance for doubtful accounts	(1,725)	(987)	(8,920)
Total current assets	416,800	434,229	3,922,223
NONCURRENT ASSETS:			
PROPERTY, PLANT AND EQUIPMENT:			
Buildings and structures	96,067	96,597	872,530
Machinery, equipment and vehicles	40,130	40,596	366,694
Tools, furniture and fixtures	11,604	11,730	105,961
Land	57,851	58,109	524,881
Construction in progress	140	180	1,633
Accumulated depreciation	(106,210)	(108,553)	(980,522)
Total property, plant and equipment	99,584	98,662	891,179
INTANGIBLE ASSETS	5,136	4,915	44,396
INVESTMENTS AND OTHER ASSETS:			
Investment securities	114,032	133,796	1,208,533
Long-term deposits	10,000	—	—
Net defined benefit asset	2,702	5,711	51,588
Deferred tax assets	1,392	992	8,960
Other	5,526	5,582	50,420
Allowance for doubtful accounts	(894)	(866)	(7,824)
Total investments and other assets	132,758	145,215	1,311,677
Total noncurrent assets	237,479	248,793	2,247,253
Total assets	¥654,279	¥683,022	$6,169,477

See the accompanying notes to consolidated financial statements.

LIABILITIES AND NET ASSETS	Millions of yen 2020	Millions of yen 2021	Thousands of U.S. dollars 2021
CURRENT LIABILITIES:			
Notes payable, accounts payable for construction contracts and other	¥ 87,705	¥ 73,889	$ 667,411
Short-term loans payable	15,817	16,589	149,847
Income taxes payable	12,183	11,638	105,125
Advances received on uncompleted construction contracts	10,925	16,694	150,795
Provision for loss on construction contracts	2,434	1,483	13,402
Provision for warranties for completed construction	605	567	5,126
Provision for directors' bonuses	225	207	1,873
Other	39,677	41,155	371,737
Total current liabilities	169,575	162,225	1,465,320
NONCURRENT LIABILITIES:			
Long-term loans payable	26	59	534
Deferred tax liabilities	309	6,887	62,212
Provision for directors' retirement benefits	207	224	2,024
Net defined benefit liability	19,665	20,167	182,164
Other	260	249	2,257
Total noncurrent liabilities	20,469	27,588	249,193
Total liabilities	190,044	189,813	1,714,513
NET ASSETS:			
SHAREHOLDERS' EQUITY:			
Capital stock			
Authorized: 600,000,000 shares			
Issued: 205,141,080 shares (2021)	26,411	26,411	238,564
Capital surplus	29,136	29,147	263,282
Retained earnings	388,879	393,785	3,556,913
Treasury stock	(9,810)	(307)	(2,777)
Total shareholders' equity	434,617	449,037	4,055,982
ACCUMULATED OTHER COMPREHENSIVE INCOME:			
Valuation difference on available-for-sale securities	29,674	42,914	387,629
Foreign currency translation adjustment	(864)	(1,351)	(12,209)
Remeasurements of defined benefit plans	(493)	1,456	13,151
Total accumulated other comprehensive income	28,316	43,018	388,571
NON-CONTROLLING INTERESTS	1,301	1,152	10,409
Total net assets	464,235	493,209	4,454,964
Total liabilities and net assets	¥654,279	¥683,022	$6,169,477

Consolidated Statements of Income

KINDEN CORPORATION AND SUBSIDIARIES
For the fiscal years ended March 31, 2020 and 2021

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Net sales of completed construction contracts	¥585,905	¥556,273	$5,024,601
Cost of sales of completed construction contracts	484,586	457,042	4,128,282
Gross profit on completed construction contracts	101,318	99,231	896,318
Selling, general and administrative expenses	56,291	56,283	508,383
Operating income	45,026	42,948	387,934
Non-operating income:			
Interest income	257	248	2,243
Dividends income	1,926	1,801	16,275
Other	772	803	7,255
Total non-operating income	2,955	2,853	25,774
Non-operating expenses:			
Interest expenses	244	184	1,662
Commission for purchase of treasury shares	17	180	1,630
Compensation expenses	91	155	1,404
Dismantlement cost	114	126	1,138
Other	787	360	3,258
Total non-operating expenses	1,255	1,006	9,093
Ordinary income	46,727	44,794	404,615
Extraordinary income:			
Gain on sales of investment securities	157	2,738	24,737
Gain on revision of retirement benefit plan	1,603	—	—
Other	397	110	993
Total extraordinary income	2,158	2,848	25,731
Extraordinary loss:			
Loss on retirement of non-current assets	94	67	613
Loss on liquidation of subsidiaries and associates	—	122	1,106
Other	1,000	25	233
Total extraordinary losses	1,095	216	1,953
Profit before income taxes	47,790	47,427	428,393
Income taxes-current	16,286	14,645	132,288
Income taxes-deferred	(1,036)	510	4,615
Total income taxes	15,249	15,156	136,903
Profit	32,541	32,270	291,489
Profit (loss) attributable to non-controlling interests	40	(85)	(771)
Profit attributable to owners of parent	¥ 32,500	¥ 32,356	$ 292,261

	Yen		U.S. dollars
	2020	2021	2021
Amounts per common share:			
Profit attributable to owners of parent	¥150.19	¥156.46	$1.41
Cash dividends	32.00	35.00	0.31

See the accompanying notes to consolidated financial statements.

Consolidated Statements of Comprehensive Income

KINDEN CORPORATION AND SUBSIDIARIES
For the fiscal years ended March 31, 2020 and 2021

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Profit	¥32,541	¥32,270	$291,489
Other comprehensive income:			
Valuation difference on available-for-sale securities	(9,189)	13,240	119,594
Foreign currency translation adjustment	(112)	(532)	(4,811)
Remeasurements of defined benefit plans, net of tax	6,218	1,949	17,606
Other comprehensive income	(3,083)	14,656	132,389
Comprehensive income	¥29,457	¥46,927	$423,879
Comprehensive income attributable to:			
Comprehensive income attributable to owners of the parent	¥29,351	¥47,058	$425,064
Comprehensive income attributable to non-controlling interests	105	(131)	(1,185)

See the accompanying notes to consolidated financial statements.

Consolidated Statements of Changes in Net Assets

KINDEN CORPORATION AND SUBSIDIARIES
For the fiscal years ended March 31, 2020 and 2021

	Thousands	Millions of yen								
	Shares of common stock	Capital stock	Capital surplus	Retained earnings	Treasury stock	Valuation difference on avaiable-for-sale securities	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Non-con-trolling interests	Total net assets
Balance at April 1, 2019	218,141	¥26,411	¥29,184	¥363,104	¥(1,053)	¥38,864	¥ (686)	¥(6,711)	¥1,153	¥450,265
Cash dividends				(6,725)						(6,725)
Profit attributable to owners of parent				32,500						32,500
Purchase of treasury stock					(8,756)					(8,756)
Disposal of treasury stock			0		0					0
Purchase of shares of consolidated subsidiaries										—
Sales of shares of consolidated subsidiaries			(48)							(48)
Net changes of items other than shareholders' equity						(9,189)	(177)	6,218	148	(3,001)
Balance at April 1, 2020	218,141	¥26,411	¥29,136	¥388,879	¥(9,810)	¥29,674	¥ (864)	¥ (493)	¥1,301	¥464,235
Cash dividends				(6,896)						(6,896)
Profit attributable to owners of parent				32,356						32,356
Purchase of treasury stock					(11,051)					(11,051)
Disposal of treasury stock										—
Cancellation of treasury shares	(13,000)		(0)	(20,553)	20,554					—
Purchase of shares of consolidated subsidiaries			11							11
Sales of shares of consolidated subsidiaries										—
Net changes of items other than shareholders' equity						13,240	(486)	1,949	(149)	14,553
Balance at March 31,2021	205,141	¥26,411	¥29,147	¥393,785	¥ (307)	¥42,914	¥(1,351)	¥ 1,456	¥1,152	¥493,209

	Thousands	Thousands of U.S. dollars								
	Shares of common stock	Capital stock	Capital surplus	Retained earnings	Treasury stock	Valuation difference on avaiable-for-sale securities	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Non-con-trolling interests	Total net assets
Balance at April 1,2020	218,141	$238,564	$263,181	$3,512,596	$(88,613)	$268,035	$ (7,811)	$ (4,454)	$11,760	$4,193,258
Cash dividends				(62,293)						(62,293)
Profit attributable to owners of parent				292,261						292,261
Purchase of treasury stock					(99,821)					(99,821)
Disposal of treasury stock										—
Cancellation of treasury shares	(13,000)		(6)	(185,651)	185,657					—
Purchase of shares of consolidated subsidiaries			106							106
Sales of shares of consolidated subsidiaries										—
Net changes of items other than shareholders' equity						119,594	(4,397)	17,606	(1,350)	131,452
Balance at March 31, 2021	205,141	$238,564	$263,282	$3,556,913	$ (2,777)	$387,629	$(12,209)	$13,151	$10,409	$4,454,964

See the accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

KINDEN CORPORATION AND SUBSIDIARIES
For the fiscal years ended March 31, 2020 and 2021

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit before income taxes	47,790	¥ 47,427	$ 428,393
Adjustments for:			
Depreciation	5,415	6,161	55,653
Increase (decrease) in allowance for doubtful accounts	(361)	(765)	(6,911)
Increase (decrease) in provision for loss on construction contracts	1,957	(950)	(8,584)
Increase (decrease) in net defined benefit liability	(361)	688	6,221
Decrease (increase) in net defined benefit asset	(1,258)	(369)	(3,333)
Interest and dividends income	(2,183)	(2,050)	(18,519)
Interest expenses	244	184	1,662
Loss (gain) on sale of investment securities	(155)	(2,736)	(24,713)
Loss (gain) on sales and retirement of non-current assets	(192)	(38)	(352)
Decrease (increase) in notes and accounts receivabl-trade	4,439	11,315	102,211
Decrease (increase) in costs on uncompleted construction contracts	(1,128)	23	211
Increase (decrease) in notes and accounts payable-trade	2,105	(13,687)	(123,637)
Increase (decrease) in advances received on uncompleted construction contracts	(2,712)	5,877	53,093
Other	6,223	5,554	50,169
Sub-total	59,821	56,635	511,564
Interest and dividends income received	2,140	2,086	18,847
Interest expenses paid	(244)	(184)	(1,662)
Income taxes paid	(14,985)	(15,199)	(137,292)
Net cash provided by (used in) operating activities	46,732	43,338	391,457
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments into time deposits	(4,959)	(2,189)	(19,778)
Proceeds from withdrawal of time deposits	5,730	2,613	23,607
Payments of deposit	(20,000)	(10,000)	(90,326)
Proceeds from withdrawal deposit	—	10,000	90,326
Purchase of investment securities	(8,775)	(11,327)	(102,312)
Proceeds from sale and redemption of short-term and long-term investment securities	8,365	10,751	97,117
Purchase of property, plant and equipment	(6,473)	(4,689)	(42,362)
Proceeds from sales of property, plant and equipment	331	181	1,636
Payments of loans receivable	(2,992)	(100)	(903)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	91	—	—
Other	(252)	(1,086)	(9,813)
Net cash provided by (used in) investing activities	(28,934)	(5,846)	(52,810)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net increase (decrease) in short-term loans payable	(128)	771	6,971
Purchase of treasury stock	(8,756)	(11,052)	(99,833)
Cash dividends paid	(6,725)	(6,896)	(62,293)
Dividends paid to non-controlling interests	(5)	(5)	(46)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(1)	(12)
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	2	—	—
Other	(148)	(93)	(845)
Net cash provided by (used in) financing activities	(15,761)	(17,277)	(156,060)
EFFECT OF EXCHANGE RATE CHANGE ON CASH AND CASH EQUIVALENTS	(218)	(76)	(694)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,817	20,137	181,893
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	147,191	149,008	1,345,936
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	¥149,008	¥169,146	$1,527,829

See the accompanying notes to consolidated financial statements.

1. Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements have been prepared from the accounts and records maintained by KINDEN CORPORATION ("the Company") and its consolidated subsidiaries ("the Group"). The Company and its consolidated subsidiaries maintain their accounts and records in accordance with the provisions set forth in the Financial Instruments and Exchange Law of Japan and in conformity with principles and practices generally accepted in Japan, which are different in certain respects from the accounting and disclosure requirements of international accounting standards.

The consolidated financial statements are prepared from the financial statements of the Company and its consolidated subsidiaries, which are filed with the Ministry of Finance as required by the Financial Instruments and Exchange Law of Japan.

The amounts stated in the accompanying consolidated financial statements are in Japanese yen. U.S. dollar amounts included in the accompanying consolidated financial statements and the notes to consolidated financial statements represent the arithmetic result of translating Japanese yen to U.S. dollar amounts on a basis of ¥110.71 to US$1, the fixed-market rate on March 31, 2021. U.S. dollar amounts are rounded down to the nearest thousand dollars. Such U.S. dollar amounts are not intended to imply that Japanese yen amounts have been converted, realized or settled in U.S. dollars, at that or any other rate. Amounts in "2. Principal breakdown of assets and liabilities of company that became a newly consolidated subsidiary through the acquisition of shares or equity" in NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS and "Confirmation of provisional treatment concerning business combination" in BUSINESS COMBINATION, ETC are converted at the rate of ¥108.83 to US$1 at the end of the previous consolidated fiscal year.

2. Basis of Consolidation and Accounting of Investments in Affiliated Companies

(1) Consolidated subsidiaries: 20
(2) The names of the principal consolidated subsidiaries are as reported in Network on p.54-55 of the Annual Report.
(3) Names of non-consolidated subsidiaries
Kinden International, Ltd.
Kinden India Private Limited
Non-consolidated companies are excluded from the scope of consolidation because they are small companies and their totals of total assets, net sales, profit (proportionate to equity holding) and retained earnings (proportionate to equity holding) have no material effect on the consolidated financial statements. Liquidation procedures were commenced for Kinden International, Ltd. in January 2021 and for Kinden India Private Limited in February 2021.

3. Major Affiliates Accounted for by the Equity Method

(1) Number of affiliate accounted by the equity method: 1
(2) Name of affiliate accounted by the equity method
KINKA Corporation
(3) Names of subsidiaries not accounted for by the equity method
Kinden International, Ltd.
Kinden India Private Limited
(4) Names of affiliates not accounted for by the equity method
Sanyu Co., Ltd. and three other companies

The two non-equity method non-consolidated subsidiaries and the four non-equity method affiliates are excluded from the application of the equity method owing to their having no material effect on profit (proportionate to equity holdings) and retained earnings (proportionate to equity holdings) and due to their having little significance in relation to the Company's overall position.

4. Fiscal Year-End of Consolidated Subsidiaries

Among the consolidated subsidiaries, the account closing date for US Kinden Corporation, Wasa Electrical Services, Inc., P.T. Kinden Indonesia, Kinden Phils Corporation, Kinden Vietnam Co., Ltd. and Kinden (Thailand) Co., Ltd. is December 31. The financial statements as of the account closing date are used in the preparation of the consolidated financial statements. The necessary adjustments are made to the consolidated financial statements for significant transactions that occur during the period from January 1 to March 31.

The fiscal year-end for consolidated subsidiaries other than those listed above is the same as the Company.

5. Summary of Significant Accounting Policies

(1) Standards and Methods for Valuing Assets

Securities

1) Held-to-maturity debt securities
Amortized cost method (Straight-line method)

2) Available-for-sale securities
Securities with quoted market values
Securities with quoted market values are stated at fair value on the consolidated account settlement date. (Net unrealized gains and losses on available-for-sale securities are reported directly to net assets. The costs of these securities are calculated based on the moving-average cost method.)

Securities without quoted market values
Securities without quoted market values are stated on a cost basis using the moving-average method.

Derivatives

Market value method

Inventories

1) Costs on uncompleted construction contracts
Costs on uncompleted construction contracts are stated at actual cost.

2) Raw materials and supplies
Raw materials and supplies are principally stated at most moving-average method. (The balance sheet amounts are determined by writing down the book value based on the decrease in profitability.)

(2) Method of Depreciation of Material Depreciable Assets

1) Tangible fixed assets (Excluding leased assets)

The Company and its domestic consolidated subsidiaries mainly compute depreciation of property, plant and equipment based on the declining-balance method, except that buildings and structures (excluding attached structures) acquired on or after April 1, 1998 and facilities attached to buildings and structures acquired on or after April 1, 2016 are depreciated by the straight-line method. The overseas consolidated subsidiaries mainly compute depreciation of property, plant and equipment using the straight-line method.

Useful lives of principal assets are as follows:

Buildings and structures 10 to 50 years
Machinery and vehicles 3 to 22 years

2) Intangible assets (Excluding leased assets)

Straight-line method

Amortization of internal-use software is calculated by the straight-line method over the useful life of the asset in the Company (five years).

3) Leased assets

Leased assets related to finance leases that do not transfer ownership are depreciated using the straight-line method, with zero residual values and useful lives equal to lease terms.

(3) Accounting Basis for Allowances

1) Allowance for doubtful accounts

To make allowance for possible losses on receivables, including loans receivable and accounts receivable, the Company provided an amount to cover possible losses on collection. It consists of the estimated uncollectible amount calculated by applying the percentage of actual losses on collection to the remaining receivables experienced in the past and the identified doubtful receivables determined by management.

2) Provision for loss on construction contracts

To provide for future losses on construction orders, the Company makes allowance provisions for uncompleted construction contracts at year-end based on projected losses. The provision amount is determined by a rational estimate of the likely loss amount.

3) Provision for warranties for completed construction

To provide for possible future expenses under warranties for completed construction contracts, the Company makes allowance provisions for construction contracts completed during the fiscal year. The provision amount is determined based on estimates of claims on construction contracts for which the Company has warranty liability.

4) Provision for directors' bonuses

To provide for the payment of directors' bonuses, the Company makes allowance provisions for directors' bonuses based on the expected amount applicable to the fiscal year.

5) Provision for directors' retirement benefits

To provide for the payment of directors' retirement benefits, some of the domestic consolidated subsidiaries record provisions for benefits for retired directors in an actual amount equal to the need at the end of the consolidated fiscal year under review calculated based on company regulations.

(4) Retirement Benefits

1) Method of attributing expected benefit to period

To calculate retirement benefit obligation, the Company calculates the estimated amount of retirement benefits attributed to the consolidated fiscal year under review according to the benefit formula, while consolidated subsidiaries employ the straight-line attribution method.

2) Amortization of actuarial differences and prior service cost

Actuarial differences are amortized and allocated proportionately beginning with the year following the year in which the difference was incurred. Amortization is performed using the straight-line method over a set number of years (mainly 15 years), which falls within the average remaining years of service of the employees when the difference was incurred for each consolidated fiscal year.

Prior service cost is amortized using the straight-line method over a set number of years (15 years) falling within the average remaining years of service when such liabilities are incurred.

3) Accounting treatment of unrecognized actuarial gains and losses and unrecognized prior service costs

Unrecognized actuarial gains or losses and unrecognized prior service costs, net of tax effects, are recorded in accumulated other comprehensive income (remeasurements of defined benefit plans) under net assets.

4) Application of simplified methods for small companies

Certain of the Company's consolidated subsidiaries calculate the simplified method to calculate retirement benefit obligations and retirement benefit costs, stating retirement benefit obligations at the necessary payment amounts for voluntary retirement as of the end of the fiscal year.

(5) Recognition of Revenues and Costs of Construction Contracts

Net sales of completed construction contracts are determined based on the percentage-of-completion method (where progress of the work is estimated on the cost-to-cost basis) for the portion of construction in progress that is deemed certain to be completed by the fiscal year-end, and based on the completed-contract method for other work.

(6) Accounting for Hedging

1) Method for hedge accounting

Hedging activities are principally accounted for under the deferral hedge accounting method. If the criteria for appropriation are met, gains and losses on foreign exchange forward contracts are appropriated, and if the criteria for special cases are met, gains and losses on interest rate swaps are accounted for in a non-standard way.

2) Hedging instruments and hedged items

Hedging instruments

Foreign exchange forward contracts and interest rate swaps are used.

Hedged items

Loans, transactions expected to be denominated in foreign currencies, and accounts payable denominated in foreign currencies related to the importation of raw materials.

3) Hedging policy

Based on internal regulations that stipulate items such as the authority for derivative trading and the scope of transactions, exchange-rate risks and interest-rate risks related to the hedged items are hedged to a certain degree.

4) Method for evaluating the effectiveness of hedges

A comparison of the accumulative changes in cash flows of the hedged items or the changes in exchange rates and the accumulative changes in cash flows of the hedging instruments or the changes in exchange rates are made every six months, and the effectiveness of hedges is evaluated based on the factors such as the amount of changes.

The evaluation of the effectiveness of the interest rate swaps accounted for using the non-standard method has been omitted.

(7) Amortization of Goodwill

Goodwill is amortized on a straight-line basis over the period of benefit up to 20 years. However, when the amount is immaterial, it is written off as an expense in the accounting period in which it was incurred.

(8) Scope of Cash on Consolidated Statements of Cash Flows

Cash and cash equivalents in the statements of cash flows consist of vault cash, deposits that can be withdrawn on demand, and short-term investments generally with maturities of 3 months or less, that are readily convertible to known amounts of cash and present insignificant risk of change in value.

(9) Other Material Items in Basis of Presentation of Consolidated Financial Statements

Accounting for consumption taxes

Consumption and local consumption taxes are accounted for by the tax-exclusion method. Consumption and local consumption taxes that do not qualify for deduction are written off as expenses in the consolidated fiscal year under review.

Significant accounting estimates

1. Net sales of completed construction contracts based on percentage-of-completion method

1) Amount recorded on the consolidated financial statements for the current consolidated fiscal year

	For the fiscal year ended March 31, 2021
Net sales of completed construction contracts based on the percentage-of-completion standard	¥329,127 million $2,972,882 thousand

2) Information concerning details of significant accounting estimates for recognized items

As listed in 5. Summary of Significant Accounting Policies (5) Recognition of Revenues and Costs of Construction Contracts, sales of completed construction contracts are recorded based on the percentage-of-completion method (where progress of the work is estimated on the cost-to-cost basis) for the portion of construction in progress that is deemed certain to be completed by the fiscal year-end and based on the completed-contract method for other work. In applying the percentage-of-completion method, total construction revenue, total construction cost, and progress of the work on the settlement date are reasonably estimated and the sales of completed construction contracts is calculated accordingly. The Group is continuously reviewing these estimates as work progresses. However, these are accompanied by constant uncertainties and therefore these could have a significant impact on the amount recognized in the consolidated financial statements for the following consolidated fiscal year and thereafter.

2. Recording of provision for loss on construction contracts

1) Amount recorded in the consolidated financial statements for the current consolidated fiscal year

	For the fiscal year ended March 31, 2021
Provision for loss on construction contracts	¥1,483 million $13,402 thousand

2) Information concerning details of significant accounting estimates for recognized items

As listed in 5. Summary of Significant Accounting Policies (3) Accounting Basis for Allowances, to prepare for future losses on construction orders, the Group estimates the expected amount of loss and records the Provision for loss on construction contracts based on this for work on hand at the end of the current consolidated fiscal year that is expected to incur losses and for which the amount can be reasonably estimated. The Group continually reviews estimates and the underlying assumptions. However, these are accompanied by constant uncertainties and therefore in the event the actual loss amount differs from the estimates, this could have a significant impact on the amount recognized in the consolidated financial statements for the following consolidated fiscal year and thereafter.

3. Recoverability of deferred tax assets

1) Amount recorded on the consolidated financial statements for the current consolidated fiscal year

	For the fiscal year ended March 31, 2021
Deferred tax assets (before offset against deferred tax liabilities)	¥13,063 million $117,997 thousand

2) Information concerning details of significant accounting estimates for recognized items

The Group applies tax effect accounting and records deferred tax assets and deferred tax liabilities. In recording deferred tax assets, the future taxable income is estimated based on the business plan and the schedule for eliminating temporary differences and the recoverability of deferred tax assets is determined. The Group judges that its determination of recoverability is reasonable. However, the timing and amount of taxable income could be affected by uncertain future fluctuations in economic conditions. In the event that the actual timing and amount differ from the estimate, this could have a significant impact on the amount recognized in the consolidated financial statements for the following consolidated fiscal year and thereafter.

4. Retirement benefit obligations

1) Amount recorded on the consolidated financial statements for the current consolidated fiscal year

	For the fiscal year ended March 31, 2021
Net defined benefit liability	¥20,167 million $182,164 thousand
Net defined benefit asset	¥5,711 million $51,588 thousand

2) Information concerning details of significant accounting estimates for recognized items

As listed in 5. Summary of Significant Accounting Policies (4) Retirement Benefits, to allocate for employee retirement benefits, retirement benefit liabilities and retirement benefit assets are recorded based on various actuarial assumptions. These assumptions include discount rates, long-term expected rates of return on pension assets, retirement rates, mortality rates, and the Group has determined that the actuarial assumptions used are reasonable. However, in the event it becomes necessary to revise these assumptions due to uncertain future changes in economic conditions, this could have a significant impact on the amount recognized in the consolidated financial statements for the next consolidated fiscal year and thereafter.

ACCOUNTING STANDARDS NOT YET APPLIED, ETC.

- "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29 on March 31, 2020, Accounting Standards Board of Japan)
- "Implementation Guidance on Accounting Standard for Revenue Recognition" (ASBJ Guidance No. 30 on March 26, 2021, Accounting Standards Board of Japan)
- "Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19 on March 31, 2020, Accounting Standards Board of Japan)

(1) Overview

The International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) in the United States jointly developed a comprehensive accounting standard for revenue recognition and published the "Revenue from Contracts with Customers" (IFRS 15 in the IASB and Topic 606 in the FASB) in May 2014. Given that IFRS 15 will be applied from a fiscal year starting on or after January 1, 2018 and that Topic 606 will be applied from the fiscal year starting after December 15, 2017, the Accounting Standards Board of Japan (ASBJ) has developed a comprehensive accounting standard for revenue recognition and published it together with the Implementation Guidance. The basic policy of the ASBJ in developing the accounting standard for revenue recognition is the setting of accounting standards, with the incorporation of the basic principles of IFRS 15 as a starting point, from a standpoint of comparability between financial statements, which is one of the benefits of achieving consistency with IFRS 15. If there are matters to be taken into consideration in Japan in actual practice, etc., alternative handling will be added within a range that would not impair financial statement comparability.

(2) Planned date of application

To be applied from the beginning of the fiscal year ending March 31, 2022.

(3) Impact of application on these accounting standards, etc.

The amount of impact of Accounting Standards for Revenue Recognition, etc. on consolidated financial statements is currently under assessment.

CHANGE OF THE PRESENTATION METHOD

(Consolidated statements of income)

"Commission for purchase of treasury shares," "compensation expenses" and "dismantlement cost" included in "other" under "non-operating expenses" in the previous consolidated fiscal year are accounted for as separate items the current consolidated fiscal year because these exceeded 10% of total non-operating expenses. In addition, "foreign exchange losses" in "non-operating expenses" accounted for as separate items in the previous consolidated fiscal year is now listed as "foreign exchange gains" in "non-operating income" in the current consolidated fiscal year. However, because this was less than 10% total non-operating income, it is included in "other" of "non-operating income." To reflect these changes in the presentation method, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, "foreign exchange losses" of 315 million yen and "other" of 695 million yen presented under non-operating expenses in the Consolidated Statements of Income for the previous consolidated fiscal year are reclassified as "Commission for purchase of treasury shares" of 17 million yen, "compensation expenses" of 91 million yen, "dismantlement costs" of 114 million yen, and "other" of 787 million yen under non-operating expenses.

Because "gain on sales of investment securities" included in "other" under "extraordinary income" in the previous consolidated fiscal year exceeded 10% of the total amount of extraordinary income, it will be presented as a separate item from the current consolidated fiscal year. In addition, because "Gain on sales of noncurrent assets" presented separately under "extraordinary income" in the previous consolidated fiscal year was less than 10% of the total amount of extraordinary income, it is included in "other" in the current consolidated fiscal year. To reflect these changes in the presentation method, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, "gain on sales of non-current assets" of 283 million yen and "other" of 270 million yen presented under extraordinary income in the Consolidated Statements of Income for the previous consolidated fiscal year are reclassified as "gain on sales of investment securities" of 157 million yen and "other" of 397 million yen under extraordinary income.

Because "loss on retirement of non-current assets" included in "other" of "extraordinary loss" in the previous consolidated fiscal year exceeded 10% of the total amount of extraordinary loss, it is presented separately from the current consolidated fiscal year. In addition, because "loss on valuation of investment securities" presented under "extraordinary loss" in the previous consolidated fiscal year was less than 10% of the total amount of extraordinary loss, it is included in "other" in "extraordinary loss" from the current consolidated fiscal year. To reflect these changes in the presentation method, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, "loss on valuation of investment securities" of 978 million yen and "other" of 117 million yen presented under extraordinary loss in the Consolidated Statements of Income for the previous consolidated fiscal year are reclassified as "loss on retirement of non-current assets" of 94 million yen and "other" of 1,000 million yen under extraordinary loss.

(Consolidated statements of Cash Flows)

"Loss (gain) on valuation of investment securities" presented as a separate item under "Cash flows from operating activities" in the previous consolidated fiscal year is included in "Other" in "Cash flows from operating activities" from the current consolidated fiscal year because the monetary amount is not important. In addition, "Loss (gain) on sales of investment securities," which was presented under "Other" in "Cash flows from operating activities" in the previous consolidated fiscal year, is presented as a separate item in the current consolidated fiscal year because the monetary amount is important. To reflect these changes in the presentation method, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, "Loss (gain) on valuation of investment securities" of 978 million yen and "Other" of 5,090 yen that were presented in "Cash flows from operating activities" in the Consolidated Statements of Cash Flows in the previous consolidated fiscal year are reclassified as "Loss (gain) on sales of investment securities of (155 million yen) and "Other" of 6,223 million yen.

(Application of Accounting Standard for Disclosure of Accounting Estimates)

Accounting Standard for Disclosure of Accounting Estimates (ASBJ Statement No. 31, March 31, 2020) is applied from the consolidated financial statements for the end of the current consolidated fiscal year. Notes concerning significant accounting estimates are described in the consolidated financial statements. However, in these notes, details concerning the previous consolidated fiscal year are not described in accordance with the transitional treatment stipulated in the proviso in paragraph 11 of the accounting standard.

ADDITIONAL INFORMATION

(Thinking regarding the impact of COVID-19 in making accounting estimates)

Forecasting how COVID-19 will spread and when it will subside is difficult. Nonetheless, we have made accounting estimates based on the information available at the time of preparation of the consolidated financial statements. As a premise of the estimate, we assume that the impact of COVID-19 will continue for the time being. Nevertheless, in the current consolidated fiscal year, the impact of work interruptions and declining construction demand on the consolidated financial statements was minimal. The timing of the subsiding of COVID-19 and trends in the construction market could have an impact on the consolidated financial statements for the next consolidated fiscal year such as by leading to a decrease in the amount of construction orders received and an accompanying decrease in net sales of completed construction contracts and profits.

NOTES TO CONSOLIDATED BALANCE SHEETS

1. The amounts of investment securities for non-consolidated subsidiaries and associates are as follows:

March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Investment securities-equity	¥2,392	¥2,420	$21,862

2. Assets pledged as collateral

The assets below are pledged as collateral for the loans of Kinden's investment company, which operates the PFI business.

March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Investment securities-equity	¥11	¥11	$99
Investments and other assets-long-term loans receivable	7	7	64

3. Guarantee obligations

The Company guarantees payments for shared lines and shared fees of the following companies.

March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
BAN-BAN Networks Co., Ltd.	¥20	¥21	$190

4. Reduction entry

The reduction entry amounts deducted from the acquisition cost of property, plant and equipment due to state subsidies are as follows:

March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Buildings and structures, machinery and vehicles	¥5,136	¥5,136	$46,393

5. Commitment line contracts

The Company has concluded commitment line contracts with four banks to procure working capital in a stable and efficient manner. The unexecuted loan balance concerning the commitment line contracts at the end of the consolidated fiscal year based on these contracts is as follows.

March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Total amount of commitment line contracts	¥—	¥50,000	$451,630
Executed loan balance	—	10,500	94,842
Differential amount	—	39,500	356,788

NOTES TO CONSOLIDATED STATEMENTS OF INCOME

1. The fiscal year-end balance of inventories is the written down book value based on decline in profitability, and the following loss (gain) on valuation of inventories is included in cost of sales of completed construction contracts.

For the fiscal years ended March 31

Millions of yen		Thousands of U.S. dollars
2020	2021	2021
¥2	¥(7)	$(66)

2. Provision for loss on construction contracts included in cost of sales of completed construction contracts is as follows:

For the fiscal years ended March 31

Millions of yen		Thousands of U.S. dollars
2020	2021	2021
¥2,388	¥281	$2,543

3. The principal expenses and amounts in selling, general and administrative expenses are as follows:

For the fiscal years ended March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Employees' salaries	¥26,604	¥27,283	$246,444
Retirement benefit expenses	1,510	1,613	14,575
Provision of allowance for doubtful accounts	(300)	(730)	(6,596)

4. Research and development expenses

The total amount of research and development expenses included in selling, general and administrative expenses is as follows:

For the fiscal years ended March 31

Millions of yen		Thousands of U.S. dollars
2020	2021	2021
¥571	¥575	$5,195

5. The principal breakdown of other in extraordinary income are as follows:

For the fiscal years ended March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Gain on sale of noncurrent assets	¥283	¥108	$983
Gain on negative goodwill	73	—	—

6. The breakdown of gain on sales of noncurrent assets included in other (extraordinary income) is as follows:

For the fiscal years ended March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Buildings and structures	¥ —	¥ 7	$ 70
Machinery and vehicles	9	7	64
Tools, furniture and fixtures	0	0	0
Land	274	93	847
Total	283	108	983

7. The principal breakdown of other in extraordinary loss are as follows:

For the fiscal years ended March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Loss on sales of noncurrent assets	¥ 12	¥ 3	¥ 28
Impairment loss	7	2	23
Loss on sale of investment securities	1	2	24
Loss on valuation of investment securities	978	1	11
Loss on valuation of memberships	—	16	145

8. The breakdown of loss on sale of noncurrent assets included in other (extraordinary loss) is as follows.

For the fiscal years ended March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Buildings and structures	¥10	¥2	¥23
Machinery and vehicles	1	0	2
Tools, furniture and fixtures	0	0	2
Land	0	—	—
Total	12	3	28

9. Impairment loss included in other (extraordinary loss)

For the fiscal years ended March 31, 2020 and 2021, the Group recorded the following impairment losses for asset groups.

For the fiscal year ended March 31, 2020

Application	Location	Type	Millions of yen
Idle assets	Kinki region: 4 properties	Land	7
	Other: 1 property	Land	0

The Group determines operating asset impairment losses for individual branches and subsidiaries based on management accounting categories. Impairment losses for idle assets are determined for individual asset groups.

Idle asset book values were written down to recoverable values in light of ongoing land price declines. Impairment losses in the amount of ¥7 million were recorded in Extraordinary losses.

The recoverable amounts of said assets, all of which are determined by net selling price, are mainly calculated by performing reasonable adjustments to appraised values based on real estate appraisal standards.

For the fiscal year ended March 31, 2021

Application	Location	Type	Millions of yen	Thousands of U.S. dollars
Idle assets	Kinki region: 2 properties	Land	2	$22
	Other: 1 property	Land	0	1

The Group determines operating asset impairment losses for individual branches and subsidiaries based on management accounting categories. Impairment losses for idle assets are determined for individual asset groups.

Idle asset book values were written down to recoverable values in light of ongoing land price declines. Impairment losses in the amount of ¥2 million (US$23 thousand) were recorded in Extraordinary losses.

The recoverable amounts of said assets, all of which are determined by net selling price, are mainly calculated by performing reasonable adjustments to appraised values based on real estate appraisal standards.

NOTES TO CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Reclassification Adjustments and Tax Effects Relating to Other Comprehensive Income

For the fiscal years ended March 31

	Millions of yen		Thousands of U.S. dollars
	2020	**2021**	**2021**
Valuation difference on available-for-sale securities			
Amount recorded during the period	¥(13,143)	**¥21,399**	**$193,296**
Reclassification adjustments	21	**(2,566)**	**(23,177)**
Amount before tax effect adjustments	(13,122)	**18,833**	**170,118**
Tax effect	3,932	**(5,593)**	**(50,524)**
Valuation difference on available-for-sale securities	(9,189)	**13,240**	**119,594**
Foreign currency translation adjustment			
Amount recorded during the period	(112)	**(532)**	**(4,811)**
Reclassification adjustments	—	**—**	**—**
Foreign currency translation adjustment	(112)	**(532)**	**(4,811)**
Remeasurements of defined benefit plans, net of tax			
Amount recorded during the period	5,254	**2,297**	**20,750**
Reclassification adjustments	3,734	**523**	**4,729**
Amount before tax effect adjustments	8,988	**2,820**	**25,479**
Tax effect	(2,769)	**(871)**	**(7,872)**
Remeasurements of defined benefit plans, net of tax	6,218	**1,949**	**17,606**
Total other comprehensive income	¥ (3,083)	**¥14,656**	**$132,389**

NOTES TO CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

For the fiscal year ended March 31, 2020

1. Matters related to class and number of issued shares and class and number of shares of treasury stock

	Thousands of shares			
	At April 1, 2019	Increase	Decrease	At March 31, 2020
Stock issued				
Common stock	218,141	—	—	218,141
Total	218,141	—	—	218,141
Treasury stock				
Common stock	1,189	5,512	0	6,702
Total	1,189	5,512	0	6,702

(Note) An increase 5,512 thousand in the number of common treasury shares resulted from purchases of 5,510 thousand shares of common treasury shares based on a resolution by the Board of Directors and purchases of 2 thousand shares constituting less than one trading unit. A decrease of less than 0 thousand in the number of common treasury shares resulted from the purchase and transfer of shares to top up holdings of less than one trading unit.

2. Matters related to dividends

(1) Dividend payment

Resolution	Class of shares	Total dividends	Dividends per share	Record date	Effective date
General Meeting of Shareholders on June 25, 2019	Common stock	¥3,471 million	¥16.0	March 31, 2019	June 26, 2019
Board of Directors' Meeting on October 30, 2019	Common stock	¥3,254 million	¥15.0	September 30, 2019	November 29, 2019

(2) Dividends with a date of record during the fiscal year ended March 31, 2020 and an effective date during the next fiscal year

Resolution	Class of shares	Total dividends	Source of dividend funds	Dividends per share	Record date	Effective date
General Meeting of Shareholders on June 24, 2020	Common stock	¥3,594 million	Retained earnings	¥17.0	March 31, 2020	June 25, 2020

For the fiscal year ended March 31, 2021

1. Matters related to class and number of issued shares and class and number of shares of treasury stock

	Thousands of shares			
	At April 1, 2020	Increase	Decrease	At March 31, 2021
Stock issued				
Common stock	218,141	—	13,000	205,141
Total	218,141	—	13,000	205,141
Treasury stock				
Common stock	6,702	6,491	13,000	194
Total	6,702	6,491	13,000	194

(Note) An increase 6,491 thousand in the number of common treasury shares resulted from purchases of 6,489 thousand shares of common treasury shares based on a resolution by the Board of Directors and purchases of 2 thousand shares constituting less than one trading unit. A decrease of less than 13,000 thousand in the number of common treasury shares resulted from the retirement of treasury stock by a resolution of the Board of Directors.

2. Matters related to dividends

(1) Dividend payment

Resolution	Class of shares	Total dividends	Dividends per share	Record date	Effective date
General Meeting of Shareholders on June 24, 2020	Common stock	¥3,594 million $32,467 thousand	¥17.0 $0.15	March 31, 2020	June 25, 2020
Board of Directors' Meeting on October 29, 2020	Common stock	¥3,302 million $29,825 thousand	¥16.0 $0.14	September 30, 2020	November 27, 2020

(2) Dividends with a date of record during the fiscal year ended March 31, 2021 and an effective date during the next fiscal year

Resolution	Class of shares	Total dividends	Source of dividend funds	Dividends per share	Record date	Effective date
General Meeting of Shareholders on June 24, 2021	Common stock	¥3,893 million $35,172 thousand	Retained earnings	¥19.0 $0.17	March 31, 2021	June 25, 2021

NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

1. Reconciliation of cash and cash equivalents at the end of period in the consolidated statements of cash flows to amounts in items shown on the consolidated balance sheets

For the fiscal years ended March 31

	Millions of yen		Thousands of U.S. dollars
	2020	**2021**	**2021**
Cash and deposits	¥ 50,791	**¥ 42,422**	**$ 383,183**
Deposits with maturities longer than 3 months	(2,782)	**(2,276)**	**(20,559)**
Short-term investment with maturities within 3 months after the date of acquisition	100,999	**129,000**	**1,165,206**
Cash and cash equivalents	149,008	**169,146**	**1,527,829**

2. Principal breakdown of assets and liabilities of company that became a newly consolidated subsidiary through the acquisition of shares or equity

For the fiscal years ended March 31, 2020

The breakdown of assets and liabilities at the start of consolidation accompanying the new consolidation of International Electro-Mechanical Services through the acquisition of equity interest and the relationship between the acquisition price of the equity interest in the said consolidated subsidiary and the expenditures (net amounts) due to the acquisition are as follows:

	Millions of yen	Thousands of U.S. dollars
	2020	2020
current assets	¥ 7,165	$ 65,838
Noncurrent assets	1,694	15,572
Goodwill	1,049	9,644
Current Liabilities	(3,366)	(30,934)
Noncurrent liabilities	(3,428)	(31,507)
Foreign currency translation adjustment	(1)	(16)
Acquisition price of equity	3,112	28,596
Cash and cash equivalents	(3,568)	(32,790)
Deduction: income from acquisition	(456)	(4,193)

The above amounts are the amounts following the reflection of a significant review of the initial allocation of acquisition costs due to the confirmation of provisional accounting for business combinations.

Furthermore, the amounts of assets and liabilities of the other company that became newly consolidated subsidiaries due to the acquisition of shares during the current consolidated fiscal year are omitted due to the lack of materiality.

For the fiscal years ended March 31, 2021

Not applicable.

LEASE TRANSACTIONS

Information on leases has been omitted due to lack of materiality.

FINANCIAL INSTRUMENTS

1. State of Financial Instruments

(1) Policies on financial instruments

The Group manages its financial assets through a low-risk combination of primarily short-term (one year or less) and medium- and long-term operations, and secures short-term working capital through bank borrowings.

Derivatives are used to avoid exchange rate and other fluctuation risks, and not for speculative investment purposes.

(2) Financial instruments and related risks and risk management measures

Notes receivable, accounts receivable from completed construction contracts and other are subject to customer credit risk. This risk is addressed by managing receivables from each customer according to due date and outstanding balance, and by maintaining up-to-date information on the creditworthiness of major customers.

Investment securities in the form of stock holdings consist mainly of shares in companies with which there exist business relationships.

These holdings are subject to market price fluctuation risk, and important matters are reported on in Management Meetings.

Deposits paid and long-term deposits are to Kansai Electric Power Co., Inc., and the Company has judged that there is minimal credit risk due to nonfulfillment of contracts.

Notes payable, accounts payable for construction contracts and other are nearly all due within one year.

Short-term loans payable and long-term loans payable consist mainly of capital borrowed in connection with business transactions.

For foreign exchange forward contracts, hedging accounting is applied to derivatives to avoid exchange rate fluctuation risks for foreign-currency-denominated accounts payable and prospective foreign-currency-denominated transactions for the importation of raw materials. The method for evaluating the effectiveness of hedges is discussed under "Basis of Presenting Consolidated Financial Statements, (6) Accounting for Hedging" in "5. Summary of Significant Accounting Policies."

Derivative transactions are undertaken and managed based on internal regulations stipulating the authority for derivative trading and scope of transactions.

Derivatives are undertaken only with financial institutions with high credit ratings to reduce credit risk.

Trade payables and borrowings are subject to liquidity risk, which the Group manages by, for example, having each Group member prepare a monthly cash flow plan.

(3) Supplementary explanations regarding market values of financial instruments, etc.

Market values of financial instruments are determined based on market prices when they are available and reasonable estimates when they are not. Estimates incorporate variables that, if changed, may cause estimated values to change.

2. Market Values of Financial Instruments

The book values appearing on the consolidated balance sheets, market values of financial instruments, and the differences between these values were as shown below. Information on those instruments for which it was impractical to determine market values is not shown (refer to Note 2).

March 31, 2020

	Millions of yen		
	Book value	Market value	Difference
(1) Cash and deposits	¥ 50,791	¥ 50,791	¥ —
(2) Notes receivable, accounts receivable from completed construction contracts and other*	218,954	218,954	—
(3) Short-term investment securities and investment securities	215,791	215,251	(539)
(4) Deposits paid	10,000	10,000	—
(5) Long-term deposits	10,000	10,008	8
Total assets	505,537	505,005	(531)
(1) Notes payable, accounts payable for construction contracts and other	87,705	87,705	—
(2) Short-term loans payable	15,817	15,817	—
(3) Long-term loans payable	26	26	—
Total liabilities	¥103,550	¥103,550	¥ —
Derivatives	—	—	—

*The allowance for doubtful accounts corresponding to notes receivable, accounts receivable from completed construction contracts and other is deducted.

March 31, 2021

	Millions of yen		
	Book value	Market value	Difference
(1) Cash and deposits	¥ 42,422	¥ 42,422	¥ —
(2) Notes receivable, accounts receivable from completed construction contracts and other*	208,032	208,032	—
(3) Short-term investment securities and investment securities	265,007	264,961	(46)
(4) Deposits paid	20,000	20,000	—
Total assets	535,462	535,416	(46)
(1) Notes payable, accounts payable for construction contracts and other	73,889	73,889	—
(2) Short-term loans payable	16,589	16,589	—
(3) Long-term loans payable	59	59	—
Total liabilities	¥ 90,537	¥ 90,537	¥ —
Derivatives	—	—	—

*The allowance for doubtful accounts corresponding to notes receivable, accounts receivable from completed construction contracts and other is deducted.

March 31, 2021

	Thousands of U.S. dollars		
	Book value	Market value	Difference
(1) Cash and deposits..............	$ 383,183	$ 383,183	—
(2) Notes receivable, accounts receivable from completed construction contracts and other*	1,879,077	1,879,077	—
(3) Short-term investment securities and investment securities	2,393,707	2,393,290	(416)
(4) Deposits paid	180,652	180,652	—
Total assets	4,836,620	4,836,204	(416)
(1) Notes payable, accounts payable for construction contracts and other	667,411	667,411	—
(2) Short-term loans payable	149,847	149,847	—
(3) Long-term loans payable.....	534	534	—
Total liabilities	$ 817,793	$ 817,793	—
Derivatives...........................	—	—	—

*The allowance for doubtful accounts corresponding to notes receivable, accounts receivable from completed construction contracts and other is deducted.

(Note 1) Method for determining market values for financial instruments, and matters regarding investment securities

Assets

(1) Cash and deposits and (4) Deposits paid
These are all short-term, so market values and book values are nearly the same. Market values for deposits, therefore, were determined to be the same as book values.

(2) Notes receivable, accounts receivable from completed construction contracts and other
Book value is used for items settled in the short term, as their market value approximates book value. The market values for items with a settlement period exceeding one year are determined as the present values of individual receivables classified by time period and discounted at interest rates reflecting credit risk through to maturity for each receivable.

(3) Short-term investment securities and investment securities
The market values of these assets were determined based on stock exchange prices in the case of stocks, and market prices or values provided by counterparty financial institutions in the case of bonds. Negotiable deposits are short-term, so market values and book values are nearly the same. Market values for negotiable deposits, therefore, were determined to be the same as book values.

(5) Long-term deposits
The market values are determined as the present values discounted at interest rates reflecting credit risk through to maturity.

Liabilities

(1) Notes payable, accounts payable for construction contracts and other and (2) Short-term loans payable
These liabilities are short-term, so market values and book values are nearly the same. Market values for these liabilities, therefore, were determined to be the same as book values.

(3) Long-term loans payable
Long-term loans payable with variable interest rates are short term and reflect market interest rates. Market value is almost equal to book value, so book value is used.

(Note 2) Amount entered on the consolidated balance sheet for financial products for which it is extremely impractical to determine market value

March 31

	Millions of yen		Thousands of U.S. dollars
	2,020	**2,021**	**2,021**
Unlisted stocks, etc.	¥5,243	**¥5,198**	**$46,960**

As it is deemed impossible to determine market value without a market price, they are not included under (3) Short-term investment securities and investment securities.

(Note 3) Estimated values of financial receivables and securities with maturity dates beyond the consolidated balance sheet date

March 31, 2020

	Millions of yen			
	Within 1 year	1 to 5 years	5 to 10 years	Over 10 years
Cash and deposits	¥ 50,791	¥ —	¥ —	¥—
Notes receivable, accounts receivable from completed construction contracts and other	220,635	—	—	—
Short-term investment securities and investment securities:				
Held-to-maturity debt securities (Corporate bonds)	6,000	35,746	3,400	10
Held-to-maturity debt securities (Commercial paper)	4,999	—	—	—
Held-to-maturity debt securities (Negotiable certificate of deposits)	96,000	—	—	—
Other	—	—	10	—
Deposits paid	10,000	—	—	—
Long-term deposits	—	10,000	—	—
Total	¥388,426	¥45,746	¥3,410	¥ 10

March 31, 2021

	Millions of yen			
	Within 1 year	1 to 5 years	5 to 10 years	Over 10 years
Cash and deposits	¥ 42,422	¥ —	¥ —	¥—
Notes receivable, accounts receivable from completed construction contracts and other	208,982	—	—	—
Short-term investment securities and investment securities:				
Held-to-maturity debt securities (Corporate bonds)	7,422	38,323	1,700	10
Held-to-maturity debt securities (Negotiable certificate of deposits)	129,000	—	—	—
Other	—	—	10	—
Deposits paid	20,000	—	—	—
Total	¥407,827	¥38,323	¥1,710	¥10

March 31, 2021

	Thousands of U.S. dollars			
	Within 1 year	1 to 5 years	5 to 10 years	Over 10 years
Cash and deposits	$ 383,183	$ —	$ —	$ —
Notes receivable, accounts receivable from completed construction contracts and other	1,887,660	—	—	—
Short-term investment securities and investment securities:				
Held-to-maturity debt securities (Corporate bonds)	67,045	346,163	15,355	90
Held-to-maturity debt securities (Negotiable certificate of deposits)	1,165,206	—	—	—
Other	—	—	90	—
Deposits paid	180,652	—	—	—
Total	$3,683,747	$346,163	$15,445	90

(Note 4) As for the amount of long-term loans payble and lease obligations due beyond the consolidated balance sheet date, see Schedule of Outstanding Loans, etc. in the Consolidated Supplemental Schedules.

SECURITIES

1. Held-to-Maturity Debt Securities

March 31, 2020

	Millions of yen		
	Book value	Market value	Difference
(1) Securities whose market value exceeds the book value			
Bonds payable	¥ 11,725	¥ 11,746	¥ 20
Subtotal	11,725	11,746	20
(2) Securities whose market value is equal to or lower than the book value			
Bonds payable	33,536	32,975	(560)
Commercial paper	4,999	4,999	—
Negotiable certificates of deposit	96,000	96,000	—
Other	10	9	(0)
Subtotal	134,546	133,985	(560)
Total	¥146,271	¥145,731	¥ (539)

March 31, 2021

	Millions of yen		
	Book value	Market value	Difference
(1) Securities whose market value exceeds the book value			
Bonds payable	¥ 17,487	¥ 17,548	¥ 60
Other	10	16	6
Subtotal	17,497	17,565	67
(2) Securities whose market value is equal to or lower than the book value			
Bonds payable	30,093	29,979	(113)
Negotiable certificates of deposit	129,000	129,000	—
Subtotal	159,093	158,979	(113)
Total	¥176,590	¥176,544	¥ (46)

March 31, 2021

	Millions of yen		
	Book value	Market value	Difference
(1) Securities whose market value exceeds the book value			
Bonds payable	$ 157,959	$ 158,509	$ 550
Other	90	149	59
Subtotal	158,049	158,659	609
(2) Securities whose market value is equal to or lower than the book value			
Bonds payable	271,820	270,794	(1,025)
Negotiable certificates of deposit	1,165,206	1,165,206	—
Subtotal	1,437,026	1,436,000	(1,025)
Total	$1,595,076	$1,594,660	$ (416)

2. Available-for-Sale Securities

March 31, 2020

	Millions of yen		
	Book value	Acquisition cost	Difference
(1) Securities whose market value exceeds the acquisition cost			
Equity	¥64,370	¥22,341	¥42,028
Subtotal	64,370	22,341	42,028
(2) Securities whose market value is equal to or lower than the acquisition cost			
Equity	5,141	5,575	(433)
Other	7	7	—
Subtotal	5,149	5,582	(433)
Total	¥69,519	¥27,924	¥41,595

March 31, 2021

	Millions of yen		
	Book value	Acquisition cost	Difference
(1) Securities whose market value exceeds the acquisition cost			
Equity	¥88,226	¥27,781	¥60,444
Subtotal	88,226	27,781	60,444
(2) Securities whose market value is equal to or lower than the acquisition cost			
Equity	181	196	(14)
Other	8	8	—
Subtotal	190	205	(14)
Total	¥88,416	¥27,987	¥60,429

March 31, 2021

	Thousands of U.S. dollars		
	Book value	Acquisition cost	Difference
(1) Securities whose market value exceeds the acquisition cost			
Equity	$796,911	$250,942	$545,969
Subtotal	796,911	250,942	545,969
(2) Securities whose market value is equal to or lower than the acquisition cost			
Equity	1,639	1,774	(134)
Other	79	79	—
Subtotal	1,718	1,853	(134)
Total	$798,630	$252,795	$545,834

3. Available-for-Sale Securities Sold

For the fiscal year ended March 31, 2020

	Millions of yen		
	Sold	Total gain on sales	Total loss on sales
Equity	¥353	¥157	¥1
Total	¥353	¥157	¥1

For the fiscal year ended March 31, 2021

	Millions of yen		
	Sold	Total gain on sales	Total loss on sales
Equity	¥3,863	¥2,738	¥2
Total	¥3,863	¥2,738	¥2

For the fiscal year ended March 31, 2021

	Thousands of U.S. dollars		
	Sold	Total gain on sales	Total loss on sales
Equity	$34,895	$24,737	$24
Total	$34,895	$24,737	$24

4. Impairment Loss on Securities

For the fiscal year ended March 31, 2020

During the fiscal year ended March 31, 2020, the Company recognized impairment loss on securities of ¥978 million (¥17 million in corporate bonds in held-to-maturity dept securities, ¥958 million on stocks with market value in available-for-sale-securities and ¥2 million on stocks without market values in available-for-sale-securities).

The Group determines impairment loss on the stocks and corporate bonds in question based on "significant decline," which it defines as a decline of 30% or higher in the market value for stocks and corporate bonds with market values and a decline of 30% or higher in the amount obtained by multiplying the number of stocks held by net assets per share from the acquisition cost for stocks without market values respectively.

For the fiscal year ended March 31, 2021

During the fiscal year ended March 31, 2021, the Company recognized impairment loss on securities of ¥1 million (US$11 thousand) (¥1 million (US$11 thousand) on stocks without market values in available-for-sale-securities).

The Group determines impairment loss on the stocks and corporate bonds in question based on "significant decline," which it defines as a decline of 30% or higher in the market value for stocks and corporate bonds with market values and a decline of 30% or higher in the amount obtained by multiplying the number of stocks held by net assets per share from the acquisition cost for stocks without market values respectively.

DERIVATIVE TRANSACTIONS

For the fiscal years ended March 31, 2020 and 2021

Not applicable.

RETIREMENT BENEFITS

1. Outline of the Adopted Retirement Benefit Plan

The Company has adopted funded and unfunded defined plans and defined contribution plans in order to provide employees retirement benefits.

In April 2019, the Company transitioned a portion of its traditional defined benefit pension plan to a defined contribution pension plan.

Some of the consolidated subsidiaries subscribe to funded and unfunded defined benefit plans and the Retirement Allowance Mutual Aid System.

2. Defined Benefit Plan

(1) Reconciliation schedule for opening and closing balances of projected benefit obligations

	Millions of yen		Thousands of U.S. dollars
	2020	**2021**	**2021**
Opening balance of projected benefit obligations	¥136,977	**¥93,721**	**$846,549**
Service cost	3,760	**3,674**	**33,194**
Interest cost	276	**274**	**2,476**
Actuarial loss	86	**432**	**3,907**
Retirement benefits provided	(4,737)	**(4,064)**	**(36,709)**
Increase in value due to the acquisition of a newly consolidated subsidiary	430	**—**	**—**
Decrease in value accompanying the transition to a defined contribution pension plan	(43,073)	**—**	**—**
Closing balance of projected benefit obligations	¥ 93,721	**¥94,039**	**$849,418**

(Note) Some of the consolidated subsidiaries calculate employees' retirement benefit obligation by the simplified method.

(2) Reconciliation schedule for opening and closing balances of plan assets

	Millions of yen		Thousands of U.S. dollars
	2020	**2021**	**2021**
Opening balance of plan assets	¥109,842	**¥76,757**	**$693,321**
Expected return on plan assets	1,586	**1,526**	**13,786**
Actuarial gain	(2,823)	**2,729**	**24,657**
Contribution of employer	1,850	**1,775**	**16,033**
Retirement benefits paid	(3,666)	**(3,205)**	**(28,956)**
Decrease in value accompanying the transition to a defined contribution pension plan	(30,031)	**—**	**—**
Closing balance of plan assets	¥ 76,757	**¥79,583**	**$718,842**

(3) Reconciliation schedule for the closing balance of projected benefit obligations and plan assets, and for net defined benefit liability and asset recorded on the consolidated balance sheet

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Projected benefit obligations, funded plan	¥ 74,122	¥ 73,968	$ 668,127
Plan assets	(76,757)	(79,583)	(718,842)
	(2,635)	(5,614)	(50,714)
Projected benefit obligations, unfunded plan	19,599	20,070	181,291
Net amount of liabilities and assets recorded on the balance sheet	16,963	14,456	130,576
Net defined benefit liability	19,665	20,167	182,164
Net defined benefit asset	(2,702)	(5,711)	(51,588)
Net amount of liabilities and assets recorded on the balance sheet	16,963	14,456	130,576

(4) Value of retirement benefit expenses, and items in the breakdown thereof

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Service cost*[1,2]	¥ 3,760	¥ 3,674	$ 33,194
Interest cost	276	274	2,476
Expected return on plan assets	(1,586)	(1,526)	(13,786)
Amortization value of actuarial loss	1,483	1,547	13,976
Amortization value of prior service cost	(1,023)	(1,023)	(9,247)
Retirement benefit expenses related to defined benefit plans	2,910	2,946	26,613
Gains and losses associated with the transition to a defined contribution pension plan	¥ (1,603)	¥ —	$ —

*[1] Employees' retirement cost of consolidated subsidiaries that calculate employees'retirement benefits by the simplified method is included in service cost.
*[2] Gains accompanying the transition to a defined contribution pension plan are recorded as extraordinary income.

(5) Remeasurements of defined benefit plans, before tax effect deductions

A breakdown of remeasurements of defined benefit plans, before tax effect deductions is as follows:

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Prior service cost	¥(7,140)	¥ 1,023	$ 9,247
Actuarial gains and losses	(1,847)	(3,844)	(34,726)
Total	¥(8,988)	¥(2,820)	$(25,479)

(6) Remeasurements of defined benefit plans

The breakdown of items recorded in remeasurements of defined benefit plans (before tax effect deductions) is as follows:

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Unrecognized prior service cost	¥(11,088)	¥(10,064)	$(90,908)
Unrecognized actuarial loss	11,806	7,961	71,915
Total	¥ 718	¥ (2,102)	$(18,992)

(7) Items concerning plan assets

(a) Primary breakdown of plan assets

The ratio for each main category with respect to total plan assets is as follows:

	2020	2021
Domestic bonds	37%	39%
Domestic equities	11	9
Foreign bonds	6	6
Foreign equities	9	10
Insurance assets (General account)	31	28
Cash and deposits	0	0
Others	5	7
Total	100%	100%

(b) Method for establishing the long-term expected rate of return

The long-term expected rate of return is to be determined considering the current and future allocation of plan assets, and the current and expected long-term rate of return from the diverse assets composing the plan assets.

(8) Items concerning actuary calculation bases

Main actuary calculation bases for the current fiscal year

	2020	2021
Discount rate	0.29%, 0.8%	0.29%, 0.8%
Long-term expected rate of return	2.0%, 1.2%	2.0%, 1.2%

3. Defined contribution plan

The required amount of contribution to the Company's defined contribution plan is ¥1,284 million in the previous consolidated fiscal year.

The required amount of contribution to the Company's defined contribution plan is ¥1,415 million (US$12,785 thousand) in the current consolidated fiscal year.

DEFERRED TAX ACCOUNTING

1. Principal Components of Deferred Tax Assets and Liabilities

March 31

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Deferred tax assets:			
Allowance for doubtful accounts	¥ 544	¥ 237	$ 2,143
Accrued expenses	5,060	5,227	47,214
Accrued enterprise tax	896	890	8,042
Net defined benefit liability	4,997	4,858	43,886
Loss on valuation of investment securities	1,214	1,170	10,576
Loss on valuation of memberships	383	377	3,414
Impairment loss	444	424	3,838
Provision for loss on construction contracts	744	454	4,101
Unrealized gains	732	709	6,412
Others	1,725	1,574	14,223
Subtotal of deferred tax assets	16,743	15,925	143,852
Valuation allowance	(2,900)	(2,862)	(25,855)
Total deferred tax assets	13,842	13,063	117,997
Deferred tax liabilities:			
Valuation difference on available-for-sale securities	(11,922)	(17,514)	(158,205)
Reserve for advanced depreciation of noncurrent assets	(100)	(100)	(903)
Others	(737)	(1,344)	(12,139)
Total deferred tax liabilities	(12,759)	(18,958)	(171,248)
Net defended tax assets (liabilities)	¥ 1,083	¥ (5,895)	$ (53,251)

2. Breakdown of the Main Factors in Difference Between the Effective Statutory Tax Rate and the Effective Tax Rate after Adopting Tax Effect Accounting

March 31

2020	2021
This disclosure is omitted as the difference between the effective statutory tax rate and the effective tax rate after adopting tax effect accounting is 5% or less of the effective statutory tax rate.	**This disclosure is omitted as the difference between the effective statutory tax rate and the effective tax rate after adopting tax effect accounting is 5% or less of the effective statutory tax rate.**

BUSINESS COMBINATION, ETC

Confirmation of provisional treatment concerning business combination

Provisional accounting was performed in the previous consolidated fiscal year for the business combination with International Electro-Mechanical Services Co. (L.L.C.) executed on January 29, 2020 and this was confirmed in the current consolidated fiscal year.

Along with the confirmation of this provisional accounting treatment, significant revisions in the initial allocation of acquisition costs in the comparative information included in the consolidated financial statements for the current consolidated fiscal year have been reflected and a portion of the amount recorded as goodwill has been rearranged.

As a result of the allocation of 880 million yen (US$8,086 thousand) to customer-related assets, which are intangible fixed assets, and 551 million yen (US$5,065 thousand) to outstanding orders as of the acquisition date. The provisionally calculated amount of goodwill decreased by 1,431 million yen (US$13,152 thousand) from 2,480 million yen (US$22,796 thousand) to 1,049 million yen (US$9,644 thousand).

ASSET RETIREMENT OBLIGATION

For the fiscal years ended March 31, 2020 and 2021

The Company, through a subsidiary that engages in the wind power generation business, retains an obligation relating to the removal of equipment and facilities and the return of land to its original state at the termination of surface usage right agreements and land lease agreements. As the usage period of leased assets related to this obligation and the planned removal of future equipment and facilities remain unclear, the Company has not recognized an asset retirement obligation relating to the aforementioned obligation because the Company is unable to accurately estimate said asset retirement obligation.

INVESTMENT AND RENTAL PROPERTIES

For the fiscal years ended March 31, 2020 and 2021

Information on rental and other real estate has been omitted due to lack of materiality.

SEGMENT INFORMATION

Segment Information

For the fiscal years ended March 31, 2020 and 2021

The Company has only one reporting segment, the Facility Construction Business, and, therefore, does not report segment information.

Related Information

For the fiscal year ended March 31, 2020

(1) Information by products and services

Sales to external customers of individual products and services accounted for more than 90% of net sales reported on the consolidated statements of income and, therefore, does not report.

(2) Information by geographical region

(a) Net sales

Sales to external customers in Japan accounted for more than 90% of net sales reported on the consolidated statements of income and, therefore, does not report.

(b) Property, plant and equipment

The value of property, plant and equipment located in Japan accounts for more than 90% of property, plant and equipment reported on the consolidated balance sheets and, therefore, does not report.

(3) Information for main customers

	Net sales	
Customer name	Millions of yen	Related segment
The Kansai Electric Power Company, Incorporated	¥70,613	Facility Construction Business

For the fiscal year ended March 31, 2021

(1) Information by products and services

Sales to external customers of individual products and services accounted for more than 90% of net sales reported on the consolidated statements of income and, therefore, does not report.

(2) Information by geographical region

(a) Net sales

Sales to external customers in Japan accounted for more than 90% of net sales reported on the consolidated statements of income and, therefore, does not report.

(b) Property, plant and equipment

The value of property, plant and equipment located in Japan accounts for more than 90% of property, plant and equipment reported on the consolidated balance sheets and, therefore, does not report.

(3) Information for main customers

	Net sales		
Customer name	Millions of yen	Thousands of U.S. dollars	Related segment
The Kansai Electric Power Company, Incorporated	¥73,535	$664,219	Facility Construction Business

(Note) The Kansai Electric Power Company, Incorporated includes Kansai Transmission and Distribution, Inc. from FY2021.

Information about Impairment Loss on Noncurrent Assets for Each Reporting Segment

For the fiscal years ended March 31, 2020 and 2021

This disclosure is omitted as the Company has only one reporting segment, the Facility Construction Business.

Information about Amortization of Goodwill and the Balance of Unamortized Goodwill for Each Reporting Segment

For the fiscal year ended March 31, 2020

This disclosure is omitted as the Company has only one reporting segment, the Facility Construction Business.

For the fiscal year ended March 31, 2021

This disclosure is omitted as the Company has only one reporting segment, the Facility Construction Business.

Information about Gain on Negative Goodwill for Each Reporting Segment

For the fiscal year ended March 31, 2020

This disclosure is omitted as the Company has only one reporting segment, the Facility Construction Business.

For the fiscal year ended March 31, 2021

Not applicable.

RELATED-PARTY TRANSACTIONS

1. Transactions between Related Parties

Transactions between the Company and Related Parties

Transactions between the parent company of the Company and major shareholders (companies, etc., only), etc.

For the fiscal year ended March 31, 2020

<table>
<tr><th>Type of transaction</th><th>Name of company or individual (address)</th><th>Capital stock or investment</th><th>Description of business or position</th><th>Percentage of voting rights held</th><th colspan="2">Transactions between related parties</th></tr>
<tr><td rowspan="6">Other affiliates</td><td rowspan="6">The Kansai Electric Power Company, Incorporated (Kita-ku, Osaka)</td><td>¥489,320 million</td><td>Electric power business</td><td>(Held)
Direct Indirect
27.9% 6.9%
[See Figure 1]</td><td colspan="2">Receipt of orders for power distribution lining and transmission line construction, etc.
Concurrent service of directors, etc.</td></tr>
<tr><td colspan="2">Description of transaction</td><td>Amount of transaction</td><td>Account</td><td>Balance at the end of the fiscal year</td></tr>
<tr><td rowspan="2">Operating transactions</td><td rowspan="2">Electrical projects orders</td><td rowspan="2">¥68,971 million</td><td>Accounts receivable from completed construction contracts</td><td>¥12,152 million</td></tr>
<tr><td>Advances received on uncompleted construction contracts</td><td>¥453 million</td></tr>
<tr><td colspan="2" rowspan="2">Deposit of assets</td><td rowspan="2">¥20,000 million</td><td>Deposit</td><td>¥10,000 million</td></tr>
<tr><td>Long-term deposits</td><td>¥10,000 million</td></tr>
</table>

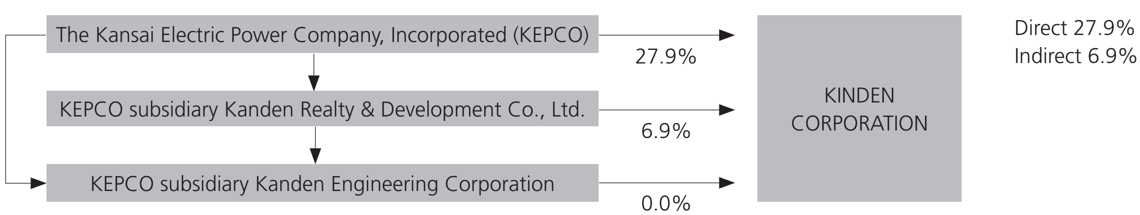
(Note 1) Consumption taxes are not included in transaction amounts associated with business transactions above, but are included in the balance at the end of the fiscal year.

(Note 2) Terms of transactions and policy for determining terms of transactions, etc.
With regard to orders for electrical construction, the Company concludes construction service contracts at appropriate prices considering market prices and other factors, after negotiating costs, including on materials purchases and other factors.

(Note 3) The interest rate on deposits is determined considering market interest rates.

(Note 4) The Kansai Electric Power Company, Incorporated transferred its general power transmission and distribution business to Kansai Transmission and Distribution, Inc. as of April 1, 2020 through a company split. Along with this, from the same date, the party placing orders for electrical work (power distribution work, transmission line work, etc.) has been changed to Kansai Transmission and Distribution, Inc.

Figure 1



(Note 5) Percentage of voting rights held is calculated based on the number of shares with voting rights owned as of March 31, 2020.

For the fiscal year ended March 31, 2021

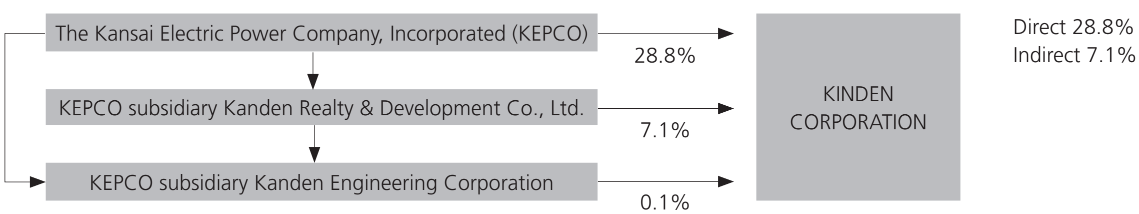
<table>
<tr><th>Type of transaction</th><th>Name of company or individual (address)</th><th>Capital stock or investment</th><th>Description of business or position</th><th>Percentage of voting rights held</th><th colspan="2">Transactions between related parties</th></tr>
<tr><td rowspan="5">Other affiliates</td><td rowspan="5">The Kansai Electric Power Company, Incorporated (Kita-ku, Osaka)</td><td>¥489,320 million
$4,419,841 thousand</td><td>Electric power business</td><td>(Held)
Direct Indirect
28.8% 7.1%
[See Figure 1]</td><td colspan="2">Receipt of orders for power generation construction, etc.</td></tr>
<tr><td colspan="2">Description of transaction</td><td>Amount of transaction</td><td>Account</td><td>Balance at the end of the fiscal year</td></tr>
<tr><td rowspan="2">Operating transactions</td><td rowspan="2">Electrical projects orders</td><td rowspan="2">¥1,591 million
$14,379 thousand</td><td>Accounts receivable from completed construction contracts</td><td>¥1,051 million
$9,498 thousand</td></tr>
<tr><td>Advances received on uncompleted construction contracts</td><td>¥40 million
$366 thousand</td></tr>
<tr><td colspan="2">Deposit of assets</td><td>—</td><td>Deposit</td><td>¥20,000 million
$180,652 thousand</td></tr>
</table>

(Note 1) Consumption taxes are not included in transaction amounts associated with business transactions above, but are included in the balance at the end of the fiscal year.

(Note 2) Terms of transactions and policy for determining terms of transactions, etc.
With regard to orders for electrical construction, the Company concludes construction service contracts at appropriate prices considering market prices and other factors, after negotiating costs, including on materials purchases and other factors.

(Note 3) The interest rate on deposits is determined considering market interest rates. The transaction amount lists the net amount of the increase or decrease during the fiscal period.

Figure 1



(Note 4) Percentage of voting rights held is calculated based on the number of shares with voting rights owned as of March 31, 2021.

Transactions between the Company and companies, etc., with the same parent company and subsidiaries, etc., of other affiliates of the Company

For the fiscal year ended March 31, 2020

Not applicable.

For the fiscal year ended March 31, 2021

<table>
<tr><th>Type of transaction</th><th>Name of company or individual (address)</th><th>Capital stock or investment</th><th>Description of business or position</th><th>Percentage of voting rights held</th><th colspan="2">Transactions between related parties</th></tr>
<tr><td rowspan="4">Subsidiar-ies of other affiliates</td><td rowspan="4">Kansai Transmission and Distribution, Inc. (Kita-ku, Osaka)</td><td>¥40,000 million
$361,304 thousand</td><td>General power transmission and distribution business</td><td>—</td><td colspan="2">Receipt of orders for power distribution lining and transmission line construction, etc.</td></tr>
<tr><td colspan="2">Description of transaction</td><td>Amount of transaction</td><td>Account</td><td>Balance at the end of the period</td></tr>
<tr><td rowspan="2">Operating transactions</td><td rowspan="2">Electrical projects orders</td><td rowspan="2">¥70,256 million
$634,595 thousand</td><td>Accounts receivable from completed construction contracts</td><td>¥11,122 million
$100,468 thousand</td></tr>
<tr><td>Advances received on uncompleted construction contracts</td><td>¥392 million
$3,546 thousand</td></tr>
</table>

(Note 1) Of the above amounts, transaction amounts associated with business transactions do not include consumption taxes and the balance at the end of the fiscal period includes consumption taxes.

(Note 2) Transaction conditions and policy for determining transaction conditions

Regarding orders for electrical work, upon undertaking price negotiations that include the price of purchased materials, a construction contract shall be concluded at an appropriate price taking into consideration of market prices and other factors.

2. Notes Concerning the Parent Company or Important Affiliates

Not applicable.

AMOUNTS PER COMMON SHARE

For the fiscal years ended March 31

	Yen		U.S. dollars
	2020	**2021**	**2021**
Net assets per common share	¥2,189.45	**¥2,400.90**	**$21.68**
Profit attributable to owners of parent per common share	150.19	**156.46**	**1.41**

(Note 1) Diluted profit attributable to owners of parent per common share is omitted because there are no dilutive securities.
(Note 2) The basis for calculating profit attributable to owners of parent per common share is as follows.

	Millions of yen		Thousands of U.S. dollars
	2020	**2021**	**2021**
Profit attributable to owners of parent	¥32,500	**¥32,356**	**$292,261**
Amount not attributable to ordinary shareholders	—	**—**	**—**
Profit attributable to owners of parent applicable to common stock	32,500	**32,356**	**292,261**

	Thousands of shares	
	2020	**2021**
Average number of common stock outstanding for each period	216,399	**206,799**

3. The basis for calculating net assets per share is as follows:

	Millions of yen		Thousands of U.S. dollars
	2020	**2021**	**2021**
Total net assets	¥464,235	**¥493,209**	**$4,454,964**
Amounts deducted from total net assets	1,301	**1,152**	**10,409**
Non-controlling interests	1,301	**1,152**	**10,409**
Total net assets related to common stock	462,933	**492,056**	**4,444,554**

	Thousands of shares	
	2020	**2021**
Number of common stock used to calculate net assets per share	211,438	**204,946**

SUBSEQUENT EVENTS

Business combination by acquisition

On June 2, 2021, Kinden concluded a share transfer agreement with Fujikura Co., Ltd., the parent company that owns all issued shares in Fujikura Engineering Ltd., with the aim of acquiring all issued shares of Fujikura Engineering and making that company into a subsidiary.

1. Overview of business combination

(1) Name and business type of acquiree

Name of acquiree: Fujikura Engineering Ltd.
Business type: Electricity and information and communications-related construction work business

(2) Main reasons for business combination

Kinden resolved to make this company a subsidiary to sustainably grow and develop as a company that supports social infrastructure by mutually complementing, sharing, and utilizing the management resources possessed by both companies in the renewable energy-related construction market and the next-generation information and communications-related construction market, which are expected to grow in the years ahead.

(3) Date of business combination

July 30, 2021 (scheduled)

(4) Legal form of business combination

Share acquisition

(5) Name of the entity after business combination

Not confirmed at present

(6) Ratio of voting rights that will be acquired

100%

(7) Major reason for determination of the acquirer

The Company shall acquire shares with cash as consideration.

2. Breakdown of acquisition cost and types of consideration for acquiree

Not disclosed due to arrangements between the involved parties.

3. Details and amount of main acquisition-related costs

Not confirmed at present time.

4. Amount of goodwill, reason for recognizing goodwill, method and period of amortization

Not confirmed at present time.

5. Amount of assets acquired and liabilities assumed on the business combination date and their main breakdown

Not confirmed at present time.

CONSOLIDATED SUPPLEMENTAL SCHEDULES

Schedule of Corporate Bonds

Not applicable.

Schedule of Outstanding Loans, etc.

	At April 1, 2020	At March 31, 2021	Average rate	Due date
Short-term loans payable	¥15,817 million	¥16,589 million $149,847 thousand	0.750%	—
Current portion of long-term loans payable	¥20 million	¥6 million $60 thousand	0.600	—
Current portion of lease obligations	¥49 million	¥53 million $487 thousand	—	—
Long-term loans payable (Excluding current portion of long-term loans payable)	¥6 million	¥52 million $474 thousand	1.700	2024
Lease obligations (Excluding current portion of lease obligations)	¥171 million	¥162 million $1,465 thousand	—	From 2022 to 2026
Other interest-bearing debt	—	—	—	—
Total	¥16,065 million	¥16,864 million $152,334 thousand	—	—

(Note 1) Average interest rate is weighted average interest rate for the balance of outstanding loans at the end of the fiscal year.
Average interest rate for lease obligations is not shown because the amount equivalent to interest included in total lease fees is allocated to each consolidated fiscal year using the straight-line method.

(Note 2) The scheduled repayment amounts of long-term debt within 5 years after the consolidated closing date (excluding current portion of long-term loans payable) are as follows:

	Over 1 to within 2 years	Over 2 to within 3 years	Over 3 to within 4 years	Over 4 to 5 within years
Long-term loans payable	¥26 million $240 thousand	¥25 million $233 thousand	—	—

(Note 3) The aggregate annual maturities of lease obligations within five years after March 31, 2021 (except for those scheduled for repayment within one year) are as follows:

	Over 1 to within 2 years	Over 2 to within 3 years	Over 3 to within 4 years	Over 4 to 5 within years
Lease obligations	¥89 million $812 thousand	¥56 million $511 thousand	¥15 million $138 thousand	¥0 million $2 thousand

Schedule of Asset Retirement Obligations

Not applicable.

OTHERS

Quarterly Information for the Fiscal Year ended March 31, 2021

(Cumulative period)	One quarter	Two quarters	Three quarters	Full year
Net sales	¥106,158 million $958,889 thousand	¥241,943 million $2,185,383 thousand	¥370,664 million $3,348,064 thousand	¥ 556,273 million $5,024,601 thousand
Profit before income taxes	¥5,017 million $45,318 thousand	¥14,968 million $135,206 thousand	¥28,537 million $257,771 thousand	¥47,427 million $428,393 thousand
Profit attributable to owners of parent	¥2,763 million $24,963 thousand	¥9,662 million $87,276 thousand	¥19,340 million $174,698 thousand	¥32,356 million $292,261 thousand
Profit attributable to owners of parent per common share	¥13.20 $0.11	¥46.40 $0.41	¥93.27 $0.84	¥156.46 $1.41

(Accounting period)	First quarter	Second quarter	Third quarter	Fourth quarter
Profit attributable to owners of parent per common share	¥13.20 $0.11	¥33.30 $0.30	¥47.09 $0.42	¥63.51 $0.57

Independent Auditors’ Report

To the Board of Directors of
KINDEN CORPORATION

Opinion

We have audited the accompanying consolidated balance sheet of KINDEN CORPORATION (the “Company”) and its consolidated subsidiaries as of March 31,2021, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, all expressed in Japanese yen.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its consolidated subsidiaries as of March 31, 2021, and the consolidated results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th colspan="2">Recording sales of completed construction contracts and cost of completed construction contracts
by applying the percentage-of-completion method</th></tr>
<tr><th>Description of the key audit matter and reason of determination</th><th>Auditor’s response</th></tr>
<tr><td>As described in 5. Summary of Significant Accounting Policies (5) Recognition of Revenues and Costs of Construction Contracts and (Significant accounting estimates) 1. Net sales of completed construction contracts based on percentage-of-completion method, Kinden Corporation and its consolidated subsidiaries apply the percentage-of-completion method (where progress of the work is estimated on a cost proportional basis) for the portion of construction in progress that is deemed certain to be completed by the fiscal year-end. Sales of completed construction contracts recorded based on percentage-of-completion method in the current consolidated fiscal year was 329,127 million yen, accounting for 59.1% of the total amount of consolidated sales of completed construction contracts.
Regarding construction contracts for electrical equipment construction, total construction revenue, total construction costs, and the construction progress rate on the settlement date are reasonably estimated based on substantive transaction units agreed upon between the parties, and construction revenue for the current consolidated fiscal year is recognized accordingly.
The Company examines and considers the necessary materials, labor-hours, and construction period to satisfy specifications that meet the needs of customers and then formulates an execution budget based on these results. The formulation of the execution budget involves an estimate of the total construction revenue and total construction costs and the estimate is affected by changes in the environment surrounding the contract (changes in materials used, changes in construction details, etc.).</td><td>We mainly performed the following audit procedures in considering the recognition of construction revenue by applying the percentage-of-completion method.

1) Evaluation of internal control
We evaluated the design and operational status of revenue and expenditure management and construction progress management for each unit of recognition of construction revenue, and this included internal control related to the timely review of total construction costs.

2) Evaluation of the reasonableness of the estimate of total construction revenue
We performed audit procedures that include the following for the units of recognition for construction revenue to ascertain the details of the contract and evaluate the reasonableness of the estimate of total construction revenue.
For units of recognition of construction revenue derived by using a certain standard, we performed checks with the contract and we read circulated documents and questioned the appropriate person in charge for construction work.
Regarding important construction work near the end of the fiscal term, we implemented on-site inspections and confirmed the existence of the construction project and the suitability of the construction management status.</td></tr>
</table>

Therefore, key assumptions in recognizing construction revenue by applying the percentage-of-completion method are estimates of total construction revenue, total construction costs, and the construction progress rate. Estimates of total construction revenue and total construction costs and the construction progress rate are accompanied by uncertainties due to changes in the environment surrounding construction contracts. In addition, the judgment of management is also involved and there is believed to be a large risk of arbitrary application. Therefore, we identified this matter as a key audit matter.	3) Evaluation of the reasonableness of estimate of total construction costs We performed audit procedures that include the following to evaluate the reasonableness of the estimate of total construction costs. We compared the latest execution budget with the execution budget prior to the changes and evaluated details of differences and verified whether changes in the environment are reflected in the execution budget estimate. To verify whether the execution budget is updated in a timely manner, we questioned the appropriate persons about the execution budget not having been updated for a certain period of time. To evaluate the accuracy of estimates of total construction costs, the actual amount incurred for the projects completed in the current term and the latest execution budget for the projects in progress are compared with the estimated total construction costs in the previous fiscal period. 4) Evaluation of the reasonableness of the estimate of the construction progress rate We performed audit procedures that include the following to evaluate the reasonableness of the estimate of total construction costs. To verify the appropriateness of the recording of costs, sample vouching was implemented for material costs and outsourcing costs and we used a work schedule to confirm the progress of the construction and questioned the appropriate persons in charge. We performed positive confirmation procedures to verify the appropriateness of construction accounts payable.

Estimate of provision for loss on construction contracts	
Description of the key audit matter and reason of determination	Auditor's response
As detailed in 5. Summary of Significant Accounting Policies (3) Accounting Basis for Allowances and (Significant accounting estimates) 2. Recording of provision for loss on construction contracts, to prepare for future losses on construction orders, Kinden Corporation and its consolidated subsidiaries record the expected amount of loss for work on hand at the end of the current consolidated fiscal year that is expected to incur losses and for which the amount can be reasonably estimated. The amount recorded for provision for loss on construction contracts at the end of the current consolidated fiscal year was 1,483 million yen. Regarding the recording of the provision for loss on construction contracts, because of the increase in large-scale construction projects in recent years, there is a high degree of uncertainty in estimating the total amount of construction costs. Therefore, the judgment of management has an important influence in estimating total construction revenue and the total construction costs that serves as the assumptions for provision for loss on construction contracts and there is believed to be a large risk of arbitrary application. Therefore, we identified this matter as a key audit matter.	We mainly performed the following audit procedures in considering the recording of provision of loss on construction contracts. 1) Evaluation of internal control We evaluated the design and operational status of revenue and expenditure management and construction progress management for each unit of recognition of construction revenue, and this included internal control related to the timely review of total construction costs. 2) Evaluation of the reasonableness of the estimate of total construction revenue We performed audit procedures that include the following for the units of recognition for construction revenue to ascertain the details of the contract and evaluate the reasonableness of the estimate of total construction revenue. For units of recognition of construction revenue derived by using a certain standard, we performed checks with the contract and we read circulated documents and questioned the appropriate person in charge for construction work. Regarding important construction work near the end of the fiscal term, we implemented on-site inspections and confirmed the existence of the construction project and the suitability of the construction management status.

	3) Evaluation of the reasonableness of the estimate of total construction costs We performed audit procedures that include the following to evaluate the reasonableness of the estimate of total construction costs. We compared the latest execution budget with the execution budget prior to the changes and evaluated details of differences and verified whether changes in the environment are reflected in the execution budget estimate. To verify whether the execution budget is updated in a timely manner, we questioned the appropriate persons about the execution budget not having been updated for a certain period of time. To evaluate the accuracy of estimates of total construction costs, the actual amount incurred for the projects completed in the current term and the latest execution budget for the projects in progress are compared with the estimated total construction cost in the previous fiscal period.

Responsibilities of Management, Audit & Supervisory Board and its members for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Audit & Supervisory Board and its members are responsible for overseeing the Company and its consolidated subsidiaries' financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. These audit procedures are based on auditor's professional judgment and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the presentation and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, and the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

● Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its consolidated subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board and its members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board and its members with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Audit & Supervisory Board and its members, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in Note1 to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its engagement partners do not have any interest in the Company and its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

The engagement partners on the audit resulting in this independent auditor's report are Seiji Doko Certified Public Accountant, Toru Yasuhara Certified Public Accountant, and Takahiro Fujita Certified Public Accountant.

PKF Hibiki Audit Corporation

PKF Hibiki Audit Corporation
Osaka, Japan
June,24 2021

Notes to the Readers of Independent Auditor's Report

This is an English translation of the Independent Auditor's Report as required by the Financial Instruments and Exchange Act of Japan for the conveniences of the reader.

Non-Consolidated Statements of Income

KINDEN CORPORATION
For the fiscal years ended March 31, 2020 and 2021

	Millions of yen		Thousands of U.S. dollars
	2020	2021	2021
Net sales of completed construction contracts	¥516,196	**¥486,705**	**$4,396,218**
Cost of sales of completed construction contracts	430,533	**402,144**	**3,632,412**
Gross profit on completed construction contracts	85,662	**84,561**	**763,806**
Selling, general and administrative expenses	47,961	**47,064**	**425,111**
Operating income	37,701	**37,496**	**338,695**
Non-operating income:			
Interest income	174	**186**	**1,681**
Interest on securities	165	**156**	**1,413**
Dividends income	4,737	**4,080**	**36,854**
Other	355	**488**	**4,416**
Total non-operating income	5,432	**4,911**	**44,365**
Non-operating expenses:			
Interest expenses	234	**173**	**1,569**
Commission for purchase of treasury shares	17	**180**	**1,630**
Compensation expenses	91	**153**	**1,384**
Dismantlement cost	114	**126**	**1,138**
Other	579	**233**	**2,113**
Total non-operating expenses	1,037	**867**	**7,836**
Ordinary income	42,095	**41,541**	**375,224**
Extraordinary income:			
Gain on sales of investment securities	151	**2,737**	**24,723**
Gain on revision of retirement benefit plan	1,603	**—**	**—**
Other	323	**101**	**917**
Total extraordinary income	2,078	**2,838**	**25,641**
Extraordinary loss:			
Loss on retirement of noncurrent assets	95	**69**	**624**
Loss on liquidation of subsidiaries and associates	—	**121**	**1,099**
Other	805	**10**	**98**
Total extraordinary losses	900	**201**	**1,822**
Profit before income taxes	43,273	**44,178**	**399,043**
Income taxes:			
Income taxes-current	13,616	**12,840**	**115,984**
Income taxes-deferred	(919)	**272**	**2,457**
Total income taxes	12,696	**13,112**	**118,442**
Profit	¥ 30,576	**¥ 31,065**	**$ 280,600**

	Yen		U.S. dollars
	2020	2021	2021
Amounts per common share:			
Profit	¥141.30	**¥150.22**	**$1.35**
Cash dividends	32.00	**35.00**	**0.31**

Non-Consolidated Balance Sheets

KINDEN CORPORATION
March 31, 2020 and 2021

ASSETS	Millions of yen 2020	Millions of yen 2021	Thousands of U.S. dollars 2021
CURRENT ASSETS:			
Cash and deposits	¥ 22,862	¥ 16,497	$ 149,017
Notes receivable-trade	2,340	1,882	17,003
Electronically recorded monetary claims	23,296	23,715	214,209
Accounts receivable from completed construction contracts	169,614	158,411	1,430,867
Short-term investment securities	107,002	136,409	1,232,134
Costs on uncompleted construction contracts	15,559	15,946	144,041
Raw materials and supplies	798	1,505	13,602
Deposits paid	10,000	20,000	180,652
Other	7,743	4,055	36,634
Allowance for doubtful accounts	(1,639)	(661)	(5,973)
Total current assets	357,578	377,763	3,412,189
NONCURRENT ASSETS:			
PROPERTY, PLANT AND EQUIPMENT:			
Buildings	79,869	80,263	724,984
Accumulated depreciation	(55,668)	(56,557)	(510,864)
Buildings, net	24,201	23,705	214,119
Structures	5,703	5,903	53,326
Accumulated depreciation	(5,100)	(5,142)	(46,451)
Structures, net	602	761	6,874
Machinery and equipment	2,340	2,439	22,034
Accumulated depreciation	(1,928)	(2,002)	(18,088)
Machinery and equipment, net	411	436	3,946
Vehicles	20,289	21,108	190,661
Accumulated depreciation	(16,659)	(17,210)	(155,451)
Vehicles, net	3,630	3,898	35,210
Tools, furniture and fixtures	9,698	9,683	87,468
Accumulated depreciation	(8,505)	(8,476)	(76,564)
Tools, furniture and fixtures, net	1,192	1,207	10,903
Land	55,554	55,900	504,931
Construction in progress	38	144	1,306
Total property, plant and equipment	85,631	86,054	777,292
INTANGIBLE ASSETS:			
Leasehold right	116	116	1,050
Telephone subscription right	136	136	1,231
Software	2,167	2,367	21,386
Total intangible assets	2,420	2,620	23,668
INVESTMENTS AND OTHER ASSETS:			
Investment securities	107,438	126,791	1,145,258
Stocks of subsidiaries and associates	9,369	9,366	84,599
Investments in capital of subsidiaries and associates	3,265	3,267	29,516
Long-term deposits	10,000	—	—
Long-term loans receivable	7	107	967
Long-term loans receivable from employees	2	1	9
Long-term loans receivable from subsidiaries and associates	12,510	10,537	95,179
Claims provable in bankruptcy, claims provable in rehabilitation and other	3	—	—
Long-term prepaid expenses	89	90	821
Prepaid pension cost	1,258	1,627	14,705
Other	3,453	3,364	30,393
Allowance for doubtful accounts	(830)	(798)	(7,214)
Total investments and other assets	146,568	154,355	1,394,236
Total noncurrent assets	234,620	243,030	2,195,197
Total assets	¥592,198	¥620,793	$5,607,387

LIABILITIES AND NET ASSETS	Millions of yen 2020	2021	Thousands of U.S. dollars 2021
CURRENT LIABILITIES:			
Notes payable-trade	¥ 1,753	¥ 1,470	$ 13,277
Accounts payable for construction contracts	74,258	62,859	567,785
Short-term loans payable	14,610	14,760	133,321
Accounts payable-other	10,587	10,700	96,652
Accrued expenses	14,999	15,821	142,912
Income taxes payable	10,719	11,136	100,590
Advances received on uncompleted construction contracts	7,410	13,200	119,232
Provision for loss on construction contracts	2,434	1,483	13,402
Provision for warranties for completed construction	282	256	2,316
Provision for directors' bonuses	93	81	732
Other	9,012	10,466	94,537
Total current liabilities	146,161	142,235	1,284,761
NONCURRENT LIABILITIES:			
Deferred tax liabilities	140	5,890	53,203
Provision for retirement benefits	15,931	16,504	149,074
Other	1,035	1,140	10,297
Total noncurrent liabilities	17,107	23,534	212,575
Total liabilities	163,269	165,770	1,497,337
NET ASSETS:			
SHAREHOLDERS' EQUITY:			
Capital stock			
Authorized: 600,000,000 shares			
Issued: 205,141,080 shares (2021)	26,411	26,411	238,564
Capital surplus	29,657	29,657	267,882
Retained earnings	353,806	357,421	3,228,450
Treasury stock	(9,810)	(307)	(2,777)
Total shareholders' equity	400,065	413,182	3,732,119
VALUATION AND TRANSLATION ADJUSTMENTS:			
Valuation difference on available-for-sale securities	28,864	41,840	377,930
Total valuation and translation adjustments	28,864	41,840	377,930
Total net assets	428,929	455,023	4,110,049
Total liabilities and net assets	¥592,198	¥620,793	$5,607,387

Board of Directors and Audit & Supervisory Board Members

As of June 24, 2021

Chairman:	Masao Ikoma
Vice Chairman:	Yukikazu Maeda
President:	Takao Uesaka
Vice President:	Hidehiko Yukawa
Directors:	Masaya Amisaki *[1] Hiroyuki Hayashi *[1] Hideo Tanaka *[2] Hiroshi Nishimura *[2] Moriyoshi Sato *[2] Harunori Yoshida *[3]*[5] Hanroku Toriyama *[3]*[5] Keiji Takamatsu *[3]*[5] Keizo Morikawa *[3]*[5]
Audit & Supervisory Board Members:	Masataka Mizumoto Nobuhiro Sakata Masami Yoshioka *[4]*[5] Toshimitsu Kamakura *[4]*[5] Isamu Osa *[4]*[5]

*[1] Senior Executive Officer
*[2] Managing Executive Officer
*[3] Outside Director
*[4] Outside Audit & Supervisory Board Member
*[5] Independent Officer

Corporate Data

Name:	KINDEN CORPORATION
Date of establishment:	August 26, 1944
Head Office (Osaka):	2-3-41, Honjo-Higashi, Kita-ku, Osaka 531-8550, Japan
Tokyo Head Office:	2-1-21, Kudan-Minami, Chiyoda-ku, Tokyo 102-8628, Japan
Research center:	Kyoto Institute: Kizugawa, Kyoto Prefecture, Japan
Training centers:	Kinden Gakuen: Nishinomiya, Hyogo Prefecture, Japan Human Resources Development Center: Inzai, Chiba Prefecture, Japan
Capital:	¥26,411,487,018 (As of March 31, 2021)
Construction business license:	Construction License of the Ministry of Land, Infrastructure, Transport and Tourism Special Construction License (3), No.114 (15 business categories)
Employees:	8,002 (As of March 31, 2021)
URL:	https://www.kinden.co.jp/english/
Business areas:	Integrated electrical & facility engineering company (Planning, design, procurement, installation, maintenance, renewal)
Electrical	Power generation and substation facilities, overhead power transmission and distribution facilities, underground power transmission and distribution facilities, wind-power generation facilities, nuclear power generation facilities, building electrical facilities, factory electrical facilities, plant electrical facilities, public electrical facilities, photovoltaic power facilities, theater electrical facilities, explosion-proof electrical facilities, disaster-prevention and security facilities, and electrical railroad facilities
Instrumentation	Building instrumentation systems, factory instrumentation systems, facility instrumentation systems and power plant instrumentation systems
Information and communications	Communications operators facilities, cable television operators facilities, disaster prevention administrative wireless systems, Internet facilities, Intranet facilities, LAN facilities, telephone systems, multimedia communications facilities, information processing systems and security systems
Air-conditioning and sanitation	Air-conditioning systems, plumbing and sanitation systems, fire-extinguishing systems, freezing and refrigerating systems, water treatment systems, industrial waste processing systems, air purification systems, district heating and cooling systems, medical gas supply systems, cogeneration systems and waterworks
Interiors	System ceilings, metal ceilings, free access floor, partitions, interiors, interior furnishings and small-scale construction
Civil engineering	Survey and investigation, civil engineering structure, land development, road construction, distribution undergrounding and paving
Other	Painting, mechanical installation, landscaping and steel structures

Network

As of July 31, 2021

OVERSEAS OFFICES

Singapore Office

Guam Office

Yangon Office (Myanmar)

Saipan Office

Dubai Office (United Arab Emirates)

OVERSEAS AFFILIATE COMPANIES

US Kinden Corporation
1021 Kikowaena Place, Unit #2; Honolulu, HI 96819, U.S.A.

Wasa Electrical Services, Inc.
1021 Kikowaena Place, Unit #2; Honolulu, HI 96819, U.S.A.

P.T. Kinden Indonesia
Summitmas I. 19th Floor Jl. Jend Sudirman Kav 61-62, Jakarta, 12190, Indonesia

Kinden Phils. Corporation
5FL ODC International Plaza, 219 Salcedo St., Legaspi Village, Makati City, Philippines

Kinden Vietnam Co., Ltd.
15th Floor, CMC TOWER, Duy Tan Street, Dich Vong Hau Ward, Cau Giay District, Hanoi, Vietnam

Kinden (Thailand) Co., Ltd.
Room No. 1001-3 10th Floor, Lertpanya Building, 41 Soi Lertpanya, Sri-Ayuthaya Road, Kwaeng Thanon-Phayathai, Khet Ratchatewee, Bangkok 10400, Thailand

Antelec Ltd.
73, Jolly Maker Chambers No.II, Nariman Point, Mumbai 400021, India

International Electro-Mechanical Services Co. (L.L.C.)
OFFICE 407, 4th Floor, OUD Metha Building, Sheikh Rashid Road, Dubai HEALTHCARE CITY - DUBAI - U.A.E

DOMESTIC NETWORK

Head Office (Osaka)

Tokyo Head Office

Kyoto Institute

Kinden Gakuen

Human Resources Development Center

Hokkaido Branch Office
Sub-branch Offices: Tomakomai, Dounan, Doutou, Douhoku

Tohoku Branch Office
Sub-branch Offices: Yamagata, Iwate, Aomori, Akita, Fukushima

International Division

Tokyo Metropolitan Business Promotion Division

Kita-Kanto Branch Office
Sub-branch Offices: Gunma, Utsunomiya, Niigata, Nagaoka

Higashi-Kanto Branch Office
Sub-branch Offices: Ichihara, Kashima, Ibaraki, Tsukuba

Tokyo Branch Office
Sub-branch Office: Kofu

Yokohama Branch Office
Sub-branch Office: Atsugi

Chubu Branch Office
Sub-branch Offices: Toyota, Nishi-mikawa, Gifu, Mie, Ise, Nabari, Shizuoka, Hamamatsu, Numazu, Toyama, Kanazawa, Fukui, Nagano

Shiga Branch Office
Sub-branch Offices: Ritto, Otsu, Takashima, Hikone, Youkaichi

Kyoto Branch Office
Sub-branch Offices: Kyoto, Sonobe, Fushimi, Yamashiro, Obama, Fukuchiyama, Miyazu

Chuo Branch Office
Sub-branch Offices: Chuo, Kita-Osaka, Hokusetsu, Takatsuki, Kami-Yodogawa, Namba, Higashi-Osaka, Minami-Osaka, Kongo, Power Communication Construction, Chuo Communication Construction

Electric Power Branch Office
Sub-branch Offices: Nagoya, Wakasa

Osaka Branch Office

Kobe Branch Office
Sub-branch Offices: Kobe Electric Power, Hanshin, Kobe, Kobe-Nishi, Awaji, Sanda

Himeji Branch Office
Sub-branch Offices: Ako, Himeji, Nishi-harima, Kakogawa, Yashiro, Toyooka

Nara Branch Office
Sub-branch Offices: Sakurai, Tenri, Nara, Takada

Wakayama Branch Office
Sub-branch Offices: Wakayama, Arida, Kihoku, Tanabe, Gobo, Shingu

Chugoku Branch Office
Sub-branch Offices: Tokuyama, Shimonoseki, Yamaguchi, Iwakuni, Okayama, Kurashiki, Sanin

Shikoku Branch Office
Sub-branch Offices: Ehime, Niihama, Tokushima, Kochi

Kyushu Branch Office
Sub-branch Offices: Nagasaki, Miyazaki, Kitakyushu, Oita, Kumamoto, Kagoshima, Okinawa

DOMESTIC AFFILIATE COMPANIES

Kinden Shoji Company, Limited

Nishihara Engineering Co., Ltd.

Kinden Tokyo Services Company, Incorporated

Kinden Chubu Services Company, Incorporated

Kinden Kansai Services Company, Incorporated

Kinden Nishinihon Services Company, Incorporated

Daito Denki Kouji Co., Ltd.

Kinden Services Company, Incorporated

KINDENSPINET CORPORATION

Shirama Wind Farm Co., Ltd.

Shiratakiyama Wind Farm Co., Ltd.

Nishihara Construction Co., Ltd.

KINKA Corporation

KINDEN CORPORATION

HEAD OFFICE (OSAKA)
2-3-41, Honjo-Higashi, Kita-ku, Osaka 531-8550, Japan

TOKYO HEAD OFFICE
2-1-21, Kudan-Minami, Chiyoda-ku, Tokyo 102-8628, Japan

URL
https://www.kinden.co.jp/english/

July 2021
Printed in Japan